



*City of Franklin, Tennessee*  
**FY 2018 Budget**

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# **FY 2018 Revenue Model**

Preliminary Revenue Assessment

FY 2012-2016 Actual Revenues

FY 2017 Budget & Estimates

FY 2018 Forecast



# *City of Franklin, Tennessee - FY 2018 Budget*

## **Revenue Model**

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Slide 2

### **Outline**

- **Overview & Assumptions**
- **All Funds Summary**
- **General Fund Summary**
- **Select Category / Fund Breakouts**
  - **General Fund: Local Sales Tax**
  - **General Fund: State Shared Taxes**
  - **General Fund: Property Tax**
  - **Sanitation Fund**
  - **Hotel/Motel Tax Fund**
  - **Water & Sewer Fund**
- **Summary**



# *City of Franklin, Tennessee - FY 2018 Budget*

## **Revenue Model**

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### **Overview & Assumptions**

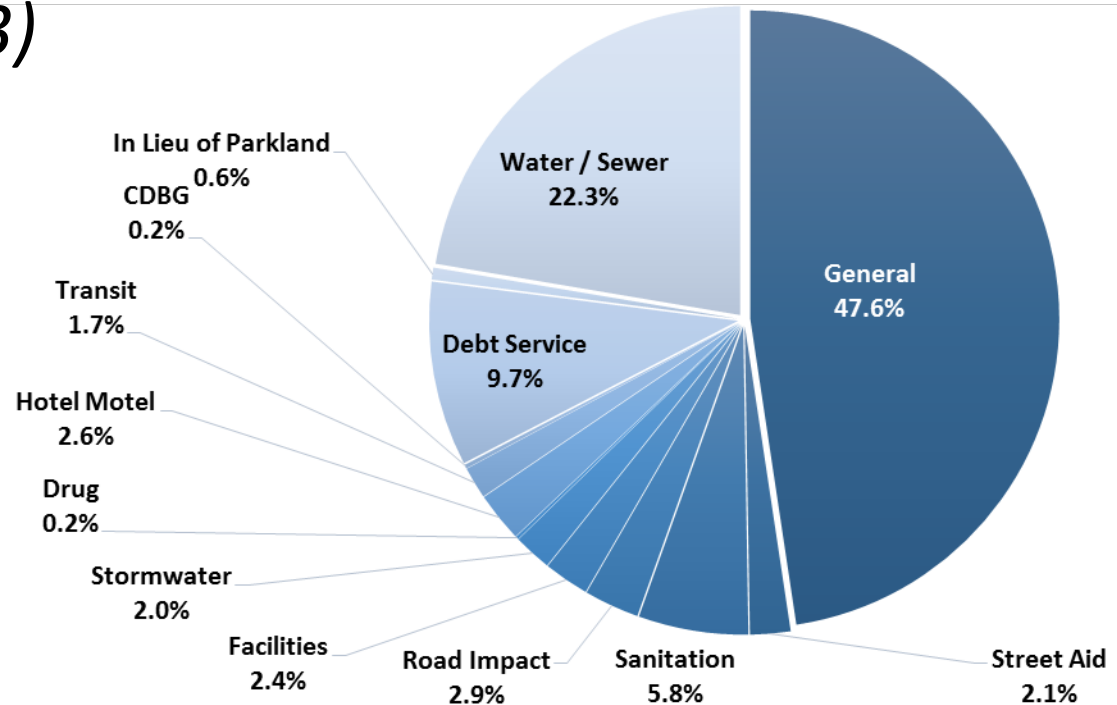
- **Composite Revenue Model showing all 13 funds for which budgets are annually approved.**
- **Low, medium and high values presented; medium is recommendation shown.**
- **Preliminary Revenue Assessment based primarily upon the FY 17-18 composite revenue assessment made by State of Tennessee (December 2016), historical performance, and economic trends.**
- **January model is prudently conservative – future forecasts will be refined.**

## All Funds: (pg. 3)

**FY 2018:**  
**\$139.1 M**

**FY 2017:**  
**\$135.7 M**

**Increase:**  
**\$3,415,687**  
**or 2.6%**



**Largest Fund: General Fund (47.6%)**

**Smallest Fund: Drug Fund (0.2%)**

## General Fund: (pg. 4)

**FY 2018:**

**\$66.3 M**

**FY 2017:**

**\$64.31 M**

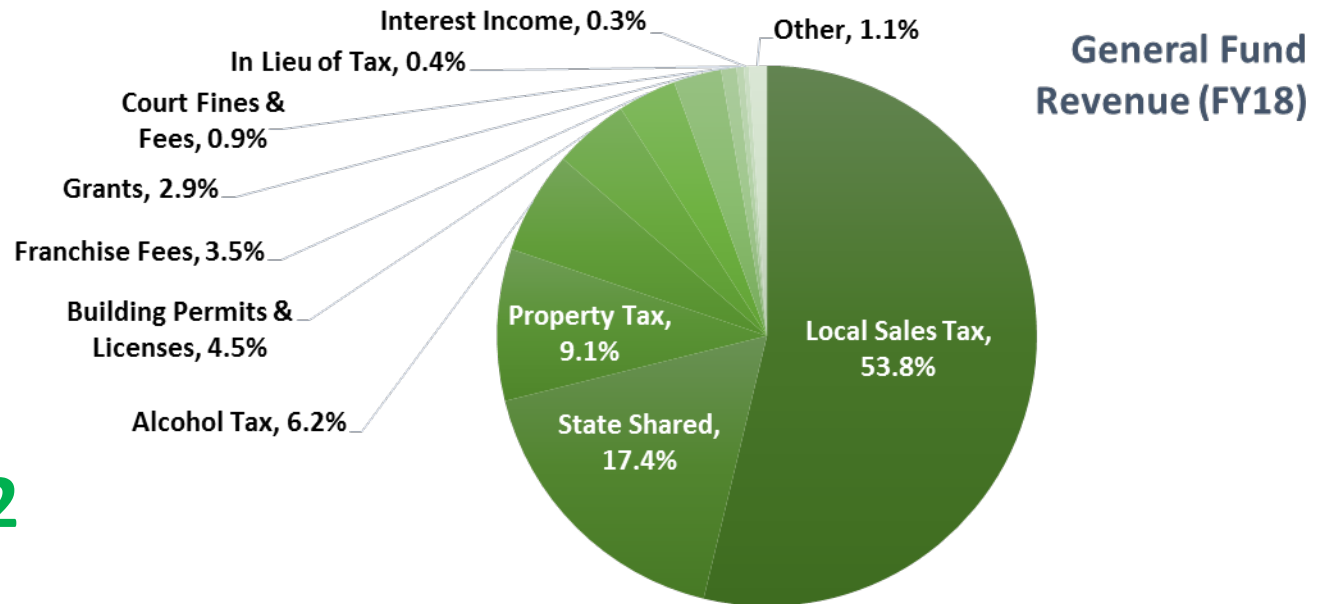
**Increase:**

**\$1,946.712**

**or 3.0%**

**Largest Category: Local Sales Tax (53.8%)**

**Smallest Category: Interest Income (0.3%)**

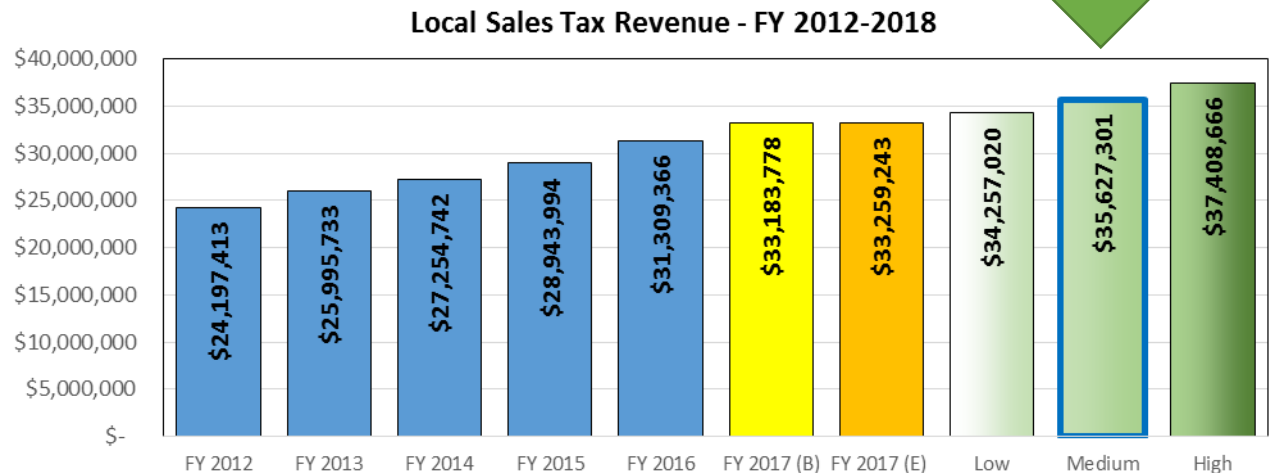


## General Fund: Local Sales Tax (pg. 6)

**FY 2018:**  
**\$35.62 M**

**FY 2017:**  
**\$33.18 M**

**Increase:**  
**\$2,443,523**



**Forecast: 4% increase over estimated FY 2017 (same as state)**

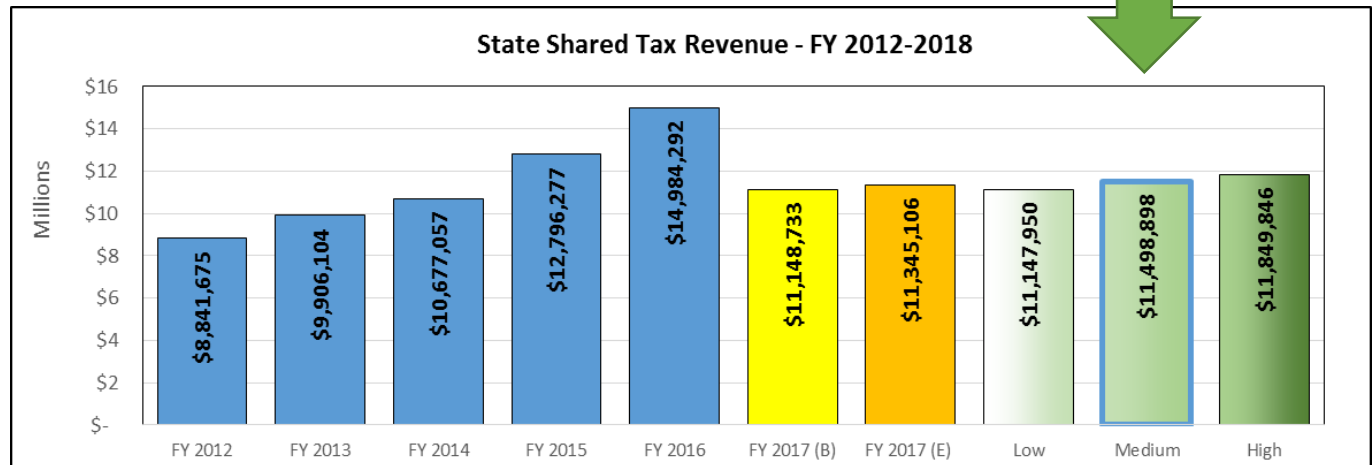
**YTD 2017 Collections – Up 5.8% over prior year (1.1% below budget); increased 78 of last 81 months**

## General Fund: State Sales Tax (pg. 7)

**FY 2018:**  
**\$11.50 M**

**FY 2016:**  
**\$11.14 M**

**Increase:**  
**\$350,165**



**Forecast: 4% increase over estimated FY 2017 (same as state) in all categories with exception of reduction in Hall Income Tax receipts. (Net increase is 3.14%)**

## General Fund: Property Tax (pg. 8)

**FY 2018:**

**\$6.02 M**

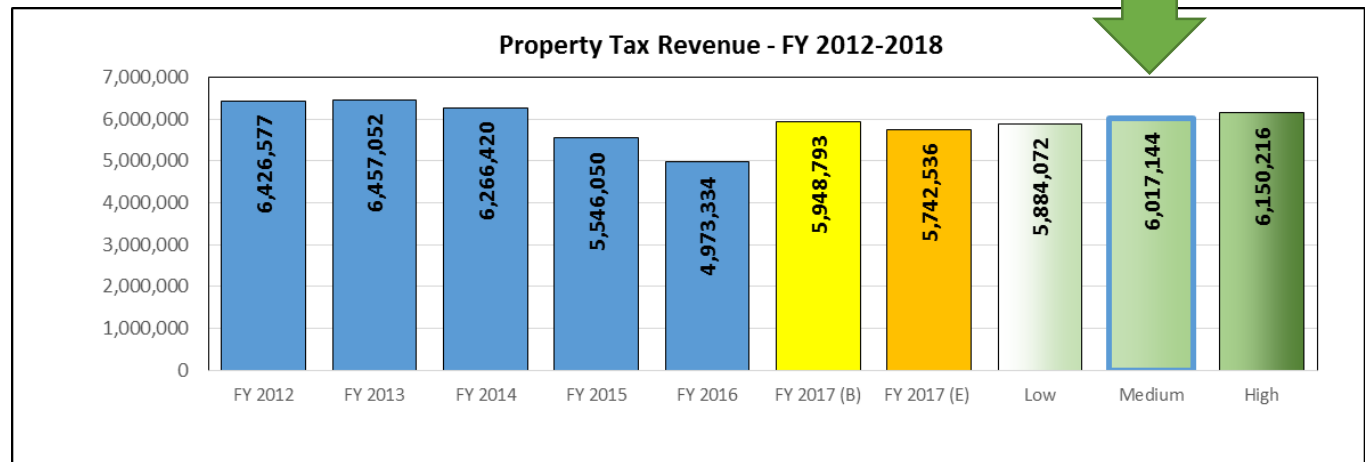
**FY 2017:**

**\$5.95 M**

**Decrease:**

**\$68,351**

**Forecast: 1.1% increase over FY 2017 due to growth in the collections. No increase in the rate is assumed.**





## Sanitation Fund (pg. 19)

**FY 2018:**

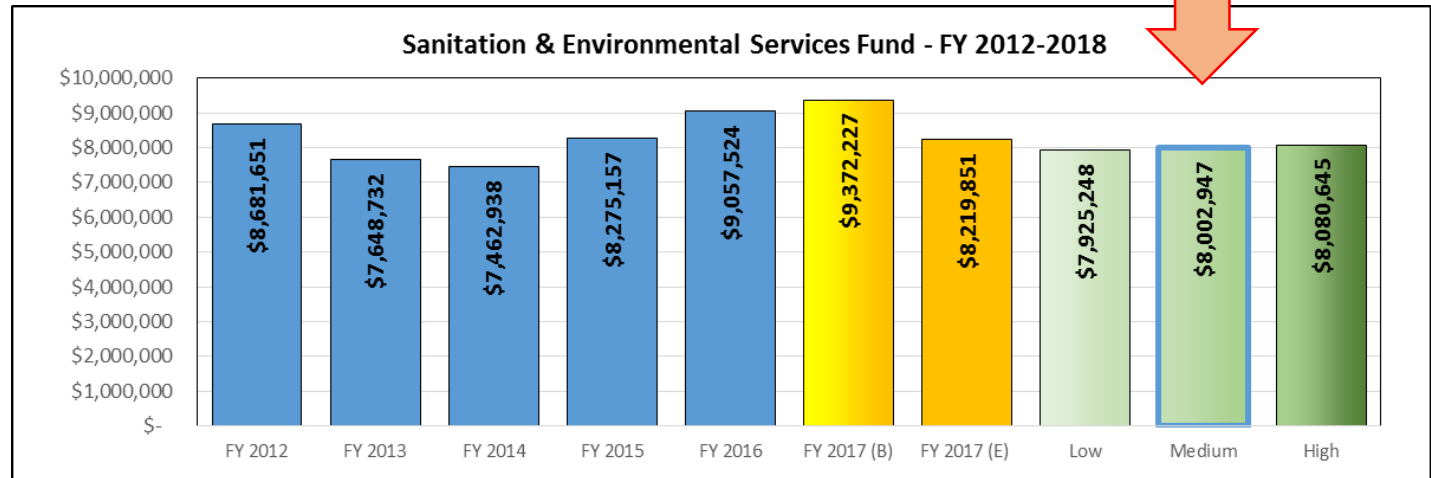
**\$8.00 M**

**FY 2017:**

**\$9.37 M**

**Decrease:**

**(\$1,369,280)**



**Forecast: 14.6% decrease over FY 2017 budget due to a) 3% increase in anticipated residential pickups and b) adjustment in tipping fees revenues for current tonnage crossing scales (tonnage is less due to removal of construction debris)**

## Hotel/Motel Tax Fund (pg. 24)

**FY 2018:**

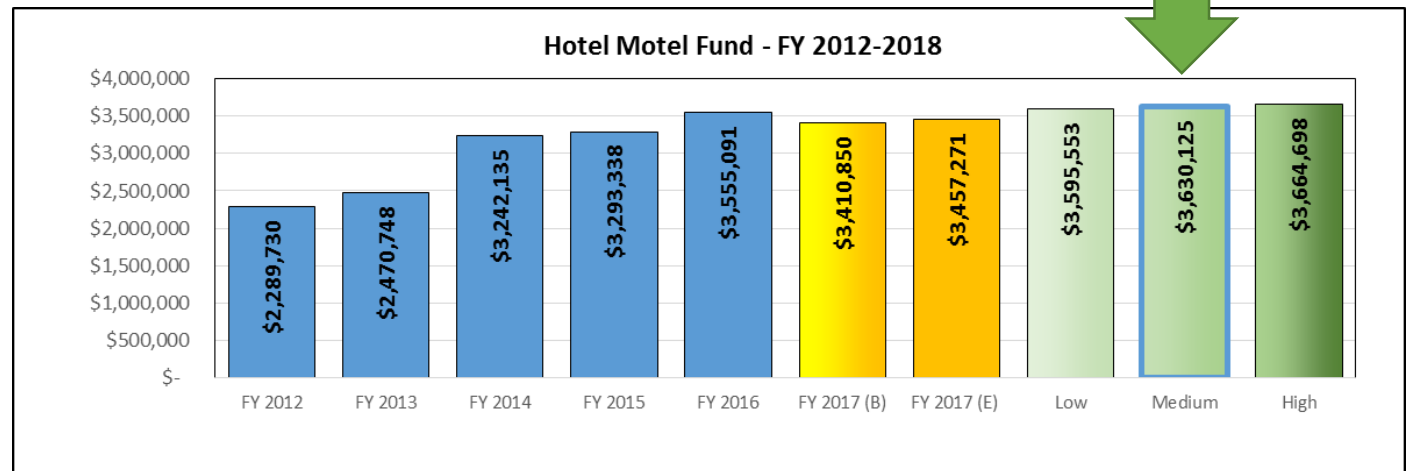
**\$3.63 M**

**FY 2017:**

**\$3.41 M**

**Increase:**

**\$219,275**



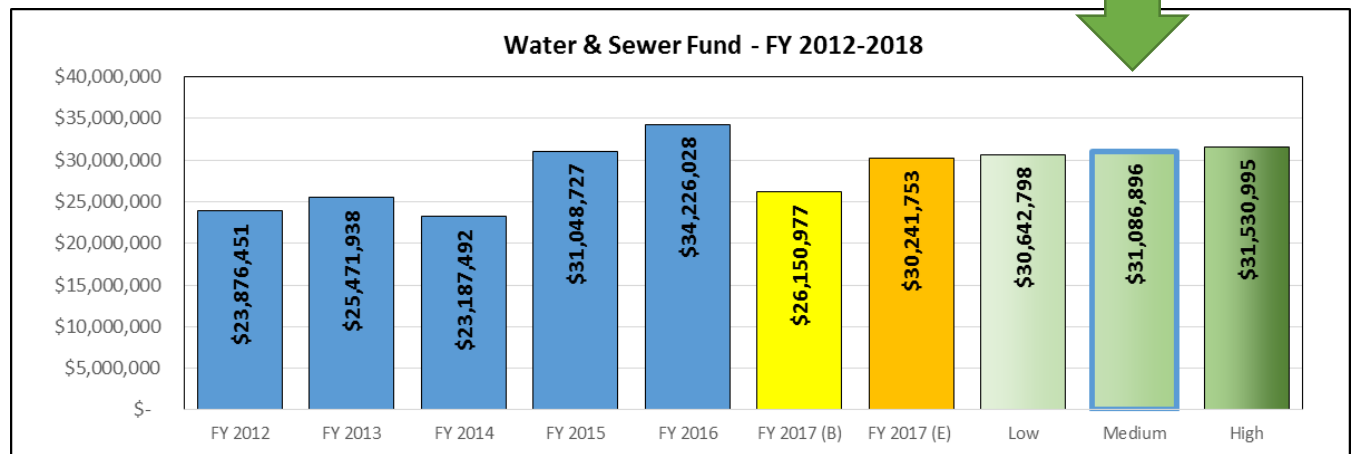
**Forecast: 5% increase over FY 2017 estimates; collections and RevPAR remain strong**

## Water/Sewer Fund (pg. 29)

**FY 2018:**  
**\$31.09 M**

**FY 2017:**  
**\$26.15 M**

**Increase:**  
**\$4,935,919**



**Forecast: 18.8% increase over FY 2017 budget (FY 2017 budget was too conservative), actual collections expected closer to \$30 M; assumes another 3.5% increase in water rates and 5.5% increase in sewer rates.**



# *City of Franklin, Tennessee - FY 2018 Budget*

## Revenue Model

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### Summary and Next Steps

- Budget requests are due from all departments by January 20
- Departmental Budget Reviews will start in February and run through April
- Revised revenue projections will accompany budget recommendations in May as well as three-year forecasts