

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026, AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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 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 Board of Mayor and Aldermen 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.

BE IT ORDAINED BY THE CITY OF KINGSPORT, TENNESSEE as follows:

SECTION 1: That the revenue received from the sources of income shown in the following summary of estimated revenues and expenditures for each fund of the City's annual operating budget for the fiscal year beginning July 1, 2025, and ending June 30, 2026 are hereby appropriated for the various purposes set out in the budget detail on file in the Offices of the City Manager and City Recorder.

The estimated revenues for the total FY25-26 Budget of \$300,502,900, less inter-fund transfers of \$74,102,830, for a net Total Budget Revenue of \$226,400,070 are hereby appropriated.

The estimated expenditures for the Total FY25-26 Budget of \$300,502,900, less inter-fund transfers of \$74,102,830, for a net Total Budget Expenditure of \$226,400,070 are hereby appropriated.

Estimated Revenues and Appropriations for the Fiscal Period July 1, 2025 - June 30, 2026.

GENERAL FUND - 110	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Local Taxes	\$52,270,333	\$55,045,225	\$65,063,800
Licenses And Permits	\$903,001	\$747,064	\$774,700
Intergovernmental	\$33,549,551	\$40,909,843	\$34,523,000
Charges For Services	\$3,167,315	\$3,002,638	\$2,757,500
Fines And Forfeitures	\$1,231,284	\$1,140,465	\$1,156,000
Other	\$2,305,264	\$1,329,631	\$1,382,000
Other Financing Sources			
Transfers In - from other funds	\$4,338,801	\$3,866,600	\$3,726,600
Transfers In - from other funds (PILOT)	\$1,491,000	\$1,491,000	\$1,491,000
Total Revenues and Other Financing Sources	\$99,256,549	\$107,532,466	\$110,874,600
Expenditures			
Administration	\$12,814,044	\$13,249,241	\$14,537,900
Development Services	\$2,137,151	\$2,018,765	\$2,413,300
Police Department	\$13,999,748	\$14,636,914	\$17,405,400
Fire Department	\$12,458,158	\$12,682,504	\$14,110,600
Leisure Services (Parks & Recreation)	\$7,026,453	\$7,526,276	\$7,973,070
Public Works	\$12,299,034	\$12,977,131	\$14,185,130
Other Expenses (Miscellaneous Government Services)	\$1,449,011	\$866,600	\$668,300
Less Internal Fund Transfers	(\$9,985,657)	(\$10,398,452)	(\$11,797,430)
Other Financing Uses			
Transfers Out - To Debt Service Fund (Principal and Interest)	\$8,284,572	\$11,148,900	\$12,145,500
Transfers Out - To Internal Service Funds	\$9,985,657	\$10,398,452	\$11,797,430
Transfers Out - To Other Funds	\$28,780,958	\$31,577,700	\$27,435,400
Total Appropriations	\$99,249,129	\$106,684,031	\$110,874,600
Change in Fund Balance (Revenues - Appropriations)	\$7,420	\$848,435	\$0
Beginning Fund Balance July 1	\$25,584,464	\$25,591,884	\$26,440,319
Ending Fund Balance June 30	\$25,591,884	\$26,440,319	\$26,440,319
Ending Fund Balance as a % of Total Appropriations	25.8%	24.8%	23.8%

STATE STREET AID FUND - 121	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
State Gas and Motor Fuel Taxes	\$1,949,224	\$1,966,934	\$2,030,200
Other Financing Sources			
Transfers In - From General Fund	\$1,088,974	\$1,264,774	\$1,295,700
Total Revenues and Other Financing Sources	\$3,038,198	\$3,231,708	\$3,325,900
Expenditures			
Public Works Department	\$3,026,974	\$3,231,650	\$3,325,900
Total Appropriations	\$3,026,974	\$3,231,650	\$3,325,900
Change in Fund Balance (Revenues - Appropriations)	\$11,224	\$58	\$0
Beginning Fund Balance July 1	\$11,543	\$22,767	\$22,825
Ending Fund Balance June 30	\$22,767	\$22,825	\$22,825
Ending Fund Balance as a % of Total Appropriations	0.8%	0.7%	0.7%

CRIMINAL FORFEITURE FUND - 126	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Federal DOJ Code 015	\$2,561	\$1,547	\$0
Federal IRS Code CBP	\$7,414	\$6,830	\$6,000
Other	\$3,088	\$2,671	\$0
Total Revenues and Other Financing Sources	\$13,063	\$11,048	\$6,000
Expenditures			
Capital Outlay	(\$5,877)	\$6,000	\$6,000
Total Appropriations	(\$5,877)	\$6,000	\$6,000
Change in Fund Balance (Revenues - Appropriations)	\$18,940	\$5,048	\$0
Beginning Fund Balance July 1	\$110,362	\$129,302	\$134,350
Ending Fund Balance June 30	\$129,302	\$134,350	\$134,350
Ending Fund Balance as a % of Appropriations	0.0%	2239.2%	2239.2%

DRUG FUND - 127	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Fines And Forfeitures	\$72,317	\$46,033	\$157,100
Total Revenues and Other Financing Sources	\$72,317	\$46,033	\$157,100
Expenditures			
Drug Enforcement	\$73,811	\$157,100	\$157,100
Total Appropriations	\$73,811	\$157,100	\$157,100
Change in Fund Balance (Revenues - Appropriations)	(\$1,494)	(\$111,067)	\$0
Beginning Fund Balance July 1	\$607,237	\$605,743	\$494,676
Ending Fund Balance June 30	\$605,743	\$494,676	\$494,676
Ending Fund Balance as a % of Appropriations	820.7%	314.9%	314.9%

REGIONAL SALES TAX FUND - 130	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Conference Center	\$4,809,227	\$4,935,799	\$5,000,000
Other	\$22,143	\$8,879	\$0
Total Revenues and Other Financing Sources	\$4,831,370	\$4,944,678	\$5,000,000
Expenditures			
Transfers Out - To other funds	\$5,670,057	\$5,000,000	\$5,000,000
Total Appropriations	\$5,670,057	\$5,000,000	\$5,000,000
Change in Fund Balance (Revenues - Appropriations)	(\$838,687)	(\$55,322)	\$0
Beginning Fund Balance July 1	\$1,413,946	\$575,259	\$519,937
Ending Fund Balance June 30	\$575,259	\$519,937	\$519,937
Ending Fund Balance as a % of Appropriations	10.1%	10.4%	10.4%

VISITORS ENHANCEMENT FUND - 135	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Motel-Room Occupancy Tax	\$526,873	\$583,502	\$583,300
Total Revenues and Other Financing Sources	\$526,873	\$583,502	\$583,300
Expenditures			
Tourism Operations	\$173,050	\$550,000	\$583,300
Other Financing Uses			
Transfers Out - To Other Funds	\$323,241	\$0	\$0
Total Appropriations	\$496,291	\$550,000	\$583,300
Change in Fund Balance (Revenues - Appropriations)	\$30,582	\$33,502	\$0
Beginning Fund Balance July 1	\$191,191	\$221,773	\$255,275
Ending Fund Balance June 30	\$221,773	\$255,275	\$255,275
Ending Fund Balance as a % of Appropriations	44.7%	46.4%	43.8%

LIBRARY GOVERNING BOARD FUND - 137	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
County Government Contributions	\$15,000	\$15,000	\$15,000
Charges for Service	\$9,355	\$8,667	\$8,700
Fines and Forfeitures	\$9,872	\$11,069	\$9,700
Other Financing Sources			
Transfers In - From General Fund	\$1,375,000	\$1,375,000	\$1,375,000
Total Revenues and Other Financing Sources	\$1,409,227	\$1,409,736	\$1,408,400
Expenditures			
Library Operations	\$1,195,798	\$1,192,300	\$1,408,400
Less Internal Fund Transfers	(\$124,487)	(\$149,000)	(\$197,920)
Other Financing Uses			
Transfers Out - To Internal Service Funds	\$124,487	\$149,000	\$197,920
Total Appropriations	\$1,195,798	\$1,192,300	\$1,408,400
Change in Fund Balance (Revenues - Appropriations)	\$213,429	\$217,436	\$0
Beginning Fund Balance July 1	\$79,207	\$292,636	\$510,072
Ending Fund Balance June 30	\$292,636	\$510,072	\$510,072
Ending Fund Balance as a % of Appropriations	24.5%	42.8%	36.2%

GENERAL PURPOSE SCHOOL FUND - 141	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Taxes	\$31,113,806	\$31,514,000	\$31,964,000
From State of TN	\$48,742,997	\$48,372,100	\$51,656,700
From Federal Government	\$166,656	\$0	\$52,000
Charges for Services	\$1,715,552	\$1,849,700	\$1,522,500
Investments	\$109,450	\$0	\$0
Direct Federal	\$79,435	\$88,000	\$97,000
Miscellaneous	\$1,251,331	\$945,000	\$945,000
Other Financing Sources			
Transfer from Fed. Proj. Fund	\$86,323	\$75,000	\$75,000
From General Fund-MOE	\$11,245,300	\$11,245,300	\$11,245,300
From General Fund-Debt	\$3,687,135	\$4,443,150	\$4,441,400
From Fund Balance	\$0	\$0	\$3,003,400
Total Revenues and Other Financing Sources	\$98,197,985	\$98,532,250	\$105,002,300
Expenditures			
Educational Services	\$85,135,590	\$88,496,000	\$95,312,000
Non-Instructional Services	\$1,415,651	\$1,575,750	\$1,221,900
Capital Outlay	\$584,927	\$907,000	\$1,009,000
Other Financing Uses			
Transfers Out - To Debt Service Fund	\$4,511,935	\$4,971,200	\$4,819,300
Transfers Out - To Internal Service Funds	\$0	\$2,452,300	\$2,435,100
Transfers Out - To Other Funds	\$4,639,689	\$130,000	\$205,000
Total Appropriations	\$96,287,792	\$98,532,250	\$105,002,300
Change in Fund Balance (Revenues - Appropriations)	\$1,910,193	\$0	\$0
Beginning Fund Balance July 1	\$13,663,087	\$15,573,280	\$15,573,280
Ending Fund Balance June 30	\$15,573,280	\$15,573,280	\$15,573,280
Ending Fund Balance as a % of Appropriations	16.2%	15.8%	14.8%

SCHOOL NUTRITION FUND - 147	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Meals	\$4,228,500	\$4,200,000	\$4,589,500
Investments	\$1,323	\$5,000	\$1,800
From State Of TN	\$36,494	\$35,000	\$34,800
Unrealized Commodity Value	\$287,252	\$250,000	\$225,300
Other Local Revenue	\$15,601	\$10,000	\$112,400
From Fund Balance	\$0	\$350,000	\$670,000
Total Revenues and Other Financing Sources	\$4,569,170	\$4,850,000	\$5,633,800
Expenditures			
Wages/Benefits	\$2,010,045	\$2,093,400	\$2,406,900
Commodities	\$2,521,422	\$2,375,000	\$2,889,100
Fixed Charges	\$10,058	\$15,000	\$38,700
Capital Outlay	\$648,735	\$360,000	\$292,000
Other Financing Uses			
Transfers Out - To Other funds	\$0	\$6,600	\$7,100
Total Appropriations	\$5,190,260	\$4,850,000	\$5,633,800
Change in Fund Balance (Revenues - Appropriations)	(\$621,090)	\$0	\$0
Beginning Fund Balance July 1	\$4,137,952	\$3,516,862	\$3,516,862
Ending Fund Balance June 30	\$3,516,862	\$3,516,862	\$3,516,862
Ending Fund Balance as a % of Appropriations	67.8%	72.5%	62.4%

DEBT SERVICE FUND - 211	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Interest on Investments	\$2,426,071	\$1,156,401	\$399,900
Other Financing Sources			
Transfers In - from other funds	\$12,796,507	\$14,334,795	\$16,964,800
Total Revenues and Other Financing Sources	\$15,222,578	\$15,491,196	\$17,364,700
Expenditures			
Redemption of Bonds (Principal)	\$10,474,240	\$11,206,100	\$11,691,575
Interest on Bonds/Notes	\$4,326,890	\$4,801,700	\$4,895,325
Other Expenses	\$5,000	\$332,300	\$477,800
Bank Service Charges	\$6,432	\$30,000	\$300,000
Total Appropriations	\$14,812,562	\$16,370,100	\$17,364,700
Change in Fund Balance (Revenues - Appropriations)	\$410,016	(\$878,904)	\$0
Beginning Fund Balance July 1	\$559,729	\$969,745	\$90,841
Ending Fund Balance June 30	\$969,745	\$90,841	\$90,841
Ending Fund Balance as a % of Appropriations	6.5%	0.6%	0.5%

SOLID WASTE FUND - 415	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Refuse Collection Charges	\$3,095,328	\$3,028,700	\$3,187,000
Tipping Fees	\$876,448	\$824,300	\$1,022,000
Miscellaneous	\$552,216	\$403,000	\$436,100
Other Financing Sources		\$0	
Transfers In - From the General Fund	\$2,578,400	\$2,500,000	\$2,500,000
Total Revenues and Other Financing Sources	\$7,102,392	\$6,756,000	\$7,145,100
Expenditures			
Trash Collection	\$1,181,953	\$1,468,708	\$1,407,900
Household Refuse Collection	\$3,842,318	\$3,804,974	\$3,905,200
Demolition Landfill	\$1,279,849	\$1,475,413	\$1,520,500
Miscellaneous	\$61,935	\$72,100	\$85,400
Debt Service (Principal & Interest)	\$60,450	\$226,100	\$226,100
Less Internal Fund Transfers	(\$2,341,704)	(\$2,465,050)	(\$2,312,380)
Other Financing Uses			
Transfers Out - Solid Waste Project Fund	\$278,400	\$0	\$0
Transfers Out - To Internal Service Funds	\$2,341,704	\$2,465,050	\$2,312,380
Total Appropriations	\$6,704,905	\$7,047,295	\$7,145,100
Change in Fund Balance (Revenues - Appropriations)	\$397,487	(\$291,295)	\$0
Beginning Fund Balance July 1	\$1,469,826	\$1,867,313	\$1,576,018
Ending Fund Balance June 30	\$1,867,313	\$1,576,018	\$1,576,018
Ending Fund Balance as a % of Total Appropriations	27.8%	22.4%	22.1%

STORMWATER FUND - 417	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Stormwater Fees	\$1,881,442	\$1,893,200	\$2,271,900
Earnings on Investments	\$21,812	\$15,000	\$15,000
Total Revenues and Other Financing Sources	\$1,903,254	\$1,908,200	\$2,286,900
Expenditures			
Operating Expenses	\$1,572,314	\$1,588,286	\$1,764,100
Debt Service (Principal & Interest)	\$18,323	\$120,900	\$120,300
Depreciation	\$137,299	\$0	\$0
Less Internal Fund Transfers	(\$292,789)	(\$321,405)	(\$367,170)
Other Financing Uses			
Transfers Out - To Other Funds	\$352,736	\$165,000	\$402,500
Transfers Out - To Internal Service Funds	\$292,789	\$321,405	\$367,170
Total Appropriations	\$2,080,672	\$1,874,186	\$2,286,900
Change in Fund Balance (Revenues - Appropriations)	(\$177,418)	\$34,014	\$0
Beginning Fund Balance July 1	\$441,888	\$264,470	\$298,484
Ending Fund Balance June 30	\$264,470	\$298,484	\$298,484
Ending Fund Balance as a % of Total Appropriations	12.7%	15.9%	13.1%

AQUATIC CENTER FUND - 419	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Donations	\$16,738	\$16,000	\$8,000
Sales/Fees	\$1,783,552	\$1,612,700	\$1,645,700
Other Financing Sources			
Transfers In - From Visitors Enhancement Fund	\$173,241	\$0	\$0
Transfers In - From Regional Sales Tax Fund	\$2,416,383	\$2,500,000	\$2,500,000
Total Revenues and Other Financing Sources	\$4,389,914	\$4,128,700	\$4,153,700
Expenditures			
Operating Expenses	\$2,244,627	\$2,439,450	\$2,479,200
Debt Service (Principal & Interest)	\$319,434	\$1,631,500	\$1,621,400
Depreciation	\$827,152	\$0	\$0
Less Internal Fund Transfers	(\$49,021)	(\$55,895)	(\$63,370)
Other Financing Uses			
Transfers Out - To Other Funds	\$49,021	\$55,895	\$63,370
Transfers Out - To Internal Service Funds	\$64,767	\$53,100	\$53,100
Total Appropriations	\$3,455,980	\$4,124,050	\$4,153,700
Change in Fund Balance (Revenues - Appropriations)	\$933,934	\$4,650	\$0
Beginning Fund Balance July 1	\$2,399,599	\$3,333,533	\$3,338,183
Ending Fund Balance June 30	\$3,333,533	\$3,338,183	\$3,338,183
Ending Fund Balance as a % of Total Appropriations	96.5%	80.9%	80.4%

MEADOWVIEW CONFERENCE CENTER FUND - 420	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
FF&E Fees/Room Surcharge	\$330,757	\$336,200	\$373,400
Earnings on Investments	\$71,267	\$48,200	\$48,400
Other Financing Sources			
Transfers In - From Regional Sales Tax	\$2,627,327	\$2,250,000	\$2,250,000
Total Revenues and Other Financing Sources	\$3,029,351	\$2,634,400	\$2,671,800
Expenditures			
Operating Expenses	\$1,239,132	\$1,145,600	\$1,185,200
Debt Service (Principal & Interest)	\$271,517	\$1,488,800	\$1,486,600
Depreciation	\$1,546,272	\$0	\$0
Other Financing Uses			
Transfers Out - To MV Capital Project Fund	\$30,898	\$0	\$0
Total Appropriations	\$3,087,819	\$2,634,400	\$2,671,800
Change in Fund Balance (Revenues - Appropriations)	(\$58,468)	\$0	\$0
Beginning Fund Balance July 1	\$17,036,338	\$16,977,870	\$16,977,870
Ending Fund Balance June 30	\$16,977,870	\$16,977,870	\$16,977,870
Ending Fund Balance as a % of Total Appropriations	549.8%	644.5%	635.4%

CATTAILS GOLF COURSE FUND - 421	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Sales and Fees	\$1,254,815	\$1,167,300	\$1,236,000
Earnings on Investments	\$22,141	\$10,600	\$9,700
Other Financing Sources			
Transfers In - from Regional Sales Tax	\$626,347	\$250,000	\$250,000
Total Revenues and Other Financing Sources	\$1,903,303	\$1,427,900	\$1,495,700
Expenditures			
Operating Expenses	\$1,375,198	\$1,373,300	\$1,441,200
Debt Service (Principal & Interest)	\$11,436	\$54,900	\$54,500
Depreciation	\$231,508	\$0	\$0
Total Appropriations	\$1,618,142	\$1,428,200	\$1,495,700
Change in Fund Balance (Revenues - Appropriations)	\$285,161	(\$300)	\$0
Beginning Fund Balance July 1	\$2,542,353	\$2,827,514	\$2,827,214
Ending Fund Balance June 30	\$2,827,514	\$2,827,214	\$2,827,214
Ending Fund Balance as a % of Total Appropriations	174.7%	198.0%	189.0%

FLEET MAINTENANCE FUND - 511	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$125,187	\$0	\$0
Miscellaneous	\$27,234	\$0	\$0
From Fund Balance	\$0	\$5,977,000	\$5,000,900
Other Financing Sources			
From Other Funds - Fleet Charges	\$10,024,632	\$9,232,484	\$10,244,700
Total Revenues and Other Financing Sources	\$10,177,053	\$15,209,484	\$15,245,600
Expenditures			
Operations	\$9,663,029	\$15,212,243	\$15,245,600
Less Internal Transfers	(\$399,837)	(\$473,085)	(\$538,840)
Other Financing Uses			
Transfers Out - To Internal Service Funds	\$399,837	\$473,085	\$538,840
Total Appropriations	\$9,663,029	\$15,212,243	\$15,245,600
Change in Fund Balance (Revenues - Appropriations)	\$514,024	(\$2,759)	\$0
Beginning Fund Balance July 1	\$17,038,004	\$17,552,028	\$17,549,269
Ending Fund Balance June 30	\$17,552,028	\$17,549,269	\$17,549,269
Ending Fund Balance as a % of Appropriations	181.6%	0.0%	0.0%

RISK MANAGEMENT FUND - 615	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$219,568	\$145,000	\$145,000
Miscellaneous	\$1,333,233	\$1,412,300	\$1,412,300
Other Financing Sources			
From Other Funds - Risk Charges	\$1,329,400	\$1,663,400	\$1,972,500
Total Revenues and Other Financing Sources	\$2,882,201	\$3,220,700	\$3,529,800
Expenditures			
Administration	\$1,442,061	\$1,991,975	\$2,251,100
Insurance Claims	\$1,539,786	\$1,278,700	\$1,278,700
Less Internal Fund Transfers	(\$85,571)	(\$105,500)	(\$148,750)
Other Financing Uses			
Transfers Out - To Internal Service Funds	\$85,571	\$105,500	\$148,750
Total Appropriations	\$2,981,847	\$3,270,675	\$3,529,800
Change in Fund Balance (Revenues - Appropriations)	(\$99,646)	(\$49,975)	\$0
Beginning Fund Balance July 1	\$4,205,694	\$4,106,048	\$4,056,073
Ending Fund Balance June 30	\$4,106,048	\$4,056,073	\$4,056,073
Ending Fund Balance as a % of Appropriations	137.7%	124.0%	114.9%

HEALTH INSURANCE FUND - 625	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Employee Contribution	\$2,270,513	\$2,319,950	\$2,081,970
Earnings on Investments	\$119,115	\$80,000	\$80,000
Other Revenue	\$1,404,342	\$1,439,600	\$1,721,600
Other Financing Sources			
Transfers In - City Contributions	\$6,600,277	\$7,239,350	\$8,327,730
Total Revenues and Other Financing Sources	\$10,394,247	\$11,078,900	\$12,211,300
Expenditures			
Administration	\$1,227,940	\$1,304,010	\$1,499,700
Insurance Claims	\$7,843,064	\$8,200,000	\$9,000,000
Clinic Operations	\$1,693,541	\$1,548,650	\$1,711,600
Less Internal Fund Transfers	(\$8,167)	(\$8,700)	(\$9,080)
Other Financing Uses			
Transfers Out - To Internal Service Funds	\$8,167	\$8,700	\$9,080
Total Appropriations	\$10,764,545	\$11,052,660	\$12,211,300
Change in Fund Balance (Revenues - Appropriations)	(\$370,298)	\$26,240	\$0
Beginning Fund Balance July 1	\$3,927,323	\$3,557,025	\$3,583,265
Ending Fund Balance June 30	\$3,557,025	\$3,583,265	\$3,583,265
Ending Fund Balance as a % of Appropriations	33.0%	32.4%	29.3%

RETIREEES HEALTH INSURANCE FUND - 626	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Employee Contributions	\$498,359	\$530,000	\$550,000
Other Revenue	\$246,152	\$190,800	\$225,900
Earnings on Investments	\$89,097	\$75,000	\$75,000
Other Financing Sources			
Transfers In - City Contributions	\$750,000	\$750,000	\$750,000
Total Revenues and Other Financing Sources	\$1,583,608	\$1,545,800	\$1,600,900
Expenditures			
Administration	\$144,215	\$345,800	\$206,000
Insurance Claims	\$1,662,657	\$2,700,000	\$1,394,900
Total Appropriations	\$1,806,872	\$3,045,800	\$1,600,900
Change in Fund Balance (Revenues - Appropriations)	(\$223,264)	(\$1,500,000)	\$0
Beginning Fund Balance July 1	\$2,697,462	\$2,474,198	\$974,198
Ending Fund Balance June 30	\$2,474,198	\$974,198	\$974,198
Ending Fund Balance as a % of Appropriations	136.9%	32.0%	60.9%

PUBLIC LIBRARY COMMISSION FUND - 611	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$249	\$70	\$100
Total Revenues and Other Financing Sources	\$249	\$70	\$100
Expenditures			
Supplies & Materials	\$0	\$0	\$100
Total Appropriations	\$0	\$0	\$100
Change in Fund Balance (Revenues - Appropriations)	\$249	\$70	\$0
Beginning Fund Balance July 1	\$5,249	\$5,498	\$5,568
Ending Fund Balance June 30	\$5,498	\$5,568	\$5,568
Ending Fund Balance as a % of Appropriations	0.0%	0.0%	5568.0%

BAYS MOUNTAIN COMMISSION FUND - 612	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Receipts	\$278,152	\$275,000	\$266,700
Investments	\$23,394	\$15,000	\$22,300
From Non-Profit Groups	\$127,966	\$0	\$0
Total Revenues and Other Financing Sources	\$429,512	\$290,000	\$289,000
Expenditures			
Maintenance	\$311,787	\$248,700	\$247,700
Capital Outlay	\$0	\$41,300	\$41,300
Total Appropriations	\$311,787	\$290,000	\$289,000
Change in Fund Balance (Revenues - Appropriations)	\$117,725	\$0	\$0
Beginning Fund Balance July 1	\$444,138	\$561,863	\$561,863
Ending Fund Balance June 30	\$561,863	\$561,863	\$561,863
Ending Fund Balance as a % of Appropriations	180.2%	193.7%	194.4%

SENIOR CITIZENS ADVISORY BOARD FUND - 616	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Charges for Services	\$464,693	\$283,200	\$354,600
Investment Earnings	\$21,785	\$800	\$16,500
Contributions & Donations	\$111,606	\$55,000	\$85,600
Total Revenues and Other Financing Sources	\$598,084	\$339,000	\$456,700
Expenditures			
Contractual	\$636,138	\$339,000	\$456,700
Total Appropriations	\$636,138	\$339,000	\$456,700
Change in Fund Balance (Revenues - Appropriations)	(\$38,054)	\$0	\$0
Beginning Fund Balance July 1	\$434,768	\$396,714	\$396,714
Ending Fund Balance June 30	\$396,714	\$396,714	\$396,714
Ending Fund Balance as a % of Appropriations	62.4%	117.0%	86.9%

PALMER CENTER TRUST FUND - 617	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$3,976	\$100	\$100
Total Revenues and Other Financing Sources	\$3,976	\$100	\$100
Expenditures			
Donations & Grants	\$0	\$0	\$100
Total Appropriations	\$0	\$0	\$100
Change in Fund Balance (Revenues - Appropriations)	\$3,976	\$100	\$0
Beginning Fund Balance July 1	\$72,717	\$76,693	\$76,793
Ending Fund Balance June 30	\$76,693	\$76,793	\$76,793
Ending Fund Balance as a % of Appropriations	0.0%	0.0%	76793.0%

PUBLIC ART COMMISSION FUND - 619	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Gift Shop & Events	\$5,349	\$4,000	\$40,000
Contributions	\$14,477	\$6,000	\$0
Total Revenues and Other Financing Sources	\$19,826	\$10,000	\$40,000
Expenditures			
Operations	\$9,232	\$10,000	\$40,000
Total Appropriations	\$9,232	\$10,000	\$40,000
Change in Fund Balance (Revenues - Appropriations)	\$10,594	\$0	\$0
Beginning Fund Balance July 1	\$0	\$10,594	\$10,594
Ending Fund Balance June 30	\$10,594	\$10,594	\$10,594
Ending Fund Balance as a % of Appropriations	NA	NA	26.5%

ALLANDALE TRUST FUND - 620	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$10,154	\$4,500	\$4,500
Fund Balance Appropriation	\$0	\$13,000	\$13,000
Total Revenues and Other Financing Sources	\$10,154	\$17,500	\$17,500
Expenditures			
Operations	\$0	\$17,500	\$10,500
Capital Outlay	\$0	\$0	\$7,000
Total Appropriations	\$0	\$17,500	\$17,500
Change in Fund Balance (Revenues - Appropriations)	\$10,154	\$0	\$0
Beginning Fund Balance July 1	\$227,405	\$237,559	\$237,559
Ending Fund Balance June 30	\$237,559	\$237,559	\$237,559
Ending Fund Balance as a % of Appropriations	NA	NA	1357.5%

STEADMAN CEMETERY TRUST FUND - 621	Actual FY2024	Estimated FY 2025	Budget FY 2026
Revenues			
Investments	\$243	\$100	\$100
Fund Balance Appropriation	\$0	\$2,500	\$2,500
Total Revenues and Other Financing Sources	\$243	\$2,600	\$2,600
Expenditures			
Operations	\$2,720	\$2,600	\$2,600
Total Appropriations	\$2,720	\$2,600	\$2,600
Change in Fund Balance (Revenues - Appropriations)	(\$2,477)	\$0	\$0
Beginning Fund Balance July 1	\$5,056	\$2,579	\$2,579
Ending Fund Balance June 30	\$2,579	\$2,579	\$2,579
Ending Fund Balance as a % of Appropriations	94.8%	99.2%	99.2%

Section II. That the books, accounts, orders, vouchers or other official documents relating to items of appropriation covered shall indicate the items involved either by name or by symbol or code number as prefixed in the budget detail.

Section III. That authority be and the same is hereby given to the City Manager to issue vouchers in payment of the items of appropriations or expenditures, as they become due or necessary as covered by the foregoing sections and to make expenditures for items exceeding an aggregate cost of \$15,000 when such items are explicitly listed as individually budgeted items in the budget detail.

Section IV. At the end of the fiscal year 2025, the governing body estimates fund balances or deficits as follows:

Fund Name - Fund #	Estimated Fund Balance/ Net Position at June 30, 2025	Estimated Cash & Pooled Cash as of June 30, 2025
General Fund - 110	\$26,440,319	\$15,660,778
State Street Aid Fund - 121	\$22,825	\$0
Criminal Forfeiture Fund - 126	\$134,350	\$67,227
Drug Fund - 127	\$494,676	\$617,155
Regional Sales Tax Fund - 130	\$519,937	\$0
Visitors Enhancement Fund - 135	\$255,275	\$263,731
Library Governing Board Fund - 137	\$510,072	\$303,552
General Purpose School Fund - 141	\$15,573,280	\$13,149,032
School Nutrition Fund - 147	\$3,516,862	\$3,178,183
Debt Service Fund - 211	\$90,841	\$0
Solid Waste Fund - 415	\$1,576,018	\$2,635,690
Stormwater Fund - 417	\$298,484	\$264,470
Aquatic Center Fund - 419	\$3,338,183	\$112,824
Meadowview Conference Center Fund - 420	\$16,977,870	\$618,453
Cattails Golf Course Fund - 421	\$2,827,214	\$618,453
Fleet Maintenance Fund - 511	\$17,529,269	\$0
Risk Management Fund - 615	\$4,056,073	\$6,310,034
Health Insurance Fund - 625	\$3,583,265	\$3,782,349
Retiree's Health Insurance Fund - 626	\$974,198	\$2,482,021
Library Commission Fund - 611	\$5,568	\$391
Bays Mountain Commission Fund - 612	\$561,863	\$41,890
Senior Center Advisory Board Fund - 616	\$396,714	\$29,663
Palmer Center Trust Fund - 617	\$76,793	\$0
Public Art Commission Fund - 619	\$10,594	\$1,297
Allandale Fund - 620	\$237,559	\$6,236
Steadman Cemetery Trust Fund - 621	\$2,579	\$3,782,349

Section V. 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, 2025	FY 2026 Principal Payment	FY 2026 Interest Payment
Bonds -Payable Through General Fund				
General Obligation Refunding Series 2013	\$12,177,052	\$1,909,156	\$939,740	\$53,751
General Obligation Refunding Series 2013B	\$13,406,846	\$7,083,552	\$665,225	\$291,495
General Obligation Refunding Series 2014A	\$13,233,893	\$8,251,572	\$686,925	\$283,165
General Obligation Refunding Series 2015 (Feb)	\$17,695,000	\$6,600,000	\$2,580,000	\$223,800
General Obligation Refunding Series 2015A	\$15,105,000	\$3,428,773	\$266,623	\$104,623
General Obligation Refunding Series 2016A	\$16,580,000	\$3,082,077	\$733,430	\$91,940
General Obligation Refunding Series 2016B	\$13,360,000	\$2,212,065	\$448,895	\$66,054
General Obligation Refunding Series 2016 (Nov)	\$7,821,325	\$5,123,178	\$401,423	\$170,247
General Obligation Refunding Series 2017A	\$14,885,000	\$10,344,020	\$751,573	\$279,108
General Obligation Refunding Series 2018A	\$7,040,000	\$5,115,000	\$375,000	\$170,450
General Obligation Series 2019 Refunding (09 BABS)	\$14,100,000	\$4,068,097	\$737,751	\$203,405
General Obligation Series 2019 (Nov))	\$18,615,000	\$7,071,627	\$464,105	\$239,265
General Obligation Series 2020 Refunding 11 & 12C	\$14,925,000	\$6,570,166	\$886,353	\$113,710
General Obligation Series 2021 Series 2021	\$17,760,000	\$8,248,737	\$352,444	\$252,661
General Obligation Series 2022 Series	\$40,770,000	\$40,085,000	\$720,000	\$1,755,288
Bonds -Payable Through Aquatic Center Fund				
General Obligation Public Improvement Series 2012A	\$3,110,000	\$1,207,000	\$185,000	\$43,731
General Obligation Refunding Series 2013A (Lazy River)	\$1,310,000	\$700,000	\$65,000	\$27,431
General Obligation Refunding Series 2016B	\$9,029,862	\$4,612,935	\$936,105	\$137,746
General Obligation Refunding Series 2017A	\$164,712	\$115,979	\$8,427	\$3,129
General Obligation Refunding Series 2018C	\$2,360,000	\$1,750,000	\$110,000	\$55,869
General Obligation Series 2019 Refunding (09 BABS)	\$295,809	\$163,114	\$9,581	\$8,156
General Obligation Series 2020 Refunding 11 & 12C	\$103,584	\$73,567	\$9,925	\$1,273
Bonds -Payable Through Meadowview Fund				
General Obligation Refunding Series 2016A	\$9,221,015	\$4,101,627	\$976,048	\$122,354
General Obligation Refunding Series 2016 (Nov)	\$3,266,427	\$2,139,598	\$167,646	\$71,100
General Obligation Series 2019 Refunding (09 BABS)	\$542,374	\$299,074	\$54,237	\$14,954
General Obligation Series 2019 (Nov))	\$324,543	\$257,682	\$16,911	\$8,719
General Obligation Series 2021 Series 2021	\$830,000	\$743,775	\$31,779	\$22,782
Bonds -Payable Through Cattails Golf Course Fund				
General Obligation Series 2019 (Nov))	\$231,817	\$184,058	\$12,080	\$6,228
General Obligation Series 2020 Refunding 11 & 12C	\$334,626	\$237,657	\$32,061	\$4,113
Bonds -Payable Through Solid Waste Fund				
General Obligation Refunding Series 2013	\$132,948	\$20,844	\$10,260	\$587
General Obligation Refunding Series 2013B	\$289,856	\$153,146	\$14,382	\$6,302
General Obligation Refunding Series 2014A	\$2,371,107	\$1,478,429	\$123,076	\$50,735
General Obligation Series 2019 Refunding (09 BABS)	\$161,953	\$89,303	\$16,185	\$4,465

Bonded or Other Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2025	FY 2026 Principal Payment	FY 2026 Interest Payment
Bonds -Payable Through Storm Water Fund				
General Obligation Refunding Series 2016A	\$430,058	\$191,294	\$45,522	\$5,706
General Obligation Series 2019 Refunding (09 BABS)	\$323,907	\$178,609	\$32,391	\$8,930
General Obligation Series 2020 Refunding 11 & 12C	\$255,992	\$181,809	\$24,527	\$3,147
Notes				
HUD 108-Paid Through CDBG Project Fund	\$856,000	\$254,000	\$43,000	\$10,053
School EESI Series 2021- Paid Through General Purpose School Fund	\$2,866,134	\$2,462,284	\$174,517	\$11,831
09 QSCB - Paid Through General Purpose School Fund	\$1,240,000	\$85,838	\$77,374	\$18,786
2020 Capital Outlay Notes - Paid Through General Purpose School Fund	\$2,000,000	\$1,333,332	\$166,667	\$28,192
2024 Capital Outlay Notes - Paid Through General Fund	\$2,000,000	\$2,000,000	\$166,667	\$78,283
Capital Leases				
No Capital Leases				

Section VI. During the coming fiscal year (FY 2025-2026) the governing body has pending and planned capital projects with proposed funding as follows:

Proposed Future Capital Projects	Proposed Capital Projects - Total Expense	Proposed Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Capital Projects Expense Financed by Debt Proceeds
Jessee and Memorial Intersection	\$750,000	\$0	\$750,000
Jack White and Eastman Road Intersection	\$650,000	\$0	\$650,000
Netherland Inn Road Bridge approaches	\$750,000	\$0	\$750,000
Eastman Road/Lincoln Street Bridge	\$1,100,000	\$0	\$1,100,000
Watauga Street Rebuild	\$2,000,000	\$0	\$2,000,000
Clinchfield Rd Bridge	\$1,100,000	\$0	\$1,100,000
Washington School HVAC/Chiller	\$3,000,000	\$0	\$3,000,000
Lynn Garden Schematic Design	\$600,000	\$0	\$600,000
AEP Funds – Streets Resurfacing/Improvements	\$5,200,000	\$5,200,000	\$0
Police – SRO Grant	\$900,000	\$900,000	\$0

Section VII. 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 VIII. That authority be and the same is given to the City Manager to transfer part or all of any unencumbered appropriations balance among programs within a department and between departments within any given fund, and across departments and/or funds for fleet, risk management or health insurance matters. The Board of Mayor and Aldermen may by Ordinance transfer part or all of any unencumbered appropriations balance from one fund to another.

Section IX. That authority be and the same is hereby given to the City Manager to transfer an employee from one class title (position) to any other class title (position) listed on the Pay and Classification Plan at the budgeted salary fixed for that Class Title (position) by the Pay Schedule and Wage Projections for the City's Employees by specific reference; for such purpose, to, as the same may from time to time become necessary or desirable, add to or delete from a division listed on the Personnel Detail any class title or titles. The Board of Mayor and Aldermen shall establish a salary range for each class title (Position) and the steps from entry level to maximum appearing on the Pay Schedule.

Section X. That the Tennessee Consolidated Retirement System Rate will be approved at 30.93% for current employees only and the employees under the bridge will be 34.43%. That employees hired after July 1, 2012 will participate in a TCRS Hybrid Plan with a mandatory contribution of 5% and a required city contribution of 9%.

Section XI. That the tax rate will be set once the Certified Rate is received from the State of Tennessee Board of Equalization for both Sullivan County inside city residents and for Hawkins County inside city rates for tax year 2025.

Section XII. This annual operating and capital budget ordinances 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

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

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

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

Section XV. The General Fund Capital Improvements Plan (FY26-30) is hereby approved.

Section XVI. This ordinance shall take effect July 1, 2025, the welfare of the City of Kingsport requiring it.

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING: