



NEWS RELEASE

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“READY, SET, GO! OUR FUTURE BEGINS NOW”

City releases proposed FY 2016 Budget for Council Review

FOR IMMEDIATE RELEASE: May 15, 2015

MURFREESBORO, Tenn. – For the 17th consecutive year, Murfreesboro’s \$134 million Fiscal Year 2015-16 proposed budget does not call for a property tax hike and maintains expected municipal service levels to the over 116,000 residents of the community. The proposed budget would take effect July 1, 2015, following review and approval by the Council.

“The FY 2016 budget provides both the financial resources and aggressive plan to continue Murfreesboro’s race toward significant advances in public safety, economic development, public service and engagement,” said City Manager Rob Lyons. “Murfreesboro is recognized as a pace setter in attracting people and businesses to an economical and livable community that is expected to double by the year 2035.”

The proposed budget reflects the direction of City Council to prioritize spending and continue to focus on the four primary goals: 1) Safe and Livable Neighborhoods, 2) Strong and Sustainable Financial and Economic Health, 3) Excellent Services with a Focus on Customer Service and 4) Engaging Our Community.

Safe and Livable Neighborhood category projects call for (5) new police personnel to aggressively target human trafficking and prostitution. Other **Priority 1** projects include:

- Construction of the new Police HQ.
- Work toward implementation of a 700MHz two-way radio system.
- Beginning construction of the Stones River Greenway extension to Barfield Crescent Park.
- Studying the creating of an arts district along the Highland Ave. corridor.
- Complete city-wide design guidelines.

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An initiative in 2014 for the Murfreesboro Fire and Rescue Department to transition from the delivery of First Responder medical service to Basic Life Support (BLS) is making an impact.

Strong and Sustainable Financial and Economic Health continues to be a hallmark of Murfreesboro with the local sales tax exceeding budget expectations, the best indicator of a vibrant economy. Increased building permits and the growing numbers of new students in the City Schools are additional indicators. In late 2014, City leaders announced the Gateway District landed a new corporate headquarters with the commitment from M-Tek/Kasai. It was followed early this year by the planned mixed-use development of The Fountains.

Priority 2 projects and initiatives include:

- Maintaining the existing level of effective property tax rate.
- Studying tax increment financing districts as a method to encourage re-development.
- Deploying new financial and human resources software.
- No health insurance premium increase.
- Recruiting new jobs and employers to the Gateway.
- Partnering with Rutherford County Chamber of Commerce in workforce development
- Attracting tournaments to the Adams Indoor Tennis Complex in partnership with MTSU.

Nearing completion at Old Fort Park, the indoor tennis facility will be owned and operated by the City while granting MTSU priority in use at selected times. The \$5.8 million facility is a partnership between the City, the University and the Christy-Houston Foundation.

The proposed FY 2016 budget recommends a 4 percent across-the board pay increase (for employees who have not met the top of their range) as well as adjustments to minimum pay and adjustments to maximum for some employees as calculated by Management Advisory Group (MAG) following the consulting firm's Classification and Compensation Study. The study has been approved by the Council.

Priority 3 projects and initiatives support Excellent Services with a Focus on Customer Service and include the following:

- Recognizing City employees as customers and better engaging them in the workforce.
- Selecting land development management software for Planning and Building & Codes.
- Continuing "Service Excellence," the City's customer service training program.
- Converting CityTV to High Definition (HD) through a grant from Comcast.
- Increasing employee participation in wellness programs.
- Constructing a new headquarters for Rover which continues to see ridership increases.
- Repaving \$2 million in City Streets from State gasoline taxes.
- Developing a shop and restrooms for Bloomfield Links Golf Course.

The City of Murfreesboro, through Facebook, Twitter, YouTube, CityTV, and other technology-based outlets, has continued to increase citizen engagement. The *Murfreesboro 2035* initiative is an example of on-going two-year process to engagement with the community in developing a 20-year comprehensive plan is designed to maintain sustainable growth.

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Priority 4 projects and initiatives that support Engaging Our Community include the following:

- Utilizing an on-line community discussion board similar to Mindmixer.
- Using social media, technology, and neighborhood meetings to develop the comprehensive plan.
- Conducting neighborhood meetings on critical issues.
- Holding the third session of the Citizens Academy.
- Utilizing a customer service form to garner feedback on City service performance.

The proposed budget recommends a total of eighteen new positions, five of which are part-time positions. Of the thirteen full-time positions, five are new police officers. Three police positions are being recommended to aggressively deal with the issue of human trafficking and prostitution. Two additional police officers are also recommended to keep pace and deliver the quality of service expected. Proposed full-time positions increase by 13 employees to 821 in the general operations of the City, and by 5 employees to 415 part-time employees.

The City's share of local option sales taxes continues to gain upward traction. The local option sales tax is 2.75 percent on most retail purchases and now exceeds 30% of the City's revenue. The retail economy continues to rebound as evidenced in an estimated growth of over 5 percent in local sales tax for FY 2015 as compared to FY 2014. Although the property tax has been flat, sales taxes have been growing since FY 2010.

As previously mentioned, the proposed budget does not recommend a property tax increase and recommends adoption of \$1.2066 as the tax rate. This is the 17th consecutive year without a property tax increase. Property tax revenues are projected to be \$37.57 million, an increase of 2.7 percent. The cost of the employee pay increases, including the increased cost of FICA and retirement, is approximately \$2.4 million annually.

The changes the City made in January 2013 to the self-insured employee health insurance plan design is making an impact to affect cost control, consumerism and wellness. The result is the premium for FY 2016 will not increase from the current rate structure.

City Council received a copy of the proposed budget Thursday, May 14, at 7:00 p.m. The Public Hearing and First Reading of the budget ordinance is scheduled for June 4, 2015. A copy of the Proposed FY 2015-16 budget is available on the City's website at www.murfreesborotn.gov.

For City News online, visit www.Murfreesborotn.gov.

Photos attached caption:

1. *FY 2015-16 City Budget Cover.jpg.*