

**ORDINANCE NO. 23-003**

**AN ORDINANCE OF THE TOWN OF KINGSTON SPRINGS,  
TENNESSEE ADOPTING THE ANNUAL BUDGET AND TAX RATE  
FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING  
JUNE 30, 2024**

WHEREAS, Tennessee, 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 2024, 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 2022	Actual FY 2023	Budget FY 2024
<b>Revenues</b>			
Local Taxes	\$ 1,981,137	\$ 2,009,222	\$ 2,080,723
Intergovernmental	735,902	1,160,391	1,327,650
Licenses And Permits	45,527	69,217	73,694
Fines And Forfeitures	37,624	21,119	20,500
Other	117,367	91,913	71,921
<b>Other Financing Sources</b>			
Issuance of Debt / Debt Proceeds	1,617,000	-	-
Transfers In - from other funds (PILOT)	9,802	10,400	9,903
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 4,544,359</b>	<b>\$ 3,362,262</b>	<b>\$ 3,584,391</b>
<b>Appropriations</b>			
<b>Expenditures</b>			
General Government	\$ 841,438	\$ 1,343,886	\$ 1,474,433
Codes	12,295	12,357	22,000
Police Department	664,062	844,512	852,080
Fire Department	190,270	303,129	369,033
Parks and Recreation	707,993	416,836	431,693
Highways and Streets	533,841	400,654	851,644
Tourism	15,174	69,998	65,700
Debt Service - Principal and Interest	62,097	556,891	664,264
<b>Total Appropriations</b>	<b>\$ 3,027,170</b>	<b>\$ 3,948,263</b>	<b>\$ 4,730,847</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>1,517,189</b>	<b>(586,001)</b>	<b>(1,146,456)</b>
<b>Beginning Fund Balance July 1</b>	<b>3,219,624</b>	<b>4,736,813</b>	<b>4,150,812</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 4,736,813</b>	<b>\$ 4,150,812</b>	<b>\$ 3,004,356</b>
<b>Ending Fund Balance as a % of Total Appropriations</b>	<b>156.5%</b>	<b>105.1%</b>	<b>63.5%</b>

DRUG FUND	Estimated		
	Actual FY 2022	Actual FY 2023	Budget FY 2024
<b>Revenues</b>			
Fines And Forfeitures	\$ 1,615	\$ 389	\$ 350
Other	24,202	140	140
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 25,817</b>	<b>\$ 529</b>	<b>\$ 490</b>
<b>Appropriations</b>			
Drug Enforcement	\$ 48,899	\$ 10,654	\$ 22,546
<b>Total Appropriations</b>	<b>\$ 48,899</b>	<b>\$ 10,654</b>	<b>\$ 22,546</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>(23,082)</b>	<b>(10,125)</b>	<b>(22,056)</b>
<b>Beginning Fund Balance July 1</b>	<b>143,082</b>	<b>120,000</b>	<b>109,875</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 120,000</b>	<b>\$ 109,875</b>	<b>\$ 87,819</b>
<b>Ending Fund Balance as a % of Appropriations</b>	<b>245.4%</b>	<b>1031.3%</b>	<b>389.5%</b>

Adequate Facilities Tax Fund	Estimated		
	Actual FY 2022	Actual FY 2023	Budget FY 2024
<b>Revenues</b>			
Adequate Facilities Tax	\$ 10,919	\$ 11,437	\$ 11,240
Interest	47	101	145
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 10,966</b>	<b>\$ 11,538</b>	<b>\$ 11,385</b>
<b>Appropriations</b>			
Expenditures	\$ -	\$ -	\$ -
<b>Total Appropriations</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in Fund Balance (Revenues - Appropriations)</b>	<b>10,966</b>	<b>11,538</b>	<b>11,385</b>
<b>Beginning Fund Balance July 1</b>	<b>93,661</b>	<b>104,627</b>	<b>116,165</b>
<b>Ending Fund Balance June 30</b>	<b>\$ 104,627</b>	<b>\$ 116,165</b>	<b>\$ 127,550</b>

SEWER FUND	Estimated		
	Actual FY 2022	Actual FY 2023	Budget FY 2024
<b>Operating Revenues</b>			
Sewer Charges	\$ 529,852	\$ 485,053	\$ 633,500
Tap Fees	6,200	4,400	4,000
Miscellaneous Other Fees	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 536,052</b>	<b>\$ 489,453</b>	<b>\$ 637,500</b>
<b>Operating Expenses</b>			
Administrative	\$ 99,920	\$ 101,848	\$ 222,176
Sewer Department	328,836	202,861	191,279
Depreciation	149,713	142,407	149,713
<b>Total Operating Expenses</b>	<b>\$ 578,469</b>	<b>\$ 447,116</b>	<b>\$ 563,168</b>
<b>Operating Income (Loss)</b>	<b>\$ (42,417)</b>	<b>\$ 42,337</b>	<b>\$ 74,332</b>
<b>Nonoperating Revenues (Expenses)</b>			
Revenue: Investment Income	\$ -	\$ -	\$ -
Grants - Operating	-	-	-
Other Income	600	2,012	2,000
Expense: Debt Service - Interest Expense	(22,348)	(19,995)	(17,568)
Other Expense	-	-	-
<b>Total Nonoperating Revenue (Expenses)</b>	<b>\$ (21,748)</b>	<b>\$ (17,983)</b>	<b>\$ (15,568)</b>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>\$ (64,165)</b>	<b>\$ 24,354</b>	<b>\$ 58,764</b>
<b>Capital Contributions and Transfers</b>			
Capital Contributions - Tap Fees in Excess of Cost	\$ -	\$ -	\$ -
Capital Contributions - Grants	-	-	-
Capital Contributions - Other	-	-	-
Transfers In - from Other Funds	-	-	-
Transfers Out - to Other Funds (PILOT)	(9,802)	(10,400)	(9,903)
<b>Total Capital Contributions and Transfers</b>	<b>\$ (9,802)</b>	<b>\$ (10,400)</b>	<b>\$ (9,903)</b>
<b>Change in Net Position</b>	<b>\$ (73,967)</b>	<b>\$ 13,954</b>	<b>\$ 48,861</b>
<b>Beginning Net Position July 1</b>	<b>3,075,918</b>	<b>3,001,951</b>	<b>3,015,905</b>
<b>Ending Net Position June 30</b>	<b>\$ 3,001,951</b>	<b>\$ 3,015,905</b>	<b>\$ 3,064,766</b>

SECTION 2: At the end of the fiscal year 2023, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance/Net Position at June 30, 2023
General Fund	\$ 4,150,812
Drug Fund	109,875
Adequate Facilities Tax Fund	116,165
Sewer Fund	3,015,905

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:

Town of Kingston Springs									
Schedule of Outstanding Debt and Budgeted Debt Service									
Fiscal Year 2024									
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	Notes	\$250,000 GO CON- 12 Years (Depot Property Purchase)	250,000		232,200	18,300	6,616	24,916	8
		\$370,000 CON- 12 Years (Town Portion of Sidewalk Grant)	370,000		342,800	27,800	7,401	35,201	8
		\$997,000 CON- 3 Years (State Portion of Sidewalk Grant)	997,000		542,500	542,500	9,242	551,742	8
		\$498,704 CON- 12 Years (2018 Fire Engine)	498,704		358,000	39,000	13,405	52,405	8
		<b>Total</b>	\$ 2,115,704	\$ -	\$ 1,475,500	\$ 627,600	\$ 36,664	\$ 664,264	
Sewer	Notes	\$1,014,796 CON- 12 Years (Sewer Lagoon)	1,014,796		635,000	83,000	17,568	100,568	11
		<b>Total</b>	\$ 1,014,796	\$ -	\$ 635,000	\$ 83,000	\$ 17,568	\$ 100,568	
<b>Total Outstanding Debt</b>			\$ 3,130,500	\$ -	\$ 2,110,500	\$710,600	\$54,232	\$764,832	

SECTION 4: During the coming fiscal year (2024) the governing body has pending and planned capital projects with proposed funding as follows:

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
Playground Replacement at Burns Park	250,000	250,000	
Pond Repairs	100,000	100,000	
Activity Center Foundation Repair	50,000	50,000	
Ballfield Lighting at City Park	200,000	200,000	
Activity Center Roof Replacement	50,000	50,000	
Paving Projects ( Harpeth View Trail, Woodlands Drive, Courts)	850,000	850,000	
Culvert Replacement	100,000	100,000	
Salt Bin	50,000	50,000	
Fire Station I. Bay Doors	50,000	50,000	
Fire Engine Refurbish	600,000	600,000	
<b>Total</b>	\$ 2,300,000.00	\$ 2,300,000.00	\$ -

Pending Capital Projects/Purchases	Pending Capital Projects/Purchases - Total Expense	Pending Capital Projects/Purchases Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects/Purchases Expense Financed by Debt Proceeds
Train Depot Property: Architecture Master Plan & Structural Engineer Suggested Repairs	20,000	20,000	0
Sidewalk Grants	700,000	700,000	0
LPR Cameras; 8 @ \$3,000 each	24,000	24,000	0
SCBA Airpacks & Turnout Gear Replacement	50,000	50,000	0
Fire Support Vehicle Replacement of 332	55,000	55,000	0
Ceiling Replacement for Fire Station I	25,000	25,000	0
Lucas Device	17,000	17,000	0
Concrete for Metal Storage Building	13,000	13,000	0
Masonry Projects for buildings	10,000	10,000	0
Merrylog Lane Culvert Replacement	35,000	35,000	0
Attachment for Skid Steer(Grabble Bucket) \$5,000, Sidewalk Edger, Weedeater, & Blower	16,000	16,000	0
Plow and Wiring Harness for Work Truck	12,000	12,000	0
Paving Project	350,646	350,646	0
Ceiling Repair at Activity Center	10,000	10,000	0
Flooring at Activity Center	15,000	15,000	0
Burns Park: Activity Center Roof Replacement	40,000	40,000	0
HVAC City Park	6,600	6,600	0
HVAC Burns Park	8,900	8,900	0
LPR Camera at Burns Park	3,000	3,000	0
Electrical Upgrades at Burns Park	13,000	13,000	0
Rock Wall at Playground	12,500	12,500	0
<b>Total</b>	<b>\$ 1,436,646.00</b>	<b>\$ 1,436,646.00</b>	<b>\$ -</b>

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 set by the Board of Commissioners pursuant to Tennessee Code Annotated § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular 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 \$0.82 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, 2023, the public welfare requiring it.

Passed 1<sup>st</sup> Reading: Thursday, May 18, 2023

Passed 2<sup>nd</sup> Reading: Thursday, June 15, 2023

Francis A. Gross III

Mayor Francis A. Gross III.

ATTESTED:

Kellie Reed

Financial Director Kellie Reed CMFO, CMC