City of Kingsport
FY 2025-2026 Budget Book

Adopted Version

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INTRODUCTION

Citizen's Guide to Understanding the Budget Book

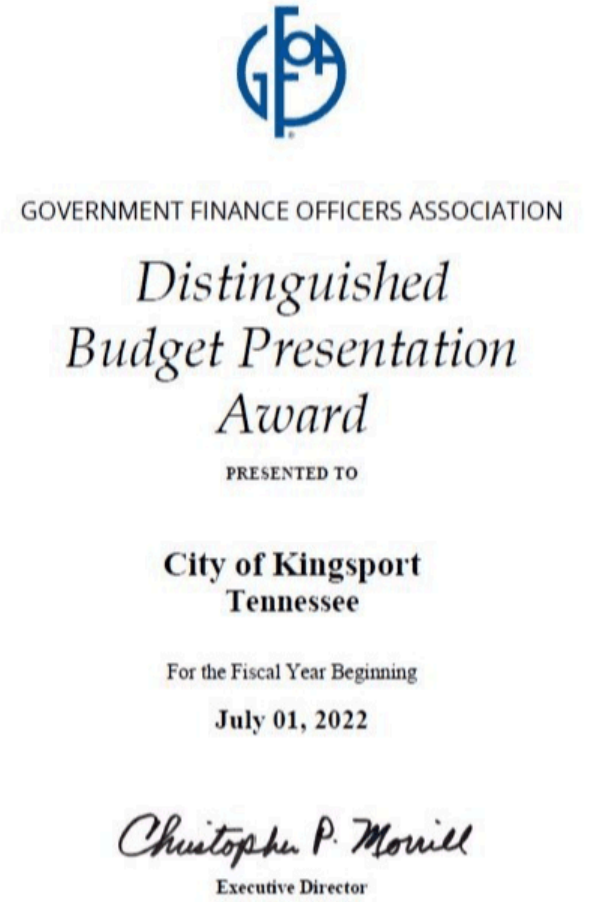
The FY 2025-2026 Budget has been prepared in a reader-friendly, program-oriented budget format. The following summary provides information on how the reader might best understand the budget by first explaining the layout of the FY 2025-2026 Adopted Budget Book. The FY 2025-2026 Adopted Budget Book for the City of Kingsport, Tennessee describes recommended City services and revenue sources proposed for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

Adopting an annual budget is foundational to nearly every subsequent item the Board of Mayor and Aldermen will undertake throughout each fiscal year. Indeed, it is the single most important policy document that the Board of Mayor and Aldermen will approve. It is through the adoption and implementation of the budget that the interests and values of our community are translated into plans for and the service delivery of programs, projects, services, and resources intended to benefit the citizens of Kingsport.

This guide is designed to give readers a clear and concise overview of how the City plans, prioritizes, and allocates its financial resources over the upcoming fiscal year. It provides foundational policies, features key highlights, outlines major priorities, and explains how your tax dollars support essential public services and achieve community goals.

- This book is divided into sections. If you are holding a physical book, then large tabs designate the larger main sections while the smaller tabs separate the larger sections. If you are reading the website version, then the menu tabs at the top of the page can help guide you. If you are reading the electronic version (pdf), then you will want to use the document outline in the sidebar on the left of the pdf.
- For readers of the physical and electronic versions of the FY 2025-2026 Adopted Budget Book, the Table of Contents begins on page 2. This will familiarize the reader with the organization and structure of the budget book.
- The Introduction Section begins with a Citizen's Guide which establishes the purpose of each major section of the budget book to help new users quickly understand the structure of the budget book and how to navigate through the various sections to find the information desired. The introduction also communicates to users the organizational framework of the City of Kingsport, the hierarchy of city staff, and gives a historical overview of the City of Kingsport for users not familiar with the area.
- The Budget Overview Section begins with the Transmittal Letter from the City Manager. The Budget Message and Budget Priorities sections summarize the key focus areas of the annual budget. It outlines the important dates and deadlines, the accounting processes, and fund structures used to create the FY 2025-2026 Adopted Budget. It also provides the Strategic Plan outlined by the Board of Mayor and Alderman, and the latest financial policies enacted by the City of Kingsport.
- The Total Budget Summary section shows a summary of all revenues and expenditures. A general summary of all funds is provided, fund balances are presented for each fund, capital projects for the year are identified, and a comprehensive personnel history is outlined to show changes in personnel counts over a five-year span.
- The Major Revenues Described section identifies the revenue structure of the General Fund and provides a thorough description of each major revenue group.
- The Fund Summaries section provides a program narrative for each budget division by fund group. Each narrative provides the reader with information about the division's mission, budget, and significance to the Strategic Plan.
- The Appendix contains basic benchmarking information, certified copies of the ordinances passed to create the FY 2025-2026 Budget and a glossary defining various words and phrases used within the budget that may not be generally understood by the average reader.
- If you have any questions about the budget, please feel free to contact the Budget Director at (423) 224-2889 or at johnmorris@kingsporttn.gov (mailto:johnmorris@kingsporttn.gov).

GFOA Distinguished Budget Presentation Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Kingsport for its annual FY 2022-2023 budget. The City received this award on December 17, 2023.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

BMA, Leadership and Management Teams

FY 2025-2026 BOARD OF MAYOR & ALDERMEN

Paul Montgomery
Mayor

Darrell Duncan, Vice-Mayor
Colette George, Alderman
Morris Baker, Alderman
Betsy Cooper, Alderman
James Phillips, Alderman
Gary Mayes, Alderman

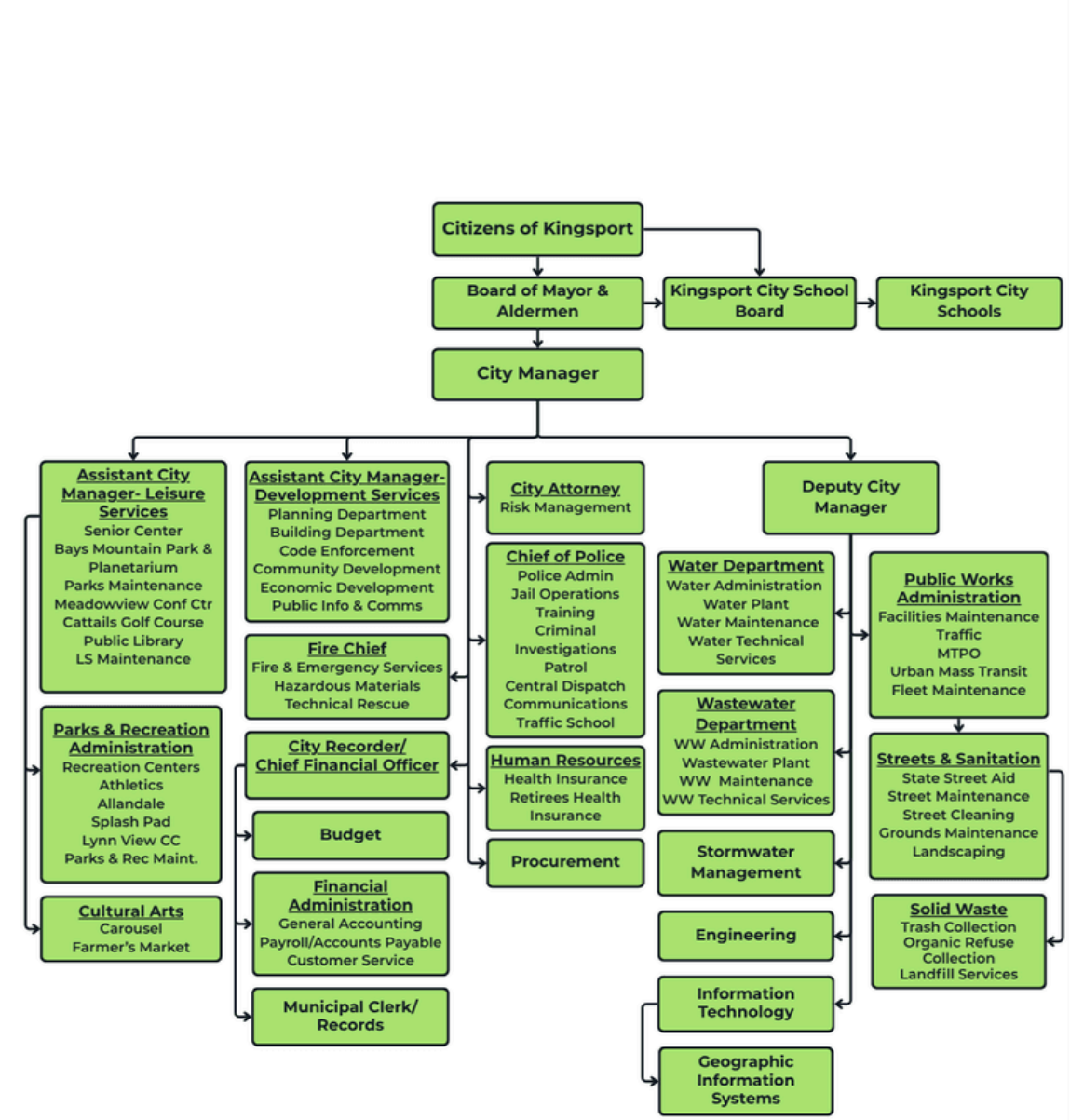
FY 2025-2026 CITY ADMINISTRATION AND LEADERSHIP TEAM

Chris McCartt, City Manager
Ryan McReynolds, Deputy City Manager
Michael Borders, Assistant City Manager – Leisure Services
Jessica Harmon, Assistant City Manager – Development Services
Travis Bishop, City Recorder/Chief Financial Officer
Rodney B. Rowlett III, City Attorney
Jason Bellamy, Police Chief
Jerry DeBerry, Fire Chief
John Morris, Budget Director
Tyra Copas, Human Resources Director
Floyd Bailey, Chief Information Officer
Adrienne Batara, Public Information & Communications Director

FY 2025-2026 MANAGEMENT TEAM

Niki Ensor, Utility Director
Michael Thompson, Public Works Director
Chad Austin, Assistant Utility Director
Hank Clabaugh, City Engineer
Tim Elsea, Assistant Public Works Director
Tyler Wicks, Parks & Recreation Director
Jake White, GIS Manager
Sean Chambers, Deputy Police Chief
Chris Campbell, Public Transit Manager
Tom Hensley, Assistant Utility Director
Shirley Buchanan, Senior Center Manager
Justin Quillen, Police Captain
David Chase, Deputy Fire Chief
Brent Morelock, Procurement/Contract Manager
Christy Bemrich, Accounting Supervisor
Chassy Smiley, Parks & Rec Superintendent
Ken Weems, Planning Manager
Jessie Bishop, Deputy Fire Chief
Keith Bruner, Chief Building Official
Emma Mueller, Accounting Supervisor
Jim Hensley, Traffic Manager
Terry Arnold, Assistant Fire Chief
Chris Tincher, Police Commander
Justin Quillen, Police Captain
Steve Leonard, Fleet Maintenance Manager
Kristen Messaros, HR Business Professional
Mary Thomas, Library Manager
Kristen Steach, IT Solutions Manager
Harvey Page, Field Operations Manager
Megan Krager, Bays Mountain Park Manager
Kirby Walker, Utility Plant Manager
David Armenta, Instrument & Control Specialist
Greg Willis, Streets Manager
Kristen Hodgson, Risk Manager
Karl Berry, Facilities Maintenance Superintendent
Rodney Deel, Sanitation Manager
Brandon Stanley, Deputy Fire Chief
Wendy Terrazas, Aquatic Manager
Tonya Fletcher, HR Business Professional
Scott LaNasa, Accounting Supervisor
Lesley Phillips, MTPO Coordinator
Sarah Valk, Assistant City Attorney
Tamra Rossie, Grounds/Landscaping Manager
Eric Vermillion, Utility Plant Manager
Rodney Pierce, Lab Technician
Angela Marshall, Municipal Clerk
Zach Drozdowski, Leisure Services Maint. Manager
Michael Wessely, Benefits Administrator
Christopher Vandagriff, Fire Marshall
Cynthia Johnson, Transit Superintendent
Carly Bruck, HR Business Professional

City-Wide Organizational Chart



About the City of Kingsport, Tennessee

The City of Kingsport, located in the northeastern region of Tennessee at the crossroads of Interstate 81 and US Route 23 is home to more than 55,442 residents. Nestled along the Holston River and framed by the scenic foothills of the Appalachian Mountains, Kingsport offers easy access to natural beauty and outdoor recreation, including nearby Bays Mountain Park & Planetarium, Warriors Path State Park, Allandale Mansion and Pavilion, Brickyard Park, Scott Adams Memorial Skatepark, and the very popular Kingsport Greenbelt. Kingsport is also home of the Tri-Cities International Airport, which services around 50,000 flights per year.

Kingsport is a hub for industry and innovation, with a strong presence of Eastman Chemical Company and a rich history in manufacturing and commerce. The city maintains over 500 miles of streets and more than 100 miles of sidewalks across its nearly 53 square miles of land. Kingsport is served by major routes, including Interstate 26 and U.S. Highways 11W and 23, providing vital connections throughout the region. For a full breakdown of population trends, age distribution, and economic indicators, refer to the Demographics Section in the Appendices.

Kingsport traces its origins to 1802 when the Boat Yard town of Christianville was established along the North Fork of the Holston River. The area quickly grew into a major river freight hub, thanks to William King's freighting company, which connected East Tennessee and Southwest Virginia to markets as far as Natchez, Mississippi. In 1822, Christianville merged with Rossville to form a single incorporated town called Kingsport. The Battle of Kingsport in 1864 during the Civil War, however, led to economic decline and the loss of the town's charter. After decades of hardship, Kingsport was re-chartered in 1917 and became an early example of a "garden city," designed by renowned planner John Nolen. This forward-thinking design earned Kingsport the lasting nickname "Model City." Over the years, Kingsport has been home to notable figures such as author Lisa Alther, musician Cripple Clarence Lofton, former NBC News correspondent John Palmer and Super Glue inventor Harry Coover. Today, Kingsport continues to blend its legacy with modern innovation and community growth.

Kingsport uses the council-manager system, which was established in 1917 when the city was re-chartered. Kingsport is governed locally by a seven-member Board of Mayor and Aldermen. The citizens elect the mayor to a two-year term and the six aldermen to four-year terms. The elections take place in odd-numbered years, with the mayor and three aldermen elected every two years. New terms begin on July 1. The board elects a vice mayor from among the six aldermen. The council or board then hires a professional city manager.

Source: Kingsport100.org
Photo Credit: Jay Huron, caseSensitivephotos.com

BUDGET OVERVIEW

Budget Message

In accordance with Article XV of the Kingsport City Charter, I am pleased to present the City Manager's recommended Fiscal Year 2025–2026 annual budget for the City of Kingsport.

The Fiscal Year 2025–2026 budget is balanced and represents a strategic investment in public safety, infrastructure, services and personnel. It includes a $0.33 property tax increase—marking the second tax adjustment in recent years, following a smaller increase in 2023. This step was taken after careful consideration and is necessary to meet rising operational costs, sustain competitive employee compensation, and continue delivering high-quality services to the community.

The budget was developed in accordance with the City's adopted financial policies and with guidance from the Board of Mayor and Aldermen (BMA). Priorities included ensuring that recurring revenues cover recurring expenditures, preserving service levels across all departments, and addressing ongoing workforce challenges through competitive compensation.

This year's budget places particular emphasis on investing in Kingsport's workforce. After several years of phased implementation of the City's comprehensive compensation study, the FY 2025–2026 budget provides targeted cost of living adjustments (COLAs) to address market competitiveness and retention pressures. Fire personnel will receive an 18% COLA, police personnel 10%, and general government employees 8%. These increases recognize the essential work performed across departments and reflect Kingsport's continued commitment to equitable and strategic pay practices.

As in previous years, the annual budget functions as a policy document, financial plan, operational guide, and communications tool. Departments submitted appropriation requests, which were evaluated based on need, alignment with strategic goals, and fiscal responsibility. The City Manager submitted the proposed budget to the BMA by the May 15 deadline, as required by City Charter.
In accordance with State law, notice of the proposed budget was published at least seven (7) days prior to the first of two required public hearings. The final budget was adopted before the close of the fiscal year on June 30.

In summary, the FY 2025–2026 budget reflects a balanced and forward-looking approach to financial management. It addresses critical organizational needs while maintaining the high standard of service delivery that Kingsport residents expect. Through careful planning and investment, this budget positions the City for continued strength, stability, and growth.

Economic Drivers

Kingsport continues to uphold its reputation as the “Model City” of Northeast Tennessee. With a rich industrial heritage, a diversified employment base, and an increasing emphasis on innovation, Kingsport remains a pivotal economic force in the region. Its strategic location—supported by access to an international airport, major highways, rail lines, and a reliable water supply—positions the city for continued growth across industry, housing, retail, and entertainment sectors.

As the city’s largest employer, Eastman Chemical Company marked a major milestone in March 2024 with the launch of its molecular recycling facility in Kingsport. Among the largest of its kind worldwide, the facility can recycle up to 110,000 metric tons of plastic waste annually, reinforcing Kingsport’s role in sustainable innovation and the circular economy.

Similarly, Domtar’s Kingsport Mill resumed operations in January 2023 as the company’s first 100% recycled packaging facility. Home to the second-largest recycled containerboard machine in North America, the mill produces approximately 600,000 tons of recycled linerboard and corrugated medium each year. In 2024, the Tennessee Recycling Coalition recognized the facility as *Business Recycler of the Year*, underscoring Kingsport’s leadership in sustainable manufacturing.

Reinvestment is also shaping Kingsport’s retail and entertainment landscape. In August 2025, the city broke ground on a new IMAX theater at Fort Henry Mall, a 400-seat auditorium integrated into the existing NCG Cinema. Scheduled for completion in mid-2026, the project is expected to enhance the mall’s role as a regional entertainment destination and support the broader revitalization of the East Stone Drive commercial corridor.

Looking forward, Aerospace Park, adjacent to Tri-Cities Airport, represents one of the region’s most significant development opportunities. With 160 acres of shovel-ready land and direct access to the airport’s taxiway system and 8,000-foot runway, the site is projected to support up to 2,000 jobs in aviation maintenance, repair, and related industries.

Kingsport’s steady population growth further supports this economic momentum. As of 2025, the city’s population stands at 57,558, a 3.85% increase since 2020. This growth is fueling demand for housing, infrastructure, and amenities, while reinforcing Kingsport’s role as a regional hub.

The city’s investment in quality-of-life assets continues to attract both residents and visitors. Bays Mountain Park & Planetarium, Riverbend Park, the Tribe Athletic Complex, the Kingsport Aquatic Center, and the Kingsport Carousel offer diverse recreational opportunities, while facilities such as Brickyard Park, Miracle Field, and the Scott Adams Memorial Skate Park expand inclusive access. These amenities, combined with ongoing infrastructure upgrades, including broadband expansion, water and sewer improvements, and transportation projects, support long-term livability and competitiveness.

Kingsport’s strong fiscal stewardship provides the foundation for this growth. In 2023, the city’s financial standing was reaffirmed with excellent bond ratings: AA from Standard & Poor’s and Aa2 from Moody’s, reflecting continued commitment to responsible budgeting and sound financial practices.

Kingsport is growing with purpose, investing in innovation, revitalizing key commercial areas, and creating opportunities that strengthen the city’s economy and quality of life.

General Fund Overview

The General Fund serves as the foundation of City operations, supporting core services that residents depend on every day, including public safety, street maintenance, parks and recreation, planning and development, and general government. The FY 2025-2026 budget reflects Kingsport's ongoing commitment to service excellence, responsible financial stewardship, and a competitive workforce, even amid persistent inflation and broader economic uncertainty.

Revenues

Total General Fund revenues for FY 2025-2026 are projected at $110.87 million, an 11.3% increase from the previous year's $99.59 million. This growth reflects steady economic recovery, modest population gains, and the 2024 Sullivan County property reassessment. Revenue projections remain conservative, however, in light of continued national economic volatility.

Property tax is Kingsport's largest revenue source, accounting for 51% of General Fund receipts. For FY 2025-2026, property tax revenue is projected at $56.09 million. This amount reflects a 33-cent rate increase and the impact of the 2024 Sullivan County reassessment, which raised residential property assessment values on average. To comply with state law, the City issued a certified equalized rate of $1.3473 per $100 of assessed value. To maintain service levels, address inflation, and recover prior year revenue losses, the Board of Mayor and Aldermen adopted a new rate of $1.6773 for the Sullivan County portion of Kingsport, where most of the city's tax base is located. The Hawkins County portion, which will be reassessed in 2026, remains at the certified rate of $2.4878. These adjustments also help offset the $3.65 million in revenue lost in FY 2023-2024 due to changes in state appraisal ratios.

Local Option Sales Tax, the City's second-largest revenue source, contributes 22% of General Fund revenues. Collections remain strong due to consumer activity and online sales, though the FY 2025-2026 budget uses a conservative forecast slightly below prior year actuals to protect against potential downturns.

Other revenues, including licenses and permits, recreation fees, court fines, and hotel/motel taxes, have steadily recovered from pandemic-related declines. While these sources dropped 35% to 75% during the height of COVID-19, they have rebounded since FY 2022-2023. The FY 2025-2026 budget anticipates stability with moderated growth.

The City will continue to monitor revenue performance closely and adjust projections and spending as needed in response to evolving economic conditions.

Expenditures

General Fund expenditures for FY 2025-2026 are balanced at $110.87 million. The budget prioritizes investment in the workforce, operational stability, and efficient delivery of essential public services.

Personnel costs remain the largest share of the General Fund at 45%, reflecting the City's focus on attracting and retaining skilled employees. This budget builds on Kingsport's multi-year compensation strategy with cost-of-living adjustments of 18% for Fire, 10% for Police, and 8% for General Government employees. In addition, 78 positions were reclassified to higher pay grades following a market-based compensation study. Since FY 2023-2024, these adjustments, combined with structural updates, have increased personnel costs by 24%, underscoring the City's commitment to competitive pay and high-quality service delivery.

Retirement benefits also support workforce competitiveness. Employees hired before 2012 remain in the Tennessee Consolidated Retirement System (TCRS). Those hired between 2012 and 2022 participate in a defined contribution plan through ICMA-RC. Beginning in 2023, new hires joined a TCRS Hybrid Plan, which blends a defined benefit with a 401(k) feature.

Staffing levels for FY 2025-2026 include 814 full-time and 20 part-time positions. Notable additions in the prior fiscal year included nine new full-time roles, eight of which were School Resource Officers funded through a state grant. The City continues to use flexible staffing solutions, such as part-time positions, temporary personnel, and restructuring through attrition, to meet service needs while managing costs.

Operating expenses have risen 10% compared to the prior year, driven by inflationary pressures on supplies, utilities, and equipment. Higher electricity rates and rising costs for vehicles and materials are particularly significant. These increases ensure departments remain properly resourced to meet community expectations.

Capital outlay within the General Fund has been sharply reduced over the past three fiscal years due to revenue impacts from state appraisal ratio changes on tangible personal property and state-assessed utilities. Funding declined from $494,200 in FY 2022-2023 to $160,500 in FY 2024-2025, with no new capital outlay budgeted for FY 2025-2026. If revenues exceed projections, the City may revisit capital needs later in the year.

Internal Service Funds Overview

The City of Kingsport maintains four Internal Service Funds—Fleet Maintenance, Risk Management, Health Insurance, and Retiree Health Insurance. These funds are financed through internal charges to user departments and are structured to promote operational efficiency, safeguard employee well-being, and manage long-term costs.

Fleet Maintenance

The Fleet Maintenance Fund supports the repair, replacement, and upkeep of the vehicles and equipment relied upon by city departments. Recent supply chain delays and inflation have extended vehicle acquisition timelines and increased costs. Many vehicles scheduled for replacement were delivered well beyond their expected dates, creating additional repair needs and higher operating expenses. To help offset these costs, replaced vehicles are routinely sold or traded. Total fund costs have grown from $7.82 million in FY 2019–2020 to $15.21 million in FY 2025–2026, reflecting both inflationary pressures and expanded service requirements.

Health Insurance

Kingsport operates a self-insured health plan administered by Blue Cross Blue Shield of Tennessee. To strengthen its total compensation strategy, the City increased its share of health insurance premiums from 70% to 75% effective January 1, 2022. This adjustment reduced the burden on employees and aligned with the City's multi-year pay plan to recruit and retain a high-quality workforce.

Despite national trends of rising medical costs, Kingsport has maintained relative stability in employee premium contributions. This is the result of proactive planning, strategic stop-loss coverage, and the continued success of the City's Wellness Clinic. Established in FY 2012–2013 and currently operated by My Premise Health, the clinic serves employees, retirees, and eligible dependents enrolled in the City's health plan. It provides accessible care while generating measurable savings through its in-house pharmacy, negotiated provider rates, and efficient management of claims.

Through these initiatives, Kingsport has experienced only modest increases in health insurance costs, even as national healthcare expenditures continue to rise sharply. This demonstrates the City's commitment to fiscal responsibility, employee well-being, and long-term sustainability.

As a result, the City has experienced only minimal overall increases in health insurance costs, even as national trends show significant annual growth.

Long Range Financial Plan

The City of Kingsport has adopted a comprehensive set of financial policies to guide its operations. One of the most important is the General Fund Unassigned Fund Balance Policy, which requires a minimum balance of 15 percent of General Fund expenditures. This policy provides the City with flexibility to manage cash flow, respond to emergencies, and take advantage of grant opportunities that require matching funds. Equally important is the restriction that one-time revenues may not be used to fund recurring operating expenditures, thereby protecting the long-term sustainability of services.

Water and sewer operations are financed through gradual annual rate adjustments and through savings realized from declining debt service obligations. This strategy ensures that non-major capital expenditures can be funded on an annual basis while reserving debt issuance for large, major projects. The City's financial, fund balance, and investment policies are provided in detail in the **Financial Policies** section of this document.

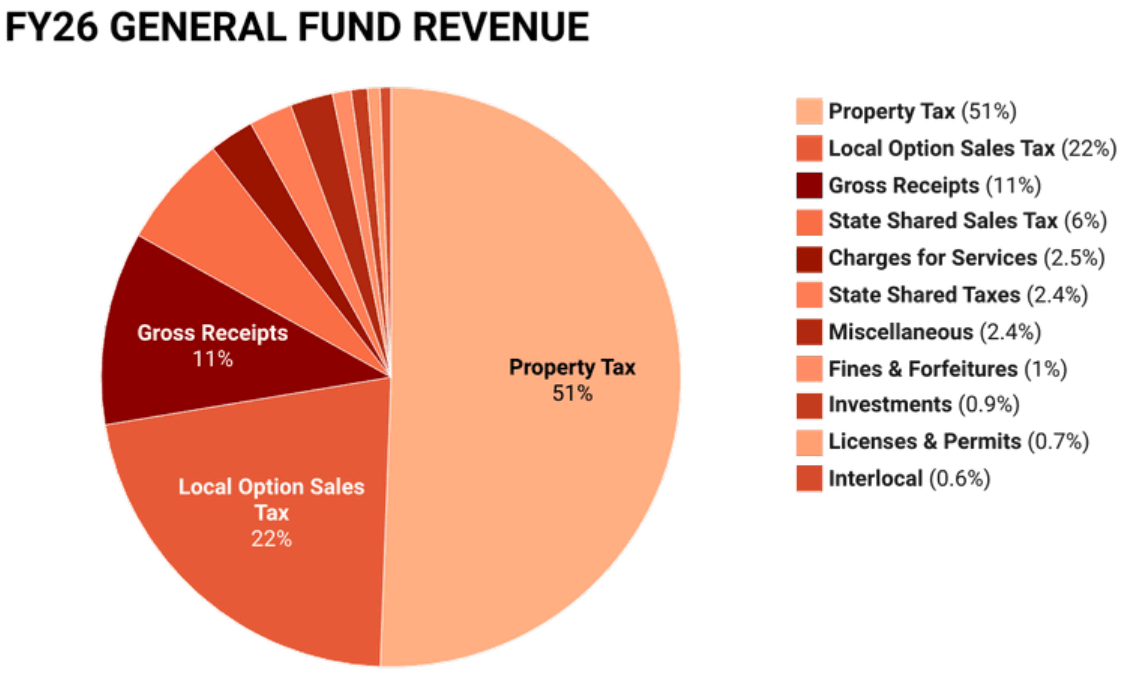
As part of the annual budget process, the Board of Mayor and Aldermen (BMA) reviews and reaffirms the five-year Capital Improvement Plan (CIP), which outlines needed improvements across utilities, general government, and school-related facilities. In FY 2023–2024, the City issued $61.95 million in bonds to support several major capital projects. These investments continue to shape Kingsport's debt service profile and remain a consideration in the long-range financial plan. The next bond issuance is scheduled for Spring 2026 to coincide with a property tax reappraisal year.

For FY 2025–2026, the City has programmed $11.98 million in capital projects. These investments span water, sewer, stormwater, and special revenue initiatives. The largest share is dedicated to special revenue projects, totaling $6.1 million, which includes $5.2 million in streets and resurfacing enhancements funded through AEP franchise fee revenues and $0.9 million for the School Resource Officer (SRO) reimbursement grant. Water projects represent $3.2 million in system reliability improvements, highlighted by $1.5 million in distribution system upgrades and $0.9 million in water line improvements. Sewer system investments total $2.43 million, with major efforts directed toward collection system upgrades, lift station improvements, and pump station upgrades. An additional $250,000 is dedicated to stormwater improvements, which support drainage capacity and environmental protection.

Looking beyond the current year, Kingsport has identified $16.05 million in proposed future capital projects to address transportation, public facilities, and community infrastructure. Transportation-related improvements account for $6.25 million and include intersection upgrades, bridge rehabilitations, and a full rebuild of Watauga Street. Public facilities represent $3.6 million in future investment, led by the Washington School HVAC and chiller replacement project and preliminary schematic design work for improvements in the Lynn Garden area. Another $6.1 million in future projects will be financed through AEP street resurfacing funds and the continuation of the School Resource Officer grant. Of the $16.05 million in proposed projects, $6.1 million will be financed through revenues and reserves, while $9.95 million is anticipated to be supported through future debt issuance.

Debt service principal payments for FY 2025–2026 total $16.37 million across all funds. A detailed schedule of principal and interest obligations is presented in the **Debt** section of this document. Consistent with the City's self-imposed policy of not borrowing more than the amount of debt being retired, the impact of new bond issues on operating budgets remains minimal. The long-term implications of all outstanding bond obligations are presented in the **Total Debt Summary** section. The complete listing of major projects and the full Five-Year Capital Improvement Plan, organized by funding source, is provided in the **Capital Improvements** section of this budget.

Revenues



General Fund

The General Fund has two major sources of revenue: sales tax and property tax. Property tax revenue funds 51% of the General Fund budget and sales tax revenue funds 22%. The city has worked diligently to diversify the revenue stream by implementing the American Electric Power (AEP) Franchise fee, and a sanitation fee to offset the elimination of Hall Income Tax revenue.

For FY 2025-2026, total property tax revenue is projected to come in at 98% of assessed value and the budget for Local Option Sales Tax is projected to be slightly over revised FY 2024-2025 projections.

In FY 2024-2025, the American Electric Power (AEP) Franchise Agreement accounts for $5.5 million in project and operational revenue, or 5.5% of the General Fund Revenue budget. Traditionally, this funding source has been used to create project funds for paving, aesthetics, economic development, sidewalk enhancements, downtown enhancements, and extended mowing. In FY 2020-2021, many of those projects were funded through leftover project funds from previous years and nearly $3 million was used to help balance projected revenue shortfalls in the General Fund. AEP funding was restored in the FY 2021-2022 budget to fund intended projects and operations. Although some of these funds have been used for operating and debt expenses, over $3.5 million of these funds will be transferred to Street Resurfacing, Aesthetic Improvements, Sidewalk Improvements, and Enhanced Landscaping. Amounts for these projects can be found under the *Capital/Grant Project Ordinance Funds*.

Regional Sales Tax Fund

This fund was established to account for revenues from the 0.25% Regional Sales Tax levy. Funds help support the Meadowview Convention and Conference Center, Cattails Golf Course, and the Kingsport Aquatic Center. Details about the Regional Sales Tax Fund can be found by name under the *Regional Sales Tax Fund Summary* section.

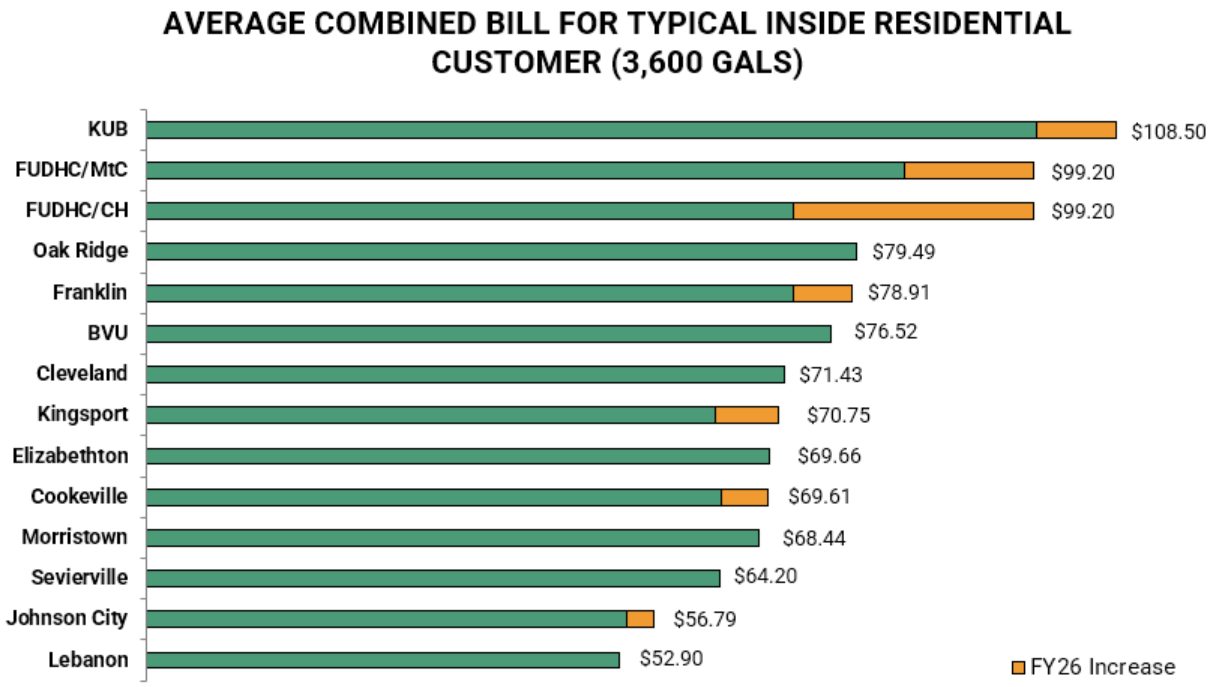
Water and Wastewater Funds

The City's water and sewer systems serve a relatively stable customer base, although total usage has increased by 5.3% since March 2020. To support ongoing operations and infrastructure investment, water rates for FY 2025–2026 will transition to a fully metered structure, eliminating the final 500 gallons of "included" water from the base rate. Customers will pay a flat base rate plus a separate charge for each gallon of water consumed. The wastewater rate will increase by 5.2%, which equates to approximately $4 more per month for a residential customer using 3,000 gallons. Overall, the combined effect of water, sewer, and stormwater adjustments is estimated at roughly $7 per month for an average residential household.

Historically, annual rate changes for the Water and Wastewater Funds varied significantly. The City developed multi-year capital, operating, and maintenance plans to project future expenses and rates, smoothing out annual increases and providing transparency for ratepayers. These plans guide the implementation of critical infrastructure projects, including major renovations to water and sewer plants supported through a

State Revolving Fund (SRF) loan. The City continues to address aging systems—some portions of which are over 100 years old—in a planned, sustainable manner, while ensuring compliance with environmental regulations and maintaining the self-sustaining nature of the utility system.

The following graph compares the water & sewer rates with other cities:



Solid Waste Fund

The Solid Waste Fund operates as an Enterprise Fund but continues to rely on significant support from the General Fund. To reduce this dependency, the City established an $8.00 monthly sanitation fee in FY 2016–2017. In FY 2019–2020, the Board of Mayor and Aldermen voted to temporarily suspend curbside recycling due to unfavorable market conditions. Staff continue to monitor recycling markets closely, and the program will be reinstated when it becomes financially viable.

To strengthen the fund's long-term sustainability, the City has adjusted landfill tipping fees in recent years. The fee increased from $32 to $35 per visit in FY 2021–2022, with further adjustments over the next two years bringing the rate to $60 per visit. For FY 2025–2026, the minimum tipping fee remains $30 per visit for vehicles under 1,000 pounds. For vehicles weighing 1,000 pounds or more, the fee has increased to $65 per ton, creating a more equitable structure based on disposal volumes.

Despite these measures, the Solid Waste Fund continues to require General Fund support. The subsidy was 37.7% in FY 2023–2024, is estimated at 35.5% in FY 2024–2025, and is budgeted at 35% in FY 2025–2026. Reducing this reliance remains a priority, and staff will continue to evaluate operational efficiencies, rate adjustments, and recycling opportunities to strengthen the fund's financial position over time.

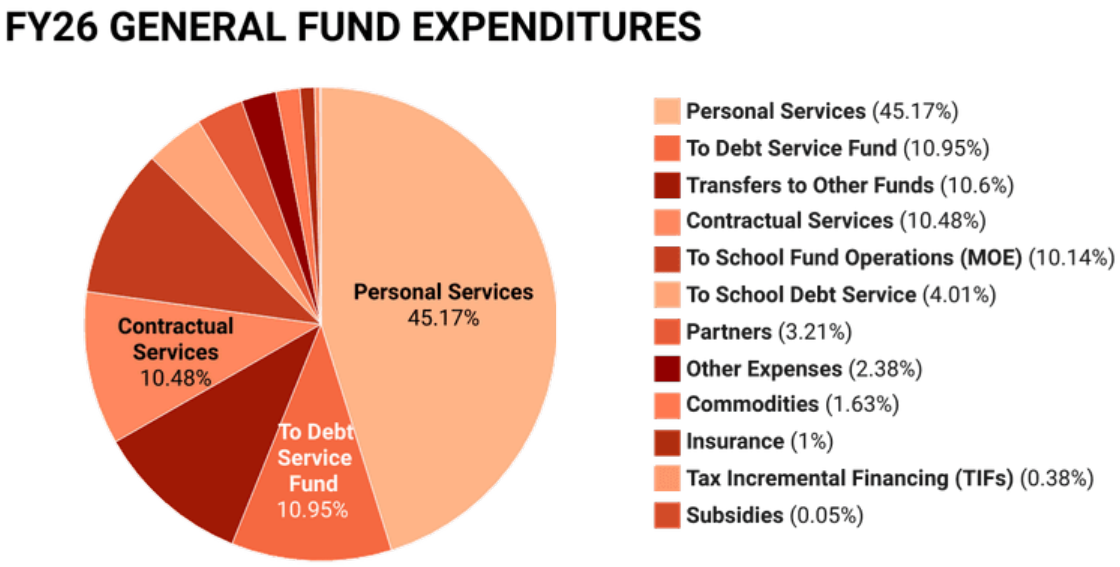
Storm Water Fund

Since its establishment in FY 2011–2012, the Stormwater Fund has remained relatively constant, with revenues supported primarily through stormwater fees that had not been adjusted since the fund's inception. Beginning in FY 2025-2026, the City conducted a comprehensive evaluation of stormwater fees to ensure they adequately support ongoing infrastructure maintenance, regulatory compliance, and system improvements. As a result of this evaluation, fees were adjusted for the first time, generating a 19.85% increase in revenue. This adjustment strengthens the fund's long-term sustainability and ensures the City can continue to meet growing demands for stormwater management services.

Other Funds

Other than the adjustments to Water and Sewer rates and Stormwater fees, no fee changes are planned for the City's remaining Enterprise Funds. The Aquatic Center Fund, MeadowView Conference Center Fund, and Cattails Golf Course Fund will continue to receive support from the 0.25% Regional Sales Tax Fund, which was established in FY 1992–1993. Additional detail on these funds is provided in the Fund Summaries section of this document.

Expenditures



General Fund

The General Fund Budget is balanced. The General Fund provides funding for many services, including public safety, recreation, and general services. Personnel accounts for nearly 45% of General Fund expenditures. School Maintenance of Effort and Debt Service accounts for nearly 15% of General Fund expenditures. General Fund Expenditures are estimated to be $110.87, which is an increase of nearly 4.4% compared to last year's original budget.

School Funding

The City of Kingsport operates its own city school system. The majority of the revenues for the school system were previously derived from the State of Tennessee (about 33%) and Sullivan County (about 33%). In FY 2017-2018, Sullivan County reduced its contribution to the schools MOE by $644,000 and to the schools capital by $1,136,912. In FY 2025-2026, the City General Fund will contribute $15.76M. This includes the additional $644,000 the County reduced to the school system. Of this amount, $11.25M is contributed to the School Fund for general operations and $4.97M is allocated for debt service.

The school funds are shown in the budget as a total, since the Board of Mayor and Aldermen does not have the authority to allocate funding within the various budget codes of the school system.

Regional Sales Tax Fund

This fund was established in FY 1992-1993 to build and support the Meadowview Convention and Conference Center and Cattails Golf Course. The original debt for the Meadowview Conference Center was retired in Fiscal Year 2007-2008, but the need for continued financial support for operating contributions and provisions for long term maintenance and expansion of the facilities will continue.

In FY 2010-2011, the city used the debt service savings from the retired Meadowview Convention and Conference Center and Cattails Golf Course debt to build the Kingsport Aquatic Center.

The Regional Sales Tax Fund is estimated to be $5M in the upcoming fiscal year. The fund continues to subsidize the Meadowview Conference Center Fund and Cattails Golf Course Fund, but now also subsidizes the Aquatic Center Fund. Subsidy amounts can be found in the *Regional Sales Tax Fund* narrative under *Fund Summaries*.

Meadowview Fund

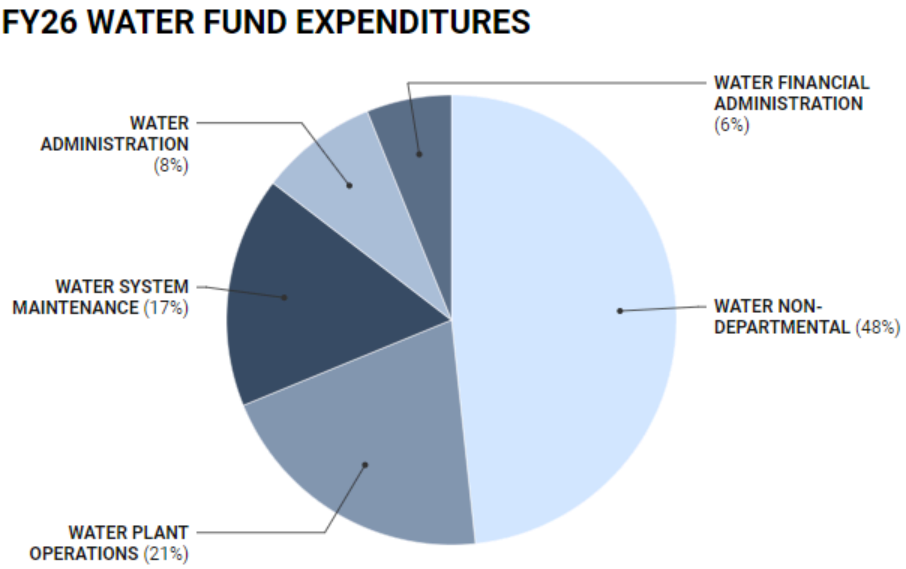
The total fund is estimated to be $2.63M. Although there are some revenues generated by the operation of the conference center, the Regional Sales Tax Fund subsidizes nearly 87% of all revenue. The City contracts with Marriott Corporation for the day-to-day management and marketing services of the conference center.

Cattails Fund

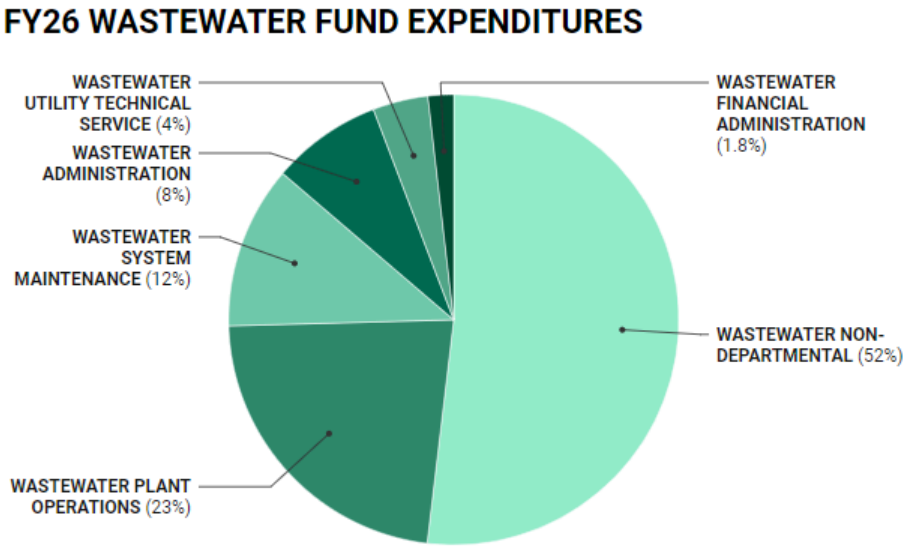
The total fund is estimated to be $1.43M. Contributions from the General Fund to Cattails ceased in Fiscal Year 2003-2004 when it was determined that payment of the debt service contribution could be made from Regional Sales Tax revenues. Cattails is operated and managed by Marriott Golf.

Water and Sewer Funds

The major expenditures for both of these enterprise funds are debt service, operations, and personnel.
The Water Fund expenditure is estimated to be $18.89M.



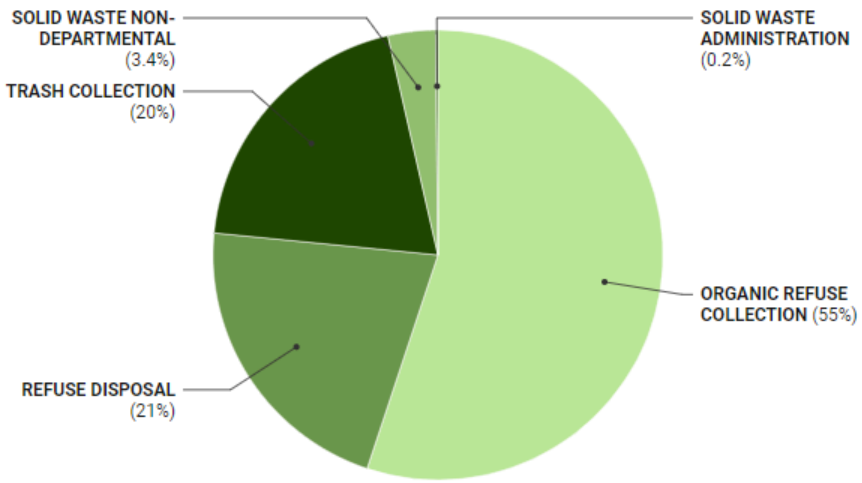
The Sewer Fund expenditure is estimated to be $20.26M.



Solid Waste Fund

The Solid Waste Fund has total estimated expenditures of $6.76 million in FY 2025-2026. Historically, the fund relied heavily on General Fund support, with approximately 87% of its revenue coming from the General Fund in FY 2015-2016. To reduce this subsidy, the Board of Mayor and Aldermen adopted an $8.00 monthly sanitation fee beginning in FY 2016-2017, lowering the General Fund share to about 47%. In FY 2019-2020, the City suspended its recycling program due to declining market values for recyclable materials. For FY 2025-2026, the General Fund subsidy is projected at 35%, down from 37.7% in FY 2023-2024.

FY26 SOLID WASTE FUND EXPENDITURES



Debt, Debt Service, & Bond Rating

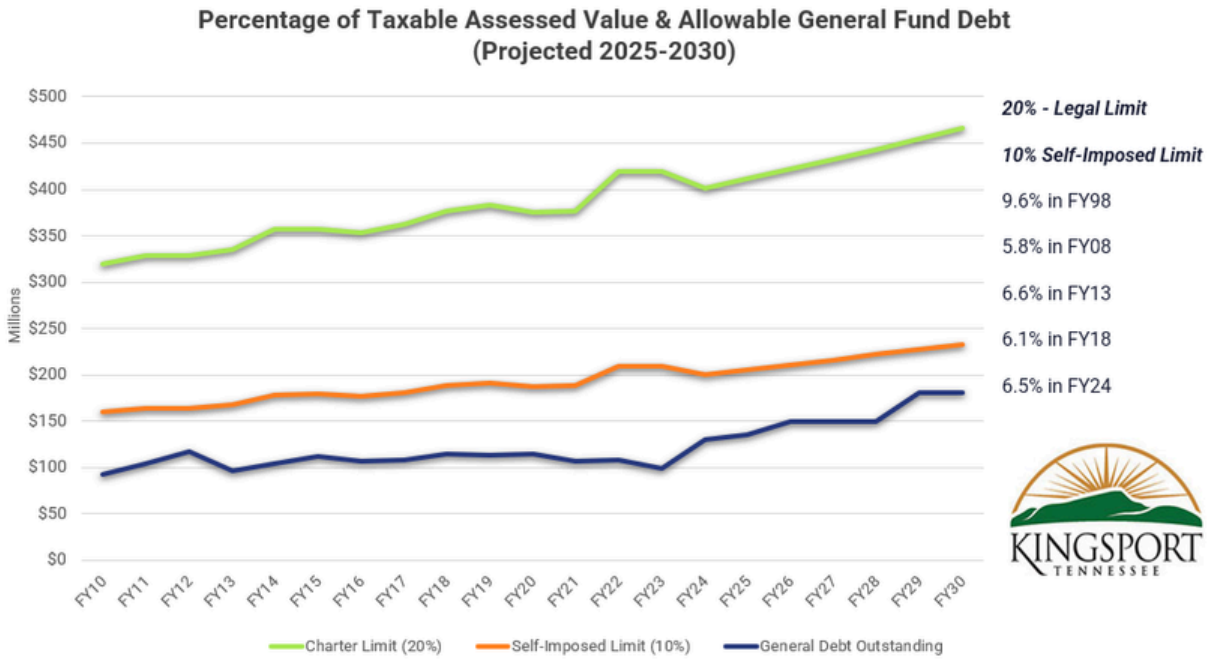
The recommended bond issuance across all funds for FY 2023-2024 was $41,400,000. Capital projects are generally planned according to the debt service rolling off each year. Due to a school purchase from Sullivan County, the planned reorganization of three city school facilities will require major renovations over the next three to five years. Planned debt will increase during that period.

General debt issued by the City is subject to debt limitations imposed by the City Charter. The total bonded indebtedness of the City shall not exceed twenty percent (20%) of the assessed value of the taxable property of the City according to the most recent complete assessment. In determining the debt applicable to the legal debt limit, the following types of debt are excluded:

-General obligation bonds payable out of the revenues of any public utility
-All bonds payable out of special assessment proceeds
-Tax anticipation bonds and notes

The Board of Mayor and Aldermen maintains a board policy that the general obligation bonded debt will not exceed ten percent (10%) of the assessed value of the taxable property.

The following graph reflects the debt policies and the General Obligation Debt:



The details of the City's Debt Management policy can be found under the *Financial Policies* section of the budget book.

A detailed analysis of the debt position, debt service requirements and bond rating of the City is in both the *Debt Service Fund Summary* and the *Debt* sections of the budget book.

Moody's bond rating for the City of Kingsport is Aa2 and S & P gave the City AA rating in FY 2022-2023, which remains the highest rating we have ever achieved. No debt was issued in FY 2024-2025. Debt is at a very manageable level.

Additional Information

Budget Contents

The Strategic Plan adopted by the Board of Mayor and Aldermen can be found under the **Strategic Plan** under the Budget Overview section or online at **https://bit.ly/KptStrategicPlan**. Budget priorities, department narratives, and global measures are all linked to the Strategic Plan.

Budget Book Locations

Copies of the budget and the CIP are available for public inspection at the Kingsport Public Library and the Offices of the City Manager and City Recorder. A copy of the budget and CIP are on the City of Kingsport's website, **kingsporttn.gov/government/city-budget/**, or may be viewed directly at **city-kingsport-tn-budget-book.cleargov.com/19481**.

Overall Budget Position

The FY 2025-2026 Budget has been thoroughly reviewed and will be adequate to maintain operational standards for the departments and maintain the level of service our citizens have grown accustomed to receiving.

FY 2026 Budget Priorities

Each year, the City of Kingsport develops its budget around key strategic priorities that reflect community needs and fiscal realities. For FY 2025–2026, the three top priorities are Employee Compensation, Restoring AEP Funding for Paving and Landscaping, and Investing in Infrastructure. Together, these priorities advance the City's long-term commitment to workforce excellence, infrastructure reliability, and neighborhood quality.

Beyond these central initiatives, the FY 2025–2026 Adopted Budget also emphasizes economic development, employee well-being, operational efficiency, and technology-driven service delivery. These goals are guided by the **2025 Strategic Plan**, informed by community input, and grounded in Kingsport's commitment to long-term financial sustainability.

While rising costs, workforce competition, and state tax policy changes continue to influence the fiscal landscape, Kingsport remains focused on strategic investment and responsible stewardship. Guided by seven core focus areas including **efficient and responsive government**, **sustainable infrastructure**, **exceptional cultural and recreational opportunities**, **safe and welcoming neighborhoods**, **a thriving local economy**, **strong and vibrant neighborhoods**, and **world-class education**, the FY 2025–2026 budget balances community priorities with sound fiscal management.

Employee Compensation

Attracting and retaining a high-performing workforce remains one of the City of Kingsport's top priorities, as the delivery of responsive and high-quality municipal services depends on the stability and expertise of our employees. Over the past five years, the City has taken deliberate steps to strengthen its compensation program. These efforts have included annual cost-of-living adjustments ranging from 1% to 18%, a comprehensive pay structure audit that resulted in the implementation of a new citywide pay scale in FY 2023–2024, and targeted adjustments to entry-level wages and step increases to remain competitive with regional labor markets.

For FY2025–2026, Kingsport is building on these efforts with a focused set of initiatives designed to enhance pay equity and competitiveness within the region. The budget provides for targeted cost-of-living adjustments of 18% for Fire personnel, 10% for Police personnel, and 8% for all other General Government employees. In addition, 78 positions will be reclassified to more accurately reflect job responsibilities and market conditions, while pay scales across all classifications will be updated to align with current labor market data.

These investments demonstrate the City's continued commitment to its workforce and reinforce Kingsport's position as an employer of choice in the region. By maintaining a competitive compensation framework, the City supports employee retention, promotes organizational stability, and ensures the community continues to receive high-quality municipal services.

Employee Health Care

Kingsport provides health insurance coverage through a self-insured plan administered by BlueCross BlueShield of Tennessee, giving the City flexibility over plan design and costs. In 2022, Kingsport increased its contribution from 70% to 75%, reducing employee costs and maintaining affordability through FY 2026.

The City's employee wellness clinic offers no-cost primary care and prescriptions and has generated more than $15.6 million in cumulative savings to date. Through its self-insured model and proactive wellness initiatives, the City has avoided raising employee health insurance premiums for over six years—supporting both workforce well-being and long-term fiscal sustainability.

Restoring AEP Funding for Paving and Landscaping

The City of Kingsport implemented a new franchise agreement with Appalachian Electric Power (AEP) in FY 2016–2017, generating approximately $3.9 million annually in franchise fees—a significant new revenue source for the City. Initially, 80% of these funds were dedicated to road right-of-way maintenance, with 10% allocated to economic development and 10% to streetscape enhancements and aesthetics. In FY 2023–2024, a lower-than-expected appraisal ratio on personal property reduced the assessed value of a substantial portion of Kingsport's industrial tax base, resulting in a $3.8 million revenue loss. To maintain a balanced budget, the City temporarily redirected a portion of AEP franchise fee revenues to offset this shortfall. In FY 2026, the City will restore full AEP allocations to their intended purposes, supporting renewed investment in paving, landscaping, and right-of-way improvements.

Economic Development

Kingsport's economic development strategy is designed to foster sustainable growth by focusing on housing, infrastructure, and business recruitment. In recent years, the City has implemented several initiatives to support this strategy, including streamlining the permitting process and launching a redesigned development review system in FY 2020–2021, investing nearly $2.8 million in street resurfacing during FY 2022–2023, and supporting the development of more than 2,000 new housing lots as of FY 2023.

The FY 2025–2026 budget builds on these achievements and advances key initiatives outlined in the City's 2025 Strategic Plan. Notable investments include full funding for the Economic Development Director position in the General Fund, continued collaboration with NETWORKS Sullivan Partnership and the Kingsport Economic Development Board, and targeted corridor planning projects. Among these, $600,000 is allocated for schematic design in the Lynn Garden area, which will support redevelopment opportunities and enhance neighborhood vitality.

Through these efforts, Kingsport is positioning itself as a premier community in which to live, work, and invest. By combining infrastructure investment, housing development, and strategic partnerships, the City is laying the foundation for long-term economic resilience and growth.

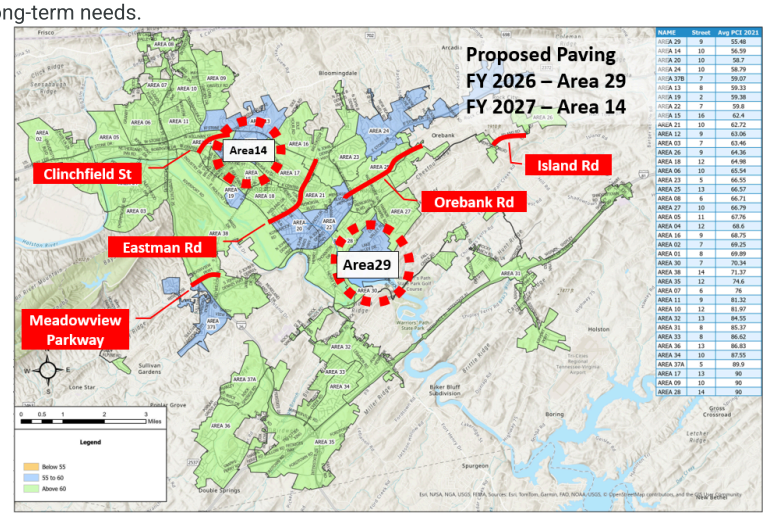
Infrastructure Investment

Reliable infrastructure is essential to public safety, economic vitality, and overall quality of life. Kingsport has made long-term infrastructure investment a cornerstone of its strategic planning, with a focus on maintaining and upgrading water, sewer, stormwater, and transportation systems. These projects not only address immediate community needs but also support sustainable growth and enhance the City's competitiveness.

For FY 2026, the budget includes more than $15 million in capital improvements. Major projects include $5.2 million in resurfacing and roadway upgrades funded through AEP revenues, $2.0 million for the reconstruction of Watauga Street, and $3.0 million for a new HVAC and chiller system at Washington School. Additionally, more than $2.2 million is dedicated to bridge improvements, including work on Clinchfield Road and Eastman Road/Lincoln Street.

A central component of Kingsport's approach is the **Pave Kingsport** initiative, now entering its ninth year. Guided by pavement condition ratings and data-driven analysis, the program is moving the City's street network toward a sustainable 25-year paving cycle. The FY 2025–2026 budget continues this effort with resurfacing in Area 29, addressing neighborhood streets, major corridors, and critical spot repairs.

Through consistent reinvestment in core infrastructure, Kingsport is ensuring that essential systems remain reliable, resilient, and capable of supporting the community's long-term needs.



Promoting Tourism

Tourism plays a vital role in Kingsport's economic vitality and community identity, contributing to local business activity while enhancing quality of life for residents. To strengthen this sector, the City dedicates 12.5% of Regional Sales Tax Revenue—budgeted at $1.1 million for FY 2025–2026—to the Kingsport Convention and Visitors Bureau (KCVB). These funds support marketing, event development, and initiatives that showcase the community to visitors and prospective investors.

The City's Public Information and Communications Department also promotes many of Kingsport's most recognized attractions, including Bays Mountain Park & Planetarium, the Kingsport Aquatic Center, the Kingsport Farmers Market, Allandale Mansion, and the Kingsport Carousel. These destinations highlight the City's natural assets, recreational opportunities, and cultural heritage, further enhancing its appeal.

Through strategic investment in tourism promotion and destination development, Kingsport continues to strengthen its reputation as a regional hub for recreation, culture, and hospitality. These efforts not only draw visitors but also enrich the experience of residents, positioning the City as both a welcoming community and a dynamic destination.

Internal Efficiencies

The City of Kingsport is committed to delivering high-quality municipal services in the most efficient and cost-effective manner possible. Over the past decade, Kingsport has successfully reduced the number of City employees per capita while expanding digital service offerings, demonstrating the organization's ability to do more with fewer resources.

Technology has been a driving force in this transformation. Recent innovations include robotic garbage and yard waste collection, automated water meter reading and sewer system monitoring, and the YourGov platform, which allows residents to submit service requests 24/7. Transparency and accountability have been strengthened through ClearGov, which provides accessible budget information to the public. Operational improvements also include new point-of-sale systems at City venues, mobile data platforms for Police and Fire services, and the introduction of online permitting and plan review for Building & Codes through CentralSquare.

These advancements reflect Kingsport's proactive approach to modernizing municipal operations. The City's leadership in adopting innovative practices has earned multiple recognitions as a Cartegraph High-Performance Government, underscoring Kingsport's reputation as an efficient, forward-looking organization.

Other Key Priorities

In addition to major initiatives in compensation, infrastructure, and the restoration of paving and landscaping funds, the City of Kingsport continues to advance a broad range of priorities that sustain high-quality services and enhance community well-being. The FY 2025–2026 budget reflects strategic investments across multiple areas of government operations.

A significant focus remains on education and facilities, with $3 million dedicated to HVAC improvements at Washington School and $15.7 million in General Fund support provided to Kingsport City Schools to meet the State's Maintenance of Effort (MOE) requirement. Planning is also underway for a multiphase renovation of the Justice Center, addressing the long-term needs of city court and police facilities.

To safeguard critical information systems, the budget allocates $900,000 for cybersecurity and IT enhancements, ensuring robust protection of City data and operations. Community amenities are also a priority, with $5.9 million invested in the Kingsport Public Library renovation, funded through a combination of bond proceeds and American Rescue Plan Act (ARPA) allocations.

The City will continue its strong partnership with Petworks Animal Services, supported at $350,000, and invest in community engagement through the “This is Kingsport” marketing campaign and expanded digital platforms. Finally, Kingsport is strengthening its workforce development programs, with additional training and accreditation support for employees across departments, particularly in Police, Fire, and Public Works.

Together, these initiatives reflect Kingsport’s commitment to maintaining excellent city services, supporting education and public safety, and investing in resources that enhance the quality of life for residents.

Property Tax Rate

Kingsport’s fiscal policies emphasize stability, legal compliance, and equitable taxation to ensure that essential services are sustainably funded. The FY 2025–2026 budget reflects these principles through adjustments to the City’s property tax rate in response to countywide reassessments and valuation shifts.

In the Sullivan County portion of the City, residential property values increased by an average of 75% following reassessment. Based on these changes, the State of Tennessee established a certified tax rate of $1.3473 for FY 2025–2026. To maintain service levels and meet community needs, the Board of Mayor and Aldermen adopted a property tax rate of $1.6773, representing a $0.33 increase above the state-certified rate.

The Hawkins County portion of Kingsport, which will not undergo reassessment until FY 2027, will maintain an adopted property tax rate of $2.4878.

These adjustments reflect Kingsport’s commitment to sound financial stewardship, aligning revenues with service demands while balancing taxpayer equity across jurisdictions.

Key Challenges

The City of Kingsport develops its annual budget with the guiding principle of maintaining a balanced financial position while avoiding undue burdens on taxpayers. Despite this commitment, several external and structural factors continue to constrain fiscal flexibility and influence the priorities reflected in the FY 2025–2026 budget.

Rising costs in capital investment, infrastructure, and employee benefits place sustained pressure on the City’s expenditure base. At the same time, increased competition for skilled labor requires ongoing compensation adjustments to attract and retain a high-performing workforce. These market dynamics contributed to the property tax rate adjustment adopted in FY 2026.

State policy changes also affect local revenues. The elimination of the Hall Income Tax and continued shifts in education funding formulas have placed greater reliance on City resources to meet the State’s Maintenance of Effort (MOE) requirement for Kingsport City Schools. Inflation and supply chain challenges add further uncertainty by extending project timelines and increasing construction costs. In addition, debt service obligations will rise modestly in FY 2026 due to bonds issued for infrastructure improvements and school facility upgrades.

While these challenges are significant, Kingsport remains committed to balancing fiscal discipline with service excellence. By proactively addressing cost pressures, maintaining investment in essential services, and planning for long-term sustainability, the City is positioned to navigate these constraints while continuing to meet community needs.

Conclusion

The FY 2025–2026 budget represents a balanced approach that addresses community needs, invests in Kingsport’s future, and responds to financial and operational pressures. Strategic investments in employee compensation, infrastructure, and economic development strengthen long-term service delivery and community resilience.

While challenges such as property tax equalization, inflationary costs, and a competitive labor market persist, Kingsport continues to demonstrate fiscal discipline, innovation, and adaptability. The City remains committed to operating as a high-performing, forward-looking organization that delivers exceptional value to residents, businesses, and visitors.

Budget Timeline

The City's annual budget process provides a framework for communicating major financial operational objectives and for allocating resources to realize them. The budget process begins in December or January and will end in June. The City Charter requires that a balanced budget must be presented to the Board of Mayor and Aldermen by May 15. A balanced budget must be adopted by June 30 and be effective July 1.

Dec 6, 2024

Budget Kick-Off Meeting

Dec 9, 2024

Requesters set up in ClearGov and invitations sent

Dec 20, 2024

Fleet, Risk, and Payroll projections sent to departments

Feb 7, 2025

Departmental Budget Submissions Due (Narratives, Benchmarks, Performance Measures)

Feb 10, 2025

Meetings with Departments Begin

Apr 3, 2025

Meeting with School Superintendent and CFO David Frye

May 2, 2025

Budget Balanced

May 12, 2025

BMA Budget Work Session Schools Budget and City Work Budget Overview for all funds and Revenue Awareness General Fund & CIP

May 15, 2025

BMA Work Session for Further Discussion (if needed)

May 20, 2025

Submit budget for publication in Kingsport Times News

Budget Preparation Process

A kickoff meeting with all departments is held in November by the Budget Director and City Manager to discuss Board of Mayor and Alderman priorities of the upcoming budget and the challenges going forward.

The department heads begin meeting with their departments in November and December of each year to discuss the operational and capital needs of the department. The departments are asked to have their budgets keyed into the system in January and their narratives and CIP requests finalized before presenting their budgets to the Budget Director and City Manager. Each department is scheduled to present their budget in detail during January and February.

The budgets are reviewed and balanced during March and April. The City Manager presents the budget to the BMA during the month of May. The citizens are invited to the budget work sessions during May and a public hearing is held on the 1st Tuesday of June.

The budget requires two readings in June and then submitted to the State of Tennessee.

The new fiscal year begins July 1. Copies of the budget are on the city's website, at the Public library, in the City Recorder's Office and in the budget office.

The bond rating agency review will take place in August and September for capital projects and the annual bond sale is in October.

During July through December, the city is closing out the prior year and the Comprehensive Annual Financial Reports and Audit is finalized in December.

Budget Management & Administration

The FY 2026 work budget is the recommended budget prepared by the City Manager for review and deliberation by the Board of Mayor and Aldermen (BMA). The Strategic Plan and Initiatives and Budget Priorities as adopted by the BMA, as well as the day-to-day operational and capital operating needs of the City, guided development of the budget. The work budget will be presented before May 15 and reviewed by the BMA during the month of May. A public hearing will be held in June and final adoption of the budget as amended by the governing body is scheduled for the third Tuesday of June. Concurrent with the readings of the Budget Ordinance will be any other appropriate Ordinances amending the tax rate and/or fee and rate schedules and Resolutions approving contracts with Community Partners. The adopted budget will become effective on July 1.

Once the budget is adopted, it becomes the shared responsibility of the City Manager and his staff, Budget Director, Chief Financial Officer and Leadership Team to oversee its implementation. After the budget is adopted by the BMA, the City Manager will meet with the Leadership Team to review the impact of the budget, its new initiatives and policies and request that departmental work plans be adjusted accordingly.

All Department Directors are expected to work within the framework of their respective budgets. Any problems associated with the allocation of resources vis-à-vis needs are initially directed to the Budget Director and ultimately to the City Manager if appropriate.

The budget is amended in two different ways. The first way is via an administrative budget amendment that is approved by the Budget Director. The Budget Director is authorized to approve the transfer of funds between the accounts within departments. The second way to amend the budget is via a formal budget amendment that is approved by the BMA. A formal budget amendment is effected via an Ordinance and requires two readings by the governing body.

The Budget Director reviews the budget on a daily basis and prepares administrative budget amendments as appropriate. Formal budget amendments are presented to the BMA as needed and appropriate. A global budget review is performed at the end of December and the end of April with appropriate formal budget amendments being presented to the BMA in February and June.

The City Charter provides specific budget responsibilities and authorities which can be found in its entirety under ***Financial Policies*** in the Appendices.

Budget Responsibilities & Authorities

The City Charter provides for the following specific budget responsibilities and authorities:

ARTICLE XV BUDGET AND APPROPRIATIONS

SEC. 1. DESIGNATION OF BUDGET COMMISSIONER, FISCAL YEAR; ESTIMATE OF EXPENDITURES, RECEIPTS.

The city manager shall be budget commissioner. The fiscal year of the city shall begin on the first day of July until otherwise provided by ordinance. The city manager shall on or before May 15th of each year, submit to the board of mayor and aldermen an estimate of the expenditures and revenues of the city for the ensuing fiscal year in a form and with documentation as required by the board of mayor and aldermen but at a minimum shall include:

(a) Estimates of proposed expenditures for each department, board, office or other agency of the city, showing in addition, the expenditures for corresponding items for the last fiscal year, projected expenditures for the current fiscal year and reasons for recommended departures from the current appropriation pattern as required by the board of mayor and aldermen.

(b) Estimates of anticipated revenues of the city from all sources including current and delinquent taxes, non-tax revenues and proceeds from the sale of any bonds or long-term notes with a comparative statement of the amounts received by the city from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year in such detail as may be prescribed by the board of mayor and aldermen.

(c) Such other information as required by the board of mayor and aldermen, or that the city manager may deem advisable to submit.

SEC. 2. TENTATIVE APPROPRIATION ORDINANCE; PREPARATION, PUBLICATION, ADOPTION

Upon receipt of such estimate the board of mayor and aldermen shall prepare a tentative appropriation ordinance, which shall also be published in a newspaper of general circulation in the city not less than one week before it is taken up for consideration by the board of mayor and aldermen, and before acting upon such tentative appropriation ordinance, the board of mayor and aldermen shall consider same at the next regular meeting and all voters and taxpayers may appear at said meeting and be heard in person or by attorney. The appropriation ordinance for each fiscal year shall be finally adopted before the first day of the fiscal year. Further appropriations and expenditures during the fiscal year after passage of the budget ordinance shall be by resolution of the board of mayor and aldermen as necessity and advisability shall become apparent.

The budget ordinance may be amended by resolution. Further appropriations and expenditures during the fiscal year after passage of the budget ordinance shall be made by resolution of the board of mayor and aldermen as the necessity and advisability shall become apparent.

SEC. 3. DISPOSITION OF UNENCUMBERED BALANCES OF APPROPRIATIONS

At the end of each year all unencumbered balances of appropriations in the treasury shall revert to the general fund and be subject to further appropriations. Such balances shall be considered unencumbered only when the city manager shall certify in writing that the purpose for which they were appropriated has been completely accomplished and that no further expenditure in connection with it will be necessary.

The following excerpts from the Tennessee Code Annotated provide additional guidance on the administration and preparation of a municipal budget.

6-56-203. ANNUAL BUDGET ORDINANCE. - The governing body of each municipality shall adopt and operate under an annual budget ordinance. The budget ordinance shall present a financial plan for the ensuing fiscal year, including at least the following information:

(1) Estimates of proposed expenditures for each department, board, office, or other agency of the municipality, showing in addition, the expenditures for corresponding items for the last preceding fiscal year, projected expenditures for the current fiscal year and reasons for recommended departures from the current appropriation pattern in such detail as may be prescribed by the governing body. It is the intent of this subdivision that except for monies expended pursuant to a project ordinance or accounted for in a proprietary type fund or a fiduciary type fund, which are excluded from the budget ordinance; all moneys received and expended by a municipality shall be included in a budget ordinance. Therefore, notwithstanding any other provision of law, no municipality may expend any moneys regardless of their source (including moneys derived from bond and long-term note proceeds, federal, state or private grants or loans, or special assessments), except in accordance with a budget ordinance adopted under this section or through a proprietary type fund or a fiduciary type fund properly excluded from the budget ordinance;

(2) Statements of the bonded and other indebtedness of the municipality, including the debt redemption and interest requirement, the debt authorized and unissued, and the condition of the sinking fund

(3) Estimates of anticipated revenues of the municipality from all sources including current and delinquent taxes, non-tax revenues and proceeds from the sale of any bonds on long-term notes with a comparative statement of the amounts received by the municipality from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year in such detail as may be prescribed by the governing body;

(4) A statement of the estimated balance or deficit, as of the end of the current fiscal year;

(5) A statement of pending capital projects and proposed new capital projects, relating to respective amounts proposed to be raised therefore by appropriations in the budget and the respective amounts, if any, proposed to be raised therefore by the issuance of bonds during the fiscal year; and

(6) Such other supporting schedules as the governing body deems necessary, or otherwise required by law.

6-56-204. MUNICIPAL SCHOOL BUDGET. - a) The municipal school budget submitted by the board of education to the governing body shall include estimates of school revenues as well as estimates of expenditures necessary for the operation of the school system for the next fiscal period.

(b) The governing body shall have no authority to modify or delete any item of the school estimates and shall have the power to modify only the total amount of the school budget, except that in no event shall a reduction in the school budget exceed the total sum requested by the board of education from current municipal revenues.

(c) Such budget estimates shall not include any requests for the purchase of land, and the purchase, construction, reconstruction, or major alteration of any building for school purposes. Requests for such improvements shall be transmitted to the governing body of the municipality or to the planning commission, in those municipalities where there is a planning commission, for review and incorporation into the capital improvement program.

6-56-205. EXCESS APPROPRIATIONS PROHIBITED - EMERGENCIES. - The governing body shall not make any appropriations in excess of estimated 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 all members of the governing body present, when there is a quorum.

6-56-206. NOTICE AND HEARING ON PROPOSED BUDGET. - a) A public hearing shall be held on the proposed budget ordinance before its final adoption by the governing body, at such time and place as the governing body shall direct.

(b) The governing body of each municipality shall cause to be published the proposed annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated), which information shall include the following:

(1) Revenues and expenditures for the following governmental funds: general, streets/public works, general-purpose school and debt service;

(2) Revenues for each fund shall be listed separately by local taxes, state of Tennessee, federal government and other sources;

(3) Expenditures for each fund shall be listed separately by salaries and other costs;

(4) Beginning and ending fund balances shall be shown for each fund; and

(5) The number of full-time equivalent employee positions shall be shown for each fund.

The publication shall be a newspaper of general circulation and shall be published not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

(c) The budget and all supporting data shall be a public record in the office of the chief financial officer of the municipality and shall be open to public inspection by anyone.

(d) The chief financial officer shall cause sufficient copies of the budget ordinance and budget message, if there is one, to be prepared for distribution to interested persons at least ten (10) days before the hearing.

6-56-208. AMENDMENT OF BUDGET ORDINANCE. - Except as otherwise restricted by law, the governing body may amend the budget ordinance in the same manner as any other ordinance may be amended.

6-56-209. TRANSFER OF MONEY. - The governing body by appropriate resolution or ordinance may authorize the budget officer to transfer moneys from one appropriation to another within the same fund, subject to such limitations and procedures as it may prescribe. Any such transfers shall be reported to the governing body at its next regular meeting and shall be entered in the minutes.

6-56-210. CARRY OVER OF APPROPRIATIONS. - If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations for the last fiscal year shall become the appropriations for the next fiscal year, until the adoption of the new budget ordinance.

6-56-211. UNEXPENDED APPROPRIATIONS. - Any portion of any annual appropriation remaining unexpended and unencumbered at the close of a fiscal year shall lapse and be credited to the general fund, except that any balance remaining in any other fund at the end of a fiscal year may remain to the credit of that fund and be subject to further appropriation.

Basis of Budgeting & Accounting

HISTORICAL INFORMATION

The Budget document for the City of Kingsport provides two prior years data and current comparisons of revenues and expenditures; allocations of resources, both fiscal and personnel; and the anticipated objectives of the City's programs.

BUDGET ORGANIZATION

The Budget Document is organized to provide a summary of the total budget with revenues and expenses for each fund. The major portion of the budget consists of summary pages containing a description of the funds and activities along with a recap by object code and object class of all expenses for the function. Also included in the Budget Document are a Budget Message, Personnel Schedule, Glossary, and Appendices.

FINANCIAL STRUCTURE

All the City's accounts are organized using fund, department and division. The operations of each fund are accounted for by a separate set of self-balancing accounts. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

BASIS FOR BUDGETING

The budget for all funds is adopted on a basis generally consistent with Generally Accepted Accounting Principals (GAAP). The budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted or as amended by the Board of Mayor and Aldermen.

The City Manager is authorized to transfer budgeted amounts within departments within any fund. However, any revisions that alter the expenditures of any fund, or transfers budgeted amounts between departments, must be approved by the Board of Mayor and Aldermen. Expenditures may not exceed appropriations at the fund level.

Formal budgetary integration is used as an on-going management control device for all funds. Budgetary control is achieved by the Debt Service Fund through general obligation bond indenture provisions. All appropriations that are not expended or encumbered lapse at the fiscal year-end.

BASIS FOR ACCOUNTING

All government funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. All other governmental revenues are recorded as revenue when received. Property tax revenues are recognized in the fiscal year for which they are levied. Licenses and permits, charges for services, fines and forfeitures, and other revenues are recorded as revenue when received in cash. Expenditures are generally recognized under the modified accrual basis of accounting when the related expense is incurred. However, an exception to the general rule would include principal and interest on general long-term debt which is recognized when due.

All proprietary funds, such as the Water Fund and Sewer Fund, are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The reserve method is used to estimate the allowance for doubtful accounts for water and sewer service receivables.

The City distributes the cost of "in-house" expenses to the various operating departments on the basis of a predetermined cost distribution. The percentages are arrived at based upon the usage of the various departments.

Work performed by certain service centers will be paid for by the General Fund with the exception of work done on behalf of the Enterprise Funds. Examples of service centers are:

- Information Services Department
- Fleet Maintenance
- Finance Department
- Procurement (Purchasing) Department

In each case, these activities provide administrative support to the other city operations. The costs involved are transferred in whole or in part to the benefiting fund. The purpose of cost distribution is to assign all costs, to the extent possible, to the budget activity incurring or acquiring the expenditure.

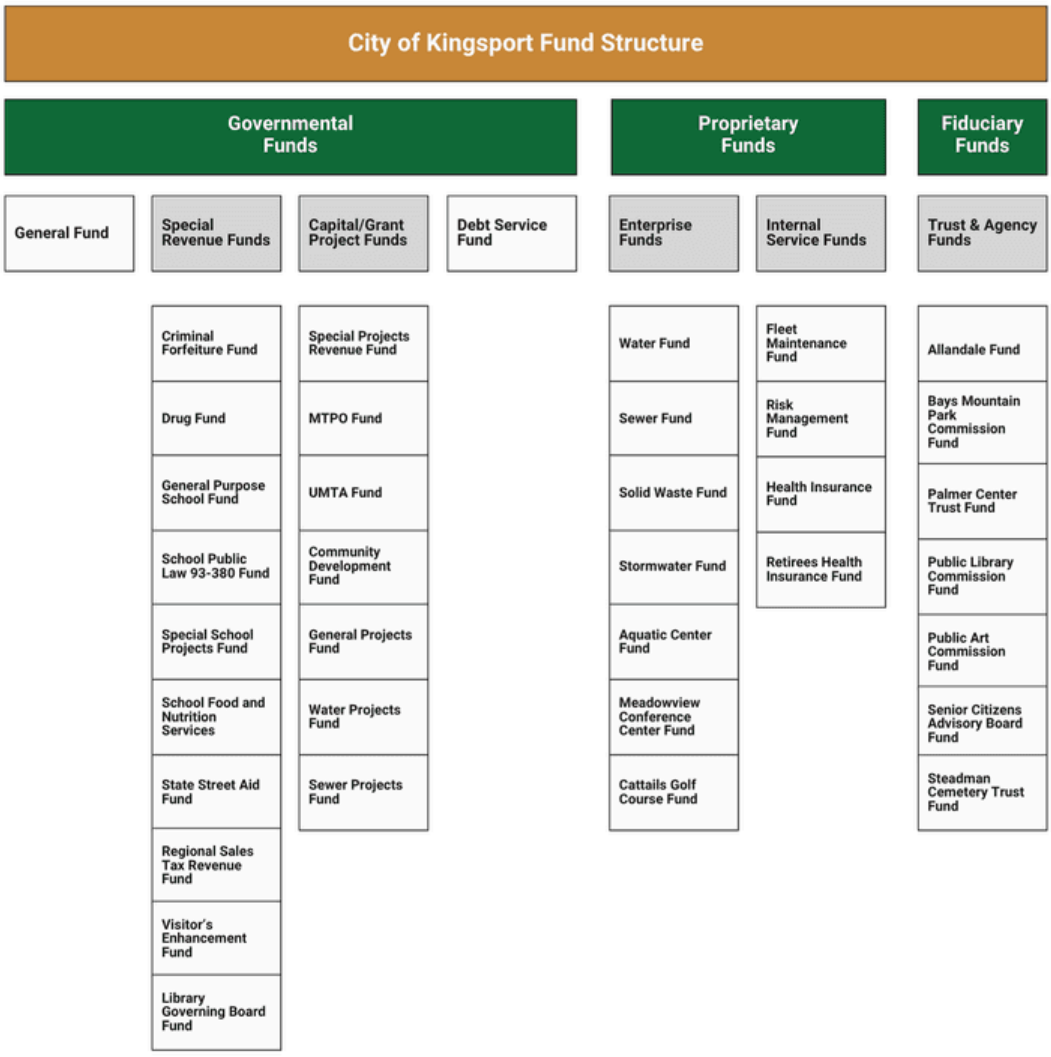
Fund Structure

The City of Kingsport organizes its expenditures and revenues by fund. The City's funds fall under one of three classifications: Governmental, Proprietary, or Fiduciary.

- **Governmental Funds** account for governmental activities.
- **Proprietary Funds** account for the business type activities of a government.
- **Fiduciary Funds** account for financial resources held by a government acting as a trustee or agent.

All of the City's funds are shown in this document.

Fund Structure
City of Kingsport



Description of Funds

GENERAL FUND

- **The General Fund** is the primary operating fund for governmental activities such as public safety, general administration, and public works. The fund's most significant revenue sources are the local option sales tax, state shared revenues, and the property tax. The fund is maintained on a modified accrual basis.

SPECIAL REVENUE FUNDS

A Special Revenue Fund is a governmental fund used to account for specific revenues that legally restrict expenditures for particular purposes.

- **The Criminal Forfeiture Fund** accounts for seized property and money awarded through the courts resulting from law enforcement actions against all illegal activities except seizures resulting from illegal drug enforcement. Additionally, this fund accounts for funds received from the U.S. Department of Justice under the Equitable Sharing of Federally Forfeited Property program.

- **The Drug Fund** provides accountability for revenues received from confiscated property and fines levied against individuals involved in illegal drug activities. The fund also receives certain grant funds. Revenues received from these sources are earmarked for drug enforcement activities in compliance with state law. This fund is a special revenue fund accounted for on a modified accrual basis.

- **The General Purpose School Fund** accounts for administration, instructional, operational and capital costs of the City-operated schools, except for the food service program and specific academic programs. This fund is a special revenue fund accounted for on a modified accrual basis.

- **The School Public Law 93-380 Fund** accounts for federal grants used for instruction and other educational purposes.

- **The Special School Projects Fund** accounts for federal and state grants used for instruction and other educational purposes.

- **School Food and Nutrition Services** accounts for the administration, operations, and capital costs of providing food services to students and faculty.

- **The State Street Aid Fund** provides accountability for shared revenues derived from state gasoline taxes that are distributed on a per capita basis and earmarked specifically for street and traffic control improvements and maintenance. This fund is accounted for as a special revenue fund on a modified accrual basis.

- **The Regional Sales Tax Revenue Fund** accounts for the proceeds from a $0.0025 local sales tax previously approved by local referendum. These funds are earmarked for the retirement of debt issued to fund renovations to the Meadowview Conference Resort and Convention Center and to support the operations of the facility.

- **The Visitor's Enhancement Fund** accounts for twenty-five percent of the revenues from the hotel/motel tax. The funds are dedicated to projects that support tourism, such as the Kingsport Aquatic Center.

- **The Library Governing Board Fund** accounts for the administration and operations of the Kingsport Public Library and the Library archives. Due to new state laws regarding board governance, accounting for the library has moved from the General Fund to its own Special Revenue account to better track Maintenance of Effort.

CAPITAL/GRANT PROJECT FUNDS

A Capital/Grant Project fund is a governmental fund that accounts for multi-year projects and/or grants that cannot be easily accounted for in the traditional 12-month fiscal year cycle. Projects assigned to "Parent Funds" are not part of the annual budget process; however, reporting is made to reflect the level of total budget activity occurring during any fiscal year.

- **The Special Projects Revenue Fund** accounts for direct federal grants, pass through grants, etc.
- **The Metropolitan Transportation Planning Office Fund** accounts for federal grants from the Federal Highway Administration and Federal Transit Administration and State grant funds provided from federal funds granted to the State for support of local government MPO programs.
- **The Urban Mass Transportation Administration Fund** accounts for federal grants from the Federal Transit Administration and State grant funds provided from federal funds granted to the State from the FTA for support of local government transportation programs.
- **The Community Development Fund** provides accountability for Community Development Block Grant entitlements received from the Department of Housing and Urban Development that are earmarked for capital improvements to public facilities and the elimination of substandard and inadequate housing through the clearance of slum and blighted areas.
- **The General Projects Fund** accounts for multi-year projects originating in the General Fund.
- **The Water Projects Fund** accounts for multi-year capital projects originating in the Water Fund.
- **The Sewer Projects Fund** accounts for multi-year capital projects originating in the Sewer Fund.

DEBT SERVICE

- **The Debt Service Fund** is a governmental fund that accounts for the debt service payments for all long-term debt except for revenue bonds and revenue and tax bonds issued by Enterprise Funds and general obligation bonds accounted for by Enterprise Funds.

ENTERPRISE FUNDS

An Enterprise Fund is a proprietary fund in which the services provided are financed and operated similarly to those of private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures.

- **The Water Fund** provides accountability for activities involving the treatment of raw water and distribution of potable water supply to the public, businesses, and local industry, and for the maintenance of the water system infrastructure. The fund is self-supporting with its rate and user fee structure. Water rates for outside city customers are higher than rates for customers living within the city limits. This fund is an enterprise fund accounted on the full accrual basis.
- **The Sewer Fund** provides accountability for activities involving the collection of sewage and the treatment of the same for the public, businesses and local industry. The fund is self-supporting with its rate and user fee structure. Sewer rates for outside city customers are higher than rates for customers living within the city limits. This fund is an enterprise fund accounted on the full accrual basis.
- **The Solid Waste Fund** provides accountability for collection of residential garbage, refuse collection and recycling activities. The operating revenue sources are generated from commercial garbage collections, back door residential collection fees, tipping fees, sales of recyclable materials and a transfer from the General Fund. The Board of Mayor and Aldermen has elected to provide for residential garbage collections through the property tax rate by appropriating a lump sum from the General Fund to the Solid Waste Fund. This fund is an enterprise fund accounted on the full accrual basis.

- **The Stormwater Fund** provides accountability for activities involving the maintenance and services associated with the collection, treatment, and disposal of stormwater. Operating revenues are generated from calculated stormwater fees based on the rain permeable surface area of each customer. This fund is an enterprise fund accounted on the full accrual basis.

- **The Aquatic Center Fund** accounts for the operation of the Aquatic Center Complex. Along with fees from patrons, contributions from individuals, civic groups, and private corporations account for the revenue for operations and continued development. This fund is an enterprise fund accounted on the full accrual basis.

- **The Meadowview Conference Resort and Convention Center Fund** accounts for the operation of the Meadowview Conference Center as an enterprise fund on an accrual basis. The Conference Center facility is operated under a management agreement with Marriott Hotel Services, Inc. The terms of the agreement set out the conditions under which the facility will operate. The Management Company submits an accounting to the City on a monthly basis showing the gross revenues, gross expenses, management fee, operating profit or loss and the distribution thereof. Net operating losses are subsidized by the City. However, the convention center bonds issued to finance the construction of the Conference Center facility are accounted for as a long-term liability of the Meadowview Fund and will continue to be serviced from the proceeds of the ¼ cent sales tax with an amount equal to the annual debt service transferred from the Regional Sales Tax Revenue Fund annually.

- **The Cattails Golf Course Fund** accounts for the operation of Cattails Golf Course. Fees from patrons, along with contributions from individuals, civic groups, and private corporations account for the revenue for operations and continued development. This fund is an enterprise fund accounted on the full accrual basis.

INTERNAL SERVICE FUNDS

An Internal Service Fund is a proprietary fund that accounts for the provision of services to city departments by other city departments on a cost reimbursement basis.

- **The Fleet Maintenance Fund** is an internal service fund and provides accountability for vehicle maintenance services and commodities provided to the other City departments. The Fleet Operations and Maintenance Division is responsible for maintaining the City's fleet of vehicles and mobile equipment. It monitors costs through a cost accounting system that provides the cost of operation of vehicles. This information assists fleet management in achieving the optimum cost efficiency through the planned replacement of equipment.

- **The Risk Management Fund** is an internal service fund and provides accountability for the following self-insurance programs: liability insurance, worker's compensation insurance, unemployment insurance and fire insurance. The fund also accounts for employee health insurance, which is provided through a managed health care agreement.

- **The Health Insurance Fund** is an internal service fund and provides for the operation of the City self-insured health insurance program for employees.

- **The Retirees Health Insurance Fund** is an internal service fund and provides for the operation of the City self-insured health insurance program for retirees.

TRUST & AGENCY FUNDS

A Trust and Agency Fund is a fiduciary fund that accounts for assets held by the city in a trustee capacity.

- **The Allandale Fund** accounts for non-expendable assets left to the City by the late Harvey Brooks, consisting of his home and other tangible and intangible assets. The Fund's earnings are used for the maintenance and operation of the estate.

- **The Bays Mountain Park Commission Fund** accounts for contributions from individuals, civic groups and private corporations for the support and continued development of the park. Donations to this fund are used exclusively for the Bays Mountain Park program and are authorized for expenditure by the adoption of an annual budget by the Board of Mayor and Aldermen upon recommendation of the Bays Mountain Park Commission.

- **The Palmer Center Trust Fund** accounts for a contribution from the heirs of the late Mary L. Robinson estate, earmarked for the support of educational and other services provided to the physically challenged children by the Palmer Center.

- **The Public Library Commission Fund** accounts for contributions from patrons, civic organizations, private corporations and other supporters of the Public Library. Donations to this fund are used for the exclusive benefit of the Public Library and are authorized for expenditure by the adoption of an annual budget by the Board of Mayor and Aldermen upon recommendation of the Library Commission.

- **The Public Art Commission Fund** accounts for contributions from individuals, civic organizations and private corporations for the support and continued development of Cultural Arts. Donations to this fund are used exclusively for the Cultural Arts program and are authorized for expenditure by the adoption of an annual budget by the Board of Mayor and Aldermen upon recommendation of the Public Art Commission.

- **The Senior Citizens Advisory Board Fund** accounts for revenues earned from various programs and events conducted by participating senior citizens and contributions from individuals, civic groups and private corporations. Income generated from the Senior Citizens programs and outside contributions are earmarked exclusively for Senior Citizens programs and are authorized for expenditure by the adoption of an annual operating budget by the Board of Mayor and Aldermen, upon recommendation of the Senior Citizens Advisory Board.

- **The Steadman Cemetery Trust Fund** accounts for a contribution from the heirs of Bonnie M. Steadman to provide for the maintenance of the Steadman family cemetery.

2025 Strategic Plan

From the desk of Mayor Paul W. Montgomery:

For the past eight months, the City of Kingsport has undertaken a comprehensive plan of action to craft a strategic plan. One that will not only define the city's vision and mission but also identify our goals and objectives for the near future.

Today, the Kingsport Board of Mayor and Aldermen and the Leadership Team are proud to present to the community the City of Kingsport's Strategic Plan — our guiding document for operational and capital investments for the next three to five years.

Our strategic plan came about through months of work by a professional consulting service, the BMA and leadership team, city staff and the community at large. More than 2,000 people participated in a community survey this past winter, offering their opinion on the city's focus areas and priorities.

The seven focus areas of the strategic plan include:

+ Efficient & Responsive Government
+ Sustainable Infrastructure
+ Exceptional Cultural & Recreational Opportunities
+ Safe & Welcoming Community
+ Thriving Local Economy
+ Strong & Vibrant Neighborhoods
+ World-Class Education

Some of the noteworthy priorities identified within the focus areas include downtown revitalization, healthcare, paving, diverse housing options and recreational opportunities for our residents and visitors.

On behalf of the BMA and Leadership Team, we would like to thank everyone who participated in this process. Your input, support and feedback goes a long way in helping determine the future of our city. We encourage everyone to read through our strategic plan and check the city website for updates on the plan's progress.

Kingsport prides itself on being a community with small town principles and big city opportunities. Our new strategic plan will help keep us on track to our ultimate goal of being the premier town in Northeast Tennessee to live, work and raise a family.

Now, let our journey continue.

Paul W. Montgomery | Mayor

VISION, MISSION, VALUES

The City of Kingsport's vision, mission, and values guide everything that we do. In addition, our seven strategic focus areas provide clear direction for making decisions and turning our vision into reality.

VISION

A vision statement is an articulation of an organization's aspirational future. Our vision statement is:

Kingsport – a safe, thriving, and welcoming community that embraces small-town values while offering big-city opportunities, making it the perfect place to live, work, play and raise a family.

MISSION

Serving our community – Building the future

VALUES

At our best, we represent the S.P.I.R.I.T of Kingsport because we value:

SAFETY
providing a safe community and working environment

PEOPLE
in all we do - provide quality customer service to our community

INTEGRITY
in all aspects of our operations

RESPONSIBILITY
by being accountable stewards of the resources entrusted to us

INNOVATION
by committing to continuous improvement

TEAMWORK
by collaborating to serve our community

Strategic Focus Areas

In order to achieve our vision, the City will concentrate its efforts in seven strategic focus areas. These will guide our decision-making and will ensure we are purposefully addressing the needs of our community identified during the development of the strategic plan while remaining responsive to emerging challenges and opportunities.

These strategic focus areas were developed by the Board of Mayor and Aldermen and shaped by community feedback in order to reflect priorities and needs of our residents and businesses. Each focus area contains a list of priorities that outline key actions and initiatives that will drive progress within the focus area and support the City's long-term goals.

Efficient & Responsive Government

Kingsport is committed to providing efficient, transparent, and responsive government through intentional leadership and sustainable financial practices. Our exemplary, proactive workforce ensures excellent customer service.

Priorities

+Being open to investment opportunities that may incubate or sustain private investment

+ Remaining competitive to attract personnel

+ Continuous training in customer service for our employees

+ Timely communication with citizen needs

+ Being open to new lines of communication with citizens

+ Exploring opportunities for using artificial intelligence (AI)

+ Being mindful of thresholds which may stifle the establishment of businesses

Sustainable Infrastructure

Kingsport is dedicated to delivering reliable, resilient public infrastructure that adapts to the community's changing needs through continual reinvestments. We prioritize data-driven proactive maintenance, communication, and sustainable practices, using innovative technology to ensure safe, effective, and efficient public services.

Priorities

+ Roadway maintenance

+ Enhancing the presentation of the City

+ Enhancing the downtown streetscapes

+ Replicating the sustainability found within our "Pave Kingsport" program to all assets

+ Communicating services to our customers

Exceptional Cultural & Recreation Opportunities

Kingsport's quality of life is anchored in our historical assets and beautiful natural environment. The City provides and cultivates unique recreational and cultural assets, programs, and desirable amenities that enhance the vibrancy of community life, supports healthy lifestyles, and offers ample opportunity for enjoyment and play!

Priorities

+ Music venue downtown

+ Funding to replace park features –"depreciation"

+ Focusing on the Holston River and the unique opportunities it provides

+ Robust recreational sports

+ Indoor Kingsport recreation/community center

+ Creating safe environments – parks

+ Divestment of certain park assets

+ Brickyard development – park

+ Promoting our outdoor amenities

Safe & Welcoming Community

Kingsport is a welcoming community where everyone values safety and engages in civic life. We take pride in exceeding high community expectations, preparing for emergencies, continuing to surpass national standards and achieve accreditation for City departments that serve as trusted service providers and community resources.

Priorities

+ Continuing capital and operational investments

+ Recruiting and retaining public safety personnel through competitive pay and benefits

+ Increasing communication of community outreach

+ Fire Station 2 funding

+ Increasing citizen academies to better understand the legal process

+ Investing in technical equipment

Thriving Local Economy

Kingsport supports a thriving economy built on quality employers who offer robust employment opportunities. The City seeks and encourages investment in a variety of businesses that provide options to enhance the overall quality of life for individuals. The community takes pride in supporting local businesses!

Priorities

+ Aggressive restaurant and retail recruitment

+ Healthcare industry recruitment

+ Hosting economic summit

+ Developing target industries for recruitment

+ Increasing the awareness of the role of the Economic Development department

+ Increasing workforce development

+ Developing and adopt an economic development incentive plan

Strong & Vibrant Neighborhoods

Kingsport strives to be a community of diverse neighborhoods with well-kept homes and active citizens. This is enhanced by the City's commitment to community engagement, neighborhood safety, code enforcement, and a variety of housing options.

Priorities

+ Attracting residential developers

+ Developing a downtown vacant building and code enforcement plan

+ Beautification of gateways

+ Code enforcement education

+ Increased public transportation routes

+ Promoting housing distribution

+ Conducting a sidewalk study in older neighborhoods

+ Celebrating all communities

+ Strengthening community outreach

+ Engaging with nonprofits

World-Class Education

Kingsport is committed to supporting and investing in world-class primary and secondary education while offering many options for innovative post-secondary, career, and technical education, and lifelong learning.

Priorities

+ New elementary schools

+ Continuing to invest in dental school

+ Creating a police academy in Kingsport

+ New site for TCAT in Kingsport

+ Early childcare at North Campus (TAC)

+ Expanding course offerings in our Academic Village – healthcare, engineering, etc.

+ Through KCS, expand offerings for CTE

+ Benchmarking against the best in Tennessee

+ Continuing to explore partnerships with Tennessee State University, East Tennessee State University, University of Tennessee, etc.

+ Master of Public Administration at Kingsport Center for Higher Education with East Tennessee State University

+ Expanding adult education opportunities

+ Exploring opportunities to partner with University of Tennessee Veterinarian School

Additional Information

The Strategic Plan may be found in its entirety at https://bit.ly/KptStrategicPlan or in the included attachment if viewing the digital version of the budget book.

Financial Policies

FINANCIAL MANAGEMENT POLICIES

Introduced 20 March 2000
Approved 6 June 2000

GENERAL FINANCIAL PHILOSOPHY

The financial policy of the City of Kingsport is to provide a sufficient financial base and the resources necessary to sustain a high level of municipal services for the citizens of Kingsport.

It is the goal of the City to achieve a strong financial condition with the ability to:

- Withstand local and regional economic impacts;
- Adjust efficiently to the community's changing service requirements;
- Effectively maintain and improve the city's infrastructure;
- Prudently plan, and coordinate and implement responsible community development and growth;
- Provide a high level of police, fire, and other protective services to assure public health and safety.

The City of Kingsport's financial policies shall address the following fiscal goals:

- Keep the City in a fiscally sound position in both the long and short term;
- Maintain sufficient financial liquidity to meet normal operating and contingent obligations;
- Expect that service users pay their fair share of program costs;
- Operate utilities in a responsive and fiscally sound manner;
- Maintain existing infrastructure and capital assets;
- Provide a framework for the prudent use of debt;
- Direct the City's financial resources toward meeting the goals of the City's strategic plan.

OPERATING BUDGET POLICIES

The annual budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes the level of services to be provided by each department within the confines of anticipated municipal services.

The City Manager shall incorporate the BMA's priorities in the formulation of the preliminary and final budget proposal.

Adequate maintenance and replacement of the City's capital plant and equipment will be provided for in the annual budget.

The budget shall balance recurring operating expenses with recurring operating revenues.

The City shall adopt a balanced budget annually.

CAPITAL IMPROVEMENT POLICIES

The City shall establish and implement a comprehensive five-year Capital Improvement Plan (CIP). This plan will be updated annually.

An annual Capital Improvement Budget will be developed and adopted by the BMA as part of the annual budget. The City will make all capital improvements in accordance with the CIP.

Unexpended capital project budgets shall be carried forward to future fiscal years to complete the intent of the original budget.

Routine capital needs will be financed from current revenues as opposed to the issuance of long-term debt.

The City will maintain all assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

REVENUE POLICIES

The City will estimate annual revenues by a conservative, objective and analytical process.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.

The City will periodically review the cost of activities-supported user fees to determine the impact of inflation and other cost increases. Fees will be adjusted where appropriate to reflect these increases.

The City will set fees and user charges for the utility funds at a level that fully supports the total direct and indirect costs of operations.

The City will continue to identify and pursue grants and appropriations from Federal, State and other agencies that are consistent with the City's goals and strategic plan.

The City will follow an aggressive policy of collecting revenues.

INVESTMENT POLICIES*

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the City to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds.

The City will continue the current cash management and investment practices which are designed to emphasize safety of capital first, sufficient liquidity to meet obligations second and the highest possible yield third.

Investments will be made in accordance with policies set by Tennessee Code Annotated 6-56-106. Authorized investments include, but are not limited to, the following:

- Bonds, notes or treasure bills of the United States Government;
- Bonds, debentures, notes or other evidences of indebtness issued or guaranteed by United States agencies;
- Certificates of deposit and other evidences of deposit at state and federally chartered banks, and savings and loan associations; and,
- The local government investment pool created by title 9, chapter4, part 7.

The City shall attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than two (2) years from the date of issue without obtaining the approval of the state director of local finance as provided by T.C.A. 6-56-106(b). Any investment in longer-term investment, i.e., investment with a maturity date more than two (2) years from the date of issue but not exceeding five years from the date of issue, will generally be made from restricted cash funds and/or reserves that are not utilized for current operations. Budgeted and/or planned future disbursements from restricted cash funds and/or reserves will be considered when determining the availability of funds for investment in approved financial instruments as provided by T.C.A. 6-56-106 et. seq.

The City's financial information system will provide adequate information concerning cash position and investment performance.

**The Investment Policy of the City of Kingsport was updated in May 2012. The policy can be found in its entirety later in this section under Investment Policy.*

DEBT MANAGEMENT POLICIES*

Long-term borrowing will not be used to finance current operating expenditures.

The City will strive to maintain a high reliance on pay-as-you-go financing for its capital improvements and capital assets.

The City is subject to debt limitations imposed by the City Charter. The total bonded indebtedness of the City shall not exceed twenty percent (20%) of the assessed value of the taxable property of the City according to the most recent complete assessment. In determining the debt applicable to the legal debt limit, the following types of debt are excluded:

- General obligation bonds payable out of the revenues of any public utility;
- All bonds payable out of special assessment proceeds; and
- Tax anticipation bonds and notes.

As a goal, the City will maintain its net general obligation bonded debt at a level not to exceed ten percent (10%) of the assessed valuation of taxable property of the City unless otherwise directed by the Board of Mayor and Aldermen ("Legislative Body").

Revenues and rates for self-supporting activities will be maintained to annually pay their operating expenses and one hundred and five percent (105%) of annual debt service for the tax-backed revenue bonds, general obligation bonds or other debt issued to finance their capital improvements.

Capital lease obligations, capital outlay notes or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialized types of equipment, or other capital improvements.

The City will maintain good communication with bond rating agencies in order to optimize its bond rating status.

**The Debt Management Policy of the City of Kingsport was updated in May 2012. This policy can be found in its entirety later in this section under Debt Management Policy.*

UTILITY FUND POLICIES

Enterprise funds will be established for City-operated utility services.

Enterprise fund expenditures will be established at a level sufficient to properly maintain the Fund's infrastructure and provide for necessary capital development.

Enterprise fund expenditures will maintain an adequate rate structure to cover the costs of all operations, including maintenance, depreciation, capital and debt service requirements, reserves and any other costs deemed necessary.

Utility rate studies will be conducted periodically to update assumptions and make necessary adjustments to reflect inflation, construction needs, maintain bond covenants and avoid significant periodic rate increases.

RESERVE FUND POLICIES

Adequate reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength. Reserve funds provide the City with the resources to manage cash flow and deal with unanticipated emergencies and changes in economic conditions. In addition, reserve funds enable the City to take advantage of matching funds and other beneficial (but limited) opportunities.

The City shall maintain unrestricted reserves in the General Fund equal to four (4) months' cash flow requirements of the operations of the General Fund and any other Fund significantly supported by the cash flow of the General Fund. The established target unrestricted fund balance should be an amount equal to the cash flow requirements determined annually for the four-month period of July through October and should include any amounts retained in any other funds supported by the cash flows of the General Fund. The cash flow requirement will be monitored annually, and the target amount will be updated during the budgetary process.

At the close of each budget year, any excess of revenues over expenditures that will increase the cumulative unrestricted fund balance above the established target amount will be recorded as a restricted reserve account available for appropriation by the BMA.

The City will maintain working capital reserves for the Water and Wastewater (Sewer) Funds equal to four (4) months' cash flow requirements. The established target Water and Wastewater (sewer) Funds working capital reserve amounts should be an amount equal to the cash flow requirements determined for the four-month period of July through October. The cash flow requirement will be monitored annually, and the target amount will be updated during the budgetary process.

The uncommitted fund balance from any prior fiscal year shall not be used to fund ongoing operations in a subsequent year.

Reversion of Bond Proceeds: Bond proceeds remaining (unspent) after the purpose for which the bonds were issued have been completed shall be returned to the respective bond funds for future appropriation. The balance of available bond proceeds will be reported to the BMA on a quarterly basis. Further use of these monies shall be consistent with provisions contained within the appropriate bond resolutions and in conformity with federal and state regulations.

Fund Balance Policy

FUND BALANCE POLICY
Adopted September 15, 2015

PURPOSE

To establish a policy that will maintain reservations of Fund Balance as defined herein in accordance with the Governmental Accounting and Financial Standards Board (GASB) Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions and to establish a level of funding that protects against unanticipated events that would adversely affect the financial condition of the City.

This policy will ensure the City maintains adequate fund balance and reserves in the City's governmental funds to provide the capacity to: (1) provide sufficient cash flow for daily financial needs, (2) secure and maintain investment grade bond ratings, (3) offset significant economic downturns or revenue shortfalls and (4) provide funds for unforeseen expenditures related to emergencies. Fund Balance represents the difference between assets and fund liabilities in the governmental funds balance sheet and is commonly referred to as fund equity.

The fund balance policy addresses the following components: (1) clearly defined classifications that make the nature and extent of the constraints placed on the various fund balances more transparent; (2) providing a better understanding of fund balances by clarifying the definitions of governmental fund types; (3) reservations of the City's General Fund and all governmental funds; (4) minimum level of unassigned fund balance; and (5) the City's order of spending regarding restricted and unrestricted fund balance and the order of spending for committed, assigned and unassigned fund balance.

SCOPE OF POLICY

This Policy shall apply to the City's General Fund and all governmental funds. This policy does not apply to Proprietary, Fiduciary and Internal Service Funds.

CLASSIFICATIONS OF FUND BALANCES

Under GASB Statement No. 54, fund balances are classified as non-spendable, restricted, committed, assigned or unassigned amounts.
Non-spendable – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash (for example: inventories, prepaid amounts, and long-term notes receivable).
Restricted – includes amounts that are (a) externally restricted by creditors, grantors, contributors, or laws or regulations of other governments, or (b) restricted by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
Committed – includes amounts that are constrained to be used for the specific purposes determined by a formal action of the City's highest level of decision making authority, the Board of Mayor and Aldermen (BMA) or the Board of Education (BOE) as it relates to School Funds. Amounts classified as committed are not subject to legal enforceability as restricted resources and the commitment may be changed or lifted only by the City's BMA or BOE taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).
Assigned – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) that are not classified as non-spendable, restricted, or committed. The intent to assign fund balance shall be expressed by action of the BMA or BOE or a designee to which the BMA or BOE delegates that authority.
Unassigned – is a residual classification for the general fund and includes all spendable amounts available for any purpose (amounts that are not restricted, committed or assigned). It is also used for any negative fund balances in other funds.

GOVERNMENTAL FUND TYPE DEFINITIONS

The City of Kingsport's governmental fund types as defined by GASB No. 54 are as follows:

1. The General Fund is used to account for financial resources not accounted for and reported in other funds.

2. Special Revenue Funds is used to account for the proceeds from dedicated revenue sources that are required to be segregated from the General Fund and used for specific allowable expenditures. Special Revenue funds are categorized by the function they serve: education, public safety, transportation, culture and recreation, community development, and other projects. The most significant special revenue funds are the General Purpose School Fund, School Nutrition Fund, State Street Aid Fund, Federal Transit Administration Fund, and Regional Sales Tax Fund.

3. The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets related to the general operation of the City (excluding types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private

organizations, or other governments). Assets purchased by the proprietary funds such as the Water and Sewer Fund are not included in this fund.

4. The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term general obligation debt other than that payable from enterprise funds. This fund may also accumulate additional resources to make future debt service payments.

5. Permanent Funds are used to report resources that benefit the City, where only the earnings of the fund may be used for City related purposes, the principal must remain intact. The Allandale Trust fund is a permanent fund used to account for and report restricted, non-expendable assets left to the City by the late Harvey Brooks, consisting of his home (Allandale Mansion) and other tangible and intangible assets.

PRIORITIZATION OF FUND BALANCE USE (SPENDING POLICY)

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the City to use the restricted amounts first as permitted under the law. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City to use the committed amounts first, followed by the assigned amounts and then unassigned amounts.

MINIMUM LEVEL OF UNASSIGNED GENERAL FUND BALANCE

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance shall be maintained in the General Fund in order to cover unexpected expenditure and revenue shortfalls. Such fund balance shall serve cash flow needs, protect against unforeseen emergencies and enhance the credit worthiness of the City.

The Fund Balance policy establishes a minimum General Fund Unassigned fund balance equal to 15% of General Fund Expenditures. The City will strive toward maintaining the General Fund Unassigned fund balance, at a range between fifteen (15%) and twenty (20%) percent of the following year's budgeted expenditures as an appropriate level of unassigned fund balance in order to cover unexpected expenditures and revenue. The Fund Balance Policy will be reviewed as part of the annual budget process and the City Manager may amend the policy at that time and submit it to the BMA for approval.

REPLENISHMENT OF RESERVE DEFICITS

If, at the end of any fiscal year, the actual amount of unassigned fund balance falls below the minimum required fund balance level set forth herein, the City Manager shall prepare and submit a plan to replenish the fund balance to the established minimum level.

ANNUAL REVIEW AND DETERMINATION OF FUND BALANCE RESERVE AMOUNTS

Compliance with the provisions of this policy shall be reviewed as part of the annual budget adoption process and subsequent closing of the financial books at year-end (June 30) and the amounts of restricted, committed, assigned and non-spendable fund balance will be determined. Any residual general fund balance amounts will be classified as unassigned.

Investment Policy

INVESTMENT POLICY

Adopted September 2, 2014

PURPOSE

The purpose of this policy (the "Investment Policy") is to set forth the investment and operational policies for the management of the public funds of the City of Kingsport (the "City").

The Investment Policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices. The Investment Policy is in compliance with T.C.A. Section 6-56-106, regarding the investment of all idle city funds, and all applicable provisions of the City Charter.

SCOPE OF THE INVESTMENT POLICY

This policy applies to the investment of all funds of the City of Kingsport, Tennessee. Except for special funds that are otherwise specifically provided for, the City of Kingsport will consolidate the balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation of capital in the overall portfolio in accordance with generally accepted accounting principles.

INVESTMENT OBJECTIVES

The City Portfolio shall be managed to accomplish the following hierarchy of objectives:

1. **Preservation of Principal** - The single most important objective of the City investment program is the preservation of the principal of those funds within the City Portfolio. The objective will be to mitigate the following risks:

A. **Credit Risk**
The City will minimize credit risk, which is the risk of loss due to the failure of the investment issuer or backer, by:

- Limiting the portfolio to the types of investments pursuant to TCA 6-56-106.
- Pre-qualifying the financial institutions with which the City will do business.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

B. **Interest Rate Risk**
The City will minimize interest rate risk, which is the risk that the market value of investments in the portfolio will fall due to changes in market interest rates, by:

- Structuring the portfolio to meet the cash requirements of ongoing operations, thereby mitigating the need to liquidate investments at a loss prior to maturity;
- Investing operating funds primarily in shorter-term investments, money market accounts, CDs or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

C. **Concentration Risk**
The City will minimize Concentration of Credit Risk, which is the risk of loss due to having a significant portion of resources invested in a single issuer, by diversifying the investment portfolio as described in the ***Portfolio Diversification*** below. Investments issued or explicitly guaranteed by the U.S. government or Tennessee Bank Collateral Pool, Tennessee Local Government Investment Pool (LGIP) and any other external investment pools that are authorized by the State are excluded from this requirement.

D. **Custodial Credit Risk**
The City will minimize Custodial Credit Risk for deposits, which is the risk that in the event of the failure of a depository financial institution the deposits or collateralized investments that are in the possession of an outside party would not be able to be recovered. See ***Collateralization*** below.

The City will minimize Custodial Credit Risk for investments, which is the risk that in the event of the failure of the counterparty to a transaction the value or collateralized investments that are in the possession of an outside party would not be able to be recovered, as addressed in ***Safekeeping and Custody*** below.

2) **Maintenance of Liquidity** - The City Portfolio shall be managed in such a manner that assures that funds are available as needed to meet those immediate and/or future operating requirements of the City, including but not limited to payroll, accounts payable, capital projects, debt service and any other payments.

3) **Maximize Return** - The City Portfolio shall be managed in such a fashion as to maximize the return on investments but within the context and parameters set forth by objectives 1 and 2 above.

ORGANIZATION

The City Recorder/CFO will have responsibility for the investment process, carry out the day-to-day operational requirements and will maintain written administrative procedures for the operation of the investment program consistent with this Investment Policy.

Such procedures will include explicit delegation of authority to persons responsible for investment transactions. The City Recorder/CFO and those to whom he/she has delegated will be charged with the following responsibilities:

1) To review and update the Investment Policy at least annually;
2) Monitor the investment transactions to insure that proper controls are in place to ensure the integrity and security of the City Portfolio;
3) Assure that the City is in compliance with current state law, any applicable City Charter provisions and the Investment Policy;
4) Meet periodically to deliberate such topics as economic outlook, portfolio diversification and maturity structure, cash flow forecasts, potential risks and the target rate of return on the City Portfolio.

The City may employ an outside investment manager(s) to assist in managing some or all of the City Portfolio. Such outside investment manager(s) must be registered under the Investment Advisors Act of 1940.

STANDARD OF PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment."

While the standard of prudence to be used by Investment Officers who are City officers or employees is the “Prudent Person” standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of “Prudent Expert”. The standard shall be that in investing and reinvesting money and in acquiring, retaining, managing, and disposing of investments of these funds, the Investment Advisor shall exercise: judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

ETHICS AND CONFLICT OF INTEREST

City employees involved in the investment process for the City shall refrain from personal business activity that could conflict with the proper execution and management of the City’s investment program, or that could impair their ability to make impartial decisions. City employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal finance or investment positions that could be related to the performance of the City Portfolio. City employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

AUTHORIZED AND SUITABLE INVESTMENTS

The City of Kingsport's investment officers, in order to provide a safe temporary medium for investment of idle funds, shall have the authority to purchase and invest prudently as authorized by TCA 6-56-106 or as it may be amended.

PORTFOLIO DIVERSIFICATION

It is the policy of the City of Kingsport to reduce overall risks while attaining average market rates of return by diversifying its investments.

The investments shall be diversified by:

- limiting investments to avoid over concentration in eligible securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- avoiding investment in ineligible securities that have higher credit risks,
- investing in securities with variable maturities, and
- investing a portion of the portfolio in readily available funds such as the Tennessee Local Government Investment Pool (LGIP) or collateralized money market accounts to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

In establishing specific diversification strategies, the following general policies and constraints shall apply:
Portfolio maturities shall be staggered to avoid undue concentration of assets with similar maturity dates. Maturities selected shall provide for stability of income and reasonable liquidity.

For cash management funds, liquidity shall be assured through practices ensuring that the next disbursement date and payroll date are covered through maturing investments or marketable U.S. Treasury bills.

When the City has engaged the services of an outside investment firm, the funds managed by the firm will be subject to the diversification criteria included in the investment services agreement with the City.

MAXIMUM MATURITY

*M*aintenance of adequate liquidity to meet the cash flow needs of the City is essential. Accordingly the City Portfolio will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with the cash requirements of the City in order to avoid the forced sale of securities prior to maturity.

The City Portfolio will be invested in permitted investments with a stated maturity of no more than 4 years from the date of purchase unless the security is matched to a specific obligation or debt of the City. Prior written approval of Comptroller of the Treasury must be obtained to invest in a security with a maturity longer than 4 years.

MONITORING AND ADJUSTING THE PORTFOLIO

Those responsible for the day-to-day management of the City Portfolio will routinely monitor the contents of the City Portfolio, the available markets and the relative values of competing instruments, and will adjust the City Portfolio as necessary to meet the investment objectives listed herein.

INTERNAL CONTROLS

The City Recorder/CFO shall establish a system of internal controls governing the administration and management of the City Portfolio, and these controls shall be documented in writing. Such controls shall be designed to prevent and control losses of City funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

SELECTION, APPROVAL OF BROKERS, QUALIFIED FINANCIAL INSTITUTIONS

The City Recorder/CFO shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes. Written procedures listed below describe the competitive selection process for financial institutions with which investment transactions will be conducted. All brokers, dealers, and depositories deemed to be "qualified institutions" will be provided with current copies of the Investment Policy. Acknowledgement of receipt of this Investment Policy, including confirmation that it has been reviewed by persons dealing directly with the City's account, will be received from an organization prior to it providing investment services to the City. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the City trades.

COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

It will be the policy of the City to transact all securities purchase/sales only with approved financial institutions through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers from qualified financial institutions. The City will accept the offer that provides (a) the highest rate of return within the maturity required; and (b) optimizes the investment objective of the overall portfolio. When selling a security, the City will select the bid that generates the highest sale price.

It will be the responsibility of the personnel involved with each purchase/sale to produce and retain written records of each transaction including the name of the financial institutions solicited, rate quoted, description of the security, investment selected, and any special considerations that had an impact on the decision. If the lowest priced security (highest yield) was not selected for purchase, an explanation describing the rationale will be included in this record.

COLLATERALIZATION

In accordance with State law TCA 9-4-105 and the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit, except when the institution issuing the certificate of deposit belongs to the Tennessee Bank Collateral Pool.

Whenever possible, every attempt should be made to secure City deposits and investments through the State of Tennessee Collateral Pool.

SAFEKEEPING AND CUSTODY

Except as noted below, all investment securities purchased by the City or held as collateral on either deposits or investments shall be held in third-party safekeeping at a financial institution (to be designated as the "Custodian") qualified to act in this capacity. All transactions will be conducted on a delivery-vs.-payment basis. All securities held for the City account will be held free and clear of any lien. The Custodian shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information. On a monthly basis, the Custodian will also provide reports which list all securities held for the City, the book value of holdings and the market value as of month-end.

Certificates of Deposit may be held in physical form by the City providing that said certificates of deposit are collateralized through the State of Tennessee Collateral Pool, or collateral pledged on such deposits is held by the Custodian and a system of internal controls has been established to protect the City against loss.

Appropriate City officials and representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the City shall be bonded in such a fashion as to protect the City from losses from malfeasance and misfeasance.

PERFORMANCE STANDARDS

The City Portfolio shall be designed and managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the City. Short-term funds and other funds that must maintain a high degree of liquidity will be compared to the return on the three-month U. S. Treasury Bill. The core portfolio and other funds that have a longer-term investment horizon will be compared to an index of U. S. Treasury securities having a similar duration or other appropriate benchmark. Performance will be measured over a complete market cycle.

REPORTING

The Investment Officer shall prepare an investment report not less than quarterly of the status of the current investments. The report will include the following:

- Percent invested in each security type (CD, US Treasury, money market funds, etc.).
- Listing of investments by maturity date.

When the City has engaged the services of an outside investment firm, the outside investment manager(s) shall prepare and submit to the City Recorder/CFO a "Quarterly Investment Report" that summarizes the following: (i) recent market conditions, economic developments and anticipated investment conditions, (ii) the investment strategies employed in the most recent quarter, (iii) portfolio return (on a market value basis) versus appropriate benchmarks; (iv) a summary of broker activity, and (v) any areas of policy concern warranting possible revisions of current or planned investment strategies.

On a monthly basis, the outside investment manager(s) will provide the City Recorder/CFO with the following reports: (i) a listing of the existing portfolio in terms of investment securities, amortized book value, maturity date, return, market value and other features deemed relevant, (ii) the total investment earnings for the reporting period and (iii) a listing of all transactions executed during the month.

The report will also include a statement that the investment of the City Portfolio is in compliance with this Investment Policy and any applicable bond resolutions.

Debt Management Policy

DEBT MANAGEMENT POLICY
Adopted: November 15, 2011

I. **INTRODUCTORY STATEMENT**

This Debt Management Policy (the "Debt Policy") is a written guideline with parameters that affect the amount and type of debt that can be issued by the City of Kingsport [the "City"], the issuance process and the management of the City's debt. The purpose of this Debt Policy is to improve the quality of management and legislative decisions and to provide justification for the structure of debt issuances consistent with the Debt Policy's goals while demonstrating a commitment to long-term capital planning. It is also the intent of the City that this Debt Policy will signal to credit rating agencies, investors and the capital markets that the City is well managed and will always be prepared to meet its obligations in a timely manner. This Debt Policy fulfills the requirements of the State of Tennessee regarding the adoption of a formal debt management policy on or before January 1, 2012.

This Debt Policy provides guidelines for the City to manage its debt and related annual costs within both current and projected available resources while promoting understanding and transparency for our citizens, taxpayers, rate payers, businesses, vendors, investors and other interested parties.

In managing its debt (defined herein as tax-exempt or taxable bonds, capital outlay notes, other notes, capital leases, inter-fund loans or notes and loan agreements); it is the City's policy to:

- Achieve the lowest cost of capital within acceptable risk parameters
- Maintain or improve credit ratings
- Assure reasonable cost access to the capital markets
- Preserve financial and management flexibility
- Manage interest rate risk exposure within acceptable risk parameters

II. **GOALS AND OBJECTIVE**

Debt policies and procedures are tools that ensure financial resources are adequate to meet the City's long-term capital planning objectives. In addition, the Debt Policy helps to ensure that financings undertaken by the City have certain clear, objective standards which allow the City to protect its financial resources in order to meet its long-term capital needs.

The Debt Policy formally establishes parameters for issuing debt and managing a debt portfolio which considers the City's specific capital improvement needs; ability to repay financial obligations; and, existing legal, economic, and financial market conditions. Specifically, the policies outlined in this document are intended to assist in the following:

- To guide the City and its managers in policy and debt issuance decisions
- To maintain appropriate capital assets for present and future needs
- To promote sound financial management
- To protect the City's credit rating
- To ensure the City's debt is issued legally under applicable state and federal laws
- To promote cooperation and coordination with other parties in the financing
- To evaluate debt issuance options

III. **GENERAL POLICIES**

Long-term borrowing will not be used to finance current operating expenditures.

The City will strive to maintain a high reliance on pay-as-you-go financing for its capital improvements and capital assets.

The City is subject to debt limitations imposed by the City Charter. The total bonded indebtedness of the City shall not exceed twenty percent (20%) of the assessed value of the taxable property of the City according to the most recent complete assessment. In determining the debt applicable to the legal debt limit, the following types of debt are excluded:

- general obligation bonds payable out of the revenues of any public utility;
- all bonds payable out of special assessment proceeds; and,
- tax anticipation bonds and notes.

As a goal, the City will maintain its net general obligation bonded debt at a level not to exceed ten percent (10%) of the assessed valuation of taxable property of the City unless otherwise directed by the Board of Mayor and Aldermen ("Legislative Body").

Revenues and rates for self supporting activities will be maintained to annually pay their operating expenses and one hundred and five percent (105%) of annual debt service for the tax-backed revenue bonds, general obligation bonds or other debt issued to finance their capital improvements.

Capital lease obligations, capital outlay notes or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialized types of equipment, or other capital improvements.

IV. PROCEDURES FOR ISSUANCE OF DEBT

1. **Authority**

a. The City will only issue debt by utilizing the statutory authorities provided by the Tennessee Code Annotated, as supplemented and revised ("TCA") and the Internal Revenue Code (the "Code").

b. The City will adhere to any lawfully promulgated rules and regulations of the State and those promulgated under the Code.

c. All debt must be formally authorized by resolution of the City's Legislative Body.

2. **Transparency**

a. It is recognized that the issuance of debt must have various approvals, and on occasion, written reports provided by the State of Tennessee Comptroller's office, either prior to adoption of resolutions authorizing such debt, prior to issuance and/or following issuance. The City and/or its Financial Professionals (defined herein), if any, will ensure compliance with TCA, the Code and all applicable federal and State rules and regulations. Such State compliance will include, but not be limited to, compliance with all legal requirements regarding adequate public notice of all meetings of the City related to consideration and approval of debt. In the interest of transparency, all costs (including interest, issuance, continuing, and one-time), the terms and conditions of each debt issue along with a debt service schedule outlining the rate of retirement for the principal amount will be disclosed to the Legislative Body, citizens/members and other interested parties in a timely manner in the documents provided to the Legislative Body for approval, which are available for public review on request.

Additionally, the City will provide the Tennessee Comptroller's office with sufficient information on the debt to not only allow for transparency regarding the issuance, but also to assure that the Comptroller's office has sufficient information to adequately report on or approve any formal action related to the sale and issuance of debt. The City will also make this information available to its Legislative Body, citizens and other interested parties.

b. The City will file its Audited Financial Statements and any Continuing Disclosure document prepared by the City or its Dissemination Agent with the MSRB through the operation of the Electronic Municipal Market Access system ("EMMA") and any State Information Depository established in the State of Tennessee (the "SID"). To promote transparency and understanding, these documents should be furnished to members of the Legislative Body and made available electronically or by other usual and customary means to its citizens, taxpayers, rate payers, businesses, investors and other interested parties by posting such information on-line or in other prominent places.

V. CREDIT QUALITY AND CREDIT ENHANCEMENT

The City's debt management activities will be conducted in order to maintain or receive the highest possible credit ratings possible. The City Recorder, in conjunction with any professionals (including, but not limited to, financial advisors, underwriters, bond counsel, etc., individually or collectively referred to herein as "Financial Professionals") the City may choose to engage, will be responsible for maintaining relationships and communicating with one or more rating agencies.

The City will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when clearly demonstrable savings can be shown will an enhancement be considered. The City will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancements:

1. **Insurance**

The City may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination will be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.

2. **Letters of Credit**

The City may enter into a letter-of-credit ("LOC") agreement when deemed prudent and advantageous. The City or its Financial Professionals, if any, may seek proposals from qualified banks or other qualified financial institutions pursuant to terms and conditions that are acceptable to the City.

VI. **AFFORDABILITY**

The City will consider the ability to repay debt as it relates to the total budget resources, the wealth and income of the community and its property tax base and other revenues available to service the debt. The City may consider debt ratios and other benchmarks compared to its peers when analyzing its debt, including materials published by the nationally recognized credit rating agencies.

VII. **DEBT STRUCTURE**

The City will establish all terms and conditions relating to the issuance of debt and will invest all debt proceeds pursuant to the terms of its investment policy, if any. Unless otherwise authorized by the City, the following will serve as the general terms and conditions for determining the structure:

1. **Term**

All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful economic life of the improvements and inconsideration of the ability of the City to absorb such additional debt service expense. The term of debt will be determined by, but not limited to, the economic life of the assets financed, conditions in the capital markets, the availability of adequate revenue streams to service the debt and the existing pattern of debt payable from such identifiable fund or enterprise activity, but in no event will the term of such debt exceed forty (40) years, as outlined in TCA.

2. **Capitalized Interest**

From time to time, certain financings may require the use of capitalized interest from the date of issuance until the City is able to realize beneficial use and/or occupancy of the financed project. Interest may be capitalized through a period permitted by federal law and TCA if it is determined by the Legislative Body that doing so is beneficial and is appropriately memorialized in the legislative action authorizing the sale and issuance of the debt.

3. **Debt Service Structure**

General obligation debt issuance will be planned to achieve relatively net level debt service or level principal amortization considering the City's outstanding debt obligations, while matching debt service to the useful economic life of facilities. Absent events or circumstances determined by its Legislative Body, the City will avoid the use of bullet or balloon maturities (with the exception of sinking fund requirements required by term bonds) except in those instances where such maturities serve to make existing overall debt service level or match specific income streams. Debt which is supported by project revenues and is intended to be self-supporting should be structured to achieve level proportional coverage to expected available revenues.

4. **Call Provisions**

In general, the City's debt should include a call feature no later than ten (10) years from the date of delivery of the bonds. The City will avoid the sale of long-term debt which carries longer redemption features unless a careful evaluation has been conducted by the City Recorder and/or Financial Professionals, if any, with respect to the value of the call option.

5. **Original Issuance Discount/Premium**

Debt with original issuance discount/premium will be permitted.

6. **Deep Discount Bonds**

Deep discount debt may provide a lower cost of borrowing in certain capital markets. The City Recorder and/or its Financial Professionals, if any, should carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon.

VIII. **DEBT TYPES**

When the City determines that debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

1. **Security Structure**

a. **General Obligation Bonds**

The City may issue debt supported by its full faith, credit and unlimited ad valorem taxing power ("General Obligation Debt"). General Obligation Debt will be used to finance capital projects that do not have significant independent creditworthiness or significant on-going revenue streams or as additional credit support for revenue-supported debt, if such support improves the economics of the debt and is used in accordance with these guidelines.

b. **Revenue Debt**

The City may issue debt supported exclusively with revenues generated by a project or enterprise fund ("Revenue Debt"), where repayment of the debt service obligations on such Revenue Debt will be made through revenues generated from specifically designated sources. Typically, Revenue Debt will be issued for capital projects which can be supported from project or enterprise-related revenues.

c. **Capital Leases**

The City may use capital leases to finance projects assuming the City Recorder and/or Financial Professionals, if any, determine that such an instrument is economically feasible.

2. **Duration**

a. **Long-Term Debt**

The City may issue long-term debt when it is deemed that capital improvements should not be financed from current revenues or short-term borrowings. Long-term debt will not be used to finance current operations or normal maintenance. Long-term debt will be structured such that financial obligations do not exceed the expected useful economic life of the project(s) financed.

i. *Serial and Term Debt.* Serial and Term Debt may be issued in either fixed or variable rate modes to finance capital infrastructure projects;

ii. *Capital Outlay Notes ("CONs").* CONs may be issued for up to twelve(12) years to finance capital infrastructure projects; or

iii. *Capitalized Leases.* Capitalized Leases may be issued to finance infrastructure projects or equipment with an expected life not greater than the term of the lease.

b. **Short-Term Debt**

Short-term borrowing may be utilized for:

i. Financing short economic life assets;

ii. The construction period of long-term projects;

iii. Interim financing; or

iv. Temporary funding of operational cash flow deficits or anticipated revenues;

Subject to the following policies:

1. *Bond Anticipation Notes ("BANs") BANs,* including commercial paper notes issued as BANs, may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility. The BANs will not mature more than 2 years from the date of issuance. BANs can be rolled in accordance with federal and state law. BANs will mature within 6 months after substantial completion of the financed facility.

2. *Revenue Anticipation Notes ("RANs") and Tax Anticipation Notes("TANs").* RANs and TANS will be issued only to meet cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to federal IRS and state requirements and limitations.

3. *Lines of Credit.* Lines of Credit will be considered as an alternative to other short-term borrowing options. A line of credit will only be structured to federal and state requirements.

4. *Interfund Loans.* Interfund Loans will only be used to fund operational deficiencies among accounts or for capital projects to be paid from current fiscal year revenues. Such interfund loans will be approved by the State Comptroller's office and will only be issued in compliance with state regulations and limitations.

5. *Other Short-Term Debt.* Other Short-Term Debt including commercial paper notes, BANs, Capitalized Leases and CONs, may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable to issue debt in a fixed or variable rate mode. The City will determine and utilize the most advantageous method for short-term borrowing. The City may issue short-term debt when there is a defined repayment source or amortization of principal.

3. **Interest Rate Modes**

a. **Fixed Rate Debt**

To maintain a predictable debt service schedule, the City may give preference to debt that carries a fixed interest rate.

b. **Variable Rate Debt**

The targeted percentage of net variable rate debt outstanding (excluding (1) debt which has been converted to synthetic fixed rate debt and (2) an amount of debt considered to be naturally hedged to short-term assets in the Unreserved General and/or Debt Service Fund Balance) will not exceed twenty-five percent (25%) of the City's total outstanding debt and will take into consideration the amount and investment strategy of the City's operating cash.

The following circumstances may result in the consideration of issuing variable rate debt:

i. *Asset-Liability Matching*;

ii. *Construction Period Funding;*

iii. *High Fixed Interest Rates*. Interest rates are above historic averages;

iv. *Diversification of Debt Portfolio*;

v. *Variable Revenue Stream*. The revenue stream for repayment is variable and is anticipated to move in the same direction as market-generated variable interest rates or the dedication of revenues allows capacity for variability; and

vi. *Adequate Safeguard Against Risk*. Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts such structures could include, but are not limited to, interest rate caps and short-term cash investments in the City's General Fund.

An analysis by the City Recorder and/or its Financial Professionals, if any, will be conducted to evaluate and quantify the risks and returns associated with the variable rate debt including, but not limited to, a recommendation regarding the use of variable rate debt.

4. **Zero Coupon Debt**

Zero Coupon Debt may be used if an analysis has been conducted by the City Recorder and/or Financial Professionals, if any, of the risks and returns associated with the Zero Coupon Debt. The analysis will include, but not be limited to, a recommendation regarding the use of Zero Coupon Debt as the most feasible instrument considering available revenues streams, the need for the project and other factors determined by the Legislative Body.

5. **Synthetic Debt**

The City will not enter into any new interest rate swaps or other derivative instruments unless it adopts a Debt Derivative Policy consistent with the requirements of TCA and only after approval of the State Comptroller's office and affirmative action of the Legislative Body. To the extent the City has any current existing interest rate swaps or other derivative instruments, the City will monitor these agreements and any amendments consistent with the compliance report issued by the State Comptroller's Office at the time the agreements were previously authorized.

IX. REFINANCING OUTSTANDING DEBT

The City Recorder, in conjunction with the Finance Professionals, if any, will have the responsibility to analyze outstanding debt for refunding opportunities. The City Recorder will consider the following issues when analyzing possible refunding opportunities:

1. **Debt Service Savings**

Absent other compelling considerations such as the opportunity to eliminate onerous or restrictive covenants contained in existing debt documents, the City has established a minimum net present value savings threshold of at least three percent (3%) of the refunded debt principal amount. Refunding opportunities may be considered by the City using any savings threshold if the refunding generates positive net present value savings. The decision to take less than three percent (3%) net present value savings or to take the savings in any matter other than a traditional year-to-year level savings pattern must be approved by the Legislative Body.

2. **Restructuring for economic purposes**

The City may also refund debt when it is in its financial interest to do so. Such are funding will be limited to restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds, remove unduly restrictive bond covenants or any other reason approved by the Legislative Body in its discretion.

3. **Term of Refunding Issues**

Normally, the City will refund debt equal to or within its existing term. However, the City Recorder may consider maturity extension, when necessary to achieve desired outcomes, provided that such extension is legally permissible and it is approved by the Legislative Body. The City Recorder may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful economic life of

the financed facility and the concept of inter-generational equity should guide these decisions.

4. **Escrow Structuring**

The City will utilize the least costly securities available in structuring refunding escrows. In the case of open market securities, a certificate will be provided by a third party agent, who is not a broker-dealer stating that the securities were procured through an arms-length, competitive bid process, that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within Federal guidelines. In cases where taxable debt is involved, the City Recorder, with the approval of bond counsel, may make a direct purchase as long as such purchase is the most efficient and least costly. Under no circumstances will an underwriter, agent or the Professional Advisors sell escrow securities involving tax-exempt debt to the City from its own account.

5. **Arbitrage**

The City will take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any positive arbitrage will be rebated as necessary according to Federal guidelines.

X. **METHODS OF ISSUANCE**

The City Recorder may consult with a Finance Professional regarding the method of sale of debt. Subject to approval by the Legislative Body, the City Recorder will determine the method of issuance of debt on a case-by-case basis consistent with the options provided by prevailing State law.

1. **Competitive Sale**

In a competitive sale, the City's debt will be offered in a public sale to any and all eligible bidders. Unless bids are rejected, the debt will be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale.

2. **Negotiated Sale**

The City recognizes that some securities are best sold through a negotiated sale with an underwriter or group of underwriters. The City will assess the following circumstances in determining whether a negotiated sale is the best method of sale:

a. State requirements on negotiated sales;

b. Debt structure which may require a strong pre-marketing effort such as those associated with a complex transaction generally referred to as a "story" bond;

c. Size or structure of the issue which may limit the number of potential bidders;

d. Market conditions including volatility, wherein the City would be better served by the flexibility afforded by careful timing and marketing such as is the case for debt issued to refinance or refund existing debt;

e. Whether the debt is to be issued as variable rate obligations or perhaps as Zero Coupon Debt;

f. Whether an idea or financing structure is a proprietary product of a single firm;

g. In a publicly offered, negotiated sale, the Financial Advisor, if any, will not be permitted to resign as the Financial Advisor in order to underwrite an issue for which they are or have been providing advisory services; and

h. If there is no Financial Advisor, then the Underwriter in a publicly offered, negotiated sale will be required to provide pricing information both as to interest rates and to takedown per maturity to the Legislative Body (or its designated official) in advance of the pricing of the debt.

3. **Private Placement**

From time to time, the City may elect to privately place its debt. Such placement will only be considered if this method is demonstrated to be advantageous to the City.

XI. **PROFESSIONALS**

1. **Financial Professionals**

As needed, the City may select Financial Professionals to assist in its debt issuance and administration processes. Selection of the Financial Professionals will be based on, but not limited to, the following criteria:

a. Relevant experience with municipal government issuers and the public sector;

b. Indication that the firm has a broadly based background and is therefore capable of balancing the City's overall needs for continuity and innovation in capital planning and debt financing;

c. Experience and demonstrated success as indicated by its experience;

d. The firm's professional reputation;

e. Professional qualifications and experience of principal employees; and

f. Consideration should be given to the estimated costs, but price should not bethe sole determining factor.

2. **Miscellaneous**

a. **Written Agreements**

i. Any Financial Professionals engaged by the City will enter into written agreements including, but not limited to, a description of services provided and fees and expenses to be charged for the engagement.

ii. The City will enter into an engagement letter agreement with each lawyer or law firm representing the City in a debt transaction. (No engagement letter is required for any lawyer who is an employee of the City or lawyer or law firm which is under a general appointment or contract to serve as counsel to the City. The City does not need an engagement letter with counsel not representing the City, such as Underwriters' counsel.)

iii. The City will require all Financial Professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the City and the lender or conduit issuer, if any. This includes "soft" costs or compensations in lieu of direct payments.

iv. Financial Advisor: If the City chooses to hire financial advisors, the City will enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions. Whether in a competitive or negotiated sale, the Financial Advisor will not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance.

v. Underwriter: If there is an Underwriter, the City will require the Underwriter to clearly identify itself in writing *(e.g.,* in a response to a request for proposals or in promotional materials provided to an issuer) as an Underwriter and not as a Financial Advisor from the earliest stages of its relationship with the City with respect to that issue.

vi. The Underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction, and that it has financial and other interests that differ from those of the City. The Underwriter in a publicly offered, negotiated sale will be required to provide pricing information both as to interest rates and to takedown per maturity to the Legislative Body in advance of the pricing of the debt.

b. **Conflict of Interest**

i. Financial Professionals involved in a debt transaction hired or compensated by the City will be required to disclose to the City existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisors, swap advisors, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure will include that information reasonably sufficient to allow the City to appreciate the significance of the relationships.

ii. Financial Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

XII. COMPLIANCE

1. Continuing Annual Disclosure

Normally, at the time debt is delivered, the City will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and beneficial owners of the publically traded debt to provide certain financial information relating to the City by not later than twelve months after each of the City's fiscal years, (the "Annual Report) and provide notice of the occurrence of certain enumerated events. The Annual Report (and audited financial statements, if filed separately) will be filed with the MSRB through the operation of the Electronic Municipal Market Access system ("EMMA") and any State Information Depository established in the State of Tennessee (the "SID"). If the City is unable to provide the Annual Report to the

MSRB and any SID by the date required, notice of each failure will be sent to the MSRB and the SID on or before such date. The notices of certain enumerated events will be filed by the City with the MSRB and any SID. The specific nature of the information to be contained in the Annual Report or the notices of significant events is provided in Continuing Disclosure Certificate. These covenants are made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b) (the "Rule").

2. Arbitrage Rebate

The City will also maintain a system of record keeping and reporting which complies with the arbitrage rebate compliance requirements of the Code.

3. Records

The City will also maintain records required by the Code including, but not limited to, all records related to the issuance of the debt including detailed receipts and expenditures for a period up to 6 years following the final maturity date of the debt.

XIII. DEBT POLICY REVIEW

1. General Guidance

The guidelines outlined herein are intended to provide general direction regarding the future issuance of debt. The City maintains the right to modify this Debt Policy and may make exceptions to any of its guidelines at any time to the extent that the execution of such debt achieves the goals of the City, as long as such exceptions or changes are consistent with TCA and any rules and regulations promulgated by the State.

This Debt Policy should be reviewed from time to time as circumstances, rules and regulations warrant.

2. Designated Official

The City Recorder is responsible for ensuring substantial compliance with this Debt Policy.

Personnel Summary

Department	Division	FY 22	FY 23	FY 24	FY 25	FY 26
Governing Body	*Board of Mayor & Aldermen*	*7*	*7*	*7*	*7*	*7*
	City Judge	*1*	*1*	*1*	*1*	*1*
	Total Part-Time	*8*	*8*	*8*	*8*	*8*
	TOTAL EMPLOYEES	**8**	**8**	**8**	**8**	**8**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY 26
City Attorney	City Attorney's Office	5	6	6	6	6
	Risk Management	3	3	3	3	3
	TOTAL EMPLOYEES	**8**	**9**	**9**	**9**	**9**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY 26
City Manager	City Manager's Office	3	2	2	2	2
	Budget Office	2	2	2	2	0
	Procurement	3	3	3	3	3
	Mail Courier Part-Time	*1*	*1*	*1*	*1*	*2*
	Transit	25	25	25	25	25
	Transit Part-Time	*1*	*1*	*1*	*1*	*1*
	Total Full-Time	33	32	32	33	30
	Total Part-Time	*2*	*2*	*2*	*2*	*3*
	TOTAL EMPLOYEES	**35**	**34**	**34**	**35**	**33**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Public Information & Communications	Public Info & Communications	4	4	4	4	3
	TOTAL EMPLOYEES	**4**	**4**	**4**	**4**	**3**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Human Resources	Human Resources	4	4	3	6	6
	Health Benefits Administrator	1	1	2	1	1
	TOTAL EMPLOYEES	**5**	**5**	**5**	**7**	**7**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Economic Development	Economic Development	2	3	3	3	3
	TOTAL EMPLOYEES	**2**	**3**	**3**	**3**	**3**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Information Technology (IT)	Information Technology	7	7	11	11	11
	GIS	0	0	4	4	4
	TOTAL EMPLOYEES	**7**	**7**	**15**	**15**	**15**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Finance	Budget	0	0	0	0	2
	Finance	28	30	30	30	31
	Records Admin	1	1	1	1	1
	Records Admin Part-Time	*1*	*1*	*1*	*1*	*1*
	Total Full-Time	29	31	31	31	34
	Total Part-Time	*1*	*1*	*1*	*1*	*1*
	TOTAL EMPLOYEES	**30**	**32**	**32**	**32**	**35**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Development Services	Assistant City Manager - Development Services	1	1	1	1	1
	Planning	4	4	4	4	4
	Building & Codes	9	10	11	11	11
	GIS	4	4	0	0	0
	CDBG	1	1	1	2	2
	TOTAL EMPLOYEES	**19**	**20**	**17**	**18**	**18**
Department	**Division**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY26**
Police	Administration	18	18	18	18	18
	Records Clerk Part-Time	*1*	*1*	*1*	*0*	*0*
	Jail Operations	9	9	9	9	9
	Training	3	3	3	2	2
	Criminal Investigations	20	20	20	19	19
	Patrol	87	87	94	97	97
	Central Dispatch	23	23	23	23	23
	Communications	2	2	2	2	2
	Total Full-Time	162	162	169	170	170
	Total Part-Time	*1*	*1*	*1*	*0*	*0*
	Total Sworn Officers	121	124	132	132	132
	TOTAL EMPLOYEES	**163**	**163**	**171**	**170**	**170**
Department	**Division**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY26**
Fire	Fire & Emergency Services	121	121	121	121	121
	Fire & Emergency Services Part-Time	*1*	*1*	*1*	*1*	*1*
	Total Full-Time	121	121	121	121	122
	Total Part-Time	*1*	*1*	*1*	*1*	*1*
	TOTAL EMPLOYEES	**122**	**122**	**122**	**122**	**122**
Department	**Division**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY26**
Assistant City Manager - Leisure Services	Assistant City Manager - Leisure Services	3	3	2	2	2
	Parks & Recreation Administration	3	3	3	3	4
	Parks & Rec Administration Part-Time	*1*	*1*	*1*	*1*	*1*
	Recreation Centers	3	3	3	3	3
	Athletics	3	3	3	4	4
	Cultural Arts	2	2	2	2	2
	Allandale	2	2	2	2	1
	Carousel	1	1	1	1	1
	Carousel Part-Time	*1*	*1*	*1*	*1*	*1*
	Senior Citizens	9	9	9	9	9
	Senior Citizens Part-Time	*1*	*1*	*1*	*1*	*1*
	Bays Mountain Park	11	11	11	16	15
	BMP Part Time	*1*	*1*	*1*	*0*	*0*
	Leisure Services Maintenance	25	26	26	26	26
	Leisure Services Maintenance Part-Time	*1*	*1*	*1*	*1*	*1*
	Library	16	16	14	14	15
	Library Part-Time	*6*	*6*	*7*	*7*	*6*
	Library Archives	1	1	1	1	1
	Aquatic Center	6	6	6	6	6
	Total Full-Time	85	86	83	88	89
	Total Part-Time	*11*	*11*	*12*	*11*	*10*
	TOTAL EMPLOYEES	**96**	**97**	**95**	**99**	**99**

Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Deputy City Manager	Public Works Administration	5	5	4	4	4
	Streets & Sanitation Administration	4	4	4	4	4
	Street Maintenance	33	33	33	33	32
	Street Cleaning	5	5	5	5	5
	Facilities Maintenance	21	21	21	21	20
	Grounds Maintenance	17	17	17	17	17
	Parks Maintenance	0	0	0	0	0
	Landscaping	10	10	10	10	11
	Transportation	16	16	16	16	15
	Engineering	15	15	15	15	15
	MPO	3	3	2	2	2
	Water - Administration	4	4	4	4	5
	Water - Plant Operations	17	17	17	17	17
	Water - System Maintenance	32	33	33	33	32
	Water - Reading & Services	0	0	0	0	0
	Water - Technical Services	12	12	12	12	17
	Sewer - Administration	4	2	2	2	3
	Sewer - Plant Operations	20	21	21	21	20
	Sewer - System Maintenance	24	24	24	24	24
	Sewer - Technical Services	5	5	5	5	5
	Solid Waste - Trash Collection	10	10	10	10	9
	Solid Waste - Garbage Collection	19	19	19	19	20
	Solid Waste - Landfill	6	6	6	6	6
	Solid Waste - Recycle	0	0	0	0	0
	Stormwater	11	12	12	12	11
	Fleet Maintenance	22	22	22	22	23
	Fleet Maintenance Part-Time	*1*	*1*	*1*	*1*	*0*
	Total Full-Time	315	316	314	314	317
	Total Part-Time	*1*	*1*	*1*	*1*	*0*
	TOTAL EMPLOYEES	**316**	**317**	**315**	**315**	**317**

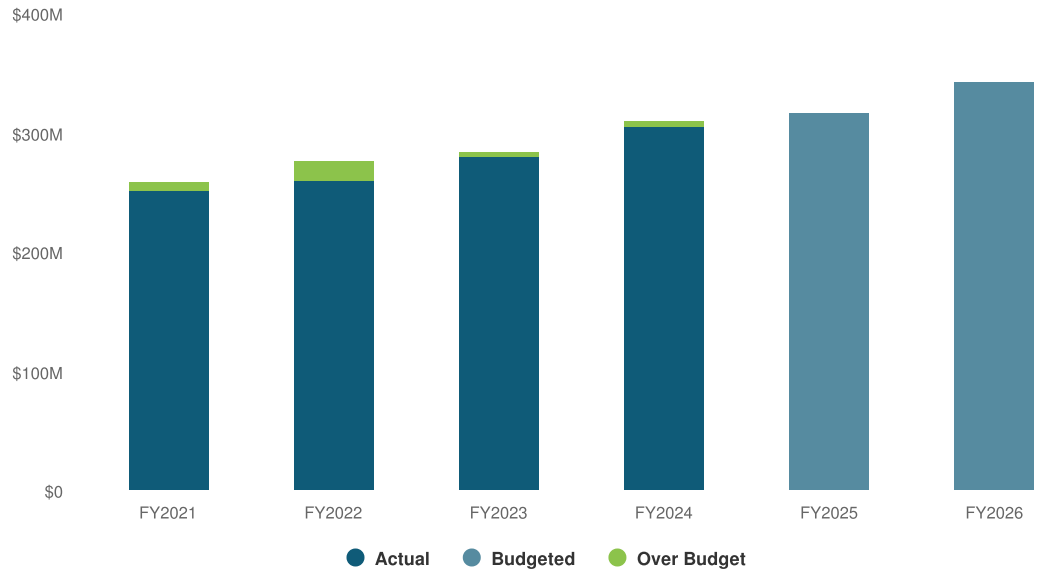
Department	Division	FY 22	FY 23	FY 24	FY 25	FY26
Summary	Governing Body	8	8	8	8	8
	City Attorney	8	9	9	9	9
	City Manager	35	34	34	34	35
	Public Information & Communications	4	4	4	4	3
	Information Technology	7	7	15	15	15
	Human Resources	5	5	5	7	7
	Finance	30	32	32	32	33
	Economic Development	2	3	3	3	3
	Asst City Manager-Development Services	19	20	17	18	18
	Police	163	163	171	169	168
	Fire	122	122	122	122	123
	Assistant City Manager-Leisure Services	96	97	95	100	97
	Deputy City Manager	316	317	315	315	317
	Total Full-Time	790	796	804	812	814
	Total Part-Time	25	25	26	24	22
	TOTAL EMPLOYEES	**815**	**821**	**830**	**836**	**836**

MAJOR REVENUES

Major Revenues Summary

$343,931,400 **$26,674,056**
(8.41% vs. prior year)

Major Revenues Proposed and Historical Budget vs. Actual



MISSION

To provide efficient, effective services for all the City's citizens and customers.

SUMMARY

The City of Kingsport is a municipality founded in 1917 as a modern industrial center of business and commerce. As such, at an early date, the city created a high level of service and expectations of quality management.

The General Fund is made up of several revenue streams. **Taxes** make up the largest single revenue source, with Property Tax accounting for more than 50% of the General Fund revenue and Sales Tax coming in at roughly 21%.

Other revenues include **Gross Receipts**, **Licenses & Permits**, **Fines & Forfeitures**, **Investments**, **Intergovernmental Revenue, Charges for Services** and **Miscellaneous Revenues**.

The Water and Sewer Fund's major revenues are water sales and sewer user fees.

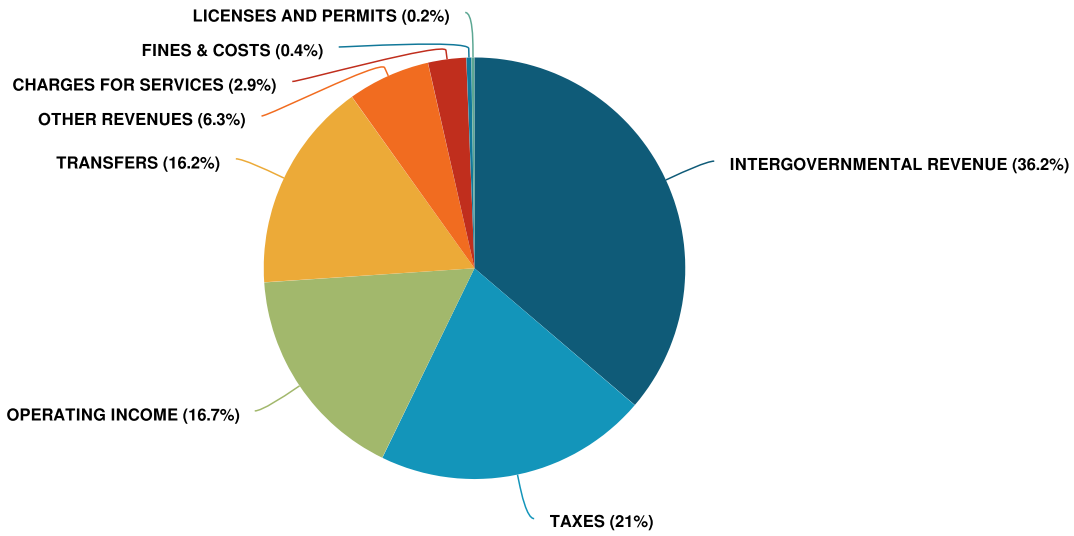
The School Fund's major revenue consists of taxes, state revenue, charges for services, sales, federal revenue and transfers from the General Fund.

The Internal Service Funds consist of charges to other departments for health insurance, workers' compensation, unemployment insurance, and fleet expenses.

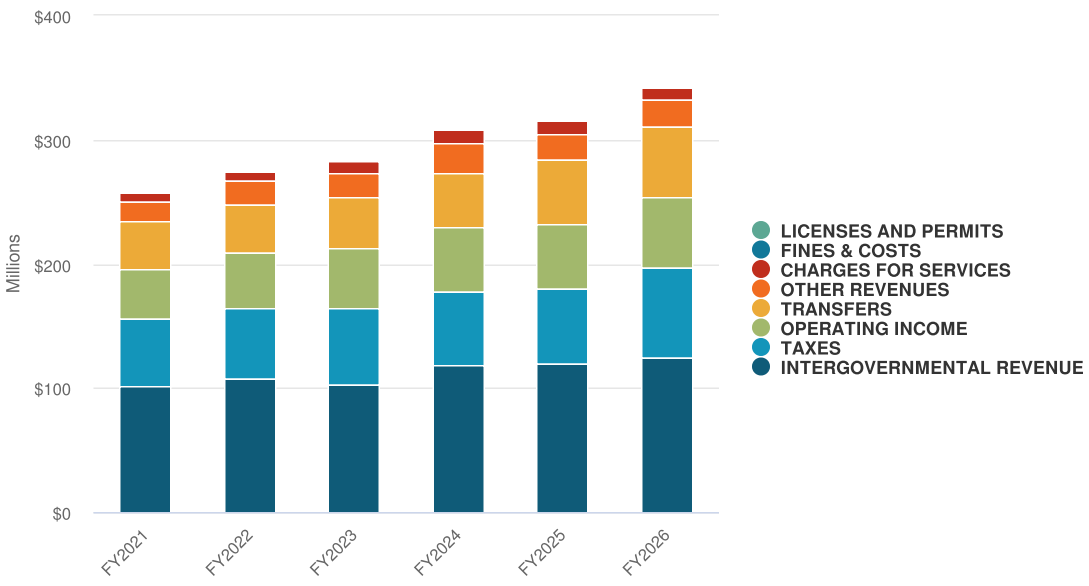
The chart below is a summary of the major revenues. The following sections include details and descriptions of the major revenue groups.

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



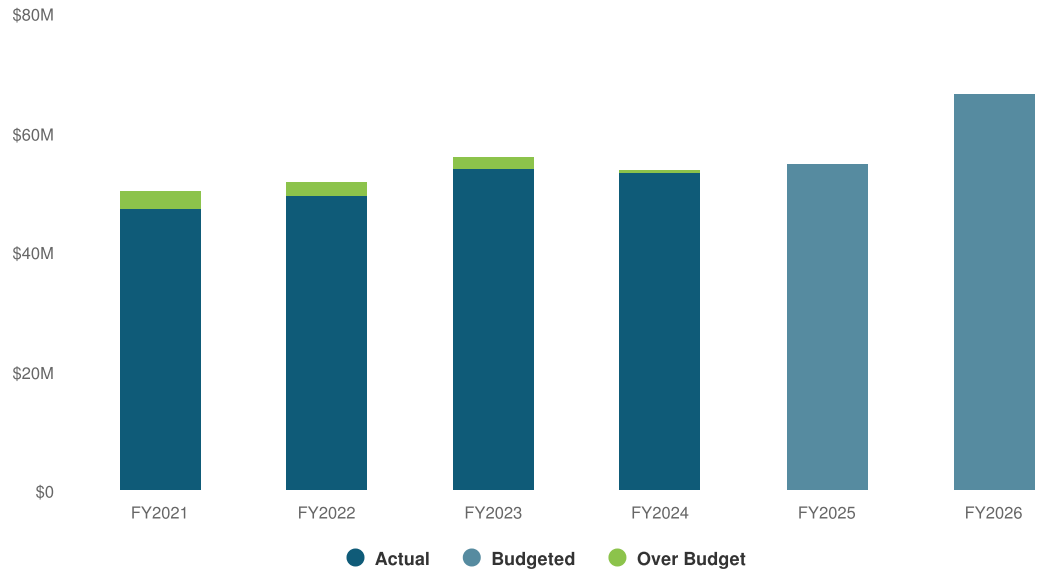
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
TAXES	$61,574,851	$59,097,432	$60,439,700	$72,138,100	19.4%
LICENSES AND PERMITS	$828,424	$847,776	$841,300	$774,700	-7.9%
INTERGOVERNMENTAL REVENUE	$102,575,074	$118,435,480	$119,113,550	$124,655,600	4.7%

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
CHARGES FOR SERVICES	$9,653,430	$11,422,409	$11,131,000	$10,064,900	-9.6%
FINES & COSTS	$1,096,564	$1,317,643	$1,339,300	$1,323,800	-1.2%
OTHER REVENUES	$19,372,374	$24,040,963	$19,556,910	$21,795,500	11%
OPERATING INCOME	$48,587,666	$52,069,225	$52,287,284	$57,525,200	10.2%
TRANSFERS	$40,911,649	$43,465,444	$52,548,300	$55,653,600	5.9%
Total Revenue Source:	**$284,600,032**	**$310,696,372**	**$317,257,344**	**$343,931,400**	**8.4%**

Taxes Summary

$66,554,800 $11,665,100
(21.25% vs. prior year)

Taxes Proposed and Historical Budget vs. Actual



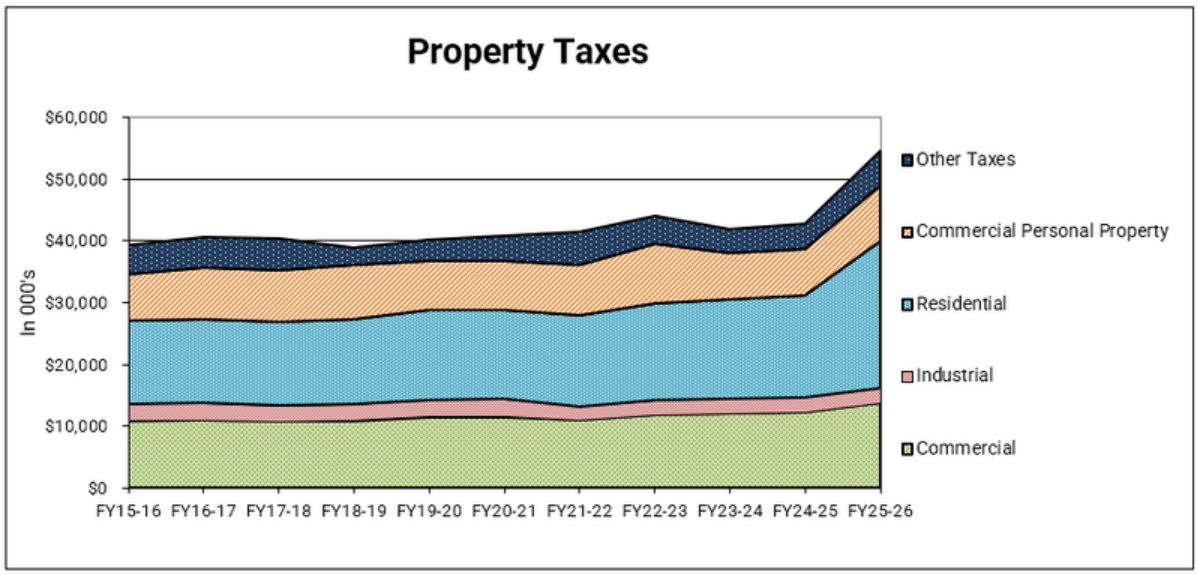
Property Taxes

Property taxes are the largest single revenue source for the City of Kingsport's General Fund and provide critical support for essential municipal services. Annual real property tax growth has been moderate, reflecting steady residential and commercial development within the City. Personal property values are influenced by annual depreciation, reinvestment, and new business growth, with revenue trends depending on whether new investment offsets depreciation losses. Property appraisals and assessments are conducted by the Sullivan County and Hawkins County Property Assessors, with reassessments occurring every four years in Sullivan County and every five years in Hawkins County. The Tennessee Division of Property Assessment is responsible for appraising public utility property within the City.

Under Tennessee law, property is assessed at a percentage of appraised value depending on classification. Real property is assessed at 25 percent for residential, farm, agricultural, and forest property; 40 percent for commercial and industrial property; and 55 percent for public utilities. Personal property is assessed at 30 percent for commercial and industrial property and 55 percent for public utilities. The Personal Property Tax Appraisal Ratio is reviewed every four years to maintain equity across classes of property. Historically, Kingsport has collected between 95 and 98 percent of property taxes in the first year of levy. For conservative budgeting purposes, the City assumes a 97 percent collection rate in its revenue projections.

Both Sullivan County and Hawkins County were reappraised in 2021. For FY 2025–2026, only the Sullivan County portion of Kingsport underwent reassessment, resulting in an average 75 percent increase in residential property values. Following the reassessment, the State of Tennessee established a certified tax rate of $1.3473 per $100 of assessed value for Sullivan County properties within the City. To stabilize revenues and meet growing service demands, Kingsport adopted a new rate of $1.6773 for Kingsport–Sullivan County and set the rate for Kingsport–Hawkins County at $2.4878. Hawkins County is scheduled for its next reassessment in 2026.

In recent history, Kingsport has made limited adjustments to its property tax rate. The FY 2022–2023 budget included a $0.12 increase, raising the rate to $1.9983 for both Sullivan and Hawkins County portions of the City—the first adjustment since FY 2014–2015, when the rate increased by $0.13. The FY 2025–2026 rate adjustment reflects the City's long-term financial strategy, balancing the need to maintain high-quality services with changes in property values and rising operating costs.



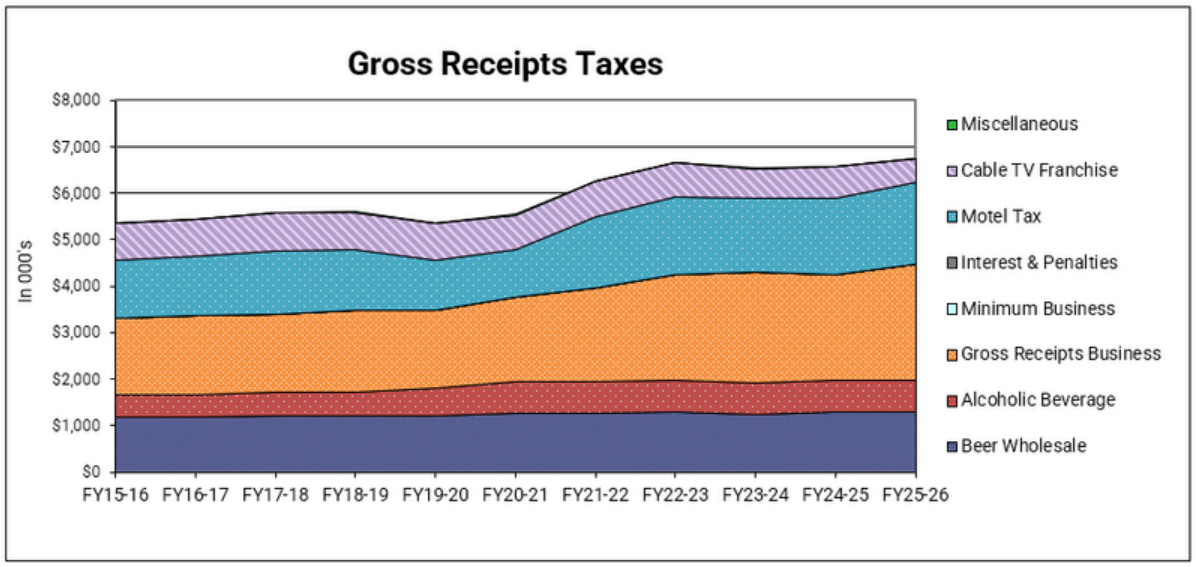
Gross Receipts Taxes

Gross Receipts Taxes represent a small, stable, but slow-growing revenue source for the General Fund. Revenue growth in this category for the upcoming fiscal year is expected to align with that of previous years, continuing the trend of gradual increases seen over time.

The City collects taxes from various categories at the following rates: 14% on beer, 6% on alcoholic beverages, 16% on business gross receipts, 0.1% for minimum business permits, 10% for motel taxes, and 9% for cable TV franchise fees. All revenue from these sources, except the motel tax, can be allocated at the discretion of the Board of Mayor and Aldermen (BMA).

Motel tax receipts are allocated as follows: 62.5% to the Kingsport Convention and Visitors Bureau, 25% to the Visitor's Enhancement Program, and 12.5% to the City's General Fund for administrative costs. Prior to FY 2015, all motel tax revenue was recorded in the General Fund and then transferred to the Visitors Enhancement Fund. Since FY 2015, the portion designated for the Visitors Enhancement Fund has been recorded directly into that fund.

For FY 2026, the City estimates it will receive $5,500,000 from the AEP Franchise Fee.

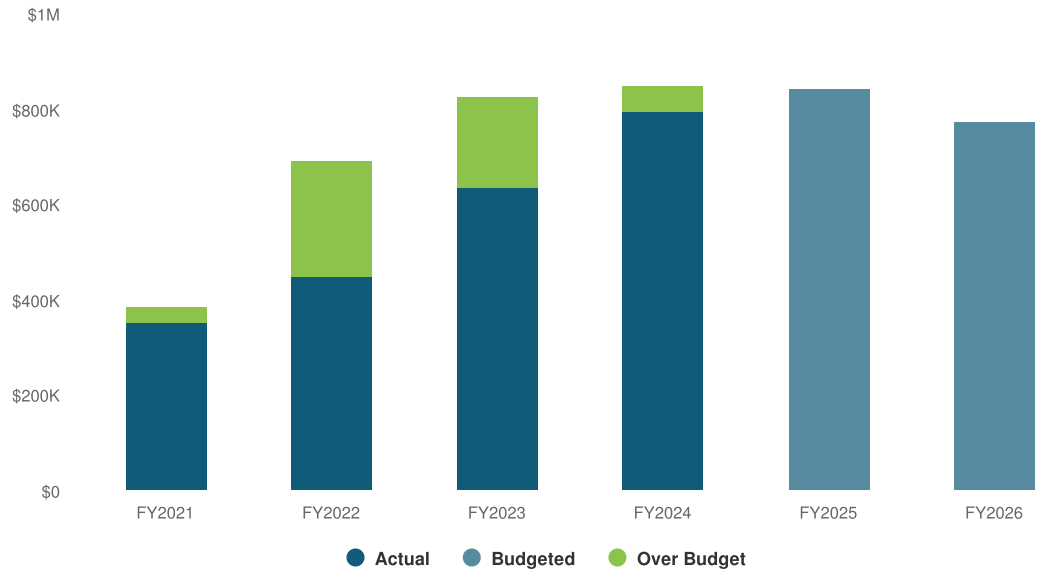


Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
TAXES					
REAL PROPERTY / COMMERCIAL	$11,790,968	$12,038,368	$12,323,000	$13,799,600	12%
REAL PROPERTY / INDUSTRIAL	$2,385,642	$2,467,888	$2,437,700	$2,418,900	-0.8%
REAL PROPERTY / FARM	$82,074	$73,178	$98,400	$101,000	2.6%
REAL PROPERTY / AGRICULTURE	$55,916	$62,549	$56,200	$78,300	39.3%
REAL PROPERTY / RESIDENTIAL	$15,824,431	$16,111,250	$16,528,600	$23,717,500	43.5%
REAL PROPERTY / FORESTRY	$16,452	$12,046	$17,900	$26,200	46.4%
REAL PROPERTY / PUBLIC UTILITIES	$0	$212	$0	$0	0%
TANGIBLE PERSONAL PROPRTY / COMMERCIAL	$9,533,921	$7,380,277	$7,357,200	$9,060,000	23.1%
PUBLIC UTIL-STATE ASSESSD / PUBLIC UTIL-STATE ASSESSD	$1,468,042	$1,159,006	$1,166,200	$1,513,100	29.7%
PRIOR YEARS / PRIOR YEARS	$548,601	$401,869	$550,000	$650,000	18.2%
DEMO/IMPROVEMENT ASSESSED / DEMO/IMPROVEMENT ASSESSED	$13,396	$9,674	$0	$0	0%
KINGSPORT HOUSING AUTH / KINGSPORT HOUSING AUTH	$1,353	$26,867	$0	$0	0%
THRU IDBK / THRU IDBK	$2,152,241	$1,991,611	$1,991,600	$2,933,800	47.3%
OTHER / OTHER	$29,995	$23,312	$29,900	$29,900	0%
WHOLESALE BEER TAX / WHOLESALE BEER TAX	$1,289,625	$1,247,898	$1,281,800	$1,281,800	0%
WHOLESALE LIQUOR TAX / WHOLESALE LIQUOR TAX	$667,425	$660,578	$681,700	$671,700	-1.5%
BEER PRIVILEGE TAX / BEER PRIVILEGE TAX	$14,784	$15,225	$15,200	$15,800	3.9%
BEER PERMIT APPLICATIONS / BEER PERMIT APPLICATIONS	$7,617	$3,350	$4,400	$5,700	29.5%
GROSS RECEIPTS TAX / GROSS RECEIPTS TAX	$2,264,887	$2,374,160	$2,272,000	$2,496,600	9.9%
NEW LICENSE FEE / NEW LICENSE FEE	$5,640	$6,405	$6,400	$5,500	-14.1%
MINIMAL ACTIVITY LICENSE / MINIMAL ACTIVITY LICENSE	$600	$4,965	$1,500	$1,500	0%
TRANSIENT VENDOR LICENSE/TRANSIENT VENDOR LICENSE	$50			$0	0%
CABLE TV FRANCHISE / CABLE TV FRANCHISE	$733,512	$643,903	$662,200	$525,000	-20.7%
AEP FRANCHISE / AEP FRANCHISE	$5,284,263	$5,267,316	$5,500,000	$5,200,000	-5.5%
MOTEL-ROOM OCCUPANCY TAX / MOTEL-ROOM OCCUPANCY TAX	$1,687,330	$1,580,620	$1,650,000	$1,750,000	6.1%
PROPERTY TAXES / PROPERTY TAXES	$252,796	$191,941	$250,000	$265,000	6%
PUBLICITY AND POSTAGE / PUBLICITY AND POSTAGE	$8,764	$6,805	$7,800	$7,900	1.3%
BUSINESS TAX-INTEREST / BUSINESS TAX-INTEREST	$0	$60	$0	$0	0%
Total TAXES:	**$56,120,326**	**$53,761,333**	**$54,889,700**	**$66,554,800**	**21.3%**
Total Revenue Source:	**$56,120,326**	**$53,761,333**	**$54,889,700**	**$66,554,800**	**21.3%**

Licenses & Permits Summary

$774,700 **-$66,600**
(-7.92% vs. prior year)

Licenses & Permits Proposed and Historical Budget vs. Actual



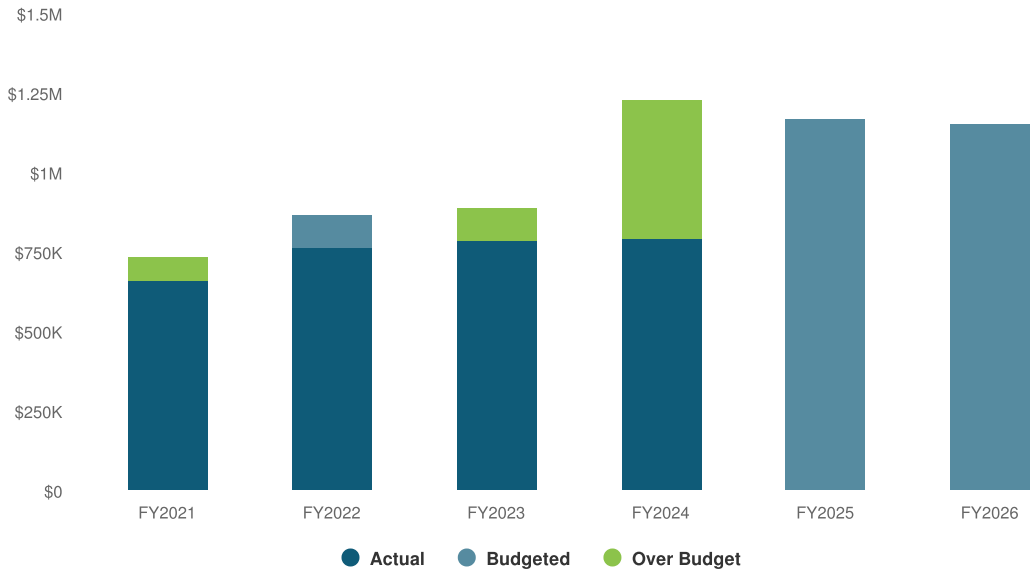
Licenses and Permits represent a small, yet highly volatile revenue category in the General Fund. It is heavily dependent on local building construction and improvements, permit revenues generally rise during strong economic times and are reduced during weaker economic periods. In FY 2015, the City had several new projects, including another expansion at Eastman Chemical that increased revenue. In FY 2022, the increase in revenue was due to three apartment complexes and 1,500 housing units being built.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
LICENSES AND PERMITS					
CONTRACTOR LICENSES / CONTRACTOR LICENSES	$17,350	$18,750	$19,900	$20,000	0.5%
BUILDING PERMITS / BUILDING PERMITS	$608,340	$567,231	$584,900	$560,000	-4.3%
ELECTRICAL PERMITS / ELECTRICAL PERMITS	$67,439	$78,999	$75,400	$70,600	-6.4%
NATURAL GAS PERMITS / NATURAL GAS PERMITS	$93,275	$135,201	$111,200	$92,100	-17.2%
PLUMBING PERMITS / PLUMBING PERMITS	$42,020	$47,595	$49,900	$32,000	-35.9%
Total LICENSES AND PERMITS:	**$828,424**	**$847,776**	**$841,300**	**$774,700**	**-7.9%**
Total Revenue Source:	**$828,424**	**$847,776**	**$841,300**	**$774,700**	**-7.9%**

Fines & Forfeitures Summary

$1,156,000 **-$15,500**
(-1.32% vs. prior year)

Fines & Forfeitures Proposed and Historical Budget vs. Actual



The increase in City Court Fines is due to a fee increase and new court fees.

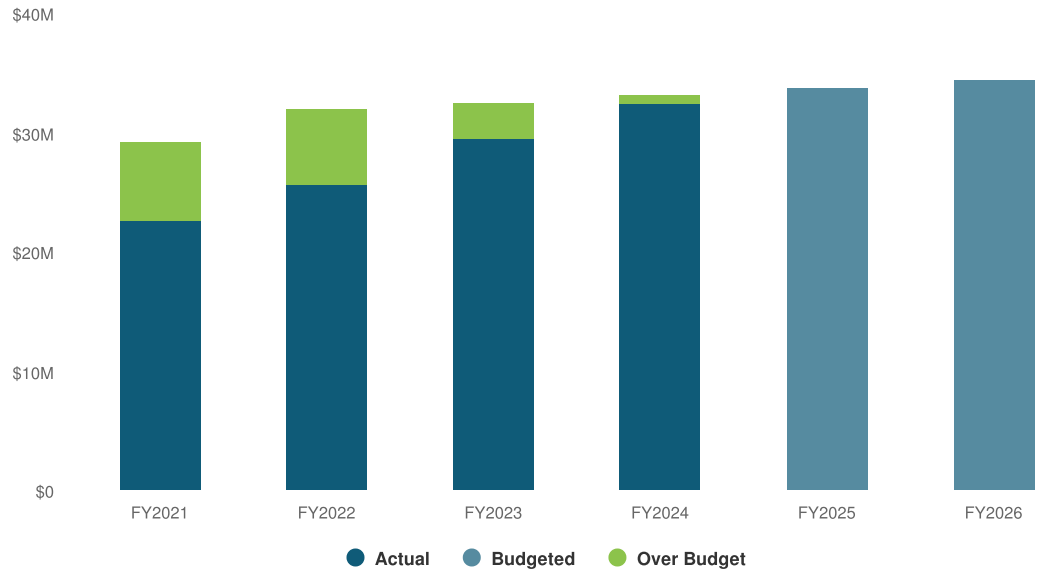
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
GENERAL FUND					
FINES & COSTS					
SESSIONS COURT FINES / SESSIONS COURT FINES	$47,417	$44,027	$42,600	$46,400	8.9%
CIRCUIT COURT FINES / CIRCUIT COURT FINES	$14,660	$9,361	$11,600	$10,000	-13.8%
POLICE COURT FINES / POLICE COURT FINES	$210,043	$258,641	$259,500	$225,000	-13.3%
POLICE COURT FINES / RED LIGHT CAMERA - FINES	$320,006	$419,178	$394,100	$436,900	10.9%
LOCAL COURT COSTS / LOCAL COURT COSTS	$250,162	$459,071	$421,400	$394,400	-6.4%
LOCAL COURT COSTS / R LIGHT CAMERA-COURT COST	$19,345	$11,486	$11,200	$15,500	38.4%
LOCAL LITIGATION FEE / LOCAL LITIGATION FEE	$11,057	$15,891	$15,300	$14,600	-4.6%
COURT FINES & COSTS / JUVENILE COURT FINES	$71			$0	0%
DRUG FINES / DRUG FINES	$18,660	$13,630	$15,800	$13,200	-16.5%
Total FINES & COSTS:	**$891,422**	**$1,231,284**	**$1,171,500**	**$1,156,000**	**-1.3%**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Total GENERAL FUND:	**$891,422**	**$1,231,284**	**$1,171,500**	**$1,156,000**	**-1.3%**

Intergovernmental Summary

$34,523,000 **$689,000**
(2.04% vs. prior year)

Intergovernmental Proposed and Historical Budget vs. Actual



Revenues From Other Agencies (Intergovernmental Revenues) represent a major revenue category for the General Fund. It consists of three distinct revenue centers as follows: 1) Sullivan County contributions, 2) State shared revenues and 3) Local inter-agency revenues.

From Sullivan County: The Local Option Sales Tax, a *Situs* based revenue, is distributed back to the County and dispersed as follows: 50% to the public schools and 50% back to the City. This revenue source is highly dependent on the economy. Sales Tax Revenue was down in FY 2017 compared to FY 2016. Sales tax increased by 5% in FY 2018. The City is expecting modest growth this fiscal year. Contributions to other city services, such as Bays Mountain, fire services, etc., reflect the County's subsidy for county residents' use of these facilities. The funds for the Justice Center reflect the County's pro rata share of the building's maintenance and upkeep. No increases in these direct County contributions are anticipated in the new year.

From the State of Tennessee: This revenue category is often referred to as State Shared Revenues and is a critical component of the General Fund's revenue stream.

Most notably, the State Shared Sales Tax has seen the majority of growth in this area. The other revenue sources have remained relatively stable. The State Legislature passed a bill to decrease sales tax on food and other items which, in turn, decreases the State Shared Sales Tax. The Legislature increased the gasoline tax, which increases revenues to help with roads, bridges, and infrastructure. Hall Income Tax was reduced in FY 2022 and FY 2023 and phased out this year. In FY 2017, the City passed a Sanitation Fee to compensate for the loss of Hall Income Tax revenue to the General Fund. The General Fund was subsidizing the Solid Waste Fund by 87%. In FY 2024, the General Fund will subsidize the Solid Waste Fund by 34%.

The Hall Income Tax was derived from the State tax on investments and dividends and fluctuated depending on the strength of the stock markets and investment rates, but it ended in FY 2021. The state also shares a percentage of its taxes on sales, beer and mixed drinks. All of these revenues may be appropriated at the discretion of the BMA. The state shares a portion of the gasoline tax with localities and funding is found in the streets, transportation and state maintenance of roads. These funds are restricted to use in these functional areas. Each year

the General Assembly considers appropriations to supplement the salaries of firefighters and police officers that meet certain training requirements. This revenue source is restricted and is subject to annual appropriations by the General Assembly. The Area Agency on Aging is a Federal pass-through grant and is restricted for use of target populations.

From Local Agencies: The PILOT payments may be appropriated without restriction.

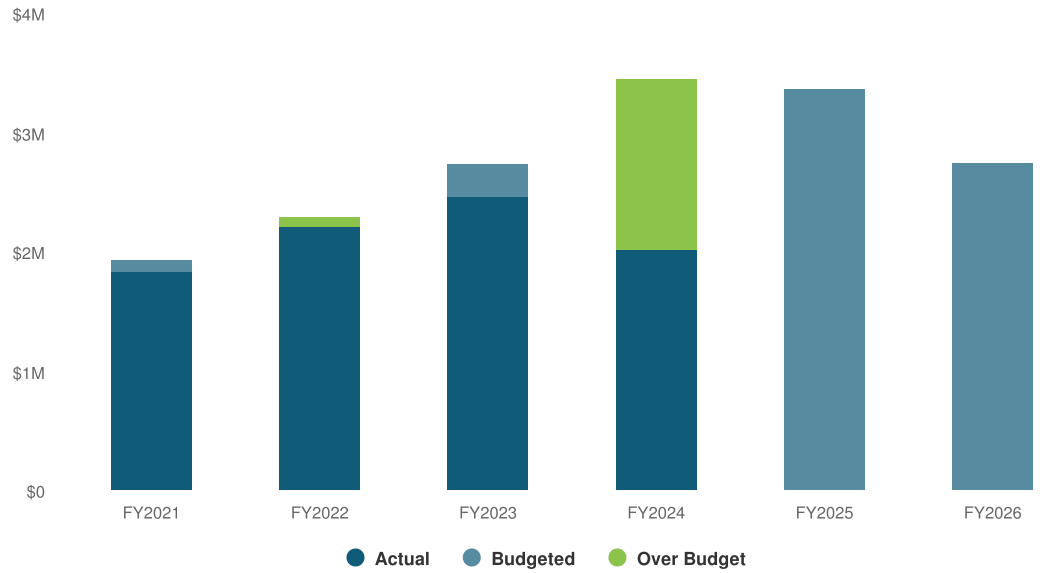
Revenue by Source

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
INTERGOVERNMENTAL REVENUE					
HALL INCOME TAX / HALL INCOME TAX	$2,053	$1,181	$0	$0	0%
SALES TAX / SALES TAX	$6,596,074	$6,809,038	$6,874,800	$7,010,500	2%
TELECOMMUNICATION SALE TX / TELECOMMUNICATION SALE TX	$78,787	$77,002	$77,700	$77,400	-0.4%
TELECOM PRIVILEGE / TELECOM PRIVILEGE	$76	$0	$0	$0	0%
FANTASY SPORTS PRIVILEGE / FANTASY SPORTS PRIVILEGE	$98,845	$105,378	$105,900	$119,300	12.7%
BEER TAX / BEER TAX	$25,316	$24,369	$24,900	$25,400	2%
MIXED DRINK TAX / MIXED DRINK TAX	$347,253	$387,864	$354,200	$388,500	9.7%
STREET AND TRANSPORTATION / STREET AND TRANSPORTATION	$101,570	$101,504	$101,500	$101,500	0%
SUPPLEMENT FIREMAN SALARY / SUPPLEMENT FIREMAN SALARY	$89,600	$96,800	$89,600	$89,600	0%
SUPPLEMENT POLICE SALARY / SUPPLEMENT POLICE SALARY	$80,800	$78,937	$78,400	$80,000	2%
IN-LIEU INTANGIBLE PER PR / IN-LIEU INTANGIBLE PER PR	$167,954	$233,333	$233,300	$195,900	-16%
TVA IN-LIEU OF TAXES / TVA IN-LIEU OF TAXES	$666,594	$679,446	$679,400	$673,500	-0.9%
TVA IMPACT PAYMENT / TVA IMPACT PAYMENT	$219,582	$167,339	$167,300	$112,800	-32.6%
DIRECT APPROPRIATION / DIRECT APPROPRIATION	$0	$652,710	$900,000	$900,000	0%
MISCELLANEOUS OTHER STATE / FTDD APPRENTICESHIP		$18,500	$0	$0	N/A
FTDD AREA AGENCY ON AGING / FTDD AREA AGENCY ON AGING	$31,079	$25,824	$31,000	$27,600	-11%
SALES TAX - HAWKINS / SALES TAX - HAWKINS	$1,479,899	$1,549,117	$1,603,600	$1,626,600	1.4%
SALES TAX - SULLIVAN / SALES TAX - SULLIVAN	$21,967,927	$21,627,903	$21,900,400	$22,516,000	2.8%
CONTRIBUTION BAYS MT PARK / CONTRIBUTION BAYS MT PARK	$60,000	$35,000	$30,000	$35,000	16.7%
CONTRIBUTION FIRE SERVICE / CONTRIBUTION FIRE SERVICE	$138,664	$138,664	$228,600	$138,600	-39.4%
CONTRIBUTION FIRE SERVICE / FIRST RESPONDER	$162,696	$184,800	$184,800	$184,800	0%
ADMINISTRATION BUILDING / ADMINISTRATION BUILDING	$182,686	$209,772	$150,000	$200,000	33.3%
FIN COMM ON APPALACHIAN / HIDTA	$18,970	$21,702	$18,600	$20,000	7.5%
Total INTERGOVERNMENTAL REVENUE:	**$32,516,425**	**$33,226,184**	**$33,834,000**	**$34,523,000**	**2%**
Total Revenue Source:	**$32,516,425**	**$33,226,184**	**$33,834,000**	**$34,523,000**	**2%**

Charges for Services Summary

$2,757,500 **-$607,500**
(-18.05% vs. prior year)

Charges for Services Proposed and Historical Budget vs. Actual



Charges for Services represent revenues from three broad categories: leisure service fees, internal recoveries and miscellaneous. This category represents an increase in group revenue and no net growth is anticipated in the new fiscal year. Administrative services represent a formula based allocation of general fund services to other funds and activities. Engineering fees represent charges to capital project funds for the use of engineering staff services. The engineering fees will vary depending on the projects each year.

Revenues by Source

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
CHARGES FOR SERVICES					
RECREATION RECEIPTS / ALLANDALE-RENTAL RECEIPTS	$92,503	$101,942	$102,700	$121,500	18.3%
RECREATION RECEIPTS / AUDITORIUM RECEIPTS	$13,110	$5,588	$0	$0	0%
RECREATION RECEIPTS / FUNFEST SOFTBALL TOURN.	$2,514	$3,280	$2,800	$5,100	82.1%
RECREATION RECEIPTS/CONCESSION RECEIPTS	$127,596			$0	0%
RECREATION RECEIPTS / ATHLETIC FACILITY RENTALS	$50,998	$57,104	$56,600	$59,200	4.6%
RECREATION RECEIPTS / ATHLETIC PROGRAMS	$77,453	$96,927	$98,400	$93,100	-5.4%
RECREATION RECEIPTS / CULTURAL ARTS PROGRAMS	$7,352	$10,629	$10,100	$10,500	4%
RECREATION RECEIPTS / RENAISSANCE SET UP FEE	$7,698	$9,234	$9,400	$9,800	4.3%

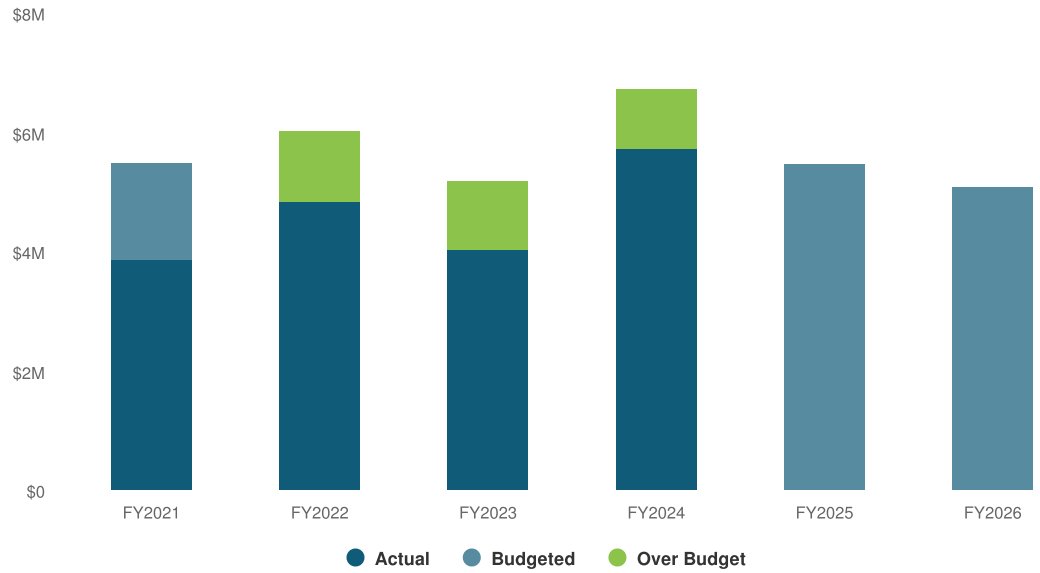
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
RECREATION RECEIPTS / CONCESSION CONTRACT 15%	$16,402	$70,879	$56,800	$54,900	-3.3%
RECREATION RECEIPTS / RENAISSANCE CENTER	$65,519	$60,608	$64,100	$65,800	2.7%
RECREATION RECEIPTS / COMMUMITY CTN BLDG RENTAL	$23,365	$16,004	$19,100	$14,700	-23%
RECREATION RECEIPTS / VO DOBBINS BLDG RENTAL	$216,745	$233,032	$231,200	$234,500	1.4%
RECREATION RECEIPTS / COMMUNITY CTN PROG EVENTS	$59,809	$65,418	$72,700	$69,900	-3.9%
RECREATION RECEIPTS / LYNN VIEW COM. CENTER	$3,850	$6,335	$5,800	$11,400	96.6%
RECREATION RECEIPTS / FARMERS MARKET BLDG	$26,748	$17,760	$17,500	$22,100	26.3%
RECREATION RECEIPTS / OTHER RECREATION RECEIPTS	$1,264	$553	$700	$1,100	57.1%
RECREATION RECEIPTS/OTHER REC BLDG RENTALS	$40			$0	0%
RECREATION RECEIPTS / GREENBELT FEES		$500	$0	$0	N/A
RECREATION RECEIPTS / DOG PARK FEES	$3,625	$3,766	$3,600	$3,400	-5.6%
RECREATION RECEIPTS / CAROUSEL TICKET SALES	$41,050	$41,053	$36,000	$41,700	15.8%
RECREATION RECEIPTS / CAROUSEL RENTALS	$21,825	$19,200	$31,500	$19,900	-36.8%
RECREATION RECEIPTS / CAROUSEL SPECIAL EVENTS	$4,500	$4,125	$3,900	$4,300	10.3%
SENIOR CITIZEN RECEIPTS / MEMBERSHIP DUES	$30,982	$33,819	$32,600	$37,500	15%
SENIOR CITIZEN RECEIPTS / TRANSPORTATION FEES	$3,146	$5,836	$5,700	$4,500	-21.1%
ADULT EDUCATION / CLASS FEES	$750	$575	$500	$0	-100%
BAYS MTN PARK RECEIPTS / ENTRANCE FEES	$135,854	$172,784	$162,600	$156,300	-3.9%
BAYS MTN PARK RECEIPTS / SCHOOL PROGRAM FEES	$25,746	$20,641	$25,500	$18,000	-29.4%
BAYS MTN PARK RECEIPTS / PLANETARIUM FEES	$50,742	$48,183	$50,200	$52,400	4.4%
BAYS MTN PARK RECEIPTS / LASER LIGHT CONCERT FEES				$25,000	N/A
BAYS MTN PARK RECEIPTS / BARGE RIDE FEES	$26,766	$30,855	$27,800	$31,100	11.9%
BAYS MTN PARK RECEIPTS / NATURE SHOW FEES	$4,390	$1,655	$2,100	$1,800	-14.3%
BAYS MTN PARK RECEIPTS / ROPE COURSE FEES	$6,505	$0	$0	$0	0%
BAYS MTN PARK RECEIPTS / PARK TOURS	$0	$230	$0	$300	N/A
BAYS MTN PARK RECEIPTS / PRIMITIVE CAMPING FEES	$100	$250	$200	$200	0%
BAYS MTN PARK RECEIPTS / FACILITY RENTAL FEES	$10,699	$17,683	$14,500	$12,300	-15.2%
FARMERS MARKET / MERCHANDISE SALES	$1,683	$1,220	$1,300	$3,800	192.3%
FARMERS MARKET / BOOTH FEES	$11,315	$13,940	$12,200	$15,700	28.7%
SEXUAL OFFENDER REGISTR / SEXUAL OFFENDER REGISTR	$9,200	$7,800	$8,200	$5,400	-34.1%
POLICE 3RD PARTY SECURITY / POLICE 3RD PARTY SECURITY		$402,302	$346,200	$250,400	N/A
DRIVERS SCHOOL / DRIVERS SCHOOL	$38,100	$46,000	$46,500	$33,400	-28.2%
CHILD RESTRAINT CLASS / CHILD RESTRAINT CLASS	$560	$300	$400	$0	-100%
FIRE DEPARTMENT / FOOD TRUCK INSPECTION	$3,950	$7,875	$7,300	$3,900	-46.6%
FIRE DEPARTMENT / FOOD TRUCK RENEWAL	$1,975	$1,100	$1,000	$1,400	40%
FIRE DEPARTMENT/FOOD TRUCK 3 DAY PERMIT	$25			$0	-100%
FIRE DEPARTMENT / FIRE 3RD PARTY SECURITY		$31,015	$25,000	$24,700	N/A

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
COMMERCIAL PLANS REVIEW / COMMERCIAL PLANS REVIEW	$26,670	$36,651	$33,100	$36,900	11.5%
E-911 CHARGES / E-911 CHARGES	$296,501	$296,501	$396,500	$439,500	10.8%
E-911 CHARGES / SUPPLEMENTAL PAY	$12,000	$12,800	$12,800	$12,800	0%
STREET LIGHT IMPROVEMENTS/LINVILLE ST DISTRICT 1	$315			$0	0%
PUBLIC WORKS / OVERTIME REIMBURSEMENT		$3,088	$0	$0	N/A
CONTRACTED MAINT-STATE RD / CONTRACTED MAINT-STATE RD	$242,679	$270,750	$329,900	$247,300	-25%
ENGINEERING SERVICES / ENGINEERING SERVICES	$661,336	$1,171,852	$1,000,000	$500,000	-50%
Total CHARGES FOR SERVICES:	**$2,465,953**	**$3,459,641**	**$3,365,000**	**$2,757,500**	**-18.1%**
Total Revenue Source:	**$2,465,953**	**$3,459,641**	**$3,365,000**	**$2,757,500**	**-18.1%**

Miscellaneous/Transfers

$5,108,600 **-$383,400**
(-6.98% vs. prior year)

Miscellaneous Revenues/Transfers Proposed and Historical Budget vs. Actual



The Miscellaneous revenues (or Other Revenues) category reflects unexpected proceeds received by the General Fund from rental and /or sale of property, grant funds, donations, transfers from the school fund for security personnel, and transfers from other funds. The annual revenue stream is erratic, depending on activities that generate revenue during the year.

Revenues by Source

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Revenue Source					
OTHER REVENUES					
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$954,035	$1,584,250	$1,100,000	$1,000,000	-9.1%
INDIVIDUALS / INDIVIDUALS	$0	$1,008	$0	$0	0%
FROM CORPORATIONS / FROM CORPORATIONS	$200,320	$5,500	$0	$0	0%
FROM CORPORATIONS / KPT LIFE SAVING CREW	$75,000	$75,000	$75,000	$75,000	0%
FROM NON-PROFIT GROUPS / FROM NON-PROFIT GROUPS	$0	$100,000	$50,000	$50,000	0%
LAND SALES / LAND SALES	$0	$30,200	$0	$0	0%
SURPLUS PROPERTY SALES / SURPLUS PROPERTY SALES		$1,150	$0	$0	0%
RENTAL OF LAND & BUILDING / RENTAL OF LAND & BUILDING	$43,537	$40,827	$42,700	$33,900	-20.6%

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
RETURN CHECK CHARGE / RETURN CHECK CHARGE	$1,440	$1,140	$1,300	$1,500	15.4%
RETURN CHECK CHARGE / RED LIGHT CAMERA FINES	$210	$450	$300	$400	33.3%
VENDING MACHINE REVENUE / VENDING MACHINE REVENUE	$330	$2,000	$2,000	$0	-100%
TRAINING FEES / FIRE		$20,000	$20,000	$0	-100%
POLICE MISC / COPIES	$16	$5	$0	$0	0%
POLICE MISC / OTHER	$2,804	$203	$200	$200	0%
CONVENIENCE FEE / CONVENIENCE FEE	$756	$3,053	$2,100	$3,000	42.9%
TAX PROCESSING FEE / TAX PROCESSING FEE	$12,845	$17,251	$17,400	$18,000	3.4%
SETTLEMENT RECEIPTS / TN OPIOID SETTLEMENTS	$191,005	$220,983	$0	$0	0%
MISCELLANEOUS / MISCELLANEOUS	$166,540	$288,509	$200,000	$200,000	0%
Total OTHER REVENUES:	**$1,648,836**	**$2,391,529**	**$1,511,000**	**$1,382,000**	**-8.5%**
TRANSFERS					
FROM SCHOOL FUND / FROM SCHOOL FUND	$0	$433,301	$0	$0	0%
FROM AQUATIC CENTER / ADMIN SERVICES RECOVERY	$54,849	$64,767	$65,000	$53,100	-18.3%
FROM SEWER FUND / ADMIN SERVICES RECOVERY	$726,113	$848,910	$900,000	$810,000	-10%
FROM SEWER FUND / PILOT	$838,000	$838,000	$838,000	$838,000	0%
FROM WATER FUND / ADMIN SERVICES RECOVERY	$1,180,301	$1,380,100	$1,400,000	$1,260,000	-10%
FROM WATER FUND / PILOT	$653,000	$653,000	$653,000	$653,000	0%
FROM STORM WATER / ADMIN SERVICES RECOVERY	$103,223	$120,723	$125,000	$112,500	-10%
Total TRANSFERS:	**$3,555,486**	**$4,338,802**	**$3,981,000**	**$3,726,600**	**-6.4%**
Total Revenue Source:	**$5,204,322**	**$6,730,330**	**$5,492,000**	**$5,108,600**	**-7%**

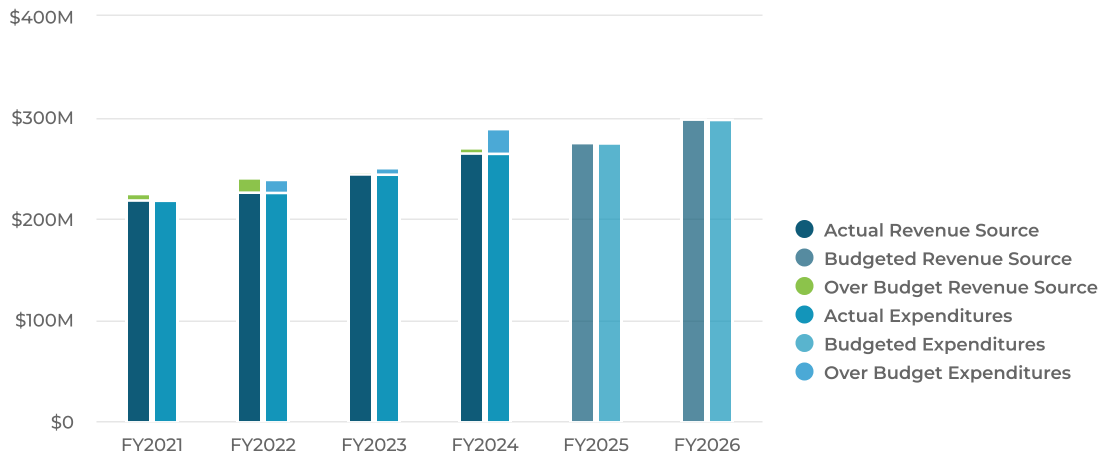
FUND SUMMARIES

All Funds Budget Summary

The **All Funds Budget Summary** provides a comprehensive overview of the City of Kingsport's projected revenues and expenditures across all operating funds for the upcoming fiscal year.

Summary

City of Kingsport is projecting $343.93M of revenue in FY2026, which represents a 8.4% increase over the prior year. Budgeted expenditures are projected to increase by 8.4% or $26.67M to $343.93M in FY2026.



All Funds Revenues

The Major Revenues for the All Funds Budget Summary are as follows:

The key contributors to the General Fund and General Purpose School Fund are Property Tax and Sales Tax.

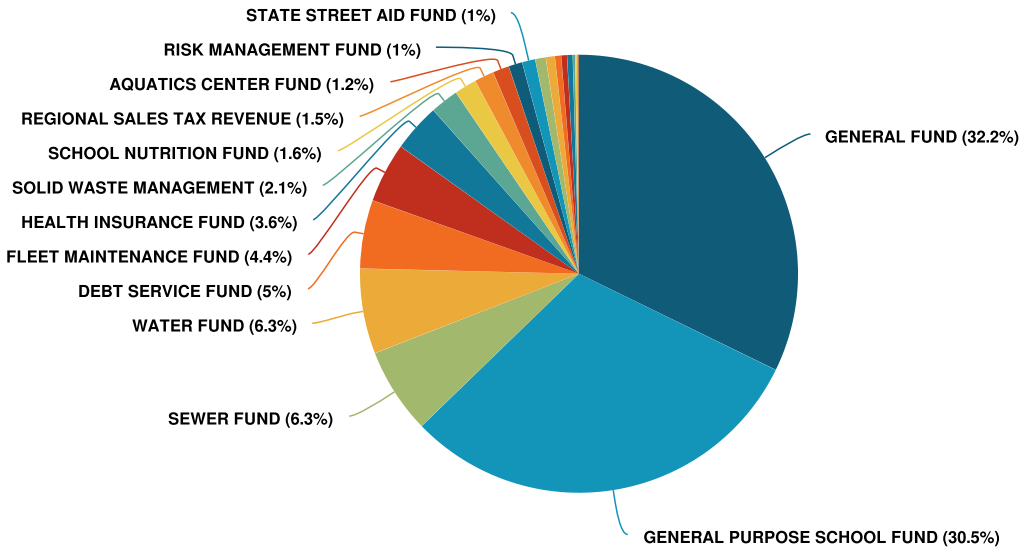
For the Enterprise Funds, the primary revenue sources are Charges for Service, Sales, and Tap Fees. These revenues are essential for providing city services. The City of Kingsport bills customers primarily for water and wastewater services, with Water and Sewer user fees making up 22% of the revenues. Previously, the General Fund supported 87% of the Solid Waste Fund. However, after the adoption of the sanitation fee and the discontinuation of the Recycle Program, the General Fund's contribution has decreased to 35%.

For Internal Service Funds, the major revenue source is also Charges for Service. The City manages four Internal Service Funds: the Health Insurance Fund, Retirees Insurance Fund, Fleet Fund, and Risk Fund.

The primary revenue for Special Revenue Funds is Inter-Local Funds, which are legally restricted for specific purposes. Kingsport has nine Special Revenue Funds, including the Criminal Forfeiture Fund, Drug Fund, General Purpose School Fund, School Public Law Fund, Special School Projects Fund, School Food and Nutrition Services Fund, State Street Aid Fund, Regional Sales Tax Revenue Fund, and the Library Governing Board.

Finally, the main revenues for Trust and Agency Funds come from investment earnings and contributions. These funds include the Allandale Fund, Bays Mountain Commission Fund, Palmer Center Trust Fund, Public Library Commission Fund, Senior Citizens Advisory Board Fund, and Steadman Cemetery Trust Fund.

2026 Revenue by Fund



Long Range Financial Plan

Property taxes and sales taxes make up nearly 50% of the budget and are estimated to remain stable over the next five years. Over the last 10 years, the annual growth rate has fluctuated between 0 and 5% with an average of about 2.9% annual growth. Approximately 15% of all revenues go toward Internal Service Funds, such as Fleet Maintenance and Health Insurance. Internal Service Funds are funded through various operating funds and are expected to grow at an average of 2% per year.

Given the uncertainty in the economy, all revenues are projected to grow at an average annual rate of 2%. While the past 12 months have seen higher growth, factors such as inflation, fluctuations in sales tax collections, and shifts in local economic activity make estimating sustained higher growth rates uncertain and inadvisable.

Keeping revenue projections conservative ensures the City of Kingsport remains in a sound fiscal position. Rolled over fund balance is routinely used for strategic projects at the discretion of the Board of Mayor and Aldermen.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
GENERAL FUND				
TAXES	$56,120,326	$53,761,333	$54,889,700	$66,554,800
LICENSES AND PERMITS	$828,424	$847,776	$841,300	$774,700
INTERGOVERNMENTAL REVENUE	$32,516,425	$33,226,184	$33,834,000	$34,523,000
CHARGES FOR SERVICES	$2,465,953	$3,459,641	$3,365,000	$2,757,500
FINES & COSTS	$891,422	$1,231,284	$1,171,500	$1,156,000
OTHER REVENUES	$1,648,836	$2,391,529	$1,511,000	$1,382,000
TRANSFERS	$3,555,486	$4,338,802	$3,981,000	$3,726,600
Total GENERAL FUND:	**$98,026,872**	**$99,256,547**	**$99,593,500**	**$110,874,600**
STATE STREET AID FUND				
INTERGOVERNMENTAL REVENUE	$1,926,024	$1,949,224	$1,940,450	$2,030,200
TRANSFERS	$1,091,303	$1,088,974	$1,126,250	$1,295,700
Total STATE STREET AID FUND:	**$3,017,327**	**$3,038,198**	**$3,066,700**	**$3,325,900**
CRIMINAL FORFEITURE FUND				
FINES & COSTS	$45,257	$9,975	$6,000	$6,000
OTHER REVENUES	$1,110	$3,088	$0	$0
Total CRIMINAL FORFEITURE FUND:	**$46,366**	**$13,063**	**$6,000**	**$6,000**
DRUG FUND				
INTERGOVERNMENTAL REVENUE	$5,906	$5,369	$5,000	$5,000
FINES & COSTS	$149,191	$66,948	$152,100	$152,100
OTHER REVENUES	$250			$0
Total DRUG FUND:	**$155,347**	**$72,317**	**$157,100**	**$157,100**
REGIONAL SALES TAX REVENUE				
TAXES	$4,892,083	$4,809,227	$5,000,000	$5,000,000
OTHER REVENUES	$17,499	$22,143	$0	$0
Total REGIONAL SALES TAX REVENUE:	**$4,909,582**	**$4,831,369**	**$5,000,000**	**$5,000,000**
VISITORS ENHANCEMENT FUND				
TAXES	$562,443	$526,873	$550,000	$583,300
Total VISITORS ENHANCEMENT FUND:	**$562,443**	**$526,873**	**$550,000**	**$583,300**
LIBRARY GOVERNING BOARD				
INTERGOVERNMENTAL REVENUE	$15,000	$15,000	$15,000	$15,000
CHARGES FOR SERVICES	$8,329	$9,355	$8,700	$8,700
FINES & COSTS	$10,694	$9,436	$9,700	$9,700
OTHER REVENUES	-$3,319	$436	$0	$0
TRANSFERS	$1,375,000	$1,375,000	$1,375,000	$1,375,000
Total LIBRARY GOVERNING BOARD:	**$1,405,704**	**$1,409,228**	**$1,408,400**	**$1,408,400**
GENERAL PURPOSE SCHOOL FUND				

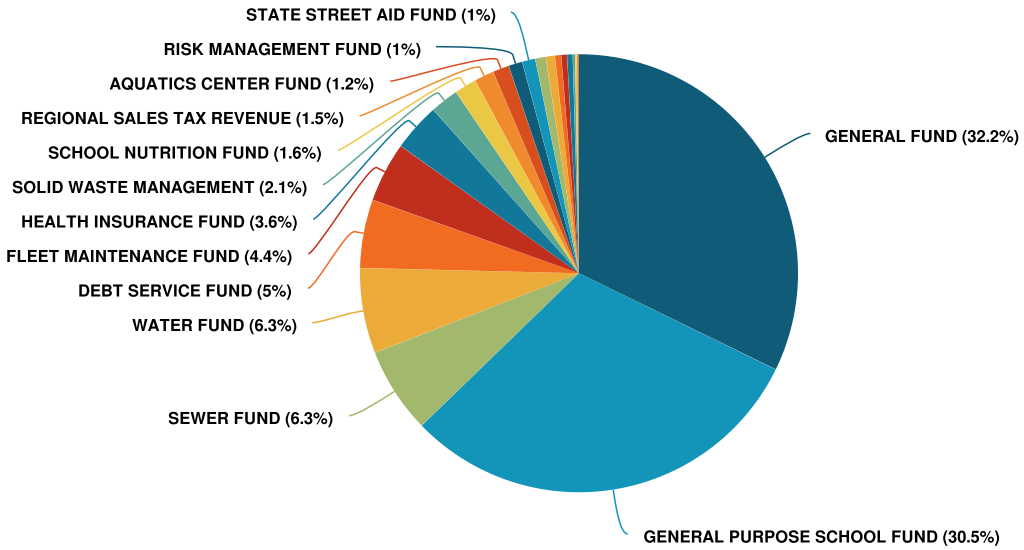
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
INTERGOVERNMENTAL REVENUE	$64,768,314	$79,856,802	$79,974,100	$83,769,700
CHARGES FOR SERVICES	$1,618,311	$1,711,472	$1,849,700	$1,522,500
OTHER REVENUES	$764,372	$1,610,952	$945,000	$945,000
TRANSFERS	$13,577,376	$15,018,758	$15,763,450	$18,765,100
Total GENERAL PURPOSE SCHOOL FUND:	**$80,728,372**	**$98,197,983**	**$98,532,250**	**$105,002,300**
SCHOOL NUTRITION FUND				
INTERGOVERNMENTAL REVENUE	$3,343,405	$3,382,901	$3,345,000	$4,312,700
CHARGES FOR SERVICES	$1,103,045	$1,169,345	$1,140,000	$536,900
OTHER REVENUES	$52,947	$16,923	$15,000	$114,200
TRANSFERS		$0	$350,000	$670,000
Total SCHOOL NUTRITION FUND:	**$4,499,397**	**$4,569,170**	**$4,850,000**	**$5,633,800**
DEBT SERVICE FUND				
OTHER REVENUES	$300,792	$2,426,071	$250,000	$399,900
TRANSFERS	$13,782,601	$12,796,507	$16,120,100	$16,964,800
Total DEBT SERVICE FUND:	**$14,083,394**	**$15,222,578**	**$16,370,100**	**$17,364,700**
WATER FUND				
OTHER REVENUES	$302,337	$901,403	$310,700	$510,700
OPERATING INCOME	$16,046,679	$16,919,407	$18,239,300	$20,773,800
TRANSFERS	$285,778	$265,705	$340,000	$340,000
Total WATER FUND:	**$16,634,794**	**$18,086,516**	**$18,890,000**	**$21,624,500**
SEWER FUND				
OTHER REVENUES	$303,253	$1,118,898	$447,600	$747,600
OPERATING INCOME	$18,108,315	$19,926,265	$19,816,400	$21,056,400
Total SEWER FUND:	**$18,411,568**	**$21,045,164**	**$20,264,000**	**$21,804,000**
SOLID WASTE MANAGEMENT				
CHARGES FOR SERVICES	$3,775,677	$4,324,402	$4,205,400	$4,578,000
OTHER REVENUES	$37,072	$74,700	$50,600	$67,100
OPERATING INCOME	$0	$124,890	$0	$0
TRANSFERS	$2,600,000	$2,578,400	$2,500,000	$2,500,000
Total SOLID WASTE MANAGEMENT:	**$6,412,748**	**$7,102,392**	**$6,756,000**	**$7,145,100**
STORM WATER MANAGEMENT				
OTHER REVENUES	$10,082	$21,812	$15,000	$15,000
OPERATING INCOME	$1,864,577	$1,881,442	$1,893,200	$2,271,900
Total STORM WATER MANAGEMENT:	**$1,874,658**	**$1,903,254**	**$1,908,200**	**$2,286,900**
AQUATICS CENTER FUND				
OTHER REVENUES	$32,725	$33,273	$26,300	$21,100
OPERATING INCOME	$1,373,028	$1,767,016	$1,602,400	$1,632,600
TRANSFERS	$2,081,406	$2,589,624	$2,500,000	$2,500,000

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total AQUATICS CENTER FUND:	**$3,487,159**	**$4,389,914**	**$4,128,700**	**$4,153,700**
MEADOWVIEW CONFERENCE CTR				
OTHER REVENUES	$40,948	$71,267	$48,200	$48,400
OPERATING INCOME	$326,226	$330,757	$336,200	$373,400
TRANSFERS	$2,413,355	$2,627,327	$2,250,000	$2,250,000
Total MEADOWVIEW CONFERENCE CTR:	**$2,780,529**	**$3,029,351**	**$2,634,400**	**$2,671,800**
CATTAILS GOLF COURSE				
OTHER REVENUES	$10,377	$22,141	$10,600	$73,300
OPERATING INCOME	$1,123,365	$1,254,815	$1,167,300	$1,172,400
TRANSFERS	$149,344	$626,347	$250,000	$250,000
Total CATTAILS GOLF COURSE:	**$1,283,086**	**$1,903,303**	**$1,427,900**	**$1,495,700**
FLEET MAINTENANCE FUND				
OTHER REVENUES	$187,680	$152,421	$0	$0
OPERATING INCOME	$9,745,475	$9,864,632	$9,232,484	$10,244,700
TRANSFERS	$0	$160,000	$5,977,000	$5,000,900
Total FLEET MAINTENANCE FUND:	**$9,933,155**	**$10,177,053**	**$15,209,484**	**$15,245,600**
LIBRARY COMMISSION FUND				
OTHER REVENUES	$164	$249	$10	$100
Total LIBRARY COMMISSION FUND:	**$164**	**$249**	**$10**	**$100**
BAYS MT PARK COMM FUND				
CHARGES FOR SERVICES	$283,897	$278,152	$275,000	$266,700
OTHER REVENUES	$294,803	$151,360	$15,000	$22,300
Total BAYS MT PARK COMM FUND:	**$578,700**	**$429,512**	**$290,000**	**$289,000**
RISK MANAGEMENT FUND				
OTHER REVENUES	$2,581,841	$2,882,201	$3,220,700	$3,529,800
Total RISK MANAGEMENT FUND:	**$2,581,841**	**$2,882,201**	**$3,220,700**	**$3,529,800**
SR CITIZENS ADVISORY BD				
CHARGES FOR SERVICES	$398,219	$464,693	$283,200	$354,600
OTHER REVENUES	$101,545	$133,391	$55,800	$102,100
Total SR CITIZENS ADVISORY BD:	**$499,764**	**$598,084**	**$339,000**	**$456,700**
PALMER CENTER TRUST				
OTHER REVENUES	$2,615	$3,976	$100	$100
Total PALMER CENTER TRUST:	**$2,615**	**$3,976**	**$100**	**$100**
PUBLIC ART COMMISSION FUND				
CHARGES FOR SERVICES	$0	$5,349	$4,000	$40,000
OTHER REVENUES	$0	$14,477	$6,000	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total PUBLIC ART COMMISSION FUND:	**$0**	**$19,826**	**$10,000**	**$40,000**
ALLANDALE TRUST FUND				
OTHER REVENUES	$6,546	$10,154	$4,500	$4,500
TRANSFERS	$0	$0	$13,000	$13,000
Total ALLANDALE TRUST FUND:	**$6,546**	**$10,154**	**$17,500**	**$17,500**
STEADMAN CEMETERY TRUST				
OTHER REVENUES	$196	$243	$100	$100
TRANSFERS	$0	$0	$2,500	$2,500
Total STEADMAN CEMETERY TRUST:	**$196**	**$243**	**$2,600**	**$2,600**
HEALTH INSURANCE FUND				
OTHER REVENUES	$11,178,783	$10,394,247	$11,078,900	$12,211,300
Total HEALTH INSURANCE FUND:	**$11,178,783**	**$10,394,247**	**$11,078,900**	**$12,211,300**
RETIREES INSURANCE FUND				
OTHER REVENUES	$1,498,921	$1,583,608	$1,545,800	$1,600,900
Total RETIREES INSURANCE FUND:	**$1,498,921**	**$1,583,608**	**$1,545,800**	**$1,600,900**
Total:	**$284,600,032**	**$310,696,372**	**$317,257,344**	**$343,931,400**

All Funds Expenditures

2026 Expenditures by Fund



Long Range Financial Plan:

Expenditures are anticipated to grow at an annual rate of 2% over the fiscal years 2026-2030. Personnel grades have been adjusted and with a large portion of near-retirement employees, a step on the new scale will average about 1.75%. This leaves slight room for personnel growth and future adjustments.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
GENERAL FUND				
PERSONNEL SERVICES	$39,862,955	$42,971,706	$44,210,500	$50,087,400
CONTRACTUAL SERVICES	$9,309,947	$9,376,865	$10,658,800	$11,616,200
COMMODITIES	$1,617,203	$1,714,029	$1,787,850	$1,805,200
OTHER EXPENSES	$2,174,052	$2,397,895	$2,533,000	$2,641,800
INSURANCE	$945,670	$1,013,390	$1,098,550	$1,106,200
RESERVED FOR	$0	$0	$300,000	$0
TRANSFERS	$39,040,575	$37,475,497	$35,416,700	$40,004,400
SUBSIDIES & CONTRIBUTION	$3,655,902	$4,068,664	$3,452,600	$3,613,400
CAPITAL OUTLAY	$203,384	$231,082	$135,500	$0
Total GENERAL FUND:	**$96,809,688**	**$99,249,127**	**$99,593,500**	**$110,874,600**
STATE STREET AID FUND				
CONTRACTUAL SERVICES	$2,328,777	$2,269,932	$2,420,000	$2,470,000
COMMODITIES	$557,992	$637,376	$616,700	$640,900
OTHER EXPENSES	$44,938	$55,303	$30,000	$215,000
CAPITAL OUTLAY	$85,621	$64,364	$0	$0
Total STATE STREET AID FUND:	**$3,017,327**	**$3,026,974**	**$3,066,700**	**$3,325,900**
CRIMINAL FORFEITURE FUND				
OTHER EXPENSES	$0	$0	$6,000	$6,000
TRANSFERS	$0	-$5,877	$0	$0
Total CRIMINAL FORFEITURE FUND:	**$0**	**-$5,877**	**$6,000**	**$6,000**
DRUG FUND				
PERSONNEL SERVICES	$0	$0	$10,000	$10,000
CONTRACTUAL SERVICES	$10,400	$9,930	$14,600	$14,600
COMMODITIES	$17,476	$28,775	$37,500	$37,500
OTHER EXPENSES	$20,000	$12,000	$45,000	$45,000
TRANSFERS	$0	-$2,894	$0	$0
CAPITAL OUTLAY	$6,500	$26,000	$50,000	$50,000
Total DRUG FUND:	**$54,376**	**$73,810**	**$157,100**	**$157,100**
REGIONAL SALES TAX REVENUE				
TRANSFERS	$4,380,424	$5,670,057	$5,000,000	$5,000,000
Total REGIONAL SALES TAX REVENUE:	**$4,380,424**	**$5,670,057**	**$5,000,000**	**$5,000,000**
VISITORS ENHANCEMENT FUND				
CONTRACTUAL SERVICES	$208,159	$45,000	$0	$0
COMMODITIES	$0	$3,050	$0	$0
TRANSFERS	$285,240	$323,241	$0	$0
SUBSIDIES & CONTRIBUTION	$15,150	$125,000	$295,000	$295,000
CAPITAL OUTLAY	$0	$0	$255,000	$288,300
Total VISITORS ENHANCEMENT FUND:	**$508,549**	**$496,291**	**$550,000**	**$583,300**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
LIBRARY GOVERNING BOARD				
PERSONNEL SERVICES	$1,072,997	$958,076	$1,292,200	$1,262,600
CONTRACTUAL SERVICES	$301,037	$213,943	$86,300	$115,900
COMMODITIES	$14,523	$20,103	$26,200	$26,200
OTHER EXPENSES	$3,649	$3,677	$3,700	$3,700
Total LIBRARY GOVERNING BOARD:	**$1,392,206**	**$1,195,798**	**$1,408,400**	**$1,408,400**
GENERAL PURPOSE SCHOOL FUND				
UNASSIGNED	$82,908,645	$96,287,793	$98,529,250	$105,002,300
COMMODITIES		$0	$3,000	$0
Total GENERAL PURPOSE SCHOOL FUND:	**$82,908,645**	**$96,287,793**	**$98,532,250**	**$105,002,300**
SCHOOL NUTRITION FUND				
UNASSIGNED	$3,810,128	$5,181,643	$4,850,000	$5,633,800
COMMODITIES		$8,618	$0	$0
Total SCHOOL NUTRITION FUND:	**$3,810,128**	**$5,190,261**	**$4,850,000**	**$5,633,800**
DEBT SERVICE FUND				
CONTRACTUAL SERVICES	$3,320	$5,000	$332,300	$317,800
OTHER EXPENSES	$13,795,300	$14,807,562	$16,037,800	$17,046,900
Total DEBT SERVICE FUND:	**$13,798,620**	**$14,812,562**	**$16,370,100**	**$17,364,700**
WATER FUND				
PERSONNEL SERVICES	$4,170,171	$4,552,341	$5,205,800	$5,571,600
CONTRACTUAL SERVICES	$3,043,809	$3,162,166	$3,361,900	$3,421,000
COMMODITIES	$1,194,780	$1,262,204	$1,243,000	$1,278,900
OTHER EXPENSES	$9,773,207	$7,904,020	$7,306,900	$7,648,200
INSURANCE	$59,698	$64,263	$64,700	$67,600
TRANSFERS	$1,947,500	$12,417,425	$1,340,000	$3,200,000
SUBSIDIES & CONTRIBUTION	$55,999	$82,426	$235,700	$298,200
CAPITAL OUTLAY	$8,103	$43,420	$132,000	$139,000
Total WATER FUND:	**$20,253,266**	**$29,488,264**	**$18,890,000**	**$21,624,500**
SEWER FUND				
PERSONNEL SERVICES	$4,043,389	$4,146,380	$4,467,500	$4,915,900
CONTRACTUAL SERVICES	$2,356,497	$3,833,946	$2,732,600	$2,861,700
COMMODITIES	$1,000,639	$898,577	$1,064,700	$1,082,300
OTHER EXPENSES	$12,897,548	$9,666,351	$10,665,600	$10,074,300
INSURANCE	$36,708	$37,369	$36,600	$37,800
TRANSFERS	$660,000	$14,891,660	$945,000	$2,430,000
SUBSIDIES & CONTRIBUTION	$81,634	$80,664	$215,000	$265,000
CAPITAL OUTLAY	$84,470	$23,106	$137,000	$137,000
Total SEWER FUND:	**$21,160,885**	**$33,578,053**	**$20,264,000**	**$21,804,000**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
SOLID WASTE MANAGEMENT				
PERSONNEL SERVICES	$2,643,347	$3,139,461	$2,874,500	$3,120,600
CONTRACTUAL SERVICES	$2,311,004	$2,117,750	$2,604,300	$2,757,300
COMMODITIES	$42,823	$57,979	$75,300	$85,200
OTHER EXPENSES	$1,272,843	$1,197,502	$998,300	$1,039,500
INSURANCE	$30,510	$31,304	$38,600	$41,400
TRANSFERS	$250,000	$278,400	$0	$0
CAPITAL OUTLAY	$56,310	$21,511	$165,000	$101,100
Total SOLID WASTE MANAGEMENT:	**$6,606,838**	**$6,843,908**	**$6,756,000**	**$7,145,100**
STORM WATER MANAGEMENT				
PERSONNEL SERVICES	$893,527	$937,573	$1,028,500	$1,164,500
CONTRACTUAL SERVICES	$184,625	$155,273	$330,200	$384,900
COMMODITIES	$499,979	$43,362	$64,100	$64,100
OTHER EXPENSES	$532,507	$456,412	$415,800	$381,600
INSURANCE	$32,377	$32,365	$31,600	$32,300
TRANSFERS	$170,000	$200,000	$0	$250,000
CAPITAL OUTLAY	$750	$20,612	$38,000	$9,500
Total STORM WATER MANAGEMENT:	**$2,313,764**	**$1,845,595**	**$1,908,200**	**$2,286,900**
AQUATICS CENTER FUND				
PERSONNEL SERVICES	$326,057	$359,386	$403,300	$439,000
CONTRACTUAL SERVICES	$1,402,867	$1,450,995	$1,622,900	$1,624,400
COMMODITIES	$293,704	$373,426	$352,400	$356,200
OTHER EXPENSES	$1,271,665	$1,227,892	$1,707,700	$1,691,700
INSURANCE	$42,309	$44,283	$42,400	$42,400
TRANSFERS		$558,241	$0	$0
Total AQUATICS CENTER FUND:	**$3,336,602**	**$4,014,223**	**$4,128,700**	**$4,153,700**
MEADOWVIEW CONFERENCE CTR				
CONTRACTUAL SERVICES	$17,827	$13,251	$54,200	$56,400
OTHER EXPENSES	$2,108,863	$2,151,680	$1,763,800	$1,799,000
INSURANCE	$78,664	$117,416	$116,400	$116,400
TRANSFERS	$0	$30,898	$0	$0
SUBSIDIES & CONTRIBUTION	$673,425	$797,277	$700,000	$700,000
CAPITAL OUTLAY	$79,023	$8,194	$0	$0
Total MEADOWVIEW CONFERENCE CTR:	**$2,957,802**	**$3,118,716**	**$2,634,400**	**$2,671,800**
CATTAILS GOLF COURSE				
PERSONNEL SERVICES	$590,555	$654,571	$566,750	$566,750
CONTRACTUAL SERVICES	$278,706	$295,772	$484,200	$552,400
COMMODITIES	$218,048	$279,221	$219,350	$219,350
OTHER EXPENSES	$329,745	$361,785	$130,600	$130,200
INSURANCE	$27,375	$25,703	$27,000	$27,000
TRANSFERS		$464,970	$0	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
CAPITAL OUTLAY		$1,090	$0	$0
Total CATTAILS GOLF COURSE:	**$1,444,430**	**$2,083,113**	**$1,427,900**	**$1,495,700**
FLEET MAINTENANCE FUND				
PERSONNEL SERVICES	$1,357,672	$1,564,911	$1,515,800	$1,755,900
CONTRACTUAL SERVICES	$108,256	$167,896	$109,300	$130,900
COMMODITIES	$5,115,588	$4,956,783	$4,041,400	$4,043,600
OTHER EXPENSES	$2,805,843	$2,956,502	$3,251,168	$3,660,500
INSURANCE	$16,526	$16,937	$144,565	$160,500
CAPITAL OUTLAY	$37,175	$0	$6,147,251	$5,494,200
Total FLEET MAINTENANCE FUND:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**
LIBRARY COMMISSION FUND				
CONTRACTUAL SERVICES	$0	$0	$10	$100
Total LIBRARY COMMISSION FUND:	**$0**	**$0**	**$10**	**$100**
BAYS MT PARK COMM FUND				
CONTRACTUAL SERVICES	$31,520	$69,031	$53,700	$53,700
COMMODITIES	$99,866	$126,266	$195,000	$194,000
TRANSFERS	$250,000	$116,492	$0	$0
CAPITAL OUTLAY	$0	$0	$41,300	$41,300
Total BAYS MT PARK COMM FUND:	**$381,387**	**$311,789**	**$290,000**	**$289,000**
RISK MANAGEMENT FUND				
PERSONNEL SERVICES	$116,159	$263,561	$320,000	$424,000
CONTRACTUAL SERVICES	$168,502	$91,905	$361,850	$368,200
COMMODITIES	$350	$3,655	$2,000	$3,600
OTHER EXPENSES	$98,447	$47,309	$46,800	$99,300
INSURANCE	$1,603,395	$2,575,418	$2,328,050	$2,472,700
CAPITAL OUTLAY		$0	$162,000	$162,000
Total RISK MANAGEMENT FUND:	**$1,986,854**	**$2,981,848**	**$3,220,700**	**$3,529,800**
SR CITIZENS ADVISORY BD				
CONTRACTUAL SERVICES	$281,433	$604,122	$302,200	$416,400
COMMODITIES	$40,104	$32,016	$36,500	$40,000
OTHER EXPENSES	$239	$0	$300	$300
Total SR CITIZENS ADVISORY BD:	**$321,777**	**$636,138**	**$339,000**	**$456,700**
PALMER CENTER TRUST				
CAPITAL OUTLAY	$0	$0	$100	$100
Total PALMER CENTER TRUST:	**$0**	**$0**	**$100**	**$100**
PUBLIC ART COMMISSION FUND				
CONTRACTUAL SERVICES	$0	$0	$4,000	$4,000
COMMODITIES	$0	$48	$4,000	$34,000

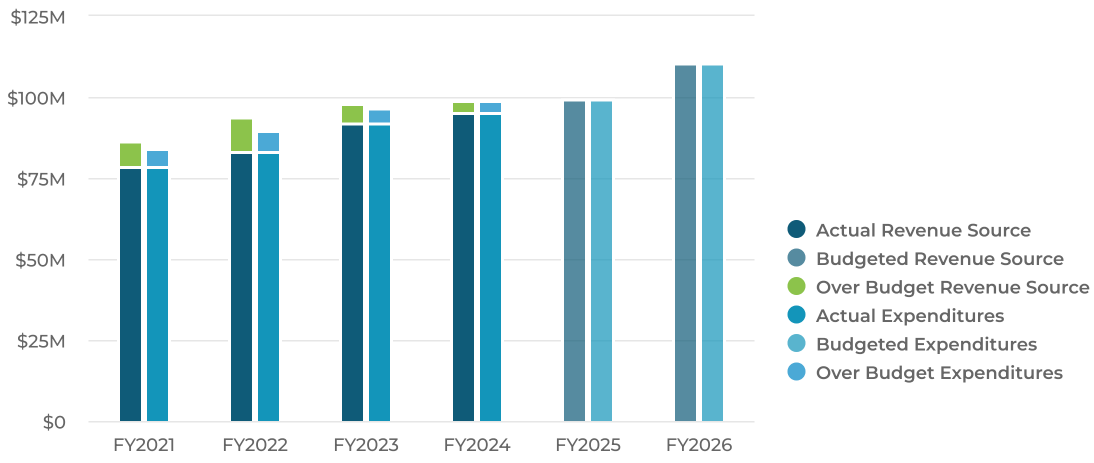
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
COST OF SALES	$0	$9,184	$2,000	$2,000
Total PUBLIC ART COMMISSION FUND:	**$0**	**$9,232**	**$10,000**	**$40,000**
ALLANDALE TRUST FUND				
CONTRACTUAL SERVICES	$0	$0	$3,000	$3,000
COMMODITIES	$0	$0	$7,500	$7,500
CAPITAL OUTLAY	$0	$0	$7,000	$7,000
Total ALLANDALE TRUST FUND:	**$0**	**$0**	**$17,500**	**$17,500**
STEADMAN CEMETERY TRUST				
CONTRACTUAL SERVICES	$1,280	$2,720	$2,600	$2,600
Total STEADMAN CEMETERY TRUST:	**$1,280**	**$2,720**	**$2,600**	**$2,600**
HEALTH INSURANCE FUND				
PERSONNEL SERVICES	$91,726	$107,197	$148,250	$138,600
CONTRACTUAL SERVICES	$615,957	$647,228	$650,850	$805,000
COMMODITIES	$509,520	$766,989	$633,500	$643,500
OTHER EXPENSES	$712,058	$754,596	$791,300	$799,200
INSURANCE	$8,574,703	$8,488,536	$8,855,000	$9,825,000
Total HEALTH INSURANCE FUND:	**$10,503,964**	**$10,764,546**	**$11,078,900**	**$12,211,300**
RETIREES INSURANCE FUND				
CONTRACTUAL SERVICES	$700	$709	$800	$1,000
OTHER EXPENSES	$44,019	$46,844	$55,000	$55,000
INSURANCE	$1,462,964	$1,759,318	$1,305,000	$1,544,900
RESERVED FOR	$0	$0	$185,000	$0
Total RETIREES INSURANCE FUND:	**$1,507,683**	**$1,806,870**	**$1,545,800**	**$1,600,900**
Total:	**$288,897,552**	**$333,144,841**	**$317,257,344**	**$343,931,400**

General Fund

The General Fund is the primary operating fund for governmental activities such as public safety, general administration and public works. The fund's most significant revenue sources are the local option sales tax, state shared revenues, and the property tax. The fund is maintained on a modified accrual basis.

Summary

City of Kingsport is projecting $110.87M of revenue in FY2026, which represents a 11.3% increase over the prior year. Budgeted expenditures are projected to increase by 11.3% or $11.28M to $110.87M in FY2026.



MISSION

To provide efficient, effective services to all of the City's citizens and customers.

SUMMARY

The City of Kingsport is a municipality founded in 1917 as a modern industrial center of business and commerce. As such, it created at an early date a high level of services and expectations of quality management. The General Fund provides a wide array of services ranging from general administration to public safety, streets maintenance to planning and development, contributions to various community partners, economic development and perhaps the City's most important service, an outstanding public education system.

Strategic Plan Implementation

- **STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT**
- **STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE**
- **STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES**
- **STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY**
- **STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY**
- **STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS**
- **STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION**

General Fund Divisions

- Board of Mayor & Aldermen
- City Judge
- City Attorney
- City Manager's Office
- Asst City Manager-Dev Services
- Special Programs
- Budget
- Procurement
- Non-Departmental Funds
- Public Information & Communications
- Human Resources
- Finance
- Records Management
- Economic Development
- Planning
- Building & Code Enforcement
- Geographic Information Systems
- Police
- Fire & Emergency Services
- Asst City Manager-Leisure Services
- Parks & Recreation
- Recreation Centers
- Cultural Arts
- Allandale Mansion
- Farmer's Market
- Carousel
- Splash Pad
- Lynn View Community Center
- Senior Center
- Bays Mountain Park
- Ropes Course
- Athletics
- Parks & Recreation Maintenance
- Public Works Administration
- Streets & Sanitation
- Street Maintenance
- Street Cleaning
- Facilities Maintenance
- Grounds Maintenance
- Landscaping
- Leisure Services Maintenance
- Information Technology
- Transportation
- Engineering

Key Issues

- Economic development is now a major activity of the General Fund. Networks is a Joint Economic Development Partnership for Sullivan County, Kingsport, Bristol, and Bluff City that promises to increase economic activities. The Kingsport Economic Development Board is also recruiting businesses.

- The joint partnership with Northeast State Technical Community College with the Higher Education Center and the Regional Center for Health Professions has increased economic activities. Northeast State also partners with Domtar and Eastman Chemical Company to provide training for existing and future manufacturing employees.

Capital Projects

The General Fund's capital improvement plan is funded through both cash projects and bonded debt projects. It has been a tradition of the board to try to keep oncoming debt at levels near debt service roll-off.

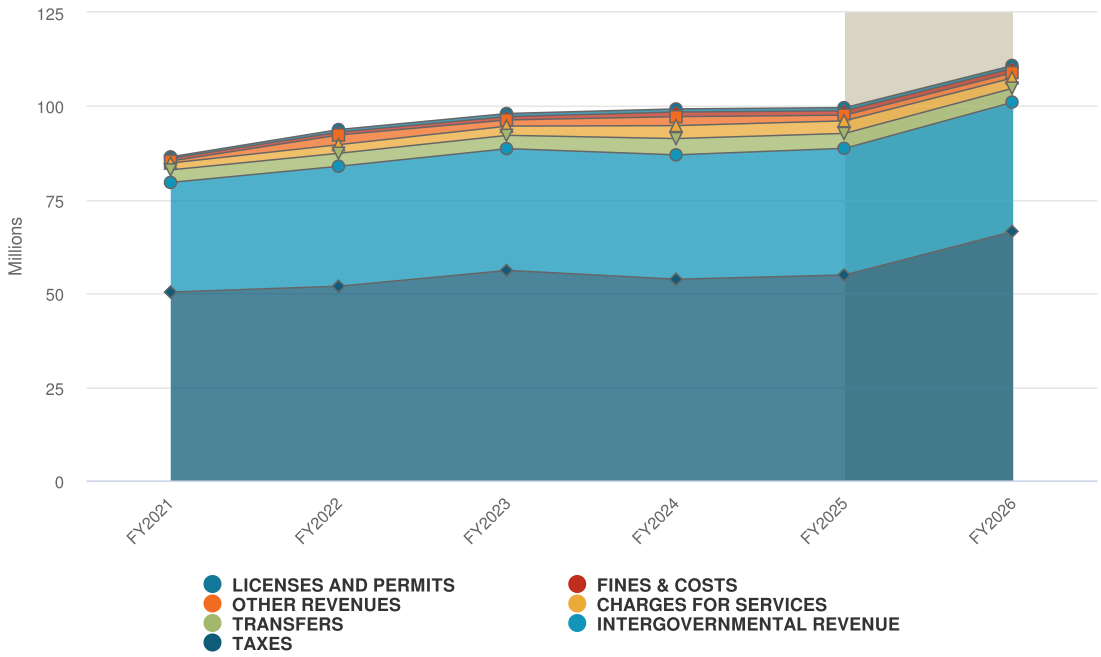
General Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$24,574,622**	**$25,577,044**	**$25,584,464**	**$25,584,464**
Revenues				
TAXES	$56,120,326	$53,761,333	$54,889,700	$66,554,800
LICENSES AND PERMITS	$828,424	$847,776	$841,300	$774,700
INTERGOVERNMENTAL REVENUE	$32,516,425	$33,226,184	$33,834,000	$34,523,000
CHARGES FOR SERVICES	$2,465,953	$3,459,641	$3,365,000	$2,757,500
FINES & COSTS	$891,422	$1,231,284	$1,171,500	$1,156,000
OTHER REVENUES	$1,648,836	$2,391,529	$1,511,000	$1,382,000
TRANSFERS	$3,555,486	$4,338,802	$3,981,000	$3,726,600
Total Revenues:	**$98,026,872**	**$99,256,547**	**$99,593,500**	**$110,874,600**
Expenditures				
PERSONNEL SERVICES	$39,862,955	$42,971,706	$44,210,500	$50,087,400
CONTRACTUAL SERVICES	$9,309,947	$9,376,865	$10,658,800	$11,616,200
COMMODITIES	$1,617,203	$1,714,029	$1,787,850	$1,805,200
OTHER EXPENSES	$2,174,052	$2,397,895	$2,533,000	$2,641,800
INSURANCE	$945,670	$1,013,390	$1,098,550	$1,106,200
RESERVED FOR	$0	$0	$300,000	$0
TRANSFERS	$39,040,575	$37,475,497	$35,416,700	$40,004,400
SUBSIDIES & CONTRIBUTION	$3,655,902	$4,068,664	$3,452,600	$3,613,400
CAPITAL OUTLAY	$203,384	$231,082	$135,500	$0
Total Expenditures:	**$96,809,688**	**$99,249,127**	**$99,593,500**	**$110,874,600**
Total Revenues Less Expenditures:	**$1,217,184**	**$7,420**	**$0**	**$0**
Ending Fund Balance:	**$25,791,806**	**$25,584,464**	**$25,584,464**	**$25,584,464**

Revenues by Source

The General Fund has been balanced with a recommended property tax increase of 33-cents.

Budgeted and Historical 2026 Revenues by Source

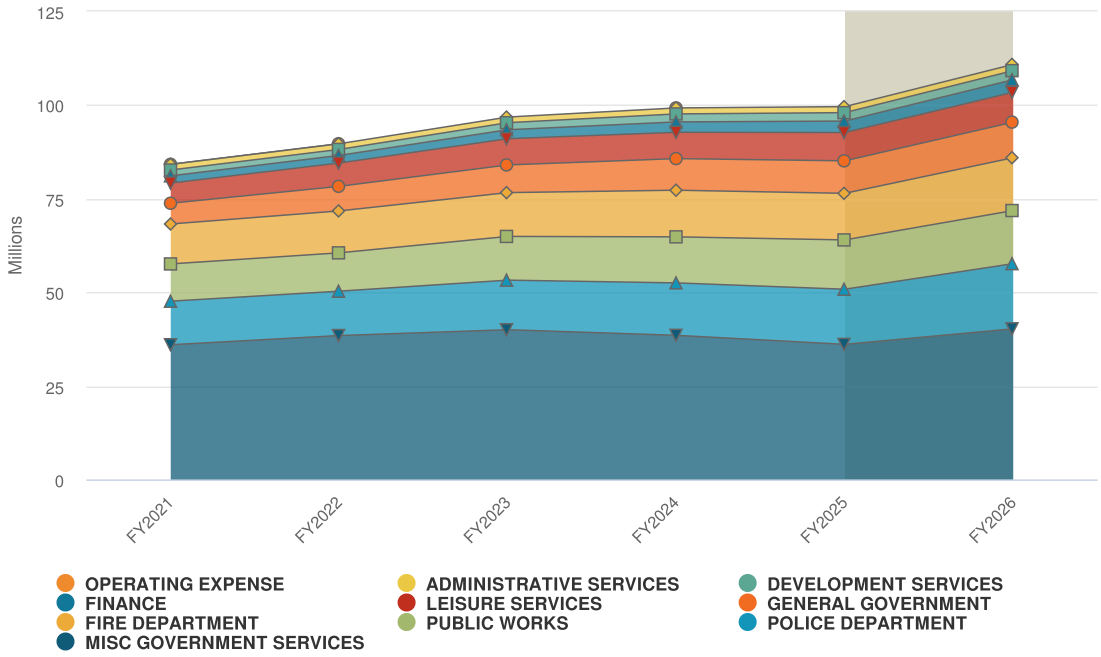


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
TAXES	$56,120,326	$53,761,333	$54,889,700	$66,554,800
LICENSES AND PERMITS	$828,424	$847,776	$841,300	$774,700
INTERGOVERNMENTAL REVENUE	$32,516,425	$33,226,184	$33,834,000	$34,523,000
CHARGES FOR SERVICES	$2,465,953	$3,459,641	$3,365,000	$2,757,500
FINES & COSTS	$891,422	$1,231,284	$1,171,500	$1,156,000
OTHER REVENUES	$1,648,836	$2,391,529	$1,511,000	$1,382,000
TRANSFERS	$3,555,486	$4,338,802	$3,981,000	$3,726,600
Total Revenue Source:	**$98,026,872**	**$99,256,547**	**$99,593,500**	**$110,874,600**

Expenditures by Function

Budgeted and Historical Expenditures by Function

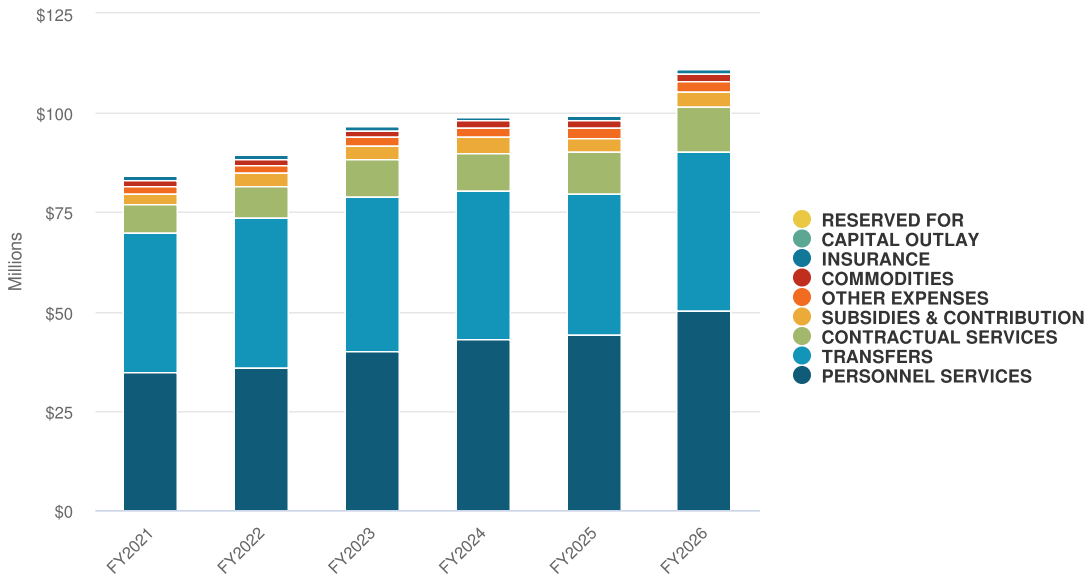


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
GENERAL GOVERNMENT	$7,390,074	$8,438,130	$8,677,400	$9,502,800
ADMINISTRATIVE SERVICES	$1,503,539	$1,601,429	$1,606,800	$1,665,100
FINANCE	$2,392,016	$2,774,484	$3,060,500	$3,370,000
DEVELOPMENT SERVICES	$1,888,044	$2,137,151	$2,252,600	$2,413,300
POLICE DEPARTMENT	$13,245,159	$13,999,748	$14,721,000	$17,405,400
FIRE DEPARTMENT	$11,701,796	$12,458,158	$12,446,400	$14,110,600
PUBLIC WORKS	$11,674,084	$12,299,034	$13,167,400	$14,185,130
LEISURE SERVICES	$7,010,686	$7,026,453	$7,560,600	$7,973,070
MISC GOVERNMENT SERVICES	$40,004,289	$38,512,549	$36,100,800	$40,249,200
OPERATING EXPENSE	$0	$1,992	$0	$0
Total Expenditures:	**$96,809,688**	**$99,249,127**	**$99,593,500**	**$110,874,600**

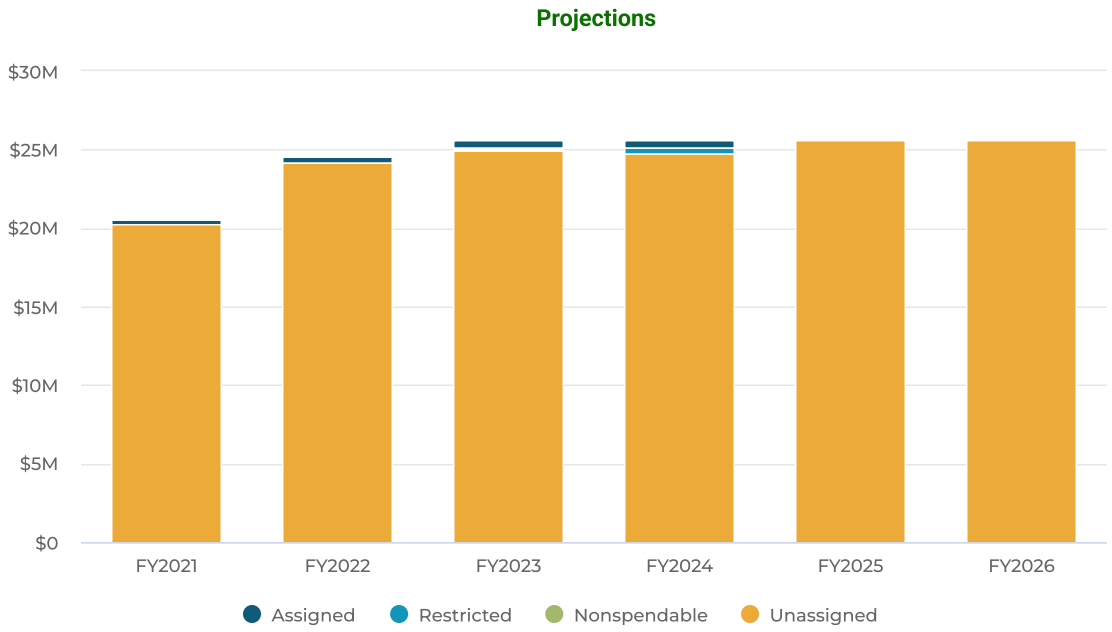
Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$39,862,955	$42,971,706	$44,210,500	$50,087,400
CONTRACTUAL SERVICES	$9,309,947	$9,376,865	$10,658,800	$11,616,200
COMMODITIES	$1,617,203	$1,714,029	$1,787,850	$1,805,200
OTHER EXPENSES	$2,174,052	$2,397,895	$2,533,000	$2,641,800
INSURANCE	$945,670	$1,013,390	$1,098,550	$1,106,200
RESERVED FOR	$0	$0	$300,000	$0
TRANSFERS	$39,040,575	$37,475,497	$35,416,700	$40,004,400
SUBSIDIES & CONTRIBUTION	$3,655,902	$4,068,664	$3,452,600	$3,613,400
CAPITAL OUTLAY	$203,384	$231,082	$135,500	$0
Total Expense Objects:	**$96,809,688**	**$99,249,127**	**$99,593,500**	**$110,874,600**

Fund Balance

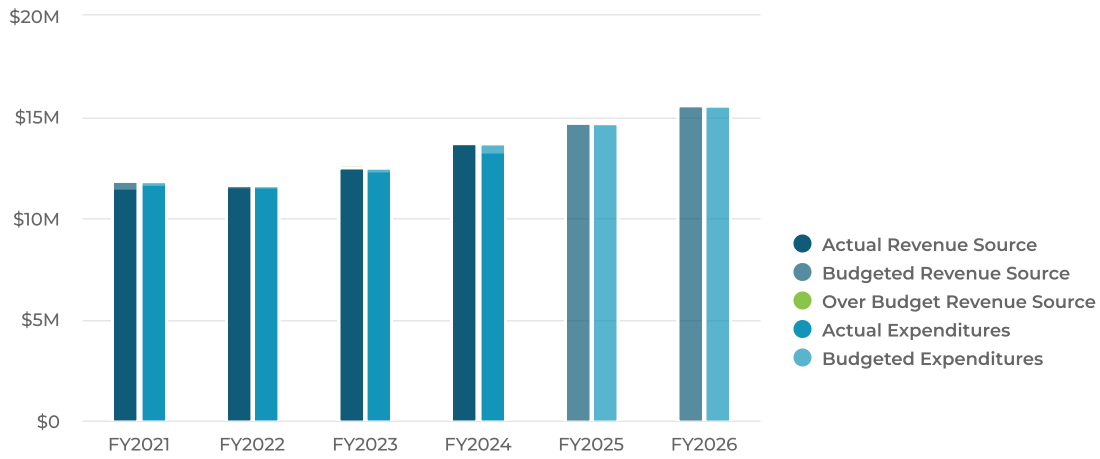


Debt Service Fund

The Debt Service Fund is a governmental fund that accounts for the debt service payments for all long-term debt except for revenue bonds and revenue and tax bonds issued by Enterprise Funds and general obligation bonds accounted for by Enterprise Funds.

Summary

City of Kingsport is projecting $17.36M of revenue in FY2026, which represents a 6.1% increase over the prior year. Budgeted expenditures are projected to increase by 6.1% or $994.6K to $17.36M in FY2026.



MISSION

To practice sound financial management and responsible allocation of public debt for value-added projects and facilities.

STRATEGIC PLAN IMPLEMENTATION

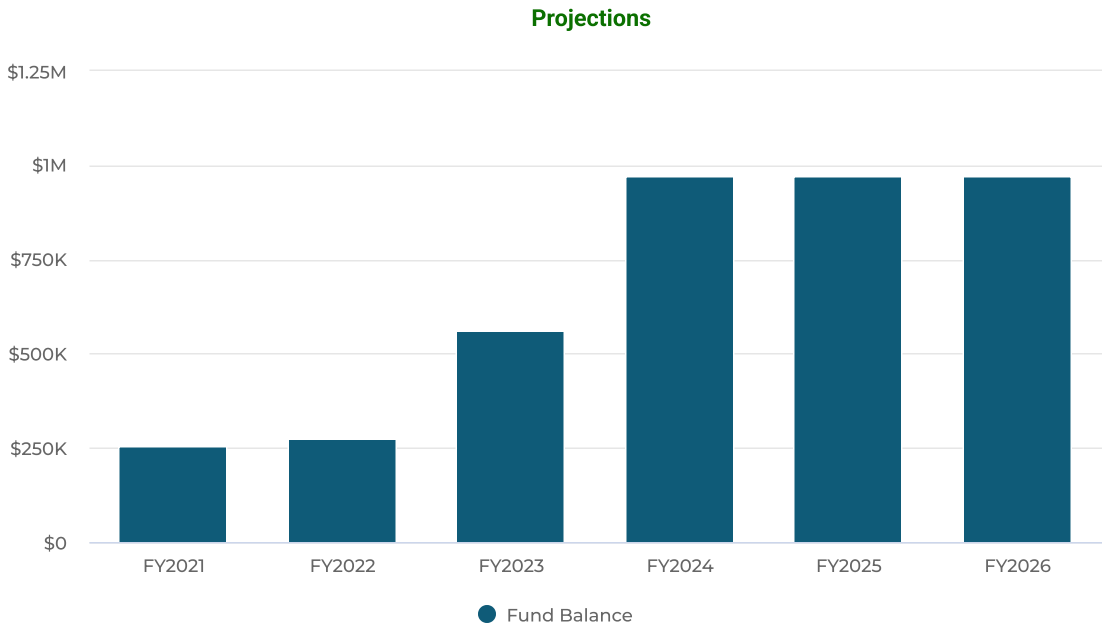
STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Debt service is the first item in the budget for which resources are budgeted. Understanding and planning for the impact of debt service on the various operating budgets is critical.

Debt Service Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$274,955**	**$559,729**	**$969,745**	**$969,745**
Revenues				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$280,489	$2,405,287	$250,000	$399,900
INT LGIP / GENERAL OBLIGATION BONDS	$20,303	$20,784	$0	$0
Total OTHER REVENUES:	**$300,792**	**$2,426,071**	**$250,000**	**$399,900**
TRANSFERS				
FROM GENERAL FUND / FROM GENERAL FUND	$9,859,405	$8,284,572	$11,148,900	$12,145,500
FROM SCHOOL FUND / FROM SCHOOL FUND	$3,910,788	$4,511,935	$4,971,200	$4,819,300
GENERAL PROJECT FUND/GENERAL PROJECT FUND	$12,409			$0
Total TRANSFERS:	**$13,782,601**	**$12,796,507**	**$16,120,100**	**$16,964,800**
Total Revenues:	**$14,083,394**	**$15,222,578**	**$16,370,100**	**$17,364,700**
Expenditures				
CONTRACTUAL SERVICES				
CONTRACTUAL SERVICES / PROFESSIONAL/CONSULTANT	$3,320	$5,000	$332,300	$317,800
Total CONTRACTUAL SERVICES:	**$3,320**	**$5,000**	**$332,300**	**$317,800**
OTHER EXPENSES				
OTHER EXPENSES / BOND PRINCIPAL-GENERAL	$6,994,259	$7,243,266	$7,861,200	$8,726,350
OTHER EXPENSES / BOND PRINCIPAL-SCHOOL	$3,023,131	$3,230,974	$3,344,900	$2,965,225
OTHER EXPENSES / BOND INTEREST-GENERAL	$2,861,146	$3,036,997	$3,175,400	$3,419,150
OTHER EXPENSES / BOND INTEREST-SCHOOL	$908,960	$1,289,892	$1,626,300	$1,476,175
OTHER EXPENSES / BANK SERVICE CHARGES	$7,805	$6,432	$30,000	$300,000
OTHER EXPENSES / BOND ISSUE COST	$0	$0	$0	$60,000
OTHER EXPENSES / ARBITRAGE REBATE				$100,000
Total OTHER EXPENSES:	**$13,795,300**	**$14,807,562**	**$16,037,800**	**$17,046,900**
Total Expenditures:	**$13,798,620**	**$14,812,562**	**$16,370,100**	**$17,364,700**
Total Revenues Less Expenditures:	**$284,773**	**$410,016**	**$0**	**$0**
Ending Fund Balance:	**$559,728**	**$969,745**	**$969,745**	**$969,745**

Fund Balance



Performance Measures

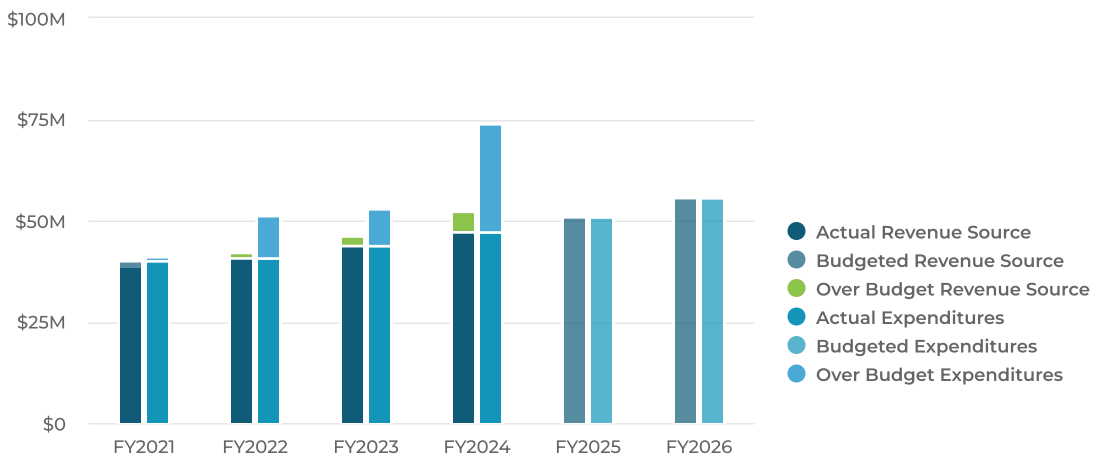
Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Moody Credit Rating	Aa2	Aa2	Aa2	Aa2	Aa2
S & P Credit Rating	AA	AA	AA	AA	AA
Maintain A1 Credit Rating	Yes	Yes	Yes	Yes	Yes

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise – where the intent of the Board of Mayor and Aldermen is that the cost of providing goods or services to the general public on a continuing basis can be financed or recovered primarily through user charges, or where the determination of net income is an important measurement of performance.

Summary

City of Kingsport is projecting $61.18M of revenue in FY2026, which represents a 9.2% increase over the prior year. Budgeted expenditures are projected to increase by 9.2% or $5.17M to $61.18M in FY2026.



Enterprise funds include the following:

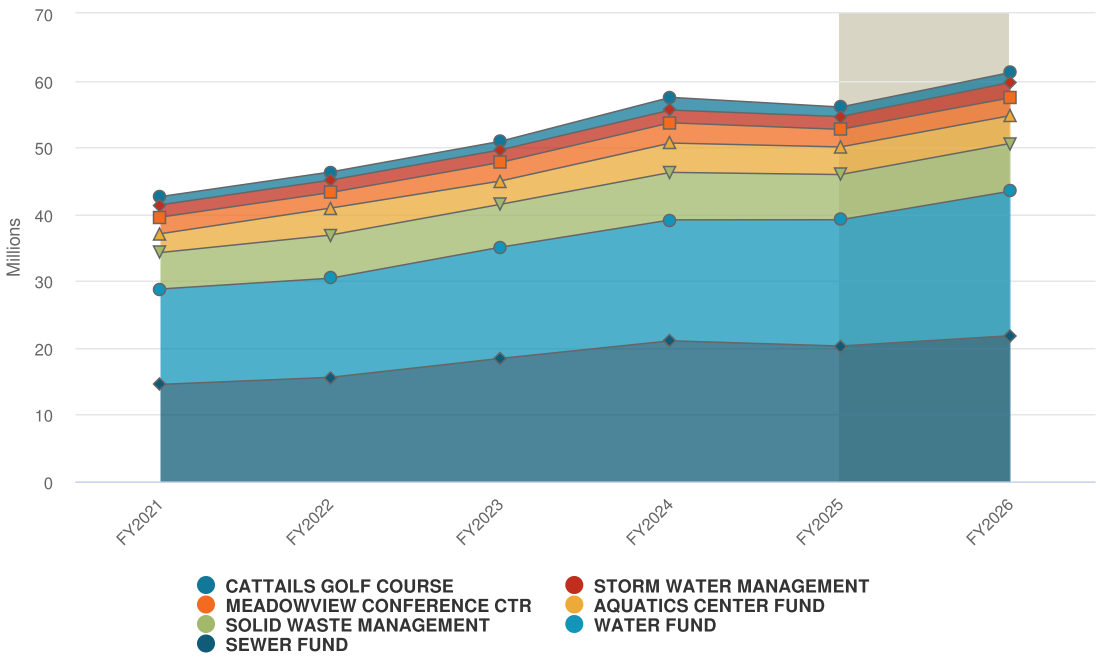
- **Water Fund** – accounts for assets, operations, maintenance and services associated with the production, storage and transportation of potable water to customers.
- **Wastewater (Sewer) Fund** – accounts for assets, operations, maintenance and services associated with the collection, transportation, treatment and disposal of wastewater from customers.
- **Solid Waste Management Fund** – accounts for the collection of residential garbage, refuse collection, recycling, and demolition landfill activities.
- **Stormwater Fund** accounts for assets, operations, maintenance and services associated with the collection, treatment and disposal of stormwater from customers.
- **Aquatic Center Fund**– accounts for the operation, maintenance and services associated with the Aquatic Center.
- **MeadowView Conference Resort and Convention Center Fund** – accounts for the operation, maintenance and services associated with the MeadowView Conference Center.
- **Cattails at Meadow View Golf Course Fund** – accounts for the operation, maintenance and services associated with the golf course.

Enterprise Funds Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$204,436,074**	**$207,357,430**	**$221,832,540**	**$221,546,261**
Revenues				
CHARGES FOR SERVICES	$3,775,677	$4,324,402	$4,205,400	$4,578,000
OTHER REVENUES	$736,793	$2,243,494	$909,000	$1,483,200
OPERATING INCOME	$38,842,190	$42,204,592	$43,054,800	$47,280,500
TRANSFERS	$7,529,883	$8,687,403	$7,840,000	$7,840,000
Total Revenues:	**$50,884,543**	**$57,459,892**	**$56,009,200**	**$61,181,700**
Expenditures				
PERSONNEL SERVICES	$12,667,045	$13,789,711	$14,546,350	$15,778,350
CONTRACTUAL SERVICES	$9,595,336	$11,029,152	$11,190,300	$11,658,100
COMMODITIES	$3,249,974	$2,914,769	$3,018,850	$3,086,050
OTHER EXPENSES	$28,186,377	$22,965,641	$22,988,700	$22,764,500
INSURANCE	$307,640	$352,704	$357,300	$364,900
TRANSFERS	$3,027,500	$28,841,594	$2,285,000	$5,880,000
SUBSIDIES & CONTRIBUTION	$811,058	$960,366	$1,150,700	$1,263,200
CAPITAL OUTLAY	$228,656	$117,934	$472,000	$386,600
Total Expenditures:	**$58,073,585**	**$80,971,872**	**$56,009,200**	**$61,181,700**
Total Revenues Less Expenditures:	**-$7,189,042**	**-$23,511,980**	**$0**	**$0**
Ending Fund Balance:	**$197,247,032**	**$183,845,450**	**$221,832,540**	**$221,546,261**

Revenue by Fund

Budgeted and Historical 2026 Revenue by Fund

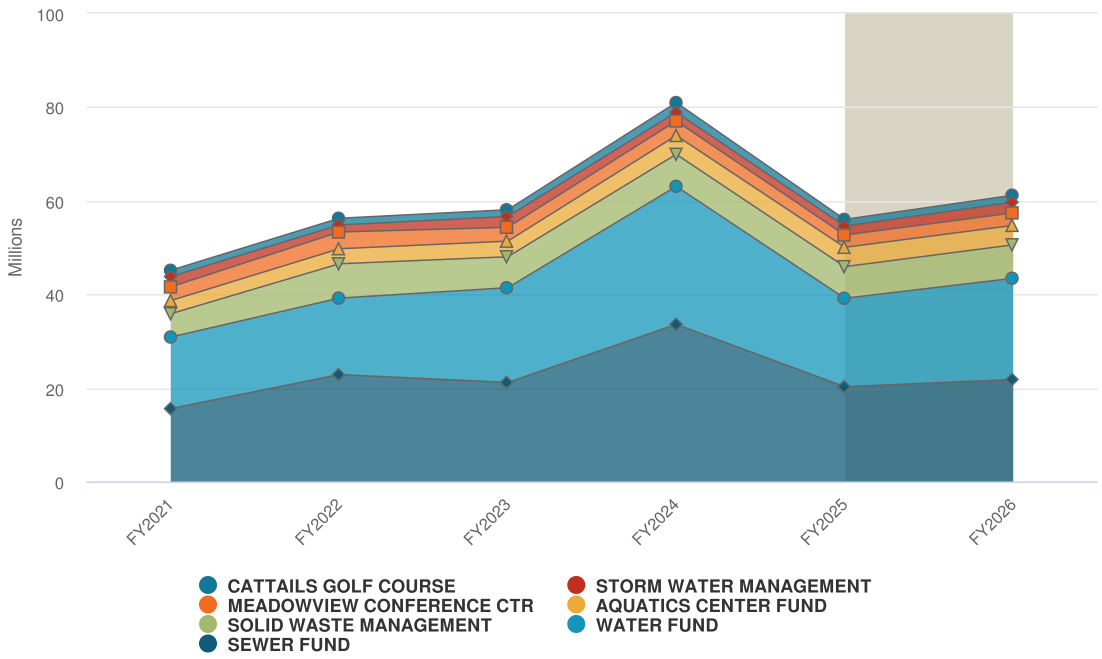


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
WATER FUND	$16,634,794	$18,086,516	$18,890,000	$21,624,500
SEWER FUND	$18,411,568	$21,045,164	$20,264,000	$21,804,000
SOLID WASTE MANAGEMENT	$6,412,748	$7,102,392	$6,756,000	$7,145,100
STORM WATER MANAGEMENT	$1,874,658	$1,903,254	$1,908,200	$2,286,900
AQUATICS CENTER FUND	$3,487,159	$4,389,914	$4,128,700	$4,153,700
MEADOWVIEW CONFERENCE CTR	$2,780,529	$3,029,351	$2,634,400	$2,671,800
CATTAILS GOLF COURSE	$1,283,086	$1,903,303	$1,427,900	$1,495,700
Total:	**$50,884,543**	**$57,459,892**	**$56,009,200**	**$61,181,700**

Expenditures by Fund

Budgeted and Historical 2026 Expenditures by Fund



Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
WATER FUND	$20,253,266	$29,488,264	$18,890,000	$21,624,500
SEWER FUND	$21,160,885	$33,578,053	$20,264,000	$21,804,000
SOLID WASTE MANAGEMENT	$6,606,838	$6,843,908	$6,756,000	$7,145,100
STORM WATER MANAGEMENT	$2,313,764	$1,845,595	$1,908,200	$2,286,900
AQUATICS CENTER FUND	$3,336,602	$4,014,223	$4,128,700	$4,153,700
MEADOWVIEW CONFERENCE CTR	$2,957,802	$3,118,716	$2,634,400	$2,671,800
CATTAILS GOLF COURSE	$1,444,430	$2,083,113	$1,427,900	$1,495,700
Total:	**$58,073,585**	**$80,971,872**	**$56,009,200**	**$61,181,700**

Water Fund

Accounts for assets, operations, maintenance and services associated with the production, storage and transportation of potable water to customers.

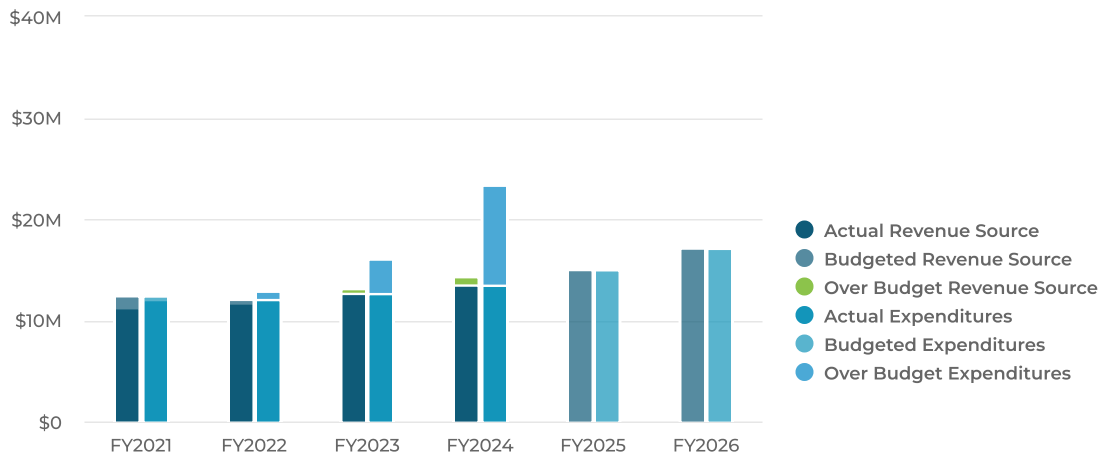
Mission

To provide reliable, high-quality water services that support the economic and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

Summary

City of Kingsport is projecting $21.62M of revenue in FY2026, which represents a 14.5% increase over the prior year. Budgeted expenditures are projected to increase by 14.5% or $2.73M to $21.62M in FY2026.

The City of Kingsport manages a regional water system that provides potable water to approximately 36,391 customers over a 120 square mile service area. The distribution system consists of approximately 985 miles of water lines, 14 main-line pump stations, 21 small neighborhood booster pumps, and 22 storage tanks that are designed to provide the necessary water volumes and flow pressures to meet residential, commercial and industrial customer demands.



Strategic Performance

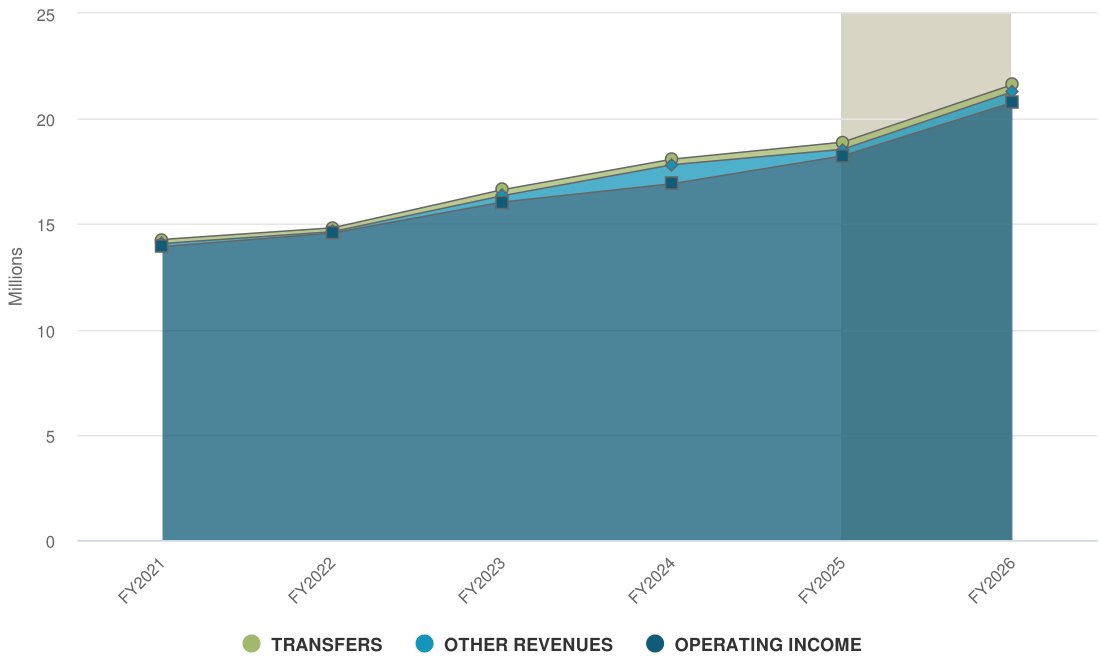
- Perform Capital Improvement projects identified in the Water System Master Plan. The plans for FY 2024-2025 include Water Storage Tank Rehabilitation, Meter Replacements, Water Line Improvements, and Plant Facility Improvements.
- Improvement of safety program for all divisions.
- Provide support for development through the Materials Agreement program.
- Continued participation in AWWA's Partnership for Safe Drinking Water Program to ensure the production of the highest quality drinking water with maximum removal of microbial contaminates.

Water Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$70,300,177**	**$71,447,327**	**$79,411,327**	**$79,411,993**
Revenues				
OTHER REVENUES	$302,337	$901,403	$310,700	$510,700
OPERATING INCOME	$16,046,679	$16,919,407	$18,239,300	$20,773,800
TRANSFERS	$285,778	$265,705	$340,000	$340,000
Total Revenues:	**$16,634,794**	**$18,086,516**	**$18,890,000**	**$21,624,500**
Expenditures				
PERSONNEL SERVICES	$4,170,171	$4,552,341	$5,205,800	$5,571,600
CONTRACTUAL SERVICES	$3,043,809	$3,162,166	$3,361,900	$3,421,000
COMMODITIES	$1,194,780	$1,262,204	$1,243,000	$1,278,900
OTHER EXPENSES	$9,773,207	$7,904,020	$7,306,900	$7,648,200
INSURANCE	$59,698	$64,263	$64,700	$67,600
TRANSFERS	$1,947,500	$12,417,425	$1,340,000	$3,200,000
SUBSIDIES & CONTRIBUTION	$55,999	$82,426	$235,700	$298,200
CAPITAL OUTLAY	$8,103	$43,420	$132,000	$139,000
Total Expenditures:	**$20,253,266**	**$29,488,264**	**$18,890,000**	**$21,624,500**
Total Revenues Less Expenditures:	**-$3,618,472**	**-$11,401,749**	**$0**	**$0**
Ending Fund Balance:	**$66,681,705**	**$60,045,578**	**$79,411,327**	**$79,411,993**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



Grey background indicates budgeted figures.

Revenue Sources

- **Sale of Water** represents the single largest revenue source for the fund. Water sales for FY 2026 are currently on target to surpass the budget.
- **Penalties** are charges applied to past due accounts and are not considered a growth revenue source.
- **Line extension charges** reflect revenues for small line extensions outside the City as petitioned by customers. This revenue source is highly variable from year to year.
- **Reconnection Charges** reflect charges for reconnecting discontinued service.
- **Installation** revenues reflect charges to customers requesting new or the transferring of existing services. This revenue source remains fairly stable from year to year.
- **Water Tap Fees** are charged for new service on new or existing lines and are variable and dependent on new construction.

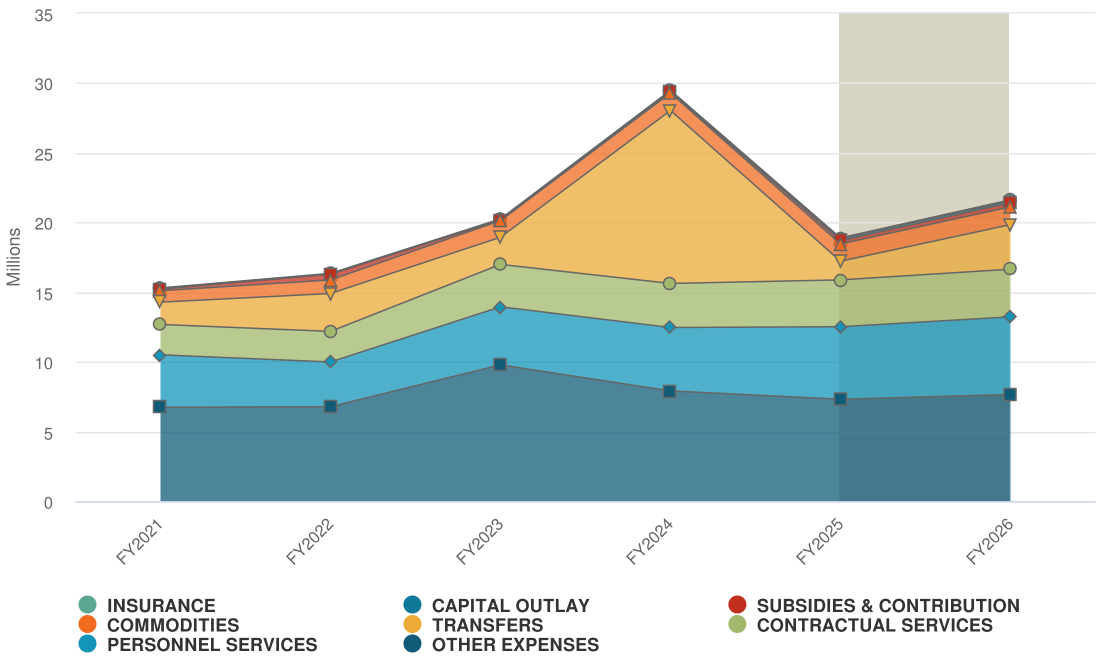
Non-Operating Revenues

- **Investment** is the largest revenue source in this category.
- **Fund Balance** appropriation reflects funds for capital projects not expended during the prior year that have been brought forward for appropriation in the current year. Fund Balance has been used to fund one-time capital expenditures for several years in a row. Rate increases in FY 2023-2024 should end this trend for the foreseeable future.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$302,337	$901,403	$310,700	$510,700
OPERATING INCOME	$16,046,679	$16,919,407	$18,239,300	$20,773,800
TRANSFERS	$285,778	$265,705	$340,000	$340,000
Total Revenue Source:	**$16,634,794**	**$18,086,516**	**$18,890,000**	**$21,624,500**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

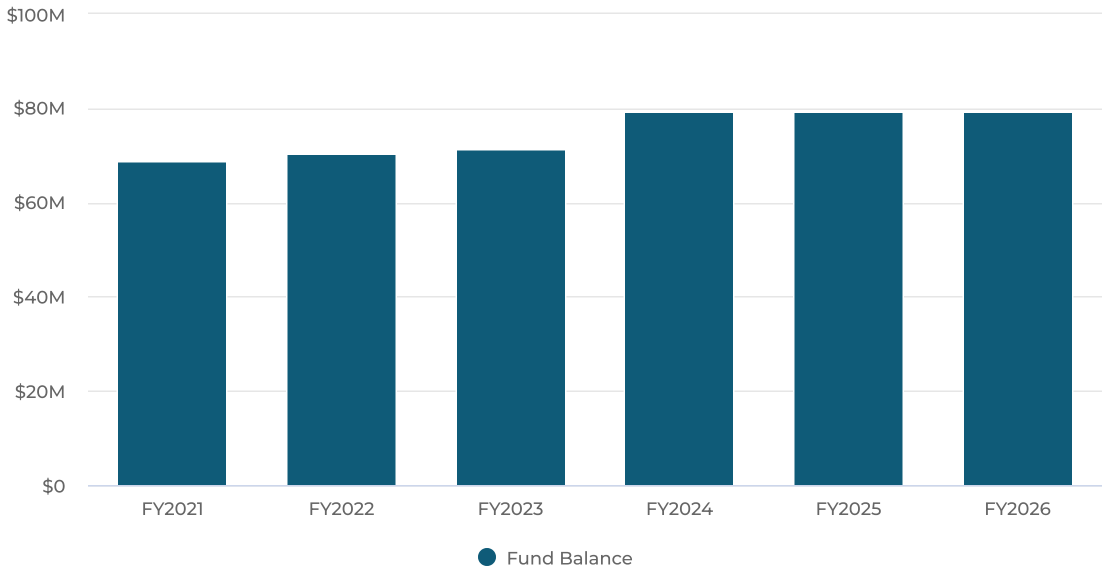


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$4,170,171	$4,552,341	$5,205,800	$5,571,600
CONTRACTUAL SERVICES	$3,043,809	$3,162,166	$3,361,900	$3,421,000
COMMODITIES	$1,194,780	$1,262,204	$1,243,000	$1,278,900
OTHER EXPENSES	$9,773,207	$7,904,020	$7,306,900	$7,648,200
INSURANCE	$59,698	$64,263	$64,700	$67,600
TRANSFERS	$1,947,500	$12,417,425	$1,340,000	$3,200,000
SUBSIDIES & CONTRIBUTION	$55,999	$82,426	$235,700	$298,200
CAPITAL OUTLAY	$8,103	$43,420	$132,000	$139,000
Total Expense Objects:	**$20,253,266**	**$29,488,264**	**$18,890,000**	**$21,624,500**

Fund Balance

Projections

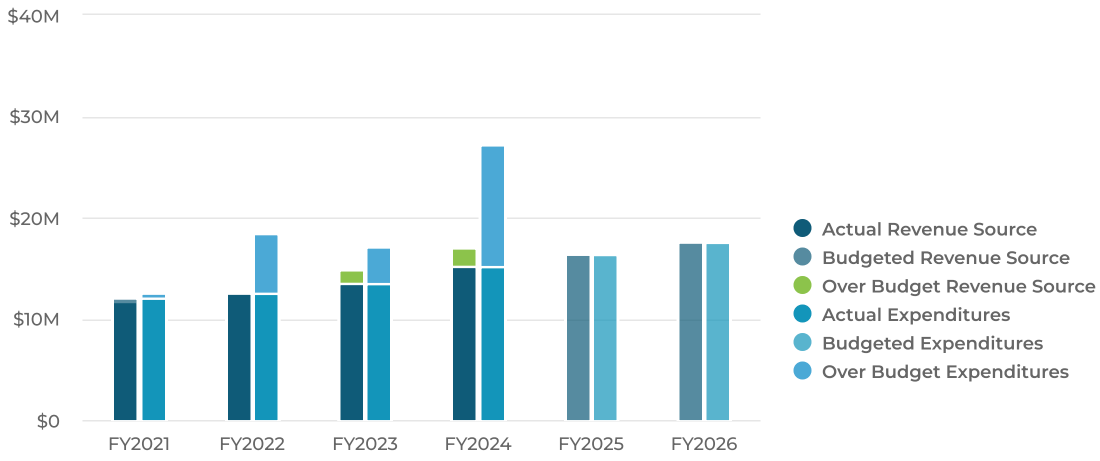


Sewer Fund

Accounts for assets, operations, maintenance and services associated with the collection, transportation, treatment and disposal of wastewater from customers.

Summary

City of Kingsport is projecting $21.8M of revenue in FY2026, which represents a 7.6% increase over the prior year. Budgeted expenditures are projected to increase by 7.6% or $1.54M to $21.8M in FY2026.



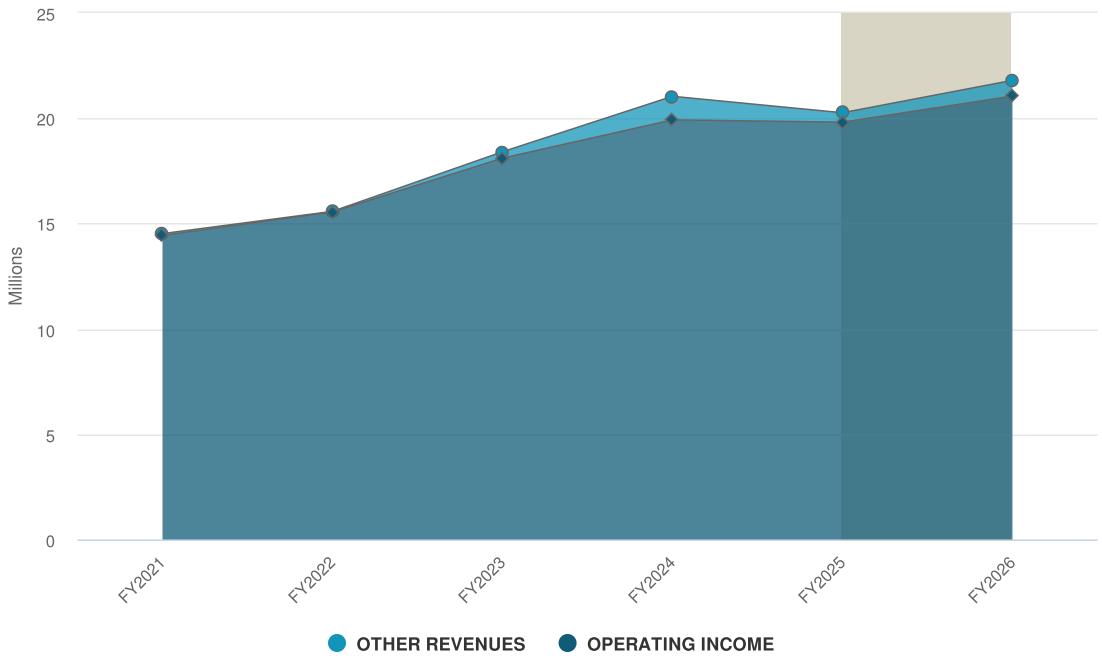
Sewer Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$106,200,333**	**$108,455,334**	**$113,065,696**	**$113,065,696**
Revenues				
OTHER REVENUES	$303,253	$1,118,898	$447,600	$747,600
OPERATING INCOME	$18,108,315	$19,926,265	$19,816,400	$21,056,400
Total Revenues:	**$18,411,568**	**$21,045,164**	**$20,264,000**	**$21,804,000**
Expenditures				
PERSONNEL SERVICES	$4,043,389	$4,146,380	$4,467,500	$4,915,900
CONTRACTUAL SERVICES	$2,356,497	$3,833,946	$2,732,600	$2,861,700
COMMODITIES	$1,000,639	$898,577	$1,064,700	$1,082,300
OTHER EXPENSES	$12,897,548	$9,666,351	$10,665,600	$10,074,300
INSURANCE	$36,708	$37,369	$36,600	$37,800
TRANSFERS	$660,000	$14,891,660	$945,000	$2,430,000
SUBSIDIES & CONTRIBUTION	$81,634	$80,664	$215,000	$265,000
CAPITAL OUTLAY	$84,470	$23,106	$137,000	$137,000
Total Expenditures:	**$21,160,885**	**$33,578,053**	**$20,264,000**	**$21,804,000**
Total Revenues Less Expenditures:	**-$2,749,317**	**-$12,532,889**	**$0**	**$0**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Ending Fund Balance:	**$103,451,016**	**$95,922,445**	**$113,065,696**	**$113,065,696**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

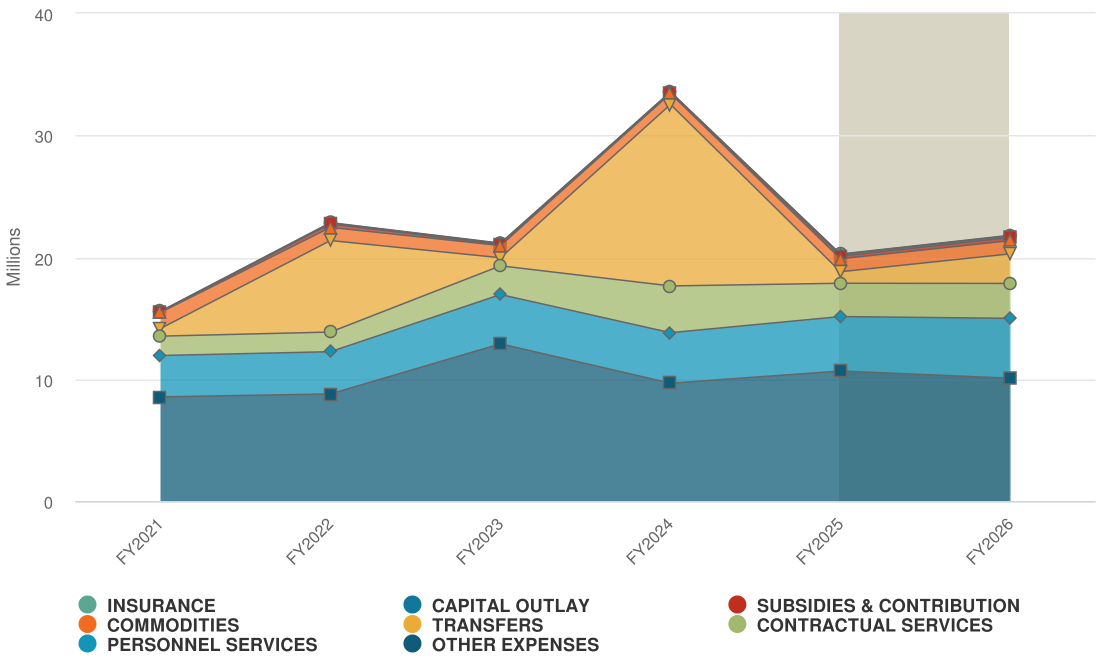


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$303,253	$1,118,898	$447,600	$747,600
OPERATING INCOME	$18,108,315	$19,926,265	$19,816,400	$21,056,400
Total Revenue Source:	**$18,411,568**	**$21,045,164**	**$20,264,000**	**$21,804,000**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

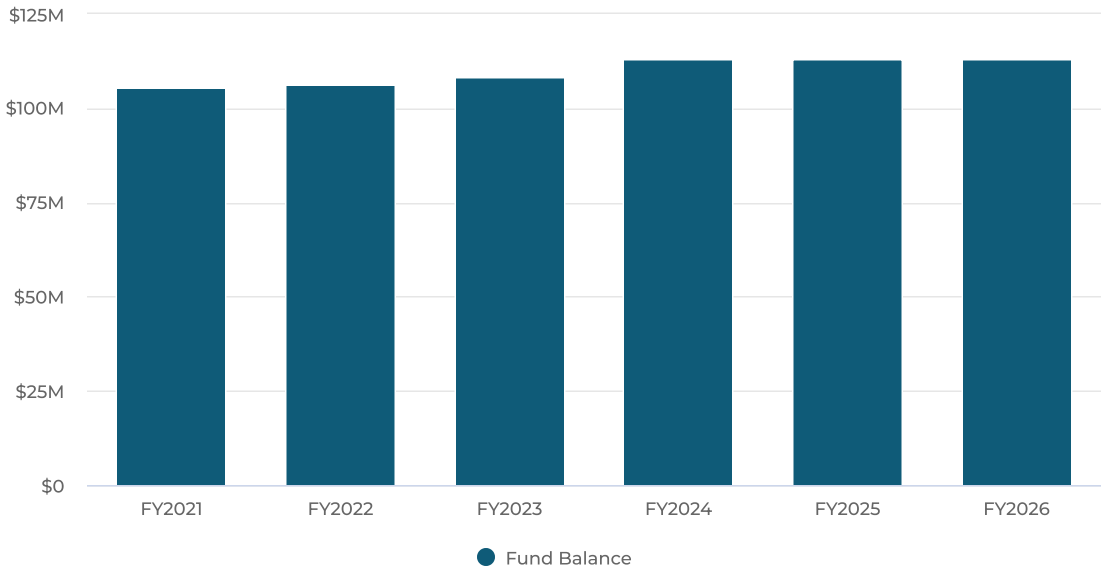


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$4,043,389	$4,146,380	$4,467,500	$4,915,900
CONTRACTUAL SERVICES	$2,356,497	$3,833,946	$2,732,600	$2,861,700
COMMODITIES	$1,000,639	$898,577	$1,064,700	$1,082,300
OTHER EXPENSES	$12,897,548	$9,666,351	$10,665,600	$10,074,300
INSURANCE	$36,708	$37,369	$36,600	$37,800
TRANSFERS	$660,000	$14,891,660	$945,000	$2,430,000
SUBSIDIES & CONTRIBUTION	$81,634	$80,664	$215,000	$265,000
CAPITAL OUTLAY	$84,470	$23,106	$137,000	$137,000
Total Expense Objects:	**$21,160,885**	**$33,578,053**	**$20,264,000**	**$21,804,000**

Fund Balance

Projections

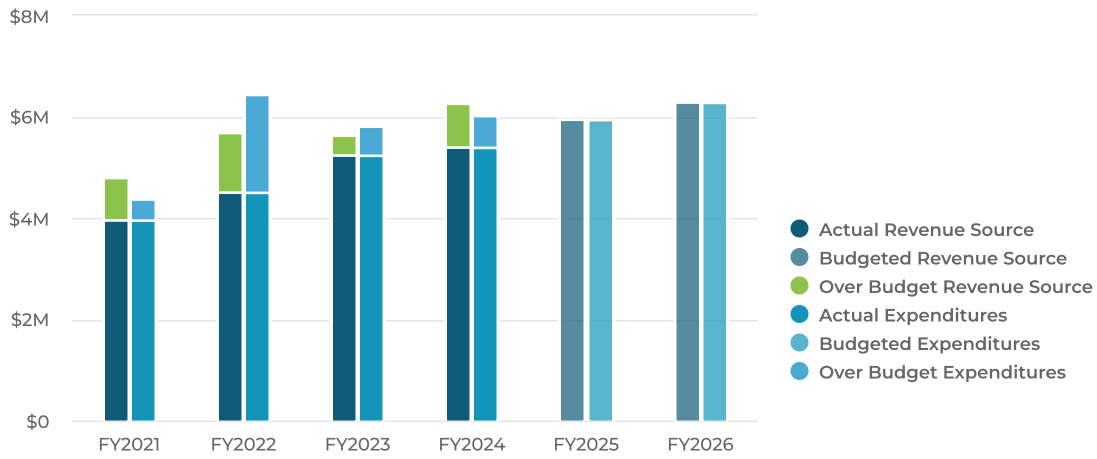


Solid Waste Management

Accounts for the collection of residential garbage, refuse collection, recycling, and demolition landfill activities.

Summary

City of Kingsport is projecting $7.15M of revenue in FY2026, which represents a 5.8% increase over the prior year. Budgeted expenditures are projected to increase by 5.8% or $389.1K to $7.15M in FY2026.



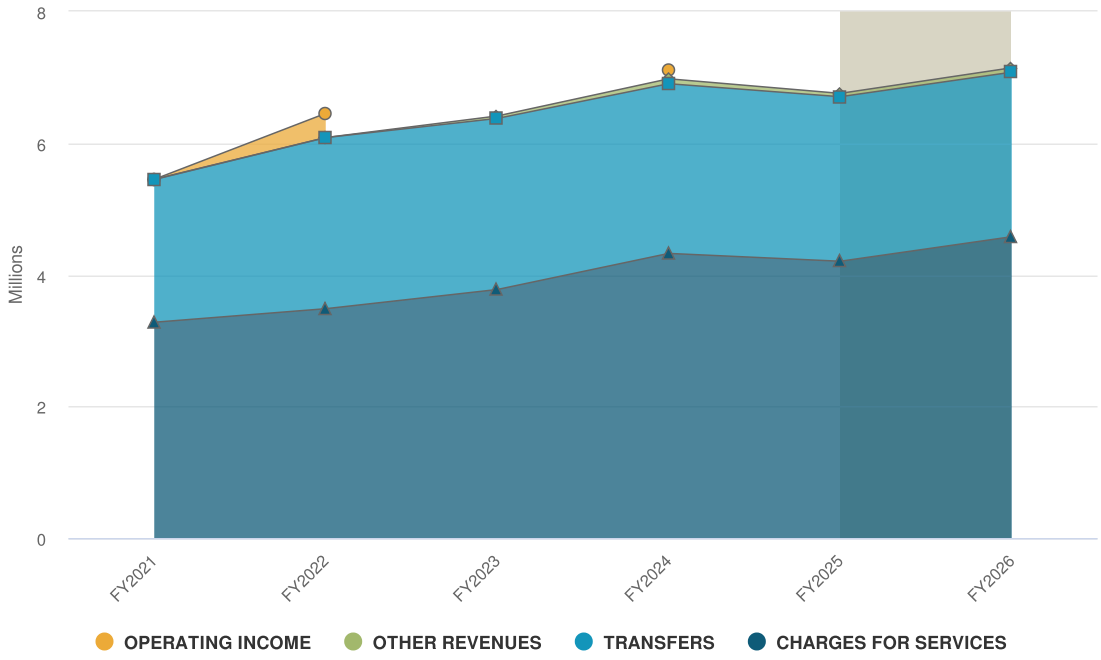
Solid Waste Management Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$1,612,945**	**$1,469,826**	**$1,867,313**	**$1,576,018**
Revenues				
CHARGES FOR SERVICES	$3,775,677	$4,324,402	$4,205,400	$4,578,000
OTHER REVENUES	$37,072	$74,700	$50,600	$67,100
OPERATING INCOME	$0	$124,890	$0	$0
TRANSFERS	$2,600,000	$2,578,400	$2,500,000	$2,500,000
Total Revenues:	**$6,412,748**	**$7,102,392**	**$6,756,000**	**$7,145,100**
Expenditures				
PERSONNEL SERVICES	$2,643,347	$3,139,461	$2,874,500	$3,120,600
CONTRACTUAL SERVICES	$2,311,004	$2,117,750	$2,604,300	$2,757,300
COMMODITIES	$42,823	$57,979	$75,300	$85,200
OTHER EXPENSES	$1,272,843	$1,197,502	$998,300	$1,039,500
INSURANCE	$30,510	$31,304	$38,600	$41,400
TRANSFERS	$250,000	$278,400	$0	$0
CAPITAL OUTLAY	$56,310	$21,511	$165,000	$101,100
Total Expenditures:	**$6,606,838**	**$6,843,908**	**$6,756,000**	**$7,145,100**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total Revenues Less Expenditures:	**-$194,089**	**$258,484**	**$0**	**$0**
Ending Fund Balance:	**$1,418,856**	**$1,728,310**	**$1,867,313**	**$1,576,018**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

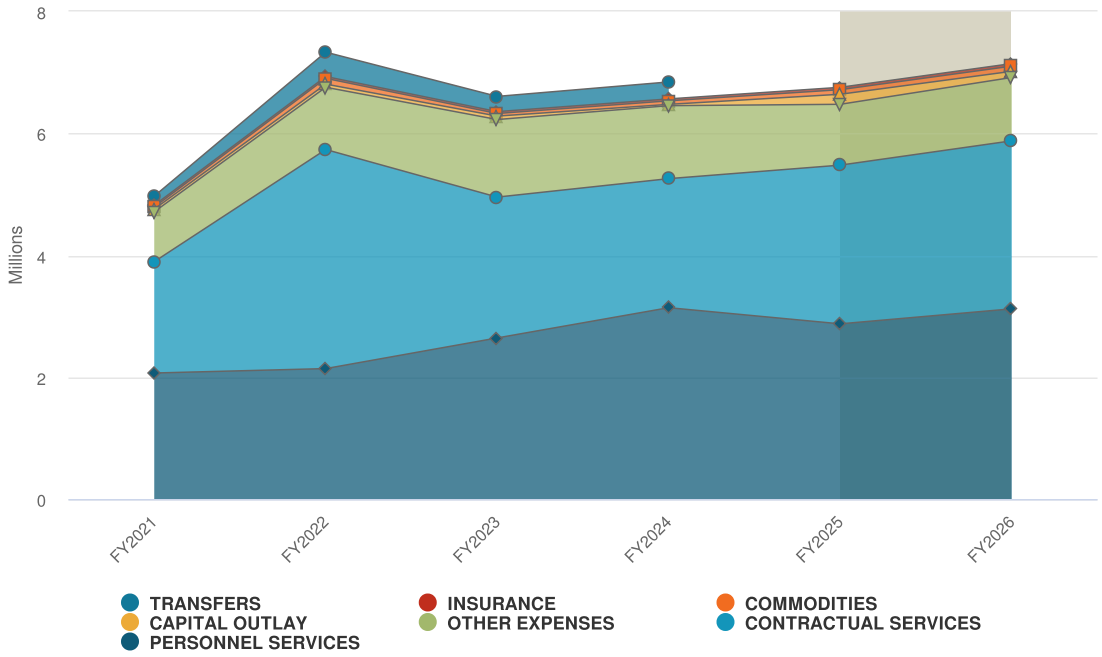


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
CHARGES FOR SERVICES	$3,775,677	$4,324,402	$4,205,400	$4,578,000
OTHER REVENUES	$37,072	$74,700	$50,600	$67,100
OPERATING INCOME	$0	$124,890	$0	$0
TRANSFERS	$2,600,000	$2,578,400	$2,500,000	$2,500,000
Total Revenue Source:	**$6,412,748**	**$7,102,392**	**$6,756,000**	**$7,145,100**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

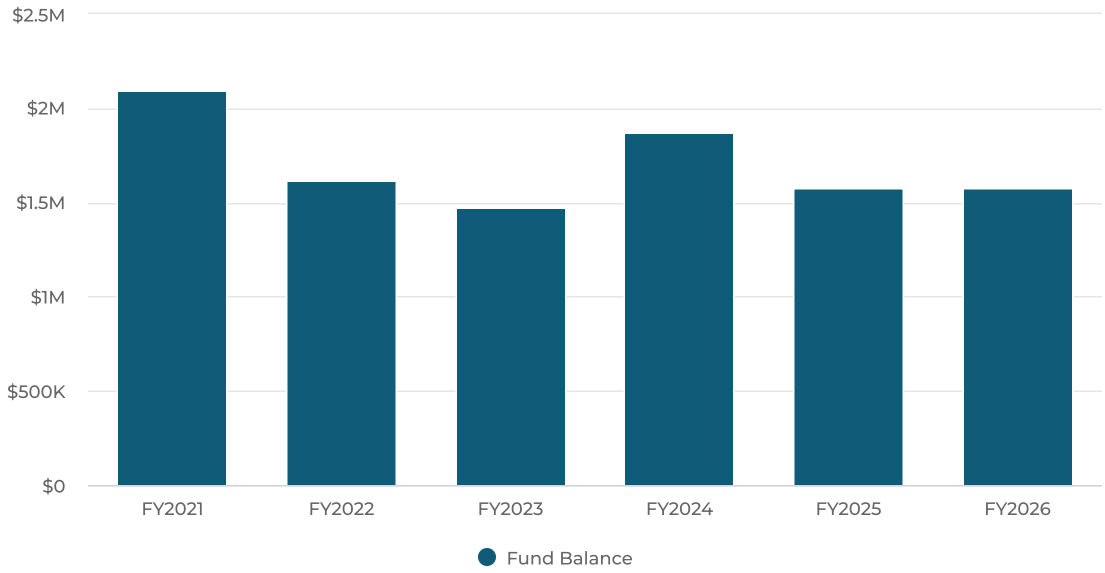


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$2,643,347	$3,139,461	$2,874,500	$3,120,600
CONTRACTUAL SERVICES	$2,311,004	$2,117,750	$2,604,300	$2,757,300
COMMODITIES	$42,823	$57,979	$75,300	$85,200
OTHER EXPENSES	$1,272,843	$1,197,502	$998,300	$1,039,500
INSURANCE	$30,510	$31,304	$38,600	$41,400
TRANSFERS	$250,000	$278,400	$0	$0
CAPITAL OUTLAY	$56,310	$21,511	$165,000	$101,100
Total Expense Objects:	**$6,606,838**	**$6,843,908**	**$6,756,000**	**$7,145,100**

Fund Balance

Projections

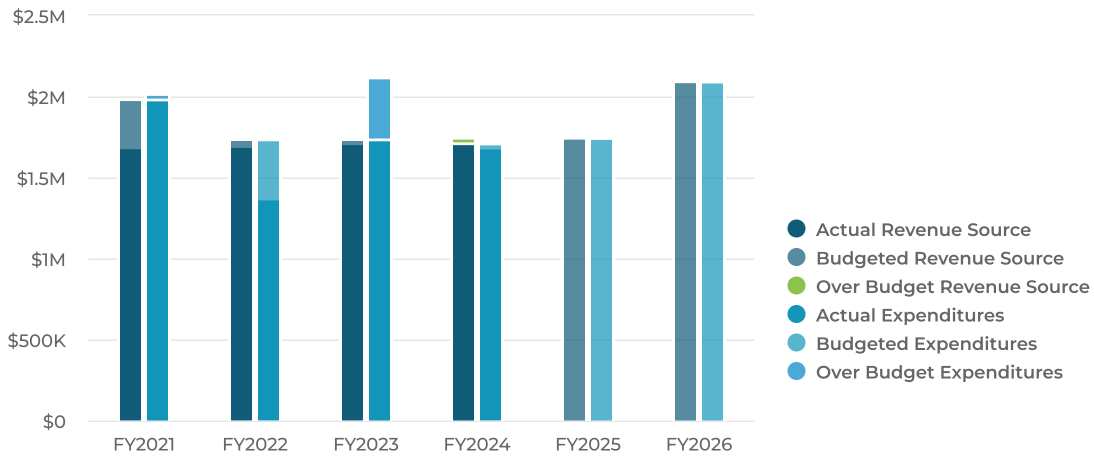


Stormwater Management

Accounts for assets, operations, maintenance and services associated with the collection, treatment and disposal of stormwater from customers.

Summary

City of Kingsport is projecting $2.29M of revenue in FY2026, which represents a 19.8% increase over the prior year. Budgeted expenditures are projected to increase by 19.8% or $378.7K to $2.29M in FY2026.

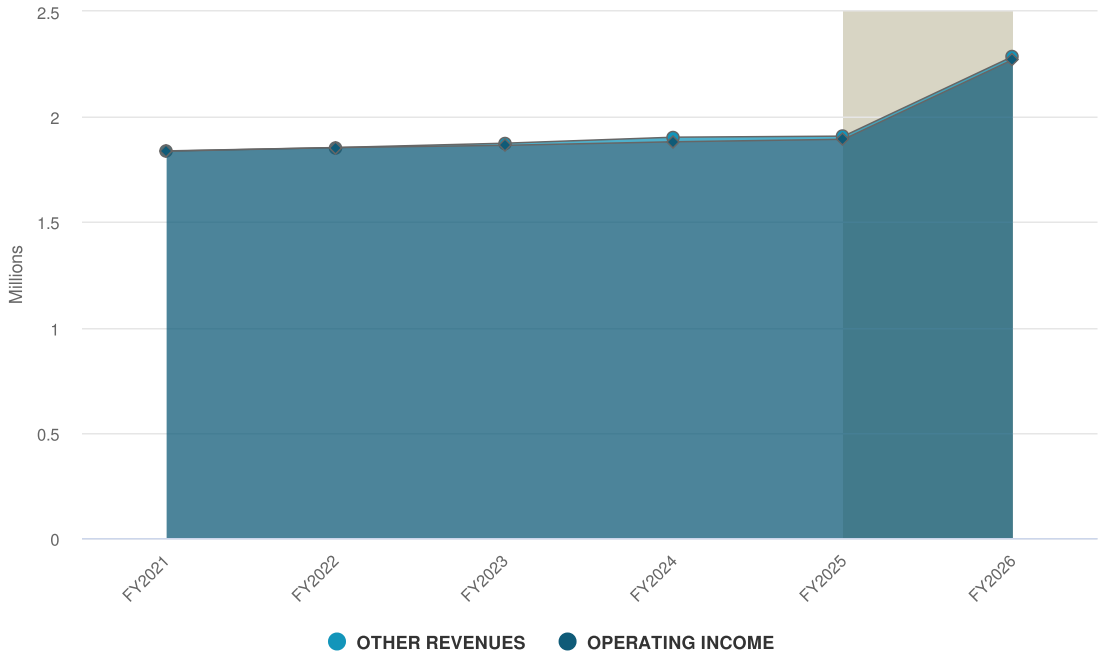


Stormwater Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$4,068,966**	**$4,006,653**	**$4,349,287**	**$4,349,287**
Revenues				
OTHER REVENUES	$10,082	$21,812	$15,000	$15,000
OPERATING INCOME	$1,864,577	$1,881,442	$1,893,200	$2,271,900
Total Revenues:	**$1,874,658**	**$1,903,254**	**$1,908,200**	**$2,286,900**
Expenditures				
PERSONNEL SERVICES	$893,527	$937,573	$1,028,500	$1,164,500
CONTRACTUAL SERVICES	$184,625	$155,273	$330,200	$384,900
COMMODITIES	$499,979	$43,362	$64,100	$64,100
OTHER EXPENSES	$532,507	$456,412	$415,800	$381,600
INSURANCE	$32,377	$32,365	$31,600	$32,300
TRANSFERS	$170,000	$200,000	$0	$250,000
CAPITAL OUTLAY	$750	$20,612	$38,000	$9,500
Total Expenditures:	**$2,313,764**	**$1,845,595**	**$1,908,200**	**$2,286,900**
Total Revenues Less Expenditures:	**-$439,105**	**$57,658**	**$0**	**$0**
Ending Fund Balance:	**$3,629,861**	**$4,064,311**	**$4,349,287**	**$4,349,287**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

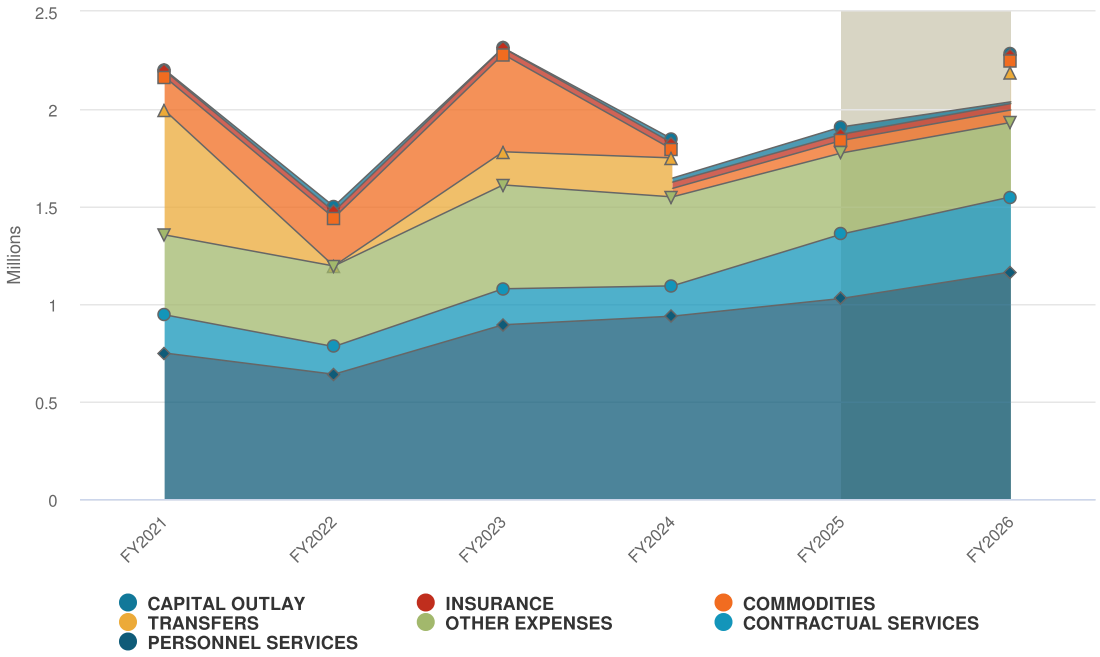


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$10,082	$21,812	$15,000	$15,000
OPERATING INCOME	$1,864,577	$1,881,442	$1,893,200	$2,271,900
Total Revenue Source:	**$1,874,658**	**$1,903,254**	**$1,908,200**	**$2,286,900**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

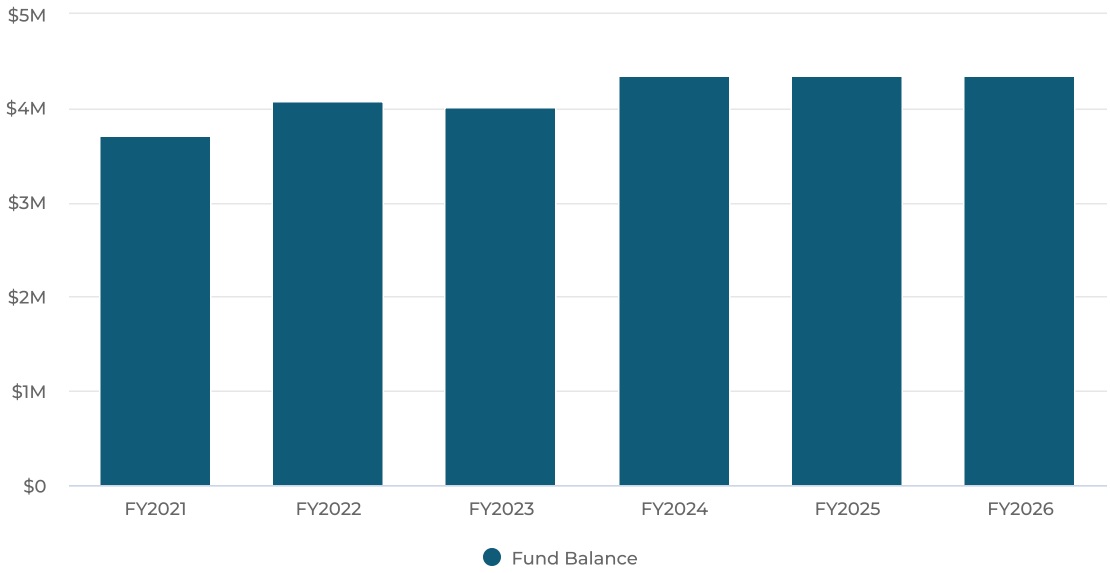


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$893,527	$937,573	$1,028,500	$1,164,500
CONTRACTUAL SERVICES	$184,625	$155,273	$330,200	$384,900
COMMODITIES	$499,979	$43,362	$64,100	$64,100
OTHER EXPENSES	$532,507	$456,412	$415,800	$381,600
INSURANCE	$32,377	$32,365	$31,600	$32,300
TRANSFERS	$170,000	$200,000	$0	$250,000
CAPITAL OUTLAY	$750	$20,612	$38,000	$9,500
Total Expense Objects:	**$2,313,764**	**$1,845,595**	**$1,908,200**	**$2,286,900**

Fund Balance

Projections

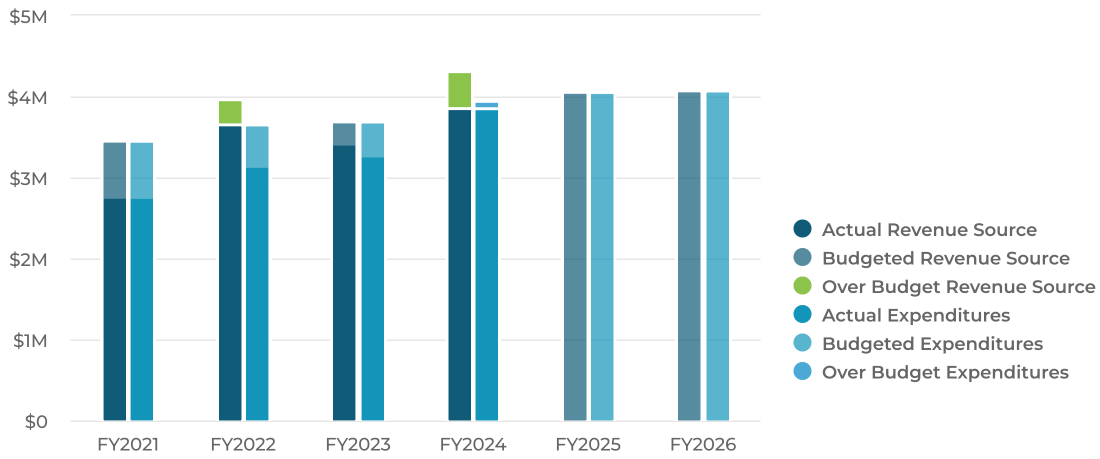


Aquatic Center Fund

Accounts for the operation, maintenance and services associated with the Kingsport Aquatic Center.

Summary

City of Kingsport is projecting $4.15M of revenue in FY2026, which represents a 0.6% increase over the prior year. Budgeted expenditures are projected to increase by 0.6% or $25K to $4.15M in FY2026.

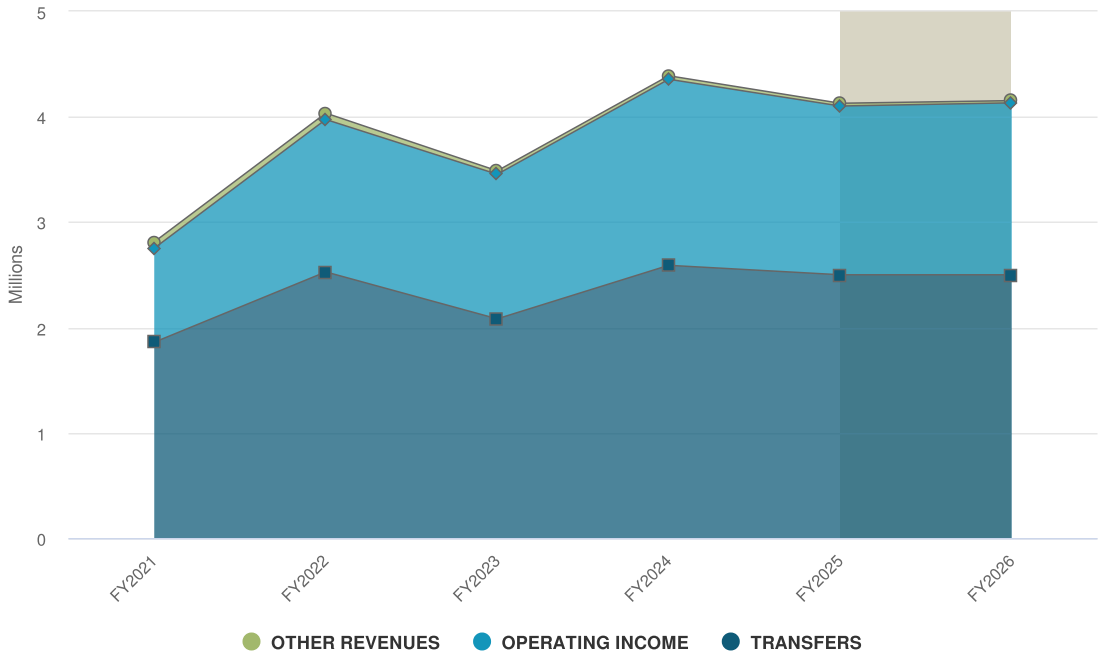


Aquatic Center Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$2,327,117**	**$2,399,599**	**$3,333,533**	**$3,338,183**
Revenues				
OTHER REVENUES	$32,725	$33,273	$26,300	$21,100
OPERATING INCOME	$1,373,028	$1,767,016	$1,602,400	$1,632,600
TRANSFERS	$2,081,406	$2,589,624	$2,500,000	$2,500,000
Total Revenues:	**$3,487,159**	**$4,389,914**	**$4,128,700**	**$4,153,700**
Expenditures				
PERSONNEL SERVICES	$326,057	$359,386	$403,300	$439,000
CONTRACTUAL SERVICES	$1,402,867	$1,450,995	$1,622,900	$1,624,400
COMMODITIES	$293,704	$373,426	$352,400	$356,200
OTHER EXPENSES	$1,271,665	$1,227,892	$1,707,700	$1,691,700
INSURANCE	$42,309	$44,283	$42,400	$42,400
TRANSFERS		$558,241	$0	$0
Total Expenditures:	**$3,336,602**	**$4,014,223**	**$4,128,700**	**$4,153,700**
Total Revenues Less Expenditures:	**$150,557**	**$375,691**	**$0**	**$0**
Ending Fund Balance:	**$2,477,674**	**$2,775,290**	**$3,333,533**	**$3,338,183**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

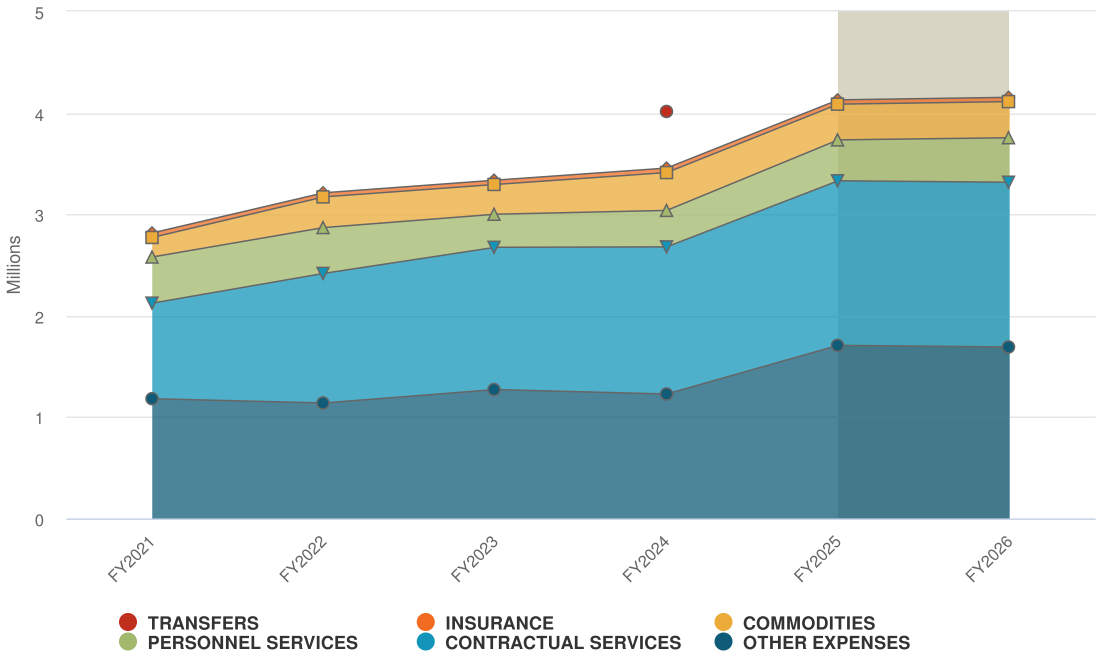


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$32,725	$33,273	$26,300	$21,100
OPERATING INCOME	$1,373,028	$1,767,016	$1,602,400	$1,632,600
TRANSFERS	$2,081,406	$2,589,624	$2,500,000	$2,500,000
Total Revenue Source:	**$3,487,159**	**$4,389,914**	**$4,128,700**	**$4,153,700**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

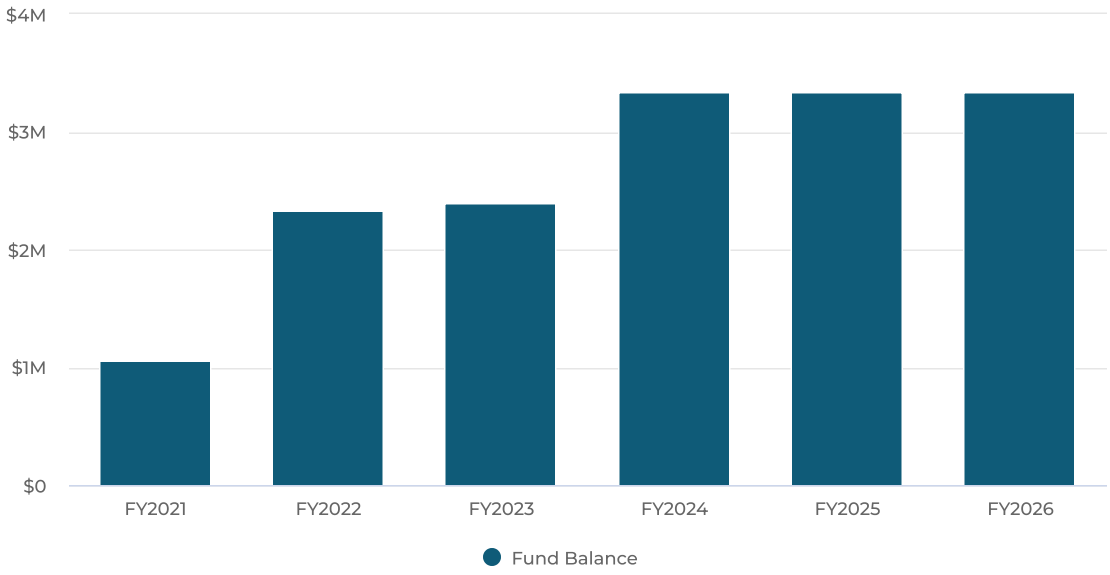


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$326,057	$359,386	$403,300	$439,000
CONTRACTUAL SERVICES	$1,402,867	$1,450,995	$1,622,900	$1,624,400
COMMODITIES	$293,704	$373,426	$352,400	$356,200
OTHER EXPENSES	$1,271,665	$1,227,892	$1,707,700	$1,691,700
INSURANCE	$42,309	$44,283	$42,400	$42,400
TRANSFERS		$558,241	$0	$0
Total Expense Objects:	**$3,336,602**	**$4,014,223**	**$4,128,700**	**$4,153,700**

Fund Balance

Projections

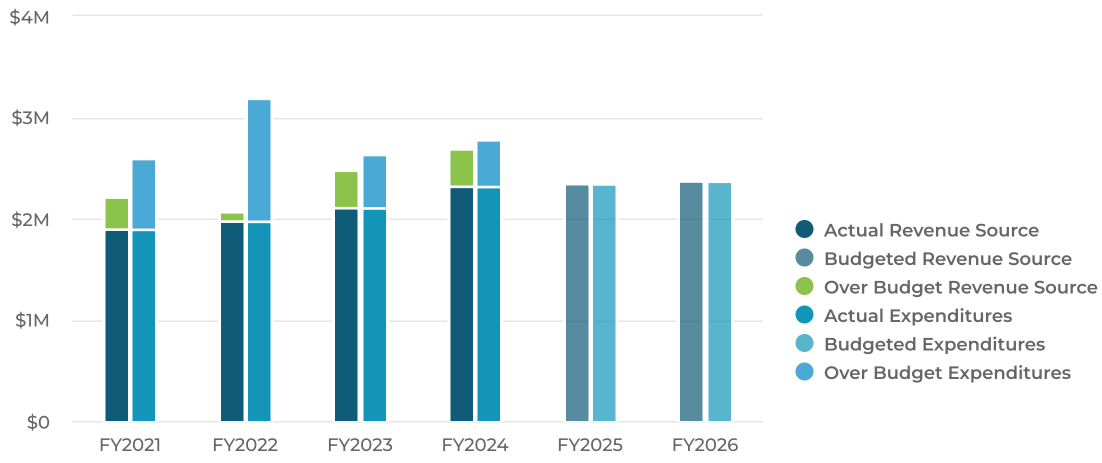


Meadowview Conference Center Fund

Accounts for the operation, maintenance and services associated with the MeadowView Conference Center.

Summary

City of Kingsport is projecting $2.67M of revenue in FY2026, which represents a 1.4% increase over the prior year. Budgeted expenditures are projected to increase by 1.4% or $37.4K to $2.67M in FY2026.



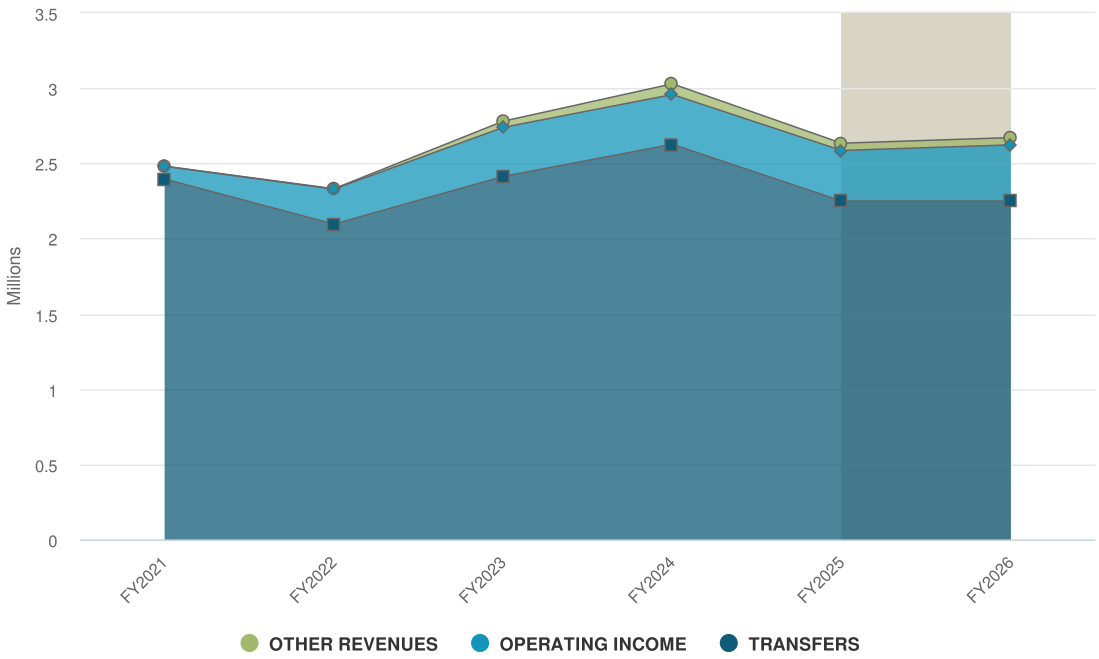
Meadowview Conference Center Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$17,213,613**	**$17,036,338**	**$16,977,870**	**$16,977,870**
Revenues				
OTHER REVENUES	$40,948	$71,267	$48,200	$48,400
OPERATING INCOME	$326,226	$330,757	$336,200	$373,400
TRANSFERS	$2,413,355	$2,627,327	$2,250,000	$2,250,000
Total Revenues:	**$2,780,529**	**$3,029,351**	**$2,634,400**	**$2,671,800**
Expenditures				
CONTRACTUAL SERVICES	$17,827	$13,251	$54,200	$56,400
OTHER EXPENSES	$2,108,863	$2,151,680	$1,763,800	$1,799,000
INSURANCE	$78,664	$117,416	$116,400	$116,400
TRANSFERS	$0	$30,898	$0	$0
SUBSIDIES & CONTRIBUTION	$673,425	$797,277	$700,000	$700,000
CAPITAL OUTLAY	$79,023	$8,194	$0	$0
Total Expenditures:	**$2,957,802**	**$3,118,716**	**$2,634,400**	**$2,671,800**
Total Revenues Less Expenditures:	**-$177,273**	**-$89,366**	**$0**	**$0**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Ending Fund Balance:	**$17,036,340**	**$16,946,972**	**$16,977,870**	**$16,977,870**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

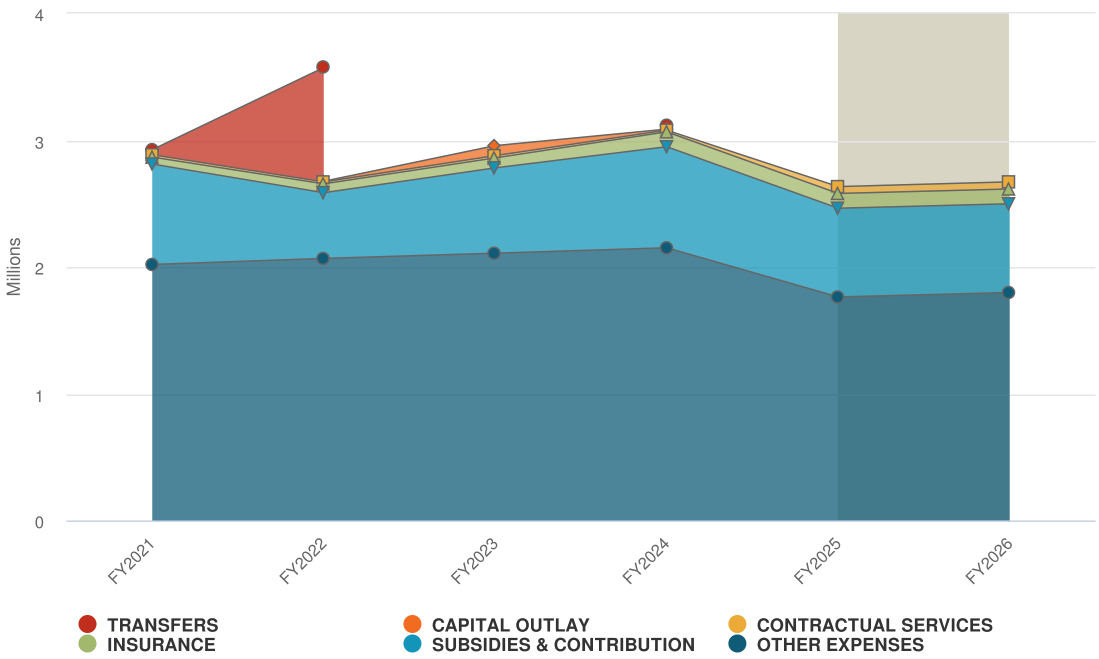


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$40,948	$71,267	$48,200	$48,400
OPERATING INCOME	$326,226	$330,757	$336,200	$373,400
TRANSFERS	$2,413,355	$2,627,327	$2,250,000	$2,250,000
Total Revenue Source:	**$2,780,529**	**$3,029,351**	**$2,634,400**	**$2,671,800**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

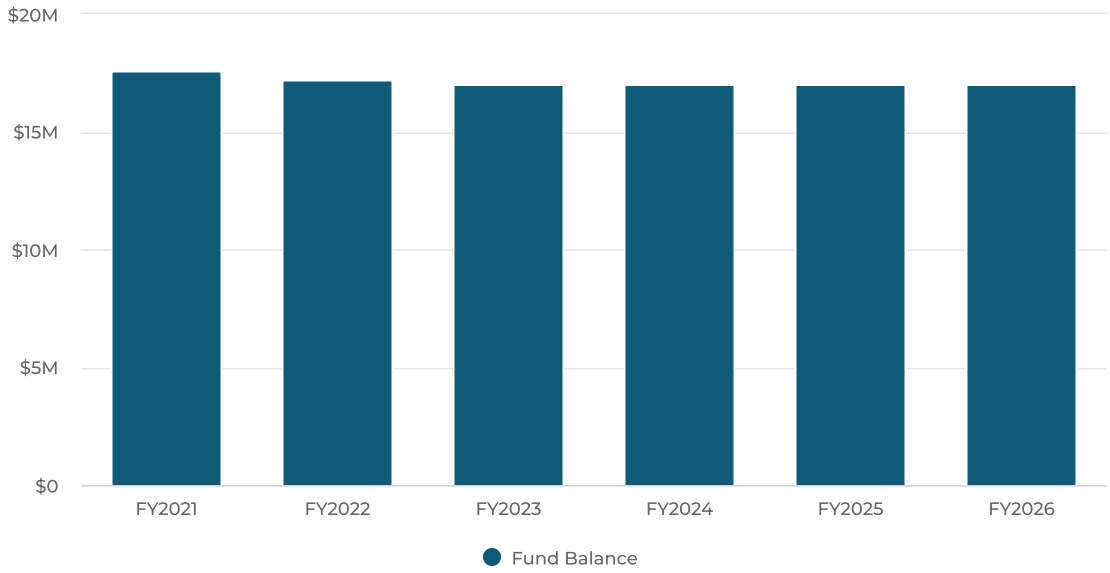


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$17,827	$13,251	$54,200	$56,400
OTHER EXPENSES	$2,108,863	$2,151,680	$1,763,800	$1,799,000
INSURANCE	$78,664	$117,416	$116,400	$116,400
TRANSFERS	$0	$30,898	$0	$0
SUBSIDIES & CONTRIBUTION	$673,425	$797,277	$700,000	$700,000
CAPITAL OUTLAY	$79,023	$8,194	$0	$0
Total Expense Objects:	**$2,957,802**	**$3,118,716**	**$2,634,400**	**$2,671,800**

Fund Balance

Projections

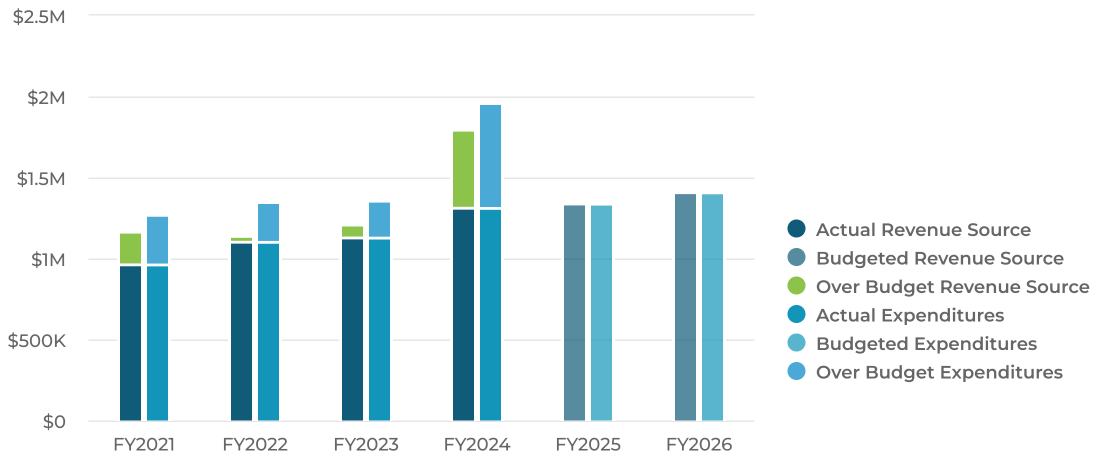


Cattails Golf Course Fund

Accounts for the operation, maintenance and services associated with the golf course.

Summary

City of Kingsport is projecting $1.5M of revenue in FY2026, which represents a 4.7% increase over the prior year. Budgeted expenditures are projected to increase by 4.7% or $67.8K to $1.5M in FY2026.



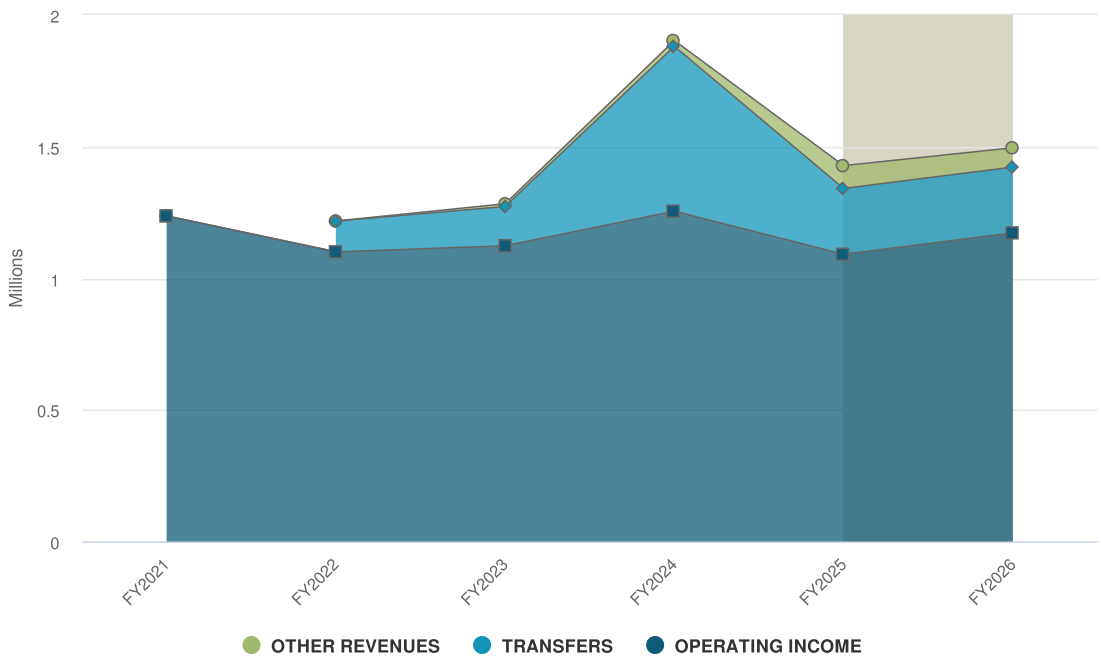
Cattails Golf Course Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$2,712,923**	**$2,542,353**	**$2,827,514**	**$2,827,214**
Revenues				
OTHER REVENUES	$10,377	$22,141	$10,600	$73,300
OPERATING INCOME	$1,123,365	$1,254,815	$1,167,300	$1,172,400
TRANSFERS	$149,344	$626,347	$250,000	$250,000
Total Revenues:	**$1,283,086**	**$1,903,303**	**$1,427,900**	**$1,495,700**
Expenditures				
PERSONNEL SERVICES	$590,555	$654,571	$566,750	$566,750
CONTRACTUAL SERVICES	$278,706	$295,772	$484,200	$552,400
COMMODITIES	$218,048	$279,221	$219,350	$219,350
OTHER EXPENSES	$329,745	$361,785	$130,600	$130,200
INSURANCE	$27,375	$25,703	$27,000	$27,000
TRANSFERS		$464,970	$0	$0
CAPITAL OUTLAY		$1,090	$0	$0
Total Expenditures:	**$1,444,430**	**$2,083,113**	**$1,427,900**	**$1,495,700**
Total Revenues Less Expenditures:	**-$161,343**	**-$179,810**	**$0**	**$0**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Ending Fund Balance:	**$2,551,580**	**$2,362,543**	**$2,827,514**	**$2,827,214**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

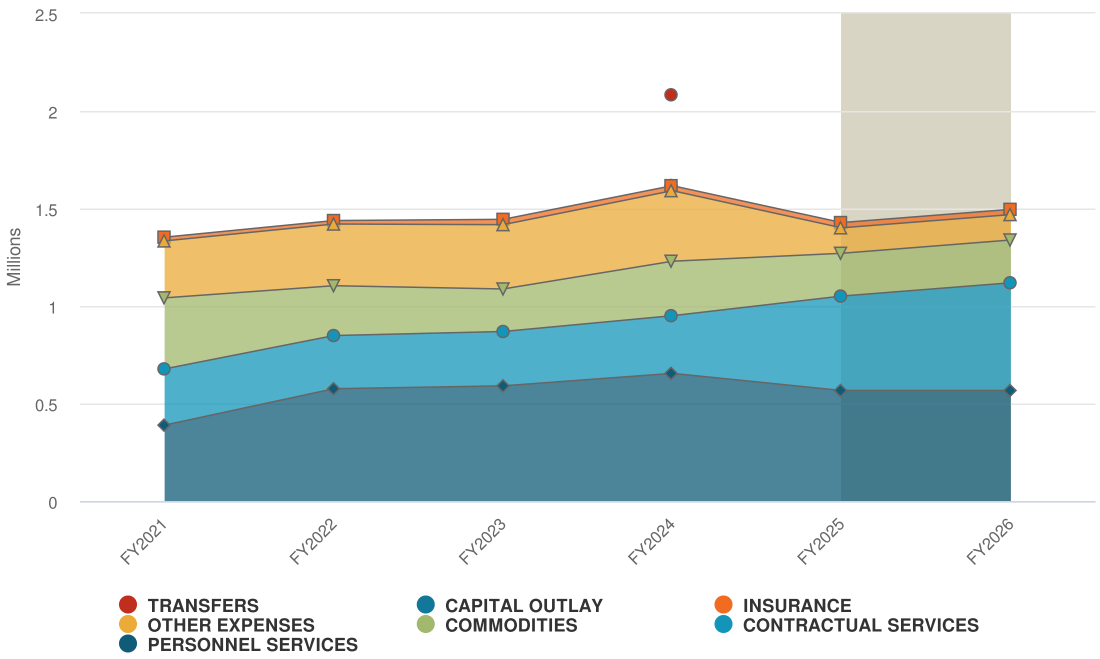


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES	$10,377	$22,141	$10,600	$73,300
OPERATING INCOME	$1,123,365	$1,254,815	$1,167,300	$1,172,400
TRANSFERS	$149,344	$626,347	$250,000	$250,000
Total Revenue Source:	**$1,283,086**	**$1,903,303**	**$1,427,900**	**$1,495,700**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

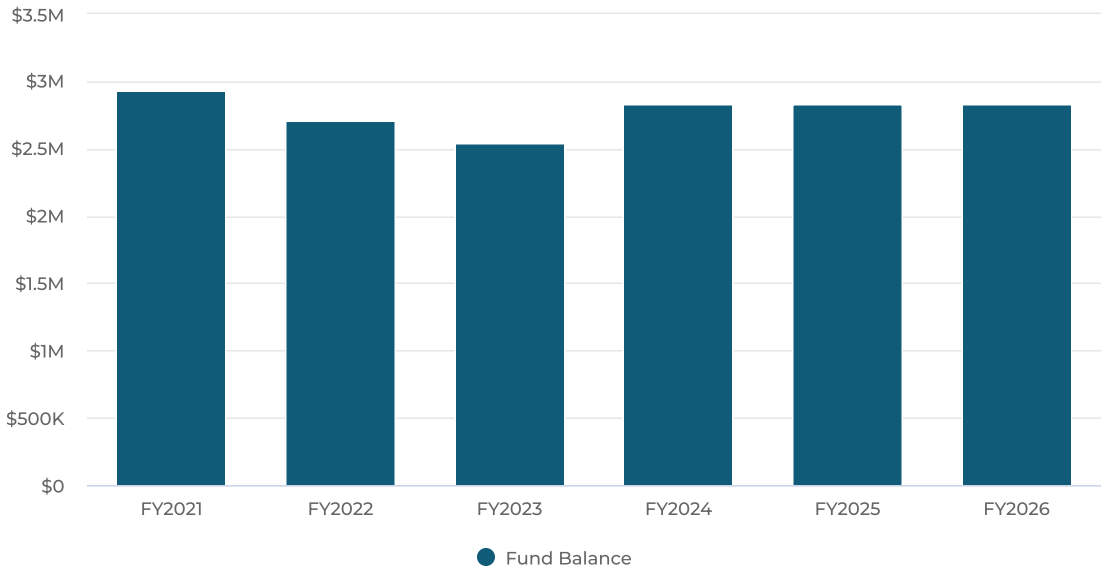


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$590,555	$654,571	$566,750	$566,750
CONTRACTUAL SERVICES	$278,706	$295,772	$484,200	$552,400
COMMODITIES	$218,048	$279,221	$219,350	$219,350
OTHER EXPENSES	$329,745	$361,785	$130,600	$130,200
INSURANCE	$27,375	$25,703	$27,000	$27,000
TRANSFERS		$464,970	$0	$0
CAPITAL OUTLAY		$1,090	$0	$0
Total Expense Objects:	**$1,444,430**	**$2,083,113**	**$1,427,900**	**$1,495,700**

Fund Balance

Projections

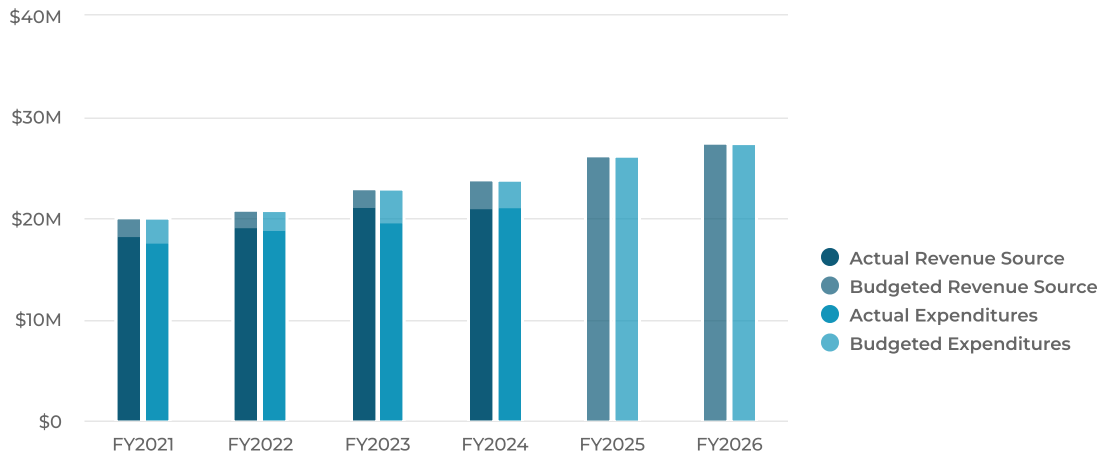


Internal Service Funds

Internal Service funds are used to account for activities that provide services to all of the City's departments.

Summary

City of Kingsport is projecting $32.59M of revenue in FY2026, which represents a 4.9% increase over the prior year. Budgeted expenditures are projected to increase by 4.9% or $1.53M to $32.59M in FY2026.



Internal Service funds include the following:

- **Fleet Fund—511:** accounts for the revenues and expenditures necessary to provide for the maintenance, replacement and expansion of the municipal fleet.
- **Risk Management Fund—615:** accounts for the revenue and expenditures for the City's risk management department, various insurance pools' costs and claims accounting.
- **Health Insurance Fund—625:** accounts for the revenue and expenditures of the City's self-insured employee health insurance fund.
- **Retirees Health Insurance Fund – 626**: accounts for the revenue and expenditures for the City's self-insured retiree health insurance fund.

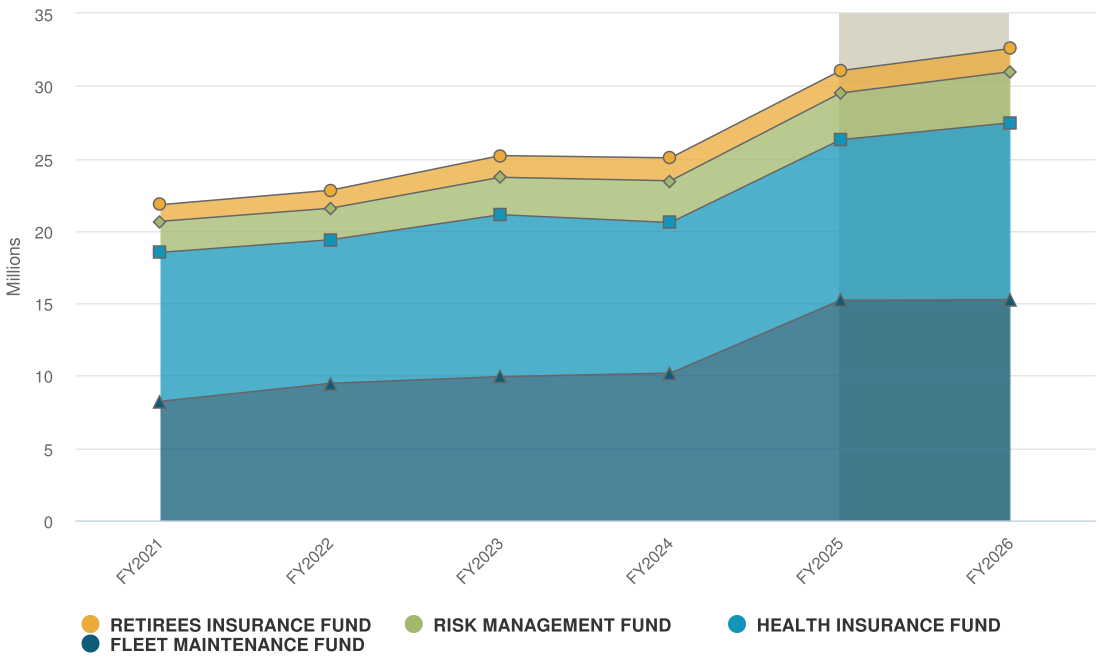
The bulk of the revenue for the operation of these funds comes from the General, Water and Sewer funds. The Health Insurance Fund also receives funding from employees and retirees. The origins of contributing funds are explained in detail in each of the respective fund's summary or department pages.

Internal Service Funds Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$25,856,868**	**$27,868,483**	**$27,689,299**	**$26,162,805**
Revenues				
OTHER REVENUES	$15,447,225	$15,012,477	$15,845,400	$17,342,000
OPERATING INCOME	$9,745,475	$9,864,632	$9,232,484	$10,244,700
TRANSFERS	$0	$160,000	$5,977,000	$5,000,900
Total Revenues:	**$25,192,700**	**$25,037,109**	**$31,054,884**	**$32,587,600**
Expenditures				
PERSONNEL SERVICES	$1,565,557	$1,935,668	$1,984,050	$2,318,500
CONTRACTUAL SERVICES	$893,416	$907,738	$1,122,800	$1,305,100
COMMODITIES	$5,625,458	$5,727,427	$4,676,900	$4,690,700
OTHER EXPENSES	$3,660,367	$3,805,251	$4,144,268	$4,614,000
INSURANCE	$11,657,589	$12,840,209	$12,632,615	$14,003,100
RESERVED FOR	$0	$0	$185,000	$0
CAPITAL OUTLAY	$37,175	$0	$6,309,251	$5,656,200
Total Expenditures:	**$23,439,561**	**$25,216,294**	**$31,054,884**	**$32,587,600**
Total Revenues Less Expenditures:	**$1,753,139**	**-$179,185**	**$0**	**$0**
Ending Fund Balance:	**$27,610,007**	**$27,689,298**	**$27,689,299**	**$26,162,805**

Revenue by Fund

Budgeted and Historical 2026 Revenue by Fund

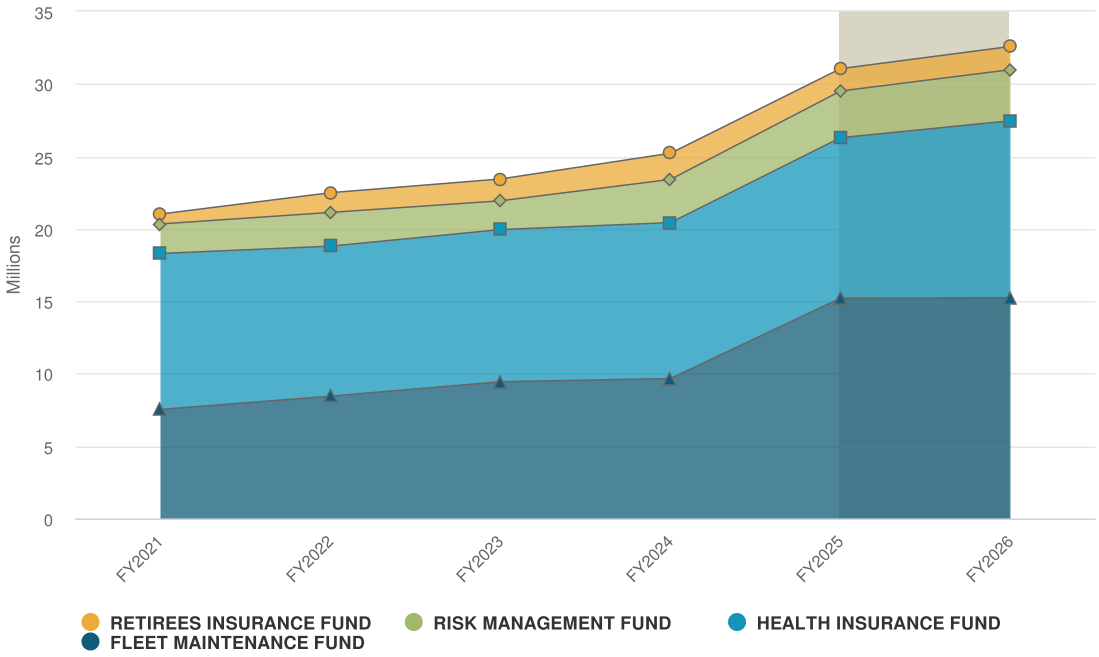


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
FLEET MAINTENANCE FUND	$9,933,155	$10,177,053	$15,209,484	$15,245,600
RISK MANAGEMENT FUND	$2,581,841	$2,882,201	$3,220,700	$3,529,800
HEALTH INSURANCE FUND	$11,178,783	$10,394,247	$11,078,900	$12,211,300
RETIREES INSURANCE FUND	$1,498,921	$1,583,608	$1,545,800	$1,600,900
Total:	**$25,192,700**	**$25,037,109**	**$31,054,884**	**$32,587,600**

Expenditures by Fund

Budgeted and Historical 2026 Expenditures by Fund

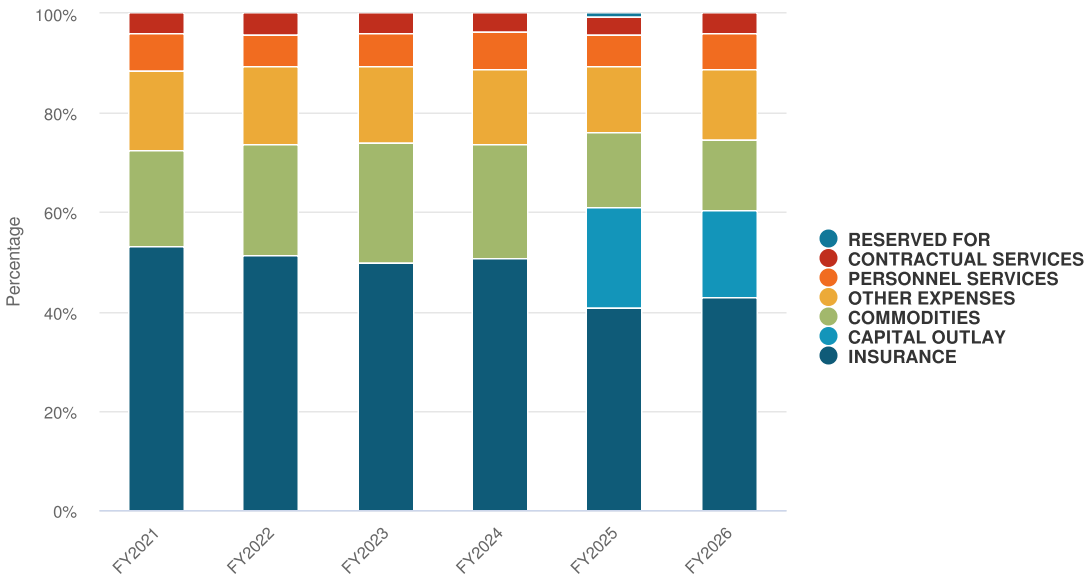


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
FLEET MAINTENANCE FUND	$9,441,061	$9,663,030	$15,209,484	$15,245,600
RISK MANAGEMENT FUND	$1,986,854	$2,981,848	$3,220,700	$3,529,800
HEALTH INSURANCE FUND	$10,503,964	$10,764,546	$11,078,900	$12,211,300
RETIREES INSURANCE FUND	$1,507,683	$1,806,870	$1,545,800	$1,600,900
Total:	**$23,439,561**	**$25,216,294**	**$31,054,884**	**$32,587,600**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



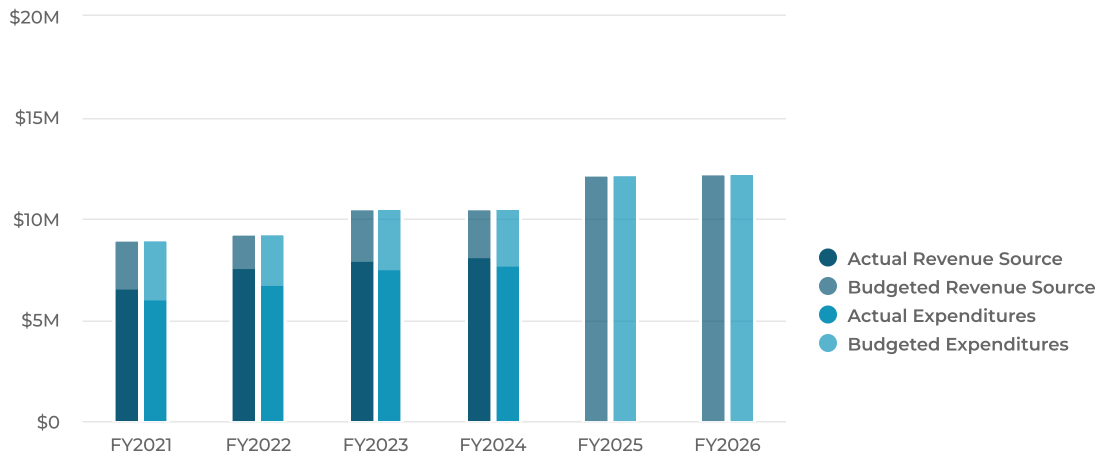
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,565,557	$1,935,668	$1,984,050	$2,318,500
CONTRACTUAL SERVICES	$893,416	$907,738	$1,122,800	$1,305,100
COMMODITIES	$5,625,458	$5,727,427	$4,676,900	$4,690,700
OTHER EXPENSES	$3,660,367	$3,805,251	$4,144,268	$4,614,000
INSURANCE	$11,657,589	$12,840,209	$12,632,615	$14,003,100
RESERVED FOR	$0	$0	$185,000	$0
CAPITAL OUTLAY	$37,175	$0	$6,309,251	$5,656,200
Total Expense Objects:	**$23,439,561**	**$25,216,294**	**$31,054,884**	**$32,587,600**

Fleet Maintenance Fund

Accounts for the revenue and expenditures necessary to provide for the maintenance, replacement and expansion of the municipal fleet.

Summary

City of Kingsport is projecting $15.25M of revenue in FY2026, which represents a 0.2% increase over the prior year. Budgeted expenditures are projected to increase by 0.2% or $36.12K to $15.25M in FY2026.



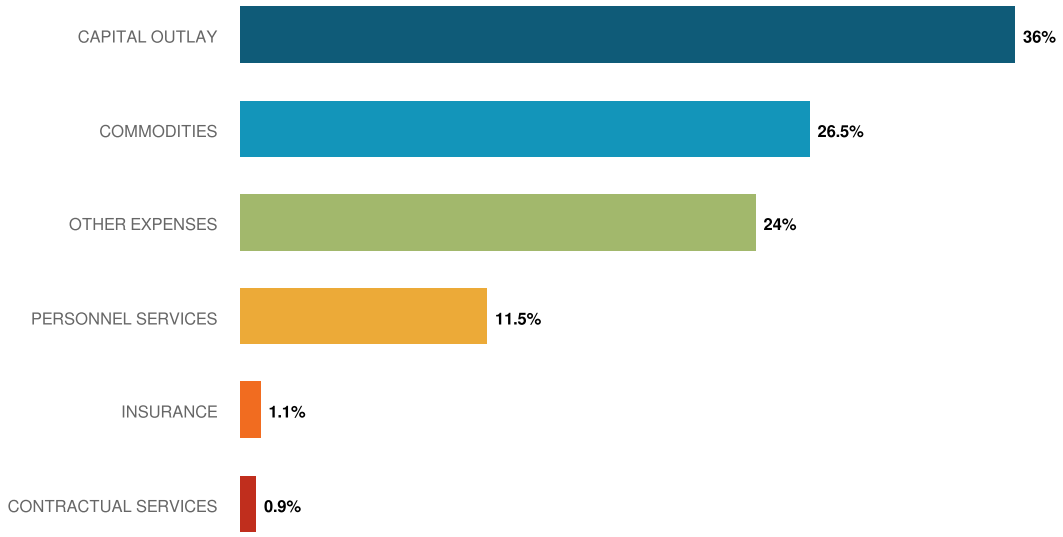
Fleet Maintenance Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$16,354,248**	**$17,038,004**	**$17,552,028**	**$17,549,269**
Revenues				
OTHER REVENUES	$187,680	$152,421	$0	$0
OPERATING INCOME	$9,745,475	$9,864,632	$9,232,484	$10,244,700
TRANSFERS	$0	$160,000	$5,977,000	$5,000,900
Total Revenues:	**$9,933,155**	**$10,177,053**	**$15,209,484**	**$15,245,600**
Expenditures				
PERSONNEL SERVICES	$1,357,672	$1,564,911	$1,515,800	$1,755,900
CONTRACTUAL SERVICES	$108,256	$167,896	$109,300	$130,900
COMMODITIES	$5,115,588	$4,956,783	$4,041,400	$4,043,600
OTHER EXPENSES	$2,805,843	$2,956,502	$3,251,168	$3,660,500
INSURANCE	$16,526	$16,937	$144,565	$160,500
CAPITAL OUTLAY	$37,175	$0	$6,147,251	$5,494,200
Total Expenditures:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**
Total Revenues Less Expenditures:	**$492,095**	**$514,023**	**$0**	**$0**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Ending Fund Balance:	**$16,846,343**	**$17,552,027**	**$17,552,028**	**$17,549,269**

Expenditures by Expense Type

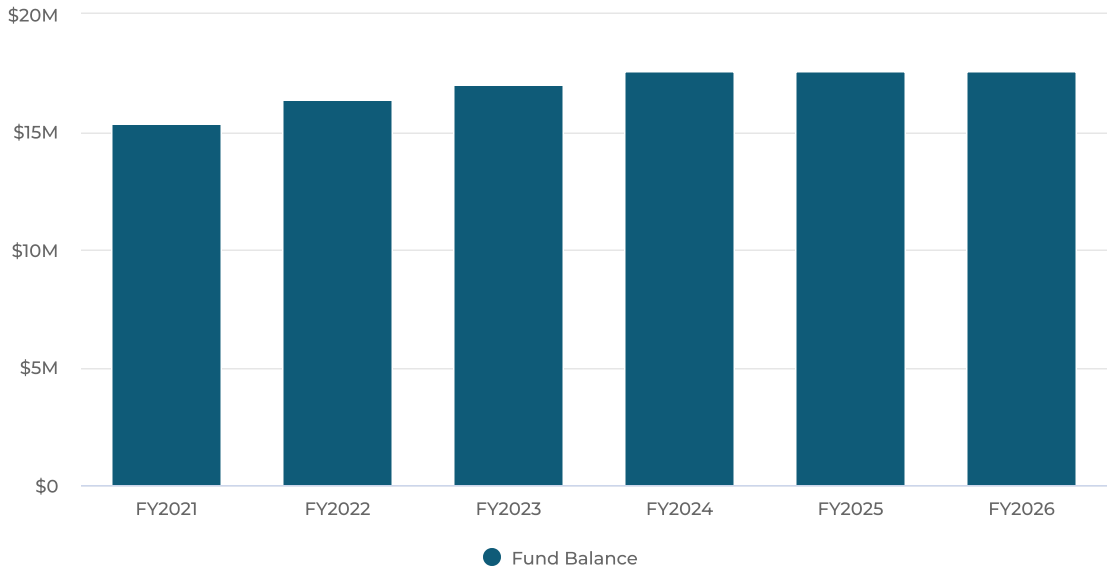
Budgeted Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,357,672	$1,564,911	$1,515,800	$1,755,900
CONTRACTUAL SERVICES	$108,256	$167,896	$109,300	$130,900
COMMODITIES	$5,115,588	$4,956,783	$4,041,400	$4,043,600
OTHER EXPENSES	$2,805,843	$2,956,502	$3,251,168	$3,660,500
INSURANCE	$16,526	$16,937	$144,565	$160,500
CAPITAL OUTLAY	$37,175	$0	$6,147,251	$5,494,200
Total Expense Objects:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**

Fund Balance

Projections

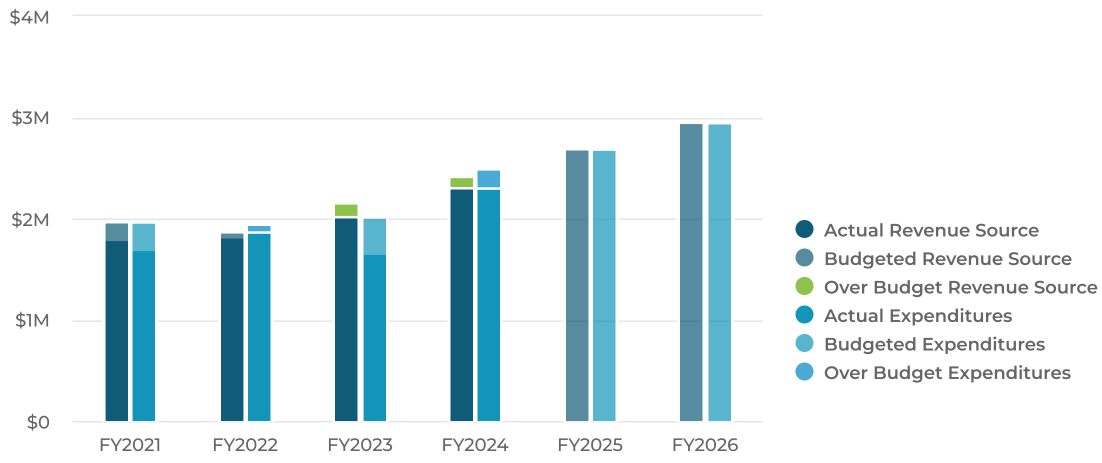


Risk Management Fund

Accounts for the revenue and expenditures for the city's Risk Management department, various insurance pools' costs and claims accounting.

Summary

City of Kingsport is projecting $3.53M of revenue in FY2026, which represents a 9.6% increase over the prior year. Budgeted expenditures are projected to increase by 9.6% or $309.1K to $3.53M in FY2026.

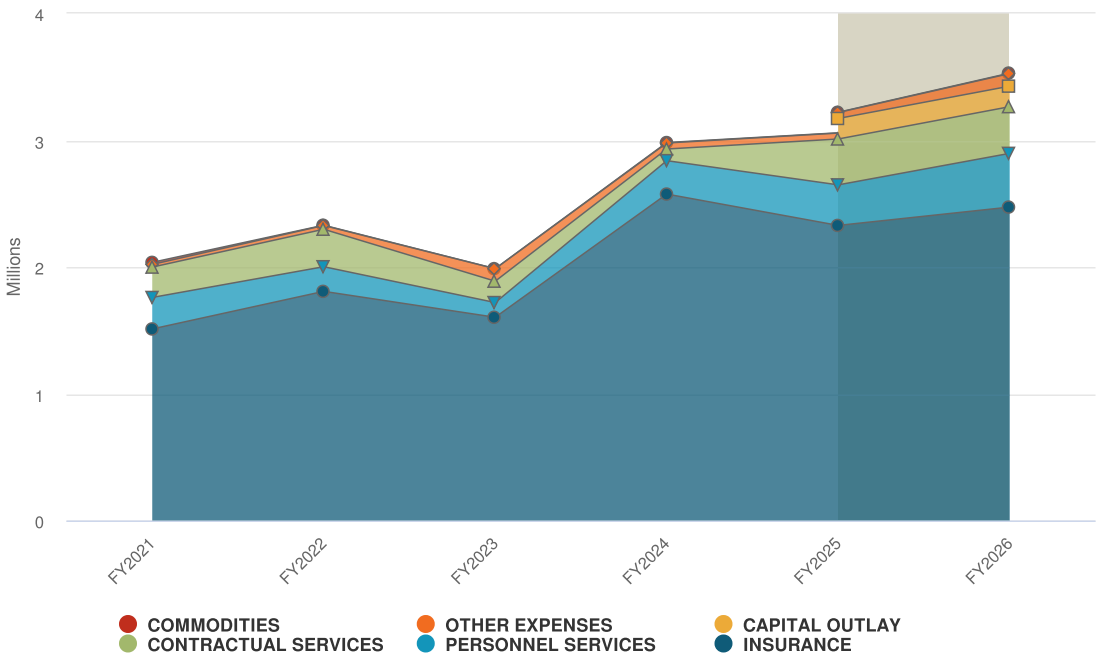


Risk Management Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$3,543,557**	**$4,205,694**	**$4,106,048**	**$4,056,073**
Revenues				
OTHER REVENUES	$2,581,841	$2,882,201	$3,220,700	$3,529,800
Total Revenues:	**$2,581,841**	**$2,882,201**	**$3,220,700**	**$3,529,800**
Expenditures				
PERSONNEL SERVICES	$116,159	$263,561	$320,000	$424,000
CONTRACTUAL SERVICES	$168,502	$91,905	$361,850	$368,200
COMMODITIES	$350	$3,655	$2,000	$3,600
OTHER EXPENSES	$98,447	$47,309	$46,800	$99,300
INSURANCE	$1,603,395	$2,575,418	$2,328,050	$2,472,700
CAPITAL OUTLAY		$0	$162,000	$162,000
Total Expenditures:	**$1,986,854**	**$2,981,848**	**$3,220,700**	**$3,529,800**
Total Revenues Less Expenditures:	**$594,987**	**-$99,646**	**$0**	**$0**
Ending Fund Balance:	**$4,138,544**	**$4,106,048**	**$4,106,048**	**$4,056,073**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

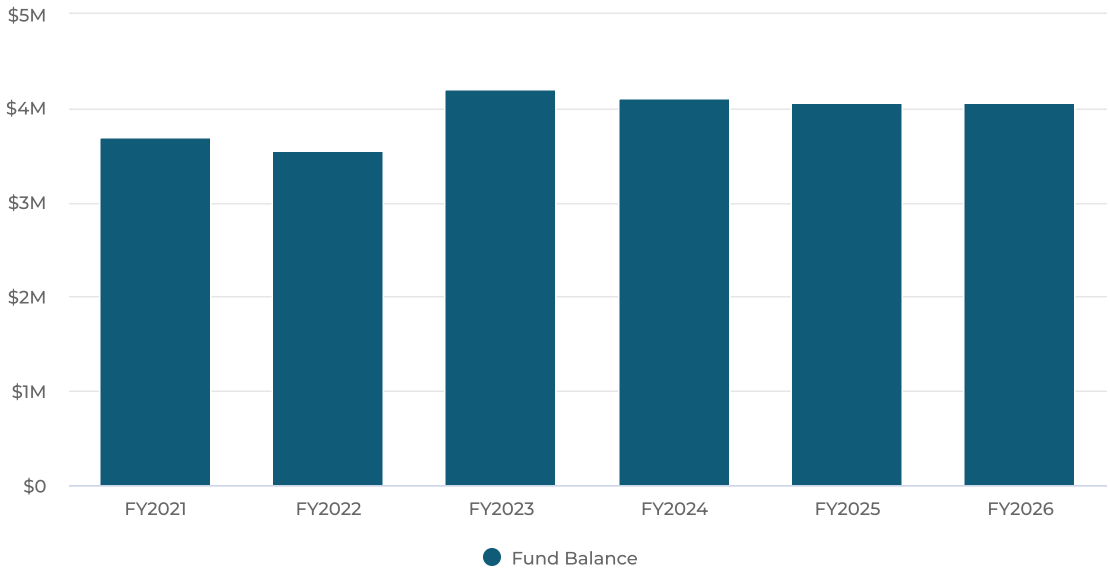


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$116,159	$263,561	$320,000	$424,000
CONTRACTUAL SERVICES	$168,502	$91,905	$361,850	$368,200
COMMODITIES	$350	$3,655	$2,000	$3,600
OTHER EXPENSES	$98,447	$47,309	$46,800	$99,300
INSURANCE	$1,603,395	$2,575,418	$2,328,050	$2,472,700
CAPITAL OUTLAY		$0	$162,000	$162,000
Total Expense Objects:	**$1,986,854**	**$2,981,848**	**$3,220,700**	**$3,529,800**

Fund Balance

Projections

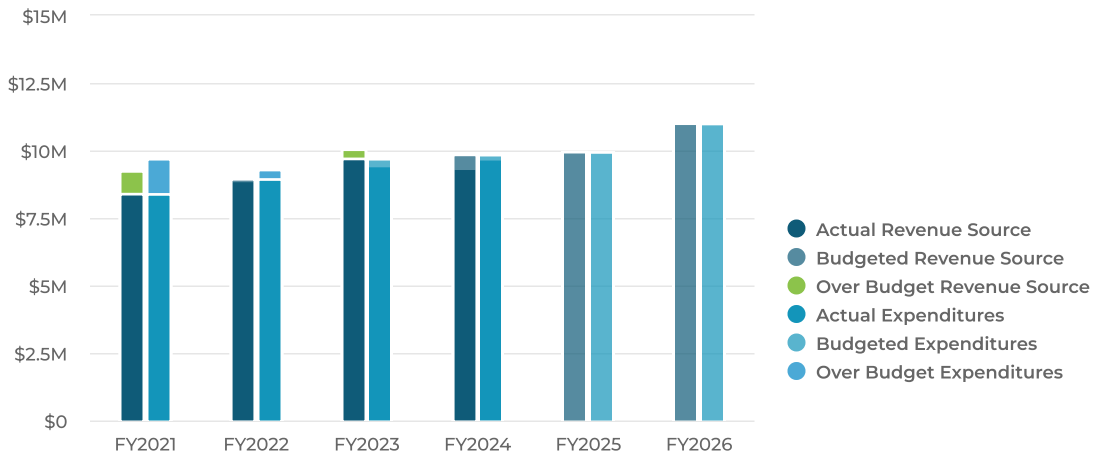


Health Insurance Fund

Accounts for the revenues and expenditures for the city's self-insured employee health insurance fund.

Summary

City of Kingsport is projecting $12.21M of revenue in FY2026, which represents a 10.2% increase over the prior year. Budgeted expenditures are projected to increase by 10.2% or $1.13M to $12.21M in FY2026.

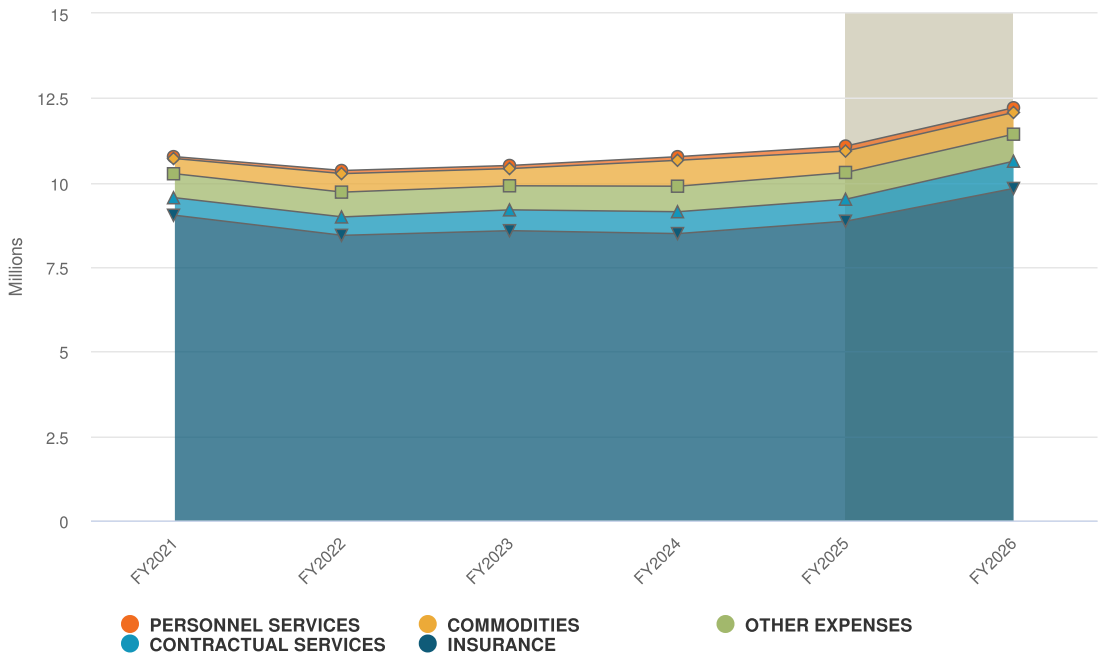


Health Insurance Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$3,252,840**	**$3,927,323**	**$3,557,025**	**$3,583,265**
Revenues				
OTHER REVENUES	$11,178,783	$10,394,247	$11,078,900	$12,211,300
Total Revenues:	**$11,178,783**	**$10,394,247**	**$11,078,900**	**$12,211,300**
Expenditures				
PERSONNEL SERVICES	$91,726	$107,197	$148,250	$138,600
CONTRACTUAL SERVICES	$615,957	$647,228	$650,850	$805,000
COMMODITIES	$509,520	$766,989	$633,500	$643,500
OTHER EXPENSES	$712,058	$754,596	$791,300	$799,200
INSURANCE	$8,574,703	$8,488,536	$8,855,000	$9,825,000
Total Expenditures:	**$10,503,964**	**$10,764,546**	**$11,078,900**	**$12,211,300**
Total Revenues Less Expenditures:	**$674,819**	**-$370,299**	**$0**	**$0**
Ending Fund Balance:	**$3,927,659**	**$3,557,024**	**$3,557,025**	**$3,583,265**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

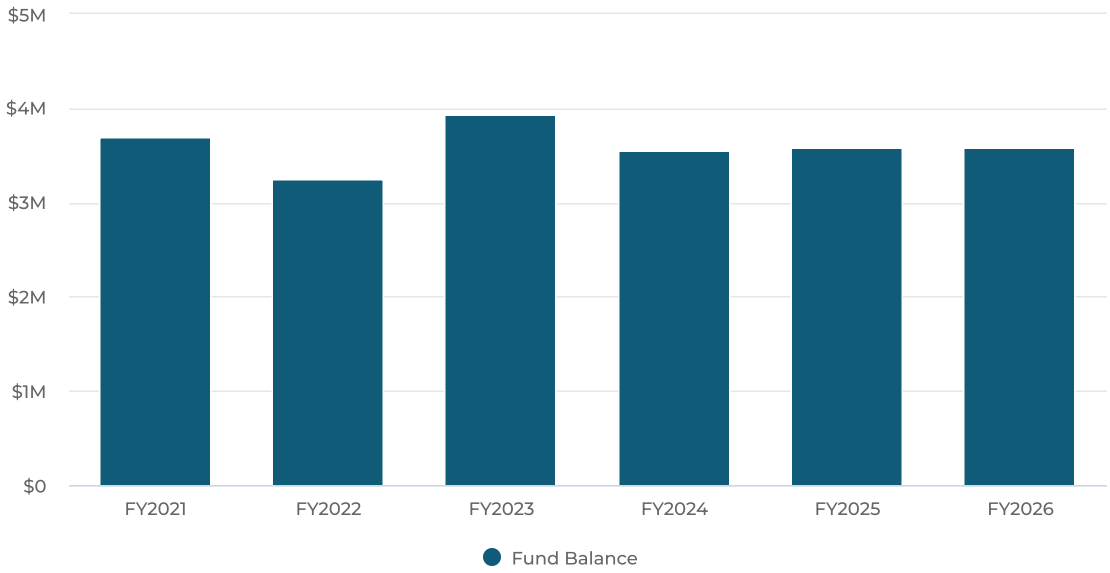


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$91,726	$107,197	$148,250	$138,600
CONTRACTUAL SERVICES	$615,957	$647,228	$650,850	$805,000
COMMODITIES	$509,520	$766,989	$633,500	$643,500
OTHER EXPENSES	$712,058	$754,596	$791,300	$799,200
INSURANCE	$8,574,703	$8,488,536	$8,855,000	$9,825,000
Total Expense Objects:	**$10,503,964**	**$10,764,546**	**$11,078,900**	**$12,211,300**

Fund Balance

Projections

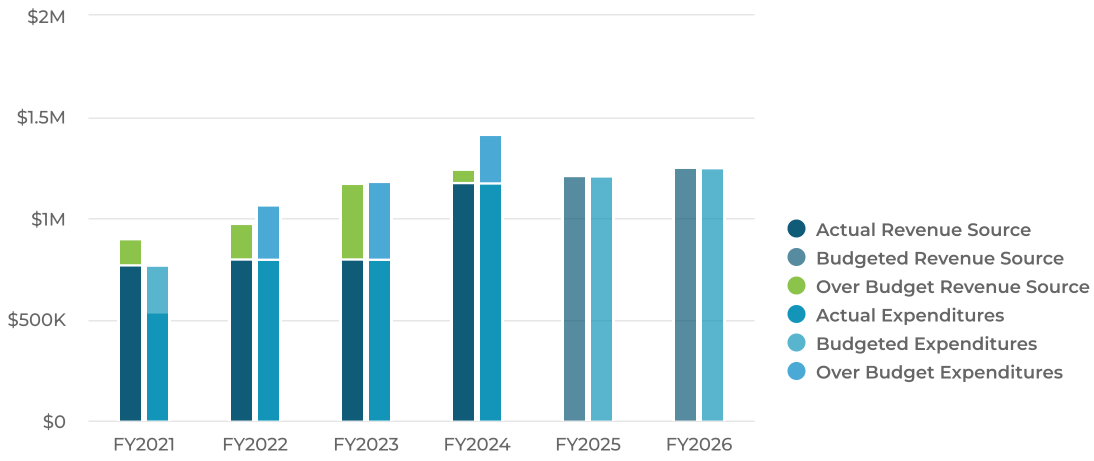


Retirees Insurance Fund

Accounts for the revenue and expenditures of the city's self-insured retiree health insurance fund.

Summary

City of Kingsport is projecting $1.6M of revenue in FY2026, which represents a 3.6% increase over the prior year. Budgeted expenditures are projected to increase by 3.6% or $55.1K to $1.6M in FY2026.

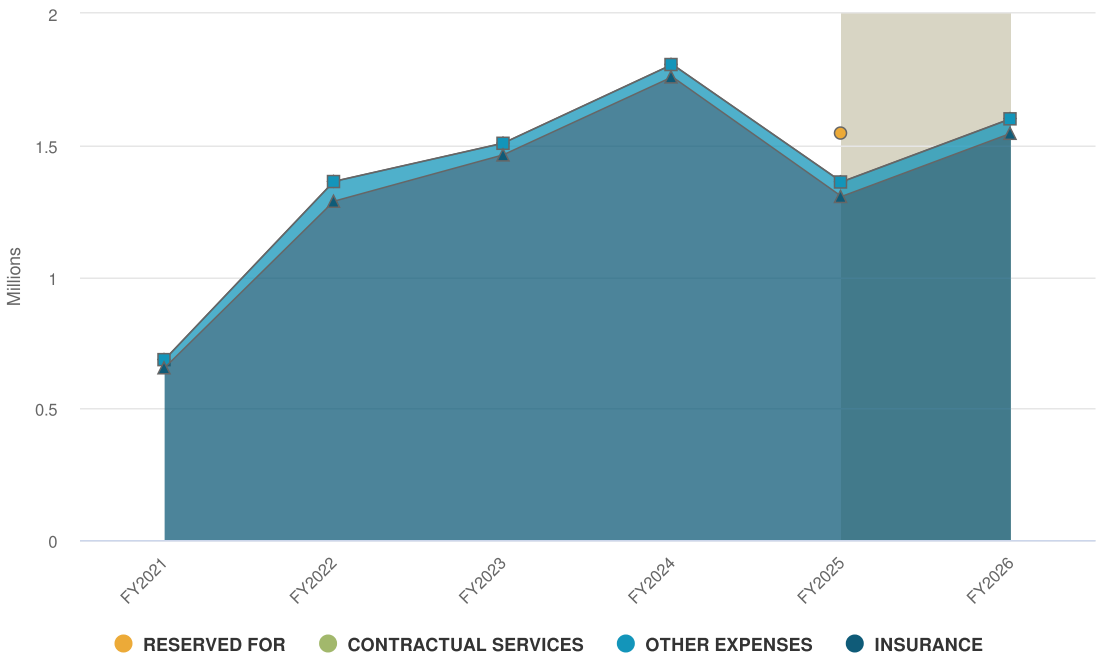


Retirees Insurance Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$2,706,223**	**$2,697,462**	**$2,474,198**	**$974,198**
Revenues				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$53,886	$89,097	$75,000	$75,000
CITY CONTRIBUTIONS / RETIREES HEALTH	$750,000	$750,000	$750,000	$750,000
PERSONNEL CONTRIBUTIONS / RETIREES	$504,922	$498,359	$530,000	$550,000
REIMBURSED INSURED LOSS / PRESCRIPTION REFUNDS	$190,114	$246,152	$190,800	$225,900
Total OTHER REVENUES:	**$1,498,921**	**$1,583,608**	**$1,545,800**	**$1,600,900**
Total Revenues:	**$1,498,921**	**$1,583,608**	**$1,545,800**	**$1,600,900**
Expenditures				
CONTRACTUAL SERVICES				
CONTRACTUAL SERVICES / ACCOUNTING AND AUDITING	$700	$709	$800	$1,000
Total CONTRACTUAL SERVICES:	**$700**	**$709**	**$800**	**$1,000**
OTHER EXPENSES				
OTHER EXPENSES / ADMINISTRATION FEES	$44,019	$46,844	$55,000	$55,000
Total OTHER EXPENSES:	**$44,019**	**$46,844**	**$55,000**	**$55,000**
INSURANCE				
INSURANCE PREMIUMS / OTHER	$91,167	$96,661	$105,000	$150,000
INSURANCE CLAIMS /	$1,371,797	$1,662,657	$1,200,000	$1,394,900
Total INSURANCE:	**$1,462,964**	**$1,759,318**	**$1,305,000**	**$1,544,900**
RESERVED FOR				
RESERVE FOR / FUTURE APPROPRIATIONS	$0	$0	$185,000	$0
Total RESERVED FOR:	**$0**	**$0**	**$185,000**	**$0**
Total Expenditures:	**$1,507,683**	**$1,806,870**	**$1,545,800**	**$1,600,900**
Total Revenues Less Expenditures:	**-$8,762**	**-$223,263**	**$0**	**$0**
Ending Fund Balance:	**$2,697,461**	**$2,474,199**	**$2,474,198**	**$974,198**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

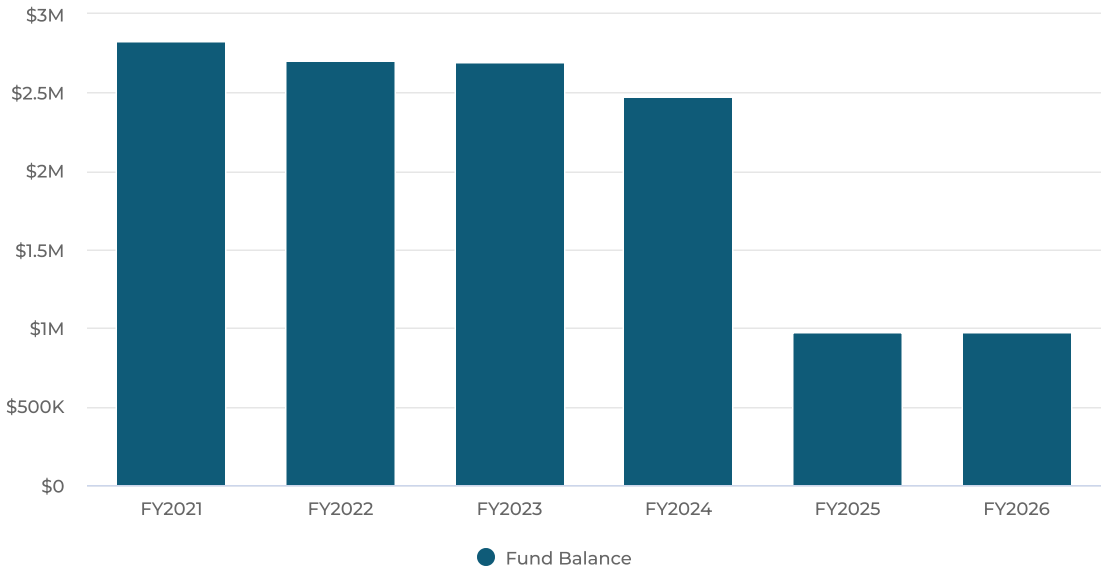


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$700	$709	$800	$1,000
OTHER EXPENSES	$44,019	$46,844	$55,000	$55,000
INSURANCE	$1,462,964	$1,759,318	$1,305,000	$1,544,900
RESERVED FOR	$0	$0	$185,000	$0
Total Expense Objects:	**$1,507,683**	**$1,806,870**	**$1,545,800**	**$1,600,900**

Fund Balance

Projections

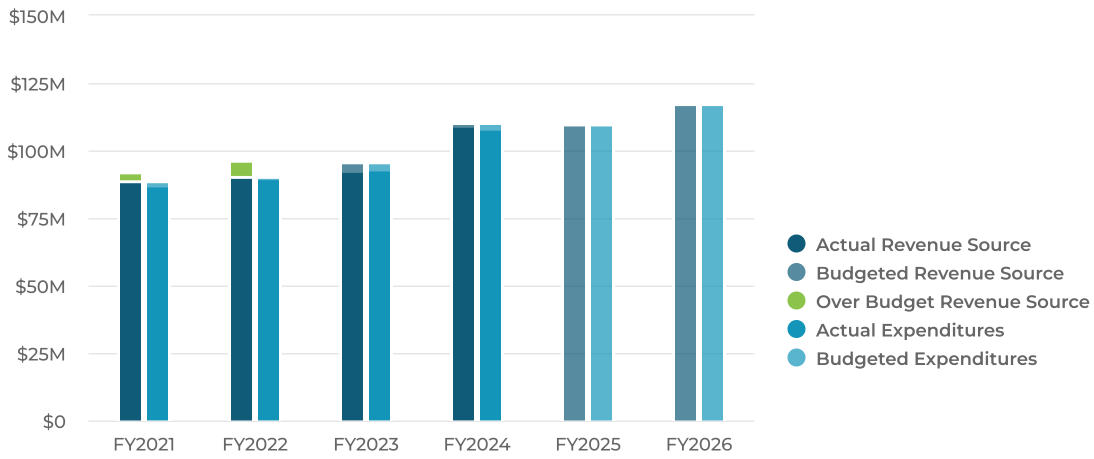


Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Summary

City of Kingsport is projecting $121.12M of revenue in FY2026, which represents a 6.6% increase over the prior year. Budgeted expenditures are projected to increase by 6.6% or $7.55M to $121.12M in FY2026.



LAW ENFORCEMENT FUNDS

- **Criminal Forfeiture Fund – 126** – accounts for seized property and money awarded through the courts resulting from law enforcement actions against all illegal activities except seizures resulting from illegal drug enforcement. Additionally, this fund accounts for funds received from the US Department of Justice under the Equitable Sharing of Federally Forfeited Property program.
- **Drug Fund - 127** – accounts for revenues received from fines and property confiscated from individuals involved in illegal drug activities and grant funds. These funds are earmarked for drug enforcement activities in compliance with state laws and regulations.

PUBLIC SCHOOL FUNDS

- **General Purpose School Fund -141** – accounts for administration, instructional, operational and capital costs of the City operated schools, except for the food service program and specific academic programs.
- **School Public Law 93-380 Fund – 142** – accounts for federal grants used for instruction and other educational purposes.
- **Special School Projects Fund - 145** – accounts for federal and state grants used for instruction and other educational purposes.
- **School Food and Nutrition Services - 147** – accounts for the administration, operations and capital costs of providing food services to students and faculty.

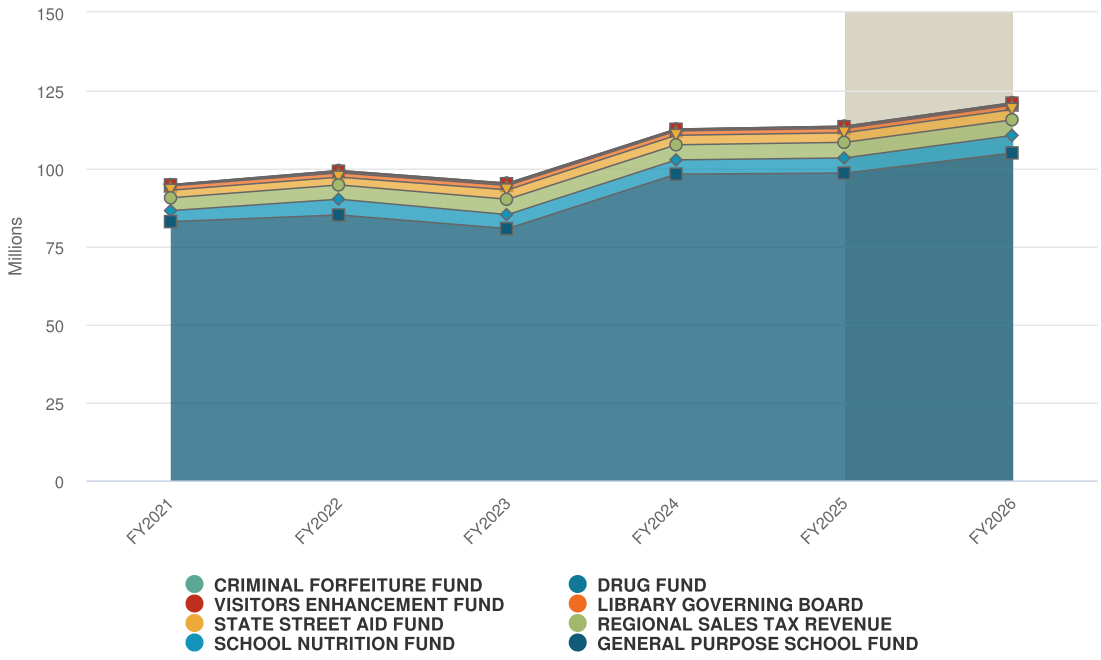
OTHER FUNDS

- **State Street Aid Fund - 121** – accounts for shared revenues derived from state gasoline taxes.

- **Regional Sales Tax Revenue Fund - 130** – accounts for the proceeds from a $0.0025 local sales tax previously approved by local referendum. These funds are earmarked for the retirement of debt issued to fund construction of the Meadowview Conference Resort and Convention Center and to support the operations of the facility.
- **Visitor's Enhancement Fund – 135 –** accounts for twenty-five percent of the revenues from the hotel/motel tax to support tourism.
- **The Library Governing Board Fund – 137 –** accounts for administration and operational the Kingsport Public Library and the Library archives. Due to new state laws regarding board governance, accounting for the library has moved from the General Fund to its own Special Revenue account to better track Maintenance of Effort.

Revenue by Fund

Budgeted and Historical 2026 Revenue by Fund

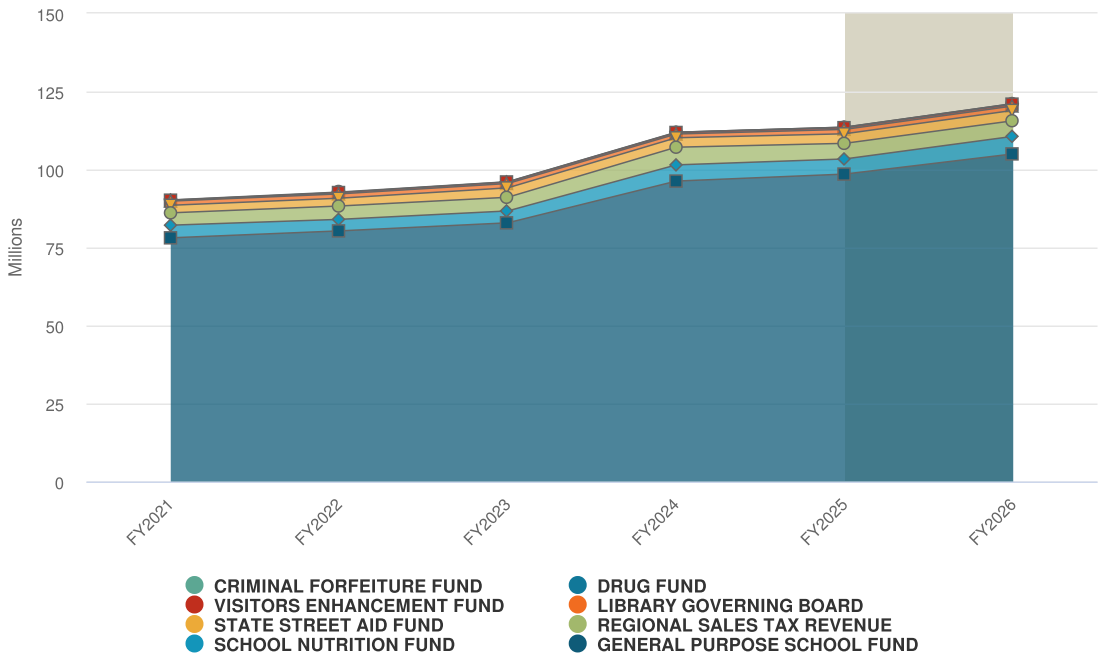


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
STATE STREET AID FUND	$3,017,327	$3,038,198	$3,066,700	$3,325,900
CRIMINAL FORFEITURE FUND	$46,366	$13,063	$6,000	$6,000
DRUG FUND	$155,347	$72,317	$157,100	$157,100
REGIONAL SALES TAX REVENUE	$4,909,582	$4,831,369	$5,000,000	$5,000,000
VISITORS ENHANCEMENT FUND	$562,443	$526,873	$550,000	$583,300
LIBRARY GOVERNING BOARD	$1,405,704	$1,409,228	$1,408,400	$1,408,400
GENERAL PURPOSE SCHOOL FUND	$80,728,372	$98,197,983	$98,532,250	$105,002,300
SCHOOL NUTRITION FUND	$4,499,397	$4,569,170	$4,850,000	$5,633,800
Total:	**$95,324,538**	**$112,658,200**	**$113,570,450**	**$121,116,800**

Expenditures by Fund

Budgeted and Historical 2026 Expenditures by Fund



Grey background indicates budgeted figures.

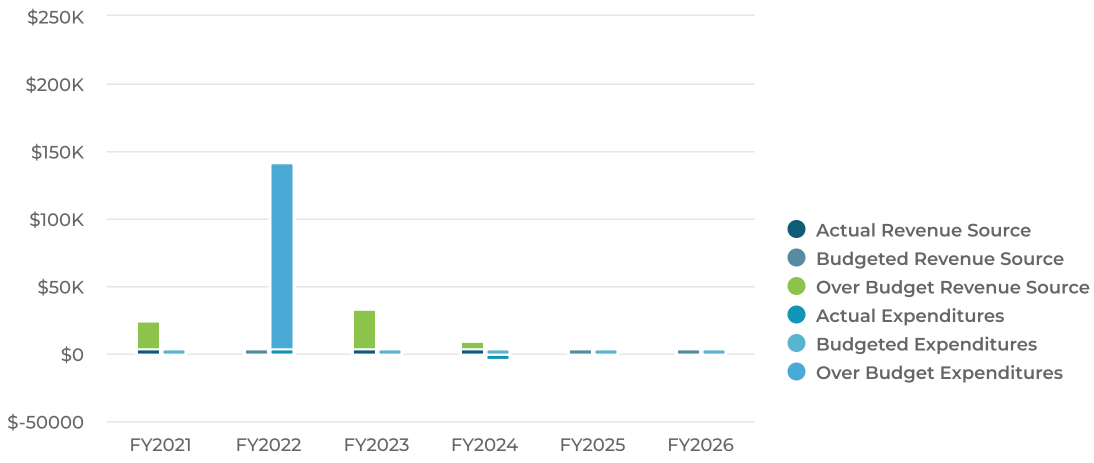
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
STATE STREET AID FUND	$3,017,327	$3,026,974	$3,066,700	$3,325,900
CRIMINAL FORFEITURE FUND	$0	-$5,877	$6,000	$6,000
DRUG FUND	$54,376	$73,810	$157,100	$157,100
REGIONAL SALES TAX REVENUE	$4,380,424	$5,670,057	$5,000,000	$5,000,000
VISITORS ENHANCEMENT FUND	$508,549	$496,291	$550,000	$583,300
LIBRARY GOVERNING BOARD	$1,392,206	$1,195,798	$1,408,400	$1,408,400
GENERAL PURPOSE SCHOOL FUND	$82,908,645	$96,287,793	$98,532,250	$105,002,300
SCHOOL NUTRITION FUND	$3,810,128	$5,190,261	$4,850,000	$5,633,800
Total:	**$96,071,654**	**$111,935,107**	**$113,570,450**	**$121,116,800**

Criminal Forfeiture Fund

Accounts for seized property and money awarded through the courts resulting from law enforcement actions against all illegal activities except seizures resulting from illegal drug enforcement. Additionally, this fund accounts for funds received from the US Department of Justice under the Equitable Sharing of Federally Forfeited Property program.

Summary

City of Kingsport is projecting $6K of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $6K in FY2026.



Revenues:

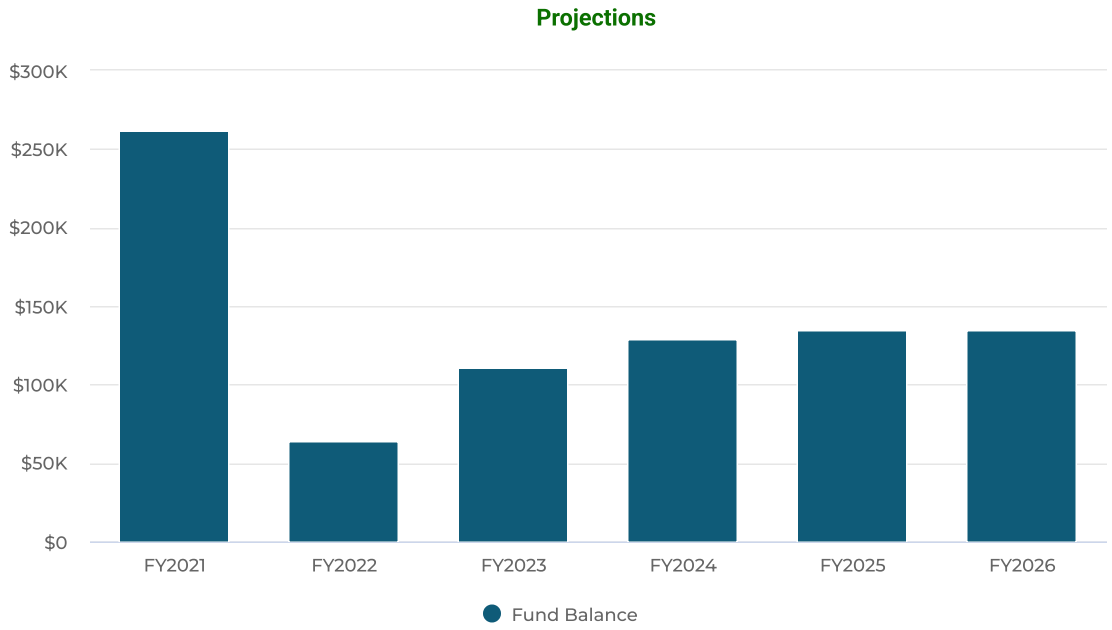
Funding from the State of Tennessee is for fines and forfeitures from the enforcement of criminal statutes such as gambling and is not considered to be an annual revenue source.
Contribution revenue comes from the General Fund budget based on forfeitures.
From Federal Government represents revenues derived from seizures of property through federal court asset forfeiture.

Criminal Forfeiture Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$63,995**	**$110,362**	**$129,302**	**$134,350**
Revenues				
FINES & COSTS	$45,257	$9,975	$6,000	$6,000
OTHER REVENUES	$1,110	$3,088	$0	$0
Total Revenues:	**$46,366**	**$13,063**	**$6,000**	**$6,000**
Expenditures				
OTHER EXPENSES				
POLICE DEPARTMENT	$0	$0	$6,000	$6,000
Total OTHER EXPENSES:	**$0**	**$0**	**$6,000**	**$6,000**
TRANSFERS				

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
MISC GOVERNMENT SERVICES	$0	-$5,877	$0	$0
Total TRANSFERS:	**$0**	**-$5,877**	**$0**	**$0**
Total Expenditures:	**$0**	**-$5,877**	**$6,000**	**$6,000**
Total Revenues Less Expenditures:	**$46,366**	**$18,939**	**$0**	**$0**
Ending Fund Balance:	**$110,361**	**$129,301**	**$129,302**	**$134,350**

Fund Balance

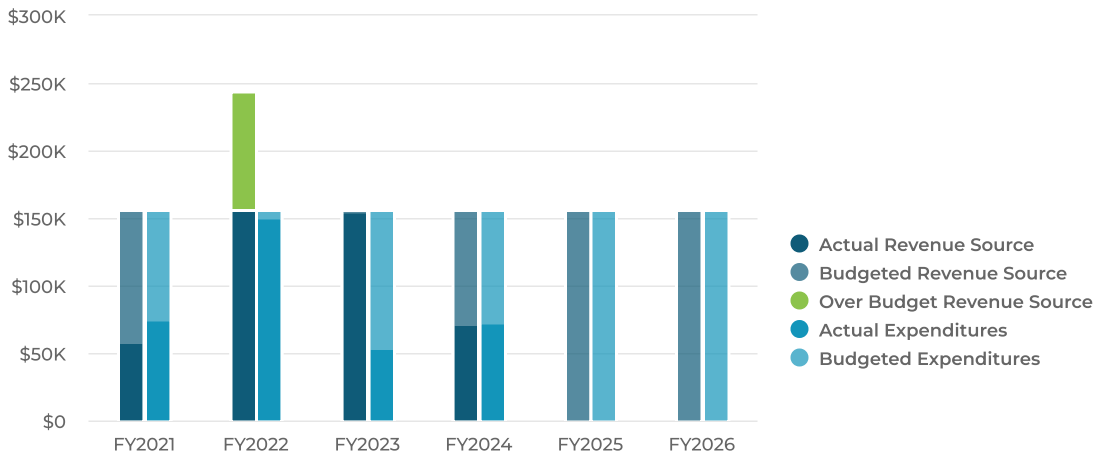


Drug Fund

Accounts for revenue received from fines and property confiscated from individuals involved in illegal drug activities and grant funds. These funds are earmarked for drug enforcement activities in compliance with state laws and regulations.

Summary

City of Kingsport is projecting $157.1K of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $157.1K in FY2026.



REVENUES:

Drug fines/forfeitures are derived from the enforcement of anti-drug laws. **Contribution revenues** come from private citizens and corporations. **Judicial district drug funds** are derived from grants to participating agencies. **Funding from the State of Tennessee** is not considered to be an annual revenue source.

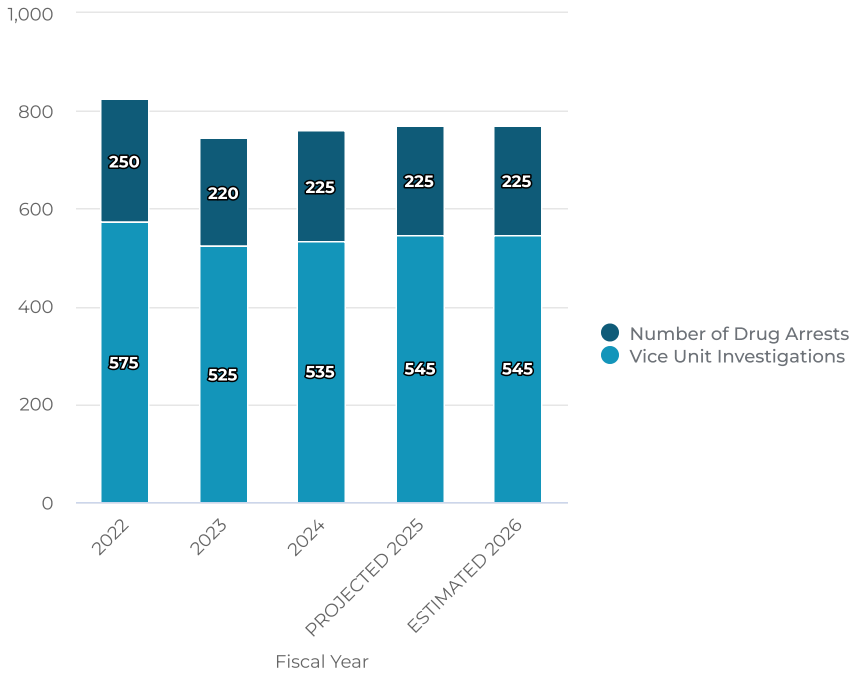
EXPENDITURES:

The majority of funding is used to assist the police department in conducting drug investigations. There are no personnel allocated to this fund.

Drug Fund Comprehensive Summary

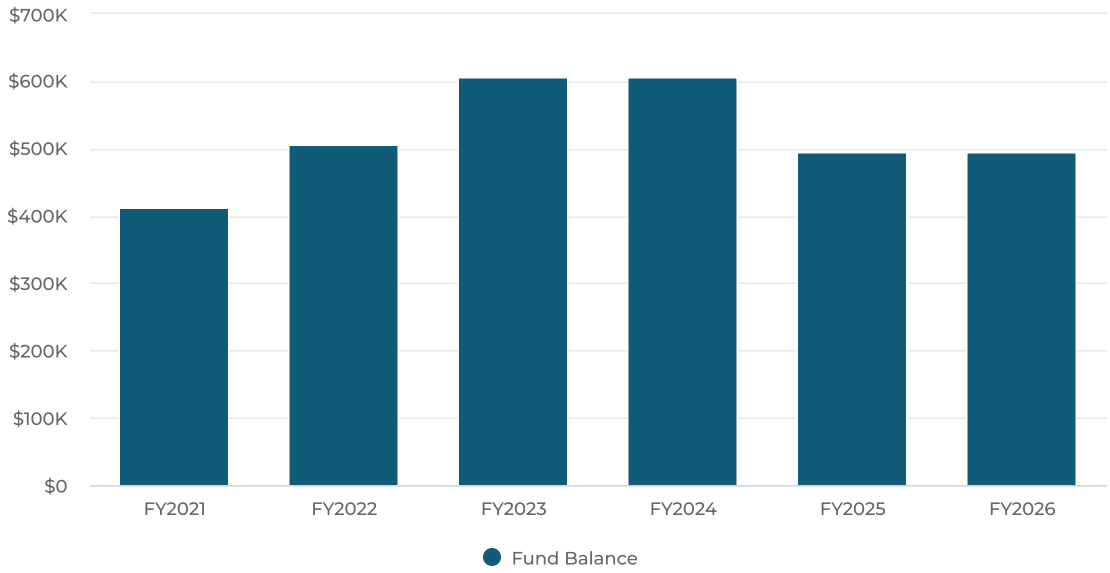
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$505,729**	**$607,237**	**$605,743**	**$494,676**
Revenues				
INTERGOVERNMENTAL REVENUE	$5,906	$5,369	$5,000	$5,000
FINES & COSTS	$149,191	$66,948	$152,100	$152,100
OTHER REVENUES	$250			$0
Total Revenues:	**$155,347**	**$72,317**	**$157,100**	**$157,100**
Expenditures				
PERSONNEL SERVICES	$0	$0	$10,000	$10,000
CONTRACTUAL SERVICES	$10,400	$9,930	$14,600	$14,600
COMMODITIES	$17,476	$28,775	$37,500	$37,500
OTHER EXPENSES	$20,000	$12,000	$45,000	$45,000
TRANSFERS	$0	-$2,894	$0	$0
CAPITAL OUTLAY	$6,500	$26,000	$50,000	$50,000
Total Expenditures:	**$54,376**	**$73,810**	**$157,100**	**$157,100**
Total Revenues Less Expenditures:	**$100,971**	**-$1,494**	**$0**	**$0**
Ending Fund Balance:	**$606,700**	**$605,743**	**$605,743**	**$494,676**

Performance Indicators



Fund Balance

Projections



State Street Aid Fund

Accounts for shared revenues derived from state gasoline taxes.

MISSION

Serving our Community, Building for the Future by providing a safe and well-maintained transportation system.

BUDGET INFORMATION

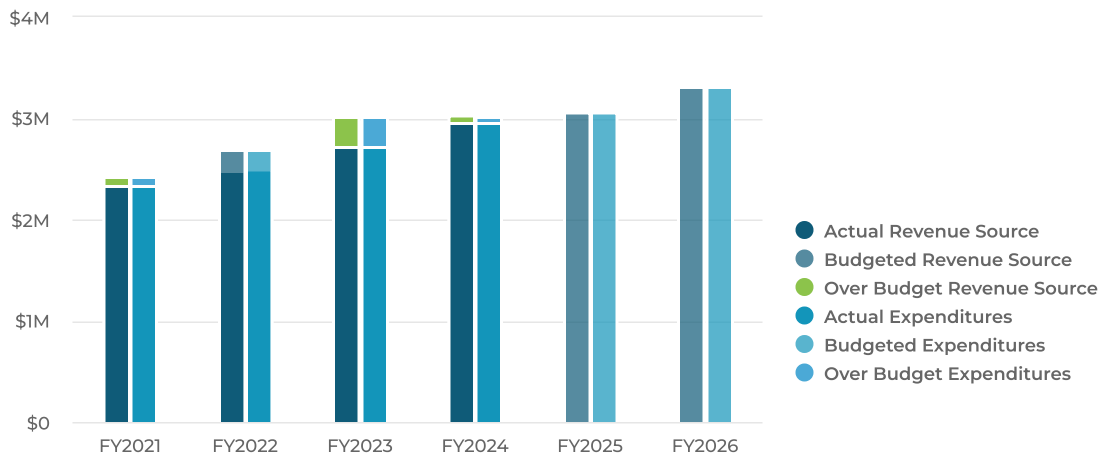
Almost 70% of the State Street Aid Fund provides for street lighting and traffic signals. The balance provides for street resurfacing, traffic engineering supplies, street maintenance supplies, etc. Since state funding is not sufficient to provide these services, a significant contribution from the City's General Fund is required on an annual basis.

MAJOR REVENUES

State of Tennessee revenues are provided to the City from the state gasoline tax. Revenue growth has been small on an annual basis. State shared taxes do not appear threatened this fiscal year.

Summary

City of Kingsport is projecting $3.33M of revenue in FY2026, which represents a 8.5% increase over the prior year. Budgeted expenditures are projected to increase by 8.5% or $259.2K to $3.33M in FY2026.



State Street Aid Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$11,543**	**$11,543**	**$22,767**	**$22,825**
Revenues				
INTERGOVERNMENTAL REVENUE	$1,926,024	$1,949,224	$1,940,450	$2,030,200
TRANSFERS	$1,091,303	$1,088,974	$1,126,250	$1,295,700
Total Revenues:	**$3,017,327**	**$3,038,198**	**$3,066,700**	**$3,325,900**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
CONTRACTUAL SERVICES	$2,328,777	$2,269,932	$2,420,000	$2,470,000
COMMODITIES	$557,992	$637,376	$616,700	$640,900
OTHER EXPENSES	$44,938	$55,303	$30,000	$215,000
CAPITAL OUTLAY	$85,621	$64,364	$0	$0
Total Expenditures:	**$3,017,327**	**$3,026,974**	**$3,066,700**	**$3,325,900**
Total Revenues Less Expenditures:	**$0**	**$11,224**	**$0**	**$0**
Ending Fund Balance:	**$11,543**	**$22,767**	**$22,767**	**$22,825**

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the city.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meets the current and future needs of our customers.

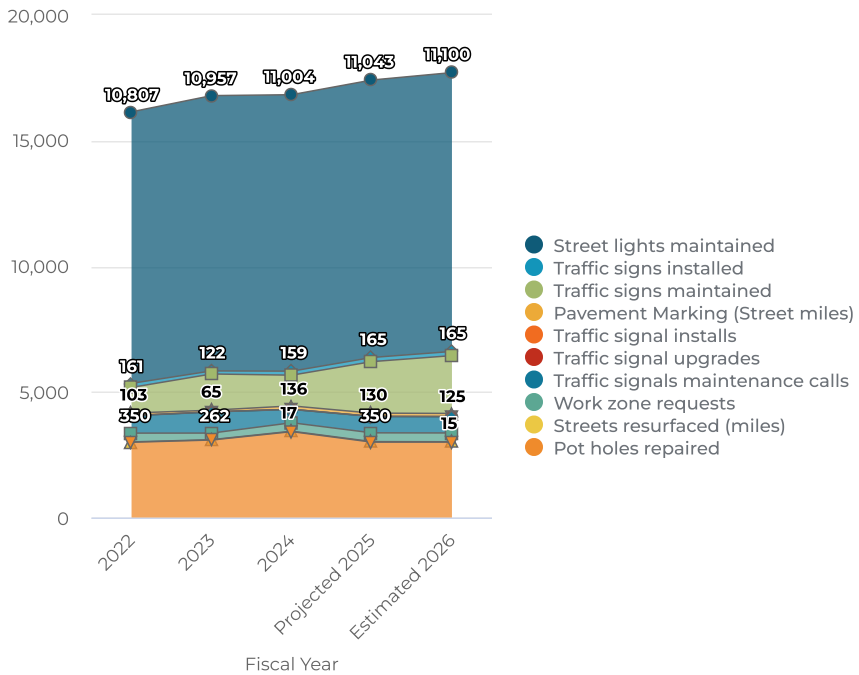
STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality…also including development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

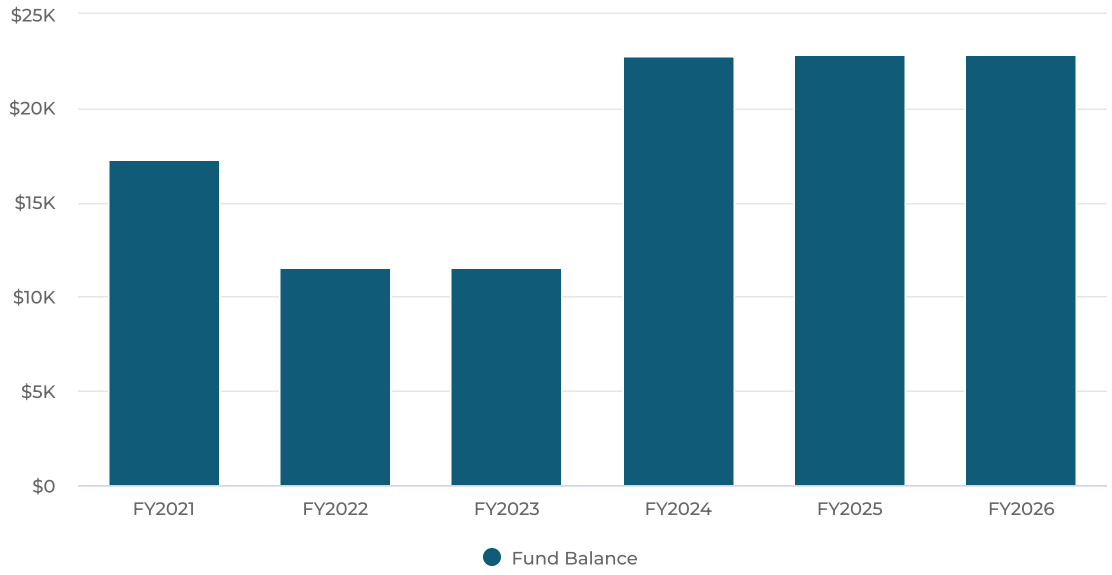
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Performance Indicators



Fund Balance

Projections

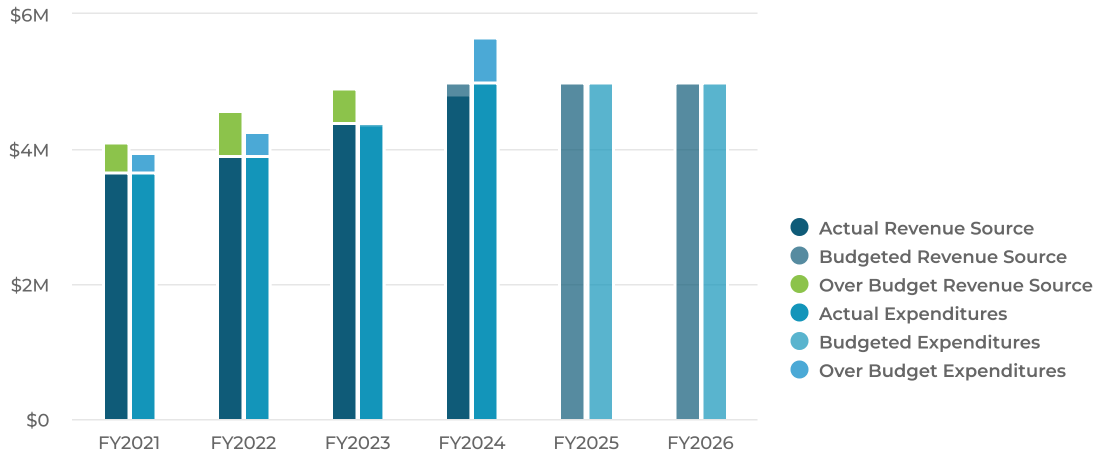


Regional Sales Tax Fund

Accounts for the proceeds from a $0.0025 local sales tax previously approved by local referendum. These funds are earmarked for the retirement of debt issued to fund construction of the Meadowview Conference Resort and Convention Center and to support the operations of the facility.

Summary

City of Kingsport is projecting $5M of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $5M in FY2026.



MISSION

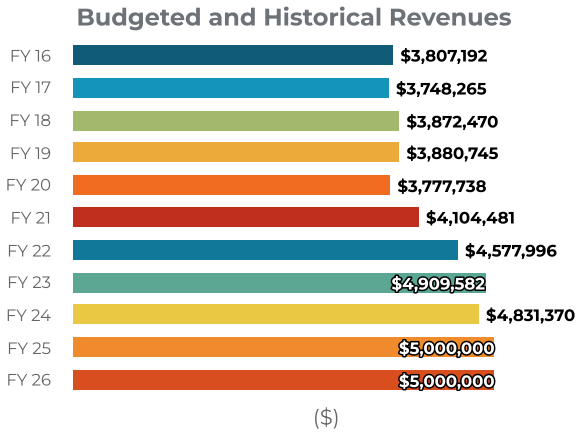
To provide for the financing of the debt, annual operating expenses and long term maintenance needs of the MeadowView Convention and Conference Center.

Regional Sales Tax Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$884,788**	**$1,413,946**	**$575,259**	**$519,937**
Revenues				
TAXES				
CONFERENCE CENTER / CONFERENCE CENTER	$4,892,083	$4,809,227	$5,000,000	$5,000,000
Total TAXES:	**$4,892,083**	**$4,809,227**	**$5,000,000**	**$5,000,000**
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$17,480	$20,766	$0	$0
INT LGIP / INT LGIP	$20	$1,377	$0	$0
Total OTHER REVENUES:	**$17,499**	**$22,143**	**$0**	**$0**
Total Revenues:	**$4,909,582**	**$4,831,369**	**$5,000,000**	**$5,000,000**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
TRANSFERS				
TRANSFERS / TO MEADOWVIEW FUND	$2,413,355	$2,627,327	$2,250,000	$2,250,000
TRANSFERS / TO CATTAILS @ MEADOWVIEW	$149,344	$626,347	$250,000	$250,000
TRANSFERS / AQUATIC CENTER FUND	$1,817,725	$2,416,383	$2,500,000	$2,500,000
Total TRANSFERS:	**$4,380,424**	**$5,670,057**	**$5,000,000**	**$5,000,000**
Total Expenditures:	**$4,380,424**	**$5,670,057**	**$5,000,000**	**$5,000,000**
Total Revenues Less Expenditures:	**$529,158**	**-$838,688**	**$0**	**$0**
Ending Fund Balance:	**$1,413,946**	**$575,258**	**$575,259**	**$519,937**

Regional Sales Tax Revenues



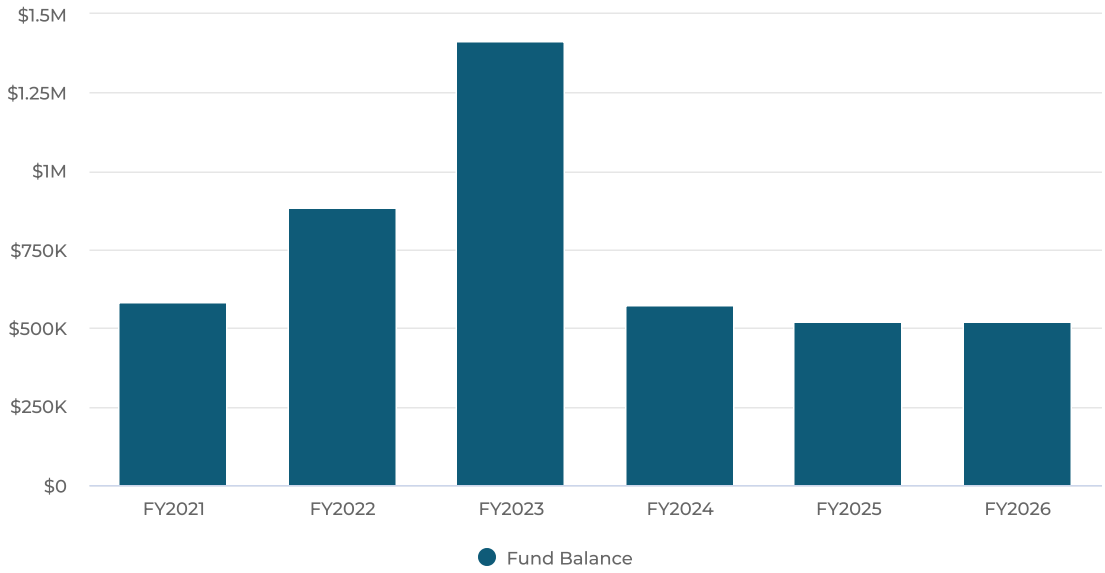
- **LOCAL OPTION SALES TAX** -- .0025 cent tax approved by the voters, provides funding for the Meadowview Convention and Conference Center (MVCC) and was first collected in September 1993. Its revenue stream is dependent on the economy. This income stream has been steadily growing, except for FY99. The charts and graphs in this section describe the activities of the fund. The early years of budgeting were significantly off target for revenues received; however, that is reflective of the policy that only budgeted for debt service for the Conference Center. Beginning in FY01, General Fund allocations to the Conference Center and Golf Course were reduced and ultimately eliminated in favor of the Regional Sales Tax funding for these expenses.

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	*FY25	*FY26
REVENUES	$3,807	$3,748	$3,833	$3,818	$3,839	$4,104	$4,578	$4,909	$4,831	$5,000	$5,000

**Budgeted Regional Sales Tax Revenues; Revenue Amounts in 000s*

Fund Balance

Projections

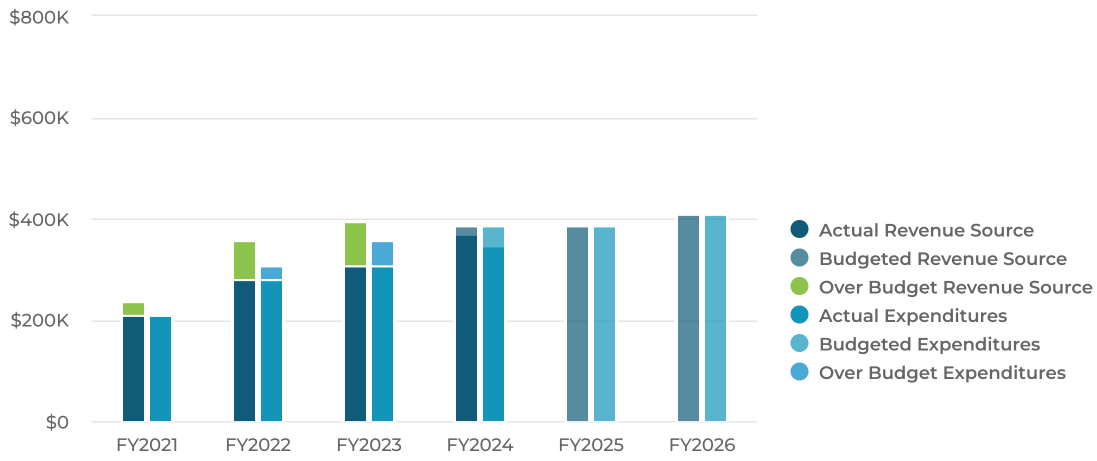


Visitors Enhancement Fund

Accounts for twenty-five percent of the revenues from the hotel/motel tax to support tourism.

Summary

City of Kingsport is projecting $583.3K of revenue in FY2026, which represents a 6.1% increase over the prior year. Budgeted expenditures are projected to increase by 6.1% or $33.3K to $583.3K in FY2026.

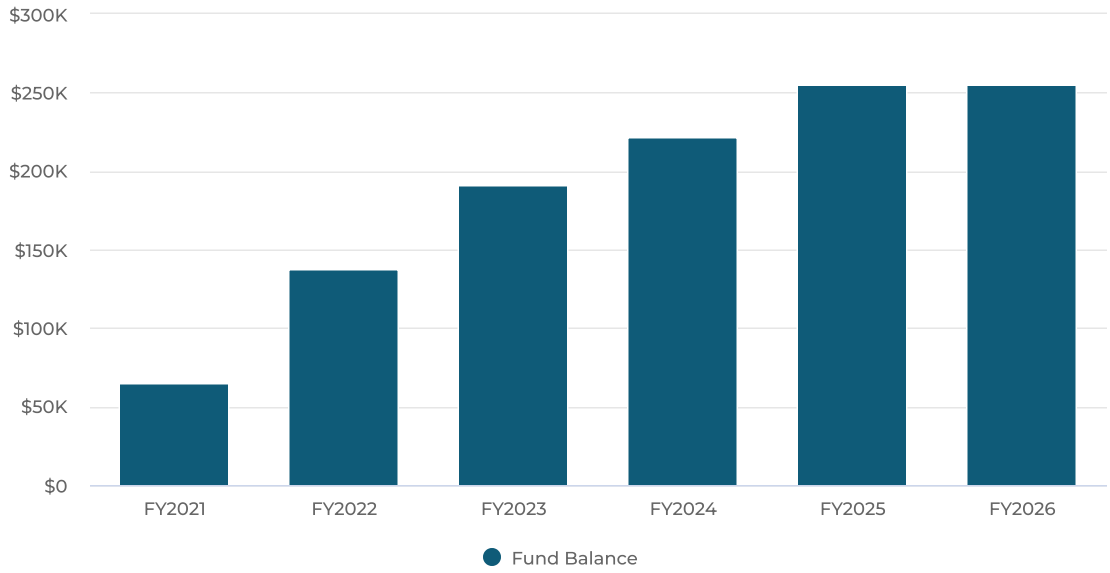


Visitors Enhancement Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$137,296**	**$191,191**	**$221,773**	**$255,275**
Revenues				
TAXES	$562,443	$526,873	$550,000	$583,300
Total Revenues:	**$562,443**	**$526,873**	**$550,000**	**$583,300**
Expenditures				
CONTRACTUAL SERVICES	$208,159	$45,000	$0	$0
COMMODITIES	$0	$3,050	$0	$0
TRANSFERS	$285,240	$323,241	$0	$0
SUBSIDIES & CONTRIBUTION	$15,150	$125,000	$295,000	$295,000
CAPITAL OUTLAY	$0	$0	$255,000	$288,300
Total Expenditures:	**$508,549**	**$496,291**	**$550,000**	**$583,300**
Total Revenues Less Expenditures:	**$53,894**	**$30,582**	**$0**	**$0**
Ending Fund Balance:	**$191,190**	**$221,773**	**$221,773**	**$255,275**

Fund Balance

Projections

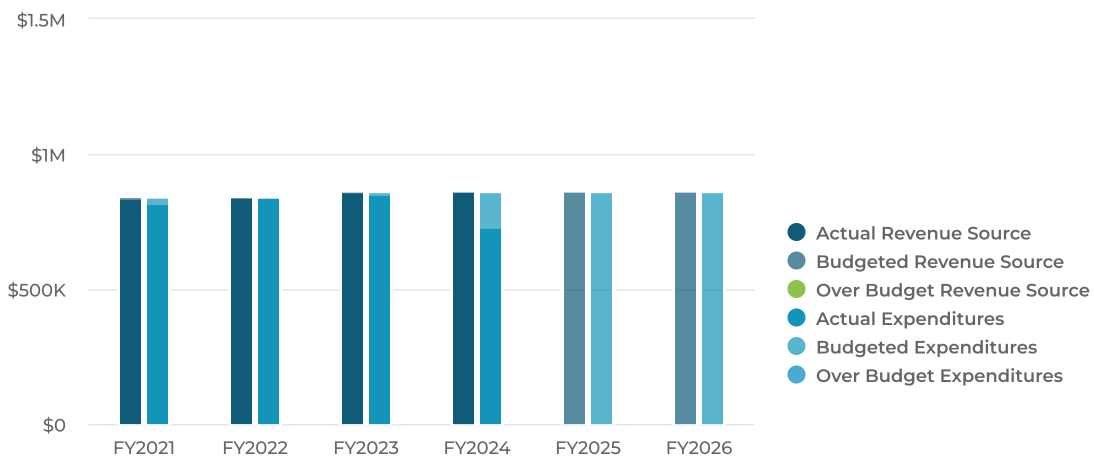


Library Governing Board

Accounts for the administration and operations of the Kingsport Public Library and the Library archives. Due to new state laws regarding board governance, accounting for the library has moved from the General Fund to its own Special Revenue fund to better account for Maintenance of Effort.

Summary

City of Kingsport is projecting $1.41M of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $1.41M in FY2026.



Kingsport Public Library

Library Governing Board Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$65,717**	**$79,207**	**$292,636**	**$510,072**
Revenues				
INTERGOVERNMENTAL REVENUE	$15,000	$15,000	$15,000	$15,000
CHARGES FOR SERVICES	$8,329	$9,355	$8,700	$8,700
FINES & COSTS	$10,694	$9,436	$9,700	$9,700
OTHER REVENUES	-$3,319	$436	$0	$0
TRANSFERS	$1,375,000	$1,375,000	$1,375,000	$1,375,000
Total Revenues:	**$1,405,704**	**$1,409,228**	**$1,408,400**	**$1,408,400**
Expenditures				
PERSONNEL SERVICES	$1,072,997	$958,076	$1,292,200	$1,262,600
CONTRACTUAL SERVICES	$301,037	$213,943	$86,300	$115,900
COMMODITIES	$14,523	$20,103	$26,200	$26,200
OTHER EXPENSES	$3,649	$3,677	$3,700	$3,700
Total Expenditures:	**$1,392,206**	**$1,195,798**	**$1,408,400**	**$1,408,400**
Total Revenues Less Expenditures:	**$13,499**	**$213,430**	**$0**	**$0**
Ending Fund Balance:	**$79,216**	**$292,637**	**$292,636**	**$510,072**

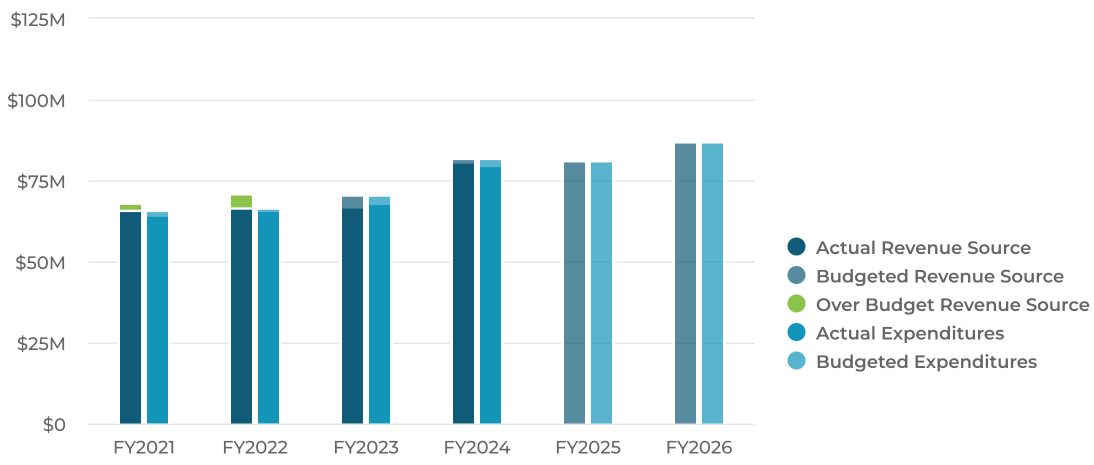
Public School Funds

MISSION

The mission of Kingsport City Schools is to provide a student-focused and world-class education that ensures college and career readiness for all students.

Summary

City of Kingsport is projecting $110.64M of revenue in FY2026, which represents a 7.0% increase over the prior year. Budgeted expenditures are projected to increase by 7.0% or $7.25M to $110.64M in FY2026.



Public School Funds include the following funds:

- **General Purpose School Fund -141** – accounts for administration, instructional, operational and capital costs of the City-operated schools, except for the food service program and specific academic programs.
- **School Public Law 93-380 Fund – 142** – accounts for federal grants used for instruction and other educational purposes.
- **Special School Projects Fund - 145** – accounts for federal and state grants used for instruction and other educational purposes.
- **School Food and Nutrition Services - 147** – accounts for the administration, operations and capital costs of providing food services to students and faculty.

Kingsport City Schools

Pre-K:
Palmer Early Learning Center

Elementary Schools:
John Adams Elementary School
Andrew Jackson Elementary School
Thomas Jefferson Elementary School
Andrew Johnson Elementary School
John F. Kennedy Elementary School
Abraham Lincoln Elementary School
Theodore Roosevelt Elementary School
George Washington Elementary School

Middle Schools:
Ross N. Robinson Middle School
John Sevier Middle School

High School:
Dobyns-Bennett High School
D-B EXCEL Program

Alternative School:
Cora Cox Academy

Strategic Performance

- Plan, teach, assess, and evaluate to inform instructional practices through the use of the 4 critical questions.
- Incorporate problem-solving and innovation in teaching and learning.
- Guide teaching and learning using internationally benchmarked standards.
- Seek to understand and engage our families and community.
- Recruit, retain, and develop highly competent educators.
- Build leadership capacity within our educational community.
- Offer a rigorous, comprehensive, engaging, and vertically-aligned curriculum.
- Engage students in learning through the use of transformative tools and innovative practices.
- Actively engage and serve our families and community.
- Promote and support exemplary leadership through career progression and succession planning.
- Provide personalized professional learning opportunities for all employees.
- Promote collaboration through the utilization of professional learning communities.
- Support and sustain the organization with a performance improvement system.

Kingsport City Schools™
Inspire. Cultivate. Impact.

Public School Funds Comprehensive Summary

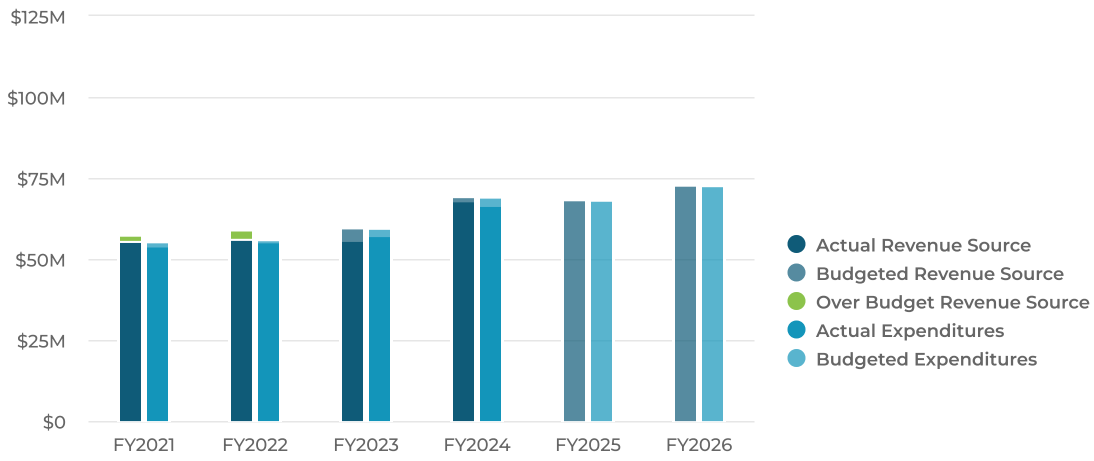
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$21,298,440**	**$17,801,039**	**$19,090,142**	**$19,090,142**
Revenues				
INTERGOVERNMENTAL REVENUE	$68,111,719	$83,239,703	$83,319,100	$88,082,400
CHARGES FOR SERVICES	$2,721,355	$2,880,817	$2,989,700	$2,059,400
OTHER REVENUES	$817,319	$1,627,875	$960,000	$1,059,200
TRANSFERS	$13,577,376	$15,018,758	$16,113,450	$19,435,100
Total Revenues:	**$85,227,768**	**$102,767,153**	**$103,382,250**	**$110,636,100**
Expenditures				
UNASSIGNED				
INSTRUCTION	$41,382,309	$52,354,321	$55,315,300	$62,189,424
SUPPORT SERVICES	$26,988,089	$32,513,921	$35,630,000	$35,229,056
NON-INSTRUCTIONAL SERVICE	$5,092,503	$6,597,294	$6,425,750	$7,209,350
CAPITAL OUTLAY	$479,927	$852,275	$907,000	$907,270
DEBT SERVICE	$3,850,442	$4,511,935	$4,971,200	$4,971,000
OTHER USES	$8,925,503	$4,639,689	$130,000	$130,000
Total UNASSIGNED:	**$86,718,773**	**$101,469,436**	**$103,379,250**	**$110,636,100**
COMMODITIES				
SUPPORT SERVICES		$0	$3,000	$0
NON-INSTRUCTIONAL SERVICE		$8,618	$0	$0
Total COMMODITIES:		**$8,618**	**$3,000**	**$0**
Total Expenditures:	**$86,718,773**	**$101,478,053**	**$103,382,250**	**$110,636,100**
Total Revenues Less Expenditures:	**-$1,491,005**	**$1,289,100**	**$0**	**$0**
Ending Fund Balance:	**$19,807,435**	**$19,090,139**	**$19,090,142**	**$19,090,142**

General Purpose School Fund

Accounts for administration, instructional, operational and capital costs of the City-operated schools, except for the food service program and specific academic programs.

Summary

City of Kingsport is projecting $105M of revenue in FY2026, which represents a 6.6% increase over the prior year. Budgeted expenditures are projected to increase by 6.6% or $6.47M to $105M in FY2026.

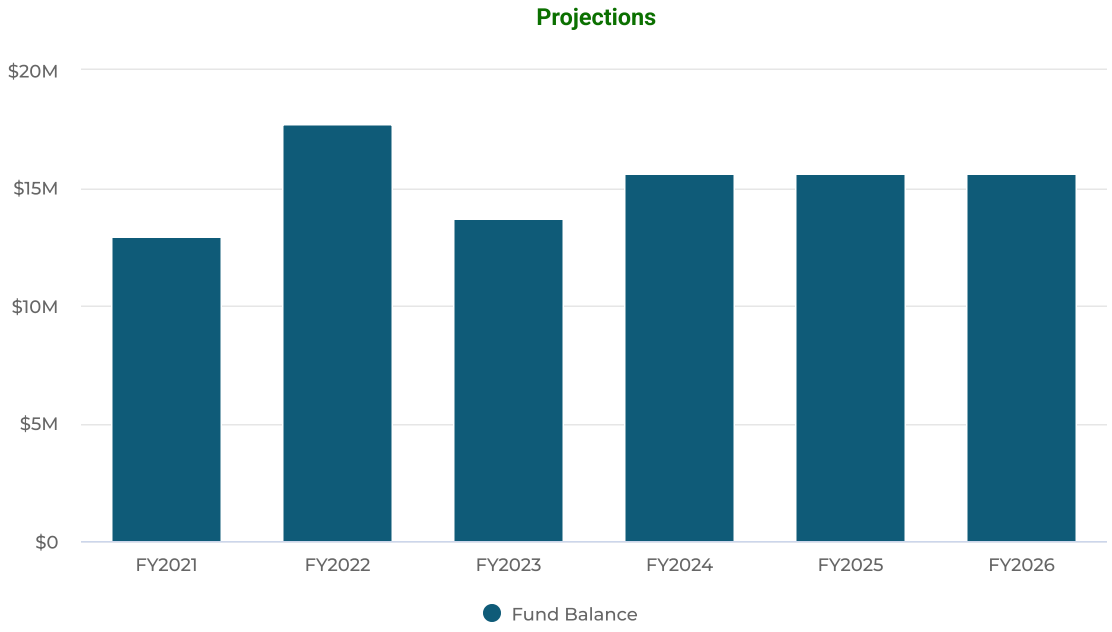


General Purpose School Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$17,707,179**	**$13,663,087**	**$15,573,280**	**$15,573,280**
Revenues				
INTERGOVERNMENTAL REVENUE	$64,768,314	$79,856,802	$79,974,100	$83,769,700
CHARGES FOR SERVICES	$1,618,311	$1,711,472	$1,849,700	$1,522,500
OTHER REVENUES	$764,372	$1,610,952	$945,000	$945,000
TRANSFERS	$13,577,376	$15,018,758	$15,763,450	$18,765,100
Total Revenues:	**$80,728,372**	**$98,197,983**	**$98,532,250**	**$105,002,300**
Expenditures				
UNASSIGNED				
INSTRUCTION	$41,382,309	$52,354,321	$55,315,300	$62,189,424
SUPPORT SERVICES	$26,988,089	$32,513,921	$35,630,000	$35,229,056
NON-INSTRUCTIONAL SERVICE	$1,282,374	$1,415,651	$1,575,750	$1,575,550
CAPITAL OUTLAY	$479,927	$852,275	$907,000	$907,270
DEBT SERVICE	$3,850,442	$4,511,935	$4,971,200	$4,971,000
OTHER USES	$8,925,503	$4,639,689	$130,000	$130,000

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total UNASSIGNED:	**$82,908,645**	**$96,287,793**	**$98,529,250**	**$105,002,300**
COMMODITIES				
SUPPORT SERVICES		$0	$3,000	$0
Total COMMODITIES:		**$0**	**$3,000**	**$0**
Total Expenditures:	**$82,908,645**	**$96,287,793**	**$98,532,250**	**$105,002,300**
Total Revenues Less Expenditures:	**-$2,180,273**	**$1,910,191**	**$0**	**$0**
Ending Fund Balance:	**$15,526,906**	**$15,573,278**	**$15,573,280**	**$15,573,280**

Fund Balance

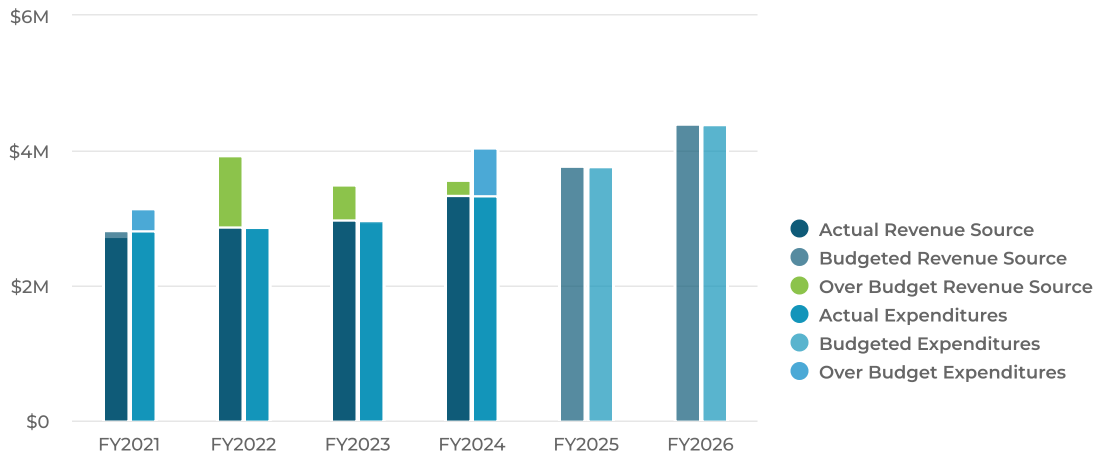


School Nutrition Fund

Accounts for the administration, operations and capital costs of providing food services to students and faculty.

Summary

City of Kingsport is projecting $5.63M of revenue in FY2026, which represents a 16.2% increase over the prior year. Budgeted expenditures are projected to increase by 16.2% or $783.8K to $5.63M in FY2026.



School Nutrition Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$3,591,261**	**$4,137,952**	**$3,516,862**	**$3,516,862**
Revenues				
INTERGOVERNMENTAL REVENUE	$3,343,405	$3,382,901	$3,345,000	$4,312,700
CHARGES FOR SERVICES	$1,103,045	$1,169,345	$1,140,000	$536,900
OTHER REVENUES	$52,947	$16,923	$15,000	$114,200
TRANSFERS		$0	$350,000	$670,000
Total Revenues:	**$4,499,397**	**$4,569,170**	**$4,850,000**	**$5,633,800**
Expenditures				
UNASSIGNED				
NON-INSTRUCTIONAL SERVICE	$3,810,128	$5,181,643	$4,850,000	$5,633,800
Total UNASSIGNED:	**$3,810,128**	**$5,181,643**	**$4,850,000**	**$5,633,800**
COMMODITIES				
NON-INSTRUCTIONAL SERVICE		$8,618	$0	$0
Total COMMODITIES:		**$8,618**	**$0**	**$0**
Total Expenditures:	**$3,810,128**	**$5,190,261**	**$4,850,000**	**$5,633,800**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total Revenues Less Expenditures:	$689,268	-$621,090	$0	$0
Ending Fund Balance:	$4,280,529	$3,516,862	$3,516,862	$3,516,862

Fund Balance

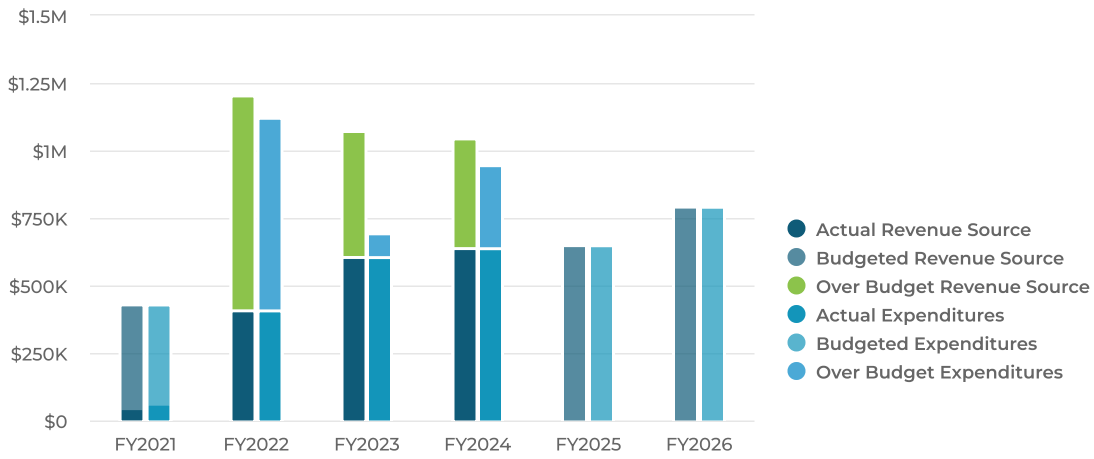
Projections

Trust & Agency Funds

Trust & Agency funds are used to account for assets held by the city in a trustee capacity.

Summary

City of Kingsport is projecting $806K of revenue in FY2026, which represents a 22.3% increase over the prior year. Budgeted expenditures are projected to increase by 22.3% or $146.79K to $806K in FY2026.



Trust & Agency Funds include the following funds:

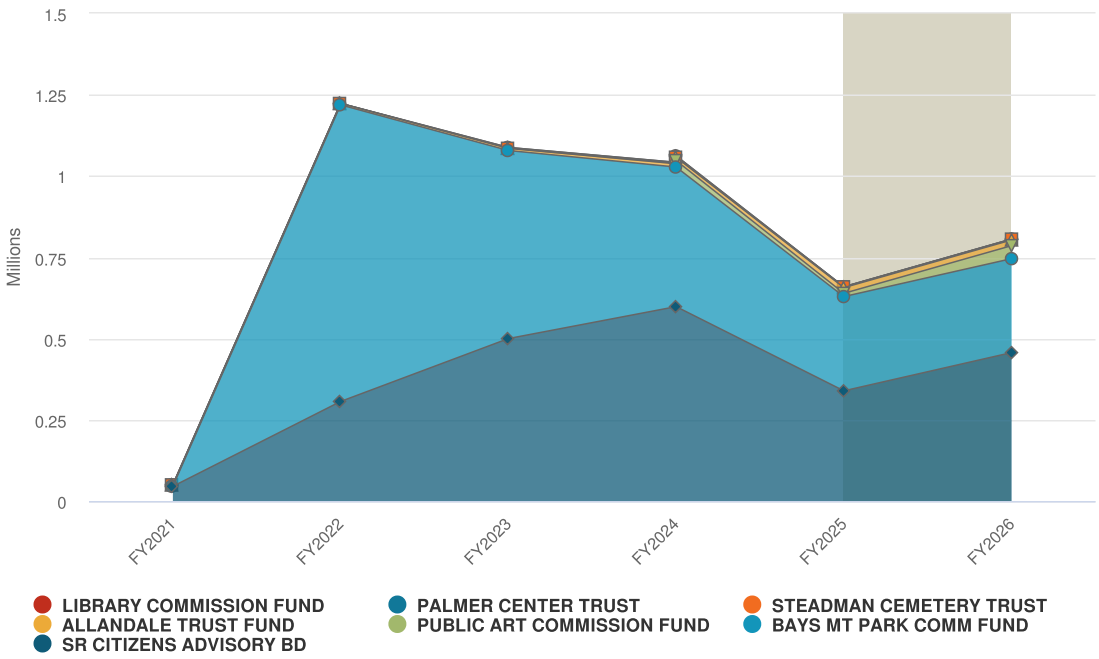
- **Allandale Fund** – Accounts for nonexpendable assets left to the City by the late Harvey Brooks, consisting of his home and other tangible and intangible assets. The Fund's earnings are used for the maintenance and operation of the estate. *This is a non-expendable trust with only investment earnings allowed for expenditure for maintenance.*
- **Bays Mountain Commission Fund** – Accounts for contributions from individuals, civic groups and private corporations for the support and continued development of Bays Mountain Park.
- **Palmer Center Trust Fund** – Accounts for a contribution from the heirs of the late Mary L. Robinson estate, earmarked for the support of educational and other services provided to the physically challenged children by the Palmer Center. *The Palmer Center Trust has seen no activity for years. Disbursements are made at the discretion of the Board of Education.*
- **Public Art Commission Fund** – Accounts for contributions from individuals, civic groups and private corporations for the support and continued development of Cultural Arts.
- **Public Library Commission Fund** – Accounts for contributions from patrons, civic organizations, private corporations and other supporters of the Public Library.
- **Senior Citizens Advisory Board Fund** – Accounts for revenues earned from various programs and events conducted by participating senior citizens and contributions from individuals, civic groups and private corporations.
- **Steadman Cemetery Trust Fund** – accounts for a contribution from the heirs of Bonnie M. Steadman to provide for the maintenance of the Steadman family cemetery. *This is the old Shipley Cemetery, located on Mountclair Drive.*

Trust & Agency Funds Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$805,792**	**$1,177,737**	**$1,291,500**	**$1,291,670**
Revenues				
CHARGES FOR SERVICES	$682,117	$748,194	$562,200	$661,300
OTHER REVENUES	$405,869	$313,851	$81,510	$129,200
TRANSFERS	$0	$0	$15,500	$15,500
Total Revenues:	**$1,087,986**	**$1,062,045**	**$659,210**	**$806,000**
Expenditures				
CONTRACTUAL SERVICES	$314,234	$675,873	$365,510	$479,800
COMMODITIES	$139,971	$158,330	$243,000	$275,500
OTHER EXPENSES	$239	$0	$300	$300
TRANSFERS	$250,000	$116,492	$0	$0
CAPITAL OUTLAY	$0	$0	$48,400	$48,400
COST OF SALES	$0	$9,184	$2,000	$2,000
Total Expenditures:	**$704,443**	**$959,879**	**$659,210**	**$806,000**
Total Revenues Less Expenditures:	**$383,543**	**$102,166**	**$0**	**$0**
Ending Fund Balance:	**$1,189,335**	**$1,279,903**	**$1,291,500**	**$1,291,670**

Revenue by Fund

Budgeted and Historical 2026 Revenue by Fund

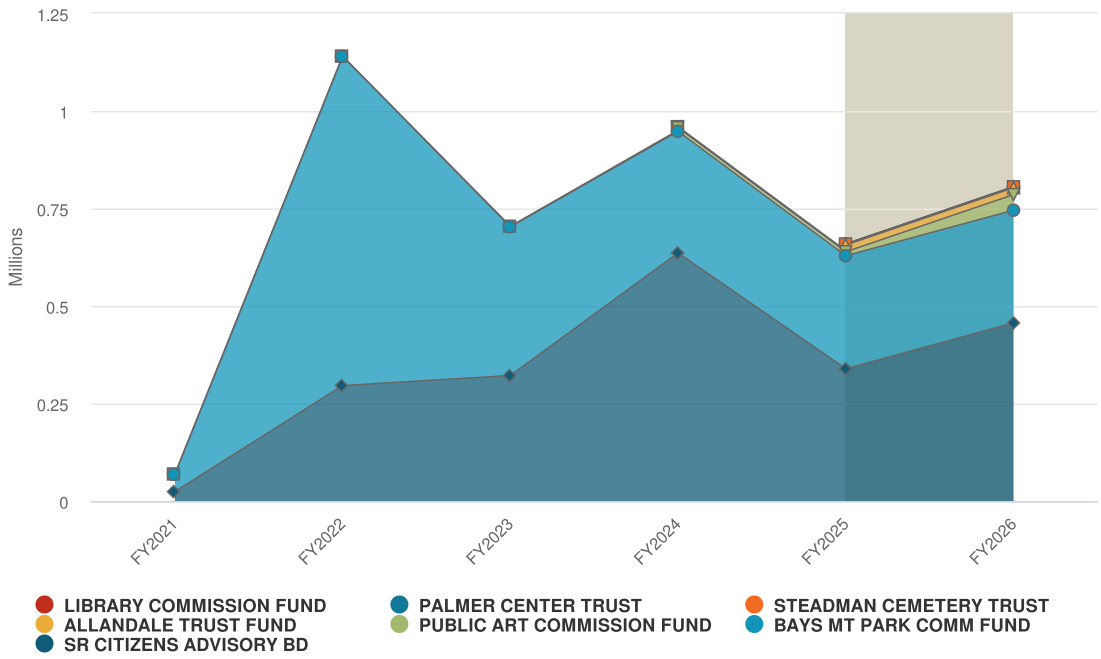


Grey background indicates budgeted figures.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
LIBRARY COMMISSION FUND	$164	$249	$10	$100
BAYS MT PARK COMM FUND	$578,700	$429,512	$290,000	$289,000
SR CITIZENS ADVISORY BD	$499,764	$598,084	$339,000	$456,700
PALMER CENTER TRUST	$2,615	$3,976	$100	$100
PUBLIC ART COMMISSION FUND	$0	$19,826	$10,000	$40,000
ALLANDALE TRUST FUND	$6,546	$10,154	$17,500	$17,500
STEADMAN CEMETERY TRUST	$196	$243	$2,600	$2,600
Total:	**$1,087,986**	**$1,062,045**	**$659,210**	**$806,000**

Expenditures by Fund

Budgeted and Historical 2026 Expenditures by Fund



Grey background indicates budgeted figures.

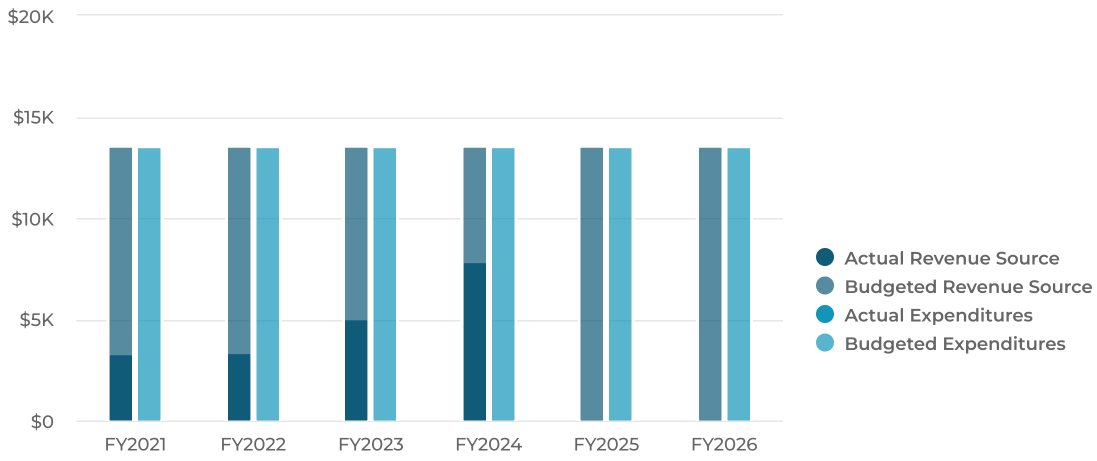
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
LIBRARY COMMISSION FUND	$0	$0	$10	$100
BAYS MT PARK COMM FUND	$381,387	$311,789	$290,000	$289,000
SR CITIZENS ADVISORY BD	$321,777	$636,138	$339,000	$456,700
PALMER CENTER TRUST	$0	$0	$100	$100
PUBLIC ART COMMISSION FUND	$0	$9,232	$10,000	$40,000
ALLANDALE TRUST FUND	$0	$0	$17,500	$17,500
STEADMAN CEMETERY TRUST	$1,280	$2,720	$2,600	$2,600
Total:	**$704,443**	**$959,879**	**$659,210**	**$806,000**

Allandale Trust Fund

Accounts for nonexpendable assets left to the City by the late Harvey Brooks, consisting of his home and other tangible and intangible assets. The Fund's earnings are used for the maintenance and operation of the estate.

Summary

City of Kingsport is projecting $17.5K of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $17.5K in FY2026.

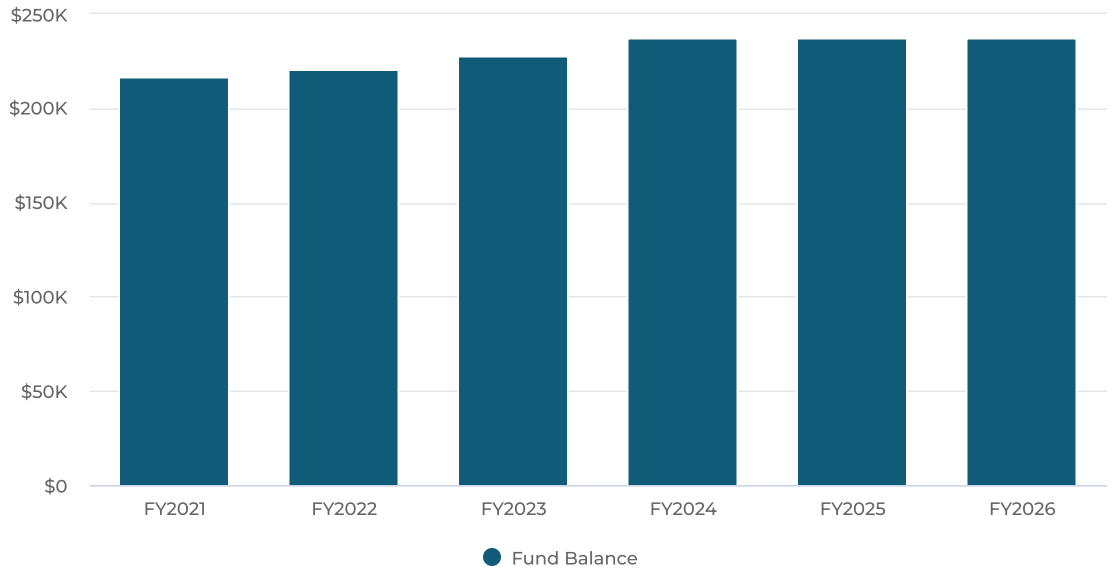


Allandale Trust Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$220,858**	**$227,405**	**$237,559**	**$237,559**
Revenues				
OTHER REVENUES	$6,546	$10,154	$4,500	$4,500
TRANSFERS	$0	$0	$13,000	$13,000
Total Revenues:	**$6,546**	**$10,154**	**$17,500**	**$17,500**
Expenditures				
CONTRACTUAL SERVICES	$0	$0	$3,000	$3,000
COMMODITIES	$0	$0	$7,500	$7,500
CAPITAL OUTLAY	$0	$0	$7,000	$7,000
Total Expenditures:	**$0**	**$0**	**$17,500**	**$17,500**
Total Revenues Less Expenditures:	**$6,546**	**$10,154**	**$0**	**$0**
Ending Fund Balance:	**$227,404**	**$237,559**	**$237,559**	**$237,559**

Fund Balance

Projections

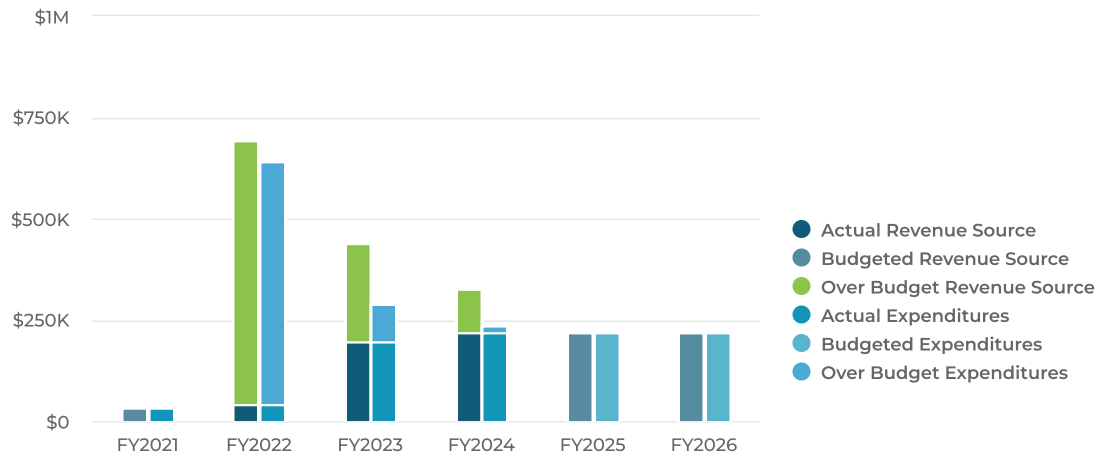


Bays Mountain Commission Fund

Accounts for contributions from individuals, civic groups and private corporations for the support and continued development of Bays Mountain Park.

Summary

City of Kingsport is projecting $289K of revenue in FY2026, which represents a 0.3% decrease over the prior year. Budgeted expenditures are projected to decrease by 0.3% or $1K to $289K in FY2026.

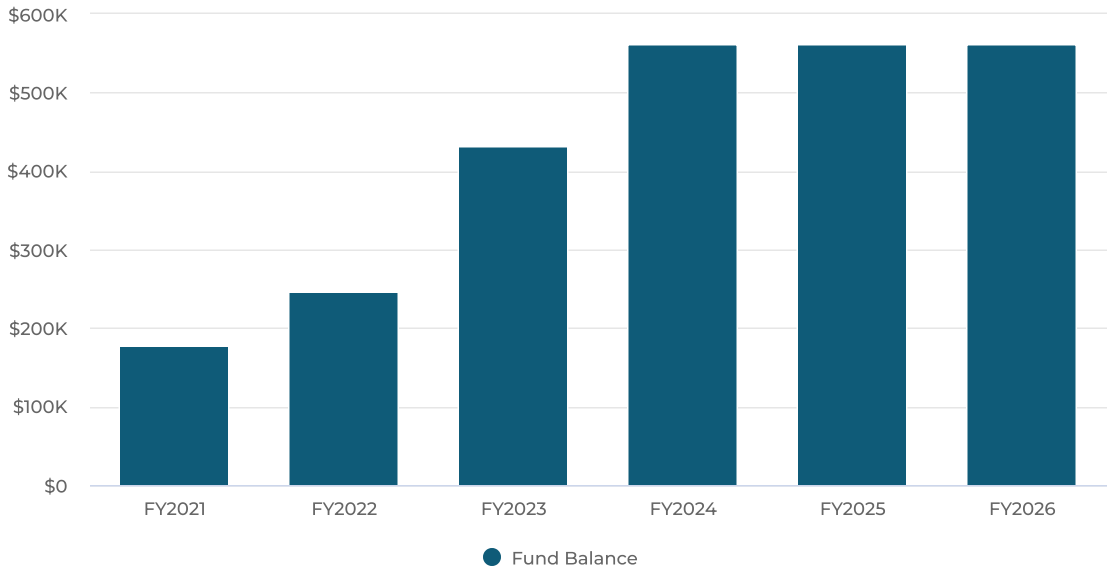


Bays Mountain Commission Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$246,826**	**$432,542**	**$561,863**	**$561,863**
Revenues				
CHARGES FOR SERVICES	$283,897	$278,152	$275,000	$266,700
OTHER REVENUES	$294,803	$151,360	$15,000	$22,300
Total Revenues:	**$578,700**	**$429,512**	**$290,000**	**$289,000**
Expenditures				
CONTRACTUAL SERVICES	$31,520	$69,031	$53,700	$53,700
COMMODITIES	$99,866	$126,266	$195,000	$194,000
TRANSFERS	$250,000	$116,492	$0	$0
CAPITAL OUTLAY	$0	$0	$41,300	$41,300
Total Expenditures:	**$381,387**	**$311,789**	**$290,000**	**$289,000**
Total Revenues Less Expenditures:	**$197,313**	**$117,723**	**$0**	**$0**
Ending Fund Balance:	**$444,139**	**$550,265**	**$561,863**	**$561,863**

Fund Balance

Projections



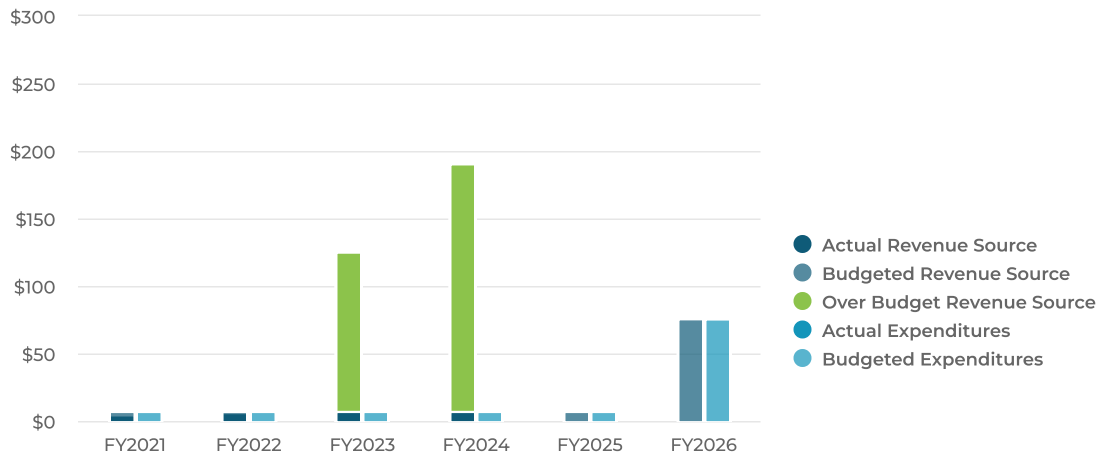
Financial Summary	FY2023
Fund Balance	—
Committed	$0
Nonspendable	$0
Total Fund Balance:	**$0**

Library Commission Fund

Accounts for contributions from patrons, civic organizations, private corporations and other supporters of the Public Library.

Summary

City of Kingsport is projecting $100 of revenue in FY2026, which represents a 900% increase over the prior year. Budgeted expenditures are projected to increase by 900% or $90 to $100 in FY2026.

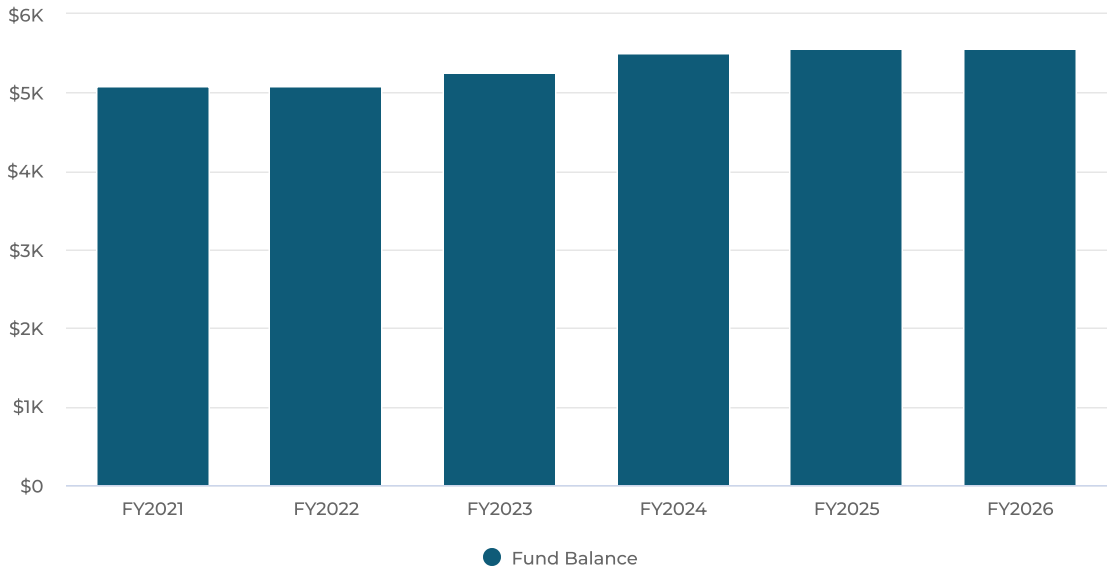


Public Library Commission Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$5,085**	**$5,249**	**$5,498**	**$5,568**
Revenues				
OTHER REVENUES	$164	$249	$10	$100
Total Revenues:	**$164**	**$249**	**$10**	**$100**
Expenditures				
CONTRACTUAL SERVICES	$0	$0	$10	$100
Total Expenditures:	**$0**	**$0**	**$10**	**$100**
Total Revenues Less Expenditures:	**$164**	**$249**	**$0**	**$0**
Ending Fund Balance:	**$5,249**	**$5,498**	**$5,498**	**$5,568**

Fund Balance

Projections

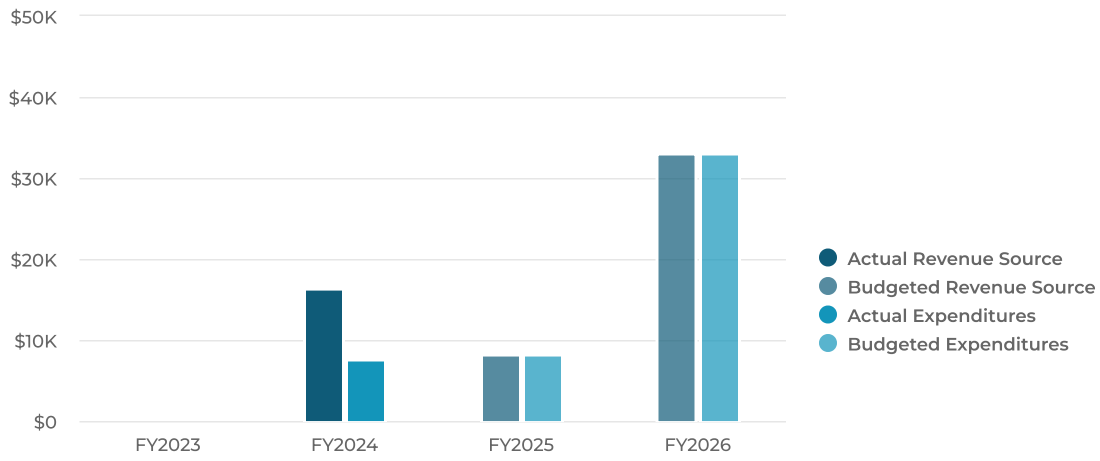


Public Art Commission Fund

Accounts for contributions from individuals, civic organizations and private corporations for the support and continued development of Cultural Arts in Kingsport.

Summary

City of Kingsport is projecting $40K of revenue in FY2026, which represents a 300% increase over the prior year. Budgeted expenditures are projected to increase by 300% or $30K to $40K in FY2026.

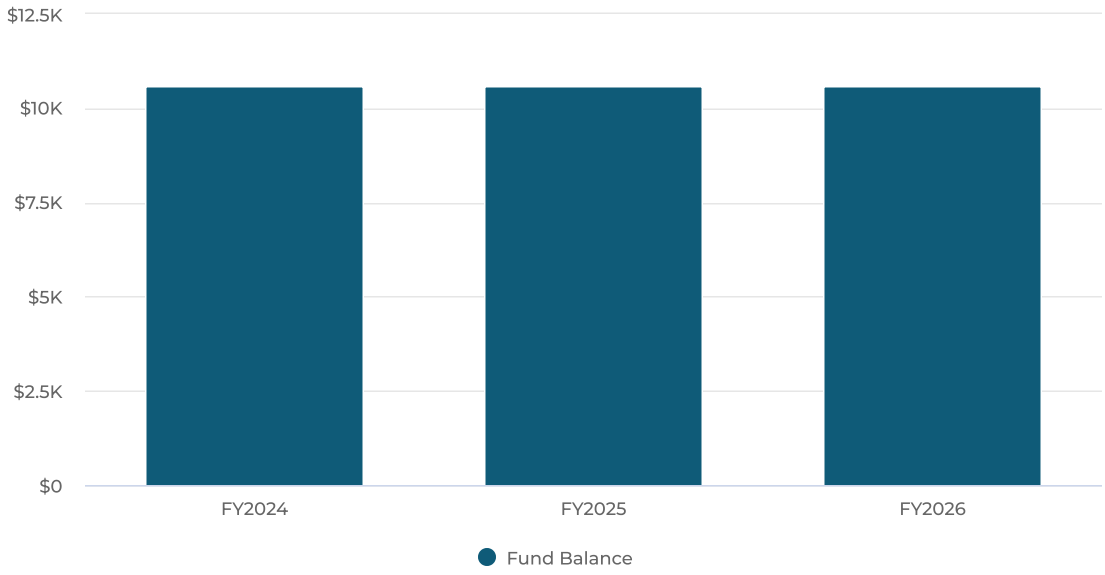


Public Art Commission Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**N/A**	**N/A**	**$10,594**	**$10,594**
Revenues				
CHARGES FOR SERVICES	$0	$5,349	$4,000	$40,000
OTHER REVENUES	$0	$14,477	$6,000	$0
Total Revenues:	**$0**	**$19,826**	**$10,000**	**$40,000**
Expenditures				
CONTRACTUAL SERVICES	$0	$0	$4,000	$4,000
COMMODITIES	$0	$48	$4,000	$34,000
COST OF SALES	$0	$9,184	$2,000	$2,000
Total Expenditures:	**$0**	**$9,232**	**$10,000**	**$40,000**
Total Revenues Less Expenditures:	**$0**	**$10,594**	**$0**	**$0**
Ending Fund Balance:	**N/A**	**N/A**	**$10,594**	**$10,594**

Fund Balance

Projections

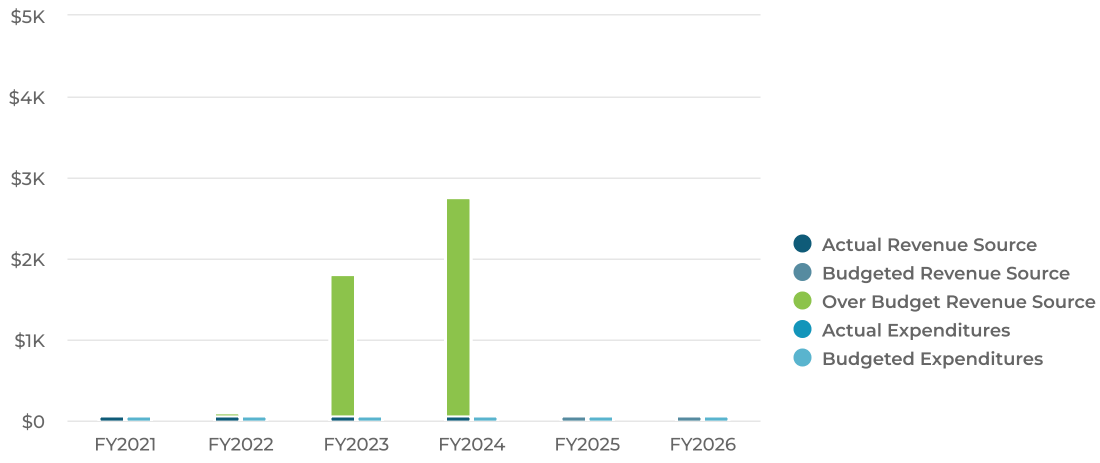


Palmer Center Trust Fund

Accounts for a contribution from the heirs of the late Mary L. Robinson estate, earmarked for the support of educational and other services provided to the physically challenged children by the Palmer Center.

Summary

City of Kingsport is projecting $100 of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $100 in FY2026.



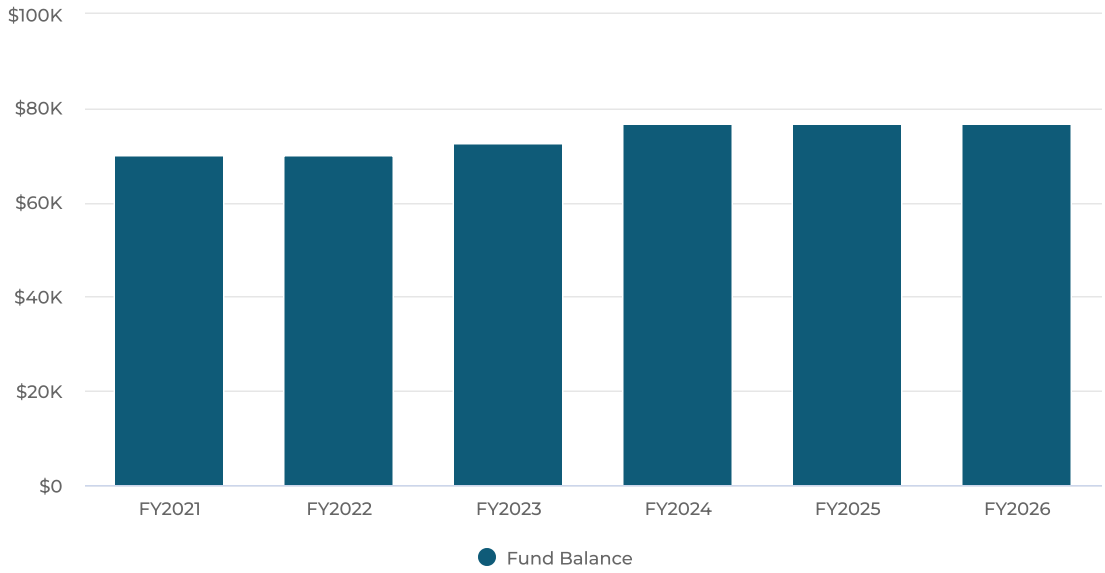
The Palmer Center Trust has seen no activity for years. Disbursements are made at the discretion of the Board of Education.

Palmer Center Trust Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$70,102**	**$72,717**	**$76,693**	**$76,793**
Revenues				
OTHER REVENUES	$2,615	$3,976	$100	$100
Total Revenues:	**$2,615**	**$3,976**	**$100**	**$100**
Expenditures				
CAPITAL OUTLAY	$0	$0	$100	$100
Total Expenditures:	**$0**	**$0**	**$100**	**$100**
Total Revenues Less Expenditures:	**$2,615**	**$3,976**	**$0**	**$0**
Ending Fund Balance:	**$72,717**	**$76,693**	**$76,693**	**$76,793**

Fund Balance

Projections

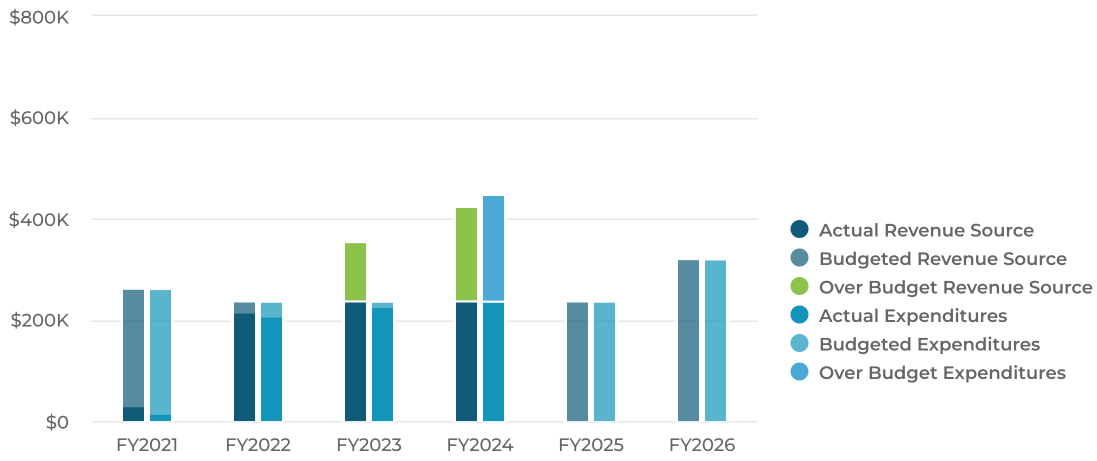


Senior Citizens Advisory Board Fund

Accounts for revenues earned from various programs and events conducted by participating senior citizens and contributions from individuals, civic groups and private corporations.

Summary

City of Kingsport is projecting $456.7K of revenue in FY2026, which represents a 34.7% increase over the prior year. Budgeted expenditures are projected to increase by 34.7% or $117.7K to $456.7K in FY2026.

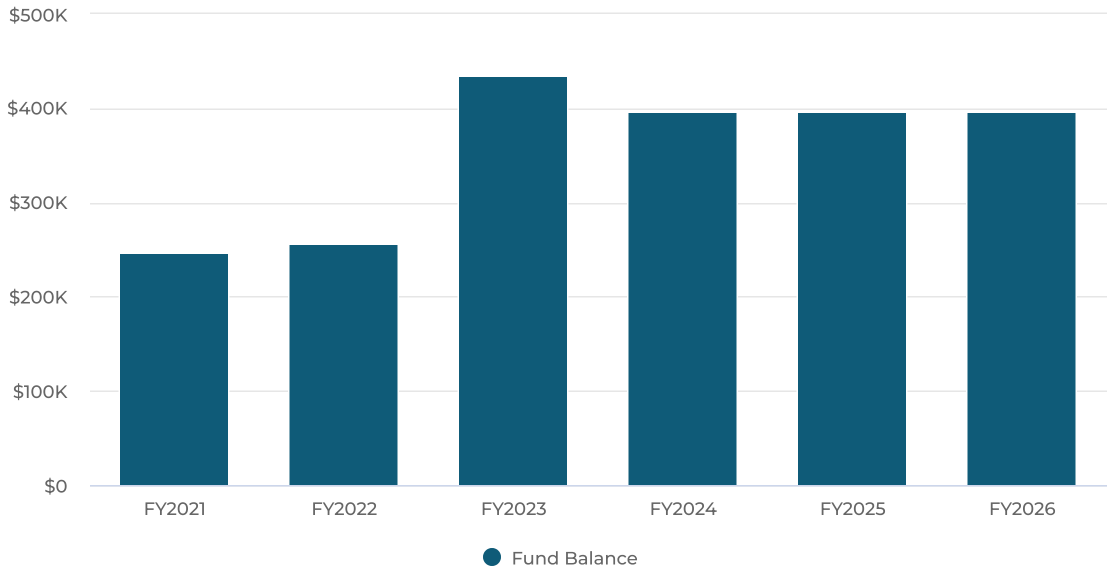


Senior Citizens Advisory Board Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$256,781**	**$434,768**	**$396,714**	**$396,714**
Revenues				
CHARGES FOR SERVICES	$398,219	$464,693	$283,200	$354,600
OTHER REVENUES	$101,545	$133,391	$55,800	$102,100
Total Revenues:	**$499,764**	**$598,084**	**$339,000**	**$456,700**
Expenditures				
CONTRACTUAL SERVICES	$281,433	$604,122	$302,200	$416,400
COMMODITIES	$40,104	$32,016	$36,500	$40,000
OTHER EXPENSES	$239	$0	$300	$300
Total Expenditures:	**$321,777**	**$636,138**	**$339,000**	**$456,700**
Total Revenues Less Expenditures:	**$177,987**	**-$38,054**	**$0**	**$0**
Ending Fund Balance:	**$434,768**	**$396,714**	**$396,714**	**$396,714**

Fund Balance

Projections

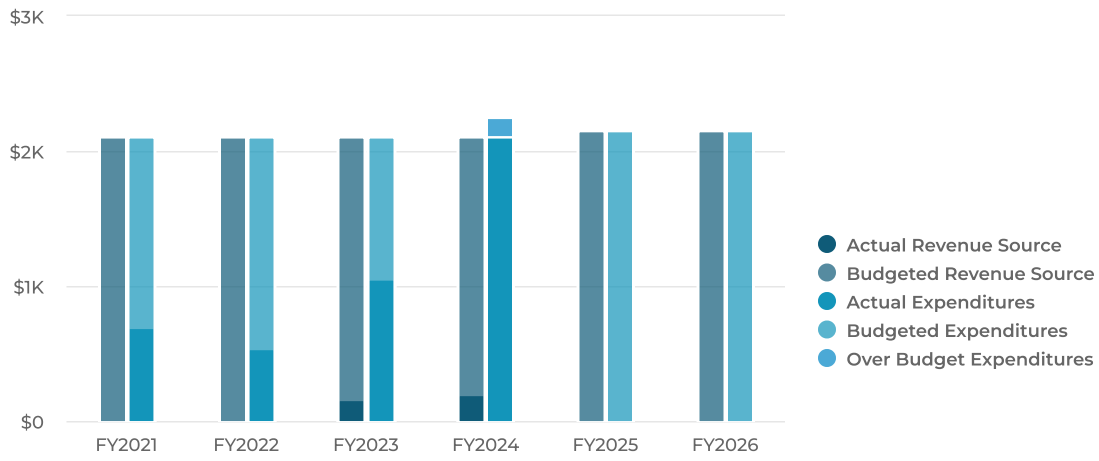


Steadman Cemetery Trust Fund

Accounts for a contribution from the heirs of Bonnie M. Steadman to provide for the maintenance of the Steadman family cemetery.

Summary

City of Kingsport is projecting $2.6K of revenue in FY2026, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or $0 to $2.6K in FY2026.



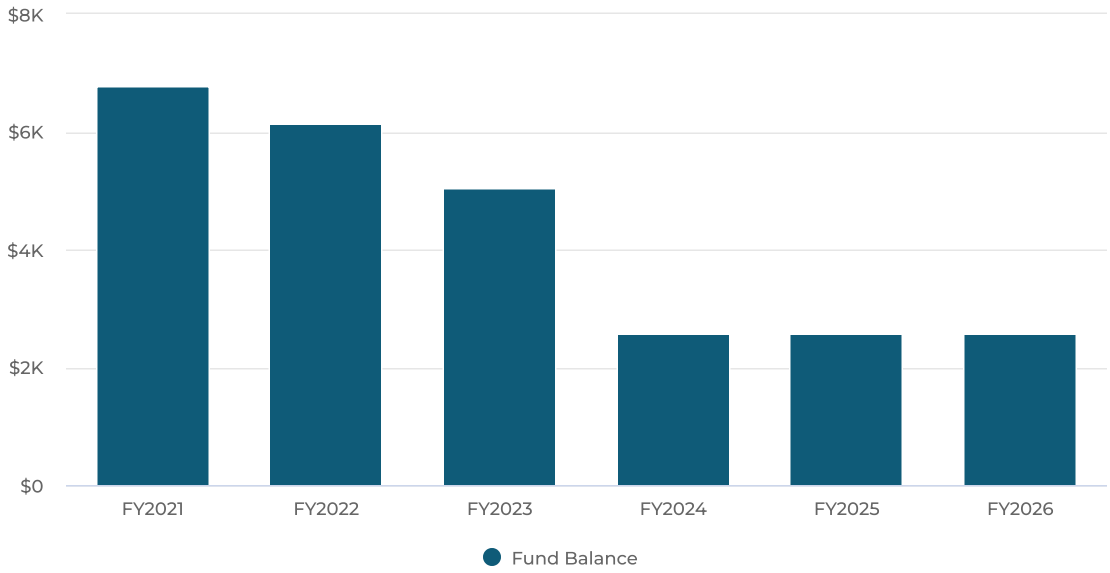
**This is the old Shipley Cemetery located on Mountclair Drive.*

Steadman Cemetery Trust Fund Comprehensive Summary

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Beginning Fund Balance:	**$6,140**	**$5,056**	**$2,579**	**$2,579**
Revenues				
OTHER REVENUES	$196	$243	$100	$100
TRANSFERS	$0	$0	$2,500	$2,500
Total Revenues:	**$196**	**$243**	**$2,600**	**$2,600**
Expenditures				
CONTRACTUAL SERVICES	$1,280	$2,720	$2,600	$2,600
Total Expenditures:	**$1,280**	**$2,720**	**$2,600**	**$2,600**
Total Revenues Less Expenditures:	**-$1,084**	**-$2,477**	**$0**	**$0**
Ending Fund Balance:	**$5,056**	**$2,579**	**$2,579**	**$2,579**

Fund Balance

Projections



DEPARTMENTS BY FUND

General Fund

The General Fund is the primary operating fund for governmental activities such as Public Safety, General Administration, Public Works, and Culture & Recreation. The fund's most significant revenue sources are the local option sales tax, state shared revenues, and the property tax. The fund is maintained on a modified accrual basis.

General Fund Divisions

- Board of Mayor & Aldermen
- City Judge
- City Attorney
- City Manager's Office
- Asst City Manager-Dev Services
- Special Programs
- Budget
- Procurement
- Non-Departmental Funds
- Public Information & Communications
- Human Resources
- Finance
- Records Management
- Economic Development
- Planning
- Building & Code Enforcement
- Geographic Information Systems
- Police
- Fire & Emergency Services
- Asst City Manager-Leisure Services
- Parks & Recreation
- Recreation Centers
- Cultural Arts
- Allandale Mansion
- Farmer's Market
- Carousel
- Splash Pad
- Lynn View Community Center
- Senior Center
- Bays Mountain Park
- Ropes Course
- Athletics
- Parks & Recreation Maintenance
- Public Works Administration
- Streets & Sanitation Administration
- Street Maintenance
- Street Cleaning
- Facilities Maintenance
- Grounds Maintenance
- Landscaping
- Leisure Services Maintenance
- Information Technology
- Transportation
- Engineering

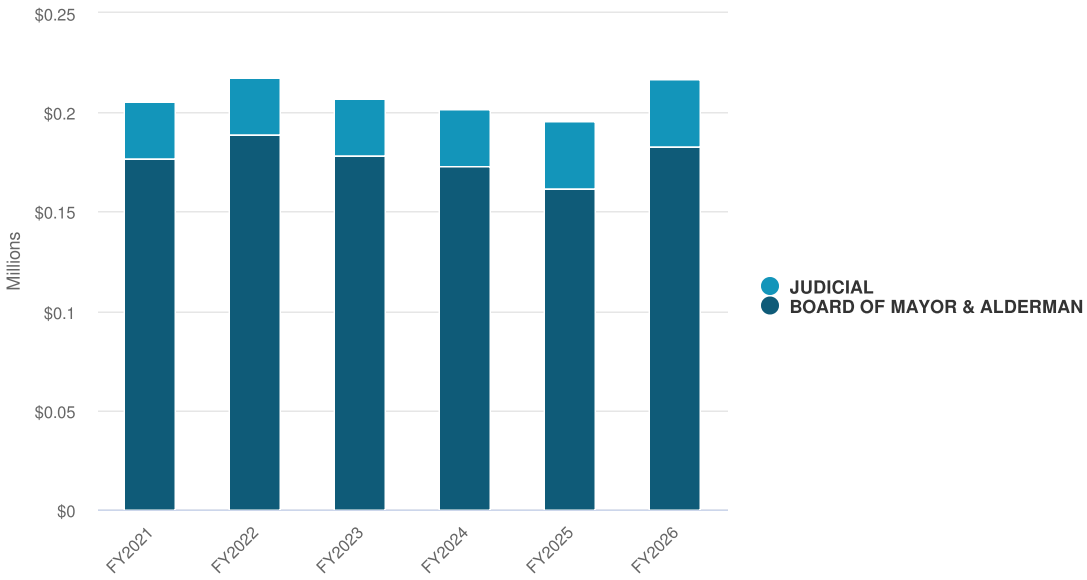
Detailed summary information may be found under the **General Fund Summary**.

Legislative

City Hall

Expenditures by Function

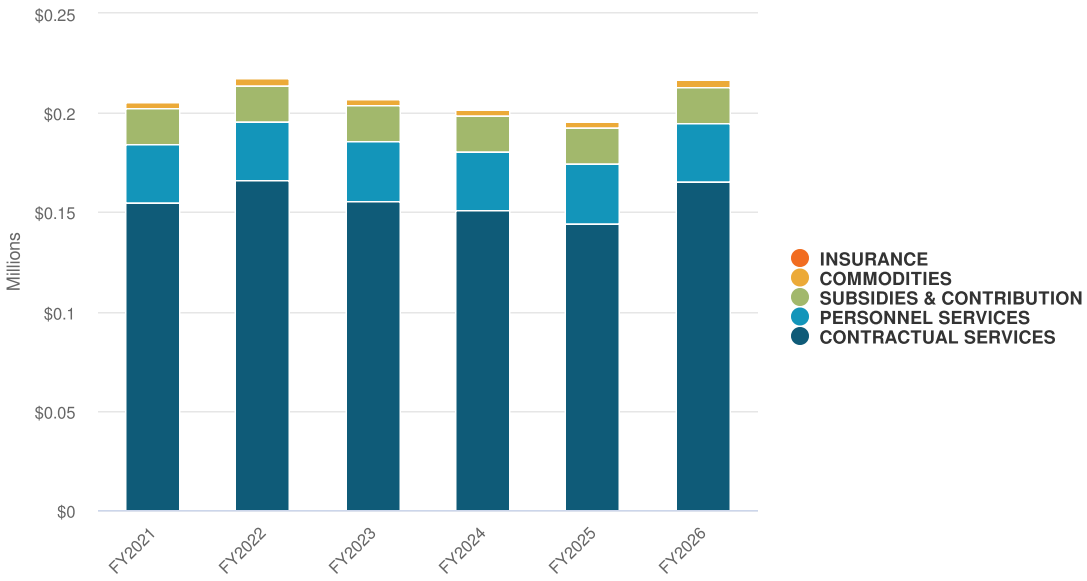
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expenditures						
GENERAL GOVERNMENT						
BOARD OF MAYOR & ALDERMAN	$178,324	$173,031	$161,900	$161,900	$182,500	12.7%
JUDICIAL	$28,997	$28,913	$34,000	$34,000	$34,000	0%
Total GENERAL GOVERNMENT:	**$207,321**	**$201,945**	**$195,900**	**$195,900**	**$216,500**	**10.5%**
Total Expenditures:	**$207,321**	**$201,945**	**$195,900**	**$195,900**	**$216,500**	**10.5%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$29,652	$29,426	$29,700	$29,700	$29,700	0%
CONTRACTUAL SERVICES	$155,952	$151,044	$144,600	$144,600	$165,200	14.2%
COMMODITIES	$3,616	$3,374	$3,500	$3,500	$3,500	0%
INSURANCE	$100	$100	$100	$100	$100	0%
SUBSIDIES & CONTRIBUTION	$18,000	$18,000	$18,000	$18,000	$18,000	0%
Total Expense Objects:	**$207,321**	**$201,945**	**$195,900**	**$195,900**	**$216,500**	**10.5%**

Board of Mayor & Aldermen

Paul Montgomery
Mayor

FY 2025-2026
BOARD OF MAYOR & ALDERMEN

Name	*Position*	*Date Elected*	*Current Term Expires*
Paul Montgomery	Mayor	Elected August 2024	August, 2026
Darrell Duncan	Vice-Mayor	Re-elected August 2024	August, 2028
Betsy Cooper	Alderman	Re-elected May 2022	August, 2026
Colette George	Alderman	Re-elected May 2022	August, 2026
James Phillips	Alderman	Re-elected August 2024	August, 2028
Morris Baker	Alderman	Elected August 2024	August, 2028
Gary Mayes	Alderman	Appointed August 2024	August, 2026

PAUL MONTGOMERY
MAYOR

DARRELL DUNCAN
VICE MAYOR

BETSY COOPER
ALDERMAN

JAMES PHILLIPS
ALDERMAN

COLETTE GEORGE
ALDERMAN

MORRIS BAKER
ALDERMAN

GARY MAYES
ALDERMAN

MISSION

To provide legislative leadership for the overall improvement and advancement of the City of Kingsport and the City Government through efforts to realize the City's Vision, Mission and Goals as articulated in the City Code, Charter and the Strategic Plan including the OneKingsport Summit five-year plan recommendations.

SUMMARY

The City is governed by a seven-member Board of Mayor and Aldermen, elected at-large and on a non-partisan basis for four-year staggered terms. The exception to this rule is that the Mayor is elected at-large for a two-year term. Elections are held in August during even numbered years. The new Board of Mayor and Aldermen is seated on September 1 of each election year.

Strategic Plan Implementation

The Board has global responsibility for the Strategic Plan Initiatives, in addition to the following action plans specific to the Board of Mayor and Aldermen.

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Conduct annual meetings between departments and neighborhood groups to review issues of concern by use of small meetings and listening posts.
- Review the process for citizen input at BMA work sessions and business meetings.
- Develop operating and capital budget priorities.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Create an annual 5-year capital improvements and funding plan that provides reasonable resources for the various infrastructure and facility needs as measured by approval by the BMA.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

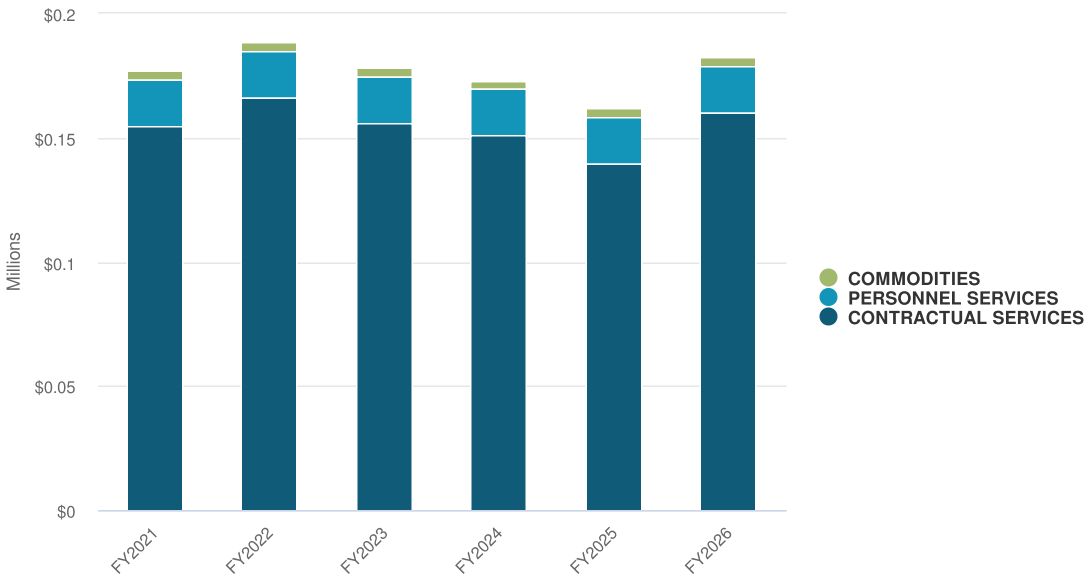
- Develop a strong working relationship with our private sector and governmental economic development partners.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

- Conduct joint work session meetings with the Board of Education.
- Allocate funding for the Educate and Grow Scholarship Program.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$18,755	$18,612	$18,800	$18,800
CONTRACTUAL SERVICES	$155,952	$151,044	$139,600	$160,200
COMMODITIES	$3,616	$3,374	$3,500	$3,500
Total Expense Objects:	**$178,324**	**$173,031**	**$161,900**	**$182,500**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Mayor	$3,000	$3,000
1	1	Vice Mayor	$2,400	$2,400
5	5	Alderman	$2,400	$2,400

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
7	7	7	7	7

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Number of regular meetings	23	21	20	21	21
Number of special meetings	4	1	1	1	1
Number of work sessions*	24	26	24	26	26
Number of ordinances passed	80	80	80	80	80
Number of resolutions passed	185	190	185	185	185

**Includes Budget and Capital Improvement Planning Work Sessions.*

Judicial

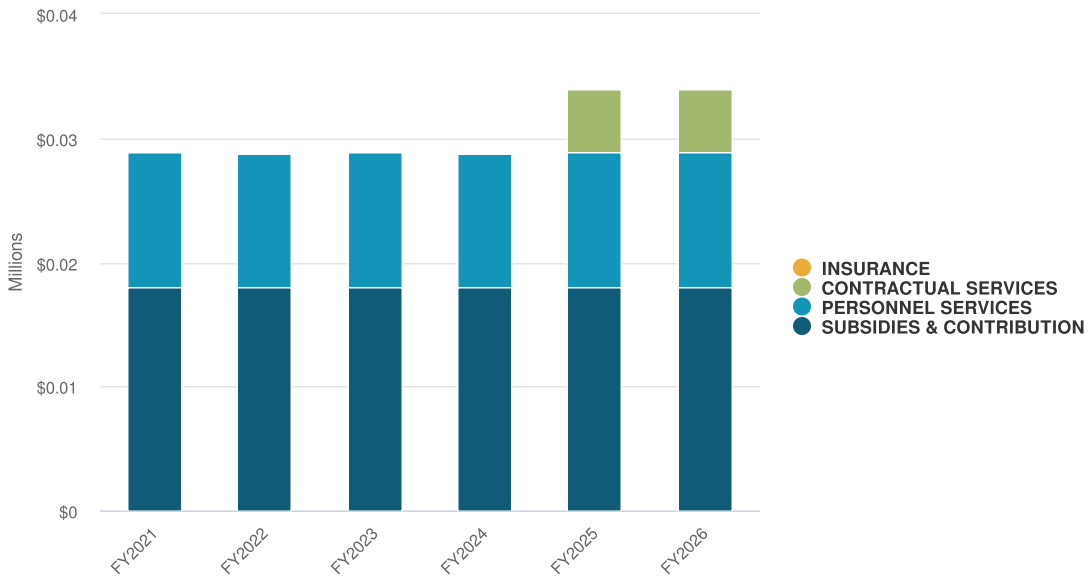
MISSION

To provide a judge and a judge pro-tem for City Court, as well as a juvenile referee for the once-a-week juvenile court. The Juvenile Referee from the City is one of two referees serving all of Sullivan County.

The City contributes nearly $29,000 toward this mission, of which $18,000 applies directly to the Juvenile Court. The City's contribution allows a referee to assist the juvenile court for one half-day per week. Sullivan County also contributes to the Juvenile Court.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$10,897	$10,813	$10,900	$10,900
CONTRACTUAL SERVICES		$0	$5,000	$5,000
INSURANCE	$100	$100	$100	$100
SUBSIDIES & CONTRIBUTION	$18,000	$18,000	$18,000	$18,000
Total Expense Objects:	**$28,997**	**$28,913**	**$34,000**	**$34,000**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	City Judge	$10,000	$10,000

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
1	1	1	1	1

City Attorney

Rodney B. Rowlett, III
City Attorney

MISSION

To provide legal counsel to the Board of Mayor and Aldermen, Board of Education, and City Staff and provide legal review and preparation of contracts, ordinances, resolutions and other documents. The City Attorney directs the management of all litigation in which the City is a party, represents the City in all legal matters and proceedings in which the City is a party or is interested and acquires all real property on behalf of the City.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Resolve litigation and other legal matters in an expeditious and cost-effective manner
- Provide continuous improvements and keep citizens informed of progress in code cases.
- Resolve litigation, settlements and other legal matters in an expeditious, cost-effective and cost-avoidance manner
- Develop and implement a comprehensive training program and provide fundamental and cross-training for employees

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Acquire properties in the best interests of the City

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

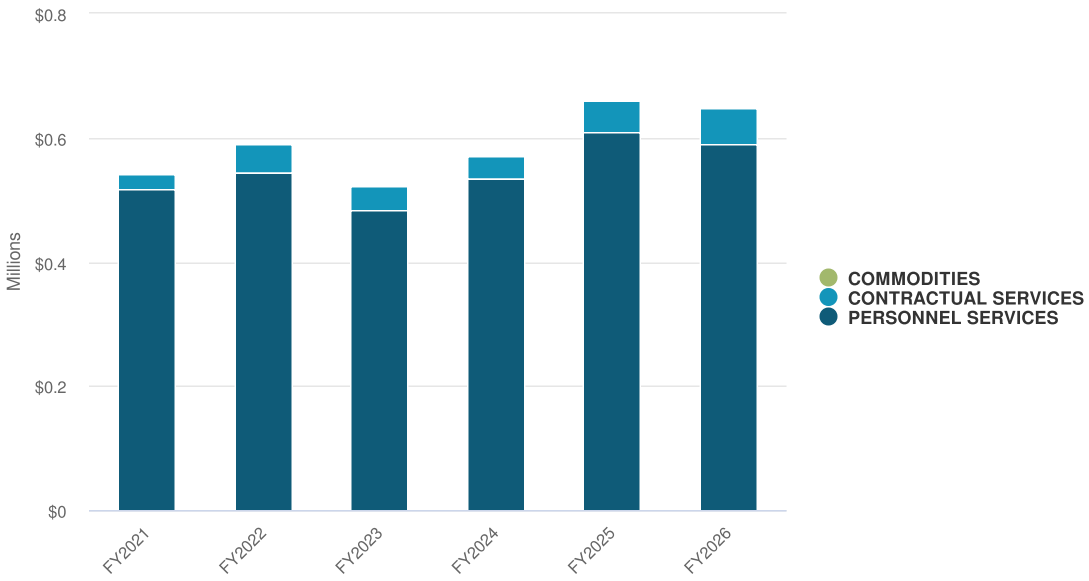
- Provide assistance, render legal services and practice preventative law for the Director of Schools, the Board of Education and various administrators on various issues such as reporting child abuse, zero tolerance, volunteer liability and child sexual abuse

Strategic Performance

- Providing the best possible legal assistance in the best interest of the City.
- Continually striving to improve service and fulfill the City's Strategic Plan by communicating and working with the entire city organization and city schools.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$482,409	$533,360	$608,000	$590,700
CONTRACTUAL SERVICES	$40,636	$36,076	$52,000	$58,000
COMMODITIES	$2,233	$1,440	$2,200	$2,200
Total Expense Objects:	**$525,278**	**$570,876**	**$662,200**	**$650,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	City Attorney	$140,128	$203,623
1	1	Assistant City Attorney	$93,193	$135,420
1	1	Property Acquisition Agent/ADA Rep	$61,979	$90,063
2	2	Legal Assistant/Paralegal	$49,093	$71,338
1	1	Legal Executive Admin Assistant	$43,692	$63,4

**Executive Secretary moved from City Manager's office and reclassified to Legal Executive Admin Assistant during FY 2023.*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
5	6	6	6	6

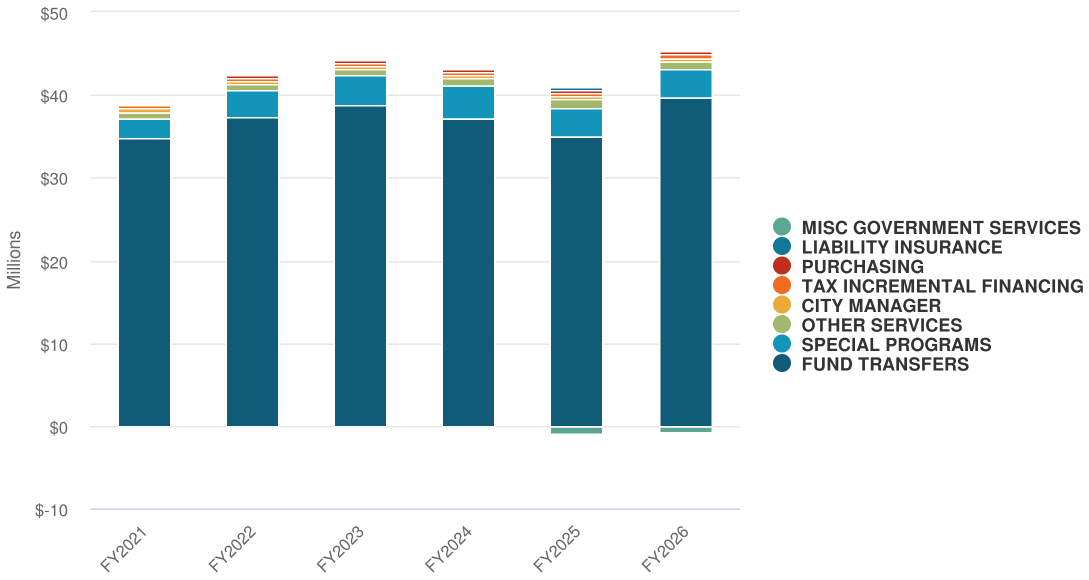
Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Ordinances, Resolutions	300	400	195	375	315
Contracts Prepared/ Reviewed	1000	1500	507	800	600
Pleadings/Litigation Documents	500	394	250	250	250
Litigation Files Opened	6	9	10	8	8
Misc. Cases Opened	30	50	14	20	26
Acquisition Files Opened	5	5	3	5	8
Legal Opinions/Consultations	200	400	350	200	200
Properties/Easements	10	50	15	15	9

City Manager

Expenditures by Function

Budgeted and Historical Expenditures by Function

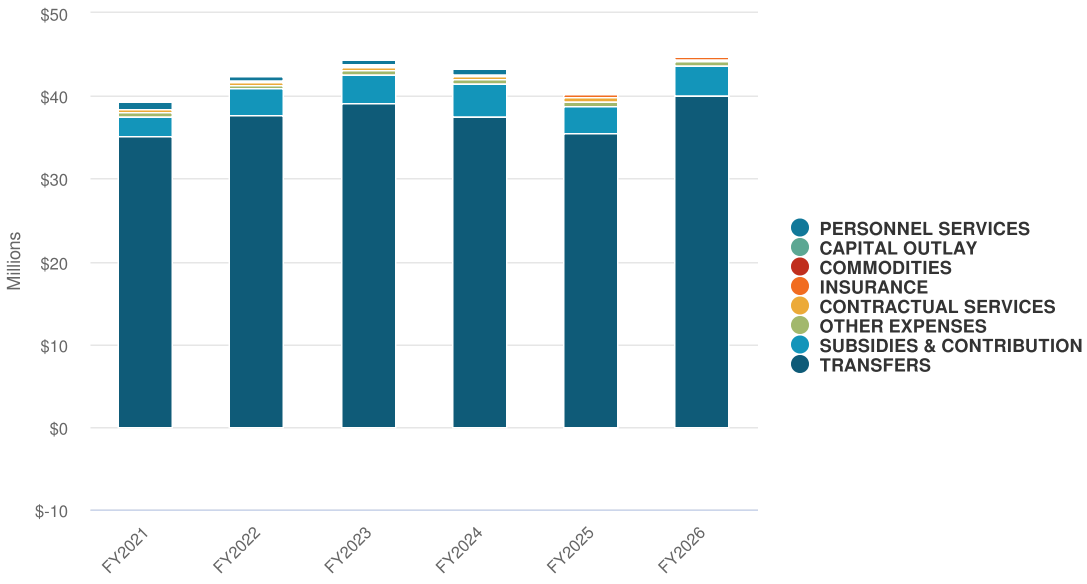


Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
GENERAL GOVERNMENT				
CITY MANAGER	$417,259	$418,047	$439,800	$480,000
SPECIAL PROGRAMS	$3,637,416	$4,009,208	$3,403,100	$3,561,900
Total GENERAL GOVERNMENT:	**$4,054,675**	**$4,427,255**	**$3,842,900**	**$4,041,900**
ADMINISTRATIVE SERVICES				
PURCHASING	$320,868	$337,748	$346,500	$378,500
Total ADMINISTRATIVE SERVICES:	**$320,868**	**$337,748**	**$346,500**	**$378,500**
MISC GOVERNMENT SERVICES				
LIABILITY INSURANCE	$157,500	$157,500	$237,000	$237,000
FUND TRANSFERS	$38,689,477	$37,065,530	$35,006,600	$39,580,900
MISC GOVERNMENT SERVICES	$0	$0	-$888,300	-$800,000
OTHER SERVICES	$806,214	$879,552	$1,035,400	$807,800
TAX INCREMENTAL FINANCING	$351,098	$409,967	$410,100	$423,500
Total MISC GOVERNMENT SERVICES:	**$40,004,289**	**$38,512,549**	**$35,800,800**	**$40,249,200**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total Expenditures:	$44,379,831	$43,277,552	$39,990,200	$44,669,600

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2026 Budgeted
Expense Objects			
PERSONNEL SERVICES	$632,975	$661,799	-$32,100
CONTRACTUAL SERVICES	$368,307	$369,361	$300,500
COMMODITIES	$18,242	$9,188	$11,800
OTHER EXPENSES	$521,635	$588,079	$582,800
INSURANCE	$157,742	$157,742	$237,300
TRANSFERS	$39,040,575	$37,475,497	$40,004,400
SUBSIDIES & CONTRIBUTION	$3,615,354	$4,015,886	$3,564,900
CAPITAL OUTLAY	$25,000	$0	$0
Total Expense Objects:	**$44,379,831**	**$43,277,552**	**$44,669,600**

City Manager's Office

Chris McCartt
City Manager

MISSION

To provide effective and visionary leadership to the administrative section of city government, advise the Board of Mayor and Aldermen on matters of policy and to implement Board policy in a productive manner.

SUMMARY

Kingsport was the first City in Tennessee to adopt the Council-Manager Plan of Government. Since its inception in 1917, the city has been served by eleven City Managers.

Major efforts on the part of the City Manager for the new year will be continued emphasis on improvements in Performance Excellence within the organization, training and development of the workforce, coordinating with the Economic Development Partnership to help diversify the economy, create jobs and expand the economic base and representing the City on numerous boards and commissions within the community.

Strategic Plan Implementation

The City Manager has global responsibility for the implementation of the city's *Strategic Plan*. Through coordination with members of the Leadership Team, the various elements of the *Plan* are implemented. Specific Strategic Plan responsibilities assigned to the City Manager's Office are provided as follows:

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Seek continuous improvement within operations for efficiency and productivity.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Create an annual 5-year capital improvements and funding plan.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Develop a strong working relationship with our private sector and governmental economic development partners.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

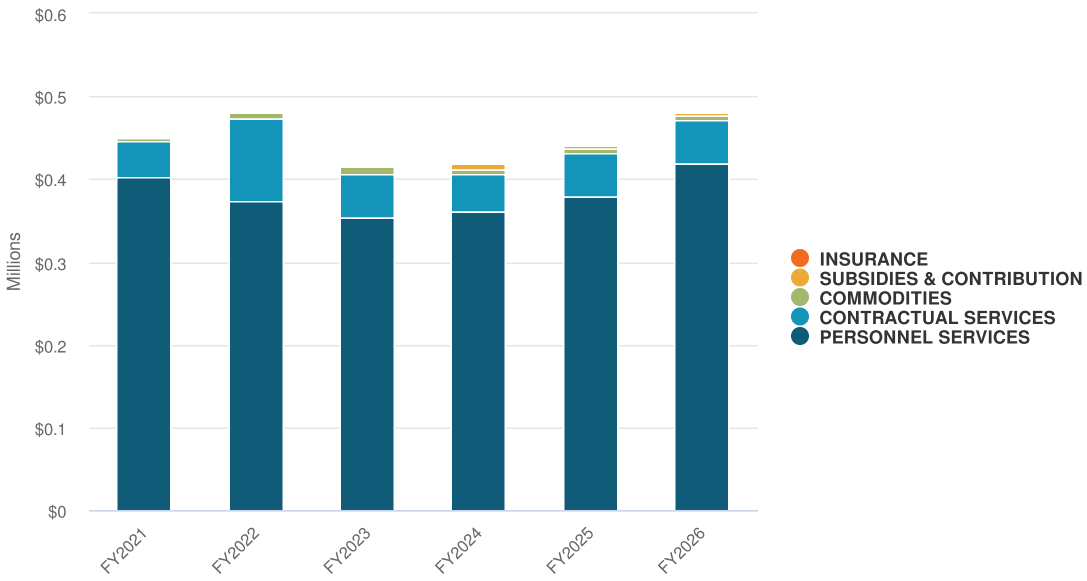
- Support our working relationship with the School Board and Superintendent.

Strategic Performance

- Continued receipt of GFOA Distinguished Budget Presentation Award
- Continued receipt of GFOA Excellence in Financial Reporting Award

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$353,393	$361,557	$378,900	$419,100
CONTRACTUAL SERVICES	$52,424	$44,266	$52,200	$52,200
COMMODITIES	$8,403	$5,447	$5,600	$5,600
INSURANCE	$100	$100	$100	$100
SUBSIDIES & CONTRIBUTION	$2,938	$6,678	$3,000	$3,000
Total Expense Objects:	**$417,259**	**$418,047**	**$439,800**	**$480,000**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	City Manager	$187,523	$272,494
1	1	City Manager's Executive Assistant	$49,093	$71,338

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	2	2	2	2

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
# of BMA Memorandums Prepared	27	25	27	27	27
# of City Manager Reports Prepared	27	25	27	27	27
# of BMA Packets Prepared	27	25	27	27	27
# of Action Forms Prepared	261	265	265	265	265
GFOA Budget Award Received	Yes	Yes	Yes	Yes	Yes
Strategic Plan Updated	Yes	Yes	Yes	Yes	Yes

Special Programs

MISSION

To provide supplemental funding for various partners within the community that assist the Board of Mayor and Aldermen in achieving the City's Strategic Objectives.

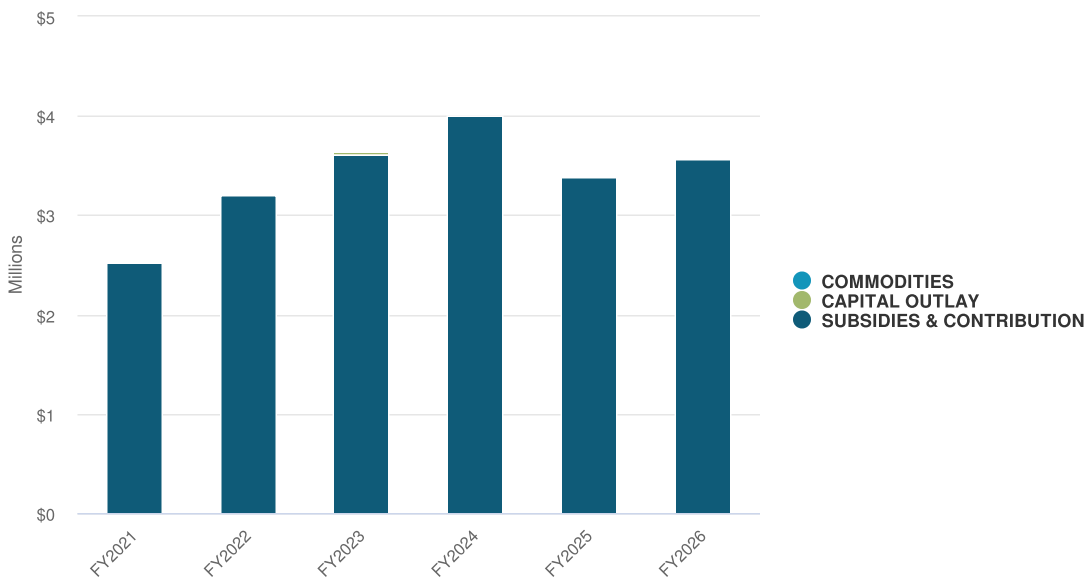
Strategic Plan Implementation

#6: STRONG & VIBRANT NEIGHBORHOODS

- Develop a strong working relationship with the City's Community Partners to provide budgetary planning for future endeavors.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
SUBSIDIES & CONTRIBUTION				
SPECIAL PROGRAMS				
SUBSIDIES/CONTR/GRANTS / KCVB (TOURISM COUNCIL)	$1,406,108	$1,317,183	$1,375,000	$1,375,000
SUBSIDIES/CONTR/GRANTS / FIRST TN DEV DISTRICT	$6,374	$6,374	$6,374	$6,374
SUBSIDIES/CONTR/GRANTS / KEEP KINGSPORT BEAUTIFUL	$57,000	$48,000	$48,000	$50,240
SUBSIDIES/CONTR/GRANTS / KHA REDEVELOPMENT	$90,000	$30,000	$30,000	$0
SUBSIDIES/CONTR/GRANTS / DOWNTOWN KINGSPORT ASSOC	$90,000	$90,000	$90,000	$90,000
SUBSIDIES/CONTR/GRANTS / FIRST TN HUMAN RES AGCY	$9,212	$9,212	$9,212	$9,212
SUBSIDIES/CONTR/GRANTS / CHILD ADVOCACY CENTER	$5,400	$5,400	$5,400	$5,400
SUBSIDIES/CONTR/GRANTS / KINGSPORT SYMPHONY	$7,500	$7,500	$7,500	$7,500
SUBSIDIES/CONTR/GRANTS / HOLSTON BUSINESS GROUP	$33,840	$33,840	$33,840	$33,840
SUBSIDIES/CONTR/GRANTS / SBK ANIMAL CONTROL	$405,000	$510,000	$350,000	$400,000
SUBSIDIES/CONTR/GRANTS / KINGSPORT THEATRE GUILD	$7,200	$7,200	$7,200	$7,200
SUBSIDIES/CONTR/GRANTS / KEDB GENERAL SHALE LEASE	$135,000	$135,000	$135,000	$135,000
SUBSIDIES/CONTR/GRANTS / HEALTHY KINGSPORT	$40,000	$50,000	$50,000	$50,000
SUBSIDIES/CONTR/GRANTS / KEDB ECONOMIC DEVELOPMENT	$180,000	$335,000	$163,500	$300,000
SUBSIDIES/CONTR/GRANTS / BRANCH HOUSE		$25,000	$25,000	$25,000
SUBSIDIES/CONTR/GRANTS / AEROSPACE PARK	$113,175	$109,238	$115,000	$115,000
SUBSIDIES/CONTR/GRANTS / KEDB PROPERTY AQUISITION		$341,000	$0	$0
SUBSIDIES/CONTR/GRANTS / KHRA ONE KINGSPORT HOUSIN	$224,672	$224,672	$224,672	$224,672
SUBSIDIES/CONTR/GRANTS / KEDB FACADE PROGRAM	$50,000	$100,000	$100,000	$100,000
SUBSIDIES/CONTR/GRANTS / SULLIVAN CO ECON DEV D S	$279,535	$277,188	$280,002	$280,062
SUBSIDIES/CONTR/GRANTS / NETWORKS	$215,200	$215,200	$215,200	$215,200
SUBSIDIES/CONTR/GRANTS / MOVE TO KINGSPORT	$25,000	$25,000	$25,000	$25,000
SUBSIDIES/CONTR/GRANTS / KOSBE	$100,000	$100,000	$100,000	$100,000
SUBSIDIES/CONTR/GRANTS / KINGSPORT BALLET	$7,200	$7,200	$7,200	$7,200
SUBSIDIES/CONTR/GRANTS/KCVB DOWNTOWN PROMOTIONS	$125,000			$0
Total SPECIAL PROGRAMS:	**$3,612,416**	**$4,009,208**	**$3,403,100**	**$3,561,900**
Total SUBSIDIES & CONTRIBUTION:	**$3,612,416**	**$4,009,208**	**$3,403,100**	**$3,561,900**
CAPITAL OUTLAY				
SPECIAL PROGRAMS				
CAPITAL OUTLAY / IMPROVEMENTS	$25,000	$0	$0	$0
Total SPECIAL PROGRAMS:	**$25,000**	**$0**	**$0**	**$0**
Total CAPITAL OUTLAY:	**$25,000**	**$0**	**$0**	**$0**
Total Expense Objects:	**$3,637,416**	**$4,009,208**	**$3,403,100**	**$3,561,900**

Procurement

Brent Morelock
Procurement Manager

MISSION

To procure quality products and services for all city departments in a cost effective and efficient manner.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- The Procurement Department is an office of the City Manager and is assigned the task of procuring quality products and services for all city departments in the most cost-effective and efficient manner in accordance with the City of Kingsport Code of Ordinances as well as State and Federal law when applicable.

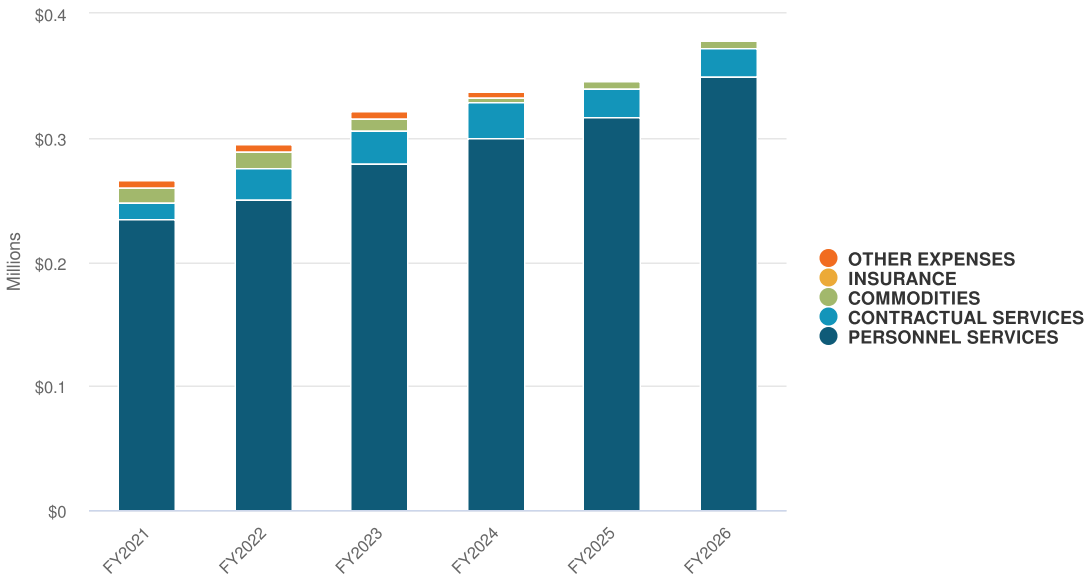
Strategic Performance

The changes approved by the Board of Mayor and Aldermen in Procurement Guidelines have enabled Procurement to process departmental requests more efficiently.

- Continue to expand the blanket pricing agreement program to maximize cost savings.
- To continue in our efforts in the utilization of the Internet for advertising for bids and procurement-related activities.
- Continue with internal efforts to assure that supplies and services are procured effectively to increase customer satisfaction for City Departments.
- To continue in our efforts to progress with the “Job Order Contract” concept for public improvement projects. This concept can reduce the administrative cost associated with the bid process, allow more effective and efficient utilization of staff and offer cost avoidance(s) associated with multiple procurement actions.
- Continue with evaluation of our procurement process governing regulations and/or rules, available resources (personnel and funds) with our emphasis on continual improvement and rationale on saving costs and time.
- Implement procurement card online reconciliation using current ERP software, AS400.
- Implementation and acceptance of electronic signatures for contracts and agreements.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$279,582	$300,242	$316,200	$348,800
CONTRACTUAL SERVICES	$25,914	$28,232	$23,300	$23,300
COMMODITIES	$9,839	$3,741	$6,200	$6,200
OTHER EXPENSES	$5,390	$5,390	$600	$0
INSURANCE	$142	$142	$200	$200
Total Expense Objects:	**$320,868**	**$337,748**	**$346,500**	**$378,500**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Procurement Manager	$82,941	$120,525
1	1	Assistant Procurement Manager	$58,470	$60,400
1	1	Procurement Specialist	$52,038	$75,618
2	2	Mail Courier (PT)	$11,358	$16,505

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	3 (2PT)	3 (2PT)	3 (2PT)

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
# of Agreements Coordinated	180	170	200	200	200
# of Purchase Orders Generated*	3,800	3,800	3,800	4,000	4,000
# of Procurement Card Transactions*	15,600	16,000	17,200	17,200	17,200
# of Direct Payment Vouchers*	600	700	700	700	700

**Rounded to nearest hundred*

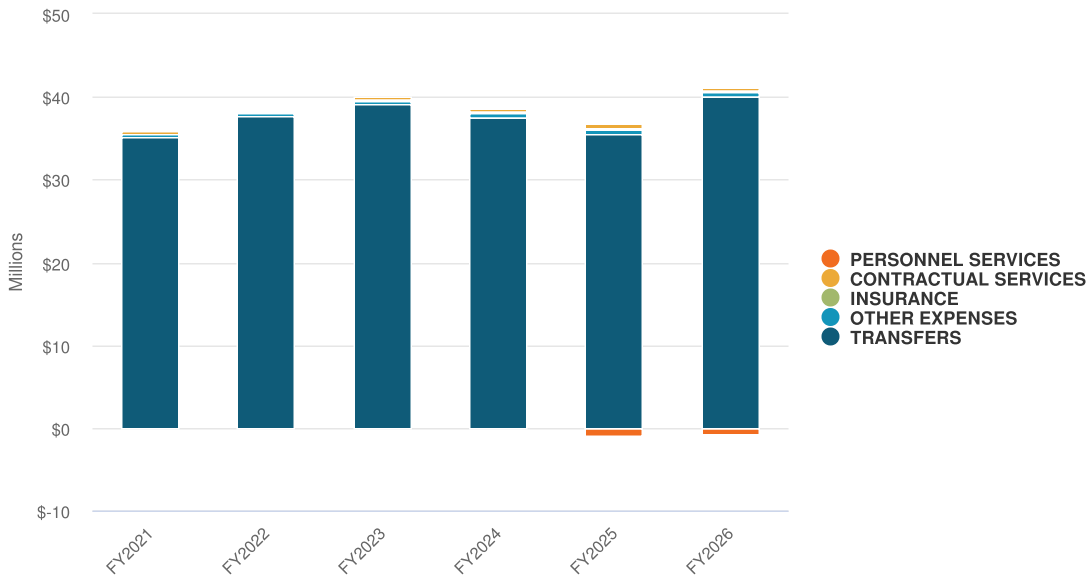
Non-Departmental

MISSION

To provide for transfers to the Debt Service Fund, transfer to Schools for operating and debt service, transfer to Solid Waste Fund, transfer to State Street Aid Fund, transfer to Other Funds, and transfer to the General Project Fund in the Miscellaneous Expense Budget.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES				
PERSONAL SERVICES / SALARIES AND WAGES	$0	$0	-$888,300	-$800,000
Total PERSONNEL SERVICES:	**$0**	**$0**	**-$888,300**	**-$800,000**
CONTRACTUAL SERVICES				
CONTRACTUAL SERVICES / ADVERTISING & PUBLICATION	$0	$14,538	$11,000	$11,000
CONTRACTUAL SERVICES / PROFESSIONAL/CONSULTANT	$2,641	-$1,006	$0	$0
CONTRACTUAL SERVICES / ELECTRIC SERVICE	$4,758	$0	$4,000	$4,000
CONTRACTUAL SERVICES / WATER AND SEWER SERVICE	$208	$0	$500	$500
CONTRACTUAL SERVICES / TELEPHONE	$177,547	$178,774	$170,000	$170,000
CONTRACTUAL SERVICES / REPAIR & MAINT-VEHICLES		$0	$227,600	$0
CONTRACTUAL SERVICES / STORM WATER FEE EXPENSE	$4,315	$3,898	$3,500	$3,500

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
CONTRACTUAL SERVICES / COURT COSTS & FEES	$12,375	$11,373	$18,000	$18,000
CONTRACTUAL SERVICES / TRUSTEE'S COMMISSION	$23,124	$24,287	$18,000	$18,000
CONTRACTUAL SERVICES / MISCELLANEOUS	$65,000	$65,000	$0	$0
Total CONTRACTUAL SERVICES:	**$289,968**	**$296,863**	**$452,600**	**$225,000**
OTHER EXPENSES				
OTHER EXPENSES / RISK FUND ADMIN CHARGES	$394,800	$394,800	$394,800	$394,800
OTHER EXPENSES / EMPLOYEE RHSP BENEFITS	$184,762	$187,889	$188,000	$188,000
OTHER EXPENSES/FORFEITURE REFUNDS	-$63,316			$0
Total OTHER EXPENSES:	**$516,245**	**$582,689**	**$582,800**	**$582,800**
INSURANCE				
INSURANCE / LIABILITY	$157,500	$157,500	$237,000	$237,000
Total INSURANCE:	**$157,500**	**$157,500**	**$237,000**	**$237,000**
TRANSFERS				
TRANSFERS / TO UMTA FUND	$172,125	$197,858	$380,000	$410,000
TRANSFERS / TO SCHOOLS ADDITIONAL MOE	$644,000	$644,000	$644,000	$644,000
TRANSFERS / TO SCHOOL FUND-OPERATIONS	$10,601,300	$10,601,300	$10,601,300	$10,601,300
TRANSFERS / TO SOLID WASTE MGMT FUND	$2,600,000	$2,578,400	$2,500,000	$2,500,000
TRANSFERS / TO STATE STREET AID FUND	$1,091,303	$1,088,974	$1,146,250	$1,295,700
TRANSFERS / SCHOOL FUND-DEBT-PRINCI	$2,355,941	$2,445,245	$2,858,199	$2,965,225
TRANSFERS / SCHOOL FUND-DEBT-INTEREST	$863,408	$1,241,890	$1,584,951	$1,476,175
TRANSFERS / TO DEBT SERV FD	$9,859,405	$8,284,572	$11,148,900	$12,145,500
TRANSFERS / TO GEN PROJ-SPECIAL REV	$8,106,908	$4,735,258	$2,700,000	$6,100,000
TRANSFERS / GENERAL PROJECT FUND	$906,253	$3,668,887	$0	$0
TRANSFERS / TO FLEET MAINTENANCE		$160,000	$0	$0
TRANSFERS / TO MPO FUND	$113,834	$44,146	$68,000	$68,000
TRANSFERS / LIBRARY GOVERNING BOARD	$1,375,000	$1,375,000	$1,375,000	$1,375,000
TIF - KHRA / INDIAN TRAIL TIF	$62,904	$63,276	$63,300	$61,800
TIF - KHRA / RIVERBEND TIF	$145,243	$146,102	$146,200	$142,700
TIF - KHRA / THE BLAKE	$142,952	$143,793	$143,800	$140,500
TIF - KHRA / WESTGATE		$56,796	$56,800	$78,500
Total TRANSFERS:	**$39,040,575**	**$37,475,497**	**$35,416,700**	**$40,004,400**
Total Expense Objects:	**$40,004,289**	**$38,512,549**	**$35,800,800**	**$40,249,200**

Public Information & Communications

Adrienne Batara
Public Information & Communications Director

MISSION

To provide accurate, helpful and important information to residents, businesses and the media in a timely and efficient manner.

VISION

To be proactive, highly accessible and responsive with information and news about the City of Kingsport and to ensure the flow of information is accurate, timely and appropriate across all relevant forms of communication.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Educating citizens on services offered by the city and informing them of relevant updates through various media channels, such as news outlets, print and city social media channels.
- Serving as communications liaison for all media contacts.
- Director serves as staff liaison between Neighborhood Commission and city staff.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

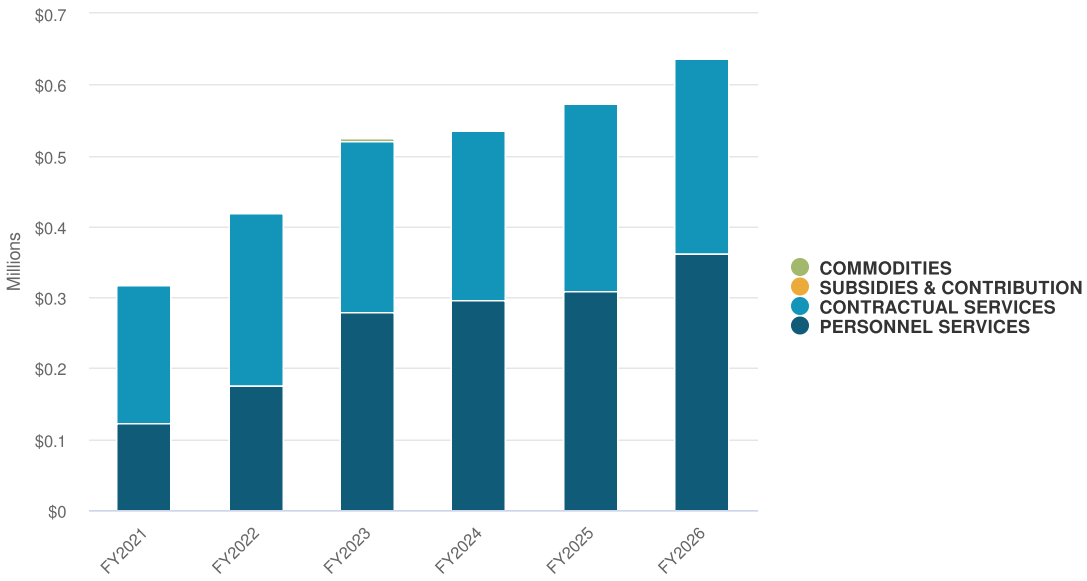
- Providing continuous improvements to the website to inform citizens and answer questions.
- Building an inventory of videos and information to educate citizens on various topics, from Public Works to Cultural Arts and departments in between.

Strategic Performance

- The Communications Department continues to excel at assisting other departments with their various needs, such as event planning, managing social media, reserving media spots and graphic design of promotion materials. Highlight assists and campaigns include the ARTS Festival, promoting the strategic plan process, regional event promotions, and Christmas in Kingsport.
- As the leading department of a new initiative, the city started an adult education program called Model City 101. The free, eight-week course provides an overview of various city departments and services with the goal being to better educate the public on the government's role within the community. 14 attendees were in the inaugural class.
- This is Kingsport community event calendar initiative saw growth in web traffic and event notification (text and email) sign ups. The calendar had over two thousand events listed on it in 2024.
- Pushing residents to use the free city app, ConnectKingsport, to communicate with the city has resulted in over ten thousand downloads and over twenty-eight thousand issues resolved.
- Advancing city social media channels with more direct posts and more videos has resulted in growth across all channels on all platforms.
- Completed year seven of Storm Drain Art Contest with artists completing drains near the Kingsport Press Building, on Clay Street, in downtown Kingsport and in neighborhoods. Since year one of the contest, over a dozen cities across the US have reached out about doing their own storm drain art contest.
- Completed a Progress Edition highlighting the year's accomplishments – mailed to all citizens via Times News in March.
- Completed another State of the City in partnership with the Chamber, highlighting accomplishments at the end of the year and creating another well received informational booklet not only for attendees to take, but also available online to those who didn't attend the event. This booklet is also given out to all Chamber boards and city boards and commissions.
- Billboard – more departments have utilized our billboard slot and continue to provide good feedback
- The Communications Department earned awards for a campaign, blog post and event.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$279,445	$296,242	$309,500	$361,700
CONTRACTUAL SERVICES	$239,936	$238,707	$264,100	$274,100
COMMODITIES	$4,241	$2,366	$1,500	$1,500
SUBSIDIES & CONTRIBUTION	$112	$590	$1,500	$1,500
Total Expense Objects:	**$523,733**	**$537,905**	**$576,600**	**$638,800**

Website Statistics

KingsportTN.gov

- Website stats as of December 31, 2024
  - Over **409,000** users
  - Over **1.1 million** page views
  - Over **72%** of users via mobile device
  - Top 5 webpages
    - Homepage
    - Customer Service – Water/Sewer
    - Police Department – Alerts
    - Police Department – General
    - Police Department – FAQ Layla Santanello
  - Traffic Data for Visitors
    - Tennessee
    - Georgia
    - Florida
    - Virginia
    - North Carolina
    - New York
    - Ohio
    - Michigan
    - Illinois
    - Kentucky

ThisIsKingsport.com

- Website stats as of December 31, 2024
  - Over **56,000** users
  - Over **109,000** page views
  - **24** blog posts added
  - Over **1,630** text subscribers
  - Over **1,130** email subscribers
  - Over **77%** of users via mobile device
  - Traffic Data for 2024 Visitors
    - Kingsport
    - Nashville
    - Atlanta
    - Johnson City
    - Bristol

Social Media Statistics

2024 This is Kingsport

- Posts: 450
- Followers: 19,097
- Reach: 346,699

2024 Kingsport Alerts

- Posts: 795
- Followers: 14,965
- Reach: 878,154

2024 Top Video Posts on Facebook

- Model City Moment Video - Main Street (July)
  - 5.4K Views
- Model City Moment Video - Wedding Venues
  - 4.6K Views
- Model City Moment Video - Storm Drain Art
  - 4.5K Views
- Model City Moment Video - Main Street (September)
  - 3.5K Views
- Kingsport Minute Video (April)
  - 3.3K Views

2024 Top Social Media Posts

- Red, White & Boom
  - Reach: 132,372
- Water Restored
  - 102,883
- Carousel Birthday
  - 54,724
- Storm Drain Art
  - 46,848
- Balloon Glow
  - 39,120
- Christmas Parade
  - 33,455
- Breakfast with Balloons
  - 33,137
- Summer in the Park
  - 32,266
- Interactive Map
  - 29,396
- July 4th Parade
  - 27,266

**all organic posts; no boosted/paid posts included; Calendar year 2024 data*

Resources & Strategies

Kingsport Times News

Weekly Page – A partnership with the Kingsport Times News, which includes a full page each Wednesday (highest circulation day). It has been an opportunity to train citizens to look for city news/information each week since 2016. Redesigned in November 2024.

Progress Edition – We dedicate one Wednesday page to an 8-pg update on city efforts to coincide with the monthly progress editions that Times News does. Produced every year since March 2017.

Senior Tab – Converted the monthly senior newsletter from a publisher print document with 500 copies to a newspaper insert reaching over 8,000/month.

Newsletters – A consistent way to push out information to a built-in audience (people who have signed up to receive information).

BMA Highlights – We inform the public of BMA actions, recognize staff/citizens and share relative stories.

Bays Mountain Park – Informs BMP Members of current and upcoming events at the park and includes educational and informative nature and astronomy articles.

Kingsport Aquatic Center – Informs subscribers of the upcoming month's events, classes and pool closures.

Main Street Rebuild – Informs subscribers of the current project work surrounding the Main Street Rebuild project.

Project Status in Pictures – An update to the BMA and public in regards to projects versus the highly detailed excel file. We use 4-5 pictures per meeting to show progress on projects.

Press Releases – This is a standard tool for all public relations departments to push out information. While we will utilize this avenue, we want the ability to control our message as much as possible, and in addition to a press release, we will create a more coordinated approach to hit more media outlets that includes avenues such as social media and billboards. We added a standard department specific boilerplate to each release with Kingsport achievements.

Social Media – A digital and consistent way to push out information on a daily basis. Used as a tool to send out good news, interesting facts and to be proactive in expanding the reach of our message. This is the most instantaneous form of media. The most successful city pages include *Kingsport Alerts*, *This is Kingsport*, *Bays Mountain Park* and *Kingsport Farmers Market*.

Billboards – A highly visible opportunity to share city information, promote departments and partner with other organizations such as DKA or Visit Kingsport.

Digital – One spot on the Eastman Road digital billboard; very flexible in that there is only a few days turnaround to change the board.

Static – On occasion, utilize a static board to put info in more locations across the city or region.

ADA – The new federal requirements for ADA strongly affect the city's and all its departments' websites. We conducted an audit for compliance to reach the AA required level for the city. The city website is currently as compliant as possible.

City Website – *Redesigned December 2021 (looking to redesign in 2025) and integrated chatbot and increased security measures.* Our website is considered a hub, a reference point for all relevant and timely information for residents. By having a hub of information, you can have a more coordinated approach regarding media. The format of the website is intuitive, so guests can easily find needed information. For example, one

feature is *MyKingsport*, which includes a predictive text box where residents enter their address to learn about garbage pickup, the nearest emergency service locations, school districts and more. Another example is the News section – all city press releases are posted in the News section, making it easy for residents or media to access information.

Events – Examples include ribbon cuttings, holiday festivities, groundbreakings and press conferences. Continue to review opportunities to collaborate with organizations hosting events to improve attendance (i.e. Chamber, Visit Kingsport, DKA).

BMA Recognitions – Work with departments and community leaders to recognize excellence in our city. Used as an opportunity to further goodwill with organizations and individuals who have committed to providing excellence in our community. Create certificates, proclamations, commendations, etc. On occasion, we host receptions for organizations to recognize achievements.

Specialized Marketing for Departments – Assist departments with specialized needs. Updating and creating brochures, flyers, etc. for all departments. In addition to creating documents, the Public Information & Communications Department will approve all collateral for city branding alignment prior to distribution.

We try and meet with each department to work through promotional plans for the year, including Wednesday Page needs, TV spots, billboards and more.

State of the City Address – Partner with the Chamber of Commerce to host city address. Create a document and presentation for the event to walk through the city's achievements and year in review. 2024 showed continual growth for the event held at MeadowView (over 255 rsvps).

Neighborhood Commission – The Neighborhood Advisory Commission is composed of 12 citizens of Kingsport. Their purpose is to advise and promote initiatives to strengthen neighborhoods and, as needed, provide input to the BMA regarding programs to strengthen and improve neighborhoods. This department acts as staff liaison to the commission and assists with any promotion or communication needs.

See.Click.Fix – 'ConnectKingsport' is the customized app name via the umbrella company of See.Click.Fix. We run multiple campaigns a year with the intent of increasing downloads and usage of the free app. The custom app also allows additional city-relevant information to be presented to the user, such as links to the city website, ongoing events, animal services and more. Currently, we have over 10,000 downloads and over 29,000 issues resolved.

This Is Kingsport – Through rebranding of the community 'go-to' spot for events, This is Kingsport answers the question of, 'What's going on in Kingsport?' Through event additions every day to frequent blog posts, the website offers residents a place to plan their weekend and engage within the city. Events are either city department hosted, or local community organization hosted. Depending on the month, the site has anywhere from 3,000 to 10,000 users.

This is Kingsport also gives users of the site an option to sign up for events to be texted or emailed to them every Thursday evening. Currently, there are over 1600 subscribers to text and 1,100 to email.

Main Street Rebuild Project – The project finally started in November 2022. We created a dedicated Facebook page and Instagram channel to provide updates. We also created a newsletter that's sent bi-weekly to a list of 103 recipients. It is sent regardless of whether it is a big update or not.

We also highlighted businesses along Main Street on the Facebook page for the project.

Media Room – August 2024, the department took steps to run BMA meetings in-house; a member of the media room team is on site for every BMA meeting. We partnered with the IT Department to broadcast BMA meetings for the public to view online using new streaming software – BoxCast. We also manage the media room by maintaining the equipment, providing training as needed and helping others who utilize the space.

Personnel

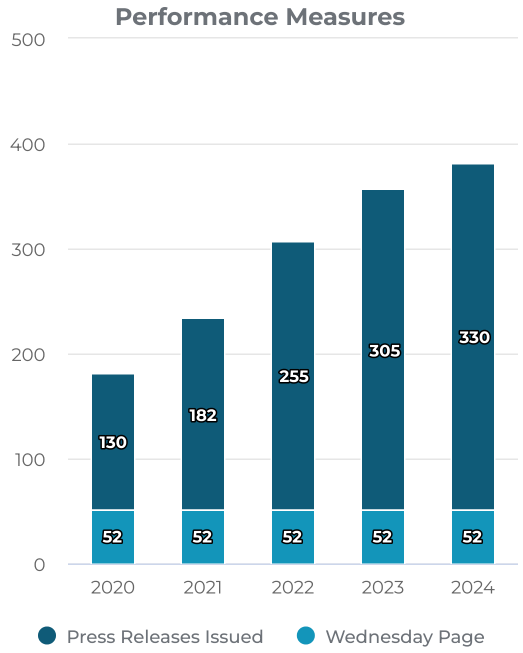
AUTHORIZED POSITIONS

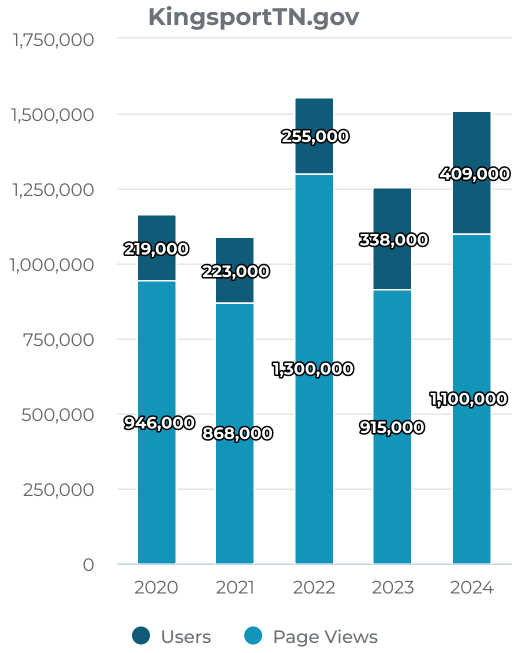
FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Public Info & Communications Director	$82,941	$120,525
1	1	Public Info & Communications Administrator	$52,038	$75,618
1	1	Administrative & Communications Specialist	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	3	3	3	3

Performance Measures





Information Technology

Floyd Bailey
Chief Information Officer

MISSION

To empower the city of Kingsport with smart, connected, and innovative technology solutions, enabling the municipality to serve its residents with efficient and reliable services; and to ensure accessible, secure, transparent service and engagement.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

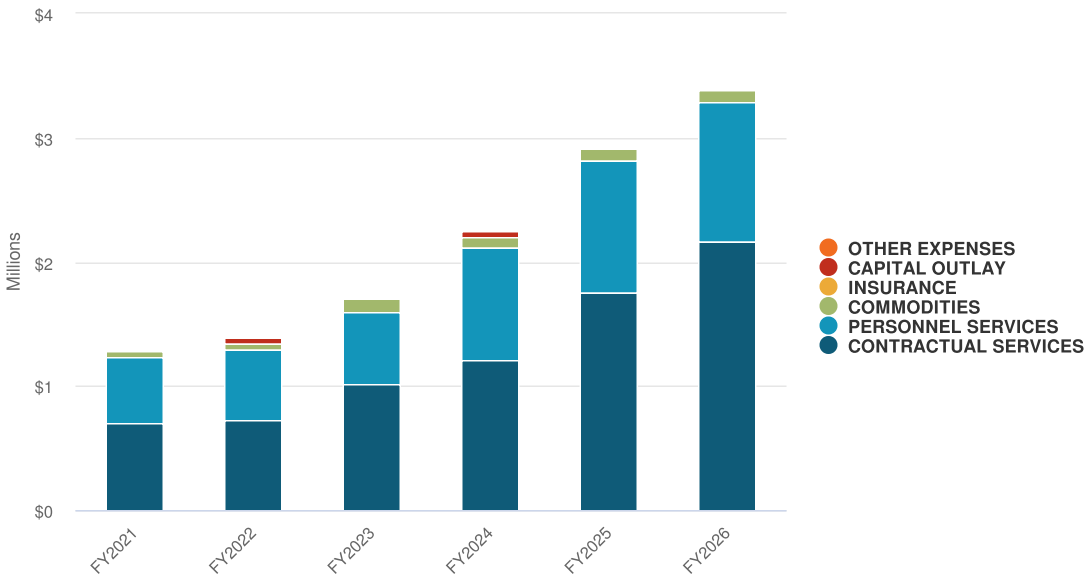
- Provide system technology training for all employees for more effective use of the City's Computer Systems.
- Seek out and identify technological advances to enhance level of service and reduce long-term costs.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

- Provide enhanced communications to the outlying areas.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$576,510	$900,352	$1,063,200	$1,127,400
CONTRACTUAL SERVICES	$1,019,227	$1,209,672	$1,752,700	$2,159,200
COMMODITIES	$102,313	$85,591	$92,450	$95,300
INSURANCE	$569	$569	$550	$500
CAPITAL OUTLAY	$21,252	$47,155	$0	$0
Total Expense Objects:	**$1,719,870**	**$2,243,339**	**$2,908,900**	**$3,382,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Chief Information Officer	$140,128	$203,623
1	1	Solutions Manager	$82,941	$120,525
1	1	Information Technology Manager	$82,941	$120,525
1	1	Network Adminsitrator	$69,639	$101,194
1	1	Project Management Specialist	$58,470	$84,965
1	1	Systems Analyst II	$61,979	$90,063
3	3	Systems Analyst I	$55,161	$80,156
1	1	Information Technology Data Analyst	$55,161	$80,156
1	1	Information Technology Technician	$52,038	$75,618

**MPO Manager position moved from MPO to IT to create IT Manager for FY 2024.*

**Asset Manager position moved from PW Admin to IT and reclassified to Solutions Manager for FY 2024.*

**Leisure Services Analyst position moved from Leisure Services to IT and reclassified to Project Management Specialist for FY 2024.*

**IT Technician moved from Library to IT for FY 2024.*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
7	7	11	11	11

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Personal computer installations	83	98	93	92	92
System downtime	<1%	<1%	<1%	<1%	<1%
Special projects completed	2	2	2	2	2
Trouble calls answered Telephone – Service *	6,500	6,500	6,500	6,500	6,500
Completion of scheduled operations	100%	100%	100%	100%	100%

**Rounded to the nearest hundred*

Geographic Information Systems

Jake White
GIS Manager

MISSION

To provide support, storage, maintenance, and analysis of geographic information for city departments. The GIS is a computerized database management system capable of capturing, storing, retrieving, analyzing, and displaying spatially (geographically) referenced data.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Maintain one-day response time to citizen and city staff inquiries for geographic data.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continue support and maintenance of GIS infrastructure for Public Works implementation of Cartegraph Asset management software for storm water, wastewater, water, streets, sanitation, traffic, and grounds maintenance divisions.
- Continue to support and develop map production, data entry and access to support water, wastewater departments.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Software support for crime mapping project
- Maintenance and update of geographic data for public safety
- Continue maintenance and update of e911 addressing and mapping system

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

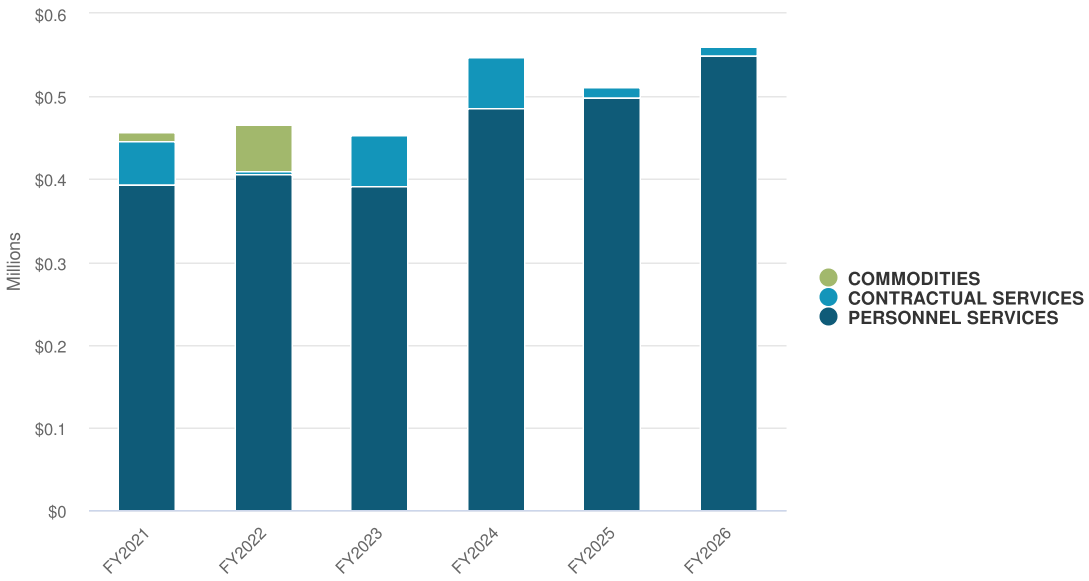
- Continue to provide GIS support for Economic Development.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Continue to provide GIS support for Redevelopment, and Neighborhood activities.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$390,981	$485,410	$498,900	$498,900	$548,400	9.9%
CONTRACTUAL SERVICES	$62,256	$61,243	$11,800	$11,800	$11,800	0%
COMMODITIES	$2,372	$351	$2,200	$2,200	$2,200	0%
Total Expense Objects:	**$455,609**	**$547,004**	**$512,900**	**$512,900**	**$562,400**	**9.7%**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	GIS Manager	$78,247	$113,702
3	3	GIS Analyst	$58,470	$84,965

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	4	4	4

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Maps produced	550	300	250	250	250
Work orders processed	183	217	200	200	200

Human Resources

Tyra Copas
Human Resources Director

MISSION

To provide exceptional support to all city employees and departments in the areas of employment, employee relations, compensation, benefits, training and development.

SUMMARY

The Human Resources Department serves as a support unit to all city departments by fostering a supportive, high-performing workplace. The department is committed to attracting, developing, and retaining a workforce who is dedicated to serving our community with integrity, innovation and excellence. Through strategic partnerships, employee engagement, equitable policies, and compliance with federal and state employment law, the department aims to enhance organizational effectiveness while prioritizing the well-being and professional growth of every employee. It is also our charge to work to balance between the needs of the departments and the workforce with the need for stewardship of public funds.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Seek continuous improvement for greater efficiency and productivity.
- Eliminate non-value-adding activities & processes.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Professional Development - Provide training programs and educational opportunities to employees enabling them to increase service and better job performance.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

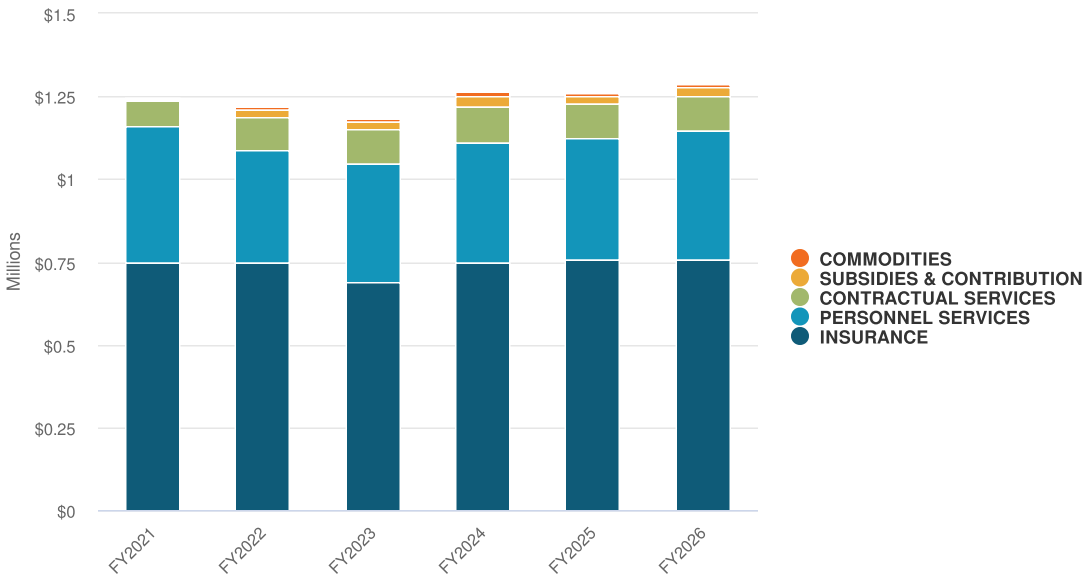
- Continue to monitor salary structure to remain competitive in the market.
- Review and implement updated hiring processes making it easier to apply for jobs and quicker onboarding when hired.
- Provide training to employees including those at the Management Team level on various city policies and procedures to ensure topics covered are clear, understood, and adhered to.

Strategic Performance

- Integrated the online platform for pre-hire/new hires pre-employment documentation.
- From 2,722 applications, we hired 152 employees.
- Provided retirement and resignation out-processing for 124 employees.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$359,801	$358,297	$370,800	$393,100
CONTRACTUAL SERVICES	$104,225	$110,339	$100,200	$102,200
COMMODITIES	$8,710	$10,858	$7,300	$7,300
INSURANCE	$687,500	$750,000	$755,000	$755,000
SUBSIDIES & CONTRIBUTION	$22,436	$34,187	$27,000	$29,000
Total Expense Objects:	**$1,182,671**	**$1,263,681**	**$1,260,300**	**$1,286,600**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Human Resources Director	$117,654	$170,965
3	3	Human Resources Business Partner	$65,697	$95,466
1	1	Human Resources Representative	$58,470	$84,965
1	1	HR Executive Administrative Assistant II	$43,692	$63,491

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	6	6	6

Performance Measures

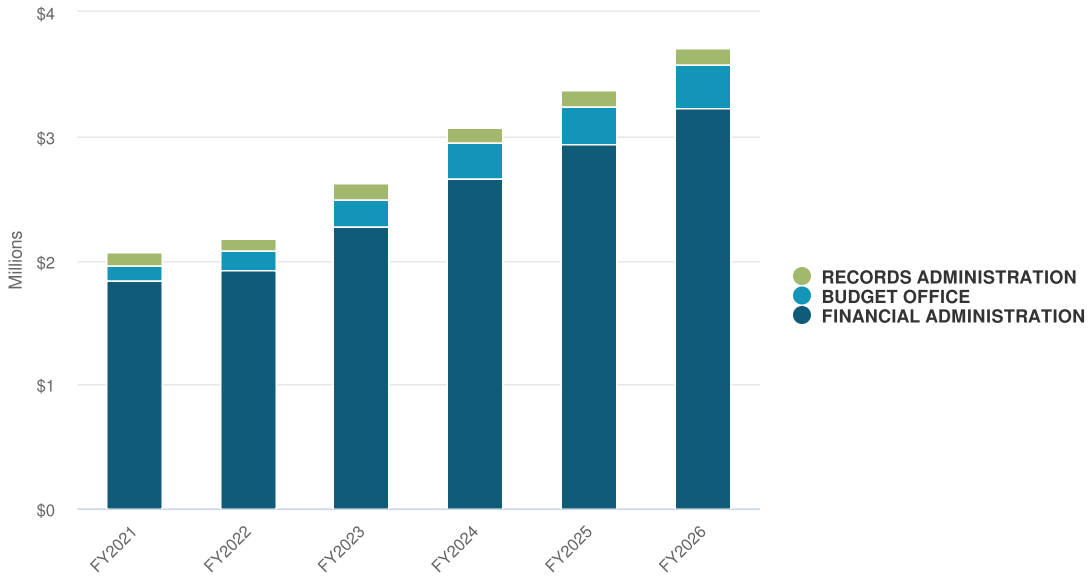
PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
# Separations/Total avg. employment	119/736	130/765	80/788	124/800	124/800
# Hired/ # Applications	101/2,141	130/2,200	100/2,000	150/2,000	150/2,000
# Employees/ Appeals Requested	736/0	765/0	788/0	800/0	800/2
Days to hire-Outside Candidate	45	45	45	30	30
Days to hire-Inside Candidate	15	15	15	15	15
Training sessions/ Attendance	0/0	2/200	0/0	20/994	20/994

Finance

Travis Bishop
Chief Finance Officer

Expenditures by Function

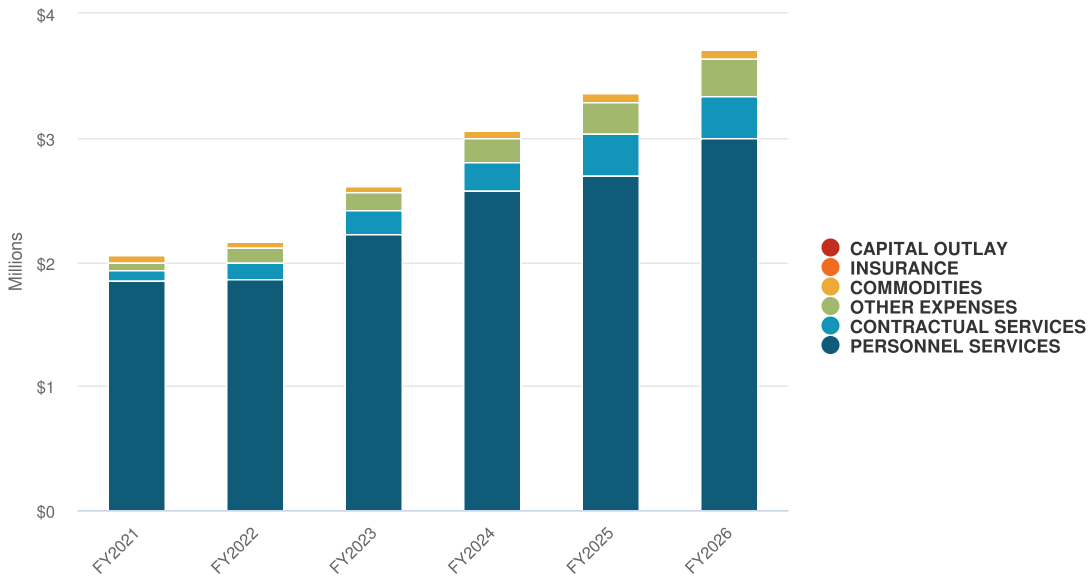
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
BUDGET OFFICE	$225,524	$299,065	$311,500	$345,500
FINANCIAL ADMINISTRATION	$2,269,112	$2,654,033	$2,932,600	$3,229,300
RECORDS ADMINISTRATION	$122,904	$120,451	$127,900	$140,700
Total Expenditures:	**$2,617,540**	**$3,073,550**	**$3,372,000**	**$3,715,500**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$2,225,420	$2,572,021	$2,692,300	$2,991,800
CONTRACTUAL SERVICES	$188,572	$230,037	$339,700	$339,700
COMMODITIES	$52,953	$60,230	$76,700	$76,700
OTHER EXPENSES	$144,795	$189,890	$256,300	$300,300
INSURANCE	$5,801	$7,047	$7,000	$7,000
CAPITAL OUTLAY	$0	$14,325	$0	$0
Total Expense Objects:	**$2,617,540**	**$3,073,550**	**$3,372,000**	**$3,715,500**

Finance Administration

Travis Bishop
Chief Finance Officer

MISSION

Provide sound stewardship of the city's fiscal affairs and general accounting supervision over the city's property, assets and disposition thereof.

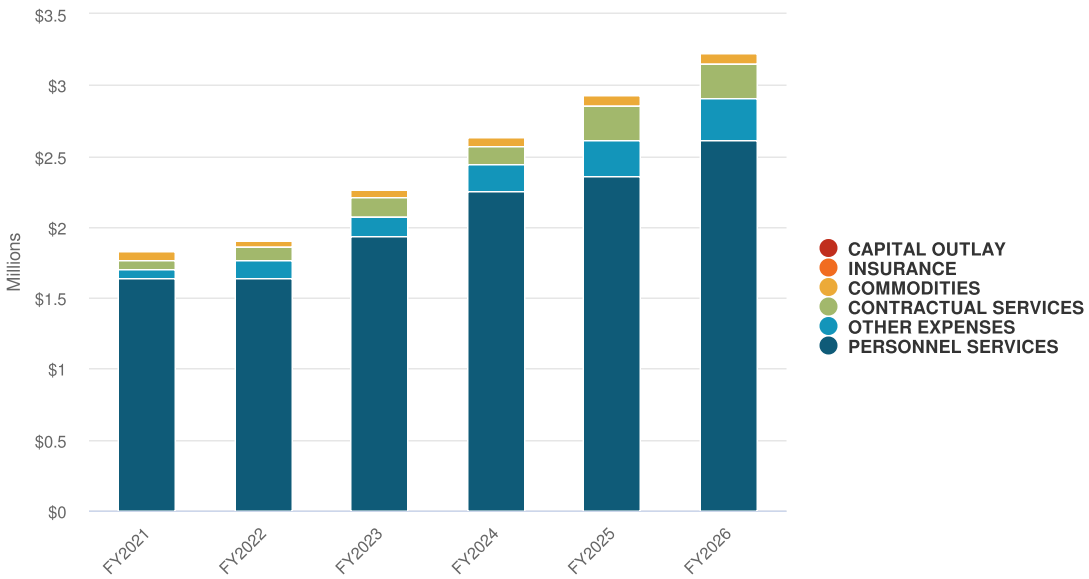
Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continuance of the City's bond ratings
  - Moody's – (Aa2) - Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
  - S&P – (AA) - Very strong capacity to meet financial commitments
- Annual review of the City's financial policies.
- Continued participation in the GFOA Certificate of Achievement for Excellence in Financial Reporting.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,931,951	$2,249,240	$2,354,300	$2,607,000
CONTRACTUAL SERVICES	$136,186	$135,343	$240,700	$240,700
COMMODITIES	$50,429	$58,189	$74,300	$74,300
OTHER EXPENSES	$144,795	$189,890	$256,300	$300,300
INSURANCE	$5,751	$7,047	$7,000	$7,000
CAPITAL OUTLAY	$0	$14,325	$0	$0
Total Expense Objects:	**$2,269,112**	**$2,654,033**	**$2,932,600**	**$3,229,300**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	City Recorder/Chief Financial Officer	$140,128	$203,623
2	2	Assistant Finance Director	$98,785	$143,547
2	2	Accounting Supervisor	$65,697	$95,466
1	1	Senior Accountant	$58,470	$84,965
1	1	Senior Revenue Accountant	$58,470	$84,965
4	4	Accountant	$55,161	$80,156
1	1	Accounts Payable Supervisor	$49,093	$71,338
2	2	Accounts Payable Specialist I	$38,886	$56,506
1	1	Payroll Supervisor	$46,314	$67,300
2	2	Payroll Specialist	$43,692	$63,491
1	1	Billing Supervisor	$49,093	$71,338
1	1	Billing Lead	$43,692	$63,491
2	2	Billing Customer Service Representative II	$38,886	$56,506
1	1	Billing Customer Service Representative I	$36,685	$53,308
1	1	Collections-Customer Services Coordinator	$43,692	$63,491
1	1	Tax & License Representative	$38,886	$56,506
1	1	Property Tax Representative	$38,886	$56,506
5	5	Collections -Customer Services Respresentative I	$36,685	$53,308
1	1	Finance Exec Admin Assistant	$43,692	$63,491

**Added 2 additional Accountant positions in FY 2025.*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
28	28	30	30	31

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
A/P checks Processed	10,798	10,958	11,000	10,000	10,000
A/P Invoices Processed	37,793	43,832	45,000	45,000	45,000
Payrolls Processed	52	52	52	52	52
Payroll processed on time	100%	100%	100%	100%	100%
Month-end closing by 20th of following month	0	0	0	0	0
Current Year Audit findings	2	1	1	0	0
Prior year audit findings not implemented	0	1	0	0	0
ACFR submitted on time with state	Yes	30 Day Extension	Yes	Yes	Yes
Property tax notices billed	29,617	29,845	30,371	30,500	30,500
Property taxes collected as % of levy	97.62%	97.93%	97.63%	97.70%	97.70%

Benchmarks

FROM 2024 ACFR	Murfreesboro	Johnson City	Kingsport	Cleveland	Oak Ridge	Bristol
Population	157,519	72,514	56,150	48,557	31,402	27,698
Full Taxable Value	$23,059,184,559	$7,057,238,996	$6,544,285,308	$5,272,143,309	$3,207,879,253	$2,575,905,000
Assessed Taxable Value	$7,115,245,586	$2,181,411,945	$2,008,796,383	$1,637,187,949	$958,514,840	$816,707,000
Tax Rate	$0.953	$1.73	$1.9983	$1.7130	$2.3136	$1.9863
Bond Rating:						
(Moody)	Aa1	Aa2	Aa2	Aa3	Aa2	Aa2
(S & P)	AA+	AA	AA	AA	AA+	AA
Debt Limitation						
% of assessed taxable value					N/A	N/A
1) -% of appraised value	(1) 15%	(1) 10%	(1) 20%	(1) NA		
2) -by Council Resolution	(2) NA	(2) NA	(2) 10%	(2) 10%		
Net Debt per Capita	$2,301	$3,649	$3,773	$1,788	$3,970	$1,523
Tax Collections as % of Tax						
Levy	99.07%	98.06%	97.63%	95.3%	98.4%	96.7%
Number of Water Customers	30,731	47,202	36,395	33,956	15,517	12,863
Water Audit Data Validity						
Score	55,665	30,196	23,658	20,606	14,755	11,597
Audit Findings						
(1) Current Year	(1) 0	(1) 3	(1) 1	(1) 0	(1) 0	(1) 0
(2) Carryover from Prior Year	(2) 1	(2) 3	(2) 0	(2) 1	(2) 0	(2) 1
Received GFOA Excellent						
Reporting Award						
FY 2023	Yes	Yes	Yes	Yes	Yes	Yes

Budget Office

John Morris
Budget Director

MISSION

To provide effective and efficient budgetary advice to the City Manager, BMA and City staff, for their use in developing and managing multi-year City operations.

SUMMARY

The Budget Office, under the Office of the City Manager, was created in FY 1999-2000 to expand the ability of the Leadership Team to focus on budgetary analysis, planning, and training of City staff. This has been coupled with the development of policies and procedures for more effective forecasting, and the creation of budgetary management tools.

The major emphasis in developing the current budget has been a thorough overhaul of the strategic plan, continued focus on the development of multi-year operations, including fee and rate projections for the general, water and wastewater funds, the continued development of a multi-year water and wastewater capital plan, and greater involvement in the Leadership and Management Teams.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Help the City Manager to identify and develop Budget Training and Budget Implementation for City staff.
- Provide strong, conservative annual operating budgets consistent with the City's revenue stream, BMA guidance, and service offerings to the citizens.
- Help the City Manager to seek continuous improvement through process changes, and in-depth fiscal analysis of costs.
- Develop internal operating and capital budget policies, procedures, and controls.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Work closely with City Staff to provide budgetary analysis, as well as short-term and long-term budgetary planning for a safe, dependable, and well-maintained infrastructure and facilities.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Develop a strong working relationship with the City's Community Partners to provide budgetary planning for future endeavors.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

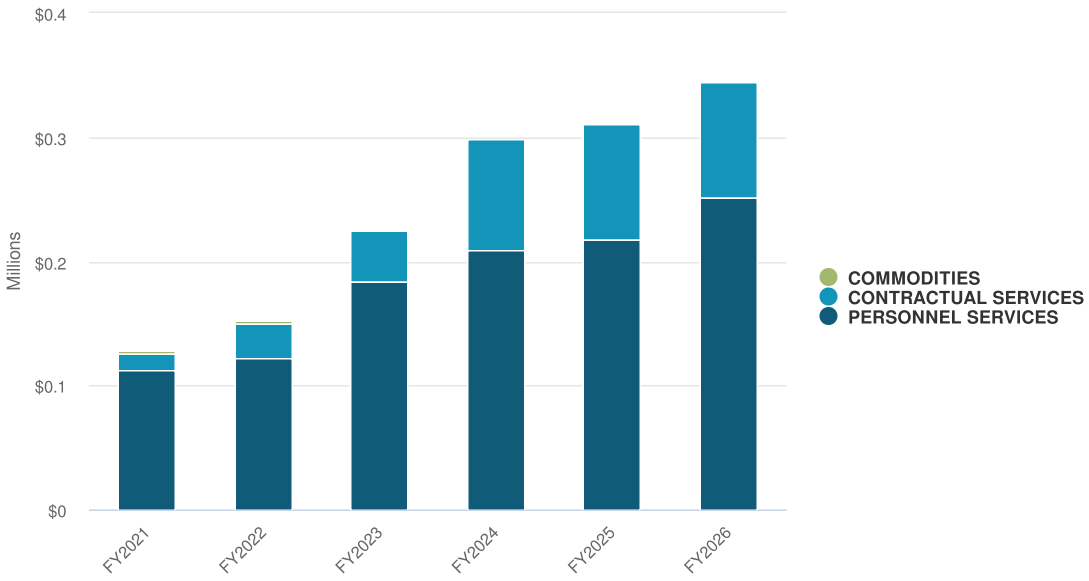
- Help the City Manager and BMA support the Superintendent of Schools and BOE through the development of a good working relationship to bring about strong, conservative budgets consistent with the City's revenue stream, BMA/BOE guidance, and public-school system requirements.
- Work with the Regional Center for Applied Technology to provide adequate funding and planning for the Educate and Grow scholarship program.

Strategic Performance

- The City of Kingsport was awarded the Distinguished Budget Presentation Award by the Government Financial Officers Association (GFOA) for their FY 2022-2023 Adopted Budget and Capital Improvement Plan publications. This is the 24th consecutive year the city has received this award.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$183,359	$208,496	$217,900	$251,900
CONTRACTUAL SERVICES	$41,897	$89,941	$92,100	$92,100
COMMODITIES	$269	$628	$1,500	$1,500
Total Expense Objects:	**$225,524**	**$299,065**	**$311,500**	**$345,500**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Budget Director	$98,785	$143,547
1	1	Budget Analyst	$58,470	$84,965

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	2	2

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Work Budget - Submitted to BMA by May 15	Yes	Yes	Yes	Yes	Yes
Budget Passed by BMA – 2 reads by July 1	Yes	Yes	Yes	Yes	Yes
Final Budget – Submitted to State by July 15	Yes	Yes	Yes	Yes	Yes
GFOA Budget Award - Received	Yes	Yes	Yes	Yes	Yes

Records Administration

Angela Marshall
Municipal Clerk

MISSION

To provide the highest quality of municipal government service and responsiveness to the general public, Board of Mayor and Aldermen and city staff in an efficient and professional manner.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

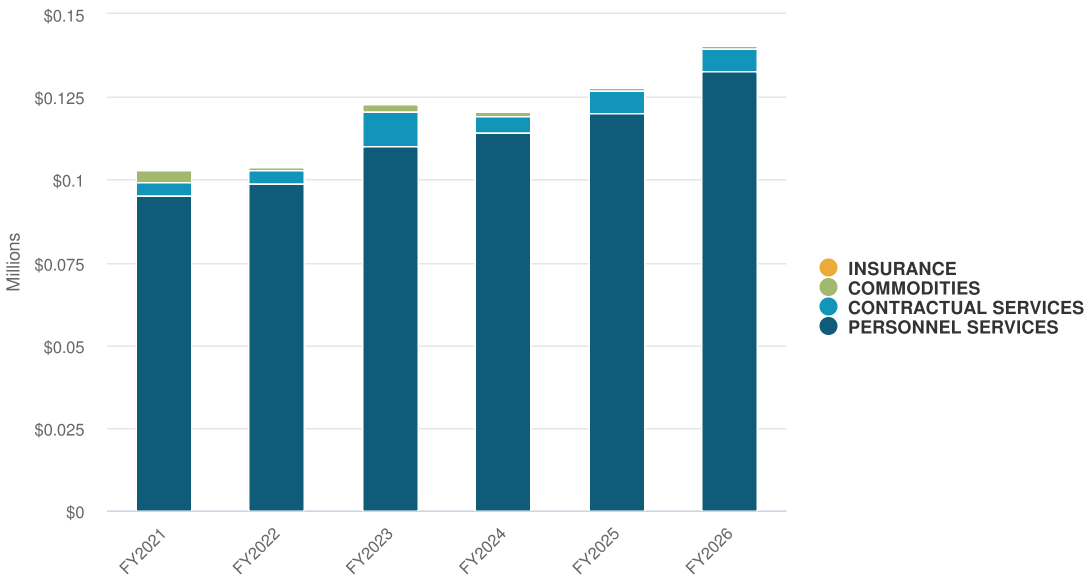
- Management, protection, and organization of City documents/records
- Continued administration of Beverage Board meetings and actions
- Continued administration of City-owned real property
- Provision of requested public access to City documents/records
- Provision of staff access to City documents/records

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- To treat residents of the City and consumers within our service and planning areas as valued customers deserving our respect and assistance.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$110,109	$114,285	$120,100	$132,900
CONTRACTUAL SERVICES	$10,489	$4,753	$6,900	$6,900
COMMODITIES	$2,255	$1,414	$900	$900
INSURANCE	$50			$0
Total Expense Objects:	**$122,904**	**$120,451**	**$127,900**	**$140,700**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Municipal Clerk	$55,161	$80,156
1	1	Office Assistant (PT)	$24,079	$34,990

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	2	2

Performance Measures

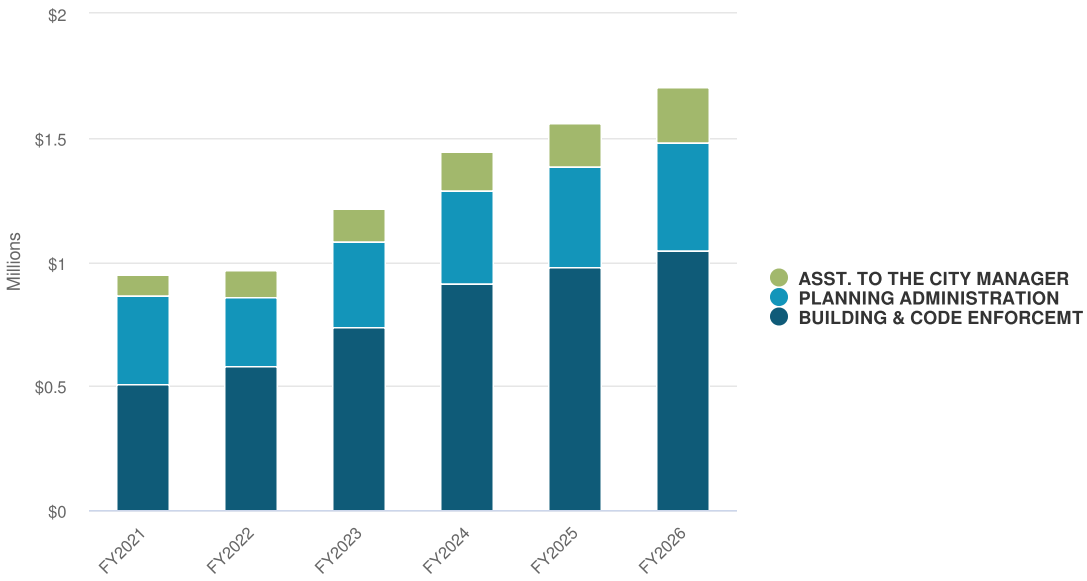
Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Resolutions processed	284	250	287	250	250
Ordinances processed	76	80	70	80	80
Pages of minutes transcribed	240	240	256	250	250
Beverage permits processed	27	25	22	25	25
Records requests processed	387	350	354	350	350

Development Services

Jessica Harmon
Assistant City Manager - Development Services

Expenditures by Function

Budgeted and Historical Expenditures by Function

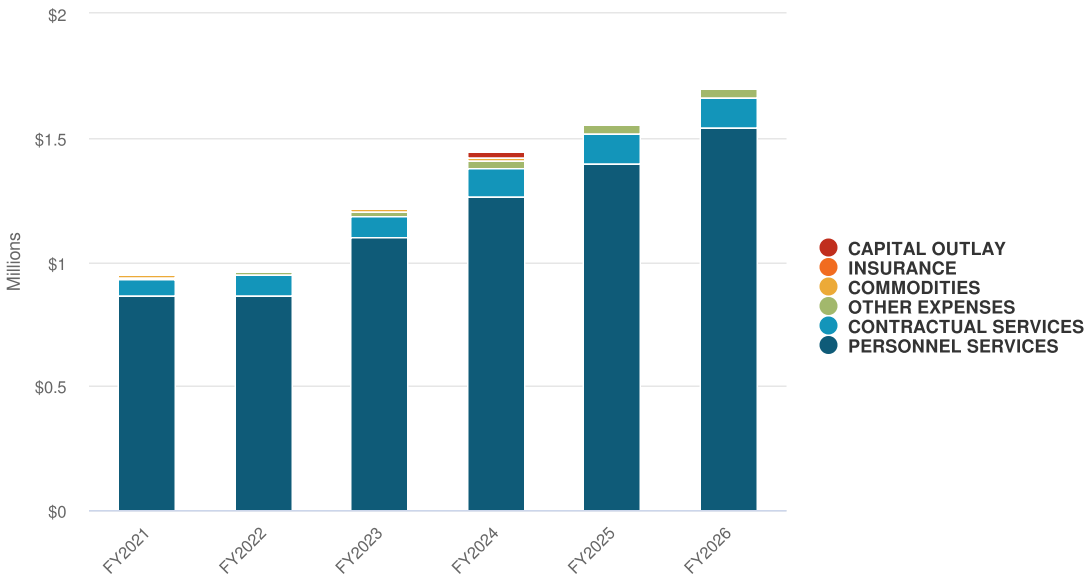


*Asst. to the City Manager is now known as Assistant City Manager-Development Services.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
GENERAL GOVERNMENT				
ASST. TO THE CITY MANAGER	$133,671	$157,745	$179,400	$226,800
Total GENERAL GOVERNMENT:	**$133,671**	**$157,745**	**$179,400**	**$226,800**
DEVELOPMENT SERVICES				
PLANNING ADMINISTRATION	$345,007	$374,669	$402,500	$434,400
BUILDING & CODE ENFORCEMT	$735,782	$914,449	$979,700	$1,044,700
Total DEVELOPMENT SERVICES:	**$1,080,789**	**$1,289,118**	**$1,382,200**	**$1,479,100**
Total Expenditures:	**$1,214,460**	**$1,446,863**	**$1,561,600**	**$1,705,900**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,099,550	$1,264,674	$1,397,900	$1,540,400
CONTRACTUAL SERVICES	$81,732	$113,545	$118,500	$123,500
COMMODITIES	$10,038	$10,358	$8,400	$8,400
OTHER EXPENSES	$21,431	$29,635	$35,200	$31,700
INSURANCE	$1,708	$1,933	$1,600	$1,900
CAPITAL OUTLAY	$0	$26,717	$0	$0
Total Expense Objects:	**$1,214,460**	**$1,446,863**	**$1,561,600**	**$1,705,900**

Assistant City Manager - Development Services

Jessica Harmon
Assistant City Manager-Development Services

MISSION

To provide support and lead city activities for development, construction, housing codes enforcement, and economic development.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Improving relations between the City and its citizens.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

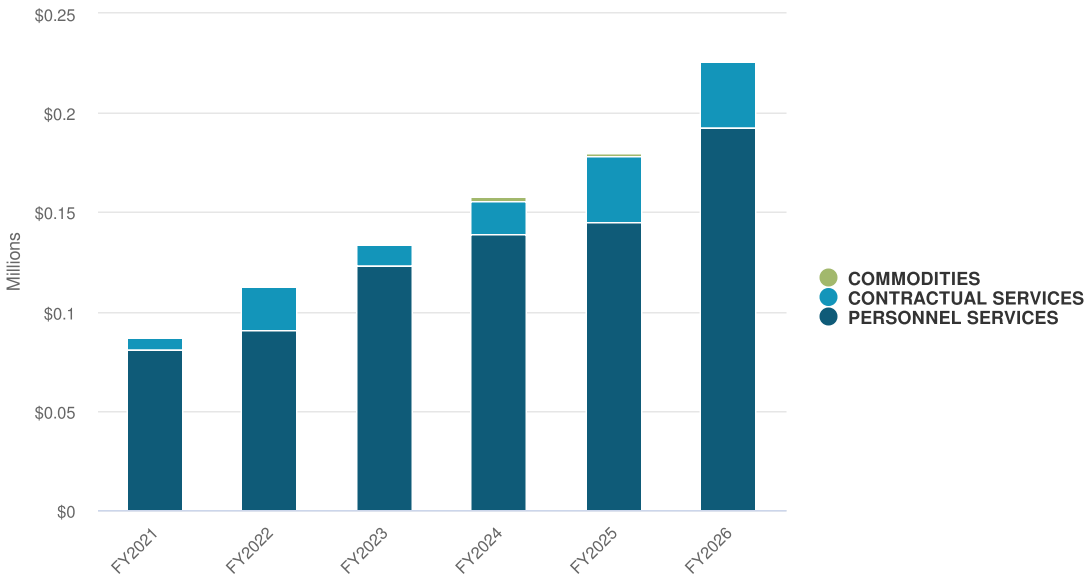
- Seek continuous improvement within operations for efficiency and productivity.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

- Work to encourage expansion of opportunities to provide development services in various formats to citizens

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$123,103	$139,057	$145,200	$192,600
CONTRACTUAL SERVICES	$10,534	$16,525	$33,400	$33,400
COMMODITIES	$34	$2,163	$800	$800
Total Expense Objects:	**$133,671**	**$157,745**	**$179,400**	**$226,800**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Assistant City Manager-Development Services	$132,196	$192,097

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
1	1	1	1	1

Planning

Ken Weems
Planning Manager

MISSION

To shape the built environment of the City of Kingsport by promoting the goals and vision of its citizens through quality planning and development without sacrificing excellence in quality of life.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Respectfully provide accurate and timely information to citizens.
- Provide timely notice to neighborhood groups, and citizens, about developments that may impact their properties.
- Provide fair and responsible staff recommendations to the various planning committees.
- Provide data and notices in an open and accessible format for staff, citizenry, and city leadership.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Ensure high quality infrastructure is planned, permitted and installed correctly prior to dedication.
- Promote development within projects that limit inefficient extension of services and provide balanced infrastructure needs and open space.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

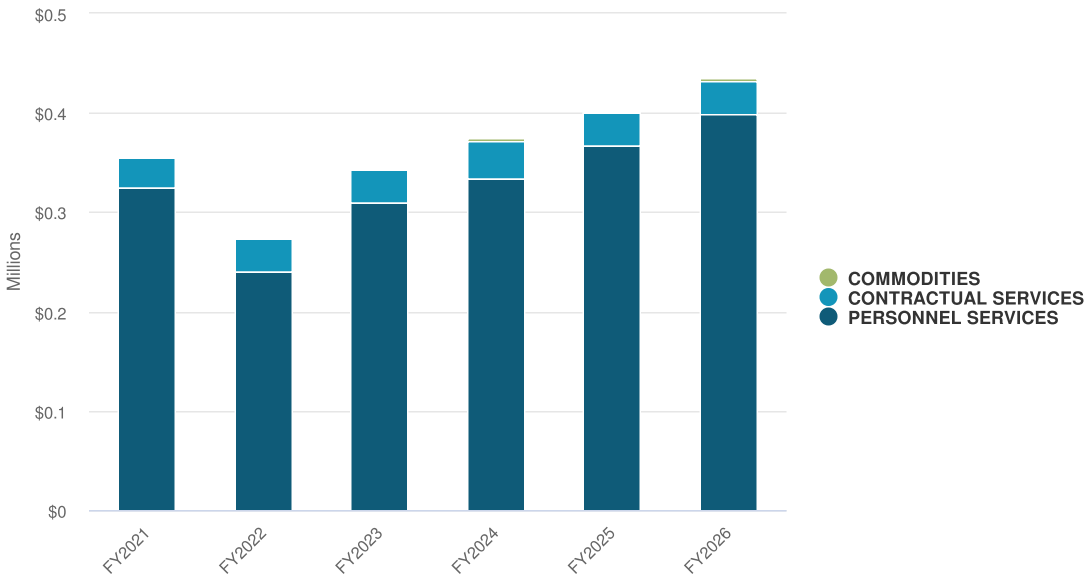
- Promote a business/developer-friendly ethic by providing streamlined approval processes.
- Promote responsible, sustainable development practices through innovative regulations.
- Provide opportunities for continued professional development appropriate to experience and assignments.
- Strive to hire the highest caliber employees internally and externally when openings arise.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Reduce the effects of sprawl development through appropriate planning and land use parameters.
- Promote aesthetically conscious development in key entry areas and destination points of the city.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$309,385	$334,589	$366,600	$398,500
CONTRACTUAL SERVICES	$33,800	$37,706	$33,800	$33,800
COMMODITIES	$1,822	$2,373	$2,100	$2,100
Total Expense Objects:	**$345,007**	**$374,669**	**$402,500**	**$434,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Planning Manager	$78,247	$113,702
1	1	Planner III	$61,979	$90,063
1	1	Planner II	$58,470	$84,965
1	1	Planning Technician	$43,692	$63,491

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	4	4	4

Statistics

			Pop. Served		Sq. Miles	
Year	Staff	City	Region	City	Region	Personnel Costs
FY 24-25	4	56,704	22,382	54.02	46.48	$354,900
FY 23-24	4	56,235	22,382	54.02	46.48	$348,900
FY 22-23	4	55,582	24,521	53.90	49.38	$332,800
FY 21-22	4	55,442	24,521	53.58	49.70	$320,500
FY 20-21	5	54,127	24,521	53.56	49.72	$375,600
FY 19-20	6	54,076	24,521	53.55	49.73	$305,964
FY 18-19	4	53,374	24,521	53.55	49.78	$293,126
FY 17-18	4	53,558	24,521	53.45	49.88	$277,992
FY 16-17	4	53,028	13, 696	53.42	49.91	$243,795
FY 15-16	4	53,028	13, 696	53.28	50.05	$281,094
FY 14-15	5	51,274	13,696	53.00	50.05	$463,000
FY 13-14	7	51,274	13,696	53.00	50.05	$510,200
FY 12-13	6	51,264	13,716	52.98	50.07	$442,900
FY 11-12	6	50,561	14,719	51.25	51.8	$444,880
FY 10-11	6	49,275	17,177	50.97	47.70	$403,400
FY 09-10	6	47,356	18,025	49.84	48.83	$384,082
FY 08-09	6	45,294	29,331	49.54	50.50	$343,082
FY 07-08	5	44,905	29,720	46.44	53.60	$354,585
FY 06-07	6	44,905	29,720	45.87	54.13	$358,865
FY 05-06	6	44,905	29,720	45.87	54.13	$358,865
FY 04-05	6	44,905	29,720	45.44	54.56	$324,200
FY 03-04	6	44,905	29,720	45.13	54.87	$264,400
FY 02-03	6	44,905	29,720	45.13	54.87	$267,447

Benchmarks

Performance Measures

Year	ANNEX	SUBD	REZ	ZDP	PD	VAC	HZC	BZA	Studies	Gateway	ZTA	SUB REGS	SUR	Façade/ Redev Apps
2024	0-0 Studies	91	6	18	5	2	14	36	0	2	2	0	1	8
2023	1-0 Studies	93	11	25	1	0	18	17	1	5	1	0	18	10
2022	2–0 Studies	89	7	30	4	6	23	16	0	9	1	2	-	10
2021	2-1 Studies	96	5	29	8	5	12	19	0	16	2	1	-	11
2020	2-0 Studies	64	5	8	11	23	0	4	1	1	6	2	-	12
2019	0-1 Studies	96	1	7	6	32	1	14	2	0	14	1	-	9
2018	1-0 Studies	94	10	4	6	7	8	25	2	13	4	0	-	9
2017	1-0 Studies	77	4	4	0	3	13	16	2	7	2	0	-	-
2016	4-0 Studies	99	10	7	1	7	17	27	1	12	5	0	-	-
2015	3-3 Studies	96	7	12	2	3	21	12	1	8	7	0	-	-
2014	5-4 Studies	97	15	8	0	4	22	11	1	11	7	1	-	-
2013	8-3 Studies	86	9	8	0	1	23	20	1	5	11	1	-	-
2012	14-1 Study	66	17	10	8	18	16	11	1	3	5	1	-	-
2011	21-3 Studies	77	10	2	1	8	12	15	2	9	8	0	-	-
2010	22-1 Studies	84	12	3	4	5	4	16	2	2	12	0	-	-
2009	20-0 Studies	88	14	6	10	12	10	17	1	7	4	0	-	-
2008	22-7 Studies	107	19	19	3	11	12	26	2	6	7	0	-	-
2007	18-5 Studies	132	23	20	6	8	20	31	2	6	4	1	-	-
2006	13-2 Studies	102	24	17	1	6	7	47	3	8	2	1	-	-
2005	12-15 Studies	111	27	13	4	3	16	46	2	8	3	2	-	-
2004	16-2 Studies	108	17	17	5	3	26	49	4	5	5	-	-	-
2003	0-15 Studies	115	22	23	3	6	23	41	3	5	2	6	-	-
2002	5 -12 Studies	85	17	12	2	5	20	55	1	6	6	-	-	-
2001	2 – 5 Studies	68	27	14	-	11	19	39	10	7	2	1	-	-
2000	7 – 11 Studies	85	13	13	1	10	21	50	-	7	3	-	-	-
1999	3 – 4 Studies	53	12	13	4	18	13	49	-	-	3	-	-	-
1998	6 – 13 Studies	51	13	30	5	5	21	63	-	-	1	-	-	-
1997	7 – 20 Studies	59	16	22	1	3	29	-	13	-	-	1	-	-
1996	8 -16 Studies	48	18	21	3	4	25	-	5	-	-	1		-
1995	20 -40 Studies	73	18	13	1	1	11	-	5	-	-	1		-

KEY

ANNEX – Annexations
Studies – Areas studied but not suitable for annexation
SUBD - Subdivisions
REZ – Rezoning (City & County)
ZDP – Zoning Development Plans
PD - Planned Developments
VAC – Vacating's
SUR-Surplus Properties (New for 2023)
HZC – Historic Zoning Commission items
BZA – Board of Zoning Appeals Items
Studies – Planning studies prepared by staff
Gateway – Items reviewed by the Gateway Review Commission
ZTA – Zoning Text Amendments
SUB REGS – Revisions to the Subdivision Regulations
Façade/Redev Apps- Façade and Redevelopment Applications (New for 2018).

Building & Code Enforcement

Keith Bruner
Chief Building Official

MISSION

The Building Division is dedicated to ensuring the safety, health, and quality of life of all residents by upholding fair and consistent enforcement of building codes, zoning regulations, and property maintenance standards. Our employees are committed to preserving the unique character of our community while fostering sustainable growth and development. Through collaboration, education and accessible resources, we strive to empower property owners, builders, and residents to create safe, compliant, and thriving spaces for living and working. Our mission is to balance tradition, progress and ensure that the City of Kingsport remains a welcoming, vibrant, and resilient community for generations to come.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Respond to all citizen inquiries in a timely, courteous manner.
- To help all homeowners, developers, and contractors understand and implement building codes and ordinances.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Provide training and educational opportunities to maintain certification of all inspectors.

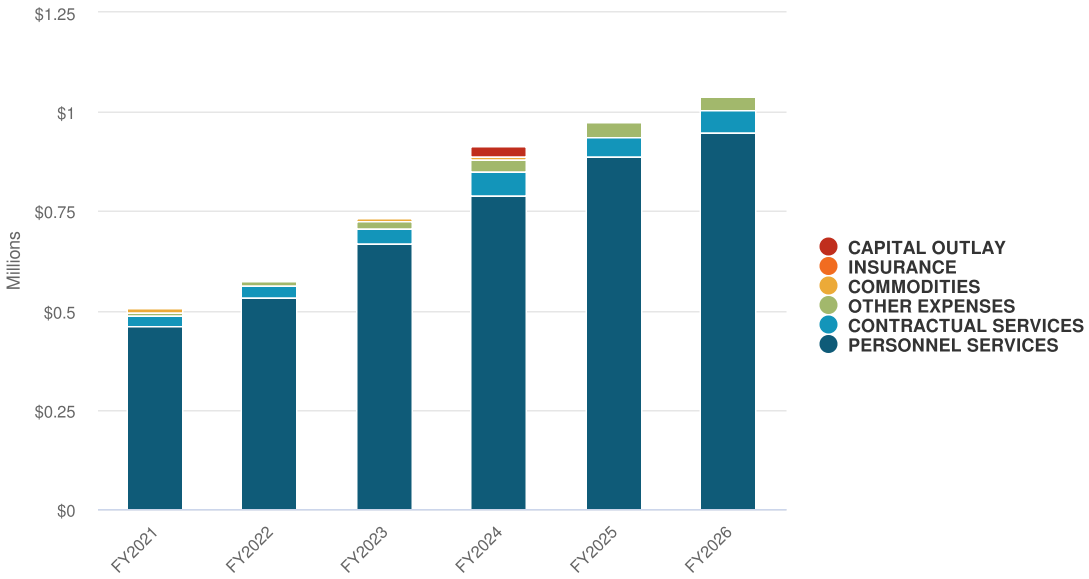
Strategic Performance

- Continue meeting with developers to help streamline the plans approval process.
- Continue adjusting staff schedules to better meet the time constraints of contractors.

Expenditures by Expense Type

We are not requesting any increase in our budget. We are only requesting our budget remain the same as the previous FY.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$667,062	$791,028	$886,100	$949,300
CONTRACTUAL SERVICES	$37,399	$59,314	$51,300	$56,300
COMMODITIES	$8,183	$5,822	$5,500	$5,500
OTHER EXPENSES	$21,431	$29,635	$35,200	$31,700
INSURANCE	$1,708	$1,933	$1,600	$1,900
CAPITAL OUTLAY	$0	$26,717	$0	$0
Total Expense Objects:	**$735,782**	**$914,449**	**$979,700**	**$1,044,700**

Personnel

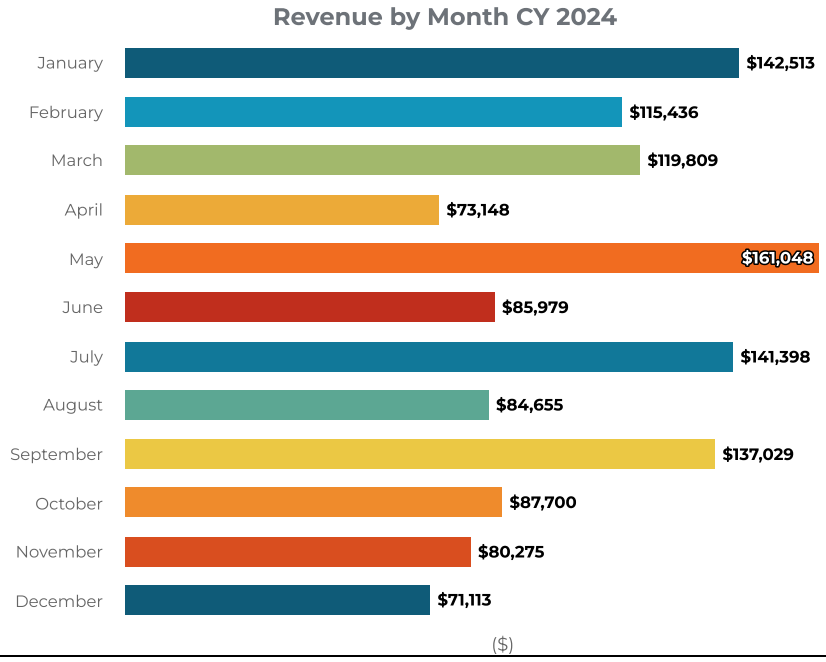
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Chief Building Official	$82,941	$120,525
1	1	Senior Building Inspector	$58,470	$84,965
1	1	Building Inspector III	$55,161	$80,156
1	1	Building Inspector II	$52,038	$75,618
2	2	Building Inspector I	$49,093	$71,338
1	1	Code Enforcement Coordinator	$52,038	$75,618
2	2	Property Maintenance/Housing Inspector	$46,314	$67,300
1	1	Permit Technician II	$43,692	$63,491
1	1	Permit Technician I	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
7	11	11	11	11

Performance Measures



Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Building permits	1,255	1,004	1,400	1,400	1,400
Electrical permits	925	928	1,100	1,100	1,100
Mechanical permits	625	754	800	800	800
Plumbing permits	425	455	600	600	600
TOTAL PERMITS	**3230**	**3141**	**3900**	**3900**	**3,900**
Building Inspections	2900	3463	3500	3500	3,500
Electrical Inspections	2700	3478	3700	3700	3,700
Mechanical Inspections	1750	2170	2100	2100	2,100
Plumbing Inspections	1500	2487	1800	1800	1800
Code Compliance Inspections	1745	1601	1900	1900	1900
TOTAL INSPECTIONS	**10,595**	**13,199**	**13,000**	**13,000**	**13,000**
Revenue	$699,512	$827,248	$900,000	$900,000	$1,000,000
Budget Expenses	$581,750	$619,310	$805,132	$805,132	$979,700
Revenue vs. Expenses	$117,762	$207,938	$94,868	$94,868	$20,300
ESTIMATED CONSTRUCTION COST	**$132,933,768**	**$156,000,000**	**$120,000,000**	**$120,000,000**	**$135,000,000**

Benchmarks

BENCHMARKS	KINGSPORT	BARTLETT	JOHNSON CITY	SMYRNA
Population	56,704	56,155	74,075	58,725
Staff per population	1 per 5,155	1 per 5,105	1 per 5,291	1 per 4,893
Staff	11	11	14	12

Economic Development

Steven H. Bower
Economic Development Director

MISSION

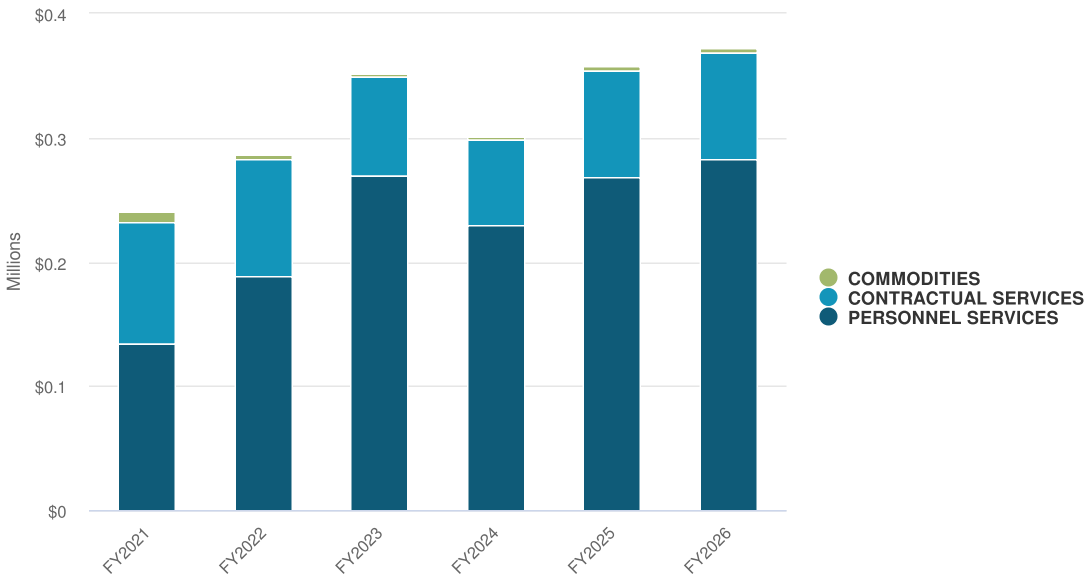
To provide support to the BMA and Kingsport community partners while leading city activities for development, construction, housing code enforcement, and economic development.

Strategic Performance

- Kingsport continues to emphasize coordinated economic development efforts, working closely with local developers, regional partners, and existing businesses to promote investment and growth.
- Codes Enforcement efforts, supported by Community Development Block Grant (CDBG) funds, have exceeded expectations. Off-duty police officers assist with field enforcement, resulting in visible neighborhood improvements and a significant increase in case closures. The collaboration with the Kingsport Police Department has been particularly effective.
- Downtown Kingsport continues to thrive, with steady growth in restaurants and retail, alongside major apartment redevelopments. Three mixed-use developments have received City-backed financial incentives—two are under construction, and one is nearing completion.
- The City remains actively engaged with key partners, including the Downtown Kingsport Association (DKA), Kingsport Economic Development Board (KEDB), NETWORKS Sullivan Partnership, and the KEDB Façade Committee. Staff continue to support events such as the Annual Homebuilders Show and the NETWORKS Red Carpet Tour.
- Development Services has played a direct role in locating and expanding several retail and restaurant businesses and supporting multiple new housing developments. Other economic development projects are in progress.
- In partnership with the KEDB, the City released a Request for Proposals to attract private investment for underutilized properties. Proceeds from these sales will be reinvested into future development projects to grow the tax base.
- New investments at Fort Henry Mall continue, with City support helping attract new offerings and revitalization. The City also remains engaged in planning for future regional retail opportunities at Tri-Cities Crossing and nearby properties.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$269,111	$229,163	$268,100	$282,400
CONTRACTUAL SERVICES	$79,833	$69,027	$86,000	$86,000
COMMODITIES	$2,702	$2,838	$3,400	$3,400
Total Expense Objects:	**$351,646**	**$301,028**	**$357,500**	**$371,800**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Economic Development Director	$87,918	$127,756
1	1	Economic Development Specialist	$58,470	$84,965
1	1	Executive Administrative Assistant	$43,692	$63,491

** The Business Development Specialist position transitioned to FT in FY 2023.*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2 FT 1 PT	3	3	3	3

Performance Measures

KOSBE PERFORMANCE MEASURES	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
# of Business Assisted	123	124	219	178	196	337	568	673	673	673	673	673
# of Business Using Advisory Panel	34	31	28	29	51	34	39	39	39	39	39	39
Total Employment of Assisted Businesses	422	468	695	609	704	1646	2172	2547	2547	2547	2547	2547
New Jobs Created	40	67	115	59	74	32	45	714	45	45	45	45
$ Capital Acquired	2,034k	4,308k	4,994k	10,990k	4,491k	4,699k	3,750k	3,656k	3,656k	3,656k	3,656k	3,656k
Survival Rate (in business 5 years or more)	10%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%

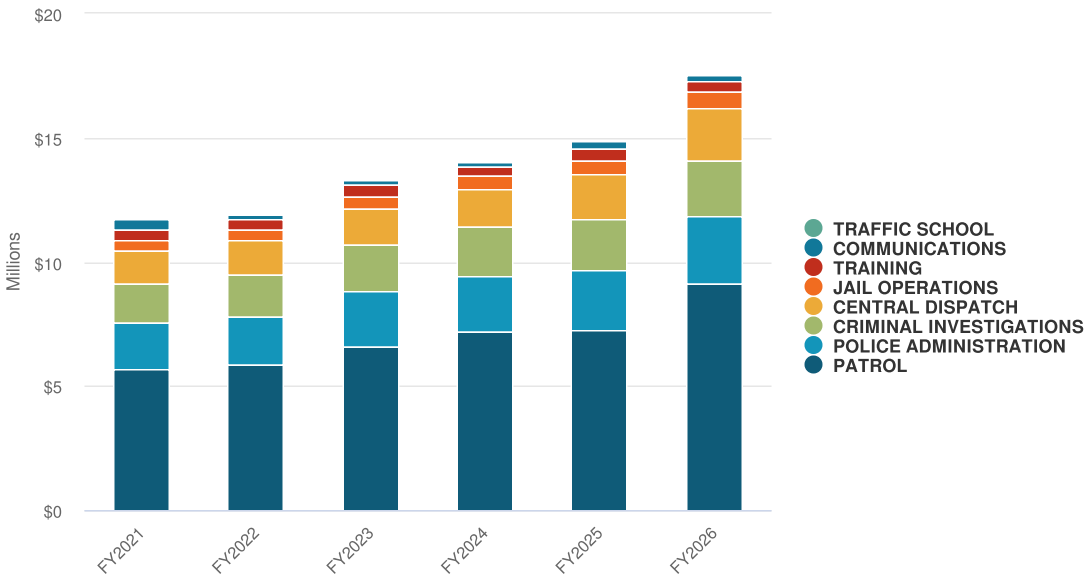
Data from KOSBE's Annual Report; 2026 data is projected.

Police Department

Jason Bellamy
Police Chief

Expenditures by Function

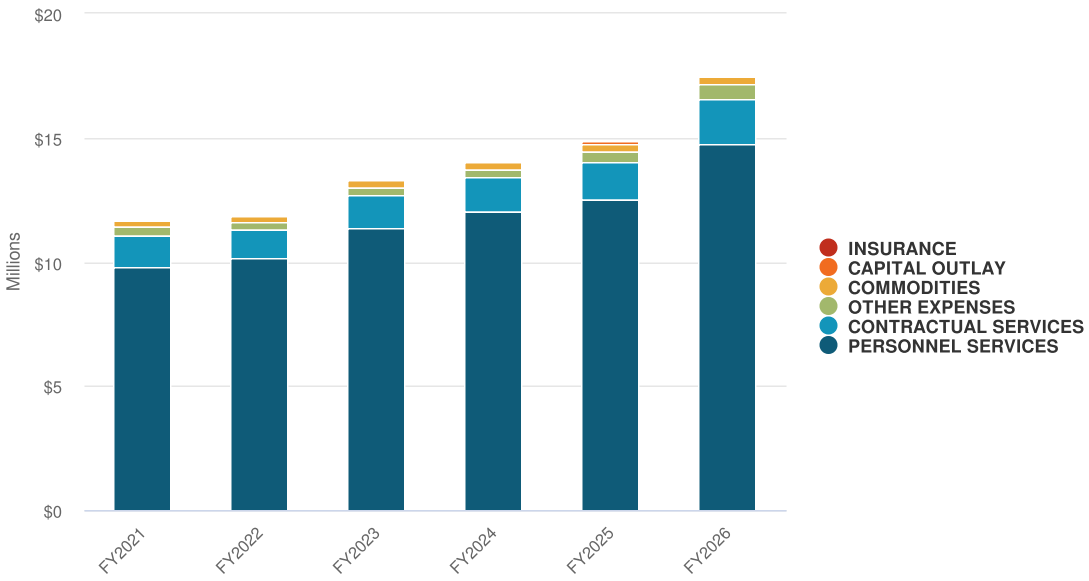
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2026 Budgeted
Expenditures			
POLICE DEPARTMENT			
POLICE ADMINISTRATION	$2,223,391	$2,251,720	$2,696,000
JAIL OPERATIONS	$441,664	$526,461	$689,400
TRAINING	$494,087	$375,707	$422,900
CRIMINAL INVESTIGATIONS	$1,903,649	$1,958,589	$2,250,800
PATROL	$6,584,500	$7,186,245	$9,151,400
CENTRAL DISPATCH	$1,448,117	$1,558,979	$2,076,100
COMMUNICATIONS	$174,672	$188,234	$236,400
TRAFFIC SCHOOL	$20,332	$22,321	$27,000
Total POLICE DEPARTMENT:	**$13,290,412**	**$14,068,256**	**$17,550,000**
Total Expenditures:	**$13,290,412**	**$14,068,256**	**$17,550,000**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$11,332,559	$12,014,006	$12,525,200	$14,757,000
CONTRACTUAL SERVICES	$1,328,874	$1,391,483	$1,515,500	$1,818,500
COMMODITIES	$289,927	$268,520	$307,500	$317,300
OTHER EXPENSES	$312,284	$315,385	$411,300	$582,100
INSURANCE	$26,768	$27,219	$20,600	$25,100
CAPITAL OUTLAY	$0	$51,644	$85,500	$50,000
Total Expense Objects:	**$13,290,412**	**$14,068,256**	**$14,865,600**	**$17,550,000**

Police Administration

MISSION

To provide a safe community by preserving the peace; protecting life and property; preventing crime; apprehending criminals; recovering lost and stolen property; and enforcing laws fairly and impartially.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

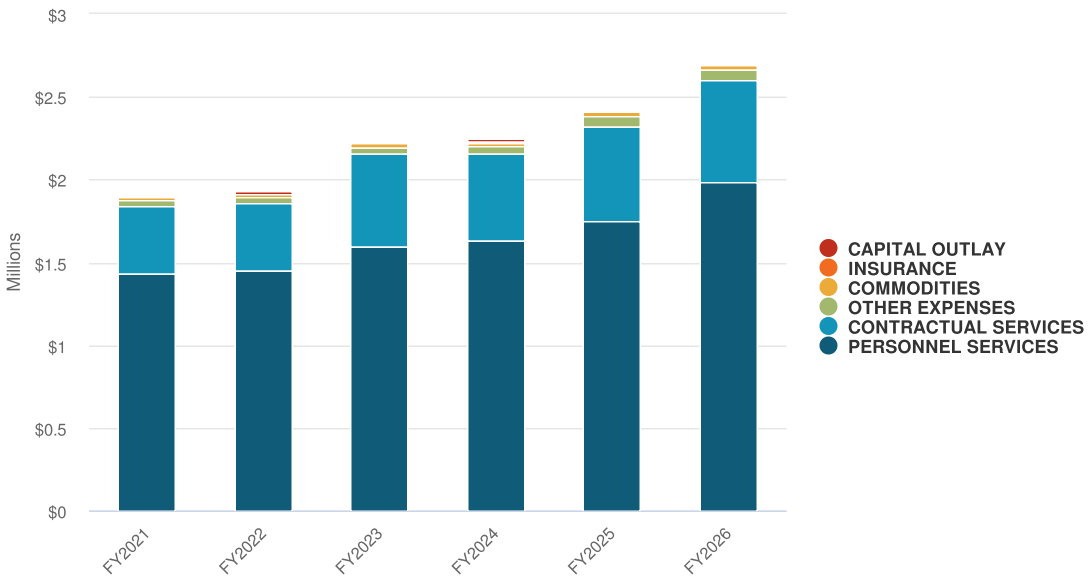
- Oversee police academy training, field training, and annual in-service training for all officers
- High performance organizational training provided to supervisory staff.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Continue to provide low response times to calls for service.
- Continue to strengthen our partnerships with surrounding law enforcement agencies for safer communities.
- Continue community policing as a means to reduce crime.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,594,968	$1,627,026	$1,750,100	$1,980,500
CONTRACTUAL SERVICES	$563,767	$532,101	$566,200	$616,700
COMMODITIES	$22,363	$22,726	$29,500	$29,500
OTHER EXPENSES	$39,151	$40,819	$65,900	$65,800
INSURANCE	$3,143	$3,404	$3,500	$3,500
CAPITAL OUTLAY	$0	$25,644	$0	$0
Total Expense Objects:	**$2,223,391**	**$2,251,720**	**$2,415,200**	**$2,696,000**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Police Chief	$118,290	$171,890
1	1	Deputy Police Chief	$107,536	$156,263
1	1	Police Commander Admin	$96,782	$140,638
1	1	Police Captain Admin	$86,029	$125,011
2	2	Police Lieutenant Admin	$69,898	$101,571
1	1	Police Sergeant Admin	$59,145	$85,945
1	1	Homeless Outreach Coordinator	$59,145	$85,945
1	1	Accreditation Manager	$55,161	$80,156
1	1	Police Officer Admin (Evidence)	$50,542	$73,444
1	1	Parking Enforcement Officer	$30,801	$44,759
1	1	Traffic Court Clerk	$36,685	$53,308
4	4	Police Records Clerk	$34,608	$50,290
1	1	Police Executive Administrative Assistant	$43,692	$63,491
1	1	Police Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
19	19	18	18	18

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Grants Dollar Amount	$179,460	$98,357	$98,125	$1,688,388	$1,437,471
Mandatory CALEA* Standards Met	415	416	404	406	410
Optional CALEA* Standards Met	75	75	53	54	57

** CALEA Standards were upgraded to Edition 6 which reduced the number of Mandatory and Optional Standards requirements.*

Jail Operations

MISSION

To provide a safe community through the provision of a short-term holding (72-hour) facility operated in accordance with standards established by the Tennessee Corrections Institute.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

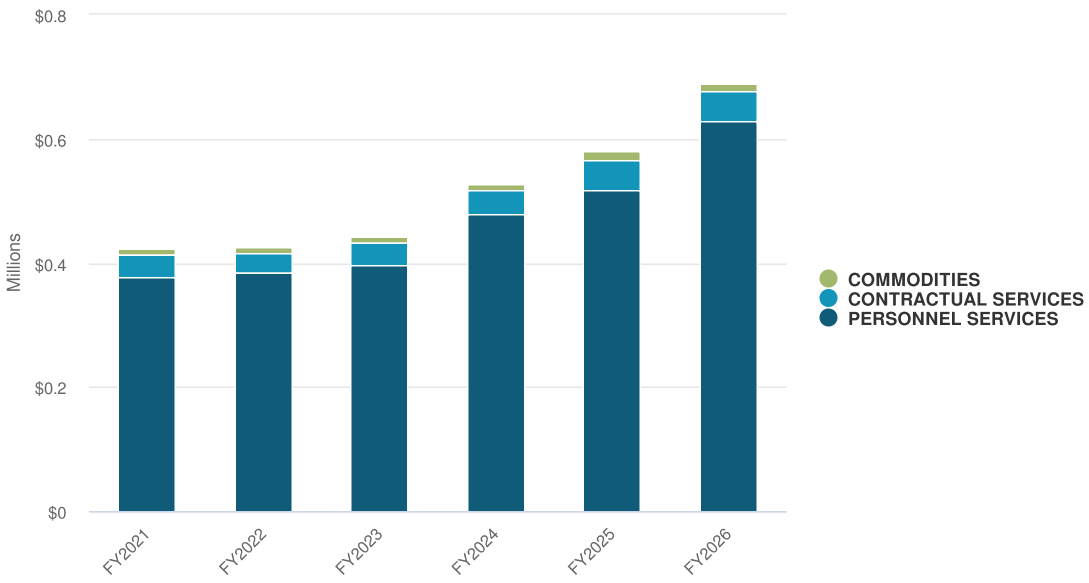
- Maintain training and certification for all jail personnel.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Maintain a safe and secure environment for arrestees when incarcerated.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$396,948	$477,654	$518,300	$628,700
CONTRACTUAL SERVICES	$35,623	$38,425	$48,000	$48,000
COMMODITIES	$9,093	$10,382	$12,700	$12,700
Total Expense Objects:	**$441,664**	**$526,461**	**$579,000**	**$689,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Jail Administrator	$59,145	$85,945
8	8	Corrections Officer	$43,014	$62,505

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
9	9	9	9	9

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Males Incarcerated	1,502	2,104	1,558	1,346	1,558
Females Incarcerated	668	678	790	670	790
Processed (fingerprints, photos, etc.)	33	116	173	76	173
Charges Placed	4,989	3,828	4,747	4,170	4,800

Police Training

MISSION

To provide a safe community through quality standardized training of police officers and employees.

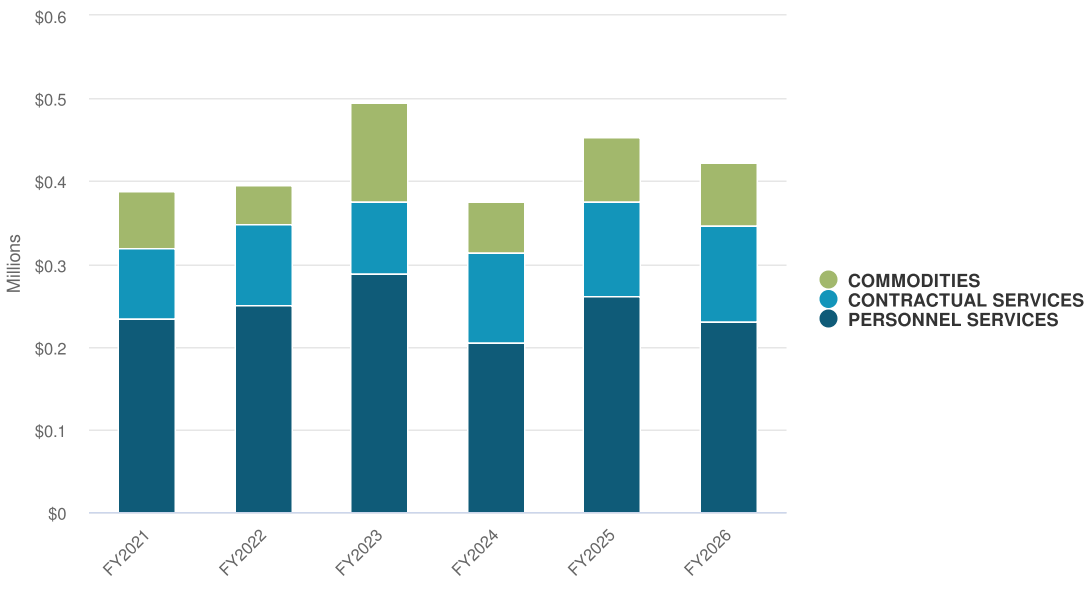
Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Basic police academy training for eight weeks (452 hrs)
- Intensive sixteen-week field training program (640 hrs)
- Annual in-service training for all officers (40 hrs)
- High performance organizational training provided to supervisory staff.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$287,333	$205,272	$260,600	$229,900
CONTRACTUAL SERVICES	$88,421	$109,057	$115,200	$116,400
COMMODITIES	$118,333	$61,378	$76,600	$76,600
Total Expense Objects:	**$494,087**	**$375,707**	**$452,400**	**$422,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Police Sergeant (FTO Coordinator)	$59,145	$85,945
1	1	Police Corporal (Public Information Officer)	$54,843	$79,694

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	3	2	2	2

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Police Officer Training Hours	18,078	14,000	20,530	20,479	20,530
Jail/Support Staff Training Hours	1,179	2,400	3,384	2,788	3,384
Field Training (FTO) Hours	7,946	3,072	8,647	9,268	9,000
Citizen Contacts	18,791	18,226	18,800	22,000	22,000

Criminal Investigations

MISSION

To provide a safe community through effective investigation of criminal activity and solving serious crime.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

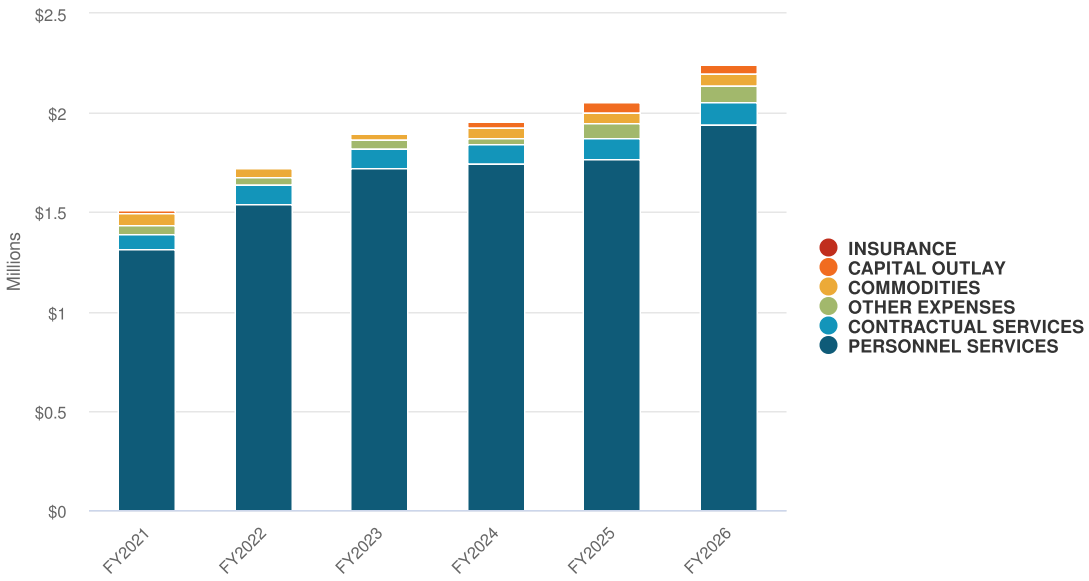
- Maintain training and certification for all investigative personnel.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Maintain crime clearance rate above the national average.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$1,723,940	$1,743,749	$1,765,900	$1,765,900	$1,939,500	9.8%
CONTRACTUAL SERVICES	$95,896	$98,115	$109,600	$109,600	$112,600	2.7%
COMMODITIES	$36,538	$50,952	$57,400	$57,400	$57,400	0%
OTHER EXPENSES	$42,151	$34,638	$70,400	$70,400	$85,700	21.7%
INSURANCE	$5,124	$5,135	$4,500	$4,500	$5,600	24.4%
CAPITAL OUTLAY	$0	$26,000	$50,000	$50,000	$50,000	0%
Total Expense Objects:	**$1,903,649**	**$1,958,589**	**$2,057,800**	**$2,057,800**	**$2,250,800**	**9.4%**

Personnel

AUTHORIZED POSITIONS

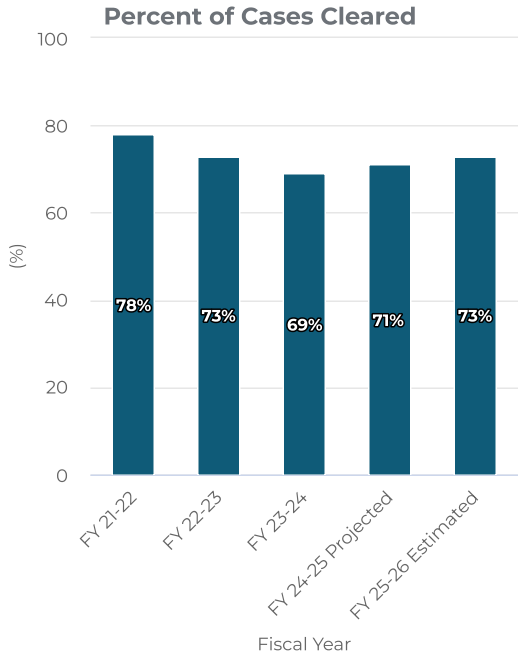
FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Police Lieutenant CID	$69,898	$101,571
2	2	Police Sergeant CID	$59,145	$85,945
1	1	Police Corporal CID	$54,843	$79,694
13	13	Police Officer CID	$50,542	$73,444
1	1	Administrative Assistant II CID	$36,685	$53,308

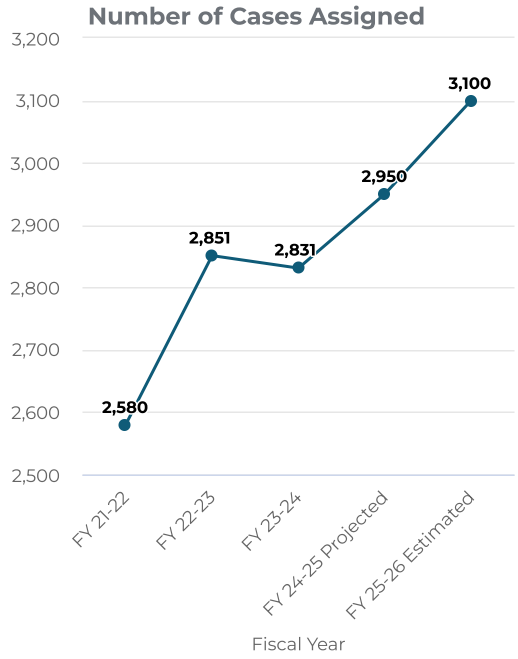
HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
19	19	18	18	18

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Number of cases assigned	2,580	2,851	2,831	2,950	3,100
Percent of cases cleared	78%	73%	69%	71%	73%





Police Patrol

MISSION

To provide a safe community by protecting life; individual liberty; and property through the enforcement of laws in a fair and impartial manner.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Provide professional, efficient, and courteous service to the community.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

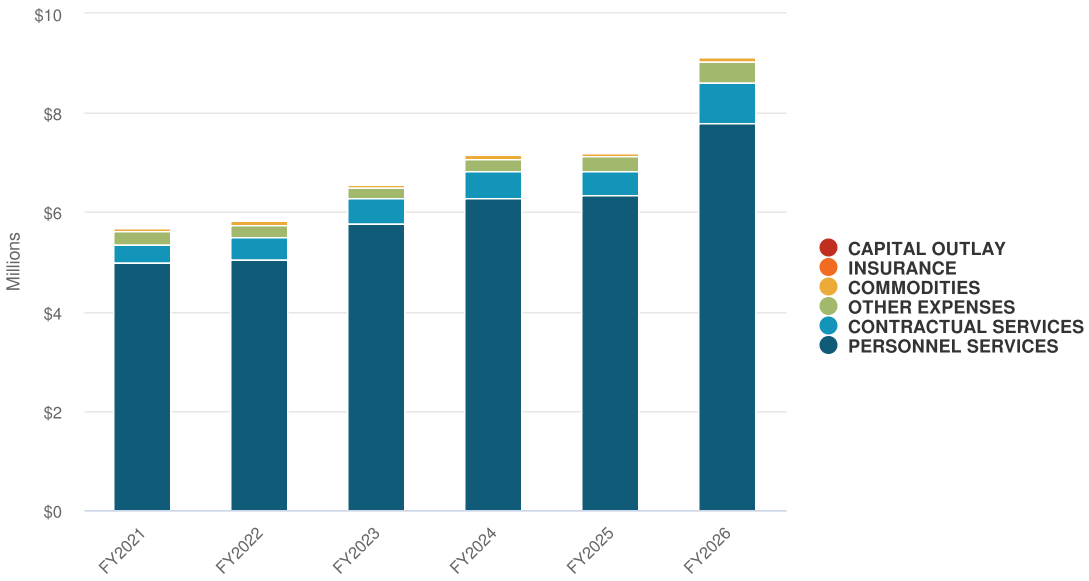
- Provide low response times to calls for service.
- Continue to strengthen our partnerships with surrounding law enforcement agencies for safer communities.
- Continue community policing as a means to reduce crime.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Provide quality training to personnel while keeping all personnel properly certified.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$5,778,091	$6,293,147	$6,330,000	$7,780,100
CONTRACTUAL SERVICES	$496,114	$546,964	$512,000	$832,000
COMMODITIES	$61,096	$87,812	$83,000	$93,000
OTHER EXPENSES	$230,982	$239,928	$275,000	$430,600
INSURANCE	$18,217	$18,395	$12,300	$15,700
CAPITAL OUTLAY	$0	$0	$35,500	$0
Total Expense Objects:	**$6,584,500**	**$7,186,245**	**$7,247,800**	**$9,151,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Police Captain Patrol	$86,029	$125,011
6	6	Police Lieutenant Patrol	$69,898	$101,571
6	6	Police Sergeant Patrol	$59,145	$85,945
6	6	Police Corporal Patrol	$54,843	$79,694
66	66	Police Officer Patrol	$47,854	$73,444
12	12	School Resource Officer	$47,854	$73,444

**School Resource Officers added with a State Grant for FY 2024*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
87	97	97	97	97

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Collisions	2,730	2,689	2,659	2,626	2,626
Drug Related Arrests	1,477	1,593	1,418	1,316	1,316
Alcohol Related Arrests	765	676	749	782	782
Disturbances	3,625	3,146	3,241	3,193	3,193
Alarms	2,842	2,538	2,446	2,301	2,301

Emergency Dispatch

Kevin Hite
Police Lieutenant/ E-911 Director

MISSION

To provide a safe community through non-emergency and 9-1-1 emergency calls and the coordination and dispatching of radio traffic for public safety departments.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

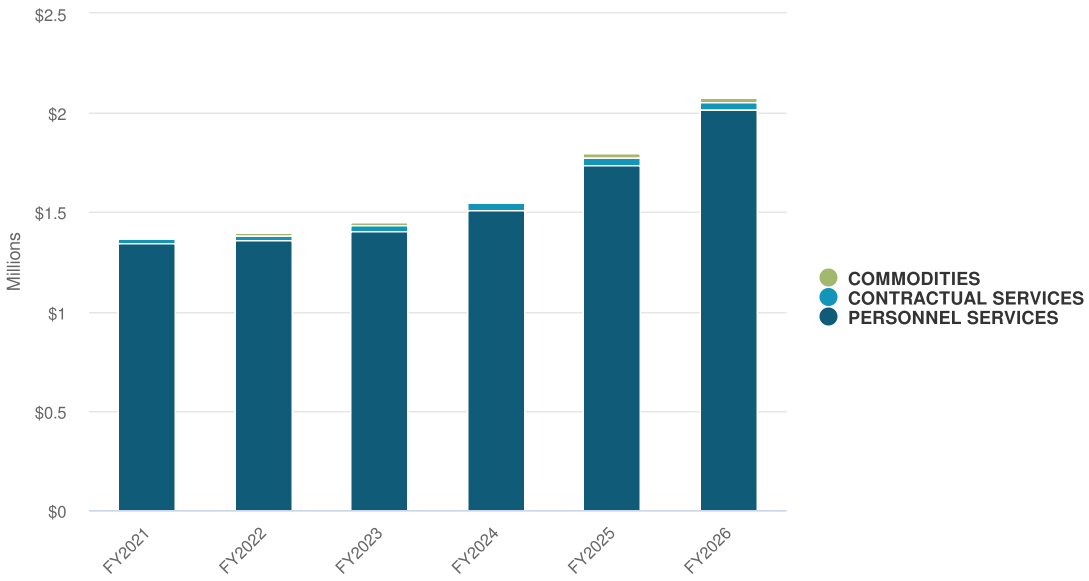
- Provide professional, courteous telephone service to the citizens of the community.
- Manage telephone, cellular, paging and long-distance service for all city departments, while seeking means to further reduce overall costs.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Maintain certifications for emergency medical dispatch, CPR, NCIC/TIES, and State mandated dispatch certification for all personnel.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,406,063	$1,510,451	$1,739,600	$2,013,100
CONTRACTUAL SERVICES	$28,515	$38,785	$37,400	$44,900
COMMODITIES	$13,539	$9,742	$18,300	$18,100
Total Expense Objects:	**$1,448,117**	**$1,558,979**	**$1,795,300**	**$2,076,100**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Police Lieutenant Dispatch	$69,898	$101,571
1	1	Technical Services Coordinator	$59,145	$85,945
1	1	Emergency Dispatch Supervisor	$59,145	$85,945
4	4	Emergency Dispatch Shift Leader	$47,316	$68,756
16	16	Emergency Dispatch Specialist	$43,014	$62,505

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
23	23	23	23	23

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Business Telephone Calls	189,101	140,262	154,288	169,716	169,716
Avg. Answer time for 911 calls	11 sec.	10 sec.	11 sec.	12 sec.	12 sec.
911 Calls	62,587	61,912	68,103	74,913	74,913
Avg. answer time for non-emergency calls	15 sec.	14.75 sec.	15.5 sec.	16.75 sec.	16.75 sec.
Request for Police/Investigation	54,911	61,909	68,099	74,908	74,908
Fire Calls	878	1,268	1,394	1,533	1,533
First Responder Medical/Accidents	6,363	6,337	6,970	7,667	7,667
Medical Calls *	12,417	12,515	13,766	15,142	15,142
Water/Sewer/Public Works Transportation calls	426	571	628	690	690

Police Communications

MISSION

To provide a safe community by ensuring all communication equipment is functioning and maintained properly.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

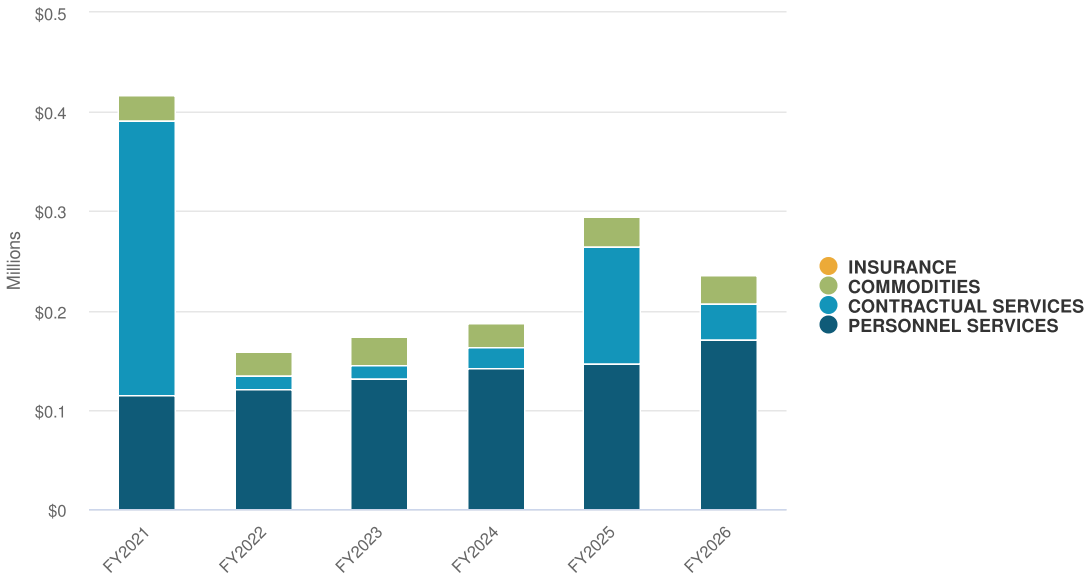
- Continuous quality training for radio maintenance personnel.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Continuous upgrades and expansion of 800Mhz radios for public safety

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
PERSONNEL SERVICES	$131,850	$141,756	$146,300	$170,200	16.3%
CONTRACTUAL SERVICES	$13,768	$20,666	$118,100	$36,400	-69.2%
COMMODITIES	$28,769	$25,527	$29,500	$29,500	0%
INSURANCE	$285	$285	$300	$300	0%
Total Expense Objects:	**$174,672**	**$188,234**	**$294,200**	**$236,400**	**-19.6%**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
2	2	Telecommunications Technician	$49,093	$71,338

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	2	2

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Installation of Radios*	31	25	52	60	66
Programming Mobile/Portables*	60	66	126	150	165
Antenna Install-800 Mhz.	42	38	49	59	65

*Because we are now on the state-wide radio system, radio programming now has limited predictability because programming updates are released randomly. Additionally, installation of new radios has been completed throughout the city and updates, replacements, and repairs are made on an as-needed basis.

Traffic School

MISSION

To provide a safe community through quality standardized driver training to the public.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

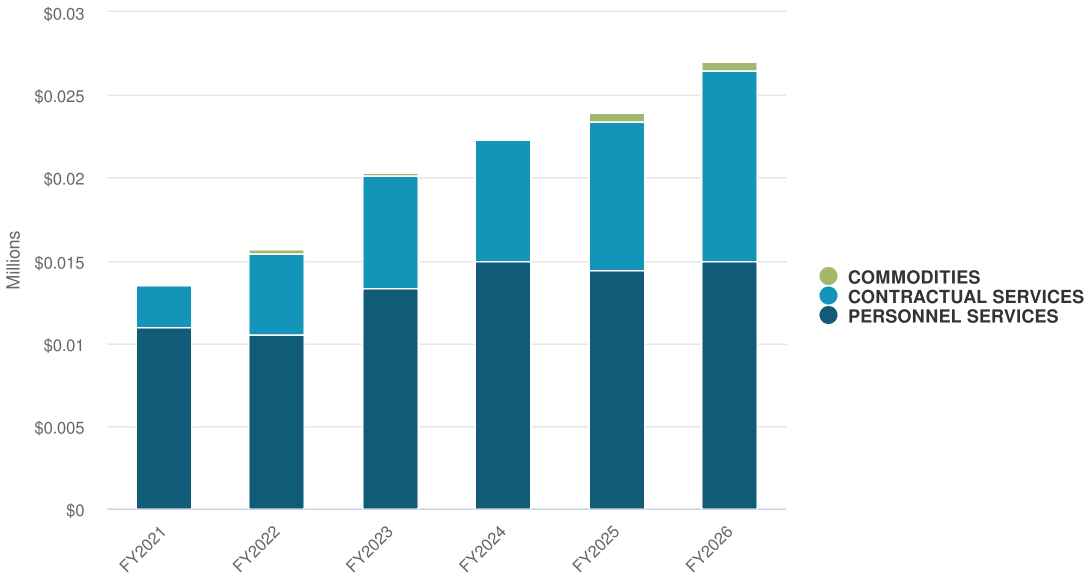
- Providing an open forum where citizens and public safety can work together to provide a cohesive relationship.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- We value a safe and secure community where public safety education is available and communicated in order to partner citizens and public safety.

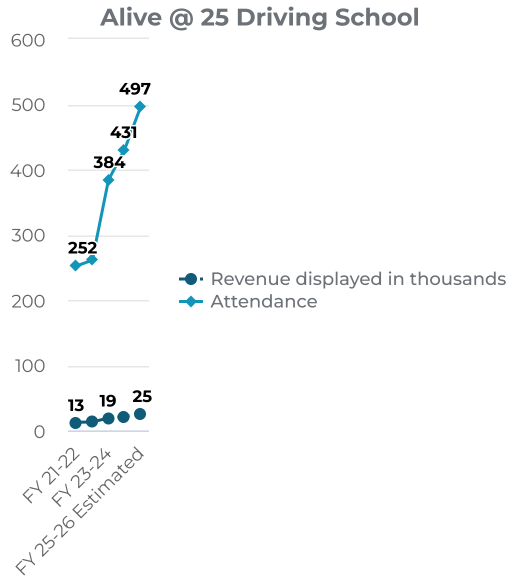
Expenditures by Expense Type

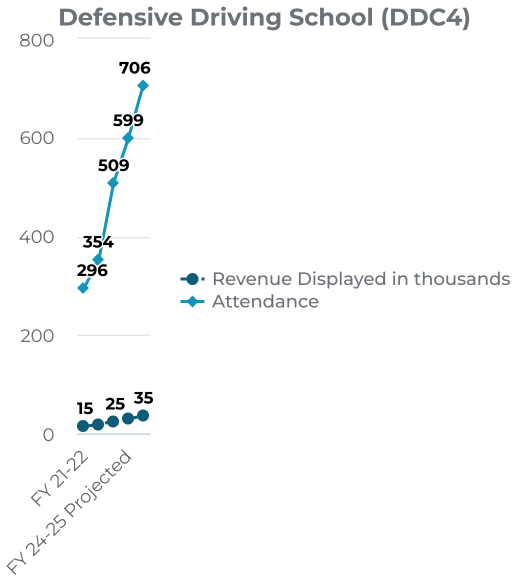
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
PERSONNEL SERVICES	$13,366	$14,951	$14,400	$15,000	4.2%
CONTRACTUAL SERVICES	$6,770	$7,370	$9,000	$11,500	27.8%
COMMODITIES	$195	$0	$500	$500	0%
Total Expense Objects:	**$20,332**	**$22,321**	**$23,900**	**$27,000**	**13%**

Performance Measures



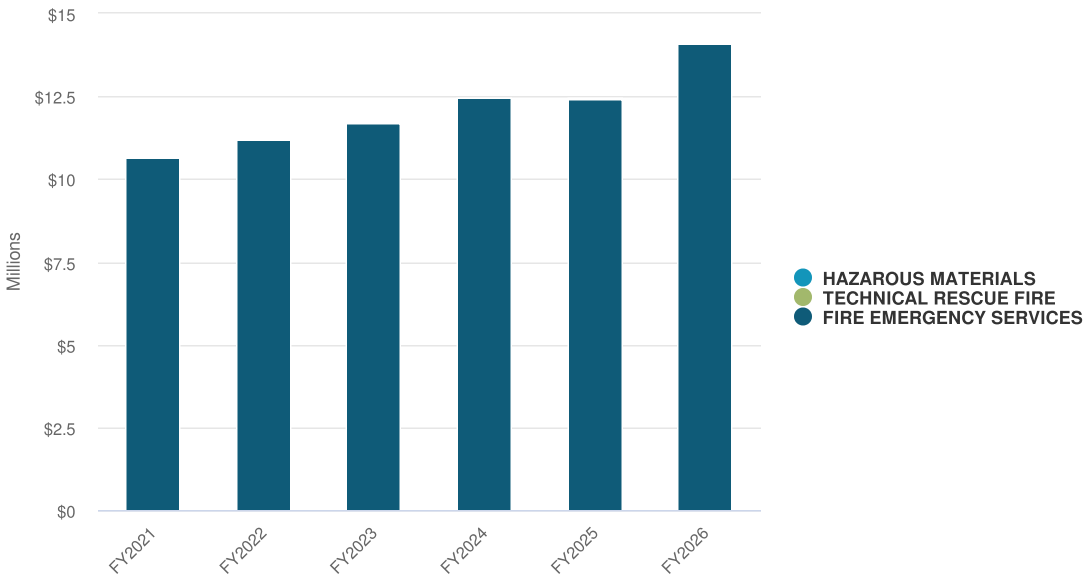


Fire Department

Jerry DeBerry
Fire Chief

Expenditures by Function

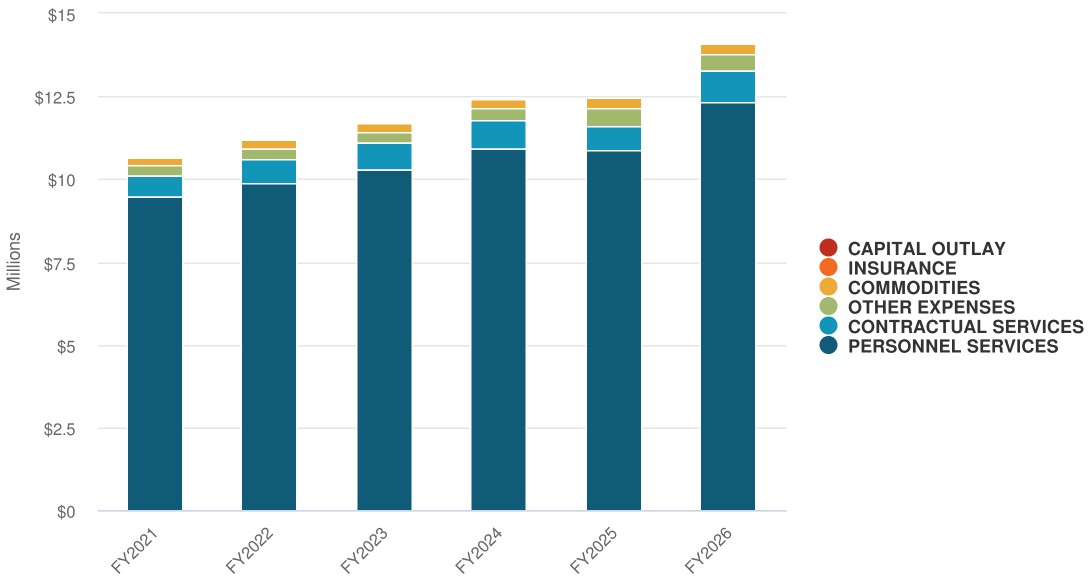
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expenditures							
FIRE DEPARTMENT							
FIRE EMERGENCY SERVICES	$11,686,460	$12,448,397	$12,433,400	$12,433,400	$14,097,600	13.4%	13.4%
HAZAROUS MATERIALS	$5,995	$5,605	$6,500	$6,500	$6,500	0%	0%
TECHNICAL RESCUE FIRE	$9,341	$4,156	$6,500	$6,500	$6,500	0%	0%
Total FIRE DEPARTMENT:	**$11,701,796**	**$12,458,158**	**$12,446,400**	**$12,446,400**	**$14,110,600**	**13.4%**	**13.4%**
Total Expenditures:	**$11,701,796**	**$12,458,158**	**$12,446,400**	**$12,446,400**	**$14,110,600**	**13.4%**	**13.4%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
PERSONNEL SERVICES	$10,265,448	$10,923,921	$10,864,800	$12,318,100	13.4%
CONTRACTUAL SERVICES	$840,558	$850,419	$716,500	$971,500	35.6%
COMMODITIES	$279,423	$295,172	$306,100	$306,100	0%
OTHER EXPENSES	$309,421	$365,656	$552,200	$507,700	-8.1%
INSURANCE	$6,946	$7,161	$6,800	$7,200	5.9%
CAPITAL OUTLAY		$15,829	$0	$0	0%
Total Expense Objects:	**$11,701,796**	**$12,458,158**	**$12,446,400**	**$14,110,600**	**13.4%**

Fire & Emergency Services

MISSION

The Mission of the Kingsport Fire Department is to protect the lives and property of the citizens and visitors to the City of Kingsport.

VISION

The Department shall accomplish its mission through vigorous fire prevention, public education, fire suppression, advanced life support, training, and maximum use of available resources in the mitigation of disasters.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We provide informational or public fire education meetings anywhere, anytime needed.
- Provide, along with fire response, emergency medical, vehicle rescue, hazardous materials, and specialized rescue teams.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Pursue Grants and other means to fund our high-cost equipment, manpower, and training.
- Continue training local industry to bring in revenue for our training facility.
- Maintain fire structure maintenance under an adopted Fire Facilities Plan.
- We maintain our stations and equipment also have our own technicians for maintenance and repair of high-tech equipment.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Maintain lower response times for emergency response.
- Maintain high level of trained response personnel.
- Maintain inspection and code enforcement program within the City of Kingsport.
- Provide an All Hazards Department for the community.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- All personnel maintain Tennessee State Certifications in firefighting, etc.
- All Emergency Response personnel are certified as EMT-Advanced or EMT-Paramedic
- National Certifications and continuing education through the National Fire Academy
- Advanced training for hazardous materials and specialized rescue. An all-hazard department.
- International Accreditation, we meet the highest standards.
- Northeast Tennessee Regional Firefighting Training Academy is currently under our management.
- Certified fire investigators provide fire cause and determination.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

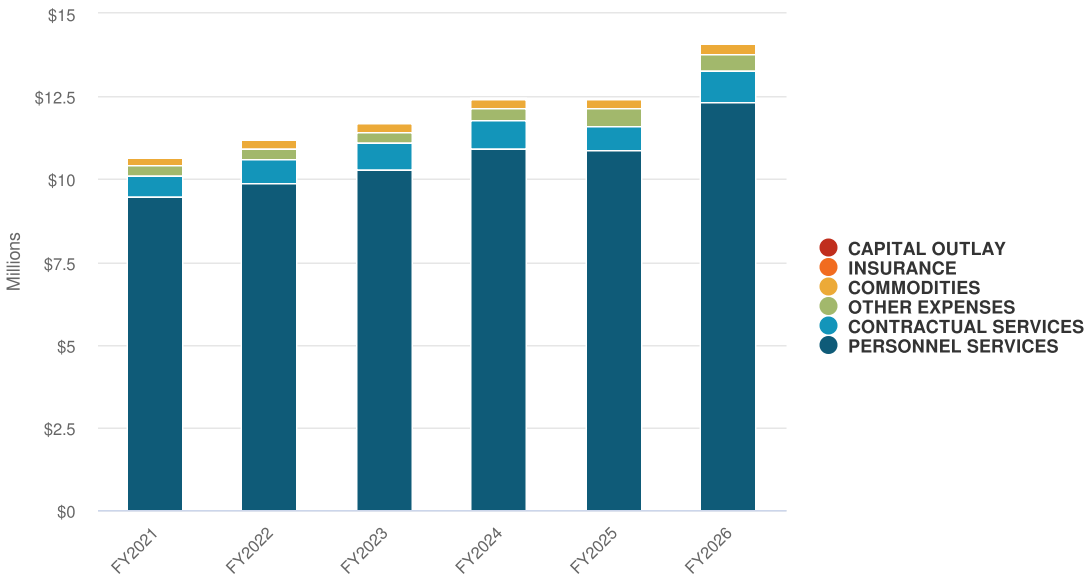
- Continue the “Learn Not to Burn” Program in all city elementary schools.
- Continue Public Education lectures, puppet shows and tours.
- Continue the “Remember When” Program, targeting the seniors in the community.
- Continue to assist with installation of child restraint seats in vehicles with a certified installer.
- Provide smoke alarms to low income residents within the community

Strategic Performance

- Utilization of in-house personnel to inspect and maintain self-contained breathing apparatus. Our Breathing Air Technician is Nationally Certified and is also working with the Police, Water and Wastewater Departments on their required programs to offset their costs. This is an efficient use of personnel, in lieu of contracting out. The estimated cost savings to the city is over $100,000 annually.
- Partner with private industry to train in industrial situations. This improves the quality and competency of our workforce.
- Assist in training recruit firefighters for the Northeast Tennessee Fire Chief Association, Kingsport, Johnson City, Bristol, Elizabethton, Greeneville, Newport, Morristown, Erwin, and Jonesborough.
- We continue to apply for grants and have received well over $4,350,000 from the federal government in the past seven years.
- We have sent several department members to classes across the United States, paid for by the Federal Government. Several of our members attend the National Fire Academy and a Specialized Department of Homeland Security class for a nominal fee. The cost savings is unknown, but it is estimated at tens of thousands of dollars a year.
- Achieved ISO Class 2 in 2019. This, in turn, provides cost savings for residents and businesses on insurance premiums.
- KFD was reaccredited in 2021. We are one of seven agencies to receive this designation across the State of Tennessee.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
PERSONNEL SERVICES	$10,265,448	$10,923,921	$10,864,800	$12,318,100	13.4%
CONTRACTUAL SERVICES	$840,558	$850,419	$716,500	$971,500	35.6%
COMMODITIES	$264,086	$285,411	$293,100	$293,100	0%
OTHER EXPENSES	$309,421	$365,656	$552,200	$507,700	-8.1%
INSURANCE	$6,946	$7,161	$6,800	$7,200	5.9%
CAPITAL OUTLAY		$15,829	$0	$0	0%
Total Expense Objects:	**$11,686,460**	**$12,448,397**	**$12,433,400**	**$14,097,600**	**13.4%**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Fire Chief	$117,493	$170,733
1	1	Deputy Fire Chief	$87,586	$127,273
3	3	Assistant Fire Chief	$75,302	$109,424
1	1	Assistant Fire Chief Training/Safety Officer	$75,302	$109,424
1	1	Assistant Training/Safety Officer	$60,522	$87,947
1	1	Assistant Fire Chief Fire Marshal Office	$75,302	$109,424
3	3	Inspector - Asst. Fire Marshal	$58,746	$85,366
1	1	Communications/Fire Reduction Specialist	$53,406	$77,605
3	3	Fire Battalion Chief	$66,757	$102,959
24	24	Fire Captain	$58,746	$90,605
36	36	Fire Engineer	$53,406	$82,368
45	45	Firefighter	$45,395	$74,131
1	1	Fire Executive Admin Assistant	$43,692	$63,491
1	1	Fire Admin Assistant I (PT)	$24,079	$34,990

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
122	122	122	126	122

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Average response times	8 min. 34 sec.	8 min. 42 sec	8 min. 48 sec	8 min. 35 sec	8 min. 33 sec.
ISO rating	2 / 2Y	2 / 2Y	2 / 2Y	2 / 2Y	2/2Y
Building Inspections	877	1,573	3,060	2,629	2,410
Certified Arson Investigators	3	3	4	4	4
Certified Fire Inspectors	5	5	5	5	5
Total Calls	7,927	8,332	7,591	7,528	7,470

Hazardous Materials

MISSION

The Hazardous Materials Team mitigates disasters in the City of Kingsport, Sullivan County, and assists in Homeland Security District One in East Tennessee.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We provide the only Hazardous Materials Team in Kingsport and Sullivan County. Due to changing times in the nation's history, we have been chosen as the lead team for eastern Tennessee.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

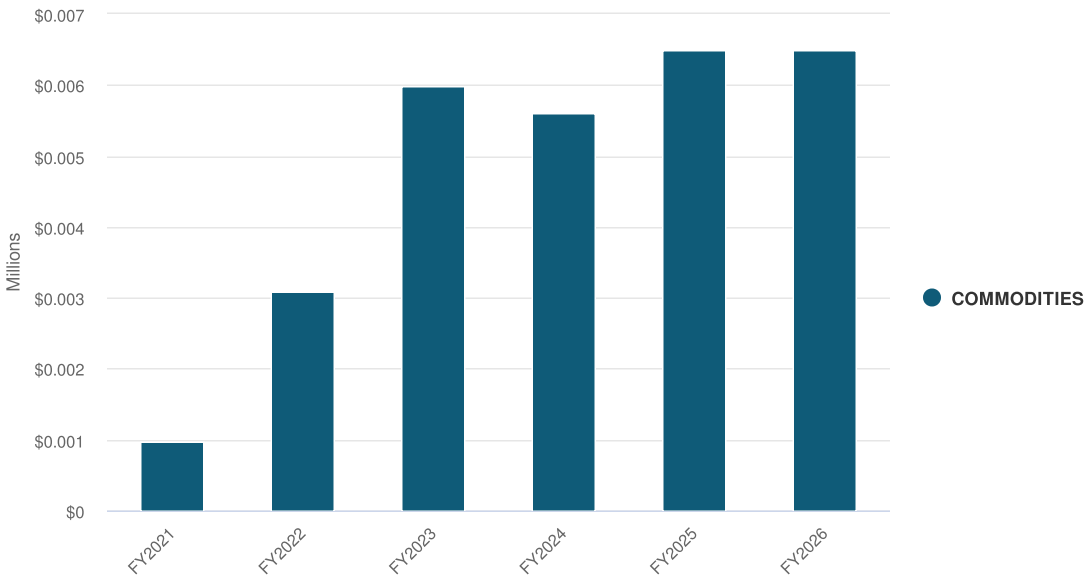
- We are the CBRNE (chemical, biological, radiological, nuclear, and explosive) Team for Homeland Security District One. We work closely with Area Responders to include response and training.
- We acquired accreditation under TEMA (Tennessee Emergency Management Agency). We achieved this goal in the 2024 calendar year. We are currently one of three in the State of Tennessee and the only TYPE II team.
- All Kingsport Fire Department employees are trained to the level of specialist, technician, or operations.
- Kingsport Fire Department trains emergency response personnel in Hazardous Material response. This is performed to state certification levels (TEMA & Fire Commission).

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- If we didn't provide this service, there would be a response delay from adjoining counties. Those responding counties will not be capable of providing the elevated level that Kingsport currently enjoys.
- Due to two major interstates, a north- south rail line, and a large chemical manufacturer in the City limits, this team's presence maintains the level of service the community needs.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

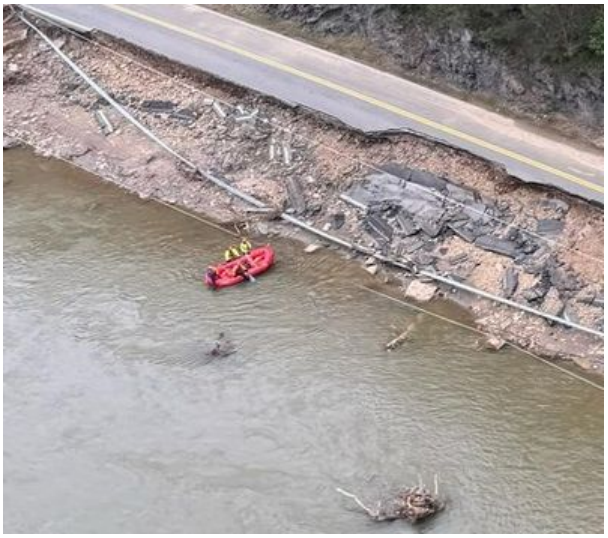


Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
COMMODITIES	$5,995	$5,605	$6,500	$6,500	0%
Total Expense Objects:	**$5,995**	**$5,605**	**$6,500**	**$6,500**	**0%**

Technical Fire Rescue

MISSION

The Technical Rescue Team will mitigate disasters in the City of Kingsport, Sullivan County, and assist in Tennessee Homeland Security District One.



Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We provide the only Technical Rescue Team in Kingsport and Sullivan County.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

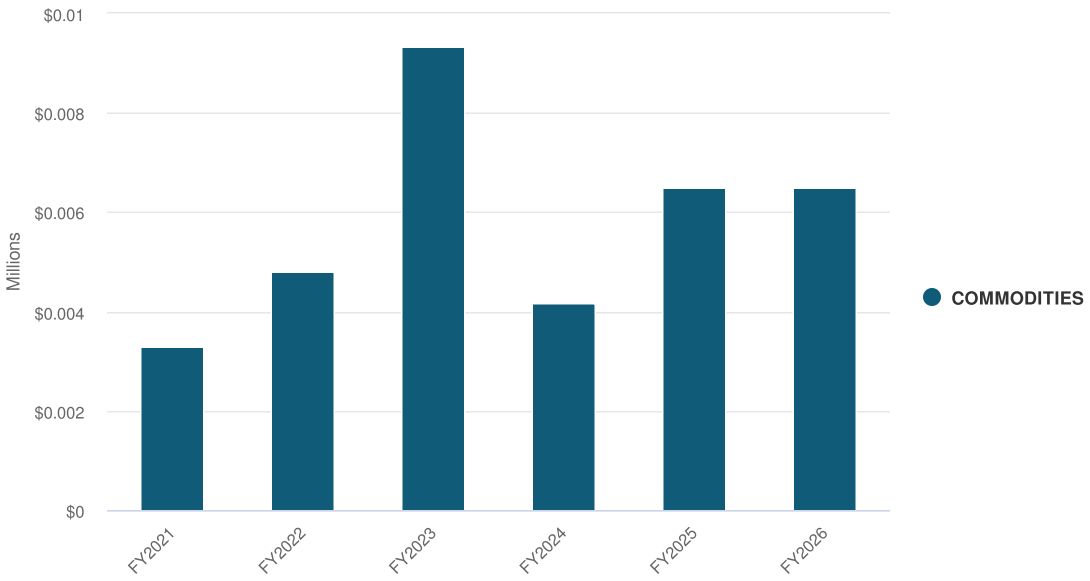
- Technical Team members are certified by the State of Tennessee in Rope Rescue. These employees are the only certified in the state.
- All Kingsport Fire Department employees are trained to the level of specialist, technician, operations or awareness

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- If we didn't provide this service, there would be a response delay from adjoining counties.
- Due to the growth inside the city limits this team's presence maintains the level of service the community needs.
- Types of rescue include High and Low angle, confined space, swift water, trench, search for lost persons and structural collapse.
- The team helps assist with technical skills needed beyond our city limits to include out of state if requested.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

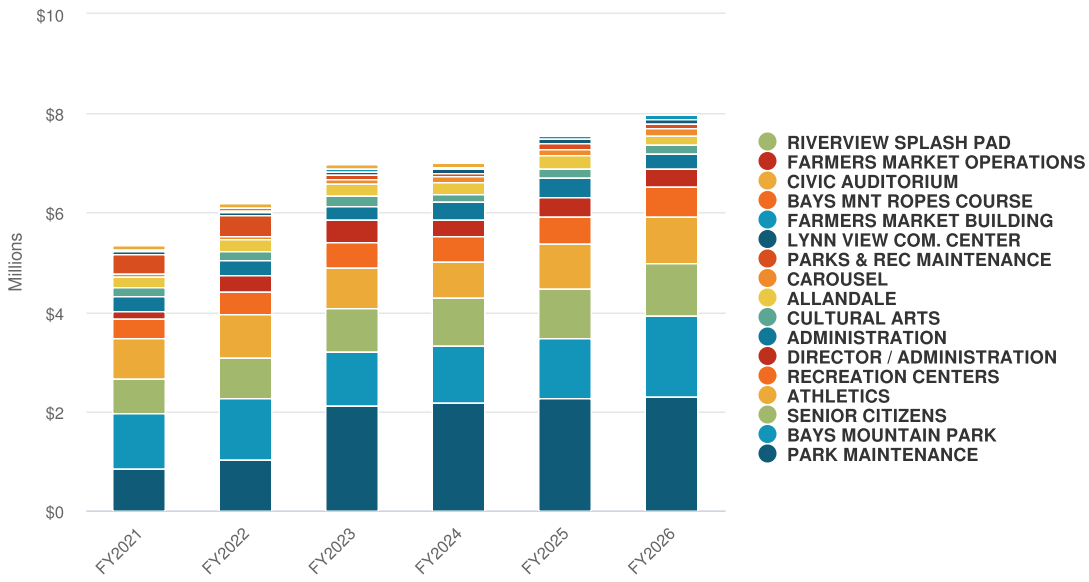


Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
COMMODITIES	$9,341	$4,156	$6,500	$6,500
Total Expense Objects:	**$9,341**	**$4,156**	**$6,500**	**$6,500**

Leisure Services

Expenditures by Function

Budgeted and Historical Expenditures by Function



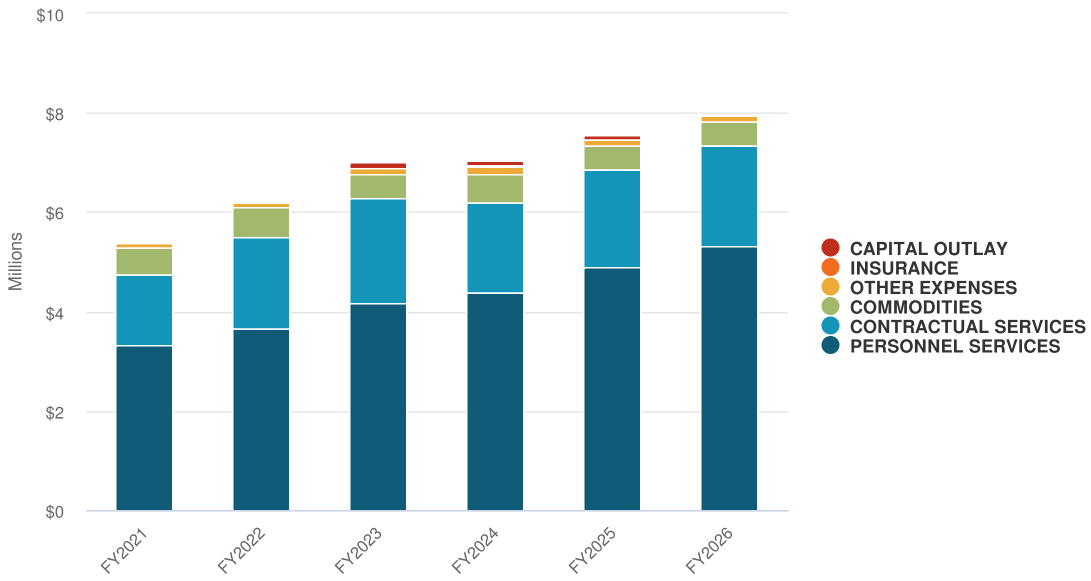
The Civic Auditorium was transferred to the Kingsport City Schools for FY 2025. *Parks Maintenance is now Leisure Services Maintenance.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
LEISURE SERVICES				
ADMINISTRATION	$289,084	$371,532	$386,100	$282,900
RECREATION CENTERS	$496,527	$524,274	$532,500	$620,200
ATHLETICS	$833,757	$722,277	$907,400	$938,900
CULTURAL ARTS	$186,209	$135,531	$191,400	$196,400
ALLANDALE	$245,624	$249,528	$268,600	$173,300
FARMERS MARKET BUILDING	$38,764	$30,491	$74,300	$74,300
CAROUSEL	$98,858	$120,491	$125,900	$152,100
RIVERVIEW SPLASH PAD	$3,317			$0
LYNN VIEW COM. CENTER	$68,883	$68,036	$84,300	$92,300
FARMERS MARKET OPERATIONS	$23,768	$18,641	$0	$0
SENIOR CITIZENS	$860,080	$957,637	$991,000	$1,051,600
BAYS MOUNTAIN PARK	$1,087,577	$1,139,905	$1,207,000	$1,621,800
CIVIC AUDITORIUM	$106,104	$97,279	$0	$0
BAYS MNT ROPES COURSE	$3,800	$0	$0	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
PARK MAINTENANCE	$2,127,265	$2,189,151	$2,276,600	$2,298,870
PARKS & REC MAINTENANCE	$91,936	$80,910	$108,000	$108,000
DIRECTOR / ADMINISTRATION	$449,132	$320,771	$407,500	$362,400
Total LEISURE SERVICES:	**$7,010,685**	**$7,026,453**	**$7,560,600**	**$7,973,070**
Total Expenditures:	**$7,010,685**	**$7,026,453**	**$7,560,600**	**$7,973,070**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted	FY2025 Original Budget vs. FY2026 Budgeted (% Change)
Expense Objects					
PERSONNEL SERVICES	$4,161,560	$4,374,443	$4,881,800	$5,329,370	9.2%
CONTRACTUAL SERVICES	$2,126,034	$1,829,034	$1,986,200	$2,017,800	1.6%
COMMODITIES	$469,535	$562,097	$479,400	$488,400	1.9%
OTHER EXPENSES	$124,346	$160,341	$99,800	$124,200	24.4%
INSURANCE	$15,677	$16,156	$13,400	$13,300	-0.7%
CAPITAL OUTLAY	$113,532	$84,383	$100,000	$0	-100%
Total Expense Objects:	**$7,010,685**	**$7,026,453**	**$7,560,600**	**$7,973,070**	**5.5%**

Assistant City Manager - Leisure Services

Michael Borders
Assistant City Manager - Leisure Services

MISSION

To support the Leisure Services Department with strategic and fiscal planning, managerial expertise, and performance oversight in order to provide premier guest experiences at the best value for the citizens of Kingsport and visitors of our City. Leisure Services includes Bays Mountain Park, Kingsport Aquatic Center, Parks and Recreation, Kingsport Senior Center, Kingsport Public Library, Leisure Services Maintenance, Special Events, Farmers Market/Carousel, Kingsport Cultural Arts, MeadowView Convnetion Center, and Cattails.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Implement a process to identify future leaders and develop individualized plans to foster future leaders.
- Ensure that all employees understand the mission of their division and how their work is meaningful to fulfill that mission.
- We value strong, conservative management of the public funds through maximizing the use of our limited resources in addressing the various needs of the city.
- Using data to drive decisions for all aspects of operations.
- Implement revenue targets for each division and explore alternative funding sources of revenues to support various functions.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

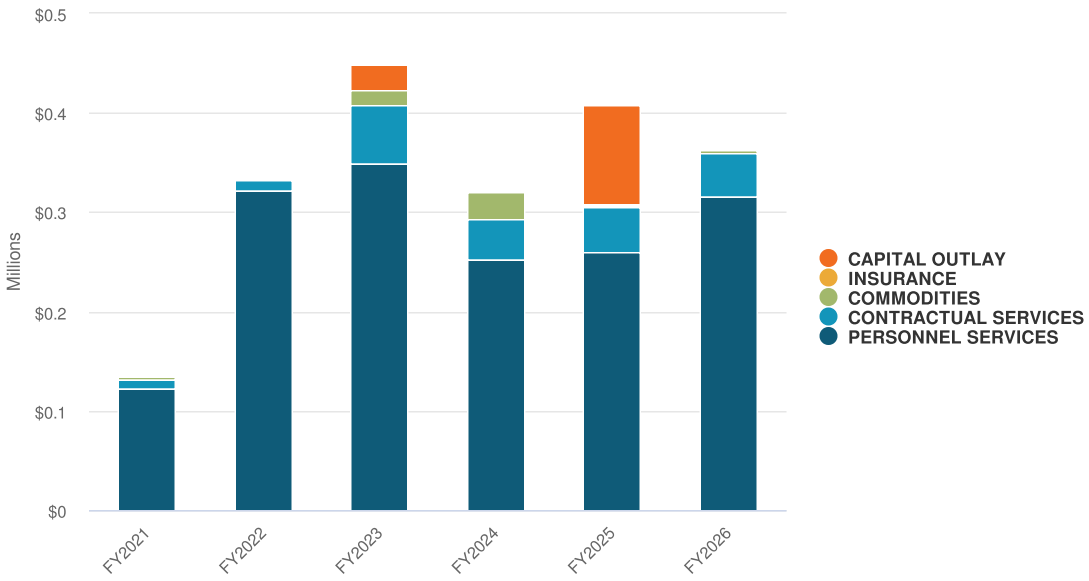
- Review and update Parks and Recreation Master Plan
- Work with stakeholders, staff, and citizens to create a plan for expanded and additional future services.
- Research and apply for grant funding opportunities.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Continue to implement citizen and customer feedback loops to continually improve service delivery and guest experiences.
- Continue to build relationships with various advisory and friends boards, committees, and commissions.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$349,665	$252,943	$260,500	$315,400
CONTRACTUAL SERVICES	$58,870	$39,992	$44,700	$44,700
COMMODITIES	$13,777	$27,552	$2,100	$2,100
INSURANCE	$285	$285	$200	$200
CAPITAL OUTLAY	$26,536	$0	$100,000	$0
Total Expense Objects:	**$449,132**	**$320,771**	**$407,500**	**$362,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Assistant City Manager - Leisure Services	$132,196	$192,097
1	1	Cultural Arts Superintendent	$65,697	$95,466

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	2	2

Parks & Recreation Administration

Kitty Frazier
Parks and Recreation Manager

MISSION

The mission of the Parks and Recreation department is to cultivate a stronger community through exceptional programs, facilities and recreation opportunities.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Engage the Parks and Recreation Advisory Committee in discussions and decisions about parks and recreation issues and needs.
- Demonstrate a strong commitment to premier customer service in all aspects of the department.
- Work to implement ADA needs throughout the park system and facilities.
- Plan and produce an exemplary 2025 TRPA conference at Meadowview Conference Center.
- Invest in employees by providing training and education opportunities.
- Foster professional networks to gain knowledge about available resources and “Best Practices”.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Provide quality active and passive parks for the community’s use.
- Implement the City of Kingsport strategic plan initiatives.
- Continue to implement the strategies and goals of the comprehensive Parks and Recreation Master Plan.
- Submit program and facility awards to highlight Kingsport’s achievements.
- Foster professional networks to gain knowledge about available resources and “Best Practices”.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

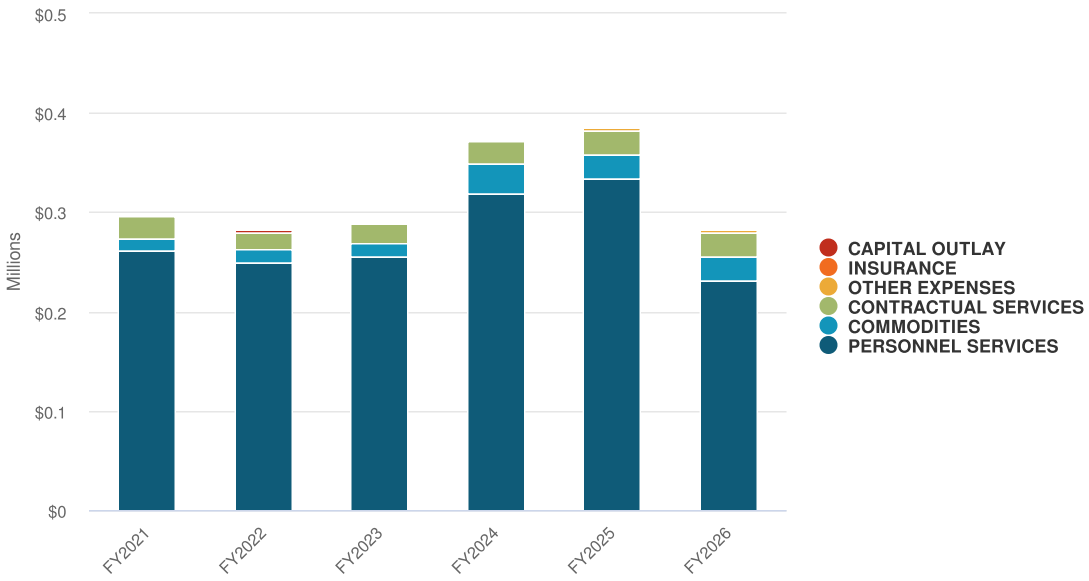
- Research grant funding opportunities, submit grant applications, and seek donations/in-kind support for projects and programs.
- Manage grant funds/projects: BlueCross BlueShield Foundation Grant; Tennessee Department of Environment and Conservation Local Parks and Recreation Fund; BRAGG.
- Manage a variety of CIP projects: Greenbelt extension; BlueCross BlueShield Healthy Place at Riverwalk Park; LPRF grant for Scott Adams Memorial Skatepark/Kingpsport Pump Track, Cement HIll.

Strategic Performance

- Completed renovation of the Riverview Park Playground.
- Completed design for the BlueCross BlueShield Healthy Place Park.
- Held an official photo shoot for the BlueCross BlueShield Healthy Place Park and began construction.
- Hosted the LPRF grant check presentation ceremony.
- Applied for LWCF grant funds to expand recreation opportunities at Bays Mtn Park and Brickyard Park.
- Completed design for the LPRF project to expand the Scott Adams Memorial Skatepark/Kingsport Pump Track.
- Managed year 2 of TDH grant funds and closed out the grant. Completed a successful annual audit.
- Updated the Kingsport Parks and Recreation Website and the Greenbelt Website maps.
- Developed committees and planned activities for the 2025 Tennessee Recreation and Parks Association Conference.
- Hosted a Kingsport booth at the 2024 Tennessee Recreation and Parks Association Conference trade show.
- Department manager served on the Tennessee Recreation and Parks Educational Foundation executive board.
- Facility improvements completed: Riverview Park playground, Boatyard Riverfront Park playground; Greenbelt signage; Domtar Park landscaping; Domtar Park ballfields; Greenbelt landscaping; Domtar Park signage; neighborhood park signage.
- Completed an initial master plan for Cement Hill.
- Expanded marketing strategies: Greenbelt Welcome Center; Pop up Welcome Centers; Park Pointers; Online Program Guide; Farmers Market booth.
- Received a $500,000. Brownfield Grant to support the Cement Hill project.
- Installed 3 new Parks and Recreation Advisory Committee members.
- Improved customer communications through social media posts, updated phone system trees, website updates and civic rec emails/texts.
- Acquired property for a new Greenbelt parking lot on Cleek Road.
- Implemented strategies throughout the department based on the new Parks and Recreation Mission Statement.
- Completed right of way acquisition plans for Greenbelt West/Rotherwood section.
- Assisted with the relocation of HR office space to the V.O. Dobbins, Sr., Complex and renegotiated lease agreements with Big Brothers Big Sisters of East Tennessee.
- Developed a preliminary master plan for Riverview Park.
- Implemented new processes through methods learned in McClaskey training.
- Updated and implemented a new Mission Statement for Parks and Recreation.
- Developed and implemented the first parks and recreation - "Model City 101" component.
- Professional staff completed CPRP certification.
- Made environmental design changes at Rotary Park.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$255,743	$319,169	$333,700	$230,500
CONTRACTUAL SERVICES	$20,628	$23,245	$24,100	$24,100
COMMODITIES	$12,713	$29,118	$24,900	$24,900
OTHER EXPENSES	$0	$0	$2,800	$2,800
INSURANCE	$0	$0	$600	$600
Total Expense Objects:	**$289,084**	**$371,532**	**$386,100**	**$282,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Parks and Recreation Manager	$98,785	$143,547
1	1	Parks & Recreation Superintendent	$65,697	$95,466
1	1	Public Information & Communication Specialist	$43,692	$63,491
1	1	Parks & Recreation Administrative Assistant II	$36,685	$53,308
1	1	Parks & Recreation Administrative Assistant II (PT)	$27,055	$39,315

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	5	5	5

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Coordinate efforts for services with citizen advisory committees/ support groups	7 Advisory Committees	7 Advisory Committees	7 Advisory Committees	7 Advisory Committees
CIP and special projects completed	6	3	2	2
Awards and recognition	0	0	0	1

Recreation Centers

MISSION

The mission of Parks and Recreation Department is to cultivate a stronger community through exceptional programs, facilities, and recreation opportunities.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Enhance Communication: Improve public access to information about programs, events, and services through an updated website, social media, and email.
- Feedback Systems: Regularly collect citizen feedback through surveys, forums, and community meetings to ensure programs reflect community needs.
- Simplify Processes: Implement online registration and payment systems for programs and facility rentals to make services more accessible.
- Implement strategies to inform residents about available programs and facilities with target audiences.
- Continue to offer unique and quality programs to ensure a premier customer experience.
- Develop job descriptions for temporary staff to quickly familiarize them with policies, expectations, and the agency's customer service standards.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Partnerships: Partner with schools, non-profits, and businesses to share costs and responsibilities for shared-use facilities.
- Provide additional features or marketing to promote online facility rentals, supported by success in implementing QR codes.
- Improve amenities at existing parks, keeping up to date with park features and enhancing the rental space to attract potential customers.
- Use the success of the Riverview Park grant to model applications for broader facility improvements or inclusive programming.
- Conduct preventive maintenance facility walkthroughs to standardize safety and cleanliness.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Organize single-day tournaments or events that attract participants and spectators to Kingsport. These can include activities such as youth/adult sports tournaments, e-sports competitions, or community events.
- Public-Private Partnerships: Collaborate with local businesses to sponsor events and programs, sharing costs and benefits.
- Promote Business Opportunities: Use parks and events as platforms for local entrepreneurs, such as food trucks or craft vendors.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Inclusive Programs: Expand initiatives like A.S.P.I.R.E to ensure recreation opportunities for all demographics by offering diverse programs.
- Enhance the competitive component of A.S.P.I.R.E programming by integrating adaptive sports leagues and collaborating with other inclusive recreation organizations to create competitive opportunities.
- Wellness Initiatives: Offer programs focused on mental and physical health, such as yoga in the park, walking clubs, and outdoor components.
- Expand the Cycle on the Glow event in December (Santa's Helper Ride) by collaborating with other departments in the city to organize a ride/walk downtown event, potentially associating it with the annual Christmas events.
- Expanded tournament brackets, classes, and evening sessions for working adults, building on last year's successful expansions.
- Promote E-Sports to the community to raise awareness and supply different events, clinics, classes, camps, and tournaments for various age groups.
- Increase Accessibility: Offer structured gym access after hours to cater to diverse age groups and schedules.
- Expand skill development opportunities for advanced Treadz participants by utilizing the pump track, introducing more technical challenges, and offering basic maintenance workshops

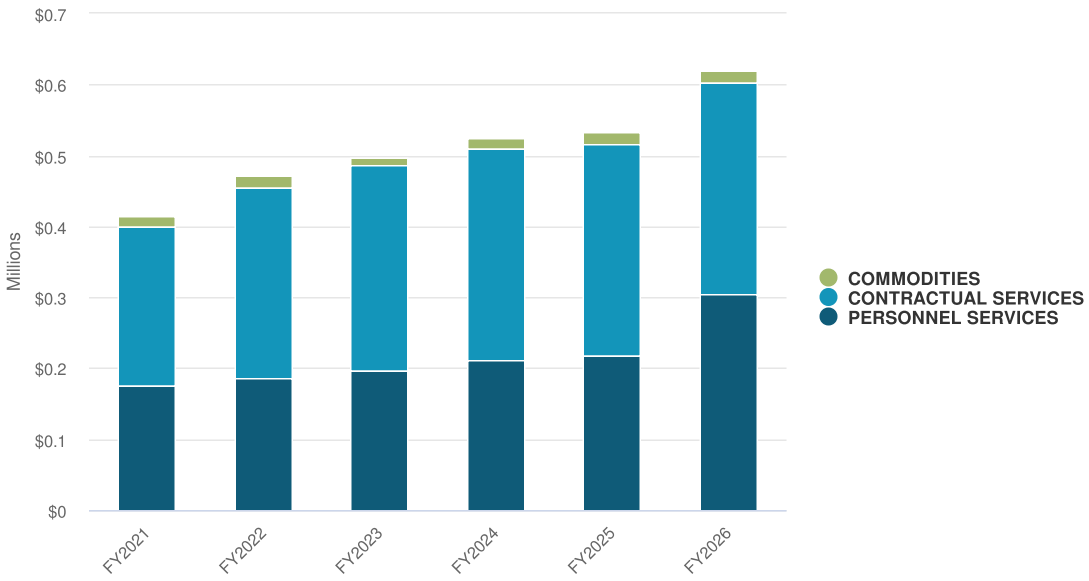
Strategic Performance

- Staff attended the Tennessee Recreation and Parks Association (TRPA) conference and Leadership Conference, providing professional development and training opportunities.
- Intern utilized from ETSU to assist with programming.
- Staff participated in leadership seminar to enhance management and team-building skills.
- Established a partnership with Northeast State Community College to recruit and onboard summer program workers.
- Implemented QR codes at all rental facilities, streamlining the reservation process.
- Received a grant and installed playground equipment at Riverview Park, supporting the agency's commitment to inclusive and innovative play spaces.
- Introduced new divisions for the FunFest Pickle in the Park to cater to a wider range of skill levels and competitive categories.
- Expanded pickleball tournament participation with added age brackets and skill level.
- Offered youth pickleball lessons and youth pickleball summer camp to introduce the sport to younger participants and build foundational skills.
- Expanded beginner pickleball lessons to include evening hours for working adults and those unable to attend daytime programs.
- Offered full-day programming for children during in-service and parent-teacher conference days, ensuring access to safe, engaging activities while supporting working families.
- Facilitated National Night Out in partnership with the Kingsport Police Department (KPD) and New Vision Youth, fostering community engagement and strengthening neighborhood safety.
- Assisted in conducting weekly walkthroughs of facilities using a detailed checklist to ensure consistent upkeep and maintenance, promoting safe and appealing recreational spaces.
- Partnered with South Central Kingsport and New Vision Youth to hold Rhythm in Riverview at a Kingsport Parks and Recreation facility, providing a cultural and recreational gathering for the community.
- Expanded A.S.P.I.R.E. programs for individuals with disabilities to include events such as a Christmas party, LEGO/BINGO night, glow dance, and pickleball.
- Hosted first ever A.S.P.I.R.E “Be the Miracle – Trunk or Treat” with over 200 participants.
- Implemented E-sports programming with offerings such as a Fortnite tournament and E-Gamming specialty camp with over 40 participants.

- Hosted Model City 101, a class designed to educate citizens about city government.
- Introduced new summer specialty camps series which included youth pickleball, youth volleyball, inclusive camp, e-gamming, and a LEGO camp.
- Expanded the Rec Guide to three times a year to enhance community engagement and digital access to programming.
- Installed upgrades to the V.O. Dobbins, Sr. Complex by adding indoor and outdoor directional signage, new splash pad signs, resurfaced gym floors, shaded benches for the pickleball courts, and new gym scoreboards.
- Utilized new Wi-Fi access switch to control pickleball lights to help save on electrical cost.
- Hosted various programming and events at the Scott Adams Memorial Skate Park with the Fun Fest block party, Autumn Skate Event, and skateboarding clinics.
- Enhanced Borden Community building indoor space with new paint and kitchenette.
- Received feedback from summer participants though surveys sent out.
- Expanded programming on the Greenbelt with Glow Walk, Dog Walks, and Pedal and Plant.
- Increased rental prices for V.O. Dobbins, Sr. Complex and Borden Park.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$195,758	$211,273	$217,400	$305,100
CONTRACTUAL SERVICES	$290,319	$297,791	$297,800	$297,800
COMMODITIES	$10,449	$15,210	$17,300	$17,300
Total Expense Objects:	**$496,527**	**$524,274**	**$532,500**	**$620,200**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
2	2	Rec Center Program Coordinator	$52,038	$75,618
1	1	Rec Center Program Administrator	$46,314	$67,300

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	3	3	3	3

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Number of special events, activities, or programs executed	40	42	45	45	45
Average # of Participants in Recreation Center Programs/ Month	1,500	2,294	2,500	2,500	2,500
# of Participants Registered (tennis lessons, camps, and programs)	300	2,294	2,500	2,500	2,500
Program Revenue	$38,000	$57,725	$62,000	$62,000	$62,000
Recreation Centers Total Facility Rentals	400	1,025	1,100	1,100	1,100
Recreation Centers Total Revenue from Rentals	$17,000	$41,537	$47,000	$47,000	$47,000
Shelter usage numbers	30	205	215	215	215

Athletics

Chassy Smiley
Parks and Recreation Superintendent

MISSION

The mission of the Kingsport Parks and Recreation Department is to cultivate a stronger community through exceptional programs, facilities, and recreation opportunities.

Domtar Park

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Professional Development: Provide resources for full-time Parks & Recreation staff members to attend recreational conferences, workshops, or training opportunities to maintain professional certifications and expand knowledge of recreational trends.
- Improve training processes for temporary service positions to increase knowledge of facility operations and program needs.
- Work with certified officials to develop a high school-age officiating feeder training program for leagues.
- Partner with local colleges, universities, and high schools for student internship and volunteer opportunities.
- Implement and develop an officiating training incentive process to grow, attract, and increase knowledgeable officiating within program leagues.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Maintain partnerships with local volunteer groups, such as ETSU, Emory and Henry, and Milligan University, to help with inclusive programming for the Miracle League and the A.S.P.I.R.E program.
- Continue to realize additional software program capabilities and apps to improve and expand communications with participants and staff.
- Expand evaluation process for programing to obtain feedback to aid in identify adjustments and improvements that could potentially grow participation.
- Integrate additional modules of the Team Sideline software to utilize that will add more program efficiency.
- Identify opportunities to partner with Kingsport City Schools Physical Education classes to introduce and teach core skills for trending athletic programs.
- Enhance relationships with local high school coaches to provide support with skill development and training for youth recreation programs.
- Secure resources to provide volunteer coaches to help educate and increase knowledge of sport skills development.
- Foster relationships with local high schools and colleges to grow youth volleyball participation.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Retain strong relationships with KCVB, Kingsport City Schools, Eastman Recreation, as well as other tournament directors to promote and host premier events at Brickyard Park, Domtar Park and Eastman Park at Horse Creek.
- Identify enhancement opportunities for sports facilities and work to improve amenities (Brickyard Park, Domtar Park, & Miracle field) that will draw additional events and people to the City of Kingsport.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

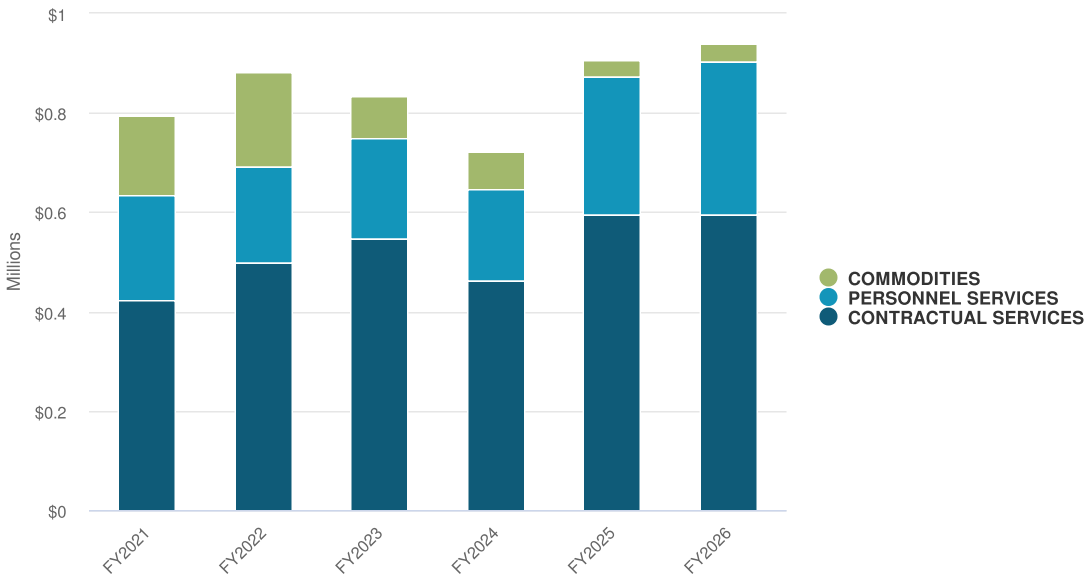
- Improve and expand ways to increase public knowledge of program offerings.
- Expand athletic programming to align with the Parks and Recreation strategic plan such as youth flag football and Esports leagues.
- Collaborate with “Tribe” sports programs to offer enhanced athletic program opportunities that foster skill development and competitive play.
- Expand the Miracle League program by adding a competitive component for more advanced participants.
- Work to reestablish the opening day event for spring baseball and softball.
- Identify opportunities to expand women’s sport offerings, such as three-on-three basketball and flag football.

Strategic Performance

- Maintained contract agreement for concession operations to a private vendor at Domtar Park, Brickyard Park, Miracle Park, and V.O. Dobbins, Sr. Complex.
- Executed and managed TRIBE agreements with: Baseball, Football, Basketball, Soccer.
- Integrated Team Sideline software module and Civic Rec information to increase the reliability and timeliness of communication with participants.
- Utilized Team Sideline to conduct league surveys for all age groups within youth leagues, adult basketball/softball leagues, and the inaugural Turkey Bowl tournament.
- Implemented changes to the Bantam and Pee Wee youth leagues that focused on skill development.
- Improved the effectiveness of youth evaluation process for both basketball and baseball/softball allowing for more balanced and equitable team formation.
- Hosted 48 tournaments at Domtar Park, Brickyard Park, V.O. Dobbins, Sr. Complex, and Eastman Park at Horse Creek
- Partnered with TNT Sportsplex to host basketball officials training classes.
- Updated directional and informational signage at Domtar and Brickyard Parks.
- Increased adult athletic program offerings by adding a Flag Football Turkey Bowl tournament.
- Introduced first phase of E-Sports offerings by hosting 4 gaming tournaments.
- Installed security cameras at the main building of Eastman Park at Horse Creek.
- Worked with local uniform vendor to offer a more economical and practical uniform option for younger participants for youth basketball leagues.
- Increased participation in adult basketball leagues.
- Capitalized on the utilization of students from ETSU and local high school WBL programs for interns.
- Secured and hired two Program Leaders to assist with program offerings.
- Utilized Miracle field to provide diverse programming such as the Miracle League program, family fun nights, T-ball league, special events.
- Partnered with local volunteer groups, such as Emory and Henry University, Milligan University, PEAK, local churches and high schools to help with inclusive programming for the Miracle League and the A.S.P.I.R.E program.
- Increased the number of platforms used to promote programs and engage citizens.
- Installed new Wi-Fi switch at Miracle Field to control fans and lights more efficiently.
- Changed background check company from Sports Engine to Youth Protect Sports to integrate registering process with Team Sideline and increase efficiency.
- Updated facility rental guidelines for indoor and outdoor facilities.
- Installed new player benches, sponsorship signs, and banners at Miracle Field.
- Partnered with Kingsport Chamber and PWDCA to host Portuguese Water Dog Agility championships at Eastman Park at Horse Creek.
- Sustained relationship with TNT Sportsplex and Kingsport City Schools to utilize their facilities for athletic programs.
- Staff attended TRPA conference, leadership forum, and East TN District workshops.
- Staff with CPRP certification maintained and kept up to date.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$201,979	$185,167	$279,100	$310,600
CONTRACTUAL SERVICES	$546,537	$462,678	$594,100	$594,100
COMMODITIES	$85,242	$74,432	$34,200	$34,200
Total Expense Objects:	**$833,757**	**$722,277**	**$907,400**	**$938,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
2	2	Athletics Program Administrator	$46,314	$67,300
2	2	Athletics Program Leader	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	3	4	4	4

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Number of Adult and Youth League Teams	333	360	308	300	350
Number of Volunteer Hours used for Youth Sports Leagues	5,578	3,922	6,093	5,800	6,500
Number of games played in all Youth & Adult Sports Leagues	1,851	2,039	3,142	3,000	3,500
Provide facilities for special events	37	56	48	49	50
Program Attendance	98,023	121,538	118,349	118,000	125,000
Concessions Revenue	$185,000	$346,120	$347,359	$240,000	$245,000
Brickyard/Domtar/Eastman Park Facility Attendance	187,892	419,247	241,574	240,000	245,000

**2023 Data calculations process updated to include soccer and Miracle Program*

Allandale

Rod Gemayel
Allandale Curator

MISSION

The mission of the Parks and Recreation Department is to cultivate a stronger community through exceptional programs, facilities, and recreation opportunities.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Use “CivicRec” to receive payments for rentals.
- Use the “Public Information Department” to expand the use of public billboards, television, and radio.
- Use “CivicRec” to receive donations/memberships for Friends of Allandale.
- Continue to investigate the use of new social media outlets.
- Increase facility rentals and revenues.
- Participate in 10 radio and 4 television interviews to give Allandale and Parks & Recreation events and program updates.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Continue to partner with Friends of Allandale to host “August Under the Stars at Allandale” concert series.
- Partner with Fun Fest to provide a suitable, safe location for their Trash Barrel Painting, Dog Show, and Croquet at Allandale, Food Truck Rodeo, community church service, and Allandale Mansion tours.
- Develop a customer survey for renters.
- Continue to practice safe operation conditions by the spraying of germicide.
- Use social media, magazine, newspaper, radio, webpage, television and electronic billboards to advertise Allandale events and services.
- Host the Parks & Recreation Department’s annual “Easter Egg Roll,” an antique car show, “Christmas at Allandale Mansion” tours, Fun Fest tours, senior outings, Love FM concert, and Dobyns-Bennett choir performance.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Expand the use of “Living Room” rental.
- Work with the Chamber of Commerce to provide rental/tour opportunities for tourist.
- Expand the “Mardi Gras Murder Mystery.”
- Collaborate with community groups, other city departments, and non-profits by offering tours and presentations on Allandale.
- Host a “Wet Painting” competition prior to Fun Fest.
- Expand the use of Allandale’s participation with *Fun Fest.*
- Partner with Friends of Allandale to enhance the “August under the Stars at Allandale” concert series.
- Expand the “Allandale Drive-Thru” Christmas tours.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

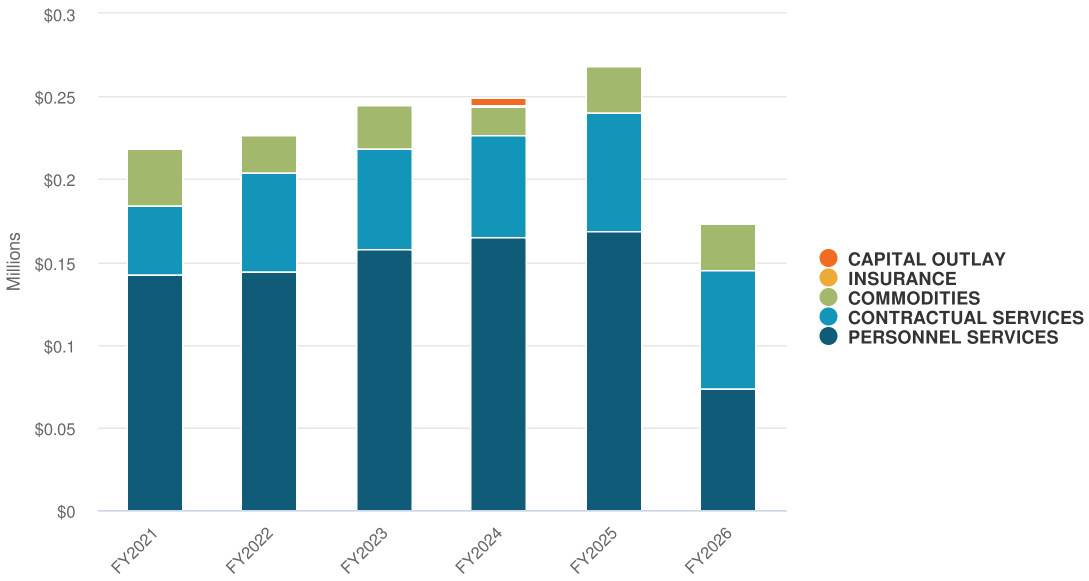
- Work with Community Centers to develop an “Inclusive Tea Party.”
- Develop and print a historical pamphlet for Allandale.
- Monthly talk on David Lights radio show about Allandale history.
- Give Allandale historical presentations to civic groups.
- Post monthly historical/antique Allandale facts on the cities “Wednesday Page”
- Host “Plain Air” painting groups, “Kingsport Birding Trail,” Eastman Photo Club, and school/home school outings.
- Reach out to middle and high school chorus/band groups.

Strategic Performance

- Fun Fest “Allandale Family Picnic Day” had an 18% increase in attendance.
- Hosted two (2) “Spring Tea Party” and two (2) “Holiday Tea” parties.
- Expanded the “Allandale Drive-Thru Christmas” tour.
- Improved the Allandale campus by removing old trees, shrubs, and unsightly vegetation.
- Installed new chimney caps.
- Installed a storage shed at the Picnic Pavilion.
- Installed new carpeting on the front portico.
- Continue to practice safe operating procedures with extra cleaning, and spraying of germicide.
- Hosted “Family Picnic Day” during Fun Fest.
- Hosted the 45th Annual Daniel Boone Antique Automobile Car show.
- Hosted a Leadership Kingsport event.
- Friends of Allandale had a 20% increase in the monies donated.
- Hosted the Kingsport “goats” below Wheeler’s Show Barn.
- Gave historical presentations to two out-of-state bus tours.
- Partnered with Friends of Allandale to host two “Mardi Gras Murder Mystery” fundraisers.
- Posted Allandale history photos on Facebook.
- Hosted Kingsport Art Guild’s “Plain Air” painters in the mansion and at various locations throughout the Allandale campus.
- Hosted Park and Recreation’s annual “Easter Egg Roll.”
- Hosted one of LOVE-FM’s summer concerts.
- Placed two new planters at the Brooks Pavilion.
- Laid concrete pads at the entrance to Harvey’s Barn and placed two large planters on the pads.
- Cleaned/painted the ceiling of the Heron Dome.
- Expanded the use of social media by working with the city’s marketing department.
- Participated in three (3) regional bridal shows.
- Hosted the Symphony of the Mountains July concert.
- Hosted three (3) Friends of Allandale’s “August under the Stars at Allandale” concert series.
- Partnered with the Kingsport Chamber to host Realtor Appreciation day.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$157,666	$164,528	$168,300	$73,000
CONTRACTUAL SERVICES	$61,051	$61,918	$72,100	$72,100
COMMODITIES	$26,370	$17,388	$27,600	$27,600
INSURANCE	$537	$564	$600	$600
CAPITAL OUTLAY		$5,130	$0	$0
Total Expense Objects:	**$245,624**	**$249,528**	**$268,600**	**$173,300**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	*0	Allandale Curator	$48,184	$70,017
1	1	Allandale Program Leader	$41,219	$59,897

**Allandale Curator position reclassified to Parks & Rec Director within Parks & Rec Administration*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	1	1

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Host FAM tours with KCVB	3	3	3	3	3
Market and Advertising	30 PUB.	30 PUB.	30 PUB.	30 PUB.	30 PUB.
Revenue	$70,000	$106,770	$106,770	$93,000	$95,000
Friends of Allandale Membership	175	165	165	161	180
Rentals/Reservations	175	152	152	161	165
Increase Rental/Reservations, Percent	+66.6%	-13.1%	-13.1%	+6.0%	+2.5%
Fundraising Events (Murder Mystery, raffle, Xmas tree sponsors)	3	3	3	3	3
Participants (visitors/guest)	16,000	23,800	23,800	24,155	25,000
Volunteer hours	600	645	645	638	650
Webpage / actual visits (previously recorded as “hits”	92,000	94,000	94,000	97,000	99,000
Friends of Allandale contributions	$20,000	$20,700	$20,700	$24,900	$27,000

Splash Pad

Chassy Smiley
Parks and Recreation Superintendent

MISSION

The mission of the Parks and Recreation Department is to provide the people, facilities, and programs, which enhance Leisure Services by offering quality recreation opportunities for our customers.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Provide a clean & safe environment for families to enjoy the outdoor park & shelters.
- Provide online rental reservations for shelters through CivicRec
- Provide special events and activities for the public to enjoy.
- Maintain Slash Pad operations appropriately to minimize possible closures or shutdowns which could limit public use.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Make improvements as necessary to the Splash Pad with new paint, updated shelter kiosks, and signage.
- Maintain exceptional water quality cleanliness levels by performing daily testing and performing system backwashing as needed to meet standards and prevent system issues.
- Provide daily cleaning and maintenance services of the Splash Pad and shelters to ensure customer enjoyment.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

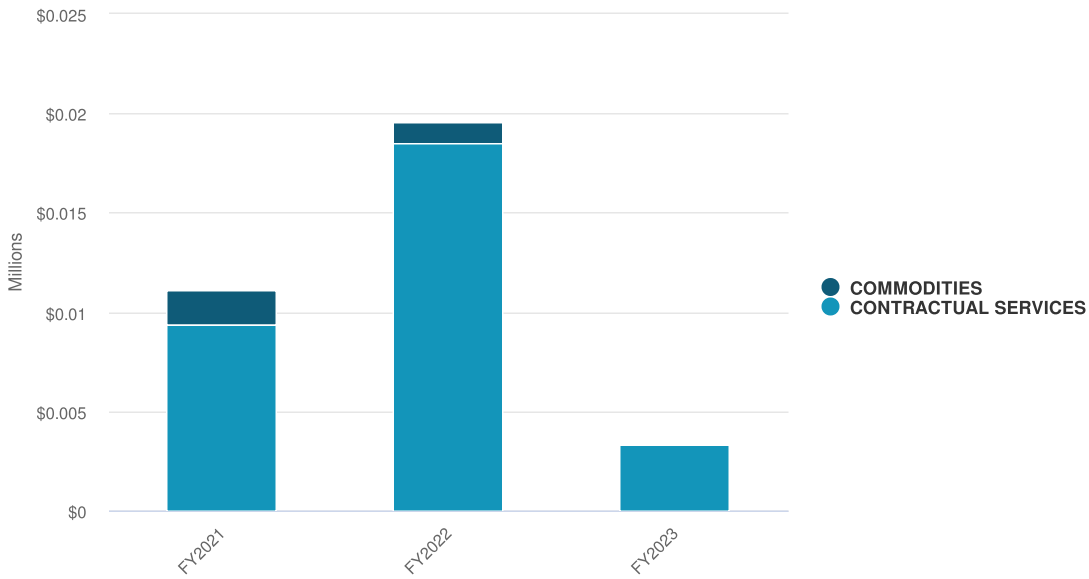
- Advertise through a contracted temp agency for the recruitment of seasonal recreation attendants to maintain the cleanliness and effective working order of the Splash Pad and surrounding park area.
- Provide extensive training for seasonal staff to educate and ensure a full understanding of operational requirements and safety standards.

Strategic Performance

- Leisure Services Maintenance personnel were assigned to perform daily system checks and utilized a maintenance on-call system to help with operations.
- Maintained quality checks for cleanliness at the park with attendants stationed on site.
- Used social media outlets to keep citizens updated on park operations, events, and closings.
- Responded expeditiously to issues with the system which could have resulted in downtime.
- Performed pre-season training for staff on the Splash Pad system to maintain cleanliness.
- Assisted with shelter reservation postings and cleanliness throughout the season, allowing for proper cleaning between rental time slots.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2026 Budgeted
Expense Objects		
CONTRACTUAL SERVICES	$3,317	$0
Total Expense Objects:	**$3,317**	**$0**

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Conduct in-service programs for splash pad staff	2 sessions	2 sessions	2 sessions	--	--
Number of days Splash Pad did not operate due to maintenance	14 Hours	14 Hours	14 Hours	--	--
Number of special activities/events hosted	0	0	0	--	--

Lynn View Community Center

MISSION

The mission of the Kingsport Parks and Recreation Department is to cultivate a stronger community through exceptional programs, facilities, and recreation opportunities.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Secure instructors that are certified by TWRA for archery classes.
- Identify training and education opportunities for support staff through webinars, online and in-service training to help equip them with operational knowledge.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Partner with local organizations, churches, and businesses to get involved and support providing information about programs and events at Lynn View to the community.
- Identify additional opportunities to offer and schedule various programs year round that will maximize the use of space at Lynn View that aligns with the Parks and Recreation Master and Strategic plans.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Increase revenue opportunities through additional programs and facility rentals.
- Maintain relations with TRIBE Sports & Lynn View Pee Wee Football for coordination of outdoor space scheduling.
- Conduct preventive maintenance facility walk-throughs to standardize safety and cleanliness.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

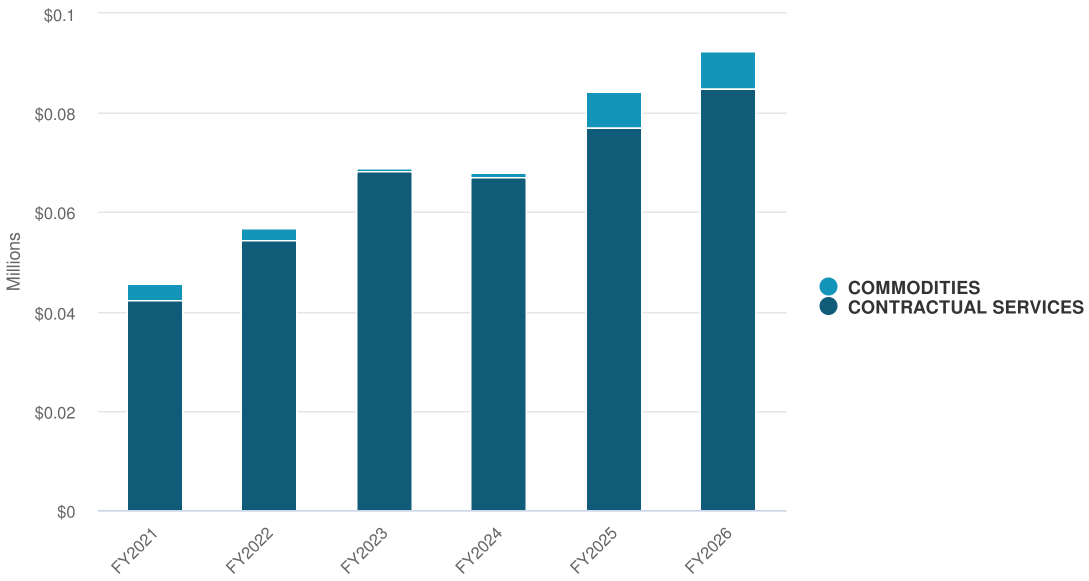
- Provide Kingsport Senior Center space for senior programs and offerings.
- Work with Engage Tri-Cities to provide neighborhood watch meetings and to promote safety within the Lynn Garden community through events such as the Fun Fest Block party.
- Collaborate with organizations like the United Way of Kingsport to pursue community volunteer projects at the facility.
- Maintain and continue enhancements to the Kingsport Dog Park to increase memberships.

Strategic Performance

- TWRA certified archery instructor held 5 sessions at the Community Center, including beginner and advanced sessions.
- Installed facility signage with QR codes to make the rental process easier and more convenient for customers.
- Continued partnership with Eastman Recreation to utilize Lynn View for Monday night volleyball league.
- Maintained a weekly facility check list for the dog park to help maintain a citizen-friendly park.
- Hosted "Bring Back the Block Party" event with Engage Tri-Cities with over 500 citizens attending.
- Facilitated Lynn Garden Pee Wee Football, Tribe Football, Tribe Baseball, and Tribe Lacrosse to utilize the sports fields for practices and games.
- Installed a new Dog Park gate system making for a more efficient way to manage memberships and adding a user-friendly process with the addition of a phone app entry option.
- Held unique programs such as Family Fun Nights and Glow Nerf for the community to enjoy.
- Continued to offer open gym Monday-Thursdays for the community to attend.
- Implemented special events and socials to help grow and enhance Dog Park memberships.
- Installed Wi-Fi cradle point at Dog Park to operate a new gate system and gate camera.
- Refurbished Lynn View gym floors to improve the quality of the surface, making it safer for use.
- Repaired the main outdoor sidewalk to ensure safe access to the facility.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$68,140	$67,123	$77,000	$85,000
COMMODITIES	$743	$913	$7,300	$7,300
Total Expense Objects:	**$68,883**	**$68,036**	**$84,300**	**$92,300**

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Facility Attendance	35,000	53,000	67,600	65,000	67,000
Facility Revenue	$1,500	$3,940	$6,550	$6,530	$6,600
Number of Volunteer Hours	4,500	4,500	4,500	2,500	2,550
Facility Rentals	35	213	208	188	200
Program Attendance	4,500	4,500	4,500	3,000	3,500
Dog Park Registration	172 members 183 dogs	106 members 117 dogs	173 members 184 dogs	139 members 150 dogs	155 members 166 dogs

Civic Auditorium

Kitty Frazier
Parks and Recreation Manager

MISSION

The mission of the Parks and Recreation department is to provide the people, facilities, and programs, which enhance leisure services by offering quality recreation opportunities for customers.

The Civic Auditorium has been transferred to the Kingsport City School system for use and management beginning in FY 2024. Because of this, there will be no expense to the city for the Civic Auditorium in FY 2025 and going forward.

Civic Auditorium-Built in 1938

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Reduce expenses within the general government operating budget by transferring management of the Civic Auditorium to the Kingsport City School system.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Partner with the Kingsport City School system for management, maintenance, scheduling and operations of the Civic Auditorium.

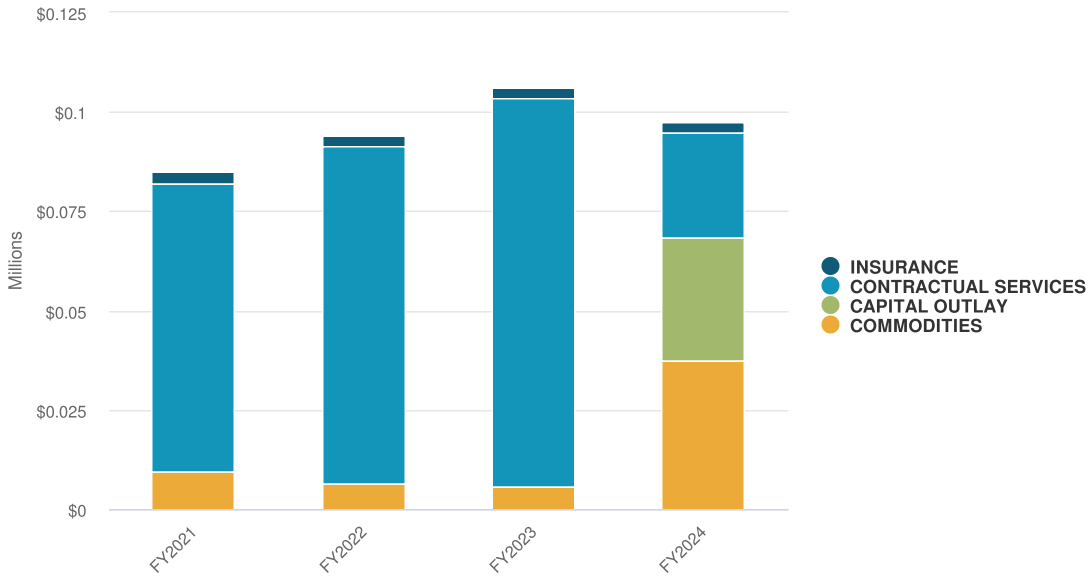
Strategic Performance

- Worked successfully with Dobyns Bennett High School administration, school custodial services, teachers, and coaches on activities taking place at the Civic Auditorium while the DB dome was closed for repair.
- Successfully transitioned Civic Auditorium management and general operating responsibilities to the Kingsport City School system.
- Parks and Recreation staff provided excellent customer service for reservations, inquiries, cleanliness of the building, and communication with customers for events, as well as facility management changes.
- Provided rental opportunities for customers through October 31, 2023.

Expenditures by Expense Type

The City transitioned Civic Auditorium management and general operating responsibilities to the Kingsport City School system beginning in FY 2024-2025.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$97,858	$26,392	$0	$0
COMMODITIES	$5,523	$37,205	$0	$0
INSURANCE	$2,724	$2,439	$0	$0
CAPITAL OUTLAY		$31,244	$0	$0
Total Expense Objects:	**$106,104**	**$97,279**	**$0**	**$0**

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Civic Auditorium Facility Attendance	50,980	88,000	15,515	--	--
Civic Auditorium Revenue	$32,000	$7,000	$5,353	--	--
Civic Auditorium Rentals	560	560	101	--	--

Parks & Rec Maintenance

Chassy Smiley
Parks and Recreation Superintendent

MISSION

The mission of the Parks and Recreation department is to cultivate a stronger community through exceptional programs, facilities, and recreation opportunities.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Collaborate with LSM manager to evaluate maintenance services and operations to ensure efficiency, effectiveness, and best practices.
- Assist LSM with the park property assessment plan for park spaces to identify what, where, and when to allocate resources and funding needed to keep park assets at a quality level.
- Continue working on maintenance items and standards identified in the Parks and Recreation Master Plan.
- Monitor and maintain the Greenbelt's, Borden Park's, and Riverview Park's Eco-counters data equipment systems to utilize for reporting grant requirements and determining the need to install additional systems to make data related funding recommendations.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Collaborate with LSM to provide citizens with well-maintained and exceptional services throughout parks and facilities such as Borden Park, Allandale Mansion and Grounds, Lynn View, VO Dobbins, Splash Pad, Domtar Park, Brickyard Park, Centennial Fountain, and Greenbelt.
- Incorporate more pop-up Parks and Recreation Welcome Centers engagements that are located at additional locations throughout the city.
- Partner with volunteer and non-profit groups such as Keep Kingsport Beautiful to hold cleanup and workdays at parks and facilities.
- Identify resources and amenities to further incorporate throughout parks and facilities that will provide a more user-friendly experience for customers.
- Work with the city marketing department to sustain the Park Pointer campaign.

New Playground Equipment at Riverview Park

Strategic Performance

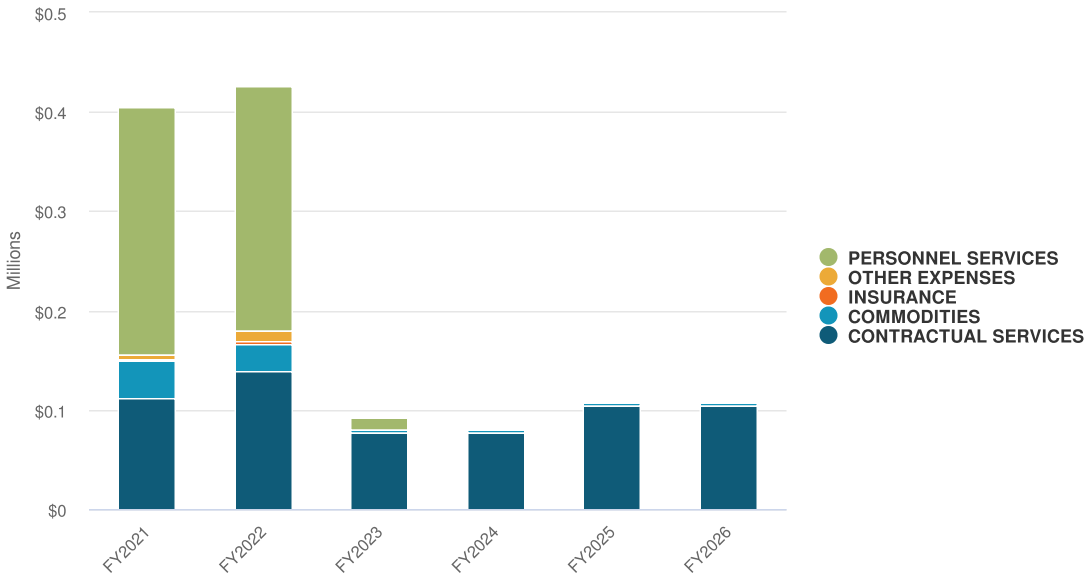
- Worked with Leisure Services Maintenance to install additional sign kiosks at Riverview Park to help improve communications with the public and update old signs.
- Launched the seasonal Park Pointer campaign to improve citizen awareness of park usage, in collaboration with the Public Info & Communications department.
- Worked with Kingsport Armature to repair lighting fixtures at Brickyard, Domtar, and Riverview Parks.
- Worked with Kingsport Armature to install remote Wi-Fi switches to control lighting for pickleball courts at Riverview Park and fans at Miracle Pavilion.
- Worked with the Information Technology department to upgrade the lock system at the Miracle Field building to enhance security.
- Maintained and serviced Eco-counters at 4 locations along the Greenbelt as well as installed a new Eco-Counter at the new playground at Riverview Park to use for data collection and analysis.
- Worked collaboratively with LSM to operate the splash pad from Memorial Day to Labor Day at Riverview Park.
- Installed gates at each end of Swinging Bridge to provide limited access for safety.
- Assisted in the removal of old playground equipment and installation of new playground equipment at Riverview and Riverfront Parks.
- Completed facility enhancements by painting the interior of the Borden Park Community Center Building and bathrooms at Brickyard and Domtar Parks.
- Utilized Click-Fix process from the Connect Kingsport app to quickly respond and address maintenance issues and concerns.
- Staff conducted routine weekly and monthly facility checks to assist LSM with maintenance needs and concerns.
- Ensured facilities met cleanliness and setup standards during various programming and events hosted by the Parks and Recreation Department.

Brickyard Park Pump Track

Expenditures by Expense Type

Parks & Rec Maintenance personnel moved to the Leisure Services Maintenance Division in FY 2021-2022.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$11,457			$0
CONTRACTUAL SERVICES	$76,642	$76,323	$104,000	$104,000
COMMODITIES	$2,983	$3,733	$4,000	$4,000
INSURANCE	$854	$854	$0	$0
Total Expense Objects:	**$91,936**	**$80,910**	**$108,000**	**$108,000**

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Prepared # ballfields for Leagues	721	0	0	0	0
Prepared # ballfields for Tournament's	470	0	0	0	0
Fun Fest Events	20	0	0	0	0
Prep and Set-up main Auditorium for events	700	0	0	0	0

**Parks & Rec Maintenance personnel and their operations were moved to Leisure Services Maintenance Division in FY 2021-2022.*

Cultural Arts

Kristie Leonard
Special Events & Cultural Arts Manager

MISSION

Connect, create, and engage with the creative community of Kingsport, Tennessee

KINGSPORT CULTURAL ARTS

One of the many murals in Kingsport

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Build and establish corporate and community relationships to ensure continued financial support of community programs.
- Generate revenue from room rentals of the Renaissance Center, Farmers Market, and Carousel for the city's general fund.
- Write grants for funding from the Tennessee Arts Commission and other funding sources to obtain funds that will be used for programs and marketing.
- Provide community programming.
- Hold quarterly meetings with the Cultural Arts Commission to gain community support for the arts.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Operate the Renaissance Center, Carousel, and Farmers Market facility, providing affordable rental space for the public.
- Provide the community with a Public Art Program.
- Connects the creative community to local resources.
- Provide information through strategic advertisements in local media, social media and website postings.
- Provide free or low-cost community programming.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Publicize and market the Renaissance Center, Farmers Market, and Kingsport Carousel facilities and services.
- Expand, enhance and efficiently operate programs by networking and collaborating with other community groups.
- Coordinate art exhibits for the Renaissance Center Atrium, City Hall and other City-owned facilities as requested.
- Coordinate the *Sculpture Walk* project with the Cultural Arts Commission.
- Administer the City's Public Art Program and Public Art installations.
- Provide management, staffing, and volunteers for the Kingsport Carousel.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

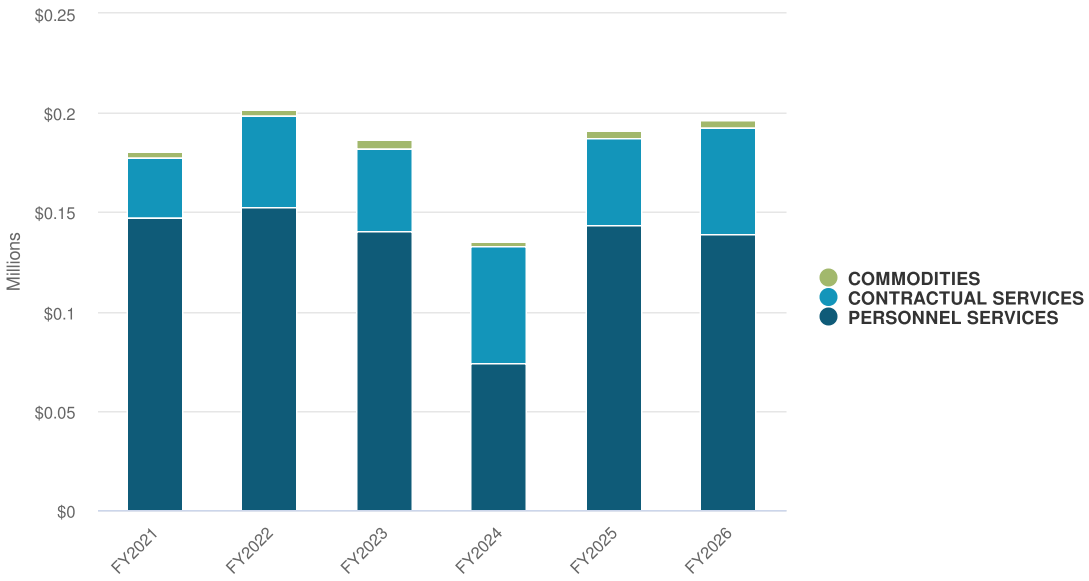
- Partner with organizations in the community for community arts programming, drawing visitors to Kingsport.
- Kingsport Carousel and gift shop operations.
- Rent out the Carousel party room and Carousel facility for those seeking an entertaining venue.
- Rent the Farmers Market to those needing a venue for concerts, gatherings, weddings, receptions, and various large-scale events.
- Rent the Renaissance Center for those needing a gathering/meeting space or theater needs.

Strategic Performance

- With help from Engage Kingsport, we delivered a $2 million Kingsport Carousel facility to the citizens of Kingsport.
- Continue to provide public art programs for the city of Kingsport, which engages an estimated 217,231 people.
- Kingsport Carousel was voted #1 party venue in 2024 Kingsport Times-News Reader Poll.
- Continued management and renting of the Renaissance Center, Farmers Market, and Carousel facilities.
- Hosted Christmas Connection and the Kingsport Arts Festival.
- Continued focus on customer service at the aforementioned facilities.
- Recruited more community volunteers to work at Carousel.
- Ongoing collaboration with local arts organizations.
- Continued collaboration with various city departments.
- Continued efficiency with office management, supplies, and programming.
- Provde the citizens of Kingsport with an excellent public art program, including sculpture, murals, public programs, and classes.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$140,698	$73,852	$143,600	$138,600
CONTRACTUAL SERVICES	$41,605	$59,121	$43,800	$53,800
COMMODITIES	$3,906	$2,558	$4,000	$4,000
Total Expense Objects:	**$186,209**	**$135,531**	**$191,400**	**$196,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
2	2	Cultural Arts Program Leader	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	3	2	2	2

Carousel

MISSION

To provide the citizens and visitors with quality cultural and recreational opportunities and to provide a clean, safe, family-friendly facility for all customers.

KINGSPORT
CAROUSEL

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Partner with Engage Kingsport, volunteers, painters, and artists to provide a unique attraction that emphasizes quality workmanship and regional heritage.
- Provide excellent customer service operating the carousel and its facility.
- Collaborate with community organizations including the Kingsport Chamber, Visit Kingsport and Downtown Kingsport Association to promote this attraction.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a clean and healthy environment.
- Maintain and enhance the community gathering space, which is the Farmers Market Facility and Carousel Roundhouse and Park.
- Maintain a safe amusement ride attraction.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Continue providing quality facilities, community programming, multi-generational programming, and making physical improvements that provide a safer and more attractive facility.
- Seek new programming opportunities for school children and young people.
- Continue to provide a clean, safe, and entertaining family-oriented facility.
- Provide excellent customer service.
- Voted #1 venue to hold a birthday party in Kingsport in 2019, 2020, 2022, 2023 and 2024 Times-News reader poll.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

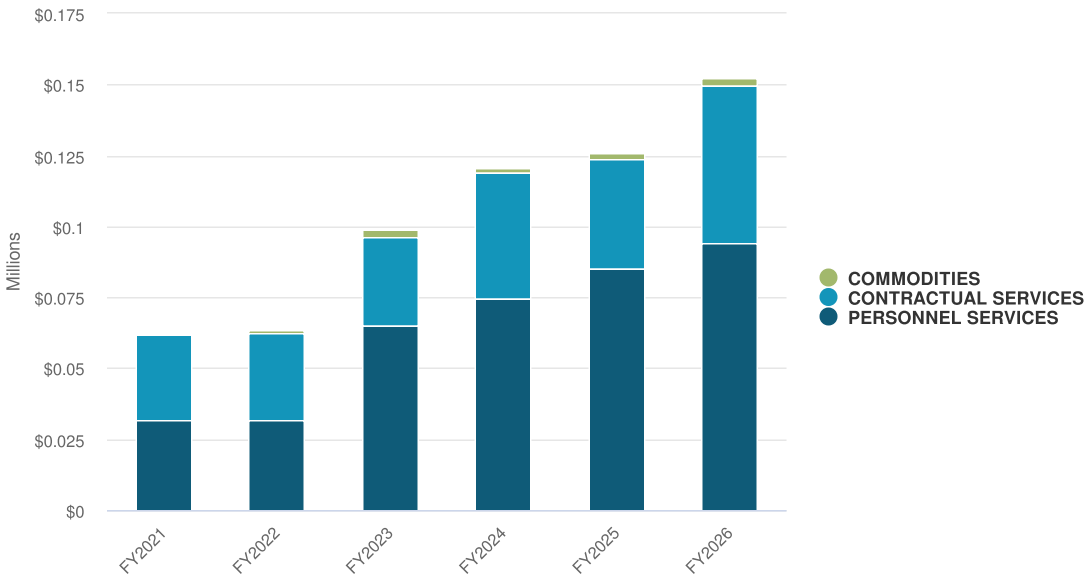
- Revenue opportunities through birthday party rentals, carousel rides and gift shop sales.
- Continue partnerships with community creative organizations to provide community programs.
- Continue working with citizen volunteer groups and grant opportunities to make facility improvements and enhancements.

Strategic Performance

- Celebrated the 9th birthday of the Kingsport Carousel with additional programming and facility improvements.
- Customer service focused.
- Continue to recruit volunteers.
- Continue to provide an excellent rental venue for community parties and gatherings.
- Add programming around holidays throughout the year.
- Collaborate with various city departments and special events to provide excellent facilities and customer service.
- Maintain a clean, safe, and welcoming environment for both the young and young at heart.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 Original Budget	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects					
PERSONNEL SERVICES	$64,945	$78,900	$74,671	$84,900	$94,100
CONTRACTUAL SERVICES	$31,262	$38,700	$44,342	$38,700	$55,700
COMMODITIES	$2,651	$2,300	$1,477	$2,300	$2,300
Total Expense Objects:	**$98,858**	**$119,900**	**$120,491**	**$125,900**	**$152,100**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Special Events Program Leader	$41,219	$59,897
1	1	Carousel Lead (PT)	$28,678	$41,673

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	2	2	2

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
# of Riders	65,233	75,000	75,000	80,000	80,000

Farmers Market

MISSION

To provide a safe and convenient place for local farmer and merchants to market their goods and services and provide a community gathering/festival place.

EST 1977
FARMERS MARKET
KINGSPORT

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value strong, conservative management of public funds. We value maximizing the use of our resources in addressing the various needs of the City and surrounding municipalities.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Creates a commonplace for merchants and farmers to market their products.
- Provides rental space for birthdays, weddings, receptions, festivals and other community events.
- Helps the surrounding communities find fresh produce and other goods and services.
- Provides agricultural education opportunities and outreach to the community.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Regional vendors produce income from market sales.
- Generate revenue from rentals at the Farmers Market.

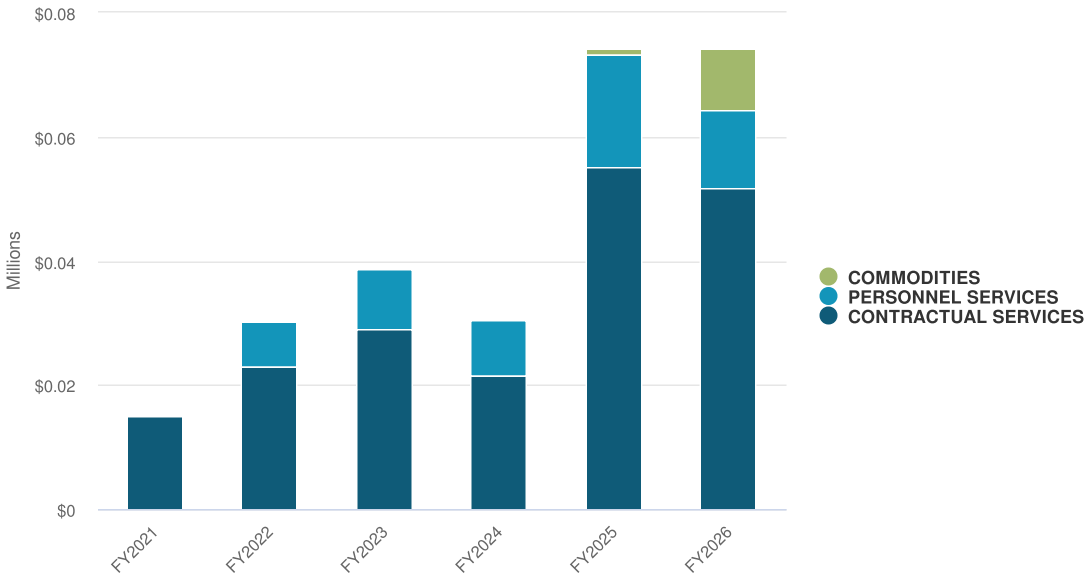
STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Provide vendors with a location to market their fresh produce and goods.
- Provide a venue for community rentals and entertainment.

Expenditures by Expense Type

The increase in expenditures beginning in FY 2025 is due to the consolidation of the Famers Market Building and Famers Market Operations.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$9,724	$8,887	$18,200	$12,600
CONTRACTUAL SERVICES	$29,040	$21,548	$55,100	$51,700
COMMODITIES	$0	$55	$1,000	$10,000
Total Expense Objects:	**$38,764**	**$30,491**	**$74,300**	**$74,300**

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
# of Events/ Rentals	150	150	165	165	170

Farmers Market Operations

MISSION

To provide a safe and convenient place for local farmers and merchants to market their goods and services and provide a community gathering/festival space.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City and surrounding municipalities.
- Build and establish corporate and community relationships to ensure continued financial support of community programs.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Helps the surrounding communities find fresh produce and other goods and services.
- Creates a commonplace for merchants and farmers to market their products.
- Provides agricultural education opportunities and outreach to the community.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Regional vendors produce income from market sales.
- Generate revenue from rentals at the Farmers Market.

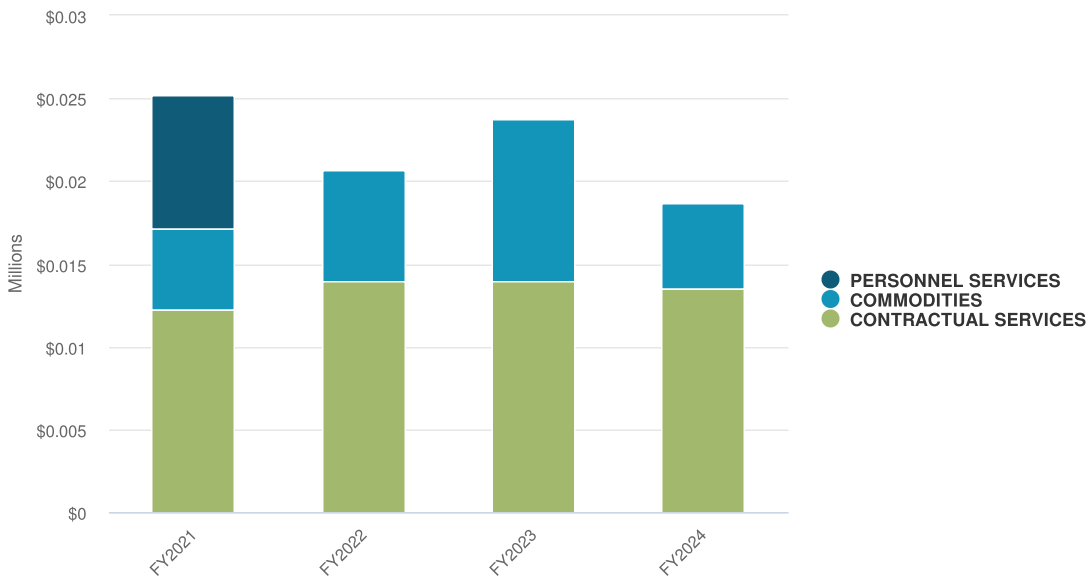
STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Provide vendors with a location to market their fresh produce and goods.
- Provide the community with access to vendors, goods, and fresh produce.
- Provide a social gathering place that includes various programs and events, such as Agriculture Literacy Week partnered with Kingsport City Schools and Fall Festival.

Expenditures by Expense Type

The decrease in expenditures for FY 2025-Present is due to the consolidation of the Farmers Market Building and Farmers Market Operations, which may be found under *Farmers Market*.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$13,999	$13,534	$0	$0
COMMODITIES	$9,769	$5,108	$0	$0
Total Expense Objects:	**$23,768**	**$18,641**	**$0**	**$0**

Senior Center

Shirley Buchanan
Senior Center Manager

MISSION

The Kingsport Senior Center is a community resource dedicated to enriching the quality of life for area seniors.

VISION

To be widely recognized for excellence in creating a welcoming and safe environment, where seniors are empowered to be active and involved.

VALUES STATEMENT

The Center values: advocacy of senior issues; promotion of stimulating educational opportunities, and encouragement of community involvement and volunteerism.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Information services such as Senior Service phone line, annual wellness fair, community service projects, a monthly newsletter, a website, and an informative Facebook page. Also available, a virtual Senior Center including Interactive Facebook, Twitter, and Instagram accounts, along with a YouTube channel and an active website.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

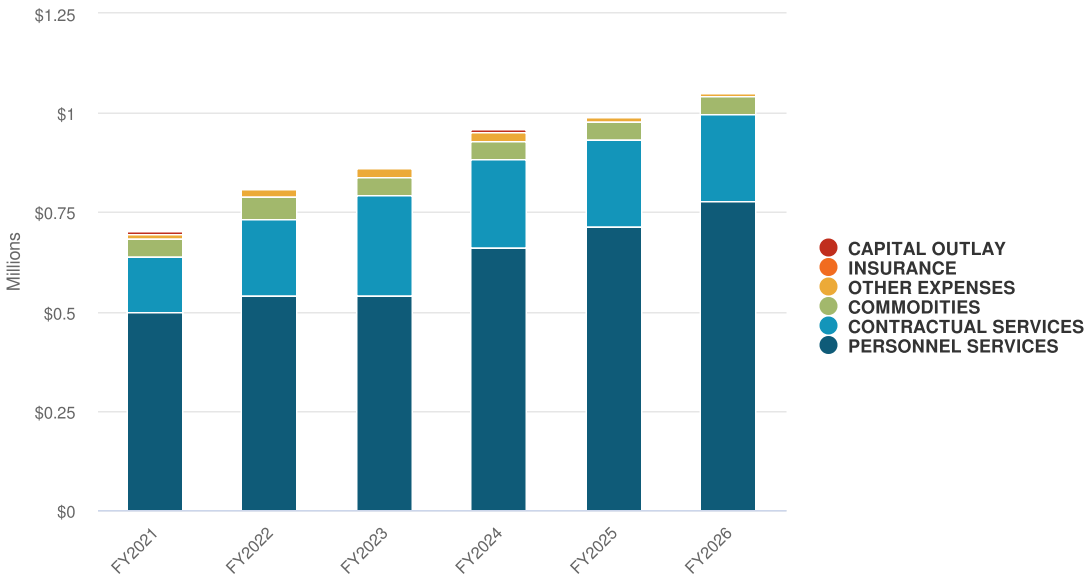
- Offering numerous programs and activities ranging from art to aerobics, healthy cooking classes to computer labs, etc.
- Several wellness classes and programs have seen continued growth.
- The partnership with the Kingsport Library “Ask a Geek” program allows Center members one-on-one mentoring time for any electronic device they may need help understanding.
- Branch locations offer varied programs to different areas of the city. These branch sites have seen significant growth in attendance.

Strategic Performance

- Senior Center staff worked diligently on creating a virtual presence which has produced 3,815,156 virtual visits this year. This is especially helpful with getting information out on a daily basis and to reach those seniors that are home bound.
- Partnership with Times News for ½ to full page article and advertisement every Sunday at no charge. The Times News is also printing and inserting the Center's monthly newsletter. The circulation of the newsletter has been increased to over 10,000, and is now at no cost to our membership. This is a tremendous cost savings of over $150,000 annually.
- The Health Promotion contracts with Silver Sneakers, Silver and Fit, and Renew Active reimbursed the Senior Center $98,381 this year. These reimbursement funds provide for multiple wellness and exercise programs as well as staff and instructor training throughout the year.
- The S.M.I.L.E volunteers donated 10,376 hours of time, which is equivalent to $329,957 in value added to the Center's staff.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$540,984	$661,135	$712,900	$777,100
CONTRACTUAL SERVICES	$250,408	$224,171	$221,100	$221,100
COMMODITIES	$48,260	$44,890	$44,100	$44,100
OTHER EXPENSES	$19,858	$19,858	$12,300	$8,700
INSURANCE	$569	$569	$600	$600
CAPITAL OUTLAY	$0	$7,014	$0	$0
Total Expense Objects:	**$860,080**	**$957,637**	**$991,000**	**$1,051,600**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Senior Center Manager	$69,639	$101,194
1	1	Senior Center Branch Coordinator	$52,038	$75,618
1	1	Senior Center Program Coordinator	$52,038	$75,618
1	1	Senior Center Wellness Coordinator	$46,314	$67,300
2	2	Senior Center Program Administrator	$46,314	$67,300
2	2	Senior Center Program Assistant	$34,608	$50,290
1	1	Senior Center Administrative Assistant II	$36,685	$53,308
1	1	Senior Center Office Assistant (PT)	$32,650	$47,444

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
9	9	9	9 (1PT)	9 (1PT)

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Active Members	4,053	4,655	4,800	5,000	5,050
Average Daily Att.	441	452	470	480	485
Exercise Room Units*	14,532	16,824	17,000	18,000	18,000
Wellness Class Units	53,636	57,059	60,000	60,100	60,150
Educational Class Units	**19,117,585	^3,815,156	^4,000,000	^4,000,100	^4,000,100
Nutrition Meals	35,358	35,765	36,050	36,200	36,200
Recreation Units	58,414	68,587	70,000	71,000	71,000
Senior Service Units	9,668	19,410	14,000	14,050	14,100
Blood Pressure Checks	3,757	4,832	4,900	4,800	4,800
Branch Site Units	20,972	26,779	27,050	6,000	6,000

**To clarify the unit measurement: A unit of service is roughly equal to an hour of service or a single class session. Class sessions are anywhere from 1 to 4 hours, and a member will receive a single unit for an afternoon spent in the exercise room, billiards room, etc.*

***** This number includes our virtual presence or number of impressions on our website, Instagram, Facebook, YouTube channel, and Twitter.***

^ Facebook changed their metrics capture & no longer counts impressions captures, resulting in a decline in metrics for this and future years.

Bays Mountain Park

Megan Krager
Bays Mountain Park Manager

MISSION

It is our mission to **preserve** the natural and cultural resources of Bays Mountain while offering quality **educational** and **recreational** opportunities.

Bays Mountain Dam

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Naturalist staff attend/provide programs for Wilderness Wildlife Week Natural History Conference.
- Naturalist staff continue working with TDEC HWA Task Force to combat Hemlock Woolly Adelgid in an effort to save the Hemlocks within the Park's boundaries.
- Naturalist staff regularly attend State of Tennessee Wildlife Conferences and courses.
- Naturalist staff attend TDEC Wastewater and Water Treatment Certification Classes.
- Adventure Course Coordinator provides in-house training for staff and volunteers.
- Member of the Association of Challenge Course Technologies (ACCT), which sets safety policies for Adventure Courses.
- Planetarium staff attend the annual Southeastern Planetarium Association (SEPA) and other planetarian conferences where they also take on leadership roles within the operation of the conferences.
- Exhibits staff trains annually on new software updates (Lightwave 3D, Adobe products, etc.).
- Staff receives safety training, including CPR/First Aid/AED, on an ongoing basis.
- Park has a working relationship with the Tennessee Wildlife Resources Agency, USDA, Tennessee Division of Forestry, and TDEC Department of Natural Areas.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Staff members provide information on Astronomy, Natural History, Ecology, Wildlife Science and related subjects, and advise citizens on dealing with local wildlife issues.
- Our user-friendly website (also mobile and tablet-friendly) guides potential visitors through park schedules, and provides program information. Local and national patrons have easy access to park information which is updated monthly, along with the development of an online, geographically-referenced trail map.
- The non-profit Bays Mountain Park Association is structured to provide a primary avenue for citizen support and involvement through memberships and donations.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We continue to add new programming, activities, and offerings (such as seasonal food truck vendors) which will encourage visitors to spend an entire day at the Park, and then spend the night in our community. Diverse programming and proper promotion are necessary to entice these patrons.
- We actively explore agreements with local bike & rock climbing organizations to bring regional races and climbing events to the Park. The Park is promoted as a regional attraction.
- Events already taking place at the Park annually include up to five trail races per year and one USA Cycling sanctioned competitive event. Each of these events attract out-of-town participants, many of whom stay overnight in Kingsport. New events are considered annually.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

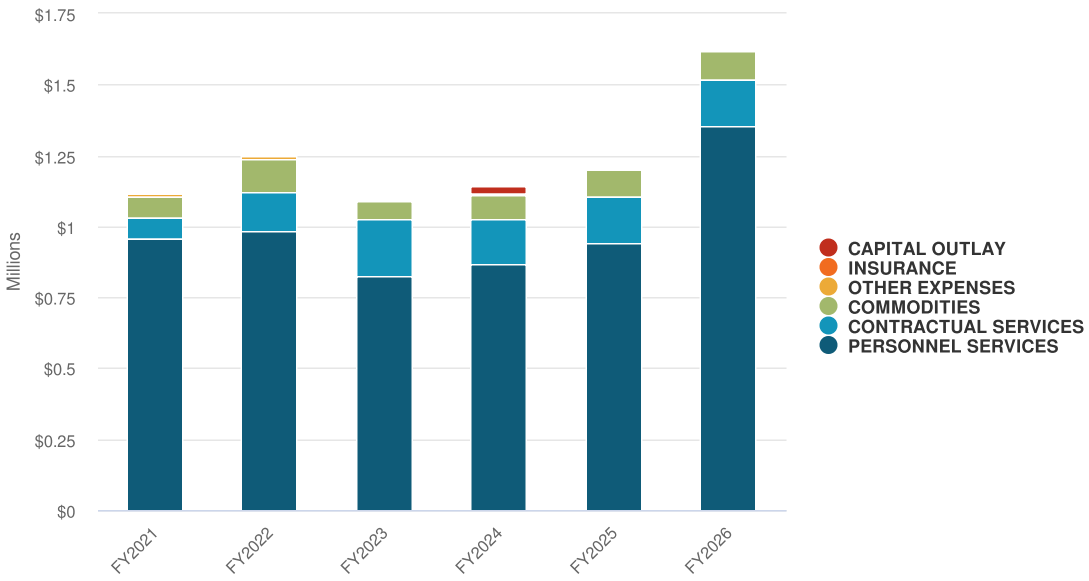
- Bays Mountain Environmental Studies and Astronomy curricula are designed to meet the ever-changing local and state educational standards for Tennessee, North Carolina & Virginia schools. Curricula are age appropriate for grades K – 12.
- The park provides a substantial regional resource for college students conducting research. Students, including seasonal interns, from the following colleges utilize the park to complete research projects: ETSU, Milligan, King, Northeast State, Carson Newman, Tusculum, Eastern Kentucky University, VA Highlands, & Southwest VA Comm. College.
- Adventure Course Team Building exercises are now available to Middle and High School students.
- Park hosts international student groups such as Ulster Project.
- Bays Mountain hosting of Tennessee and Virginia Governor's School program visits offers high-achieving students the opportunity to advance their skills in Biology, Astronomy, and other sciences.

Strategic Performance

- Planetarium show production is performed in-house; this results in unique programs and significant yearly savings. Savings $16,000 - $20,000.
- Planetarium staff performs general maintenance on all Planetarium equipment – this allows us to avoid purchasing service contracts and contracting German engineers to perform the work. Savings $20,000+.
- Exhibit staff produces wayfinding, interpretive and exhibit signage in-house. Savings $32,000+
- Ranger staff provide routine animal medication. Savings $1,000+.
- Ranger staff partners with Trail Crew volunteers to provide maintenance of the park trails. Savings $10,000+.
- Ranger staff treats and tests on-site drinking water. Savings $15,000+

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$826,415	$869,711	$939,200	$1,356,100
CONTRACTUAL SERVICES	$198,952	$154,669	$163,300	$163,300
COMMODITIES	$61,464	$85,936	$96,500	$96,500
OTHER EXPENSES	$0	$5,027	$7,100	$5,100
INSURANCE	$747	$854	$900	$800
CAPITAL OUTLAY		$23,708	$0	$0
Total Expense Objects:	**$1,087,577**	**$1,139,905**	**$1,207,000**	**$1,621,800**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINNIMUM	MAXIMUM
1	1	BMP Manager	$78,247	$113,702
1	1	BMP Chief Ranger	$58,470	$84,965
3	3	BMP Program Coordinator	$55,161	$80,156
3	3	BMP Park Ranger	$46,314	$67,300
1	1	BMP Crew Leader	$46,314	$67,300
1	1	BMP Creative Exhibits Designer	$41,219	$59,897
1	1	Guest Services/Admin Support	$38,886	$56,506
1	1	BMP Caretaker	$38,886	$56,506
2	2	BMP Maintenance Worker I	$34,608	$50,290
1	1	BMP Gatekeeper	$29,058	$42,225

HISTORY OF BUDGETED POSITIONS

FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
17	12	15	15	15

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
*Public attendance	127,500	134,834	135,000	145,000	145,000
School attendance and outreach	7,500	10,975	10,000	11,000	11,000
Total attendance	135,000	145,809	145,000	150,000	156,000
New planetarium programs	6	3	3	3	3
Observatory programs	15	72	75	75	75
New Exhibits produced	4	5	5	5	5
New Curriculum - Schools	5	0	3	20	20
New Nature Programs - Public	10	8	5	5	5
Total programs	1,200	1,730	1,600	1,600	1800
School	220	420	400	400	420
Public	980	1,310	1,200	1,200	1,380
Miles of roads & trails monitored	44	44	44	44	44
Park acreage managed/ maintained	3,663	3,750	3,750	3,750	3,750
Structures maintained	13	13	13	13	14
Volunteer hours	3,400	2,760	3,000	3,000	3,000
Passes used	21,000	21,108	20,000	20,000	20,000
Cost per visitor	9.45	8.69	9.00	9.00	9.00
Patrons per staff member	7,500	10,372	10,385	11,154	11,154
Contributions /BMP Association	$1,200,000****	$7,099	$10,000	$10,000	$10,000

*No new programs due to COVID, equipment failure, and the planetarium update project.

**Planetarium staff conducted Virtual Star Viewing Parties with other planetariums/universities in the State of Tennessee AND added a canoe/kayak stargazing program as using the observatory during COVID was not considered safe.

***Addition of YouTube videos to serve both schools and the public virtually – how many classrooms fully utilize these offerings is unknown as views do not identify schools specifically.

****50th Anniversary Donors and Capital Fundraising receipts

***** Donations collected through CivicRec starting in 2022.

Ropes Course

MISSION

To promote group and personal growth, team building, leadership, as well as communication and trust by providing a safe, fun, unique and innovative opportunity.

Bays Mountain Park's Adventure Ropes Course

Strategic Plan Implementation

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Course was designed and built to exceed the current ACCT Standard.
- Yearly full course inspection performed by Challenge Design Group from North Carolina.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

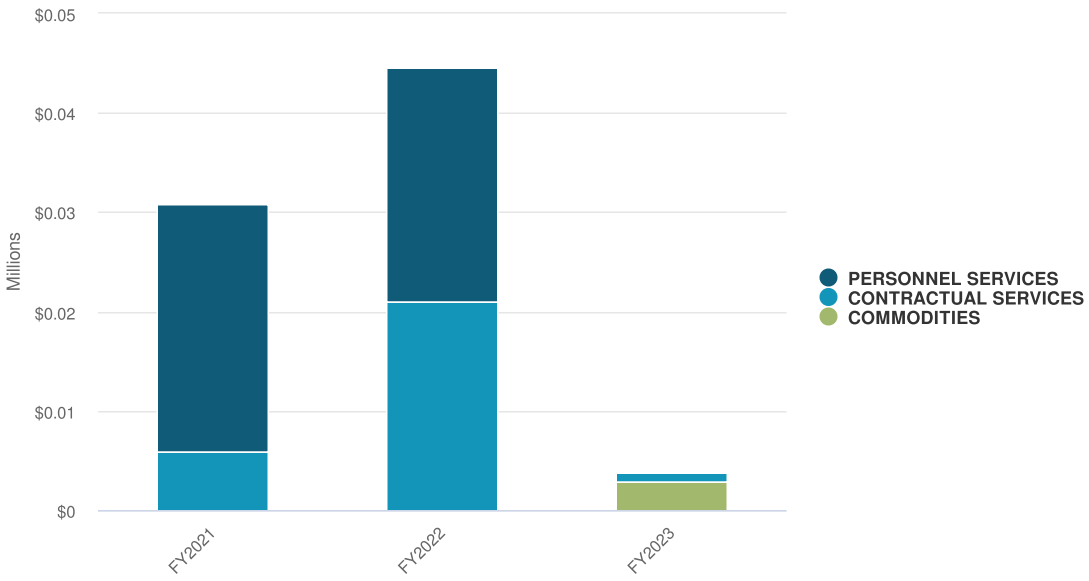
- Improve group skills in communication and leadership.
- Develop trust and respect for individual differences.
- Practice problem solving in a group setting.
- Build independence and risk-taking skills.
- Create a supportive environment.
- Increase self-confidence and self-esteem.

Strategic Performance

- Four Star Award Winner at TRPA Conference for State of Tennessee.
- Accredited by ACCT (Association for Challenge Course Technology).

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$1,000	$0	$0	$0
COMMODITIES	$2,800	$0	$0	$0
Total Expense Objects:	**$3,800**	**$0**	**$0**	**$0**

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Public Ropes Attendance	6,500	11,650	11,650	11,650	11,650
School Rope Attendance	925	5,500	5,500	5,500	5,500
Ropes Groups Serviced	12	23	23	23	23

Leisure Services Maintenance

Zach Drozdowski
Leisure Services Maintenance Manager

MISSION

To provide safe and beautiful parks and facilities for citizens of Kingsport.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service by honestly responding to their concerns and needs.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities. We value a clean and healthy environment.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- We value parks and greenways that take advantage of our community's natural beauty. We value a clean and beautiful city. We value our environment and conservation of our natural resources. We value citizen involvement and a community that incorporates aesthetic urban design in its infrastructure and facilities.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- We value a safe and secure community.

Strategic Performance

Leisure Services Maintenance performs a variety of tasks to continually improve and maintain our beautiful park areas throughout the city. These tasks include but are not limited to:

- Managing sports turf areas
- Managing skinned sports surfaces
- Mowing in various parks
- Maintaining playground equipment
- Maintaining pickleball and tennis surfaces
- Tree and brush cleanup and removal
- Leaf Cleanup (Fall)
- Walk path maintenance
- Event setup and tear down
- Restroom and event area cleaning
- Litter Pickup
- Swimming pool maintenance
- Aquatic feature maintenance

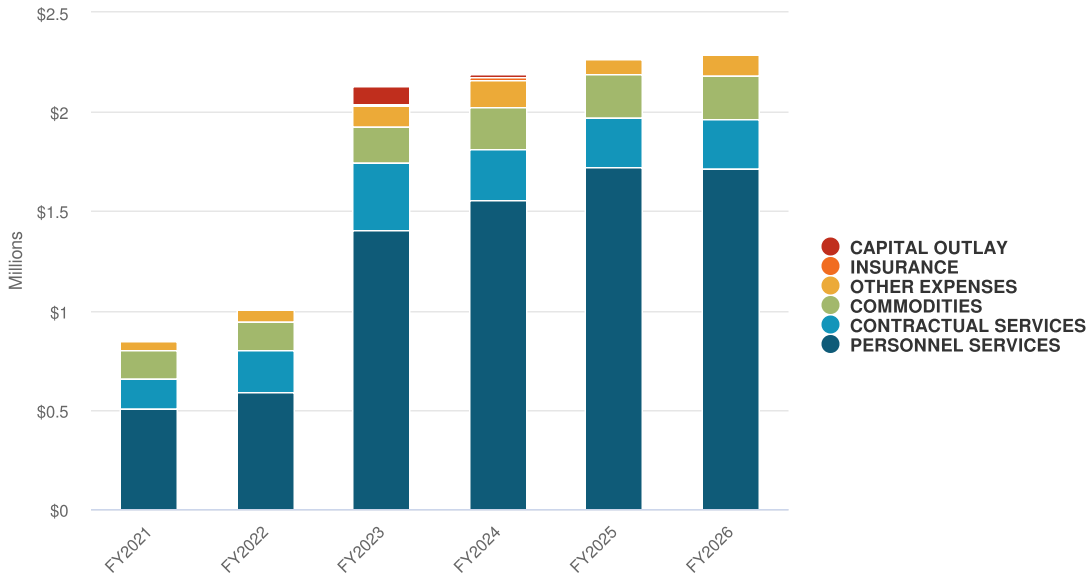
Kingsport Parks

Allandale Mansion
Bays Mountain Park
Boatyard Park
Borden Park
Brickyard Park
Carousel Park
Centennial Park
Cloud Park
Dale Street Park
Dogwood Park
Domtar Park
Eastman Park at Horse Creek
Edinburgh Park
Glen Bruce Park
Greenbelt
Hammond Park
Highland Street Park
Hunter Wright Stadium
Indian Highland Park
J. Fred Johnson Park
Lynn View Community Center
Memorial Gardens Park
Miracle Park
Preston Forest Park
Ridgefields Park
Riverbend Park
Riverfront Park
Riverview Park
Riverview Splash Pad
Riverwalk Park
Rock Springs Park
Rotary Park
Rotherwood Park
Scott Adams Memorial Skate Park
Brickyard Pump Track
Sevier Avenue Mini-Park
Veterans Park & Memorial

Expenditures by Expense Type

*Parks Maintenance is now Leisure Services Maintenance. 5 positions were moved from Bays Mountain Park, 6 positions were moved from Parks & Recreations Maintenance, and 3 from the Aquatic Center.

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,406,527	$1,553,107	$1,724,000	$1,716,270
CONTRACTUAL SERVICES	$336,407	$256,187	$250,400	$250,400
COMMODITIES	$182,884	$216,521	$214,100	$214,100
OTHER EXPENSES	$104,488	$135,457	$77,600	$107,600
INSURANCE	$9,962	$10,591	$10,500	$10,500
CAPITAL OUTLAY	$86,996	$17,287	$0	$0
Total Expense Objects:	**$2,127,265**	**$2,189,151**	**$2,276,600**	**$2,298,870**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Leisure Services Maintenance Manager	$73,817	$107,266
3	3	LS Maintenance Foreman	$55,161	$80,156
2	2	LS Maintenance Crew Leader	$46,314	$67,300
2	2	Leisure Services Maintenance Technician	$43,692	$63,491
1	1	Leisure Services Maint Equipment Operator 1	$41,219	$59,897
2	2	Leisure Services Maintenance Worker II	$36,685	$53,308
12	12	Leisure Services Maintenance Worker I	$34,608	$50,290
1	1	Leisure Services Maintenance Worker I (PT)	$25,524	$37,089
3	3	Leisure Services Maintenance Custodian	$32,650	$47,444

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
10	11	26	30	26 (1PT)

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Miles of Greenbelt maintained	10.56	10.56	10.56	10.56	10.56
Number of parks maintained	32	36	36	36	36
Bags of litter & trash collected	15,925	16,500	17,150	17,650	17,900

Public Works

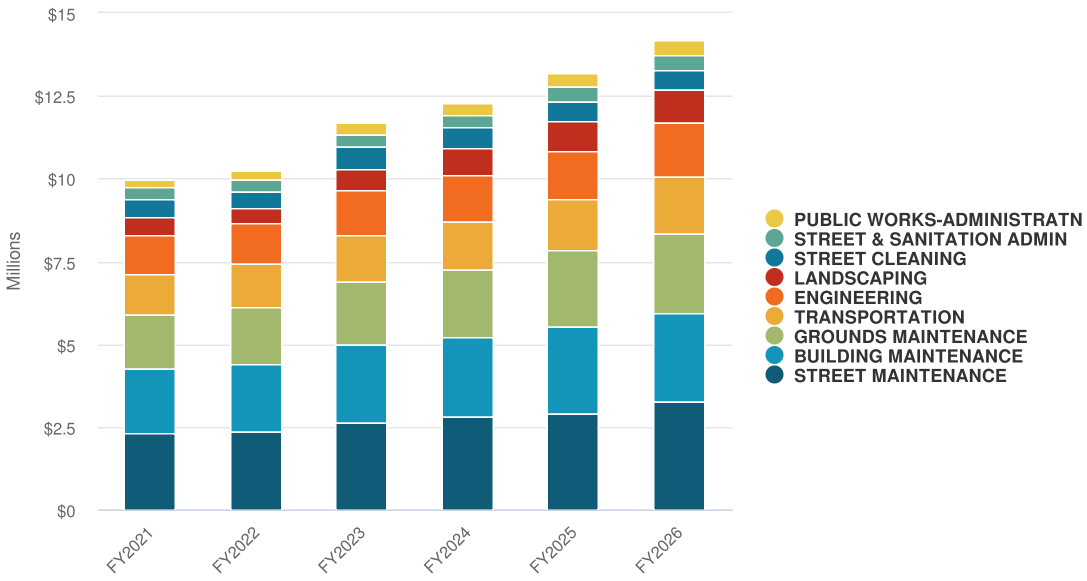
Ryan McReynolds
Deputy City Manager

Everyday people doing

Extraordinary things…Everyday

Expenditures by Function

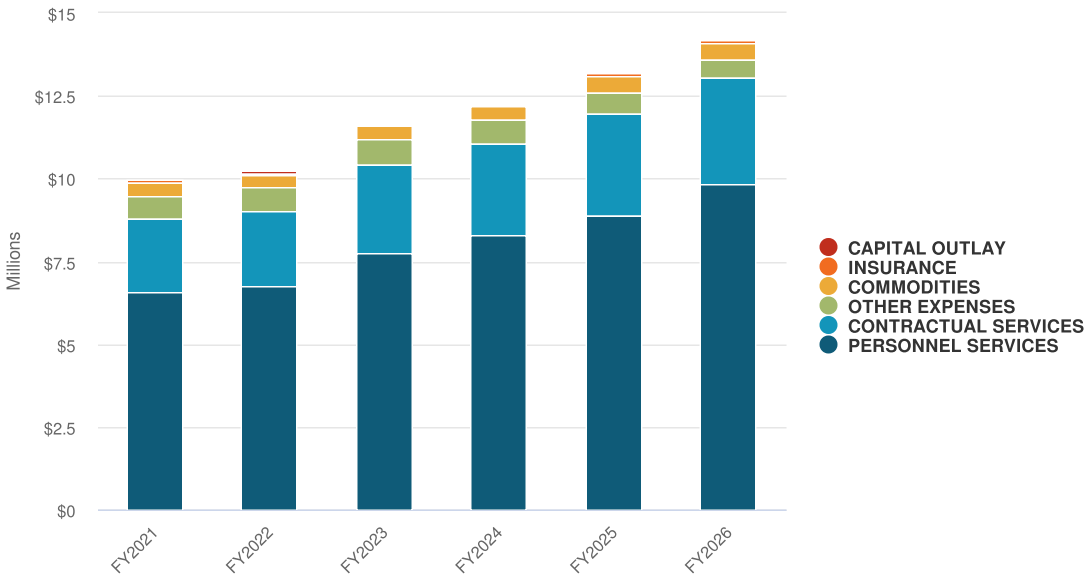
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expenditures						
PUBLIC WORKS						
PUBLIC WORKS-ADMINISTRATN	$328,775	$334,679	$392,900	$392,900	$428,700	9.1%
STREET MAINTENANCE	$2,621,174	$2,828,168	$2,892,900	$2,892,900	$3,245,100	12.2%
STREET CLEANING	$677,561	$628,495	$578,500	$578,500	$556,200	-3.9%
BUILDING MAINTENANCE	$2,384,733	$2,378,910	$2,649,600	$2,649,600	$2,683,900	1.3%
GROUNDS MAINTENANCE	$1,864,768	$2,038,167	$2,284,300	$2,284,300	$2,396,500	4.9%
LANDSCAPING	$642,414	$814,447	$908,300	$908,300	$1,029,600	13.4%
STREET & SANITATION ADMIN	$387,519	$379,326	$438,500	$438,500	$475,400	8.4%
TRANSPORTATION	$1,422,285	$1,452,783	$1,535,300	$1,535,300	$1,723,800	12.3%
ENGINEERING	$1,344,855	$1,411,430	$1,487,100	$1,487,100	$1,630,500	9.6%
Total PUBLIC WORKS:	**$11,674,084**	**$12,266,405**	**$13,167,400**	**$13,167,400**	**$14,169,700**	**7.6%**
Total Expenditures:	**$11,674,084**	**$12,266,405**	**$13,167,400**	**$13,167,400**	**$14,169,700**	**7.6%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$7,757,535	$8,314,537	$8,903,500	$8,903,500	$9,844,000	10.6%
CONTRACTUAL SERVICES	$2,684,204	$2,724,978	$3,057,500	$3,057,500	$3,202,800	4.8%
COMMODITIES	$385,747	$403,490	$510,400	$510,400	$506,100	-0.8%

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
OTHER EXPENSES	$760,140	$760,909	$639,800	$639,800	$558,000	-12.8%
INSURANCE	$42,858	$45,463	$56,200	$56,200	$58,800	4.6%
CAPITAL OUTLAY	$43,600	$17,029	$0	$0	$0	0%
Total Expense Objects:	**$11,674,084**	**$12,266,405**	**$13,167,400**	**$13,167,400**	**$14,169,700**	**7.6%**

Public Works Administration

Michael Thompson
Public Works Director

MISSION

Serving our Community, Building for the Future through effective leadership and coordination of the services we provide.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to improve the process in which we provide information to our customers, and the public.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

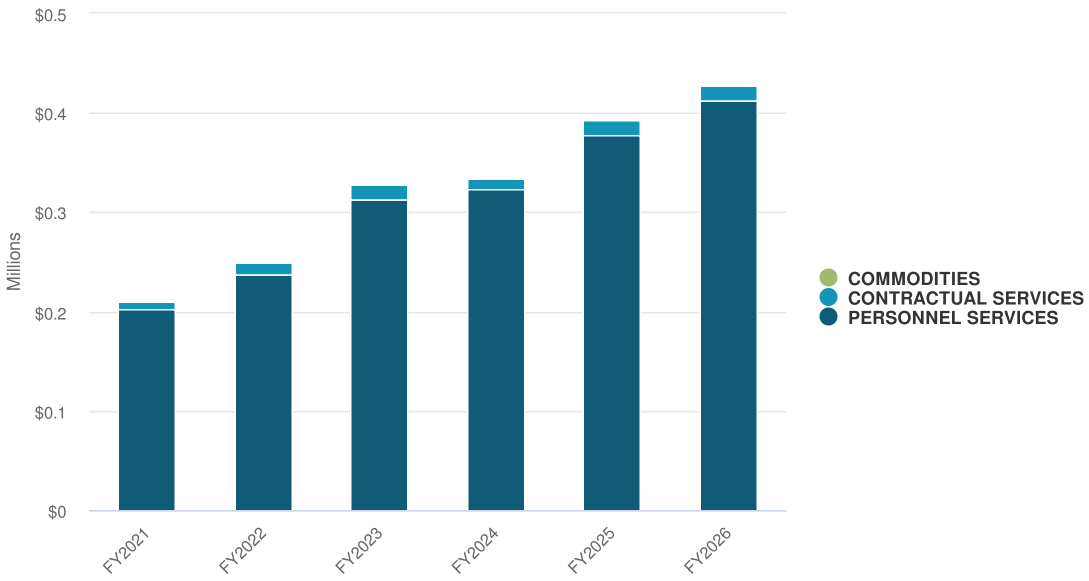
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- To invest in our employees by providing training and education opportunities.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$313,026	$323,211	$377,200	$413,000
CONTRACTUAL SERVICES	$14,981	$10,906	$14,900	$14,900
COMMODITIES	$769	$562	$800	$800
Total Expense Objects:	**$328,775**	**$334,679**	**$392,900**	**$428,700**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Deputy City Manager	$140,128	$203,623
1	1	Public Works Director	$110,994	$161,289
1	1	ROW/ADA Superintendent	$61,979	$90,063
1	1	PW/ADA Administrator	$55,161	$80,156

* Asset Manager reclassified to Solutions Manager and moved to IT for FY 2024.

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
5	5	4	4	4

Streets & Sanitation Administration

Tim Elsea
Assistant Public Works Director

MISSION

Serving Our Community, Building for the Future by providing a safe, sustainable and aesthetically pleasing network for all modes of transportation along with sustainable environmental solutions.

SUMMARY

Personnel in this group support the efforts of employees that perform a wide range of tasks in Public Works including street cleaning, ice and snow removal, concrete and asphalt work, right-of-way mowing, curbside leaf collection, litter control, maintenance of trees and landscaping, curb-side garbage and yard waste collection, along with cleanup at special events.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to improve the process in which we provide information to our customers, and the public.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

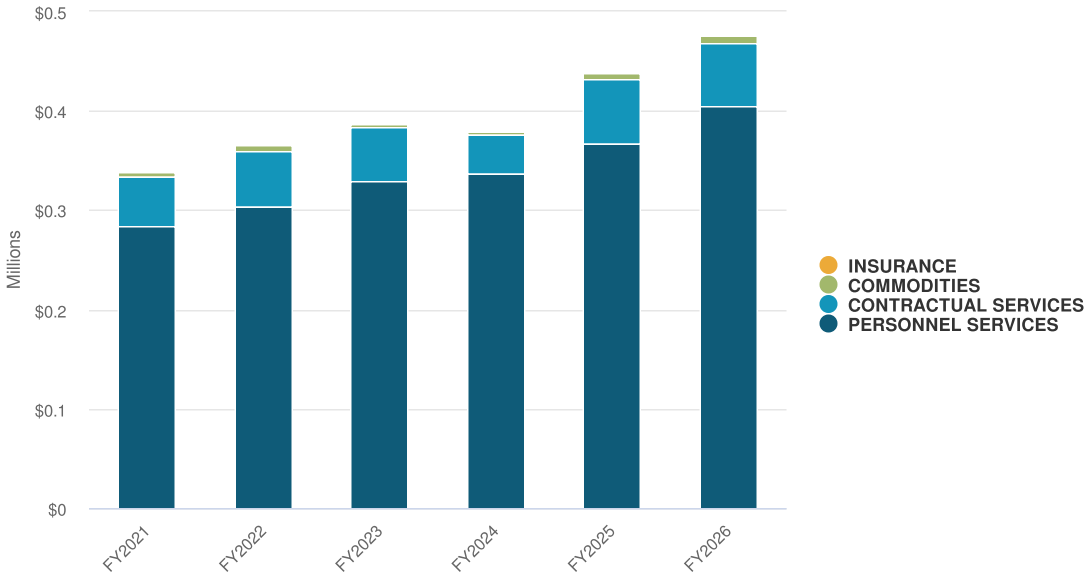
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- To invest in our employees by providing training and education opportunities.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$329,404	$337,039	$367,300	$404,200
CONTRACTUAL SERVICES	$54,388	$38,603	$64,600	$64,600
COMMODITIES	$3,443	$3,542	$6,600	$6,600
INSURANCE	$285	$142	$0	$0
Total Expense Objects:	**$387,519**	**$379,326**	**$438,500**	**$475,400**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Assistant Public Works Director	$93,193	$135,420
3	3	Public Works Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
4	4	4	4	4

Street Maintenance

Greg Willis
Streets Manager

MISSION

Serving our Community, Building for the Future by providing a safe and sustainable network for all modes of transportation.

SUMMARY

Personnel in this division are responsible for street cleaning, ice and snow removal, special construction projects, concrete and asphalt work, paving projects and short-term pavement maintenance such as patching and crack-sealing.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.
- To invest in our employees by providing training and education opportunities.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meet the current and future needs of our customers.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality and development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

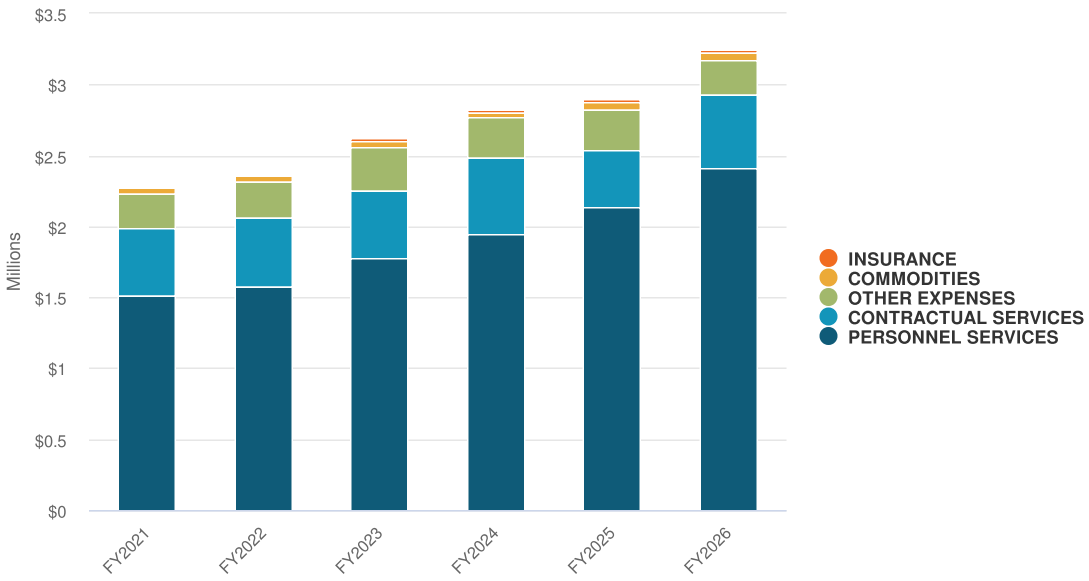
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Strategic Performance

- Implementation of a new paving plan to bring the city on a 20 to 25 year paving cycle.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,780,786	$1,946,112	$2,135,900	$2,412,300
CONTRACTUAL SERVICES	$473,048	$537,780	$400,000	$520,000
COMMODITIES	$40,442	$31,671	$55,000	$54,000
OTHER EXPENSES	$306,309	$291,661	$282,200	$238,000
INSURANCE	$20,589	$20,945	$19,800	$20,800
Total Expense Objects:	**$2,621,174**	**$2,828,168**	**$2,892,900**	**$3,245,100**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Streets Manager	$73,817	$107,266
1	1	Streets Training Coordinator	$55,161	$80,156
2	2	Streets Foreman	$55,161	$80,156
4	4	Streets Crew Leader	$46,314	$67,300
4	4	Streets Equipment Operator II	$43,692	$63,491
3	3	Streets Equipment Operator I	$41,219	$59,897
12	12	Streets Maintenance Worker II	$36,685	$53,308
5	5	Streets Maintenance Worker I	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
33	33	32	32	32

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Potholes repaired	2,994	3,084	3,418	3,000	3,000
Street miles maintained	502.14	504.75	505.41	506	507
Sidewalk miles maintained	178	178	178	178	178
Streets resurfaced (miles)	13.99	13.5	16.65	20.00	15.00

Street Cleaning

Greg Willis
Streets Manager

MISSION

Serving our Community, Building for the Future by providing a safe and aesthetic-pleasing transportation network.

SUMMARY

Personnel in this division are responsible for sweeping and flushing roadways to provide an aesthetically pleasing and clean community through effective street cleaning and litter control. This work occurs along a network of infrastructure that includes streets, sidewalks, and alleyways throughout the city.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.
- To invest in our employees by providing training and education opportunities.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meet the current and future needs of our customers.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality and development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

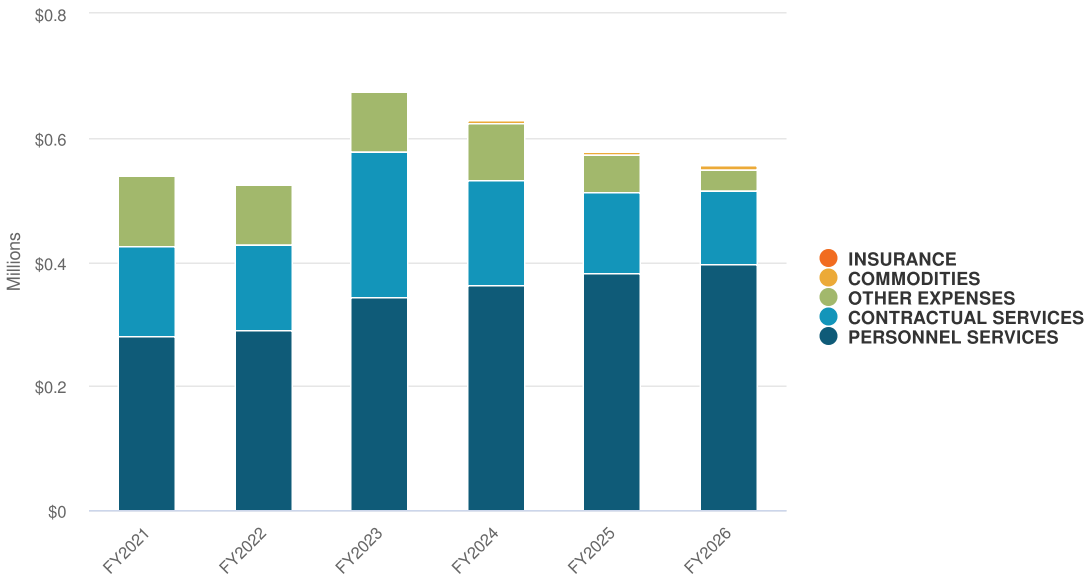
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Strategic Performance

- Continued improvement of tracking and responding to service requests from citizens.
- Provide employees with necessary Personal and Protective Equipment (PPE) to ensure duties can be carried out in the safest possible fashion.
- Strive to have zero preventable accidents each year.
- Provide resources so employees can meet expectations.
- Continue to replace equipment at appropriate intervals to ensure maintenance costs are held to a minimum and down time does not affect production.
- Improve the aesthetics of the city's right-of-way through the sweeping and flushing of roadways.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$342,369	$363,557	$381,300	$395,700
CONTRACTUAL SERVICES	$236,460	$167,467	$130,000	$120,000
COMMODITIES	$2,352	$3,123	$5,800	$5,600
OTHER EXPENSES	$95,383	$93,352	$60,400	$33,900
INSURANCE	$996	$996	$1,000	$1,000
Total Expense Objects:	**$677,561**	**$628,495**	**$578,500**	**$556,200**

Personnel

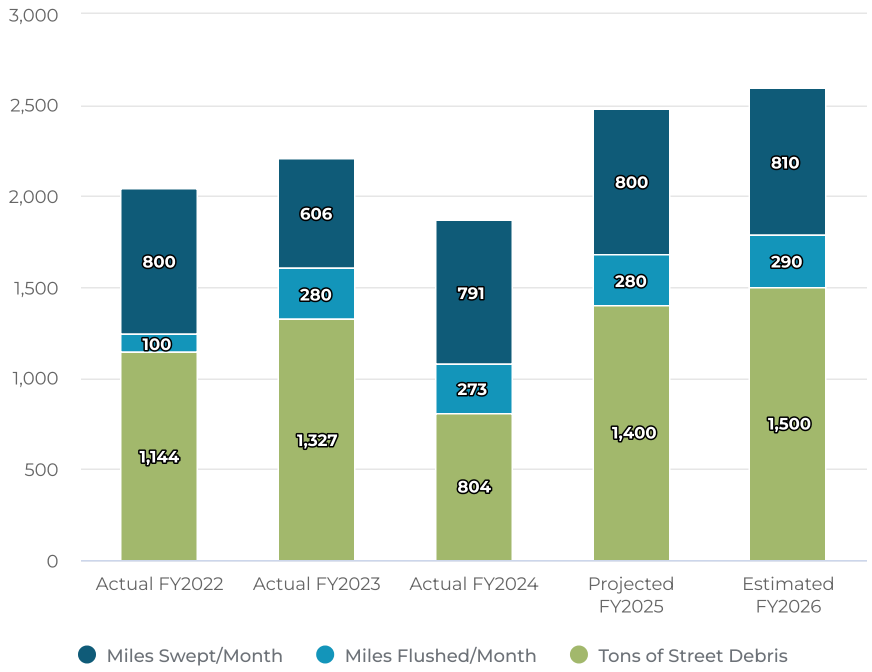
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Streets Crew Leader	$46,314	$67,300
4	4	Streets Equipment Operator I	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
5	5	5	5	5

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Miles swept monthly	800	606.08	791	800	810
Miles flushed monthly	100	280	273	280	290
Tons of street debris	1,144	1,327	804	1,400	1,500

Grounds Maintenance

Tamra Rossi
Grounds/Landscaping Manager

MISSION

Serving our Community, Building for the Future through beautification of public property and right-of-way.

SUMMARY

Safeguard the public and maintain the aesthetics of public property and right-of-way through services that include right-of-way mowing, curbside leaf collection, litter control, and cleanup at special events.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.
- To invest in our employees by providing training and education opportunities.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meet the current and future needs of our customers.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality and development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

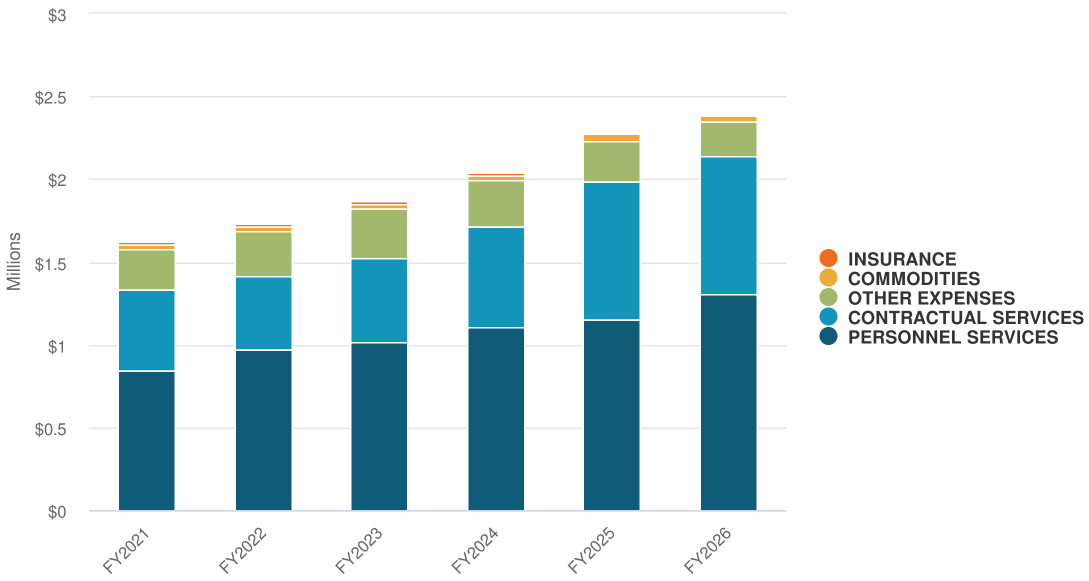
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Strategic Performance

- Continue to respond to citizen concerns in a courteous, honest, and prompt manner while managing our limited resources.
- Strive to increase citizen understanding of the function, practices and procedures of the Grounds Maintenance Department.
- Continue to maintain the aesthetics of City property and rights-of-way through litter, weed abatement, and turf management.
- Look for innovative ways to save money and increase production and quality
- Continue to manage vegetation growth from undeveloped properties into roadways to minimize damage to vehicles and ensure public safety.
- Continually evaluate departmental performance for possible cost savings, efficient time management, and equipment improvements.
- Continue to lobby for resources at appropriate levels to ensure employee safety, meet public expectations, hold maintenance costs to a minimum, and reduce downtime in order to increase production.
- Consider environmental issues when purchasing new equipment, including air quality and fuel efficiency.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,018,397	$1,106,448	$1,154,200	$1,303,500
CONTRACTUAL SERVICES	$503,676	$604,104	$828,200	$833,200
COMMODITIES	$26,405	$31,783	$42,600	$41,000
OTHER EXPENSES	$301,547	$281,007	$248,200	$206,800
INSURANCE	$14,742	$14,825	$11,100	$12,000
Total Expense Objects:	**$1,864,768**	**$2,038,167**	**$2,284,300**	**$2,396,500**

Personnel

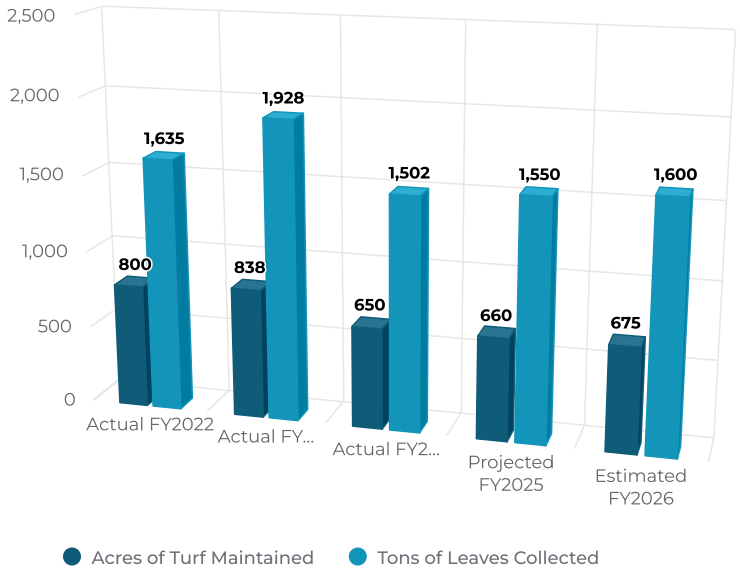
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Grounds/Landscaping Manager	$73,817	$107,266
1	1	Grounds Foreman	$55,161	$80,156
1	1	Grounds Crew Leader	$46,314	$67,300
6	6	Grounds Equipment Operator I	$41,219	$59,897
4	4	Grounds Maintenance Worker II	$36,685	$53,308
4	4	Grounds Maintenance Worker I	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
17	17	17	17	17

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Acres of turf maintained	800	838	650	660	675
Tons of leaves collected	1,635	1,928	1,502	1,550	1,600

Landscaping

Tamra Rossi
Grounds/Landscaping Manager

MISSION

Serving our Community, Building for the Future through beautification of public property and right-of-way.

SUMMARY

To provide an aesthetically pleasing community that enhances the quality of life through the implementing, maintaining and preserving of trees and landscaping within the City.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- To honestly respond to citizen's concerns and needs.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities. We value a clean and healthy environment.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- We value parks and greenways that take advantage of our community's natural beauty. We value a clean and beautiful city. We value our environment and conservation of aesthetic urban design in its infrastructure and facilities.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality and development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

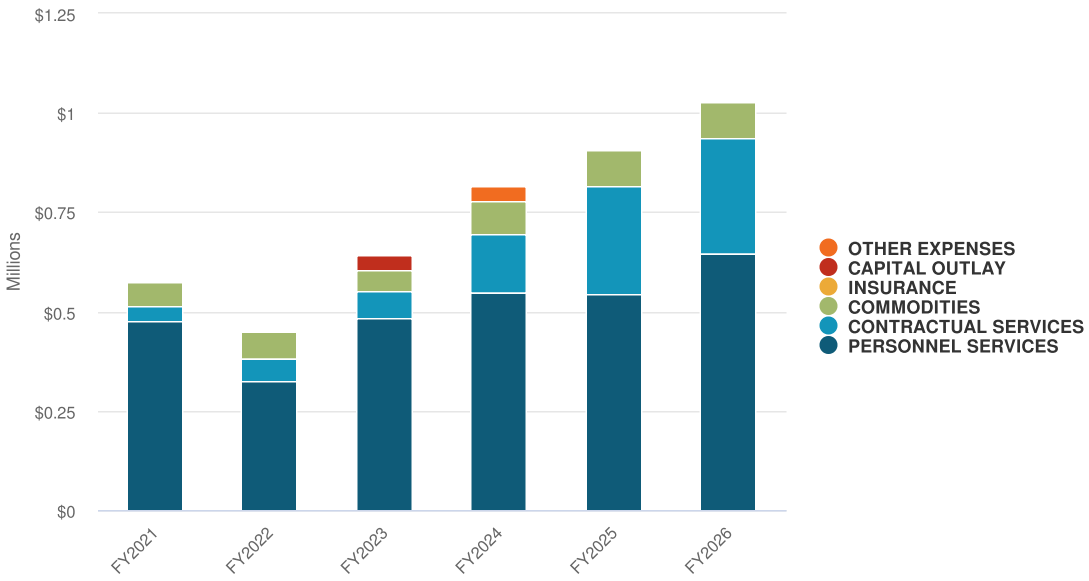
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Strategic Performance

- Continue to respond to citizen concerns in a courteous, honest, and prompt manner while managing our limited resources.
- Communicate to the public the proper use and placement of trees and landscaping to ensure public safety and minimize damage to property.
- Improve the aesthetics of city parks, open spaces, and rights-of-way through weed abatement, and sound horticultural practices.
- Continue to improve and update entrances into the City through landscaping as funding is made available.
- Continue to lobby for resources at appropriate levels to ensure employee safety, meet public expectations, hold maintenance costs to a minimum, and reduce downtime in order to increase production.
- Continue to manage over 14 acres of landscaping beds, an increase of over 300 percent since FY02.
- Continue to use sound arboriculture practices to maintain trees in order to minimize damage to vehicles and ensure public safety.
- Continue to develop and implement regularly scheduled routine, reactive, and preventive landscape and tree maintenance programs.
- Continue to meet and exceed the requirements for Tree City USA designation.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$483,782	$545,829	$542,100	$644,900
CONTRACTUAL SERVICES	$66,475	$149,127	$272,500	$292,500
COMMODITIES	$54,060	$82,185	$92,500	$91,000
OTHER EXPENSES		$36,737	$0	$0
INSURANCE		$569	$1,200	$1,200
CAPITAL OUTLAY	$38,097			$0
Total Expense Objects:	**$642,414**	**$814,447**	**$908,300**	**$1,029,600**

Personnel

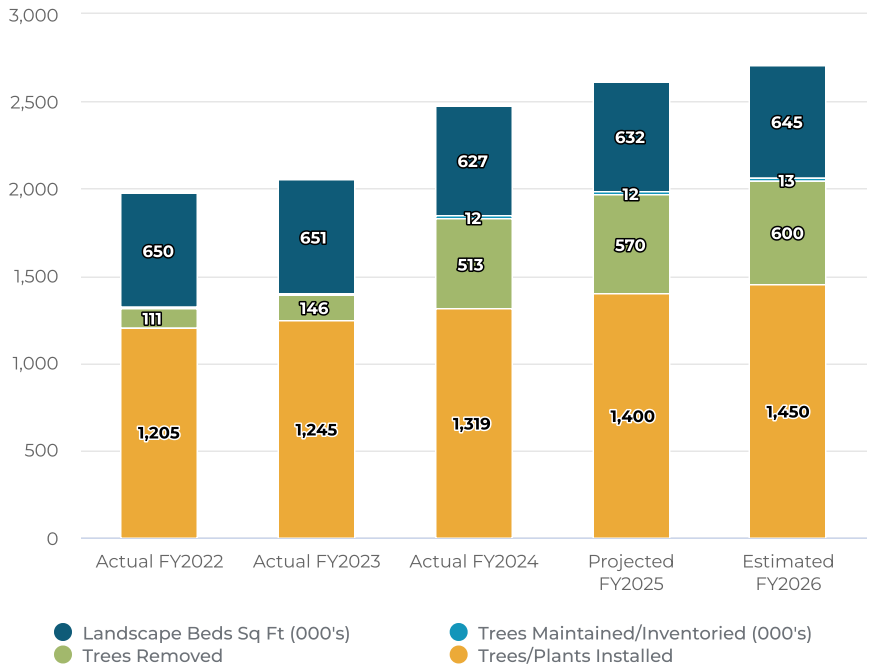
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Landscaping Foreman	$55,161	$80,156
1	1	Landscaping Crew Leader	$46,314	$67,300
1	1	Landscaping Operator II	$43,692	$63,491
2	2	Landscaping Operator I	$41,219	$59,897
2	2	Landscaping Maintenance Worker II	$36,685	$53,308
3	3	Landscaping Maintenance Worker I	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
10	10	10	10	10

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Landscape Beds (sq. ft.)	650,000	650,856	627,359	632,000	645,000
Trees Maintained/Inventoried	12,072	12,173	12,177	12,400	12,500
Trees Removed	111	146	513	570	600
Trees/Plants Installed	1,205	1,245	1,319	1,400	1,450

Facilities Maintenance

Karl Berry
Facilities Maintenance Manager

MISSION

Serving our community, building for the future.
By providing prompt services and proactive maintenance, with a focus on long term economical practices and up-to-date industry solutions.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- To honestly respond to citizen's concerns and needs.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continue to provide professional, quality service to our customers.
- Continue to replace old, inefficient equipment with energy-saving, more efficient equipment.
- Continue to provide 24-hour on-call services for after-hours & weekend emergency repairs.
- Implemented monthly landlord meetings, and routine facility inspections.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Provide specialized training, in-house and through schooling for HVAC, Plumbing, and Electrical trades.
- Provide the proper gear, tools and safety equipment, allowing staff to work in a safe and efficient manner.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Provide experienced staff capable of troubleshooting and repairing most problems without the need to call contractors.
- Provide preventive maintenance to extend the life of equipment, saving on costly failures and premature equipment replacement.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

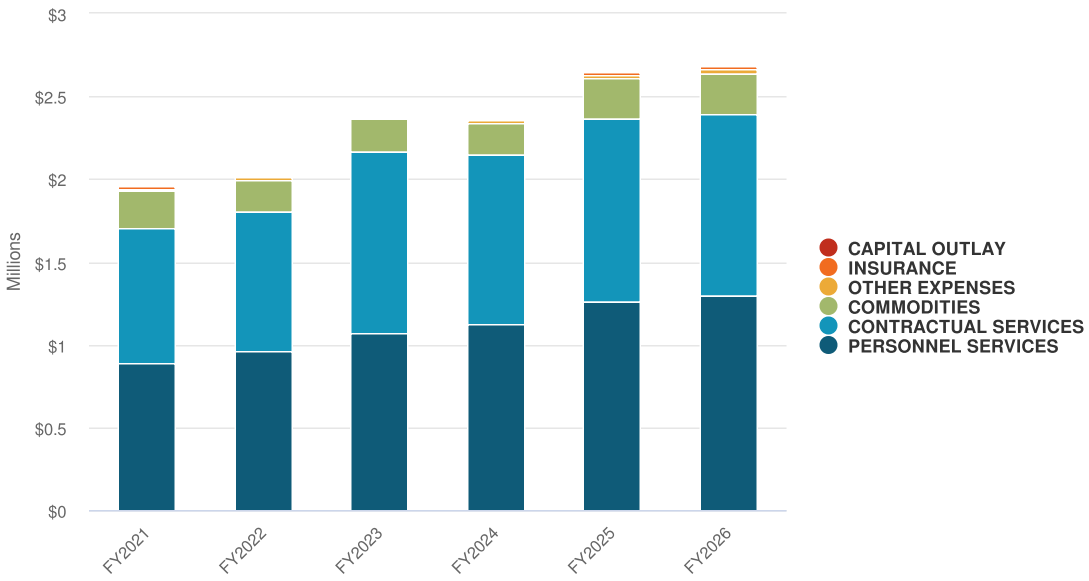
- Provide custodial service, maintenance, and repairs to city facilities with high citizen usage.

Strategic Performance

- Continue ongoing training for energy efficient buildings and HVAC equipment.
- Train in-house personnel to do locksmithing work, eliminating outside contractor expenses.
- Continue ongoing training on up-to-date plumbing codes and practices.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,069,300	$1,119,391	$1,260,400	$1,294,400
CONTRACTUAL SERVICES	$1,094,256	$1,024,265	$1,101,700	$1,102,000
COMMODITIES	$205,971	$199,037	$244,000	$244,000
OTHER EXPENSES	$8,439	$16,290	$25,200	$25,200
INSURANCE	$1,265	$2,897	$18,300	$18,300
CAPITAL OUTLAY	$5,503	$17,029	$0	$0
Total Expense Objects:	**$2,384,733**	**$2,378,910**	**$2,649,600**	**$2,683,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Facilities Maintenance Manager	$73,817	$107,266
1	1	Facilities Maintenance Foreman	$55,161	$80,156
1	1	Facilities Maintenance Crew Leader	$46,314	$67,300
2	2	Electrician/HVAC Technician	$43,692	$63,491
2	2	Carpenter/Plumber	$43,692	$63,491
1	1	Preventive Maintenance Technician	$38,886	$56,506
1	1	Facilities Maintenance Worker I	$34,608	$50,290
12	12	Custodian	$32,650	$47,444

** 3 Custodial positions moved to Leisure Service Maintenance in FY 24–25*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
23	23	21	21	21

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Electrical Repairs	558	577	234	612	620
Carpentry	62	69	111	82	80
Plumbing Repairs	261	203	191	302	320
General Maintenance	245	441	434	482	500
Preventative Maintenance	682	684	421	704	710
Inspect Fire Extinguishers	618	613	367	642	650
Appliance Repair	11	18	26	28	30
Repair/Replace Heating & Cooling Units	181	172	220	260	270
TOTAL	**2,915**	**1,916**	**2,993**	**3,112**	**3,180**

Traffic

Jim Hensley
Traffic Manager

MISSION

Serving our Community, Building for the Future with safe and efficient travel.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- The Traffic Division set up or delivered items for 60 events during the year, including Fun Fest. During all of this activity, there were no reported injuries to pedestrians or participants.
- Traffic Division personnel regularly hang banners displaying the different events that occur throughout the City, along with placing American Flags and Christmas decorations.
- Personnel regularly attend training sessions and keep all certifications necessary to be well-trained in their respective jobs.
- Traffic Division personnel are certified in the various areas of discipline required, including traffic signal technology, street markings, traffic control signage, and work zone traffic control.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Regularly review designs of traffic infrastructure. The Traffic Division technical staff reviewed signal projects and City construction projects where traffic control was required. The reviews provided valuable information to the requesting parties improving the efficiency, cost and safety of the project.
- Traffic Division personnel regularly attend project review meetings, developer conferences, and pre-construction meetings to ensure that pavement markings, signage, traffic signals, and street lighting are considered and included in the project scope where needed and are designed and installed consistent with city, state, and federal requirements.
- All signage and street markers within the city is replaced on a ten-year cycle to ensure that signage meets or exceeds the requirements set forth by federal guidelines for retro-reflectivity.
- Annual signal maintenance is performed to reduce the number of unexpected trouble calls. This includes testing and cleaning traffic control cabinets twice a year.
- The staff have completed the change over from incandescent bulbs to LED displays. This change increased reliability and allows staff to spend less time on this task, therefore providing additional time for other tasks. A 6-year maintenance cycle will be utilized to maintain the LED displays.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

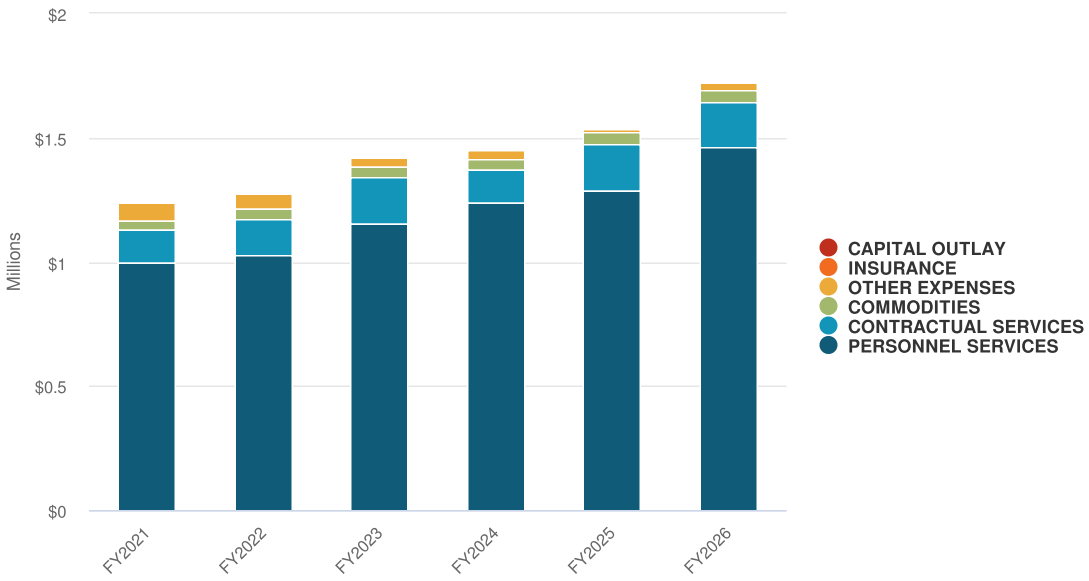
- Establish safety parameters for community events such as Fun Fest, etc.
- Establish work zones for various construction projects and community activities.
- Installation and replacement of defective street lights, traffic signals, signage, and pavement markings.
- Traffic Division staff regularly clear the city and state rights of way of illegal signage that can distract or obscure the sight of passing traffic.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- The Traffic Division continues to promote investment in signals and other traffic control devices through public-private partnership.
- Regular maintenance of equipment allows infrastructure to remain in place for years longer than the expected service life of this equipment.
- Based upon actual power consumption, a cost benefit study concluded that retrofitting existing incandescent traffic signal displays with LED displays will reduce the cost to the city. The replacement project is complete.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,156,719	$1,236,702	$1,289,700	$1,461,700
CONTRACTUAL SERVICES	$183,129	$132,648	$185,300	$183,300
COMMODITIES	$41,959	$43,129	$48,400	$48,400
OTHER EXPENSES	$37,205	$37,007	$8,600	$26,800
INSURANCE	$3,273	$3,297	$3,300	$3,600
Total Expense Objects:	**$1,422,285**	**$1,452,783**	**$1,535,300**	**$1,723,800**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Traffic Manager	$73,817	$107,266
1	1	Traffic Signal Supervisor	$58,470	$84,965
1	1	Traffic Foreman	$55,161	$80,156
2	2	Traffic Engineering Technician II	$52,038	$75,618
1	1	Traffic Signal Technician II	$49,093	$71,338
2	2	Traffic Signal Technician I	$46,314	$67,300
7	7	Traffic Maintenance Technician	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
15	15	15	15	15

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Work orders completed	90	75	85	75	75
Traffic count performed	153	170	176	160	160
Traffic signs installed	161	122	159	165	165
Traffic signs maintained*	1239	1442	1425	2450	2450
Pavement marking (Street miles)	103	65	136	130	125
Traffic signals install/upgrade**	0/7	1/4	0/5	1/3	1/2
Traffic signal maintenance calls	690	841	530	650	650
Streetlights maintained*	10,807	10,957	11,004	11,043	11,100
Streetlights Installed	59	27	60	50	50
Work Zone Request	350	262	377	350	350

**Difference from year to year is due variations to the size of each sign area maintained.*
*** 2024-2025 signal staff will upgrade Hi-Mast lighting to LED fixtures for multiple interchanges*

Engineering

Hank Clabaugh
City Engineer

MISSION

To provide engineering designs, technical support, project management, surveying, quality assurance, construction inspection, and development/project design review to all city divisions, including Schools. Supply citizens with technical information pertaining to their utility (water and sewer) connections and storm water/drainage issues and to develop and improve a model public infrastructure for the Model City.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Develop information packages and schedule workshops with local Engineers, Developers and Contractors highlighting Erosion and Sediment Control and storm water issues.
- Organize meetings with developers and design professionals desiring to develop within the City, and offer advice on how to have a successful development while meeting all rules, regulations, and requirements. Predevelopment meetings create a precursor for successful developments.
- Distribute informational letters to residents impacted by any construction-related activity.
- Answered and responded to questions relating to citizen's concerns, customer inquiries (lateral locations, etc.), and outside questions from contractors, developers, and consultants.
- Division staff attends numerous training programs and continued education seminars/conferences for technical advancements, registrations, certifications, professional development hours, and licensures.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Resurfaced numerous asphalt streets and replaced sections of faulty sidewalk.
- Surveyed, designed, and inspected numerous projects that replaced leaking/aged water and sanitary sewer lines.
- Identified and designed improvements to numerous storm water issues throughout the City.
- Help facilitate ADA improvements to sidewalks and City-owned facilities.
- Manage the bridge condition, maintenance, repair, and replacement program.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Strive to complete all infrastructure improvement projects under budget.
- Providing in-house survey, design, project management, and inspections of projects for numerous City Divisions saved the City large amounts of money that would have been spent on private consultants.
- Provide quality assurance by project management and inspection.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Survey, design, manage, and inspect infrastructure improvement/expansion (water, sewer, stormwater, parks, schools, fire, etc.) projects that support existing and prospective developments and annexed areas' plans of services.
- Review plans for subdivisions, commercial developments, and other public projects, and inspect for quality assurance the installation of infrastructure including water, sewer, sidewalks, roads, and storm water and erosion control.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

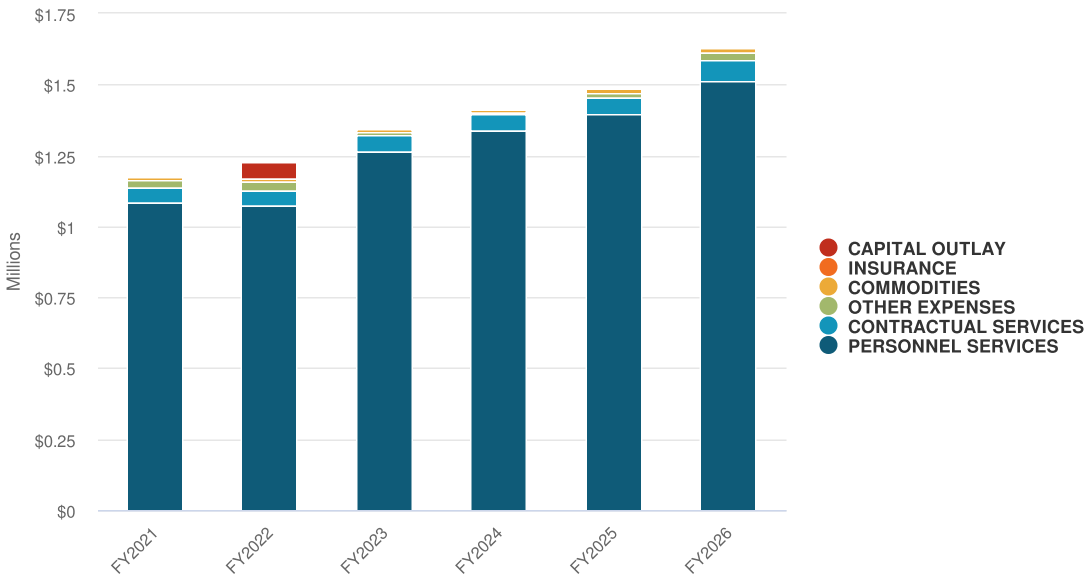
- Surveyed, designed, managed, and inspected numerous sidewalk/mobility path/greenbelt extension projects.
- Review, inspect, and enforce Erosion and Sediment control measures to keep the City's roads, parks, and water bodies clean and aesthetically pleasing.
- Surveyed, designed, managed, and inspected road improvement projects – improving mobility and safety of the public.
- Surveyed, designed, managed, and inspected park and green belt projects – improving mobility and health of the public.
- Project development, guidance, and management of numerous projects for Bays Mountain Park and the City's Parks and Recreation Division.

Strategic Performance

- Responsible for reducing the city's dependence on outside consultants for non-specialty projects.
- Serving other city divisions (Parks and Recreation, School System, Facilities Maintenance, Fleet, Fire Department, MPO, Leisure Services, etc.) with our professional design services.
- Continue keeping the majority of funds in-house that were previously leaving the city and going to outside consultants.
- Providing other city departments/divisions with high quality technical services under one roof.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,263,752	$1,336,248	$1,395,400	$1,514,300
CONTRACTUAL SERVICES	$57,791	$60,077	$60,300	$72,300
COMMODITIES	$10,347	$8,458	$14,700	$14,700
OTHER EXPENSES	$11,258	$4,856	$15,200	$27,300
INSURANCE	$1,708	$1,791	$1,500	$1,900
Total Expense Objects:	**$1,344,855**	**$1,411,430**	**$1,487,100**	**$1,630,500**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	City Engineer	$87,918	$127,756
1	1	Civil Engineer II	$82,941	$120,525
2	2	Civil Engineer	$69,639	$101,194
1	1	Senior Project Manager	$73,817	$107,266
1	1	Survey Supervisor	$65,697	$95,466
1	1	Construction Inspection Supervisor	$55,161	$80,156
1	1	Engineering Coordinator	$52,038	$75,618
1	1	Survey Party Chief	$52,038	$75,618
4	4	Senior Construction Inspector	$52,038	$75,618
1	1	Engineering Design Technician II	$49,093	$71,338
1	1	Engineering Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
15	15	15	15	15

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise – where the intent of the Board of Mayor and Aldermen is that the cost of providing goods or services to the general public on a continuing basis can be financed or recovered primarily through user charges, or where the determination of net income is an important measurement of performance.

Enterprise funds include the following:

- **Water Fund** – accounts for assets, operations, maintenance and services associated with the production, storage and transportation of potable water to customers.
- **Wastewater (Sewer) Fund** – accounts for assets, operations, maintenance and services associated with the collection, transportation, treatment and disposal of wastewater from customers.
- **Solid Waste Management Fund** – accounts for the collection of residential garbage, refuse collection, recycling, and demolition landfill activities.
- **Stormwater Fund** accounts for assets, operations, maintenance and services associated with the collection, treatment and disposal of stormwater from customers.
- **Aquatic Center Fund** – accounts for the operation, maintenance and services associated with the Aquatic Center.
- **MeadowView Conference Resort and Convention Center Fund** – accounts for the operation, maintenance and services associated with the MeadowView Conference Center.
- **Cattails at Meadow View Golf Course Fund** – accounts for the operation, maintenance and services associated with the golf course.

Summary information may be found under the **Enterprise Funds Summary**.

Water Department

Niki Ensor
Utilities Director

MISSION

To provide reliable, high quality water services that support the economic and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

SUMMARY

The City of Kingsport manages a regional water system that provides potable water to approximately 36,391 customers over a 120 square mile service area. The distribution system consists of approximately 985 miles of water lines, 14 main-line pump stations, 21 small neighborhood booster pumps, and 22 storage tanks that are designed to provide the necessary water volumes and flow pressures to meet residential, commercial and industrial customer demands.

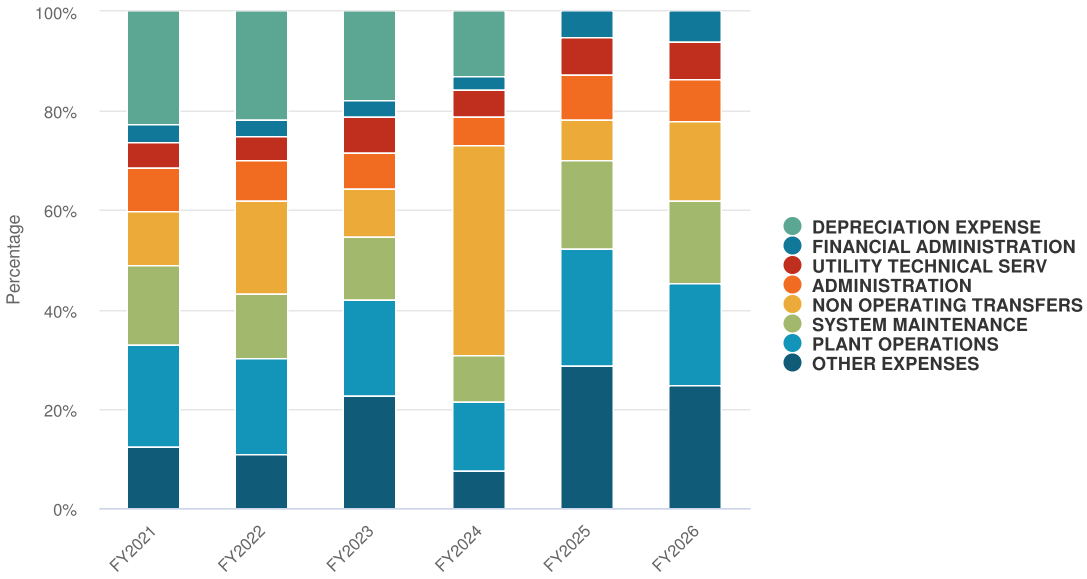
Providing Water for Fun Fest Splash Dance

Strategic Performance

- Perform Capital Improvement projects identified in the Water System Master Plan. The plans for FY 2024-2025 include Water Storage Tank Rehabilitation, Meter Replacements, Water Line Improvements, and Plant Facility Improvements.
- Improvement of safety program for all divisions.
- Provide support for development through the Materials Agreement program.
- Continued participation in AWWA's Partnership for Safe Drinking Water Program to ensure the production of the highest quality drinking water with maximum removal of microbial contaminates.

Expenditures by Function

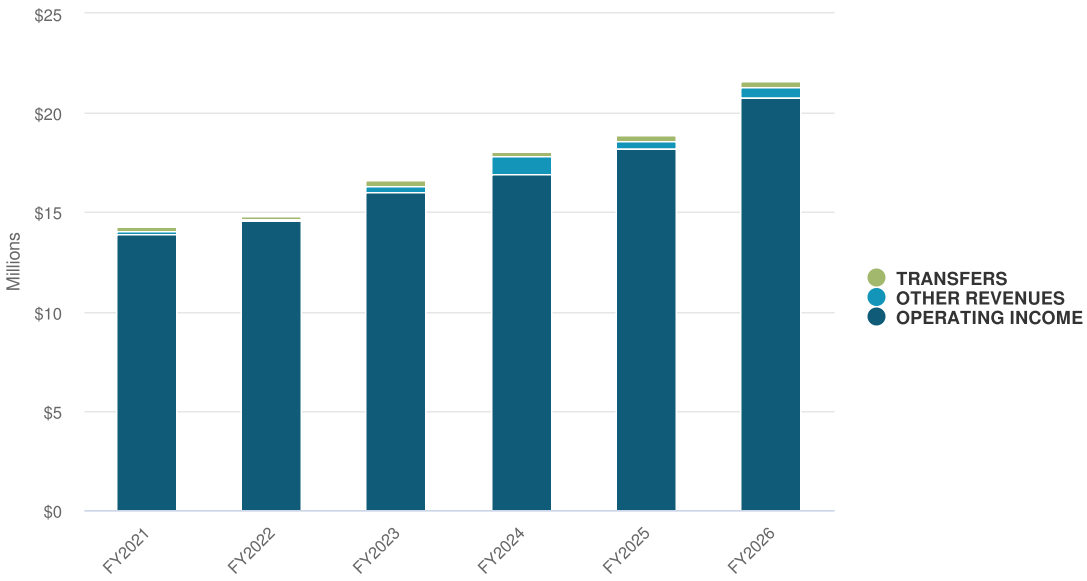
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
OPERATING EXPENSE				
ADMINISTRATION	$1,495,727	$1,688,968	$1,756,100	$1,830,200
FINANCIAL ADMINISTRATION	$659,270	$789,796	$985,800	$1,321,600
PLANT OPERATIONS	$3,886,717	$4,080,412	$4,449,600	$4,433,200
SYSTEM MAINTENANCE	$2,590,348	$2,826,916	$3,356,700	$3,594,300
DEPRECIATION EXPENSE	$3,625,185	$3,844,097	$0	$0
OTHER EXPENSES	$4,607,606	$2,219,921	$5,424,500	$5,385,700
UTILITY TECHNICAL SERV	$1,431,931	$1,586,438	$1,389,800	$1,609,500
Total OPERATING EXPENSE:	**$18,296,784**	**$17,036,548**	**$17,362,500**	**$18,174,500**
NON OPERATING TRANSFERS				
RETAINED/CUR EARN APPN	$1,064,983	$2,141,356	$1,527,500	$3,450,000
BOND PROCEEDS	$891,500	$10,310,360	$0	$0
Total NON OPERATING TRANSFERS:	**$1,956,483**	**$12,451,716**	**$1,527,500**	**$3,450,000**
Total Expenditures:	**$20,253,266**	**$29,488,264**	**$18,890,000**	**$21,624,500**

Revenues by Source

Budgeted and Historical 2024 Revenues by Source



OPERATING BUDGET SUMMARY

- **Sale of Water** represents the single largest revenue source for the fund. Water sales for FY 2025 are currently on target to surpass the budget.
- **Penalties** are charges applied to past due accounts and are not considered a growth revenue source.
- **Line extension charges** reflect revenues for small line extensions outside the City as petitioned by customers. This revenue source is highly variable from year to year.
- **Reconnection Charges** reflect charges for reconnecting discontinued service.
- **Installation** revenues reflect charges to customers requesting new or the transferring of existing services. This revenue source remains fairly stable from year to year.
- **Water Tap Fees** are charged for new service on new or existing lines and are variable and dependent on new construction.

NON-OPERATING REVENUES

- **Investment** is the largest revenue source in this category.
- **Fund Balance** appropriation reflects funds for capital projects not expended during the prior year that have been brought forward for appropriation in the current year. Fund Balance has been used to fund one-time capital expenditures for several years in a row. Rate increases in FY 2023-2024 should end this trend for the foreseeable future.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$204,762	$883,679	$300,000	$500,000
INT LGIP / INT LGIP	$9,790	$16,825	$10,000	$10,000
INT LGIP / GENERAL OBLIGATION BONDS	$2,449	$629	$700	$700
MISCELLANEOUS / MISCELLANEOUS	$85,336	$270	$0	$0
Total OTHER REVENUES:	**$302,337**	**$901,403**	**$310,700**	**$510,700**
OPERATING INCOME				
WATER SALES / WATER SALES	$14,938,648	$15,809,828	$17,239,100	$19,350,200
PENALTIES / PENALTIES	$57,492	$170,341	$168,700	$208,100
RECONNECT CHARGES / RECONNECT CHARGES	$52,528	$127,900	$80,400	$435,300
INSTALLATION FEES / INSTALLATION FEES	$121,630	$127,870	$135,000	$135,000
FIRE HYDRANT FLOW TEST / FIRE HYDRANT FLOW TEST	$950	$2,800	$1,000	$1,000
LINE EXTENSION CHARGES / LINE EXTENSION CHARGES	-$5,050	$4,950	$0	$0
FEES / MONITOR, INSPECTION, SURV	$1,890	$2,990	$2,500	$2,500
WATER TAP FEE / WATER TAP FEE	$368,543	$355,290	$373,200	$375,000
RETURN CHECK CHARGE / RETURN CHECK CHARGE	$9,570	$19,260	$15,000	$22,200
IVR CONVENIENCE FEE / IVR CONVENIENCE FEE	$197,286	$213,447	$207,500	$227,600
WATER FUND / GAIN ON SALE OF EQUIPMENT	$5,535			$0
RENTAL INCOME / RENTAL INCOME	$20,087	$16,947	$16,900	$16,900
MISCELLANEOUS OPERATING / MISCELLANEOUS OPERATING	$13,316	$3,369	$0	$0
MISCELLANEOUS OPERATING / DEVELOPER CONTRIBUTIONS	$264,255	$64,415	$0	$0
Total OPERATING INCOME:	**$16,046,679**	**$16,919,407**	**$18,239,300**	**$20,773,800**
TRANSFERS				
FROM SEWER FUND / ADMIN SERVICES RECOVERY	$259,722	$233,692	$300,000	$300,000
FROM STORM WATER / ADMIN SERVICES RECOVERY	$26,056	$32,013	$40,000	$40,000
Total TRANSFERS:	**$285,778**	**$265,705**	**$340,000**	**$340,000**
Total Revenue Source:	**$16,634,794**	**$18,086,516**	**$18,890,000**	**$21,624,500**

Water Administration

MISSION

To provide reliable, high quality water services that support the economic and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

Clean Water, Public Health, and Serving Citizens.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue use of phone callout system to better inform customers about issues impacting their service.
- Distribute the annual Consumer Confidence Report (CCR) to all water customers providing them the previous years' water quality testing results.
- Implement improved communication with customers throughout the construction, repair process.
- Provide complete service disruption forms to Public Relations department for improved communications with impacted customers.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continue to mine data in Cartegraph OMS to plan future upgrades and expansions throughout Water/Wastewater.
- Continue the Materials Agreement for development in the City of Kingsport
- Continuation of upgrades to the water distribution waterlines, tanks, and pump stations that are identified in the Water Capital Improvements Plan to ensure reliable service and improve water quality.
- Continued implementation of Master Plan for the Water System – from river to tap.
- Addition of Instrumentation & Control Specialist to handle the installation, implementation, & continuing performance of the systems SCADA systems.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Continue to perform comprehensive budget monitoring to ensure financial accountability and to identify potential costs savings.
- Implement WaterWorth software to analyze rates in order to clearly and fairly charge customers for their usage.
- Continue to pursuing bulk water sales with neighboring utilities.

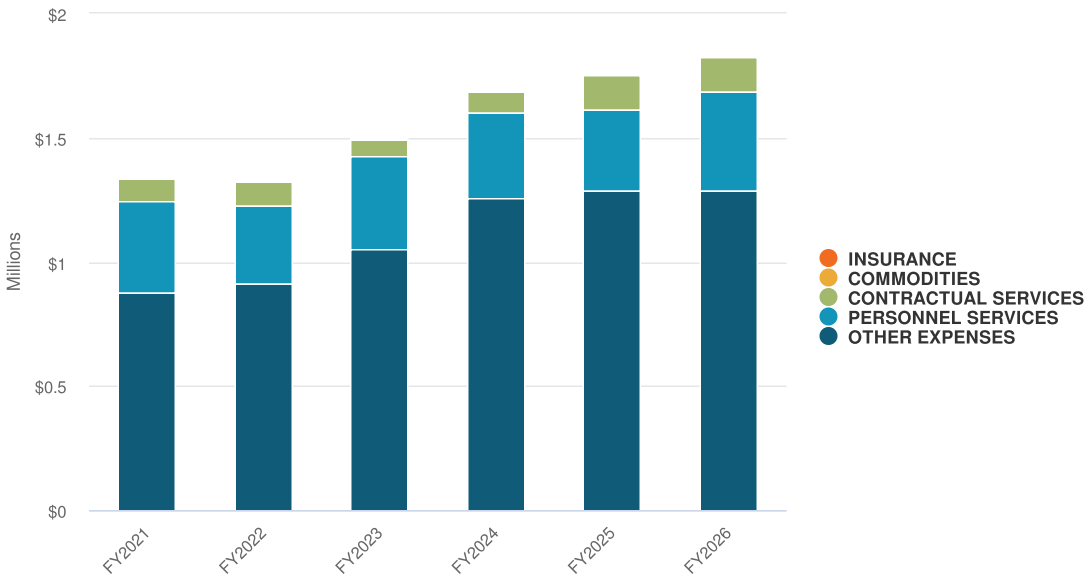
Strategic Performance

- Providing administrative functions for the water plant, water maintenance, and technical services at the water treatment plant.

- Providing administrative requirements in an efficient manner and ensuring required services are provided.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$375,591	$339,337	$324,100	$397,100
CONTRACTUAL SERVICES	$69,284	$89,410	$138,900	$139,700
COMMODITIES	$1,039	$476	$5,800	$5,800
OTHER EXPENSES	$1,049,149	$1,258,974	$1,286,700	$1,286,700
INSURANCE	$664	$771	$600	$900
Total Expense Objects:	**$1,495,727**	**$1,688,968**	**$1,756,100**	**$1,830,200**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Utility Director	$110,994	$161,289
1	1	Assistant Utility Director	$93,193	$135,420
1	1	HR Business Partner Utilities	$65,697	$95,466
1	1	Utilities Maintenance Analyst	$55,161	$80,156
1	1	W/WW Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
6	4	4	5	5

Water Financial Administration

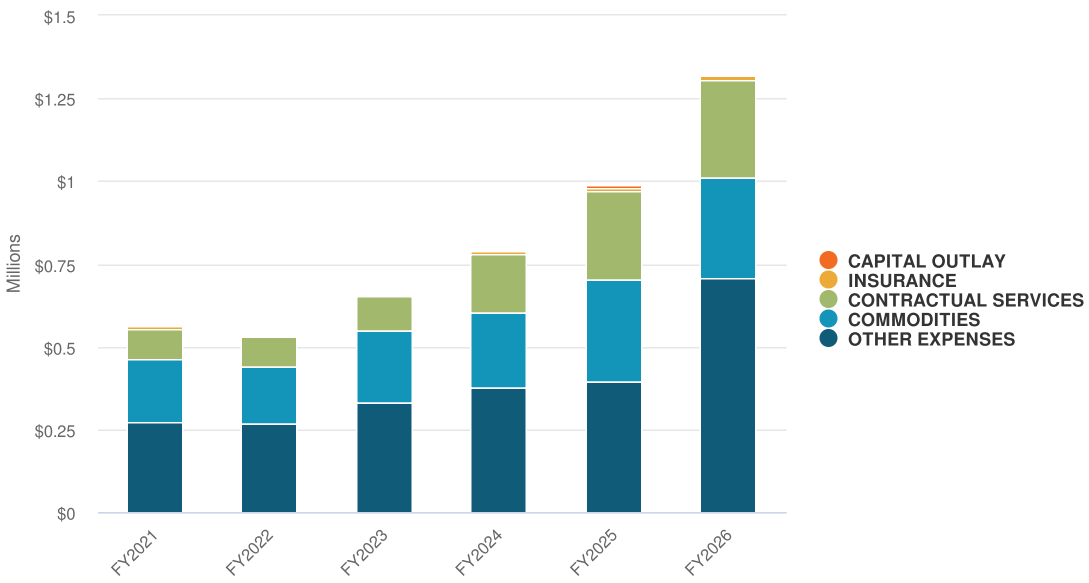
MISSION

The Financial Administration Division of the Water Fund is responsible for servicing new and existing customers and processing the monthly billing and collecting of customer water, sewer, stormwater, and other usage charges. The costs associated with performing this activity are accounted for in this budget along with a reimbursement to the General Fund for shared costs of services provided by other departments.

Customer Service processes all utility payments

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$103,893	$175,317	$269,600	$292,600
COMMODITIES	$217,629	$226,508	$306,200	$306,500
OTHER EXPENSES	$330,513	$376,892	$395,000	$705,000
INSURANCE	$7,234	$11,078	$10,000	$12,500
CAPITAL OUTLAY	$0	$0	$5,000	$5,000
Total Expense Objects:	**$659,270**	**$789,796**	**$985,800**	**$1,321,600**

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Utility bill processing	434,448	436,692	440,000	440,000	444,000
Utility bill write off as percent of total sales	.48%	.46%	.47%	.50%	.50%
Water tap fee processed	301	356	328	300	250

Water Plant

MISSION

To provide reliable, high quality water services that support the economic and quality of life priorities of the city at the lowest possible cost and in full compliance with all local, state and federal regulations.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Completed certification and/or recertification for all Water Treatment Plant Operators as State Certified Plant Operators.
- Volunteered with TN/KY American Water Works Association to network and benchmark with other water utilities.
- Partnered with the Tennessee Association of Utility Districts (TAUD) to sponsor several classes for water treatment and water distribution operator's certification/recertification and operator development.
- Participate in EnerNOC's Emergency Load Response Program that allows the City to receive payment for reducing main line power during high energy demand.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Complete a Water System Risk and Resiliency Assessment to identify and mitigate vulnerabilities from potential hazards.
- Continue to implement projects identified in the Water Treatment Plant Master Plan with project start of water intake screens and high service pump station replacement. These projects will ensure the long term viability of producing safe, reliable drinking water.
- Complete addition of a third pump at Colonial View pump station.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

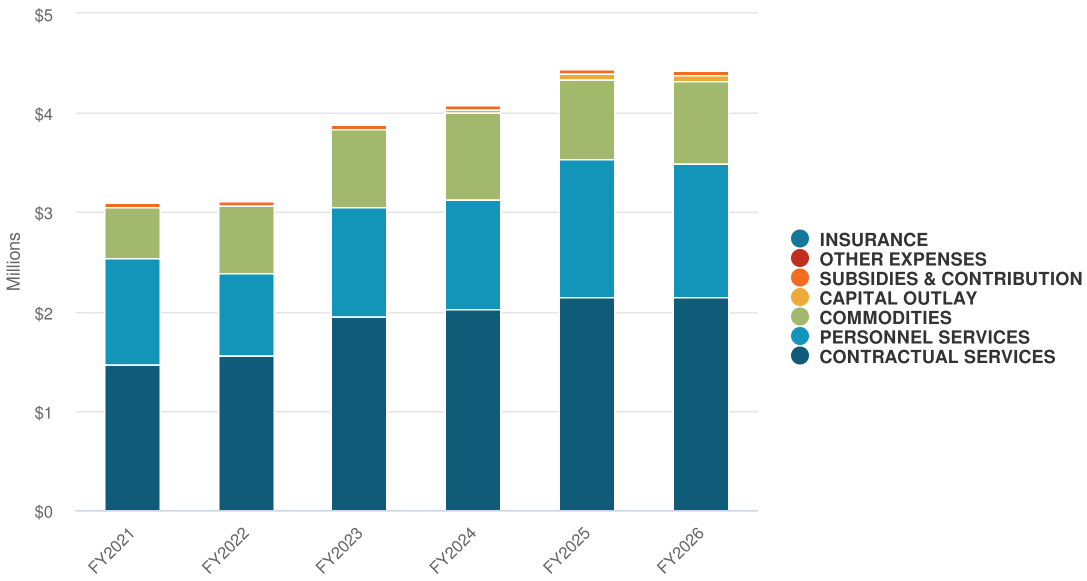
- Prepare an annual Consumer Confidence Report to inform customers on drinking water quality.
- EPA Partnership for Safe Drinking Water Award eleven consecutive years.
- Participation in educational events such as Public Works Day, Kingsport City School 4th Grade Career Fair and assisting local high school teachers with sections on water treatment.

Strategic Performance

- Continue participation in the Partnership for Safe Drinking Water which recognizes our commitment to superior water quality.
- Continue 100% compliance with the Tennessee Department of Environment and Conservation.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$1,103,110	$1,108,346	$1,395,400	$1,395,400	$1,335,800	-4.3%
CONTRACTUAL SERVICES	$1,949,628	$2,022,491	$2,145,700	$2,145,700	$2,146,900	0.1%
COMMODITIES	$782,088	$877,872	$795,500	$795,500	$830,500	4.4%
OTHER EXPENSES	$2,997	$1,710	$4,600	$4,600	$4,600	0%
INSURANCE	$1,879	$1,722	$2,200	$2,200	$2,200	0%
SUBSIDIES & CONTRIBUTION	$47,016	$48,134	$48,200	$48,200	$48,200	0%
CAPITAL OUTLAY	$0	$20,136	$58,000	$58,000	$65,000	12.1%
Total Expense Objects:	**$3,886,717**	**$4,080,412**	**$4,449,600**	**$4,449,600**	**$4,433,200**	**-0.4%**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Water Plant Manager	$73,817	$107,266
1	1	Water Instrument Control Specialist	$58,470	$84,965
1	1	Water Lab Technician	$52,038	$75,618
3	3	Water Plant Mechanic	$49,093	$71,338
1	1	Water Equipment Operator II	$43,692	$63,491
1	1	Water Plant Operator III	$55,161	$80,156
2	2	Water Plant Operator II	$46,314	$67,300
6	6	Water Plant Operator I	$43,692	$63,491

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
17	17	16	16	16

Water System Maintenance

MISSION

To provide reliable, high quality water services that support the economic and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to provide customer service response in a timely, efficient manner.
- Work with other City and County Departments to coordinate infrastructure improvement projects to provide less interruption of service to our residents.
- Encourage additional employees to obtain certifications that show our commitment to improving our employees' knowledge base and providing more comfort to our regulatory agencies.
- Continue requirement for all employees to obtain a Class A Commercial Driver's License.
- Reclassify positions throughout Maintenance Division to encourage advancement and certification.
- Require certification for all employees that make operational decisions.
- Addition of a Maintenance Foreman to more efficiently complete an increasing number of tasks assigned by reassigning from Technical Services.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

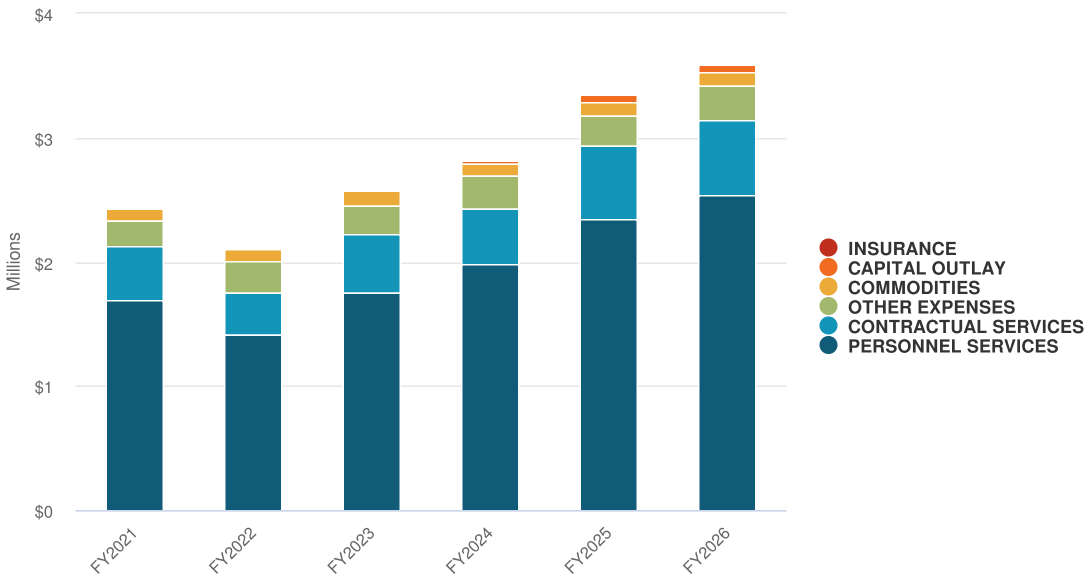
- Performance of the water storage tanks rehabilitation program to meet applicable standards and regulations for water tank structures and water quality.
- Continuation of upgrades to the water distribution waterlines, tanks, and pump stations that are identified in the Water Capital Improvements Plan to ensure reliable service and improve water quality.
- Develop standard operational procedures for the water distribution system to ensure reliable water service to our customers
- Continue water distribution repairs, extensions, taps, and improvements for reliable service.

Strategic Performance

- Sustaining continued operation and maintenance of the City's water distribution system.
- Providing maintenance, repair and replacement of existing waterlines; installation of new waterlines.
- Providing maintenance and installation of fire hydrants.
- Providing customer water taps.
- Responding to customer service calls.
- Maintaining records and maps of the distribution system.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,754,414	$1,981,955	$2,339,300	$2,539,100
CONTRACTUAL SERVICES	$471,820	$447,330	$602,800	$602,800
COMMODITIES	$122,960	$104,135	$112,000	$112,000
OTHER EXPENSES	$227,702	$262,551	$236,400	$274,000
INSURANCE	$9,001	$9,665	$9,200	$9,400
CAPITAL OUTLAY	$4,450	$21,279	$57,000	$57,000
Total Expense Objects:	**$2,590,348**	**$2,826,916**	**$3,356,700**	**$3,594,300**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Utility Field Operations Manager	$73,817	$107,266
1	1	Water Maintenance Superintendent	$65,697	$95,466
2	2	Water Maintenance Foreman	$55,161	$80,156
7	7	Water Maintenance Crew Leader	$46,314	$67,300
6	6	Water Maintenance Equipment Operator II	$43,692	$59,897
1	1	Water Maintenance Equipment Operator I	$41,219	$59,897
1	1	Water Warehouse Clerk	$38,886	$56,506
7	7	Water Pipelayer II	$38,886	$56,506
6	6	Water Pipelayer I	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
32	32	32	32	32

Non-Departmental Water

MISSION

To provide reliable, high-quality water services that support the economic and quality of life priorities of the city at the lowest possible cost and in full compliance with all local, state, and federal regulations.

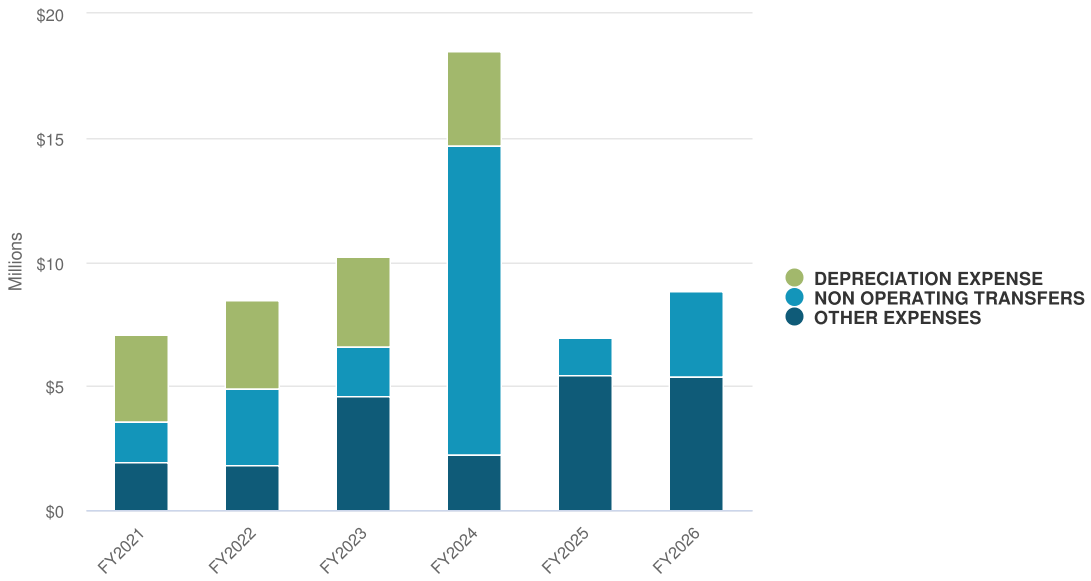
SUMMARY

The funds budgeted in this division are for payment of debt principal, debt interest, and the department's payment in-lieu of taxes. The water operation in its entirety is a function of the government and, therefore, it is not taxed. Because it is not taxed, we have established an in-lieu of tax payment for the fund and that dollar amount is budgeted in this division.

Aerial view of the Kingsport Water Filtration Plant

Expenditures by Function

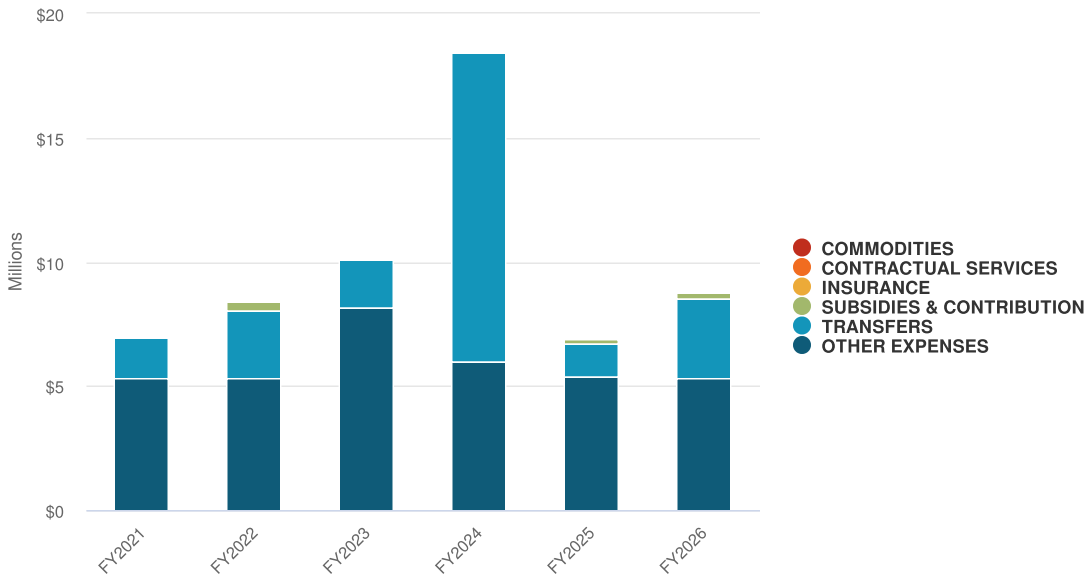
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expenditures						
OPERATING EXPENSE						
DEPRECIATION EXPENSE	$3,625,185	$3,844,097	$0	$0	$0	0%
OTHER EXPENSES	$4,607,606	$2,219,921	$5,424,500	$5,424,500	$5,385,700	-0.7%
Total OPERATING EXPENSE:	**$8,232,791**	**$6,064,019**	**$5,424,500**	**$5,424,500**	**$5,385,700**	**-0.7%**
NON OPERATING TRANSFERS						
RETAINED/CUR EARN APPN	$1,064,983	$2,141,356	$1,527,500	$1,527,500	$3,450,000	125.9%
BOND PROCEEDS	$891,500	$10,310,360	$0	$0	$0	0%
Total NON OPERATING TRANSFERS:	**$1,956,483**	**$12,451,716**	**$1,527,500**	**$1,527,500**	**$3,450,000**	**125.9%**
Total Expenditures:	**$10,189,274**	**$18,515,735**	**$6,952,000**	**$6,952,000**	**$8,835,700**	**27.1%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
CONTRACTUAL SERVICES	$595	$0	$10,000	$10,000	$10,000	0%
COMMODITIES	$49,293	$34,695	$0	$0	$0	0%
OTHER EXPENSES	$8,144,403	$5,990,824	$5,374,100	$5,374,100	$5,335,300	-0.7%
INSURANCE	$38,500	$38,500	$40,400	$40,400	$40,400	0%
TRANSFERS	$1,947,500	$12,417,425	$1,340,000	$1,340,000	$3,200,000	138.8%
SUBSIDIES & CONTRIBUTION	$8,983	$34,291	$187,500	$187,500	$250,000	33.3%
Total Expense Objects:	**$10,189,274**	**$18,515,735**	**$6,952,000**	**$6,952,000**	**$8,835,700**	**27.1%**

Water Technical Services

MISSION

To provide reliable, high quality water services that support the economic and quality of life priorities of the city at the lowest possible cost and in full compliance with all local, state and federal regulations.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to provide customer service response in a timely, efficient manner.
- Provide information to customers to assist with any problems that they may have in their system. Data provided includes usage data logs, pressure checks, leak checks, etc.
- Implementation of a customer portal that will enable customers to monitor water usage.
- Encourage additional employees to obtain certifications that show our commitment to improving our employees'

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Use a valve maintenance trailer to programmatically clean out meter boxes and valve boxes, along with exercising valves to keep them in good operating order.
- Repair or replace meters as needed due to age or extended use.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

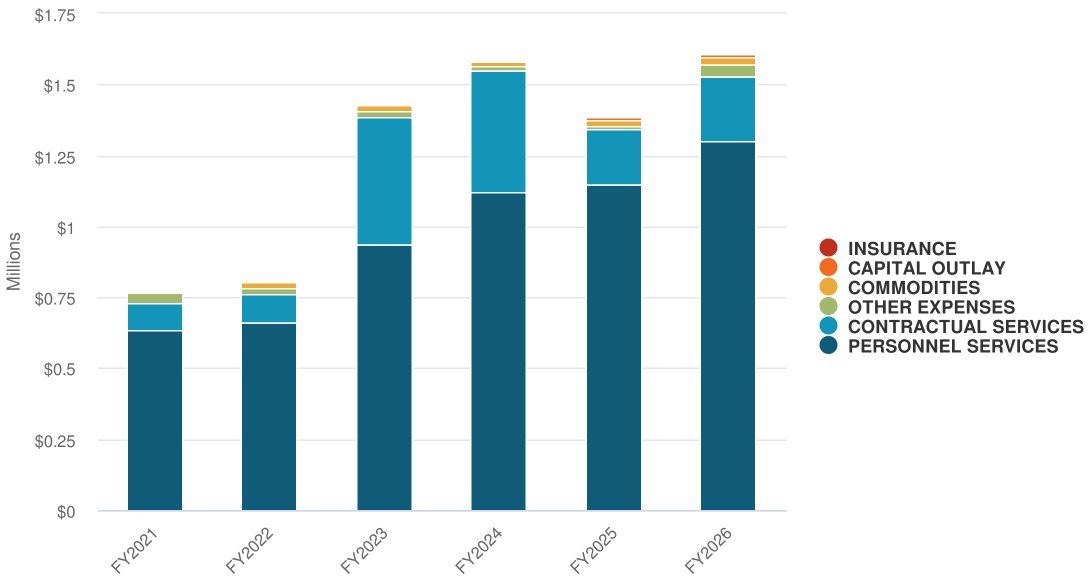
- Continue residential meter replacement program to include double-check assemblies to prevent backflows from plumbing systems. This program also meets forthcoming regulatory requirements.
- Administration of annual large meter testing to insure accuracy of water billed to each customer.
- Continuation of the new work order management system to assist in completing work in as efficient manner as possible.
- Implementation of vehicle tracking devices to aid in dispatch of work orders, allowing workers to stay in the field.
- Enhance the leak detection program by adding additional personnel to allow for a leak survey of the entire system over five years.

Strategic Performance

- Conducting ongoing testing, installation, replacement, and reading of water meters within the City's water distribution system.
- Ensuring water quality through the Cross Connection and Flushing programs.
- Performing regular maintenance on water meters, testing backflow devices, and maintaining dead-end blow-offs.
- Ensuring accurate customer billing by properly maintaining, testing, repairing, and replacing water meters.
- Preserving high water quality for customers by routinely flushing waterlines and testing cross-connection devices.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$937,056	$1,122,702	$1,147,000	$1,299,600
CONTRACTUAL SERVICES	$448,589	$427,617	$194,900	$229,000
COMMODITIES	$21,771	$18,519	$23,500	$24,100
OTHER EXPENSES	$18,443	$13,069	$10,100	$42,600
INSURANCE	$2,419	$2,526	$2,300	$2,200
CAPITAL OUTLAY	$3,653	$2,005	$12,000	$12,000
Total Expense Objects:	**$1,431,931**	**$1,586,438**	**$1,389,800**	**$1,609,500**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Water GIS Analyst	$58,470	$84,965
1	1	W/WW Civil Engineer	$69,639	$101,194
1	1	W/WW Technical Services Foreman	$55,161	$80,156
5	5	Water Quality Control Specialist	$46,314	$67,300
1	1	W/WW Utilities Location Specialist	$43,692	$63,491
8	8	Water Meter Technician	$38,886	$56,506

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
12	12	17	17	17

Wastewater Department

Tom Hensley
Assistant Utility Director-Wastewater

MISSION

To provide reliable, high-quality wastewater services that support the economic, environmental and quality of life priorities of the city at the lowest possible cost and in full compliance with all local, state, and federal regulations.

SUMMARY

The City of Kingsport's wastewater system provides sewage collection and treatment services to approximately 23,800 customers over a 50-square-mile service district. The collection system consists of approximately 549 miles of sewer lines, 12,200 manholes, 101 main line lift stations and 176 single-unit residential pumps that work in combination with gravity flow to convey raw sewage to the treatment plant. At the treatment plant, wastewater undergoes sedimentation, biological processing and chemical treatment to produce sanitized bio-solids and clean water effluent that is returned to the Holston River watershed.

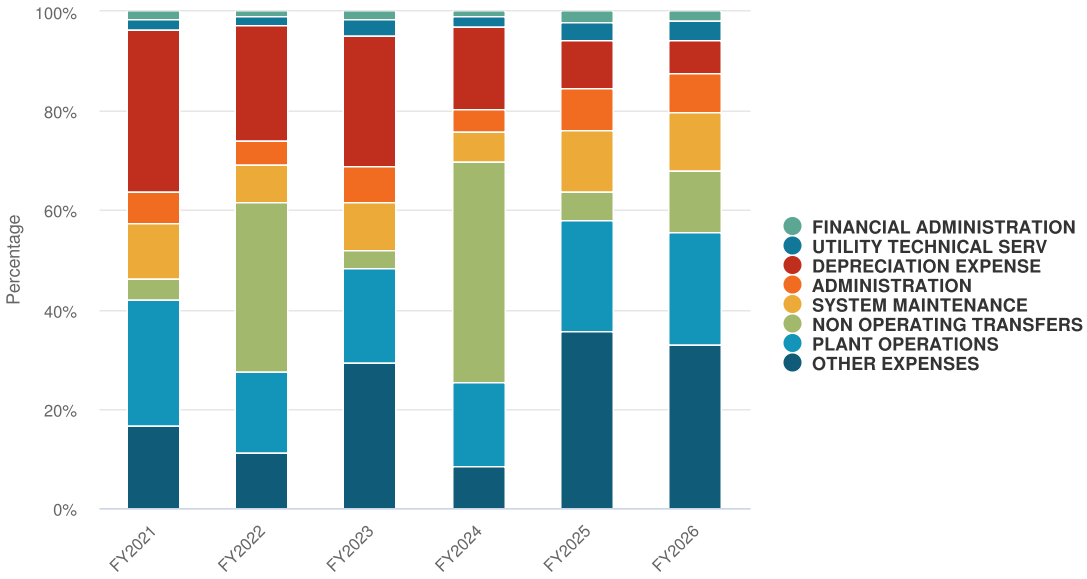
Industry Drive Sewer Line (Pre-Cleaning)

Strategic Performance

- Perform Capital Improvement projects identified in the Wastewater System Master Plan. The plans for FY 20 include Colonial Heights Sewer Extension, WWTP Equalization Basin, West Kingsport SLS Replacement, WWTP Improvements, Miscellaneous Sewerline Rehabilitation, System Improvements SLS, Pump Station Improvements, Sewer Line Improvements, and Maintenance Facility Improvements.
- Improvement of safety program for all divisions.
- Provide support for development through the Materials Agreement program.
- Provide new Computerized Maintenance Management System to meet requirements of the City's CMOM. This will allow for a more robust work order management system to assist in implementing improved sewer line inspection and cleaning programs.

Expenditures by Function

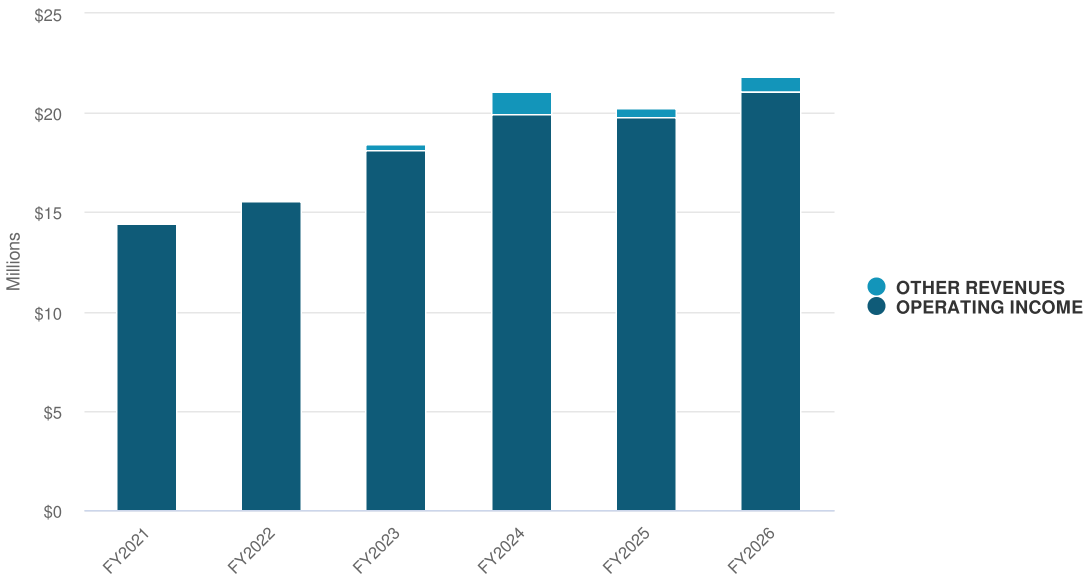
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
OPERATING EXPENSE				
ADMINISTRATION	$1,573,495	$1,478,838	$1,710,900	$1,728,000
FINANCIAL ADMINISTRATION	$345,927	$326,997	$400,000	$400,000
PLANT OPERATIONS	$4,015,876	$5,672,384	$4,543,200	$4,945,900
SYSTEM MAINTENANCE	$2,048,120	$2,040,551	$2,517,000	$2,550,700
DEPRECIATION EXPENSE	$5,538,794	$5,569,111	$2,000,000	$1,439,200
OTHER EXPENSES	$6,211,740	$2,825,675	$7,224,500	$7,194,200
UTILITY TECHNICAL SERV	$687,383	$704,713	$723,400	$866,000
Total OPERATING EXPENSE:	**$20,421,336**	**$18,618,269**	**$19,119,000**	**$19,124,000**
NON OPERATING TRANSFERS				
RETAINED/CUR EARN APPN	$739,549	$3,358,124	$1,145,000	$2,680,000
BOND PROCEEDS	$0	$11,601,660	$0	$0
Total NON OPERATING TRANSFERS:	**$739,549**	**$14,959,784**	**$1,145,000**	**$2,680,000**
Total Expenditures:	**$21,160,885**	**$33,578,053**	**$20,264,000**	**$21,804,000**

Revenues by Source

Budgeted and Historical 2023 Revenues by Source



- **Sewer User Fee** represents the lion's share of revenue for the fund's operations. User charges for the current fiscal year are on target to meet budget.
- **Tap fees** are revenues derived from new connections to new sewer lines, primarily lines built via the City-County sewer agreement and lines built to comply with annexation requirements.
- **Penalties and Class II Surcharges** are for users that are subjected to pre-treatment standards.
- **Disposal Receipts** pertain to septage hauler fees.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$232,260	$1,061,300	$400,000	$700,000
INT LGIP / INT LGIP	$13,607	$22,495	$15,000	$15,000
INT LGIP / GENERAL OBLIGATION BONDS	$41,038	$27,444	$25,000	$25,000
SEWER TAPS / SEWER TAPS	$8,404	$7,649	$7,600	$7,600
RENTAL OF LAND & BUILDING / RENTAL OF LAND & BUILDING	$0	$11	$0	$0
MISCELLANEOUS / MISCELLANEOUS	$7,944	$0	$0	$0
Total OTHER REVENUES:	**$303,253**	**$1,118,898**	**$447,600**	**$747,600**
OPERATING INCOME				
GAIN ON SALE OF EQUIPMENT / GAIN ON SALE OF EQUIPMENT	$0	-$250	$0	$0
SEWER USER FEE / SEWER USER FEE	$16,919,533	$18,855,266	$18,873,300	$20,111,600
PENALTIES / PENALTIES	$76,650	$263,154	$262,300	$264,000
TAP FEES / TAP FEES	$502,550	$476,750	$500,000	$500,000
DISPOSAL RECEIPTS / DISPOSAL RECEIPTS	$165,894	$140,790	$179,900	$179,900
PERMITS / NON-DOMESTIC	$1,250	$1,400	$0	$0
PERMITS / WASTE HAULER	-$15,250	$16,150	$400	$400

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
FEES / MONITOR,INSPECTION,SURVAL	$850	$800	$400	$400
FEES / LATERAL CLEANING	$850	$50	$100	$100
MISCELLANEOUS OPERATING / MISCELLANEOUS OPERATING	$1,300	$10,155	$0	$0
MISCELLANEOUS OPERATING / DEVELOPER CONTRIBUTIONS	$454,688	$162,000	$0	$0
Total OPERATING INCOME:	**$18,108,315**	**$19,926,265**	**$19,816,400**	**$21,056,400**
Total Revenue Source:	**$18,411,568**	**$21,045,164**	**$20,264,000**	**$21,804,000**

Wastewater Administration

MISSION

To provide reliable, high quality wastewater services that support the economic, environmental and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

SUMMARY

Sewer Administration provides for the administrative functions of sewer maintenance. The overall objective is to provide for administrative requirements in an efficient manner and ensure required services are provided

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

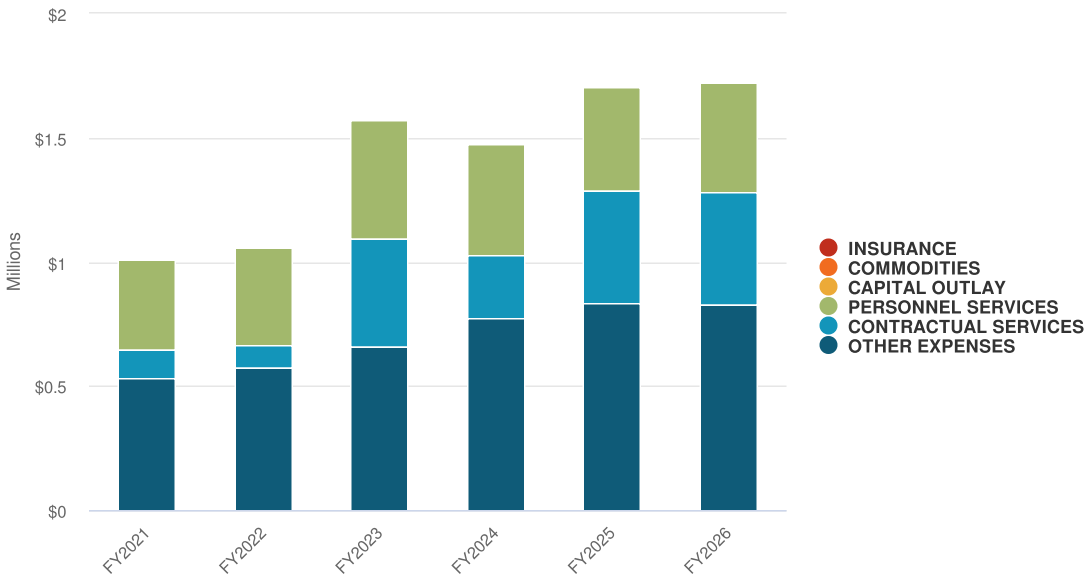
- Continue to improve Internet communications and services with our customers.
- Provide information to customers utilizing social media outlets.
- Practice sound financial management and responsible allocation of public funds
- Implement a rate study done by a third party consultant specializing in utility rates nationwide.
- Continue to seek out grant opportunities to fund capital improvement projects.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continually improve daily operations and maintenance, reallocation of resources and prudent implementation of the multi-year plant capital improvement plan.
- Continue to mine data in Cartegraph OMS to plan future upgrades and expansions throughout all the Clean Water Utilities.
- Complete the Wastewater Plant Master Plan to provide guidance for future growth and a changing regulatory and business landscape.
- Continuation of upgrades to the collection system and sewer lift stations that are identified in the Sewer Capital Improvements Plan to ensure reliable service and protect public health.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$480,341	$445,467	$419,900	$437,500
CONTRACTUAL SERVICES	$433,449	$252,651	$448,200	$453,000
COMMODITIES	$158	$4,912	$2,600	$2,600
OTHER EXPENSES	$659,264	$775,357	$836,000	$830,400
INSURANCE	$285	$451	$200	$500
CAPITAL OUTLAY	$0	$0	$4,000	$4,000
Total Expense Objects:	**$1,573,495**	**$1,478,838**	**$1,710,900**	**$1,728,000**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	W/WW Assistant Utility Director	$93,193	$135,420
2	2	W/WW Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2	2	3	3	3

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
WWTP Violations	6	1	1	0	0

Wastewater Plant

MISSION

To provide reliable, high-quality wastewater services that support the economic, environmental and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continually review the Sewer Use Ordinance to identify areas to streamline enforcement.
- Continuously communicate with food service establishments and industry on SUO requirements.
- Reestablish 100% of Kingsport's WWTP operators to the highest level of treatment certification.
- Encourage mechanics to obtain certifications that show our commitment to improving our employees' knowledge base and providing more comfort to our regulatory agencies.
- Complete certification and/or recertification for all Wastewater Treatment Plant Operators.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continually improve daily operations and maintenance, reallocation of resources and prudent implementation of the multi-year plant capital improvement plan.
- Maintaining SCADA improvements to provide standardization of communication protocol and equipment allowing staff to more efficiently maintain the system.
- Cleaned 75' digesters which provide improved sludge feed for dewatering efficiency.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

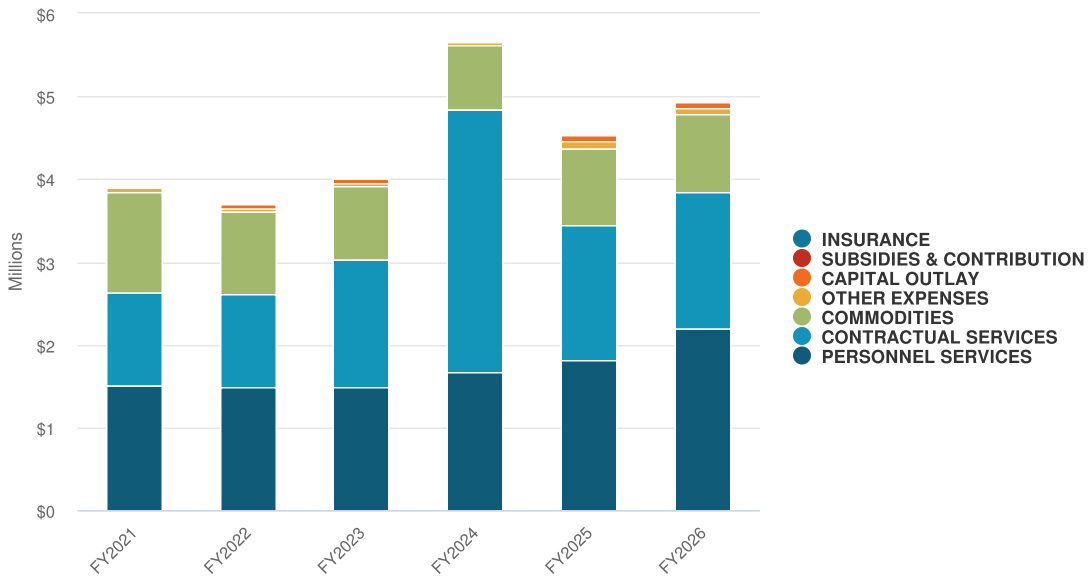
- Received NACWA Peak Performance Award for compliance.
- Continue to participate in EnerNOC's Emergency Load Response Program that allows the City to receive payment for reducing main line power during high energy demand.

Strategic Performance

- Providing for the operation and maintenance of the wastewater treatment plant and sewer lift stations.
- Protecting the public health and environment by operating within the limits of the City's wastewater discharge permit.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,492,597	$1,666,321	$1,807,400	$2,185,900
CONTRACTUAL SERVICES	$1,533,423	$3,168,806	$1,637,300	$1,649,000
COMMODITIES	$881,584	$778,253	$926,000	$942,600
OTHER EXPENSES	$43,620	$40,183	$93,900	$89,500
INSURANCE	$3,468	$3,561	$3,600	$3,900
SUBSIDIES & CONTRIBUTION	$2,085	$12,540	$15,000	$15,000
CAPITAL OUTLAY	$59,098	$2,721	$60,000	$60,000
Total Expense Objects:	**$4,015,876**	**$5,672,384**	**$4,543,200**	**$4,945,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Wastewater Plant Manager	$73,817	$107,266
1	1	Wastewater Maintenance Superintendent	$65,697	$95,466
1	1	Wastewater Instrument Control Specialist	$65,697	$95,466
1	1	Grants & Government Relations Specialist	$55,161	$80,156
1	1	Wastewater Lab Technician	$52,038	$75,618
7	7	Wastewater Plant Mechanic	$49,093	$71,338
2	2	Wastewater Plant Operator III	$49,093	$71,338
2	2	Wastewater Plant Operator II	$46,314	$67,300
4	4	Wastewater Plant Operator I	$43,692	$63,491

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
21	21	20	20	20

Wastewater Maintenance

MISSION

To provide reliable, high quality wastewater services that support the economic, environmental and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

Wastewater Maintenance Crew in the field

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to provide customer service response in a timely, efficient manner.
- Work in conjunction with paving contractors to adjust wastewater infrastructure to provide a better road surface product.
- Encourage employees to participate in training and educational opportunities and obtain Collection Systems II certification
- Provide proper equipment to allow the workforce to do their job safely and more efficiently.
- Reclassify positions throughout Maintenance Division to encourage advancement and certification.
- Require certification for all employees that make operational decisions.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continuation of upgrades to the wastewater collection lines, lift stations, and I&I Program that are identified in the Wastewater Capital Improvements Plan to ensure reliable service and regulatory compliance.
- Implement the Master Planning Document for future sewer infrastructure improvements and upgrades.
- Continually improve daily operations and maintenance, reallocation of resources and prudent implementation of the multi-year sewer rehabilitation and lift station replacement programs.
- Utilize Operations Management System to plan future upgrades and expansions.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

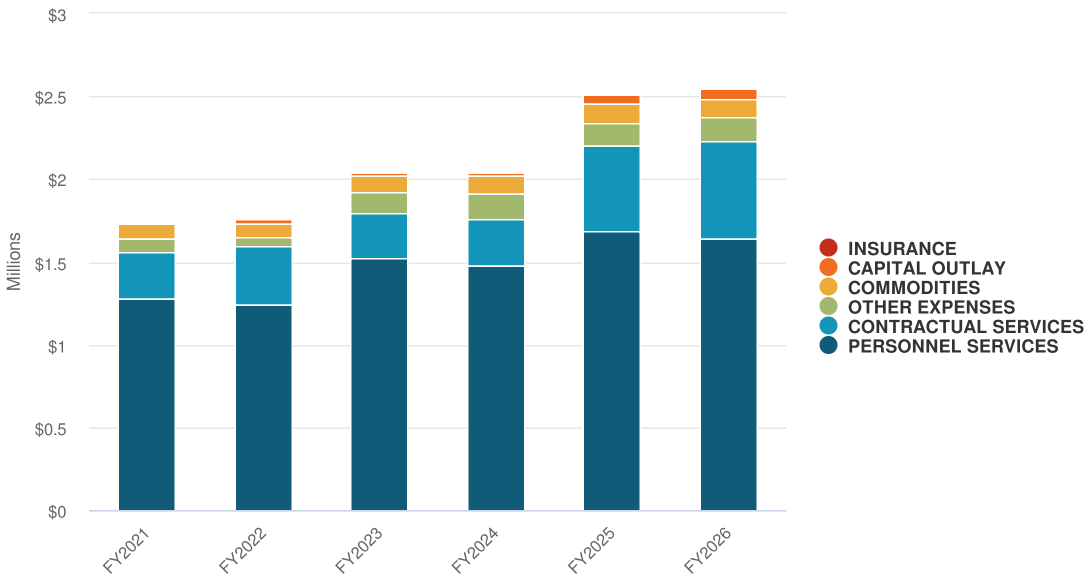
- Practice sound financial management and responsible allocation of public funds.
- Pursue new technologies to more efficiently make repairs to the collection system. The use of acoustic inspection as a precursor to full CCTV inspection is a recent example.
- Implement a new work order management system to allow for more efficient workflow throughout the organization.

Strategic Performance

- Providing for the operation and maintenance of the City's sanitary sewer collection system, sanitary sewer collection lines, sanitary sewer manholes, sewer lift stations, and residential pumps.
- Providing for the maintenance, repair and replacement of existing sanitary sewer lines and installation of taps.
- Responding to customer service calls.
- Maintaining records and maps of the collection system.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,522,205	$1,476,847	$1,689,400	$1,644,000
CONTRACTUAL SERVICES	$274,127	$285,195	$511,700	$581,700
COMMODITIES	$104,290	$101,567	$113,100	$113,100
OTHER EXPENSES	$122,794	$153,011	$137,800	$146,300
INSURANCE	$5,243	$5,552	$5,000	$5,600
CAPITAL OUTLAY	$19,461	$18,380	$60,000	$60,000
Total Expense Objects:	**$2,048,120**	**$2,040,551**	**$2,517,000**	**$2,550,700**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Utility Maintenance Superintendent	$65,697	$95,466
2	2	Utility Maintenance Foreman	$55,161	$80,156
5	5	Utility Maintenance Crew Leader	$46,314	$67,300
1	1	Vac/Pump Truck Operator	$43,692	$63,491
3	3	Wastewater Equipment Operator II	$43,692	$63,491
2	2	Wastewater Equipment Operator I	$41,219	$59,897
7	7	Utilities/Pipelayer II	$38,886	$56,506
3	3	Utilities/Pipelayer I	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
24	24	24	24	24

Non-Departmental Wastewater

MISSION

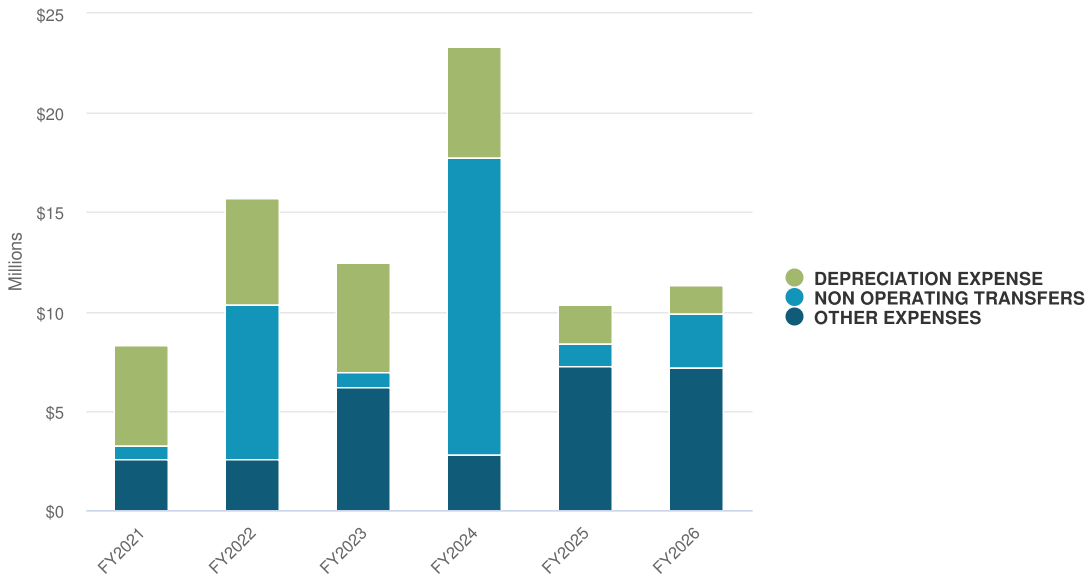
To provide reliable, high quality wastewater services that support the economic, environmental and quality of life priorities of the City at the lowest possible cost and in full compliance with all local, state and federal regulations.

SUMMARY

The funds that are budgeted in this division are for payment of debt service, both principal and interest and payment in-lieu of taxes. Wastewater Services in its entirety is a function of the operation of government and, therefore, it is not taxed. Because it is not taxed, we have established a payment in-lieu of tax payment for the fund and that dollar amount is budgeted in this division.

Expenditures by Function

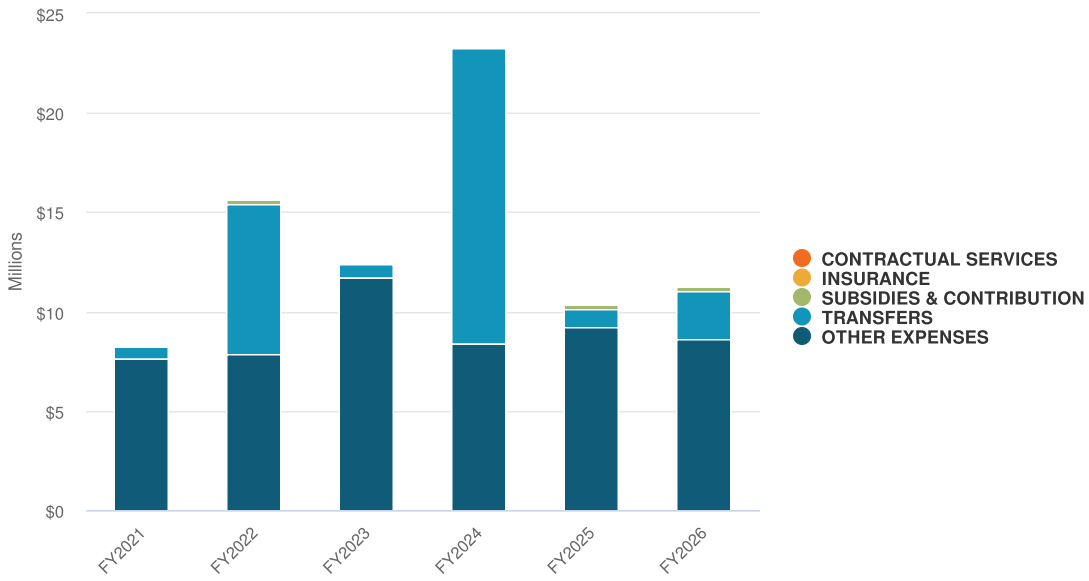
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
OPERATING EXPENSE				
DEPRECIATION EXPENSE	$5,538,794	$5,569,111	$2,000,000	$1,439,200
OTHER EXPENSES	$6,211,740	$2,825,675	$7,224,500	$7,194,200
Total OPERATING EXPENSE:	**$11,750,534**	**$8,394,786**	**$9,224,500**	**$8,633,400**
NON OPERATING TRANSFERS				
RETAINED/CUR EARN APPN	$739,549	$3,358,124	$1,145,000	$2,680,000
BOND PROCEEDS	$0	$11,601,660	$0	$0
Total NON OPERATING TRANSFERS:	**$739,549**	**$14,959,784**	**$1,145,000**	**$2,680,000**
Total Expenditures:	**$12,490,084**	**$23,354,570**	**$10,369,500**	**$11,313,400**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$2,635	$0	$5,000	$10,000
OTHER EXPENSES	$11,720,899	$8,367,786	$9,192,500	$8,596,400
INSURANCE	$27,000	$27,000	$27,000	$27,000
TRANSFERS	$660,000	$14,891,660	$945,000	$2,430,000
SUBSIDIES & CONTRIBUTION	$79,549	$68,124	$200,000	$250,000
Total Expense Objects:	**$12,490,084**	**$23,354,570**	**$10,369,500**	**$11,313,400**

Wastewater Technical Services

MISSION

To provide reliable, high quality wastewater services that support the economic, environmental and quality of life priorities of the city at the lowest possible cost and in full compliance with all local, state and federal regulations.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Continue to provide customer service response in a timely, efficient manner.
- Provide information to customers to assist with any problems that they may have in their system. Data provided includes usage data logs, pressure checks, leak checks, etc.
- Implementation of a customer portal that will enable customers to monitor water usage.
- Encourage additional employees to obtain certifications that show our commitment to improving our employees'

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Use a valve maintenance trailer to programmatically clean out meter boxes and valve boxes, along with exercising valves to keep them in good operating order.
- Repair or replace meters as needed due to age or extended use.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

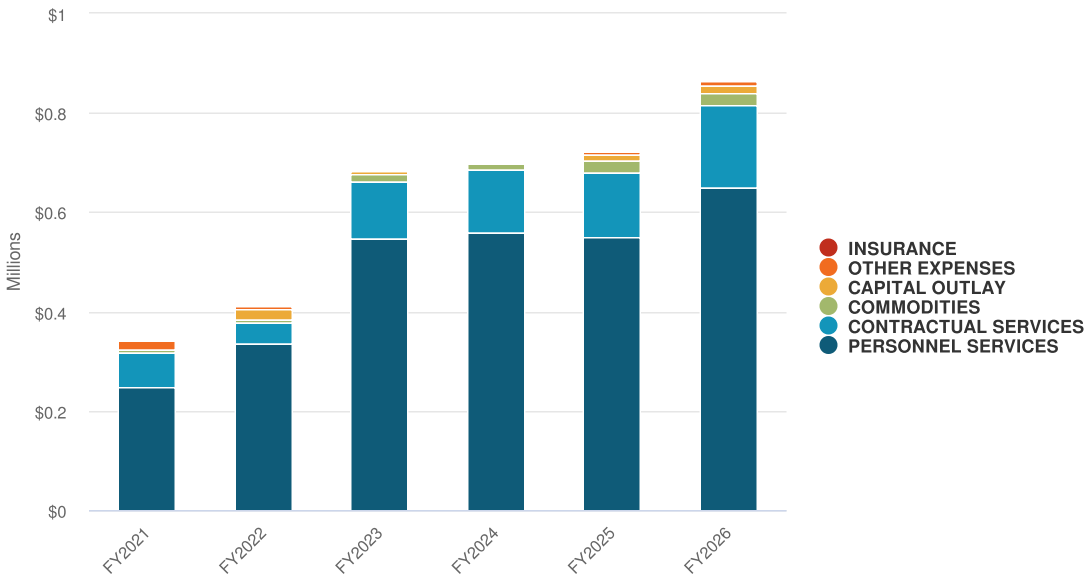
- Administration of annual large meter testing to insure accuracy of water billed to each customer.
- Continuation of the new work order management system to assist in completing work in as efficient manner as possible.
- Implementation of vehicle tracking devices to aid in dispatch of work orders, allowing workers to stay in the field.
- Enhance the leak detection program by adding additional personnel to allow for a leak survey of the entire system over five years.
- Continue residential meter replacement program to include double-check assemblies to prevent backflows from plumbing systems. This program also meets forthcoming regulatory requirements.

Strategic Performance

- Conducting ongoing testing, installation, replacement, and reading of water meters within the City's water distribution system, which serves as the basis for customer sewer billing.
- Ensuring accurate customer billing by properly maintaining, testing, repairing, and replacing water meters.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$548,246	$557,745	$550,800	$648,500
CONTRACTUAL SERVICES	$112,863	$127,295	$130,400	$168,000
COMMODITIES	$14,608	$13,846	$23,000	$24,000
OTHER EXPENSES	$5,043	$3,017	$5,400	$11,700
INSURANCE	$712	$806	$800	$800
CAPITAL OUTLAY	$5,912	$2,005	$13,000	$13,000
Total Expense Objects:	**$687,383**	**$704,713**	**$723,400**	**$866,000**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Wastewater Civil Engineer	$69,639	$101,194
1	1	Wastewater Technical Services Superintendent	$65,697	$95,466
1	1	Wastewater Technical Services Foreman	$55,161	$80,156
1	1	W/WW Utilities Location Specialist	$43,692	$63,491
1	1	Warehouse Operator	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
5	5	5	5	5

Solid Waste Management

Rodney Deel
Sanitation Manager

MISSION

Serving our Community, Building for the Future by providing sustainable environmental solutions.

SUMMARY

To provide a clean and healthy environment through a variety of services that meet the needs of residents, businesses and industries.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

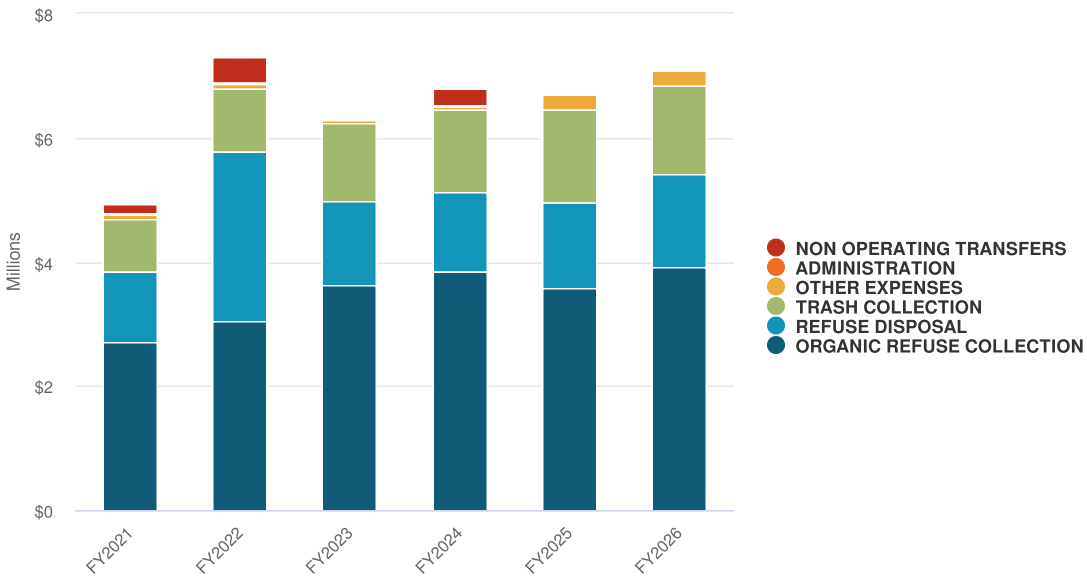
- Continued improved handling of code enforcement.
- Maintaining a clean, healthy urban environment.

Strategic Performance

- Continue providing solid waste services to households within the city.
- Continue providing residential curbside organic refuse collection and disposal.
- Continue providing small commercial and governmental bulk container collection and disposal.
- Continue providing residential yard debris collection and disposal.
- Continue providing White goods and tires collection and disposal.
- Continue providing Demolition landfill services.

Expenditures by Function

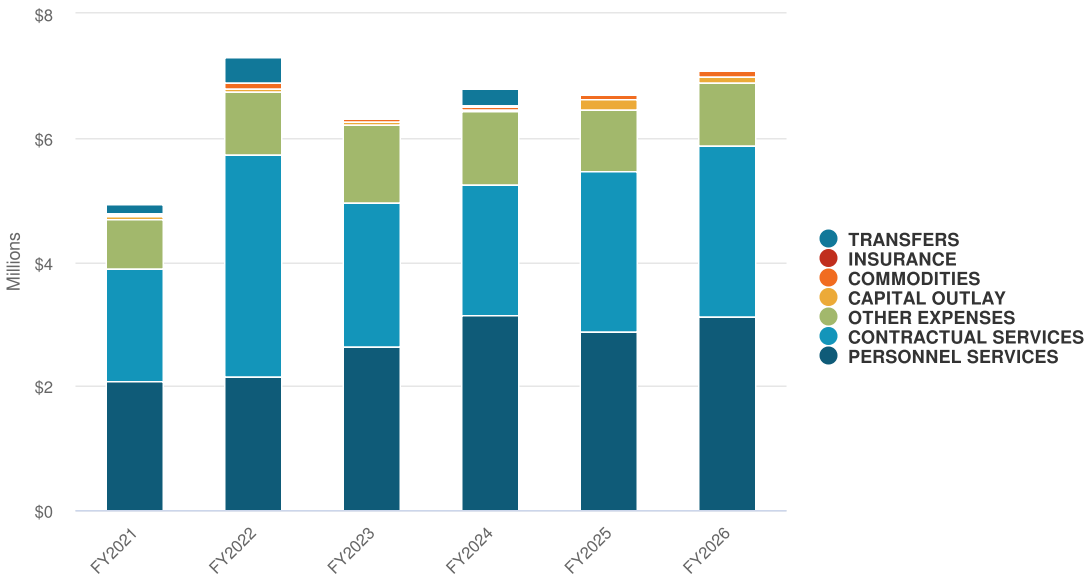
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
PUBLIC WORKS				
TRASH COLLECTION	$1,247,221	$1,320,956	$1,491,900	$1,407,900
ORGANIC REFUSE COLLECTION	$3,620,972	$3,842,318	$3,570,000	$3,905,200
REFUSE DISPOSAL	$1,359,975	$1,279,849	$1,395,900	$1,520,500
Total PUBLIC WORKS:	**$6,228,168**	**$6,443,123**	**$6,457,800**	**$6,833,600**
OPERATING EXPENSE				
ADMINISTRATION	$15,493	$15,867	$11,800	$11,800
OTHER EXPENSES	$67,289	$60,547	$229,300	$241,300
Total OPERATING EXPENSE:	**$82,782**	**$76,414**	**$241,100**	**$253,100**
NON OPERATING TRANSFERS				
RETAINED/CUR EARN APPN	$0	$278,400	$0	$0
Total NON OPERATING TRANSFERS:	**$0**	**$278,400**	**$0**	**$0**
Total Expenditures:	**$6,310,951**	**$6,797,937**	**$6,698,900**	**$7,086,700**

Expenditures by Expense Type

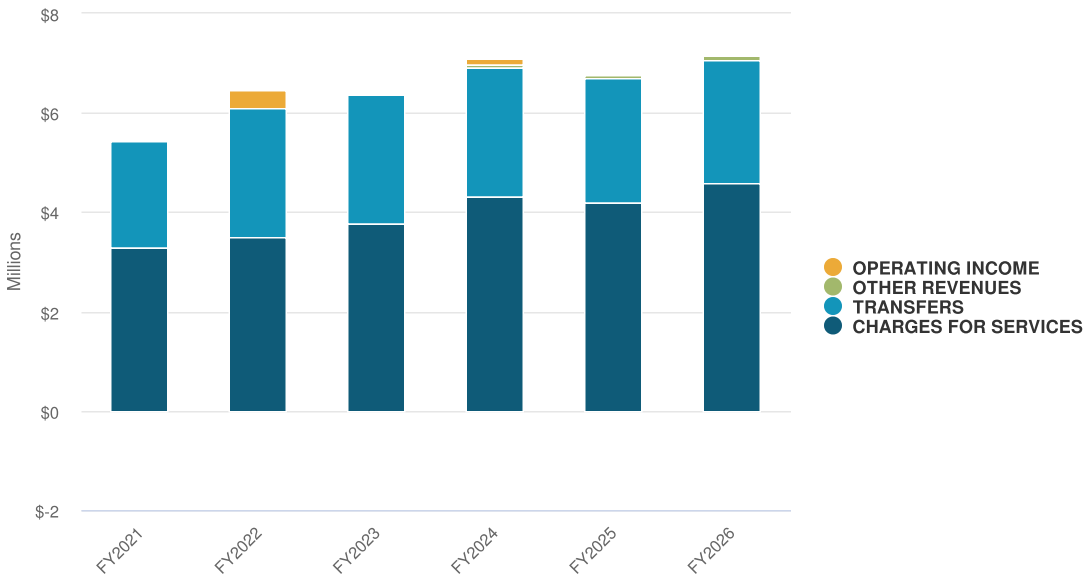
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$2,643,347	$3,139,461	$2,874,500	$3,120,600
CONTRACTUAL SERVICES	$2,305,504	$2,112,082	$2,598,400	$2,749,600
COMMODITIES	$42,823	$57,979	$75,300	$85,200
OTHER EXPENSES	$1,252,956	$1,177,699	$977,600	$1,019,300
INSURANCE	$10,010	$10,804	$8,100	$10,900
TRANSFERS	$0	$278,400	$0	$0
CAPITAL OUTLAY	$56,310	$21,511	$165,000	$101,100
Total Expense Objects:	**$6,310,951**	**$6,797,937**	**$6,698,900**	**$7,086,700**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



- **Refuse Collection Charges**: charges for service on small commercial establishments and charges for service on both small businesses and apartment complexes. Dumpster service is also provided to Kingsport City Schools and KHRA.
- **Backdoor Collection Charges:** charges for service to 94 customers. The current charge is $264 per year.
- **Landfill Tipping Fee**: charges for service, on a per-ton basis, for those that use the demolition landfill. The cost per ton is $60.00, and loads under 1,000 pounds cost $30.00.
- **General Fund Transfer**: transfer of general tax dollars to support solid waste services. The subsidy for FY 2023-2024 was 36.3%, with a projection of 37% for FY 2024-2025, and an estimated 37% for FY 2025-2026.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
CHARGES FOR SERVICES				
REFUSE COLLECTION CHARGES/REFUSE COLLECTION CHARGES	-$1,265			$0
REFUSE COLLECTION CHARGES / INSIDE RESIDENT 1 CART	$1,740,724	$1,759,999	$1,765,200	$1,805,400
REFUSE COLLECTION CHARGES / INSIDE RESIDENT AD CART	$95,000	$250,411	$201,600	$305,400
REFUSE COLLECTION CHARGES / OUTSIDE RESIDENT 1 CART	$449,967	$584,500	$569,200	$549,900
REFUSE COLLECTION CHARGES / OUTSIDE RESIDENT AD CART	$29,618	$35,339	$32,900	$38,300
REFUSE COLLECTION CHARGES / COMMERICAL CART PICKUP	$166,644	$204,518	$200,800	$218,200
REFUSE COLLECTION CHARGES / MOBILE HOME PARK CUSTOMER	$56,996	$57,581	$57,500	$56,300
REFUSE COLLECTION CHARGES / DUMPSTER PICKUP	$194,120	$202,980	$201,500	$213,500
CONSTRUCTION WASTE MAT PU / CONSTRUCTION WASTE MAT PU	$14,626	$8,322	$7,600	$11,300
MT CARMEL COLLECTIONS / MT CARMEL COLLECTIONS	$163,125	$241,425	$241,400	$274,050
SPECIAL PICK UP FEE / SPECIAL PICK UP FEE	$8,154	$8,035	$9,700	$8,200
TIRE DISPOSAL CHARGES / TIRE DISPOSAL CHARGES	$17,705	$13,185	$12,800	$14,900
BACK-DOOR COLLECTION FEES / BACK-DOOR COLLECTION FEES	$24,804	$29,481	$26,400	$27,250
RECYCLING PROCEEDS / RECYCLING PROCEEDS	$13,197	$15,888	$15,300	$12,000
LANDFILL TIPPING FEE / LANDFILL TIPPING FEE	$750,041	$858,828	$806,600	$1,008,800
ROLL OFF DUMPSTERS / RENTAL	$36,802	$36,532	$39,200	$21,300
ROLL OFF DUMPSTERS / TIPPING FEES	$11,519	$17,620	$17,700	$13,200
GARBAGE CART FEE / GARBAGE CART FEE	$3,900	-$240	$0	$0
Total CHARGES FOR SERVICES:	**$3,775,677**	**$4,324,402**	**$4,205,400**	**$4,578,000**
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$35,961	$74,088	$50,000	$66,500
INT LGIP / INT LGIP	$1,111	$612	$600	$600
Total OTHER REVENUES:	**$37,072**	**$74,700**	**$50,600**	**$67,100**
OPERATING INCOME				
GAIN ON SALE OF EQUIPMENT / GAIN ON SALE OF EQUIPMENT	$0	$124,890	$0	$0
Total OPERATING INCOME:	**$0**	**$124,890**	**$0**	**$0**
TRANSFERS				
FROM GENERAL FUND / FROM GENERAL FUND	$2,600,000	$2,578,400	$2,500,000	$2,500,000
Total TRANSFERS:	**$2,600,000**	**$2,578,400**	**$2,500,000**	**$2,500,000**
Total Revenue Source:	**$6,412,748**	**$7,102,392**	**$6,756,000**	**$7,145,100**

Trash Collection

Chris Coffey
Foreman

MISSION

Serving our Community, Building for the Future by providing sustainable environmental solutions.

SUMMARY

To provide a clean and healthy environment through curbside residential yard waste, white goods and furniture collection for all households within the city.

Robotic arm safely picks up trash from curbside.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We strive to always keep the customer first and to build customer relations whenever possible.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a clean and healthy environment.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- We value environmentally friendly goals of the citizens and a community that cares for its citizens. We are committed to a clean and beautiful City of Kingsport.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

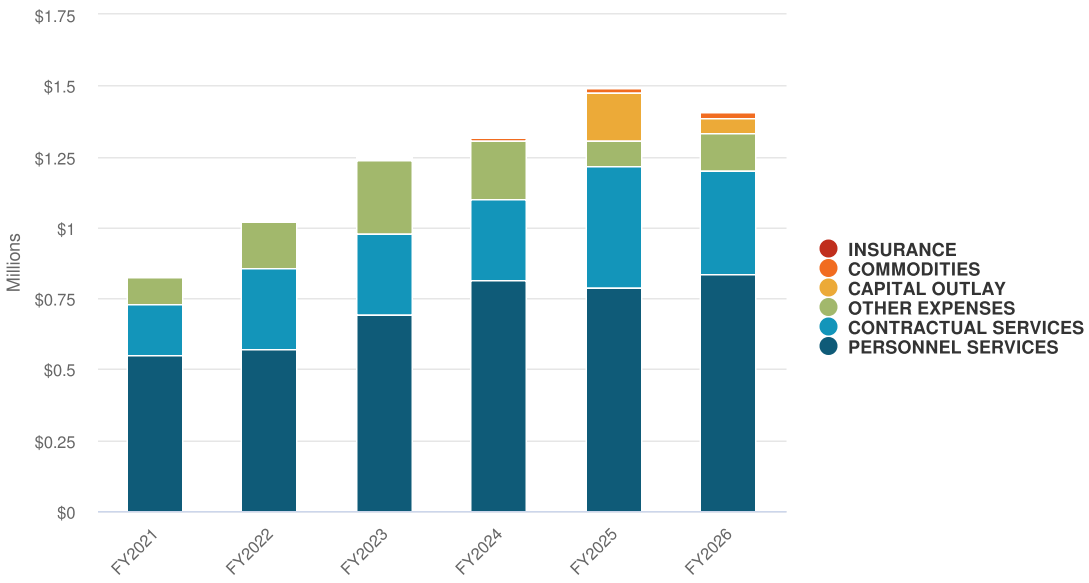
- Including collections that are efficient and economical for new growth.

Strategic Performance

- Continued improvement in tracking and responding to service requests from citizens.
- Increase citizen understanding of the functions, practices, and procedures of Streets & Sanitation.
- Provide resources so employees can meet expectations.
- Strive to have zero preventable accidents each year.
- Continue to replace equipment at appropriate intervals to ensure maintenance costs are held to a minimum and downtime does not affect production.
- Providing a trash collection service to households within the city
- Every other week, pick-up on a regular basis has given better service to residents while controlling costs.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$692,604	$812,288	$789,700	$833,400
CONTRACTUAL SERVICES	$287,472	$288,847	$428,800	$366,800
COMMODITIES	$8,869	$12,469	$16,700	$19,700
OTHER EXPENSES	$255,998	$204,945	$89,400	$134,100
INSURANCE	$2,277	$2,408	$2,300	$2,800
CAPITAL OUTLAY		$0	$165,000	$51,100
Total Expense Objects:	**$1,247,221**	**$1,320,956**	**$1,491,900**	**$1,407,900**

Personnel

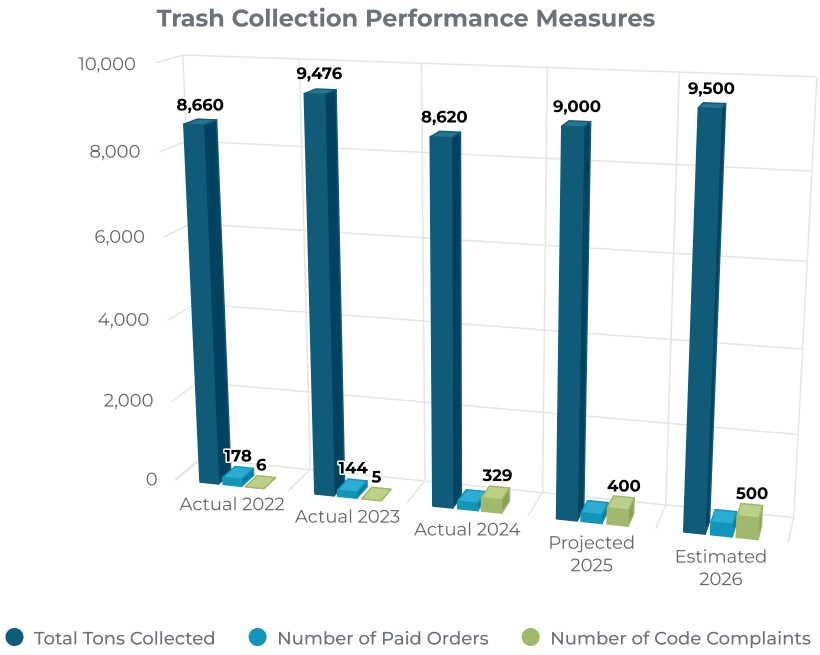
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Trash Collection Foreman	$55,161	$80,156
1	1	Trash Collection Crew Leader	$46,314	$67,300
7	7	Trash Collection Equipment Operator I	$41,219	$59,897

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
10	10	9	9	9

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Total tons collected	8,660	9,476	8,620	9,000	9,500
Number of paid orders	178	144	173	200	300
Number of code complaints	6	5	329	400	500

Organic Refuse Collection

Chris Bentley
Foreman

MISSION

Serving our Community, Building for the Future by providing sustainable environmental solutions.

SUMMARY

To maintain a clean and healthy community for residents and businesses through weekly curbside collections of organic household refuse.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We strive to always keep the customer first and build customer relations whenever possible.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure. We value a clean and healthy environment.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Including collections that are efficient and economical for new growth.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

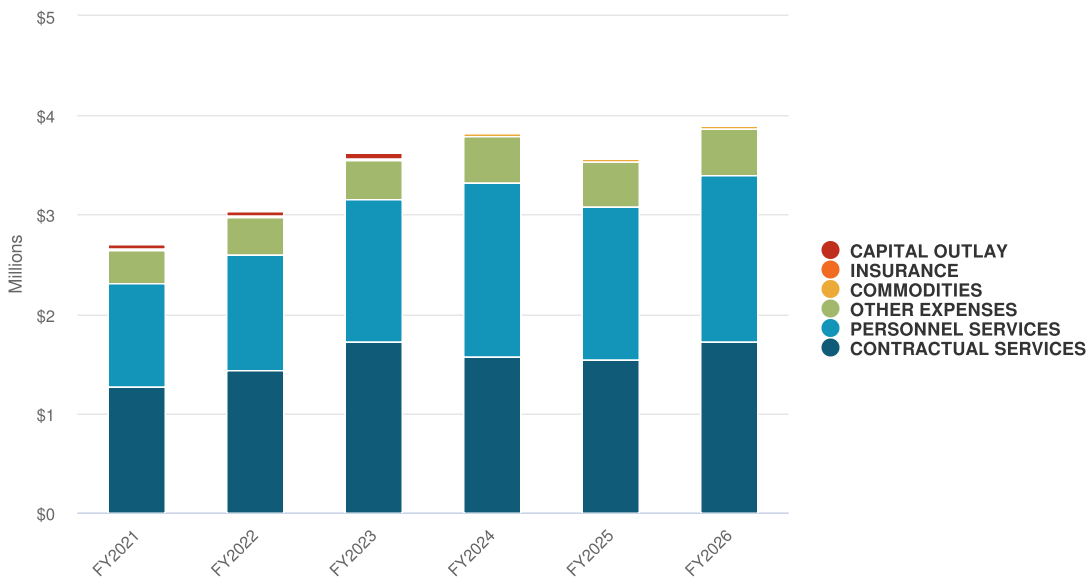
- We value a clean and beautiful City and region. We continue to maintain a clean, healthy urban environment by providing weekly garbage collection services.

Strategic Performance

- Continue providing refuse collection to households within the city.
- Continue providing refuse collection to a few special-needs customers for backdoor refuse collection.
- Continue providing assistance to the Streets Maintenance Division during weather emergencies and other special project needs.
- With the implementation of automated garbage collection, we continue to see savings of approximately $250,000 per year due to a smaller crew and fewer worker's compensation claims.
- Collection of Mt. Carmel garbage generates $163,125 in revenue per year.
- Continued improvement in tracking and responding to service requests from citizens.
- Increase citizens' understanding of the function, practices, and procedures of Streets & Sanitation.
- Provide resources so employees can meet expectations.
- Strive to have zero preventable accidents each year.
- Continue to replace equipment at appropriate intervals to ensure maintenance costs are held to a minimum and downtime does not affect production.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,443,303	$1,748,384	$1,531,100	$1,683,700
CONTRACTUAL SERVICES	$1,717,759	$1,575,829	$1,547,600	$1,718,800
COMMODITIES	$11,429	$20,940	$33,000	$33,000
OTHER EXPENSES	$387,712	$471,711	$454,700	$465,200
INSURANCE	$4,459	$4,957	$3,600	$4,500
CAPITAL OUTLAY	$56,310	$20,497	$0	$0
Total Expense Objects:	**$3,620,972**	**$3,842,318**	**$3,570,000**	**$3,905,200**

Personnel

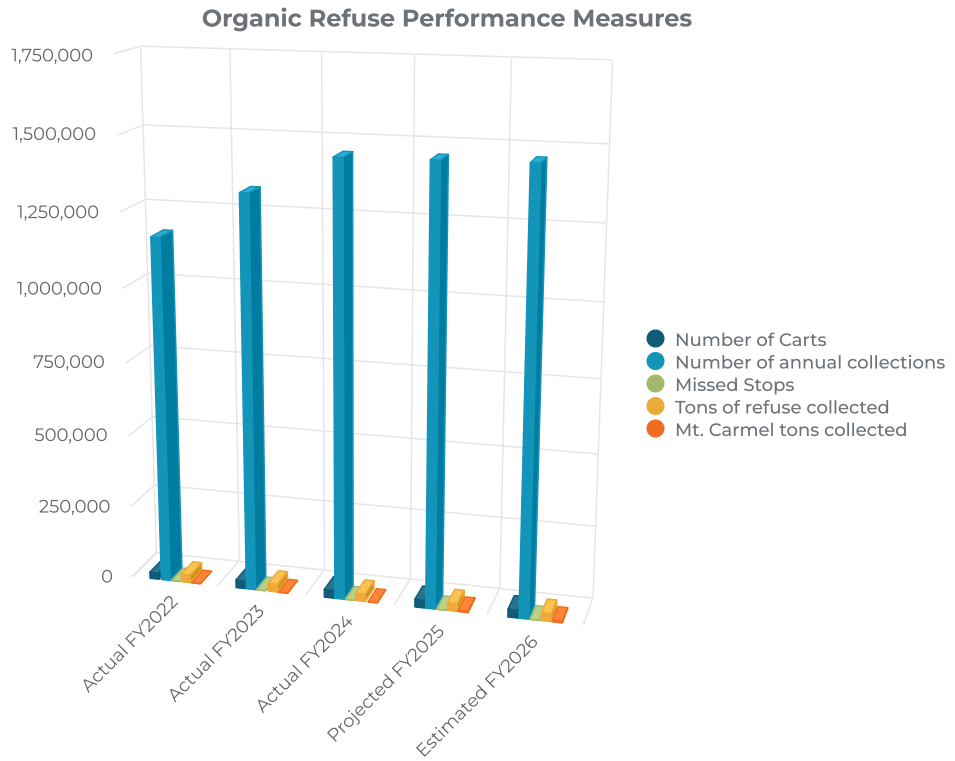
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Sanitation Manager	$73,817	$107,266
1	1	Sanitation Code Coordinator	$55,161	$80,156
1	1	Sanitation Foreman	$55,161	$80,156
1	1	Sanitation Crew Leader	$46,314	$67,300
1	1	Sanitation Equipment Operator II	$43,692	$63,491
11	11	Sanitation Equipment Operator I	$41,219	$59,897
3	3	Sanitation Maintenance Worker II	$36,685	$53,308
1	1	Sanitation Maintenance Worker I	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 24-25 REQUESTED	FY 25-26 APPROVED
19	19	20	20	20

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Number of carts	22,637	25,595	28,010	28,150	28,250
Number of annual collections	1,177,124	1,330,940	1,456,520	1,463,800	1,469,000
Missed stops	921	879	1,282	1,285	1,300
Tons of refuse collected	27,401	27,207	26,565	27,000	27,250
Mt. Carmel tons collected	2,058	2,022	2,223	2,250	2,250

**All numbers above are for Kingsport only, and do not include the Mount Carmel tonage.*

Refuse Disposal

Noah McMurray
Foreman

MISSION

Serving our Community, Building for the Future by providing sustainable environmental solutions.

SUMMARY

To provide a Class IV demolition landfill that serves the needs of citizens, businesses, and industry.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- To invest in our employees by providing training and education opportunities.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the City.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meet the current and future needs of our customers.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- We value quality, which includes development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

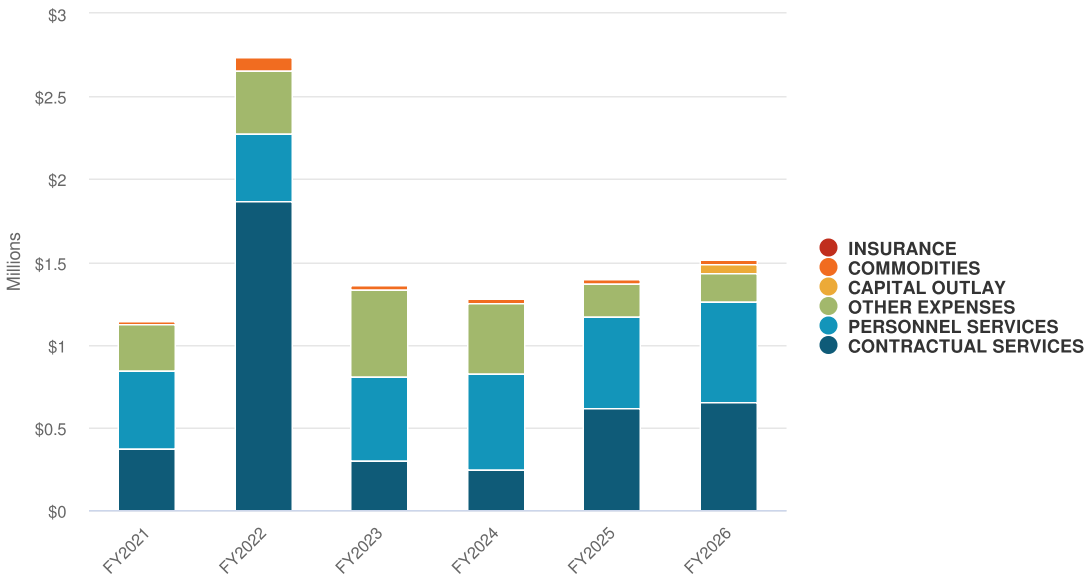
- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Strategic Performance

- Mixing the compost and topsoil together has reduced expenses for the Public Works department by roughly $300,000 for 10.5 acres of landfill area to be closed out in 2012. In the last 20 years, the city has saved about $2,000,000 (compost/topsoil use) instead of buying topsoil from local contractors. Compost has also been offered for sale to the public. 132 buckets (3 ½ yds.) at $20 per bucket were sold for a total of $2,640.
- Since 2003, 1,370 tons of appliance/scrap metal have been recycled for $82,000 in revenue.
- Since 2007, 2.791 bales of hay have been sold, generating $37,288 in revenue.
- Tire recycling started in 2009. Since then, 431 tons have been recycled, diverting it from the waste stream.
- Continued improvement in tracking and responding to service requests from citizens.
- Increase citizens' understanding of the function, practices, and procedures of Streets & Sanitation.
- Provide resources so employees can meet expectations.
- Strive to have zero preventable accidents each year.
- Continue to replace equipment at appropriate intervals to ensure maintenance costs are held to a minimum and downtime does not affect production.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2025 Budgeted	FY2026 Budgeted	FY2025 Budgeted vs. FY2026 Budgeted (% Change)
Expense Objects						
PERSONNEL SERVICES	$507,440	$578,789	$553,700	$553,700	$603,500	9%
CONTRACTUAL SERVICES	$300,273	$247,406	$619,000	$619,000	$654,000	5.7%
COMMODITIES	$22,526	$24,571	$25,600	$25,600	$32,500	27%
OTHER EXPENSES	$526,464	$424,629	$195,400	$195,400	$176,900	-9.5%
INSURANCE	$3,273	$3,439	$2,200	$2,200	$3,600	63.6%
CAPITAL OUTLAY	$0	$1,015	$0	$0	$50,000	N/A
Total Expense Objects:	**$1,359,975**	**$1,279,849**	**$1,395,900**	**$1,395,900**	**$1,520,500**	**8.9%**

Personnel

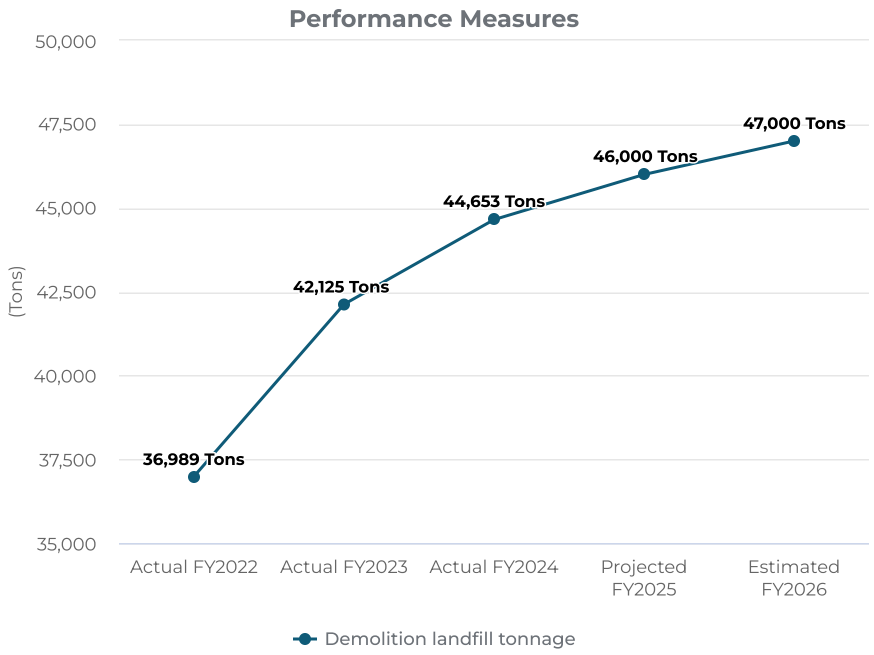
AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Landfill Foreman	$55,161	$80,156
1	1	Landfill Crew Leader	$46,314	$67,300
3	3	Landfill Equipment Operator II	$43,692	$63,491
1	1	Landfill Weigh Station Clerk	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
6	6	6	6	6

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Demolition Landfill Tonnage	36,989	42,125	44,653	46,000	47,000

This service provides for the City's Class IV demolition landfill and costs associated with maintaining it in accordance with all applicable state and federal regulations.
Personnel within this section also provide support to Public Works during weather emergencies and special events.

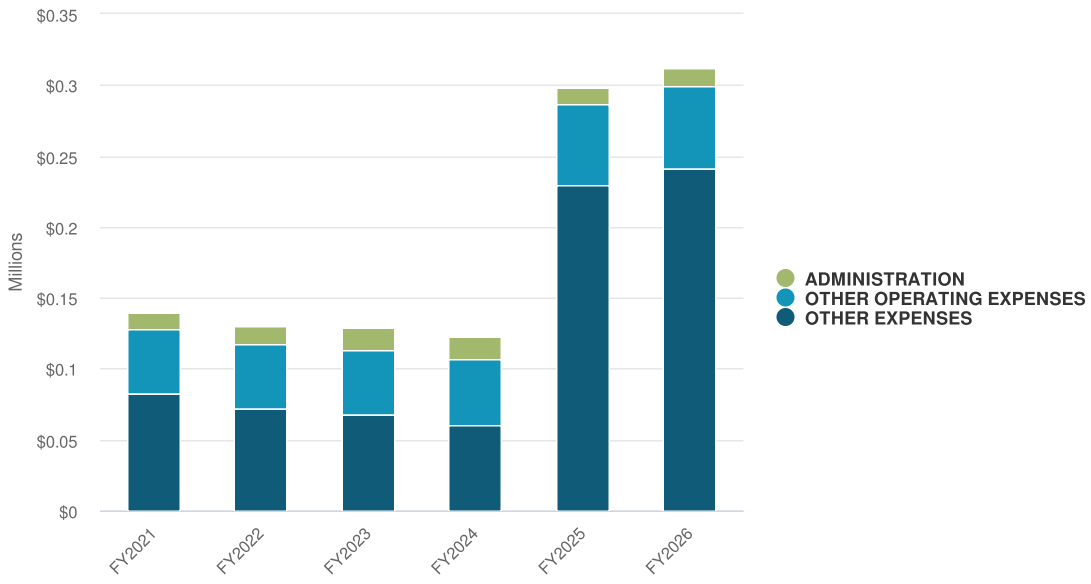
Non-Departmental Solid Waste

MISSION

To provide for Risk Management funding for solid waste operations and for the bond principal, interest and bank service charges for Solid Waste Fund.

Expenditures by Function

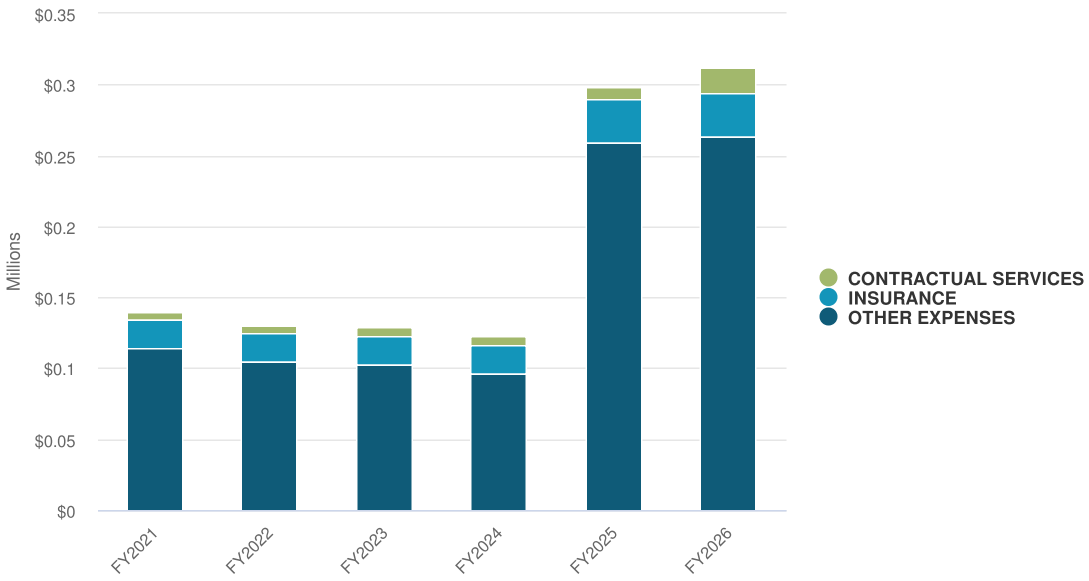
Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
PUBLIC WORKS				
OTHER OPERATING EXPENSES	$45,887	$45,971	$57,100	$58,400
Total PUBLIC WORKS:	**$45,887**	**$45,971**	**$57,100**	**$58,400**
OPERATING EXPENSE				
ADMINISTRATION	$15,493	$15,867	$11,800	$11,800
OTHER EXPENSES	$67,289	$60,547	$229,300	$241,300
Total OPERATING EXPENSE:	**$82,782**	**$76,414**	**$241,100**	**$253,100**
Total Expenditures:	**$128,669**	**$122,385**	**$298,200**	**$311,500**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



*415-5001 budgets money for Insurance OPEB. There are no personnel allocations for 415-4099 or 415-5010.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$5,500	$5,668	$8,900	$17,700
OTHER EXPENSES	$102,669	$96,217	$258,800	$263,300
INSURANCE	$20,500	$20,500	$30,500	$30,500
Total Expense Objects:	**$128,669**	**$122,385**	**$298,200**	**$311,500**

Stormwater Management

SUMMARY

The overall objective is to be in full compliance with the City's Municipal Separate Storm Sewer System (MS4) permit. The Stormwater Utility is tasked to improve the quality of waters of the State by implementing a stormwater management program. Elements of the program include public education and outreach, public involvement and participation, illicit discharge detection and elimination, construction site stormwater runoff control, permanent stormwater management, and pollution prevention and good housekeeping for municipal operations. In order to provide for the maintenance of existing and new infrastructure, the City has two crews for construction, cleaning and inspections.

Replacement of a failing culvert crossing on Bloomington Drive

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Multiple TDEC Level I and Level II Erosion Prevention and Sediment Control certifications.
- Member of the Tennessee Stormwater Association.
- Certified Floodplain Manager Certification (CFM).
- Qualified Hydrologic Professional certification (QHP).
- TDEC Qualified Local Program (QLP) designation.
- Biologist/water quality technician.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Continued to identify deficiencies and subsequent improvement to the stormwater infrastructure.
- Continued implementation of capital improvement projects based on priority ranking.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

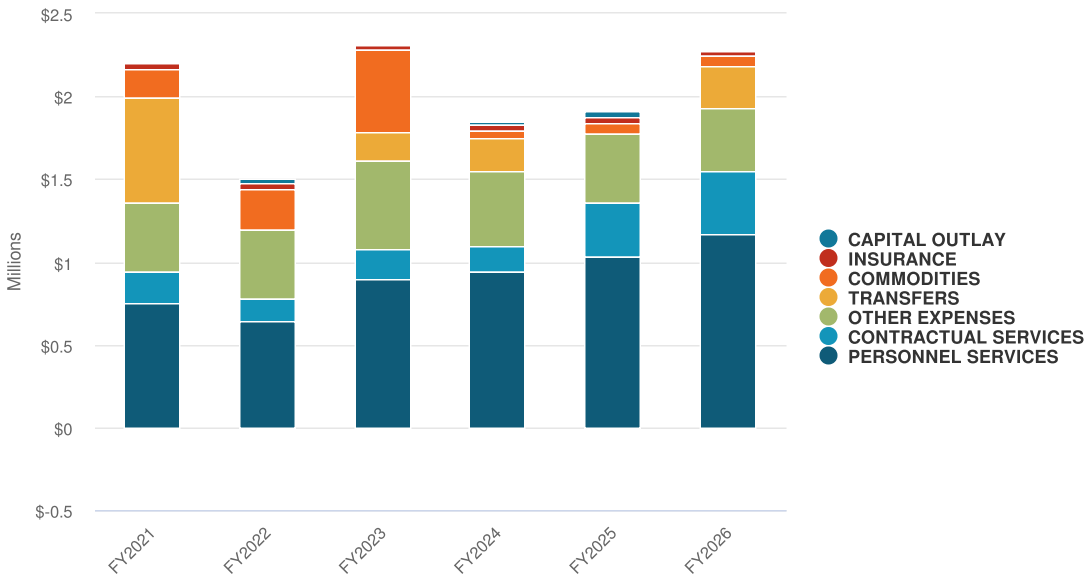
- Completed downtown drainage analysis.
- Minimize flooding and subsequent complaints.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Use of grants funds wherever possible.
- Use of volunteers whenever possible.
- Use of existing and future partnerships.

Expenditures by Expense Type

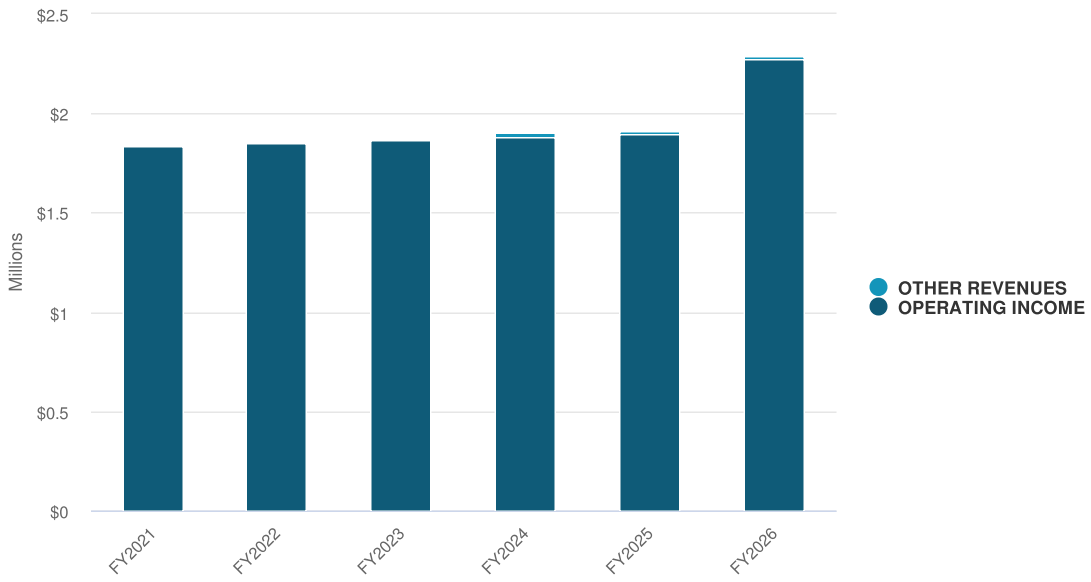
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$893,527	$937,573	$1,028,500	$1,164,500
CONTRACTUAL SERVICES	$184,625	$155,273	$330,200	$384,900
COMMODITIES	$499,979	$43,362	$64,100	$64,100
OTHER EXPENSES	$532,507	$456,412	$415,800	$381,600
INSURANCE	$32,377	$32,365	$31,600	$32,300
TRANSFERS	$170,000	$200,000	$0	$250,000
CAPITAL OUTLAY	$750	$20,612	$38,000	$9,500
Total Expense Objects:	**$2,313,764**	**$1,845,595**	**$1,908,200**	**$2,286,900**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$10,082	$21,812	$15,000	$15,000
Total OTHER REVENUES:	**$10,082**	**$21,812**	**$15,000**	**$15,000**
OPERATING INCOME				
STORM WATER FEES / STORM WATER FEES	$1,864,577	$1,881,442	$1,893,200	$2,271,900
Total OPERATING INCOME:	**$1,864,577**	**$1,881,442**	**$1,893,200**	**$2,271,900**
Total Revenue Source:	**$1,874,658**	**$1,903,254**	**$1,908,200**	**$2,286,900**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Stormwater Civil Engineer II	$78,247	$113,702
1	1	Stormwater Foreman	$55,161	$80,156
1	1	Stormwater Quality Control Technician	$49,093	$71,338
2	2	Stormwater Crew Leader	$46,314	$67,300
1	1	Stormwater Vac/Pump Truck Operator	$43,692	$63,491
1	1	Stormwater Equipment Operator II	$43,692	$63,491
3	3	Stormwater Utilities/Pipelayer II	$38,886	$56,506
1	1	Stormwater Utilities/Pipelayer I	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
11	11	11	11	11

Aquatic Center

Wendy Terrazas
Aquatic Manager

MISSION

To provide a world-class **aquatic facility** that offers **recreation**, **educational programming**, and contributes to the **economic growth** of Kingsport.

SUMMARY

The Kingsport Aquatic Center, owned and operated by the city, is the region's premier destination for aquatic recreation and competition. As a hub for swimmers of all ages and skill levels, it reflects the city's dedication to providing diverse programs and services for the community. Designed for both serious athletes and casual swimmers, the facility features a competition pool, a warm water pool, and a variety of recreational attractions, including an indoor slide, a toddler splash pad, and a play pool. Outdoors, the center offers something for everyone, including a 900-foot lazy river, two water slides, and a lily pad walk designed for older children and adults. Younger visitors can enjoy the zero-depth-entry leisure pool, complete with play features perfect for small children. Shaded cabanas, a pavilion, and an on-site concession stand provide spaces to relax and refuel.

The center's rental rooms and event spaces accommodate everything from birthday parties to group gatherings, providing a flexible venue for community events. A strong emphasis on education and safety is reflected in its extensive offerings, including swim lessons, water fitness classes, and water safety courses. The facility also hosts local swim meets, collegiate competitions, and special events, playing a key role in Kingsport's economic growth. With affordable access options, including daily admission, memberships, and group discounts, the Kingsport Aquatic Center is a dynamic community asset—offering aquatic fun, fitness, and learning for everyone.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- American Red Cross certified lifeguards and swim instructors with monthly and annual training and recertifications.
- Exceeding the Tennessee State Health Department Requirements by ensuring one Certified Pool Operator is on duty during operations

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- To provide an accessible, state of the art aquatic facility to enhance the quality of life of the citizens
- A variety of aquatic features and amenities allow for an experience unmatched by other local municipalities.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

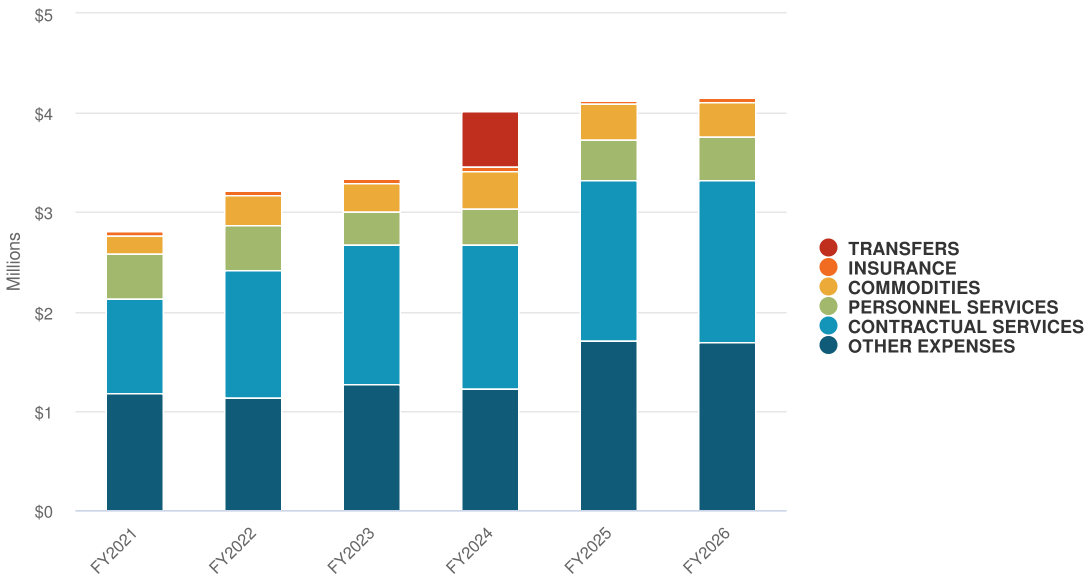
- Provide highly trained lifeguards in the supervision of aquatic activities
- Provide superior quality swimming lessons to educate the community on how to be safe in, on and around the water.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Enhance local businesses with revenue by providing a venue for hosting aquatic competitions and recreation
- Expansion of the tax base through increased tourism
- The state-of-the-art facility is an enticement for business relocation to the Kingsport area.

Expenditures by Expense Type

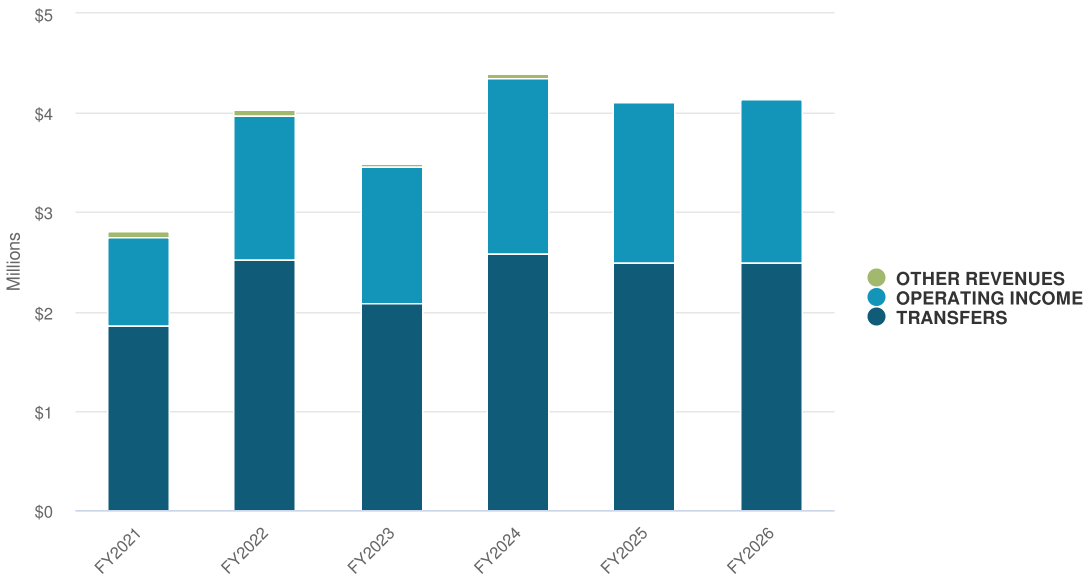
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$326,057	$359,386	$403,300	$439,000
CONTRACTUAL SERVICES	$1,402,867	$1,450,995	$1,622,900	$1,624,400
COMMODITIES	$293,704	$373,426	$352,400	$356,200
OTHER EXPENSES	$1,271,665	$1,227,892	$1,707,700	$1,691,700
INSURANCE	$42,309	$44,283	$42,400	$42,400
TRANSFERS		$558,241	$0	$0
Total Expense Objects:	**$3,336,602**	**$4,014,223**	**$4,128,700**	**$4,153,700**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$1,202	$3,892	$2,000	$2,000
INT LGIP / INT LGIP	$3,207	$4,914	$3,000	$3,000
FROM CORPORATIONS / FROM CORPORATIONS	$21,552	$16,738	$16,000	$8,000
VENDING MACHINE REVENUE / VENDING MACHINE REVENUE	$2,083	$2,122	$2,400	$2,400
MISCELLANEOUS / MISCELLANEOUS	$4,681	$5,608	$2,900	$5,700
Total OTHER REVENUES:	**$32,725**	**$33,273**	**$26,300**	**$21,100**
OPERATING INCOME				
AQUATICS CENTER / YMCA MEMBERS	$225,697	$247,812	$242,800	$242,800
AQUATICS CENTER / GATE RECEIPTS	$407,344	$616,180	$513,100	$570,000
AQUATICS CENTER / ANNUAL MEMBERSHIPS	$87,766	$111,424	$105,900	$105,900
AQUATICS CENTER / SEASON PASSES	$54,854	$67,297	$51,500	$72,100
AQUATICS CENTER / RENTALS	$139,406	$183,267	$146,000	$154,900
AQUATICS CENTER / PROGRAM EVENTS	$132,454	$117,698	$102,600	$119,500
AQUATICS CENTER / CONCESSION RECEIPTS	$192,788	$274,758	$223,300	$225,200
AQUATICS CENTER / YMCA REIMBURSEMENTS	$128,096	$143,299	$213,500	$138,500
AQUATICS CENTER / MISCELLANEOUS	$4,622	$5,282	$3,700	$3,700
Total OPERATING INCOME:	**$1,373,028**	**$1,767,016**	**$1,602,400**	**$1,632,600**
TRANSFERS				
FROM REGIONAL SALES TAX / FROM REGIONAL SALES TAX	$1,817,725	$2,416,383	$2,500,000	$2,500,000
VISITORS ENHANCEMENT FUND / VISITORS ENHANCEMENT FUND	$263,681	$173,241	$0	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total TRANSFERS:	$2,081,406	$2,589,624	$2,500,000	$2,500,000
Total Revenue Source:	$3,487,159	$4,389,914	$4,128,700	$4,153,700

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Aquatic Manager	$69,639	$101,194
1	1	Assistant Aquatic Manager	$58,470	$84,965
1	1	Aquatic Operations Supervisor	$46,314	$67,300
1	1	Aquatic Shift Leader	$41,219	$59,897
1	1	Aquatic Guest Services/Admin Support	$38,886	$56,506
1	1	Aquatic Programs Coordinator	$52,038	$75,618

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
6	6	6	6	6

Meadowview Convention Center

MISSION

To provide a world class conference and convention center for the region. To be recognized as the standard for an operating team that produces outstanding services for owner and customer alike within a balanced set of mutually shared values.

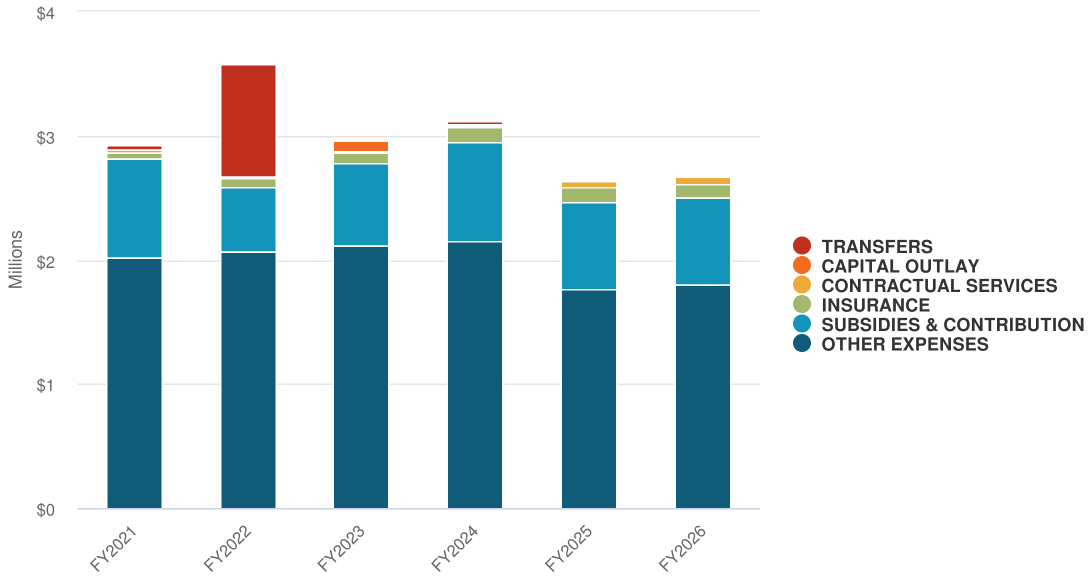
Meadowview Conference Resort and Convention Center - Kingsport, TN

SUMMARY

Meadowview Convention and Conference Center is a city-owned facility operated via contract with the Marriott Corporation. The Center requires operating contributions from the Regional Sales Tax Fund for the payment of annual debt service and operations subsidy and from the General Fund for operations subsidies.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

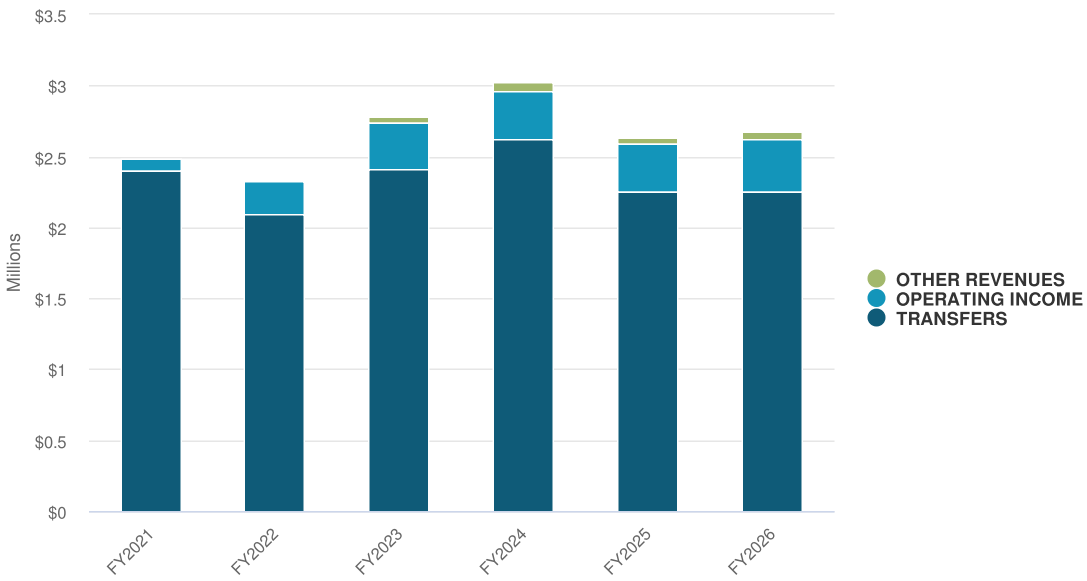


Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES				
CONTRACTUAL SERVICES / PROFESSIONAL/CONSULTANT	$0	$0	$19,900	$19,900
CONTRACTUAL SERVICES / ACCOUNTING AND AUDITING	$5,500	$5,668	$5,500	$7,700
CONTRACTUAL SERVICES / MACHINERY/EQUIP RENTAL	$12,327	$7,583	$28,800	$28,800
Total CONTRACTUAL SERVICES:	**$17,827**	**$13,251**	**$54,200**	**$56,400**
OTHER EXPENSES				
OTHER EXPENSES / BASE MANAGEMENT FEE	$158,797	$158,797	$168,800	$206,200
OTHER EXPENSES / TAXES AND PERMITS	-$3,154	$163	$0	$0
OTHER EXPENSES / DEPRECIATION	$1,472,457	$1,546,272	$0	$0
OTHER EXPENSES / BOND PRINCIPAL	$0	$0	$1,199,900	$1,246,650
OTHER EXPENSES / BOND INTEREST	$317,346	$271,517	$288,900	$239,950
OTHER EXPENSES / BANK SERVICE CHARGES	$539	$634	$900	$900
OTHER EXPENSES / FURN/FIXTURES & EQPT FEES	$162,878	$174,297	$105,300	$105,300
Total OTHER EXPENSES:	**$2,108,863**	**$2,151,680**	**$1,763,800**	**$1,799,000**
INSURANCE				
INSURANCE / BUILDINGS	$78,664	$117,416	$116,400	$116,400
Total INSURANCE:	**$78,664**	**$117,416**	**$116,400**	**$116,400**
TRANSFERS				
CIP TRANSFERS / MEADOWVIEW PROJECT FUND	$0	$30,898	$0	$0
Total TRANSFERS:	**$0**	**$30,898**	**$0**	**$0**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
SUBSIDIES & CONTRIBUTION				
SUBSIDIES & CONTRIBUTION / MEADOWVIEW CONFERENCE CTR	$673,425	$797,277	$700,000	$700,000
Total SUBSIDIES & CONTRIBUTION:	**$673,425**	**$797,277**	**$700,000**	**$700,000**
CAPITAL OUTLAY				
CAPITAL OUTLAY / IMPROVEMENTS	$79,023	$8,194	$0	$0
Total CAPITAL OUTLAY:	**$79,023**	**$8,194**	**$0**	**$0**
Total Expense Objects:	**$2,957,802**	**$3,118,716**	**$2,634,400**	**$2,671,800**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



- **Room Surcharge** is a percentage of gross room revenues generated by the Hotel for consideration of the facility easements granted by the City to the hotel. The percentage rate applicable in the 7th and subsequent years is 2%. This revenue source is expected to gradually trend upward.
- **Investments** represent earnings on cash on hand and investments.
- **Transfer from Regional Sales Tax Fund** provides funding for debt service payments and operating contributions and is funded via the $0.0025 regional sales tax. This revenue source is economy dependent. From FF&E represents the percentage of gross revenues that is to be held for FF&E needs by the facility.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$10,173.21	$11,915.17	$10,200.00	$8,700.00
INT LGIP / FF&E SINKING FUND	$22,920.56	$42,816.12	$30,000.00	$35,300.00
INT LGIP / GENERAL OBLIGATION BONDS	$7,780.29	$8,058.14	$8,000.00	$4,400.00
INT LGIP / LOST REV & TAX BONDS	$73.72	$412.28	$0.00	$0.00
FROM CORPORATIONS / FROM CORPORATIONS		$8,065.27	$0.00	$0.00
Total OTHER REVENUES:	**$40,947.78**	**$71,266.98**	**$48,200.00**	**$48,400.00**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
OPERATING INCOME				
FEES / FURN/FIXTURES & EQPT FEES	$162,878.00	$174,297.00	$165,600.00	$196,700.00
FEES / ROOM SURCHARGE	$163,348.00	$156,460.00	$170,600.00	$176,700.00
Total OPERATING INCOME:	**$326,226.00**	**$330,757.00**	**$336,200.00**	**$373,400.00**
TRANSFERS				
FROM REGIONAL SALES TAX / FROM REGIONAL SALES TAX	$2,413,354.85	$2,627,326.58	$2,250,000.00	$2,250,000.00
Total TRANSFERS:	**$2,413,354.85**	**$2,627,326.58**	**$2,250,000.00**	**$2,250,000.00**
Total Revenue Source:	**$2,780,528.63**	**$3,029,350.56**	**$2,634,400.00**	**$2,671,800.00**

Cattails Golf Course

MISSION

To provide a quality golf facility that continues to maintain a leadership position in service delivery and product quality, along with a sound economic return on the City's investment.

Cattails at MeadowView is a par-71 championship course, designed by Dennis Griffith, opened July 1, 1998. Cattails has already positioned itself as the finest daily fee golf product in the Tri-Cities. As the only municipal golf course managed by Marriott Golf, Director of Golf, Pete DeBraal and his staff take great pride in making a resort golf experience available at an affordable price.

Cattails Golf Course - Kingsport, TN

SUMMARY

Cattails is a municipal golf course that also services the MeadowView Resort Conference and Convention Center. The City contracts with Marriott Corporation for the management of the golf course. Operating revenues are not sufficient to cover the cost of the facility less debt service and depreciation, thus transfers from the General Fund were required for prior years. Beginning in FY04, the debt service was funded from the Regional Sales Tax Fund.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

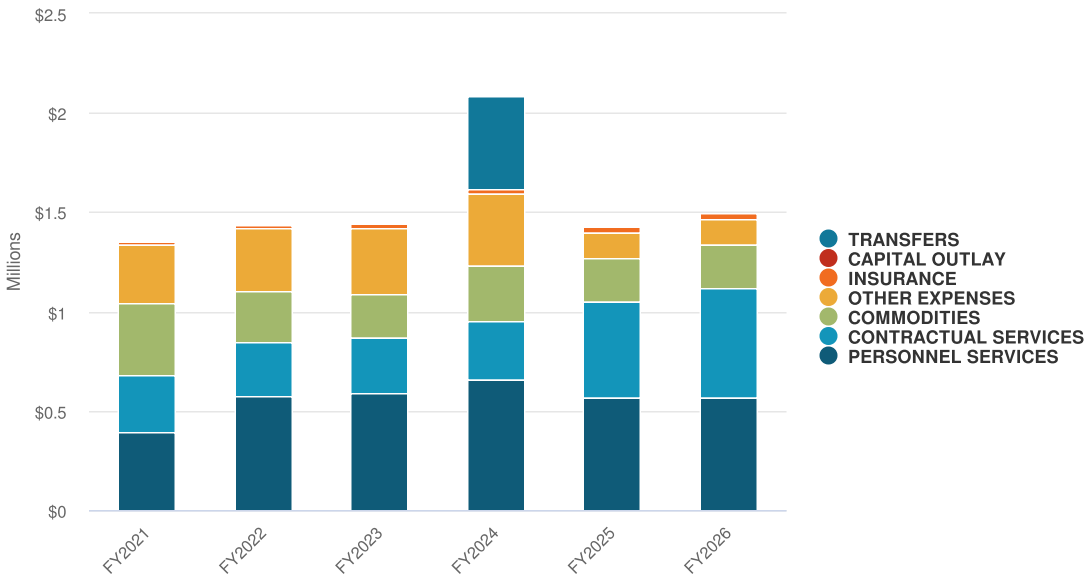
- To provide a well-planned and aesthetically designed community that offers a wide variety of cultural and recreational opportunities and encourages citizen involvement in community affairs.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Increase tourism and conventions as an economic development driver.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

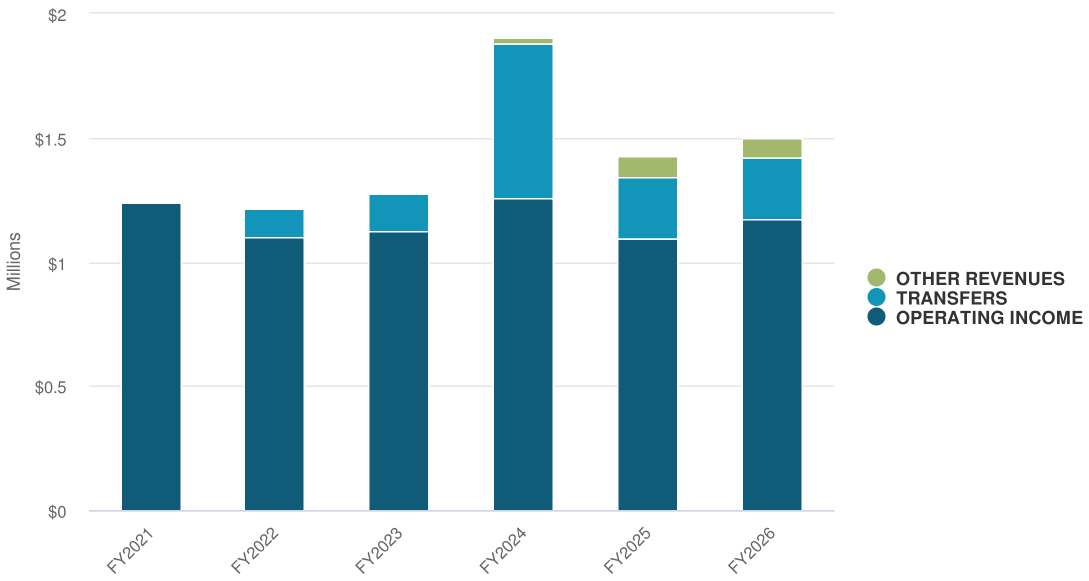


*An accounting change was made during Fiscal Year 08 in reporting revenue and expenses for Cattails based on the auditor's recommendations. In the past, only the revenue and expenses that were paid by the City were recorded in the system. Now all revenue and expenses are recorded including the amount that Cattails pays.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$590,555	$654,571	$566,750	$566,750
CONTRACTUAL SERVICES	$278,706	$295,772	$484,200	$552,400
COMMODITIES	$218,048	$279,221	$219,350	$219,350
OTHER EXPENSES	$329,745	$361,785	$130,600	$130,200
INSURANCE	$27,375	$25,703	$27,000	$27,000
TRANSFERS		$464,970	$0	$0
CAPITAL OUTLAY		$1,090	$0	$0
Total Expense Objects:	**$1,444,430**	**$2,083,113**	**$1,427,900**	**$1,495,700**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



- **Commission** represents net operating revenues from operations of the golf course.
- **FF&E** represents a percentage of net earnings that is reserved for future improvements to the facility.
- **Investments** represent earnings on cash-on-hand and reserves.
- **Transfer from General Fund** represents the net amount to fund debt service.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$158	$8,253	$500	$3,600
INT LGIP / FF&E SINKING FUND	$104	$179	$100	$100
INT LGIP / GENERAL OBLIGATION BONDS	$10,115	$13,708	$10,000	$6,000
MISCELLANEOUS / MISCELLANEOUS				$63,600
Total OTHER REVENUES:	**$10,377**	**$22,141**	**$10,600**	**$73,300**
OPERATING INCOME				
SALES AND FEES / CLOTHING SALES	$59,400	$84,390	$76,000	$0
SALES AND FEES / EQUIPMENT SALES	$58,214	$56,652	$53,600	$48,200
SALES AND FEES / CLUB RENTAL	$10,284	$14,645	$10,200	$13,000
SALES AND FEES / CART RENTAL	$88,321	$143,185	$100,000	$175,600
SALES AND FEES / GREEN FEES	$707,180	$738,471	$725,000	$725,000
SALES AND FEES / CARD SALES	$72,541	$72,459	$72,100	$67,600
SALES AND FEES / MISC SALES	$7,956	$12,450	$9,100	$15,900
SALES AND FEES / FOOD & BEVERAGE SALES	$83,546	$95,482	$87,200	$93,700
GAIN ON SALE OF EQUIPMENT / GAIN ON SALE OF EQUIPMENT	$2,750	$550	$0	$0
FEES / FURN FIXTURES & EQUIP	$33,173	$36,531	$34,100	$33,400

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total OPERATING INCOME:	**$1,123,365**	**$1,254,815**	**$1,167,300**	**$1,172,400**
TRANSFERS				
FROM REGIONAL SALES TAX / FROM REGIONAL SALES TAX	$149,344	$626,347	$250,000	$250,000
Total TRANSFERS:	**$149,344**	**$626,347**	**$250,000**	**$250,000**
Total Revenue Source:	**$1,283,086**	**$1,903,303**	**$1,427,900**	**$1,495,700**

Internal Service Funds

Internal Service funds are used to account for activities that provide services to all the City's departments.

- **Fleet Fund—511:** accounts for the revenues and expenditures necessary to provide for the maintenance, replacement and expansion of the municipal fleet.
- **Risk Management Fund—615:** accounts for the revenues and expenditures for the City's risk management department, various insurance pools' costs and claims accounting.
- **Health Insurance Fund—625:** accounts for the revenues and expenditures of the City's self-insured employee health insurance fund.
- **Retirees Health Insurance Fund – 626**: accounts for the revenues and expenditures for the City's self-insured retiree health insurance fund.

Summary information may be found under the **Internal Service Funds Summary**

Fleet Maintenance

Steve Leonard
Fleet Maintenance Manager

MISSION

To provide support to all city departments by servicing, repairing, and replacing vehicles and equipment in a cost-efficient manner.

SUMMARY

Fleet owns, repairs and maintains all vehicles and equipment for the City, including the public schools. Rental, maintenance, and insurance charges are levied to all user departments as a means of financing operations. Funds are accrued in a Fleet Reserve Account that provides for the replacement of vehicles and equipment on a scheduled basis.

The Fleet Manager routinely benchmarks against private sector and other municipal fleet operations. It is significant to note that the City's operations compare very favorably to other operations.

The Fleet Department keeps our emergency vehicles in top condition

ENHANCING COST EFFICIENCY

One of our primary cost-saving focuses is reducing fuel expenses. In fiscal year 2024, the fleet consumed approximately 667,000 gallons of fuel, costing over $1.9 million. To lower fuel usage in the future, Fleet Maintenance is implementing several cost-cutting measures:

- Investing in electric and hybrid vehicles.
- Utilizing our GPS asset tracking systems to monitor and minimize idle times.
- Installing timers and controls on heavy vehicles and school buses to automatically shut off after 15 minutes of idling and limiting maximum speed to 63 mph.
- Evaluating each fleet purchase to ensure the selection of the most fuel-efficient vehicle that can effectively perform the job.

Key Issues

The City of Kingsport's Fleet Operations and Maintenance Department faces many of the same strategic challenges that face other fleets in private industry and business. Some of the strategic challenges that face our fleet are as follows:

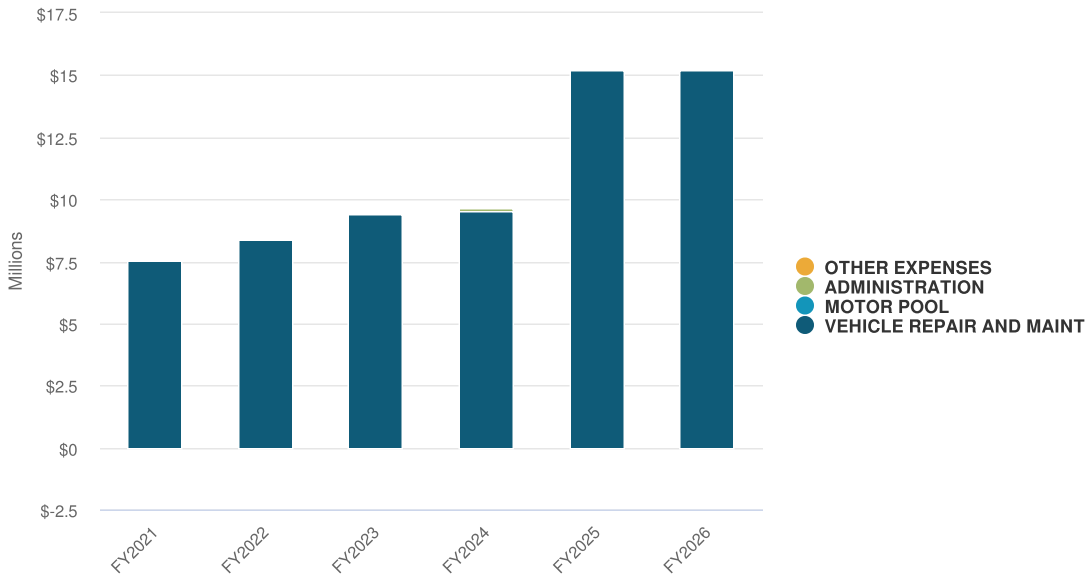
- **Introduction of Hybrid and Electric Vehicles** - With increasingly stringent emission standards, fleets are actively seeking solutions to meet these evolving requirements. In 2024, the City of Kingsport introduced its first all-electric truck. We will closely monitor its performance within our fleet to assess the feasibility of further transitioning to electric vehicles in the future. However, this shift will also lead to increased training costs as we equip our technicians with the necessary skills to service electric vehicles.

- **Increasing cost of replacement/repair parts and components** - Since the inflationary period of the COVID era, the costs of parts and replacement vehicles have risen significantly, with the impact being most evident in our vehicle replacements. Fleet fee collections have fallen short, covering less than half of the funds needed to replace certain vehicles scheduled for replacement next year.

- **Rising personnel-related costs** - Rising personnel costs, including healthcare, wages, and other benefits, require us to continuously seek ways to enhance equipment efficiency and staff productivity. In the current labor market, attracting, hiring, and retaining qualified technicians has become increasingly challenging.

Expenditures by Function

Budgeted and Historical Expenditures by Function



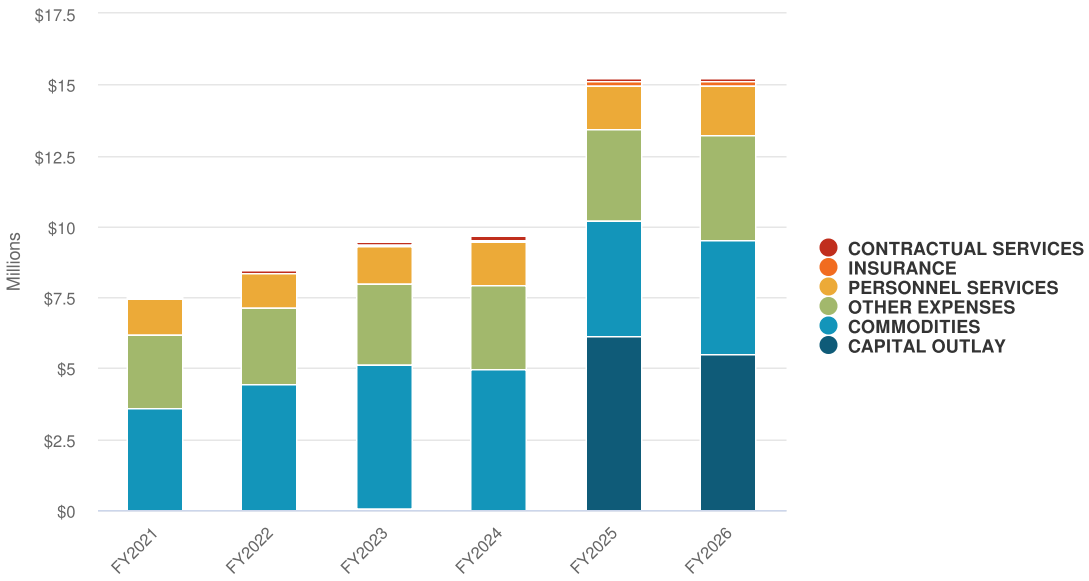
OPERATING AND VEHICLE REPAIR AND REPLACEMENT - This service function provides the backbone of the fleet operations. It is through this expenditure center that all repairs to and replacement of all vehicles and equipment are made. Benchmarks for private sector facilities and other cities are very favorable.

MOTOR POOL - This service function provides for the rental of cars to the various departments on an as-needed basis. There are no positions allocated to this function.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
OPERATING EXPENSE				
ADMINISTRATION				
CONTRACTUAL SERVICES	$8,834	$34,399	$0	$0
COMMODITIES	$0	$66,713	$0	$0
OTHER EXPENSES	$8,867	$7,708	$9,000	$9,000
Total ADMINISTRATION:	**$17,701**	**$108,819**	**$9,000**	**$9,000**
VEHICLE REPAIR AND MAINT				
PERSONNEL SERVICES	$1,357,672	$1,564,911	$1,515,800	$1,755,900
CONTRACTUAL SERVICES	$90,230	$121,827	$99,800	$118,900
COMMODITIES	$5,113,859	$4,870,433	$4,041,400	$4,043,600
OTHER EXPENSES	$2,785,514	$2,941,613	$3,230,468	$3,640,100
INSURANCE	$15,815	$16,202	$143,565	$159,500
CAPITAL OUTLAY	$37,175	$0	$6,147,251	$5,494,200
Total VEHICLE REPAIR AND MAINT:	**$9,400,264**	**$9,514,985**	**$15,178,284**	**$15,212,200**
MOTOR POOL				
CONTRACTUAL SERVICES	$9,193	$11,670	$9,500	$12,000
OTHER EXPENSES	$11,463	$7,182	$11,700	$11,400
INSURANCE	$712	$735	$1,000	$1,000
Total MOTOR POOL:	**$21,367**	**$19,588**	**$22,200**	**$24,400**
OTHER EXPENSES				
COMMODITIES	$1,729	$19,638	$0	$0
Total OTHER EXPENSES:	**$1,729**	**$19,638**	**$0**	**$0**
Total OPERATING EXPENSE:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**
Total Expenditures:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**

Expenditures by Expense Type

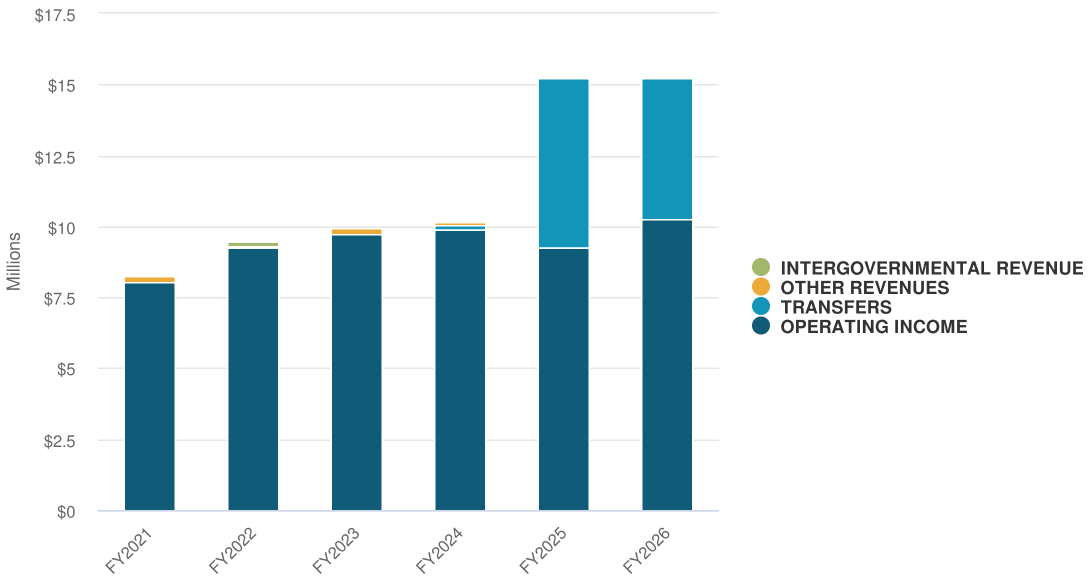
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$1,357,672	$1,564,911	$1,515,800	$1,755,900
CONTRACTUAL SERVICES	$108,256	$167,896	$109,300	$130,900
COMMODITIES	$5,115,588	$4,956,783	$4,041,400	$4,043,600
OTHER EXPENSES	$2,805,843	$2,956,502	$3,251,168	$3,660,500
INSURANCE	$16,526	$16,937	$144,565	$160,500
CAPITAL OUTLAY	$37,175	$0	$6,147,251	$5,494,200
Total Expense Objects:	**$9,441,061**	**$9,663,030**	**$15,209,484**	**$15,245,600**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



CHARGES FOR SALE/SERVICE - revenue category accounts for vehicle operation and maintenance charges recovered from the user departments.

DEPRECIATION RECOVERY - revenue category accounts for vehicle depreciation charges allocated to user departments.

INVESTMENT INCOME - revenue category accounts for the interest earned on the investments of fleet reserves in interest-bearing accounts.

MISCELLANEOUS - revenues generally account for the gain or loss on the disposal of equipment owned by the Fleet.

FUND TRANSFER - categories from the Water, Sewer, Solid Waste and General Funds and the General Fixed Assets account for vehicles or equipment purchased by these funds and donated to the Fleet.

FUND BALANCE - accounts for the transfer of reserve funds for the purpose of purchasing replacement vehicles.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$6,158	$24,008	$0	$0
INT LGIP / INT LGIP	$125,691	$101,178	$0	$0
MISCELLANEOUS / MISCELLANEOUS	$55,831	$27,234	$0	$0
Total OTHER REVENUES:	**$187,680**	**$152,421**	**$0**	**$0**
OPERATING INCOME				
VEHICLE EXPENSE / GENERAL FUND	$2,642,397	$2,696,378	$2,299,700	$3,022,400
VEHICLE EXPENSE / WATER FUND	$452,717	$418,930	$451,000	$466,000
VEHICLE EXPENSE / SEWER FUND	$346,409	$330,651	$306,000	$392,000
VEHICLE EXPENSE / SOLID WASTE FUND	$1,330,235	$1,241,968	$1,197,000	$1,145,000
VEHICLE EXPENSE / URBAN MASS TRANSIT	$324,812	$288,216	$285,000	$285,000
VEHICLE EXPENSE / SCHOOL FUND	$1,134,449	$1,026,284	$1,207,000	$1,093,500
VEHICLE EXPENSE / FLEET FUND	$19,936	$55,339	$22,500	$24,000
VEHICLE EXPENSE / INSURANCE RESERVE FUND	$2,802	$654	$1,100	$1,500

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
VEHICLE EXPENSE / AQUATIC CENTER	$5,632	$2,302	$4,000	$4,000
VEHICLE EXPENSE / STORMWATER FUND	$69,338	$80,295	$48,000	$112,000
VEHICLE EXPENSE / ANIMAL CONTROL CENTER INC	$7,457	$7,230	$3,334	$3,000
VEHICLE EXPENSE / KHRA	$21,500	$24,276	$10,000	$10,000
VEHICLE INSURANCE / GENERAL FUND	$92,449	$95,319	$82,750	$90,400
VEHICLE INSURANCE / WATER FUND	$13,650	$14,528	$14,000	$14,400
VEHICLE INSURANCE / SEWER FUND	$9,394	$10,213	$9,300	$10,500
VEHICLE INSURANCE / SOLID WASTE FUND	$10,010	$10,804	$8,000	$10,900
VEHICLE INSURANCE / URBAN MASS TRANSIT	$3,558	$3,546	$3,200	$3,200
VEHICLE INSURANCE / SCHOOL FUND	$19,818	$20,613	$19,400	$21,100
VEHICLE INSURANCE / FLEET FUND	$1,423	$1,649	$1,420	$1,900
VEHICLE INSURANCE / INSURANCE RESERVE FUND	$142	$142	$140	$200
VEHICLE INSURANCE / AQUATIC CENTER	$142	$142	$140	$200
VEHICLE INSURANCE / STORMWATER FUND	$3,677	$3,665	$2,900	$3,600
DEPRECIATION RECOVERY / GENERAL FUND	$1,500,553	$1,611,349	$1,652,400	$1,715,200
DEPRECIATION RECOVERY / WATER FUND	$249,122	$283,913	$262,600	$332,700
DEPRECIATION RECOVERY / SEWER FUND	$165,583	$200,966	$253,100	$257,900
DEPRECIATION RECOVERY / SOLID WASTE FUND	$577,453	$689,545	$669,300	$706,200
DEPRECIATION RECOVERY / SCHOOL FUND	$443,376	$309,111	$285,300	$395,400
DEPRECIATION RECOVERY / FLEET FUND	$13,985	$19,648	$17,200	$26,900
DEPRECIATION RECOVERY / STORMWATER FUND	$102,752	$102,354	$105,200	$84,100
MOTOR POOL CHARGES / GENERAL FUND	$15,222	$14,263	$11,500	$11,500
MOTOR POOL CHARGES/WATER FUND	$1,124			$0
MOTOR POOL CHARGES / SOLID WASTE FUND	$1,118	$638	$0	$0
MOTOR POOL CHARGES / MPO FUND		$302	$0	$0
MOTOR POOL CHARGES / UMTA FUND	$894	$529	$0	$0
MOTOR POOL CHARGES / SCHOOL FUND		$431	$0	$0
MOTOR POOL CHARGES / FLEET FUND	$0	$1,225	$0	$0
MOTOR POOL CHARGES / INSURANCE RESERVE		$634	$0	$0
MOTOR POOL CHARGES / STORM WATER FUND	$0	$532	$0	$0
MOTOR POOL CHARGES/LIBRARY GOVERNING BOARD	$129			$0
GAIN ON SALE OF EQUIPMENT / GAIN ON SALE OF EQUIPMENT	$162,217	$296,049	$0	$0
Total OPERATING INCOME:	**$9,745,475**	**$9,864,632**	**$9,232,484**	**$10,244,700**
TRANSFERS				
FROM GENERAL FUND / FROM GENERAL FUND		$160,000	$0	$0
FUND BAL APPROPRIATIONS / FUND BAL APPROPRIATIONS	$0	$0	$5,977,000	$5,000,900
Total TRANSFERS:	**$0**	**$160,000**	**$5,977,000**	**$5,000,900**
Total Revenue Source:	**$9,933,155**	**$10,177,053**	**$15,209,484**	**$15,245,600**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Fleet Maintenance Manager	$73,817	$107,266
1	1	Fleet Maintenance Supervisor	$58,470	$84,965
13	13	Fleet Mechanic	$43,692	$63,491
1	1	Fleet Small Engine Mechanic	$41,219	$59,897
4	4	Fleet Service Worker	$36,685	$53,308
1	1	Fleet Storekeeper/Service Writer	$38,886	$56,506
1	1	Fleet Clerk	$32,650	$47,444
1	1	Fleet Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
23 FT 1 PT	23 FT 2 PT	23 FT	23 FT	23 FT

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Repair Requests	9,410	9,343	9,901	10,000	10,000
Road Calls-Emergency Service	258	214	234	212	200
Recovery of Labor Hours	60%	57%	60%	65%	70%
Certified Technicians	62%	54%	46%	46%	54%
Services on Vehicles/Equipment	1,165	757	1,197	928	1,000
Equipment to Technician Ratio (1)	65:1	77:1	77:1	80:1	80:1
Rental Cost per Unit (2)	$761	$725	$776	$769	$775
Labor Rate per Hour (3)	$50	$50	$50	$50	$50
Number of Vehicles	605	613	612	658	640
Number of Equipment	345	370	390	391	390
Total Vehicles & Equipment	950	983	1002	1049	1,030

Notes:
Benchmarks are:
(1) 59:1 – Local Cities Average
(2) $1,693 – Local Average Rate for Passenger Vehicle
(3) $154.33 – Local Average
(4) Labor rate was last changed in FY 04-05 to reflect a fully burdened rate for comparative purposes.

Benchmarks

Fleet Maintenance benchmarks with other municipalities and the private sector to ensure internal services are competitive.

BENCHMARKS	BUDGET	FLEET SIZE	COST PER UNIT	TECHNICIAN RATIO	TECHNICIANS
Johnson City	$9,023,000	1,300	$578	68:1	19
Knoxville	$21,000,000	1,700	$1,029	68:1	25
Oak Ridge	$1,700,000	325	$436	41:1	8
Kingsport	$6,007,399	1049	$477	81:1	13
Local Average	N/A	N/A	$681	59:1	NA

Risk Management

Kristen Hodgson
Risk Manager

MISSION

To provide risk management support and services for all City departments and agencies, including the public schools.

SUMMARY

The Risk Management function, a division of the City Attorney's Office, is responsible for the administration of workers' compensation, general liability claims, employee safety, implementation of OSHA, TOSHA and other governmental regulations, as well as insurance policies for all city operations and the Kingsport City School system.

KEY ISSUES

Frequency of Workers' Compensation Claims/Safety Concerns – All departments have been working together to reduce the frequency of workers' comp claims. Risk Management continues to investigate each filed claim thoroughly. As safety is everyone's responsibility, each department is addressing safety needs, both proactively and in response to claims, with Risk Management support. Risk has implemented a Return-to-Work program that allows employees to recover while working, improving employee morale and decreasing lost time.

Adequacy of Risk Reserves – The workers' compensation and Liability funds are evaluated annually by an independent actuary to determine if the reserves and program practices are adequate for the expected risks. Those studies did not indicate a need for any changes or additional reserves.

Hardening of Insurance Market – The City purchases reinsurance for workers' compensation and carries property insurance with large deductibles to maintain premium affordability. It is expected that the insurance market will continue to harden, resulting in increased premium costs.

Increasing Medical Costs – Increasing costs of medical services impacts the self-funded Workers' Compensation Program. State-mandated settlement of all claims has also resulted in an increase in the cost of the program. The new employee health and wellness clinic has been added to our mandated panel of physicians from which employees may choose a medical provider, if needed, for workers' compensation claims, resulting in a reduced cost for those claims.

Employee Safety Programs – The Risk Management department works with other departments to assess and address training needs and with the Safety Committee to develop initiatives that serve all employees. We are looking forward to increased training opportunities with the new Learning Management System.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

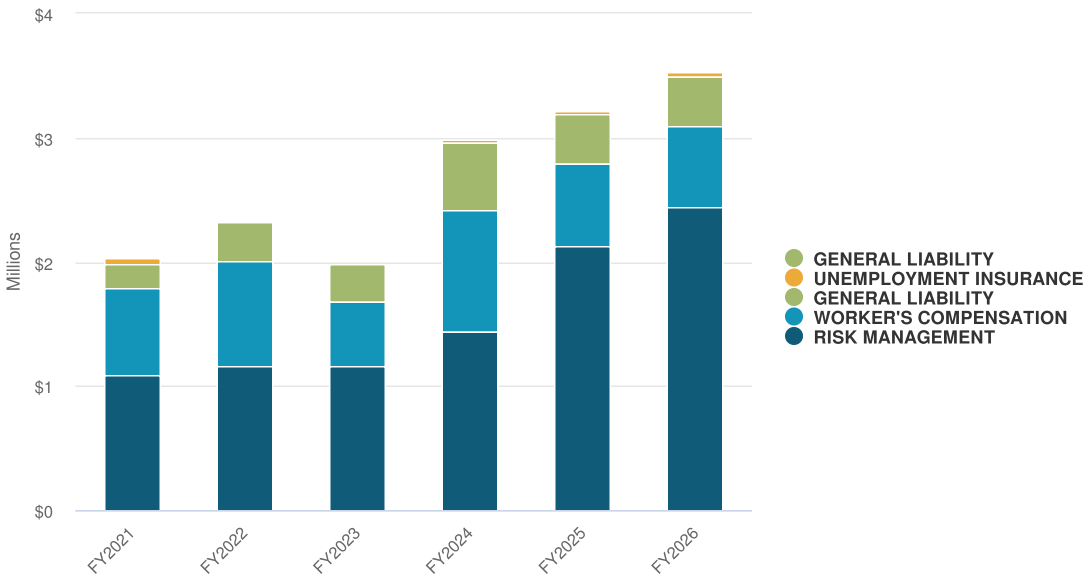
- We consider the citizens of Kingsport and its environs as customers deserving courtesy, honesty, prompt attention, and our time to hear their concerns and our efforts to honestly respond to their concerns and needs.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- We are committed to identifying, assessing, and mitigating potential risks that could impact public finances. We work closely with our insurers, other municipal departments, and citizens to allocate funds appropriately.

Expenditures by Function

Budgeted and Historical Expenditures by Function



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expenditures				
INSURANCE ADMINISTRATION				
RISK MANAGEMENT				
PERSONAL SERVICES / SALARIES AND WAGES	$79,409	$180,846	$214,700	$294,200
PERSONAL SERVICES / SOCIAL SECURITY	$5,434	$12,435	$16,740	$22,510
PERSONAL SERVICES / GROUP HEALTH INSURANCE	$15,957	$40,571	$52,800	$58,750
PERSONAL SERVICES / TCRS RETIREMENT	$13,400	$21,379	$15,200	$29,330
PERSONAL SERVICES / TCRS HYBRID RETIREMENT	$0	$2,278	$19,320	$4,800
PERSONAL SERVICES / ICMA RETIREMENT	$1,632	$4,014	$0	$9,670
PERSONAL SERVICES / TCRS STABILIZATION %		$999	$0	$2,940
PERSONAL SERVICES / LIFE INSURANCE	$94	$299	$430	$590
PERSONAL SERVICES / LONG TERM DISABILITY INS	$99	$271	$410	$580
PERSONAL SERVICES / WORKMEN'S COMPENSATION	$96	$269	$240	$460
PERSONAL SERVICES / UNEMPLOYMENT INSURANCE	$40	$200	$160	$170
CONTRACTUAL SERVICES / PRINTING AND BINDING	$435	$179	$600	$600
CONTRACTUAL SERVICES / PROFESSIONAL/CONSULTANT	$24,466	$27,835	$60,000	$60,000
CONTRACTUAL SERVICES / ACCOUNTING AND AUDITING	$2,800	$2,834	$2,950	$3,900
CONTRACTUAL SERVICES / TELEPHONE	$1,586	$3,892	$2,200	$2,200
CONTRACTUAL SERVICES / TRAVEL EXPENSE	$5,021	$10,665	$8,000	$8,000
CONTRACTUAL SERVICES / REGISTRATION FEES/TUITION	$3,724	$3,840	$2,500	$2,500
CONTRACTUAL SERVICES / PERSONAL VEHICLE REIMBURS		$364	$0	$0
CONTRACTUAL SERVICES / DUES AND MEMBERSHIPS	$930	$830	$2,000	$2,000

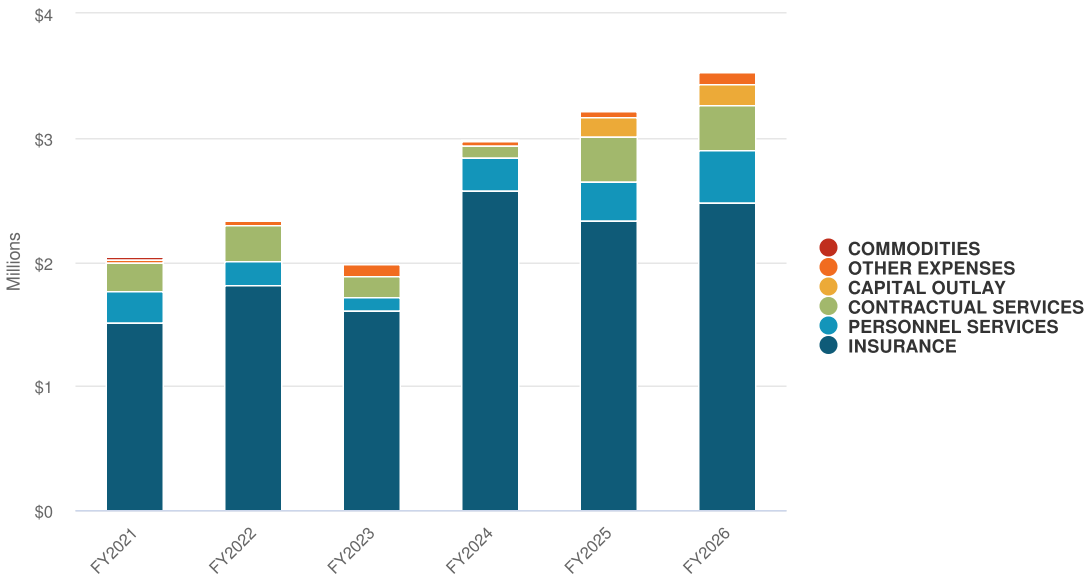
Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
CONTRACTUAL SERVICES / LITERATURE/SUBSCRIPTIONS	$680	$8,547	$1,000	$1,000
CONTRACTUAL SERVICES / TRAINING	$668	$1,487	$4,000	$4,000
CONTRACTUAL SERVICES / MEDICAL SERVICES	$9,636	$11,773	$10,000	$15,000
CONTRACTUAL SERVICES / MACHINERY/EQUIPMENT RENTA	$1,823	$2,171	$3,000	$3,000
CONTRACTUAL SERVICES / REPAIR & MAINT - VEHICLES	$2,802	$654	$1,100	$1,500
CONTRACTUAL SERVICES / WELLNESS PROGRAM	$113,931	$16,836	$190,000	$190,000
CONTRACTUAL SERVICES / MISCELLANEOUS	$0	$0	$74,500	$74,500
COMMODITIES / OFFICE SUPPLIES	$162	$2,539	$1,500	$1,500
COMMODITIES / POSTAGE	$188	$71	$100	$100
COMMODITIES / CLOTHING AND UNIFORMS	$0	$411	$400	$500
COMMODITIES / MOTOR POOL CHARGES		$634	$0	$1,500
OTHER EXPENSES / FLEET VEHICLE RENTAL FEE				$7,500
OTHER EXPENSES / EMPLOYEE RHSP BENEFITS	$448	$484	$1,800	$1,800
OTHER EXPENSES / ADMINISTRATION FEES	$97,999	$46,825	$45,000	$90,000
INSURANCE PREMIUMS / BUILDINGS	$370,084	$519,054	$556,800	$640,000
INSURANCE PREMIUMS / LIABILITY	$217,285	$310,701	$263,700	$325,000
INSURANCE PREMIUMS / OTHER	$191,376	$205,345	$228,050	$228,100
INSURANCE CLAIMS /	$0	$0	$190,000	$190,000
INSURANCE ALLOCATION / VEHICLE INS CHGD BY FLEET	$142	$142	$150	$200
CAPITAL OUTLAY / PURCHASES $5,000 & OVER		$0	$162,000	$162,000
Total RISK MANAGEMENT:	**$1,162,345**	**$1,441,672**	**$2,131,350**	**$2,440,400**
GENERAL LIABILITY				
INSURANCE PREMIUMS / LIABILITY	$585	$390	$650	$700
Total GENERAL LIABILITY:	**$585**	**$390**	**$650**	**$700**
Total INSURANCE ADMINISTRATION:	**$1,162,930**	**$1,442,062**	**$2,132,000**	**$2,441,100**
INSURANCE CLAIMS				
GENERAL LIABILITY				
INSURANCE CLAIMS /	-$3,613	-$172,697	$400,000	$400,000
INSURANCE CLAIMS/ENGINEERING	$1,149			$0
INSURANCE CLAIMS / TRAFFIC PLANNING/ENGINEER	$3,917	$1,729	$0	$0
INSURANCE CLAIMS / GROUNDS MAINTENANCE	$19,930	$11,751	$0	$0
INSURANCE CLAIMS / POLICE ADMINISTRATION	$0	$5,056	$0	$0
INSURANCE CLAIMS / POLICE-PATROL	$56,680	$16,317	$0	$0
INSURANCE CLAIMS / FIRE PROTECTION & CONTROL	$4,779	$400	$0	$0
INSURANCE CLAIMS/PUBLIC WORKS-ADMIN	$1,981			$0
INSURANCE CLAIMS / PUBLIC WORKS-STREET MAINT	$23,195	$15,730	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-STREET CLEAN	$6,204	$3,359	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-ORGAN REFUSE	$11,048	-$8,669	$0	$0
INSURANCE CLAIMS/PUBLIC WORKS-REFUSE DISP	$525			$0
INSURANCE CLAIMS / PUBLIC WORKS-TRASH COLLEC	$47,487	$211,414	$0	$0
INSURANCE CLAIMS / RECREATION CENTERS	$0	$289	$0	$0
INSURANCE CLAIMS / SWIMMING POOLS	$4,500	$19,501	$0	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
INSURANCE CLAIMS / RECREATION-ATHLETICS		$13,000	$0	$0
INSURANCE CLAIMS / ALLANDALE	$1,395	$1,900	$0	$0
INSURANCE CLAIMS/BAYS MOUNTAIN PARK	$1,000			$0
INSURANCE CLAIMS / EDUCATION-ADMINISTRATION	$8,173	$312,836	$0	$0
INSURANCE CLAIMS / EDUCATION-INSTRUCTION	$2,521	$14,165	$0	$0
INSURANCE CLAIMS / EDUCATION-TRANSPORTATION	$30,077	$4,430	$0	$0
INSURANCE CLAIMS / EDUCATION-MAINTENANCE	$31,655	$3,918	$0	$0
INSURANCE CLAIMS / WATER-PLANT OPERATIONS	$20,120	$1,036	$0	$0
INSURANCE CLAIMS / WATER DISTRIBUTION SYSTEM	$11,937	$17,644	$0	$0
INSURANCE CLAIMS / WATER-READING & SERVICES	-$3,720	$1,573	$0	$0
INSURANCE CLAIMS / WATER LINE BREAK DAMAGES	$12,357	$1,567	$0	$0
INSURANCE CLAIMS / SEWER- ADMINISTRATION		$4,188	$0	$0
INSURANCE CLAIMS / SEWER-SYSTEM MAINTENANCE	$3,688	$3,115	$0	$0
INSURANCE CLAIMS / STORM WATER MANAGEMENT	$7,258	$8,421	$0	$0
INSURANCE CLAIMS / FLEET MAINTENANCE		$325	$0	$0
INSURANCE CLAIMS / UMTA	$557	$44,517	$0	$0
Total GENERAL LIABILITY:	**$304,800**	**$536,815**	**$400,000**	**$400,000**
WORKER'S COMPENSATION				
INSURANCE CLAIMS /	-$217,297	$236,181	$655,700	$655,700
INSURANCE CLAIMS/DATA PROCESSING	$519			$0
INSURANCE CLAIMS/ENGINEERING	$3,975			$0
INSURANCE CLAIMS / TRAFFIC PLANNING/ENGINEER	$15,693	$14,670	$0	$0
INSURANCE CLAIMS / BUILDING MAINTENANCE	-$125,801	$47,568	$0	$0
INSURANCE CLAIMS / GROUNDS MAINTENANCE	$33,901	$49,115	$0	$0
INSURANCE CLAIMS / POLICE ADMINISTRATION	$25,188	$150	$0	$0
INSURANCE CLAIMS / POLICE INVESTIGATION	$37,665	$14,813	$0	$0
INSURANCE CLAIMS / POLICE-PATROL	$123,440	$125,897	$0	$0
INSURANCE CLAIMS / FIRE PROTECTION & CONTROL	$228,247	$108,110	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-STREET MAINT	$66,143	$23,089	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-ORGAN REFUSE	$11,625	$24,031	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-REFUSE DISP	$3,051	$1,430	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-TRASH COLLEC	$335	$1,639	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-ANIMAL CNTRL	$1,777	$4,353	$0	$0
INSURANCE CLAIMS / RECREATION-ADMINISTRATION	$6,377	$72,759	$0	$0
INSURANCE CLAIMS / RECREATION-ATHLETICS		-$16,367	$0	$0
INSURANCE CLAIMS/CULTUTAL ARTS	$15			$0
INSURANCE CLAIMS / ALLANDALE	$2,289	$2,735	$0	$0
INSURANCE CLAIMS/SENIOR CITIZENS	$320			$0
INSURANCE CLAIMS / BAYS MOUNTAIN PARK	$46,663	$3,217	$0	$0
INSURANCE CLAIMS / EDUCATION-ADMINISTRATION	$5,698	$6,577	$0	$0
INSURANCE CLAIMS / EDUCATION-INSTRUCTION	$76,747	$92,122	$0	$0
INSURANCE CLAIMS / EDUCATION OF HANDICAPPED	$32,242	$23,906	$0	$0
INSURANCE CLAIMS / EDUCATION-HEALTH SERVICES	$690	$20,609	$0	$0

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
INSURANCE CLAIMS / EDUCATION-FOOD SERVICES	$780	$2,640	$0	$0
INSURANCE CLAIMS / EDUCATION-TRANSPORTATION	$413	$16,424	$0	$0
INSURANCE CLAIMS / EDUCATION-OPERATION	$7,081	$5,494	$0	$0
INSURANCE CLAIMS / EDUCATION-MAINTENANCE	$15,969	$10,335	$0	$0
INSURANCE CLAIMS / WATER-PLANT OPERATIONS	$3,320	$1,798	$0	$0
INSURANCE CLAIMS / WATER DISTRIBUTION SYSTEM	$35,098	$21,004	$0	$0
INSURANCE CLAIMS / WATER-READING & SERVICES	$7,170	$10,093	$0	$0
INSURANCE CLAIMS / SEWER-PLANT OPERATIONS	$13,912	$13,526	$0	$0
INSURANCE CLAIMS / SEWER-SYSTEM MAINTENANCE	$3,427	$1,491	$0	$0
INSURANCE CLAIMS / STORM WATER MANAGEMENT	$480	$1,018	$0	$0
INSURANCE CLAIMS / FLEET MAINTENANCE	$429	$1,932	$0	$0
INSURANCE CLAIMS / UMTA	$47,087	$34,064	$0	$0
Total WORKER'S COMPENSATION:	**$514,668**	**$976,423**	**$655,700**	**$655,700**
UNEMPLOYMENT INSURANCE				
INSURANCE CLAIMS /	$0	$0	$33,000	$33,000
INSURANCE CLAIMS/CODE & BLDG INSPECTIONS	$1,175			$0
INSURANCE CLAIMS / BUILDING MAINTENANCE		$7,089	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-ADMIN		$2,004	$0	$0
INSURANCE CLAIMS / PUBLIC WORKS-STREET MAINT	$0	$2,731	$0	$0
INSURANCE CLAIMS / SENIOR CITIZENS		$154	$0	$0
INSURANCE CLAIMS / EDUCATION-ADMINISTRATION	$0	-$825	$0	$0
INSURANCE CLAIMS / EDUCATION-INSTRUCTION	$2,032	$6,487	$0	$0
INSURANCE CLAIMS / EDUCATION-FOOD SERVICES	$0	$2,898	$0	$0
INSURANCE CLAIMS / EDUCATION-MAINTENANCE		$209	$0	$0
INSURANCE CLAIMS / SEWER-SYSTEM MAINTENANCE	$0	$5,800	$0	$0
INSURANCE CLAIMS/UMTA	$1,248			$0
Total UNEMPLOYMENT INSURANCE:	**$4,456**	**$26,547**	**$33,000**	**$33,000**
Total INSURANCE CLAIMS:	**$823,924**	**$1,539,786**	**$1,088,700**	**$1,088,700**
Total Expenditures:	**$1,986,854**	**$2,981,848**	**$3,220,700**	**$3,529,800**

Expenditures by Expense Type

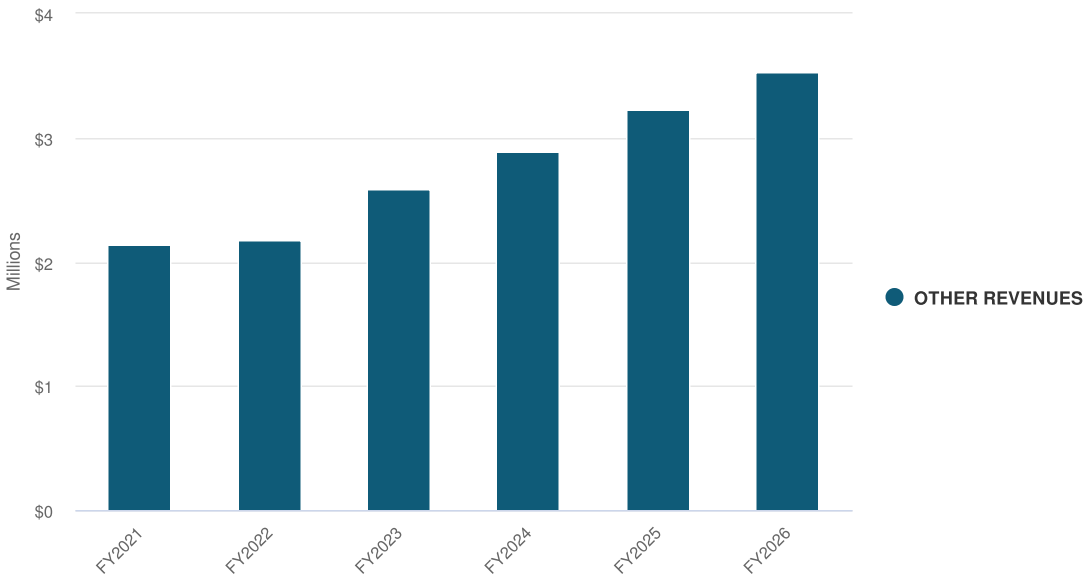
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$116,159	$263,561	$320,000	$424,000
CONTRACTUAL SERVICES	$168,502	$91,905	$361,850	$368,200
COMMODITIES	$350	$3,655	$2,000	$3,600
OTHER EXPENSES	$98,447	$47,309	$46,800	$99,300
INSURANCE	$1,603,395	$2,575,418	$2,328,050	$2,472,700
CAPITAL OUTLAY		$0	$162,000	$162,000
Total Expense Objects:	**$1,986,854**	**$2,981,848**	**$3,220,700**	**$3,529,800**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS		$90	$0	$0
UNEMPLOYMENT INS RESERVE / UNEMPLOYMENT INS RESERVE	$4,082	$6,892	$5,000	$5,000
WORKER'S COMP INS RESERVE / WORKER'S COMP INS RESERVE	$108,663	$183,440	$120,000	$120,000
LIABILITY INS RESERVE / LIABILITY INS RESERVE	$10,700	$18,063	$12,000	$12,000
FIRE INS RESERVE / FIRE INS RESERVE	$6,566	$11,084	$8,000	$8,000
CITY CONTRIBUTIONS / UNEMPLOYMENT INSURANCE	$6,154	$93,735	$70,000	$70,000
CITY CONTRIBUTIONS / WORKER'S COMP INSURANCE	$771,726	$723,935	$700,000	$700,000
CITY CONTRIBUTIONS / LIABILITY INSURANCE	$342,300	$342,300	$642,300	$642,300
CITY CONTRIBUTIONS / RISK ADMINISTRATION	$1,329,400	$1,329,400	$1,663,400	$1,972,500
SUBROGATION / SUBROGATION WORKER'S COMP		$159,496	$0	$0
REIMBURSED INSURED LOSS / GENERAL LIABLILTY		$1,650	$0	$0
MISCELLANEOUS / MISCELLANEOUS	$2,250	$12,117	$0	$0
Total OTHER REVENUES:	**$2,581,841**	**$2,882,201**	**$3,220,700**	**$3,529,800**
Total Revenue Source:	**$2,581,841**	**$2,882,201**	**$3,220,700**	**$3,529,800**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Risk Manager	$82,941	$120,525
2	2	Risk Management Representative	$52,038	$75,618

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
3	3	3	3	3

Performance Measures

Performance Measures	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
General Liability Claims/Closed	168/160	126/118	120/103	145/130	140/125
Workers' Comp. Claims/Lost Time	91/17	95/10	95/11	90/10	92/12

Health Insurance

Michael Wessely
Health Benefits Coordinator

MISSION

To provide an effective self-funded health insurance program for City employees and non-Medicare eligible retirees that is competitive in the market and affordable.

SUMMARY

Health care costs continue to be a major challenge for employers. For calendar year 2025, the City of Kingsport will offer health care coverage with no increase in employee contribution amounts. In addition, employees are eligible to receive a 10% discount on their contribution by completing a Health Risk Assessment. The Leadership Team and Human Resources annually review the City's health insurance program and make adjustments to the plan structure and contribution amounts to ensure affordability for both the City and its employees.

Blue Cross BlueShield of Tennessee (BCBS) began administering our health plan on January 1, 2017, and will continue to do so through the 2026 calendar year. Currently, employees have the option to select from two health care plans. Employees may choose between the Standard Plan (lower out-of-pocket costs with a higher premium) and the Basic Plan (higher out-of-pocket costs with a lower premium).

As a means to help control healthcare costs, the City of Kingsport has established a Health and Wellness Clinic. The Clinic is available for employees, dependents, and retirees who have elected health care coverage. The clinic dispenses generic medications, offers acute care, conducts disease management programs, and performs lab work at no cost to the employee. Appointments through the clinic are less expensive than going to a regular physician's office and eliminate the need for claims processing.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Provide and maintain a comprehensive benefits plan to attract and retain employees.
- Provide wellness initiatives and programs to improve employee health.
- Provide continuous education to employees on their health and benefits options.
- Research alternative health care options and strategies for cost containment.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

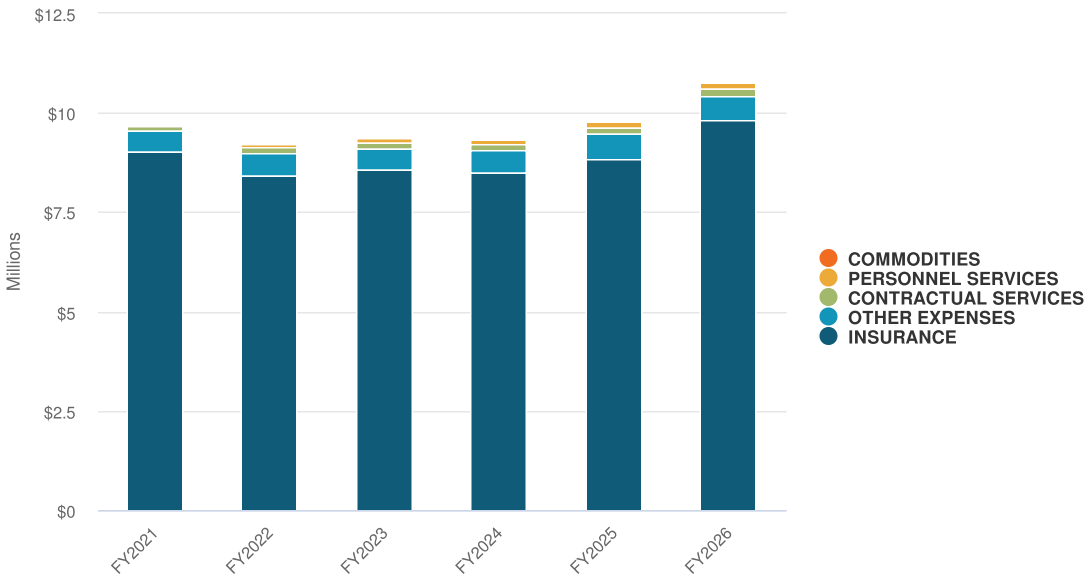
- Continually monitor health care costs and implement cost containment strategies.
- Utilize continuous improvement methods to increase productivity and efficiency.

Key Issues

- Continued increase in the cost of providing health insurance.
- Continued decline in the overall health of employees/dependents.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

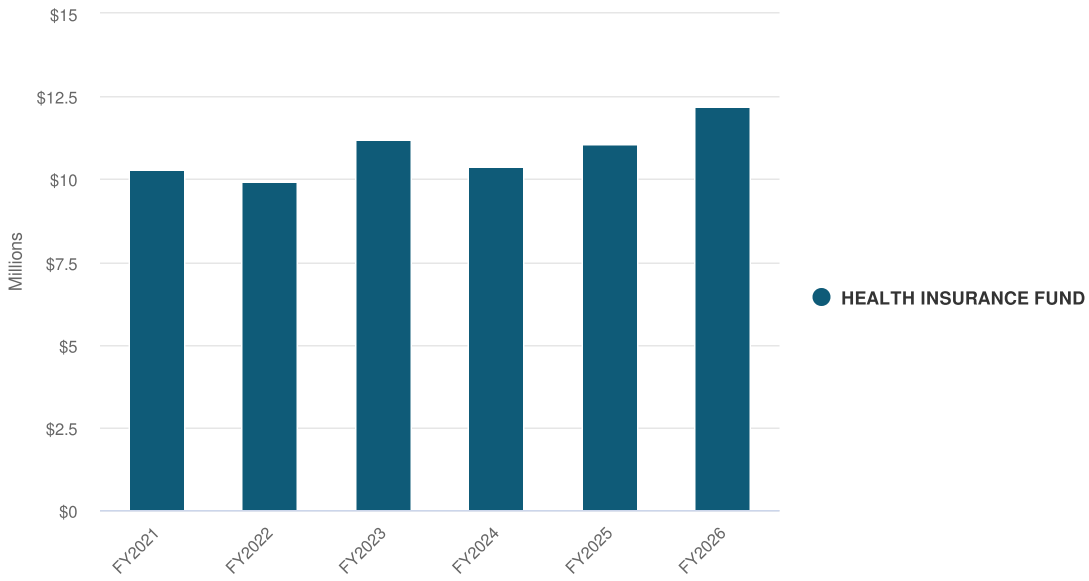


Operating expenditures include internal administration costs, as well as external health insurance claims processing expenses, and excess-risk reinsurance expenses. Beginning FY07-08, Contractual Services started to include the administration of the newly implemented Wellness program. The newly authorized Employee Health and Wellness Clinic has a separate fund established to track related expenses and charge-back allocated to other funds as they are utilized (workers' compensation, General Fund for post-offer employment physicals, etc.)

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$91,726	$107,197	$148,250	$138,600
CONTRACTUAL SERVICES	$147,018	$147,886	$168,700	$177,800
COMMODITIES	$2,468	$1,686	$3,500	$3,500
OTHER EXPENSES	$540,496	$580,572	$609,800	$609,800
INSURANCE	$8,574,703	$8,488,536	$8,855,000	$9,825,000
Total Expense Objects:	**$9,356,411**	**$9,325,877**	**$9,785,250**	**$10,754,700**

Revenue by Fund

Budgeted and Historical Revenue by Fund



As a self-funded program, health insurance revenues are generated through contributions from the participating funds noted as **Charges for Sales/Services**. The City pays approximately 70% of the premium cost. Approximately 30% of the full contributions are from **Employee Contributions**. For COBRA enrollees, 100% of the allocated premium expenses are paid by those persons and listed under **COBRA Contributions**.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
HEALTH INSURANCE FUND				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$73,957	$119,115	$80,000	$80,000
CITY CONTRIBUTIONS / CITY EMPLOYEES HEALTH-JD	$6,709,523	$6,600,277	$7,239,350	$8,327,730
CITY CONTRIBUTIONS / RETIREMENT HEALTH SAVINGS	$254,928	$254,743	$255,000	$255,000
PERSONNEL CONTRIBUTIONS / CITY EMPLOYEES HEALTH-JD	$2,327,313	$2,270,513	$2,319,950	$2,081,970
PERSONNEL CONTRIBUTIONS/COBRA PAYMENTS	$1,182			$0
REIMBURSED INSURED LOSS / STOP LOSS REFUNDS	$972,762	$37,188	$350,000	$350,000
REIMBURSED INSURED LOSS / PRESCRIPTION REFUNDS	$839,119	$1,112,412	$834,600	$834,600
MISCELLANEOUS / MISCELLANEOUS				$282,000
Total HEALTH INSURANCE FUND:	**$11,178,783**	**$10,394,247**	**$11,078,900**	**$12,211,300**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Benefits Manager	$69,639	$101,194

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
1	1	1	1	1

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Health Ins. FTE vs. Enrolled	750/602	750/610	760/610	760/610	760/610

Retirees Health Insurance

MISSION

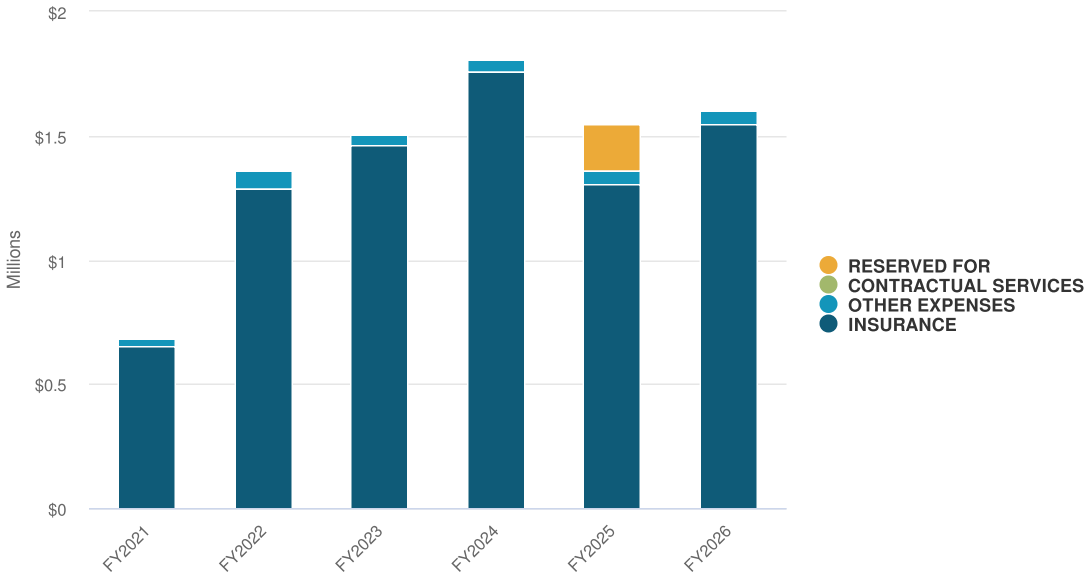
To provide an effective health insurance program for retirees.

KEY ISSUES

- Continued increases in the cost of providing health insurance.
- Retirees and dependents covered in this fund are eligible to utilize the Kingsport Employee Wellness clinic, providing an avenue by which claim costs can be lower than expected in the market. Since inception, retirees and their dependents utilize 5.5% of the available appointments at the clinic.

Expenditures by Expense Type

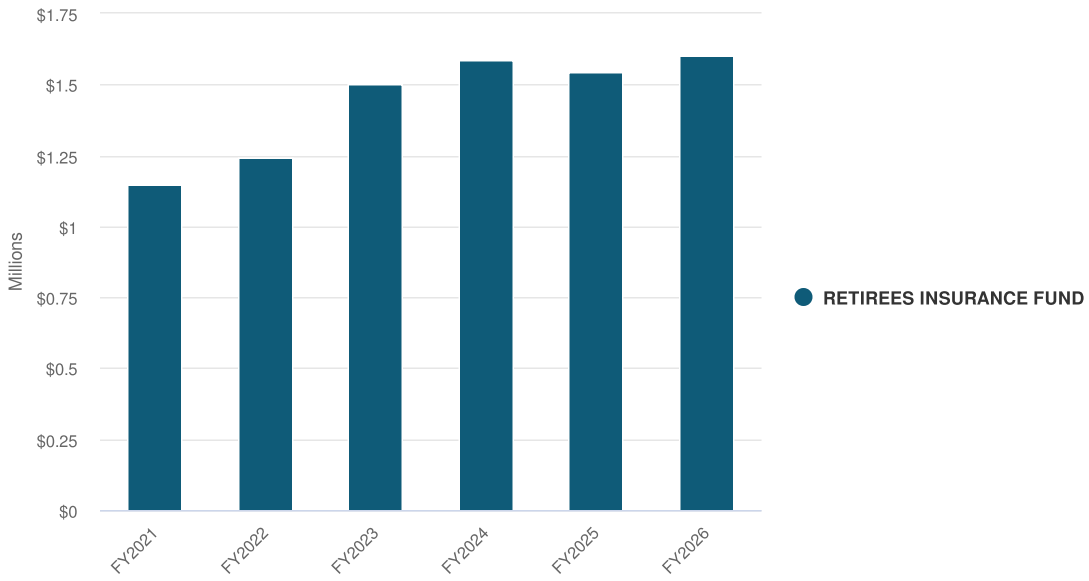
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$700	$709	$800	$1,000
OTHER EXPENSES	$44,019	$46,844	$55,000	$55,000
INSURANCE	$1,462,964	$1,759,318	$1,305,000	$1,544,900
RESERVED FOR	$0	$0	$185,000	$0
Total Expense Objects:	**$1,507,683**	**$1,806,870**	**$1,545,800**	**$1,600,900**

Revenue by Fund

Budgeted and Historical Revenue by Fund



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
RETIREES INSURANCE FUND				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS	$53,886	$89,097	$75,000	$75,000
CITY CONTRIBUTIONS / RETIREES HEALTH	$750,000	$750,000	$750,000	$750,000
PERSONNEL CONTRIBUTIONS / RETIREES	$504,922	$498,359	$530,000	$550,000
REIMBURSED INSURED LOSS / PRESCRIPTION REFUNDS	$190,114	$246,152	$190,800	$225,900
Total RETIREES INSURANCE FUND:	**$1,498,921**	**$1,583,608**	**$1,545,800**	**$1,600,900**

Capital/Grant Project Ordinance Funds

Capital/Grant Project Ordinances are approved for multi-year projects and/or grants that cannot be easily accounted for in the traditional 12-month fiscal year cycle. Projects assigned to "Parent Funds" are not part of the annual budget process; however, a reporting is made here to reflect the level of total budget activity occurring during the upcoming fiscal year.

Capital/Grant Project Ordinance Funds include the following funds:

- **Special Revenue-General Projects Fund** – accounts for direct federal grants, pass-through grants, etc.
- **Metropolitan Planning Office Fund –** accounts for federal grants from the Federal Highway Administration and Federal Transit Administration and State grant funds provided from federal funds granted to the State for support of local government MPO programs.
- **Urban Mass Transportation Administration Fund** – accounts for federal grants from the Federal Transit Administration and State grant funds provided from federal funds granted to the State from the FTA for support of local government transportation programs.
- **Community Development Block Grant Fund** – accounts for Community Development Block Grant entitlement grants received from the U.S. Department of Housing and Urban Development and special funds from the State for homeless shelter programs.
- **General Projects Fund** – accounts for multi-year projects originating in the General Fund.
- **Water Projects Fund** – accounts for multi-year capital projects originating in the Water Fund.
- **Sewer Projects Fund** – accounts for multi-year capital projects originating in the Sewer Fund.

Summary information may be found under the **Capital/Grant Project Ordinance Funds.**

Metropolitan Transportation Planning

Lesley Christian
MTPO Coordinator

MISSION

To develop plans and programs, as required through federal and state regulations, that support sustainable infrastructure, economic vitality, and safe transportation systems for the Kingsport Urban Area and Metropolitan Transportation Planning Organization (MTPO) member agencies.

SUMMARY

The Kingsport MTPO serves as the regional transportation planning and coordination agency for the Kingsport Urban Area. The Kingsport MTPO is a bi-state organization and includes the City of Kingsport, the Town of Mount Carmel, the City of Church Hill, the Town of Weber City (VA), the Town of Gate City (VA), and portions of Sullivan County, Hawkins County, Washington County, and Scott County (VA). The urban area is defined by the US Census Bureau. Federal law requires an MPO to be established for any urban area with a population over 50,000. The MTPO has an Executive Board, which is comprised of elected officials representing the various jurisdictions, and a Technical Coordinating Committee, which is comprised of officials of jurisdictions and agencies that are involved in transportation planning activities. The activities and funding for these activities are identified annually in the Unified Planning Work Program (UPWP) for the MTPO. The UPWP must be approved by the Tennessee Department of Transportation (TDOT), Virginia Department of Transportation (VDOT), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA), as well as adopted by the MTPO Executive Board. Included in the UPWP are tasks for the development and maintenance of the Long-Range Transportation Plan, the Transportation Improvement Program, and all other required documents and activities. All transportation projects in the MTPO area must be included in the Long-Range Transportation Plan in order to receive federal and state funding. The plan must cover a minimum twenty-year time frame and is updated every five years.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT AND RESPONSIVE GOVERNMENT

- Secure state and federal grants, including Multimodal Access, Transportation Alternatives, and Urban Transportation Planning grants to further projects like the Greenbelt, bikeways, streetscaping / pedestrian improvements, and other state and federally funded projects.
- Follow the MTPO's Public Participation Plan regarding public involvement activities.
- Respectfully provide accurate and timely information to citizens.
- Provide data and notices in an open and accessible format for staff, citizens, and city leadership.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Implement a multimodal transportation plan that addresses safety, helps improve traffic flow, improves access to residential areas, institutional sites, and business communities, and creates areas of opportunity for economic development, as measured by traffic counts and delays, safety records, and related economic development measurements.
- Initiate programs and projects found within the 2023-2026 Transportation Improvement Program (TIP) and make changes to the project listings as needed.
- Carry out recommendations found in the current Long-Range Transportation Plan, including highway and multimodal projects.
- Plan for the development of roads, bridges, sidewalks, trails, etc. with transit system patrons, pedestrians, and bicyclists' safety and comfort in mind.
- Assist in the initial development of specific projects, as identified in the Long-Range Transportation Plan and Transportation Improvement Program (TIP).
- Implement sustainable improvements to the transportation network that are compatible with land use and economic growth plans and strategies for the entire Kingsport metropolitan area (MTPO jurisdiction).
- Provide safe and effective access to all modes of transportation facilities and services for area citizens.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Develop a sustainable long-range transportation plan that is based on current and projected land use patterns and aligns with various community plans and the city's Capital and Strategic Plans. This plan should include methods for developing transportation facilities that improve safety, accessibility, and traffic flow while emphasizing economic development.
- Continue to focus on safety for the traveling public by emphasizing the development of safety-oriented improvements along streets, highways, trails, and sidewalks within the Kingsport metropolitan area.

Strategic Performance

- Develop and maintain all federal/state required documents for the Kingsport MTPO area, including the Long-Range Transportation Plan, Transportation Improvement Program, Unified Planning Work Program, Public Participation Plan, Title VI Plan, and the Annual Listing of Obligated Projects
- Develop and maintain other documents for the Kingsport MTPO area such as the Local Road Safety Plan, Bicycle/Pedestrian Plan, corridor studies/plans, etc.
- Collect and evaluate traffic data
- Conduct ongoing research and plans for congestion management projects
- Plan and institute transportation-related safety and security measures
- Plan, program, and implement area roadway projects
- Plan, program, and implement alternative (multimodal/bike-ped) transportation projects
- Support agencies affiliated with the MTPO planning area (specifically TDOT, VDOT, and Federal Highway Administration)

Basis of Budgeting

The MTPO Project Fund was created in FY05 and has continued since then in order to better track grant expenses and revenues, which are available to the city throughout multiple fiscal years. The annual apportionment of federal and state funds provided by TDOT and VDOT, is treated as a grant "project" and each year's program will be authorized as a separate grant project ordinance.

Revenue Sources Described

The MTPO receives operating funds from three sources: federal, state, and local. The primary source of operating funding is from the Federal Highway Administration (FHWA) in the form of PL funds.

Tennessee:
TDOT utilizes a Consolidated Planning Grant (CPG) to pass federal funds through to the MTPO. FTA Section 5303 funds are "flexed" to FHWA PL funds so that all funding is under one contract/grant (the CPG). These funds are passed through TDOT to the MTPO with a split of 80% federal, 5% state, and 15% local.

Virginia:
FHWA PL funds are also received from VDOT with a split of 80% federal, 10% state, and 10% local. Beginning in FY25, VDOT increased the base of FHWA PL funds to $75,000 (previously $50,000). The MTPO shares these funds with the LENOWISCO Planning District Commission (PDC). Historically, the PDC has received approximately 92% of these FHWA PL funds with the MTPO receiving 8%. Beginning in FY25, the MTPO receives 30% of the increased amount and the PDC will receive 70%. This increased the amount of FHWA PL funds the MTPO receives from VDOT significantly. In the past, the MTPO has received a small amount of FTA Section 5303 funds from the Virginia Department of Rail and Public Transportation (DRPT). Beginning in FY25, the MTPO opted out of receiving the FTA 5303 funds from Virginia. The MTPO opted out for a variety of reasons including: the urban area in Virginia was greatly reduced with the 2020 Decennial Census, we have very limited transit planning activities in the urban area of Virginia, the grant funds received were barely enough to cover administration of the grant program, and the increased PL funds from VDOT will more than offset the loss of FTA 5303 funds in Virginia.

The city's General Fund supports approximately 15% of the MTPO Fund (for operations).

The MTPO is also responsible for managing approximately $1,500,000 in Federal Highway Administration Surface Transportation Block Grant (STBG) funds provided by TDOT for the Tennessee portion of the Kingsport urban area each year for area roadway projects.

Budget Information

REVENUES	ACTUAL FY 23-24	ACTUAL FY 23-24	BUDGET FY 24-25	REQUEST FY 25-26	RECOMMEND FY 25-26	APPROVED FY 25-26
Federal FHWA - Va.	$28,722	$25,365	$25,365	$25,381	$25,381	$25,381
FTA Section 5303-TN	$20,613	$0	$0	$0	$0	$0
FTA Section 5303-VA	$9,579	$0	$0	$0	$0	$0
Federal FHWA – TN.	$148,895	$278,274	$295,666	$347,916	$347,916	$347,916
Dept of Transportation	$9,306	$17,392	$0	$21,745	$21,745	$21,745
Interest	$422	$0	$0	$0	$0	$0
General Fund	$146,535	$68,000	$54,994	$68,054	$68,054	$68,054
Total Department Revenue	**$364,072**	**$389,031**	**$376,025**	**$463,096**	**$463,096**	**$463,096**

EXPENDITURES	ACTUAL FY 23-24	ACTUAL FY 23-24	BUDGET FY 24-25	REQUEST FY 25-26	RECOMMEND FY 25-26	APPROVED FY 25-26
Personal Services	$216,308	$287,350	$287,350	$297,276	$297,276	$297,276
Contractual Services	$9,055	$81,175	$81,175	$158,225	$158,225	$158,225
Commodities	$1,844	$4,250	$4,250	$4,350	$4,350	$4,350
Insurance	$207	$250	$250	$245	$245	$245
Capital Outlay	$0	$16,006	$3,000	$3,000	$3,000	$3,000
Total Department Expenses	**$227,414**	**$389,031**	**$376,025**	**$463,096**	**$463,096**	**$463,096**
Total Excluding Personal Services	**$11,106**	**$101,681**	**$88,675**	**$165,820**	**$165,820**	**$165,820**
Personal Services as a % of Budget	**95%**	**74%**	**76%**	**64%**	**64%**	**64%**

MTPO Projects

MTPO PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
MPO ADMINISTRATION VA2024	MPOV24	7/1/2023	$5,008.00	$4,999.83	$4,998.69	$9.31
MPO ADMINISTRATION VA2025	MPOV25	7/1/2024	$28,183.00	$6,806.82	$6,620.71	$21,562.29
MPO ADMINISTRATION	MPO024	7/1/2023	$298,192.00	$272,457.43	$253,798.04	$44,393.96
MPO ADMINISTRATION	MPO025	7/1/2024	$384,516.00	$148,607.93	$98,914.57	$285,601.43
STREET RESURFACING	MPO23A	12/20/2022	$1,460,000.00	$60,658.26	$3,780.93	$1,456,219.07
STREET RESURFACING	MP025A	2/4/2025	$4,015,000.00	$803,000.00	$0.00	$4,015,000.00
TOTAL			$6,190,899.00	$1,296,530.27	$368,112.94	$5,822,786.06

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	MTPO Coordinator	$73,817	$107,266
1	1	MPO Assistant	$38,886	$56,506

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
2 (*1PT)	2	2	2	2

*includes part-time student intern position

Benchmarks

BENCHMARKS	KINGSPORT MTPO	JOHNSON CITY MTPO	BRISTOL MPO	JACKSON MPO	LAKEWAY MTPO
# of Jurisdictions	8	8	5	4	5
Bi-State	Yes	No	Yes	No	No
Urbanized Area Population (2020 Census)	98,411	128,519	70,638	72,809	66,539
Full Time Staff	2	2	1	1	1
Estimated Annual PL Fund Budget	$430,000 TN $28,125 VA PL	$505,000	$278,000 TN $56,000 VA PL	$367,000	$350,000

Urban Mass Transit

Chris Campbell
Public Transit Manager

MISSION

Taking People Places.

Kingsport Area Transit Service (KATS)

SUMMARY

The Kingsport Area Transit Service (KATS) provides essential public transit services that offer personal mobility and freedom. Over the past year, KATS celebrated the completion of our 3-year annual review in 23 compliance areas with no findings. This is a major achievement for an agency our size. KATS also introduced a new Uber-like van service called KATS Connect. It is for citizens 18 or older and the fare is $3. KATS also introduced an app that allows passengers to book trips and receive information about their upcoming travel. KATS added value to passengers by reducing the fare zone charges. This also helps simplify the system for users. Not all sectors of the public transit industry have fully recovered from the pandemic. Lingering effects such as a shortage of CDL drivers, supply chain issues affecting the availability of vehicles, and a hesitancy to utilize shared ride services effect services. Trip replacement services such as grocery delivery, meal delivery, free delivery offers, Doordash, and Uber have contributed to reduced ridership across the country. The lack of available CDL Drivers has forced service reductions from 6 to 4 routes and there is currently no lunch service. Another issue facing small public transit agencies is the availability of chassis from Ford/Chevrolet and the reduction of small businesses that provide essential components to produce vehicles. This causes delays in project delivery, increased maintenance costs of older vehicles, and service reliability issues. KATS continues to budget funds for vehicle replacement. However, the type of vehicle and size utilized in the future is anticipated to change because the products available to small transit agencies are limited and less customizable. KATS' goal is to successfully and safely complete trips while maintaining a high standard of reliability that customers can depend on. KATS anticipates replacing 6 buses in the FY 26 budget cycle.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Responds to citizen needs for transportation, Para-transit ADA services and route changes.
- Coordinate with local agencies to assist their clients with transportation services, particularly underserved to-work participants.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Provide bus transportation services as part of an effective multi-modal transportation system.

Strategic Performance

- Continue to replace and modernize fleet assets.
- Monitor and respond to transit service changes due to staffing/vehicles.
- Utilize proceeds from disposition of the old transit center and garage towards vehicle replacements.

Revenue Sources

The City's Transit Division receives funding from three sources, Federal, State, and Local. The major source of funding for transit is Federal Transit Administration's Section 5307 Grant Program. Through this grant, Transit receives three categories of funding, Capital, Planning, and Operating funding sources. Capital/Planning is generally funded at an 80% Federal, 10% State, and 10% local matching. Operating funds are funded at a 50% Federal, 25% State, and 25% Local matching.

City Transit is eligible for additional Capital/Operating assistance through the Tennessee Department of Transportation. TDOT applies for a Federal Transit Administration 5339 Capital block grant for capital assistance. TDOT awards allocations of this grant to local transit agencies across the State of Tennessee to help support capital needs. The matching to obtain these funds is typically Federal 80%, State 10%, local 10%. State UROP funds are provided to fund operating and capital expenses. UROP funds are currently matched at 80% State and 20% Local for the first total $500,000 of expenses then it changes to 50% State and 50% Local for the remainder of the contract.

Budget Information

FY2025-2026 GRANT			
OPERATING		**OPERATING**	
REVENUES:		**EXPENSES**	
Fare box	61,000	Personal	1,444,300
RCAT		Contractual	348,000
FTA	891,600	Commodities	46,000
State	640,995	Insurance	6,900
General Fund	307,350		
Subtotal	**$1,845,200**		**$1,845,200**
CAPITAL		**CAPITAL**	
REVENUES:		**EXPENSES**	
Federal	280,700	Vehicle Purchases	142,000
State	30,650	Vehicle Preventive Maintenance	200,000
General Fund	30,650		
Subtotal	**$342,000**		**$342,000**
Total	**$2,187,200**		**$2,187,200**

EXPENDITURES	ACTUAL	ACTUAL	BUDGET	REQUEST	RECOMMEND	APPROVED
	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 25-26	FY 25-26
Personal Services	$1,548,170	$1,276,700	$1,477,800	$1,406,100	$1,406,100	$1,406,100
Contractual Services	$555,700	$555,700	$545,700	$533,700	$533,700	$533,700
Commodities	$43,900	$43,900	$43,900	$48,000	$48,000	$48,000
Insurance	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600
Capital Outlay	$460,000	$183,307	$675,000	$755,000	$755,000	$755,000
Total Department Expenses	**$2,615,370**	**$2,067,207**	**$2,750,000**	**$2,750,400**	**$2,750,400**	**$2,750,400**
Total Excluding Personal Services	**$1,067,200**	**$790,507**	**$1,272,200**	**$1,344,300**	**$1,344,300**	**$1,344,300**
Personnel Expense as a % of Budget	**59%**	**62%**	**54%**	**51%**	**51%**	**51%**

Transit Projects

URBAN MASS TRASIT PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
URBAN MASS TRAN ASST TN22	UMS822	7/1/2021	$60,000.00	$32,912.85	$28,356.18	$31,643.82
URBAN MASS TRAN ASST TN23	UMS823	7/1/2022	$60,000.00	$9,000.00	$0.00	$60,000.00
URBAN MASS TRAN ASST TN24	UMS824	7/1/2023	$61,148.00	$9,171.00	$0.00	$61,148.00
URBAN MASS TRAN ASST VA23	UMV823	7/1/2022	$5,348.00	$5,328.00	$5,326.60	$21.40
URBAN MASS TRAN ASST VA24	UMV824	7/1/2023	$5,348.00	$5,320.93	$5,317.71	$30.29
TOTAL			**$191,844.00**	**$61,732.78**	**$39,000.49**	**$152,843.51**

FEDERAL TRANSIT PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
TRANSIT CARES	FTA022	4/1/2020	$5,260,515.00	$5,131,863.74	$5,267,056.29	($6,541.29)
FY19 Operating Grant	FTA023	6/30/2019	$2,315,932.00	$2,165,748.01	$2,249,470.10	$66,461.90
FY22 OPERATIONS GRANT	FTA024	2/1/2022	$0.00	$0.00	$0.00	$0.00
FY24 OPERATIONS GRANT	FTA025	1/1/2023	$864,750.00	$915,201.14	$926,613.95	($61,863.95)
TRANSIT ARP	FTA026	7/1/2024	$496,995.00	$331,733.46	$469,633.35	$27,361.65
SECTION 5339 CAPITAL GRAN	FTA027	2/29/2024	$332,100.00	$25,693.75	$332,100.00	$0.00
VEHICLE REPLACEMENT	FTA028	7/1/2024	$740,758.00	$71,025.00	$318,539.00	$422,219.00
TRAN MINI BUSES & VANS	FTA029	9/30/2016	$563,631.00	$423,134.71	$563,594.98	$36.02
FY25 ADA/PARATRANSIT	FTA030	10/1/2024	$782,000.00	$156,400.00	$0.00	$782,000.00
SECT 5339 CAPITAL GRANT	FTA033	12/31/2019	$471,482.00	$175,099.00	$356,472.84	$115,009.16
SECT 5339 CAPITAL GRANT B	FTA034	6/1/2021	$123,551.00	$12,355.00	$123,550.00	$1.00
5307 OPERATIONS/CAPITAL	FTA038	9/16/2024	$2,111,600.00	$380,283.05	$430,045.04	$1,681,554.96
TOTAL			**$14,063,314.00**	**$9,788,536.86**	**$11,037,075.55**	**$3,026,238.45**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Public Transit Manager	$82,941	$120,525
1	1	Transit Superintendent	$61,979	$90,063
2	2	Transit Planner III	$61,979	$90,063
1	1	Transit Foreman	$55,161	$80,156
4	4	Assistant Scheduler & Dispatcher/Driver	$38,886	$56,506
14	14	Bus/Van Driver	$36,685	$53,308
1	1	Bus/Van Driver (PT)	$16,932	$24,604
1	1	Transit Maintenance Worker I	$34,608	$50,290
1	1	Transit Administrative Assistant II	$36,685	$53,308

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
25 (1 PT)	25 (1 PT)	25 (1 PT)	25 (1 PT)	25 (1 PT)

Benchmarks

BENCHMARK/ 2023 Annual Agency Bus Service

Agencies Name	Square Miles	Pop.	Buses Oper.	Oper. Expense VRM	Oper. Expense VRH	Oper. Expense-Per passenger trip	Trips Per Veh. Revenue Hour
Kingsport, TN	54	55,582	7	6.01	89.34	12.84	7.0
Jackson, TN	48	72,809	11	5.62	88.72	9.62	9.2
Johnson City, TN	44	71,046	13	5.46	77.32	6.47	12.0
Bristol, TN	33	27,235	3	5.18	72.90	16.32	4.5
Danville, VA	25	48,411	6	6.09	102.63	8.20	12.5

Community Development

Michael Price
Housing & Community Development Coordinator

MISSION

To improve the quality of life for low and moderate-income citizens, eliminate blight and improve the housing stock in compliance with the Consolidated Plan for Housing and Community Development approved May, 2020.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Funding to public service agencies (CAC, CASA of Sullivan County, 2nd Harvest Food Bank, South Central Kingsport to enhance the lives of underprivileged children through literacy and advocacy.
- Improve housing through substantial rehabilitation of substandard structures.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- Public facility improvements in CNI Study Area.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Removal of lead-based paint hazards from housing.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- Provide support to the KHRA CNI Program, including staff liaison with KHRA and HUD.
- Funds are provided to South Central Kingsport Community Development Corporation for operation of the Riverview Employment Outreach and Weed & Seed programs.

Summary

During calendar year 2024-2025, Community Development continued the process of identifying projects which had been physically completed and contained a remaining balance. Projects were identified; the remaining balances were either consolidated or “rolled into” other projects, eliminating specific projects which were scheduled to be closed at the end of the fiscal year. This process results in more efficient and effective management of the Community Development program, for both the Community Development staff and the Finance Department's Accounting staff.

In cooperation with First Broad Street UMC, Holston Habitat for Humanity and The Tennessee Area Agency on Aging and Disability, Community Development continued the Kingsport Alliance for Housing Revitalization (KAHR) program. The program completes emergency and minor repairs to deteriorating, low and moderate income housing. Grant funds are used to purchase materials. Community Development anticipates addressing over 10 owner-occupied houses and over 10 for FY 2025-2026. Increased material and labor expenses are a direct variable in the number of projects completed each year.

Additionally, $67,608.90 was allocated to local nonprofits for community enrichment projects.

AGENCY	ALLOCATION	EXPENSED
United Way	$25,000.00	$11,660.36
CASA	$5,000.00	$1,944.96
Holston Terrace	$3,000.00	$0.00
CAC	$6,660.91	$1,665.00
Second Harvest Food Bank	$10,000.00	$10,000.00
Friends In Need	$14,947.99	$14,947.99
KHRA Family Self Sufficiency	$3,000.00	$1,377.92

Proposed FY 2026 Project Budget

For the Utilization of $450,726 in CDBG Revenues:

		FY 25	FY 26
Public Facilities			
	HOPE VI Project	$70,000	$70,000
Housing			
	KAHR Program	$162,142	$172,971.90
	Demolition	$0	$0
Public Services			
	Community Enrichment	$65,110	$67,608.90
Code Enforcement	Code Enforcement	$50,000	$50,000
Administration	Administration	$86,812	$90,145.20
	Total	**$434,064**	**$450,726**

CDBG Projects

The City of Kingsport is an entitlement city and its CDBG Program is 100% federally funded. Funding for FY 26 is based on the Federal fiscal year. The CDBG budget is not part of the annual budget; however, it is set up in a special grant project ordinance annually.

COMMUNITY DEVELOPMENT PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
CODE ENFORCEMENT	CD2125	7/1/2020	$91,080.00	$87,873.00	$91,080.00	$0.00
CODE ENFORCEMENT	CD2225	7/1/2021	$50,000.00	$50,000.00	$50,000.00	$0.00
CDBG ADMINISTRATION	CD2301	7/1/2022	$58,101.00	$58,101.00	$58,101.00	$0.00
KAHR PROGRAM	CD2304	7/1/2022	$175,000.00	$175,000.00	$175,000.00	$0.00
CODE ENFORCEMENT	CD2325	7/1/2022	$50,000.00	$11,475.97	$17,372.82	$32,627.18
HOPE VI - SECTION 8	CD2335	7/1/2022	$70,000.00	$70,000.00	$70,000.00	$0.00
CDBG ADMINISTRATION	CD2401	6/20/2023	$86,812.00	$29,527.75	$38,506.58	$48,305.42
KAHR PROGRAM	CD2404	6/20/2023	$162,142.00	$146,643.70	$157,046.46	$5,095.54
COMMUNITY ENRICHMENT	CD2405	6/20/2023	$65,110.00	$64,901.12	$68,746.12	($3,636.12)
HOME ARP GRANT	CD2406	7/1/2023	$220,000.00	$203,089.09	$201,695.59	$18,304.41
CODE ENFORCEMENT	CD2425	6/20/2023	$50,000.00	$0.00	$0.00	$50,000.00
HOPE VI - SECTION 108	CD2435	6/20/2023	$70,000.00	$36,797.67	$42,267.97	$27,732.03
CDBG ADMINISTRATION	CD2501	7/1/2024	$86,812.00	$0.00	$34.98	$86,777.02
KAHR PROGRAM	CD2504	7/1/2024	$162,142.00	$0.00	$100,000.00	$62,142.00
COMMUNITY ENRICHMENT	CD2505	7/1/2024	$65,110.00	$41,596.23	$64,608.90	$501.10
EMERGENCY SOLUTIONS GRANT	CD2517	10/1/2024	$196,198.00	$90,756.01	$73,018.16	$123,179.84
CODE ENFORCEMENT	CD2525	7/1/2024	$50,000.00	$0.00	$0.00	$50,000.00
HOPE VI SECTION 108	CD2535	7/1/2024	$70,000.00	$0.00	$0.00	$70,000.00
TOTAL			**$1,778,507.00**	**$1,065,761.54**	**$1,207,478.58**	**$571,028.42**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Housing & Community Development Coordinator	$61,979	$90,063
1	1	Homeless Outreach Liaison	$54,843	$79,694

**Homeless Outreach Liaison position was added in FY 2025.*

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
1	1	2	2	2

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

LAW ENFORCEMENT FUNDS

- **Criminal Forfeiture Fund** – **126** – accounts for seized property and money awarded through the courts resulting from law enforcement actions against all illegal activities except seizures resulting from illegal drug enforcement. Additionally, this fund accounts for funds received from the US Department of Justice under the Equitable Sharing of Federally Forfeited Property program.

- **Drug Fund - 127** – accounts for revenues received from fines and property confiscated from individuals involved in illegal drug activities and grant funds. These funds are earmarked for drug enforcement activities in compliance with state laws and regulations.

PUBLIC SCHOOL FUNDS

- **General Purpose School Fund -141** – accounts for the administration, instructional, operational and capital costs of the City-operated schools, except for the food service program and specific academic programs.

- **School Public Law 93-380 Fund – 142** – accounts for federal grants used for instruction and other educational purposes.

- **Special School Projects Fund - 145** – accounts for federal and state grants used for instruction and other educational purposes.

- **School Food and Nutrition Services - 147** – accounts for the administration, operations and capital costs of providing food services to students and faculty.

OTHER FUNDS

- **State Street Aid Fund - 121** – accounts for shared revenues derived from state gasoline taxes.

- **Regional Sales Tax Revenue Fund - 130** – accounts for the proceeds from a $0.0025 local sales tax previously approved by local referendum. These funds are earmarked for the retirement of debt issued to fund construction of the Meadowview Conference Resort and Convention Center and to support the operations of the facility.

- **Visitor's Enhancement Fund – 135 –** accounts for twenty-five percent of the revenues from the hotel/motel tax to support tourism.

- **The Library Governing Board Fund – 137 –** accounts for the administration and operations of the Kingsport Public Library and the Library archives. Due to new state laws regarding board governance, accounting for the library has moved from the General Fund to its own Special Revenue account to better track Maintenance of Effort.

Summary information may be found under the **Special Revenue Funds Summary**.

State Street Aid

Michael Thompson
Public Works Director

MISSION

Serving our Community, Building for the Future by providing a safe and well-maintained transportation system.

BUDGET INFORMATION

Almost 70% of the State Street Aid Fund provides for street lighting and traffic signals. The balance provides for street resurfacing, traffic engineering supplies, street maintenance supplies, etc. Since state funding is not sufficient to provide these services, a significant contribution from the City's General Fund is required on an annual basis.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- We value a strong commitment to customer service in all aspects of municipal operations.
- We value strong, conservative management of public funds. We value maximizing the use of our limited resources in addressing the various needs of the city.

STRATEGIC FOCUS AREA #2: SUSTAINABLE INFRASTRUCTURE

- We value a safe, dependable and well-maintained infrastructure and facilities that meets the current and future needs of our customers.

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

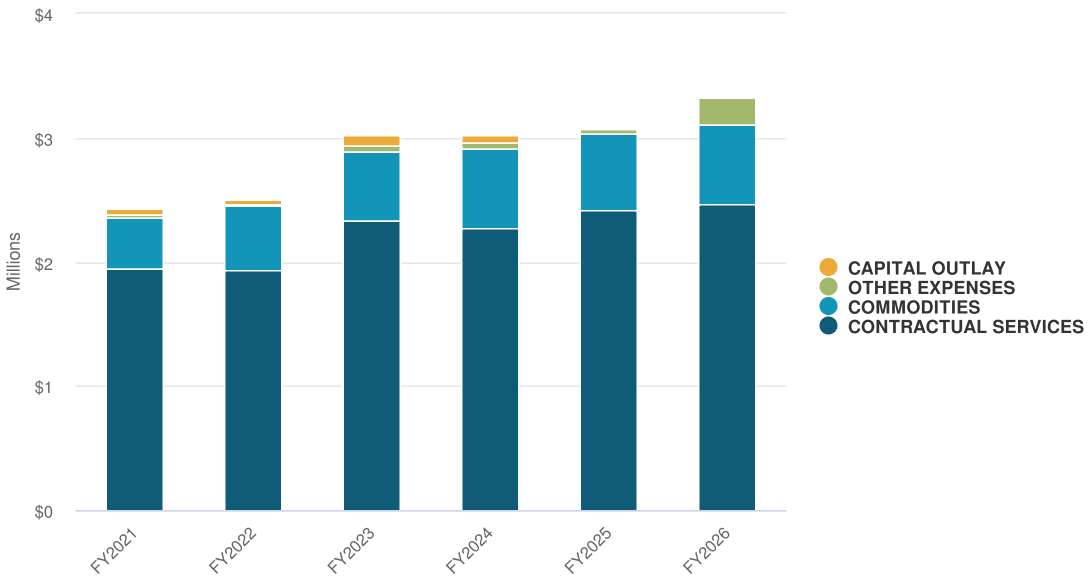
- We value quality…also including development that is aesthetically pleasing and environmentally sensitive.

STRATEGIC FOCUS AREA #6: STRONG & VIBRANT NEIGHBORHOODS

- We value a well-planned community that incorporates aesthetic urban design in its infrastructure and facilities.

Expenditures by Expense Type

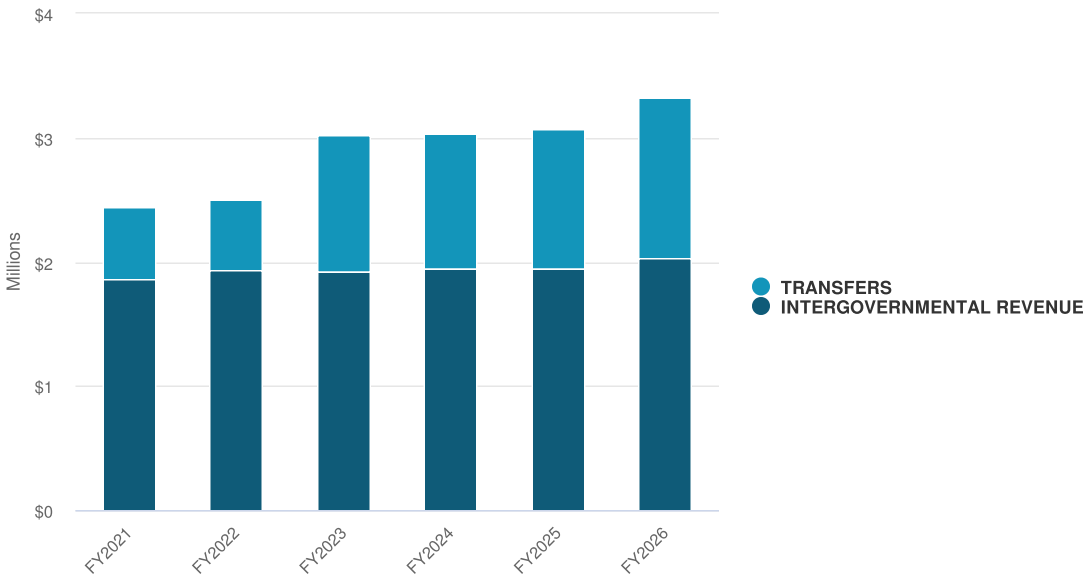
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
CONTRACTUAL SERVICES	$2,328,777	$2,269,932	$2,420,000	$2,470,000
COMMODITIES	$557,992	$637,376	$616,700	$640,900
OTHER EXPENSES	$44,938	$55,303	$30,000	$215,000
CAPITAL OUTLAY	$85,621	$64,364	$0	$0
Total Expense Objects:	**$3,017,327**	**$3,026,974**	**$3,066,700**	**$3,325,900**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

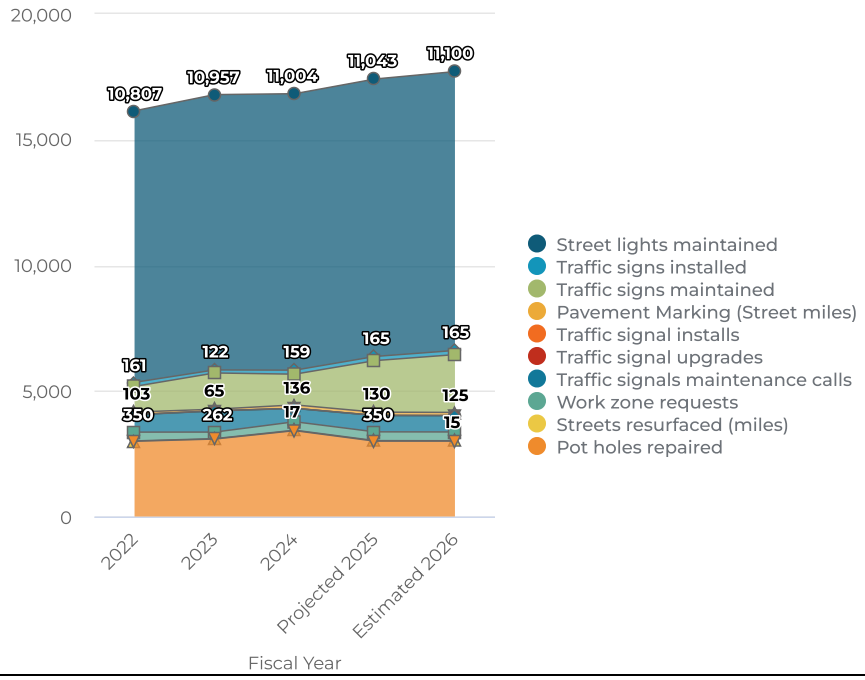


MAJOR REVENUES

State of Tennessee revenues are provided to the City from the state gasoline tax. Revenue growth has been small on an annual basis. State shared taxes do not appear threatened this fiscal year.

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
INTERGOVERNMENTAL REVENUE				
OTHER STATE / TRANSPORATION MODERNIZATI		$10,266.87	$0.00	$23,200.00
GASOLINE & MOTOR FUEL TAX / GASOLINE & MOTOR FUEL TAX	$1,926,023.97	$1,938,957.04	$1,940,450.00	$2,007,000.00
Total INTERGOVERNMENTAL REVENUE:	**$1,926,023.97**	**$1,949,223.91**	**$1,940,450.00**	**$2,030,200.00**
TRANSFERS				
FROM GENERAL FUND / FROM GENERAL FUND	$1,091,303.48	$1,088,974.44	$1,126,250.00	$1,295,700.00
Total TRANSFERS:	**$1,091,303.48**	**$1,088,974.44**	**$1,126,250.00**	**$1,295,700.00**
Total Revenue Source:	**$3,017,327.45**	**$3,038,198.35**	**$3,066,700.00**	**$3,325,900.00**

Performance Measures



PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Street lights maintained	10,807	10,957	11,004	11,043	11,100
Traffic signs installed	161	122	159	165	165
Traffic signs maintained*	1020	1442	1222	2050	2300
Pavement marking (Street miles)	103	65	136	130	125
Traffic signals install/upgrade**	0/7	1/4	0/5	1/3	1/2
Traffic signals maintenance calls	690	841	530	650	650
Work zone requests	350	262	337	350	350
Streets resurfaced (miles)	13.99	13.5	16.65	20	15
Potholes repaired	2,994	3,084	3,418	3,000	3,000

**Difference from year to year is due to the size of each sign area maintained being different.*
***2024-2025 signal staff will upgrade Hi-Mast lighting to LED fixtures.*

Kingsport Public Library

Stephanie Griffin
Interim Library Manager

MISSION

To help residents reach their full potential and further lifelong learning and community in a welcoming setting.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- The library is open 61 service hours to the public.
- 122,078 library visits were recorded.
- Staff answered 26,026 reference questions from the public.
- 329,666 items were circulated to the public. That number includes physical and electronic materials.
- Services include:
  - Physical books, audiobooks, DVDs, electronics and a variety of other items in our Library of Things.
  - Digital circulating items include ebooks, e-audiobooks, e-magazines and streaming movies.
  - Locally provides 3 databases in addition to the numerous databases available through the Tennessee Electronic Library (TEL).
  - Office-based services include copying, printing and faxing (these are fee-based services).
  - Public Access Computers (PAC) with internet service and basic programs.
  - Test proctoring services by appointment. This includes the TN Boating test.
- Digital services and databases are available online 24/7/365. (Some services require a library card for access)
- Promotion of library programs and events to the public through print and electronic media, library website, and social media accounts. Staff promote upcoming events through verbal and print communication in-house.
- Programs are offered year-round for all ages, on library premises and off-site (outreach).
  - Total children's programs (0-11 years old) offered: 312 with a total attendance of 6,337
  - In total, young adult programs (12–17 years old) offered 64 programs with a total attendance of 927.
  - In total, adult programs (18 and up) offered 109 programs with a total attendance of 1,169.
  - The total of general interest was 109 with a total attendance of 5,785.
- Every year the library looks to partner with the schools and other agencies in Kingsport.
- The Friends of the Kingsport Library work with the Kingsport Library to help with volunteers and to raise funds to help support programs.
- All staff complete at least 10 hours of professional development related to the library services and operations.
- The onboarding process continues to be updated and streamlined to ensure consistent training and competency.
- Staff training on a variety of topics related to library services and operations are offered throughout the year.
- Reviewing and revamping rules/regulations and procedures to facilitate a smooth-running operation.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- The library serves as a cultural and educational center within the City of Kingsport, hosting a variety of events and programs.
- The library provides opportunities to enjoy a variety of activities, from music to arts and crafts.
- Provides rooms for community members to reserve at the library (Auditorium, media room, and meeting room)
- The library has a scanner, button maker, animation station and other technology that is available for use in the library.
- Provide a variety of digital resources that can be accessed from anywhere, anytime, including Libby and Hoopla
- Maintaining three-story walks in city parks in partnership with the Parks and Recreation Department. The three-story walks are regularly updated to provide opportunities for families to engage in literacy and movement together.
- The Tennessee Electronic Library has a large selection of databases that are accessible 24/7 by Tennessee residents.

STRATEGIC FOCUS AREA #4: SAFE & WELCOMING COMMUNITY

- Library services and programs help people save money:
  - Purchase materials that are loaned out to the public providing access to information and entertainment. Saving an individual's out-of-pocket expenses ranging from $5 - $30 per item checked out. Price varies by type of material loaned.
  - Library of Things. These materials are saved in a variety of ways and are difficult to determine cost savings for an individual as items can be as low at $5 up to over $100.
  - Availability of public meeting spaces to be reserved for free, saving an individual's out-of-pocket expenses from $50 - $100 per use depending on the size of the space.
  - Adult programs / classes on a variety of topics and individuals could save between $25 - $50 per program or class attended.
  - Children's programs save about $6 per program.
  - Reference questions save an individual about $15 per question.
  - *Resource: Values for Library Use Value Calculator (https://www.ilsos.gov/departments/library/public/valuecalc_costs.html)*
- The library offers a wide range of services at little or no cost to the library user.
  - Public access computers (no fee for use)
  - One-on-one technology training ranging from basics to how to utilize software.

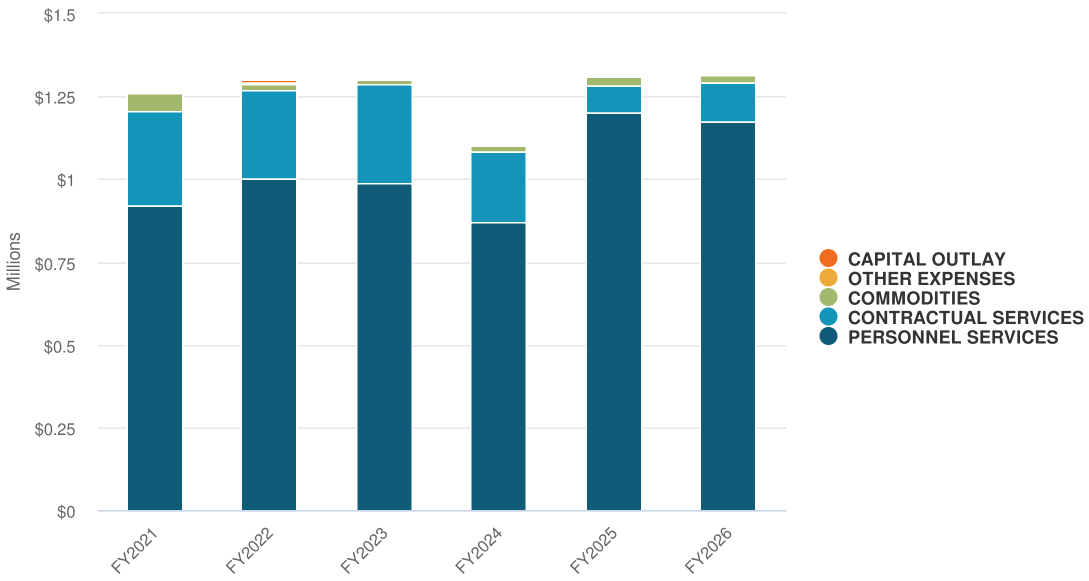
    - Basic research on reference questions which can cover a wide range of topics, from government information resources to consumer health information. (no fee for use)
    - Genealogy and local history questions (no fee for use)
    - Wi-Fi access during service hours inside the building. (no fee for use)
    - Ability to copy, print and fax (nominal fee charged for service)
- Dedicated Children's program
    - Promote literacy from an early age (story time for ages 0 - 4)
    - Offering a wide range of books that will engage young readers from the enthusiastic to the reluctant reader.
- Sustainability. Making the most out of partnerships.
    - Partnering with schools and local agencies to combine resources for greater reach and expand opportunities.
    - A well-trained staff to provide reliable and relevant answers to reference questions and suggestions for next reads.
    - The ability to partner with other agencies to promote a variety of literacies that are relevant at different stages of a person's life (legal, cyber, financial and consumer health are just a few).

STRATEGIC FOCUS AREA #5: THRIVING LOCAL ECONOMY

- Research opportunities, local history and genealogy, that attract people to Kingsport.
- Support and participate in community events, city parades and Fun Fest which draw people from a greater area into the city.
- Access to library resources can lead to significant cost savings for individuals and families.
- The library empowers individuals to:
    - Enhance their skills - (support from public access computers, Wi-Fi and mobile hot spot access to access online educational opportunities).
    - Pursuing educational opportunities - (online resources, computers, Wi-Fi and hotspots)
    - Improve their economic prospects through online classes, resources and internet access at the library)
- Support small businesses with our specialized collection and online information.
- Support jobseekers and students with
    - Job and Career information collection and online information.
    - Assisting them with applying for jobs online and providing resume assistance.

Expenditures by Expense Type

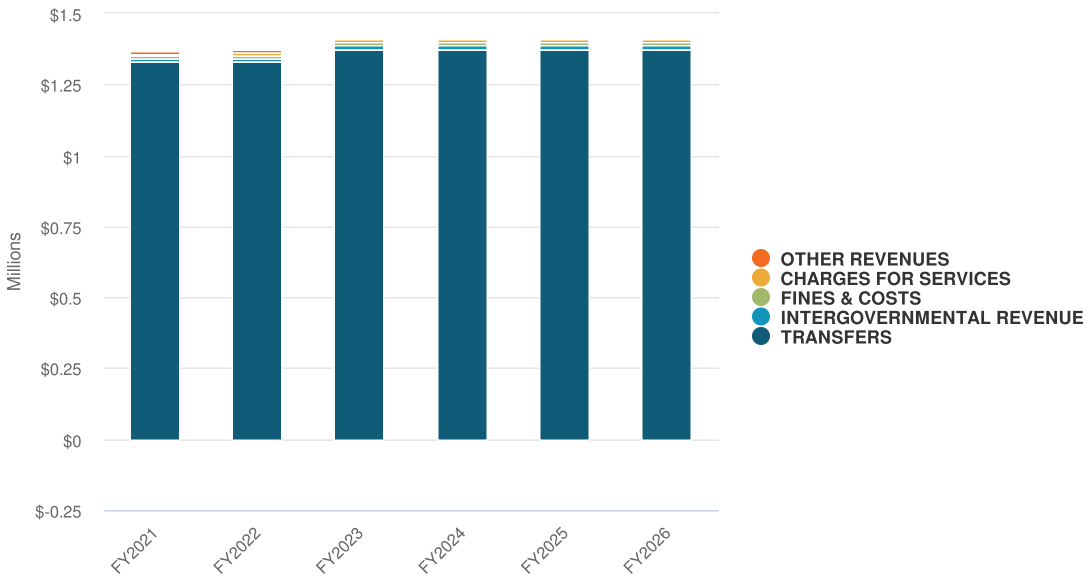
Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$986,216	$870,840	$1,199,200	$1,174,600
CONTRACTUAL SERVICES	$298,845	$212,998	$85,100	$114,700
COMMODITIES	$13,302	$18,816	$24,700	$24,700
OTHER EXPENSES	$3,649	$3,677	$3,700	$3,700
Total Expense Objects:	**$1,302,012**	**$1,106,331**	**$1,312,700**	**$1,317,700**

Revenues by Source

Budgeted and Historical 2026 Revenues by Source



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Revenue Source				
INTERGOVERNMENTAL REVENUE				
CONTRIBUTION LIBRARY / CONTRIBUTION LIBRARY	$15,000	$15,000	$15,000	$15,000
Total INTERGOVERNMENTAL REVENUE:	**$15,000**	**$15,000**	**$15,000**	**$15,000**
CHARGES FOR SERVICES				
LIBRARY RECEIPTS / LIBRARY FEES	$223	$329	$300	$300
LIBRARY RECEIPTS / BOOK SALES	$219	$256	$200	$200
LIBRARY RECEIPTS / COPIER REVENUE	$7,887	$8,771	$8,200	$8,200
Total CHARGES FOR SERVICES:	**$8,329**	**$9,355**	**$8,700**	**$8,700**
FINES & COSTS				
OVERDUE BOOK FINES / OVERDUE BOOK FINES	$10,694	$9,436	$9,700	$9,700
Total FINES & COSTS:	**$10,694**	**$9,436**	**$9,700**	**$9,700**
OTHER REVENUES				
EARNINGS ON INVESTMENTS / EARNINGS ON INVESTMENTS		$428	$0	$0
FROM NON-PROFIT GROUPS / FROM NON-PROFIT GROUPS	-$3,332	$0	$0	$0
MISCELLANEOUS / MISCELLANEOUS	$13	$8	$0	$0
Total OTHER REVENUES:	**-$3,319**	**$436**	**$0**	**$0**
TRANSFERS				
FROM GENERAL FUND / FROM GENERAL FUND	$1,375,000	$1,375,000	$1,375,000	$1,375,000
Total TRANSFERS:	**$1,375,000**	**$1,375,000**	**$1,375,000**	**$1,375,000**

Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Total Revenue Source:	$1,405,704	$1,409,228	$1,408,400	$1,408,400

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Library Manager	$73,817	$107,266
1	1	Assistant Library Manager	$58,470	$84,965
4	4	Senior Librarian	$52,038	$75,618
4	4	Librarian	$49,093	$71,338
1	1	Librarian (PT)	$36,206	$52,612
4	4	Library Assistant	$30,801	$44,759
5	5	Library Assistant (PT)	$22,716	$33,010
1	1	Library Administrative Assistant II	$34,608	$50,290

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
16 (6 PT)	14 (7 PT)	15 (6 PT)	15 (6 PT)	15 (6 PT)

Performance Measures

PERFORMANCE MEASURES	Actual FY 21-22	Actual FY 22-23	Actual FY 23-24	Projected FY 24-25*	Estimated FY 25-26**
LIBRARY GUEST ASSISTANCE					
Library Visits	98,140	114,526	122,078	120,000	120,000
Reference Requests	12,998	27,759	26,028	26,500	26,500
PROGRAMMING					
Total Programs Offered	387	556	594	565	575
Total Program Attendance	8,148	15,410	14,555	14,250	14,500
Summer Reading Programs Offered (0-17)	81	86	86	80	85
Summer Reading Programs Offered (Adult & General Interest)	30	96	46	50	55
Summer Reading Total Attendance (all ages)	5,184	6,744	6,195	6,250	6,500
ANNUAL CIRCULATION					
Total circulation (all ages, all types of materials)	307,528	329,066	329,266	329,300	329,000
Total Physical Items	N/A	N/A	263,144	263,500	260,000
Total Electronic downloads- eBooks/audio/magazines/movies	N/A	N/A	166,152	166,500	166,750
RESOURCE SHARING / Inter-library Loans					
ILL / Loaned to other libraries	6,197	4,072	4,210	N/A	N/A
ILL / Borrowed from other libraries	9,853	4,654	5,778	5,800	6,000

* Preparing for the renovation and the Library's move to the Mall location, the following is anticipated:

1. An increase in reference questions on how to use online resources
2. A slight drop in programming due to the library being closed for the move from primary location to the Mall, anticipates returning to normal programming offerings once at the Mall location

** The library will be located at the Mall while renovations are being done to the main location.

Due to the space in the Mall for physical collections, anticipate:

1. Physical circulation of materials decreases slightly but will recover as library users shift to using the Mall location
2. Electronic downloads to increase
3. ILL requests to increase.

Benchmarking

STATISTICS	KINGSPORT	JOHNSON CITY	BRISTOL
Total budget	$1,424,872	$2,287,751	$2,227,157
Salary/benefits budget	$1,110,500	$1,697,024	$1,397,636
Materials budget	$166,253	$164,803	$149,367
Full-time equivalent	21.43	32.8	28.95
Library Visits	122,078	133,267	134,382
Circulation	329,666	704,661	281,239
Reference Questions	27,759	17,985	14,331
Public Access Computer Usage	14,266	15,628	13,409

Statistical Data from 2023 Tennessee Public Library Statistics

Library Archives

MISSION

The Archives of the City of Kingsport preserves for consultation and study the documentary heritage of the City of Kingsport, Tennessee.

Strategic Plan Implementation

STRATEGIC FOCUS AREA #1: EFFICIENT & RESPONSIVE GOVERNMENT

- Provide information and research services in person, by phone and by email about archival collections centering around the history of Kingsport.
- Archives online presence
  - Implement a new archives website
  - Continue digitization process to provide remote 24/7 access to archival collections through the new website
- Promote the Archives at least weekly through all social media sites (Facebook, Instagram, Pinterest).
- Continue to develop a strong working relationship with various city departments, civic organizations and citizens of Kingsport.
- Provide archival reference research for individuals, local businesses and organizations.
- Provide support to the library for reference services in general and local history specifically.
- Focused on community outreach through traveling exhibits, displays in the library, events, presentations and programs.
- Friends of the Archives is an independent organization that brings attention to the Archives through sponsoring lectures in the community, promoting and supporting Archive events, collections and programs.
- Staff complete at least 10 hours of professional development related to archives, and library services, and operations.
- Attend workshops, webinars, and seminars for professional growth and development.

STRATEGIC FOCUS AREA #3: EXCEPTIONAL CULTURAL & RECREATIONAL OPPORTUNITIES

- Develop, maintain, preserve, and manage a collection of photos, documents and artifacts pertaining to the history of Kingsport for use by the public.
- Seek out personal stories and accounts of the history of Kingsport, actively collecting today's stories for tomorrow.
- Create displays using archive materials to highlight the history of Kingsport.
- Seek opportunities to develop new traveling exhibits for schools and organizations.
- Each year the Archives sponsors the 'Rediscover Kingsport Scavenger Hunt' Fun Fest event. This event is a lot of fun for all ages.

STRATEGIC FOCUS AREA #7: WORLD CLASS EDUCATION

- Provided tours to a variety of groups for them to
  - Focus is on an understanding of the Archives and their holdings.
  - Educate citizens on the importance of archives and local history.
- Provide presentations and touring exhibits on topics relating to the history of Kingsport and surrounding areas
- Work with the library to find opportunities to display photos or exhibits for the public to have a better knowledge of the community they live in.
- Find ways to interact with the community and build partnerships that promote the history of our area.
- The Friends of the Archives promotes the history of our area through various lectures throughout the year.

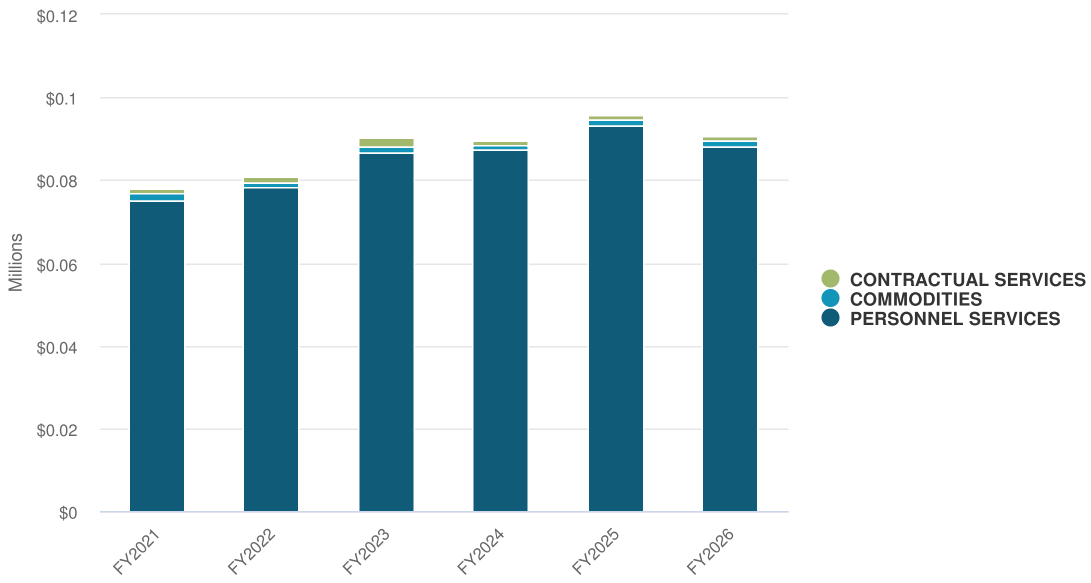
Strategic Performance

- Awarded a Society of American Archivists Foundation Travel Award.

- Completed moving of the archives to its new location at City Hall, including unpacking, arranging, and organizing the collections.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2023 YTD Actual	FY2024 YTD Actual	FY2025 Original Budget	FY2026 Budgeted
Expense Objects				
PERSONNEL SERVICES	$86,781	$87,236	$93,000	$88,000
CONTRACTUAL SERVICES	$2,193	$945	$1,200	$1,200
COMMODITIES	$1,220	$1,287	$1,500	$1,500
Total Expense Objects:	**$90,194**	**$89,467**	**$95,700**	**$90,700**

Personnel

AUTHORIZED POSITIONS

FY 24-25	FY 25-26	CLASSIFICATION	MINIMUM	MAXIMUM
1	1	Library Archivist	$46,314	$67,300

HISTORY OF BUDGETED POSITIONS

FY 22-23	FY 23-24	FY 24-25	FY 25-26 REQUESTED	FY 25-26 APPROVED
1	1	1	1	1

Performance Measures

PERFORMANCE MEASURES	ACTUAL FY 21-22	ACTUAL FY 22-23	ACTUAL FY 23-24	PROJECTED FY 24-25	ESTIMATED FY 25-26
Attendance	500	500	500	500	500
Collections added	10	10	12	12	12
Images added to website	500	500	645	645	645
Talks, tours and events	5	5	12	12	12
Exhibits	12	12	12	12	12
Research assistance	240	240	284	284	284

CAPITAL PROJECT FUNDS

Fund Description

Capital/Grant Project Ordinances are approved for multi-year projects and/or grants that cannot be easily accounted for in the traditional 12-month fiscal year cycle. Projects assigned to "Parent Funds" are not part of the annual budget process. However, a reporting is made here to reflect the level of total budget activity occurring during the upcoming fiscal year.

Capital/Grant Project Ordinance Funds include the following funds:

- **Special Revenue-General Projects Fund** – accounts for direct federal grants, pass through grants, etc.
- **Metropolitan Planning Office Fund –** accounts for federal grants from the Federal Highway Administration and Federal Transit Administration and State grant funds provided from federal funds granted to the State for support of local government MPO programs.
- **Urban Mass Transportation Administration Fund** – accounts for federal grants from the Federal Transit Administration and State grant funds provided from federal funds granted to the State from the FTA for support of local government transportation programs.
- **Community Development Block Grant Fund** – accounts for Community Development Block Grant entitlement grants received from the U.S. Department of Housing and Urban Development and special funds from the State for homeless shelter programs.
- **General Projects Fund** – accounts for multi-year projects originating in the General Fund.
- **Water Projects Fund** – accounts for multi-year capital projects originating in the Water Fund.
- **Sewer Projects Fund** – accounts for multi-year capital projects originating in the Sewer Fund.

Capital/Grant Project Funds Summary

CAPITAL/GRANT PROJECT FUNDS	BUDGET	REVENUES TO DATE	EXPENDITURES TO DATE	BALANCE
Special Rev-Gen Project	$24,326,476	$23,375,227	$17,520,124	$6,806,352
MTPO	$6,190,899	$1,296,530	$368,113	$5,822,786
UMTA	$14,255,158	$9,850,270	$11,076,076	$3,179,082
CDBG	$1,778,507	$1,065,762	$1,207,479	$571,028
General Projects Fund	$144,222,674	$136,041,847	$115,077,566	$29,145,108
Water Capital Projects	$36,716,503	$26,458,274	$25,618,016	$11,098,487
Sewer Capital Projects	$30,726,235	$29,268,779	$18,979,353	$11,746,882
Total	**$258,216,452**	**$227,356,688**	**$189,846,726**	**$68,369,726**

**All Balances as of 6/30/2025*

Special Revenue/General Projects Fund

Special Revenue-General Projects Fund – accounts for direct federal grants, pass through grants, etc.

A listing of projects currently active is provided as follows:

GENERAL PROJECTS/ SPECIAL REVENUE PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
CLERKS OFFICE E CITATIONS	NC1507	2/27/2015	$18,655.00	$18,765.00	$958.29	$17,696.71
ENFORCEMENT E CITATIONS	NC1508	2/27/2015	$75,187.00	$75,631.70	$25,957.64	$49,229.36
COCA COLA APPROPRIATION	NC1604	12/11/2015	$95,200.00	$105,295.00	$66,600.76	$28,599.24
FIRE MARSHALL OFFICE	NC1801	8/10/2017	$4,800.00	$4,800.00	$4,791.31	$8.69
K-9 DONATION	NC1808	12/1/2017	$32,000.00	$32,000.00	$17,500.00	$14,500.00
LYNN VIEW CM CTR FUNFEST	NC1810	4/2/2018	$20.00	$20.90	$0.00	$20.00
FARMERS MARKET SNAP GRANT	NC1811	4/6/2018	$6,300.00	$7,388.00	$3,095.00	$3,205.00
BULLET PROOF VEST	NC2011	11/5/2019	$21,374.00	$20,272.96	$19,171.91	$2,202.09
BORDER REG DIST SALES TAX	NC2013	11/1/2019	$1,786,428.00	$1,786,428.54	$1,786,428.54	($0.54)
LIBRARYT CARES ACT	NC2025	9/15/2020	$7,358.00	$7,428.00	$0.00	$7,358.00
GENERAL PROJECTS	NC2100	7/1/2020	$977,797.00	$977,802.22	$937,293.01	$40,503.99
BULLET PROOF VEST	NC2110	11/17/2020	$41,600.00	$45,029.55	$48,459.11	($6,859.11)
FARMERS MARKET ADVERTISIN	NC2112	3/1/2021	$4,000.00	$4,000.00	$3,970.00	$30.00
TAC CREATIVE PARTNER GRAN	NC2117	6/1/2021	$20,299.00	$20,299.04	$19,621.63	$677.37
PARKS ADA	NC2207	11/2/2021	$300,000.00	$300,000.00	$110,932.03	$189,067.97
IT CYBERSECURITY	NC2208	11/2/2021	$140,000.00	$140,000.59	$138,916.59	$1,083.41
BROADBAND STUDY	NC2212	11/2/2021	$170,000.00	$170,000.00	$150,307.23	$19,692.77
ARPA COMMUNITY GRANTS	NC2213	11/2/2021	$356,906.00	$142,060.00	$356,060.00	$846.00
POLICE TRAINING/EQUIPMENT	NC2214	11/2/2021	$254,900.00	$254,900.00	$151,319.86	$103,580.14
FIRE SCBA EQUIPMENT	NC2215	11/2/2021	$587,025.00	$587,020.00	$587,020.00	$5.00
ALLANDALE IMPROVEMENTS	NC2217	11/2/2021	$539,486.00	$539,486.40	$563,000.23	($23,514.23)
SENIOR CENTER IMPROVEMENT	NC2218	11/2/2021	$225,000.00	$225,000.27	$211,050.27	$13,949.73
BMP NATURE CENTER BALCONY	NC2220	11/2/2021	$125,000.00	$125,000.00	$125,312.63	($312.63)
FACILITIES IMPROVEMENTS	NC2221	10/21/2021	$976,817.00	$976,817.53	$924,970.14	$51,846.86
TRAFFIC SIGNALS/POLES	NC2228	11/2/2021	$109,900.00	$109,900.00	$108,618.63	$1,281.37
GREENBELT BRIDGE	NC2231	11/2/2021	$59,290.00	$59,290.52	$59,290.00	$0.00
BULLET PROOF VEST PROJECT	NC2232	11/16/2021	$16,900.00	$8,450.00	$0.00	$16,900.00
LIBRARY ARPA GRANT	NC2233	12/7/2021	$21,390.00	$19,305.25	$18,731.18	$2,658.82
DOWNTOWN HOLIDAY DECOR	NC2234	12/7/2021	$55,448.00	$55,448.00	$31,223.92	$24,224.08
I-26 GATEWAY ENHANCEMENTS	NC2237	6/30/2022	$37,200.00	$37,200.00	$37,200.00	$0.00
CODE ENFORCEMENT	NC2238	6/30/2022	$150,000.00	$150,000.00	$95,396.53	$54,603.47
STREETS LANDSCAPE-TREE RM	NC2239	6/30/2022	$50,000.00	$50,000.00	$38,302.88	$11,697.12
IT OFFICE 365 & EQUIP	NC2240	6/30/2022	$200,000.00	$200,000.00	$117,322.22	$82,677.78
BRIDGE REPAIRS/STUDY	NC2242	6/30/2022	$150,000.00	$150,000.00	$109,921.40	$40,078.60
CHRISTMAS DECORATIONS PH1	NC2243	6/30/2022	$125,000.00	$125,000.00	$98,940.59	$26,059.41
RENAISSANCE CTR IMP	NC2244	6/30/2022	$60,000.00	$60,000.00	$19,509.12	$40,490.88
FARMERS MKT IMP	NC2247	6/30/2022	$328,957.00	$328,957.00	$313,606.16	$15,350.84
STREET RESURFACING	NC2300	7/1/2022	$4,368,156.00	$4,368,156.93	$4,368,156.93	($0.93)
SIDEWALK IMP	NC2302	7/1/2022	$384,924.00	$384,924.05	$380,868.32	$4,055.68
TAC SPECIAL OPPORTUNITIES	NC2304	8/2/2022	$3,000.00	$3,000.00	$2,506.29	$493.71
FARMACY FIT	NC2305	8/2/2022	$5,000.00	$0.00	$5,000.00	$0.00
BULLET PROOF VEST	NC2309	10/18/2022	$14,070.00	$12,395.00	$5,360.00	$8,710.00
TECHNICAL RESCUE GRANT	NC2310	10/18/2022	$353,293.00	$353,281.10	$355,102.66	($1,809.66)
BUILDING DEMOLITION	NC2313	11/1/2022	$1,759,643.00	$1,759,643.35	$411,900.84	$1,347,742.16
PATTON STORE DEMOLITION	NC2314	11/1/2022	$100,000.00	$100,000.00	$0.00	$100,000.00
TRI-CITY LINEN DEMOLITION	NC2315	11/1/2022	$300,000.00	$300,000.00	$264,388.72	$35,611.28
WETLAND MITIGATION	NC2316	11/1/2022	$480,000.00	$480,000.00	$5,220.00	$474,780.00

AG ENHANCEMENT	NC2319	1/1/2023	$1,500.00	$1,500.00	$0.00	$1,500.00
PARAMEDIC TRAINING	NC2321	7/1/2022	$120,000.00	$120,000.00	$57,329.60	$62,670.40
GREEN VALLEY PROGRAM	NC2323	7/1/2022	$50,321.00	$50,322.46	$9,866.17	$40,454.83
MISC PROJECTS	NC2325	3/21/2023	$790,000.00	$790,000.00	$0.00	$790,000.00
FARMACY FIT	NC2326	4/18/2023	$4,500.00	$11,013.00	$14,735.00	($10,235.00)
DOUBLE UP FOOD BUCKS	NC2327	4/18/2023	$6,000.00	$4,289.00	$5,591.00	$409.00
BUILD IT UP BUCKS	NC2328	4/18/2023	$5,000.00	$5,440.00	$5,880.00	($880.00)
APPALACHIAN FARMACY (RX)	NC2329	4/18/2023	$9,000.00	$5,625.00	$6,815.00	$2,185.00
ERP PHASE 1	NC2330	6/20/2023	$500,000.00	$500,000.00	$199,575.00	$300,425.00
LEISURE SERVICES PROJECTS	NC2331	6/20/2023	$378,337.00	$378,337.00	$8,000.00	$370,337.00
FM DIABETES	NC2332	6/30/2023	$460.00	$460.00	$0.00	$460.00
AESTHETIC IMP	NC2400	7/1/2023	$0.00	$0.00	$0.00	$0.00
SIDEWALK IMP	NC2401	7/1/2023	$260,000.00	$260,000.00	$264,018.51	($4,018.51)
CONTRACTED LANDSCAPING	NC2402	7/1/2023	$224,898.00	$224,897.60	$224,897.60	$0.40
VIOLENT CRIME INTERVENTIO	NC2403	8/1/2023	$475,917.00	$475,917.00	$482,526.60	($6,609.60)
TAC CREATIVE PARTNER GRAN	NC2404	7/1/2023	$12,400.00	$12,400.00	$0.00	$12,400.00
TN HWY SAFETY OFFICE GRNT	NC2405	10/3/2023	$44,000.00	$39,386.97	$43,558.24	$441.76
THSO COORDINATOR GRANT	NC2406	10/3/2023	$20,000.00	$16,446.66	$16,434.42	$3,565.58
TCAD MAIN SITE	NC2407	10/17/2023	$8,000.00	$8,000.00	$7,690.00	$310.00
TCAD LYNN VIEW SITE	NC2408	10/17/2023	$8,000.00	$8,000.00	$7,630.00	$370.00
SRO REIMBURSEMENT	NC2409	10/17/2023	$900,000.00	$652,710.00	$652,710.00	$247,290.00
BULLET PROOF VEST	NC2410	11/7/2023	$14,250.00	$9,640.00	$2,515.00	$11,735.00
POLICE RETENTION	NC2411	11/7/2023	$200,000.00	$0.00	$0.00	$200,000.00
RIVERVIEW PARK	NC2412	11/21/2023	$80,000.00	$80,000.00	$80,000.00	$0.00
FARMSTEAD MUSEUM	NC2413	12/19/2023	$130,000.00	$130,000.00	$128,629.96	$1,370.04
ATHLETIC FIELD IMPROVEMEN	NC2414	12/19/2023	$100,000.00	$100,000.00	$96,542.35	$3,457.65
OBSERVATION TOWER	NC2415	2/20/2024	$221,725.00	$121,725.05	$198,944.40	$22,780.60
LNG TRAINING PROJECT	NC2416	1/31/2024	$22,000.00	$2,000.00	$15,204.07	$6,795.93
DRIVER SAFETY TRAINING	NC2417	5/21/2024	$5,000.00	$5,000.00	$0.00	$5,000.00
FIREWALL ENHANCEMENT	NC2418	5/21/2024	$15,000.00	$14,999.50	$14,999.50	$0.50
TN OPIOID SETTLEMENTS	NC2420	6/18/2024	$344,566.00	$344,566.60	$0.00	$344,566.00
SRO REIMBURSEMENT GRANT	NC2500	7/1/2024	$900,000.00	$900,000.00	$635,757.24	$264,242.76
CONCRETE ROADS/SIDEWALKS	NC2501	8/20/2024	$175,000.00	$175,000.00	$162,978.92	$12,021.08
TAC CREATIVE PARTNERSHIP	NC2502	7/1/2024	$19,100.00	$19,100.00	$0.00	$19,100.00
STREET RESURFACING	NC2503	7/1/2024	$1,828,445.00	$1,828,445.00	$978,755.93	$849,689.07
FRIENDS OF THE LIBRARY	NC2504	10/1/2024	$50,000.00	$50,000.00	$50,000.00	$0.00
THSO COORDINATOR GRANT	NC2505	10/1/2024	$25,000.00	$21,298.57	$20,997.57	$4,002.43
TN HWY SAFETY OFFICE GRNT	NC2506	10/15/2024	$54,000.00	$4,689.48	$16,339.12	$37,660.88
BULLET PROOF VEST	NC2507	11/5/2024	$13,703.00	$6,852.00	$0.00	$13,703.00
CONTRACTED LANDSCAPING	NC2508	12/17/2024	$250,000.00	$250,000.00	$0.00	$250,000.00
GENERAL LANDSCAPING	NC2509	12/17/2024	$66,769.00	$66,769.00	$0.00	$66,769.00
MINOR SR CTR GRANT	NC2510	11/1/2024	$10,000.00	$0.00	$2,600.00	$7,400.00
LIBRARY DONATION RESTRICT	NC2511	1/21/2025	$60,000.00	$0.00	$54.52	$59,945.48
LSTA TECH GRANT	NC2512	10/1/2024	$10,262.00	$0.00	$4,246.00	$6,016.00
LIBRARY ARCHIVES	NC2513	8/1/2024	$5,000.00	$0.00	$5,000.00	$0.00
LIBRARY DONATIONS	NC2514	1/21/2025	$10,000.00	$0.00	$0.00	$10,000.00
TOTAL			**$24,326,476.00**	**$23,375,226.79**	**$17,520,124.29**	**$6,806,351.71**

General Projects Fund

General Projects Fund – accounts for multi-year projects originating in the General Fund.

GENERAL PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
BORDER REG RD IMPROVEMNTS	GP1228	6/11/2012	$1,900,493.00	$3,337,193.07	$1,669,569.06	$230,923.94
RIVER BEND	GP1512	10/29/2014	$2,531,053.00	$2,531,052.56	$2,535,666.78	($4,613.78)
MAIN STREET IMPROVEMENTS	GP1516	10/29/2014	$19,569,037.00	$16,997,418.86	$19,125,189.09	$443,847.91
FT ROBINSON BRIDGE REPL	GP1618	2/29/2016	$68,534.00	$68,571.38	$65,423.99	$3,110.01
STONE DR SIDEWALK EXTEND	GP1623	5/11/2016	$1,063,101.00	$855,843.10	$800,755.57	$262,345.43
STONE DR SIDEWALK EXTEN	GP1725	11/11/2016	$714,145.00	$672,051.09	$606,649.89	$107,495.11
TRANSIT GARAGE	GP1727	11/11/2016	$6,293,426.00	$6,224,354.24	$6,181,486.50	$111,939.50
SULLIVAN NORTH RENOVATION	GP1733	1/15/2017	$8,914,369.00	$8,942,344.53	$8,881,151.11	$33,217.89
LOCAL ROADS	GP1836	9/8/2017	$783,946.00	$783,945.61	$767,637.41	$16,308.59
LIBRARY IMPROVEMENTS	GP1908	9/20/2018	$167,212.00	$166,615.64	$125,966.86	$41,245.14
FACILITIES ADA	GP1909	9/20/2018	$521,368.00	$521,367.90	$521,367.52	$0.48
ISLAND ROAD IMPROVEMENTS	GP1926	5/21/2019	$2,870,203.00	$72,461.99	$63,546.93	$2,806,656.07
WEST END GREENBELT EXTEN	GP1927	6/4/2019	$1,245,746.00	$412,239.36	$38,622.00	$1,207,124.00
PUBLIC WORKS-PARKS ADA	GP2007	11/1/2019	$307,654.00	$307,655.76	$223,412.17	$84,241.83
FACI MAINT-IMPROV HVAC	GP2009	11/1/2019	$750,765.00	$750,763.88	$750,763.88	$1.12
AEP SIDEWALK IMPROVEMENTS	GP2015	7/1/2019	$602,165.00	$602,168.17	$595,097.31	$7,067.69
PROJECT DIABETES	GP2019	7/1/2019	$468,694.00	$468,694.00	$468,311.27	$382.73
WARRRIORS PATH WATER LINE	GP2023	10/1/2019	$150,000.00	$104,581.70	$59,163.39	$90,836.61
STREET RESURFACING	GP2033	5/1/2020	$2,500,000.00	$2,089,754.83	$2,447,003.63	$52,996.37
PUBLIC SAFETY SFTWR&EQUIP	GP2103	11/3/2020	$1,288,917.00	$1,293,417.00	$1,165,235.93	$123,681.07
GENERAL PARK IMPROVEMENTS	GP2106	11/3/2020	$167,743.00	$167,743.43	$159,202.59	$8,540.41
CEMENT HILL PUMP TRACK	GP2107	11/3/2020	$57,962.00	$57,961.52	$65,024.02	($7,062.02)
PEDESTRIAN BRIDGE	GP2108	1/19/2021	$789,243.00	$791,343.95	$60,072.90	$729,170.10
DOBYNS-BENNETT REVOVATION	GP2111	4/1/2021	$5,442,072.00	$5,447,571.90	$2,172,851.07	$3,269,220.93
COLONIAL HEIGHTS SIDEWALK	GP2202	11/2/2021	$716,130.00	$36,022.79	$4,990.73	$711,139.27
BIKE PARK & LIGHTING	GP2204	11/19/2021	$1,593,191.00	$1,593,192.70	$1,488,896.95	$104,294.05
JUSTICE CENTER DESIGN	GP2205	11/19/2021	$424,818.00	$424,818.96	$425,236.27	($418.27)
BAYS MTN EXHIBITS	GP2206	11/19/2021	$386,055.00	$386,056.05	$286,631.79	$99,423.21
PW RECYCLE CENTERS	GP2207	11/19/2021	$851,996.00	$851,999.81	$849,520.13	$2,475.87
FIRE FACILITIES/CAPITAL	GP2208	11/19/2021	$349,150.00	$349,149.92	$243,889.62	$105,260.38
FIRE STATION #2 IMP	GP2209	11/19/2021	$277,998.00	$277,998.34	$232,778.34	$45,219.66
PETWORKS DEBT REDUCTION	GP2212	5/3/2022	$250,000.00	$250,000.00	$250,000.00	$0.00
FOX DEN PLAYGROUND	GP2214	5/3/2022	$963,906.00	$963,906.00	$965,451.21	($1,545.21)
BMP NATURE CENTER	GP2215	5/3/2022	$1,067,196.00	$1,067,196.97	$844,354.38	$222,841.62
PUBLIC ART	GP2217	6/21/2022	$30,000.00	$30,000.00	$25,000.00	$5,000.00
STREET LIGHTS & SIGNALS	GP2218	6/21/2022	$103,947.00	$103,948.50	$84,244.36	$19,702.64
LIBRARY RENOVATIONS	GP2300	11/1/2022	$9,306,506.00	$7,306,505.86	$346,741.60	$8,959,764.40
SCHOOL CAPITAL IMPROVEMEN	GP2301	7/1/2022	$1,288,942.00	$1,288,942.88	$1,287,967.97	$974.03
SCHOOLS HVAC REPLACEMENTS	GP2302	7/1/2022	$6,777,317.00	$6,777,317.00	$6,415,156.96	$362,160.04
LITIGATION CONTINGENCY	GP2304	6/30/2023	$5,000.00	$5,000.00	$0.00	$5,000.00
BMP OTTER EXHIBIT	GP2305	6/30/2023	$1,535,075.00	$1,535,076.54	$198,890.00	$1,336,185.00
PINNACLE TOWERS ROAD	GP2306	6/30/2023	$11,492.00	$11,492.24	$0.00	$11,492.00
STREET RESURFACING	GP2400	8/1/2023	$5,860,677.00	$5,860,677.00	$5,729,386.85	$131,290.15
DB DOME REPLACEMENT	GP2401	7/1/2023	$23,881,529.00	$23,881,528.48	$23,887,723.18	($6,194.18)
JUSTICE CENTER EXPANSION	GP2402	7/1/2023	$18,993,644.00	$18,993,644.36	$15,792,023.27	$3,201,620.73
BRIDGE IMPROVEMENTS	GP2403	7/1/2023	$588,078.00	$588,077.95	$518,152.45	$69,925.55
JOHN ADAMS PLAYGROUND	GP2404	3/1/2024	$120,000.00	$120,000.00	$108,407.42	$11,592.58
STREET RESURFACING	GP2500	7/1/2024	$0.00	$0.00	$0.00	$0.00

PARKING GARAGE	GP2501	8/20/2024	$70,000.00	$70,000.00	$76,426.00	($6,426.00)
CUSTOMER SERVICE SYSTEM	GP2502	10/1/2024	$2,000,000.00	$2,000,000.00	$1,546,374.72	$453,625.28
BAY MTN WATER TOWER	GP2503	10/15/2024	$100,000.00	$100,000.00	$0.00	$100,000.00
DENTAL CLINIC	GP2504	12/3/2024	$6,500,000.00	$6,500,000.00	$3,550,000.00	$2,950,000.00
LARGE FORMAT PRINTER	GP2505	12/3/2024	$50,000.00	$50,000.00	$47,847.72	$2,152.28
FACILITIES IMPROVEMENTS	GP2506	12/17/2024	$92,179.00	$92,179.11	$5,748.00	$86,431.00
LYNN GARDEN ELEM SCHOOL	GP2507	12/1/2025	$650,000.00	$650,000.00	$0.00	$650,000.00
BMP PROP PURCHASE	GP2508	12/12/2025	$210,000.00	$210,000.00	$316,555.07	($106,555.07)
TOTAL			**$144,222,674.00**	**$136,041,846.93**	**$115,077,565.86**	**$29,145,108.14**

Water Project Fund

Water Projects Fund – accounts for multi-year capital projects originating in the Water Fund.

WATER PROJECT FUND PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
WASHINGTON STEM GRANT 22	WASH22	7/1/2021	$45,386.00	$45,386.00	$0.00	$45,386.00
STATE RT 93 WL RELOCATION	WA1708	2/21/2017	$39,741.00	$0.00	$39,670.25	$70.75
HUNT RD WATERLINE EXT	WA1804	10/3/2017	$162,813.00	$9,725.37	$16,654.71	$146,158.29
MAIN ST WL REPLACEMENT	WA1901	9/20/2018	$2,025,393.00	$2,025,397.19	$2,019,215.84	$6,177.16
MEMORIAL BLVD IMP	WA1908	10/2/2018	$412,744.00	$0.00	$412,744.00	$0.00
WTP HIGH SERVICE IMP	WA2007	4/1/2020	$10,127,410.00	$3,125,531.07	$9,973,818.66	$153,591.34
PLANT FACILITY IMP	WA2101	7/1/2020	$99,885.00	$99,886.38	$99,884.64	$0.36
HUNTS CROSSING PH 2	WA2254	10/19/2021	$25,354.00	$25,354.39	$25,354.39	($0.39)
FACILITY IMP	WA2302	7/1/2022	$230,000.00	$230,000.00	$232,313.82	($2,313.82)
WASHINGTON CO WA EXT	WA2303	11/1/2022	$2,772,700.00	$2,275,166.12	$2,275,588.86	$497,111.14
SULLIVAN CO WA UPG	WA2304	11/1/2022	$4,475,000.00	$3,797,812.15	$4,389,979.81	$85,020.19
COLONIAL VIEW PUMP STATIO	WA2305	2/21/2023	$357,000.00	$357,000.80	$356,826.70	$173.30
AMI METER PURCHASE	WA2306	2/28/2023	$2,826,363.00	$1,780,077.00	$584,795.12	$2,241,567.88
WA VALVE LOC & ASSESSMENT	WA2307	2/28/2023	$941,241.00	$358,664.53	$940,902.41	$338.59
WTP WA INTAKE SCREEN REPL	WA2308	2/28/2023	$1,548,000.00	$1,743,698.46	$1,439,481.73	$108,518.27
ST ANDREW'S GARTH PH 2	WA2350	2/14/2023	$19,340.00	$19,340.23	$19,340.23	($0.23)
WATER LINE IMP	WA2400	7/1/2023	$850,000.00	$850,000.00	$1,033,573.56	($183,573.56)
PUMP STA IMP	WA2401	7/1/2023	$173,826.00	$173,826.00	$130,936.84	$42,889.16
PLANT FACILITY IMP	WA2402	7/1/2023	$100,000.00	$100,000.00	$0.00	$100,000.00
DISTRINUTION SYSTEM UPGRA	WA2403	7/1/2023	$325,000.00	$325,000.00	$0.00	$325,000.00
HORSE CREEK AREA UPGRADES	WA2404	7/1/2023	$477,900.00	$435,000.00	$42,900.00	$435,000.00
MEMORIAL BLVD WATER LINE	WA2405	7/1/2023	$3,300,000.00	$3,300,000.00	$0.00	$3,300,000.00
WATAUGA ST WATER IMPROVE	WA2406	7/1/2023	$1,000,000.00	$1,000,000.00	$0.00	$1,000,000.00
WATER TANK REHAB	WA2407	7/1/2023	$1,000,000.00	$1,000,000.00	$0.00	$1,000,000.00
FIELDCREST ANNEXATION	WA2408	7/1/2023	$1,200,000.00	$1,200,000.00	$135,922.94	$1,064,077.06
PLANT & DISTRIB SYSTEM	WA2409	7/1/2023	$501,860.00	$501,859.84	$276,000.00	$225,860.00
LEBANON MEADOWS	WA2451	4/19/2024	$20,653.00	$20,653.20	$21,198.97	($545.97)
RIVERBEND TOWNHOMES	WA2452	3/12/2024	$19,192.00	$19,192.42	$19,192.42	($0.42)
WA PUMP STATIONS	WA2500	7/1/2024	$165,000.00	$165,000.00	$138,651.15	$26,348.85
WATER LINE IMP	WA2501	7/1/2024	$875,000.00	$875,000.00	$715,103.31	$159,896.69
FACILITY IMPROVEMENTS	WA2502	7/1/2024	$100,000.00	$100,000.00	$79,523.91	$20,476.09
HYDRO EXCAVATOR	WA2503	7/1/2024	$200,000.00	$200,000.00	$132,591.42	$67,408.58
BRICKYARD VILLAGE PH 1	WA2550	9/17/2024	$65,480.00	$65,480.40	$65,850.06	($370.06)
FIELDCREST PH 1	WA2551	12/17/2024	$234,222.00	$234,222.33	$0.00	$234,222.00
TOTAL			**$36,716,503.00**	**$26,458,273.88**	**$25,618,015.75**	**$11,098,487.25**

Sewer Project Fund

Sewer Projects Fund – accounts for multi-year capital projects originating in the Sewer Fund.

SEWER PROJECT FUND PROJECTS		DATE BEGUN	BUDGET	REVENUES TO DATE	EXPENSES	BALANCE
MAIN ST SEWER LINE REPLAC	SW1901	9/20/2018	$1,157,402.00	$1,157,403.10	$1,157,401.40	$0.60
MEMORIAL BLVD IMP	SW1908	10/2/2018	$293,701.00	$0.00	$293,701.00	$0.00
SYSTEM IMPROVEMENTS SLS	SW2005	11/1/2019	$1,684,094.00	$1,684,094.26	$1,673,743.32	$10,350.68
REEDY CREEK TRUNK LINE	SW2011	6/1/2020	$839,900.00	$839,900.00	$839,900.00	$0.00
MAINT FACILITY IMP	SW2202	7/1/2021	$44,233.00	$44,233.00	$44,232.35	$0.65
SEWER I&I REHAB	SW2203	11/19/2021	$504,287.00	$504,287.00	$504,309.00	($22.00)
SLS IMPROVEMENTS	SW2204	11/19/2021	$1,686,400.00	$1,686,400.00	$628,516.33	$1,057,883.67
REEDY CREEK TRUNK LINE	SW2205	11/19/2021	$783,134.00	$783,133.88	$783,133.88	$0.12
WWTP ELECTRIC UPG	SW2206	11/19/2021	$519,475.00	$519,475.00	$519,475.00	$0.00
W KPT SEWER EVALUATION	SW2207	4/1/2022	$486,296.00	$486,301.55	$346,583.00	$139,713.00
HUNTS CROSSING PH 2	SW2254	10/19/2021	$12,834.00	$12,834.38	$12,834.38	($0.38)
VALLEYBROOK SEWER EXT	SW2303	8/30/2022	$1,350,000.00	$1,159,895.58	$1,174,727.13	$175,272.87
SOUTH FORK SEWER BASIN	SW2304	9/13/2022	$202,000.00	$124,020.00	$202,000.00	$0.00
WWTP EQUIPMENT	SW2305	11/1/2022	$215,069.00	$215,070.67	$197,004.62	$18,064.38
I&I UPG-GARDEN/INDSTRY DR	SW2306	2/28/2023	$3,124,747.00	$2,433,469.94	$3,124,745.55	$1.45
SW VACTOR TRUCK DEWATERNG	SW2307	2/28/2023	$577,600.00	$373,192.37	$551,335.94	$26,264.06
ST ANDREW'S GARTH PH 2	SW2350	2/14/2023	$17,128.00	$17,128.47	$17,128.47	($0.47)
PUMP STA IMP	SW2400	7/1/2023	$453,072.00	$453,073.39	$505,802.03	($52,730.03)
SEWER LINE IMP	SW2401	7/1/2023	$265,000.00	$265,000.00	$274,752.90	($9,752.90)
MAINT FACILITY IMP	SW2402	7/1/2023	$429,242.00	$429,244.52	$429,242.00	$0.00
INDUSTRY DR PROP PURCH	SW2403	8/1/2023	$401,681.00	$401,680.64	$401,680.64	$0.36
MEMORIAL BLVD SEWER LINE	SW2405	7/1/2023	$4,200,000.00	$4,200,000.00	$0.00	$4,200,000.00
WATAUGA ST SEWER IMPROVE	SW2406	7/1/2023	$0.00	$0.00	$0.00	$0.00
WWTP ELECTRICAL IMPROVEME	SW2407	7/1/2023	$2,401,660.00	$2,401,660.11	$2,189,173.47	$212,486.53
FIELDCREST ANNEXATION	SW2408	7/1/2023	$2,500,000.00	$2,500,000.00	$18,135.00	$2,481,865.00
COLLECTION SYSTEM UPGRADE	SW2409	12/19/2023	$1,685,618.00	$1,685,619.28	$1,685,616.93	$1.07
REEDY CREEK SULLIVAN CLIN	SW2410	4/2/2024	$1,000,000.00	$1,000,000.00	$475,302.00	$524,698.00
WWTP HEADWORKS IMPROVEMEN	SW2411	4/2/2024	$1,500,000.00	$1,500,000.00	$238,000.00	$1,262,000.00
COLLECTION SYSTEM UPGRADE	SW2412	6/18/2024	$1,000,000.00	$1,000,000.00	$0.00	$1,000,000.00
LEBANON MEADOWS	SW2451	4/19/2024	$21,264.00	$21,264.36	$21,378.32	($114.32)
RIVERBEND TOWNHOMES	SW2452	3/12/2024	$25,154.00	$25,153.67	$24,563.67	$590.33
SW LIFT STATIONS	SW2500	7/1/2024	$375,000.00	$375,000.00	$322,674.39	$52,325.61
SEWER LINE IMP	SW2501	7/1/2024	$270,000.00	$270,000.00	$146,956.69	$123,043.31
FACILITY IMPROVEMENTS	SW2502	7/1/2024	$200,000.00	$200,000.00	$0.00	$200,000.00
MAINTENANCE FACILITY IMP	SW2503	7/1/2024	$95,000.00	$95,000.00	$42,712.00	$52,288.00
HYDRO EXCAVATOR TRUCK	SW2504	7/1/2024	$200,000.00	$200,000.00	$132,591.43	$67,408.57
BRICKYARD VILLAGE PH 1	SW2550	9/17/2024	$42,592.00	$42,591.66	$0.00	$42,592.00
FIELDCREST PH 1	SW2551	6/22/2025	$162,652.00	$162,651.84	$0.00	$162,652.00
TOTAL			**$30,726,235.00**	**$29,268,778.67**	**$18,979,352.84**	**$11,746,882.16**

CAPITAL IMPROVEMENTS

FY 2026 Capital Improvements: One-year Plan

Total Capital Requested

$18,280,000

23 Capital Improvement Projects

Total Funding Requested by Department

CAPITAL IMPROVEMENT-SEWER (29%)	$5,230,000.00
CAPITAL IMPROVEMENT-WATER (33%)	$6,100,000.00
INSTRUCTION (3%)	$600,000.00
STREET MAINTENANCE (27%)	$4,950,000.00
TRANSPORTATION (8%)	$1,400,000.00
TOTAL	**$18,280,000.00**

Total Funding Requested by Source

Bonds (48%)	$8,850,000.00
General Fund (1%)	$275,000.00
Sewer Bonds (4%)	$700,000.00
Sewer Fund (15%)	$2,730,000.00
Water Bonds (15%)	$2,800,000.00
Water Fund (17%)	$3,200,000.00
TOTAL	**$18,555,000.00**

Capital Costs Breakdown

Capital Costs (100%)	$18,280,000.00
TOTAL	**$18,280,000.00**

CAPITAL IMPROVEMENT-WATER Requests

Itemized Requests for 2026

Chemical Feed/Pipe Gallery	**$300,000**

Chemical feed improvement will include new facilities for pre and post chemical feed and implementation of alternative disinfection. Water plant improvements were identified as part of the Water System Master Plan. Improvements were selected...

Distribution System Upgrade	**$1,500,000**

Planned waterline upgrades for fire protection, adequate supply, and replacement of deteriorating water infrastructure. As the current infrastructure continues to age, it will need to be replaced due to age, condition, or insufficient size....

Meter Replacements	**$500,000**

Planned replacement of aging water meters (approximately 10% each year) that need to be updated to new AMI system. AMI system will increase efficiency and provide better customer interaction.

Plant Facility Improvements	**$100,000**

Improvements to the Wastewater Treatment Plant facility. This will allow us to continue improving the property and making it more useful for our staff.

Storage Tank Rehabilitations	**$1,500,000**

Sandblast and paint Edens View, Eastern Star, and Walnut Lane water storage tanks. Timely and routine repainting of tanks will allow for a longer life of these metal storage tanks.

Wastewater Maintenance Equipment	**$100,000**

To be used to replace a jetter trailer and a pump truck.

Watauga St Water Upgrades	**$1,000,000**

To upgrade the water system along Watauga Street before reconstruction of the road and resurfacing.

Water Line Improvements	**$900,000**

Replacement parts for existing water lines. Areas are identified through customer complaints, maintenance or water quality issues. This work will be completed by water maintenance crews. Kingsport currently owns and operates over 800...

Water Pump Station Upgrades	**$200,000**

Rehabilitation and maintenance of existing water pump stations. Pump stations have a life expectancy of approximately 20 years before major repairs or replacement is required. Kingsport currently owns and operates 12 main line pump stations,...

Total: $6,100,000

CAPITAL IMPROVEMENT-SEWER Requests

Itemized Requests for 2026

Collection System Upgrade	**$1,000,000**

Replacement / upgrade of existing infrastructure due to deterioration. Problems were observed during the investigation of service issues. Some of these issues can be repaired as part of our normal operating budget. Other areas...

Lift Station Upgrades	**$1,300,000**

Lift Station improvements in various areas of the city. The Pendragon portion of this improvement project may be funding with State Revolving Funds.

Pump Station Improvements	**$355,000**

Replacement parts for existing sewer lift stations. Lift stations have a life expectancy of approximately 20 years before major repairs or replacement are required.

Reedy Creek Trunk Sewer	**$200,000**

As determined in the Sewer System Master Plan, this work will alleviate sanitary sewer overflows by making improvements in the Reedy Creek sewer basin. These improvements include the replacement / upgrade of the trunk line along Reedy Creek...

Sewer Line Improvements	**$275,000**

Replacement parts for existing sewer infrastructure. Areas are identified through customer complaints, acoustic or CCTV inspections. This work will be completed by sewer maintenance crews. Kingsport currenly owns nearly 600 miles of...

Watauga Street Sewer Improvements	**$1,900,000**

Sewer Improvements along Watauga Street before reconstruction of the roadway.

WWTP Facility Improvement	**$200,000**

Improvements to the Wastewater Treatment Plant.

Total: $5,230,000

TRANSPORTATION Requests

Itemized Requests for 2026

Jessee St/Memorial Blvd Intersection	**$750,000**

Survey, signal design, and construction of a new traffic signal, lane modifications and conduit/fiber installation at the intersection of Jessee St & Memorial Blvd.

N Eastman Rd/Jack White Dr Intersection	**$650,000**

This intersection is consistently number one in severity and accident rates for Kingsport's top 20 intersections. The current left turn lanes cause sight issues due to alignment and will be updated with project. Traffic contracted Thompson...

Total: $1,400,000

STREET MAINTENANCE Requests

Itemized Requests for 2026

Clinchfield Street Bridge Repairs	**$1,100,000**

The bridge deck is in the well-developed stage of potholes and re-bar exposure. Several minor repairs have been done creating a poor ride for motorists. A complete deck overlay is needed to protect and preserve the life of this bridge.

Eastman Road/Lincoln Street Bridge	**$1,100,000**

Continue with repairs to bridge bents and caps. This will address the portions of bridge over the railroad lines.

Netherland Inn Bridge Repairs	**$750,000**

The approach on the western side of the bridge is settling and needs to be remediated through structural repair.

Watauga Street Repairs	**$2,000,000**

Watauga Street is included in Area 17 and Area 14 paving. Area 17 paving is currently underway with Area 14 paving to begin in fiscal year 2027. This roadway has some areas that need major repairs which fall outside our resurfacing...

Total: $4,950,000

INSTRUCTION Requests

Itemized Requests for 2026

Lynn Garden Elementary School	**$600,000**

Demoliton of the old Lynn Garden High School and construction of a new elementary school in the Lynn Garden area.

Total: $600,000

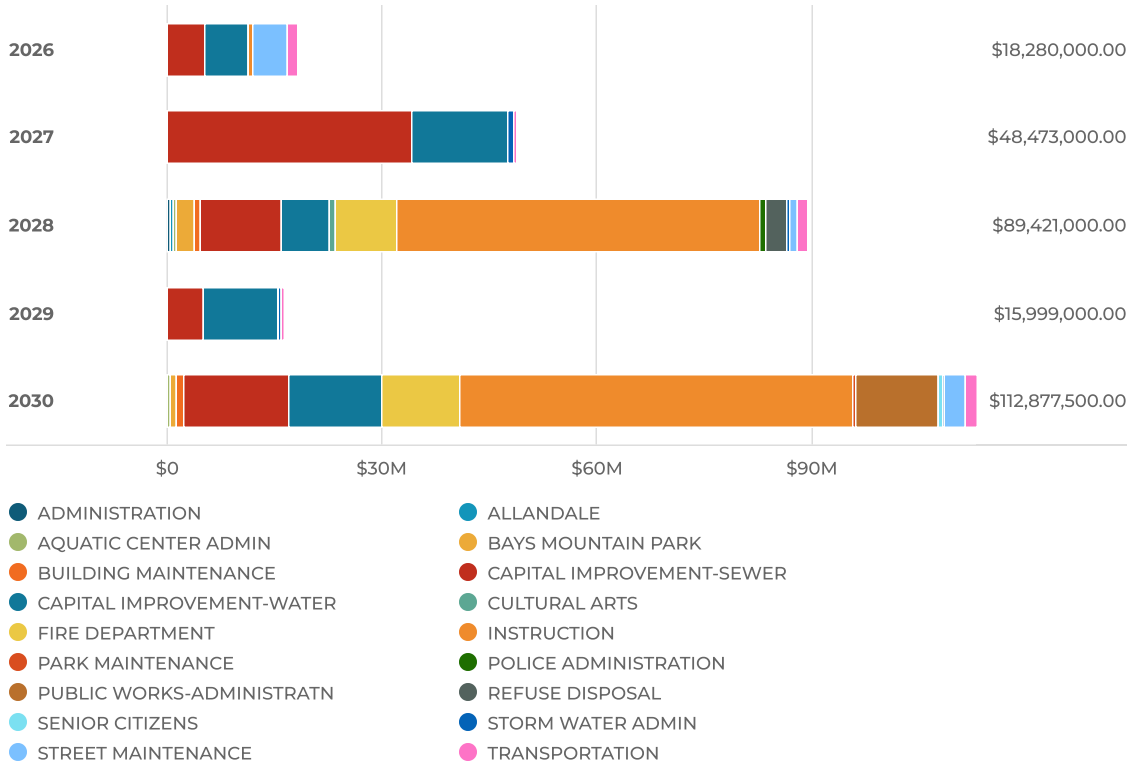
Capital Improvements: Multi-year Plan

Total Capital Requested

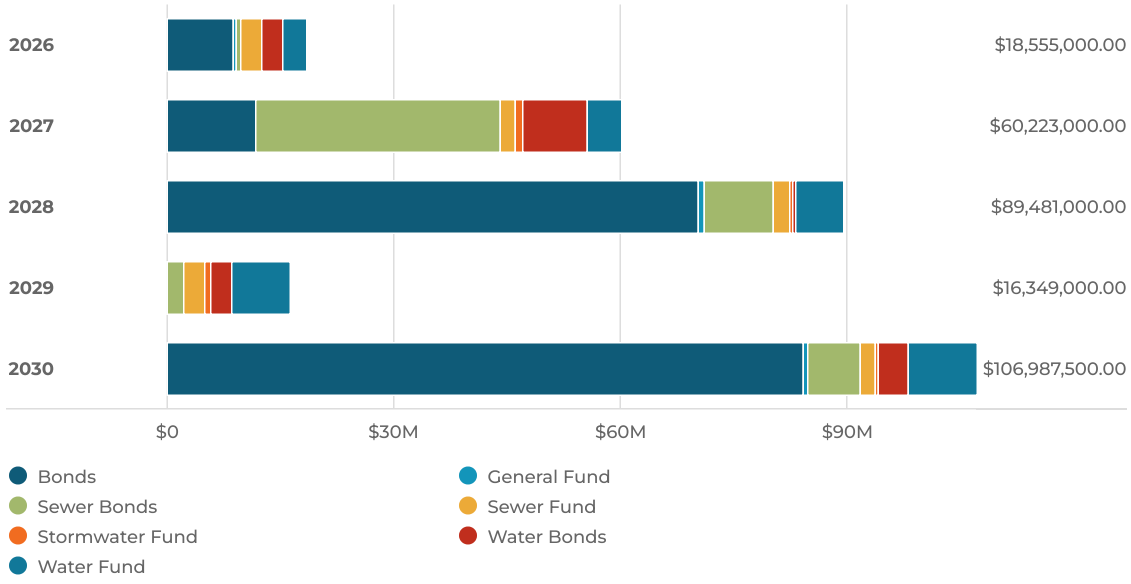
$285,050,500

58 Capital Improvement Projects

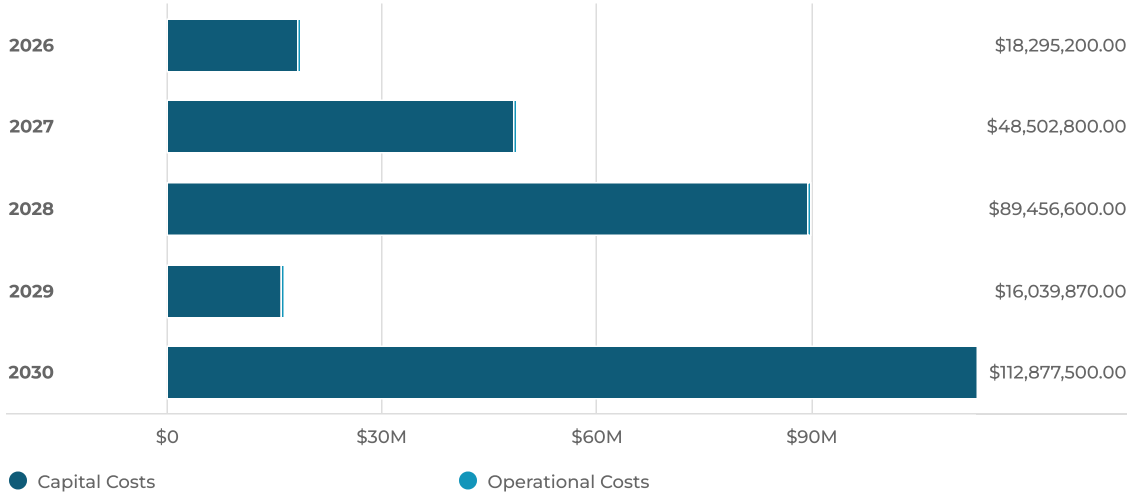
Total Funding Requested by Department



Total Funding Requested by Source



Capital Costs Breakdown



CAPITAL IMPROVEMENT-WATER Requests

Itemized Requests for 2026-2030

Chemical Feed/Pipe Gallery **$8,300,000**

Chemical feed improvement will include new facilities for pre and post chemical feed and implementation of alternative disinfection. Water plant improvements were identified as part of the Water System Master Plan. Improvements were selected...

Distribution System Upgrade **$22,200,000**

Planned waterline upgrades for fire protection, adequate supply, and replacement of deteriorating water infrastructure. As the current infrastructure continues to age, it will need to be replaced due to age, condition, or insufficient size....

Maintenance Facilty Improvements (Water Fund) **$200,000**

Improvements to the facility on Konnarock Rd. This will allow us to continue improving the property and making it more useful for our staff.

Meter Replacements **$2,500,000**

Planned replacement of aging water meters (approximately 10% each year) that need to be updated to new AMI system. AMI system will increase efficiency and provide better customer interaction.

Plant Facility Improvements **$300,000**

Improvements to the Wastewater Treatment Plant facility. This will allow us to continue improving the property and making it more useful for our staff.

SR126 Memorial Blvd Water Move **$2,500,000**

The State of TN is making improvements to SR126 Memorial Blvd from East Center St to Cooks Valley Rd. This work will require the relocation of water, wastewater, and stormwater facilities. TDOT is improving the roadway, which will...

Storage Tank Rehabilitations **$2,500,000**

Sandblast and paint Edens View, Eastern Star, and Walnut Lane water storage tanks. Timely and routine repainting of tanks will allow for a longer life of these metal storage tanks.

Wastewater Maintenance Equipment **$300,000**

To be used to replace a jetter trailer and a pump truck.

Watauga St Water Upgrades **$1,000,000**

To upgrade the water system along Watauga Street before reconstruction of the road and resurfacing.

Water Line Improvements **$4,700,000**

Replacement parts for existing water lines. Areas are identified through customer complaints, maintenance or water quality issues. This work will be completed by water maintenance crews. Kingsport currently owns and operates over 800...

Water Pump Station Upgrades **$890,000**

Rehabilitation and maintenance of existing water pump stations. Pump stations have a life expectancy of approximately 20 years before major repairs or replacement is required. Kingsport currently owns and operates 12 main line pump stations,...

WTP Clearwell Upgrade **$4,300,000**

New 1.5 million gallon clear well. High-service pump station improvements to include new 12 mgd pumps, motors, VFDs and electrical building. Water Plant improvements were identified as part of the 2010 Water System Master Plan. Improvements were...

Total: $49,690,000

FIRE DEPARTMENT Requests

Itemized Requests for 2026-2030

Fire Station #2 **$8,500,000**

Kingsport has performed a fire facilities study and feasibility study for Station # 2, Administration, and Prevention facility issues. This CIP addresses issues found in need of replacement, upgrade, or repairs. During the 21/22 budget year,...

Fire Station #9 **$10,750,000**

Construction of a new station in the Fall Creek / Indian Springs community. The station will provide coverage for Fall Creek, Cooks Valley, Old Island, Indian Springs, Airport, and Exit 66 of Interstate 81 region. The project also addresses...

Total: $19,250,000

REFUSE DISPOSAL Requests

Itemized Requests for 2026-2030

New Landfill Cell **$3,000,000**

Preparation of the next cell in Kingsport's C&D Landfill.

Total: $3,000,000

STORM WATER ADMIN Requests

Itemized Requests for 2026-2030

Leslie Branch Stream Improvements' **$400,000**

Improvements to the storm water infrastructure improvements to improve the Leslie Branch Stream area.

Stormwater Infrastructure Improvements **$800,000**

New stormwater infrastructure installation or replacement of existing stormwater assets. Areas are identified through customer complaints, routine visual or CCTV inspections.

Tranbarger Branch Improvements **$500,000**

Improvements of stream channel, bank stabilization, and aquatic habitats.

Watauga Street Stormwater Improvements **$500,000**

Upgrade of the storm water infrastructure along Watauga Street.

Total: $2,200,000

TRANSPORTATION Requests

Itemized Requests for 2026-2030

Jessee St/Memorial Blvd Intersection **$750,000**

Survey, signal design, and construction of a new traffic signal, lane modifications and conduit/fiber installation at the intersection of Jessee St & Memorial Blvd.

N Eastman Rd/Jack White Dr Intersection **$650,000**

This intersection is consistently number one in severity and accident rates for Kingsport's top 20 intersections. The current left turn lanes cause sight issues due to alignment and will be updated with project. Traffic contracted Thompson...

Signal Cabinet Replacements **$400,000**

Updating older signal cabinets at the end of life expectancy and cabinets incompatible with modern programming with new signals. Complete signal cabinets with necessary components are essential to maintaining safe traffic flows.

Signal Pole Upgrades **$300,000**

Updating signal poles that may have degraded or reached the end of life expectancy and improving intersections.

Streetlight LED Replacements **$1,700,000**

AEP updated charges for high pressure sodium and mercury vapor lighting in November 2022. Converting all current lights to LED will drop monthly electrical costs and replacement costs will be recuperated within 5-7 years after replacement....

Streetlight Projects **$500,000**

Adding streetlights along city roadways that don't have lighting and upgrading existing lighting. New LED streetlights make roadways safer and are more aesthetically pleasing for motorists. New LED streetlights provide more light at a lower cost...

Total: $4,300,000

BAYS MOUNTAIN PARK Requests

Itemized Requests for 2026-2030

BMP Animal Habitats **$3,000,000**

A glimpse into the next 5 years. Funding is available for the Otter Habitat. Working to secure funding for bobcat habitat and the barge/pavilion ADA trail system. FY 28 - Finish Otter Habitat construction. FY 29 - Work on bobcat design plans. FY...

BMP Floating Bridge **$500,000**

Acquire drawings for the project and construct the Floating Bridge. The bridge is over 20 years old. Most of the wooden walkway has been replaced several times. The main support beams under the bridge have been scabbed-in with new lumber in...

Total: $3,500,000

CULTURAL ARTS Requests

Itemized Requests for 2026-2030

Farmers Market Improvements Phase 2 **$300,000**

The Farmers Market saw much needed repairs in the phase 1 improvement. The facility is a much sought after location for a variety of events and rentals. The market hosts everything from Racks by the Tracks, car shows, weekly farmers market,...

Kingsport Renaissance Center Theatre Seating **$500,000**

The Renaissance Center theater is original to the facility and in need of upgrades. As the seats break down, Building Maintenance has had to start removing seats that are broken and unsafe because parts to repair the outdated seating are no...

Total: $800,000

BUILDING MAINTENANCE Requests

Itemized Requests for 2026-2030

Facilities ADA **$700,000**

All city facilities must meet and maintain ADA standards. Funding will ensure that city facilities can maintain and improve accessibility.

Facility Repairs **$1,200,000**

FY 2028 Identified needs:Demolition of 615 Industry Drive [Old animal shelter] 25,000Parking Garage exterior stair replacement ...

Total: $1,900,000

AQUATIC CENTER ADMIN Requests

Itemized Requests for 2026-2030

KAC Storage Shed **$50,000**

Our current storage space, shared with the maintenance team, has proven insufficient. To address this, we are exploring the option of acquiring a pre-built shed with concrete floors and electricity to expand our storage capacity.

Timing System **$280,000**

In 2023, we learned that Daktronics, our current timing system provider, will be ceasing support for parts and updates. Consequently, we are gearing up for a comprehensive replacement with Colorado timing equipment. While there is a chance that...

Total: $330,000

ADMINISTRATION Requests

Itemized Requests for 2026-2030

Riverview Park and V. O. Dobbins, Sr. Complex **$450,000**

Improvements to Riverview Park and the V. O. Dobbins, Sr. Complex to enhance operations and customer experiences.

Total: $450,000

CAPITAL IMPROVEMENT-SEWER Requests

Itemized Requests for 2026-2030

Collection System Upgrade **$6,500,000**

Replacement / upgrade of existing infrastructure due to deterioration. Problems were observed during the investigation of service issues. Some of these issues can be repaired as part of our normal operating budget. Other areas...

Lift Station Upgrades **$10,500,000**

Lift Station improvements in various areas of the city. The Pendragon portion of this improvement project may be funding with State Revolving Funds.

Maintenance Facility Improvements (Sewer) **$200,000**

Improvements to the facility on Konnarock Rd. This will allow us to continue improving the property and making it more useful for our staff.

Pump Station Improvements **$5,325,000**

Replacement parts for existing sewer lift stations. Lift stations have a life expectancy of approximately 20 years before major repairs or replacement are required.

Reedy Creek Trunk Sewer **$14,215,500**

As determined in the Sewer System Master Plan, this work will alleviate sanitary sewer overflows by making improvements in the Reedy Creek sewer basin. These improvements include the replacement / upgrade of the trunk line along Reedy Creek...

Sewer Line Improvements **$1,425,000**

Replacement parts for existing sewer infrastructure. Areas are identified through customer complaints, acoustic or CCTV inspections. This work will be completed by sewer maintenance crews. Kingsport currenly owns nearly 600 miles of...

Watauga Street Sewer Improvements **$1,900,000**

Sewer Improvements along Watauga Street before reconstruction of the roadway.

WWTP Facility Improvement **$450,000**

Improvements to the Wastewater Treatment Plant.

WWTP Headworks / Equalization Basin **$30,000,000**

As determined in our Sewer System Master Plan, the construction of a storage facility near the Wastewater Treatment plant will help equalize flows coming into the plant during heavy rain events. This work is crucial to meet our permitted...

Total: $70,515,500

PARK MAINTENANCE Requests

Itemized Requests for 2026-2030

Greenbelt Improvements **$400,000**

Enhancements and improvements to the existing Greenbelt. The Greenbelt is one of the most utilized recreational areas in Kingsport. It is important to continue improving and enhancing the Greenbelt in order to keep it pleasing to customers. The...

Total: $400,000

ALLANDALE Requests

Itemized Requests for 2026-2030

Allandale Amphitheater **$440,000**

Construction of a permanent tension roof stretching over the primary stage to provide shelter for the performers. Convert the existing Men's and Women's restroom into a Men's Restroom and construct a new Women's restroom. The Friends of Allandale...

Allandale Improvements **$375,000**

Renovation of the outdoor restroom facility beside the Heron Dome and paving. Enhancements will increase rentals by offering improved options to customers.

Total: $815,000

STREET MAINTENANCE Requests

Itemized Requests for 2026-2030

Bloomingdale Pike & Gibson Mill Road Improvements **$500,000**

Improve intersections along Bloomingdale Pike from Stone Drive to Shipps Springs. Also address the bridge on Gibson Mill Road at Bloomingdale Pike. This area has seen investments from commercial/retail establishments and is...

Clinchfield Street Bridge Repairs **$1,100,000**

The bridge deck is in the well-developed stage of potholes and re-bar exposure. Several minor repairs have been done creating a poor ride for motorists. A complete deck overlay is needed to protect and preserve the life of this bridge.

Dorothy Street & Robertson Street Rebuild **$2,500,000**

Dorothy Street and Roberston Street are in Area 14 paving which is planned for fiscal year 2027. These two roadways are currently concrete and the scope of work to fix these roadways is outside our resurfacing budget. Propose...

Eastman Road/Lincoln Street Bridge **$1,100,000**

Continue with repairs to bridge bents and caps. This will address the portions of bridge over the railroad lines.

Lynn Garden Bulbouts **$800,000**

Funds to add aesthetic improvements at intersections along Lynn Garden Drive while also addressing ADA issues and shortening crossings for pedestrians.

Netherland Inn Bridge Repairs **$750,000**

The approach on the western side of the bridge is settling and needs to be remediated through structural repair.

Watauga Street Repairs **$2,000,000**

Watauga Street is included in Area 17 and Area 14 paving. Area 17 paving is currently underway with Area 14 paving to begin in fiscal year 2027. This roadway has some areas that need major repairs which fall outside our resurfacing...

Total: $8,750,000

POLICE ADMINISTRATION Requests

Itemized Requests for 2026-2030

Police Body-Worn Cameras **$850,000**

To provide funds to equip the police department with body-worn cameras. Body-worn cameras will provide video evidence of police interactions and are an effective tool to assist in police accountability and transparency as well as for evidentiary...

Total: $850,000

SENIOR CITIZENS Requests

Itemized Requests for 2026-2030

Ren Cen Parking Lot Renovation **$500,000**

The Renaissance Center Parking Lot renovation will include the addition of parking spaces to the front level parking lot and the addition of an overhang attached to the building so that cars can pull under and unload passengers that are on...

Total: $500,000

INSTRUCTION Requests

Itemized Requests for 2026-2030

Lynn Garden Elementary School **$50,600,000**

Demoliton of the old Lynn Garden High School and construction of a new elementary school in the Lynn Garden area.

Sullivan North Renovations **$55,700,000**

Renovation of Sullivan North to be utilized as an elementary school for City use.

Total: $106,300,000

PUBLIC WORKS-ADMINISTRATN Requests

Itemized Requests for 2026-2030

Public Works Site **$11,500,000**

Build a new administrative office building on Industry Drive to house the Streets, Grounds, Landscaping and Administrative groups. Also, it will include improvements to old sheds that house equipment, along with constructing new storage...

Total: $11,500,000

DEBT

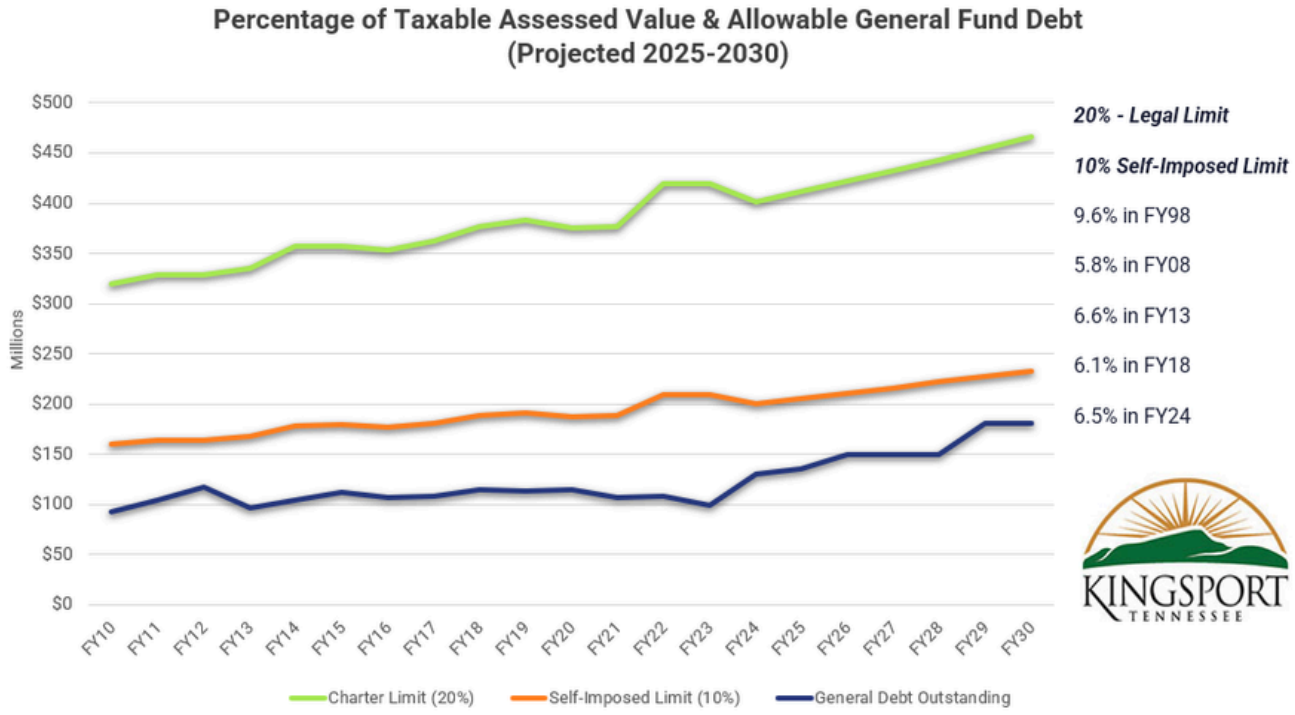
Government-Wide Debt

In 2001, a capital improvements plan was approved by the Board and City Administration that would provide for the incremental approval of a comprehensive plan over a three-fiscal year period of time. Therefore, the Water Fund, Sewer Fund and General Fund capital plans were approved in FY 2002, FY 2003, and FY 2004, respectively. Until the approval of the final increment in FY 2004, the City had not operated with a comprehensive five-year capital improvements plan since the late 1980s. This plan was not fully implemented until FY 2007. The graph below shows the projects that were funded from FY 2005 - FY 2024 and projects pending from FY 2025 - FY 2029.

The adoption of a well-reasoned multi-year capital improvements and financing plan is to provide a funding plan to address the needs of capital infrastructure. The debt service roll off will fund the new projects each year. The plan is reviewed annually.

It was proposed that the Five-Year Capital Improvements Plan be amended to provide for the issuance of new debt for the upcoming five fiscal years.

The total debt limit by charter is 20% of the taxable assessed value and the Board of Mayor and Alderman have a self-imposed debt limit of 10%. See the chart below with the debt limits and taxable assessed value along with the proposed General Fund Debt. The total debt for FY 2025, which includes the new bonded projects, is 6.59% of the assessed value.



DEBT SERVICE

Debt service is the term used to describe the allocation of operating funds for the retirement of debt (principal and interest). Debt service is the first item in the budget for which resources are budgeted. Understanding and planning for the impact of debt service on the various operating budgets is critical.

The annual debt is structured to include the debt service payments that retire for that budget year. As debt retires, new debt is incurred. Therefore, we are not increasing the debt service payments in the operating budget; it is remaining flat.

Kingsport's Debt Management Policy can be found within Financial Policies.

BOND RATING

The City enjoys a solid Aa2 bond rating with Moody's along with a strong AA rating with S&P, which is the highest we have ever achieved. Debt is at a very manageable level. Our sister cities of Johnson City and Bristol, TN each enjoy an Aa2 with Moody's. Johnson City also has AA rating with S & P as well.

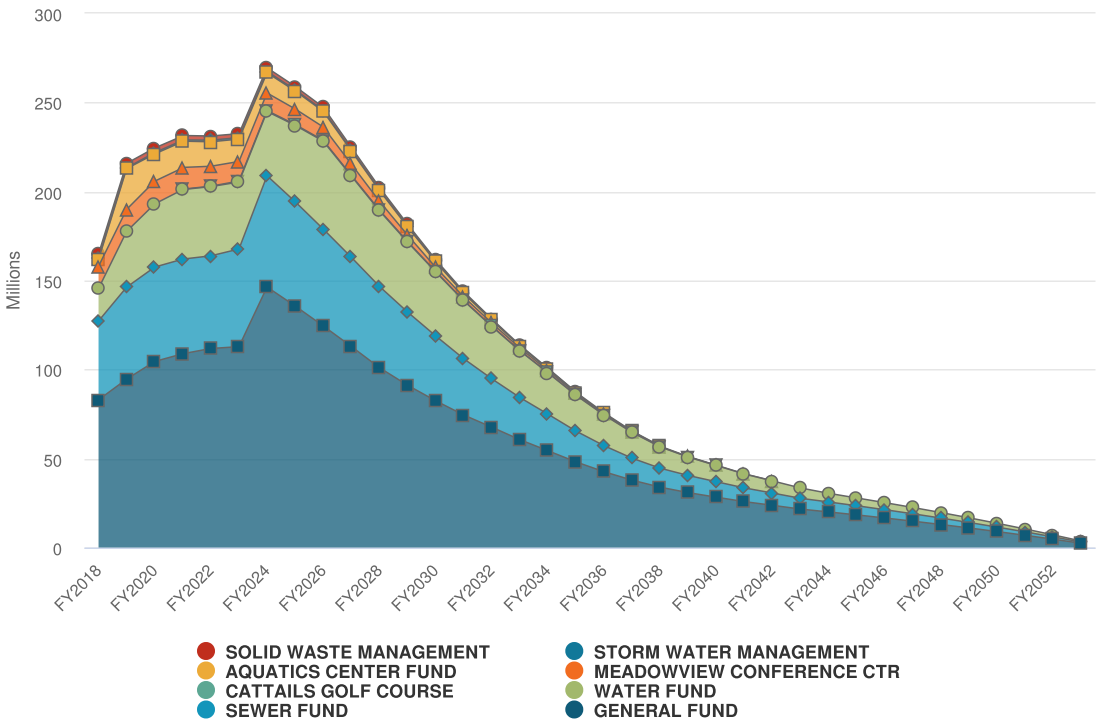
The City's written financial policies, strong General Fund undesignated balance, well-reasoned and conservative multi-year capital improvement plans and reducing total debt levels all contribute to maintaining this excellent bond rating.

Government-wide Debt Overview

$247,379,213

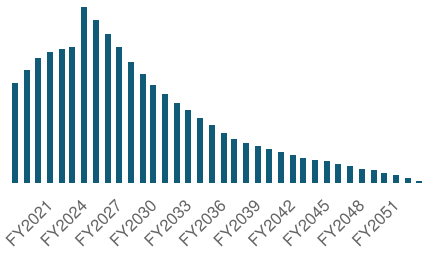
-$11,681,596 (-4.51% vs. 2025 year)

Debt by Fund



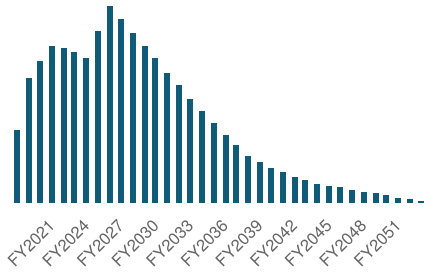
Financial Summary	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
All Funds	—	—	—	—	—	—	—	—
GENERAL FUND	$112,836,125	$146,346,824	$135,693,582	$124,502,164	$112,955,841	$101,047,828	$91,197,074	$82,474,904
WATER FUND	$37,627,051	$36,099,708	$42,885,270	$49,366,842	$45,658,672	$42,516,462	$39,291,805	$35,974,561
SEWER FUND	$54,853,377	$62,502,607	$58,610,593	$54,432,704	$50,121,842	$45,673,223	$41,151,891	$36,474,874
SOLID WASTE MANAGEMENT	$2,195,124	$2,049,408	$1,898,077	$1,741,722	$1,577,810	$1,406,112	$1,238,191	$1,063,457
STORM WATER MANAGEMENT	$840,312	$747,547	$650,945	$551,714	$449,274	$342,939	$232,925	$119,723
AQUATICS CENTER FUND	$12,584,219	$11,374,671	$10,115,814	$8,820,596	$7,476,558	$6,078,469	$4,641,446	$3,163,854
MEADOWVIEW CONFERENCE CTR	$11,003,097	$9,896,578	$8,741,569	$7,541,756	$6,295,135	$5,007,163	$3,673,498	$2,305,859
CATTAILS GOLF COURSE	$547,699	$506,858	$464,959	$421,715	$377,574	$332,026	$285,182	$237,218
Total All Funds:	**$232,487,004**	**$269,524,201**	**$259,060,809**	**$247,379,213**	**$224,912,706**	**$202,404,222**	**$181,712,012**	**$161,814,450**

GENERAL FUND



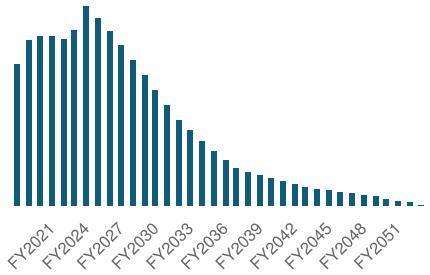
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
GENERAL FUND	—	—	—	—		
GENERAL FUND	$112,836,125	$146,346,824	$135,693,582	$124,502,164	-8.2%	$-11,191,418
Total GENERAL FUND:	**$112,836,125**	**$146,346,824**	**$135,693,582**	**$124,502,164**	**-8.2%**	**$-11,191,418**

WATER FUND



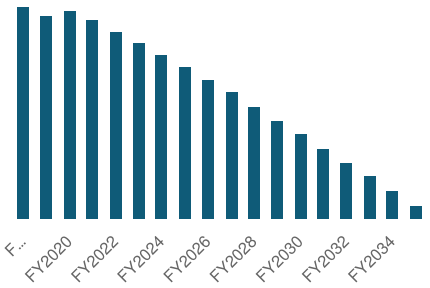
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
WATER FUND	—	—	—	—		
WATER FUND	$37,627,051	$36,099,708	$42,885,270	$49,366,842	15.1%	$6,481,572
Total WATER FUND:	**$37,627,051**	**$36,099,708**	**$42,885,270**	**$49,366,842**	**15.1%**	**$6,481,572**

SEWER FUND



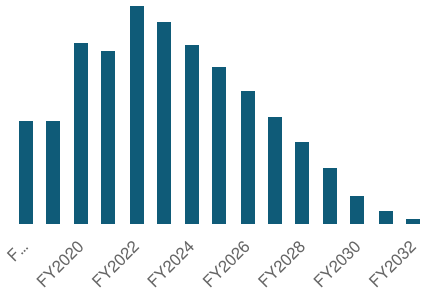
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
SEWER FUND	—	—	—	—		
SEWER FUND	$54,853,377	$62,502,607	$58,610,593	$54,432,704	-7.1%	$-4,177,889
Total SEWER FUND:	**$54,853,377**	**$62,502,607**	**$58,610,593**	**$54,432,704**	**-7.1%**	**$-4,177,889**

SOLID WASTE MANAGEMENT



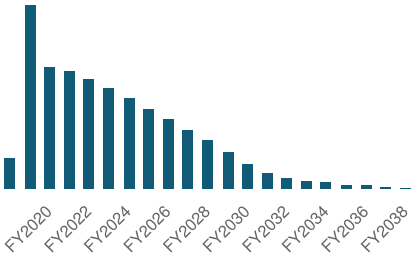
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
SOLID WASTE MANAGEMENT	—	—	—	—		
SOLID WASTE MANAGEMENT	$2,195,124	$2,049,408	$1,898,077	$1,741,722	-8.2%	$-156,355
Total SOLID WASTE MANAGEMENT:	**$2,195,124**	**$2,049,408**	**$1,898,077**	**$1,741,722**	**-8.2%**	**$-156,355**

STORM WATER MANAGEMENT



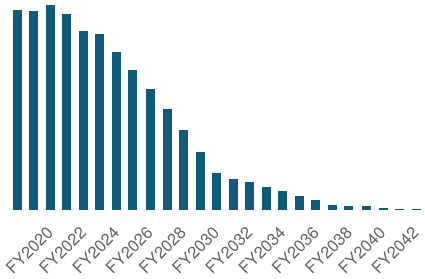
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
STORM WATER MANAGEMENT	—	—	—	—		
STORM WATER MANAGEMENT	$840,312	$747,547	$650,945	$551,714	-15.2%	$-99,231
Total STORM WATER MANAGEMENT:	**$840,312**	**$747,547**	**$650,945**	**$551,714**	**-15.2%**	**$-99,231**

AQUATICS CENTER FUND



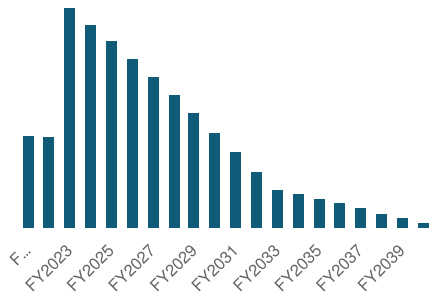
Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
AQUATICS CENTER FUND	—	—	—	—		
AQUATICS CENTER FUND	$12,584,219	$11,374,671	$10,115,814	$8,820,596	-12.8%	$-1,295,218
Total AQUATICS CENTER FUND:	**$12,584,219**	**$11,374,671**	**$10,115,814**	**$8,820,596**	**-12.8%**	**$-1,295,218**

MEADOWVIEW CONFERENCE CTR



Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
MEADOWVIEW CONFERENCE CTR	—	—	—	—		
MEADOWVIEW CONFERENCE CTR	$11,003,097	$9,896,578	$8,741,569	$7,541,756	-13.7%	$-1,199,813
Total MEADOWVIEW CONFERENCE CTR:	**$11,003,097**	**$9,896,578**	**$8,741,569**	**$7,541,756**	**-13.7%**	**$-1,199,813**

CATTAILS GOLF COURSE



Financial Summary	FY2023	FY2024	FY2025	FY2026	% Change	$ Change
CATTAILS GOLF COURSE	—	—	—	—		
CATTAILS GOLF COURSE	$547,699	$506,858	$464,959	$421,715	-9.3%	$-43,244
Total CATTAILS GOLF COURSE:	**$547,699**	**$506,858**	**$464,959**	**$421,715**	**-9.3%**	**$-43,244**

APPENDICES

Population Overview

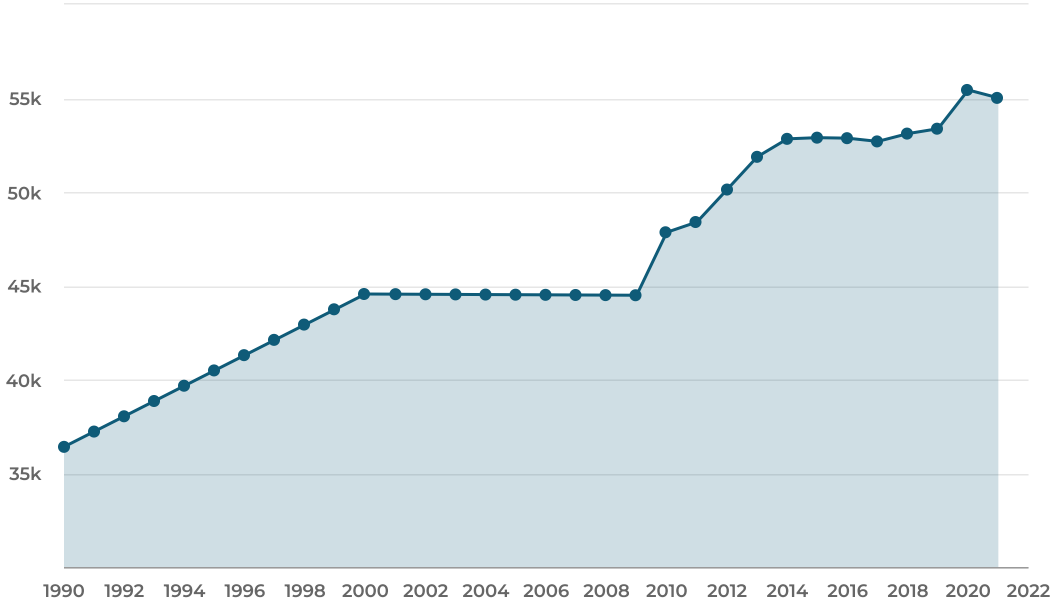
TOTAL POPULATION

55,019

▼ .8%
vs. 2020

GROWTH RANK

213 out of 346
Municipalities in Tennessee



** Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses*

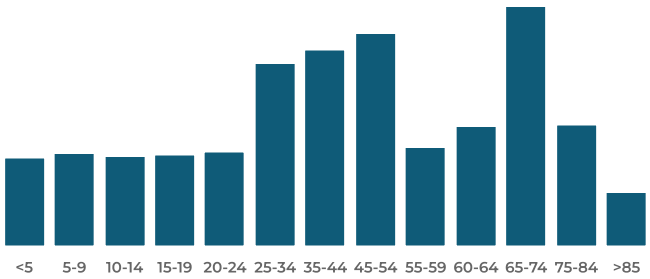
DAYTIME POPULATION

75,444

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

** Data Source: American Community Survey 5-year estimates*

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

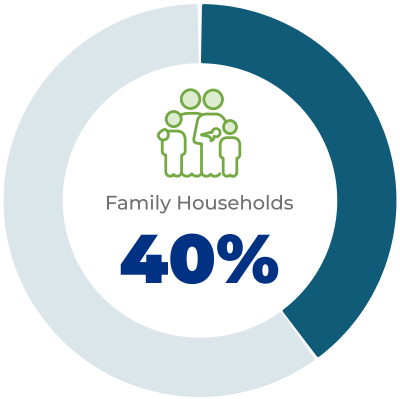
** Data Source: American Community Survey 5-year estimates*

Household Analysis

TOTAL HOUSEHOLDS

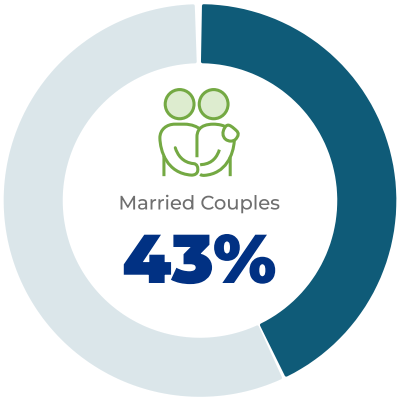
24,665

It is important to consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the tax base.



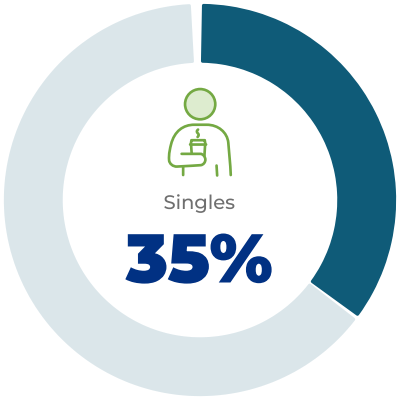
▼ 17%

lower than state average



▼ 11%

lower than state average



▲ 26%

higher than state average

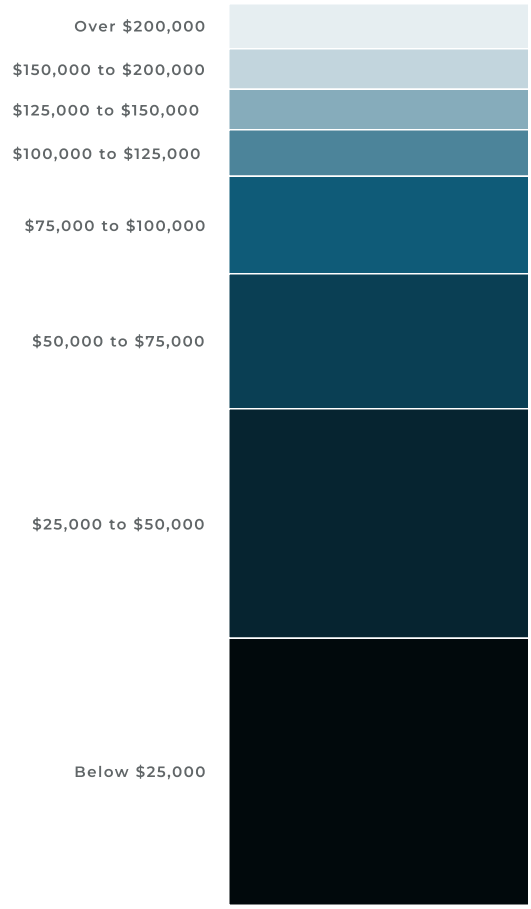
▲ 25%

higher than state average

** Data Source: American Community Survey 5-year estimates*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



HOUSEHOLD INCOME

Above $200,000

5%

▼ 20%
lower than state average

Median Income

$43,025

▼ 26%
lower than state average

Below $25,000

30%

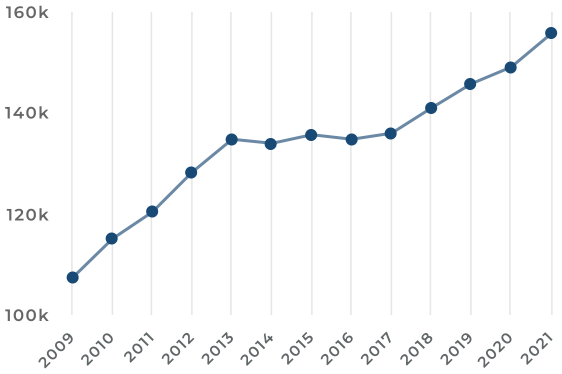
▲ 47%
higher than state average

** Data Source: American Community Survey 5-year estimates*

Housing Overview

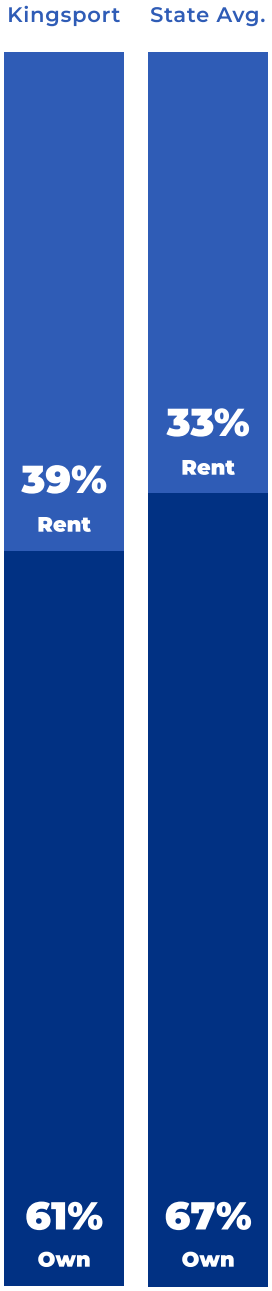
2021 MEDIAN HOME VALUE

$155,700



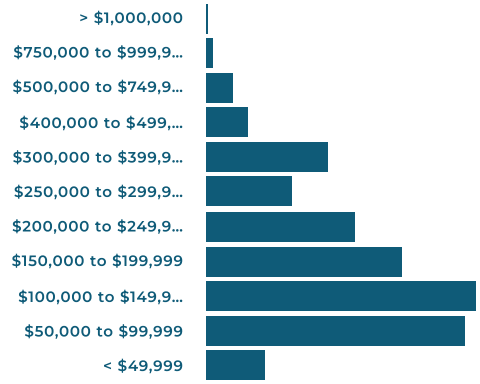
** Data Source: 2021 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME OWNERS VS RENTERS



** Data Source: 2021 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME VALUE DISTRIBUTION



** Data Source: 2021 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*

APPENDIX

ADMINISTRATION REQUESTS

Riverview Park and V. O. Dobbins, Sr. Complex

Overview

Request Owner	Michael Borders, Assistant City Manager - Leisure Services
Est. Start Date	09/29/2026
Est. Completion Date	10/29/2029
Department	ADMINISTRATION
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

Improvements to Riverview Park and the V. O. Dobbins, Sr. Complex to enhance operations and customer experiences.

Details

Type of Project	Refurbishment

Benefit to Community

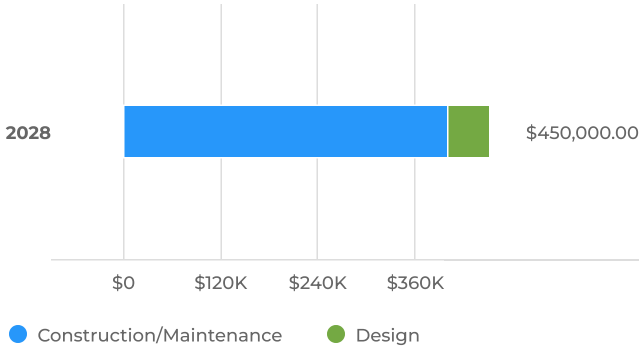
Improve customer experience and provide recreation services.

Capital Cost

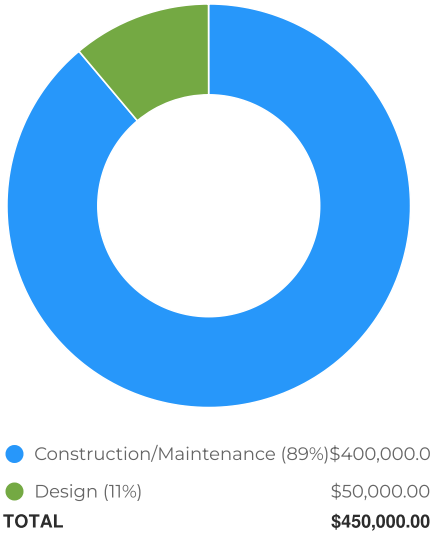
Total Budget (all years)
$450K

Project Total
$450K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

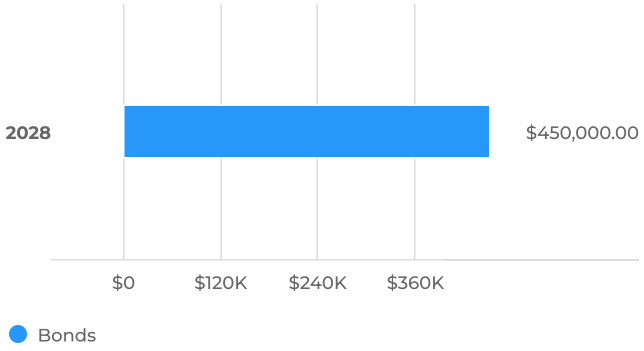
Capital Cost	FY2028	Total
Design	$50,000	$50,000
Construction/Maintenance	$400,000	$400,000
Total	**$450,000**	**$450,000**

Funding Sources

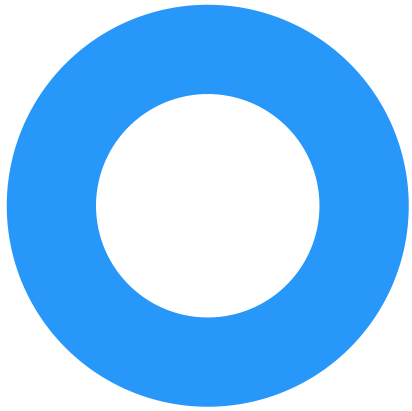
Total Budget (all years)
$450K

Project Total
$450K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown		
Funding Sources	**FY2028**	**Total**
Bonds	$450,000	$450,000
Total	**$450,000**	**$450,000**

ALLANDALE REQUESTS

Allandale Amphitheater

Overview

Request Owner	Michael Borders, Assistant City Manager - Leisure Services
Est. Start Date	11/30/2026
Est. Completion Date	11/30/2028
Department	ALLANDALE
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

Construction of a permanent tension roof stretching over the primary stage to provide shelter for the performers. Convert the existing Men's and Women's restroom into a Men's Restroom and construct a new Women's restroom. The Friends of Allandale completed and dedicated the Amphitheater in July 2013. The Friends of Allandale and the City of Kingsport are in a partnership for continued development of the site.

Details

Type of Project	New Construction

Location

Address: 4444 West Stone Drive

Benefit to Community

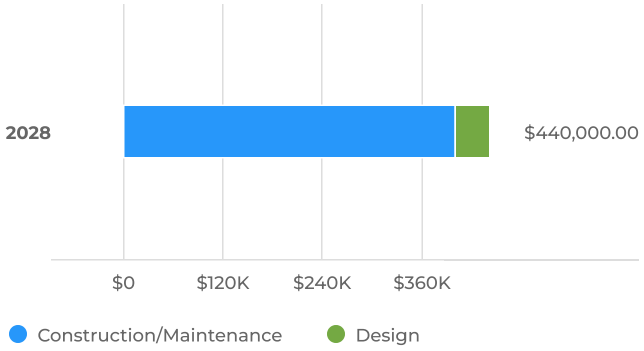
Improvements

Capital Cost

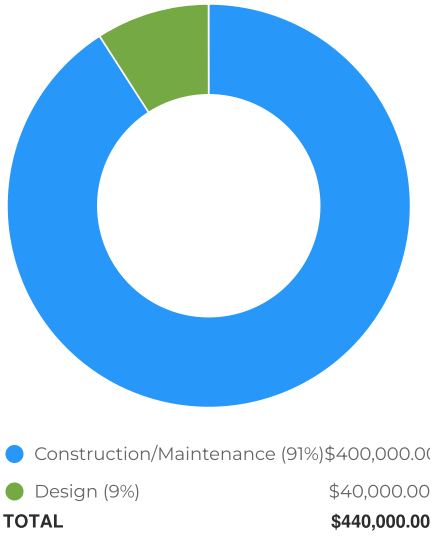
Total Budget (all years)
$440K

Project Total
$440K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

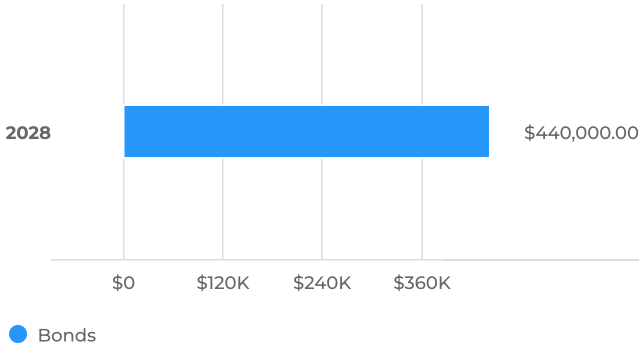
Capital Cost	FY2028	Total
Design	$40,000	$40,000
Construction/Maintenance	$400,000	$400,000
Total	**$440,000**	**$440,000**

Funding Sources

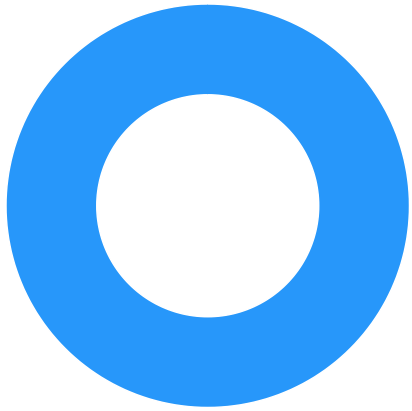
Total Budget (all years)
$440K

Project Total
$440K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2028	Total
Bonds	$440,000	$440,000
Total	**$440,000**	**$440,000**

Allandale Improvements

Overview

Request Owner	Michael Borders, Assistant City Manager - Leisure Services
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2032
Department	ALLANDALE
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

Renovation of the outdoor restroom facility beside the Heron Dome and paving. Enhancements will increase rentals by offering improved options to customers.

Details

Type of Project	Refurbishment

Location

Benefit to Community

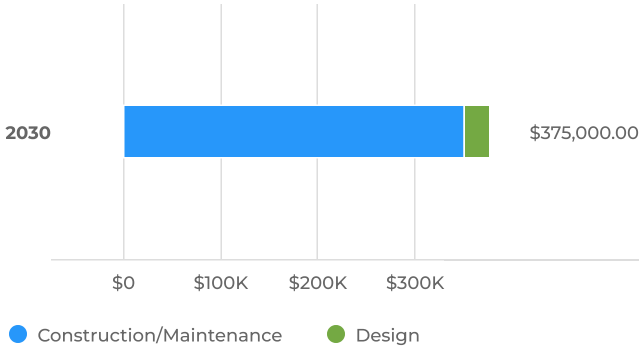
Improvements

Capital Cost

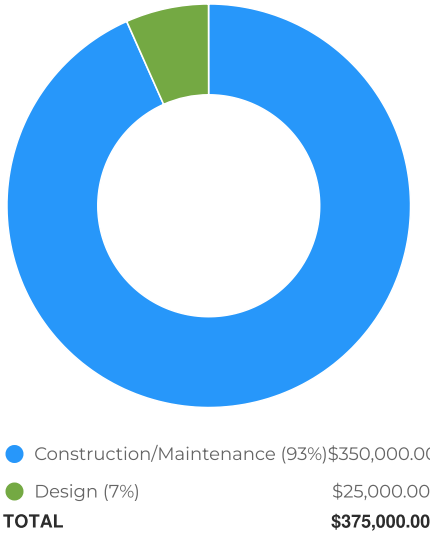
Total Budget (all years)
$375K

Project Total
$375K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

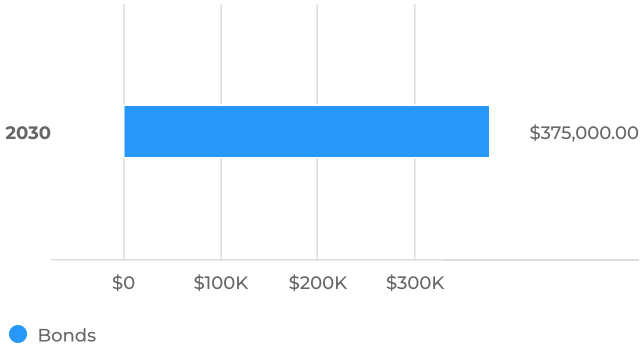
Capital Cost	FY2030	Total
Design	$25,000	$25,000
Construction/Maintenance	$350,000	$350,000
Total	**$375,000**	**$375,000**

Funding Sources

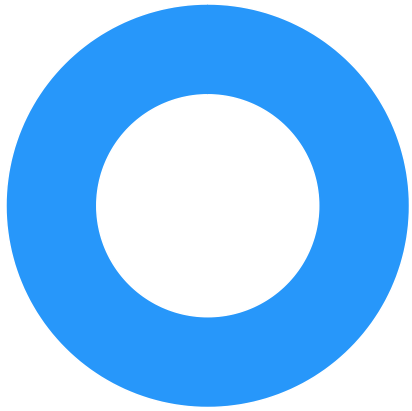
Total Budget (all years)
$375K

Project Total
$375K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$375,000.00
TOTAL	**$375,000.00**

Funding Sources Breakdown

Funding Sources	FY2030	Total
Bonds	$375,000	$375,000
Total	**$375,000**	**$375,000**

AQUATIC CENTER ADMIN REQUESTS

KAC Storage Shed

Overview

Request Owner	Wendy Terrazas, Aquatics Center Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2028
Department	AQUATIC CENTER ADMIN
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

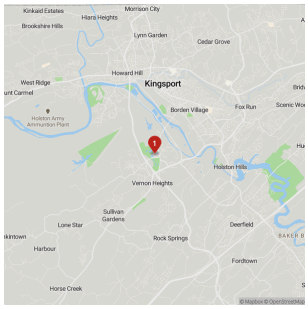
Our current storage space, shared with the maintenance team, has proven insufficient. To address this, we are exploring the option of acquiring a pre-built shed with concrete floors and electricity to expand our storage capacity.

Details

Type of Project	New Construction

Location

Address: 1820 Meadowview Parkway

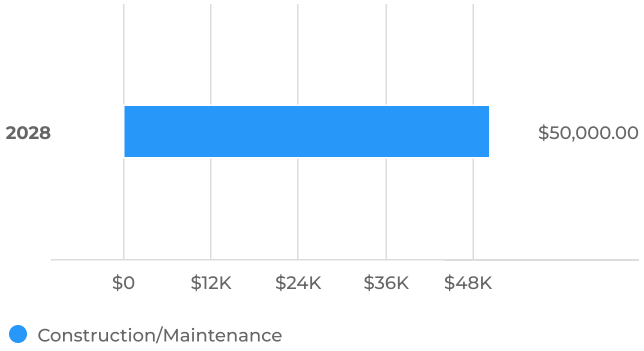


Capital Cost

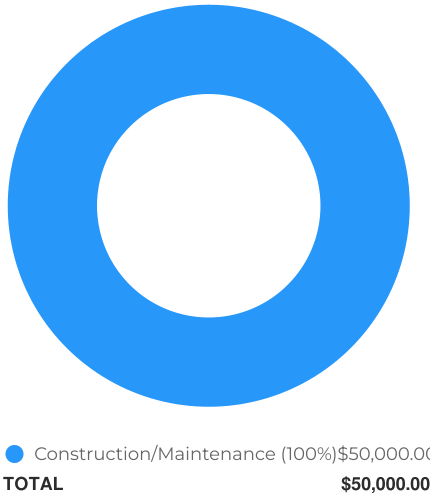
Total Budget (all years)
$50K

Project Total
$50K

Capital Cost by Year



Capital Cost for Budgeted Years



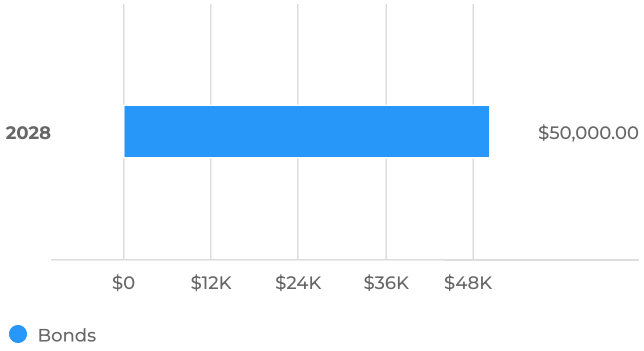
Capital Cost Breakdown		
Capital Cost	**FY2028**	**Total**
Construction/Maintenance	$50,000	$50,000
Total	**$50,000**	**$50,000**

Funding Sources

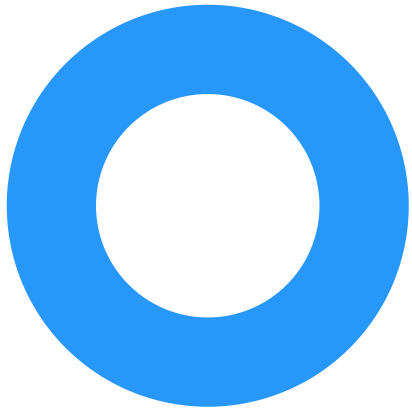
Total Budget (all years)
$50K

Project Total
$50K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$50,000.00
TOTAL	**$50,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	Total
Bonds	$50,000	$50,000
Total	**$50,000**	**$50,000**

Timing System

Overview

Request Owner	Wendy Terrazas, Aquatics Center Manager
Department	AQUATIC CENTER ADMIN
Request Groups	Leisure Services
Type	Capital Equipment
Project Number	Pending

Description

In 2023, we learned that Daktronics, our current timing system provider, will be ceasing support for parts and updates. Consequently, we are gearing up for a comprehensive replacement with Colorado timing equipment. While there is a chance that the Colorado system might work with our existing board, it remains uncertain whether the scoreboard will need replacement. It's crucial to note that full support for Daktronics will conclude by calendar year 2026. To ensure a smooth transition, we must plan for the purchase and installation of the new system by 2026. The purchase will include: scoreboard (& installation), touchpads, cable harness, starting system, relay judging platforms, pace clocks, scoreboard controller, accessories for all items listed, training.

Details

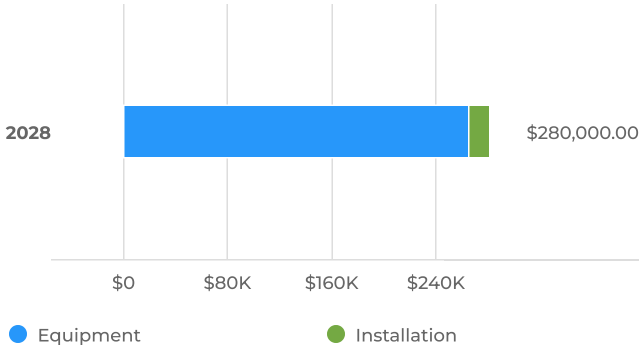
New Purchase or Replacement	New

Capital Cost

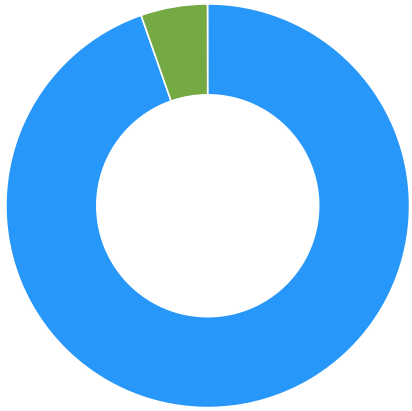
Total Budget (all years)
$280K

Project Total
$280K

Capital Cost by Year



Capital Cost for Budgeted Years



Equipment (95%)	$265,000.00
Installation (5%)	$15,000.00
TOTAL	**$280,000.00**

Capital Cost Breakdown

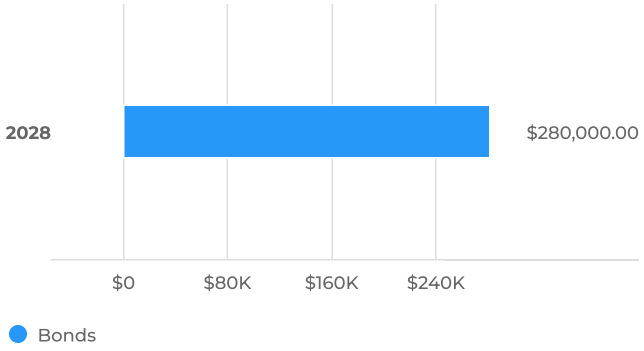
Capital Cost	FY2028	Total
Equipment	$265,000	$265,000
Installation	$15,000	$15,000
Total	**$280,000**	**$280,000**

Funding Sources

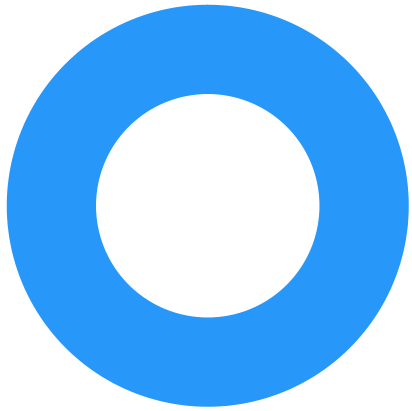
Total Budget (all years)
$280K

Project Total
$280K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown		
Funding Sources	**FY2028**	**Total**
Bonds	$280,000	$280,000
Total	**$280,000**	**$280,000**

BAYS MOUNTAIN PARK REQUESTS

BMP Animal Habitats

Overview

Request Owner	Megan Krager, Bays Mountian Park Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	BAYS MOUNTAIN PARK
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

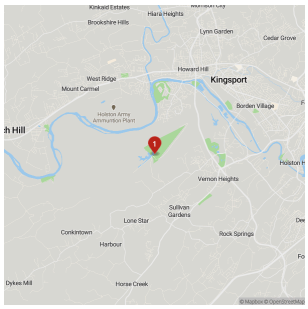
Description

A glimpse into the next 5 years. Funding is available for the Otter Habitat. Working to secure funding for bobcat habitat and the barge/pavilion ADA trail system. FY 28 - Finish Otter Habitat construction. FY 29 - Work on bobcat design plans. FY 30 - Construct bobcat habitat. Work on barge/pavilion ADA trail design plans. FY 31 - Construct barge/pavilion ADA trail system. FY 32 - Work on design plans for the songbird & waterbird habitat.

Details

Type of Project	New Construction

Location



Benefit to Community

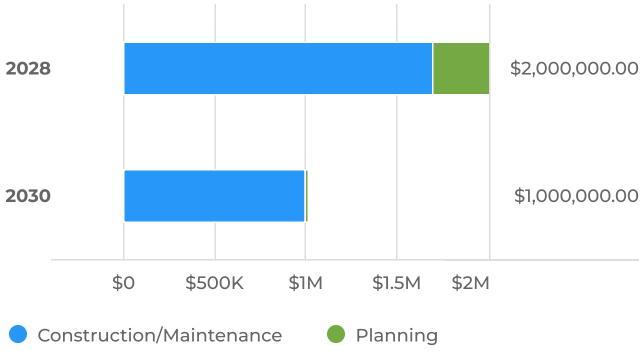
Improved animal habitats will increase attendance. Improvements to habitats will help the park fulfill requirements to become AZA accredited. Not only are we looking at improving the habitats, but the trail systems around the habitats to current ADA standards.

Capital Cost

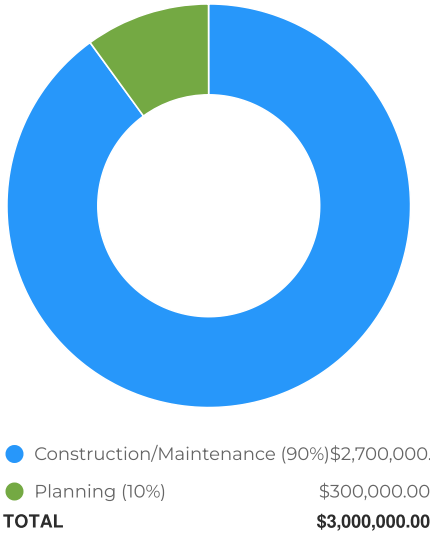
Total Budget (all years)
$3M

Project Total
$3M

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

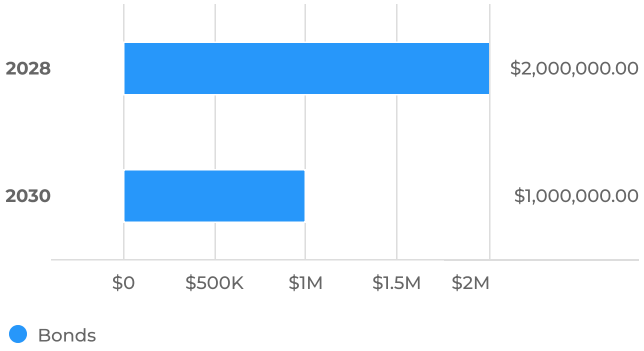
Capital Cost	FY2028	FY2030	Total
Planning	$300,000	$0	$300,000
Construction/Maintenance	$1,700,000	$1,000,000	$2,700,000
Total	**$2,000,000**	**$1,000,000**	**$3,000,000**

Funding Sources

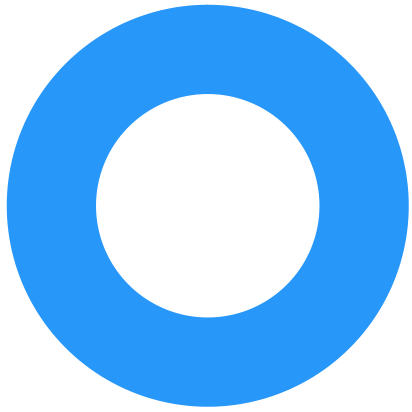
Total Budget (all years)
$3M

Project Total
$3M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$3,000,000.00
TOTAL	**$3,000,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	FY2030	Total
Bonds	$2,000,000	$1,000,000	$3,000,000
Total	**$2,000,000**	**$1,000,000**	**$3,000,000**

BMP Floating Bridge

Overview

Request Owner	Megan Krager, Bays Mountian Park Manager
Est. Start Date	09/01/2025
Est. Completion Date	10/31/2025
Department	BAYS MOUNTAIN PARK
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

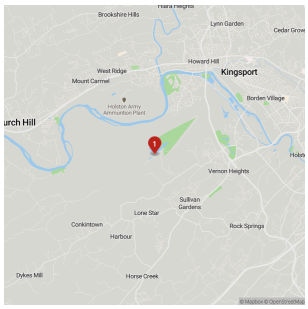
Description

Acquire drawings for the project and construct the Floating Bridge. The bridge is over 20 years old. Most of the wooden walkway has been replaced several times. The main support beams under the bridge have been scabbed-in with new lumber in several places over the years. There's a lot of rot on the support beams for the bridge. The bridge needs updating to current TDEC standards.

Details

Type of Project	New Construction

Location



Benefit to Community

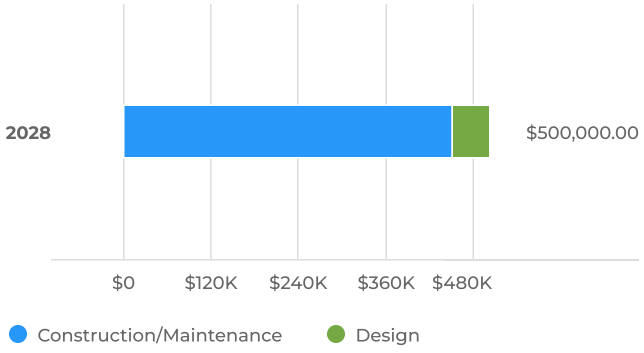
Lakeside Trail is the most hiked trail in the park. Having a new bridge will provide hikers a safer hiking experience for the park guests.

Capital Cost

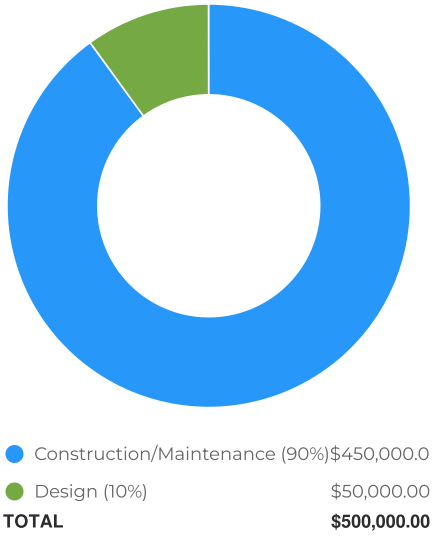
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

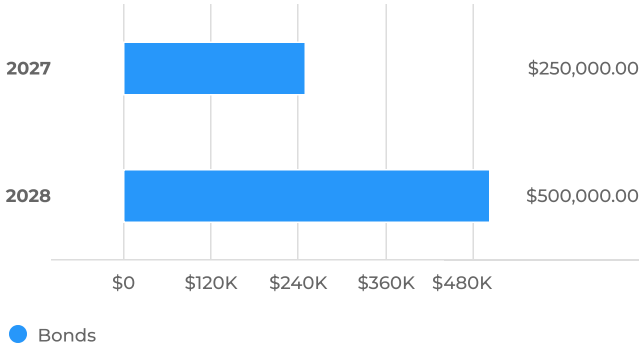
Capital Cost	FY2028	Total
Design	$50,000	$50,000
Construction/Maintenance	$450,000	$450,000
Total	**$500,000**	**$500,000**

Funding Sources

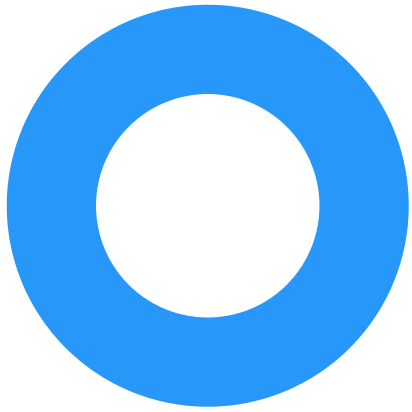
Total Budget (all years)
$750K

Project Total
$750K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$750,000.00
TOTAL	**$750,000.00**

Funding Sources Breakdown

Funding Sources	FY2027	FY2028	Total
Bonds	$250,000	$500,000	$750,000
Total	**$250,000**	**$500,000**	**$750,000**

BUILDING MAINTENANCE REQUESTS

Facilities ADA

Overview

Request Owner	Karl Berry, Failities Maintenance Superintendent
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	BUILDING MAINTENANCE
Request Groups	Facilities Maintenance
Type	Capital Improvement
Project Number	Pending

Description

All city facilities must meet and maintain ADA standards. Funding will ensure that city facilities can maintain and improve accessibility.

Details

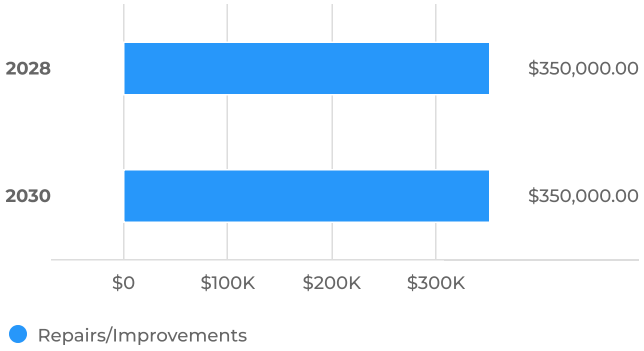
Type of Project	Refurbishment

Capital Cost

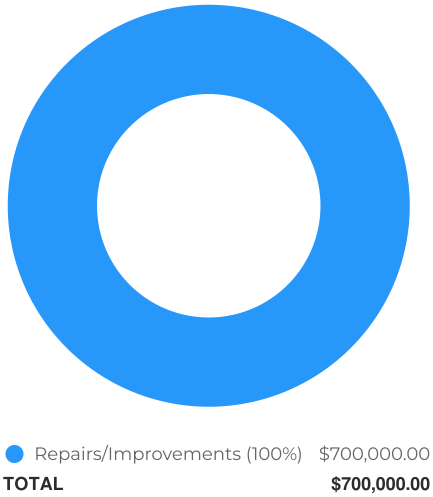
Total Budget (all years)
$700K

Project Total
$700K

Capital Cost by Year



Capital Cost for Budgeted Years



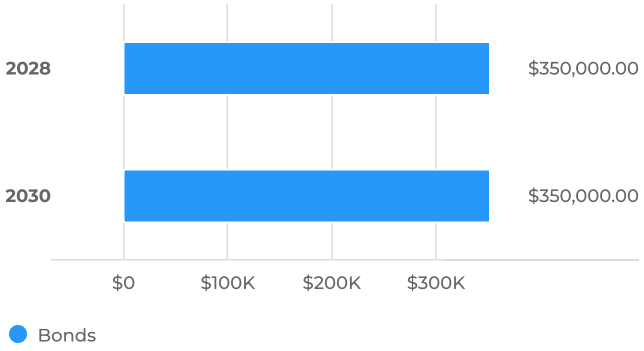
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Repairs/Improvements	$350,000	$350,000	$700,000
Total	**$350,000**	**$350,000**	**$700,000**

Funding Sources

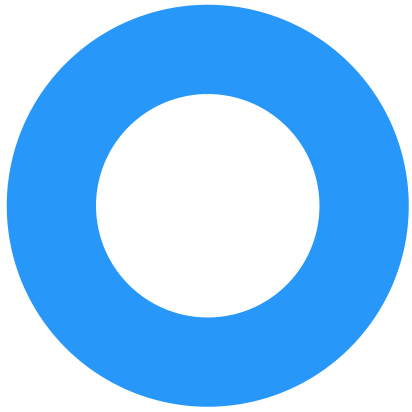
Total Budget (all years)
$700K

Project Total
$700K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2028	FY2030	Total
Bonds	$350,000	$350,000	$700,000
Total	**$350,000**	**$350,000**	**$700,000**

Facility Repairs

Overview

Request Owner	Karl Berry, Failities Maintenance Superintendent
Est. Start Date	07/01/2024
Est. Completion Date	06/30/2025
Department	BUILDING MAINTENANCE
Request Groups	Facilities Maintenance
Type	Capital Improvement
Project Number	Pending

Description

FY 2028 Identified needs:

Demolition of 615 Industry Drive [Old animal shelter]	25,000
Parking Garage exterior stair replacement	100,000
Allandale Mansion repairs	100,000
BMP Nature Center shingle re-roof	115,000
Recaulk City Hall Windows	150,000
Recaulk Sevier Center Windows	50,000
Replace Sevier Center HVAC front-end control	50,000
Parking lot crack sealing, sealing & restripe Sevier Ctr.	10,000

FY 2030 Identified needs:

Replacement of fleet roof	250,000
Retrofit parking garage restrooms to vandal resistant	150,000
Sevier Center HVAC wiring, sensors & programming	130,000

Details

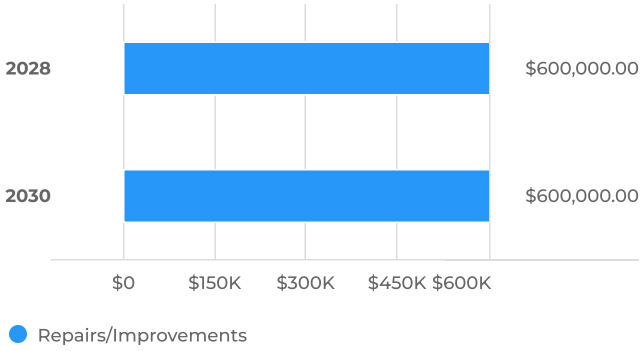
Type of Project	Other

Capital Cost

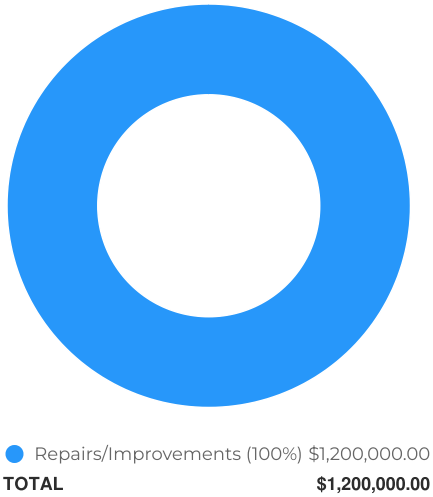
Total Budget (all years)
$1.2M

Project Total
$1.2M

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

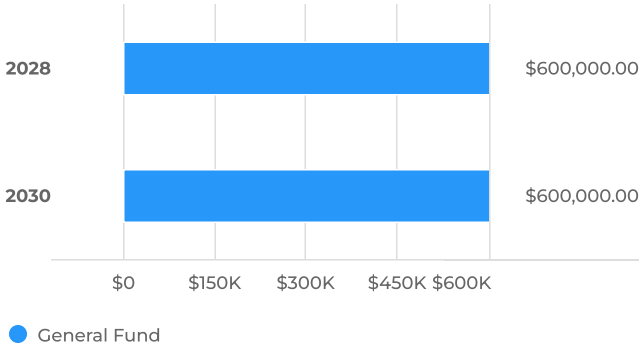
Capital Cost	FY2028	FY2030	Total
Repairs/Improvements	$600,000	$600,000	$1,200,000
Total	**$600,000**	**$600,000**	**$1,200,000**

Funding Sources

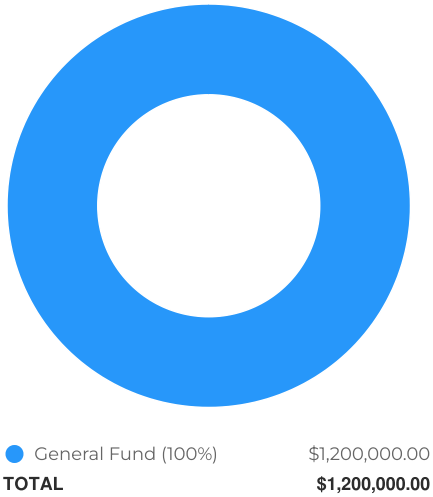
Total Budget (all years)
$1.2M

Project Total
$1.2M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2028**	**FY2030**	**Total**
General Fund	$600,000	$600,000	$1,200,000
Total	**$600,000**	**$600,000**	**$1,200,000**

CAPITAL IMPROVEMENT-SEWER REQUESTS

Collection System Upgrade

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

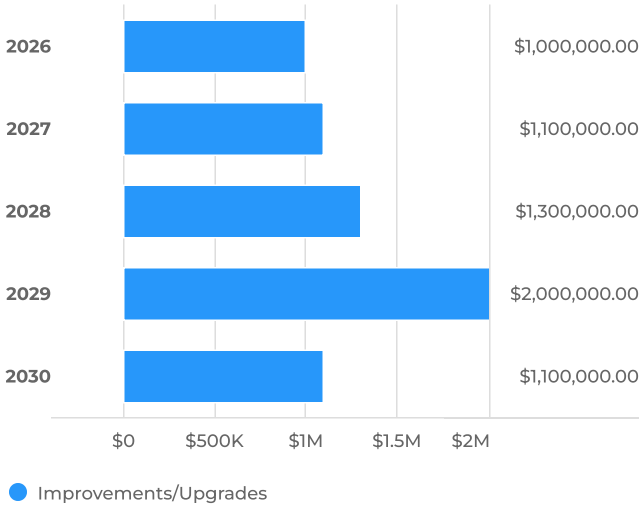
Description

Replacement / upgrade of existing infrastructure due to deterioration. Problems were observed during the investigation of service issues. Some of these issues can be repaired as part of our normal operating budget. Other areas need more comprehensive rehabilitation or upgrade, requiring construction contracts outside our operating budget.

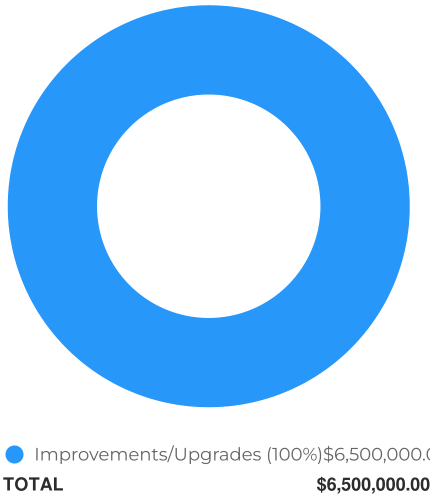
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,000,000	$6.5M	$6.5M

Capital Cost by Year



Capital Cost for Budgeted Years



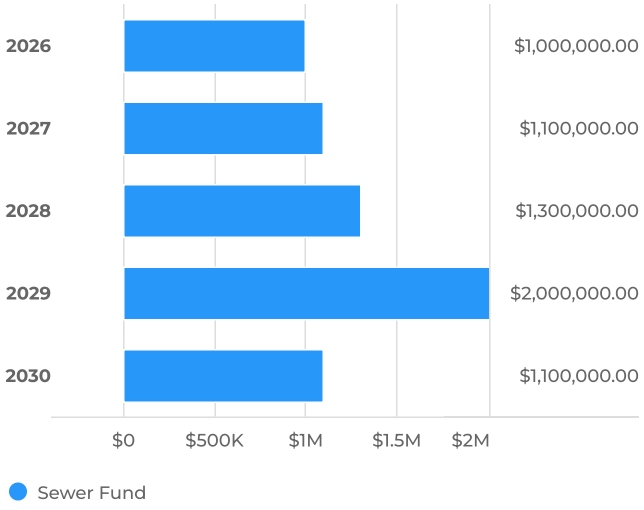
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$1,000,000	$1,100,000	$1,300,000	$2,000,000	$1,100,000	$6,500,000
Total	**$1,000,000**	**$1,100,000**	**$1,300,000**	**$2,000,000**	**$1,100,000**	**$6,500,000**

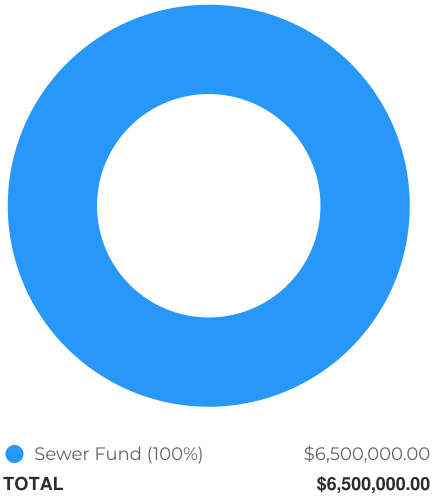
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,000,000	$6.5M	$6.5M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Sewer Fund	$1,000,000	$1,100,000	$1,300,000	$2,000,000	$1,100,000	$6,500,000
Total	**$1,000,000**	**$1,100,000**	**$1,300,000**	**$2,000,000**	**$1,100,000**	**$6,500,000**

Lift Station Upgrades

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

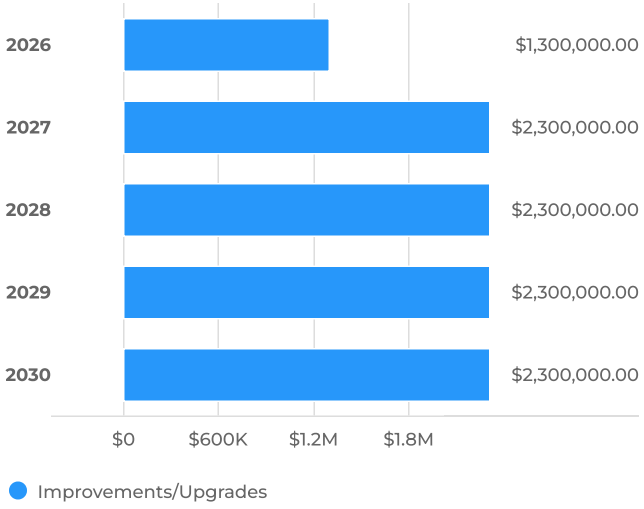
Description

Lift Station improvements in various areas of the city. The Pendragon portion of this improvement project may be funding with State Revolving Funds.

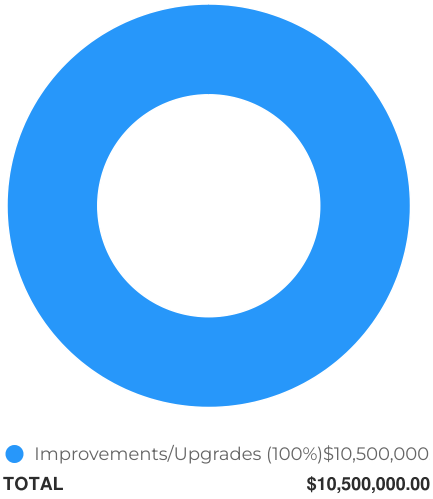
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,300,000	$10.5M	$10.5M

Capital Cost by Year



Capital Cost for Budgeted Years



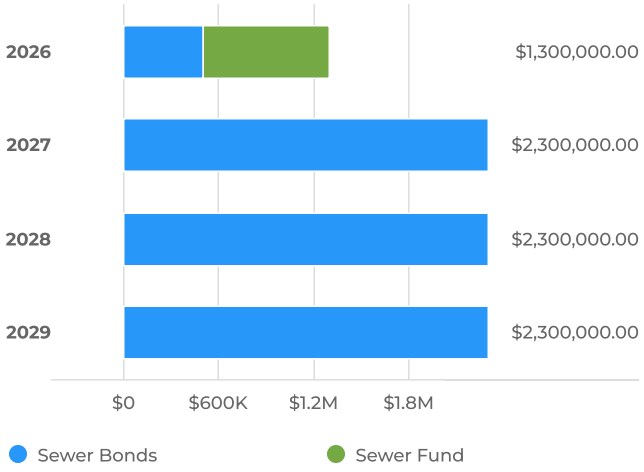
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$1,300,000	$2,300,000	$2,300,000	$2,300,000	$2,300,000	$10,500,000
Total	**$1,300,000**	**$2,300,000**	**$2,300,000**	**$2,300,000**	**$2,300,000**	**$10,500,000**

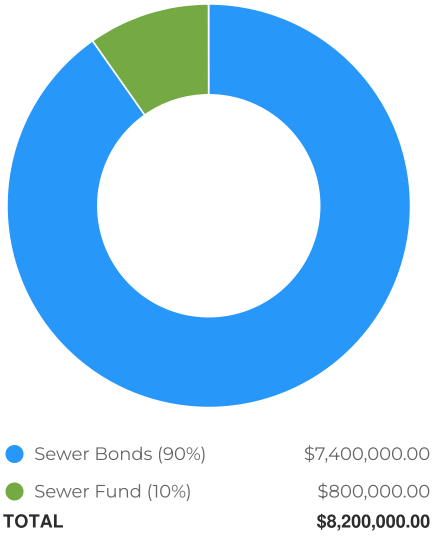
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,300,000	$8.2M	$8.2M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	Total
Sewer Bonds	$500,000	$2,300,000	$2,300,000	$2,300,000	$7,400,000
Sewer Fund	$800,000	$0	$0	$0	$800,000
Total	**$1,300,000**	**$2,300,000**	**$2,300,000**	**$2,300,000**	**$8,200,000**

Maintenance Facility Improvements (Sewer)

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

Description

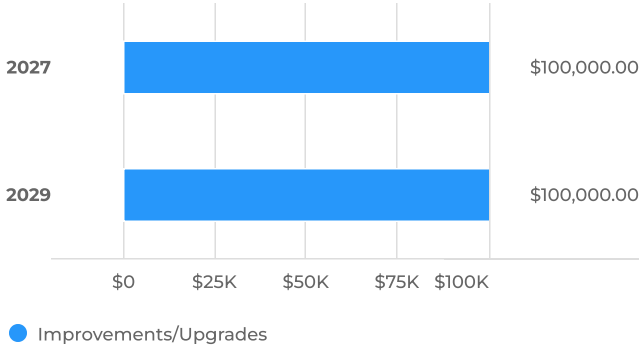
Improvements to the facility on Konnarock Rd. This will allow us to continue improving the property and making it more useful for our staff.

Capital Cost

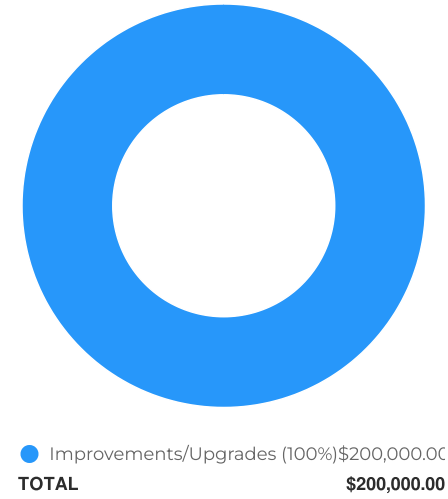
Total Budget (all years)
$200K

Project Total
$200K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

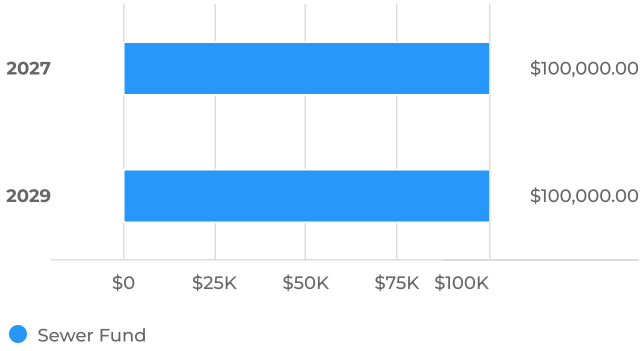
Capital Cost	FY2027	FY2029	Total
Improvements/Upgrades	$100,000	$100,000	$200,000
Total	**$100,000**	**$100,000**	**$200,000**

Funding Sources

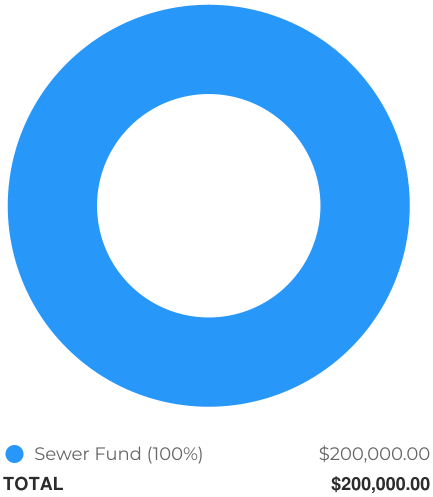
Total Budget (all years)
$200K

Project Total
$200K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2027**	**FY2029**	**Total**
Sewer Fund	$100,000	$100,000	$200,000
Total	**$100,000**	**$100,000**	**$200,000**

Pump Station Improvements

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

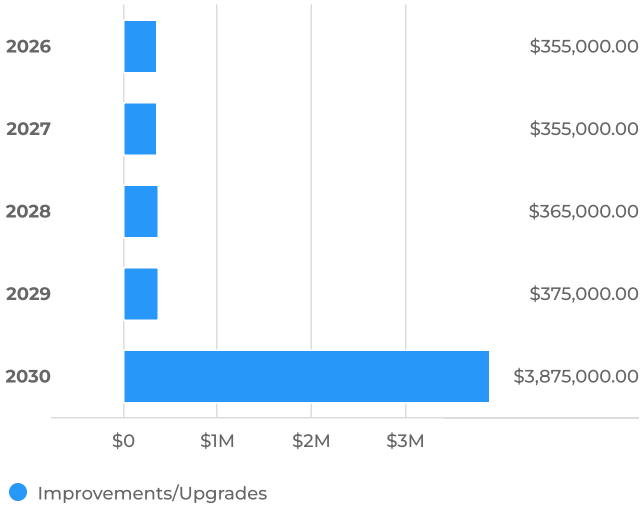
Description

Replacement parts for existing sewer lift stations. Lift stations have a life expectancy of approximately 20 years before major repairs or replacement are required.

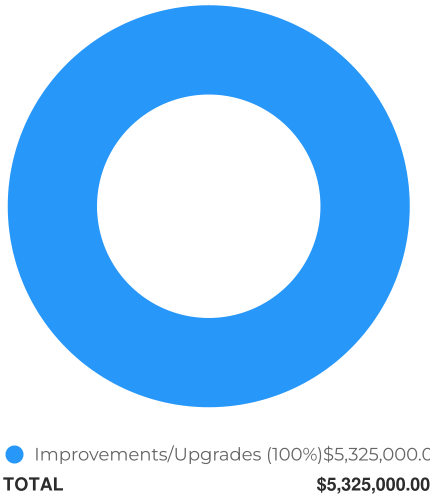
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$355,000	$5.325M	$5.325M

Capital Cost by Year



Capital Cost for Budgeted Years

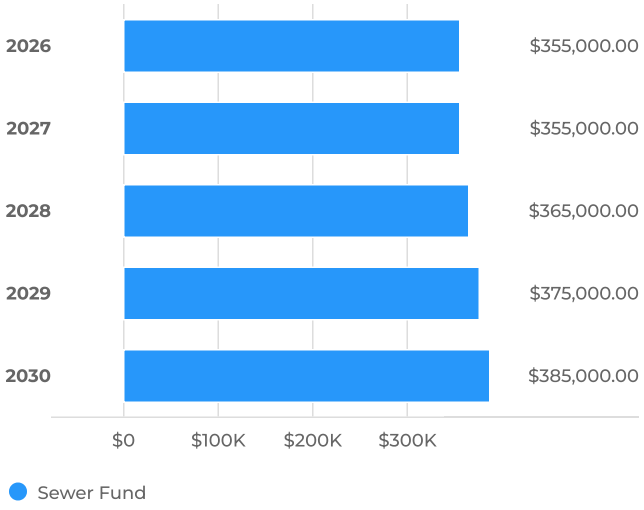


Capital Cost Breakdown						
Capital Cost	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**Total**
Improvements/Upgrades	$355,000	$355,000	$365,000	$375,000	$3,875,000	$5,325,000
Total	**$355,000**	**$355,000**	**$365,000**	**$375,000**	**$3,875,000**	**$5,325,000**

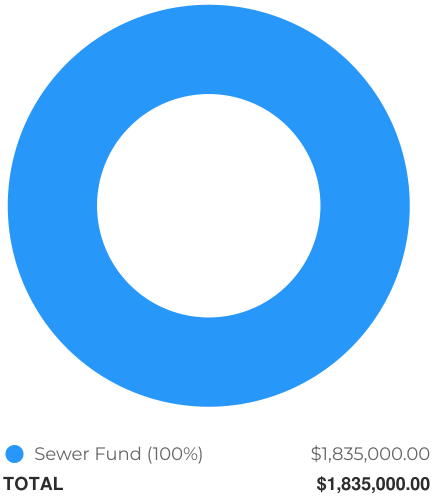
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$355,000	$1.835M	$1.835M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Sewer Fund	$355,000	$355,000	$365,000	$375,000	$385,000	$1,835,000
Total	**$355,000**	**$355,000**	**$365,000**	**$375,000**	**$385,000**	**$1,835,000**

Reedy Creek Trunk Sewer

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

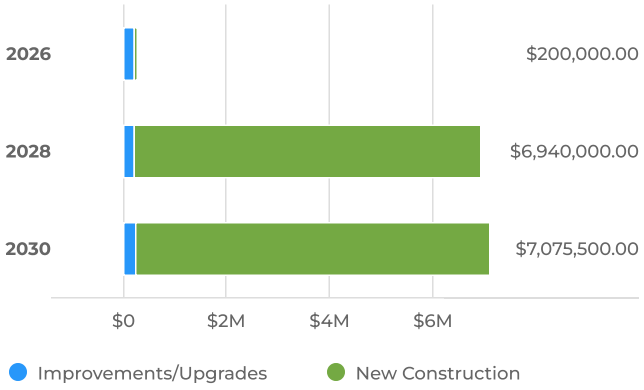
Description

As determined in the Sewer System Master Plan, this work will alleviate sanitary sewer overflows by making improvements in the Reedy Creek sewer basin. These improvements include the replacement / upgrade of the trunk line along Reedy Creek from Lovedale Dr to John B. Dennis. Work will be completed in several phases.

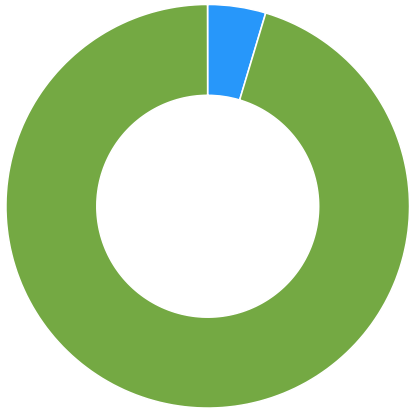
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$14.216M	$14.216M

Capital Cost by Year



Capital Cost for Budgeted Years



Improvements/Upgrades (5%)	$660,000.00
New Construction (95%)	$13,555,500.00
TOTAL	**$14,215,500.00**

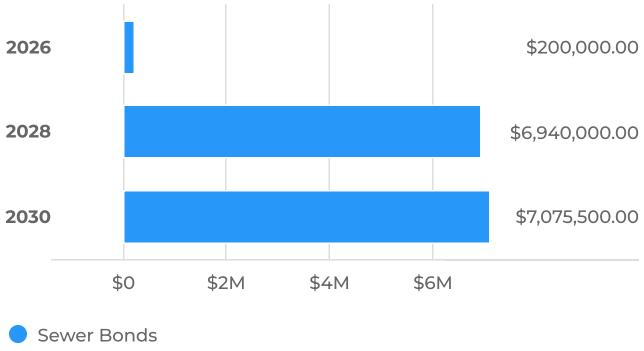
Capital Cost Breakdown

Capital Cost	Historical	FY2026	FY2028	FY2030	Total
Improvements/Upgrades	$0	$200,000	$220,000	$240,000	$660,000
New Construction	$0	$0	$6,720,000	$6,835,500	$13,555,500
Total	**$0**	**$200,000**	**$6,940,000**	**$7,075,500**	**$14,215,500**

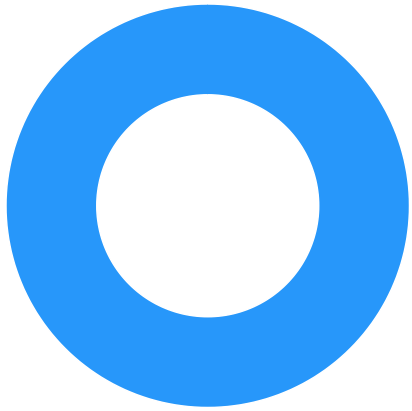
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$14.216M	$14.216M

Funding Sources by Year



Funding Sources for Budgeted Years



Sewer Bonds (100%)	$14,215,500.00
TOTAL	**$14,215,500.00**

Funding Sources Breakdown

Funding Sources	FY2026	FY2028	FY2030	Total
Sewer Bonds	$200,000	$6,940,000	$7,075,500	$14,215,500
Total	**$200,000**	**$6,940,000**	**$7,075,500**	**$14,215,500**

Sewer Line Improvements

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

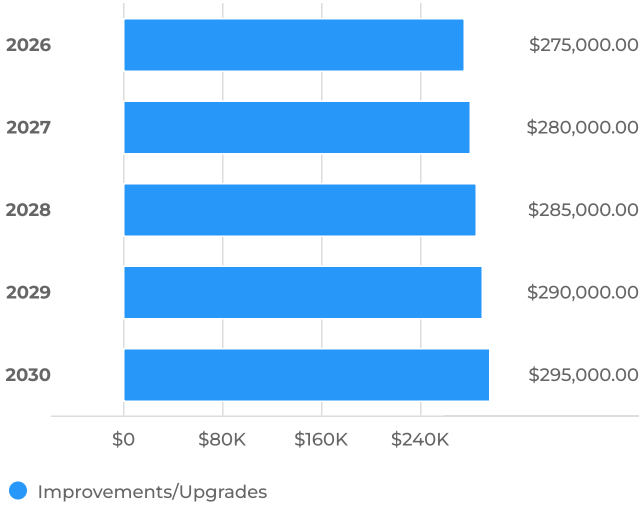
Description

Replacement parts for existing sewer infrastructure. Areas are identified through customer complaints, acoustic or CCTV inspections. This work will be completed by sewer maintenance crews. Kingsport currenly owns nearly 600 miles of sewer mains. As the current inferastructure continues to age, it will need to be replaced due to age, condition, or insufficient size. This will be critical to ensure that we meet permitted requirements of no sanitary sewer overflows.

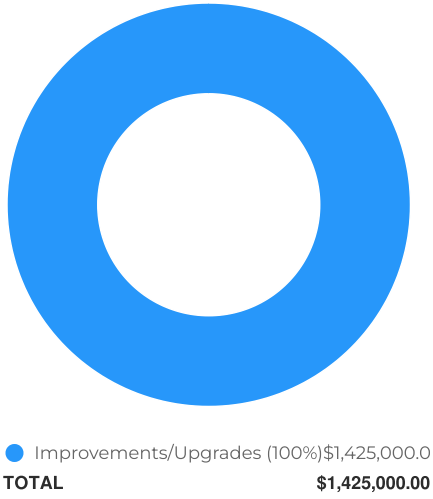
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$275,000	$1.425M	$1.425M

Capital Cost by Year



Capital Cost for Budgeted Years



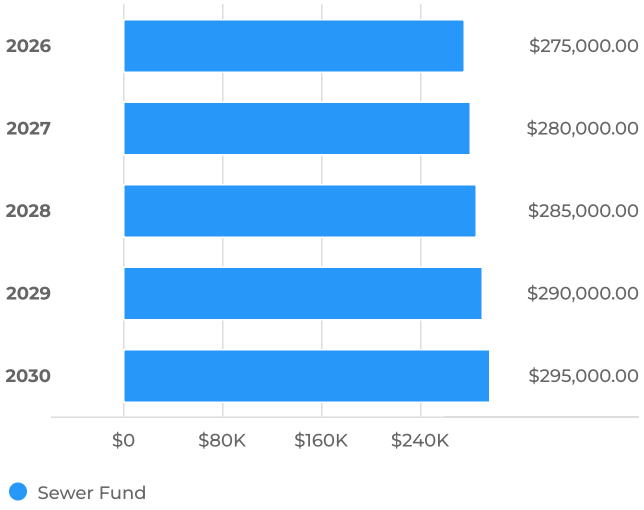
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$275,000	$280,000	$285,000	$290,000	$295,000	$1,425,000
Total	**$275,000**	**$280,000**	**$285,000**	**$290,000**	**$295,000**	**$1,425,000**

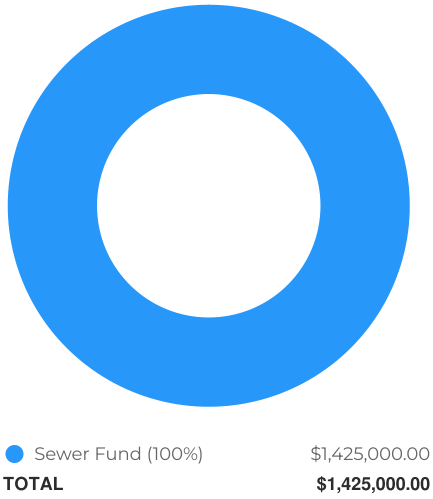
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$275,000	$1.425M	$1.425M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Sewer Fund	$275,000	$280,000	$285,000	$290,000	$295,000	$1,425,000
Total	**$275,000**	**$280,000**	**$285,000**	**$290,000**	**$295,000**	**$1,425,000**

Watauga Street Sewer Improvements

Overview

Request Owner	Niki Ensor, Utility Director
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2028
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

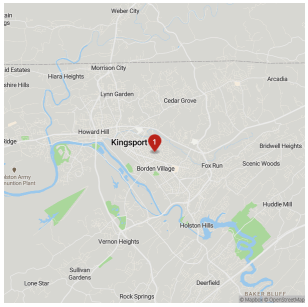
Description

Sewer Improvements along Watauga Street before reconstruction of the roadway.

Details

Type of Project	Refurbishment

Location



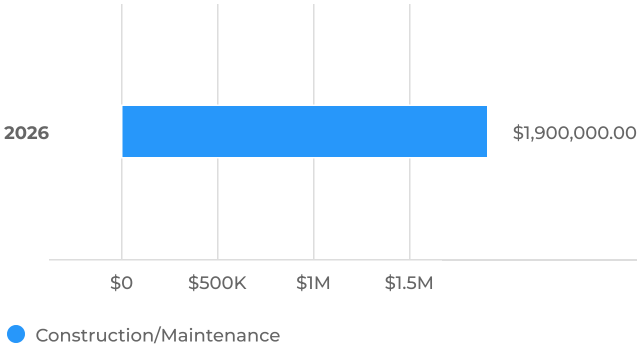
Benefit to Community

Upgraded sewer lines along Watauga Street.

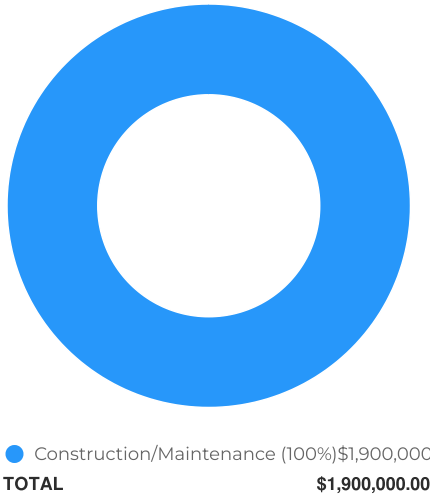
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,900,000	$1.9M	$1.9M

Capital Cost by Year



Capital Cost for Budgeted Years



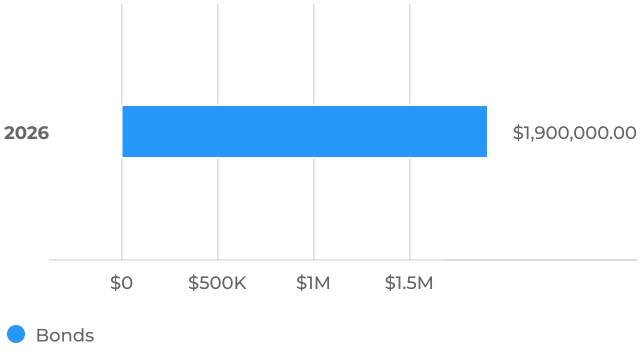
Capital Cost Breakdown

Capital Cost	FY2026	Total
Construction/Maintenance	$1,900,000	$1,900,000
Total	**$1,900,000**	**$1,900,000**

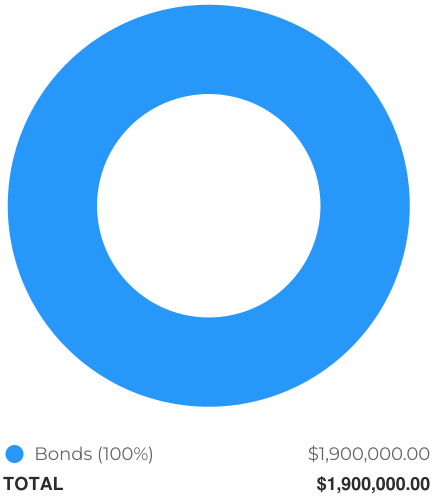
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,900,000	$1.9M	$1.9M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$1,900,000	$1,900,000
Total	**$1,900,000**	**$1,900,000**

WWTP Facility Improvement

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

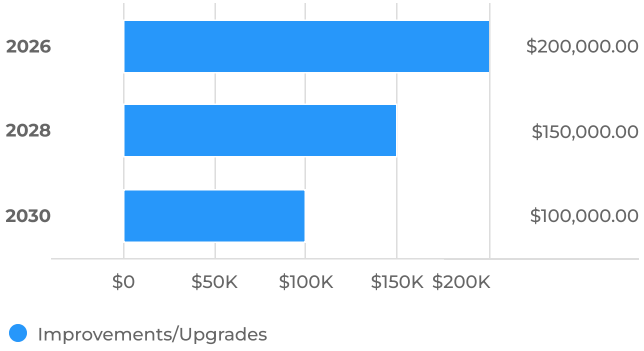
Description

Improvements to the Wastewater Treatment Plant.

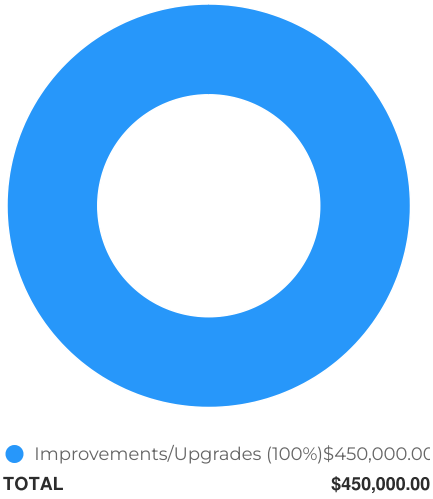
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$450K	$450K

Capital Cost by Year



Capital Cost for Budgeted Years



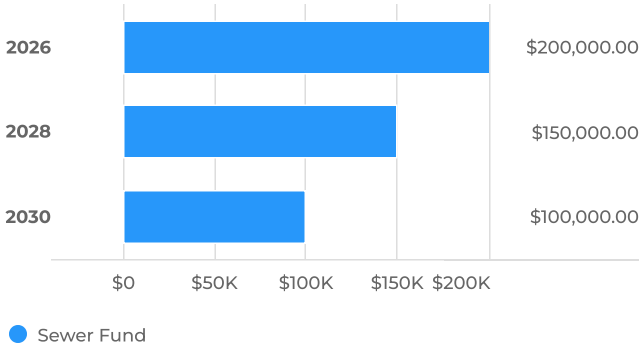
Capital Cost Breakdown

Capital Cost	FY2026	FY2028	FY2030	Total
Improvements/Upgrades	$200,000	$150,000	$100,000	$450,000
Total	**$200,000**	**$150,000**	**$100,000**	**$450,000**

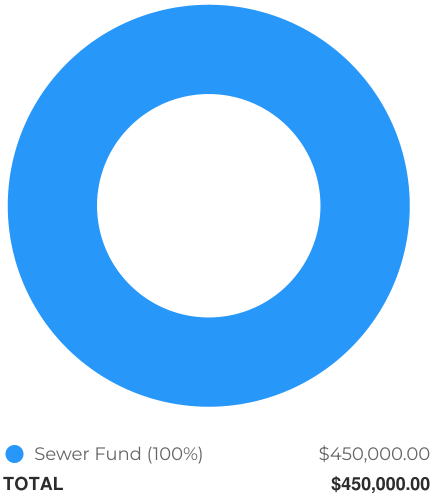
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$450K	$450K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

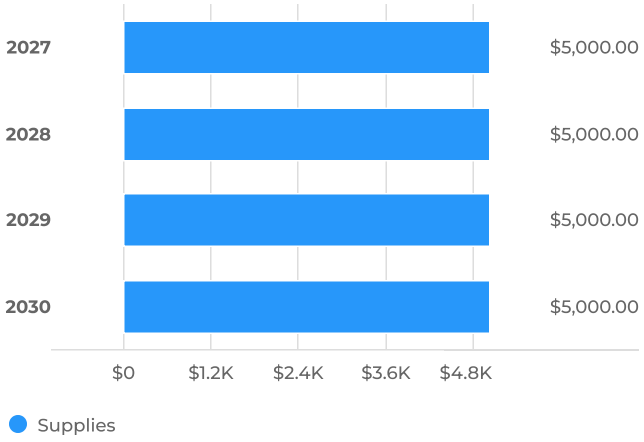
Funding Sources	FY2026	FY2028	FY2030	Total
Sewer Fund	$200,000	$150,000	$100,000	$450,000
Total	**$200,000**	**$150,000**	**$100,000**	**$450,000**

Operational Costs

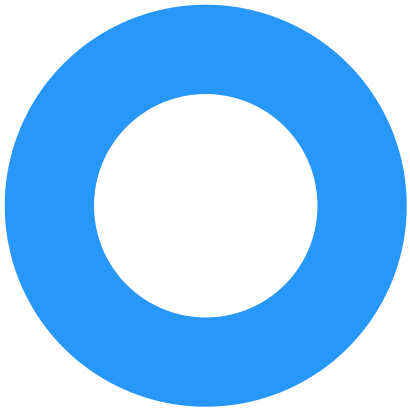
Total Budget (all years)
$20K

Project Total
$20K

Operational Costs by Year



Operational Costs for Budgeted Years



Supplies (100%)	$20,000.00
TOTAL	**$20,000.00**

Operational Costs Breakdown

Operational Costs	FY2027	FY2028	FY2029	FY2030	Total
Supplies	$5,000	$5,000	$5,000	$5,000	$20,000
Total	**$5,000**	**$5,000**	**$5,000**	**$5,000**	**$20,000**

WWTP Headworks / Equalization Basin

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-SEWER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

Description

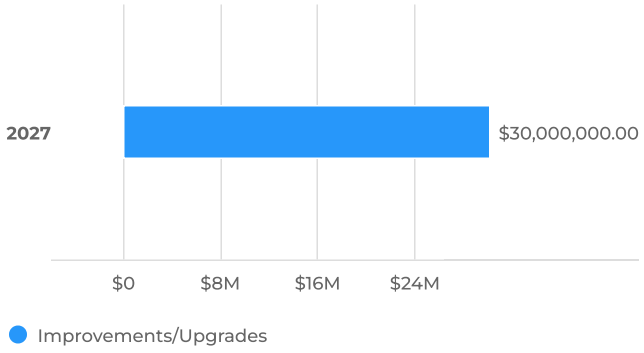
As determined in our Sewer System Master Plan, the construction of a storage facility near the Wastewater Treatment plant will help equalize flows coming into the plant during heavy rain events. This work is crucial to meet our permitted requirements of no sanitary sewer overflows.

Capital Cost

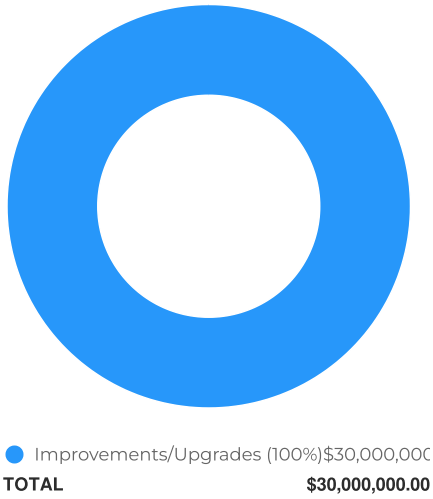
Total Budget (all years)
$30M

Project Total
$30M

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

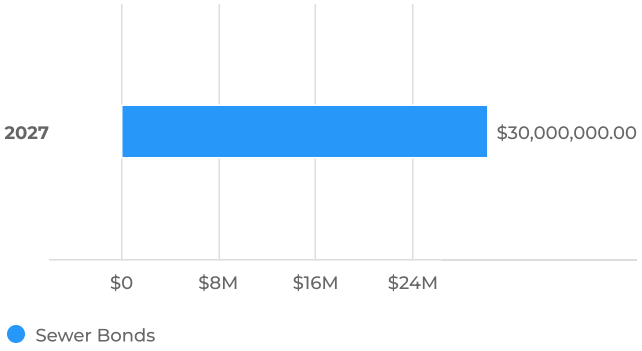
Capital Cost	FY2027	Total
Improvements/Upgrades	$30,000,000	$30,000,000
Total	**$30,000,000**	**$30,000,000**

Funding Sources

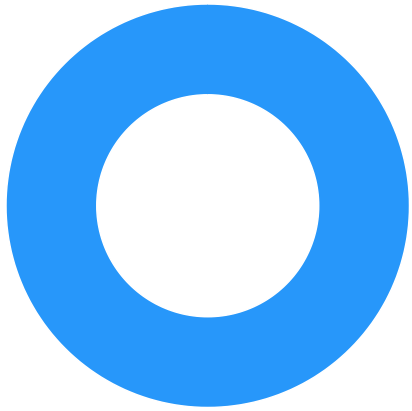
Total Budget (all years)
$30M

Project Total
$30M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

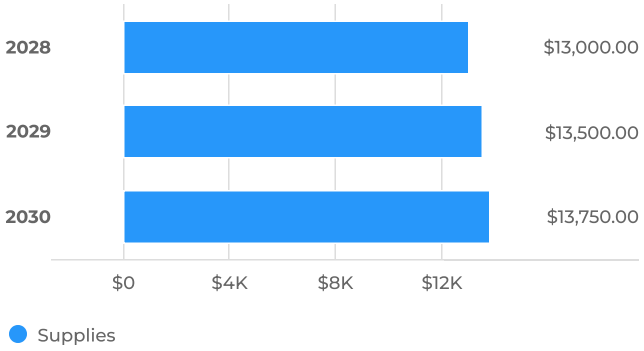
Funding Sources	FY2027	Total
Sewer Bonds	$30,000,000	$30,000,000
Total	**$30,000,000**	**$30,000,000**

Operational Costs

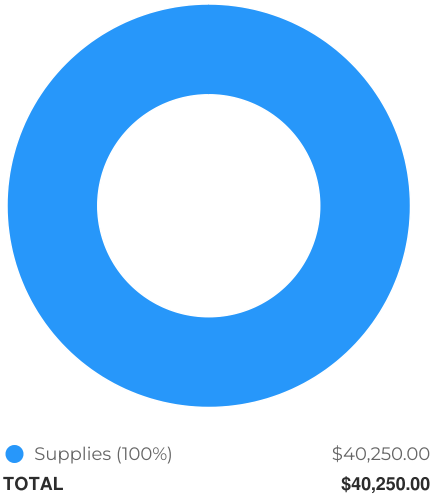
Total Budget (all years)
$40.25K

Project Total
$40.25K

Operational Costs by Year



Operational Costs for Budgeted Years



Operational Costs Breakdown				
Operational Costs	**FY2028**	**FY2029**	**FY2030**	**Total**
Supplies	$13,000	$13,500	$13,750	$40,250
Total	**$13,000**	**$13,500**	**$13,750**	**$40,250**

CAPITAL IMPROVEMENT-WATER REQUESTS

Chemical Feed/Pipe Gallery

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

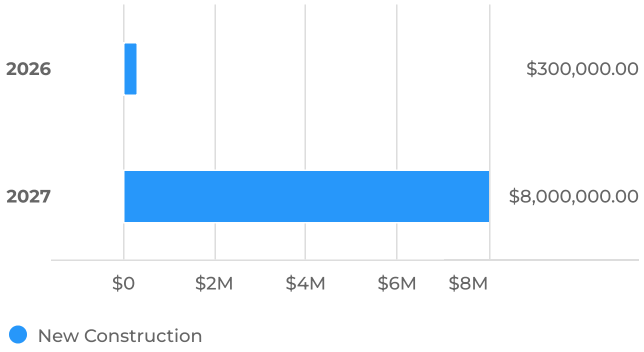
Description

Chemical feed improvement will include new facilities for pre and post chemical feed and implementation of alternative disinfection. Water plant improvements were identified as part of the Water System Master Plan. Improvements were selected to meet the primary objectives of providing reliable drinking water capacity, meeting drinking water regulations, making effective use of the existing plant site, and providing operational flexibility.

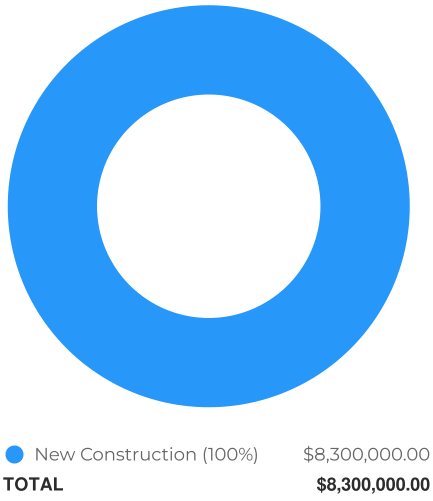
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$300,000	$8.3M	$8.3M

Capital Cost by Year



Capital Cost for Budgeted Years



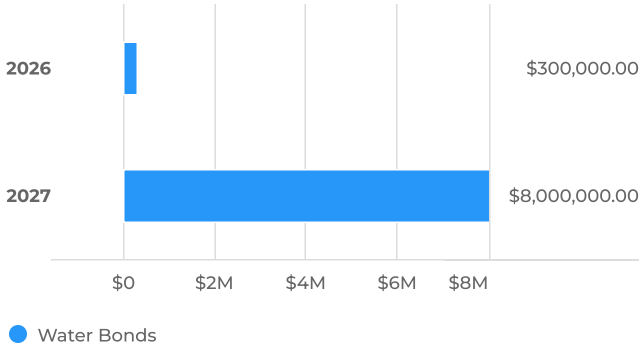
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	Total
New Construction	$300,000	$8,000,000	$8,300,000
Total	**$300,000**	**$8,000,000**	**$8,300,000**

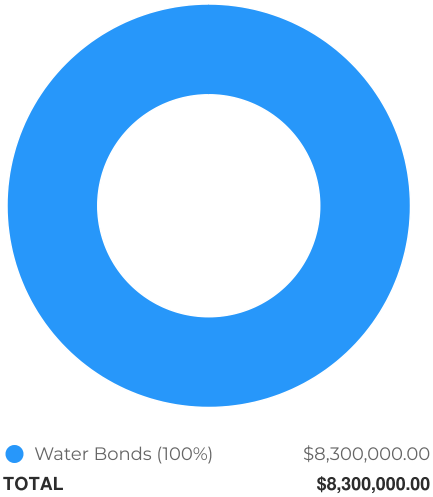
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$300,000	$8.3M	$8.3M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

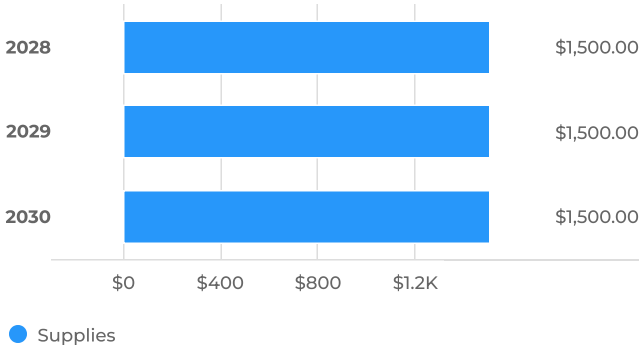
Funding Sources	FY2026	FY2027	Total
Water Bonds	$300,000	$8,000,000	$8,300,000
Total	**$300,000**	**$8,000,000**	**$8,300,000**

Operational Costs

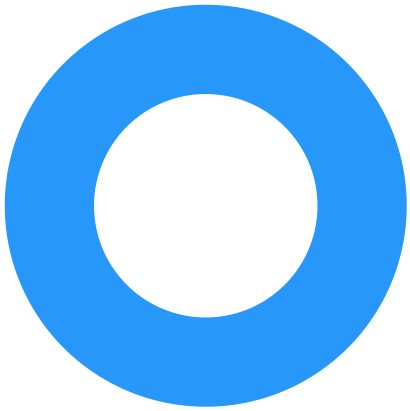
Total Budget (all years)
$4.5K

Project Total
$4.5K

Operational Costs by Year



Operational Costs for Budgeted Years



Supplies (100%)	$4,500.00
TOTAL	**$4,500.00**

Operational Costs Breakdown

Operational Costs	FY2028	FY2029	FY2030	Total
Supplies	$1,500	$1,500	$1,500	$4,500
Total	**$1,500**	**$1,500**	**$1,500**	**$4,500**

Distribution System Upgrade

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

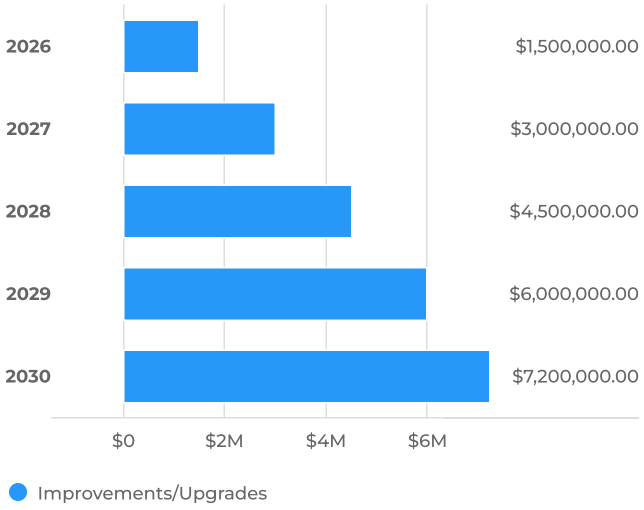
Description

Planned waterline upgrades for fire protection, adequate supply, and replacement of deteriorating water infrastructure. As the current infrastructure continues to age, it will need to be replaced due to age, condition, or insufficient size. This will be critical to ensure that we meet permitted requirements.

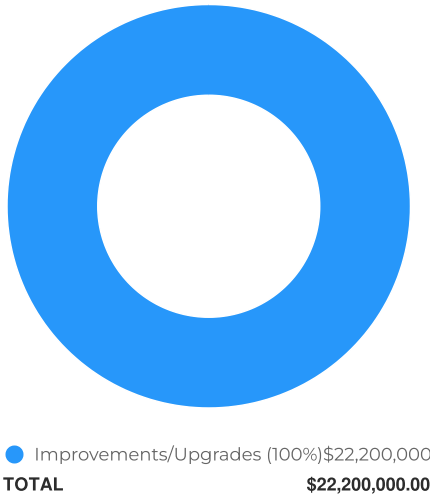
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,500,000	$22.2M	$22.2M

Capital Cost by Year



Capital Cost for Budgeted Years

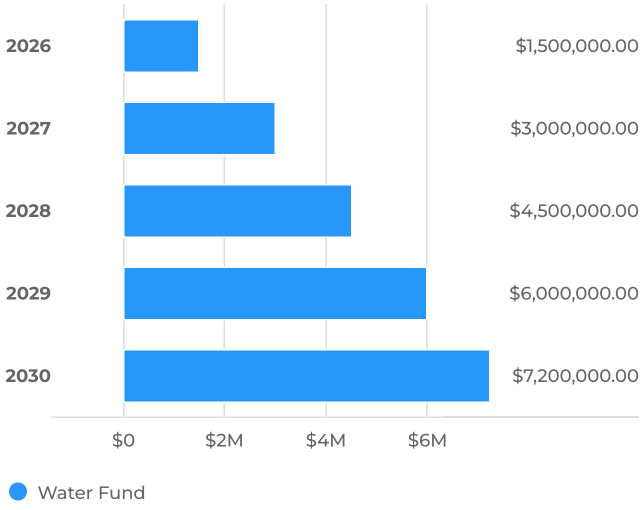


Capital Cost Breakdown						
Capital Cost	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**Total**
Improvements/Upgrades	$1,500,000	$3,000,000	$4,500,000	$6,000,000	$7,200,000	$22,200,000
Total	**$1,500,000**	**$3,000,000**	**$4,500,000**	**$6,000,000**	**$7,200,000**	**$22,200,000**

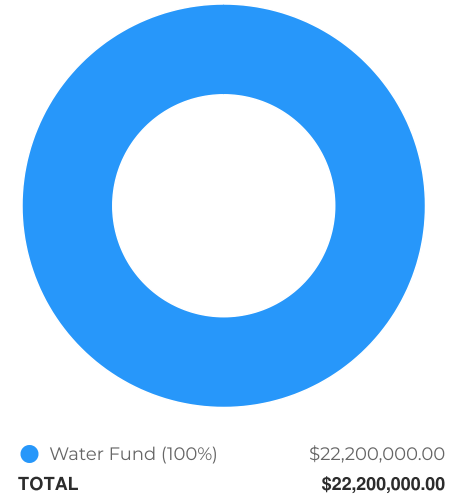
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,500,000	$22.2M	$22.2M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Water Fund	$1,500,000	$3,000,000	$4,500,000	$6,000,000	$7,200,000	$22,200,000
Total	**$1,500,000**	**$3,000,000**	**$4,500,000**	**$6,000,000**	**$7,200,000**	**$22,200,000**

Maintenance Facilty Improvements (Water Fund)

Overview

Request Owner	Niki Ensor, Utility Director
Est. Start Date	07/01/2025
Est. Completion Date	06/30/2030
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

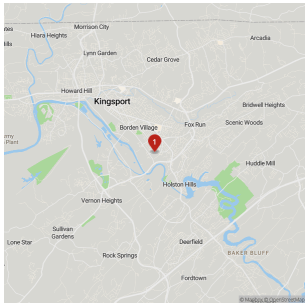
Description

Improvements to the facility on Konnarock Rd. This will allow us to continue improving the property and making it more useful for our staff.

Details

Type of Project	Refurbishment

Location

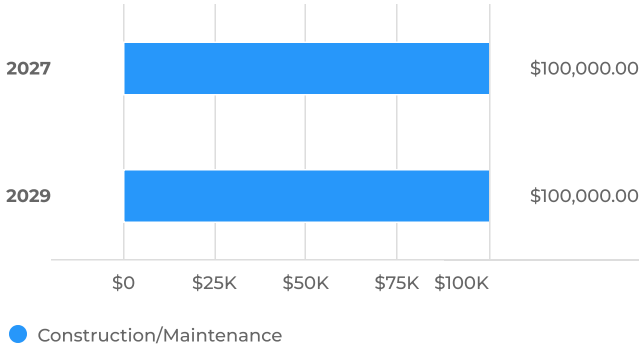


Capital Cost

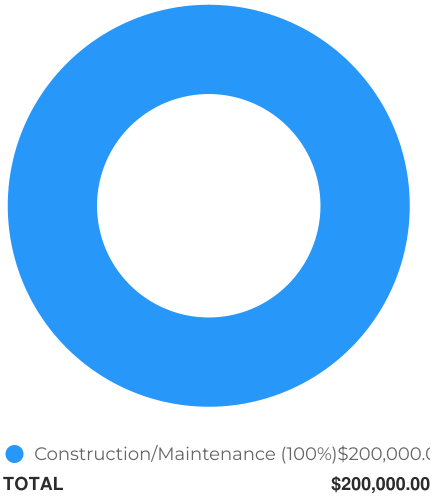
Total Budget (all years)
$200K

Project Total
$200K

Capital Cost by Year



Capital Cost for Budgeted Years



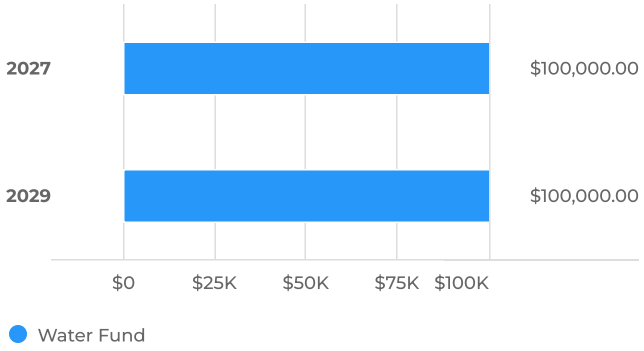
Capital Cost Breakdown			
Capital Cost	**FY2027**	**FY2029**	**Total**
Construction/Maintenance	$100,000	$100,000	$200,000
Total	**$100,000**	**$100,000**	**$200,000**

Funding Sources

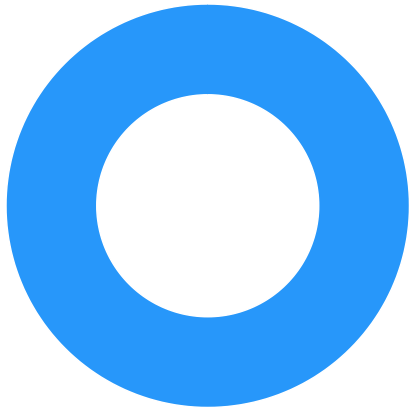
Total Budget (all years)
$200K

Project Total
$200K

Funding Sources by Year



Funding Sources for Budgeted Years



Water Fund (100%) $200,000.00

TOTAL **$200,000.00**

Funding Sources Breakdown			
Funding Sources	**FY2027**	**FY2029**	**Total**
Water Fund	$100,000	$100,000	$200,000
Total	**$100,000**	**$100,000**	**$200,000**

Meter Replacements

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

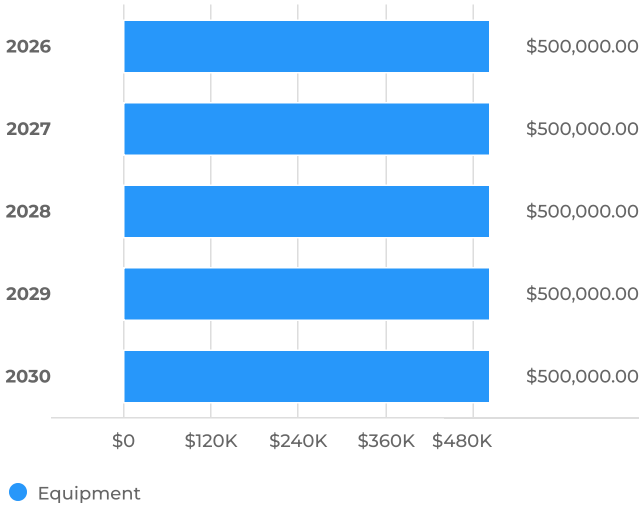
Description

Planned replacement of aging water meters (approximately 10% each year) that need to be updated to new AMI system. AMI system will increase efficiency and provide better customer interaction.

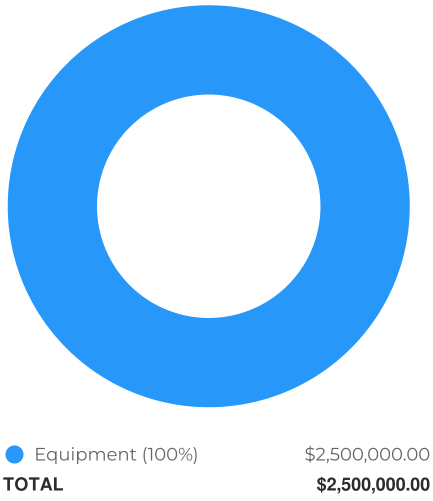
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$500,000	$2.5M	$2.5M

Capital Cost by Year



Capital Cost for Budgeted Years

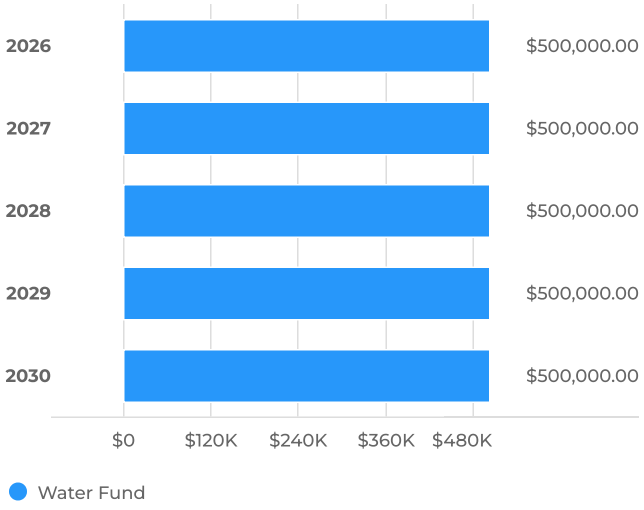


Capital Cost Breakdown						
Capital Cost	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**Total**
Equipment	$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000
Total	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$2,500,000**

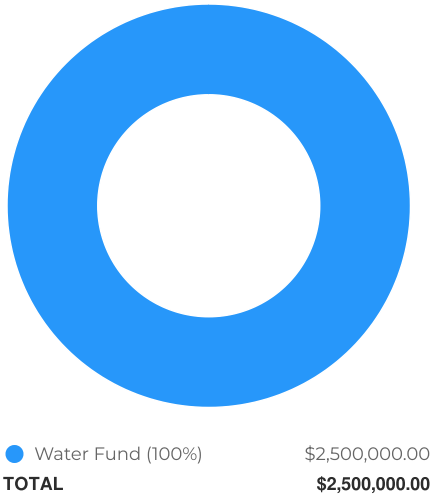
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$500,000	$2.5M	$2.5M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Water Fund	$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000
Total	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$2,500,000**

Plant Facility Improvements

Overview

Request Owner	Niki Ensor, Utility Director
Est. Start Date	07/01/2025
Est. Completion Date	06/30/2030
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

Description

Improvements to the Wastewater Treatment Plant facility. This will allow us to continue improving the property and making it more useful for our staff.

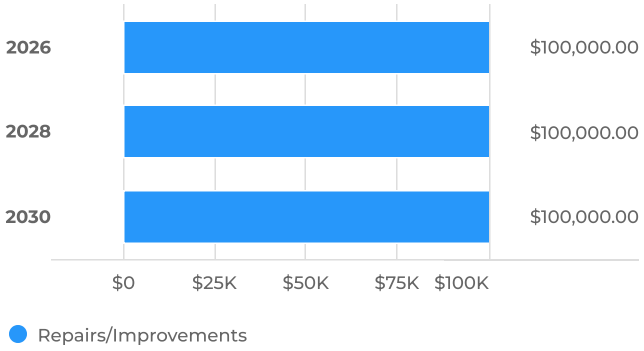
Details

Type of Project	Refurbishment

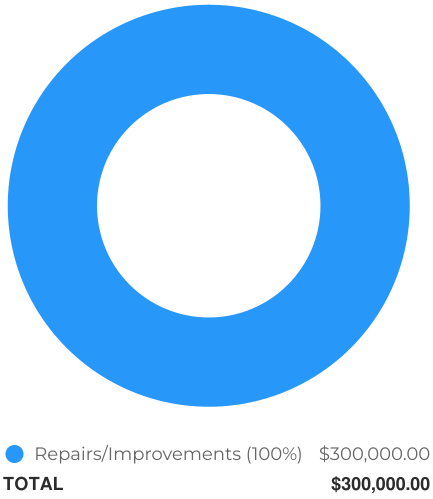
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$100,000	$300K	$300K

Capital Cost by Year



Capital Cost for Budgeted Years

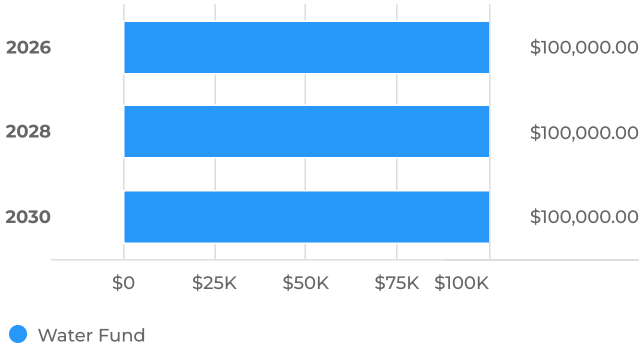


Capital Cost Breakdown				
Capital Cost	**FY2026**	**FY2028**	**FY2030**	**Total**
Repairs/Improvements	$100,000	$100,000	$100,000	$300,000
Total	**$100,000**	**$100,000**	**$100,000**	**$300,000**

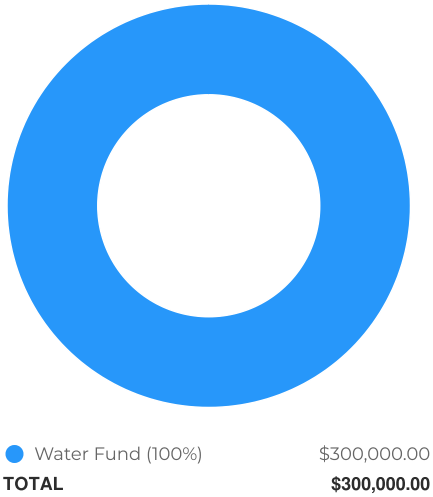
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$100,000	$300K	$300K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2028	FY2030	Total
Water Fund	$100,000	$100,000	$100,000	$300,000
Total	**$100,000**	**$100,000**	**$100,000**	**$300,000**

SR126 Memorial Blvd Water Move

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

Description

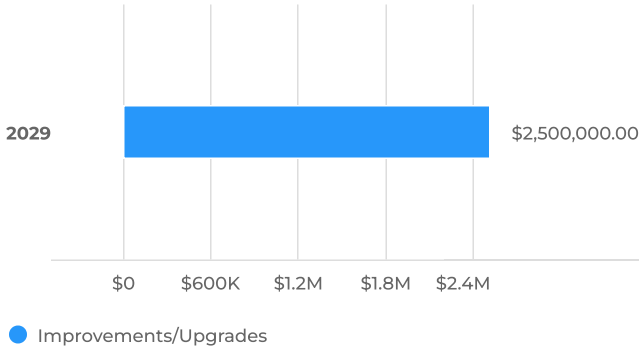
The State of TN is making improvements to SR126 Memorial Blvd from East Center St to Cooks Valley Rd. This work will require the relocation of water, wastewater, and stormwater facilities. TDOT is improving the roadway, which will require all utilities (water, electric, CATV, gas, etc.) to be relocated. Each utility will receive up to $1,750,000 for these relocations. The remaining funding will be the responsibility of each utility.

Capital Cost

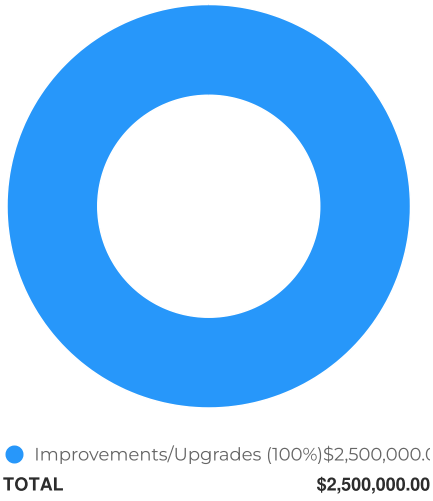
Total Budget (all years)
$2.5M

Project Total
$2.5M

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

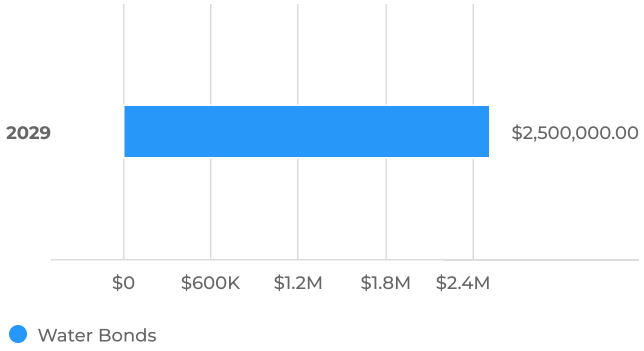
Capital Cost	FY2029	Total
Improvements/Upgrades	$2,500,000	$2,500,000
Total	**$2,500,000**	**$2,500,000**

Funding Sources

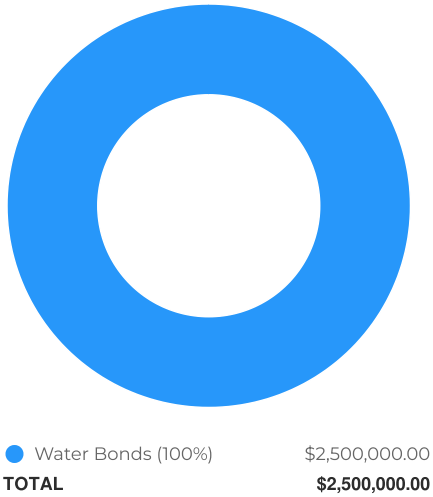
Total Budget (all years)
$2.5M

Project Total
$2.5M

Funding Sources by Year



Funding Sources for Budgeted Years



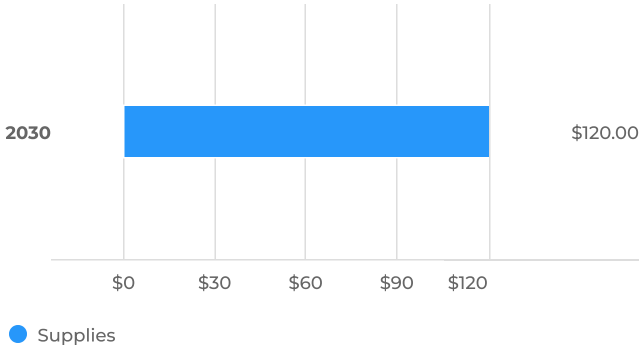
Funding Sources Breakdown		
Funding Sources	**FY2029**	**Total**
Water Bonds	$2,500,000	$2,500,000
Total	**$2,500,000**	**$2,500,000**

Operational Costs

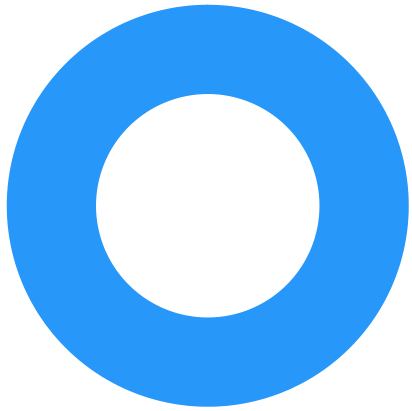
Total Budget (all years)
$120

Project Total
$120

Operational Costs by Year



Operational Costs for Budgeted Years



Supplies (100%)	$120.00
TOTAL	**$120.00**

Operational Costs Breakdown

Operational Costs	FY2030	Total
Supplies	$120	$120
Total	**$120**	**$120**

Storage Tank Rehabilitations

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

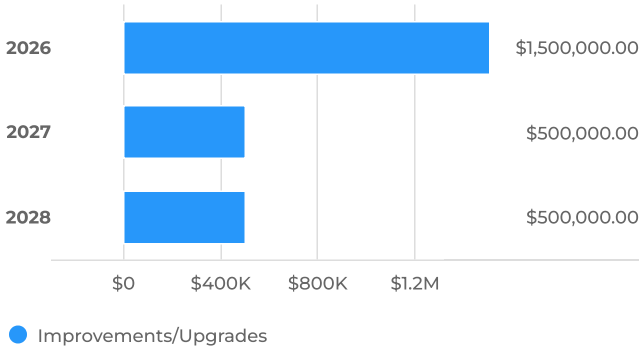
Description

Sandblast and paint Edens View, Eastern Star, and Walnut Lane water storage tanks. Timely and routine repainting of tanks will allow for a longer life of these metal storage tanks.

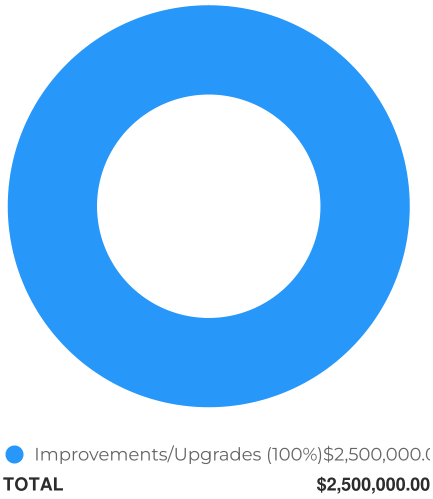
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,500,000	$2.5M	$2.5M

Capital Cost by Year



Capital Cost for Budgeted Years



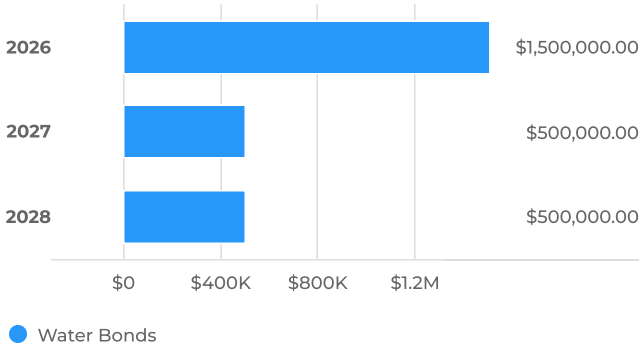
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	Total
Improvements/Upgrades	$1,500,000	$500,000	$500,000	$2,500,000
Total	**$1,500,000**	**$500,000**	**$500,000**	**$2,500,000**

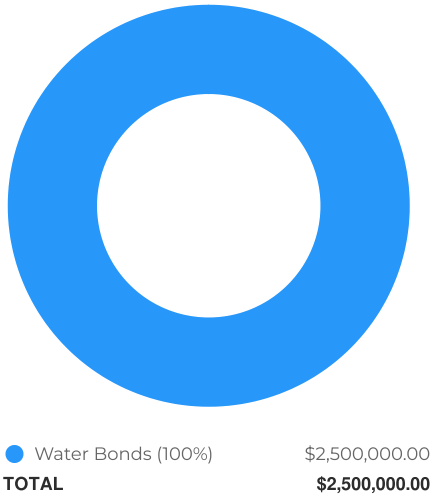
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,500,000	$2.5M	$2.5M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	Total
Water Bonds	$1,500,000	$500,000	$500,000	$2,500,000
Total	**$1,500,000**	**$500,000**	**$500,000**	**$2,500,000**

Wastewater Maintenance Equipment

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Wasterwater
Type	Capital Improvement
Project Number	Pending

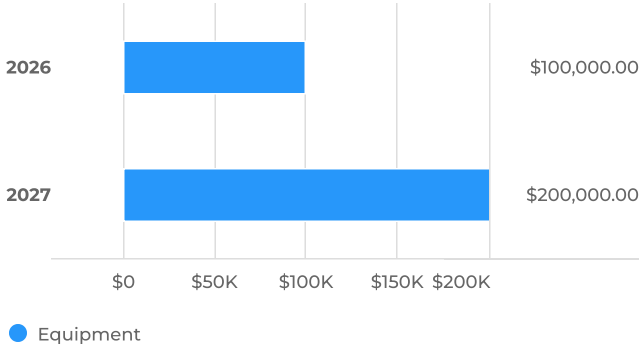
Description

To be used to replace a jetter trailer and a pump truck.

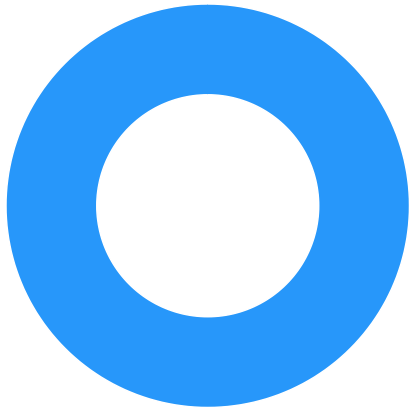
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$100,000	$300K	$300K

Capital Cost by Year



Capital Cost for Budgeted Years



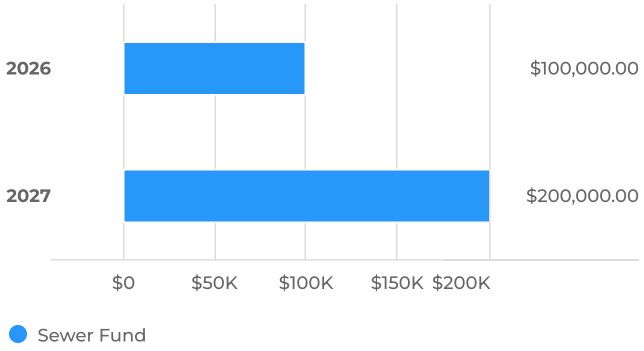
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	Total
Equipment	$100,000	$200,000	$300,000
Total	**$100,000**	**$200,000**	**$300,000**

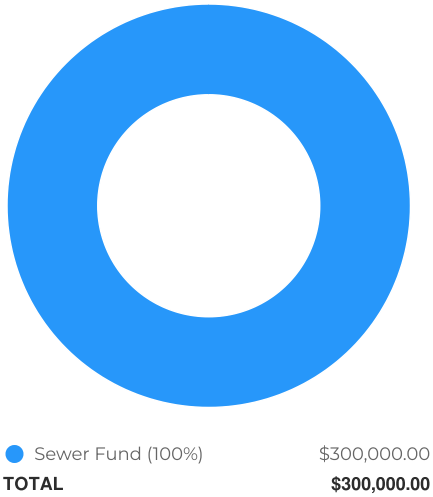
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$100,000	$300K	$300K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

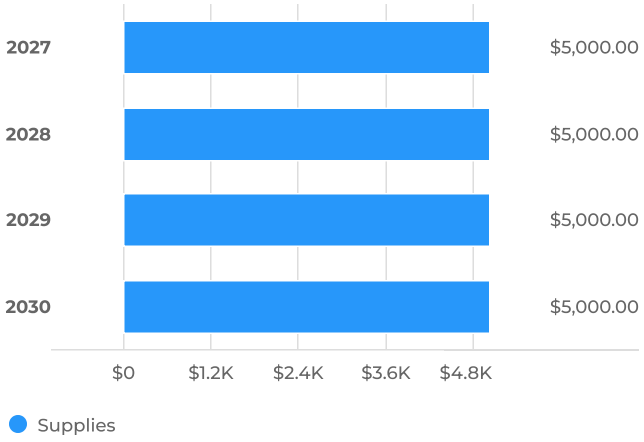
Funding Sources	FY2026	FY2027	Total
Sewer Fund	$100,000	$200,000	$300,000
Total	**$100,000**	**$200,000**	**$300,000**

Operational Costs

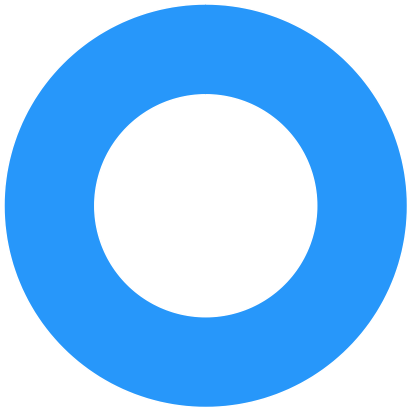
Total Budget (all years)
$20K

Project Total
$20K

Operational Costs by Year



Operational Costs for Budgeted Years



Supplies (100%)	$20,000.00
TOTAL	**$20,000.00**

Operational Costs Breakdown

Operational Costs	FY2027	FY2028	FY2029	FY2030	Total
Supplies	$5,000	$5,000	$5,000	$5,000	$20,000
Total	**$5,000**	**$5,000**	**$5,000**	**$5,000**	**$20,000**

Watauga St Water Upgrades

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

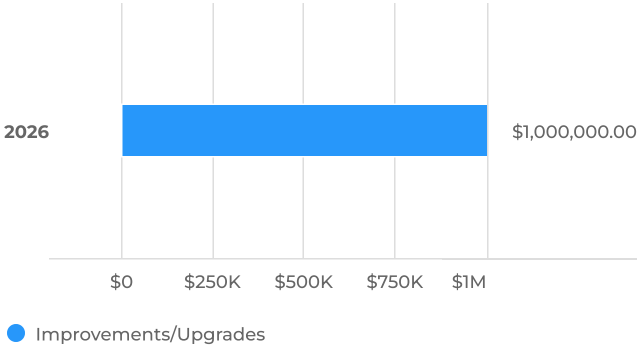
Description

To upgrade the water system along Watauga Street before reconstruction of the road and resurfacing.

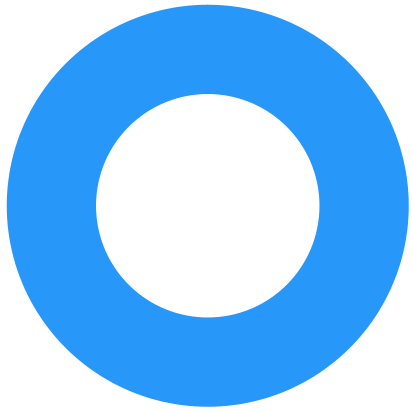
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,000,000	$1M	$1M

Capital Cost by Year



Capital Cost for Budgeted Years



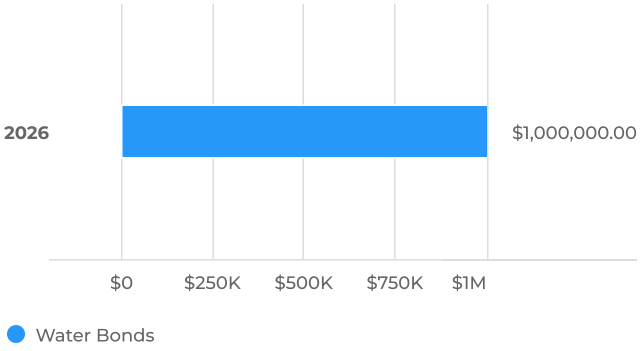
Capital Cost Breakdown

Capital Cost	FY2026	Total
Improvements/Upgrades	$1,000,000	$1,000,000
Total	**$1,000,000**	**$1,000,000**

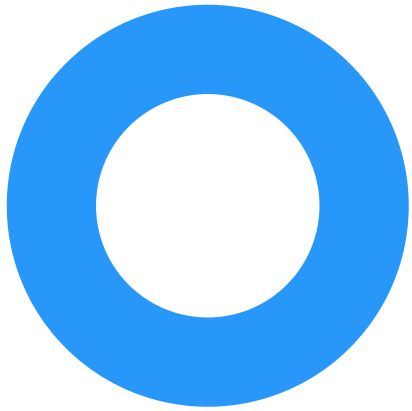
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,000,000	$1M	$1M

Funding Sources by Year



Funding Sources for Budgeted Years



Water Bonds (100%)	$1,000,000.00
TOTAL	**$1,000,000.00**

Funding Sources Breakdown

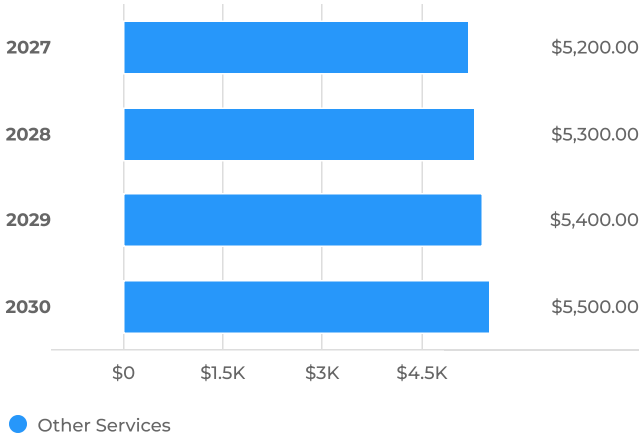
Funding Sources	FY2026	Total
Water Bonds	$1,000,000	$1,000,000
Total	**$1,000,000**	**$1,000,000**

Operational Costs

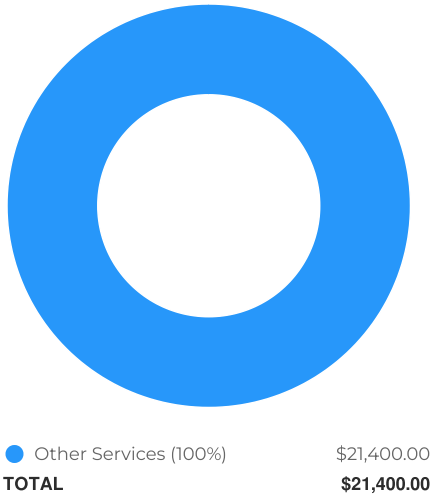
Total Budget (all years)
$21.4K

Project Total
$21.4K

Operational Costs by Year



Operational Costs for Budgeted Years



Operational Costs Breakdown

Operational Costs	FY2027	FY2028	FY2029	FY2030	Total
Other Services	$5,200	$5,300	$5,400	$5,500	$21,400
Total	**$5,200**	**$5,300**	**$5,400**	**$5,500**	**$21,400**

Water Line Improvements

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

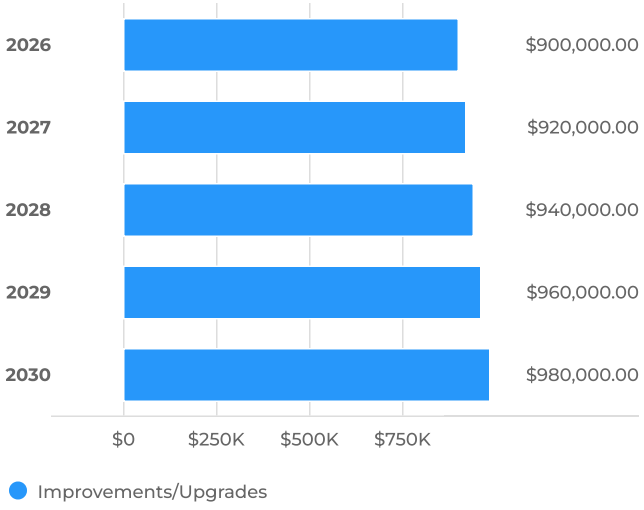
Description

Replacement parts for existing water lines. Areas are identified through customer complaints, maintenance or water quality issues. This work will be completed by water maintenance crews. Kingsport currently owns and operates over 800 miles of water main and appurtenances. As the current infrastructure continues to age, it will need to be replaced due to age, condition, or insufficient size. This will be critical to ensure that we meet permitted requirements of no sanitary sewer overflows.

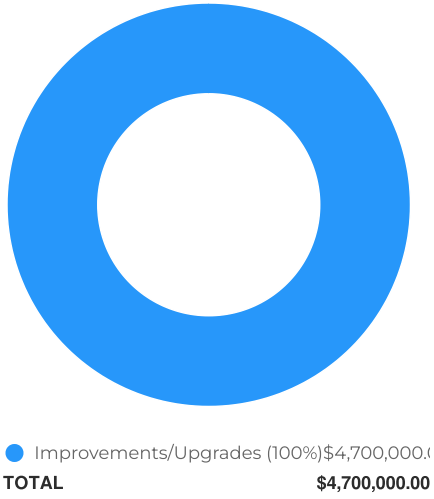
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$900,000	$4.7M	$4.7M

Capital Cost by Year



Capital Cost for Budgeted Years



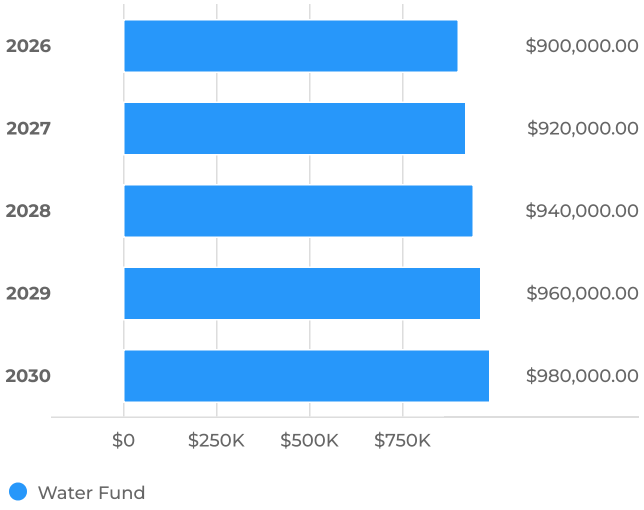
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$900,000	$920,000	$940,000	$960,000	$980,000	$4,700,000
Total	**$900,000**	**$920,000**	**$940,000**	**$960,000**	**$980,000**	**$4,700,000**

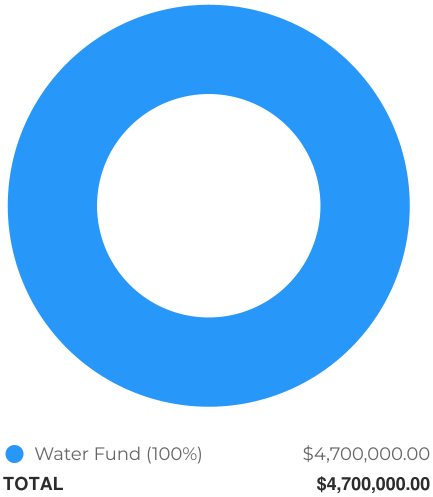
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$900,000	$4.7M	$4.7M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Water Fund	$900,000	$920,000	$940,000	$960,000	$980,000	$4,700,000
Total	**$900,000**	**$920,000**	**$940,000**	**$960,000**	**$980,000**	**$4,700,000**

Water Pump Station Upgrades

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

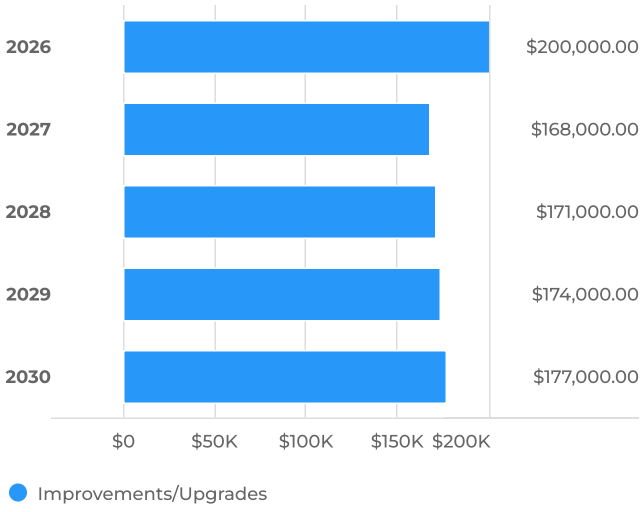
Description

Rehabilitation and maintenance of existing water pump stations. Pump stations have a life expectancy of approximately 20 years before major repairs or replacement is required. Kingsport currently owns and operates 12 main line pump stations, 16 booster stations, and 22 water storage tanks. As the current infrastructure continues to age, it will need to be replaced due to age, condition, or insufficient size. This will be critical to ensure that we meet permitted requirements of no sanitary sewer overflows.

Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$890K	$890K

Capital Cost by Year



Capital Cost for Budgeted Years

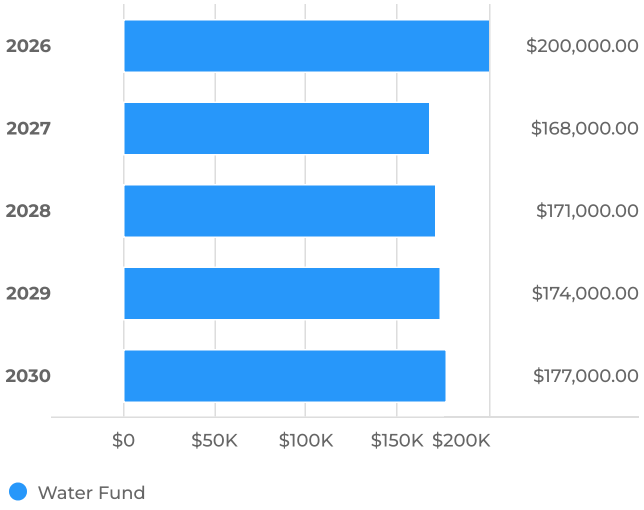
Capital Cost Breakdown

Capital Cost	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$200,000	$168,000	$171,000	$174,000	$177,000	$890,000
Total	**$200,000**	**$168,000**	**$171,000**	**$174,000**	**$177,000**	**$890,000**

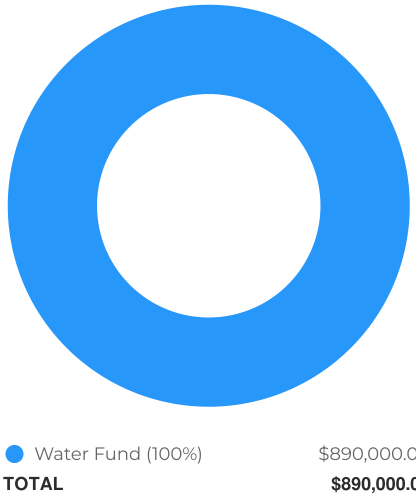
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$200,000	$890K	$890K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Water Fund	$200,000	$168,000	$171,000	$174,000	$177,000	$890,000
Total	**$200,000**	**$168,000**	**$171,000**	**$174,000**	**$177,000**	**$890,000**

WTP Clearwell Upgrade

Overview

Request Owner	Niki Ensor, Utility Director
Department	CAPITAL IMPROVEMENT-WATER
Request Groups	Water
Type	Capital Improvement
Project Number	Pending

Description

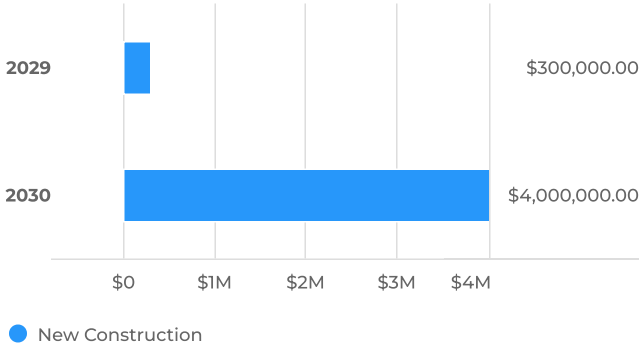
New 1.5 million gallon clear well. High-service pump station improvements to include new 12 mgd pumps, motors, VFDs and electrical building. Water Plant improvements were identified as part of the 2010 Water System Master Plan. Improvements were selected to meet the primary objectives of providing reliable drinking water capacity, meet drinking water regulations, make effective use of existing plant site, and provide operational flexibility. The Water Treatment Plant needs additional finished water clearwell storage for post-filter contact time disinfection and for plant storage, finished water pumping flexibility and redundancy for clearwell shut down. This will allow a permanent move to post-filter chlorination for disinfection in order to lower disinfection byproducts. High service pump station rehab (electrical, pumps and VFDs).

Capital Cost

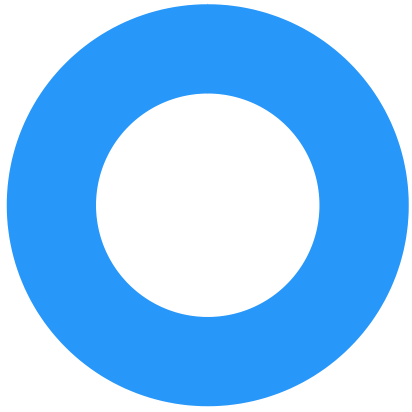
Total Budget (all years)
$4.3M

Project Total
$4.3M

Capital Cost by Year



Capital Cost for Budgeted Years



New Construction (100%) $4,300,000.00
TOTAL **$4,300,000.00**

Capital Cost Breakdown

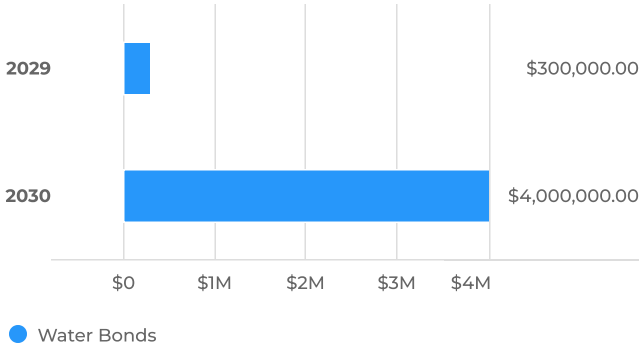
Capital Cost	FY2029	FY2030	Total
New Construction	$300,000	$4,000,000	$4,300,000
Total	**$300,000**	**$4,000,000**	**$4,300,000**

Funding Sources

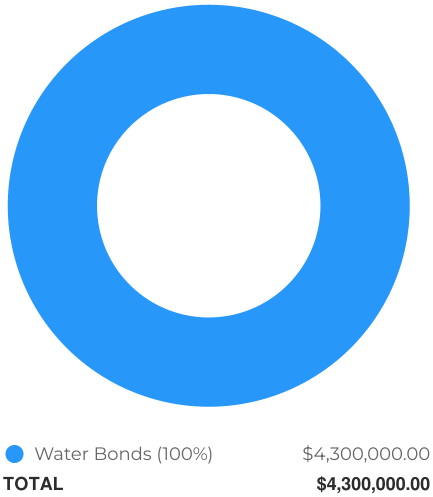
Total Budget (all years)
$4.3M

Project Total
$4.3M

Funding Sources by Year



Funding Sources for Budgeted Years



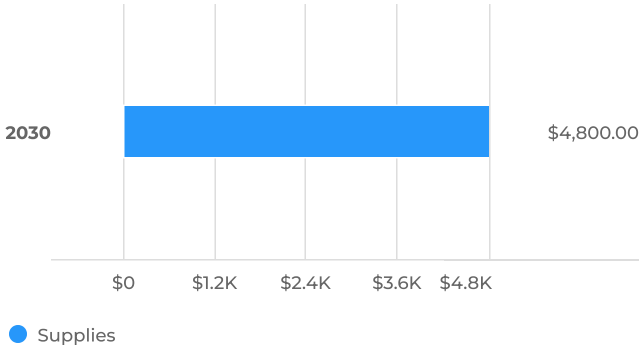
Funding Sources Breakdown			
Funding Sources	**FY2029**	**FY2030**	**Total**
Water Bonds	$300,000	$4,000,000	$4,300,000
Total	**$300,000**	**$4,000,000**	**$4,300,000**

Operational Costs

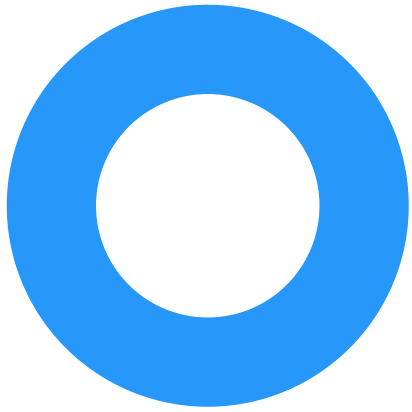
Total Budget (all years)
$4.8K

Project Total
$4.8K

Operational Costs by Year



Operational Costs for Budgeted Years



Supplies (100%)	$4,800.00
TOTAL	**$4,800.00**

Operational Costs Breakdown

Operational Costs	FY2030	Total
Supplies	$4,800	$4,800
Total	**$4,800**	**$4,800**

CULTURAL ARTS REQUESTS

Farmers Market Improvements Phase 2

Overview

Request Owner	Kristie Leonard, Special Events & Cultural Arts Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	CULTURAL ARTS
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

The Farmers Market saw much needed repairs in the phase 1 improvement. The facility is a much sought after location for a variety of events and rentals. The market hosts everything from Racks by the Tracks, car shows, weekly farmers market, conferences, weddings and other private parties. The market will also be celebrating its 30th year in 2027. As the facility is seeing more and more events, other upgrades need to happen to make the facility more accommodating.

Upgrades needed:

- Electrical - $100,000 (estimated)
  - Currently, outlets cannot accommodate large sound systems or multiple items plugged in at once without tripping a breaker. Electrical upgrades are also needed to accommodate the following requests for updated lighting and key system.
- Tables - $3,500 (see table pricing)
  - We provide tables/chairs for customers' use for events. We currently have 7 usable tables (down from 26 several years ago). Would like to replace existing tables and add additional tables.
- Key System - $10,000 (estimated)
  - Currently, a customer must pick up a key for a rental at the Cultural Arts office at the Renaissance Center. Occasionally, keys get lost or misplaced, and door locks have to be re-keyed. Going to an electronic key system would allow staff the ability to give key access for a period of time, providing better customer service by savin the customer a trip to check in/out a key. It would also be an increased security measure as keys could not be copied. If a key is lost, staff can disconnect the key.
- Brick repair - $50,000 (estimated)
  - The current contractor will fix brick on the interior of the market. Need to focus on the brickwork on the back (carousel park) of the facility.
- Paint exterior market/carousel doors - $30,000 (estimated)
  - The doors are faded due to sun and wear.
- New sign for FM building - $5,000 (estimated)
  - Would like to put signs with newer logos on the facilities for better visibility, identification and aesthetics of the facility
- New sign on street for farmers market (to match new sign on facility) - $3,000
  - Years ago there was a sign on the street that both identified and directed people to the market. The sign was the victim of a car crash and was never replaced. A street sign would give the market more visibility and make it easier to find.
- Upgraded lighting in Farmers Market pavilion - $10,000
  - The lighting in the market is very dim, events held in the evening hours have to bring in their own lighting.

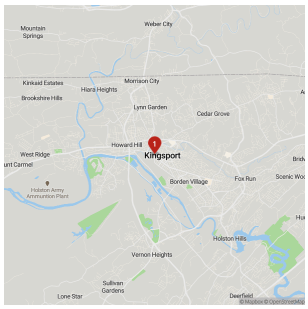
Images

Details

Location

Address: Kingsport Farmer's Market

Type of Project Refurbishment



Supplemental Attachments

Camera quote from IT(/resource/cg-prod-v2/projects/documents/f78adc10a88802815aa8.pdf)

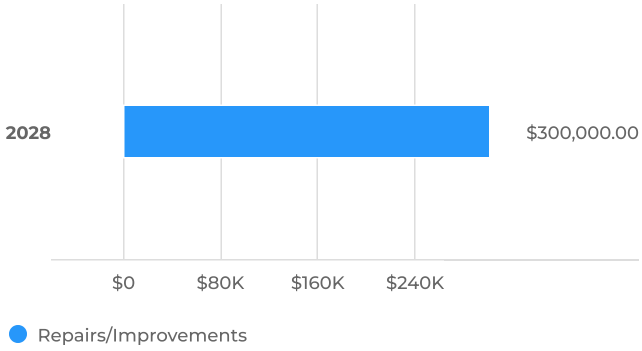
Table pricing(/resource/cg-prod-v2/projects/documents/22d7b8bff763ce26dfcc.pdf)

Capital Cost

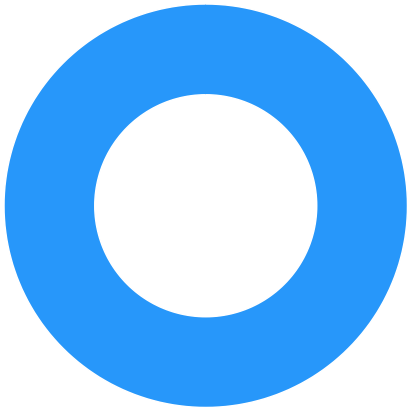
Total Budget (all years) Project Total

$300K $300K

Capital Cost by Year



Capital Cost for Budgeted Years



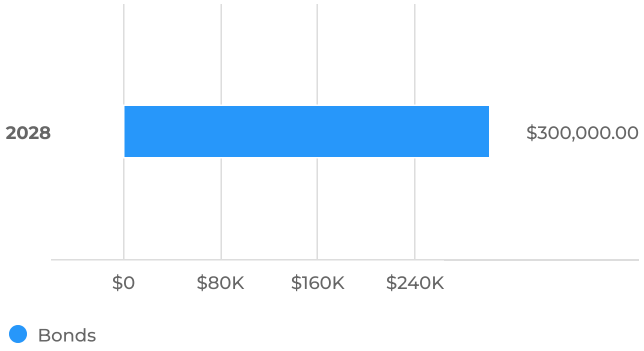
Capital Cost Breakdown		
Capital Cost	**FY2028**	**Total**
Repairs/Improvements	$300,000	$300,000
Total	**$300,000**	**$300,000**

Funding Sources

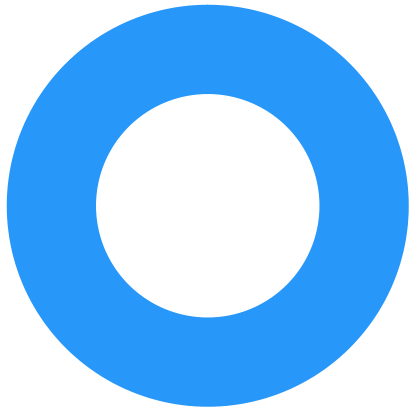
Total Budget (all years)
$300K

Project Total
$300K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$300,000.00
TOTAL	**$300,000.00**

Funding Sources Breakdown		
Funding Sources	**FY2028**	**Total**
Bonds	$300,000	$300,000
Total	**$300,000**	**$300,000**

Kingsport Renaissance Center Theatre Seating

Overview

Request Owner	Kristie Leonard, Special Events & Cultural Arts Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2028
Department	CULTURAL ARTS
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

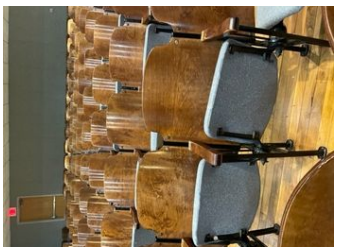
Description

The Renaissance Center theater is original to the facility and in need of upgrades. As the seats break down, Building Maintenance has had to start removing seats that are broken and unsafe because parts to repair the outdated seating are no longer in production. Other upgrades needed is a new curtain, upgraded lighting, refurbish the stage, refinish floors, sound proof walls. The theater is currently used for Theater Guild performances, Symphony of the Mountain concerts, Suzuki concerts, and various other organizations use this facility for a variety of events.

Images

Kingsport Renaissance Center Theatre Seating

Kingsport Renaissance Theatre Seating



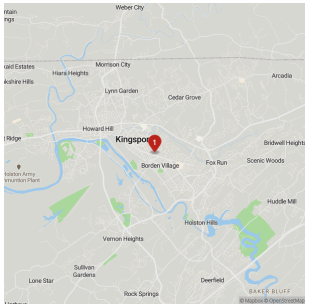
Broken or removed Renaissance Center Theatre Seating

Details

Type of Project	Refurbishment

Location

Address: 1200 East Center Street



Supplemental Attachments

Kingsport Renaissance Center Theatre Seating(/resource/cg-prod-v2/projects/documents/ddff4676e350f54f833d.pdf)

Price quote for replacing theatre seating

Benefit to Community

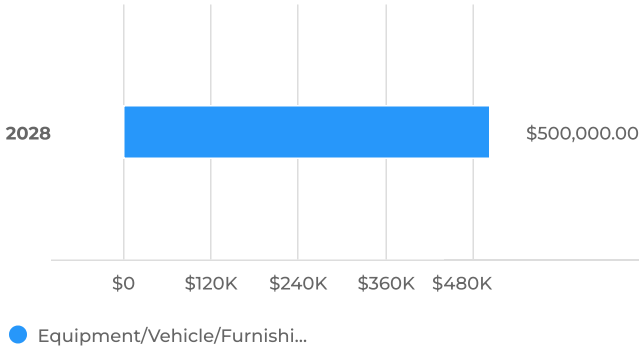
The Renaissance Center is home to the Kingsport Theater Guild, Sympthony of the Mountains and Suzuki. These organizations use the theater for performances that draw visitors to our area from all over the region. The facility is also used by the Kingsport Senior Center and local organizations as a venue for shows, concerts and other performances. We want to make a good impression on those visiting our facility. The current seating and flooring makes the facility look very run down and neglected.

Capital Cost

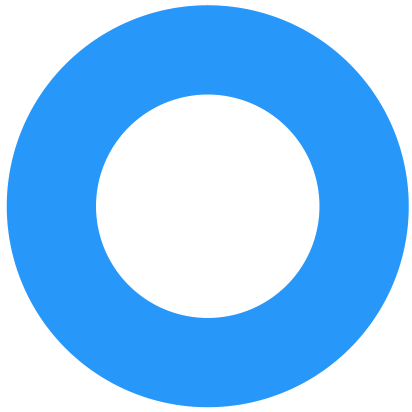
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



TOTAL **$500,000.00**

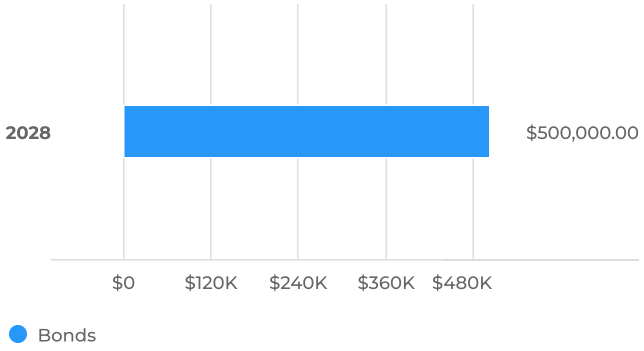
Capital Cost Breakdown		
Capital Cost	**FY2028**	**Total**
Equipment/Vehicle/Furnishings	$500,000	$500,000
Total	**$500,000**	**$500,000**

Funding Sources

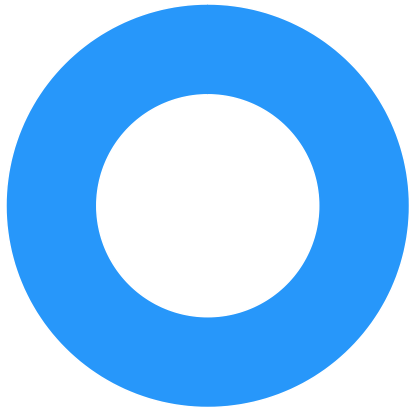
Total Budget (all years)
$500K

Project Total
$500K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%) $500,000.00

TOTAL **$500,000.00**

Funding Sources Breakdown		
Funding Sources	**FY2028**	**Total**
Bonds	$500,000	$500,000
Total	**$500,000**	**$500,000**

FIRE DEPARTMENT REQUESTS

Fire Station #2

Overview

Request Owner	Jerry DeBerry, Fire Chief
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	FIRE DEPARTMENT
Request Groups	Fire Department
Type	Capital Improvement
Project Number	Pending

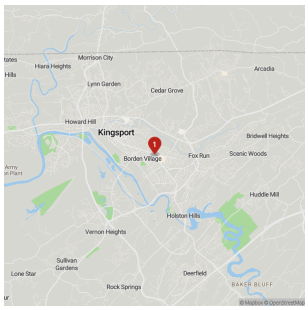
Description

Kingsport has performed a fire facilities study and feasibility study for Station # 2, Administration, and Prevention facility issues. This CIP addresses issues found in need of replacement, upgrade, or repairs. During the 21/22 budget year, funding was provided to secure an architect and perform services in design and geo studies. The architect performed drawings and renderings of the project. The project looks to be done in three phases. 1. Construct Station # 2. 2. Demo current Station # 2. 3. Construction of Administration and Prevention. The city identified the need to study city-owned buildings that are in need of repair. The study helps identify the needs and cost of those repairs. Building Maintenance assisted in the study to lay out a plan for repairs. Repairs, upgrades, or new construction have been identified in the plan, with Fire Facilities requested budget to help offset some construction cost.

Details

Type of Project	Other

Location



Supplemental Attachments

Budget Proposal(/resource/cg-prod-v2/projects/documents/b711077815b0f605d940.pdf)

Old Numbers

2024 Station # 2 Proposal(/resource/cg-prod-v2/projects/documents/dde7d154664d2d5fcd96.pdf)

Use this proposal

(/resource/cg-prod-v2/projects/documents/4ee1ea0a171c55e3d9e9.pdf)

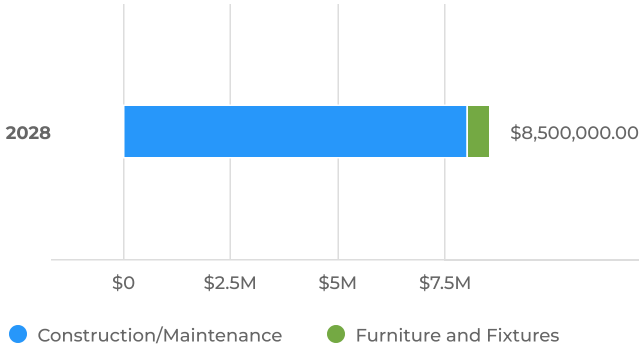
(/resource/cg-prod-v2/projects/documents/f7cc41eb3325e0d26861.jpg)

Capital Cost

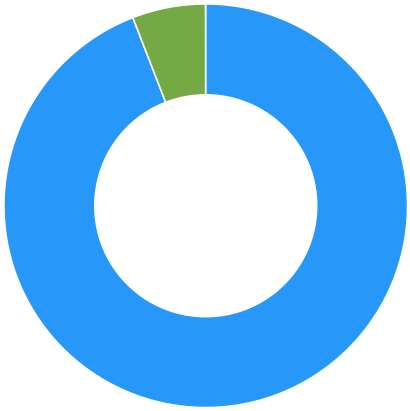
Total Budget (all years)
$8.5M

Project Total
$8.5M

Capital Cost by Year



Capital Cost for Budgeted Years



Construction/Maintenance (94%)	$8,000,000
Furniture and Fixtures (6%)	$500,000.00
TOTAL	**$8,500,000.00**

Capital Cost Breakdown

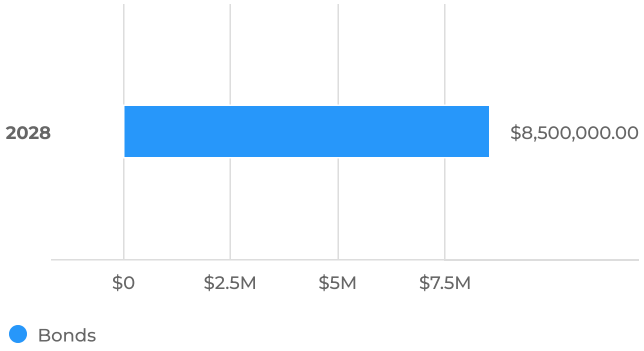
Capital Cost	FY2028	Total
Construction/Maintenance	$8,000,000	$8,000,000
Furniture and Fixtures	$500,000	$500,000
Total	**$8,500,000**	**$8,500,000**

Funding Sources

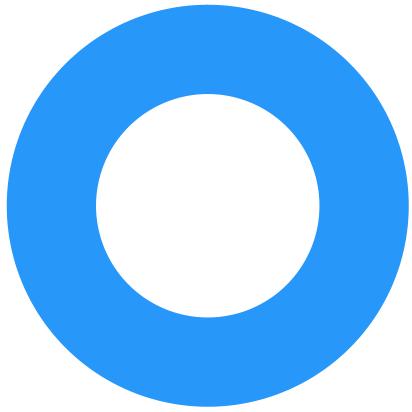
Total Budget (all years)
$8.5M

Project Total
$8.5M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$8,500,000.00
TOTAL	**$8,500,000.00**

Funding Sources Breakdown

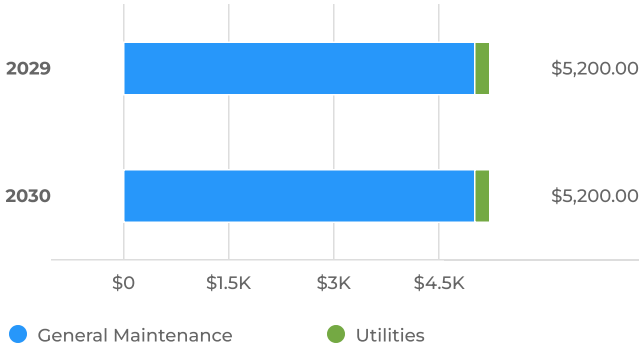
Funding Sources	FY2028	Total
Bonds	$8,500,000	$8,500,000
Total	**$8,500,000**	**$8,500,000**

Operational Costs

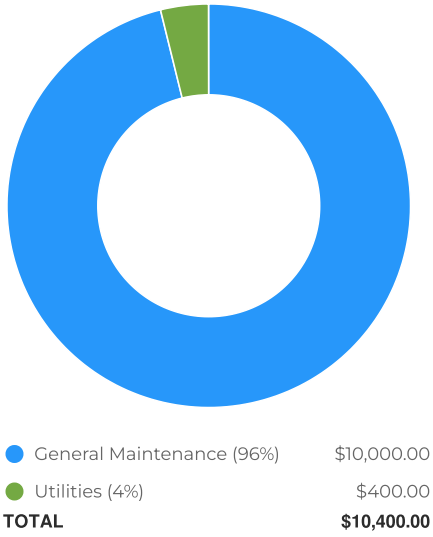
Total Budget (all years)
$10.4K

Project Total
$10.4K

Operational Costs by Year



Operational Costs for Budgeted Years



Operational Costs Breakdown			
Operational Costs	**FY2029**	**FY2030**	**Total**
General Maintenance	$5,000	$5,000	$10,000
Utilities	$200	$200	$400
Total	**$5,200**	**$5,200**	**$10,400**

Fire Station #9

Overview

Request Owner	Jerry DeBerry, Fire Chief
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2032
Department	FIRE DEPARTMENT
Request Groups	Fire Department
Type	Capital Improvement
Project Number	Pending

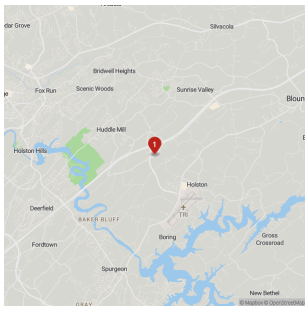
Description

Construction of a new station in the Fall Creek / Indian Springs community. The station will provide coverage for Fall Creek, Cooks Valley, Old Island, Indian Springs, Airport, and Exit 66 of Interstate 81 region. The project also addresses purchase of a new fire apparatus due to addition of station. This also includes a ladder truck to be added for the east end of Kingsport. To assure ISO compliance. Due to annexation in the east and southeastern sections of the city, a fire station will be needed to provide services to those designated areas. ISO has determined that a station is needed due to response coverage standards. Fire department services are listed for new city residents and businesses in the city plan of services.

Details

Type of Project	New Construction

Location

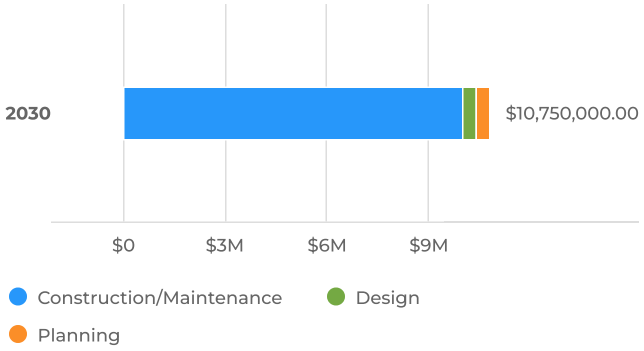


Capital Cost

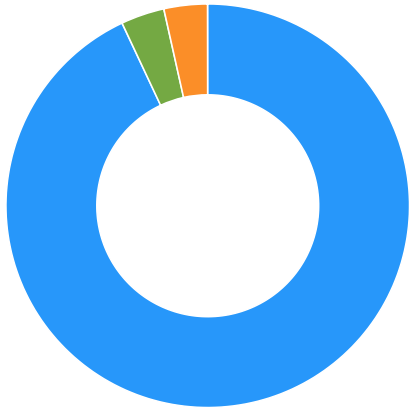
Total Budget (all years)
$10.75M

Project Total
$10.75M

Capital Cost by Year



Capital Cost for Budgeted Years



Construction/Maintenance (93%)	$10,000,000
Design (3%)	$375,000.00
Planning (3%)	$375,000.00
TOTAL	**$10,750,000.00**

Capital Cost Breakdown

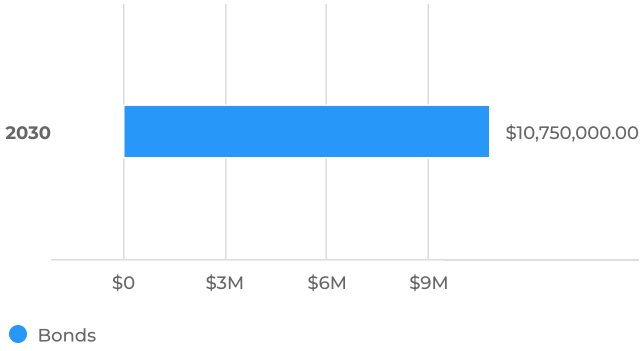
Capital Cost	FY2030	Total
Planning	$375,000	$375,000
Design	$375,000	$375,000
Construction/Maintenance	$10,000,000	$10,000,000
Total	**$10,750,000**	**$10,750,000**

Funding Sources

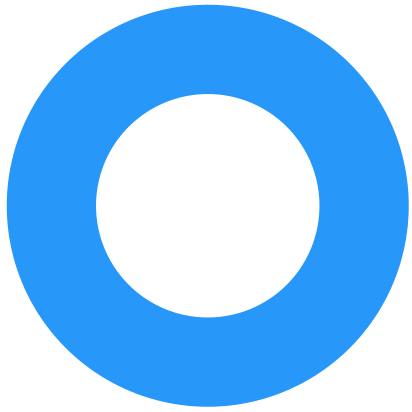
Total Budget (all years)
$10.75M

Project Total
$10.75M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$10,750,000.00
TOTAL	**$10,750,000.00**

Funding Sources Breakdown

Funding Sources	FY2030	Total
Bonds	$10,750,000	$10,750,000
Total	**$10,750,000**	**$10,750,000**

INSTRUCTION REQUESTS

Lynn Garden Elementary School

Overview

Request Owner	David Frye, Chief Financial Officer Kingsport City Schools
Est. Completion Date	08/01/2030
Department	INSTRUCTION
Request Groups	Education
Type	Capital Improvement
Project Number	Pending

Description

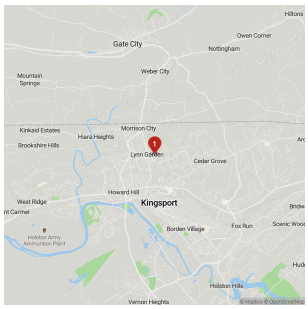
Demoliton of the old Lynn Garden High School and construction of a new elementary school in the Lynn Garden area.

Details

Type of Project	New Construction

Location

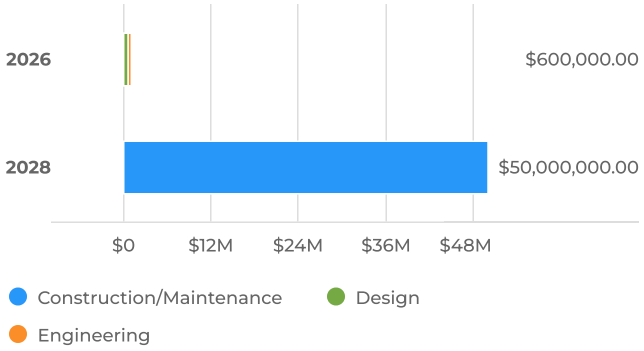
Address: 257 Walker Street



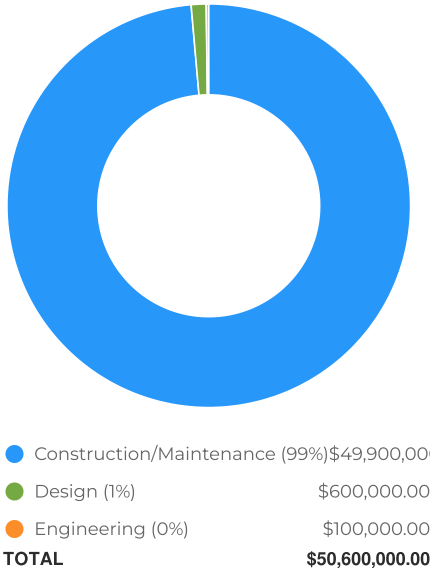
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$600,000	$50.6M	$50.6M

Capital Cost by Year



Capital Cost for Budgeted Years



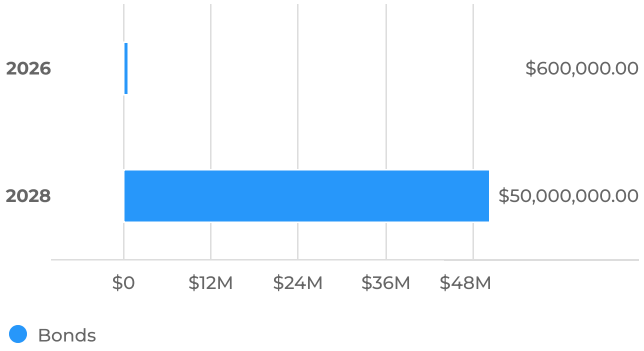
Capital Cost Breakdown

Capital Cost	FY2026	FY2028	Total
Design	$600,000	$0	$600,000
Engineering	$0	$100,000	$100,000
Construction/Maintenance	$0	$49,900,000	$49,900,000
Total	**$600,000**	**$50,000,000**	**$50,600,000**

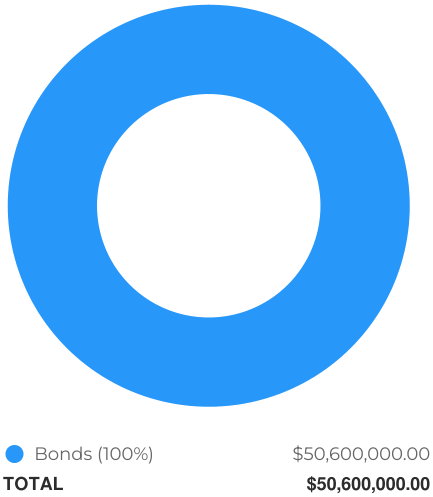
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$600,000	$50.6M	$50.6M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	FY2028	Total
Bonds	$600,000	$50,000,000	$50,600,000
Total	**$600,000**	**$50,000,000**	**$50,600,000**

Sullivan North Renovations

Overview

Request Owner	David Frye, Chief Financial Officer Kingsport City Schools
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2032
Department	INSTRUCTION
Request Groups	Education
Type	Capital Improvement
Project Number	Pending

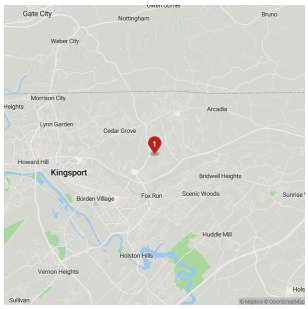
Description

Renovation of Sullivan North to be utilized as an elementary school for City use.

Details

Type of Project	New Construction

Location

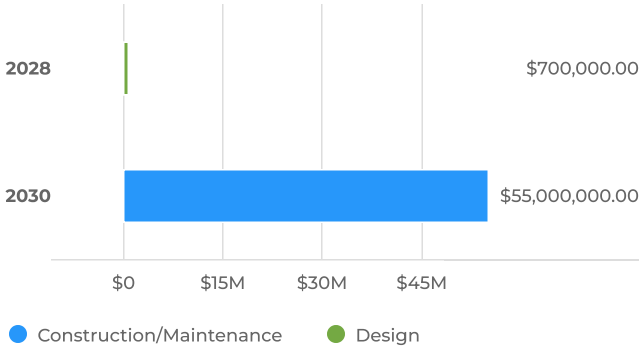


Capital Cost

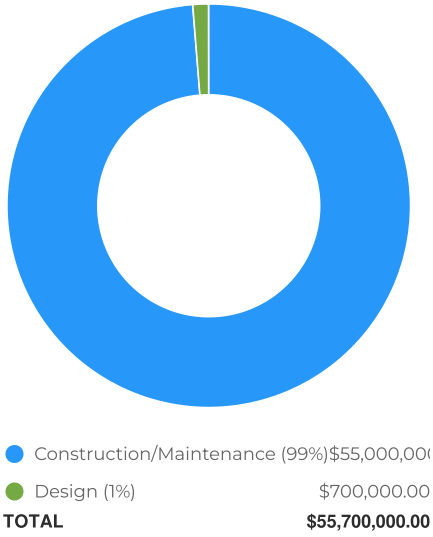
Total Budget (all years)
$55.7M

Project Total
$55.7M

Capital Cost by Year



Capital Cost for Budgeted Years



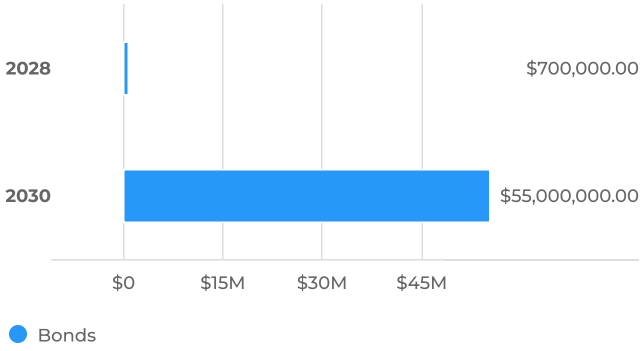
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Design	$700,000	$0	$700,000
Construction/Maintenance	$0	$55,000,000	$55,000,000
Total	**$700,000**	**$55,000,000**	**$55,700,000**

Funding Sources

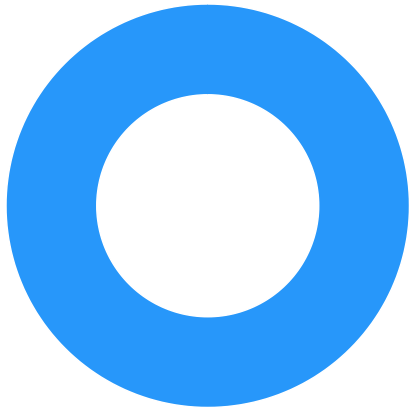
Total Budget (all years)
$55.7M

Project Total
$55.7M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2028**	**FY2030**	**Total**
Bonds	$700,000	$55,000,000	$55,700,000
Total	**$700,000**	**$55,000,000**	**$55,700,000**

PARK MAINTENANCE REQUESTS

Greenbelt Improvements

Overview

Request Owner	Michael Borders, Assistant City Manager - Leisure Services
Est. Start Date	10/30/2024
Est. Completion Date	06/29/2029
Department	PARK MAINTENANCE
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

Description

Enhancements and improvements to the existing Greenbelt. The Greenbelt is one of the most utilized recreational areas in Kingsport. It is important to continue improving and enhancing the Greenbelt in order to keep it pleasing to customers. The comprehensive Parks and Recreation Master Plan identified the Greenbelt as being of high value to customers and Kingsport citizens.

Details

Type of Project	Refurbishment

Benefit to Community

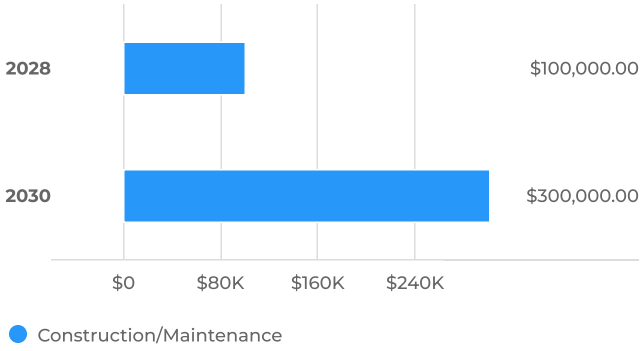
Improvements

Capital Cost

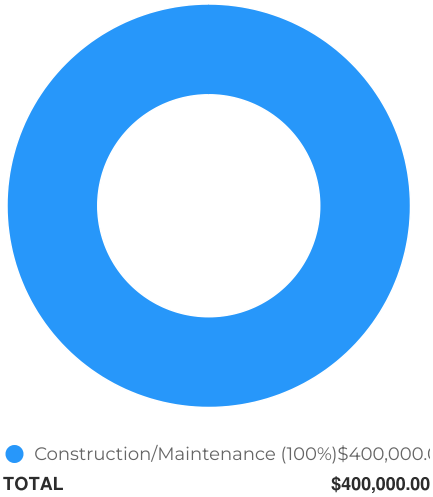
Total Budget (all years)
$400K

Project Total
$400K

Capital Cost by Year



Capital Cost for Budgeted Years



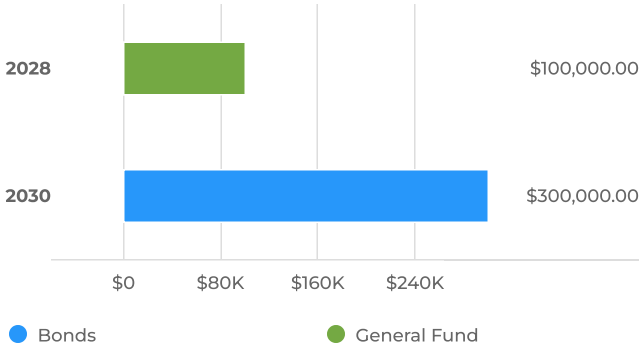
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Construction/Maintenance	$100,000	$300,000	$400,000
Total	**$100,000**	**$300,000**	**$400,000**

Funding Sources

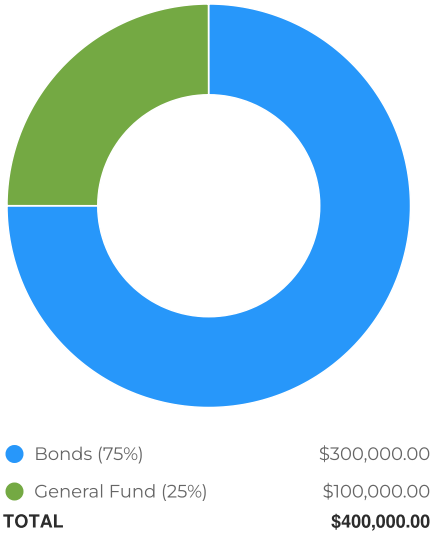
Total Budget (all years)
$400K

Project Total
$400K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2028**	**FY2030**	**Total**
General Fund	$100,000	$0	$100,000
Bonds	$0	$300,000	$300,000
Total	**$100,000**	**$300,000**	**$400,000**

POLICE ADMINISTRATION REQUESTS

Police Body-Worn Cameras

Overview

Request Owner	Sean Chambers, Police Commander
Department	POLICE ADMINISTRATION
Request Groups	Police Department
Type	Capital Equipment
Project Number	Pending

Description

To provide funds to equip the police department with body-worn cameras. Body-worn cameras will provide video evidence of police interactions and are an effective tool to assist in police accountability and transparency as well as for evidentiary value.

Details

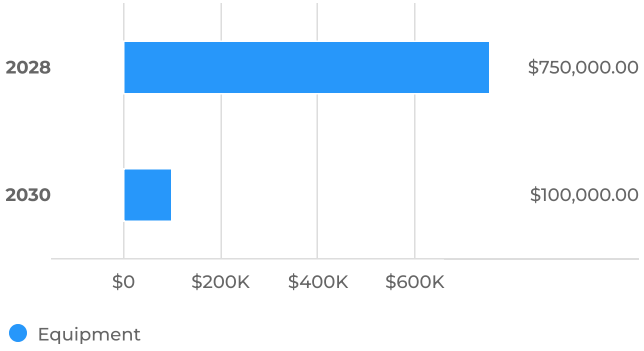
New Purchase or Replacement	New

Capital Cost

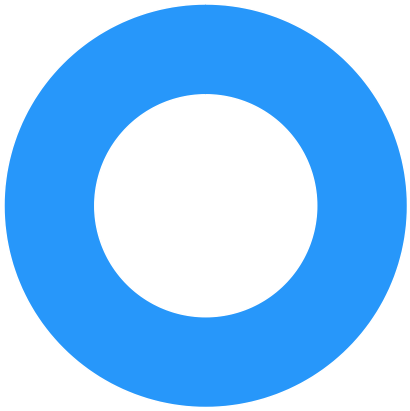
Total Budget (all years)
$850K

Project Total
$850K

Capital Cost by Year



Capital Cost for Budgeted Years



Equipment (100%)	$850,000.00
TOTAL	**$850,000.00**

Capital Cost Breakdown

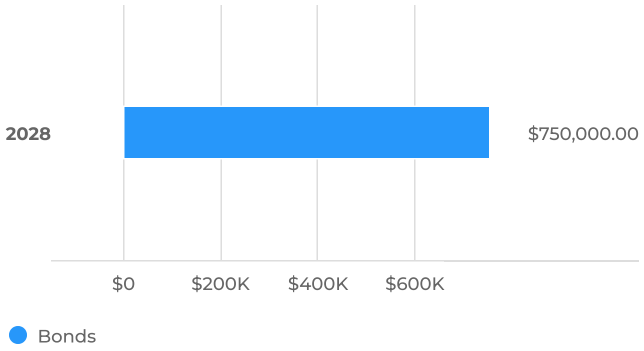
Capital Cost	FY2028	FY2030	Total
Equipment	$750,000	$100,000	$850,000
Total	**$750,000**	**$100,000**	**$850,000**

Funding Sources

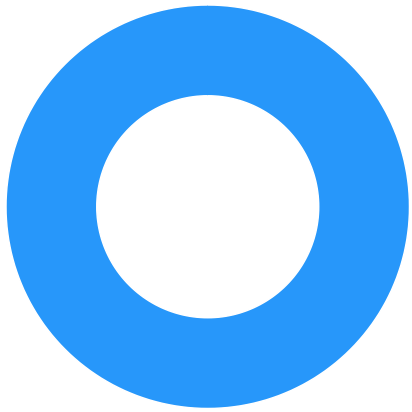
Total Budget (all years)
$750K

Project Total
$750K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2028	Total
Bonds	$750,000	$750,000
Total	**$750,000**	**$750,000**

PUBLIC WORKS-ADMINISTRATN REQUESTS

Public Works Site

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2032
Department	PUBLIC WORKS-ADMINISTRATN
Request Groups	Public Works
Type	Capital Improvement
Project Number	Pending

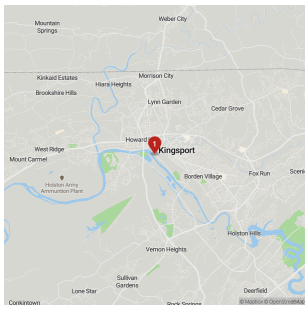
Description

Build a new administrative office building on Industry Drive to house the Streets, Grounds, Landscaping and Administrative groups. Also, it will include improvements to old sheds that house equipment, along with constructing new storage facilities. Expansion of Fleet Maintenance is included in this site plan as well. Once the Solid Waste group is moved to a new location, this will allow for improvements to the location on Industry Drive. Safety for all personnel at the site on Industry Drive would be greatly enhanced with these improvements.

Details

Type of Project	New Construction

Location



Supplemental Attachments

Site Layout(/resource/cg-prod-v2/projects/documents/413dd6d44cdf5751feeb.pdf)

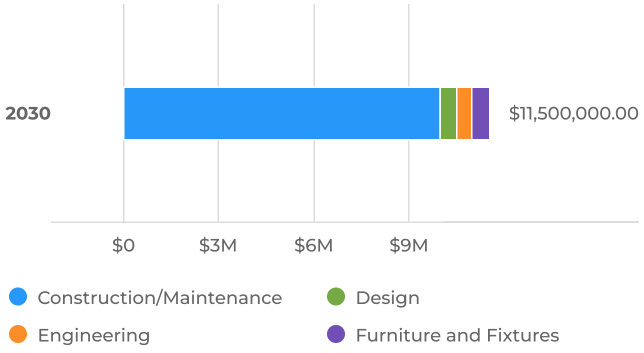
From July 2023

Capital Cost

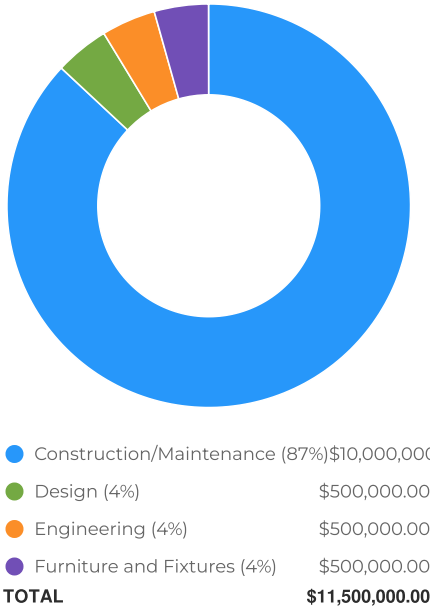
Total Budget (all years)
$11.5M

Project Total
$11.5M

Capital Cost by Year



Capital Cost for Budgeted Years



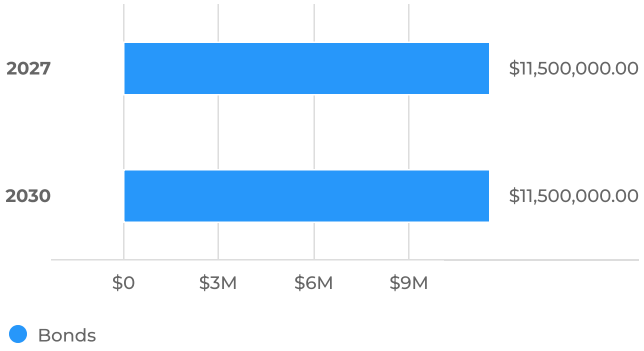
Capital Cost Breakdown		
Capital Cost	**FY2030**	**Total**
Design	$500,000	$500,000
Engineering	$500,000	$500,000
Construction/Maintenance	$10,000,000	$10,000,000
Furniture and Fixtures	$500,000	$500,000
Total	**$11,500,000**	**$11,500,000**

Funding Sources

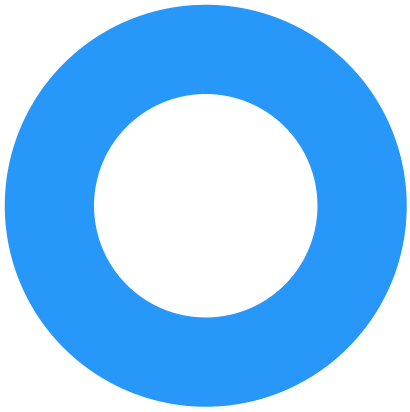
Total Budget (all years)
$23M

Project Total
$23M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$23,000,000.00
TOTAL	**$23,000,000.00**

Funding Sources Breakdown

Funding Sources	FY2027	FY2030	Total
Bonds	$11,500,000	$11,500,000	$23,000,000
Total	**$11,500,000**	**$11,500,000**	**$23,000,000**

REFUSE DISPOSAL REQUESTS

New Landfill Cell

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2028
Department	REFUSE DISPOSAL
Request Groups	Solid Waste
Type	Capital Improvement
Project Number	Pending

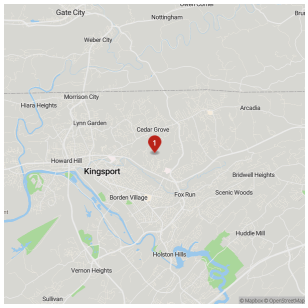
Description

Preparation of the next cell in Kingsport's C&D Landfill.

Details

Type of Project	New Construction

Location



Benefit to Community

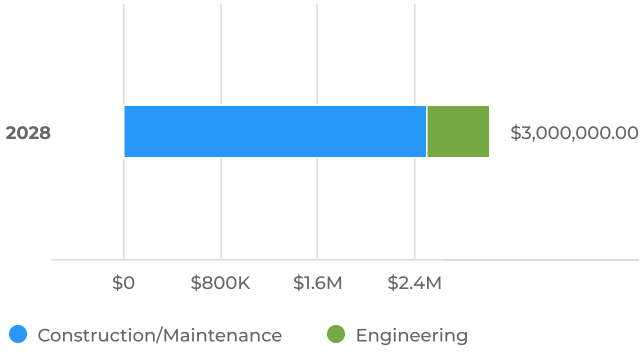
It allows Kingsport Solid Waste Department to continue providing a sustainable environmental solution for our citizens.

Capital Cost

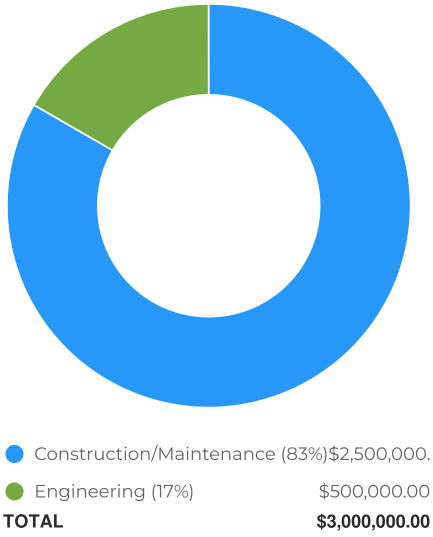
Total Budget (all years)
$3M

Project Total
$3M

Capital Cost by Year



Capital Cost for Budgeted Years



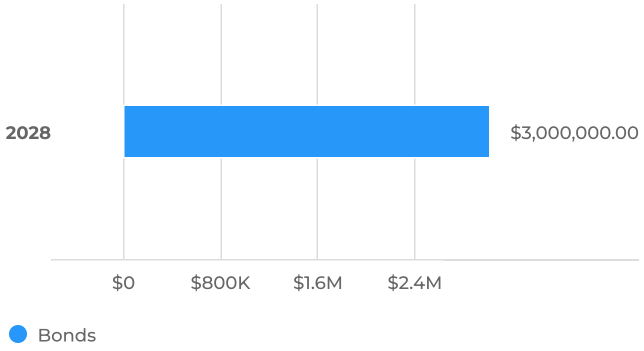
Capital Cost Breakdown		
Capital Cost	**FY2028**	**Total**
Engineering	$500,000	$500,000
Construction/Maintenance	$2,500,000	$2,500,000
Total	**$3,000,000**	**$3,000,000**

Funding Sources

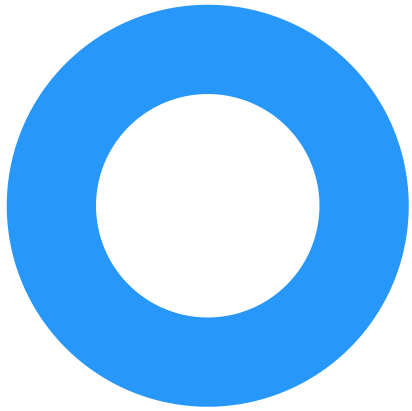
Total Budget (all years)
$3M

Project Total
$3M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$3,000,000.00
TOTAL	**$3,000,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	Total
Bonds	$3,000,000	$3,000,000
Total	**$3,000,000**	**$3,000,000**

SENIOR CITIZENS REQUESTS

Ren Cen Parking Lot Renovation

Overview

Request Owner	Shirley Buchanan, Senior Center Manager
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2031
Department	SENIOR CITIZENS
Request Groups	Leisure Services
Type	Capital Improvement
Project Number	Pending

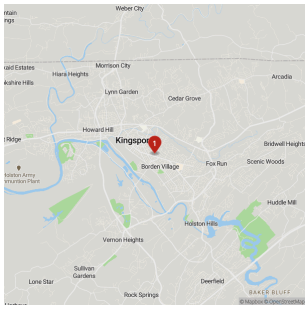
Description

The Renaissance Center Parking Lot renovation will include the addition of parking spaces to the front level parking lot and the addition of an overhang attached to the building so that cars can pull under and unload passengers that are on walkers, wheelchairs, or in inclement weather.

Details

Type of Project	Other

Location

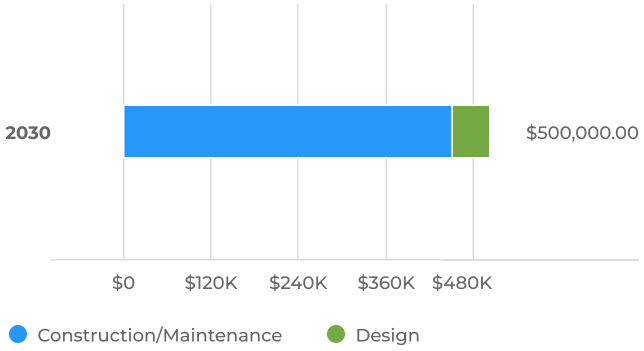


Capital Cost

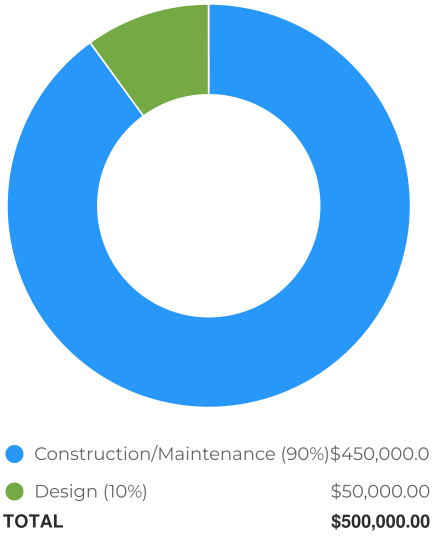
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



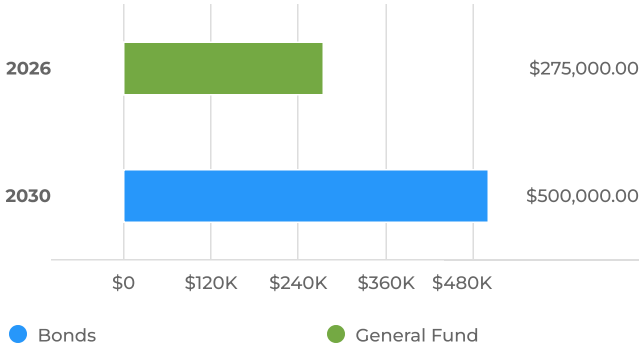
Capital Cost Breakdown

Capital Cost	FY2030	Total
Design	$50,000	$50,000
Construction/Maintenance	$450,000	$450,000
Total	**$500,000**	**$500,000**

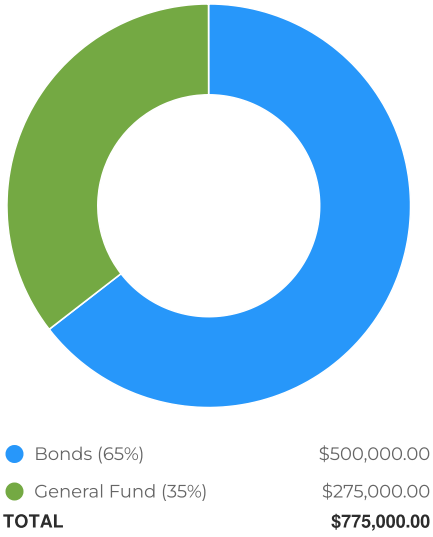
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$275,000	$775K	$775K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2026**	**FY2030**	**Total**
Bonds	$0	$500,000	$500,000
General Fund	$275,000	$0	$275,000
Total	**$275,000**	**$500,000**	**$775,000**

STORM WATER ADMIN REQUESTS

Leslie Branch Stream Improvements'

Overview

Request Owner	Chad Austin, Assistant Utility Director
Department	STORM WATER ADMIN
Request Groups	Stormwater
Type	Capital Improvement
Project Number	Pending

Description

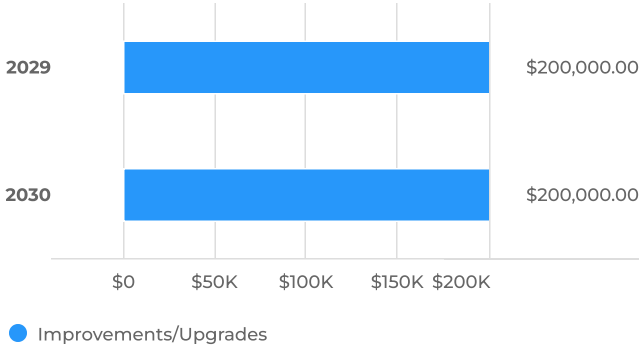
Improvements to the storm water infrastructure improvements to improve the Leslie Branch Stream area.

Capital Cost

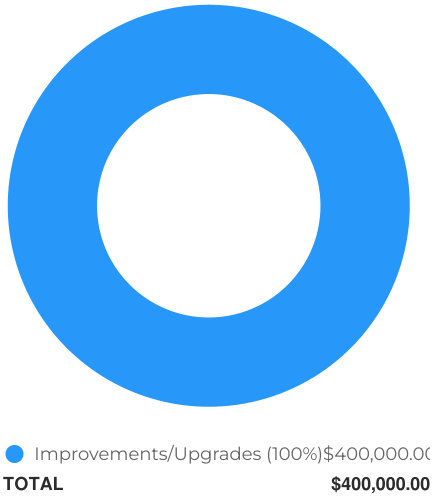
Total Budget (all years)
$400K

Project Total
$400K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

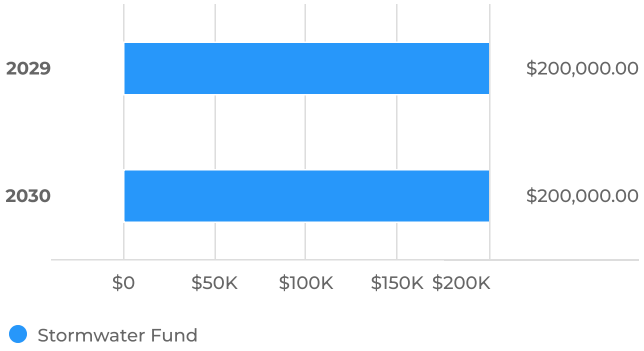
Capital Cost	FY2029	FY2030	Total
Improvements/Upgrades	$200,000	$200,000	$400,000
Total	**$200,000**	**$200,000**	**$400,000**

Funding Sources

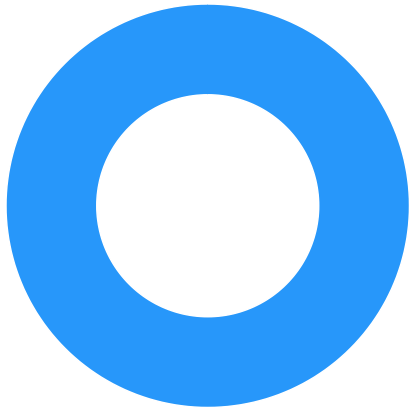
Total Budget (all years)
$400K

Project Total
$400K

Funding Sources by Year



Funding Sources for Budgeted Years



Stormwater Fund (100%)	$400,000.00
TOTAL	**$400,000.00**

Funding Sources Breakdown

Funding Sources	FY2029	FY2030	Total
Stormwater Fund	$200,000	$200,000	$400,000
Total	**$200,000**	**$200,000**	**$400,000**

Stormwater Infrastructure Improvements

Overview

Request Owner	Chad Austin, Assistant Utility Director
Department	STORM WATER ADMIN
Request Groups	Stormwater
Type	Capital Improvement
Project Number	Pending

Description

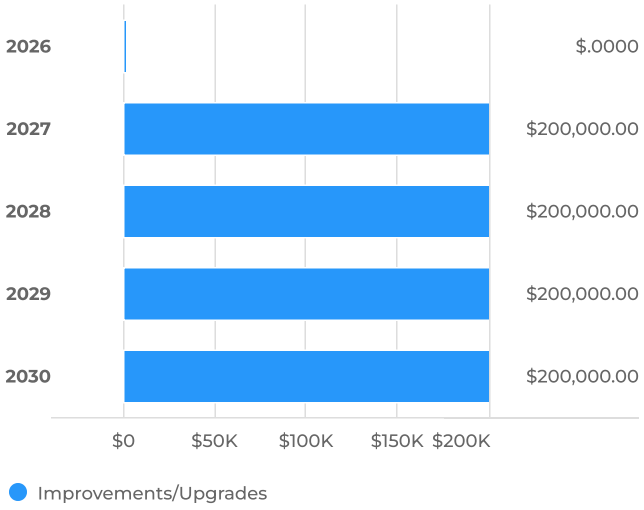
New stormwater infrastructure installation or replacement of existing stormwater assets. Areas are identified through customer complaints, routine visual or CCTV inspections.

Capital Cost

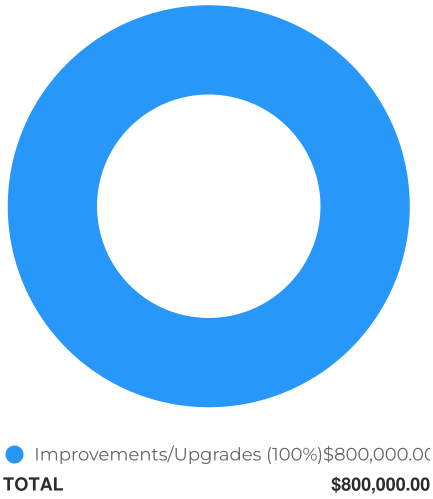
Total Budget (all years)
$800K

Project Total
$800K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

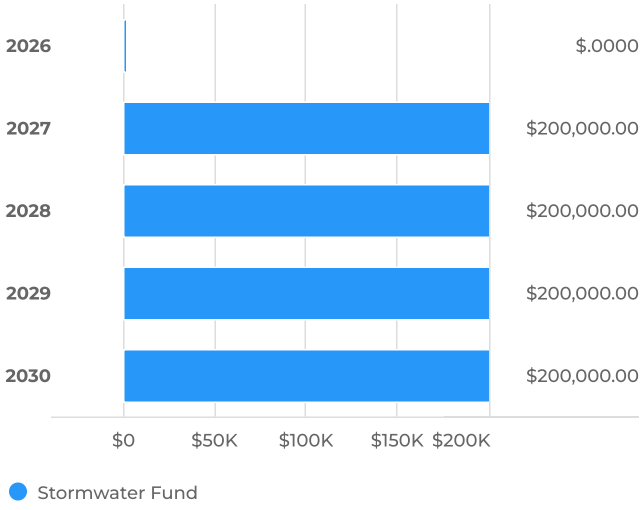
Capital Cost	Historical	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Improvements/Upgrades	$0	$0	$200,000	$200,000	$200,000	$200,000	$800,000
Total	**$0**	**$0**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$800,000**

Funding Sources

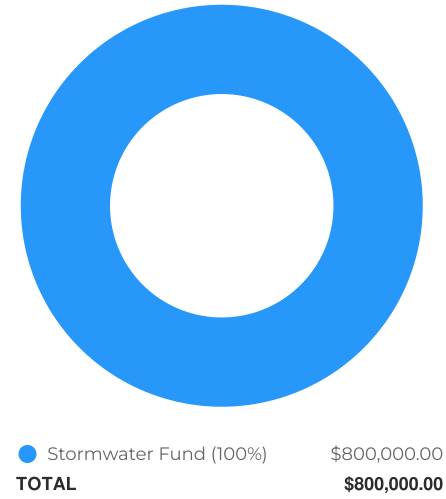
Total Budget (all years)
$800K

Project Total
$800K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	Historical	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Stormwater Fund	$0	$0	$200,000	$200,000	$200,000	$200,000	$800,000
Total	**$0**	**$0**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$800,000**

Tranbarger Branch Improvements

Overview

Request Owner	Chad Austin, Assistant Utility Director
Department	STORM WATER ADMIN
Request Groups	Stormwater
Type	Capital Improvement
Project Number	Pending

Description

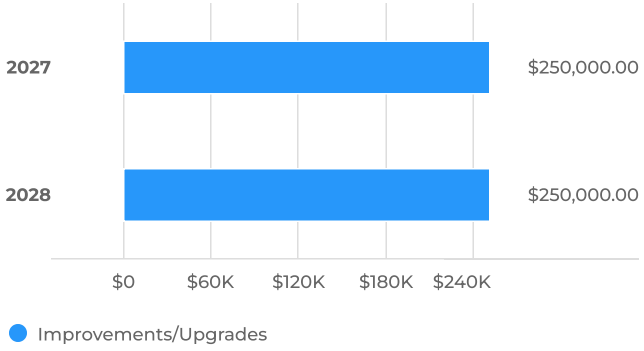
Improvements of stream channel, bank stabilization, and aquatic habitats.

Capital Cost

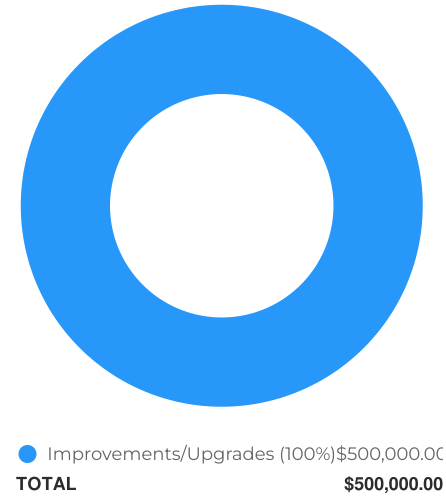
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

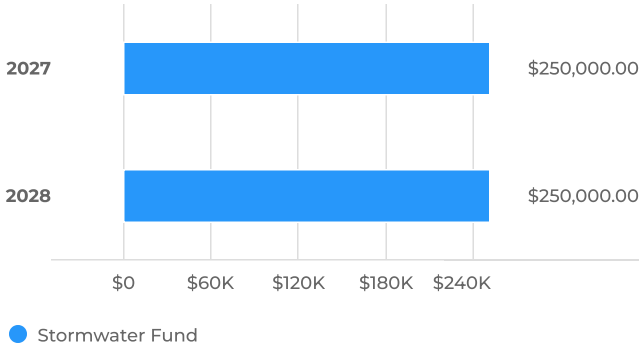
Capital Cost	FY2027	FY2028	Total
Improvements/Upgrades	$250,000	$250,000	$500,000
Total	**$250,000**	**$250,000**	**$500,000**

Funding Sources

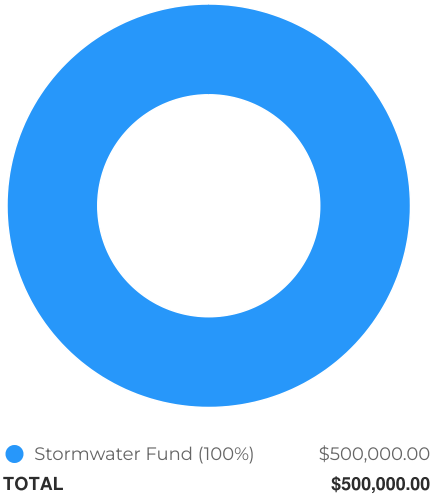
Total Budget (all years)
$500K

Project Total
$500K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2027	FY2028	Total
Stormwater Fund	$250,000	$250,000	$500,000
Total	**$250,000**	**$250,000**	**$500,000**

Watauga Street Stormwater Improvements

Overview

Request Owner	Chad Austin, Assistant Utility Director
Department	STORM WATER ADMIN
Request Groups	Stormwater
Type	Capital Improvement
Project Number	Pending

Description

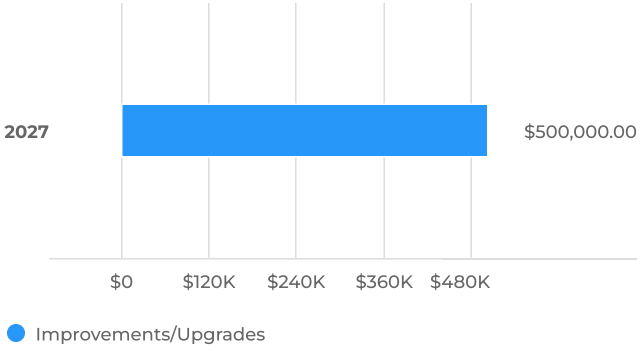
Upgrade of the storm water infrastructure along Watauga Street.

Capital Cost

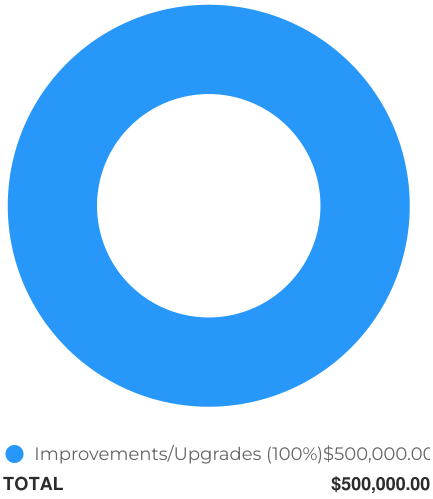
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



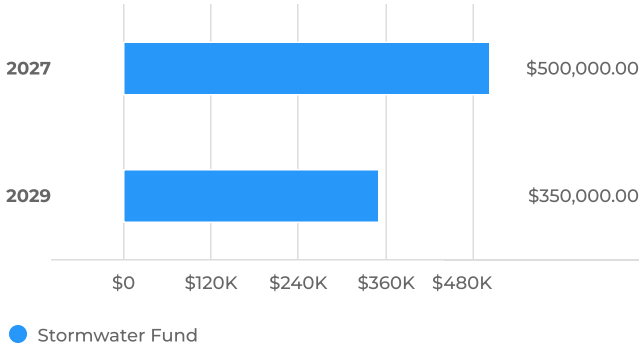
Capital Cost Breakdown		
Capital Cost	**FY2027**	**Total**
Improvements/Upgrades	$500,000	$500,000
Total	**$500,000**	**$500,000**

Funding Sources

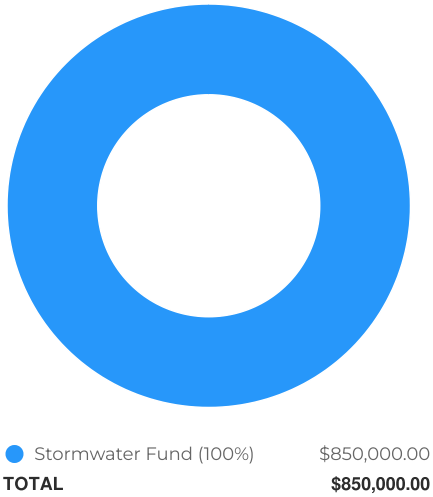
Total Budget (all years)
$850K

Project Total
$850K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2027	FY2029	Total
Stormwater Fund	$500,000	$350,000	$850,000
Total	**$500,000**	**$350,000**	**$850,000**

STREET MAINTENANCE REQUESTS

Bloomingdale Pike & Gibson Mill Road Improvements

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	STREET MAINTENANCE
Request Groups	Public Works
Type	Capital Improvement
Project Number	Pending

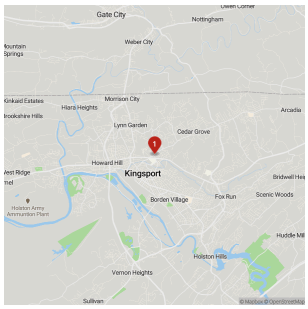
Description

Improve intersections along Bloomingdale Pike from Stone Drive to Shipps Springs. Also address the bridge on Gibson Mill Road at Bloomingdale Pike. This area has seen investments from commercial/retail establishments and is expected to continue to see both residential and commercial investments in the near future.

Details

Type of Project	Other

Location



Benefit to Community

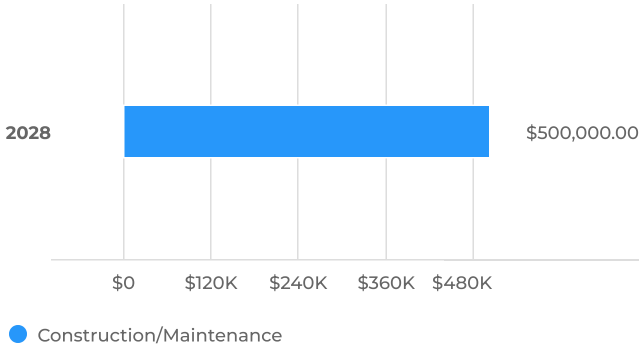
Serving our Community, Building for the Future by providing a safe and sustainable network for all modes of transportation.

Capital Cost

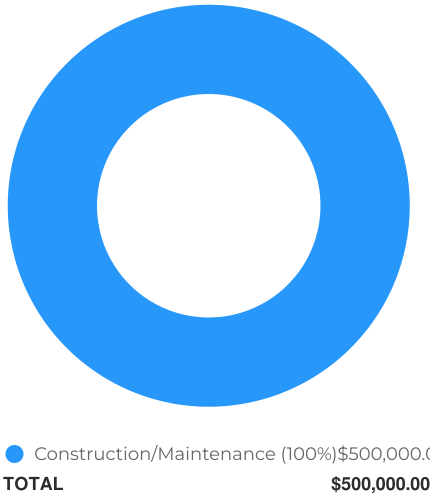
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

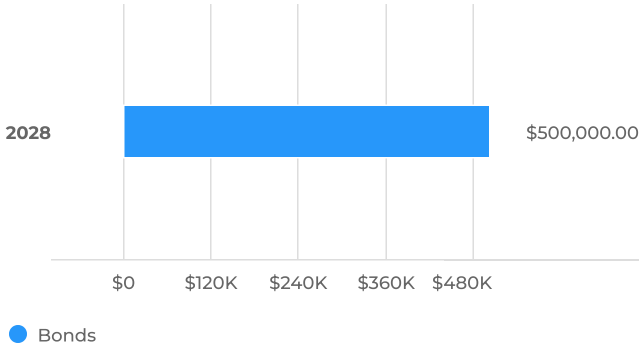
Capital Cost	FY2028	Total
Construction/Maintenance	$500,000	$500,000
Total	**$500,000**	**$500,000**

Funding Sources

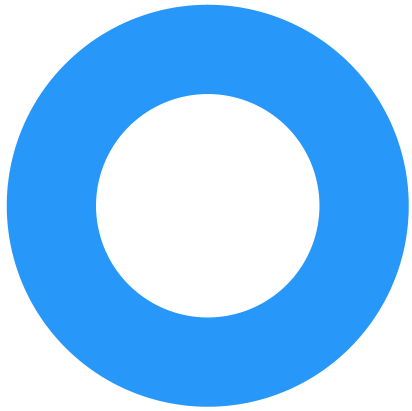
Total Budget (all years)
$500K

Project Total
$500K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%) $500,000.00
TOTAL **$500,000.00**

Funding Sources Breakdown		
Funding Sources	**FY2028**	**Total**
Bonds	$500,000	$500,000
Total	**$500,000**	**$500,000**

Clinchfield Street Bridge Repairs

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2027
Department	STREET MAINTENANCE
Request Groups	Street Maintenance
Type	Capital Improvement
Project Number	Pending

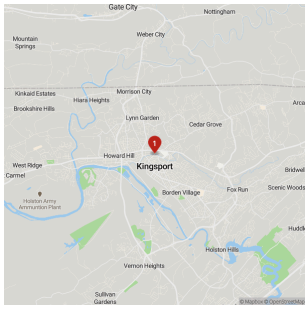
Description

The bridge deck is in the well-developed stage of potholes and re-bar exposure. Several minor repairs have been done creating a poor ride for motorists. A complete deck overlay is needed to protect and preserve the life of this bridge.

Details

Type of Project	Other

Location



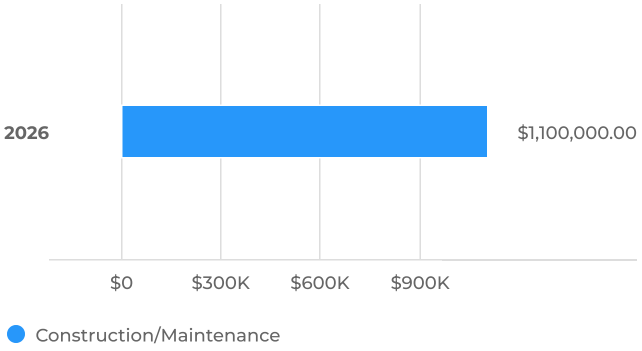
Benefit to Community

Reliable infrastructure for safe and efficient movement of people and goods throughout the City of Kingsport.

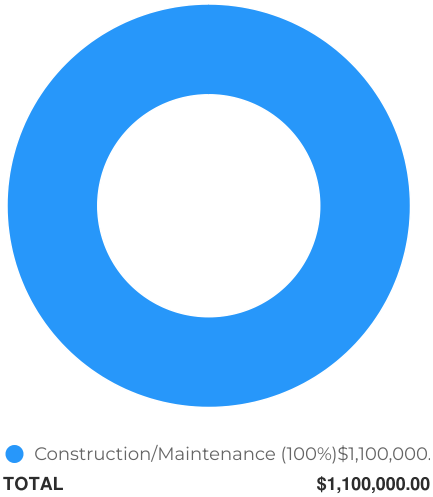
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,100,000	$1.1M	$1.1M

Capital Cost by Year



Capital Cost for Budgeted Years



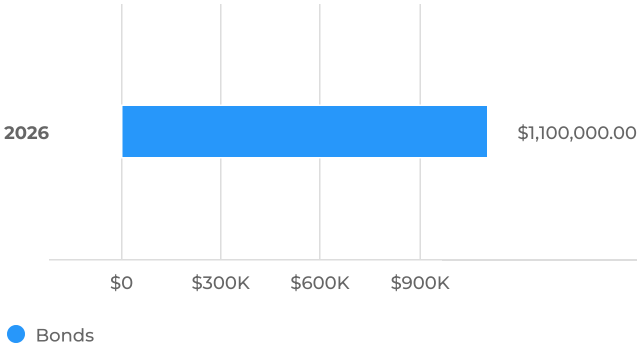
Capital Cost Breakdown

Capital Cost	FY2026	Total
Construction/Maintenance	$1,100,000	$1,100,000
Total	**$1,100,000**	**$1,100,000**

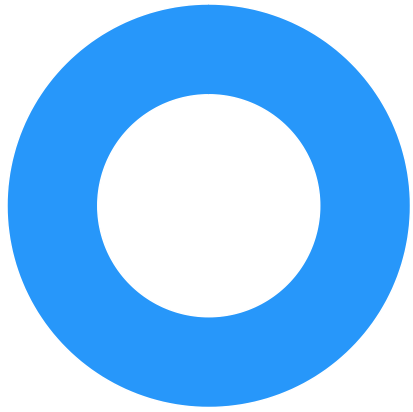
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,100,000	$1.1M	$1.1M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$1,100,000	$1,100,000
Total	**$1,100,000**	**$1,100,000**

Dorothy Street & Robertson Street Rebuild

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2030
Est. Completion Date	10/01/2031
Department	STREET MAINTENANCE
Request Groups	Public Works
Type	Capital Improvement
Project Number	Pending

Description

Dorothy Street and Roberston Street are in Area 14 paving which is planned for fiscal year 2027. These two roadways are currently concrete and the scope of work to fix these roadways is outside our resurfacing budget. Propose removing the old concrete panels and going back with an asphalt roadway surface.

Images

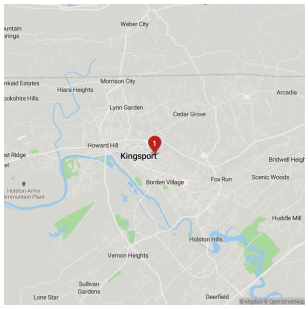
Robertson Street

Dorothy Street

Details

Type of Project	Other

Location



Benefit to Community

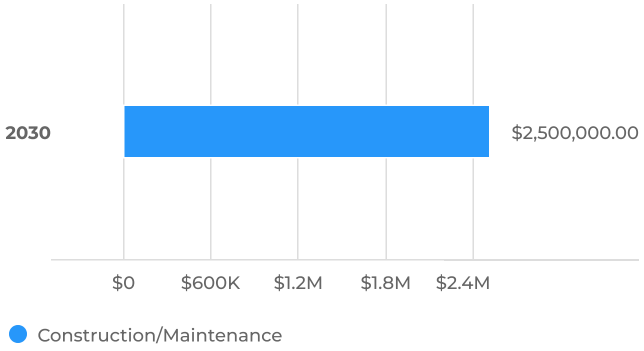
Serving our Community, Building for the Future by providing a safe and sustainable network for all modes of transportation.

Capital Cost

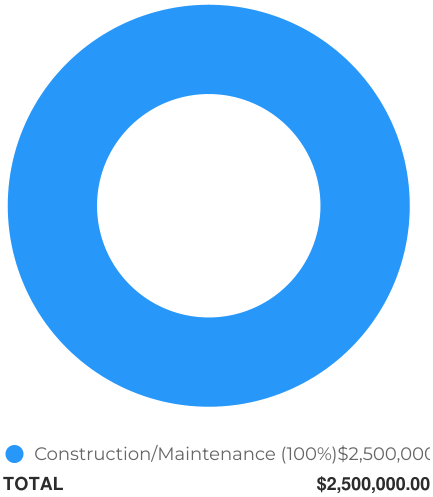
Total Budget (all years)
$2.5M

Project Total
$2.5M

Capital Cost by Year



Capital Cost for Budgeted Years



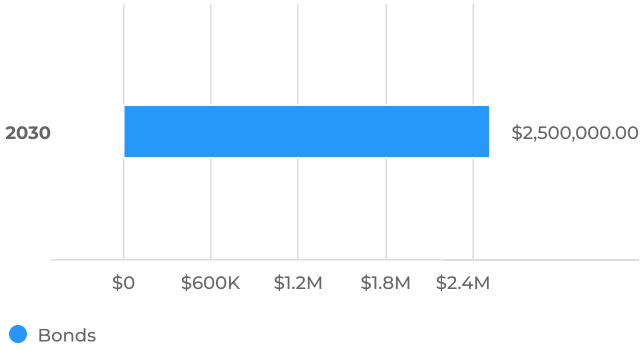
Capital Cost Breakdown		
Capital Cost	**FY2030**	**Total**
Construction/Maintenance	$2,500,000	$2,500,000
Total	**$2,500,000**	**$2,500,000**

Funding Sources

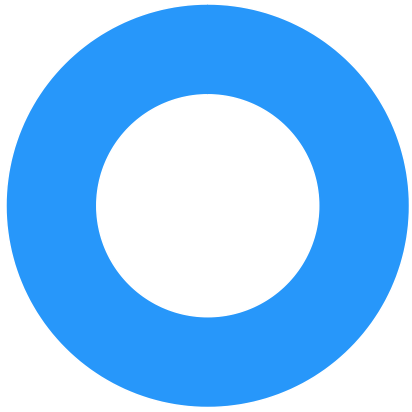
Total Budget (all years)
$2.5M

Project Total
$2.5M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$2,500,000.00
TOTAL	**$2,500,000.00**

Funding Sources Breakdown

Funding Sources	FY2030	Total
Bonds	$2,500,000	$2,500,000
Total	**$2,500,000**	**$2,500,000**

Eastman Road/Lincoln Street Bridge

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2027
Department	STREET MAINTENANCE
Request Groups	Street Maintenance
Type	Capital Improvement
Project Number	Pending

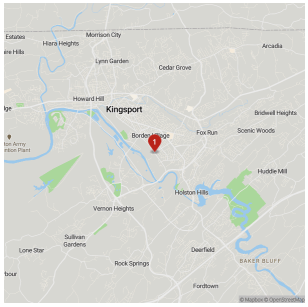
Description

Continue with repairs to bridge bents and caps. This will address the portions of bridge over the railroad lines.

Details

Type of Project	Other

Location



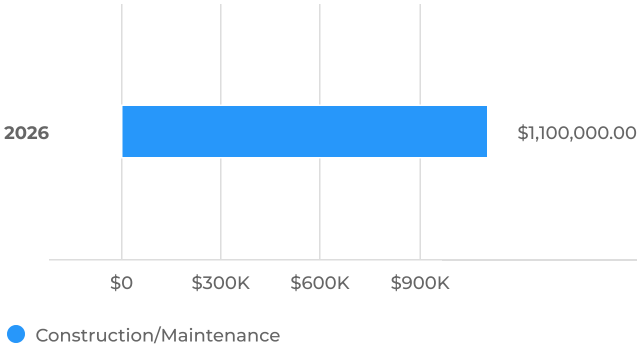
Benefit to Community

Reliable infrastructure for safe and efficient movement of people and goods throughout the City of Kingsport.

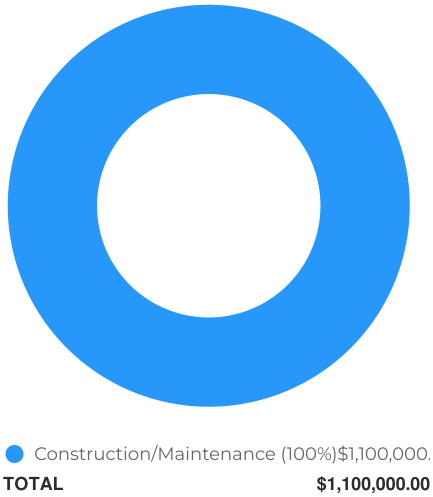
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$1,100,000	$1.1M	$1.1M

Capital Cost by Year



Capital Cost for Budgeted Years



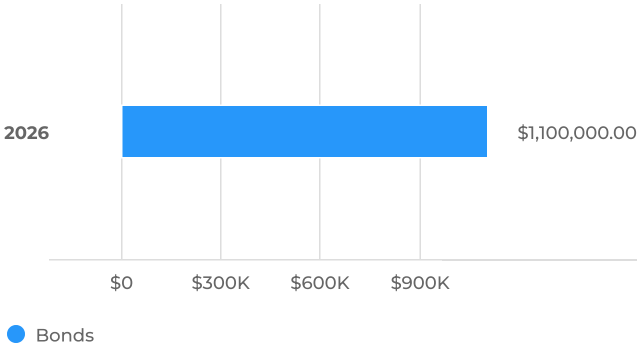
Capital Cost Breakdown

Capital Cost	FY2026	Total
Construction/Maintenance	$1,100,000	$1,100,000
Total	**$1,100,000**	**$1,100,000**

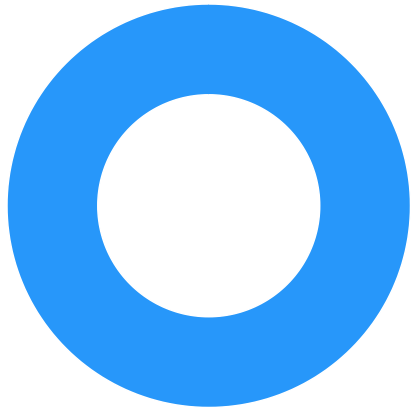
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$1,100,000	$1.1M	$1.1M

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$1,100,000	$1,100,000
Total	**$1,100,000**	**$1,100,000**

Lynn Garden Bulbouts

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	STREET MAINTENANCE
Request Groups	Public Works
Type	Capital Improvement
Project Number	Pending

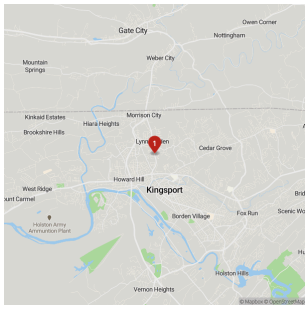
Description

Funds to add aesthetic improvements at intersections along Lynn Garden Drive while also addressing ADA issues and shortening crossings for pedestrians.

Details

Type of Project	Other

Location



Benefit to Community

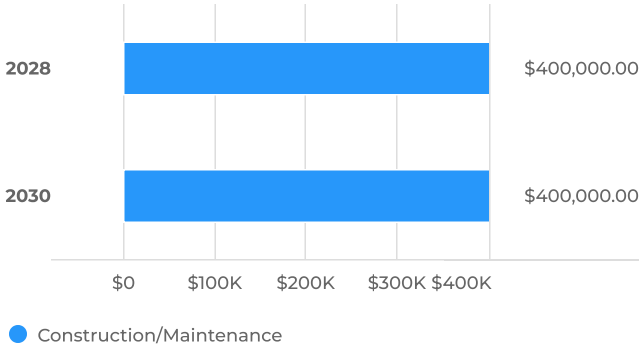
Aesthetic and safety improvements for residents and businesses along the Lynn Garden Drive corridor.

Capital Cost

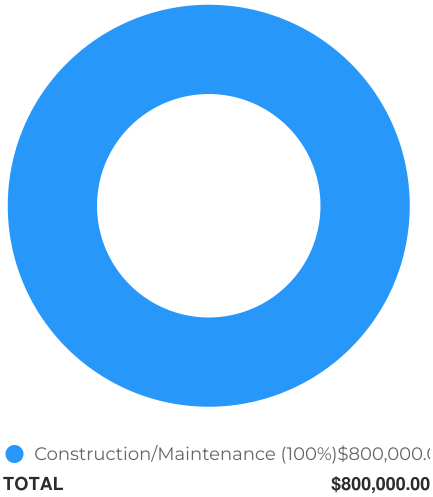
Total Budget (all years)
$800K

Project Total
$800K

Capital Cost by Year



Capital Cost for Budgeted Years



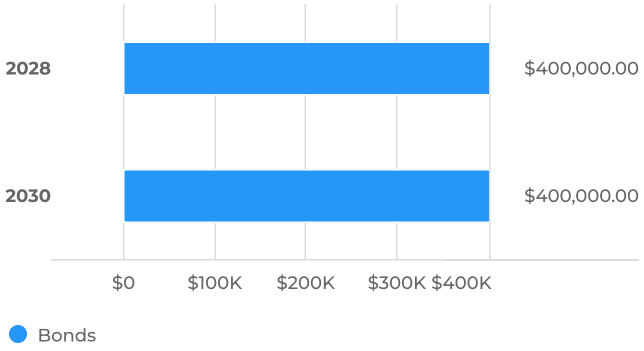
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Construction/Maintenance	$400,000	$400,000	$800,000
Total	**$400,000**	**$400,000**	**$800,000**

Funding Sources

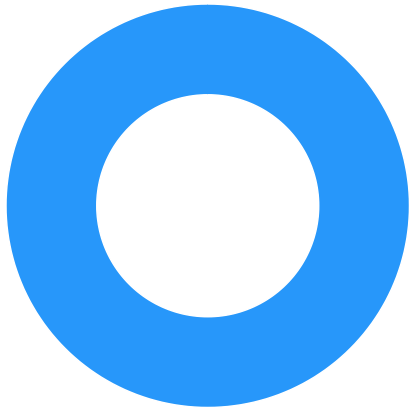
Total Budget (all years)
$800K

Project Total
$800K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%) $800,000.00

TOTAL **$800,000.00**

Funding Sources Breakdown			
Funding Sources	**FY2028**	**FY2030**	**Total**
Bonds	$400,000	$400,000	$800,000
Total	**$400,000**	**$400,000**	**$800,000**

Netherland Inn Bridge Repairs

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2028
Department	STREET MAINTENANCE
Request Groups	Street Maintenance
Type	Capital Improvement
Project Number	Pending

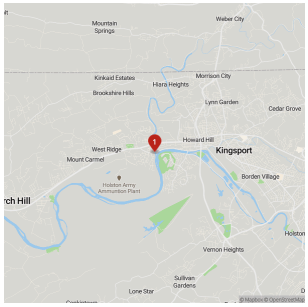
Description

The approach on the western side of the bridge is settling and needs to be remediated through structural repair.

Details

Type of Project	Other

Location



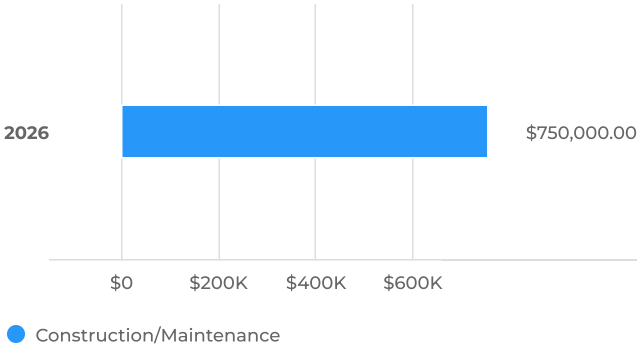
Benefit to Community

Reliable infrastructure for safe and efficient movement of people and goods throughout the City of Kingsport.

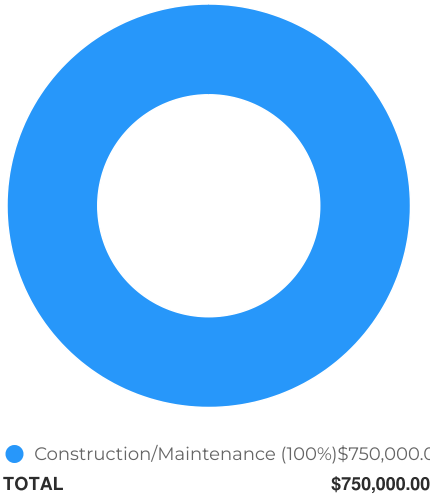
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$750,000	$750K	$750K

Capital Cost by Year



Capital Cost for Budgeted Years



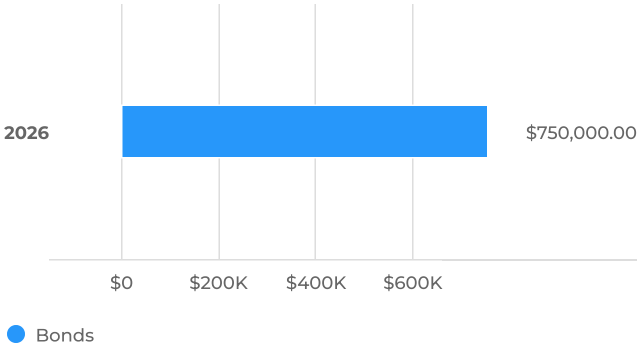
Capital Cost Breakdown

Capital Cost	FY2026	Total
Construction/Maintenance	$750,000	$750,000
Total	**$750,000**	**$750,000**

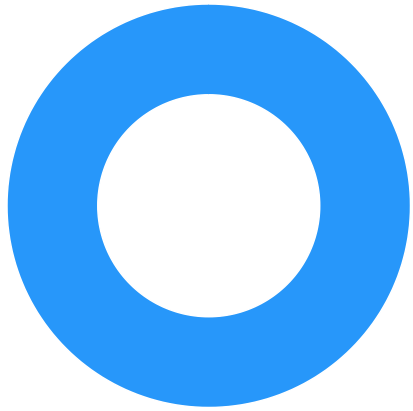
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$750,000	$750K	$750K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$750,000.00
TOTAL	**$750,000.00**

Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$750,000	$750,000
Total	**$750,000**	**$750,000**

Watauga Street Repairs

Overview

Request Owner	Tim Elsea, Assistant Public Works Director
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2026
Department	STREET MAINTENANCE
Request Groups	Public Works
Type	Capital Improvement
Project Number	Pending

Description

Watauga Street is included in Area 17 and Area 14 paving. Area 17 paving is currently underway with Area 14 paving to begin in fiscal year 2027. This roadway has some areas that need major repairs which fall outside our resurfacing budget.

Images

Watauga #1

Watauga #2

Details

Type of Project	Resurface Current Road

Location

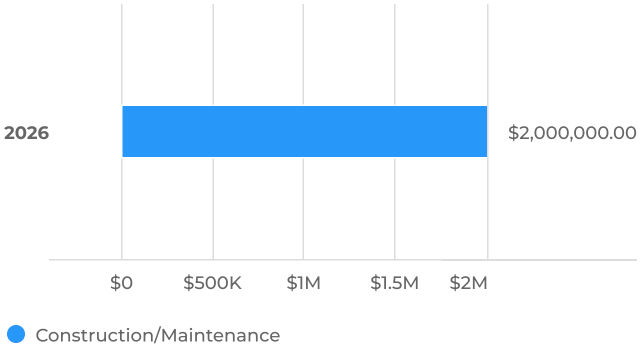
Benefit to Community

Serving our Community, Building for the Future by providing a safe and sustainable network for all modes of transportation.

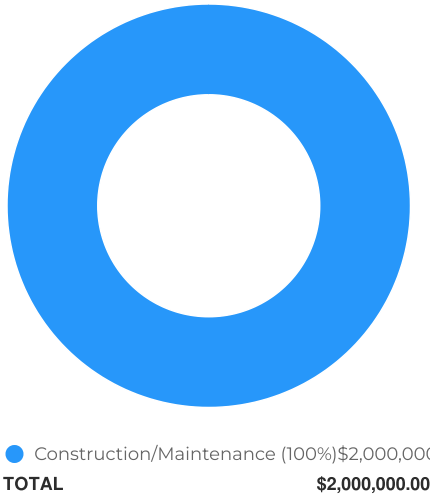
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$2,000,000	$2M	$2M

Capital Cost by Year



Capital Cost for Budgeted Years



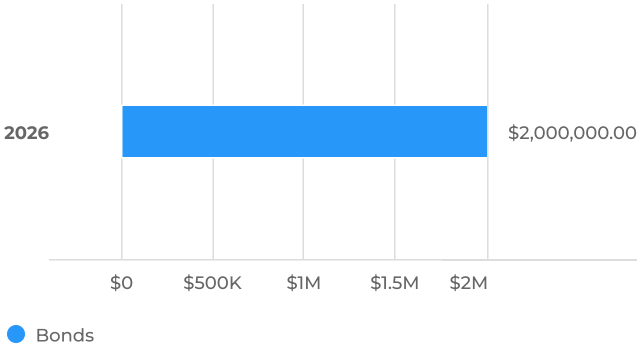
Capital Cost Breakdown

Capital Cost	FY2026	Total
Construction/Maintenance	$2,000,000	$2,000,000
Total	**$2,000,000**	**$2,000,000**

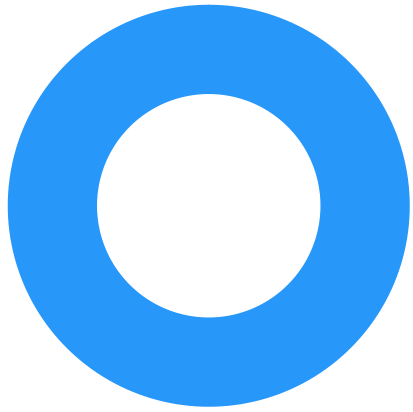
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$2,000,000	$2M	$2M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$2,000,000.00
TOTAL	**$2,000,000.00**

Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$2,000,000	$2,000,000
Total	**$2,000,000**	**$2,000,000**

TRANSPORTATION REQUESTS

Jessee St/Memorial Blvd Intersection

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2027
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

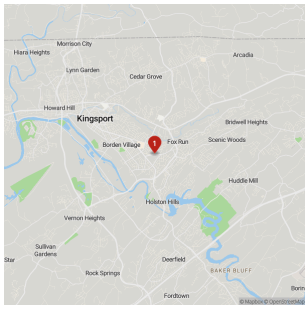
Description

Survey, signal design, and construction of a new traffic signal, lane modifications and conduit/fiber installation at the intersection of Jessee St & Memorial Blvd.

Details

Type of Project	New Construction

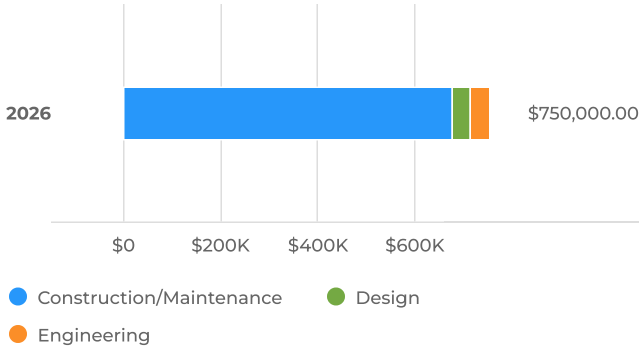
Location



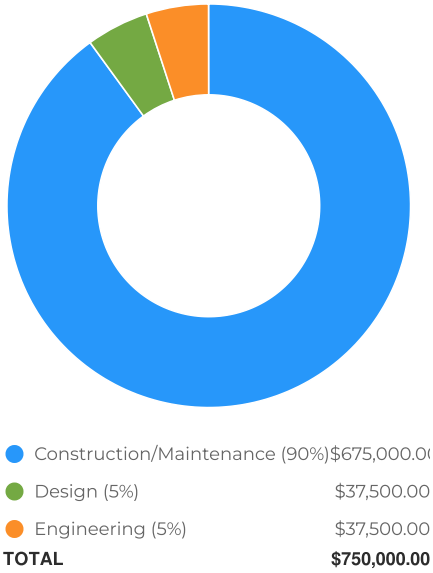
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$750,000	$750K	$750K

Capital Cost by Year



Capital Cost for Budgeted Years



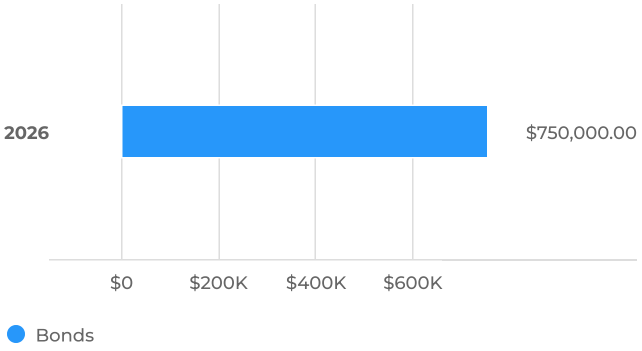
Capital Cost Breakdown

Capital Cost	FY2026	Total
Design	$37,500	$37,500
Engineering	$37,500	$37,500
Construction/Maintenance	$675,000	$675,000
Total	**$750,000**	**$750,000**

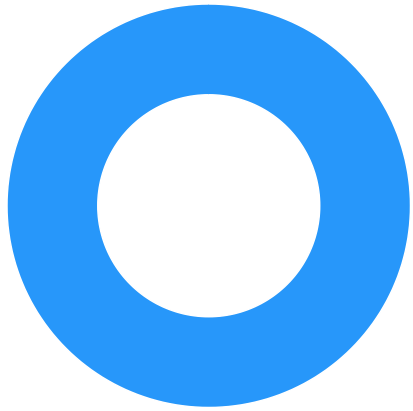
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$750,000	$750K	$750K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$750,000.00
TOTAL	**$750,000.00**

Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$750,000	$750,000
Total	**$750,000**	**$750,000**

N Eastman Rd/Jack White Dr Intersection

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2026
Est. Completion Date	10/01/2027
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

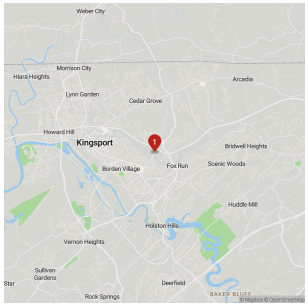
Description

This intersection is consistently number one in severity and accident rates for Kingsport's top 20 intersections. The current left turn lanes cause sight issues due to alignment and will be updated with project. Traffic contracted Thompson Engineering for engineering and design study and the required costs are shown on request. This project includes new signal and left lane alignment to correct issues.

Details

Type of Project	Improvement

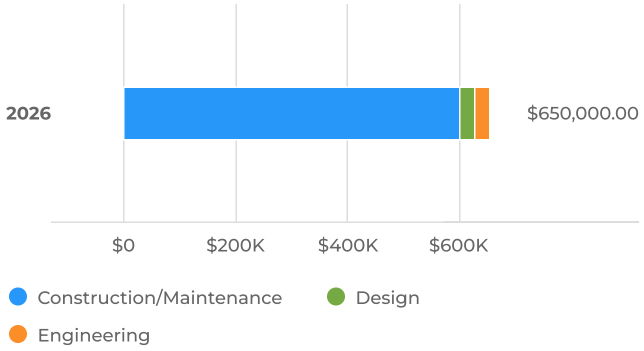
Location



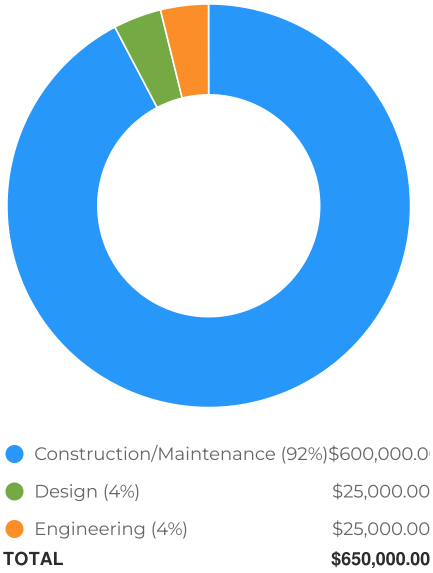
Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
$650,000	$650K	$650K

Capital Cost by Year



Capital Cost for Budgeted Years



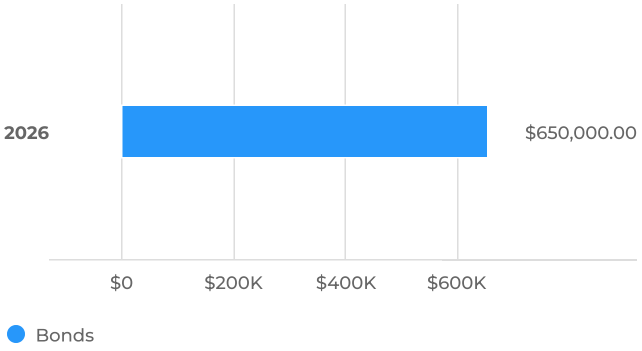
Capital Cost Breakdown

Capital Cost	FY2026	Total
Design	$25,000	$25,000
Engineering	$25,000	$25,000
Construction/Maintenance	$600,000	$600,000
Total	**$650,000**	**$650,000**

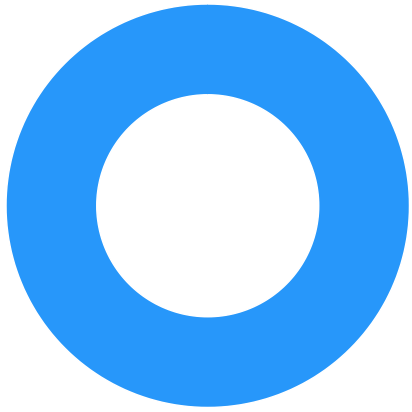
Funding Sources

FY2026 Budget	Total Budget (all years)	Project Total
$650,000	$650K	$650K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$650,000.00
TOTAL	**$650,000.00**

Funding Sources Breakdown

Funding Sources	FY2026	Total
Bonds	$650,000	$650,000
Total	**$650,000**	**$650,000**

Signal Cabinet Replacements

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

Description

Updating older signal cabinets at the end of life expectancy and cabinets incompatible with modern programming with new signals. Complete signal cabinets with necessary components are essential to maintaining safe traffic flows.

Details

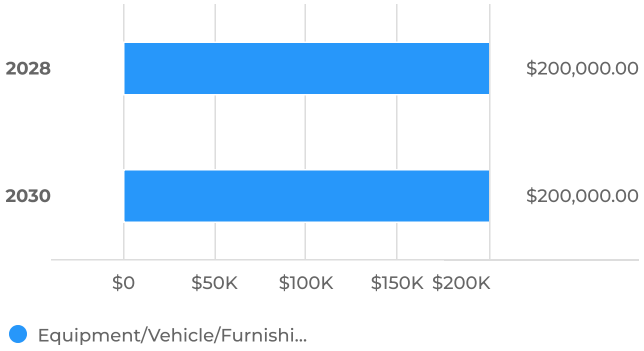
Type of Project	Improvement

Capital Cost

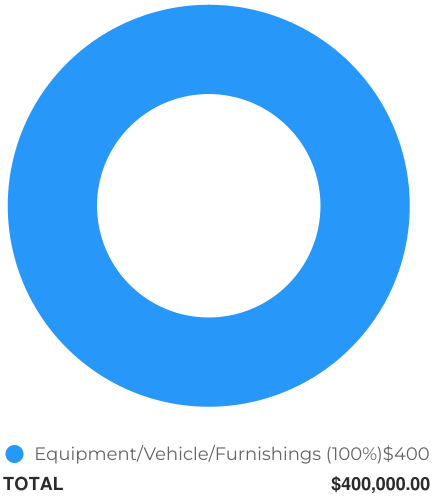
Total Budget (all years)
$400K

Project Total
$400K

Capital Cost by Year



Capital Cost for Budgeted Years



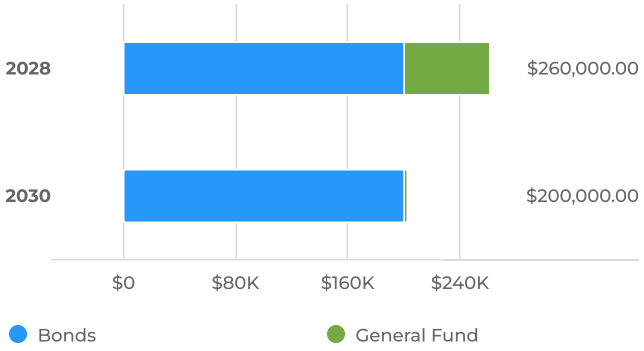
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Equipment/Vehicle/Furnishings	$200,000	$200,000	$400,000
Total	**$200,000**	**$200,000**	**$400,000**

Funding Sources

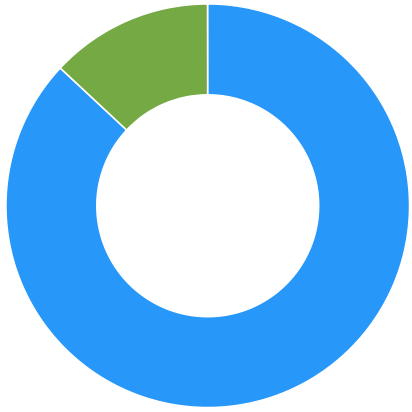
Total Budget (all years)
$460K

Project Total
$460K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (87%)	$400,000.00
General Fund (13%)	$60,000.00
TOTAL	**$460,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	FY2030	Total
General Fund	$60,000	$0	$60,000
Bonds	$200,000	$200,000	$400,000
Total	**$260,000**	**$200,000**	**$460,000**

Signal Pole Upgrades

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

Description

Updating signal poles that may have degraded or reached the end of life expectancy and improving intersections.

Details

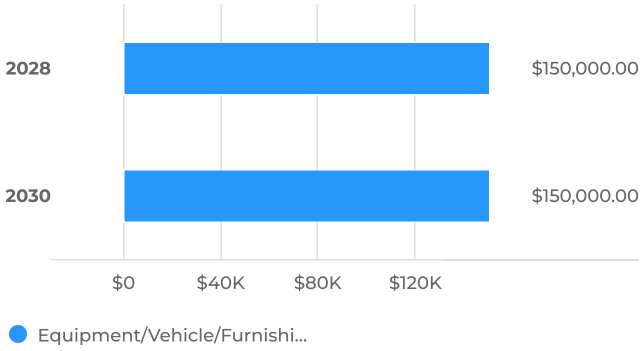
Type of Project	Improvement

Capital Cost

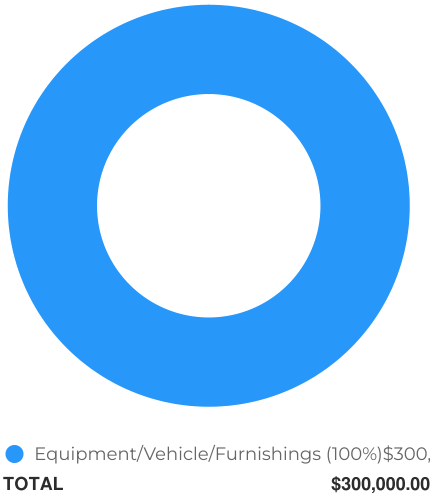
Total Budget (all years)
$300K

Project Total
$300K

Capital Cost by Year



Capital Cost for Budgeted Years



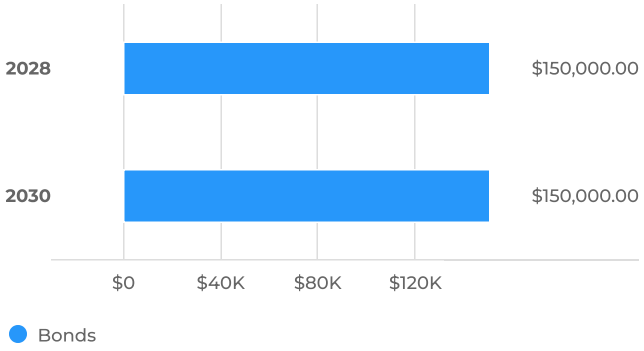
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Equipment/Vehicle/Furnishings	$150,000	$150,000	$300,000
Total	**$150,000**	**$150,000**	**$300,000**

Funding Sources

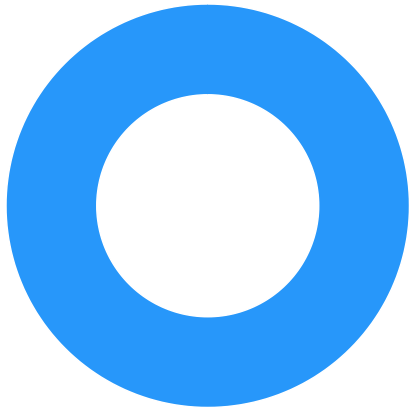
Total Budget (all years)
$300K

Project Total
$300K

Funding Sources by Year



Funding Sources for Budgeted Years



Funding Sources Breakdown			
Funding Sources	**FY2028**	**FY2030**	**Total**
Bonds	$150,000	$150,000	$300,000
Total	**$150,000**	**$150,000**	**$300,000**

Streetlight LED Replacements

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

Description

AEP updated charges for high pressure sodium and mercury vapor lighting in November 2022. Converting all current lights to LED will drop monthly electrical costs and replacement costs will be recuperated within 5-7 years after replacement. Currently, 10,040 lights on the AEP streetlight system can be replaced. the transportation crews are estimate to be able to update up to 3000 lights per year. In four years, all 10,040 lights will be updated to LED lighting. Cost per light change out is set at $165.00 per fixture.

Details

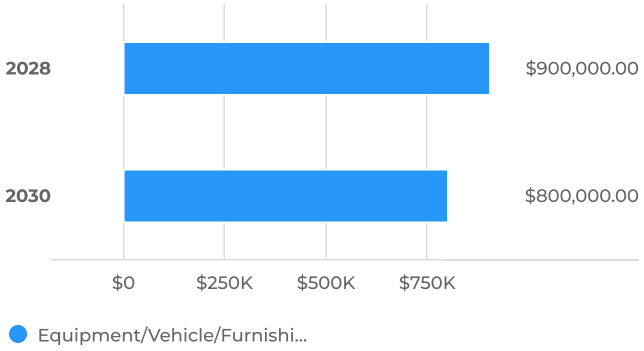
Type of Project	Improvement

Capital Cost

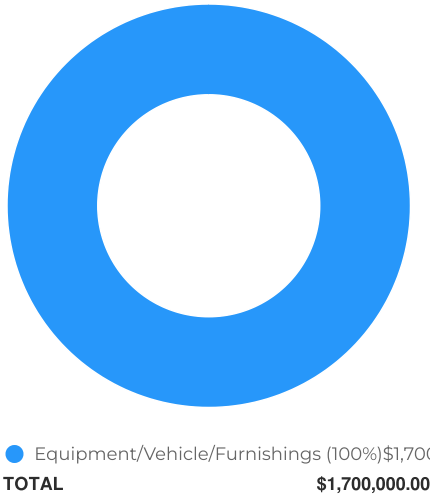
Total Budget (all years)
$1.7M

Project Total
$1.7M

Capital Cost by Year



Capital Cost for Budgeted Years



Capital Cost Breakdown

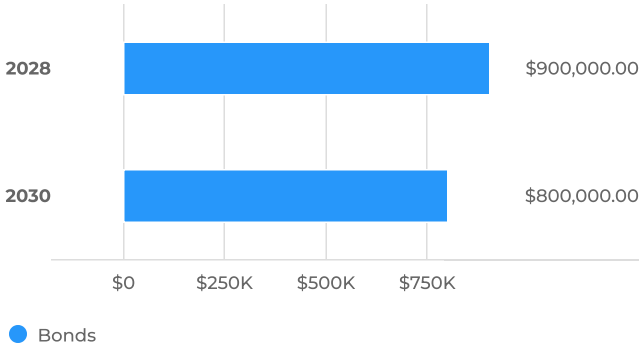
Capital Cost	FY2028	FY2030	Total
Equipment/Vehicle/Furnishings	$900,000	$800,000	$1,700,000
Total	**$900,000**	**$800,000**	**$1,700,000**

Funding Sources

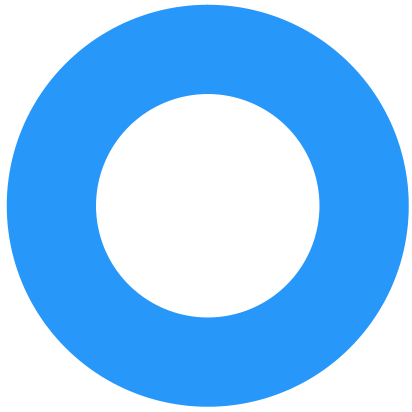
Total Budget (all years)
$1.7M

Project Total
$1.7M

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$1,700,000.00
TOTAL	**$1,700,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	FY2030	Total
Bonds	$900,000	$800,000	$1,700,000
Total	**$900,000**	**$800,000**	**$1,700,000**

Streetlight Projects

Overview

Request Owner	Jim Hensley, Traffic Manager
Est. Start Date	04/01/2028
Est. Completion Date	10/01/2029
Department	TRANSPORTATION
Request Groups	Traffic
Type	Capital Improvement
Project Number	Pending

Description

Adding streetlights along city roadways that don't have lighting and upgrading existing lighting. New LED streetlights make roadways safer and are more aesthetically pleasing for motorists. New LED streetlights provide more light at a lower cost than traditional streetlights.

Details

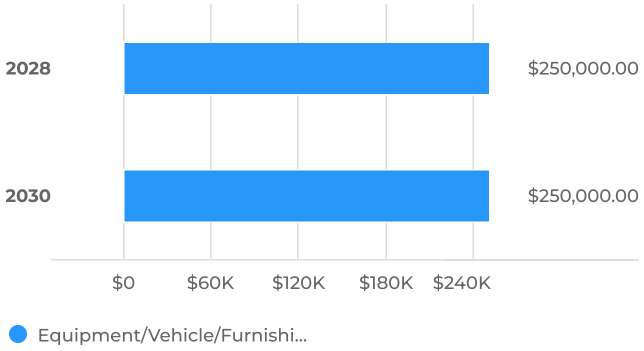
Type of Project	Improvement

Capital Cost

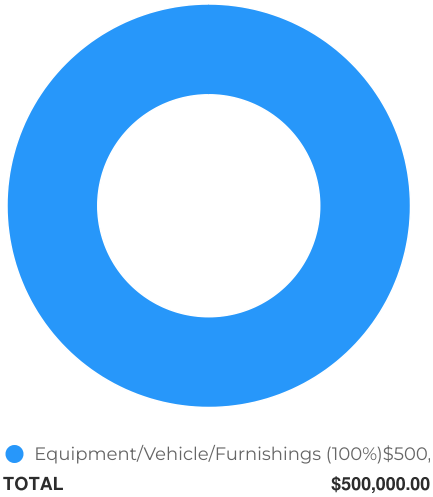
Total Budget (all years)
$500K

Project Total
$500K

Capital Cost by Year



Capital Cost for Budgeted Years



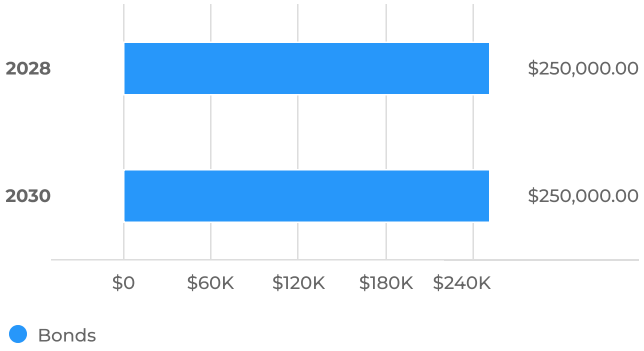
Capital Cost Breakdown			
Capital Cost	**FY2028**	**FY2030**	**Total**
Equipment/Vehicle/Furnishings	$250,000	$250,000	$500,000
Total	**$250,000**	**$250,000**	**$500,000**

Funding Sources

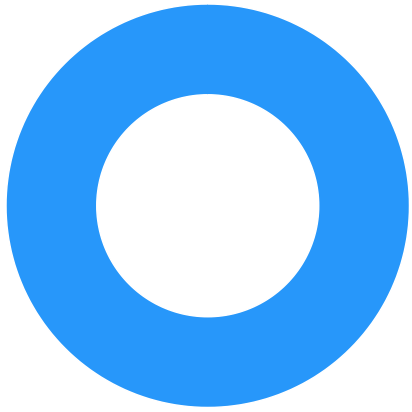
Total Budget (all years)
$500K

Project Total
$500K

Funding Sources by Year



Funding Sources for Budgeted Years



Bonds (100%)	$500,000.00
TOTAL	**$500,000.00**

Funding Sources Breakdown

Funding Sources	FY2028	FY2030	Total
Bonds	$250,000	$250,000	$500,000
Total	**$250,000**	**$250,000**	**$500,000**

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful live extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking bodyof a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as “personal services,” “expenses,” or “capital outlay.”

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors’ analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, $14.80 per $1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.