

ADMINISTRATION

Russell B. Truell
Assistant City Administrator, CFO
Finance



Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

**HISTORIC
FRANKLIN
TENNESSEE**

May 11, 2012

TO: Members of the Budget & Finance Committee
FROM: Eric Stuckey, City Administrator
Russ Truell, ACA/CFO
RE: Budget Amendments based on Fiscal Year 2012 Third Quarter activity

Purpose

The purpose of this item is to amend the Fiscal Year 2011-2012 Budget to account for activities or conditions arising since passage of the original budget.

Background

Rather than bringing a myriad of budget amendments at numerous Board meetings, staff recommended that we bring possible budget amendment to the Budget & Finance Committee on a quarterly basis. Budget amendments for July through September were presented at the November 2011 meeting; October through December in February 2012; January through March here in May 2012; and April through June in September or October 2012.

The attached page contains the proposed amendment(s) arising from the January through March time frame.

The amendments are as follows:

1. Transfer of acquisition cost, \$2,354,788, of the Public Works Facility from General Fund to Capital Projects Fund. The cost was initially included in the General Fund until adoption of the Capital Improvement Program.
2. The legal judgment is from the U.S. District Court for plaintiff's attorneys fees, \$300,000, paid in November 2011.
3. Additional funds of \$4,200 for a replacement mower for Parks Department. With trade-in of a mower purchased in 2009 that has been malfunctioning, the replacement cost is \$12,700. With \$8,500 of funds already available within its current budget, the \$4,200 of additional funds will cover the \$12,700 acquisition cost.
4. Additional funds of \$5,000 for wages and benefits in the Streets Department for needed temporary assistance to cover duties of its administrative secretary, who is currently assigned to maintain street assets in the City's asset system (Hansen).
5. \$33,846 for mold repair/remediation at Century Court that began in August 2011.

Financial Impact

The amendments, as proposed, would result in:

- a. A net increase in the fund balance of the General Fund of \$2,011,742, and
- b. No change in the fund balance of the Solid Waste Fund or Capital Projects Fund.

Options

1. Approve amendment(s) as proposed and forward to BOMA.
2. Make changes to the amendment(s) where desired and forward to BOMA.

Recommendation

Staff recommends approval of the amendments.

ORDINANCE NO. 2012 – __

WHEREAS, the City Charter, Article VIII, provides for adoption of an annual budget for departments of the City of Franklin, and

WHEREAS, an annual budget process appropriating funds to the various departments and divisions of the City government for the fiscal year beginning July 1, 2011 has been completed in accordance with state law and local ordinances,

NOW, THEREFORE BE IT ORDAINED, by the Board of Mayor and Aldermen of the City of Franklin, Tennessee:

SECTION I: That the annual budget for the City of Franklin for the Fiscal Year 2011-2012 shall be amended and does allocate and appropriate additional funding as follows:

GENERAL FUND
REVENUE

EXPENDITURES

Public Works Facility (84 Lumber Property) Acquisition	Decrease	(\$2,354,788)
Legal Judgment (Attorney's Fees) – U.S. District Court	Increase	\$300,000
Replacement Mower – Parks	Increase	\$4,200
Temporary Assistance (wages + benefits) - Streets	Increase	\$5,000
Transfer to Solid Waste Fund for item below	Increase	\$33,846
Net Decrease (Increase) to Total General Fund Balance		(2,011,742)

SOLID WASTE
REVENUE

Transfer from General	Increase	\$33,846
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EXPENDITURES

Mold Repair/Remediation at Century Court (deductible)	Increase	\$33,846
Net Decrease (Increase) to Total Solid Waste Fund Balance		\$0

CAPITAL PROJECTS FUND
REVENUE

Bond Proceeds (when authorized)	Increase	\$2,354,788
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EXPENDITURES

Public Works Facility (84 Lumber Property) Acquisition	Increase	\$2,354,788
Net Decrease (Increase) to Total Capital Projects Fund Balance		\$0

SECTION II: That each department of the City shall limit its expenditures to the amount appropriated; that any changes or amendments to the appropriations set forth in the budget shall be made in accordance with the City Code, Article VIII.

SECTION III: That this Ordinance shall take effect on March 31, 2012, from and after the passage on Second and Final Reading; the health, safety and welfare of the citizens of the City of Franklin requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE

By: _____
ERIC S. STUCKEY
City Administrator

By: _____
DR. KEN MOORE
Mayor

PASSED FIRST READING: _____
PUBLIC HEARING: _____
PASSED SECOND READING: _____