



City of Franklin, Tennessee
Stormwater Fund Review Update

Stormwater Fund - Forecast 2020-2029

Option #1 - 5% annual increase

	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Notes
Beginning Balance	\$ 3,800,010	\$ 1,337,282	\$ 1,220,651	\$ 1,073,745	\$ 965,431	\$ 1,002,820	\$ 1,122,292	\$ 1,088,506	\$ 1,368,419	\$ 1,783,301	
Revenues	\$ 2,647,500	\$ 2,793,774	\$ 2,948,130	\$ 3,111,015	\$ 3,282,898	\$ 3,464,278	\$ 3,655,680	\$ 3,857,656	\$ 4,070,791	\$ 4,295,703	Assumes 5% growth in rates, .5% growth in customers
Personnel	\$ 1,632,440	\$ 1,714,062	\$ 1,799,765	\$ 1,889,753	\$ 1,984,241	\$ 2,083,453	\$ 2,187,626	\$ 2,297,007	\$ 2,411,857	\$ 2,532,450	Assumes 5% increase in overall expenses (Wages + Benefits)
Operations	\$ 927,788	\$ 946,344	\$ 965,271	\$ 984,576	\$ 1,004,268	\$ 1,024,353	\$ 1,044,840	\$ 1,065,737	\$ 1,087,052	\$ 1,108,793	Assumes 2% increase in overall expenses annually
Capital	\$ 2,550,000	\$ 250,000	\$ 330,000	\$ 345,000	\$ 257,000	\$ 237,000	\$ 457,000	\$ 215,000	\$ 157,000	\$ 272,000	
Streets Capital	\$ -	\$ 250,000	\$ 330,000	\$ 345,000	\$ 257,000	\$ 237,000	\$ 457,000	\$ 215,000	\$ 157,000	\$ 272,000	Average Capital exp. for Streets - Stormwater last 3 years
Engineering Capital	\$ 2,550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No Additional Stormwater Projects Assumed
Expenses	\$ 5,110,228	\$ 2,910,406	\$ 3,095,036	\$ 3,219,329	\$ 3,245,509	\$ 3,344,806	\$ 3,689,466	\$ 3,577,744	\$ 3,655,909	\$ 3,913,243	
Remaining Fund Balance	\$ 1,337,282	\$ 1,220,651	\$ 1,073,745	\$ 965,431	\$ 1,002,820	\$ 1,122,292	\$ 1,088,506	\$ 1,368,419	\$ 1,783,301	\$ 2,165,761	

Yr over Year \$ (116,631) \$ (146,905) \$ (108,315) \$ 37,390 \$ 119,472 \$ (33,786) \$ 279,912 \$ 414,883 \$ 382,460

Annual Rate Increase	5.0%
Annual Growth In System (a.k.a. customers)	0.5%
Annual Personnel Increase	5.0%
Annual Operations Increase	2.0%

Validate the recurring Capital charge for Streets

Source: City of Franklin, Finance Department - FY 2019 Proposed Operating & Capital Budget and Engineering Department.

Note: State of Tennessee requires minimum fund balance of one month's worth of expenditures. That value is close to \$250,000.

Stormwater Fee Increase: Five Year Rate Plan

Rate Increase:	5%	Annually
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Current Rates	<u>Monthly</u>	<u>Annual</u>
Small Residential	\$ 2.74	\$ 32.88
Large Residential	\$ 4.38	\$ 52.56
Commercial	\$ 3.65	\$ 43.80

2021 Proposal	Rate:	5%		Difference:	
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u>	<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 2.88	\$ 34.52	5%	\$ 0.14	\$ 1.64
Large Residential	\$ 4.60	\$ 55.19	5%	\$ 0.22	\$ 2.63
Commercial	\$ 3.83	\$ 45.99	5%	\$ 0.18	\$ 2.19

2022 Proposal	Rate:	5%		Difference:	
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u>	<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 3.02	\$ 36.25	5%	\$ 0.14	\$ 1.73
Large Residential	\$ 4.83	\$ 57.95	5%	\$ 0.23	\$ 2.76
Commercial	\$ 4.02	\$ 48.29	5%	\$ 0.19	\$ 2.30

2023 Proposal	Rate:	5%		Difference:	
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u>	<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 3.17	\$ 38.06	5%	\$ 0.15	\$ 1.81
Large Residential	\$ 5.07	\$ 60.84	5%	\$ 0.24	\$ 2.90
Commercial	\$ 4.23	\$ 50.70	5%	\$ 0.20	\$ 2.41

2024 Proposal	Rate:	5%		Difference:	
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u>	<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 3.33	\$ 39.97	5%	\$ 0.16	\$ 1.90
Large Residential	\$ 5.32	\$ 63.89	5%	\$ 0.25	\$ 3.04
Commercial	\$ 4.44	\$ 53.24	5%	\$ 0.21	\$ 2.54

2025 Proposal	Rate:	5%		Difference:	
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u>	<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 3.50	\$ 41.96	5%	\$ 0.17	\$ 2.00
Large Residential	\$ 5.59	\$ 67.08	5%	\$ 0.27	\$ 3.19
Commercial	\$ 4.66	\$ 55.90	5%	\$ 0.22	\$ 2.66

Gross Increase	<u>Monthly</u>	<u>Annual</u>		<u>per Mo.</u>	<u>per Yr.</u>
Small Residential	\$ 0.76	\$ 9.08		\$ 0.15	\$ 1.82
Large Residential	\$ 1.21	\$ 14.52		\$ 0.24	\$ 2.90
Commercial	\$ 1.01	\$ 12.10		\$ 0.20	\$ 2.42



City of Franklin, Tennessee
Stormwater Fund Review Update

Stormwater Fund - Forecast 2020-2029

Option #2 - Larger increases in years 1-2, 5% nominal increase year 3 and after.

	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Notes
Beginning Balance	\$ 3,800,010	\$ 1,337,282	\$ 1,018,872	\$ 1,146,778	\$ 1,379,676	\$ 1,360,006	\$ 1,529,765	\$ 1,659,545	\$ 1,722,559	\$ 2,046,686	
Revenues	\$ 2,647,500	\$ 3,591,996	\$ 4,692,942	\$ 4,952,227	\$ 5,225,838	\$ 5,514,565	\$ 5,819,245	\$ 6,140,758	\$ 6,480,035	\$ 6,838,057	Assumes 5% growth in rates, .5% growth in customers
Rate increase per year for \$1M Capital --->>>		35.0%	30.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Personnel	\$ 1,632,440	\$ 1,714,062	\$ 1,799,765	\$ 1,889,753	\$ 1,984,241	\$ 2,083,453	\$ 2,187,626	\$ 2,297,007	\$ 2,411,857	\$ 2,532,450	Assumes 5% increase in overall expenses (Wages + Benefits)
Operations	\$ 927,788	\$ 946,344	\$ 965,271	\$ 984,576	\$ 1,004,268	\$ 1,024,353	\$ 1,044,840	\$ 1,065,737	\$ 1,087,052	\$ 1,108,793	Assumes 2% increase in overall expenses annually
Capital	\$ 2,550,000	\$ 1,250,000	\$ 1,800,000	\$ 1,845,000	\$ 2,257,000	\$ 2,237,000	\$ 2,457,000	\$ 2,715,000	\$ 2,657,000	\$ 3,272,000	
Streets Capital	\$ -	\$ 250,000	\$ 300,000	\$ 345,000	\$ 257,000	\$ 237,000	\$ 457,000	\$ 215,000	\$ 157,000	\$ 272,000	Average Capital exp. for Streets - Stormwater last 3 years
Engineering Capital	\$ 2,550,000	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,500,000	\$ 2,500,000	\$ 3,000,000	
Expenses	\$ 5,110,228	\$ 3,910,406	\$ 4,565,036	\$ 4,719,329	\$ 5,245,509	\$ 5,344,806	\$ 5,689,466	\$ 6,077,744	\$ 6,155,909	\$ 6,913,243	
Remaining Fund Balance	\$ 1,337,282	\$ 1,018,872	\$ 1,146,778	\$ 1,379,676	\$ 1,360,006	\$ 1,529,765	\$ 1,659,545	\$ 1,722,559	\$ 2,046,686	\$ 1,971,500	

Yr over Year \$ (318,410) \$ 127,907 \$ 232,898 \$ (19,671) \$ 169,759 \$ 129,779 \$ 63,015 \$ 324,127 \$ (75,185)

Annual Rate Increase	See Above
Annual Growth In System (a.k.a. customers)	0.5%
Annual Personnel Increase	5.0%
Annual Operations Increase	2.0%

Capital Potential \$ 18,000,000

Source: City of Franklin, Finance Department - FY 2019 Proposed Operating & Capital Budget and Engineering Department.
Note: State of Tennessee requires minimum fund balance of one month's worth of expenditures. That value is close to \$250,000.

Stormwater Fee Increase: Five Year Rate Plan

Rate Increase:	Variable	Annually
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Current Rates	Monthly	Annual
Small Residential	\$ 2.74	\$ 32.88
Large Residential	\$ 4.38	\$ 52.56
Commercial	\$ 3.65	\$ 43.80

2021 Proposal	Rate:	35%	Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 3.70	\$ 44.39	35% \$ 0.96 \$ 11.51
Large Residential	\$ 5.91	\$ 70.96	35% \$ 1.53 \$ 18.40
Commercial	\$ 4.93	\$ 59.13	35% \$ 1.28 \$ 15.33

2022 Proposal	Rate:	30%	Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 4.81	\$ 57.70	30% \$ 1.11 \$ 13.32
Large Residential	\$ 7.69	\$ 92.24	30% \$ 1.77 \$ 21.29
Commercial	\$ 6.41	\$ 76.87	30% \$ 1.48 \$ 17.74

2023 Proposal	Rate:	5%	Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 5.05	\$ 60.59	5% \$ 0.24 \$ 2.89
Large Residential	\$ 8.07	\$ 96.85	5% \$ 0.38 \$ 4.61
Commercial	\$ 6.73	\$ 80.71	5% \$ 0.32 \$ 3.84

2024 Proposal	Rate:	5%	Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 5.30	\$ 63.62	5% \$ 0.25 \$ 3.03
Large Residential	\$ 8.47	\$ 101.70	5% \$ 0.40 \$ 4.84
Commercial	\$ 7.06	\$ 84.75	5% \$ 0.34 \$ 4.04

2025 Proposal	Rate:	5%	Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 5.57	\$ 66.80	5% \$ 0.27 \$ 3.18
Large Residential	\$ 8.90	\$ 106.78	5% \$ 0.42 \$ 5.08
Commercial	\$ 7.42	\$ 88.99	5% \$ 0.35 \$ 4.24

Gross Increase			Difference:
	<u>Monthly</u>	<u>Annual</u>	<u>Rate Inc.</u> <u>per Mo.</u> <u>per Yr.</u>
Small Residential	\$ 2.83	\$ 33.92	16% \$ 0.57 \$ 6.78
Large Residential	\$ 4.52	\$ 54.22	16% \$ 0.90 \$ 10.84
Commercial	\$ 3.77	\$ 45.19	16% \$ 0.75 \$ 9.04