



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, May 12, 2025 at 2:00 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman Gary Mayes

Alderman James Phillips

I. CALL TO ORDER 2:00 p.m. by Mayor Paul Montgomery.

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. FY26 Budget

City Manager McCartt gave a presentation on this item highlighting the process and priorities. He explained why this has been the most challenging one to date. Assistant City Manager Michael Borders provided the regional sales tax update, noting it is down significantly and the effect it has on the budget.

City Recorder Travis Bishop presented information regarding the financial health of the city. He discussed current economic indicators, including the consumer price index and the Federal Reserve personal consumption expenditures price index and their trends. He also provided details on the general fund balance.

NOTE: There was a brief recess from 3:20 p.m. to 3:30 p.m.

The City Recorder continued his presentation giving a summary of historical and projected revenues and expenditures. He talked about budget pressures, pointing out current funding levels do not support FY 26 additional needs.

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Kingsport City Hall, 415 Broad Street, Boardroom

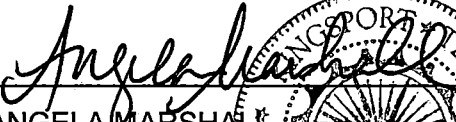
Mr. McCartt presented the required balanced budget pointing out significant cuts to operations, no adjustments to the schools and no adjustments to employee pay with the biggest contributing factor being the loss of revenue in personal property. He stated without new revenue there will be a significant reduction in services provided.

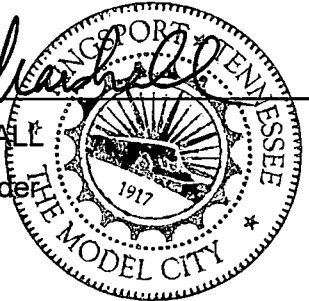
The City Manager then presented the recommended budget, noting the need for 11.5 million dollars of revenue for operations and personnel costs and how to generate these funds. Human Resources Manager Tyra Copas provided details on the funding needed to keep employee pay competitive.

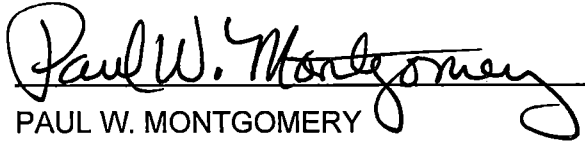
There was some discussion throughout the meeting.

IV. ADJOURN

Seeing no other matters presented for discussion, Mayor Montgomery adjourned the meeting at 5:30 p.m.


ANGELA MARSHALL
Deputy City Recorder




PAUL W. MONTGOMERY
Mayor