



**KINGSTON CITY COUNCIL  
PUBLIC HEARING  
FY 2020 - 2021 Budget  
Tuesday, September 22, 2020  
5:00 P.M.**

**KINGSTON CITY COUNCIL  
SPECIAL CALLED MEETING  
Tuesday, September 22, 2020  
5:30 P.M.**

**A G E N D A**

- 1. Call to Order**
- 2. Invocation and Pledge**
- 3. Roll Call**
- 4. Unfinished Business**
  - A. Consideration of the second reading of Ordinance 20-09-08-1, an ordinance of the City of Kingston, Tennessee adopting the annual general fund operating budget and setting the property tax rate for the fiscal year beginning July 1, 2020 and ending June 30, 2021
  - B. Consideration of the second reading of Ordinance 20-09-08-2, an ordinance of the City of Kingston, Tennessee adopting the annual water / sewer fund operating budget and setting the rates and fees for the fiscal year beginning July 1, 2020 and ending June 30, 2021
- 5. New Business**
  - A. None

**ORDINANCE No. 20-09-08-01**

**AN ORDINANCE OF THE  
CITY OF KINGSTON, TENNESSEE  
ADOPTING THE ANNUAL GENERAL FUND OPERATING BUDGET AND  
SETTING THE PROPERTY TAX RATE FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

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 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 CITY OF KINGSTON, 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 2021, 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**

	Actual FY 2019	Est. Actual FY 2020	Budget FY 2021
<b>Cash Receipts</b>			
Local Taxes	\$ 3,778,408	\$ 3,876,017	\$ 3,909,000
Licenses And Permits	2,375	2,333	2,000
Intergovernmental	1,159,181	982,787	1,086,426
Charges For Services	399,089	400,078	436,200
Fines And Forfeitures	38,973	26,050	24,500
Debt Proceeds	-	-	-
Other Revenues	260,998	108,388	81,000
Transfers In - from other funds	485,168	485,168	485,168
<b>Total Cash Receipts</b>	<b>\$ 6,124,192</b>	<b>\$ 5,880,821</b>	<b>\$ 6,024,294</b>
<b>Appropriations</b>			
Legislative	\$ 127,271	\$ 61,755	\$ 75,005
City Court	22,106	23,634	27,150
City Manager and Assistant	106,592	109,357	112,863
Financial Administration	328,310	393,756	356,014
Planning and Zoning	10,255	10,175	10,275
City Hall Buildings	181,466	92,524	97,000
General Government	198,674	203,329	228,778
Police	990,149	1,010,245	1,045,176
Automotive Services	81,640	64,944	95,000
Fire Protection	1,015,927	1,034,209	1,081,527
Public Works	937,930	708,835	821,535
State Street Aid	156,628	155,693	161,500
Waste Disposal	308,976	311,934	350,000
Capital Improvements	369,539	180,021	0
Animal Control/Codes Enforcement	23,918	19,943	24,012
Parks and Recreation	647,032	605,467	790,523
Swimming Pool	35,208	26,308	40,450
Library	213,432	196,235	208,294
Debt Service	452,866	395,460	379,909
Transfers Out to Capital Fund	0	148,821	158,548
<b>Total Appropriations</b>	<b>\$ 6,207,918</b>	<b>\$ 5,752,644</b>	<b>\$ 6,063,559</b>
<b>Change in Cash (Receipts - Appropriations)</b>	<b>(83,727)</b>	<b>128,177</b>	<b>(39,265)</b>
<b>Beginning Cash Balance July 1</b>	<b>1,237,936</b>	<b>1,561,105</b>	<b>1,689,282</b>
<b>Ending Cash Balance June 30</b>	<b>\$ 1,561,105</b>	<b>\$ 1,689,282</b>	<b>\$ 1,650,017</b>
<b>Ending Cash as a % of Total Cash Payments/Approp.</b>	<b>25.1%</b>	<b>29.4%</b>	<b>27.2%</b>

DRUG FUND		Estimated		
		Actual	Actual	Budget
		FY 2019	FY 2020	FY 2021
<b>Cash Receipts</b>				
Fines And Forfeitures		\$ 19,180	\$ 8,187	\$ 16,000
Other Revenue		-	-	-
<b>Total Cash Receipts</b>		<b>\$ 19,180</b>	<b>\$ 8,187</b>	<b>\$ 16,000</b>
<b>Appropriations</b>				
Drug Enforcement		17,199	5,903	16,000
<b>Total Appropriations</b>		<b>\$ 17,199</b>	<b>\$ 5,903</b>	<b>\$ 16,000</b>
<b>Change in Cash (Receipts - Appropriations)</b>		<b>1,981</b>	<b>2,284</b>	<b>-</b>
<b>Beginning Cash Balance July 1</b>		<b>5,427</b>	<b>7,408</b>	<b>9,692</b>
<b>Ending Cash Balance June 30</b>		<b>\$ 7,408</b>	<b>\$ 9,692</b>	<b>\$ 9,692</b>
<b>Ending Cash as a % of Total Cash Payments/Approp.</b>		<b>43.1%</b>	<b>164.2%</b>	<b>60.6%</b>

CAPITAL FUND		Estimated		
		Actual	Actual	Budget
		FY 2019	FY 2020	FY 2021
<b>Cash Receipts</b>				
Transfers In		\$ -	\$ 148,821	\$ 158,548
<b>Total Cash Receipts</b>		<b>\$ -</b>	<b>\$ 148,821</b>	<b>\$ 158,548</b>
<b>Appropriations</b>				
Transfers Out		-	-	-
Capital Improvements		-	-	-
<b>Total Appropriations</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in Cash (Receipts - Appropriations)</b>		<b>-</b>	<b>148,821</b>	<b>158,548</b>
<b>Beginning Cash Balance July 1</b>		<b>-</b>	<b>-</b>	<b>148,821</b>
<b>Ending Cash Balance June 30</b>		<b>\$ -</b>	<b>\$ 148,821</b>	<b>\$ 307,369</b>
<b>Ending Cash as a % of Total Cash Payments/Approp.</b>				

SECTION 2: At the end of the fiscal year 2020, the governing body states fund balances or deficits as follows:

<b>Fund</b>	<b>Balance at June 30, 2020</b>
General Fund	\$ 1,611,720
Drug Fund	\$ 9,692
Capital Fund	\$ 148,821
Water & Sewer Fund	\$ 15,860,639

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:

<b>Bonded or Other Indebtedness</b>	<b>Debt Authorized and Unissued</b>	<b>Principal Outstanding at June 30, 2020</b>	<b>FY2021 Principal Payment</b>	<b>FY2021 Interest Payment</b>
<b>Notes -</b>				
TMBF Loan, Series 2003	\$ -	\$ 254,000	\$ 61,000	\$ 6,807
TMBF Loan, Series 2009	\$ -	\$ 417,000	\$ 76,000	\$ 20,850
TMBF Loan, Series 2017	\$ -	\$ 1,504,000	\$ 67,000	\$ 38,252
TMBF Loan, Series 2016	\$ -	\$ 22,900	\$ 22,900	\$ 246
TMBF Loan, Series 2016	\$ -	\$ 158,000	\$ 25,009	\$ 4,534
TMBF Loan, Fire Truck	\$ -	\$ 409,000	\$ 46,000	\$ 11,040
	\$ -			

SECTION 4: During the coming fiscal year (2021) the governing body has no pending and planned capital projects due to uncertain times with COVID-19.

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 (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 6: Money may be transferred from one appropriation to another in the same department by the City Manager, subject to such limitations and procedures as set by the Governing Body 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. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

SECTION 8: There is hereby levied a property tax of \$1.31 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 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 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, 2020, the public welfare requiring it.

Passed 1<sup>st</sup> Reading: 9-8-2020

Passed 2<sup>nd</sup> Reading: \_\_\_\_\_

\_\_\_\_\_  
Tim Neal, Mayor

ATTESTED:

\_\_\_\_\_  
Kelly Jackson, City Clerk

**ORDINANCE No. 20-09-08-02**

**AN ORDINANCE OF THE  
CITY OF KINGSTON, TENNESSEE  
ADOPTING THE ANNUAL WATER / SEWER FUND OPERATING  
BUDGET AND SETTING THE RATES AND FEES FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

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 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 CITY OF KINGSTON, 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 2021, 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:

			Estimated	
WATER & SEWER FUND		Actual	Actual	Budget
		FY 2019	FY 2020	FY 2021
<b>Cash Receipts</b>				
Water Sales		\$ 2,056,287	\$ 1,987,542	\$ 2,132,909
Sewer Fees		1,268,621	1,271,772	1,433,641
Installation Charges and User Fees		133,175	106,220	138,255
Other Revenue		74,396	68,577	85,426
<b>Total Cash Receipts</b>		<b>\$ 3,532,479</b>	<b>\$ 3,434,112</b>	<b>\$ 3,790,231</b>
<b>Appropriations</b>				
General Government		451,931	384,813	444,035
Capital Improvement		2,888	42,430	40,000
Debt Service		856,236	150,606	645,551
Purification		594,809	593,802	640,580
Transmission and Distribution		684,337	669,681	809,336
Utility Director		66,705	66,494	74,360
Sewer Treatment and Disposal		455,678	540,468	661,502
Transfers Out - to other funds (PILOT)		485,168	485,168	485,168
<b>Total Appropriations</b>		<b>\$ 3,597,750</b>	<b>\$ 2,933,462</b>	<b>\$ 3,800,532</b>
<b>Change in Cash (Receipts - Approp.)</b>		<b>(65,271)</b>	<b>500,650</b>	<b>(10,301)</b>
<b>Beginning Cash Balance July 1</b>		<b>1,307,776</b>	<b>1,242,505</b>	<b>1,743,155</b>
<b>Ending Cash Balance June 30</b>		<b>\$ 1,242,505</b>	<b>\$ 1,743,155</b>	<b>\$ 1,732,854</b>
<b>Ending Cash as a % of Total Cash Appr.</b>		<b>34.5%</b>	<b>59.4%</b>	<b>45.6%</b>



SECTION 2: At the end of the fiscal year 2020, the governing body states fund balances or deficits as follows:

Fund	Balance at June 30, 2020
Water & Sewer Fund	\$ 15,860,639

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:

Bonded or Other Indebtedness	Debt Authorized and Unissued	Principal	FY2021	FY2021
		Outstanding at June 30, 2020	Principal Payment	Interest Payment
Bonds -				
TMBF Series 1999	\$ -	\$ 2,040,500	\$ 369,000	\$ 26,000
TMBF, Series 2004	\$ -	\$ 1,173,000	\$ 74,000	\$ 14,000
USDA Rural Development, Series 2010	\$ -	\$ 1,144,065	\$ 2,400	\$ 28,850
USDA Rural Development, Series 2010A	\$ -	\$ 728,861	\$ 13,051	\$ 27,600
USDA Rural Development, Series 2010B	\$ -	\$ 819,596	\$ 15,500	\$ 20,700

SECTION 4: 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 5: Money may be transferred from one appropriation to another in the same department by the City Manager, subject to such limitations and procedures as set by the Governing Body 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 6: A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

Passed 1<sup>st</sup> Reading: 9-8-2020

Passed 2<sup>nd</sup> Reading: \_\_\_\_\_

\_\_\_\_\_  
Tim Neal, Mayor

ATTESTED:

\_\_\_\_\_  
Kelly Jackson, City Clerk