

FY2015 Operating Budget Kickoff



Richard M. Riebeling
Finance Director
January 27, 2014

Metropolitan Government of Nashville and Davidson County
Department of Finance
Office of Management and Budget

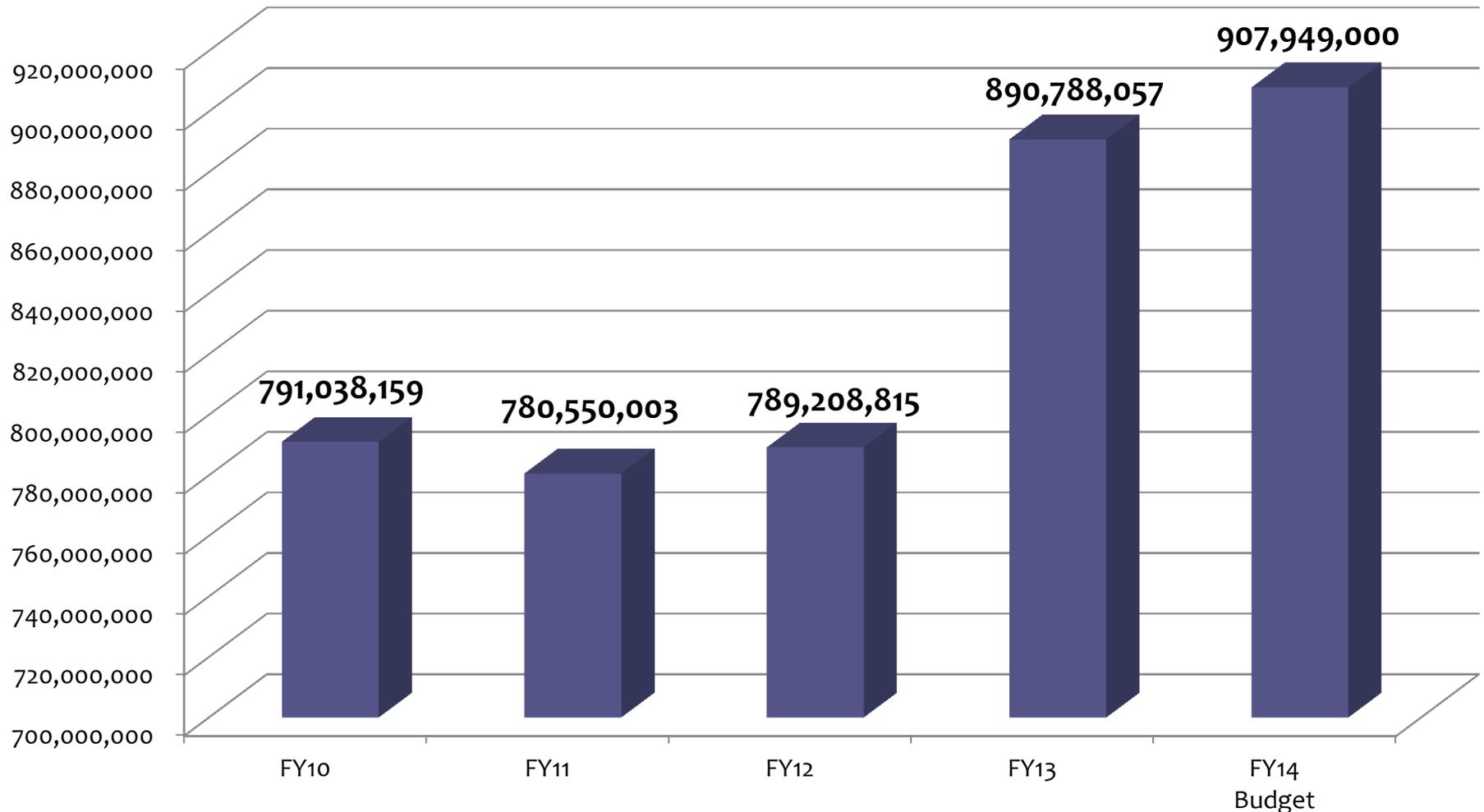
Agenda

- Continuing to manage effectively within resources
- Budget issues for FY2015 and beyond

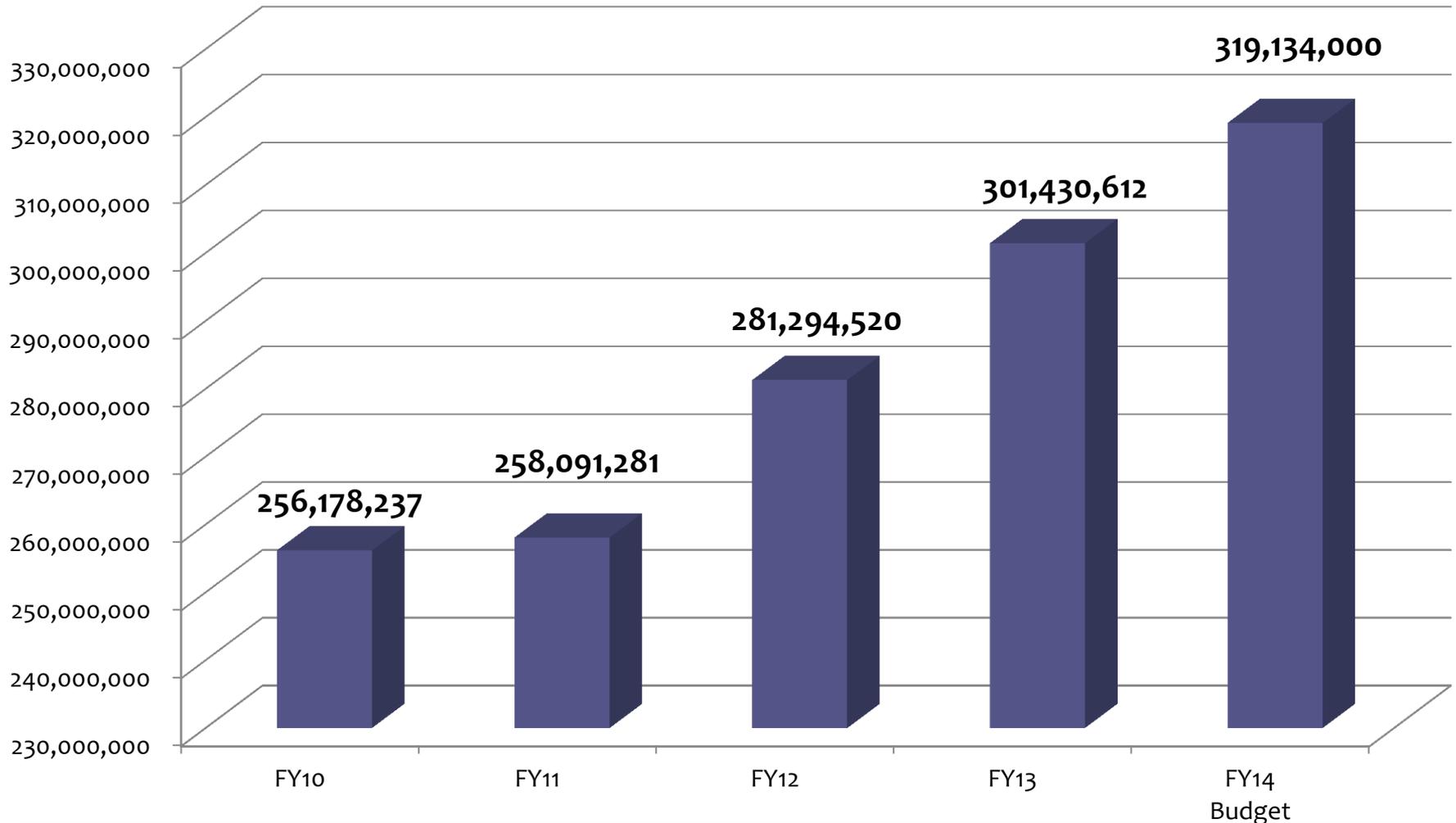
FY2014 - Current Year Status

- Departments are operating within budget
- Small growth in property tax base
- Sales tax is stable
- Maintained strong bond rating
- Fund balance use for operating funds in FY14 is \$27 million
- Need to safeguard/maintain fund balances to address FY15 needs

Property Tax Trends FY2010 - 2014

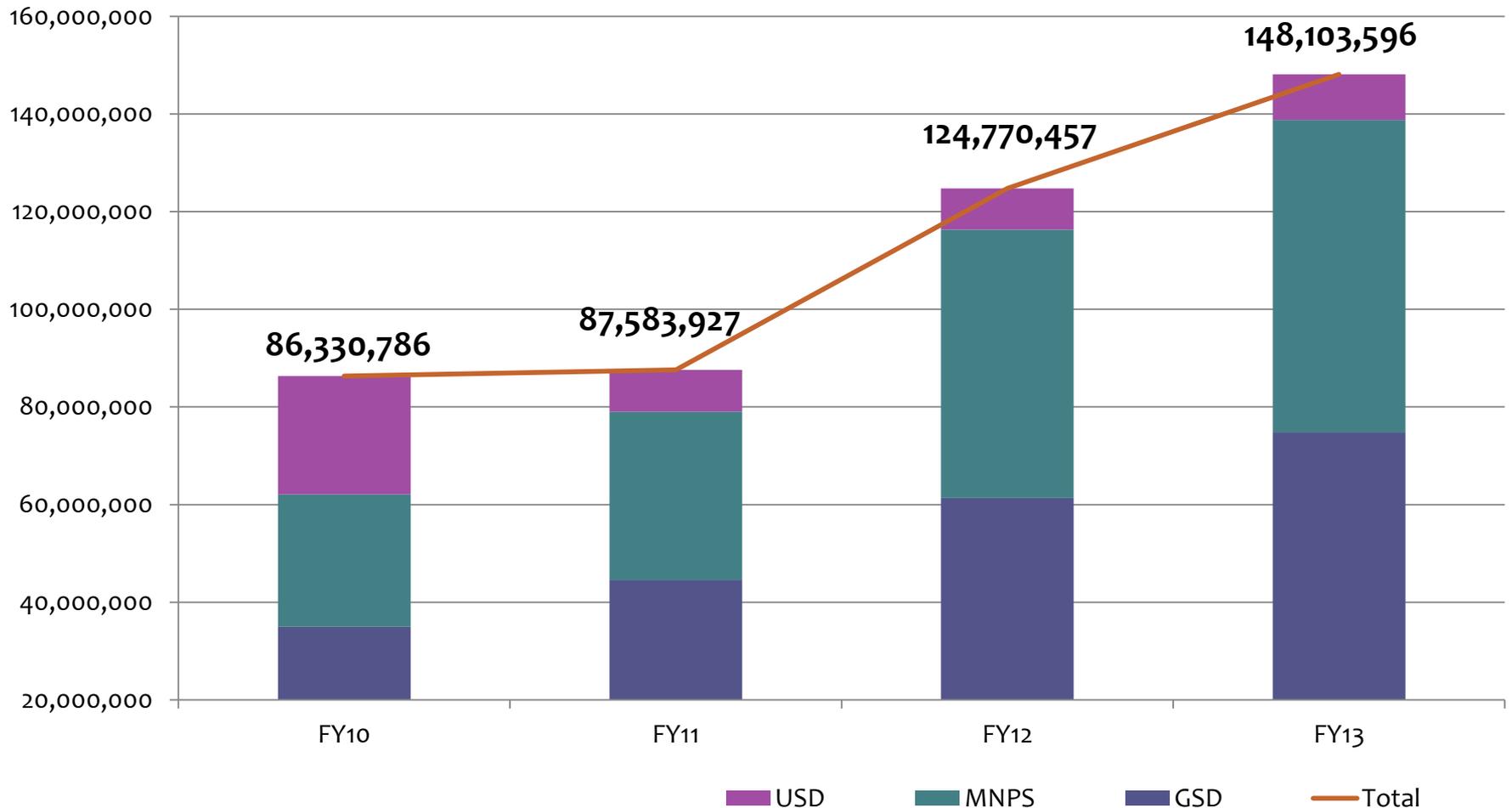


Sales Tax Trends FY2010 - 2014

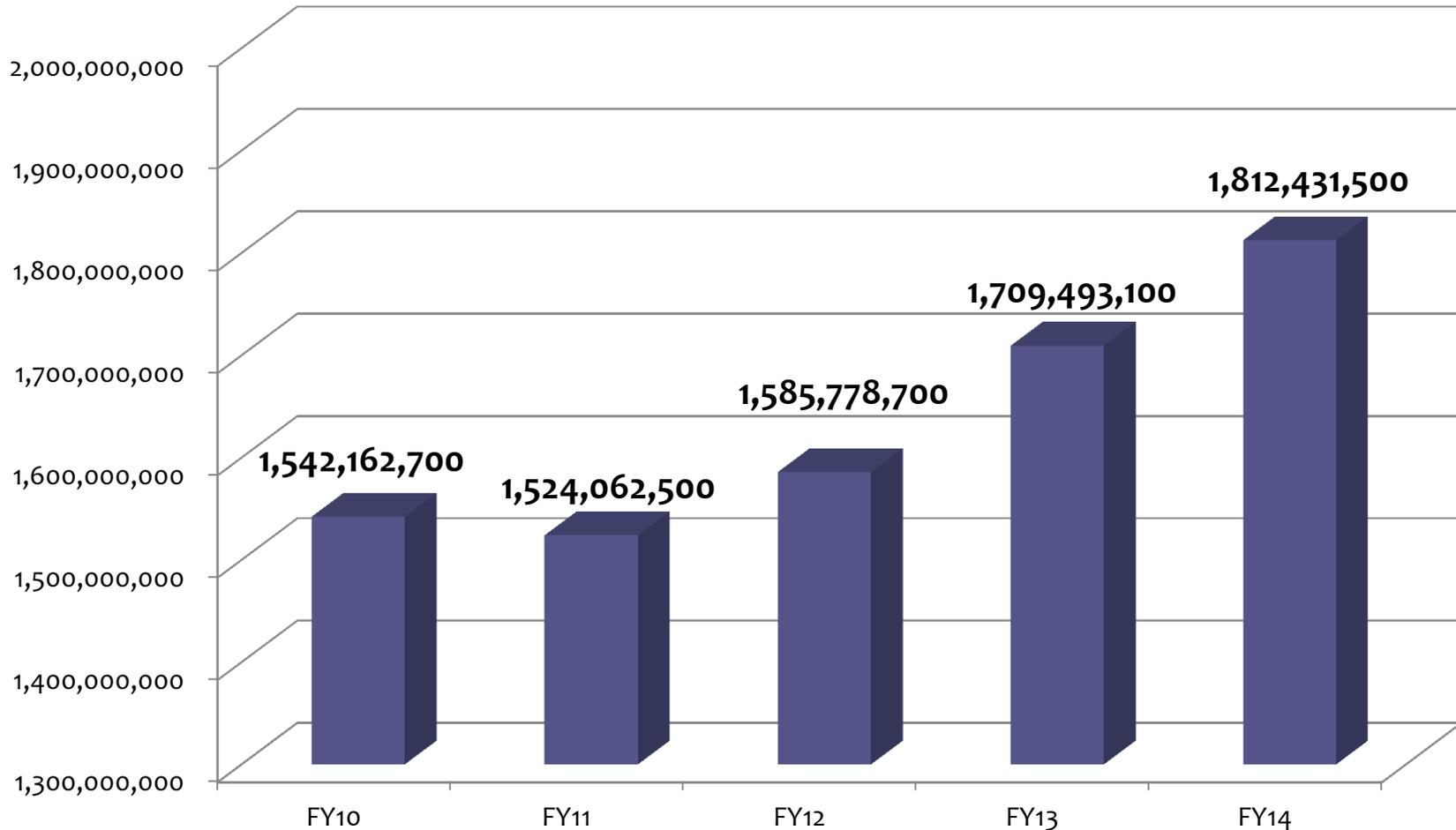


Fund Balance FY2010 - 2013

Operating Funds



Total Budget Growth FY2010 - 2014*



* Operating budgets as approved by Metro Council in Substitute Budget Ordinances

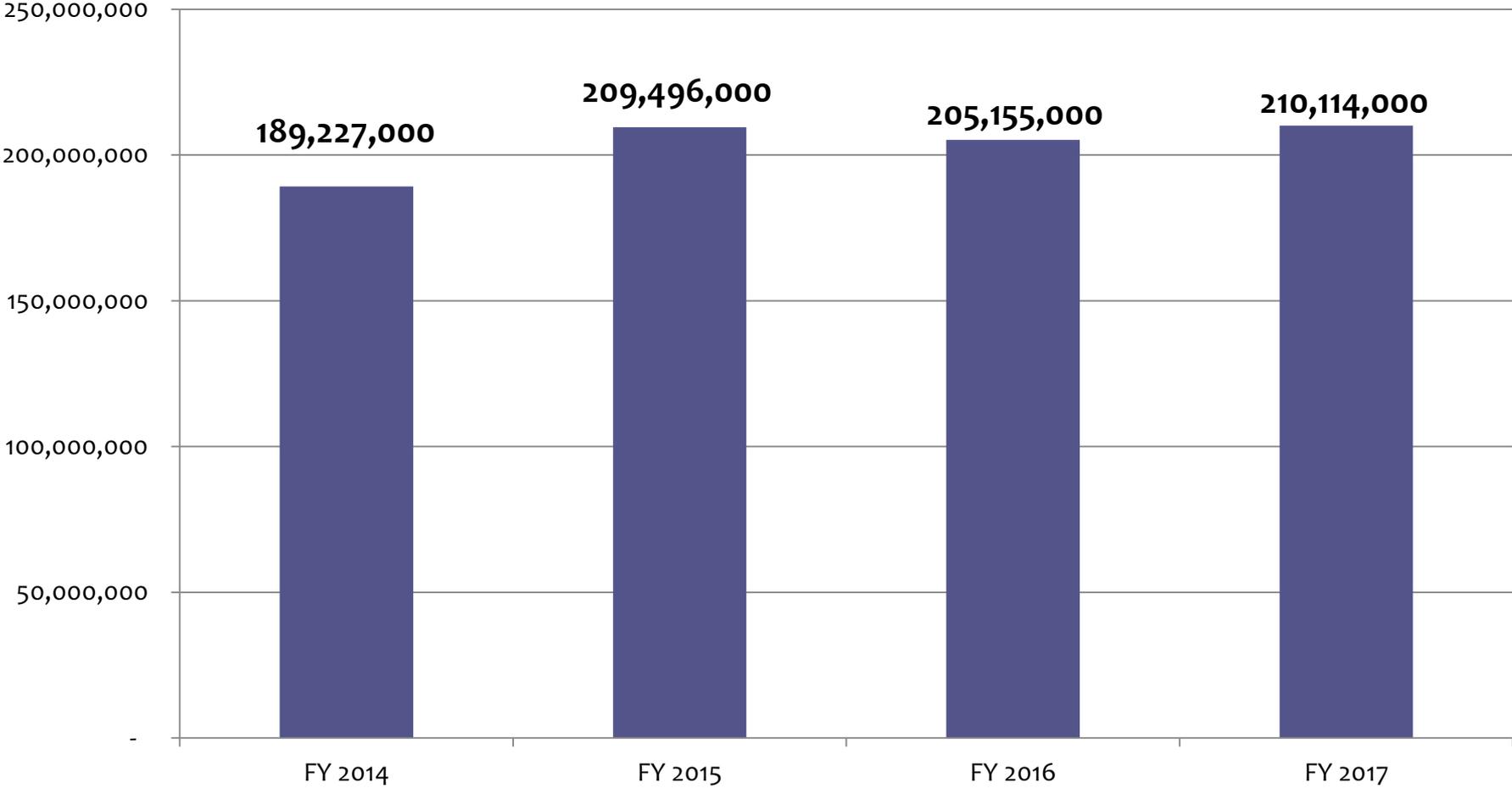
New FY2015 Requirements

- Employee Costs
- Debt Service
- New Facilities
- Schools

Employee Costs

- Must fund January 2014 1.5% salary increase for remaining 6 months
- Pension - Preliminary actuarial need is \$8 million
- Healthcare - Estimated growth at 5%

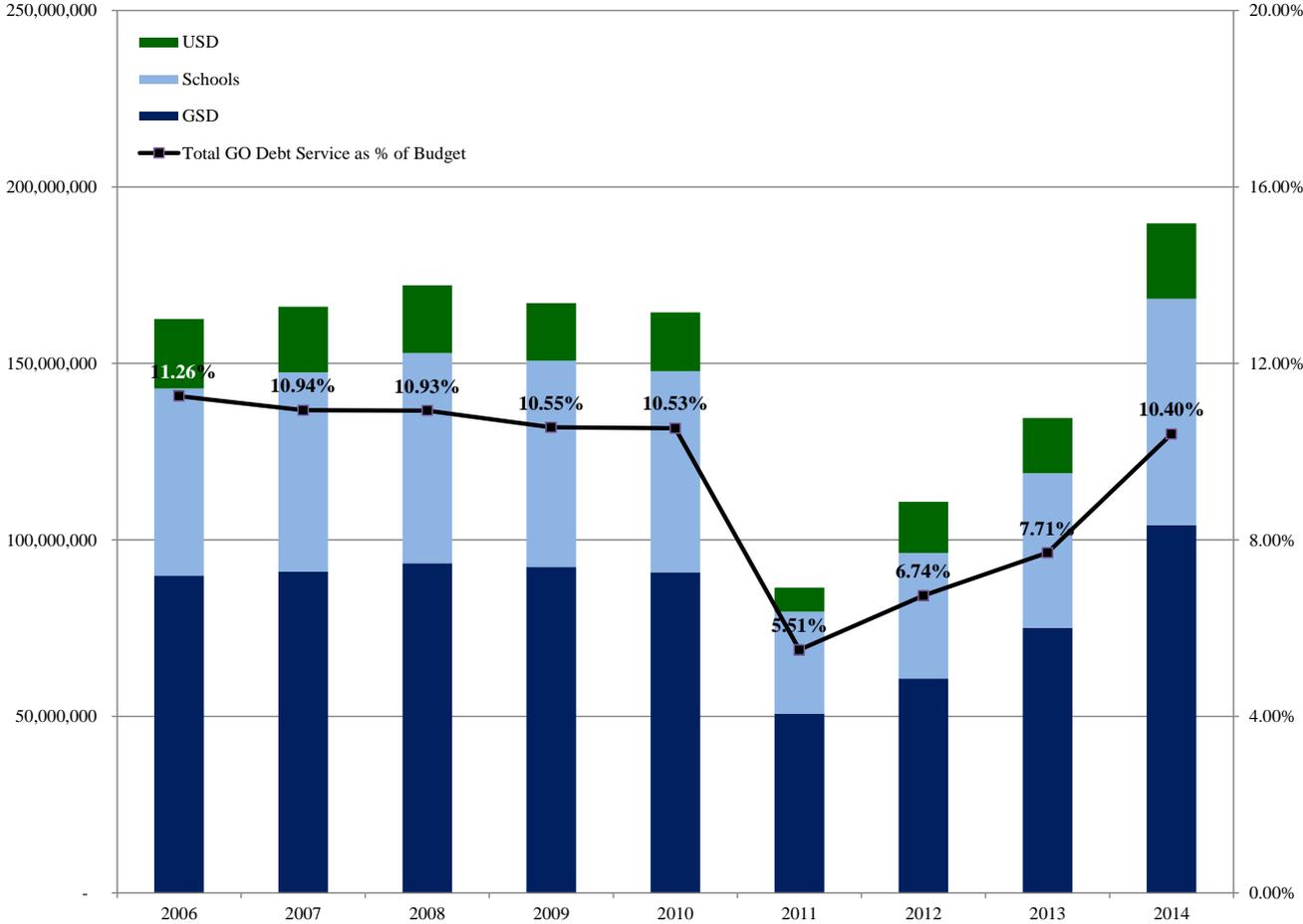
Debt Service



Debt Service

General Obligation Debt

Historical Annual Debt Service Requirement 2006 - 2014



New Facilities

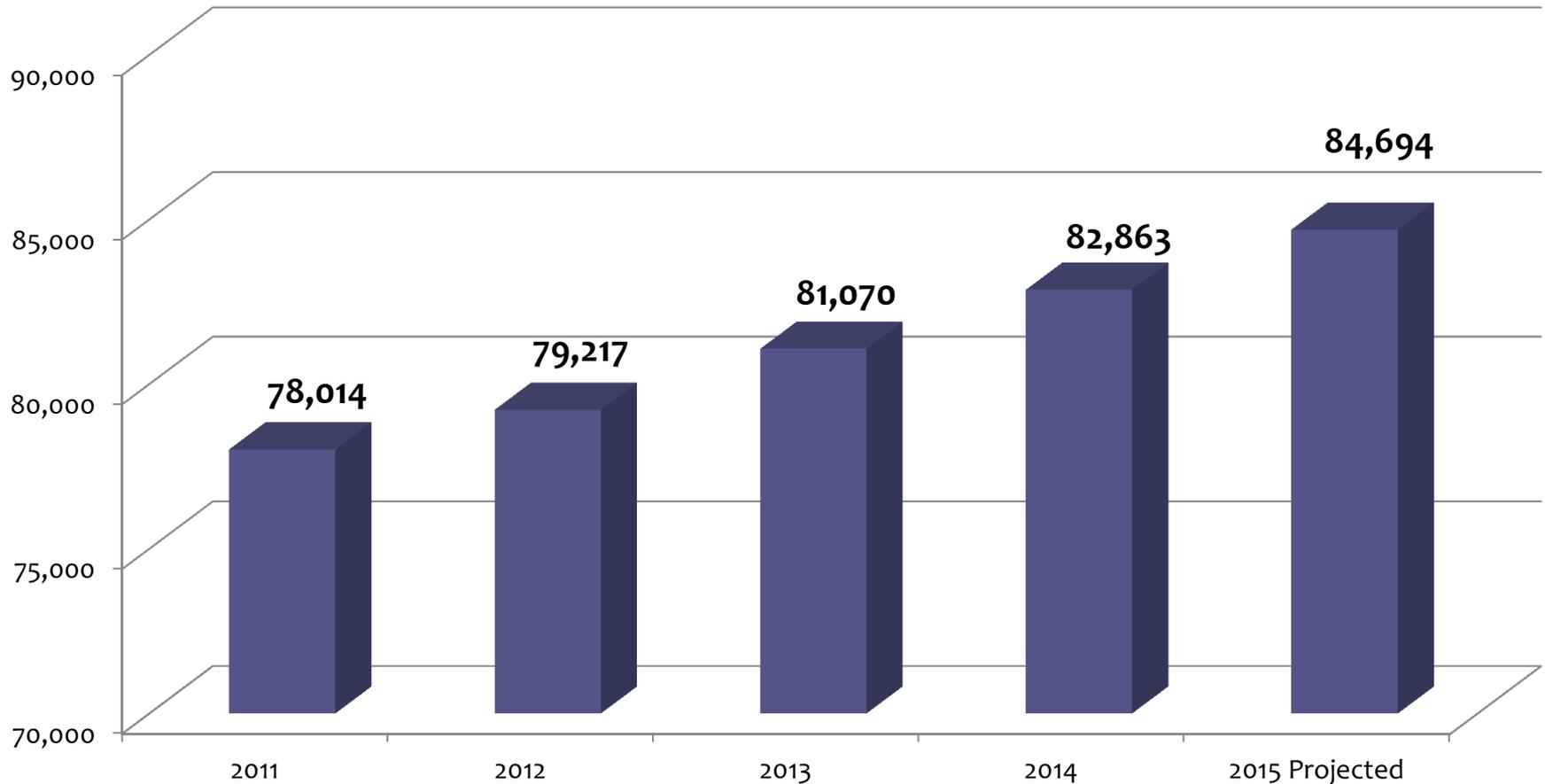
- Mid-Town Precinct
- Library/Community Center/Hockey
- Bellevue Library
- Lentz Public Health Building
- Sevier Park
- Riverfront and Open Space

Schools

- Capital Needs
 - Facility improvements/Deferred maintenance
 - New facilities
 - Technology
- Operational Costs
 - Normal Operating Increases
 - Growing School Population



Schools - Population Growth



Other Budget Considerations

- Compensation Study Results
- Study & Formulating Recommendations
- Insurance Reserve Requirements
- Domestic Violence Recommendations
- MNPS Performance Audit Results

FY2015 Budget

- Continued need to reduce expenditures
- **Very Limited** opportunity for funding improvements

FY2015 Budget Targets

- 3% Reduction Scenario
- Departments should evaluate all revenue options as in prior years

FY2015 Budget

- Detailed budget instructions for finance managers to follow from OMB
- Target worksheets will be out by no later than close of business
 - 01/28/14

FY2015 Budget

- Operating Budget Due Date
 - 2/14/14
- Capital Improvement Budget Due Date
 - 2/21/14

FY2015 Operating Budget Kickoff



Richard M. Riebeling
Finance Director
January 27, 2014

Metropolitan Government of Nashville and Davidson County
Department of Finance
Office of Management and Budget