

# **TOWN OF FARRAGUT**

## **TENNESSEE**



**FISCAL YEAR 2014-2015**

**ANNUAL BUDGET**



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## Town of Farragut Officials

### TOWN OF FARRAGUT

#### TOWN OFFICIALS

##### ***Board of Mayor and Aldermen***

*Ralph McGill*

Mayor

*Ron Honken, Alderman*

*Jeff Elliott, Alderman*

*Mary Dorothy LaMarche, Vice-Mayor*

*Robert "Bob" Markli, Alderman*

##### ***Leadership Team***

*David Smoak*

Town Administrator

*Gary Palmer*

Assistant Town Administrator

*Janet Curry, Human Resources Manager*

*Mark Shipley, Community Development Director*

*Bud McKelvey, Public Works Director*

*Darryl Smith, Town Engineer*

*Allison Myers, Town Recorder/Treasurer*

*Sue Stuhl, Parks & Leisure Services Director*



The Town of Farragut was incorporated on Jan. 16, 1980 and was named after Admiral David Glasgow Farragut, the first admiral of the United States Navy, who was born in the Farragut area.

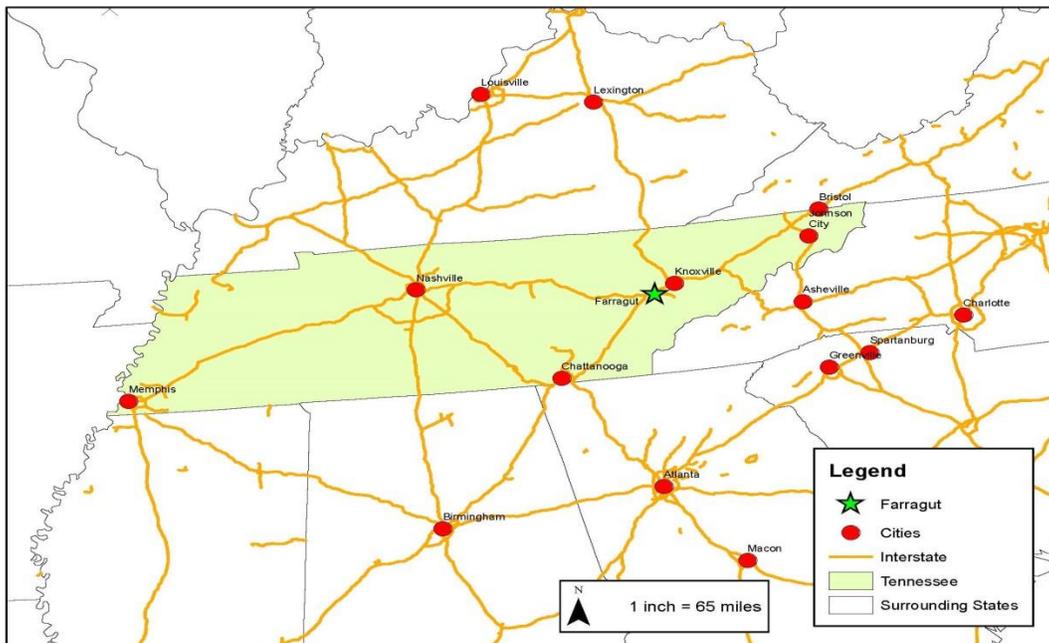
Farragut has significant historic presence, which includes the well-known Campbell Station Inn and the Battle of Campbell Station. The Campbell Station Inn, built in the early 1800s, still exists today and is located at the northeast corner of Campbell Station Road and Kingston Pike. At its height, the Inn served as a stopping place for families, hunters and stock drivers passing through Knoxville and notable guest at the Inn include President Andrew Jackson and Tennessee Governor John Sevier.

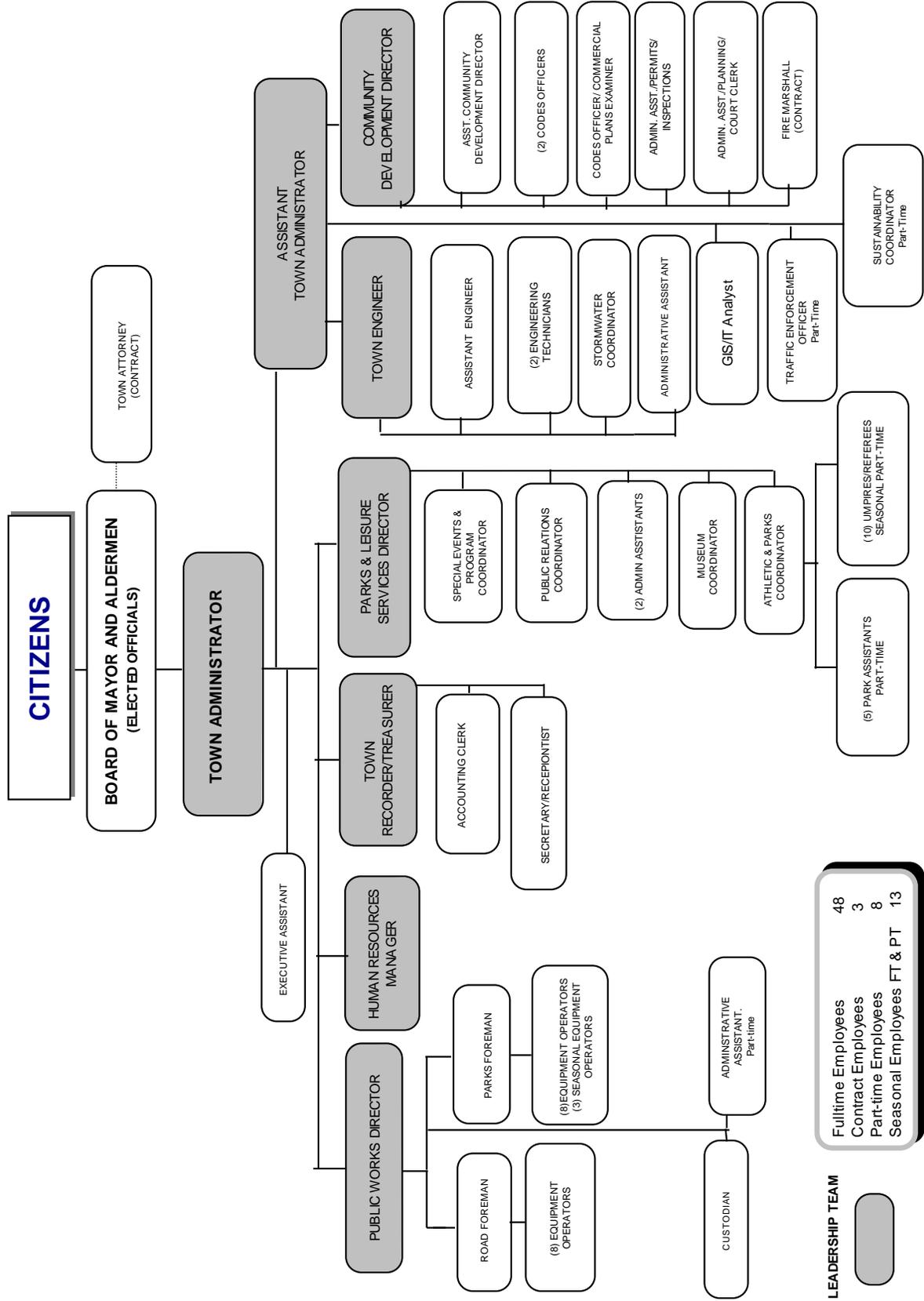
Civil War history includes the Battle of Campbell Station, which took place on Nov. 16, 1863, and was fought on land surrounding the Farragut Town Hall. This decisive battle involved Burnside's Union forces defeating Longstreet's

Confederate forces as they marched toward Knoxville.

In 2010, a Civil War Trails Historical Marker was dedicated on the grounds of the Town Hall to commemorate this battle. Today, Farragut is primarily a bedroom community serving the business, educational, and industrial sectors of Knoxville, Tennessee, and the United States Government facilities located at Oak Ridge, Tennessee.

The Town of Farragut is located in Knox County on the southwestern limits of the City of Knoxville, Tennessee, and is in close proximity to the City of Oak Ridge, Tennessee. Farragut was first settled in the early 1800's and was essentially an agrarian community until the early 1960's. It is now one of the most rapidly developing residential areas of Knox County.





Fulltime Employees	48
Contract Employees	3
Part-time Employees	8
Seasonal Employees FT & PT	13

**LEADERSHIP TEAM**

Dr. Ralph McGill, Mayor

Mary Dorothy LaMarche, Vice Mayor  
David Smoak, Town Administrator  
Allison Myers, Town Recorder



Ron Honken, Alderman  
Robert N Markli, Alderman  
Jeff Elliott, Alderman

Dear Farragut Citizens:

The Farragut Board of Mayor and Aldermen and the Town staff are pleased to present the 2015 Fiscal Year (FY) budget. During the budget planning and development process the elected officials and Town staff evaluated the community's needs and the local government's role in meeting them. The Town staff has prepared a fiscally conservative and balanced budget, which reflects the exceptional level of service provided to Farragut residents. The FY15 budget priorities are: construction of important roadway improvements, pedestrian connections, and park infrastructure upgrades.

In February, the Board of Mayor and Aldermen updated the Town's Strategic Plan 2025, outlining priorities for the current year. The Strategic Plan provides a road map for the Town's future, aligning Farragut's vision, goals and objectives for the next 15 years and beyond. Furthermore, the FY15 General Fund and CIP budgets were approved with the purpose of striving to meet the goals identified in the Strategic Plan.

In addition, specific and measurable objectives were created to help staff measure performance across departments and gauge success. Together, the Strategic Plan, goals, and objectives bring added focus to our work and to the direction provided in the budget process.

### **Economic Outlook**

Today the local economy continues to rebound from the most significant economic downturn since the Great Depression. The Farragut area continues to experience economic growth levels that exceed almost any other region in the country. New subdivisions are currently under development in Farragut and there continues to be strong interest from developers to initiate more residential projects. At the same time, the residential real estate market continues to remain strong. Finally, commercial development remains strong with an increase in the redevelopment of commercial areas.

Although the local economy is steady and this provides a positive outlook heading into FY15, there is some uncertainty about external factors that impact the local economy.

There are growing concerns with the state legislature and its evolving philosophy regarding the perceived need to rein in local government authority. The recently completed legislative session saw the effective elimination of annexation by Town initiative leaving much uncertainty about future growth patterns and questions about efficient extension of services in areas requesting annexation. Efforts to repeal the Hall Income Tax, and several other local government related issues, and there begins to

emerge a pattern of actions that may serve to limit local governments' ability to effectively and efficiently manage their day to day delivery of services to residents.

Such "challenges" make it imperative that we continue to position the Town of Farragut to meet the demands of an uncertain future. While it is essential to maintain a conservative approach toward financial management and expansion of services, we should never forget why our residential and corporate citizens choose to be in Farragut. The Town of Farragut is able to deliver essential community services in a cost effective manner, while investing in infrastructure and facility improvements that enhance the quality of life for our residents as well as our desirability as a community.

### **Core Principles for Preparation of this Budget**

**Long Range Planning and Direction Established** - The Capital Investment Program is an essential component of the Town's budget process and allows for broader understanding and deliberation on the essential long-term capital needs of a developing Town. The Strategic planning process, approved by the Board of Mayor and Aldermen, provides direction to staff on the mutually agreed upon needs of the community.

**Capital Investments Funded** – The Town's FY15 Capital Investment Program (CIP) is \$5,581,250. The CIP budget emphasizes the continuation of investing in the design and construction of capital projects and major infrastructure. Some areas of focus are: park improvements, street widening and new infrastructure – all essential to future growth and development.

The major funding source for the FY15 CIP is the General Fund operating transfer of \$3,000,000 before June 30, 2015. The transfer is possible due to positive revenue collections over the past few fiscal years. Managing capital investments in a fiscally conservative way allows the Town to reduce the amount of long-term debt that would otherwise be needed to meet the needs of the community.

**Cost Effective Service Delivery** - The FY15 budget was formulated on the belief that, regardless of the sound financial position of the Town, Farragut must always look for ways to maintain and improve existing services, while minimizing potential long-term costs.

Municipal service delivery, by its very nature, is a labor-intensive endeavor. Roughly 60% of the total General Fund budget is allocated to personnel services. Municipal departments continue to focus on identifying equipment, technology and processes that allow existing employees to deliver community services more efficiently.

The FY15 proposed budget reflects an increase of one (1) full-time Equipment Operator in Public Works. All other positions remain the same as FY14. A chart reflecting the major budget changes from FY14 to FY15 follows.

<b>Budget Enhancements</b>		
<b>Enhancement</b>	<b>Department</b>	<b>Reason</b>
<b>Additional Equipment Operator</b>	Public Works	Increased workload
<b>Two-wheel drive truck</b>	Public Works	For use instead of transportation via dump trucks
<b>Infrastructure Review</b>	Engineering	Documentation of town wide infrastructure conditions
<b>Digitizing of records and large construction plans</b>	Administration/Development	To reduce the number of documents in the vault and to have documents readily accessible electronically
<b>Board Room Audio/Visual upgrade</b>	Administration/IT	Upgrading of equipment for better quality of audio and video internally and for broadcasting
<b>2% Merit Increase</b>	All departments	Employee Recognition
<b>Budget Impacts</b>		
<b>Impact</b>	<b>Department</b>	<b>Reason</b>
<b>Mixed Drink Tax</b>	Revenues	The Town pays Knox County 50% of the Mixed Drink Tax it receives from the State of Tennessee

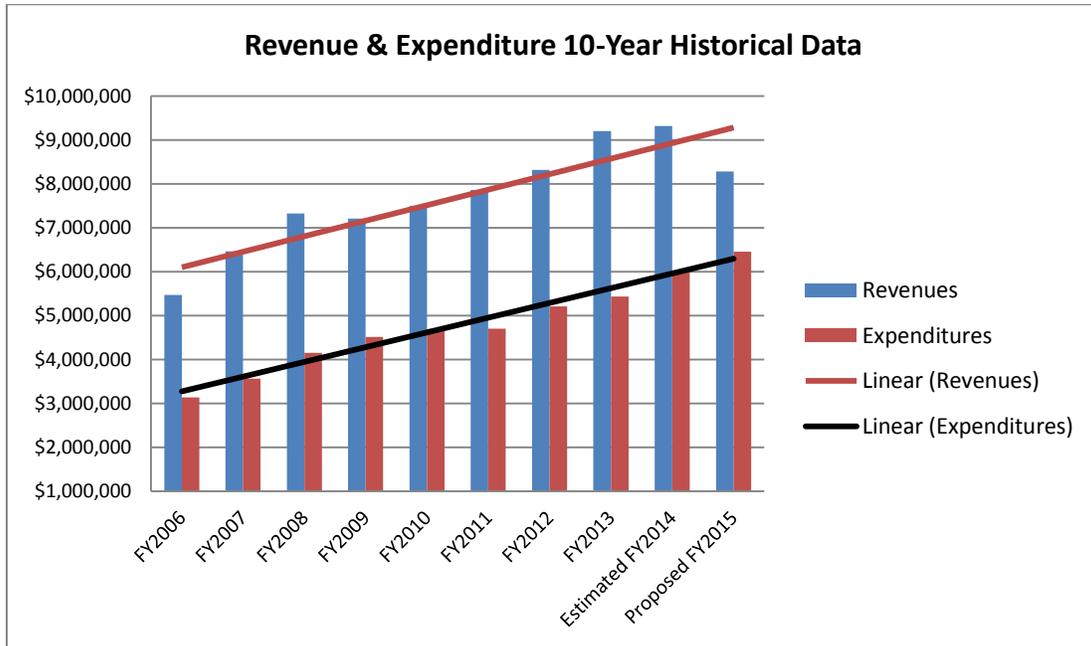
**Quality Employees** - By necessity, the provision of responsive, quality public services with a lean staff requires the very best people in our organization. The ability to deliver services efficiently and effectively to residential and corporate citizens means that Farragut is able to attract and retain the most qualified and competent employees for each position. In addition, the Town competes in a competitive labor market with surrounding jurisdictions for essential personnel. Accordingly, a competitive salary and benefits package is essential to attract, retain, and motivate outstanding employees. The proposed FY15 budget provides appropriate funding to maintain a competitive pay plan and excellent benefit programs in the areas of retirement, medical and dental coverage, annual/sick leave, etc.

## **GENERAL FUND**

The total General Fund budget is \$6,525,457, which represents an increase of \$326,656 or 5% more than last year's budget of \$6,198,801. The Town of Farragut budget maintains its current level of service and is balanced without dipping into the Rainy Day Fund, which equals 30% of total expenditures.

Since FY06, both revenues and expenditures have steadily increased. The Town has increased staff to accommodate the expansion of projects and services. Since FY06 McFee Park Phases I and II have been

completed; the project includes large pavilions, soccer facilities, a playground and splash pad. The chart below shows the historical data trend lines for both revenues and expenditures over the last several years.

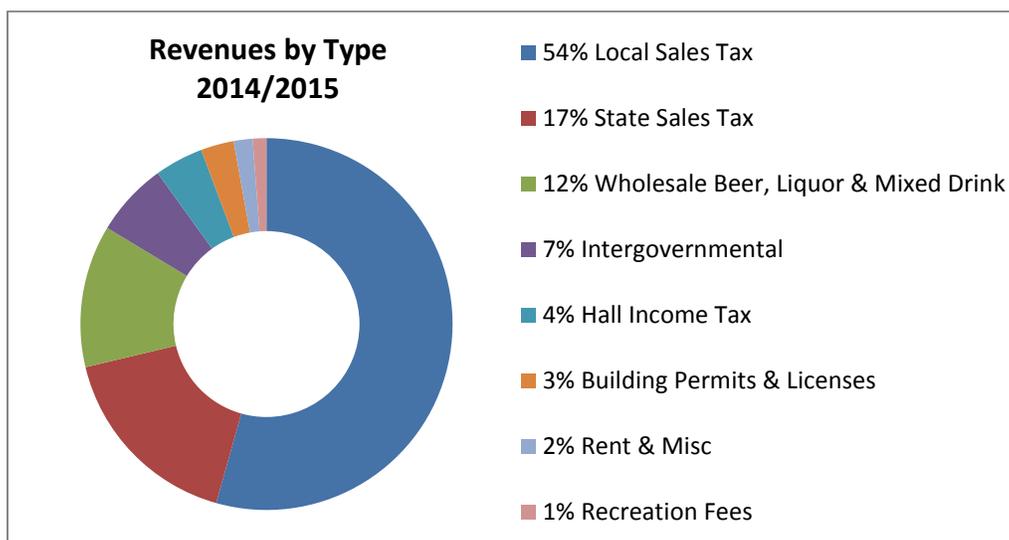


The FY15 budget was developed with a philosophy that the BMA must continually look for opportunities to maintain and improve existing services while minimizing long-term costs.

**REVENUES**

The proposed FY15 General Fund budget will be balanced with projected revenue collections during the fiscal year. Projected revenue for FY15 is \$8,343,501, up \$217,954 or 3% from the FY14 budget of \$8,125,547.

The Town of Farragut does not collect a municipal property tax from its citizens or businesses. The Town The single largest source of the Town’s revenue comes from local sales tax, which has steadily grown with the expansion of commercial development, particularly with the success of the Turkey Creek retail area and the recent addition of Costco. In addition to the local sales tax, the Town also receives a portion of the State of Tennessee sales tax which accounts for 17% of its total revenue. The Town estimates and budgets the revenues for each fiscal year very conservatively. This is due to the primary source of revenue being local sales tax and State shared tax.



While the FY15 budget projects satisfactory revenue growth, there is long term challenges facing the Town that will need to be addressed in future budgets. Specifically, the actions of the state legislature over the past few years leave little doubt that the Hall Income tax is targeted for elimination in the next 5-10 years. From a budget perspective, the Hall Income tax accounts for \$350,000 in budgeted revenue.

Growth in local option sales tax has been the primary source of new revenue over the past 5 - 10 years, and the potential combination of slowing sales tax growth coupled with a reduction in Hall Income tax revenues have the potential to create significant financial challenges.

**EXPENDITURES**

Proposed General Fund expenditures in FY15 are \$6,525,457. The budget adequately covers the operational needs of all departments and investments in equipment, technology, etc. that allow staff to delivery services effectively. Also included in the FY15 budget are transfers to other funds. This includes a \$150,000 transfer to the Equipment Replacement Fund, a \$3,000,000 transfer to the Capital Investment Fund, and a \$120,000 transfer to the State Street Aid Fund.

The Town is completing two important projects this fiscal year. Farragut’s new community brand, launching in the spring of 2015, will identify what makes the Town unique, therefore helping us effectively market ourselves to residents, businesses and visitors. In a similar fashion, the development of new architectural design guidelines, that include elements such as design aesthetics and landscaping of commercial properties, enhance the Town’s appearance, which will likely help expand Farragut’s appeal to residents and visitors.

## **EQUIPMENT REPLACEMENT FUND**

Pursuant to the Governmental Accounting Standards Board (GASB) Statement #54, the Equipment Replacement Fund is considered a component activity of the General Fund for reporting purposes in the Comprehensive Annual Financial Report (CAFR). However, the fund is budgeted separately to simplify the review and oversight of an important activity that provides for the annual accumulation of reserves over multiple years for the purchase of higher cost replacement vehicles and equipment. This approach ensures relative consistency in General Fund budgetary obligations over a multi-year period and avoids major fluctuations in capital purchases in a single year and the borrowing of funds to pay for the purchases. The FY15 proposed budget for the Equipment Replacement Fund is expenditures totaling \$83,000 and a transfer from the General Fund of \$150,000. The expenditures include a new bucket truck to replace an existing truck and an additional 4 ton pick-up truck, both to be utilized in the Public Works Department.

## **STATE STREET AID FUND**

The FY15 proposed budget for the State Street Aid Fund is \$700,000. The State of Tennessee distributes a portion of the state gasoline tax collected per gallon to all cities based on population with the proceeds historically used by Farragut for the annual street-resurfacing program. FY15 projected revenue from the state gas tax is \$535,000. The total investment for resurfacing in FY15 is \$500,000. Resurfacing decisions are made after an annual field inspection and priority ranking of roads relative to condition, use and available funding.

## **INSURANCE FUND**

This fund was created to centralize the payment of all retirement benefit related expenditures. The FY15 expenditures are \$100,000.

## **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to consolidate the acquisition, design and construction of major capital improvements of the Town. The FY15 proposed budget of \$5,581,250 provides funding for a variety of projects in program areas such as transportation, parks and recreation and general facility/equipment. The CIP long-term budget includes expenditures of \$20,333,500 for roadway improvements and park projects through the year 2019.

There are 14 capital projects proposed for funding in FY15. Several of the largest projects include improvements to Everett Road, from Union Road to Split Rail Farm (\$3,500,000); land acquisition (\$500,000); Russell House improvements (\$300,000); and MBLP playground replacement (85,000). More information on the FY15 projects is provided in the detail budget for the Capital Projects Fund.

## **SUMMARY**

The Town of Farragut is currently in a very sound financial position. This publication summarizes our financial condition and highlights our goals and objectives for the upcoming fiscal year. I hope you will take a few minutes to read through the document to learn more.

The Town of Farragut – it's our history, beauty of both the natural and built, high quality residential choices, multiple activity centers, convenient living, outstanding recreational opportunities and community spirit that make us distinctive.

Respectfully Submitted,

David Smoak  
Town Administrator



<b>Fund Summary</b>	<b>General</b>	<b>Capital Investment Program</b>	<b>State Street Aid</b>	<b>Other Governmental Funds</b>
<b><u>Revenues:</u></b>				
Local Sales Tax	4,500,000	-	-	-
State Sales Tax	1,400,000	-	-	-
Licenses, Permits & Fees	336,500	-	-	-
Intergovernmental:				
State Taxes	881,200	-	535,000	-
State Grants	-	120,000	-	-
Wholesale Beer, Liquor & Mixed Drink	1,090,000	-	-	-
Other Income	129,801	261,250	-	-
Interest	6,000	9,000	500	430
<b>Total Revenues</b>	<b>8,343,501</b>	<b>390,250</b>	<b>535,500</b>	<b>430</b>
<b><u>Expenditures:</u></b>				
General Government	4,795,218	-	-	100,000
Public Works	1,730,239	-	-	-
Capital Outlay	-	5,581,250	700,000	83,000
<b>Total Expenditures</b>	<b>6,525,457</b>	<b>5,581,250</b>	<b>700,000</b>	<b>83,000</b>
Revenue over (under) expenditures	1,818,044	-5,191,000	-	-82,570
<b><u>Other Financing Sources:</u></b>				
Total Transfers In	0	3,044,306	120,000	150,000
Total transfers out	-3,270,000	-	-	-44,306
<b>Total other financing sources</b>	<b>-3,270,000</b>	<b>3,044,306</b>	<b>120,000</b>	<b>105,694</b>
<b>Assigned Fund Balance</b>	<b>-</b>	<b>2,458,544</b>	<b>-</b>	<b>-</b>
<b>Fund Balance July 1, 2014</b>	<b>\$7,598,405</b>	<b>\$8,729,526</b>	<b>\$937,301</b>	<b>\$804,920</b>
<b>Fund Balance June 30, 2015</b>	<b>\$6,146,449</b>	<b>\$4,124,288</b>	<b>\$892,801</b>	<b>\$828,044</b>



## Budget Process

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The Town of Farragut's budget process begins with a review of current Town finances such as sales tax revenue, wholesale beer and liquor, building permits and other intergovernmental funds; and current expenditures.

The budget document that is presented to the Board of Mayor and Alderman represents the culmination of extensive research and analysis. The budget document is intended to provide the legislative body, as well as the public, a comprehensive picture of proposed operations for the budget year based on the following guidelines:

- The primary objective is to provide the highest possible level of service to residents without impairing the Town's sound financial condition.
- The budget must be balanced for each fund and the total projected revenues and funding sources must be greater or equal to the total anticipated expenditures.
- The General Fund balance should be maintained at 30% of expenditures.
- The internal budgetary control is maintained at the department level by line item and is designed to provide reasonable assurance that the aforementioned objectives are met.

### **Budget Adoption**

The Town of Farragut Town Administrator submits an annual budget to the Board of Mayor and Aldermen. The budget provides a comprehensive financial plan for the upcoming fiscal year. In addition, state law requires that the budget presented must be balanced.

### **Public Notice**

Publication of the proposed budget must be in a newspaper of general circulation and must be published not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

### **Budget Ordinance**

The Board of Mayor and Aldermen adopts the budget by ordinance, after two required readings, on or before the last day of the current fiscal year.

### **Budget Amendments**

Once approved, the Board of Mayor and Aldermen may amend the legally adopted budget by ordinance when unexpected modifications are required in estimated revenues and appropriations.

Each fund's appropriated budget is prepared on the following basis: Revenues are budgeted by source and Expenditures are budgeted by fund, which constitutes the legal level of control. Expenditures may not exceed appropriations at the legal level. All budget revisions at this level are subject to final review by the Board of Mayor and Aldermen. Within the aforementioned controls, management may transfer appropriations within the same fund. Appropriations between funds require approval from the Board of Mayor and Aldermen. Budgeted amounts are as originally adopted (or as subsequently amended) by the Board of Mayor and Aldermen.

Formal budgetary integration is employed as a management control device during the year for

the General Fund, Special Revenue Fund and Capital Projects Funds.

**BUDGET BASIS**

**Governmental Funds.** The Town’s budget is prepared on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Measurable” means the amount

of the transaction can be determined and “available” is defined as collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

## **BUDGET CALENDAR**

The budget process begins in January with the distribution of the budget calendar to department directors. In February the department directors submit their year-end estimates and requests for the coming year to the Town Recorder. Over the following weeks the Capital Investment Fund, Equipment Replacement and program changes are submitted as well. After review, the base budgets are submitted to the Town Administrator. The list of important dates in the budget process is shown below.

### FY2014-15 BUDGET CALENDAR

**February 14, Friday** – Department Base Budgets, Expenditures/Revenue Projections, Program Changes

**February 27, Thursday** - Department Presentations – BMA Workshop

**February 28, Friday** – CIP Budget, Equipment Replacement Budget

**March 13, Thursday** – Revenue/Expenditure Projections, Program Changes – BMA Workshop

**March 27, Thursday** – CIP Workshop

**March 28, Friday** - Community Grant Submittal Deadline

**April 10, Thursday** – Equipment, CIP, Other Fund – BMA Workshop

**April 24, Thursday** – BMA Grant Workshop

**April 24 – May 8** - Town Administrator preparing draft budget

**May 8, Thursday** – Draft Budget to BMA

**May 12, Monday** – Budget Ordinance published in the paper

**May 22, Thursday** – 1<sup>st</sup> Reading of Budget Ordinance

**June 12, Thursday** – 2<sup>nd</sup> & Final reading of Budget Ordinance

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**May 23, Deadline for:**

- Department goals & objectives
- Performance Measures
- Action Plan/Work program items



# Strategic Plan/Policy & Management Agenda

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## Legislative Policy Agenda

### TOP PRIORITY

COMMUNITY CENTER: DIRECTION  
ARCHITECTURAL DESIGN GUIDELINES: IMPLEMENTATION

### HIGH PRIORITY

TOURISM / MARKETING PLAN: DEVELOPMENT AND FUNDING  
ANNEXATION PRIORITIES: DECISION  
RUSSELL HOUSE RENOVATIONS: COMPLETION  
COMMUNITY EVENTS: ADDITIONAL AND FUNDING

### MODERATE PRIORITY

YOUTH MASTER PLAN: DEVELOPMENT  
FUTURE FUNDING OPTIONS FOR CIP: DEVELOPMENT

## Management Agenda

### TOP PRIORITY

BRANDING / MARKETING PLAN: IMPLEMENTATION  
PROPERTY ACQUISITION FOR GREENWAY CONNECTIONS: DECISION  
STORMWATER INFRASTRUCTURE: EVALUATION

### HIGH PRIORITY

LEAF AND BRUSH PICK-UP: EVALUATION  
LAW ENFORCEMENT OPTIONS: EVALUATION  
ADDITIONAL COMMUNITY EVENTS: EVALUATION

### MODERATE PRIORITY

SINGLE STREAM RECYCLING AT TOWN FACILITIES: IMPLEMENTATION  
TRAFFIC ENFORCEMENT PROGRAM: EVALUATION AND DECISION  
DIGITAL ARCHIVAL SYSTEM FOR RECORDS: IMPLEMENTATION



## Strategic Plan/Goals & Objectives

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A written policy statement provides a standard of fiscally wise partnership and governmental accountability. Recognizing the importance of such a written policy, in work sessions with the Board of Mayor and Aldermen the Town leadership has the following long-term goals and objectives for FY15.

### **Vision**

*Town of Farragut 2025*

It's our:

History

Beauty: Natural and Built

High Quality Residential Choices

Multiple Activity Centers

Convenient Living

Outstanding Recreational Opportunities

Community Spirit

that makes us distinctive.

### Legislative Goals & Objectives

#### **Goal: Maintain Financially Sound Town**

##### **Providing Excellent Services**

*Objectives:*

- Responsible use of debt by Town Government
- Town services provided in the most cost effective manner
- Adequate revenues to support defined Town services, programs and facilities
- Competitive compensation and benefits for Town employees
- High customer satisfaction rating for Town services
- Reliable delivery of Town services
- Well planned and well maintained Town facilities and infrastructure

#### **Goal: Strengthen the Local Economy**

*Objectives:*

- Increase number of visitors coming to Farragut
- Residents shopping local – Keeping

sales tax revenues in the Town

- Increase number of retail businesses in Farragut
- Expand number of successful small businesses
- Have a reputation as positive climate for business – people want to have a business here

#### **Goal: Develop the Town's Historic Assets**

*Objectives:*

- Expand areas for Museum displays
- Relocate and preserve Russell House
- Annex and develop "Concord Village" as a historic area
- Develop Campbell Station Park as a historic area
- Develop architectural standards and lighting throughout the Town with a them
- Develop a reputation as a historic destination
- Preserve historic Pleasant Forest Cemetery

**Goal: Facilitate Future Growth, Development and Redevelopment**

*Objectives:*

- Pursue modifications in the urban growth boundary
- Expand town limits through annexation
- Develop Town infrastructure for future growth and development
- Appropriate land uses for future development
- Future development consistent with Town’s plans and standards
- More beautiful corridors and development – signs, storefronts, landscaping

**Goal: Expand Leisure Amenities (Venues and Programs)**

*Objectives:*

- Expand park development
- Extend the Greenway System
- Develop a community center
- Increase pedestrian connectivity within Farragut
- Increase sports tourism through more local and regional tournaments

**Town Court Goals & Objectives**

**Goal: Improve efficiency of court functions**

*Objectives:*

- Monitor court payments through receipting system
- Attend MTAS training seminars

**Goal: Improve Customer Service performance**

*Objectives:*

- Provide docket reports five (5) business days prior to court date
- Complete and submit monthly financial reports and disbursements to the state and county agencies by the 15<sup>th</sup> of each month

**Administration Goals & Objectives**

**Goal: To maintain a financially sound Town government while providing excellent services**

*Objectives:*

- Review and prioritize the 5 year Capital Investment Plan (CIP)
- Maintain responsible debt practices
- Review budget reports and general trial balance and make revisions as needed
- Maximize revenue collection by auditing sales tax and Hall income tax reports and submit corrections to the State of Tennessee
- Identify alternative revenue sources for town services
- Maintain a Certificate of Achievement of Excellence in Financial Reporting from the GFOA
- Apply for the Town’s first GFOA budget excellence award recognition

**Goal: Provide employee training to enhance our workforce**

*Objectives:*

- Complete continuing education requirements to maintain the Certified Municipal Finance Officer (CMFO) designation
- Attend training for municipal purchasing clerks
- Continue customer service training of all employees to enhance services to the public
- Provide ongoing management and supervisory training for the leadership team

**Goal: Evaluate and enhance the records management system**

*Objectives:*

- Amend the records management policy to reflect current best practices

- Adopt archival policies regarding information/files stored town wide
- Purge all eligible records on a bi-annual basis
- Utilize document management software to build electronic data archives

**Goal: Enhance the quality of life for citizens in the Town of Farragut by utilizing sustainable best practices**

*Objectives:*

- Promote the development of a sustainable community
- Conduct a comprehensive inventory of sustainable practices currently being implemented in the Town of Farragut and encourage implementation of sustainability measures
- Make land use decisions consistent with adopted plans and policies
- Expand recycling across government operations

**Human Resources Goals & Objectives**

**Goal: Review of employee classification and compensation**

*Objectives:*

- Compile and distribute individual employee total compensation reports that include the monetary value of benefits
- Complete a salary survey of comparable positions within Tennessee municipal governments
- Participate in the Municipal Tennessee Advisory Service (MTAS) and City of Knoxville salary surveys

**Goal: Review and analyze employee benefits**

*Objectives:*

- Obtain market pricing for current

benefits from a minimum of three vendors

- Compare benefit packages with area local governments
- Study the competitive balance of cost for benefits to the Town and identify employees' needs

**Goal: To maintain appropriate staffing levels to deliver excellent services**

*Objectives:*

- Recruit talented candidates
- Fill job vacancies promptly
- Participate in succession planning

**Goal: To retain Town employees**

*Objectives:*

- Provide a competitive compensation and benefits plan
- Provide job-related professional development opportunities

**Goal: Assist employees with health and wellness goals**

*Objectives:*

- Provide educational seminars monthly
- Provide optional annual flu shots
- Enforce Tennessee Occupational Health and Safety (TOSHA) rules
- Promote the Wellness Incentive Plan
- Increase the number of employees participating in an annual health screening

**Goal: Enhance risk management oversight to maintain a safe work environment for Town employees**

*Objectives:*

- Provide employee education on risk reduction measures
- Coordinate medical treatment for worker's compensation for work-related injuries

### Information Technology Goals & Objectives

**Goal: Be competitive in the realm of best practices in municipal e-government.**

*Objectives:*

- Evaluate the current best practices in e-government with the intent of executing steps to create our own practices in e-government service delivery.
- Evaluate existing internal IT services and external e-government service delivery.
- Benchmark high-performing cities' best practices in e-government.

### Engineering Goals & Objectives

**Goal: Facilitate future growth, development and redevelopment to further economic development opportunities in the Town**

*Objectives:*

- Provide a prompt review of all permits, construction plans, and final plats
- Provide accurate cost projections for capital projects
- Provide effective supervision of contractors on all capital projects

**Goal: Expand leisure amenities, including parks and greenways to provide additional recreational opportunities for citizens**

*Objectives:*

- Provide effective construction oversight on all projects that expand leisure activities

**Goal: Continue professional development of engineering staff to improve service to the community**

*Objectives:*

- Complete education requirements to maintain professional certification(s)

- Participate in regional seminars, webinars, and online classes
- Participate in customer service training annually

**Goal: Maintain fiscal responsibility of the Engineering Department**

*Objectives:*

- Minimize the Town's cost for capital investment projects (CIP)
- Pursue grant funding for future projects

**Goal: Conduct engineering inspections in a timely manner**

*Objectives:*

- Perform erosion control inspections according to department schedule
- Perform illicit discharge inspections according to department schedule
- Issue work orders for routine maintenance of roads, sidewalks and signals as necessary

### Community Development Goals & Objectives

**Goal: Provide staff training to enhance the Community Development Department's ability to support the development community, businesses and Town residents**

*Objectives:*

- Continue training on the 2012 ICC Codes for code officials
- Provide ongoing training for codes officials to stay abreast of the latest technologies in the construction field
- Pursue training for the Municipal Court Clerk
- Pursue continuing education for staff planners' to maintain their AICP certifications
- Pursue Disaster Inspector Certifications

**Goal: Increase pedestrian connectivity within Farragut**

*Objectives:*

- Identify and prioritize missing key greenway linkages
- Identify and prioritize missing key sidewalk linkages
- Work with property owners, homeowner associations, and businesses to obtain necessary easements for trail and sidewalk construction
- Implement the Pedestrian and Bicycle Plan

**Goal: provide outstanding customer service to the development community, business owners, and Town residents**

*Objectives:*

- Schedule meetings as needed with developers and designers to answer questions regarding new construction and development requirements
- Conduct courtesy inspections on construction sites to answer questions
- Conduct homeowner training session on remodeling
- Conduct contractor/homeowner training session on energy codes
- Conduct contractor training session on the 2012 International Residential Building Code
- Conduct fire extinguisher training for businesses and residents to improve safety
- Enhance Community Development's portion of the Town's website to make it an excellent resource for Community Development related information

**Goal: Facilitate future growth, development, and redevelopment**

*Objectives:*

- Conduct training for the Planning Commission, Board of Zoning Appeals, and Visual Resources Review Board members to enhance their knowledge of best practices of development
- Implement the Land Use Plan
- Prepare ordinance text amendments that ensure appropriate land uses, attractive developments, and appealing and interesting gateway corridors
- Coordinate with the Town's engineering staff on the development of new stormwater and aquatic buffer ordinance needed to implement the new NPDES requirements
- Review and amend the Municipal Code to make necessary modifications that would permit and encourage the development of creative and innovative approaches to stormwater management
- Review Zoning Ordinance and make necessary modifications that would permit the green approaches to stormwater management in site development
- Review Subdivision Regulations and make necessary modifications that would permit the development of green approaches to stormwater management in the subdivision development process

### Parks & Leisure Services Goals & Objectives

#### **Goal: Maximize approved budget for staffing, programming and equipment, and promotion of facility rentals**

##### *Objectives:*

- Provide professional development opportunities for departmental staff to enhance the delivery of recreational services
- Evaluate the need for seasonal employees and adjust scheduling of part-time employees accordingly
- Partner with local organizations to maximize efficiency of programs and facility rentals
- Maximize the use of alternative funding to expand community programs

#### **Goal: Encourage citizen involvement through community outreach initiatives**

##### *Objectives:*

- Publicize Town events, programs, athletics, meetings, and accomplishments in community newsletters and press releases
- Maintain departmental website and communicate with citizens through the use of social media
- Expand opportunities for FUN and committee volunteers

#### **Goal: Enhance cultural amenities for residents and visitors through expansion and preservation efforts**

##### *Objectives:*

- Preserve the Town's history through expansion of the Farragut collection in the Folklife museum
- Preserve Town-owned historical assets

#### **Goal: Review the use of expansion of existing recreational structures and make improvements as needed**

##### *Objectives:*

- Formulate a plan for the rehabilitation of existing recreational facilities
- Formulate a plan for expansion of facilities as planned

#### **Goal: Promote the Town of Farragut as an excellent place to live and visit**

##### *Objectives:*

- Re-define the Town through a branding initiative to retain residents and attract visitors
- Promote the Town through marketing

#### **Goal: Provide residents and visitors with a wide selection of programs, classes, athletics and special events**

##### *Objectives:*

- Coordinate existing special events and modify as needed
- Coordinate athletic opportunities that are not provided by local non-profits

#### **Goal: Provide exceptional customer service to the public**

##### *Objectives:*

- Respond promptly to citizen requests
- Guide citizens through reservation processes

### Public Works Goals & Objectives

#### **Goal: Extend the useful life of equipment through effective maintenance policies & procedures**

##### *Objectives:*

- Perform regularly scheduled maintenance on all equipment and vehicles according to manufacturer guidelines

- Provide appropriate storage for all equipment and vehicles
- Provide employee training on equipment as needed

**Goal: Improve departmental safety standards through employee education and awareness**

*Objectives:*

- Participate in safety awareness training on a monthly basis
- Demonstrate knowledge of Tennessee Occupational Health Administration (TOSHA) guidelines by maintaining a safe work environment
- Review proper use of equipment and personal protective equipment to reduce the number of lost-time accidents

**Goal: Increase employee knowledge and job proficiency through education and training**

*Objectives:*

- Provide job-specific training to enhance employee awareness on all maintenance functions within the department
- Comply with state requirements for the National Pollutant Discharge Elimination System (NPDES) by providing training to staff with Stormwater Permit certifications

**Goal: Maintain fiscal responsibility of the Public Works Department**

*Objectives:*

- Purchase quality equipment at the lowest price for long-term use
- Monitor workload and maintain efficient operations that will help minimize overtime use

**Goal: Maintain an aesthetically pleasing community through maintenance of parks, greenways, and buildings**

*Objectives:*

- Install visually appealing signage at main gateways
- Landscape park and greenway entrances to enhance their natural beauty
- Mow regularly during seasonal months
- Connect sidewalks and greenways via new links
- Maintain existing infrastructure and make repairs as needed

**Goal: Maintain existing streets through proper maintenance of roads and drainage systems**

*Objectives:*

- Perform regularly scheduled cleaning of storm drains
- Respond to drainage maintenance repairs in a timely manner
- Follow a regular street sweeping schedule to maintain streets
- Perform snow and ice removal as needed



## General Fund

<b>BEGINNING FUND BALANCE</b>	<b>6,427,474</b>	<b>7,768,532</b>	<b>7,679,100</b>	<b>7,679,100</b>	<b>7,598,405</b>
	<b>FY2011-12</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
<b>REVENUE</b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Estimated</u></b>	<b><u>Proposed</u></b>
Local Sales Tax	4,233,718	4,884,105	4,404,070	5,238,242	4,500,000
State Sales Tax	1,388,455	1,423,582	1,350,000	1,446,000	1,400,000
Hall Income Tax	387,587	528,368	329,515	414,759	350,000
Wholesale Beer, Liquor & Mixed Drink	1,093,367	1,163,201	1,050,000	1,217,637	1,090,000
Intergovernmental	559,221	563,983	532,400	536,658	531,200
Building Permits & Licenses	378,642	383,507	235,500	291,625	237,900
Recreation Fees	110,747	112,665	85,600	97,735	98,600
Traffic Enforcement Program & Fines	75,023	43,464	43,861	41,000	40,000
Rent	77,525	77,750	85,401	86,451	86,601
Miscellaneous	16,631	18,100	9,200	12,700	9,200
<b>Total Revenue</b>	<b>8,320,916</b>	<b>9,198,725</b>	<b>8,125,547</b>	<b>9,382,807</b>	<b>8,343,501</b>
<b>EXPENDITURES</b>					
Legislative	42,136	54,404	62,150	62,150	66,150
Town Court	51,393	52,299	66,721	66,721	66,721
Administration	593,877	621,196	680,164	670,014	695,238
Human Resources	122,885	156,455	165,721	167,071	168,648
Information Technology	198,029	222,336	267,141	242,157	354,813
Engineering	564,900	598,607	706,961	653,151	744,691
Community Development	706,530	759,075	811,590	789,952	778,287
General Government	181,023	200,081	234,670	215,750	214,550
Parks & Leisure Services	740,123	786,646	914,393	903,393	960,120
Public Works	1,566,849	1,491,062	1,682,390	1,641,653	1,730,239
Non-Departmental	349,123	399,820	411,400	407,400	586,000
Economic Development	92,990	95,283	195,500	175,000	160,000
<b>Total Expenditures</b>	<b>5,209,858</b>	<b>5,437,264</b>	<b>6,198,801</b>	<b>5,994,412</b>	<b>6,525,457</b>
Revenue over (under) expenditures	3,111,058	3,761,462	1,926,746	3,388,395	1,818,044
Total Transfers In	0	11,305	910	910	0
Total transfers out	-1,770,000	-3,857,868	-3,470,000	-3,470,000	-3,270,000
<b>Assigned Fund Balance</b>	<b>1,400,938</b>	<b>558,070</b>	<b>438,070</b>	<b>438,070</b>	<b>318,070</b>
<b>Unassigned Fund Balance</b>	<b>6,367,594</b>	<b>7,121,030</b>	<b>5,698,686</b>	<b>7,160,335</b>	<b>5,828,379</b>
<b>ENDING BALANCE</b>	<b>7,768,532</b>	<b>7,679,100</b>	<b>6,136,756</b>	<b>7,598,405</b>	<b>6,146,449</b>



	REVENUES DESCRIPTION	FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
		Actual	Actual	Budget	Estimated	Approved
31610	Local Sales Tax Knox County Office space	4,233,718	4,884,105	4,404,070	5,238,242	4,500,000
31630	Leases	14,325	14,850	14,400	15,450	15,600
31631	Museum Revenue	0	0	0	0	0
31633	Solar Panel Rebate	0	352	0	0	0
31710	Wholesale Beer Tax	611,644	601,452	620,000	582,699	560,000
31720	Wholesale Liquor Tax	339,423	408,630	300,000	500,984	400,000
31912	Cable TV Franchise Tax	266,476	273,845	250,000	253,572	250,000
31980	Mixed Drink Tax	142,300	153,119	130,000	133,954	130,000
32210	Alcoholic Beverage License	17,640	17,090	13,000	12,800	13,000
32300	Business License	0	1,341	0	1,550	300
32610	Building Permits	241,836	294,491	200,000	230,000	200,000
32620	Fire Prevention Fees	5,359	10,521	8,000	6,500	6,100
32630	Special Events Permit	1,950	2,300	1,200	2,200	1,200
32650	Plans Review Fees	61,416	24,874	10,000	19,000	10,000
32660	Zoning/Sign Permits	31,235	23,275	1,000	14,000	5,000
32690	Drainage/Street Cuts	15,070	6,257	1,000	4,900	1,000
32700	Contractor License Fees	4,136	3,300	1,000	1,375	1,000
33510	State Sales Tax	1,388,455	1,423,582	1,350,000	1,446,000	1,400,000
33511	Telecommunication Sales Tax	1,274	1,763	1,200	2,014	1,200
33520	State (Hall) Income Tax	387,587	528,368	329,515	414,759	350,000
33530	State Beer Tax	10,146	10,222	10,100	10,000	10,000
33553	State Gas Tax	42,443	42,368	42,300	42,324	42,000
33591	TVA Gross Receipts	238,882	235,785	228,800	228,748	228,000
	Recreation Fees-Class					
34740	Registrations	11,260	12,276	9,000	10,000	11,000
34742	Recreation Fees-Softball	16,410	17,805	16,000	15,000	15,000
34744	Recreation Fees-Volleyball	17,685	16,610	11,000	11,000	13,000
34745	Recreation Fees-Picnic Shelters	20,825	24,048	13,000	18,000	18,000
	Recreation Fees-Community					
34746	Room	950	1,635	1,000	2,085	1,000
34747	Field Usage Fees	43,618	39,191	35,000	40,000	40,000
34748	Plant a Tree Program	700	1,100	600	1,650	600
35100	City Court Fines	1,997	2,358	1,500	1,500	1,500
35500	Miscellaneous	9,974	8,184	2,000	4,000	2,000
35501	Traffic Enforcement Program	73,026	43,464	43,861	41,000	40,000
36190	Interest Earnings	6,640	7,264	6,000	6,500	6,000
36200	Rent-Cingular Fretz	7,529	7,529	8,214	8,214	8,214
36220	Rent-CC 731 FRETZ #813278	0	684	0	0	0
	Rent-Crown Castle Virtue					
36230	#802902	24,837	24,537	32,637	32,637	32,637
	Rent-Crown Castle Virtue					
36240	#877904 Little Turkey	30,150	30,150	30,150	30,150	30,150
	<b>Totals</b>	<b>8,320,916</b>	<b>9,198,725</b>	<b>8,125,547</b>	<b>9,382,807</b>	<b>8,343,501</b>

## **Revenue Descriptions**

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### **Local Option Sales Tax**

The current rate is 1.125% of total sales. Of the 1.125%, fifty percent goes to the Knox County schools. The county remits the remainder to the Town on a monthly basis.

### **Knox County office Lease**

Knox Co Clerk-4 year contract beginning November 2007; November 2009-2010 \$850/month; November 2010-2011 \$875/month

Knox Co Sheriff's Office-10 year contract beginning November 2004-October 2014 \$300/month

### **Local Wholesale Beer Tax**

A 17% (minus three and one-half percent of total) Wholesale Beer Tax is authorized by the State. The tax is paid monthly by each beer wholesaler directly to the town, and monthly reports on such sales are made to the State Department of Revenue and to each town.

### **Local Wholesale Liquor Tax**

Depending on the size of the municipality's county, the municipality levies by ordinance five percent or eight percent inspection fee that is collected by the wholesalers from the retailer, within the town limits, during distribution. The wholesaler then retains five percent of the fee for performing the collection. The fee is five percent for the town since Knox County is greater than 60,000 in population.

### **Cable TV Franchise Fee**

Cable franchise fee levied by the municipality. Procedure and right to levy may be affected by federal law (Cable Communications Act of 1984). The Town's current fee is five percent.

### **Mixed Drink Tax**

A 15% tax levied by the State based on gross receipts on wine and spirit sales. The tax is earmarked for education and local government. Cities receive 25% of the portion of the tax collected from businesses within their boundaries.

### **Alcoholic Beverage Licenses**

The Town levies license fees upon each person, firm, cooperation, and general or limited partnership which is authorized to engage in the manufacture, distribution or sale at wholesale or retail, of alcoholic beverages within the Town. In addition, there is a \$100 privilege tax imposed by the Town on any business selling beer within the corporate limits of the Town. A privilege tax is also imposed on businesses selling wine and spirits at retail in the Town for on-premise consumption.

### **Building Permits**

Revenue received from the issuance of building permits. The Town is authorized and empowered to enact laws or ordinances to safeguard and protect the home owner or prospective homeowner, commercial property owner or assembly building property owner by requiring the licensing of the residential, commercial or assembly builders and contractors. Based on estimated cost of construction.

### **Fire Prevention Permits**

Review of sprinkler system, alarm system, hood suppression system, fire pumps and related equipment, other suppression systems, private fire hydrants and underground fire services

mains and standpipe systems. The sprinkler and alarm permits are \$0.02 per sq.ft. (\$100 minimum) and all remaining permits are \$50 per permit.

**Plans Review Fee**

Fee is one half of the calculated Building Permit Fee, which is to be paid at the time of plan submittal. One and Two family Dwellings are exempt.

**Zoning, Sign Permit**

Zoning Amendment Fees of \$250 is collected when an application is submitted to amend the written text or zoning map of the Farragut Zoning Ordinance. An additional fee of \$50 will be collected when an application is for an amendment to the zoning map to cover the public notification cost.

Municipal Code Amended Fees of \$250 is collected when an application is submitted to amend the written text of the Farragut Municipal Code.

Sign Fees of \$100 will be collected when an application is submitted for the erection of a sign. If any person commences any work or installation of a new or replacement sign before obtaining the required sign permit from the Town of Farragut, the fee is \$175.

**Drainage Permits, Street Cuts**

Drainage fee for new subdivision developments of \$30 per lot and \$0.02 per square foot of impervious area for new commercial developments.

**Contractor License Fee**

Plumbing/Mechanical licensing program

**State Sales Tax**

Cities receive a share of the state sales tax directly from the state every month based on population. It is also the largest of the state shared revenues, accounting for more than half of the population-based state shared revenues.

**Telecommunication Sales Tax**

Shared tax on phone services

**Hall Income Tax/State Income Tax**

Three-eighths of the 6 percent state tax on certain dividends and interest income paid by taxpayers is remitted by the state to the Town in which the taxpayers live. Payment is made for all such taxpayers no later than the following July 31 based on taxes collected in the Town in the preceding fiscal year.

**State Beer Tax**

The state levies a \$4.29 per barrel tax on the manufacture, sale, and transportation of beer. Cities are allocated 10.05 percent of this money on a per capita basis without regard to legal beer sales in the community. Another 10.05 percent of the revenue is allocated to counties. Payments are received by the Town on a semi-annually basis.

**State Gasoline Inspection Fee**

This represents what is referred to as the Special Privilege Tax or the Petroleum Special Products Tax/Gas Inspection Fee and the export Tax. The Special Privilege Tax establishes a local

government fund created by a tax of one cent per gallon on all petroleum products. The export tax is a tax of one-twentieth of a cent per gallon of petroleum product that is stored in Tennessee and then exported. If the special privilege tax has already been paid, then nineteen-twentieths of the Special Privilege Tax can be credited on the Export Tax return. The local share is distributed to municipalities monthly based on population.

#### **TVA-Gross Receipts**

The Tennessee Valley Authority (TVA) pays 5 percent of gross power sales proceeds to the state in lieu of taxes. Counties and cities are allocated 48.5 percent of the increase in TVA payments made to the state above the amount received in the base year (fiscal year 1978). Counties receive 70 percent of this allocation, and cities receive 30 percent. Distribution to the city is based on population.

#### **Recreation Fees-Class Registration**

Income from all classes (arts, crafts, fitness and Science Day Camps). Income from this fee is highly subjective to use of the community room (where the majority of our programs are held) by outside sources such as Knox County for early voting.

#### **Recreation-Softball**

Income from 2 Leagues (Men and Coed) in 2 seasons (spring and fall)

#### **Recreation- Volleyball**

Income from 3 leagues (Rec, Intermediate and Competitive) in 3 seasons (spring, Summer & Fall)

#### **Recreation-Picnic Shelters**

Shelters at three parks.

#### **Recreation-Community Room Rental Fee**

Rental income from community room rentals to non-profit groups. Income from this fee is highly subjective to use of the community room (where the majority of our programs are held) by outside sources such as Knox County for early voting.

#### **Recreation-Field Usage Fee**

Usage fees for field at Mayor Bob Leonard, Anchor and McFee Park. Income from this fee is highly subjective to the weather. We returned approximately \$10,000 last year for rented fields that were closed due to rain.

#### **Plant-a-Tree Program**

Program for tree donations.

#### **City Court Revenue**

Court cost fees.

#### **Miscellaneous Revenue**

Copying fees, recorders request fees, mailing reimbursements.

#### **Traffic Enforcement Program**

Proceeds from traffic violations.

**Interest Earnings**

Interest earnings on moneys in the Town's BB&T checking account.

**Rent-Cingular Tower**

Cingular Wireless Lease, Public Works site, commenced March 1, 2001 for a 5-year period and renewed for 5 additional years March 1, 2006. Two additional 5-year extensions are available. The current lease is \$595/month

**Rent-Crown Communications #813278**

Crown Communications lease, 731 Fretz Road, current lease is \$10,904.64/year

**Rent- Crown Communications #802902**

Crown Communications lease, 521 Virtue Road. The contract extension was executed May 2006 for \$10,557 + \$5,520 for each co-located provider. In May 2011 the rate increases to \$12,141 + \$6,350 for each co-located provider.



## *Legislative Department*

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The Board of Mayor and Aldermen, which consists of a mayor and four aldermen, serves as the governing body. The mayor is elected at-large and two aldermen are elected from each of two wards for a four-year term. Beginning in 2014, elected officials may serve no more than three terms total and no more than two terms in either office (mayor or alderman).

Ward I consists of residents on the north side of Kingston Pike while Ward II consists of residents on the south side of Kingston Pike. The Board of Mayor and Aldermen elects an alderman to the office of the vice mayor. The vice mayor serves as mayor when the mayor is absent, or there is a vacancy in the office of the mayor, until the next regular municipal election.

### **Eligibility**

To be eligible to hold the office of mayor, a person must reside within the Town of Farragut for at least one year preceding the election. To be eligible for the office of alderman, a person must reside within the desired ward for at least one year preceding the election.

### **Responsibilities**

The Board of Mayor and Aldermen adopts Town ordinances and policies, approves comprehensive planning and zoning requirements, approves annual budgets, approves Town contracts, and reviews capital improvement projects. The board is also responsible for the appointment of citizen committees, Town Administrator, Town Attorney, and Municipal Judge.



**Goal: Maintain Financially Sound Town  
Providing Excellent Services**

*Objectives:*

- Responsible use of debt by Town Government
- Town services provided in the most cost effective manner
- Adequate revenues to support defined Town services, programs and facilities
- Competitive compensation and benefits for Town employees
- High customer satisfaction rating for Town services
- Reliable delivery of Town services
- Well planned and well maintained Town facilities and infrastructure

**Goal: Strengthen the Local Economy**

*Objectives:*

- Increase number of visitors coming to Farragut
- Residents shopping local – Keeping sales tax revenues in the Town
- Increase number of retail businesses in Farragut
- Expand number of successful small businesses
- Have a reputation as positive climate for business – people want to have a business here

**Goal: Develop the Town’s Historic Assets**

*Objectives:*

- Expand areas for Museum displays
- Relocate and preserve Russell House
- Annex and develop “Concord Village” as a historic area

- Develop Campbell Station Park as a historic area
- Develop architectural standards and lighting throughout the Town with a them
- Develop a reputation as a historic destination
- Preserve historic Pleasant Forest Cemetery

**Goal: Facilitate Future Growth, Development and Redevelopment**

*Objectives:*

- Pursue modifications in the urban growth boundary
- Expand town limits through annexation
- Develop Town infrastructure for future growth and development
- Appropriate land uses for future development
- Future development consistent with Town’s plans and standards
- More beautiful corridors and development – signs, storefronts, landscaping

**Goal: Expand Leisure Amenities (Venues and Programs)**

*Objectives:*

- Expand park development
- Extend the Greenway System
- Develop a community center
- Increase pedestrian connectivity within Farragut
- Increase sports tourism through more local and regional tournaments

*Legislative Department*

*Performance Measures*

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<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Financially Sounds Government</b>			
Percentage of revenues from sales tax	55%	54%	54%
Percentage of revenues from state sales tax	17%	17%	17%
Percentage of revenues from building permits & licenses	3%	3%	3%
<b>Strengthen Local Economy</b>			
Percentage increase in sales tax	15%	7%	1%
Number of new residential permits	98	100	80
Number of retail/commercial permits	45	58	50

## Legislative Department

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
LEGISLATIVE DESCRIPTION		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41100	<b>EXPENDITURES</b>					
172	Election	0		0	0	5,000
221	Printing	137	22	200	200	200
230	Legal Notices	3,859	4,923	5,000	5,000	5,000
235	Dues/Subscriptions	8,899	9,340	9,750	9,750	9,750
280	Travel/Training	27,960	32,994	33,500	33,500	38,500
289	Local Travel	296	59	400	400	400
300	Supplies	0	1,173	300	300	300
323	Meeting Expenses	985	2,066	3,000	3,000	2,000
328	Education Program	0	3,827	10,000	10,000	5,000
<b>Totals</b>		<b>42,136</b>	<b>54,404</b>	<b>62,150</b>	<b>62,150</b>	<b>66,150</b>

## ***Legislative 110-41100***

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<b>172 Election</b>		<b>\$5,000</b>
<b>221 Printing</b>		<b>\$200</b>
Business Cards (5)		
<b>230 Legal Notices</b>		<b>\$5,000</b>
Publications in the local newspaper for Public Hearings and other notices		
<b>235 Dues, Subscriptions</b>		<b>\$9,750</b>
Town membership for TML	5,800	
Town membership for NLC	1,900	
East Tennessee Development District	2,000	
National League of Cities, Women in Municipal Government	50	
<b>280 Travel, Training</b>		<b>\$38,500</b>
TML Legislative Conference (5)	2,300	
TML Annual Conference (5)	7,200	
NLC Annual Conference (5)	14,000	
NLC Committee Conferences (6)	7,500	
NLC Board Meeting	2,000	
WIMG Conference	1,500	
Small Cities Council	1,500	
ICSC Conference	2,500	
<b>289 Local Travel</b>		<b>\$400</b>
<b>300 Supplies</b>		<b>\$300</b>
<b>323 Food for Meetings</b>		<b>\$2,000</b>
Food for workshops and retreats, committee appointment reception		
<b>328 Education Program</b>		<b>\$5,000</b>
Introduction to Farragut Program		

## *Town Court Department*

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Municipal court is held at the town hall by the Municipal Judge. Municipal court is in session not less than one (1) day per month as may be determined by the Municipal Judge and may be in session more frequently if needed. The office of Municipal Judge is filled by a resolution of appointment by the Board of Mayor and Aldermen. Any person appointed to the office of Municipal Judge shall hold a baccalaureate degree from an accredited college or university, shall be at least thirty (30) years of age, and have been a resident of the town for a period of one (1) year preceding election to office.

The Town of Farragut's Traffic Enforcement Program was established in 2009 and four intersections were targeted due to the high traffic volume and number of red light violations. A part-time officer manages the enforcement program.

Traffic enforcement is active at the following intersections:

- Kingston Pike eastbound at Concord Road and Concord Road northbound at Kingston Pike
- Kingston Pike eastbound at Campbell Station Road and Campbell Station Road southbound at Kingston Park
- Kingston Pike westbound at Smith Road and Smith Road southbound at Kingston Pike
- Campbell Station Road northbound and southbound at Parkside Drive / Grigsby Chapel Road

## **FY15 Goals & Objectives**

### **Goal: Improve efficiency of court functions**

#### *Objectives:*

- Monitor court payments through receipting system
- Attend MTAS training seminars

### **Goal: Improve Customer Service performance**

#### *Objectives:*

- Provide docket reports five (5) business days prior to court date
- Complete and submit monthly financial reports and disbursements to the state and county agencies by the 15<sup>th</sup> of each month

*Town Court*

*Performance Measures*

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Court Docket</b>			
Sessions	10	7	8
Code/zoning enforcement cases	15	10	11
Property maintenance cases	12	12	10
Traffic enforcement cases	3	1	2
Dismissed	12	6	7
Guilty	14	16	12
Withdrawn	4	5	4
<b>Traffic Enforcement Program</b>			
Citations issued	4,336	4,174	4,000

**Town Court Department**

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		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
	<b>TOWN COURT DESCRIPTION</b>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41210	<b>EXPENDITURES</b>					
110	Salaries	1,050	800	2,400	2,400	2,400
111	Regular Employee Wages	1,575	1,650	5,000	5,000	5,000
119	Traffic Enforcement Program	42,857	43,470	51,480	51,480	51,480
	Social Security & Medicare					
141	Tax	3,470	3,512	4,321	4,321	4,321
146	Workers Comp Insurance	1,960	2,020	2,020	2,020	2,020
152	Merit Increase	0	0	0	0	0
	<b>Total Personnel</b>	50,912	51,452	65,221	65,221	65,221
235	Dues & Subscriptions	481	478	1,000	1,000	1,000
300	Supplies	0	369	500	500	500
	<b>Total Operating Expenditures</b>	481	847	1,500	1,500	1,500
	<b>Total Court Expenditures</b>	<b>51,393</b>	<b>52,299</b>	<b>66,721</b>	<b>66,721</b>	<b>66,721</b>

*Town Court*

*Personnel Detail*

<b>Acct Code</b>	<b>Description</b>		<b><u>Current</u></b> <b><u>FY2013-14</u></b>		<b><u>Estimated</u></b> <b><u>FY2013-14</u></b>		<b><u>Approved</u></b> <b><u>FY2014-15</u></b>
110	<b>Salaries</b>						
	Municipal Judge	1.0	2,400	1.0	2,000	1.0	2,400
	<b>Total Salaries</b>	<b>1.0</b>	<b>2,400</b>	<b>1.0</b>	<b>2,000</b>	<b>1.0</b>	<b>2,400</b>
121	<b>Regular Wages</b>						
	Court Officer	1.0	5,000	1.0	1,687	1.0	5,000
	Traffic Enforcement Program	1.0	51,480	1.0	50,914	1.0	51,480
	<b>Total Regular Wages</b>	<b>2.0</b>	<b>56,480</b>	<b>2.0</b>	<b>52,601</b>	<b>2.0</b>	<b>56,480</b>
	<b>Benefits</b>						
	Social Security & Medicare						
141	Tax		4,321		4,321		4,321
146	Workers Comp Insurance		2,020		2,020		2,020
	<b>Total Benefits</b>		<b>6,341</b>		<b>6,341</b>		<b>6,341</b>
152	Merit Adjustment		0		0		0
<b>Total Personnel</b>		<b>3.0</b>	<b>65,221</b>	<b>3.0</b>	<b>60,942</b>	<b>3.0</b>	<b>65,221</b>

***Town Court 110-41210***

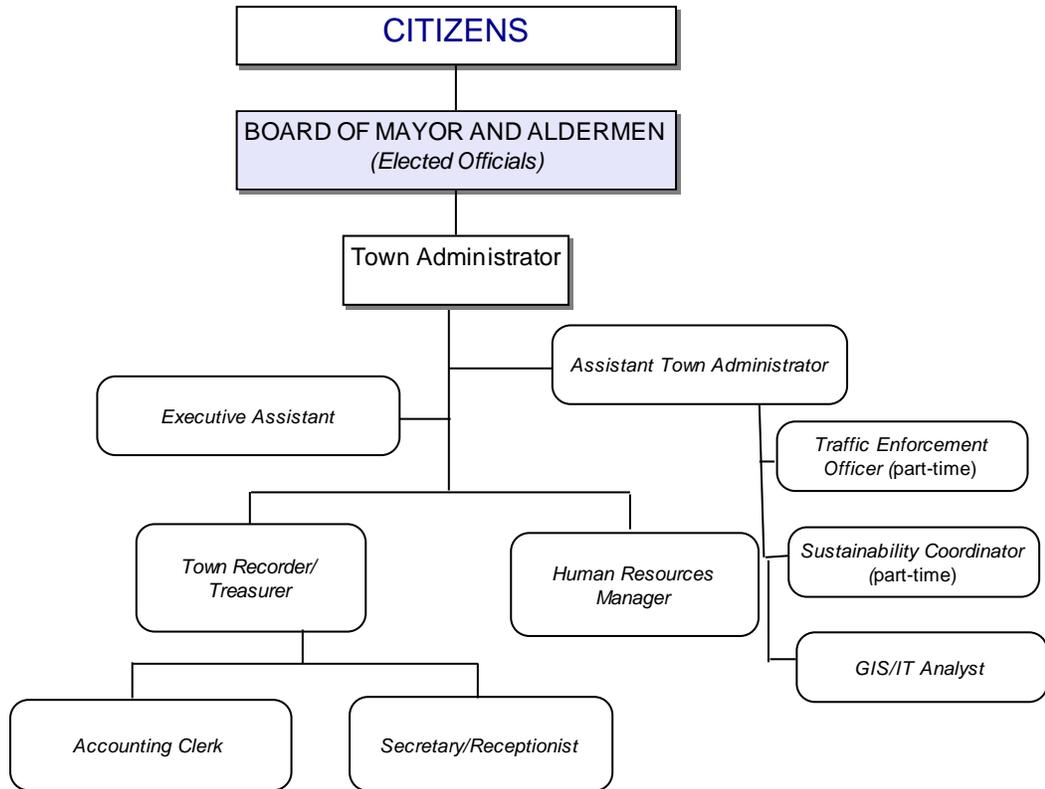
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<b>235 Dues &amp; Subscriptions</b>	<b>\$1,000</b>
<b>300 Supplies</b>	<b>\$500</b>



## Administration Department

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## Administration Department

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The Town Administrator is appointed by the Board of Mayor and Aldermen as the chief administrative officer and is responsible for the supervision and coordination of all Town services and projects. This includes the preparation of annual budgets; financial management of Town revenues and expenditures; recommendations and updates to the board on Town services and projects; implementation of board policies; and enforcement of Town ordinances.

The Assistant Town Administrator duties include general support in executing the day-to-day operations of the Town, fulfilling the duties of the Town administrator in his absence, implementing special projects, the management of the capital investment plan and the operational oversight of the engineering and community development departments.

The Administration Department is responsible for serving as staff support for the Board of Mayor and Aldermen, Economic Development Committee, Knox County Schools Education Relations Committee and the Personnel Committee. Services provided by the department include:

- Budget Administration and Financial Management - The fiscal year cycle is July 1 through June 30.
- E-Government – The Town currently provides many services electronically through the website.
- Citizen Request Program - The Town offers Farragut citizens a unique program that encourages suggestions or requests about all Town services, from streets to parks. Citizen requests can be made online through the Town’s website 24 hours/day, by phone or in person between 8 a.m. and 5 p.m.
- Personnel - Openings are filled as needed and are often advertised in the Sunday employment section of the *Knoxville News Sentinel* and on the Town’s website.
- Town Ordinances – The *Farragut Municipal Code* is updated annually and can be accessed and downloaded through the Town’s website.
- Alcoholic Beverages Retailer’s License – A license is required for the sale of beer and/or liquor in the State of Tennessee and within the Town limits.
- Public Records - All public records are stored, maintained and distributed in accordance with state law. Public records requests can be made by submitting a request using the forms provided on the Town’s website.

**Goal: To maintain a financially sound Town government while providing excellent services**

*Objectives:*

- Review and prioritize the 5 year Capital Investment Plan (CIP)
- Maintain responsible debt practices
- Review budget reports and general trial balance and make revisions as needed
- Maximize revenue collection by auditing sales tax and Hall income tax reports and submit corrections to the State of Tennessee
- Identify alternative revenue sources for town services
- Maintain a Certificate of Achievement of Excellence in Financial Reporting from the GFOA
- Apply for the Town’s first GFOA budget excellence award recognition

**Goal: Provide employee training to enhance our workforce**

*Objectives:*

- Complete continuing education requirements to maintain the Certified Municipal Finance Officer (CMFO) designation
- Attend training for municipal purchasing clerks
- Continue customer service training of all employees to enhance services to the public

- Provide ongoing management and supervisory training for the leadership team

**Goal: Evaluate and enhance the records management system**

*Objectives:*

- Amend the records management policy to reflect current best practices
- Adopt archival policies regarding information/files stored town wide
- Purge all eligible records on a bi-annual basis
- Utilize document management software to build electronic data archives

**Goal: Enhance the quality of life for citizens in the Town of Farragut by utilizing sustainable best practices**

*Objectives:*

- Promote the development of a sustainable community
- Conduct a comprehensive inventory of sustainable practices currently being implemented in the Town of Farragut and encourage implementation of sustainability measures
- Make land use decisions consistent with adopted plans and policies
- Expand recycling across government operations

	Activity	FY13 Actual	FY14 Estimated	FY15 Projected
<b>Finance</b>				
	Percentage of ending cash to operating expenditures (The General Fund’s unreserved fund balance divided by the General Fund’s operating expenditures (excluding transfers)	130%	119%	89%
	Issuance of monthly financial reports delivered by the 15 <sup>th</sup> of the month	95%	96%	96%
	Percentage of town funds financing the CIP to the operating budget (the amount of town funds used to finance the five-year Capital Investment Program divided by the current General Fund Operating Budget and the total town funds financing the CIP)	N/A	N/A	31%
	Debt Service as a percentage of total government expenditures	0%	8%	9%
	Completion of audit and release of CAFR within 5 months of the end of the fiscal year	N/A	N/A	95%
<b>Payroll, Deposits and Payables</b>				
	Percentage of bank deposits made within two (2) days of receipt of funds.	95%	98%	99%
	Percentage of accounts payable invoices processed within two (2) days.	97%	95%	98%
	Percentage of accounts payable checks issued without error.	98%	97%	97%
<b>Sustainability</b>				
	Number of seminars/public meetings held on sustainability-related topics	2	4	4
	Average energy reduction in public facilities	N/A	0%	1%
	Pounds of recycling diverted from the landfill	N/A	950	1,250
<b>Citizens Requests</b>				
	Percentage of requests initially responded to within 48 hours in Citizen Request	98%	99%	99%
	Average time to close a request in the Citizens Tracker	10	13	10
	Average number of days to fill an information request	2	5	3

## Administration Department

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
ADMINISTRATION DESCRIPTION		Actual	Actual	Budget	Estimated	Approved
41340						
110	Salaries	278,781	294,431	294,044	294,044	304,035
111	Regular Employee Wages	99,826	121,689	125,298	125,298	129,810
123	Overtime Wages	4,574	4,351	5,500	5,500	5,500
129	Temporary Employee Wages	112	1,579	5,000	5,000	16,500
141	FICA Tax	10,176	19,320	19,606	19,606	20,329
142	Health Insurance	85,116	68,942	79,091	79,091	67,359
143	Retirement	30,760	34,418	35,327	35,327	38,893
145	Life Insurance	1,488	1,771	2,076	2,076	2,186
146	Workers Comp Insurance	2,380	2,530	2,790	2,790	2,790
148	Long Term Disability Insurance	1,010	1,419	1,682	1,682	1,703
150	Benefit Disbursement	0	1,446	1,500	1,500	1,500
152	Merit Adjustment	15,043	13,061	13,475	13,475	9,853
	<b>Total Personnel</b>	<b>529,266</b>	<b>564,957</b>	<b>585,389</b>	<b>585,389</b>	<b>600,458</b>
221	Advertising/Printing	2,116	2,913	8,200	8,200	8,600
235	Dues/Subscriptions	4,010	5,850	5,600	5,600	6,530
253	Auditing Services	12,670	12,600	13,000	12,900	13,000
254	Professional Services	13,413	2,348	15,000	5,000	15,000
280	Travel, Training	13,289	22,009	23,395	23,395	21,570
282	Auto Allowance	5,158	5,400	7,200	7,200	7,200
289	Local Travel	399	452	480	480	480
300	Office Supplies	1,953	994	2,300	2,300	2,300
311	Books and Education Material	957	1,108	2,000	2,000	2,000
326	Clothing & Uniforms	0	0	500	150	500
514	Surety Bonds	1,269	763	1,600	1,600	1,600
555	Bank Service Charge	7,359	11,299	12,000	12,000	12,000
557	Credit Card Process Fee	2,018	3,564	3,500	3,800	4,000
	<b>Total Operating Expenditures</b>	<b>64,611</b>	<b>69,300</b>	<b>94,775</b>	<b>84,625</b>	<b>94,780</b>
	<b>Total Administration Expenditures</b>	<b>593,877</b>	<b>621,196</b>	<b>680,164</b>	<b>670,014</b>	<b>695,238</b>

*Administration Department*

*Personnel Detail*

<b>Acct Code</b>	<b>Description</b>		<b><u>Current</u></b> <b><u>FY2013-14</u></b>		<b><u>Estimated</u></b> <b><u>FY2013-14</u></b>		<b><u>Approved</u></b> <b><u>FY2014-15</u></b>
110	<b>Salaries</b>						
	Town Administrator	1.0	117,007	1.0	117,007	1.0	121,687
	Assistant Town Administrator	1.0	103,947	1.0	103,947	1.0	107,065
	Town Recorder	1.0	73,090	1.0	73,090	1.0	75,283
	<b>Total Salaries</b>	<b>3.0</b>	<b>294,044</b>	<b>3.0</b>	<b>294,044</b>	<b>3.0</b>	<b>304,035</b>
121	<b>Regular Wages</b>						
	Administrative Assistant	3.0	102,379	3.0	102,379	3.0	106,100
	Sustainability Coordinator	1.0	22,919	1.0	22,919	1.0	23,710
	<b>Total</b>	<b>4.0</b>	<b>125,298</b>	<b>4.0</b>	<b>125,298</b>	<b>4.0</b>	<b>129,810</b>
	<b>Benefits</b>						
141	Medicare Tax		19,606		19,606		20,329
142	Health Insurance		79,091		79,091		67,359
143	Retirement		35,327		35,327		38,893
145	Life Insurance		2,076		2,076		2,186
146	Workers Comp Insurance		2,790		2,790		2,790
	Long Term Disability						
148	Insurance		1,682		1,682		1,703
	<b>Total Benefits</b>		<b>140,572</b>		<b>140,572</b>		<b>133,260</b>
152	Merit Adjustment		13,475		13,475		9,853
	<b>Other Compensation</b>						
	Benefit Adjustment		1,500		15,000		1,500
123	Overtime		5,500		5,500		5,500
129	Temporary Employee Wages		5,000		5,000		16,500
	<b>Total Other Compensation</b>		<b>12,000</b>		<b>25,500</b>		<b>23,500</b>
<b>Total Personnel</b>		<b>7.0</b>	<b>585,389</b>	<b>7.0</b>	<b>598,889</b>	<b>7.0</b>	<b>600,458</b>

## **Administration 110-41340**

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<b>221 Printing</b>		<b>\$8,600</b>
Business Cards	200	
Budget/CAFR	3,000	
Advertising	5,000	
Sustainability Advertising	400	
<b>235 Dues/Subscriptions</b>		<b>\$6,530</b>
International City Managers Association (2)	1,800	
Tennessee Government Finance Officers Association	25	
International Institute of Municipal Clerks	185	
American Planning Association	335	
TN Association of Municipal Clerks & Recordors	45	
Government Finance Officers Association	190	
Costco	70	
ASCAP (Music License)	490	
TN City Managers Association (2)	600	
Government Finance Officers Association-CAFR	520	
Survey Monkey	200	
ICSC Dues (5)	300	
Rotary	1,000	
Urban Sustainability Directors Association	300	
Tennessee Renewable Energy and Economic Development Council	100	
U.S. Green Building Council-National Level	300	
U.S Green Building Council-Local Level	70	
<b>253 Auditing Services</b>		<b>\$13,000</b>
Audit Contract		
<b>254 Professional Services</b>		<b>\$15,000</b>
Strategic Planning	15,000	
<b>280 Travel/Training</b>		<b>\$21,570</b>
ICMA (2)	4,000	
AICP Exam	500	
TN Municipal League Conference (Annual & Legislative)	2,420	
International Institute of Municipal Clerks	2,200	
Certified Municipal Finance Officer Program	1,200	
TN Association of Municipal Clerks & Recordors (2)	1,850	
Kramer Rayson Legal Issues Seminar	150	
National League of Cities	2,800	
ICSC Conference	2,500	
TCMA	3,200	
Sustainability SSDN Annual Meeting	750	

<b>282 Employee Automobile Allowance</b>		<b>\$7,200</b>
Town Administrator and Assistant Town Administrator automobile allowance.		
<b>289 Local Travel</b>		<b>\$480</b>
Mileage for local travel		
<b>300 Supplies</b>		<b>\$2,300</b>
Supplies for committees		
<b>311 Books/Educational Materials</b>		<b>\$2,000</b>
Miscellaneous books, TCA publications	1,000	
Public Education and Outreach	1,000	
Earthfest & School/Outdoor Classroom		
<b>326 Clothing &amp; Uniforms</b>		<b>\$500</b>
Town Shirts for Administration & BMA Members		
<b>514 Surety Bonds</b>		<b>\$1,600</b>
Town Administrator and Recorder bonds; notary fees		
<b>555 Bank Services Charges</b>		<b>\$12,000</b>
Safe deposit boxes (5); check printing; bank admin fees		
<b>557 Credit Card Processing Fee</b>		<b>\$4,000</b>

**Goal: Review of employee classification and compensation**

*Objectives:*

- Compile and distribute individual employee total compensation reports that include the monetary value of benefits
- Complete a salary survey of comparable positions within Tennessee municipal governments
- Participate in the Municipal Tennessee Advisory Service (MTAS) and City of Knoxville salary surveys

**Goal: Review and analyze employee benefits**

*Objectives:*

- Obtain market pricing for current benefits from a minimum of three vendors
- Compare benefit packages with area local governments
- Study the competitive balance of cost for benefits to the Town and identify employees' needs

**Goal: To maintain appropriate staffing levels to deliver excellent services**

*Objectives:*

- Recruit talented candidates
- Fill job vacancies promptly

- Participate in succession planning

**Goal: To retain Town employees**

*Objectives:*

- Provide a competitive compensation and benefits plan
- Provide job-related professional development opportunities

**Goal: Assist employees with health and wellness goals**

*Objectives:*

- Provide educational seminars monthly
- Provide optional annual flu shots
- Enforce Tennessee Occupational Health and Safety (TOSHA) rules
- Promote the Wellness Incentive Plan
- Increase the number of employees participating in an annual health screening

**Goal: Enhance risk management oversight to maintain a safe work environment for Town employees**

*Objectives:*

- Provide employee education on risk reduction measures
- Coordinate medical treatment for worker's compensation for work-related injuries

*Human Resources*

*Performance Measures*

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Classification/Compensation</b>			
Total employee cost as a percentage of the operating budget.	64%	66%	74%
<b>Review &amp; Analysis of employee benefits</b>			
Percentage change in health insurance cost for covered employees	8%	0%	3%
Percentage of employee participation in the Employee Wellness program	N/A	62%	64%
Percentage of sick leave hours as a percentage of total hours	3%	3%	3%
<b>Staffing Levels</b>			
Average number of days to fill a position	N/A	60	47
Average number of applications received per recruitment	40	51	45
Percentage of appointments filled by promotion	0	22.2%	10%
<b>Health and Wellness</b>			
Number of employees receiving an annual flu shot	27	23	27
<b>Risk Management</b>			
Number of employees receiving TOSHA training annually	21	21	22

## Human Resources

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>HUMAN RESOURCES DESCRIPTION</b>		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41990	<b>EXPENDITURES</b>					
110	Salaries	60,744	62,755	62,936	62,936	64,824
141	Medicare Tax	2,118	5,260	4,815	4,815	4,959
142	Health Insurance	9,877	7,485	12,347	12,347	13,589
143	Retirement	3,829	3,863	2,517	2,517	3,889
145	Life Insurance	245	864	348	348	348
146	Workers Comp Insurance	-175	474	522	522	522
148	Long Term Disability Insurance	168	220	278	278	278
152	Merit Adjustment	2,624	0	2,108	2,108	1,473
	<b>Total Personnel</b>	<b>79,430</b>	<b>80,921</b>	<b>85,871</b>	<b>85,871</b>	<b>89,883</b>
133	Employee Recognition	17,408	14,865	18,000	18,000	18,000
134	HRA Benefit	0	27,177	25,000	25,000	25,000
214	Employee Services	1,759	2,862	3,150	3,150	3,150
221	Advertising/Printing	776	3,999	4,000	5,500	5,000
235	Dues & Subscriptions	330	460	550	550	565
254	Professional Services	17,705	16,190	8,600	8,600	8,600
280	Travel, Training	2,466	2,911	3,750	3,750	3,750
283	Wellness & Employee Training	2,915	6,996	16,500	16,500	14,500
289	Local Travel	96	74	300	150	200
	<b>Total Operating Expenditures</b>	<b>43,455</b>	<b>75,534</b>	<b>79,850</b>	<b>81,200</b>	<b>78,765</b>
	<b>Total Human Resources</b>	<b>122,885</b>	<b>156,455</b>	<b>165,721</b>	<b>167,071</b>	<b>168,648</b>

*Human Resources*

*Personnel Detail*

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<b>Acct Code</b>	<b>Description</b>		<b><u>Current</u></b> <b><u>FY2013-14</u></b>		<b><u>Estimated</u></b> <b><u>FY2013-14</u></b>		<b><u>Approved</u></b> <b><u>FY2014-15</u></b>
110	<b>Salaries</b>						
	Human Resource						
	Manager	1.0	62,936	1.0	62,936	1.0	64,824
	<b>Total Salaries</b>	<b>1.0</b>	<b>62,936</b>	<b>1.0</b>	<b>62,936</b>	<b>1.0</b>	<b>64,824</b>
	<b>Benefits</b>						
141	Medicare Tax		4,815		4,815		4,959
142	Health Insurance		12,347		12,347		13,589
143	Retirement		2,517		2,517		3,889
145	Life Insurance		348		348		348
146	Workers Comp Insurance		522		522		522
	Long Term Disability						
148	Insurance		278		278		278
	<b>Total Benefits</b>		<b>20,827</b>		<b>20,827</b>		<b>23,585</b>
152	Merit Adjustment		2,047		2,047		1,473
	<b>Other Compensation</b>						
123	Overtime		0		0		0
	<b>Total Other Compensation</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Total Personnel</b>		<b>1.0</b>	<b>85,810</b>	<b>1.0</b>	<b>85,810</b>	<b>1.0</b>	<b>89,883</b>

## ***Human Resources 110-41990***

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<b>133 Employee Recognition</b>		<b>\$18,000</b>
Service and performance awards, appreciation luncheon, Christmas Luncheon, etc.		
<b>134 HRA Benefit</b>		<b>\$25,000</b>
<b>214 Employee Services</b>		<b>\$3,150</b>
Employee Assistance Program	1,350	
Probenefits (FSA Card Administration)	1,800	
<b>221 Advertising/Printing</b>		<b>\$5,000</b>
Advertising of position openings	4,950	
Business Cards	50	
<b>235 Dues &amp; Subscriptions</b>		<b>\$565</b>
American Society of Training & Development	90	
TN Public Risk Management Association	50	
TN Personnel Management Association	60	
TN Valley Human Resources Association	45	
Society of Human Resources Management	165	
International Personnel Management Association	155	
<b>254 Professional Services</b>		<b>\$8,600</b>
Pre-employment background checks & medical screening	3,000	
Drug Screen Program	600	
Retirement Trust Service	5,000	
<b>280 Travel/Training</b>		<b>\$3,750</b>
State Risk Management Conference	1,000	
Society of Human Resources Conference	1,800	
Kramer Rayson Legal Issues Seminar	150	
SHRM Conference	800	
<b>283 Wellness &amp; Training Program</b>		<b>\$14,500</b>
Wellness Program	8,000	
Employee Training	5,000	
Employee Physicals	1,500	
<b>289 Local Travel</b>		<b>\$200</b>
Mileage for local travel		



## Information Technology Services

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Performs intermediate technical work managing the Town's geographical information system and configuring, installing and maintaining networks, providing technical support and training users, troubleshooting, repairing and maintaining computer software, hardware and office equipment, installing and upgrading information systems, and related work as apparent or assigned.

**Goal: Be competitive in the realm of best practices in municipal e-government.**

- Evaluate the current best practices in e-government with the intent of executing steps to create our own practices in e-government service delivery.
- Evaluate existing internal IT services and external e-government service delivery.
- Benchmark high-performing cities' best practices in e-government.

### Performance Measures

Activity	FY13 Actual	FY14 Estimated	FY15 Projected
<b>GIS-Maps</b>			
Maps created for the public returned within 48 hours of request	100%	97%	97%
Maps completed within 5 business days	99%	95%	98%
Retro-Reflectivity Mapping	100%	100%	100%
GIS layer updates	100%	80%	85%
ArcReader published within 5 business days after KGIS update	97%	95%	95%
<b>Information Technology</b>			
Tickets submitted to Claris within 30 minutes of request	100%	98%	95%
Setup of new computers within 1 day of delivery	100%	96%	95%
Install hardware/software on workstations within 2 days of request/delivery	100%	95%	95%



## Information Technology Services

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>INFORMATION TECHNOLOGY SERVICES</b>		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41640	<b>EXPENDITURES</b>					
111	Regular Employee Wages	0	24,268	33,507	33,507	34,493
123	Overtime Wages	0	0	0	0	0
141	Medicare	0	1,822	2,563	2,563	2,639
142	Health Insurance	0	15,656	6,184	6,184	6,194
143	Retirement	0	953	1,340	1,340	1,380
145	Life Insurance	0	142	192	192	194
146	Workers Comp Insurance	0	474	522	522	522
	Long Term Disability					
148	Insurance	0	13	42	42	154
152	Merit Adjustment	0	0	1,123	1,123	770
	<b>Total Personnel</b>	<b>0</b>	<b>43,328</b>	<b>45,473</b>	<b>45,473</b>	<b>46,345</b>
237	Audio/Visual Maintenance	16,844	4,098	10,000	8,000	8,000
239	GIS System	49,062	17,482	15,000	10,000	13,000
255	Data Processing Service	84,546	108,272	94,456	108,272	96,456
258	TOF Website Maintenance	14,058	12,956	12,557	12,557	12,557
	Tyler (Incode software)					
267	Maintenance	11,100	12,000	12,000	12,000	12,000
268	Laserfiche	4,800	6,420	9,155	9,155	59,155
269	Municode	5,755	3,541	23,000	7,000	23,000
280	Travel/Training	0	0	5,500	5,500	1,500
289	Local Travel	0	175	0	200	200
943	A/V Equipment	0	2,488	15,000	5,000	50,000
945	Park WiFi	0	0	15,000	9,000	1,000
947	Computer Equip/Software	11,864	11,576	10,000	10,000	31,600
	<b>Total Operating Expenditures</b>	<b>198,029</b>	<b>179,008</b>	<b>221,668</b>	<b>196,684</b>	<b>308,468</b>
	<b>Total Information Technology Services</b>	<b>198,029</b>	<b>222,336</b>	<b>267,141</b>	<b>242,157</b>	<b>354,813</b>

*Information Technology Services*

*Personnel Detail*

<b>Acct Code</b>	<b>Description</b>		<b><u>Current</u></b> <b><u>FY2013-14</u></b>		<b><u>Estimated</u></b> <b><u>FY2013-14</u></b>		<b><u>Approved</u></b> <b><u>FY2014-15</u></b>
111	<b>Regular Employee Wages</b>						
	GIS Analyst	1.0	33,507	1.0	33,507	1.0	34,493
	<b>Total Salaries</b>	<b>1.0</b>	<b>33,507</b>	<b>1.0</b>	<b>33,507</b>	<b>1.0</b>	<b>34,493</b>
	<b>Benefits</b>						
141	Medicare Tax		2,563		2,563		2,639
142	Health Insurance		6,184		6,184		6,194
143	Retirement		1,340		1,340		1,380
145	Life Insurance		192		192		194
	Workers Comp						
146	Insurance		522		522		522
	Long Term Disability						
148	Insurance		42		42		154
	<b>Total Benefits</b>		<b>10,843</b>		<b>10,843</b>		<b>11,082</b>
152	Merit Adjustment		0		0		770
	<b>Other Compensation</b>						
123	Overtime		0		0		0
	<b>Total Other Compensation</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Total Personnel</b>		<b>1.0</b>	<b>44,350</b>	<b>1.0</b>	<b>44,350</b>	<b>1.0</b>	<b>46,345</b>

## **Information Technology Services 110-41640**

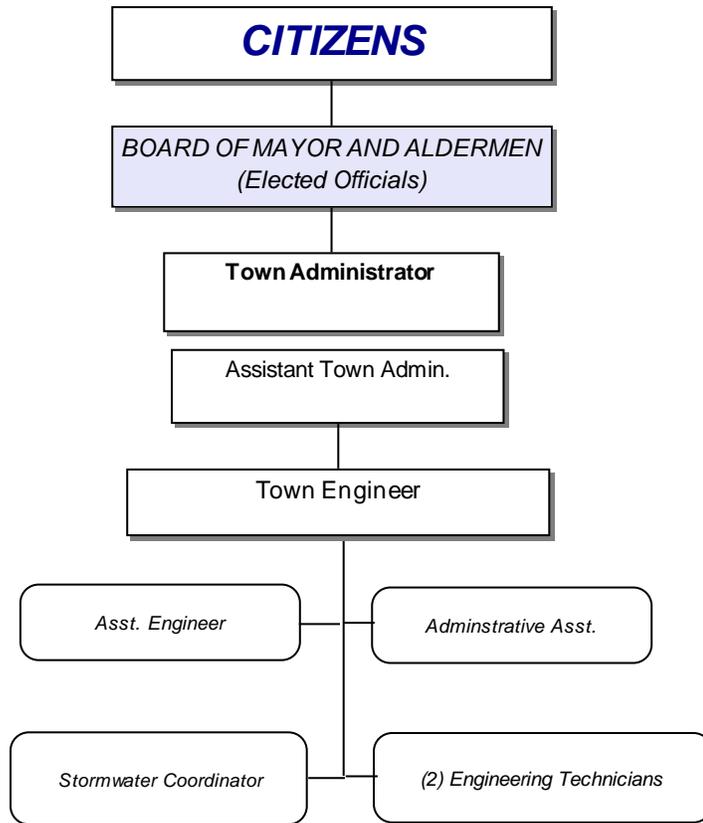
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<b>237 Audio/Visual Maintenance</b>		<b>\$8,000</b>
Annual Maintenance contract for the Board room AV system	3,900	
Equipment Replacement	4,100	
<b>239 Geographic Information System (GIS)</b>		<b>\$13,000</b>
ARCADIS Contract	2,500	
KGIS Licensing	3,000	
ESRI Licensing (2)	4,000	
ArcGIS Online Credits	500	
Software Upgrades and Web Portal Licensing	3,000	
<b>255 Data Processing Services</b>		<b>\$96,456</b>
Clarix Networks-Secure Cloud Platinum	86,880	
Public Works to Main Site	3,576	
Clarix Third Party Assistance	6,000	
<b>258 TOF Website Maintenance</b>		<b>\$12,557</b>
Website contract and maintenance		
<b>267 Tyler-(Incode Software) Maintenance</b>		<b>\$12,000</b>
Unlimited telephone, email, and online support; upgrade and product enhancement releases, W-2 printing		
<b>268 Laserfiche Maintenance</b>		<b>\$59,155</b>
Batch scanning services, software upgrades, additional user license, training	50,000	
Maintenance	9,155	
<b>269 Municode</b>		<b>\$23,000</b>
Hosting of Municipal Code online and quarterly updates	6,000	
Recodification	17,000	
<b>280 Travel/Training</b>		<b>\$1,500</b>
<b>289 Local Travel</b>		<b>\$200</b>
<b>943 A/V Capital Equipment</b>		<b>\$50,000</b>
Upgrading all wiring & equipment		
<b>945 Park WiFi</b>		<b>\$1,000</b>

<b>947 Computer Equipment/Software</b>		<b>\$31,600</b>
PC Replacement (9)	8,500	
Printers (2)	1,500	
TDOT Grid tie-in, Mi-Fi accounts, Portable 2TB external drives	3,000	
Plotter/Scanner	10,000	
Civic Plus Employment Module	3,600	
Online reservation payment system	5,000	

*Engineering Department*

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## *Engineering Department*

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The Engineering Department provides supervision and technical assistance to the Town on various projects and services relating to public facilities and serves as staff support to the Stormwater Advisory Committee. Services provided by the department include:

- Road Construction Projects – Supervision of consultants and contractors in the design and construction of roads, including right of way acquisition and utility coordination. Through the Technical Committee of the Knoxville Regional Transportation Planning Organization, the Town has received extensive federal funding for our major roadway projects, as well as many of our sidewalk and greenway projects.
- Park/Greenway Construction Projects – In cooperation with the Parks and Leisure Services Department, performs oversight of park and greenway improvements.
- Pavement Management – Supervision of resurfacing contracts, which includes the recommendation of streets to be resurfaced based upon thorough inspections. A resurfacing schedule is approved annually by the Board of Mayor and Aldermen.
- Review of Commercial Developments and Subdivision Plats – Review of site plans, subdivision plats and construction of public infrastructure such as subdivision streets and drainage systems to ensure compliance with the Town’s engineering regulations.
- Stormwater Program - As an NPDES Phase II community, the Town is dedicated to improving water quality in our creeks.
- Traffic Management Program - Recommendations about safety improvements (i.e. traffic calming) within Farragut subdivisions upon request.

## Engineering Department

## FY15 Goals & Objectives

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### **Goal: Facilitate future growth, development and redevelopment to further economic development opportunities in the Town**

#### *Objectives:*

- Provide a prompt review of all permits, construction plans, and final plats
- Provide accurate cost projections for capital projects
- Provide effective supervision of contractors on all capital projects

### **Goal: Expand leisure amenities, including parks and greenways to provide additional recreational opportunities for citizens**

#### *Objectives:*

- Provide effective construction oversight on all projects that expand leisure activities

### **Goal: Continue professional development of engineering staff to improve service to the community**

#### *Objectives:*

- Complete education requirements to maintain professional certification(s)

- Participate in regional seminars, webinars, and online classes
- Participate in customer service training annually

### **Goal: Maintain fiscal responsibility of the Engineering Department**

#### *Objectives:*

- Minimize the Town's cost for capital investment projects (CIP)
- Pursue grant funding for future projects

### **Goal: Conduct engineering inspections in a timely manner**

#### *Objectives:*

- Perform erosion control inspections according to department schedule
- Perform illicit discharge inspections according to department schedule
- Issue work orders for routine maintenance of roads, sidewalks and signals as necessary

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Review of Plans</b>			
Percentage of construction plans reviewed within 10 working days	95%	97%	97%
Percentage of final plats reviewed within 10 working days	96%	96%	96%
<b>Project Management</b>			
Percentage of projects completed by the contracted completion date	N/A	96%	95%
<b>Inspections:</b>			
Percentage of sites inspected for erosion control every two weeks and after major storms	95%	95%	95%
Average number of days to inspect a site for illicit discharge after receipt of a complaint	3	2	4
<b>Citizens Request</b>			
Percentage of requests completed within 7 business days excluding those requiring traffic/speed study and/or construction	96%	96%	96%
Percentage of requests initially responded to within 48 hours in Citizen Request Tracker	98%	96%	95%
Average time to close a request in Citizen Request Tracker	8 days	7 days	7 days

## Engineering Department

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>ENGINEERING DESCRIPTION</b>		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41670	<b>EXPENDITURES</b>					
110	Salaries	166,078	173,505	173,367	173,367	166,248
111	Regular Employee Wages	169,102	182,114	180,379	180,379	185,282
123	Overtime Wages	4,075	1,433	5,000	10,000	10,000
141	Medicare	11,869	25,544	24,909	24,909	25,046
142	Health Insurance	85,982	84,698	85,255	85,255	73,533
143	Retirement	26,218	27,708	28,984	28,984	28,559
145	Life Insurance	1,364	1,650	1,941	1,941	2,136
146	Workers Comp Insurance	5,950	6,325	7,000	7,000	7,000
	Long Term Disability					
148	Insurance	935	1,302	1,549	1,549	1,619
150	Benefit Disbursement	3,806	6,730	6,800	6,800	6,800
152	Merit Adjustment	13,057	11,776	12,217	12,217	8,087
	<b>Total Personnel</b>	<b>488,436</b>	<b>522,785</b>	<b>527,401</b>	<b>532,401</b>	<b>514,311</b>
221	Printing	196	197	200	100	200
	Education Reimbursement					
234	Program	0	800	1,000	1,000	1,000
235	Dues/subscriptions	1,324	1,435	2,380	1,500	2,380
254	Professional Services	525		50,000	290	100,000
264	Traffic Signal Maintenance	31,946	36,548	35,000	45,000	45,000
271	Traffic Calming	0	1,258	18,000	13,800	18,000
272	Traffic Signal Timing	520	7,305	8,000	2,000	8,000
280	Travel/Training	5,229	6,011	7,500	4,000	7,500
282	Auto Allowance	3,476	3,462	3,600	3,600	3,600
289	Local Travel	408	174	1,500	500	500
300	Supplies	1,059	1,144	2,200	800	1,000
	Small Tools and					
312	Equipment	289	667	1,000	800	1,000
313	Computer Equip/Software	0	40	1,400	1,280	2,100
326	Clothing/Uniforms	694	2,172	3,580	3,580	3,700
331	Gasoline	3,595	3,058	4,500	3,000	4,500
	Storm Water					
490	Program/NPDES	27,203	23,027	34,200	34,000	30,900
947	Equipment	0	300	5,500	5,500	1,000
	<b>Total Operating Expenditures</b>	<b>76,464</b>	<b>87,598</b>	<b>179,560</b>	<b>120,750</b>	<b>230,380</b>
	<b>Total Engineering</b>	<b>564,900</b>	<b>598,607</b>	<b>706,961</b>	<b>653,151</b>	<b>744,691</b>

## ***Engineering 110-41670***

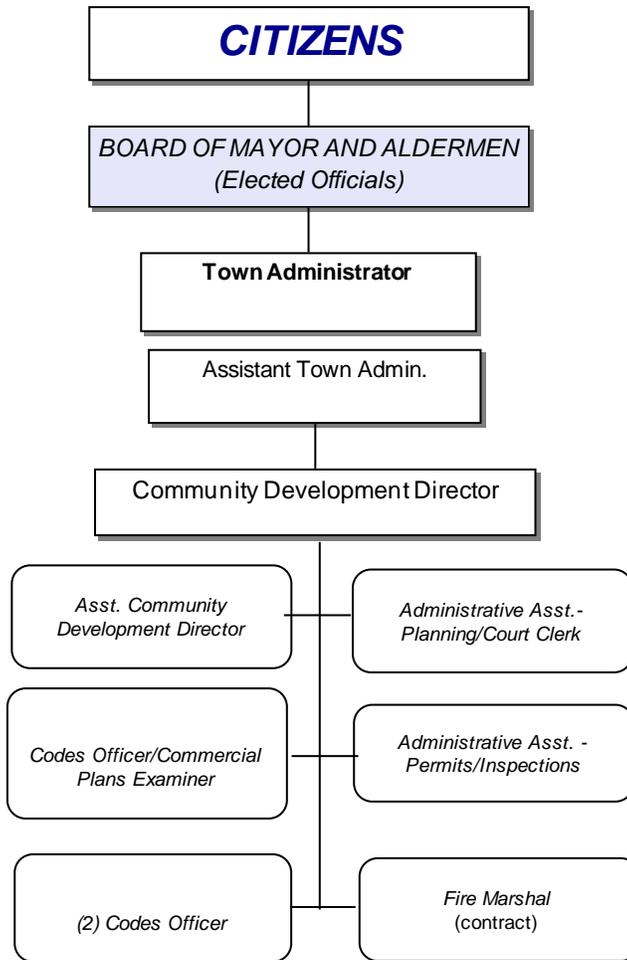
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<b>221 Printing/Forms</b>		<b>\$200</b>
Business Cards		
<b>234 Education Reimbursement Program</b>		<b>\$1,000</b>
<b>235 Dues, Subscriptions</b>		<b>\$2,380</b>
American Society of Civil Engineers (2)	460	
Institute of Traffic Engineers (2)	440	
Engineering News Record and Civil Engineering	400	
Professional Privilege Tax	800	
P.E. License registration (2)	280	
<b>254 Professional Services</b>		<b>\$100,000</b>
Transportation & Infrastructure Development Consultant	50,000	
Stormwater Infrastructure Analysis	50,000	
<b>264 Traffic Signal – Maintenance</b>		<b>\$45,000</b>
21 signals & 6 school & traffic flashers; contract and other repairs		
<b>271 Traffic Calming</b>		<b>\$18,000</b>
Neighborhood traffic calming within subdivisions, according to the Town’s Traffic Calming Policy.		
<b>272 Traffic Signal Timing</b>		<b>\$8,000</b>
Coordination of traffic signals based on changing needs within the Town.		
<b>280 Travel/Training</b>		<b>\$7,500</b>
Tennessee Chapter American Public Works Association	1,000	
ASCE Conference	3,200	
Engineering Seminars/Classes (15)	3,300	
<b>282 Employee Automobile Allowance</b>		<b>\$3,600</b>
Town Engineer		
<b>289 Local Travel</b>		<b>\$500</b>
Mileage for local travel		
<b>300 Supplies</b>		<b>\$1,000</b>
Miscellaneous office, survey and plotter supplies.		
<b>312 Small Tools/Equipment</b>		<b>\$1,000</b>
Misc. field and survey tools		

<b>313 Computer Equipment/Software</b>		<b>\$2,100</b>
Microstation select	850	
IPad data package	1,250	
<b>326 Clothing/Uniforms</b>		<b>\$3,700</b>
Uniforms	2,820	
Town Shirts	200	
Boots (4 employees)	680	
<b>331 Gasoline</b>		<b>\$4,500</b>
Four vehicles		
<b>490 Storm Water Program, NPDES</b>		<b>\$30,900</b>
Annual Small MS4 Fee/TDEC	3,500	
Water Quality Forum membership/ IJAMS	3,000	
TNSA Membership	300	
Event Sponsorship	1,750	
General Supplies	500	
Educational Materials, Printing & Ad	2,750	
Adopt a Stream Program	500	
Water Quality Testing by FLLA	3,000	
Updated Training Materials	250	
AmeriCorps Service Membership	8,000	
AmeriCorps Program Support	1,250	
AmeriCorps Relocation Allowance	500	
Outdoor Classroom Projects	4,100	
General Projects	1,500	
<b>947 Equipment</b>		<b>\$1,000</b>
Misc. Survey Equipment		

*Community Development Department*

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## Community Development Department

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The Community Development Department is the combination of the planning and codes enforcement divisions with comprehensive services within both of these divisions provided to citizens, businesses, builders and developers. The department evaluates issues relative to development occurring within the Town. The planning staff is primarily responsible for administering the Zoning Ordinance, Subdivision Regulations and applicable sections of the Municipal Code. The Community Development staff also provides support to the Farragut Municipal Planning Commission (FMPC), Farragut Board of Zoning Appeals (BZA), Visual Resources Review Board (VRRB), Board of Plumbing and Gas/Mechanical Examiners and Municipal Court. Services provided by the department include:

### Planning Division

Requests are reviewed, background and supporting information is compiled, and recommendations are made as these requests are forwarded to the appropriate board or committee except where noted below:

- Review of Requests for Rezoning and Text Amendments to Land Use Related Documents - Recommendations are forwarded to FMPC and the Board of Mayor and Aldermen.
- Review of Text Amendments to the Sign Ordinance – Recommendations are forwarded to VRRB, FMPC and the Board of Mayor and Aldermen.
- Review of Requests for the Subdivision of Property - Concept plans, preliminary plats, final plats, resubdivision plats and plats of correction are reviewed for compliance with the Zoning Ordinance, Sign Ordinance, Tree Protection Ordinance, Aquatic Buffer Ordinance, Sinkhole Ordinance and Subdivision Regulations.
- Review of Site Plans for all Non-Single Family or Two-Family Residential Uses Such as Commercial, Office, Public, Semi-Public, Other Non-Residential Uses and Multi-Family Developments - Site plans are reviewed to ensure they are in compliance with Town requirements such as setbacks, open space,

maximum lot coverage, parking requirements, tree protection, fire protection, access and other Town requirements and recommendations are forwarded to FMPC.

- Review of Residential Site Plans - Site plans are reviewed to ensure they are in compliance with Town setback requirements, maximum lot coverage requirements, access requirements and to ensure that easements are not violated.
- Review of Requests for Special Exceptions, Variances, Zoning Ordinance, Sign Ordinance and Sinkhole Ordinance Interpretations and Appeals - Requests are reviewed, background and supporting information is compiled, and recommendations are made to the BZA.
- Review of Sign Applications and Landscape Plans - Applications and plans are reviewed to ensure compliance with all Town requirements. Recommendations are made on applications for ground signs and landscape plans to the VRRB. The staff reviews and approves applications and plans for all wall signs.
- Preparation of Community Plans - Includes such plans as the pedestrian and bicycle plan, land use plan, community facilities plan, utility arboretum plan and other related documents.
- Enforcement of Sign Ordinance

## Codes Enforcement Division

- Review of All Commercial, Office and Residential Construction Plans - All commercial, office and residential construction plans are reviewed to ensure they meet minimum code requirements (International Construction Codes – 2006 Edition).
- Permits - Various permits are required for all new construction and the vast majority of remodeling, both commercial and residential.
- Inspections - Codes officers' conduct the following inspections, by appointment, with a one-day turnaround: footers, slab/energy, plumbing slab, preliminary gas/mechanical and plumbing, framing, energy/insulation, final

gas/mechanical and final building for occupancy. Electrical inspections are performed by Lenoir City Utilities Board and must be scheduled by calling (865) 986-6591.

- Fire and Safety Inspections - Annual inspections of commercial buildings for fire and safety codes are conducted through a joint agreement between the Town and Rural/Metro Inc. New commercial plans are reviewed, and construction is inspected to ensure compliance with fire codes.
- Licensing for Plumbing and Gas/Mechanical Contractors - Application packets are available from the Farragut Codes Enforcement Division and require a review by the Board of Plumbing and Gas/Mechanical Examiners.

**Goal: Provide staff training to enhance the Community Development Department’s ability to support the development community, businesses and Town residents**

*Objectives:*

- Continue training on the 2012 ICC Codes for code officials
- Provide ongoing training for codes officials to stay abreast of the latest technologies in the construction field
- Pursue training for the Municipal Court Clerk
- Pursue continuing education for staff planners’ to maintain their AICP certifications
- Pursue Disaster Inspector Certifications

**Goal: Increase pedestrian connectivity within Farragut**

*Objectives:*

- Identify and prioritize missing key greenway linkages
- Identify and prioritize missing key sidewalk linkages
- Work with property owners, homeowner associations, and businesses to obtain necessary easements for trail and sidewalk construction
- Implement the Pedestrian and Bicycle Plan

**Goal: provide outstanding customer service to the development community, business owners, and Town residents**

*Objectives:*

- Schedule meetings as needed with developers and designers to answer

questions regarding new construction and development requirements

- Conduct courtesy inspections on construction sites to answer questions
- Conduct homeowner training session on remodeling
- Conduct contractor/homeowner training session on energy codes
- Conduct contractor training session on the 2012 International Residential Building Code
- Conduct fire extinguisher training for businesses and residents to improve safety
- Enhance Community Development’s portion of the Town’s website to make it an excellent resource for Community Development related information

**Goal: Facilitate future growth, development, and redevelopment**

*Objectives:*

- Conduct training for the Planning Commission, Board of Zoning Appeals, and Visual Resources Review Board members to enhance their knowledge of best practices of development
- Implement the Land Use Plan
- Prepare ordinance text amendments that ensure appropriate land uses, attractive developments, and appealing and interesting gateway corridors
- Coordinate with the Town’s engineering staff on the development of new stormwater and aquatic buffer ordinance needed to implement the new NPDES requirements

- Review and amend the Municipal Code to make necessary modifications that would permit and encourage the development of creative and innovative approaches to stormwater management
- Review Zoning Ordinance and make necessary modifications that would permit the green approaches to stormwater management in site development
- Review Subdivision Regulations and make necessary modifications that would permit the development of green approaches to stormwater management in the subdivision development process

Activity	FY13 Actual	FY14 Estimated	FY15 Projected
<b>Residential Building Plans Review</b>			
Initial Review within 8 business days	96%	95%	95%
<b>Commercial Building Plans review</b>			
Initial Review within 15 business days	91%	90%	90%
Second Review within 10 business days	92%	90%	90%
<b>Fire Prevention Plans Review</b>			
Initial Review within 10 business days	82%	80%	80%
Second Review within 10 business days	94%	95%	95%
<b>Commercial Building Inspections</b>			
Conducted within 48 hours of request	78%	80%	80%
<b>Residential Building Inspections</b>			
Conducted within 48 hours of request	97%	95%	97%
<b>Other Permit Inspections (Plumbing, Gas/Mechanical, etc.)</b>			
Residential inspections within 24 hours of request	83%	85%	80%
<b>Planning Commission-site plans, preliminary plats, final plats, resubdivision</b>			
Initial Review within 10 business days	96%	100%	100%
Second Review within 8 business days	100%	100%	100%
Final review of plans and plats within 10 business days after they've been resubmitted for final approval	94%	98%	95%
<b>Non-Planning Commission-amendments to site plans, preliminary plats, final plats, resubdivision</b>			
Initial Review within 15 business days	92%	90%	90%
<b>Landscape Design Plans</b>			
Initial Review within 10 business days	94%	90%	90%
<b>Sign Permits (VRRB)</b>			
Initial Review within 10 business days	94%	90%	90%
<b>Sign Permits (Non-VRRB)</b>			
Initial Review within 15 business days	100%	100%	100%

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Zoning Ordinance Special Events</b>			
Initial Review within 5 business days	91%	90%	90%
<b>Home Occupation Permits</b>			
Initial Review within 10 business days	97%	95%	95%
<b>Customer Service</b>			
Telephone calls returned within 24 hours	96%	95%	95%
Non-staff emails responded to within 24 hours	78%	90%	85%
<b>Citizen Request for Service</b>			
Percentage of requests initially responded to within 48 hours in Citizen Request Tracker	96%	95%	95%
Average time to close a request in Citizen Request Tracker	19 days	14 days	18 days

## Community Development Descriptions

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
COMMUNITY DEVELOPMENT DESCRIPTION		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41700	<b>EXPEDITURES</b>					
110	Salaries	137,762	146,685	145,516	155,000	128,054
111	Regular Employee Wages	249,569	264,502	260,886	260,886	254,297
123	Overtime Wages	0	679	0	720	1,000
141	Medicare	13,509	28,824	30,076	30,076	26,391
142	Health Insurance	98,940	97,371	109,182	109,182	110,524
143	Retirement	32,731	35,818	35,064	35,064	31,455
145	Life Insurance	1,627	1,895	2,268	2,268	2,098
146	Workers Comp Insurance Long Term Disability	9,402	9,995	11,000	11,000	11,000
148	Insurance	1,123	1,531	1,807	1,807	1,701
150	Benefit Disbursement	0	0	20,500	20,500	0
152	Merit Adjustment	14,626	13,738	14,091	14,091	8,802
	<b>Total Personnel</b>	<b>559,289</b>	<b>601,038</b>	<b>630,390</b>	<b>640,594</b>	<b>575,322</b>
221	Advertising/Printing	2,354	2,468	3,000	2,468	3,000
230	Legal Notices	2,040	394	2,000	2,000	2,000
235	Dues/Subscriptions	1,825	1,835	2,000	1,890	2,315
254	Professional Services	121,837	143,649	143,000	112,000	155,250
280	Travel/Training	5,390	6,416	10,000	10,000	15,500
282	Employee Auto Allowance	3,337	3,462	3,600	3,600	3,600
289	Local Travel	108	54	200	200	200
300	Supplies Books and Education	997	222	1,000	1,000	1,000
311	Material	5,181	8,232	5,000	5,000	6,700
312	Small Tools/Equipment	0	894	2,200	2,000	3,200
326	Clothing/Uniforms	315	528	5,000	5,000	5,000
331	Gasoline	3,857	3,621	4,200	4,200	4,200
937	Office Remodel	0	0	0	0	1,000
	<b>Total Operating Expenditures</b>	<b>147,241</b>	<b>171,775</b>	<b>181,200</b>	<b>149,358</b>	<b>202,965</b>
	<b>Total Community Development</b>	<b>706,530</b>	<b>759,075</b>	<b>811,590</b>	<b>789,952</b>	<b>778,287</b>



## **Community Development 110-41700**

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<b>221 Advertising/Printing</b>		<b>\$3,000</b>
Inspection and permit forms, business cards, license, etc.		
<b>230 Legal Notices</b>		<b>\$2,000</b>
Meeting notices in newspaper		
<b>235 Dues/Subscriptions</b>		<b>\$2,315</b>
Tennessee Building Officials Association	25	
National Fire Protection Associations	150	
East Tennessee Building Officials Association	180	
International Code Council	125	
American Planning Association	740	
Tennessee Chapter American Planning Association	100	
American Institute of Certified Planners	695	
Smoky Mountain Regional Greenway Council	300	
<b>254 Professional Services</b>		<b>\$155,250</b>
Engineering-mapping and platting projects	50,000	
Snyder Road Plat		
Everett Road/ Kingston Pike Plat		
Old Stage Road/ Watt Road Plat		
Fire Codes-Contract with Rural/Metro for Fire Marshal	66,250	
Liens	200	
Monumenting (replacement, repair, identification)	8,800	
Design Guidelines Consultant	30,000	
<b>280 Travel/Training</b>		<b>\$15,500</b>
TAPA conference	1,500	
ICC (codes training – code hearings)	3,000	
American Planning Association National Conference	3,000	
TBOA conference	1,500	
Planning Commission and BZA Training	1,000	
Planning - Winter Training Retreat	600	
Building Officials – Annual David Sprowl Education Days	1,600	
Quarterly KAPA Meetings	100	
Monthly ETBOA Meetings	150	
Miscellaneous Training (Computer, Customer Service, etc.)	250	
Court Clerk Training	300	
Building Official Training	2,500	
<b>282 Employee Auto Allowance</b>		<b>\$3,600</b>
Director		
<b>289 Local Travel</b>		<b>\$200</b>
Mileage for local travel		

<b>300 Supplies</b>		<b>\$1,000</b>
Miscellaneous supplies, Calendars, Board members name blocks		
<b>311 Books and Educational Material</b>		<b>\$6,700</b>
WindoWare support services, Permit LV annual contract fee, training materials	5,000	
IPad Service	1,700	
<b>312 Small Tools/Equipment</b>		<b>\$3,200</b>
Equipment for inspectors, rezoning signs, digital camera, truck storage units, flashlights, tape measures, infrared camera	2,200	
Plans storage, chairs, filing cabinet		
Monitor upgrades	1,000	
<b>326 Clothing/Uniforms</b>		<b>\$5,000</b>
Weather gear for inspectors	300	
Employee Uniforms	4,000	
Shirts for employees	200	
Boots for three inspectors	500	
<b>331 Gasoline</b>		<b>\$4,200</b>
Inspector vehicles (3), pool vehicle		
<b>937 Office Remodel</b>		<b>\$1,000</b>

## General Government Department

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The General Government Department consists of resources used by the whole organization and the operation/maintenance of Town Hall. There are no personnel cost allocated to this department. The department budget includes items such as telephone, utilities, building maintenance and office supply expenditures for all Town operations.

### Goal: Operate within budget

#### Objectives:

- Perform department services efficiently and effectively working within means of departmental budgets
- Monitor town provided services to ensure the highest level of service at the lowest cost for our customer

### Goal: Maintain the Town Hall building

#### Objectives:

- Conduct annual maintenance for Town Hall accessories
- Evaluate ways to improve the efficiency of utilities within the building

## Performance Measures

Activity	FY13 Actual	FY14 Estimated	FY15 Projected
<b>Town Hall Maintenance</b>			
Percentage change in Town Hall Energy Cost	N/A	0%	1%



## General Government

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>GENERAL GOVERNMENT</b>		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41800	<b>EXPENDITURES</b>					
132	First Aid Services	510	258	1,000	500	1,000
211	Postage	6,466	5,362	6,500	5,500	6,500
216	Radio Communications	2,438	0	5,300	3,000	5,800
219	Security System	765	825	3,000	2,500	3,500
235	Dues/Subscriptions	0	0	750	750	750
240	Utilities	65,690	62,795	68,000	68,000	68,000
245	Telephone	30,739	27,179	40,720	28,600	33,000
260	Office Equip. Maintenance	1,297	2,164	5,000	5,000	2,500
266	Building Maintenance	41,313	28,983	65,900	65,900	56,500
294	Equipment Rental	14,883	13,596	18,000	17,000	18,000
310	Office Supplies	16,477	17,741	18,000	18,000	18,000
312	Small Tools/Equip	445	417	2,500	1,000	1,000
945	Telephone Equipment	0	40,761	0	0	0
	<b>Total</b>	<b>181,023</b>	<b>200,081</b>	<b>234,670</b>	<b>215,750</b>	<b>214,550</b>

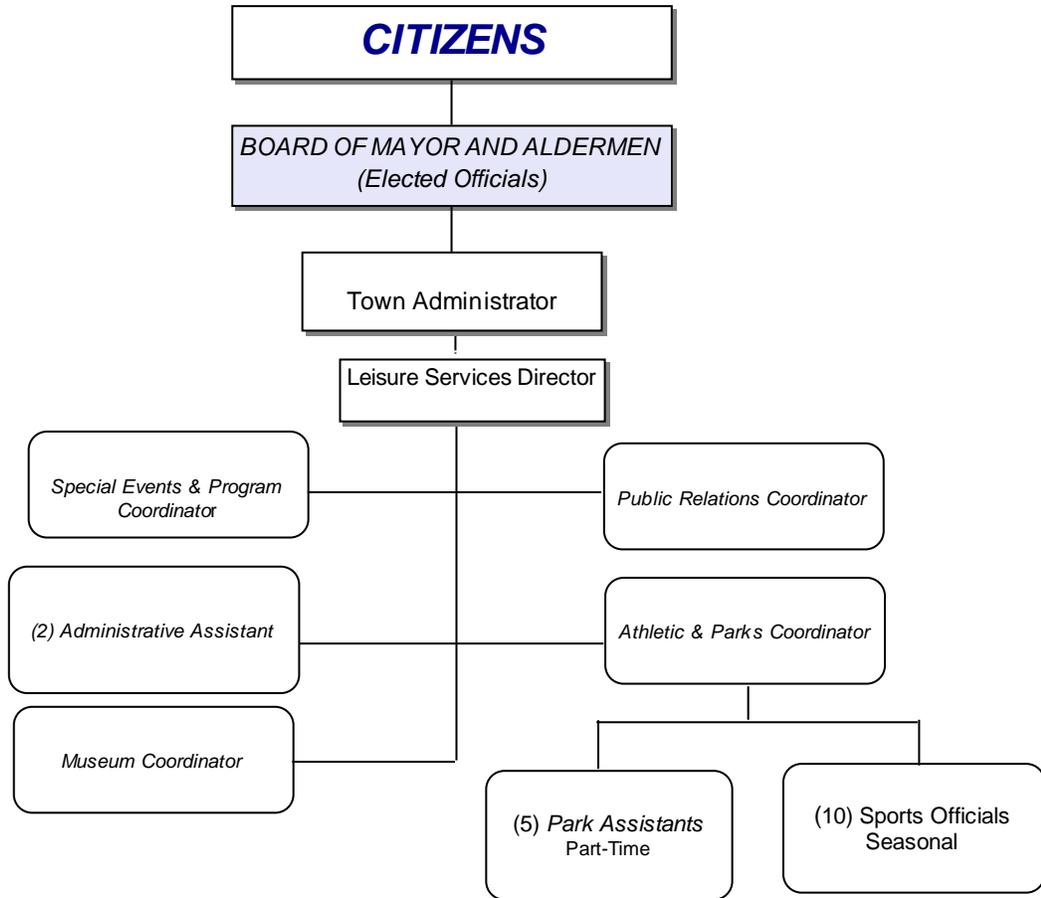
## ***General Government 110-41800***

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<b>132 First Aid</b>		<b>\$1,000</b>
Supplies for all departments		
<b>211 Postage</b>		<b>\$6,500</b>
All mailings for the Town		
<b>216 Radio Communications</b>		<b>\$5,800</b>
KCSO/TEMA radio system link user fee	3,500	
Public Works narrow band radio maintenance user fee	2,300	
<b>219 Security System</b>		<b>\$3,500</b>
Repairs and monitoring for the museum, town hall and Dimmick and Russell house security system		
<b>235 Dues/Subscriptions</b>		<b>\$750</b>
Cintas Shredding Services		
<b>240 Utilities</b>		<b>\$68,000</b>
Electric, gas, water/sewer for the Town Hall		
<b>245 Telephone</b>		<b>\$33,000</b>
Phone service/maintenance at Town Hall and services for all Town owned cell phones		
<b>260 Office Equipment Maintenance</b>		<b>\$2,500</b>
<b>266 Building Maintenance</b>		<b>\$56,500</b>
HVAC Maintenance	8,700	
Town Hall Supplies	15,500	
Irrigation System	800	
Rural/Metro subscription	4,500	
Elevator Maintenance	3,000	
Building Repairs/Ceiling in Museum	24,000	
<b>294 Equipment Rentals</b>		<b>\$18,000</b>
Pitney Bowes Postage Machine (\$302 Month)	3,700	
Oce Copier Rentals & Maintenance (2)	14,300	
<b>310 Office Supplies</b>		<b>\$18,000</b>
General supplies for all employees		
<b>312 Small Tools/Equipment</b>		<b>\$1,000</b>

***Parks & Leisure Services Department***

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## *Parks & Leisure Services Department*

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The Parks and Leisure Services Department provides a variety of programs and services, which were established to enhance the quality of life and increase community involvement for Farragut's citizens. Staff also serves as support for the Arts Council, Beautification Committee, Folklife Museum Committee, Parks and Athletics Council and other ad-hoc committees. Services provided by the department include:

- Park and Greenway Management – Supervision of parks and greenways including facility planning, grant preparation, inspections, equipment orders and evening/weekend oversight and maintenance.
- Farragut Folklife Museum is a treasure chest of artifacts and photographs, which tell the history of the Farragut and Concord communities. One of the highlights of the museum is the Admiral David Glasgow Farragut collection.
- Athletics Including Adult Sand Volleyball and Softball (Coed and Men)
- Programs, Classes and Special Events
  - Adult Dance
  - Shamrock Ball
  - Book Fest for Children
  - Youth Fishing Rodeo
  - Art and Flower Show
  - Farragut Movers and Shakers Club (part of the national “Let’s Move” Initiative)
  - Independence Day Parade
  - Fun with Farragut’s Fleet
  - Kids Day at the Museum
  - Annual Free Putt Putt Day
  - Picnic on the Pike
  - Freaky Friday Fright Nite
  - Celebrate the Season
  - Array of fitness, art and adult educational classes, and lectures
- Facility Reservations
  - Farragut Park shelters, community room and athletic fields
- Citizen Involvement/Volunteer Coordination
- Public Relations

**Goal: Maximize approved budget for staffing, programming and equipment, and promotion of facility rentals**

*Objectives:*

- Provide professional development opportunities for departmental staff to enhance the delivery of recreational services
- Evaluate the need for seasonal employees and adjust scheduling of part-time employees accordingly
- Partner with local organizations to maximize efficiency of programs and facility rentals
- Maximize the use of alternative funding to expand community programs

**Goal: Encourage citizen involvement through community outreach initiatives**

*Objectives:*

- Publicize Town events, programs, athletics, meetings, and accomplishments in community newsletters and press releases
- Maintain departmental website and communicate with citizens through the use of social media
- Expand opportunities for FUN and committee volunteers

**Goal: Enhance cultural amenities for residents and visitors through expansion and preservation efforts**

*Objectives:*

- Preserve the Town's history through expansion of the Farragut collection in the Folklife museum

- Preserve Town-owned historical assets

**Goal: Review the use of expansion of existing recreational structures and make improvements as needed**

*Objectives:*

- Formulate a plan for the rehabilitation of existing recreational facilities
- Formulate a plan for expansion of facilities as planned

**Goal: Promote the Town of Farragut as an excellent place to live and visit**

*Objectives:*

- Re-define the Town through a branding initiative to retain residents and attract visitors
- Promote the Town through marketing

**Goal: Provide residents and visitors with a wide selection of programs, classes, athletics and special events**

*Objectives:*

- Coordinate existing special events and modify as needed
- Coordinate athletic opportunities that are not provided by local non-profits

**Goal: Provide exceptional customer service to the public**

*Objectives:*

- Respond promptly to citizen requests
- Guide citizens through reservation process

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Projected</b>	<b>FY15 Estimated</b>
<b>Rentals</b>			
Number of Pavilion Reservations	418	458	475
Number of Community Room Reservations	28	27	25
Percentage of reservations completed online	N/A	N/A	93%
<b>Public Relations</b>			
Average number of media releases, social posts, and media contacts per month	122	132	102
<b>Athletics &amp; Field Use</b>			
Number of Field Use Groups	41	40	40
Number of Field Use Hours Scheduled	4,385	4,700	5,000
Percentage of time fields are scheduled during prime time use	N/A	23%	25%
<b>Volunteers</b>			
Total number of FUN volunteers	93	96	98
Average number of volunteer hours per year	4,454	4,550	4,500
<b>Programs &amp; Events</b>			
Number of Special Events (Includes Museum)	12	19	14
Number of program or class hours	374	386	325
Average number of program participants	2,608	1,800	1,600
<b>Museum</b>			
Total Number of Visitors per year	4,620	4,000	4,040
Percentage of visitors from out of state	9%	11%	11%
Percentage of visitors from out of the country	1%	1%	1%
Total number of items fully accessioned	4,720	4,912	4,984
<b>Customer Service</b>			
Average time to close a request in Citizen Request Tracker	1 day	1.5 days	1 day
Number of phone calls, emails, and online requests reported separately	N/A	N/A	80%
Number of communications with clients regarding facility rentals	N/A	N/A	725
Number of communications with clients regarding field use requests	N/A	N/A	1,100
Percentage of requests initially responded to within 48 hours in Citizen Request Tracker	N/A	N/A	98%

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>PARKS &amp; LEISURE SERVICES</b>						
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41900	<b>EXPENDITURES</b>					
110	Salaries	78,280	85,182	84,216	84,216	86,743
111	Regular Employee Wages	193,685	220,955	221,480	221,480	228,127
122	Seasonal Employee wages	75,523	64,923	91,450	91,450	91,450
123	Overtime Wages	4,543	6,110	9,400	9,400	9,700
141	FICA/Medicare	15,679	28,605	31,101	31,101	31,826
142	Health Insurance	115,159	111,528	114,772	114,772	115,151
143	Retirement	20,131	11,868	18,722	18,722	21,619
145	Life Insurance	1,124	1,574	1,670	1,670	1,735
146	Workers Comp Insurance	3,520	3,760	4,140	4,140	4,140
148	Long Term Disability Insurance	796	1,033	1,290	1,290	1,384
150	Benefit Disbursement	0	0	2,500	2,500	2,500
152	Merit Adjustment	12,611	10,763	11,142	11,142	9,180
	<b>Total Personnel</b>	<b>521,051</b>	<b>546,301</b>	<b>591,883</b>	<b>591,883</b>	<b>603,555</b>
221	Advertisement/Printing	15,222	19,871	22,000	22,000	22,000
231	Volunteer Program	7,627	12,028	12,000	12,000	12,500
232	Annual Report	18,755	18,070	20,000	18,500	19,000
234	Education Reimbursement	800	1,000	1,000	1,000	0
235	Dues/Subscriptions	1,780	2,442	2,910	2,910	3,510
236	Community Relations	2,571	1,493	6,000	3,000	3,000
240	Utilities	58,753	61,940	85,000	85,000	85,000
254	Professional Services	0	3,300	10,000	10,000	55,000
263	Event Decorations	18,334	14,779	19,000	19,000	19,000
280	Travel/Training	8,011	5,115	10,000	8,000	10,555
282	Automobile Allowance	3,199	3,462	3,600	3,600	3,600
300	Supplies	3,377	5,974	12,000	8,000	8,000
311	Books and Educ. Material	25	0	250	250	250
312	Small tools/equipment	2,749	4,967	9,000	9,000	7,000
319	Park Equipment	16,070	16,686	16,500	16,500	18,500
326	Clothing/Uniforms	876	1,178	2,000	2,000	2,000
331	Gasoline	5,840	5,453	6,500	6,500	6,500
362	Programs	23,984	26,874	30,000	30,000	30,000
	Farragut Folklife Museum					
722	Committee	26,000	24,604	6,850	6,850	8,000
723	General Museum	0	0	19,150	19,150	19,150
724	FFM Gift Shop	0	0	0	0	0
728	Arts Council	4,899	4,606	10,000	10,000	5,500
937	Park Capital Equipment	0	6,211	17,000	16,500	18,500
939	Beautification Equipment	0	10,509	0	0	0
947	Computer Equipment/Software	200	546	1,750	1,750	0
	<b>Total Operating Expenditures</b>	<b>219,072</b>	<b>251,108</b>	<b>322,510</b>	<b>311,510</b>	<b>356,565</b>
	<b>Total Leisure Services</b>	<b>740,123</b>	<b>786,646</b>	<b>914,393</b>	<b>903,393</b>	<b>960,120</b>

## ***Parks and Leisure Services 110-41900***

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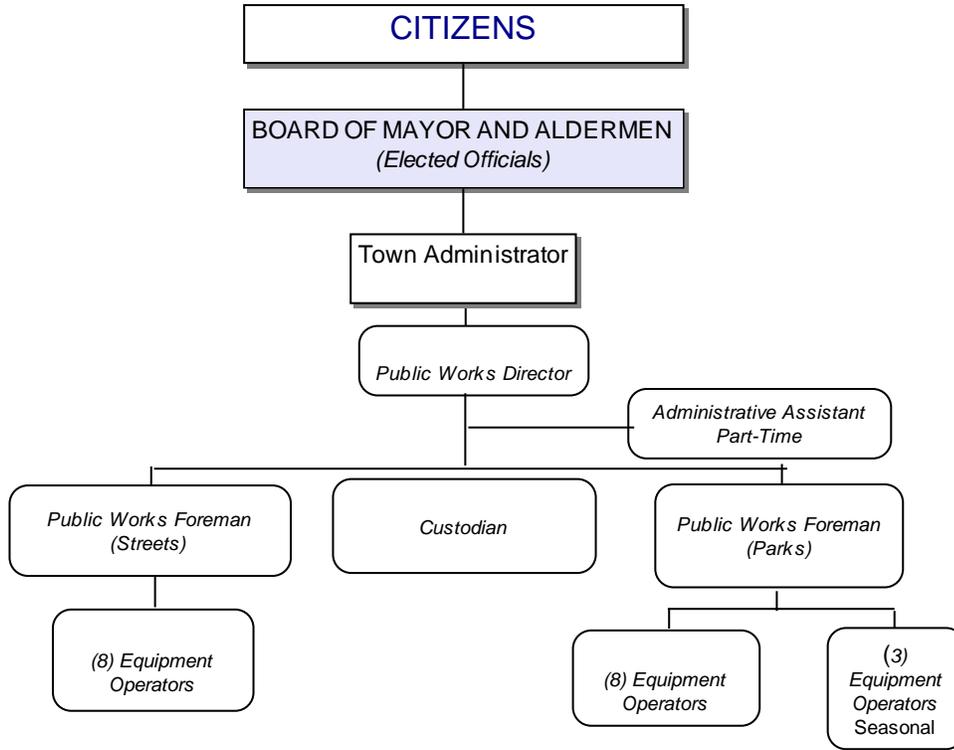
<b>221 Advertisement/Printing</b>		<b>\$22,000</b>
Business Cards, Advertisements, Talk of the Town, Budget publication, Design Costs, Printing, General Signs, E-Newsletter annual contract		
<b>231 Volunteer Program</b>		<b>\$12,500</b>
Banquet, holiday breakfast, volunteer recognition, volunteer supplies, flowers, cards		
<b>232 Annual Report</b>		<b>\$19,000</b>
28 pages, full color magazine; graphic artist and distribution cost. Non-profit groups are paid to deliver to each house in Farragut.		
<b>235 Dues/Subscriptions</b>		<b>\$3,510</b>
National Recreation and Parks Association-Dues & Certifications	370	
Tennessee Recreation Parks Association	695	
Public Relations Society of America	550	
Southeast Festival and Events Association	150	
Costco Membership	220	
Kiwanis	450	
Splash Pad License	350	
AED Subscription	725	
<b>236 Community Relations</b>		<b>\$3,000</b>
Gifts, receptions and committee food, flowers, coffee, cards, holiday cards, framing, giveaways		
<b>240 Utilities</b>		<b>\$85,000</b>
Water, electric, irrigation, restrooms– all parks & Dimmick House		
<b>254 Professional Services</b>		<b>\$55,000</b>
Marketing & Advertising	10,000	
Branding Campaign	45,000	
<b>263 Event Decorations</b>		<b>\$19,000</b>
Holiday decorations, Celebrate the season event, CSP lighting, beautification awards		
<b>280 Travel, Training</b>		<b>\$10,555</b>
American Red Cross (CPR, First Aid, AED)	250	
National Recreation and Parks Association National Conference	5,100	
Tennessee Recreation and Parks Association State Conference/District	2,905	
Public Relations Society of America-District	700	

Southeastern Museum Conference & TAM	900	
One Day Training (Management, Customer Service, Etc.)	700	
<b>282 Auto Allowance</b>		<b>\$3,600</b>
Parks & Leisure Services Director		
<b>300 Supplies</b>		<b>\$8,000</b>
Specialty papers, linen service, general use supplies, boots Splash pad chemicals, pet waste bags, first aid supplies (Parks)		
<b>311 Books/Education Materials</b>		<b>\$250</b>
<b>312 Small Tools &amp; Equipment</b>		<b>\$7,000</b>
Athletic tools & equipment; park, greenway and Adopt-a-Mile signs, splash pad parts, office & program equipment, AED batteries		
<b>319 Park Equipment</b>		<b>\$18,500</b>
Park Equipment (table tops, trash cans, grills, fountains/shower, etc.), playground replacement parts, 12,500		
Park/Greenway Sign Replacement (from wood to recycled material) 6,000		
<b>326 Clothing/Uniforms</b>		<b>\$2,000</b>
Town shirts, Administration and Leisure Services		
<b>331 Gasoline</b>		<b>\$6,500</b>
3 vehicles		
<b>362 Programs</b>		<b>\$30,000</b>
Special Events- Programs and classes 20,550		
Softball & Volleyball Leagues 1,200		
Plant-a-Tree Program & Trees/Shrubs on Public Land 8,250		
<b>722 Farragut Folklife Museum Committee</b>		<b>\$8,000</b>
Events, membership (event & newsletter) and flowers 6,850		
2015 Quilt Show 1,150		
<b>723 General Museum</b>		<b>\$19,150</b>
Archival supplies, exhibit and office supplies, advertising, membership dues and small tools and equipment		
<b>728 Arts Council</b>		<b>\$5,500</b>
BookFest, art shows (prizes & Food), art classes		
<b>937 Park &amp; Recreation Facilities Equipment</b>		<b>\$18,500</b>
Town Benches 5,000		
Baseball field renovation 10,000		
Park directional signs/emergencies 2,000		
Park improvements 1,500		



# Public Works Department

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## *Public Works Department*

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The Public Works Department provides various services relating to public facilities within the Town of Farragut. Services provided by the department include:

- Street Maintenance - Maintenance of designated street lights, street signs, traffic signs and signals plus litter control, emergency patching, repair and reconstruction of curbing, string trimming and response to emergency situations.
- Park and Public Facility Maintenance - Includes maintenance of the Town's four parks, miles of greenways, Town Hall, public works facility and all other Town-owned properties.
- Seasonal Decorations – Includes holiday decorations and installation of street banners (five seasons).
- Snow Removal – Priority list of streets to be plowed is approved each year by the Board of Mayor and Aldermen.
- Rights of Way Mowing & Maintenance
- Drainage Projects - Public drainage projects which improve the capital investments and infrastructure of the Town. This is in addition to the drainage improvement program – a joint program in which citizens and the Town share in costs.

**Goal: Extend the useful life of equipment through effective maintenance policies & procedures**

*Objectives:*

- Perform regularly scheduled maintenance on all equipment and vehicles according to manufacturer guidelines
- Provide appropriate storage for all equipment and vehicles
- Provide employee training on equipment as needed

**Goal: Improve departmental safety standards through employee education and awareness**

*Objectives:*

- Participate in safety awareness training on a monthly basis
- Demonstrate knowledge of Tennessee Occupational Health Administration (TOSHA) guidelines by maintaining a safe work environment
- Review proper use of equipment and personal protective equipment to reduce the number of lost-time accidents

**Goal: Increase employee knowledge and job proficiency through education and training**

*Objectives:*

- Provide job-specific training to enhance employee awareness on all maintenance functions within the department
- Comply with state requirements for the National Pollutant Discharge Elimination System (NPDES) by

providing training to staff with Stormwater Permit certifications

**Goal: Maintain fiscal responsibility of the Public Works Department**

*Objectives:*

- Purchase quality equipment at the lowest price for long-term use
- Monitor workload and maintain efficient operations that will help minimize overtime use

**Goal: Maintain an aesthetically pleasing community through maintenance of parks, greenways, and buildings**

*Objectives:*

- Install visually appealing signage at main gateways
- Landscape park and greenway entrances to enhance their natural beauty
- Mow regularly during seasonal months
- Connect sidewalks and greenways via new links
- Maintain existing infrastructure and make repairs as needed

**Goal: Maintain existing streets through proper maintenance of roads and drainage systems**

*Objectives:*

- Perform regularly scheduled cleaning of storm drains
- Respond to drainage maintenance repairs in a timely manner
- Follow a regular street sweeping schedule to maintain streets
- Perform snow and ice removal as needed

**Public Works Department**

**Performance Measures**

<b>Activity</b>	<b>FY13 Actual</b>	<b>FY14 Estimated</b>	<b>FY15 Projected</b>
<b>Maintenance of town vehicles &amp; equipment</b>			
Percentage of maintenance cost performed in house versus maintenance cost that is outsourced	N/A	N/A	85%
Percentage of maintenance performed on schedule	N/A	N/A	90%
<b>Personnel</b>			
Yearly overtime cost	10,583	16,060	12,000
Percentage of overtime cost to total personnel cost	0.80%	1.27%	0.90%
Total man hours dedicated for snow removal/clearing	N/A	552	350
<b>Job Training</b>			
Percentage of employees who completed the annual safety training requirements	100%	100%	100%
Percentage of employees who completed the annual NPDES training requirements	0%	25%	20%
Percentage of employees who completed job-related training other than the required training for TOSHA and NPDES	17%	22%	15%
<b>Maintenance of street/drainage facilities</b>			
Percentage of time storm drains are cleaned as scheduled	92%	94%	95%
Linear feet of sidewalk added	0	950	1000
Linear feet of sidewalk repaired	325	105	150
<b>Citizen Requests</b>			
Percentage of requests initially responded to within 48 hours in Citizen Request Tracker	96%	98%	97%
Average time to close a request in Citizen Request Tracker	8	9	7
Avg # days to close a request	8.39	9.52	7

## Public Works Department

Public Works		FY2012	FY2013	FY2014	FY2014	FY15
43000	<b>EXPENDITURES</b>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
110	Salaries	76,718	81,926	81,905	81,905	84,362
111	Regular Employee Wages	609,435	601,823	649,995	649,995	682,928
122	Seasonal Employee Wages	6,134	16,550	21,420	21,420	21,420
123	Overtime Wages	9,889	10,755	15,500	15,500	19,000
141	FICA/Medicare	22,635	44,570	48,412	48,412	51,102
142	Health Insurance	309,972	303,578	309,892	309,892	327,828
143	Retirement	52,441	47,972	61,976	61,976	66,624
145	Life Insurance	2,914	3,279	3,623	3,623	4,227
146	Workers Comp Insurance	28,507	22,664	37,510	37,510	37,510
148	Long Term Disability Insurance	1,816	2,557	2,956	2,956	3,337
150	Benefit Disbursement	0	2,339	4,500	4,500	4,500
152	Merit Adjustment	24,901	16,004	24,701	24,701	17,001
	<b>Total Personnel</b>	<b>1,145,362</b>	<b>1,154,017</b>	<b>1,262,390</b>	<b>1,262,390</b>	<b>1,319,839</b>
234	Education Reimbursement	354	1,000	1,000	1,000	1,000
235	Dues/Subscriptions	578	1,041	1,200	1,136	1,200
240	Utilities	7,329	8,979	9,800	9,800	10,000
241	Traffic Signal-Electric	5,565	5,900	6,000	6,000	6,000
247	Street Lights-Electric	68,112	69,729	74,000	64,000	64,000
261	Vehicle Maintenance	107,616	41,392	38,000	42,000	43,000
265	Boundary Entrance Signs	7,875	-4,500	5,000	3,227	3,500
266	Bldg. Maint./Improvements	7,903	8,725	7,000	5,000	6,250
280	Travel/Training	10,349	5,715	10,500	9,000	9,000
290	Street sweeping	19,475	20,936	25,000	22,000	23,000
294	Equipment Rental	2,748	1,954	3,000	3,000	3,000
295	Dumpster Service	6,255	9,825	10,000	13,000	15,550
312	Small tools & Equipment	4,896	3,468	5,000	5,000	5,000
320	Operating Supplies	4,360	4,759	5,000	4,000	5,500
321	General Town Maintenance	2,962	2,186	13,000	10,000	10,000
326	Clothing/Uniforms	17,621	17,057	19,000	19,000	20,600
	Park & Landscape					
329	Maintenance	48,700	41,655	45,000	40,000	45,000
331	Gasoline, Oil	54,130	52,069	50,000	50,000	54,000
342	Signs	5,000	15,448	17,000	17,000	17,000
416	Concrete, Brick Products	667	1,322	2,000	2,000	2,000
451	Crushed Stone, Sand	481	0	2,500	2,000	2,000
452	Snow Removal Supplies	3,909	5,662	10,000	13,100	12,000
470	Sidewalk Construction	16,953	2,965	15,000	8,000	10,000
482	Drainage Projects	14,044	8,705	20,000	8,000	10,000
483	Recycling Enclosure	0	0	0	0	7,800
949	Major Equipment/Machinery	3,605	11,053	26,000	22,000	24,000
	<b>Total Operating Expenditures</b>	<b>421,487</b>	<b>337,045</b>	<b>420,000</b>	<b>379,263</b>	<b>410,400</b>
	<b>Total Public Works</b>	<b>1,566,849</b>	<b>1,491,062</b>	<b>1,682,390</b>	<b>1,641,653</b>	<b>1,730,239</b>



## ***Public Works 110-43000***

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<b>234 Education Reimbursement Program</b>		<b>\$1,000</b>
<b>235 Dues, Subscriptions</b>		<b>\$1,200</b>
APWA Membership	600	
Optimist Club (Director)	600	
<b>240 Utilities</b>		<b>\$10,000</b>
Public Works building gas, water/sewer, electric		
<b>241 Traffic Signal–Electric</b>		<b>\$6,000</b>
21 signals & 6 school & traffic flashers		
<b>247 Street Lighting – Electric</b>		<b>\$64,000</b>
Electricity for town-owned street lights		
<b>261 Vehicle Maintenance</b>		<b>\$43,000</b>
Maintenance of all vehicles and equipment:		
Engineering	4,000	
Community Development	1,500	
Leisure Services	1,500	
Public Works	36,000	
<b>265 Boundary Entrance Signs</b>		<b>\$3,500</b>
<b>266 Building Maintenance</b>		<b>\$6,250</b>
Building maintenance	3,250	
Dimmick House Maintenance	1,000	
Russell House Maintenance	2,000	
<b>280 Travel/Training</b>		<b>\$9,000</b>
American Public Works Association	2,400	
State Chapter of American Public Works Association (3)	3,000	
Employee Training	2,500	
Stormwater Certifications	1,100	
<b>290 Street Sweeping</b>		<b>\$23,000</b>
Monthly sweeping of major roads and parking lots at the Parks and Town Hall		
<b>294 Equipment Rental</b>		<b>\$3,000</b>
Rentals of special equipment		
<b>295 Dumpster Services</b>		<b>\$15,550</b>
Contract for all buildings and parks and an additional dumpster at Public Works		

<b>312 Small Tools &amp; Equipment</b>		<b>\$5,000</b>
Hand tools, weed eaters, chainsaws, wrenches, etc.		
<b>320 Operating Supplies</b>		<b>\$5,500</b>
Safety equipment, janitorial supplies and business cards		
<b>321 General Town Maintenance</b>		<b>\$10,000</b>
Services that are contracted out for maintenance	3,000	
ADA Maintenance	7,000	
<b>326 Clothing and Uniforms</b>		<b>\$20,600</b>
Uniforms and boots for employees		
<b>329 Landscape Maintenance</b>		<b>\$45,000</b>
Town Parks and Building Landscape Maintenance		
Anchor Park-General repairs, mulch, sand, rip rap for pond, flowers		
Campbell Station Park-General repairs, mulch, flowers		
Mayor Bob Leonard Park-General repairs, mulch, sand, lights, irrigation system		
McFee Park-General repairs, mulch, sand, lights, irrigation systems		
<b>331 Gasoline</b>		<b>\$54,000</b>
Public Works vehicles and equipment		
<b>342 Signs</b>		<b>\$17,000</b>
Street signage, regulatory and informational signs		
<b>416 Concrete, Brick Products</b>		<b>\$2,000</b>
Curb and sidewalk repairs		
<b>451 Crushed stone, sand</b>		<b>\$2,000</b>
Mortar, sand, playground sand, stone backfill		
<b>452 Snow Removal Supplies</b>		<b>\$12,000</b>
Salt, sand, calcium for snow removal		
<b>470 Sidewalk Constructions</b>		<b>\$10,000</b>
Various sidewalk connections throughout the Town		
<b>482 Draining Projects</b>		<b>\$10,000</b>
Various drainage projects throughout the Town		
<b>483 Recycling Enclosure</b>		<b>\$7,800</b>
<b>949 Major Equipment/Machinery</b>		<b>\$24,000</b>
Mortar mixers, pumps, curb machine	4,000	
Vehicle lift for Public Works garage	5,000	
2 slide in pick-up truck salt spreaders	9,000	
Blower for large right of way tractor	6,000	

*Non-Departmental*

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
44000	<b>NON-DEPARTMENTAL DESCRIPTION</b>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
252	Legal Services	150,016	135,090	160,000	160,000	160,000
	Legal-Farm @ Willow					
253	Creek	11,481	2,200	0	0	0
510	Property Insurance	9,859	37,890	40,000	40,000	50,000
513	Liability Insurance	50,847	53,721	56,000	56,000	59,000
514	Insurance Claims	3,760	439	8,000	4,000	8,000
	Mixed Drink Payable to					
518	Knox Co	0	0	0	0	165,000
720	Community Grants					
	Farragut High School					
	Foundation	10,000	10,000	10,000	10,000	10,000
	Hardin Valley Academy					
	Foundation	0	10,000	10,000	10,000	10,000
	CADES-Community Grant	2,000	2,000	3,000	3,000	3,000
	East Tennessee Concert					
	Band	1,500	1,500	2,000	2,000	2,000
	Keep Knoxville Beautiful	0	1,000	1,000	1,000	1,000
	Sunshine Ambassadors	0	1,000	1,000	1,000	1,000
	Knoxville Opera	0	2,000	2,000	2,000	2,000
	Knox County Fire					
	Prevention	0	0	2,000	2,000	2,000
721	Park-n-Ride Lot	14,160	12,980	6,400	6,400	3,000
	KAT	40,000	20,000	0	0	0
	Community School					
722	Grants					
	Farragut Primary School	10,000	22,000	22,000	22,000	22,000
	Farragut Intermediate					
	School	10,000	22,000	22,000	22,000	22,000
	Farragut Middle School	10,000	22,000	22,000	22,000	22,000
	Farragut High School	10,000	22,000	22,000	22,000	22,000
	Hardin Valley Academy	10,000	22,000	22,000	22,000	22,000
	<b>Total</b>	<b>349,123</b>	<b>399,820</b>	<b>411,400</b>	<b>407,400</b>	<b>586,000</b>

## ***Non-Departmental 110-44000***

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<b>252 Legal Services</b>		<b>\$160,000</b>
<b>510 Property Insurance</b>		<b>\$50,000</b>
<b>513 Liability Insurance</b>		<b>\$59,000</b>
<b>514 Insurance Claims</b>		<b>\$8,000</b>
<b>518 Mixed Drink Tax Payable</b>		<b>\$100,000</b>
<b>720 Community Grants</b>		<b>\$31,000</b>
Farragut High School Education Foundation	10,000	
Hardin Valley Academy Education Foundation	10,000	
CADES	3,000	
East Tennessee Concert Band	2,000	
Keep Knoxville Beautiful	1,000	
Sunshine Ambassadors	1,000	
Knoxville Opera	2,000	
Knox County Fire Prevention	2,000	
<b>721 Park-n-Ride</b>		<b>\$3,000</b>
Park-n-Ride Lot		
<b>722 Community School Grants</b>		<b>\$110,000</b>
Farragut Primary School	22,000	
Farragut Intermediate School	22,000	
Farragut Middle School	22,000	
Farragut High School	22,000	
Hardin Valley Academy	22,000	

## *Economic Development*

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
	<b>ECONOMIC DEVELOPMENT</b>					
47200		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
221	Advertisement/Printing	12,129	2,418	9,000	9,000	9,000
254	Professional Services Economic Development	59,000	77,750	147,000	126,500	108,500
259	Partnerships	18,000	13,000	36,500	36,500	40,000
280	Travel/Training	3,861	2,115	3,000	3,000	2,500
	<b>Total</b>	<b>92,990</b>	<b>95,283</b>	<b>195,500</b>	<b>175,000</b>	<b>160,000</b>

## ***Economic Development 110-47200***

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<b>221 Advertising/Printing</b>		<b>\$9,000</b>
<b>254 Professional Services</b>		<b>\$108,500</b>
Farragut West Knox Chamber of Commerce	15,000	
Farragut Business Alliance	30,000	
Retail Marketing Consultant	26,500	
Tourism/Economic Development Branding & Marketing Consultant	37,000	
<b>259 Economic Development Partnerships</b>		<b>\$36,500</b>
Dogwood Arts Festival	10,000	
News Sentinel Golf Tournament	16,500	
Innovation Valley	10,000	
<b>280 Travel/Training</b>		<b>\$2,500</b>
ICSC Conference (1)		

## Other Funding Sources

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
<b>Other Financing Sources</b>		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Approved</b>
<b>51500</b>						
600	<b>Assigned Fund Balance</b>					
	Road Fund	793,253	673,253	453,253	453,253	333,253
	Land Acquisition Fund	622,868	0	0	0	0
	Building Fund	104,817	104,817	104,817	104,817	104,817
		<u>1,400,938</u>	<u>558,070</u>	<u>438,070</u>	<u>438,070</u>	<u>318,070</u>
	<b>Unassigned to General Fund</b>					
	Beautification Fund	0	11,305	910		
		<u>0</u>	<u>11,305</u>	<u>910</u>	<u>0</u>	<u>0</u>
<b>51600</b>	<b>Transfer to other funds</b>					
761	Insurance Fund	0	365,000	200,000	200,000	0
765	Equipment Fund	150,000	150,000	150,000	150,000	150,000
767	State Street Aid	120,000	220,000	120,000	120,000	120,000
	Capital Fund-Land					
	Acquisition	0	622,868	0	0	0
771	Capital Fund	1,500,000	2,500,000	3,000,000	3,000,000	3,000,000
	<b>Total to other funds</b>	<u><b>1,770,000</b></u>	<u><b>3,857,868</b></u>	<u><b>3,470,000</b></u>	<u><b>3,470,000</b></u>	<u><b>3,270,000</b></u>



## Capital Investment Fund

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### **Stage Road/Watt Road Extension \$50,000:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

The entire project was led by TDOT with financial participation by the Town through an agreement with the State of Tennessee. The agreement with the State stipulated the Town would be responsible for 20% of the total cost of the project and the State would be responsible for 80% of the total cost of the project. The project construction was completed in 2014; however, the Tennessee Department of Transportation (TDOT) is still in the process of rectifying final project costs. The normal closeout process by TDOT is two to four years after construction is complete so this is not abnormal.

Since TDOT is still rectifying accounts; which may result in the Town being responsible for additional funds, the Town is programming \$50,000 to cover any legitimate project cost overruns.

### **Campbell Station Road Widening \$200,000:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project involves the widening of Campbell Station Road from Jamestown to Parkside Drive.



The entire project was led by TDOT with financial participation by the Town through an agreement with the State of Tennessee. The agreement with the State stipulated the Town would be responsible for 20% of the total cost of the project and the State would be responsible for 80% of the total cost of the project. The project construction was completed in 2010; however, the Tennessee Department of Transportation (TDOT) is still in the process of rectifying final project costs. The normal closeout process by TDOT is two to four years after construction is complete so this is not abnormal.

Since TDOT is still rectifying accounts; which may result in the Town being responsible for additional funds, the Town is programming \$200,000 to cover any legitimate project cost overruns.

### **Watt Road Intersection at Kingston Pike \$250,000 (Construction):**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project involves the reconfiguration of the Watt Road and Kingston Pike intersection in order to realign the existing Watt Road with the Watt Road Extension to Old Stage Road (under construction).

The current configuration of the intersection was designed in 1980, with re-construction of Watt Road by the Tennessee Department of Transportation (TDOT) in 1981. The existing traffic signal was installed in 1999, with no significant revisions to the existing intersection. At the time the intersection was designed, Watt Road ended at the Kingston Pike intersection. Thus, southbound motorists approached Kingston Pike with the intention of turning left or right, but with no thru movement available. With the extension of Watt Road to Old Stage Road, the southbound thru movement will likely grow considerably. Currently, this movement occurs from the center left-turn bay, requiring southbound motorists to change lanes (to the center lane) as they approach Kingston Pike. The project will require removing the existing island and reassigning the lanes to include a thru lane and a left turn lane. Right turns will continue to occur from the outside thru lane. Additionally, this project will include signal modifications, pedestrian signals and sidewalk connection to Mayor Bob Leonard Park.

The Town programmed \$35,000 for Fiscal Year 2014 for design and any easement acquisition.

### **Everett Road Improvements from Smith Road to Split Rail Farms \$3,500,000:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project involves the widening of Everett Road from Union Road going north to the Split Rail Farms subdivision.

The development was purchased by another developer and is currently being developed as a single-family subdivision known as Split Rail Farms. Since the development has been revived, the Town and developer will widen and improve Everett Road to accommodate the existing and future traffic.



The project includes two 12' vehicular travel lanes with 4' bike lanes, curb & gutter and 8' walking trails on each side of the roadway.

### **CSR North of I-40 Road Widening**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project includes the re-construction of Campbell Station Road from Snyder Road to Ridgeland Drive, to allow for three 12' lanes with bike lanes, curb & gutter, sidewalk and 8' walking trail. At this time, we are budgeting only for preparation of a Transportation Planning Report and Preliminary Engineering. If TPR confirms justification for the project, Construction Funding (as well as final Engineering Design) will be funded.

## **Kingston Pike Greenway \$140,000 (Construction):**

**Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

**Strategic Plan Goal 5: Expand Leisure Amenities**

This project involves the construction of a new greenway connection between the existing Kingston Pike sidewalk (in front of the Townhomes at Wentworth) and Virtue Road.



Construction of this project will provide a vital pedestrian link between the western portions of the Town (in the Old Stage/McFee Road areas) with the existing pedestrian facilities that extend from Virtue Road through to Concord Road along Kingston Pike. This project will be led by the Tennessee Department of Transportation (TDOT) with the Town contributing financially to the total cost. The agreement with the State stipulates the Town is responsible for 20% of the total cost of the project and the State is responsible for 80% of the total cost of the project.

Total cost of the project is \$602,500. The Town will be required to program the total amount with subsequent reimbursement of 80% by the State. Thus, the Town programmed \$462,500 for Fiscal Year 2014 for design and any property acquisition. The Town has budgeted \$140,000 for Fiscal Year 2015 for construction.

## **Pedestrian Connectors \$100,000:**

**Strategic Plan Goal 5: Expand Leisure Amenities**

This project involves the installation of key pedestrian connectors within the Town.

The Town has identified the top three future connections as annual budget funding will allow (prioritized in descending order):

- Kingston Pike Greenway Underpass
  - from the north side of Kingston Pike at Everett Road along the creek to Old Stage Road
- Costco Greenway Connector
  - Greenway location to be determined



The Town intends to allocate \$100,000 per fiscal year for pedestrian connectors.

### **Land Acquisition \$500,000:**

This allocation will be utilized for the unanticipated purchase of property for Town use.

### **Russell House Site Improvements \$300,000:**

**Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

**Strategic Plan Goal 5: Expand Leisure Amenities**



The Avery Russell House/Campbell Station Inn Renovation – The project includes plans to renovate the historic Avery Russell House/Campbell Station Inn.

The selected architectural firm will submit a conceptual plan that illustrates major aspects of renovating the inn/house as well as the 1930's dairy barn to the north of the inn/house. The conceptual plan will also identify the scope of work for phase I and phase II of the project.

### **Public Works Equipment Shed \$45,000:**

This project includes the construction of a covered shed to store equipment out of the weather and pave a new employee parking lot outside fenced area. The covered shed will be built in the existing employee parking area. Therefore, there will be a need to move and pave a new employee parking area.

### **Parkside Drive Feasibility \$100,000:**

**Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project is a circulation study to identify congestion relief and possible new roadway connection in Farragut and West Knox County. The study will examine the feasibility and benefits to construction of an overpass of Interstate 40/75 from Parkside Drive to Outlet Drive, and whether the project is justified.

This project is funded through the TPO with an 80/20 split of federal STP/Local funds. As a locally managed project, the Town must budget for each phase, and seek reimbursement of the 80% federal share as those funds are used.

### **Union Road Improvements \$350,000 (Planning and Design):**

**Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project involves reconstruction of Union Road from Brochardt Blvd (Fox Run subdivision entrance) to Saddle Ridge Drive (Saddle Ridge subdivision entrance).

The existing roadway is very narrow; approximately 16 feet in width. Reconstruction of the roadway will provide a safer route for motorists, while providing safer pedestrian and bike facilities. The reconstruction will include two 12' vehicular lanes with bike lanes, curb & gutter, sidewalk and/or walking trail. Additionally, the project will include reconstruction of the existing bridge over Little Turkey Creek.

### **Kingston Pike/Campbell Station Road Intersection improvements:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project includes the widening of Kingston Pike through the intersection of Campbell Station Road, in order to create a second eastbound left turn lane onto Campbell Station Road. It is anticipated that all widening will be accomplished on the south side of Kingston Pike.

### **Concord Road Lighting \$150,000:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

The Town has considered the addition of decorative street lighting along the Campbell Station/Concord Road corridor. TDOT has agreed to include these decorative fixtures with the new Concord Road improvements (Turkey Creek Road to Northshore Drive), and the Town will be obligated to pay 20% of the difference in price between standard street lighting and the decorative lighting.

### **Interchange Beautification \$40,000:**

#### **Strategic Plan Goal 4: Facilitate Future Growth, Development and Redevelopment**

This project involves the beautification of portions of the green-space at the I-40 and Campbell Station Road on/off ramps.

The Town desires to improve the aesthetic appeal of this key Town gateway through low-maintenance planting and landscaping. This is entirely within the State right-of-way and will require Tennessee Department of Transportation (TDOT) approval.





## Capital Investment Fund

	Beginning Balance	8,729,526	6,582,832	6,941,832	5,417,082	6,031,600	
	<b>Engineering</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>Total 2015-2019</b>
43960-900	Old Stage/Watt Rd. Extension	50,000	0	0	0	0	50,000
43400	Campbell Station Road-Parkside to Jamestown	200,000	0	0	0	0	200,000
43961	Watt Road/KP Intersection Improvements	250,000	0	0	0	0	250,000
43983	Union Road Improvements	0	0	0	350,000	400,000	750,000
43710	Everett Road Improvements Union Road to Split Rail Farm	3,500,000	0	0	0	0	3,500,000
43984	Kingston Pike/CSR Intersection Improvements	0	300,000	400,000	900,000	0	1,600,000
43820	CSR North of I-40 Road Widening	50,000	0	400,000	0	0	450,000
43941-900	KP Greenway, Willow Creek	140,000	0	0	0	0	140,000
43910-280	Pedestrian/Greenway Connectors	100,000	100,000	100,000	100,000	100,000	500,000
43500-931	Concord Road Lighting	0	150,000	0	0	0	150,000
43990	Land Acquisition	500,000	500,000	500,000	500,000	500,000	2,500,000
49120	Russell House Note Principle	250,000	250,000	250,000	0	0	750,000
	Russell House Note Interest	11,250	7,500	3,750	0	0	22,500
46230-920	Russell Site Improvements	300,000	300,000	0	0	0	600,000
	Public Works Equipment Shed	45,000	0	0	0	0	45,000
43800	I-40/Campbell Station Interchange	0	40,000	0	0	0	40,000
	Parkside Feasibility	100,000	0	0	0	0	100,000
	<b>Engineering Total</b>	<b>5,496,250</b>	<b>1,647,500</b>	<b>1,653,750</b>	<b>1,850,000</b>	<b>1,000,000</b>	<b>11,647,500</b>

### Capital Investment Fund

	<b>Parks Projects</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>Total</b>
43935-910	McFee Park Splash Pad Replacement/Expansion	0	306,000	0	0	0	<b>306,000</b>
43934	McFee Park Expansion	0	250,000	3,000,000	250,000	3,000,000	<b>6,500,000</b>
43939-911	MBLP Improvements (turf fields)	0	0	1,500,000	0	0	<b>1,500,000</b>
43939-902	MBLP Playground Replacement	85,000	0	0	0	0	<b>85,000</b>
43939-903	MBLP Sand Volleyball Court Expansion	0	0	0	175,000	0	<b>175,000</b>
43989-914	Public Art: Bronze Statues at CSR Park	0	0	120,000	0	0	<b>120,000</b>
	<b>Parks Total</b>	<b>85,000</b>	<b>556,000</b>	<b>4,620,000</b>	<b>425,000</b>	<b>3,000,000</b>	<b>8,686,000</b>

<b>CIP Expenditure Total</b>	<b>5,581,250</b>	<b>2,203,500</b>	<b>6,273,750</b>	<b>2,275,000</b>	<b>4,000,000</b>	<b>20,333,500</b>
<b>Funding Sources</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>Total</b>
Contractor Forfeitures	0	56,000	0	0	0	<b>56,000</b>
STP Funding (KP Greenway)	0	0	0	0	0	<b>0</b>
CSR N I-40	40,000	0	320,000	0	0	<b>360,000</b>
CSR/KP Intersection	0	240,000	320,000	720,000	0	<b>1,280,000</b>
Parkside	80,000	0	0	0	0	<b>80,000</b>
Interest Earnings	9,000	9,000	9,000	9,000	9,000	<b>45,000</b>
Transfer from General Fund	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	<b>11,000,000</b>
Land Acquisition Reserves	261,250	257,500	2,100,000	0	0	<b>2,618,750</b>
Everett Road Reimbursement	0	0	0	160,518	0	<b>160,518</b>
Transfer from Everett Road Fund	44,306	0	0	0	0	<b>44,306</b>
CIP Reserves	2,146,694	0	1,524,750	0	1,991,000	<b>5,662,444</b>
<b>Funding Total</b>	<b>5,581,250</b>	<b>2,562,500</b>	<b>6,273,750</b>	<b>2,889,518</b>	<b>4,000,000</b>	<b>21,307,018</b>
Total CIP Funding Sources	5,581,250	2,562,500	6,273,750	2,889,518	4,000,000	<b>21,307,018</b>
Total CIP Expenditures	5,581,250	2,203,500	6,273,750	2,275,000	4,000,000	<b>20,333,500</b>
<b>Revenue over (under) expenditures</b>	<b>0</b>	<b>359,000</b>	<b>0</b>	<b>614,518</b>	<b>0</b>	
<b>Ending Balance</b>	<b>6,582,832</b>	<b>6,941,832</b>	<b>5,417,082</b>	<b>6,031,600</b>	<b>4,040,600</b>	
<b>Assigned Fund Balance</b>						
Greenway Connectors	498,665	598,665	698,665	798,665	898,665	
Land Acquisition	1,915,573	2,154,323	2,396,823	796,823	1,296,823	
Everett Road Fund Transfer	44,306					
<b>Total Assigned Balance</b>	<b>2,458,544</b>	<b>2,752,988</b>	<b>3,095,488</b>	<b>1,595,488</b>	<b>2,195,488</b>	
<b>Available Fund Balance</b>	<b>4,124,288</b>	<b>4,188,844</b>	<b>2,321,594</b>	<b>4,436,112</b>	<b>1,845,112</b>	



## State Street Aid Fund

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The Tennessee Legislature has authorized the state to distribute a portion of proceeds from the state gasoline and motor vehicle fuel tax to incorporated cities and towns to use for maintaining and improving municipal streets. The proceeds from these taxes are paid monthly to local governments on a per capita basis. The law requires that gasoline and motor vehicle fuel tax monies be used for street-related purposes. The law further requires that these funds be accounted for separately in a special revenue fund, commonly called the State Street Aid Fund or Gas Tax Fund. Cities may ask permission from the state comptroller's office to account for these funds in the General Fund if certain requirements are met. Finally, the law also provides some very specific examples of how these funds can and cannot be spent.

## State Street Aid Fund

### State Street Aid-121

	FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
<b>Beginning Balance</b>	<b>235,310</b>	<b>371,281</b>	<b>1,023,391</b>	<b>1,023,391</b>	<b>937,301</b>
<b>121 Revenues</b>					
33551 State Gasoline & Motor Fuel	533,521	531,143	537,333	536,000	535,000
36190 Interest Earnings	296	832	500	550	500
<b>Revenue Total</b>	<b>533,817</b>	<b>531,975</b>	<b>537,833</b>	<b>536,550</b>	<b>535,500</b>
<b>43100 Expenditures</b>					
268 Street Maintenance	44,730	58,584	65,000	65,000	65,000
269 Resurfacing	448,358	23,598	976,402	550,000	500,000
291 Street Striping	11,096	10,047	40,000	39,640	30,000
423 Guardrails	12,100	4,800	15,000	8,000	55,000
424 Traffic Signal Maintenance	0	0	30,000	30,000	0
<b>43267</b>					
254 Engineering	0	0	0	0	0
267 Sidewalks/Greenways	1,562	2,836	50,000	50,000	50,000
800 Right-of-Way Acquisition	0	0	0	0	0
900 Construction	0	0	0	0	0
<b>Expenditure Total</b>	<b>517,846</b>	<b>99,865</b>	<b>1,176,402</b>	<b>742,640</b>	<b>700,000</b>
<b>Other Funding Sources</b>					
37940 Transfer from General Fund	120,000	220,000	120,000	120,000	120,000
<b>Total Transfers in</b>	<b>120,000</b>	<b>220,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>
Revenue over (under) expenditures	135,971	652,110	-518,569	-86,090	-44,500
<b>Ending Balance</b>	<b>371,281</b>	<b>1,023,391</b>	<b>504,822</b>	<b>937,301</b>	<b>892,801</b>

## ***State Street Aid Descriptions-121***

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<b>Gasoline and Motor Fuel State Shared Taxes</b>	<b>\$535,000</b>
Local share of state gasoline and motor fuel taxes comprising the Gasoline Tax, Diesel Tax and Liquefied Tax on vehicles. Compresses Natural Gas Tax, and the Prepaid User Diesel Tax. The Town receives \$26.65 per capita, monthly.	
<b>Street Maintenance</b>	<b>\$65,000</b>
Maintenance of local street potholes, failures and patches.	
<b>Resurfacing</b>	<b>\$500,000</b>
Resurfacing of Town of Farragut streets not maintained by the Tennessee Department of Transportation.	
<b>Street Striping</b>	<b>\$30,000</b>
Re-striping of local streets as needed.	
<b>Guardrails</b>	<b>\$55,000</b>
Replacement and addition of guardrails where needed.	
<b>Sidewalk/Greenways</b>	<b>\$50,000</b>
Sidewalk and greenway maintenance and repair.	



## Equipment Replacement Fund

Capital Equipment Replacement Schedule								
Fiscal Years 2015-2020								
Description	Purchase Date	Original Cost	FY15	FY16	FY17	FY18	FY19	FY20
<b>Community Development</b>								
2003 Ford Ranger	2/13/2003	15,681		25,000				
2007 Chevy Colorado Ext Cab	12/5/2006	14,280			25,000			
2008 Ford Escape Hybrid	9/15/2008	20,014				35,000		
2010 Ford Escape Hybrid	2/23/2010	27,744					35,000	
<b>Leisure Services</b>								
2005 Ford Freestar Van	11/8/2004	19,380				28,000		
2006 Chevy Colorado	11/8/2005	11,587		15,000				
2007 Chevy Colorado 4WD	11/1/2006	18,221					18,000	
<b>Engineering</b>								
2003 Chevy Blazer	11/15/2002	21,570		32,000				
2005 Ford 4-wd w/ plow	9/8/2004	22,998				34,000		
2008 Ford Escape Hybrid	8/15/2008	26,081					34,000	
2008 Ford Escape Hybrid	9/1/2009	20,014					34,000	

Public Works Equipment	Purchase Date	Original Cost	FY15	FY16	FY17	FY18	FY19	FY20
Aerator/plugger	8/31/1992	2,750		5,000				
2004 Brush chipper/mulcher	7/12/1993	21,216			26,000			
2003 Kubota Tractor	9/20/2002	15,277		20,000				
2003 Backhoe Super M	9/20/2003	56,136		65,000				
Hotsy pressure washer	8/20/2004	4,900		7,500				
2013 John Deere Tractor	1/28/2014	105,347					150,000	
2004 New Holland Tractor	12/9/2004	68,663						
2005 X-Mark lawn mower	7/23/2005	4,870		6,000				
Kubota 2011 F3080 Mower	9/1/2011	16,685			17,000			
Kubota 2011 F3080 Mower	9/1/2011	16,685			17,000			
John Deere Gator 2013	10/1/2013	6,490						7,500
John Deere Gator 2011	7/1/2011	6,168				7,000		
Skid Steer Loader	10/1/2006	26,711		35,000				
GW880 trailer, 10 ton	1/1/2007	9,970					14,000	
2008 Jacobson Mower	9/8/2008	20,963		28,000				
2008 Leon Mower Trailer	9/15/2008	2,600					4,000	
2009 Aluminum Trailer	11/8/2009	2,626					4,000	
Backhoe Super L	12/5/2008	57,385					75,000	
2010 John Deere 997 Mid Z Trak Mower	8/13/2010	9,967		15,000				
John Deere 997 2011	9/1/2011	12,840			15,000			

<u>Vehicles</u>	<u>Purchase Date</u>	<u>Original Cost</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
2000 Ford Bucket Truck	10/1/2006	31,000	60,000					
2013 Ford 2-wd pickup	1/10/2013	20,098						26,000
06 Chevy Dump Truck #2	11/1/2005	68,342			75,000			
06 Chevy Dump Truck #1	11/1/2005	68,342			75,000			
2008 FordnF250	11/1/2007	18,998		30,000				
2009 Ford F250 4-wd w/ plow	11/7/2008	18,992				35,000		
2009 Ford F150	11/8/2008	18,444			26,000			
2009 Ford F150	11/8/2008	18,444			26,000			
2010 Ford F250	1/13/2010	28,852				33,000		
2010 Ford F150	3/8/2010	24,100				33,000		
2012 Ford F150 Pick-up 2wh	12/1/2011	22,875					25,000	
Additional Truck			23,000					
<b>TOTALS</b>		1,024,306	83,000	283,500	302,000	205,000	393,000	33,500
			<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
Beginning Balance			561,065	628,415	494,915	342,915	287,915	44,915
Transfers in			150,000	150,000	150,000	150,000	150,000	150,000
Interest Earnings & Sale Proceeds			350	0	0	0	0	0
Expenditures			83,000	283,500	302,000	205,000	393,000	33,500
<b>Ending Balance</b>			<b>628,415</b>	<b>494,915</b>	<b>342,915</b>	<b>287,915</b>	<b>44,915</b>	<b>161,415</b>

## Equipment Replacement Fund

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### Equipment Replacement Fund-314

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
	<b>Beginning Balance</b>	<b>285,054</b>	<b>383,718</b>	<b>519,336</b>	<b>519,336</b>	<b>561,065</b>
<b>314</b>	<b>Revenues</b>					
36190	Interest	359	606	300	492	350
	Sale of equipment Proceeds	23,557	5,110	0	3,101	0
	<b>Total Revenues</b>	<b>23,916</b>	<b>5,716</b>	<b>300</b>	<b>3,593</b>	<b>350</b>
	<b>Other Funding Sources</b>					
37940	Transfer from General Fund	150,000	150,000	150,000	150,000	150,000
	<b>Total Other Funding Sources</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>
	<b>Expenditures</b>					
43949						
949	Major Equipment	75,252	20,098	113,000	111,864	83,000
	<b>Total Expenditures</b>	<b>75,252</b>	<b>20,098</b>	<b>113,000</b>	<b>111,864</b>	<b>83,000</b>
	Revenue over (under) expenditures	98,664	135,618	37,300	41,729	67,350
	<b>Ending Balance</b>	<b>383,718</b>	<b>519,336</b>	<b>556,636</b>	<b>561,065</b>	<b>628,415</b>

## Insurance Fund

		FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
	<b>Beginning Balance</b>	<b>525,611</b>	<b>1,785</b>	<b>172,592</b>	<b>172,592</b>	<b>199,549</b>
<b>611</b>	<b>Revenues</b>					
36190	Interest	639	163	200	78	80
	<b>Total Revenues</b>	<b>639</b>	<b>163</b>	<b>200</b>	<b>78</b>	<b>80</b>
	<b>Other Funding Sources</b>					
37940	Transfer from General Fund	0	365,000	200,000	200,000	0
41000-100	Transfer to General Fund	0	0	0	0	0
	<b>Total Other Funding Sources</b>	<b>0</b>	<b>365,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>
	<b>Expenditures</b>					
43935						
600	Retirement Benefit	524,465	194,356	173,500	173,121	100,000
	<b>Total Expenditures</b>	<b>524,465</b>	<b>194,356</b>	<b>173,500</b>	<b>173,121</b>	<b>100,000</b>
	<b>Ending Balance</b>	<b>1,785</b>	<b>172,592</b>	<b>199,292</b>	<b>199,549</b>	<b>99,629</b>



## Everett Road Fund

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		<b>FY2011-12</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
		<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Approved</u>
	<b>Beginning Balance</b>	<b>44,153</b>	<b>44,207</b>	<b>44,266</b>	<b>44,306</b>
<b>121</b>	<b>Revenues</b>				
36190	Interest Earnings	54	59	40	0
	<b>Revenue Total</b>	<b>54</b>	<b>59</b>	<b>40</b>	<b>0</b>
<b>41210</b>	<b>Expenditures</b>				
900	Construction	0	0	0	0
	<b>Expenditure Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Other Funding Sources</b>				
	Transfer to Capital Investment				
21500	Program Fund	0	0	0	44,306
	<b>Total Transfers in</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,306</b>
	Revenue over (under) expenditures	54	59	40	44,306
	<b>Ending Balance</b>	<b>44,207</b>	<b>44,266</b>	<b>44,306</b>	<b>0</b>



## Appendix A-Supplemental Information

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### Demographics (2010 CENSUS)

Population: 20,676

Households: 7,982

Median Age: 45

According to the 2010 census, 91% of Farragut residents own a home.

- The median value of owner-occupied housing units in Farragut is \$302,800.
- The Town of Farragut does not have a municipal property tax and does not receive any portion of the property tax paid to Knox County.

### Top 10 Town Employers

Tennova Health West/Women

Knox County Schools

Kroger

NHC Healthcare

Ingels Food Store

Costco

Publix

Cracker Barrel

JC Penney

Kohl's

### Climate

Annual Average Temperature: 70°

Annual Average Precipitation: 47.9"

Annual Average Snowfall: 6.5"

Elevation: 936' above sea level

### Commuters

A commuter lot is available at the southwest corner of Campbell Station Road and Campbell Lakes Drive for residents who share rides. The commuter lot also serves as the trail head for the Grigsby Chapel Greenway.

### Education

The five public schools that serve the Town of Farragut are all part of Knox County Schools and include Farragut Primary, Intermediate, Middle and High schools and Hardin Valley Academy. Kindergarten is mandatory in Knox County, and a child must be age five on or before Sept. 30 for current year enrollment. Documentation needed to register a child for school includes a birth certificate, social security number and proof of immunizations. Call the schools listed in the Community Services section of this publication for more information.

### Healthcare

The Town of Farragut has a full-service hospital, Turkey Creek Medical Center operated by Tennova, conveniently located on Parkside Drive. The hospital features a 24/7 emergency room; ICU; state-of-the-art surgical suites; cancer, heart and sleep centers; and various women's services. In addition, numerous general and specialized physician offices are located within the Town.

### Law Enforcement and Fire/Ambulance Service

Law enforcement for the Town of Farragut is provided by the Knox County Sheriff's Department. Fire, emergency and ambulance service is available by subscription with Rural/Metro Corporation.

### Location

Region: East

County: Knox

Distance From: Atlanta, 240 miles; Nashville, 185 miles

The Town of Farragut encompasses 16.2 square miles. Farragut is bound to the north by Interstate 40/75 except at Campbell Station Road, Snyder Road and the Outlets Drive area; to the south by Turkey Creek Road and the Norfolk Southern Railroad line; to the west at the Loudon County Line; and to the east by Lovell Road on the north side of Kingston Pike and Thornton Heights and Concord Hills subdivisions on the south side of Kingston Pike.

Farragut is ideally located for commuting to Oak Ridge, Knoxville, Maryville, Alcoa, Loudon County and the McGhee Tyson Airport. In addition, access to recreational opportunities such as Tennessee's waterways (seven lakes), the Smoky Mountains, the nationally acclaimed Knoxville Zoo, numerous cultural outlets and tourist areas such as Gatlinburg, along with award-winning Knox County schools, makes Farragut a premier community.

### **Taxes**

The Town of Farragut does not have a municipal property tax. Farragut residents pay the same property tax as other Knox County residents, \$2.36 per \$100 of assessed property value. Property is assessed at 25 percent of the residential market value and 40 percent of the commercial market value. Sales tax in Knox County is 9.25 percent (state tax 7 percent, local sales tax 2.25 percent) except for groceries, which are taxed at 5.5 percent plus 2.25 local sales tax.

### **Transportation**

Railroads: CSX & Norfolk Southern  
Interstate Highways: 40, 75, 81, 140, 640  
U.S. Highways: 11, 25, 70, 129, 321, 411, 441,  
25W Navigable Waterway: Tennessee River,  
Channel Depth 9', Knoxville is nearest port  
Airport: McGhee Tyson serving metropolitan  
Knoxville, located in Alcoa, Tenn.

### **Utilities**

Town of Farragut utilities are provided by First Utility District (water and sewer), Knoxville Utilities Board (gas) and Lenoir City Utilities Board (electric). Other utilities and services include cable television and garbage services. Recycling is available from Knox County and private vendors. Specific vendor information is located in the Community Services Directory of this publication.

### **Voter Registration**

The next Town election will be held in conjunction with Knox County and is scheduled in August 2014. The election is for the seats of the Town Mayor and two Aldermen (one from Ward I and one from Ward II). To be eligible to vote in Town, county, state or national elections, all Town residents must register with the Knox County Election Commission. Voter registration and change of address forms are available at the Knox County Clerk's satellite office on the second floor of the Farragut Town Hall. To register, voters must be 18 years old, a resident of Tennessee for at least 20 days, have a permanent address in Farragut and provide their birth date and social security number. More information is available through the Knox County Election Commission at (865) 215-2480.

### **Citizen Committees**

The Town of Farragut is fortunate to have caring and concerned citizens who volunteer on a number of boards and committees. These volunteers spend a great deal of time, talent and hard work in the community and their continued commitment is a significant asset to the exceptional quality of life for residents of the Town of Farragut.

There are 12 committees that meet to discuss Town business. All citizen committees are appointed by the Board of Mayor and Aldermen

with the exception of the Farragut Municipal Planning Commission, which is appointed by the Mayor. Appointments are made by the Board of Mayor and Aldermen in late May and early June of each year. The Farragut committees are:

- Arts Council
- Beautification Committee
- Board of Plumbing Gas/Mechanical Examiners
- Board of Zoning Appeals (BZA)
- Economic Development Committee
- Farragut Folklife Museum Committee
- Farragut/Knox County Schools Education Relations Committee
- Municipal Planning Commission (FMPC)
- Parks and Athletics Council
- Personnel Committee
- Stormwater Advisory Committee
- Visual Resources Review Board (VRRB)



## Appendix B-Summary of Significant Accounting Policies

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The accounting policies of the Town of Farragut, Tennessee, (the primary government) are in conformity with all applicable statements of the Governmental Accounting Standards Board. The following is a summary of the most significant policies:

### **(A) FINANCIAL REPORTING ENTITY:**

Governmental Accounting Standards Board (GASB) Statement No. 14 -"The Financial Reporting Entity," as amended by GASB Statement No. 39 – "Determining Whether Certain Organizations are Component Units" defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of a component unit's Board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

In evaluating how to define the government for financial reporting purposes, management has considered the primary government and all potential component units by applying the definitions and the criteria set forth by GASB Statement No. 14, as amended by GASB Statement No. 39.

The financial statements of the Town (primary government) provide an overview of the entity based on financial accountability. The primary government consists of all the organizations that make up its legal entity of funds, departments, and offices that are not legally

separate. The Town meets all the criteria defined for a primary government in GASB No. 14, as amended by GASB Statement No. 39, as follows:

- a) Separately elected governing body
- b) Separate legal standing through legislation authorizing its creation
- c) Fiscally independent of other state and local governments

A component unit is defined as a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on the criteria applicable to GASB Statement No. 14, as amended by GASB Statement No. 39, for component units, the Town has no financial accountability for any component units. Therefore, the financial reporting entity is limited to those funds, departments, and offices that comprise the Town's legally adopted jurisdictions.

### **(B) BASIC FINANCIAL STATEMENTS – GASB NO. 34:**

The basic financial statements include both government-wide (based on the Town as a whole) and fund financial statements. While the previous financial reporting model emphasized fund types (the total of all funds of a particular type), the focus of the new model is on either

the Town as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities rely to a significant extent, on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements and use the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets as well as long-term obligations. The government-wide financial statements focus more on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The Town currently has no business-type activities.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses, including depreciation, on the various departments of the Town are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department. Interest on general long-term debt and depreciation expense on assets shared by multiple departments are not allocated to the various departments. Program revenues include revenues from fines and forfeitures, licenses and permit fees, special assessment taxes, certain intergovernmental grants, other entities participation and charges for services. Taxes and other items not properly included among program revenues are reported as general revenues.

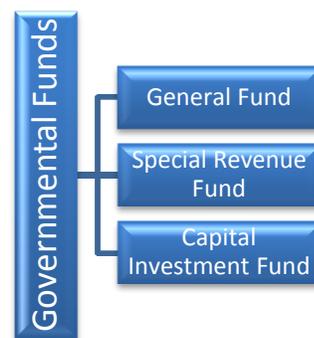
Generally, the effect of interfund activity has been removed from the government-wide financial statements. However, interfund services, if any, are not eliminated. Net interfund activity is shown in the government-wide financial statements.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous financial reporting model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds are summarized into a single column.

**(C) BASIS OF PRESENTATION:**

The Town uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid in the Town’s financial management by segregating transactions related to certain functions or activities.

The following categories are used by the Town:



**Governmental Fund Types**

Most of the governmental functions of the Town are financed through Governmental

Funds. The Governmental Fund has a measurement focus and the financial statements highlight the Town's financial position and changes in net position, rather than net income.

Governmental Funds include the following fund types:

- **General Fund:** The General Fund is the Town's general operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.
- **Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other major capital projects) that are legally restricted to expenditures for specific purposes. One (1) special revenue fund is presented as a non-major fund in the basic financial statements as follows:
  - **State Street Aid:** The State Street Aid Fund is used to account for the State gasoline tax. Proceeds of this tax must be expended for the improvement and maintenance of Town Streets
- **Capital Investment Funds:** The Capital Investment Funds are used to account for capital expenditures. A capital expenditure is incurred when the Town spends money either to acquire or construct major capital facilities, to buy fixed assets or to add to the value of an existing fixed asset with a useful life extending beyond the fiscal year. One (1) capital investment fund is presented

as a major fund in the basic financial statements as follows:

- **Capital Investment Fund:** The Capital Investment Fund is used to account for the primary capital improvement projects of the Town.

#### **(D) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to 1) demonstrate legal and covenant compliance, 2) demonstrate the source and use of liquid resources, and 3) demonstrate how the Town's actual experience conforms to the annual budget. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" is defined as collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and

judgments, are recorded only when payment is due.

Revenues susceptible to accrual method include local sales tax, state-shared sales tax, other state-shared taxes, highway user tax, wholesale beer and liquor taxes, and interest earned on pooled investments. Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues are generally recorded as revenues when received in cash because they are not measurable until actually received. There are, however, essentially two types of these revenues. Monies must be expended for a specific purpose or project before any amounts will be paid to the Town; therefore, revenues are based upon the expenditures recorded; or monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt.

The Town reports deferred revenues in the governmental funds if the potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurred qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Since the governmental fund financial statements are presented on a basis different than the governmental activities column of the government-wide financial statements,

reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

As a general rule, the effect of interfund activity, except for interfund services, has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a particular department, 2) operating grants and contributions that are restricted to meeting the operational requirements of a particular department, and 3) capital grants and contributions that are restricted. Taxes, investment income and other revenues not identifiable with a particular department are included as general revenues. The general revenues support the net costs of the departments not covered by program revenues.

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

#### **(E) BUDGETS AND BUDGETARY ACCOUNTING:**

The Town Administrator submits an annual budget to the Board of Mayor and Aldermen. The Board of Mayor and Aldermen adopt the budget after holding several public hearings. The budget must be balanced for each fund; total projected revenues and funding sources must equal total anticipated expenditures. The approved budget for this fiscal year is a balanced budget.

Once approved, the Board of Mayor and Aldermen may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Each fund's appropriated budget is prepared on the following basis. Revenues are budgeted by source and expenditures are budgeted by fund, which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the Board of Mayor and Aldermen. Within these controls, management may transfer appropriations without the Board of Mayor and Aldermen's approval.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Fund and Capital Projects Funds.

The General Fund, Special Revenue Fund and Capital Projects Funds have legally adopted budgets.

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles in the United States of America.

Budgeted amounts are as originally adopted (or as subsequently amended) by the Board of Mayor and Aldermen.

## Use of Funds by Departments

Department	Fund		
	General Fund	Special Revenue Funds	Capital Investment Funds
Legislative	✓		
Town Court	✓		
Administration	✓		
Human Resources	✓		
Information Technology	✓		
Engineering	✓		
Community Development	✓		
General Government	✓		
Parks & Leisure Services	✓		
Public Works	✓		
Non-Departmental	✓		
Economic Development	✓		
Capital Investment Program			✓
State Street Aid		✓	
Equipment Replacement	✓		
Insurance Fund	✓		

**(F) EXPENDITURES:**

Operating expenditures shall be accounted, reported, and budgeted for in all funds. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of town services.

The Town will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.

Personal service expenditures will reflect the minimum staffing needed to provide established quality and scope of town services. To attract and retain employees necessary for providing high-quality service, the Town shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.

Supply expenditures shall be sufficient for ensuring the optimal productivity of Town employees.

Maintenance expenditures shall be sufficient for addressing the deterioration of the Town’s capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.

**(G) ENCUMBRANCES:**

The Town of Farragut uses encumbrance accounting for, under which purchase orders, contracts, and other commitments for the expenditure of monies that are recorded in order to reserve a portion of the applicable appropriation. All encumbrances and appropriations lapse at the end of the fiscal year.

**(H) USE OF ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

**(I) CASH:**

The Town considers investments with an original maturity of ninety (90) days or less to be a cash equivalent.

**(J) INVESTMENTS:**

In order to provide a safe temporary medium for investment of idle funds, municipalities are authorized by TCA 6-56-106 to invest in the following:

- 1) Bonds, notes, or treasury bills of the United States;
- 2) Non-convertible debt securities of certain issuers;
- 3) Other obligations which are guaranteed as to principal and interest by the United States or any of its agencies;
- 4) Certificates of Deposit at state and federal chartered banks and savings and loan associations;
- 5) Obligations of the United States or its agencies under a repurchase agreement if approved as an authorized investment by the State Director of Local Finance;

- 6) Money market funds whose portfolios consist of any of the foregoing investments if approved as an authorized investment by the State Director of Local Finance; and
- 7) The Local Government Investment Pool under which local monies are transferred to and invested with the State Treasurer's cash portfolio. Investments consist of amounts held in the Local Government Investment Pool and are stated at cost.

Following guidance by the Governmental Accounting Standards Board Statement Number 31, the Town reports amortized cost money market investments and participating interest earning investment contracts that have a remaining maturity at time of purchase of one year or less. By definition, money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations. All other investments are carried at fair value.

**(K) REVENUES:**

To protect the Town's financial integrity, the Town will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the Town will attempt to reduce its dependence on sales tax revenue.

The Town will establish a fee schedule at a level that attempts to recover the full cost of providing the service.

The Town will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public agencies for the

provision of public services or the construction of capital improvements.

When developing the annual budget, the Town Manager will project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, taking into account known circumstances which will impact revenues for the new fiscal year.

**(L) COMPENSATED ABSENCES:**

All employees on permanent full-time status shall earn annual leave for uninterrupted continuous service as follows (per month):

- Less than three (3) years.....8 hours
- Three (3) to ten (10) years..... 12 hours
- Ten (10) to twenty (20) years....16 hours
- Over twenty (20) years..... 20 hours

All employees on permanent part-time status, working twenty (20) or more hours per work week, shall earn 4 hours of annual leave per month for uninterrupted continuous service.

Annual leave shall begin to accrue at the end of the first full calendar month of employment or appointment. An employee starting to work at any time after the first day of a calendar month will not have accumulated annual leave until the end of the following calendar month.

Annual leave may be accrued up to a maximum of two hundred forty (240) hours at the end of each calendar year. Any unused annual leave above the maximum limit on January 1st of each year shall be forfeited.

Employees resigning voluntarily, and/or who give reasonable notice of intent to resign, or retire, shall receive payment at the current rate of compensation for such employee for all

accrued annual leave earned as of the date of resignation or retirement. In the event of the employee's death, the Town will pay the employee's estate the consideration due for the accrued annual leave.

Seasonal, temporary and/or emergency employees will not accrue leave.

All employees on permanent full-time status shall earn 8 hours of sick leave for each completed month of service. All employees on permanent part-time status, working twenty (20) or more hours per work week, shall earn 4 hours of sick leave for each completed month of service. Sick leave shall begin to accrue at the end of the first full calendar month of employment. An employee starting to work at any time after the first day of the calendar month shall not have accumulated sick leave until the end of the following calendar month. An employee can accrue up to ninety (90) days of sick leave. No payment will be made for accrued sick leave upon separation from the Town.

The Town of Farragut provides a disability insurance plan. The benefits would be made effective after ninety (90) days and would provide up to 60% of the employee's compensation at the time of the disability.

Those employees who had accumulated above ninety (90) sick leave days on July 1, 1993, are permitted to apply the excess sick leave days in conjunction with the disability benefits. The Town would provide the remaining 40% of the employee's compensation in return for each excess sick day used. The total compensation paid to an employee shall not exceed 100% of the employee's compensation by using any

combination of sick leave and disability benefits.

The Town of Farragut, Tennessee, may provide leave with pay for the following:

- a) Jury Duty – Jury leave shall be authorized by the Town Administrator for full-time employees who are required to serve jury duty, provided that such leave is reported in advance.
- b) Military Leave – Military leave shall be provided to members of the Tennessee National Guard or a U.S. Military Reserve component for federal annual field training with no loss of pay up to fifteen (15) working days in one calendar year. If a regular employee is ordered to active state duty by the Governor, the employee is entitled to receive full pay while on duty. Use of military leave for annual training or emergency state duty will not affect the employee's rights to regular leave or benefits, nor will it impair the employee's performance evaluation with the Town. An employee may either keep the military paycheck and not receive a Town paycheck, or may elect to sign over the military check to the town and receive his/her town paycheck.
- c) Bereavement Leave – In case of death in the immediate family, a full-time employee may be granted a leave of absence with pay of up to three (3) working days. Dependent upon the functions required of an employee regarding the death of an immediate family member, the Town Administrator may allow up to two additional leave days if he/she is

convinced of its need. "Immediate family" shall include parents, step-parents, grandparents, brothers, sisters, spouse, children, step-children, father-in-law, and mother-in-law. The full-time employee may be granted a leave of absence with pay of one day in the case of the death of aunts, uncles, nieces, or nephews. The Town Administrator may allow one additional day depending upon the functions required of the employee. After the approved bereavement leave period, additional leave may be charged to the employee's annual leave.

- d) Leave Without Pay – A full-time employee may be granted a leave of absence without pay for sickness, disability, or other good and sufficient reasons which are considered, in the opinion of the Town Administrator, to be controlling or in the best interests of the Town. Such leave must be requested in writing and shall require the prior approval of the Town Administrator. An employee will not accrue sick leave or annual leave while on leave of absence without pay. Leave of absence without pay for maternity purposes may be granted regular employees. At the option of an employee, she may exhaust available sick leave and annual leave before taking a maternity leave without pay.

Compensated absences shown in the government-wide financial statements have been computed following Governmental Accounting Standards Board (GASB) Statement 16. The statement requires that, in addition to direct salary cost, all salary related items be

accrued as well. The Town has accrued the appropriate matching payroll taxes and pension plan contributions.

**(M) CAPITAL ASSETS:**

Capital assets, including public domain infrastructure (e.g. roads) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset, or materially extend its life, are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, equipment, and infrastructure are depreciated using the straight-line method over the following estimated useful lives (land and construction-in-progress are not depreciated):

<u>Assets</u>	<u>Useful life (years)</u>
Buildings	50
Improvements	25
Equipment and vehicles	5 – 25
Infrastructure	50

## (N) LONG-TERM OBLIGATIONS:

In the government-wide financial statements, long-term debt (if applicable) and other long-term obligations (compensated absences) are reported as liabilities in the applicable governmental activities. Debt premiums, discounts, and issuance costs are deferred and amortized over the life of the debt. Debt payable is reported net of the applicable premium or discount.

In the fund financial statements, when applicable, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, in the period in which the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## (O) FUND BALANCE POLICY:

The Fund Balance Policy provides guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It is also intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy is established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the Town to be in a strong fiscal position that will allow for better position to weather negative economic trends.

The Fund Balance consists of five categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

- **Nonspendable Fund Balance** consists of funds that cannot be spent due to their form (e.g. inventories and prepaids) or funds that legally or contractually must be maintained intact.
- **Restricted Fund Balance** consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.
- **Committed Fund Balance** consists of funds that are set aside for a specific purpose by the Town's highest level of decision making authority (Board of Mayor and Aldermen). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- **Assigned Fund Balance** consists of funds that are set aside with the intent to be used for a specific purpose by the Town's highest level of decision making authority or an official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.
- **Unassigned Fund Balance** consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the

resources necessary to meet unexpected expenditures and revenue shortfalls.

### **Nonspendable and Restricted Funds**

Nonspendable funds are those funds that cannot be spent because they are either:

- 1) Not in spendable form (e.g. inventories and prepaids)
- 2) Legally or contractually required to be maintained intact

It is the responsibility of the Treasurer to report all Nonspendable Funds appropriately in the Town's Financial Statements.

Restricted funds are those funds that have constraints placed on their use either:

- 1) Externally by creditors, grantors, contributors, or laws or regulations or other governments
- 2) By law through constitutional provisions or enabling legislation.

It is the responsibility of the Treasurer to report all Restricted Funds appropriately in the Town's Financial Statements. All Restricted Funds must also be reported to the Town's governing body within two months of the end of the fiscal year.

### **Order of Use of Restricted and Unrestricted Funds**

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed

funds should be spent first, assigned funds second, and unassigned funds last.

### **Authority to Commit Funds**

The Town's governing body has the authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of an ordinance by a simple majority vote. The passage of an ordinance must take place prior to June 30th of the applicable fiscal year. If the actual amount of the commitment is not available by June 30th, the ordinance must state the process or formula necessary to calculate the actual amount as soon as information is available.

### **Stabilization Funds**

Maintaining a Financial Stabilization Account is a necessity for sound financial management and fiscal accountability. The Town's governing body has the authority to establish a Financial Stabilization Account that will be a Committed Fund Balance. A Financial Stabilization Account is established for the purpose of providing funds for an urgent event that affects the safety of the general public (e.g. flood, tornado, etc.). The minimum level for the Financial Stabilization Account is 5% of General Fund expenditures. The recognition of an urgent event must be established by the governing body or their designee (e.g. Town Administrator). If established by the governing body's designee, the specific urgent event must be reported to the governing body at their next meeting. A budget amendment must be approved by the Town's governing body. In the event that the balance drops below the established minimum level, the Town's governing body will develop a plan to replenish the Financial Stabilization Account balance to the established minimum level within four years.

### **Authority to Assign Funds**

Upon passage of the Fund Balance Policy, authority is given to the Town Administrator to assign funds for specific purposes in an amount not to exceed \$10,000 per purpose or in total not to exceed \$200,000. Any funds set aside as Assigned Fund Balance must be reported to the Town's governing body at their next regular meeting and recorded in the minutes. The governing body has the authority to remove or change the assignment of the funds with a simple majority vote.

The Town's governing body has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as Assigned Fund Balance requires a simple majority vote and must be recorded in the minutes. The same action is required to change or remove the assignment.

Upon passage of a budget ordinance where fund balance is used as a source to balance the budget, the Treasurer shall record the amount as Assigned Fund Balance.

### **Unassigned Fund Balance**

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget amendment by the Town's governing body. In the event of projected revenue shortfalls, it is the responsibility of the Treasurer to report the projections to the

Town's governing body on a quarterly basis and shall be recorded in the minutes.

Any budget amendment that will result in the Unassigned Fund Balance dropping below the minimum level will require the approval of 2/3 vote of the Town's governing body.

The Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 30% of General Fund expenditures. In the event that the balance drops below the established minimum level, the Town's governing body will develop a plan to replenish the fund balance to the established minimum level within two years.

### **(P) Debt Management Policy**

The purpose of this debt policy is to establish a set of parameters by which debt obligations will be undertaken by the Town of Farragut, TN. This policy reinforces the commitment of the Town and its officials to manage the financial affairs of the Town so as to minimize risk, avoid conflicts of interest and ensure transparency while still meeting the capital needs of the Town. A debt management policy signals to the public and the rating agencies that the Town is using a disciplined and defined approach to financing capital needs and fulfills the requirements of the State of Tennessee regarding the adoption of a debt management policy.

The goal of this policy is to assist decision makers in planning, issuing and managing debt obligations by providing clear direction as to the steps, substance and outcomes desired. In addition, greater stability over the long-term will be generated by the use of consistent guidelines in issuing debt.

Definition of Debt: All obligations of the Town to repay, with or without interest, in installments and/or at a later date, some amount of money utilized for the purchase, construction, or operation of Town resources. This includes but is not limited to notes, bond issues, capital leases, and loans of any type (whether from an outside source such as a bank or from another internal fund).

Approval of Debt: Bond anticipation notes, capital outlay notes, grant anticipation notes, and tax and revenue anticipation notes will be submitted to the State of Tennessee Comptroller's Office and the Board of Mayor and Aldermen prior to issuance or entering into the obligation. A plan for refunding debt issues will also be submitted to the Comptroller's Office prior to issuance. Capital or equipment leases may be entered into by the Board of Mayor and Aldermen; however, details on the lease agreement will be forwarded to the Comptroller's Office on the specified form within 45 days.

Transparency:

- The Town shall comply with legal requirements for notice and for public meetings related to debt issuance.
- All notices shall be posted in the customary and required posting locations, including as required local newspapers, bulletin boards, and websites.
- All costs (including principal, interest, issuance, continuing, and one-time) shall be clearly presented and disclosed to the citizens, Board of Mayor and Aldermen, and other stakeholders in a timely manner.

- The terms and life of each debt issue shall be clearly presented and disclosed to the citizens/members, Board of Mayor and Aldermen, and other stakeholders in a timely manner.
- A debt service schedule outlining the rate of retirement for the principal amount shall be clearly presented and disclosed to the citizens/members, Board of Mayor and Aldermen, and other stakeholders in a timely manner.

Role of Debt:

- Long-term debt shall not be used to finance current operations. Long-term debt may be used for capital purchases or construction identified through the capital improvement, regional development, transportation, or master process or plan. Short-term debt may be used for certain projects and equipment financing as well as for operational borrowing; however, the Town will minimize the use of short-term cash flow borrowings by maintaining adequate working capital and close budget management.
- In accordance with Generally Accepted Accounting Principles and state law,
  - i. The maturity of the underlying debt will not be more than the useful life of the assets purchased or built with the debt, not to exceed 30 years; however, an exception may be made with respect to federally sponsored loans, provided such an exception is consistent with law and accepted practices.

- ii. Debt issued for operating expenses must be repaid within the same fiscal year of issuance or incurrence.

Types and Limits of Debt:

- The Town will seek to limit total outstanding debt obligations to the following schedule, excluding overlapping debt, enterprise debt, and revenue debt.

Ratio	Value
General Fund Balance Requirement	30%
Average Life of Total Debt	≤10 Years
Percentage of Principle Paid within 10 years	≥60%
Per Capita Debt/Per Capita Income	≤4%
Debt Service/General Fund Operating Expense	≤12%

- The limitation on total outstanding debt must be reviewed prior to the issuance of any new debt.
- The Town’s total outstanding debt obligation will be monitored and reported to the Board of Mayor and Aldermen by the Town Recorder. The Town Recorder shall monitor the maturities and terms and conditions of all obligations to ensure compliance. The Town Recorder shall also report to

the Board of Mayor and Aldermen any matter that adversely affects the credit or financial integrity of the Town.

- The Town has issued General Obligation Capital Outlay Notes in the past and is authorized to issue General Obligation bonds, Revenue bonds, TIFs, loans, notes and other debt allowed by law.
- The Town will seek to structure debt with level or declining debt service payments over the life of each individual bond issue or loan.
- As a rule, the Town will not backload, use “wrap-around” techniques, balloon payments or other exotic formats to pursue the financing of projects. When refunding opportunities, natural disasters, other non-general fund revenues, or other external factors occur, the Town may utilize non-level debt methods. However, the use of such methods must be thoroughly discussed in a public meeting and the mayor and governing body must determine such use is justified and in the best interest of the Town.
- The Town may use capital leases to finance short-term projects.

Use of Variable Rate Debt:

- The Town recognizes the value of variable rate debt obligations and that cities have greatly benefitted from the use of variable rate debt in the financing of needed infrastructure and capital improvements.
- However, the Town also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks; including:

1. The Town will annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration.
2. Prior to entering into any variable rate debt obligation that is backed by insurance and secured by a liquidity provider, the Board of Mayor and Aldermen shall be informed of the potential effect on rates as well as any additional costs that might be incurred should the insurance fail.
3. Prior to entering into any variable rate debt obligation that is backed by a letter of credit provider, the Board of Mayor and Aldermen shall be informed of the potential effect on rates as well as any additional costs that might be incurred should the letter of credit fail.
4. Prior to entering into any variable rate debt obligation, the Board of Mayor and Aldermen will be informed of any terms, conditions, fees, or other costs associated with the prepayment of variable rate debt obligations.
5. The Town shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with

any variable rate debt obligation.

Use of Derivatives:

- The Town chooses not to use derivative or other exotic financial structures in the management of the Town’s debt portfolio.
- Prior to any reversal of this provision:
  1. A written management report outlining the potential benefits and consequences of utilizing these structures must be submitted to the Board of Mayor and Aldermen; and
  2. The Board of Mayor and Aldermen must adopt a specific amendment to this policy concerning the use of derivatives or interest rate agreements that complies with the State Funding Board Guidelines.

Costs of Debt:

- All costs associated with the initial issuance or incurrence of debt, management and repayment of debt (including interest, principal, and fees or charges) shall be disclosed prior to action by the Board of Mayor and Aldermen in accordance with the notice requirements stated above.
- In cases of variable interest or non-specified costs, detailed explanation of the assumptions shall be provided along with the complete estimate of total costs anticipated to be incurred as part of the debt issue.

- Costs related to the repayment of debt, including liabilities for future years, shall be provided in context of the annual budgets from which such payments will be funded (i.e. General Obligations bonds in context of the General Fund, Revenue bonds in context of the dedicated revenue stream and related expenditures, loans and notes).

Refinancing Outstanding Debt:

- The Town will refund debt when it is in the best financial interest of the Town to do so, and the Town Administrator shall have the responsibility to analyze outstanding bond issues for refunding opportunities. The decision to refinance must be explicitly approved by the governing body, and all plans for current or advance refunding of debt must be in compliance with state laws and regulations.
- The Town Administrator will consider the following issues when analyzing possible refunding opportunities:
  1. Onerous Restrictions – Debt may be refinanced to eliminate onerous or restrictive covenants contained in existing debt documents, or to take advantage of changing financial conditions or interest rates.
  2. Restructuring for Economic Purposes – The Town will refund debt when it is in the best financial interest of the Town to do so. Such refunding may include restructuring to meet unanticipated revenue expectations, achieve cost

savings, mitigate irregular debt service payments, or to release reserve funds. Current refunding opportunities may be considered by the Town Administrator if the refunding generates positive present value savings of at least 4%.

3. Term of Refunding Issues – The Town will refund bonds within the term of the originally issued debt. However, the Town Administrator may consider maturity extension, when necessary to achieve a desired outcome, provided such extension is legally permissible. The Town Administrator may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.
4. Escrow Structuring – The Town shall utilize the least costly securities available in structuring refunding escrows. Under no circumstances shall an underwriter, agent or financial advisor sell escrow securities to the Town from its own account.
5. Arbitrage – The Town shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any refunding.

### Professional Services:

The Town shall require all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the Town and the lender or conduit issuer, if any. This includes “soft” costs or compensations in lieu of direct payments.

- **Counsel:** The Town shall enter into an engagement letter agreement with each lawyer or law firm representing the Town in a debt transaction. (No engagement letter is required for any lawyer who is an employee of the Town or lawyer or law firm which is under a general appointment or contract to serve as counsel to the Town. The Town does not need an engagement letter with counsel not representing the Town, such as underwriters’ counsel.)
- **Financial Advisor:** (If the Town chooses to hire financial advisors) The Town shall enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions.
  - Whether in a competitive sale or negotiated sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance or broker any other debt transactions for the Town
- **Underwriter:** (If there is an underwriter) The Town shall require the Underwriter to clearly identify itself in writing (e.g.,

in a response to a request for proposals or in promotional materials provided to an issuer) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the Town with respect to that issue. The Underwriter must clarify its primary role as a purchaser of securities in an arm’s-length commercial transaction and that it has financial and other interests that differ from those of the Entity. The Underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Board of Mayor and Aldermen in advance of the pricing of the debt.

### Conflicts:

- Professionals involved in a debt transaction hired or compensated by the Town shall be required to disclose to the Town existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, liquidity or credit enhancement provider, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the Town to appreciate the significance of the relationships.
- Professionals who become involved in the debt transaction as a result of a bid

submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

Review of Policy:

This policy shall be reviewed at least annually by the Board of Mayor and Aldermen with the approval of the annual budget. Any

amendments shall be considered and approved in the same process as the initial adoption of this Policy, with opportunity for public input.

Compliance:

The Town Recorder is responsible for ensuring compliance with this policy.

TCA References: TCA 7, Part 9 – Contracts, Leases, and Lease Purchase Agreements

TCA 9, Part 21 – Local Government Public Obligations Law



## Appendix C-Long-Term Plan

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In accordance with the Town's financial policies, the 2014-2015 budget was developed in context of long-term financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenues and expenses. Plans have been developed for all the Town's major operating funds: General, State Street Aid and Capital Investment Program. The State Street Aid and General Fund plan presents the fund over seven fiscal years: three previous years, the adopted budget for FY15, and four projected years. The Capital Investment Program plan presents the fund over five fiscal years: the adopted budget for FY15 and four projected years. The CIP plan can be found on page 98. There are several benefits to these plans. First, the plans give future Boards a valuable perspective when considering budgets within each plan's five-year horizon. Second, the plans impart a measure of discipline on Town staff. The plans establish funding ceilings on recurring operating expenditures.

Finally, the plans help the Town in absorbing the impact of economic booms and busts. The Town of Farragut is particularly susceptible to economic fluctuations due to its reliance on local sales tax.

The plan reflects the following assumptions based on historic trends and knowledge of economic conditions present when the budget was developed:

Local sales tax increased 7 percent from fiscal year 2013 to the estimated 2014 total. The FY15

budget assumes a 2 percent growth in sales tax compared to the prior year's budget. The Town is optimistic regarding its FY15 sales tax collections based on the past twelve months of collections. The projected years of 2016 through 2019 assume conservative 2 percent annual increases. All other revenues during the planning horizon are expected to increase a conservative 2 percent per year as well.

Approximately 60 percent of the General Fund's expenditures are associated with employee compensation. The Board of Mayor and Aldermen approved a 2 percent merit increase for FY15.

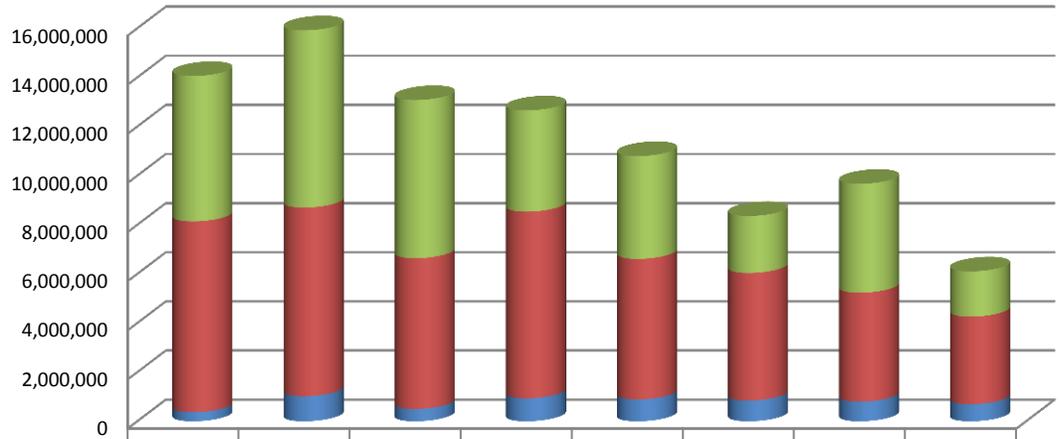
The General Fund makes contributions to the Town's Capital Investment, Equipment Replacement and the State Street Aid funds. The total transfers to the funds for FY15 is \$3,270,000.

All operating expenditures for fiscal years 2016 through 2019 are adjusted for a 4 percent inflationary increase.

For fiscal years 2016 through 2019, revenues are projected to exceed expenditures by an average of \$1.5 million per year. The Town has prepared a long-term approach that allows organization to reduce the fund balance to a level of 30 percent of the operating expenditures, if needed. This allows the Town to maintain compliance with its fund balance policy and elevate the Town's financial burden for non-reoccurring and capital expenditures.



**Ending Fund Balance  
Three Major Funds Over the Long-Term Planning Horizon**



	FY12 Actual	FY13 Actual	FY14 Estimated	FY15 Approved	FY16 Projected	FY17 Projected	FY18 Projected	FY19 Projected
■ Capital Investment Program	5,921,711	7,219,317	6,440,981	4,124,288	4,188,844	2,321,594	4,436,112	1,845,112
■ General Fund	7,768,532	7,679,100	6,136,756	7,598,405	5,720,345	5,192,989	4,436,928	3,564,340
■ State Street Aid	371,281	1,023,391	504,822	937,301	892,801	846,651	798,835	698,135

**General Fund**  
**Long Term Financial Plan**

	<b>FY2011-12</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Approved</b>
<b>BEGINNING FUND BALANCE</b>	<b>6,427,474</b>	<b>7,768,532</b>	<b>7,679,100</b>	<b>7,598,405</b>
<b>REVENUE</b>				
Local Sales Tax	4,233,718	4,884,105	5,238,242	4,500,000
State Sales Tax	1,388,455	1,423,582	1,446,000	1,400,000
Hall Income Tax	387,587	528,368	414,759	350,000
Wholesale Beer, Liquor & Mixed Drink	1,093,367	1,163,201	1,217,637	1,090,000
Intergovernmental	559,221	563,983	536,658	531,200
Building Permits & Licenses	378,642	383,507	291,625	237,900
Recreation Fees	110,747	112,665	97,735	98,600
Traffic Enforcement Program & Fines	75,023	43,464	41,000	40,000
Rent	77,525	77,750	86,451	86,601
Miscellaneous	16,631	18,100	12,700	9,200
<b>Total Revenue</b>	<b>8,320,916</b>	<b>9,198,725</b>	<b>9,382,807</b>	<b>8,343,501</b>
<b>EXPENDITURES</b>				
Legislative	42,136	54,404	62,150	66,150
Town Court	51,393	52,299	66,721	66,721
Administration	593,877	621,196	670,014	695,238
Human Resources	122,885	156,455	167,071	168,648
Information Technology	198,029	222,336	242,157	354,813
Engineering	564,900	598,607	653,151	744,691
Community Development	706,530	759,075	789,952	778,287
General Government	181,023	200,081	215,750	214,550
Parks & Leisure Services	740,123	786,646	903,393	960,120
Public Works	1,566,849	1,491,062	1,641,653	1,730,239
Non-Departmental	349,123	399,820	407,400	586,000
Economic Development	92,990	95,283	175,000	160,000
<b>Total Expenditures</b>	<b>5,209,858</b>	<b>5,437,264</b>	<b>5,994,412</b>	<b>6,525,457</b>
Revenue over (under) expenditures	3,111,058	3,761,462	3,388,395	1,818,044
Total Transfers In	0	11,305	910	0
Total transfers out	-1,770,000	-3,857,868	-3,470,000	-3,270,000
<b>Assigned Fund Balance</b>	<b>1,400,938</b>	<b>558,070</b>	<b>438,070</b>	<b>318,070</b>
<b>Unassigned Fund Balance</b>	<b>6,367,594</b>	<b>7,121,030</b>	<b>7,160,335</b>	<b>5,828,379</b>
<b>ENDING BALANCE</b>	<b>7,768,532</b>	<b>7,679,100</b>	<b>7,598,405</b>	<b>6,146,449</b>

<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
<b>6,146,449</b>	<b>5,720,345</b>	<b>5,192,989</b>	<b>4,436,928</b>
4,590,000	4,681,800	4,775,436	4,870,945
1,428,000	1,456,560	1,485,691	1,515,405
357,000	364,140	371,423	378,851
1,111,800	1,134,036	1,156,717	1,179,851
541,824	552,660	563,714	574,988
242,658	247,511	252,461	257,511
100,572	102,583	104,635	106,728
40,800	41,616	42,448	43,297
88,333	90,100	91,902	93,740
9,384	9,572	9,763	9,958
<b>8,510,371</b>	<b>8,680,578</b>	<b>8,854,190</b>	<b>9,031,274</b>
68,796	71,548	74,410	77,386
69,390	72,165	75,052	78,054
723,047	751,969	782,048	813,330
175,394	182,410	189,706	197,294
369,006	383,766	399,117	415,081
774,478	805,457	837,676	871,183
809,419	841,795	875,467	910,486
223,132	232,057	241,340	250,993
998,525	1,038,466	1,080,004	1,123,205
1,799,448	1,871,426	1,946,283	2,024,135
609,440	633,818	659,170	685,537
166,400	173,056	179,978	187,177
<b>6,786,475</b>	<b>7,057,934</b>	<b>7,340,251</b>	<b>7,633,862</b>
1,723,896	1,622,644	1,513,939	1,397,412
0	0	0	0
-2,150,000	-2,150,000	-2,270,000	-2,270,000
198,070	78,070	104,817	104,817
5,522,275	5,114,919	4,332,111	3,459,523
<b>5,720,345</b>	<b>5,192,989</b>	<b>4,436,928</b>	<b>3,564,340</b>

## State Street Aid

Long Term Financial Plan	FY2011-12	FY2012-13	FY2013-14	FY2013-14	FY2014-15
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
<b>Beginning Balance</b>	<b>235,310</b>	<b>371,281</b>	<b>1,023,391</b>	<b>1,023,391</b>	<b>937,301</b>
<b>Revenues</b>					
State Gasoline & Motor Fuel	533,521	531,143	537,333	536,000	535,000
Interest Earnings	296	832	500	550	500
<b>Revenue Total</b>	<b>533,817</b>	<b>531,975</b>	<b>537,833</b>	<b>536,550</b>	<b>535,500</b>
<b>Expenditures</b>					
Street Maintenance	44,730	58,584	65,000	65,000	65,000
Resurfacing	448,358	23,598	976,402	550,000	500,000
Street Striping	11,096	10,047	40,000	39,640	30,000
Guardrails	12,100	4,800	15,000	8,000	55,000
Traffic Signal Maintenance	0	0	30,000	30,000	0
Engineering	0	0	0	0	0
Sidewalks/Greenways	1,562	2,836	50,000	50,000	50,000
Right-of-Way Acquisition	0	0	0	0	0
Construction	0	0	0	0	0
<b>Expenditure Total</b>	<b>517,846</b>	<b>99,865</b>	<b>1,176,402</b>	<b>742,640</b>	<b>700,000</b>
<b>Other Funding Sources</b>					
Transfer from General Fund	120,000	220,000	120,000	120,000	120,000
<b>Total Transfers in</b>	<b>120,000</b>	<b>220,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>
Revenue over (under) expenditures	135,971	652,110	-518,569	-86,090	-44,500
<b>Ending Balance</b>	<b>371,281</b>	<b>1,023,391</b>	<b>504,822</b>	<b>937,301</b>	<b>892,801</b>

<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
<b><u>Projected</u></b>	<b><u>Projected</u></b>	<b><u>Projected</u></b>	<b><u>Projected</u></b>
<b>892,801</b>	<b>846,651</b>	<b>798,835</b>	<b>749,335</b>
540,350	545,754	551,211	556,723
500	500	500	500
<b>540,850</b>	<b>546,254</b>	<b>551,711</b>	<b>557,223</b>
65,650	66,307	66,970	67,639
505,000	510,050	515,151	520,302
30,300	30,603	30,909	31,218
55,550	56,106	56,667	57,233
0	0	0	0
0	0	0	0
50,500	51,005	51,515	52,030
0	0	0	0
0	0	0	0
<b>707,000</b>	<b>714,070</b>	<b>721,211</b>	<b>728,423</b>
120,000	120,000	120,000	120,000
<b>120,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>
-46,150	-47,817	-49,500	-51,200
<b>846,651</b>	<b>798,835</b>	<b>749,335</b>	<b>698,135</b>



## Appendix D-Budget Ordinance

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ORDINANCE	14-06
PREPARED BY	Myers
1 <sup>ST</sup> READING	May 22, 2014
2 <sup>ND</sup> READING	June 12, 2014
PUBLISHED IN	Farragut Shopper News
DATE	June 25, 2014

AN ORDINANCE OF THE TOWN OF FARRAGUT, TENNESSEE  
ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2014  
AND ENDING JUNE 30, 2015.

WHEREAS, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the governing body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE TOWN OF FARRAGUT, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body estimated anticipated revenues of the municipality from all sources to be as follows:

<b>General Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Local Sales Tax	4,884,105	5,238,242	4,500,000
State of Tennessee	1,423,582	1,446,000	1,400,000
Other Revenue	2,891,038	2,632,088	2,443,501
Transfer from Other Funds	0	0	0
<b>Fund Balance</b>			<b>\$4,045,742</b>

<b>State Street Aid</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
State Gasoline & Motor Fuel	531,143	536,000	535,000
Other Revenue	832	500	500
Transfer from General Fund	220,000	120,000	120,000
<b>Fund Balance</b>			<b>\$892,801</b>

<b>Equipment Replacement Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Other Revenue	23,916	3,593	350
Transfer from General Fund	150,000	150,000	150,000
<b>Fund Balance</b>			<b>\$628,415</b>

<b>Insurance Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Interest	163	78	80
Transfer from General Fund	365,000	200,000	0
<b>Fund Balance</b>			<b>\$99,629</b>

<b>Everett Road Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Interest	54	40	0
<b>Fund Balance</b>			<b>\$0</b>

SECTION 2: That the governing body appropriates from these anticipated revenues and unexpended and unencumbered funds as follows:

<b>General Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Personnel	3,564,799	3,809,222	3,814,934
Operating Expenditures	1,872,465	2,185,190	2,710,523
Operating Transfers	3,857,868	3,470,000	3,270,000
<b>Total Appropriations</b>	<b>5,437,264</b>	<b>5,994,412</b>	<b>6,525,457</b>
<b>Total Transfers</b>	<b>3,857,868</b>	<b>3,470,000</b>	<b>3,270,000</b>

<b>State Street Aid</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Road Maintenance	99,865	742,640	700,000
<b>Total Appropriations</b>	<b>99,865</b>	<b>742,640</b>	<b>700,000</b>

<b>Equipment Replacement Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Major Equipment	20,098	111,864	83,000
<b>Total Appropriations</b>	<b>20,098</b>	<b>111,864</b>	<b>83,000</b>

<b>Insurance Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Retirement Benefit	194,356	173,121	100,000
<b>Total Appropriations</b>	<b>194,356</b>	<b>173,121</b>	<b>100,000</b>

<b>Everett Road Fund</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
Transfer to Capital Investment Program	0	0	44,306
<b>Total Appropriations</b>	<b>0</b>	<b>0</b>	<b>44,306</b>

SECTION 3: At the end of the current fiscal year the governing body estimates balances/ (deficits) as follows:

<b>General Fund</b>	<b>\$5,988,674</b>
<b>CIP Fund</b>	<b>\$6,440,981</b>
<b>State Street Aid</b>	<b>\$937,301</b>
<b>Equipment Fund</b>	<b>\$561,065</b>
<b>Insurance Fund</b>	<b>\$199,549</b>
<b>Everett Road Fund</b>	<b>\$44,306</b>

SECTION 4: That the governing body recognizes that the municipality has bonded and/or other indebtedness as follows:

<b>Bonded and/or Indebtedness</b>	<b>Debt</b>	<b>Interest</b>	<b>Total Debt</b>
Notes (3 years @ 1.5%)	\$750,000	22,500	\$772,500

SECTION 5: During the coming fiscal year the governing body has planned capital investment program and proposed funding as follows:

<b><u>Proposed Capital Projects</u></b>	<b>Proposed Amount Financed by Appropriations</b>
Old Stage/Watt Rd Extension	50,000
Campbell Station Road-Parkside to Jamestown	200,000
Watt Rd/Kingston Pike Intersection Improvements	250,000
Everett Rd Improvements Union Rd to Smith Rd	3,500,000
CSR North of I-40 Road Widening	50,000
KP Sidewalk, Willow Creek	140,000
Greenway Connectors	100,000
Land Acquisition	500,000
Russell House Note Principle	250,000
Russell House Note Interest	11,250
Russell House Improvements	300,000
Public Works Equipment Shed	45,000
Parkside Feasibility	100,000
MBLP Playground Replacement	85,000
<b>Total Project Costs</b>	<b>\$5,581,250</b>

<b><u>CIP Funding Sources</u></b>	
Interest Earnings	9,000
CSR N I-40	40,000
Parkside	80,000
Transfer from Everett Road Fund	44,306
Transfer from General Fund	3,000,000
Land Acquisition Reserves	261,250
CIP Reserves	2,206,000
<b>Total Funding Sources</b>	<b>\$5,640,556</b>

SECTION 6: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 T.C.A. Section 6-56-208. In addition, no appropriation may be made in excess of the available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Section 6-56-205 of the *Tennessee Code Annotated*.

SECTION 7: Money may be transferred from one appropriation to another in the same fund only by appropriate ordinance by the governing body, subject to such limitations and procedures as it may describe as allowed by Sec. 6-56-209 of the *Tennessee Code Annotated*. Any resulting transfers shall be reported to the governing body at its regular meeting and entered into the minutes.

SECTION 8: A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Section 6-56-206, *Tennessee Code Annotated* will be attached.

SECTION 9: If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations in this budget ordinance shall become the appropriations for the next fiscal year until the adoption of the new budget ordinance in accordance with Section 6-56-210, *Tennessee Code Annotated*

provided sufficient revenues are being collected to support the continuing appropriations. Approval of the Director of Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11: This ordinance shall take effect July 1, 2014, the public welfare requiring it.

## Appendix E-Compensation Plan

### Merit and Market Pay Plan

The purpose of the merit and market pay plan is threefold: to encourage excellence in service by tying salary increases to job performance rather than tenure; to reward employees for their efforts and job performance; and to remain competitive with other cities/towns in regards to the Town's compensation program.

Performance evaluations for all employees are completed during the month of May, regardless of the anniversary date of an employee's employment. Any approved merit increases are awarded during the month of July. There is no set time interval employees can expect to reach the top salary of their range.

Included in the 2014-2015 budget is a merit increase in which employees are eligible to receive a 0-2 percent increase in their base salaries. New employees who have yet to complete their initial trial periods by May will be eligible for an increase at the completion of their trial periods, which lasts a minimum of six months.

Grade	Salary Ranges	
	Minimum	Maximum
24	\$78,211.09	\$121,227.18
22	\$68,955.53	\$106,881.08
21	\$64,746.98	\$100,357.81
21	\$64,746.98	\$100,357.81
21	\$64,746.98	\$100,357.81
21	\$64,746.98	\$100,357.81
20	\$60,795.28	\$94,232.69
17	\$50,329.32	\$78,010.44
16	\$47,257.58	\$73,249.25
14	\$41,665.08	\$64,580.88
14	\$41,665.08	\$64,580.88
13	\$39,122.14	\$60,639.33
13	\$39,122.14	\$60,639.33
13	\$39,122.14	\$60,639.33
13	\$39,122.14	\$60,639.33
12	\$36,734.41	\$56,938.33
12	\$36,734.41	\$56,938.33
12	\$36,734.41	\$56,992.56
11	\$34,492.41	\$53,463.22
11	\$34,492.41	\$53,463.22
11	\$34,492.41	\$53,463.22
11	\$34,492.41	\$53,463.22
11	\$34,492.41	\$53,463.22
11	\$34,492.41	\$53,463.22
10	\$32,387.23	\$50,200.21
10	\$32,387.23	\$50,200.21
9	\$30,410.54	\$47,136.35
9	\$30,410.54	\$47,136.35
9	\$30,410.54	\$47,136.35
9	\$30,410.54	\$47,136.35
8	\$28,554.50	\$44,259.48
6	\$25,175.35	\$39,021.78
3	\$20,841.39	\$32,304.14

## Farragut Employee Positions

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<u>Function/Program</u>	<b>Fiscal Year</b>		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
Administration	10	10	10
Community Development	7	7	7
Engineering	6	6	6
Public Works	24	25	25
Leisure Services	22	22	22
<b>Total</b>	<b>69</b>	<b>70</b>	<b>70</b>

## Appendix F-FY15 Fee Schedule

<b><u>FY15 Fee Schedule</u></b>		<b><u>Approved Fee</u></b>
<b><u>Administration</u></b>		
Beer Permit		\$250
Beer Permit Privilege Tax		\$100
Retail Liquor Store Application		\$300
Liquor Privilege Tax		
	Private Club	\$300
	Hotel & Motel	\$1,000
	<u>Restaurants, according to seating</u>	
	75-125 seats	\$600
	126-175 seats	\$750
	176-225 seats	\$800
	226-275 seats	\$900
	276 seats & over	\$1,000
Wine Privilege Tax	20% of fee of Liquor privilege tax, based on seating capacity	20%
<b><u>Engineering</u></b>		
Drainage Fee		
	Commercial/Office Development	\$0.02 per square foot of impervious surface
	Residential Development	\$30 per subdivision lot
<b><u>Community Development</u></b>		<b><u>Approved Fee</u></b>
	Illegal Parking (in fire lanes)	\$25
	Special Events Permit	\$25
	Zoning Letter	\$25
	Trailblazer Signs	\$250
	Licensing Fee	\$100
	Grand Opening security deposit	\$300
	Grand Opening Permit	\$25
	Celebratory Events Permit	\$25

<p><b>Building Permits</b></p>	<p>The permit fees are per the "Building Validation Data", which is provided by the International Code Council and the total valuation as follows:</p>	
<p><b>Total Valuation:</b> \$1,000 and less</p>	<p>No fee, unless inspection required, in which case a \$25 fee for each inspection shall be charged</p>	<p>\$1,001 to \$50,000</p>
<p>\$50,001 to \$100,000</p>	<p>\$25.00 for the first \$1,000, plus \$6.50 for each additional thousand or fraction thereof, to and including \$50,000.</p>	<p>\$100,001 to \$500,000</p>
<p>\$500,001 and up</p>	<p>\$340 for the first \$50,000, plus \$5.25 for each additional thousand or fraction thereof, to and including \$100,000.</p>	<p>\$600 for the first \$100,000, plus \$4.00 for each additional thousand or fraction thereof, to and including \$500,000.</p>
<p>\$2,260 for the first \$500,000, plus \$2.60 for each additional thousand or fraction thereof.</p>	<p><b>Plumbing Permit</b></p>	<p>\$25, plus \$5.00 for each fixture</p>
<p><b>Gas Permit</b></p>	<p>\$25 for first tap, plus \$5.00 for each additional tap</p>	

<b><u>Community Dev Continued</u></b>	<b><u>Approved Fee</u></b>
<b>Mechanical Permit</b>	\$25 for first \$1,000, per total value of installation, plus \$5.00 for each additional thousand or fraction thereof.
Boilers (any occupancy)	\$10.00 plus
33,000 Btu (1BHp) to 165,000 (5BHp)	\$5.00
165,001 Btu (5BHp) to 333,000 (BHp)	\$10.00
333,001 (10BHp) to 1,165,000 (52BHp)	\$15.00
1,165,001 (52BHp) to 3,300,000 (98BHp)	\$25.00
over 3,300,000	\$35.00
<b>Swimming Pool Permit</b>	
Public Pool	Per total value of construction as per building permit
Private pool (one & two family)	Per total value of construction
Pool fillings system, including backflow prevention	\$1.50 ea
Gas piping system (separate gas permit)	See Gas Permit
Backwash receptor	\$1.50 ea
<b>Demolition Permit (for demolition of any building or structure)</b>	
0-100,000 cu. Ft.	\$100
100,001 cu. Ft. and over	\$1.00/1,000 cu. Ft.
<b>Moving Permit (for moving any building or structure)</b>	\$100, plus any applicable bonds
<b>Re-Inspection Fee</b>	\$50 for 1st re-inspection and \$100 for each additional inspection
<b>Plan Review Fee</b>	Fee is one half of the calculated Building Permit Fee, which is to be paid at the time of plan submittal. One and two family dwellings are exempt.

<b><u>Community Dev Continued</u></b>		<b><u>Approved Fee</u></b>
<b>Re-submittal Plans Review Fee</b>		Re-submittal fees are a minimum of \$100 or one half of the calculated building permit fee based on the difference between the original building value and the revised building value, whichever is greater.
<b>Fire Prevention Fee</b>		-
	Fire Sprinkler System Permit	\$0.02 per sq. ft. or \$100 (whichever is greater)
	Fire Alarm System Permit	\$0.02 per sq. ft. or \$100 (whichever is greater)
	All other permits	\$50.00
<b>Subdivision Fees</b>		
	Concept Plan	\$100
	Preliminary Plat	\$100 plus \$25/lot
	Final Plat	\$100 plus \$25/lot
<b>Site Plan Fees</b>		\$100
<b>Landscape Plan Fees</b>		\$50
<b>Zoning Ordinance &amp; Subdivision Regulations Text Amendment Fees</b>	Amend written text	\$250
<b>Zoning Map Amendment Fees</b>	Amend map	\$300
<b>Municipal Code Text Amendment Fee</b>		\$250
<b>Sign Fees</b>	Application to erect a sign.	\$100
	Replacement or installation of a sign erected prior to obtaining approval by the Town	\$200
<b>Home Occupation Fee</b>		\$50
<b>Administrative Relief, Variance, and Special Exception</b>		\$100

<b><u>Parks &amp; Leisure Services</u></b>		<b><u>Approved Fee</u></b>
<b><u>Facility</u></b>		
<b>Community Room Rental</b>		\$20 per hour; \$30 with kitchen
<b>Picnic/Pavilions Rental</b>	Essex (AP); Burnside (CSP)	\$25 half day/ \$40 full day
	Hartford & Saratoga (AP); Longstreet (CSP)	\$45 half day/\$80 full day
	McFee Small	\$60 half day/\$100 full day
	McFee Large	\$70 half day/\$120 full day
<b>Athletic</b>	Fields (Diamond & Rectangular)	\$15 per hour
	Fields (Artificial Turf)	\$30 per hour
	Softball Fees	\$325 per team
	Competitive, Recreational & Intermediate Volleyball Fees	\$165 per team
	Open Volleyball Fees	\$50 per team
	Kickball Fees	\$50 per team
<b>Field Closed Non-Compliant Fee**</b>		\$100 per event
<b>For-Profit/Park Usage Fee</b>		\$25 per hour
<b>Special Event Park Use Fee - Campbell Station Park Only</b>		\$200 per 4 hours
		\$50 per hour for each additional hour



## Appendix G-Farragut Finances-A Budget Overview



### Letter from the Mayor

In FY2015, the Farragut Board of Mayor and Aldermen and the Town staff are pleased to present a financially conservative budget. Our balanced budget continues to meet the needs of the community while maintaining services and providing for important projects as part of the Capital Investment Program. More details about the budget are available on Page 2.

The Town will be completing two important projects this fiscal year which will make positive strides toward our future. Farragut's new community brand – launching later this year – will identify what makes the Town special, therefore helping us effectively market ourselves to residents, businesses and visitors. In a similar fashion, the development of new architectural design guidelines – which include elements such as connectivity, landscape and building character – will be important as these guidelines enhance appearance while protecting the economic base of a community. Stay tuned to [townoffarragut.org](http://townoffarragut.org) and the local media for updated information on these projects as well as ways you as a citizen can get involved.

This publication summarizes our many accomplishments in the past year as well as our goals for the upcoming fiscal year. I hope you will take a few minutes to read through and find out more. The Town of Farragut – its our history, beauty of both the natural and built, high quality residential choices, multiple activity centers, convenient living, outstanding recreational opportunities and community spirit that make us distinctive.

Sincerely,

Mayor

## DID YOU KNOW

### THE TOWN OF FARRAGUT...

- Offered 372 hours of programming including art, fitness and educational classes to the community as well as 15 special events in FY2014.
- Issued 768 permits (commercial, residential, remodel, gas/mechanical/plumbing, swimming pools, and decks) at a value of \$80,937,226 in FY2014.
- Maintains approximately 144.5 miles of public streets within its limits.
- In FY2015, will install and maintain 34,500 holiday lights at Founders Park at Campbell Station, which includes 60 lighted trees.
- Responded to 447 new requests for service in FY2014.

# TOWN OF FARRAGUT

## FY2015 BUDGET SUMMARY

In 2011, the Board of Mayor and Aldermen adopted the Strategic Plan 2025, a document that provides a road map for the Town of Farragut's future and aligns its vision, goals and objectives for the next 15 years and beyond. In February, the Board of Mayor and Aldermen updated the Strategic Plan, identifying its priorities for this year based on the goals outlined in the plan. The FY2015 General Fund and Capital Investment Program (CIP) budgets were approved with the purpose of striving to meet the plan's five main goals. More details are available on Page 3 and at [townoffarragut.org](http://townoffarragut.org).

The FY2015 budget is a planning document that outlines the Town of Farragut's priorities for the next fiscal year and provides funding for Town services. The Board of Mayor and Aldermen have approved a budget that meets all of the Town's obligations without cutting services and is fiscally conservative when estimating revenues and expenditures. The Town of Farragut budget maintains its current level of service and is balanced without dipping into the rainy day fund, which

equals 30% of total expenditures.

The Town of Farragut does not collect a municipal property tax from its citizens or businesses. The single largest source of the Town's revenue comes from local sales tax which has steadily grown with the expansion of commercial property in Farragut. In addition to the local sales tax, the Town also receives a portion of the State of Tennessee sales tax which accounts for 17% of its total revenue.

This year, the Board of Mayor and Aldermen have committed \$5,581,250 to the CIP that will provide important roadway improvements, pedestrian connections and park infrastructure updates. The Town takes the same conservative approach to the CIP as the operating budget, which is why the Town is able to pay for these projects by utilizing cash reserves. The CIP remains a priority for the Town, boasting a projected amount of \$20,333,500 for roadway improvements and park projects through the year 2019. See the chart below to view the top CIP projects for FY2015.

## FARRAGUT OFFICIALS



**RALPH MCGILL**  
Mayor



**DOT LAMARCHE**  
Vice Mayor, Ward II



**RON HONKEN**  
Alderman, Ward I



**BOB MARKLI**  
Alderman, Ward I



**RON PINCHOK**  
Alderman, Ward II



**DAVID SMOAK**  
Town Administrator

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PINTEREST AND YOUTUBE

### General Fund Revenue Total \$8,343,501



### General Fund Expenditures Total \$6,525,457



## CAPITAL INVESTMENT PROGRAM HIGHLIGHTS

PROJECT	TOTAL COST
Everett Road Improvements	\$3,500,000
Russell House Site Improvements	\$300,000
Watt Road-Kingston Pike Intersection Improvements	\$250,000
Kingston Pike-Willow Creek Pedestrian Connection	\$140,000
Mayor Bob Leonard Park Playground Replacement	\$85,000



The ribbon cutting for the new Outdoor Classroom will take place as part of the Green Earth, Blue Skies event on Sunday, Sept. 28. This water quality demonstration space will be used for hands-on community projects.

## TOWN OF FARRAGUT

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# STRATEGIC PLAN

The Town of Farragut Vision 2025 – as part of the Strategic Plan – states it's our history, beauty (natural and built), high quality residential choices, multiple activity centers, convenient living, outstanding recreational opportunities, and community spirit that make us distinctive.

The Strategic Plan identifies five main goals for the Town of Farragut to pursue by the year 2018:

- Maintain Financially Sound Town Providing Excellent Services
- Strengthen the Local Economy
- Develop the Town's Historic Assets
- Facilitate Future Growth, Development and Redevelopment
- Expand Leisure Amenities (Venues and Programs)

The Board of Mayor and Aldermen used the Strategic Plan as a guide when assigning priorities for and approving the FY2015 budget, as well as when they identified specific objectives in February that align with these goals.

Following are some of the top priorities set by the Board of Mayor and Aldermen for the Town to pursue in the next year:

- Implement Branding/Marketing Plan Developed in FY2015
- Develop a Youth Master Plan
- Implement a Digital Archive System for Records
- Research Direction for a Potential Community Center
- Implement Single Stream Recycling at McFee Park
- Evaluate Traffic Enforcement Program

- Prepare a Long-Term Funding Plan for Stormwater Infrastructure Repair and Maintenance
- Recruit New Commercial Businesses
- Begin the Avery-Russell House/Campbell Station Inn Structural Renovations
- Develop Architectural Design Standards for Commercial Development
- Renovate the Mayor Bob Leonard Park Playground Facility
- Acquire Property for Additional Greenway Connections
- Evaluate Options for Additional Community Events

Working together with Town staff and Farragut citizens, the Board of Mayor and Aldermen hopes to bring the goals and objectives outlined in the Strategic Plan to reality this year and in the future.

## Looking Ahead . . . FY2015 Goals

(July 1, 2014 – June 30, 2015)

- Replace playground equipment at Mayor Bob Leonard Park.
- Facilitate completion of branding project process, and coordinate outcomes and work with third party consultants as recommended by branding consultant.
- Review rules and regulations and coordinate efforts for marketing Town's athletic facilities for tournament use with Visit Knoxville and local area sports clubs.
- Coordinate 12 special events including a new event – a Quilt Show – and provide athletics, programs, classes and lifelong learning opportunities that are responsive to changing trends and needs.
- Preserve Town-owned historical assets through three oral histories, complete archiving of all new artifacts

- and complete archiving of an additional 25 artifacts already owned by the Town.
- Repair the failed slope on Turkey Creek Road across from Lake Haven Road and Anchor Park.
- Construction of the Kingston Pike greenway project (Old Stage Road in Virtue Road).
- Complete construction of pedestrian bridge over Little Turkey Creek and additional trail to connect from McFee Road greenway trail to Wentworth Subdivision.
- Complete construction of the outdoor classroom on Town's property near the Farragut High School entrance on Campbell Station Road.
- Implement Phase 2 of required street sign replacement throughout the Town.

- Conduct at least one homeowner and one contractor training session on building code issues to help increase knowledge of the codes within our community.
- Coordinate with the Town's engineering staff on the development of new stormwater and aquatic buffer ordinance needed to implement the new NPDES requirements.
- Develop architectural design guidelines for commercial and multi-family development.
- Award contract for historic architectural design services for renovations and concept plan of the Avery-Russell House/Campbell Station Inn property.
- Public education and implementation of single-stream recycling at McFee Park.



On Nov. 7, the Town completed the purchase of the Avery-Russell House/Campbell Station Inn. Longtime owners and siblings Ann Russell Owens and Charlie Avery Russell along with Mayor Ralph McGill signed the final paperwork at Town Hall.

## Looking Back... FY2014 Accomplishments (July 1, 2013 – June 30, 2014)



- Installed the Community Heritage Trail, a series of 11 signs depicting the area's history, at Founders Park at Campbell Station.

- Purchased the Avery-Russell House/Campbell Station Inn to preserve as a historical landmark in the Town of Farragut. The Campbell Station Inn was a popular stopping place for travelers, is recognized as one of the oldest inns in Tennessee and was said to host such dignitaries as President Andrew Jackson.



- Installed new fencing at Mayor Bob Leonard softball fields.

- Received Green Project Award from the East Tennessee Chapter of the U.S. Green Building Council for McFee Park Phase 2.
- Received Certificate of Achievement for Excellence in Financial Reporting for the 22nd consecutive year.
- Graduated two Introduction to Farragut classes which included 22 community members who learned about the inner workings of the Town.
- Adopted the 2012 edition of the International Code Council, Inc. family of codes.
- Maintained an ISO Class 3 certification for commercial property and a

Class 4 certification for 1 & 2 family residential properties after an analysis of the Town's code plans review and enforcement programs.

- Resurfaced 4.36 miles of local streets.



- Passed ordinance providing temporary grand opening signs for new businesses.
- Amended the Flood Damage Prevention Regulations to adopt the latest flood study of Turkey Creek and North Fork Turkey Creek and to update our floodplain management ordinance, so that the Town remains compliant with the National Flood Insurance program.
- Constructed the first synthetic turf field for public use in the greater Knoxville area. The field is a rectangular multi-purpose field located at Mayor Bob Leonard Park and partially funded up to \$250,000 by a State of Tennessee Local Parks and Recreation Fund (LPRF) grant, administered by the Recreation Educational Services Division, Tennessee Department of Environment and Conservation.

- Completed coordination with TDOT of Old Stage Road/Watt Road extension project. This project includes widening of Old Stage Road from Johnson's Corner to the western Town Limits, and extension of Watt Road from the Icearium to Old Stage Road.



## UPCOMING EVENTS IN THE TOWN OF FARRAGUT

- **Farragut Food Festival** (Farragut Business Alliance) ..... Friday, Sept. 26  
Renaissance | Farragut
- **Green Earth, Blue Skies** ..... Sunday, Sept. 28  
- A National Public Lands Day Event  
Founders Park at Campbell Station and Outdoor Classroom
- **Farragut/West Knox Chamber Fall 5K** ..... Saturday, Oct. 11  
Mayor Bob Leonard Park/Watt Road
- **Freaky Friday Fright Nite** ..... Friday, Oct. 24  
Mayor Bob Leonard Park
- **Farragut 13.1, 5K and Kids Run** ..... Saturday, Nov. 1  
(Knoxville Track Club)  
Farragut High School Start/Finish
- **Light the Park** ..... Monday, Dec. 1  
Founders Park at Campbell Station
- **Celebrate the Season** ..... Thursday, Dec. 4  
Farragut Town Hall

## Glossary

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**APPROPRIATION:** An authorization granted by the Board of Mayor and Aldermen to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinances.

**APPROVED BUDGET:** Term used to describe revenues and expenditures for the upcoming adopted by the Board of Mayor and Aldermen.

**BALANCED BUDGET:** Occurs when planned expenditures equal anticipated revenues. In Tennessee, it is a requirement that the budget approved by the Board of Mayor and Aldermen be balanced.

**BUDGET:** A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services. The Town's budget is adopted annually.

**BUDGET AMENDMENT:** A formal change of budgeted appropriations requiring 2 readings by the Board of Mayor and Aldermen.

**BUDGET CALENDAR:** The schedule of key dates or milestones which the Town follows in the preparation and adoption of the budget.

**BUDGET DOCUMENT:** The official written statement prepared by the Town staff reflecting the decisions made by the Board in their budget deliberations

**BUDGET MESSAGE:** A general discussion of the budget which provides the Board of Mayor and Aldermen and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the Town Administrator.

**BUDGET ORDINANCE:** The schedule of revenues and expenditures for the upcoming fiscal year by fund which is adopted by the Board of Mayor and Aldermen each year.

**CAPITAL EXPENDITURE:** is incurred when the Town spends money either to acquire or construct major capital facilities, to buy fixed assets or to add to the value of an existing fixed asset with a useful life extending beyond the fiscal year.

**CAPITAL INVESTMENT FUND:** A plan for capital expenditures to be incurred each year over a five-year period to meet capital needs by the Town. Used to account for acquisition and/or construction of major capital projects, including buildings, parks, streets, bridges and other Town facilities, infrastructure, and equipment.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** Issued at the end of a fiscal year, it includes comparisons to the budgeted amounts in the general and special revenue funds to ensure compliance with the legally adopted budget. The CAFR is prepared in accordance with GAAP (Generally Accepted Accounting Principles), the accounting principles that are commonly used in preparing financial statements and generally accepted by the readers of those statements. The authoritative source of GAAP for state and local governments is the Governmental Accounting Standards Board (GASB).

**DEBT SERVICE:** Payment of long term debt principal, interest, and related costs.

**DEPARTMENT:** A major administrative or operational division of the Town which indicates overall management responsibility for an operation or a group of related operations

within a functional area. A department usually has more than one program and may include activities or divisions which are accounted for in different funds.

**EXPENDITURE:** The authorized paying out of Town funds to defray the Town charges and expenses and all necessary obligations relating to, or arising from, the execution of the lawful authority of the Board of Mayor and Aldermen.

**FEES:** A general term used for any charge levied by the Town associated with providing a service or permitting an activity.

**FISCAL YEAR:** The time period beginning on July 1st of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule.

**FUND:** A fund is a fiscal and accounting entity with a self-balancing set of accounts. It is also the legal level of budgetary control for the Town.

**FUND BALANCE:** Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made.

**GENERAL FUND:** The general operating fund of the Town used to account for all financial resources except those required to be accounted for in another fund. Most department operations of the Town are funded by the general fund including administration, engineering, community development and parks.

**GFOA:** Government Finance Officers Association. A professional organization primarily of state and local government finance officers.

**GOVERNMENTAL FUND:** Governmental funds are those used to account for all or most of the Town's general activities and services, including the acquisition or construction of capital assets.

**INTERFUND TRANSFERS:** Amounts transferred from one fund to another.

**LGIP:** The Local Government Investment Pool (LGIP) is an investment mechanism authorized by the 91st General Assembly which enables all Tennessee municipalities, counties, school districts, utility districts or other local government units and political subdivisions to participate with the state in providing maximum opportunities for the investment of public funds.

**LIABILITIES:** Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

**LINE ITEM BUDGET:** A budget summarizing the detail categories of expenditures for goods and services the Town intends to purchase during the fiscal year.

**MODIFIED ACCRUAL:** The basis of accounting where expenditures are recognized when incurred and payment is due and revenues are recognized when they are measurable and available (generally collected within 60 days).

**MUNICIPAL CODE:** A compilation of ordinances as adopted and approved by the Board of Mayor and Aldermen.

**PERFORMANCE MEASUREMENTS:** Specific measures of work performed as an objective of the various departments based upon quality and quantity of particular items.

**OPERATING BUDGET:** The Operating Budget is adopted by the Board of Mayor and Aldermen by resolution on a fiscal year basis, and an annual appropriation is made based upon this Budget. The Budget may be amended during the fiscal year.

**OPERATING EXPENSES:** The cost of contractual services, materials, supplies and other expenses not related to personnel and capital outlay expenses or capital projects.

**OPERATING TRANSFER:** The routine and/or recurring transfer of assets between funds.

**PERSONNEL:** Cost of salaries, wages, and fringe benefits such as employer's share of social security contributions, retirement expenses, and health and life insurance payments.

**PROGRAM CHANGE:** An alteration or enhancement of current services or the provision of new services

**REVENUE:** Income received from various sources used to finance government services. For example, local sales tax revenue.

**RISK MANAGEMENT:** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**SPECIAL REVENUE FUND:** Special revenue funds are used to account for resources that are subject to certain legal spending restrictions. The Town has one (1) special revenue fund: State Street Aid

**STATE STREET AID:** A special revenue fund used to account for the receipt and usage of the Town's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

**TML RISK MANAGEMENT POOL:** A self-insurance pool formed in 1981 by the Tennessee Municipal League.

**TRANSFER:** An appropriation to or from another fund. A transfer is the movement of money from one fund to another to wholly or partially support the functions of the receiving fund.