HISTORIC FRANKLIN TENNESSEE

City of Franklin

109 3rd Ave S
Franklin, TN 37064
(615) 791-3217

Meeting Minutes

Budget & Finance Committee

Thursday, March 30, 2023 | **3:00 PM** | **Board Room**

CALL TO ORDER

Chairman Clyde Barnhill called the meeting to order at 03:01 PM

Board Members Present: Clyde Barnhill, Patrick Baggett, Ann Petersen, Jason Potts

Board Members Absent:

Staff Present: Eric Stuckey, Kristine Brock, Mark Hilty, Angie Johnson

APPROVAL OF MINUTES

1. **Consideration Of Approval Of Minutes**
   February 9, 2023 Budget & Finance Committee Meeting
   February 16, 2023 Budget & Finance Committee Meeting
   March 2, 2023 Budget & Finance Committee Meeting
   March 8, 2023 Budget & Finance Committee Meeting
   Sponsors:

   A motion was made by Alderman Petersen, seconded by Alderman Potts to Approve the Budget and Finance Committee Meeting Minutes from February 9, 2023, February 16, 2023, March 2, 2023, and March 8, 2023. The motion passed 4-0.

NEW BUSINESS

2. **Budget Presentation - Community & Economic Development (Franklin Transit Authority & Economic Development)**
   Sponsors: Eric Stuckey, Vernon Gerth, Michael Walters Young

   Franklin Transit Authority Fund
   The planning, operations and management of the Franklin Transit Authority. Operating six days a week, featuring fixed route service, Transit on Demand (TODD, a pre-arranged curb to curb service within the City of Franklin,) within the City of Franklin including Cool Springs.

   Base Budget

   - Revenues: $3,604,918.68
     - TMA secured 76% of revenue dollars in Federal and State grants
     - Increase in Federal funding supporting operations
     - CMAQ grant funding to assist operation of new Micro service
   - Expenses: $3,604,918.68
     - Increase in fuel, maintenance, driver recruitment/salaries, cleaning, & general inflation
     - Continued rollout of transit shelters on Carothers
     - Safety & Security camera upgrades

- Increased marketing to increase ridership and new Micro-Transit Service

Summary

- Franklin Transit Total Budget: $4,391,067
- Request from City of Franklin: $771,473
  - Operations Request - Vehicles: $771,472
  - Planning: $10,000
  - Capital: $67,000

Economic Development Fund

This department is used to identify payments specifically related to economic development via civic organization and government appropriations. An allocation is made to the Williamson Chamber of Commerce (Williamson, Inc.) for the Tourism division (supporting growth of new and existing businesses) in the amount of $31,500, for Williamson, Inc. Economic Development division (supporting the strategic plan in areas of career growth, outreach, and workforce development) in the amount of $31,500, and to the Greater Nashville Regional Council in the amount of $30,669. An additional allocation for the Williamson County Convention and Visitors Bureau is budgeted in the Hotel Motel Tax Fund.

Program Enhancement Requests: Funds above what is already allocated for these Organizations

- Williamson County Chamber - Business Retention: $8,500
- Williamson County Chamber - Economic Development: $18,500

3. Budget Presentation - Cool Springs Conference Center

Sponsors: Kristine Brock

Cool Springs Conference Center Fund

From 1999-2022, profit from the Conference Center has totaled $3,627,421 to the City of Franklin. Of the 23 full fiscal years of operation (2000-2022), the center has had positive results for 20 of these years. The largest gain was $414,857 in FY 2022, while the largest loss was ($296,667) in FY 2021.

Operational Summary

- Connected to the Marriott Cool Springs Hotel.
- Built in 1999; last major renovation was August of 2015.
- 300 guest rooms; 3 suites. The hotel has added 3 additional rooms in 2022 as the former concierge lounge has been converted into guest rooms.
- The hotel is owned and managed by Chartwell Hospitality, a Franklin-headquartered company.
- Most expenses are shared between the hotel and the conference center.
  - Admin and General & Engineering: Split as a percentage of total revenue.
  - Sales: 50-50 Split
  - Catering and Event Management: 100% conference center.
  - Food and Beverage: most expenses split as a percentage of food revenue

Completed & Planned Renovation Projects

- Completed in fiscal 2023
  - Salon 6 airwall refurbishment - $31,000.
  - Continued replacement of laundry equipment – $6,600.

  - Parking lot repairs / upgrades as outlined in Marriott's Property Improvement Plan (PIP) - $23,800.
  - Micros point of sale upgrade - $14,633.
  - Restroom Renovation - $200,000.
- Planned for fiscal 2024:
  - Mtg. room reader board software & hardware upgrade (in process) - $39,000.
  - Kitchen floor refurbishment - $40,000.
  - Commercial Dryer replacement - $5,700
  - Carryover from 2022/2023 – Emergency generator radiator - $10,800.
- Planned for fiscal 2025:
  - Soft goods renovation is tentatively planned for late calendar year 2024 - $TBD.
  - Chiller Replacement - $240,000

Items Impacting Current FY Budget: Challenges in FY 2024

- Staffing
- Inflation and the Supply Chain
- Cancellation Fees
- Increase Competition in Franklin and Nashville

4. **Budget Presentation - Public Works**

Sponsors: Eric Stuckey, Mark Hilty, Steve Grubb, Michelle Hatcher, Michael Walters Young

Streets - Fleet Maintenance Fund
Preventative Maintenance Team, Administration Team, Parts and Inventory Staff, Repair Team for City Fleet Vehicles

Base Budget

- Personnel: Increase of $49,610 (+5%) YOY. The requested staffing level for FY24 is 10 full-time employees. There is no change for FY 23.
- Operations: Increase of $94,091 (+70.6%) YOY. The key driver of the increased costs is Repair & Maintenance Services - $85,238 or 28.8% (increase cost and need for vehicle and equipment services due to delays in getting new vehicles)

Program Enhancement Requests:

- 2 sets of New Mobile Lifts to support Fire and SES Units - $120,000

Fleet Consumer Vehicle Replacement Program: New Fund

- FY23 Delivered (23) twenty-three vehicles $605,904
- FY23 On order (30) thirty vehicles with purchase order $1,124,104
- FY23 On order (14) fourteen Police units $844,000 Total vehicles delivered or on order $2,574,008

- FY24 Proposed: (31) thirty-one vehicles $1,356,000
  - Streets (16)
  - Parks (7)
  - Fire (8)
- FY24 Proposed (11) eight Police units $481,250
- Total new vehicles on FY 24 $1,837,250

- Total anticipated vehicles from FY 23 waiting for FY24 $864,239

- Sold on Gov Deal (8) eight vehicles $47,262
- Pending Sell Gov Deals (10) ten vehicles
- Preparing for Gov Deals (5) five vehicles

Water Management Fund
The Water Management Department's vision, in support of the City's vision statement, is to continually strive to enhance quality of life through exceptional, responsive, and costeffective water resources services. These services include drinking water treatment and distribution, wastewater collection and treatment, and reclaimed water distribution for customers located primarily in the City of Franklin.

Base Budget

- Revenues: Increase of $7,486,395 (+19.4%) YOY.
  - Assumes customer service increases totaling $4.5 million across all charges - increases assumed over estimated FY 2023 collections in Water rates of 3% and Sewer rates of 2.25% (2.5% CY 23, 2% CY 24')
  - Includes $3 million of ARPA funds (and matching expense) for Lewisburg Avenue improvements
  - Other notes: Includes Impact Fees of $2.1 million (both in 2023 and 2024
- Personnel: Increase of $294,961 (+3.1%) YOY. The total authorized and budgeted staffing level is 97 full-time employees (36 water, 61 wastewater)
- Operations: Increase of $1,645,888 (+7%) YOY. Major increases in Contractual Services ($347K), Operating Supplies ($420K increase – higher lab fees), Machinery & Equipment ($387K increase – due to fleet replacement) and Debt Service payments ($277K increase - largest years of debt service are FY 2024 & FY 2025).
- Capital: Increase of $3,512,400 (+39.1%) YOY. Covers costs of renewal projects (lining of pipes, line replacement, pump/lift station overhauls, etc.) and ARPA related projects (such as $3,000,000 for Sewer improvements on Lewisburg Avenue – has offsetting revenue). Does not cover costs related to major capital investment, such as the Water and Wastewater Treatment Plants.

Program Enhancement Requests - Total $454,577

1. Integrator-Electrical-Communication Technician - $32,243
2. Biosolids Dump Truck - $165,025
3. Stand Alone Inspection Camera - $90,000
4. Rubber Tracked Mini Excavator - $57,000
5. Administrative Secretary Reclassification - $5,309
6. Rubber tracked skid steer - $105,000

5. Budget Presentation - Appropriations To Outside Agencies

Sponsors: Michael Walters Young

Appropriations Fund
The Appropriations budget provides for the allotment of City of Franklin funds to various outside agencies, functions and programs that are under IRS classifications 501c3, 501c4, 501c6, and government entities.

Base Budget
All funding requests are level-funded, except for two:

- Animal Control Increase: $9,041

- ARC of Williamson County: ($5,250) (did not submit request)

Program Enhancement Requests
In addition to the existing requests for funding under the Appropriations budget, there are twelve increase requests (totaling $58,716) to address increased needs in the community.

- Boys and Girls Club - $2,425
- Community Childcare - $1,500
- Community Housing Part. - $6,117
- Davis House - $23,125
- Gentry's Education Center - $7,475
- Gilda's Club Middle TN - $825
- Graceworks - $4,000
- Mid-Cumberland Human Resources Dues - $9,180
- One Generation Away - $2,500
- Sister Cities - $1,569

OTHER BUSINESS

ADJOURN

A motion was made by Alderman Potts, seconded by Alderman Petersen to Adjourn the Meeting. The motion Passed 4-0.

Meeting Adjourned @ 5:21 PM

Clyde Barnhill

Clyde Barnhill, Chair

Minutes prepared by Sarah Schilling, Assistant Deputy City Recorder, City Administrator's Office - 4/5/2023, 12:20PM