

## ORDINANCE

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KNOXVILLE MAKING AND FIXING THE ANNUAL APPROPRIATIONS FOR THE SEVERAL DEPARTMENTS, AGENCIES, AND FUNDS OF THE CITY OF KNOXVILLE FOR THE FISCAL PERIOD BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026 AND PROVIDING THE AUTHORITY TO REAPPROPRIATE NON-PROJECT RELATED ENCUMBRANCES AT THE END OF FY 24/25 INTO FY 25/26.

ORDINANCE NO: \_\_\_\_\_

REQUESTED BY: Councilmember Amelia Parker

PREPARED BY: Council \_\_\_\_\_

APPROVED ON 1<sup>ST</sup> \_\_\_\_\_

READING: \_\_\_\_\_

APPROVED ON 2<sup>ND</sup> \_\_\_\_\_

READING: \_\_\_\_\_

APPROVED AS AN EMERGENCY

MEASURE: \_\_\_\_\_

MINUTE BOOK: \_\_\_\_\_ PAGE \_\_\_\_\_

**WHEREAS**, the Mayor, pursuant to Section 901 of the Charter of the City of Knoxville, has submitted to Council an annual budget for all operating funds of the City of Knoxville for the fiscal period beginning July 1, 2025, and ending June 30, 2026; and

**WHEREAS**, federal funding for the city of Knoxville and our community partners providing affordable housing and other services that improve the quality of life of our residents is projected to decrease significantly in FY25-26; and

**WHEREAS**, one strategy to improve the urgent need and top city priority of housing stability that has received overwhelming public support is eviction prevention through legal aid which during its first year in operation has prevented over 500 households, 275 of which with children, from receiving an eviction judgment that could lead to a long-term inability to rent and possible eventual homelessness that is extremely difficult to overcome; and

**WHEREAS**, funding for eviction prevention through legal aid in Knox County, previously provided by the Knox County Government with federal American Rescue Act dollars, has expired and a request has been made to the City of Knoxville to partially fund the program at \$300,000 in the FY26 budget; and

**WHEREAS**, the City of Knoxville's sound financial stewardship has produced an unassigned General Fund balance of over \$17.8 million that is certainly insufficient to address all of our city's needs and funding shortfalls yet capable of ensuring an eviction prevention program through legal aid continues in our city for another year to prevent another 500 households from facing the threat of homelessness; and

**WHEREAS**, over \$17 million will remain in the unassigned General Fund balance as the City of Knoxville learns of additional impacts from changes in federal funding priorities following the budget ordinance's adoption if additional appropriations are needed to address a loss of federal revenue; and

**WHEREAS**, Council, pursuant to Section 901 of the Charter of the City of Knoxville, having concluded public hearings and considering the federal funding shortfalls, seeks to amend the operating budget proposed by the Mayor.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE  
CITY OF KNOXVILLE:**

**SECTION 1:** The sources of revenue to fund general operations are as follows:

**SOURCE**

5100	Local Taxes	\$282,883,920
5200	Licenses and Permits	342,260
5300	Intergovernmental Revenue	30,785,000
5400	Charges for Services	1,670,600
5500	Fines and Forfeits	735,000
5600	Other Revenues	6,585,880
5900	Transfers In	0
5998	Fund Balance	250,000

\$323,252,660

**SECTION 2:** The following sums of money, or as much thereof as may be authorized by law, as may be deemed necessary to defray all expenses and liabilities of the City of Knoxville be, and the same hereby are, appropriated for the corporate and lawful purposes of the City of Knoxville, hereinafter specified for the fiscal year commencing on July 1, 2025 and ending June 30, 2026.

**IN THE GENERAL FUND**

**TOTAL EXPENDITURES BY DEPARTMENT**

**APPROPRIATION**

11100	Administration	\$11,219,910
21200	Finance	5,947,180

21400	Information Systems	6,528,150
23700	Housing & Neighborhood Development	3,104,370
43100	Public Services	37,461,050
43300	Engineering	10,346,230
44300	Recreation	6,690,150
46100	Mass Transportation	1,524,340
51300	Law	3,181,110
62300	Police	83,735,530
72500	Fire	60,973,230
81500	Legislative	1,191,840
81700	Civil Service	963,140
81800	Human Resources	1,509,840
91900	City Elections	550,000
95100	Metropolitan Planning Commission	2,274,900
95200	Knoxville Zoological Park	1,678,820
95300	Agency Grants	1,979,500
95600	Waterfront	842,050
95900	Community Action Committee	1,456,240
99100	Transfers	54,649,470
99999	Nondepartmental/Other	25,495,610

**SECTION 3:** The following additional operating funds of the City are hereby established and all sources of revenue and sums of money, or as much thereof as may be authorized by law, as may be needed or deemed necessary to defray all the expenses and liabilities of these City operating funds be, and the same hereby are, appropriated for all corporate and lawful purposes of these funds of the City of Knoxville, hereinafter specified for the fiscal year commencing on July 1, 2025, and ending June 30, 2026.

<u>FUND</u>	<u>NAME</u>	<u>AMOUNT</u>
201	State Street Aid	\$6,690,000
202	Community Improvement	135,000
209	Abandoned Vehicle	1,319,930

213	City Court	1,856,640
216	City Inspections	4,678,780
220	Stormwater	4,341,540
230	Solid Waste	13,005,200
240	Miscellaneous Special Revenue	14,075,960
264	Home Grant	1,432,000
269	Emergency Shelter Grant	146,300
290	Community Development Block Grants	1,724,340
305	Debt Service Funds	22,414,950
306	Tax Increment	3,858,200
401	Capital Projects Funds	35,941,530
503	Public Assembly Facilities	13,525,740
504	Metro Parking	7,140,670
506	Convention Center	37,732,410
507	Mass Transportation	31,500,670
508	Municipal Golf Courses	2,814,550
631	Knoxville Affordable Housing Fund	5,972,720
702	Fleet Services	21,375,660
704	Risk Management	10,785,500
705	Health Care	29,395,780
706	Equipment Replacement	4,427,220
707	City Buildings	7,441,430

**SECTION 4:** All capital expenditures for which appropriations have been previously made but not yet fully expended are hereby reauthorized to allow completion of previously approved projects.

**SECTION 5:** All non-project related encumbrances as of June 30, 2025, including all contracts and purchase orders open but not yet spent at fiscal year-end are hereby reappropriated within their corresponding funds.

**SECTION 6:** All undesignated and unencumbered fund balances are hereby reappropriated within their respective funds in accordance with and under the authority granted by Section 901(o) of the Charter of the City of Knoxville.

**SECTION 7:** Pursuant to Section 2-602 of the Code of the City of Knoxville, appropriations are hereby made to the community agencies and organizations and in their corresponding amounts as set forth in the Appendix hereto.

**SECTION 8:** Such salaries as Council is required to fix by ordinance are hereby fixed as set forth in the detailed budget for each respective department, agency or fund.

**SECTION 9:** All ordinances or parts of ordinances in conflict with the provisions of this Ordinance be and the same are hereby repealed.

**SECTION 10:** This ordinance will take effect on July 1, 2025, the welfare of the City requiring it.

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Presiding Officer of the Council

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Recorder