



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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# FY 2019 Proposed Operating Budget Presentation

May 10, 2018

Budget and Finance Committee





# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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## **Outline**

- Focus**
- Process**
- General Fund**
  - Overview**
  - Revenues**
  - Expenses**
- Other Funds**
- Summary**

# *City of Franklin, Tennessee*

## FY 2019 Operating Budget

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### The Focus

#### Management

- Policy development and implementation
- Budget process
- High quality service levels
- Department level key performance measurers
- Benchmarking program
- Capital Investment project oversight and delivery
- Telling “Franklin’s story” locally and beyond

#### Community Development

- Desired location
- High Development Standards
- Educated workforce
- Sites ready for development
- Aggressive State incentives
- Work with partners at State and Williamson County
- Play “offense”

#### Strong Financial Base

- Long-Term financial planning (revenue diversification)
- Capital Investment plan process
- Multi-year financial planning
- Healthy reserve levels
- Triple-A Bond rating from both Moody’s and S&P.
- Support changing service needs



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

### **Process: Timeline**



<b>Initial Meeting with B&amp;F to discuss Calendar &amp; Process Changes &amp; Introduce Budget Goals</b>	<b>November 30, 2017</b>
<b>Department Budget Information Meetings</b>	<b>To begin January 2018</b>
<b>Department Requests Due</b>	<b>January 20, 2018</b>
<b>Initial Meetings with Finance</b>	<b>3 weeks before budget presentation</b>
<b>Initial Meetings with City Administrator</b>	<b>2 weeks before budget presentation</b>
<b>Proposed Department Budgets Distributed to Committee and Board for Budget Presentations</b>	<b>1 week before budget presentation</b>
<b>Budget Presentations to Finance Committee</b>	<b>Each Finance Committee meeting in January, February, March, and April</b>
<b>Proposed Budget Distributed to Board of Mayor and Aldermen</b>	<b>Friday, May 4, 2018</b>
<b>Budget Hearings (as needed)</b>	<b>Thursday, May 10, 2018</b>
<b>First Reading of Budget &amp; Tax Rate Ordinances (Solid Waste + Water Rates Ordinances, if necessary)</b>	<b>Tuesday, May 22, 2018</b>
<b>Budget Notice</b>	<b>No later than June 1, 2018</b>
<b>Second Reading (Public Hearing)</b>	<b>Tuesday, June 12, 2018</b>
<b>Third &amp; Final Reading</b>	<b>Tuesday, June 26, 2018</b>
<b>New Fiscal Year</b>	<b>Sunday, July 1, 2018</b>



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Process: Base Budget vs. Program Enhancement**

- Departments were asked to present two budgets:
  - The first, a base or ‘level-service’ budget demonstrated how much it will cost the City to provide the same level of service in FY19 that it does in the current fiscal year.
  - The second, identified program enhancements – any new or additional staff, major expenses or small capital equipment, or new programs. For each enhancement, departments filled out a one-page form which documented the basic information of program enhancements – both in a numeric and narrative format – in priority order. herein. All program enhancements requested are provided in Appendix H (p.369). In all, there were 110 enhancements totaling over \$14 million were submitted.



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund : Property Tax Summary

Fiscal Year	Rate	Increase / (Decrease)	Fiscal Year	Rate	Increase / (Decrease)
1984	\$1.7500	---	2002	\$0.5500	(\$0.1400)
1985	\$1.7500	\$0.0000	2003	\$0.5500	\$0.0000
1986	\$1.7500	\$0.0000	2004	\$0.5500	\$0.0000
1987	\$2.1500	\$0.4000	2005	\$0.5500	\$0.0000
1988	\$2.1500	\$0.0000	2006	\$0.5500	\$0.0000
1989	\$2.1500	\$0.0000	2007	\$0.4340	(\$0.1160)
1990	\$1.1000	(\$1.0500)	2008	\$0.4340	\$0.0000
1991	\$1.1000	\$0.0000	2009	\$0.4340	\$0.0000
1992	\$0.9900	(\$0.1100)	2010	\$0.4340	\$0.0000
1993	\$0.9900	\$0.0000	2011	\$0.4340	\$0.0000
1994	\$0.9400	(\$0.0500)	2012	\$0.3765	(\$0.0575)
1995	\$0.9400	\$0.0000	2013	\$0.3765	\$0.0000
1996	\$0.8900	(\$0.0500)	2014	\$0.3765	\$0.0000
1997	\$0.6900	(\$0.2000)	2015	\$0.4065	\$0.0300
1998	\$0.6900	\$0.0000	2016	\$0.4065	\$0.0000
1999	\$0.6900	\$0.0000	2017	\$0.4176	\$0.0111
2000	\$0.6900	\$0.0000	2018	\$0.4176	\$0.0000
2001	\$0.6900	\$0.0000	2019	\$0.4176	\$0.0000

## Process: Integration of Strategic Plan

- Departmental Budgets also have full integration of ***FranklinForward*** - the City's Strategic Plan and Performance Measures for the first time. These measures are organized in either Workload, Efficiency or Outcome Measures and are marked (where applicable) to the four themes of the strategic plan:



A Safe, Clean, and Livable City



Quality Life Experiences



Effective and Fiscally Sound  
City Government Providing  
High-quality Services



Sustainable Growth and  
Economic Prosperity



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund Overview: Opportunities**

- Maintain high quality services.
- Invest in our future.
- Enhance our community's competitive position.
- Focus on possibilities, not just current challenges.
- Maintain Franklin's unique character.





# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Budget Overview:**

- The proposed 2018-19 (FY19) general fund budget is \$70,550,059, which represents an increase of 1.7% compared to the current \$69.4 million budget for 2017-18 (FY18). This budget increase is primarily due to cost increases in personnel expenses and the funding of expanded services in the areas of public safety, parks, and streets, all of which are significantly impacted by growth.
- The proposed FY19 budget for all funds is \$152,572,551 which represents a decrease of 2.8% compared to FY18. Increased budgeted expenditures across funds include increases in the General, Sanitation & Environmental Services, Transit, Street Aid, and Facilities funds.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Overview: Highlights**

- The budget is balanced, with current revenues equaling expenditures.
- The budget is in compliance with the Board of Mayor and Aldermen's debt and fund reserve policies, significantly exceeding the reserve requirements.
- The City property tax remains unchanged at \$0.4176 per \$100 of assessed valuation. The *Invest Franklin* dedicated funding for infrastructure/transportation investment and support of City operations remains in place. The City of Franklin continues to maintain one of the lowest municipal property tax rates in the State of Tennessee.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Overview: Highlights**

- Overall, the proposed budget has a net increase of 4.5 positions across all funds, 1.5 of which are included in the general fund. This targeted group of new positions are in areas such as Engineering, Water Management, and Stormwater, all of which have been impacted by growth.
- The general pay increase for City team members will be effective the first pay period of July 2017. The proposed budget includes a general pay increase of 2.5% plus an additional performance-based pay increase of up to an additional 2.5%.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Overview: Highlights**

- The budget includes the full implementation of updates to the City's compensation plan approved by the Board in FY18. This adjustment to the compensation plan is accelerated by a full year compared to the original proposal.
- Health Insurance premiums for our City team members will remain at FY18 rates. There is no increase in premiums. In FY19, the City also will begin offering a high deductible health insurance option paired with a health savings account.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Overview: Highlights**

- Funding is provided for important investments in equipment replacements of \$3.5 million, technology enhancements of more than \$500,000, and facility improvements of nearly \$500,000.
- The City's street maintenance program will have a \$1 million increase in funding for neighborhood street resurfacing, street sealing, and sidewalk repair.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Overview: Highlights**

- A rate increase is proposed for residential garbage collection and recycling service. The proposed increase is from \$17.50 per month to \$19.00 per month. The FY19 budget does not require a General Fund subsidy to Sanitation and Environmental Services operations.
- The proposed budget incorporates performance measures and sustainability initiatives for every department. The connection to our Strategic Plan, ***FranklinForward***, is clearly linked to performance measures and objectives throughout the budget, including insights from the recently completed citizen survey.

## Program Enhancements



### **A Safe, Clean, and Livable City**

- Funding for the Franklin Police Department to purchase, deploy, and support 110 body-worn cameras (funded by reserves) for police officers. In addition, technology enhancements to link body cameras to in-car dash cameras is included.
- Replacement of over 30 police vehicles, each registering more than 100,000 miles on them (\$2 million).
- Construction of Fire Station 7, included in the City Facilities Tax Fund.
- Replacement of Fire Tower #2 (\$1.4 million).
- Replacement of cardiac monitors (\$228,000).
- Fire Training Center addition, included in the City Facilities Tax Fund (\$180,000).



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Program Enhancements**



### **Effective and Fiscally Sound City Government Providing High-quality Services**

- Additional and replacement vehicles/equipment in Sanitation, Streets, Water Management, Stormwater, and Building and Neighborhood Services.
- Additional \$1 million within the Street Aid Fund for neighborhood street resurfacing, street sealing, and sidewalk repair/construction.
- Electronic bill presentment program for the City's utility billing services.
- Compost Facility office (\$25,000).
- Sewer Vac truck (\$350,000).
- Architectural service for City Hall building plan (carryover from FY18, \$250,000).





# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Program Enhancements**



## **Quality Life Experiences**

- Replacement of tennis courts at Jim Warren Park (\$425,000).
- Begin implementation of recommendations for shared facility/field/open space use and improvements between the Franklin Special School District and the Franklin Parks Department.
- Architectural service for potential improvements at the Park at Harlinsdale Farm (\$100,000), focusing on potential grant and/or public-private partnership opportunities.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Program Enhancements**



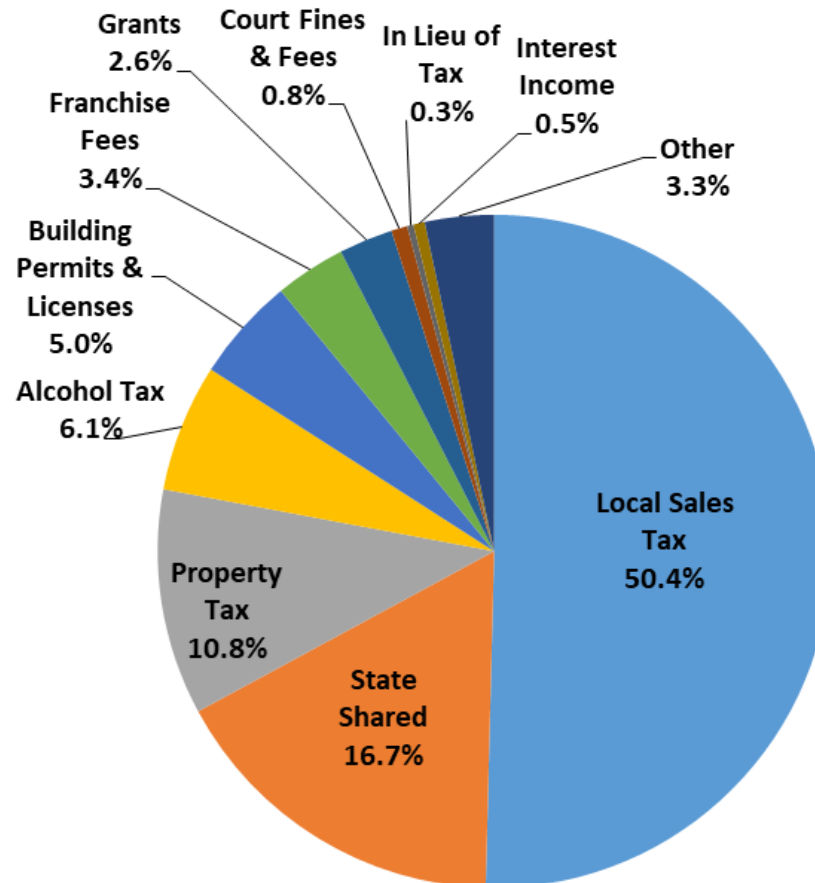
## **Sustainable Growth and Economic Prosperity**

- Funding for a pilot program to work with the development community supporting the development of attainable/workforce housing (\$100,000).
- Funding for the first full year of enhanced Franklin Transit fixed route system with 30-minute pick-up frequency for all stops.
- Additional funding (\$10,000) for economic development initiatives of Williamson Inc. (Chamber of Commerce).
- Additional funding for the 91X commuter bus service to Nashville.

# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

### **General Fund Overview: Revenues (pg. 31)**



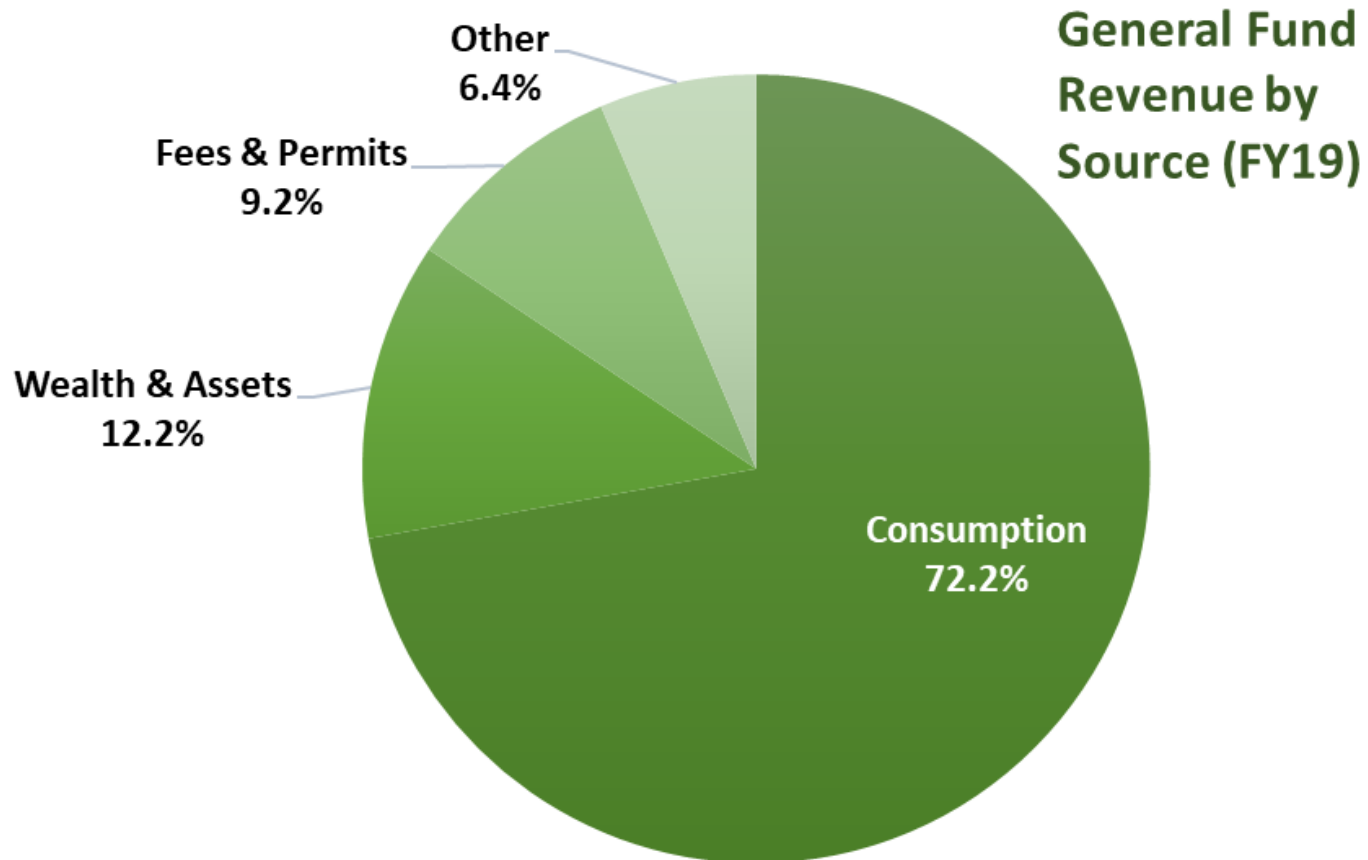


# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund Overview: Revenues by Source (pg. 32)**

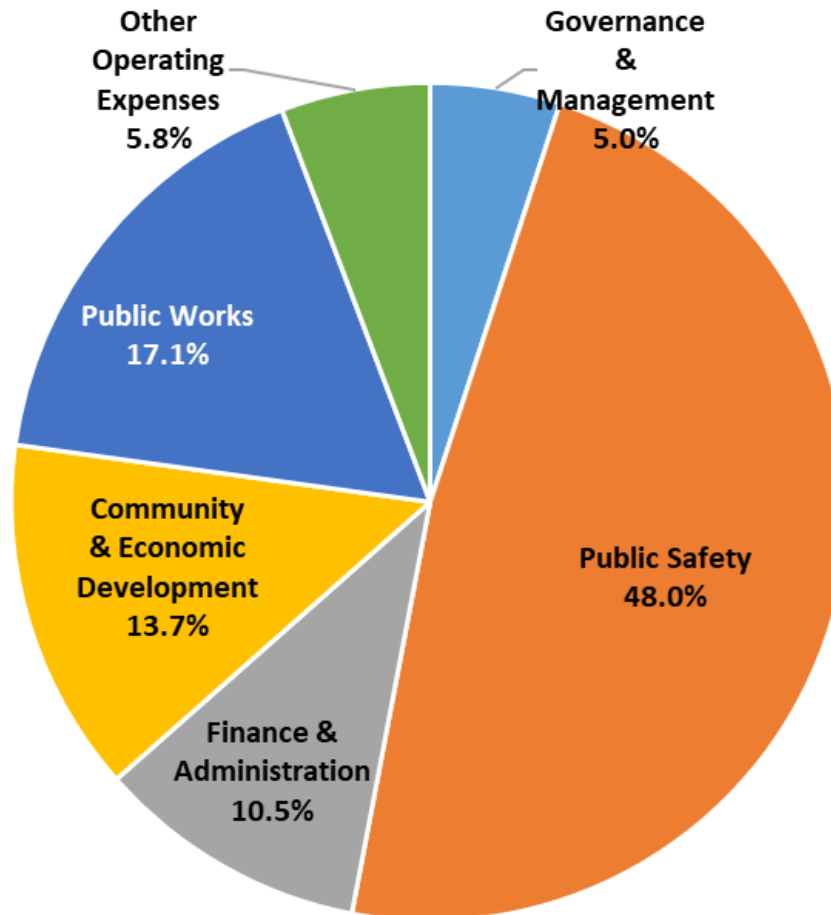




# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

### **General Fund Overview: Expenses by Major Function/Program**



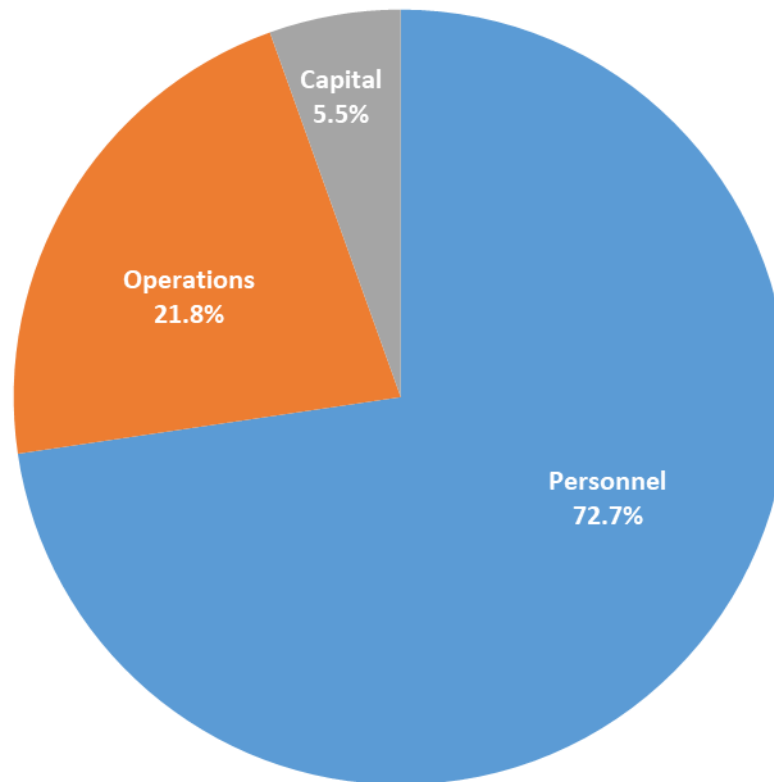


# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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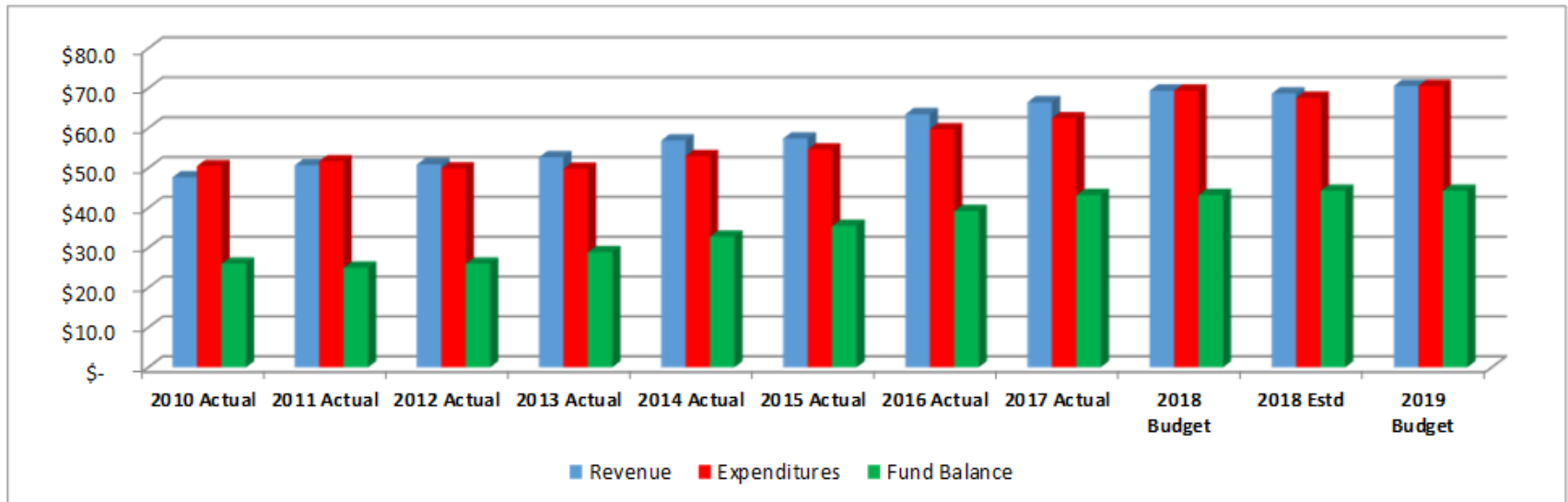
### **General Fund Overview: Expenses by Category**



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund : Revenues: Financial Performance (pg. 28)



	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2018 Estd	2019 Budget
Revenue	\$ 47.7	\$ 50.7	\$ 50.9	\$ 52.7	\$ 56.9	\$ 57.4	\$ 63.5	\$ 66.5	\$ 69.4	\$ 68.7	\$ 70.6
Expenditures	\$ 50.5	\$ 51.7	\$ 49.9	\$ 49.8	\$ 53.0	\$ 54.7	\$ 59.7	\$ 62.5	\$ 69.4	\$ 67.6	\$ 70.6
Fund Balance	\$ 26.0	\$ 25.0	\$ 26.0	\$ 28.9	\$ 32.8	\$ 35.5	\$ 39.2	\$ 43.2	\$ 43.2	\$ 44.3	\$ 44.3

Note: Amounts above are in millions of dollars.



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund : Revenues: General Fund Revenue Comparison

	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Budget 2018</u>	<u>Estd 2018</u>	<u>Budget 2019</u>	<u>Difference '18 vs. '19</u>	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (E-C)</u>	<u>G (E/C)</u>
<b>Revenues</b>							
Local Sales Tax	\$ 31,309,367	\$ 32,694,269	\$ 34,722,480	\$ 34,189,851	\$ 35,557,339	\$ 834,859	2.4%
State Shared	\$ 14,984,293	\$ 12,988,735	\$ 12,175,044	\$ 12,175,044	\$ 11,788,310	\$ (386,734)	-3.2%
Property Tax	\$ 4,973,334	\$ 9,695,390	\$ 6,791,113	\$ 8,453,526	\$ 7,651,612	\$ 860,499	12.7%
Alcohol Tax	\$ 3,926,711	\$ 4,021,089	\$ 4,147,690	\$ 4,147,690	\$ 4,321,823	\$ 174,133	4.2%
Building Permits & Licenses	\$ 2,850,548	\$ 2,933,744	\$ 3,393,896	\$ 3,393,896	\$ 3,527,354	\$ 133,459	3.9%
Franchise Fees	\$ 2,255,565	\$ 2,230,782	\$ 2,323,232	\$ 2,323,232	\$ 2,392,929	\$ 69,697	3.0%
Grants	\$ 1,612,487	\$ 263,231	\$ 1,949,098	\$ 269,098	\$ 1,829,190	\$ (119,908)	-6.2%
Court Fines & Fees	\$ 475,060	\$ 518,823	\$ 602,908	\$ 482,326	\$ 542,617	\$ (60,291)	-10.0%
In Lieu of Tax	\$ 326,438	\$ 298,347	\$ 211,630	\$ 211,630	\$ 217,979	\$ 6,349	3.0%
Interest Income	\$ 191,631	\$ 108,152	\$ 321,877	\$ 349,513	\$ 384,464	\$ 62,587	19.4%
Other	\$ 634,439	\$ 787,787	\$ 2,738,695	\$ 2,738,695	\$ 2,336,442	\$ (402,253)	-14.7%
<b>Total - General Fund Revenues</b>	<b>\$ 63,539,872</b>	<b>\$ 66,540,349</b>	<b>\$ 69,377,662</b>	<b>\$ 68,734,500</b>	<b>\$ 70,550,059</b>	<b>\$ 1,172,397</b>	<b>1.7%</b>

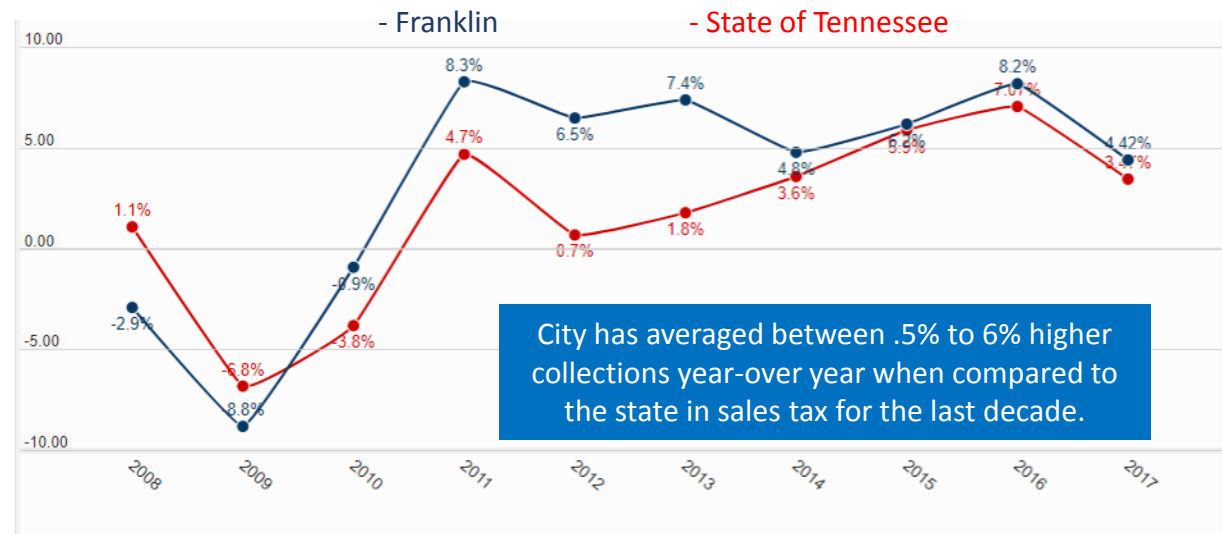


# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund Revenues: Local Sales Tax (pg. 33)

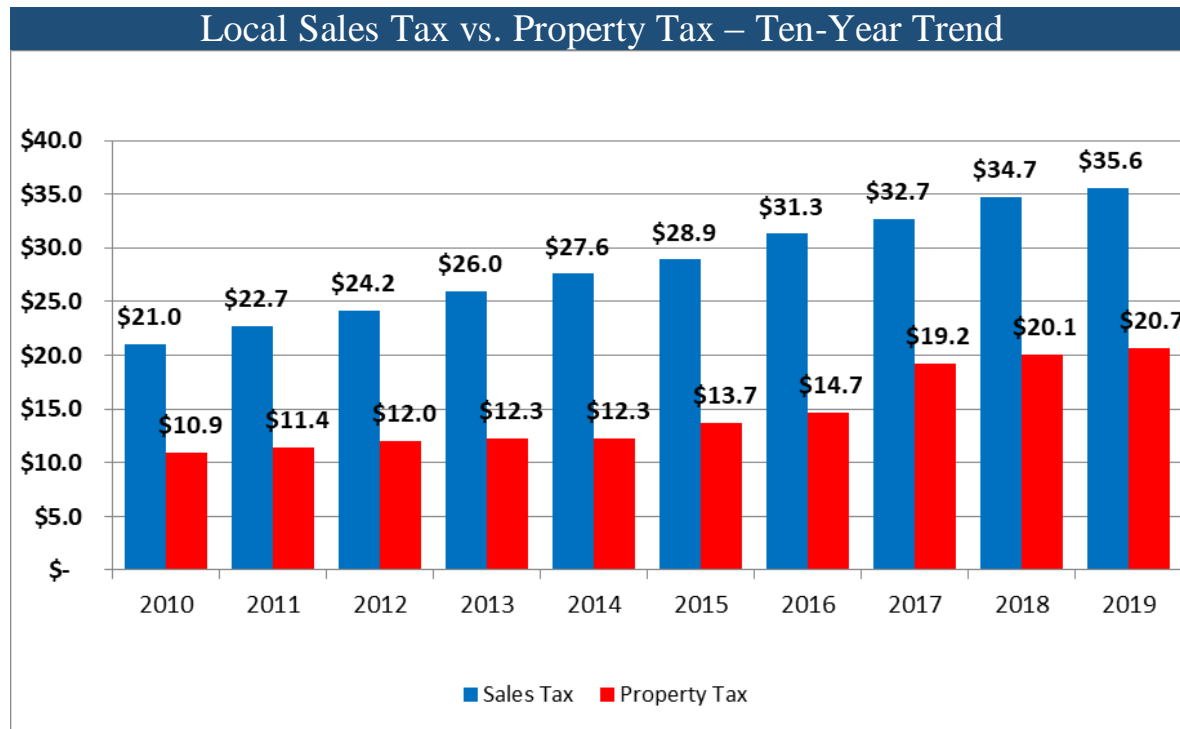
- Budgeted to increase in 2018-19 (\$35.6 million).
- Growth of 2.4% (\$832K) from 2017-18 budget, 4% increase compared to the 2017-18 estimate.
- Statewide estimate for growth is approximately 2.5% to 3.76%.
- 50.4% of total general fund revenue.



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund Revenues: Property vs. Sales Tax



- Sales Tax continues to outpace Property Tax collections slightly less than 2:1



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund Revenues: Intergovernmental Revenue (pg. 34)**

- Second largest general fund revenue source.
- Includes Business Tax within state shared taxes.
- Grant funding including TOC project revenue.
- Decrease (-3.2% or -\$386,734) largely attributable to the continued phase out of the Hall Income Tax and state modifications to the application of sales tax on certain purchases.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund Revenues: Other Taxes**

- Business License & Gross Receipts Tax (*pg. 34*)
- Local Beer Tax (*p. 36*)
- Wholesale Liquor Tax (*p. 36*)
- Alcohol Privilege Tax (*p. 36*)



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund Revenues: Fees & Other Income**

- Building Permit Fees (*pg. 37*)
- Franchise Fees (*pg. 38*)
- Court Fines & Costs (*pg. 40*)
- Interest Earnings (*pg. 42*)



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund: Fund Balance Summary

#### General Fund Performance - FY 2015-2019

	Actual 2015	Actual 2016	Actual 2017	Budget 2018	Estimated 2018	Budget 2019
<b>Beginning Fund Balance</b>	<b>\$32,714,451</b>	<b>\$35,469,449</b>	<b>\$39,249,587</b>	<b>\$43,283,142</b>	<b>\$ 43,283,142</b>	<b>\$44,662,344</b>
+ Total GF Revenue	\$57,489,269	\$63,539,872	\$66,540,349	\$69,377,662	\$ 68,734,500	\$70,550,059
- Total GF Expenditures	\$54,734,271	\$59,759,734	\$62,506,793	\$69,377,662	\$ 67,355,298	\$70,550,059
<b>Ending Fund Balance</b>	<b>\$35,469,449</b>	<b>\$39,249,587</b>	<b>\$43,283,142</b>	<b>\$43,283,142</b>	<b>\$ 44,662,344</b>	<b>\$44,662,344</b>
***Percent of Total Annual Revenues	61.7%	61.8%	65.0%	62.4%	65.0%	63.3%
***Percent of Total Annual Expenditures	64.8%	65.7%	69.2%	62.4%	66.3%	63.3%

*Note: Ending Fund Balance Amounts for Estimated FY 2018 and Budget FY 2019 numbers subject to change via year-end close and final FY 2018 budget amendments.*



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### General Fund: General Fund Expenditures by Department

	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Budget 2018</u>	<u>Estd 2018</u>	<u>Budget 2019</u>	<u>Difference '18 vs. '19</u>	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F (E-C)</u>	<u>G (E/C)</u>
<b>Expenses</b>							
Governance & Management	\$ 2,895,391	\$ 2,970,433	\$ 3,549,389	\$ 3,631,199	\$ 3,536,628	\$ (12,761)	-0.4%
Public Safety	\$ 29,181,019	\$ 32,261,879	\$ 34,051,558	\$ 34,659,173	\$ 33,856,562	\$ (194,995)	-0.6%
Finance & Administration	\$ 6,259,679	\$ 6,864,420	\$ 7,662,025	\$ 7,291,169	\$ 7,395,136	\$ (266,889)	-3.5%
Community & Economic Development	\$ 5,489,508	\$ 6,207,011	\$ 9,180,796	\$ 7,293,008	\$ 9,664,033	\$ 483,237	5.3%
Public Works	\$ 9,671,460	\$ 10,481,168	\$ 12,118,233	\$ 11,904,879	\$ 12,031,583	\$ (86,650)	-0.7%
Other Operating Expenses	\$ 6,262,677	\$ 3,721,881	\$ 2,815,661	\$ 2,575,871	\$ 4,066,116	\$ 1,250,455	44.4%
<b>Total - General Fund Expenses</b>	<b>\$ 59,759,734</b>	<b>\$ 62,506,793</b>	<b>\$ 69,377,662</b>	<b>\$ 67,355,298</b>	<b>\$ 70,550,059</b>	<b>\$ 1,172,397</b>	<b>1.7%</b>
<b>General Fund Expenditures (by major category)</b>							
Personnel	\$ 41,638,101	\$ 43,983,566	\$ 48,121,929	\$ 48,432,049	\$ 51,265,305	\$ 3,143,376	6.5%
Operations	\$ 17,943,694	\$ 18,334,440	\$ 17,130,356	\$ 16,861,087	\$ 15,409,838	\$ (1,720,518)	-10.0%
Capital	\$ 177,939	\$ 188,787	\$ 4,125,377	\$ 2,062,162	\$ 3,874,916	\$ (250,461)	-6.1%
<b>Total - General Fund Expenses</b>	<b>\$ 59,759,734</b>	<b>\$ 62,506,793</b>	<b>\$ 69,377,662</b>	<b>\$ 67,355,298</b>	<b>\$ 70,550,059</b>	<b>\$ 1,172,397</b>	<b>1.7%</b>



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **General Fund: Change in Personnel Expense**

- Annual pay adjustments for City team members will involve two tiers this year:
  - The general pay increase for City team members will be effective the first pay period of July 2018. The proposed budget includes a general pay increase of 2.5% plus an additional performance-based pay increase of up to an additional 2.5%.
  - During FY18, the City completed a comprehensive update of the City's compensation plan. The BOMA approved updates to the plan including an increase of 10% to all pay grades and adjustments for individual team members where needed to ensure an appropriate level of progress through the pay. The proposed FY19 budget includes the full implementation of the compensation plan update both in terms of pay grade adjustment and any individual progression adjustments.
  - Net of 1.5 positions added.





# *City of Franklin, Tennessee*

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### **General Fund: Change in Personnel Expense**

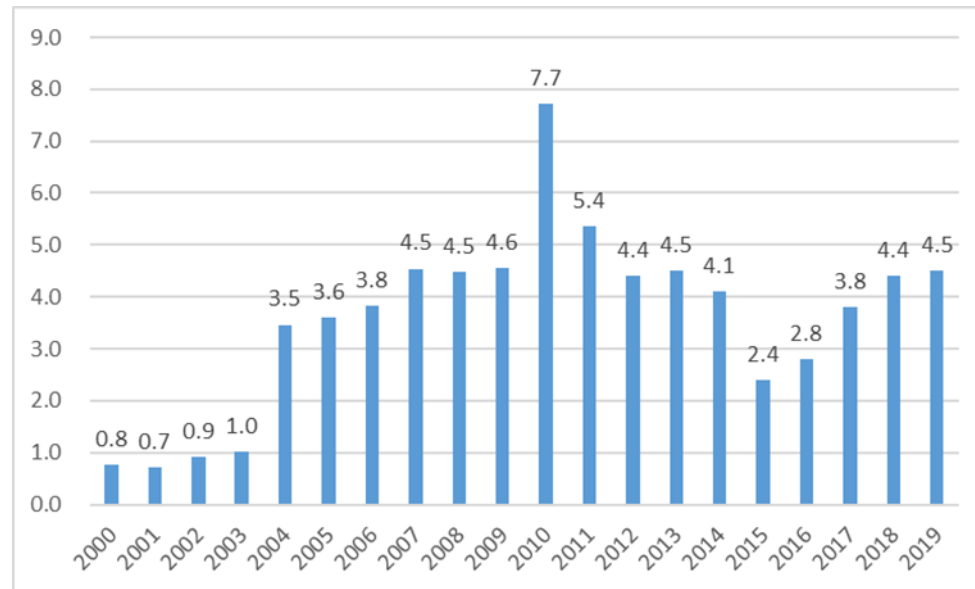
- Cost sharing structure of health insurance with employees continues with 85% single/80% family premium City cost sharing. 0% increase in overall cost.
- In FY18, the City modified the structure of health insurance plan options for City team members. For many years, the City has offered either single or family coverage options. Starting in FY18, the City began offering four options to its team members (and qualified retirees): single coverage, single plus spouse, single plus children, and family coverage. By expanding options, the City will enable employees to select the coverage option that best fits their needs.
- In FY19, the City will begin offering team members the option to use a true high deductible health insurance plan paired with a health savings account.
- 3.5% turnover factor (pay + benefits) used.
- Pension across all funds budgeted at \$4.5 million, an increase of \$100,000.

# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

### **General Fund: Pension Plan Contributions**

#### **Pension Contributions by Fiscal Year - (Amounts in millions) Position**



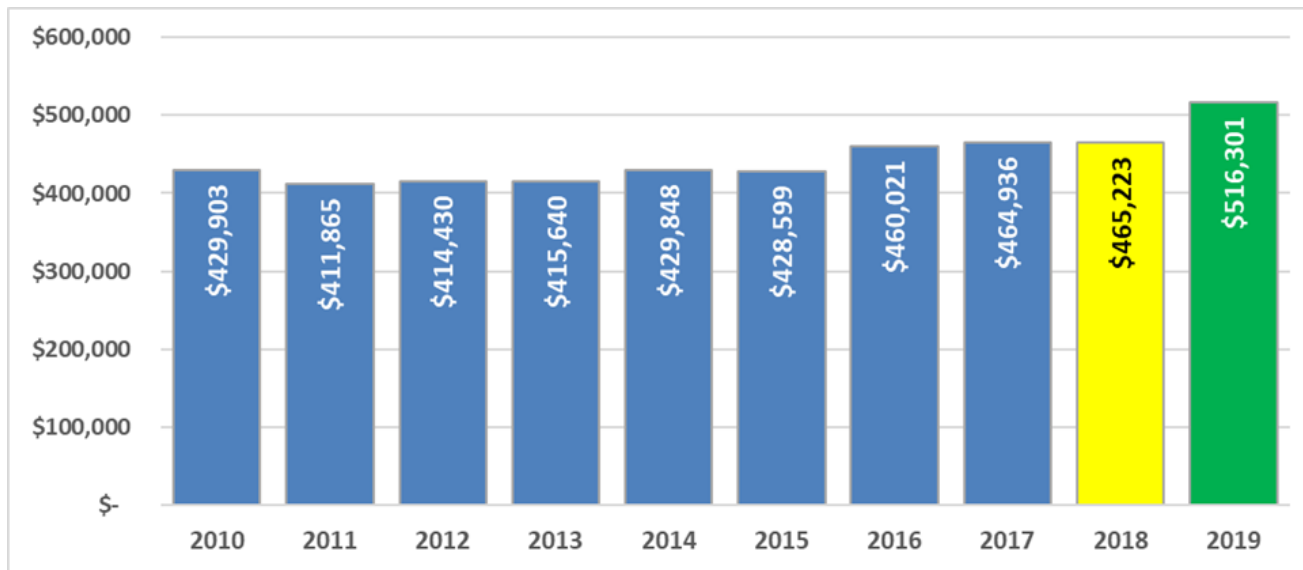
- Increase of roughly \$100,000 across all funds.
- Increase attributable to higher costs and more retirees.
- Pension is approximately 10% of total payroll.

# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

### **General Fund: Appropriations to Outside Entities**

**Ten Year- History – Appropriations to Outside Agencies**



- An increase of \$55,245 compared to the FY18 budget. While no new agencies were added to City funding, there were increases requested by several agencies, including a contractual increase for the Williamson County Animal Control services, increased funding for the 91X regional bus service, and an additional \$10,000 to Williamson Inc. for economic development initiatives.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Summary**

- Drug Fund (*p. 103-106*)
- Community Development Block Grant (CDBG) Fund (*p. 181-184*)
- Transit Fund (*p. 185-188*)
- Stormwater Fund (*p. 209-218*)
- Street Aid & Transportation Fund – Gas Tax (*p. 219-222*)
- Road Impact Fund (*p. 223-226*)
- Sanitation & Environmental Services Fund (*p. 235-246*)
- Water & Sewer Fund (*p. 247-270*)
- City Facilities Tax Fund (*p. 287-290*)
- County Facilities Tax Fund (*p. 291-294*)
- Hotel/Motel Tax Fund (*p. 295-300*)
- Debt Service Fund (*p. 301-308*)
- In Lieu of Parkland Fund (*p. 309-312*)



# City of Franklin, Tennessee

## FY 2019 Operating Budget

### Other Funds: Change in Budget Amounts

All Funds	Actual 2016 <u>A</u>	Actual 2017 <u>B</u>	Budget 2018 <u>C</u>	Estd 2018 <u>D</u>	Budget 2019 <u>E</u>	Difference '18 vs. '19 <u>F (E-C)</u>	<u>G (E/C)</u>
Personnel	\$ 50,880,683	\$ 54,101,667	\$ 59,306,227	\$ 59,638,072	\$ 63,277,937	\$ 3,971,710	6.70%
Operations	\$ 62,888,912	\$ 63,599,732	\$ 72,318,705	\$ 66,033,979	\$ 65,767,800	\$ (6,550,905)	-9.06%
Capital	\$ 5,699,174	\$ 7,400,233	\$ 25,276,155	\$ 20,822,565	\$ 23,526,814	\$ (1,749,341)	-6.92%
<b>Total - All Funds Expenses</b>	<b>\$ 119,468,770</b>	<b>\$ 125,101,632</b>	<b>\$ 156,901,086</b>	<b>\$ 146,494,616</b>	<b>\$ 152,572,551</b>	<b>\$ (4,328,535)</b>	<b>-2.8%</b>
<b>Surplus / (Deficit) All Funds</b>	<b>\$ 18,914,434</b>	<b>\$ 18,052,411</b>	<b>\$ (894,867)</b>	<b>\$ 7,648,593</b>	<b>\$ (574,940)</b>		

General Fund	Actual 2016 <u>A</u>	Actual 2017 <u>B</u>	Budget 2018 <u>C</u>	Estd 2018 <u>D</u>	Budget 2019 <u>E</u>	Difference '18 vs. '19 <u>F (E-C)</u>	<u>G (E/C)</u>
<b>General Fund Expenditures (by major category)</b>							
Personnel	\$ 41,638,101	\$ 43,983,566	\$ 48,121,929	\$ 48,432,049	\$ 51,265,305	\$ 3,143,376	6.5%
Operations	\$ 17,943,694	\$ 18,334,440	\$ 17,130,356	\$ 16,861,087	\$ 15,409,838	\$ (1,720,518)	-10.0%
Capital	\$ 177,939	\$ 188,787	\$ 4,125,377	\$ 2,062,162	\$ 3,874,916	\$ (250,461)	-6.1%
<b>Total - General Fund Expenses</b>	<b>\$ 59,759,734</b>	<b>\$ 62,506,793</b>	<b>\$ 69,377,662</b>	<b>\$ 67,355,298</b>	<b>\$ 70,550,059</b>	<b>\$ 1,172,397</b>	<b>1.7%</b>
<b>Surplus / (Deficit)</b>	<b>\$ 3,780,138</b>	<b>\$ 4,033,556</b>	<b>\$ 0</b>	<b>\$ 1,379,202</b>	<b>\$ 0</b>		



## *City of Franklin, Tennessee*

### **FY 2019 Operating Budget**

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### **Other Funds: Street Aid & Transportation Fund (pg. 219-222)**

- Roadway resurfacing program of \$4.2 million – an increase of 33.3%. \$175,000 is included for sidewalk repair. Increase due to added money from special census and IMPROVE Act.
- The Capital Funding Initiative (begun in FY 2015) will add roughly \$752,000 from the Property Tax in FY 2019.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Sanitation & Environmental Services (pg.235-246)**

- Three Divisions: Administration, Collection, and Disposal.
- Direct revenues estimated at \$9.2 million.
- Expenditures also estimated at \$9.2 million.
- NO transfer planned from General Fund. 2008 subsidy was \$4.47 million. A transfer \$500,000 will be needed in FY18 to meet cash reserve requirements.
- Increase in residential rate to \$19.00/month (from \$17.50/month).
- Develop a five year rate plan similar to Water/Sewer.
- Continue to monitor/analyze the impact of growth on service delivery.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Water & Sewer Fund (p. 247-270)**

- Includes rate-payer supported operation of Water, Wastewater, and Reclaimed Water utilities
- FY 2019 Budget : Water (\$12.8 million), Water Reclamation/Wastewater (\$15.5 million), and Reclaimed Water (\$391,725).
- Based on last independent cost-of-service study, assumes rates for CY 2019 to be:
  - 3.5% per year for Water.
  - 5.5% per year for Wastewater.
- New cost of service study underway.





# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Road Impact Fund (pg. 223-226)**

- \$8 million proposed revenues for FY19 vs. \$5.7 million in estimated expenses for FY19.
- Provides for Debt Service obligation (\$3.0 million) and budgeted Road Impact Offset agreement payments.

### **Other Funds: City Facilities Tax Fund (pg. 287-290)**

- \$8.57 million proposed budget for FY 19.
- Continued work on Fire Stations 7 project.
- Purchase of Fire & Sanitation equipment.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Stormwater Fund (pg. 209-218)**

- \$6.1 million proposed budget for FY19 (a decrease of \$131,551 or 2.1%).
- One new position adding capacity to manage increased workload.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Other Funds: Hotel/Motel Tax Fund (pg. 295-300)**

- \$2.56 million proposed budget for FY19 (a decrease of 8.3%).
- Significant “unprogrammed” capacity that could be applied to priority projects identified in the Parks Master Plan/Capital Investment Plan.
- Funds debt service for acquisition of Harlinsdale and Eastern Flank and streetscape elements.
- Continued funding for Carter Hill acquisition/development and ongoing park improvement projects.

### **Other Funds: Debt Service Fund (pg. 301-308)**

- \$13.8 million proposed budget for FY 18 (a decrease of 1.4%).
- \$8.7 million of property tax for general obligation debt service plus contributions from various other funds.



# *City of Franklin, Tennessee*

## **FY 2019 Operating Budget**

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### **Summary**

- The budget includes continued support of the *Invest Franklin* initiatives that funding capacity for key infrastructure investment and support operations for our growing community.
- Our City team is meeting budget goals and objectives with an enhanced emphasis on performance measures and the strategic plan.
- The budget features targeted program enhancements related to public safety and growth-related services.
- Reserves at year-end well above policy level.