

2015 FARRAGUT FINANCES



Letter from the Mayor

In Fiscal Year 2016, 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 of Farragut was honored to receive the Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada for its Fiscal Year 2015 budget. This award represents a significant achievement by the Town and reflects the commitment of the Board of Mayor and Aldermen and staff to meeting the highest principles of transparency and governmental budgeting. For budgets beginning in 2013, 1,424 out of a possible 90,106 state and local governments in the United States received this award, with only 20 governments in Tennessee receiving the award.

Each year, our budget is able to go further due to the staff's commitment to applying for and securing grant monies for road, greenway and park projects. Last August, the Town received a Local Parks and Recreation Fund grant from the Tennessee Department of Environment and Conservation for the playground replacement project at Mayor Bob Leonard Park, which is currently in progress. Another project slated for this year is a \$258,000 traffic signal improvement project funded at 100% by the Tennessee Department of Transportation.

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: Live Closer. Go Further.

Sincerely,

Mayor

DID YOU KNOW THE TOWN OF FARRAGUT...

- Has received just over 20 million dollars in state and federal funding for road and park projects.
- Has issued 484 business licenses since the program's inception in 2012.
- Has saved nearly \$13,000 in electricity-related expenses – a 37% cost reduction – since 2011 due to the solar panels on the McFee Park large pavilion installed during the park's Phase II expansion.
- Installs seven sets of seasonal banners on 105 street poles, totaling 1,470 banners that are installed and taken down annually.
- Issued 241 new residential permits (at a total estimated value of \$84,581,256) under the 2012 International Energy Conservation Code since the code was adopted in May 2013 to ensure new building construction meets the highest efficiency standards.



Photo: Farragut High School students work to fill a planter bed at the newly-constructed Outdoor Classroom on Campbell Station Road.

TOWN OF FARRAGUT

FY2016

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 FY2016 General Fund and Capital Investment Program (CIP) budgets were approved with the purpose of striving to meet the plan's five main goals: Maintain Financially Sound Town Providing Excellent Services; Strengthen the Local Economy; Develop the Town's Historic Assets; Facilitate Future Growth, Development and Redevelopment; and Expand Leisure Amenities (Venues and Programs).

The FY2016 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 is balanced, and our cash reserves exceed our goal of equal-

ing at least 30% of our 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 (54%) 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 - based on Farragut's population - which accounts for 17% of its total revenue. This year, we plan on conducting a special census in order to maximize the funding we receive from the state, which is currently set at \$115 per person.

Finally, the Board of Mayor and Aldermen have committed \$4,310,500 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 \$20,459,250 for roadway improvements and park projects through the year 2020. See the chart below to view the top CIP projects for FY2016.

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



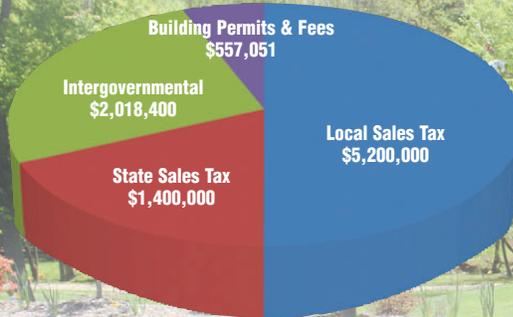
DAVID SMOAK
Town Administrator

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FLICKR, PINTEREST AND YOUTUBE

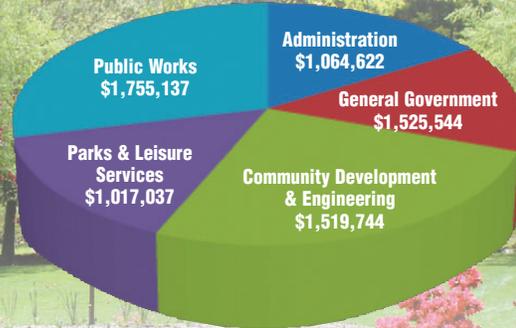
General Fund Revenue

Total \$9,175,451



General Fund Expenditures

Total \$6,882,084



CAPITAL INVESTMENT PROGRAM HIGHLIGHTS

PROJECT	TOTAL COST
Everett Road Improvements	\$3,900,000
Mayor Bob Leonard Park Synthetic Turf Field	\$800,000
McFee Park Splash Pad Replacement and Expansion	\$400,000
Union Road Improvements Design and Engineering	\$350,000
Town-Wide Traffic Signal Timing Project	\$258,000

In May, the Board of Mayor and Aldermen approved the Town of Farragut's new brand and logo. Since February 2014, a 10-member branding committee has worked with Nashville-based North Star Destination Strategies in an integrated process including research, strategy and creative development.

With valued input from Farragut citizens and business owners as well as citizens in neighboring areas, North Star developed Farragut's new community brand which identifies what makes the Town special and will help us effectively market ourselves to residents, businesses and visitors. This integrated brand not only preserves our unique identity of the past but also looks toward the future and will contribute to a stronger economic base, higher property values, diverse and sustainable employers, visitor attraction, and citizen retention.

You will see this brand come to life in our Town over the next months and years through numerous initiatives. Our hope is that this new brand will continue to increase community pride in this wonderful Town we call home.

Following are the adopted descriptive narratives defining the essence of this new brand:

Farragut's Brand Platform

For those who appreciate beauty and forward thinking in equal measure Farragut, TN, the Knoxville area's most desirable community is a premier destination (for living, shopping, ease and amenities) built by the hard work and ideals of high achievers allowing your opportunities for growth to come with an assurance of established excellence.



LIVE CLOSER • GO FURTHER
farragut

Farragut's Written Concept Live Closer. Go Further.

People who live in Farragut didn't get where they are just by maintaining the status quo or taking the easy way out. They wanted to go further. Be better. Most of them got here by setting one personal goal after another and working hard to accomplish them.

It's much the same with the community as a whole. Farragut didn't become one of Tennessee's greatest success stories overnight. Instead, our leaders and residents have a long history of giving their best in everything to further not just their own success but the success of the entire community.

It all officially started in 1980 when the Town of Farragut was incorporated (but long before that memorable day, people were making history on this land). Not surprisingly, leaders chose to name the Town after a native son whose work ethic and life's achievements, as the first admiral of the United States Navy, went further than any American had gone before him.

Today, there's an unspoken satisfaction that comes with the address... a quiet sense of pride in the standards people here maintain and the values – like family and community – they hold dear. It's also the foundation for Farragut's

spirit, which celebrates achievements from top-performing schools to design standards to the region's most popular high-end retail to a beautiful community design that resulted from high development standards.

Despite all these ways in which hard work has taken Farragut further, people here are both humble and generous. We believe in giving back. Here you'll find opportunities to participate fully in a community that exemplifies Tennessee's "Volunteer" spirit. Businesses, families and dreams thrive in an atmosphere that is warm and inviting, a community of neighbors and friends. It is also open and accepting... a place where groups are strengthened by a wide array of opinions and perspectives. Even our greenway system, designed to link all the neighborhoods in the community, helps you go further and make more personal connections.

Of course, smart people who work hard want to live in a home that reflects their personal values. One of the best aspects of Farragut is the wide variety of unique, architecturally distinct homes. Our neighborhoods reflect the impeccable taste and high standards of our residents. Everything from the landscaping to the paint choices to the children playing in the yards

sends a message of individuality, personality and pride.

And it's no wonder that a Town that celebrates effort and achievement is home to so many successful retailers and restaurants. The shopping experience goes further than what you'd expect, thanks to excellent customer service and extraordinary retail offerings. One-of-a-kind shops and restaurants mix and mingle with national retail giants, guaranteeing the best of all worlds.

And all this retail heaven resides amid manicured common areas with access to pristine natural settings. It's rare to find this kind of beauty and serenity right off the interstate and right in the middle of so much activity! That's the other distinctive quality about Farragut. It feels far removed from urban congestion and sprawl — and yet one of Knox County's most convenient residential locations is just 20 minutes from downtown Knoxville and Oak Ridge, a stone's throw from I-40 and I-75, and adjoined to the area's most popular shopping district at Turkey Creek.

If you're looking for a place that goes further to help you enjoy more comfort, beauty and convenience, yet helps you feel closer to a real sense of community, you don't have to venture far to find it. It's all right here, in Farragut.

CIP in action: **Everett Road Improvement Project**

The Everett Road improvement project will be the Town's largest Capital Investment Project in its 35-year history, at a total cost of \$3.9 million for design, Right of Way and construction. This 18-month project – scheduled to be complete by Oct. 31, 2016 – will include the reconstruction of 0.94 miles of Everett Road from Union Road to Split Rail Farm Subdivision.

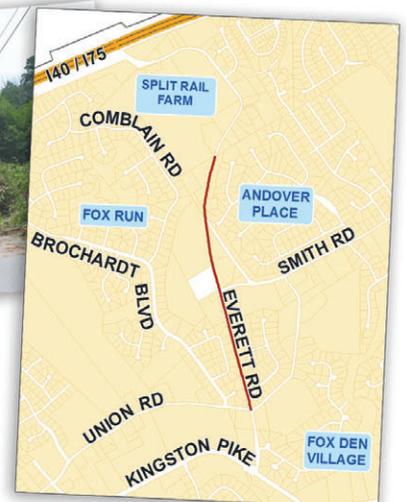
The construction will expand the road to two, 12-foot lanes

with curb and gutter and sidewalk on the east side. From Union Road to Smith Road, a walking trail will be included on the west side of the road; from Smith Road to Split Rail Farm Subdivision, the road will have walking trails on both sides. Knoxville Utilities Board will coordinate the relocation of gas lines along the road and is fronting the cost of this portion of the project to the Town in the amount of just over



\$610,000.

Stay current on traffic delays and project updates at townoffarragut.org/everettroad.



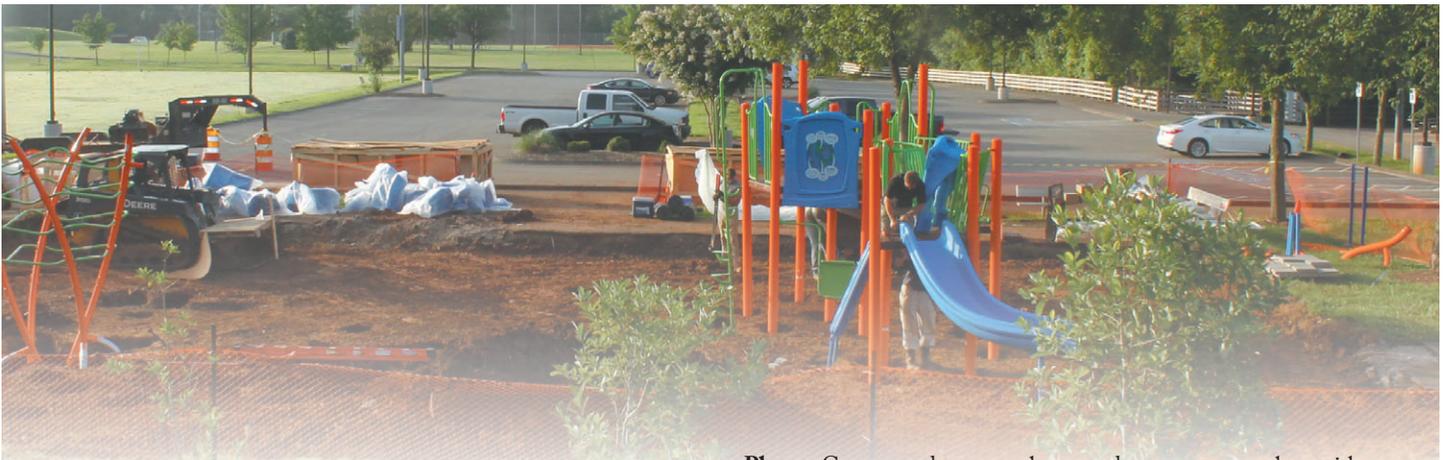


Photo: Constructed a new playground structure complete with an ADA approved playground surface and energy efficient LED lighting at Mayor Bob Leonard Park.

Looking Back... FY2015 Accomplishments (July 1, 2014 – June 30, 2015)



- Completed an approximately 900-foot long, multi-use asphalt trail with a bridge that spans Little Turkey Creek to connect the McFee Road Greenway with the Wentworth Subdivision Greenway.

- Received a TDOT Congestion Mitigation and Air Quality Improvement Grant in the amount of \$258,000 for a traffic signal timing and improvement project.
- Completed construction of the Outdoor Classroom and water quality demonstration space at the corner of Campbell Station Road and the Farragut High School entrance.



- Implemented single-stream recycling program at McFee Park.

- Resurfaced 1.1 miles on Grigsby Chapel Road (from East Fox Den to Campbell Station Road) and Channing Lane (Wyndham Hall Subdivision).

- Received the Town's first Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA) for its Fiscal Year 2015 budget.

- Participated in a project led by the Knoxville-Knox County Metro-politan Planning Commission to collect virtual mapping of 137 miles of local greenways, park trails and multi-use paths utilizing Google Trekker Street View imagery.



- Received Certificate of Achievement for Excellence in Financial Reporting for the 23rd consecutive year.
- Issued a total of 294 permits (commercial, residential, remodel, gas/mechanical/plumbing, swimming pools, and decks) with an estimated construction value of \$17,798,715 since January 2015.
- Installed 823 feet of new sidewalk along Grigsby Chapel Road.
- Spread over 200 tons of road salt during 2015 winter storms.

- Adopted architectural design standards for commercial and multi-family developments with the goal of enhancing appearance and protecting our community's economic base.



Looking Ahead ... FY2016 Goals (July 1, 2015 – June 30, 2016)

- Replace and expand McFee Park splash pad.
- Reconstruct Field 1 at Mayor Bob Leonard Park as a synthetic turf field.
- Renovate the Farragut Museum gift shop.
- Conduct a Town-wide special census to ensure Farragut receives the proper level of funding based on our current population.
- Conduct a feasibility study of a possible connection between Parkside Drive and Outlet Drive.
- Complete a beautification project of the I-40/Campbell Station Road Interchange.
- Install a traffic signal at the intersection of Kingston Pike and Virtue Road.
- Conduct a Town-wide traffic signal timing improvement project.
- Create a mixed-use/neighborhood commercial district as outlined in the Town's Comprehensive Land Use Plan.
- Install new park and Town entryway signage.