

August 15, 2016

Honorable Mayor and Members of City Council:

RE: “Monthly” cost of city services – Single Family Home

This theoretical monthly “bill” is an attempt to quantify what citizens receive each month and the cost of those services. Since we are all familiar with paying monthly bills for our mortgage, utilities, car and mobile phone among others, this analysis has been useful in demonstrating that the City provides an excellent value.

I have completed an analysis of Murfreesboro on the monthly costs for all general fund services relative to the property tax.

According to the Property Appraiser’s Office, the median value in FY 17 is \$169,600 for a single-family house in the City. Based on this figure, I calculated that the monthly “bill” from the City would be \$42.63.

What do you get for that?

- A full-service police department offering patrol, criminal investigation, community policing, traffic operations, canine, DARE and a number of community crime prevention programs;
- A fire & rescue department with a Class 2 ISO rating, the second best in the state, which can result in lower homeowner’s insurance premiums. A full-time, professional staff provides fire suppression, first responder, medical, vehicle extrication and fire prevention services.
- Parks and recreation facilities programs, including SportsCom, StarPlex, Barfield Crescent Park, Adams Tennis Center, Old Fort Park, Patterson Park, Greenway and Siegel Soccer Park;
- A nationally-recognized K-6 city school system that has a tradition of excellence;
- Weekly garbage removal. The department also provides for brush, limb and grass clipping removal;
- Street maintenance, including mowing of rights-of-way, snow removal, street paving, leaf collection and street lighting;
- Traffic signals;
- ROVER, our Public Transit system;
- Building and Codes inspection services, including enforcement of ordinances such as weed and grass, sign and abandoned vehicles;
- Support for various organizations, including chamber of commerce and those related to social services, senior center, tourism and economic development;
- Payment on the bonds used to construct roads, schools, police cars, fire trucks, garbage trucks, recreational facilities and drainage improvements.
- Funding for support services such as Administration, Finance, Human Resources, Information Technology, Legal, Planning, Fleet, Engineering and Urban Environmental Departments.

In this example, the “bill” from the city is comparable to the monthly bills for telephone service, expanded cable television or high-speed internet service. In many cases, the city’s “monthly bill” will be less than monthly car insurance payment or mobile phone bill.

How Your Tax Dollars are Spent							
FY 17 Budget							
					Average		
					Appraised		
House Appraised Value				\$ 100,000	\$ 169,600	\$ 200,000	\$ 300,000
Annual Property Taxes				\$ 301.65	\$ 511.60	\$ 603.30	\$ 904.95
Monthly Property Taxes				\$ 25.14	\$ 42.63	\$ 50.28	\$ 75.41
Department	Annual Budget	Monthly Monthly	Percent of GF	Monthly Charge	Monthly Charge	Monthly Charge	Monthly Charge
Debt Service	\$ 32,381,586	\$ 2,698,466	21.8%	\$ 5.49	\$ 9.31	\$ 10.98	\$ 16.47
Police	\$ 27,854,154	\$ 2,321,180	18.8%	\$ 4.72	\$ 8.01	\$ 9.44	\$ 14.17
Fire	\$ 18,294,426	\$ 1,524,536	12.3%	\$ 3.10	\$ 5.26	\$ 6.20	\$ 9.30
Parks/Rec	\$ 13,874,596	\$ 1,156,216	9.4%	\$ 2.35	\$ 3.99	\$ 4.70	\$ 7.06
Engineering	\$ 7,885,209	\$ 657,101	5.3%	\$ 1.34	\$ 2.27	\$ 2.67	\$ 4.01
Street/State St Aid	\$ 7,663,069	\$ 638,589	5.2%	\$ 1.30	\$ 2.20	\$ 2.60	\$ 3.90
Schools	\$ 5,310,103	\$ 442,509	3.6%	\$ 0.90	\$ 1.53	\$ 1.80	\$ 2.70
Solid Waste	\$ 5,062,146	\$ 421,846	3.4%	\$ 0.86	\$ 1.46	\$ 1.72	\$ 2.57
Golf	\$ 2,921,258	\$ 243,438	2.0%	\$ 0.50	\$ 0.84	\$ 0.99	\$ 1.49
Information Technology	\$ 2,817,296	\$ 234,775	1.9%	\$ 0.48	\$ 0.81	\$ 0.96	\$ 1.43
Transportation	\$ 2,767,332	\$ 230,611	1.9%	\$ 0.47	\$ 0.80	\$ 0.94	\$ 1.41
Building/Codes	\$ 1,937,948	\$ 161,496	1.3%	\$ 0.33	\$ 0.56	\$ 0.66	\$ 0.99
Other	\$ 1,878,968	\$ 156,581	1.3%	\$ 0.32	\$ 0.54	\$ 0.64	\$ 0.96
Communications	\$ 1,570,825	\$ 130,902	1.1%	\$ 0.27	\$ 0.45	\$ 0.53	\$ 0.80
Finance	\$ 1,504,510	\$ 125,376	1.0%	\$ 0.26	\$ 0.43	\$ 0.51	\$ 0.77
Planning	\$ 1,449,627	\$ 120,802	1.0%	\$ 0.25	\$ 0.42	\$ 0.49	\$ 0.74
Ins/Retiree Ins	\$ 1,416,448	\$ 118,037	1.0%	\$ 0.24	\$ 0.41	\$ 0.48	\$ 0.72
Other Gov't Agencies	\$ 1,306,807	\$ 108,901	0.9%	\$ 0.22	\$ 0.38	\$ 0.44	\$ 0.66
Urban Env't	\$ 1,260,654	\$ 105,055	0.9%	\$ 0.21	\$ 0.36	\$ 0.43	\$ 0.64
Community Dev	\$ 1,153,767	\$ 96,147	0.8%	\$ 0.20	\$ 0.33	\$ 0.39	\$ 0.59
Human Resources	\$ 1,146,952	\$ 95,579	0.8%	\$ 0.19	\$ 0.33	\$ 0.39	\$ 0.58
Senior Center	\$ 1,053,394	\$ 87,783	0.7%	\$ 0.18	\$ 0.30	\$ 0.36	\$ 0.54
Legal	\$ 1,042,101	\$ 86,842	0.7%	\$ 0.18	\$ 0.30	\$ 0.35	\$ 0.53
City Manager	\$ 975,191	\$ 81,266	0.7%	\$ 0.17	\$ 0.28	\$ 0.33	\$ 0.50
Tourism	\$ 902,000	\$ 75,167	0.6%	\$ 0.15	\$ 0.26	\$ 0.31	\$ 0.46
Judicial	\$ 539,356	\$ 44,946	0.4%	\$ 0.09	\$ 0.16	\$ 0.18	\$ 0.27
Fleet	\$ 505,000	\$ 42,083	0.3%	\$ 0.09	\$ 0.15	\$ 0.17	\$ 0.26
Unforeseen	\$ 500,000	\$ 41,667	0.3%	\$ 0.08	\$ 0.14	\$ 0.17	\$ 0.25
Building Maintenance	\$ 440,709	\$ 36,726	0.3%	\$ 0.07	\$ 0.13	\$ 0.15	\$ 0.22
Mayor/Council	\$ 303,996	\$ 25,333	0.2%	\$ 0.05	\$ 0.09	\$ 0.10	\$ 0.15
Economic Dev	\$ 239,750	\$ 19,979	0.2%	\$ 0.04	\$ 0.07	\$ 0.08	\$ 0.12
Purchasing	\$ 182,256	\$ 15,188	0.1%	\$ 0.03	\$ 0.05	\$ 0.06	\$ 0.09
Outside Agencies	\$ 128,890	\$ 10,741	0.1%	\$ 0.02	\$ 0.04	\$ 0.04	\$ 0.07
Total	\$ 148,270,324	\$12,355,860	100%	\$ 25.14	\$ 42.63	\$ 50.28	\$ 75.41

I hope this information is instructive for you. I know I am used to reviewing the total annual budget, but putting it in the terms of a “monthly bill” provides a good comparison since we pay most of our bills on a monthly basis. I think it also provides a good example of how city government provides many services for a very reasonable cost.

We continue to be one of the fastest growing cities in the country and receive national recognitions about our quality of life.

Methodology:

These calculations were made by determining each department's percent of the total general fund budget and applying the percentage to the tax bill on a \$169,600 house.

For example, the Police budget (\$27,854,154) is 18.8 percent of all general fund expenditures. In the example, 18.8 percent of the monthly tax bill of \$42.63 equals \$4.72.

Robert J. Lyons
City Manager

C: Department heads
Mike Browing