

## ORDINANCE 2026 -

### AN ORDINANCE OF THE CITY OF MT. JULIET, TENNESSEE ADOPTING THE ANNUAL BUDGET, PROPERTY TAX RATE AND SEWER RATES FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027

**WHEREAS**, Tennessee Code Annotated § 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 monies 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 Board of Commissioners 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 BOARD OF COMMISSIONERS OF THE CITY OF MT. JULIET, 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:

## ORDINANCE 2026 -

General Fund 110	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Revenues</b>			
Local Taxes	\$ 28,906,994	\$ 34,429,626	\$ 40,393,369
Permits and Fees	7,268,869	7,848,560	6,700,290
Fines and Forfeitures	1,249,796	1,253,135	1,232,050
Grants	263,041	146,073	66,500
Intergovernmental Revenue	8,620,020	8,859,434	9,610,499
Miscellaneous Revenue	159,646	3,115,952	3,285,950
<b>Total Revenues</b>	<b>\$ 46,468,367</b>	<b>\$ 55,652,780</b>	<b>\$ 61,288,657</b>
<b>Appropriations</b>			
General Government	\$ 12,559,408	\$ 7,962,707	\$ 9,247,397
Public Safety	28,900,274	31,823,315	37,524,769
Public Works	5,300,373	3,041,225	3,290,599
Parks and Recreation	1,864,951	1,758,886	2,503,101
Community Development	2,009,564	1,943,312	1,940,781
Transfers to Other Funds	14,255,087	16,305,723	7,281,721
<b>Total Appropriations</b>	<b>\$ 64,889,657</b>	<b>\$ 62,835,168</b>	<b>\$ 61,788,367</b>
Change in Fund Balance (Revenues - Appropriation)	(18,421,290)	(7,182,388)	(499,710)
Beginning Fund Balance July 1	41,532,667	23,111,377	15,928,989
Ending Fund Balance June 30	<b>\$ 23,111,377</b>	<b>\$ 15,928,989</b>	<b>\$ 15,429,280</b>
Ending Fund Balance as % of Appropriations	36%	25%	25%

State Street Aid Fund 121	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Revenues</b>			
State Gasoline & Motor Fuel	\$ 1,415,045	\$ 1,494,584	\$ 1,587,796
Miscellaneous Revenue	30,272	29,742	24,000
Transfer from General Fund	750,000	670,000	500,000
<b>Total Revenues</b>	<b>\$ 2,195,317</b>	<b>\$ 2,194,326</b>	<b>\$ 2,111,796</b>
<b>Appropriations</b>			
Operations Recurring	\$ 2,016,905	\$ 2,213,555	\$ 2,110,000
Capital Outlays	-	-	-
<b>Total Appropriations</b>	<b>\$ 2,016,905</b>	<b>\$ 2,213,555</b>	<b>\$ 2,110,000</b>
Change in Fund Balance (Revenues - Appropriation)	178,412	(19,229)	1,796
Beginning Fund Balance July 1	137,591	316,003	296,774
Ending Fund Balance June 30	<b>\$ 316,003</b>	<b>\$ 296,774</b>	<b>\$ 298,569</b>
Ending Fund Balance as % of Appropriations	16%	13%	14%

## ORDINANCE 2026 -

Drug Fund 123	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Revenues</b>			
Drug Related Fines	\$ 257,741	\$ 104,806	\$ 105,000
Sale of Seized Items			
Miscellaneous Revenue	21,980	20,000	20,000
<b>Total Revenues</b>	<b>\$ 279,721</b>	<b>\$ 124,806</b>	<b>\$ 125,000</b>
<b>Appropriations</b>			
Operations Recurring	\$ 73,253	\$ 6,129	\$ 29,000
Capital Outlays	132,947	0	416,000
<b>Total Appropriations</b>	<b>\$ 206,200</b>	<b>\$ 6,129</b>	<b>\$ 445,000</b>
Change in Fund Balance (Revenues - Appropriation)	73,522	118,678	(320,000)
Beginning Fund Balance July 1	579,074	652,595	771,273
Ending Fund Balance June 30	<b>\$ 652,595</b>	<b>\$ 771,273</b>	<b>\$ 451,273</b>
Ending Fund Balance as % of Appropriations	316%	12585%	101%

Debt Service Fund 124	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Revenues</b>			
Transfers from Other Funds	\$ 3,640,000	\$ 3,635,723	\$ 2,697,747
Impact Fees	568,957	800,743	750,000
Miscellaneous Revenue	10,963	16,230	15,000
<b>Total Revenues</b>	<b>\$ 4,219,920</b>	<b>\$ 4,452,696</b>	<b>\$ 3,462,747</b>
<b>Appropriations</b>			
Bond Interest	\$ 1,766,488	\$ 1,741,305	\$ 1,627,305
Bond Principal Redemption	2,215,000	2,315,000	2,450,000
Capital Note Interest	0	0	0
Capital Note Principal	0	0	0
<b>Total Appropriations</b>	<b>\$ 3,981,488</b>	<b>\$ 4,056,305</b>	<b>\$ 4,077,305</b>
Change in Fund Balance (Revenues - Appropriation)	238,432	396,391	(614,558)
Beginning Fund Balance July 1	129,735	368,167	764,558
Ending Fund Balance June 30	<b>\$ 368,167</b>	<b>\$ 764,558</b>	<b>\$ 150,000</b>
Ending Fund Balance as % of Appropriations	9%	19%	4%

Employee Benefits Fund 150	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Revenues</b>			
City Contributions	\$ 4,400,482	\$ 5,396,829	\$ 4,850,557
Participant Contributions	\$ 1,025,226	\$ 1,177,376	\$ 1,085,164
<b>Total Revenues</b>	<b>\$ 5,425,708</b>	<b>\$ 6,574,205</b>	<b>\$ 5,935,721</b>
<b>Appropriations</b>			
Participant Claims & Expenses	\$ 5,570,879	\$ 6,199,275	\$ 6,343,459
<b>Total Appropriations</b>	<b>\$ 5,570,879</b>	<b>\$ 6,199,275</b>	<b>\$ 6,343,459</b>
Change in Fund Balance (Revenues - Appropriation)	(145,171)	374,931	(407,738)
Beginning Fund Balance July 1	1,062,943	917,772	1,292,703
Ending Fund Balance June 30	<b>\$ 917,772</b>	<b>\$ 1,292,703</b>	<b>\$ 884,965</b>
Ending Fund Balance as % of Appropriations	16%	21%	14%

## ORDINANCE 2026 -

<b>Capital Projects Fund 300</b>	<b>Fiscal Year 2025 Actual</b>	<b>Fiscal Year 2026 Estimate</b>	<b>Fiscal Year 2027 BOC</b>
<b>Revenues</b>			
Grants	\$ 1,873,387	\$ 1,398,467	\$ 14,015,037
Interest and Other	1,535,779	2,729,027	200,000
Sale of Bonds/Notes	-	-	8,150,000
Transfers from Other Funds	9,850,000	12,000,000	4,083,974
<b>Total Revenues</b>	<b>\$ 13,259,166</b>	<b>\$ 16,127,495</b>	<b>\$ 26,449,011</b>
<b>Appropriations</b>			
Roads and Projects	\$ 33,234,315	\$ 18,147,291	\$ 33,653,204
<b>Total Appropriations</b>	<b>\$ 33,234,315</b>	<b>\$ 18,147,291</b>	<b>\$ 33,653,204</b>
Change in Fund Balance (Revenues - Appropriations)	(19,975,149)	(2,019,796)	(7,204,193)
Beginning Fund Balance July 1	37,249,139	17,273,990	15,254,194
Ending Fund Balance June 30	\$ 17,273,990	\$ 15,254,194	\$ 8,050,001
Ending Fund Balance as % of Appropriations	52%	84%	24%

<b>Storm Water Fund 416</b>	<b>Fiscal Year 2025 Actual</b>	<b>Fiscal Year 2026 Estimate</b>	<b>Fiscal Year 2027 BOC</b>
<b>Revenues</b>			
Inspections	\$ 516,450	\$ 450,110	\$ 525,000
Storm Water Charges	2,367,907	2,519,230	2,525,000
Miscellaneous Revenue	161,363	100,912	101,500
<b>Total Revenues</b>	<b>\$ 3,045,719</b>	<b>\$ 3,070,252</b>	<b>\$ 3,151,500</b>
<b>Appropriations</b>			
Personnel	\$ 889,846	\$ 1,386,780	\$ 1,516,013
Operating	168,944	126,288	181,150
Capital Outlays	664,330	963,645	5,514,000
<b>Total Appropriations</b>	<b>\$ 1,723,120</b>	<b>\$ 2,476,712</b>	<b>\$ 7,211,163</b>
Change in Fund Balance (Revenues - Appropriations)	1,322,598	593,540	(4,059,663)
Beginning Fund Balance July 1	3,450,760	4,773,359	5,366,898
Ending Fund Balance June 30	\$ 4,773,359	\$ 5,366,898	\$ 1,307,235
Ending Fund Balance as % of Appropriations	277%	217%	18%

## ORDINANCE 2026 -

Sewer Fund 412	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimate	Fiscal Year 2027 BOC
<b>Operating Revenues</b>			
Sewer Charges	\$ 9,431,919	\$ 10,199,073	\$ 11,218,980
Miscellaneous Other Fees	2,430,704	2,313,075	\$ 2,578,200
<b>Total Operating Revenues</b>	<b>\$ 11,862,623</b>	<b>\$ 12,512,148</b>	<b>\$ 13,797,180</b>
<b>Operating Expenses</b>			
Administrative	\$ 2,218,451	\$ 2,363,179	2,957,502
Sewer Department	4,965,161	5,618,156	6,173,576
Depreciation	2,800,000	3,108,000	3,000,000
<b>Total Operating Expenses</b>	<b>\$ 9,983,612</b>	<b>\$ 11,089,335</b>	<b>\$ 12,131,078</b>
<b>Operating Income (Loss)</b>	<b>\$ 1,879,011</b>	<b>\$ 1,422,812</b>	<b>\$ 1,666,102</b>
<b>Nonoperating Revenues (Expenses)</b>			
Revenue: Investment Income	\$ 1,193,301	\$ 805,220	\$ 1,000,000
Grants - Operating	-	-	-
Other Income			
Expense: Debt Service - Interest Expense			
<b>Total Nonoperating Revenue (Expenses)</b>	<b>\$ 1,193,301</b>	<b>\$ 805,220</b>	<b>\$ 1,000,000</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>\$ 3,072,312</b>	<b>\$ 2,228,032</b>	<b>\$ 2,666,102</b>
<b>Capital Contributions and Transfers</b>			
Capital Contributions - Tap Fees in Excess of Cost	\$ 932,813	\$ 1,300,750	1,000,000
Capital Contributions - Grants			
Capital Contributions - Other	6,232,880	1,000,000	1,000,000
Transfers In - from Other Funds			
<b>Total Capital Contributions and Transfers</b>	<b>\$ 7,165,693</b>	<b>\$ 2,300,750</b>	<b>\$ 2,000,000</b>
<b>Change in Net Position</b>	<b>\$ 10,238,005</b>	<b>\$ 4,528,782</b>	<b>\$ 4,666,102</b>
<b>Beginning Net Position July 1</b>	119,188,146	129,426,151	133,954,933
<b>Ending Net Position June 30</b>	<b>\$ 129,426,151</b>	<b>\$ 133,954,933</b>	<b>\$ 138,621,035</b>
<b>Statutory Change in Net Position Reconciliation:</b>			
<b>Change in Net Position</b>	\$ 10,238,005	\$ 4,528,782	\$ 4,666,102
<u>Subtract:</u>			
Capital Contributions - Tap Fees in Excess of Cost	\$ 932,813	\$ 1,300,750	\$ 1,000,000
Capital Contributions - Grants	-	-	-
Capital Contributions - Other	6,232,880	1,000,000	1,000,000
Transfers In - from Other Funds	-	-	-
<b>Total amount subtracted for statutory change</b>	<b>\$ 7,165,693</b>	<b>\$ 2,300,750</b>	<b>\$ 2,000,000</b>
<b>Statutory Change in Net Position*</b>	<b>\$ 3,072,312</b>	<b>\$ 2,228,032</b>	<b>\$ 2,666,102</b>
<p><i>* Note: A statutory negative Change in Net Position for two consecutive years will result in the local government's referral to the Water and</i></p>			

## ORDINANCE 2026 -

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

Fund	<u>Estimated Fund Balances at June 30, 2026</u>
General Fund	\$ 15,928,989
State Street Aid Fund	\$ 296,774
Drug Fund	\$ 771,273
Debt Service Fund	\$ 764,558
Employee Benefits Fund	\$ 1,292,703
Capital Projects Fund	\$ 14,315,222
Sewer Fund	\$ 25,131,301
Storm Water Fund	\$ 5,366,898

**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:

Bonded or Other Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2026	FY2027 Principal Payment	FY2027 Interest Payment
<b>Bonds</b>				
2020 GO REFUNDING 2016 BONDS		\$ 7,065,000	\$ 780,000	\$ 149,805
2024 GO BONDS		\$ 29,550,000	\$ 1,670,000	\$ 1,477,500
2026 GO BONDS	\$ 11,150,000			
<b>Notes</b>				
<b>Capital Leases</b>				

## ORDINANCE 2026 -

**Section 4.** During the coming fiscal year (2026) the governing body has pending and planned capital projects with proposed funding as follows:

Proposed Capital Projects	Proposed Capital Projects - Total Expense	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
SMJR WIDENING GRAVES TO CENTRAL PK	\$ 250,000	\$ 250,000	None
CENTRAL PK INTERCHANGE	\$ 2,000,000	\$ 2,000,000	None
GOLDEN BEAR/BECKWITH INTERCHANGE HIGH MAST	\$ 200,000	\$ 200,000	None
PLEASANT GROVE RD.	\$ 500,000	\$ 500,000	None
TOWN CENTER TRAIL, PHASE III	\$ 2,525,000	\$ 2,525,000	None
TOWN CENTER TRAIL, PHASE 4 (TRAIN STATION TO C	\$ 200,000	\$ 200,000	None
MT. JULIET ROAD ADA UPGRADES, PHASE II	\$ 1,392,640	\$ 1,392,640	None
ITS & SIGNAL IMPROVEMENTS, PHASE III	\$ 2,164,261	\$ 2,164,261	None
GBG WIDENING CC TO LEBANON RD	\$ 650,000	\$ 650,000	None
OLDR IMPROVEMENTS PHASE I	\$ 8,150,000	\$ 8,150,000	\$ 8,150,000
LEBANON RD SIDEWALKS PH 3	\$ 1,711,183	\$ 1,711,183	None
ITS (INTELLIGENT SIGNAL SYSTEM) PH 2	\$ 1,000,000	\$ 1,000,000	None
E. DIVISION STREET IMPROVMENTS (AMAZON)	\$ 250,000	\$ 250,000	None
CURD ROAD SIGNAL AT MT. JULIET ROAD	\$ 600,000	\$ 600,000	None
BECKWITH ROAD WIDENING	\$ 2,250,000	\$ 2,250,000	None
CENTRAL PK IMPORVEMENTS	\$ 750,000	\$ 750,000	None
CEDAR CREEK GREENWAY PHASE II	\$ 1,779,720	\$ 1,779,720	None
SPRING VALLEY DRIVE EXTENSION	\$ 650,000	\$ 650,000	None
SE SPRINGDALE SIDEWALK CONNECTION	\$ 25,000	\$ 25,000	None
SS4A IMPLEMENTATION PROJECT	\$ 6,410,400	\$ 6,410,400	None
BELINDA PKWY PEDESTRIAN SIGNAL CROSSING	\$ 180,000	\$ 180,000	None

## ORDINANCE 2026 -

**Section 5.** The current wastewater disposal rates are increased by five percent (5%) after a rate adjustment recommended by a recent rate study for all residential and commercial users inside and outside the city limits, including the prior 1984 property owners that have sewer available that have not hooked onto the sewer system of the City of the Mt. Juliet Sewer. The rate structure will be as follows and shall continue until amended:

	2026 Rates
<b>Residential – Inside Mt. Juliet:</b>	
Minimum Base Rate Charge (first 2,000 gallons)	17.21
Per 1,000 gallons thereafter	8.43
<b>Commercial – Inside Mt. Juliet:</b>	
Minimum Base Rate Charge (first 2,000 gallons)	24.27
Per 1,000 gallons thereafter	11.75
<b>Residential – Outside Mt. Juliet:</b>	
Minimum Base Rate Charge (first 2,000 gallons)	21.52
Per 1,000 gallons thereafter	10.56
Minimum Base Rate Charge for service requested after June 9, 2019	
(first 2,000 gallons)	34.42
Per 1,000 gallons thereafter	16.86
<b>Commercial – Outside Mt. Juliet:</b>	
Minimum Base Rate Charge for service requested prior to June 9, 2019 (first 2,000 gallons)	30.35
Per 1,000 gallons thereafter	14.69
Minimum Base Rate Charge for service requested after June 9, 2019	
(first 2,000 gallons)	48.55
Per 1,000 gallons thereafter	23.50
<b>Special Discharge Fees:</b>	
Billing Fee	22.00
Plus 160% of Discharge Per 1,000 gallons	14.69
<b>Prior 1984 Customers</b>	
Flat rate	17.21
Well Access	32.98
Grease Traps Monthly	44.00

**Section 6.** The new rates shall be effective with the July 31, 2026 sewer billing statements.

## ORDINANCE 2026 -

**Section 7.** Title 13, Section 13-1-12 (e) as amended effective May 1, 2020, to adjust the sewer capacity charge as follows shall remain effective until amended:

RS-40 \$1,340.00 per unit

RS-30 \$1,590.00 per unit

RS-20 \$1,840.00 per unit

RS-15 \$2,090.00 per unit

RS-10 \$2,340.00 per unit

All other residential classifications \$2,590.00 per unit

Title 13, Section 13-1-12 (e) is further confirmed as amended to state “commercial capacity fees shall be altered accordingly” until otherwise amended.

**Section 8.** No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 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 Tennessee Code Annotated § 6-56-205.

**Section 9.** Money may be transferred from one appropriation to another in the same fund only by appropriate ordinance by the governing body, subject to such limitations and procedures as it may describe as allowed by Section 6-56-509 of the Tennessee Code Annotated. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

**Section 10.** A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full-time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

**Section 11.** There is hereby levied a property tax of \$0.28 per \$100 of assessed value on all real and personal property. The tax rate established herein exceeds the Certified Tax Rate calculated by the county assessor and reviewed by the Tennessee State Board of Equalization. Pursuant to Tennessee Code Annotated § 67-5-1702, the City advertised its intent to exceed the certified tax rate in The Chronicle, which was published on June 10, 2026. A public hearing was then held on June 22, 2026.

**Section 12.** 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 if the City has debt issued pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. This budget shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller’s Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the “Statutes”.) 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. If the City does not have such debt outstanding, it will file this annual

## ORDINANCE 2026 -

operating and capital budget ordinance and supporting documents with the Comptroller of the Treasury or Comptroller's Designee.

**Section 13.** All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

**Section 14.** All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

**Section 15.** This ordinance shall take effect July 1, 2026, the public welfare requiring it.

### **BE IT FURTHER ORDAINED**

In case of conflict between this ordinance or any part hereof, and the whole part of any existing ordinance of the City, the conflicting ordinance is repealed to the extent of the conflict but no further.

If any section, clause, or provision or portion of this ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, or provision or portion of this ordinance.

This ordinance shall take effect on the earliest date allowed by law.

PASSED:

FIRST READING:

SECOND READING:

\_\_\_\_\_  
James Maness, Mayor

\_\_\_\_\_  
Kenny Martin, City Manager

ATTEST:

\_\_\_\_\_  
Jennifer Hamblen, CMC, City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
Samantha A. Burnett, City Attorney