



FY2014 Budget Presentation

Richard M. Riebeling, Finance Director

April 30, 2013

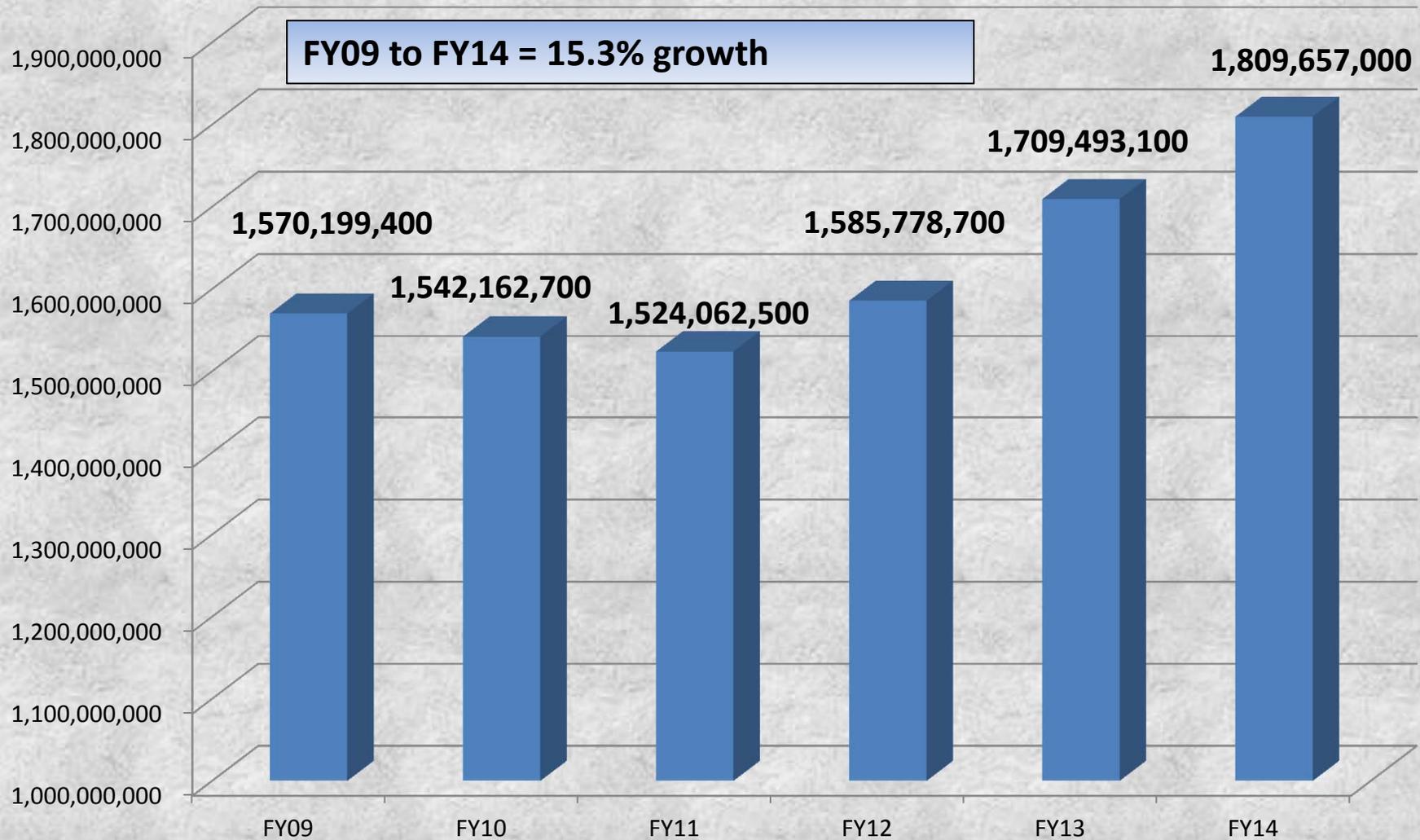
Metropolitan Government of Nashville and Davidson County

Recommended Budget

\$1,809,657,000

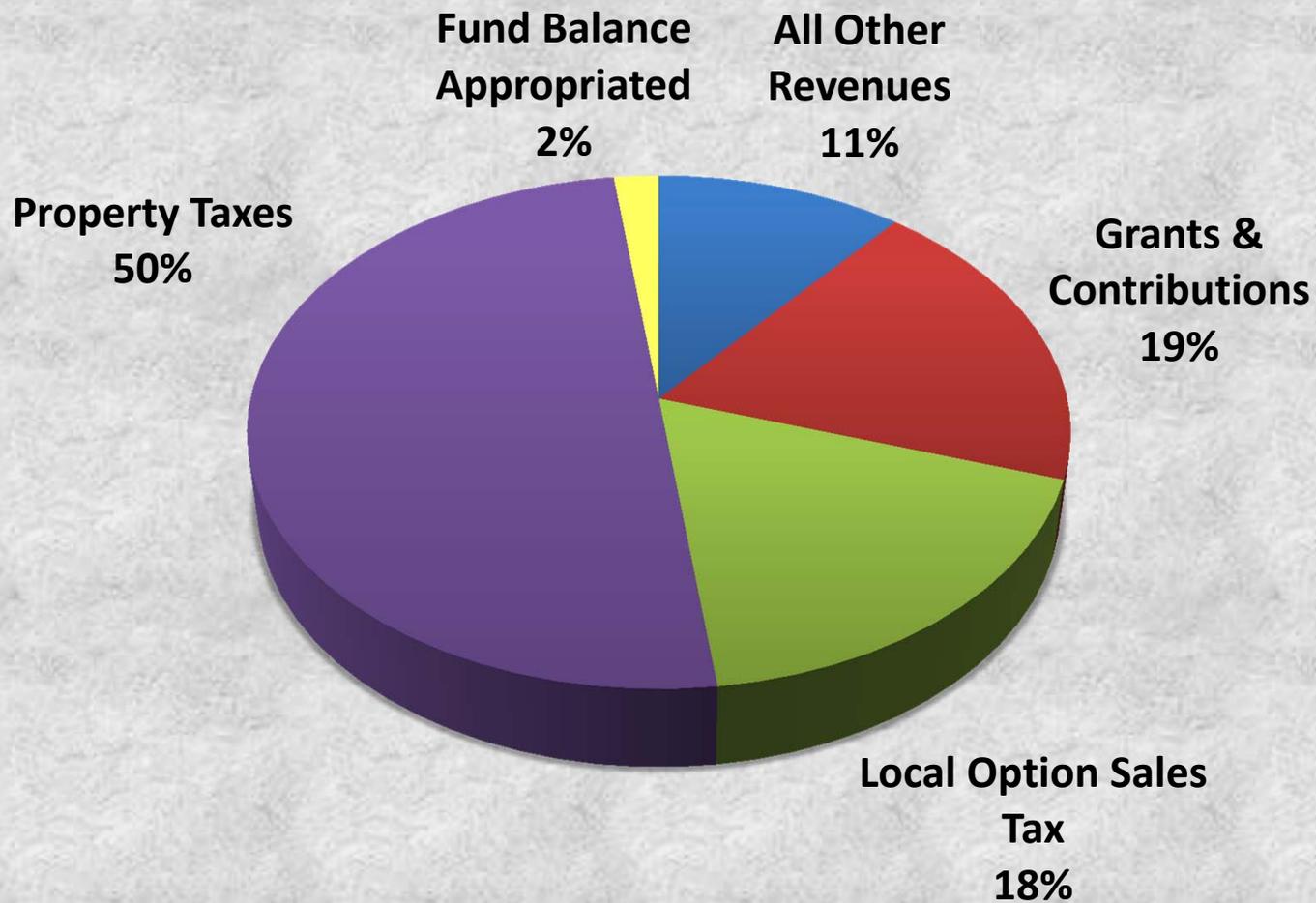
5.86% increase over FY13

Total Budget Growth FY2009 – 2014



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Where the Money Comes From

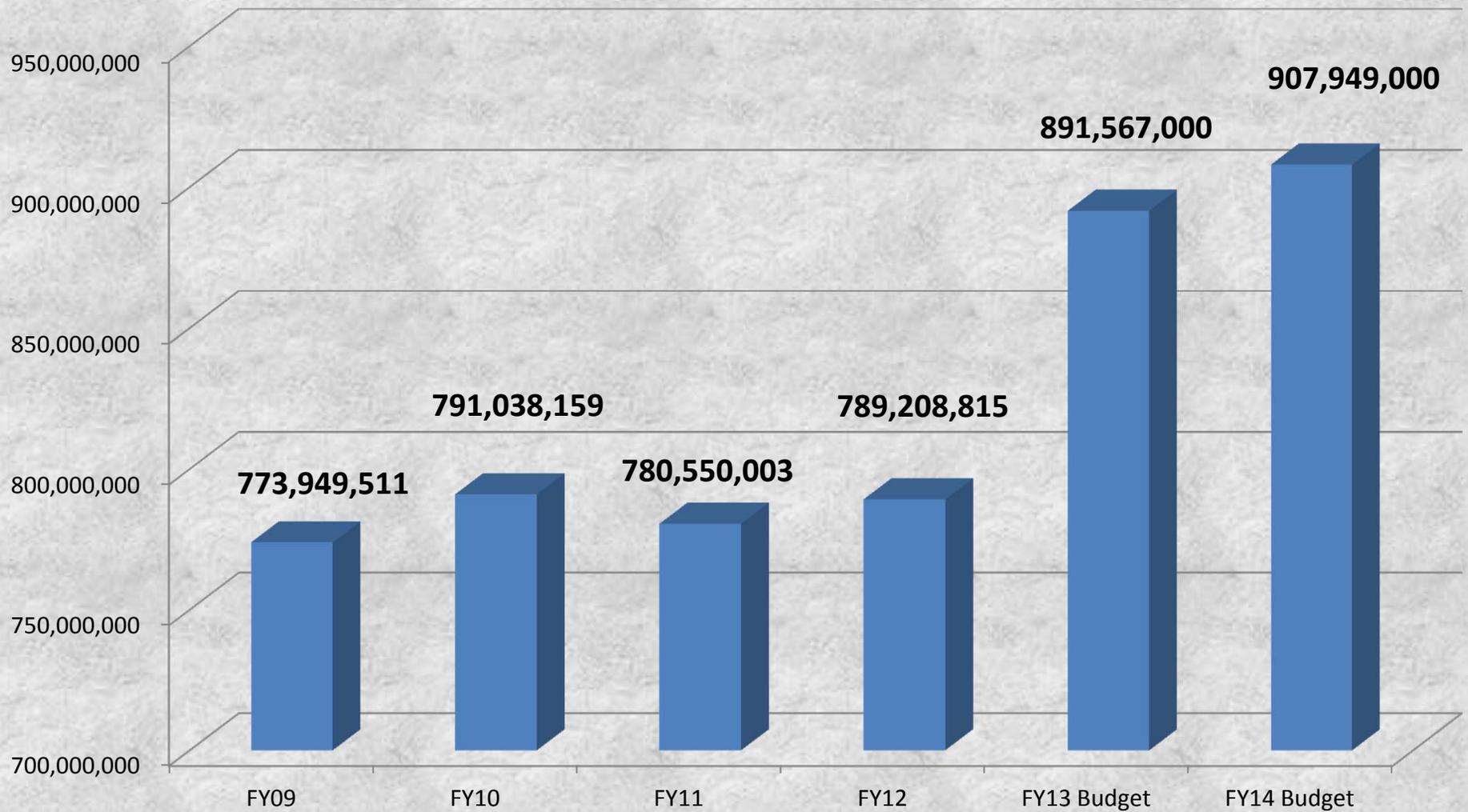


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Total Revenue Growth

- Property Taxes - \$16.4 million
- Local Option Sales Tax - \$24.2 million
- Grants and Contributions - \$8.2 million
- All Other - \$6.5 million

Property Tax Trends FY2009 – 2014



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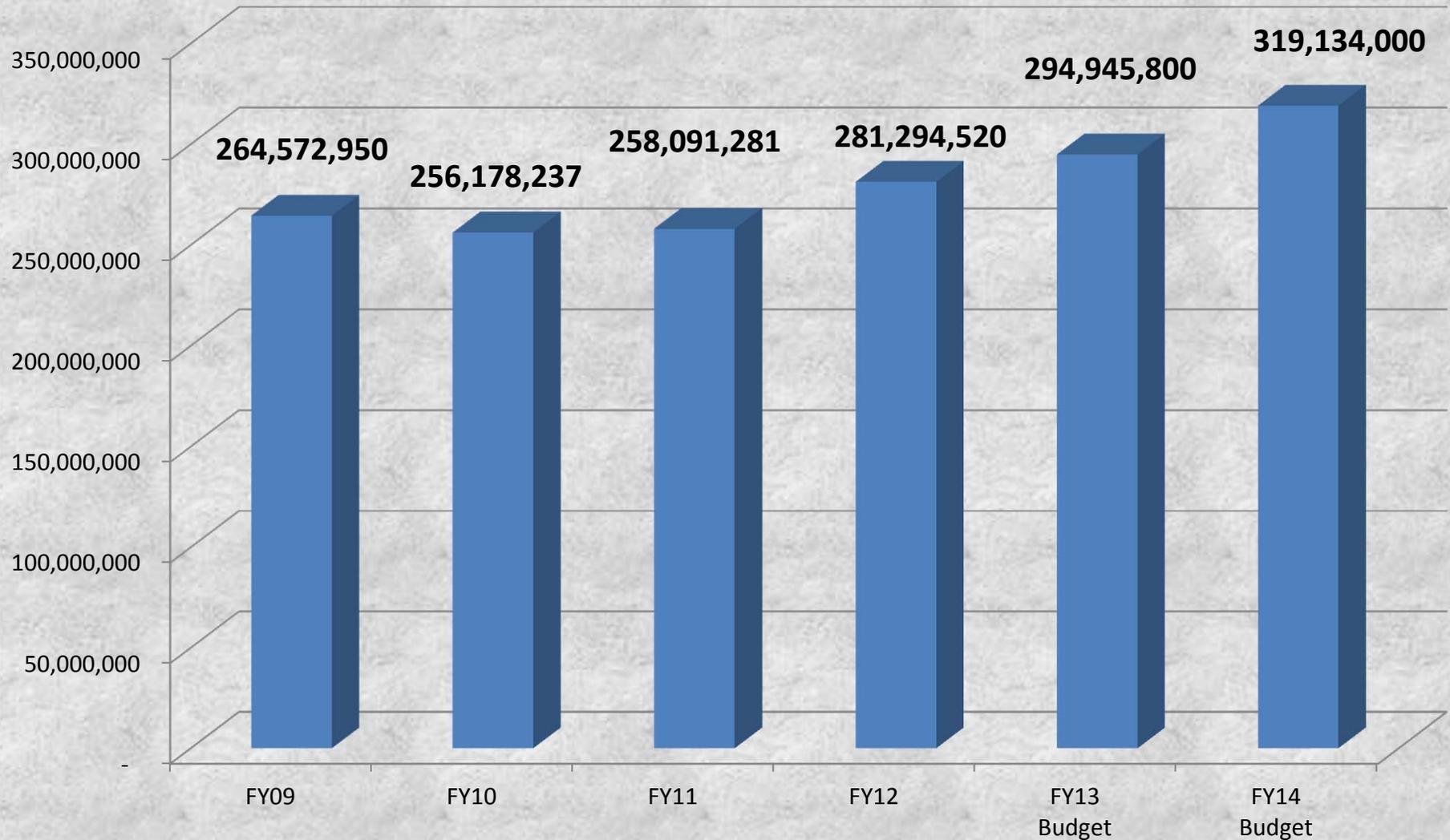
Reappraisal and Certified Tax Rate

NEW RATE \$4.52

\$3.93 - GSD

.59 - USD

Sales Tax Trends FY2009 – 2014



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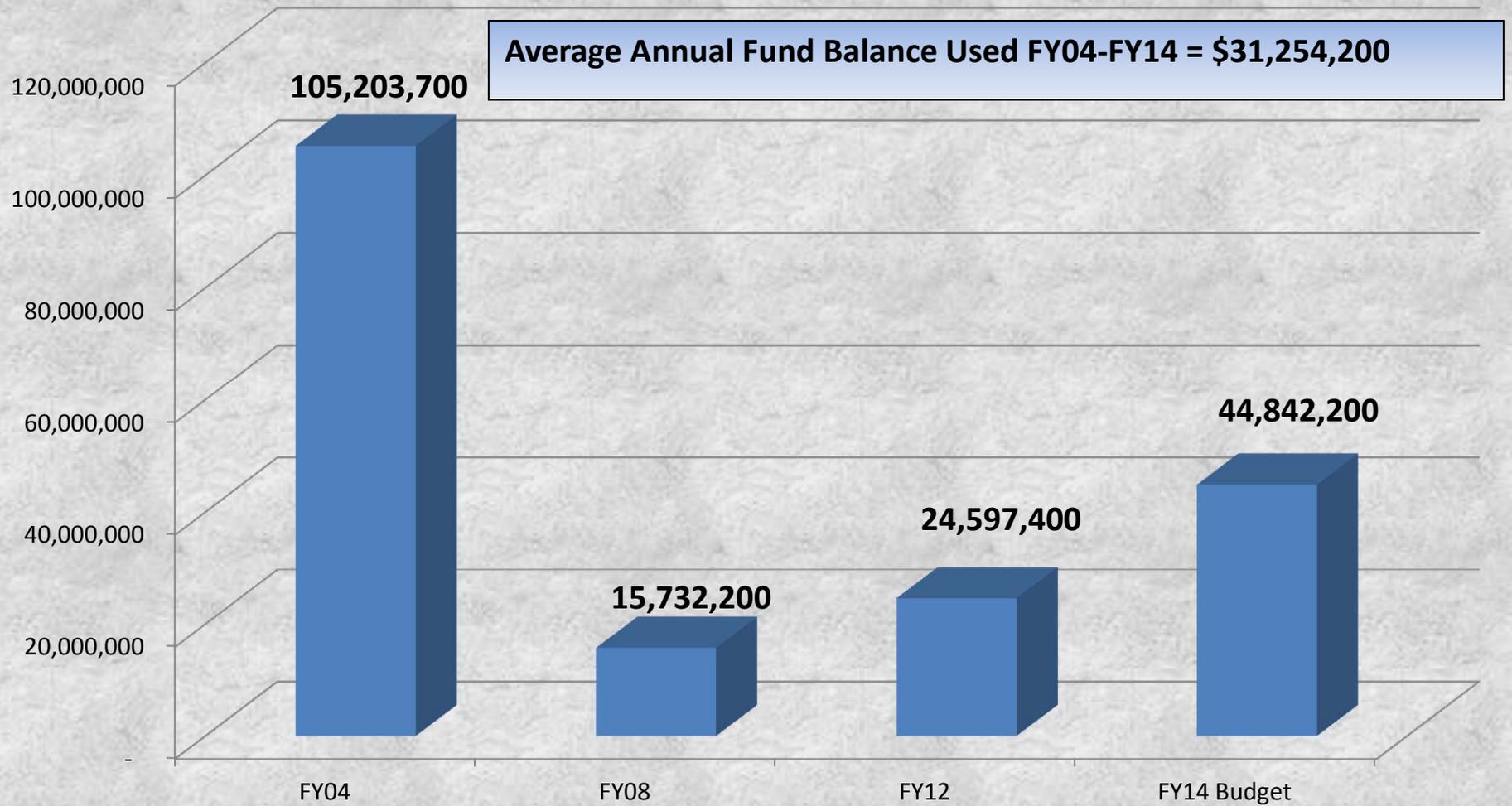
Recommended Use of Fund Balance

Fund	Appropriated for use in FY14 Budget	Estimated June 30, 2014 Balance as a Percent of FY14 Budget
OPERATING FUNDS:		
GSD* General Fund	\$9,613,100	7.5%
USD** General Fund	\$5,262,200	5.4%
Schools Fund	\$12,000,000	6.4%
DEBT SERVICE FUNDS:		
GSD* Debt Service Fund	\$5,966,900	9.1%
USD** Debt Service Fund	\$4,000,000	15.8%
Schools Debt Service Fund	\$8,000,000	6.9%

*GSD - General Services District

**USD - Urban Services District

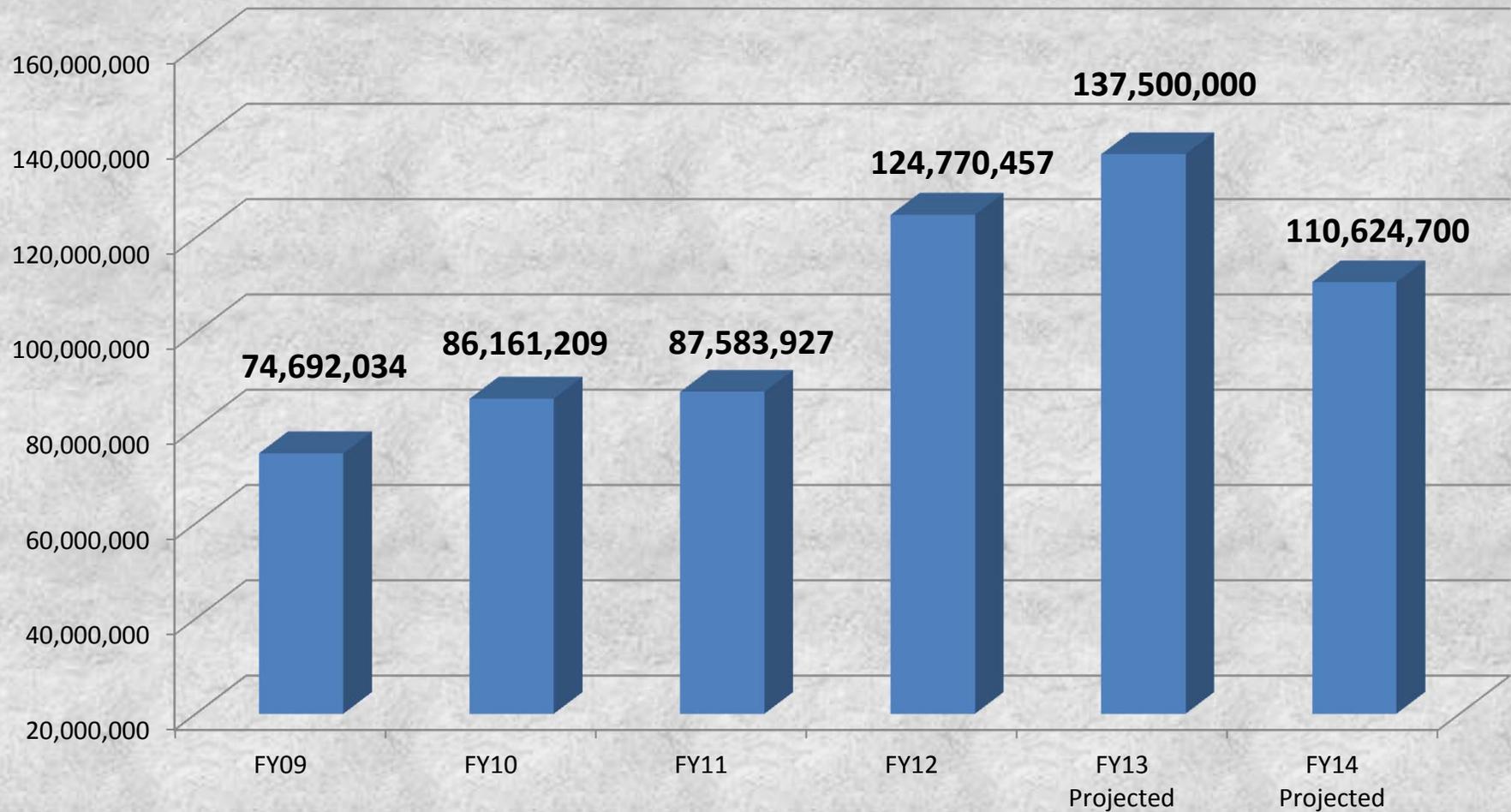
Historical Use of Fund Balance



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Fund Balance FY2009-2014

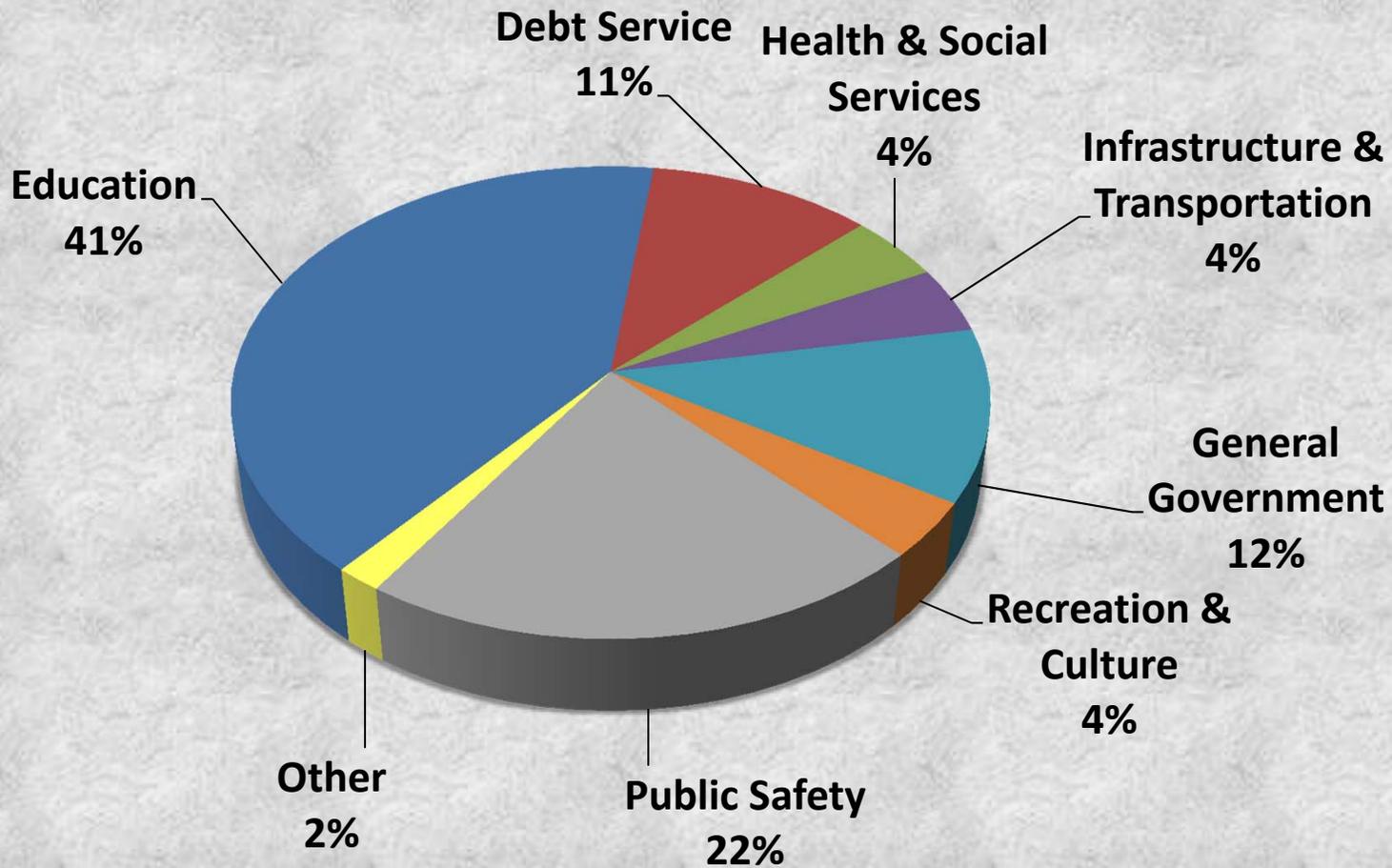
Operating Funds*



* Includes GSD/USD/MNPS

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Where the Money Goes



Metropolitan Government of Nashville and Davidson County

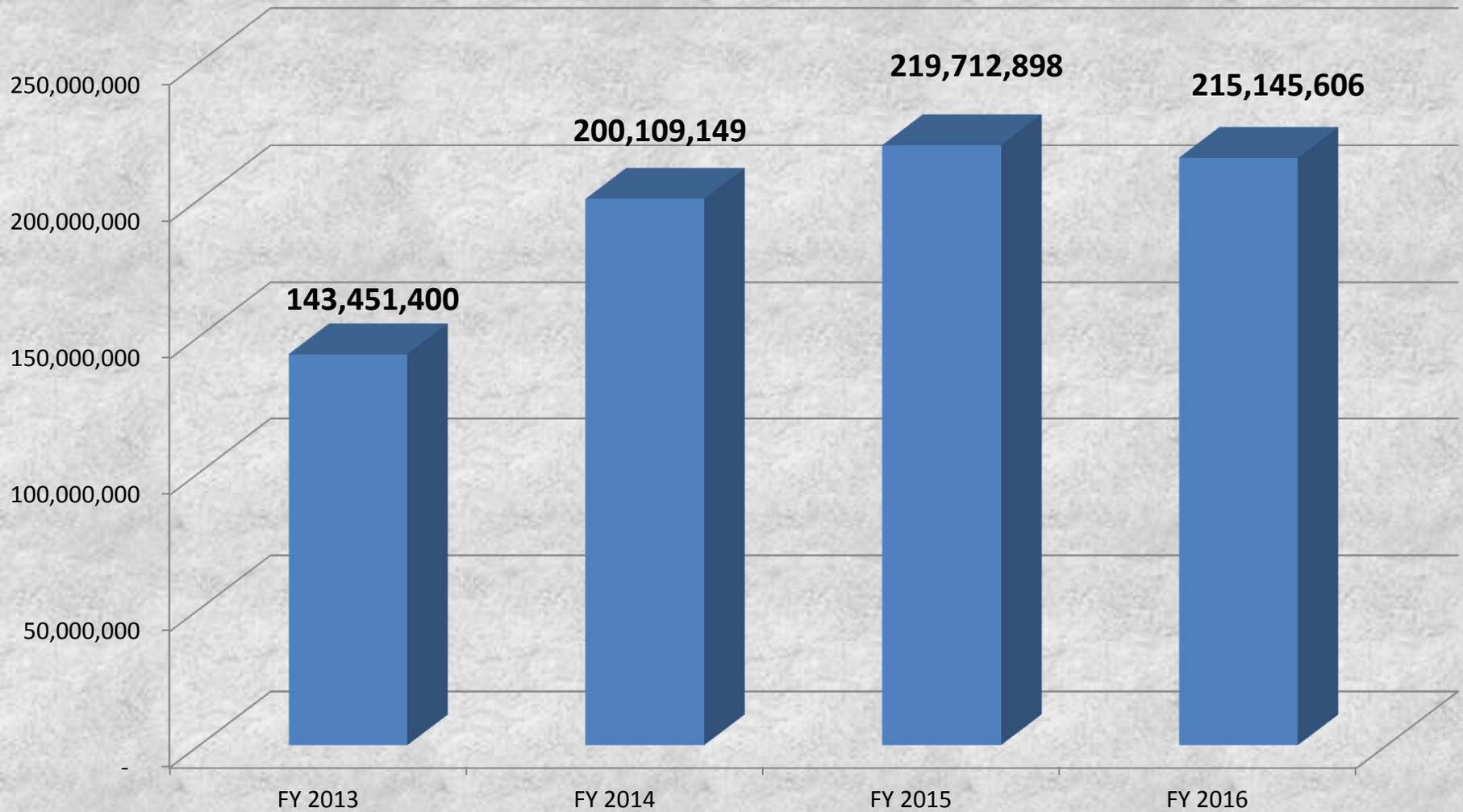
Where the Money Goes

\$100 million

- Debt Service - \$57 million
- Schools Improvements - \$26 million
- Employee and Retiree Costs - \$10 million
- General Government Improvements - \$7 million*

*** Net change after improvements and reductions**

Debt Service Obligations



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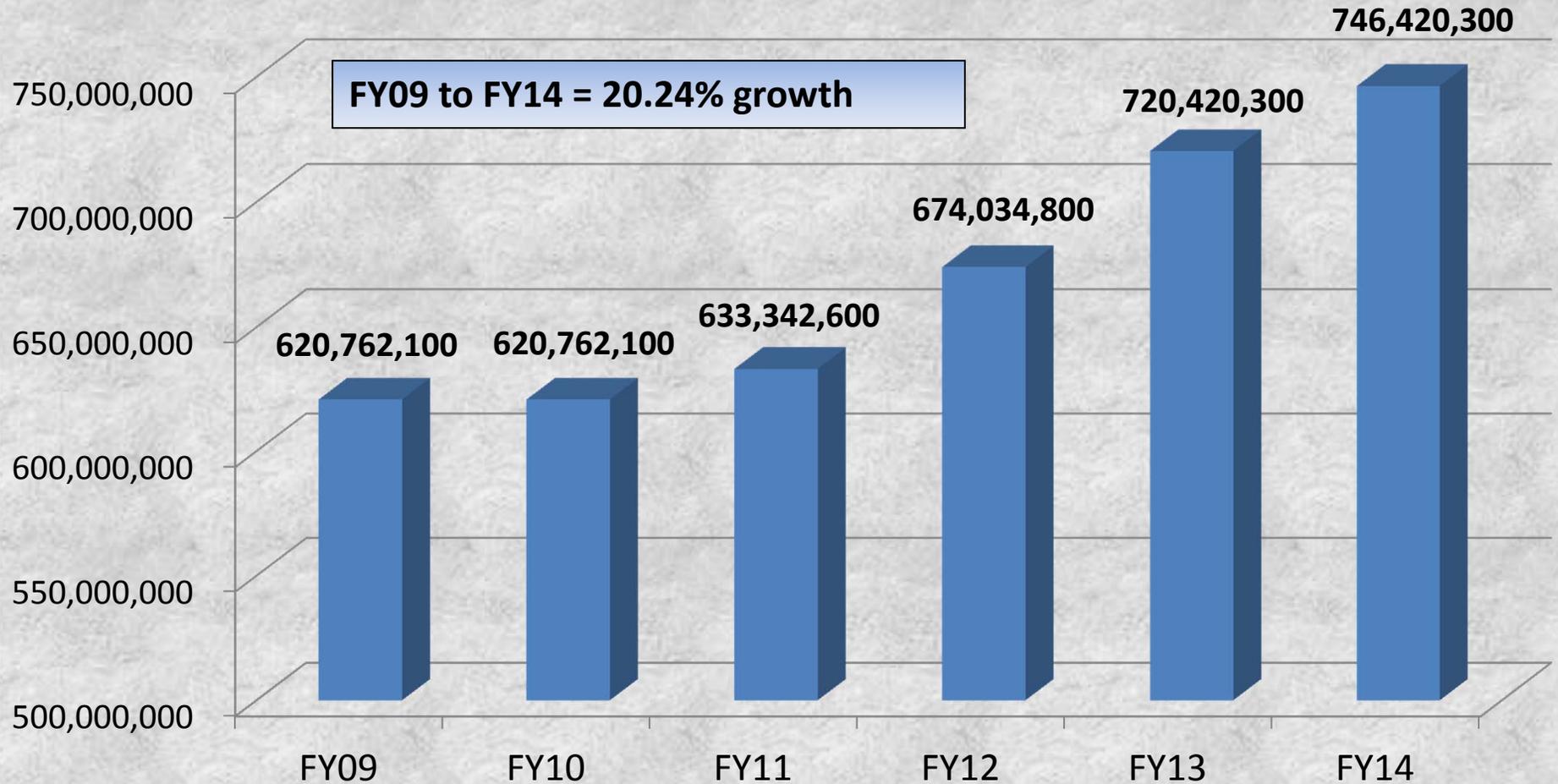
Schools

\$746,420,300

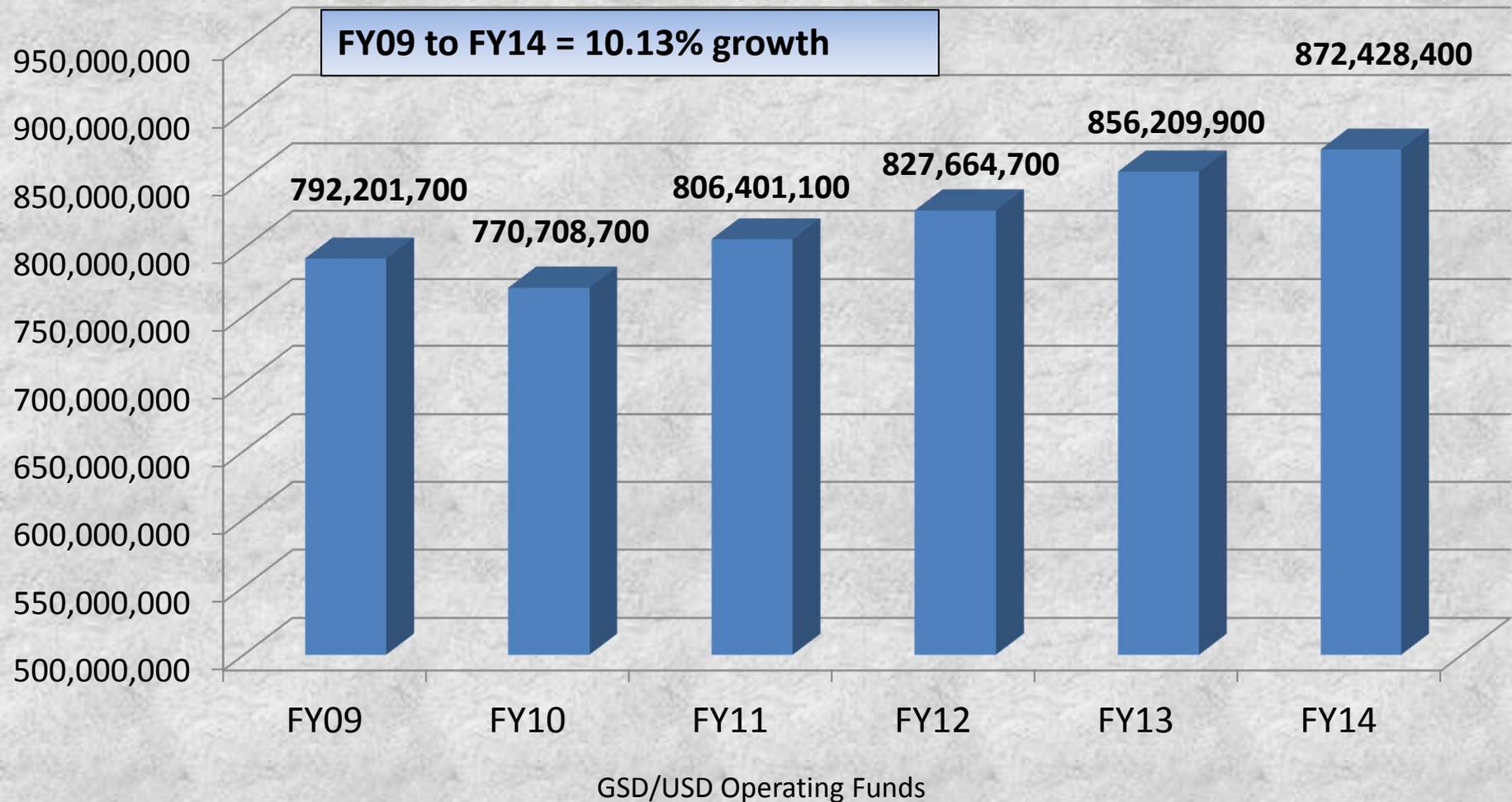
3.61% increase over FY13



Schools Budget Growth FY2009–2014



General Government Budget Growth FY2009–2014*



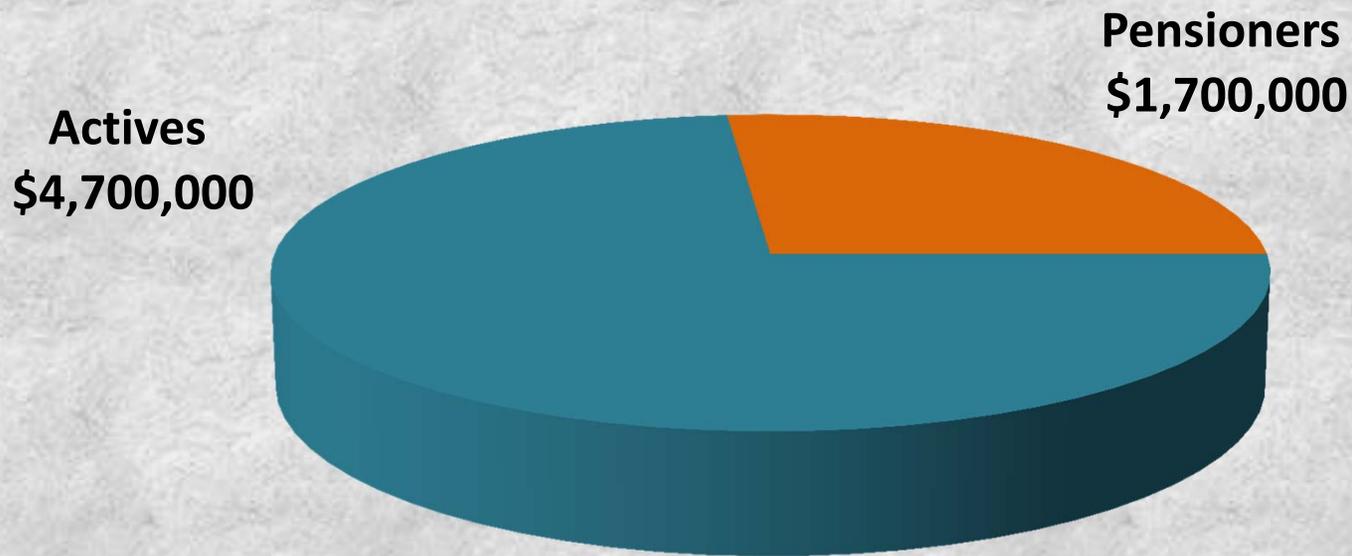
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Schools

- Must balance needs of Schools with rest of general government
- Must identify efficiencies as general government has been forced to do over the past few years



Active Employee and Pensioner Benefits

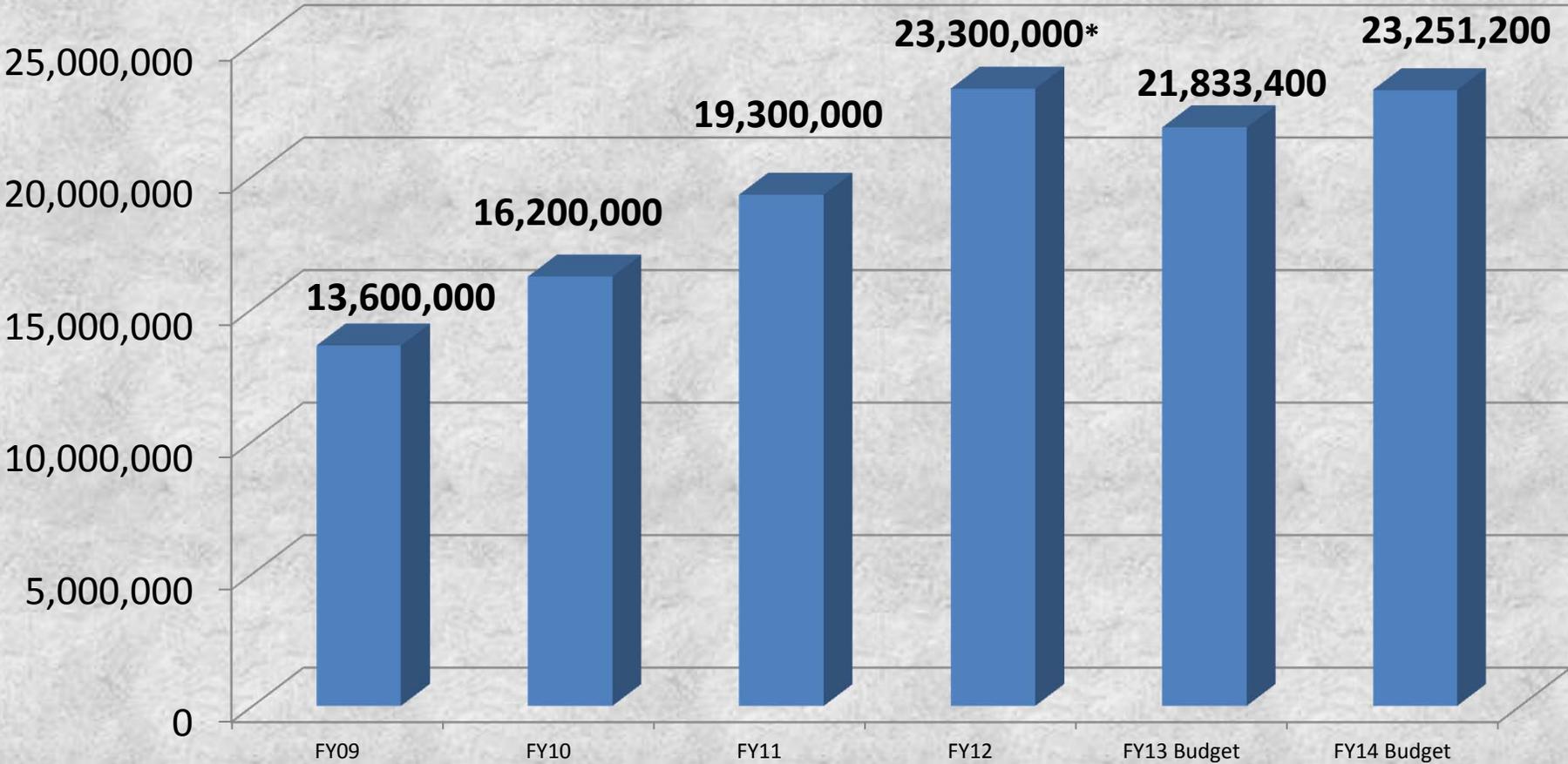


Pension rate is projected to increase from **15.938%** to **17.117%**

Health benefits are projected to increase **5%**

Total projected increase includes all benefit accounts

IOD Medical Costs FY2009 – 2014



* FY12 required a supplemental appropriation of \$3,000,000
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Impact of Retirement Incentive

- **Who Took The Incentive**
 - General Government/Police/Fire – 365
 - Airport Authority - 2
 - Hospital Authority - 118
 - MAC and Schools did not participate
- **Cost - \$12 million***
- **Cost Recovery Plans** were reviewed and approved by Finance/OMB – Total incentive cost will be recovered by end of FY 2014*

***Does not include Hospital Authority**

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Pay Recommendations

- 1.5% across the board increase for all full and part-time employees - \$3,458,500*
- Effective January 1, 2014
- Compensation Study - \$200,000

* GSD/USD and subsidized accounts and internal service funds

Total Investment in Employees and Retirees*

- Health, Life And Dental* \$5.0 million
- IOD \$1.4 million
- Pay recommendations* \$3.4 million
- Compensation Study \$200,000

Total Employee Investment \$10 million

***GSD/USD and subsidized accounts and internal service funds**

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Recommended Increases

- **Arts Commission** - \$50,000
 - Host 2014 Americans for the Arts Annual Conference
- **Assessor of Property** - \$63,500
 - Hearing Officers for FY2013 Appraisal and miscellaneous
- **Codes Administration** - \$74,900
 - Plans Examiner
- **County Clerk** - \$118,000
 - Security and positions for increased demand for Motor Vehicle and Title Registration Services

Recommended Increases

- **District Attorney** - \$238,000
 - Salary equalization
- **Emergency Communications Center** - \$309,500
 - 5 FTEs for increased 911 call volume
- **Fire** - \$370,000
 - Special events overtime, telecommunications, uniforms
- **Health** - \$150,000
 - 3 FTEs for Animal Control (funded by recommended fee increases)

Recommended Increases

- **Library** - \$469,700
 - Open Main Library on Monday
- **Parks & Recreation** - \$878,400
 - Grass Mowing; Sevier and Paradise Ridge Community Centers
- **Planning Commission** - \$100,000
 - General Plan update
- **Police** - \$2,800,000
 - Madison Precinct; Crime Lab; Aviation; Special Events

Recommended Increases

- **Public Defender** - \$512,900
 - Various improvements funded by enhancements in state funding
- **Public Works** - \$1,459,900
 - NES rate increase, contractual increases, bicycle coordinator and horticulture program
- **Sheriff's Office** - \$1,069,100
 - Additional staff, contractual increases, and courthouse security to be allocated at the Sheriff's discretion

Recommended Increases

- **General Services - \$2,469,300**
 - New buildings, contractual increases and fleet improvements
- **Information Technology Service - \$634,500**
 - Licensing agreements, public wireless expansion, security vulnerability tools

Recommended Reductions

\$11 million
in general fund and subsidized
accounts

Recommended Subsidies

There is no operating subsidy
budgeted for

Farmers' Market*

Municipal Auditorium

State Fair

*** The Farmers' Market lease payment is recommended for continued funding**

Hospital Authority



* FY13 includes \$4,292,400 supplemental

Subsidy amounts do not include \$31 million loan which was forgiven in FY09-10

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Metro Transit Authority

\$33,370,600

- **Improvement of \$4,000,000**
- **Maintains service including full year of funding for University Connector & Murfreesboro Road BRT**
- **Miscellaneous increases including fuel, materials, employee costs**

New Initiatives

- **Community Enhancement Fund – New Category for Literacy**
 - \$350,000
- **Office of Innovation**
 - \$250,000
- **Small Business Incentive Program**
 - \$1,000,000

Planning for the Future

- Debt Service Requirements
- New facilities coming on board
 - Bellevue Library
 - Lentz
 - Mid-Town Hills Precinct
 - Southeast Davidson County
- Increased demand for services
- Continued need to identify operational efficiencies

Legislation to Track with Budget

- Operating Budget Ordinance
- Tax Levy Ordinance
- Certified Tax Rate Resolution
- Urban Council Resolution
- Pay Plan Resolutions
- Agricultural Extension Memorandum of Agreement
- Animal Control Fee Increase

Legislation to Track with Budget

- Injured on Duty Clinic
- Red River Contract Renewal
- Small Business Incentive Program



CAPITAL SPENDING PLAN

\$300 Million

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Capital Spending Plan

- Fire - \$10 million
- General Services - \$22 million
- Information Technology Services - \$7 million
- Metro Transit Authority - \$27 million
- Parks - \$45 million
- Public Works - \$75 million
- Public Library - \$5 million
- Schools - \$95 million
- Contingency - \$14 million

Capital Spending Plan Legislation to Track with Budget

- Capital Improvement Budget Ordinance
- Initial Spending Plan Resolution

Conclusion

- Balanced budget with continued focus on city priorities
- Reduced property tax rate due to reappraisal
- Proposed budget keeps Nashville moving forward

For More Information Visit the
Citizens' Guide to the Metro Budget

www.nashville.gov/citizens_budget