
Environmental Scan



March 2023



City of McMinnville

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Introduction

This environmental scan was developed in support of the City of McMinnville’s current strategic planning process. The environmental scan examines demographic data and tracks the trends that influence the City. The results will be useful in shaping the City’s goals and strategies moving forward.

This report begins with an overview of McMinnville followed by an analysis of external data. The report then looks at data related to internal City operations and how that information impacts City services. The goal of the scan is to provide a common understanding of the current environment and issues affecting the City of McMinnville, now and into the future. This report will be one of several inputs, including a community survey, that will be presented to the City Council to develop the City’s new strategic plan. The City’s most recent strategic plan was developed in 2013 and is ready to be refreshed to guide the City through 2030 and beyond. The new strategic plan should be adopted by the Board of Mayor & Aldermen in early 2023.

External Overview

About McMinnville

McMinnville is named after Joseph McMinn, who was speaker of the Tennessee Senate at the time the county was created in 1808, and later one of the outstanding Governors of our State. Founded in 1810, McMinnville is the largest city in and the county seat of Warren County. Situated in the heart of Tennessee, between interstates 24 and 40 in the foothills of the Cumberland Plateau.

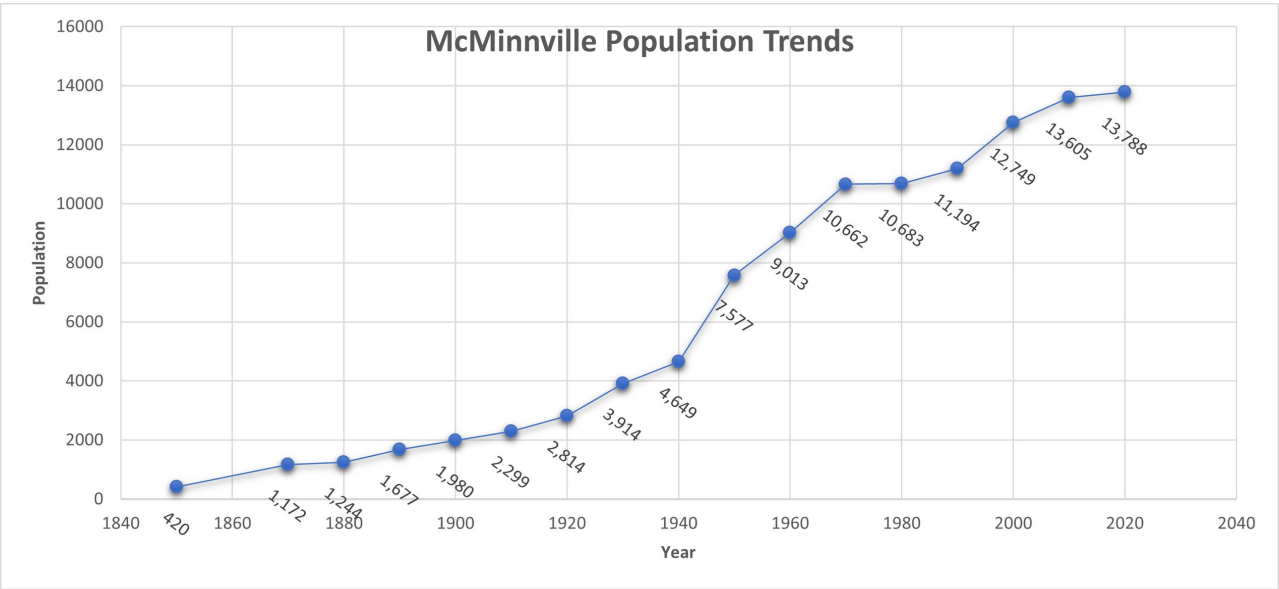
McMinnville is currently home to 13,788 residents (2020 Census) and a diverse range of businesses. Employment opportunities include industrial, agricultural, education, healthcare, city and county government. Known as the "Nursery Capital of the World," McMinnville and Warren County are home to over 400 thriving nurseries.

The City of McMinnville is home to 11 parks totaling 119 acres. The centerpiece is Dottie West Park, which is home to the newly renovated Milner Center. It boasts four outdoor tennis courts, an outdoor volleyball court, the Jungle Jym playground, seven ballfields, the Gilley pool, and a walking trail complete with outdoor workout equipment. Additional facilities include Ramsey Park, Riverfront Park, Rocket Park, Pepper Branch Park, Pistole Park, the Barren Fork Greenway, Bigbee Trail, Sally's Alley, Pistole Park, the Farmer's Market, The Fountain, the Park Theater, and the Farmers Market. The city also owns a small city park located in downtown McMinnville that is often referred to as simply "The Lot" which is home to the ice rink during the holidays.

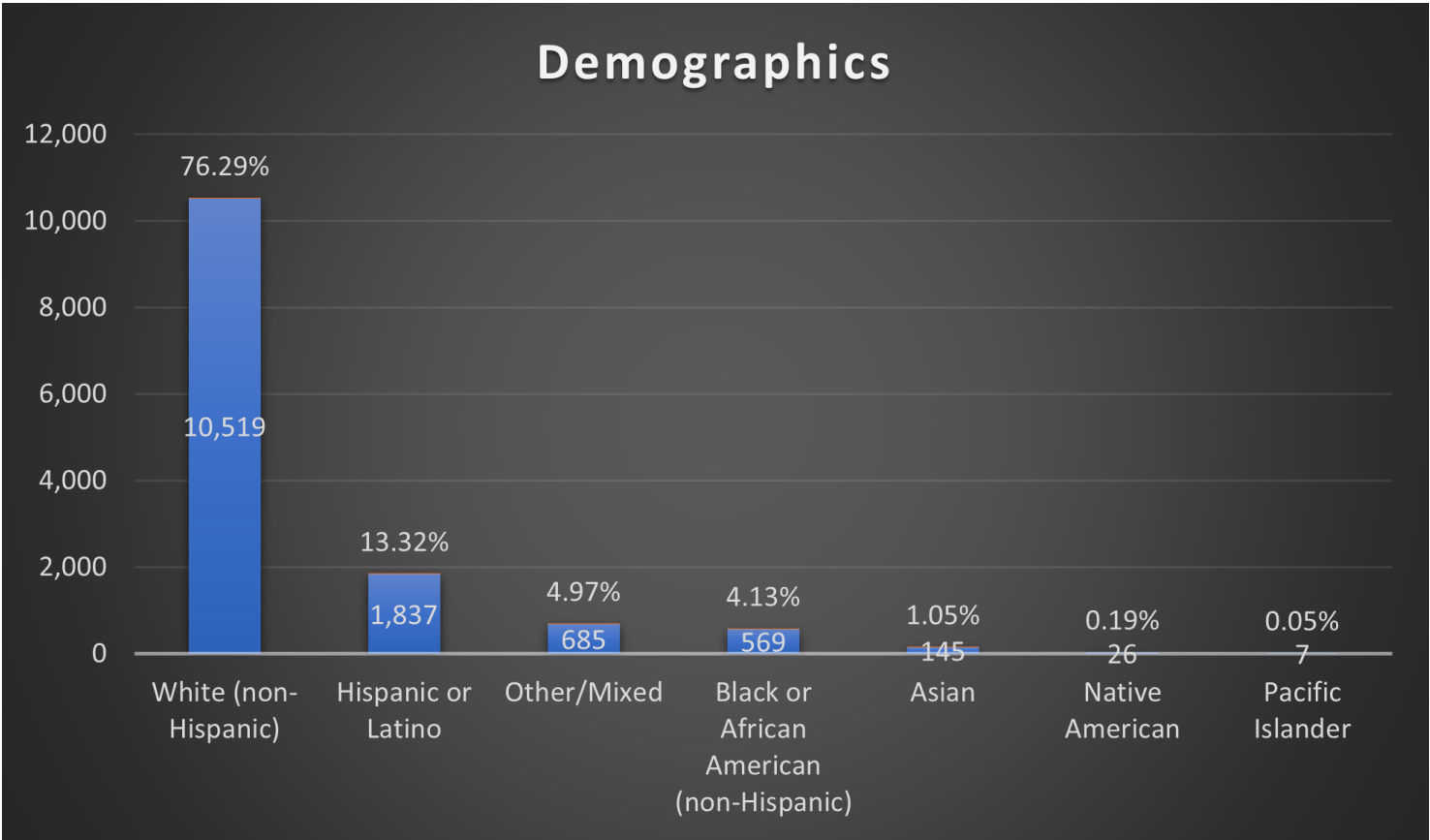
Introduction

McMinnville has grown substantially since its founding in 1810. The first recorded population in 1850 is listed at 420 residents. Notable periods in time related to change in population include an increase from 420 to 1,677 (35%) between 1880 and 1890, an increase from 2,814 to 3,914 (39%) between 1920 and 1930, an increase from 4,649 to 7,577 (63%) between 1940 and 1950, a very small increase from 10,662 to 10,683 (0.2%) between 1970 and 1980, and another small increase from 13,605 to 13,788 (1.3%) between 2010 and 2020.

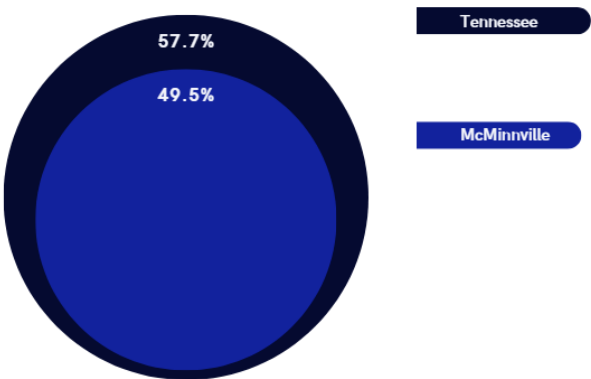
Population



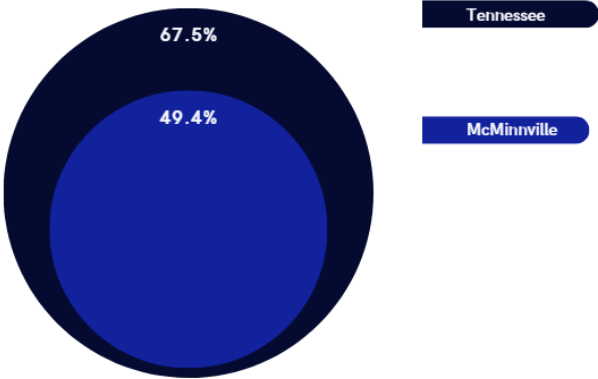
City Demographics



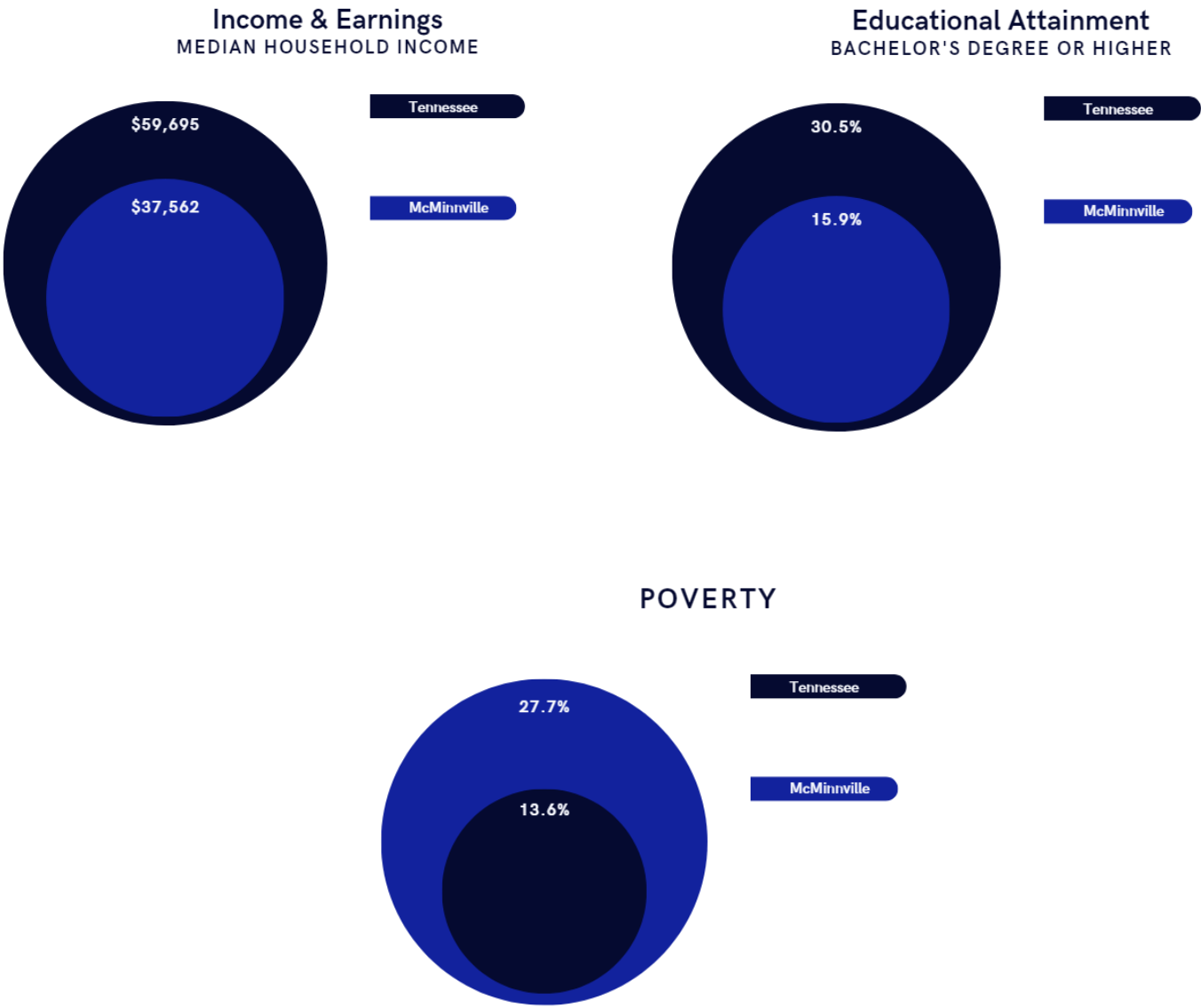
EMPLOYMENT RATE



HOMEOWNERSHIP RATE



Demographics Cont'd.



Internal Overview

The City of McMinnville is a General Law Mayor-Aldermanic city, represented by seven (7) members of the Board of Mayor and Aldermen (BoMA). The BoMA serves as the policy making body for the city and consists of the mayor and six (6) aldermen. The citizens of The City of McMinnville elects the mayor and six (6) aldermen for four-year terms, staggered so that every two years there is an election for either three aldermen or the Mayor and three aldermen.

The City Administrator is appointed by a majority vote of the Board of Mayor & Aldermen and is the administrative head of the municipal government managing the overall operations of the city. The City Administrator plans, organizes, and manages all activities of the City organization so as to provide leadership so that all Board of Mayor and Aldermen priorities, policies, and programs are successfully implemented and effectively managed.

The City Administrator oversees eight (8) Directors that manage 13 departments comprised of 160 full-time employees, and 85 part-time employees.

City Departments

Enterprise Funds

- Solid Waste Collection & Disposal
- Street Aid
- Drug Fund
- Water & Wastewater

City Departments Cont'd

General Fund

- Administration
- Animal Control
- City Garage
- Community Development
- Finance
- Fire
- Park Theater
- Parks & Recreation
- Police
- Public Works
- Urban Forestry

City of McMinnville
2022/2023 General Fund Budgeted Expenditures



Personnel Overview

The city is tasked with ensuring superior service to citizens in a labor market with various challenges. We are highly competitive with benefits and time off however we lack in pay competitiveness. The positions the city offers are less appealing than other industries in our competing market area. The pay is also much less than our competitors. Our benefit package along with flexible schedule and generous paid time off affords us a competitive advantage in the labor market.

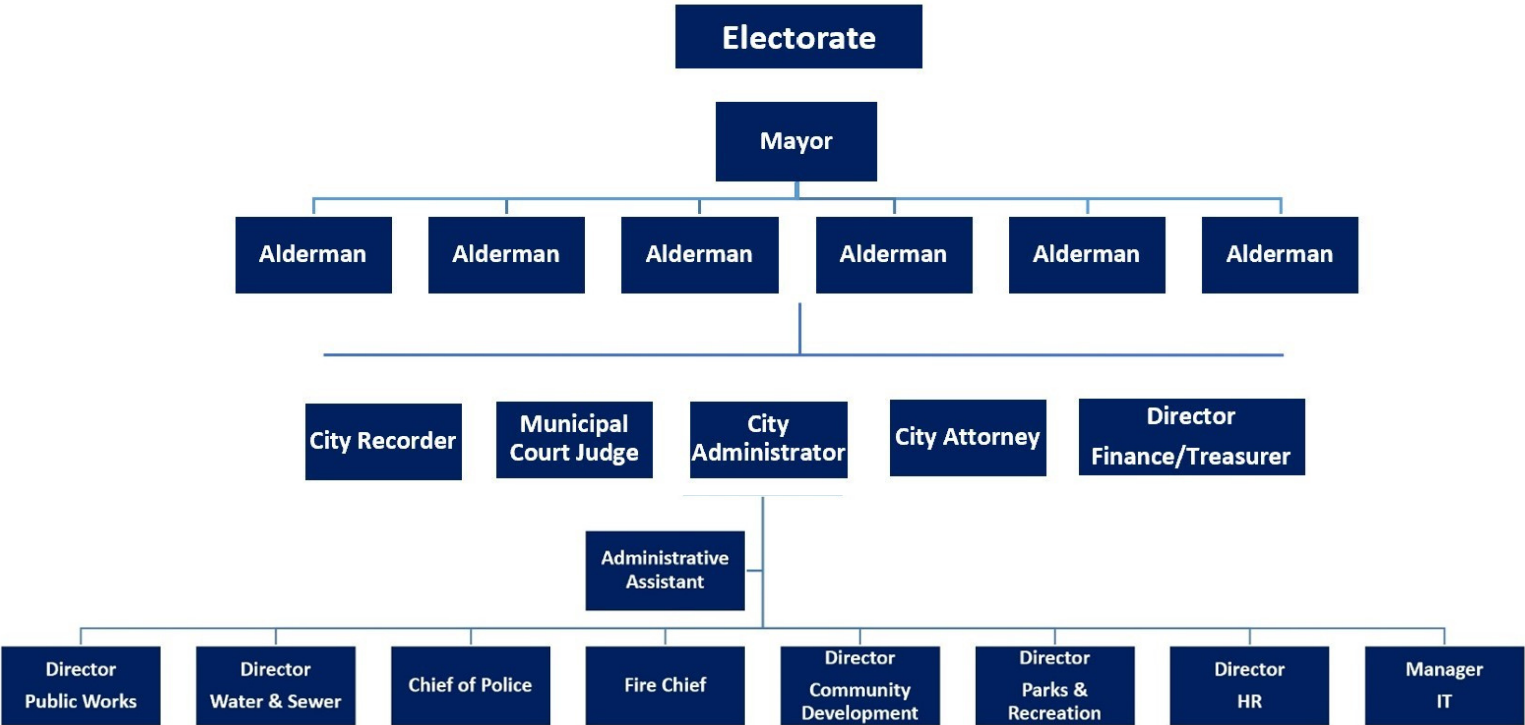
The most challenging position to fill and retain is our Police Officer role. This is a nationwide challenge with the shortage of suitable applicants. We have successfully reduced turnover within this role by 33% in the last 2 years through organization changes and pay structure. Historically we have been lacking in our PPE for both police and fire, in the recent year we have remedied this issue through budgeting strategy.

Recruitment and Retention

We have made significant strides in recruiting and retaining essential workers throughout the COVID-19 crisis and following. Much of this is influenced by the recent implementation of a new compensation structure. Following COVID-19 the labor market is highly competitive. In a small town with large private sector competitors for labor there is a labor shortage to overcome. Compensation is the most prevalent factor in competing.

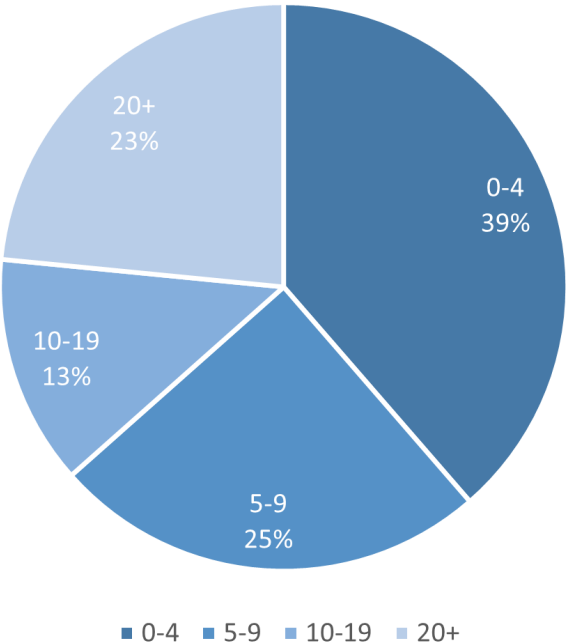
- 46% of total budget is personnel cost
- 68% of personnel cost is essential workers
- 81% of budgeted headcount is essential workers

Organizational Chart

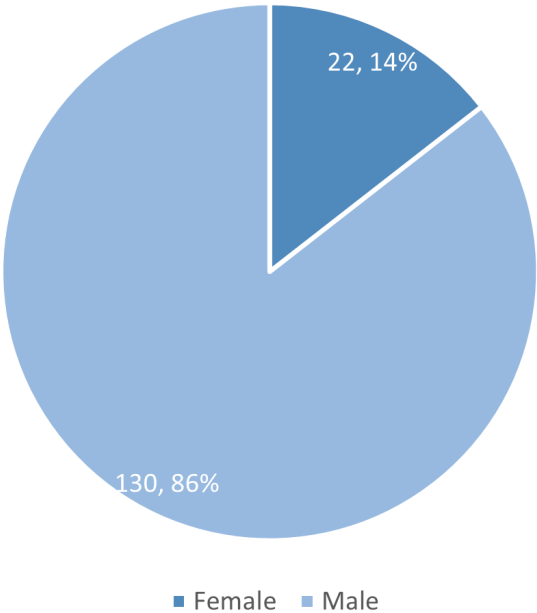


Employee Demographics

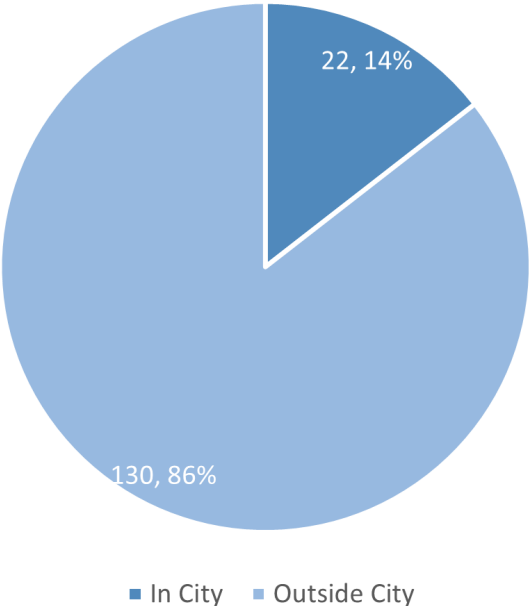
Years of Service



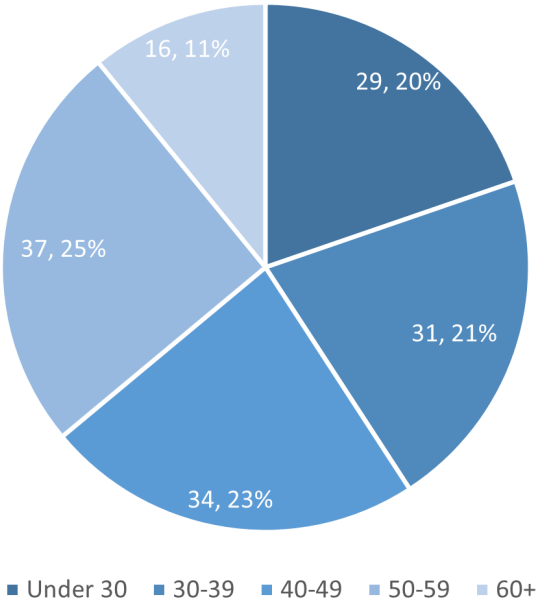
Gender



Reside



Age



City Services

Police Calls

21,482	23,295
<i>2012</i>	<i>2022</i>

Fire Calls

970	1,867
<i>2012</i>	<i>2022</i>

Building Inspections

812	1,538
<i>2012</i>	<i>2022</i>

Building Permits Issued

203	436
<i>2012</i>	<i>2022</i>

Water Customers

6,364	6,530
<i>2012</i>	<i>2022</i>

Sewer Customers

5,063	5,540
<i>2012</i>	<i>2022</i>

Garbage Customers

4,878	5,299
<i>2012</i>	<i>2022</i>

Kids in Recreation Programs

1,615	1,936
<i>2017</i>	<i>2022</i>

Infrastructure

Miles of Water Lines

112

Water Booster Stations

4

Water Treated/Day

1.65 M gal. w/ 5 M gal. capacity

Miles of Sanitary Sewer Lines

103

Sewer Lift Stations

29

Sewer Treated/Day

4 M gal.

Miles of Street

City Owned = 117 (74%)

TDOT Owned = 42 (26%)

Total = 159

Parks

11 totaling 119 acres

Sidewalks

27 miles

Paved Trail

2 miles

Advisory Boards

- Board of Zoning Appeals
- Planning Commission
- Board of Adjustment Appeals
- Historic Zoning Commission
- 911 Board
- Main Street McMinnville Board
- Board of Public Utilities
- Alcoholic Beverage Board
- Housing Authority
- County Tax Equalization Board
- Tri-County Railroad Authority
- McMinnville Downtown Revenue Finance Corporation
- Central Tennessee Regional Solid Waste Planning Board
- Tourism Development Board
- Park Theater Advisory Board

Financial Overview

The City of McMinnville has worked hard to ensure it is on a strong financial path especially with the federal grant funds, American Rescue Plan Act.

The City worked over the past 2 budget cycles to establish a budget adoption policy. By implementing budget workshops, directors and board members work more closely to identify the budget needs and requirements of the individual departments and how each department affects others. By understanding the needs of all, decisions are made that most positively impact the City. For example, Parks and Recreation utilizing a vehicle the Water Department no longer needs instead of purchasing brand new.

During the FY 2022/2023 budget phase, some items were declared as surplus and are being sold through GovDeals. This not only created a small revenue stream for this fiscal year, but also freed up much needed physical space at the various department locations.

The City of McMinnville was recognized by the Comptroller for the first time in 2022 for adopting the FY 2022/2023 Budget on time and achieving the benchmarks as set by the Comptroller in relation to adopting a balanced budget.

Our current strategic planning process will help the City highlight & prioritize capital projects and give direction. As current debt service projects fall off, the city will use the strategic plan to identify the next project.

Personnel costs are and will continue to be the largest portion of the annual operating budget. In 2022, a compensation study was completed and a new pay scale and pay policy was adopted & implemented beginning with the FY 2022/2023 budget.

Financial Overview, Cont'd.

City of McMinnville FY 2022/2023 Budget At-A-Glance

General Fund: 110

Estimated Starting Cash Balance July 1, 2022:	\$6,881,742	Capital Projects/Items: \$1,473,517 in total, including: - Paving: \$500,000 - Sidewalks: \$155,000 - Stormwater Study & Infrastructure: \$116,667 - Police Equipment/Station Plans: \$483,400 - Fire Equipment: \$75,105 <i>For a map of planned paving & sidewalk repair, click here.</i>
Plus 22/23 Estimated Revenues:	\$16,030,711	
Less 22/23 Operating Budget:	(\$15,347,470)	
Less 22/23 Capital Budget:	(\$1,473,517)	
Estimated Ending Cash Balance June 30, 2023:	\$6,091,466 39.7% of Operating Expenditures	

Description	Actual 2020/2021	Budgeted 2021/2022	Estimated 2022/2023	YTD 2021/2022 as of 06/13/22	% Change from 21/22	2021 Citizen Survey Results
Personnel Services	\$ 9,057,593	\$ 10,336,971	\$ 11,401,187	\$ 9,403,954	10.3%	Project Score
Contractual Services	\$ 1,263,077	\$ 1,484,620	\$ 1,472,480	\$ 1,428,162	-0.8%	Street Paving 5.79
Supplies	\$ 483,904	\$ 541,700	\$ 766,950	\$ 583,591	41.6%	Sidewalks 5.28
Building Materials	\$ 8,135	\$ 17,500	\$ 18,000	\$ 15,499	2.9%	Improved Stormwater 5.11
Fixed Charges	\$ 241,051	\$ 248,500	\$ 243,050	\$ 216,345	-2.2%	New Indoor Pool 4.12
Debt Service	\$ 1,189,113	\$ 1,288,295	\$ 1,034,063	\$ 1,260,548	-19.7%	Urban Trail System 4.08
Donations	\$ 425,820	\$ 444,613	\$ 343,834	\$ 410,713	-22.7%	Phase III Downtown 4.04
Capital Outlay	\$ 891,058	\$ 594,100	\$ 67,905	\$ 347,167	-88.6%	New Police Station 3.84
	\$ 13,559,751	\$ 14,956,299	\$ 15,347,470	\$ 13,665,979	2.6%	Greenway Extension 3.75

Enterprise/Special Revenue Funds: 111, 121, 125 & 413

Fund	Actual 2020/2021	Budgeted 2021/2022	Estimated 2022/2023	YTD 21/22 as of 5/18/22	% Change from 21/22	
Drug 111	\$ 89,604	\$ 118,350	\$ 58,250	\$ 97,045	-50.8%	Drug Fund Est. Starting Cash Balance 7/1/22: \$128,372 Plus 22/23 Estimated Revenues: \$60,500 Less 22/23 Operating Budget: (\$58,250) Est. Ending Cash Balance 6/30/23: \$130,622
Contractual Services	\$ 1,793	\$ 3,600	\$ 4,500	\$ 1,689	25.0%	
Supplies	\$ -	\$ 750	\$ 750	\$ -	0.0%	
Investigation	\$ 12,395	\$ 25,000	\$ 25,000	\$ 17,680	0.0%	
Capital Outlay	\$ 75,417	\$ 89,000	\$ 28,000	\$ 77,676	-68.5%	
Street Aid 121	\$ 608,080	\$ 935,440	\$ 833,993	\$ 666,815	-10.8%	Street Aid Est. Starting Cash Balance 7/1/22: \$444,138 Plus 22/23 Estimated Revenues: \$661,500 Less 22/23 Operating Budget: (\$833,993) Est. Ending Cash Balance 6/30/23: \$271,645
Personnel Services	\$ 66,585	\$ 70,190	\$ 73,543	\$ 65,561	4.8%	
Contractual Services	\$ 198,441	\$ 385,600	\$ 235,500	\$ 218,852	-38.9%	
Supplies	\$ 4,466	\$ 8,050	\$ 9,050	\$ 10,118	12.4%	
Building Materials	\$ 7,472	\$ 5,500	\$ 5,500	\$ 1,080	0.0%	
Fixed Charges	\$ -	\$ 2,000	\$ 2,000	\$ -	0.0%	
Capital Outlay	\$ 331,116	\$ 464,100	\$ 508,400	\$ 371,205	9.5%	
Sanitation 125	\$ 1,417,515	\$ 1,812,263	\$ 1,979,257	\$ 1,709,528	9.2%	Solid Waste Est. Starting Cash Balance 7/1/22: \$692,643 Plus 22/23 Estimated Revenues: \$1,603,750 Less 22/23 Operating Budget: (\$1,979,257) Est. Ending Cash Balance 6/30/23: \$317,136
Personnel Services	\$ 352,117	\$ 410,863	\$ 590,857	\$ 323,032	43.8%	
Contractual Services	\$ 653,511	\$ 844,700	\$ 729,700	\$ 905,439	-13.6%	
Supplies	\$ 124,816	\$ 153,100	\$ 240,100	\$ 162,956	56.8%	
Building Materials	\$ -	\$ 2,000	\$ 2,000	\$ 1,903	0.0%	
Fixed Charges	\$ 17,147	\$ 25,600	\$ 25,600	\$ 15,611	0.0%	
Capital Outlay	\$ 269,923	\$ 376,000	\$ 391,000	\$ 300,587	4.0%	
Water & WW 413	\$ 4,285,552	\$ 4,907,663	\$ 5,599,354	\$ 4,127,680	14.1%	Water & Wastewater Est. Starting Cash Balance 7/1/22: \$5,003,458 Plus 22/23 Estimated Revenues: \$5,972,500 Less 22/23 Operating Budget: (\$5,599,354) Est. Ending Cash Balance 6/30/23: \$5,376,604
Personnel Services	\$ 1,968,182	\$ 2,233,329	\$ 2,267,541	\$ 1,881,596	1.5%	
Contractual Services	\$ 554,588	\$ 659,650	\$ 629,500	\$ 642,432	-4.6%	
Supplies	\$ 426,277	\$ 569,800	\$ 543,900	\$ 531,836	-4.5%	
Building Materials	\$ 144,832	\$ 132,000	\$ 117,000	\$ 121,230	-11.4%	
Fixed Charges	\$ 324,265	\$ 336,000	\$ 359,000	\$ 97,738	6.8%	
Debt Service	\$ 731,932	\$ 728,384	\$ 693,913	\$ 775,099	-4.7%	
Capital Outlay	\$ 135,475	\$ 248,500	\$ 988,500	\$ 77,749	297.8%	

- This budget includes a new pay scale implementation that places all city employees to at least 85% of the market median for his/her position. Each current employee will also be getting a 3% step raise or lump sum payment on the new pay scale.

- Fiscal year 2022/2023 is the first year for a capital budget in the general fund. The 88.6% decrease for capital outlay is accounted for in the capital budget of the general fund. The general fund currently has included & will maintain the ARPA funds as received in 21/22 & will be received in 22/23.

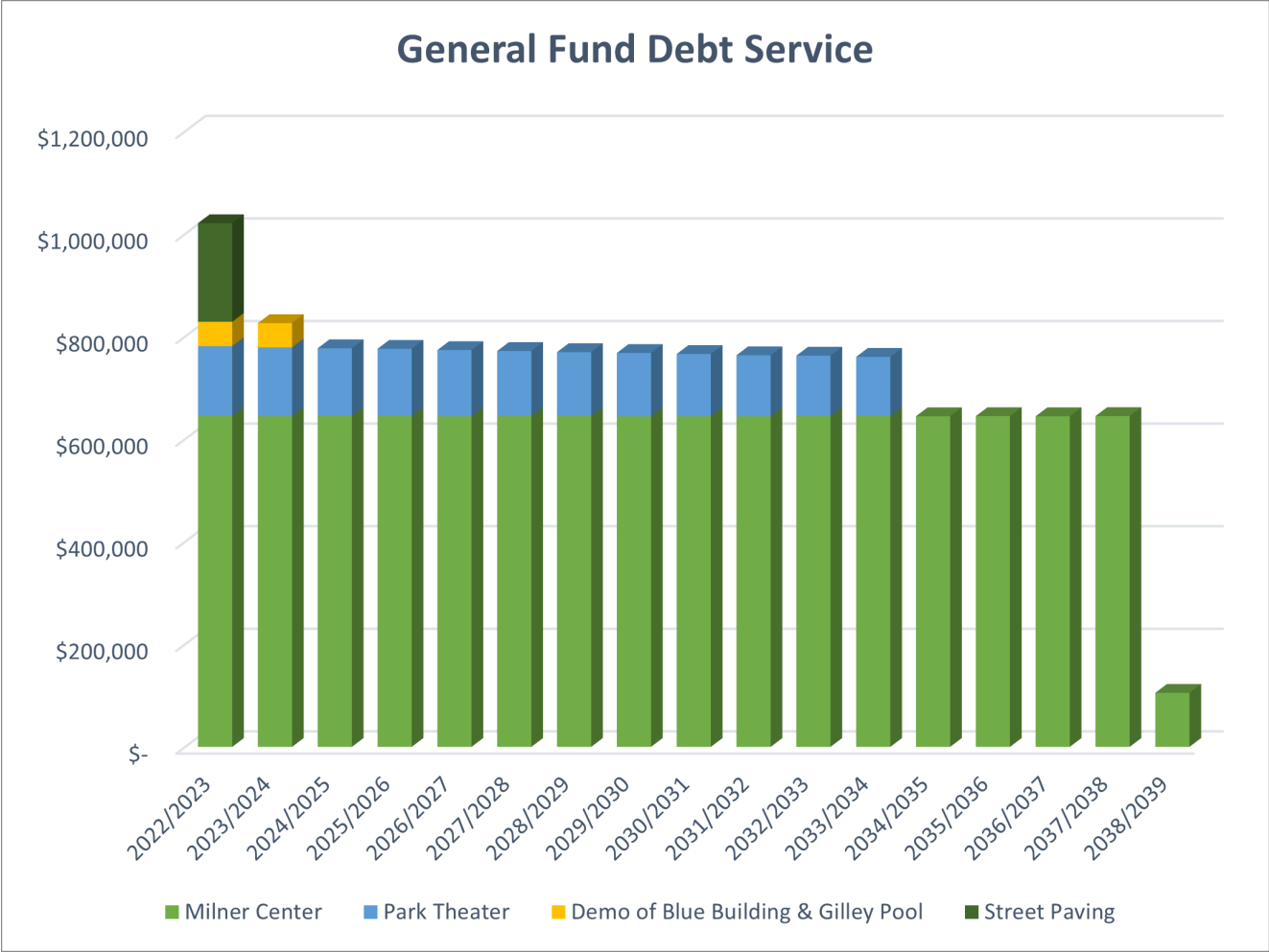
Capital Improvement Projects

Top Capital Improvement (CIP) Projects through 2024/2025 (currently identified, prior to 2023 strategic plan)

- Safety Equipment for Police & Fire Department:
 - Fire Pumper Truck (ordered March 1, 2023, expected to be delivered November 2024)
 - Police Vehicles (recovering from new vehicle “freeze” during recession) - Purchased
 - Turnout Gear (Barry Brady Act) - Purchased
 - New Police Station - Planning phase
- Stormwater Management - In progress
- Main Street Phase III - Future
- New Water Treatment Plant (through State Revolving Loans & TDEC money) - Future
- Paving - In progress
- Sidewalks - In progress
- Indoor Pool - Future

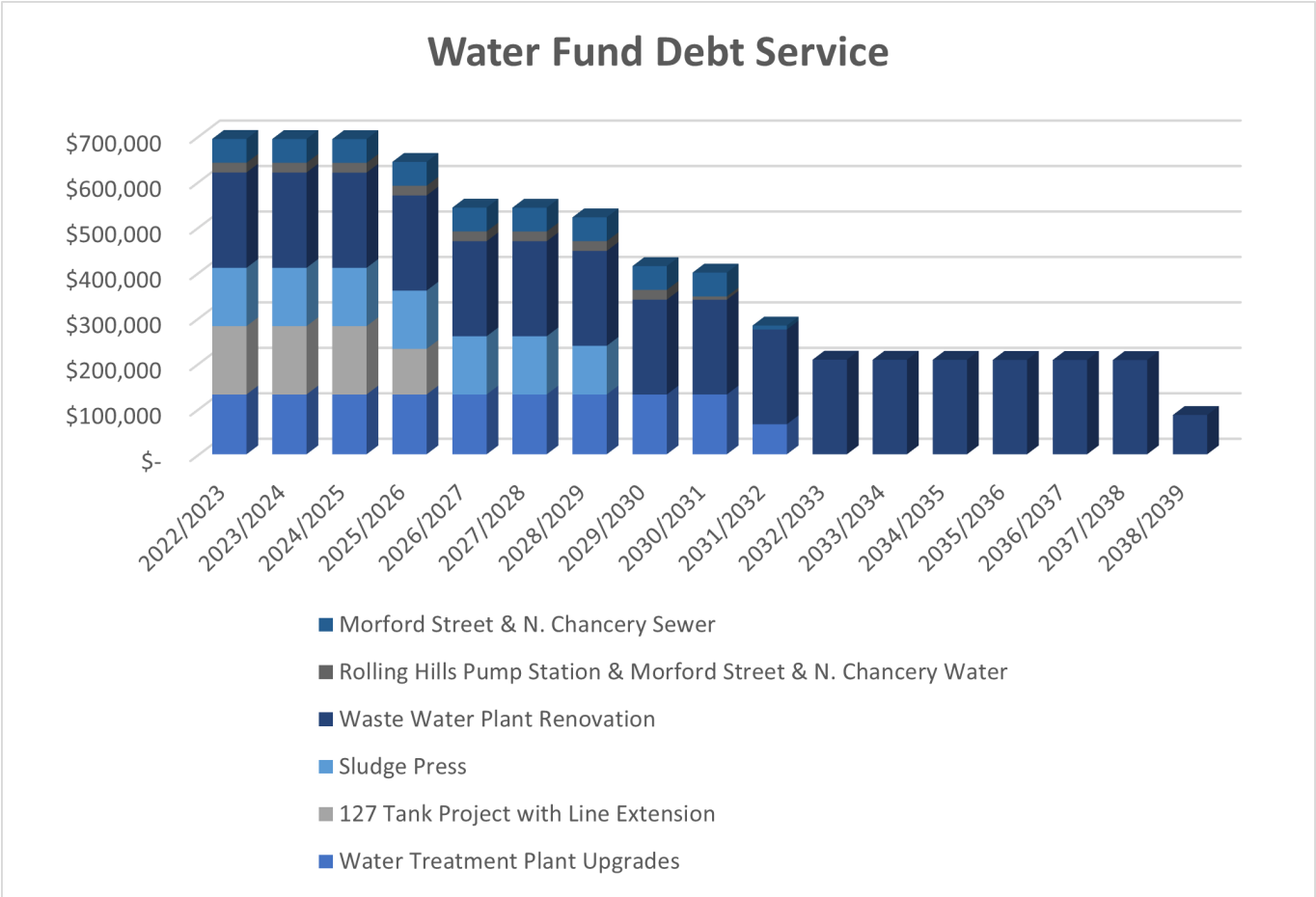
Funding Mechanisms

Debt Service



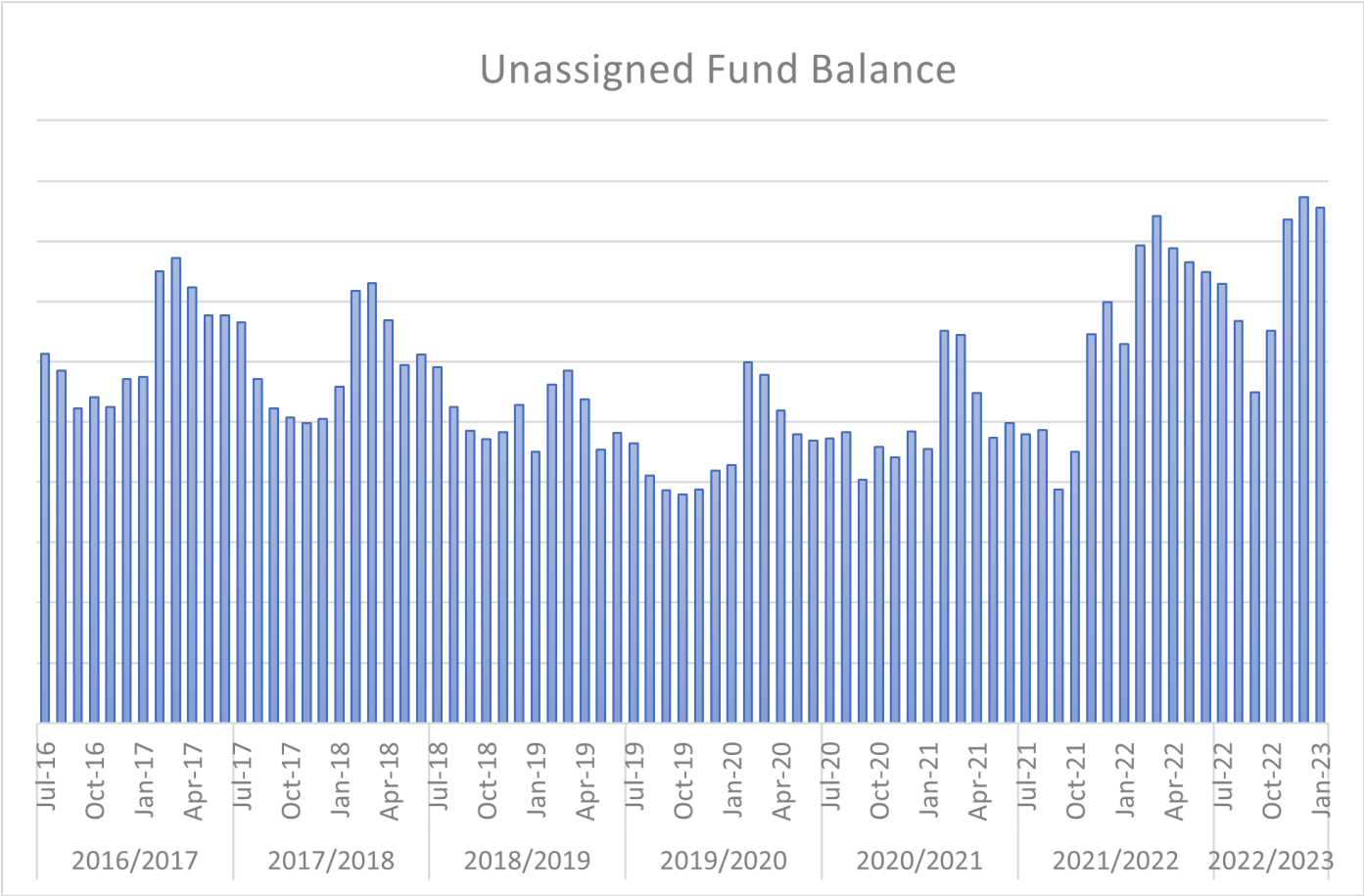
Funding Mechanisms, cont'd

Debt Service



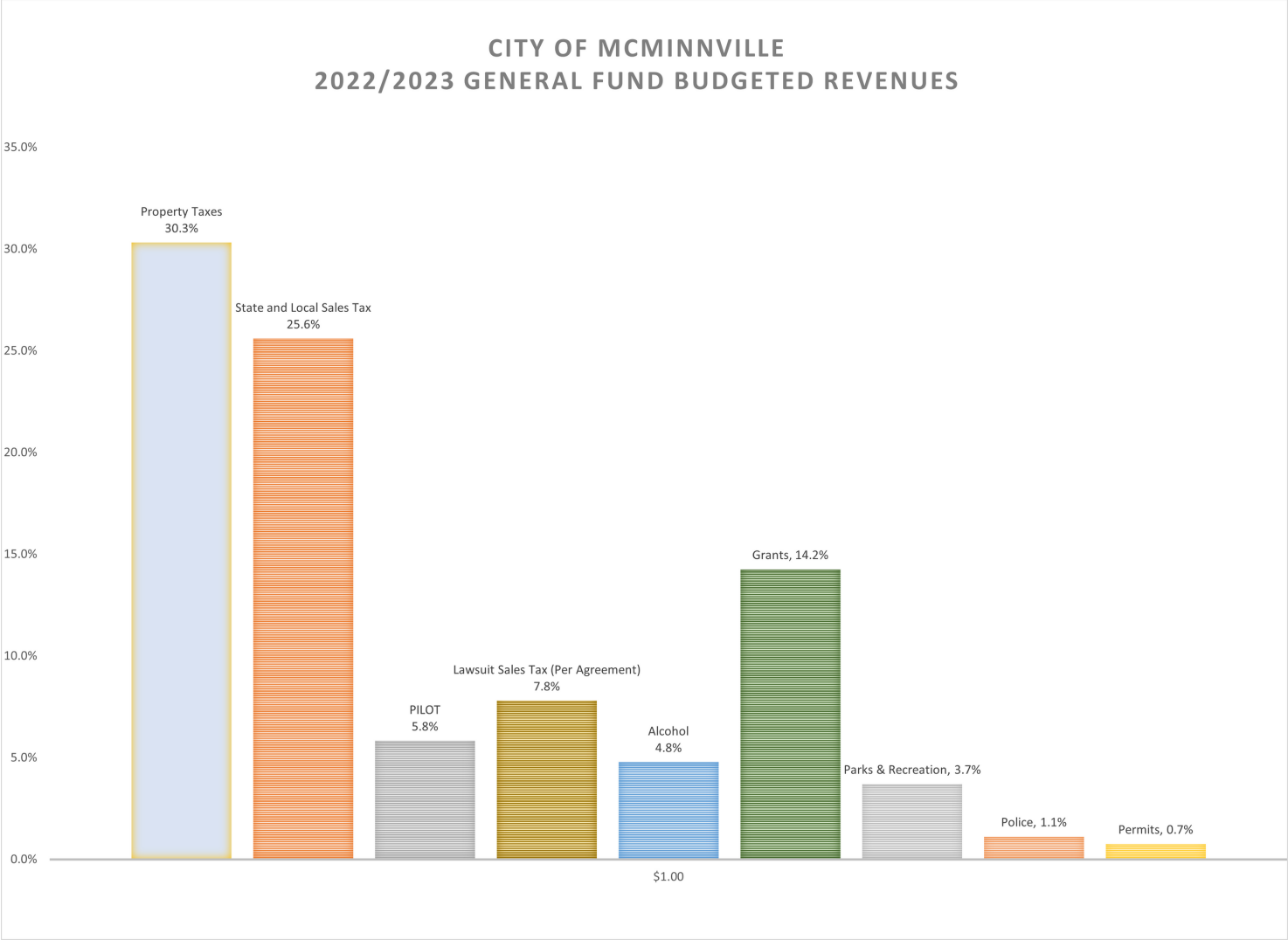
Unassigned Fund Balance

MTAS recommends cities maintain an unassigned fund balance of at least 30% of budgeted expenditures. For FY 2022/2023, the city expects to end the fiscal year with \$6,091,466, or 39.7%. It is recommended that we continue to utilize ARPA grant monies to offset the cost of major planned expenditures & capital items (firetruck, police vehicles, safety equipment).



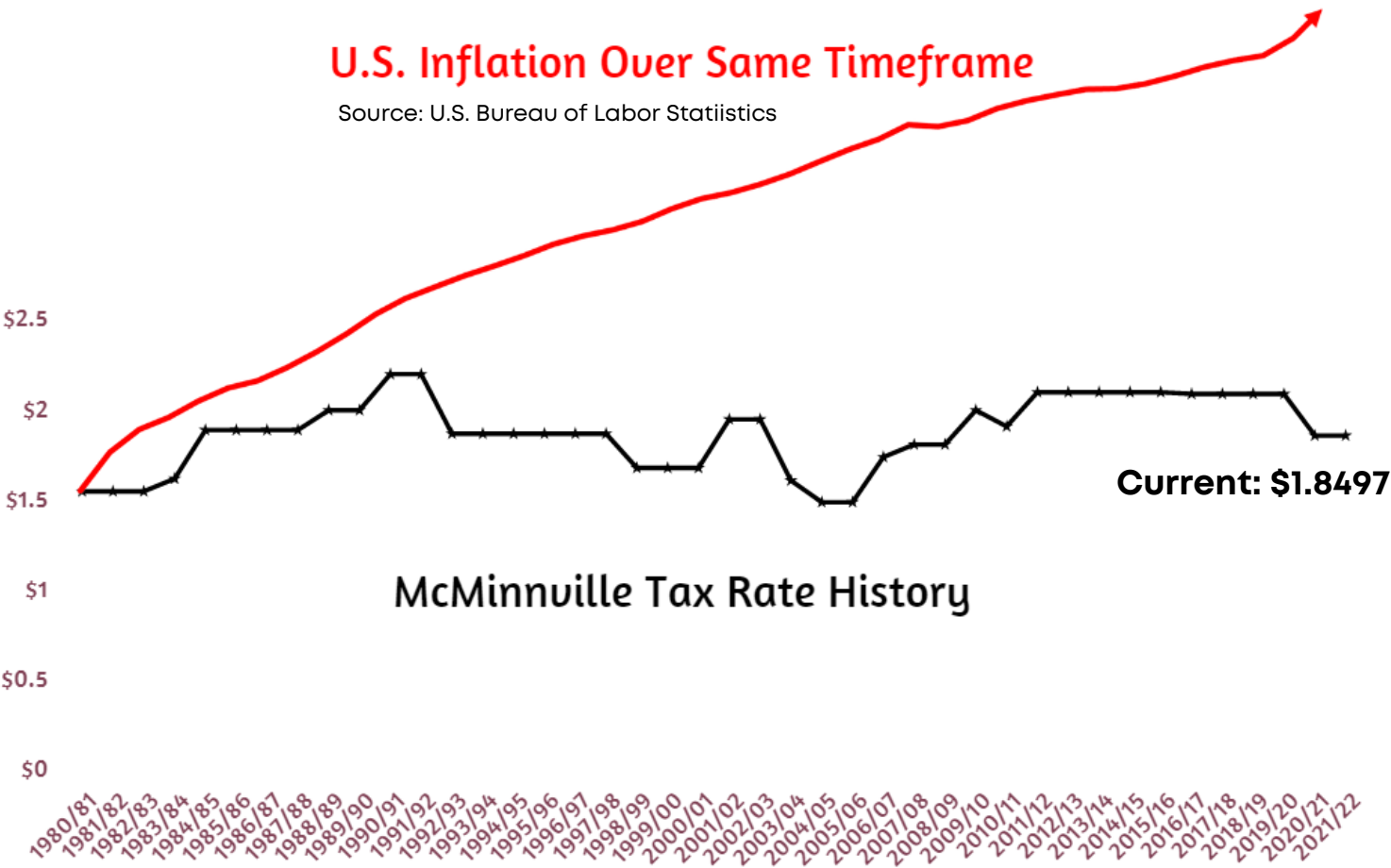
Revenues

All Sources



Revenues Cont'd

Property Tax



Active Grants

Seven (7) active grants open.

- TDOT = 5
- TDEC = 1
- Federal (ARPA) = 1

Total value of all projects is \$15,238,732.

- City match is \$928,909.

Conclusion

The information outlined in this environmental scan provides a broad overview of current conditions to help inform the strategic plan. Overall, the City is in a good place with a solid general fund reserve balance. Adhering to the long-range financial, debt management, and personnel plans will be important moving forward to remain that way.

**Thank you for
your continued
dedication to
the City of
McMinnville!**



Contact

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