

ORDINANCE NO. 2012 - 62

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, 2012 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 2012-2013 shall be amended and does allocate and appropriate additional funding as follows:

GENERAL FUND

Revenues

Additional Sales Tax Revenue: **Increase** **\$165,000**

Expenditures

Tuition Assistance Program supplement **Increase** **\$ 35,000**

Server Software Maintenance supplement **Increase** **\$130,000**

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 Charter, Article VIII.

SECTION III: That this Ordinance shall take effect on October 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

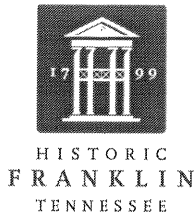
By: _____
ERIC S. STUCKEY
City Administrator

By: _____
DR. KEN MOORE
Mayor

PASSED FIRST READING: _____

PUBLIC HEARING: _____

PASSED SECOND READING: _____



MEMORANDUM

November 16, 2012

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Shirley Harmon, Human Resources Director
Candace Connell, Assistant Human Resources Director

SUBJECT: Fiscal Year 2013 Tuition Assistance Program Budget Amendment

Purpose

The purpose of this item is to amend the Fiscal Year 2013 tuition assistance program for Spring and Summer semesters to increase the program budget by \$35,000

Background

Since the 1990's, the City has provided tuition assistance to employees enrolled in a degree granting program. In fiscal year 2009, the tuition assistance program was transferred from the Administration budget to the Human Resources budget. At that time \$85,000 was budgeted for the program. In fiscal year 2011 the program was suspended for one year due to budget constraints.

The tuition assistance program was reinstated in fiscal year 2012 with a budget of \$60,000. At the same time, the tuition policy was rewritten. Significant changes in the new policy include stricter accreditation and grade standards as well as changing the program to a true reimbursement program where no funds are paid until the class is completed and a final grade is received. Also, all participants must sign an agreement that requires them to reimburse the City should they leave within one year after receiving an Associate's degree, two years after receiving a Bachelor's degree, and three years after receiving a Master's degree or juris doctorate.

The current fiscal year budget includes \$60,000 for the tuition assistance program. To date, we have spent \$24,108.60 for late Summer and Fall classes. However, another \$35,433.43 has been reserved for outstanding classes for a total of \$59,542.03. Without a budget amendment, we will not be able to approve additional requests including requests for Spring and early Summer classes.

There are currently 25 employees participating in the tuition assistance program representing multiple departments (Fire, Police, Parks, BNS, MIT, and Streets). This has increased from 20 participants in FY2012. Many of these employees would not be able to afford college tuition without assistance from the City.

Financial Impact

The tuition assistance program budget would increase \$35,000.

Options

1. Approve the amendment
2. Make changes to the amendment as desired
3. Reject the amendment

Recommendation

Staff recommends approval of the amendment to continue funding the tuition assistance program.