METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

JOHN COOPER
MAYOR

OFFICE OF THE MAYOR
METROPOLITAN COURTHOUSE
NASHVILLE, TENNESSEE 37201
PHONE: (615) 862-6000
EMAIL: mayor@nashville.gov

Fellow Nashvillians,

The past three years, we have made important investments together that have taken our city government from crisis to recovery. These last years have been a golden age of fixing government.

We are funding public safety in Nashville: 526 NEW positions across police, fire, EMS, emergency management and E-911. Our public school's funding PER STUDENT is up 46% this term. $3.3 Billion is being invested in neighborhood infrastructure throughout the city. We're leading the nation in federal relief funds directed toward housing. And we've housed 383 chronically homeless residents in 12 months.

None of it possible without historic financial improvements for Metro. Gone are the days of selling property to balance the budget — of not being able to fund basic repairs and maintenance. We have a fund balance policy and two months of reserves to weather the next storm, whatever form that may take.

We're doing all of this while remaining the lowest tax city in the lowest tax state in the country. Homeowners pay a higher tax rate in cities all across Tennessee —Memphis, Knoxville, Chattanooga, much less Jackson, Clarksville, Johnson City, Oak Ridge, Cookeville. And our cost of living is lower than in Austin, Dallas, Salt Lake City, Denver, Miami, or Atlanta.

The budget outlined in this book is the foundation for tomorrow.

In the past four years, we have course corrected on years of underinvestment and made generational improvements in our most important priorities – education, public safety, housing, infrastructure and other core government services.

This year's budget builds on those efforts, investing in what works and innovating to meet the challenges of tomorrow.

Nashville's future is bright, and this budget helps create a platform for a successful city for decades to come.

Working for the people of Nashville has been an enormous honor. I'm deeply proud of what we have accomplished, and unwaveringly confident that our best days as a city are ahead of us.

Sincerely,

John Cooper
Mayor
Metropolitan Government of Nashville and Davidson County

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Executive Summary

Introduction

Metro's budget and finances are the foundation of all the services, opportunities and solutions offered to residents. The ability to sustain and grow these opportunities stems from the strong financial position of the government. Metro's clean audit, strong bond ratings, history of producing a structurally balanced budget and robust reserves support the ability to invest in Nashville and Davidson County.

Metro has navigated through the COVID-19 pandemic on sound footing thanks to strong financial management. The 2023 Fiscal Year Operating Budget represented a full recovery from the two prior years of health and economic uncertainty. The strong growth Metro experienced in FY 2023 has resulted in much better-than-expected revenue growth. However, while the financial outlook has improved from over a year ago, there are indications the recovery has been uneven.

The 2024 Fiscal Year Operating Budget reflects a cautious economic outlook with growth expected to be much more muted. FY 2024 will be another year operating in an uncertain environment, but with solid fundamentals. Economic uncertainty and global challenges have not prevented Metro from proposing a budget that produces lasting results, is measured in fiscal responsibility, continues to fund critical services, and supports the needs of communities.

The summary and the remainder of this book will present the Metropolitan Government's balanced $3.22 billion operating budget for FY 2024. Tax-supported funds are balanced as required, and total revenues equal total expenditures. This fiscally responsible budget will ensure Metro is prepared to weather economic uncertainties, while maintaining a well-resourced government that is prepared to respond to the needs of all Nashvillians.

Budget Approach

Being a well-run government requires the organization reflect its values in all aspects of its work. The 2024 Fiscal Year Operating Budget marks the second year Metro has incorporated an equity lens into the operating budget process through its Budget Equity Tool (BET). The BET is designed to determine whether budget allocations advance equitable outcomes for residents and Metro employees, measure the impact of budget decisions in terms of burdens or benefits for specific communities, and improve overall performance and service delivery for each department. Equity continues to be a guiding principle in the budget approach and formation.

Metro's growing revenue budget - growth that persisted even during recent pandemic-impacted years - is a testament to the resilience of Nashville's economy and tax base. However, while year-to-date revenue collections are above the forecast, the level of growth realized is beginning to decline. Generally, current conditions are strong, but leading conditions are weaker than a year ago due primarily to global economic uncertainties. It remains a priority to identify potential economic issues that could impact the financial resources. Many revenues have varied degrees of economic sensitivity, and short-term and longer-term challenges are considerations when developing the budget.

Operating environment trends can also impact revenues and expenditures. In addition to economic uncertainty, ongoing challenges such as increasing labor and commodity costs continue to compete with the priorities and needs of the community. The 2024 Fiscal Year Operating Budget realizes cost increases for fuel and other commodities. Costs that impact Metro operations also impact residents and can result in increases or decreases in revenues such as sales tax. Increased inflation could continue to give rise to increases in expenditures. This is particularly relevant for wages and benefits, which comprise over 57 percent of Operating Fund expenditures.

In FY 2024, growth is expected be lower than in the recent months due to economic uncertainty resulting from increasing interest rates and inflationary pressure. While the strong performance of revenues represents an achievement in recovery efforts, caution is still necessary. The 2024 Fiscal Year Operating Budget is a plan that adapts to the challenges posed by the operating environment and allocates resources to produce outcomes within Metro's mission.

Executive Summary

Budget Priorities

Invest in Key Recovery Priorities

Metro Government & MNPS Fiscal Sustainability and Strengthening

It continues to be our primary charge to deliver a structurally balanced budget. This includes matching recurring expenses with recurring revenues and maintaining fund balances at least at minimum policy level. Policy-required minimum balances of 17% of budgeted expenditures for operating funds and 50% of budgeted expenditures for debt service funds is achieved.

Fund Balance				
(in millions)	FY2022 Year End	FY2023 Projected	FY2024 Projected	FY2023-2024 Variance
GSD	$357.4	$372.0	$300.9	($71.1)
GSD Debt	44.3	57.0	128.1	71.1
MNPS	244.5	270.8	270.8	0.0
MNPS Debt	71.7	78.8	78.8	0.0
USD	21.6	26.2	30.7	4.5
USD Debt	11.8	12.3	12.3	0.0
Total	**$751.3**	**$817.1**	**$821.6**	**$4.5**

A second key factor to fiscal sustainability is ensuring Metro's obligations on all outstanding debt, all debt service - including both principal and interest - is fully funded in this budget. This includes a planned issuance of additional bonds in order to take advantage of low interest rates. Additional details on Debt Service can be found in Section J.

Debt Service Budget			
(in millions)	FY2023	FY2024	FY2023-2024 Variance
GSD Debt	$269.7	$256.1	($13.6)
MNPS Debt	120.8	136.8	16.0
USD Debt	20.3	20.2	(0.1)
Total	**$410.8**	**$413.1**	**$2.3**

Executive Summary

Employees

The FY 2024 pay plan includes historic investment in Metro employees. This includes a 6% cost of living adjustment (COLA), increments (or "steps") for eligible employees and an estimated 3% merit increase for eligible employees. Adjustments to improve recruitment and retention in public safety classes are also included. The budget includes $55 million for the estimated cost of implementing the pay plan.

Education

The FY 2024 Operating Budget will strengthen Nashville's public schools' ability to provide a high-quality K-12 education for all students by increasing MNPS's Operating Budget for FY 2024 by $100 million. The Operating Budget provides $53 million for the Board of Education's requested continuity budget, which was the minimum needed to maintain existing operations. Costs included in the continuity budget include steps for certificated and support staff as well as increased fringe benefit costs, inflationary increases, and payments to charter schools.

Most importantly, the FY 2024 Operating Budget funds targeted investments in employee pay for administrative staff. The investment also funds steps and a 4% cost of living adjustment for all employees. Funding also includes $10.8 million for Classroom Associates and $8 million for no-cost lunches.

MNPS Operating Budget FY2024	
Operating Funds	$1,196,306,100
Property Tax Increment	9,166,700
Total Operating	**$1,205,472,800**

Public Safety and Justice

The second key priority of the FY 2024 Operating Budget is targeted investments in public safety and justice. These investments will help ensure community safety by meeting the needs of our first responders, reducing crime, and quickly responding to emergencies. What follows are selected highlights for the departments that support the public safety and justice system in Nashville.

FIRE The Fire Department receives improvements totaling $11.3 million in the General Service District and $3.4 million in the Urban Service District.

The department receives funds for 3 additional paramedic units, 23 FTEs for Special Operations, Engineers for Engine Company at Station 40, and a new truck company for Station 32. Also, a new FAST car station at Station 19 is added. A Behavioral Health Specialist joins the department to assist the employees who have faced trauma at the workplace. Another position is deployed to assist the department in meeting the growing demand of physicals, drug testing, and immunizations being requested. Finally, the department receives $1 million for the maintenance and repair of their aging facilities. Overall, the improvements will lead to the continuation of services enabling the department to protect the residents and property of Metro Nashville and Davidson County.

Executive Summary

JUVENILE COURT Davidson County Juvenile Court strives to be the national model for juvenile justice by taking a holistic approach that promotes the health, well-being, and safety of children, families, and communities. The budget provides $1.5 million for the unplanned replacement of the detention center operating contract. An additional $150 thousand will fund a study to determine the future management approach for the detention center.

POLICE- The FY24 operating budget includes the final $4.4 million of funding for the new 9th Precinct. The final 45 sworn positions will join the 86 already dedicated to this project. With an expected opening in late 2024, this initiative will ensure resources are available without having to pull from other Precincts.

The Body Worn Camera unit receives 3 more technical specialists to ensure the camera systems are maintained to support timely processing of footage. The $408 thousand investment will improve the administrative workload to ensure supervisory availability to the officers in the field.

Continued investment of $707 thousand in the Entertainment District Unit enables the police to deploy additional officers in the Downtown/Broadway and Midtown areas during weekends and special events without pulling from other Precincts. By enhancing security services for events and businesses, the police will provide a safe and peaceful Nashville for the public.

Two additional analysts and $2.8 million will be deployed to assist and manage technology projects supporting MNPD crime control strategies. This initiative includes IT systems maintenance, multilingual translation systems, smartphone and communication enhancements, and patrol vehicle upgrades.

Five additional officers and $981 thousand will go to the Training Academy to assist in workload management, ensure Accreditation compliance, and improve training capabilities. As successful recruitment efforts continue, MNPD will be able to increase the number of officers graduating from the Academy.

Working closely with Metro Nashville Public Schools, MNPD will continue to expand The School Security Initiative with $3.8 million to provide police presence at all Metro schools that did not already have an assigned School Resource Officer. These officers will provide a visible presence to build positive relationships while acting as a visible deterrent to potential violence.

OFFICE OF FAMILY SAFETY As Grant funding expires, the Office of Family Safety (OFS) is assuming responsibility for several successful initiatives to continue to serve the Nashville Community. This includes $83 thousand for a Fatality Review Coordinator; $86 thousand for an Accessibility Coordinator; $80 thousand for a bi-lingual crisis advocacy specialist; and $148 thousand for two long-term case management specialists.

The Office of Family Safety training program has grown 70% since 2019 with an average of 32% annual increase in attendees. With the addition of an experiential training coordinator for $86 thousand, the Office of Family Safety can better support being the sole trainer on Domestic Violence for all Metro employees and the preferred trainer for police, prosecutors, court personnel, and non-profits for domestic violence, sexual assault, trafficking, child & elder abuse, and strangulation.

While the Office of Family Safety has grown significantly, the ability of the existing team to maintain outreach activities has been squeezed by other responsibilities. While people in the interpersonal violence field know about OFS' Family Safety Center (opened March 2019), the community at large still does not. Of the nearly 30 domestic violence homicides in the last two years, none of those victims received services at the FSC. A Director for Outreach will join the team with a $124 thousand investment to increase OFS' visibility to Nashville's underserved community.

Executive Summary

Quality and Livability of Neighborhood Infrastructure

The third key priority of the FY 2024 Operating Budget is targeted investments in neighborhood infrastructure. These investments will help ensure community success through additional staffing and services that provide quality environments in which Nashvillians can thrive.

Transportation

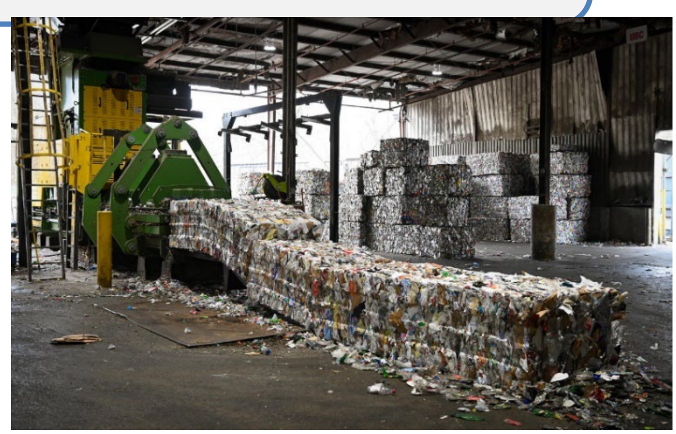
NDOT Nashville has established an official Nashville Department of Transportation and Multimodal Infrastructure Investment and improvements are being made to vital transportation services. Building on investments from prior years, $7.5 million and fifteen additional positions are approved. Six positions and $3.5 million are included for investment in ensuring the right of ways are free of litter and that the streets are clean. This will be accomplished with two additional compliance inspectors and four equipment operators as well as contracted services. The waste basket program will be expanded and a public engagement initiative so that the public is aware of the litter prevention programs.

Safety continues to be a focus for NDOT, so one additional position is included for Vision Zero at a cost of $125 thousand. An additional right of way striping crew to work on roadway striping and object marking will also be added.

Long term planning and capital projects are critical to the long-term success of Nashville's transportation systems. Five additional positions and $543 thousand is included for transportation planning activities for both in-house projects and oversight of consultant projects. To ensure that capital projects are efficiently managed, two positions and $250 thousand is included for investment.

Beautification Commissioners will have $70 thousand in dedicated funding for projects in their districts. NDOT is also receiving funding for contractual increases, streetlight electricity costs, training, and emergency traffic control.

WASTE SERVICES Additional investments are made for waste services. To ensure that trash collections are picked up on a regular schedule, $5.1 million is included for contractual increases for waste haulers. Vehicle rentals are also necessary to ensure continuous service at a cost of $1.4 million.



CODES The FY 2024 Operating Budget includes eight additional Property Standards Inspectors to increase neighborhood inspections and community awareness. This initiative includes updated multilingual educational materials. Two of the inspectors will be focused on response, data collection, citations, and court participation in response to noise complaints from constituents.

Codes will also receive a budgetary adjustment to fully fund new positions awarded in FY 2023.

Executive Summary

Neighborhoods

The FY 2024 Operating Budget makes strategic investments that will ensure we are getting the basics right to foster livable communities. Nashville is a vibrant city due to the unique character of its neighborhoods where citizens deserve a healthy and vibrant community to live, work, and play. As such, this budget includes significant investment for expanded services across Metro Nashville and Davidson County.

PARKS AND RECREATION An increase of $8.39 million and 31.63 FTE investment is in the Operating Budget for Parks and Recreation (Parks). Parks continues to see an overwhelming response in the community involved in outdoor activities and programs in which Parks has to offer. This funding will help Parks keep up with the demand of the community and provide further funding to support inflation costs within expenses. Within the operating budget, there are direct programs that will be positively impacted: community centers (29.91 FTEs), Fort Negley (1.00 FTE), and disABILITIES program (0.72 FTE). Funding will cover increases in operating costs for utilities, fertilizer, auto fuel and pool chemicals. Funding for supplies has been included for routine maintenance, repairs, and safety supplies to ensure aging facilities are being taken care of and the number one priority of continued safety is being met for the community. The funding allows every Community Center to be open on Saturdays. Within this operating budget there will be support for the expansion of services provided at Old Hickory and it will fully support Cleveland Community Center. The Operating Budget includes funding to have an on-call system within the mechanical staff - during after-hours and weekends - for emergency repair needs. The Operating Budget allows Parks to reclassify their Maintenance Division positions, which will better align job classes and pay with their current job duties. This funding will support the hourly rate increase for seasonal and part time employees.

PUBLIC LIBRARY Nashville Public Library has continued to expand the services it provides to the community. In FY2023, Library started the "Library of Things" program. The program has already received an overwhelming positive response from the community. It allows the community to checkout free items for up to three weeks. Within the Operating Budget, Public Library will receive $4.1 million in investment funding and 16.98 additional FTEs. The Operating Budget will provide half year funding to support the opening of the new Donelson Library Branch in Spring of 2024 (9.98 FTEs), and a position to support the Votes for Women program (1.00 FTE).

Funding provides for an increase in transportation costs to Nashville After Zone Alliance (NAZA). This funding for NAZA is needed to ensure current attendee slots are not impacted or reduced because of transportation needs. Additional funding for NAZA has been provided to fund an additional 250 afterschool slots and 100 summer slots for June 2024. This funding also provides transportation to cover additional slots. Funds are provided for Children's Traveling Librarians (2.00 FTEs) to eight different libraries who do not house a librarian of their own to provide children's programming services. The Operating Budget supports expansion of Equal Access Program (3.00 FTEs), which provides services to differently abled residents. The funding also supports adding an Outreach Ambassador (1.00 FTE) to build on the relationship between Library and Metro Schools by providing direct support to school librarians. The Operating Budget includes funding for enhancements to the Library's website, which includes multilingual integration. This will offer discovery layer translation in Spanish and Arabic. The Operating Budget also supports the living wage adjustment, which ensures funding is available to help meet the variance from FY2023 living wage requirement.

Executive Summary

Health and Social Services

OFFICE OF HOMELESS SERVICES The new Office of Homeless Services (OHS) endeavors to be a center of hope and help for our neighbors who are experiencing homelessness. Through thoughtful community collaboration, OHS will coordinate service providers and landlords to provide essential services leading to safe and stable quality of life. The department will be created through the transfer of 24 existing Social Services Homeless Impact Division staff to the new department. Four new staff will be added to OHS to provide organizational leadership and support. The budget adds $750 thousand in additional funding to support new/ongoing collaborations with community partners to support un-housed constituents. An additional $500 thousand in grant funding will be added to provide flexibility to move unhoused residents directly into housing and support living expenses while vouchers and other subsidy options are in process.

PUBLIC HEALTH The Operating Budget includes a $6.1 million investment for Public Health. This funding supports an additional 21.00 FTEs. This funding provides for further expansion of Partners in Care (PIC) to support the pilot program at Madison and East Precinct. The PIC expansion is continued to be the largest investment for Public Health, totaling $2.1 million in FY24. The pilot has received investment funding in previous year's budgets to cover Central, South, North, and Hermitage precincts. Within this year's funding, the addition of Madison and East precinct will support six total precincts implementing the pilot program. The PIC pilot provides immediate professional clinician services to individuals who are experiencing a mental health crisis. Funding will also be provided for Responders Engaged and Committed to Help program (REACH).

Funding also supports the movement of several grant funded positions to local funding that would otherwise expire and could impact services offered to the community. To support continuity of service, the 14.00 FTEs within the Health Department's Operating Budget all relate to expiring grant funded positions. Services within this funding involve administrative staff for emergency responses, interpreters providing services throughout Health's several department locations both in-person and by phone, and the Community Health Access and Navigation in Tennessee (CHANT). Additional funding for Metro Animal Care & Control (MACC) supports an additional veterinarian (1.00 FTE) and two vet techs (2.00). Funding also provides an increase in contracted security staff to ensure client and staff safety. Funding provides an Office Support Representative Senior (2.00 FTEs) to East Public Health Center and Occupational Health and Wellness Center. The positions will help reduce overall check in and processing time. Funding provides a Program Specialist 2 (1.00 FTE) for Communicable Disease and Emergency Preparedness. This position will help keep providers and the community educated about communicable diseases.

Affordable Housing

Recommendations from the Affordable Housing Task Force are key to maintaining vibrant communities in years ahead. The Operating Budget is just one of many methods for accomplishing this goal. Within the Operating Budget, the Barnes Fund is the primary funding source for affordable housing. The FY 2024 budget includes continuing existing momentum in the successful program by contributing an additional $20.5 million to the Fund in FY 2024. An investment of $500 thousand and one employee will focus on title clearing services to facilitate more efficient transfer of property to support affordable housing development.

All budget priority highlights mentioned are the year over year changes from the FY 2032 operating budget and are detailed in the "Budget Changes and Impact Highlights" section of each department's narrative in this document. This information is also accessible online via the Citizens' Guide to the Budget at www.nashville.gov/citizens_budget.

Executive Summary

At a Glance

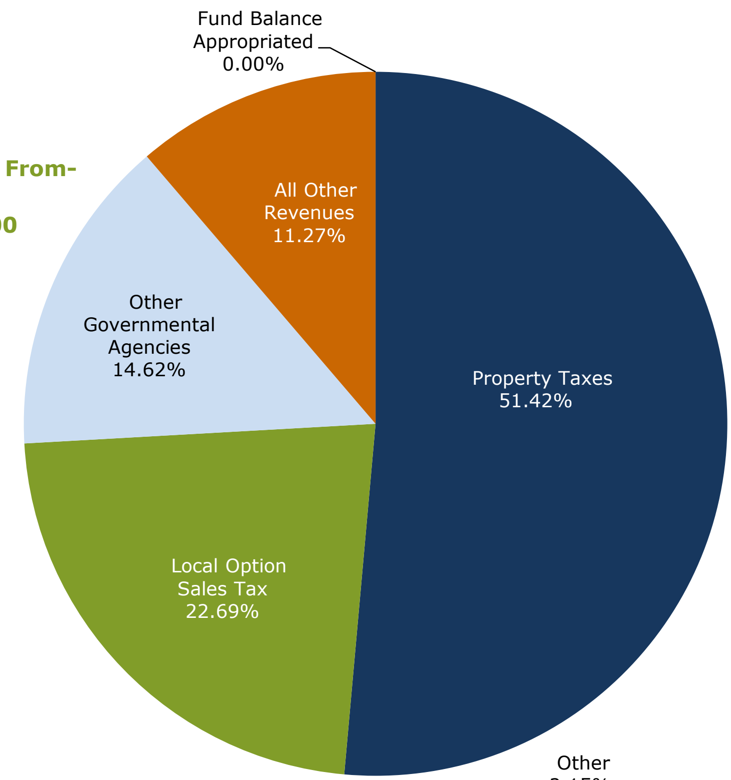
The $3.22* billion FY 2024 budget for the Metropolitan Government's six budgetary (tax-supported) funds supports a wide range of public services. This budget represents a 6.2% increase from the FY 2024 budget.

* Excluding Fund Balance Policy Implementation Adjustments

Revenues

Where the Money Comes From-

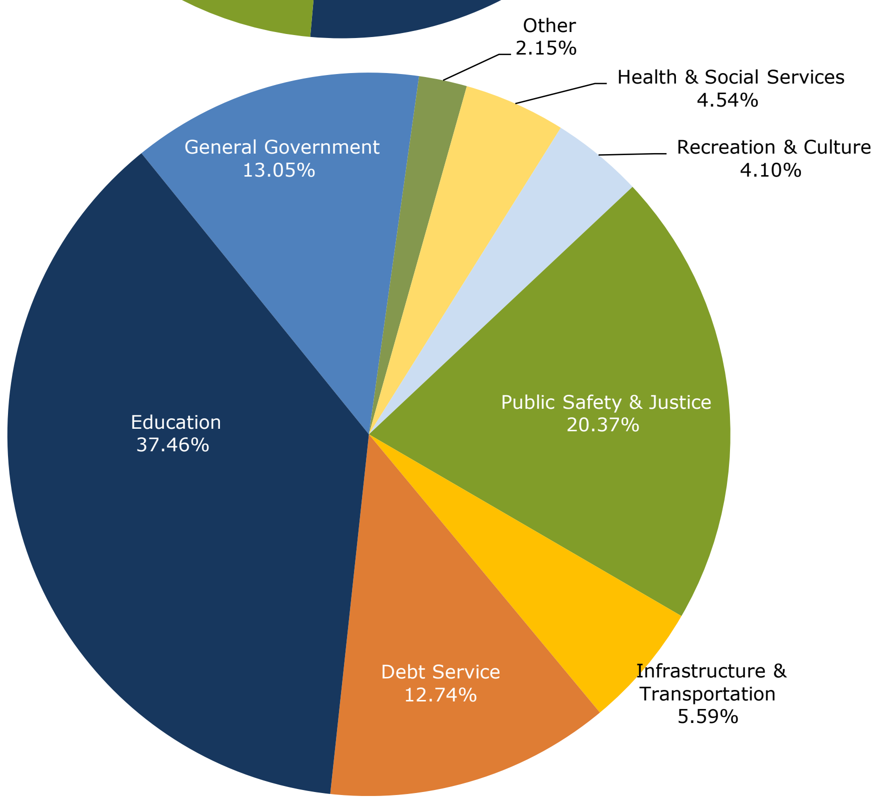
Total $3,218,202,300



Expenditures

Where the Money Goes-

Total $3,218,202,300



Executive Summary

FTE Adjustments

The table below illustrates changes in full-time equivalent (FTE) counts for FY 2022 through FY 2024 budgets for positions funded by the general funds.

Building on the personnel increases in FY 2023, significant staff additions are being continued in FY 2024. These additional employees will better serve Nashvillians to ensure that quality services are received. While several departments received significant increases, the majority of the increases is driven by additional increases in the Public Health & Safety Organizations: Health Department (18 FTEs), Fire & EMS (109 FTEs) and Police (59 FTEs). Health Department's FTE increase is tied to funding medical and support staff to ensure patient needs are being met. The increase will help reduce scheduling and processing time of patients, provide interpretation services for language barriers, additional medical support, and allow the processes to run more efficiently. The Fire & EMS FTE increases will accomplish full staffing for the department and includes three additional medic units and 30 FTEs for firefighting personnel. The MNPD is receiving the third of three incremental additions of 45 sworn officers to bring the 9th Precinct up to a full complement of 134 sworn officers in time for its opening in late 2024.

In addition to staff increases in Public Safety, additional staff have been added to improve the quality of life in Nashville's dynamic neighborhoods: Parks (31.63 FTEs), Library (16.98 FTEs), and NDOT (15 FTEs). Out of the 31.63 FTEs Parks receives in FY24, 29.91 FTEs are tied directly to expanding and supporting community centers. Library receives 9.98 FTEs to support the opening of the new Donelson Branch location. NDOT's positions will build on previous year's investments as Nashville progresses towards a fully developed department of transportation. The positions will work to maintain safe and clean corridors throughout the county and intentionally plan for future growth. Remaining FTE increases are targeted for positions that would result in direct improvement in existing services offered to the public or that would provide expanded or new services.

Additional position details can be found with each department's pages as well as Appendix 1.

FTE by Fund Group				
	FY2022	**FY2023**	**FY2024**	**FY2023-2024 Variance**
GSD	7,128.56	7,603.42	7,963.47	360.05
USD	759.00	777.00	807.00	30.00
Total	**7,887.56**	**8,380.42**	**8,770.47**	**390.05**

Executive Summary

Revenues

The feasibility of any government's budget is always set by the availability of resources. Revenues and available fund balances must be able to support budgeted expenditures, and both the Metropolitan Charter and Tennessee Law prohibit deficit financing. The largest sources of revenue are property taxes and sales taxes, which are discussed below.

Property Reappraisal

The Assessor's Office conducts a property reappraisal every four years under Tennessee state law, with FY 2022 serving as the most recent. The reappraisal estimates the value of all property in Davidson County. This is performed to periodically adjust recorded property assessments to generally reflect market values.

Exclusive of new construction, state law requires that this reappraisal be revenue neutral for local governments. This means that as the aggregate value of existing property changes, the tax rate must change as well to ensure that the local government receives the same amount of revenue. So, if the property in the county collectively increases in value, the actual property tax rate needs to drop so that the revenue collected remains the same. As was the case in 2017, 2021's (FY 2022) reappraisal resulted in nearly a $1.00 decrease in the rate, as property values throughout Metro continued to climb. FY 2023 saw a slight decrease in the rate, the result of lower-than-expected appeals following the preceding year's reappraisal. FY 2024's projected growth assumes no change in rate.

Property Taxes

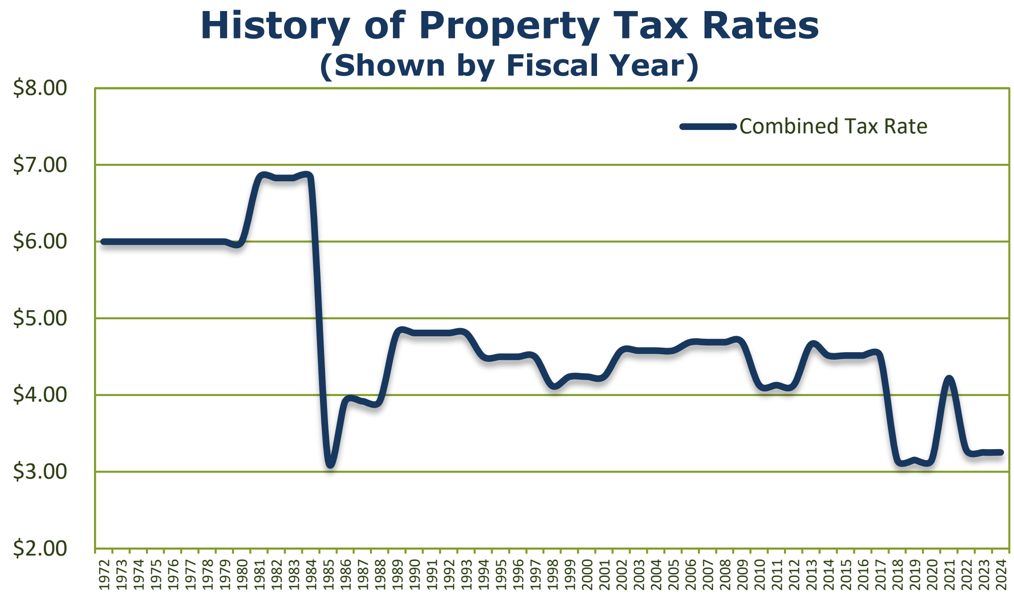
Property Tax Budget	
FY 2023	$1,612.4M
FY 2024	1,654.7M
Change	**$42.3M**

Property taxes are Metro's predominant and most stable source of revenue. FY 2024's projected increase is due to ongoing new development, both in the commercial and residential sectors.

The combined USD-GSD rate is the total paid for property in the USD; property outside of the USD is taxed at the GSD rate. Residents of the satellite cities within Metro pay the GSD rate plus the rate set by that satellite city.

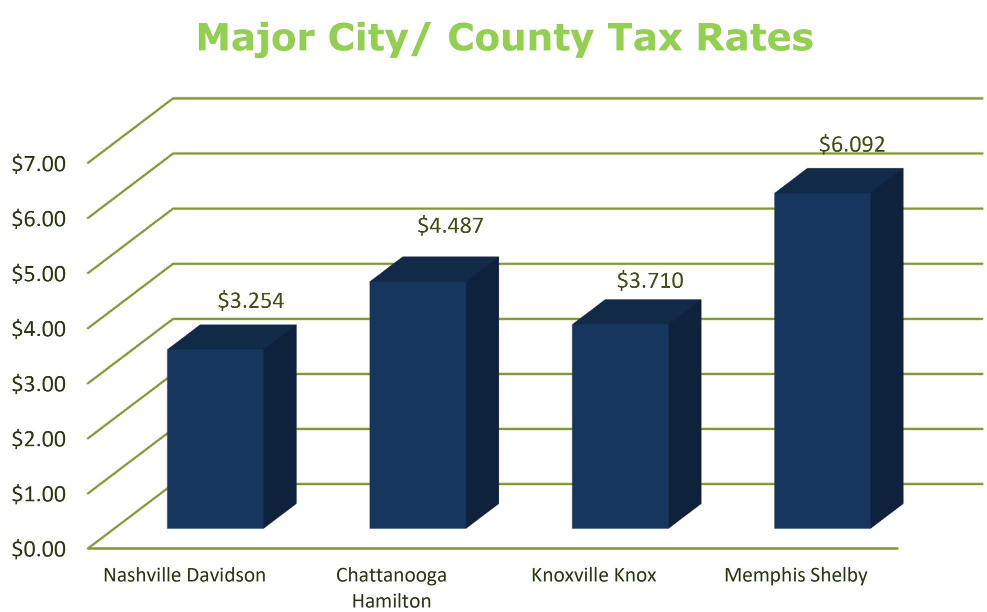
FY 2024 Property Tax Distribution (Rates per $100 of Assessed Value)			
District	**Fund**	**2023 Rate**	**2023 Rate**
GSD (General Service District)	**General**	**$1.299**	**$1.339**
	Schools General Purpose	**0.986**	**0.986**
	General Debt Service	**0.523**	**0.473**
	Schools Debt Service	**0.114**	**0.124**
	Subtotal- GSD	**$2.922**	**$2.922**
USD (Urban Service District)	**General**	**$0.283**	**$0.283**
	General Debt Service	**0.049**	**0.049**
	Subtotal- USD	**$0.332**	**$0.332**
Combined USD/GSD Rate		**$3.254**	**$3.254**

Executive Summary



Over the course of the last 50 years, as with any major city, Metro has seen changes in its property tax rate. The need to stabilize overall revenues, fund critical initiatives and weather economic downturns have each served as driving factors. COVID-19's occurrence, in the face of existing financial challenges, necessitated the most recent increase, which occurred in FY 2021.

Following FY 2023's slight decrease due to the required recapture rate, FY 2024's rate remains unchanged in total. However, it has been reallocated between funds to accommodate the application of Metro's fund balance policy, as well as the state's requirement to produce a balanced budget across funds. FY 2024's rate of $3.254 is tied for third lowest in Metro's history. This rate would also be $1.00 less than the average rate over the previous quarter century and maintains Metro's highly competitive rate relative to other major cities in Tennessee.



Executive Summary

Local Option Sales Tax

Sales Tax Budget	
FY 2023	$633.7M
FY 2024	730.1M
Change	**$96.4M**

Sales taxes are among some of the more economically sensitive revenue sources for state and local governments. This is especially true for Metro, given tourism's place in the local economy. Over the course of the last 18 months, economists' recession fears have gone unrealized and instead were overcome by resilient consumers, backed by a historically tight labor market, high savings and low debt, strong wage growth and higher price levels. Each of these elements has contributed to stronger than expected revenue collections.

FY 2024's budget assumes continued source stability, albeit at a slower pace of growth given the changing economic landscape.

Federal, State and Other Revenues

Federal, State, & Other Gov't Agencies Budget	
FY 2023	$432.6M
FY 2024	455.5M
Change	**$22.9M**

Budgeted Federal, State and Other revenues are based on our best estimates of revenues from specific sources, to include state-shared revenues, reimbursements, and grants from various other organizations.

Tempered growth across revenues in this category is expected to be offset by a decline in the volatile excise tax. In its inaugural year, Tennessee Investment in Student Achievement (TISA) is expected to grow by $22.3M over FY 23's anticipated Basic Education Program (BEP) collections.

Other Local Revenues

Other Revenues Budget	
FY 2023	$351.6M
FY 2024	377.9M
Change	**$26.3M**

Other local revenues include a variety of sources ranging from taxes, licenses and permits to revenues from services provided to the public. Transfers from other funds are also included in this category.

Growth is primarily driven by: Alcohol Beverage Gross Receipts ($17.5M); Hotel & STR Occupancy Taxes ($4.0M); and Construction-related Permits ($2.8M).

Economic Trends

The resources available to Metro are directly and indirectly dependent on the strengths of the national and state economies. Given these relationships, the status of these economies and their expected impact on Metro's revenues are reviewed prior to setting funding levels.

Executive Summary

Prior to the COVID-19 pandemic, national and local economies alike were humming along like well-oiled machines. Jobs were plentiful, unemployment was historically low, consumer spending steady, interest rates low and inflation was within the FOMC's targeted range. All of this changed dramatically with the pandemic's arrival. Businesses closed shop and economic activity came to a screeching halt. Metro's unemployment exploded, going from a record low of 2.4% to 16.1% in one month's time. In the first full quarter impacted by the virus, GDP fell by a staggering 29.9%, consumer spending by 32.1% and more than 20 million jobs were lost.

From a health perspective, the disease would continue to wreak havoc globally for quite some time; however, economically, the situation would begin to turn around much quicker than originally anticipated. While many factors contributed to this, chief among them were timely vaccine creation and deployment, the proliferation of remote work, shifts in consumer consumption patterns, remote sales, the nation's newfound ability to capture these tax dollars and record federal stimulus. The latter proved to be pivotal, as many reeled in spending during the early days of the pandemic, driving up savings. As jobs rebounded, suddenly consumers found themselves flush with cash, with lower debt in tow.

All of this laid the foundation for where things stand at present (April 2023). Inflation sits at more than double its targeted level, real consumer spending has fallen in 3 of the last 4 months, real private fixed investment has fallen four consecutive quarters, the federal funds rate target range is currently 4.75-5.00%, with the potential to go higher, consumer debt hit record levels to end 2022 and savings have begun to retreat. Some of this has translated into recent real GDP readings, which have fallen the previous two quarters, expanding by 2.6% to end 2022 before sluggishly growing by just 1.1% in Q1 2023. These economic indicators, as well as others nationally and locally, are contemplated in FY 2024's funding levels.

Conclusion

The Fiscal Year 2024 Operating Budget for the Metropolitiatian Government of Nashville and Davidson County reflects conservative growth estimates, but the government is on firm fiscal foundation thanks to years of recovery efforts and a focus on financial fundamentals. The Operating Budget is focused on providing essential services to all Nashvillians and supporting the community at large. The government looks forward to a successful fiscal year implementing the targeted improvements in this budget.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Management, Goals and Performance

Metro Operations Management

The Metropolitan Government of Nashville, often referred to as "metro" is a combined city and county government, where the typical functions of a city are combined with those of a county. Atypical of this form of government, Metro's overall entity includes public schools, water utilities, major league sports venues, a hospital, elected official run organizations and numerous boards and commissions.

Being a large and unique organization, unity of command truly comes through consensus. The key parties that provide leadership to the organization are the Mayor, Metropolitan Council, Elected Officials, and Boards and Commission. Each party has a noteworthy role in the government operations.

Mayor's Office

The mayor provides leadership for the government and influences decisions through significant budgetary and board appointment authority. Management oversight is advanced by the mayor through establishing a vision for the city and overarching goals, which are articulated as priority areas. The Mayor's Office develops and implements policy and provides day to day management of the many key city functions.

Metropolitan Council

The Metropolitan Council (hereinafter the "Metro Council" or "Council") is the legislative body for the Metropolitan Government. There are forty councilmembers including thirty-five district councilmembers and five at-large councilmembers. The vice mayor serves as the presiding officer of the Council. The role of the Council is to enact ordinances and resolutions that further public policy of the Metropolitan Government and to assist with constituent services for the residents of Nashville and Davidson County.

Elected Officials

Metro has numerous elected officials that provide significant community leadership and management of important governmental services. They manage the daily operations of their organizations, establish an organizational vision, set goals and manage performance. They are responsible for financial management with funding provided through the overall budget process as well as potentially from other sources.

Boards and Commissions

There are numerous boards and commissions that serve critical government roles. Several of these organizations appoint key executives that provide leadership to Metro operations. For example, the Civil Service Commission appoints the Metro's Head of Human Resources, and the Social Services Commission appoints the Social Services Director. The Mayor and Council appoint select members of these boards and exercise a degree of influence with those appointments.

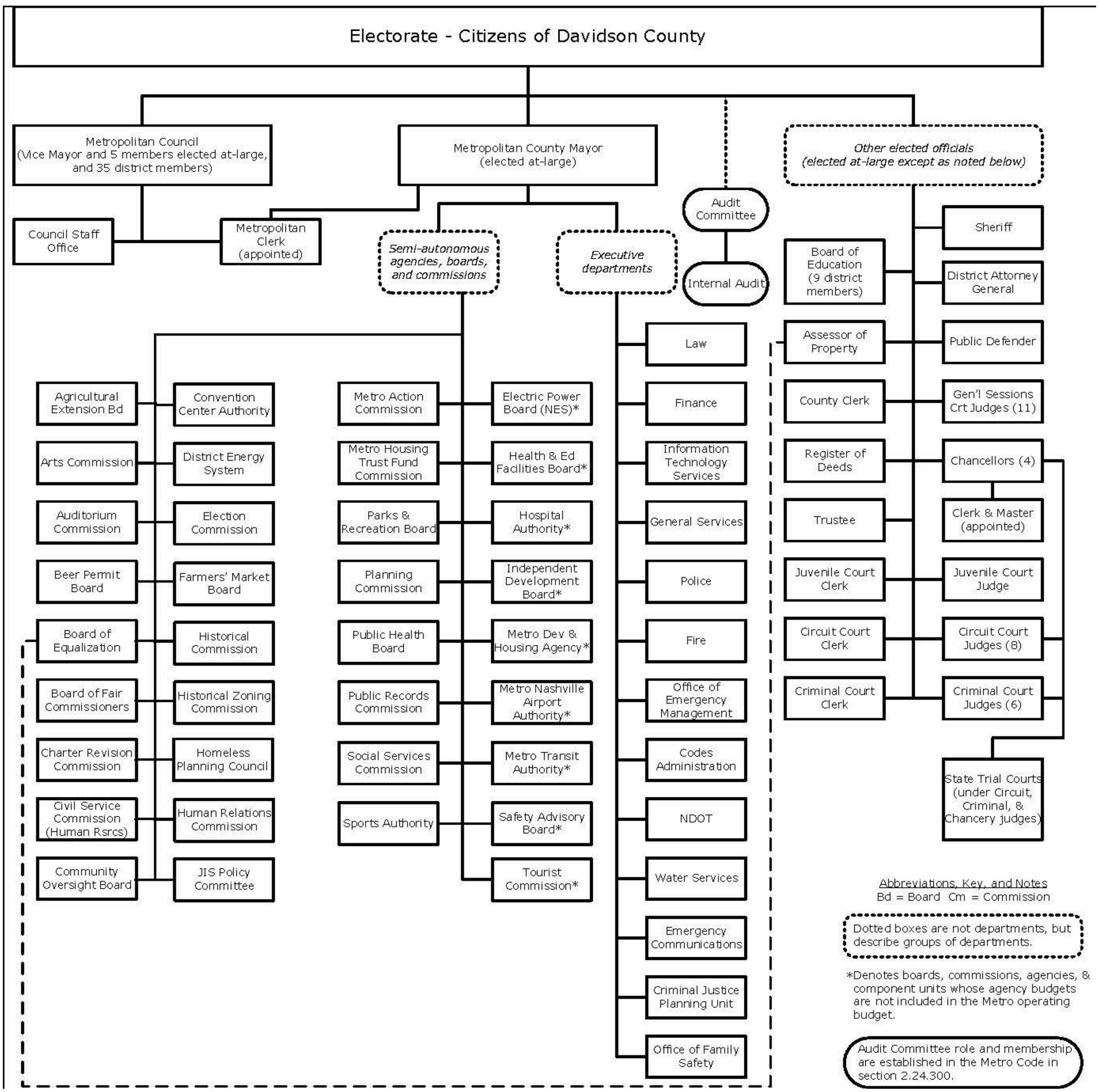
Management, Goals and Performance

Organizational Structure

The following organization chart presents a high-level view of Metro's structure. The structure of each department is shown in that department's budget description, later in this book.

Metro has a "strong-mayor" form of government, in which the popularly elected mayor is the city's chief executive and is independent of the Council. Both the Mayor and Council are elected on a nonpartisan basis.

Within this framework, operations are conducted by executive departments (reporting to the Mayor), independent elected officials (including the elected Board of Education), and appointed boards, commissions, and agencies. The variety of elected officials, boards, and commissions facilitate citizen involvement in the government's operations.



Management, Goals and Performance

Strategic Goals: Mayoral and Metro Council Priorities

The Mayor and Metro Council are responsible for setting the annual operating budget. The mayor is required to propose a budget to council by May 1. The Council can modify the proposed budget. If the Council does not approve budget modifications by June 30, the Mayor's budget takes effect. Both parties set priorities for guiding the budget process.

Mayoral Priority Setting Process

The mayor and members of the Executive Leadership Team (ELT) use a four-step process for setting priorities. Once the priority areas are established, initiatives that advance the priority area are developed, deployed and results are reviewed to ensure outcomes are being achieved. The figure below shows the four-step mayoral priority setting process.

Council Priority Setting Process

The Council sets priorities for the annual operating budget and capital improvements budget. The Council's priorities are informed by several processes: through engagement with constituents through community meetings, public hearings and public comment periods, and individual constituent communication; through discussion and engagement with departments through the Council's departmental budget hearings; and through public meetings of the body, including special committees, standing committees, Council meetings, and more formal prioritization activities such as the Council's annual capital improvements prioritization process.

Mayoral Priorities

The mayor has set the following priorities which guide government operations and budget development.

Public Safety and Justice

Maintain and protect Metro Nashville's quality of life.

Metro Nashville works to improve public safety by ensuring that police officers, fire fighters, and other emergency responders have the tools and resources necessary to keep the community safe by reducing crime and quickly responding to emergencies.

Neighborhoods and Community Engagement

Promote a healthy and vibrant community.

The purpose of the Office of Neighborhood and Community Engagement is to work strategically and intentionally with all residents to take steps toward improving local communities. This is achieved by protecting and enhancing Metro's network of parks, libraries, and community centers, as well as preserving the vibrant arts, entertainment and music culture that has made Nashville an international destination.

Management, Goals and Performance

Transportation, Infrastructure, and Sustainability

Ensure a high-quality, multimodal transportation network and investing in existing and aging infrastructure.

Metro Nashville is focused on improving the infrastructure and ensuring a high-quality multimodal transportation network. Metro Nashville is addressing lagging infrastructure, preserving the region's natural resources, improving the transportation system, and expanding Metro parks to improve overall resident quality of life.

Effective and Sustainable Government

Ensure a responsive and transparent government by making a commitment to performance excellence.

By focusing on performance excellence, Metro departments are dedicated to providing efficient and effective services that maximizes taxpayer money and unlocks resources for priorities like education and infrastructure. Metro Nashville is dedicated to investing in long-term cost saving measures to create efficiency in local government.

Affordable Housing

Promote a housing strategy for Metro Nashville that invests in affordable housing and encourages a variety of housing choices.

Since its inception in 2013, the Barnes Housing Trust Fund has worked to create and preserve opportunities for affordable, fair housing. As our community continues to grow and housing needs expand, Metro Nashville is committed to leveraging the Barnes Fund to ensuring Nashville remains a home for everyone.

Education

Provide high-quality K-12 education for all students.

Metro Nashville is committed to strengthening Nashville's public schools, supporting our teachers, and ensuring all students from every neighborhood have access to high-quality educational experiences. This commitment includes an emphasis on teacher quality, school leadership, fair compensation, and an equitable working and learning environments for all. It also recognizes the importance of working with business and philanthropic partners to invest in cradle-to-career initiatives like early childhood education and pathways to living-wage careers and jobs.

Council Priorities

The Council's priorities include the adoption of an annual balanced operating budget, vetting, approval, and election of board and commission nominees, the debate, discussion, and approval of legislation offered by members of Council as well as by the mayor and by Metro departments, and assisting with constituent services for the residents of Nashville and Davidson County.

Budget Planning and Process

Diversity, Equity & Inclusion

Equity was a key priority for the 2024 budget process. The Office of Diversity, Equity, and Inclusion, as a way to intentionally incorporate equity into the budget process, created the Budget Equity Tool. This tool was designed to normalize and operationalize budget equity concepts and practices within Metro. The tool asked each department to consider how their investment requests as well as their current operations and practices furthered equity for Metro's residents and employees. Our primary goals were to make sure department heads and city leaders understood what operating with an equity lens meant, the importance of equity in delivering Metro services, their role in advancing equity within Metro, and the barriers and/or limitations that impact equity. As part of the Metro Budget 101 series, the Office of DEI was able to introduce the tool, how it was developed, its components, and the resources available for departments to complete the tool. With the Budget Equity Tool, the office strives to normalize equity in how Metro does business.

Community Engagement

Over the past four years, citizens had a direct impact on American Rescue Plan Funding and portions of the Capital Budget. Citizens served on committees either recommending or approving funding for projects. For the FY 2024 Budget, Metro Nashville/Davidson County began to lay the foundation for additional community involvement in the operating budgetary process. The following are the steps that were taken during the process:

Management, Goals and Performance

- The Administration used HUB Nashville to reach constituents with respect to the Mayor's Priorities. HUB Nashville is comprehensive customer service system, that makes it easier for people to connect with Metro representatives to make service requests, ask questions, and share feedback. A survey was available to residents on this platform between February 17, 2023, and March 13, 2023 to comment on the Mayor's priorities. The Administration reviewed the responses to assist in prioritizing investment requests.

- At the end of the process for the Mayor's Recommended Budget, the Department of Finance surveyed departments on how they prepared their investment requests in order to determine the level of community involvement that occurred. Moving forward, the Department of Finance will use these responses to build stronger relationships with departments and community organizations to better understand the impact of the investment requests that are being made during the budgetary process.

- In the month of May, Metro Council has reserved 5 days (May 17th, 18th, 22nd, 23rd, and 24th) for hearings concerning departmental budgets. During this these meetings, the community can watch the discussions between the departments and elected officials on the Metro Nashville Network. Should the community want further engagement, one can contact their council members to reappropriate funding to the priories that are needed within Davidson County.

- In the month of May, various council members host District Meetings, Facebook Discussions, and other events to gather more community input. Tennessee Code Annotated" § 8-44-102 states that a "governing body" is "any public body [consisting] of two or more members, with the authority to make decisions for or recommendations to a public body on policy or administration" thus one will not find multiple council members at the same event.

Performance Management, Performance Metrics and Goal Tracking

The Mayor's Office of Performance Management is responsible for tracking impactful and relevant operating performance variations, identifying items that require immediate attention, and supporting data-based decision making. The goal is to strengthen transparency and accountability within Metro by developing a metro-wide culture of ongoing performance reporting.

Shifting from on-demand analysis to continuous performance tracking, a set of measures has been developed for each department.

The Mayor's Office meets with departments frequently to monitor operating conditions and progress toward meeting set goals. The section below presents a sample of key performance indicators (KPIs) that Metro uses to monitor performance. For a complete list of KPIs, please visit the Mayor's Office of Performance Management website https://www.nashville.gov/departments/mayor/performance-management.

Management, Goals and Performance

Metro Priority Area / Department or Organization	Key Performance Metric	Goal	Status
Metro Priority Area: Public Safety and Justice			
Department of Emergency Communications	9-1-1 Average answer time	15 seconds	Needs Improvement
Police Department (MNPD)	Clearance rate for Total Part I Crimes	Maintain clearance rate of 18.5%	Needs Improvement
Police Department (MNPD)	Response time for Emergency (Code 3)	Response time below 6 minutes	Needs Improvement
Police Department (MNPD)	Clearance rate for Property Crimes	Maintain clearance rate of 12.5%	Needs Improvement
Police Department (MNPD)	Response time for all calls	Response time below 12 minutes	Needs Improvement
Police Department (MNPD) and Community Oversight Board (COB)	Variance in Part One offenses reported County Wide (YTD)	Decrease the variance in Part One offenses by 5%	On Track
Fire Department	Average response time to medical incident	Below 8 minutes	On Track
Fire Department	Structure fire response first engine arrival time	Below 5 minutes	On Track
Metro Priority Area: Neighborhoods and Community Engagement			
Parks	Attendance-recreation	Increase by 10%	On Track
Waste Services	Hub data: Missed pickup-trash cart services	Reduce number of missed trash pickups	Needs Improvement
Waste Services	Recycling tonnage	Increase total tonnage of controlled recycling	Needs Improvement
Waste Services	Hub data: brush collection	Reduce number of missed brush pickups	On Track
Social Services	Families and individuals assisted	Increase number of families assisted by 3%	On Track
Social Services	Street homeless complaints response time	Maintain 72-hour response time	Within Range
Metro Priority Area: Transportation, Infrastructure & Sustainability			
MTA Metrics	On-time performance regional bus	88.5% on-time performance	Within Range
MTA Metrics	On-time performance train	96% On-Time Performance	On Track
MTA Metrics	On-time performance WeGo	90% on-time performance	Within Range
MTA Metrics	Trip completion	99.7% trip completion	On Track
Water & Sewer Metrics	Emergency water main break repaired	Decrease number of emergency break repairs to an average of 35 breaks	On Track
Code Administration	Building inspections TAT	Maintain TAT of 1.2 days	Within Range
Code Administration	Building permits TAT	Maintain TAT inspection time of 22 days	Needs Improvement

Management, Goals and Performance

Long-Term Financial Planning

After a few turbulent years, Metro is in a stable financial position looking ahead to FY 2024. Regarding long-term planning, the administration stays committed to maintaining and continuing to improve the overall financial position of the government. Future budgets will continue to be structurally balanced, meet debt service and contractual obligations and fund Schools at or above state required levels.

The mayor's priorities have a significant impact on the operating budget process as improvements are chosen for the ability to positively impact outcomes for residents in these areas. Concurrently with the budget process, the Office of Performance Management (OPM) develops, measures, and reports the results of its daily operations to guide and improve programming using performance data. As part of the budgeting process departments set measurable targets to measure positive performance for FY 2024. These efforts strengthen transparency and accountability within Metro as well as setting service level expectations to the public. These initiatives build the foundation for both current and long-term operational and financial planning and management.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Metro Nashville and Its Budget

Metro Government

The Metropolitan Government was formed in 1963 with the merger of the governments of the former City of Nashville and Davidson County. Metro Nashville is a friendly, forward-thinking city with a diverse economy, strong transportation links, and many institutions of higher education. It is the capital of Tennessee, the largest city in the mid-state, and the hub of a state with over 7 million residents.

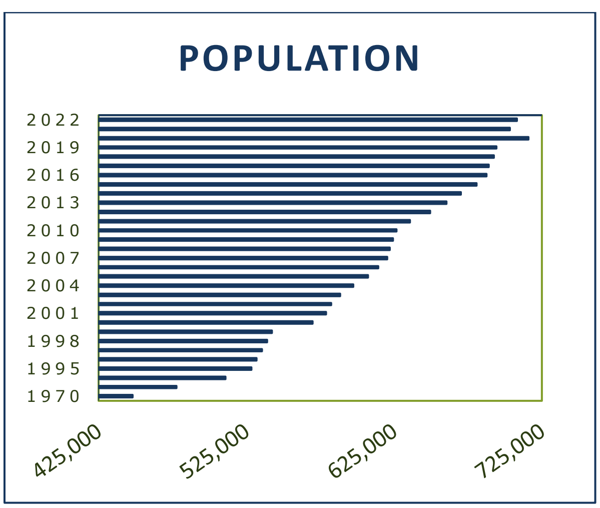
As a consolidated government, Metro provides all services and performs all functions normally associated with Tennessee city and county governments. This also means that the government and its budget are more complex than those of most other cities and counties.

The Founding Fathers of Nashville
Statue of Nashville's founders at Ft. Nashborough

About Nashville - The city was founded on Christmas Day of 1779 on the banks of the Cumberland River as Fort Nashborough. The community changed its name to Nashville in 1784, which incorporated as a town in 1806 and was permanently established as the capital of Tennessee in 1843.

The city is a center for music, healthcare, hospitality, publishing, banking, and transportation industries. It is also home to some of the top U.S. universities, notable among which are Vanderbilt University and Belmont University. Nashville placed first in the hottest job market in 2023 according to *The Wall Street Journal*, Nashville ranked #25 in one of the best U.S. cities to live according to U.S. News & World Report and ranked among the 15 best places for business and careers in 2019 by *Forbes* magazine. Frequently cited are the area's low cost of living, a variety of residential opportunities, abundant recreational and tourist opportunities, a lively cultural base, diverse economy closely mirroring that of the nation, a regional hub for healthcare, and many institutions of higher education. Transportation is available by air, train, water, and road – 50% of the nation's population lives within 650 miles via one of the three interstate highways (I-65, I-40, and I-24) that converge in the city. Although it has a diverse and balanced economy with manufacturing, transportation, education, financial, healthcare, and other services, Nashville may be best known as the home of country music – Music City USA.

Nashville's weather and temperature range are fairly moderate compared to many other cities in the United States, and while Nashville has recorded temperatures as low as -17°F and as high as 109°F, that is not the norm—temperatures in Nashville typically range from an average low of 28°F in January to an average high of 89°F in July. Nashville is a great place to visit anytime of the year.



Source: U.S. Census Bureau QuickFacts

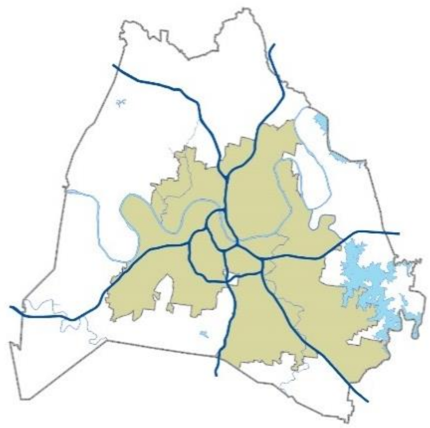
RACIAL AND AGE COMPOSITION	
White	65.6%
Black or African American	27.2%
Hispanic or Latino (of any race)	10.6%
Asian	3.9%
American Indian and Alaska Native	0.5%
Native Hawaiian and Other Pacific Islander	0.1%
Other or Two or More Races	2.6%
Under 5 Years	6.3%
6-18 Years	20.2%
19- 64 Years	60.4%
65 Years and over	13.1%

Metro Nashville and Its Budget

Services Districts

The Charter requires that Metro's operating budget be divided into two districts: The General Services District (GSD) and the Urban Services District (USD). The GSD is synonymous with Davidson County; the USD comprises the old City of Nashville plus certain areas added since Metro was formed.

The geographic areas, purposes, and functions of these two districts determine the way services are budgeted and provided in Metro. The two districts relate services provided to taxes paid. The GSD receives a base level of services; its property is taxed at the GSD rate to fund these services. The USD receives more of certain services, which are funded by an additional USD rate to fund those services.



General Service District (GSD)	Urban Service District (USD)
525 Square Miles	199 Square Miles
201,527* people	506,617* people
General government, financial management, schools, justice administration, law enforcement and incarceration, basic fire and ambulance, regulation and inspection, social services, health, hospitals, libraries, public works, traffic control, recreation.	GSD Services plus additional police protection, additional fire protection, and additional public services including trash and recycling collection and street lighting.
*Source: Source: U.S. Census Bureau 2022 estimates and Metro Planning department.	

Other Governments

A variety of services are provided to Metro citizens directly by the federal, state, and other local governments. This book does not cover those services. However, information on them is available from various web sites.

- For federal services, see the U.S. Government site at www.usa.gov/.
- For state services, see www.tn.gov
- For any of the six satellite cities within Davidson County, some basic information is provided under the listing for Satellite Cities in the Glossary (Appendix 2). For more current and detailed information, contact the satellite city directly.
- For additional information on the Board of Education budget, see their website at www.mnps.org

Metro Nashville and Its Budget

Departments and Their Budget Fund Types

Department	Dept. Number	GSD General Fund	USD General Fund	Special Revenue Fund (s)	Proprietary Fund (s)
Administrative	01	✓	✓	✓	
Agricultural Extension	35	✓			
Arts Commission	41	✓		✓	
Assessor of Property	16	✓			
Board of Fair Commissioners	62			✓	✓
Beer Board	34	✓			
Circuit Court Clerk	23	✓			
Clerk and Master	25	✓			
Codes Administration	33	✓		✓	
Community Oversight Board	52	✓			
County Clerk	18	✓		✓	
Criminal Court Clerk	24	✓		✓	
Criminal Justice Planning	47	✓			
DES- District Energy System	68				✓
District Attorney	19	✓		✓	
Department of Emergency Communications	91	✓			
Election Commission	05	✓			
Farmers' Market	60			✓	✓
Finance	15	✓		✓	✓
Fire	32	✓	✓	✓	
General Services	10	✓			✓
General Sessions Court	27	✓		✓	
Health	38	✓		✓	
Historical Commission	11	✓		✓	
Human Relations Commission	44	✓			
Human Resources	08	✓			
Information Technology Systems	14			✓	✓
Internal Audit	48	✓			
Justice Integration Services	29	✓			
Juvenile Court	26	✓		✓	
Juvenile Court Clerk	22	✓		✓	
Law	06	✓			
Mayor's Office	04	✓		✓	
Metro Action Commission	75			✓	
Metropolitan Clerk	03	✓			
Metropolitan Council	02	✓			
Metropolitan Nashville Public Schools	80	✓		✓	✓
Municipal Auditorium	61				✓
Music City Center	71				✓
Nashville Department of Transportation	42	✓	✓	✓	
Office of Emergency Management	49	✓		✓	
Office of Family Safety	51	✓		✓	
Office of Homeless Services	53	✓		✓	
Parks	40	✓		✓	
Planning Commission	07	✓		✓	
Police	31	✓	✓	✓	✓
Public Defender	21	✓			
Public Library	39	✓		✓	
Register of Deeds	09	✓		✓	
Sheriff	30	✓		✓	
Social Services	37	✓		✓	
Sports Authority	64	✓			✓
State Trial Courts	28	✓		✓	
Trustee	17	✓			
Water and Sewer	65			✓	✓
Waste Services	65			✓	

Metro Nashville and Its Budget

Financial Organization

Since the budget is a financial planning and policy document, it is organized according to Metro's financial accounting and coding structure. That coding structure – the chart of accounts – corresponds roughly to the government's administrative organization and service structure, while meeting the legal and accounting requirements of the government. It forms the basis for Metro budgeting, accounting, and financial reporting, and is used in both the budget ordinance and this book.

The entire budget is organized by fund. Revenues of each fund are organized by type and source. Expenditures of each fund are organized by business units, object accounts, and positions.

The Fund Structure

A "fund" is an accounting entity with assets, liabilities, equities, revenues, and expenditures, held separate in the budget for certain specific activities or to accomplish definite objectives.

Tax Supported Budgetary Funds

Most of Metro's tax dollars are deposited into and spent out of six basic funds in the two districts:

GSD General Fund (fund number 10101)
GSD Debt Service Fund (20115)
Schools (MNPS) General Purpose Fund (35131)
Schools (MNPS) Debt Service Fund (25104)
USD General Fund (18301)
USD Debt Service Fund (28315)

These six budgetary funds provide the basic local government services to Davidson County. They are financed primarily through sales and property taxes, and their expenditures are controlled based on appropriations in the budget ordinance.

The two *General Funds* provide for the traditional operating services of the government. These funds receive property and sales taxes, charges for services, fees, fines, penalties, and other revenues.

The three *Debt Service Funds* finance the payment of interest and principal on long-term general obligation debt of each district. Per the Charter, debt service budgets must be sufficient each year to pay the principal and interest due on outstanding bonds.

The *School Fund* is Metro's biggest special revenue fund (described more generically below). It receives a dedicated portion of the property tax and, by state law, a portion of the local option sales tax. This fund's expenditures are budgeted and controlled by the Metropolitan Board of Public Education (MBOE) for Metropolitan Nashville Public Schools (MNPS).

The two districts and six funds make it possible to allocate taxes and services in each district and fund. Revenue collected for each district can be spent only for purposes prescribed for that district. After the budget is passed, appropriations cannot be transferred between funds and/or districts except as specifically authorized in the budget ordinance.

Comparison of the FY2023 and FY2024 Budget Ordinances – Six Tax Supported Budgetary Funds

	FY2023 Operating	FY2024 Operating	Change	% Change
GSD General Fund	$1,285,568,800	$1,490,780,400	$205,211,600	15.96%
GSD Debt Service Fund	269,723,100	327,270,400	57,547,300	21.34%
GSD School Fund	1,105,502,500	1,205,472,800	99,970,300	9.04%
GSD Schools Debt Service Fund	120,799,100	136,782,600	15,983,500	13.23%
USD General Fund	160,712,600	183,819,600	23,107,000	14.38%
USD Debt Service Fund	20,294,700	20,189,000	(105,700)	(0.52%)
Duplicated by Interfund Transfers	(4,061,900)	(74,991,200)	(70,929,300)	1846.21%
Total Budget	**$2,958,538,900**	**$3,289,323,600**	**$330,784,700**	**11.18%**

Summary of the FY2024 Budget – Six Tax Supported Budgetary Funds

Per Budget Ordinance

	GSD General Fund	GSD Debt Service	GSD School Debt Svc	GSD School Fund	USD General Fund	USD Debt Services	Duplicated by Interfund Transfers	Total
Property Taxes	$708,658,600	$232,304,100	$61,941,500	$488,070,600	$144,828,400	$18,893,500	-	$1,654,696,700
Local Option Sales Tax	265,626,900	3,228,500	73,215,600	388,049,500	-	-	-	730,120,500
Grants & Contributions	181,777,300	4,921,900	-	283,072,500	$782,600	-	-	470,554,300
All Other Revenues	263,596,300	86,815,900	1,625,500	46,280,200	38,208,600	1,295,500	(74,991,200)	362,830,800
Reserves	-	-	-	-	-	-	-	-
Fund Balance Policy Adjustment	71,121,300	-	-	-	-	-	-	71,121,300
Total Revenues	$1,490,780,400	$327,270,400	$136,782,600	$1,205,472,800	$183,819,600	$20,189,000	$(74,991,200)	$3,289,323,600
General Government								
General Government	347,863,600	-	-	-	34,920,800	-	-	382,784,400
Fiscal Administration	37,148,100	-	-	-	-	-	-	37,148,100
Public Safety								
Administration of Justice	90,841,200	-	-	-	-	-	-	90,841,200
Law Enforcement & Jails	375,128,000	-	-	-	481,000	-	(481,000)	375,128,000
Fire Prevention & Control	94,953,200	-	-	-	94,567,700	-	-	189,520,900
Other								
Regulation & Inspection	62,280,400	-	-	-	2,517,600	-	-	64,798,000
Health & Social Services								
Social Services	13,318,000	-	-	-	-	-	-	13,318,000
Health & Hospitals	132,844,500	-	-	-	-	-	-	132,844,500
Recreation & Culture								
Public Libraries	41,997,800	-	-	-	-	-	-	41,997,800
Recreational & Cultural	89,726,900	-	-	-	465,500	-	(188,900)	90,003,500
Infrastructure & Transportation	133,557,400	-	-	-	46,367,000	-	-	179,924,400
Education	-	-	-	1,205,472,800	-	-		1,205,472,800
Debt Service	-	256,149,100	136,782,600	-	-	20,189,000	(3,200,000)	409,920,700
Fund Balance Policy Adjustment	71,121,300	71,121,300	-	-	4,500,000	-	(71,121,300)	75,621,300
Total Expenditures	$1,490,780,400	$327,270,400	$136,782,600	$1,205,472,800	$183,819,600	$20,189,000	$(74,991,200)	$3,289,323,600
Projected Surplus (Deficit)	-	-	-	-	-	-	-	-

Metro Nashville and Its Budget

Special Purpose Funds

Metro uses other types of funds for special purposes. Non-tax supported budgetary fund expenditures are limited to revenues received by and balances in each fund, rather than appropriations. Monies in these funds generally cannot be used to support other funds. These non-tax supported budgetary funds are explained below.

Internal Service Funds provide services to Metro departments on a cost reimbursement basis.

Enterprise Funds provide services to the public on the same basis. The primary enterprise funds are the Farmers' Market, Board of Fair Commissioners, Municipal Auditorium, and Water Services funds.

Capital Projects Funds account for costs related to capital projects. These are not generally included in the operating budget.

Permanent Funds and *Fiduciary Funds* account for monies held for others. These are not generally included in the operating budget.

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted for expenditure for specified purposes. These include the Schools Fund (mentioned above), Waste Management, grants, and the General Fund Reserve Fund (usually called the Four Percent Reserve Fund).

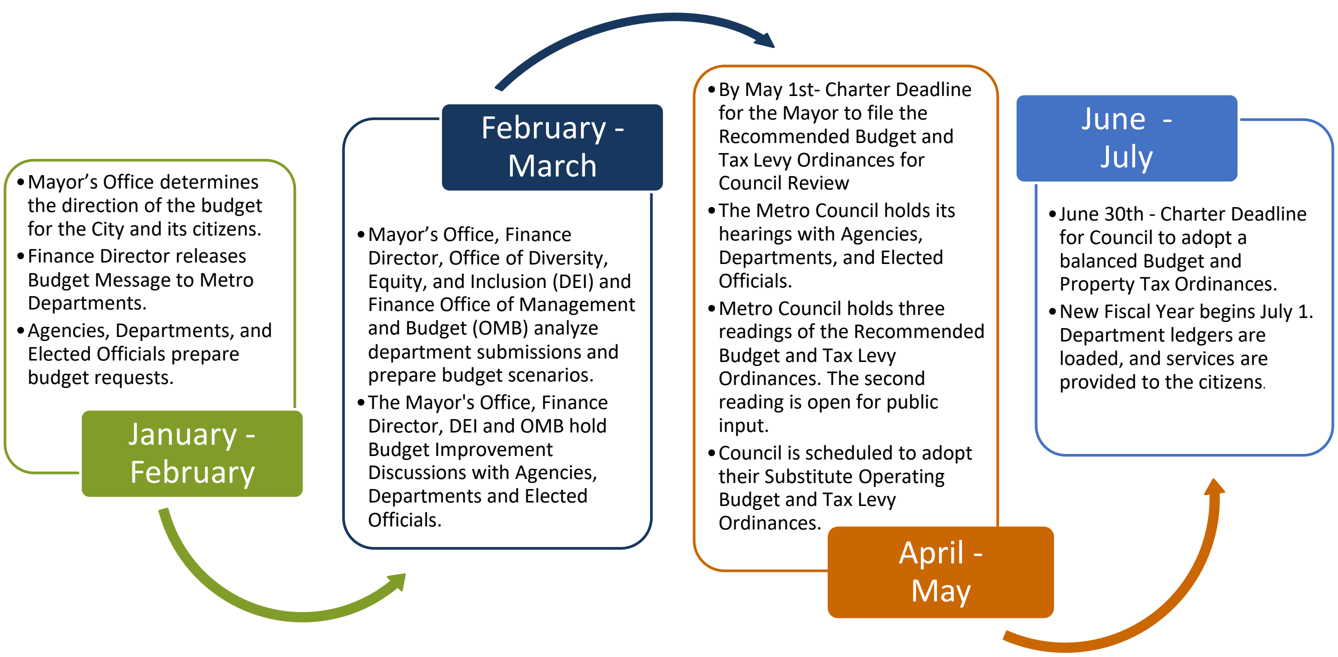
Accounting & Budgeting

This budget conforms to guidelines of the Charter and standard municipal budgetary practices, while the year-end *Annual Financial Report* conforms to governmental Generally Accepted Accounting Principles (GAAP), so they are not strictly comparable to each other. Specifically:

- This budget recognizes that Metro operates in two general funds, as required by the Charter and Tennessee law. Governmental GAAP recognizes only one general fund per government.
- This budget treats transfers to and from any fund as revenues and expenditures, respectively, of that fund. Governmental GAAP classifies them as "Other Sources & Uses of Funds."
- This budget does not include certain "component units" that are required to be included in the Annual Financial Report.

The Budget Process

The Operating Budget, Capital Improvements Budget (CIB), and Capital Plan are developed through a multi-step information gathering and priority setting process that establishes objectives and priorities of the city and creates a financial plan for the operations of the government for the fiscal year. The Charter defines much of the process. The Mayor's Office, Finance Department, Office of Management & Budget (OMB), agency officials, and the Metropolitan Council are key participants.



Metro Nashville and Its Budget

The FY 2024 Operating Budget calendar is, as scheduled:

January 6	The Mayor's Office and Finance Department introduced the operating/capital budget process for FY2024.
January 17	Operating budget instructions released.
January 23– February 10	Departments submit their operating budget proposals in the form of Investment Requests and Revenue Estimates to the OMB in the NORBeRT system.
February 11 – April 28	Mayor's Office, Finance Director, DEI and OMB staff review budget submissions.
February 17- March 13	Countywide budget priority survey conducted with Davidson County citizens.
February 27 – April 3	The Mayor's Office and Finance Director hold budget discussions with agency heads to discuss Investment Requests and Revenue Estimates.
February 21	Pre-Budget Public Comment Period
April 27	Mayor John Cooper give the State of Metro Address
May 1	Operating Budget Ordinance and Tax Levy filed by Mayor. Finance Director gives Budget Presentation
May 1	Charter deadline to file the Operating Budget and tax levy ordinances.
May 15	Capital Improvements Budget (CIB) Ordinance filed by Mayor.
May 15	Charter deadline to file the Capital Improvements Budget Ordinance.
May 16	First reading of the Mayor's Recommended Operating Budget, tax levy ordinances and Capital Improvements Budget by the Council.
May 17 – May 24	Council Budget and Finance Committee hold five (5) committee meetings and hearings regarding departmental budgets.
June 6	Public hearing and Second reading of the Operating Budget and CIB by the Council.
May 25 – June 13	Council Budget and Finance Committee sponsored work sessions on Operating Budget
June 13	Third and final reading of the CIB by the Council.
June 15	Charter deadline for the Council to pass the CIB
June 20	Third and final reading of the Operating Budget Ordinance; the Council adopted a Substitute Operating Budget Ordinance (with changes to the Mayor's Recommended Budget) and the tax levy ordinance.
June 30	Charter deadline for the Council to pass balanced budget and property tax levy ordinances.

Prior to June 30 – Amending the budget - For the budget ordinance to be amended, it must occur before the third reading of the ordinance is complete. Typically, changes to the recommended budget are discussed between the Council Office and the OMB prior to the scheduled third reading of the budget ordinance. OMB incorporates these changes into a substitute budget ordinance that is presented to the Budget and Finance Committee of the Council for review prior to the third reading. Council members also have the opportunity to file amendments with the Budget and Finance Committee prior to the third reading.

Amending the Budget After Council Approval - Once Council has passed the Final Budget, any further changes to budget totals must be approved by Council via Resolution, which requires only one reading.

July 1, 2023 – June 30, 2024: Agencies provide services to customers and citizens. The FY 2023-2024 budget may be amended as permitted by the Charter, the budget ordinance, and internal controls.

Late 2023 – An Independent CPA firm conducts the annual audit for FY 2022-2023.

Late autumn 2023: The Division of Accounts issues the *Annual Comprehensive Financial Report,* summarizing the government's financial condition and results of operations for Fiscal Year 2022-2023.

This process is very public. All budget hearings and council meetings are televised and streamed by the Metro Nashville Network Government Access Channel and recordings are posted on Metro's YouTube Channel. Budget documents, the Annual Financial Report, and streaming video are available at www.nashville.gov.

Metro Nashville and Its Budget

Financial Policies

The budget is governed by policies set out in the Charter and by executive decision. These policies are enforced by the Department of Finance through ongoing processes, internal control systems, special analyses, and in the annual independent audit.

The primary fiscal policies stated in the Charter are:

- **Fiscal year** - The fiscal year begins on July 1 and ends on the following June 30. (Charter §6.01) By custom, each fiscal year can be referenced in two ways: by using both years (e.g., "2022-2023") or by the calendar year in which the fiscal year ends (e.g., "FY2023" for 2022-2023).

- **Budget Preparation** – The budget process (described on the previous page) must begin by March 1. All officers and agencies must furnish such information as the Finance Director requests in the format he or she specifies. Agencies are entitled to a hearing before the Director on any contemplated changes in their budgets (§6.02); this is assured through the Mayor's budget hearings, in which all departments are generally asked to present their budgets to the Mayor and the Director. Operationally, most budget preparation is coordinated by the Office of Management and Budget (OMB).

- **Scope of the Operating Budget/ Balanced Budget** - The budget ordinance is organized by district, fund, and account number. Each fund's budget must be balanced: estimated revenues plus estimated fund balances must cover all budgeted expenditures (§6.03).

- **Fund Balance Reserve** – The policy will set a minimum target of 17% of each governmental operating fund, which is equal to approximately two months of Metro's operating expenditures. The policy will set a minimum target of 50% of the budgeted debt service or a larger amount if necessary to avoid the need to issue tax anticipation notes. The policy addresses the circumstances under which the Fund Balance Reserves can be utilized. For instance, the operating reserve could be accessed during the budget process in the event of an economic downturn. Both the operating reserves and debt service reserves could be used to address the unusual, unanticipated, and unforeseen expenditures or unanticipated/unexpected revenue declines, but only after all other reserves or budgeted contingencies are exhausted (§ 5.04.160).

- **Public Inspection** - The Mayor's recommended budget is submitted to the Council by May 1 as an ordinance accompanied by a transmittal message. The Metropolitan Clerk publishes the ordinance's revenue and expenditure summaries in major local newspapers. The operating budget, the capital improvements budget, the budget message, and all supporting schedules are public records in the Office of the Metropolitan Clerk and are open to public inspection (§6.04). The OMB also prepares a Recommended Budget Book, intended primarily for the Council but also useful to the media and the public, containing more information on the recommended budget. Copies of the ordinance are available in the Clerk's office and from the Finance Department; the budget is available at www.nashville.gov/citizens_budget.

- **Council Hearings** - Once in the Council's hands, the budget goes through three readings. Between first and third readings, the Budget and Finance Committee holds a public series of departmental hearings, and the Council holds a Charter-mandated hearing for public comment (§6.05).

- **Council Action** - The Council may approve the Mayor's budget, amend it, or create a substitute. They cannot change revenue estimates except to correct errors. A balanced budget must be approved by midnight June 30, or the Mayor's budget and proposed tax rate take effect by default (§6.06).

- **Authorized Spending** - Departments cannot overspend their budgets. The amount set out in the adopted operating budget for each organizational unit, purpose, or activity constitutes the annual appropriation for such item; no expenditure shall be made or encumbrance created in excess of the otherwise unencumbered balance of the appropriation or allotment to which it is chargeable (§6.06).

- **Property Tax Levies** - The budget is accompanied by a property tax levy ordinance that sets a tax rate sufficient to fund the budget (§6.07).

- **Allotments** - Annual appropriations are divided into quarterly allotments based upon estimated needs (§6.08).

- **Administrative Impoundments** - Unencumbered funds in each account at the end of each quarter may be unallocated through "administrative impoundments." These are merely allotment adjustments, not the "charter impoundments" discussed immediately below in §6.09.

- **Impoundment of Funds -** If the Finance Director certifies that the revenues or other resources actually realized for any fund are less than was anticipated and are insufficient to meet the amounts appropriated from such fund, the mayor is obligated to impound such appropriations as may be needed to prevent deficit operation (§6.09). Such impoundments reduce appropriations and allotments in order to keep the budget balanced.

- **Additional Appropriations** - The Council may make appropriations in addition to the current operating budget, but only from an existing, unappropriated surplus in the fund to which it applies (§6.10). This is done by resolution based on available fund balance or previously unbudgeted revenue.

- **Intradepartmental Budget Transfers** - Funds may be transferred within a department's expenditure budget by the department head and the Mayor and are available for use when allotted (§6.11). As an administrative matter, the Budget Officer also approves the transfer.

Metro Nashville and Its Budget

- **Interdepartmental Budget Transfers** - At the end of any quarter, the Council may, by resolution, transfer the unencumbered balance of any appropriation (or any portion thereof) to another appropriation within the same district and fund (§6.11).

- **Lapse of Appropriations -** At the end of the fiscal year, all unencumbered balances of appropriations in the current operating budget lapse into the unappropriated fund balance or reserves of the fund or funds from which such appropriations were made (§6.12). Unencumbered appropriations cannot be carried over from one fiscal year to the next.

- **Capital Improvements Budget Preparation** - By March 1, the Planning Commission shall begin to prepare a Capital Improvements Budget (CIB). The CIB includes a program of proposed capital expenditures for the ensuing fiscal year and the next five fiscal years thereafter, accompanied by the Commission's report and recommendations with respect to the program. By May 15, the Mayor shall submit the CIB to the Council and shall recommend those projects to be undertaken during the ensuing fiscal year and the method of financing them, and shall include in the appropriate current operating budget any projects to be financed from current revenues for the ensuing fiscal year. By June 15, the Council shall accept, with or without amendment, or reject, the proposed program and proposed means of financing (§6.13).

- **Capital Improvements Budget Expenditures** - Expenditures for the construction of any building, structure, work or improvement must be included in the CIB, except to meet a public emergency (§6.13).

- **Capital Improvements Budget Amendments** - Amendments to the CIB may be made by recommendation of the Mayor, Planning Commission, and a two-thirds vote of Council (§6.13).

- **GSD General Fund Reserve (Four Percent Reserve Fund)** - Four percent of original revenues are deposited to the Four Percent Reserve Fund. The Mayor and Council may appropriate money from this fund by resolution for the purpose of equipment for any department that derives its operating funds from the general fund budget (§6.14).

- **Advance Planning and Research Fund** - The APR Fund, established for the use of the planning commission to prepare plans for capital projects and studies and research, must be at least $50,000 at the start of each year (§6.14).

- **USD General Fund Reserve** - The Council has not exercised its ability to create a contingent reserve fund not to exceed four (4%) percent of the general fund revenue of the USD (§6.14).

- **Post Audit** - The Council shall provide annually for an independent audit of the accounts and other evidence of financial transactions of the government and of every department, office and agency. The audit shall be made by a certified public accountant (CPA) or firm of CPAs thoroughly qualified in governmental accounting to perform the audit; the auditor shall be chosen by a three-member audit board consisting of the presiding officer of the Council, the chairman of the finance committee of the Council, and the chairman of the board of education. The audit report shall be available to the public and to the press. In addition, the Council may at any time order an examination or special audit of any department, office or agency of the government (§6.15).

- **Mayor's Veto Power** - The Mayor has line-item veto power, that is, the ability to reduce or veto specific appropriations or parts of appropriations within an ordinance. The Council may override such a veto by the affirmative vote of 27 members (§5.04).

- **Bond Issues** - Bond issues and debt service shall be prepared and administered in accordance with Article 7 of the Charter (§7.01 et seq.).

- **Transfer of School Funds Within School Budget** - Within the constraints of general law, the Metropolitan Board of Public Education (MBOE) has authority over the distribution of, and transfer of funds within, its budget (§9.12).

- **Referendum as to School Budget** - The MBOE may initiate a referendum to levy additional property taxes for schools (§9.04(3)).

- **No Diversion of School Funds** - No funds that are appropriated for the use of, or transferred to, the school system shall be diverted from that use for any other purpose (§9.11).

- **Transfers to School Fund from General Funds; Borrowing Money -** The Council and the Mayor may advance cash or transfer monies from the general fund to the school fund, provided the advance or transfer is reimbursed the following year (§9.13). An advance involves a loan of cash with the establishment of an asset (a receivable or a "due from") on the books of the loaning fund and a liability (a debt or a "due to") on the part of the recipient. A transfer would include appropriation of one fund's revenues or fund balance to another, handled through the budget as if it were an expenditure to one fund and a revenue (or source of operating resources) to the other.

Other important policies include:

- **Functions of Director of Finance -** The Director of Finance is responsible to the mayor for the administration of financial affairs and shall supervise the divisions of budgets, accounts, purchasing, collections, and treasury. The Director of Finance, or his designee, shall compile for the mayor the current budget of estimated revenues and proposed expenditures for each of the operating funds and assist in the preparation of the capital improvements budget (§8.103).

- **Functions of Budget Officer -** The budget officer compiles the departmental estimates and other necessary data and assists in the preparation of the budgets. The budget officer monitors departmental budgets as compared to actual activity and alerts the Finance Director of any significant issues. Along with the chief accountant, the budget director writes, revises, and maintains a proper standard procedure manual to be followed by all departments to insure uniform accounting and budgetary procedures (§8.104).

Metro Nashville and Its Budget

- **Funds Budgeted** - The budget ordinance and book contain annually budgeted governmental operating funds, debt service funds, enterprise funds, internal service funds, and special revenue and other grant funds with fiscal years beginning July 1. It does not include grant funds with non-Metro fiscal years, capital projects, bond funds, fiduciary funds, permanent funds, component unit funds (unless the component unit receives significant general fund money), and other funds with multi-year budgets. The budgets of funds that are not included in the annual operating budget are approved through other processes as required by law.

- **Basis of Budgeting and Accounting** - All annually budgeted funds are budgeted using the current financial resources measurement focus and the modified accrual basis of accounting.

Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the fiscal year or soon enough thereafter to pay liabilities of that year (collected within 60 days of the end of the fiscal year). Property taxes, franchise taxes, licenses, interest, and certain portions of special assessments associated with the fiscal year are accrued. All other revenue items are measurable and available only when Metro receives the cash.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to non-vested sick pay, compensated absences and other long-term commitments and contingencies, are recorded only when payment is due.

Actual revenues and expenditures of governmental funds are presented in this book using the same modified accrual basis. Actual revenues and expenditures of proprietary funds are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year in which the levy is assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

- Accounting and financial reporting shall conform to generally accepted accounting principles (GAAP) for governments as promulgated by the Governmental Accounting Standards Board (GASB), the federal Office of Management and Budget, the Federal Comptroller General, and the State of Tennessee.

- Current operating costs will be financed by current operating revenues. Only capital goods will be financed by long-term debt, and then, only as provided by the Charter. The government shall refrain from using nonrecurring revenue to fund ongoing operations of the three operating funds. Nonrecurring revenue shall be those funds not normally accrued to the benefit of the operating funds each year, including transfers from special, enterprise, and internal service funds. Any nonrecurring revenue received shall be utilized to fund activities that do not require ongoing funding or to build reserves. To protect the financial position of this government in the event of unexpected emergencies or unforeseen downturns in revenue collection, fund balances will not be appropriated in any budgetary fund unless the audited unreserved undesignated fund balances of that fund are at least 5% of the fund's budgeted expenditures (Resolution R89-959 adopted 11/21/1991).

- The government will strive to maximize service efficiency and effectiveness to its citizen taxpayers in a manner consistent with practices of sound financial management.

- Revenue estimates will be realistic and accurate without being optimistic. Operationally, this means that estimates will be based on objective judgment and should be 95% to 100% of actual collections without exceeding those actual collections.

- The government will not commit to programs with significant future costs without first identifying those costs and the sources of funds to finance those programs.

- Generally, the government will not use local funding to make up for lost state and federal categorical grants.

- Adjustments and amendments to the operating budget will be done in accordance with provisions of Article 6 of the Charter.

- Staffing levels will be limited to final position counts and FTEs noted in this book. Exceptions to this policy (as for new grant-funded staff) are strictly regulated by the Finance Department.

- USD tax-supported debt will be no more than 15% of the total assessed valuation of USD property, per § 7.08 of the Charter.

- Capital expenditures are authorized through an annual Capital Plan. Major capital expenditures for General Fund departments shall be funded through issuance of bonds or notes. Smaller capital expenditures for GSD General Fund departments shall be made from the Four Percent Reserve Fund. Capital expenditures for grants will be made through the grant's operating budget. Capital expenditures for enterprise and internal service fund operations will be made from those funds.

- The Four Percent Reserve Fund will maintain a minimum fund balance of $1,000,000: $500,000 by Administration policy and an additional $500,000 by Council policy.

- The government will control costs by appropriate competitive bidding (as specified in the purchasing ordinance).

- Investments shall be made in conformance with the government's investment policy (available at www.nashville.gov) and instructions given to the government's investment manager. Those documents establish a hierarchy of objectives of (1) preserving principal, (2) maintaining liquidity, and (3) maximizing return. They also define allowable types of investments, required collateralization, custody, internal controls, diversification, and operation of the Metro investment pool.

- Indirect Cost Planning and Recovery - Where allowable under Federal, State and Local statutes and grant regulations, Metro departments and agencies shall develop an annual indirect cost recovery plan which must include both cost identified in the Local Cost Allocation Plan (LOCAP) and departmental indirect cost allocations. Indirect costs must be recovered when funding is made available through reimbursement or draw-down processes, in accordance with the terms of each departmental indirect cost rate proposal or cost allocation plan and applicable Federal, State and Local grantor's regulations. Departments and agencies shall make provisions for indirect costs in their grant budgets both during the application submission and in the general ledger. Funds collected from grantors for indirect cost recovery shall be deposited into the General Fund based on guidance provided by the Finance Director or his designee.
- Debt Management Policy establishes the objectives and practices for debt management within Metro and assists concerned parties in understanding Metro's approach to debt management. A more detailed overview of the Debt Management Policy can be found with the Debt Service Fund pages.
- Self-Funding Policy establishes uniform guidelines for use of self-funding as a designated source for capital assets that are determined to either provide cost savings to Metro to cover the cost of funding assets or provide specific benefits to one or more agencies such that the cost for an asset should be recovered from the operating budgets of the beneficiaries.
- Disallowed Cost Policy provides guidelines on ensuring costs charged to grants are allowable and an appropriate course of action in situations where costs are questioned.
- Grant Drawdown and Reimbursement Policy ensures that Metro departments and agencies that are grant recipients receive revenue as early and as often as is allowable under the terms of the grant contract.
- Grants Management Policy establishes the responsibilities of the Metro departments and agencies as well as the Division of Grants Coordination in developing funding opportunities that are well suited to local needs while controlling costs associated with financial assistance.
- Unclaimed Property Policy establishes uniform guidelines across Metro for the disposition of unclaimed property.

Budget Overview

The following pages provide background information on Metro's revenues and ongoing expenditures. Revenue projections and expenditure changes are discussed in the Executive Summary at the beginning of this section.

Revenues

Deficit financing is prohibited by both Tennessee Law and the Metropolitan Charter; expenditures must be matched by equal dollars of revenue and appropriated fund balances.

The operating budgets for the GSD and the USD are supported by a variety of revenue sources. The primary sources are presented in the Executive Summary and discussed on the following pages.

Detailed revenue projections are included in the budget ordinance, which is included in the Executive Summary.

Recent revenue trends can be seen in Appendix 1 in Schedule 1 - Summary of Revenues, Expenditures, and Changes in Fund Balances.

Property Taxes

The largest single source of operating revenue is the property tax. The property tax is authorized by the State Constitution as an *ad valorem* ("according to value") tax based on the market value of property. This tax is levied based on the assessed value of various types of property, including:

- real property (land, structures, and leasehold improvements),
- personal property (business equipment, excluding inventories for resale), and
- public utility property (real and personal property owned by utilities and organizations regulated by the State).

Property tax law and policy are set by the State Constitution, legislature, courts, and Board of Equalization. The Legislature makes laws which govern the administration of the tax. The State Board of Equalization establishes rules and regulations to be followed by local assessors, and the entire process is subject to court interpretation.

The tax bill for a property is determined by:

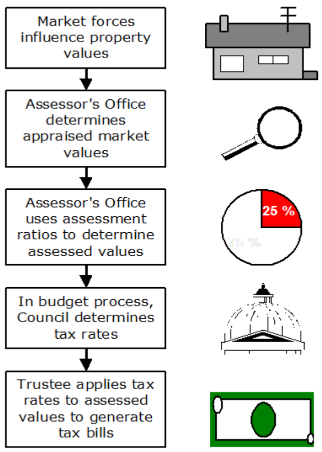
- The appraised value of the property – what it would bring if sold on the open market and its classification – whether it is used for residential, utility, commercial, industrial or farm purposes, which determines the percentage of assessment,
- The assessment - applying the classification percentage to the appraised value to arrive at an assessed value; and,
- The tax rate set by the local governing body which is applied to the assessment to calculate your property tax bill.

Certain types of property (governmental, religious, educational, etc.) are exempt from property taxes.

Metro Nashville and Its Budget

How the Property Tax Works

The following diagram shows the appraisal and budgetary process.



Market values – Market values of property are set in the open market. Market value is the most probable price of a piece of property in an arms-length transaction between a willing and knowledgeable buyer and a willing and knowledgeable seller.

Appraisal – The Assessor of Property's role is to determine the value of property so that the tax burden is distributed equitably among all property owners. That office executes tax policy to identify, classify, appraise and assess all property. In Metro, the Assessor must:

- Produce an annual assessment roll—adding new construction and removing demolished buildings.
- Perform site inspections of all properties to update assessment records.
- Collect and verify sales prices for all real estate transfers.
- Analyze sales data and property characteristics to produce 100% appraisals in the fourth year of the appraisal cycle.

Metro's Assessor of Property determines the appraised value of all real and personal property in the county, except public utilities (whose values are determined by the State Comptroller's Office). Appraised value is the estimated market value of the property at a certain point in time. The last county wide reappraisal for Davidson County was 2021, FY 2022.

The appraised value of a property is an estimate of its market value. Three appraisal methods are used to estimate each property's market value:

- The estimated *cost* to replace a structure, referred to as "replacement cost new," adjusted for depreciation based on the property's age and condition, yielding the "depreciated replacement cost."
- The *market value* or sale prices of similar properties that have recently sold.
- The *present value of the future net income* that can be generated by that or similar properties, sometimes called the "capitalization of income" method.

When used together, these three methods give the appraiser the best indication of what a property is worth. With the aid of modern computer systems, the Assessor has adapted these traditional appraisal techniques to produce large-scale reappraisal projects with accurate and cost effective results.

In most years, appraised values on existing real property do not change unless there are substantial taxable additions or improvements to the property, the property is rezoned, or the owner files and wins an appeal from the county or state Board of Equalization. New construction between reappraisals is valued at levels consistent with tax roll appraisals of similar existing properties.

However, over time, the market values of properties may change considerably and at different rates. The resulting inconsistency within the market causes some property owners to pay taxes based on appraisals that exceeded the current value of their property, while others pay on appraisals that reflected only a portion of the current value.

So, in accordance with state law, the Assessor's Office conducts a county-wide reappraisal every four years to bring appraised values up to current market values. (Current law allows for reappraisals on a four-year or six-year cycle; the Metro Assessor has chosen the former.) After the reappraisal, all properties should be appraised consistently at 100% of their current market values. Periodic reappraisals are designed to equalize the appraised values of all property.

Tennessee's property tax laws protect taxpayers against an automatic or arbitrary increase in their tax bills after a reappraisal. Local governments must lower the tax rate to a level which will produce the same amount of revenues from the new appraisals as was generated from the old rates and appraisals - except for new construction. This is called the certified tax rate. Therefore, under state law, your property tax bill can't be raised by reappraisal unless your property value has grown more in value than the average for all other property in the county.

In between reappraisals, the state performs a biennial analysis of appraised values conducted for all counties in the state. This analysis, known as a sales ratio study, compares sales prices with appraised values to determine both the level and equity of appraisals. However, this ratio is not used to increase residential property appraisals.

Assessment: In Tennessee the assessed value upon which taxes are levied is a fraction (percentage) of the appraisal. The percentage varies depending on the classification of the property, which is determined by its use. The assessed value, not the appraised value, is applied to the tax rate to produce a tax bill. One of the reasons the Assessor inspects all property is to verify how it is used. The Tennessee Constitution mandates assessment percentages to be applied to the appraised value of different classes of property.

The appraised values are multiplied by percentages defined in the state constitution to arrive at assessed values, which are then multiplied by the tax rate to determine the taxes owed.

For example, the assessed value of a residential property with an appraised value of $100,000 would be $25,000 (.25 X $100,000), while a commercial property of the same appraised value would have an assessed value of $40,000 (.40 X $100,000).

Property Class	Assessment Rate
Residential & Farm	
• Real Property	25% of appraised value
Commercial & Industrial	
• Real Property	40% of appraised value
• Personal Property	30% of appraised value
• Public Utility	55% of value set by the State Comptroller

Assessments must be compiled annually on assessment rolls for the GSD, USD, and each of the seven satellite cities within the county.

If the value of a piece of property changes (usually because of an improvement to or demolition of the property), notices of the property's new appraised value, the classification in which it is now placed, and the resulting assessment are mailed by the Assessor. There is a process established for appeals of the appraisal, but the Assessor can only consider information about value, not tax bills.

Tax rate set through budget process: The tax rate is set through the budget process in the form of a tax levy ordinance that is recommended by the Mayor and approved by the Council. That ordinance (printed in the Executive Summary of this book) sets the GSD and USD rates per $100 of assessed value.

Tax bills are generated: The Trustee's office prepares and distributes tax bills based on the assessed value of each property and the tax rate for its district.

To calculate your property tax bill, divide the assessed value by $100 and then multiply that amount by the tax rate. For example, a property classified as residential and appraised at $100,000 would be assessed at $25,000 (the $100,000 appraised value times the 25% residential assessment ratio). A tax calculator can be found on the Office of the Trustee's website at nashville.gov/departments/trustee/calculate-property-taxes

With FY 2024's recommended property tax rate of $3.254, the calculation would be:

tax = ($25,000/$100) x $3.254 per $100
= $253.25 x $3.254
= $824.08

Property tax bills are mailed to property owners and, if taxes are paid through an escrow account, also to the mortgage holder. This normally occurs in late September or early October. Tax payments are due by the end of the following February and can be mailed to the Office of the Trustee or made online at nashville.gov/departments/trustee.

Metro and the state assist the elderly and disabled with property taxes on the first $25,000 appraised value of their homes through the Property Tax Relief program administered by the Trustee. The program also assists disabled veterans with the first $25,000 of assessed value of their property.

Property Value Trends: Metro expects many of the contributing growth factors of recent years to continue into FY 2023. Namely, demand is anticipated to remain high, while inventory fails to keep pace. Despite rising interest rates, this disparity should continue to drive new development while helping to safeguard against a correction in market prices.

Property Tax Rates: FY 2023 and FY 2024 tax rates are shown in the Executive Summary and in the tables on the following pages. The combined rate is the total paid for property in the USD; property outside the USD is taxed at the GSD rate. Residents of the seven satellite cities within Metro pay the GSD rate plus the rate set by that satellite city.

Nashville's property tax rates are currently the lowest of the four major Tennessee cities, and competitive with those of surrounding communities.

Historic property tax rates, tax rate changes, and property values are presented in the following tables. The **History of Property Tax Rates** table presents historic nominal property tax rates along with a summary of changes that have taken place. If no changes occurred, then the fiscal year is not presented. The **Property Tax Rate Changes** table shows the history and type of tax rate changes, whether from budget-related tax increase, redistribution of the rate between funds, changes in the fire tax or county-wide property reappraisals.

Metro Nashville and Its Budget

History of Property Tax Rates

		GSD					USD			Totals	
Tax Year	Fiscal Year	General Fund	School Fund	Debt Service Fund	School Debt Service	GSD Total	General Fund	Debt Service Fund	USD Total	Combined Total GSD+USD	Fire District Transfer*
1971	1972	1.71	2.08	0.32	-	4.11	1.60	0.29	1.89	6.00	-
1972	1973	1.63	2.08	0.40	-	4.11	1.57	0.32	1.89	6.00	-
1973	1974	1.63	2.02	0.46	-	4.11	1.55	0.34	1.89	6.00	-
1974	1975	1.63	2.02	0.46	-	4.11	1.55	0.34	1.89	6.00	-
1975	1976	1.63	2.02	0.46	-	4.11	1.59	0.30	1.89	6.00	-
1976	1977	1.63	2.02	0.46	-	4.11	1.55	0.34	1.89	6.00	-
1977	1978	1.96	2.02	0.46	-	4.44	1.22	0.34	1.56	6.00	0.33
1978	1979	1.99	2.02	0.43	-	4.44	1.29	0.27	1.56	6.00	0.33
1979	1980	1.99	2.02	0.43	-	4.44	1.29	0.27	1.56	6.00	0.33
1980	1981	2.39	2.08	0.45	-	4.92	1.64	0.27	1.91	6.83	0.33
1981	1982	2.39	2.08	0.45	-	4.92	1.64	0.27	1.91	6.83	0.33
1982	1983	2.39	2.08	0.45	-	4.92	1.64	0.27	1.91	6.83	0.33
1983	1984	2.39	2.08	0.45	-	4.92	1.64	0.27	1.91	6.83	0.33
1984	1985	1.11	0.96	0.21	-	2.28	0.76	0.13	0.89	3.17	0.16
1985	1986	1.45	1.09	0.35	-	2.89	0.90	0.13	1.03	3.92	0.16
1986	1987	1.45	1.09	0.35	-	2.89	0.90	0.13	1.03	3.92	0.16
1987	1988	1.47	1.07	0.35	-	2.89	0.90	0.13	1.03	3.92	0.16
1988	1989	1.97	1.24	0.43	-	3.64	1.02	0.15	1.17	4.81	0.16
1989	1990	1.97	1.24	0.43	-	3.64	1.02	0.15	1.17	4.81	0.16
1990	1991	1.97	1.24	0.43	-	3.64	1.02	0.15	1.17	4.81	0.16
1991	1992	1.92	1.29	0.43	-	3.64	1.02	0.15	1.17	4.81	0.16
1992	1993	1.92	1.29	0.43	-	3.64	1.02	0.15	1.17	4.81	0.16
1993	1994	1.95	1.01	0.43	0.11	3.50	0.88	0.12	1.00	4.50	0.12
1994	1995	1.95	1.01	0.43	0.11	3.50	0.88	0.12	1.00	4.50	0.12
1995	1996	1.91	1.01	0.47	0.11	3.50	0.88	0.12	1.00	4.50	0.12
1996	1997	1.91	1.01	0.47	0.11	3.50	0.88	0.12	1.00	4.50	0.12
1997	1998	1.69	0.96	0.49	0.13	3.27	0.74	0.11	0.85	4.12	0.10
1998	1999	1.68	0.96	0.50	0.25	3.39	0.74	0.11	0.85	4.24	0.10
1999	2000	1.68	0.96	0.50	0.25	3.39	0.74	0.11	0.85	4.24	0.10
2000	2001	1.68	0.96	0.50	0.25	3.39	0.74	0.11	0.85	4.24	0.10
2001	2002	1.97	1.24	0.43	0.20	3.84	0.64	0.10	0.74	4.58	0.09
2002	2003	1.94	1.27	0.43	0.20	3.84	0.64	0.10	0.74	4.58	0.09
2003	2004	1.94	1.27	0.43	0.20	3.84	0.64	0.10	0.74	4.58	0.09
2004	2005	1.94	1.27	0.43	0.20	3.84	0.64	0.10	0.74	4.58	0.09
2005	2006	2.00	1.33	0.54	0.17	4.04	0.56	0.09	0.65	4.69	0.08
2006	2007	2.07	1.33	0.47	0.17	4.04	0.56	0.09	0.65	4.69	0.08
2007	2008	2.06	1.33	0.48	0.17	4.04	0.56	0.09	0.65	4.69	0.08
2008	2009	2.06	1.33	0.48	0.17	4.04	0.53	0.12	0.65	4.69	0.08
2009	2010	1.82	1.17	0.42	0.15	3.56	0.46	0.11	0.57	4.13	0.07
2010	2011	1.82	1.17	0.42	0.15	3.56	0.46	0.11	0.57	4.13	0.07
2011	2012	1.82	1.17	0.42	0.15	3.56	0.46	0.11	0.57	4.13	0.07
2012	2013	1.96	1.40	0.43	0.25	4.04	0.51	0.11	0.62	4.66	0.08
2013	2014	1.905	1.416	0.423	0.180	3.924	0.480	0.112	0.592	4.516	0.080
2014	2015	1.905	1.416	0.423	0.180	3.924	0.480	0.112	0.592	4.516	0.080
2015	2016	1.905	1.416	0.423	0.180	3.924	0.495	0.097	0.592	4.516	0.080
2016	2017	1.905	1.416	0.423	0.180	3.924	0.495	0.097	0.592	4.516	0.080
2017	2018	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	0.050
2018	2019	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	0.050
2019	2020	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	0.050
2020	2021	1.725	1.290	0.567	0.206	3.788	0.359	0.074	0.433	4.221	0.050
2021	2022	1.296	1.030	0.467	0.160	2.953	0.283	0.052	0.335	3.288	0.050
2022	2023	1.299	0.986	0.523	0.114	2.922	0.283	0.049	0.332	3.254	0.050
2023	2024	1.339	0.986	0.473	0.124	2.922	0.283	0.049	0.032	3.254	0.050

*   The Fire District transfer of the GSD General Fund to the USD General Fund for fire protection.

** Reappraisals took place in tax years 1973, 1984, 1993, 1997, 2001, 2005, 2009, 2013, 2017 and 2021 (fiscal years 1973-74, 1984-85, 1993-94, 1997-98, 2001-02, 2005-06, 2009-10, 2013-14, 2017-18 and 2021-2022).

Property Tax Rate Changes

Tax Year	Fiscal Year	Type Chng	General Fund	School Fund	GSD Debt Service Fund	School Debt Service	GSD Total	General Fund	USD Debt Service Fund	USD Total	Totals Combined Total GSD+USD	Fire District Transfer*
1971	1972	T	0.31	0.30	-	-	0.61	-	0.09	0.09	0.70	-
1972	1973	D	(0.08)	-	0.08	-	-	(0.03)	0.03	-	-	-
1973	1974	D	-	(0.06)	0.06	-	-	(0.02)	0.02	-	-	-
1977	1978	F	0.33	-	-	-	0.33	(0.33)	-	(0.33)	-	0.33
1978	1979	D	0.03	-	(0.03)	-	-	0.07	(0.07)	-	-	-
1980	1981	T	0.40	0.06	0.02	-	0.48	0.35	-	0.35	0.83	-
1984	1985	R	(1.28)	(1.12)	(0.24)	-	(2.64)	(0.88)	(0.14)	(1.02)	(3.66)	-
			1.11	*0.96*	*0.21*	-	*2.28*	*0.76*	*0.13*	*0.89*	*3.17*	*0.16*
1985	1986	T	0.34	0.13	0.14	-	0.61	0.14	-	0.14	0.75	-
1987	1988	D	0.02	(0.02)	-	-	-	-	-	-	-	-
1988	1989	T	0.52	0.15	0.08	-	0.75	0.12	0.02	0.14	0.89	-
1988	1989	D	(0.02)	0.02	-	-	-	-	-	-	-	-
1991	1992	D	(0.05)	0.05	-	-	-	-	-	-	-	-
1993	1994	R	(0.43)	(0.28)	(0.09)	-	(0.80)	(0.22)	(0.03)	(0.25)	(1.05)	-
			1.49	*1.01*	*0.34*	-	*2.84*	*0.80*	*0.12*	*0.92*	*3.76*	*0.12*
1993	1994	T	0.46	-	0.09	0.11	0.66	0.08	-	0.08	0.74	-
1995	1996	D	(0.04)	-	0.04	-	-	-	-	-	-	-
1997	1998	R	(0.39)	(0.21)	(0.10)	(0.02)	(0.72)	(0.18)	(0.02)	(0.20)	(0.92)	-
			1.52	*0.80*	*0.37*	*0.09*	*2.78*	*0.70*	*0.10*	*0.80*	*3.58*	*0.10*
1997	1998	T	0.17	0.16	0.12	0.04	0.49	0.04	0.01	0.05	0.54	-
1998	1999	T	(0.01)	-	0.01	0.12	0.12	-	-	-	0.12	-
2000	2001	R	(0.21)	(0.12)	(0.07)	(0.03)	(0.43)	(0.10)	(0.01)	(0.11)	(0.54)	(0.01)
			1.47	*0.84*	*0.43*	*0.22*	*2.96*	*0.64*	*0.10*	*0.74*	*3.70*	*0.09*
2001	2002	T	0.50	0.40	-	(0.02)	0.88	-	-	-	0.88	-
2002	2003	D	(0.03)	0.03	-	-	-	-	-	-	-	-
2005	2006	R	(0.24)	(0.16)	(0.04)	(0.03)	(0.47)	(0.08)	(0.01)	(0.09)	(0.56)	-
			1.70	*1.11*	*0.39*	*0.17*	*3.37*	*0.56*	*0.09*	*0.65*	*4.02*	*0.08*
2005	2006	T	0.30	0.22	0.15	-	0.67	-	-	-	0.67	-
2006	2007	D	0.07	-	(0.07)	-	-	-	-	-	-	-
2007	2008	D	(0.01)	-	0.01	-	-	-	-	-	-	-
2008	2009	D	-	-	-	-	-	(0.03)	0.03	-	-	-
2009	2010	R	(0.24)	(0.16)	(0.06)	(0.02)	(0.48)	(0.07)	(0.01)	(0.08)	(0.56)	(0.01)
			1.82	*1.17*	*0.42*	*0.15*	*3.56*	*0.46*	*0.11*	*0.57*	*4.13*	*0.07*
2010	2011	N	-	-	-	-	-	-	-	-	-	-
2011	2012	N	-	-	-	-	-	-	-	-	-	-
2012	2013	T	0.14	0.23	0.01	0.10	0.48	.05	-	.05	0.53	0.01
2013	2014	R	(0.055)	0.016	(0.007)	(0.07)	(0.116)	(0.030)	0.002	(0.028)	(0.144)	-
			1.905	*1.416*	*0.423*	*0.180*	*3.924*	*0.480*	*0.112*	*0.592*	*4.516*	*0.080*
2014	2015	N	-	-	-	-	-	-	-	-	-	-
2015	2016	D	-	-	-	-	-	0.015	(0.015)	-	-	-
2016	2017	N	-	-	-	-	-	-	-	-	-	-
2017	2018	R	(0.567)	(0.422)	(0.126)	(0.054)	(1.169)	(0.161)	(0.031)	(0.192)	(1.361)	(0.030)
			1.338	*0.994*	*0.297*	*0.126*	*2.755*	*0.334*	*0.066*	*0.400*	*3.155*	*0.050*
2018	2019	N	-	-	-	-	-	-	-	-	-	-
2019	2020	N	-	-	-	-	-	-	-	-	-	-
2020	2021	T	.387	.296	.270	.080	1.033	.025	.008	.033	1.066	-
2021	2022	R	(0.429)	(0.260)	(0.100)	(0.046)	(0.835)	(0.076)	(0.022)	(0.098)	(0.933)	-
2022	2023	RR	0.003	(0.044)	0.056	(0.046)	(0.031)	-	(0.003)	(0.003)	(0.034)	-
2023	2024	D	0.040	-	(0.050)	0.010	-	-	-	-	-	-

Nominal rates per $100 of assessed value from tax levy ordinances, not adjusted for appraisal (sales) or assessment ratios.

* The Fire District transfer of the GSD General Fund to the USD General Fund for fire protection.

** Reappraisals took place in tax years 1973, 1984, 1993, 1997, 2001, 2005, 2009, 2013, 2017 and 2021 (fiscal years 1973-74, 1984-85, 1993-94, 1997-98, 2001-02, 2005-06, 2009-10, 2013-14, 2017-18, 2021-2022).

Property Tax Base, Assessment, Levy, and Appraisal Ratios
Property Taxes

Tax Year	Fiscal Year		Tax Base (billions)	Assessment (billions)		Tax Levy (in millions)			Uncol-lected	Appraisal Ratio
				GSD	USD	GSD	USD	Total		
			$	$	$	$	$	$	%	
1971	1972		n/a	1.298	0.728	53.6	13.9	67.5	3.79%	
1972	1973		n/a	1.365	0.736	56.3	14.0	70.3	4.08%	
1973	1974	**	n/a	1.449	0.765	58.7	15.3	74.0	5.33%	
1974	1975		n/a	1.590	1.009	64.3	18.7	83.0	4.63%	
1975	1976		n/a	1.670	1.056	68.1	19.8	87.9	4.70%	
1976	1977		n/a	1.726	1.087	70.5	20.4	90.9	4.99%	0.6500
1977	1978		n/a	1.742	1.266	72.9	23.7	96.6	4.48%	0.6500
1978	1979		n/a	1.794	1.328	74.9	25.0	99.9	3.13%	0.6660
1979	1980		n/a	1.868	1.376	78.0	25.9	103.9	4.03%	0.6100
1980	1981		n/a	1.940	1.428	90.3	32.0	122.4	3.06%	0.6100
1981	1982		n/a	1.955	1.435	91.0	32.2	123.2	3.19%	0.4480
1982	1983		n/a	2.020	1.487	94.0	33.4	127.4	3.07%	0.4480
1983	1984		n/a	2.060	1.521	96.2	34.3	130.4	2.54%	0.4305
1984	1985	**	n/a	4.497	3.298	96.8	34.5	131.3	3.68%	1.0000
1985	1986		n/a	4.944	3.606	132.2	41.4	173.5	2.65%	0.9476
1986	1987		n/a	5.159	3.749	143.1	44.6	187.7	3.18%	0.9476
1987	1988		n/a	5.644	4.089	156.6	48.7	205.2	6.26%	0.8138
1988	1989		21.405	5.920	4.271	208.7	56.8	265.5	5.02%	0.8138
1989	1990		23.350	5.985	4.259	211.1	56.6	267.7	5.70%	0.7766
1990	1991		23.979	6.132	4.561	215.9	60.7	276.6	5.83%	0.7766
1991	1992		23.986	5.975	4.408	210.4	58.6	269.1	6.35%	0.7767
1992	1993		23.711	6.032	4.438	212.5	59.0	271.5	4.92%	0.7767
1993	1994	**	24.155	7.646	5.536	261.7	62.0	323.7	4.67%	1.0000
1994	1995		24.555	7.809	5.543	266.7	62.1	328.8	3.04%	1.0000
1995	1996		26.686	7.949	5.567	271.5	62.4	333.9	2.87%	0.9054
1996	1997		27.908	8.193	5.692	279.9	63.7	343.7	2.97%	0.9054
1997	1998	**	33.706	10.648	7.303	340.9	69.4	410.3	3.46%	1.0000
1998	1999		34.408	10.896	7.491	361.8	71.1	433.0	3.65%	1.0000
1999	2000		38.576	11.087	7.579	368.2	72.0	440.2	3.61%	0.9098
2000	2001		39.576	11.390	7.752	378.4	73.6	452.0	3.50%	0.9098
2001	2002	**	42.634	13.373	9.029	504.5	75.8	580.4	3.85%	1.0000
2002	2003		42.989	13.463	9.022	508.9	74.9	583.8	3.90%	1.0000
2003	2004		45.151	13.280	8.792	502.1	73.0	575.0	3.27%	0.9455
2004	2005		45.746	13.432	9.168	507.5	76.1	583.6	3.08%	0.9455
2005	2006		50.477	15.534	10.514	619.2	76.7	695.5	3.28%	1.0000
2006	2007		51.736	15.968	10.920	633.5	79.7	713.3	0.64%	1.0000
2007	2008		60.386	16.237	11.053	643.7	80.7	724.4	0.77%	0.8780
2008	2009		61.881	16.413	11.309	659.8	82.6	742.3	1.01%	0.8780
2009	2010		63.157	19.222	13.253	675.0	84.8	759.9	1.45%	1.0000
2010	2011		63.281	19.209	13.220	674.6	84.6	759.2	1.07%	1.0000
2011	2012		63.128	19.104	13.245	670.8	84.8	755.6	1.35%	0.9982
2012	2013		63.259	19.161	13.283	763.5	93.0	856.4	1.29%	0.9982
2013	2014		65.810	20.210	14.287	781.6	96.0	877.6	1.56%	1.0000
2014	2015		66.271	20.376	14.405	788.0	96.8	884.8	0.89%	1.0000
2015	2016		67.533	20.743	14.703	802.1	98.8	900.9	1.24%	.8822
2016	2017		78.263	21.315	15.126	824.4	101.8	926.3	0.83%	.8822
2017	2018		99.660	31.145	23.743	853.4	107.9	961.3	1.87%	1.0000
2018	2019		102.920	32.221	24.546	875.6	110.5	986.1	0.51%	1.0000
2019	2020		123.954	33.016	25.235	897.3	113.2	1010.5	0.66%	.8477
2020	2021		128.201	34.128	26.159	1279.7	126.3	1406.0	2.21%	1.0000
2021	2022		147.997	46.284	35.927	1365.6	140.3	1505.9	3.29%	1.0000

** Tax Levy - Assessment per $100 x Tax Rate
*** Appraisal Ratio - Assessed value and market value
Note: In June 2007 the Metropolitan Government sold the majority of the 2006-07 and 2005-06 real estate property taxes outstanding to an outside party.

Metro Nashville and Its Budget

Local Option Sales Tax

Local option sales tax collections provide the second largest source of revenue to the operating budget. With the exception of select items purchased within downtown's CBID, which now include an additional tax of 0.50%, Nashville's 9.25% sales tax rate consists of a 2.25% local option tax and a 7.00% state tax (the total rate is 6.25% on unprepared food, because the state rate for such food is 4.00%). The tax is levied on all retail sales in Davidson County, although the local portion is limited to the first $1,600 of the cost of each item. Tennessee Code Annotated, Title 67, Chapter 6, Part 7 states, at least 1/2 of the local sales tax must be allocated to schools. The local option rate can be raised by referendum. Sales and sales taxes should reflect economic activity at the national and local levels, although some activities are not subject to the tax.

State Sales Tax Rate	**7.00%**
State Food Tax	**4.00%**
Local Option Sales Tax Rate	**2.25%**
CBID Additional Fee Downtown – Sales Tax	**.50%**
Property Tax (per $100 assessed value)	
General Services District	**2.922**
Urban Services District	**3.254**
Income Tax on Salaries and Wages	**None**
Lottery	**Yes**

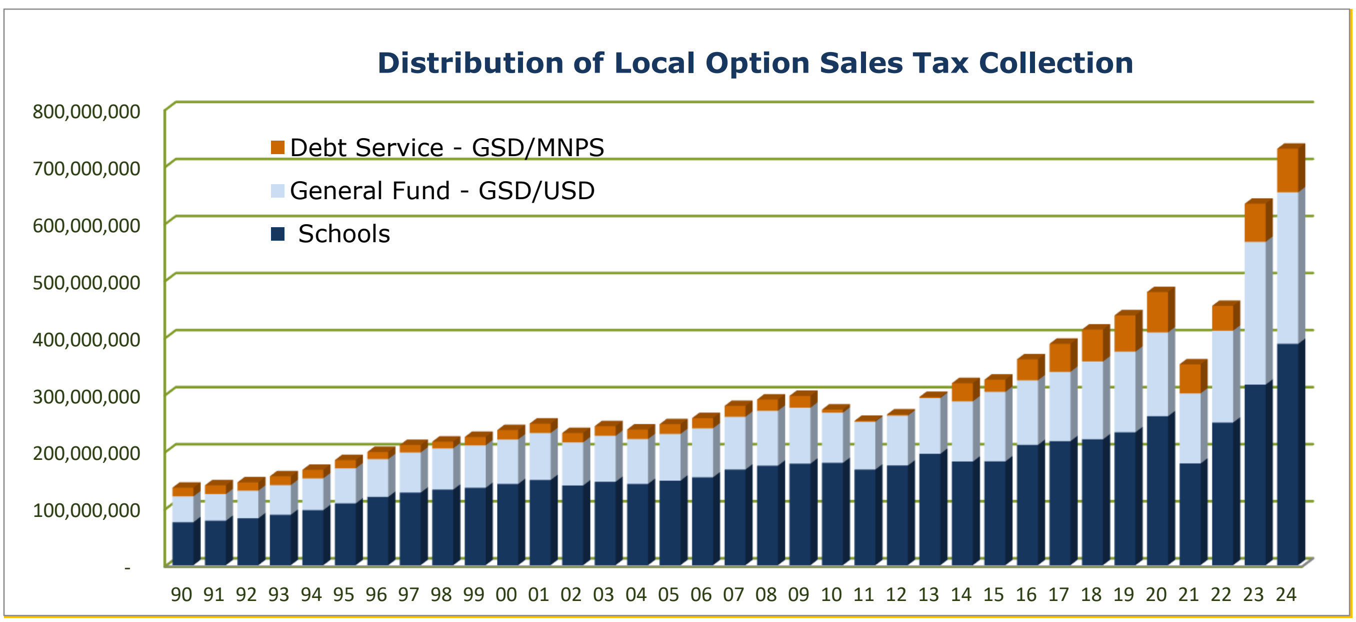
State & Federal Revenues

Major sources of revenue from the State of Tennessee are equalizing funds for education (based on average daily school attendance), healthcare-related revenues, and Metro's share of statewide sales and gasoline taxes. Most of these funds are categorical, being tied to specific functions and services.

The primary sources of federal funds received by Metro are categorical grants such as education funding, Title XX, Title III, and USDA nutrition funds, and reimbursements for services provided by Metro agencies such as the Health Department and Social Services. Most federal funds (including the entire Schools Special Grants Fund) are nondiscretionary in that their receipt requires Metro to carry out certain specified programs. Unrestricted grants such as revenue sharing are now rare.

Federal funds received by the government are subject to federal government single audit provisions. These provisions provide that grants are audited as part of the city's annual independent audit. In an effort to properly reflect federal and state revenues that may be subject to such audit, the Finance Department has reclassified many revenues from other categories to this "State and Federal" category.

The Finance Department has moved most grant revenues and expenditures from the general funds to various grant special revenue funds. This practice began in FY 2000.



Sources: FY90-03 Comprehensive Annual Financial Reports; FY04-24 Budget Ordinance

Other Local Revenues

The Metropolitan Government generates various revenues locally.

Licenses and Permits include the business tax, wholesale beer tax, motor vehicle regulatory licenses, building permits and franchise fees.

Charges for Current Services are derived from user fees and charges levied in return for specific services provided by Metro. Among the many fees and charges collected are revenues generated for health services, parking fees, ambulance fees, dog registration charges, vehicle emission test charges, fees for the use of Parks' facilities, and waste disposal fees. Most of these fees are set by Metro, by the Council, or by action of oversight boards and commissions.

Fines, Forfeitures, and Penalties are collected by the various court clerks, the Sheriff, and the Police Department for fines, court costs, Sheriff's fees, DUI safety education, litigation taxes, and proceeds from confiscated property.

Revenue from the Use of Money or Property includes interest on investments and the rental of Metro-owned land and buildings. Metro investment practices emphasize safety, prudence, and liquidity; the government does not engage in speculative high-risk investments such as derivatives.

Commissions and Fees from Certain Officials consist of processing charges for services provided by the clerks of the courts and by the County Register. These fees are generally set by Metro or the state.

Transfers from Other Funds

Transfers may be made into the general funds of the GSD or USD from time to time from surpluses that have accumulated in certain special and working capital funds. Transfers are also made to reimburse various funds for services that are provided by those funds but are rightfully chargeable to another fund.

Fund Balances

Fund balances are the difference between the government's assets and liabilities. They result from receiving more revenue than estimated and/or expending less than budgeted in prior years. They provide some protection against unexpected expenditures or revenue losses and help to stabilize the government's finances. Industry best practices recommended, at a minimum, that governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues expenditures.

Fund balances frequently increase by the end of the year due to actual revenues being higher than actual expenditures, often because of unspent appropriations and/or higher-than-estimated revenue collections. It is Metro's policy that General Fund balances as a percentage of expenditures should be at or above 17% to handle unanticipated contingencies. Debt Service Funds are required to be at or above 50%. The FY 2024 budget includes compliance with this policy.

Revenue Conclusion

We anticipate revenues sufficient to fund budgeted expenditure appropriations in FY 2024 and will monitor the shifting economic landscape going forward for any material changes.

Expenditures

The budget ordinance defines the operating budgets of the two general funds by department. It defines the operating budgets of the other budgetary and non-budgetary funds at the fund level, with a few funds (such as debt service) defined at more detailed levels. It defines the administrative accounts at the business unit level.

Investments

The budget began with FY 2023 baseline budget with additional investments recommended for approval through the budget process outline above. The FY 2024 budget includes significant improvements to departmental budgets.

The budget was initially projected with no inflation or other increases. During the process, adjustments were made as follows:

- Elimination of FY 2023 nonrecurring budgeted expenditures from the FY 2024 projections.
- Pay plan improvements implemented & other adjustments that occurred in FY 2023 were carried forward to FY 2024 during this fiscal year.
- Ensure sufficient funding is allocated to meet all debt service obligations.
- Focused departmental improvements were recommended that are in alignment with the budget priorities of: Public Health Solutions, Public Safety & Justice, Education, Economic Opportunity, Transportation, Affordable Housing, and Sustainable Neighborhood Infrastructure. Investments were evaluated on if they were critical to maintain current service, avoiding additional costs, compliance with regulatory requirements and/or contractual requirement, to keep up with increased demand costs, improve the government's interface with citizens, improve internal efficiencies and/or provide a new or expanded service to the public. Investments were also evaluated on their contribution to improve equity and the performance impact.
- Administrative improvements for internal services funds were recommended in central administrative accounts of the two general funds, these funds will be allocated & distributed to departments' budgets based on need.
- Fringe benefits – Costs for active employees in the open benefit plans (FICA, medical, dental, life, and Metro pension) are carried in departmental budgets. Departmental fringe benefits will change during the year due to medical plan

increases during the fiscal year and be distributed to departments' budgets based on need but are held in administrative accounts at the beginning of the fiscal year.

- Pay Plan Improvements- The budget funds a Cost-of-Living Adjustment (COLA), Open Range and Increment raises as well as several class adjustments, these improvements will be allocated to the impacted departments upon final budget approval. These improvements have been approved by the Civil Service Commission.
- Special Purpose Fund Adjustments- Adjustments for grant and other special purpose funds to meet expected revenue projections and reflect use of fund balance in FY 2024.

Expenditure numbers are presented in the budget ordinance, which is included at the end of this section, and in the three schedules of Appendix 1; more detail is presented in each department's "Financial" pages.

Expenditure Conclusion: The overall operating budget looks forward to a successful FY 2024 that maintains a stable fiscal foundation and meetings required expenditures, while enabling improved departmental operations and quality of life for Nashvillians.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Metro Nashville and its Budget

The Capital Improvements Budget and Capital Spending Plan Process

Capital improvements (capital expenditures) are any expenditures requiring Council authorization regarding the acquisition, replacement, construction, renovation or modification to any equipment, land, building, public utility, public thoroughfare, or place of public activity; and, which has a useful life expectancy of ten years or greater.

Capital improvements are planned and authorized in a process that is related to, but independent of, the operating budget process.

The Capital Improvements Budget

As specified in § 6.13 of the Charter, the **Capital Improvements Budget (CIB)** must be prepared annually to "include a program of proposed capital expenditures for the ensuing fiscal year and the next five fiscal years thereafter..."

The capital improvements program is a tool for implementing long-range policies of the General Plan through timely scheduling of infrastructure and facilities in coordination with general development needs. The CIB is prepared annually by the Planning and Finance Departments.

Departments submit project requests through an internet-based budgeting system to the Planning staff. The Planning Department, Finance Director, and staff along with the Mayor review the CIB requests, edit as needed and then submit a Recommended CIB to Council by May 15th. The Council has 30 days to review, amend and approve by June 15th.

The CIB is strictly a planning document; it does not appropriate funds or authorize or approve any projects. The **Capital Spending Plan (CSP)** is where funding and approval to commence a project is authorized. The CIB document is available separately from the Planning Department web site.

The FY 2024 CIB Ordinance was approved June 15, 2023 [BL2023-1880]. The FY 2023 CIB Ordinance was approved on June 15, 2022 [BL2022-1268]. Tables and charts on the FY 2024 CIB are provided below and on the page that follows. Again, this CIB legislation is just the long-range planning document. It does not appropriate funds or authorize or approve any projects. Capital projects are approved and funded through the Capital Spending Plan (CSP).

FY2023-2024 to FY2028-2029 Capital Improvements Budget – Final – By Agency

Departments	FY2023-2024	% of '23-'24 Total	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29	Total	% of '24-'29 Total
Administrative	$285,500,000	2.664%	$5,150,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	300,650,000	1.183%
Arts Commission	9,475,000	0.088%	5,850,000	1,000,000				16,325,000	0.064%
Assessor of Property	20,000	0.000%						20,000	0.000%
Council Office	967,936,700	9.032%	548,779,000	122,503,500	51,065,000			1,690,284,200	6.650%
County Clerk	2,000,000	0.019%						2,000,000	0.008%
District Energy System (DES)	3,419,800	0.032%	495,000					3,914,800	0.015%
Election Commission	1,402,000	0.013%						1,402,000	0.006%
Farmers Market	1,390,000	0.013%						1,390,000	0.005%
Finance	20,000,000	0.187%	10,000,000	5,000,000	5,000,000	5,000,000	5,000,000	50,000,000	0.197%
Fire Department - GSD	471,300,000	4.398%	92,000,000	77,000,000	2,000,000	2,000,000	2,000,000	646,300,000	2.543%
General Hospital	29,106,400	0.272%						29,106,400	0.115%
General Services	1,135,526,000	10.595%	61,000,000	10,000,000	10,000,000			1,216,526,000	4.786%
Health Department	2,800,000	0.026%	30,000,000					32,800,000	0.129%
Historical Commission	275,000	0.003%						275,000	0.001%
Human Relations Commission	28,000,000	0.261%						28,000,000	0.110%
Info Technology Services	17,125,400	0.160%	20,251,000	4,541,000	2,927,000			44,844,400	0.176%
Justice Integration Services	200,000	0.002%						200,000	0.001%
MDHA	87,850,000	0.820%	88,000,000	10,000,000	10,000,000	10,000,000	10,000,000	215,850,000	0.849%
Metro Action Commission	46,585,000	0.435%	29,025,000	27,200,000	27,200,000			130,010,000	0.512%
MNPS (Schools)	1,398,438,300	13.048%	931,069,800	812,874,000	768,954,200	588,386,100	760,880,900	5,260,603,300	20.697%
Metro Transit Authority	562,362,000	5.247%	58,710,700	54,058,400	74,284,000	68,264,000	72,539,000	890,218,100	3.502%
Municipal Auditorium	7,090,000	0.066%						7,090,000	0.028%
Office of Emergency Mgmt	400,000	0.004%	400,000	400,000	400,000	400,000	400,000	2,400,000	0.009%
Parks & Recreation	1,295,360,300	12.087%	531,637,300	513,437,300	505,617,300	454,837,300	454,837,300	3,755,726,800	14.776%
Planning	89,800,000	0.838%	18,500,000	13,500,000	3,500,000	3,500,000	3,500,000	132,300,000	0.521%
Police	98,930,000	0.923%	27,588,000					126,518,000	0.498%
Public Library	210,227,500	1.962%	182,785,900	83,316,400	204,168,000	5,663,900	10,800,000	696,961,700	2.742%
NDOT	647,947,300	6.046%	518,327,600	533,894,900	497,330,600	447,937,700	261,280,600	2,906,718,700	11.436%
Sheriff's Office	3,000,000	0.028%						3,000,000	0.012%
Social Services	772,500	0.007%						772,500	0.003%
Sports Authority	2,103,640,400	19.628%	400,000	400,000	850,000	850,000	850,000	2,106,990,400	8.290%
State Trial Courts	600,000	0.006%						600,000	0.002%
Fairgrounds Nashville	165,000,000	1.540%						165,000,000	0.649%
Water & Sewer - GSD	1,002,955,000	9.358%	1,304,199,000	760,770,000	694,065,000	678,225,000	458,675,000	4,898,889,000	19.274%
Water & Sewer - USD	20,855,000	0.195%	7,650,000	5,935,000	2,965,000	10,715,000	5,350,000	53,470,000	0.210%
Totals	**$10,717,289,600**	**100.000%**	**$4,471,818,300**	**$3,038,330,500**	**$2,862,826,100**	**$2,278,279,000**	**$2,048,612,800**	**$25,417,156,300**	**100.00%**

Metro Nashville and its Budget

Capital Spending Plan

The FY 2023 Capital Spending Plan was approved on February 23, 2023 [RS2023-1978] in the amount of $478,540,000. The FY 2022 Capital Spending Plan was approved on December 7, 2021 [RS2021-1201] in the amount of $564,369,500. Details on the FY 2023 and FY 2022 Capital Spending Plans are provided at the end of this section.

Areas of Emphasis

The Administration has announced six priorities for the capital program of Metro Nashville / Davidson County. (Any projects not falling within one of the other five priorities is captured within Effective Government.) For more details on the Mayor's priorities go to the Mayor's Office Website.

The six areas of emphasis:

- **Education** – (1) Early Childhood Education. (2) Nashville GRAD Program.
- **Neighborhoods and Community Engagement** – (1) Youth. (2) National Night Out Against Crime. (3) REAL Nashville Dialogue. (4) Community Beautification.
- **Housing –** (1) Affordable Housing – Barnes Fund. (2) Workforce Housing. (3) Income Limits. (4) Incentives. (5) Grants.
- **Public Safety and Justice** – (1) Community Oversight Board. (2) Body Camera Pilot Program. (3) Reducing Disparities.
- **Transportation, Infrastructure and Sustainability** – (1) Metro Transportation Plan. (2) Climate Change and Sustainability Initiatives. (3) Neighborhood Infrastructure.
- **Effective Government**

The alignment of the capital plan to the Administration's priorities is detailed on the following pages.

Capital Funding Sources

Metro has fourteen different types of proposed funding for capital projects.

The "Capital Improvement Budget Funding Sources" table [following page] and "Funding Type Distribution" graph below it show the amounts estimated by type and year in the *2022-2023 to 2027-2028 CIB*.

Possible funding sources for specific projects include:

- Bond and note authorizations (described in Section J of this book) for the Debt Service funds, approved by the Council, including:
  - Approved General Obligation (B) and,
  - Proposed General Obligation (C) bonds and notes.
- Four Percent Reserve Fund (Fund 30003 in section J of this book) appropriations by the Council throughout the year, including:
  - Approved 4% (L) and,
  - Proposed 4% (M) funding.
- Grant operating budgets included in the operating budget, added grant contingency transfers, or Council resolutions denote funds as:
  - Federal (F) and,
  - State (G).
  - Approved Community Development (I) and,
  - Proposed Community Development (K).
- Revenue bond authorizations or operations for enterprise-type activities, approved in the budget or by Council resolution, including:
  - Approved Revenue (D),
  - Proposed Revenue (E) and,
  - Enterprise (H) funds.
- Other sources, including:
  - Miscellaneous funds (A) and,
  - Approved Miscellaneous funds (O), which, individually, do not comprise major funding categories, and
  - Operating budget funds (P).

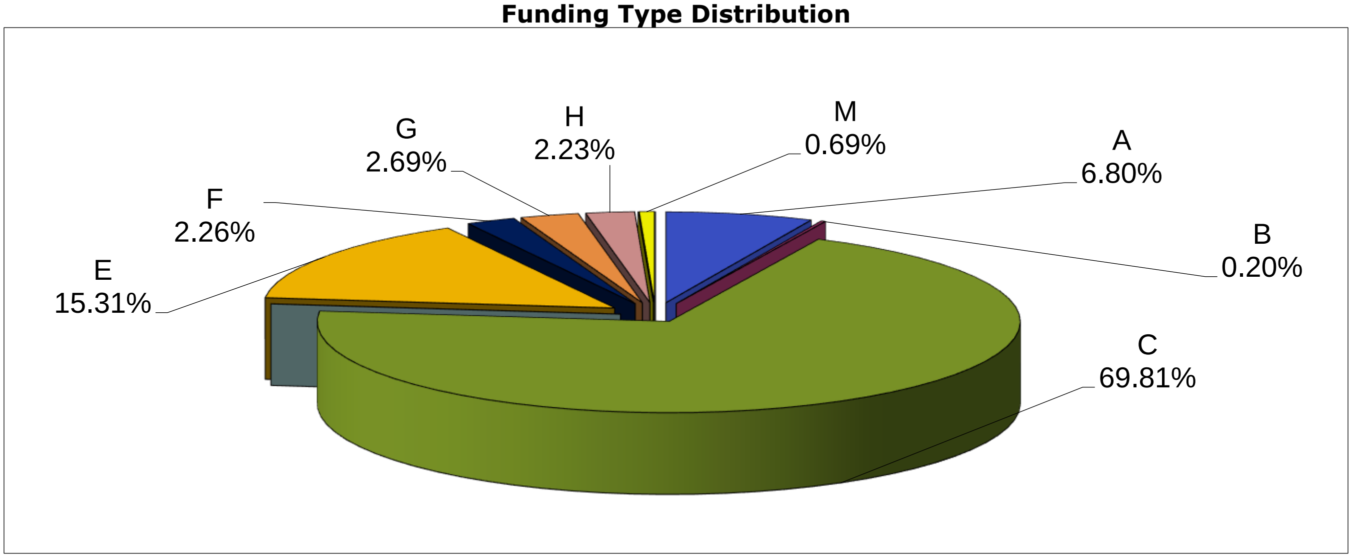
The proposed funding for these requests is summarized on the following table and pie chart.

Metro Nashville and its Budget

Capital Improvement Budget (CIB) Requested Funding Sources 2023-24 through 2028-29

FUND DESCRIPTION	TYPE	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29	TOTAL
Miscellaneous	A	$1,653,040,000	$25,000,000	$25,000,000	$25,000,000			$1,728,040,000
Approved General Obligation Bonds	B	44,475,000	5,850,000	1,000,000				$51,325,000
Proposed General Obligation Bonds	C	7,060,813,800	3,101,117,600	2,220,033,800	2,139,471,100	$1,610,714,000	$1,611,662,800	$17,743,813,100
Approved Revenue Bonds	D							$0
Proposed Revenue Bonds	E	1,000,840,000	973,190,000	578,735,000	438,025,000	540,275,000	360,110,000	$3,891,175,000
Federal Funds	F	163,341,700	205,816,700	80,816,700	125,000,000			$574,975,100
State Funds	G	568,700,000	81,700,000	13,700,000	13,200,000	6,200,000	700,000	$684,200,000
Enterprise	H	79,275,000	70,244,000	114,095,000	117,130,000	115,790,000	71,040,000	$567,574,000
Approved Community Development	I							$0
Proposed Community Development	K							$0
Approved 4%	L							$0
Proposed 4%	M	146,804,100	8,900,000	4,950,000	5,000,000	5,300,000	5,100,000	$176,054,100
Approved Miscellaneous	O							$0
Operating	P							$0
Totals by Year		**$10,717,289,600**	**$4,471,818,300**	**$3,038,330,500**	**$2,862,826,100**	**$2,278,279,000**	**$2,048,612,800**	**$25,417,156,300**

Funding Type Distribution



Financial Considerations

Metro's short- and medium-term capital requests, as identified by the individual departments, far exceed its capacity to raise funds to pay for those needs.

Financial projections determine the constraints for programming the projects according to a schedule that is fiscally and administratively practical. The Department of Finance annually develops two programs based on financial considerations:

(1) The current debt level program assumes no change in the amount or distribution of tax rates. Projects scheduled in this program are either committed or are considered to have the highest priority in meeting community needs.
(2) The essential needs program assumes additional revenues would be available to retire general obligation bonds, but total outstanding indebtedness would remain below limits set by Metro.

The scale of general obligation (GO) bond funding in the recommended program depends upon resources available under present tax levels but may reflect additional funding requirements to meet priority needs. In recommending a program whose funding would exceed present tax-level resources; the Planning Commission may advise the Mayor of estimated additional tax levy needed for debt service.

The Capital Spending Plan: Approval and Appropriation

The CIB is strictly a planning document; it does not appropriate funds, authorize spending or approve any projects.

The **Capital Spending Plan** is a compilation of projects from the CIB that have been selected by the Mayor, Finance Director, and staff for recommendation to the Council for approval and funding. The capital spending plan typically recommends $200 million to $400 million worth of projects that align with the Mayor's and Metro's areas of emphasis described on previous pages. The Capital Spending Plan selects, specifies, and recommends for funding the CIB projects to be developed.

Currently, Metropolitan Government of Nashville has no significant, non-recurring capital expenditures.

Highlights of the FY 2022-2023 and FY 2021-2022 Capital Spending Plans – The FY 2022-23 Capital Spending Plan [RS2023-1978] was approved on February 23, 2023, in the amount of $478,540,000. The FY 2021-22 Capital Spending Plan [RS2021-1201] was approved on December 7, 2021, in the amount of $564,369,500. The plans align with the current Administration's priorities as follows:

FY 2022-2023:
Education - $139,020,000
Effective Government – $52,100,000
Neighborhoods – $75,250,000
Public Safety – $108,250,000
Transportation / Infrastructure – $103,920,000

FY 2021-2022:
Education - $134,200,000
Effective Government - $56,006,000
Neighborhoods - $139,785,000
Housing - $5,000,000
Public Safety - $67,054,000
Transportation / Infrastructure - $162,324,500

Details on these FY 2022-23 and FY 2021-22 Capital Spending Plan allocations follow on the pages below.

FY 2022-23: Education – 12 projects totaling $139,020,000. [Operating Budget Impact - $1,000,000]
- Lakeview Elementary - Replacement - $39,320,000
- Paragon Mills Elem – Renovation - $33,420,000
- Percy Priest Elem – Replacement - $39,280,000
- ADA Compliance - $200,000
- Environmental Remediation - $100,000
- Emergency Construction & Contingency - $5,000,000
- Bus and Fleet Replacement - $1,300,000

- Office of School Improvement-Small Projs. - $2,375,000
- Tech - Facility Infrastructure Projects - $6,534,000
- Schools - Safety & Security - $250,000
- High School Competition Artificial Turf Fields – $3,000,000
- District-Wide Projects – Maintenance - $11,675,000

FY 2022-23: Effective Government – 6 projects totaling $52,100,000. [Operating Budget Impact - $25,000]
- Gen. Srvcs: Project Closeouts – Donelson Library, Southeast Precinct, PSH & Others - $10,000,000
- Gen. Srvcs: Master Space Planning – Phase 1 Implementation: Social Services, MAC, Postal Services, and Parkway Towers - $14,100,000
- Gen. Srvcs: Metro Southeast Office Bldg - $1,000,000
- Gen. Srvcs: Property Acquisition - $1,000,000
- Admin: GSD Project Contingency - $18,000,000
- Admin: MNPS Project Contingency - $8,000,000

Metro Nashville and its Budget

FY 2022-23: Neighborhoods – 19 projects totaling $75,250,000. [Operating Budget Impact - $350,000]
- Fairgrounds: Infrastructure - $22,000,000
- Library: Major Maintenance - System-wide - $4,275,000
- Library: PEG Studio – Planning/Design Relo. - $500,000

Planning & Design:
- Library: Hadley Park Branch – Design - $500,000
- Library: Cohn School – Design - $500,000
- Parks: Old Hickory Commty Ctr - Closeout - $7,900,000
- Parks: Sunnyside Renovation – Closeout - $550,000
- Parks: Fort Negley – Stonework / Reconstruct – $17,500,000
- Parks: Riverfront Dock – Design / Engineering / Construct - $1,500,000
- Parks: Naval Reserve Bldg Renovation - $2,500,000
- Parks: Ted Rhodes Football Field – Construct – $1,500,000
- Parks: Madison Station Park – Design/Planning – $525,000
- Parks: Mill Ridge Park – Completion of Phase 2 Construction - $8,700,000
- Parks: Wharf Park – Conceptual Design - $500,000
- Planning Dept: East Bank Infrastructure – Program Mgmt / Coordination - $5,000,000
- Planning Dept: Neighborhood Planning & Infrastructure – $1,000,000
- Planning Dept: Urban Core Multimodal & Corridor Planning Study - $500,000
- Planning Dept: Planning / Design for Multipurpose Buildings / Property - $500,000
- Admin: Participatory Budget – North Nashville – $2,000,000

FY 2022-23: Public Safety and Justice – 5 projects totaling $108,250,000. [Operating Budget Impact - $0]
- Juvenile Court: New Juvenile Justice Campus – Engineering & Construction - $92,000,000
- Fire: Fire Station #2 – Cost Escalation / Mixed Use Develpmt - $11,000,000
- Fire: Fire Master Plan – New Stations – Planning / Design / Engineering - $250,000
- Police: Training Academy – Gun Range – Planning / Design / Site - $1,000,000
- Police: Police Mounted Patrol Barn – Completion – $4,000,000

FY 2022-23: Transportation Plan / Infrastructure – 12 projects totaling $103,920,000. [Oper. Budget Impact - $0]
- NDOT: State of Good Repair – Paving / Sidewalks – $38,076,000
- NDOT: Safety / Vision Zero / Traffic Calming – $13,736,000
- NDOT: Active Transportation / Bikeways – $5,346,000
- NDOT: Traffic Mgmt / Signal Upgrades - $6,026,000
- NDOT: Sidewalk Program – New & Replacement – $13,806,000
- NDOT: Roadways – Improvements / Paving / Repairs – $500,000
- NDOT: Restoration & Resiliency – Partnership Funding – East Bank Improvements - $1,500,000
- MTA: MTA Grant Matching Funds - $6,000,000
- MTA: RTA Grant Matching Funds - $1,250,000
- MTA: Neighborhood Transits Ctr - Upgrades - $8,000,000
- MTA: Better Bus Service – Fleet Expansion - $8,180,000
- MTA: Transit Stops / Shelter Improvements - $1,500,000

FY 2021-22: Education – 33 projects totaling $134,200,000. [Operating Budget Impact - $0]
- Hillwood High School - Final Phase - Construction – $29,000,000
- Hunters Lane High School – Track/Stadium - $2,870,000
- Antioch Cluster Elem – Design - $3,000,000
- Antioch Cluster Elem – Land Purchase - $6,000,000
- Percy Priest Elem - Design - $3,000,000
- Haywood Elem - Design - $2,400,000
- Paragon Mills Elem - Design - $2,930,000

Metro Nashville and its Budget

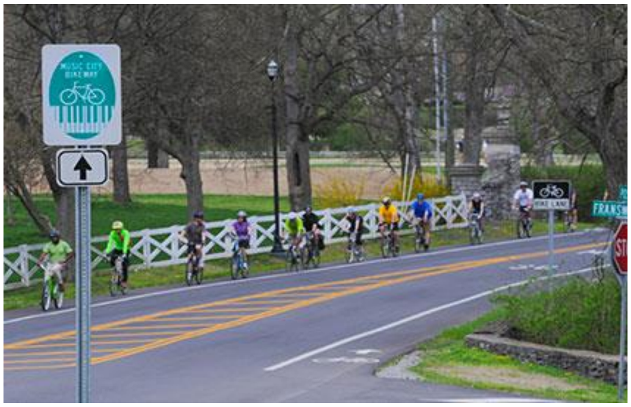
FY 2021-22: Education – [Cont.]
- Security Vestibules - $315,000
- Roofing - Replacement / Repairs - $10,120,000
- Tech - Computer Replacements - $8,415,000
- Pre-K and K4 Playgrounds - $392,000
- ADA Compliance - $500,000
- Environment Remediation - $925,000
- Paving Upgrades - $3,710,000
- Electrical Upgrades - $14,275,000
- Emergency Construction / Contingency - $4,008,000
- Music Makes Us - Upgrades - $4,033,000
- Bus and Fleet Replacements - $6,000,000
- Plumbing Upgrades - $1,020,000
- Facility Condition Assessment - $1,250,000
- Central Services - Furniture & Equipment - $300,000
- Elevator Remediations - $600,000
- Fire Alarm Remediations - $1,240,000
- Site Improvements - $1,510,000
- Office of School Improvements - Small Projs - $500,000

FY 2021-22: Education – [Cont.]
- Athletic Facility Upgrades - $1,630,000
- Auditorium Upgrades - $650,000
- Tech - Infrastructure Projects - $4,878,000
- Tech - Facility Infrastructure Projects - $6,534,000
- Schools - Safety & Security - $250,000
- Exterior Building Improvements - $9,310,000
- Interior Building Improvements - $2,110,000
- Waverly-Belmont Elem - Parking - $525,000

FY 2021-22: Effective Government – 15 projects totaling $56,006,000. [Operating Budget Impact - $15,000]
- Finance: Satellite City Payments - Road Maintenance - $1,500,000
- Finance: Participatory Budgeting - Public Capital – $2,000,000
- Gen. Srvcs: Building Operations - Major Maintenance – $10,000,000
- Gen. Srvcs: New Facility Planning - Site Evaluation & Relocation Projects - $2,500,000
- Gen. Srvcs: Roofing / Life, Health & Safety - $5,000,000
- Gen. Srvcs: HeadStart Facility Assessmts - $2,000,000
- ITS: Metro Private Fiber Optic Network - $2,250,000
- ITS: Carrier Redundancy - Phone System - $1,082,000
- ITS: Fiber to Support Transportation Projs - $2,900,000
- Police: Training Acad. – Utility / Safety - $5,000,000
- Police: Helicopter Hangar - Construct - $250,000
- Solid Waste: Heavy Fleet - Garbage Trucks - $1,280,000
- Solid Waste: Security – Equip / Imprvmts - $1,000,000
- Admin: GSD Project Contingency - $14,444,000
- Admin: MNPS Project Contingency - $4,800,000

FY 2021-22: Neighborhoods – 26 projects totaling $139,785,000. [Operating Budget Impact - $334,000]
- Parks: Wharf Park - 88 Hermitage/Acquire - $20,000,000
- Parks: Wharf Park - Design/Engineering - $3,000,000
- Parks: Old Hickory Commty Ctr - Repairs - $13,400,000
- Parks: Zoo Parking - Design / Construct - $15,000,000
- Parks: Fort Negley - Repairs / Upgrades - $1,000,000
- Parks: Roofing - Repairs / Replacements - $1,400,000
- Parks: Park Amenity / Improvements - $5,000,000
- Parks: Heavy Equipment / Fleet - $1,000,000
- Parks: General Repairs Fund - Maintenance - $1,750,000
- Parks: Trinity Hills - Park Development - $1,750,000
- Parks: Dist. 30 Park Master Plan - $1,000,000
- Parks: 1st & Gay St. Park Development - $3,000,000
- Parks: Open Space Acquisitions - $2,000,000
- Parks: Greenways - Gen. Repairs Fund - $8,660,000
- Parks: Two Rivers Mansion Pavilion - New - $1,000,000
- Parks: Napier Rec. Center Pool - Repairs - $500,000
- Parks: Lockeland Springs - Repairs/Upgrades - $800,000
- Parks: Global Mall - Master Plan Implemntn - $5,025,000
- Planning Dept: Neighborhood Planning & Infrastructure – $2,000,000

Metro Nashville and its Budget



FY 2021-22: Neighborhoods – [Cont.]
- Planning Dept: 2nd Ave Recovery - $20,000,000
- Planning Dept: Global Mall - Infrastructure - $1,000,000
- Library: Major Repairs - System-wide - $4,000,000
- Library: Richland Campus - Master Plan - $250,000
- Library: Hadley Park - Master Plan - $250,000
- Library: Main Library - Major Repairs - $5,000,000
- Fairgrounds: Infrastructure - $22,000,000

FY 2021-22: Housing – 1 project totaling $5,000,000. [Operating Budget Impact - $0]
- MDHA – Infrastructure Participation Agreements – $5,000,000

FY 2021-22: Public Safety and Justice – 10 projects totaling $67,054,000. [Operating Budget Impact- $829,000]
- Fire: Fire Station #25 - Replacement - $12,000,000
- Fire: Fire Station – Design / Planning - $1,000,000
- Fire: Heavy Apparatus – Replacements - $15,000,000
- Fire: Major Repairs - Maintenance - $1,000,000
- Gen. Srvcs: Access Control - Card Readers - $2,000,000
- Gen. Srvcs: ECC / EOC - Design/Plan - $1,000,000
- ITS: 800MHz Radio - Expansion Equipment - $1,554,000
- Juvenile Court: Juvenile Justice Ctr - New - $30,000,000
- Police: Training Academy - Vehicle Course - $2,500,000
- Police: Police/Fire Academy - Design/Plan - $1,000,000

FY 2021-22: Transportation Plan / Infrastructure – 20 projects totaling $162,324,500. [Oper. Budget Impact - $250,000]
- Gen. Srvcs: Fleet - New & Replacements - $10,000,000
- Water: Stormwater - Countywide Projects - $12,550,000
- Water: Engineering & Design - $3,000,000

State of Good Repair:
- NDOT: Paving/Sidewalks - Annual Repairs - $50,000,000

Restoration & Resiliency:
- NDOT: East Bank Partnership Funds - Spine Connector - $20,000,000
- NDOT: East Bank Partnership Funds - Traffic Mgmt / Signal Upgrades - $5,000,000
- NDOT: USD Annexation - Streetlights - $500,000

FY 202-22: Transportation Plan/Infrastructure – [Cont.]
- NDOT: Traffic Mgmt / Signals - $7,000,000
- NDOT: Safety / Vision Zero / Traffic Calming - $17,214,500
- NDOT: Active Transportation/Bikeways - $2,000,000
- NDOT: Sidewalk Construction - $5,000,000
- MTA: MTA Grant Matching Funds - $5,000,000
- MTA: RTA Grant Matching Funds - $760,000
- MTA: Replacement Buses - 40', 45' & 60' - $10,000,00
- MTA: Neighborhood Transits Ctr - Upgrades - $3,300,000
- MTA: Replace Body-on-Chassis Buses - $2,000,000
- MTA: Service Expansion – Better Bus Srvc. - $2,000,000
- MTA: Transit Stops / Shelter Improvements - $3,000,000
- MTA: Murfreesboro Pk – Bus Rapid Transit - $2,000,000
- MTA: Clarksville Pk – Bus Rapid Transit - $2,000,000

Metro Nashville and its Budget

Operating Budget Impacts

Approved capital expenditures affect the budget in three ways.

- First, Operating Capital Reserve Fund expenditures are drawn from a reserve pool historically representing 4% of the locally generated revenues to the GSD General Fund. The Mayor's FY22 Recommended Budget increased the Operating Capital Reserve Fund to 5%, but the Council returned the reserve pool to the original 4% in the FY23 Operating Budget.
- Second, debt service – the repayment of principal and interest owed on general obligation debt from the debt service fund – is an operating budget expenditure. The debt service budget is discussed in Section J of this book. Capital debt capacity is determined before any capital spending plan is proposed.
- Third, potential improvements may commit Metro to operating costs that will be reflected in future years' departmental operating budgets. These costs are considered in the process of considering and approving prospective capital improvements.

Operating costs for completed or soon-to-be-completed capital plan projects are identified in that respective department's operating budget section elsewhere in this budget book.

Most projects replace existing facilities and do not create additional operating costs.

Details, program descriptions, and estimated operating budget impacts of each prospective capital improvement project are noted in the *Capital Improvements Budget* (CIB) book available on the Planning Department's as well as the Finance Department's Capital Improvements webpages. The estimated operating budget impact for recently approved capital projects are noted in the tables presented below.

Summary

Capital projects are budgeted in a multi-step process. The CIB, approved around mid-June of each year, proposes more capital projects than the government can afford from all funding sources. It is from this CIB that the individual projects will be selected, approved, and funded in what is known as a Capital Plan or Capital Spending Plan. When the capital projects are approved and/or completed, their operation may or may not affect future operating budgets.

A flowchart of the CIB and Capital Spending Plan process, the estimated operating budget impacts of the FY 2022-23 and the FY 2021-22 Capital Spending Plans projects, and their approved project lists are presented on the following pages.

Again, currently, the Metropolitan Government of Nashville has no significant, non-recurring capital expenditures.

Estimated Operating Budget Impacts of the recently approved Capital Spending Plans:

FY 2022-2023 Capital Spending Plan = $ 1,375,000 Estimated Operating Budget Impact
FY 2021-2022 Capital Spending Plan = $ 1,428,000 Estimated Operating Budget Impact

FY2022-2023 Capital Projects – Estimated Operating Budget Impact Details:

Education - $1,000,000
- Lakeview Elementary School – New Construction - $500,000 Yearly Utility Costs and General Operation of the Facility.
- Percy Priest Elementary School – New Construction - $500,000 Yearly Utility Costs and General Operation of the Facility.

Effective Government - $25,000
- Relocation of Depts from Leased Space – $25,000 Parking.

Neighborhoods - $350,000
- Parks – Old Hickory Community Center – Improvements, & Upgrades - $200,000 Annual Maintenance & Support Fees.
- Parks – Sunnyside Mansion & Outbuilding – Renovation - $20,000 Additional Utility Costs & Annual Maintenance.
- Parks – Fort Negley – Stonework and Construction - $20,000 Annual Maintenance & Support.
- Parks – Mill Ridge Park – Completion of Phase 2 Construction - $110,000 Annual Maintenance & Support and Utilities.

FY2021-2022 Capital Projects – Estimated Operating Budget Impact Details:

Effective Government - $15,000
- ITS – Carrier Redundancy for Metro Phone Services - $15,000 Annual Maintenance and Support Fees.

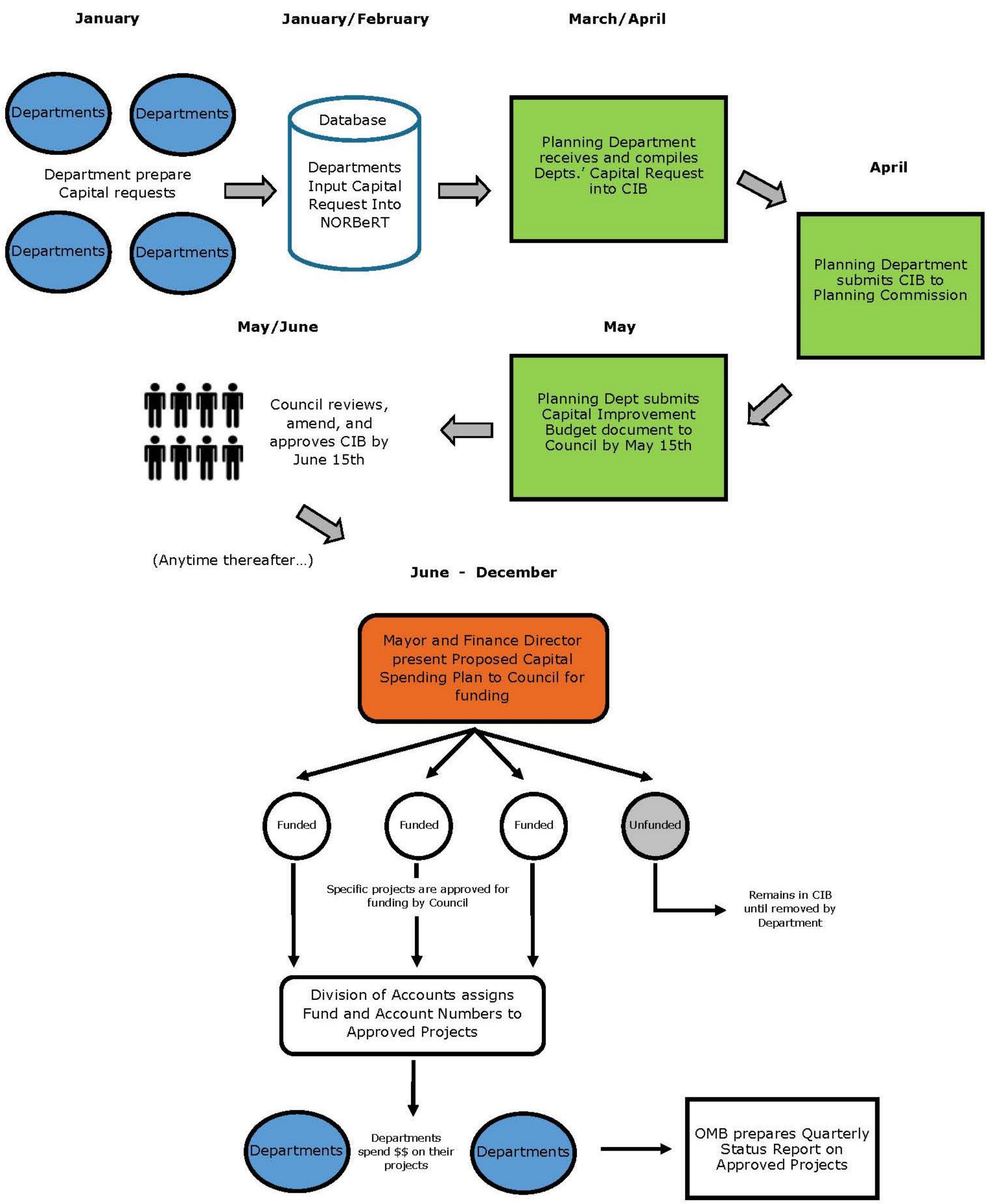
Neighborhoods - $334,000
- Parks – Wharf Park – 88 Hermitage – Property Acquisition - $110,000 Legal Fees & Closing Costs / Fees.
- Parks – Old Hickory Community Center – Repairs, Improvements, & Upgrades - $10,000 Annual Maint. &Support Fees.
- Parks – Gen. Park Amenities – General Repairs, Maint., & Upgrades - $30,000 Additional Utility Costs & Annual Maintenance.
- Parks – Trinity Hills Park Development – Design and Engineering - $10,000 Neighborhood Meetings / Planning Support Fees.
- Parks – 1st & Gay Ave Park Development – Design, Engineering, Property Maintenance - $25,000 Annual Maint. & Support.
- Parks – Open Space Acquisition – Property Purchase for Park Use - $100,000 Legal Fees & Closing Costs / Maintenance.
- Parks – Greenways General Fund – Repairs and Upgrades - $14,000 Annual Maintenance and Support Fees.
- Parks – Two Rivers Mansion Pavilion – New Event Pavilion - $30,000 Staffing, Utilities, and Support Fees.
- Parks – Lockeland Springs – Repairs and Upgrades - $5,000 Additional Utility Costs & Annual Maintenance.

Public Safety - $829,000
- Fire – Fire Station #25 – Replacement - $809,000 Staffing, Utilities, Maintenance.
- Fire – Fleet – Heavy Equipment – New and Replacements of Heavy Fleet - $20,000 Annual Maintenance.

Transportation / Infrastructure - $250,000
- General Services – Fleet – Heavy Fleet – New and Replacements of Heavy Fleet - $250,000 Annual Maintenance.

Metro Nashville and its Budget

Flowchart of Capital Improvement Budget (CIB) and Capital Spending Plan Process:



FY 2022-2023 CAPITAL SPENDING PLAN

AGENCY / PROJECT NAME	DESCRIPTION	ALLOCATION	PRIORITY CATEGORY	OPERATING BUDGET IMPACT
METRO SCHOOLS				
DESIGN / CONSTRUCTION PROJECTS :				
LAKEVIEW ELEM - REPLACEMENT	Construction	$39,320,000	Education	$500,000
PARAGON MILLS ELEM-RENOVATION	Renovation Construction	33,420,000	Education	
PERCY PRIEST ELEM-REPLACEMENT	Construction	39,280,000	Education	500,000
DISTRICT-WIDE DEFERRED MAINTENANCE PROJECTS :				
ADA COMPLIANCE	ADA Compliance	200,000	Education	
ENVIRONMENTAL REMEDIATION	Environmental Remediation	100,000	Education	
EMERGNCY CONSTRCTN & CONTINGCY	Emergency Construction & Contingncy	5,000,000	Education	
BUS AND FLEET REPLACEMENT	Bus and Fleet Replacement	1,300,000	Education	
OFFICE OF SCHOOL IMPRVMNTS	Office of School Imprvmnts-Projcts	2,375,000	Education	
TECH - FACILITY INFRASTRCTR PROJS	Tech - Facility Infrastructure Imprvmt	3,100,000	Education	
SCHOOL - SAFETY AND SECURITY	School - Safety and Security	250,000	Education	
HIGH SCHOOL COMPETITION FIELDS	Artificial Turf Fields	3,000,000	Education	
DISTRICT-WIDE PROJS-MAINTENANCE	District-Wide Maint Projects	11,675,000	Education	
TOTAL -- MNPS Projects		**$139,020,000**		**$1,000,000**
JUVENILE JUSTICE				
NEW JUVENILE JUSTICE CENTER	Engineering and Construction	92,000,000	Public Safety	
NASHVILLE DEPT OF TRANSPORTATION				
STATE OF GOOD REPAIR	Annual Repairs - Paving/Sidewalks	38,076,000	Transportation	
SAFETY / VISION ZERO / TRAFFIC	Safety Imprvts-High Accdnt Areas	13,736,000	Transportation	
ACTIVE TRANSPRTN / BIKEWAYS	Imprvmnts Bikeways/Walkways	5,346,000	Transportation	
TRAFFIC MGMT / SIGNAL UPGRADES	Traffic Mgmt and Signal Upgrades	6,026,000	Transportation	
SIDEWALK PROGRAM	New and Replacement Sidewalks	13,806,000	Transportation	
ROADWAYS	Improvements, Paving & Repairs	500,000	Transportation	
RESTORATION & RESILIENCY - PARTNERSHIP FUNDING	East Bank Improvements	1,500,000	Transportation	
MTA				
MTA GRANT MATCH - FED / STATE	Funds for Fed / State Grant Matches	6,000,000	Transportation	
RTA GRANT MATCH THRU MTA	Funds for Fed / State Grant Matches	1,250,000	Transportation	
NEIGHBORHOOD TRANSIT CENTERS	Improvements at Transit Centers	8,000,000	Transportation	
BETTER BUS FLEET EXPANSION	Additional Buses / Replacements	8,180,000	Transportation	
TRANSIT STOPS/SHELTER IMPRVMTS	Build/Improve Transit Stops	1,500,000	Transportation	
FAIRGROUNDS - NASHVILLE				
FAIRGROUNDS CAMPUS COMPLETION	Infrastructure Improvements	19,300,000	Neighborhoods	
PUBLIC LIBRARY				
MAJOR MAINTENANCE	Maintnc & Repairs - All Facilities	4,275,000	Neighborhoods	
PEG STUDIO RELOCATION - PLANNING & DESIGN	Planning & Design PEG Relo	500,000	Neighborhoods	
HADLEY PARK BRANCH - DESIGN	Design, Engineering and Planning	500,000	Neighborhoods	
COHN SCHOOL - DESIGN	Design, Engineering and Planning	500,000	Neighborhoods	
GENERAL SERVICES				
PROJECT CLOSEOUTS - DONELSON LIBRARY/SE PRECNT/PSH/OTHERS	Completion / Closeout of Projs	10,000,000	Effective Govt	
MASTER SPACE PLANNING - PHASE 1 IMPLEMENTATION :				
SOCIAL SERVICES / MAC / POSTAL SERVICES / PARKWAY TOWERS	Planning / Design / Relocation	14,100,000	Effective Govt	25,000
METRO SOUTHEAST	Planning / Design / Relocation	1,000,000	Effective Govt	
PROPERTY ACQUISITIONS	Purchase of Buildings, Land, etc.	1,000,000	Effective Govt	

FY 2022-2023 CAPITAL SPENDING PLAN				
AGENCY / PROJECT NAME	**DESCRIPTION**	**ALLOCATION**	**PRIORITY CATEGORY**	**OPERATING BUDGET IMPACT**
FIRE DEPARTMENT				
FIRE STATION #2 COST ESCALATN	Cost Escalation / Mixed Use Devlp	11,000,000	Public Safety	
FIRE MASTER PLAN - NEW STATIONS	Planning, Design & Engineering	250,000	Public Safety	
PARKS				
OLD HICKORY COMMTY CTR	Project Completion / Closeout	7,900,000	Neighborhoods	$200,000
SUNNYSIDE RENOVATION	Project Completion / Closeout	550,000	Neighborhoods	20,000
FORT NEGLEY - RECONSTRUCTION	Stonework and Construction	17,500,000	Neighborhoods	20,000
RIVERFRONT DOCK	Design, Engineering & Constrctn	1,500,000	Neighborhoods	
NAVAL RESERVE BLDG RENOVATION	Renovation of Naval Resrv Bldg	2,500,000	Neighborhoods	
TED RHODES FOOTBALL FIELD	Construction of Playing Field	1,500,000	Neighborhoods	
MADISON STATION PARK DESIGN	Design & Planning	525,000	Neighborhoods	
MILL RIDGE PARK - CONSTRUCTION	Completion of Phase 2 Constrctn	8,700,000	Neighborhoods	110,000
WHARF PARK-CONCEPTUAL DESIGN	Design & Planning	500,000	Neighborhoods	
POLICE				
TRAINING ACADEMY - GUN RANGE PLANNING / DESIGN / SITE	Construct New Gun Range Facility	1,000,000	Public Safety	
POLICE MOUNTED PATROL BARN	Completion of New Horse Barn	4,000,000	Public Safety	
PLANNING DEPARTMENT				
EAST BANK INFRASTRUCTURE - PROGRAM MGMT/COORDINATION	Prog Mgmt / Coordintn / Studies	5,000,000	Neighborhoods	
NEIGHBORHOOD PLANNING AND INFRASTRUCTURE STUDIES	Neighborhood Studies	1,000,000	Neighborhoods	
URBAN CORE MULTIMODAL AND CORRIDOR PLANNING STUDY	Master Plan Study	500,000	Neighborhoods	
PLANNING / DESIGN FOR MULTIPURPOSE BLDGS / PROPTY	Master Plan Study	500,000	Neighborhoods	
ADMINISTRATIVE				
PARTICIPATORY BUDGET / N NASH	North Nashville Capital Projects	2,000,000	Neighborhoods	
TOTAL -- General Government Projects		**$441,290,000**		**$375,000**
CONTINGENCY ACCOUNTS / 1% FOR THE ARTS				
GSD CAPITAL CONTINGENCY	Contingency Funds for GSD	$18,000,000	Effective Govt	
MNPS CAPITAL CONTINGENCY	Contingency Funds for MNPS	8,000,000	Effective Govt	
GRAND TOTAL		**$467,290,000**		**$1,375,000**

FY 2021-2022 CAPITAL SPENDING PLAN

AGENCY / PROJECT NAME	DESCRIPTION	ALLOCATION	PRIORITY CATEGORY	OPERATING BUDGET IMPACT
METRO SCHOOLS				
DESIGN / CONSTRUCTION PROJECTS:				
HILLWOOD HIGH (FINAL PHASE)	Final Phase of Construction	$29,000,000	Education	
HUNTERS LANE HS - TRACK/STADIUM	Completion of Track/Stadium Upgrds	2,870,000	Education	
ANTIOCH CLUSTER ELEM - DESIGN	Design of New Antioch Cluster Elem	3,000,000	Education	
ANTIOCH CLUSTER ELEM - LAND	Purchase Land for New Antioch Elem	6,000,000	Education	
PERCY PRIEST ELEM - DESIGN	Design of New Percy Priest Elem	3,000,000	Education	
HAYWOOD ELEM - DESIGN	Design of New Haywood Elem	2,400,000	Education	
PARAGON MILLS ELEM - DESIGN	Design of New Paragon Mills Elem	2,930,000	Education	
DISTRICT-WIDE DEFERRED MAINTENANCE PROJECTS:				
SECURITY VESTIBULES	Security Vestibules	315,000	Education	
ROOFING - REPLACEMENT/REPAIR	Roofing - Replacement/Repair	10,120,000	Education	
TECH - COMPUTER REPLACEMENTS	Technology - Personal Computing Rep	8,415,000	Education	
PRE-K AND K4 PLAYGROUNDS	Pre-K and K4 Playgrounds	392,000	Education	
ADA COMPLIANCE	ADA Compliance	500,000	Education	
ENVIRONMENTAL REMEDIATION	Environmental Remediation	925,000	Education	
PAVING UPGRADES	Paving Upgrades	3,710,000	Education	
ELECTRICAL UPGRADES	Electrical Upgrades	14,275,000	Education	
EMERGNCY CONSTRCTN & CONTINGCY	Emergency Construction and Continge	4,008,000	Education	
MUSIC MAKES US - UPGRADES	Music Makes Us - Upgrades	4,033,000	Education	
BUS AND FLEET REPLACEMENT	Bus and Fleet Replacement	6,000,000	Education	
PLUMBING UPGRADES	Plumbing Upgrades	1,020,000	Education	
FACILITY CONDITION ASSESSMENT	Facility Condition Assessment	1,250,000	Education	
CENTRL SRVCS - FURNITURE & EQUIP	Central Services - Furniture and Equip	300,000	Education	
ELEVATOR REMEDIATIONS	Elevator Remediations	600,000	Education	
FIRE ALARM REMEDIATIONS	Fire Alarm Remediations	1,240,000	Education	
SITE IMPROVEMENTS	Site Improvements	1,510,000	Education	
OFFICE OF SCHOOL IMPRVMTS-PROJS	Office of School Improvements - Smal	500,000	Education	
ATHLETIC FACILITY UPGRADES	Athletic Facility Upgrades	1,630,000	Education	
AUDITORIUM UPGRADES	Auditorium Upgrades	650,000	Education	
TECH - INFRASTRUCTURE PROJECTS	Technology - Infrastructure Replacem	4,878,000	Education	
TECH - FACILITY INFRASTRCTR PROJS	Technology - Facility Infrastructure Im	6,534,000	Education	
SCHOOL - SAFETY AND SECURITY	School - Safety and Security	250,000	Education	
EXTERIOR BUILDING IMPROVEMENTS	Exterior Building Improvements	9,310,000	Education	
INTERIOR BUILDING IMPROVEMENTS	Interior Building Improvements	2,110,000	Education	
WAVERLY-BELMONT ELEM - PARKING	Waverly-Belmont Elementary - School	525,000	Education	
TOTAL -- MNPS Projects		**$134,200,000**		**$0**
PUBLIC LIBRARY				
MAJOR REPAIRS SYSTEMWIDE	Maintenance & Repairs - All Facilities	$4,000,000	Neighborhoods	
MASTER PLAN - RICHLAND CAMPUS	Design, Engineering and Planning	250,000	Neighborhoods	
MASTER PLAN - HADLEY PARK BRANCH	Design, Engineering and Planning	250,000	Neighborhoods	
MAIN LIBRARY INFRASTRCTR/REPAIRS	Major Maintenance & Repairs at Main	5,000,000	Neighborhoods	
FAIRGROUNDS - NASHVILLE				
FAIRGROUNDS INFRASTRUCTURE	Infrastructure Improvements	22,000,000	Neighborhoods	

FY 2021-2022 CAPITAL SPENDING PLAN				
AGENCY / PROJECT NAME	DESCRIPTION	ALLOCATION	PRIORITY CATEGORY	OPERATING BUDGET IMPACT
PARKS				
WHARF PARK-88 HERMITAGE ACQSTN	Acquisition of 88 Hermitage property	$20,000,000	Neighborhoods	$110,000
WHARF PARK-DESIGN	Design and Engineering of park	3,000,000	Neighborhoods	
OLD HICKORY COMMUNITY CENTER	Repairs and Upgrades	13,400,000	Neighborhoods	10,000
ZOO PARKING	Design, Engineering & Construction	15,000,000	Neighborhoods	
FORT NEGLEY	Repairs and Upgrades	1,000,000	Neighborhoods	
ROOF REPLACEMENTS	General Roof Repair / Replacements	1,400,000	Neighborhoods	
GENERAL PARK/AMENITY IMPRVMNTS	Improvements, Repairs & Upgrades	5,000,000	Neighborhoods	30,000
FLEET ITEMS - HEAVY EQUIPMENT	Replacement of Heavy Fleet	1,000,000	Neighborhoods	
GENERAL REPAIRS FUND	Maintenance and Repairs	1,750,000	Neighborhoods	
TRINITY HILLS PARK DEVELOPMENT	Design and Engineering of park	1,750,000	Neighborhoods	10,000
DIST.30 PARK MASTERPLAN/DESIGN	Masterplanning of Dist. 30 park	1,000,000	Neighborhoods	
1ST & GAY PARK DEVELOPMENT	Design and Engineering of park	3,000,000	Neighborhoods	25,000
OPEN SPACE ACQUISITION	Acquisition of Open Spaces for parks	2,000,000	Neighborhoods	100,000
GREENWAYS GENERAL FUND	Repairs and Upgrades	8,660,000	Neighborhoods	14,000
TWO RIVERS MANSION PAVILION	Event Pavilion at Two Rivers Mansion	1,000,000	Neighborhoods	30,000
NAPIER REC CENTER POOL	Repairs and Upgrades to pool	500,000	Neighborhoods	
LOCKELAND SPRINGS	Repairs and Upgrades	800,000	Neighborhoods	5,000
GLOBAL MALL	Master Plan and Implementation	5,025,000	Neighborhoods	
FINANCE				
SATELLITE CITY PAYMENTS	Satellite City Road Repair Allocation	1,500,000	Effective Govt	
PARTICIPATORY BUDGETING	Year 2 Citizen Infrastructure Projects	2,000,000	Effective Govt	
FIRE DEPARTMENT				
FIRE STATION #25	Replacement of Station	12,000,000	Public Safety	809,000
FIRE STATION #24 - PLANNING	Planning, Design & Engineering	1,000,000	Public Safety	
REPLACEMENT OF HEAVY APPARATUS	Heavy Fleet Replacements	15,000,000	Public Safety	20,000
MAJOR REPAIR/MAINTENANCE	Major Repairs and Maintenance	1,000,000	Public Safety	
GENERAL SERVICES				
BUILDING OPERS MAJOR MAINT	Major Maintenance Funds	10,000,000	Effective Govt	
FLEET-REPLACEMENTS & ADDITIONS	Fleet Purchases-New & Replacement	10,000,000	Transportation	250,000
ACCESS CONTROL MIGRATION	Card Readers, Secure Access	2,000,000	Public Safety	
NEW FACILITY PLANNING, SITE EVAL, UNEXPECTED RELOCATION	Planning, Evaluations, Relocations	2,500,000	Effective Govt	
ROOFING/LIFE, HEALTH & SAFETY	Roofing and Life / Safety Repairs	5,000,000	Effective Govt	
HEADSTART FACILITY ASSESSMENTS AND MAJOR REPAIRS	Assessments - HeadStart Facilities	2,000,000	Effective Govt	
EMERGNCY COMM CTR / OPERATIONS CENTER REPLACEMENT - PLANNING	Planning for Replacement of the ECC / Emergency Operations Center	1,000,000	Public Safety	
INFORMATION TECHNOLOGY SERVICES (ITS)				
800MHz RADIO SYSTEM EXPANSION / EQUIPMENT YEAR 2 OF 5	Radio System Expand / Equipment	1,554,000	Public Safety	
INFRASTRUCTURE GROWTH - METRO PRIVATE FIBEROPTIC NETWORK	Fiber Optic Cabling for Metro Network	2,250,000	Effective Govt	
CARRIER REDUNDANCY FOR METRO PHONE SERVICE	Phone Service Backup Equipment	1,082,000	Effective Govt	15,000
FIBER TO SUPPORT FY2022 TRANSPORTATION PLAN	Fiber Optic Cabling for the FY2022 Transportation Plan	2,900,000	Effective Govt	
JUVENILE COURT				
NEW FACILITY - JUVENILE JUSTICE CENTER - PHASE 1	Phase 1 of Replacement of Juvenile Justice Center	30,000,000	Public Safety	

FY 2021-2022 CAPITAL SPENDING PLAN				
AGENCY / PROJECT NAME	DESCRIPTION	ALLOCATION	PRIORITY CATEGORY	OPERATING BUDGET IMPACT
POLICE				
TRAINING ACADEMY SITE - NEW VEHICLE OPERATIONS COURSE	Construct Vehicle Opers Course	$2,500,000	Public Safety	
MNPD TRAINING ACADEMY - UTILITY SAFETY UPGRADES	Major Maintenance - Academy Bldgs	5,000,000	Effective Govt	
HELICOPTER HANGAR	Construct Helicopter Hangar	250,000	Effective Govt	
MNPD / FIRE TRAINING ACADEMY - PLANNING & DESIGN	Planning & Design of Improvements	1,000,000	Public Safety	
SOLID WASTE				
HEAVY EQUIPMENT-GARBAGE TRUCKS	Replacement of Heavy Equipment	1,280,000	Effective Govt	
SECURITY	Security Equipment / Improvements	1,000,000	Effective Govt	
WATER / STORMWATER				
COUNTY-WIDE PROJECTS	Major Capital Stormwater Constructn	12,550,000	Infrastructure	
ENGINEERING AND DESIGN	Capital Engineering & Plans Review	3,000,000	Infrastructure	
PLANNING DEPARTMENT				
NEIGHBORHOOD PLANNING & INFRASTRUCTURE STUDIES	Neighborhood Planning to Address Character, Growth, Infrastructure	2,000,000	Neighborhoods	
2ND AVE RECOVERY - DETAILED DESIGN PROJECTS	1st & 2nd Avenues & Riverfront Projs	20,000,000	Neighborhoods	
GLOBAL MALL - INFRASTRCTR COORD	Master Plan & Implementation	1,000,000	Neighborhoods	
NDOT				
STATE OF GOOD REPAIR	Annual Repairs - Paving & Sidewalks	50,000,000	Transportation	
RESTORATION & RESILIENCY - PARTNERSHIP FUNDS: EAST BANK				
- EAST BANK SPINE CONNECTOR	Spine Planning / ROW / Construction	20,000,000	Transportation	
- TRAFFIC MGMT / SIGNAL UPGRADES	Traffic Mgmt and Signal Upgrades	5,000,000	Transportation	
USD ANNEXATION - STREETLIGHTS	Addition of Streetlights in Annex Dist	500,000	Transportation	
TRAFFIC MGMT / SIGNAL UPGRADES	Traffic Mgmt and Signal Upgrades	7,000,000	Transportation	
SAFETY / VISION ZERO / TRAFFIC	Safety Imprvmts-High Accident Areas	17,214,500	Transportation	
ACTIVE TRANSPORTATION/BIKEWAYS	Improvements Bikeways/Walkways	2,000,000	Transportation	
SIDEWALK CONSTRUCTION	New and Replacement Sidewalks	5,000,000	Transportation	
MTA				
MTA GRANT MATCH - FED / STATE	Funds for Fed / State Grant Matches	5,000,000	Transportation	
RTA GRANT MATCH THRU MTA	Funds for Fed / State Grant Matches	760,000	Transportation	
REPLACEMENT BUSES - 40', 45' & 60'	Replace Full-Size Buses	10,000,000	Transportation	
NEIGHBORHOOD TRANSIT CENTERS	Improvements at Transit Centers	3,300,000	Transportation	
REPLACE BODY-ON-CHASSIS BUSES	Replacement of Small Buses	2,000,000	Transportation	
EXPANSION BUSES - SRVC IMPRVMTS	Better Bus Service Improvements	2,000,000	Transportation	
TRANSIT STOPS / SHELTER IMPRVMTS	Build / Improve Transit Stop Shelters	3,000,000	Transportation	
MURFREESBORO PK-PLANNING BRT	Bus Rapid Transit Planning	2,000,000	Transportation	
CLARKSVILLE PK-PLANNING BRT	Bus Rapid Transit Planning	2,000,000	Transportation	
MDHA				
MDHA AFFORD HOUSING DEVELOPMT	Incl. Infrastrctr Participation Agrmts	5,000,000	Afford Housing	
TOTAL -- General Government Projects		**$410,925,500**		**$1,428,000**
CONTINGENCY ACCOUNTS				
GSD CAPITAL CONTINGENCY	Contingency Funds for GSD	$14,444,000	Effective Govt	
MNPS CAPITAL CONTINGENCY	Contingency Funds for MNPS	4,800,000	Effective Govt	
GRAND TOTAL		**$564,369,500**		**$1,428,000**