

FY 2023 Budget Overview

March 20, 2023

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the city of kingsport



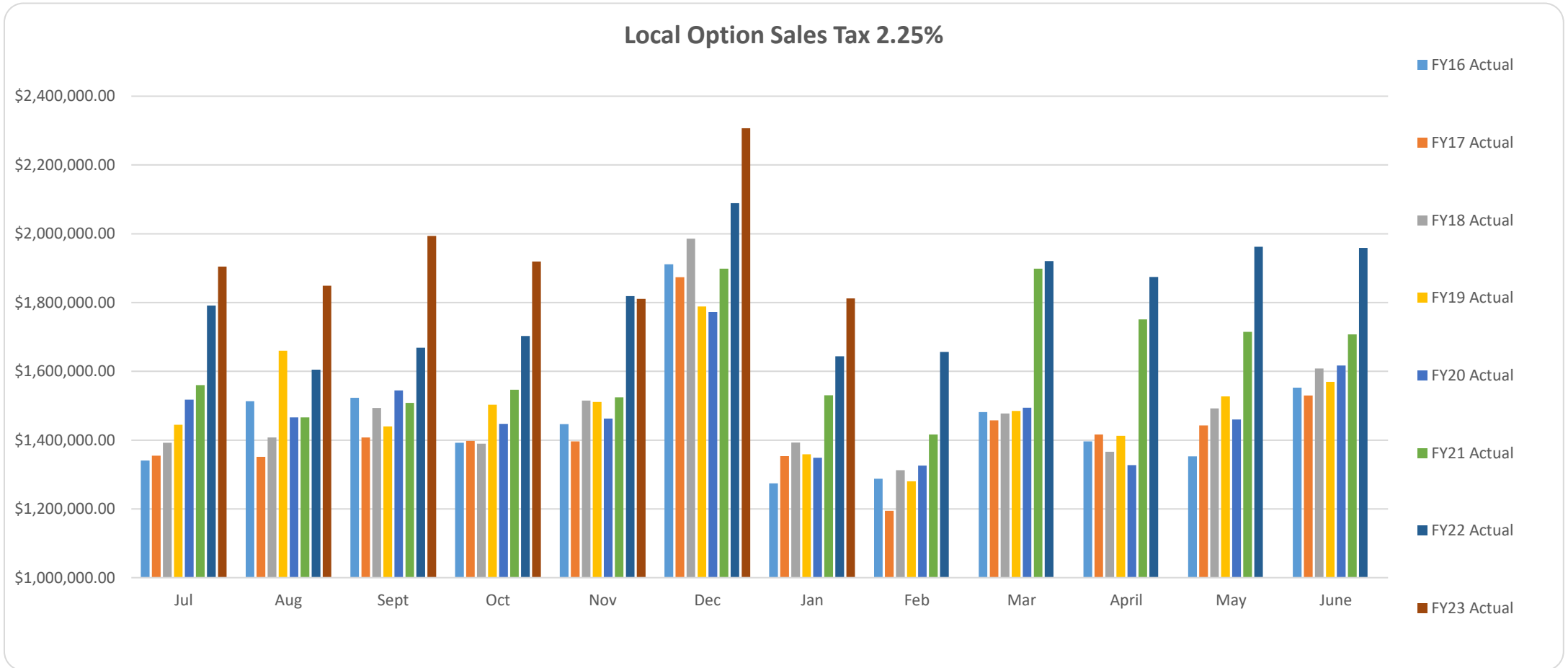
Discussion Items

- FY 2023 – General Fund YTD Actuals & Projections
 - Revenue Side – The sunny side of inflation
 - Property Tax
 - Sales Tax
 - Expense Side – The dark side of inflation
 - Personnel
 - Utility/Fuel Costs
- Other Funds
 - Regional Sales Tax/Fleet Fund/Health Insurance Fund

Total General Fund Revenue

- Property Tax is trending 4.77% over FY 2022
- Local Option Sales Tax is trending 10.63% over FY 2022
- State Shared Sales Tax is trending 5.2% over FY 2022
- Licenses/Permits is trending 10.16% over FY 2022
- Total Budget is projected 2.41% over FY 2022
 - Funds received in FY 2022
 - Opioid Settlement - \$1,559,317
 - Amphitheatre donation - \$600,000
- Total Revenue would be projected \$200,179 over FY 2022 without the property tax increase, or 0.2% over FY 2022

Total Local Option Sales Tax

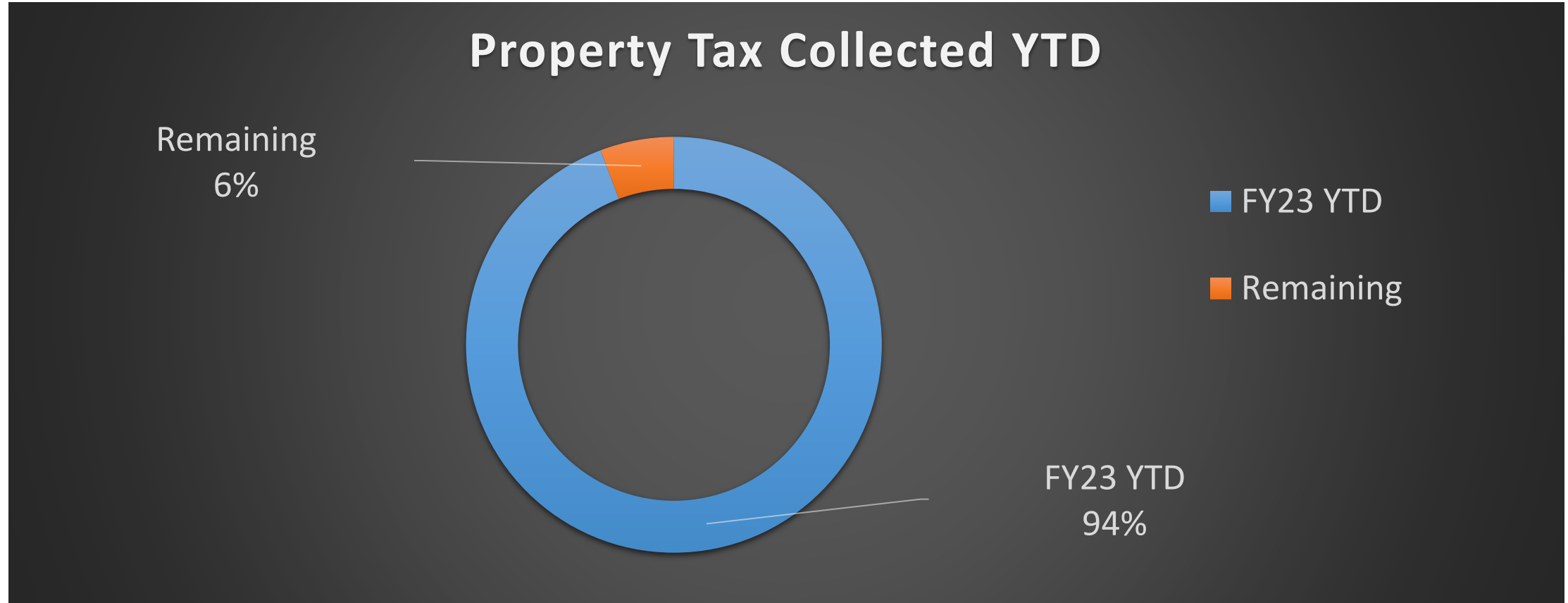


FY 2023 General Fund Revenues

| Source | FY22 Actual | FY23 Original | FY23 Revised | FY23 YTD | FY23 Projected |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Property Tax | \$43,067,484 | \$45,532,100 | \$45,123,827 | \$42,534,348 | \$45,123,827 |
| Local Option Sales Tax | \$21,934,952 | \$21,250,000 | \$22,402,103 | \$11,784,641 | \$23,398,761 |
| State Shared Sales Tax | \$6,287,825 | \$6,200,000 | \$6,615,112 | \$3,244,705 | \$6,615,112 |
| Licenses/Permits | \$691,451 | \$635,000 | \$761,762 | \$420,199 | \$761,762 |
| Other Revenues | \$21,769,755 | \$18,416,700 | \$22,487,715* | \$7,381,426 | \$20,108,527 |
| Total | \$93,751,467 | \$92,033,800 | \$97,390,519 | \$65,365,319 | \$96,007,989 |

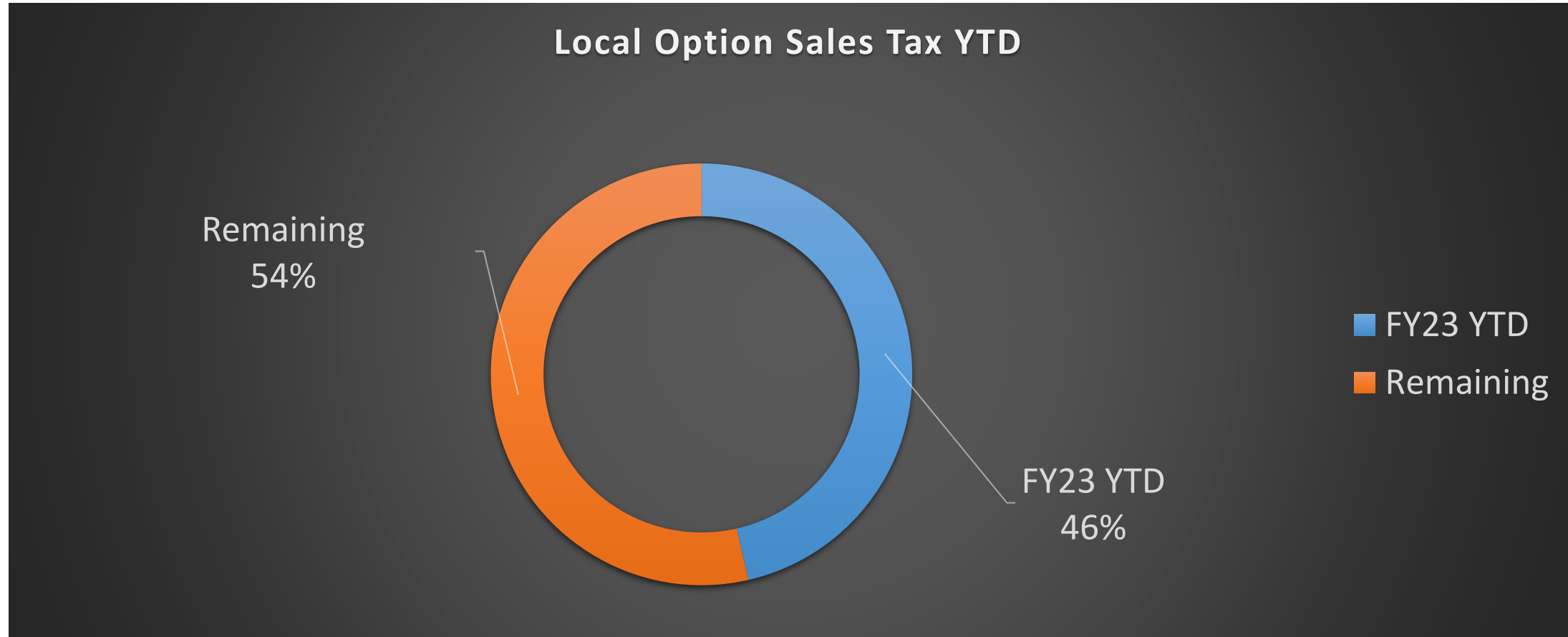
* \$3,500,000 "Year End Cash" budgeted from Fund Balance

Property Tax Collections YTD



- Property Tax is projected to be 47% of the FY 2023 Budget

Sales Tax Collections YTD



- Local Option Sales Tax is projected to be 24% of the FY 2023 Budget

Total General Fund Expenditures

- Personnel is trending 13.24% over FY 2022
- Electric Bills are trending 23.14% over FY 2022
- Fleet – Repairs & Fuel is trending 15.93% over FY 2022

| Source | FY22 Actual | FY23 Original | FY23 Revised | FY23 Percent Increase |
|----------------------|--------------|---------------|--------------|-----------------------|
| Personnel | \$36,063,785 | \$40,850,600 | \$40,832,844 | 13.22% |
| Electric Bills | \$1,184,646 | \$1,109,500 | \$1,458,850 | 23.14% |
| Fleet – Repairs/Fuel | \$2,290,988 | \$2,764,300 | \$2,655,993 | 15.93% |

- Total Expenditures are projected to be about 99.4% of budget – approximately \$570,000

Total General Fund Expenditures

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- Electric is trending 23.14% over FY 2022
- Fleet – Repairs & Fuel is trending 15.93% over FY 2022

Questions?