
MEETING MINUTES
BUDGET & FINANCE COMMITTEE
CITY OF FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
THURSDAY, FEBRUARY 18, 2010 @ 5:00 P.M.

Committee Members

Alderman Ann Petersen, Chair P
Alderman Ken Moore, Vice Chair P
Alderman Beverly Burger P
Alderman Michael Skinner P

Other Attendees

Eric Stuckey, City Administrator P
Russell Truell, ACA Finance & Administration P
Vernon Gerth, ACA Community & Economic Development P
Becky Caldwell, Solid Waste Director P
Lisa Clayton, Parks Director P
Jackie Moore, Police Chief P
Shirley Harmon, Human Resources Director P
David Rahinsky, Assistant Police Chief P
Joe York, Streets Director P
Mike Culbertson, Deputy Fire Chief P
Todd Horton, Assistant Fire Chief P
Mayor John Schroer P
Alderman Clyde Barnhill P
Lanaii Benne, Assistant City Recorder A
Linda Fulwider, Board Recording Secretary P

1. Call to Order

Alderman Petersen called the meeting to order at 5:00 p.m. in the Boardroom.

2. Approval of the Minutes

Alderman Skinner moved to approve the January 21, 2010 meeting minutes as presented. Seconded by Alderman Burger. Motion carried unanimously.

- Alderman Petersen announced Item 6 would be addressed before Item 5.

3. Discussion of the Auditor's Report for Fiscal Year 2009. Report on Conference Call with Auditor

Russ Truell, ACA Finance & Administration

Mr. Truell reported since Alderman Petersen was the only alderman to have questions for the auditor it was decided to have a conference call with Mr. Hewitt, Alderman Petersen, Eric Stuckey, and Mr. Truell instead of Mr. Hewitt coming to the meeting to address questions.

Items addressed:

- What can be done about the deficiency in the Facilities Fund Balance because of money spent on the new Police Headquarters?
- Mr. Hewitt advised many other cities were in the same situation; however, Franklin was fine. He suggested a formal policy be drafted on how to pay the fund if tax revenues don't meet expectations. Mr. Truell said a transfer from the General Fund could be made to Facilities. Staff will know where it stands by June 30. Should only be concerned if the balance lingers for a long period. It is a significant shortage, \$3 million; if building activities don't pick up the City will need a defined plan. Mr. Hewitt suggested payback over five years.

- The ability of Road Impact Fees to pay Debt Service. Approximately \$2 million budgeted this year.
- Mr. Truell said, as with the above, see where this stands June 30 before addressing the concern.
- What will be done with the Franklin Industrial Development Board if there is not enough money to pay Nissan bonds?
- Mr. Truell noted money from the TIF District is large enough to cover, yet there is an outstanding loan. (This was not a question for the auditor)
- Increase in Debt Per Capita and Debt as Personal Income.
- Mr. Hewitt had responded everyone took a hit on this; it is something to watch and know the numbers. Franklin numbers are not out of line and are favorable compared to other cities.

4. Budget Presentation: Fire Department

Rocky Garzarek, Fire Chief

Mike Culbertson and Todd Horton made the presentation in Chief Garzarek's absence.

- Accomplishments highlighted
- Call volume increased by 3%
- As of January 2010 paramedics stationed in all six firehouses
- Significant savings in fuel consumption (even with increased runs) accomplished by - video conferencing in lieu of driving to class locations, and using Fleet Maintenance for routine maintenance plus other cost saving measures by Fleet Maintenance
- Overtime reduced from \$472,000 in 2007 to \$75,000 proposed. Realized with Swap Time Program, Kelly Day Off, and a change to 28 day work cycle.
Sustainability initiatives include refurbishing and using apparatus from an old truck on a new truck chassis reducing the cost of a new truck by \$120,000.
- Performance measures, 4.4 minute response time 90%, fire containment to one room 97%, fire suppression 100%.
- Challenges to meet response time objectives include repercussions of current economy, gated communities, traffic calming devices, and the lack of connectivity between developments.
- There were 45 structure fires in 2009
- The Department retained its insurance rating of Class II

Alderman Burger asked how much it costs to start an engine as she was told it was quite costly. Also, how costly to take trucks out to go to the grocery. Mike Culbertson explained trucks must be started every day to assure electronics, air brakes and all else is in working order, including exercising the towers and ladders. To take one's personal vehicle for a food run becomes an insurance problem. Also, if there were a fire call, the individual would have to go back to the station instead of being able to respond directly to the call. One food run a day with only one vehicle per station is allowed. These runs are used to check out the vehicles as well.

Alderman Skinner asked about response time numbers and was told the numbers can fluctuate dependent on location, time of day, if school is in session, etc. He then asked the break-even point for special repair, such as the larger vehicles and ones that cannot be repaired by Fleet Maintenance. Chief Horton estimated \$30,000 could be saved in repair of large fleet apparatus. Mr. Stuckey clarified Fleet Maintenance is limited by the size of the facility not the capabilities of staff. They are looking at cost effective ways to better serve fleet needs.

Alderman Petersen thought the capital amount was high. Chief Horton responded they have not been directed where to make cuts since this is the preliminary budget; however, most of the figures are down payments. There is a cost break with a significant down payment on a fire truck with the balance paid on delivery. It takes a year to build a fire truck.

Mayor Schroer asked about the \$191,000 for computer software as it is a much higher than in past years. Chief Horton explained much of it is computer hardware to replace Mobile Data Terminals (MDT), the ruggedized computers in the fire apparatus. They have reached their six-year lifespan and are constantly out for repair; \$80,000 is for replacement of the computers in fire trucks. Alderman Burger asked if computers could be leased. Mr. Stuckey advised that could be looked into although it is not always feasible.

Salary increases: looking at 2009 numbers without raises. Mr. Stuckey said the projection is flat across the board. Perhaps down the line cost of living increases will be considered. No positions are being added. Chief Horton noted the paramedic graduates will receive a pay upgrade to the paramedic level. Administration incorporated restrictions on how much to fund for vacancies; 2.5% across board with all departments.

5. Budget Presentation: Police Department and Drug Fund

Jackie Moore, Police Chief

Chief Moore and Assistant Chief Rahinsky presented.

- Statistics on increase in population and increase in calls reviewed
- Staffing numbers reviewed
- Received \$50,000 in grants
- 2010 moving to the new LEED certified headquarters
- Arrests and convictions reviewed
- One incident an officer fired upon. Perpetrator in custody within three days.
- Routine car stop revealed driver wanted by Interpol
- Received several recognitions for excellence in law enforcement and in canine competition
- Launched the Anonymous Text Tip Program that received national attention
- Initiated Cry Wolf False Alarm Program, Speed Spy, Officer Accountability Program
- Overtime reviewed every 90 days
- Total personnel budget for 2011 @ \$11,767,655
- Equipment Rental and Lease \$481,000 moving from Capital to Equipment Lease
- Looking to systematically rotate vehicles. There are 175 vehicles in the fleet.
- Investigating possibility of leasing 32 police vehicles and removing older vehicles from the fleet. Maintenance and repair cost of the older vehicles high. The same number of vehicles would not be leased each time.
- Can lease vehicles stripped or fully outfitted. Considering Ford Crown Victoria, Chevrolet Impala and Dodge Charger. Length of leases would be five years.
- Lesser models not suitable due to size of cages to be installed and amount of equipment needed in a police vehicle.
- Some vehicles are long-life that cannot be leased, for example SWAT vehicles.
- One officer per vehicle promotes pride in keeping the car in good shape, thus prolonging the life of that vehicle, as does the ability to take those cars home if the officer lives within the County.
- Many officers are on constant call back and response time would be reduced if an officer had to come back to pick up a police vehicle.
- With paring down in this economy should some things be done differently?

- Size of the budget a concern to some because when the revenues pick up the effect will not be immediately felt
- 80% of the budget is salary, wages and benefits. Chief Rahinsky related they trimmed the 20% as much as they could without cutting services.
- Much of the increase is in the new building – utilities, maintenance and computer services
- Overtime pay continues to be of concern to the aldermen, especially on Court days. Mr. Stuckey stated that the Department has been asked to look closely at overtime including alternative scheduling such as 12-hour shifts.
- Line item 82510 is licensing and contract fees that recur every year - \$130,000 if for VisionAir
- Line item 83540 is for 17 replacement desktop computers, 25 replacement MDT's, 6 monitors, and 6 wireless keyboards and mice. These will be purchased through State contracts and/or buying groups.
- Item 87500 is for the cars
- Items 89540 and 89550 are in Capital

6. Budget Presentation: Solid Waste Department

[Taken before police]

Becky Caldwell, Solid Waste Director

Sustainability measures

- BOPAE drop-off (53,898 lbs.)
- Commercial Cardboard Recycling
- City Office Plastics/Aluminum Recycling
- Extended use of 800 MHz radio system
- Metal recycling

Administration Division

- Approved FY 2010 \$391,373
- Requested FY 2011 \$336,979
- Continue using on-site staff for building and facilities maintenance and ground maintenance
- Utilities considerably lower than budgeted based on the first half of FY 2010 (all Solid Waste utilities budget in this division)
- Request travel and training expenses for continuing education units to maintain Director's existing industry certifications, to include training and testing for Recycling Manager certificate
- Increase in vehicle repair and maintenance serviced based on moving Fleet Maintenance budget to the Street Department.

Collection Division

- Approved FY 2010 \$2,848,441
- Requested FY 2011 \$3,529,648
- Added \$12,500 in Temporary Work account based on FY 2010 needs
- Increase in Vehicle Repair & Maintenance Services (\$160,000) based on moving Fleet Maintenance budget to Street Department
- Increase in fuel (\$21,902) based on average use during the past three years
- Request for addition of one truck shed (\$175,000) to cover remainder of existing and future fleet
- Request for fleet replacements (\$305,512) increased over last year based on needs for trucks and equipment
- Capital –
- Replace two units with budget of \$245,000 each
- Replace one unit with budget of \$88,000

- One additional truck shed \$175,000
- Replace one Container Delivery and Repair Truck budgeted \$19,900
- Replace one SUV with pickup truck (add this unit as pool vehicle)

Disposal Division

- Approved FY 2010 \$3,080,391
- Requested FY 2011 \$3,955,040
- Increase Landfill & Biosolid Management (\$650,000) based on FY 2009 tonnage with increase in landfill tip fees
- Increase in Vehicle Repair & Maintenance Services (\$170,000) based on moving Fleet Maintenance budget to Street Department
- Increase (\$40,000) in Building Maintenance Services based on need for asphalt replacement with concrete at the transfer station.
- Increase in fuel (\$16,831) based on average use during the past three years.
- Request for fleet replacements (\$1,200) increased over last year based on needs for trucks and equipment
- Replace one road tractor \$104,000
- Replace two transfer trailers \$110,000 each
- Replace one pickup truck with 4-wheel drive pickup truck budgeted \$22,200
- Continue to look at less expensive options with used vehicle(s), leased or outright purchase

Blue Bag Curbside Recycling Program

- Initial equipment needs; 3 mini-packer trucks @580,000 per truck.
- Lease option could be used during the pilot program.
- Assuming 15% of 22,246 tons diverted (3,336.90 tons) estimated avoided annual costs \$117,690.15
- Net annual cost \$163,185.78
- Recycling program not factored in preliminary budget; it has yet to be approved.
- Options with staffing. Have three unfunded vacancies; could fill the need for recycling program.

Discussion:

- Ms. Caldwell and Joe York served on a committee to look at vehicle policies.
- Pool vehicles across departmental lines
- Need Regional Landfill
- Alderman Burger surveyed her constituents and they favor a pilot program for recycling

7. Consideration of Proposed ORDINANCE 2010-15, An Ordinance of a Budget Amendment to Drug Fund to Account for Purchase of Audio Visual Equipment at Police Headquarters

Brad Wilson, Facilities Project Manager

After the adoption of the original budget it was learned the audio/visual equipment designated for the new police building is eligible for funding from confiscations that are reserved in the Drug Fund. Staff recommends adoption of the amendment to allocate and appropriate funding changes.

Alderman Moore moved to recommend BOMA approve Ordinance 2010-15. Seconded by Alderman Burger. Motion carried unanimously.

8. Consideration of Street Resurfacing Listing

Joe York, Streets Department Director

Street Resurfacing Listing 2009-2010 through 2021-2022 distributed. Mr. York related they took several

weeks to inspect every street in the City. Annual costs to resurface included on the last page of the report. The present cost of asphalt was used in the calculations. The cost of asphalt does fluctuate and would change the schedule somewhat as the department can only use what is budgeted every year. The report was generated by ward for the ward aldermen.

Russ Truell said the pattern has been to spend the amount produced by the gas tax. This year it was augmented with an appropriation from the General Fund; the prior year resurfacing was cut back due to the high price of asphalt.

Alderman Skinner asked about the sidewalk survey and was told it is in progress; however, it is complicated because of funds.

9. Consideration of Proposed ORDINANCE 2010-16, An Ordinance of a Budget Amendment for Road Impact Study

Russ Truell, ACA Finance & Administration

Alderman Burger moved to recommend BOMA approve Ordinance 2010-16. Seconded by Alderman Moore. Motion carried unanimously.

10. Consideration of Proposed ORDINANCE 2010-17, An Ordinance of a Budget Amendment to Fund Condemnation of Boyd Mill & Carlisle Right-of-Way Purchase

Russ Truell, ACA Finance & Administration

Alderman Moore moved to recommend BOMA approve Ordinance 2010-17. Seconded by Alderman Burger. Motion carried unanimously.

11. Consideration of March 18 Meeting Date

Russell Truell, ACA Finance & Administration

A reminder of the next meeting date. Alderman Moore cannot attend the March meeting; however, the budgets to be addressed should be available in ample time for review and input by Alderman Moore.

ADJOURN

Alderman Skinner moved to adjourn. Meeting adjourned 7:22 p.m.

Ann Petersen, Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office – 4/23/2010 1:13 PM