



TOWN OF ASHLAND CITY
Special Called City Council Meeting
May 26, 2026, 6:00 PM
Agenda

Mayor: Gerald Greer

Council Members: Tim Adkins, Nicole Binkley, Chris Kerrigan, Michael Smith, Kevin Thompson, Tony Young

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC FORUM

UNFINISHED BUSINESS

- [1.](#) Ordinance 649: 2026-2027 Budget - 1st Reading

ADJOURNMENT

Those with disabilities who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting, should contact the ADA Coordinator at 615-792-6455, M-F 8:00 AM – 4:00 PM. The town will make reasonable accommodations for those persons.

ORDINANCE No. 649

**AN ORDINANCE OF THE
TOWN OF ASHLAND CITY, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027**

WHEREAS, Tenn, Code Ann. § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Governing Body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF ASHLAND CITY OF, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2027, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

GENERAL FUND	Estimated		Budget FY 2027
	Actual FY 2025	Actual FY 2026	
Revenues			
Local Taxes	\$ 7,120,123	\$ 6,869,370	\$ 6,801,900
Licenses And Permits	79,116	56,372	55,000
Intergovernmental	983,334	1,505,554	3,756,678
Fines And Forfeitures	213,635	220,432	213,200
Other	698,724	516,025	448,500
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	-	-
Transfers In - from other funds	-	-	-
Total Revenues and Other Financing Sources	\$ 9,094,932	\$ 9,167,753	\$ 11,275,278
Appropriations			
Expenditures			
Court Department	\$ 303,256	\$ 284,694	\$ 301,600
Finance Department	1,525,770	1,511,637	1,326,136
Information Technology Department	356,048	326,441	341,925
Codes and Building Inspections	362,963	357,574	425,390
General Government Building	-	119,052	135,300
Police Department	2,461,992	2,393,152	2,574,380
Fire Department	2,630,054	3,112,440	3,019,193
Public Works Department	1,031,696	975,737	839,646
Thrive 55+ Department	439,416	419,432	455,050
Parks and Recreation Department	766,676	580,624	3,417,450
Other Financing Uses			
Transfers Out - to other funds	-	-	-
Total Appropriations	\$ 9,877,871	\$ 10,080,783	\$ 12,836,070
Change in Fund Balance (Revenues - Appropriations)	(782,939)	(913,030)	(1,560,792)
Beginning Fund Balance July 1	14,024,981	13,242,042	12,329,012
Ending Fund Balance June 30	\$ 13,242,042	\$ 12,329,012	\$ 10,768,220
Ending Fund Balance as a % of Total Appropriations	134.1%	122.3%	83.9%

Debt Service paid from General Fund

Debt Management					
110-41640-682	Note Principal Paid - Police Laptops	\$ 8,073	\$ 7,674	\$ -	
110-41640-685	Note Interest Paid - Police Laptops	1,162	535	-	
110-41510-611	Bond Principal Paid - City Hall	-	-	168,897	
110-42200-610	Bond Principal Paid - Fire Truck	55,442	43,859	57,840	
110-42200-611	Bond Principal Paid - Fire Station 1	99,267	135,495	106,502	
110-41510-631	Bond Interest Paid - City Hall	-	113,270	237,389	
110-42200-630	Bond Interest Paid - Fire Truck	14,494	10,536	12,084	
110-42200-631	Bond Interest Paid - Fire Station 1	156,447	205,457	149,212	
110-41510-640	Loan Agreement Interest Paid - Construc	48,786	-	-	
Total Debt Srvc Pymts	Annual Debt Service Pymts	\$ 383,671	\$ 516,826	\$ 731,924	

STATE STREET AID FUND	Estimated		Budget FY 2027
	Actual FY 2025	Actual FY 2026	
Revenues			
State Gas and Motor Fuel Taxes	\$ 197,719	\$ 161,962	\$ 160,955
Other Financing Sources			
Interest Earnings	10,206	10,000	11,500
Total Revenues and Other Financing Sources	\$ 207,925	\$ 171,962	\$ 172,455
Appropriations			
Public Works Department	\$ 304,150	\$ 200,000	\$ 300,000
Debt Service - Principal and Interest	-	-	-
Total Appropriations	\$ 304,150	\$ 200,000	\$ 300,000
Change in Fund Balance (Revenues - Appropriations)	(96,225)	(28,038)	(127,545)
Beginning Fund Balance July 1	647,557	551,332	523,294
Ending Fund Balance June 30	\$ 551,332	\$ 523,294	\$ 395,749
Ending Fund Balance as a % of Total Appropriations	181.3%	261.6%	131.9%

DRUG FUND	Estimated		Budget FY 2027
	Actual FY 2025	Actual FY 2026	
Revenues			
Fines And Forfeitures	\$ 1,087	\$ 1,347	\$ 1,000
Other	-	-	-
Other Financing Sources			
Interest Earnings	93	75	75
Other Financing Sources	\$ 1,180	\$ 1,422	\$ 1,075
Appropriations			
Drug Enforcement	\$ -	\$ -	\$ -
Operating Supplies	8	0	0
Total Appropriations	\$ 8	\$ 0	\$ 0
Change in Fund Balance (Revenues - Appropriations)	1,172	1,422	1,075
Beginning Fund Balance July 1	35,649	36,821	38,243
Ending Fund Balance June 30	\$ 36,821	\$ 38,243	\$ 39,318
Ending Fund Balance as a % of Appropriations	460264.9%	3824338900.0%	3931838800.0%

WATER and SEWER FUND	Estimated		
	Actual FY 2025	Actual FY 2026	Budget FY 2027
Operating Revenues			
Water Sales	\$ 2,743,790	\$ 2,611,827	\$ 2,800,000
Sewer Fees	1,836,590	2,002,900	1,850,000
Tap Fees	58,950	73,333	50,000
Miscellaneous Other Fees	222,340	232,367	214,500
Total Operating Revenues	\$ 4,861,670	\$ 4,920,427	\$ 4,914,500
Operating Expenses			
Administrative	\$ 974,473	\$ 1,083,474	\$ 1,371,020
Water Department	749,942	712,077	1,098,755
Sewer Department	489,364	532,819	730,720
Other	-	-	-
Depreciation	565,069	1,266,589	1,266,589
Total Operating Expenses	\$ 2,778,848	\$ 3,594,959	\$ 4,467,084
Operating Income (Loss)	\$ 2,082,822	\$ 1,325,468	\$ 447,416
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 415,207	\$ 180,000	\$ 180,000
Grants - Operating	-	-	-
Other Income	347,106	75,469	-
Expense: Debt Service - Interest Expense	(564,739)	(604,947)	(608,644)
Capital Purchases	(44,420)	(3,822,109)	(2,328,450)
Total Nonoperating Revenue (Expenses)	\$ 153,154	\$ (4,171,587)	\$ (2,757,094)
Income (Loss) Before Capital Contributions and Transfers	\$ 2,235,976	\$ (2,846,119)	\$ (2,309,678)
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	1,821,665	1,090,991	1,241,682
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfers Out - to Other Funds (PILOT)	-	-	-
Total Capital Contributions and Transfers	\$ 1,821,665	\$ 1,090,991	\$ 1,241,682
Change in Net Position	\$ 4,057,641	\$ (1,755,128)	\$ (1,067,996)
Beginning Net Position July 1	22,574,978	26,632,619	24,877,491
Ending Net Position June 30	\$ 26,632,619	\$ 24,877,491	\$ 23,809,494

Statutory Change in Net Position Reconciliation:			
Change in Net Position	\$ 4,057,641	\$ (1,755,128)	\$ (1,067,996)
<u>Subtract:</u>			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	1,821,665	1,090,991	1,241,682
Capital Contributions - Other	-	-	-
Grants - Operating	-	-	-
Transfers In - from Other Funds	-	-	-
Total amount subtracted for statutory change	\$ 1,821,665	\$ 1,090,991	\$ 1,241,682
Statutory Change in Net Position*	\$ 2,235,976	\$ (2,846,119)	\$ (2,309,678)

* Note: A statutory negative Change in Net Position for two consecutive years will result in the local government's referral to the Water and Wastewater Financing Board.

Debt Service to be Paid Out of Water Fund				
Debt Management				
413-52100-613	Amortization on Bond Premium	\$ 52,500	\$ 55,000	\$ 55,000
413-52100-631	Revenue Bond Interest Paid	25,232	23,919	23,919
413-52200-613	Revenue & Tax Bond Principal Paid	361,253	508,699	586,171
413-52200-631	Revenue & Tax Bond Interest Paid	270,230	581,028	584,725
413-52200-640	Interest on Loan Agreement	269,277	-	-
Total Annual Debt Service Payments	Annual Debt Service Payments	\$ 978,492	\$ 1,168,646	\$ 1,249,815

SECTION 2: At the end of the fiscal year 2026, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2026	
General Fund	\$	12,329,012
State Street Street Aid Fund		523,294
Drug Fund		38,243
Water & Sewer Fund		24,877,491

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Town of Ashland City

Schedule of Outstanding Debt and Budgeted Debt Service
Fiscal Year 2027

Note: Enter information in the unshaded cells.

Fund	Type of Debt	Loan Name and Description	Original Issuance Amount	Authorized & Unissued	Total Principal			Budgeted Annual Debt Service			Detailed Budget Page Number
					Outstanding at June 30	Principal	Interest	Principal	Interest	Total	
General	Bonds	Fire Truck General Obligation Bond	\$ 896,500		\$ 595,147	\$ 56,629	\$ 13,295	\$ 69,924			13
		Fire Hall USDA Bonded Debt Loan 8	5,560,000		5,292,528	91,148	121,133	212,281			13
		Fire Hall USDA Bonded Debt Loan 9	964,529		927,080	12,884	30,549	43,433			13
		City Hall General Obligation Bond Series 2021	5,300,000		5,131,922	84,974	117,380	202,354			5
		City Hall General Obligation Bond Series 2026	4,354,716		4,303,199	51,517	152,415	203,932			5
		Total			\$17,075,745	\$ -	\$ 16,249,877	\$ 297,152	\$ 434,772	\$ 731,924	
Water and Sewer	Bonds	WWTP USDA Loan 5	6,649,000		\$ 6,348,214	\$ 116,775	\$ 86,560	\$ 203,335			3 & 5
		WWTP USDA Loan 6	9,950,000		9,499,919	174,736	129,535	304,271.00			3 & 5
		WWTP USDA Loan 10	5,639,000		5,547,630	76,873	165,383	242,256.00			3 & 5
		WWTP USDA Loan 12	5,000,000		4,923,234	68,028	146,772	214,800.00			3 & 5
		Water and Sewer Revenue and Tax Bonds Series 2012A 3.5%	2,770,000		1,435,000	115,000	45,088	160,088.00			3 & 5
Total			\$30,008,000	\$ -	\$ 27,753,997	\$ 551,412	\$ 573,338	\$ 1,124,750			
Total Outstanding Debt			\$47,083,745	\$ -	\$ 44,003,874	\$ 848,564	\$ 1,008,110	\$ 1,856,674			

SECTION 4: During the coming fiscal year (2027) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
VFEAT Grant for PPE	\$ 35,130.00	\$ 35,130.00	\$ -
SAFER Grant	\$ 188,000.00	\$ 188,000.00	\$ -
Street Light Loop Sensor Replacement	\$ 45,000.00	\$ 45,000.00	\$ -
Complete Remodeling Sr Ctr Grant	\$ 18,000.00	\$ 18,000.00	\$ -
Drainage/Water Run Off Repair	\$ 20,000.00	\$ 20,000.00	\$ -
Trail Bridge Engineering	\$ 20,000.00	\$ 20,000.00	\$ -
Cumberland River Bicentennial Trail Project	\$ 2,427,300.00	\$ 2,427,300.00	\$ -
Riverbluff Park Sign	\$ 20,000.00	\$ 20,000.00	\$ -
Johns Park LED Lights	\$ 125,000.00	\$ 125,000.00	\$ -
Tennis Court Resurfacing	\$ 85,000.00	\$ 85,000.00	\$ -
Softball Fields (Dirt + Safecoat & Drainage)	\$ 30,000.00	\$ 30,000.00	\$ -

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (Tenn. Code Ann. § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund by the Finance Director, subject to such limitations and procedures as set by the Governing Body pursuant to Tenn. Code Ann. § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8: There is hereby levied a property tax of \$0.4648 per \$100 of assessed value on all real and personal property.

SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect twenty days after its final passage, the public welfare requiring it.

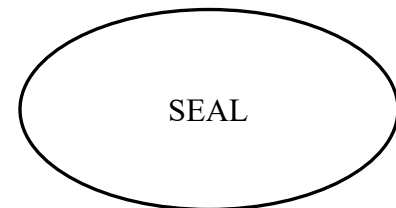
Passed 1st Reading: _____

Passed 2nd Reading: _____

Mayor

ATTESTED:

City Clerk



Street Aid Fund and Drug Fund Proposed Budgets

P	Account	Object	Account Name	2025 Actual	2026 Estimated	2027 Projected	Descriptions of Revenue/ Expenditures
			STATE STREET AID FUND #121				
			STATE STREET AID REVENUES				
121	33356		STATE STREET AID 3 CENT TAX PAYMENT	26,982	3,213	3,000	Projected year end rounded down
121	33357		STREET AID - 2017 TAX	46,853	5,554	5,000	
121	33551		STATE GASOLINE AND MOTOR FUEL	109,100	151,455	151,455	See State Shared Taxes Worksheet
121	33555		STATE STREET AID - 1989 TAX	14,613	1,740	1,500	
121	33558		ELECTRIC VEHICLE REGISTRATION FEE	171	-	-	
121	36000		OTHER REVENUES	-	-	-	
121	36100		INTEREST EARNINGS	10,206	10,000	11,500	Projected Year End Rounded Down
			TOTAL STATE STREET AID REVENUES	\$207,925	\$171,962	\$ 172,455	

			STATE STREET AID EXPENDITURES				
121	43100	264	ANNUAL PAVING	304,150	200,000	300,000	Paving projects; (FY26 bid came in at \$275k; deferred \$75k to FY27)
			STATE STREET AID TOTAL EXPENDITURES	\$304,150	\$200,000	\$ 300,000	

			STATE STREET AID SURPLUS/DEFICIT	\$ (96,225)	\$ (28,038)	\$ (127,545)	
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			DRUG FUND #123				
			DRUG FUND REVENUES				
123	35140		DRUG RELATED FINES	1,087	1,347	1,000	Projected Year End Rounded Down
123	36100		INTEREST EARNING	93	75	75	Projected Year End Rounded Down
				\$ 1,180	\$ 1,422	\$ 1,075	

			DRUG FUND EXPENDITURES				
123	42129	299	OTHER EXPENSES	-	-	-	
123	42129	320	OPERATING SUPPLIES	8	-	-	
			DRUG FUND EXPENDITURES TOTAL	\$ 8	\$ -	\$ -	

			DRUG FUND SURPLUS/DEFICIT	\$ 1,172	\$ 1,422	\$ 1,075	
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