



Legislation Text

File #: 15-0811, **Version:** 1

DATE: August 27, 2015

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator

SUBJECT:

PUBLIC HEARING: Consideration of Ordinance 2015-48, an Ordinance to Amend Fiscal Year 2015-2016 Budget;
SECOND and FINAL READING (09/10/15 Budget & Finance 4-0, 1st Reading 09/22/15 8-0)

Purpose

The purpose of this memo is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Ordinance 2015-48, an ordinance to amend the Transit budget for Fiscal Year 2016

Background

The State Comptroller has provided guidance that budget amendments are to be on the cash basis and occur within the fiscal year.

In accordance with this guidance, amendments for the 1st Quarter of fiscal year 2016 are as follows:

1. **Increase operating revenues and expenditures by \$1,402,797 in General Fund for pass-through grant expenditures pertaining to Carter's Hill Park.** The expenditures are funded in full by grants with the U.S. Department of the Interior, National Parks Service. The City of Franklin will be a pass-through entity for payment to the Civil War Trust of \$99,610 for the purchase of the Eley tract and to Franklin's Charge of \$1,303,187 for purchase of the Lovell tract.
2. **Increase operating expenditures by \$300,000 to budgeted expenditures in the Road Impact Fund for the purpose of refunding road offset overpayment to Crescent Resources, LLC.** Crescent Resources, LLC. paid into the Fund but it has been determined that the payment was made in excess. The total amount of overpayment to be repaid is \$900,000, which the City has agreed to pay in three (3) \$300,000 installments for the next three Fiscal Years. This amendment satisfies the payment for Fiscal Year 2016.
3. **Increase operating expenditures by \$36,038 to budgeted expenditures in the Hotel/Motel Tax Fund for the purpose of completing renovations to rock walls at Eastern Flank Battlefield Park.** This project was assumed to be funded through short-term borrowing, but given the relative size of the expenditure and the need to complete the project this late summer/fall, it is now being requested to be funded entirely out of the balance of the fund. The total cost of the project is estimated at \$55,000.
4. **Increase operating expenditures in Transit Fund by \$59,093 for additional operating costs incurred during fiscal year 2015. There is sufficient fund balance in the Transit Fund to cover this additional**

amount. At the close of fiscal year 2015, the City had paid to the Transit Authority the full amount (\$1,570,540) it had appropriated for transit operating expenditures. Transit is requesting \$59,093 to fund the remainder of its 2015 operating expenditures, primarily from salary, benefits, and indirect expenditures.

Financial Impact

The amendments, as proposed, would result in:

1. For amendment 1, increase operating revenues and expenditures in the General Fund by \$1,402,797. The net effect is no change in fund balance for the General Fund.
2. For amendment 2, increase operating expenditures and decrease fund balance in the Road Impact Fund by \$300,000.
3. For amendment 3, increase operating expenditures and decrease fund balance in the Hotel/Motel Fund by \$36,038.
4. For amendment 4, increase operating expenditures and decrease fund balance in the Transit Fund by \$59,093.

Options

1. Approve amendments as proposed and forward to BOMA.
2. Make changes to the amendments where desired and forward to BOMA.

Recommendation

Staff recommends approval of the amendments.