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**MEETING MINUTES**  
**BUDGET & FINANCE COMMITTEE**  
CITY OF FRANKLIN, TENNESSEE  
CITY HALL BOARDROOM  
**WEDNESDAY, OCTOBER 24, 2012 @ 4:00 P.M.**

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**Committee Members**

Alderman Ann Petersen, Chair  
Alderman Beverly Burger, Vice Chair  
Alderman Brandy Blanton  
Alderman Michael Skinner

**Other Attendees**

P	Eric Stuckey, City Administrator	P
P	Russell Truell, ACA Finance & Administration	P
P	Vernon Gerth, ACA Community & Economic Dev.	P
P	Mike Lowe, Comptroller	P
	Fred Banner, MIT Director	P
	Becky Caldwell, Solid Waste Director	P
	Steve Sims, Assistant City Recorder	P
	Mayor Ken Moore	P
	Alderman Margaret Martin	P
	Lanaii Benne, Assistant City Recorder	P
	Linda Fulwider, Board Recording Secretary	P

**1. Call to Order**

Alderman Ann Petersen, Chair, called the meeting to order at 4:00 p.m.

**2. Approval of the Minutes**

*Alderman Blanton moved to approve the September 26, 2012 minutes as presented. Seconded by Alderman Skinner. Motion carried unanimously 3-0 (Alderman Burger not yet in attendance)*

**3. Consideration of RESOLUTION 2012-57, a Resolution Adopting an Alternative Payments Acceptance Policy and Procedure for the City of Franklin, Tennessee**

**Steve Sims, Assistant City Recorder/Court Clerk**

Eric Stuckey noted this had been discussed before. This is the first draft of a policy on methods and approach for customer/citizen convenience.

Steve Sims said they have made inroads in accepting payments in different forms, especially with utility bills. Over 85% processed electronically with \$112 million taken in last year; only \$800,000 was in cash. Customer preference is to pay by credit card.

✦ **Alderman Burger joined the meeting**

The ability to collect credit card fees is limited. The plan is to lay the groundwork to allow the issuance of an RFP.

There was lengthy discussion on the fees associated with accepting credit cards and who should pay the fee. There is a fee per check to deposit checks written to the City. The lowest cost option to the City is an automated bank draft transaction fee as it involves minimum staff time. The outside drop box is one of the most expensive options because that is more

labor intensive. Property tax payments were discussed as well. Different payments incur different fees and there are many rules in addition to following the law.

A framework to work with card companies is needed in the RFP. Currently, each check transaction is looked at by three people, revenue, finance and the auditor. In some circumstances the City passes along the fee to the customer (City Court and taxes) because of state laws. With permits, etc. the City absorbs the cost up to a certain point. A reasonable cap is needed on fees paid.

Mr. Stuckey asked how the committee wanted to proceed with this; work it through this committee and then take it to a work session or take it directly to a work session.

Mr. Truell said staff could provide details as the aldermen asked for more categories, a breakout of types of transactions, and level and type fee structures.

**4. Consideration of ORDINANCE 2012-56, an Ordinance to Amend the FY 2013 Budget for First Quarter Adjustments**

**Mike Lowe, Comptroller**

Item deferred

**5. Consideration of Approval for EMC Archiving/Retrieval Solution, an E.Discovery Software System**

**Fred Banner, MIT Director**

Fred Banner updated the committee on the status of the Near Point (Mimosa) software system. HP currently owns the software and they are going to let it die out. The main user is the Law Department. IT has looked at several systems and determined EMC Archiving/Retrieval Solution from Source I to be the best choice. Cost for conversion is estimated at \$170,000. There is no maintenance fee for the first year. Second year maintenance fee estimated at around \$15,000.

Mr. Stuckey noted that action isn't required at this time; just FYI because of the significant initial cost.

**6. Update on Bi-County Waste Disposal/Hauling Agreement**

**Russ Truell, ACA Finance & Administration**

**Becky Caldwell, Solid Waste Director**

The City transitioned to this Agreement on July 1, 2012. Becky Caldwell said the first goal was to get long-term landfill space and that was secured. During the first week of the agreement, the City assisted with hauling 11 of the 55 loads hauled, disposing of nine (9) loads at the Bi-County Landfill and two (2) at the Williamson County Landfill. This was due to a delay in the receipt by Bi-County of needed equipment. Since that time, Bi-County Solid Waste has proven their ability to effectively manage the volume of waste processed through the City transfer station. They have handled all loads since the first week of operation. The savings at the end of the first two months of this agreement total \$150,683.

One of the four displaced drivers retired and the other three transferred into Collections at the same pay grade, etc. They are using their driving skills as well as training for other duties.

Ms. Caldwell calls Bi-County on a regular basis to see how things are going on their end.

Alderman Skinner asked if talks about a future regional landfill are ongoing. Mr. Stuckey responded TDEC has taken that responsibility. There is no sense of urgency for the City at this point; however, the City will fully participate in that endeavor.

**7. Review of Street Aid**

Mike Lowe related this is an FYI item that is part of a review of line items in the budget.

The Street Aid Fund is required by the State of Tennessee, unless they grant permission to roll the money into the General Fund. The money comes from the City's portion of the state gasoline tax. In recent years the City designated Street Aid funds for the annual paving program. The Fund has also been used for street projects and traffic signals. In 2012, the gas tax revenue exceeded the expenditures leaving an excess of \$16,563. In the 2013 Budget, \$402,761 is to be transferred from the General Fund to Street Aid for paving. Sidewalk repair is usually done with repaving. The City's gas tax portion is not sufficient to do all the paving needed in the long haul. The 12-year cycle is probably more a 17-18 year cycle. The new infrared machine is great for bigger patches in neighborhood streets and can be used throughout the year. The City has added many lane miles in last 5-10 years.

**8. Monthly Reports (Information Only)**

- a) Sales Tax Report – August 2012
- b) Property Tax Report – September 2012
- c) Transit System Report – September 2012
- d) Conference Center Report – September 2012
- e) Construction Activities Report – September 2012
- f) Fuel Hedging Report – September 2012
- g) Investment Report – September 2012

Alderman Petersen requested a summary.

Reports filed with the minutes

**ADJOURN**

*Alderman Burger moved to adjourn. Seconded by Alderman Blanton. Motion carried unanimously.*

Meeting adjourned @ 5:14 p.m.

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Ann Petersen, Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office - updated 9/5/2012 12:33 PM