



METROPOLITAN COUNCIL

Metro Council Office

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

DATE: **February 4, 2014**

RE: **Analysis Report**

Unaudited Fund Balances as of 1/29/14:

4% Reserve Fund	\$22,292,406*
Metro Self Insured Liability Claims	\$4,866,861
Judgments & Losses	\$2,341,363
Schools Self Insured Liability Claims	\$2,302,227
Self-Insured Property Loss Aggregate	\$6,283,581
Employee Blanket Bond Claims	\$637,059
Police Professional Liability Claims	\$2,853,716
Death Benefit	\$774,428

* Assumes unrealized estimated revenues in fiscal year 2014 of \$15,651,644

– BILLS ON PUBLIC HEARING –

ORDINANCE NO. BL2014-651 (ALLEN) – This ordinance amends the Metro zoning code to regulate temporary music events on commercial property that is located in close proximity to residential areas. Aside from the Metro noise ordinance, the code currently does not regulate or expressly authorize small concerts on commercially-zoned property. Such concerts have become an issue in certain areas that have a mixture of commercial and residential uses within close proximity to each other.

This ordinance would make temporary music events a special exception use in the CS, CA, and CF zoning districts. Special exception use permits require approval of the board of zoning appeals. The specific requirements for this special exception use would be as follows:

- Outdoor amplification equipment must be located "as far as reasonably possible" from the boundary line of the nearest residential property, and sound must not be oriented toward the nearest residential property.
- Sound would be limited to 70 decibels measured at the site boundary.
- No more than one event could be held per month, and no more than eight per year.
- All activity must take place between 7:00 a.m. and 9:00 p.m.
- Adequate off-street parking must be provided, and access must be from a nonresidential collector street.
- All lighting and glare must be directed on site.
- The applicant must provide notice of the event to adjacent property owners at least five days before the event.

There is a proposed substitute for this bill that would make temporary music events a permitted with conditions (PC) use instead of a special exception. This would allow the codes department to issue a permit if the applicant can satisfy all of the required conditions without having to go before the board of zoning appeals. The substitute bill also modifies the applicable conditions, including a 150-person cap on the number of attendees and more onerous notice requirements.

This ordinance has been referred to the planning commission. Since less than 30 days has elapsed since the date of referral to the commission, this ordinance must be deferred prior to the public hearing unless the council rules are suspended to allow the public hearing to take place.

ORDINANCE NO. BL2014-652 (HUNT) – This ordinance amends the Metro zoning code pertaining to animal hospitals, kennels/stables, veterinarians, and animal boarding facilities. The primary purpose of this ordinance is to allow animal boarding facilities near more densely populated residential areas. Such facilities are currently only allowed as a primary use in the downtown and industrial zoning areas, but are allowed as an ancillary use to veterinarians provided the boarding is done within a completely enclosed structure. This ordinance would allow animal boarding facilities to also be located in the mixed-use and commercial zoning districts (MUN, MUN-A, MUL, MUL-A, MUG, MUG-A, MUI, MUI-A, CL, CS, CF, SCC, and SCR districts) as a use permitted with conditions.

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ORDINANCE NO. BL2014-652 (continued)

The ordinance would also modify some of the conditions applicable to animal boarding facilities. Such facilities, where permitted, currently cannot be located within 200 feet from a residence. This ordinance would delete the distance requirement from residential property. This ordinance would also add a requirement that the floors of buildings, runs, and walls be constructed out of an impervious material to permit proper cleaning and disinfecting.

Further, this bill would add a specific definition for "veterinarian", which would include animal hospitals, and allow animal boarding as an accessory use to a veterinarian's office. While veterinarian is currently a specific use in the zoning code, the term is not defined. Animal hospitals are currently only allowed with conditions in the industrial zoning districts. By incorporating animal hospital into the veterinarian use, this bill would allow animal hospitals in the mixed-use, office, commercial, shopping center, and industrial districts. Veterinarian offices would continue to be limited to 2,500 square feet, with no more than 30% of the floor area to be used as a boarding facility.

The ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-653 (GARRETT) – This ordinance amends the Metro zoning code to clarify that historic home events must be located inside a historically significant structure. Under the zoning code, "historic home events" is a special exception use, meaning it must be approved by the board of zoning appeals (BZA) prior to operation. The zoning code defines historic home event as "the hosting of events such as, but not limited to, weddings or parties for pay at a private home which has been judged to be historically significant by the historic commission." The code includes certain criteria that must be met in order for property to be allowed to hold these home events, such as parking standards, limited meal service, and a requirement that the home be owner-occupied.

One of the conditions applicable to historic home events is that all events "must be within a historically significant structure, as determined by the historic zoning commission". The board of zoning appeals recently made a determination that "within a historically significant structure" includes areas that are not necessarily within the four walls of the home itself. This ordinance would require that all historic home event activities be conducted inside the permanent, primary walls of the historically significant home only.

This ordinance has been referred to the planning commission. Since less than 30 days has elapsed since the date of referral to the commission, this ordinance must be deferred prior to the public hearing unless the council rules are suspended to allow the public hearing to take place.

– RESOLUTIONS –

RESOLUTION NO. RS2014-948 (MITCHELL) – This resolution appropriates \$13,100,000 from the undesignated fund balance of the general fund of the general services district (GSD) to Metro Schools. On November 12, 2013, the Metro board of education voted to authorize the use of \$19,100,000 of the schools undesignated fund balance to fund a teacher retirement incentive and for technology to implement the Common Core standards. On December 17, 2013, the council appropriated \$4,300,000 from the schools undesignated fund balance to Metro Nashville public schools (MNPS) for the teacher retirement buyout incentive, but legislation was not submitted to address the school board's other requests. The Metro schools chief financial officer, Chris Henson, informed the council budget and finance committee on December 16, 2013 that MNPS had decided to pursue other sources of funding for this equipment in the current fiscal year, as opposed to the use of fund balance.

This resolution would appropriate \$13,100,000 that could fund the purchase of laptop computers, teacher technology training, and a universal screener assessment for the implementation of the Common Core testing.

The undesignated fund balance for Metro schools at the end of the fiscal year is estimated to be approximately \$60,600,000 after the recent appropriation for the retirement buyout, which represents roughly 8.2% of the total MNPS operating budget. This resolution would reduce the anticipated fund balance to approximately \$47,500,000, or 6.4%. The Metropolitan Government has established a policy of maintaining a minimum undesignated fund balance of 5% in all reserve funds.

The director of finance has refused to sign this resolution as to the availability of funds, opining that it would be fiscally irresponsible to spend a significant amount from the schools fund balance given the funding deficit projected by MNPS going into fiscal year 2014-2015.

Substitute Resolution No. RS2014-963 would provide \$6 million in capital funds to be used for the purchase of these laptop computers for Metro schools.

SUBSTITUTE RESOLUTION NO. RS2014-963 (STEINE) – This resolution determines to issue \$21 million in GSD general obligation bonds for the purchase of heavy equipment for the fire department, public works department, parks department, and the Metro action commission, and for the purchase of technology equipment for the Metro Nashville public schools (MNPS). First, this resolution would enable \$15 million of heavy equipment to be purchased using Metro's commercial paper program, which allows for the short-term financing of capital projects. The commercial paper program is typically used to get capital projects started prior to the issuance of long-term bonds. However, since equipment obviously has a shorter life span than buildings, the resolution provides that Metro intends to service the debt through the general fund reserve fund, commonly known as the 4% fund. By charter, Metro is required to set aside 4% of the general fund of the general services district annually for the purchase of equipment and building repairs. Metro will be pledging the full faith and credit of the government to cover the debt in the event it is not paid through the 4% fund.

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SUBSTITUTE RESOLUTION NO. RS2014-963 (continued)

To the best of the council office's knowledge, this will be the first time Metro would use the 4% funds to pay debt service instead of for the direct purchase of equipment or building repairs. A list of the 100 pieces of equipment to be purchased and the estimated cost for each is attached to this analysis. The second phase of heavy equipment acquisition is expected to be submitted to the council in the spring as part of the capital spending plan.

The substitute resolution would also provide \$6 million for MNPS to purchase 8,600 laptop computers for the implementation of the Common Core testing. The debt on these computers, which according to MNPS will have a useful life of four years, will ultimately be funded through the issuance of bonds.

RESOLUTION NO. RS2014-973 (TYGARD, STEINE & LANGSTER) – This resolution approves an amendment to a grant from the Friends of Centennial Park and the Parthenon to the Metropolitan parks department to provide funding for the President of the Conservancy, which position is currently filled by Sylvia Rapoport. The original grant was in the amount of \$90,000 to cover the salary for fiscal year 2014. There was a required local match of \$33,475 to cover the fringe benefit costs associated with the position. This amendment increases the amount of the grant by \$55,000 to provide a total annual salary of \$100,000 for calendar year 2014, and extends the term through December 31, 2014. The amendment results in an increase in the amount of the Metro match by \$24,812.50.

RESOLUTION NO. RS2014-974 (STEINE & MAYNARD) - This resolution approves the eighth and ninth amendments to a grant from the U.S. environmental protection agency (EPA) to the Metropolitan board of health to achieve established ambient air quality standards. These funds are used to collect data and to monitor the ambient air concentrations for ozone, fine particulate matter, regional haze, sulfur dioxide, carbon monoxide, and mercury on behalf of the EPA. The amendment increases the grant amount by \$254,956 for a new grant total of \$1,763,956, and extends the term of the grant through September 30, 2014.

RESOLUTION NOS. RS2014-975, RS2014-976 & RS2014-977 – These three resolutions approve intergovernmental agreements to distribute state grant funds to assist with investigations of internet crimes against children. The Metropolitan police department was awarded a grant in the amount of \$240,000 from the state department of finance and administration, office of criminal justice programs, for the Internet Crimes Against Children (ICAC) unit. These funds are to be used solely for equipment, training, and travel related to ICAC investigations, and may be sub-granted to other law enforcement agencies. The terms of these agreements are from July 1, 2013 through June 30, 2014.

Resolution No. RS2014-975 (Steine, Langster & Pardue) approves an agreement with the Tennessee Association of Chiefs of Police for the distribution of \$10,000 of the grant funds.

Resolution No. RS2013-976 (Steine & Pardue) approves an agreement with the Dickson County sheriff's office for the distribution of \$25,000 of the grant funds.

Resolution No. RS2014-977 (Steine & Pardue) approves an agreement with the Cookeville police department for the distribution of \$25,000 of the grant funds.

RESOLUTION NO. RS2014-978 (STEINE & PARDUE) – This resolution approves a grant in the amount of \$4,100 from the Community Foundation of Middle Tennessee to the Davidson County sheriff's office to build outdoor shelters for animals in collaboration with the Metro animal control center. This grant is to support the sheriff's office PAWS program.

RESOLUTION NO. RS2014-979 (STEINE & PARDUE) – This ordinance approves a grant in the amount of \$112,000 from the state department of finance and administration to the Metro police department to fund a pilot program to assist victims from high crime areas. This grant will fund two part-time positions to provide services to underserved crime victims in North and South Nashville. The services will include outreach, advocacy, case management, and referrals. The police department will collaborate with other crime victim agencies to provide the services. There is a required local match of \$28,000 to be provided by the police department.

RESOLUTION NOS. RS2014-980 and RS2014-981 (STEINE, DOMINY & OTHERS) – These two resolutions approve agreements with the state department of transportation and the City of Brentwood for a regional traffic management study and traffic signal optimization effort for several intersections in southern Davidson County and the City of Brentwood in Williamson County. The project will involve hiring an engineering firm to study 33 intersections along Franklin Pike, Maryland Way, and Old Hickory Boulevard. The study will include the development and implementation of updated signal timing plans, with coordination between Metro and Brentwood. The cost of the project is estimated to be \$382,500, with 80% of the costs funded with federal transportation funds, and Metro and Brentwood each contributing 10% of the cost. The project is estimated to take between 10 and 14 months to complete.

Resolution No. RS2014-980 approves an intergovernmental agreement with the state department of transportation and the City of Brentwood that provides for the federal pass-through funding of the project.

Resolution No. RS2014-981 approves an interlocal agreement with the City of Brentwood for the implementation of the traffic study.

State law allows intergovernmental/interlocal agreements between governmental entities to be approved by resolution.

RESOLUTION NO. RS2014-982 (BARRY, DOMINY & STEINE) – This resolution approves an intergovernmental agreement between the state department of transportation and the Metro department of public works for miscellaneous safety improvements on Shute Lane and Saundersville Road from Old Hickory Boulevard to the Wilson County line. The total cost of the project is estimated to be \$825,740, with \$783,600 paid through federal funds, \$28,400 from Metro, \$9,500 from Wilson County, and \$4,240 from the state. Metro will be responsible for maintaining the safety improvements once they are installed.

RESOLUTION NO. RS2014-983 (STEINE) – This resolution authorizes the department of law to settle the Metropolitan transit authority's (MTA) claim against Metro for the amount of \$10,864.86. On September 5, 2013, a Metro water services employee lost control of the Metro vehicle he was driving while attempting to make a right turn from 10th Avenue onto Jefferson Street and collided with a MTA bus that was stopped to discharge passengers. The accident caused damage to the rear bumper area of the bus. No injuries resulted from this accident. This resolution settles the claim for the amount of damage to the bus. This amount is to be paid out of the self-insured liability fund.

Disciplinary action against the Metro water services employee is currently pending.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2013-569 (BEDNE, TENPENNY & OTHERS) – This zoning text change amends the conditions applicable to various automobile related uses. In 2006, the council amended the zoning code to prohibit automotive uses such as automobile repair, service, and used car sales, as well as car washes and wrecker services, from being located in the commercial zoning districts (CS and CA). Car washes were a use permitted with conditions before the 2006 change to SP, while the other uses were permitted by right. The intent of the SP requirement was to give the council more control over the location of automotive-related uses. There were no set conditions included in the code applicable to these uses countywide.

In May 2013, the council enacted Ordinance No. BL2013-418, which basically repealed the SP requirement for automotive uses, added these uses as permitted with conditions, and added a number of specific conditions automotive uses would have to meet in order to obtain a use permit. The conditions for automobile repair; automobile sale, used; and vehicular sales and services, limited are currently as follows:

1. A physical separation between automobile display/parking areas and the right-of-way in the form of a wall or fence not to exceed 3 feet in height.
2. No chain link fencing could be erected within 25 feet of the right-of-way.
3. Service doors facing residential districts must be screened by a solid wall or opaque fence.
4. All buildings, vehicle storage, and repair must take place at least 25 feet from a residential district, and must be screened from residential districts.
5. Inoperable vehicles, outdoor storage, and auto repair activities must be located to the rear or side yard, and cannot be visible from the right-of-way.
6. No billboards or digital signs would be permitted on the property.

The conditions applicable to car washes include:

1. The same physical separation from the right-of-way as noted above.
2. Car wash structures must be at least 50 feet from a residential district.
3. All washing facilities must be within an enclosed structure, and must be separated from the adjacent property by a masonry wall between 6 and 8 feet in height.
4. Operating hours would be restricted to 8:00 a.m. to 10:00 p.m. if the facility is within 100 feet of a residential district.
5. No outdoor speakers would be allowed on the property.
6. No vehicles could be stored or offered for sale.
7. Billboards and digital signs would be prohibited.

This ordinance modifies some of the conditions for automotive uses and adds several new conditions. The primary changes are:

1. Increasing the distance requirement for automotive uses from residential property from 25 feet to 200 feet.
2. Prohibiting more than one car lot or auto repair shop from being located on the same block face.
3. Prohibiting car lots from being located within 1,000 feet of another car lot.
4. Prohibiting car washes from being located within 500 feet of another car wash.
5. Adding a requirement that a community meeting be held prior to submitting a use application to the codes department.

ORDINANCE NO. BL2013-569 (continued)

This ordinance would also remove the distinction between used car lots and new car lots so that all car lots would have to abide by the same standards.

This ordinance has been disapproved by the planning commission.

ORDINANCE NO. BL2014-660 (BARRY) – This ordinance amends the Metro code provisions applicable to the public records commission to add the director of Metro information technology systems (ITS) as an ex-officio member of the commission in accordance with state law, and to enable the public officials on the commission to appoint a designee to serve on their behalf. The Davidson County public records commission is currently comprised of six members. The mayor appoints three members: one must be a member of the Metro council, one must be a judge of one of the courts of record, and one must be a genealogist. In addition, the county clerk, county register, and county historian serve as ex-officio members of the commission.

State law allows the county clerk and county register to appoint a designee. However, the Metro code does not specifically authorize the appointment of a designee. This ordinance modifies this provision to mirror state law. Further, the state law was recently amended to allow counties having an information technology department to make the IT director or his/her designee an ex-officio member of the commission. This ordinance increases the number of the commission members to seven and adds the director of ITS or his designee as provided by state law.

ORDINANCE NO. BL2014-661 (STEINE) – This ordinance approves a memorandum of understanding (MOU) between the United Way of Metropolitan Nashville and the mayor's office pertaining to the implementation of the Financial Empowerment Center. In January 2013, the council approved a Financial Empowerment Centers grant from Living Cities in the amount of \$435,000 to the mayor's office to implement a program designed to improve the financial stability of households. These funds were made available through Bloomberg Philanthropies and will be administered by the mayor's office of economic and community development. The program involves partnering with the United Way to provide financial counseling services at various locations including the Levy Place Center, the Casa Azafran Community Center, and the United Way family resources centers, as well as Metro action commission and social services facilities. United Way also received a Financial Empowerment Center grant in the amount of \$1,524,000 for the program.

Both the grant to Metro and the grant to United Way require the two parties to enter into a MOU that defines each party's responsibilities regarding the implementation of the program. United Way is required to comply with Metro's direction regarding all aspects of the United Way's grant agreement and scope of services with the Cities for Financial Empowerment (CFE) Fund grant. All budgets must be submitted to and approved by Metro before being submitted by United Way to CFE. United Way must also submit all training materials to Metro for approval, and work with Metro to implement the client database software. Metro agrees to review all such documents and information submitted by United Way, and can request additional information from United Way as needed regarding compliance with the grant scope of services.

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ORDINANCE NO. BL2014-661 (continued)

The term of the agreement is through November 26, 2015, but may be terminated by either party with 30 days written notice. This ordinance should be amended to extend the ending date of the MOU to December 31, 2015 to match the amended grant term.

ORDINANCE NO. BL2014-662 (STEINE) – This ordinance accepts two donations from the estate of Patricia A. Harbaugh for the use and benefit of the police department K-9 unit and Metro animal control. Ms. Harbaugh's estate left 20% of her estate to the K-9 unit of the police department and 5% of her estate to Metro animal control. The 20% allocation for the police department, amounting to \$139,380, is to be used for the purchase and training of K-9 dogs. The 5% allocation for animal control amounts to \$34,845, with no specific purpose noted. In addition, Ms. Harbaugh designated Metro animal control as the beneficiary of two retirement accounts that were determined to contain \$24,710.38 and \$54,037.54, respectively.

This ordinance accepts these amounts from the estate and appropriates the funds to the police and health departments.

ORDINANCE NO. BL2014-663 (BENNETT, STEINE & OTHERS) – This ordinance declares the former Jere Baxter Middle School property located at 3515 Gallatin Pike to be surplus and authorize the director of public property administration to sell the property in accordance with the standard procedures for the disposition of surplus property. This property, totaling 3.41 acres and including a 47,580 square-foot school building, is currently being leased by the charter school Liberty Collegiate Academy for a lease term of ten years. Liberty Collegiate now desires to purchase the property, which first requires a surplus property declaration by the council.

The property is to be sold to Liberty Collegiate for \$1,272,000, which is the appraised value of the property as determined by an appraisal performed by Neiman-Ross Associates, Inc. at Metro's request. The proceeds of the sale will be credited to the unappropriated school fund. The school board has approved the declaration of this property as surplus and the sale of the property to Liberty Collegiate Academy.

This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-664 (DOMINY & HUNT) – This ordinance abandons a water and sewer easement that was retained by Ordinance No. O86-1491 when a portion of Burtonwood Drive between Kinbark Drive and Galbraith Drive was abandoned. This easement to be abandoned measures 18 feet by 260 feet on property located at 2000 Galbraith Drive. This easement is no longer needed by the department of water and sewerage services. This ordinance has been approved by the planning commission.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2014-654 (WESTERHOLM) – This ordinance amends the Metro code to eliminate the prohibition on weekend beer deliveries. Other than weekend special events, which were exempted from the beer delivery prohibition by the council in December 2013, the code currently prohibits beer wholesalers or manufacturers from delivering beer within Davidson County at any time between 9:00 p.m. on Friday and 6:00 a.m. on Monday, and between 11:00 p.m. and 4:00 a.m. on weekdays. This ordinance would allow beer deliveries countywide at any time except between the hours of 11:00 p.m. and 3:00 a.m.

ORDINANCE NO. BL2014-655 (BAKER, DOMINY & HUNT) – This ordinance authorizes Metro water services to negotiate and accept easements for three properties located at 607 and 609 Nashua Drive and 616 Waco Lane for a stormwater improvement project. There is no anticipated acquisition costs associated with these easements. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-656 (WESTERHOLM, DOMINY & HUNT) – This ordinance abandons the water and sewer easement rights that were retained by Ordinance No. O76-385 when two alleys were abandoned for properties located at 711 and 719 Gallatin Avenue, and 714 and 800 North 12th Street. There is no longer a government need for these easements. This ordinance also partially abandons approximately 170 feet of a 20-foot sewer easement. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-657 (WEINER, DOMINY & HUNT) – This ordinance abandons approximately 350 linear feet of an existing utility easement for property located at 7747 Indian Springs Drive. There is no longer a government need for this easement. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2014-658 (MATTHEWS, DOMINY & HUNT) – This ordinance authorizes Metro water services to negotiate and accept easements for five properties located at 4141 and 4162 Ames Drive, 4170 Bobwhite Drive, 4121 Boyd Drive, and 4127 Meadow Hill Drive for a stormwater improvement project. There is no anticipated acquisition costs associated with these easements. Future amendments to this ordinance may be approved by resolution. This ordinance has been approved by the planning commission.

State law allows restaurants with a state liquor license to begin selling drinks at 10:00 a.m. on Sundays.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



KARL F. DEAN
MAYOR

DIRECTOR OF FINANCE
METROPOLITAN COURTHOUSE
ONE PUBLIC SQUARE, SUITE 106
NASHVILLE, TENNESSEE 37201
(615) 862-6151
(615) 862-6156 FAX

MEMORANDUM

To: Vice Mayor Diane Neighbors

From: Richard M. Riebeling 
Director of Finance

Date: December 23, 2013

Subject: Resolution Appropriating \$13,100,000 from the Undesignated Fund Balance of the Metropolitan Nashville Public Schools General Purpose Fund for the benefit of Metropolitan Nashville Public Schools

I am in receipt of a proposed Resolution by Councilman Bo Mitchell regarding the subject matter above. The legislation was sent to me for signature certifying the availability of funds. Pursuant to rules of the Metropolitan Council, I am providing you with a brief statement as to why I have determined I cannot sign the proposed legislation at this time.

For the reasons set forth in the attached letter of November 20th to Dr. Jesse Register, I must decline signing the proposed resolution appropriating funds from the undesignated fund balance of MNPS especially when we are only a few weeks away from initiating the budget process for Fiscal Year 2014-15.

Please let me know if you have any questions or need additional information on this matter.

Attachment

Copy: Members of the Metro Council
Jon Cooper

ATTACHMENTS RELATING TO RESOLUTION NO. RS2014-948

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



KARL F. DEAN
MAYOR

November 20, 2013

DIRECTOR OF FINANCE
METROPOLITAN COURTHOUSE
ONE PUBLIC SQUARE, SUITE 106
NASHVILLE, TENNESSEE 37201
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Jesse Register, Ed.D.
Director of Schools
Metropolitan Nashville Public Schools
2601 Bransford Avenue
Nashville, TN 37204

Dear Dr. Register:

Over the past several years, the Administration has made a concentrated effort to increase the fund balance in the City's operating funds, including Schools. While the 2013 Comprehensive Annual Financial Report is being finalized, we anticipate recognizing a significant increase over the 2012 reserves which is in part a reflection on the overall improvement in the Nashville economy.

When we appropriated fund balance as part of the 2013-2014 operating budget, it was done with the knowledge that revenues were improving, and so long as expenses were controlled, we would end the 2012-2013 fiscal year with an increase in fund balance even after considering fund balance appropriations made for the current fiscal year.

Having worked hard with all Metro departments and agencies to get the City's finances in strong shape after the economic downturn, I don't generally believe it is fiscally prudent to initiate additional spending from fund balance outside the normal budget process. It is my understanding the Board for Metro Nashville Public Schools has proposed spending \$19 million of the Schools operating reserves—or nearly 30 percent of what we estimate will be a fund balance of \$64 million. From our review of the Board's action, it seems that most of the proposed expenditures should be considered as part of the annual budget process. Having read reports of projected funding deficits for Schools months before the budget process begins for fiscal year 2014-2015, I cannot justify spending such a significant amount from the reserves at this time. In my opinion, it would be fiscally irresponsible when there are so many unanswered questions with regard to the 2014-2015 MNPS budget and priorities.

Letter to Dr. Jesse Register

November 20, 2013

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We are prepared, however, to recommend a portion of the request, an appropriation of \$4.3 million from the MNPS reserves, for the purpose of funding a retirement incentive program. The financial benefits of such a program are ongoing and reflect a good use of reserves. It is our intention to seek Metro Council approval of this request at its December 17th meeting so MNPS can initiate the retirement incentive program in January.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard M. Riebeling".

Richard M. Riebeling

Director of Finance

Copy: Mayor Karl Dean
Mr. Chris Henson

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



KARL F. DEAN
MAYOR

DIRECTOR OF FINANCE
METROPOLITAN COURTHOUSE
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MEMORANDUM

To: Vice Mayor Diane Neighbors
Members of the Metropolitan Council

From: Richard M. Riebeling *RM*
Director of Finance

Date: January 10, 2014

Subject: Capital Request for Heavy Equipment

Over the past several weeks, the Administration has been working with General Services which oversees the City's fleet operations, and a number of departments, on a plan to dramatically improve the City's critical heavy equipment fleet—primarily for Fire, Public Works and Parks. Much of this equipment is beyond its normal replacement schedule and therefore we are experiencing some issues in the field due to the need for more repair time.

Approval will allow for the purchase of nearly 100 vehicles (*proposed list attached*) including ambulances and pumper trucks for the Fire Department, public works and parks maintenance trucks, and buses for Metro Action Commission, all of which are used in providing essential services to the citizens of Nashville.

Since much of this equipment has a long order period, we wanted to proceed now with the first group as we plan to file legislation authorizing a similar amount in connection with the anticipated 2015 Capital Spending Plan.

While the legislation is in the form of an initial bond resolution, we are doing this simply to be able to access the Commercial Paper program which is the City's short-term borrowing program. However, like other purchased vehicles, we intend to repay this amount from future 4% funds and not issue long-term bonds due to the relatively short life span on the equipment. With borrowing costs under 1% through the CP program, we anticipate paying off the amount within four years with ample remaining funds for other needs.

Attachment

Copy: Jon Cooper

ATTACHMENT TO RESOLUTION NO. RS2014-963

(page 1 of 4)

Department	Addition Cost	Est Replacement Cost	Phase 1	Decal	Description	APWA Desc	Mileage	Class	Allocation Increase
PUBLIC WORKS		\$19,771.26	1	08D4226	2003 MILES DUMP TRASH TRAILER	TRAILER, DUMP	0	13	
PUBLIC WORKS		\$19,771.26	1	08D4227	2003 MILES DUMP TRASH TRAILER	TRAILER, DUMP BOX BODY	0	13	
PUBLIC WORKS		\$106,186.86	1	08C5603	2000 INT SINGLE AXLE FLAT BED	TRUCK, STAKE BODY, FLAT BED	115,223	5	
PUBLIC WORKS		\$106,046.10	1	08L6012	2005 FREIGHTLINER KNUCKLE BOOM	TRUCK, TREE SERVICE	130,406	6	
PUBLIC WORKS		\$106,046.10	1	08L6013	2005 FREIGHTLINER KNUCKLE BOOM	TRUCK, TREE SERVICE	114,099	6	
PUBLIC WORKS		\$94,339.56	1	08D4228	2003 FREIGHTLINER FL70 TRUCK	TRUCK, TREE SERVICE	121,677	6	
PUBLIC WORKS		\$94,339.56	1	08D4231	2003 FREIGHTLINER TRUCK	TRUCK, TREE SERVICE	117,093	6	
PUBLIC WORKS		\$100,393.62	1	08D4232	2003 FREIGHTLINER RAMER	TRUCK, TIRE SERVICE	138,856	6	
PUBLIC WORKS		\$231,150.00	1	08R0003	2003 MACK TRUCK SIDE LOADERS	TRUCK, COMPACTOR, RECYCLING, S	121,930	6	
PUBLIC WORKS		\$231,150.00	1	08R0006	2002 MACK TRUCK SIDE LOADERS	TRUCK, COMPACTOR, RECYCLING, S	87,544	6	
PUBLIC WORKS		\$14,379.60	1	08D4221	1995 2 AXLE TRAILER	TRAILER, FLAT BED	126,689	13	
PUBLIC WORKS		\$147,865.62	1	08L5945	2004 INT'L DUMP TRUCK	TRUCK, DUMP, 3-5 CUBIC YARD	71,693	4	
PUBLIC WORKS		\$147,865.62	1	08L5946	2004 INT'L DUMP TRUCK	TRUCK, DUMP, 3-5 CUBIC YARD	46,910	4	
PUBLIC WORKS		\$147,865.62	1	08L5947	2004 INT'L DUMP TRUCK	TRUCK, DUMP, 3-5 CUBIC YARD	45,900	5	
PUBLIC WORKS		\$156,906.00	1	08C5613	2003 MACK TRUCK REAR LOADER	TRUCK, COMPACTOR, REAR LOADING	63,392	6	
PUBLIC WORKS		\$156,906.00	1	08R0008	2003 FREIGHTLINER REAR LOADER	TRUCK, COMPACTOR, REAR LOADING	73,146	6	
PUBLIC WORKS		\$271,628.16	1	08L5777	1997 GRADALL EXCAVATOR	GRADE ALL, TRUCK MOUNT	57,222	9	
PUBLIC WORKS		\$636,180.00	1	08L5784	1998 COLD PLANNING MILLING MAC	ASPHALT CRUSHER	1,178	9	
PUBLIC WORKS		\$35,188.62	1	08L5921	2003 FORD F350 CREW CAB	TRUCK, PICKUP, 1 TON, CREW CAB	138,580	4	
PUBLIC WORKS		\$154,150.14	1	08L5934	2003 FORD F650 GUARD RAIL TRUC	TRUCK, ROAD SERVICE	38,698	4	
PUBLIC WORKS		\$90,228.54	1	08C5597	1998 FORD CHASSIS CAB	TRUCK, COMPACTOR, REAR LOADING	90,623	6	
PUBLIC WORKS		\$163,770.12	1	08C5615	2004 MACK REAR LOADING TRASH T	TRUCK, COMPACTOR, REAR LOADING	69,856	6	
PUBLIC WORKS		\$188,410.02	1	08L5923	2003 FREIGHTLINER BUCKET TRUCK	TRUCK, BUCKET, POWER	54,837	6	
PUBLIC WORKS		\$156,906.00	1	08R0010	2003 FREIGHTLINER REAR LOADER	TRUCK, COMPACTOR, REAR LOADING	82,333	6	
PUBLIC WORKS		\$46,644.00	1	08L5733	1995 INGERSOL-RAND ROLLER	ROLLER, VIBRATING	1,375	9	
PUBLIC WORKS		\$85,638.66	1	08L5957	2005 ISUZU DIAMOND BACK PACKER	TRUCK, COMPACTOR, REAR LOADING	118,379	4	
PUBLIC WORKS		\$85,638.66	1	08L5958	2005 ISUZU DIAMOND BACK PACKER	TRUCK, COMPACTOR, REAR LOADING	120,098	4	
PUBLIC WORKS		\$109,490.58	1	08L5867	2000 KAWASAKI WHEEL LOADER	LOADER, RUBBER TIRE, ARTICULAT	1	9	
PUBLIC WORKS		\$109,490.58	1	08L5868	2000 KAWASAKI WHEEL LOADER	LOADER, RUBBER TIRE, ARTICULAT	7,876	9	
PUBLIC WORKS		\$75,566.04	1	08L5988	2005 FORD F373 CHASSIS CAB	TRUCK, PICKUP, 1 TON, UTILITY	172,714	4	
PUBLIC WORKS		\$75,566.04	1	08L5989	2005 FORD F373 CHASSIS CAB	TRUCK, PICKUP, 1 TON, UTILITY	193,051	4	
PUBLIC WORKS		\$68,907.26	1	08L5832	2000 CHEVROLET CAB & CHASSIS	TRUCK, PICKUP, 1 TON	96,815	4	
PUBLIC WORKS		\$111,759.30	1	08L5960	2004 FREIGHTLINER FL70	TRUCK, TREE SERVICE	107,112	6	
PUBLIC WORKS		\$200,100.00	1	08C5595	1997 FORD CHASSIS CAB	TRUCK, ROLLOFF	68,905	6	
PUBLIC WORKS		\$49,692.42	1	08L5518	GALION 8-12 TON ROLLER	ROLLER, STREET DRUM	1,453	9	
PUBLIC WORKS		\$188,410.02	1	08L5924	2003 FREIGHTLINER BUCKET TRUCK	TRUCK, ELECTRICAL-SERVICE, WIT	120,508	6	
PUBLIC WORKS		\$230,856.86	1	08L5891	2003 TENNANT STREET SWEEPER	TRUCK, SWEEPER, STREET, DUAL D	34,873	6	
PUBLIC WORKS		\$163,879.14	1	08L5916	2003 SCHWARZE STREET SWEEPER	TRUCK, SWEEPER, STREET, DUAL D	46,466	6	

Fire	\$287,000.00	1	Addition	AMBULANCE	AMBULANCE	0	8	\$21,149.42
Fire	\$287,000.00	1	Addition	AMBULANCE	AMBULANCE	0	8	\$21,149.42
Fire	\$287,000.00	1	Addition	AMBULANCE	AMBULANCE	0	8	\$21,149.42
Fire	\$287,000.00	1	Addition	AMBULANCE	AMBULANCE	0	8	\$21,149.42
Fire	\$287,000.00	1	Addition	AMBULANCE	AMBULANCE	0	8	\$21,149.42
Fire	\$900,000.00	1	09F4235	2002 AMERICAN LAFRANCE	TILLER	82,000	7	
Fire	\$380,000.00	1	09F4255	2005 PIERCE PUMPER TRUCK	PUMPER	128,385	7	
Fire	\$380,000.00	1	09F4231	2002 INTERNATIONAL CAB&CHASSIS	PUMPER	124,540	7	
Fire	\$380,000.00	1	1016JF	2006 PIERCE PUMPER TRUCK	PUMPER	115,127	7	
Fire	\$380,000.00	1	09F4242	2003 EMERGENCY ONE CYCLONE	PUMPER	114,820	7	
Fire	\$380,000.00	1	09F4230	2002 INTERNATIONAL CAB&CHASSIS	PUMPER	107,145	7	
Fire	\$380,000.00	1	09F4245	2003 EMERGENCY ONE CYCLONE	PUMPER	104,500	7	
Fire	\$380,000.00	1	09F4233	2002 INTERNATIONAL CAB&CHASSIS	PUMPER	102,982	7	
Fire	\$380,000.00	1	09F4220	2001 INTERNATIONAL 1500 GPM	PUMPER	100,213	7	
Fire	\$380,000.00	1	09F4252	2005 PIERCE PUMPER TRUCK	PUMPER	110,191	7	
Fire	\$380,000.00	1	09F4264	2005 PIERCE PUMPER TRUCK	PUMPER	101,895	7	

\$173,327.42

\$2,102,000.00 \$14,988,644.53