
MEETING MINUTES
BUDGET & FINANCE COMMITTEE
CITY OF FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
THURSDAY, MARCH 18, 2010 @ 4:00 P.M.

Committee Members

Alderman Ann Petersen, Chair P
Alderman Ken Moore, Vice Chair A
Alderman Beverly Burger P
Alderman Michael Skinner P

Other Attendees

Eric Stuckey, City Administrator P
Russell Truell, ACA Finance & Administration P
Vernon Gerth, ACA Community & Economic Development P
Lisa Clayton, Parks Director P
Eric Gardner, Engineering Director P
Gary Luffman, Building/Neighborhood Services Director P
Catherine Powers, Building/Sustainability Director P
Joe York, Streets Director P
Mayor John Schroer P
Alderman Margaret Martin P
Alderman Clyde Barnhill P
Lanaii Benne, Assistant City Recorder
Linda Fulwider, Board Recording Secretary P

1. Call to Order

Alderman Petersen called the meeting to order at 4:00 p.m. in the Boardroom.

- There was not a quorum until Alderman Burger arrived at 4:26 pm; therefore, agenda items not requiring a vote were addressed until that time. First item was #11.

2. Approval of the Minutes

Alderman Petersen requested a sentence be added to item #5, Police and Drug Fund, **“Alderman Petersen requested further information about the cost of leasing vehicles, specifically, the yearly budget funds required if all these vehicles went to lease.”**

Alderman Skinner moved to approve the February 18, 2010 meeting minutes as amended. Seconded by Alderman Burger. Motion carried unanimously.

3. Review of Budget Goals

Eric Stuckey, City Administrator

Financial Goals

- Maintain and enhance the positive fiscal position of the City by adherence to financial management principles for public funds
- Continue to pursue options for revenue diversification among property taxes, sales taxes, fees, interest earnings, other income, and state shared revenues with expenditure growth reviewed annually in terms of population increases and desired public service levels
- Produce a structurally balanced budget with ongoing revenues meeting ongoing expenses
- Maintain an undesignated reserve fund in compliance with the Board of Mayor and Aldermen’s adopted policy
- Stabilize our operational expenses through prudent actions, such as joining a fuel hedging contract with Metro Davidson County

Non-Financial Goals

- Maintain and enhance services to citizens. Avoid employee layoffs and other actions that would negatively impact the delivery of City Services
- Develop, adopt, and implement programs and policies which promote, protect, and preserve the health, safety and welfare of the community, and thereby enhance the high quality of life enjoyed by all residents of the City
- Develop, adopt and implement programs and policies, which create and sustain a positive economic environment within the City of Franklin
- Cooperate with other agencies to generate significant economic development opportunities within Franklin and Williamson County
- Continue an emphasis on maintenance of facilities and equipment with replacement of the City's fixed assets as necessary, which include equipment, infrastructure, and facilities.
- Continue emphasis on employee safety and safety education
- Continue and further enhance our commitment to employee training and professional development, and thereby providing a positive work environment for teamwork, individual and department initiatives, productivity, and individual development
- Maintain and continue to enhance the compensation and benefit plan for employees within our financial capabilities, to retain qualified and motivated employees in a highly competitive market
- Enhance community services through the promotion of and with provision for the expansion of City/County, City/Non-Profit, and public/private cooperation in areas deemed feasible
- Continue commitment to the vitality of the downtown area and individual historical areas
- Encourage Community improvement projects to maintain and improve the visual improvements of the City's existing residential neighborhoods and business area
- Continue maintaining membership and active participation of City officials in regional and statewide organizations benefiting the City of Franklin

Specific Fiscal Year 2010 Initiatives

- To continue the emphasis that will maintain and enhance existing level of services to the citizens of Franklin to focus upon core values of excellence, innovation, teamwork, integrity and an action-orientation
- Determine an action plan to implement the long-term assessment of City Hall facilities and operational needs due to growth, service requirements, and technology
- To continue to identify opportunities to expand and enhance the City's communication with the public through various strategies and mediums
- To promote/market the City as a preferred economic development location in cooperation with the State of Tennessee, Williamson County and other partners
- To encourage a Countywide study of economic development structures and opportunities
- To continue the City's participation in the benchmarking program through UT-MTAS and other organizations, such as ICMA or GFOA
- Support the sustainability efforts identified by staff and the City's sustainability committee
- Continue efforts to recruit qualified employees including the efforts to diversify the workforce
- Continue efforts to find a workable solution to public transportation needs that would provide needed services with a more effective financial solution

Regarding bullet point two, revenue diversification, Alderman Petersen asked if there would be anything outside the box for that. Mr. Stuckey noted that is how revenue is structured and there is nothing dramatically outside the box. The City is dependent on sales tax. Russ Truell commented that rating agencies want to know how dependent the City is on particular revenue. Moody's had mentioned diversification. Mr. Stuckey added the rating agencies are glad the City is looking at fund balances, etc, and showing a comprehensive approach.

Alderman Petersen related that one of her main goals is a balanced budget. Regarding efforts to decrease department budgets, she mentioned Solid Waste, Police and Pension. They should hold the line as much as possible with the prospect of flat revenue.

- Mr. Stuckey said there are certain unavoidable costs in some areas that cannot be changed.
- Alderman Burger and Alderman Petersen thought perhaps some equipment purchases could be postponed in Streets and Solid Waste.

- Alderman Petersen was pleased to see that transportation describes road projects
- The Blue Bag Recycling Program is being rolled out to help save on solid waste tipping fees
- Alderman Burger asked about continued membership in State organizations and wondered why the aldermen weren't hearing about MTAS classes. She attended those classes and thought it would be good for all the aldermen to have the opportunity to do so as it would help them with their job as elected officials. Alderman Skinner countered the Citizens' Government Academy covers much of the same information on City departments
- Alderman Petersen mentioned the travel budget and said the State has drastically cut travel budgets. Eric Stuckey noted it is a balancing act to assure all travel is for the purpose of educating individuals for their jobs – 30-40% reductions. Now doing webinars and such.

4. Budget Presentation: Engineering Department

Eric Gardner, Engineering Director

Mr. Gardner gave a power point presentation of the department's achievements and goals and challenges.

- Manage CIP projects
- Perform in-house design of smaller projects
- Operating Budget for 2010 was \$74,689 with proposed 2011 cut to \$43,035 (26% cut)
- Estimate saving \$13,500 on contractual services
- Eliminate some software and maintenance agreements; however, that will make it more difficult to design in-house. Go with leaner versions of software.
- Historically, contractual services are needed for surveying and appraisals not part of projects
- Personnel: 5 Engineers (including the director), 1 ROW Agent, 5 support staff, 1 intern, and 1 open position that will not be filled this year
- No proposed capital expenses
- Had in-house project management on Columbia Avenue Streetscape, saving the City \$110,000
- Did more electronic plan reviews and electronic filing of project information

Alderman Skinner asked why they weren't asking for the engineering position to be filled now instead of later. Mr. Gardner answered they are doing well now but it could be better. On the project management side they have a lot of projects right now. Next year, hopefully, Hillsboro Road will be into the right-of-way stage. Alderman Skinner noted that last year there was talk of being able to negotiate engineering contracts. Eric Stuckey related per State law they can negotiate but not bid.

5. Budget Presentation: TOC Department

Eric Gardner, Engineering Director

Eric Gardner reviewed the services, goals and challenges aided by Kevin Comstock.

- Manage CIP ARRA Federal 80/a20 match projects
- Perform in-house design of smaller projects
- Provide customer service - answer questions and concerns about traffic operations and provide traffic updates.
- Identify areas of improvement traffic management and safety
- Tweeting traffic
- Operations Budget 2010 - \$71,285, estimated actual 2010 - \$36,549, 2011 - \$130,666 (83% higher).
- Contractual services up \$47,800 for downtown traffic signal. Operations and Contractual are 94% of the operations budget.
- Challenges include improving traffic congestion, identify and propose improvements for intersections, more State and Federal funding opportunities, and find time to perform all tasks with current number of personnel.
- Alderman Skinner suggested a traffic camera at the intersection where the YMCA is located.
- Opportunities to leverage local dollars, grant money.
- Personnel – 1 traffic engineer, 2 TOC personnel (they work with Street Department traffic personnel). No proposed changes this year. By 2012 will need an additional TOC position. Another department employee has helped part-time. There will be increased maintenance of infrastructure
- Capital Budget – 2 TOC carried over from this year – software, infrastructure, and traffic signal upgrades. Capital budget decreased by 10%, secured \$1,225,000 ARRA.

6. Budget Presentation: Stormwater Department

Eric Gardner, Engineering Director

Joe York, Streets Director

Mr. Gardner presented the Engineering portion of Stormwater Budget.

- Provide public education, protect City from stormwater pollution
- Expenses 11% of overall stormwater operation, no capital expenses
- New State stormwater permit out for public comment next week. How does the new permit affect the budget?
- New Stormwater Ordinance.
- Personnel – 1 stormwater coordinator and 1 intern. No proposed change.
- Successfully working with Street Department on in-house design for small drainage project
- Software for quicker evaluation of proposed development
- Meeting stormwater quality requirements

Streets portion of Stormwater budget addressed by Joe York and Steve Grubb. Very little change in the budget.

- Funding includes stormwater crew to rehab and clean pipes and ditches, refurbish failed drainage systems.
- Street sweepers and fuel costs will look at putting operations in this budget
- No new personnel
- Asking for new trailer on which to haul equipment, a new service truck (current truck a maintenance issue), a small excavator to clean out small culverts, etc. (\$20,000). Now renting the excavator for \$150-\$200 per hour. Unsure of how hours of rental. Street sweepers projected for 2013.
- Mr. Stuckey will look at capital section to make sure it is with the five-year plan
- Dredging drainage basins will be part of the five-year plan. Jackson Lake is the first to receive maintenance

7. Budget Presentation: Streets Department

Joe York, Streets Director

Organizational changes: Assistant Street Director Steve Grubb responsible for street maintenance, stormwater, landscaping and concrete. Joe York oversees office staff, fleet maintenance, road inspectors and traffic maintenance.

Maintenance Division: Sustainability Improvements

- Annual leaf vacuum service yielded approximately 7,000 cubic yards of leaves – 30% increase over the 2008 season. Leaves processed at the composting facility along with 1,230 tons of bagged yard waste; thus saving the Solid Waste Department approximately \$37,605.
- Elimination of transport and landfill fees saved the Street Department \$42,380 in vehicle maintenance, fuel, and labor cost.

Maintenance Division: Cost Savings Improvements

- In-house addition to Salt Storage Facility allowed an additional 280 tons of salt to be stored, double the amount previously. \$55,000 budgeted for the construction; however in-house personnel did the construction for about \$20,000
- With more trees across the City maturing, the streets become almost covered in leaves in leaf season making street sweeping unfeasible. The sweepers were parked for three months and sweeping personnel used on leaf crews saving \$4,000 in fuel

Traffic Division: Sustainability Improvements

- LED lights were installed in the City owned traffic lights owned by the City @ 93 signalized intersections.
- LED lights reduce power consumption from 1,342,548 kWh per year to 123,876 kWh per year. LED lights produce minimal heat resulting in less maintenance. Low power drawn by the OED signals helps slow deterioration of intersection wiring. An LED signal is a matrix of several dozen LED bulbs. If an individual bulb fails, the signal continues to function, reducing the need for call back for both Traffic Division and Police Department personnel.
- UPS Systems (Uninterruptable Power Supply) allow signals with LED lights to continue working for up to eight hours during power failures eliminating costs of personnel call back and police assistance. Thirteen intersections have UPS Systems with five scheduled installations prior to July 1, 2010 and five more scheduled during 2011 Fiscal Year.

Traffic Division: Additional Cost Savings

- Way-Finding Signage – Signs produced in-house reduced the cost \$1,200 each, including installation, resulting in a savings of \$3,165, or 72% less per sign

- Request the addition of one part-time employee for the landscaping crew for the Policy Department building and landscaping improvements on Columbia Avenue, Third Avenue, and Fifth Avenue, and all other landscape maintenance currently being performed in the downtown corridor.

Maintenance Division: Capital Improvements

- 2008-2009 Roadway Patch Cost Totaled: \$161,424.29. Estimated Infrared Truck Use Cost Total: \$37,278.50. Total Green savings with use of Infrared Patch methods: 275.89 cubic yards of asphalt not going to the landfill, 2,210.5 gallons of diesel not being consumed in equipment, and 1168.88 tons of asphalt not manufactured. Thus decreasing carbon footprint substantially in our roadway asphalt patch program.
- A new truck has been in the budget for two years. At a certain point, maintenance/repair costs of older vehicles reaches the point where it would be more cost efficient to purchase a new vehicle.

Fleet Maintenance Division: Cost Savings

- Labor hours and labor rate in-house vs. outsourced = \$19,937 labor cost savings.
- The current building is too small to house the larger vehicles being repaired and it is done outside the building.

- Alderman Burger left the meeting @ 5:58 p.m.

Discussion

- Use of the Infrared Truck for road patching would free-up four or five employees. Could probably do some concrete work and save about one-third of the cost.
- The truck to be replaced requires about \$2,000 in maintenance. The truck is worth about \$600.
- More efficient to have a big enough building for Fleet Maintenance. Not asking for an expanded facility this year. Eric Stuckey noted they are looking for an existing facility.
- Alderman Petersen noted the Tree Commission has money in the Tree Bank that had been approved to use for trees in the Columbia Avenue Streetscape, but had been informed that had been taken care of. Mr. Stuckey added this would be a good place to use the money. He will check to see if the money is needed.
- Alderman Skinner asked if the concrete crew would could restore sidewalks. Steve Grubb replied they can handle small installations
- Cutbacks could be made in the Wayfinding requests
- Risk Management recommended funds be allocated in the budget to take care of costs incurred when light poles are damaged and the party at fault does not have insurance or does not take responsibility for damage. Many poles are in harm's way. The City does not decide where they are placed.

Street Aid & Transportation

- Increase of \$300,000 over last year and tied to 12-year paving cycle. Mr. Stuckey noted approximately \$1.6 million comes from Gas Tax each year. It cannot be funded with just gas tax money. Should look at the service level of the streets as something to think about this year in longer term reality financially and from a service level.
- Some streets could possibly go longer without paving with the infrared patching method.

- A five-minutes break was taken and the meeting resumed at 6:27 p.m.

8. Budget Presentation: Building and Neighborhood Services

Gary Luffman, BNS Director

Gary Luffman and Tom Marsh presented a Budget Overview.

Organizational Chart presented

Personnel Notes

- 94% of the Department's budget is in personnel.
- 2 positions reclassified, new Building Inspector Preservation Specialist (Steve Valley is assisting in the interim), and Residential & Energy Plans Examiner.
- 2 positions eliminated 1 building inspector and one electrical inspector.
- 2 positions unfunded in current and proposed budget.
- Personnel assigned alternate tasks according to current requirements
 - Building Inspector will assist new Preservation Planner and perform all inspections in Historic Districts
 - Electrical Inspector serving as Sign Administrator

Building & Electrical Inspectors responding to property maintenance complaints

- Previous year actions
 - Eliminated 1 Neighborhood Resource Coordinator position to create Housing Development Coordinator
 - Eliminated 1 Building Inspector Position to create Fire Code Plans Examiner

Permit Data 2006-2009 presented

	2009	2008	2007	2006
Total Permits (B,P,M,E)	4,447	7,641	9,178	9,462
Total Permit Fees	\$710,165	\$1,500,299	\$2,115,896	\$1,698,945
Total New Residential Units	170	618	668	833
Non-residential Plans Reviewed	341	542	510	477
Total Value of Construction	\$168,468,833	\$627,434,763	\$837,869,103	\$558,065,513

Performance Measures

	Total Inspections/Inspections per Inspector/Percent Failed			
	Building	Plumbing	Mechanical	Electrical
2010 (YTD)	2,539/572/15.9	1,373/230/16.8	1,413/353/23.0	3,577/894/15.6
2009	5,212/1,092/17.4	3,366/700/19.2	3,307/827/20.4	7,932/1,983/12.9

Accomplishments

- Inspectors achieved 31 new ICC and State Certifications
- Utilized recovery funds to purchase two properties for construction of affordable housing units
- Implemented use of Hansen customer service module and online customer service requests. Responded to over 500 customer service requests
- Processed over 750 cases for various code violations; 113 specifically for delinquent business taxes, which improved City revenue collections
- Funded and administered completion of repairs to 18 homes through Emergency Repair program of Community Development Block Grant
- Oversaw completion of clean-up of 2 properties (Worley and Hood) that were among the worst property maintenance problems in the City
- Provided inspections outside of regular work hours for over 50 special events
- Initiated Neighborhood Inspection Program with completion of courtesy inspections in the Ron Crutcher Estates neighborhood
- Provided seminars for general and electrical contractors to cover new versions of International Codes and procedures and process to work in the City
- Completed 388 hours of continuing education

Sustainability

- Implemented electronic plan review process (EPASS)
 - Significant reduction in amount of paper required to submit documents for site plan or building plan review
 - Long term this will also reduce physical space required for storage of plans
- No new vehicles requested. Tiny increase in operating cost. Line 83599, \$4,200 for printers as new Wi-Fi will allow use of computers in vehicles making it possible to print and leave documentation on site.

9. Budget Presentation: Planning Department

Catherine Powers, Planning/Sustainability Director

Ms. Powers noted their budget is primarily salary driven, with very little in the budget.

Organizational chart presented.

FY2010-2011 Personnel Changes

- Eliminate Intern Position
- Land Planner Position – Unfunded and Unfilled for 2010-2011

FY 2010-2011 Major Changes

- Public Relations and Education request 2010-2011 - \$2,500. FY 2009-2010 budget was \$15
- Promotions and Special Events request 2010-2011 - \$25,600. FY 2009-2010 budget was \$4,050
- Consultant Services request 2010-2011 - \$15,000. FY 2009-2010 budget was \$5,000

Public Relations and Education \$2,500

- Land Use Plan Updates (being updated in-house)

Seward Hall Character Area
Conservation Design Concept

Sustainability: \$10,000

- Live Green – Arbor Day/Earth Day
- Sustainability Workshops, Training, and related activities

Battlefield Task Force: \$15,600

- Annual Illumination - \$7,750
- “Civil War Days” - \$7,850, new proposal for a separate 2-day event

Consultant Services: \$15,000

- Engineering reviews
- Planning reviews
- In previous years, requests exceeded \$100,000

FY 2009-2010 Sustainability Accomplishments

- Electronic plan submittal reduced 4,320 plan copies to 1,440 (in a down year)
- Electronic distribution of ordinances

FY 2010-2011 Goals

- Green Audit of Land Use Regulations
- ICLEI – Local Governments for Sustainability
- Live Green Partnership
- Pursue more grants

10. Budget Presentation: Parks Department

Lisa Clayton, Parks Director

Accomplishments

- Liberty Park Disc Golf & Playground Grand Opening
- The Park at Harlinsdale Farm Grand Opening
- Greenway & Open Space Master Plan
- Aspen Grove Pergola Grand Opening

Sustainability Efforts

- Christmas tree recycling for trails and disc golf course
- Tree Planting by Volunteers – Riparian Restoration project by three Freedom Middle School sixth graders. Tree Commission provided funds for the trees from Tree Bank and students planted them by a stream in Jim Warren Park.
- Tree Farm at Harlinsdale Farm

Park Attendance by Scheduled User	2008/09	2009/10
Permitted Park Events - Attendance	2,105	14,721
Pavilion Rental Participants	6,070	5,740
COF Usage & Parks Family Events	1,980	5,755
Franklin Baseball Club – Leagues	2,036	1,910
Franklin Baseball Club – Tournaments	2,952	2,472
Franklin Cowboys	454	653
Williamson County Softball	2,016	2,296
Athletic Field Rental Participants	1,664	1,445
School Field Trips Attendance	5,621	6,211
Carnival Main Street Festival	10,000	10,000
Carnival – Pumpkinfest	5,000	5,000
Total Attendance	39,898	56,203

Urban Forestry	2008/09	2009/10
Trees Planted	183	465
Tree Farm Trees	0	300
Trees Donated	0	6
Trees from Tree Bank	124	581
Funding	\$28,600	\$46,600
Trees from Grants	59	150
Funding	\$1,400	\$1,300
Trees from General Fund	0	30
Funding	0	\$2,500

Park Acreage vs. Park Personnel: In 2002 there were 230 acres, 8 park personnel and 1 seasonal worker; in 2009 there were 703 acres, 25 park personnel and 11 seasonal workers.

Parks Revenue 2009: \$3,868 from field rentals, \$1,850 in application fees, \$2,050 in event fees, \$5,390 from pavilion rental, and \$14,528 in lease agreements for a total of \$27,686.

Personnel

Parks Overtime: In 2008 there were 2,291.09 hours of OT for \$52,166.65; in 2009 there were 1,095.69 hours of overtime for \$25,883.34.

Ms. Clayton distributed a report entitled *2009 Schools, Non Profits, Company and COF Events* depicting all event permits for park activities with fees collected.

Budget Challenges

- Positioning personnel with the organization in the right positions to operate more efficiently and effectively
- Continual efforts to reduce overtime – 7 day a week operation from April 1 – November 30
- Challenge – best way to address capital projects in future
- Direct correlation - increase in property & facilities = increase in equipment-vehicles, machinery & equipment. Explore options of leasing vs. purchase
- Continue to provide quality programs, services and facilities while maintaining a high standard with existing parks (Bicentennial Park, Dog Parks, Trails & Practice Facilities)
- Ms. Clayton said there is room for improvement in marketing events and facilities.
- Organizational chart presented with request for changes. To begin taking herself out of some of the day-to-day duties organizational changes are proposed. A Program Superintendent would be responsible for the Program Coordinator (vacant for 2011), Program Specialist, and a Seasonal Program Specialist, Landscaping and Groundskeeping. All others would continue under the Director. Reclassification of in-house staff and request for 2 additional part-timers. Full time positions frozen, five positions unfunded. Will work with Mr. Truell on vacancy adjustments.
- Use of seasonal part-time workers on weekends has cut overtime hours. Smarter scheduling and cross training help as well.
- Lease vs. purchase for bucket truck as it is increasingly harder to schedule equipment use with Street Department.

Alderman Petersen commented that the main thing with capital expenditures is the lack of funds until Police Headquarters is paid for. Money committed to trails in Bicentennial Park area trails and take advantage of grant money, there is money already committed. Eric Stuckey noted it makes sense to do some of the elements related to Bicentennial Park. This is being worked through internally.

-
- #11 taken as first item, followed by all other non-voting items due to lack of quorum. Item taken for vote after item 17

11. Consideration of Amendment to Bond Resolution for Recovery Zone Bonds

Russell Truell, ACA Finance & Administration

Items 11 and 12 are part of the same recovery zone project. This item amends the resolution for the bond issue in December to include the \$5.7 million in ~~recovery~~ **allocation** from Williamson County.

Alderman Burger moved to forward to BOMA for approval. Seconded by Alderman Skinner. Motion carried unanimously.

12. Consideration of Initial Bond Resolution for Recovery Zone Bonds

Russ Truell, ACA Finance & Administration

State government expedited this to May. Not all counties took the money. The City made application for the \$10 million that was to be borrowed next year as this year includes a 45% rebate. Eric Stuckey said language was added. \$10 million is part of the approved funding plan of the Board and is not new money. The difference between doing this as recovery **zone bonds** instead of tax exempt is 20-25%.

Alderman Skinner moved to forward to BOMA for approval. Seconded by Alderman Burger. Motion carried unanimously.

13. Consideration of Contract to Audit with Alexander Thompson

Russ Truell, ACA Finance & Administration

Alderman Skinner moved to forward to BOMA for approval. Seconded by Alderman Burger. Motion carried unanimously.

14. Consideration of Contract to Audit with Yeary, Howell

Russ Truell, ACA Finance & Administration

This contract is for the Conference Center audit.

Alderman Skinner moved to forward to BOMA for approval. Seconded by Alderman Burger. Motion carried unanimously.

15. Consideration of RESOLUTION 2010-19, A Resolution Certifying Deposit Accounts, Securities and Loans

Russ Truell, ACA Finance & Administration

Routine bank resolution for banking. First Tennessee asked to have the language cleaned up regarding some of the names on authorization. A paragraph about buying securities was added as well.

Alderman Burger moved to forward to BOMA for approval. Seconded by Alderman Skinner. Motion carried unanimously.

16. Consideration of Moving the April 15th Meeting Date to April 20th

Russ Truell, ACA Finance & Administration

There are conflicts with the date of the regularly scheduled meeting on April 15. Options: Monday, April 19 @ 5:30, April 26, or April 29. There could be a conflict on the 26th. The 26th and 29th had been considered potential dates for clean-up meetings. April 19 @ 5:30 p.m. appears to be the best time to meet with April 26 as second choice or April 29 @ 4:00 p.m. A decision will be made once it is known if Alderman Moore has conflicts on any of these dates.

17. Informational Reports (No Action Necessary)

December 2009 Budget Report

- In General Fund, there is a deficit of (\$3,230,948). For the same month last year, there was a surplus of \$127,827. The primary factors are less revenue than last year and an additional retirement contribution of \$2 million in 2010.
- Local Sales Tax is 5% less than last year (\$10.8 million compared to \$11.4 million)
- Fuel costs in the General Fund are 28% lower than last year (\$233,000 compared to \$323,000)
- With 50% of year gone, Solid Waste has needed 62% of its budgeted transfer from General Fund
- Road Impact Fees collections are 23% of last year (\$155,000 compared to \$677,000)
- As budgeted, Facilities Tax is in a deficit in current year (\$3,680,576)
- Hotel/Motel collections are equivalent to last year (\$763,000 compared to \$757,000)
- With 50% of year gone, Transit has needed 91% of its budgeted transfer from General Fund
- In the Capital Projects Fund, bond proceeds of over \$44 million were received in the month of December
- Property tax down by more than \$1 million.

Alderman Petersen asked why a certain amount of property tax went into Debt Service. Russ Truell advised he created a Debt Service Fund where all debt service interest and principal is paid from one place. In the January report all debt service of all funds, regardless of source is in that fund so can look in one place. Eric Stuckey noted enables to look at true cost of day-to-day operations vs. debt. Property tax is considered the most stable revenue source going into debt service.

Mr. Stuckey said he has asked department directors to look at a 6% decrease in budgets should it be necessary to further cut the budget.

Russ Truell noted the rebate money received from SunTrust for purchasing card rebate is less than prior years.

- Alderman Burger joined the meeting at 4:26 p.m.

ADJOURN

Meeting adjourned 7:23 p.m.

Ann Petersen, Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office – 7/12/2010 11:24 AM

See items 11 and 12 for amendments: additions in **bold** and deletions ~~striethrough~~
Amendments made at 4/26/10 meeting