



City of Franklin, Tennessee

FY 2016 Operating Budget Request

Hotel/Motel Tax Fund

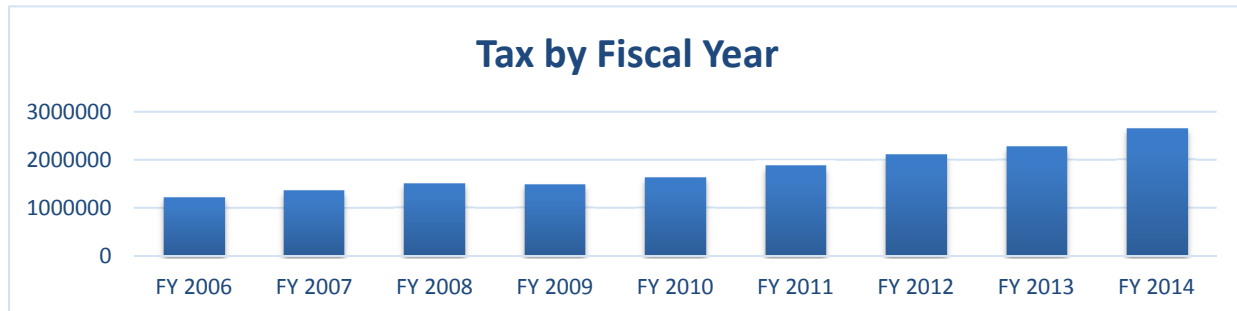
Budget Summary

| | 2013 | 2014 | 2015 | | 2016 | 2015 v. 2016 | |
|------------------------|-----------|-----------|-----------|-----------|-------------|--------------|--------|
| | Actual | Actual | Budget | Estimated | Base Budget | \$ | % |
| Beginning Fund Balance | 2,103,083 | 1,124,507 | 1,689,759 | 1,689,759 | 1,578,964 | (110,795) | -6.6% |
| Revenues | 2,470,748 | 3,242,135 | 2,824,480 | 3,010,124 | 3,246,619 | 422,139 | 14.9% |
| Expenditures | 3,449,324 | 2,395,594 | 3,145,577 | 3,120,919 | 2,301,855 | -843,722 | -26.8% |
| Ending Balance | 1,124,507 | 1,971,048 | 1,368,662 | 1,578,964 | 2,523,729 | 1,155,067 | 84.4% |

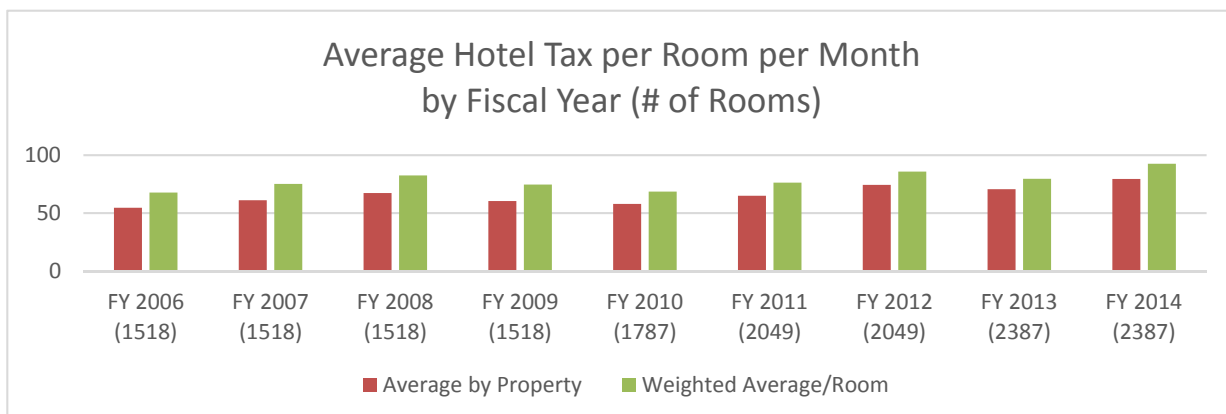
Fund Summary

A special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service on the Cool Springs Conference Center and the Harlinsdale and Battlefield parks. Also, the funds are used for tourism. The budget includes 1% of the 4% tax (based on collections in calendar year 2013) to support the Williamson County Convention and Visitors Bureau.

Despite the recent economy, receipts in the hotel/motel fund have largely met expectations as the chart below demonstrates.



One of the main reasons for this stability in budgeting is the continued growth in both the number of hotel rooms and the average revenue collected per room (Rev PAR), as demonstrated below.





City of Franklin, Tennessee

FY 2016 Operating Budget Request

Organizational Chart

There is no organization chart associated with the Hotel/Motel Tax Fund. It is supervised by personnel in the Finance Department.

Staffing by Position

There are no staff formally associated with the Hotel/Motel Tax Fund. It is supervised by personnel in the Finance Department.



City of Franklin, Tennessee

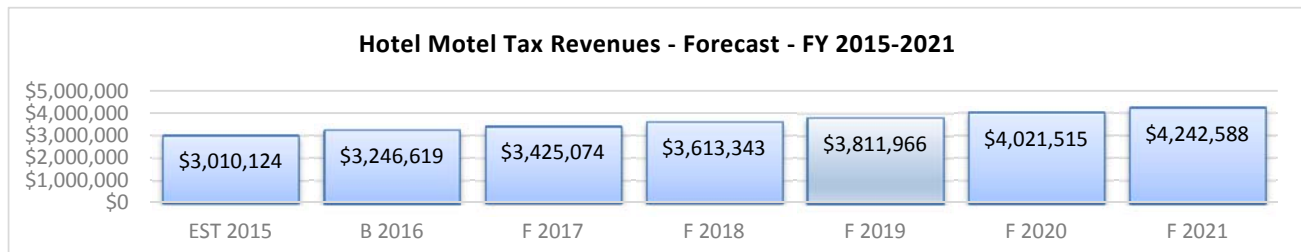
FY 2016 Operating Budget Request

Budget

| | Actual 2013 | Actual 2014 | Budget 2015 | Estd 2015 | Base 2016 | Difference | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------|
| | | | | | | \$ | % |
| Beginning Fund Balance | 2,103,083 | 1,124,507 | 1,689,759 | 1,689,759 | 1,578,964 | | |
| Revenues | | | | | | | |
| HOTEL/MOTEL TAXES | 2,403,775 | 2,764,802 | 2,804,480 | 3,009,118 | 3,244,619 | 440,139 | 15.7% |
| GRANTS | 60,000 | 476,000 | - | - | - | - | 0.0% |
| INTEREST INCOME | 6,973 | 1,333 | 20,000 | 1,006 | 2,000 | (18,000) | -90.0% |
| CONTRIBUTIONS-OTHERS | - | - | - | - | - | - | 0% |
| Total Available Funds | 2,470,748 | 3,242,135 | 2,824,480 | 3,010,124 | 3,246,619 | 422,139 | 14.9% |
| Expenses | | | | | | | |
| LEGAL NOTICES | 1,757 | - | - | - | - | - | 0.0% |
| ELECTRIC SERVICE - STREETLIGH | 20,253 | - | - | - | - | - | 0.0% |
| CONTRACTUAL SERVICES | 40,498 | 9,500 | 325,000 | 330,250 | - | (325,000) | -100.0% |
| REPAIR & MAINT. SERVICES | 125 | 4,785 | - | 24,900 | - | - | 0.0% |
| PARKS SUPPLIES | - | 54,289 | - | - | - | - | 0.0% |
| COOL SPRINGS CONF. CENT. | (246,461) | (97,079) | - | 68,599 | - | - | 0.0% |
| PERMITS | 27 | - | - | - | - | - | 0.0% |
| CONTRACTED SERVICES | 498,452 | 562,757 | 640,735 | 640,735 | 811,155 | 170,420 | 26.6% |
| APPROPRIATIONS | - | - | 250,000 | 66,593 | - | (250,000) | -100.0% |
| TRANSFER TO DEBT SERV. FUNG | 1,597,424 | 1,116,929 | 1,119,842 | 1,119,842 | 1,490,700 | 370,858 | 33.1% |
| BUILDING IMPROVEMENTS | 785,180 | 47,353 | 445,000 | 505,000 | - | (445,000) | -100.0% |
| PARKS & RECREATION FACILITIE | 752,069 | 697,060 | 365,000 | 365,000 | - | (365,000) | -100.0% |
| Total Expenditures | 3,449,324 | 2,395,594 | 3,145,577 | 3,120,919 | 2,301,855 | (843,722) | -26.8% |
| Ending Fund Balance | 1,124,507 | 1,971,048 | 1,368,662 | 1,578,964 | 2,523,729 | | |

Notes & Objectives

The Hotel-Motel Fund is forecast to grow significantly over the next several fiscal years. The largest jump - nearly 16% budget-to-budget from FY 2015 to FY 2016 is based upon Estimated 2015 collections (which are 6.6% higher than budget) and the addition of one more hotel. We believe that this trend will continue as the overall revenue per room continues to grow, hotels continue to be built, occupancy rates remain low and the region, driven by the high room rates within Nashville show no signs of abating. The chart below shows estimated revenues FY 2015-FY 2021.



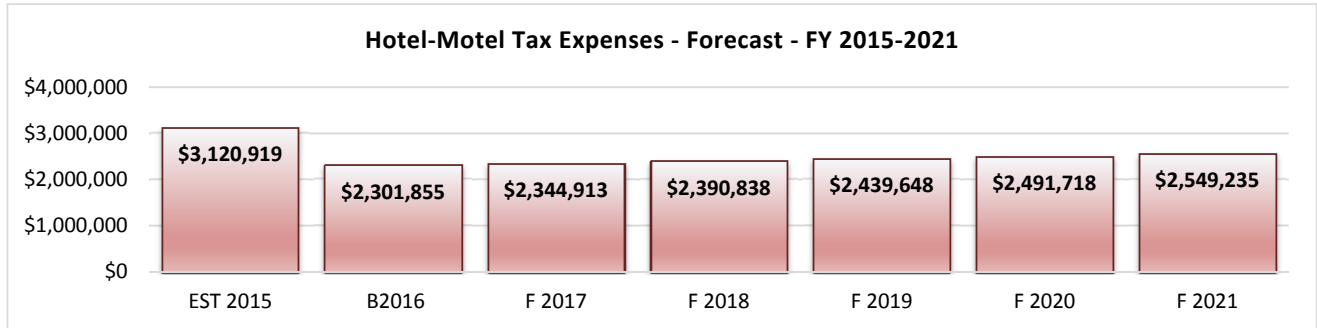


City of Franklin, Tennessee

FY 2016 Operating Budget Request

Budget

On the expense side, known (fixed cost) expenses in the next five years include debt service and the 1% contribution to the Williamson County Convention & Visitor's Bureau.



Given this forecast, there should be sufficient recurring revenues to continue paying for some but not necessarily all recreation and tourist capital projects proposed within the City of Franklin.



City of Franklin

Revenue Model

Fund:

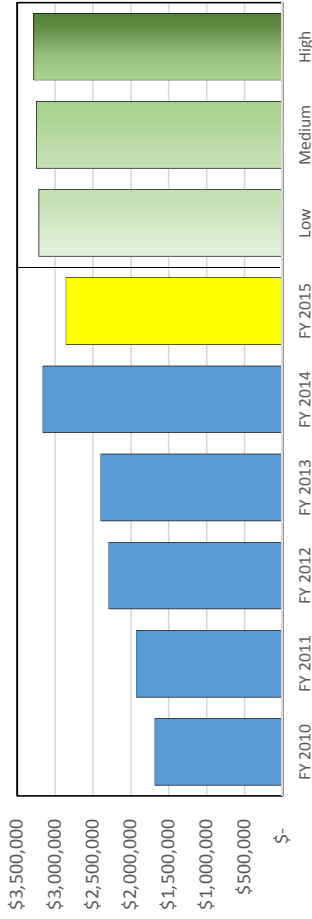
Hotel Motel Fund

Percent of All Revenues

2.3%

Hotel Motel Fund: The Hotel/Motel Fund is a special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service on the Cool Springs Conference Center and the Harlinsdale and Battlefield parks. Also, the funds are used for tourism.

Hotel Motel Fund - FY 2010-2016



| | Actual | | | | Budget | Forecasts (FY 2016) | | | Averages | | |
|----------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|-----------|
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | | FY 2014 | FY 2015 | Low | | Medium | High |
| July | 203,521 | 191,661 | 198,277 | 223,911 | 257,308 | 227,181 | 284,405 | 287,278 | 290,151 | 3-yr Average | 290,151 |
| August | 135,625 | 175,106 | 176,457 | 194,858 | 226,498 | 209,029 | 295,307 | 298,290 | 301,273 | \$ | 2,615,734 |
| September | 121,482 | 147,827 | 170,555 | 175,080 | 196,237 | 225,963 | 325,275 | 328,560 | 331,846 | | 3.1% |
| October | 130,923 | 171,194 | 180,285 | 190,658 | 220,395 | 249,276 | 307,115 | 310,217 | 313,319 | 5-Yr Average | 313,319 |
| November | 139,941 | 163,871 | 185,887 | 218,932 | 252,865 | 220,802 | 240,826 | 243,258 | 245,691 | \$ | 2,291,629 |
| December | 127,006 | 142,334 | 155,984 | 162,063 | 211,378 | 181,427 | 216,755 | 218,945 | 221,134 | | 4.9% |
| January | 108,486 | 121,182 | 144,366 | 150,588 | 173,782 | 184,454 | 224,852 | 227,123 | 229,394 | 10-Yr Average | 223,734 |
| February | 107,218 | 123,665 | 149,408 | 152,698 | 184,897 | 218,261 | 219,304 | 221,519 | 223,734 | \$ | 1,807,705 |
| March | 135,350 | 143,156 | 171,438 | 185,118 | 200,416 | 279,382 | 281,300 | 284,142 | 286,983 | | 5.8% |
| April | 151,933 | 174,216 | 214,540 | 224,305 | 265,854 | 247,635 | 262,787 | 265,441 | 268,096 | | |
| May | 140,927 | 170,736 | 195,614 | 234,176 | 253,377 | 269,154 | 258,443 | 261,053 | 263,664 | | |
| June | 173,872 | 180,758 | 206,513 | 217,439 | 240,333 | 291,916 | 295,804 | 298,792 | 301,780 | | |
| EPA GRANT (FEDERAL) | 0 | 0 | 100,000 | 0 | 0 | 0 | - | - | - | | |
| PARKS GRANTS | 0 | 0 | 22,575 | 0 | 0 | 0 | - | - | - | | |
| JIM WARREN PARK TREE GRANT | 0 | 0 | 0 | 60,000 | 0 | 0 | - | - | - | | |
| EASTERN FLANK LOOP GRANT | 0 | 0 | 0 | 0 | 476,000 | 0 | - | - | - | | |
| INTEREST INCOME | 7,570 | 21,383 | 17,831 | 6,973 | 1,333 | 20,000 | 2,000 | 2,000 | 2,000 | | |
| CONTRIBUTIONS - OTHERS | 0 | 0 | 0 | 0 | 0 | 31,000 | - | - | - | | |
| Totals | \$1,683,852 | \$ 1,927,091 | \$ 2,289,730 | \$ 2,396,799 | \$ 3,160,674 | \$ 2,855,480 | \$ 3,214,173 | \$ 3,246,619 | \$ 3,279,066 | | |

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2014 & Estimates from Finance & Revenue Management Departments.

| Account | Label | Actual 2013 | Actual 2014 | Budget 2015 | YTD 2015 | Estd 2015 | Base 2016 | Forecast 2017 | Forecast 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 |
|---------|--|-------------|-------------|-------------|-----------|-----------|-----------|---------------|---------------|---------------|---------------|---------------|
| | Available Funds | | | | | | | | | | | |
| + 31700 | HOTEL/MOTEL TAXES | 2,403,775 | 2,764,802 | 2,804,480 | | 3,009,119 | 3,244,618 | 3,423,072 | 3,611,347 | 3,809,967 | 4,019,514 | 4,240,587 |
| 01 | July (received August) | 211,075 | 220,564 | 227,181 | | 262,823 | 287,278 | 303,079 | 319,748 | 337,334 | 355,887 | 375,461 |
| 02 | August (received September) | 175,021 | 202,941 | 209,029 | | 273,261 | 298,290 | 314,696 | 332,005 | 350,265 | 369,529 | 389,854 |
| 03 | September (received October) | 195,057 | 219,382 | 225,963 | | 301,953 | 328,560 | 346,631 | 365,696 | 385,809 | 407,029 | 429,415 |
| 04 | October (received November) | 223,821 | 242,061 | 249,276 | | 284,566 | 310,217 | 327,279 | 345,279 | 364,270 | 384,305 | 405,441 |
| 05 | November (received December) | 165,524 | 223,360 | 220,802 | | 221,098 | 243,258 | 256,638 | 270,753 | 285,644 | 301,354 | 317,929 |
| 06 | December (received January) | 153,893 | 175,183 | 181,427 | | 198,052 | 218,945 | 230,987 | 243,691 | 257,094 | 271,234 | 286,152 |
| 07 | January (received February) | 152,698 | 184,875 | 184,454 | | 205,804 | 227,123 | 239,615 | 252,794 | 266,697 | 281,366 | 296,841 |
| 08 | February (received March) | 185,118 | 214,823 | 218,261 | | 209,871 | 221,519 | 233,702 | 246,556 | 260,117 | 274,423 | 289,516 |
| 09 | March (received April) | 244,633 | 274,024 | 279,382 | | 269,329 | 284,142 | 299,769 | 316,257 | 333,851 | 352,002 | 371,362 |
| 10 | April (received May) | 222,217 | 260,989 | 247,635 | | 251,603 | 265,441 | 280,040 | 295,446 | 311,892 | 328,835 | 346,921 |
| 11 | May (received June) | 225,392 | 249,496 | 269,154 | | 247,444 | 261,053 | 275,411 | 290,559 | 306,540 | 323,399 | 341,186 |
| 12 | June (received July) | 249,326 | 297,104 | 291,916 | | 283,215 | 298,792 | 315,225 | 332,563 | 350,854 | 370,151 | 390,509 |
| * | Amount missing from detail | | | | | | | | | | | |
| = XLT | TOTAL LOCAL TAXES | 2,403,775 | 2,764,802 | 2,804,480 | | 3,009,119 | 3,244,618 | 3,423,072 | 3,611,347 | 3,809,967 | 4,019,514 | 4,240,587 |
| 33810 | JIM WARREN PARK TREE GRANT | 60,000 | | | | | | | | | | |
| 33820 | LOOP EASTERN FLANK-BATTLE OF FRANKLIN | | 476,000 | | | | | | | | | |
| = XINTG | TOTAL INTERGOVERNMENTAL | 60,000 | 476,000 | | | | | | | | | |
| = 36100 | INTEREST INCOME | 6,973 | 1,333 | 20,000 | 503 | 1,006 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| = XJUMP | TOTAL USE OF MONEY & PROPERTY | 6,973 | 1,333 | 20,000 | 503 | 1,006 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| 25100 | BEGINNING FUND BALANCE | 2,103,083 | 1,124,507 | 1,689,759 | 1,971,048 | 1,578,964 | 2,523,729 | 3,603,889 | 4,826,394 | 6,198,713 | 7,728,510 | 9,421,862 |
| + 39210 | CONTRIBUTIONS - OTHERS | | | 31,000 | | | | | | | | |
| 1 | Friends of the Park | | | | | | | | | | | |
| 2 | Franklin's Charge/Save Franklin Battlefield - Cvil War Artillery Carriages | | | 31,000 | | | | | | | | |
| * | Amount missing from detail | | | | | | | | | | | |
| = XCC | TOTAL CAPITAL CONTRIBUTIONS | 2,103,083 | 1,124,507 | 1,720,759 | 1,971,048 | 1,578,964 | 2,523,729 | 3,603,889 | 4,826,394 | 6,198,713 | 7,728,510 | 9,421,862 |
| = XREV | Total Available Funds | 4,573,831 | 4,366,642 | 4,545,239 | 1,971,551 | 4,589,089 | 5,770,347 | 7,028,961 | 8,439,741 | 10,010,680 | 11,750,024 | 13,664,449 |

| Account | Label | Actual 2013 | Actual 2014 | Budget 2015 | YTD 2015 | Esti 2015 | Base 2016 | Forecast 2017 | Forecast 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 |
|---------|---|-------------|-------------|-------------|-----------|-----------|-----------|---------------|---------------|---------------|---------------|---------------|
| | Operations | | | | | | | | | | | |
| 82310 | LEGAL NOTICES | 1,757 | | | | | | | | | | |
| = XNSP | TOTAL NOTICES, SUBSCRIPTIONS, PUBLICITY | 1,757 | | | | | | | | | | |
| 82415 | ELECTRIC SERVICE - STREETLIGHTS | 20,253 | | | | | | | | | | |
| = XUTIL | TOTAL UTILITIES | 20,253 | | | | | | | | | | |
| 82530 | AUDIT SERVICES | | 7,500 | | 5,250 | 5,250 | | | | | | |
| + 82560 | CONSULTANT SERVICES | 37,950 | | 325,000 | 85,220 | 325,000 | | | | | | |
| 1 | FSSD - Design for shared facilities & land | | | | | | | | | | | |
| 2 | New Development Master Planning for Parkland Dedication | | | | | | | | | | | |
| 3 | Historic Hayes Home (MP&E's) | | | | | | | | | | | |
| 4 | Franklin Road Turning Lane Entrance Design for North Entrance of HF | | | 25,000 | | 25,000 | | | | | | |
| 5 | Hartinsdale Restroom Redesign | | | 150,000 | | 150,000 | | | | | | |
| 6 | Comprehensive Park Master Plan & Needs Assessment | | | 150,000 | | 150,000 | | | | | | |
| 7 | Harpeth River Walk from Pricketton to Lewisburg Pike Area | | | | 85,220 | | | | | | | |
| 8 | Line Item 8 | 37,950 | | | | | | | | | | |
| * | Amount missing from detail | | | | | | | | | | | |
| 82599 | OTHER CONTRACTUAL SERVICES | 2,548 | 2,000 | | | | | | | | | |
| = XCTS | TOTAL CONTRACTUAL SERVICES | 40,498 | 9,500 | 325,000 | 90,470 | 330,250 | | | | | | |
| 82643 | SIGN MAINTENANCE SERVICES | | 4,785 | | 24,900 | 24,900 | | | | | | |
| 82660 | BUILDING REPAIR & MAINTENANCE SERVICES | 125 | | | | | | | | | | |
| = XRMVS | TOTAL REPAIR & MAINTENANCE SERVICES | 125 | 4,785 | | 24,900 | 24,900 | | | | | | |
| 83230 | PARKS SUPPLIES | | 54,289 | | | | | | | | | |
| = XOPS | TOTAL OPERATING SUPPLIES | | 54,289 | | | | | | | | | |
| 84910 | COOL SPRINGS CONFERENCE CENTER OPERATIONS | (246,461) | (97,079) | | 88,599 | 68,599 | | | | | | |
| = XOPU | TOTAL OPERATIONAL UNITS | (246,461) | (97,079) | | 88,599 | 68,599 | | | | | | |
| 85340 | RECORDING & FILING FEES | 27 | | | | | | | | | | |
| = XPERM | TOTAL PERMITS | 27 | | | | | | | | | | |
| 87110 | CONTRACTED SERVICES | 498,452 | 562,757 | 640,735 | 530,356 | 640,735 | 811,155 | 855,769 | 902,836 | 952,492 | 1,004,879 | 1,060,147 |
| + 87130 | APPROPRIATIONS TO CIVIC ORGANIZATIONS | | | | 66,593 | 66,593 | | | | | | |
| 1 | Civil War Trust | | | 250,000 | 66,593 | 66,593 | | | | | | |
| * | Amount missing from detail | | | | | | | | | | | |
| = XAPP | TOTAL APPROPRIATIONS | 498,452 | 562,757 | 890,735 | 596,949 | 707,328 | 811,155 | 855,769 | 902,836 | 952,492 | 1,004,879 | 1,060,147 |
| 88095 | TRANSFER TO DEBT SERVICE FUND | 1,597,424 | 1,116,929 | 1,119,842 | 374,110 | 1,119,842 | 1,490,700 | 1,489,145 | 1,488,002 | 1,487,156 | 1,486,839 | 1,489,088 |
| = XTRAN | TOTAL TRANSFERS | 1,597,424 | 1,116,929 | 1,119,842 | 374,110 | 1,119,842 | 1,490,700 | 1,489,145 | 1,488,002 | 1,487,156 | 1,486,839 | 1,489,088 |
| = XOP | TOTAL OPERATIONS | 1,912,075 | 1,651,181 | 2,335,577 | 1,155,028 | 2,250,919 | 2,301,855 | 2,344,914 | 2,390,838 | 2,439,648 | 2,491,718 | 2,549,235 |
| | Capital | | | | | | | | | | | |
| 89230 | BUILDING IMPROVEMENTS | 785,180 | 47,353 | 445,000 | 17,550 | 505,000 | | | | | | |
| 1 | Historic Hayes Home MP & E's Construction | | | 175,000 | | 175,000 | | | | | | |
| 2 | Hartinsdale Farm Barn Restoration (Offices '15 & Restrooms '16) | | | 30,000 | | 30,000 | | | | | | |
| 3 | Historic Hayes Home Exterior Restoration | | | 100,000 | | 100,000 | | | | | | |
| 4 | Bicentennial Park Pavilion Structure | | | | | | | | | | | |
| 5 | EFBP Facility - Kitchen Renovation Project | | | | | | | | | | | |
| 6 | Concession Stand - Pavilion at Jim Warren Park | | | | | | | | | | | |
| 7 | Enclosed Pavilion at Jim Warren Park | | | | | | | | | | | |
| 8 | Hartinsdale Farm Restroom Construction | | | 140,000 | | 200,000 | | | | | | |
| 9 | Line Item 9 | 785,180 | 47,353 | | 17,550 | | | | | | | |
| * | Amount missing from detail | | | | | | | | | | | |
| = XBLDG | TOTAL BUILDINGS | 785,180 | 47,353 | 445,000 | 17,550 | 505,000 | | | | | | |
| + 88310 | PARKS & RECREATION FACILITIES | 752,069 | 697,060 | 385,000 | | 365,000 | | | | | | |
| 10 | Hartinsdale Farm Park North Entrance Road Paving Project | | | 250,000 | | 250,000 | | | | | | |
| 11 | Placement of Civil War Artillery Carriages | | | 60,000 | | 60,000 | | | | | | |
| 12 | Eastern Flank Battlefield Access Improvements | | 697,060 | | | | | | | | | |
| 14 | 3 Plank Fencing for HF along Franklin Rd & Main Entrance | | | | | | | | | | | |
| 2 | Various | 687,069 | | | | | | | | | | |
| 3 | EFBP Fencing Project Along Lewisburg Pike | 10,000 | | | | | | | | | | |
| 4 | New Scoreboards for Fieldstone Park | 55,000 | | | | | | | | | | |
| 5 | Fort Granger New Entrance Fencing, Signage & Gravel Parking | | | | | | | | | | | |
| 6 | Fort Granger Boardwalk & Bridge | | | | | | | | | | | |

| Account | Label | Actual 2013 | Actual 2014 | Budget 2015 | YTD 2015 | Est'd 2015 | Base 2016 | Forecast 2017 | Forecast 2018 | Forecast 2019 | Forecast 2020 | Forecast 2021 |
|---------|--|-------------|-------------|-------------|-----------|------------|-----------|---------------|---------------|---------------|---------------|---------------|
| 7 | Harlinsdale Farm Park Main Entrance Road Resurfacing Project | | | | | | | | | | | |
| 8 | Eastern Flank Battifield Trail Removal & Installation | | | 55,000 | | 55,000 | | | | | | |
| 9 | Eastern Flank Battifield Outdoor Event Area | | | | | | | | | | | |
| * | Amount missing from detail | | 697,060 | 365,000 | | 365,000 | | | | | | |
| = | XIMPR | 752,069 | | | | | | | | | | |
| | TOTAL IMPROVEMENTS | | | | | | | | | | | |
| = | XCAP | 1,537,249 | 744,413 | 810,000 | 17,550 | 870,000 | | | | | | |
| = | XTOT | 3,449,324 | 2,395,594 | 3,145,577 | 1,172,578 | 3,120,919 | 2,301,855 | 2,344,914 | 2,390,838 | 2,439,648 | 2,491,718 | 2,549,235 |
| | TOTAL EXPENDITURES | | | | | | | | | | | |