HISTORIC FRANKLIN TENNESSEE

City of Franklin

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

Meeting Agenda

Budget & Finance Committee

Thursday, September 12, 2019 **2:00 PM** **Board Room**

Approval of Minutes

1. 19-0928 Approval of Minutes from the August 8, 2019 Finance Committee Meeting.

2. 19-0789 Consideration of Resolution No. 2019-80, a resolution adopting a revised Vendor Protest Procedure for City of Franklin procurements not pertaining to new construction. (9/12/19 Finance 3-0)

Sponsors: Brian Wilcox

Attachments: Res. No. 2019-80 for Vendor Protest Procedure with Exhibit A attached.Law Ap
Exhibit A to Res. No. 2019-80 for Vendor Protest Procedure 2019.08.09 REDLI

3. 19-0807 Consideration of Resolution No. 2019-82, a Resolution Adopting a Revised Purchasing Policy for City of Franklin Procurements Not Pertaining to New Construction. (9/12/19 Finance 3-0)

Sponsors: Brian Wilcox

Attachments: Res. No. 2019-82 for Purchasing Policy with Exhibit A attached 2019.09.06.142
Exhibit A to Res. No. 2019-82 for Purxhasing Policy 2019.09.06.1415 REDLINE

4. 19-0758 Consideration of Resolution 2019-73, A Resolution to Revise the Organizational Chart of the Police Department. (9/12/19 Finance 3-0)

Sponsors: Deb Faulkner and Michael Walters Young

Attachments: RES 2019-73 Revise Organizational Chart_Police_with exhibit.Law Approved 2.

5. 19-0925 Consideration of Resolution 2019-98, A Resolution to Revise the Organizational Chart within the Building & Neighborhood Services Department. (9/12/19 Finance 3-0)

Sponsors: Tom Marsh and Michael Walters Young

Attachments: Res 2019-98 BNS Reorg_with Exhibit_Law Approved.pdf

6. 19-0927 Consideration of Resolution 2019-99, A Resolution to Adopt a Revised Investment Policy for Non-Pension Related Assets. (9/12/19 Finance 3-0)

Sponsors: Kristine Brock and Mike Lowe

Attachments: 2019-99 RES revisions to Investment Policy_with Exhibit A_Law Approved

7. 19-0926 Consideration of Ordinance 2019-36, 1st Quarter Budget Amendment. (Finance 9/12/19, 3-0; BOMA 10/8/19, 8-0; 11/12/19, 8-0) THIRD AND FINAL READING

Sponsors: Kristine Brock and Michael Walters Young

Attachments: Ord 2019-36 FY 2020 Budget Amendment_with exhibit _Law Approved.pdf
FY 2020 Budget Amendment #1 Memo.pdf.pdf
Impact of 2019-36 - FY 2020 Budget Amendment.pdf

8. 19-0847 Update on City's Non-Pension related Investments.

Sponsors: Kristine Brock

Attachments: 9-12-19 - Council Investment Report - GPA (002)_FINAL

9. 19-0919 Fiscal Year 2019 Fourth Quarter Financial Report (unaudited)

Sponsors: Eric Stuckey, Kristine Brock and Mike Lowe

Attachments: City of Franklin - 4th Quarter Report.pdf

10. 19-0918 Monthly Reports for September 2019

Sponsors: Eric Stuckey, Kristine Brock and Mike Lowe

Attachments: Monthly Reports - September 2019.pdf

Other Business

Adjournment

ANYONE REQUESTING ACCOMMODATIONS DUE TO DISABILITIES SHOULD CONTACT A.D.A. COORDINATOR, AT 791-3277 AT LEAST 10 DAYS PRIOR TO THE MEETING, IF POSSIBLE.

RESOLUTION 2019-80

A RESOLUTION ADOPTING A REVISED VENDOR PROTEST PROCEDURE FOR CITY OF FRANKLIN, TENNESSEE, PROCUREMENTS NOT PERTAINING TO THE DESIGN AND/OR CONSTRUCTION OF NEW INFRASTRUCTURE AND FACILITIES

WHEREAS, on March 8, 2011, the Board of Mayor and Aldermen of the City of Franklin adopted Resolution No. 2011-10, a resolution adopting a vendor protest procedure for City procurements not pertaining to new construction; and

WHEREAS, on January 14, 2014, the Board of Mayor and Aldermen of the City of Franklin adopted Resolution No. 2014-07, a resolution adopting a vendor protest procedure for City procurements not pertaining to new construction; and

WHEREAS, on June 27, 2017, the Board of Mayor and Aldermen of the City of Franklin adopted Resolution No. 2017-42, a resolution adopting a vendor protest procedure for City procurements not pertaining to new construction; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin to implement a revised procedure for evaluating and responding to vendor protests for procurements not pertaining to the design and/or construction of new infrastructure and facilities in order to update the vendor protest procedure.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

Section 1. The vendor protest procedure for City procurements not pertaining to new construction adopted by Resolution No. 2017-42, and any and all subsequent changes or revisions, are hereby repealed in their entirety. In place thereof, the vendor protest procedure for City of Franklin procurements not pertaining to the design and/or construction of new infrastructure and facilities, attached as Exhibit A hereto, is adopted.

Section 2. Changes or revisions to the procedure hereby adopted shall be made only by resolution of the Board of Mayor and Aldermen of the City of Franklin.

Section 3. The effective date of the procedure hereby adopted shall be immediate upon passage and adoption of this resolution, the public welfare and the welfare of the City requiring it.

Adopted this _____ day of _________________, 2019.

ATTEST:

BY:____
Eric S. Stuckey, City Administrator/Recorder

CITY OF FRANKLIN, TENNESSEE:

BY:____
Dr. Ken Moore, Mayor

APPROVED AS TO FORM:

BY:____
Shauna R. Billingsley, City Attorney

HISTORIC FRANKLIN TENNESSEE

Vendor Protest Procedure

for City of Franklin procurements not pertaining to the design and/or construction of new infrastructure and facilities

The City of Franklin ("City") recognizes that a vendor may, from time to time, feel compelled to lodge a formal protest about some aspect of a City procurement of goods and/or services not pertaining to the design and/or construction of new infrastructure and facilities. In order to promote fair and transparent competitive purchasing, and in order to have a procedure to follow if and when the need arises, the City's Board of Mayor and Aldermen therefore establishes a procedure for evaluating and responding to Vendor Protests for procurements not pertaining to the design and/or construction of new infrastructure and facilities. This procedure is limited to City procurements (a) that do not pertain to the design and/or construction of new infrastructure and facilities, (b) that are competitively solicited by the City pursuant to public advertisement and sealed submittals, and (c) for which the bid or contract amount is equal to or greater than $25,000. Procurements that do pertain to the design and/or construction of new infrastructure and facilities are facilitated by the City's Engineering Department, and any vendor wishing to lodge a protest about a City procurement pertaining to such construction-related purchases should contact the Engineering Department directly.

This Vendor Protest procedure is a mandatory administrative procedure which all aggrieved actual or prospective vendors must utilize and exhaust prior to seeking judicial review or remedy.

In the case of Vendor Protests pertaining to requests for proposals issued by the City, an aggrieved proposer may protest the intended award to another proposer if a protest is filed within seven (7) calendar days after the intended award is announced. The protest shall be filed with and decided by the Board.

The following provisions apply unless the Vendor Protest pertains to a request for proposals issued by the City:

For the purposes of this procedure, the City defines the following terms:

- A "Vendor Protest" is a written objection by an Interested Party to a solicitation issued by the City for sealed bids, proposals, offers, statements of qualifications or other submittals, pursuant to public advertisement, in anticipation of a proposed contract for the procurement of goods or services not pertaining to the design and/or construction of new infrastructure and facilities and for which the bid or contract amount is equal to or greater than $25,000, or a written objection by an Interested Party to a proposed award of such a contract.

- An "Interested Party" is an actual or prospective vendor whose direct economic interest would be affected by the award of a contract for the procurement of goods or services not pertaining to the design and/or construction of new infrastructure and facilities that are competitively bid by the City and where the bid or contract amount is equal to or greater than $25,000 or by the failure to award such a contract.

- A "Protestor" is an Interested Party who files a Vendor Protest.

A Vendor Protest:

- shall be in writing;
- shall be addressed and directed to the City's Purchasing Manager;
- may be delivered electronically or otherwise;
- must be received by the City's Purchasing Office by the applicable deadline listed below;
- shall include the name and address of the Protestor;

- shall reference the relevant procurement solicitation issued by the City;
- shall include a statement of reason for the Vendor Protest, including allegations and evidence sufficient, if uncontradicted, to establish the likelihood of:
  - a material deficiency or impropriety in the procurement solicitation issued by the City, such as:
    - a material defect to the procurement solicitation that caused or would cause a result other than in the absence of such defect and the consequence of which is significant;
    - some aspect of the procurement solicitation that created an unfair and material advantage to one or more prospective respondents to the procurement solicitation; or
    - a material violation of a relevant provision of one or more of the following:
      - a City procedure, policy, resolution, ordinance or other regulation governing the procurement; and/or
      - a state law, federal statute or other regulation governing the procurement;
  - a material error or impropriety in the proposed or actual award of a contract or other procurement decision, such as:
    - an allegation that a procurement is not exempt from the City's standard competitive procurement procedures when such an exemption is claimed by the City;
    - a material error of judgment or fact in evaluating one or more of the responses to the procurement solicitation; or
    - a material violation of a relevant provision of one or more of the following:
      - the respective procurement solicitation issued by the City;
      - a City procedure, policy, resolution, ordinance or other regulation governing the procurement; and/or
      - a state law, federal statute or other regulation governing the procurement.
- may include supporting documents, exhibits, or evidence to substantiate the Vendor Protest;
- shall include a proposed remedy and an explanation of why the proposed remedy should be accepted by the City; and
- shall be signed by the protester.

A Vendor Protest to either a procurement solicitation or a proposed award must be filed by the following applicable deadline:

- A Vendor Protest against an alleged procurement solicitation deficiency or impropriety must be filed prior to the deadline for responding to the solicitation or, if there is no such deadline, within seven (7) calendar days of the date the Protestor first becomes aware of the City's solicitation.

- A Vendor Protest against a proposed award must be filed within seven (7) calendar days of the date the Protestor is notified by the City of the intent to award or the date the intent to award is posted on the City's website, whichever occurs earlier.

In the case of a Vendor Protest against a proposed award, the Protestor must direct copies of its Vendor Protest to any and all other parties who have responded to the same procurement solicitation and who have a direct economic interest in the outcome of the Vendor Protest, and must submit proof that such copies have been so provided. Failure to submit such proof shall result in dismissal of the Vendor Protest. The other parties shall be permitted to respond in writing to the Vendor Protest, provided that such response shall be submitted within seven (7) calendar days after the other parties' receipt of the copy of the Vendor Protest. The other parties shall also be permitted to participate in any in-person meetings conducted by the City in regard to the Vendor Protest.

Upon receipt of a timely Vendor Protest, the City shall not proceed further with either the procurement solicitation or the award of the contract unless the City Administrator makes a written determination that so proceeding without delay is necessary to protect the public health, safety or welfare of the City.

The following steps shall be followed for formal protests not pertaining to the design and/or construction of new infrastructure and facilities:

- The Purchasing Manager shall respond in writing to the Vendor Protest within ten (10) City business days of receipt of the Vendor Protest. The Purchasing Manager shall consider the Vendor Protest and issue a determination in writing. The Purchasing Manager may:

  - determine that the Vendor Protest does not merit a revision of the City action or decision being protested; or
  - determine that the Vendor Protest does merit a revision of the City action or decision being protested and proceed accordingly to take corrective action, which may include canceling the procurement solicitation, rejecting any and all responses to the solicitation, recommending that a different respondent to the procurement solicitation be awarded the procurement, and/or considering whether and when to start anew.

- If the vendor is dissatisfied with the Purchasing Manager's decision, then the vendor may request in writing that the matter be considered by the Vendor Protest Appeals Panel of the City which shall consist of:

  - the Assistant City Administrator for Finance & Administration, who shall chair the panel;
  - the director of the requisitioning department, or his or her designee; and
  - the Assistant City Administrator for Community Development.

  After consideration of the appeal, the Vendor Protest Appeals Panel shall issue a decision in writing, after which the City shall proceed accordingly. The Vendor Protest Appeals Panel may:

  - affirm the Purchasing Manager's decision in whole or in part; or
  - overturn the Purchasing Manager's decision in whole or in part.

  The decision of the Vendor Protest Appeals Panel shall be final, and no further appeals shall be considered by the City.

Vendor Protest Procedure

for City of Franklin procurements not pertaining to the design and/or construction of new infrastructure and facilities

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- shall include a statement of reason for the Vendor Protest, including allegations and evidence sufficient, if uncontradicted, to establish the likelihood of:
    - a material deficiency or impropriety in the procurement solicitation issued by the City, such as:
        - a material defect to the procurement solicitation that caused or would cause a result other than in the absence of such defect and the consequence of which is significant;
        - some aspect of the procurement solicitation that created an unfair and material advantage to one or more prospective respondents to the procurement solicitation; or
        - a material violation of a relevant provision of one or more of the following:
            - a City procedure, policy, resolution, ordinance or other regulation governing the procurement; and/or
            - a state law, federal statute or other regulation governing the procurement;
    - a material error or impropriety in the proposed or actual award of a contract or other procurement decision, such as:
        - an allegation that a procurement is not exempt from the City's standard competitive procurement procedures when such an exemption is claimed by the City;
        - a material error of judgment or fact in evaluating one or more of the responses to the procurement solicitation; or
        - a material violation of a relevant provision of one or more of the following:
            - the respective procurement solicitation issued by the City;
            - a City procedure, policy, resolution, ordinance or other regulation governing the procurement; and/or
            - a state law, federal statute or other regulation governing the procurement.
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Upon receipt of a timely Vendor Protest, the City shall not proceed further with either the procurement solicitation or the award of the contract unless the City Administrator makes a written determination that so proceeding without delay is necessary to protect the public health, safety or welfare of the City.

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    - determine that the Vendor Protest does not merit a revision of the City action or decision being protested; or
    - determine that the Vendor Protest does merit a revision of the City action or decision being protested and proceed accordingly to take corrective action, which may include canceling the procurement solicitation, rejecting any and all responses to the solicitation, recommending that a different respondent to the procurement solicitation be awarded the procurement, and/or considering whether and when to start anew.

- If the vendor is dissatisfied with the Purchasing Manager's decision, then the vendor may request in writing that the matter be considered by the Vendor Protest Appeals Panel of the City which shall consist of:

    - the Assistant City Administrator for Finance & Administration, who shall chair the panel;
    - the director of the requisitioning department, or his or her designee; and
    - the Assistant City Administrator for Community Development.

    After consideration of the appeal, the Vendor Protest Appeals Panel shall issue a decision in writing, after which the City shall proceed accordingly. The Vendor Protest Appeals Panel may:

    - affirm the Purchasing Manager's decision in whole or in part; or
    - overturn the Purchasing Manager's decision in whole or in part.

    The decision of the Vendor Protest Appeals Panel shall be final, and no further appeals shall be considered by the City.

RESOLUTION 2019-82

A RESOLUTION ADOPTING A REVISED PURCHASING POLICY FOR CITY OF FRANKLIN, TENNESSEE, PROCUREMENTS NOT PERTAINING TO THE DESIGN AND/OR CONSTRUCTION OF NEW INFRASTRUCTURE AND FACILITIES

WHEREAS, in 2004, the Board of Mayor and Aldermen of the City of Franklin established methods to comply with the Municipal Purchasing Law of 1983, as amended, and to provide for a more formal process for the procurement of equipment, services, and materials for the operation of municipal government but not pertaining to the design and/or construction of new infrastructure and facilities; and

WHEREAS, on July 26, 2011, the Board of Mayor and Aldermen adopted Resolution No. 2011-26, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on January 14, 2014, the Board of Mayor and Aldermen adopted Resolution No. 2014-06, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on January 27, 2015, the Board of Mayor and Aldermen adopted Resolution No. 2014-90, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on June 28, 2016, the Board of Mayor and Aldermen adopted Resolution No. 2016-24, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on June 27, 2017, the Board of Mayor and Aldermen adopted Resolution No. 2017-41, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on June 26, 2018, the Board of Mayor and Aldermen adopted Resolution No. 2018-24, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, on June 25, 2019, the Board of Mayor and Aldermen adopted Resolution No. 2019-49, a resolution adopting a revised purchasing policy for the City; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin for the purchasing policy to be further revised to clarify the meaning and update the use of the terms “responsible respondents” and “responsive submittals” and variations on those terms; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin for the purchasing policy to be further revised to expand, to include interchangeability of the component parts of a manufacturer-specific system already in use, one category of sole-source purchases valued at or greater than $25,000 that do not require individual authorization by (but which shall still be reported to) the Board of Mayor and Aldermen; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the City of Franklin to implement a revised purchasing policy for procurements not pertaining to the design and/or construction of new infrastructure and facilities to reflect these changes and to otherwise update that policy.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, AS FOLLOWS:

Section 1. The purchasing policy for City of Franklin procurements not pertaining to new construction adopted by Resolution No. 2019-49, and all previous versions of that policy and any subsequent changes or revisions thereto, are hereby repealed in their entirety. In place thereof, the purchasing policy for City of Franklin procurements not pertaining to the design and/or construction of new infrastructure and facilities, attached as Exhibit A hereto, is adopted.

Section 2. The Purchasing Manager of the City shall be responsible for the administration and enforcement of the policy hereby adopted.

Section 3. Changes or revisions to the policy hereby adopted shall be made only by resolution of the Board of Mayor and Aldermen of the City of Franklin.

Section 4. The policy hereby adopted shall become effective immediately upon passage of this resolution, the public welfare and the welfare of the City requiring it.

Adopted this _____ day of ________________, 2019.

ATTEST:

BY: ______________________________________
Eric S. Stuckey, City Administrator/Recorder

CITY OF FRANKLIN, TENNESSEE:

BY: ______________________________________
Dr. Ken Moore, Mayor

APPROVED AS TO FORM BY:

____
Shauna R. Billingsley, City Attorney

Law Dept. approved 09.09.19

HISTORIC FRANKLIN TENNESSEE

Purchasing Policy

for City of Franklin procurements not pertaining to new construction

A. General Provisions

This City of Franklin ("City") Purchasing Policy shall apply to the purchase of materials, supplies, vehicles and equipment, the purchase of services other than those pertaining to the design and/or construction of new infrastructure and facilities, leases and lease-purchases, and the disposal and transfer of surplus personal property, all for the proper conduct of the City's business.

All contracts, leases and lease-purchase agreements are subject to the approval of the Board of Mayor and Aldermen, unless otherwise provided by resolution or ordinance. Any contracts, leases and lease-purchase agreements extending beyond the end of the current fiscal year shall be so noted prior to consideration by the Board of Mayor and Aldermen.

Whenever the City undertakes its own competitive procurement process for the procurement of goods and/or services not pertaining to the design and/or construction of new infrastructure and facilities, then the City is hereby authorized to utilize the one or more of the following procurement methodologies best suited for the intended procurement:

- request for quotations (not for purchases valued at $25,000 or more)
- solicitation for bids
- request for proposals
- request for qualifications

This Purchasing Policy is intended to promote the public interest and preserve and enhance the public trust by establishing a transparent procurement system by which the City conducts its non-construction related purchasing, and by providing vendors with a fair forum for competing for City business.

B. Responsibilities of Departments

The following are the responsibility of each department:

1. Departments shall be responsible for purchases and projects valued less than $25,000. (In the context of this Policy, whenever any dollar thresholds are referenced, the estimated total value of the purchase or project, including all components related thereto, either over the course of the term of the award or, in the absence of a term of award, over the course of the next twelve (12) months, shall be considered.)
2. Departments shall use pricing established pursuant to City procurement awards or Tennessee statewide contracts (SWCs) if and as available. The use of pricing established by cooperative purchasing arrangements approved by the City Administrator for use by the City, as well as pricing established by other Tennessee local governments pursuant to a competitive process involving "public advertisement" (hereby defined to mean the same as that term is used in T.C.A. § 6-56-301 *et seq.*, the Tennessee Municipal Purchasing Law of 1983, as it may be amended from time to time) and sealed submittals, are acceptable alternatives and may be used in lieu of competitive pricing established by the City or the State.
3. Departments shall coordinate with the Purchasing Office and/or the Finance Department as to the method of payment that best meets the needs of the City.

4. Before placing an order for any non-emergency purchase valued at or greater than $10,000, departments shall prepare and submit a requisition, on the form prescribed by the Purchasing Office, and await approval thereof. For orders for emergency purchases valued at or greater than $10,000, the requisition may be completed within ten (10) calendar days after placing the order (and see “Emergency Purchases” below).
5. Purchases valued less than $25,000 but not less than $10,000 shall not be made unless and until, wherever possible, the department shall have obtained and forwarded to the Purchasing Manager competitive pricing quotations from at least three (3) vendors, said quotations to be either supplied in writing by the vendor or reduced to writing by the department, accompanied by a tabulation of the comparative aspects of the quotations obtained, a recommendation as to which quotation should be accepted and a requisition for the recommended quotation. As an alternative to obtaining three quotes, departments may use any of the procurement methodologies approved for usage for purchases valued at $25,000 or more.
6. All foreseeable purchases, including those valued less than $10,000, should not be made unless and until the department head or his or her authorized representative is satisfied that the value of the purchase is fairly priced and not more than what would be expected in the current market place. At the discretion of the department head or his or her authorized representative, for foreseeable purchases valued less than $10,000, the department should, whenever it is prudent to do so, obtain multiple competitive pricing quotations, said quotations to be either supplied in writing by the vendor or reduced to writing by the department.
7. As soon as practicable but within ten (10) calendar days of receipt of items ordered, departments shall be responsible for verifying that the items conform to the order. The process for taking delivery of items is as follows:
   - **a.** Inspect the goods to verify that they are in acceptable condition.
   - **b.** Verify that all operating manuals and warranty cards are included in the delivery of the goods, if applicable.
   - **c.** Verify that the number of items ordered have been delivered, making special note when all or part of a particular order has been back-ordered.
   - **d.** Ensure that purchases of capital assets of the City have been properly reported, either directly or indirectly, to the Finance Department and the City’s Risk Manager and, if rolling stock, Fleet Maintenance, on forms prescribed by those respective offices, so that records of such purchases may be updated, insurance coverage may be obtained, and vehicle tags may be obtained, all in a timely manner.
8. Regardless of method of payment, departments shall be responsible for reviewing, approving and allocating to the proper budget code all invoices authorized for payment.
9. It shall be the responsibility of each department to allow time for competitive solicitation, ordering and delivery pursuant to this Purchasing Policy.
10. No employee shall make any indication that he/she will recommend a particular product for purchase, knowingly bind the City to a specific vendor, or make any representation as to his or her authority to bind the City by contract when such is not the case.

C. Responsibilities of Purchasing Manager

The following are the responsibility of the Purchasing Manager:

1. The Purchasing Manager shall assist all departments in purchasing operating materials, supplies, vehicles, equipment and services to which this Purchasing Policy applies.
2. The Purchasing Manager shall be responsible for facilitating the competitive process by which all purchases to which this Purchasing Policy applies and valued at or greater than $25,000 are made.

3. For all purchases to which this Purchasing Policy applies and valued at or greater than $10,000, the Purchasing Manager shall advocate the purchase of required products and services only either from (a) the responsible bidder or quoter that submits the lowest priced responsive bid or quote or from (b) the responsible proposer or other respondent that submits the responsive proposal or other submittal that is most advantageous to the City.
4. The Purchasing Manager shall advise the departments about the source and availability of products and services needed by the various departments.
5. The Purchasing Manager shall provide current vendor files available for use and review by departments.
6. The Purchasing Manager shall, upon request, obtain prices on comparable items.
7. The Purchasing Manager shall provide vendor lists, prepare Purchase Orders as necessary, and maintain orderly files.
8. The Purchasing Manager shall be alert on an ongoing basis for new sources and for improved products and services.
9. The Purchasing Manager shall assist the departments in the preparation of specifications for solicitations for bids and the requirements provisions of requests for proposals and requests for qualifications.
10. For formal procurement solicitations, the Purchasing Manager shall prepare and submit for timely publication all legal notices. To promote competition and facilitate the dissemination of documents and information pertaining to formal procurement solicitations, the Purchasing Manager shall post on the City's public website timely information about current formal procurement solicitations.
11. The Purchasing Manager shall periodically review the City's recent records of repetitive purchases, over time, across the organization and across suppliers and service providers, of like products and services, and shall advocate the City consolidate and aggregate its purchase of as many foreseeably necessary like products and services as practicable so to improve pricing for the City, to improve services provided to the City, and/or to reduce the City's cost of operations.
12. To the extent practicable, the Purchasing Manager shall strive to apply procurement thresholds of the City by like product or service for all anticipated needs of the City for the maximum term of a prospective award.
13. The Purchasing Manager shall investigate complaints from departments of poor performance by vendors, or complaints about inferior products, and shall, in consultation with the City's Law Department, choose which, if any, remedies are available to the City to pursue.
14. The Purchasing Manager shall be responsible for disposing of the City's surplus personal property of any value, regardless of whether the property was acquired and came to be owned by the City by means of purchase or donation or otherwise, by means of a competitive process and in compliance with City ordinance, except in cases involving data security or other mitigating circumstances. The Purchasing Manager shall develop the appropriate documentation for the Finance Department in accordance with the City Code.
15. The Purchasing Manager shall be responsible for administering and overseeing the City's Purchasing Card program.
16. The Purchasing Manager shall be responsible for otherwise administering and complying with this Purchasing Policy and applicable Tennessee state law, specifically T.C.A. § 6-56-301 *et seq.* (Tennessee Municipal Purchasing Law of 1983) and T.C.A. § 12-3-1201 *et seq.* (Public Purchases – Local Governments), as it may be amended from time to time, including keeping and filing required records and reports, as if they were set out herein and made a part hereof and within definitions of words and phrases from the law as herein defined.

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D. Circumstances under which competitive pricing is not required

Under any of the following circumstances, competitive pricing (sealed bids or proposals pursuant to public advertising if valued at or greater than $25,000; three quotes wherever possible if valued less than $25,000 but not less than $10,000) is not required. Under any of these same circumstances, neither individual authorization by nor specific reporting to the Board of Mayor and Aldermen is required unless such is otherwise required pursuant to this policy.

1. Authorized sole-source purchases (see below).
2. Authorized emergency expenditures (see below).
3. Purchases from instrumentalities created by two (2) or more cooperating governments, such as, but not limited to those established pursuant to T.C.A. § 12-9-101, et seq.
4. Purchases from non-profit corporations whose purpose or one of whose purposes is to provide products and services specifically to municipalities, as provided in T.C.A. § 6-56-302.
5. Purchases, leases or lease-purchases of real property, as provided by City ordinance and state law.
6. Purchases, leases, or lease-purchases of used or secondhand articles consisting of goods, equipment, materials, supplies, or commodities, as provided in T.C.A. § 12-3-1202.
7. Purchases of supplies, goods, equipment (except new or unused motor vehicles, unless the motor vehicles are manufactured for a special purpose as defined in § 12-3-1208) and/or services (except any transportation infrastructure project, including, but not limited to, projects for the construction or improvement of streets, highways, bridges, tunnels, or any roadway related facility), pricing for which has been established by other units of Tennessee local government, as provided in T.C.A. § 12-3-1203(a) and 12-3-1203(c).
8. Purchases pursuant to Tennessee Department of General Services statewide contracts (SWCs) authorized for use by Tennessee local governments.
9. Purchases from Tennessee Rehabilitative Initiative in Correction (TRICOR).
10. Professional service contracts, as provided in T.C.A. § 12-3-1209.
11. Other professional services, including actuarial, architectural design, financial and compliance audit, engineering design, financial advisory, legal counsel and medical.
12. Tort liability insurance, as provided in T.C.A. § 29-20-407.
13. Purchase of fuels, fuel products or perishable commodities.
14. Purchases based on contracts established by a cooperative purchasing arrangement recognized by the City pursuant to Resolution No. 2009-50, as provided in T.C.A. § 12-3-1205.
15. Purchases based on contracts established by the United States General Services Administration (GSA) and authorized by GSA for use by US local governments, except as may be prohibited by applicable Tennessee statute.
16. Other arrangements and methods pursuant to Tennessee and/or federal law.
17. Fees paid by the City for products and services provided to the City by the State of Tennessee, other units of local government, and public utilities and utility districts.

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E. Rejection of Bids, Proposals or Other Submittals

The Purchasing Manager shall recommend to the Board of Mayor and Aldermen to reject any and all bids, proposals or other submittals received pursuant to a formal procurement solicitation issued by the Purchasing Office, or parts thereof, for any product or service to which this Policy applies, whenever, prior to the Board of Mayor and Aldermen making an award pursuant to such a formal procurement solicitation, the Purchasing Manager believes the public interest would be best served by such rejection. The Purchasing Manager shall recommend to the Board of Mayor and Aldermen that it reject any such submittal of a vendor or contractor who is in default on the payment of taxes, licenses, fees or other monies of whatever nature that may be due the City by the vendor or contractor whenever, prior to the Board of Mayor and Aldermen making an award pursuant to such a formal procurement solicitation, the Purchasing Manager becomes aware of such default.

F. Conflict of Interest, Use of Position, Solicitation

There are several sources of law and regulations, as they may be amended from time to time, that apply to conflicts of interest, use of position and solicitation. They are incorporated by reference and adopted as if fully stated herein.

a. City Charter

Article VIII ("Finance"), Section 16 ("Officers not to be Interested in City Contracts or Work") of the City of Franklin Charter reads as follows:

> No member of the Board of Mayor and Aldermen, or officer elected by said Board, shall be interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and cannot be enforced.

b. City of Franklin Municipal Code

Title 1 ("General Administration"), Chapter 8 ("Ethics") of the City of Franklin Municipal Code sets forth the Code of Ethics for the City of Franklin, which applies to all full-time and part-time elective or appointed officials and employees of the City.

c. City of Franklin Regulations

Article XXII ("General Policies and Procedures"), Section E ("Business Dealings"), of the City of Franklin Human Resource Manual, as it may be amended from time to time, reads as follows:

> Except for the receipt of such compensation as may be lawfully provided for the performance of City duties, and except as noted below, no City officer or employee shall be privately interested in or profit, directly or indirectly, from business dealings with, of or by the City.
> Regular full-time, regular part-time and temporary employees of the City may, subject to the approval of the City Administrator, contract to perform services for the City by meeting the following criteria: (1) the service performed must not be any service which the employee might provide in the normal scope of their regular duties; (2) the employee would be required to bid or submit a proposal in the same manner as any other prospective provider of service; and (3) the service performed must not present a conflict of interest nor a conflict of time with the employee's regular duties.

Article XXII ("General Policies and Procedures"), Section I ("Use of Position"), of the City of Franklin Human Resource Manual, as it may be amended from time to time, reads in part as follows:

> No City officer or employee shall make or attempt to make private purchases in the name of the City, nor otherwise use or attempt to use status as a City employee to secure unwarranted privileges or exemptions.

Article XXII ("General Policies and Procedures"), Section F ("Acceptance of Gratuities"), of the City's Human Resource Manual, as it may be amended from time to time, reads as follows:

> No City officer or employee shall accept or solicit any money or other consideration or favor from anyone other than the City for the performance of an act which the officer or employee would be required or expected to perform in the regular course of employment; nor shall any officer or employee accept, directly or indirectly, any gift, gratuity, or favor of any kind which might reasonably be an attempt to influence the individual's actions with respect to City business. For further explanation, see Title 1, Chapter 8 ("Ethics"), of the Municipal Code.

d. <u>Statutes</u>

Certain Tennessee statutes may apply to purchases involving city officers, committee members, etc. Selected Tennessee statutes may be found in Appendix A to this Purchasing Policy attached hereto for reference.

G. City Officer and Employee Communication with Vendors During Formal Procurement Solicitations for Sealed Submittals

Between the time a formal procurement solicitation for sealed submittals is issued by the City and the time an award is made, members of the Board of Mayor and Aldermen as well as employees of the City shall refrain from any form of communication with one or more vendors that may be competing for the award about any aspect of the procurement other than either in the context of a public meeting or by way of the Purchasing Office. The foregoing is not meant to preclude a representative of the City from answering questions from vendors if the question is already addressed in the formal solicitation documents, if the City representative is certain of the correct answer and if the Purchasing Office is informed of the communication. Otherwise, any inquiries from one or more vendors that may be competing for such an award shall be directed to the Purchasing Office which shall determine if an addendum to the formal procurement solicitation should be prepared and issued to all vendors known or thought to be interested in the procurement opportunity. Vendors that may be competing for an award pursuant to a formal procurement solicitation shall be instructed that, until that award has been made, they shall not communicate about either the content of or the procurement process pertaining to the relevant formal procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.

H. City Officer and Employee Business Dealings with the City

See Article XXII ("General Policies and Procedures"), Section E ("Business Dealings"), of the City of Franklin Human Resources Manual.

See also Title 1 ("General Administration"), Chapter 8 ("Ethics"), of the City of Franklin Municipal Code.

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I. Tie Bids and Tie Quotes

Whenever the City utilizes its own competitive process, and in the event of tie bids or tie quotes (that is, when two or more responsible bidders or quoters submit responsive bids or quotes at identical total pricing for the minimum or estimated quantity indicated), then the tie bids or tie quotes shall be broken by means of one of the following methods, in descending order:

1. The award shall be made to the vendor who bid or quoted the soonest delivery of the product or completion of the service of all the vendors submitting the tie bids or tie quotes.
2. The award shall be made to the vendor who offered the pricing for the longest period of time for potential future orders of all the vendors submitting the tie bids or tie quotes.
3. If one or more of the vendors submitting the tie bids or tie quotes competed for the City's business the last time the City solicited bids or quotes for the same product or service, then the award shall be made to the vendor who offered the lowest pricing at that time of all the vendors submitting the tie bids or tie quotes.
4. If one or more of the vendors submitting the tie bid or tie quote have done business with the City within the most recent 24 months, then the award shall be made to the vendor who has done the most business with the City (measured in dollars) in that time frame of all the vendors submitting the tie bids or tie quotes.
5. The award shall be made by means of random selection, such method to be administered by the Purchasing Manager and to give equal opportunity to all the vendors submitting the tie bids or tie quotes.

J. Determining Responsible Respondents and Responsive Submittals

Whenever the City utilizes its own competitive process, products and services shall be purchased either from (a) the responsible bidder or quoter that submits the lowest priced responsive bid or quote or from (b) the responsible proposer or other respondent that submits the responsive proposal or other submittal that is most advantageous to the City. (The term "responsible bidder or quoter" and the term "responsible proposer or other respondent" shall mean a business entity or individual determined by the City to have the integrity and reliability as well as the financial and technical capacity to perform the requirements of the procurement solicitation and subsequent contract. The term "responsive bid or quote" and the term "responsive proposal or other submittal" shall mean a submittal determined by the City to fully conform in all material respects to the procurement solicitation and all of its requirements, including all form and substance.) In determining whether a competing respondent is responsible and whether the submittal is responsive, criteria such as the following may be taken into consideration:

1. The ability of the competing vendor to perform the contract or provide the material or service required.
2. Whether the competing vendor can perform the contract or provide the service promptly, or within the time specified, without delay or interference.
3. The character, integrity, reputation, judgment, experience, expertise and efficiency of the competing vendor.
4. The previous and existing compliance by the competing vendor or a predecessor in interest with laws and ordinances relating to the contract or service.
5. The quality of the competing vendor's performance of previous contracts or services, including the quality of such contracts or services in other municipalities, or performed for private sector customers.
6. The sufficiency of financial resources and the ability of the competing vendor to perform the contract or provide the service.

7. The ability of the competing vendor to provide future maintenance and service for the use of the materials, supplies, vehicles, equipment or contractual service contracted.
8. Compliance by the competing vendor with all specifications included in the solicitation for bids or with all requirements included in the request for proposals or request for qualifications.
9. The ability of the competing vendor to deliver and maintain any requisite bid bonds or performance bonds.

K. Emergency Purchases

When in the judgment of the City Administrator, the department head or the Purchasing Manager there exists an emergency impinging on public health, safety or welfare and a purchase valued at or greater than $10,000 is necessary, then the competitive purchasing provisions contained in this Purchasing Policy may be waived; provided, however, that if the emergency purchase is valued at or greater than $25,000 it shall be reported to the Board of Mayor and Aldermen at its next scheduled meeting.

The emergency basis for pricing should be used only if necessary. Purchases that qualify as emergencies are to be based on emergency pricing only if another policy-compliant basis for pricing (e.g., federal General Services Administration (GSA) via GSA contract, State of Tennessee via Tennessee statewide contract (SWC), one of the cooperative purchasing arrangements recognized by the City) is not known to be available.

L. Sole-Source Purchases

In the context of this Policy, whenever any dollar thresholds are referenced, the estimated total value of the purchase or project, including all components related thereto, either over the course of the term of the award or, in the absence of a term of award, over the course of the next twelve (12) months, shall be considered. To the extent practicable, departments and the Purchasing Manager shall strive to apply procurement thresholds of the City by like product or service for all anticipated needs of the City for the maximum term of a prospective award.

The sole-source basis for pricing should be used only if necessary. Purchases that qualify as sole-source are to be based on sole-source pricing only if another policy-compliant basis for pricing (e.g., federal General Services Administration (GSA) via GSA contract, State of Tennessee via Tennessee statewide contract (SWC), one of the cooperative purchasing arrangements recognized by the City) is not known to be available.

Sole-source purchases valued at less than $10,000 may be authorized by the end-user department. Sole-source purchases valued at less than $25,000 but not less than $10,000 may be authorized by the Purchasing Manager upon being satisfied that it is not possible to obtain competitive pricing quotations from at least three (3) vendors. Except as noted below, sole-source purchases valued at or greater than $25,000 may not be made unless and until individually authorized by the Board of Mayor and Aldermen. Authorized sole-source purchases do not require sealed bids or proposals pursuant to public advertising. The criteria for evaluating sole-source purchases valued at or greater than $10,000 are presented in Appendix B to this Purchasing Policy. Sole-source purchases pertaining to circumstances under which sealed bids or proposals pursuant to public advertising are not required, as same are listed in provision D above, even if valued at or greater than $25,000, require neither individual authorization by nor specific reporting to the Board of Mayor and Aldermen unless otherwise required to be authorized or reported pursuant to this policy.

Sole-source purchases valued at or greater than $25,000 that do not require individual authorization by (but which shall still be reported to) the Board of Mayor and Aldermen include:

a. Repairs to, maintenance of, licenses for and/or maintenance agreements for products already in use by the City, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: engine repairs made by the manufacturer or the manufacturer's representative for a vehicle; license and maintenance agreements for computer software.

b. Purchases of items necessary to maintain, expand or improve a manufacturer-specific system already in use by the City, and/or another governmental agency with which the City must cooperate in order to provide the public service relevant to the proposed purchase, and that requires interchangeability or interconnectivity of and/or communication between the component parts, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: water meters and related parts; traffic signal equipment and related parts; athletic field lighting (and related parts) connected to a centralized master control; automated external defibrillators; cardiac monitors; telemetry/supervisory control and data acquisition equipment.

c. Purchases of items that have, for good and sufficient reason, previously been standardized by the City, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: low-pressure wastewater collection grinder pumps and related parts; self-contained breathing apparatus; vehicle exhaust evacuation systems at individual fire stations, including installation if only one authorized installer is assigned to serve the City; vehicle extrication equipment.

M. Purchasing Card Program

The Purchasing Card Program shall be administered by the Purchasing Manager pursuant to procedures established therefor. Department heads shall determine which employees of their department shall be issued City purchasing cards. Employees who are authorized and expected to travel on behalf of the City and at the City's expense shall be issued purchasing cards and are expected to use same in lieu of being given travel advances.

Employees' participation in the City's Purchasing Card Program is a privilege and a convenience that includes certain responsibilities. Although the purchasing card is issued in the cardholder's name, it is City property and therefore must be used in accordance with City policy and rules, as well as with objectively reasonable judgment, especially as follows:

1. The City of Franklin Purchasing Card is provided to employees based on their need to purchase authorized goods and services. A card may be revoked at any time based on change of assignment or location. The card is neither an entitlement nor a reflection of title or position.

2. The card may be used only for authorized obligations of the City; use of the card for a purchase other than an authorized obligation of the City (such as personal purchases as well as alcoholic beverages and entertainment), even if intended for future reimbursement, are specifically prohibited.
3. Purchases made with the card are to comply with City purchasing and disbursements policies and procedures. Such City procurement rules as the need for procurement requisitions, the basis for pricing, contracting, whether a certificate of insurance is necessary to require of the service provider, adequacy of budgeted funding, and timing of payment relative to delivery of the product or service, all apply regardless of method of payment (such as by purchasing card).
4. The cardholder is the only person entitled to use the card and is accountable for all charges attributable to the card.
5. Cardholders are expected to exercise objectively reasonable judgment in deciding whether to make a purchase by considering (a) whether the potential purchase is prudent and necessary, and (b) whether the potential purchase would reflect well on the City and the cardholder, and be perceived by the general public as suitable and appropriate. Improper use of a City purchasing card, especially intentional and unreported but even unintentional and reported, including personal purchases as well as alcoholic beverages and entertainment, even if reimbursed, may be considered misappropriation of City funds, which may result in disciplinary action, up to and including termination.
6. Except for (a) purchases made outside Tennessee, (b) purchases of non-catered prepared meals, and (c) purchases related to travel, the City purchaser/cardholder is responsible for ensuring that the transaction is completed without sales tax being charged to the City. If a transaction has been completed on which sales tax was charged in error, then the cardholder is responsible for contacting the vendor and requesting that the amount of the sales tax be credited back to the same City purchasing card to which the sales tax was charged. Documentation of this effort, and of the vendor's response, shall be submitted in addition to the supporting documentation for the transaction.
7. Cardholders are expected to comply with internal control procedures in order to protect the City's assets. This includes (a) not permitting anyone other than the cardholder to use the card; (b) making sure that each transaction is electronically processed in full and on time in the purchasing card expense reporting system utilized by the City; (c) keeping and submitting on time detailed invoices or itemized payment receipts that substantiate each and every charge attributed to the purchasing card issued to the cardholder; (d) assisting the City upon request with reconciling the City's billing cycle statements; and (e) taking reasonable precautions to secure the purchasing card against loss and/or theft.
8. If electronic processing of a purchasing card transaction is not completed by the deadline and the Purchasing Office has not been previously notified of the need for a delay, then the monthly credit limit for the respective purchasing card may be reduced to $0 until the processing is complete. This consequence applies to any transaction that has not been coded, explained with a comment, and approved by the individual assigned to approve purchasing card transactions for that cardholder. Credit limits will be restored to the previous amounts once electronic processing is complete.
9. Failure to submit on time adequate and legible supporting documentation for each transaction or to otherwise comply with City rules will carry consequences, possibly including reduction or loss of card spend authority, reimbursement of the City by the employee for unauthorized and/or unsubstantiated purchases, and/or disciplinary action, up to and including termination.
10. Cardholders are responsible for cooperating with efforts by the City to resolve any discrepancies by contacting the vendor and/or the issuing bank.

11. A lost or stolen purchasing card shall, as soon as practicable upon discovery of the loss or theft, be reported to the City Purchasing Office and/or the issuing bank.
12. A cardholder must surrender his or her card upon termination of employment (i.e., retirement or voluntary or involuntary separation).

N. Payment for Purchases

All payments to vendors and service providers shall be made by one of the City's available methods of payment in accordance with City purchasing and disbursements policies and procedures.

O. Use of Internet Auctions for Purchases of City Property

The use of internet auctions is generally prohibited as a method for making City purchases unless specifically authorized in advance by the City Administrator.

P. Vendor Protests

Vendor protests shall be handled in accordance with the City's Vendor Protest Procedure for procurements not pertaining to new construction, as approved by resolution of the Board of Mayor and Aldermen.

Q. Disciplinary Action

Any employee who fails or refuses to comply with the provisions of this Purchasing Policy shall be subject to disciplinary action pursuant to and as provided in the Human Resources Manual, as it may be amended from time to time.

R. Requests for Proposals

Requests for competitive sealed proposals shall be used pursuant to T.C.A. § 12-3-1207 and may be used only when qualifications, experience, or competence are more important than price in making the purchase, and either (1) when there is more than one (1) solution to a purchasing issue and competitive sealed proposals would assist in choosing the best solution; or (2) when there is no readily identifiable solution to a purchasing issue and competitive sealed proposals would assist in identifying one (1) or more solutions. The request for competitive sealed proposals shall state the relative importance of price and other evaluation factors. The award shall be made to the responsible respondent whose proposal the governing body determines is the most advantageous to the City, taking into consideration price and the evaluation factors set out in the request for competitive sealed proposals. No other factor may be used in the evaluation.

S. Requests for Qualifications

Requests for qualifications may be used pursuant to T.C.A. § 12-3-1209 for legal services, fiscal agent, financial advisor or advisory services and similar services by professional persons or groups of high ethical standards, or pursuant to T.C.A. § 12-4-107 for architectural, engineering and construction services.

T. Procurement of Property and/or Services under a Federal Award

When procuring property and/or services under a Federal award, the City shall follow applicable provisions of 2 CFR Chapter I and Chapter II, Part 200, et al. ("Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule"), as promulgated December 26, 2013 by Executive Office of the President, Office of Management and Budget, namely sections 200.318 ("General procurement standards") through 200.326 ("Contract provisions").

U. Requests to inspect and/or obtain either complete or partial copies of purchasing-related records

1. Sealed bids, requests received during protest period: After opening sealed bids submitted to and received by the City in response to a formal procurement solicitation for bids facilitated by the City Purchasing Office, but not later than the seventh calendar day after the City issues a notice of intent to award a pending procurement in response to such a procurement solicitation:
    a. Requests by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect such bids shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party.
    b. Requests other than by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect, and requests by any party to obtain either complete or partial copies of such bids shall be made pursuant to the City's public records request policy and procedure.

2. Sealed proposals and statements of qualifications and certain related records, requests received during protest period: After the City issues a notice of intent to award a pending procurement as a result of a formal procurement solicitation facilitated by the City Purchasing Office and involving a personal service, professional service, or consultant service request for proposals or request for qualifications solicitation that resulted in proposals or statements of qualifications having been submitted to and received by the City, but not later than the seventh calendar day after the City issues such a notice of intent to award:
    a. Requests by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect such proposals and statements of qualifications, and related records, including, but not limited to, evaluations, names of evaluation committee members, and all related memoranda or notes, shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party.
    b. Requests other than by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect, and requests by any party to obtain either complete or partial copies of such proposals and statements of qualifications, and related records, including, but not limited to, evaluations, names of evaluation committee members, and all related memoranda or notes, shall be made pursuant to the City's public records request policy and procedure.

3. Sealed submittals (except any that have been attached to a City contract that has been posted on the City's website), requests received after protest period: After the seventh calendar day after the City issues a notice of intent to award a pending procurement in response to a formal procurement solicitation facilitated by the City Purchasing Office, requests by any party to inspect and/or obtain either complete or partial copies of bids, proposals or other vendor submittals, except any such documents that have been attached to a City contract that has been posted on the City's website (see below), shall be made pursuant to the City's public records request policy and procedure.

4. Other purchasing-related City records:

a. Other than between the date when the City releases a formal solicitation for sealed competitive submittal and the date when the sealed competitive submittal is due to be submitted and opened for any like product or service, for any purchasing-related City record that has already been posted on the City's website (e.g., contract, staff memorandum of recommendation, tabulation of bids, tabulation of proposals, tabulation of submittals in response to a City request for qualifications), requests by any party to inspect and/or obtain either complete or partial copies of such records shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party, and so honoring such a request may but need not involve the use of the City's public records request policy and procedure.

b. Between the date when the City releases a formal solicitation for sealed competitive submittal and the date when the sealed competitive submittal is due to be submitted and opened for any like product or service, for any purchasing-related City record that has already been posted on the City's website (e.g., contract, staff memorandum of recommendation, tabulation of bids, tabulation of proposals, tabulation of submittals in response to a City request for qualifications), requests by any party to inspect and/or obtain either complete or partial copies of such records shall be directed to and promptly honored by the City Purchasing Office in accordance with fair practices (e.g., timely preparation and issuance of an addendum with the requested record(s) attached) established by the City Purchasing Office, and so honoring such a request shall not involve the use of the City's public records request policy and procedure.

c. At any time, for all purchasing-related City records other than those pertaining to a formal procurement solicitation facilitated by the City Purchasing Office, requests by any party to inspect and/or obtain either complete or partial copies of such records shall be made pursuant to the City's public records request policy and procedure.

V. Multiple-Contract Awards

When advantageous to the City to do so, the City may issue multiple-contract awards, that is, contracts awarded to more than one supplier and/or service provider for comparable supplies and/or services, provided the provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing apply for the total value of all contracts issued for the multiple-contract award.

Purchasing Policy

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W. Donated or below-market-priced products or services

If in the judgment of the department head or city administrator a potential donation or a product or service otherwise priced below market would be a benefit to the City, then the City may receive donated or below-market-priced products, whether new or used, or services, provided:

1. The transaction complies with provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing for the transaction value of the donation.
2. The transaction is documented, such as by purchase order or other contract.
3. The transaction documentation states:
   a. That the donation is offered free and clear to the City of Franklin, Tennessee without any expectation of any payment or service or any other consideration in return, including consideration for past or future procurements of or by the City.
   b. That the donor is not entitled to, and shall not seek, any marketing or advertising or promotional privilege or benefit as a result of the donation.

This section does not pertain to sponsorships or other advertising sold and/or received by the City.

X. Trade-ins

The Franklin Municipal Code provision pertaining to the disposal of surplus personal property of the City does not pertain to any trade-in of a product owned by the City toward the purchase of another product provided the purchase of the other product complies with the provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing for the value of the purchase before the value of any trade-in is applied.

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APPENDIX A
SELECTED TENNESSEE STATUTES APPLYING TO OFFICERS, COMMITTEE MEMBERS, ETC.

T.C.A. § 6-54-107. Interest of officer in municipal contracts prohibited.

a. No person holding office under any municipal corporation shall, during the time for which such person was elected or appointed, be capable of contracting with such corporation for the performance of any work that is to be paid for out of the treasury. Nor shall such person be capable of holding or having any other direct interest in such a contract. "Direct interest" means any contract with any business in which the official is the sole proprietor, a partner, or the person having the controlling interest. "Controlling interest" includes the individual with the ownership or control of the largest number of outstanding shares owned by any single individual or corporation.

b. No officer in a municipality shall be indirectly interested in any contract to which the municipality is a party unless the officer publicly acknowledges such officer's interest. "Indirectly interested" means any contract in which the officer is interested but not directly so, but includes contracts where the officer is directly interested but is the sole supplier of goods or services in a municipality.

c. 1. Any member of a local governing body of a municipality who is also an employee of the same municipality may vote on matters in which such member has a conflict of interest if the member informs the governing body immediately prior to the vote as follows: "Because I am an employee of (name of governmental unit), I have a conflict of interest in the proposal about to be voted. However, I declare that my argument and my vote answer only to my conscience and to my obligation to my constituents and the citizens this body represents."

2. In the event a member of a local governing body of a municipality has a conflict of interest in a matter to be voted upon by the body, the member may abstain for cause by announcing such to the presiding officer. Any member of a local governing body of a municipality who abstains from voting for cause on any issue coming to a vote before the body shall not be counted for the purpose of determining a majority vote.

3. The vote of any person having a conflict of interest who does not inform the governing body of such conflict as provided in subdivision (c)(1) shall be void if challenged in a timely manner. As used in this subdivision (c)(3), "timely manner" means during the same meeting at which the vote was cast and prior to the transaction of any further business by the body.

4. Nothing in this subsection (c) alters, amends, or otherwise affects § 12-4-101(a). In the event of any conflict between this subsection (c) and § 12-4-101(a), § 12-4-101(a) shall prevail.

5. The legislative body of any metropolitan form of government or charter form of government may opt out of this subsection (c) by resolution

T.C.A. § 6-54-108. Penalty for unlawful interest of officer.

Every officer of such corporation who shall unlawfully be concerned in making such contract, or who shall unlawfully pay money upon the same to or for any person declared incapable in § 6-54-107, shall forfeit the amount so paid; and such officer shall be jointly and severally liable to an action for the same, which action may be prosecuted by any citizen of the corporation in its name.

T.C.A. § 12-4-101. Personal interest of officers prohibited.

(a) (1) It is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any municipal corporation, county, state, development district, utility district, human resource agency, or other political subdivision created by statute shall or may be interested, to be directly interested in any such contract. "Directly interested" means any contract with the official personally or with any business in which the official is the sole proprietor, a partner, or the person having the controlling interest. "Controlling interest" includes the individual with the ownership or control of the largest number of outstanding shares owned by any single individual or corporation. This subdivision (a)(1) shall not be construed to prohibit any officer, committee person, director, or any person, other than a member of a local governing body of a county or municipality, from voting on the budget, appropriation resolution, or tax rate resolution, or amendments thereto, unless the vote is on a specific amendment to the budget or a specific appropriation or resolution in which such person is directly interested.

….

(b) It is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any municipal corporation, county, state, development district, utility district, human resource agency, or other political subdivision created by statute shall or may be interested, to be indirectly interested in any such contract unless the officer publicly acknowledges such officer's interest. "Indirectly interested" means any contract in which the officer is interested but not directly so, but includes contracts where the officer is directly interested but is the sole supplier of goods or services in a municipality or county.

….

T.C.A. § 12-4-102. Penalty for unlawful interest.

Should any person, acting as such officer, committee member, director, or other person referred to in § 12-4-101, be or become directly or unlawfully indirectly interested in any such contract, such person shall forfeit all pay and compensation therefor. Such officer shall be dismissed from such office the officer then occupies, and be ineligible for the same or a similar position for ten (10) years.

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APPENDIX B
SOLE-SOURCE PURCHASES VALUED AT OR GREATER THAN $10,000

Sole-source purchases valued at or greater than $10,000 shall be made only when an item is unique and possesses specific characteristics that can be filled by only one source and must have prior approval by the Purchasing Manager or, if the purchase is valued at or greater than $25,000, then the Board of Mayor and Aldermen except as detailed above (see "Sole-Source Purchases"). In determining whether to authorize sole-source purchases valued at or greater than $10,000, factors such as the following shall be considered:

1. whether the vendor possesses exclusive and/or predominant capabilities or the item contains a patented feature providing a superior utility not obtainable from similar products;
2. whether the product or service is unique and easily established as one-of-a-kind;
3. whether the program requirements can be modified so that competitive products or services may be used;
4. whether the product is available from only one source and not merchandised through wholesalers, jobbers or retailers; and
5. whether items must be interchangeable or compatible with in-place items.

After review of the written justification from the requisitioning department and ascertaining that the item to be purchased meets one or several of the above criteria, and so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated, then, in lieu of competitive purchasing procedures, the Purchasing Manager shall either authorize the sole-source purchase or, if the purchase is valued at or greater than $25,000, then forward the request to the Board of Mayor and Aldermen for its consideration except as detailed above (see "Sole-Source Purchases").

Based in part on Rule No. 0690-3-1-.03(3) of Rules of the Tennessee Department of General Services, Purchasing Division.

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A. General Provisions

This City of Franklin ("City") Purchasing Policy shall apply to the purchase of materials, supplies, vehicles and equipment, the purchase of services other than those pertaining to the design and/or construction of new infrastructure and facilities, leases and lease-purchases, and the disposal and transfer of surplus personal property, all for the proper conduct of the City's business.

All contracts, leases and lease-purchase agreements are subject to the approval of the Board of Mayor and Aldermen, unless otherwise provided by resolution or ordinance. Any contracts, leases and lease-purchase agreements extending beyond the end of the current fiscal year shall be so noted prior to consideration by the Board of Mayor and Aldermen.

Whenever the City undertakes its own competitive procurement process for the procurement of goods and/or services not pertaining to the design and/or construction of new infrastructure and facilities, then the City is hereby authorized to utilize the one or more of the following procurement methodologies best suited for the intended procurement:

- request for quotations (not for purchases valued at $25,000 or more)
- solicitation for bids
- request for proposals
- request for qualifications

This Purchasing Policy is intended to promote the public interest and preserve and enhance the public trust by establishing a transparent procurement system by which the City conducts its non-construction related purchasing, and by providing vendors with a fair forum for competing for City business.

B. Responsibilities of Departments

The following are the responsibility of each department:

1. Departments shall be responsible for purchases and projects valued less than $25,000. (In the context of this Policy, whenever any dollar thresholds are referenced, the estimated total value of the purchase or project, including all components related thereto, either over the course of the term of the award or, in the absence of a term of award, over the course of the next twelve (12) months, shall be considered.)
2. Departments shall use pricing established pursuant to City procurement awards or Tennessee statewide contracts (SWCs) if and as available. The use of pricing established by cooperative purchasing arrangements approved by the City Administrator for use by the City, as well as pricing established by other Tennessee local governments pursuant to a competitive process involving "public advertisement" (hereby defined to mean the same as that term is used in T.C.A. § 6-56-301 *et seq.*, the Tennessee Municipal Purchasing Law of 1983, as it may be amended from time to time) and sealed submittals, are acceptable alternatives and may be used in lieu of competitive pricing established by the City or the State.
3. Departments shall coordinate with the Purchasing Office and/or the Finance Department as to the method of payment that best meets the needs of the City.

4. Before placing an order for any non-emergency purchase valued at or greater than $10,000, departments shall prepare and submit a requisition, on the form prescribed by the Purchasing Office, and await approval thereof. For orders for emergency purchases valued at or greater than $10,000, the requisition may be completed within ten (10) calendar days after placing the order (and see "Emergency Purchases" below).
5. Purchases valued less than $25,000 but not less than $10,000 shall not be made unless and until, wherever possible, the department shall have obtained and forwarded to the Purchasing Manager competitive pricing quotations from at least three (3) vendors, said quotations to be either supplied in writing by the vendor or reduced to writing by the department, accompanied by a tabulation of the comparative aspects of the quotations obtained, a recommendation as to which quotation should be accepted and a requisition for the recommended quotation. As an alternative to obtaining three quotes, departments may use any of the procurement methodologies approved for usage for purchases valued at $25,000 or more.
6. All foreseeable purchases, including those valued less than $10,000, should not be made unless and until the department head or his or her authorized representative is satisfied that the value of the purchase is fairly priced and not more than what would be expected in the current market place. At the discretion of the department head or his or her authorized representative, for foreseeable purchases valued less than $10,000, the department should, whenever it is prudent to do so, obtain multiple competitive pricing quotations, said quotations to be either supplied in writing by the vendor or reduced to writing by the department.
7. As soon as practicable but within ten (10) calendar days of receipt of items ordered, departments shall be responsible for verifying that the items conform to the order. The process for taking delivery of items is as follows:
   - **a.** Inspect the goods to verify that they are in acceptable condition.
   - **b.** Verify that all operating manuals and warranty cards are included in the delivery of the goods, if applicable.
   - **c.** Verify that the number of items ordered have been delivered, making special note when all or part of a particular order has been back-ordered.
   - **d.** Ensure that purchases of capital assets of the City have been properly reported, either directly or indirectly, to the Finance Department and the City's Risk Manager and, if rolling stock, Fleet Maintenance, on forms prescribed by those respective offices, so that records of such purchases may be updated, insurance coverage may be obtained, and vehicle tags may be obtained, all in a timely manner.
8. Regardless of method of payment, departments shall be responsible for reviewing, approving and allocating to the proper budget code all invoices authorized for payment.
9. It shall be the responsibility of each department to allow time for competitive solicitation, ordering and delivery pursuant to this Purchasing Policy.
10. No employee shall make any indication that he/she will recommend a particular product for purchase, knowingly bind the City to a specific vendor, or make any representation as to his or her authority to bind the City by contract when such is not the case.

C. Responsibilities of Purchasing Manager

The following are the responsibility of the Purchasing Manager:

1. The Purchasing Manager shall assist all departments in purchasing operating materials, supplies, vehicles, equipment and services to which this Purchasing Policy applies.
2. The Purchasing Manager shall be responsible for facilitating the competitive process by which all purchases to which this Purchasing Policy applies and valued at or greater than $25,000 are made.

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3. For all purchases to which this Purchasing Policy applies and valued at or greater than $10,000, the Purchasing Manager shall advocate the purchase of required products and services only either from ~~the lowest responsible and responsive bidder or from the responsible and responsive respondent whose proposal or other submittal~~ (a) the responsible bidder or quoter that submits the lowest priced responsive bid or quote or from (b) the responsible proposer or other respondent that submits the responsive proposal or other submittal that is most advantageous to the City.
4. The Purchasing Manager shall advise the departments about the source and availability of products and services needed by the various departments.
5. The Purchasing Manager shall provide current vendor files available for use and review by departments.
6. The Purchasing Manager shall, upon request, obtain prices on comparable items.
7. The Purchasing Manager shall provide vendor lists, prepare Purchase Orders as necessary, and maintain orderly files.
8. The Purchasing Manager shall be alert on an ongoing basis for new sources and for improved products and services.
9. The Purchasing Manager shall assist the departments in the preparation of specifications for solicitations for bids and the requirements provisions of requests for proposals and requests for qualifications.
10. For formal procurement solicitations, the Purchasing Manager shall prepare and submit for timely publication all legal notices. To promote competition and facilitate the dissemination of documents and information pertaining to formal procurement solicitations, the Purchasing Manager shall post on the City's public website timely information about current formal procurement solicitations.
11. The Purchasing Manager shall periodically review the City's recent records of repetitive purchases, over time, across the organization and across suppliers and service providers, of like products and services, and shall advocate the City consolidate and aggregate its purchase of as many foreseeably necessary like products and services as practicable so to improve pricing for the City, to improve services provided to the City, and/or to reduce the City's cost of operations.
12. To the extent practicable, the Purchasing Manager shall strive to apply procurement thresholds of the City by like product or service for all anticipated needs of the City for the maximum term of a prospective award.
13. The Purchasing Manager shall investigate complaints from departments of poor performance by vendors, or complaints about inferior products, and shall, in consultation with the City's Law Department, choose which, if any, remedies are available to the City to pursue.
14. The Purchasing Manager shall be responsible for disposing of the City's surplus personal property of any value, regardless of whether the property was acquired and came to be owned by the City by means of purchase or donation or otherwise, by means of a competitive process and in compliance with City ordinance, except in cases involving data security or other mitigating circumstances. The Purchasing Manager shall develop the appropriate documentation for the Finance Department in accordance with the City Code.
15. The Purchasing Manager shall be responsible for administering and overseeing the City's Purchasing Card program.
16. The Purchasing Manager shall be responsible for otherwise administering and complying with this Purchasing Policy and applicable Tennessee state law, specifically T.C.A. § 6-56-301 *et seq.* (Tennessee Municipal Purchasing Law of 1983) and T.C.A. § 12-3-1201 *et seq.* (Public Purchases – Local Governments), as it may be amended from time to time, including keeping and filing required records and reports, as if they were set out herein and made a part hereof and within definitions of words and phrases from the law as herein defined.

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D. Circumstances under which competitive pricing is not required

Under any of the following circumstances, competitive pricing (sealed bids or proposals pursuant to public advertising if valued at or greater than $25,000; three quotes wherever possible if valued less than $25,000 but not less than $10,000) is not required. Under any of these same circumstances, neither individual authorization by nor specific reporting to the Board of Mayor and Aldermen is required unless such is otherwise required pursuant to this policy.

1. Authorized sole-source purchases (see below).
2. Authorized emergency expenditures (see below).
3. Purchases from instrumentalities created by two (2) or more cooperating governments, such as, but not limited to those established pursuant to T.C.A. § 12-9-101, et seq.
4. Purchases from non-profit corporations whose purpose or one of whose purposes is to provide products and services specifically to municipalities, as provided in T.C.A. § 6-56-302.
5. Purchases, leases or lease-purchases of real property, as provided by City ordinance and state law.
6. Purchases, leases, or lease-purchases of used or secondhand articles consisting of goods, equipment, materials, supplies, or commodities, as provided in T.C.A. § 12-3-1202.
7. Purchases of supplies, goods, equipment (except new or unused motor vehicles, unless the motor vehicles are manufactured for a special purpose as defined in § 12-3-1208) and/or services (except any transportation infrastructure project, including, but not limited to, projects for the construction or improvement of streets, highways, bridges, tunnels, or any roadway related facility), pricing for which has been established by other units of Tennessee local government, as provided in T.C.A. § 12-3-1203(a) and 12-3-1203(c).
8. Purchases pursuant to Tennessee Department of General Services statewide contracts (SWCs) authorized for use by Tennessee local governments.
9. Purchases from Tennessee Rehabilitative Initiative in Correction (TRICOR).
10. Professional service contracts, as provided in T.C.A. § 12-3-1209.
11. Other professional services, including actuarial, architectural design, financial and compliance audit, engineering design, financial advisory, legal counsel and medical.
12. Tort liability insurance, as provided in T.C.A. § 29-20-407.
13. Purchase of fuels, fuel products or perishable commodities.
14. Purchases based on contracts established by a cooperative purchasing arrangement recognized by the City pursuant to Resolution No. 2009-50, as provided in T.C.A. § 12-3-1205.
15. Purchases based on contracts established by the United States General Services Administration (GSA) and authorized by GSA for use by US local governments, except as may be prohibited by applicable Tennessee statute.
16. Other arrangements and methods pursuant to Tennessee and/or federal law.
17. Fees paid by the City for products and services provided to the City by the State of Tennessee, other units of local government, and public utilities and utility districts.

E. Rejection of Bids, Proposals or Other Submittals

The Purchasing Manager shall recommend to the Board of Mayor and Aldermen to reject any and all bids, proposals or other submittals received pursuant to a formal procurement solicitation issued by the Purchasing Office, or parts thereof, for any product or service to which this Policy applies, whenever, prior to the Board of Mayor and Aldermen making an award pursuant to such a formal procurement solicitation, the Purchasing Manager believes the public interest would be best served by such rejection. The Purchasing Manager shall recommend to the Board of Mayor and Aldermen that it reject any such submittal of a vendor or contractor who is in default on the payment of taxes, licenses, fees or other monies of whatever nature that may be due the City by the vendor or contractor whenever, prior to the Board of Mayor and Aldermen making an award pursuant to such a formal procurement solicitation, the Purchasing Manager becomes aware of such default.

F. Conflict of Interest, Use of Position, Solicitation

There are several sources of law and regulations, as they may be amended from time to time, that apply to conflicts of interest, use of position and solicitation. They are incorporated by reference and adopted as if fully stated herein.

a. <u>City Charter</u>

Article VIII ("Finance"), Section 16 ("Officers not to be Interested in City Contracts or Work") of the City of Franklin Charter reads as follows:

> No member of the Board of Mayor and Aldermen, or officer elected by said Board, shall be interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and cannot be enforced.

b. <u>City of Franklin Municipal Code</u>

Title 1 ("General Administration"), Chapter 8 ("Ethics") of the City of Franklin Municipal Code sets forth the Code of Ethics for the City of Franklin, which applies to all full-time and part-time elective or appointed officials and employees of the City.

c. <u>City of Franklin Regulations</u>

Article XXII ("General Policies and Procedures"), Section E ("Business Dealings"), of the City of Franklin Human Resource Manual, as it may be amended from time to time, reads as follows:

> Except for the receipt of such compensation as may be lawfully provided for the performance of City duties, and except as noted below, no City officer or employee shall be privately interested in or profit, directly or indirectly, from business dealings with, of or by the City.
> Regular full-time, regular part-time and temporary employees of the City may, subject to the approval of the City Administrator, contract to perform services for the City by meeting the following criteria: (1) the service performed must not be any service which the employee might provide in the normal scope of their regular duties; (2) the employee would be required to bid or submit a proposal in the same manner as any other prospective provider of service; and (3) the service performed must not present a conflict of interest nor a conflict of time with the employee's regular duties.

Article XXII ("General Policies and Procedures"), Section I ("Use of Position"), of the City of Franklin Human Resource Manual, as it may be amended from time to time, reads in part as follows:

> No City officer or employee shall make or attempt to make private purchases in the name of the City, nor otherwise use or attempt to use status as a City employee to secure unwarranted privileges or exemptions.

Article XXII ("General Policies and Procedures"), Section F ("Acceptance of Gratuities"), of the City's Human Resource Manual, as it may be amended from time to time, reads as follows:

> No City officer or employee shall accept or solicit any money or other consideration or favor from anyone other than the City for the performance of an act which the officer or employee would be required or expected to perform in the regular course of employment; nor shall any officer or employee accept, directly or indirectly, any gift, gratuity, or favor of any kind which might reasonably be an attempt to influence the individual's actions with respect to City business. For further explanation, see Title 1, Chapter 8 ("Ethics"), of the Municipal Code.

d. Statutes

Certain Tennessee statutes may apply to purchases involving city officers, committee members, etc. Selected Tennessee statutes may be found in Appendix A to this Purchasing Policy attached hereto for reference.

G. City Officer and Employee Communication with Vendors During Formal Procurement Solicitations for Sealed Submittals

Between the time a formal procurement solicitation for sealed submittals is issued by the City and the time an award is made, members of the Board of Mayor and Aldermen as well as employees of the City shall refrain from any form of communication with one or more vendors that may be competing for the award about any aspect of the procurement other than either in the context of a public meeting or by way of the Purchasing Office. The foregoing is not meant to preclude a representative of the City from answering questions from vendors if the question is already addressed in the formal solicitation documents, if the City representative is certain of the correct answer and if the Purchasing Office is informed of the communication. Otherwise, any inquiries from one or more vendors that may be competing for such an award shall be directed to the Purchasing Office which shall determine if an addendum to the formal procurement solicitation should be prepared and issued to all vendors known or thought to be interested in the procurement opportunity. Vendors that may be competing for an award pursuant to a formal procurement solicitation shall be instructed that, until that award has been made, they shall not communicate about either the content of or the procurement process pertaining to the relevant formal procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.

H. City Officer and Employee Business Dealings with the City

See Article XXII ("General Policies and Procedures"), Section E ("Business Dealings"), of the City of Franklin Human Resources Manual.

See also Title 1 ("General Administration"), Chapter 8 ("Ethics"), of the City of Franklin Municipal Code.

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I. Tie Bids and Tie Quotes

Whenever the City utilizes its own competitive process, and in the event of tie bids or tie quotes (that is, when two or more responsible ~~and responsive vendors offer products that meet all specifications, terms and conditions~~ bidders or quoters submit responsive bids or quotes at identical total pricing for the minimum or estimated quantity indicated), then the tie bids or tie quotes shall be broken by means of one of the following methods, in descending order:

1. The award shall be made to the vendor who bid or quoted the soonest delivery of the product or completion of the service of all the vendors submitting the tie bids or tie quotes.
2. The award shall be made to the vendor who offered the pricing for the longest period of time for potential future orders of all the vendors submitting the tie bids or tie quotes.
3. If one or more of the vendors submitting the tie bids or tie quotes competed for the City's business the last time the City solicited bids or quotes for the same product or service, then the award shall be made to the vendor who offered the lowest pricing at that time of all the vendors submitting the tie bids or tie quotes.
4. If one or more of the vendors submitting the tie bid or tie quote have done business with the City within the most recent 24 months, then the award shall be made to the vendor who has done the most business with the City (measured in dollars) in that time frame of all the vendors submitting the tie bids or tie quotes.
5. The award shall be made by means of random selection, such method to be administered by the Purchasing Manager and to give equal opportunity to all the vendors submitting the tie bids or tie quotes.

J. Determining Responsible ~~and Responsive~~ Respondents and Responsive Submittals

Whenever the City utilizes its own competitive process, products and services shall be purchased either from ~~the lowest responsible and responsive bidder or from the responsive and responsible respondent whose proposal or other submittal~~ (a) the responsible bidder or quoter that submits the lowest priced responsive bid or quote or from (b) the responsible proposer or other respondent that submits the responsive proposal or other submittal that is most advantageous to the City. (The term "responsible bidder or quoter" and the term "responsible proposer or other respondent" shall mean a business entity or individual determined by the City to have the integrity and reliability as well as the financial and technical capacity to perform the requirements of the procurement solicitation and subsequent contract. The term "responsive bid or quote" and the term "responsive proposal or other submittal" shall mean a submittal determined by the City to fully conform in all material respects to the procurement solicitation and all of its requirements, including all form and substance.) In determining whether a competing ~~vendor~~ respondent is responsible and whether the submittal is responsive, criteria such as the following may be taken into consideration:

1. The ability of the competing vendor to perform the contract or provide the material or service required.
2. Whether the competing vendor can perform the contract or provide the service promptly, or within the time specified, without delay or interference.
3. The character, integrity, reputation, judgment, experience, expertise and efficiency of the competing vendor.
4. The previous and existing compliance by the competing vendor or a predecessor in interest with laws and ordinances relating to the contract or service.
5. The quality of the competing vendor's performance of previous contracts or services, including the quality of such contracts or services in other municipalities, or performed for private sector customers.

6. The sufficiency of financial resources and the ability of the competing vendor to perform the contract or provide the service.
7. The ability of the competing vendor to provide future maintenance and service for the use of the materials, supplies, vehicles, equipment or contractual service contracted.
8. Compliance by the competing vendor with all specifications included in the solicitation for bids or with all requirements included in the request for proposals or request for qualifications.
9. The ability of the competing vendor to deliver and maintain any requisite bid bonds or performance bonds.

K. Emergency Purchases

When in the judgment of the City Administrator, the department head or the Purchasing Manager there exists an emergency impinging on public health, safety or welfare and a purchase valued at or greater than $10,000 is necessary, then the competitive purchasing provisions contained in this Purchasing Policy may be waived; provided, however, that if the emergency purchase is valued at or greater than $25,000 it shall be reported to the Board of Mayor and Aldermen at its next scheduled meeting.

The emergency basis for pricing should be used only if necessary. Purchases that qualify as emergencies are to be based on emergency pricing only if another policy-compliant basis for pricing (e.g., federal General Services Administration (GSA) via GSA contract, State of Tennessee via Tennessee statewide contract (SWC), one of the cooperative purchasing arrangements recognized by the City) is not known to be available.

L. Sole-Source Purchases

In the context of this Policy, whenever any dollar thresholds are referenced, the estimated total value of the purchase or project, including all components related thereto, either over the course of the term of the award or, in the absence of a term of award, over the course of the next twelve (12) months, shall be considered. To the extent practicable, departments and the Purchasing Manager shall strive to apply procurement thresholds of the City by like product or service for all anticipated needs of the City for the maximum term of a prospective award.

The sole-source basis for pricing should be used only if necessary. Purchases that qualify as sole-source are to be based on sole-source pricing only if another policy-compliant basis for pricing (e.g., federal General Services Administration (GSA) via GSA contract, State of Tennessee via Tennessee statewide contract (SWC), one of the cooperative purchasing arrangements recognized by the City) is not known to be available.

Sole-source purchases valued at less than $10,000 may be authorized by the end-user department. Sole-source purchases valued at less than $25,000 but not less than $10,000 may be authorized by the Purchasing Manager upon being satisfied that it is not possible to obtain competitive pricing quotations from at least three (3) vendors. Except as noted below, sole-source purchases valued at or greater than $25,000 may not be made unless and until individually authorized by the Board of Mayor and Aldermen. Authorized sole-source purchases do not require sealed bids or proposals pursuant to public advertising. The criteria for evaluating sole-source purchases valued at or greater than $10,000 are presented in Appendix B to this Purchasing Policy. Sole-source purchases pertaining to circumstances under which sealed bids or proposals pursuant to public advertising are not required, as same are listed in provision D above, even if valued at or greater than $25,000, require neither individual authorization by nor specific reporting to the Board of Mayor and Aldermen unless otherwise required to be authorized or reported pursuant to this policy.

Sole-source purchases valued at or greater than $25,000 that do not require individual authorization by (but which shall still be reported to) the Board of Mayor and Aldermen include:

a. Repairs to, maintenance of, licenses for and/or maintenance agreements for products already in use by the City, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: engine repairs made by the manufacturer or the manufacturer's representative for a vehicle; license and maintenance agreements for computer software.

b. Purchases of items necessary to maintain, expand or improve a manufacturer-specific system already in use by the City, and/or another governmental agency with which the City must cooperate in order to provide the public service relevant to the proposed purchase, and that requires interchangeability or interconnectivity of and/or communication between the component parts, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: water meters and related parts; traffic signal equipment and related parts; athletic field lighting (and related parts) connected to a centralized master control; automated external defibrillators; cardiac monitors; telemetry/supervisory control and data acquisition equipment.

c. Purchases of items that have, for good and sufficient reason, previously been standardized by the City, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. Examples: low-pressure wastewater collection grinder pumps and related parts; self-contained breathing apparatus; vehicle exhaust evacuation systems at individual fire stations, including installation if only one authorized installer is assigned to serve the City; vehicle extrication equipment.

M. Purchasing Card Program

The Purchasing Card Program shall be administered by the Purchasing Manager pursuant to procedures established therefor. Department heads shall determine which employees of their department shall be issued City purchasing cards. Employees who are authorized and expected to travel on behalf of the City and at the City's expense shall be issued purchasing cards and are expected to use same in lieu of being given travel advances.

Employees' participation in the City's Purchasing Card Program is a privilege and a convenience that includes certain responsibilities. Although the purchasing card is issued in the cardholder's name, it is City property and therefore must be used in accordance with City policy and rules, as well as with objectively reasonable judgment, especially as follows:

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1. The City of Franklin Purchasing Card is provided to employees based on their need to purchase authorized goods and services. A card may be revoked at any time based on change of assignment or location. The card is neither an entitlement nor a reflection of title or position.
2. The card may be used only for authorized obligations of the City; use of the card for a purchase other than an authorized obligation of the City (such as personal purchases as well as alcoholic beverages and entertainment), even if intended for future reimbursement, are specifically prohibited.
3. Purchases made with the card are to comply with City purchasing and disbursements policies and procedures. Such City procurement rules as the need for procurement requisitions, the basis for pricing, contracting, whether a certificate of insurance is necessary to require of the service provider, adequacy of budgeted funding, and timing of payment relative to delivery of the product or service, all apply regardless of method of payment (such as by purchasing card).
4. The cardholder is the only person entitled to use the card and is accountable for all charges attributable to the card.
5. Cardholders are expected to exercise objectively reasonable judgment in deciding whether to make a purchase by considering (a) whether the potential purchase is prudent and necessary, and (b) whether the potential purchase would reflect well on the City and the cardholder, and be perceived by the general public as suitable and appropriate. Improper use of a City purchasing card, especially intentional and unreported but even unintentional and reported, including personal purchases as well as alcoholic beverages and entertainment, even if reimbursed, may be considered misappropriation of City funds, which may result in disciplinary action, up to and including termination.
6. Except for (a) purchases made outside Tennessee, (b) purchases of non-catered prepared meals, and (c) purchases related to travel, the City purchaser/cardholder is responsible for ensuring that the transaction is completed without sales tax being charged to the City. If a transaction has been completed on which sales tax was charged in error, then the cardholder is responsible for contacting the vendor and requesting that the amount of the sales tax be credited back to the same City purchasing card to which the sales tax was charged. Documentation of this effort, and of the vendor’s response, shall be submitted in addition to the supporting documentation for the transaction.
7. Cardholders are expected to comply with internal control procedures in order to protect the City’s assets. This includes (a) not permitting anyone other than the cardholder to use the card; (b) making sure that each transaction is electronically processed in full and on time in the purchasing card expense reporting system utilized by the City; (c) keeping and submitting on time detailed invoices or itemized payment receipts that substantiate each and every charge attributed to the purchasing card issued to the cardholder; (d) assisting the City upon request with reconciling the City’s billing cycle statements; and (e) taking reasonable precautions to secure the purchasing card against loss and/or theft.
8. If electronic processing of a purchasing card transaction is not completed by the deadline and the Purchasing Office has not been previously notified of the need for a delay, then the monthly credit limit for the respective purchasing card may be reduced to $0 until the processing is complete. This consequence applies to any transaction that has not been coded, explained with a comment, and approved by the individual assigned to approve purchasing card transactions for that cardholder. Credit limits will be restored to the previous amounts once electronic processing is complete.
9. Failure to submit on time adequate and legible supporting documentation for each transaction or to otherwise comply with City rules will carry consequences, possibly including reduction or loss of card spend authority, reimbursement of the City by the employee for unauthorized and/or unsubstantiated purchases, and/or disciplinary action, up to and including termination.

10. Cardholders are responsible for cooperating with efforts by the City to resolve any discrepancies by contacting the vendor and/or the issuing bank.
11. A lost or stolen purchasing card shall, as soon as practicable upon discovery of the loss or theft, be reported to the City Purchasing Office and/or the issuing bank.
12. A cardholder must surrender his or her card upon termination of employment (i.e., retirement or voluntary or involuntary separation).

N. Payment for Purchases

All payments to vendors and service providers shall be made by one of the City's available methods of payment in accordance with City purchasing and disbursements policies and procedures.

O. Use of Internet Auctions for Purchases of City Property

The use of internet auctions is generally prohibited as a method for making City purchases unless specifically authorized in advance by the City Administrator.

P. Vendor Protests

Vendor protests shall be handled in accordance with the City's Vendor Protest Procedure for procurements not pertaining to new construction, as approved by resolution of the Board of Mayor and Aldermen.

Q. Disciplinary Action

Any employee who fails or refuses to comply with the provisions of this Purchasing Policy shall be subject to disciplinary action pursuant to and as provided in the Human Resources Manual, as it may be amended from time to time.

R. Requests for Proposals

Requests for competitive sealed proposals shall be used pursuant to T.C.A. § 12-3-1207 and may be used only when qualifications, experience, or competence are more important than price in making the purchase, and either (1) when there is more than one (1) solution to a purchasing issue and competitive sealed proposals would assist in choosing the best solution; or (2) when there is no readily identifiable solution to a purchasing issue and competitive sealed proposals would assist in identifying one (1) or more solutions. The request for competitive sealed proposals shall state the relative importance of price and other evaluation factors. The award shall be made to the responsible respondent whose proposal the governing body determines is the most advantageous to the City, taking into consideration price and the evaluation factors set out in the request for competitive sealed proposals. No other factor may be used in the evaluation.

S. Requests for Qualifications

Requests for qualifications may be used pursuant to T.C.A. § 12-3-1209 for legal services, fiscal agent, financial advisor or advisory services and similar services by professional persons or groups of high ethical standards, or pursuant to T.C.A. § 12-4-107 for architectural, engineering and construction services.

T. Procurement of Property and/or Services under a Federal Award

When procuring property and/or services under a Federal award, the City shall follow applicable provisions of 2 CFR Chapter I and Chapter II, Part 200, et al. ("Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule"), as promulgated December 26, 2013 by Executive Office of the President, Office of Management and Budget, namely sections 200.318 ("General procurement standards") through 200.326 ("Contract provisions").

U. Requests to inspect and/or obtain either complete or partial copies of purchasing-related records

1. Sealed bids, requests received during protest period: After opening sealed bids submitted to and received by the City in response to a formal procurement solicitation for bids facilitated by the City Purchasing Office, but not later than the seventh calendar day after the City issues a notice of intent to award a pending procurement in response to such a procurement solicitation:
   a. Requests by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect such bids shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party.
   b. Requests other than by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect, and requests by any party to obtain either complete or partial copies of such bids shall be made pursuant to the City's public records request policy and procedure.

2. Sealed proposals and statements of qualifications and certain related records, requests received during protest period: After the City issues a notice of intent to award a pending procurement as a result of a formal procurement solicitation facilitated by the City Purchasing Office and involving a personal service, professional service, or consultant service request for proposals or request for qualifications solicitation that resulted in proposals or statements of qualifications having been submitted to and received by the City, but not later than the seventh calendar day after the City issues such a notice of intent to award:
   a. Requests by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect such proposals and statements of qualifications, and related records, including, but not limited to, evaluations, names of evaluation committee members, and all related memoranda or notes, shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party.
   b. Requests other than by an Interested Party (as that term is defined in the City's Vendor Protest Procedure) to inspect, and requests by any party to obtain either complete or partial copies of such proposals and statements of qualifications, and related records, including, but not limited to, evaluations, names of evaluation committee members, and all related memoranda or notes, shall be made pursuant to the City's public records request policy and procedure.

3. Sealed submittals (except any that have been attached to a City contract that has been posted on the City's website), requests received after protest period: After the seventh calendar day after the City issues a notice of intent to award a pending procurement in response to a formal procurement solicitation facilitated by the City Purchasing Office, requests by any party to inspect and/or obtain either complete or partial copies of bids, proposals or other vendor submittals, except any such documents that have been attached to a City contract that has been posted on the City's website (see below), shall be made pursuant to the City's public records request policy and procedure.

4. Other purchasing-related City records:

a. Other than between the date when the City releases a formal solicitation for sealed competitive submittal and the date when the sealed competitive submittal is due to be submitted and opened for any like product or service, for any purchasing-related City record that has already been posted on the City's website (e.g., contract, staff memorandum of recommendation, tabulation of bids, tabulation of proposals, tabulation of submittals in response to a City request for qualifications), requests by any party to inspect and/or obtain either complete or partial copies of such records shall be directed to and promptly honored by the City Purchasing Office at a time during normal business hours of the City Purchasing Office that is mutually convenient to both the City Purchasing Office and the requesting party, and so honoring such a request may but need not involve the use of the City's public records request policy and procedure.

b. Between the date when the City releases a formal solicitation for sealed competitive submittal and the date when the sealed competitive submittal is due to be submitted and opened for any like product or service, for any purchasing-related City record that has already been posted on the City's website (e.g., contract, staff memorandum of recommendation, tabulation of bids, tabulation of proposals, tabulation of submittals in response to a City request for qualifications), requests by any party to inspect and/or obtain either complete or partial copies of such records shall be directed to and promptly honored by the City Purchasing Office in accordance with fair practices (e.g., timely preparation and issuance of an addendum with the requested record(s) attached) established by the City Purchasing Office, and so honoring such a request shall not involve the use of the City's public records request policy and procedure.

c. At any time, for all purchasing-related City records other than those pertaining to a formal procurement solicitation facilitated by the City Purchasing Office, requests by any party to inspect and/or obtain either complete or partial copies of such records shall be made pursuant to the City's public records request policy and procedure.

V. Multiple-Contract Awards

When advantageous to the City to do so, the City may issue multiple-contract awards, that is, contracts awarded to more than one supplier and/or service provider for comparable supplies and/or services, provided the provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing apply for the total value of all contracts issued for the multiple-contract award.

W. Donated or below-market-priced products or services

If in the judgment of the department head or city administrator a potential donation or a product or service otherwise priced below market would be a benefit to the City, then the City may receive donated or below-market-priced products, whether new or used, or services, provided:

1. The transaction complies with provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing for the transaction value of the donation.
2. The transaction is documented, such as by purchase order or other contract.
3. The transaction documentation states:
    a. That the donation is offered free and clear to the City of Franklin, Tennessee without any expectation of any payment or service or any other consideration in return, including consideration for past or future procurements of or by the City.
    b. That the donor is not entitled to, and shall not seek, any marketing or advertising or promotional privilege or benefit as a result of the donation.

This section does not pertain to sponsorships or other advertising sold and/or received by the City.

X. Trade-ins

The Franklin Municipal Code provision pertaining to the disposal of surplus personal property of the City does not pertain to any trade-in of a product owned by the City toward the purchase of another product provided the purchase of the other product complies with the provisions of this policy and relevant City procurement procedures pertaining to competitively established pricing for the value of the purchase before the value of any trade-in is applied.

Purchasing Policy

for City of Franklin procurements not pertaining to new construction

APPENDIX A
SELECTED TENNESSEE STATUTES APPLYING TO OFFICERS, COMMITTEE MEMBERS, ETC.

T.C.A. § 6-54-107. Interest of officer in municipal contracts prohibited.

a. No person holding office under any municipal corporation shall, during the time for which such person was elected or appointed, be capable of contracting with such corporation for the performance of any work that is to be paid for out of the treasury. Nor shall such person be capable of holding or having any other direct interest in such a contract. "Direct interest" means any contract with any business in which the official is the sole proprietor, a partner, or the person having the controlling interest. "Controlling interest" includes the individual with the ownership or control of the largest number of outstanding shares owned by any single individual or corporation.

b. No officer in a municipality shall be indirectly interested in any contract to which the municipality is a party unless the officer publicly acknowledges such officer's interest. "Indirectly interested" means any contract in which the officer is interested but not directly so, but includes contracts where the officer is directly interested but is the sole supplier of goods or services in a municipality.

c. 1. Any member of a local governing body of a ~~county or a~~ municipality who is also an employee of ~~such county or~~ the same municipality may vote on matters in which such member has a conflict of interest if the member informs the governing body immediately prior to the vote as follows: "Because I am an employee of (name of governmental unit), I have a conflict of interest in the proposal about to be voted. However, I declare that my argument and my vote answer only to my conscience and to my obligation to my constituents and the citizens this body represents."

2. In the event a member of a local governing body of a ~~county or a~~ municipality has a conflict of interest in a matter to be voted upon by the body, the member may abstain for cause by announcing such to the presiding officer. Any member of a local governing body of a ~~county or~~ municipality who abstains from voting for cause on any issue coming to a vote before the body shall not be counted for the purpose of determining a majority vote.

3. The vote of any person having a conflict of interest who does not inform the governing body of such conflict as provided in subdivision (c)(1) shall be void if challenged in a timely manner. As used in this subdivision (c)(3), "timely manner" means during the same meeting at which the vote was cast and prior to the transaction of any further business by the body.

4. Nothing in this subsection (c) ~~shall be construed as altering, amending~~ alters, amends, or otherwise ~~affecting the provisions of~~ affects § 12-4-101(a). In the event of any conflict between this subsection (c) and § 12-4-101(a), ~~the provisions of~~ § 12-4-101(a) shall prevail.

5. The legislative body of any metropolitan form of government or charter form of government may opt out of this subsection (c) by resolution

T.C.A. § 6-54-108. Penalty for unlawful interest of officer.

Every officer of such corporation who shall unlawfully be concerned in making such contract, or who shall unlawfully pay money upon the same to or for any person declared incapable in § 6-54-107, shall forfeit the amount so paid; and such officer shall be jointly and severally liable to an action for the same, which action may be prosecuted by any citizen of the corporation in its name.

T.C.A. § 12-4-101. Personal interest of officers prohibited.

(a) (1) It is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any municipal corporation, county, state, development district, utility district, human resource agency, or other political subdivision created by statute shall or may be interested, to be directly interested in any such contract. "Directly interested" means any contract with the official personally or with any business in which the official is the sole proprietor, a partner, or the person having the controlling interest. "Controlling interest" includes the individual with the ownership or control of the largest number of outstanding shares owned by any single individual or corporation. This subdivision (a)(1) shall not be construed to prohibit any officer, committee person, director, or any person, other than a member of a local governing body of a county or municipality, from voting on the budget, appropriation resolution, or tax rate resolution, or amendments thereto, unless the vote is on a specific amendment to the budget or a specific appropriation or resolution in which such person is directly interested.

….

(b) It is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any municipal corporation, county, state, development district, utility district, human resource agency, or other political subdivision created by statute shall or may be interested, to be indirectly interested in any such contract unless the officer publicly acknowledges such officer's interest. "Indirectly interested" means any contract in which the officer is interested but not directly so, but includes contracts where the officer is directly interested but is the sole supplier of goods or services in a municipality or county.

~~(c) (1) Any member of a local governing body of a county or a municipality who is also an employee of such county or municipality and whose employment predates the member's initial election or appointment to the governing body of the county or municipality may vote on matters in which the member has a conflict of interest if the member informs the governing body immediately prior to the vote as follows: "Because I am an employee of (name of governmental unit), I have a conflict of interest in the proposal about to be voted. However, I declare that my argument and my vote answer only to my conscience and to my obligation to my constituents and the citizens this body represents." The vote of any such member having a conflict of interest who does not so inform the governing body of such conflict shall be void if challenged in a timely manner. As used in this subdivision (c)(1), "timely manner" means during the same meeting at which the vote was cast and prior to the transaction of any further business by the body.~~

~~(2) Any member of a local governing body of a county or a municipality who is also an employee of such county or municipality and whose employment began on or after the date on which the member was initially elected or appointed to serve on the governing body of the county or municipality shall not vote on matters in which the member has a conflict of interest.~~

~~(3) (A) In the event a member of a local governing body of a county or a municipality has a conflict of interest in a matter to be voted upon by the body, such member may abstain for cause by announcing such to the presiding officer.~~

~~(B) (i) Any member of a local governing body of a municipality who abstains from voting for cause on any issue coming to a vote before the body shall not be counted for the purpose of determining a majority vote.~~

~~(ii) This subdivision (c)(3)(B) shall in no way be construed to apply to any county having a metropolitan form of government and having a population in excess of five hundred thousand (500,000), according to the 1990 federal census or any subsequent federal census.~~

….

T.C.A. § 12-4-102. Penalty for unlawful interest.

Should any person, acting as such officer, committee member, director, or other person referred to in § 12-4-101, be or become directly or unlawfully indirectly interested in any such contract, such person shall forfeit all pay and compensation therefor. Such officer shall be dismissed from such office the officer then occupies, and be ineligible for the same or a similar position for ten (10) years.

Purchasing Policy

for City of Franklin procurements not pertaining to new construction

APPENDIX B
SOLE-SOURCE PURCHASES VALUED AT OR GREATER THAN $10,000

Sole-source purchases valued at or greater than $10,000 shall be made only when an item is unique and possesses specific characteristics that can be filled by only one source and must have prior approval by the Purchasing Manager or, if the purchase is valued at or greater than $25,000, then the Board of Mayor and Aldermen except as detailed above (see "Sole-Source Purchases"). In determining whether to authorize sole-source purchases valued at or greater than $10,000, factors such as the following shall be considered:

1. whether the vendor possesses exclusive and/or predominant capabilities or the item contains a patented feature providing a superior utility not obtainable from similar products;
2. whether the product or service is unique and easily established as one-of-a-kind;
3. whether the program requirements can be modified so that competitive products or services may be used;
4. whether the product is available from only one source and not merchandised through wholesalers, jobbers or retailers; and
5. whether items must be interchangeable or compatible with in-place items.

After review of the written justification from the requisitioning department and ascertaining that the item to be purchased meets one or several of the above criteria, and so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated, then, in lieu of competitive purchasing procedures, the Purchasing Manager shall either authorize the sole-source purchase or, if the purchase is valued at or greater than $25,000, then forward the request to the Board of Mayor and Aldermen for its consideration except as detailed above (see "Sole-Source Purchases").

Based in part on Rule No. 0690-3-1-.03(3) of Rules of the Tennessee Department of General Services, Purchasing Division.

RESOLUTION 2019-99

A RESOLUTION TO ADOPT A REVISED INVESTMENT POLICY FOR NON-PENSION RELATED ASSETS

WHEREAS, the Board of Mayor and Aldermen (BOMA) of the City of Franklin, Tennessee, has previously approved an Investment Policy for Non-Pension Related Assets; and

WHEREAS, adopted policies are reviewed periodically for changes in state and federal laws as well as best practices in the industry; and

WHEREAS, the existing Investment Policy for Non-Pension Related Assets as been reviewed by the City's investment advisor.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF FRANKLIN, TENNESSEE, that the Investment Policy for Non-Pension Related Assets as attached as Exhibit A should be revised as recommended by staff and the City's investment advisor.

IT IS SO RESOLVED AND DONE on this ___ day of ______________ 2019.

ATTEST:	**CITY OF FRANKLIN, TENNESSEE:**
By: ______________________________	**By:** ___________________________
ERIC S. STUCKEY **City Administrator**	**Dr. KEN MOORE** **Mayor**

Approved as to Form:

By: ______________________________
Shauna R. Billingsley
City Attorney

Law Dept. approved 09.13.19

Exhibit A

HISTORIC
FRANKLIN
TENNESSEE

Investment Policy

DRAFT 9/12/2019

Policy Statement

It is the policy of the City of Franklin to invest its funds in a manner which will provide for the safety of principal with a market rate investment return, while meeting daily cash flow requirements, and conforming to all state statutes governing the investment of funds under control of the City.

Table of Contents

1.0 Introduction

This Investment Policy defines the parameters to which funds are to be invested by the City of Franklin (City). These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to safeguard the investment assets adequately. This policy applies to all activities related to the prudent investing of its financial assets.

2.0 Governing Authority

The City of Franklin's investment program shall be operated in conformance with federal, state, and other legal requirements, including TCA 6-56-106, titled Suitable and Authorized Investments, which governs the investment of public funds by cities and towns.

3.0 Scope

This policy applies to the investment of all funds of the City of Franklin, excluding the retirement funds. Retirement funds and proceeds from certain bond issues, as well as separate foundation or endowment assets, are covered by separate policies.

- **Pooling of funds:** Except for cash in certain restricted and special finds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

- **Special Funds:** Those funds that are considered restricted and special funds are: City of Franklin Employee retirement Fund, Adequate Facilities Tax Fund, Road Impact Fund, Stormwater Fund, and retainage accounts.

4.0 Objectives

All the City's investment activity will be conducted in a manner that emphasizes attainment of the following four (4) controlling objectives:

- **Safety:** Safety of principal is the most foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

  - *Credit Risk:* The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

    Limiting investments to the types of securities listed in this Investment Policy;

    Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business;

    Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

- *Interest Rate Risk:* The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

  Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity;

  Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

- **Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds, bank repurchase agreements, or local government investment pools, which offer same-day liquidity for short-term funds.

- **Return:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

  - A security with declining credit may be sold early to minimize loss of principal;
  - A security swap would improve the quality, yield, or target duration in the portfolio; Liquidity needs of the portfolio require that the security be sold.

- **Local Considerations:** The City of Franklin seeks to promote local economic development through various programs and activities. Included is a program of rewarding local financial institutions that increase their commitments to private economic growth and local housing investment.

  The City may accept a proposal from an eligible institution that provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

  The Board of Mayor and Aldermen recognizes that a Linked Deposit Program might diminish short-term investment yields by up to 10 basis points in exchange for potential expansion of the tax base.

5.0 Standards of Care

- **Delegation of Authority:**

  Governing Body: The Board of Mayor and Aldermen will retain ultimate fiduciary responsibility for the portfolios and have the authority to direct the management of the investment program.

  Chief Financial Officer: Authority to manage the investment program is granted to the Chief Financial officer, hereinafter referred to as Investment Officer. The investment officer shall establish written procedures for the operation of the investment program, consistent with this investment policy. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate all activities of the program.

Investment Adviser: The City may engage the services of an external non-discretionary investment adviser to assist with the management of the City's investment portfolio in a manner that is consistent with the City's objectives and this policy. Such advisers shall provide recommendation and advices regarding the City's investment program including but not limited to advice related to the purchase and sale of investments in accordance with this Investment Policy.

The investment adviser's responsibilities include the following:

- Determine the targeted risk profile and allocation among allowable investments
- Determine the number, type and structure of investments within the confines set forth by and reflected in this Investment Policy.

- **Prudence:**

  The standard of prudence to be used in the context of managing the overall portfolio is the prudent person rule which states:

  > *Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs not in regard to speculation but in regard to the permanent disposition of the funds considering the probable income as well as the probable safety of the capital.*

- **Ethics and Conflict of Interest:**

  City of Franklin employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program or which could impair their ability to make impartial investment decisions. They shall disclose any material financial interests and any large personal financial / investment positions that could be related to the performance of the City's portfolio.

6.0 Authorized Counterparty Institutions

- **Broker/Dealers:** The Investment Officer shall maintain and review annually a list of all authorized broker/dealers that are approved to transact with the City for investment purposes.

  The Investment Officer or designee may utilize the investment advisor's approved broker/dealer list in lieu of the City's own approved list. The advisor must submit the approved list to the City annually and provide updates throughout the year as they occur. The advisor must maintain documentation of appropriate license, professional credentials and financial statements of broker/dealers on the list.

  Annual review must include the following documentation:

  - Proof of FINRA Registration
  - Proof of State Registration
  - Financial Review
  - Broker Check for Violations

- **Financial Institution Depositories:** All financial institutions who desire to become depositories must meet the statute requirements to maintain deposits in the State of Tennessee and must provide the following:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of state registration
- Evidence of adequate insurance coverage

- **Investment Advisers:** The City may engage the services of an external investment adviser, with the approval of the Board of Mayor & Aldermen, to assist with the management of its investment portfolio in a manner that is consistent with the City's controlling objectives. Such advisers may be granted the authority to purchase and sell investments in accordance with this Investment Policy, and the adviser may only provide non-discretionary management services, which requires prior authorization from the City on all transactions.

  Such Advisers must be registered under the Investment Advisers Act of 1940, with the Securities and Exchange Commission, and their performance will be periodically reviewed by City management. Investment advisory services will be acquired through a competitive bidding process.

- **Minority and Community Financial Institutions:** From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. All terms and relationships will be fully disclosed prior to purchase, will be reported to the Budget and Finance Committee on a regular basis, and should be consistent with state or local law.

7.0 Safekeeping, Custody, and Controls

- **Delivery vs. Payment:**

  All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds.

- **Third Party Safekeeping:**

  The investment officer shall designate all safekeeping arrangements and an agreement of the terms shall be executed in writing. The third-party custodian shall be required to provide a statement to the City listing, at a minimum, each specific security, book yield, description, maturity date, market value, par value, purchase date, and CUSIP number. All securities pledged to the City for certificates of deposit or demand deposits shall be held in a segregated account at the issuing financial institution.

- **Internal Controls:**

  Management will establish and maintain internal controls designed to provide reasonable assurance that the assets of the City are protected from loss, theft or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived.

8.0 Suitable and Authorized Investments

All investments of the City are limited by the Tennessee Code Annotated 6-56-106 Statute.

This policy recognizes S&P, Moody's and Fitch as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).

In the case of split ratings, where the major NRSROs issue different ratings, at least two must have the AA- or its equivalent.

Minimum credit ratings and percentage limitations apply to the time of purchase.

Idle Funds of the City:

1) **U. S. Treasury Obligations:** Bonds, notes or treasury bills of the United States;

2) **GSE – Primary Agency Obligations:** Government Sponsored Enterprises (GSEs) – Non-convertible debt securities of the following federal government: Federal Home Loan Banks (FHLB); Federal National Mortgage Association (FNMA), the Federal Farm Credit Bureau (FFCB). and the Federal Home Loan Mortgage Corporation (FHLMC),

3) **GSE – Secondary Agency Obligations:** Any other obligations not listed as primary agency, that are guaranteed as to principal and interest by the United States or any of its agencies. They include but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac). Securities must be rated.

4) **Certificates of deposit and other evidences of deposit at state and federally chartered banks and savings and loan associations:** Certificates of deposit, including negotiable and non-negotiable at state and federally chartered banks and savings and loan associations. Notwithstanding any other public or private act to the contrary, all investments made shall be secured by collateral in the same manner under the same conditions as state deposits, or as provided in a collateral pool created.

5) **Bank Deposits** at state and federally chartered banks and savings and loan associations. Notwithstanding any other public or private act to the contrary, all investments made shall be secured by collateral in the same manner under the same conditions as state deposits, or as provided in a collateral pool created.

6) **Repurchase Agreements:** Obligations of the United States or its agencies under a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested; provided, that municipalities may invest in repurchase agreements only if the comptroller of the treasury or the comptroller's designee approves repurchase agreements as an authorized investment, and if such investments are made in accordance with procedures established by the state funding board;

7) **Local Government Investment Pool:** Part of the State Pooled Investment Fund administered by the Tennessee Department of Treasury.

8) **Bankers' Acceptances:** prime bankers' acceptances that are eligible for purchase by the federal reserve. Required A1+

9) **Money Market Mutual Funds:** Institutional share class of money market mutual funds investing ONLY in government obligations and rated AAAm or equivalent by at least one nationally recognized rating agency (NSRSO).

10) **Commercial Paper:** Prime commercial paper that is rated at least A1+ or equivalent by at least two (2) nationally recognized rating services;

11) **Municipal Debt Obligations of the City:** The City's own bonds or notes issued in accordance with title 9, chapter 21.

12) **Investment in the instruments or any type of investment authorized pursuant to a municipality's charter that is of a type that is not included in this part shall require the following:**

    a. The municipality's legislative body must authorize the investment by ordinance; and
    b. The legislative body must adopt a written enforceable investment policy by ordinance to govern the use of investments, with the policies being no less restrictive than those established by the state funding board to govern state investments in these types of instruments.

Investment in instruments allowable in the section are prohibited until the legislative body has adopted written policies to govern the use of the investments or an ordinance has been passed to authorize the investment.

Bond Proceeds Only:

Proceeds of bonds, notes and other obligations issued by municipalities, reserves held in connection therewith and the investment income therefrom, may be invested in obligations that:

1) **Ratings:** Are rated in either of the two (2) highest rated categories by a nationally recognized rating agency of such obligation (AA- S&P, Aa3, Moody's or AA- by Moody's.

2) **US Treasury or Agency Bonds** that are direct general obligations of a state of the United States,

3) **Municipal Bonds:** a political subdivision or instrumentality thereof, having general taxing powers; and

4) **Maturity:** Have a final maturity on the date of investment of not to exceed forty-eight (48) months or that may be tendered by the holder to the issuer thereof, or an agent of the issuer, at not less than forty-eight-month interval.

Collateralization:

In accordance with State law (TCA 9-4-105) full collateralization will be required on all demand deposit accounts, including checking accounts, negotiable certificates of deposit, and non-negotiable certificates of deposit, except when the institution issuing the certificate of deposit belongs to the Tennessee Bank Collateral Pool.

9.0 Investing Parameters

Diversification:

The City will diversify the investment of all funds in accordance with the following table:

Table of Constraints on the Portfolio

Issue Type	Maximum % Holdings	Maximum % per Issuer	Collateral Required	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	35%	N/A	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	N/A	AA-	Aa3
Certificates of Deposit and other evidences of deposits, CDARS and ICS Funds	25%	10%	Fully Collateralized or other evidences of deposit under section 6-56-106 (a)(4)	N/A	N/A
Bank Deposits	50%	None	Fully Collateralized or other evidences of deposit under section 6-56-106 (a)(4)	N/A	N/A
Repurchase Agreements	10%	None	Fully Collateralized US Treasury or Agency Securities	N/A	N/A
Local Government Investment pool	10%	None	Participant	N/A	N/A
Money Market Funds - Govt Only	10%	N/A	N/A	AAAm	AAA
Bankers Acceptance	10%	5%	N/A	A1+	P1
Commercial Paper (Must be rated by two rating agencies and under 90 days)	20%	5%	N/A	A1+	P1
City of Franklin Notes or Bonds	10%	N/A	N/A	N/A	N/A

10.0 Maturity Constraint

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 2 year	50%
Under 4 years	100%
Maturity Constraints	**Maximum in Years**
Weighted Average Maturity	2

Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

11.0 Reporting and Performance Measurement

- **Reporting:**

The Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have confirmed to the investment policy. The report should be provided to the City Administrator and to the Finance Committee. The report will include the following:

a. An asset listing of individual securities showing par value, cost and accurate and complete market value of each security, type of investment, issuer, and interest rate
b. Average maturity of the portfolio and modified duration of the portfolio
c. Maturity distribution of the portfolio
d. Average portfolio credit quality
e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months, year-to-date, and since inception compared to the Benchmark Index returns for the same periods
f. Average weighted yield to maturity of the portfolio on investments as compared to applicable benchmarks
g. Distribution by type of investment
h. Compliance report

- **Performance Reporting:**

  The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return over interest rate cycles. A market benchmark shall be established for the investment component of the portfolio and a comparison of the benchmark risk and return characteristics will be made to the investment portfolio.

The City's cash management portfolio shall be designed with the objective of regularly meeting or exceeding a performance benchmark such as a U.S. Treasury Indices. The selected benchmark will be used for low risk investment transactions and therefore comprise a minimum standard for the cash portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with the risk limitations identified herein and prudent investment principles.

12.0 Policy Adoption

This Investment Policy is formally approved and adopted by the Board of Mayor & Aldermen.

____ ____________________

Executive Board Chairperson Date

GLOSSARY OF TERMS

- **Agency Securities:** Government sponsored enterprises of the US Government**.**
- **Bond:** An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and specific assets sometimes secure it. Most bonds have a maturity of greater than one year and generally pay interest semiannually. *See* Debenture.
- **Broker:** An intermediary who brings buyers and sellers together and handles their orders, generally charging a commission for this service. In contrast to a principal or a dealer, the broker does not own or take a position in securities.
- **Collateral:** Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
- **Commercial Paper:** Short-term, unsecured, negotiable promissory notes issued by corporations.
- **Current Maturity:** The amount of time left until an obligation matures. For example, a one- year bill issued nine months ago has a current maturity of three months.
- **CUSIP:** A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established to develop a uniform method of identifying municipal, U.S. government, and corporate securities.
- **Dealer:** An individual or firm that ordinarily acts as a principal in security transactions. Typically, dealers buy for their own account and sell to a customer from their inventory.
- **Delivery:** Either of two methods of delivering securities: delivery vs. payment and delivery vs. receipt (also called "free"). Delivery vs. payment is delivery of securities with an exchange of money for the securities.
- **Duration:** A measure used to calculate the price sensitivity of a bond or portfolio of bonds to changes in interest rates. This equals the sum of the present value of future cash flows.
- **General Obligation Bonds (GOs):** Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.
- **Government Bonds:** Securities issued by the federal government; they are obligations of the U.S. Treasury; also known as "governments."
- **Investment Securities:** Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.
- **Liquidity:** The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.
- **Mark to Market**: Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.
- **Prudent Person Rule:** A long-standing common-law rule that requires a trustee who is investing for another to behave in the same way as a prudent individual of reasonable discretion and intelligence who is seeking a reasonable income and preservation of capital.
- **Treasury Bill (T-Bill):** An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.
- **Treasury Bonds and Notes:** Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.
- **Yield:** The annual rate of return on an investment, expressed as a percentage of the investment.
- **Yield to Maturity:** The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.

HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

September 6, 2019

TO: Members of the Board of Mayor and Aldermen
Members of Budget and Finance Committee

FROM: Eric Stuckey, City Administrator
Kristine Brock, Assistant City Administrator/Chief Financial Officer
Michael Walters Young, Budget & Strategic Innovation Manager

RE: Consideration of Ordinance 2019-36, 1st Quarter 2020 Budget Amendments

Purpose

The purpose of this item is to amend the Fiscal Year 2020 Budget for compliance with State budgeting guidance regarding:

1. Ensuring authorizations in place to balance each fund's budget on a cash basis on June 30, 2020.
2. Ensuring sufficient monies have been appropriated to adequately fund long-term capital projects.

Background

The State Comptroller has provided guidance that budget amendments are to be on the cash basis and must occur prior to fiscal year end (June 30) to ensure no fund has a deficit fund balance or deficit cash balance at June 30.

In order to stay ahead of this responsibility, staff is proposing four budget amendments.

The amendments are as follows:

1. Annual Wage Increases: These wage increases are budgeted in General Expenses or the Administration divisions of various funds and are a result of the City's practice that regular and pay plan adjustment allocations be distributed via amendment to each individual department. Employees received these increases effective July 1.
   This amendment has multiple components:
   a. General Fund: Transfer of $1,242,740 from General Expenses to department budgets.
   b. Sanitation and Environmental Services Fund: Transfer of $68,782 from Administration to the Collection and Disposal division budgets.
   c. Stormwater Fund: Transfer of $11,635 from Streets to Engineering.
   d. Water Management Fund: Transfer of $62,023 from Water – General to three Water divisions (Utility Billing, Water Distribution and Water Plant) and $131,100 from Wastewater General to three Wastewater divisions (Utility Administration, Wastewater Collection, Wastewater Plant).
2. FY 2020 Capital Investment Budget: With the BOMA approval of Resolution 2019-68 – A resolution to Adopt The Project List for the FY 2019-28 Capital Investment Program on

August 13, 2019, staff wants to ensure that projects are ready to move forward have sufficient budgeted authorization to proceed. Amendment 2 proposes moving $9,305,115 from seven different funds to the Multi-Purpose Capital Projects Fund to pay for the design or outright construction and completion of 22 projects listed in the FY 2019-2028 CIP. The projects and their components to be funded are as follows:

FY 2019-2028 CIP Project	Phase	Amount
PK16014 - SE Park - Phase I	Design	$ 1,300,000
ST16017 - Long Ln and Old Peytonsville Rd Connector	Design	$ 450,000
PK16020 - Bicentennial Park	Design	$ 550,000
FM19001 - 5th Ave Parking Lot	Construction	$ 500,000
ST16011 - Mallory/N Royal Oaks & Liberty Intersection Imp.	Design	$ 475,000
PK16013 - Greenway & Bridge (Harlinsdale to Chestnut Bend)	Design	$ 350,000
PK16016 - Lockwood Glen Park	Design	$ 602,300
ST16006 - Jordan Road (Aspen Grove Dr-Mallory Ln)	Design	$ 200,000
ST16030 - Lewisburg Ave Sidewalk Improvements	Design/Const.	$ 428,360
PK19001 - FSSD (Freedom Middle/Poplar Grove)	Design	$ 138,150
SW16007 - Maplewood Stormwater Project	Construction	$ 530,000
PK16009 - Liberty Park Improvements	Design	$ 250,000
PK16002 - Main Barn, Harlinsdale	Design	$ 217,870
PK16018 - Eastern Flank Road Circle	Construction	$ 175,000
PK16011 - Greenway Aspen Grove Park to Mack Hatcher	Design	$ 75,000
ST19004 - McEwen Drive Interchange Modifications	Construction	$ 1,000,000
ST19006 - Church St. (Columbia to 2nd Ave S)	Design	$ 215,415
ST16005B - Pratt Ln Bridge Replacement	Design	$ 100,000
SW19003 - USACE - Home Raising Project	Construction*	$ 700,000
SW19004 - West Main Bridge Widening Project	Design	$ 60,000
PK19010 - Thompson Alley Neighborhood Park	Design	$ 20,000
ST19001 - Main St Sidewalk Repair Project	Design/Const.	$ 250,000

**Figure shown here represents maximum City participation in the USACE Home Raising Project. It is still hoped that sum will be given to Army Core of Engineers to administer the program.*

These 22 projects join 9 other ongoing CIP projects already funded in the FY 2020 budget. All told, the City of Franklin plans to spend over $41 million in FY 2020 on working on approved capital projects.

3. Jim Warren Tennis Courts: This is a carry over capital project from FY 2019. The 8 tennis courts have had significant structural needs and this has resulted in additional funds being required to complete the renovations. The additional funds total $221,608, split 75% ($166,206) to the General Fund – Parks Department and 25% ($55,402) to the Hotel/Motel Tax Fund.
4. Termination Payment of Interest Rate Swap for 2007 PBA Bonds: At your last Budget & Finance Committee Meeting, staff presented recommendations for both the refinancing and restructuring of principal payments for the 2007 PBA Bonds and the 2010 Recovery Bonds under the City of Franklin General Obligation credit and the termination of the interest rate

swap associated with the 2007 PBA Bonds. In order to move forward with this termination and refinance the bonds within the time limitations facing the City (action needs to be taken before the end of the calendar year), staff recommends the use of $2,500,000 of one-time General Fund Fund Balance to pay a portion of the swap termination. A formal resolution authorizing this will be presented to the full Board of Mayor and Aldermen on September 24, 2019.

This is the first budget amendment during this Fiscal Year to the budget. We envision at least one more during the Fiscal Year.

Financial Impact

The amendments, as proposed, would result in:

1. General Fund: No Change.

2. Sanitation & Environmental Services Fund: No Change.

3. Road Impact Fund: Decrease of Fund Balance of $2,340,415.

4. City Facilities Tax Fund: Decrease of Fund Balance of $1,483,942.

5. Stormwater Fund: No Change.

6. Hotel/Motel Tax Fund: Decrease of Fund Balance of $1,048,272.

7. Parkland Dedication: Decrease of Fund Balance $1,451,508.

8. Debt Service Fund: No Change.

9. Multi-Purpose Capital Projects Fund: No Change.

10. Water & Wastewater Funds: Decrease of Fund Balance of $720,000.

Options

1. Approve amendment(s) as proposed and forward to BOMA.

2. Make changes to the amendment(s) where desired and forward to BOMA.

Recommendation

Staff recommends approval of the amendments.

Impact of Ordinance 2019-36 on Budgets

The following demonstrates the impact of Ordinance 2019-36 on ten separate funds: the General Fund, the Sanitation & Environmental Services Fund, the Road Impact Fund, the City Facilities Tax Fund, the Stormwater Fund, the Hotel/Motel Tax Fund, the Parkland Dedication Fund, the Debt Service Fund, the Multi-Purpose Capital Projects Fund & the Water & Wastewater Funds. It is important to note:

a) The General Fund has no impact on the bottom line by these transfers as a result of this amendment.
b) The Sanitation & Environmental Services Fund has no impact on the bottom line.
c) The Road Impact Fund will decrease by $2,340,415.
d) The City Facilities Tax Fund will decrease by $1,483,942.
e) The Stormwater Fund has no impact on the bottom line.
f) The Hotel/Motel Tax Fund will decrease by $1,048,272.
g) The Parkland Dedication Fund will decrease by $1,451,508.
h) The Debt Service Fund has no impact on the bottom line.
i) The Multi-Purpose Capital Projects Fund has no impact on the bottom line.
j) The Water and the Wastewater Funds will decrease by $720,000 on the bottom line.

Fund 110 - General Fund

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Fund Balance*	**$ 53,201,973**	**$ 53,201,973**	**$ -**	**0.00%**
Revenues	**$ 73,789,465**	**$ 78,772,351**	**$ 4,982,886**	**6.75%**
Expenses				
Personnel	$ 54,016,660	$ 54,016,660	$ -	0.00%
Operations	$ 15,194,028	$ 20,010,708	$ 4,816,680	31.70%
Capital	$ 4,578,777	$ 4,744,983	$ 166,206	3.63%
Expenses	**$ 73,789,465**	**$ 78,772,351**	**$ 4,982,886**	**6.75%**
Ending Balance	**$ 53,201,973**	**$ 53,201,973**	**$ -**	**0.00%**

Fund 124 - Sanitation & Environmental Services Fund

	A	B	C(B-A)	D (B/A)
	2018 Budget	2018 Amended	Difference $	%
Beginning Estimated Fund Balance*	**$ 1,957,563**	**$ 1,957,563**	**$ -**	**0.00%**
Revenues	**$ 10,347,659**	**$ 10,347,659**	**$ -**	**0.00%**
Expenses				
Personnel	$ 3,392,317	$ 3,392,317	$ -	0.00%
Operations	$ 6,258,925	$ 6,258,925	$ -	0.00%
Capital	$ 1,201,020	$ 1,201,020	$ -	0.00%
Expenses	**$ 10,852,262**	**$ 10,852,262**	**$ -**	**0.00%**
Ending Balance	**$ 1,452,960**	**$ 1,452,960**	**$ -**	**0.00%**

City of Franklin, Tennessee
FY 2020 Operating Budget

Impact of Ordinance 2019-36 on Budgets

Fund 128 - Road Impact Fund

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Fund Balance*	$ 16,589,763	$ 16,589,763	$ -	0.00%
Revenues	$ 10,000,438	$ 10,000,438	$ -	0.00%
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ 5,710,869	$ 8,051,284	$ 2,340,415	40.98%
Capital	$ -	$ -	$ -	0.00%
Expenses	$ 5,710,869	$ 8,051,284	$ 2,340,415	40.98%
Ending Balance	$ 20,879,332	$ 18,538,917	$ (2,340,415)	-11.21%

Fund 130 - City Facilities Tax

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Fund Balance*	$ 15,091,277	$ 15,091,277	$ -	0.00%
Revenues	$ 3,075,000	$ 3,075,000	$ -	0.00%
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ 313,592	$ 1,797,534	$ 1,483,942	473.21%
Capital	$ 7,901,730	$ 7,901,730	$ -	0.00%
Expenses	$ 8,215,322	$ 9,699,264	$ 1,483,942	18.06%
Ending Balance	$ 9,950,955	$ 8,467,013	$ (1,483,942)	-14.91%

Fund 135 - Stormwater Fund

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Fund Balance*	$ 3,800,010	$ 3,800,010	$ -	0.00%
Revenues	$ 2,647,500	$ 2,647,500	$ -	0.00%
Expenses				
Personnel	$ 1,632,440	$ 1,632,440	$ -	0.00%
Operations	$ 927,788	$ 927,788	$ -	0.00%
Capital	$ 2,550,000	$ 2,550,000	$ -	0.00%
Expenses	$ 5,110,228	$ 5,110,228	$ -	0.00%
Ending Balance	$ 1,337,282	$ 1,337,282	$ -	0.00%

City of Franklin, Tennessee
FY 2020 Operating Budget

Impact of Ordinance 2019-36 on Budgets

Fund 150 - Hotel/Motel Tax Fund

	A 2020 Budget	B 2020 Amended	C(B-A) Difference $	D (B/A) %
Beginning Estimated Fund Balance*	**$ 7,671,058**	**$ 7,671,058**	**$ -**	**0.00%**
Revenues	**$ 4,020,520**	**$ 4,020,520**	**$ -**	**0.00%**
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ 2,163,706	$ 3,156,576	$ 992,870	45.89%
Capital	$ 338,036	$ 393,438	$ 55,402	0.00%
Expenses	**$ 2,501,742**	**$ 3,550,014**	**$ 1,048,272**	**41.90%**
Ending Balance	**$ 9,189,836**	**$ 8,141,564**	**$ (1,048,272)**	**-11.41%**

Fund 155 - Parkland Dedication Fund

	A 2020 Budget	B 2020 Amended	C(B-A) Difference $	D (B/A) %
Beginning Estimated Fund Balance*	**$ 8,005,877**	**$ 8,005,877**	**$ -**	**0.00%**
Revenues	**$ 1,575,000**	**$ 1,575,000**	**$ -**	**0.00%**
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ -	$ 1,451,508	$ 1,451,508	100.00%
Capital	$ -	$ -	$ -	0.00%
Expenses	**$ -**	**$ 1,451,508**	**$ 1,451,508**	**100.00%**
Ending Balance	**$ 9,580,877**	**$ 8,129,369**	**$ (1,451,508)**	**-15.15%**

Fund 210 - Debt Service Fund

	A 2020 Budget	B 2020 Amended	C(B-A) Difference $	D (B/A) %
Beginning Estimated Fund Balance*	**$ 372,889**	**$ 372,889**	**$ -**	**0.00%**
Revenues	**$ 15,468,087**	**$ 17,968,087**	**$ 2,500,000**	**16.16%**
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ 15,455,385	$ 17,955,385	$ 2,500,000	16.18%
Capital	$ -	$ -	$ -	0.00%
Expenses	**$ 15,455,385**	**$ 17,955,385**	**$ 2,500,000**	**16.18%**
Ending Balance	**$ 385,591**	**$ 385,591**	**$ -**	**0.00%**

Impact of Ordinance 2019-36 on Budgets

Funds 310, 311, & 312 - Multi Purpose Capital Projects Fund

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Fund Balance*	$ 35,931,257	$ 35,931,257	$ -	0.00%
Revenues	$ -	$ 9,305,115	$ 9,305,115	0.00%
Expenses				
Personnel	$ -	$ -	$ -	0.00%
Operations	$ -	$ -	$ -	100.00%
Capital	$ -	$ 9,305,115	$ 9,305,115	0.00%
Expenses	$ -	$ 9,305,115	$ 9,305,115	100.00%
Ending Balance	$ 35,931,257	$ 35,931,257	$ -	0.00%

Funds 421 & 431 - Water & Wastewater Fund

	A	B	C(B-A)	D (B/A)
	2020 Budget	2020 Amended	Difference $	%
Beginning Estimated Balance*^	$ 31,546,739	$ 31,546,739	$ -	0.00%
Revenues	$ 34,573,488	$ 34,573,488	$ -	0.00%
Expenses				
Personnel	$ 7,301,099	$ 7,301,099	$ -	0.00%
Operations	$ 15,799,393	$ 16,519,393	$ 720,000	100.00%
Capital	$ 7,502,850	$ 7,502,850	$ -	0.00%
Expenses	$ 30,603,342	$ 31,323,342	$ 720,000	2.35%
Ending Balance	$ 35,516,885	$ 34,796,885	$ (720,000)	-2.03%

**Estimated starting fund balances. May be updated once FY 2020 Audit is completed.*

^Estimated Cash Balance for Water & Wastewater Funds

GOVERNMENT PORTFOLIO ADVISORS

City of Franklin

Council Investment Report
September 12, 2019

GPA Presenter

Dave Westcott, CFA
Chief Investment Officer

2188 SW Park Place, Suite 100
Portland, OR 97205
(503) 248-9973
dave@gpafixedincome.com

TODAY'S AGENDA

1) Firm Update
2) Investment Environment
3) 2018-2019 Highlights
4) Portfolio Performance
5) Strategic Plan Process
6) Expectations for next year

GPA FIRM UPDATE

Background: GPA is an *independent* registered investment advisory firm dedicated to acting as a fiduciary in the best interest of every client. We empower local governments with the tools and expertise needed to achieve excellence in cash and investment management.

Strategic Approach: Setting objectives and assessing cash needs *first* is the foundation for optimizing duration, benchmarks and sector allocation.

Personnel: Proficient investment professionals with 20 more years of experience combine diverse backgrounds to meet and exceed our client's expectations.

Investment Philosophy and Process: Invest with a disciplined approach to meet liquidity requirements while optimizing returns.

Reporting: Deliver customized reporting to meet the unique requirements of each client to allow for clear articulation of the investment strategy and benefits to various fiduciaries including the Council. GPA is committed to leveraging technology to continually enhance reporting options. As such, we have proudly partnered with Clearwater Analytics to deliver best in class investment reporting and accounting. Expanded features will be available this coming year.

AUM and GPA Team

As of June 30, 2019

Firm Assets Under Management: $11.9BLN

Number of Clients Served: 53

Number of States: 9

Commitment to Public Sector Financial Management: 100%

Your GPA Team

Deanne Woodring, CFA - President, Senior Portfolio Advisor

Dave Westcott, CFA – Chief Investment Officer and COO, Senior Portfolio Advisor

Mike Clark – Senior Portfolio Advisor and Market Specialist

Andy VanLaningham - Assistant Portfolio Advisor

Whitney Maher - Client Service Manager

Ryan Haidar- Operations

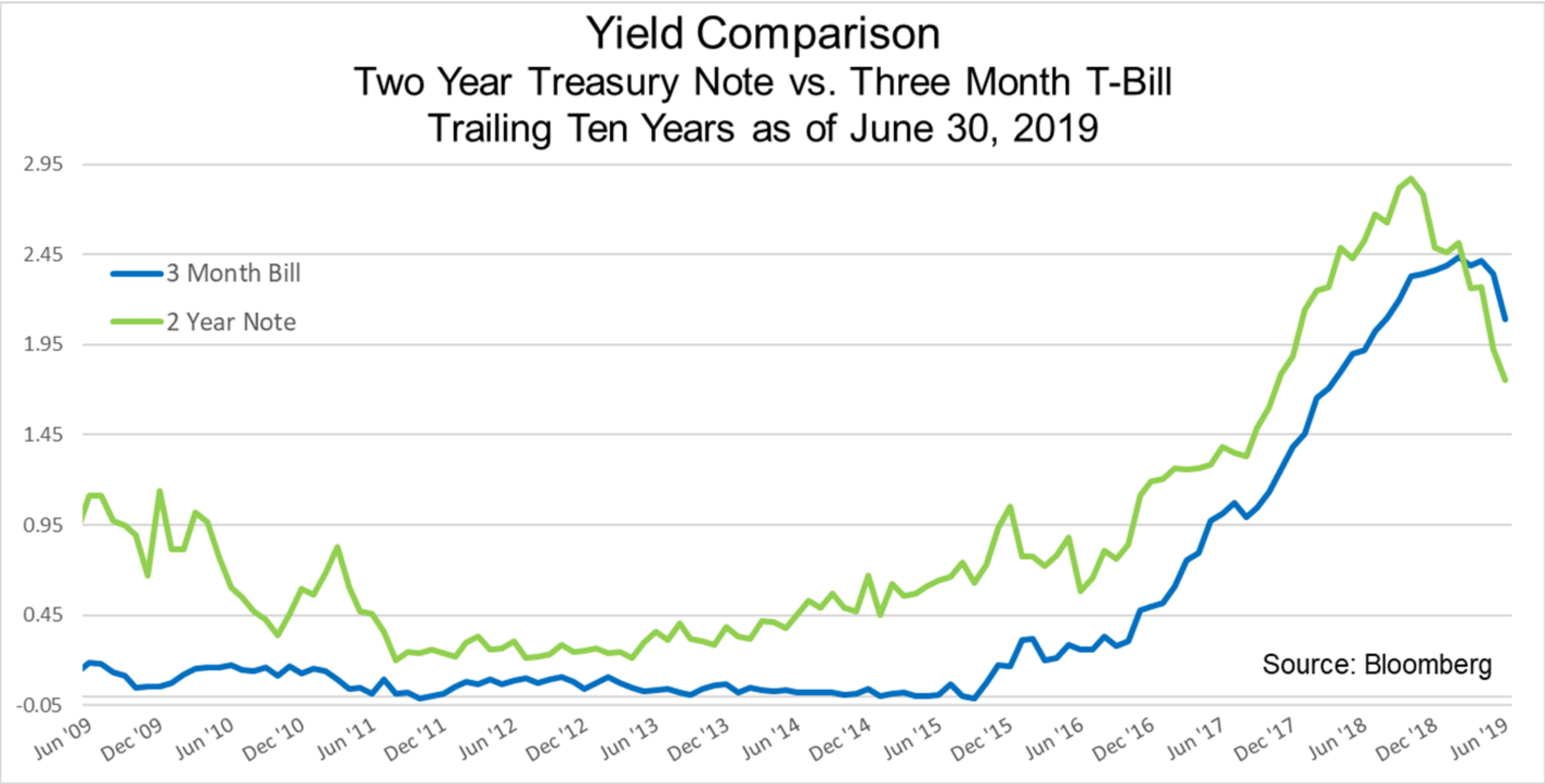
Second Quarter 2019 Market Review

- Interest rates declined during Q2 2019 with the two-year Treasury note falling from a yield of 2.26% to 1.76%. As of June 30, 2019, the consensus expectation by Bloomberg economists is for the two-year note to yield 1.93% at the end of Q3 2019. GPA is forecasting a 1.65% yield for the two-year Treasury at the end of Q3 2019.

- The Fed Funds rate was unchanged during Q2 2019 and held a range of 2.25%-2.50%. The Fed is expected to cut rates to a range of 2.00% to 2.25% at their meeting on July 31. As of June 30, the market is pricing in a 62% probability of another 25-basis point cut at their September 18 meeting to a target range of 1.75% to 2%.

- During Q3 2019, GPA is expecting short duration Treasury notes to trade lower in yield. The next Fed cut in the fed funds rate will signal a new secular market in fixed income, which should lead to lower yields over the next twelve months. We are recommending that portfolios maintain a neutral to overweight duration posture in this environment and manage durations at 100% to 110% of their respective benchmark duration.

Comparing the 2 Year Note yield to the 3 Month Bill



What happens after the first Fed cut in rates?

- The Fed has a history of following the first cut with multiple cuts. The five easing periods in the last thirty years have ranged from 75 basis points to 650 basis points.

- The curve will need to steepen and “un-invert” to show the Fed that the market is pricing in the right amount of easing.

- The Fed’s near-term objectives are 1) steepen the curve; 2) narrow the interest rate differential between the U.S. and other developed countries; 3) increase inflation to their target range of 2% in PCE.

99) Export | World Interest Rate Probability

United States | Instrument: Futures: Fed Funds - Effective | Fed Effective Rate 2.12

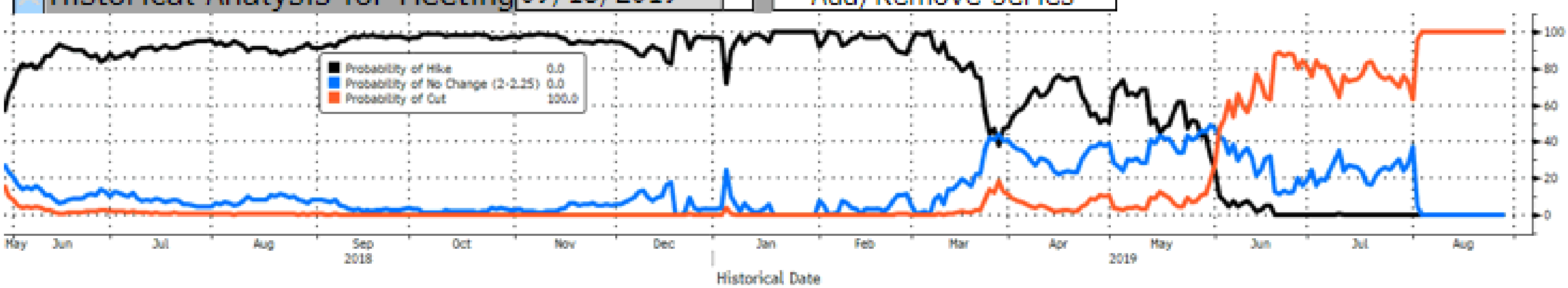
1) Overview | 2) Future Implied Probability

Current Implied Probabilities | Add/Remove Rates

Dates: Meeting / Calculation | Calculated 08/28/2019 | Based on rate 2.00-2.25

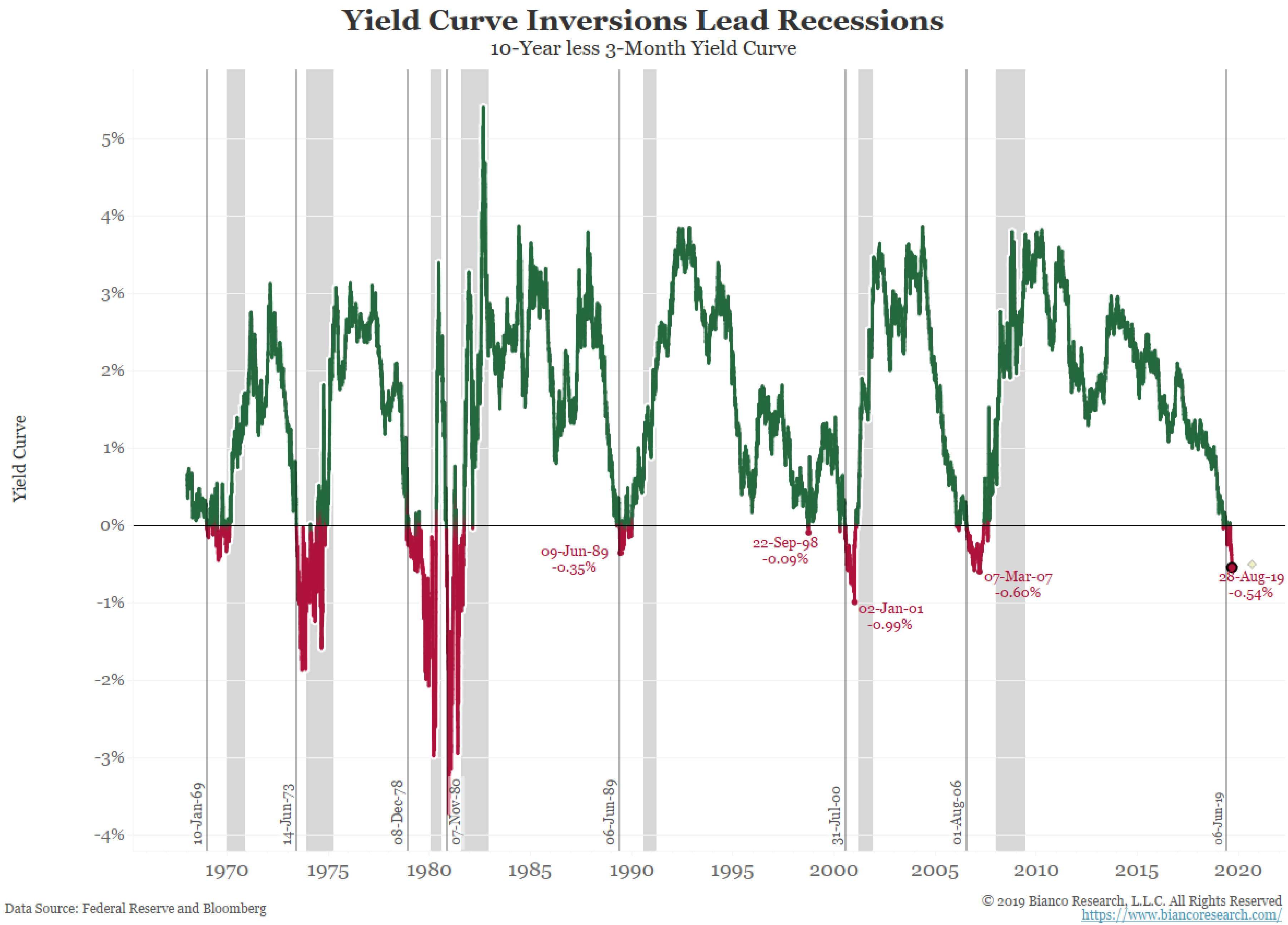
Meeting	Hike Prob	Cut Prob	0.75-1	1-1.25	1.25-1.5	1.5-1.75	1.75-2	Fwd Rate
09/18/2019	0.0%	100.0%	0.0%	0.0%	0.0%	8.9%	91.1%	1.85
10/30/2019	0.0%	100.0%	0.0%	0.0%	5.4%	58.7%	35.9%	1.70
12/11/2019	0.0%	100.0%	0.0%	3.5%	40.2%	43.8%	12.5%	1.54
01/29/2020	0.0%	100.0%	2.0%	24.7%	42.3%	25.7%	5.3%	1.40
03/18/2020	0.0%	100.0%	10.0%	30.8%	36.5%	18.6%	3.4%	1.31
04/29/2020	0.0%	100.0%	15.2%	32.3%	32.0%	14.8%	2.6%	1.25
06/10/2020	0.0%	100.0%	20.2%	32.2%	27.0%	11.2%	1.8%	1.17
07/29/2020	0.0%	100.0%	22.9%	31.0%	23.4%	9.1%	1.4%	1.11
09/16/2020	0.0%	100.0%	24.7%	29.3%	20.1%	7.3%	1.1%	1.06

Historical Analysis for Meeting 09/18/2019 | Add/Remove Series



Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000

SN 108475 EDT GMT-4:00 H462-3313-0 28-Aug-2019 18:07:45


Yield Curve Inversions Lead Recessions
10-Year less 3-Month Yield Curve
Yield Curve
5%
4%
3%
2%
1%
0%
-1%
-2%
-3%
-4%
10-Jan-69
14-Jun-73
08-Dec-78
07-Nov-80
06-Jun-89
31-Jul-00
01-Aug-06
06-Jun-19
09-Jun-89
-0.35%
22-Sep-98
-0.09%
02-Jan-01
-0.99%
07-Mar-07
-0.60%
28-Aug-19
-0.54%
1970
1975
1980
1985
1990
1995
2000
2005
2010
2015
2020
Data Source: Federal Reserve and Bloomberg

How Long Until the Recession?

When the 3-month to 10-year yield curve inverts for **10 consecutive trading days**

Date of Inversion	Consecutive Trading Days Inverted	Date of Next Recession	Calendar Days to Next Recession
1/10/1969	24	Dec-69	325
6/14/1973	177	Nov-73	140
12/8/1978	91	Jan-80	389
11/7/1980	102	Jul-81	236
6/6/1989	30	Jul-90	390
7/31/2000	135	Mar-01	213
8/1/2006	217	Dec-07	487
6/6/2019	41	????	????
Average	**111**		**311**

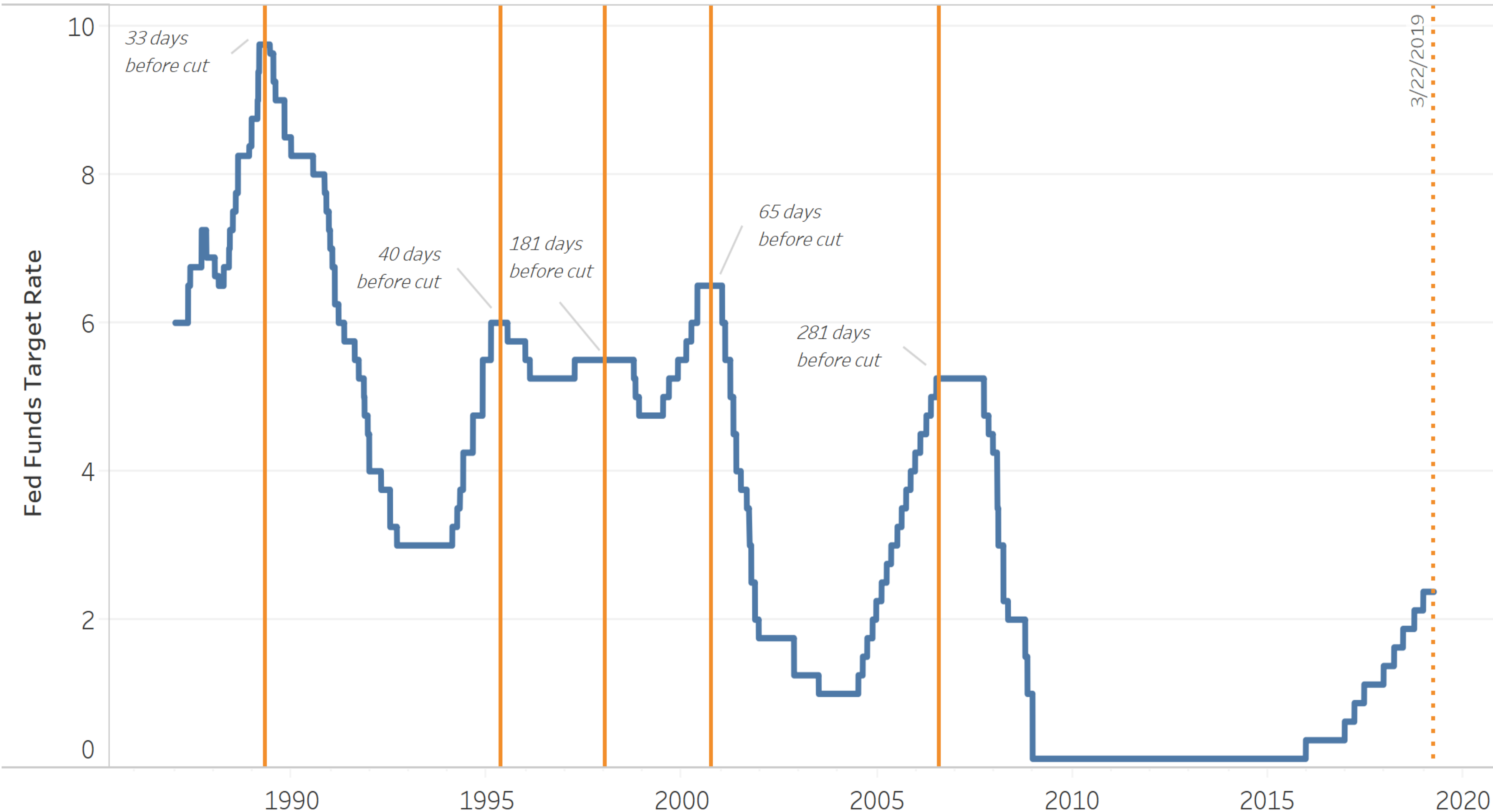
1/10/1969 = inverted for 24 calendar days, went positive for 33 days, then inverted again for 53 days

6/6/1989 = inverted for 30 calendar days, went postive for 9 days, inverted again for 26 days

6/6/2019 = As of July 31 the inversion has been 41 consecutive trading days.
Positive for 1 day, inverted since (21 days through August 20)

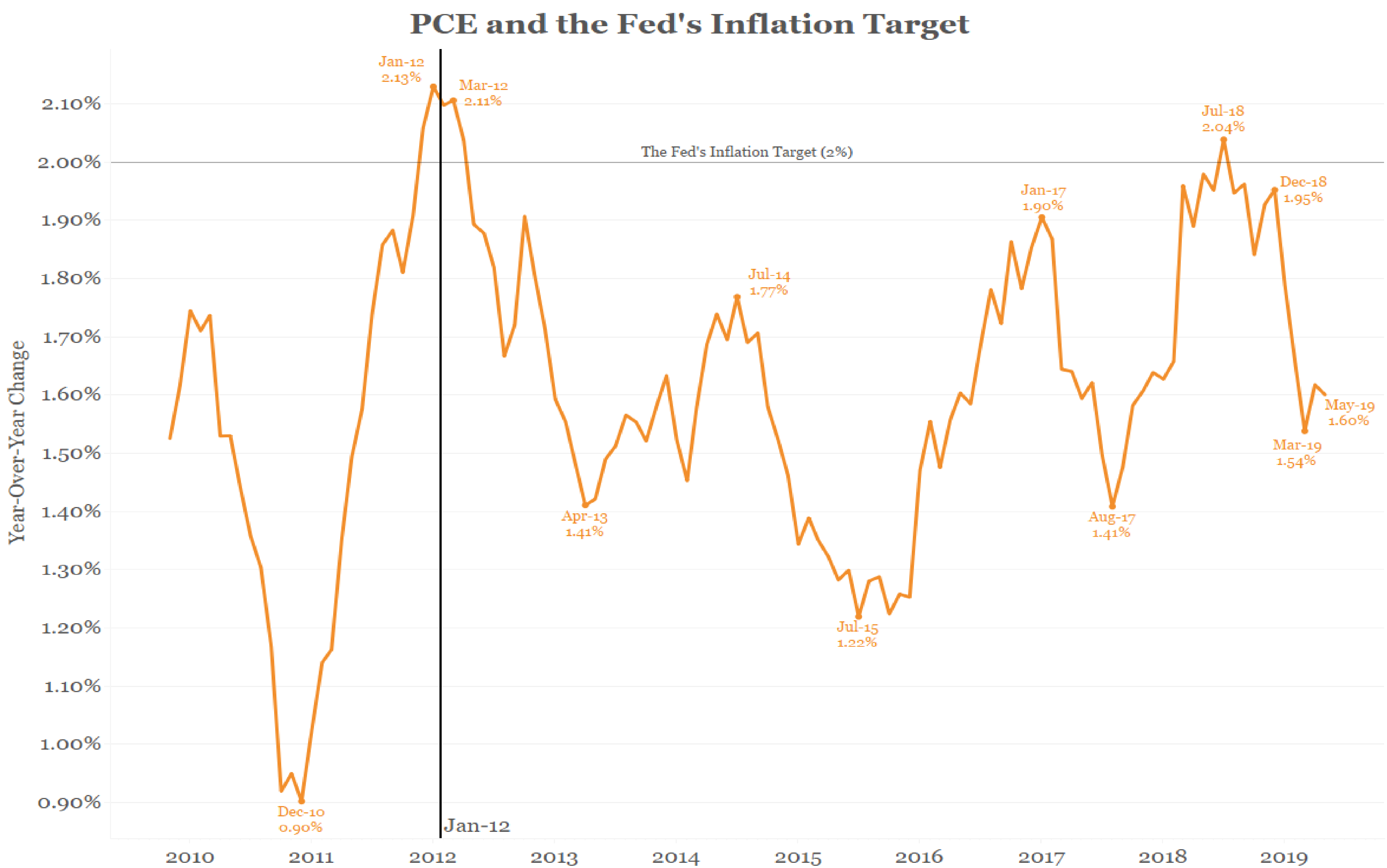
Markets Have Accurately Priced in Cuts Before Easing Cycles Begin

Orange lines *mark dates when Fed Funds futures and/or eurodollars priced in cuts*



Data Sources: FRED

datascience.arborresearch.com



Source: The Bureau of Labor Statistics

Interest Rates in the *Developed* World

As of 8/28/2019

Country	Policy Rate	6-Month	1-Year	2-Year	3-Year	4-Year	5-Year	6-Year	7-Year	8-Year	9-Year	10-Year	15-Year	30-Year
Switzerland	-0.75	-1.21	-1.16	-1.17	-1.19	-1.18	-1.16	-1.13	-1.11	-1.11	-1.13	-1.08	-0.88	-0.61
Germany	-0.40	-0.78	-0.84	-0.90	-0.94	-0.95	-0.90	-0.91	-0.88	-0.84	-0.78	-0.72	-0.58	-0.24
Netherlands	-0.40	-0.83		-0.87	-0.91	-0.89	-0.83	-0.77	-0.74	-0.67	-0.65	-0.58	-0.46	-0.24
Sweden	-0.25	-0.50		-0.66		-0.74	-0.73	-0.66		-0.58	-0.49	-0.38	-0.22	
Denmark	-0.65	-0.78		-0.90	-0.91		-0.91	-0.87		-0.79		-0.69		
Finland	-0.40		-0.77	-0.82	-0.81	-0.80	-0.78	-0.69	-0.65	-0.57	-0.53	-0.46	-0.29	-0.02
Austria	-0.40		-0.72	-0.81	-0.81	-0.79	-0.74	-0.70	-0.62	-0.60	-0.55	-0.47	-0.24	0.10
Japan	-0.10	-0.27	-0.27	-0.31	-0.32	-0.35	-0.35	-0.37	-0.39	-0.38	-0.34	-0.28	-0.09	0.15
France	-0.40	-0.72	-0.75	-0.82	-0.86	-0.84	-0.77	-0.71	-0.65	-0.59	-0.52	-0.45	-0.15	0.37
Belgium	-0.40	-0.79	-0.77	-0.82	-0.82	-0.76	-0.67	-0.64	-0.57	-0.52	-0.45	-0.38	-0.11	0.46
Ireland	-0.40		-0.60		-0.67	-0.65	-0.56	-0.45	-0.37		-0.21	-0.12	0.17	0.68
Spain	-0.40	-0.55	-0.52	-0.57	-0.56	-0.45	-0.39	-0.26	-0.18	-0.11	-0.04	0.05	0.46	0.91
Portugal	-0.40	-0.55	-0.53	-0.63	-0.50	-0.40	-0.35	-0.21	-0.15	-0.09	0.02	0.09	0.44	0.95
Italy	-0.40	-0.29	-0.23	-0.24	0.07	0.20	0.39	0.44	0.66	0.73	0.76	0.99	1.50	2.03
United Kingdom	0.75	0.73	0.40	0.34	0.29	0.30	0.29	0.24	0.27	0.31	0.38	0.46	0.71	1.01
Australia	1.00	0.99	0.87	0.73	0.68	0.68	0.68	0.73	0.78	0.82	0.87	0.89	1.13	1.49
New Zealand	1.00		1.73	0.80			0.85		0.97			1.08	1.25	
Canada	1.75	1.62	1.54	1.33	1.27	1.22	1.17		1.14			1.12		1.38
United States	**2.13**	**1.88**	**1.74**	**1.51**	**1.42**		**1.37**		**1.42**			**1.46**		**1.92**

Concept courtesy of @CharlieBilello

https://www.biancoresearch.com

CITY OF FRANKLIN'S INVESTMENTS

2018-2019 HIGHLIGHTS

- ✓ The earnings yield was up from 1.79% on 6/30/18 to 2.36 on 6/30/19, which is an increase of .57 basis points
- ✓ The portfolio has increased from $132MM to $169MM and the primary increase was due to the 2019 bond issuance
- ✓ The bond proceed funds were separated into a dedicated account to better manage the cash flow requirements.
- ✓ The Investment fund balance was increased and extended early in the year and benefited from locking in higher interest rates on the investments.

Portfolio Summary

6/30/2018 LAST YEAR

Portfolio Name	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur	Benchmark
City of Franklin - Core Investment Fund	$ 92,440,873.58	$ (424,558.58)	1.7	0.95	1.4	ICE BAML 0-3 Treasury
City of Franklin Liquidity	$ 39,736,739.85	$ -	2.01	0.12	0.1	Cash
TOTAL PORTFOLIO	***$ 132,177,613.43***	***$ (424,558.58)***	***1.79***	***0.7***	***1.01***	

6/30/2019 THIS YEAR

Portfolio Name	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur	Benchmark
City of Franklin - Core Investment Fund	$ 114,381,822.23	$ 955,182.52	2.41	1.2	1.4	ICE BAML 0-3 Treasury
City of Franklin - 2019 Bond Proceeds	$ 30,458,665.88	$ 31,739.97	1.93	1.63	1.4	Project Funds - Cash Matched
City of Franklin Liquidity	$ 24,395,034.79	$ -	2.63	0.05	0.1	Cash
TOTAL PORTFOLIO	**$ 169,235,522.90**	**$ 986,922.49**	***2.36***	***1.11***	***1.21***	

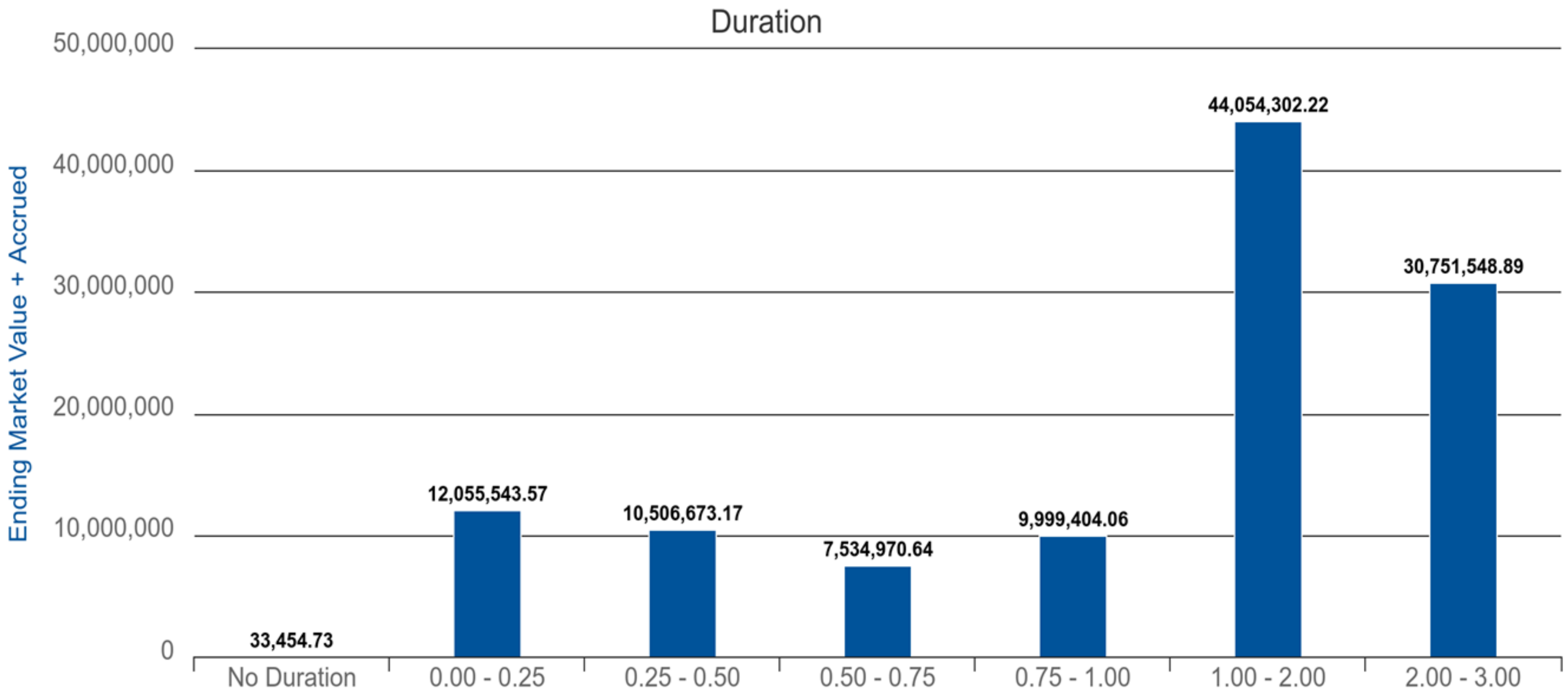
Performance Stats

		2017		2018		2019
Average Balance Invested	$	85,298,865		$122,660,279		$137,971.06
Interest Earnings	$	753,404	$	1,678,257	$	3,061,146
Book Yield		0.88%		1.37%		2.22%
Total Return		0.39%		1.13%		3.19%

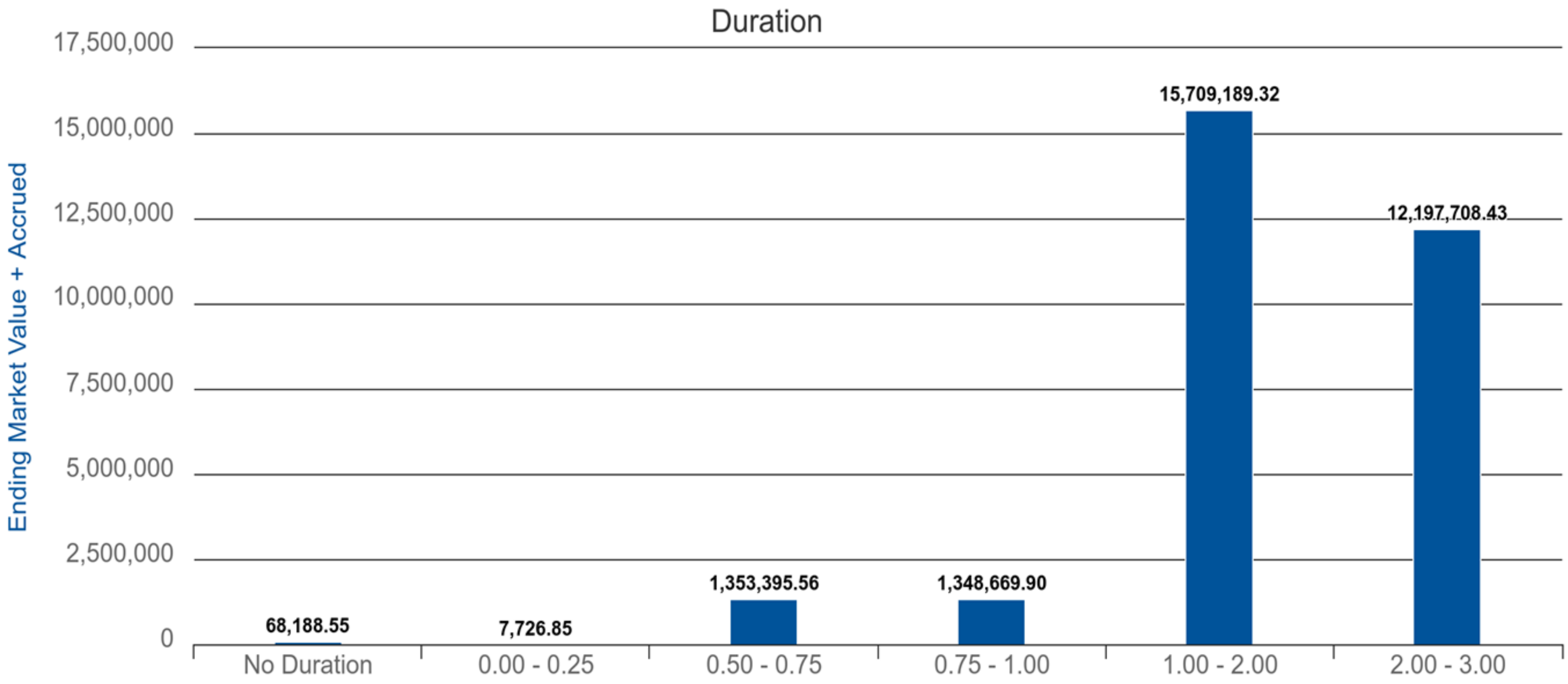
Asset Allocation of Investment Holdings

ISSUER	MARKET VALUE	% HOLDINGS
FEDERAL NATL MTG ASSN	$ 2,490,367.500	1.5
FEDERAL HOME LOAN BANKS	$ 61,556,768.690	36.4
FEDERAL FARM CR BKS	$ 22,747,770.000	13.4
FEDERAL HOME LN MTG CORP	$ 10,241,736.990	6.1
UNITED STATES TREAS NTS	$ 47,702,201.650	28.2
FIFTH THIRD BK CINCINNATI STN	$ 101,643.280	0.1
FIRST TENNESSEE BANK	$ 5,026.010	0.0
PINNACLE BANK	$ 21,802,080.970	12.9
RELIANT BANK	$ 2,587,927.810	1.5
Total	**169,235,522.90**	**100.0**

Maturity Structure of the Core Investment Portfolio



Maturity Structure of the Bond Proceeds Account



Strategic Plan for Next Year Involves the Annual Guideline Portfolio Strategy "GPS" Review

- Review and understand expected cash flows
- Maintain duration discipline and investment targets
- Maturity diversification is important due the change in interest rates.

Understanding Cash Flow Patterns

	Historical Total Balances		
	FY 2017	FY2018	FY 2019
July	$77,962,337	$119,296,780	$129,853,438
Aug	$77,312,954	$119,370,049	$128,836,694
Sep	$77,312,954	$115,694,554	$129,076,861
Oct	$74,561,119	$119,296,510	$127,468,749
Nov	$76,571,417	$117,026,339	$130,301,289
Dec	$78,992,568	$118,883,597	$132,911,371
Jan	$82,811,081	$115,884,518	$141,246,606
Feb	$93,684,214	$123,168,730	$138,804,850
Mar	$98,794,015	$124,215,093	$141,537,043
Apr	$96,835,976	$126,189,782	$142,267,189
May	$96,802,495	$128,615,401	$178,795,575
Jun	$124,266,154	$132,177,613	$169,235,523

ANNUAL HISTORICAL SUMMARY

	FY 2017	FY2018	FY 2019
Average Balance:	$87,992,274	$121,651,581	$140,861,266
Maximum Balance:	$124,266,154	$132,177,613	$178,795,575
Minimum Balance:	$74,561,119	$115,694,554	$127,468,749
Variance in period Maximum/Minimum	$49,705,035	$16,483,059	$51,326,826

Strategic Discipline for Core Investment Fund and Liquidity Fund

Strategy Items

CORE FUND COMPONENT

6/30/2019	Current	Minimum	Maximum
Core Investment Fund	$92,440,873	$80,000,000	$120,000,000
Benchmark	**Duration**	**Minimum**	**Maximum**
BAML 0-3 Year	1.45	1.00	1.75

Current Duration of Investments	0.95		

LIQUIDITY FUND COMPONENT

	Range of Total>	Minimum	Maximum
Liquidity Funds		$20,000,000	$35,000,000

Compliance Report as of 7/31/19

Maturity Constraints	Policy Requirement	% of Total Accumulated	Portfolio Allocation
Under 30 days	10%	18%	$ 30,821,571
Under 2 years	50%	74%	$ 129,843,453
Under 4 years	100%	100%	$ 174,871,644
Maximum Weighted Average Maturity	3 Years		1.24
Maximum Callable Securities	25%	3%	$ 4,968,656
Maximum Single Maturity	5 Years		2.87

Compliance Report as of 7/31/19

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value
US Treasury Obligations	100.0%		24.1%	$ 42,145,387
US Agencies Primary	100.0%		56.8%	$ 99,312,927
FHLB		35.0%	35.0%	$ 61,429,997
FNMA		35.0%	1.4%	$ 2,489,673
FHLMC		35.0%	5.8%	$ 10,209,395
FFCB		35.0%	14.4%	$ 25,183,863
US Agencies Secondary	10.0%	5.0%		
Municipal Debt of the City	10.0%	N/A		
Certificates of Deposit & Bank Deposits	50.0%	50.0%	19.1%	$ 33,413,330
Commercial Paper	20.0%	5.0%		
Bankers Acceptances	10.0%	5.0%		
Repurchase Agreements	10.0%	N/A		
Local Government Investment Pool	100.0%	100.0%		
Total			**100%**	**$ 174,871,644**

Expectations for next year

- The percentage on earnings will likely be lower given the directional change in interest rates

- Overall investments will be managed with ongoing discipline and teamwork between the City's Finance team and GPA

- The focus continues to be on the City's investment policy objectives of Safety, Liquidity and Return

We Appreciate our Partnership!

Questions Always Welcome!

Disclaimer: This material is based on information obtained from multiple sources generally believed to be reliable; however, GPA cannot guarantee its accuracy, completeness, or suitability. Please refer to your manager's reports and custodial bank statements for official records. The analysis was prepared for the purposes of observations and oversight and should be reviewed in a broader context based on your overall investment strategy. Past performance does not necessarily reflect and is not a guaranty of future results. This information is not an offer to purchase or sell any securities or engage in any investment strategy. Backup data and analysis is available upon request.

GPA GOVERNMENT PORTFOLIO ADVISORS

CITY OF FRANKLIN

4TH QUARTER REPORT

FY 2019

(UNAUDITED)

Excellence Innovation Teamwork Integrity Action-Oriented

TABLE OF CONTENTS

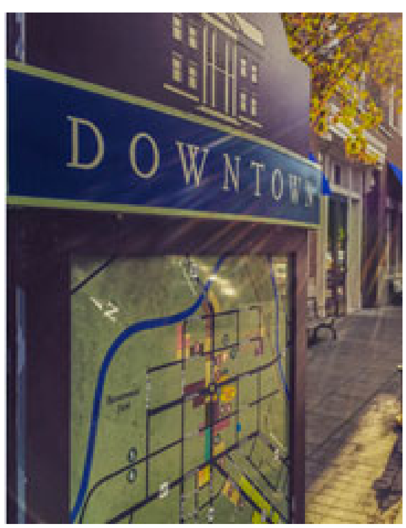
Executive Summary

Quarter Ended June 30, 2019

- The General Fund shows a current year surplus of $3,742,002. At end of the 4th quarter, revenues are at 97.3% of budget with expenditures at 92.3%.
- In the General Fund, local sales taxes are 5.9% higher over last year.
- In the General Fund, state shared taxes are 4.9% higher.
- In the General Fund, $5.8 million was budgeted for allocation from fund balance and none was used.
- For development fees that are dependent on timing and type of development,
    - building permit revenue is down almost 27% from the prior year.
    - road impact fees are down about 34% from last year.
    - facilities taxes are half of last year.
    - water/sewer development fees are 28% lower than last year.
- In the Street Aid Fund, gasoline taxes are 4% higher. A higher amount was anticipated due to increases in fuel tax rates by the Improve Act of 2017.

All Funds Summary

Fund	Beg Fund Balance	Revenue	Expenditures	End Fund Balance	Change	Fund Summary on Page
General	$49,459,971	$72,704,425	$68,962,423	$53,201,973	$3,742,002	3
Street Aid	$645,435	$3,637,421	$3,786,446	$496,410	($149,025)	4
Sanitation & Envir. Services.	$1,160,474	$9,357,230	$8,560,141	$1,957,563	$797,089	5
Road Impact	$11,339,848	$8,411,765	$3,161,850	$16,589,763	$5,249,915	6
Facilities Tax	$14,410,217	$3,123,799	$2,442,739	$15,091,277	$681,060	7
County Facilities Tax	$4,804,518	$904,441	$1,750,000	$3,958,959	($845,559)	8
Stormwater	$4,171,435	$2,710,760	$3,082,185	$3,800,010	($371,425)	9
Drug	$508,522	$129,156	$199,493	$438,185	($70,337)	10
Hotel/Motel	$5,722,086	$4,317,949	$2,368,977	$7,671,058	$1,948,972	11
Parkland Dedication	$6,141,130	$1,864,747	$0	$8,005,877	$1,864,747	12
Transit	$817,649	$2,407,340	$2,407,339	$817,650	$1	13
CDBG	$89,690	$384,607	$373,846	$100,451	$10,761	14
Debt Service	$106,587	$13,855,577	$13,589,275	$372,889	$266,302	15
Capital Projects - Fund 310 (Multi-Purpose)	($1,587,454)	$5,678,429	$2,081,019	$2,009,956	$3,597,410	16
Capital Projects - Fund 311 (2017 Bonds)	$7,800,069	$1,317,173	$5,662,831	$3,454,411	($4,345,658)	17
Capital Projects - Fund 312 (2019 Bonds)	$0	$34,039,496	$3,572,606	$30,466,890	$30,466,890	18
Water & Wastewater Operations	*	$38,745,786	$28,767,576	*	$9,978,210	19
Water & Wastewater Dev. Fees	*	$3,424,271	$1,174,598	*	$2,249,673	20



General Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Local Sales Tax	$36,168,178	$34,151,972	105.9%	$35,857,339	100.9%
State Shared Taxes	14,629,403	13,947,483	104.9%	11,775,152	124.2%
Property Taxes	9,362,829	9,115,446	102.7%	7,670,785	122.1%
Alcohol Taxes	4,390,576	4,200,284	104.5%	4,321,823	101.6%
Grants	387,640	464,318	83.5%	1,829,190	21.2%
Franchise Fees	2,566,246	2,586,092	99.2%	2,392,929	107.2%
Building Permits & Fees	2,279,334	3,085,808	73.9%	2,832,744	80.5%
Court Fines & Fees	370,157	371,300	99.7%	486,437	76.1%
In Lieu of Tax (Local)	259,875	260,607	99.7%	217,979	119.2%
Interest Income	1,229,262	198,954	617.9%	584,464	210.3%
Other Revenues	1,060,925	717,791	147.8%	6,722,942	15.8%
Total Revenues	***72,704,425***	***69,100,055***	***105.2%***	***74,691,784***	***97.3%***
Expenditures:					
Salaries & Wages	35,757,614	33,478,190	106.8%	36,241,904	98.7%
Employee Benefits	14,898,396	12,046,373	123.7%	16,552,155	90.0%
Utilities	2,054,465	2,039,515	100.7%	2,218,019	92.6%
Contractual Services	3,571,007	3,071,587	116.3%	4,327,612	82.5%
Repair & Maintenance Services	2,679,086	2,321,466	115.4%	2,520,862	106.3%
Debt Service & Lease Payments	837,541	1,686,959	49.6%	907,419	92.3%
Reimbursement from Other Funds	(3,264,935)	(2,787,800)	117.1%	(3,264,935)	100.0%
Transfers To Other Funds	4,100,884	1,644,399	249.4%	5,290,171	77.5%
Capital (>$25,000)	1,224,686	2,138,550	57.3%	1,757,250	69.7%
Other Expenditures	7,103,679	7,283,988	97.5%	8,141,327	87.3%
Total Expenditures	***68,962,423***	***62,923,227***	***109.6%***	***74,691,784***	***92.3%***
Total Unallocated Funds	***3,742,002***	***6,176,828***	***60.6%***	***0***	***0.0%***

FUND SUMMARY

- The General Fund shows a current year surplus of $3,742,002. Also, revenues are at 97% of budget with expenditures at 92%.
- Local sales taxes are about 5.9% higher over last year.
- State shared taxes are 4.9% higher than last year.
- Although Traffic Operations Center grants revenues are budgeted as $1.6 million for 2019, no significant expenses were spent this year.
- Primary difference in Employee Benefits are that claims are higher in FY 2019 and $1.5 million additional pension contribution.
- Contractual Services are higher due to timing of the renewal for Infor, but lower than budget.
- Debt Service is lower due to reduction in lease payments.
- Of the $6.7 million in Other Revenue, $5.8 million was budgeted for allocations from fund balance, and none was used during the fiscal year.

Street Aid Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$645,435	$502,481	128.4%	$645,435	100.0%
State Shared Taxes	2,630,997	2,520,503	104.4%	2,707,855	97.2%
Property Taxes	748,375	722,941	103.5%	752,130	99.5%
Interest Income	8,049	6,720	119.8%	2,000	402.4%
Transfer From General Fund	250,000	0	0.0%	250,000	100.0%
Total Revenues	***4,282,856***	***3,752,645***	***114.1%***	***4,357,420***	***98.3%***
Expenditures:					
Repair & Maintenance Services	3,784,840	3,106,227	121.8%	4,136,411	91.5%
Other Expenditures	1,606	983	163.3%	600	267.6%
Total Expenditures	***3,786,446***	***3,107,210***	***121.9%***	***4,137,011***	***91.5%***
Total Unallocated Funds	***496,410***	***645,435***	***76.9%***	***220,409***	***225.2%***

FUND SUMMARY

- In the Street Aid Fund, gasoline taxes are 4.4% higher. A higher amount was anticipated with recent increases in fuel tax rates due to the 2017 Improve Act.
- Expenditures are primarily for the paving activity.

Sanitation Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$1,160,474	$687,099	168.9%	$1,160,474	100.0%
Interest Income	15,916	2,215	718.6%	0	0.0%
Sanitation Collection Services	6,035,841	5,578,066	108.2%	6,237,573	96.8%
Tipping Fees	3,017,568	2,681,623	112.5%	2,831,540	106.6%
Transfer From General Fund	0	500,000	0.0%	0	0.0%
Other Revenues	287,905	99,501	289.3%	183,998	156.5%
Total Revenues	***10,517,704***	***9,548,504***	***110.2%***	***10,413,585***	***101.0%***
Expenditures:					
Salaries & Wages	2,293,997	2,054,610	111.7%	2,283,395	100.5%
Employee Benefits	1,069,542	1,182,583	90.4%	1,051,229	101.7%
Utilities	90,957	78,067	116.5%	97,695	93.1%
Contractual Services	132,281	35,344	374.3%	134,300	98.5%
Repair & Maintenance Services	444,082	435,483	102.0%	719,805	61.7%
Debt Service & Lease Payments	69,948	303,808	23.0%	162,837	43.0%
Transfers To Other Funds	96,930	273,390	35.5%	167,184	58.0%
Capital (>$25,000)	265,000	156,305	169.5%	435,000	60.9%
Other Expenditures	4,097,404	3,868,440	105.9%	4,434,765	92.4%
Total Expenditures	***8,560,141***	***8,388,030***	***102.1%***	***9,486,210***	***90.2%***
Total Unallocated Funds	***1,957,563***	***1,160,474***	***168.7%***	***927,375***	***211.1%***

FUND SUMMARY

- Collection services revenue is 8.2% higher than last year. Tipping fees are 12.5% higher.
- Collection services and tipping fee revenues have been sufficient to cover operating expenditures through the year.

Road Impact Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$11,339,848	$5,889,789	192.5%	$11,339,848	100.0%
Interest Income	500,492	121,034	413.5%	50,000	1001.0%
Road Impact Fees	7,659,855	11,585,500	66.1%	7,984,276	95.9%
Transfer From General Fund	251,418	0	0.0%	251,418	100.0%
Total Revenues	***19,751,613***	***17,596,323***	***112.2%***	***19,625,542***	***100.6%***
Expenditures:					
Contractual Services	355,919	556,831	63.9%	3,000,000	11.9%
Transfers To Other Funds	2,755,143	5,699,646	48.3%	2,708,651	101.7%
Capital (>$25,000)	41,315	0	0.0%	0	0.0%
Other Expenditures	9,473	0	0.0%	0	0.0%
Total Expenditures	***3,161,850***	***6,256,477***	***50.5%***	***5,708,651***	***55.4%***
Total Unallocated Funds	***16,589,763***	***11,339,846***	***146.3%***	***13,916,891***	***119.2%***

FUND SUMMARY

- Road impact fees are down from last year but almost on track per the Budget. (These revenues are dependent on timing and type of development.)
- Higher interest rates are resulting in additional interest income.

Facilities Tax Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$14,410,217	$10,441,436	138.0%	$14,410,217	100.0%
Interest Income	513,487	97,135	528.6%	18,821	2728.3%
Facilities Taxes	2,610,312	4,788,042	54.5%	2,430,484	107.4%
Total Revenues	***17,534,016***	***15,326,613***	***114.4%***	***16,859,522***	***104.0%***
Expenditures:					
Utilities	67	0	0.0%	0	0.0%
Contractual Services	80,979	474,711	17.1%	0	0.0%
Repair & Maintenance Services	7,900	250	3160.0%	0	0.0%
Capital (>$25,000)	2,286,651	441,205	518.3%	8,293,792	27.6%
Other Expenditures	67,142	229	29347.9%	278,592	24.1%
Total Expenditures	***2,442,739***	***916,395***	***266.6%***	***8,572,384***	***28.5%***
Total Unallocated Funds	***15,091,277***	***14,410,218***	***104.7%***	***8,287,138***	***182.1%***

FUND SUMMARY

- Facilities taxes are about half of last year but on track per the Budget. (These revenues are dependent on timing and type of development.)
- Higher interest rates are resulting in additional interest income.
- Most of the capital budgeted in 2019 is for fire station 7 construction.

County Facilities Tax Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$4,804,518	$3,488,072	137.7%	$4,804,518	100.0%
Interest Income	144,568	9,557	1512.7%	0	0.0%
Facilities Taxes	759,873	971,814	78.2%	1,250,000	60.8%
Transfer from Capital Projects Fund	0	635,074	0.0%	0	0.0%
Total Revenues	***5,708,959***	***5,104,517***	***111.8%***	***6,054,518***	***94.3%***
Expenditures:					
Transfers To Other Funds	1,750,000	300,000	583.3%	1,750,000	100.0%
Total Expenditures	***1,750,000***	***300,000***	***583.3%***	***1,750,000***	***100.0%***
Total Unallocated Funds	***3,958,959***	***4,804,517***	***82.4%***	***4,304,518***	***92.0%***

FUND SUMMARY

- This fund was created to account for facilities taxes received from the County.
- $1,750,000 was transferred to Capital Project Fund 310 for partial funding of the State Route 96 West Multiuse Trail.

Stormwater Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$4,171,435	$4,687,695	89.0%	$4,171,435	100.0%
Building Permits & Fees	129,384	65,176	198.5%	84,966	152.3%
Interest Income	120,436	28,288	425.8%	9,995	1205.0%
Stormwater Fees	2,403,616	2,379,597	101.0%	2,546,377	94.4%
Other Revenues	57,324	86,427	66.3%	80,943	70.8%
Total Revenues	***6,882,195***	***7,247,183***	***95.0%***	***6,893,716***	***99.8%***
Expenditures:					
Salaries & Wages	1,118,768	1,053,129	106.2%	1,141,535	98.0%
Employee Benefits	479,107	483,739	99.0%	526,995	90.9%
Utilities	30,840	35,041	88.0%	50,775	60.7%
Contractual Services	77,881	257,040	30.3%	168,560	46.2%
Repair & Maintenance Services	82,880	146,567	56.5%	142,851	58.0%
Debt Service & Lease Payments	0	159,497	0.0%	0	0.0%
Transfers To Other Funds	50,000	0	0.0%	50,000	100.0%
Capital (>$25,000)	750,143	521,670	143.8%	3,506,000	21.4%
Other Expenditures	492,566	419,064	117.5%	551,397	89.3%
Total Expenditures	***3,082,185***	***3,075,747***	***100.2%***	***6,138,113***	***50.2%***
Total Unallocated Funds	***3,800,010***	***4,171,436***	***91.1%***	***755,603***	***502.9%***

FUND SUMMARY

- Stormwater fees are almost equivalent to last year.
- Higher interest rates are resulting in additional interest income.

Drug Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$508,522	$541,205	94.0%	$508,522	100.0%
Interest Income	13,629	8,318	163.8%	2,176	626.4%
Drug Fines Received	59,413	67,571	87.9%	85,209	69.7%
Other Revenues	56,114	150,211	37.4%	137,201	40.9%
Total Revenues	***637,678***	***767,305***	***83.1%***	***733,108***	***87.0%***
Expenditures:					
Capital (>$25,000)	83,356	159,123	52.4%	86,000	96.9%
Other Expenditures	116,137	99,660	116.5%	192,500	60.3%
Total Expenditures	***199,493***	***258,783***	***77.1%***	***278,500***	***71.6%***
Total Unallocated Funds	***438,185***	***508,522***	***86.2%***	***454,608***	***96.4%***

FUND SUMMARY

- Drug fine collections are 12.1% lower than last year. This revenue is dependent on court actions.

Hotel/Motel Tax Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$5,722,086	$3,827,284	149.5%	$5,722,086	100.0%
Interest Income	214,714	38,626	555.9%	10,500	2044.9%
Hotel/Motel Taxes	4,103,235	4,097,695	100.1%	3,733,827	109.9%
Total Revenues	***10,040,035***	***7,963,605***	***126.1%***	***9,466,413***	***106.1%***
Expenditures:					
Contractual Services	0	29,292	0.0%	25,000	0.0%
Repair & Maintenance Services	1,859	7,920	23.5%	0	0.0%
Transfers To Other Funds	1,312,355	1,118,668	117.3%	1,307,960	100.3%
Capital (>$25,000)	379,517	325,538	116.6%	463,036	82.0%
Other Expenditures	675,246	760,102	88.8%	979,813	68.9%
Total Expenditures	***2,368,977***	***2,241,520***	***105.7%***	***2,775,809***	***85.3%***
Total Unallocated Funds	***7,671,058***	***5,722,085***	***134.1%***	***6,690,604***	***114.7%***

FUND SUMMARY

- Hotel/Motel tax collections are almost equivalent to last year

Parkland Dedication Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$6,141,130	$4,584,138	134.0%	$6,141,130	100.0%
Interest Income	241,393	52,338	461.2%	10,000	2413.9%
Parkland Dedication Fees	1,394,772	2,010,056	69.4%	1,430,000	97.5%
Transfer From General Fund	228,582	0	0.0%	228,582	100.0%
Total Revenues	***8,005,877***	***6,646,532***	***120.5%***	***7,809,712***	***102.5%***
Expenditures:					
Capital (>$25,000)	0	505,402	0.0%	0	0.0%
Total Expenditures	***0***	***505,402***	***0.0%***	***0***	***0.0%***
Total Unallocated Funds	***8,005,877***	***6,141,130***	***130.4%***	***7,809,712***	***102.5%***

FUND SUMMARY

- Parkland Dedication fees are about 30% lower than last year and 2.5% lower than budgeted.
- Higher interest rates are resulting in additional interest income.

Transit Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$817,649	$374,758	218.2%	$817,649	100.0%
Grants	1,489,582	1,255,107	118.7%	1,761,014	84.6%
Interest Income	27,229	7,465	364.8%	0	0.0%
Transit Fares	84,945	112,418	75.6%	132,000	64.4%
Transfer From General Fund	795,884	1,144,399	69.5%	1,985,171	40.1%
Other Revenues	9,700	9,600	101.0%	30,700	31.6%
Total Revenues	***3,224,989***	***2,903,747***	***111.1%***	***4,726,534***	***68.2%***
Expenditures:					
Capital (>$25,000)	130,132	0	0.0%	400,000	32.5%
Other Expenditures	2,277,207	2,086,099	109.2%	3,508,885	64.9%
Total Expenditures	***2,407,339***	***2,086,099***	***115.4%***	***3,908,885***	***61.6%***
Total Unallocated Funds	***817,650***	***817,648***	***100.0%***	***817,649***	***100.0%***

FUND SUMMARY

- Grant revenues are 18.7% higher than last year., and 15.4% lower than budget.

CDBG Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$89,690	$86,263	104.0%	$89,690	100.0%
Grants	373,846	257,808	145.0%	323,000	115.7%
Interest Income	10,761	3,427	314.0%	306	3516.6%
Total Revenues	***474,297***	***347,498***	***136.5%***	***412,996***	***114.8%***
Expenditures:					
Contractual Services	149,111	87,808	169.8%	128,500	116.0%
Repair & Maintenance Services	189,624	170,000	111.5%	188,000	100.9%
Other Expenditures	35,111	0	0.0%	63,286	55.5%
Total Expenditures	***373,846***	***257,808***	***145.0%***	***379,786***	***98.4%***
Total Unallocated Funds	***100,451***	***89,690***	***112.0%***	***33,210***	***302.5%***

FUND SUMMARY

- 98.4% of budgeted expenditures have been incurred. Grant revenues offset the expenditures incurred.

Debt Service Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$106,587	$90,197	118.2%	$106,587	100.0%
Property Taxes	8,661,198	8,505,949	101.8%	8,620,102	100.5%
Interest Income	108,248	16,390	660.5%	5,000	2165.0%
Rebate on BAB/RZEDB Bonds	818,445	843,028	97.1%	870,720	94.0%
Bond Proceeds	98,258	0	0.0%	0	0.0%
Transfer from Sanitation Fund	96,930	273,390	35.5%	167,184	58.0%
Transfer from Road Impact Fund	2,755,143	2,699,646	102.1%	2,708,651	101.7%
Transfer from Hotel/Motel Tax Fund	1,117,355	1,118,668	99.9%	1,112,960	100.4%
Transfer from Water & Sewer Fund	200,000	200,000	100.0%	200,000	100.0%
Total Revenues	***13,962,164***	***13,747,268***	***101.6%***	***13,791,204***	***101.2%***
Expenditures:					
Debt Service & Lease Payments	13,589,275	13,640,681	99.6%	13,764,063	98.7%
Total Expenditures	***13,589,275***	***13,640,681***	***99.6%***	***13,764,063***	***98.7%***
Total Unallocated Funds	***372,889***	***106,587***	***349.8%***	***27,141***	***1373.9%***

FUND SUMMARY

- The Debt Service Fund shows a current year surplus over $300,000.
- Higher interest rates are resulting in additional interest income.

Capital Projects Fund 310 (Multi-Purpose)

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	($1,587,454)	($2,333,062)	68.0%	$0	0.0%
Grants	1,516,630	1,956,415	77.5%	0	0.0%
Interest Income	36,799	1,582	2325.8%	0	0.0%
Transfer From General Fund	1,750,000	0	0.0%	0	0.0%
Transfer from Road Impact Fund	0	3,000,000	0.0%	0	0.0%
Transfer from Hotel/Motel Tax Fund	0	(195,000)	0.0%	0	0.0%
Transfer from Stormwater Fund	0	(50,000)	0.0%	0	0.0%
Transfer from Water & Sewer Fund	0	(925,000)	0.0%	0	0.0%
Other Revenues	2,375,000	598,625	396.7%	0	0.0%
Total Revenues	***4,090,975***	***2,053,560***	***199.2%***	***0***	***0.0%***
Expenditures:					
Contractual Services	103,393	161,229	64.1%	0	0.0%
Repair & Maintenance Services	0	13,000	0.0%	0	0.0%
Transfers To Other Funds	0	635,074	0.0%	0	0.0%
Capital (>$25,000)	(512,379)	1,440,213	(35.6%)	0	0.0%
Other Expenditures	2,490,005	1,391,497	178.9%	0	0.0%
Total Expenditures	***2,081,019***	***3,641,013***	***57.2%***	***0***	***0.0%***
Total Unallocated Funds	***2,009,956***	***(1,587,453)***	***(126.6%)***	***0***	***0.0%***

FUND SUMMARY

- The City received a prior year project reimbursement from the State of Tennessee of $1.25 million which eliminated the fund deficit.

Capital Projects Fund 311 (2017 Bonds)

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$7,800,069	$17,841,982	43.7%	$0	0.0%
Grants	0	479,829	0.0%	0	0.0%
Interest Income	247,173	152,934	161.6%	0	0.0%
Transfer From General Fund	825,000	0	0.0%	0	0.0%
Transfer from Hotel/Motel Tax Fund	195,000	195,000	100.0%	0	0.0%
Transfer from Stormwater Fund	50,000	50,000	100.0%	0	0.0%
Transfer from Water & Sewer Fund	0	925,000	0.0%	0	0.0%
Other Revenues	0	1,204,000	0.0%	0	0.0%
Total Revenues	***9,117,242***	***20,848,745***	***43.7%***	***0***	***0.0%***
Expenditures:					
Contractual Services	10,000	13,760	72.7%	0	0.0%
Repair & Maintenance Services	1,503,220	1,756,693	85.6%	0	0.0%
Debt Service & Lease Payments	0	1,250	0.0%	0	0.0%
Capital (>$25,000)	4,039,761	6,039,272	66.9%	0	0.0%
Other Expenditures	109,850	5,237,700	2.1%	0	0.0%
Total Expenditures	***5,662,831***	***13,048,675***	***43.4%***	***0***	***0.0%***
Total Unallocated Funds	***3,454,411***	***7,800,070***	***44.3%***	***0***	***0.0%***

FUND SUMMARY

- The fund accounts for the proceeds remaining from the $23 million bond issue in June 2017.

Capital Projects Fund 312 (2019 Bonds)

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Interest Income	($137,127)	$0	0.0%	$0	0.0%
Bond Proceeds	29,585,000	0	0.0%	0	0.0%
Premiums on Bonds	4,591,623	0	0.0%	0	0.0%
Total Revenues	***34,039,496***	***0***	***0.0%***	***0***	***0.0%***
Expenditures:					
Contractual Services	28,100	0	0.0%	0	0.0%
Debt Service & Lease Payments	156,308	0	0.0%	0	0.0%
Capital (>$25,000)	3,248,837	0	0.0%	0	0.0%
Other Expenditures	139,361	0	0.0%	0	0.0%
Total Expenditures	***3,572,606***	***0***	***0.0%***	***0***	***0.0%***
Total Unallocated Funds	***30,466,890***	***0***	***0.0%***	***0***	***0.0%***

FUND SUMMARY

- The fund accounts for the proceeds received from a bond issued in May 2019.
- Negative interest is due to valuation of assets in the bond account.

Water/Sewer Operations

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Grants	$225,000	$0	0.0%	$0	0.0%
Interest Income	904,513	253,022	357.5%	98,432	918.9%
Customer Service	31,083,416	30,279,812	102.7%	31,643,642	98.2%
Impact Fees	590	10,841	5.4%	0	0.0%
Other Revenues	6,532,267	5,867,366	111.3%	26,800	24374.1%
Total Revenues	***38,745,786***	***36,411,041***	***106.4%***	***31,768,874***	***122.0%***
Expenditures:					
Salaries & Wages	4,499,495	4,298,696	104.7%	4,906,785	91.7%
Employee Benefits	2,077,222	2,037,299	102.0%	2,102,695	98.8%
Utilities	1,738,410	1,650,381	105.3%	1,627,962	106.8%
Contractual Services	1,088,551	1,768,511	61.6%	1,097,425	99.2%
Repair & Maintenance Services	421,038	624,940	67.4%	394,460	106.7%
Debt Service & Lease Payments	685,308	727,449	94.2%	2,333,281	29.4%
Transfers To Other Funds	200,000	1,125,000	17.8%	200,000	100.0%
Capital (>$25,000)	0	0	0.0%	6,727,850	0.0%
Other Expenditures	18,057,552	16,486,017	109.5%	9,306,895	194.0%
Total Expenditures	***28,767,576***	***28,718,293***	***100.2%***	***28,697,353***	***100.2%***
Total Unallocated Funds	***9,978,210***	***7,692,748***	***129.7%***	***3,071,521***	***324.9%***

FUND SUMMARY

- Customer service revenue is 2.7% higher than last year.

Water/Sewer Development Fees

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Interest Income	$368,997	$130,146	283.5%	$0	0.0%
Customer Service	27,444	38,000	72.2%	0	0.0%
Impact Fees	3,027,830	5,795,438	52.2%	0	0.0%
Total Revenues	***3,424,271***	***5,963,584***	***57.4%***	***0***	***0.0%***
Expenditures:					
Contractual Services	400,000	0	0.0%	0	0.0%
Debt Service & Lease Payments	774,598	878,165	88.2%	0	0.0%
Other Expenditures	0	118	0.0%	0	0.0%
Total Expenditures	***1,174,598***	***878,283***	***133.7%***	***0***	***0.0%***
Total Unallocated Funds	***2,249,673***	***5,085,301***	***44.2%***	***0***	***0.0%***

FUND SUMMARY

- Impact fees are 47% lower than last year. (These revenues are dependent on timing and type of development.)

On the Horizon

October

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Thursday, October 17, 2019	Budget & Finance Committee Meeting (moved from October 10 due to TGFOA Fall Conference)
Thursday, November 21, 2019	Budget & Finance Committee Meeting (Presentation of 2019 Audited Financials)

Finance Department

Contact Information

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franklintn.gov

City of Franklin

Monthly Reports for September 2019

EXECUTIVE SUMMARY

Schedule 1: Local Sales Tax

The local sales tax remittance from the State of Tennessee for June 2019 sales (received by the City in August 2019) was $3,149,396 compared to $2,964,094 for the same month in 2018, a monthly year over year increase of $185,302 or 6.3%. In comparison, sales tax collections for the State of Tennessee were up 3.0%.

The year-to-date increase over last fiscal year is 5.9%.

Schedule 2: Building Permits

2020 year-to-date is more than 2019 by 25.1%, and compared to 2019 budget is less by 14.0%.

Schedule 3: Road Impact Fees *

Combined 2020 year-to-date compared to 2019 is 80.9% more, and compared to 2020 budget is less by 44.0%. By quadrant, Road Impact 2020 year-to-date compared to 2019 is 76.9% more, and compared to 2020 budget is less by 42.5%. Coll Area 1 2020 year-to-date compared to 2019 is 178.9% more, and compared to 2020 budget is 77.4% less; Coll Area 2 2020 year-to-date compared to 2019 is 149.6% more, and compared to 2020 budget is 33.3% more; Coll Area 3 2020 year-to-date compared to 2019 is 4.1% less, and compared to 2020 budget is 49.2% less; Coll Area 4 2020 year-to-date compared to 2020 budget is 91.9% less.

Schedule 4: Facilities Tax (City) *

2020 year-to-date compared to 2019 is 18.4% more, and compared to 2020 budget is less by 17.8%.

Schedule 5: Facilities Tax (County) *

2020 year-to-date compared to 2019 is 42.3% more, and compared to 2020 budget is 30.1% less.

Schedule 6: Gasoline Taxes (State Street Aid Fund)

The gasoline tax remittance from the State of Tennessee for June 2019 sales (received by the City in August 2019) was $222,579 compared to $215,037 for the same month in 2018, an increase of $7,542 or 3.5%.
For budget comparisons, the City anticipated collections of $225,655 for June 2019, a difference of $3,076 less, or 1.4%.
The year-to-date increase over last fiscal year is 4.4%.

Schedule 7: Conference Center

The City's ½ share of the loss for July 2019 was $63,264. In July 2018, the City's ½ share of the loss was $49,914.

Schedule 8: City of Franklin Grants

The City currently has Twenty-Seven (27) Grants totaling $61 million with $40 million remaining to be spent.

*** Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.**

City of Franklin

Finance Department - Monthly Reports

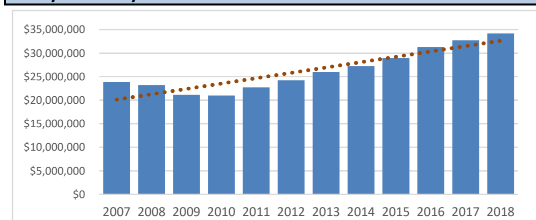
Schedule 1:	Local Sales Tax	Fund	General	Account:	110-31300-00000

Summary: Tennessee Code Annotated 67-6-702 authorizes the levy of a local sales tax. The maximum rate authorized is 2.75%. The current rate increased from 2.25% to the maximum of 2.75% effective April 1, 2018. The tax is applied only to the first $1,600 of any single article of personal property. The City receives 1/2 of the 2.75% rate collected within the City. Williamson County receives the other 1/2, plus an administrative fee of 1% of the City's 1/2 of the tax. Beginning with April 2018 taxes, the City contributes its share of the .5% increase to the County's School Debt Service. The County withholds the contribution for school debt service from the amount remitted to the City. Finance will track the 36 month contribution period, to end with March 2021 sales (to be received in May 2021).

Monthly Report for August 2019: The local sales tax remittance from the State of Tennessee for May 2019 sales (received by the City in July 2019) was $3,064,703 compared to $2,864,887 for the same month in 2018, a monthly year over year increase $199,817, or 6.97% more. In comparison, sales tax collections for the State of Tennessee were up 6.4%. July receipts (May sales) are the eleventh month of the FY 2019 fiscal year for both the City of Franklin and the State of Tennessee.

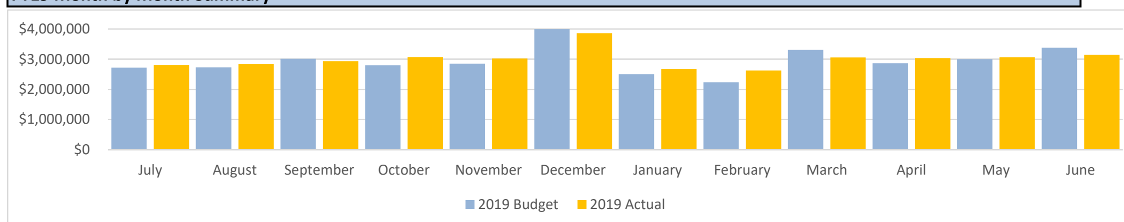
The additional local option sales tax rate of 0.50%, for a total local rate of 2.75%, became effective April 1, 2018. The City of Franklin has pledged its 2nd half share of this additional tax to School Debt Service for a period of 3 years. For May 2019, the funds foregone by the City and contributed to Schools is $614,147. Total contribution to date to Schools from the City’s portion is $8,123,221.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year	Contribution to County School Debt .5% Apr 2018-Mar 2021
2007	$23,885,264	$1,879,561	8.5%	
2008	$23,185,434	($699,830)	-2.9%	
2009	$21,152,554	($2,032,880)	-8.8%	
2010	$20,969,821	($182,733)	-0.9%	
2011	$22,720,666	$1,750,845	8.3%	
2012	$24,197,413	$1,476,747	6.5%	
2013	$25,995,733	$1,798,320	7.4%	
2014	$27,254,742	$1,259,009	4.8%	
2015	$28,943,994	$1,689,252	6.2%	
2016	$31,309,366	$2,365,372	8.2%	
2017	$32,694,268	$1,384,902	4.4%	
2018	$34,151,972	$1,457,704	4.5%	$1,692,308
Average Increase (Decrease)		**$ 1,012,189**	**3.9%**	**$ 1,692,308**

FY19 Month by Month Summary



Month	2018 Actual	2019 Budget	2019 Actual	$ Inc./(Dec.) from 2018 Actual	% Inc./(Dec.) from 2018 Actual	$ Inc./(Dec.) from 2018 Budget	% Inc./(Dec.) from 2018 Budget	Contribution to County School Debt .5% Apr 2018-Mar 2021
July	$2,735,435	$2,724,633	$2,811,663	$76,228	2.8%	$87,030	3.2%	$556,794
August	$2,739,864	$2,726,441	$2,848,326	$108,462	4.0%	$121,885	4.5%	$559,579
September	$2,748,694	$3,014,896	$2,933,410	$184,716	6.7%	($81,486)	-2.7%	$571,226
October	$2,699,862	$2,800,288	$3,068,712	$368,850	13.7%	$268,424	9.6%	$568,736
November	$2,934,718	$2,853,971	$3,026,420	$91,702	3.1%	$172,449	6.0%	$587,805
December	$3,902,304	$4,141,913	$3,865,896	($36,408)	-0.9%	($276,017)	-6.7%	$731,667
January	$2,503,594	$2,502,943	$2,682,263	$178,669	7.1%	$179,320	7.2%	$515,180
February	$2,315,764	$2,232,457	$2,622,735	$306,971	13.3%	$390,278	17.5%	$515,950
March	$2,938,636	$3,310,026	$3,060,153	$121,517	4.1%	($249,873)	-7.5%	$608,216
April	$2,804,120	$2,866,454	$3,034,501	$230,381	8.2%	$168,047	5.9%	$601,612
May	$2,864,887	$3,005,021	$3,064,704	$199,817	7.0%	$59,683	2.0%	$614,147
June	$2,964,094	$3,378,296	$3,149,396	$185,302	6.3%	($228,900)	-6.8%	$621,101
	$34,151,972	**$35,557,339**	**$36,168,178**	**$168,017**	**5.9%**	**$50,903**	**1.7%**	**$7,052,013**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*	*Total*
				$2,016,207		**$610,839**		
				Total		*Total*		

City of Franklin

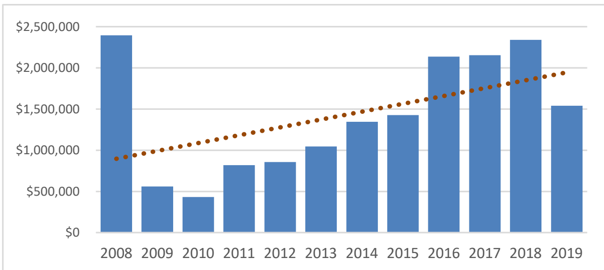
Finance Department - Monthly Reports

Schedule 2:	Building Permits	Fund	General Fund	Account:	110-32120-00000

Summary: A part of General Fund Revenues, these fees are paid to the City to offset and pay for the staffing costs borne by the City to extend services due to construction growth. There has been growth in both residential and commercial sides of development. This revenue has been difficult to predict by month because permits are often obtained and fees paid in advance of construction.

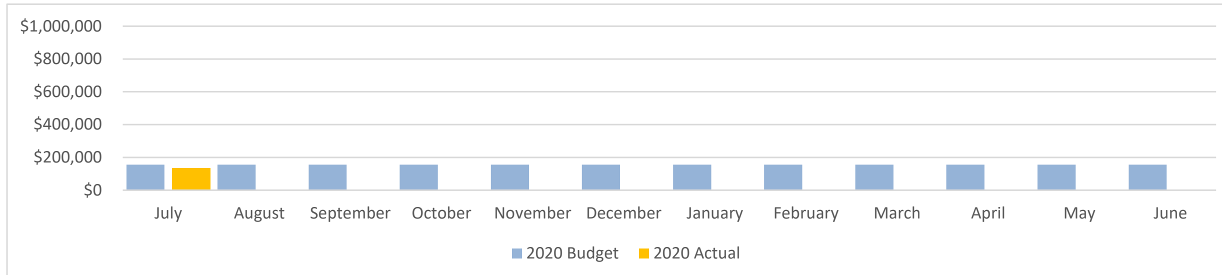
Monthly Report for September 2019: 2020 year-to-date is less than 2019 by 25.1%, and compared to 2020 budget is less by 14.0%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	$2,395,129	$684,264	40.0%
2009	$559,112	($1,836,017)	-76.7%
2010	$430,901	($128,211)	-22.9%
2011	$820,111	$389,210	90.3%
2012	$855,409	$35,298	4.3%
2013	$1,046,947	$191,538	22.4%
2014	$1,343,978	$297,031	28.4%
2015	$1,426,188	$82,210	6.1%
2016	$2,136,322	$710,134	49.8%
2017	$2,153,262	$16,940	0.8%
2018	$2,339,364	$186,102	8.6%
2019	$1,539,655	($799,709)	-34.2%
Average Increase (Decrease)		$ (14,268)	9.7%

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$107,435	$156,354	$134,388	$26,953	25.1%	($21,966)	-14.0%
August	$189,940	$156,354			0.0%		0.0%
September	$127,084	$156,354			0.0%		0.0%
October	$110,782	$156,354			0.0%		0.0%
November	$97,666	$156,354			0.0%		0.0%
December	$137,807	$156,354			0.0%		0.0%
January	$139,163	$156,354			0.0%		0.0%
February	$95,465	$156,354			0.0%		0.0%
March	$97,262	$156,354			0.0%		0.0%
April	$137,829	$156,354			0.0%		0.0%
May	$181,594	$156,354			0.0%		0.0%
June	$117,628	$156,354			0.0%		0.0%
	$1,539,655	**$1,876,250**	**$134,388**	**$26,953**	**25.1%**	**($21,966)**	**-14.0%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$26,953		**($21,966)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

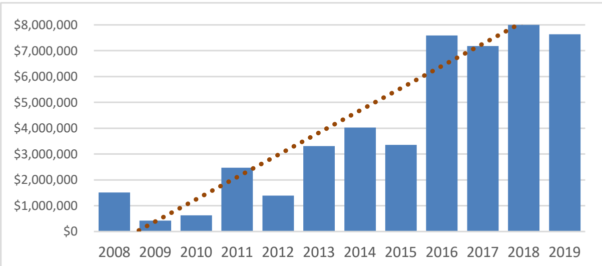
Schedule 3:	**Road Impact Fees**	**Fund**	**Road Impact**	**Account:**	**128-(32800-32804)-00000**

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 80.9% more, and compared to 2020 budget is less by 44.0%.

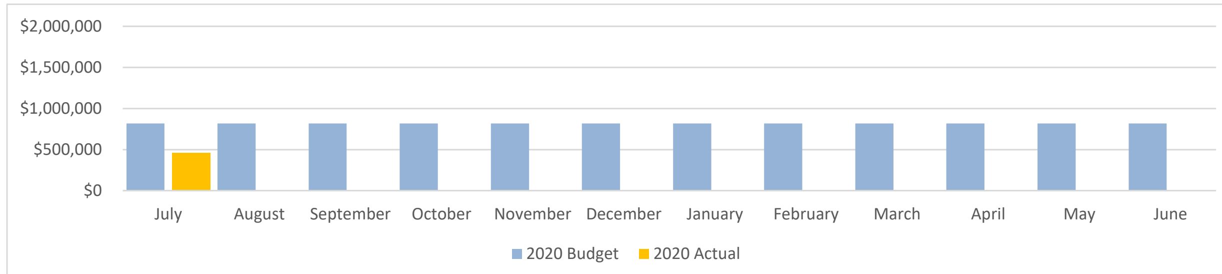
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	$1,509,963	$128,303	9.3%
2009	$426,916	($1,083,047)	-71.7%
2010	$629,194	$202,278	47.4%
2011	$2,466,846	$1,837,652	292.1%
2012	$1,391,645	($1,075,201)	-43.6%
2013	$3,306,075	$1,914,430	137.6%
2014	$4,021,752	$715,677	21.6%
2015	$3,358,431	($663,321)	-16.5%
2016	$7,586,724	$4,228,293	125.9%
2017	$7,180,150	($406,574)	-5.4%
2018	$11,585,500	$4,405,350	61.4%
2019	$7,638,442	($3,947,058)	-34.1%
Average Increase (Decrease)		**$ 521,399**	**43.7%**

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$252,693	$816,703	$457,068	$204,375	80.9%	($359,635)	-44.0%
August	$1,496,451	$816,703			0.0%		0.0%
September	$918,650	$816,703			0.0%		0.0%
October	$365,085	$816,703			0.0%		0.0%
November	$440,428	$816,703			0.0%		0.0%
December	$1,429,104	$816,703			0.0%		0.0%
January	$560,956	$816,703			0.0%		0.0%
February	$218,728	$816,703			0.0%		0.0%
March	$217,163	$816,703			0.0%		0.0%
April	$360,160	$816,703			0.0%		0.0%
May	$1,321,760	$816,703			0.0%		0.0%
June	$57,264	$816,703			0.0%		0.0%
	$7,638,442 *Total*	**$9,800,438** *Total*	**$457,068** *Total*	**$204,375** *Average*	**80.9%** *Average*	**($359,635)** *Average*	**-44.0%** *Average*
				$204,375 *Total*		**($359,635)** *Total*	

City of Franklin

Finance Department - Monthly Reports

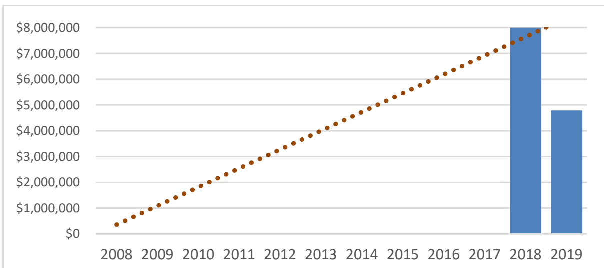
Schedule 3A:	Road Impact Fees	Fund	Road Impact	Account:	128-32800-00000

Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 76.9% more, and compared to 2020 budget is less by 42.5%.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

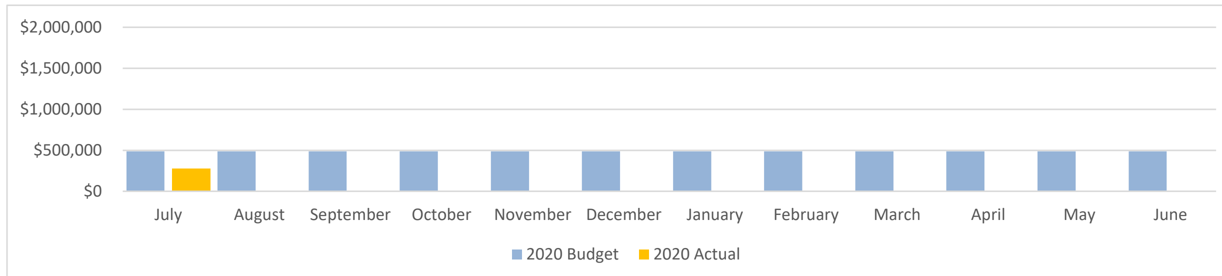
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	Breakdown between Quadrants began in FY 2019.		
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018	$11,585,500	$11,585,500	100.0%
2019	$4,785,438	($6,800,062)	-58.7%

Average Increase (Decrease) **$ (6,800,062)**

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$158,320	$487,100	$280,019	$121,699	76.9%	($207,081)	-42.5%
August	$905,319	$487,100			0.0%		0.0%
September	$507,202	$487,100			0.0%		0.0%
October	$265,677	$487,100			0.0%		0.0%
November	$353,686	$487,100			0.0%		0.0%
December	$855,136	$487,100			0.0%		0.0%
January	$378,228	$487,100			0.0%		0.0%
February	$136,113	$487,100			0.0%		0.0%
March	$133,194	$487,100			0.0%		0.0%
April	$225,503	$487,100			0.0%		0.0%
May	$814,090	$487,100			0.0%		0.0%
June	$52,970	$487,100			0.0%		0.0%
	$4,785,438	**$5,845,202**	**$280,019**	**$121,699**	**76.9%**	**($207,081)**	**-42.5%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$121,699		**($207,081)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3B:	Coll Area 1	Fund	Road Impact	Account:	128-32801-00000

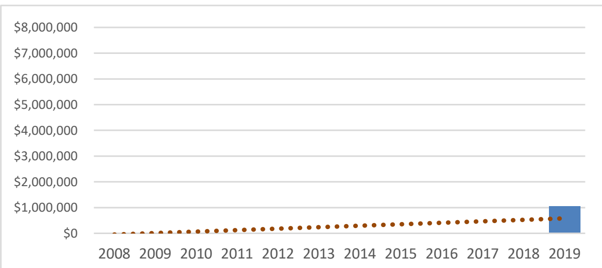
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Coll Area 1 - Area north of Murfreesboro Road/3rd Avenue South and east of East Main Street/Franklin Road and within the corporate boundaries of the city.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 178.9% more, and compared to 2020 budget is less by 77.4%.

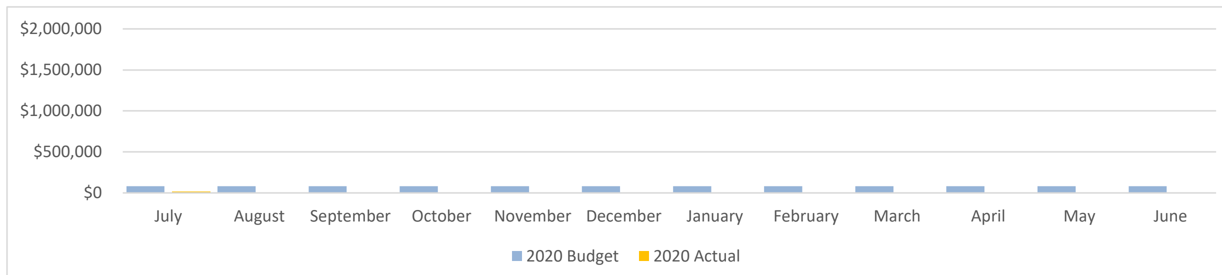
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	Breakdown between Quadrants began in FY 2019.		
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$1,057,313	$1,057,313	100.0%
Average Increase (Decrease)	**$ 1,057,313**		

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$6,680	$82,401	$18,633	$11,953	178.9%	($63,768)	-77.4%
August	$159,505	$82,401			0.0%		0.0%
September	$62,651	$82,401			0.0%		0.0%
October	$5,352	$82,401			0.0%		0.0%
November	$3,340	$82,401			0.0%		0.0%
December	$459,764	$82,401			0.0%		0.0%
January	$10,020	$82,401			0.0%		0.0%
February	$37,391	$82,401			0.0%		0.0%
March	$3,340	$82,401			0.0%		0.0%
April	$3,340	$82,401			0.0%		0.0%
May	$302,590	$82,401			0.0%		0.0%
June	$3,340	$82,401			0.0%		0.0%
	$1,057,313	**$988,809**	**$18,633**	**$11,953**	**178.9%**	**($63,768)**	**-77.4%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$11,953		**($63,768)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3C:	Coll Area 2	Fund	Road Impact	Account:	128-32802-00000

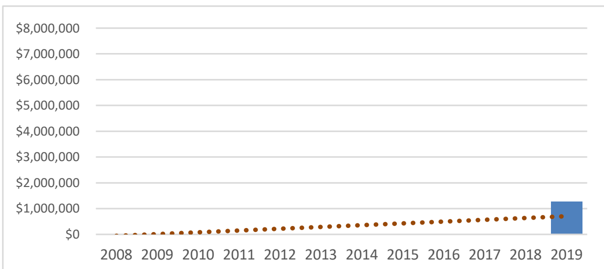
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Coll Area 2 - Area south of Murfreesboro Road/3rd Avenue South and east of Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 149.6% more, and compared to 2020 budget is more by 33.3%.

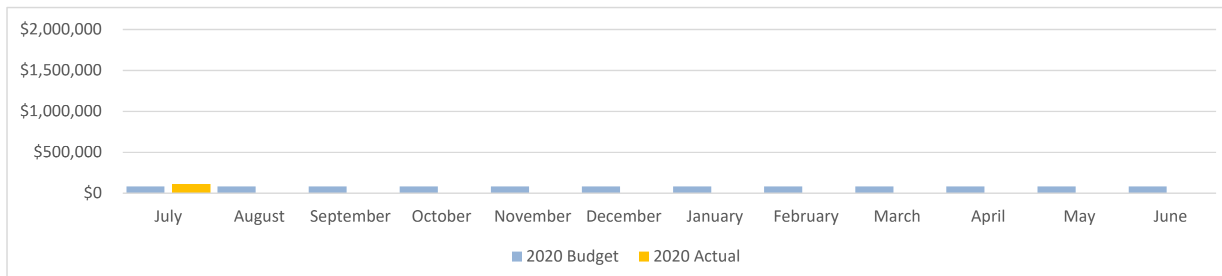
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	Breakdown between Quadrants began in FY 2019.		
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$1,282,977	$1,282,977	100.0%
Average Increase (Decrease)	**$ 1,282,977**		

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$44,005	$82,401	$109,852	$65,847	149.6%	$27,451	33.3%
August	$352,909	$82,401			0.0%		0.0%
September	$326,636	$82,401			0.0%		0.0%
October	$55,244	$82,401			0.0%		0.0%
November	$70,042	$82,401			0.0%		0.0%
December	$94,164	$82,401			0.0%		0.0%
January	$74,426	$82,401			0.0%		0.0%
February	$15,164	$82,401			0.0%		0.0%
March	$51,587	$82,401			0.0%		0.0%
April	$102,476	$82,401			0.0%		0.0%
May	$127,724	$82,401			0.0%		0.0%
June	($31,400)	$82,401			0.0%		0.0%
	$1,282,977	**$988,809**	**$109,852**	**$65,847**	**149.6%**	**$27,451**	**33.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$65,847		**$27,451**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 3D:	Coll Area 3	Fund	Road Impact	Account:	128-32803-00000

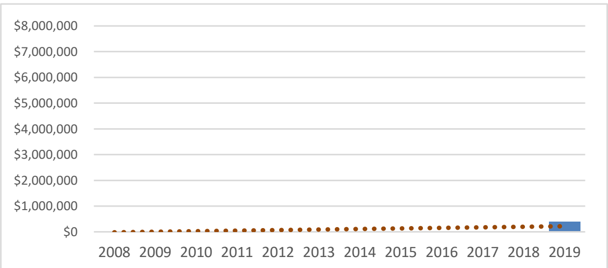
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Coll Area 3 - Area south of New Highway 96W and west of 5th Avenue South and Columbia Avenue/Columbia Pike and within the corporate boundaries of the city.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 4.1% less, and compared to 2020 budget is less by 49.2%.

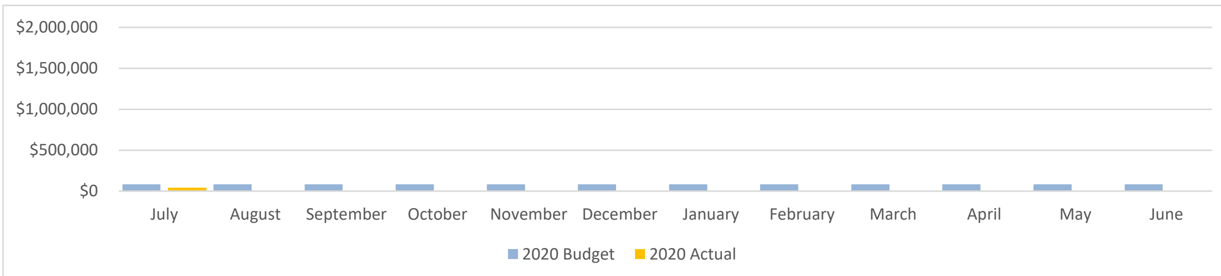
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	Breakdown between Quadrants began in FY 2019.		
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$396,897	$396,897	100.0%
Average Increase (Decrease)	**$ 396,897**		

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$43,688	$82,401	$41,884	($1,804)	-4.1%	($40,517)	-49.2%
August	$78,718	$82,401			0.0%		0.0%
September	$22,161	$82,401			0.0%		0.0%
October	$38,812	$82,401			0.0%		0.0%
November	$10,020	$82,401			0.0%		0.0%
December	$13,360	$82,401			0.0%		0.0%
January	$20,040	$82,401			0.0%		0.0%
February	$26,720	$82,401			0.0%		0.0%
March	$28,207	$82,401			0.0%		0.0%
April	$28,841	$82,401			0.0%		0.0%
May	$63,996	$82,401			0.0%		0.0%
June	$22,334	$82,401			0.0%		0.0%
	$396,897 *Total*	**$988,809** *Total*	**$41,884** *Total*	**($1,804)** *Average* **($1,804)** *Total*	**-4.1%** *Average*	**($40,517)** *Average* **($40,517)** *Total*	**-49.2%** *Average*

City of Franklin

Finance Department - Monthly Reports

Schedule 3E:	Coll Area 4	Fund	Road Impact	Account:	128-32804-00000

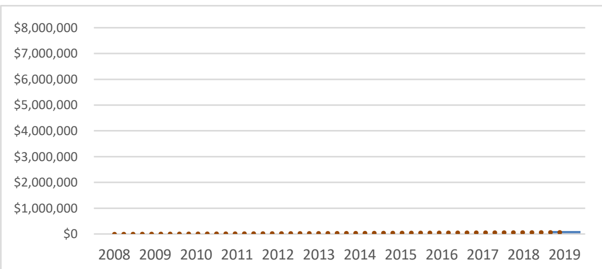
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds associated with the projects. After completing an update of the major thoroughfare plan, the City re-examined the structure of road impact fees which was approved in April 2011. Effective 7/1/2017, collections pertaining to collector roads within the 4 quadrants of Franklin may begin. This report will be updated to show those collections when they occur.

Coll Area 4 - Area north of New HIghway 96W, 5th Avenue North, Main Street and west of East Main Street and Franklin Road and within the corporate boundaries of the city.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is more, and compared to 2020 budget is less by 91.9%.

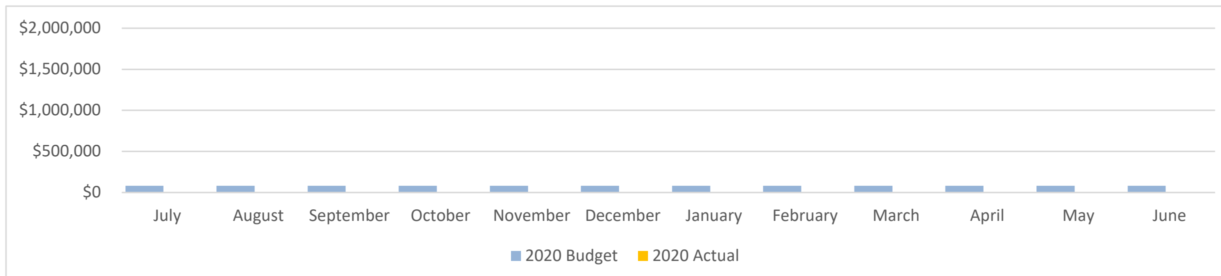
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	Breakdown between Quadrants began in FY 2019.		
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018	$0	$0	
2019	$115,817	$115,817	100.0%
Average Increase (Decrease)	$ 115,817		

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$0	$82,401	$6,680	$6,680	0.0%	($75,721)	-91.9%
August	$0	$82,401			0.0%		0.0%
September	$0	$82,401			0.0%		0.0%
October	$0	$82,401			0.0%		0.0%
November	$3,340	$82,401			0.0%		0.0%
December	$6,680	$82,401			0.0%		0.0%
January	$78,242	$82,401			0.0%		0.0%
February	$3,340	$82,401			0.0%		0.0%
March	$835	$82,401			0.0%		0.0%
April	$0	$82,401			0.0%		0.0%
May	$13,360	$82,401			0.0%		0.0%
June	$10,020	$82,401			0.0%		0.0%
	$115,817	**$988,809**	**$6,680**	**$6,680**	**#DIV/0!**	**($75,721)**	**-91.9%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$6,680		**($75,721)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

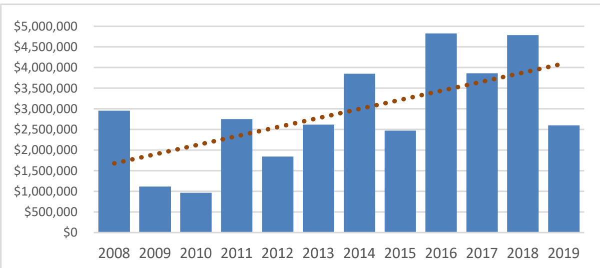
Schedule 4:	Facilities Tax (City)	Fund	Facilities Tax	Account:	130-31600-00000

Summary: A special revenue fund used to account for the proceeds authorized by a private act of the Tennessee General Assembly of 1987 for the City to levy and collect a privilege tax on new development to provide that new development contribute its fair share of providing new public facilities made necessary by growth. Such taxes may be expended ***only*** on police, fire, sanitation, and parks and recreation.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 18.4% more, and compared to 2020 budget is less by 17.8%.

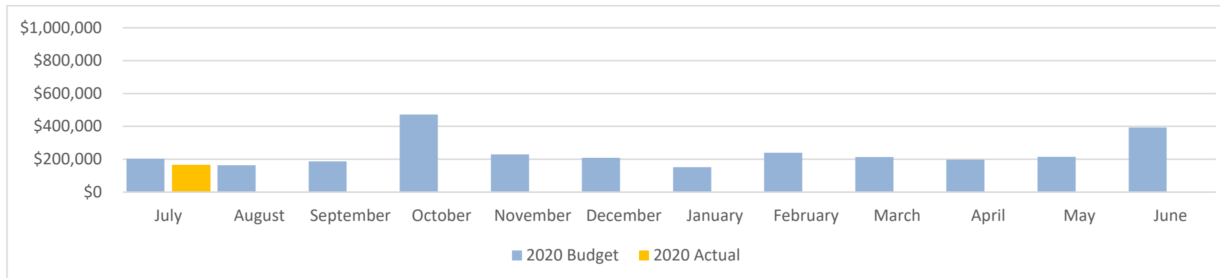
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	$2,956,284	$456,284	18.3%
2009	$1,115,914	($1,840,370)	-62.3%
2010	$963,748	($152,166)	-13.6%
2011	$2,748,927	$1,785,179	185.2%
2012	$1,845,690	($903,237)	-32.9%
2013	$2,617,339	$771,649	41.8%
2014	$3,848,783	$1,231,444	47.0%
2015	$2,468,473	($1,380,310)	-35.9%
2016	$4,827,968	$2,359,495	95.6%
2017	$3,864,453	($963,515)	-20.0%
2018	$4,788,042	$923,589	23.9%
2019	$2,598,810	($2,189,232)	-45.7%
Average Increase (Decrease)		**$8,234**	**16.8%**

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$140,513	$202,385	$166,390	$25,877	18.4%	($35,995)	-17.8%
August	$337,384	$163,437			0.0%		0.0%
September	$367,428	$186,681			0.0%		0.0%
October	$152,305	$472,682			0.0%		0.0%
November	$163,543	$229,808			0.0%		0.0%
December	$269,292	$209,430			0.0%		0.0%
January	$172,649	$152,455			0.0%		0.0%
February	$110,709	$239,792			0.0%		0.0%
March	$108,211	$213,053			0.0%		0.0%
April	$201,792	$197,174			0.0%		0.0%
May	$418,449	$215,084			0.0%		0.0%
June	$156,535	$393,019			0.0%		0.0%
	$2,598,810	**$2,875,000**	**$166,390**	**$25,877**	**18.4%**	**($35,995)**	**-17.8%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$25,877		**($35,995)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 5:	Facilities Tax (County)	Fund	Facilities Tax (County)	Account:	132-31600-00000

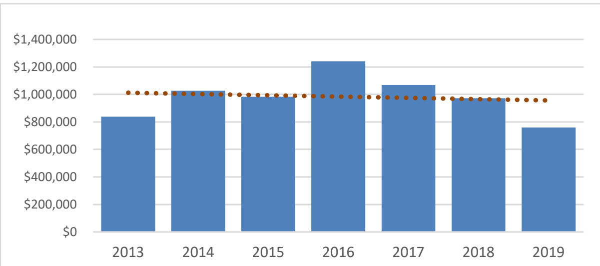
Summary: City's share of Williamson county's Adequate School Facilities Tax. 30% of the proceeds are distributed to the incorporated cities within the county, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used for the purpose of providing public facilities, the need for which is reasonably related to new development. The County uses 100% of its amount for public school purposes.

Monthly Report for September 2019: 2020 year-to-date compared to 2019 is 42.3% more, and compared to 2020 budget is 30.1% less.

Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

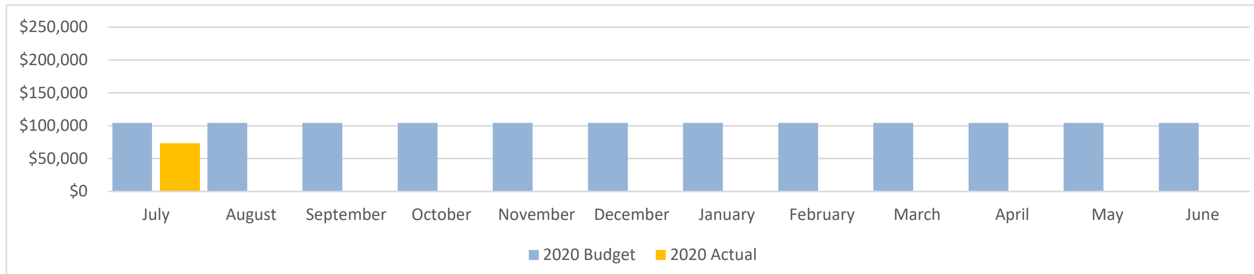
Note: Recorded in Capital Projects Fund beginning in FY 2011 (as per Resolution 2010-69). In June 2017, the County Facilities Tax Fund was created. Funds remaining in the Capital Projects Fund were transferred to the new fund.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2008	County Facilities Tax receipts began in FY 2012.		
2009			
2010			
2011			
2012	$672,961	$672,961	100.0%
2013	$838,523	$165,562	24.6%
2014	$1,026,933	$188,410	22.5%
2015	$982,605	($44,328)	-4.3%
2016	$1,241,241	$258,636	26.3%
2017	$1,068,030	($173,211)	-14.0%
2018	$971,814	($96,216)	-9.0%
2019	$759,873	($211,941)	-21.8%
Average Increase (Decrease)		$ 94,984	15.5%

FY19 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2020 Budget	% Inc./(Dec.) from 2020 Budget
July	$51,187	$104,167	$72,832	$21,644	42.3%	($31,335)	-30.1%
August	$79,084	$104,167			0.0%		0.0%
September	$68,790	$104,167			0.0%		0.0%
October	$43,831	$104,167			0.0%		0.0%
November	$69,138	$104,167			0.0%		0.0%
December	$45,344	$104,167			0.0%		0.0%
January	$47,808	$104,167			0.0%		0.0%
February	$74,888	$104,167			0.0%		0.0%
March	$56,458	$104,167			0.0%		0.0%
April	$77,232	$104,167			0.0%		0.0%
May	$74,164	$104,167			0.0%		0.0%
June	$71,947	$104,167			0.0%		0.0%
	$759,873	**$1,250,000**	**$72,832**	**$21,644**	**42.3%**	**($31,335)**	**-30.1%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$21,644		**($31,335)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

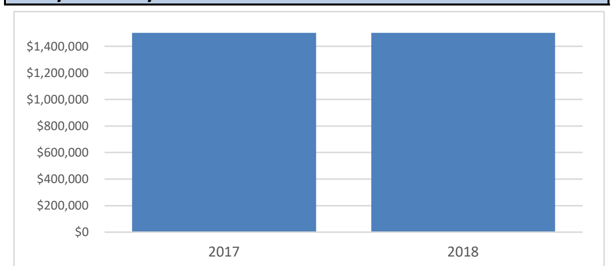
Schedule 6:	Gasoline Tax	Fund	Street Aid	Account:	121-33220-00000

Summary: As part of Street Aid Fund Revenues, the City receives a share of the state shared gasoline tax. Gas taxes increased effective July 1, 2017 as part of the IMPROVE Act to help fund state road projects. The tax increased by 4 cents on July 1, and will increase by 1 cent for each of the next two years. The tax on diesel will increase a total of 10 cents over the next 3 years.

Monthly Report for September 2019: The gasoline tax remittance from the State of Tennessee for June 2019 sales (received by the City in August 2019) was $222,579 compared to $215,037 for the same month in 2018, an increase of $7,542 or 3.5%.

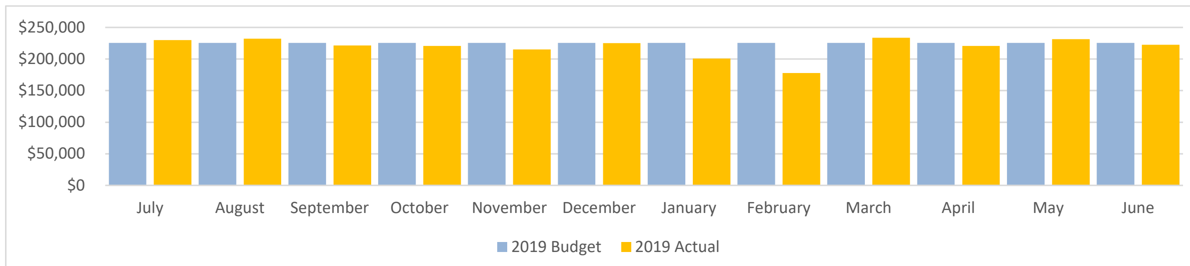
For budget comparisons, the City anticipated collections of $225,655 for June 2019, a difference of $3,076 less, or 1.4%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
	Increase in Gas Tax began July 2017.		
2016	$1,959,796		
2017	$1,971,070	$11,274	0.6%
2018	$2,520,503	$549,433	27.9%
Average Increase (Decrease)		**$ 280,354**	**14.2%**

FY19 Month by Month Summary



Month	2018 Actual	2019 Budget	2019 Actual	$ Inc./(Dec.) from 2018 Actual	% Inc./(Dec.) from 2018 Actual	$ Inc./(Dec.) from 2019 Budget	% Inc./(Dec.) from 2019 Budget
July	$214,667	$225,655	$229,765	$15,098	7.0%	$4,110	1.8%
August	$229,773	$225,655	$232,096	$2,323	1.0%	$6,441	2.9%
September	$224,891	$225,655	$221,623	($3,268)	-1.5%	($4,031)	-1.8%
October	$209,165	$225,655	$220,706	$11,541	5.5%	($4,948)	-2.2%
November	$204,013	$225,655	$215,260	$11,247	5.5%	($10,394)	-4.6%
December	$207,853	$225,655	$225,152	$17,299	8.3%	($502)	-0.2%
January	$183,474	$225,655	$200,580	$17,106	9.3%	($25,074)	-11.1%
February	$180,219	$225,655	$177,657	($2,562)	-1.4%	($47,997)	-21.3%
March	$214,223	$225,655	$233,543	$19,320	9.0%	$7,889	3.5%
April	$210,942	$225,655	$220,703	$9,761	4.6%	($4,951)	-2.2%
May	$226,246	$225,655	$231,331	$5,085	2.2%	$5,677	2.5%
June	$215,037	$225,655	$222,579	$7,542	3.5%	($3,076)	-1.4%
	$2,520,503	**$2,707,855**	**$2,630,997**	**$9,208**	**4.4%**	**($6,405)**	**-2.8%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$110,494		**($76,858)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

Schedule 7:	Conference Center Profit/(Loss)	Fund	Hotel/Motel	Account:	150-84910-47100

Summary: As part of Hotel/Motel, the City receives half of the profit/(loss) from the Conference Center.

Monthly Report for September 2019: The loss for July 2019 was $63,264 compared to a loss of $49,914 for the same month in 2019, a decrease of $13,350.

MONTHLY - Conference Center Financials Jul 18-Jun 19

	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Total
Gross Revenue	327,717												327,717
House Profit	(32,143)												(32,143)
Less: Fixed Expenses	77,998												77,998
Net Income	(11,141)												(11,141)
Less: FF&E Reserve 5%	16,386												16,386
Net Cash Flow	(126,527)												(126,527)
City 1/2	**(63,264)**	-	-	-	-	-	-	-	-	-	-	-	**(63,264)**

MONTHLY - Conference Center Financials Jul 17-Jun 18

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Total
Gross Revenue	492,195	612,483	723,636	1,041,368	751,123	619,487	623,067	795,028	399,232	547,902	686,968	571,951	7,864,440
House Profit	(55,739)	59,945	107,894	403,784	231,952	115,227	129,014	229,252	(12,067)	112,119	168,318	155,870	1,645,569
Less: Fixed Expenses	19,479	20,515	(11,327)	64,745	66,791	66,190	64,417	68,441	65,362	74,909	72,741	68,811	641,074
Net Income	(75,218)	39,433	117,014	339,039	165,161	49,037	64,597	160,811	(77,429)	37,210	95,577	87,059	1,002,291
Less: FF&E Reserve 5%	24,610	30,530	36,276	52,068	37,581	30,663	31,153	39,751	19,962	27,395	34,348	28,598	392,935
Net Cash Flow	(99,828)	8,903	80,738	286,971	127,580	18,374	33,444	121,060	(97,391)	9,815	61,229	58,461	609,356
City 1/2	**(49,914)**	**4,452**	**40,369**	**143,486**	**63,790**	**9,187**	**16,722**	**60,530**	**(48,696)**	**4,908**	**30,615**	**29,231**	**304,678**

MONTHLY Differences - Conference Center Financials

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
City 1/2 Difference	**(13,350)**											

City of Franklin Grants
for June 30, 2019
as of August 31, 2019

	Grant Name	Grant ID	Department	Department Contact	Start Date	Ending Date	Estimated Cost	Local	Grant Total	Reimbursable Amount Spent		Amount Reimbursed		Amount Requested		Amount Spent Not Yet Requested	Bal Remaining (Grant Total - Reimb Amt Spent)
1a	CBDG	B-13-MC-47-0014	BNS	Kathleen Sauseda	Prior Year	Prior Year	$246,747	$0	$246,747	$239,257	=	$239,257	+	$0	+	$0	$7,490
1b	CBDG	B-14-MC-47-0014	BNS	Kathleen Sauseda	Prior Year	Prior Year	$264,629	$0	$264,629	$178,608	=	$178,608	+	$0	+	$0	$86,021
1c	CBDG	B-15-MC-47-0014	BNS	Kathleen Sauseda	Prior Year	Prior Year	$274,706	$0	$274,706	$268,220	=	$268,220	+	$0	+	$0	$6,486
1d	CBDG	B-16-MC-47-0014	BNS	Kathleen Sauseda	Prior Year	Prior Year	$280,410	$0	$280,410	$277,410	=	$277,410	+	$0	+	$0	$3,000
1e	CBDG	B-17-MC-47-0014	BNS	Kathleen Sauseda	Prior Year	Prior Year	$263,690	$0	$263,690	$253,690	=	$253,690	+	$0	+	$0	$10,000
1f	CBDG	B-18-MC-47-0014	BNS	Kathleen Sauseda	7/1/2018	6/30/2019	$318,360	$0	$318,360	$185,908	=	$176,638	+	$9,270	+	$0	$132,452
2	Expansion of the City of Franklin's current ITS infrastructure network capabilities into areas with entensive congestion to include CCTV,DMS,Weather Communication and connect to TDOT and Brentwood systems	116144.00	Engineering	Adam Moser	9/30/2011	6/30/2020	$900,000	$180,000	$720,000	$135,410	=	$118,885	+	$9,241	+	$5,437	$584,590
3	Expansion of the City of Franklin's current ITS infrastructure network capabilities into areas with entensive congestion to include CCTV,DMS,Weather Communication and connect to TDOT and Brentwood systems	116144.01	Engineering	Adam Moser	9/30/2011	6/30/2020	$1,600,000	$320,000	$1,280,000	$306,557	=	$147,967	+	$9,381	+	$106,904	$973,443
4	SR-96 (Murfreesboro Rd) Traffic Signal Improvements	127913.00	Engineering	Adam Moser	TBD	TBD	$1,586,600	$0	$1,586,600	$0	=	$0	+	$0	+	$0	$1,586,600
5	SR-96 Multi-Use Trail	123098.00	Engineering	David Hodnett	10/3/2016	7/1/2021	$2,250,000	$450,000	$1,800,000	$0	=	$0	+	$0	+	$0	$1,800,000
6	McEwen Drive from Cool Springs Boulevard/Oxford Drive to SR-252 Franklin, Williamson County	125418.00	Engineering	David Hodnett	4/7/2017	1/31/2022	$27,078,800	$17,078,800	$10,000,000	$0	=	$0	+	$0	+	$0	$10,000,000
7	Safe Routes to School Project, Hunters Bend Elementary (SRTS)	118151.00	Engineering (SRTS)	Jonathan Marston	5/13/2013	5/12/2019	$680,609	$84,288	$596,322	$559,823	=	$559,823	+	$0	+	$0	$36,499
8	Mack Hatcher Parkway West, From S-96 West of Franklin to SR-106 (US-431) North of Franklin, Williamson County	101454.01	Engineering	Paul Holzen	7/5/2007	TBD	$19,172,004	$5,000,000	$14,172,004	$12,240,409	=	$10,498,406	+	$1,106,051	+	$635,952	$1,931,595
9	SR-6 (Columbia Ave) from SR-397 (Mack Hatcher Pkwy) to Downs Blvd **ONLY DESIGN**	121454.00	Engineering	William Banks	8/19/2015	10/30/2020	$21,000,000	$0	$21,000,000	$1,219,246	=	$1,137,332	+	$42,735	+	$39,179	$19,780,754
10	Gatlinburg Aid (Fire)	FEMA-DR-4293-TN	Fire	Joanne Finn	11/1/2016	12/31/2016	$31,161	$0	$31,161	$31,161	=	$0	+	$31,161	+	$0	$0
11	Florence Aid (Flood)	TEMA-1501-RR-8056	Fire	Joanne Finn	9/11/2018	9/25/2018	$89,497	$0	$89,497	$89,497	=	$44,748	+	$44,748	+	$0	$0
12	Florence Aid (Flood)	TEMA-1501-RR-8292	Fire	Joanne Finn	9/23/2018	10/9/2018	$2,924	$0	$2,924	$2,924	=	$0	+	$2,924	+	$0	$0
13	Sound Off with Home Fire Safety Patrol	N/A	Fire	Joanne Finn	8/22/2018	8/21/2019	$1,000	$0	$1,000	$1,000		$1,000	+	$0	+	$0	$0
14	TAEP Community Tree Planting	32510-02319	Parks	Alyssa Dillon	11/1/2018	4/30/2019	$13,050	$6,525	$6,525	$5,448	=	$5,448	+	$0	+	$0	$1,077
15	Acquistion of Spivey Tract		Parks	Alyssa Dillon	TBD	TBD	$637,500	$0	$637,500	$0	=	$0	+	$0	+	$0	$637,500
16	Hayes House Window Restoration	32701-03546	Planning	Amanda Rose	10/1/2018	9/30/2019	$37,000	$14,800	$22,200	$0	=	$0	+	$0	+	$0	$22,200
17	Hincheyville Historic District	P18AF00033	Planning	Amanda Rose	12/1/2018	9/30/2019	$10,000	$4,000	$6,000	$4,500	=	$0	+	$0	+	$4,500	$1,500
18	Governor's Highway Safety Office-Franklin Fight Against Impaired Driving	154AL-18-018	Police	Rachel Gober	10/1/2017	Closed as of 9/30/2018	$25,000	$0	$25,000	$6,615	=	$6,615	+	$0	+	$0	$18,385
19	Governor's Highway Safety Office-Network Coordinator	PT-18-23/402	Police	Rachel Gober	10/1/2017	Closed as of 9/30/2018	$20,000	$0	$20,000	$11,753	=	$11,753	+	$0	+	$0	$8,247
20	Governor's Highway Safety Office-Network Coordinator	PT-19-25/402	Police	Rachel Gober	10/1/2018	9/30/2019	$20,000	$0	$20,000	$1,197	=	$1,197	+	$0	+	$0	$18,803
20	Bulletproof Vest	2017BUBX17088745	Police	Will McCarville	7/1/2019	8/31/2019	$3,518	$0	$3,518	$3,518	=	$0	+	$3,518	+	$0	$0
21	Replacement Vehicle - PM- Planning & Equipment	TN-90-X328-00	Transit	Kelly Bair	10/1/2010	Closed as of 9/30/2018	$794,044	$79,404	$714,640	$685,590	=	$685,590	+	$0	+	$0	$29,050
22	Allocation for 5307 FY2012	TN-90-X352-00	Transit	Kelly Bair	10/1/2011	When spent	$2,142,668	$226,673	$1,915,995	$1,323,649	=	$1,323,649	+	$0	+	$0	$592,346
23	FY 14 5307 Allocation	TN-90-X384-00	Transit	Kelly Bair	7/1/2015	When spent	$1,905,681	$190,568	$1,715,113	$839,813	=	$839,813	+	$0	+	$0	$875,300
24	FY 16 5307 Allocation	TN-2017-020-00	Transit	Kelly Bair	7/1/2016	When spent	$1,641,088	$645,853	$995,235	$679,418	=	$678,118	+	$1,300	+	$0	$315,817
25	FY 2015 5339 - Capital Cost of Leasing	TN-2017-059-00	Transit	Kelly Bair	11/3/2017	9/30/2020	$125,000	$12,500	$112,500	$70,113	=	$69,778	+	$335	+	$0	$42,387
26	5307 FY Application	TN-2018-026-00	Transit	Kelly Bair	7/27/2018	3/29/2021	$1,633,236	$664,118	$969,118	$961,368	=	$961,368	+	$0	+	$0	$7,750
26	5307 FY Application	TN-2019-021-00	Transit	Kelly Bair	8/1/2019	3/30/2024	$2,137,012	$811,466	$1,325,546	$868,655	=	$835,397	+	$868,655	+	$0	$456,891
27	FY 2019 Urban Operating Assistance Program	Z-19-UROP06-00	Transit	Kelly Bair	7/1/2018	When spent	$266,900	$0	$266,900	$266,900	=	$266,900	+	$0	+	$0	$0
	TOTALS						**$87,452,834**	**$25,768,995**	**$61,683,839**	**$21,717,656**		**$19,587,611**		**$2,129,319**		**$791,972**	**$39,966,182**

	$0	($2,880)

Totals may not foot due to rounding

Harlinsdale Farm Trail and Bridge Project - Paul (Engineering) is still working on the grant agreement - as of 4/15/19

Mack Hatcher: The estimated cost above excludes $46,200,000.00 to be paid 100% by the state for construction and $1,250,000.00 will be paid by Westhaven. The total estimated cost is $66,622,004.00