City of Franklin

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

Meeting Agenda

Budget & Finance Committee

Thursday, January 9, 2020 **2:00 PM** **Board Room**

Call To Order

Approval of Minutes

1. 20-0028 Approval of Minutes from the November 21, 2019 Finance Committee Meeting.

2. 20-0009 Consideration Of Resolution 2019-132, A Resolution Authorizing The Use Of The Competitive Sealed Proposal Procurement Method For The Performance Of The Annual Financial Audit Of (1) The City Of Franklin And (2) The Cool Springs Conference Center In Accordance With The Laws And Requirements Of The State Of Tennessee, For The Finance Department. (Finance 1/09/20, 3-0)

Sponsors: Kristine Brock and Mike Lowe

Attachments: Res. 2019-132 competitive sealed proposals - annual audit 2019_Law Approve(

3. 19-1285 Report From State Comptroller On Fiscal Year 2018 Annual Financial Report. (Finance 1/9/20)

Sponsors: Kristine Brock and Mike Lowe

Attachments: Comptroller Review of 2018 Audit.pdf

4. 20-0011 Report From The State Comptroller On Fiscal Year 2020 Annual Budget. (Finance 1/9/20)

Sponsors: Kristine Brock and Michael Walters Young

Attachments: Franklin - 2020 Budget Approval.pdf

5. 20-0025 Revenue Forecast For The Fiscal Year 2020-2021 Budget. (Finance 1/9/20)

Sponsors: Eric Stuckey, Kristine Brock, Michael Walters Young and Holland Schellhase

Attachments: Revenue Presentation - 01092020 - ESS.pdf
FY 2021 Budget - Revenue Model - B&F - Jan 2020.pdf
2019.11.15SFBPacket.pdf

6. 20-0010 Financial Report For 1st Quarter Of FY 2020. (Finance 1/9/20)

Sponsors: Kristine Brock and Mike Lowe

Attachments: City of Franklin - 1st Quarter Report 2020.pdf

7. 19-1286 Monthly Finance Reports For January 2020. (Finance 1/9/20)

Sponsors: Eric Stuckey, Kristine Brock and Mike Lowe

Attachments: Monthly Reports - January 2020.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.

TENNESSEE COMPTROLLER OF THE TREASURY

JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

December 6, 2019

Honorable Mayor and Board
City of Franklin
109 Third Avenue South
Franklin, TN 37064

Honorable Mayor and Board:

I have reviewed the annual financial report on the City of Franklin for the fiscal year ended June 30, 2018, as audited by Crosslin, PLLC, Certified Public Accountants. As a result, this report has been filed as part of the public records of the State of Tennessee.

The audited financial statements are the responsibility of management. The following was observed during the review of the financial report.

The Notes to the Financial Statements disclosed the City added $1,343,241 of state revolving loan funds during the year. However, the financial report did not include this information on the Schedule of Expenditures of Federal Awards and/or State Financial Assistance. This funding should be included on the appropriate schedule as required by the *Audit Manual.* Please refer to the *Audit Manual* (June 2018 Edition), page A-18 and page APP.A-3 for guidance.

Responsible officials should ensure that future reports submitted to our office address the above item. If you need to contact our office, please call 615.747.8807 or email Bethany.Wilson@cot.tn.gov. You may also send a response to this letter to the Tennessee Comptroller of the Treasury Division of Local Government Audit, Cordell Hull Building, 4th Floor, 425 Fifth Avenue North, Nashville, TN 37243.

Sincerely,

Bethany Wilson

Bethany Wilson, CPA
Contract Audit Review Specialist

1683

cc: Crosslin, PLLC
Certified Public Accountants
3803 Bedford Avenue, Suite 103
Nashville, TN 37215

TENNESSEE COMPTROLLER OF THE TREASURY

JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

December 12, 2019

Honorable Dr. Ken Moore, Mayor
and Honorable Board of Aldermen
City of Franklin
109 Third Avenue South
Franklin, TN 37064

Dear Mayor Moore and Members of the Board:

This letter acknowledges receipt of a certified copy of the fiscal year 2020 budget.

We have reviewed the budget and have determined that projected revenues and other available funds are sufficient to meet anticipated expenditures. Our review of the budget is based solely on the information we have received and is for determining that the budget appears to be balanced. With regard to programs included in the budget such as education, roads, and corrections, we have not attempted to determine that the local government has complied with specific program statutes or guidelines, or with any financing requirements prescribed by any state or federal agency. A property tax rate may be included in this budget, and we would recommend that local government officials be certain that all program requirements have been met before initiating the tax collection process.

This letter constitutes approval, by this office, for the City's fiscal year 2020 budget as adopted by the City's governing body.

If you need further assistance, please contact your financial analyst, Lori Barnard, at 615.747.5347 or Lori.Barnard@cot.tn.gov. You may also contact our office by mail at the address located at the bottom of this page. Please send it to the attention of your analyst at the Office of State and Local Finance.

Sincerely,

Sandra Thompson
Director of the Office of State and Local Finance

FY 2021 Revenue Model

Preliminary Revenue Assessment

FY 2015-2019 Actual Revenues

FY 2020 Budget

FY 2021 Forecast

Outline

- Overview & Assumptions
- All Funds Summary
- General Fund Summary
- Select Category / Fund Breakouts

- General Fund (GF): Local Sales Tax
- GF: State Shared Taxes
- GF: Property Tax
- Street Aid Fund
- Sanitation Fund
- Road Impact Fund
- Other Development-Related Funds
- Hotel/Motel Tax Fund
- Debt Service
- Water & Sewer Fund

- Next Steps

Overview & Assumptions

-14 funds for which budgets are annually approved.

- Low, medium & high values presented.

- Preliminary Revenue Assessment is based on projections from Tennessee State Funding Board, historical performance & economic trends.

- January model is always *conservative* – future forecasts will be refined.

Overview & Assumptions

- Tennessee's economy closely matches the nation's economy, which is continuing the greatest period of economic expansion in history.

- Franklin's, Tennessee's, and the nation's unemployment rates continue to stay low.

- 2020 presents unique financial and political opportunities and challenges.

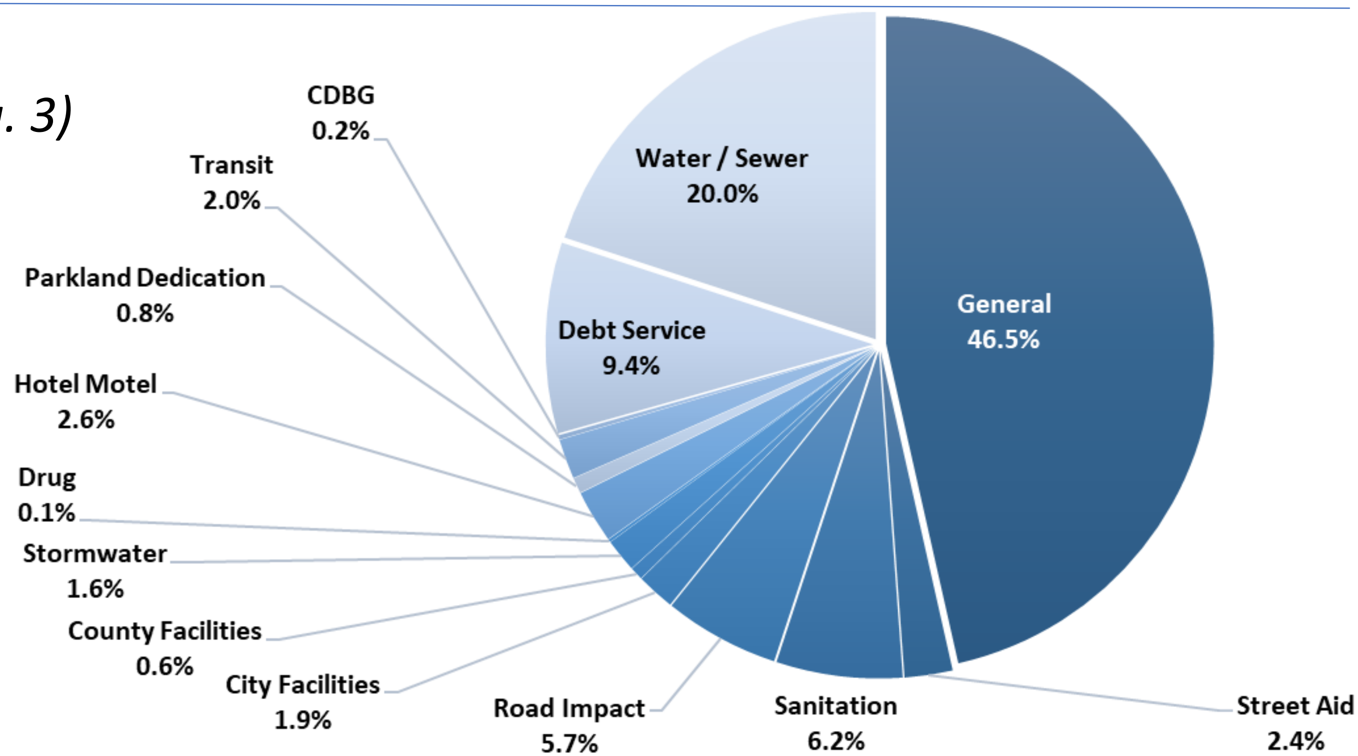
City of Franklin, Tennessee - FY 2021 Budget
Revenue Model

All Funds: *(pg. 3)*

FY 2021:
$162.9 M

FY 2020:
$164.2 M

Decrease:
($1,292,379)
or -0.8%



Largest Fund: General Fund (46.5%)
Smallest Funds: Drug Fund (0.1%)

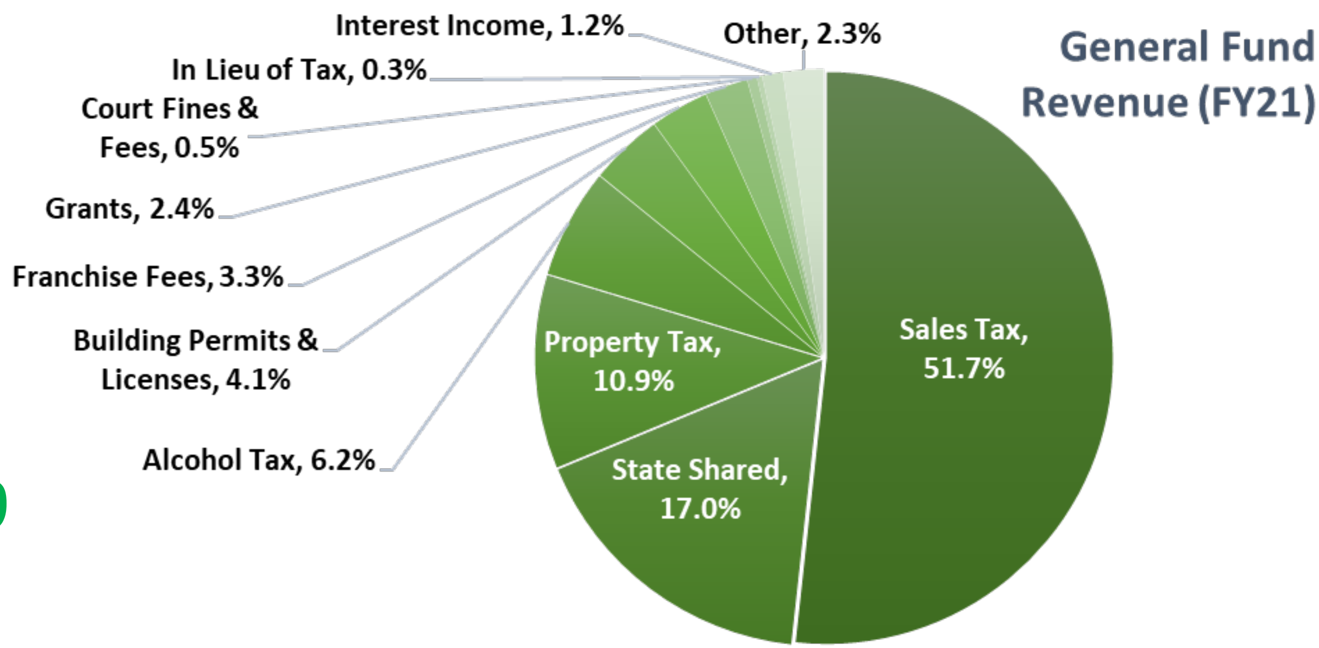
City of Franklin, Tennessee - FY 2021 Budget Revenue Model

General Fund: *(pg. 4)*

FY 2021:
$75.7 M

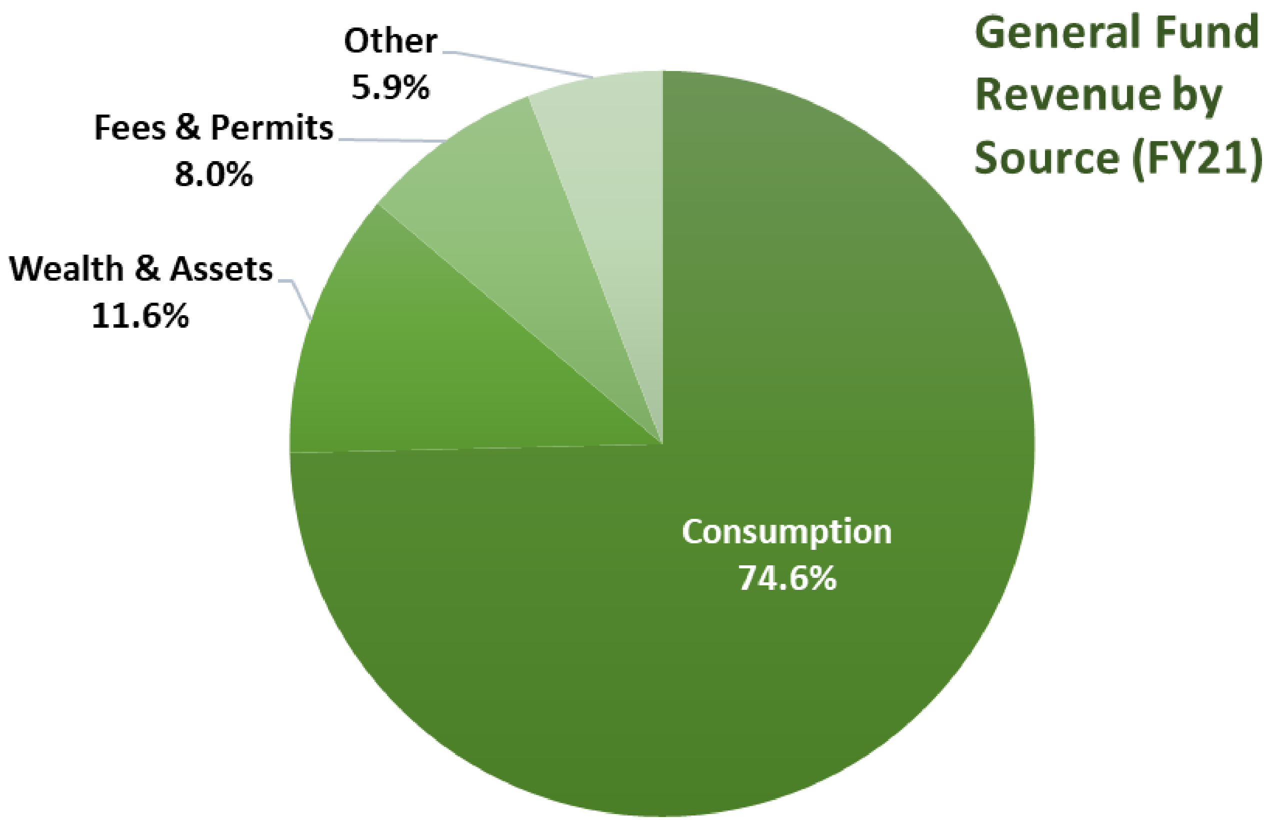
FY 2020:
$73.8 M

Increase:
$1,930,759
or 2.6%



This forecast has, as always, limited FY 2020 actual collections and very little fund balance assumed. This will change later in the budget process.

General Fund: Revenue by Source *(pg. 5)*



General Fund: Local Sales Tax *(pg. 6)*

FY 2021: $39.1 M FY 2020 Budget: $37.1M

FY 2020 *Estimated*: $37.2 M*

Increase: $2,049,233 (5.5%)

Forecast: Increase is based on two components:
- Historic 3.5% rate of growth assumed, similar to state forecast.
- Additional ½ of Local Sales Tax currently allocated to Williamson County beginning in April 2021. Staff has assumed for planning purposes ½ for operations and ½ for capital investments.

YTD 2020 Collections – on target for budget estimate.

based on only 4 months of actual collections.

Closer Focus: Local Sales Tax

- On average, there is a year-over-year 3.4% increase in sales tax over the past 25 years.
- FY19 compared to FY18 showed a growth of 5.9% year-over-year.
- The average growth rate for FY09 through FY19 was 4.2%.
- The State predicts a 3% to 4% increase in sales tax.
- The City of Franklin's local sales tax tends to mirror the State's sales tax revenue increase.
- Additional monthly add to revenues for portion of local sales tax currently going to Williamson County is $250,000/mo.

General Fund: State Shared *(pg. 7)*

FY 2021: $12.9 M FY 2020: $12.6 M

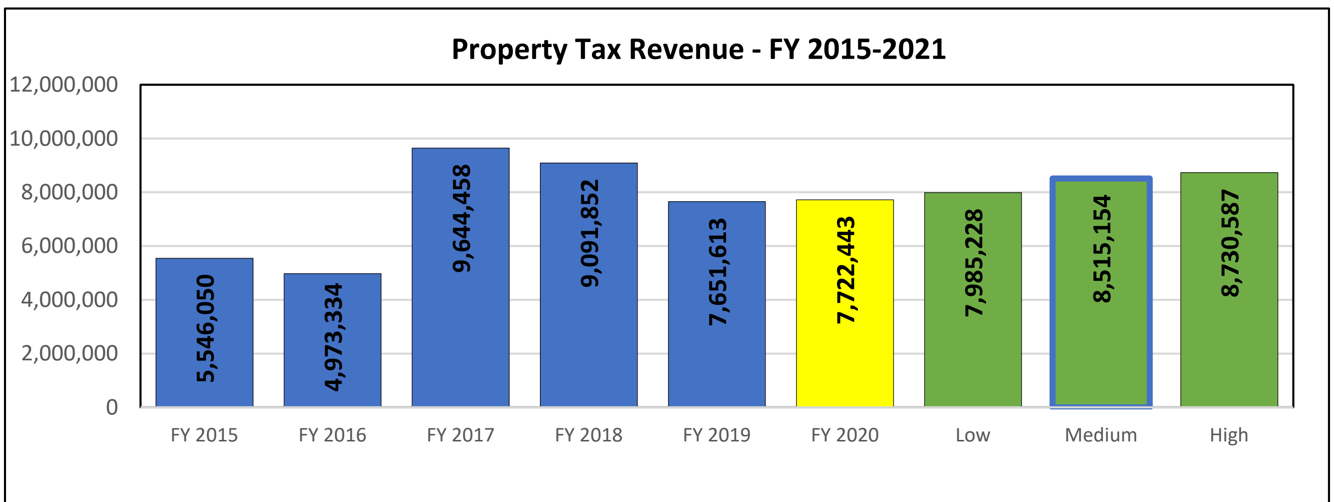
Increase: $192,874 or 1.52%

- Hall Income tax will decrease again.
- Hall Income Tax ceases to exist after FY 2021.

Tax Name	% Increase
Sales Tax (State)	3.5%
Beer Tax (State)	1%
State Excise Tax - BANK	4%
Business Tax Record Fee	2%
Business License (Local Share)	5%
Business Tax (State)	5%

General Fund: Property Tax *(pg. 8)*

FY 2021: $8.28 M FY 2020: $7.72 M
Increase: $554,248 or 7.18%
While no increase in the rate is assumed, a 3% growth in the overall tax levy (similar to prior years) is expected.

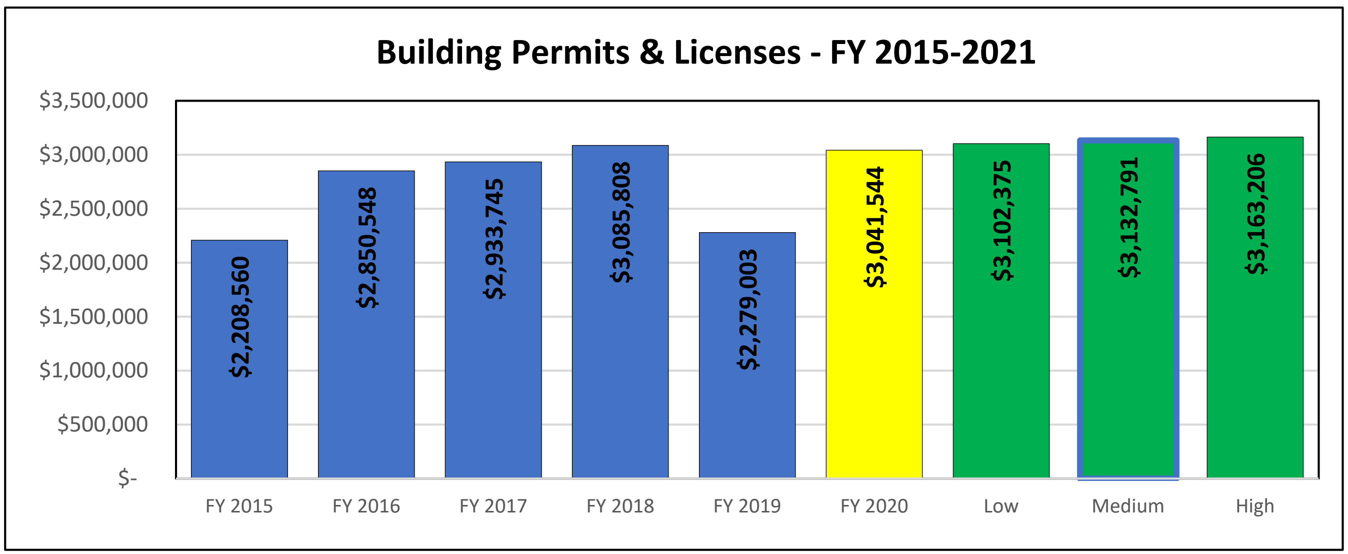


General Fund: Building Permits & Licenses *(pg. 10)*

FY 2021: $3.13 M FY 2020: $3.04 M

Increase: $91,247 or 3%

Forecast: Growth in permits & licenses is 3.0% above FY 2020 budget. May be adjusted downward if new building activity slows.

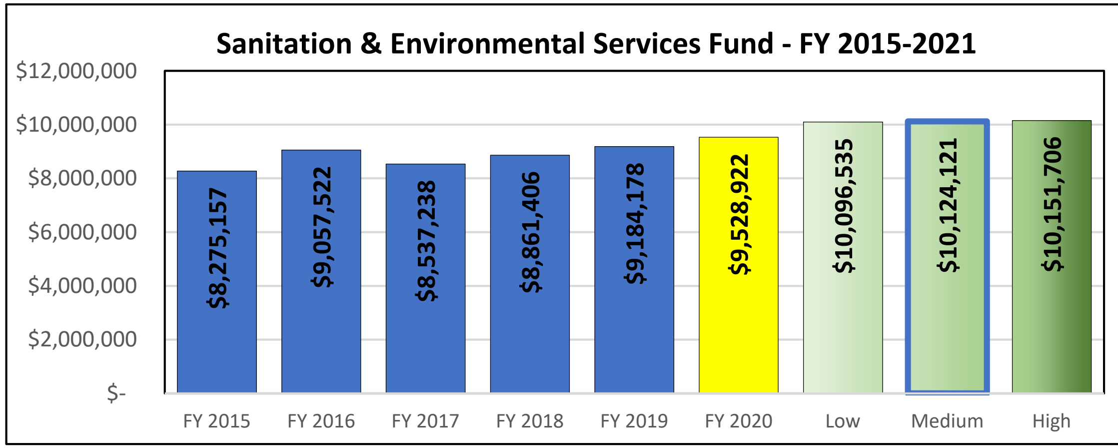


Sanitation Fund *(pg. 19)*

FY 2021: $10.09 M
FY 2020: $10.35 M

Decrease: ($205,165) or -2%

Forecast: 2% decrease overall over FY 2020 budget due to decrease in sale of surplus assets. Assumes NO subsidy from General Fund. Will be reexamined through budget process.



Development Related Funds

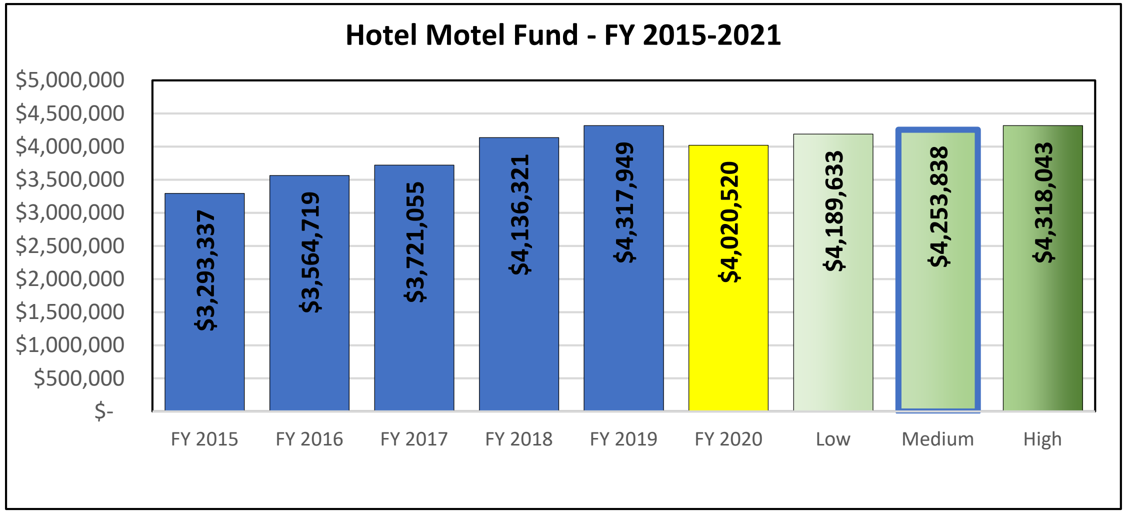
- **Funds include: Road Impact (pg. 20), City Facilities (pg. 21), County Facilities (pg. 22) and In Lieu of Parkland (pg. 26)**
- **All funds will either have no change or decrease in the next fiscal year between 0% and 22%. However, these are heavily dependent upon timing of new development. These forecasts could increase or decrease.**

Tax Fund Name	% Change
Road Impact	(7%)
City Facilities	0%
County Facilities	(19.8%)
In Lieu of Parkland	(21.6%)

Hotel/Motel Tax Fund *(pg. 25)*

FY 2021: $4.25 M
FY 2020: $4.02 M

Increase: $233,318 or 5.8%



Forecast: Rev/PAR, Occupancy Rates and the Average Daily Rate continue to be strong. FY 2018 higher than normal as a result of special audit. Although the FY 2020 budget is lower than FY 2019, we are forecasting a 5.8% increase over FY 2020 due to the average percent change from FY 2015 to FY 2019.

Water/Sewer Fund* *(pg. 30)*

FY 2021: $32.53 M FY 2020: $34.73 M

Decrease (budget over budget): ($1,028,928) or (3.2%) ***(but a 1.6% increase over FY 2019 actuals)***

Forecast: Rates are approved to increase by 2.9% for Water and 3.5% for Sewer for CY 2019 and again in CY 2020. These increases are consistent with the current five-year rate plan. Declines when compared to budget are the results of one time transfers for capital projects not repeating.

* *(operations only)*

Next Steps

- Departmental Budget Reviews will start in February and run through April.
- Revised revenue projections will accompany budget recommendations in May as well as a revised five-year forecast.

FY 2021 Revenue Forecast

Actual Data - FY 2015-2019

Budget - FY 2020

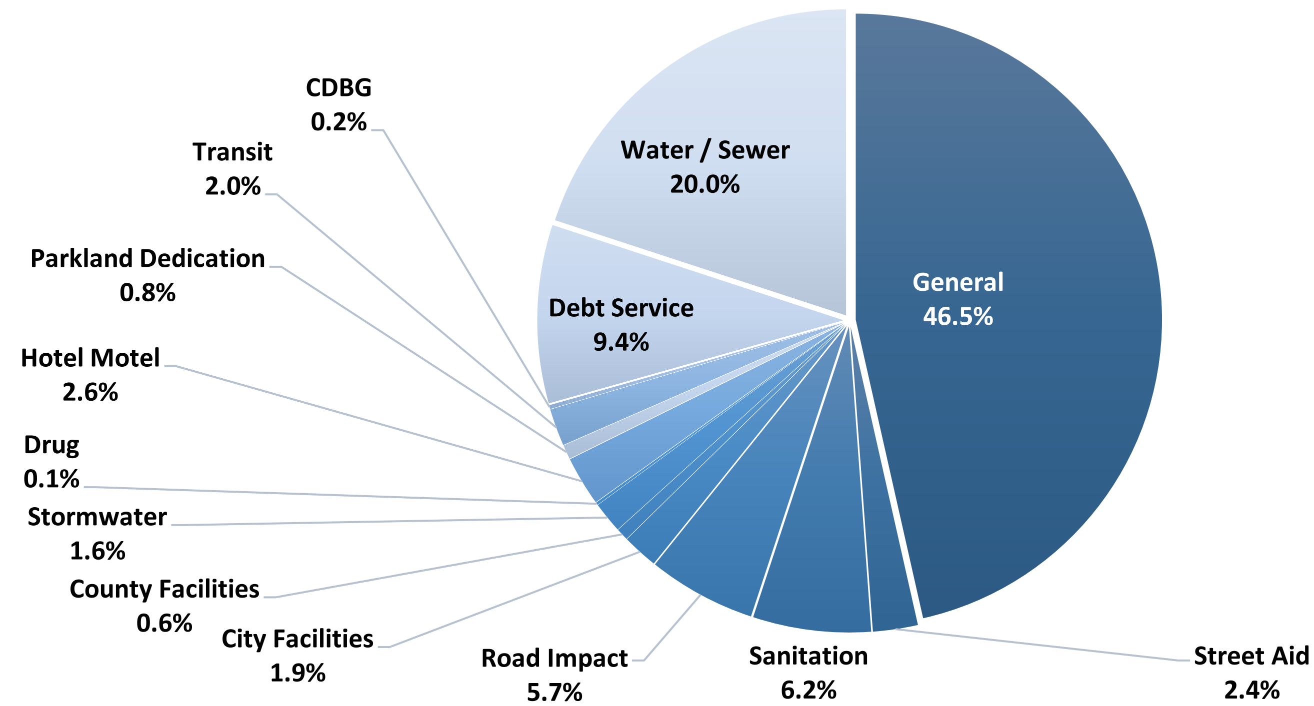
Forecast - FY 2021

Table of Contents

Summary (All Funds)

The City of Franklin funds it's operations through a variety of taxes, fees for service, fines and grants. This page shows the total amount of revenues - regardless of fund - proposed to support operations for the City of Franklin in Fiscal Year 2021.

Overall we are projecting **all funds revenues of $162.6, $1.3 Million (-0.8%)** more than the FY 2020 Budget. The largest fund**, the General Fund, is forecast to increase by $1,930,759 or 2.6%)** more than the FY 2020 Budget as a result of one-time transfers of fund balance not being repeated.



	Actual					Budget	FY 2021 Forecast			
	A	B	C	D	E	F	G	H	I	
Fund	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Low**	**Medium**	**High**	**FY 2021**
General	$ 57,489,269	$ 63,539,872	$ 66,489,417	$ 69,100,055	$ 72,704,419	$ 73,789,465	$ 73,957,640	$ 75,720,224	$ 76,728,902	46.5%
Street Aid	$ 2,396,417	$ 2,486,091	$ 2,928,796	$ 3,250,164	$ 3,637,421	$ 3,794,206	$ 3,821,826	$ 3,861,179	$ 3,900,532	2.4%
Sanitation	$ 8,275,157	$ 9,057,522	$ 8,537,238	$ 8,861,406	$ 9,357,230	$ 10,347,659	$ 10,041,069	$ 10,142,494	$ 10,243,918	6.2%
Road Impact	$ 3,358,555	$ 7,595,878	$ 7,217,613	$ 11,706,536	$ 8,411,765	$ 10,000,438	$ 6,987,500	$ 9,300,000	$ 11,625,000	5.7%
City Facilities	$ 2,482,412	$ 4,886,088	$ 3,850,553	$ 4,885,177	$ 3,123,798	$ 3,075,000	$ 2,768,836	$ 3,076,484	$ 3,384,133	1.9%
County Facilities	$ -	$ -	$ 3,488,072	$ 1,616,445	$ 904,441	$ 1,310,000	$ 945,000	$ 1,050,000	$ 1,155,000	0.6%
Stormwater	$ 2,673,347	$ 2,546,681	$ 2,590,187	$ 2,559,489	$ 2,710,760	$ 2,647,500	$ 2,642,129	$ 2,668,604	$ 2,695,079	1.6%
Drug	$ 214,483	$ 325,357	$ 147,740	$ 226,100	$ 129,156	$ 243,364	$ 211,526	$ 221,954	$ 232,383	0.1%
Hotel Motel	$ 3,293,337	$ 3,564,719	$ 3,721,055	$ 4,136,321	$ 4,317,949	$ 4,020,520	$ 4,189,633	$ 4,253,838	$ 4,318,043	2.6%
Parkland Dedication	$ 2,494,076	$ 1,931,890	$ 158,172	$ 2,062,394	$ 1,864,748	$ 1,575,000	$ 1,212,746	$ 1,235,455	$ 1,258,164	0.8%
Transit	$ 2,087,408	$ 1,873,659	$ 2,136,228	$ 2,528,988	$ 2,407,337	$ 3,144,560	$ 3,175,806	$ 3,207,453	$ 3,238,899	2.0%
CDBG	$ 448,200	$ 330,297	$ 231,452	$ 261,237	$ 384,606	$ 255,306	$ 321,955	$ 338,900	$ 389,735	0.2%
Debt Service	$ 12,050,577	$ 12,777,235	$ 12,981,946	$ 13,657,071	$ 40,568,210	$ 15,468,086	$ 15,344,015	$ 15,344,015	$ 15,344,015	9.4%
Water / Sewer	$ 25,086,788	$ 27,467,913	$ 28,624,641	$ 30,595,710	$ 32,010,519	$ 34,573,488	$ 32,374,907	$ 32,531,614	$ 32,706,949	20.0%
All Revenues	**$ 122,350,027**	**$ 138,383,204**	**$ 143,103,111**	**$ 155,447,094**	**$ 182,532,360**	**$ 164,244,593**	**$ 157,994,588**	**$ 162,952,214**	**$ 167,220,753**	**100.0%**
		(B-A)	*(C-B)*	*(D-C)*	*(E-D)*	*(F-E)*	*(G-F)*	*(H-F)*	*(I-F)*	
Change Year-over-Year	**$ 5,565,493**	**$ 16,033,177**	**$ 4,719,907**	**$ 12,343,983**	**$ 39,429,249**	**$ (18,287,766)**	**$ (6,250,005)**	**$ (1,292,379)**	**$ 2,976,160**	
	4.8%	**13.1%**	**3.4%**	**8.6%**	**27.6%**	**-10.0%**	**-3.8%**	**-0.8%**	**1.8%**	

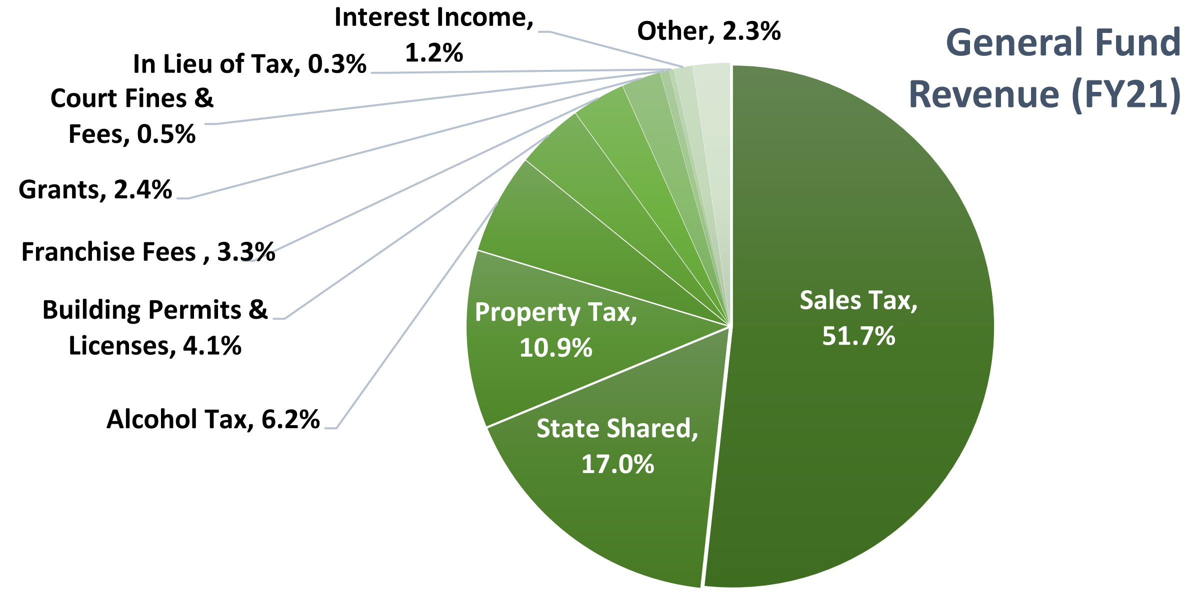
City of Franklin

Revenue Model

Summary (General Fund)	Percent of All Revenues	46.5%

The General Fund for the City of Franklin is the largest and most important of the City's 14 funds used for financing City services. Although it comprises nearly 50 individual revenue sources, this analysis focuses on the Top 10 revenue sources, which comprise nearly 99% of the total as of FY 2020.

For FY 2021, the preliminary general fund revenue forecast is a net increase of 2.6% over the FY 2020 budget. This is an increase of just over $1.9 million.



Top Ten Revenue Categories			Actual			Budget		FY 2021 Forecast	
	A	B	C	D	E	F	G	H	I
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
Category:	$ 28,943,994	$ 31,309,367	$ 32,694,269	$ 34,151,972	$ 36,168,175	$ 37,123,986	$ 38,802,084	$ 39,173,219	$ 39,544,564
State Shared	$ 12,796,277	$ 14,984,293	$ 12,988,735	$ 13,966,275	$ 14,648,230	$ 12,688,392	$ 12,355,574	$ 12,881,266	$ 12,965,702
Property Tax	$ 5,546,050	$ 4,973,334	$ 9,644,458	$ 9,091,852	$ 9,318,972	$ 7,722,443	$ 7,747,443	$ 8,276,691	$ 8,489,890
Alcohol Tax	$ 3,630,037	$ 3,926,711	$ 4,021,089	$ 4,200,284	$ 4,390,575	$ 4,486,292	$ 4,665,744	$ 4,688,175	$ 4,710,607
Building Permits & Licenses	$ 2,208,560	$ 2,850,548	$ 2,933,745	$ 3,085,808	$ 2,279,334	$ 3,041,544	$ 3,102,375	$ 3,132,791	$ 3,163,206
Franchise Fees	$ 2,462,903	$ 2,255,565	$ 2,230,782	$ 2,586,092	$ 2,566,246	$ 2,464,717	$ 2,470,538	$ 2,495,186	$ 2,519,833
Grants	$ 289,382	$ 1,612,487	$ 263,231	$ 464,319	$ 387,640	$ 1,829,190	$ 1,830,000	$ 1,830,000	$ 1,830,000
Court Fines & Fees	$ 586,479	$ 475,060	$ 518,823	$ 371,300	$ 370,159	$ 461,225	$ 392,694	$ 415,756	$ 438,817
In Lieu of Tax	$ 326,887	$ 326,438	$ 298,347	$ 260,607	$ 259,875	$ 228,202	$ 219,708	$ 221,990	$ 224,272
Interest Income	$ 145,098	$ 191,631	$ 108,152	$ 198,953	$ 1,229,262	$ 675,000	$ 675,000	$ 877,500	$ 1,080,000
Top Ten Revenue Sources	$ 56,935,668	$ 62,905,433	$ 65,701,631	$ 68,377,461	$ 71,618,469	$ 70,720,993	$ 72,261,160	$ 73,992,573	$ 74,966,890
Other	$ 553,601	$ 634,439	$ 787,787	$ 722,593	$ 1,085,952	$ 3,068,474	$ 1,696,480	$ 1,727,651	$ 1,762,012
Total General Fund Revenues	**$ 57,489,269**	**$ 63,539,872**	**$ 66,489,417**	**$ 69,100,055**	**$ 72,704,419**	**$ 73,789,465**	**$ 73,957,640**	**$ 75,720,224**	**$ 76,728,902**
		(B-A)	(C-B)	(D-C)	(E-D)	(F-E)	(G-F)	(H-F)	(I-F)
Change Year-over-Year	$ 570,765	$ 6,050,603	$ 2,949,545	$ 2,610,638	$ 9,164,547	$ 1,085,047	$ 168,175	$ 1,930,759	$ 2,939,437
	1.0%	10.5%	4.6%	3.9%	14.4%	1.5%	0.2%	2.6%	4.0%

City of Franklin

Revenue Model

Summary (General Fund)

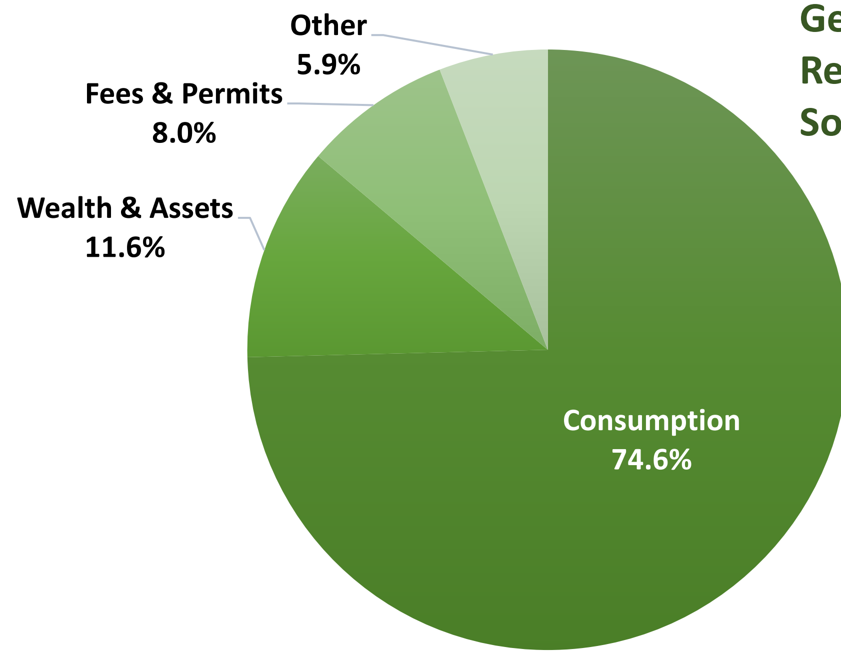
Percent of All Revenues | **46.5%**

The City of Franklin relies upon a variety of different sources to fund general operations, but essentially there are only four sources of revenue: taxes on consumption, taxes derived from wealth & assets, permitting & fees for services, and "Other."

The largest category are revenues derived from the consumption of goods and services. This source - taxes on retail sales and alcohol consumption - comprises over 3 of every 4 dollars the City receives for the General Fund. All other sources - wealth & assets (property & income taxes), fees & permits (proceeds from permits, fees & licenses recovered for City services provided), and other (in lieu of taxes, earned interest income, grants and miscellaneous revenue) - make up only 1 of every 4 dollars received. This heavy reliance on consumption taxes will increase with the gradual repeal of the Hall Income Tax, beginning in FY2017 and ending in FY2021.

Heavy dependency on consumption taxes places the City in a vulnerable position during downturns in the business cycle and economic retrenchments, such as the financial events of the 2007-2009 period. City revenue dropped by over 15% within twelve months, requiring extreme measures to continue critical services to the citizenry.

General Fund Revenue by Source (FY21)



Top Ten Revenue Categories

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Budget 2020	FY 2021 Forecast Low	FY 2021 Forecast Medium	FY 2021 Forecast High
Consumption	**$ 42,289,111**	**$ 45,726,797**	**$ 48,235,444**	**$ 50,672,408**	**$ 53,001,293**	**$ 53,798,670**	**$ 55,823,402**	$ 56,492,661	$ 56,720,873
Category:	$ 28,943,994	$ 31,309,367	$ 32,694,269	$ 34,151,972	$ 36,168,175	$ 37,123,986	**$ 38,802,084**	$ 39,173,219	$ 39,544,564
State Shared	$ 9,715,080	$ 10,490,719	$ 11,520,085	$ 12,320,152	$ 12,442,543	$ 12,188,392	**$ 12,355,574**	$ 12,631,266	$ 12,465,702
Alcohol Tax	$ 3,630,037	$ 3,926,711	$ 4,021,089	$ 4,200,284	$ 4,390,575	$ 4,486,292	**$ 4,665,744**	$ 4,688,175	$ 4,710,607
Wealth & Assets	**$ 8,954,134**	**$ 14,138,984**	**$ 11,411,454**	**$ 10,998,583**	**$ 11,784,534**	**$ 8,450,645**	**$ 7,967,150**	$ 8,748,681	$ 9,214,162
Property Tax	$ 5,546,050	$ 9,318,972	$ 9,644,458	$ 9,091,852	$ 9,318,972	$ 7,722,443	**$ 7,747,443**	$ 8,276,691	$ 8,489,890
Hall Income Tax	$ 3,081,197	$ 4,493,574	$ 1,468,649	$ 1,646,124	$ 2,205,687	$ 500,000	**$ -**	$ 250,000	$ 500,000
In Lieu of Tax	$ 326,887	$ 326,438	$ 298,347	$ 260,607	$ 259,875	$ 228,202	**$ 219,708**	$ 221,990	$ 224,272
Fees & Permits	**$ 5,257,943**	**$ 5,581,173**	**$ 5,683,349**	**$ 6,043,200**	**$ 5,215,739**	**$ 5,967,486**	**$ 5,965,608**	$ 6,043,732	$ 6,121,856
Category:	$ 2,462,903	$ 2,255,565	$ 2,230,782	$ 2,586,092	$ 2,566,246	$ 2,464,717	**$ 2,470,538**	$ 2,495,186	$ 2,519,833
Building Permits & Licenses	$ 2,208,560	$ 2,850,548	$ 2,933,745	$ 3,085,808	$ 2,279,334	$ 3,041,544	**$ 3,102,375**	$ 3,132,791	$ 3,163,206
Court Fines & Fees	$ 586,479	$ 475,060	$ 518,823	$ 371,300	$ 370,159	$ 461,225	**$ 392,694**	$ 415,756	$ 438,817
Other	**$ 988,081**	**$ 2,438,557**	**$ 1,159,171**	**$ 1,385,865**	**$ 2,702,854**	**$ 5,572,664**	**$ 4,201,480**	$ 4,435,151	$ 4,672,012
Grants	$ 289,382	$ 1,612,487	$ 263,231	$ 464,319	$ 387,640	$ 1,829,190	**$ 1,830,000**	$ 1,830,000	$ 1,830,000
Interest Income	$ 145,098	$ 191,631	$ 108,152	$ 198,953	$ 1,229,262	$ 675,000	**$ 675,000**	$ 877,500	$ 1,080,000
Other	$ 553,601	$ 634,439	$ 787,787	$ 722,593	$ 1,085,952	$ 3,068,474	**$ 1,696,480**	$ 1,727,651	$ 1,762,012
Total General Fund Revenues	**$ 57,489,269**	**$ 67,885,510**	**$ 66,489,417**	**$ 69,100,055**	**$ 72,704,419**	**$ 73,789,465**	**$ 73,957,640**	**$ 75,720,224**	**$ 76,728,902**

City of Franklin

Revenue Model

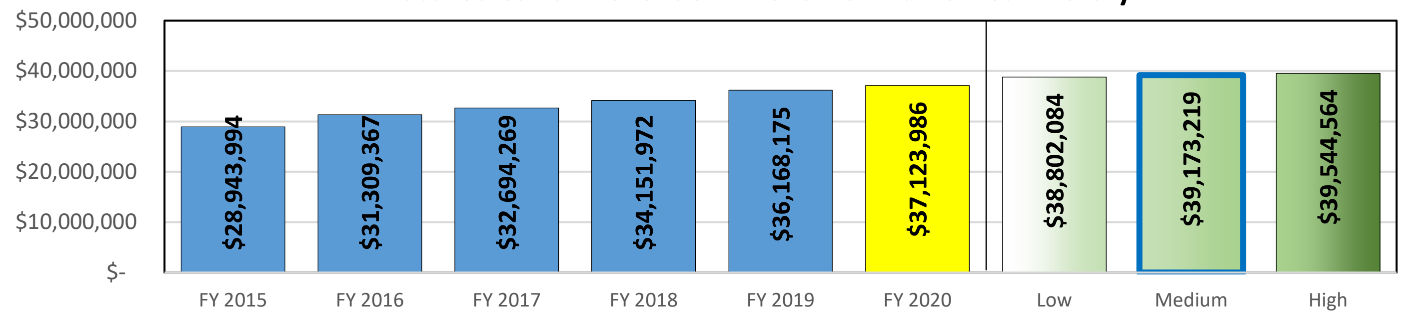
Fund:	General Fund	Category:	Local Sales Tax	Percent of Total General Fund Revenues	51.7%

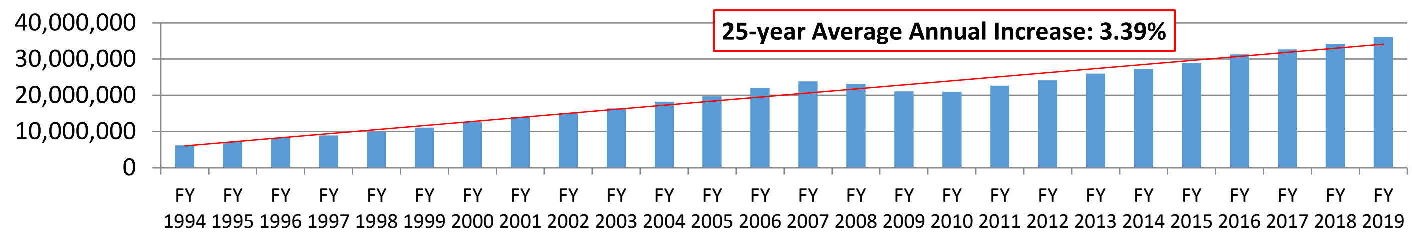
Local Sales Tax is the City's primary revenue source. Roughly half of our General Fund revenue comes from this source. In addition to the State-imposed 7% sales tax, the City has a 2.75% local sales tax, which is at the maximum allowed by State law. Local sales tax revenue is shared equally with education, which is provided by Williamson County Schools and the Franklin Special School District.

At this time, we are forecasting a base increase of 3.5%. This is nominally a little above our 25-year historic average or 3.39%, but the State of Tennessee Funding Board is forecasting statewide growth between 3-4% again for FY 2021. Given slightly lower than expected growth rates so far in FY 2020, this projection is bound to be revised by May.

In addition to normal growth, we are accoutning for an increase of Sales Tax beginning in April 2021, (***shaded in blue***) when the portion of Sales Tax currently going to Williamson County will return to the City.

Local Sales Tax Revenue FY 2015-2021 & 25-Year History





	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	6.2%	8.2%	4.4%	4.5%	5.9%	2.6%	2.50%	3.50%	4.50%	3-yr Average
July	2,288,457	2,477,647	2,546,087	2,735,435	2,811,663	2,944,419	3,018,029	3,047,473	3,076,918	$ 34,338,139
August	2,296,081	2,420,111	2,547,776	2,739,864	2,848,326	3,016,301	3,091,708	3,121,871	3,152,034	2.7%
September	2,374,572	2,571,550	2,817,429	2,748,694	2,933,410	2,958,586	3,032,550	3,062,031	3,091,722	5-Yr Average
October	2,327,026	2,485,463	2,616,784	2,699,861	3,068,712	2,906,130	2,978,784	3,007,845	3,036,906	$ 32,653,555
November	2,399,941	2,579,786	2,666,949	2,934,718	3,026,420	3,158,930	3,237,904	3,269,493	3,301,082	2.7%
December	3,345,840	3,752,983	3,870,492	3,902,304	3,865,896	4,200,440	4,305,451	4,347,455	4,389,460	10-Yr Average
January	2,079,072	2,151,378	2,338,924	2,503,594	2,682,263	2,694,869	2,762,240	2,789,189	2,816,138	$ 28,440,615
February	1,900,628	2,181,227	2,186,682	2,315,764	2,622,735	2,492,689	2,555,006	2,579,933	2,604,860	3.1%
March	2,479,918	2,689,471	2,812,649	2,938,636	3,060,153	3,226,262	3,306,918	3,339,181	3,371,443	20-Yr Average
April	2,410,499	2,611,014	2,798,951	2,804,121	3,034,501	3,210,927	3,541,200	3,573,310	3,605,419	$ 23,543,886
May	2,489,724	2,559,116	2,651,184	2,864,887	3,064,704	3,045,508	3,371,646	3,402,101	3,432,556	2.9%
June	2,552,236	2,829,621	2,840,361	2,964,094	3,149,391	3,268,925	3,600,648	3,633,337	3,666,026	
Totals	$ 28,943,994	$ 31,309,367	$ 32,694,269	$ 34,151,972	$ 36,168,175	$ 37,123,986	$ 38,802,084	$ 39,173,219	$ 39,544,564	

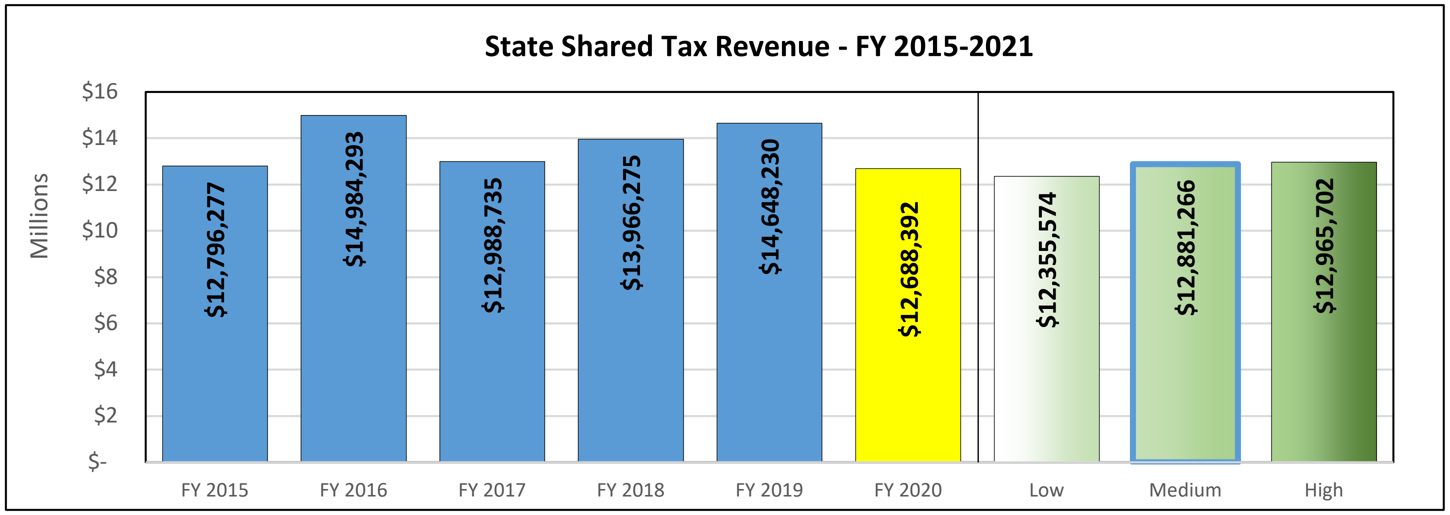
Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin
Revenue Model

Fund:	General Fund	Category:	State Shared	Percent of Total General Fund Revenues	16.7%

State Shared Taxes: We receive significant revenue from the State in the form of shared taxes with distribution based primarily on population. The major sources are from the Sales Tax, Business Tax, and TVA in Lieu Of Tax. These are sent to us monthly or quarterly around the 20th except for the Income tax (annual) and the Excise Tax which are semi-annual remittances.

The forecast for 2021 assumes a 1.52% increase overall. Most categories will increase - (based on composite projections from state economists and the Department of Revenue) - Sales Tax will increase by 3.5%, Beer tax will increase by 1%, State Excise Tax will increase 4%, Business Tax Record Fees will increase by 2% and Business License and Business tax will increase by 5%. Income tax will decrease for the last time, as the Hall Income Tax ceases to exist after FY 2021.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	19.8%	17.1%	-13.3%	7.5%	4.9%	-13.4%	-2.62%	1.52%	2.19%
Sales Tax (State)	5,033,141	5,373,890	5,505,573	6,066,018	6,308,464	6,101,430	6,284,472	6,314,980	6,345,487
Beer Tax (State)	31,743	32,407	32,046	33,080	47,859	38,479	38,479	38,864	39,249
State Excise Tax - BANK	115,165	152,620	230,531	213,295	254,236	256,829	264,534	267,102	269,670
In Lieu of Tax (TVA)	769,381	778,995	748,991	804,202	839,835	834,432	842,776	851,120	859,464
Business License (Local Share)	13,456	13,250	12,150	12,840	11,585	13,308	11,977	12,643	13,308
Transient/Peddlar Bus. License	2,448	452	180	5,952	7,242	300	300	300	300
Business Tax (State)	3,410,424	3,762,344	4,537,922	4,739,599	4,515,866	4,498,754	4,498,755	4,723,692	4,498,756
Income Tax (State)	3,081,197	4,493,574	1,468,649	1,646,124	2,205,687	500,000	-	250,000	500,000
Business Tax Record Fee - State	339,322	376,761	452,693	445,166	457,457	444,860	414,280	422,565	439,468
Totals	$ 12,796,277	$ 14,984,293	$ 12,988,735	$ 13,966,275	$ 14,648,230	$ 12,688,392	$ 12,355,574	$ 12,881,266	$ 12,965,702

Averages
3-yr Average
$ 13,867,747
-2.8%
5-Yr Average
$ 13,876,762
-1.7%
10-Yr Average
$ 11,212,221
1.3%
20-Yr Average
$ 7,672,669
3.3%

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin

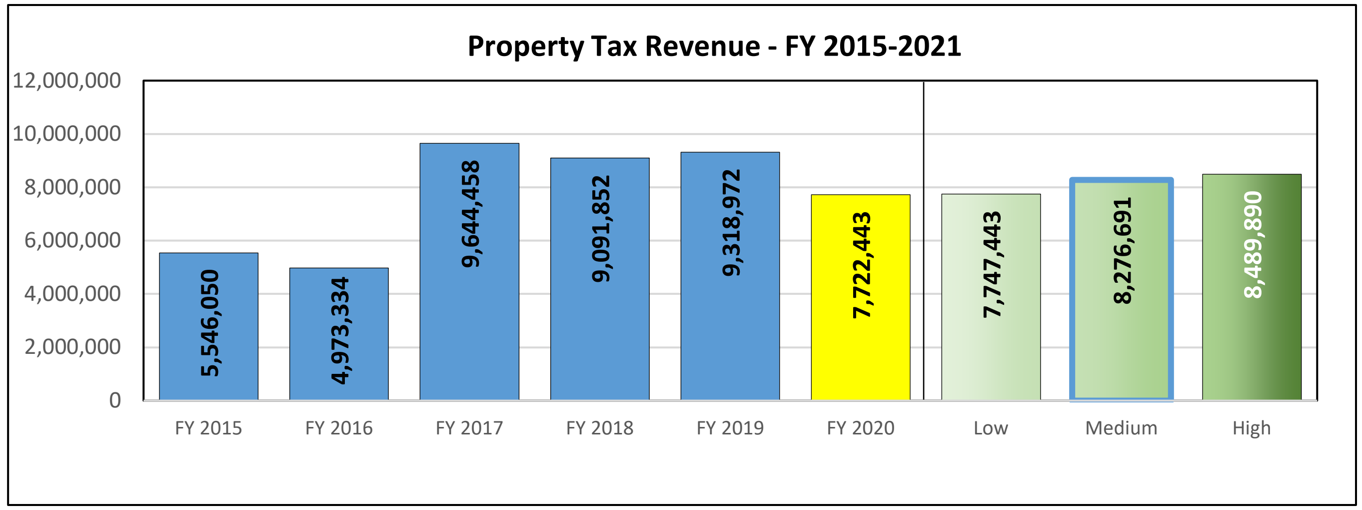
Revenue Model

Fund:	General Fund	Category:	Property Tax	Percent of Total General Fund Revenues	10.9%

Property Tax: Citizens of Franklin pay property tax to two entities - the City of Franklin and Williamson County. Bills are issued on October 1st and are due by February 28th without penalty / interest. Historically, about 80% of property taxes are collected in December and February. The County collects property tax for the City.

The FY 2021 Forecast assumes healthy growth over 2020 due primarily to growth in the 2019 assessed tax rolls.

Re-appraisal will occur in FY 2021 and will impact property taxes in FY 2022.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	-11.5%	-10.3%	93.9%	-5.7%	2.5%	-17.1%	0.32%	7.18%	9.94%	
Property Taxes	13,742,347	14,582,590	19,203,126	20,126,690	20,834,771	21,459,822	21,688,376	22,339,027	22,772,795	3-yr Average
Less: Due to IDB	(1,041,403)	(1,195,813)	(1,634,784)	(2,003,609)	(2,111,720)	(2,400,000)	(2,400,000)	(2,500,000)	(2,700,000)	$ 9,351,761
Less: Debt Service Fund	(6,350,472)	(7,338,632)	(6,710,855)	(8,505,949)	(8,661,198)	(10,704,090)	(10,927,504)	(10,927,504)	(10,927,504)	-5.8%
Less: Unavailable Revenue (uncollected at year-end)	(153,193)	(272,814)	(190,059)	(231,247)	(249,928)	(206,000)	(200,000)	(206,000)	(216,300)	5-Yr Average
Less: Capital Projects Set-Aside	(508,038)	(526,008)	(623,685)	-	-	-	-	-	-	$ 7,714,933
Less: Street Aid Set-Aside	(508,038)	(526,008)	(623,685)	(722,941)	(748,375)	(774,694)	(774,694)	(797,935)	(813,429)	0.0%
Less: *Invest* **Franklin***	-	-	-	-	-	-	-	-	-	10-Yr Average
Pickups (primarily RR and Public Utility)	265,202	132,392	224,400	428,908	255,422	255,642	261,265	269,103	274,328	$ 7,222,638
Plus: Prior Year Collections	99,645	117,627				91,763	100,000	100,000	100,000	1.4%
Totals	5,546,050	4,973,334	9,644,458	9,091,852	9,318,972	7,722,443	7,747,443	8,276,691	8,489,890	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

***Invest Franklin Update:** Of $9,318,972 total collected in the General Fund for Property Taxes in FY 2019, $3,492,418 was collected as the 7 cents dedicated to the Invest Franklin Initiative passed in FY 2017. Of this $3,492,418, $250,000 was spent on year two of the Sidewalk Gap project and $1,647,976 was used to service debt, leaving $1,594,442 available in the future for other capital projects. Through FY 2019, **$6,159,077** is available in cash fund balance from the Invest Franklin initative and can be spent on any capital project.*

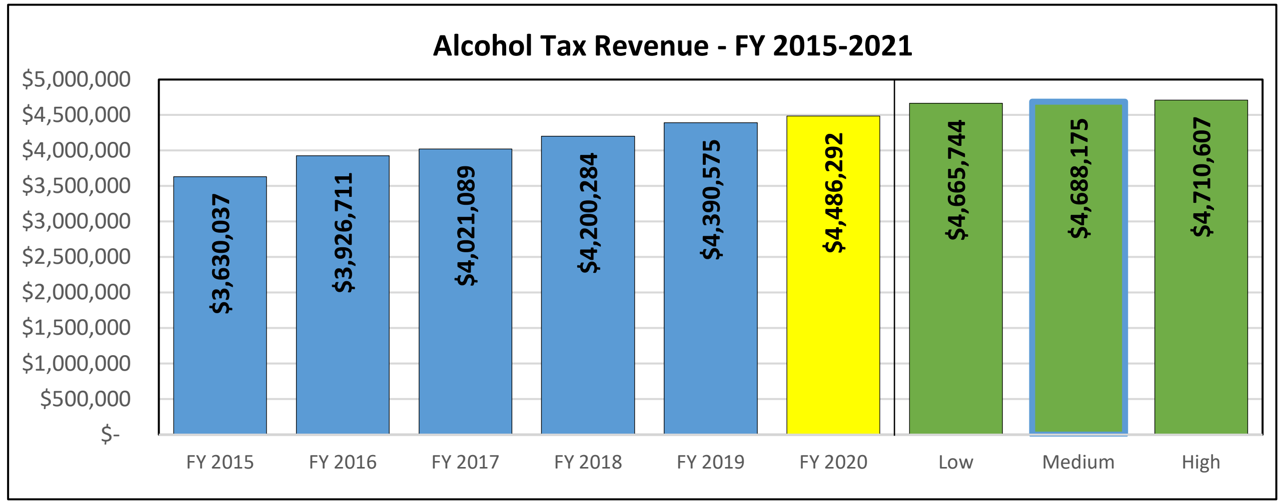
City of Franklin

Revenue Model

Fund:	General Fund	Category:	Alcohol Tax	Percent of Total General Fund Revenues	6.2%

Alcohol taxes (local): We receive wholesale beer/liquor revenue from distributors (these are not located locally) and privilege taxes from local businesses each month. This revenue comes in about the 20th of each month and is fairly consistent across the Fiscal Year, with a slight falloff during the winter months.

Alcohol taxes are projected to increase, on average, by 4.5%.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	7.6%	8.2%	2.4%	4.5%	4.5%	2.2%	4.0%	4.5%	5.0%	
Beer Tax - Wholesale	1,544,139	1,612,550	1,655,448	1,691,204	1,556,121	1,751,244	1,821,294	1,830,050	1,838,806	3-yr Average
Beer Privilege Tax (Renewal)	21,660	23,706	23,306	23,049	107,282	24,260	25,230	25,352	25,473	$ 4,203,983
Liquor Tax - Wholesale	1,190,758	1,349,136	1,343,791	1,400,552	1,487,062	1,525,649	1,586,675	1,594,303	1,601,931	2.2%
Liquor Privilege Tax	90,800	94,605	103,800	92,541	91,759	116,190	120,837	121,418	121,999	5-Yr Average
Mixed Drink Tax	782,681	846,714	894,745	992,939	1,148,352	1,068,950	1,111,708	1,117,052	1,122,397	$ 4,033,739
										2.2%
										10-Yr Average
										$ 3,549,820
										2.6%
										20-Yr Average
										$ 2,808,172
										3.0%
Totals	$ 3,630,037	$ 3,926,711	$ 4,021,089	$ 4,200,284	$ 4,390,575	$ 4,486,292	$ 4,665,744	$ 4,688,175	$ 4,710,607	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

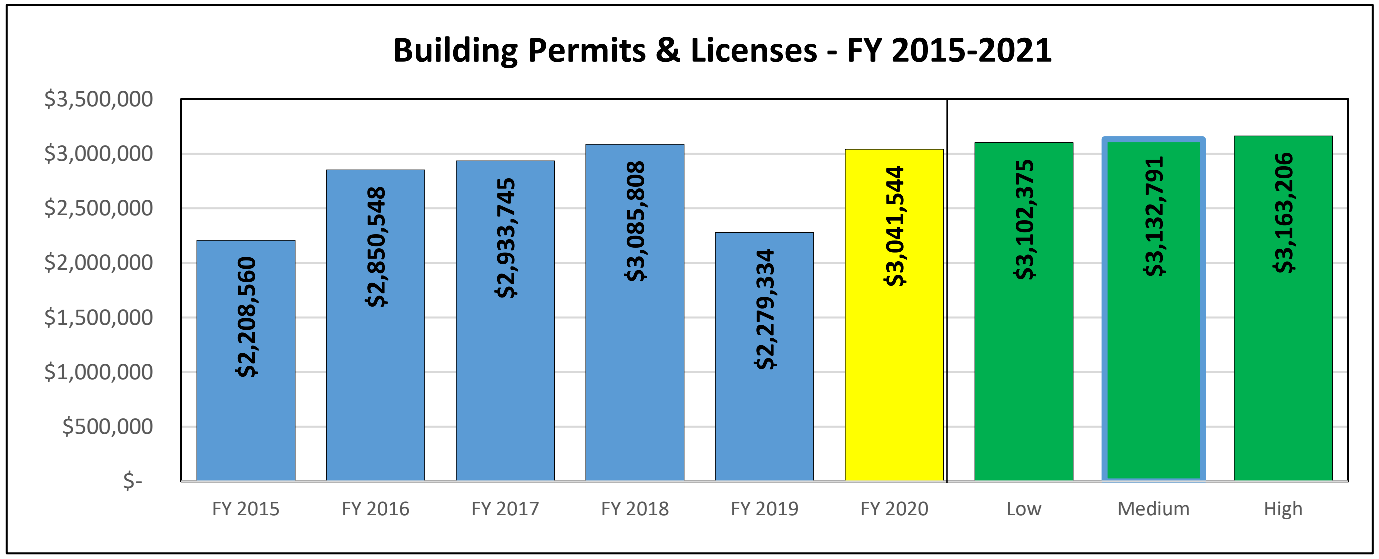
City of Franklin

Revenue Model

Fund:	General Fund	Category:	Building Permits & Licenses	Percent of Total General Fund Revenues	4.1%

Building Permits & Licenses: 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. The fees in this group include building permits, electrical inspections, mechanical permits, plumbing permits, plans review fees, sign permits, reinspection fees, mechanical licenses, grading permits, plumbing license, consultant fees, cafe fees, and tree cutting permits.

The overall forecast is set to increase by 3%, less the elimination of Traffic Impact Study Fees which are accounted for elsewhere in the General Fund. Also, there is a significant decrease in FY 2019 due to a decrease in building perments and grading permits revenue.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	5.7%	29.1%	2.9%	5.2%	-26.1%	33.4%	2.0%	3.0%	4.0%	
Mechanical License	3,877	6,939	2,931	5,400	6,087	3,282	3,348	3,380	3,413	3-yr Average
Mechanical Permits	138,384	94,346	87,549	112,051	122,624	127,661	130,214	131,491	132,767	$ 2,766,296
Building Permits	1,426,188	2,136,322	2,153,262	2,339,364	1,548,109	1,876,250	1,913,775	1,932,538	1,951,300	3.3%
Technology Fee	44,129	88,690	80,630	69,230	63,510	85,663	87,376	88,233	89,090	5-Yr Average
Plumbing License	3,025	2,875	3,359	475	-	3,388	3,456	3,490	3,524	$ 2,671,599
Plumbing Permits	94,177	69,760	58,624	73,884	87,336	114,080	116,361	117,502	118,643	2.8%
Electrical Inspections	237,101	279,828	239,084	276,013	249,847	285,023	290,723	293,573	296,424	10-Yr Average
Planning Fees (Plans Review)	43,335	33,595	33,049	38,323	78,136	54,379	55,467	56,010	56,554	$ 2,074,457
Consultant Fees	2,100	-	-	-	-	-	-	-	-	4.7%
Reinspection Fees	13,400	12,850	16,963	14,300	17,200	16,916	17,254	17,423	17,593	20-Yr Average
Sign Permits	10,946	10,420	8,966	9,759	11,246	9,813	10,009	10,107	10,206	$ 1,767,120
Café Fees	-	75	450	-	-	1,176	1,200	1,211	1,223	3.6%
Tree Cutting Permits	-	75	50	120	25	118	120	122	123	
Grading Permits	-	82,066	95,668	114,327	-	366,123	373,445	377,107	380,768	
ROW Permit/Inspect			40,374	-	420	-	-	-	-	
Roadway Inspections	191,898	32,707	112,786	32,562	94,794	97,673	99,626	100,603	101,580	
Traffic Impact Study Fees	-	-	-	-	0	0	-	-	-	
Totals	**$ 2,208,560**	**$ 2,850,548**	**$ 2,933,745**	**$ 3,085,808**	**$ 2,279,334**	**$ 3,041,544**	**$ 3,102,375**	**$ 3,132,791**	**$ 3,163,206**	

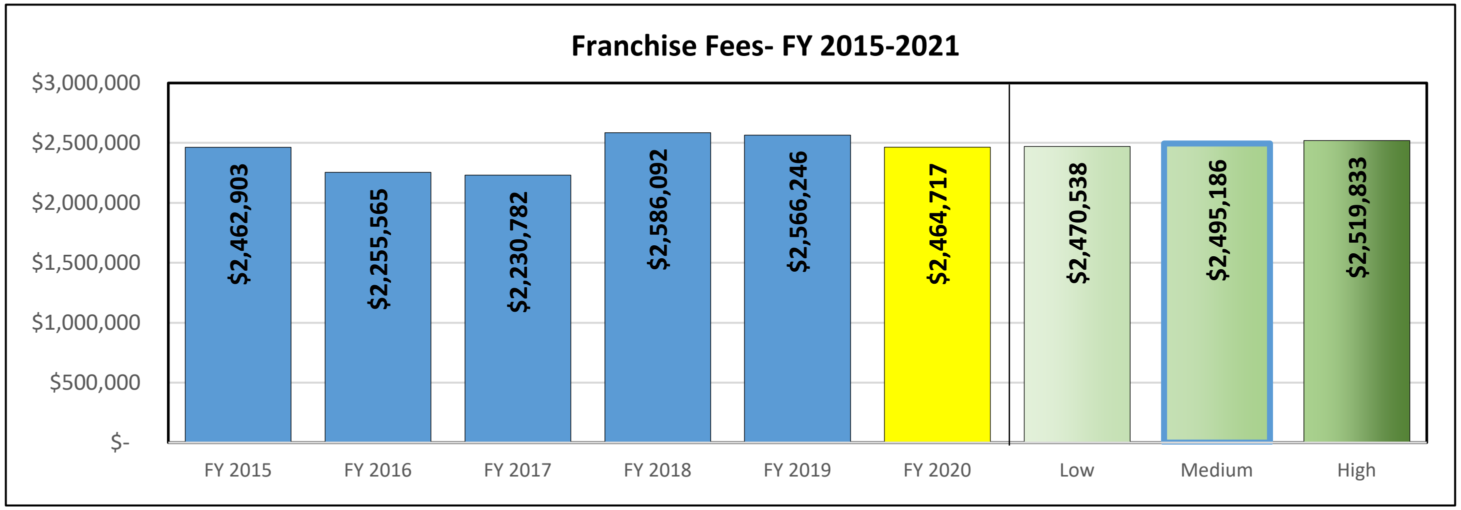
Source: City of Franklin, Comprehensive Annual Financial Reports - 1991-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin
Revenue Model

Fund:	General Fund	Category:	Franchise Fees	Percent of Total General Fund Revenues	3.3%

Franchise Fees: Collected by the City from cable and gas utility providers, franchise fees are payments received by the City from utility companies for the privilege of using City right of way to provide service within the City limits. These payments are received annually from Comcast Cable, Piedmont Energy and Atmos Energy. The City receives payments from AT&T on a quarterly basis. Payments are determined through terms set in the franchise agreements.

A 1% increase is forecast for FY 2021.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	0.5%	-8.4%	-1.1%	15.9%	-0.8%	-4.0%	0%	1%	2%	
ATMOS	1,331,989	1,032,015	993,932	1,314,420	1,323,578	1,127,711	1,130,374	1,141,651	1,152,928	3-yr Average
Comcast	886,358	926,422	952,866	976,578	938,466	1,012,326	1,014,717	1,024,841	1,034,964	$ 2,461,040
Piedmont	24,103	114,061	42,694	48,066	52,619	124,638	124,932	126,178	127,425	0.0%
AT&T	220,453	183,067	241,290	247,028	251,583	200,042	200,515	202,515	204,516	5-Yr Average
										$ 2,420,318
										0.4%
										10-Yr Average
										$ 2,273,093
										0.8%
										20-Yr Average
										$ 1,666,318
										2.4%
Totals	$ 2,462,903	$ 2,255,565	$ 2,230,782	$ 2,586,092	$ 2,566,246	$ 2,464,717	$ 2,470,538	$ 2,495,186	$ 2,519,833	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

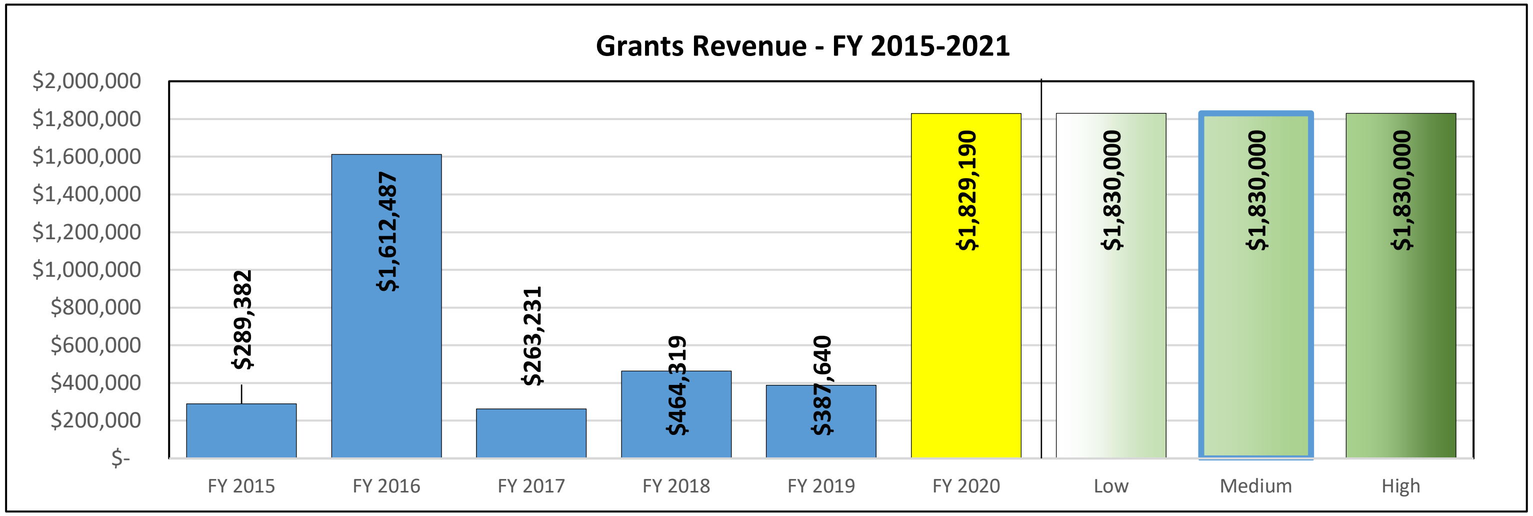
City of Franklin

Revenue Model

Fund:	General Fund	Category:	Grants	Percent of Total General Fund Revenues	2.4%

Grants (Federal/State): In FY 2020, these grants consisted primarily of the Traffic Operations Center ($1,680,000).

There is no change assumed in these recurring grants for FY 2021, but these estimates are subject to change.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	**-44.4%**	**457.2%**	**-83.7%**	**76.4%**	**-16.5%**	**371.9%**	**0.0%**	**0.0%**	**0.0%**	
May 2010 Flood	-	-	-	-	-	-	-	-	-	**3-yr Average**
Emergency Shelter Grant	54,635	62,319	50,693	-	-	35,000	-	-	-	**$ 371,730**
Federal Grant - Ballistic Vests	3,300	4,370	4,190	14,711	-	4,190	-	-	-	**130.7%**
Highway Safety Grant	35,340	-	-	-	-	10,000	-	-	-	**5-Yr Average**
Federal Grant - TOC	79,382	96,088	67,685	295,768	329,719	1,680,000	**1,680,000**	**1,680,000**	**1,680,000**	**$ 603,412**
Homeland Security Grant	-	-	-	60,384	52,473	-	**50,000**	**50,000**	**50,000**	**40.6%**
Dept of Hous & Urban Dev (Federal)	-	-	-	36,280	-	-				**10-Yr Average**
Dept of Finance & Admin (Federal)	-	-	15,000	-	-	-	-	-	-	**$ 797,768**
Dept of Military (Federal)	-	-	563	-	-	-	-	-	-	**12.9%**
Dept of Transportation (Federal)	-	-	27,913	-	-	-	-	-	-	**20-Yr Average**
Dept of Transportation (Federal)	-	-	25,548	-	-	-	-	-	-	**$ 708,875**
Preservation Plan Grant (Federal)	-	1,434,640	-	14,354	-	-	-	-	-	**7.9%**
Parks Grants	9,896	15,070	71,640	42,822	-	100,000	**100,000**	**100,000**	**100,000**	
TN Dept of Agriculture	-	-	-	-	5,448	-				
HGMP-1909-0061	106,829	-	-	-	-	-				
Totals	**$ 289,382**	**$ 1,612,487**	**$ 263,231**	**$ 464,319**	**$ 387,640**	**$ 1,829,190**	**$ 1,830,000**	**$ 1,830,000**	**$ 1,830,000**	

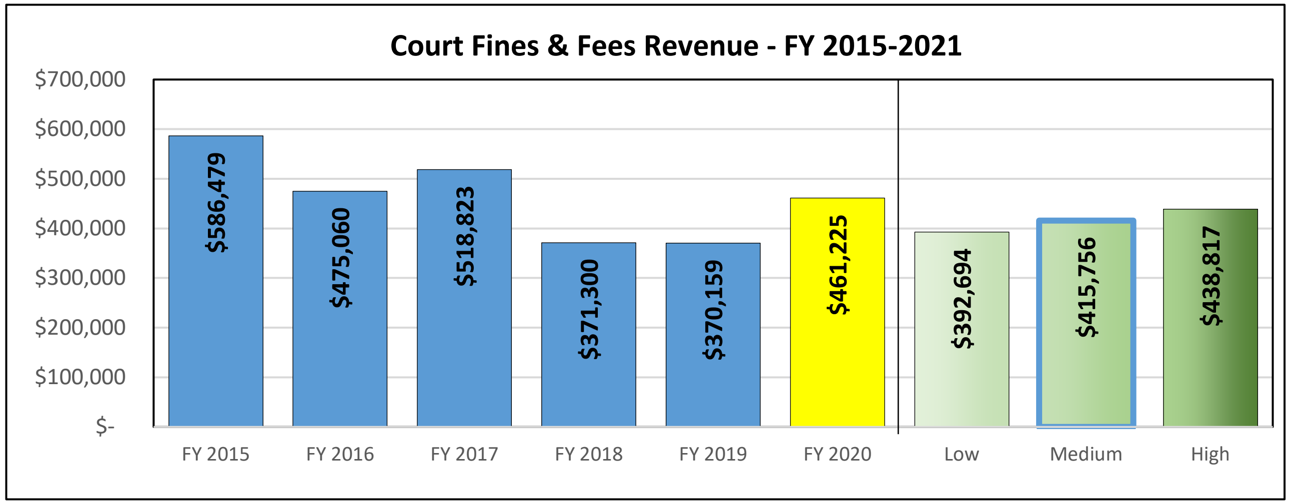
Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin
Revenue Model

Fund:	General Fund	Category:	Court Fines & Fees	Percent of Total General Fund Revenues	0.5%

Court Fines & Fees: The City Court collects fees/fines for traffic violations and property maintenance violations. A major initiative was taken in 2013 to submit outstanding debts to a collection agency. The primary reason for the revenue decrease beginning in 2013 was a change in accounting to net amounts due the State against revenue, rather than show those amounts under expenditures in Revenue Management. (with that change, Revenue Management's expenditures were lower as well.)

Revenues are forecast lower in FY 2021 than FY 2020, continuing a process in order to correct for overestimations in previous budget years. The forecast of just over $415K should be more in line with actuals from FY 2017-2019.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	-10.8%	-19.0%	9.2%	-28.4%	-0.3%	24.6%	-15%	-10%	-5%
Court Costs	190	-	-	-	-	-	-	-	-
Fines/Fees - Mun Court	153,472	127,038	140,152	83,340	86,258	135,839	115,656	122,448	129,240
Court-Local Litigation Tax	8,096	4,661	4,964	3,726	3,286	3,846	3,275	3,467	3,659
Court-Bad Check	181	-	20	276	96	15	13	14	15
Court Collection Fee	963	(228)	(677)	(170)	-	383	326	345	364
Delinquent Court Fees & Fines	24,816	13,828	14,214	10,403	9,472	9,813	8,355	8,846	9,336
Court-Driving School	71,345	64,422	78,915	30,569	41,959	58,661	49,945	52,878	55,811
Court-Admin Fee	1,844	1,463	1,777	1,066	1,372	1,136	967	1,024	1,080
Fines - Gen Sessions	128,355	93,148	81,849	92,490	60,237	57,980	49,365	52,264	55,163
Officer Costs - General Sessions/Circui	104,411	95,227	102,261	107,366	112,322	68,783	58,563	62,002	65,441
Parking Fines - Mun Court	10,427	10,707	24,689	4,328	7,848	23,699	20,178	21,363	22,547
Fines - Traffic Offenses	78,843	62,318	68,369	36,396	45,809	51,668	43,991	46,574	49,158
Failure To Appear - Fine	3,536	2,275	2,292	1,510	1,500	1,649	1,404	1,486	1,569
Technology Fee	-	-	-	-	-	47,753	40,658	43,045	45,433
Confiscated Goods (Federal)	-	201	-	-	-	-	-	-	-
Totals	**$ 586,479**	**$ 475,060**	**$ 518,823**	**$ 371,300**	**$ 370,159**	**$ 461,225**	**$ 392,694**	**$ 415,756**	**$ 438,817**

Averages	
3-yr Average	
$	420,094
	3.3%
5-Yr Average	
$	464,364
	-0.1%
10-Yr Average	
$	650,418
	-2.9%
20-Yr Average	
$	722,152
	-1.8%

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

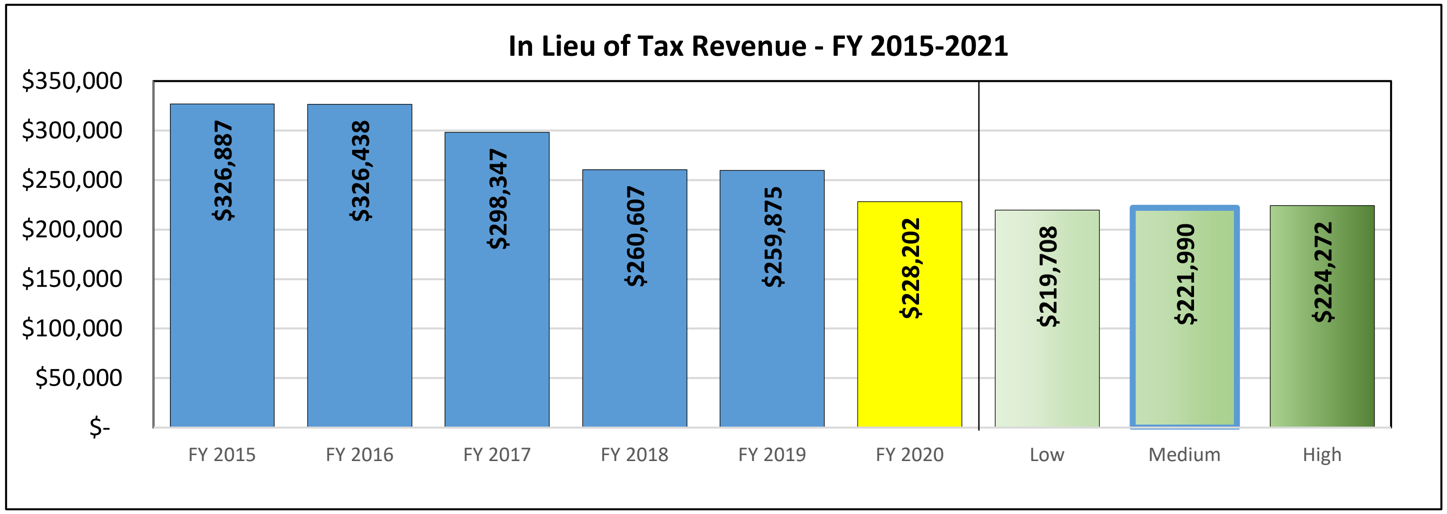
City of Franklin

Revenue Model

Fund:	General Fund	Category:	In Lieu of Tax	Percent of Total General Fund Revenues	0.3%

<u>In Lieu Of Tax:</u> Payments In Lieu Of Tax are made primarily by various local entities - such as the Franklin Housing Authority and Nissan that have leases through a local government Industrial Board. The local payments are made annually. Three payments have ended - Verizon (FY 2014), Healthways (FY 2016) and Jackson National Life (FY 2017).

In Lieu of Tax Revenue is projected to decrease 2.7% in FY 2021 (Decrease based on the three year trend averages (FY 2017 to FY 2019) of the remaining agreements.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	**0.6%**	**-0.1%**	**-8.6%**	**-12.6%**	**-0.3%**	**-12.2%**	**-3.7%**	-2.7%	**-1.7%**
Franklin Housing Authority	23,447	21,841	23,239	25,694	24,963	22,312	**21,482**	21,705	21,928
Nissan (TIF District)	180,957	182,114	234,912	234,913	234,912	205,890	**198,226**	200,285	202,344
Healthways (pilot ends 2016)	47,327	47,327	-				-	-	-
Verizon (pilot ends 2014)	-	-	-				-	-	-
Community Health Systems (CHS)	28,598	28,598	40,196				-	-	-
Jackson National Life (ends 2017)	46,558	46,558	-				-	-	-
Totals	**$ 326,887**	**$ 326,438**	**$ 298,347**	**$ 260,607**	**$ 259,875**	**$ 228,202**	**$ 219,708**	**$ 221,990**	**$ 224,272**

Averages	
3-yr Average	**$ 272,943**
	-5.5%
5-Yr Average	**$ 294,431**
	-4.5%
10-Yr Average	**$ 322,244**
	-2.9%
20-Yr Average	**$ 293,672**
	-5.0%

Source: City of Franklin, <u>Comprehensive Annual Financial Reports - 1990-2019</u> & Estimates from Finance & Revenue Management Departments.

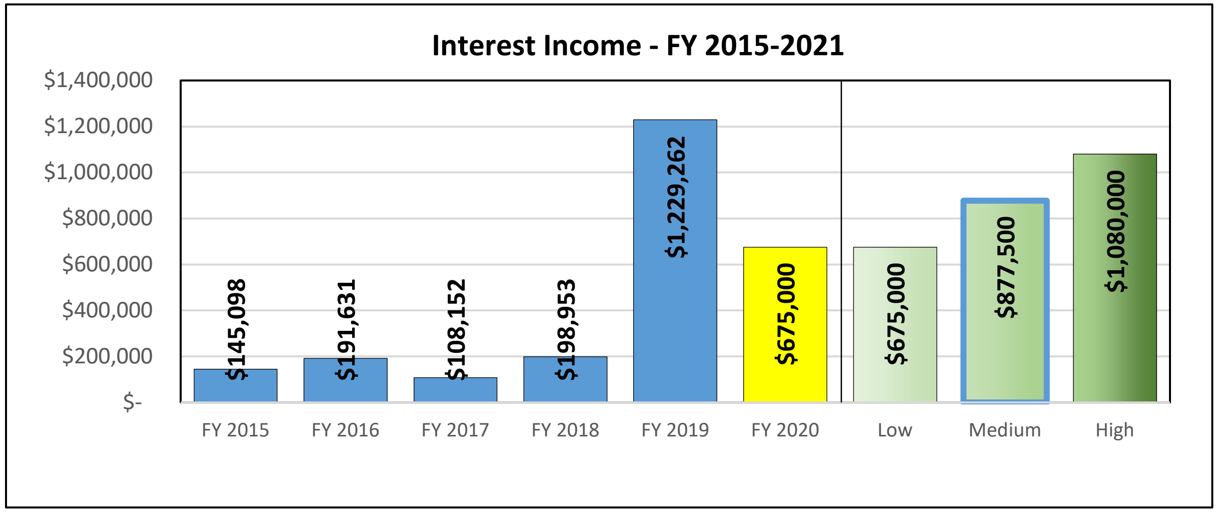
City of Franklin

Revenue Model

Fund:	General Fund	Category:	Interest Income	Percent of Total General Fund Revenues	1.2%

<u>Interest Income</u>: This revenue source is bank interest and investment earnings on temporarily idle funds. This revenue category was adversely affected significantly over the last decade due to the low interest rate environment.

That changed last year. The City was able to end long-term low-interest bearing arrangements and replace them with more mark-to-market investment mechanisms. Given that the Federal Funds Rate has begun to decline from the 2%+ levels which the City was able to take advantage of in FY 2019, we forecast a year-over-year decrease but still significant increase over the last decade in this category.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Low**	**Medium**	**High**	
% yr/yr.	**-23.2%**	**32.1%**	**-43.6%**	**84.0%**	**517.9%**	**-45.1%**	**0%**	**30%**	**60%**	
July	7,242	13,577	9,142	52,004	57,040	27,649	27,649	35,944	44,238	**3-yr Average**
August	6,914	2,666	(3,771)	48,602	85,372	(11,527)	(11,527)	(14,985)	(18,443)	**$ 512,122**
September	(5,204)	32,171	25,061	(975)	19,188	76,513	76,513	99,467	122,421	**10.6%**
October	5,942	4,069	5,411	6,494	59,942	16,338	16,338	21,239	26,141	**5-Yr Average**
November	5,550	(35,195)	(50,994)	(6,867)	65,066	(154,899)	(154,899)	(201,369)	(247,838)	**$ 374,619**
December	10,791	(2,479)	8,215	22,065	126,133	25,290	25,290	32,877	40,464	**16.0%**
January	6,098	69,251	16,437	14,872	67,431	50,443	50,443	65,576	80,709	**10-Yr Average**
February	18,087	13,568	24,463	(154,674)	82,012	(21,343)	(21,343)	(27,746)	(34,149)	**$ 330,016**
March	13,148	36,310	(2,952)	56,927	157,863	58,573	58,573	76,145	93,717	**10.5%**
April	58,058	8,671	37,133	(19,591)	108,721	86,203	86,203	112,064	137,925	**20-Yr Average**
May	8,123	504	36,846	116,492	235,172	65,636	65,636	85,327	105,018	**$ 617,510**
June	10,349	48,518	3,161	63,604	165,322	456,124	456,124	592,961	729,798	**0.5%**
Totals	**$ 145,098**	**$ 191,631**	**$ 108,152**	**$ 198,953**	**$ 1,229,262**	**$ 675,000**	**$ 675,000**	**$ 877,500**	**$ 1,080,000**	

Source: City of Franklin, <u>Comprehensive Annual Financial Reports - 1990-2019</u> & Estimates from Finance & Revenue Management Departments.

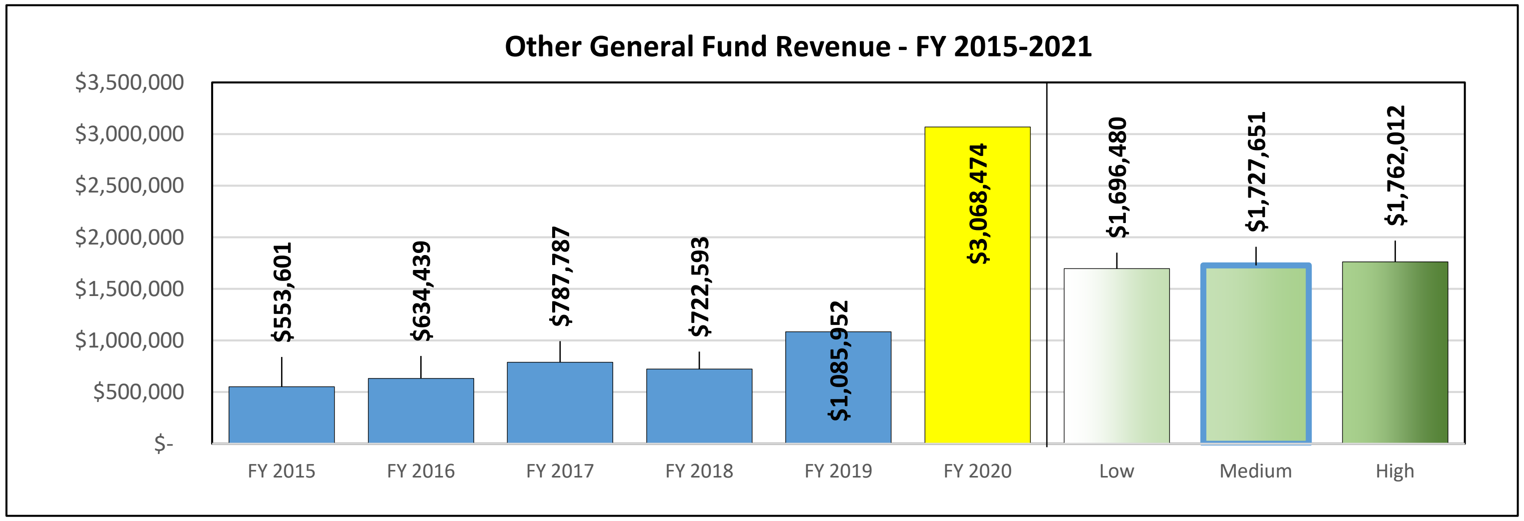
City of Franklin

Revenue Model

Fund:	General Fund	Category:	Other	Percent of Total General Fund Revenues	2.3%

Other: This catch-all revenue category comprises all other individual categories of General Fund Revenue. Traditionally the largest components are one-time receipts, such as contributions from developers. Other Revenue can fluctuate greatly from year to year.

The decrease in Other Revenue is attributable to reduction in one-time revenues used for capital investment. This will likely increase by the time of the May budget.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	-82.2%	14.6%	24.2%	-8.3%	50.3%	182.6%	-45%	-44%	-43%
City Tax Relief	(8,050)	-	(8,053)	(16,177)	-	(8,799)	-	-	-
Prop Taxes - P&I	30,529	34,026	36,671	39,771	43,857	28,547	35,461	36,888	38,315
Planning Fees (Rezoning)	43,946	15,053	30,422	-	-	-	-	-	-
Planning Fees (Site Plans)	48,061	42,924	29,011	-	16,500	-	-	-	-
Planning Fees (Plat Submittal)	78,771	106,544	98,894	223,373	180,691	188,881	178,888	188,332	197,776
Planning Fees (Misc Planning)	7,155	7,664	2,773	262	-	-	-	-	-
Beer Permits (New Applic Fee)	13,250	14,750	13,750	16,500	14,750	14,696	13,918	14,653	15,388
Yard Sale Permits	7,605	7,395	7,010	6,220	6,125	4,239	4,015	4,227	4,439
Alarm Permits	30,320	26,540	23,990	24,190	23,380	24,569	23,269	24,497	25,726
Miscellaneous Permits	3,600	4,900	4,100	17,612	27,045	5,273	4,994	5,257	5,521
City Sponsored Training	-	-	-	3,505	390	-	-	-	-
Regional Fire Training	-	1,500	-	2,500	1,500	-	1,421	-	-
Maps Sold	2,952	2,752	3,682	1,234	4,020	2,837	2,687	2,829	2,970
Plans Sold	2,628	50	1,650	1,500	1,850	2,814	2,665	2,806	2,946
Records Sold	26	-	49	52	8	1,384	1,311	1,380	1,450
Special Event Services Fee	1,200	3,600	2,500	2,900	2,000	1,748	1,656	1,743	1,831
Traffic Impact Analysis Review Fee		(1,507)	65,548	35,000	21,000	51,782	49,043	51,632	54,221
Accident Reports	633	77	1,514	743	3	1,647	1,559	1,642	1,724
Sex Offender Registry	1,800	1,800	1,800	1,950	2,850	1,639	1,552	1,634	1,716
License Seizure Fees	750	1,515	1,150	715	470	847	802	844	887

Averages
3-yr Average
$ 865,444
84.9%
5-Yr Average
$ 756,874
61.1%
10-Yr Average
$ 756,874
30.5%

City of Franklin

Revenue Model

Fund:	General Fund	Category:	Other	Percent of Total General Fund Revenues	2.3%

Other: This catch-all revenue category comprises all other individual categories of General Fund Revenue. Traditionally the largest components are one-time receipts, such as contributions from developers. Other Revenue can fluctuate greatly from year to year.

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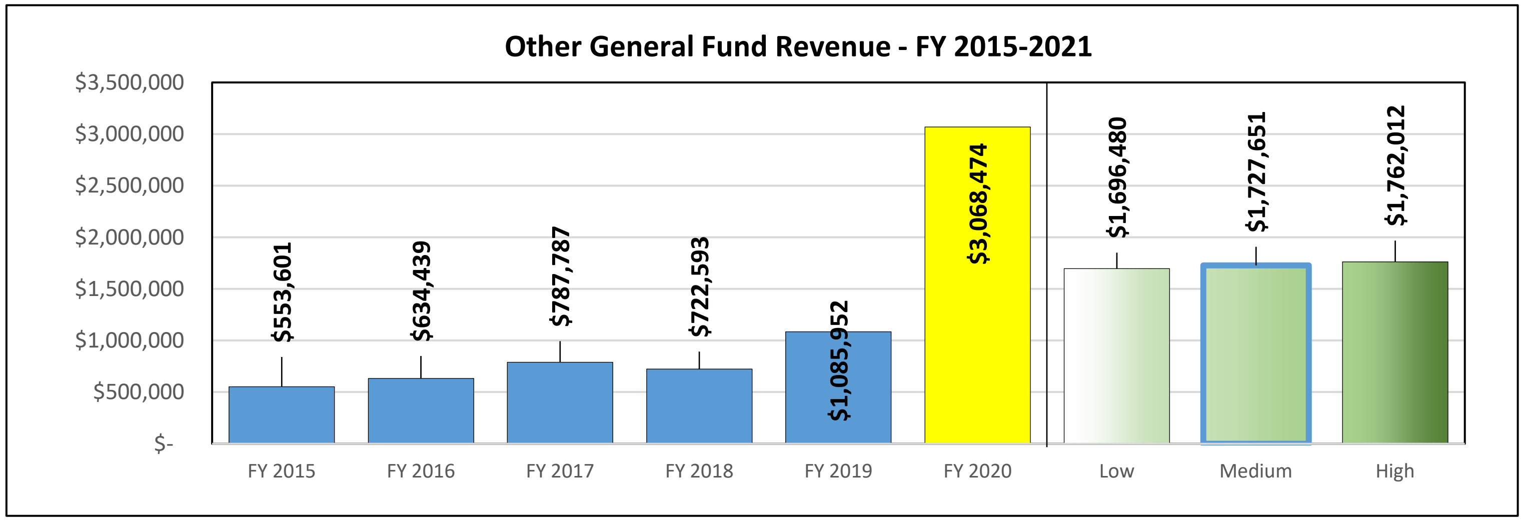


	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
Police Extra Duty	31,547	27,279	39,941	43,480	43,618	48,158	45,610	48,018	50,426	
Compost Voucher (Non-Refundable)	10,780	18,040	21,200	23,720	17,555	16,715	18,259	18,206	19,119	
Beer Board Violations	1,500	-	-	-	3,000	1,000	1,000	1,000	1,000	
Bldg & Street Stds Appeals Fees	-	-	-	-	3,276	1,000	1,000	1,000	1,000	
Transient Vendor Recording Fees	1,163	3,486	4,364	556	-	4,660	4,413	4,646	4,879	
Tree Bank Fees	-	53,841	12,767	12,906	19,904	27,300	15,192	15,148	15,908	
Sidewalk Reserve Fees	-	-	82,840	-	-	-	-	-	-	
Rebates on Purchases	61,349	64,639	64,081	68,125	115,951	69,181	65,521	68,980	72,439	
Rent - Mall & Other	1	8,001	12,001	15,001	12,001	12,001	12,001	12,001	12,001	
Park Concessions	41,329	67,880	77,543	97,480	200,475	82,321	77,965	82,081	86,197	
Harlinsdale Rentals		900	506	3,472	1,938	1,038	983	1,035	1,087	
Sale of Surplus Assets	137,454	118,278	134,694	60,019	296,337	97,513	92,354	97,229	102,105	
Miscellaneous Other Revenue	3,301	2,512	21,387	35,984	25,458	20,000	18,942	19,942	20,942	
Christmas Tree Lighting						20,000	20,000	20,000	20,000	
Capital Application from Fund Balance	-	-	-	-	-	2,345,485	1,000,000	1,000,000	1,000,000	
Totals	$ 553,601	$ 634,439	$ 787,787	$ 722,593	$ 1,085,952	$ 3,068,474	$ 1,696,480	$ 1,727,651	$ 1,762,012	

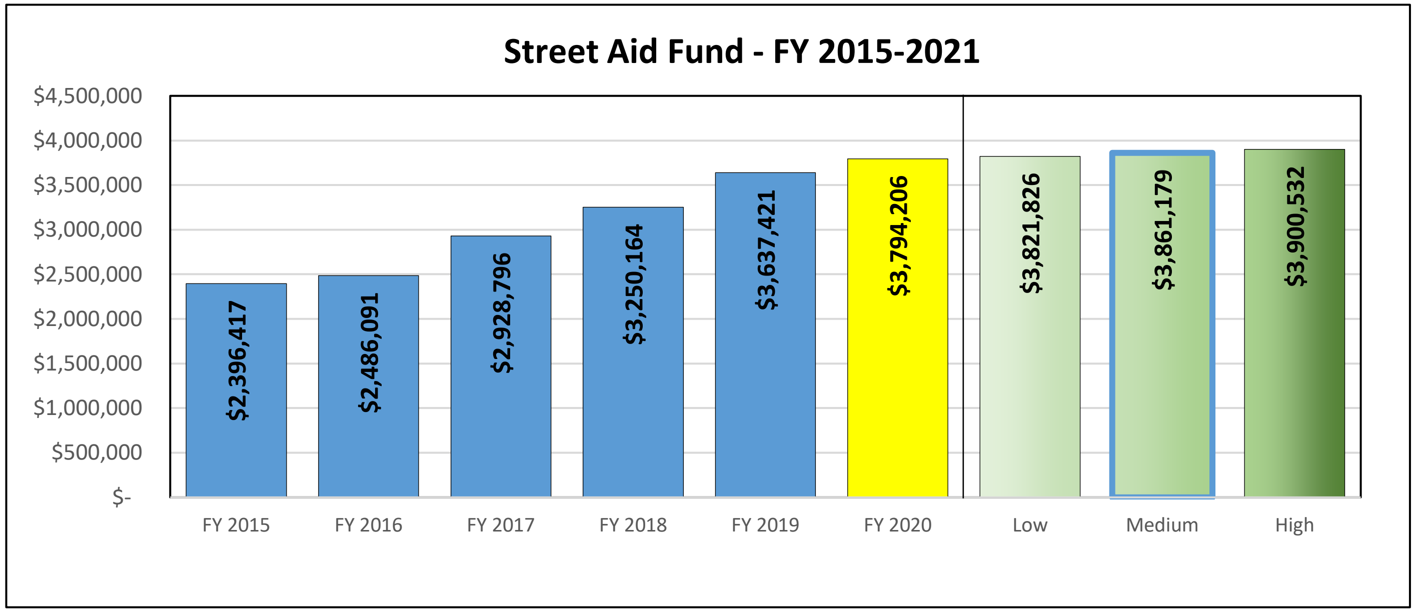
Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin

Revenue Model

Fund:	Street Aid	Percent of All Revenues	2.4%

<u>Street Aid:</u> A special revenue fund used to account for the receipt and usage of the City's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain streets. Counties and municipalities share in the proceeds of petroleum taxes. In general, counties receive about 30 percent of the proceeds and municipalities about 15 percent. The state retains roughly 55 percent of the proceeds. Fifty percent of the counties' shares are divided equally among the 95 counties, 25 percent on the basis of area and 25 percent on the basis of population; Municipalities' shares are divided based on the population each municipality bears to the aggregate population of all municipalities, according to the federal census or a special census as prescribed by T.C.A. § 54-4-203. T.C.A. § 67-3-901(b), (c), (f)(2) and (i); T.C.A. § 67-3-905; T.C.A. § 67-3-1108; T.C.A. § 54-4-103; and T.C.A. §



The money each individual municipality receives under the Petroleum and Alternative Fuels Tax Law is paid into the municipality's state street aid fund and is required to be administered and spent under the law that governs that fund. T.C.A. § 54-4-103, T.C.A. § 54-4-204. State composite revenue projections are for a 1.5% increase in Gasoline Tax collections statewide.

Overall, the City is forecasting a nominal 1.8% increase in total for the Street Aid & Transportation Fund.

	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	-3.9%	3.7%	17.8%	11.0%	11.9%	4.3%	0.7%	1.8%	2.8%	
PROPERTY TAXES COLLECTED	508,038	526,008	623,685	722,941	748,375	774,694	774,694	786,314	797,935	3-yr Average
GASOLINE TAX (STATE)	1,887,683	1,959,797	1,971,070	2,520,503	2,630,997	2,762,012	2,789,632	2,817,252	2,844,872	$ 3,272,127
INTEREST INCOME	697	286	1,201	6,720	8,049	7,500	7,500	7,613	7,725	5.3%
TRANSFER FROM GENERAL FUND	-	-	332,840	-	250,000	250,000	250,000	250,000	250,000	5-Yr Average
										$ 2,939,778
										5.8%
										10-Yr Average
										$ 2,539,588
										9.9%
Totals	$ 2,396,417	$ 2,486,091	$ 2,928,796	$ 3,250,164	$ 3,637,421	$ 3,794,206	$ 3,821,826	$ 3,861,179	$ 3,900,532	

Source: City of Franklin, <u>Comprehensive Annual Financial Reports - 1990-2019</u> & Estimates from Finance & Revenue Management Departments.

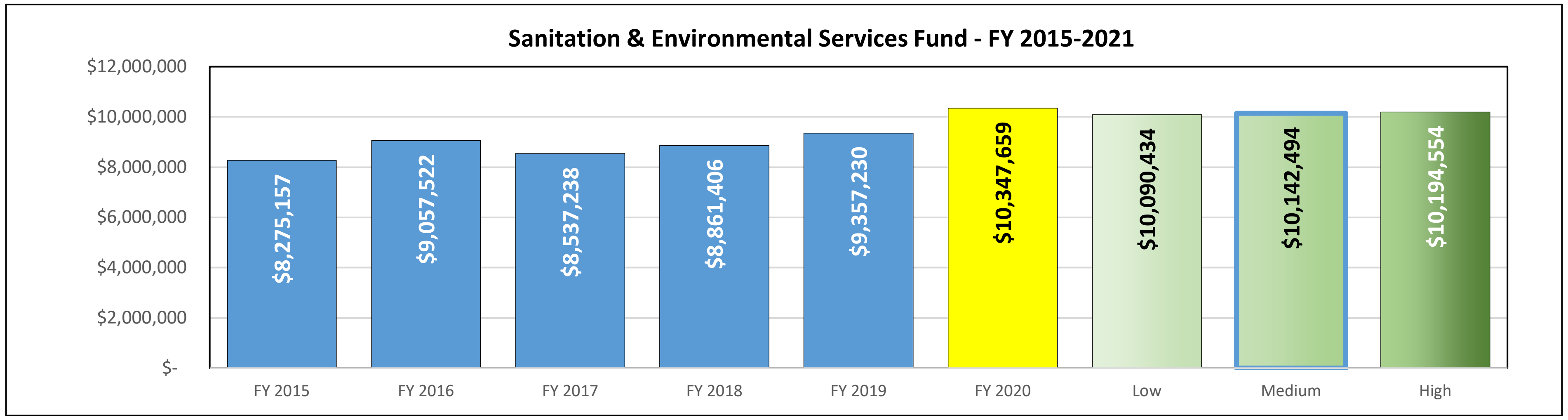
City of Franklin

Revenue Model

Fund:	Sanitation & Environmental Services Fund	Percent of All Revenues	6.2%

Sanitation & Environmental Services Fund: This Special Revenue fund accounts for the fees collected in the collection and disposal of residential and commercial garbage. The primary component within the fund are those fees charged for disposal of refuse. In recent years, the City has worked to reduce the subsidy from the General Fund for sanitation and recycling operations.

This revenue forecast will be modified as the budget progresses. Significant operational changes in FY 2019-2020 will contribute to that revision. As it stands, staff forecasts nominal growth in the system with reduced one-time revenues.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	10.9%	9.5%	-5.7%	3.8%	5.6%	10.6%	-2.5%	-2.0%	-1.5%
SOLID WASTE GRANT (STATE)	42,686	4,142	-	-	-	-	-	-	-
SPECIAL EVENT GRANT RECOVERIES	50,623	-	-	-	-	-	-	-	-
SAFETY GRANT	-	18,135	-	-	-	-	-	-	-
SPECIAL EVENT SERVICES FEE	4,275	3,820	10,946	370	2,230	5,437	5,491	5,491	5,491
COLLECTION REVENUES	4,946,611	5,063,842	5,285,753	5,567,066	6,024,431	6,415,944	6,480,103	6,480,103	6,480,103
NON-RESIDENTIAL DUMPSTERS	-	-	-	-	-	5,573	5,629	5,684	5,740
ADDL RESIDENTIAL ROLLOUT CONTAINERS	-	4,675	8,580	11,000	11,410	3,183	3,215	3,215	3,215
SANITATION SERVICES - MILCROFTON	-	78,069	-	-	-	-	-	-	-
TIPPING FEES	2,293,823	3,064,284	2,300,739	2,681,623	3,017,568	2,916,486	2,945,651	2,945,651	2,945,651
CARDBOARD RECYCLING	13,715	9,862	10,075	11,477	14,641	10,143	10,244	10,244	10,244
RECYCLING-BATTERIES	4,266	3,855	4,183	5,047	2,870	6,833	6,901	6,901	6,901
RECYCLING-ELECTRONICS	-	428	13,063	14,067	17,454	-	-	-	-
RECYCLING-METAL	5,817	3,619	6,443	5,223	4,291	7,777	7,855	7,855	7,855
RECYCLING-WASTE OIL	523	82	-	-	213	-	-	-	-
BUCK A BAG PROGRAM	2,988	2,897	2,993	3,093	2,678	3,983	4,023	4,023	4,023
RESIDENTIAL DUMPSTER					330				
RESIDENTIAL BRUSH	900	800	500	5,375	17,110	870	879	879	879
RESIDENTIAL BULKY GOODS	600	900	2,500	2,625	2,888	217	219	219	219
NON-RESIDENTIAL BRUSH	100	100	500	375	750	217	219	221	224
NON-RESIDENTIAL BULKY GOODS	600	-	500	1,000	-	208	210	212	214
INTEREST INCOME	-	22	113	2,215	15,916	-	-	-	-
SALE OF WASTE CONTAINERS	77,595	73,068	62,111	50,850	49,728	63,654	64,291	64,291	64,291
LEASE OF WASTE CONTAINERS	37,260	35,910	-	-	-	37,132	37,503	37,503	37,503
SALE OF SURPLUS ASSETS	292,774	189,011	78,027	-	-	600,000	150,000	150,000	150,000
TRANSFER FROM GENERAL FUND	500,000	500,000	750,000	500,000	-	-	-	-	-
MISCELLANEOUS OTHER REVENUE	-	-	212	-	-	-	-	-	-
LATE PAY FEES					172,723		125,000	150,000	175,000
RECYCLING CONTAINER SETUP FEE						270,000	243,000	270,000	297,000
Totals	**$ 8,275,157**	**$ 9,057,522**	**$ 8,537,238**	**$ 8,861,406**	**$ 9,357,230**	**$ 10,347,659**	**$ 10,090,434**	**$ 10,142,494**	**$ 10,194,554**

Averages
3-yr Average
$ 8,918,625
5.3%
5-Yr Average
$ 8,817,711
3.5%
10-Yr Average
$ 8,346,382
2.4%
20-Yr Average
$ 5,656,210
8.3%

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

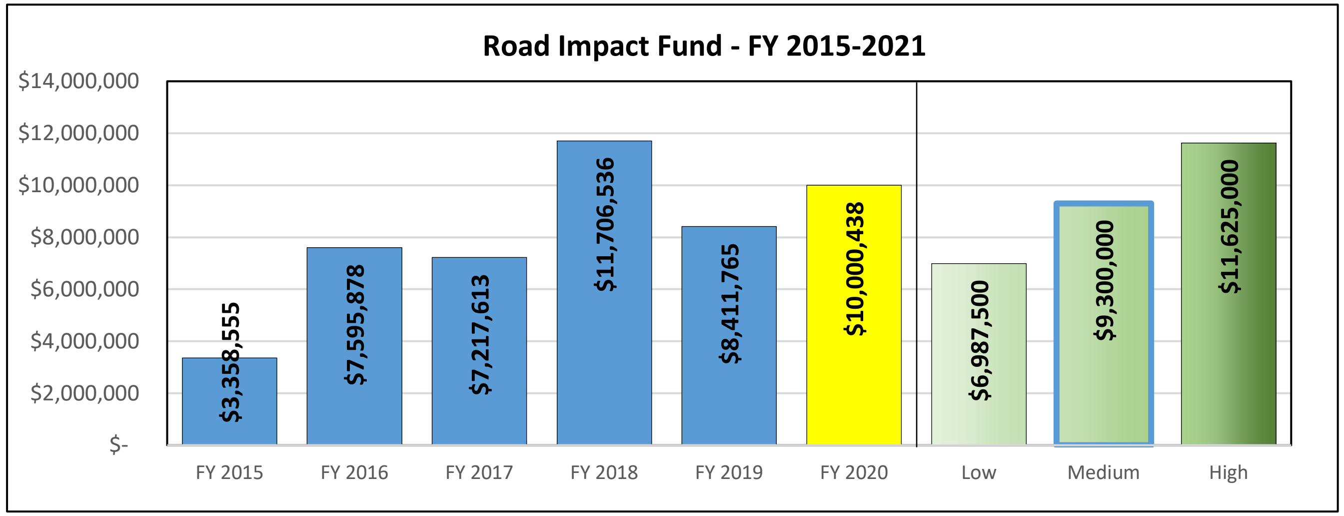
City of Franklin

Revenue Model

Fund:	Road Impact	Percent of All Revenues	5.7%

Road Impact Fund: 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 and revised in 2017.

The forecast for FY 2021 is an estimate based upon historic averages **and** year-to-date activity. It is *heavily dependent* upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	-17.7%	126.2%	-5.0%	62.2%	-28.1%	18.9%	-30.1%	-7.0%	16.2%	3-yr Average
Road Impact Fees										$ 9,111,972
Arterials	3,611,954	7,854,118	7,180,150	11,084,375	4,800,171	5,845,202	4,312,500	5,750,000	7,187,500	3.3%
Collector Area 1				59,923	1,057,313	988,809	637,500	850,000	1,062,500	5-Yr Average
Collector Area 2				251,474	1,286,317	988,809	637,500	850,000	1,062,500	$ 7,658,070
Collector Area 3				189,728	400,237	988,809	637,500	850,000	1,062,500	6.1%
Collector Area 4				-	115,817	988,809	637,500	850,000	1,062,500	10-Yr Average
Road Impact Credits	(253,523)	(267,394)	-	-	-	-	-	-	-	$ 5,500,844
Interest Income	124	9,154	27,363	121,036	500,492	200,000	125,000	150,000	187,500	16.4%
Transfer from General Fund	-	-	-	-	251,418	-	-	-	-	
Miscellaneous Income	-	-	10,100	-	-		-	-	-	
Totals	$ 3,358,555	$ 7,595,878	$ 7,217,613	$ 11,706,536	$ 8,411,765	$ 10,000,438	$ 6,987,500	$ 9,300,000	$ 11,625,000	

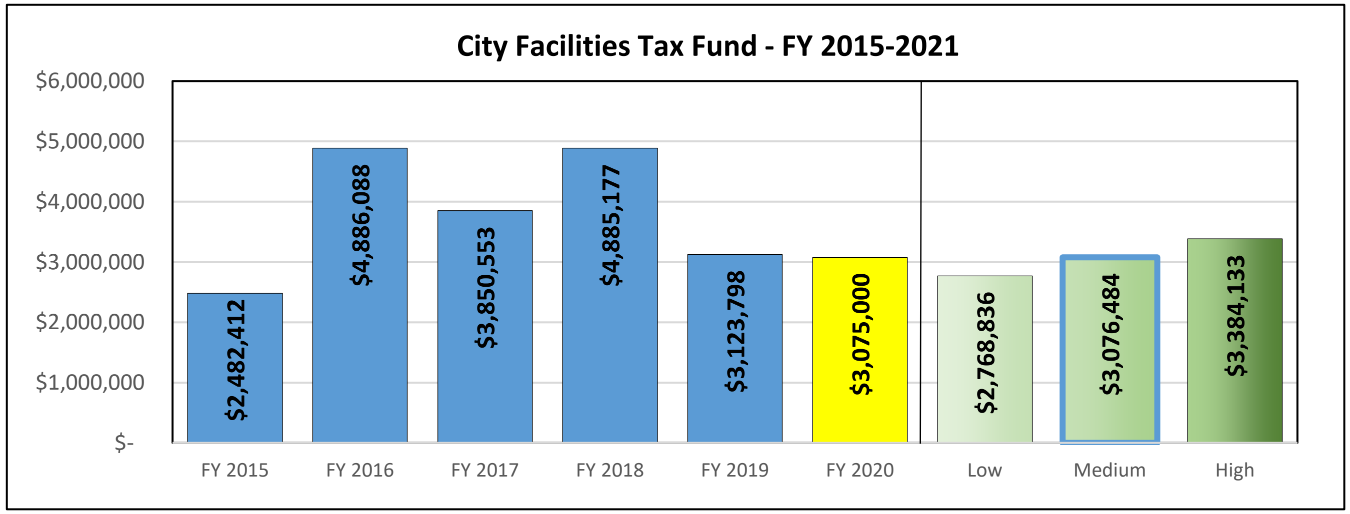
Source: City of Franklin, Comprehensive Annual Financial Reports - 2001-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin
Revenue Model

Fund:	City Facilities Tax Fund	Percent of All Revenues	1.9%

City Facilities Tax: 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.

The forecast for FY 2021 is an estimate based upon the historic average of the last five-years **and** year-to-date activity. It is *heavily dependent* upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	-35.6%	96.8%	-21.2%	26.9%	-36.1%	-1.6%	-10%	0%	10%	
July	174,169	460,763	221,540	202,536	140,513	202,385	172,731	191,923	211,116	3-yr Average
August	128,599	138,739	299,262	649,402	337,384	163,437	223,688	248,542	273,396	$ 3,953,176
September	155,707	405,920	242,795	635,277	367,428	186,681	260,226	289,140	318,054	-7.4%
October	211,229	693,869	663,512	437,274	152,305	472,682	310,779	345,310	379,841	5-Yr Average
November	160,556	561,169	176,544	516,609	163,543	229,808	227,293	252,547	277,802	$ 3,845,606
December	168,587	235,832	432,916	321,669	269,292	209,430	205,675	228,527	251,380	-4.0%
January	186,851	227,208	180,975	222,051	172,649	152,455	142,522	158,357	174,193	10-Yr Average
February	130,798	575,877	575,155	470,643	110,709	239,792	268,298	298,109	327,920	$ 3,127,697
March	227,269	302,406	372,318	211,194	108,211	213,053	175,881	195,424	214,966	-0.2%
April	383,594	336,678	140,530	282,850	201,792	197,174	193,744	215,271	236,798	
May	256,477	325,313	119,466	163,847	418,449	215,084	184,831	205,368	225,905	
June	284,637	564,194	439,440	674,690	168,036	393,019	306,864	340,960	375,055	
Interest Income	13,939	58,120	(13,900)	97,135	513,487	200,000	96,304	107,005	117,705	
Totals	**$ 2,482,412**	**$ 4,886,088**	**$ 3,850,553**	**$ 4,885,177**	**$ 3,123,798**	**$ 3,075,000**	**$ 2,768,836**	**$ 3,076,484**	**$ 3,384,133**	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

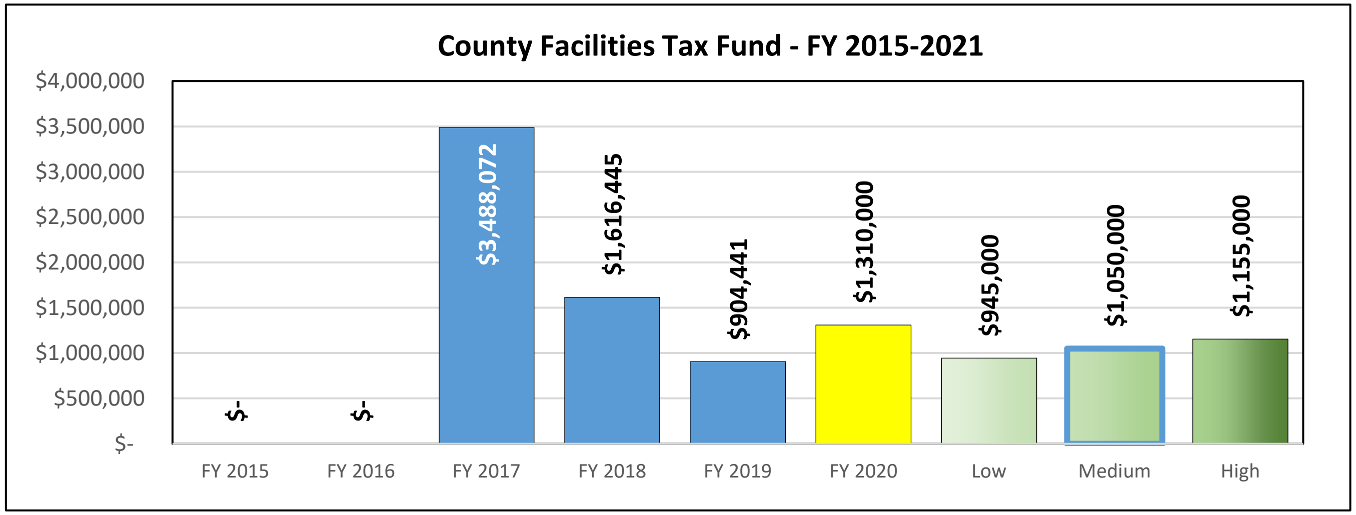
City of Franklin

Revenue Model

Fund:	County Facilities Tax Fund	Percent of All Revenues	0.6%

<u>County Facilities Tax:</u> The County Facilities Tax Fund is a brand new special revenue fund used to account for the City's share of the County's Adequate School Facilities Tax. 30% of the proceeds are distributed to incorporated cities within the county, and another 30% is divided pro rata among the incorporated cities based on population in the last decennial census. The City began collecting a share of the County Facilities Tax in FY 2012. Prior to now monies collected had been deposited within the Capital Projects Fund. Funds are to be used for the purpose of providing public facilities.

The forecast is ***heavily dependent*** upon the timing of new development. Should development permits be pulled sooner than anticipated (or delayed), amounts may be higher (or lower) than forecast.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	n/a	n/a	n/a	-53.7%	-44.0%	44.8%	-27.9%	-19.8%	-11.8%	3-yr Average
Tax Collections	-	-	-	971,814	759,874	1,250,000	900,000	1,000,000	1,100,000	$ 2,002,986
Transfer from Capital Fund	-	-	3,487,056	635,074	-	-				-11.5%
Interest Income	-	-	1,016	9,557	144,567	60,000	45,000	50,000	55,000	
Totals	$ -	$ -	$ 3,488,072	$ 1,616,445	$ 904,441	$ 1,310,000	$ 945,000	$ 1,050,000	$ 1,155,000	

Source: City of Franklin, <u>Comprehensive Annual Financial Report - 2017-2019</u> & Estimates from Finance & Revenue Management Departments.

City of Franklin

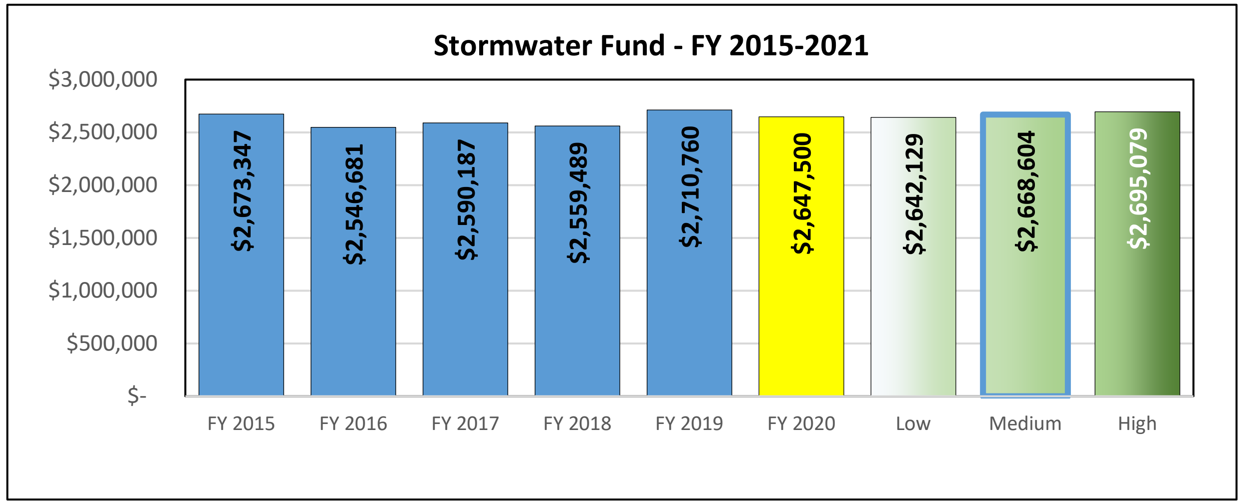
Revenue Model

Fund:	Stormwater Fund	Percent of All Revenues	1.6%

Stormwater Fund: A special revenue fund used to account for the City's Stormwater drainage operations. Revenues are primarily from charges to residential and commercial customers based on paved areas.

Without modification to the current Stormwater Fee, revenues should only increase by less than 1% in FY 2021 compares to budget.

Staff will be reengaging the BOMA in the ensuing months to discuss the fiscal health of this utility and will propose options to improve the long-term sustainability of the fund. Those options will include, but not be limited to, either a is a fee increase (the first since 2004), expense shifting (back to the General Fund), or some combination thereof.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	14.2%	-4.7%	1.7%	-1.2%	5.9%	-2.3%	-0.2%	0.8%	1.8%	
PLANS REVIEW FEE	24,500	15,100	26,400	15,000	25,900	25,000	24,949	25,199	25,449	3-yr Average
DRAINAGE INSPECTIONS	68,947	25,303	102,519	50,176	103,484	60,000	59,878	60,478	61,078	$ 2,620,145
STORMWATER PERMIT FEE	10,789	8,225	15,075	8,913	4,200	40,000	39,919	40,319	40,719	0.3%
STORMWATER FEES- RESIDENTIAL	2,521,597	2,381,431	2,402,680	2,379,597	2,403,616	2,450,000	2,445,030	2,469,530	2,494,030	$ 2,616,093
STORMWATER FINES	9,675	14,125	-	43,486	19,404	15,000	14,970	15,120	15,270	0.2%
STORMWATER LATE PAY PENALTIES	23,398	21,640	18,869	23,279	21,721	20,000	19,959	20,159	20,359	10-Yr Average
STORMWATER QUALIFIED PROGRAM					12,000					$ 2,436,464
INTEREST INCOME	14,441	83,971	(8,864)	39,038	120,436	37,500	37,424	37,799	38,174	0.9%
SALE OF SURPLUS ASSETS	-	-	33,508	0	-	-	-	-	-	
CUSTOMER SERVICE	-	(3,307)	-	-	-	-	-	-	-	
MISCELLANEOUS REVENUE	-	193	-	-		-	-	-	-	
Totals	$ 2,673,347	$ 2,546,681	$ 2,590,187	$ 2,559,489	$ 2,710,760	$ 2,647,500	$ 2,642,129	$ 2,668,604	$ 2,695,079	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2018 & Estimates from Finance & Revenue Management Departments.

City of Franklin

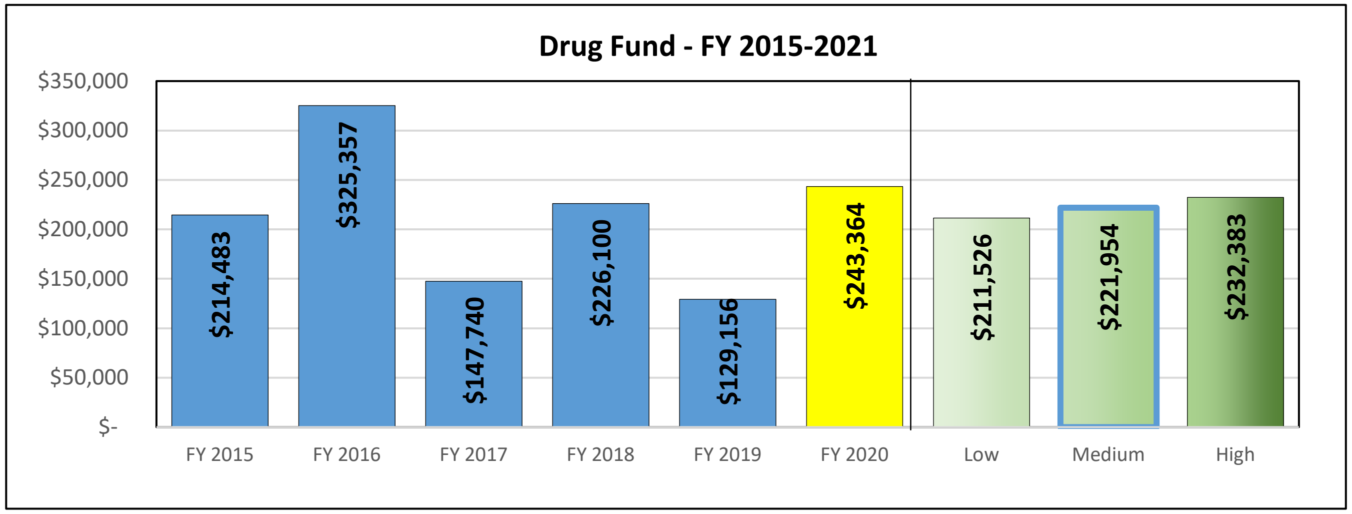
Revenue Model

Fund:	Drug Fund	Percent of All Revenues	0.1%

Drug Fund: The Drug Fund is a special revenue account established under Tennessee Code Annotated (T.C.A.) 39-17-420. (A special revenue account exists outside the city's or county's General Fund, and funds in the special revenue account do not revert to the General Fund at the end of the fiscal year).

Revenues come from one-half of the fines from drug offenses, any cash that is forfeited to the city or county as well as the proceeds from the sale of any forfeited property (usually vehicles) and donations.

The FY 2021 Forecast is based on 5 year historical averages.



	Actual					Budget	Forecasts (FY 2021)		
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High
% yr/yr.	24.8%	51.7%	-54.6%	53.0%	-42.9%	88.4%	-13.1%	-8.8%	-4.5%
DRUG FINES RECEIVED	42,740	137,906	62,808	67,571	59,413	82,538	75,139	78,843	82,547
DRUG CONTRIBUTIONS PAID TO POLICE DEPT	16,050	47,824	26,825	36,900	29,850	33,495	31,937	33,511	35,086
CONFISCATED GOODS (FEDERAL)	95,226	116,811	21,230	49,204	7,820	73,654	58,882	61,785	64,688
CONFISCATED GOODS (STATE)	15,211	10,495	23,840	44,611	18,444	23,361	22,840	23,966	25,092
INTEREST INCOME	937	1,874	3,407	8,318	13,629	12,000	5,713	5,995	6,276
SALE OF SURPLUS ASSETS	44,319	10,446	9,630	19,496	-	18,316	17,016	17,855	18,694
Totals	$ 214,483	$ 325,357	$ 147,740	$ 226,100	$ 129,156	$ 243,364	$ 211,526	$ 221,954	$ 232,383

Averages
3-yr Average
$ 167,665
15.0%
5-Yr Average
$ 208,567
3.3%
10-Yr Average
$ 168,047
4.5%

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

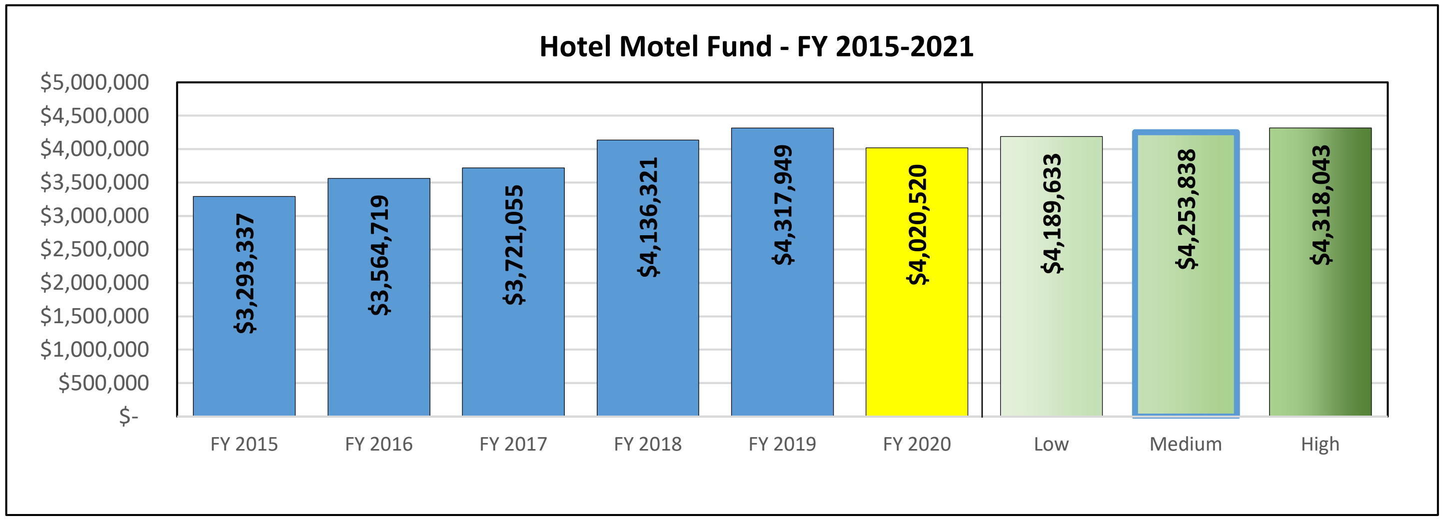
City of Franklin

Revenue Model

Fund:	Hotel Motel Fund	Percent of All Revenues	2.6%

Hotel Motel Fund: The Hotel/Motel Fund is a special revenue fund used to account for the locally administered tax levied on the occupancy of hotel and motel rooms, in addition to sales tax. The City of Franklin Hotel /Motel Tax is 4%. The fund is used to pay debt service on the Cool Springs Conference Center and the Harlinsdale and Battlefield parks. Also, the funds can be used to support projects and operations related to tourism.

Rev/PAR, Occupancy Rates and the Average Daily Rate continue to be exceedingly strong in Franklin and greater Nashville. The FY 2021 Forecast is an increase of 5.8% in receipts over FY 2020 Budget.



	Actual					Budget	Forecasts (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	1.6%	8.2%	4.4%	11.2%	4.4%	-6.9%	4.2%	5.8%	7.4%	
July	262,528	321,484	359,016	553,391	403,079	399,210	418,976	422,968	426,960	3-yr Average
August	273,788	255,448	299,477	338,006	321,258	336,722	353,394	356,761	360,129	$ 4,058,442
September	310,183	306,676	335,101	375,008	367,331	375,387	393,973	397,727	401,481	-0.3%
October	294,166	323,020	357,048	387,305	406,690	403,942	423,942	427,981	432,021	5-Yr Average
November	228,683	247,283	276,090	324,040	294,609	316,035	331,683	334,843	338,003	$ 3,806,676
December	207,948	205,388	214,176	248,608	236,852	244,942	257,070	259,520	261,969	1.1%
January	213,640	235,170	222,664	225,619	259,796	241,750	253,719	256,137	258,554	10-Yr Average
February	231,263	266,011	255,252	279,126	270,769	266,694	279,898	282,565	285,232	$ 3,064,694
March	321,936	348,031	341,392	376,573	393,635	342,087	359,025	362,445	365,866	3.1%
April	311,958	350,962	331,685	362,495	393,281	319,573	335,396	338,591	341,787	20-Yr Average
May	288,118	340,943	353,139	372,611	372,591	314,472	330,042	333,187	336,331	$ 1,978,557
June	346,808	357,555	365,549	254,913	383,344	359,706	377,516	381,113	384,710	5.2%
INTEREST INCOME	2,318	6,750	10,466	38,626	214,714	100,000	75,000	100,000	125,000	
Totals	$ 3,293,337	$ 3,564,719	$ 3,721,055	$ 4,136,321	$ 4,317,949	$ 4,020,520	$ 4,189,633	$ 4,253,838	$ 4,318,043	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

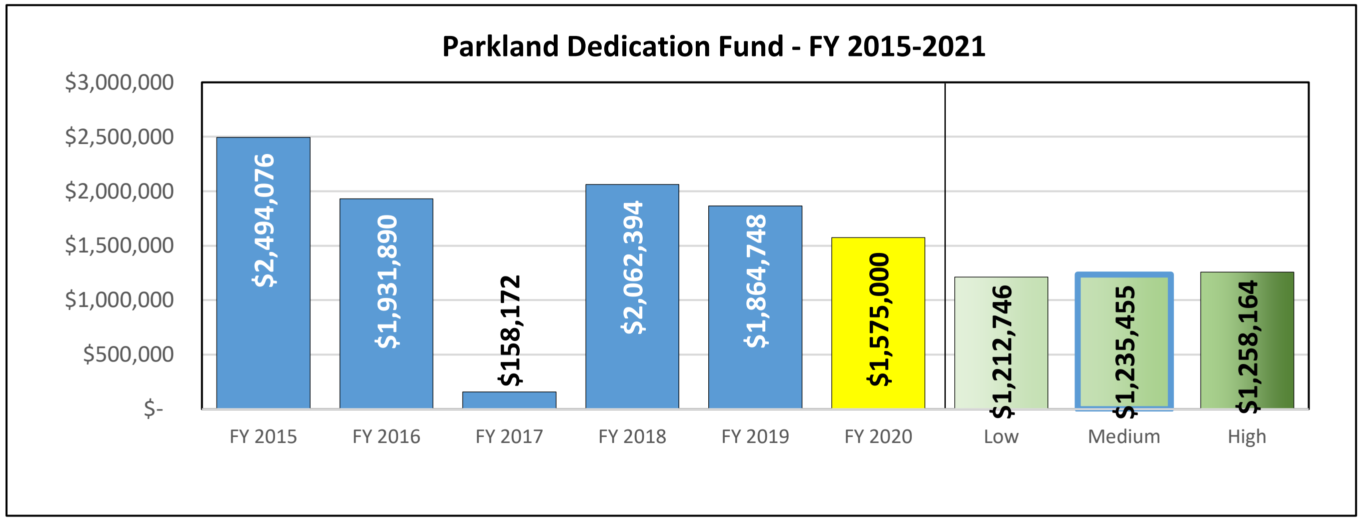
City of Franklin

Revenue Model

Fund:	Parkland Dedication Fund	Percent of All Revenues	0.8%

<u>Parkland Dedication Fund</u>: The Parkland Dedication Fund was created in FY 2015 for the purpose of satisfying requirements of Section 5.5.4 of the City of Franklin Zoning Ordinance for developers seeking alternatives to the development of greenspace within developments. Funds can be used only for the acquisition or development of public parks, greenways/blue ways, open space sites, and related facilities.

The forecast for FY 2021 is an estimate based upon historic averages and year-to-date activity. It is *heavily dependent* upon the timing of new development. This forecast also makes no assumption for proposed changes currently being considered for the Parkland Dedication Ordinance and how much money can be collected during the development



	Actual					Budget	Forecast (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	n/a	-22.5%	-91.8%	1203.9%	-9.6%	-15.5%	-23.0%	-21.6%	-20.1%	
In Lieu of Parkland Receipts	211,848	1,923,145	137,454			1,500,000	1,112,746	1,135,455	1,158,164	3-yr Average
Quadrant 1				1,188,552	713,244					$ 1,361,771
Quadrant 2				88,008	178,218					5.2%
Quadrant 3				157,110	448,230					5-Yr Average
Quadrant 4				576,386	55,080					$ 1,702,256
Interest Income	2,109	8,745	20,718	52,338	241,394	75,000	100,000	100,000	100,000	-20.0%
Transfers from General Fund	2,280,119	-	-	-	228,582	-	-	-	-	
Totals	$ 2,494,076	$ 1,931,890	$ 158,172	$ 2,062,394	$ 1,864,748	$ 1,575,000	$ 1,212,746	$ 1,235,455	$ 1,258,164	

Source: City of Franklin, <u>Comprehensive Annual Financial Reports - 2015-2019</u> & Estimates from Finance & Revenue Management Departments.

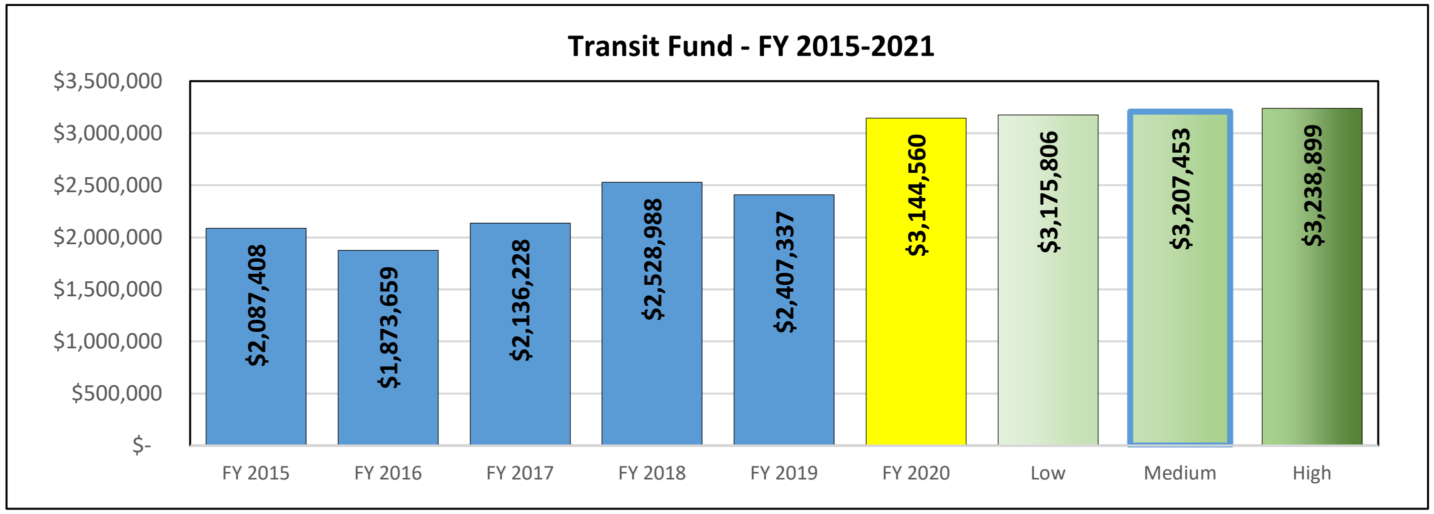
City of Franklin

Revenue Model

Fund:	Transit Fund	Percent of All Revenues	2.0%

Transit Fund: A special revenue fund used to account for the City's transit operations. The primary sources of revenue are an operating subsidy from the general fund and transit fares. The City has created the Franklin Transit Authority to oversee transit operations. Daily operations of the transit system are managed by a contractor.

The forecast for FY 2021 is for the Transit Fund to increase by 2% over budget. This will be revised once the Franklin Transit Authority submits their budget request for FY 2021.



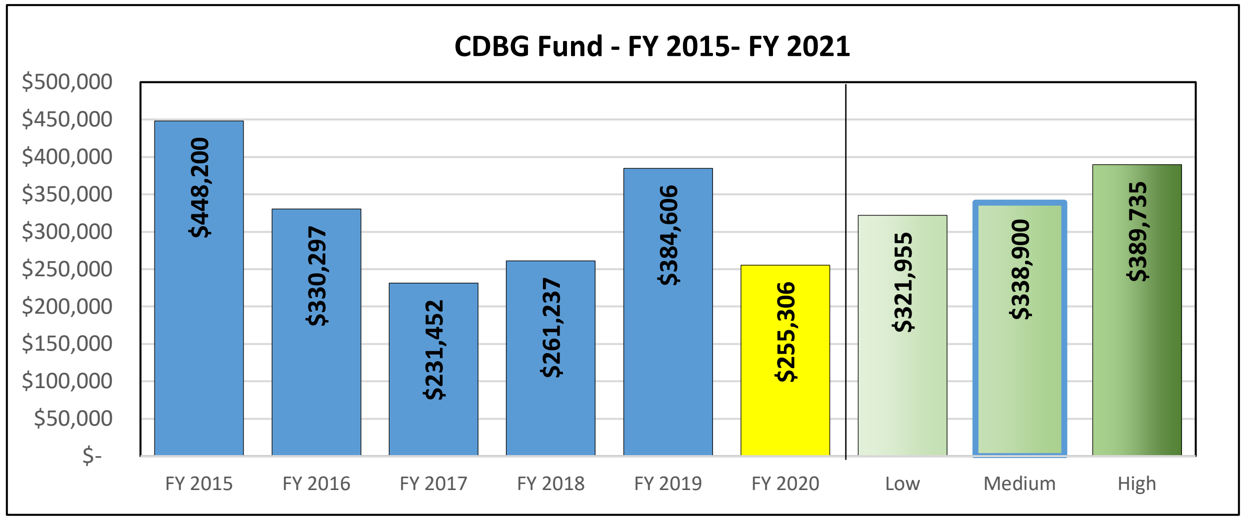
	Actual					Budget	Forecast (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	3.9%	-10.2%	14.0%	18.4%	-4.8%	30.6%	1.0%	2.0%	3.0%	3-yr Average
TRANSIT OPERATIONS GRANT (FEDERAL)	1,229,365	989,505	1,163,679	983,103	1,163,055	1,586,255	1,602,118	1,617,980	1,633,843	$ 2,357,518
TRANSIT CAPITAL GRANT (FED/STATE)	67,588	261,550	380,361	272,005	326,527	376,234	379,996	383,759	387,521	11.1%
TRANSIT FARES	94,072	88,460	104,649	112,418	84,945	149,000	150,490	151,980	153,470	5-Yr Average
INTEREST INCOME	3,573	4,391	7,610	7,465	27,227	9,700	9,797	9,894	9,991	$ 2,206,724
RENTAL INCOME	9,700	9,700	9,700	9,600	9,700	20,000	20,200	20,400	20,600	8.5%
SALE OF SURPLUS ASSETS	0	18,640	11,475	0	0	0	-	-	-	
TRANSFER FROM GENERAL FUND	683,110	501,413	458,755	1,144,399	795,884	1,003,371	1,013,204	1,023,438	1,033,472	
Totals	$ 2,087,408	$ 1,873,659	$ 2,136,228	$ 2,528,988	$ 2,407,337	$ 3,144,560	$ 3,175,806	$ 3,207,453	$ 3,238,899	

Source: City of Franklin, Comprehensive Annual Financial Reports - 2009-2019 & Estimates from Finance & Revenue Management Departments.

Fund:	**Community Development Block Grant Fund**	**Percent of All Revenues**	**0.2%**

CDBG Fund: The Community Development Block Grant is funded by the Department of Housing and Urban Development based on an annual formula provided by HUD. Under the formula guideline the City receives about $330,000 annually. To date the City of Franklin has received approximately $2 million which has been used for emergency rehabilitation of about 62 homes within the City of Franklin for our elderly and low income residents, furthering Fair Housing education, new construction of single family homes within the Hard Bargain and Natchez neighborhoods and administrating homeless assistance on an as-needed basis.

Although the increase shown is significant over the current budget, the increase is based upon what will be the revised budget amount - $318,000 - for FY 2020. This will be amended via amendment later in FY 2020 and is based on this years federal funding letter from HUD.



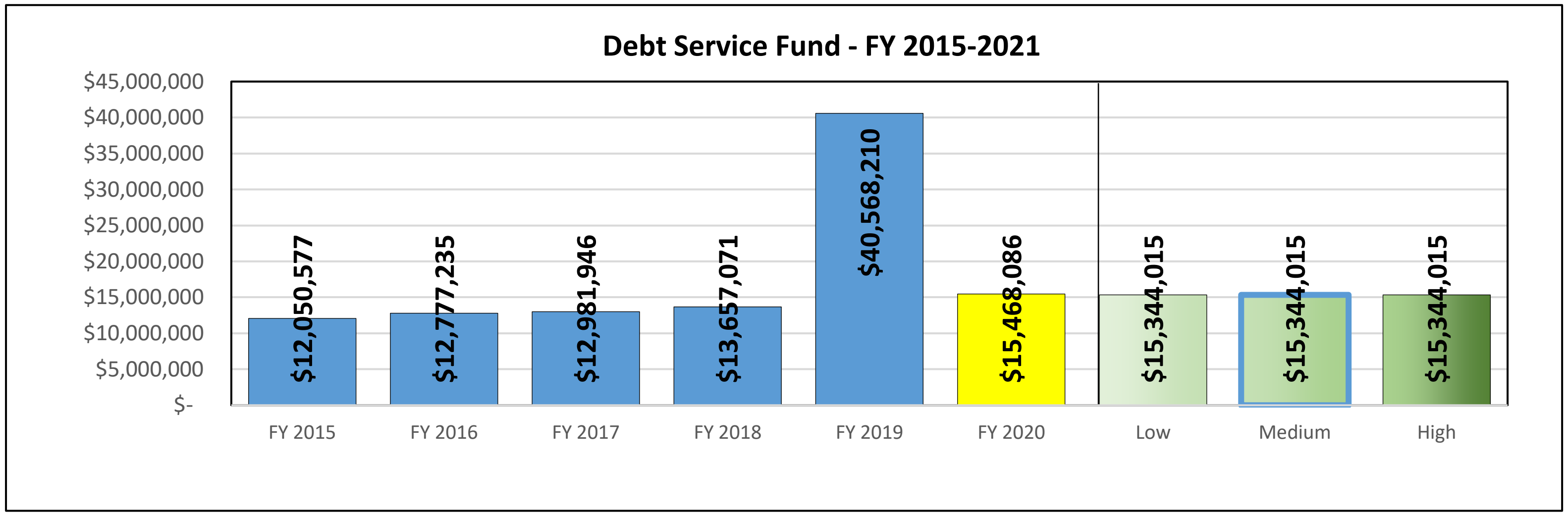
	Actual					Budget	Forecast (FY 2021)			Averages
	FY 2015	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Low**	**Medium**	**High**	
% yr/yr.	**125.3%**	**-26.3%**	**-29.9%**	**12.9%**	**47.2%**	**-33.6%**	**26.1%**	32.7%	**52.7%**	
CDBG GRANT (FEDERAL)	223,787	329,866	230,374	257,808	373,845	255,000	**317,205**	333,900	383,985	**3-yr Average**
IN LIEU OF AFFORDABLE HOUSING FEES	224,162	0	0	0	0	0	-	-	-	**$ 292,432**
INTEREST INCOME	251	431	1,078	3,427	10,761	306	**4,750**	5,000	5,750	**-4.2%**
										5-Yr Average
										$ 331,158
										-4.6%
Totals	**$ 448,200**	**$ 330,297**	**$ 231,452**	**$ 261,237**	**$ 384,606**	**$ 255,306**	**$ 321,955**	**$ 338,900**	**$ 389,735**	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

City of Franklin
Revenue Model

Fund:	Debt Service Fund	Percent of All Revenues	9.4%

Debt Service Fund: The Debt Service Fund was created in FY 2010 for the purpose of accounting for resources set aside to fund debt service (payments of long term debt principal, interest, and related costs). All funds which have debt service are accounted for within this fund - General, Road Impact, Sanitation and Hotel / Motel.



	Actual					Budget	Forecast (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
PROPERTY TAXES COLLECTED	6,350,472	7,338,632	6,710,855	8,505,949	8,661,198	10,704,090	10,927,504	10,927,504	10,927,504	3-yr Average
REBATE ON BAB / RZEDB	838,508	840,316	846,359	843,028	818,444	358,077	-	-	-	$ 22,402,409
INTEREST INCOME	1,514	3,296	4,355	16,390	108,247	100,000	100,000	100,000	100,000	-10.3%
BOND PROCEEDS	0	0	0	0	22,940,000	0	-	-	-	5-Yr Average
PREMIUMS ON BONDS	0	0	0	0	3,870,894	0	-	-	-	$ 18,407,008
TRANSFER FROM GENERAL FUND	0	0	792,914	0	0	0	-	-	-	-3.2%
TRANSFER FROM WATER	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	10-Yr Average
TRANSFER FROM SEWER	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	$ 18,047,401
TRANSFER FROM SOLID WASTE	584,509	599,772	618,054	273,390	96,930	348,390	203,614	203,614	203,614	-2.9%
TRANSFER FROM ROAD IMPACT	2,960,579	2,674,006	2,689,493	2,699,646	2,755,143	2,642,606	2,736,612	2,736,612	2,736,612	
TRANSFER FROM HOTEL/MOTEL	1,114,995	1,121,213	1,119,916	1,118,668	1,117,355	1,114,924	1,176,285	1,176,285	1,176,285	
Totals	**$ 12,050,577**	**$ 12,777,235**	**$ 12,981,946**	**$ 13,657,071**	**$ 40,568,210**	**$ 15,468,086**	**$ 15,344,015**	**$ 15,344,015**	**$ 15,344,015**	

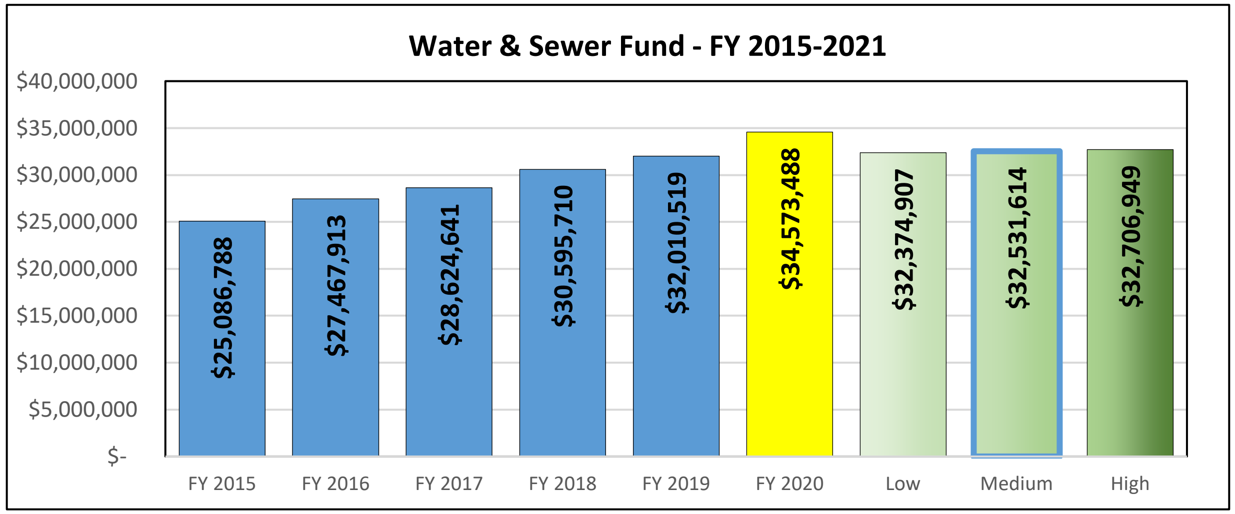
Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

Fund:	Water/Sewer Fund	Percent of All Revenues	20.0%

Water & Sewer Fund: Water and wastewater are independent business units of the City of Franklin and are required to be self-sufficient entities. These utilities are not subsidized by local taxes, paying the General Fund monies to cover the costs of services such as payroll, human resources and other support activities.

Rates are forecast to stay at previous increases of 2.9% for Water and 3.5% for Sewer for CY 2020 and CY 2021. These increases are consistent with the last five-year rate plan. Overall revenues are lower than current year forecast because of the non recurrence of one-time revenues used for capital expenditures. This assumption will be revised before the submission of the City Administrator's Proposed Budget.

**Note: Revenues shown below are for operational & customer service only. Capital Contributions are not included within this total, and will not necessarily tie to audited financial information.*



	Actual					Budget	Forecast (FY 2021)			Averages
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Low	Medium	High	
% yr/yr.	9.5%	9.5%	4.2%	6.9%	4.6%		1.1%	1.6%	2.2%	
Water										3-yr Average
Use of Money & Property	28,924	46,167	89,992	131,580	127,636	38,873	100,000	110,000	120,000	$ 28,896,088
Rates & Related Customer Service	10,161,250	10,862,141	11,155,292	11,425,017	11,865,135	12,957,783	12,149,898	12,204,033	12,268,550	3.6%
Wastewater										5-Yr Average
Use of Money & Property	86,477	110,042	95,071	183,627	796,010	90,411	257,500	258,750	260,000	$ 26,935,141
Rates & Related Customer Service	14,724,348	16,324,715	17,146,739	18,719,089	19,089,086	19,496,571	19,661,759	19,753,081	19,852,649	3.8%
Transfer from Co. Fac. Tax.						1,285,000	-	-	-	
Reclaimed Water										
Use of Money & Property	14	38	196	691	1,958	100	1,000	1,000	1,000	
Rates & Related Customer Service	85,775	124,810	137,351	135,705	130,694	204,750	204,750	204,750	204,750	
Use of F/B						500,000	-	-	-	
Totals	$ 25,086,788	$ 27,467,913	$ 28,624,641	$ 30,595,710	$ 32,010,519	$ 34,573,488	$ 32,374,907	$ 32,531,614	$ 32,706,949	

Source: City of Franklin, Comprehensive Annual Financial Reports - 1990-2019 & Estimates from Finance & Revenue Management Departments.

TENNESSEE STATE FUNDING BOARD
November 15, 2019
10:00 a.m./Cordell Hull Building – Senate Hearing Room I

AGENDA

1. Call Meeting to order

2. Presentation of Report for October Revenues: Commissioner Stuart McWhorter, Finance & Administration

3. Revenue Estimating Presentations:

   Presenters:

   Ms. Emily Mitchell, Director, Regional Economic Information Network,
   Federal Reserve Bank of Atlanta, Nashville Office

   Dr. William Fox, Professor of Economics,
   Boyd Center for Business and Economic Research, University of Tennessee

   Dr. Jon L. Smith, Director, Bureau of Business and Economic Research,
   Dr. Joseph Newhard, Assistant Professor of Economics,
   Dr. Fred Mackara, Associate Professor of Economics,
   East Tennessee State University

   Commissioner David Gerregano,
   Ms. Christin Lotz, Director of Research,
   Mr. Jaime Espinosa-Bowen, Research Analyst,
   State of Tennessee, Department of Revenue

   Mr. Bojan Savic, Assistant Director,
   Mr. Joe Wegenka, Chief Economist,
   State of Tennessee, Fiscal Review Committee

4. Lottery Revenue Estimating Presentations:

   Presenters:

   Mr. Bojan Savic, Assistant Director,
   Mr. Joe Wegenka, Chief Economist,
   State of Tennessee, Fiscal Review Committee

   Ms. Rebecca Hargrove, President and CEO,
   Mr. Andy Davis, Chief Financial and Technology Officer
   Tennessee State Lottery Corporation:

   Mr. Tim Phelps,
   Associate Executive Director for Grant and Scholarship Programs,
   Tennessee Student Assistance Corporation (TSAC)

5. Request to the Board for consideration for program funding for the fiscal year 2020-2021 from Net Lottery Proceeds pursuant to Tennessee Code Annotated Section 4-51-111(c)(2)(B)

Recess (To Reconvene November 26, 2019, at 8:30 a.m./Cordell Hull Building – Senate Hearing Room 1)

URL: http://tnga.granicus.com/MediaPlayer.php?publish_id=bf7dec4d-52ed-4cad-82b2-7bb7c27c8095

Department of Finance & Administration

FOR IMMEDIATE RELEASE
Friday, November 15, 2019

CONTACT: Lola Potter
(615) 532-8560

OCTOBER REVENUES

NASHVILLE, Tenn. – Tennessee Department of Finance and Administration Commissioner Stuart McWhorter today announced that Tennessee tax revenues exceeded budgeted estimates in October. Overall October revenues were $1.1 billion, which is $82.3 million more than October of last year and $49.8 million more than the budgeted estimate. The growth rate for October was 7.88%.

"Growth over October revenue estimates were mainly supported by strong sales tax receipts and a large one-time motor fuel tax payment in the month," McWhorter said. "Franchise and excise tax revenue fell short of estimates, due in part to a growth in corporate tax refunds over the prior year as corporate tax filers that requested an April extension balanced their estimated payment to their tax liabilities.

"Moving forward we will continue to proceed cautiously and closely monitor our revenue and expenditure patterns for the balance of this fiscal year."

On an accrual basis, October is the third month in the 2019-2020 fiscal year.

General fund revenues for October were $18.1 million more than the budgeted estimate, and the four other funds that share in state tax revenues were $31.7 million more than the budgeted estimates.

Sales tax revenues were $26.6 million more than the estimate for October. The October growth rate was 5.93% and the year-to-date growth rate is 6.31%.

Franchise and excise combined revenues for October were $43.7 million, which is $14 million less than the budgeted estimate of $57.7 million. The growth rate for October was negative 26.46%. However, the year-to-date growth rate is 17.06%.

Gasoline and motor fuel revenues increased by 31.30% and were $25.4 million more than the budgeted estimate of $104.7 million. Approximately $23.3 million of receipts came from a one-time motor fuel tax payment concerning a still pending diesel fuel lawsuit.

Motor vehicle registration revenue receipts increased by 17.11% and they were $0.9 million more than the October estimate.

Tobacco tax revenues for the month were $1.5 million less than the budgeted estimate of $20.6 million. The growth rate for October was 3.11%.

– MORE –

Privilege tax revenues were $5.4 million more than the budgeted estimate of $30.8 million.

Business tax revenues were $0.7 million more than the budgeted estimate.

Income taxes were $3.2 million more than the October estimate.

All other tax revenues were greater than estimates by a net of $3.1 million.

Year-to-date revenues for three months are $217.4 million more than the budgeted estimate. The general fund has exceeded estimates by $172.2 million and the four other funds that share in state tax revenues exceeded estimates by $45.2 million.

The budgeted revenue estimates for 2019-2020 are based on the State Funding Board's consensus recommendation of November 26, 2018 and adopted by the first session of the 111th General Assembly in April 2019. Also incorporated in the estimates are any changes in revenue enacted during the 2019 session of the General Assembly. These estimates are available on the state's website at https://www.tn.gov/content/tn/finance/fa/fa-budget-information/fa-budget-rev.html.

###

Table 1
Revenue Collections by Fund
October
2019-2020

Fund	2019 Actual	2019 Budgeted	2019 B/(W)	2019 Percent	2018 Actual	2019 B/(W)	2019 Percent
General Fund	$883,023,000	$864,938,000	$18,085,000	2.09%	$832,050,000	$50,973,000	6.13%
Highway Fund	104,265,000	82,871,000	21,394,000	25.82%	77,942,000	26,323,000	33.77%
Sinking Fund	27,378,000	27,222,000	156,000	0.57%	29,130,000	(1,752,000)	-6.01%
City & County Fund	97,907,000	87,705,000	10,202,000	11.63%	84,479,000	13,428,000	15.90%
Earmarked Fund	13,667,000	13,666,000	1,000	0.01%	20,333,000	(6,666,000)	-32.78%
Total	**$1,126,240,000**	**$1,076,402,000**	**$49,838,000**	**4.63%**	**$1,043,934,000**	**$82,306,000**	**7.88%**

Revenue Collections by Tax
October
2019-2020

Tax Source	2019 Actual	2019 Budgeted	2019 B/(W)	2019 Percent	2018 Actual	2019 B/(W)	2019 Percent
Franchise & Excise	$43,720,000	$57,684,000	($13,964,000)	-24.21%	$59,450,000	($15,730,000)	-26.46%
Income	4,483,000	1,246,000	3,237,000	259.79%	230,000	4,253,000	1849.13%
Inheritance & Estate	15,000	0	15,000	0.00%	27,000	(12,000)	-44.44%
Gasoline	73,424,000	72,010,000	1,414,000	1.96%	69,847,000	3,577,000	5.12%
Petroleum Special	5,887,000	5,771,000	116,000	2.01%	5,731,000	156,000	2.72%
Tobacco	19,127,000	20,625,000	(1,498,000)	-7.26%	18,550,000	577,000	3.11%
Beer	1,565,000	1,382,000	183,000	13.24%	1,396,000	169,000	12.11%
Motor Vehicle Registration	26,373,000	25,462,000	911,000	3.58%	22,519,000	3,854,000	17.11%
Motor Vehicle Title	1,973,000	2,132,000	(159,000)	-7.46%	1,864,000	109,000	5.85%
Mixed Drink	12,300,000	10,994,000	1,306,000	11.88%	11,316,000	984,000	8.70%
Business	7,372,000	6,722,000	650,000	9.67%	6,072,000	1,300,000	21.41%
Privilege	36,177,000	30,826,000	5,351,000	17.36%	28,310,000	7,867,000	27.79%
Gross Receipts	1,392,000	83,000	1,309,000	1577.11%	(207,000)	1,599,000	-772.46%
TVA - In Lieu of Tax Payments	30,166,000	29,393,000	773,000	2.63%	29,716,000	450,000	1.51%
Alcoholic Beverage	5,683,000	5,970,000	(287,000)	-4.81%	4,955,000	728,000	14.69%
Sales and Use	805,659,000	779,078,000	26,581,000	3.41%	760,552,000	45,107,000	5.93%
Motor Vehicle Fuel	50,842,000	26,946,000	23,896,000	88.68%	23,545,000	27,297,000	115.94%
Severance	74,000	75,000	(1,000)	-1.33%	51,000	23,000	45.10%
Coin-operated Amusement	8,000	3,000	5,000	166.67%	10,000	(2,000)	-20.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	**$1,126,240,000**	**$1,076,402,000**	**$49,838,000**	**4.63%**	**$1,043,934,000**	**$82,306,000**	**7.88%**

Table 2
Revenue Collections by Fund
Year-to-Date
August - October
2019-2020

Fund	2019-2020 Actual	2019-2020 Budgeted	2019-2020 B/(W)	2019-2020 Percent	2018-2019 Actual	2019-2020 B/(W)	2019-2020 Percent
General Fund	$3,019,411,000	$2,847,181,000	$172,230,000	6.05%	$2,793,862,000	$225,549,000	8.07%
Highway Fund	282,688,000	253,222,000	29,466,000	11.64%	252,696,000	29,992,000	11.87%
Sinking Fund	82,364,000	81,966,000	398,000	0.49%	87,672,000	(5,308,000)	-6.05%
City & County Fund	398,274,000	382,947,000	15,327,000	4.00%	338,025,000	60,249,000	17.82%
Earmarked Fund	41,001,000	40,998,000	3,000	0.01%	47,668,000	(6,667,000)	-13.99%
Total	**$3,823,738,000**	**$3,606,314,000**	**$217,424,000**	**6.03%**	**$3,519,923,000**	**$303,815,000**	**8.63%**

Revenue Collections by Tax
Year-to-Date
August - October
2019-2020

Tax Source	2019-2020 Actual	2019-2020 Budgeted	2019-2020 B/(W)	2019-2020 Percent	2018-2019 Actual	2019-2020 B/(W)	2019-2020 Percent
Franchise & Excise	$577,169,000	$488,331,000	$88,838,000	18.19%	$493,074,000	$84,095,000	17.06%
Income	7,415,000	2,576,000	4,839,000	187.85%	559,000	6,856,000	1226.48%
Inheritance & Estate	(35,000)	0	(35,000)	0.00%	26,000	(61,000)	-234.62%
Gasoline	231,598,000	228,864,000	2,734,000	1.19%	220,724,000	10,874,000	4.93%
Petroleum Special	18,263,000	17,950,000	313,000	1.74%	18,030,000	233,000	1.29%
Tobacco	63,085,000	61,920,000	1,165,000	1.88%	60,389,000	2,696,000	4.46%
Beer	4,806,000	4,665,000	141,000	3.02%	4,788,000	18,000	0.38%
Motor Vehicle Registration	83,429,000	79,655,000	3,774,000	4.74%	84,857,000	(1,428,000)	-1.68%
Motor Vehicle Title	6,121,000	6,433,000	(312,000)	-4.85%	6,105,000	16,000	0.26%
Mixed Drink	37,812,000	34,026,000	3,786,000	11.13%	32,633,000	5,179,000	15.87%
Business	23,051,000	18,701,000	4,350,000	23.26%	22,555,000	496,000	2.20%
Privilege	102,880,000	90,512,000	12,368,000	13.66%	88,877,000	14,003,000	15.76%
Gross Receipts	8,816,000	6,874,000	1,942,000	28.25%	12,126,000	(3,310,000)	-27.30%
TVA - In Lieu of Tax Payments	96,944,000	95,470,000	1,474,000	1.54%	92,858,000	4,086,000	4.40%
Alcoholic Beverage	17,642,000	17,834,000	(192,000)	-1.08%	16,092,000	1,550,000	9.63%
Sales and Use	2,445,753,000	2,379,088,000	66,665,000	2.80%	2,300,550,000	145,203,000	6.31%
Motor Vehicle Fuel	98,698,000	73,164,000	25,534,000	34.90%	65,401,000	33,297,000	50.91%
Severance	256,000	225,000	31,000	13.78%	243,000	13,000	5.35%
Coin-operated Amusement	35,000	26,000	9,000	34.62%	35,000	0	0.00%
Unauthorized Substance	0	0	0	NA	1,000	(1,000)	NA
Total	**$3,823,738,000**	**$3,606,314,000**	**$217,424,000**	**6.03%**	**$3,519,923,000**	**$303,815,000**	**8.63%**

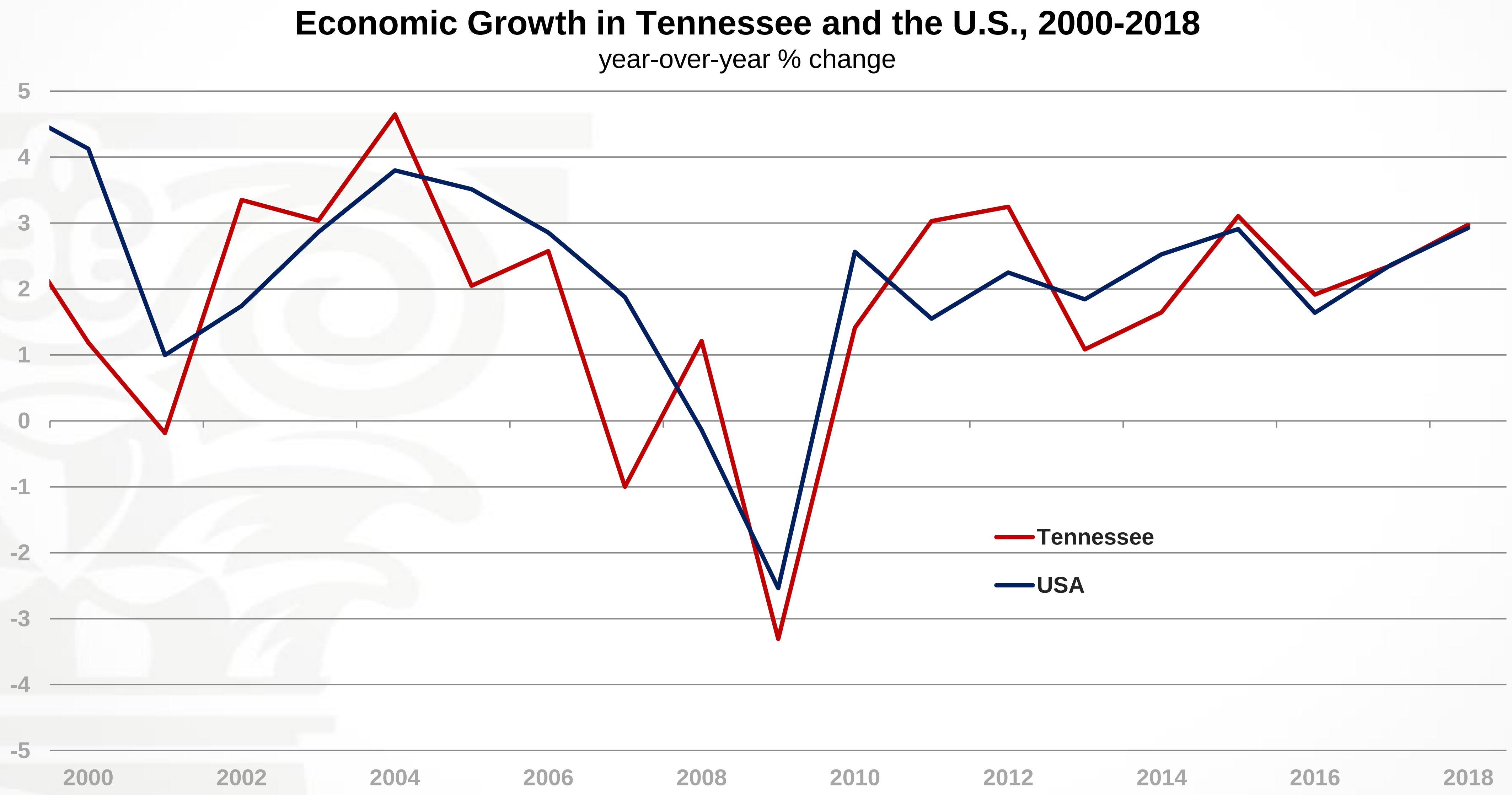
FEDERAL RESERVE BANK *of* ATLANTA

Tennessee State Funding Board

November 15, 2019

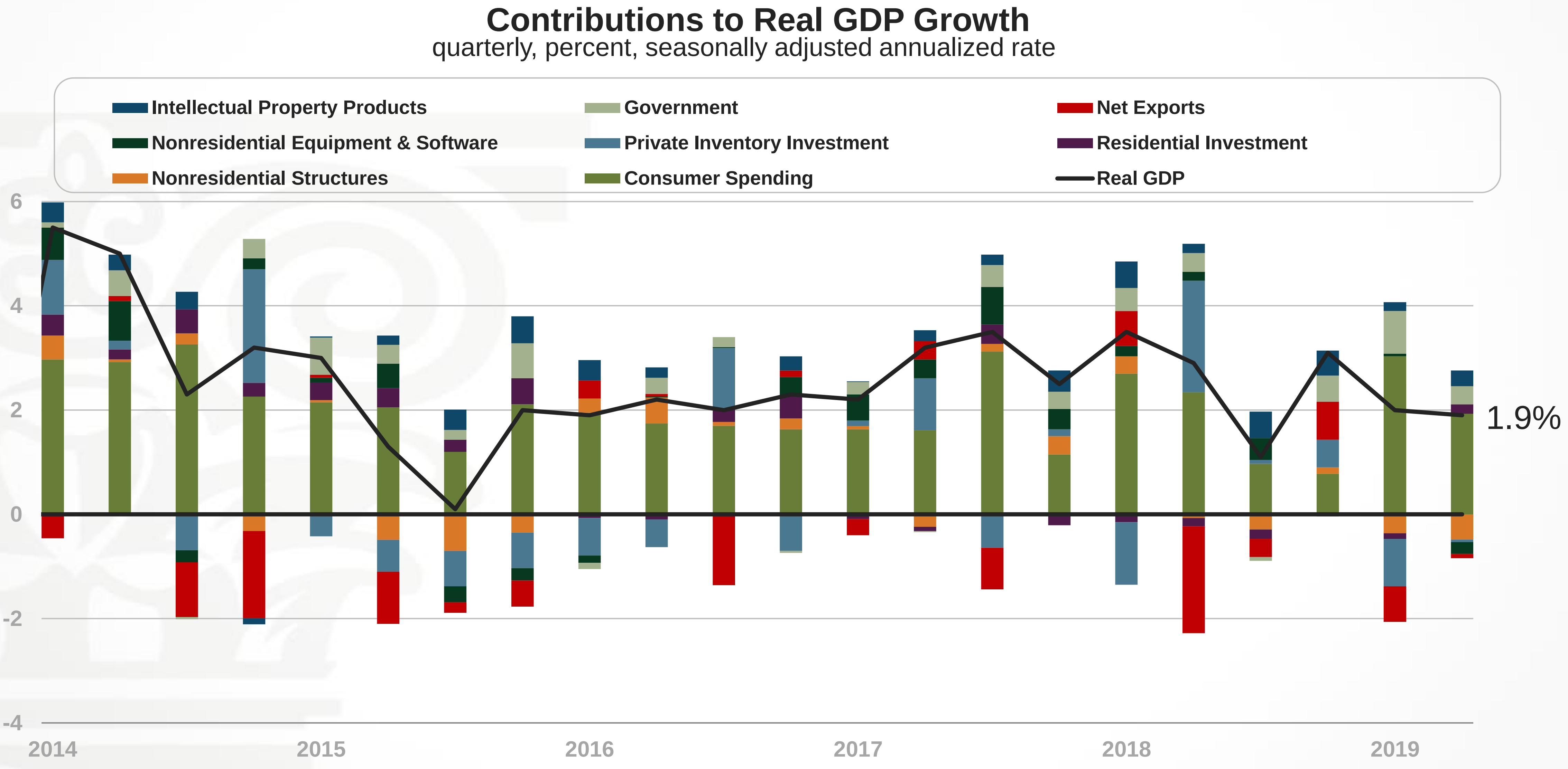
Emily Mitchell
REIN Director - Tennessee

The Tennessee economy has loosely mirrored the national economy.

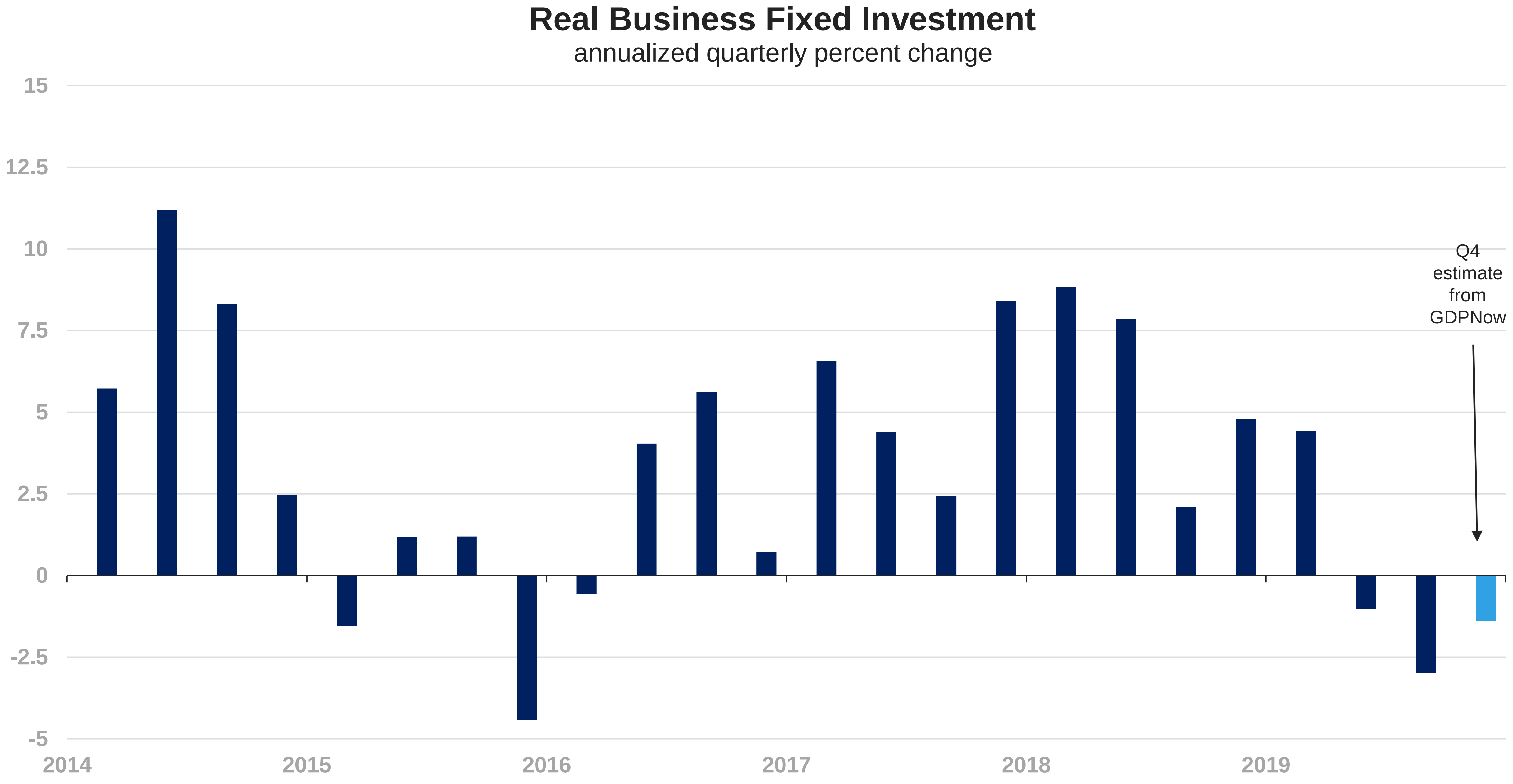


Sources: Bureau of Economic Analysis; Haver Analytics

According to the advanced estimate, real GDP grew at a 1.9% annualized rate in Q3, as strong consumer spending overshadowed sluggish business investment and declining exports.



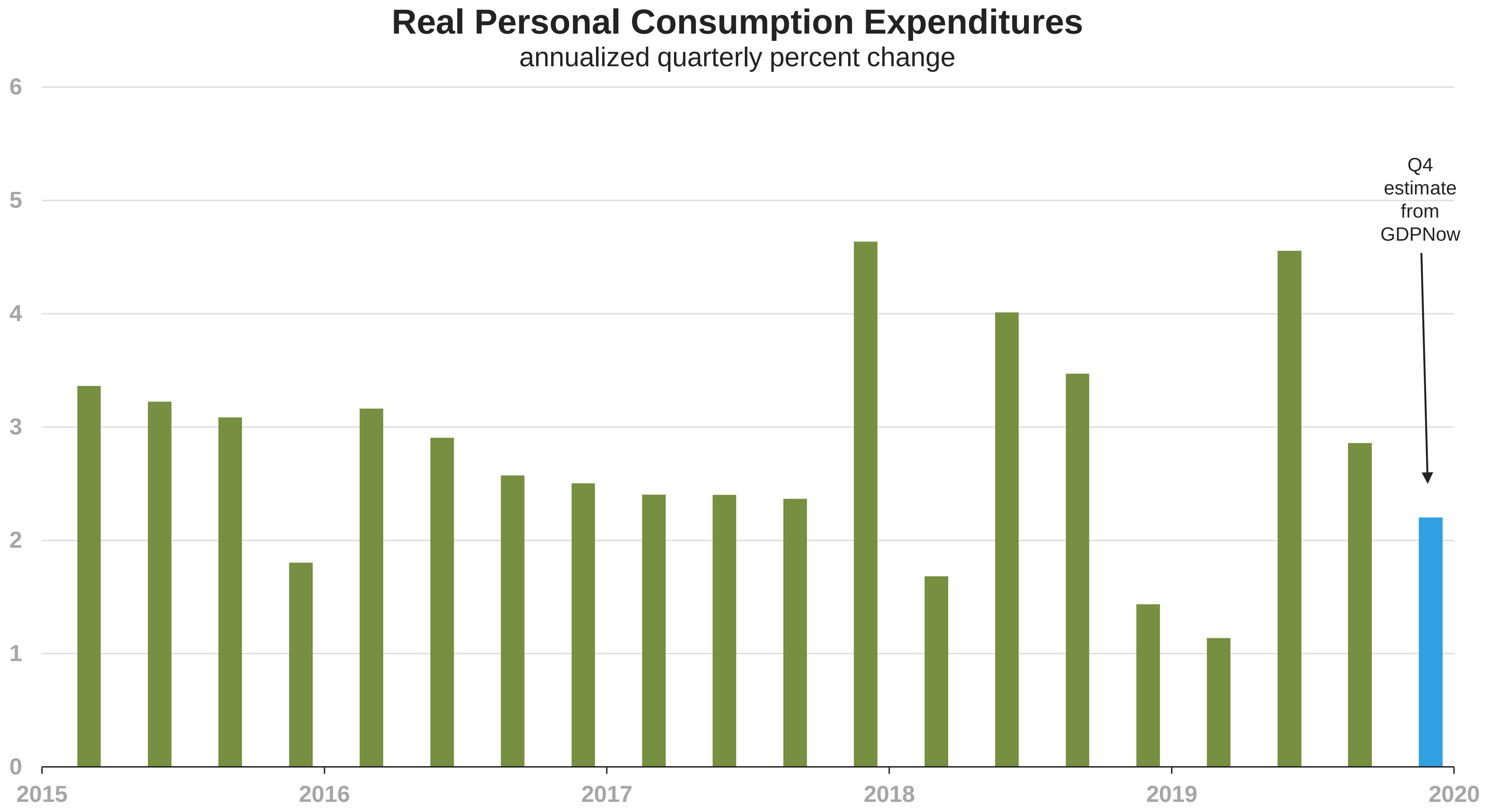
Following strong gains in 2018, one clear area of weakness has been business fixed investment.



Sources: Bureau of Economic Analysis, FRBA GDPNow; Haver Analytics

data through Q3:2019

Household spending rebounded strongly in Q2 and remained relatively buoyant in Q3 after weakness during the winter months.

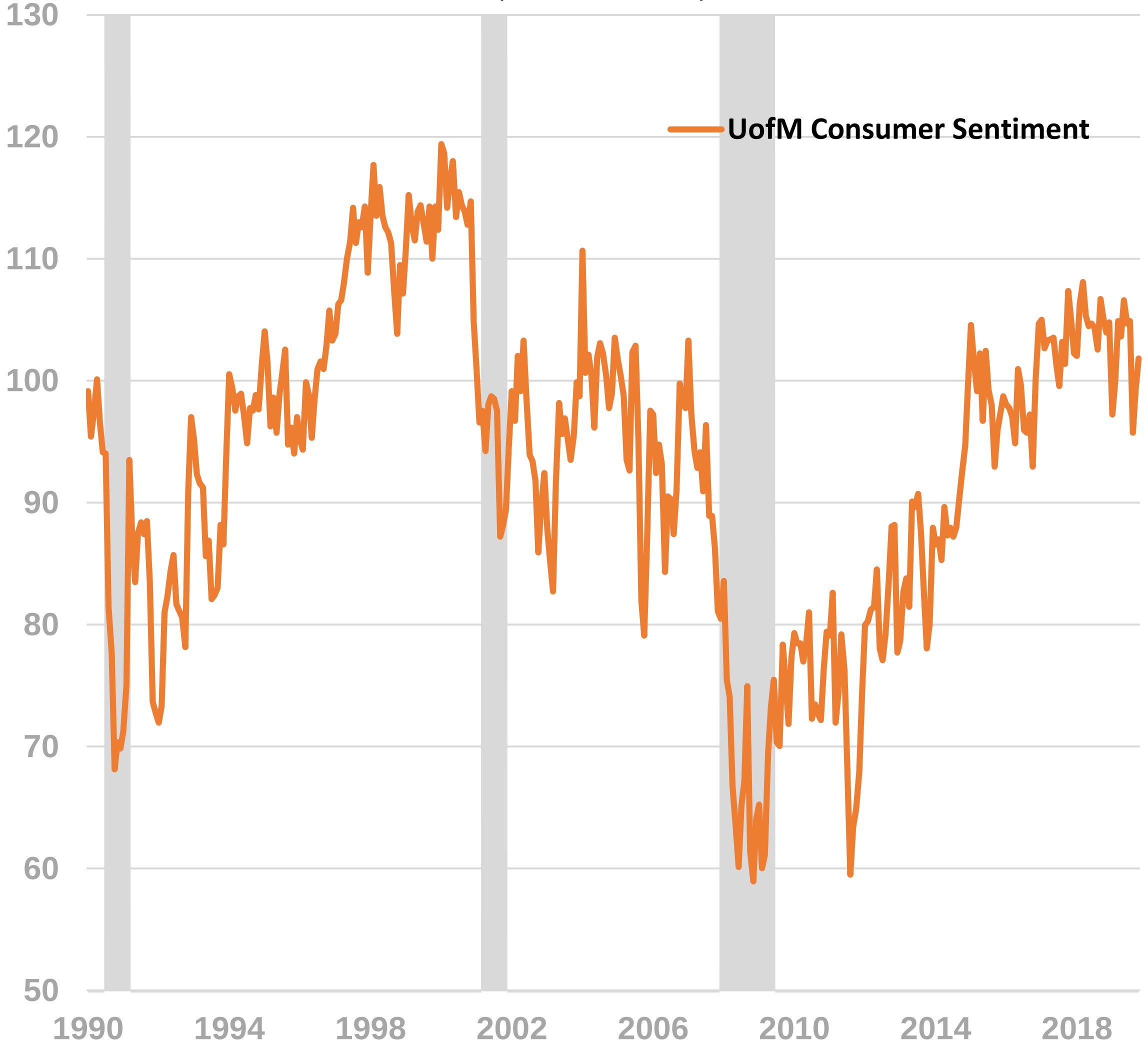


Sources: Bureau of Economic Analysis, FRBA GDPNow; Haver Analytics

data through Q3:2019

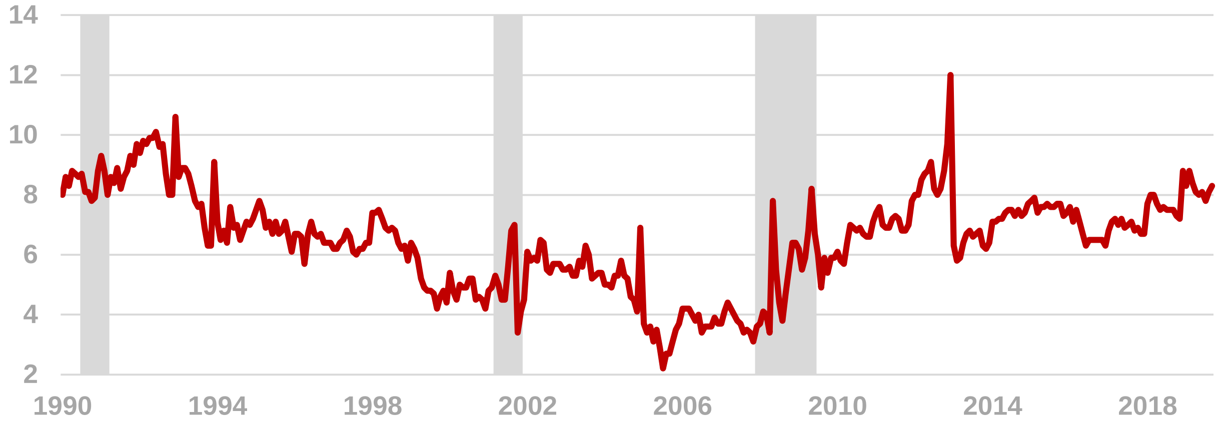
Other fundamentals for consumer spending remain favorable.

Consumer Attitudes
index (Nov. 2016 = 100)



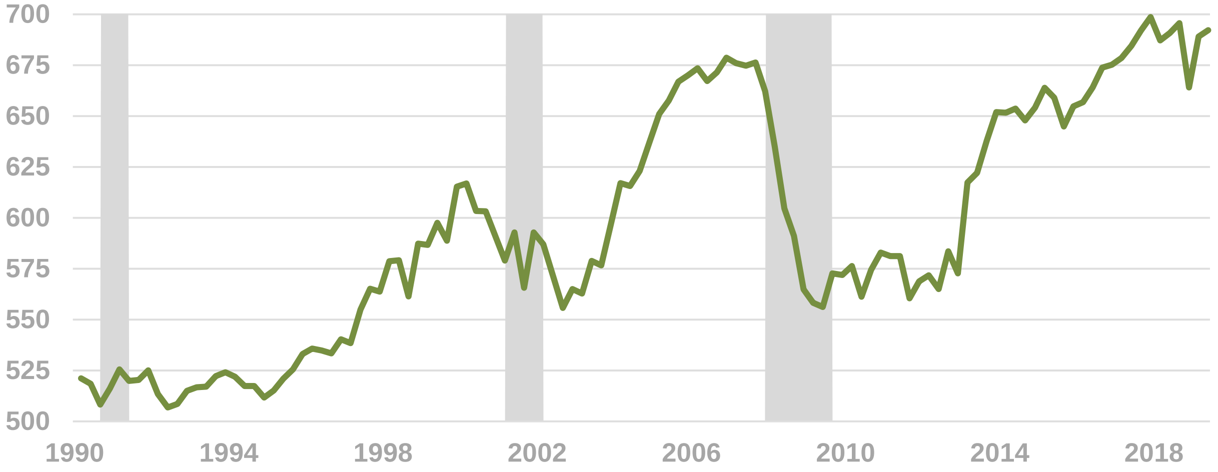
Sources: University of Michigan; Haver Analytics
data through October 2019

Personal Saving Rate
monthly, SA, percent



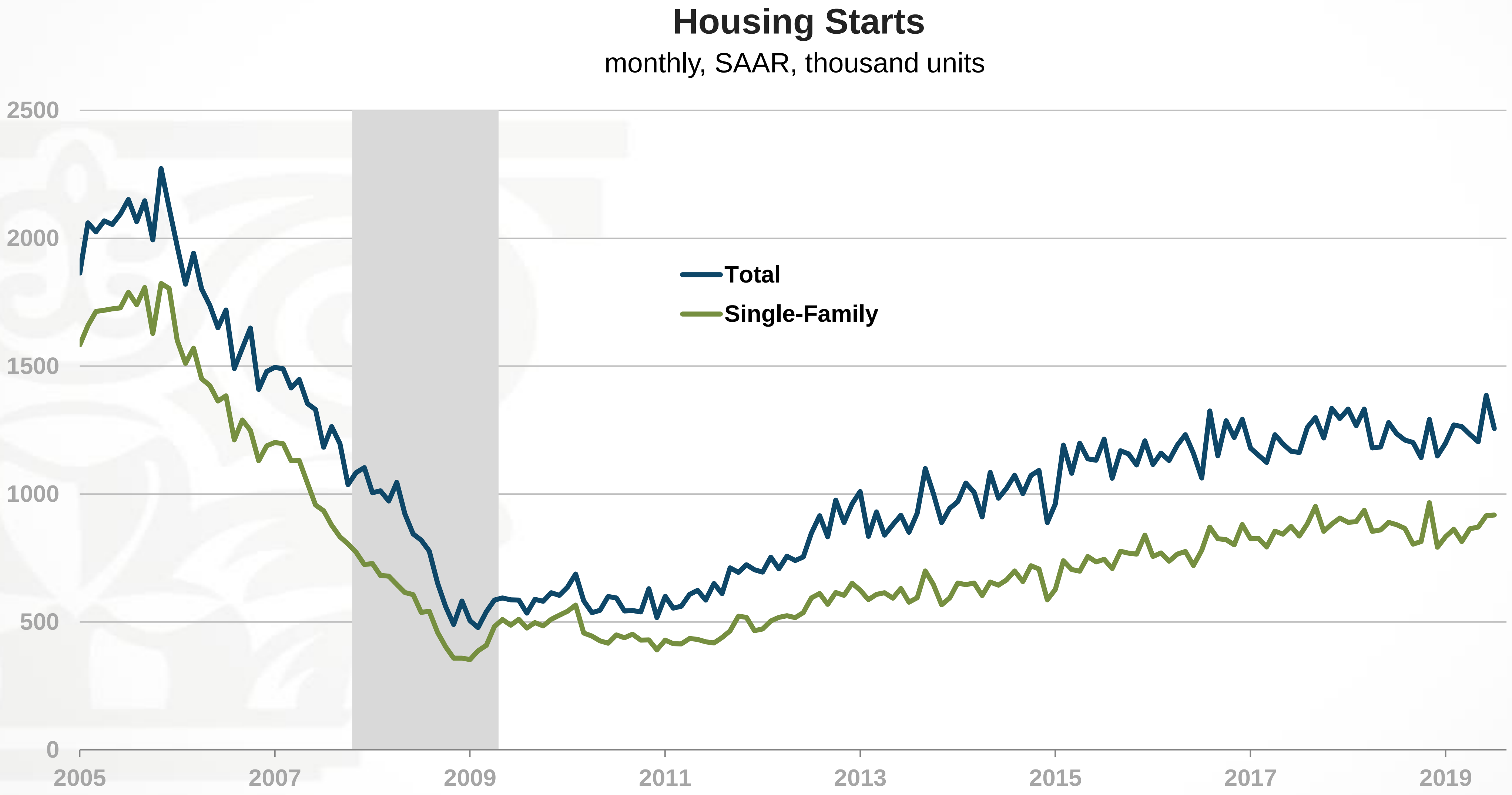
Sources: BEA; Haver Analytics
data through September 2019

Household Net Worth
percent of disposable income, quarterly



Sources: Federal Reserve Board; Haver Analytics
data through Q2:2019

Housing remains a strong sector.

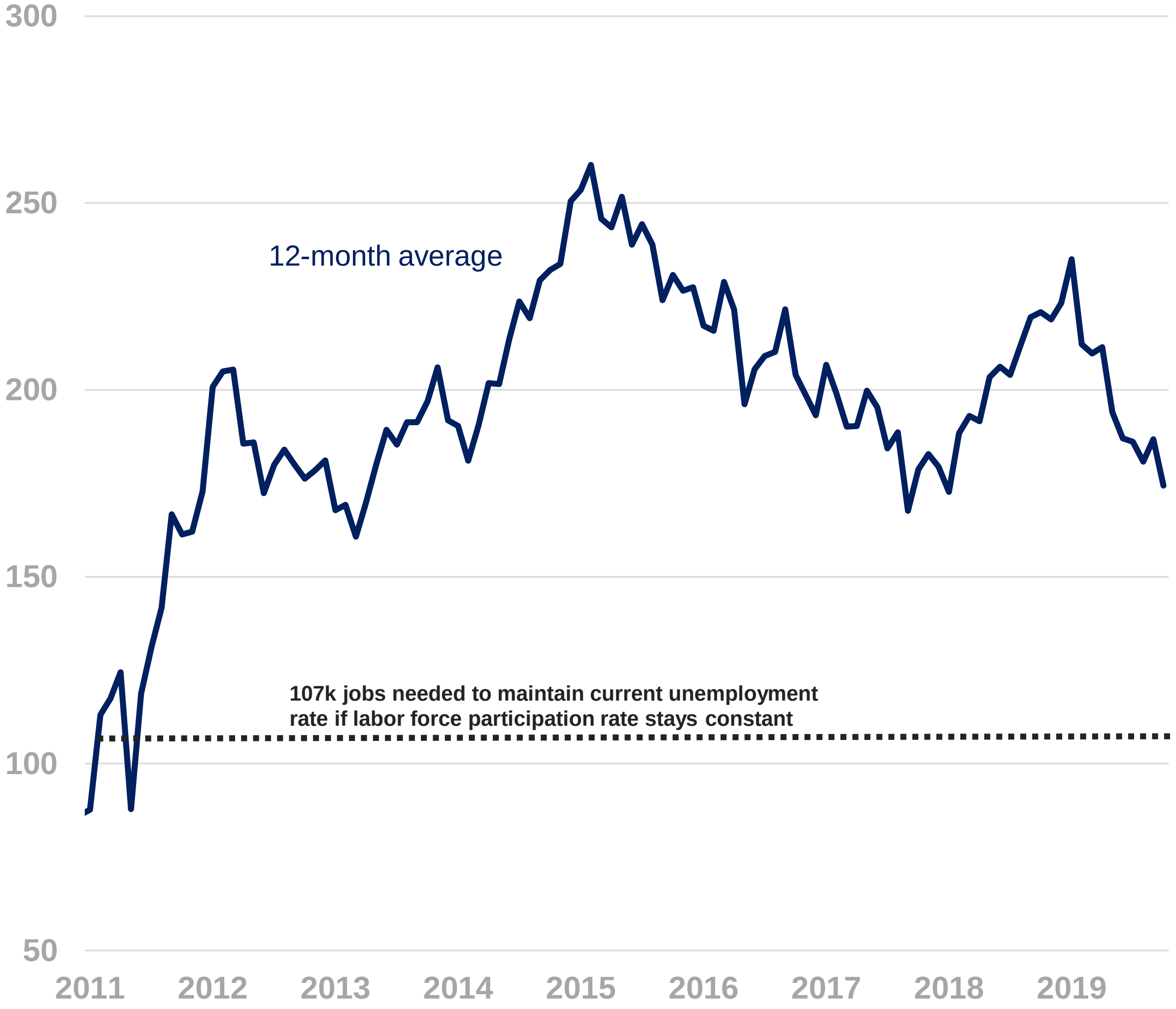


Sources: U.S. Census Bureau; Haver Analytics

through September 2019

Job gains continue to outpace what is needed to maintain the current unemployment rate. Forecasters expect the unemployment rate to remain at or below 4 percent at least through 2020.

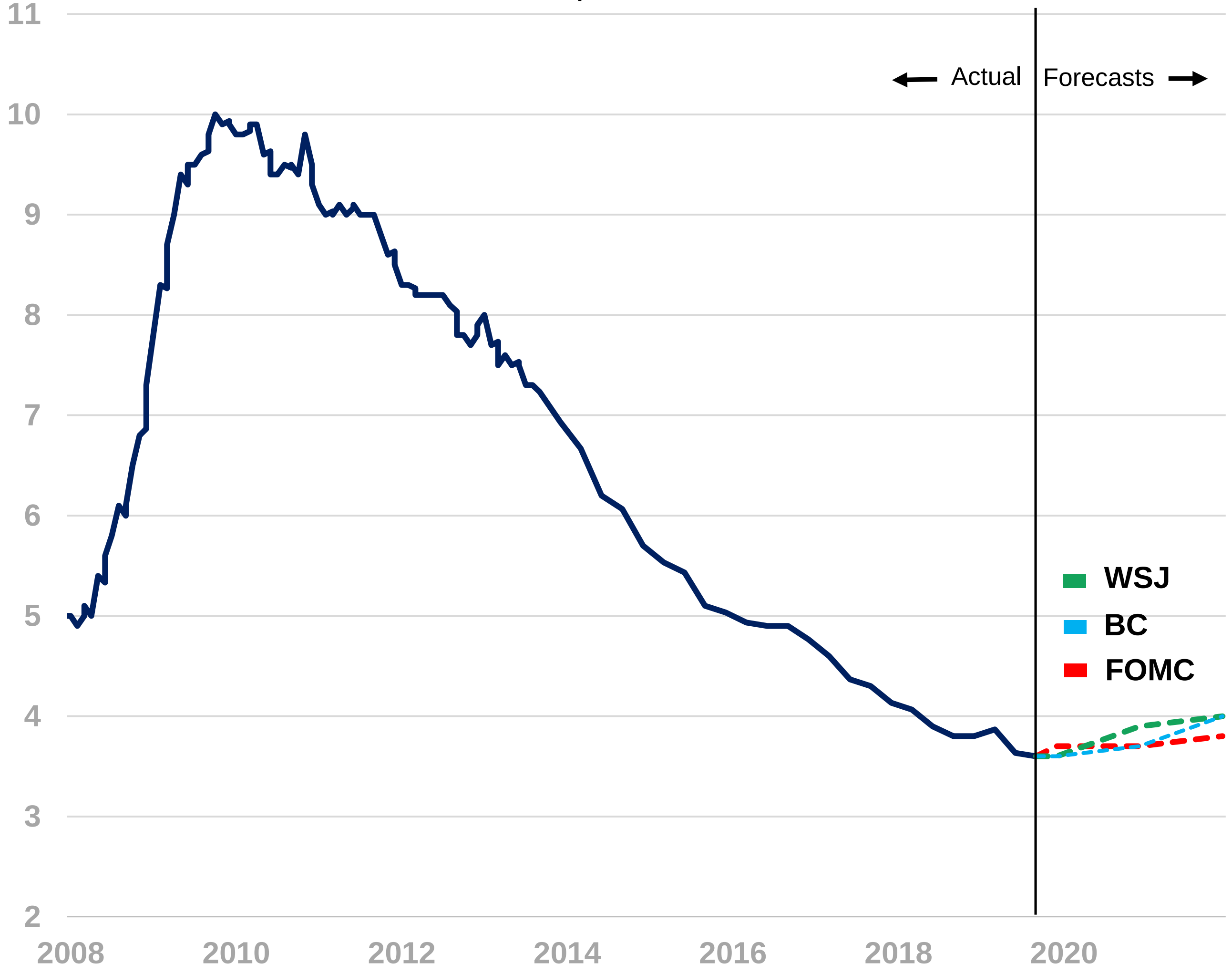
Payroll Employment Growth
thousands of jobs, sa



Sources: Bureau of Labor Statistics, staff calculations; Haver Analytics

data through October 2019

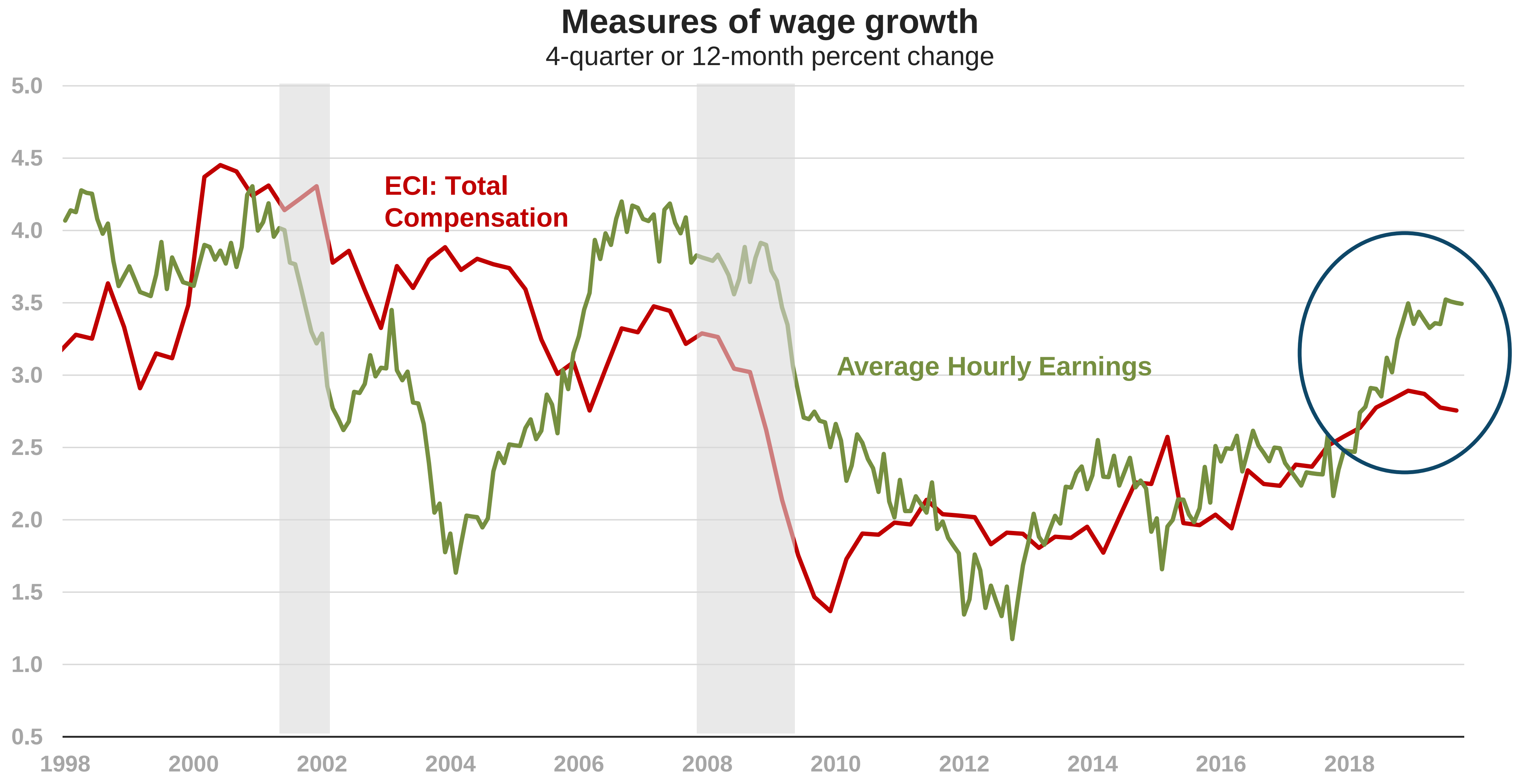
Unemployment Rate and Projections
percent



Sources: Bureau of Labor Statistics, October Blue Chip Economic Indicators, Wall Street Journal, September 2019 *Summary of Economic Projections*; Haver Analytics

data through Q3:2019

Wage growth picked up some early in the year and has largely plateaued.

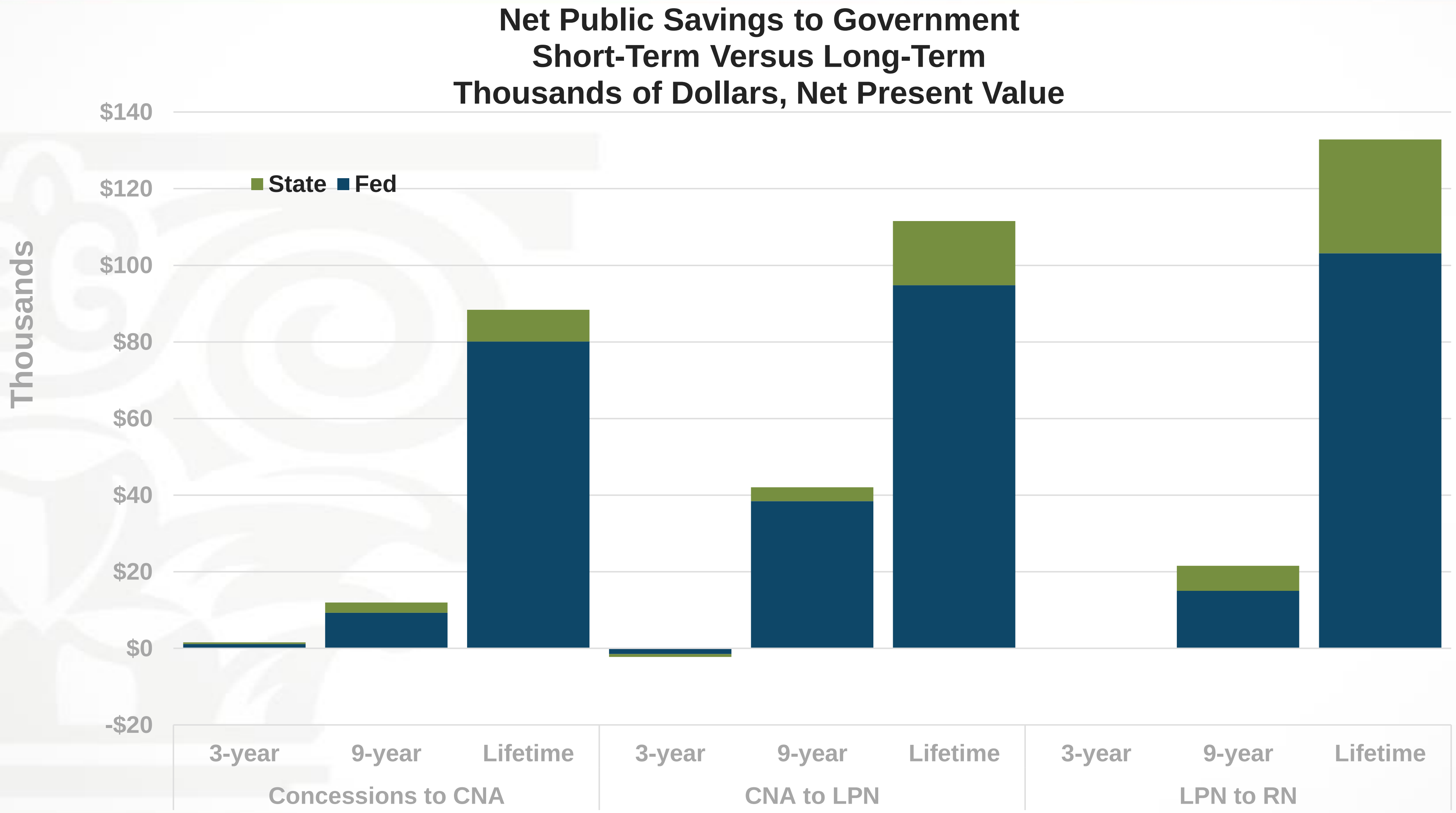


Grey shaded regions represent NBER recession dates

Sources: Bureau of Labor Statistics; Atlanta Fed; Haver Analytics

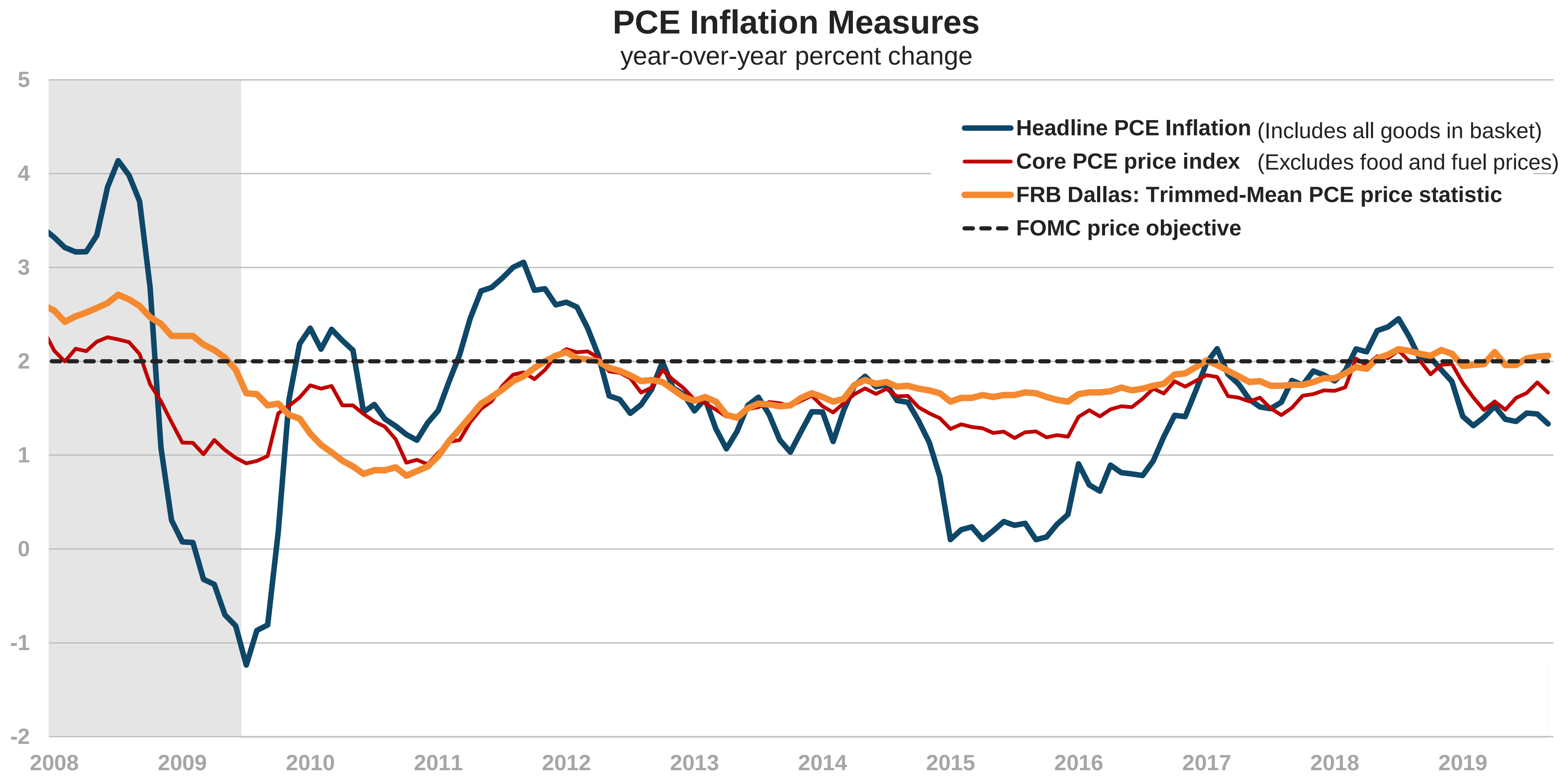
ECI data through Q3:2019, Payroll survey data through October 2019

Gains to state and Federal coffers can be realized by moving individuals into higher paying, higher-skilled positions, but barriers exist to this trajectory.



Note: Net public savings = Difference in Net taxes (lifetime taxes received minus lifetime benefits paid) with each career transition
9 year period corresponds to when her children still need childcare

Over the past year or so, underlying inflation—as measured by the Dallas Fed's trimmed-mean PCE inflation statistic—has been much closer to 2 percent. This price statistic is less volatile than either the headline or core indices, and tends to be a better predictor of future inflation.



Sources: Bureau of Economic Analysis; FRB Dallas; Haver Analytics

data through September 2019

FEDERAL RESERVE BANK *of* ATLANTA

Tennessee State Funding Board

November 15, 2019

Emily Mitchell
REIN Director - Tennessee

Tennessee Economic Outlook and Tax Revenues

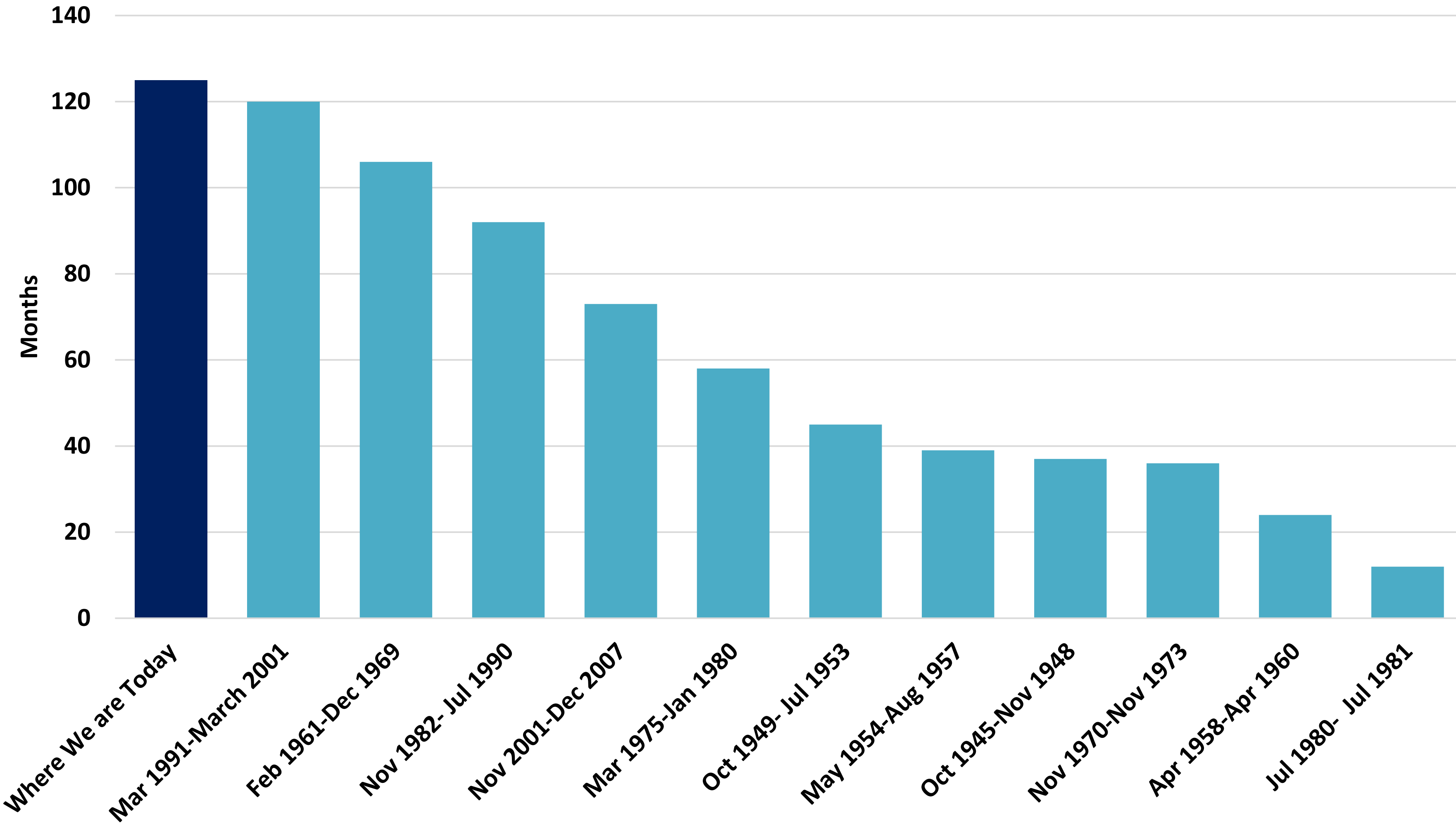
William F. Fox, Director

November 15, 2019

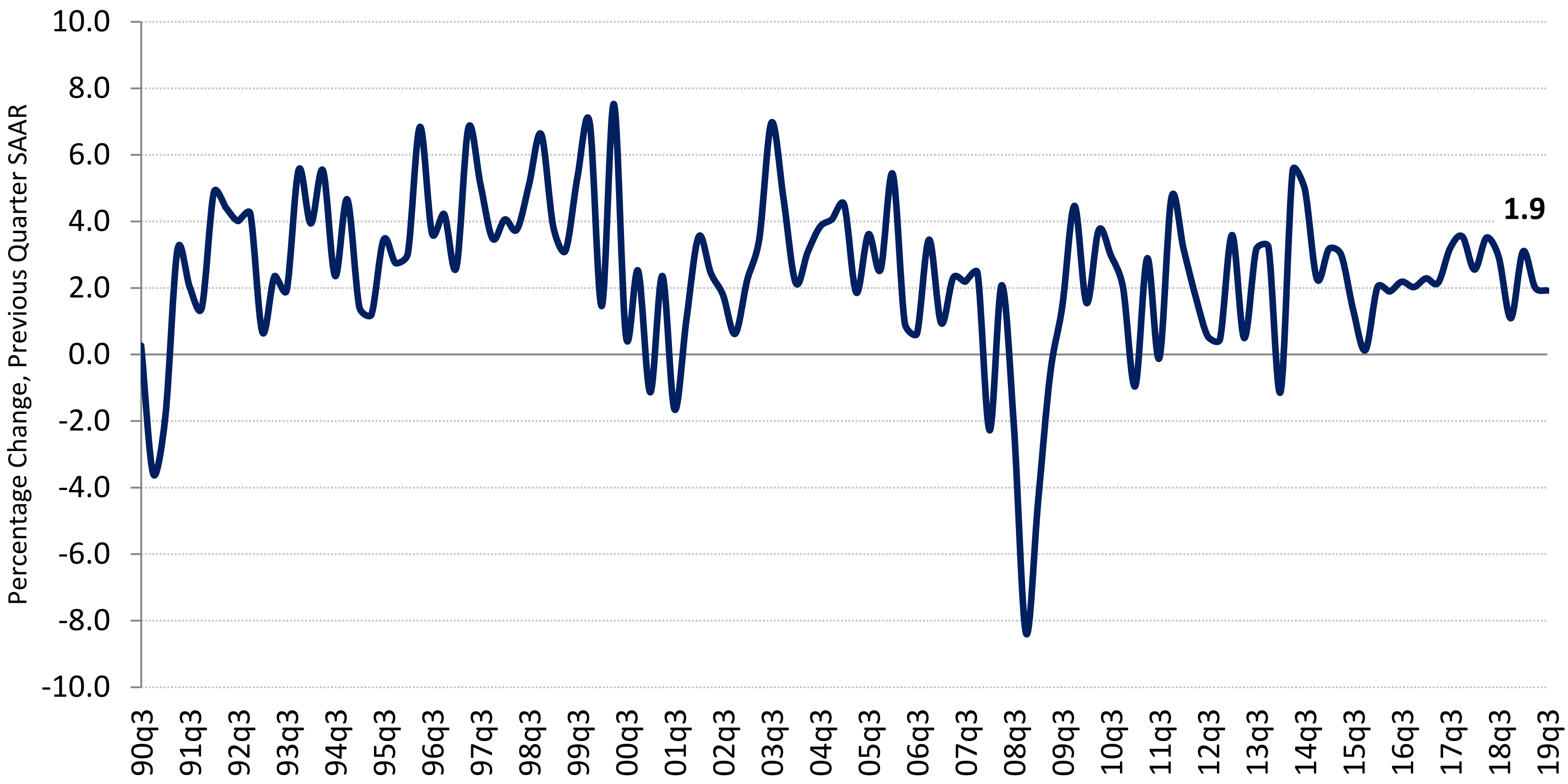
THE UNIVERSITY OF TENNESSEE KNOXVILLE

BOYD CENTER FOR BUSINESS AND ECONOMIC RESEARCH

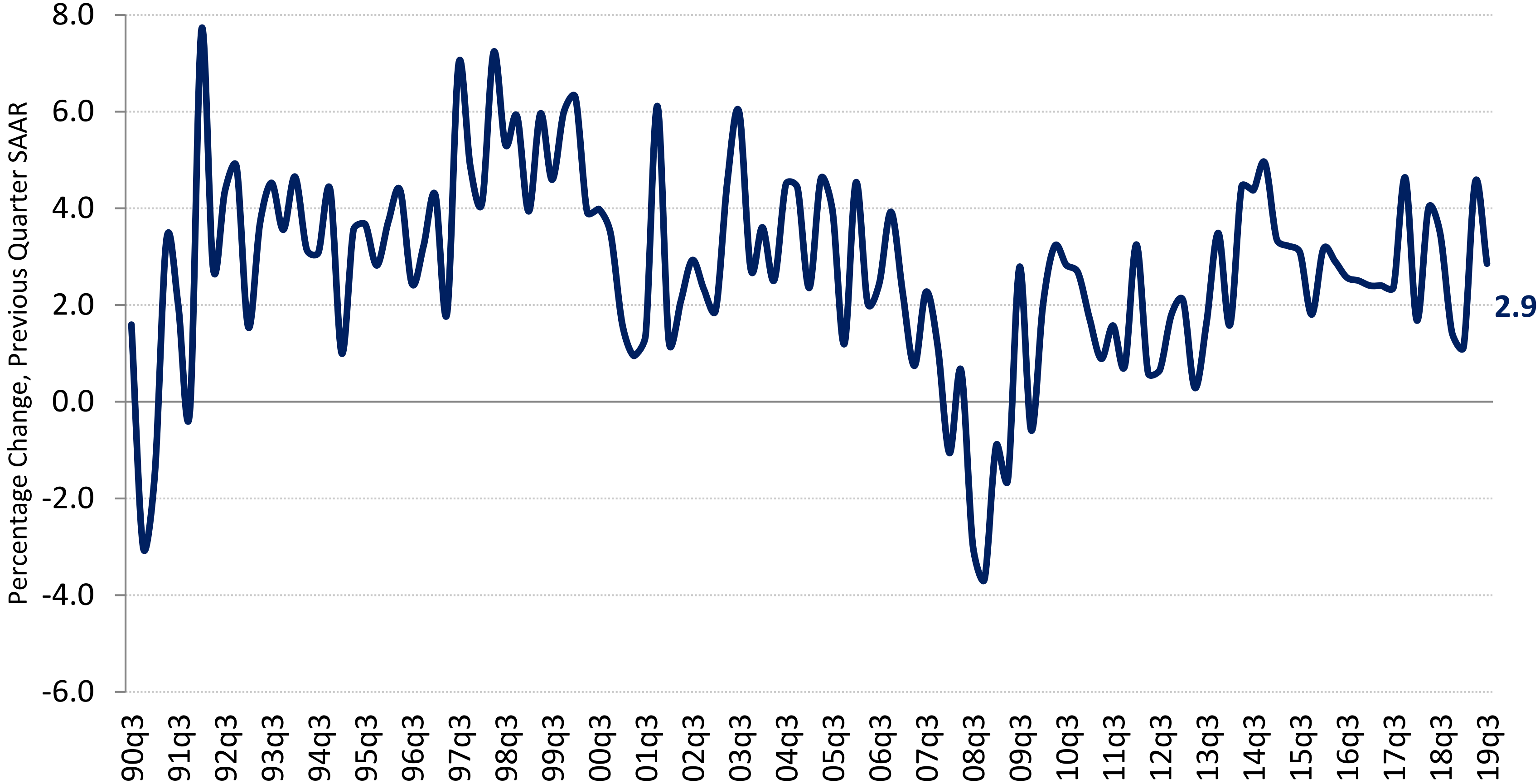
The Current Expansion is the Longest in History



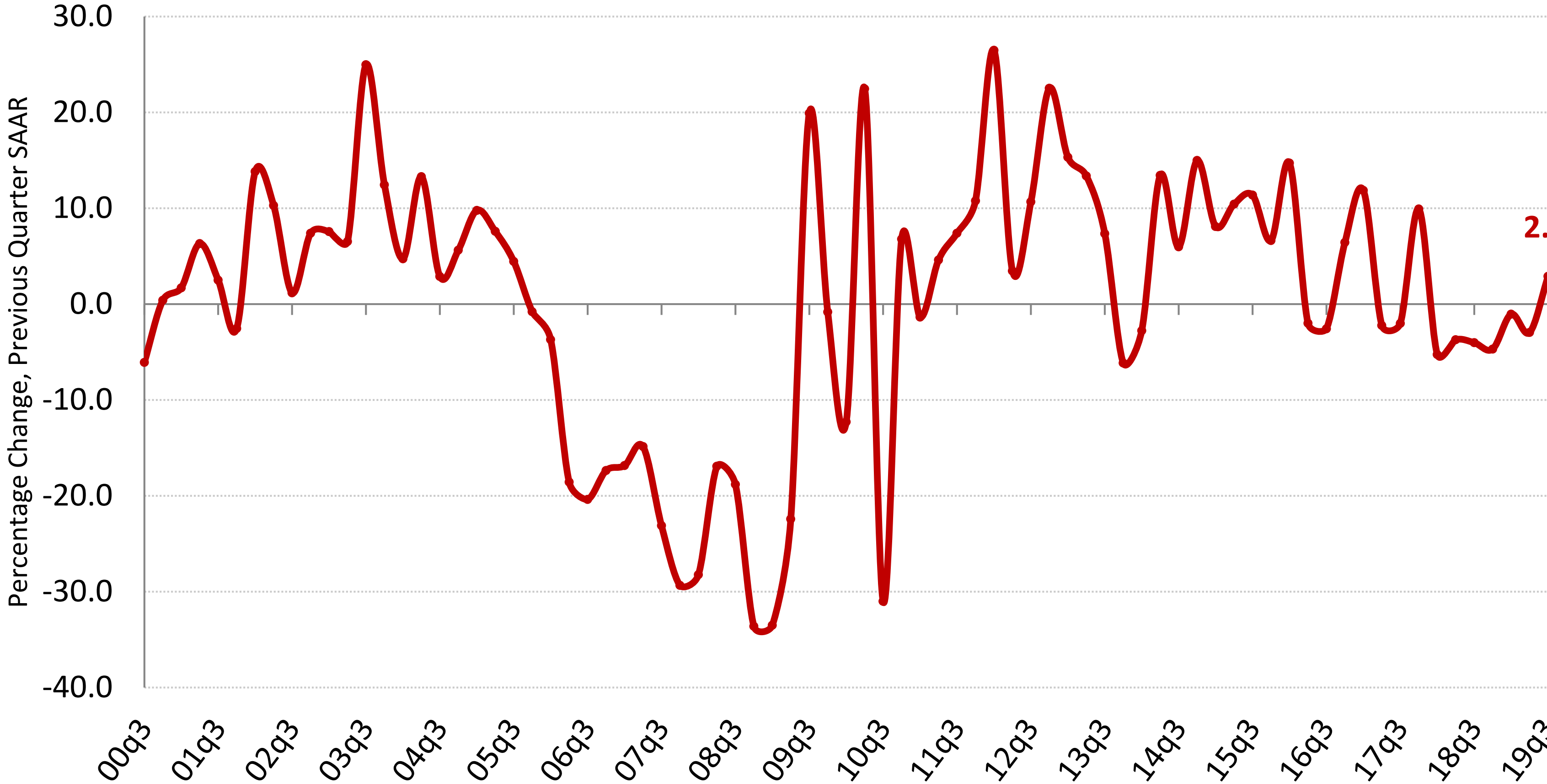
Growth in Quarterly Real Gross Domestic Product (chained 2012 dollars)



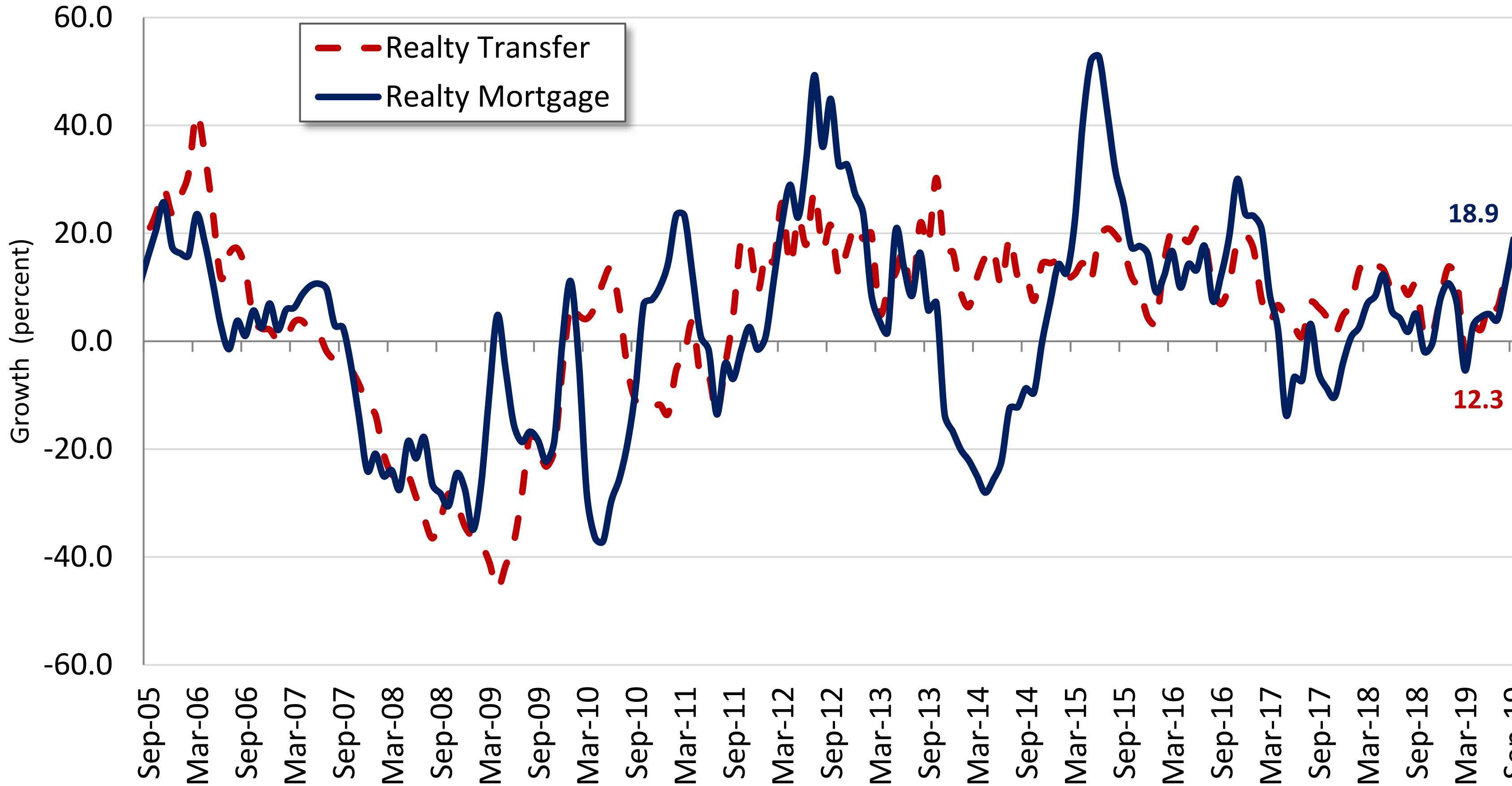
Growth in Quarterly Real Personal Consumption Expenditures (chained 2012 dollars)



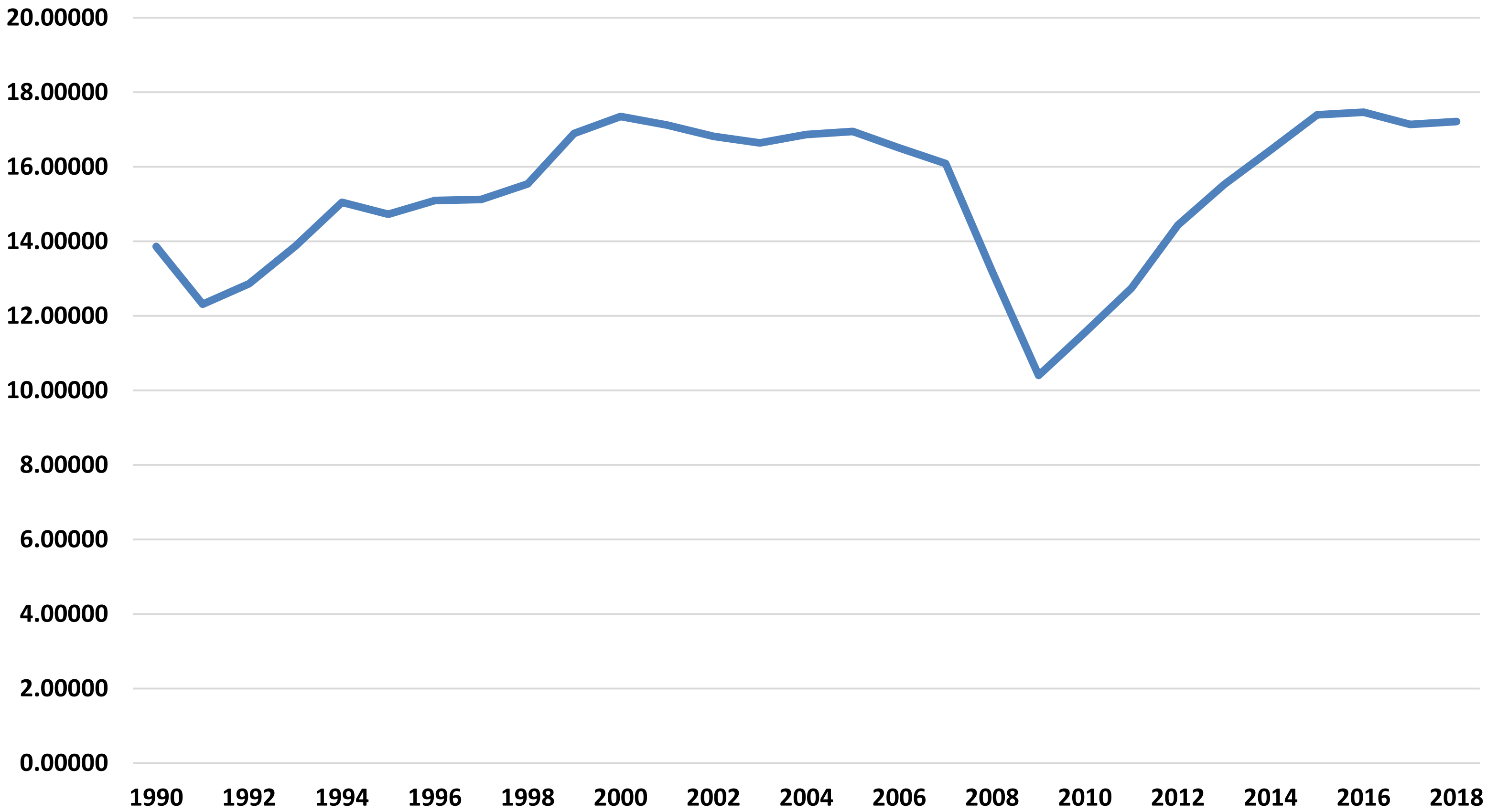
Growth in Quarterly Real Private Residential Fixed Investment



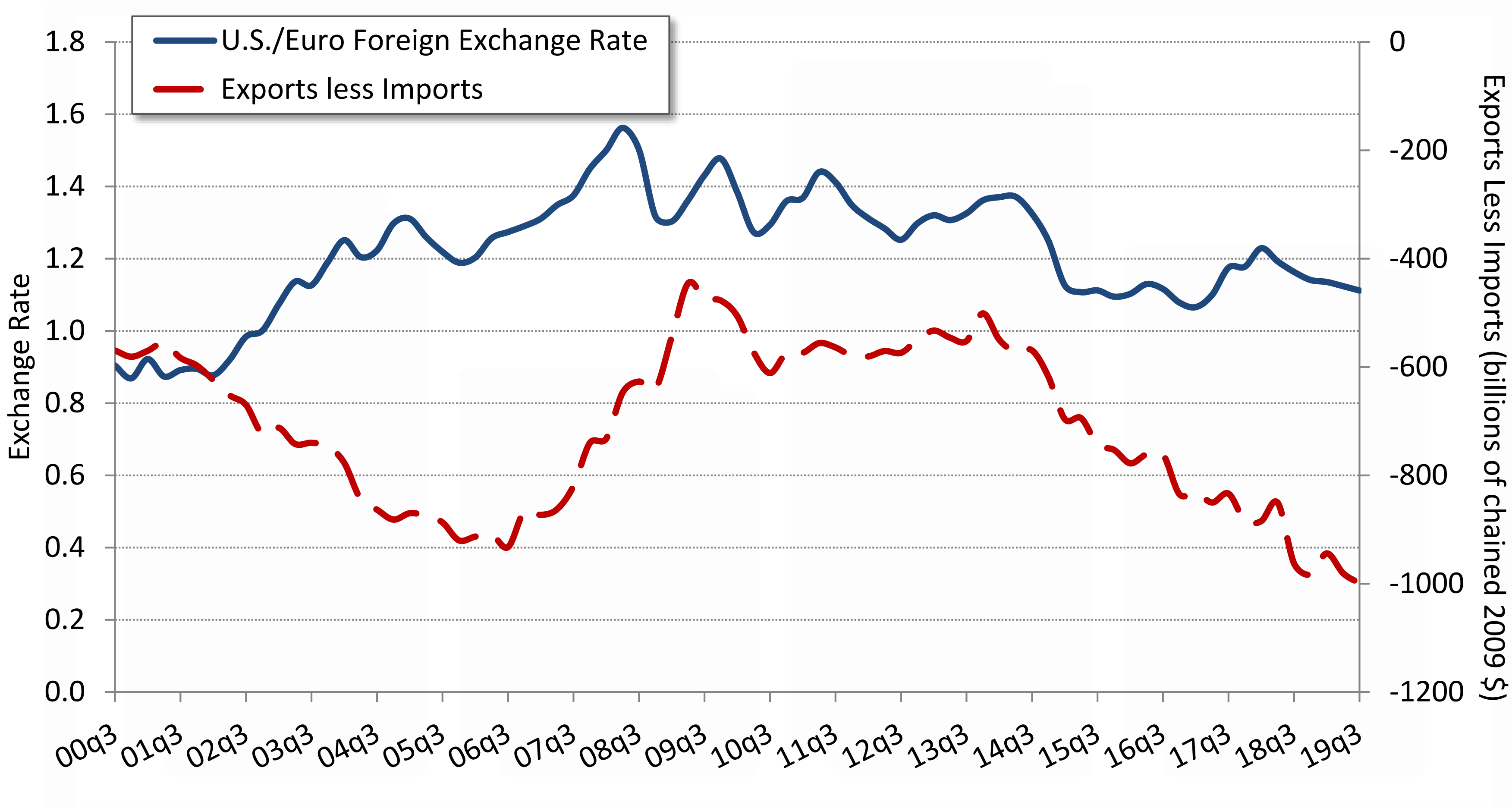
Realty Transfer and Mortgage Tax Collections (3-month moving average)



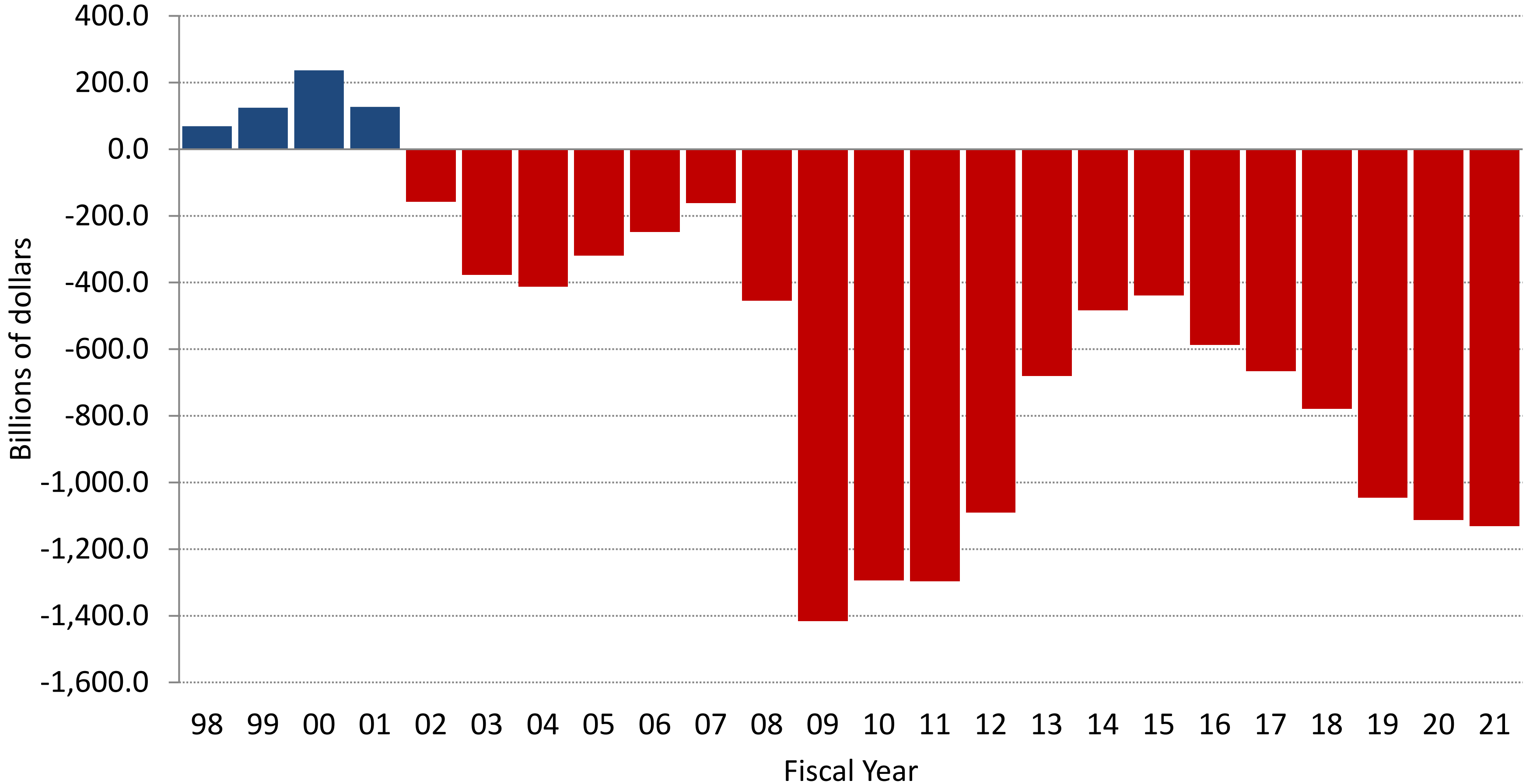
Unit Sales of New Light Vehicles



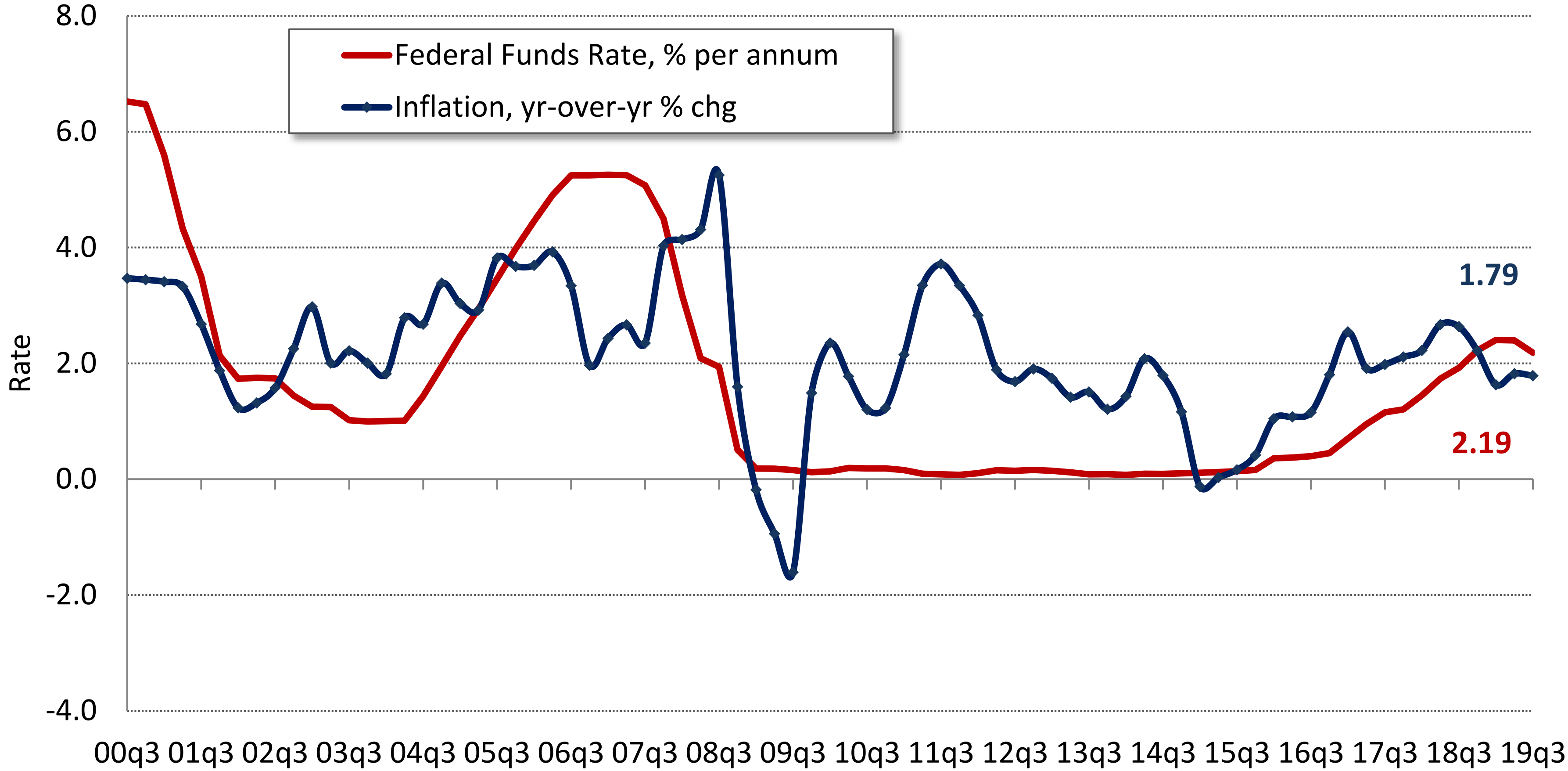
U.S./Euro Foreign Exchange Rate and Real Exports Less Imports



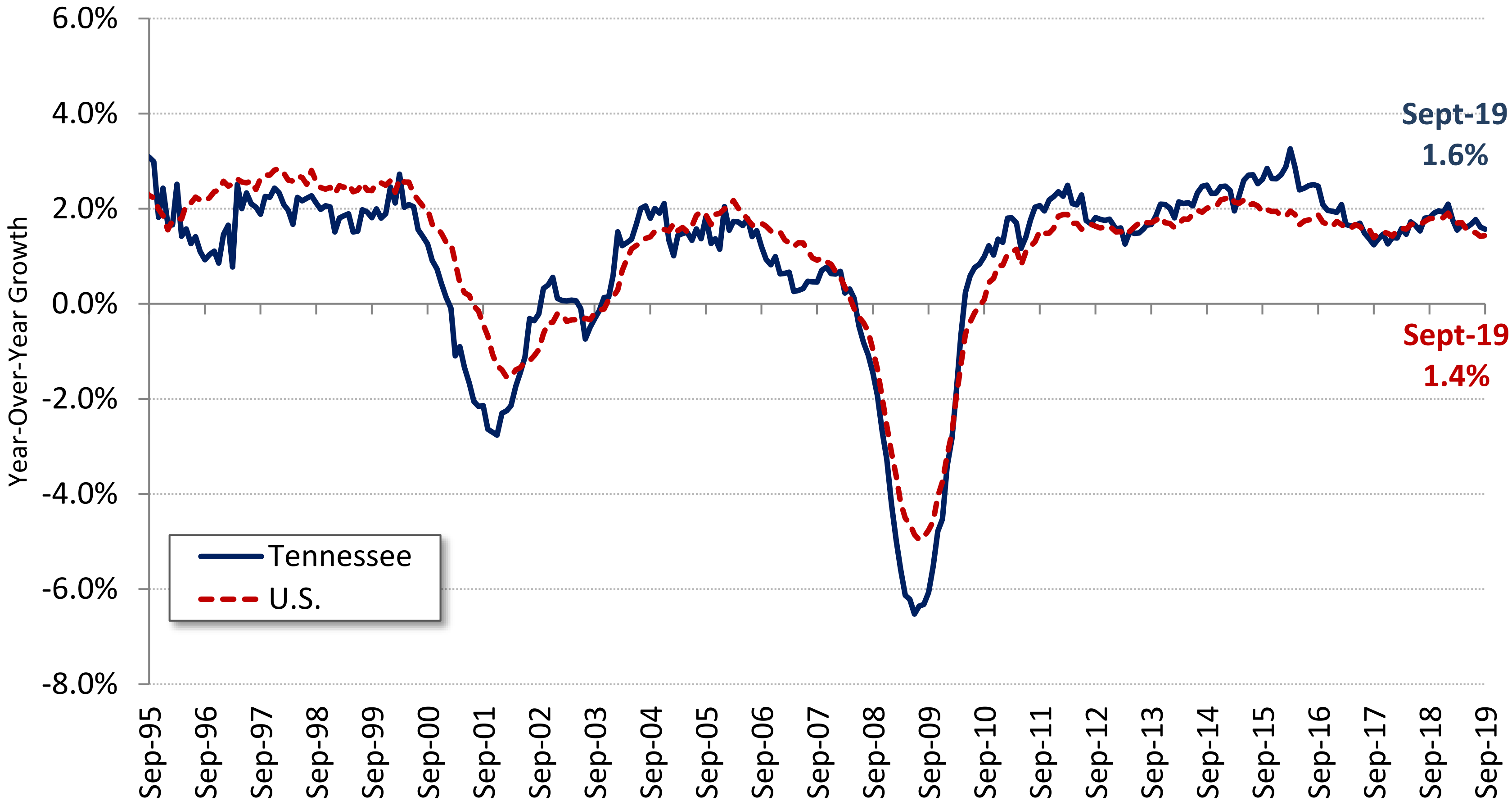
Unified Federal Budget Surplus



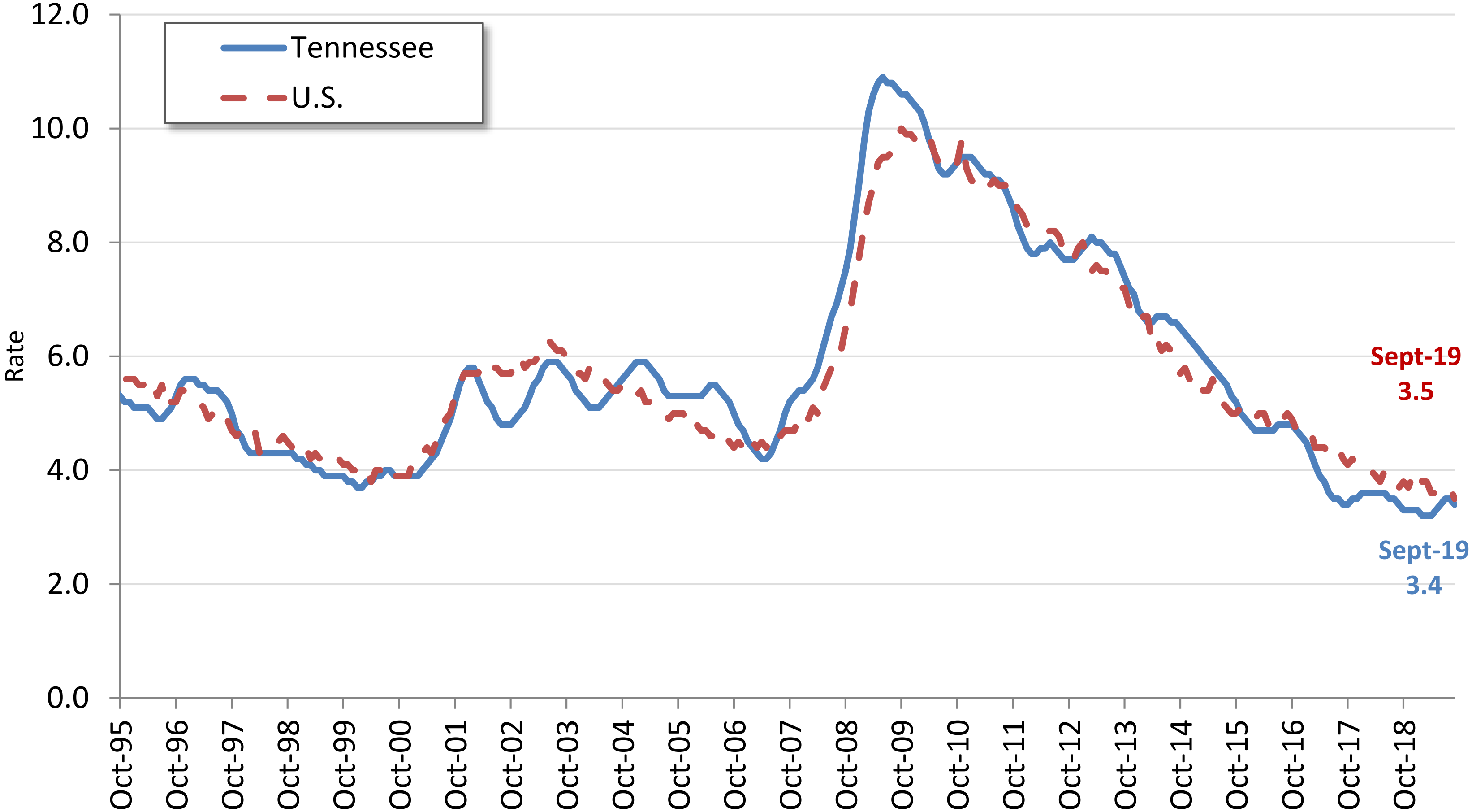
Interest Rates and Inflation



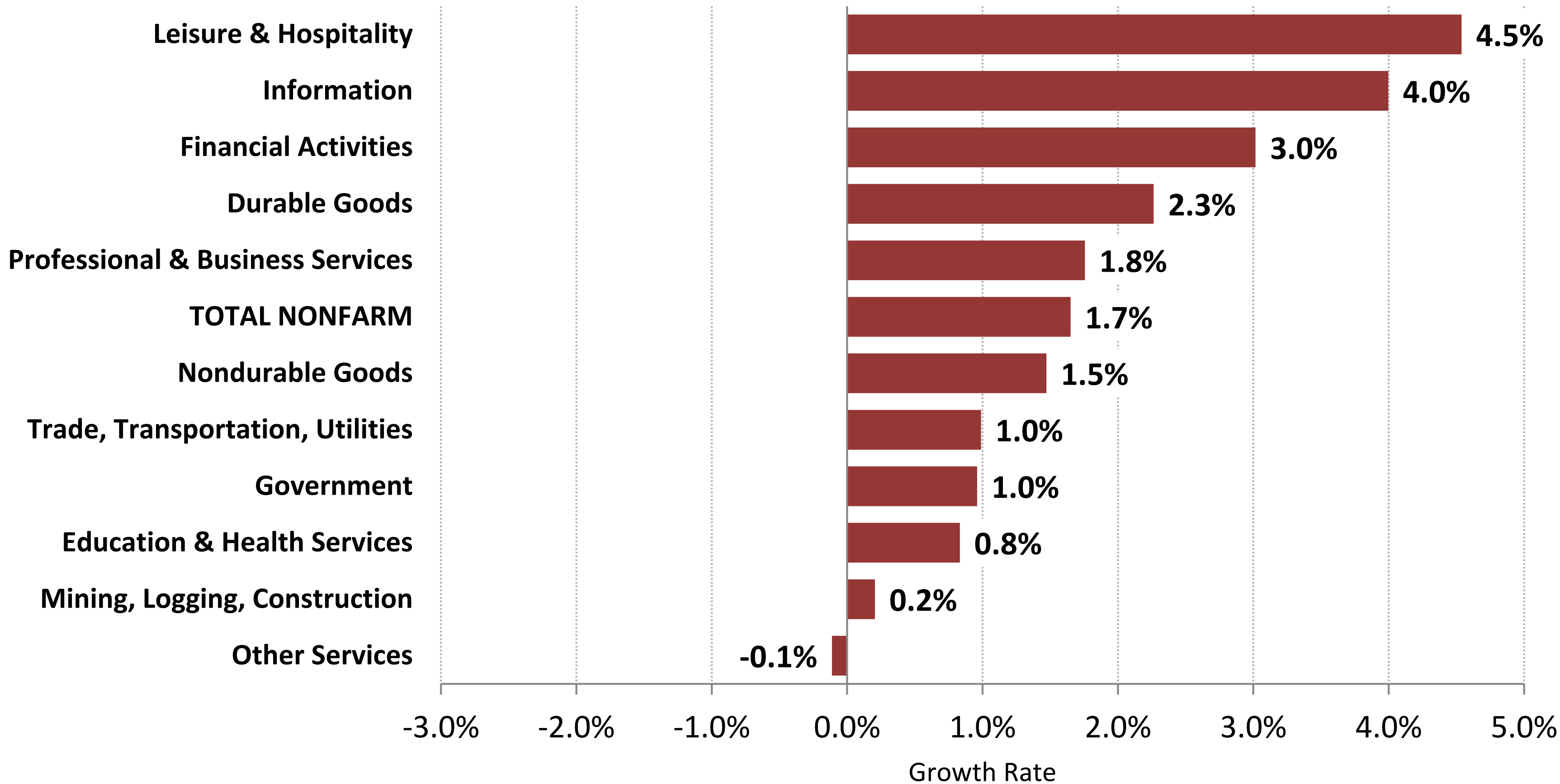
Tennessee and U.S. Nonfarm Job Growth
(year-over-year growth)



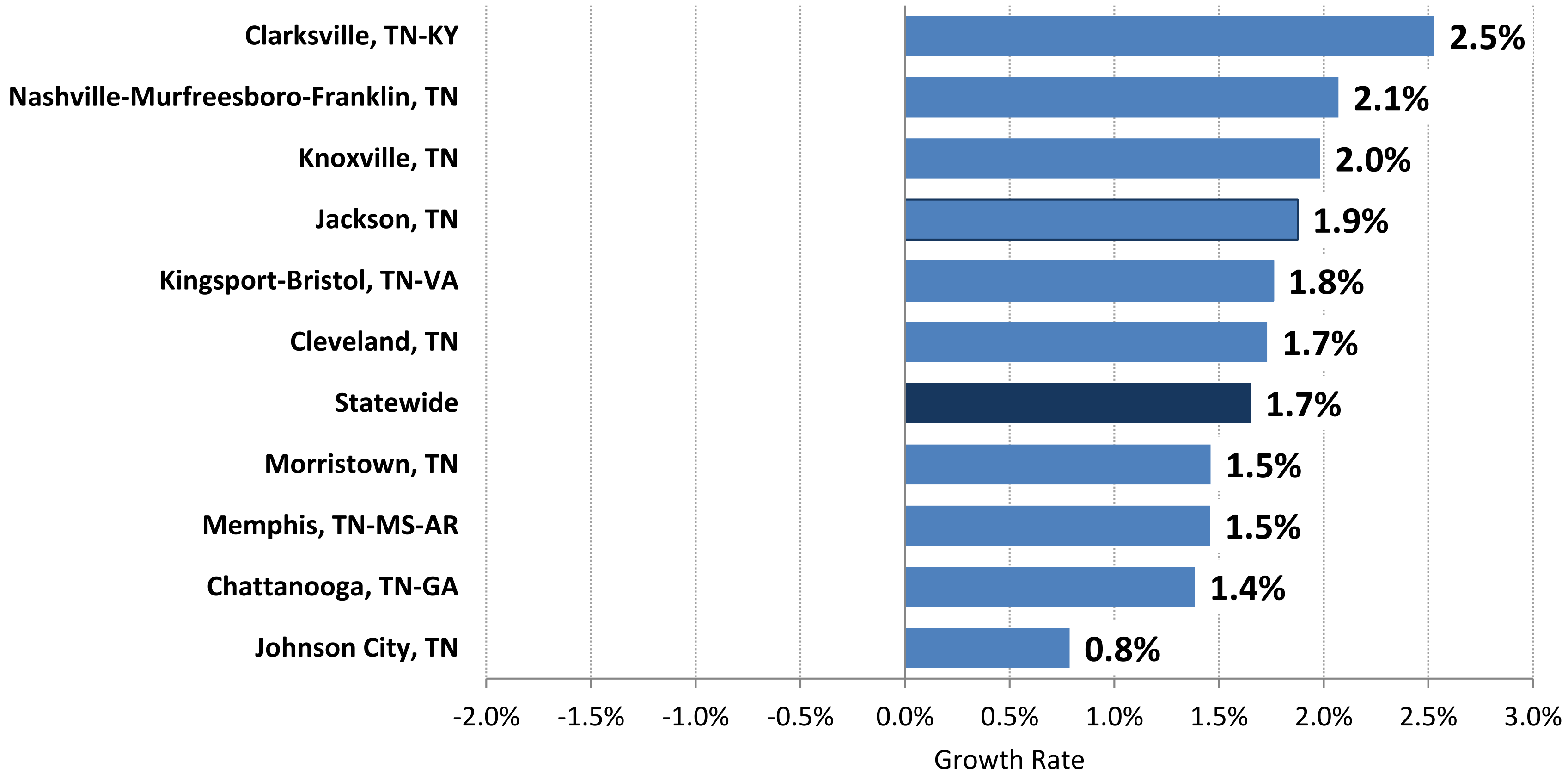
Tennessee and U.S. Unemployment Rate
(seasonally adjusted)



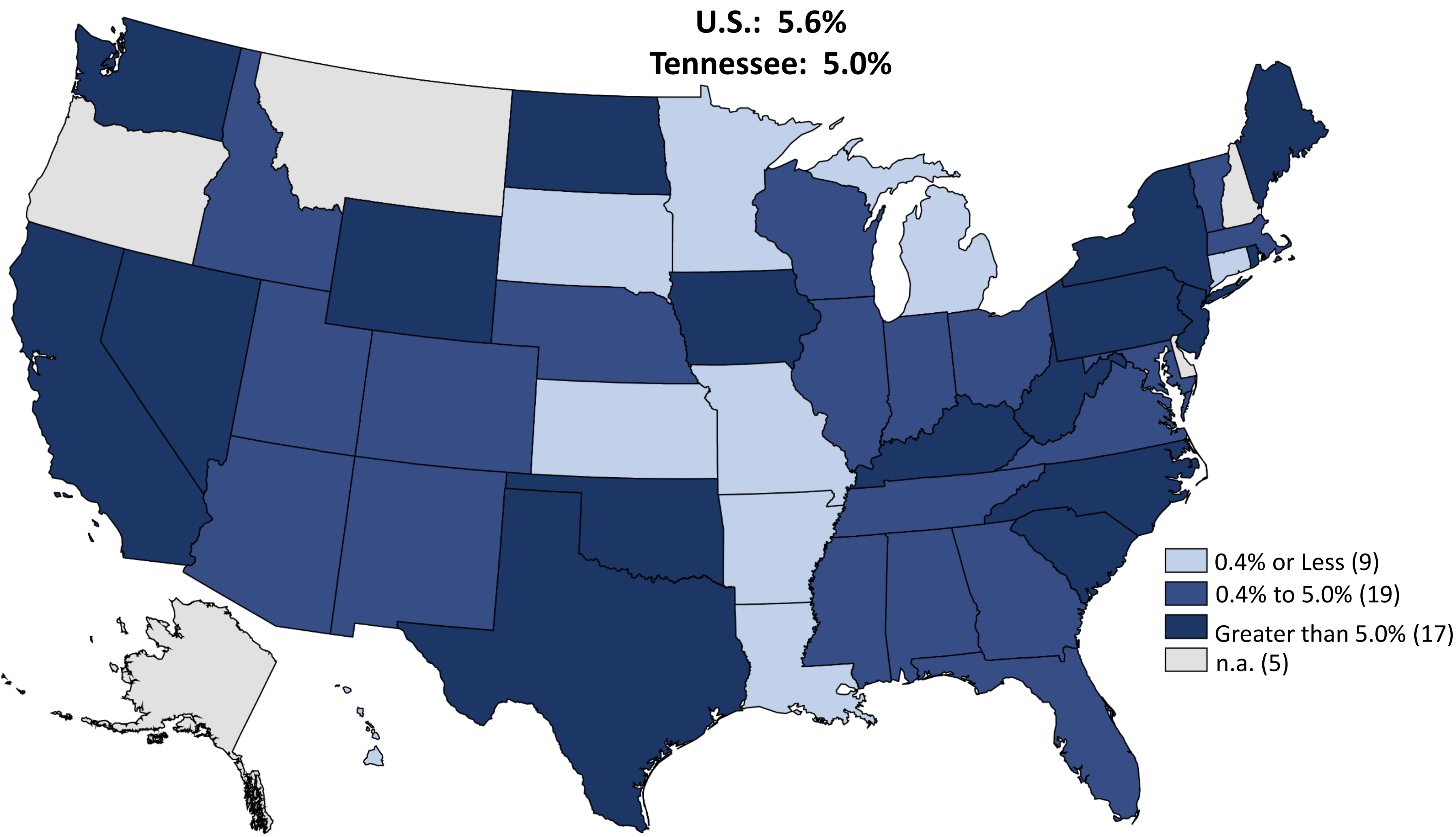
Tennessee Job Growth by Sector
(Quarter Ending Sept. 2018 to Sept. 2019)



Nonfarm Employment Growth, MSAs
(Quarter Ending Sept. 2018 to Sept. 2019)



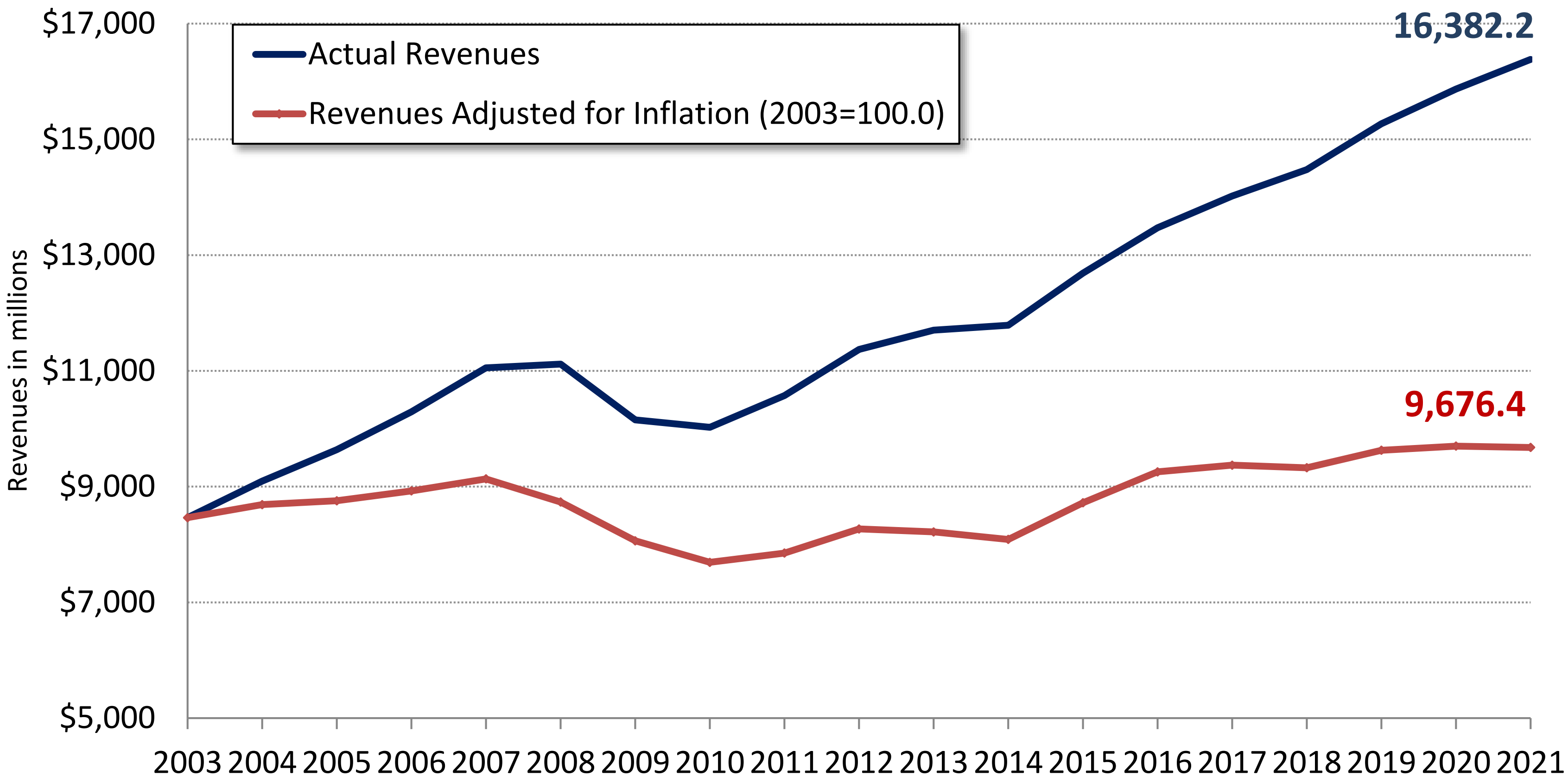
Change in Sales Taxes, January–March, 2018 to 2019



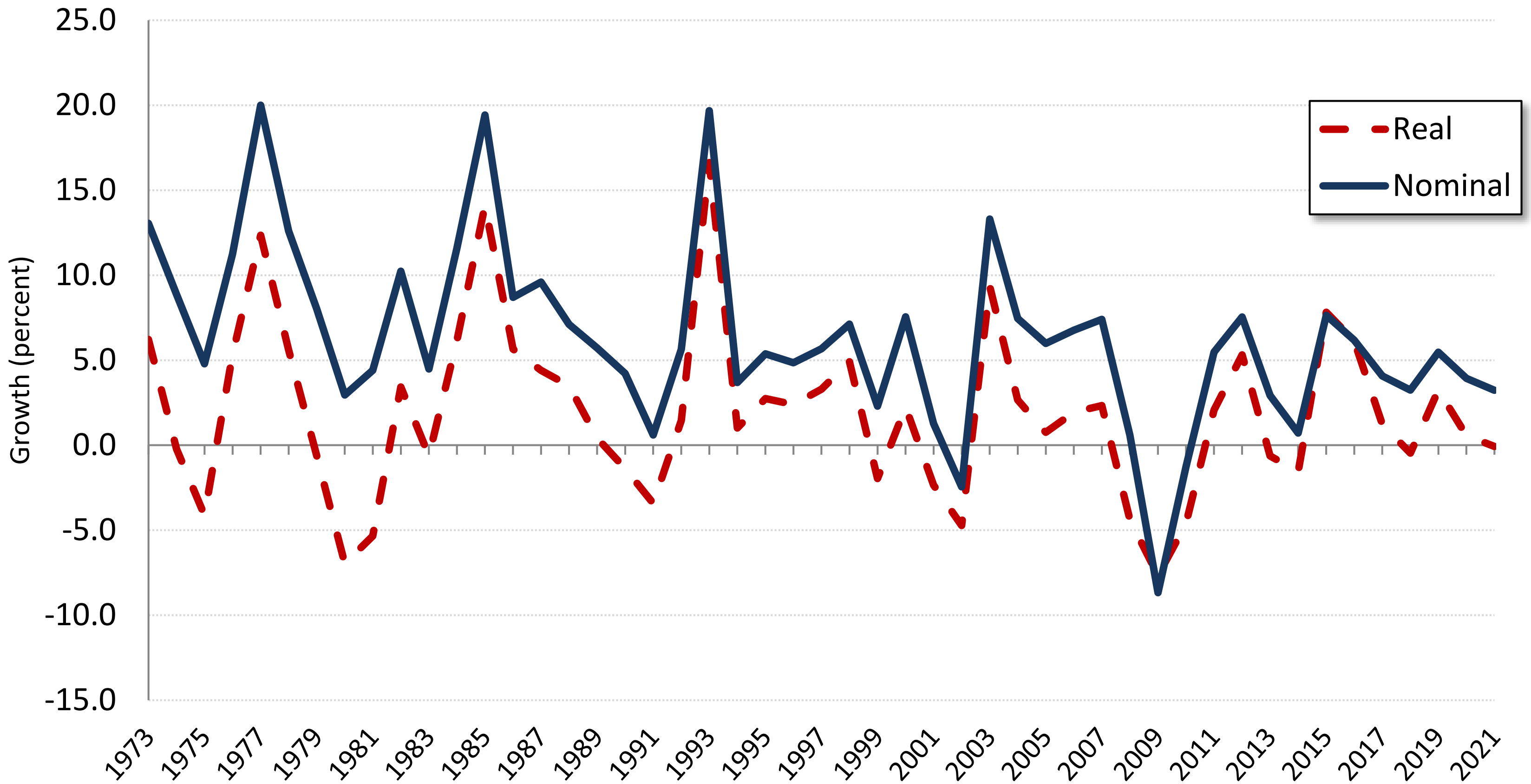
Tennessee Department of Revenue Collections (Millions of Dollars)									
	2019			2020			2021		
	Amount	Percent Change	General Fund	Amount	Percent Change	General Fund	Amount	Percent Change	General Fund
Sales and Use	9,337.8	5.7	8,758.2	9,711.3	4.0	9,111.8	10,099.8	4.0	9,476.3
Gasoline	843.4	4.4	12.9	877.1	4.0	13.9	885.9	1.0	14.0
Motor Fuel	257.7	15.7	2.1	289.9	12.5	2.5	297.2	2.5	2.6
Gasoline Inspection	69.8	1.2	20.3	70.5	1.0	20.8	71.2	1.0	21.0
Motor Vehicle Registration	337.9	3.2	52.4	341.3	1.0	53.9	348.1	2.0	55.0
Income	203.8	-17.2	130.9	141.3	-30.7	94.6	74.9	-47.0	50.1
Privilege	376.8	4.6	370.2	376.8	0.0	370.2	391.9	4.0	385.1
Gross Receipts	393.2	6.7	225.4	398.1	1.2	227.3	404.9	1.7	231.2
Gross Receipts - TVA	361.9	5.3	199.2	365.5	1.0	201.0	371.0	1.5	204.1
Gross Receipts - Other	31.3	26.2	26.2	32.6	4.0	28.0	33.9	4.0	29.1
Beer	17.0	1.8	11.4	17.0	0.0	11.5	17.2	1.0	11.6
Alcoholic Beverage	70.2	5.2	58.0	74.4	6.0	61.5	78.1	5.0	64.6
Franchise & Excise	2,752.0	7.1	2,514.9	2,944.6	7.0	2,693.6	3,062.4	4.0	2,801.3
Inheritance & Estate	2.2	-414.3	2.2	0.0		0.0	0.0		0.0
Tobacco	241.8	-2.6	241.8	237.0	-2.0	237.0	234.6	-1.0	234.6
Motor Vehicle Title	23.6	-6.3	20.9	24.1	2.0	21.6	24.6	2.0	22.0
Mixed Drink	136.1	14.0	68.1	148.3	9.0	74.2	161.7	9.0	80.9
Business	203.4	5.8	203.4	215.6	6.0	215.6	228.5	6.0	228.5
Severance	1.0	0.0	0.5	1.0	0.0	0.3	1.1	10.0	0.3
Coin Amusement	0.3	0.0	0.3	0.3	0.0	0.3	0.2	0.0	0.2
Unauthorized Substance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	15,268.0	5.5	12,693.9	15,868.7	3.9	13,212.2	16,382.2	3.2	13,681.2
General Fund Growth		5.6			4.1			3.5	

November 6, 2019
William F. Fox
Boyd Center for Business and Economic Research
University of Tennessee, Knoxville

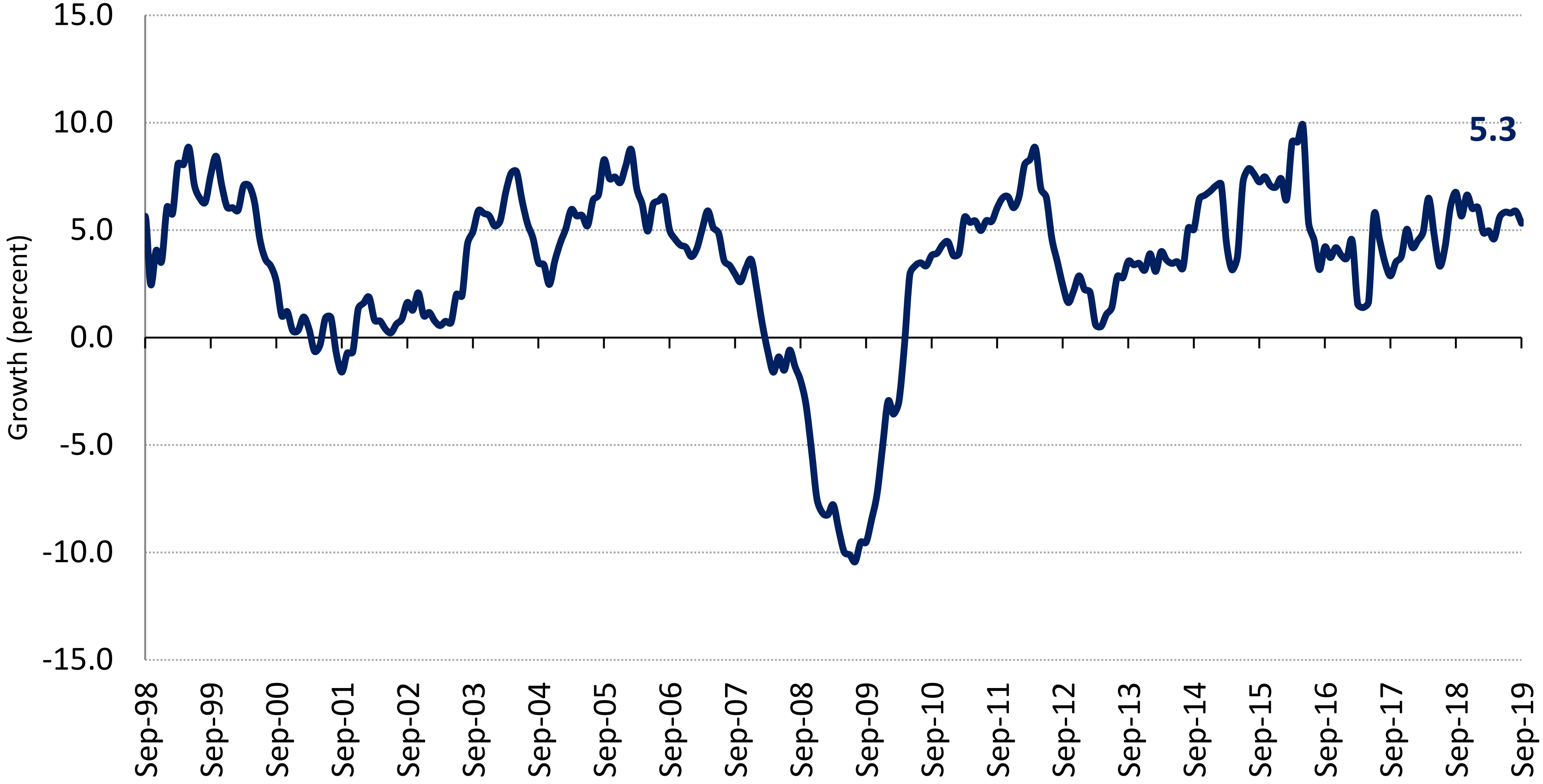
Actual Tax Collection Revenues and Revenues Adjusted for Inflation, 2003–2021



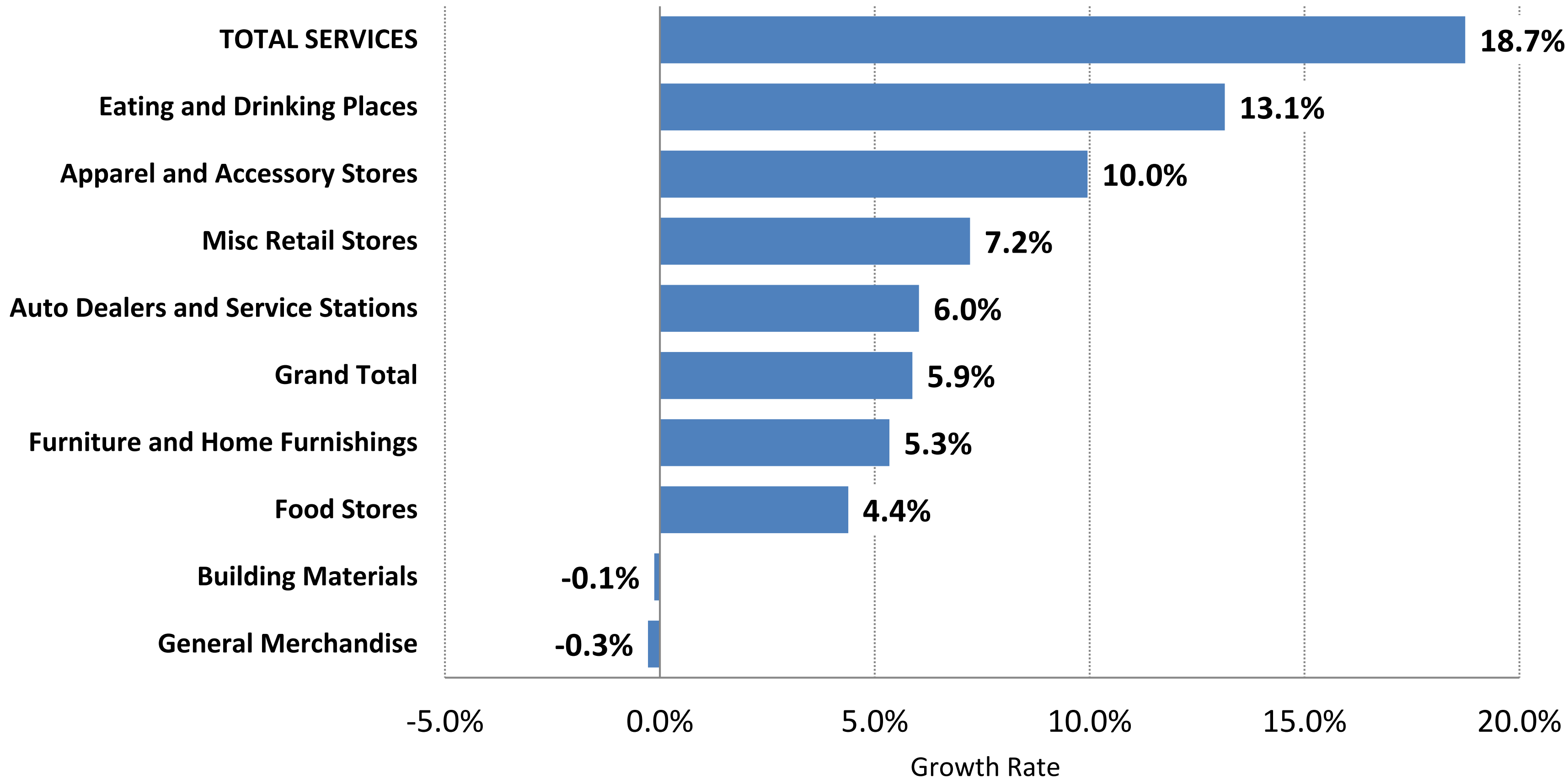
Growth in Tax Collections
1973–2021



Growth in Sales Tax Revenue
(3-month moving average)



Sales Tax Collections by Category of Sales
(Quarter Ending August 2018 to August 2019)



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Tennessee Economic Outlook
and
Revenue Forecast - 2019

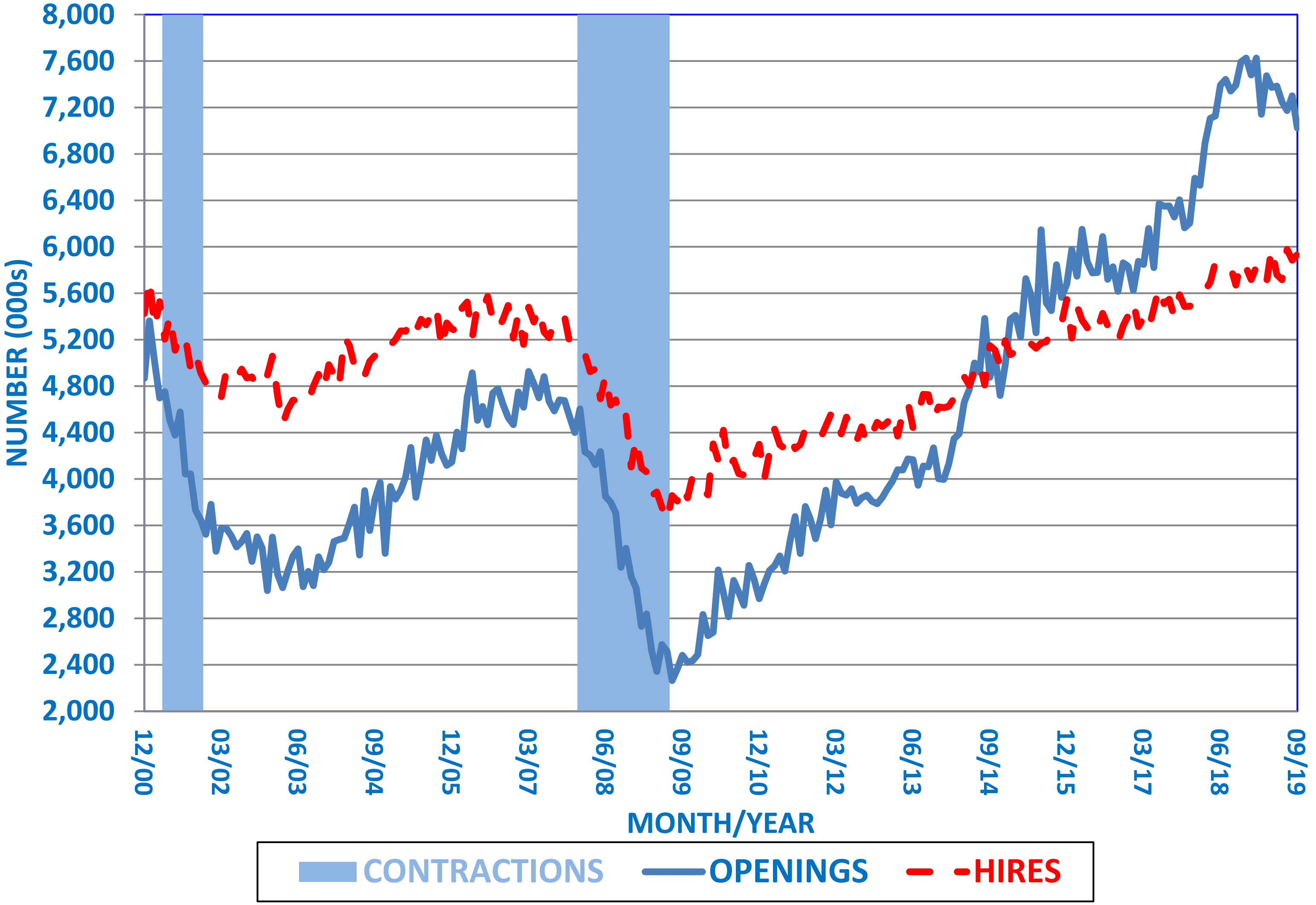
Jon L. Smith, Director
Bureau of Business and Economic Research

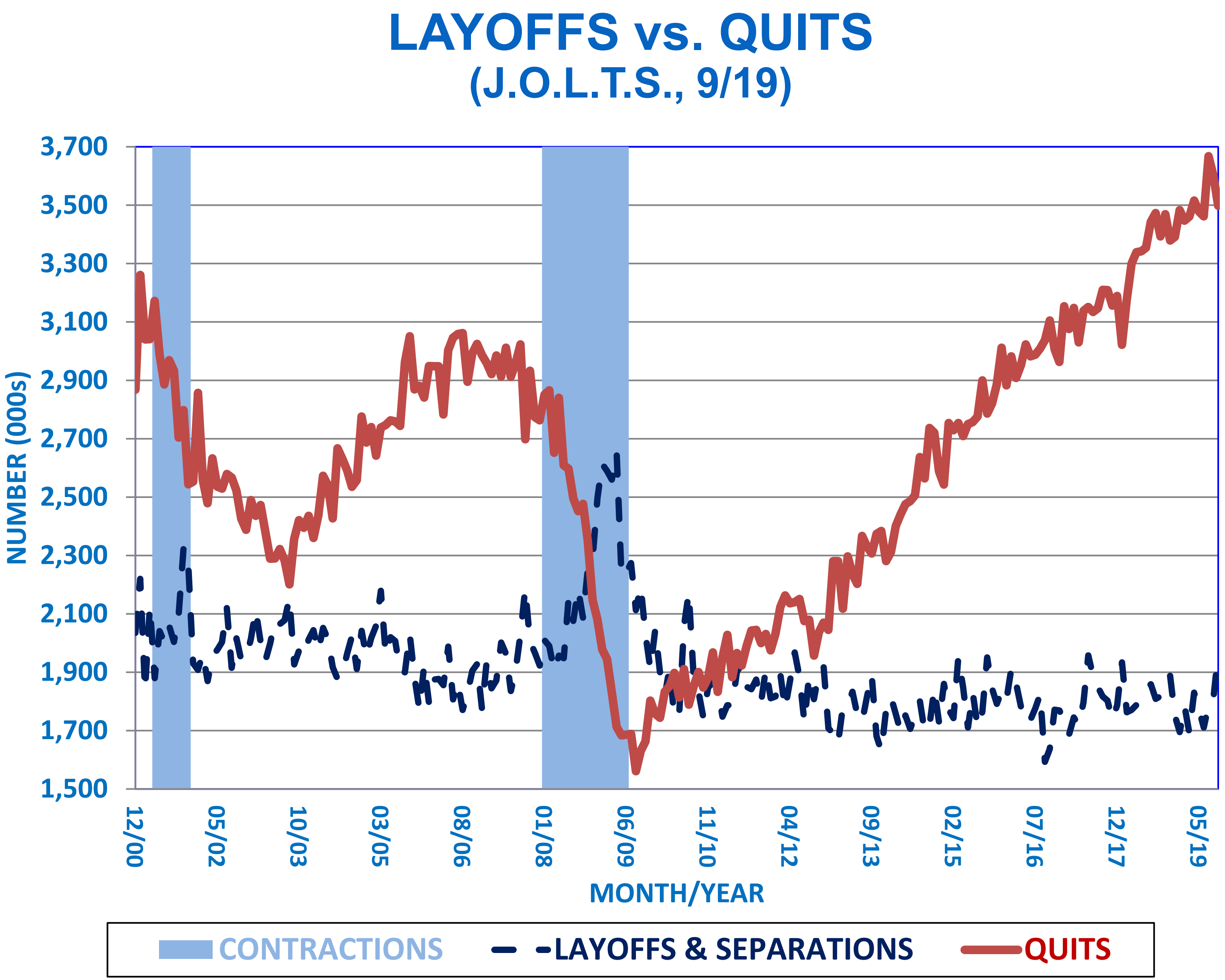
W. Fred Mackara, Department of Economics and Finance

Joseph Newhard, Assistant Professor
Department of Economics and Finance

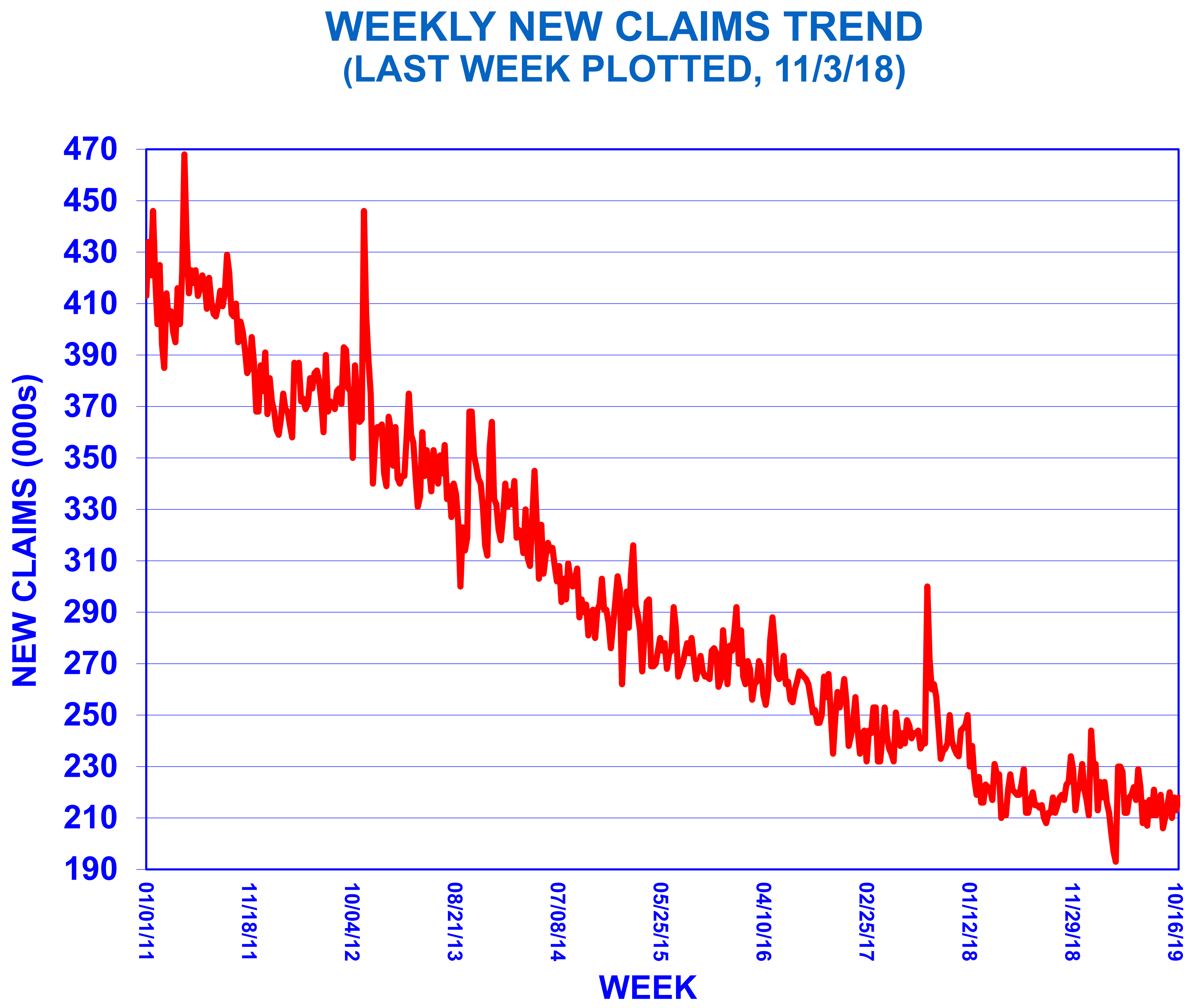
National Economy

JOB OPENINGS vs. HIRES
(J.O.L.T.S., 9/19)



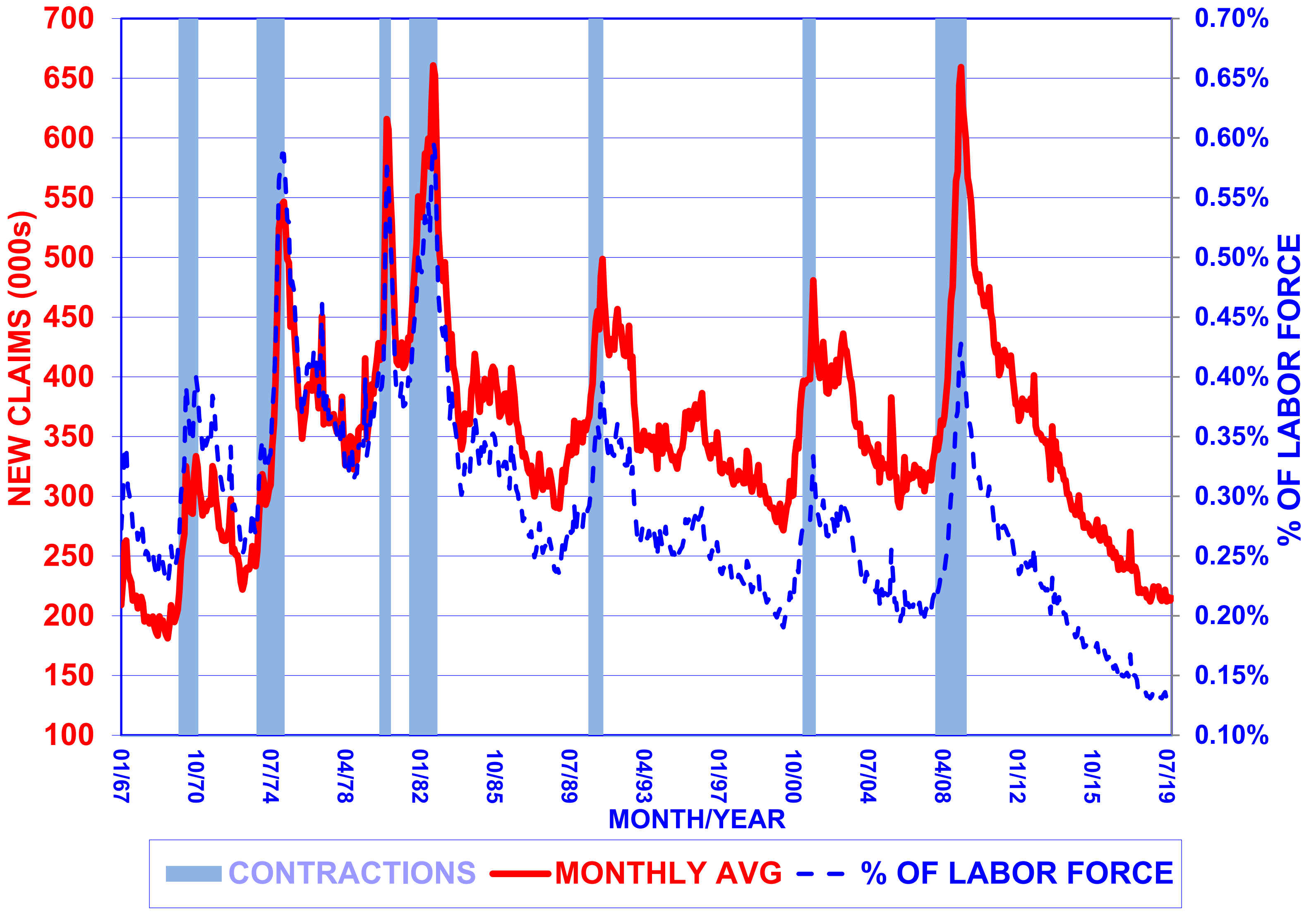


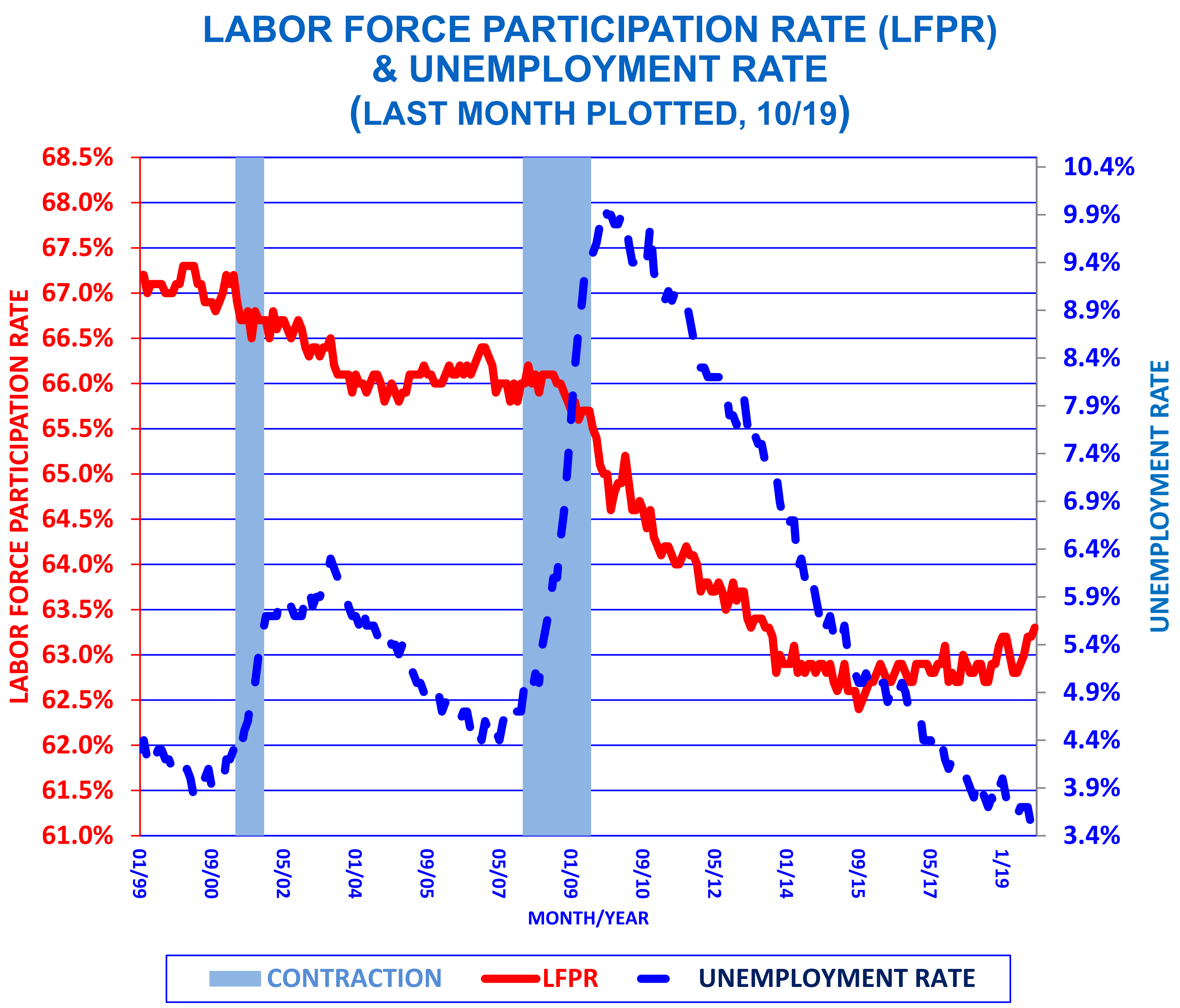
LAYOFFS vs. QUITS
(J.O.L.T.S., 9/19)
NUMBER (000s)
3,700
3,500
3,300
3,100
2,900
2,700
2,500
2,300
2,100
1,900
1,700
1,500
12/00
05/02
10/03
03/05
08/06
01/08
06/09
11/10
04/12
09/13
02/15
07/16
12/17
05/19
MONTH/YEAR
CONTRACTIONS
LAYOFFS & SEPARATIONS
QUITS



WEEKLY NEW CLAIMS TREND
(LAST WEEK PLOTTED, 11/3/18)
NEW CLAIMS (000s)
470
450
430
410
390
370
350
330
310
290
270
250
230
210
190
01/01/11
11/18/11
10/04/12
08/21/13
07/08/14
05/25/15
04/10/16
02/25/17
01/12/18
11/29/18
10/16/19
WEEK

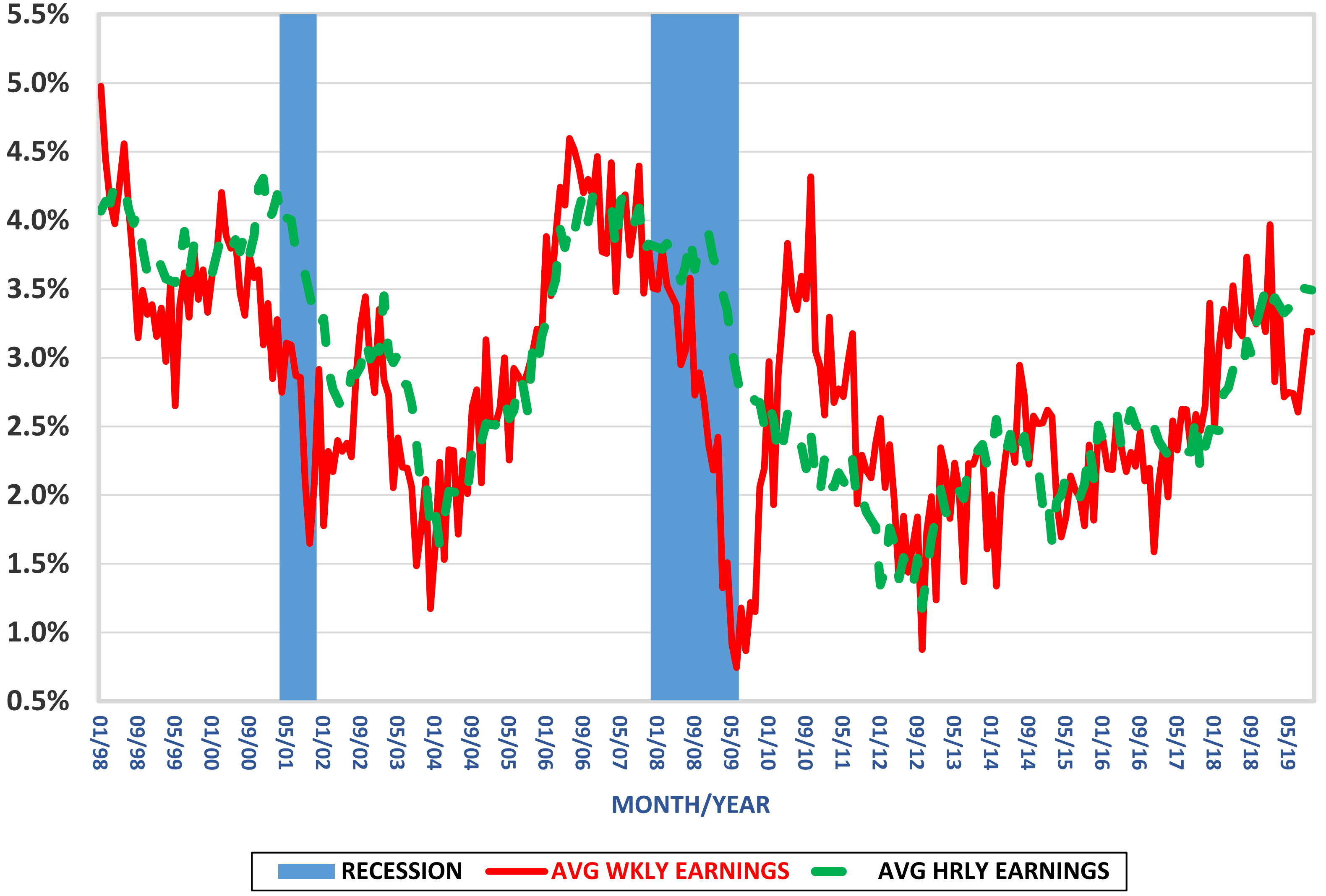
NEW CLAIMS FOR UNEMPLOYMENT BENEFITS
AS PERCENT OF LABOR FORCE
(LAST MONTH PLOTTED, 10/19)



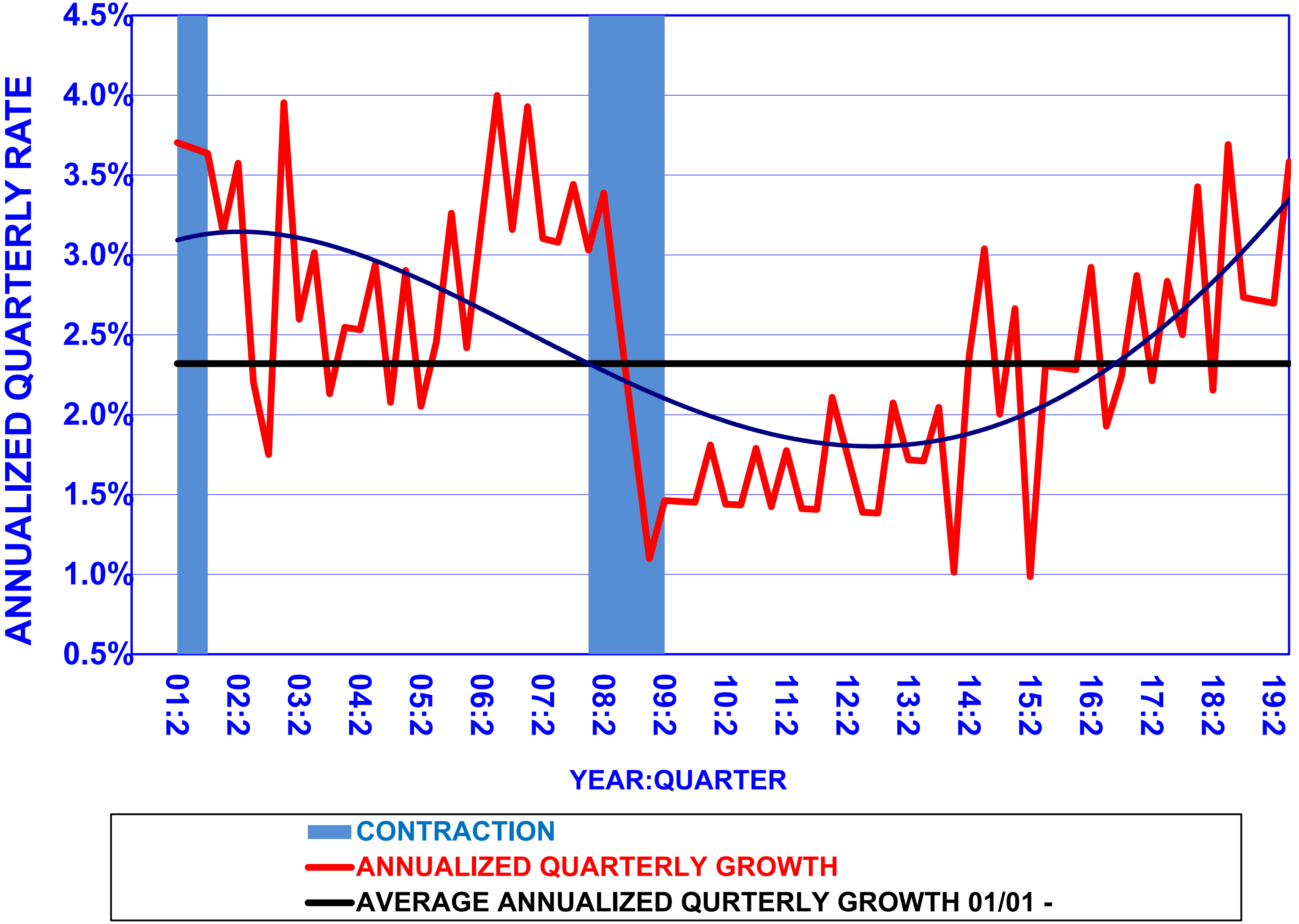


LABOR FORCE PARTICIPATION RATE (LFPR)
& UNEMPLOYMENT RATE
(LAST MONTH PLOTTED, 10/19)
LABOR FORCE PARTICIPATION RATE
68.5%
68.0%
67.5%
67.0%
66.5%
66.0%
65.5%
65.0%
64.5%
64.0%
63.5%
63.0%
62.5%
62.0%
61.5%
61.0%
UNEMPLOYMENT RATE
10.4%
9.9%
9.4%
8.9%
8.4%
7.9%
7.4%
6.9%
6.4%
5.9%
5.4%
4.9%
4.4%
3.9%
3.4%
01/99
09/00
05/02
01/04
09/05
05/07
01/09
09/10
05/12
01/14
09/15
05/17
1/19
MONTH/YEAR
CONTRACTION
LFPR
UNEMPLOYMENT RATE

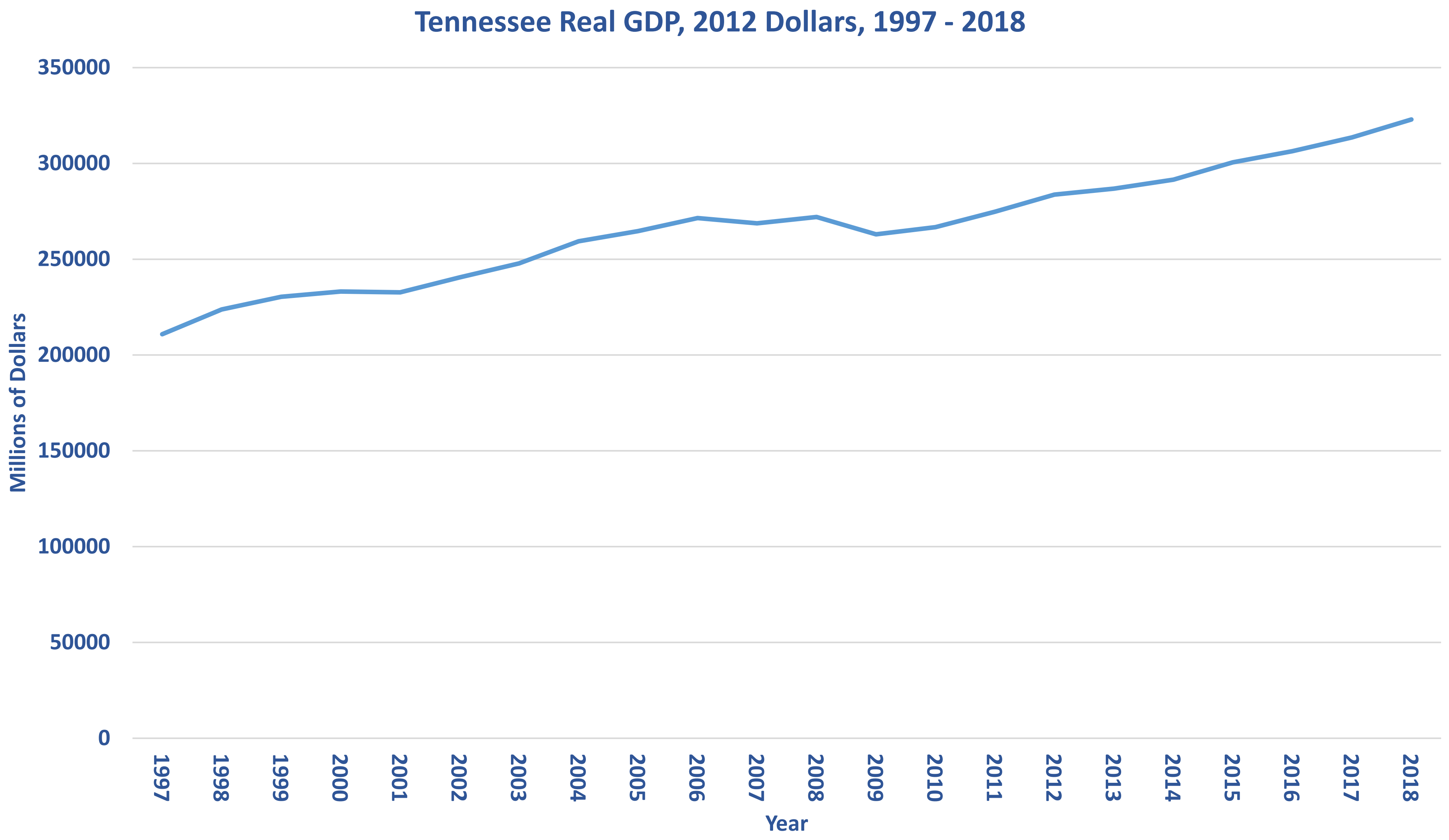
ANNUALIZED MONTHLY GROWTH
AVG. WEEKLY & HOURLY EARNINGS OF
NON-SUPERVISORY PRODUCTION WORKERS
(LAST MONTH PLOTTED, 10/19)

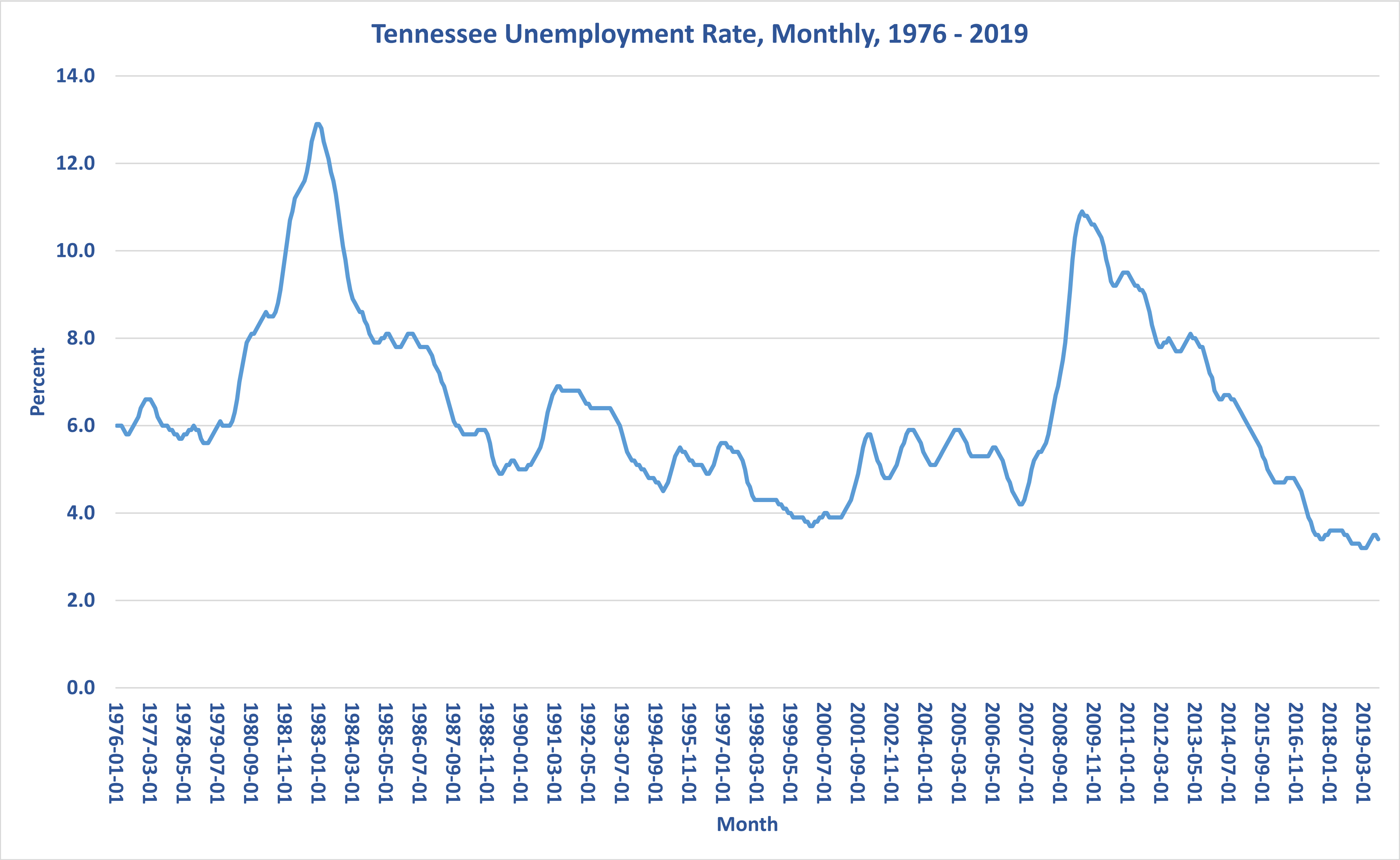


EMPLOYMENT COST INDEX: WAGES & SALARY GROWTH
ALL CIVILIAN WORKERS
(LAST MONTH PLOTTED, 2019:Q3)

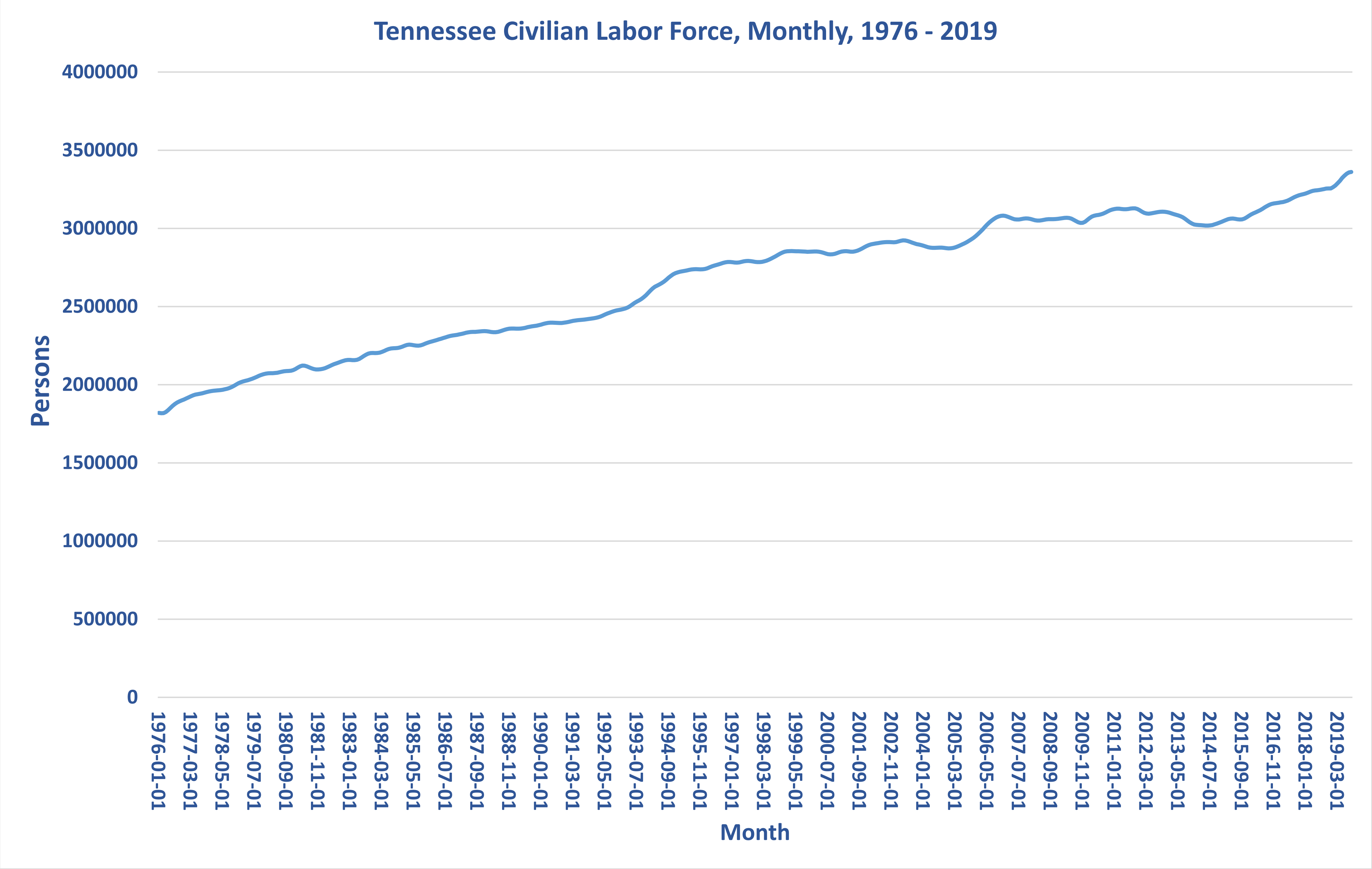


Tennessee State
and
Metro Economy

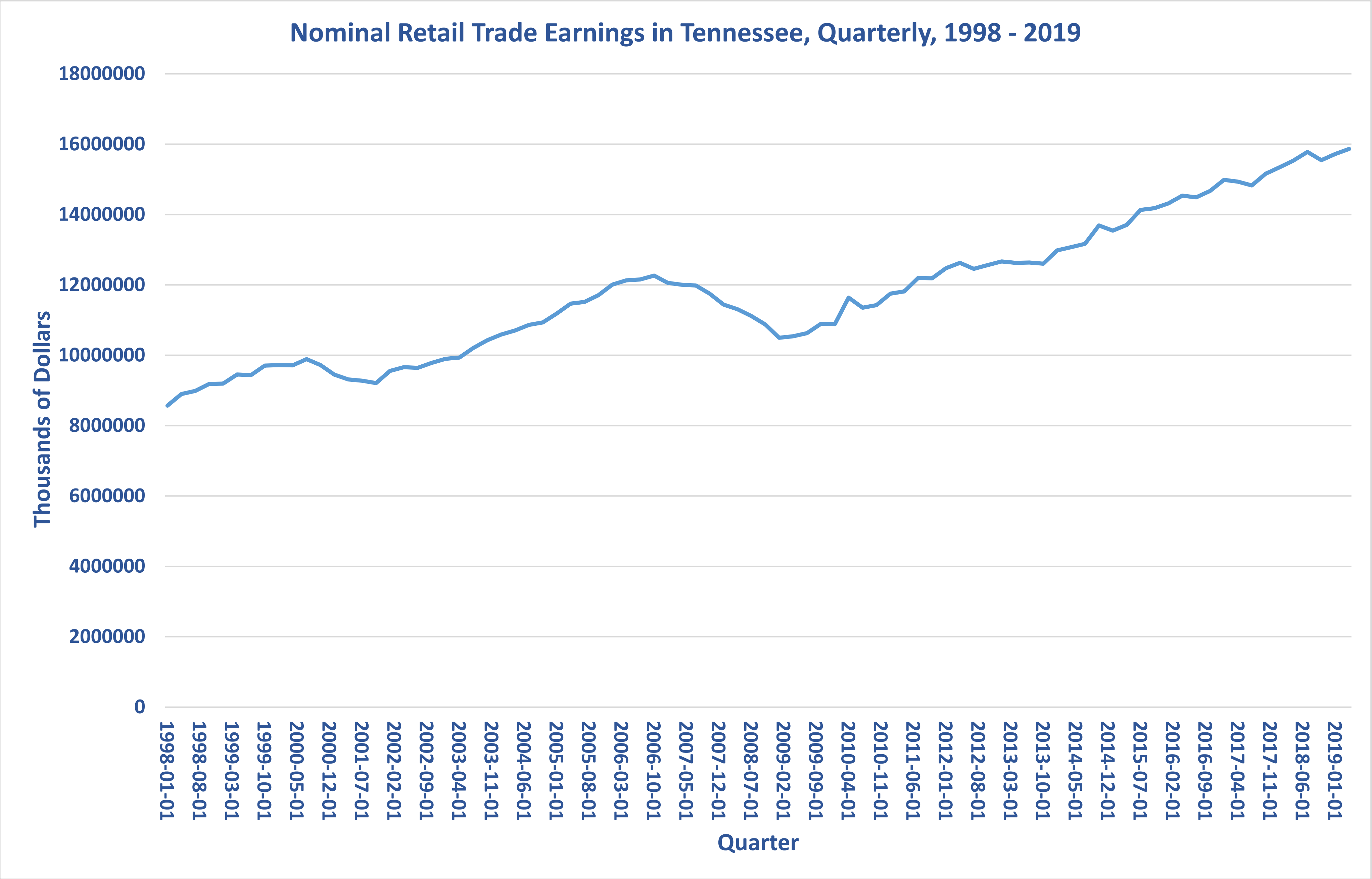

Tennessee Real GDP, 2012 Dollars, 1997 - 2018
Millions of Dollars
350000
300000
250000
200000
150000
100000
50000
0
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
Year

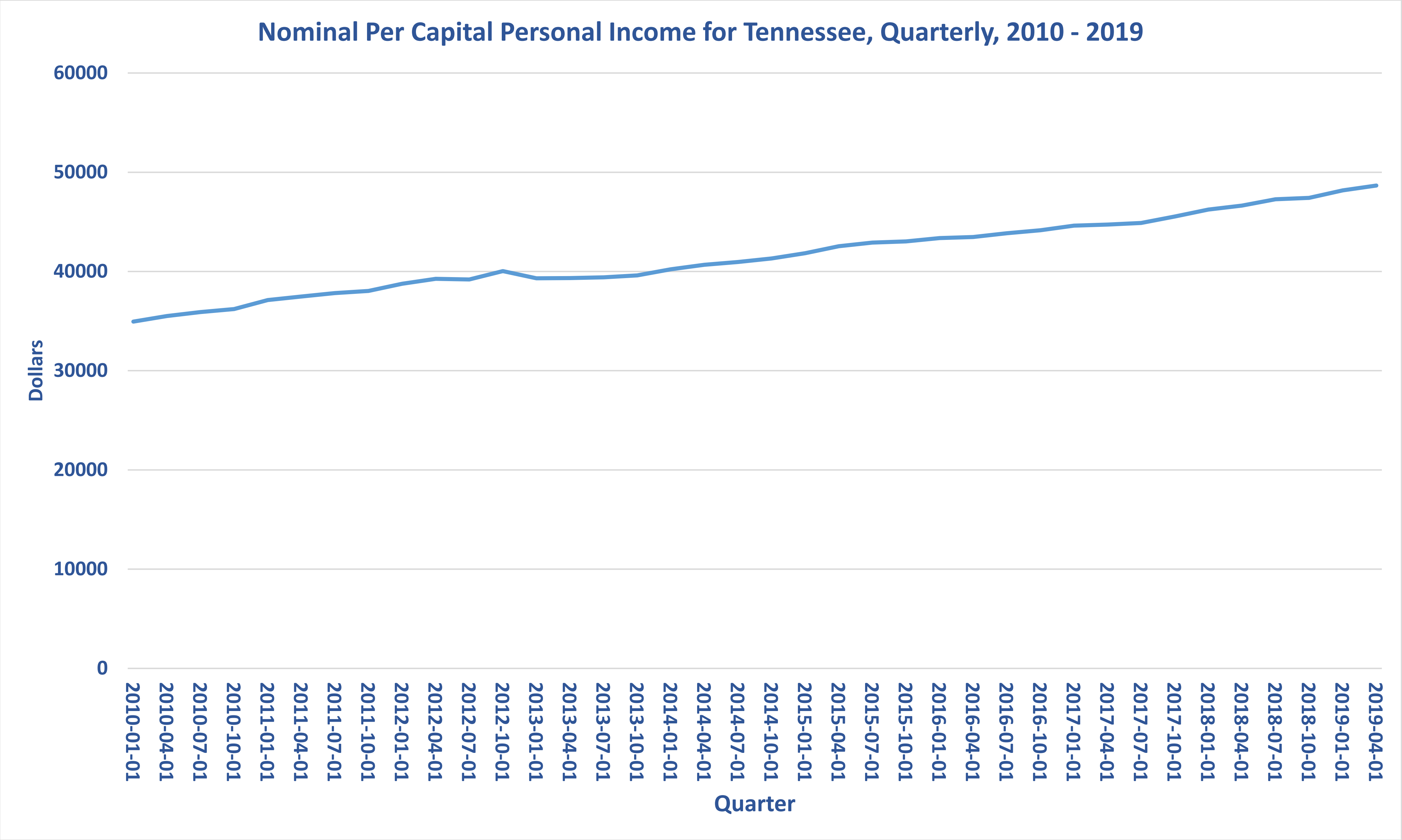


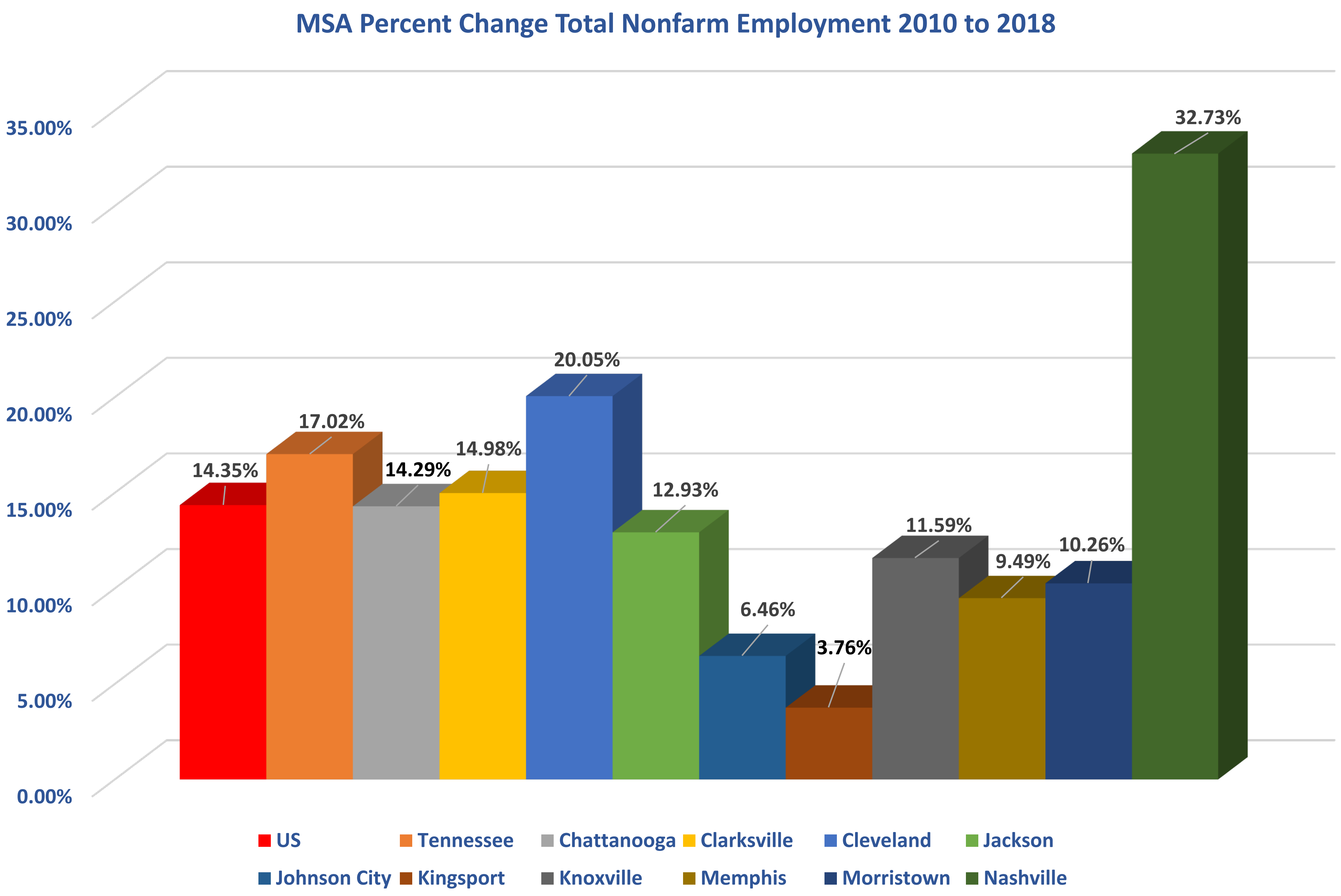
Tennessee Unemployment Rate, Monthly, 1976 - 2019
Percent
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
1976-01-01
1977-03-01
1978-05-01
1979-07-01
1980-09-01
1981-11-01
1983-01-01
1984-03-01
1985-05-01
1986-07-01
1987-09-01
1988-11-01
1990-01-01
1991-03-01
1992-05-01
1993-07-01
1994-09-01
1995-11-01
1997-01-01
1998-03-01
1999-05-01
2000-07-01
2001-09-01
2002-11-01
2004-01-01
2005-03-01
2006-05-01
2007-07-01
2008-09-01
2009-11-01
2011-01-01
2012-03-01
2013-05-01
2014-07-01
2015-09-01
2016-11-01
2018-01-01
2019-03-01
Month

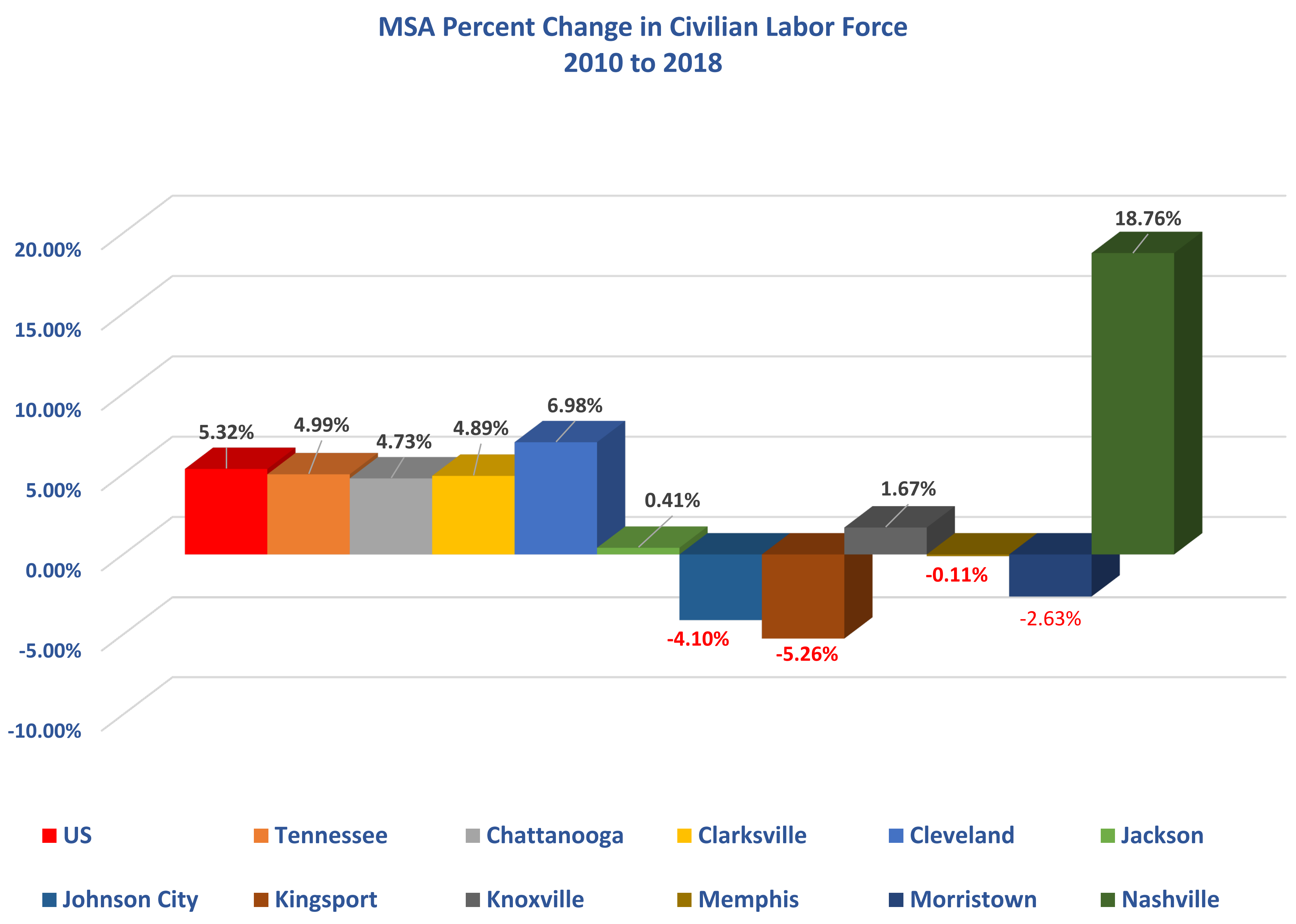


Tennessee Civilian Labor Force, Monthly, 1976 - 2019
Persons
4000000
3500000
3000000
2500000
2000000
1500000
1000000
500000
0
1976-01-01
1977-03-01
1978-05-01
1979-07-01
1980-09-01
1981-11-01
1983-01-01
1984-03-01
1985-05-01
1986-07-01
1987-09-01
1988-11-01
1990-01-01
1991-03-01
1992-05-01
1993-07-01
1994-09-01
1995-11-01
1997-01-01
1998-03-01
1999-05-01
2000-07-01
2001-09-01
2002-11-01
2004-01-01
2005-03-01
2006-05-01
2007-07-01
2008-09-01
2009-11-01
2011-01-01
2012-03-01
2013-05-01
2014-07-01
2015-09-01
2016-11-01
2018-01-01
2019-03-01
Month

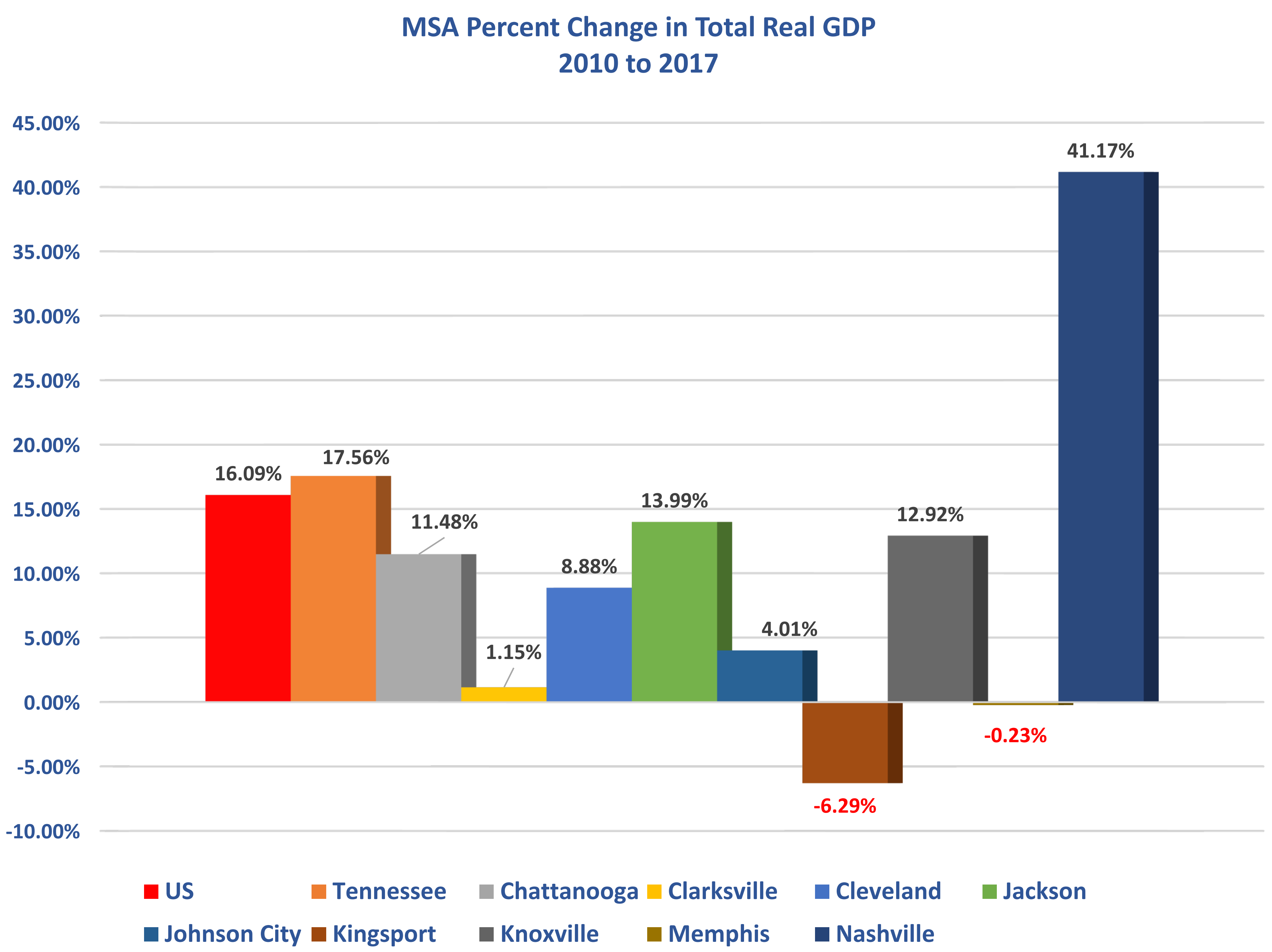

Nominal Retail Trade Earnings in Tennessee, Quarterly, 1998 - 2019
Thousands of Dollars
18000000
16000000
14000000
12000000
10000000
8000000
6000000
4000000
2000000
0
1998-01-01
1998-08-01
1999-03-01
1999-10-01
2000-05-01
2000-12-01
2001-07-01
2002-02-01
2002-09-01
2003-04-01
2003-11-01
2004-06-01
2005-01-01
2005-08-01
2006-03-01
2006-10-01
2007-05-01
2007-12-01
2008-07-01
2009-02-01
2009-09-01
2010-04-01
2010-11-01
2011-06-01
2012-01-01
2012-08-01
2013-03-01
2013-10-01
2014-05-01
2014-12-01
2015-07-01
2016-02-01
2016-09-01
2017-04-01
2017-11-01
2018-06-01
2019-01-01
Quarter

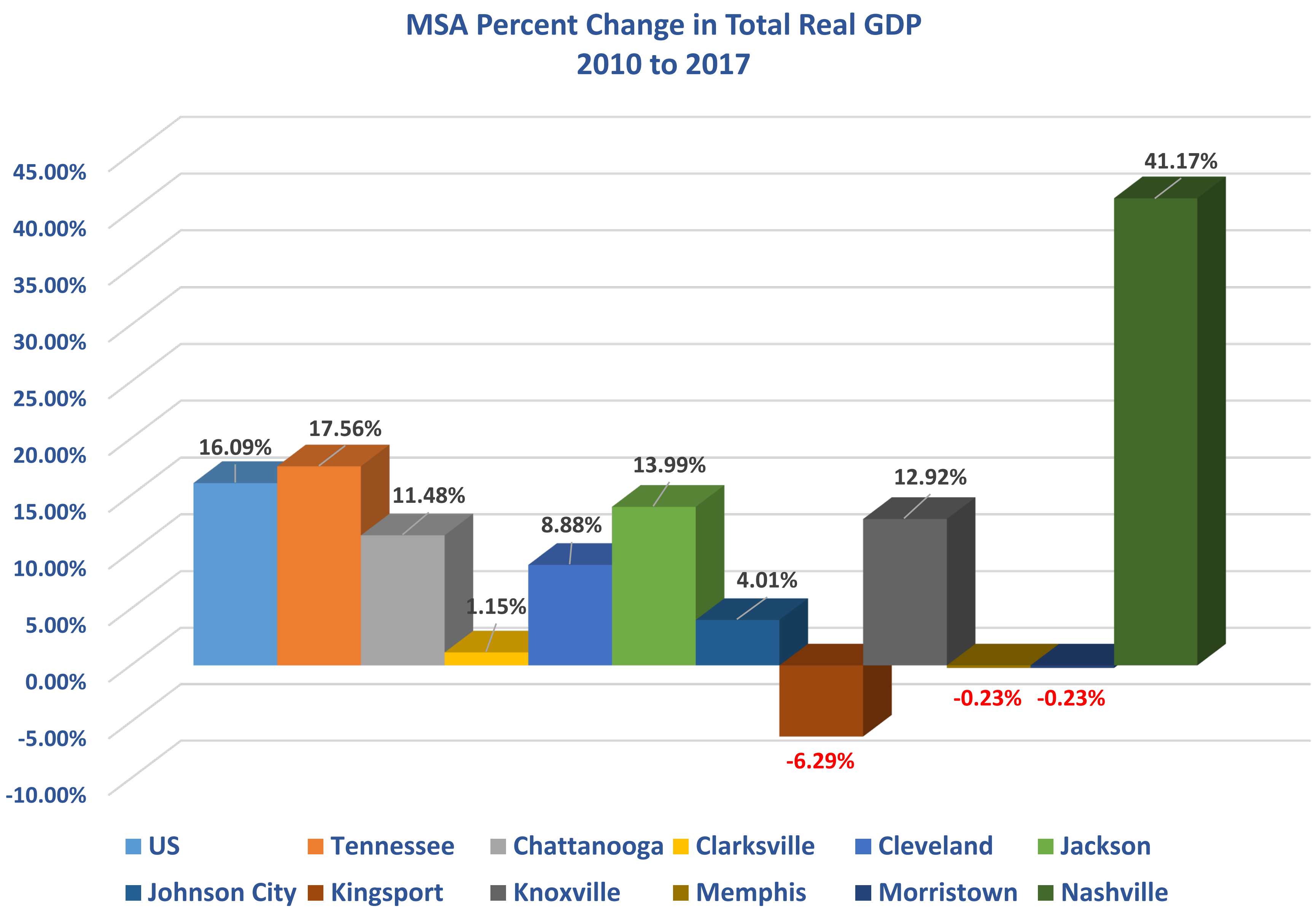

Nominal Per Capital Personal Income for Tennessee, Quarterly, 2010 - 2019
Dollars
60000
50000
40000
30000
20000
10000
0
2010-01-01
2010-04-01
2010-07-01
2010-10-01
2011-01-01
2011-04-01
2011-07-01
2011-10-01
2012-01-01
2012-04-01
2012-07-01
2012-10-01
2013-01-01
2013-04-01
2013-07-01
2013-10-01
2014-01-01
2014-04-01
2014-07-01
2014-10-01
2015-01-01
2015-04-01
2015-07-01
2015-10-01
2016-01-01
2016-04-01
2016-07-01
2016-10-01
2017-01-01
2017-04-01
2017-07-01
2017-10-01
2018-01-01
2018-04-01
2018-07-01
2018-10-01
2019-01-01
2019-04-01
Quarter


MSA Percent Change Total Nonfarm Employment 2010 to 2018
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
14.35%
17.02%
14.29%
14.98%
20.05%
12.93%
6.46%
3.76%
11.59%
9.49%
10.26%
32.73%
US
Tennessee
Chattanooga
Clarksville
Cleveland
Jackson
Johnson City
Kingsport
Knoxville
Memphis
Morristown
Nashville

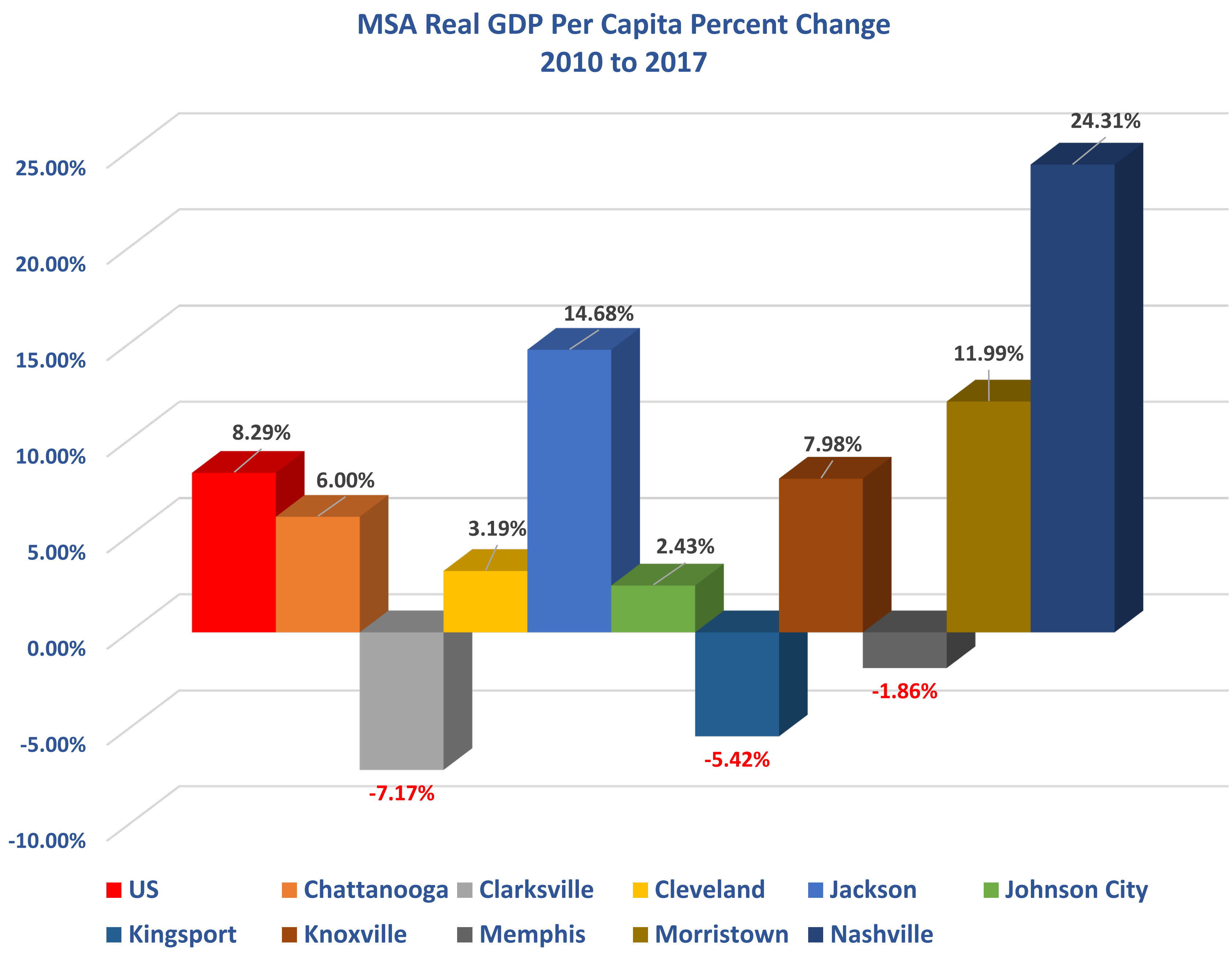


MSA Percent Change in Civilian Labor Force
2010 to 2018
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
-10.00%
5.32%
4.99%
4.73%
4.89%
6.98%
0.41%
-4.10%
-5.26%
1.67%
-0.11%
-2.63%
18.76%
US
Tennessee
Chattanooga
Clarksville
Cleveland
Jackson
Johnson City
Kingsport
Knoxville
Memphis
Morristown
Nashville


MSA Percent Change in Total Real GDP
2010 to 2017
45.00%
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
-10.00%
16.09%
17.56%
11.48%
1.15%
8.88%
13.99%
4.01%
-6.29%
12.92%
-0.23%
41.17%
US
Tennessee
Chattanooga
Clarksville
Cleveland
Jackson
Johnson City
Kingsport
Knoxville
Memphis
Nashville



MSA Percent Change in Total Real GDP
2010 to 2017
45.00%
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
-10.00%
16.09%
17.56%
11.48%
1.15%
8.88%
13.99%
4.01%
-6.29%
12.92%
-0.23%
-0.23%
41.17%
US
Tennessee
Chattanooga
Clarksville
Cleveland
Jackson
Johnson City
Kingsport
Knoxville
Memphis
Morristown
Nashville


MSA Real GDP Per Capita Percent Change
2010 to 2017
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
-10.00%
8.29%
6.00%
-7.17%
3.19%
14.68%
2.43%
-5.42%
7.98%
-1.86%
11.99%
24.31%
US
Chattanooga
Clarksville
Cleveland
Jackson
Johnson City
Kingsport
Knoxville
Memphis
Morristown
Nashville

FY 2019 – 2020 REVENUE FORECAST

ACCRUAL YEAR BASIS	FY 18 - 19	FY 19 - 20		FY 20 - 21		FY 21 - 22	
SOURCE OF REVENUE	AMOUNT	AMOUNT	PERCENT CHANGE OVER PERVIOUS YEAR	AMOUNT	PERCENT CHANGE OVER PERVIOUS YEAR	AMOUNT	PERCENT CHANGE OVER PERVIOUS YEAR
SALES & USE[1]	$9,337,817,700	$9,636,850,000	3.20%	$9,974,139,750	3.50%	$10,273,363,943	3.00%
GASOLINE TAX	$843,361,000	$863,630,000	2.40%	$897,250,000	3.89%	$932,500,000	3.93%
MOTOR FUEL TAX	$257,667,600	$267,305,000	3.74%	$284,230,000	6.33%	$302,400,000	6.39%
GASOLINE INSPECTION TAX	$69,800,800	$70,437,000	0.91%	$71,625,000	1.69%	$72,800,000	1.64%
MOTOR VEHICLE REGISTRATION TAX	$337,862,900	$343,245,000	1.59%	$346,885,000	1.06%	$355,000,000	2.34%
INCOME TAX	$203,817,800	$150,000,000	-26.40%	$80,000,000	-46.67%	$40,000,000	-50.00%
PRIVILEGE TAX[2]	$376,758,200	$399,363,692	6.00%	$419,331,877	5.00%	$435,000,000	3.74%
GROSS RECEIPTS TAX	$361,934,700	$364,520,000	0.71%	$369,430,000	1.35%	$379,200,000	2.64%
GROSS RECEIPTS TAX - OTHER	$31,298,200	$33,900,000	8.31%	$33,250,000	-1.92%	$33,180,000	-0.21%
BEER TAX	$16,954,100	$17,600,000	3.81%	$17,600,000	0.00%	$17,500,000	-0.57%
ALCOHOLIC BEVERAGE TAX	$70,246,200	$74,275,000	5.74%	$77,510,000	4.36%	$80,800,000	4.24%
FRANCHISE & EXCISE TAX	$2,752,023,800	$2,892,000,000	5.09%	$3,019,560,000	4.41%	$3,160,000,000	4.65%
INHERITANCE TAX	$2,221,300	-	-	-	-	-	-
TOBACCO TAX	$241,773,000	$236,150,000	-2.33%	$235,000,000	-0.49%	$234,000,000	-0.43%
MOTOR VEHICLE TITLE FEES	$23,600,900	$24,250,000	2.75%	$25,400,000	4.74%	$26,540,000	4.49%
MIXED DRINK TAX	$136,145,200	$150,465,000	10.52%	$171,300,000	13.85%	$193,300,000	12.84%
BUSINESS TAX	$203,359,900	$211,000,000	3.76%	$218,000,000	3.32%	$235,480,000	8.02%
SEVERANCE TAX	$1,012,400	$1,100,000	8.65%	$1,104,000	0.36%	$1,110,000	0.54%
COIN AMUSEMENT TAX	$261,100	$270,000	3.41%	$274,000	1.48%	$275,000	0.36%
UNAUTHORIZED SUBSTANCE TAX	$6,000	$1,000	-83.33%	$1,000	0.00%	$1,000	0.00%
TOTAL	$15,267,922,800	$15,736,361,692	3.07%	$16,241,890,627	3.21%	$16,772,449,943	3.27%

1. Excludes $112.0 million in earmarked fees collected under sales tax for E911 telecommunications services.

2. Privilege Tax excludes $52.0 million earmark not included by F&A.

SOURCE OF REVENUE					
Department of Revenue Taxes	Total Revenue	General Fund & Education Fund	Highway Fund	Debt Service Fund	Cities & Counties
Sales and Use Tax	$9,636,850,000	$9,025,850,000	$28,300,000	$67,200,000	$515,500,000
Gasoline Tax	$863,630,000	$13,800,000	$459,000,000	$75,600,000	$315,230,000
Motor Fuel Tax	$267,305,000	$2,690,000	$195,615,000	-	$69,000,000
Gasoline Inspection Tax	$70,437,000	$20,780,000	$37,540,000	-	$12,117,000
Motor Vehicle Registration Tax	$343,245,000	$53,200,000	$290,045,000	-	
Income Tax	$150,000,000	$96,600,000	-	-	$53,400,000
Privilege Tax	$399,363,692	$392,283,692	-	-	$7,080,000
Gross Receipts Tax - TVA	$364,520,000	$201,580,000	-	-	$162,940,000
Gross Receipts Tax - Other	$33,900,000	$26,200,000	$7,700,000	-	-
Beer Tax	$17,600,000	$11,790,000	$2,248,662	-	$3,561,338
Alcoholic Beverage Tax	$74,275,000	$63,300,000	-	-	$10,975,000
Franchise and Excise Tax	$2,892,000,000	$2,670,900,000	-	$183,100,000	$38,000,000
Inheritance and Estate Tax	-	-	-	-	-
Tobacco Tax	$236,150,000	$236,150,000	-	-	-
Motor Vehicle Title Fees	$24,250,000	$21,550,000	-	$2,700,000	-
Mixed Drink Tax	$150,465,000	$75,315,000	-	-	$75,150,000
Business Tax	$211,000,000	$211,000,000	-	-	-
Severance Tax	$1,100,000	$370,000	-	-	$730,000
Coin-operated Amusement Tax	$270,000	$270,000	-	-	-
Unauthorized Substance Tax	$1,000	$1,000	-	-	-
Total Department of Revenue	$15,736,361,692	$13,123,629,692	$1,020,448,662	$328,600,000	$1,263,683,338

TN Department of Revenue

Estimated State Tax Revenue

November 15, 2019

Forecasting Overview

- Forecasting process involves historical collections data along with economic indicators from Moody's.
- Models provide forecasts that are then adjusted as necessary based on business knowledge and experience.
- Forecasts may also be adjusted to account for anticipated federal and/or state legislation impacts, as well as any non-recurring revenue.

Note: Data from the U.S. Census Bureau, forecast from Moody's Analytics

Fiscal Year 2019 Tax Revenue

COMPARISON OF ACCRUAL STATE TAX REVENUE

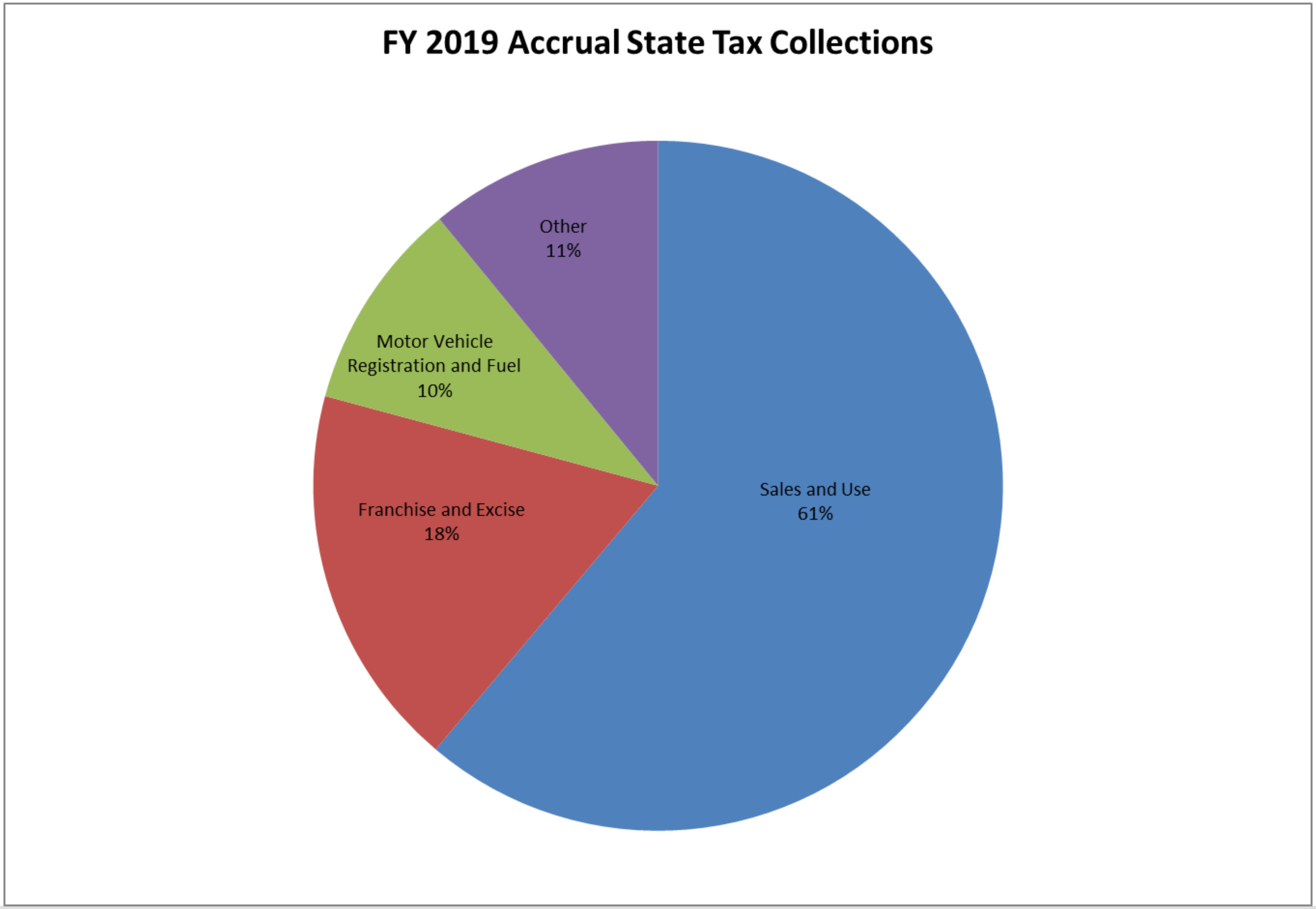
DEPARTMENT OF REVENUE TAXES

YEAR OVER YEAR COMPARISON

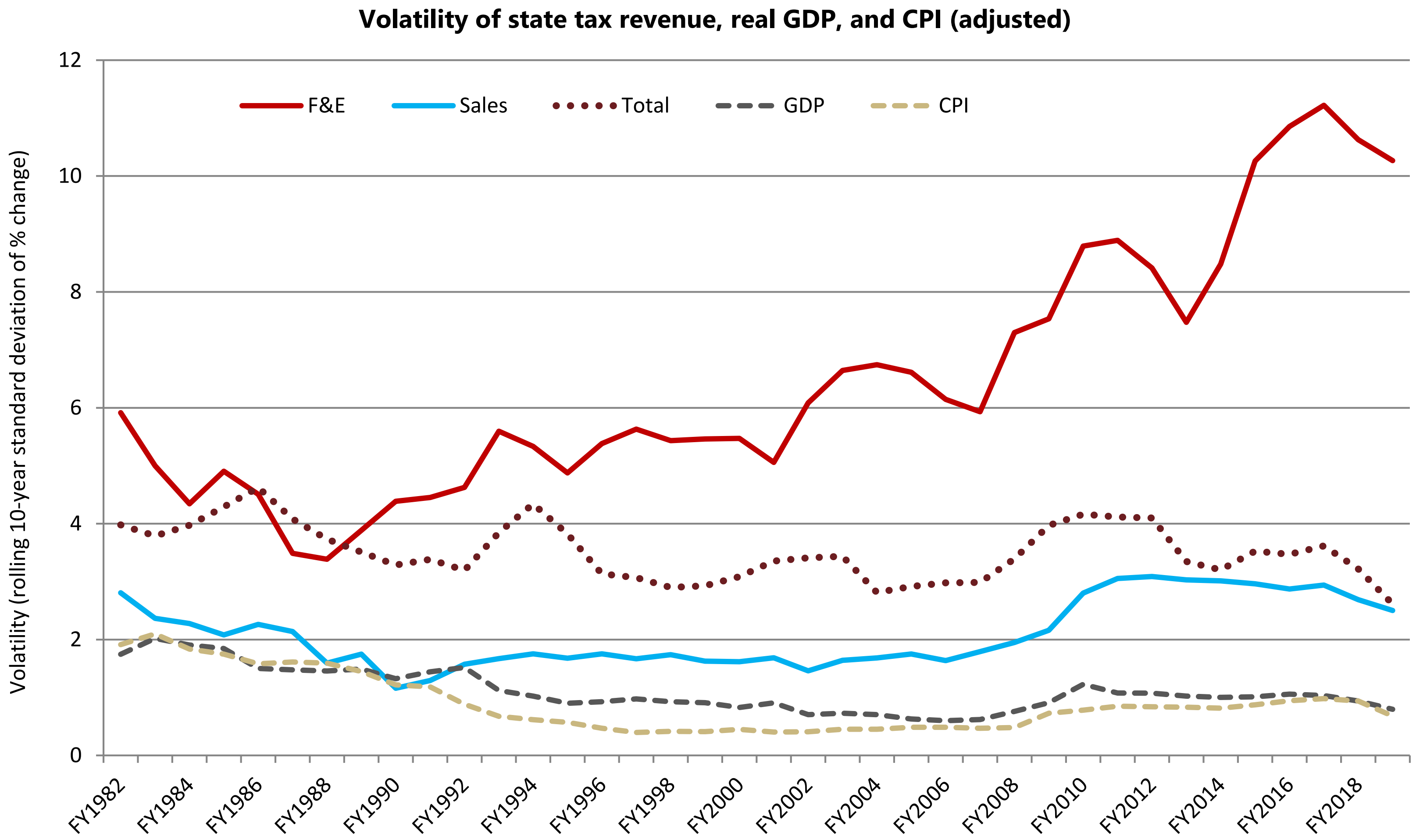
	Fiscal Year 2018	Fiscal Year 2019	% Change	Tax Weight	Total % Point Contribution
Sales and Use Tax	$8,835,187,100	$9,337,817,700	5.69%	61%	3.47%
Corporate Franchise and Excise Tax	$2,570,771,100	$2,752,023,800	7.05%	18%	1.25%
Motor Vehicle Registration and Fuel[1]	$1,426,800,000	$1,508,692,300	5.74%	10%	0.57%
Other	$1,649,264,500	$1,669,389,000	1.22%	11%	0.14%
TOTAL ACCRUAL REVENUE	**$14,482,022,700**	**$15,267,922,800**	**5.43%**	**100%**	**5.43%**

*Data from F&A.
[1]Includes motor vehicle registrations. gasoline, motor vehicle fuel, and petroleum special taxes .

Fiscal Year 2019 Tax Revenue

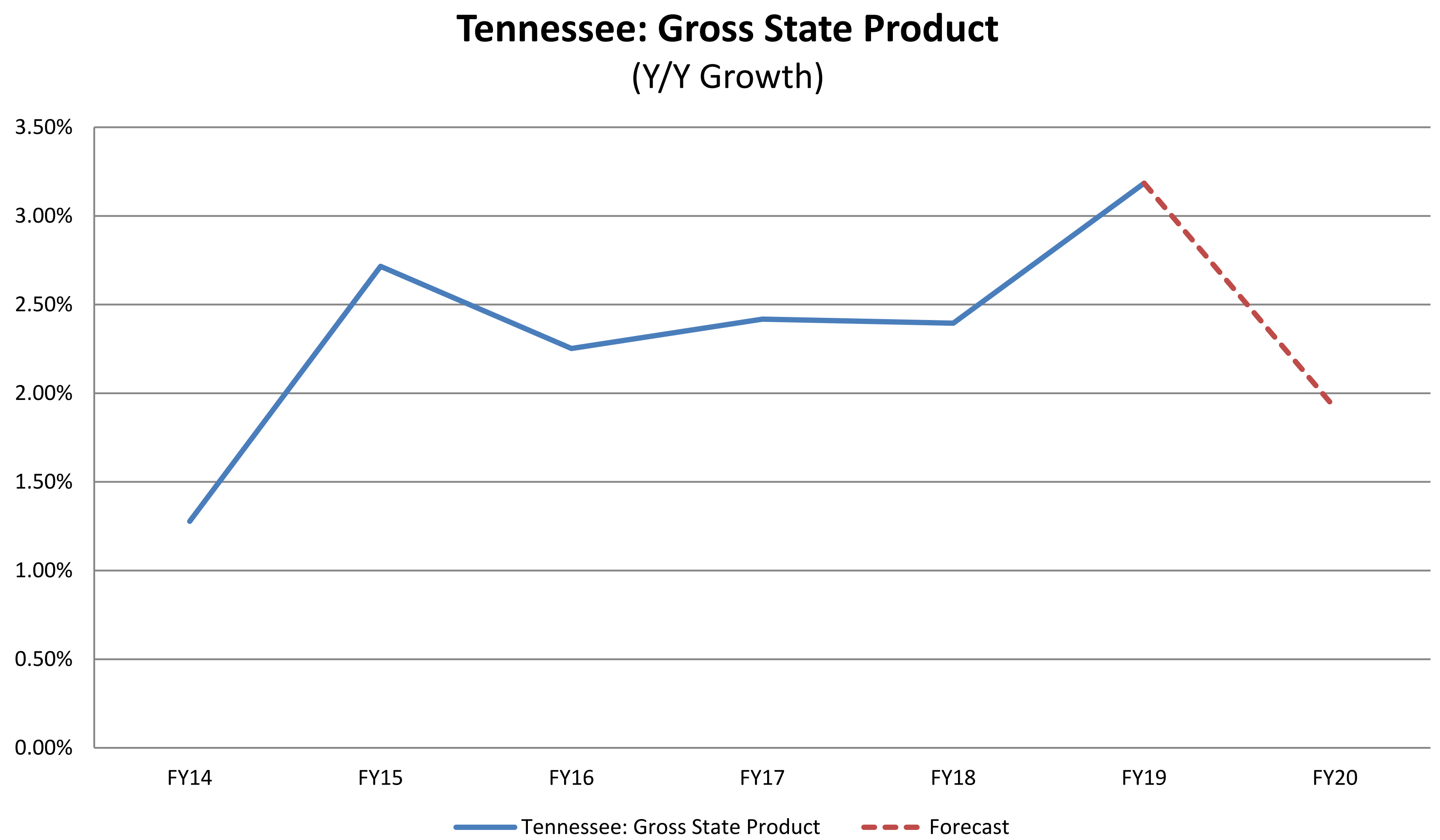


Tennessee Tax Volatility Comparison



TN Department of Revenue

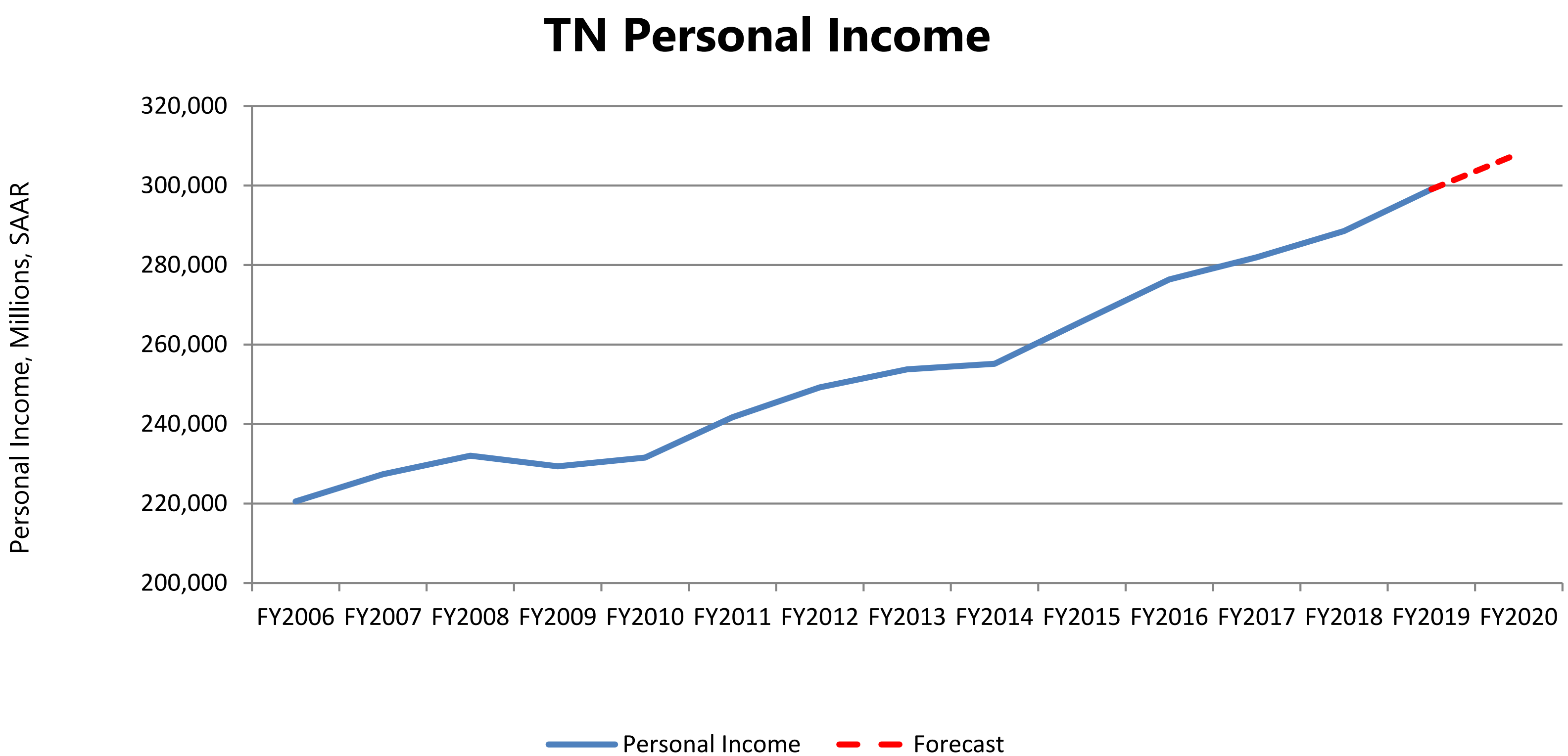
Tennessee Gross State Product



Note: Data from the Bureau of Economic Analysis, forecast from Moody's Analytics

Tennessee Personal Income

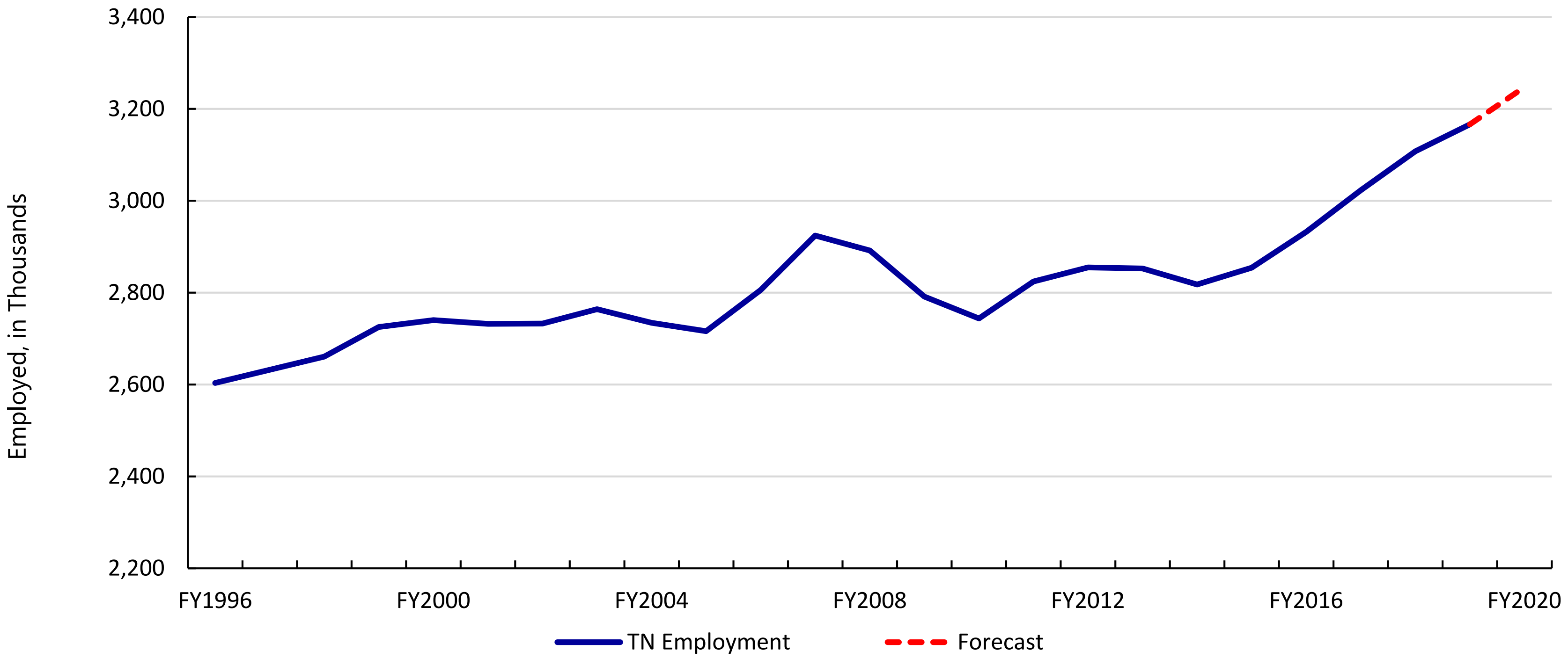
- Personal income gains of 3.63% for FY 2019
- Personal income gains of 3.01% are expected for FY 2020, led by growth in wages and salaries



Note: Data from the Bureau of Economic Analysis, forecast from Moody's Analytics

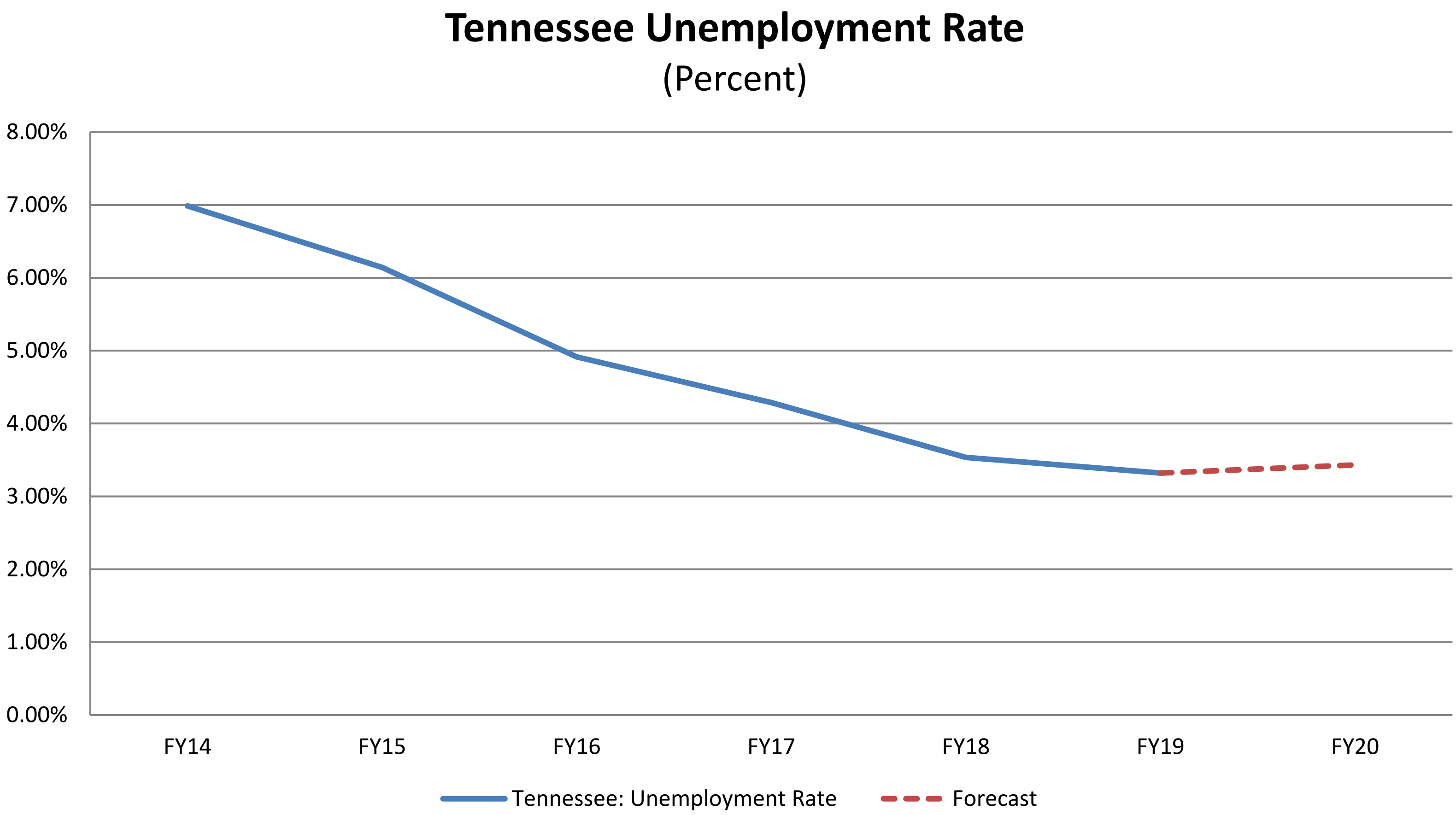
Tennessee Employment

- Strong growth in employment
- Steady employment growth is expected over the forecast horizon



Note: Data from the Bureau of Labor Statistics, forecast from Moody's Analytics

Tennessee Unemployment



Note: Data from the Bureau of Labor Statistics, forecast from Moody's Analytics

Auto Industry Recent Collections History

Revenue Implications of Automotive Activity (Most Recent 6 Month Data)

Growth is presented as year over year (YOY)

Sales Tax Collections from Motor Vehicle Dealers, New & Used

	Collections	YOY % Growth	YOY $ Growth
April	$61,451,376	-2.62%	-$1,653,267
May	$57,426,618	9.58%	$5,019,751
June	$62,922,076	5.24%	$3,130,862
July	$57,660,018	-0.90%	-$525,910
August	$62,058,853	5.84%	$3,421,819
September	$66,709,556	10.08%	$6,108,037
		4.39%	**$15,501,291**

Sales Tax Collections from Motor Vehicle Dealers, Used

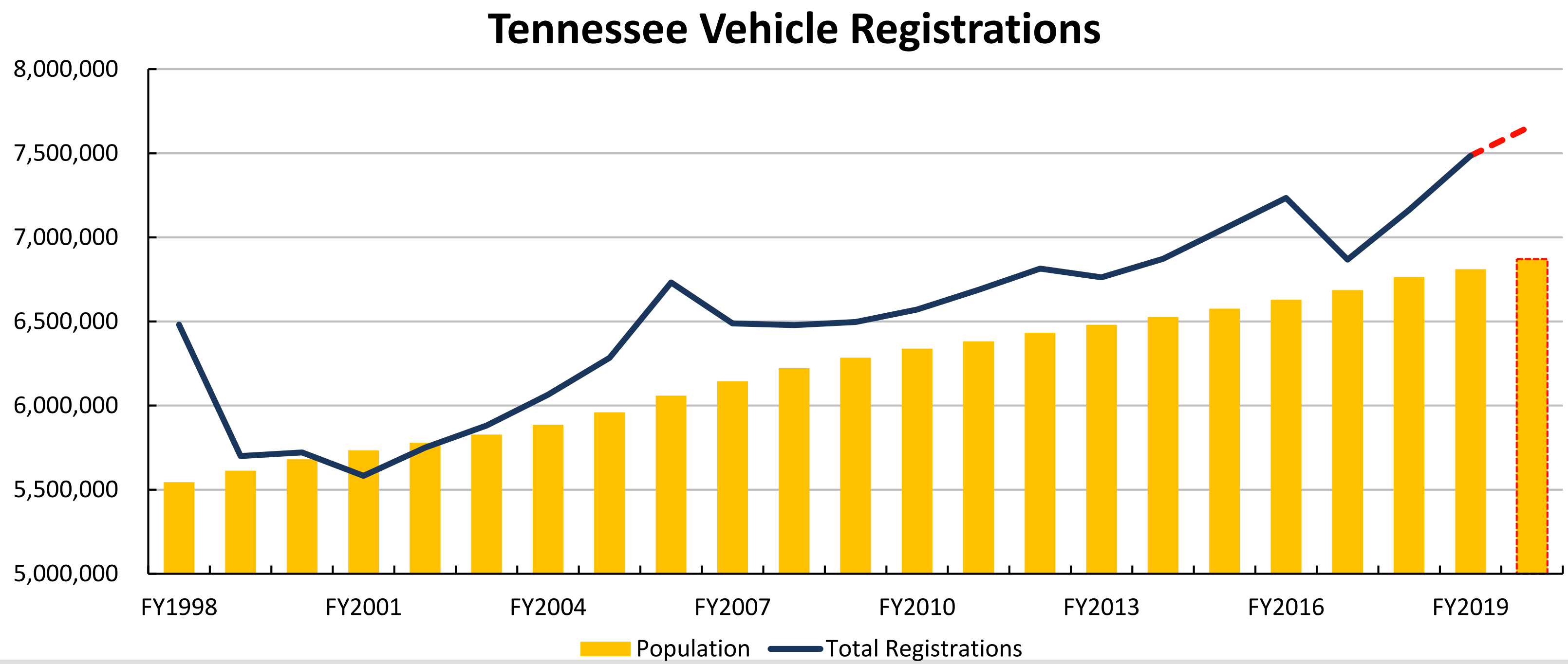
	Collections	YOY % Growth	YOY $ Growth
April	$20,849,233	6.01%	$1,182,855
May	$17,939,812	12.12%	$1,939,912
June	$18,164,666	8.28%	$1,389,542
July	$17,040,724	6.98%	$1,111,912
August	$18,290,491	18.12%	$2,806,369
September	$19,025,547	17.18%	$2,789,464
		11.21%	**$11,220,053**

Sales Tax Collections from Auto Repair, Services, and Parking

	Collections	YOY % Growth	YOY $ Growth
April	$17,818,579	1.52%	$289,696
May	$19,337,507	22.51%	$4,010,494
June	$17,543,079	17.06%	$3,299,474
July	$21,146,200	28.53%	$5,005,825
August	$19,869,636	11.01%	$2,327,694
September	$17,766,577	16.73%	$3,324,156
		15.90%	**$18,527,340**
	6 Month Total Growth	**7.92%**	**$44,978,684**

Vehicle Registrations

- Tennessee vehicle registrations increased 4.5% from FY 2018 – FY 2019
- By the end of FY 2020, vehicle registrations are expected to increase 2.4% from a year earlier



Note: Registration data and forecast from the Department of Revenue, population data from the U.S. Census Bureau

Fuel Related Recent Collections History

Revenue Implications of Fuel Related Activity (Most Recent 6 Month Data)
Growth is presented as year over year (YOY)

Sales Tax Collections from Gasoline Services Stations

	Collections	YOY % Growth	YOY $ Growth
April	$13,451,174	6.40%	$808,657
May	$13,449,945	10.24%	$1,249,171
June	$14,790,457	10.24%	$1,374,315
July	$14,397,654	9.98%	$1,306,091
August	$14,721,098	11.14%	$1,475,123
September	$14,795,990	13.43%	$1,752,320
		10.26%	**$7,965,676**

Gasoline Tax Collections

	Collections	YOY % Growth	YOY $ Growth
April	$74,277,771	9.16%	$6,233,729
May	$72,516,578	5.28%	$3,634,194
June	$74,185,601	2.63%	$1,900,744
July	$69,894,106	2.72%	$1,852,438
August	$81,144,983	5.75%	$4,414,645
September	$76,987,684	3.22%	$2,403,483
		4.77%	**$20,439,233**

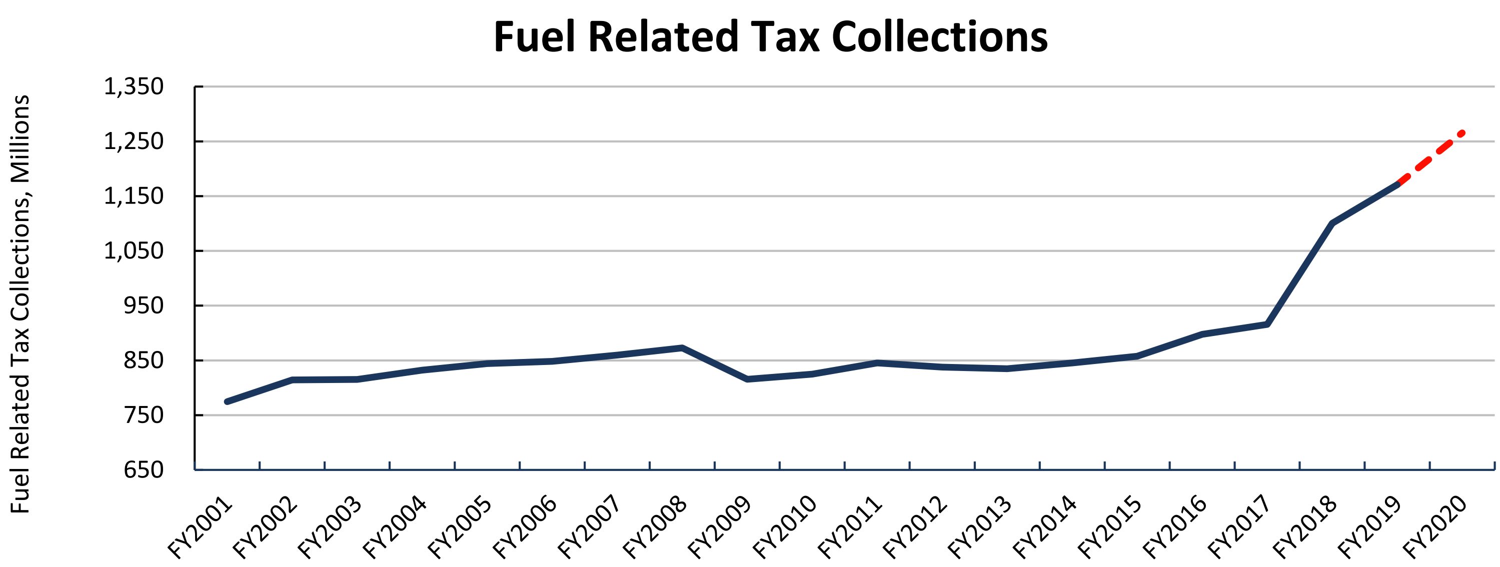
Motor Fuel Tax Collections

	Collections	YOY % Growth	YOY $ Growth
April	$23,890,075	18.54%	$3,735,633
May	$18,921,526	14.50%	$2,395,744
June	$22,759,637	9.14%	$1,905,220
July	$23,841,529	12.59%	$2,665,484
August	$21,928,218	16.12%	$3,044,399
September	$25,465,723	12.49%	$2,828,402
		13.79%	**$16,574,882**

6 Month Total Growth	**7.18%**	**$44,979,791**

Fuel Related Collections*

- Fuel related tax collections increased 6.40% from FY 2018 – FY 2019
- By the end of FY 2020, collections are expected to increase 8.09% from a year earlier



*Fuel related tax collections include collections from the gasoline tax, the motor fuel tax, and the petroleum special tax.

Note: Data and forecast from the Department of Revenue

Housing Related Recent Collections History

Revenue Implications of Housing Activity (Most Recent 6 Month Data)
Growth is presented as year over year (YOY)

Sales Tax Collections from Building Materials

	Collections	YOY % Growth	YOY $ Growth
April	$47,743,751	6.90%	$3,081,133
May	$53,008,066	10.37%	$4,980,072
June	$50,893,556	1.66%	$829,188
July	$49,139,871	-3.27%	-$1,662,321
August	$47,648,837	1.36%	$639,119
September	$44,019,444	0.17%	$76,148
		2.79%	**$7,943,339**

Privilege Tax Collections from Realty Transfer

	Collections	YOY % Growth	YOY $ Growth
April	$15,262,347	10.72%	$1,477,676
May	$15,413,094	2.13%	$321,700
June	$18,088,921	8.60%	$1,432,217
July	$18,838,856	7.39%	$1,295,845
August	$19,666,617	19.24%	$3,172,771
September	$18,877,356	10.66%	$1,818,302
		9.85%	**$9,518,510**

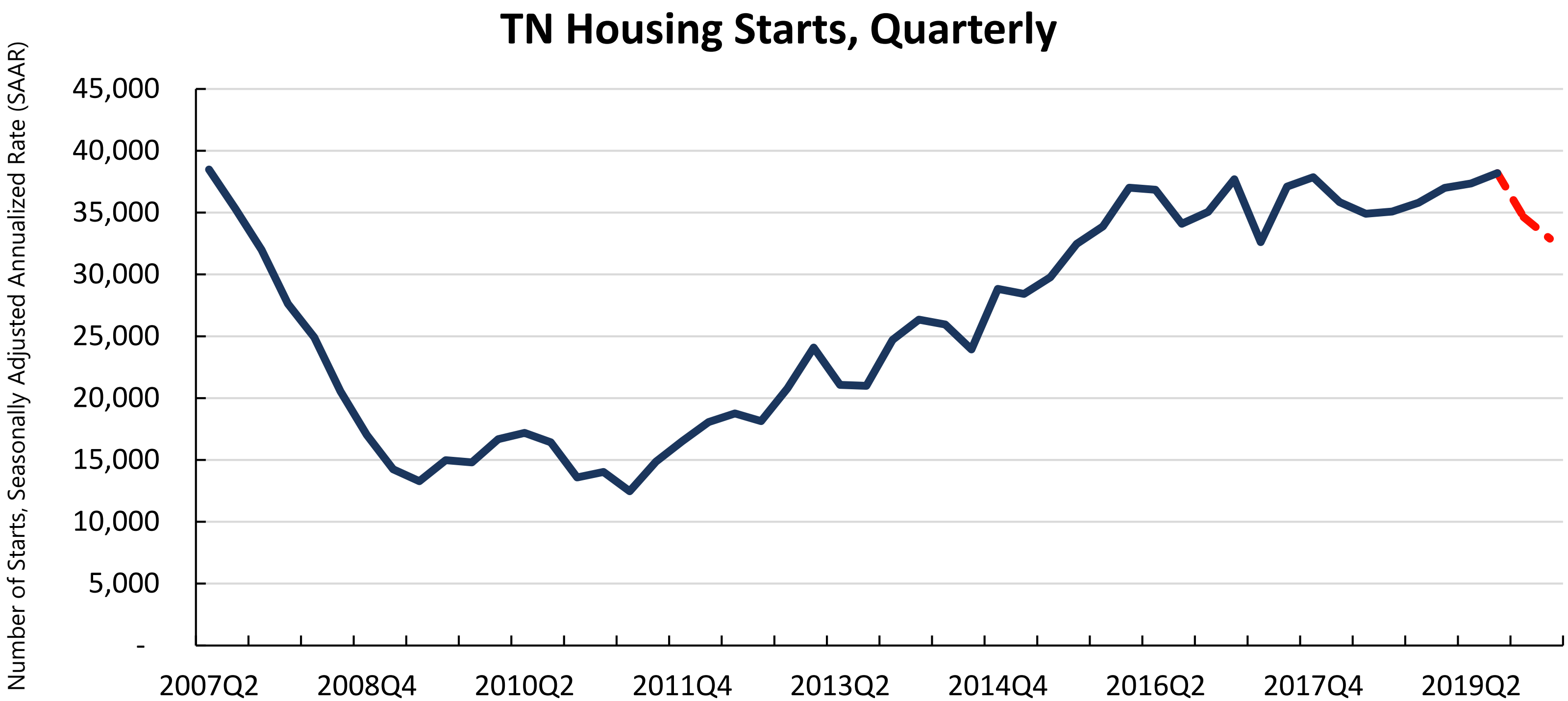
Privilege Tax Collections from Realty Mortgage

	Collections	YOY % Growth	YOY $ Growth
April	$6,452,796	15.02%	$842,462
May	$6,269,092	2.76%	$168,196
June	$6,605,416	-1.28%	-$85,973
July	$6,969,143	10.78%	$678,447
August	$7,558,731	24.30%	$1,477,722
September	$7,786,593	21.86%	$1,396,725
		12.05%	**$443,644**

6 Month Total Growth	**5.24%**	**$21,939,428**

Housing Starts

- Housing starts decreased 0.32% from FY 2018 – FY 2019
- By the end of FY 2020, housing starts are expected to decrease 4.6% from a year earlier



Note: Data from the U.S. Census Bureau, forecast from Moody's Analytics

Non-Recurring Items

- Analyze daily tax revenue collections relative to previous years and budget estimates.
- Identify extraordinary or unusual payments
- Focus analysis at the taxpayer level to identify the nature of payments and possible implications to total tax collections for the month.
- Maintain a list of one-time events and analyze any impact these payments may have on the following fiscal year.

Public Chapter 92 of 2015

- There are no known non-recurring items included in the Franchise and Excise tax estimates for fiscal year 2020 and the Department is not aware of any upcoming non-recurring payments in FY 2020.

- The fiscal year 2020 Franchise and Excise tax estimates do not include revenue estimates for any proposed or potential rule changes.

TN Department of Revenue

REVENUE COLLECTION ESTIMATES
STATE FUNDING BOARD MEETING - 11/15/2019
Accrual year basis (USD)

SOURCE OF REVENUE

Department of Revenue	Accrual Revenues FY 2019 Actual	Official Revenue Estimates FY2020	FY 2020 Revised Estimates FY 2020	FY 2020 % change[3] over FY 2019	FY 2021 Revenue Estimates FY 2021	FY 2021 % change[3] over FY 2020
Sales and Use Tax[1]	$9,337,800,000	$9,500,600,000	9,711,300,000	4.00%	10,085,200,000	3.85%
Gasoline Tax	843,400,000	872,700,000	885,600,000	5.00%	892,700,000	0.80%
Motor Fuel Tax	257,700,000	289,200,000	309,500,000	20.10%	300,200,000	-3.00%
Gasoline Inspection Tax	69,800,000	70,400,000	70,500,000	1.00%	71,200,000	0.99%
Motor Vehicle Registration Tax	337,900,000	339,300,000	344,000,000	1.81%	350,200,000	1.80%
Income Tax	203,800,000	103,200,000	134,500,000	-34.00%	75,300,000	-44.01%
Privilege Tax[2]	376,800,000	367,800,000	374,900,000	-0.50%	388,000,000	3.49%
Gross Receipts Tax - TVA	361,900,000	360,000,000	378,200,000	4.50%	397,100,000	5.00%
Gross Receipts Tax - Other	31,300,000	26,300,000	32,000,000	2.24%	32,500,000	1.56%
Beer Tax	17,000,000	16,900,000	17,200,000	1.18%	17,400,000	1.16%
Alcoholic Beverage Tax	70,200,000	74,900,000	73,200,000	4.27%	76,200,000	4.10%
Franchise & Excise Tax	2,752,000,000	2,616,600,000	2,892,400,000	5.10%	2,999,400,000	3.70%
Inheritance and Estate Tax	2,200,000	-		-		-
Tobacco Tax	241,800,000	240,800,000	238,200,000	-1.49%	235,800,000	-1.01%
Motor Vehicle Title Fees	23,600,000	26,200,000	24,000,000	1.69%	24,300,000	1.25%
Mixed Drink Tax	136,100,000	138,000,000	152,700,000	12.20%	169,500,000	11.00%
Business Tax	203,400,000	211,700,000	216,600,000	6.49%	230,000,000	6.19%
Severance Tax	1,000,000	800,000	1,000,000	0.00%	1,000,000	0.00%
Coin-operated Amusement Tax	300,000	200,000	300,000	0.00%	300,000	0.00%
Total Department of Revenue	**$15,268,000,000**	**$15,255,600,000**	**15,856,100,000**	**3.85%**	**$16,346,300,000**	**3.09%**
General Fund Only	**$ 12,693,900,000**	**$12,668,100,000**	**$13,156,600,000**	**3.65%**	**$13,614,300,000**	**3.48%**

[1]Excludes $112.0 million estimated earmarked fees collected under sales tax for E911 telecommunications service (2016 PC 1047).
[2]Privilege excludes $52.0 million dollar earmark not included by F&A
[3]Percent change in revenue for each tax is the calculated percentage change *after* rounding to nearest $100,000
Note: Totals may differ due to rounding

Sources

- Data Sourced From:
  - Moody's Analytics (Fall, 2019)
  - BEA (Fall, 2019)
  - BLS (Fall, 2019)
  - U.S. Census Bureau (Fall, 2019)
  - TN Department of Revenue (Fall, 2019)
  - TN Department of Finance & Administration (Fall, 2019)

FY19-20 & FY20-21
Tax Revenue Estimates

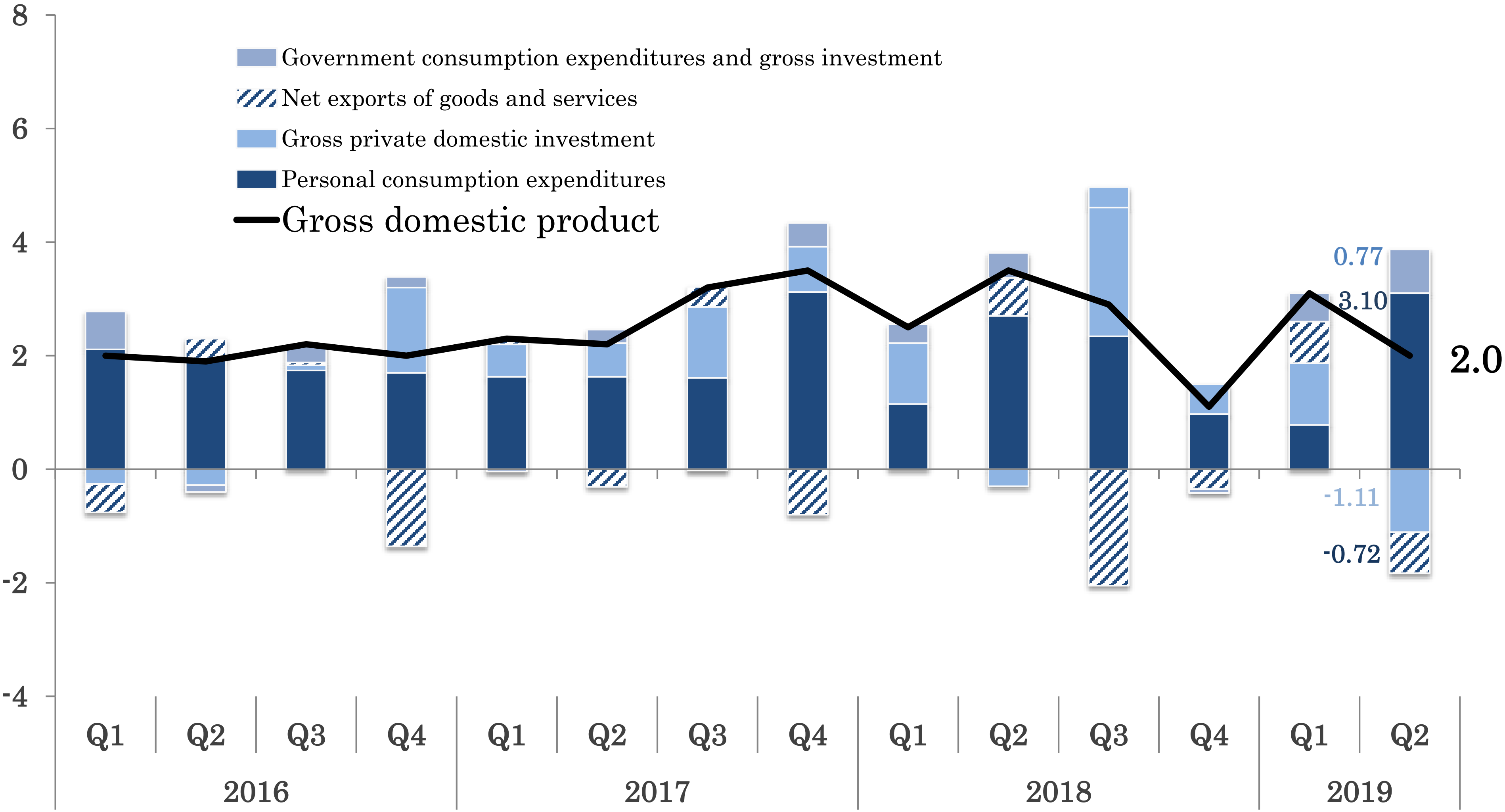
Fiscal Review Committee Staff
November 15, 2019

Overview

- Strong U.S. and Tennessee economic indicators over past year and current economic conditions
- Business and Consumer sentiment
- Auto & Housing sectors
- Resilient labor markets
- Earnings and Inflation
- Economic Uncertainty: Trade, Presidential Election, &Yield Spread

U.S. Real GDP

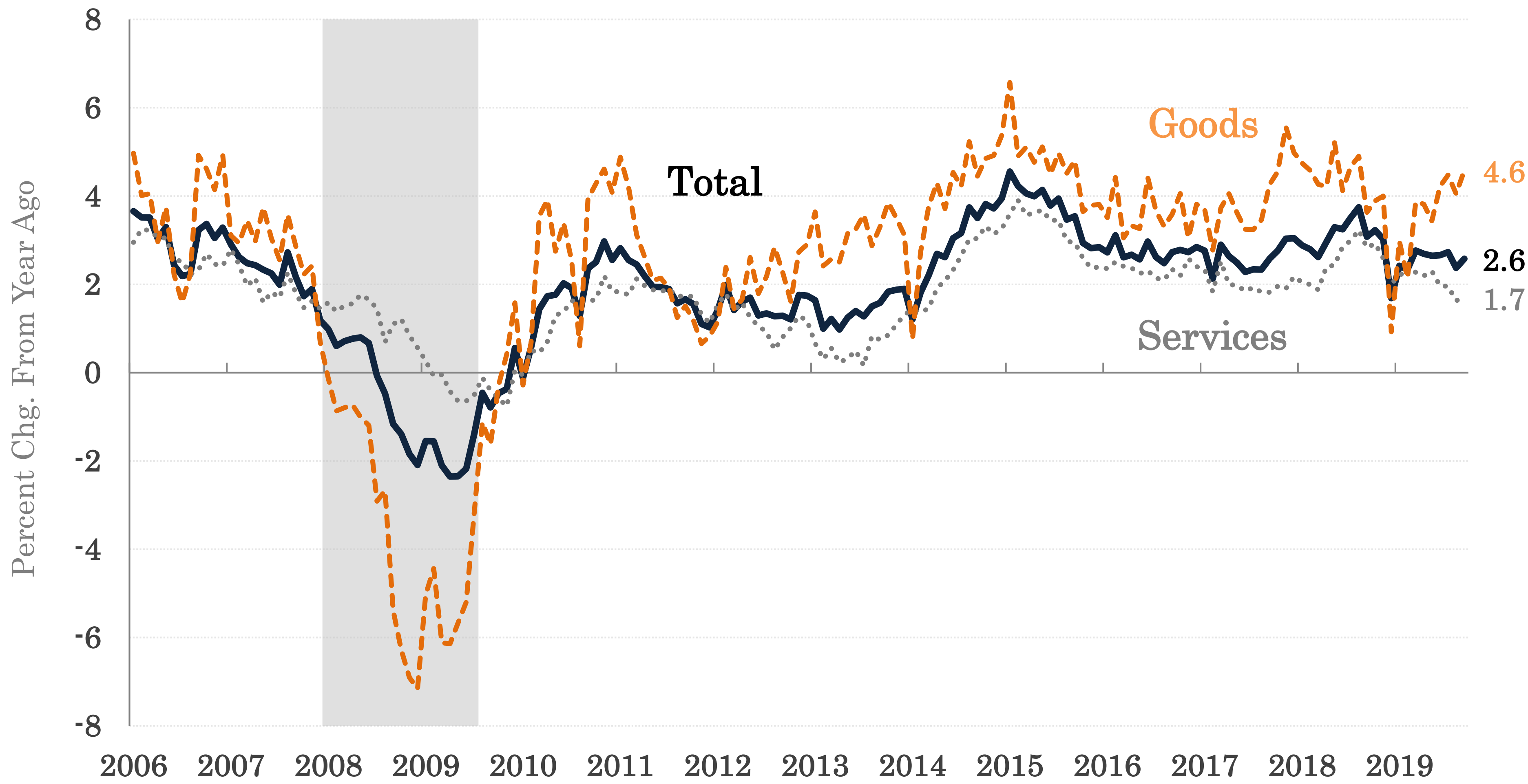
Contributions to % Change in Real GDP (SAAR)



Source: U.S. Bureau of Economic Analysis, November 6, 2019.

Real PCE and its Components

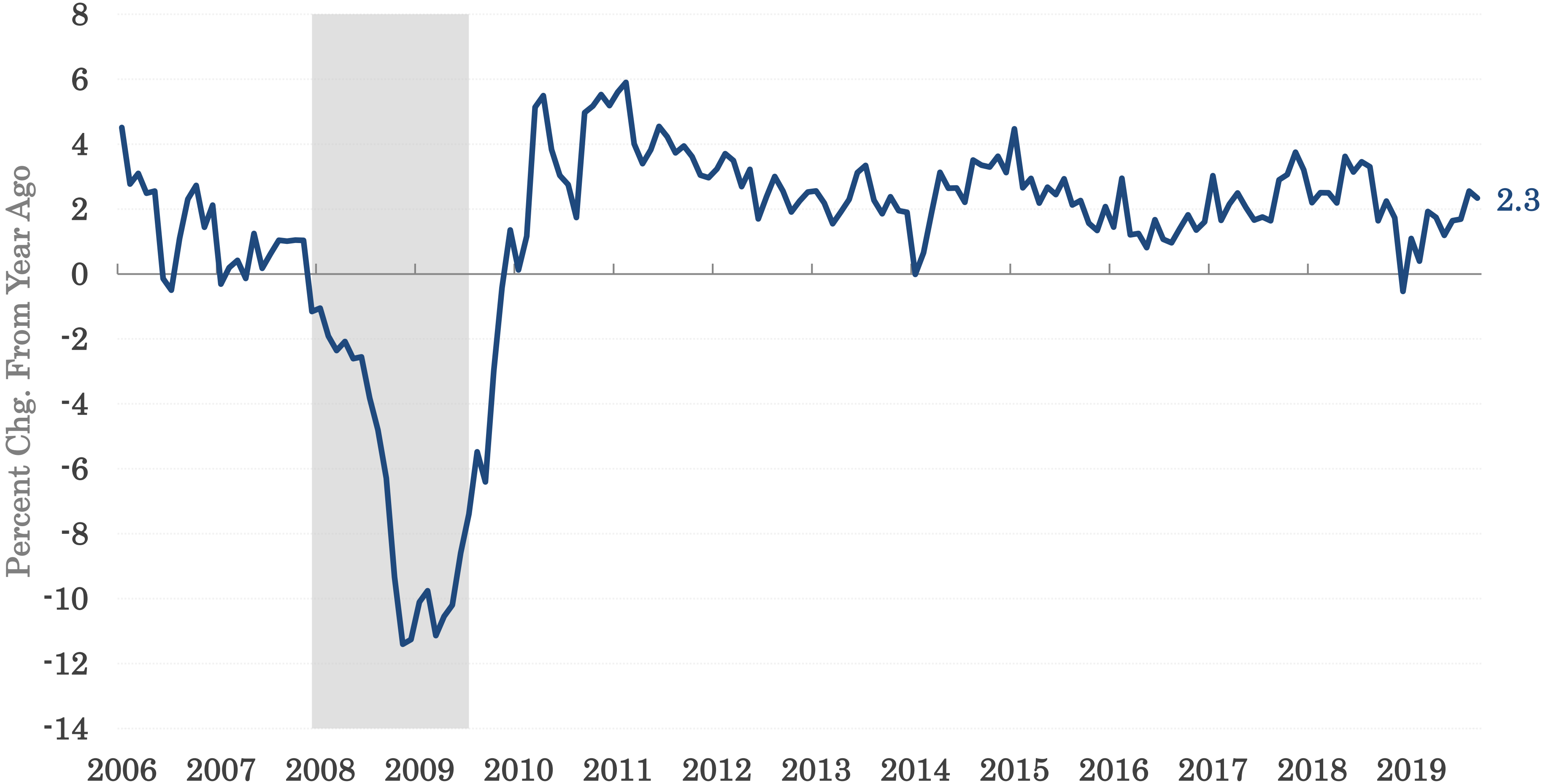
Year-over-Year % Change (Monthly, SAAR)



Source: U.S. Bureau of Economic Analysis; retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

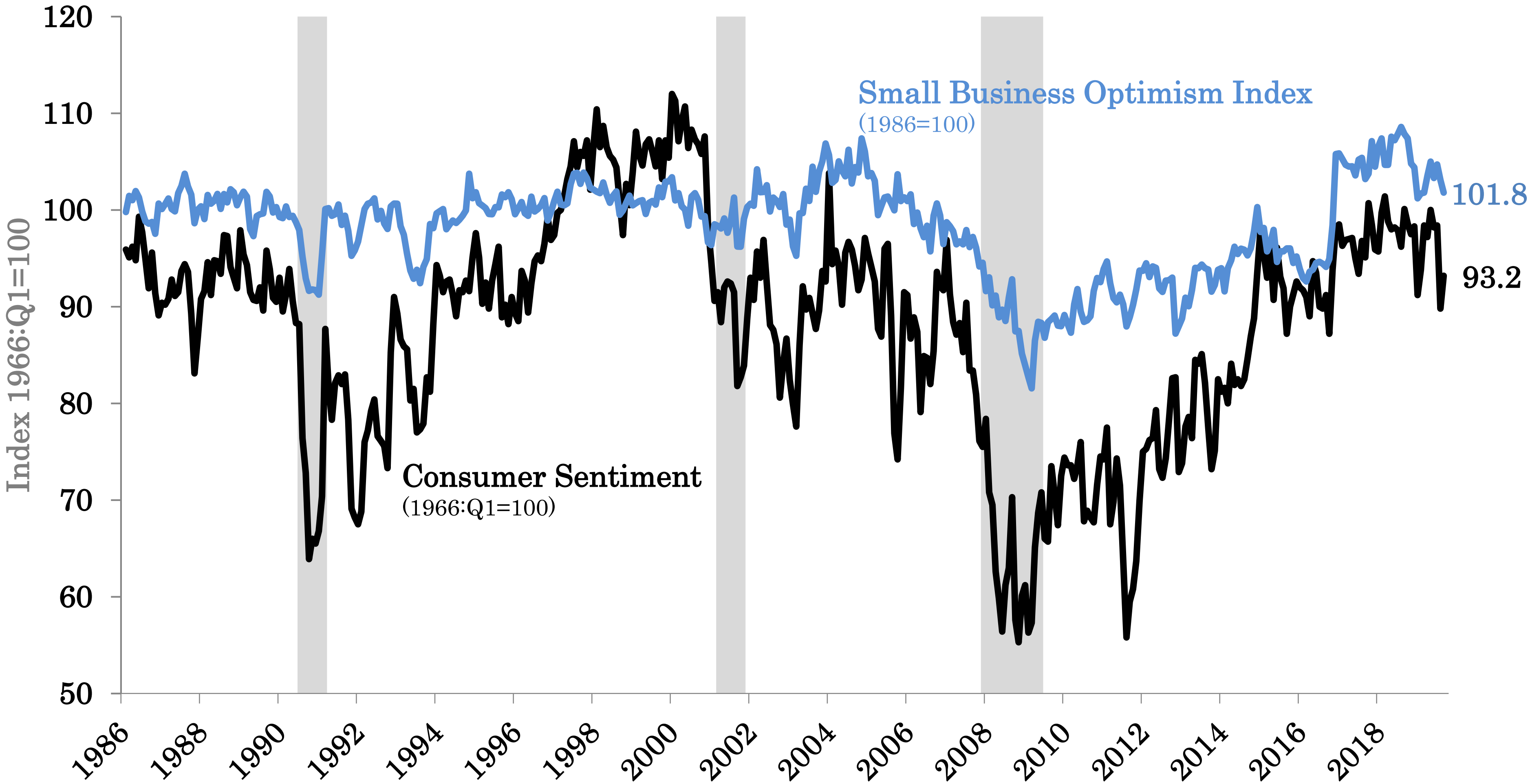
Advance Real Retail and Food Service Sales

Year-over-Year % Change (Monthly, SA)



Source: Federal Reserve Bank of St. Louis, November 6, 2019.

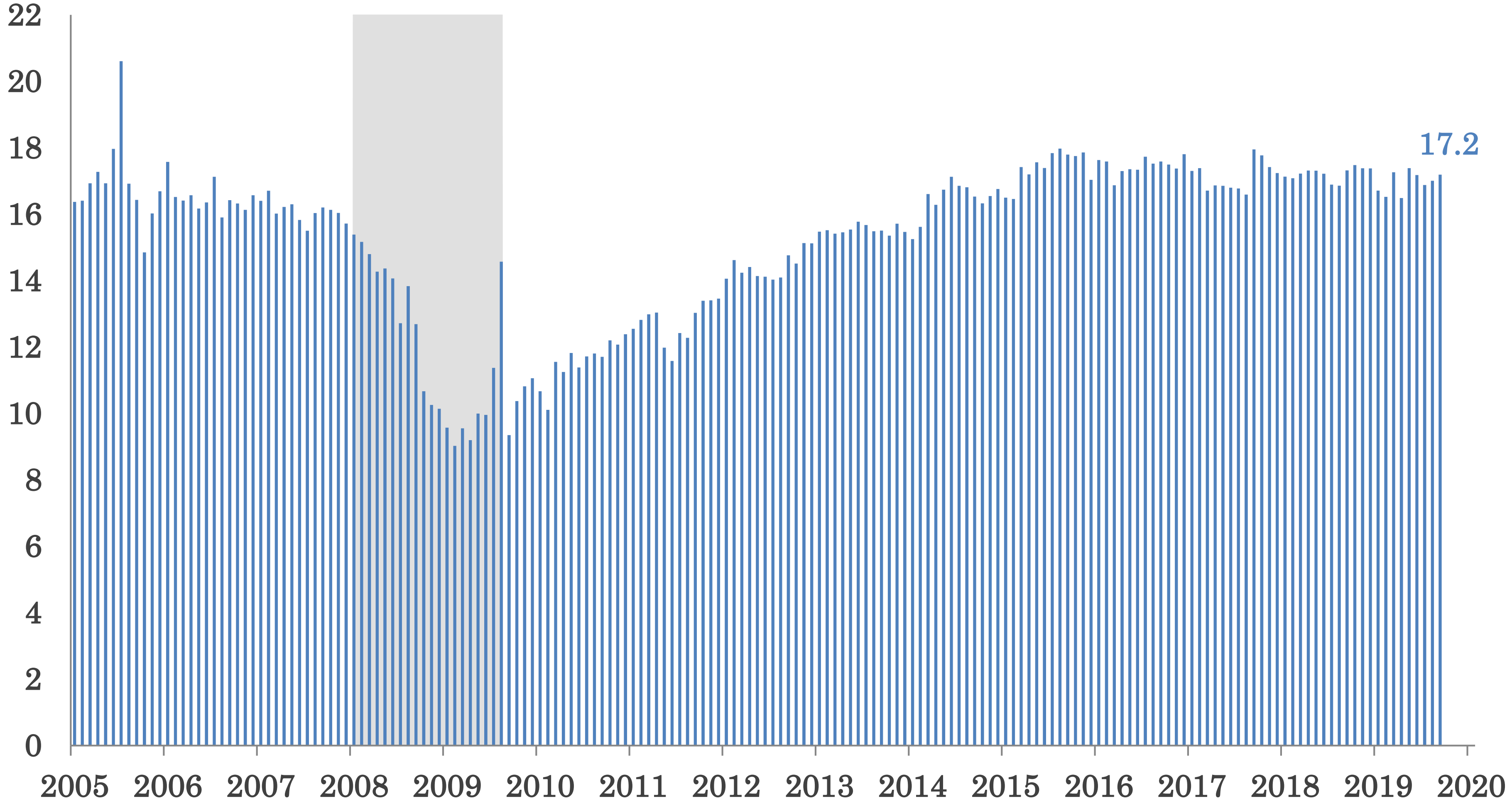
Consumer Sentiment & Small Business Optimism



Source: UofM, retrieved from FRED, Federal Reserve Bank of St. Louis; NFIB, retrieved from nfib-sbet.org, Nov. 6, 2019.

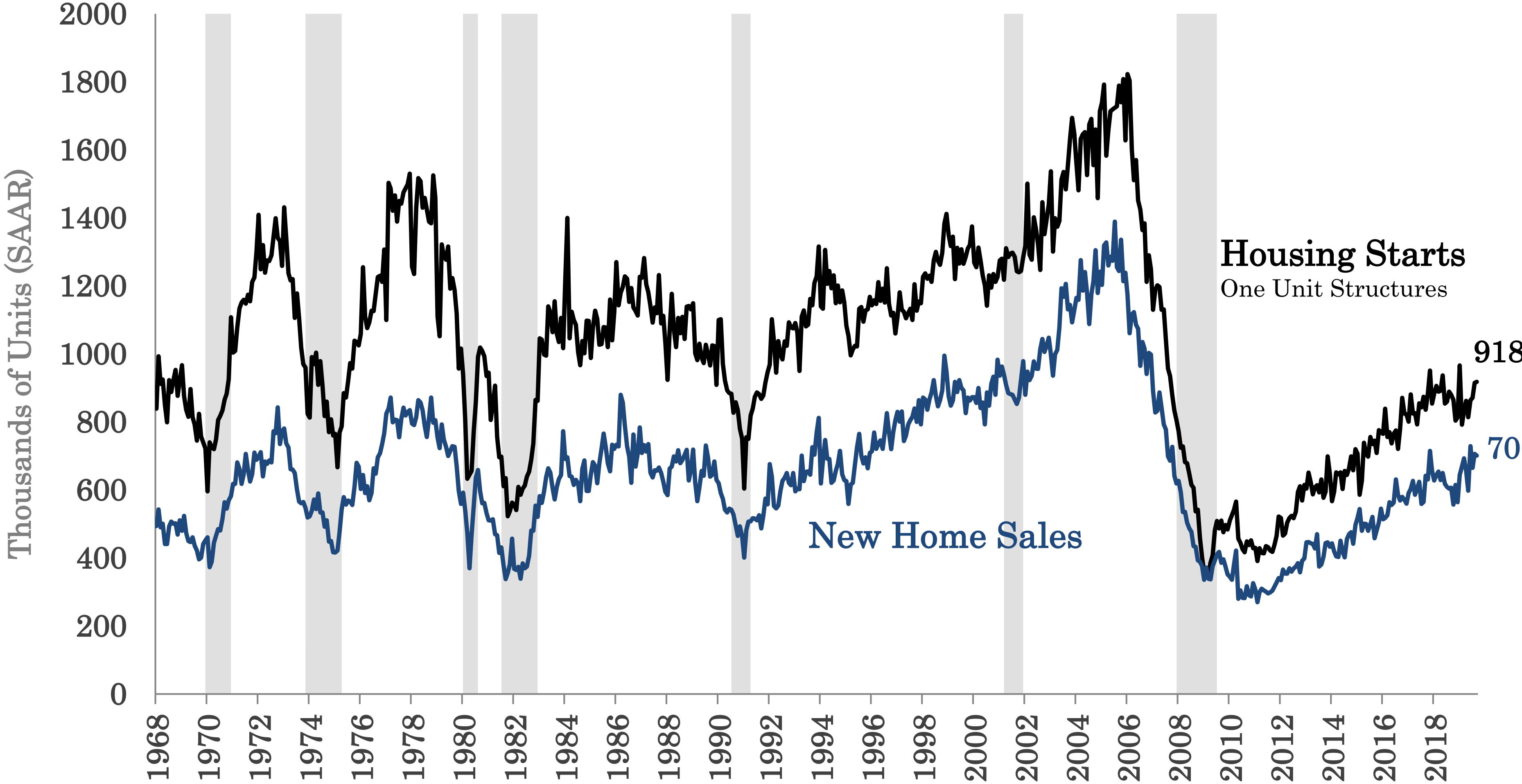
Auto Sector

U.S. Light Weight Vehicle Sales (Millions, SAAR)



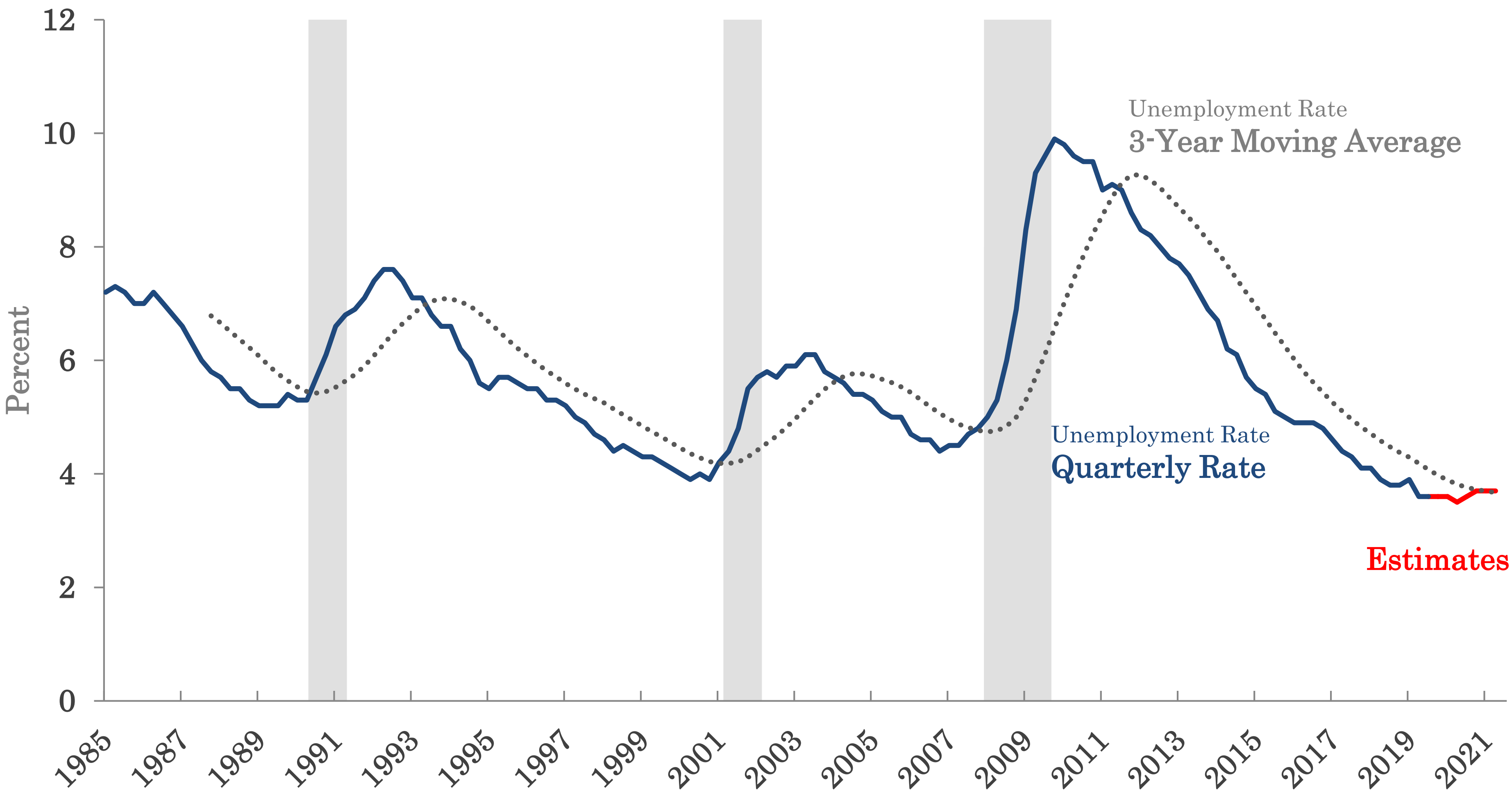
Source: U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

Housing Sector



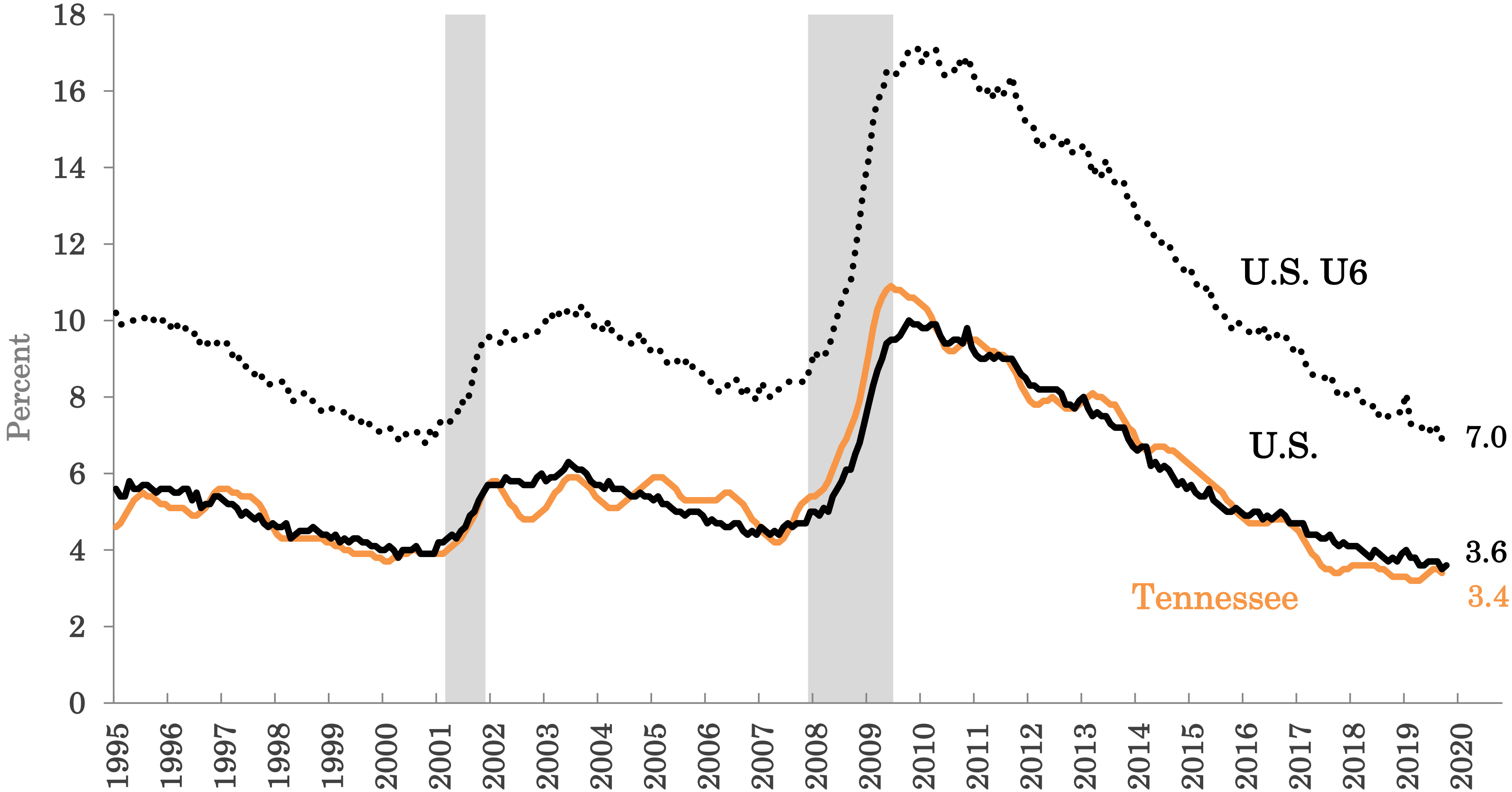
Source: U.S. Bureau of the Census, retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

U.S. Unemployment Rate



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis; Wells Fargo, retrieved from wellsfargo.com November 6, 2019.

Unemployment Rates

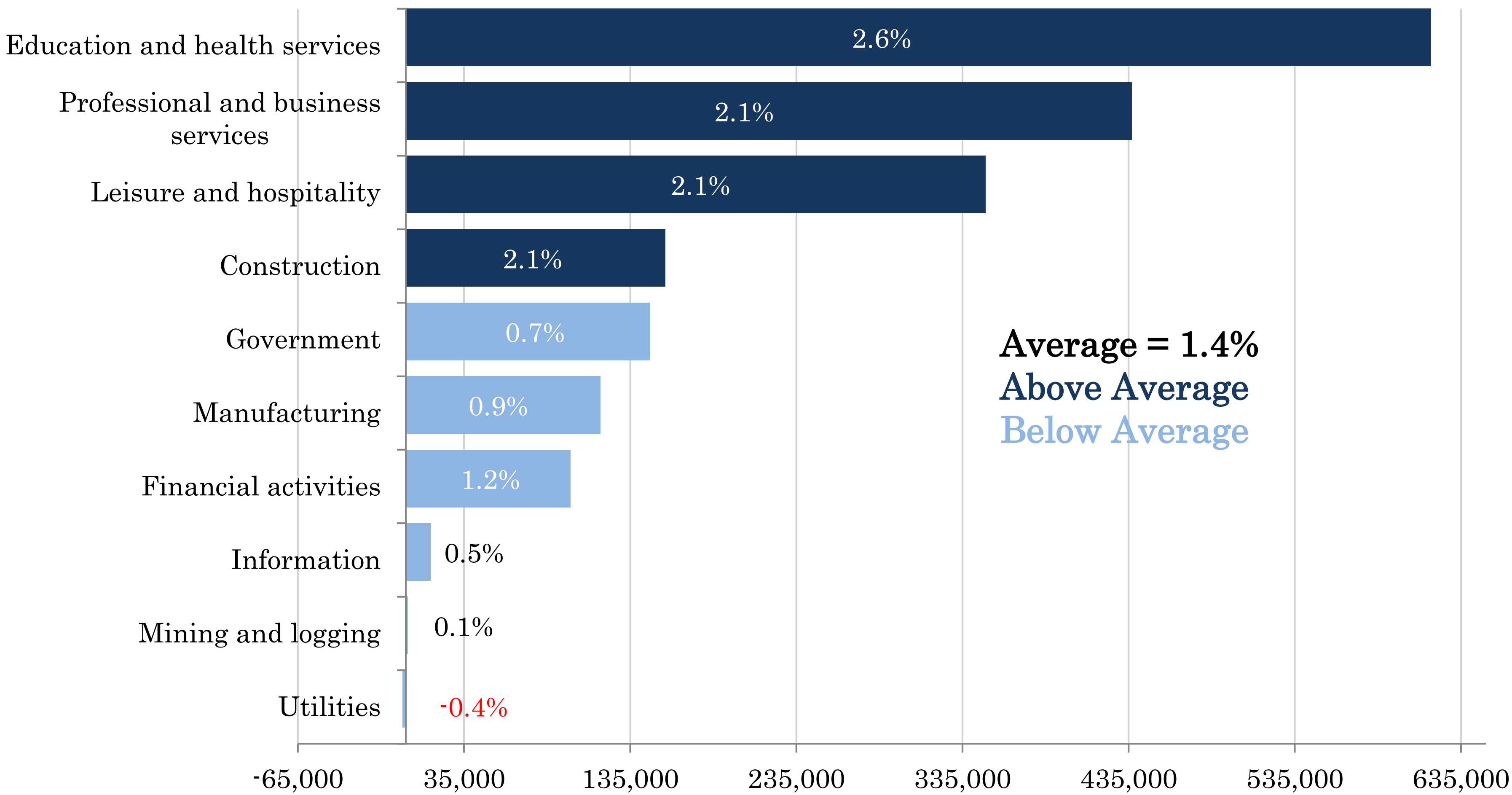


Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

U.S. Job Growth

September 2019 vs. September 2018

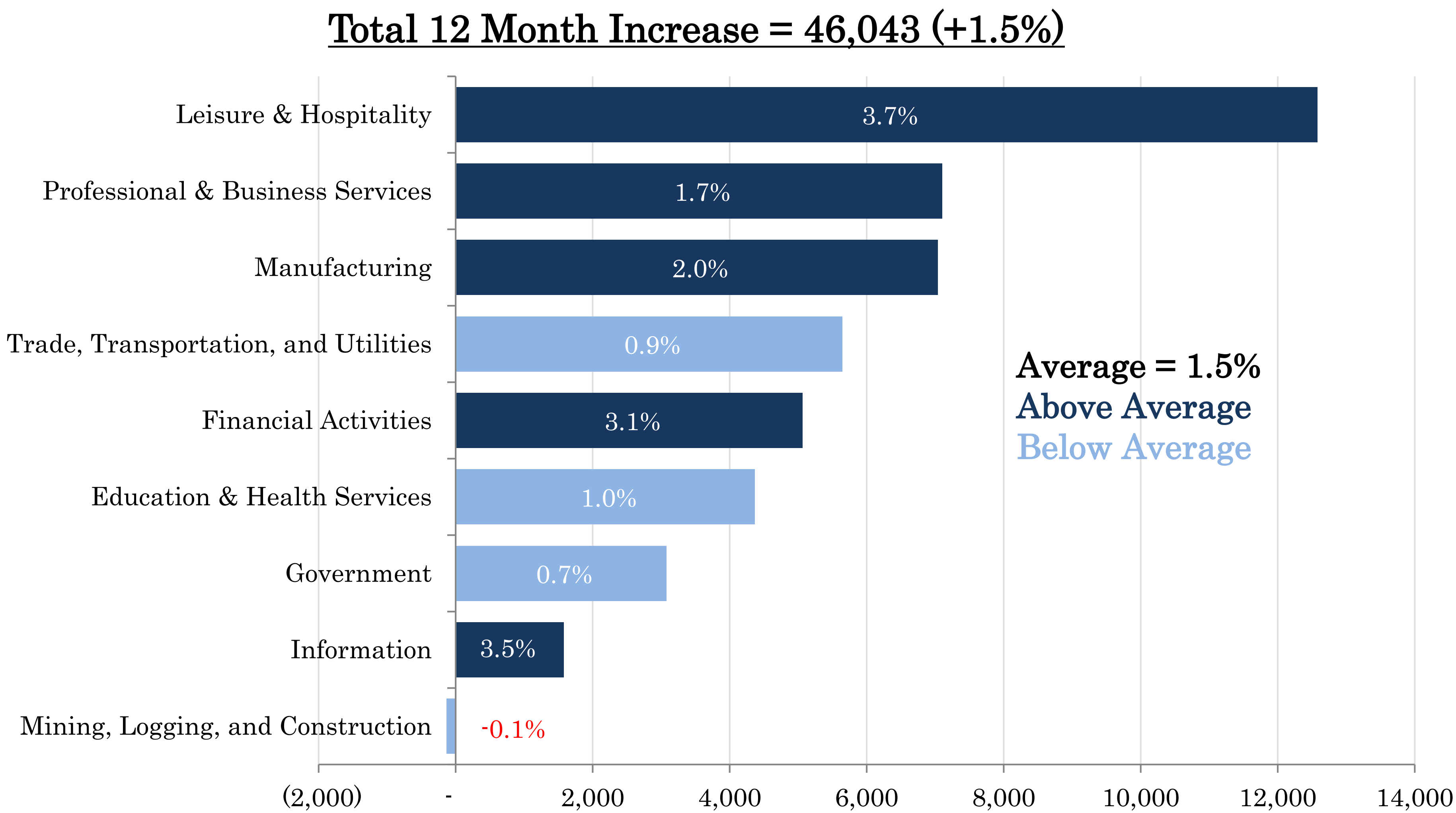
Total 12 Month Increase = 2.15m (+1.4%)



Source: U.S. Bureau of Labor Statistics, November 6, 2019.

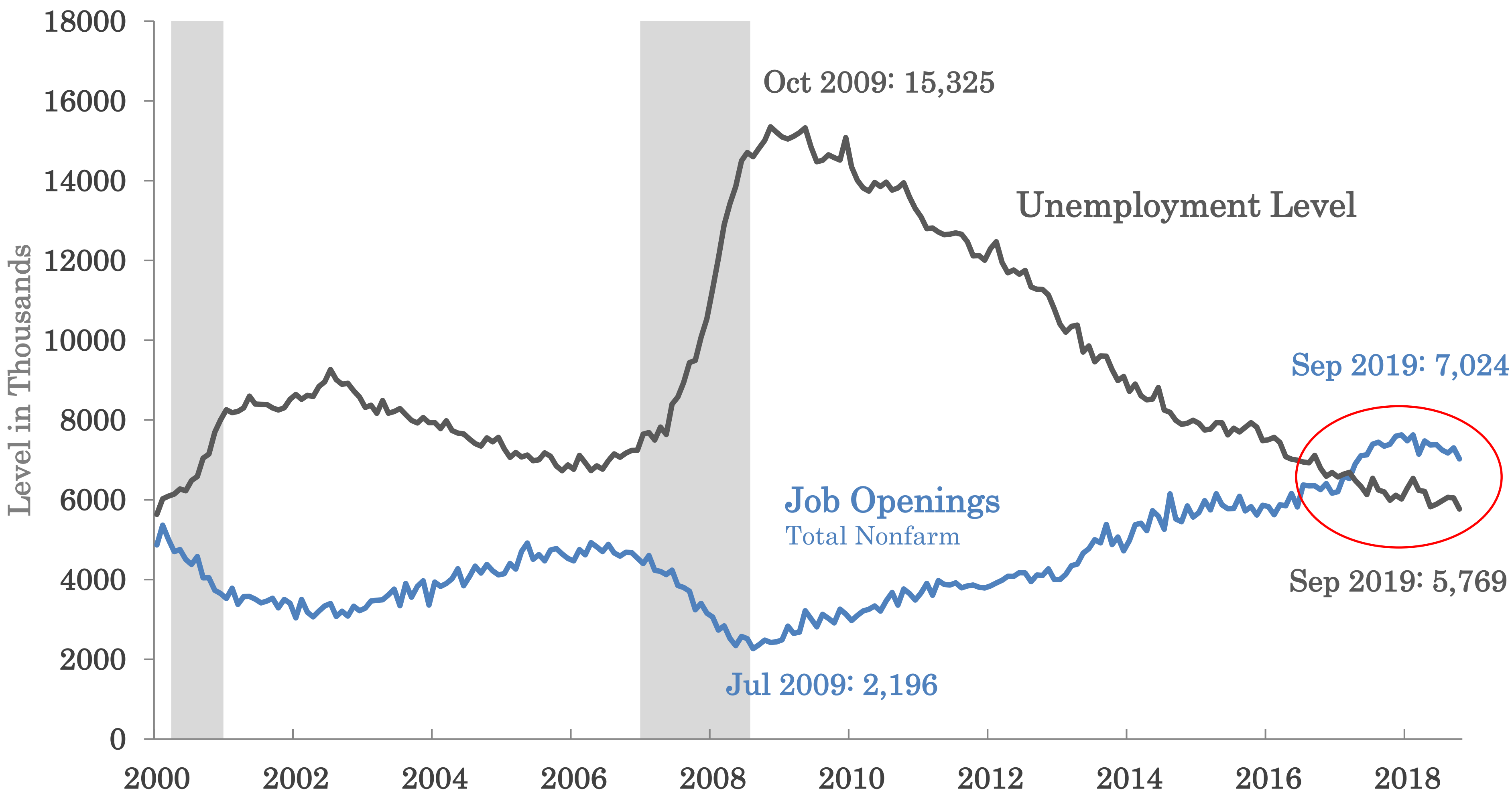
Tennessee Job Growth

September 2019 vs. September 2018



Source: U.S. Bureau of Labor Statistics, November 6, 2019.

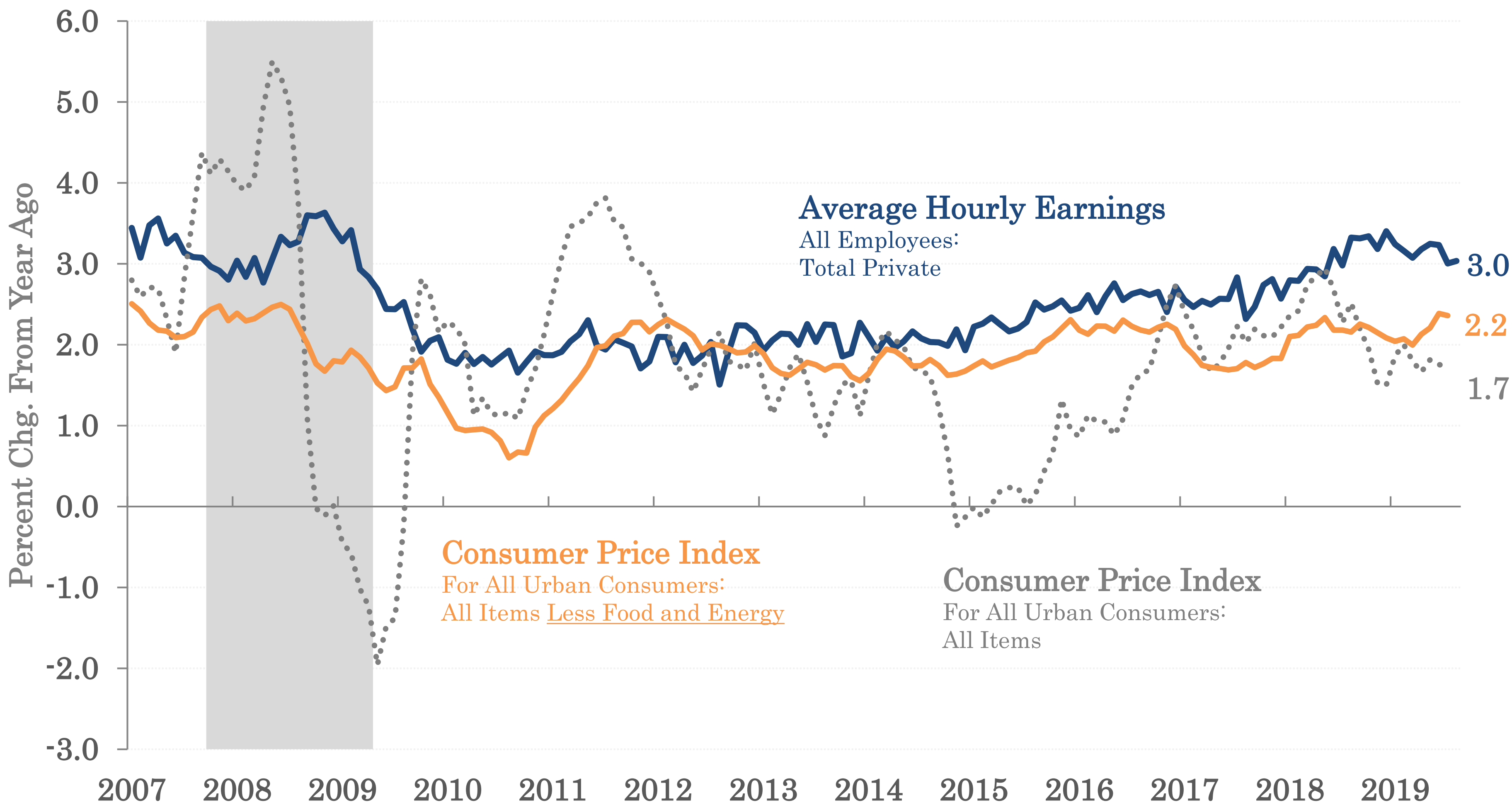
Job Openings & Unemployment
Monthly, SA



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

Earnings & Inflation

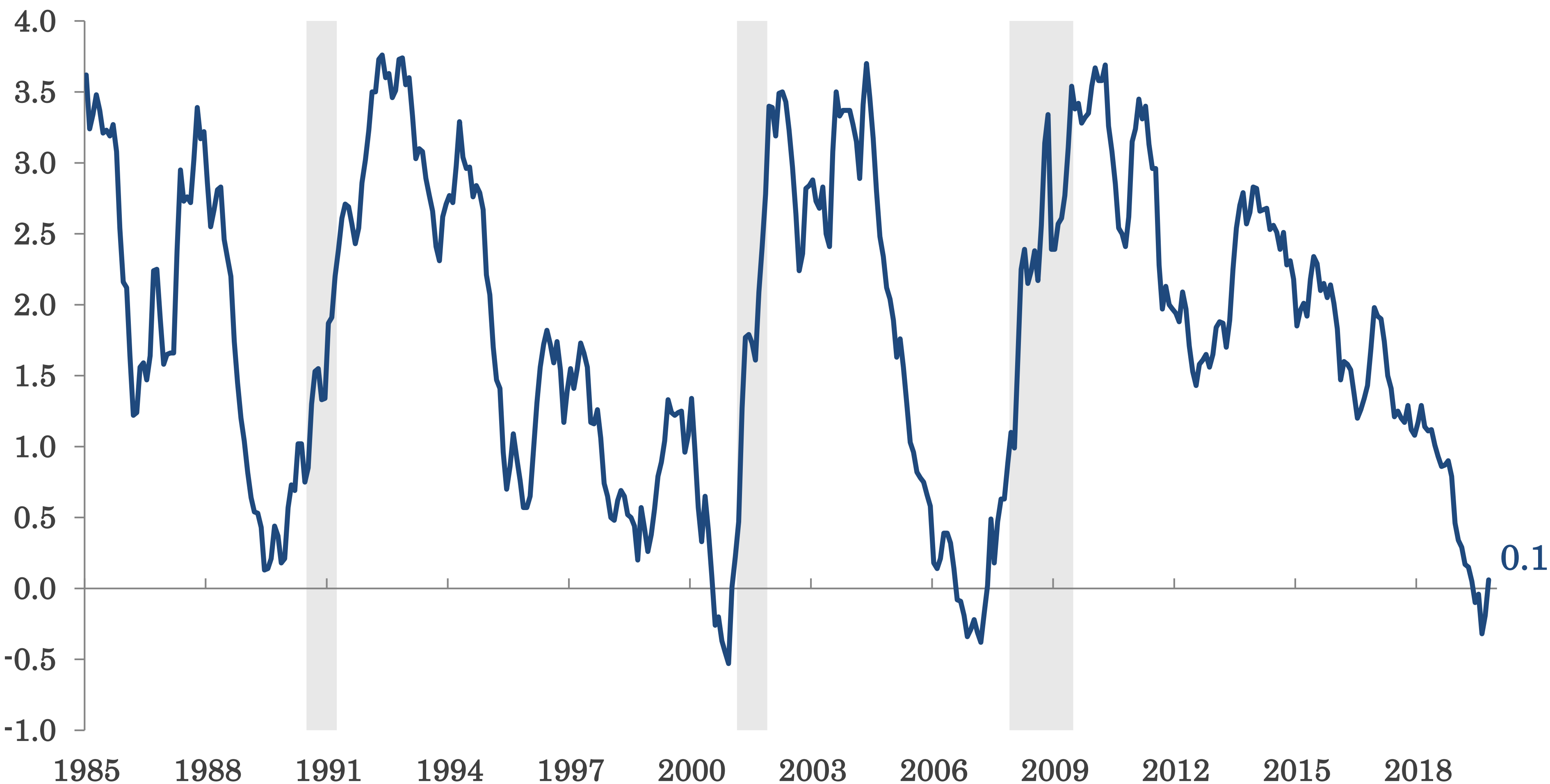
Monthly, SA



Sources: U.S. Bureau of Labor Statistics and U.S. Bureau of Economic Analysis , retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

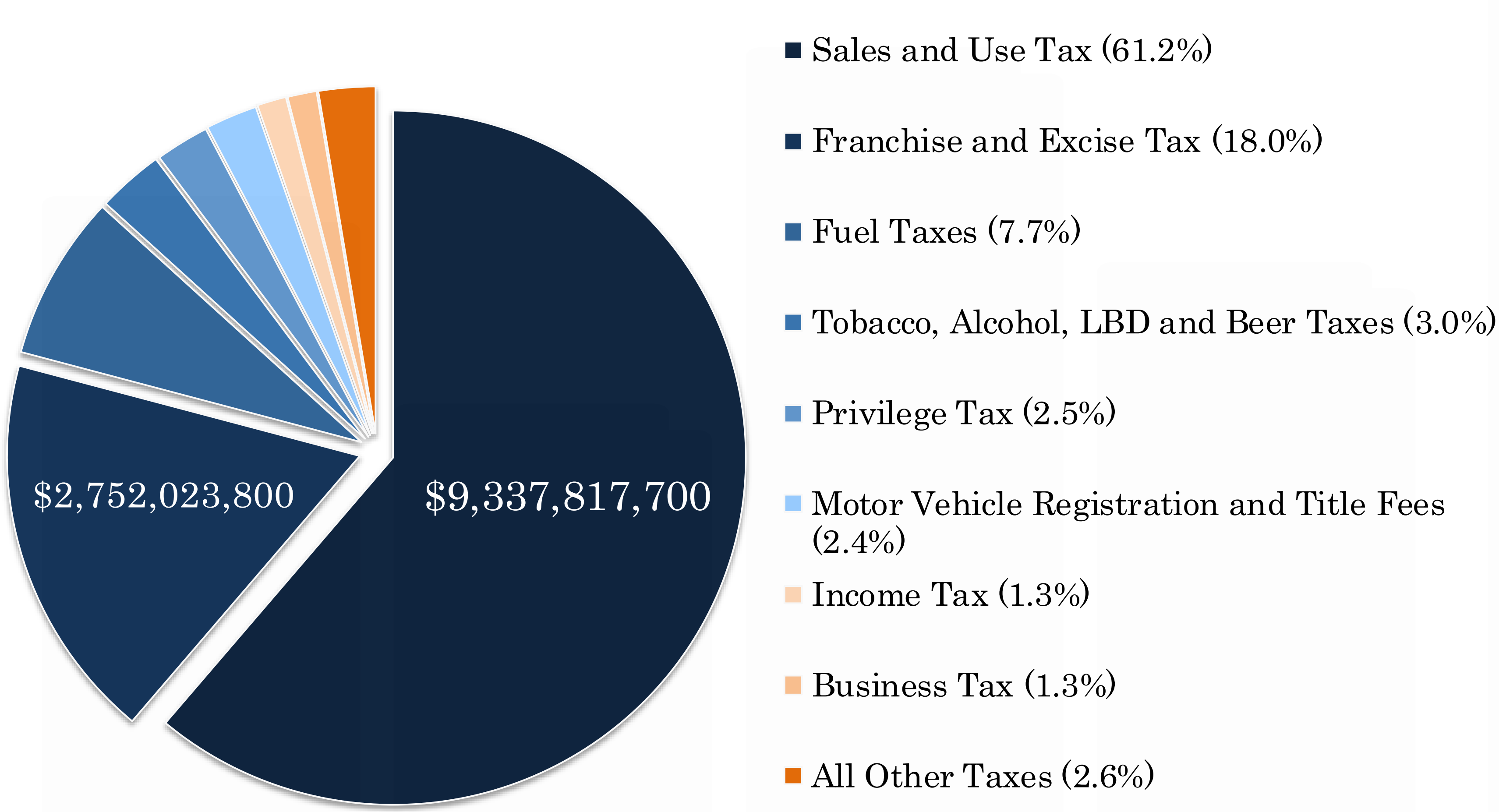
The Yield Spread

10-Year Treasury Rate Less 3-Month Treasury Bill



Source: Board of Governors of the Federal Reserve System, retrieved from FRED, Federal Reserve Bank of St. Louis, November 6, 2019.

Revenue by Tax Source



FY18-19 Accrual Collections: $15,267,922,800

Legislative Impact

REVENUE SOURCE	ACTUAL CASH COLLECTIONS FY18-19	ESTIMATED LEGISLATIVE IMPACT ON FY19-20 vs. FY18-19 CASH COLLECTIONS	ESTIMATED LEGISLATIVE IMPACT ON FY20-21 vs. FY18-19 CASH COLLECTIONS
SALES AND USE TAX	$9,435,263,000	$32,837,500	$48,599,600
GASOLINE TAX	$843,485,500	$34,220,000	$34,220,000
MOTOR FUEL TAX	$257,591,500	$32,364,400	$32,364,400
GASOLINE INSPECTION TAX	$69,791,000	$0	$0
MOTOR VEHICLE REGISTRATION TAX	$341,951,400	$0	$0
INCOME TAX	$203,045,700	($55,400,000)	($109,800,000)
PRIVILEGE TAX	$436,299,600	($23,499,200)	($24,749,200)
GROSS RECEIPTS TAX - TVA	$360,302,300	$0	$0
GROSS RECEIPTS TAX - OTHER	$30,909,000	$0	$0
BEER TAX	$17,734,100	$0	$0
ALCOHOLIC BEVERAGE TAX	$71,708,000	$1,544,400	$1,544,400
FRANCHISE AND EXCISE TAX	$2,740,971,600	$4,578,100	$4,443,100
INHERITANCE TAX	$2,641,300	Phased Out	Phased Out
TOBACCO TAX	$240,989,500	$0	$0
MOTOR VEHICLE TITLE FEES	$23,600,900	$0	$0
MIXED DRINK TAX	$135,769,600	$0	$0
BUSINESS TAX	$203,065,500	$0	$0
SEVERANCE TAX	$1,015,300	$0	$0
AMUSEMENT TAX	$261,100	$0	$0
UNAUTHORIZED SUBSTANCE TAX	$16,500	$0	$0
TOTAL REVENUE	**$15,416,412,500**	**$26,645,200**	**($13,377,700)**

FY19-20 & FY20-21 Estimates

REVENUE SOURCE	ACTUAL ACCRUED COLLECTIONS FY18-19	FRC STAFF TAX REVENUE ESTIMATES FY19-20	PERCENT INCREASE OVER FY18-19	FRC STAFF TAX REVENUE ESTIMATES FY20-21	PERCENT INCREASE OVER FY19-20
SALES AND USE TAX - LESS EARMARKED*	$9,337,817,700	$9,853,000,000	5.52%	$10,298,000,000	4.52%
GASOLINE TAX	$843,361,000	$885,000,000	4.94%	$906,000,000	2.37%
MOTOR FUEL TAX	$257,667,600	$315,000,000	22.25%	$316,500,000	0.48%
GASOLINE INSPECTION TAX	$69,800,800	$71,000,000	1.72%	$72,000,000	1.41%
MOTOR VEHICLE REGISTRATION TAX	$337,862,900	$348,000,000	3.00%	$356,000,000	2.30%
INCOME TAX	$203,817,800	$150,000,000	-26.40%	$78,000,000	-48,00%
PRIVILEGE TAX - LESS EARMARKED**	$376,758,200	$390,300,000	3.59%	$413,000,000	5.82%
GROSS RECEIPTS TAX - TVA	$361,934,700	$368,400,000	1.80%	$375,000,000	1.78%
GROSS RECEIPTS TAX - OTHER	$31,298,200	$29,000,000	-7.34%	$30,000,000	3.45%
BEER TAX	$16,954,100	$18,000,000	6.17%	$18,200,000	1.11%
ALCOHOLIC BEVERAGE TAX	$70,246,200	$75,700,000	7.76%	$79,000,000	4.36%
FRANCHISE AND EXCISE TAX	$2,752,023,800	$2,900,000,000	5.38%	$3,035,000,000	4.66%
INHERITANCE TAX	$2,221,300	$0	-100.00%	$0	N/A
TOBACCO TAX	$241,773,000	$236,500,000	-2.18%	$232,200,000	-1.82%
MOTOR VEHICLE TITLE FEES	$23,600,900	$24,000,000	1.69%	$24,400,000	1.67%
MIXED DRINK TAX	$136,145,200	$153,000,000	12.38%	$169,000,000	10.46%
BUSINESS TAX	$203,359,900	$213,000,000	4.74%	$221,000,000	3.76%
SEVERANCE TAX	$1,012,400	$1,000,000	-1.22%	$1,000,000	0.00%
AMUSEMENT TAX	$261,100	$280,000	7.24%	$280,000	0.00%
UNAUTHORIZED SUBSTANCE TAX	$6,000	$0	-100.00%	$0	N/A
TOTAL REVENUE	**$15,267,922,800**	**$16,031,200,000**	**5.00%**	**$16,624,580,000**	**3.70%**

*Sales and Use Tax has been reduced by $106.2 million in FY18-19 and $112.0 million in FY19-20 and FY20-21 for the earmarked portion of the tax.

**Privilege Tax has been reduced by $58.0 million in FY18-19 and $52.0 million in FY19-20 and FY20-21 for the earmarked portion of the tax.

FY19-20: All Funds and GF

REVENUE SOURCE	ALL FUNDS FY19-20	GENERAL FUND FY19-20
SALES AND USE TAX	$9,853,000,000	$9,244,745,300
GASOLINE TAX	$885,000,000	$13,994,500
MOTOR FUEL TAX	$315,000,000	$2,723,000
GASOLINE INSPECTION TAX	$71,000,000	$20,977,300
MOTOR VEHICLE REGISTRATION TAX	$348,000,000	$54,974,400
INCOME TAX	$150,000,000	$100,436,000
PRIVILEGE TAX	$390,300,000	$383,508,500
GROSS RECEIPTS TAX – TVA	$368,400,000	$202,638,700
GROSS RECEIPTS TAX – OTHER	$29,000,000	$24,920,200
BEER TAX	$18,000,000	$12,142,000
ALCOHOLIC BEVERAGE TAX	$75,700,000	$62,561,100
FRANCHISE AND EXCISE TAX	$2,900,000,000	$2,676,900,000
INHERITANCE TAX	$0	$0
TOBACCO TAX	$236,500,000	$236,500,000
MOTOR VEHICLE TITLE FEES	$24,000,000	$21,300,000
MIXED DRINK TAX	$153,000,000	$76,500,000
BUSINESS TAX	$213,000,000	$213,000,000
SEVERANCE TAX	$1,000,000	$250,000
AMUSEMENT TAX	$280,000	$280,000
UNAUTHORIZED SUBSTANCE TAX	$0	$0
TOTAL REVENUE	**$16,031,200,000**	**$13,348,351,000**

FRC Estimates vs. FY18-19 and Current Budgeted Estimates

	ACTUAL FY18-19 ACCRUALS	CURRENT BUDGETED ESTIMATES FOR FY19-20	FRC ESTIMATES FOR FY19-20	INCREASE/ (DECREASE) OVER FY18-19	INCREASE/ (DECREASE) OVER CURRENT BUDGETED ESTIMATES
SALES AND USE*	$9,337,800,000	$9,500,600,000	$9,853,000,000	$515,200,000	$352,400,000
FRANCHISE AND EXCISE	$2,752,000,000	$2,616,600,000	$2,900,000,000	$148,000,000	$283,400,000
ALL FUNDS	$15,267,900,000	$15,255,600,000	$16,031,200,000	$763,300,000	$775,600,000
GENERAL FUND	$12,693,900,000	$12,668,100,000	$13,348,300,000	$654,400,000	$680,200,000

*Sales and Use tax has been reduced by $106.2 million in FY18-19 and $112.0 million in FY19-20 for the earmarked portion of the tax.

FY20-21: All Funds and GF

REVENUE SOURCE	ALL FUNDS FY20-21	GENERAL FUND FY20-21
SALES AND USE TAX	$10,298,000,000	$9,662,274,200
GASOLINE TAX	$906,000,000	$14,326,600
MOTOR FUEL TAX	$316,500,000	$2,736,000
GASOLINE INSPECTION TAX	$72,000,000	$21,272,700
MOTOR VEHICLE REGISTRATION TAX	$356,000,000	$56,238,100
INCOME TAX	$78,000,000	$52,226,700
PRIVILEGE TAX	$413,000,000	$405,813,500
GROSS RECEIPTS TAX – TVA	$375,000,000	$206,250,000
GROSS RECEIPTS TAX – OTHER	$30,000,000	$25,779,500
BEER TAX	$18,200,000	$12,276,900
ALCOHOLIC BEVERAGE TAX	$79,000,000	$65,288,400
FRANCHISE AND EXCISE TAX	$3,035,000,000	$2,811,900,000
INHERITANCE TAX	$0	$0
TOBACCO TAX	$232,200,000	$232,200,000
MOTOR VEHICLE TITLE FEES	$24,400,000	$21,700,000
MIXED DRINK TAX	$169,000,000	$84,500,000
BUSINESS TAX	$221,000,000	$221,000,000
SEVERANCE TAX	$1,000,000	$250,000
AMUSEMENT TAX	$280,000	$280,000
UNAUTHORIZED SUBSTANCE TAX	$0	$0
TOTAL REVENUE	**$16,624,600,000**	**$13,896,312,600**

Thank You

Fiscal Review Committee Staff

Net Lottery Proceeds & After-School Funding Estimates

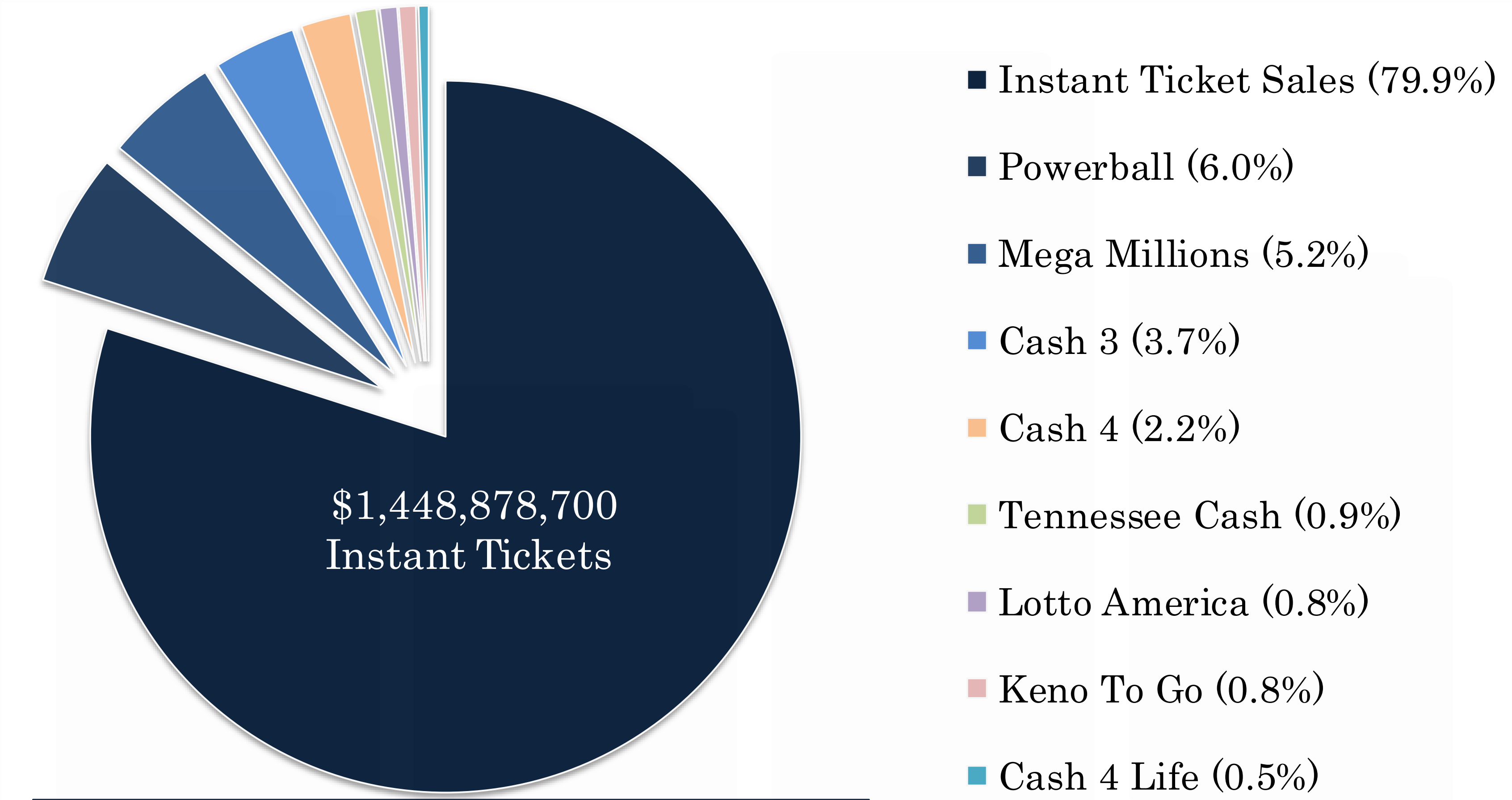
Fiscal Review Committee Staff

November 15, 2019

Historical Results

Category	FY15-16	FY16-17	FY17-18	FY18-19	FY18-19 Growth Rate
Net Revenue	$1,515,551,310	$1,500,083,029	$1,622,043,134	$1,695,925,302	4.55%
Total Expenses	$1,133,088,745	$1,127,299,870	$1,215,530,214	$1,266,963,791	4.23%
NET LOTTERY PROCEEDS	**$382,462,565**	**$372,783,159**	**$406,512,920**	**$428,961,511**	**5.52%**
After-School Funding	$11,586,227	$13,914,882	$15,168,045	$18,000,000	18.70%
Total State Proceeds	$394,048,792	$386,698,041	$421,680,965	$446,961,511	5.99%

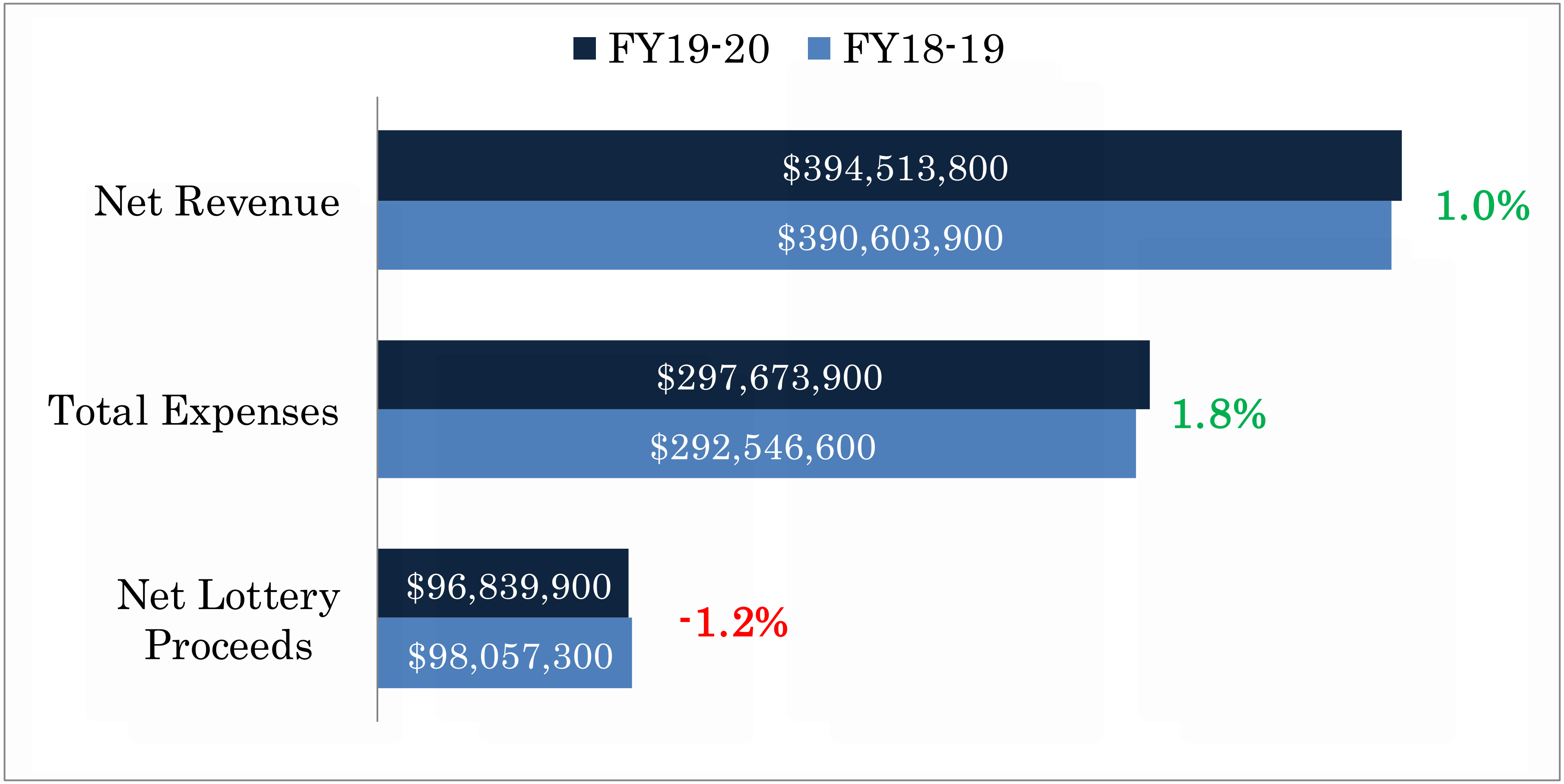
Ticket Sales Composition



FY18-19 Gross Ticket Sales: $1,812,605,000

FY19-20 Year-to-Date (Q1)

July 2019 through September 2019



FY19-20 Year-to-Date (Q1)

Reason for the Decrease

Mega Millions

-$6,432,800 (-36.9%)

Fiscal Year	Average Jackpot Cycle	Highest Jackpot Cycle
FY18-19 Q1	$207,346,100	$522,000,000
FY19-20 Q1	$111,423,100	$227,000,000

Instant Games

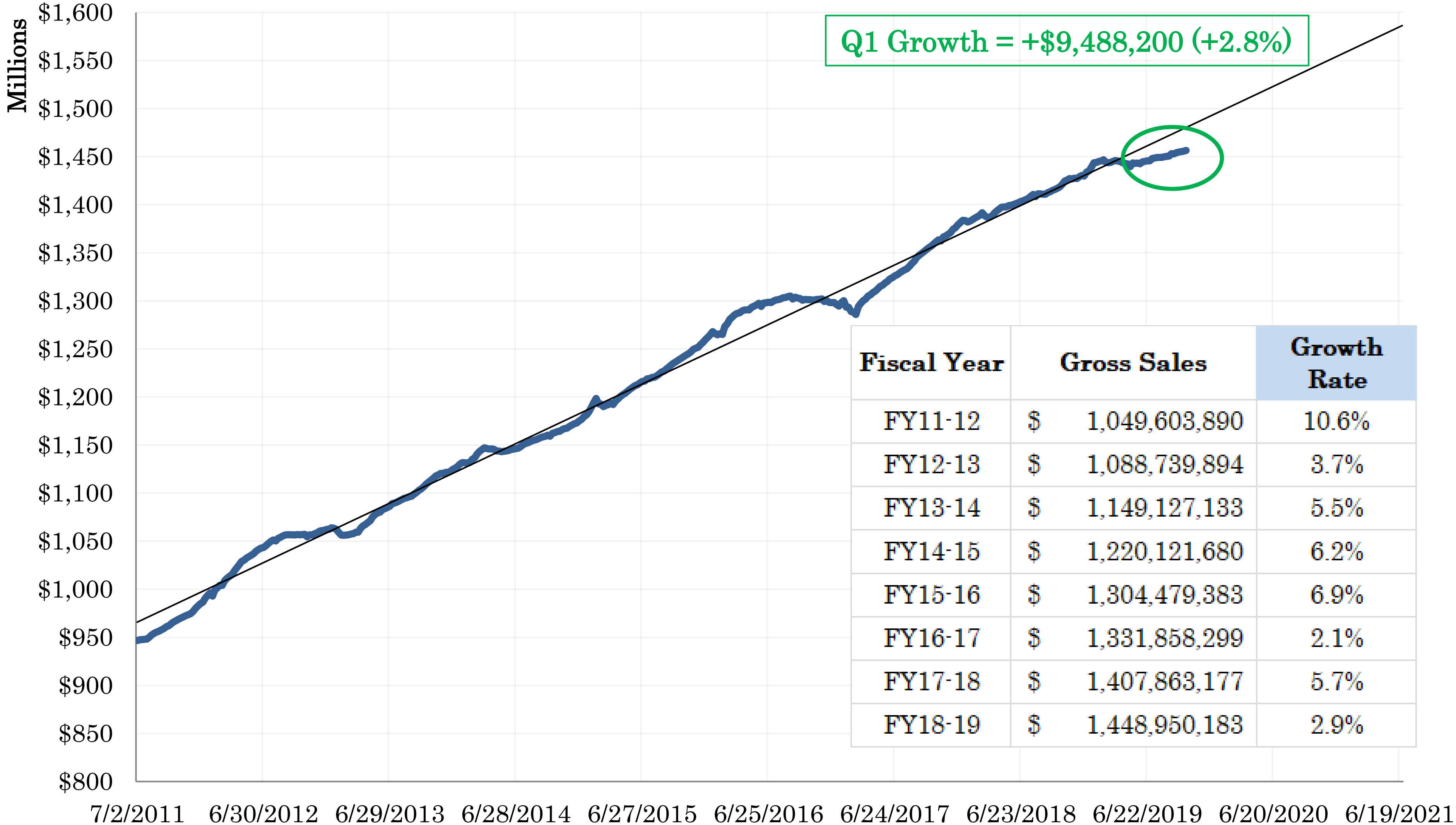
Instant Games

By Price Point

Price Point	FY17-18 Gross Sales (Millions)	FY17-18 Percent of Instant Game Sales	FY18-19 Gross Sales (Millions)	FY18-19 Percent of Instant Game Sales	Percent Sales Growth	Dollar Growth (Millions)
$1	$87.8	6.2%	$81.9	5.6%	-6.7%	-$5.9
$2	$195.5	13.9%	$190.9	13.2%	-2.3%	-$4.6
$3	$119.6	8.5%	$113.6	7.8%	-5.0%	-$6.0
$5	$309.3	22.0%	$306.7	21.2%	-0.8%	-$2.6
$10	$261.0	18.5%	$293.6	20.3%	12.5%	$32.6
$20	$171.2	12.2%	$184.8	12.7%	7.9%	$13.6
$25	$94.4	6.7%	$104.0	7.2%	10.2%	$9.6
$30	$169.1	12.0%	$173.4	12.0%	2.5%	$4.3
TOTAL	**$1,407.9**	**100.0%**	**$1,448.9**	**100.0%**	**2.9%**	**$41.0**

Instant Games

52-Week Moving Sum



Fiscal Year	Gross Sales	Growth Rate
FY11-12	$ 1,049,603,890	10.6%
FY12-13	$ 1,088,739,894	3.7%
FY13-14	$ 1,149,127,133	5.5%
FY14-15	$ 1,220,121,680	6.2%
FY15-16	$ 1,304,479,383	6.9%
FY16-17	$ 1,331,858,299	2.1%
FY17-18	$ 1,407,863,177	5.7%
FY18-19	$ 1,448,950,183	2.9%

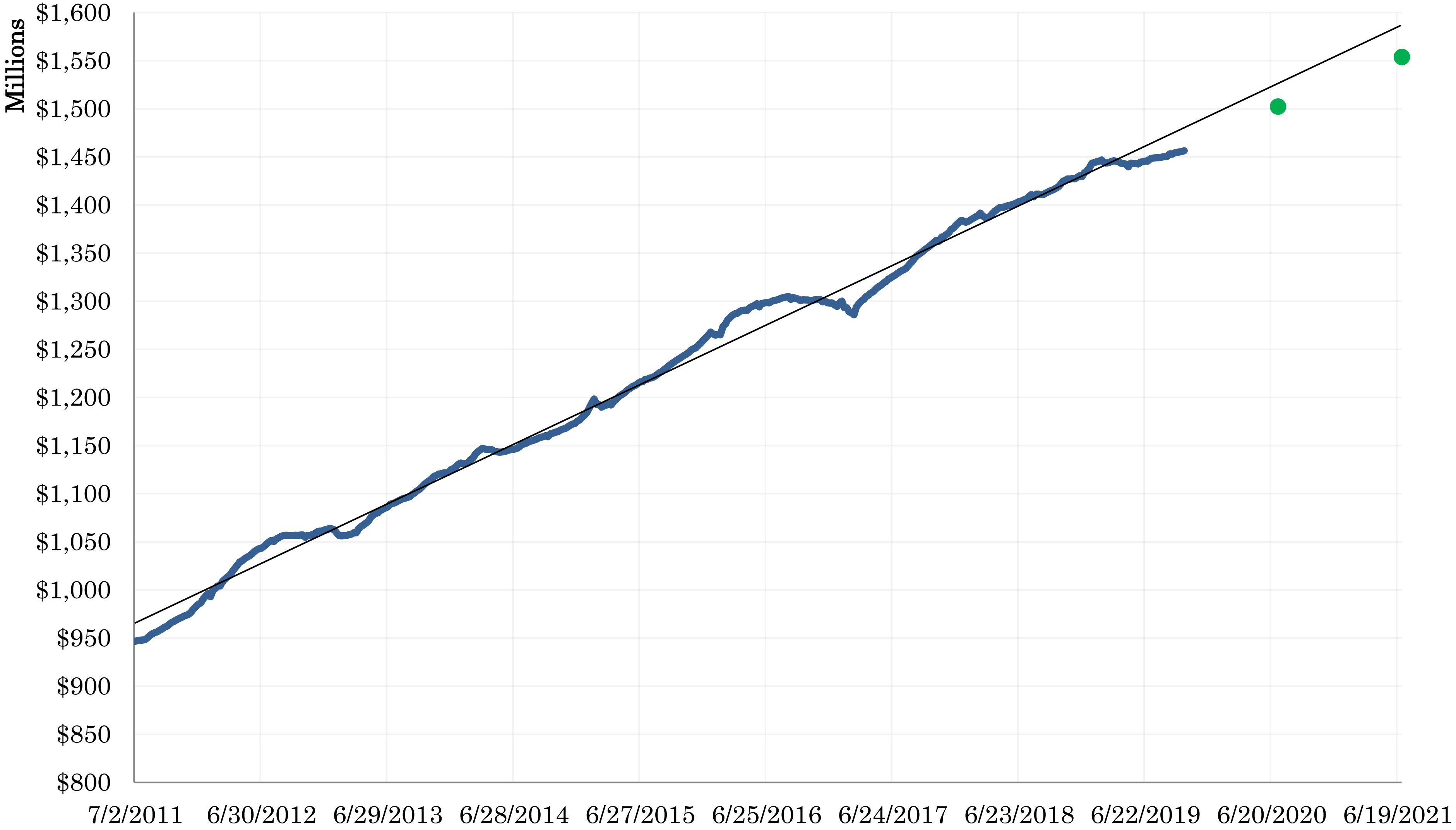
Instant Games

Estimates

Category	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimates	FY20-21 Estimates	Range
Instant Games (Gross Sales)	$1,407,863,177	$1,448,878,726	$1,490,000,000	$1,535,000,000	Low
			$1,500,000,000	$1,550,000,000	Median
			$1,510,000,000	$1,565,000,000	High
Tickets Provided as Prizes	$119,212,937	$122,552,622	$126,098,700	$129,907,050	Low
			$126,945,000	$131,176,500	Median
			$127,791,300	$132,445,950	High
Instant Games (Net Sales)	$1,288,650,240	$1,326,326,104	$1,363,901,300	$1,405,092,950	Low
			$1,373,055,000	$1,418,823,500	Median
			$1,382,208,700	$1,432,554,050	High

Instant Games

52-Week Moving Sum



Powerball & Mega Millions

Powerball

- FY17-18 sales: $117,977,776
- FY18-19 sales: $109,010,760
- FY18-19 growth: -$8,967,016 (-7.6%)

Fiscal Year	Average Jackpot Cycle	Highest Jackpot Cycle	Drawings with Jackpots $300,000,000 or More	Drawings with Jackpots $500,000,000 or More	Jackpot Winners
FY17-18	$175,951,400	$700,000,000	16	3	7
FY18-19	$200,461,500	$750,000,000	18	5	5
FY19-20 YTD	$91,236,800	$194,000,000	0	0	5

Powerball

Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
$117,977,776	$109,010,760	$105,000,000	$103,000,000	Low
		$110,000,000	$110,000,000	Median
		$115,000,000	$117,000,000	High

Mega Millions

- FY17-18 sales: $51,746,858
- FY18-19 sales: $93,420,871
- FY18-19 growth: +$41,674,013 (+80.5%)

Fiscal Year	Average Jackpot Cycle	Highest Jackpot Cycle	Drawings with Jackpots $300,000,000 or More	Drawings with Jackpots $500,000,000 or More	Jackpot Winners
FY17-18	$146,259,600	$521,000,000	13	1	6
FY18-19	$219,048,100	$1,600,000,000	26	6	5
FY19-20 YTD	$102,973,700	$227,000,000	0	0	2

Mega Millions
Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
		$65,000,000	$65,000,000	Low
$51,746,858	$93,420,871	$75,000,000	$75,000,000	Median
		$85,000,000	$85,000,000	High

Other Games

Cash 3 and Cash 4

- **<u>CASH 3</u>**
  - FY17-18 sales: $63,334,620
  - FY18-19 sales: $67,310,077
  - FY18-19 growth: +$3,975,457 (+6.3%)

- **<u>CASH 4</u>**
  - FY17-18 sales: $38,882,396
  - FY18-19 sales: $40,724,405
  - FY18-19 growth: +$1,842,009 (+4.7%)

Cash 3 and Cash 4

Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
$102,217,016	$108,034,482	$109,500,000	$110,000,000	Low
		$111,000,000	$112,000,000	Median
		$112,500,000	$114,000,000	High

Tennessee Cash

- FY17-18 sales: $18,986,720
- FY18-19 sales: $17,067,553
- FY18-19 growth: -$1,919,167 (-10.1%)

Fiscal Year	Average Jackpot Cycle	Highest Jackpot Cycle	Drawings with Jackpots $1,000,000 or More	Jackpot Winners
FY17-18	$595,900	$2,050,000	21	6
FY18-19	$502,200	$1,670,000	12	7
FY19-20 YTD	$587,800	$1,500,000	10	3

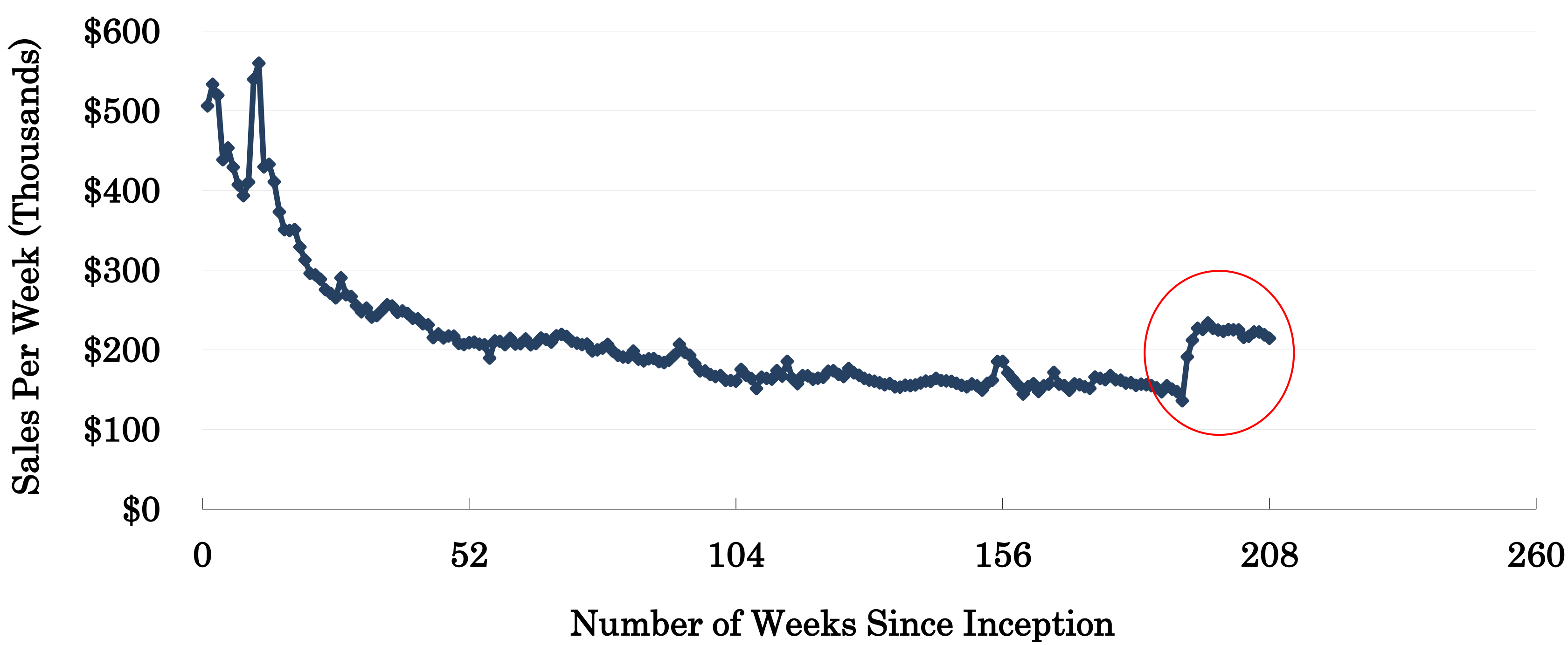
Tennessee Cash

Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY18-19 Estimates	FY19-20 Estimates	Range
$18,986,720	$17,067,553	$18,000,000	$17,200,000	Low
		$18,500,000	$18,000,000	Median
		$19,000,000	$18,800,000	High

Cash 4 Life

- FY17-18 sales: $8,817,648
- FY18-19 sales: $8,245,760
- FY18-19 growth: -$571,888 (-6.5%)



Cash 4 Life

Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
$8,817,648	$8,245,760	$9,500,000	$9,000,000	Low
		$10,000,000	$9,500,000	Median
		$10,500,000	$10,000,000	High

Lotto America

- FY17-18 sales: $7,997,654
  - 33 weeks of sales
  - $338,672 – weekly average
- FY18-19 sales: $14,112,087
  - $271,386 – weekly average

Fiscal Year	Average Jackpot Cycle	Highest Jackpot Cycle	Drawings with Jackpots $15,000,000 or More	Jackpot Winners
FY17-18	$11,317,600	$22,800,000	35	2
FY18-19	$13,122,300	$21,190,000	40	0
FY19-20 YTD	$4,470,800	$21,600,000	3	1

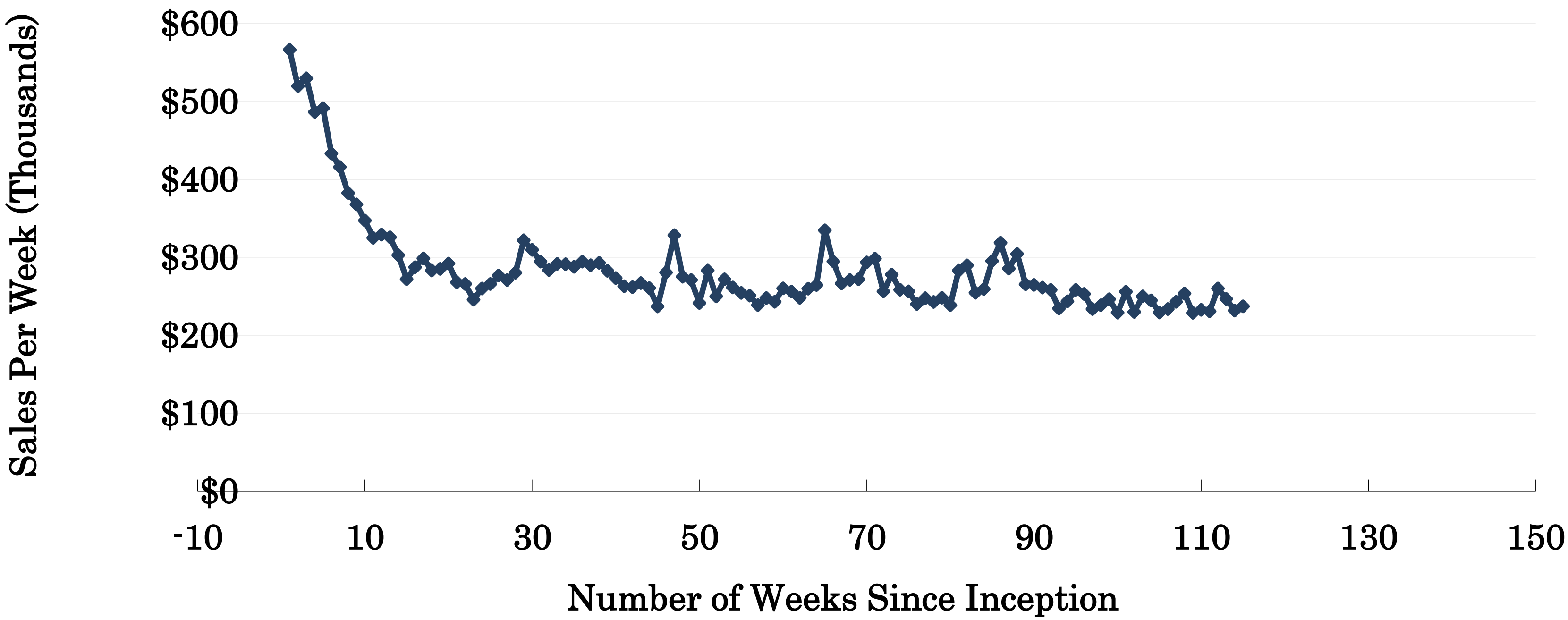
Lotto America

Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
$7,997,654	$14,112,087	$11,500,000	$12,000,000	Low
		$12,000,000	$12,500,000	Median
		$12,500,000	$13,000,000	High

Keno To Go

- FY17-18 sales: $14,758,379
  - 46 weeks of sales
  - $320,836 – weekly average
- FY18-19 sales: $13,834,522
  - $266,049 – weekly average



Keno To Go
Estimates

FY17-18 Actual Sales	FY18-19 Actual Sales	FY19-20 Estimates	FY20-21 Estimates	Range
$14,758,379	$13,834,522	$12,700,000	$12,000,000	Low
		$13,200,000	$12,800,000	Median
		$13,700,000	$13,600,000	High

Summary & Net Lottery Proceeds

FY19-20 Estimates

	FY18-19 Actuals	FY19-20 Estimates		
		Low	Median	High
Instant Games (Net)	$1,326,326,104	$1,363,901,300	$1,373,055,000	$1,382,208,700
Powerball	$109,010,760	$105,000,000	$110,000,000	$115,000,000
Mega Millions	$93,420,871	$65,000,000	$75,000,000	$85,000,000
Cash 3 and Cash 4	$108,034,482	$109,500,000	$111,000,000	$112,500,000
Other Games	$53,259,922	$51,700,000	$53,700,000	$55,700,000
Misc. Revenue	$5,873,163	$6,000,000	$6,300,000	$6,600,000
Net Revenue	$1,695,925,302	$1,701,101,300	$1,729,055,000	$1,757,008,700
Total Expenses	$1,266,963,791	$1,274,248,000	$1,296,123,000	$1,317,997,000
NET LOTTERY PROCEEDS	**$428,961,511**	**$426,853,300**	**$432,932,000**	**$439,011,700**
After-School Funding	$18,000,000	$17,500,000	$18,000,000	$18,500,000
Total State Proceeds	**$446,961,511**	**$444,353,300**	**$450,932,000**	**$457,511,700**

FY20-21 Estimates

	FY19-20 Median Estimate	FY20-21 Estimates		
		Low	Median	High
Instant Games (Net)	$1,373,055,000	$1,405,092,950	$1,418,823,500	$1,432,554,050
Powerball	$110,000,000	$103,000,000	$110,000,000	$117,000,000
Mega Millions	$75,000,000	$65,000,000	$75,000,000	$85,000,000
Cash 3 and Cash 4	$111,000,000	$110,000,000	$112,000,000	$114,000,000
Other Games	$53,700,000	$50,200,000	$52,800,000	$55,400,000
Misc. Revenue	$6,300,000	$6,500,000	$6,800,000	$7,100,000
Net Revenue	$1,729,055,000	$1,739,792,950	$1,775,423,500	$1,811,054,050
Total Expenses	$1,296,123,000	$1,303,824,000	$1,331,889,000	$1,359,954,000
NET LOTTERY PROCEEDS	**$432,932,000**	**$435,968,950**	**$443,534,500**	**$451,100,050**
After-School Funding	$18,000,000	$18,000,000	$18,500,000	$19,000,000
Total State Proceeds	**$450,932,000**	**$453,968,950**	**$462,034,500**	**$470,100,050**

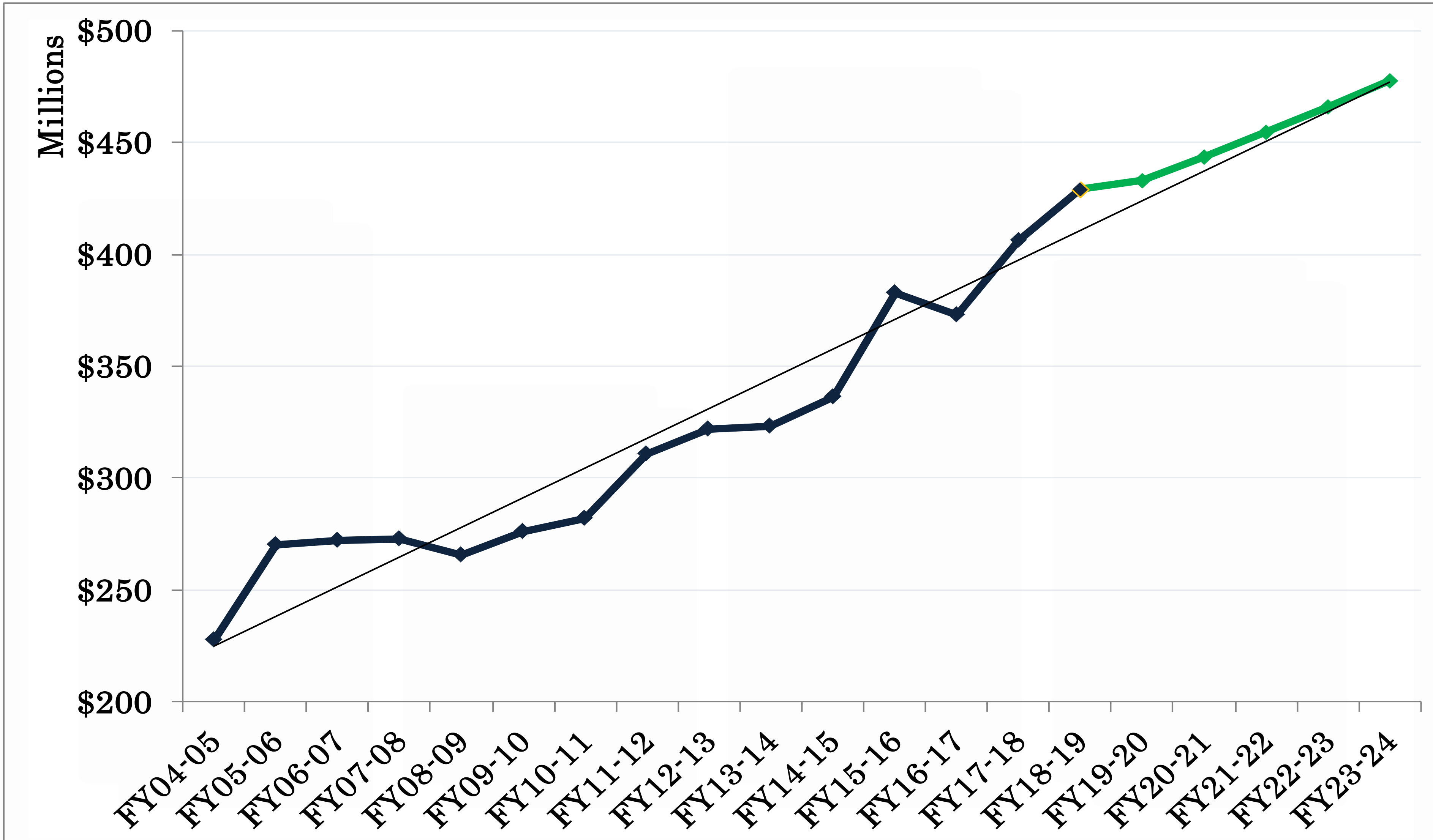
Subsequent Years

- Growth beyond FY20-21 is difficult to forecast due to a number of unknown factors, such as:
  - Changes to payout ratios
  - Matrix changes to jackpot based games
  - Structure changes to pari-mutuel and online games
  - Legislative action
  - Varying jackpot cycles
  - New and discontinued games
  - Changes to retailer base
  - Changes to advertising
  - Changes in economy

FY21-22, FY22-23, & FY23-24

Category	FY21-22	FY22-23	FY23-24
Net Revenue	$1,837,563,300	$1,901,878,000	$1,968,443,800
Total Expenses	$1,382,940,400	$1,435,889,600	$1,490,805,700
NET LOTTERY PROCEEDS	**$454,622,900**	**$465,988,400**	**$477,638,100**
After-School Funding	$19,000,000	$19,500,000	$20,000,000
Total State Proceeds	$473,622,900	$485,488,400	$497,638,100

Net Lottery Proceeds

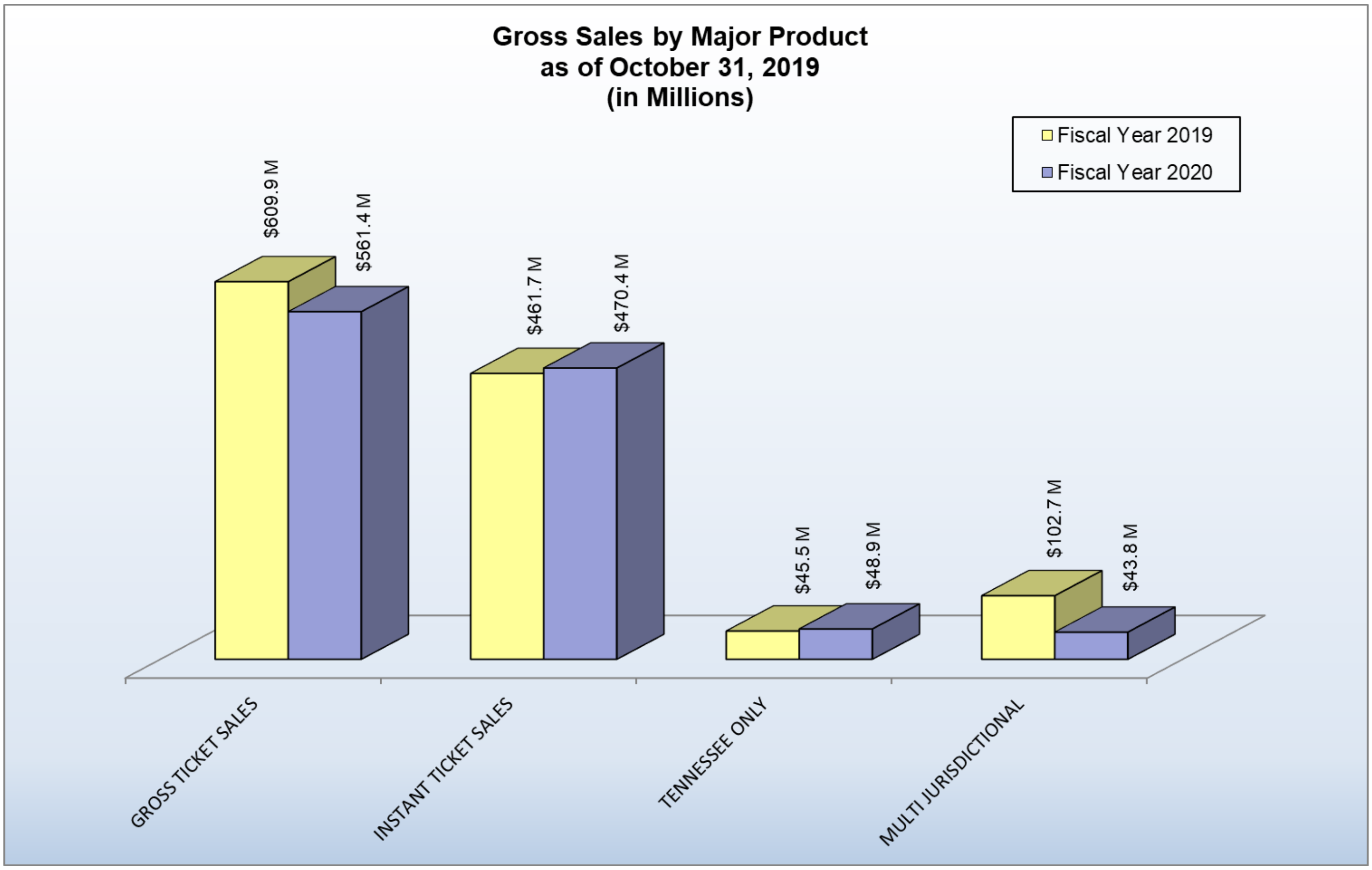


Thank You

Fiscal Review Committee Staff

TENNESSEE EDUCATION LOTTERY CORPORATION
November 2019

ESTIMATION OF
TOTAL AND NET LOTTERY PROCEEDS
FOR FISCAL YEARS ENDING
JUNE 30, 2020, 2021, 2022, 2023 and 2024



- Gross Ticket Sales for the first four months through October 31, 2019 are down $48.5 million year over year.

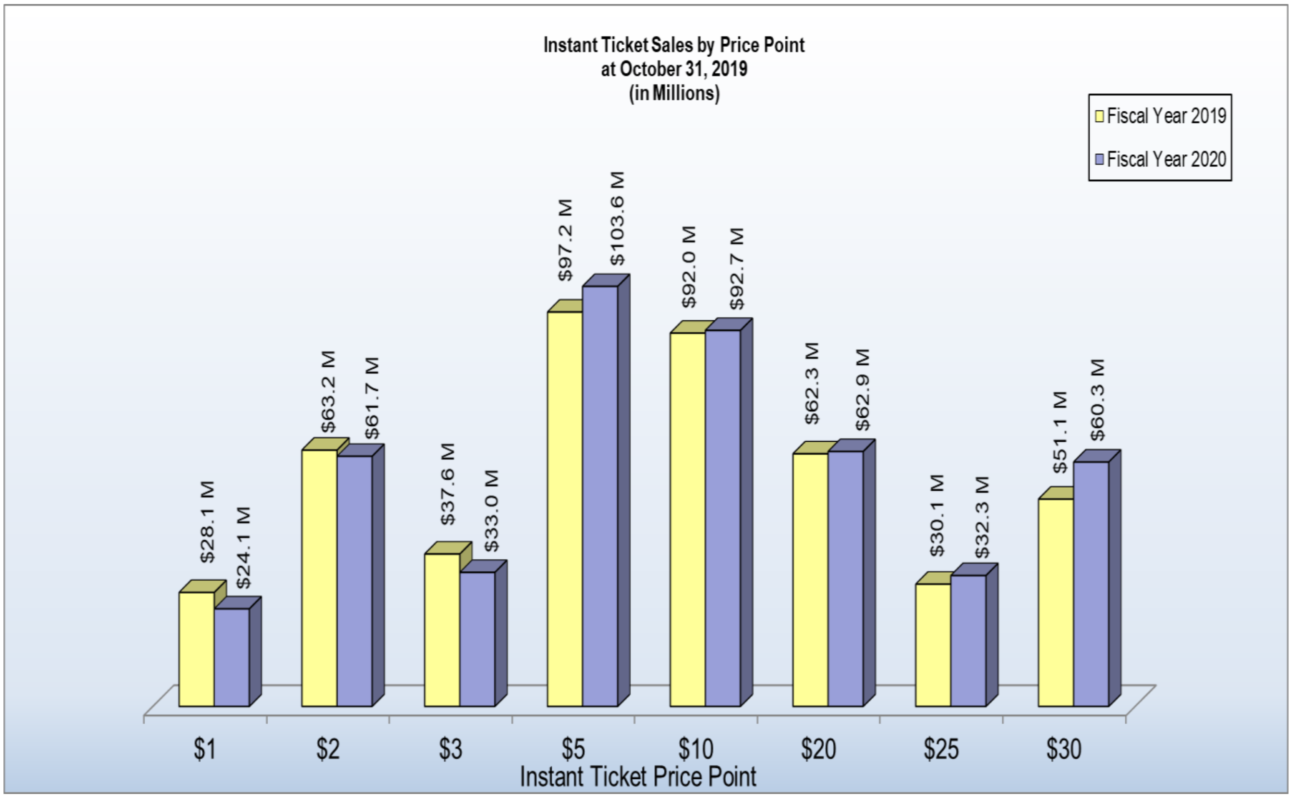
- *Instant ticket* sales are $470.4 million compared to $461.7 million the prior year.

- Tennessee Only games (*Cash 3, Cash 4, Tennessee Cash and Keno to Go*) sales are $48.9 million compared to $45.5 million the prior year.

- Multijurisdictional games (*Powerball, Mega Millions, Cash 4 Life and Lotto America*) sales are $43.8 million compared to $102.7 million the prior year. In the first four months of FY 2019, the *Mega Millions* jackpot cycle of $1.5 billion and *Powerball* jackpot cycle of $688 million were the two key drivers of the $102.7 million.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS

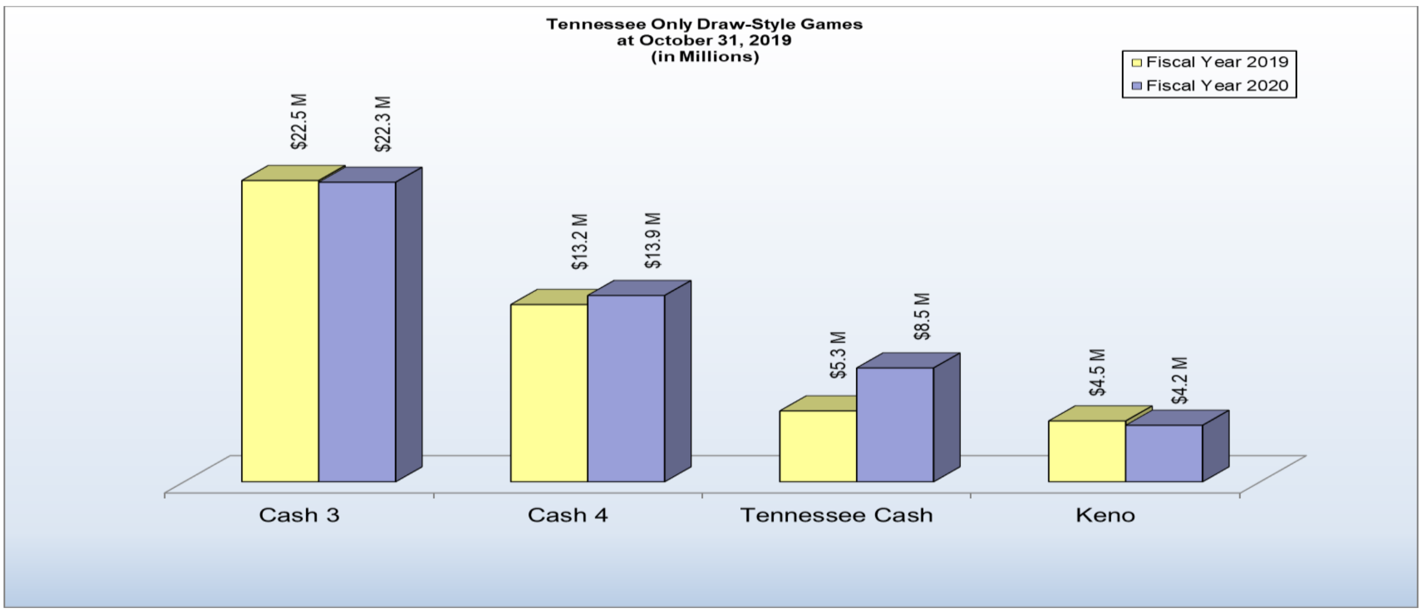
	As of 10/31/2019 (in millions)	FY 2020 Projected Sales Range (in millions)
INSTANT GAMES	$ 470.4	$1,477.8- $1,492.4



- *Instant tickets* are 83.5% of our product mix at October 31, 2019.
- *Instant ticket sales* were $470.4 million or $26.7 million per week at October 31, 2019 compared to $461.7 million or $26.3 million per week the prior year, representing a 2% increase in instant ticket sales year over year.
- *Instant ticket* sales are driven primarily by game design (i.e., family game offering, etc.), player price point preferences and prize payouts.
- TEL anticipates launching approximately 55 games in this fiscal year.
- *Instant ticket* prize expense is projected at 67.8% for the fiscal year.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS

	As of 10/31/2019 (in millions)	FY 2020 Projected Sales Range (in millions)
TENNESSEE ONLY DRAWING-STYLE GAMES	$48.9	$137.7 - $144.6



Cash 3 and Cash 4

- *Cash 3* and *Cash 4* games are drawn three (3) times daily, six (6) days a week, and once on Sunday.
- TEL is projecting sales for these two games in the range of $108.0 and $110.9 million for FY 2020.

Tennessee Cash

- *Tennessee Cash* is a drawing-style cash jackpot game available only in Tennessee.
- *Tennessee Cash* was enhanced in July 2019 to add a *Quick Cash* instant win opportunity.
- Sales are driven primarily by the cash jackpots, with an average jackpot cycle of $600 to $700 thousand.
- TEL projects sales in FY 2020 in the range of $17 million to $19 million.

Keno to Go

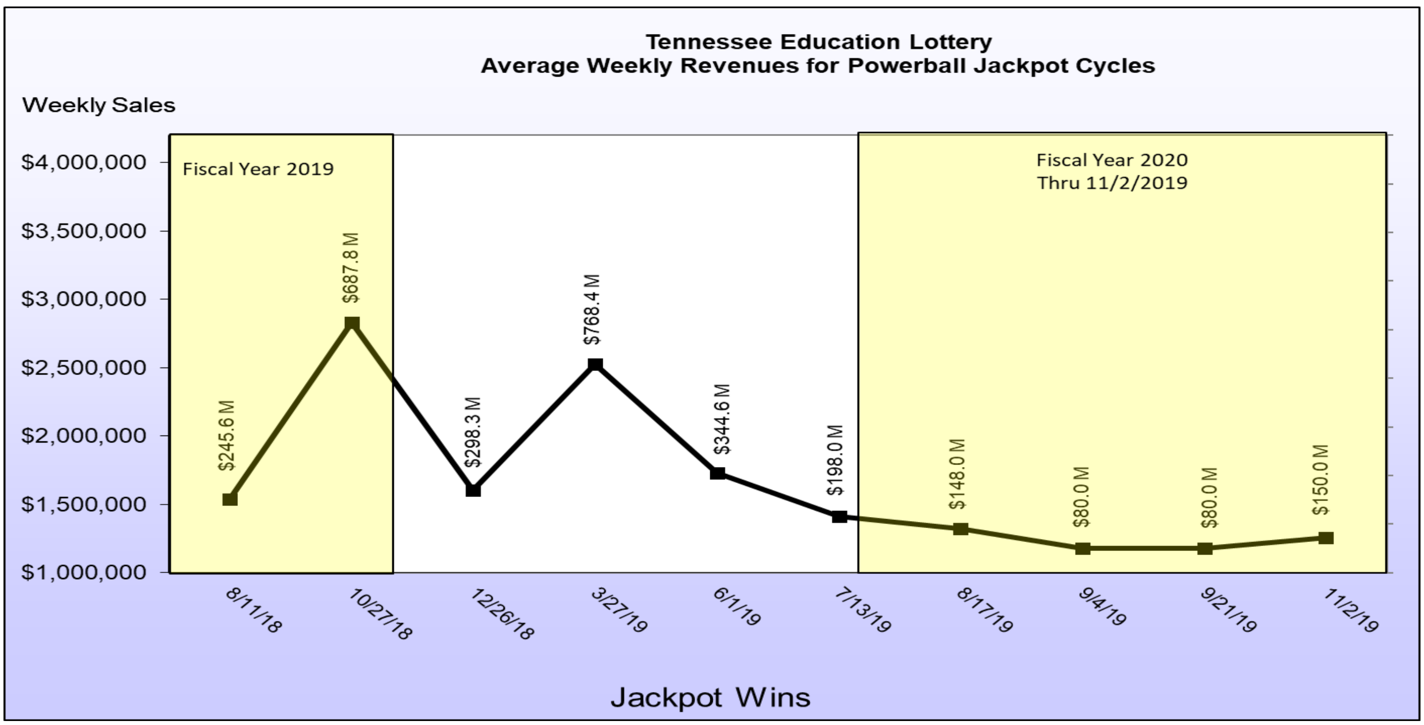
- *Keno to Go* is a draw-style game with drawings every 5 minutes.
- *Keno to Go* was enhanced in November 2018 to add *Bullseye*, an additional play feature.
- TEL projects sales in the range of $12.6 million and $14.0 million for FY 2020.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS

	As of 10/31/2019 (in millions)	FY 2020 Projected Sales Range (in millions)
MULTI-JURISDICTIONAL GAMES	$43.8	$168.1 - $194.6

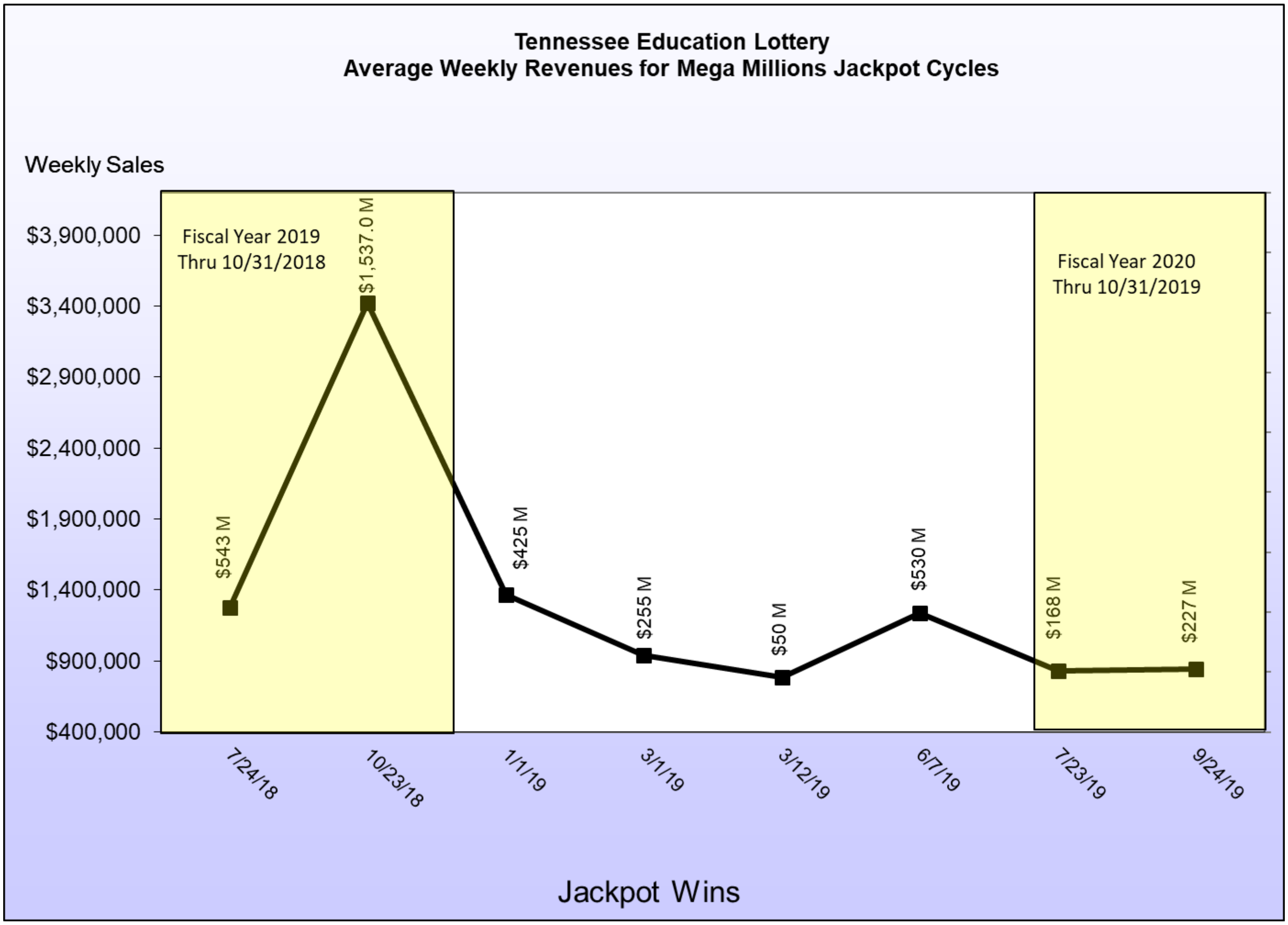
Multi-jurisdictional game sales, with the exception of the *Cash 4 Life*, are directly impacted by the size of the games' jackpots.

Powerball



- *Powerball* is a draw-style annuity jackpot game with expected jackpot cycles in the range of $300 million to $450 million.
- *Powerball* is currently sold in 47 jurisdictions, including the District of Columbia, Puerto Rico and U.S. Virgin Islands.
- TEL projects sales in FY 2020 in the range of $100 million to $114 million.

Mega Millions



- *Mega Millions* is a draw-style annuity jackpot game with expected jackpot cycles in the range of $250 million to $350 million.

- *Mega Millions* is currently sold in 46 jurisdictions, including the District of Columbia and U.S. Virgin Islands.

- TEL projects sales in FY 2020 in the range of $45.3 million to $55.5 million.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS

Lotto America

- Jackpots for this draw-style game start at $2 million, with drawings held Wednesday and Saturday.

- *Lotto America* is currently sold in 13 jurisdictions.

- TEL projects sales in FY 2020 in the range of $10.3 million to $13.5 million.

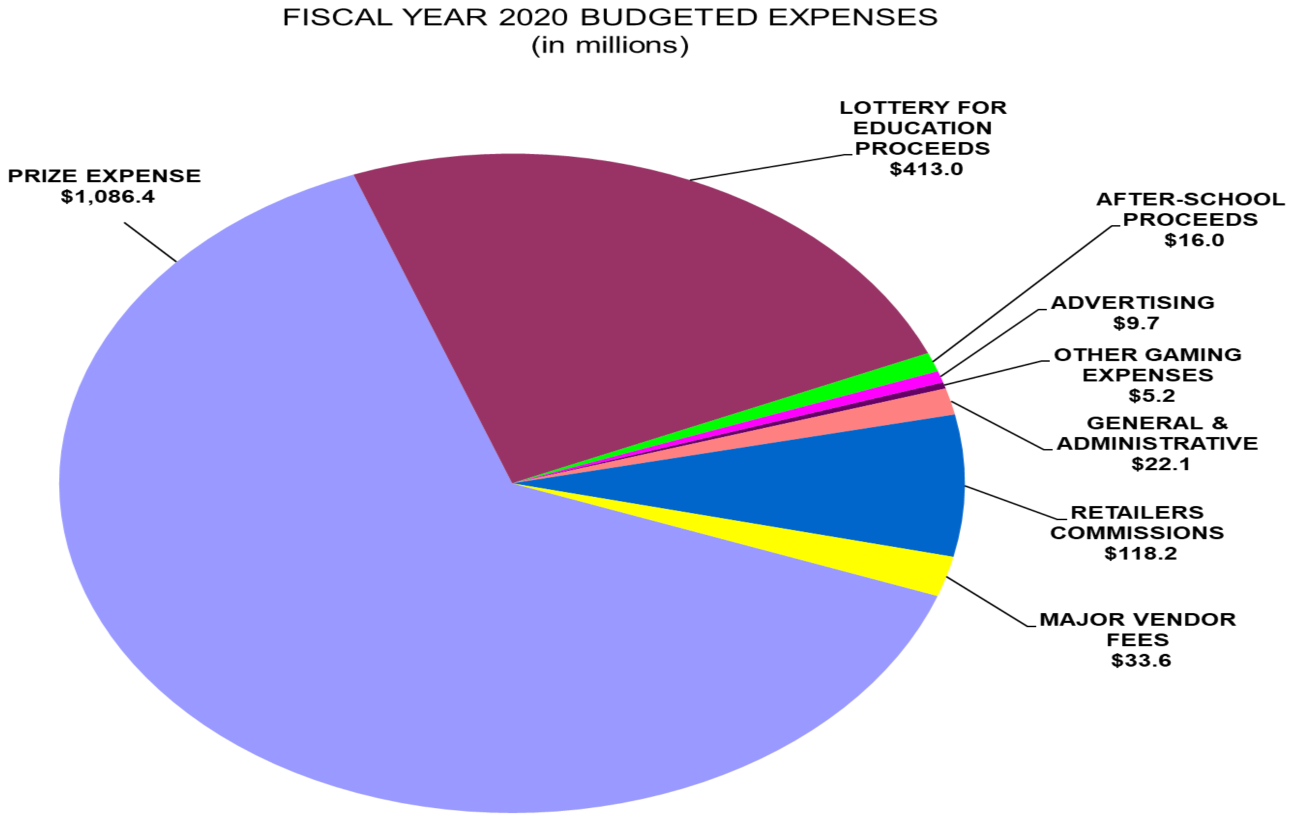
Cash 4 Life

- The game provides the only drawing-style game with two opportunities for a lifetime prize:
    - ∗ Top Prize is $1,000 dollars a day for life.
    - ∗ Second Prize is $1,000 dollars a week for life.

- *Cash 4 Life* is currently sold in 9 jurisdictions.

- TEL projects sales in FY 2020 in the range of $11 million to $12 million.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS



Direct Gaming-Related Expenses

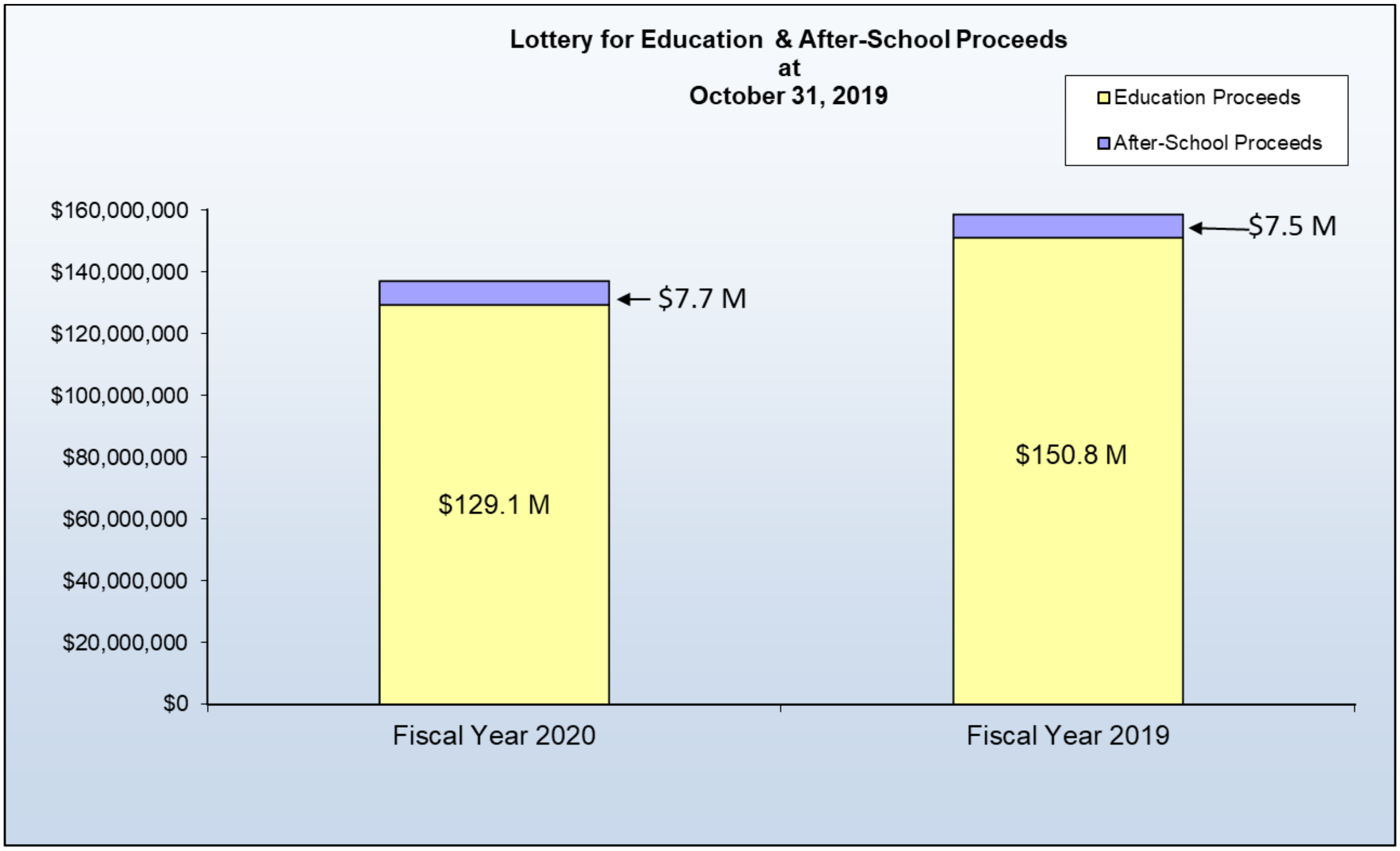
- Aggregate Prize Expense for all Games is budgeted at **$1.086 billion** or **64.4%** of Total Revenues.
  - *Instant Games* aggregated prize expense is budgeted at **$917.4 million** or **67.9%** of Total Revenues.
  - *Drawing-style Games* aggregated prize expense is budgeted at **$169.0 million** or **50.8%** of Total Revenues.
- Retailer sales commissions are budgeted at **$118.2 million**.
- Major gaming vendors' fees are budgeted at **$33.6 million**.

Non-Direct Expenses

- Non-direct expenses are budgeted at **$37** million or **1.9%** of Gross Sales.
  - Advertising expenses are budgeted at **$9.7** million.
  - Other Gaming expenses are budgeted at **$5.2** million.
  - General and Administrative expenses are budgeted at **$22.1** million.

- Actual non-direct expenses have trended between $32 million and $34 million annually over the last five years.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS



Lottery for Education Proceeds

- $129.1 million as of 10/31/2019
- $150.8 million as of 10/31/2018

Projected Fiscal Year 2020

$411 million - $424 million

After-School Program Proceeds

- $7.7 million as of 10/31/2019
- $7.5 million as of 10/31/2018

Projected Fiscal Year 2020

$15 million - $16 million

After-School Programs Proceeds are projected based on the TEL's five-year historical unclaimed prize experience of slightly less than 1.5% of prize expense.

Unclaimed proceeds are significantly impacted by the timing of instant games' closings and large drawing-style game prizes not claimed.

TENNESSEE EDUCATION LOTTERY CORPORATION
ESTIMATION OF TOTAL AND NET LOTTERY PROCEEDS

Tennessee Education Lottery

	FY 2019 Actuals	FY 2020 Actuals 10/31/19	FY 2020 Low Projections	FY 2020 High Projections
Instant Ticket Sales	$ 1,448,879,000	$ 470,449,000	$ 1,477,774,000	$ 1,492,431,000
Tennessee Only	$ 138,937,000	$ 48,905,000	$ 137,734,000	$ 144,594,000
Multi Jurisdictional	$ 224,789,000	$ 43,790,000	$ 168,154,000	$ 194,689,000
GROSS TICKET SALES	$ 1,812,605,000	$ 563,144,000	$ 1,783,662,000	$ 1,831,714,000
Less: Tickets Provided as Prizes	$ (122,553,000)	$ (38,551,000)	$ (121,323,000)	$ (127,237,000)
Net Ticket Sales	$ 1,690,052,000	$ 524,593,000	$ 1,662,339,000	$ 1,704,477,000
Other Revenue	5,873,000	1,805,000	4,725,000	4,725,000
TOTAL LOTTERY PROCEEDS	$ 1,695,925,000	$ 526,398,000	$ 1,667,064,000	$ 1,709,202,000
EXPENSES				
Prize Expense	$ 1,083,572,000	$ 339,628,000	$ 1,074,062,000	$ 1,097,335,000
Retailer Commissions	118,177,000	36,768,000	116,606,000	119,768,000
Vendor Fees	33,380,000	10,686,000	33,245,000	33,881,000
Direct Expense	$ 1,235,129,000	$ 387,082,000	$ 1,223,913,000	$ 1,250,984,000
Non-Direct Expenses	$ 31,834,000	$ 10,239,000	$ 32,000,000	$ 34,000,000
TOTAL EXPENSES	$ 1,266,963,000	$ 397,321,000	$ 1,255,913,000	$ 1,284,984,000
EXCESS UNCLAIMED PROCEEDS	$ 224,000	$ -	$ -	$ -
LOTTERY FOR EDUCATION PROCEEDS	$ 429,186,000	$ 129,077,000	$ 411,151,000	$ 424,218,000
AFTER SCHOOL PROGRAM PROCEEDS	$ 18,000,000	$ 7,695,000	$ 15,000,000	$ 16,000,000

FISCAL YEARS ENDING JUNE 30, 2021, 2022, 2023 and 2024

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Total Lottery Proceeds	$1,696- $1,748 Million	$1,726- $1,787 Million	$1,756- $1,827 Million	$1,787- $1,868 Million
Lottery for Education Proceeds	$418-$434 Million	$426-$444 Million	$433-$454 Million	$441-$464 Million
After-School Programs Proceeds	$15 - $16 Million	$15 - $16 Million	$16 - $17 Million	$16 - $17 Million

MIKE KRAUSE
Executive Director

BILL LEE
Governor

STATE OF TENNESSEE
TENNESSEE STUDENT ASSISTANCE CORPORATION
PARKWAY TOWERS, SUITE 1510
NASHVILLE, TENNESSEE 37243-0820
(615) 741-1346

November 15, 2019

MEMORANDUM

TO: State Funding Board

FROM: Tim Phelps, Associate Executive Director for Grant & Scholarship Programs
Tennessee Student Assistance Corporation

SUBJECT: Tennessee Education Lottery Scholarship Program Projections

Pursuant to T.C.A 4-51-111(c)(2)(A)(ii), the Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC) have collaborated to project expenditures for the lottery scholarship and grant programs through the 2023-24 academic year.

The expenditures below incorporate data for all lottery-funded programs, including the HOPE Scholarship, General Assembly Merit Scholarship, ASPIRE award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Nontraditional Student Grant, Dual Enrollment Grant, Helping Heroes Grant, Foster Child Tuition Grant, STEP UP Scholarship, TCAT Reconnect, the Math & Science Teacher Loan Forgiveness Program, the Tennessee Middle College Scholarship, and Tennessee Reconnect.

Fiscal Year	TELS Low	TELS Baseline	TELS High	Recipients
2018-19 actual	N/A	$364.9M	N/A	133,400
2019-20 estimated*	$360.0M	$367.3M	$378.3M	134,300
2020-21estimated*	$363.6M	$371.0M	$382.1M	135,600
2021-22 estimated*	$367.2M	$374.7M	$386.0M	137,000
2022-23 estimated*	$370.8M	$378.4M	$389.8M	138,400
2023-24 estimated*	$374.6M	$382.2M	$393.7M	139,700

*Does not include estimated administrative costs of $8.0M and Tennessee Promise estimated expenditures of $30M. These projections are based on the size of the annual high school graduating class, the scholarship take-up rate of eligible students, and the renewal rate of recipients. Please let me know if you have questions or need anything further.

STATE OF TENNESSEE
DEPARTMENT OF EDUCATION
NINTH FLOOR, ANDREW JOHNSON TOWER
710 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-0375

BILL HASLAM
GOVERNOR

CANDICE MCQUEEN
COMMISSIONER

TO: Members of the Tennessee State Funding Board

FROM: Dr. Candice McQueen Candice McQueen cpf

DATE: November 20, 2018

SUBJECT: Request for $23,000 from Net Lottery Proceeds for Lottery Scholarship Day for FY 2019-2020

Pursuant to Tenn. Code Ann. 4-51-111(c)(2)(B) which states prior to December 15, "appropriate state agencies shall submit to the funding board and to the governor their recommendations for other education programs and purposes consistent with article XI, § 5 of the Tennessee Constitution", the Department of Education requests the allotment of $23,000 from net lottery proceeds in FY 2019-2020 for Lottery Scholarship Day.

These funds will support improvements and enhancements for educational programs and purposes and such net proceeds shall be used to supplement, not supplant, non-lottery educational resources for educational programs and purposes.

Your consideration and approval of this request is appreciated.

cc: David Thurman

CITY OF FRANKLIN

1ST QUARTER REPORT

FY 2020

Excellence *Innovation* *Teamwork* *Integrity* *Action-Oriented*

TABLE OF CONTENTS

Executive Summary

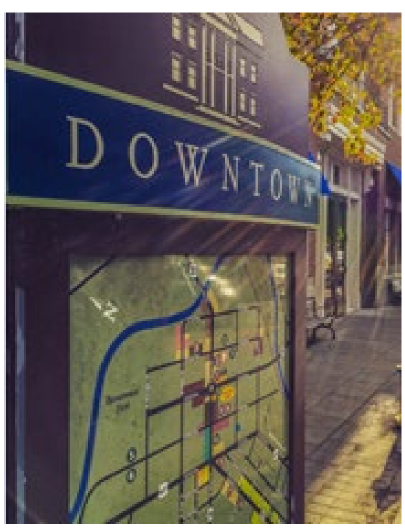
Quarter Ended September 30, 2019

- Consistent with the 1st quarter of prior years, the General Fund shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).
- In July, a general pay increase of 2.5% plus an additional performance-based pay increase up to an additional 2.5% was implemented.
- In the General Fund, local sales taxes are 3.5% higher over last year.
- In the General Fund, higher interest rates are resulting in additional interest income.
- For development fees that are dependent on timing and type of development are being compared to 2019:
    - building permit revenue is 3% higher than 2019.
    - road impact fees are 51% less than last year.
    - facilities taxes are 45% less than last year.
- In the Street Aid Fund, gasoline taxes are 6% higher.

All Funds Summary

Fund	Beg Fund Balance	Revenue	Expenditures	End Fund Balance	Change	Fund Summary on Page
General	$53,201,973	$14,184,121	$17,413,889	$49,972,205	($3,229,768)	3
Street Aid	$496,410	$728,560	$4,050	$1,220,920	$724,510	4
Sanitation & Envir. Services.	$1,957,563	$2,300,750	$2,177,929	$2,080,384	$122,821	5
Road Impact	$16,589,763	$1,424,413	$479,550	$17,534,626	$944,863	6
Facilities Tax	$15,091,277	$565,993	$1,562,678	$14,094,592	($996,685)	7
County Facilities Tax	$3,958,958	$264,433	$0	$4,223,391	$264,433	8
Stormwater	$3,800,010	$680,087	$627,362	$3,852,735	$52,725	9
Drug	$438,184	$18,427	$48,999	$407,612	($30,572)	10
Hotel/Motel	$7,671,058	$1,118,328	$820,703	$7,968,683	$297,625	11
Parkland Dedication	$8,005,878	$1,475,529	$0	$9,481,407	$1,475,529	12
Transit	$817,649	$602,952	$598,390	$822,211	$4,562	13
CDBG	$100,451	$95,036	$92,612	$102,875	$2,424	14
Debt Service	$372,887	$1,277,510	$2,601,705	($951,308)	($1,324,195)	15
Capital Projects - Fund 310 (Multi-Purpose)	$2,009,957	$873,156	$1,105,932	$1,777,181	($232,776)	16
Capital Projects - Fund 311 (2017 Bonds)	$3,454,412	$20,715	$970,339	$2,504,788	($949,624)	17
Capital Projects - Fund 312 (2019 Bonds)	$30,466,890	$263,111	$2,437,329	$28,292,672	($2,174,218)	18
Water & Wastewater Operations	*	$18,874,555	$19,202,986	*	($328,431)	19
Water & Wastewater Dev. Fees	*	$459,117	$298,799	*	$160,318	20

* As an enterprise fund (which is similar to a private business), Water & Wastewater does not have a fund balance.



General Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Local Sales Tax	$8,897,120	$8,593,398	103.5%	$37,123,985	24.0%
State Shared Taxes	2,067,999	1,721,579	120.1%	12,674,783	16.3%
Property Taxes	(17,718)	24,941	(71.0%)	7,742,191	(0.2%)
Alcohol Taxes	1,211,241	1,070,247	113.2%	4,486,293	27.0%
Grants	658,575	143,454	459.1%	1,829,190	36.0%
Franchise Fees	172,897	157,334	109.9%	2,464,717	7.0%
Building Permits & Fees	629,001	610,446	103.0%	3,041,545	20.7%
Court Fines & Fees	109,318	79,588	137.4%	413,471	26.4%
In Lieu of Tax (Local)	0	0	0.0%	228,202	0.0%
Interest Income	273,957	161,601	169.5%	675,000	40.6%
Drug Fines Received	0	250	0.0%	0	0.0%
Other Revenues	181,731	156,130	116.4%	3,110,088	5.8%
Total Revenues	***14,184,121***	***12,718,968***	***111.5%***	***73,789,465***	***19.2%***
Expenditures:					
Salaries & Wages	8,553,648	8,161,898	104.8%	37,889,202	22.6%
Employee Benefits	3,365,005	3,782,853	89.0%	16,127,459	20.9%
Utilities	540,910	525,511	102.9%	2,130,540	25.4%
Contractual Services	948,977	1,274,697	74.4%	4,245,514	22.4%
Repair & Maintenance Services	587,221	825,659	71.1%	2,387,704	24.6%
Debt Service & Lease Payments	0	141,690	0.0%	0	0.0%
Reimbursement from Other Funds	(940,662)	(816,234)	115.2%	(3,762,946)	25.0%
Transfers To Other Funds	512,489	525,466	97.5%	1,253,371	40.9%
Capital	587,038	478,024	122.8%	4,578,777	12.8%
Other Expenditures	3,259,263	2,407,732	135.4%	8,939,844	36.5%
Total Expenditures	***17,413,889***	***17,307,296***	***100.6%***	***73,789,465***	***23.6%***
Total Unallocated Funds	***(3,229,768)***	***(4,588,328)***	***70.4%***	***0***	***0.0%***

FUND SUMMARY

- Consistent with the 1st quarter of prior years, the General Fund shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).
- In July, a general pay increase of 2.5% plus an additional performance-based pay increase up to an additional 2.5% was implemented.
- Local sales taxes are 3.5% higher over last year.
- Higher interest rates secured prior to mid-2019 are resulting in additional interest income.
- Building permit revenue is 3% more than 2019. (Development fees that are dependent on timing and type of development.)

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	$496,410	$645,435	76.9%	$496,410	100.0%
State Shared Taxes	725,157	683,484	106.1%	2,762,012	26.3%
Property Taxes	0	0	0.0%	1,012,151	0.0%
Interest Income	3,403	1,141	298.2%	7,500	45.4%
Total Revenues	***1,224,970***	***1,330,060***	***92.1%***	***4,278,073***	***28.6%***
Expenditures:					
Repair & Maintenance Services	4,050	722,492	0.6%	3,800,000	0.1%
Other Expenditures	0	319	0.0%	600	0.0%
Total Expenditures	***4,050***	***722,811***	***0.6%***	***3,800,600***	***0.1%***
Total Unallocated Funds	***1,220,920***	***607,249***	***201.1%***	***477,473***	***255.7%***

FUND SUMMARY

- In the Street Aid Fund, gasoline taxes are 6% higher.
- Expenditures are lower in FY2020 due to focus on major road resurfacing, which is being paid for by funds from the Bond Series 2019.

Sanitation Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$1,957,563	$1,160,474	168.7%	$1,957,563	100.0%
Interest Income	5,779	695	831.2%	63,654	9.1%
Sanitation Collection Services	1,418,953	1,514,577	93.7%	6,421,517	22.1%
Tipping Fees	814,834	703,889	115.8%	2,916,488	27.9%
Other Revenues	61,184	57,601	106.2%	942,817	6.5%
Total Revenues	***4,258,313***	***3,437,236***	***123.9%***	***12,302,039***	***34.6%***
Expenditures:					
Salaries & Wages	546,823	511,238	107.0%	2,317,348	23.6%
Employee Benefits	303,436	310,759	97.6%	1,074,969	28.2%
Utilities	19,437	17,552	110.7%	100,988	19.2%
Contractual Services	23,543	8,830	266.6%	60,486	38.9%
Repair & Maintenance Services	118,229	123,640	95.6%	745,901	15.9%
Debt Service & Lease Payments	0	13,818	0.0%	0	0.0%
Transfers To Other Funds	43,247	27,325	158.3%	348,390	12.4%
Capital	180,540	0	0.0%	1,201,020	15.0%
Other Expenditures	942,674	1,109,450	85.0%	5,003,160	18.8%
Total Expenditures	***2,177,929***	***2,122,612***	***102.6%***	***10,852,262***	***20.1%***
Total Unallocated Funds	***2,080,384***	***1,314,624***	***158.2%***	***1,449,777***	***143.5%***

FUND SUMMARY

- Collection services revenue is 6% lower than last year.
- Tipping fee revenue is 16% higher than last 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	$16,589,763	$11,339,848	146.3%	$16,589,763	100.0%
Interest Income	116,238	43,968	264.4%	200,000	58.1%
Road Impact Fees	1,308,175	2,667,794	49.0%	9,800,438	13.3%
Total Revenues	***18,014,176***	***14,051,610***	***128.2%***	***26,590,201***	***67.7%***
Expenditures:					
Contractual Services	0	259,577	0.0%	3,000,000	0.0%
Transfers To Other Funds	469,766	586,280	80.1%	2,710,869	17.3%
Capital	9,784	0	0.0%	0	0.0%
Total Expenditures	***479,550***	***845,857***	***56.7%***	***5,710,869***	***8.4%***
Total Unallocated Funds	***17,534,626***	***13,205,753***	***132.8%***	***20,879,332***	***84.0%***

FUND SUMMARY

- Road impact fees are 49% less than last year. (These revenues are dependent on timing and type of development.)
- Higher interest rates from investments secured prior to mid-2019 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	$15,091,277	$14,410,217	104.7%	$15,091,277	100.0%
Interest Income	103,078	54,814	188.1%	200,000	51.5%
Facilities Taxes	462,915	845,325	54.8%	2,875,000	16.1%
Total Revenues	***15,657,270***	***15,310,356***	***102.3%***	***18,166,277***	***86.2%***
Expenditures:					
Contractual Services	6,985	26,355	26.5%	0	0.0%
Repair & Maintenance Services	192	0	0.0%	7,000	2.7%
Capital	1,462,095	0	0.0%	7,901,730	18.5%
Other Expenditures	93,406	0	0.0%	306,592	30.5%
Total Expenditures	***1,562,678***	***26,355***	***5929.3%***	***8,215,322***	***19.0%***
Total Unallocated Funds	***14,094,592***	***15,284,001***	***92.2%***	***9,950,955***	***141.6%***

FUND SUMMARY

- Facilities taxes are 45% less than last year. (These revenues are dependent on timing and type of development.)
- Higher interest rates from investments secured prior to mid-2019 are resulting in additional interest income.
- Most of the capital expense incurred 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	$3,958,958	$4,804,518	82.4%	$3,958,958	100.0%
Interest Income	27,852	18,314	152.1%	60,000	46.4%
Facilities Taxes	236,581	199,061	118.8%	1,250,000	18.9%
Total Revenues	***4,223,391***	***5,021,893***	***84.1%***	***5,268,958***	***80.2%***
Expenditures:					
Transfers To Other Funds	0	0	0.0%	1,285,000	0.0%
Total Expenditures	***0***	***0***	***0.0%***	***1,285,000***	***0.0%***
Total Unallocated Funds	***4,223,391***	***5,021,893***	***84.1%***	***3,983,958***	***106.0%***

FUND SUMMARY

- This fund was created to account for facilities taxes received from the County.
- There are no expenditures currently budgeted for this fund in 2020.

Stormwater Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$3,800,010	$4,171,435	91.1%	$3,800,010	100.0%
Building Permits & Fees	27,161	46,884	57.9%	85,000	32.0%
Interest Income	22,938	13,827	165.9%	37,500	61.2%
Stormwater Fees	618,264	602,522	102.6%	2,450,000	25.2%
Other Revenues	11,724	14,525	80.7%	75,000	15.6%
Total Revenues	***4,480,097***	***4,849,193***	***92.4%***	***6,447,510***	***69.5%***
Expenditures:					
Salaries & Wages	266,697	249,819	106.8%	1,113,780	23.9%
Employee Benefits	131,778	128,046	102.9%	518,660	25.4%
Utilities	5,307	5,348	99.2%	40,117	13.2%
Contractual Services	32,805	27,649	118.6%	117,268	28.0%
Repair & Maintenance Services	25,770	33,235	77.5%	149,629	17.2%
Capital	2,825	42,686	6.6%	2,550,000	0.1%
Other Expenditures	162,180	167,166	97.0%	620,775	26.1%
Total Expenditures	***627,362***	***653,949***	***95.9%***	***5,110,229***	***12.3%***
Total Unallocated Funds	***3,852,735***	***4,195,244***	***91.8%***	***1,337,281***	***288.1%***

FUND SUMMARY

- Stormwater fees collected are 2% higher than last year.

Drug Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$438,184	$508,522	86.2%	$438,184	100.0%
Interest Income	2,561	2,824	90.7%	12,000	21.3%
Drug Fines Received	10,768	13,579	79.3%	82,538	13.0%
Other Revenues	5,098	25,739	19.8%	148,826	3.4%
Total Revenues	***456,611***	***550,664***	***82.9%***	***681,548***	***67.0%***
Expenditures:					
Capital	0	0	0.0%	60,000	0.0%
Other Expenditures	48,999	8,006	612.0%	74,900	65.4%
Total Expenditures	***48,999***	***8,006***	***612.0%***	***134,900***	***36.3%***
Total Unallocated Funds	***407,612***	***542,658***	***75.1%***	***546,648***	***74.6%***

FUND SUMMARY

- Drug fine collections are almost 21% less 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	$7,671,058	$5,722,086	134.1%	$7,671,058	100.0%
Interest Income	49,238	19,532	252.1%	100,000	49.2%
Hotel/Motel Taxes	1,069,090	1,091,668	97.9%	3,920,520	27.3%
Total Revenues	***8,789,386***	***6,833,286***	***128.6%***	***11,691,578***	***75.2%***
Expenditures:					
Contractual Services	19,986	0	0.0%	0	0.0%
Repair & Maintenance Services	370	0	0.0%	0	0.0%
Transfers To Other Funds	404,222	349,331	115.7%	1,111,402	36.4%
Capital	199,413	9,475	2104.7%	338,036	59.0%
Other Expenditures	196,712	250,046	78.7%	1,052,304	18.7%
Total Expenditures	***820,703***	***608,852***	***134.8%***	***2,501,742***	***32.8%***
Total Unallocated Funds	***7,968,683***	***6,224,434***	***128.0%***	***9,189,836***	***86.7%***

FUND SUMMARY

- Hotel/Motel tax collections are 2% less than last year.
- Higher interest rates secured by investments made prior to mid-2019 are resulting in additional interest income.

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	$8,005,878	$6,141,130	130.4%	$8,005,878	100.0%
Interest Income	63,817	22,504	283.6%	75,000	85.1%
Parkland Dedication Fees	1,411,712	52,680	2679.8%	1,500,000	94.1%
Total Revenues	***9,481,407***	***6,216,314***	***152.5%***	***9,580,878***	***99.0%***
Expenditures:					
Total Unallocated Funds	***9,481,407***	***6,216,314***	***152.5%***	***9,580,878***	***99.0%***

FUND SUMMARY

- Over $1.4 million of parkland dedication fees in quadrant 1 were collected in the 1st quarter.
- No expenditures are budgeted from this fund in 2020.

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	$817,649	100.0%	$817,649	100.0%
Grants	62,462	198,541	31.5%	1,962,489	3.2%
Interest Income	5,231	3,238	161.6%	20,000	26.2%
Transit Fares	19,470	17,630	110.4%	149,000	13.1%
Transfer From General Fund	512,489	525,466	97.5%	1,003,371	51.1%
Other Revenues	3,300	2,500	132.0%	9,700	34.0%
Total Revenues	***1,420,601***	***1,565,024***	***90.8%***	***3,962,209***	***35.9%***
Expenditures:					
Capital	0	0	0.0%	582,000	0.0%
Other Expenditures	598,390	598,346	100.0%	2,546,060	23.5%
Total Expenditures	***598,390***	***598,346***	***100.0%***	***3,128,060***	***19.1%***
Total Unallocated Funds	***822,211***	***966,678***	***85.1%***	***834,149***	***98.6%***

FUND SUMMARY

- Transit has needed 51% of the budgeted operating subsidy in the 1st quarter. Grant revenues are anticipated during the year to stay within the budgeted total transfer.

CDBG Fund

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Beginning Fund Balance	$100,451	$89,690	112.0%	$100,451	100.0%
Grants	92,612	45,362	204.2%	255,000	36.3%
Interest Income	2,424	1,159	209.1%	306	792.2%
Total Revenues	***195,487***	***136,211***	***143.5%***	***355,757***	***54.9%***
Expenditures:					
Contractual Services	28,940	4,410	656.3%	130,000	22.3%
Repair & Maintenance Services	63,672	40,952	155.5%	120,000	53.1%
Other Expenditures	0	0	0.0%	1,000	0.0%
Total Expenditures	***92,612***	***45,362***	***204.2%***	***251,000***	***36.9%***
Total Unallocated Funds	***102,875***	***90,849***	***113.2%***	***104,757***	***98.2%***

FUND SUMMARY

- 37% 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	$372,887	$106,587	349.8%	$372,887	100.0%
Property Taxes	0	0	0.0%	10,704,090	0.0%
Interest Income	264	134	196.5%	100,000	0.3%
Rebate on BAB/RZEDB Bonds	260,011	406,627	63.9%	358,077	72.6%
Transfer from Sanitation Fund	43,247	27,325	158.3%	348,390	12.4%
Transfer from Road Impact Fund	469,766	586,280	80.1%	2,642,606	17.8%
Transfer from Hotel/Motel Tax Fund	404,222	349,331	115.7%	1,114,924	36.3%
Transfer from Water & Sewer Fund	100,000	100,000	100.0%	200,000	50.0%
Total Revenues	***1,650,397***	***1,576,284***	***104.7%***	***15,840,974***	***10.4%***
Expenditures:					
Debt Service & Lease Payments	2,601,705	2,661,047	97.8%	15,455,385	16.8%
Total Expenditures	***2,601,705***	***2,661,047***	***97.8%***	***15,455,385***	***16.8%***
Total Unallocated Funds	***(951,308)***	***(1,084,763)***	***87.7%***	***385,589***	***(246.7%)***

FUND SUMMARY

- Consistent with the 1st quarter of prior years, the Debt Service fund shows a current year deficit, as property tax billings do not occur until the 2nd quarter (October 1).
- Rebates on BAB/RZEDB Bonds will be lower in FY2020 since both bond issues are now refunded and no longer eligible for full federal interest subsidies. There will be no rebates received in future fiscal years.

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	$2,009,957	($1,587,454)	(126.6%)	($2,009,957)	(100.0%)
Grants	865,201	849,549	101.8%	0	0.0%
Interest Income	7,955	69	11501.9%	0	0.0%
Total Revenues	***2,883,113***	***(737,836)***	***(390.8%)***	***(2,009,957)***	***(143.4%)***
Expenditures:					
Contractual Services	21,255	29,370	72.4%	0	0.0%
Capital	273,451	56,652	482.7%	0	0.0%
Other Expenditures	811,226	67,769	1197.0%	0	0.0%
Total Expenditures	***1,105,932***	***153,791***	***719.1%***	***0***	***0.0%***
Total Unallocated Funds	***1,777,181***	***(891,627)***	***(199.3%)***	***(2,009,957)***	***(88.4%)***

FUND SUMMARY

- The fund contains the expenditures for city projects.

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	$3,454,412	$7,800,069	44.3%	$3,454,412	100.0%
Interest Income	20,715	30,741	67.4%	0	0.0%
Total Revenues	***3,475,127***	***7,830,810***	***44.4%***	***3,454,412***	***100.6%***
Expenditures:					
Repair & Maintenance Services	0	2,009	0.0%	0	0.0%
Capital	970,206	234,864	413.1%	0	0.0%
Other Expenditures	133	44,703	0.3%	0	0.0%
Total Expenditures	***970,339***	***281,576***	***344.6%***	***0***	***0.0%***
Total Unallocated Funds	***2,504,788***	***7,549,234***	***33.2%***	***3,454,412***	***72.5%***

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					
Beginning Fund Balance	$30,466,890	$0	0.0%	$30,466,890	100.0%
Interest Income	263,111	0	0.0%	0	0.0%
Total Revenues	***30,730,001***	***0***	***0.0%***	***30,466,890***	***100.9%***
Expenditures:					
Contractual Services	5,000	0	0.0%	0	0.0%
Repair & Maintenance Services	112,863	0	0.0%	0	0.0%
Capital	1,993,950	0	0.0%	0	0.0%
Other Expenditures	325,516	0	0.0%	0	0.0%
Total Expenditures	***2,437,329***	***0***	***0.0%***	***0***	***0.0%***
Total Unallocated Funds	***28,292,672***	***0***	***0.0%***	***30,466,890***	***92.9%***

FUND SUMMARY

- The fund accounts for the proceeds received from a bond issued in May 2019.

Water/Sewer Operations

	Current YTD Actuals	Prior YTD Actual	Percent Current YTD to Prior YTD	Budget	Percent Current YTD to Budget
Revenues					
Interest Income	$196,063	$88,262	222.1%	$102,584	191.1%
Customer Service	9,202,395	8,928,430	103.1%	32,659,104	28.2%
Loan Proceeds	9,413,292	0	0.0%	0	0.0%
Other Revenues	62,805	88,909	70.6%	1,311,800	4.8%
Total Revenues	***18,874,555***	***9,105,601***	***207.3%***	***34,073,488***	***55.4%***
Expenditures:					
Salaries & Wages	1,082,310	1,030,033	105.1%	5,031,447	21.5%
Employee Benefits	695,566	528,481	131.6%	2,301,963	30.2%
Utilities	430,686	352,029	122.3%	1,538,225	28.0%
Contractual Services	697,588	248,332	280.9%	1,644,323	42.4%
Repair & Maintenance Services	117,414	94,662	124.0%	381,908	30.7%
Debt Service & Lease Payments	424,522	437,468	97.0%	2,598,444	16.3%
Transfers To Other Funds	100,000	100,000	100.0%	200,000	50.0%
Capital	12,484,103	754,052	1655.6%	7,002,850	178.3%
Other Expenditures	3,170,797	3,119,000	101.7%	9,436,497	33.6%
Total Expenditures	***19,202,986***	***6,664,057***	***288.2%***	***30,135,657***	***63.7%***
Total Unallocated Funds	***(328,431)***	***2,441,544***	***(13.5%)***	***3,937,831***	***(8.3%)***

FUND SUMMARY

- Customer service revenue is 3% higher than last year.
- Loan Proceeds reflects funds received from the State of Tennessee Revolving Loan Program for Improvements to the City's Wastewater Treatment Plant.

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	$70,661	$42,566	166.0%	$0	0.0%
Customer Service	7,382	14,444	51.1%	0	0.0%
Impact Fees	384,796	996,778	38.6%	0	0.0%
Other Revenues	(3,722)	216,239	(1.7%)	0	0.0%
Total Revenues	***459,117***	***1,270,027***	***36.2%***	***0***	***0.0%***
Expenditures:					
Debt Service & Lease Payments	298,199	341,537	87.3%	0	0.0%
Capital	600	302,171	0.2%	0	0.0%
Total Expenditures	***298,799***	***643,708***	***46.4%***	***0***	***0.0%***
Total Unallocated Funds	***160,318***	***626,319***	***25.6%***	***0***	***0.0%***

FUND SUMMARY

- Access fees and system development fees are 61% lower than last year. (These revenues are also dependent on timing and type of development.)

On the Horizon

February

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

March

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				

April

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		

Thursday, February 13, 2020	Budget and Finance Committee Meeting. Budget Presentations begin.
Thursday, March 19, 2020	Budget and Finance Committee Meeting. Budget Presentations continue.
Thursday, April 9, 2020	Budget and Finance Committee Meeting. Budget Presentations continue.

Finance Department

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City of Franklin

Monthly Reports for January 2020

EXECUTIVE SUMMARY

Schedule 1: Local Sales Tax

The local sales tax remittance from the State of Tennessee for October 2019 sales (received by the City in December 2019) was $3,002,662 compared to $3,068,712 for the same month in 2018, a monthly year over year decrease of $66,050 or 2.1%.

The year-to-date increase over last fiscal year is 2.1%.

Schedule 2: Building Permits

2020 year-to-date is more than 2019 by 36.3%, and compared to 2020 budget is more by 10.4%.

Schedule 3: Road Impact Fees *

Combined 2020 year-to-date compared to 2019 is 106.7% more, and compared to 2020 budget is more by 75.8%. By quadrant, Arterial Area 2020 year-to-date compared to 2019 is 96.9% more, and compared to 2020 budget is more by 77.1%. Coll Area 1 2020 year-to-date compared to 2019 is 338.1% more, and compared to 2020 budget is 152.6% more; Coll Area 2 2020 year-to-date compared to 2019 is 79.2% more, and compared to 2020 budget is 269.3% more; Coll Area 3 2020 year-to-date compared to 2019 is 35.1% more, and compared to 2020 budget is 36.6% less; Coll Area 4 2020 year-to-date compared to 2019 is 1185% more, and compared to 2020 budget is 89.6% less.

Schedule 4: Facilities Tax (City) *

2020 year-to-date compared to 2019 is 42.6% more, and compared to 2020 budget is more by 31.9%.

Schedule 5: Facilities Tax (County) *

2020 year-to-date compared to 2019 is 26.1% more, and compared to 2020 budget is 24.4% less.

Schedule 6: Gasoline Taxes (State Street Aid Fund)

The gasoline tax remittance from the State of Tennessee for October 2019 sales (received by the City in December 2019) was $233,080 compared to $220,706 for the same month in 2018, an increase of $12,374 or 5.6%.
For budget comparisons, the City anticipated collections of $230,168 for October 2019, a difference of $2,913 more, or 1.3%. The year-to-date increase over last fiscal year is 6.0%.

Schedule 7: Conference Center

The City's ½ share of the loss for November 2019 was $6,258. In November 2018, the City's ½ share of the profit was $63,790. Changes from the prior year include fewer large events at the Center.

Schedule 8: City of Franklin Grants

The City currently has Thirty-Four (34) Grants totaling $61 million with $39 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.**

HISTORIC FRANKLIN TENNESSEE

City of Franklin

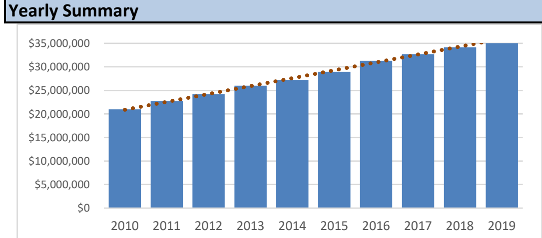
Finance Department - Monthly Reports

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).

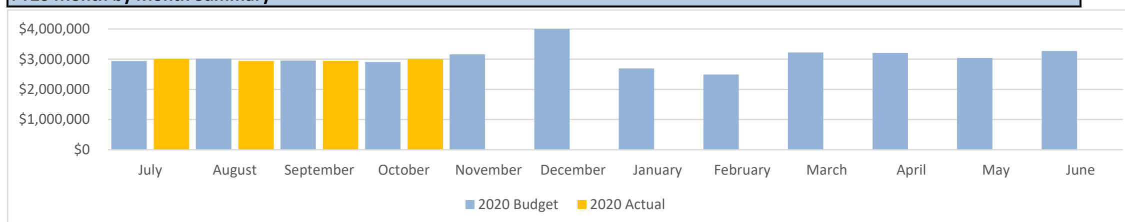
Monthly Report for January 2020: The local sales tax remittance from the State of Tennessee for October 2019 sales (received by the City in December 2019) was $3,002,662 compared to $3,068,712 for the same month in 2018, a monthly year over year decrease $66,050, or 2.1% less. December receipts (October sales) are the forth month of the FY 2020 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 October 2019, the funds foregone by the City and contributed to Schools is $627,304. Total contribution to date to Schools from the City's portion is $11,176,837.

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
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
2019	$36,168,178	$2,016,206	5.9%	$7,052,013
Average Increase (Decrease)		**$ 1,501,562**	**5.5%**	**$ 8,744,321**

FY20 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2019 Actual	% Inc./(Dec.) from 2019 Actual	$ Inc./(Dec.) from 2019 Budget	% Inc./(Dec.) from 2019 Budget	Contribution to County School Debt .5% Apr 2018-Mar 2021
July	$2,811,662	$2,944,419	$3,011,846	$200,184	7.1%	$67,427	2.3%	$603,803
August	$2,848,326	$3,016,301	$2,938,112	$89,786	3.2%	($78,189)	-2.6%	$590,327
September	$2,933,410	$2,958,481	$2,947,162	$13,752	0.5%	($11,319)	-0.4%	$611,082
October	$3,068,712	$2,906,130	$3,002,662	($66,050)	-2.2%	$96,532	3.3%	$627,304
November	$3,026,420	$3,158,930						
December	$3,865,896	$4,200,440						
January	$2,682,263	$2,694,869						
February	$2,622,735	$2,492,689						
March	$3,060,153	$3,226,262						
April	$3,034,501	$3,210,927						
May	$3,064,704	$3,045,508						
June	$3,149,396	$3,269,030						
	$36,168,178 *Total*	**$37,123,985** *Total*	**$11,899,782** *Total*	**$59,418** *Average* **$237,672** *Total*	**2.0%** *Average*	**$18,613** *Average* **$74,451** *Total*	**0.6%** *Average*	**$2,432,516** *Total*

City of Franklin

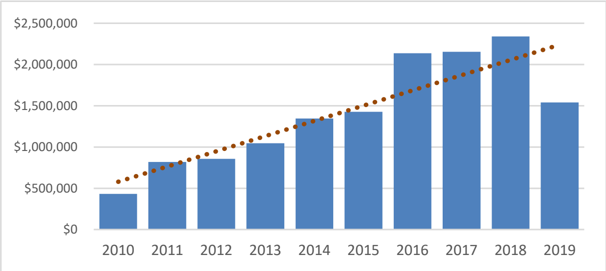
Finance Department - Monthly Reports

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.

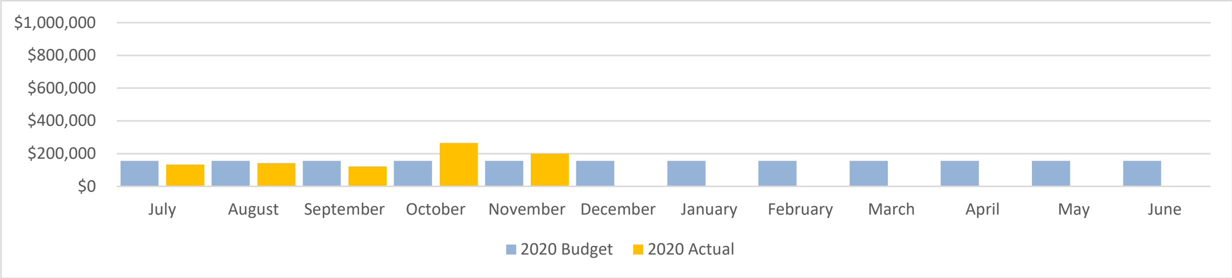
Monthly Report for January 2020: 2020 year-to-date is more than 2019 by 36.3%, and compared to 2020 budget is more by 10.4%.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
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	($799,709)	-34.2%
Average Increase (Decrease)		**$ 98,054**	**15.4%**

FY20 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	$141,906	($48,034)	-25.3%	($14,448)	-9.2%
September	$127,084	$156,354	$121,752	($5,332)	-4.2%	($34,602)	-22.1%
October	$110,782	$156,354	$265,909	$155,127	140.0%	$109,555	70.1%
November	$97,666	$156,354	$198,930	$101,264	103.7%	$42,576	27.2%
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 *Total*	**$1,876,250** *Total*	**$862,885** *Total*	**$45,996** *Average* **$229,978** *Total*	**36.3%** *Average*	**$16,223** *Average* **$81,114** *Total*	**10.4%** *Average*

City of Franklin

Finance Department - Monthly Reports

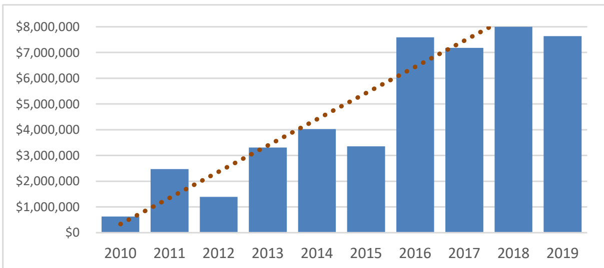
Schedule 3:	Road Impact Fees	Fund	Road Impact	Account:	128-(32800-32804)-00000

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 January 2020: 2020 year-to-date compared to 2019 is 106.7% more, and compared to 2020 budget is more by 75.8%.

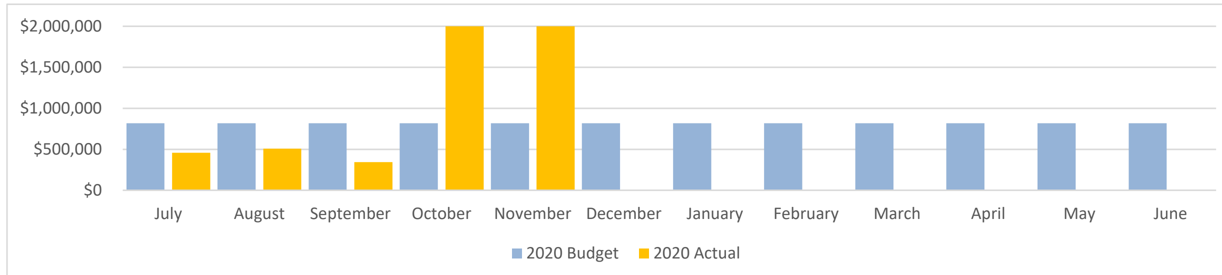
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
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	($3,947,058)	-34.1%
Average Increase (Decrease)		**$ 721,153**	**58.6%**

FY20 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	$508,801	($987,650)	-66.0%	($307,902)	-37.7%
September	$918,650	$816,703	$342,306	($576,344)	-62.7%	($474,397)	-58.1%
October	$365,085	$816,703	$3,287,061	$2,921,976	800.4%	$2,470,358	302.5%
November	$440,428	$816,703	$2,583,839	$2,143,411	486.7%	$1,767,136	216.4%
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*	**$7,179,075** *Total*	**$741,154** *Average* **$3,705,768** *Total*	**106.7%** *Average*	**$619,112** *Average* **$3,095,560** *Total*	**75.8%** *Average*

City of Franklin

Finance Department - Monthly Reports

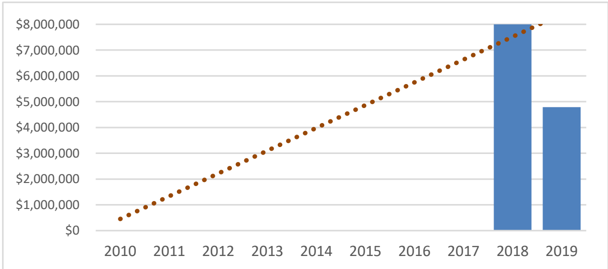
Schedule 3A:	Arterial Area	Fund	Road Impact	Account:	128-32800-00000

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 January 2020: 2020 year-to-date compared to 2019 is 96.9% more, and compared to 2020 budget is more by 77.1%.

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.

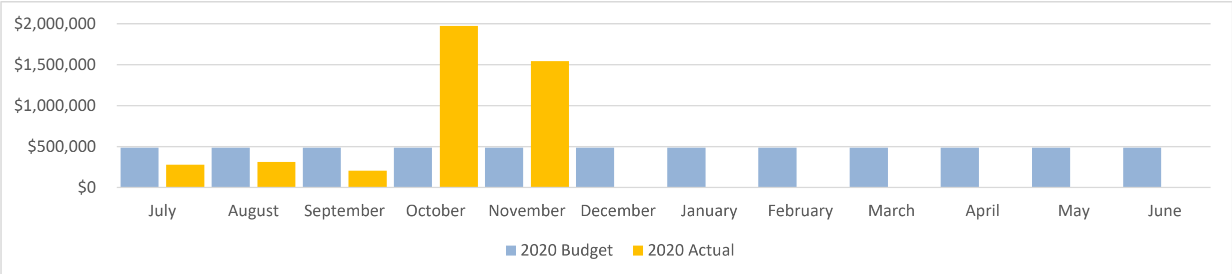
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2010	Breakdown between Quadrants began in FY 2019.		
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)

FY20 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	$310,836	($594,483)	-65.7%	($176,264)	-36.2%
September	$507,202	$487,100	$205,476	($301,726)	-59.5%	($281,624)	-57.8%
October	$265,677	$487,100	$1,973,736	$1,708,059	642.9%	$1,486,636	305.2%
November	$353,686	$487,100	$1,542,634	$1,188,948	336.2%	$1,055,534	216.7%
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**	**$4,312,701**	**$424,499**	**96.9%**	**$375,440**	**77.1%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$2,122,497		**$1,877,200**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

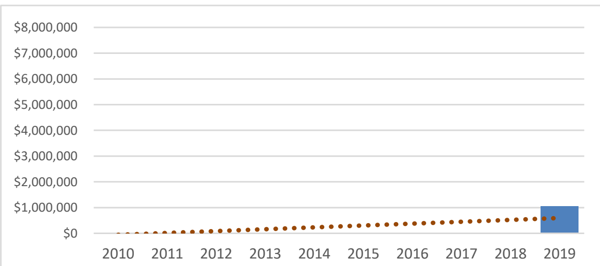
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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 January 2020: 2020 year-to-date compared to 2019 is 338.1% more, and compared to 2020 budget is more by 152.6%.

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.

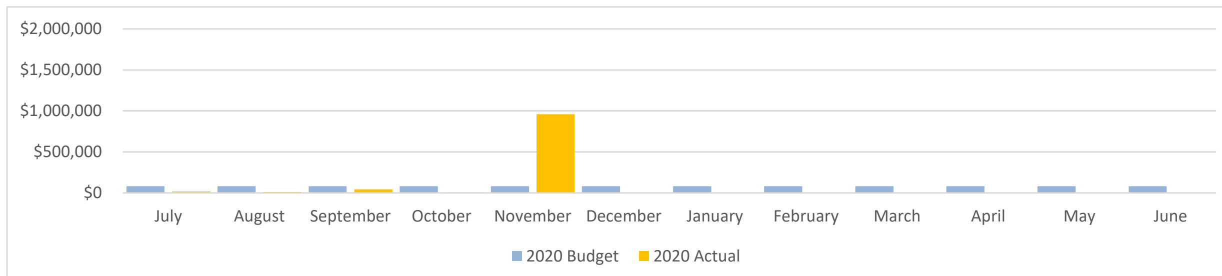
Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2010	Breakdown between Quadrants began in FY 2019.		
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**

FY20 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	$10,519	($148,986)	-93.4%	($71,882)	-87.2%
September	$62,651	$82,401	$45,163	($17,488)	-27.9%	($37,238)	-45.2%
October	$5,352	$82,401	$5,209	($143)	-2.7%	($77,192)	-93.7%
November	$3,340	$82,401	$961,045	$957,705	28673.8%	$878,644	1066.3%
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**	**$1,040,569**	**$160,608**	**338.1%**	**$125,713**	**152.6%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$803,041		**$628,565**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

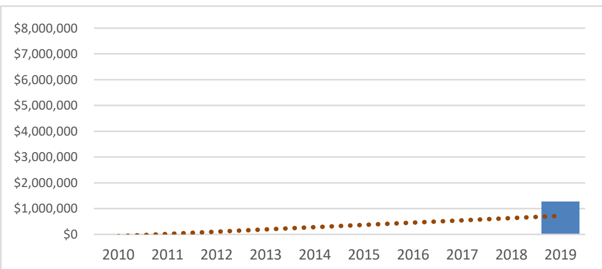
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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 January 2020: 2020 year-to-date compared to 2019 is 79.2% more, and compared to 2020 budget is more by 269.3%.

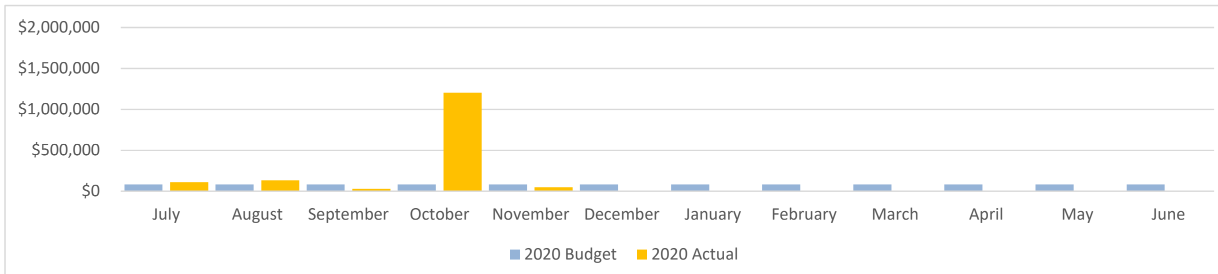
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2010	Breakdown between Quadrants began in FY 2019.		
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	

FY20 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	$131,411	($221,498)	-62.8%	$49,011	59.5%
September	$326,636	$82,401	$30,060	($296,576)	-90.8%	($52,341)	-63.5%
October	$55,244	$82,401	$1,203,446	$1,148,202	2078.4%	$1,121,045	1360.5%
November	$70,042	$82,401	$46,760	($23,282)	-33.2%	($35,641)	-43.3%
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**	**$1,521,529**	**$134,539**	**79.2%**	**$221,905**	**269.3%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$672,693		**$1,109,526**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

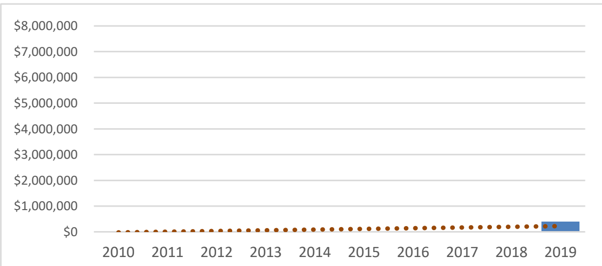
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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 January 2020: 2020 year-to-date compared to 2019 is 35.1% more, and compared to 2020 budget is less by 36.6%.

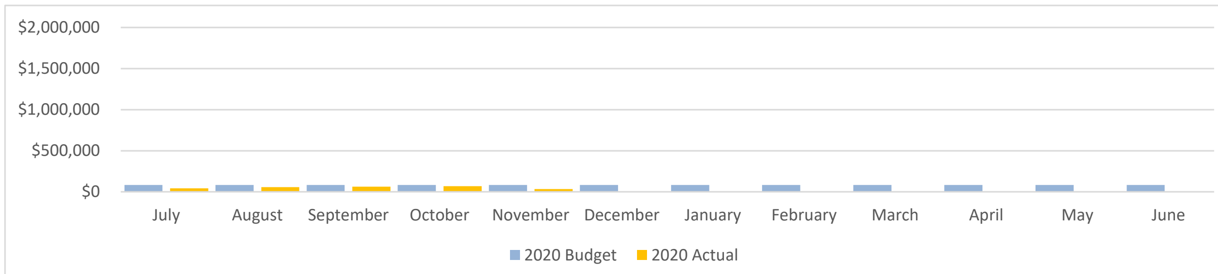
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



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

FY20 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	$56,035	($22,683)	-28.8%	($26,366)	-32.0%
September	$22,161	$82,401	$61,607	$39,446	178.0%	($20,794)	-25.2%
October	$38,812	$82,401	$68,431	$29,619	76.3%	($13,970)	-17.0%
November	$10,020	$82,401	$33,400	$23,380	233.3%	($49,001)	-59.5%
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*	**$261,357** *Total*	**$13,592** *Average* **$67,958** *Total*	**35.1%** *Average*	**($30,129)** *Average* **($150,647)** *Total*	**-36.6%** *Average*

City of Franklin

Finance Department - Monthly Reports

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

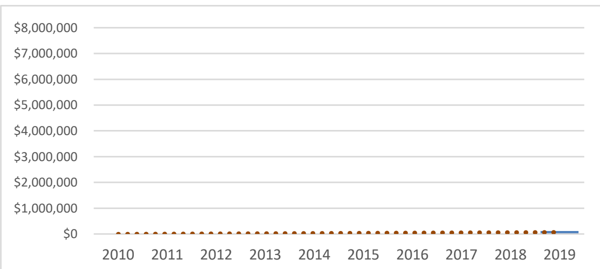
Summary: The Road Impact Fund is a special revenue fund created for the accounting of expenditures in accord with City Ordinance 88-13 on the proceeds of road impact fees from new development. These funds can be used to pay for new arterial roads, directly or through payment of debt service on bonds 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 January 2020: 2020 year-to-date compared to 2019 is 1185% more, and compared to 2020 budget is less by 89.6%.

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.

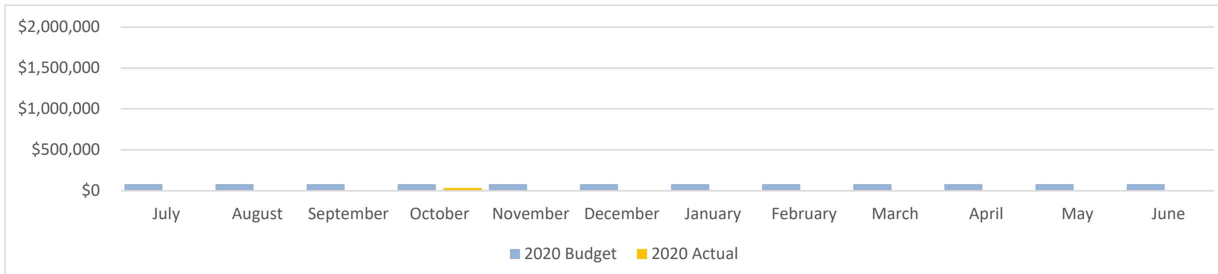
Yearly Summary



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

Average Increase (Decrease) **$ 115,817**

FY20 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%	($82,401)	-100.0%
September	$0	$82,401	$0	$0	0.0%	($82,401)	-100.0%
October	$0	$82,401	$36,239	$36,239	0.0%	($46,162)	-56.0%
November	$3,340	$82,401	$0	($3,340)	-100.0%	($82,401)	-100.0%
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 *Total*	**$988,809** *Total*	**$42,919** *Total*	**$7,916** *Average* **$39,579** *Total*	**1185.00%** *Average*	**($73,817)** *Average* **($369,085)** *Total*	**-89.6%** *Average*

City of Franklin

Finance Department - Monthly Reports

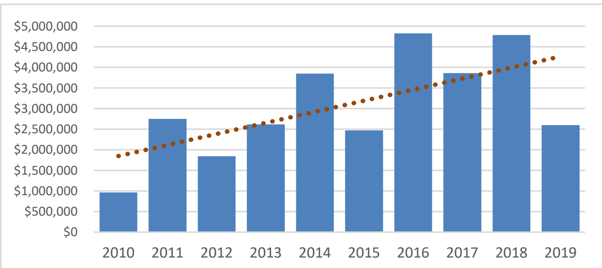
Schedule 4:	Facilities Tax (City)	Fund	Facilities Tax	Account:	130-31600-00000

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 January 2020: 2020 year-to-date compared to 2019 is 42.6% more, and compared to 2020 budget is more by 31.9%.

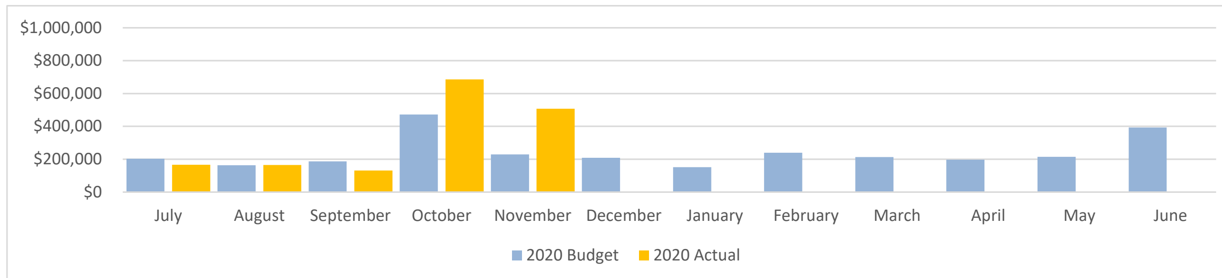
Note: Fees collected from Road Impact and Facilities Tax assessments are one time revenues used to fund infrastructure improvements and are highly dependent upon timing of development.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
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)		**$148,290**	**24.6%**

FY20 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	$165,263	($172,121)	-51.0%	$1,826	1.1%
September	$367,428	$186,681	$131,262	($236,166)	-64.3%	($55,419)	-29.7%
October	$152,305	$472,682	$685,211	$532,906	349.9%	$212,529	45.0%
November	$163,543	$229,808	$507,454	$343,911	210.3%	$277,646	120.8%
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**	**$1,655,580**	**$98,881**	**42.6%**	**$80,117**	**31.9%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$494,407		**$400,587**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

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

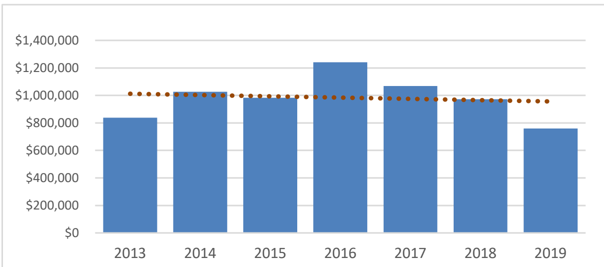
Summary: City's share of Williamson county's Adequate School Facilities Tax. 30% of the proceeds are distributed to the incorporated cities within the county, and an additional 30% is divided pro rata among the incorporated cities based on population in the last decennia census. All funds are to be used 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 January 2020: 2020 year-to-date compared to 2019 is 26.1% more, and compared to 2020 budget is 24.4% 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.

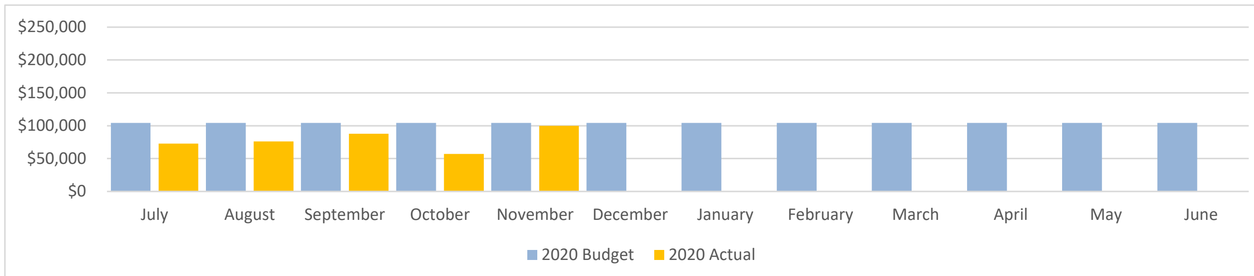
Note: Recorded in Capital Projects Fund beginning in FY 2011 (as per Resolution 2010-69). In June 2017, the County Facilities Tax Fund was created. Funds remaining in the Capital Projects Fund were transferred to the new fund.

Yearly Summary



Fiscal Year	Amount	$ Inc./ (Dec.) from Prior Year	% Inc./ (Dec.) from Prior Year
2010	County Facilities Tax receipts began in FY 2012.		
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%**

FY20 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	$76,092	($2,991)	-3.8%	($28,074)	-27.0%
September	$68,790	$104,167	$87,657	$18,867	27.4%	($16,510)	-15.8%
October	$43,831	$104,167	$57,229	$13,398	30.6%	($46,937)	-45.1%
November	$69,138	$104,167	$99,791	$30,653	44.3%	($4,376)	-4.2%
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**	**$393,602**	**$16,314**	**26.1%**	**($25,446)**	**-24.4%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$81,571		**($127,232)**	
				Total		*Total*	

City of Franklin

Finance Department - Monthly Reports

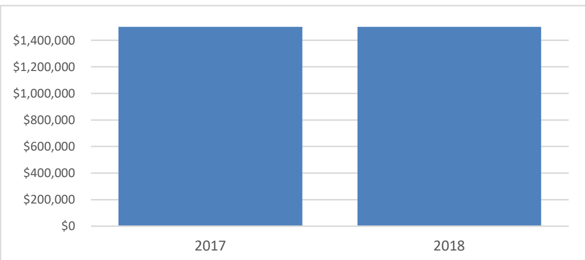
Schedule 6:	Gasoline Tax	Fund	Street Aid	Account:	121-33220-00000

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 January 2020: The gasoline tax remittance from the State of Tennessee for October 2019 sales (received by the City in December 2019) was $233,080 compared to $220,706 for the same month in 2018, an increase of $12,374 or 5.6%.

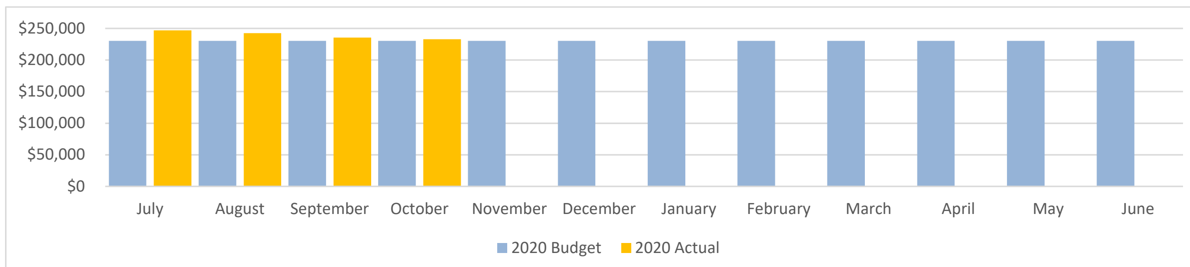
For budget comparisons, the City anticipated collections of $230,168 for October 2019, a difference of $2,913 more, or 1.3%.

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%
2019	$2,630,997	$110,494	4.4%
Average Increase (Decrease)		**$ 223,734**	**10.9%**

FY20 Month by Month Summary



Month	2019 Actual	2020 Budget	2020 Actual	$ Inc./(Dec.) from 2018 Actual	% Inc./(Dec.) from 2018 Actual	$ Inc./(Dec.) from 2019 Budget	% Inc./(Dec.) from 2019 Budget
July	$229,765	$230,168	$246,917	$17,153	7.5%	$16,750	7.3%
August	$232,096	$230,168	$242,660	$10,564	4.6%	$12,492	5.4%
September	$221,623	$230,168	$235,580	$13,956	6.3%	$5,412	2.4%
October	$220,706	$230,168	$233,080	$12,374	5.6%	$2,913	1.3%
November	$215,260	$230,168			0.0%		0.0%
December	$225,152	$230,168			0.0%		0.0%
January	$200,580	$230,168			0.0%		0.0%
February	$177,657	$230,168			0.0%		0.0%
March	$233,543	$230,168			0.0%		0.0%
April	$220,703	$230,168			0.0%		0.0%
May	$231,331	$230,168			0.0%		0.0%
June	$222,579	$230,168			0.0%		0.0%
	$2,630,997	**$2,762,012**	**$958,238**	**$13,512**	**6.0%**	**$9,392**	**4.1%**
	Total	*Total*	*Total*	*Average*	*Average*	*Average*	*Average*
				$54,048		**$37,567**	
				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 January 2020: The loss for November 2019 was $6,258 compared to a gain of $63,790 for the same month in 2019, a decrease of $70,048.

MONTHLY - Conference Center Financials Jul 19-Jun 20

	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	660,449	824,870	893,814	562,467								3,269,317
House Profit	(32,143)	192,021	247,417	322,294	91,459								821,048
Less: Fixed Expenses	77,998	59,227	69,174	84,160	75,852								366,411
Net Income	(11,141)	132,794	178,243	238,134	15,607								553,637
Less: FF&E Reserve 5%	16,386	33,025	41,244	44,691	28,123								163,469
Net Cash Flow	(126,527)	99,769	136,999	193,443	(12,516)								291,168
City 1/2	(63,264)	49,885	68,500	96,722	(6,258)	-	-	-	-	-	-	-	145,584

MONTHLY - Conference Center Financials Jul 18-Jun 19

	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)	45,433	28,131	(46,764)	(70,048)							

City of Franklin Grants
for November 30, 2019
as of January 3, 2020

	Grant Name	Department	Grant Total	Reimbursable Amount Spent		Amount Reimbursed		Amount Requested		Amount Spent Not Yet Requested	Bal Remaining (Grant Total - Reimb Amt Spent)
1a	CBDG	BNS	$246,747	$239,257	=	$239,257	+	$0	+	$0	$7,490
1b	CBDG	BNS	$264,629	$201,314	=	$201,314	+	$0	+	$0	$63,315
1c	CBDG	BNS	$274,706	$270,704	=	$270,704	+	$0	+	($0)	$4,002
1d	CBDG	BNS	$280,410	$277,410	=	$277,410	+	$0	+	$0	$3,000
1e	CBDG	BNS	$263,690	$253,690	=	$253,690	+	$0	+	$0	$10,000
1f	CBDG	BNS	$318,360	$230,820	=	$210,852	+	$74,370	+	$4,774	$87,540
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	Engineering	$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	Engineering	$1,280,000	$315,945	=	$147,967	+	$9,381	+	$116,553	$964,055
4	SR-96 (Murfreesboro Rd) Traffic Signal Improvements	Engineering	$1,586,600	$0	=	$0	+	$0	+	$0	$1,586,600
5	SR-96 Multi-Use Trail	Engineering	$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	Engineering	$10,000,000	$0	=	$0	+	$0	+	$0	$10,000,000
7	Safe Routes to School Project, Hunters Bend Elementary (SRTS)	Engineering (SRTS)	$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	Engineering	$14,172,004	$12,242,741	=	$11,601,460	+	$0	+	$641,281	$1,929,263
9	SR-6 (Columbia Ave) from SR-397 (Mack Hatcher Pkwy) to Downs Blvd **ONLY DESIGN**	Engineering	$21,000,000	$1,467,101	=	$1,137,332	+	$185,879	+	$101,155	$19,532,899
10	Gatlinburg Aid (Fire)	Fire	$31,161	$31,161	=	$0	+	$31,161	+	$0	$0
11	Florence Aid (Flood)	Fire	$89,497	$89,497	=	$44,748	+	$44,748	+	$0	$0
12	Florence Aid (Flood)	Fire	$2,924	$2,924	=	$0	+	$2,924	+	$0	$0
13	Sound Off with Home Fire Safety Patrol	Fire	$1,000	$1,000		$1,000	+	$0	+	$0	$0
14	TAEP Community Tree Planting	Parks	$6,525	$5,448	=	$5,448	+	$0	+	$0	$1,077
15	Acquistion of Spivey Tract	Parks	$637,500	$637,500	=	$637,500	+	$0	+	$0	$0

City of Franklin Grants
for November 30, 2019
as of January 3, 2020

	Grant Name	Department	Grant Total	Reimbursable Amount Spent		Amount Reimbursed		Amount Requested		Amount Spent Not Yet Requested	Bal Remaining (Grant Total - Reimb Amt Spent)
16	Hayes House Window Restoration	Planning	$22,200	$0	=	$0	+	$0	+	$0	$22,200
17	Hincheyville Historic District	Planning	$6,000	$4,770	=	$0	+	$4,770	+	$0	$1,230
18	Governor's Highway Safety Office-Franklin Fight Against Impaired Driving	Police	$25,000	$6,615	=	$6,615	+	$0	+	$0	$18,385
19	Governor's Highway Safety Office-Network Coordinator	Police	$20,000	$11,753	=	$11,753	+	$0	+	$0	$8,247
20	Governor's Highway Safety Office-Network Coordinator	Police	$20,000	$5,435	=	$5,426	+	$0	+	$0	$14,565
20	Bulletproof Vest	Police	$3,518	$3,518	=	$0	+	$3,518	+	$0	$0
21	Replacement Vehicle - PM- Planning & Equipment	Transit	$714,640	$685,590	=	$685,590	+	$0	+	$0	$29,050
22	Allocation for 5307 FY2012	Transit	$1,915,995	$1,323,649	=	$1,323,649	+	$0	+	$0	$592,346
23	FY 14 5307 Allocation	Transit	$1,715,113	$839,813	=	$839,813	+	$0	+	$0	$875,300
24	FY 16 5307 Allocation	Transit	$995,235	$694,426	=	$694,166	+	$260	+	$0	$300,809
25	FY 2015 5339 - Capital Cost of Leasing	Transit	$112,500	$73,803	=	$72,797	+	$1,006	+	$0	$38,697
26	5307 FY Application	Transit	$969,118	$961,368	=	$961,368	+	$0	+	$0	$7,750
26	5307 FY Application	Transit	$1,325,546	$906,455	=	$873,197	+	$33,258	+	$0	$419,091
27	FY 2019 Urban Operating Assistance Program	Transit	$266,900	$266,900	=	$266,900	+	$0	+	$0	$0
	TOTALS		**$61,683,839**	**$22,745,838**		**$21,448,664**		**$400,516**		**$869,200**	**$38,938,000**

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