

**Special Called Meeting
Of the Millersville City Council
Agenda**

**Wednesday, January 15, 2025, at 4:30 PM
At Millersville City Hall**

- 1. Call to Order.**
- 2. Invocation and Pledge of Allegiance.**
- 3. Citizens' Comments**
- 4. Consider Resolution No 25-R-01, a Resolution Authorizing Retaining External Legal Counsel.**
- 5. Discuss the January 13, 2025, Letter From the TN Comptroller of the Treasury**
- 6. Consider and Vote on Whether to Retain or Replace Interim City Manager.**
 - If action is taken to replace the current Interim City Manager, then to appoint a new Interim City Manager to serve at the will of the Commission until such time a different Interim or permanent City Manager is appointed.
- 7. Discuss Hiring an Independent CPA firm or MTAS to Assist the City With Correcting Our Financial Inputs in Order to Understand Our Financial Picture Accurately and Ensure That The State Comptroller Has the Correct Budgetary Information to Assist Us With the FY26 Budget.**
- 8. Interim City Manager's Comments**
- 9. Commissioners' Comments**
- 10. Adjournment**

RESOLUTION NO. 25-R-01

**A RESOLUTION OF THE
CITY OF MILLERSVILLE, TENNESSEE
A RESOLUTION TO HIRE EXTERNAL COUNSEL**

WHEREAS, the City has recently had issues with employment and human resource policy; and,

WHEREAS, the City does not currently have a City Attorney; and,

WHEREAS, the City has had several changes in leadership roles; and,

WHEREAS, to be proactive, an attorney who specializes in these areas needs to be engaged to investigate and review to confirm that our city is complying with all state and federal laws, rules and regulations as well as existing city policies

NOW THEREFORE BE IT RESOLVED BY THE CITY OF MILLERSVILLE, TENNESSEE, AS FOLLOWS:

To be The Board of Commissioners will hire outside legal counsel to guide our steps.

The Mayor is authorized to sign the contract with outside legal counsel.

RESOLVED, this ___ day of _____, 2025

BOARD OF COMMISSIONERS

By: _____

Mayor

Attest

By: _____

Judy Florendo, City Recorder



JASON E. MUMPOWER
Comptroller

January 13, 2025

Honorable Lincoln Atwood, Mayor
and Honorable Board of Commissioners
City of Millersville
1246 Louisville Highway
Millersville, TN 37072

Dear Mayor Atwood and Board of Commissioners:

This letter acknowledges receipt of a copy of Resolution No. 24-R-03 adopted on January 6th, 2025, which amended the fiscal year 2025 budget for the City of Millersville (the "City"), as well as other budgetary items as requested by our office. We appreciate the incoming City Commission taking this important action to amend the budget and send the additional budget information as requested in our letter dated October 4, 2024. However, because of the reasons described herein, we are unable to approve the City's fiscal year 2025 budget.

Budget Not Approved

This letter is notification that we are not approving the fiscal year 2025 budget for the following reasons:

- The amounts reported for beginning fund balances are uncertain due to lack of data entry into the accounting system over the past year.
- The fiscal year 2024 audit is late and not available as of the date of this letter.
- Without fiscal year 2024 audited financial information, we cannot verify the beginning fund balances.
- The fiscal year 2024 audit contract has not been signed by the City and therefore a completion date cannot be assessed for the fiscal year 2024 audit.
- Taking into consideration the extreme overspending by the City in the past year, should the beginning fund balances be overstated, the amended fiscal year 2025 budget may not be balanced.
- Given the lack of data entry, the lack of a timely 2024 audit, and the overspending, there is no way to determine if the budget is in compliance with Tenn. Code Ann. § 9-21-403.

City of Millersville
Budget Nonapproval Letter
January 13, 2025

Due to these reasons, we cannot approve the fiscal year 2025 budget; however, we are working weekly with the City to control overspending, monitor cash balances, and monitor the City's overall financial position. We understand the new City Commission is working steadfast to control spending and balance the budget for the future financial viability of the City for its citizens. We look forward to working with the new Commission to make government work better. We encourage the new Commission to continue its active role in budget monitoring and to begin work on the fiscal year 2026 budget with a target adoption date prior to June 30, 2025. The governing body should also make sure the fiscal year 2024 audit is completed and filed with the Comptroller's Division of Local Government Audit. We offer any assistance we can, to help the City along this path.


The governing body may not issue debt or financing obligations until our office has approved next year's budget (Tenn. Code Ann. § 9-21-404). Our office may waive this limitation for emergency financial transactions.

Corrective Action Plan

Because your budget was not approved, the governing body will need to develop a plan to ensure compliance with applicable laws and regulations governing the budget for future years. We will be reaching out to help local officials begin that process.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Charlie Lester, at 615.401.7762 or Charlie.Lester@cot.tn.gov.

Sincerely,



Sheila Reed, Director
Division of Local Government Finance



Charlie Lester, Financial Analyst
Division of Local Government Finance

cc:

Ms. Delores Farrell, Finance Director, City of Millersville
Ms. Tonya Travis, Finance and Accounting Consultant, MTAS

SR:cl