

INTRO TO THE OPERATING BUDGET

Metro
Council

Facilitated by:

Bob Mendes, At Large
Budget & Finance Committee Chair

STRUCTURALLY BALANCED BUDGET

A budget is structurally balanced when recurring expenses balance with recurring revenues, and non-recurring expenses balance with non-recurring revenues.



Typical approach...STEP 1...what is available revenue?

Revenue

Last year's revenue

MINUS last year's non-recurring

PLUS new revenue

EQUALS revenue available this year

For this year... MINUS Lost COVID-19 revenue

Typical approach...STEP 2...how much are expenses?

Expenses

Last year's expenses

MINUS any cuts from prior year

PLUS new expenses

EQUALS total expenses in this year's budget

Typical approach...STEP 3...balance revenue & expenses?

Balance budget

- If revenue $>$ expenses, then save, expand services, or reduce tax rate
- If revenue $<$ expenses, then use savings, reduce services, or increase revenue
- If revenue = expenses, then the budget is **BALANCED** and **STRUCTURALLY SOUND**

STEP 1...REVENUE (available without changing tax rate)

Last year's revenue	\$2,331.6M (#23**)
<u>MINUS</u> last year's non-recurring	<u>MINUS</u> \$69.8M (#21)
<u>PLUS</u> new revenue	<u>PLUS</u> \$134.7M (#22)
<u>EQUALS</u> revenue available	<u>EQUALS</u> \$2,396.5M (#23)
<u>MINUS</u> Lost COVID-19 revenue	<u>MINUS</u> \$280.6M (#24-25)

Revenue available without rate change: \$2,115.9M (#30)

** See Finance Dept. budget presentation

STEP 2...EXPENSES

Last year's expenses	\$2,332M (#30)
<u>MINUS</u> any cuts from prior year	<u>MINUS</u> (#11-13, 27-28, 66-67)
<u>PLUS</u> new expenses	<u>PLUS</u> <i>net</i> \$115.9M (#29)
<u>EQUALS</u> total expenses this year	<u>EQUALS</u> \$2,447.9M (#30)

Expenses for this year: \$2,447.9M (#30)

STEP 3...BALANCE BUDGET

Revenue (\$2,115.9M) is less than Expenses (\$2,447.9M)
by **\$332M**

Therefore, the options are to use savings,
reduce services, or increase revenue

Mayor proposes raising property tax
rate by \$1.00 to raise \$332M and
balance the budget

Actual Budget Ordinance

1. Several pages of text (pages 1-3)
2. Summary information (pages 4-6)
3. Details about GSD (pages 7-21)
4. Details about USD (pages 23-27)

Ordinance: Several pages of text (pages 1-3)

- Compare to last year to see what's different
- Blue Ribbon Commission
- Nashville General Hospital (#70)
- New: Finance authority re: COVID-19
 - Funding approval subject to conditions
 - Monthly report to Council

Ordinance: Summary information (pages 4-6)

Page 4: Revenue (#35)

- Details in Ordinance, pages 7-12, 22-23

Page 5: Appropriations (#43)

- Details in Ordinance, pages 13-16, 25-26

Page 5: Fund balances (#44-46)

- Details in Ordinance, pages 16-17, 26-27

Page 6: GSD tax levy

Ordinance: Details about GSD (pages 7-21)

Pages 7-12: Schedule A: GSD Revenue

Pages 13-16: Schedule B: Appropriations

Page 17: Schedule C: Debt Service Appropriations

- Finance slides #50, #58

Pages 18-20: Schedule D: Special Revenue

Page 21: Schedule E: School Fund Appropriation

Ordinance: Details about USD (pages 23-27)

Pages 22-23: Schedule A: USD Revenue

Page 24: USD tax levy

Pages 25-26: Schedule B: Appropriations

Page 27: Schedule C: Debt Service Appropriations

- Finance slides #50, #58

Page 27: Schedule D: Special Revenue

The “budget book”

Last year’s – 677 pages!!!

- How to Use this Book
- Section A - Executive Summary (37 pages)
- About 540 pages of detail on 60+ departments
- Appendix (50 pages)

The “budget book” – Section A & the Appendix

Lots of pages...

...but worth it

The “budget book” – How to Use this Book

Department Name-At a Glance

Each department’s budget pages include the department’s **mission statement**.

Mission The mission of the Department of Finance is to provide financial management, information, and business services to policy makers, departments, agencies, investors, and the Nashville community so they can have confidence in Metro Government, make informed decisions, and achieve their results.

Budget Summary

The mission statement is followed by a **summary table** that summarizes the agency’s financial budget for all of its annually budgeted funds as well as information about the number of positions within the department.

	2017-18	2018-19	2019-20
Expenditures and Transfers:			
	\$ 7,682,800	\$ 8,185,200	\$ 9,233,000
	818,700	850,300	911,400
	<u>\$ 8,501,500</u>	<u>\$ 9,035,500</u>	<u>\$ 10,144,400</u>
Transfers:			
Transfers, and Fees	\$ 818,700	\$ 846,400	\$ 911,400
Transfers and Agencies	0	0	0
Revenue	0	0	0
	<u>\$ 818,700</u>	<u>\$ 846,400</u>	<u>\$ 911,400</u>
	0	0	0
Transfers From Other Funds and Units	0	3,900	0
Total Revenues	<u>\$ 818,700</u>	<u>\$ 850,300</u>	<u>\$ 911,400</u>
Expenditures Per Capita	\$ 12.89	\$ 13.50	\$ 14.94

Positions Total Budgeted Position

105

Contacts Director: Talia Lomax-O’Dneal
Finance Manager: Donna Foster

The table includes **expenditures per capita** information. The *per capita* number is taken from population obtained from the Census Bureau. Due to delays in reporting data, we use Census information that is two years prior to the fiscal year. Census data

106 Metro Courthouse 37201

nashville.gov
e.gov

The “budget book” – Detail on 60+ departments

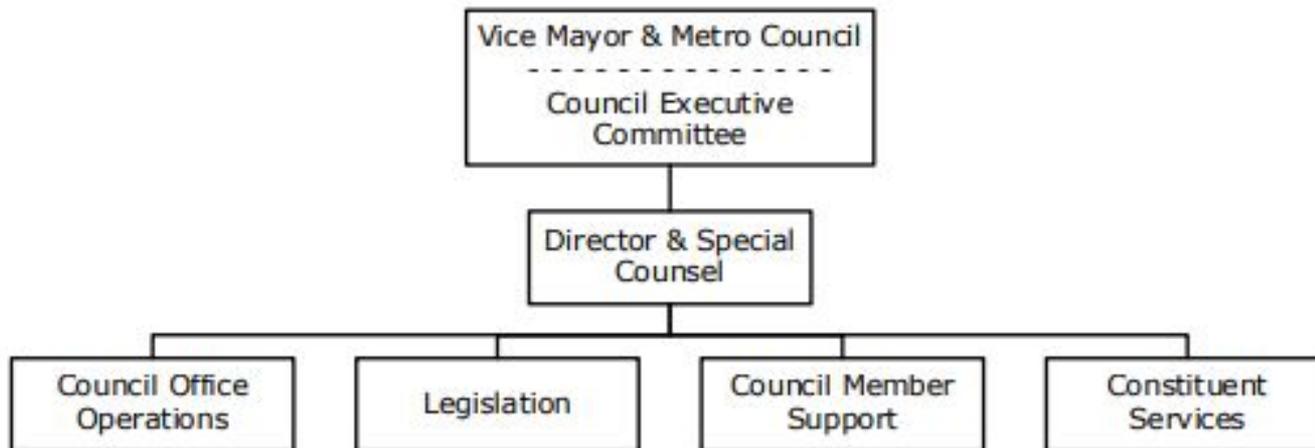
02 Metropolitan Council - At a Glance

Mission	To enact ordinances and resolutions that further public policy of the Metropolitan Government and provide supplemental constituent services through members of Metropolitan Council.			
Budget Summary	2017-18	2018-19	2019-20	
Expenditures and Transfers:				
GSD General Fund	\$ 2,229,200	\$ 2,296,900	\$ 2,629,200	
Total Expenditures and Transfers	\$ 2,229,200	\$ 2,296,900	\$ 2,629,200	
Revenues and Transfers:				
Program Revenue				
Charges, Commissions, and Fees	\$ 0	\$ 0	\$ 0	
Other Governments and Agencies	0	0	0	
Other Program Revenue	0	0	0	
Total Program Revenue	\$ 0	\$ 0	\$ 0	
Non-program Revenue	\$ 0	\$ 0	\$ 0	
Transfers From Other Funds and Units	0	0	0	
Total Revenues and Transfers	\$ 0	\$ 0	\$ 0	
Expenditures Per Capita	\$ 3.26	\$ 3.32	\$ 3.80	
Positions	Total Budgeted Positions	52	53	53
Contacts	Director of Council Office: Jon Cooper Finance Manager: Maria Caulder	email: jon.cooper@nashville.gov email: maria.caulder@nashville.gov		
	204 Metro Courthouse 37201	Phone: 615-862-6780		

The “budget book” – Detail on 60+ departments

02 Metropolitan Council - At a Glance

Organizational Structure



The “budget book” – Detail on 60+ departments

02 Metropolitan Council - At a Glance

Budget Changes and Impact Highlights

Recommendation		Impact	
Overtime Increase			
Salaries and fringes	GSD	\$4,700	Overtime compensation for staff working overtime during the Council meetings
Council Transition Expenses			
Administrative operating expenses	GSD	10,000	Transition expenses for the newly elected Council
Non-allocated Financial Transactions			
ESRI (GIS) Licensing Transfer to ITS	GSD	(400)	Transferring the annual ESRI (GIS) licensing fees to Information Technology Services from departmental budgets
Internal Service Charges*	GSD	3,400	Delivery of centrally provided services including information systems, fleet management, radio, and surplus property
Pay Plan Adjustment	GSD	364,600	Supports the hiring and retention of a qualified workforce
General Services District Total		\$382,300	
TOTAL***		\$382,300	

The “budget book” – Detail on 60+ departments

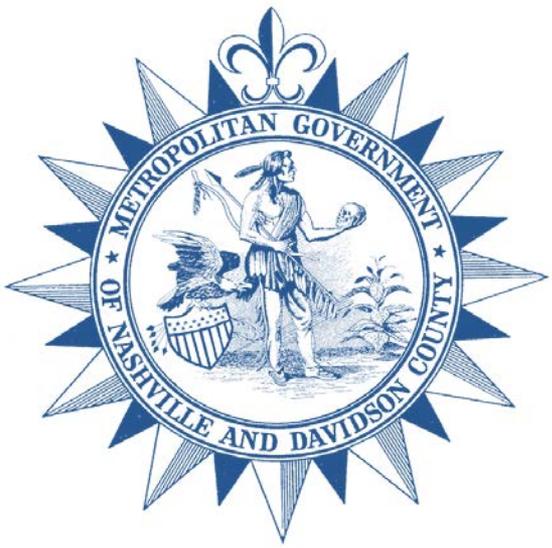
02 Metropolitan Council - Financial

GSD General Fund						
	FY2018 Budget	FY2018 Actuals	FY2019 Budget	FY2020 Budget	FY19-FY20 Difference	FY19-FY20 % Change
OPERATING EXPENSES:						
PERSONAL SERVICES	2,034,500	1,930,426	2,153,800	2,523,100	369,300	17.15%
OTHER SERVICES:						
Utilities	400	358	400	400	0	0.00%
Professional & Purchased Services	3,600	3,200	3,600	3,600	0	0.00%
Travel, Tuition, and Dues	88,300	81,189	38,700	38,700	0	0.00%
Communications	13,900	15,130	15,900	15,900	0	0.00%
Repairs & Maintenance Services	1,000	0	1,000	1,000	0	0.00%
Internal Service Fees	78,000	78,000	78,800	82,200	3,400	4.31%
Other Expenses	9,500	10,640	4,700	(35,700)	(40,400)	-859.57%
TOTAL OTHER SERVICES	194,700	188,517	143,100	106,100	(37,000)	-25.86%
TOTAL OPERATING EXPENSES	2,229,200	2,118,943	2,296,900	2,629,200	332,300	14.47%
TRANSFERS TO OTHER FUNDS/UNITS	0	0	0	0	0	0.00%
TOTAL EXPENSES & TRANSFERS	2,229,200	2,118,943	2,296,900	2,629,200	332,300	14.47%
PROGRAM REVENUE:						

The “budget book” – Detail on 60+ departments

02 Metropolitan Council - Financial

<u>Title</u>	<u>Grade</u>	<u>Job Class</u>	<u>FY2018 Budgeted</u>		<u>FY2019 Budgeted</u>		<u>FY2020 Budgeted</u>		<u>FY19-FY20 Variance</u>	
			<u>Pos.</u>	<u>FTE</u>	<u>Pos.</u>	<u>FTE</u>	<u>Pos.</u>	<u>FTE</u>	<u>Pos.</u>	<u>FTE</u>
GSD General 10101										
Admin Svcs Div Mgr	OR09	10863	0	0.00	1	1.00	1	1.00	0	0.00
Administrative Services Manager	OR07	07242	1	1.00	0	0.00	0	0.00	0	0.00
Administrative Services Officer 1	ST06	02660	1	1.00	1	1.00	1	1.00	0	0.00
Administrative Services Officer 2	OR01	07243	1	1.00	2	2.00	2	2.00	0	0.00
Assistant Metropolitan Attorney 1	OR06	10868	1	1.00	0	0.00	0	0.00	0	0.00
Attorney 1	NS	00480	0	0.00	1	1.00	1	1.00	0	0.00
Council Member	CM	01334	40	40.00	40	40.00	40	40.00	0	0.00
Director and Special Counsel	NS	10557	1	1.00	1	1.00	1	1.00	0	0.00
Finance Manager	OR09	06232	1	1.00	1	1.00	1	1.00	0	0.00
Finance Officer 3	OR05	10152	0	0.00	1	1.00	1	1.00	0	0.00
Info Sys Advisor 2	OR09	07407	1	1.00	1	1.00	1	1.00	0	0.00
Office Support Rep 3	ST06	10122	2	2.00	1	1.00	1	1.00	0	0.00
Office Support Specialist 2	ST08	10124	1	1.00	1	1.00	1	1.00	0	0.00
Planner 3	OR08	06861	0	0.00	1	1.00	1	1.00	0	0.00
Planning Manager 2	OR09	06863	1	1.00	0	0.00	0	0.00	0	0.00
Vice Mayor	VM	05754	1	1.00	1	1.00	1	1.00	0	0.00
Total Positions & FTEs			52	52.00	53	53.00	53	53.00	0	0.00
Department Totals			52	52.00	53	53.00	53	53.00	0	0.00



INTRO TO THE OPERATING BUDGET

Metro
Council

Facilitated by:

Bob Mendes, At Large
Budget & Finance Committee Chair