



BUILDING A STRONGER NASHVILLE

FY 2020 RECOMMENDED BUDGET

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Director of Finance

Where are we now? - FY2019

- Revenues
- Non-recurring revenues
- Expenditures and savings targets
- Supplemental appropriations
- Fund balances

FY2019 Revenues

- Property tax revenue projected to meet budgeted estimate

- Local option sales tax projected to meet or exceed budgeted estimate

- Decreases expected in excise tax and certain fines
 - *Excise Tax (\$1.4 million)*
 - *Moving Violation Fines (\$600,000)*

FY2019 Non-Recurring Revenues

Entity	Budget	Planned Close	Status
General Fund <ul style="list-style-type: none"> 3800 Charlotte 2025 Richard Jones Rd 	\$10,000,000	<ul style="list-style-type: none"> \$7,450,000 \$4,000,000 	<ul style="list-style-type: none"> Under Contract Under Contract
GSD Debt Service <ul style="list-style-type: none"> Parking 	\$15,000,000	\$15,000,000	<ul style="list-style-type: none"> Delayed until 2020 FY 2019 General Fund supplemental appropriation has been filed
MNPS <ul style="list-style-type: none"> 2795 Pennington Bend 1015 Davidson Rd 3125 Ironwood Dr 	<ul style="list-style-type: none"> \$13,000,000 Amount not realized will be offset by increased sales taxes and by fund balance 	<ul style="list-style-type: none"> \$56,001 \$4,100,000 \$680,000 	<ul style="list-style-type: none"> Sold Under Contract Bidding closed

FY2019 Expenditures and Savings Targets

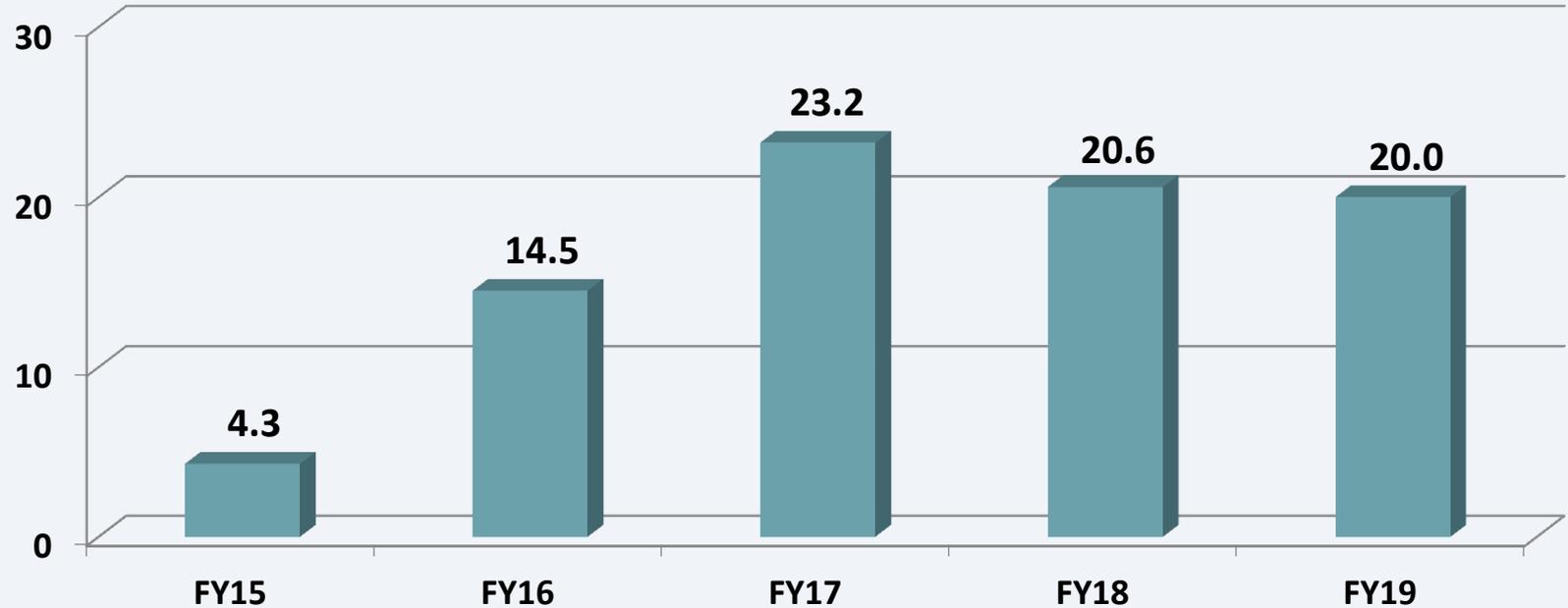
- FY19 \$11.5 million Savings Target
 - *Most departments on track to meet their target*
 - *Some will exceed their target*
- General Fund is expected to be under budget as a whole after supplemental appropriation

FY 2019 General Fund Supplemental Appropriations

- Debt Service: \$15,000,000 to replace budgeted parking revenue
- MDHA TIF: \$2,261,900 (includes \$827,700 for Schools)
- Industrial Development Board TIF for Bellevue Mall Project: \$1,066,700
- Sheriff: \$986,700 for contractual increases, salaries, and repairs and maintenance
- Community Oversight Board: \$375,000
- Fairgrounds: \$300,000 due to various revenue shortfalls, coupled with no fund balance availability to offset the shortfalls

FY2019 General Fund Supplemental Appropriations

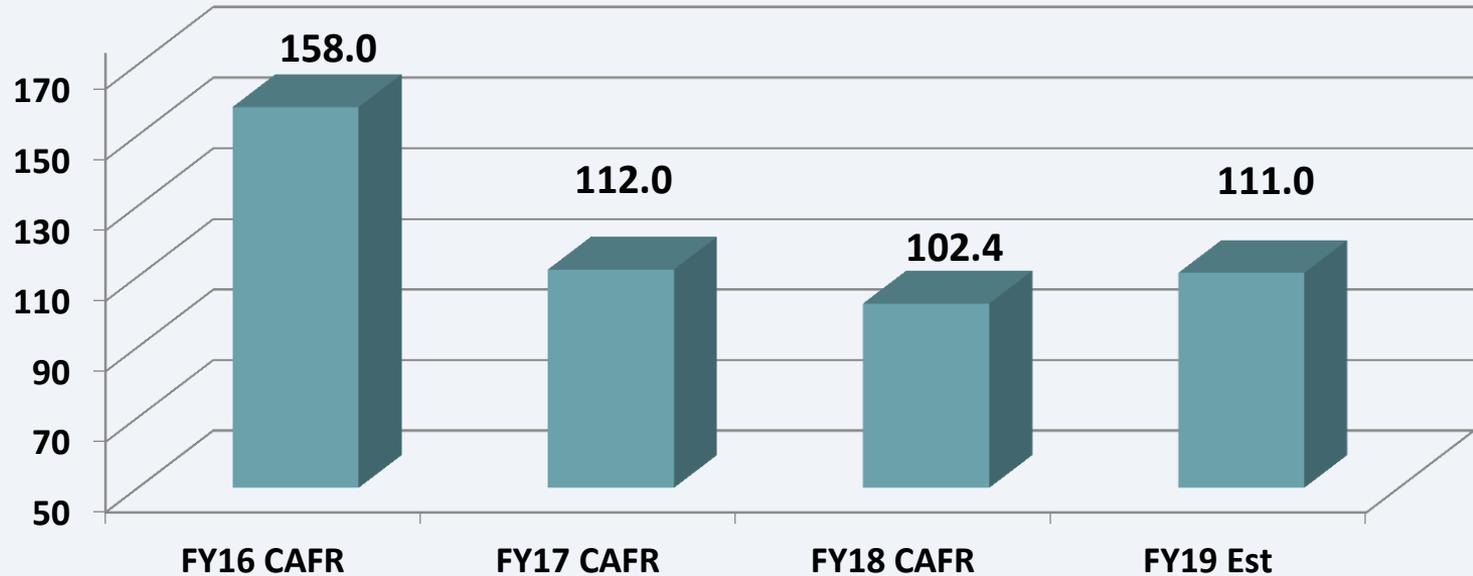
Amounts in millions



Fund Balances

General, Schools and Debt Service Funds

Amounts in millions



CAFR: Comprehensive Annual Financial Report

FY 2020 Budget Priorities

- Funding for Schools
- Pay plan for all employees
- Debt Service obligations

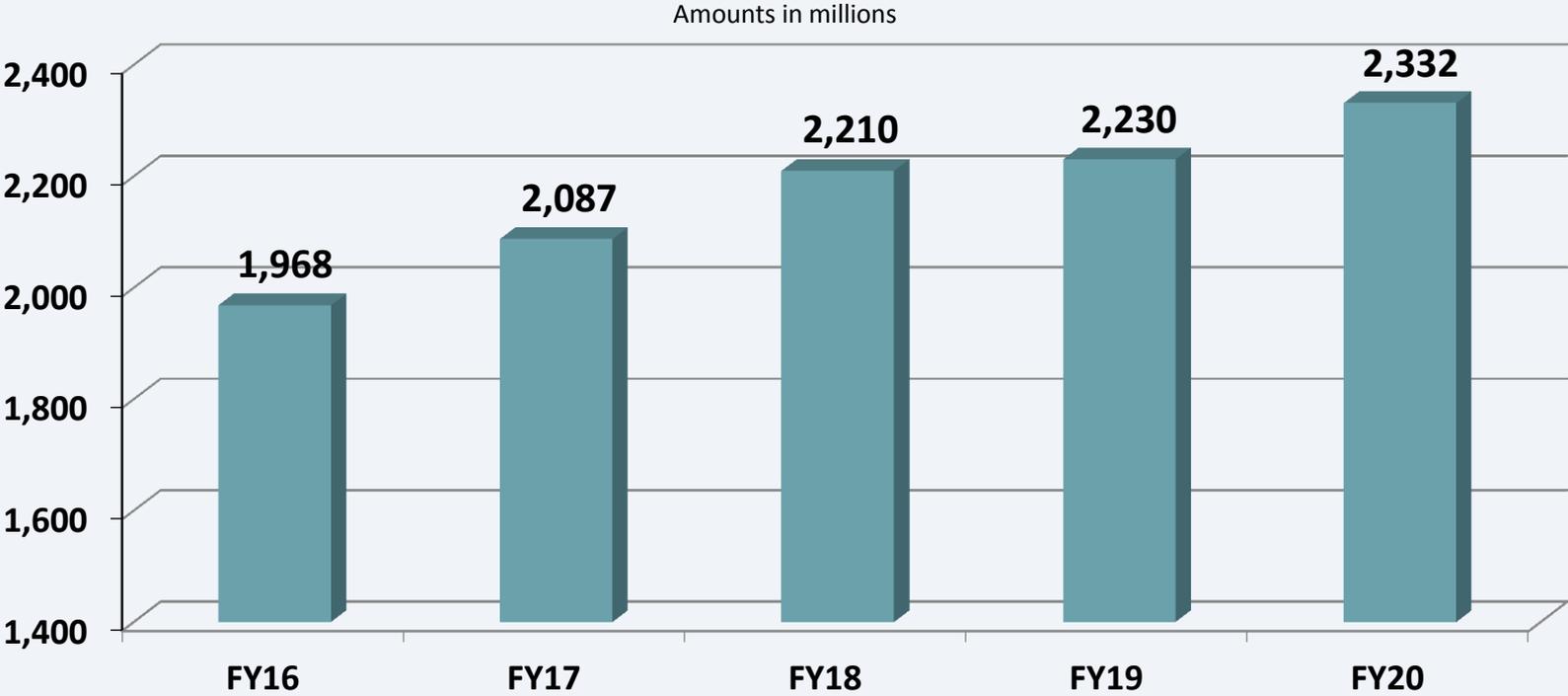
FY2020 Recommended Budget

\$2,331,618,000

4.55% increase over FY2019

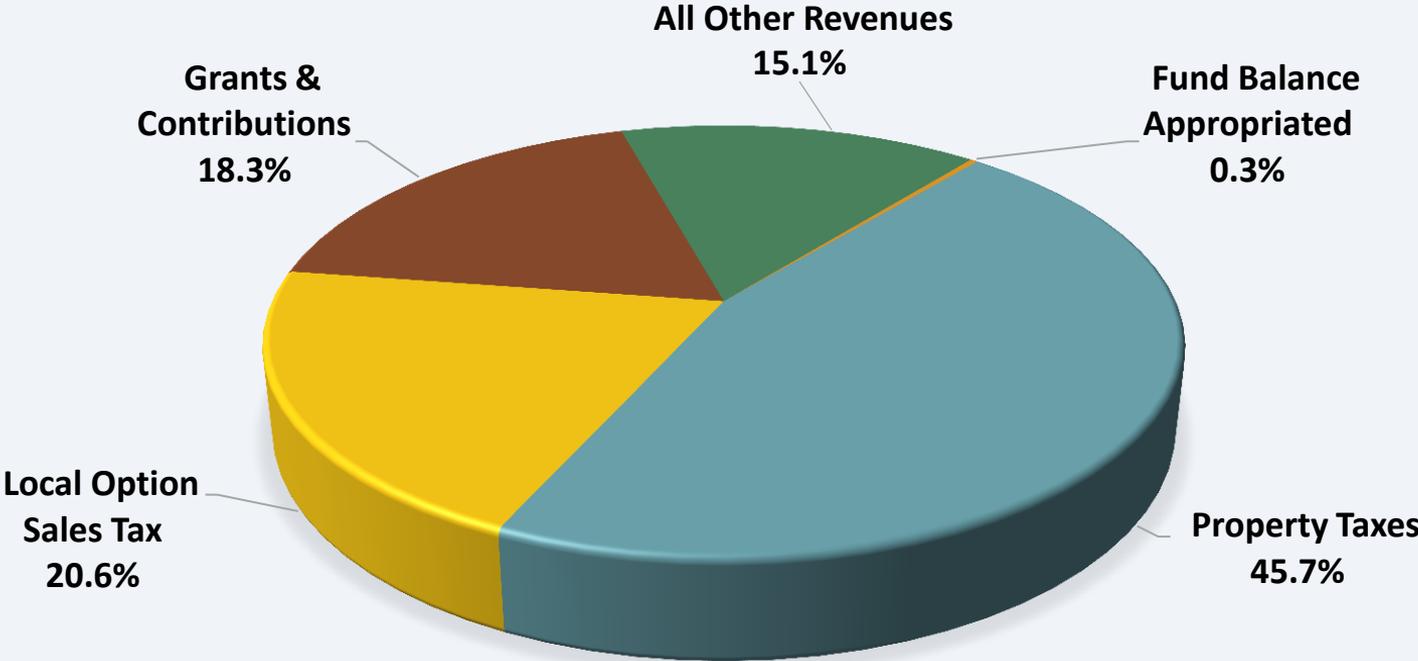
\$101,517,400

Total Budget Growth



Budget amounts taken from Substitute Budget Ordinances as approved by Metro Council

Where the Money Comes From



Total Projected Revenue Growth

\$103.6 million / 4.7%

- Property Taxes: \$29.2 million
- Local Option Sales Tax: \$40.8 million
- Grants and Contributions: \$10.2 million
- All Other: \$23.4 million

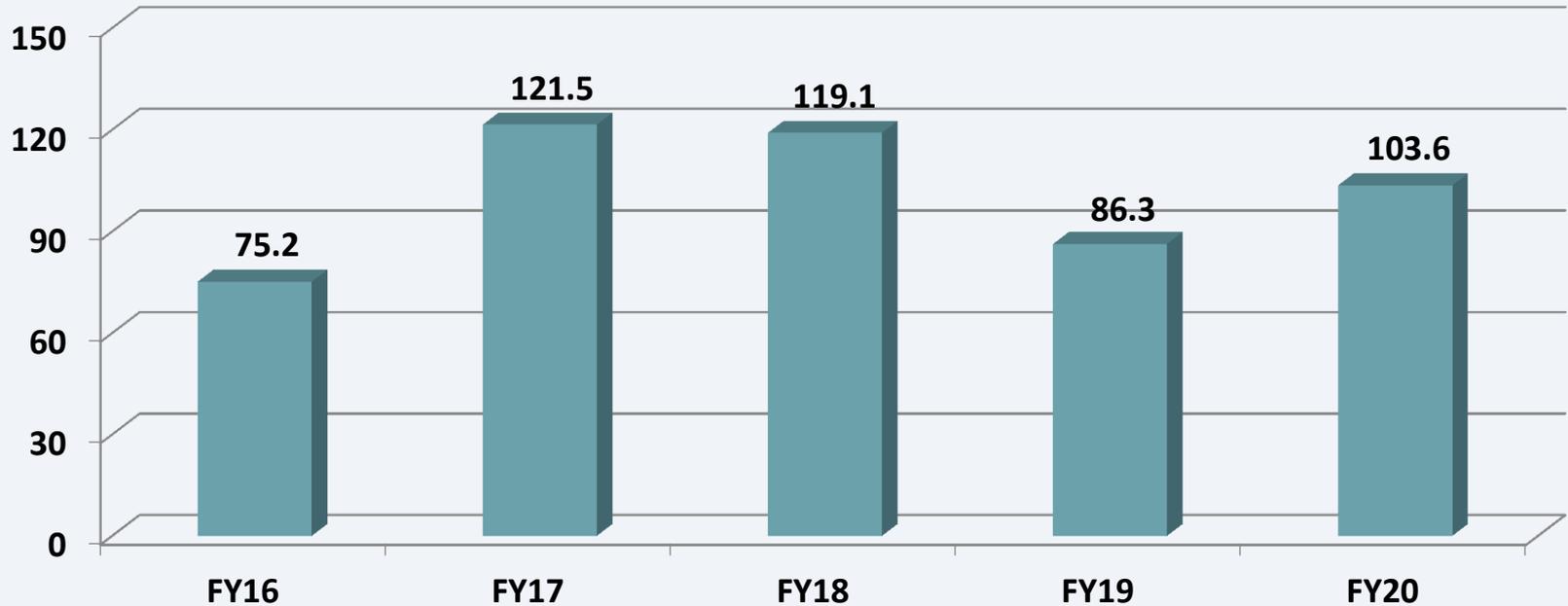
Includes non-recurring revenue in GSD Debt Service of:

- \$30 million up-front parking concession payments
- \$11.5 million District Energy System

Fund balance use decreased by \$2.1 million

Budgeted Revenue Growth

Amounts in millions



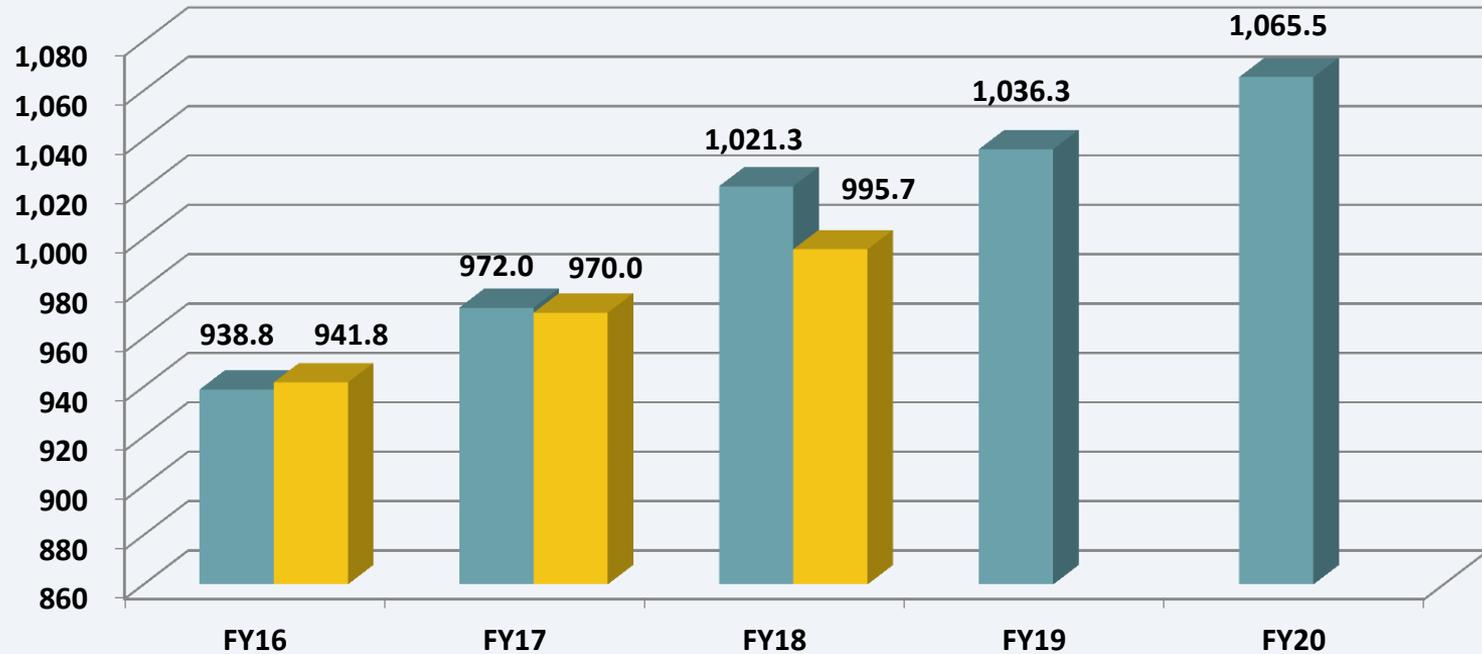
Major City/County FY2019 Property Tax Rates



Property Tax Trends

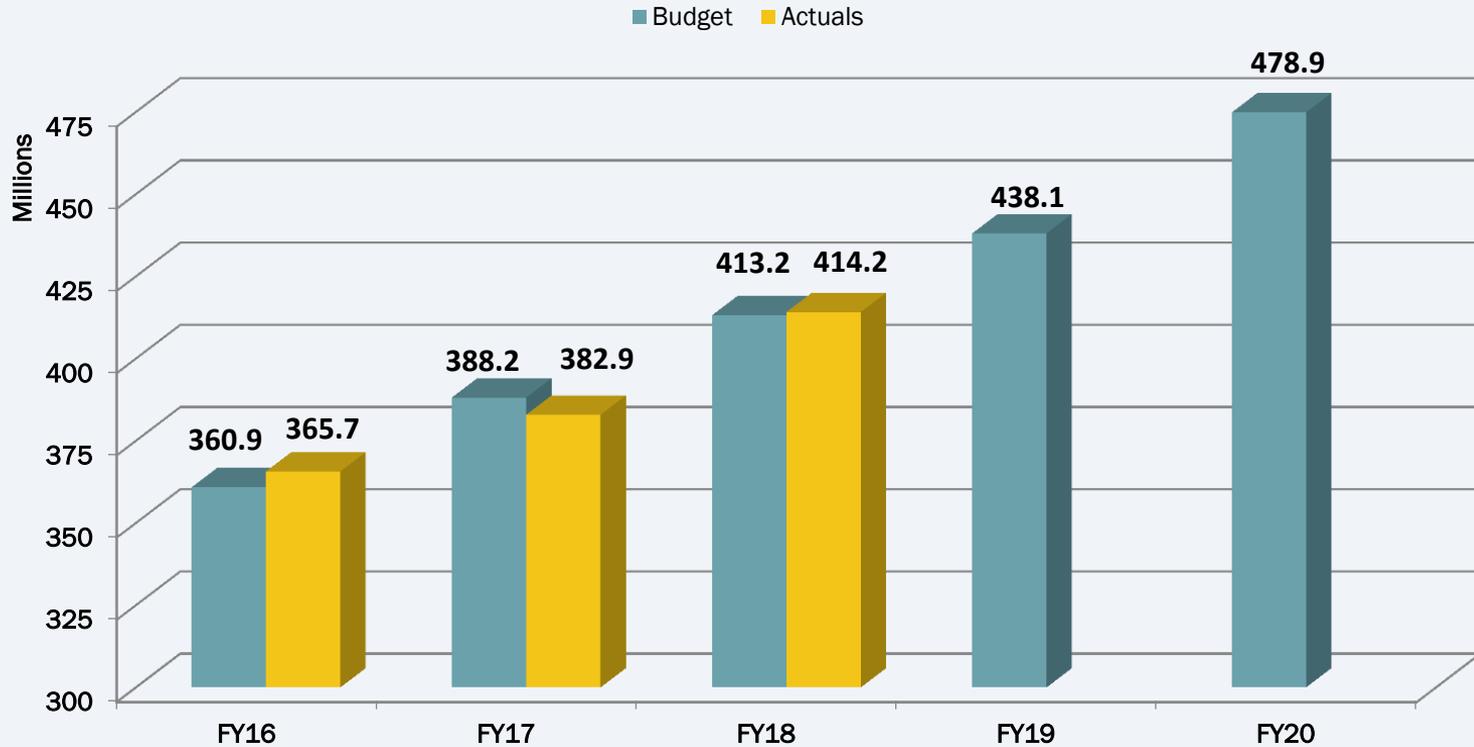
Amounts in millions

■ Budget ■ Actuals



Sales Tax Trends

Amounts in millions

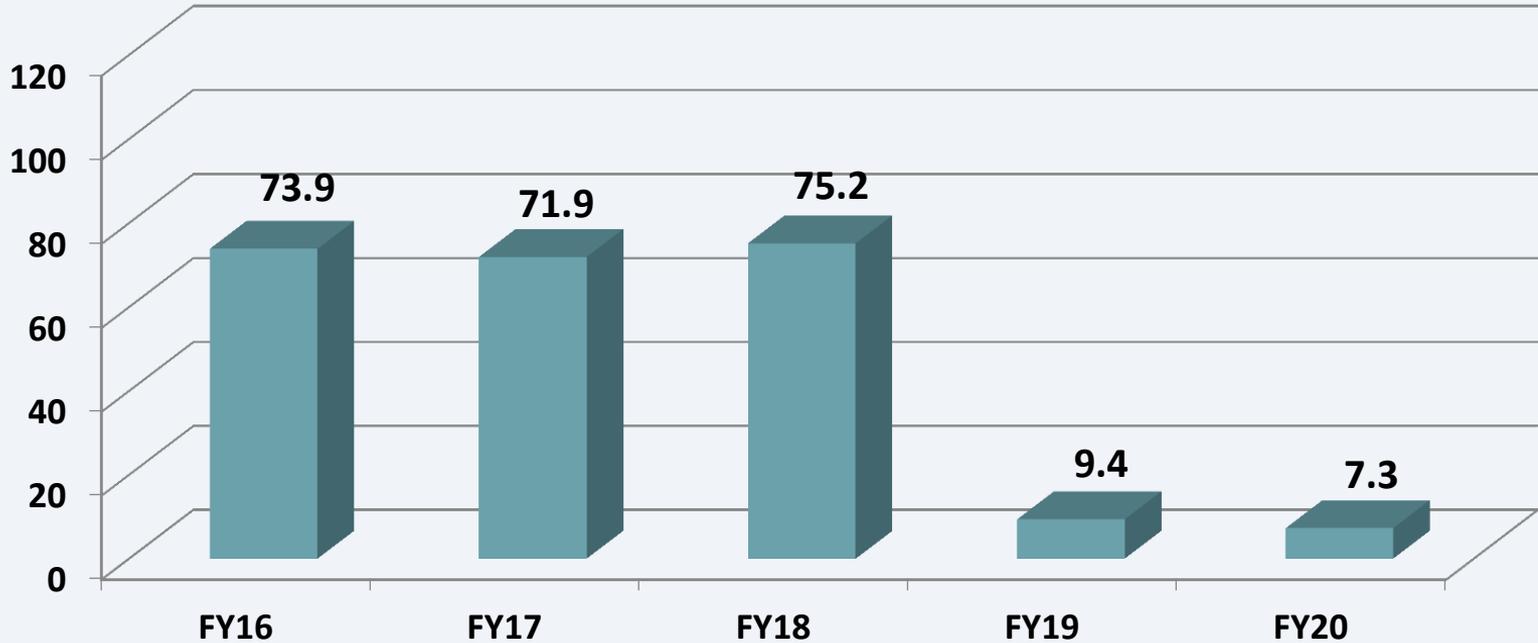


Recommended Use of Fund Balance

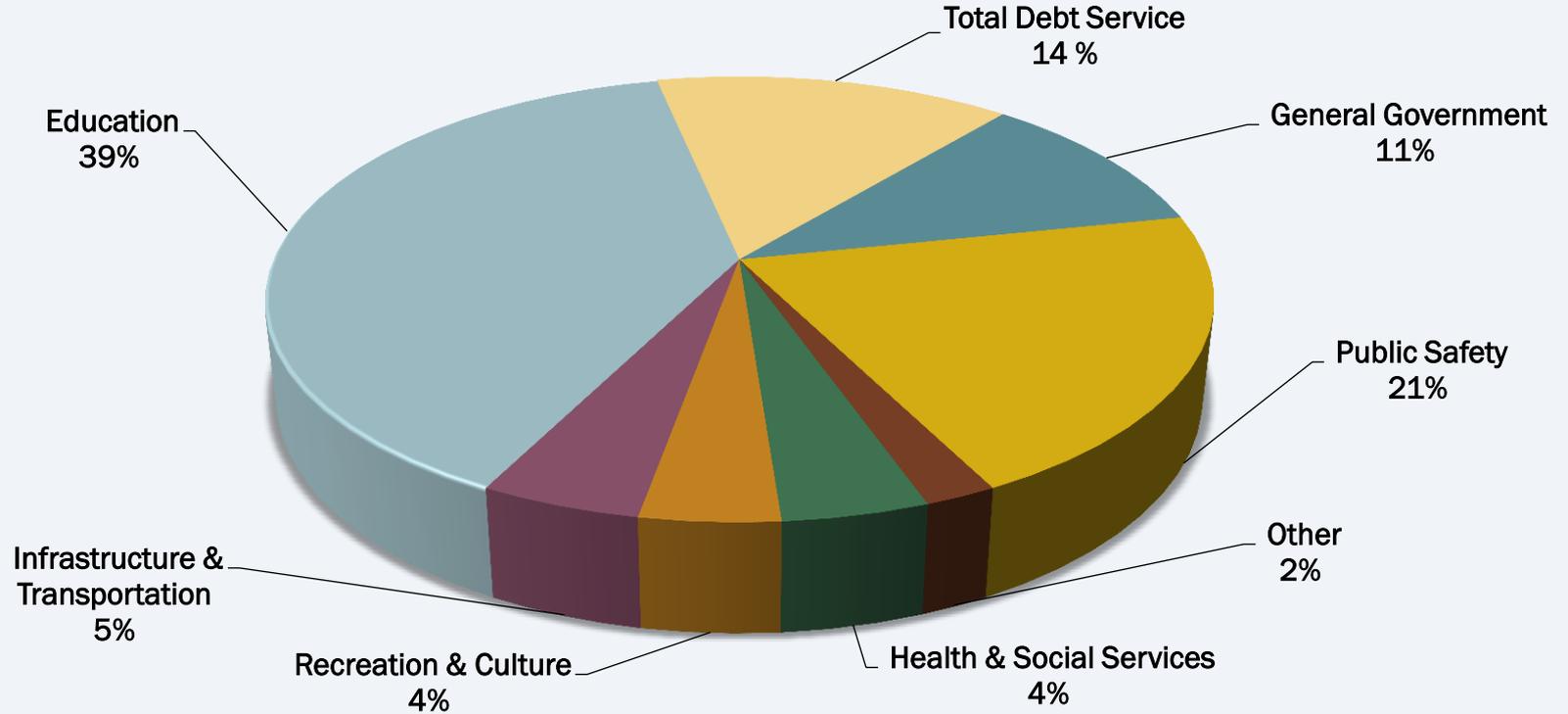
Fund	Appropriated for use in FY2020 Budget	Estimated June 30, 2019 Balance as a Percent of FY2020 Budget
OPERATING FUNDS:		
GSD General Fund	\$0	5.0%
USD General Fund	\$7,300,000	5.1%
Schools Fund	\$0	3.5%
DEBT SERVICE FUNDS:		
GSD Debt Service Fund	\$0	2.3%
USD Debt Service Fund	\$0	1.8%
Schools Debt Service Fund	\$0	9.3%

Budgeted Use of Fund Balance

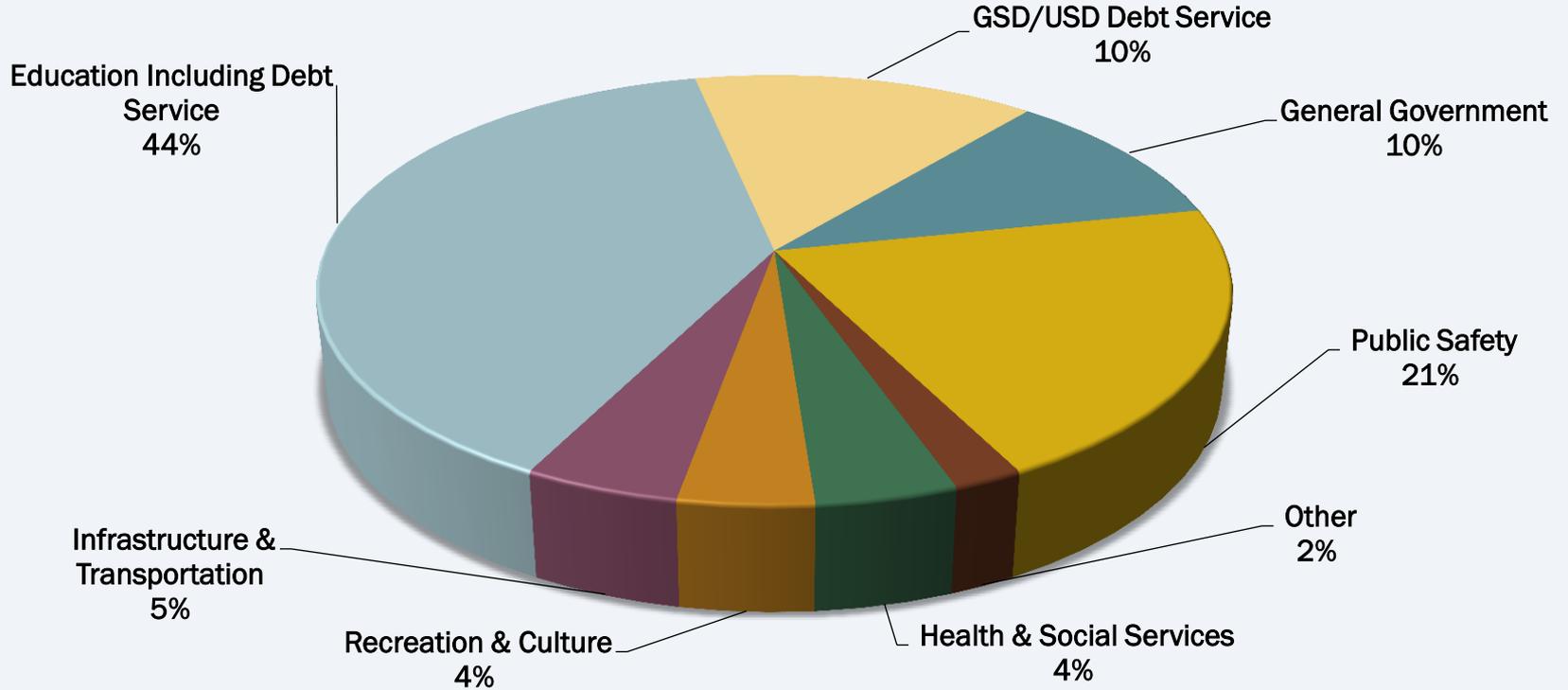
Amounts in millions



Where the Money Goes



Where the Money Goes – Total Schools Funding



Increase in Appropriations \$101.5 Million

- MNPS Operating: \$28.2 million
- General Government Pay Plan: \$23.3 million
- Debt Service: \$44.1 million
- Increase in General Government savings target: (\$1.4 million)
- Other operational changes, net: \$7.3 million

Schools Operating and Debt Service Increase \$34.9 Million

Operating Budget

\$914,475,600

\$28.2 million increase
3.2% over FY19

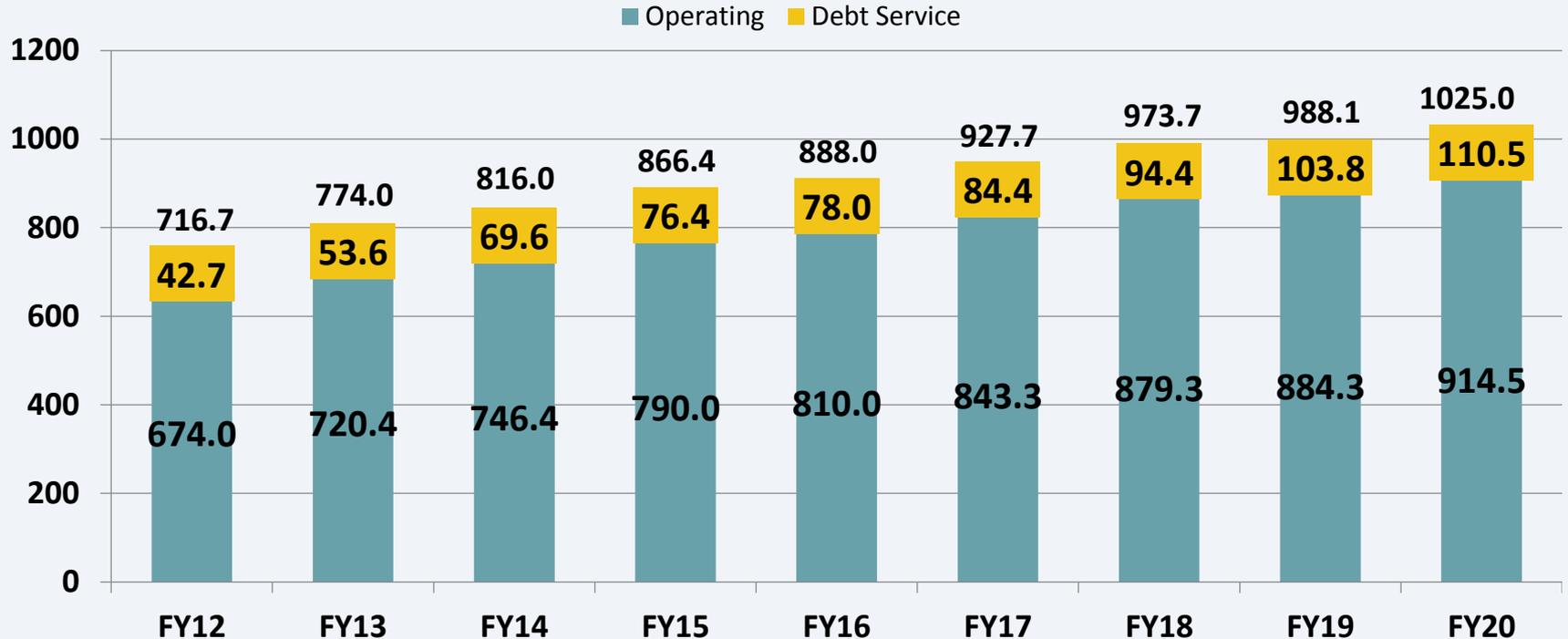
Debt Service Budget

\$110,554,700

\$6.7 million increase
6.5% over FY19

Total Schools Funding

Budgeted Amounts shown- in millions



Total Schools Local Funding

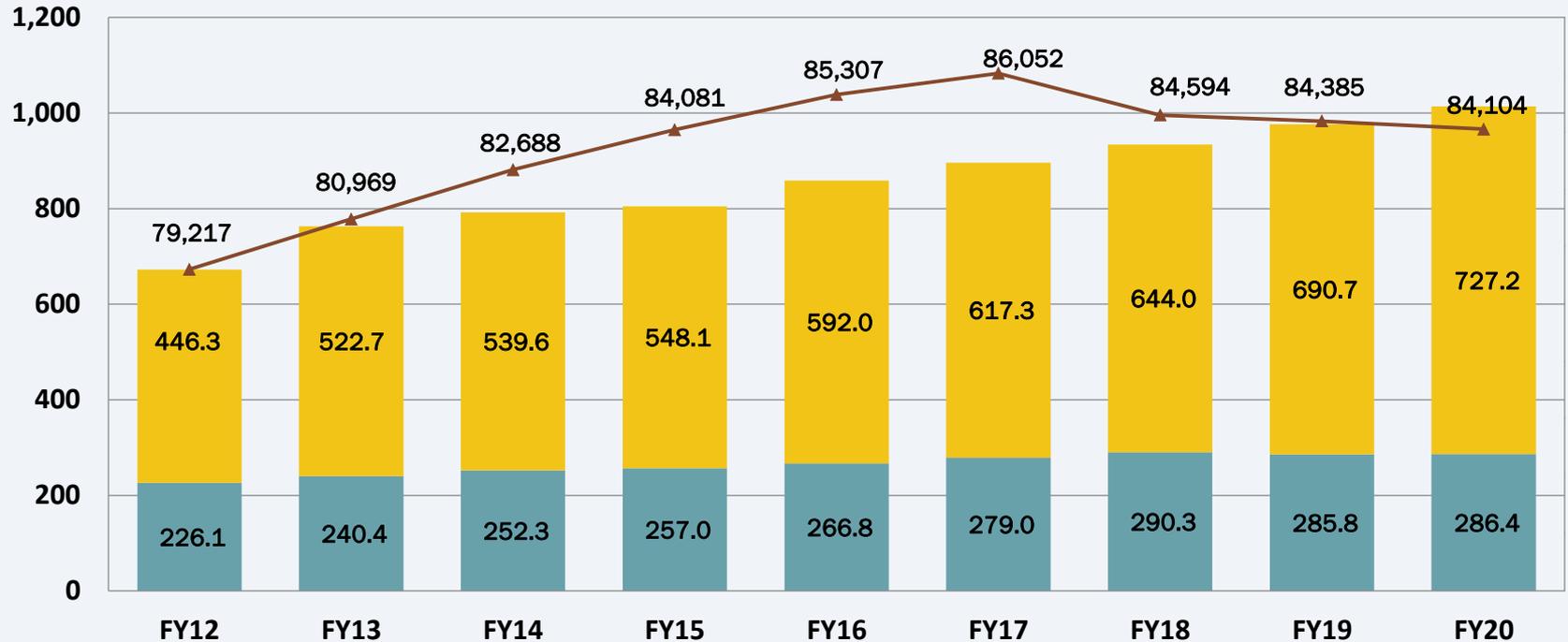
Local Funding Revenue Sources			
	FY2019	FY2020	GROWTH
PROPERTY TAXES	\$362,854,400	\$372,615,200	\$9,760,800
SALES TAXES	\$294,161,500	\$328,535,100	\$34,373,600
OTHER REVENUE	\$20,732,200	\$26,082,200	\$5,350,000
PROPERTY SALE	\$13,000,000	\$0	(\$13,000,000)
TOTAL	\$690,748,100	\$727,232,500	\$36,484,400

Schools

Historical State and Total Local Combined Contributions

Amounts in Millions

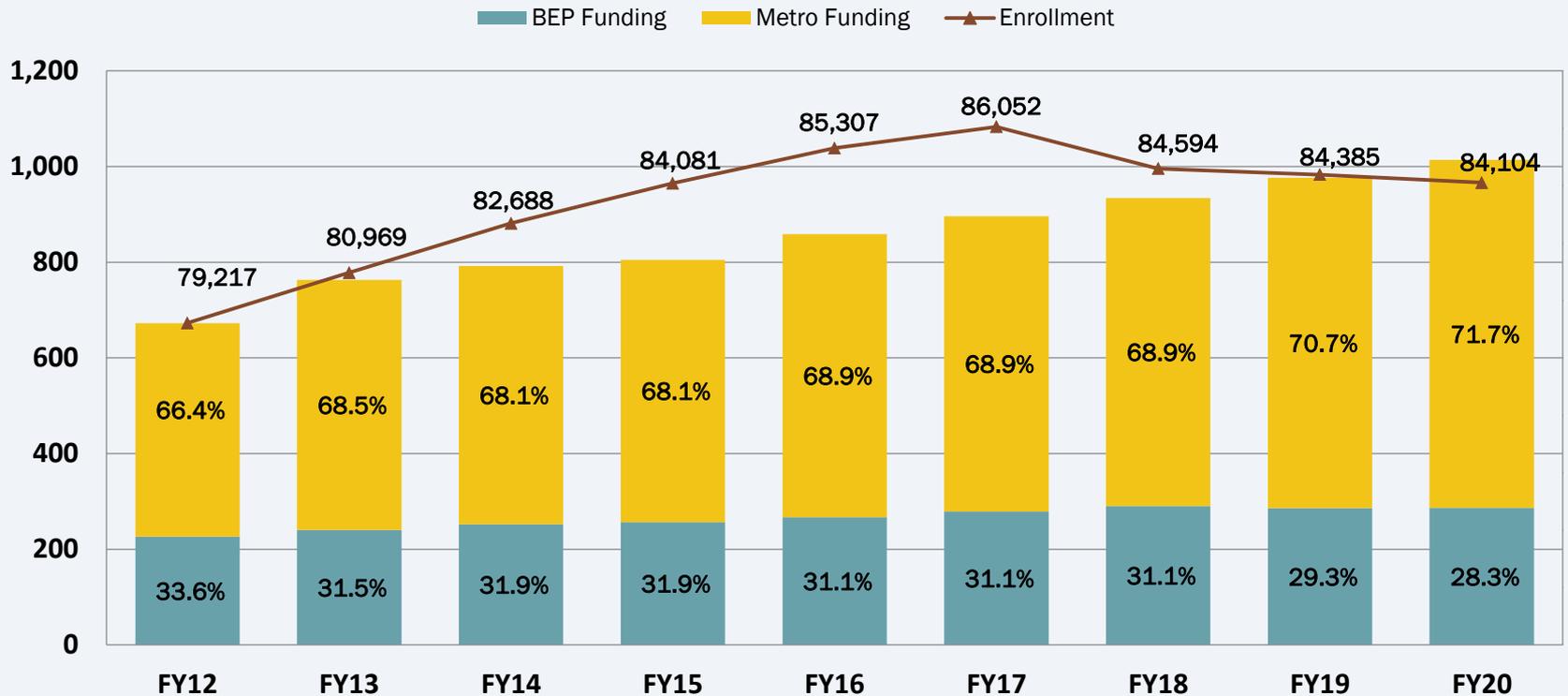
■ BEP Funding ■ Metro Funding ▲ Enrollment



FY2012-FY2018 - Actual
FY2019-FY2020 - Budget

Schools

Historical State and Total Local Combined Contributions



FY2012-FY2018 - Actual
FY2019-FY2020 - Budget

Metro Employees \$23.3 Million

- 3.0% Cost of Living Adjustment (COLA)
- Increments for eligible employees (effective increment date)
- 2.0% for open range increases (effective July 1)
- All full-time employees under Metro's general pay plan will be paid a living wage of at least \$15 per hour
- No increase in General Government employee health insurance cost

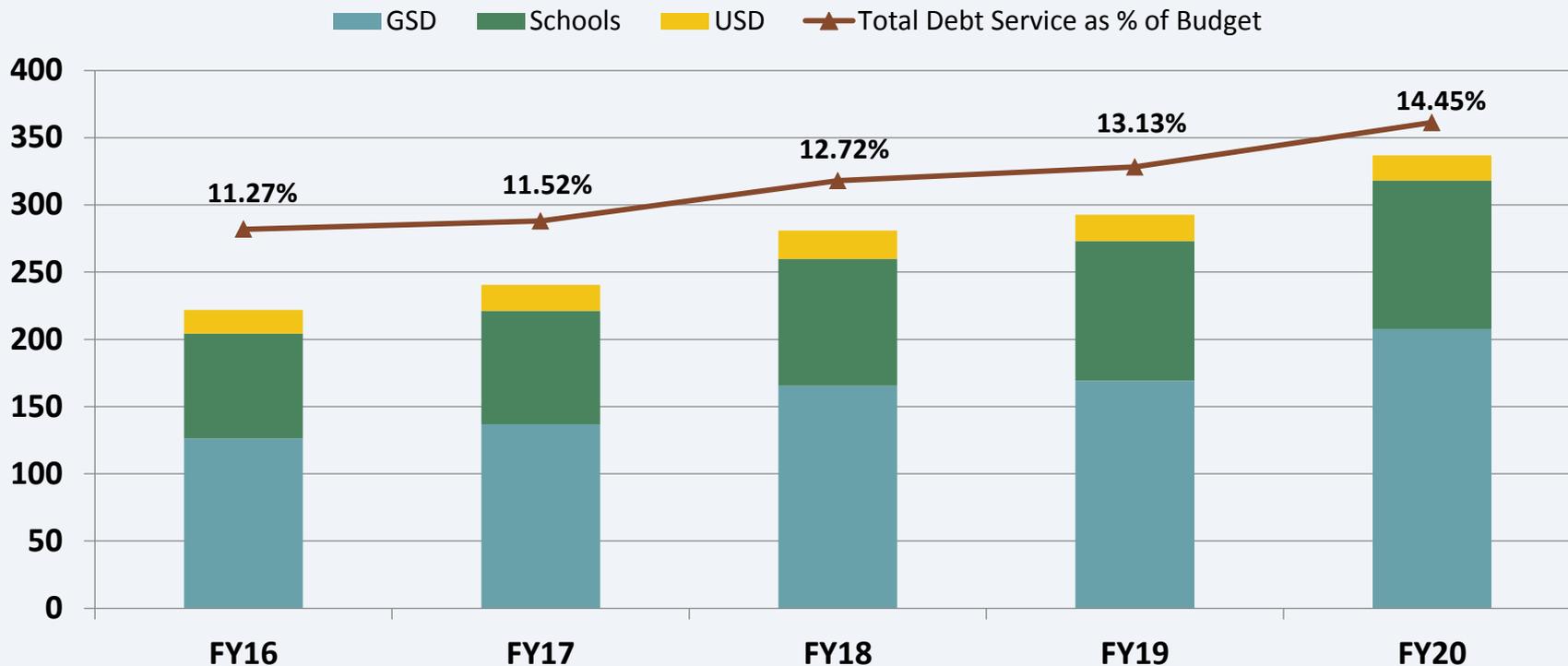
Debt Service

Amounts in millions

	FY2019 Budgeted	FY2020 Budgeted	\$ Change	% Change
GSD	169.3	207.6	38.3	22.7%
USD	19.7	18.7	(1.0)	-5.1%
MNPS	103.8	110.5	6.7	6.6%
Total	292.8	336.9	44.1	15.1%

Historical Annual Debt Service Requirement FY2016-FY2020

Amounts in millions



Annual Debt Report

As required by BL2014-696,
the Annual Debt Report will be emailed to Metro Council members
today and will include new information required by BL2019-1602

New Information:

- Percentage Increase or Decrease in GO Bonds
- Authorized Unbonded Debt
- Debt Per Capita
- Debt Instruments other than bonds (Sports Authority)

Blue Ribbon Commission Recommendations

- Increased targeted savings for the General Fund from \$11,500,000 to \$12,907,300
- Established a targeted savings goal for MNPS of \$6,209,000
- Short Term Rental Permit fee revenue increase of \$1,140,000
- Public Property Performance Audit budgeted at \$200,000
- Expanded Parthenon hours budgeted at \$206,000 of net revenue

Selected Budget Highlights

- **\$43.1 million** - General Hospital
 - *Funds 100% of requested subsidy*
- **\$3.5 million** - Bordeaux Nursing Home
 - *Funds contract with Signature*
- **\$2 million** - Knowles Assisted Living Facility
 - *Funds contract with Anthem Care*

Selected Budget Highlights

Tax Increment Financing

Amounts in millions

	FY2019 Budget	FY2019 Actual	FY2020 Budget	Budget Increase
GSD	11.9	13.9*	15.7	3.8
USD	2.9	3.2	3.9	1.0
MNPS	8.5	8.5	11.2	2.7
Total	23.3	25.6	30.8	7.5

*Includes increase for MNPS

Selected Budget Highlights

- Continued Barnes Fund Affordable Housing Funding: \$10 million
- Body Worn Cameras: \$3 million
- Community Oversight Board: \$1.5 million
- Public Safety and Public Works Staffing Studies: \$250,000
- Equal Business Opportunity Program Implementation: \$442,300
- GRAD Program: \$1 million
- Study and Formulating Committee: \$150,000

Selected Budget Highlights

- Metro Facility Openings, including security: \$2.6 million
 - *Bellevue Community Center*
 - *New Police Headquarters*
 - *Family Safety Center*
- Recycling increased to every other week (1/2 year): \$518,100
- 2020 Elections: \$2.5 million
- Short- Term Rental Administration: \$458,100
 - *Codes - Enforcement*
 - *Fire - Inspectors*
 - *Finance - Collections*

Legislation to Track with FY 2020 Operating Budget

Operating Budget Ordinance	Urban Council Resolution
Tax Levy Ordinance	Tax Anticipation Notes Resolution
Property Tax Relief Ordinance	Parking System Legislation
Short Term Rental Property Fee Ordinance	Pay Plan Resolutions and Position Classifications Update Ordinance
FY19 Supplemental Resolution	



FOR MORE INFORMATION VISIT THE CITIZENS' GUIDE TO THE METRO BUDGET

Nashville.gov/citizens_budget