

ORDINANCE No. 22-006

**AN ORDINANCE OF THE TOWN OF KINGSTON SPRINGS, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2023**

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 KINGSTON SPRINGS, 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 2023, 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		
	Actual FY 2021	Actual FY 2022	Budget FY 2023
Revenues			
Local Taxes	\$ 1,783,887	\$ 1,874,211	\$ 1,779,579
Licenses And Permits	47,070	35,428	33,466
Intergovernmental	809,235	775,736	1,701,091
Fines And Forfeitures	31,629	34,607	30,292
Other	473,991	109,878	55,977
Other Financing Sources			
Issuance of Debt / Debt Proceeds	-	1,367,000	-
Transfers In - from other funds (PILOT)	10,666	-	-
Total Revenues and Other Financing Sources	\$ 3,156,478	\$ 4,196,860	\$ 3,600,405
Appropriations			
Expenditures			
General Government	\$ 276,104	\$ 131,128	\$ 210,159
Administrative	196,634	255,907	257,122
City Council	11,463	12,573	12,860
City Clerk	113,199	108,372	143,166
Judicial and Legal	39,684	39,748	43,350
Grant Administration	-	60,688	1,359,840
Planning and Zoning	21,238	24,493	23,940
Building and Codes	16,641	21,729	30,010
Police	639,963	689,495	886,713
Fire	119,798	223,051	326,788
Streets	249,620	508,858	570,441
Street Aid	70,827	100,594	102,837
Parks and Recreation	368,662	753,416	355,558
Tourism & Economic Development	15,759	15,500	65,700
Debt Service - Principal and Interest	52,761	62,097	1,124,062
Total Appropriations	\$ 2,192,353	\$ 3,007,649	\$ 5,512,546
Change in Fund Balance (Revenues - Appropriations)	964,125	1,189,211	(1,912,141)
Beginning Fund Balance July 1	2,255,499	3,219,624	4,408,835
Ending Fund Balance June 30	\$ 3,219,624	\$ 4,408,835	\$ 2,496,694
Ending Fund Balance as a % of Total Appropriations	146.9%	146.6%	45.3%

Debt Service paid from General Fund

Debt Management			
2018 Fire Engine Purchase 110-49000-525	Capital Outlay Note Interest	\$ -	\$ 19,101
2018 Fire Engine Purchase 110-49000-515	Capital Outlay Note Principal	-	32,704
Sidewalks: State Portion 110-49000-513	Capital Outlay Note Interest	\$ -	\$ -
Sidewalks: State Portion 110-49000-514	Capital Outlay Note Principal	-	997,000
Sidewalks: Town Portion 110-49000-610	Capital Outlay Note Interest	\$ -	\$ -
Sidewalks: Town Portion 110-49000-611	Capital Outlay Note Principal	-	27,200
Train Depot Property 110-49000-530	Capital Outlay Note Interest	\$ -	\$ -
Train Depot Property 110-49000-531	Capital Outlay Note Principal	-	17,800
Total Annual Debt Service Payments		\$ -	\$ 51,805
			\$ 1,124,062

DRUG FUND	Actual FY 2021	Estimated Actual FY 2022	Budget FY 2023
Revenues			
Fines And Forfeitures	\$ 38,539	\$ 10,814	\$ 11,139
Other	7,639	16,136	73
Total Revenues and Other Financing Sources	\$ 46,178	\$ 26,950	\$ 11,212
Appropriations			
Drug Enforcement	\$ 72,268	\$ 43,725	\$ 11,180
Total Appropriations	\$ 72,268	\$ 43,725	\$ 11,180
Change in Fund Balance (Revenues - Appropriations)	(26,090)	(16,775)	32
Beginning Fund Balance July 1	143,082	116,992	100,217
Ending Fund Balance June 30	\$ 116,992	\$ 100,217	\$ 100,249
Ending Fund Balance as a % of Appropriations	161.9%	229.2%	896.7%

ADEQUATE FACILITIES TAX FUND	Actual FY 2021	Estimated Actual FY 2022	Budget FY 2023
Revenues			
Adequate Facilities Tax	\$ 14,860	\$ 17,027	\$ 12,678
Interest Income	118	141	179
Total Revenues and Other Financing Sources	\$ 14,978	\$ 17,168	\$ 12,857
Appropriations			
Capital Outlay	\$ -	\$ 35,000	\$ -
Total Appropriations	\$ -	\$ 35,000	\$ -
Change in Fund Balance (Revenues - Appropriations)	14,978	(17,832)	12,857
Beginning Fund Balance July 1	78,683	93,661	75,829
Ending Fund Balance June 30	\$ 93,661	\$ 75,829	\$ 88,686
Ending Fund Balance as a % of Total Appropriations	0.0%	216.7%	0.0%

SEWER FUND	Actual FY 2021	Estimated Actual FY 2022	Budget FY 2023
Operating Revenues			
Sewer Charges	\$ 409,325	\$ 422,871	\$ 465,158
Tap Fees	2,200	8,266	2,200
Miscellaneous Other Fees	-	8,410	8,300
Total Operating Revenues	\$ 411,525	\$ 439,547	\$ 475,658
Operating Expenses			
Administrative	\$ 112,125	\$ 68,069	\$ 84,028
Sewer Department	115,866	192,834	216,749
Other	2,686	1,710	1,881
Depreciation	142,407	142,407	142,407
Total Operating Expenses	\$ 373,084	\$ 405,020	\$ 445,065
Operating Income (Loss)	\$ 38,441	\$ 34,527	\$ 30,593
Nonoperating Revenues (Expenses)			
Revenue: Investment Income	\$ 1,415	\$ 574	\$ 500
Grants - Operating	-	-	-
Other Income	-	92,066	-
Expense: Debt Service - Interest Expense	(24,627)	(22,348)	(19,995)
Total Nonoperating Revenue (Expenses)	\$ (23,212)	\$ 70,292	\$ (19,495)
Income (Loss) Before Capital Contributions and Transfers	\$ 15,229	\$ 104,819	\$ 11,098
Capital Contributions and Transfers			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ 213,000
Capital Contributions - Grants	-	-	-
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfers Out - to Other Funds (PILOT)	(10,666)	(9,802)	(10,400)
Total Capital Contributions and Transfers	\$ (10,666)	\$ (9,802)	\$ 202,600
Change in Net Position	\$ 4,563	\$ 95,017	\$ 213,698
Beginning Net Position July 1	3,071,355	3,075,918	3,170,935
Ending Net Position June 30	\$ 3,075,918	\$ 3,170,935	\$ 3,384,633

Statutory Change in Net Position Reconciliation:			
Change in Net Position	\$ 4,563	\$ 95,017	\$ 213,698
Subtract:			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	-	-	213,000
Capital Contributions - Other	-	-	-
Grants - Operating	-	-	-
Transfers In - from Other Funds	-	-	-
Total amount subtracted for statutory change	\$ -	\$ -	\$ 213,000
Statutory Change in Net Position*	\$ 4,563	\$ 95,017	\$ 698

* 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			
Capital Outlay Note for Sewer Lagoon	Note Principal Paid	76,000	78,000
Capital Outlay Note for Sewer Lagoon	Note Interest Paid	24,627	22,348
Total Annual Debt Service Payments	Annual Debt Service Payments	\$ 100,627	\$ 100,348
		\$ 100,995	

SECTION 2: At the end of the fiscal year 2022, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2022
General Fund	\$ 4,408,835
Adequate Facilities Tax	75,829
Drug Fund	100,217
Sewer Fund	3,170,935

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:

Fund	Type of Debt	Loan Name and Description	Original Issuance Amount	Authorized & Unissued	Total Principal Outstanding at June 30	Budgeted Annual Debt Service			Detailed Budget Page Number
						Principal	Interest	Total	
General	Capital Outlay Note	\$498,704 CON - 12 Years: 2018 Fire Engine Purchase	\$ 498,704		\$ 395,000	\$ 37,000	\$ 14,910	\$ 51,910	11
	Capital Outlay Note	\$997,000 CON - 3 Years: State Portion of Sidewalks Grant	997,000		997,000	997,000	15,263	1,012,263	11
	Capital Outlay Note	\$370,000 CON- 12 Years: Town Portion of Sidewalks Grant	370,000		370,000	27,200	8,019	35,219	11
	Capital Outlay Note	\$250,000 CON - 12 Years: Tram Depot Property Purchase	250,000		250,000	17,800	6,869	24,669	11
Total			\$ 2,115,704	\$ -	\$ 2,012,000	\$ 1,079,000	\$ 45,061	\$ 1,124,061	
Sewer	Capital Outlay Note	\$1,014,796 CON - 12 Years: Sewer Lagoon	1,014,796		\$ 716,000	\$ 81,000	\$ 19,995	\$ 100,995	15
	Total		\$ 1,014,796	\$ -	\$ 716,000	\$ 81,000	\$ 19,995	\$ 100,995	
Total Outstanding Debt			\$ 3,130,500	\$ -	\$ 2,728,000	\$ 1,160,000	\$ 65,056	\$ 1,225,056	

SECTION 4: During the coming fiscal year (2023) 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
Safe Routes to School Sidewalks Grant Project	\$ 1,025,702.00	\$ -	\$ 1,025,702.00
Multimodal Sidewalks Grant Project	\$ 334,138.00	\$ -	\$ 334,138.00

Proposed Future Capital Projects	Proposed Future Capital Projects - Total Expense	Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Future Capital Projects Expense Financed by Debt Proceeds
Replace HVAC Unit	\$ 8,000.00	\$ 8,000.00	\$ -
Removal and replacement of decking and stair access	\$ 9,000.00	\$ 9,000.00	\$ -
Webpage Design	\$ 10,000.00	\$ 10,000.00	\$ -
Salary Survey/Study	\$ 7,000.00	\$ 7,000.00	\$ -
Removal and replacement of flooring in City Hall Building	\$ 15,000.00	\$ 15,000.00	\$ -
Grounds and Engineering work for newly purchased property	\$ 24,000.00	\$ 24,000.00	\$ -
Purchase and equip new police vehicle	\$ 75,000.00	\$ 75,000.00	\$ -
Purchase of 2 LUCAS Devices	\$ 34,000.00	\$ 34,000.00	\$ -
Purchase and placement of 6 license plate reader cameras	\$ 18,000.00	\$ 18,000.00	\$ -
Replace HVAC Unit	\$ 9,000.00	\$ 9,000.00	\$ -
SCBA replacement airpicks & expired turnout gear	\$ 50,000.00	\$ 50,000.00	\$ -
Equipment Storage Building 50 x 70	\$ 23,000.00	\$ 23,000.00	\$ -
Replace Fire vehicle # 332	\$ 55,000.00	\$ 55,000.00	\$ -
Purchase of attachments for skid steer Bushhog & Grapple Bucket	\$ 10,500.00	\$ 10,500.00	\$ -
Front End Loader	\$ 74,000.00	\$ 74,000.00	\$ -
Purchase of plow for work truck	\$ 9,000.00	\$ 9,000.00	\$ -
Playground swings	\$ 22,000.00	\$ 22,000.00	\$ -
Fencing for splash pad	\$ 25,000.00	\$ 25,000.00	\$ -
Purchase of Park Seating & Shade Sails	\$ 15,000.00	\$ 15,000.00	\$ -

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: The Financial Director is hereby granted the authority to transfer monies from one appropriation to another in the same fund, subject to such limitations and procedures as set by the Board of Commissioners pursuant to Tennessee Code Annotated § 6-56-209. Any resulting transfer shall be reported to the governing body at its next regularly scheduled 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 \$0.77 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.

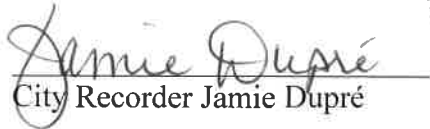
SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2022, the public welfare requiring it.


Passed 1st Reading: Tuesday, May 19, 2022

Passed 2nd Reading: June 14, 2022

ATTESTED:


City Recorder Jamie Dupré




Mayor Francis A. Gross III.