

**County of Franklin**  
**Proposed Budget 2006-2007**  
**Review of the County Revenues**

The information provided in this section addresses major changes, up or down, in revenues comparing 2006-2007 Proposed Revenues to 2005-2006 Adopted Revenues and in some cases to projected 2005-2006 revenues. These items may also address changes that are noteworthy for some other reason.

**Real Estate Taxes. Up \$1.2 million.**

The 5% increase in projected property tax yield is based on the total billings for the current fiscal year (2005-2006), multiplied by a collection percentage of 97% and then multiplied by a growth percentage of 4.1%.

**Public Service Corporations. Down \$37,092.**

The estimate for next fiscal year is based on current year collections. The State Corporation Commission revalues the Utilities, including the railroad, every year which causes some fluctuations in the amount of revenue the County is projected to receive.

**Personal Property Taxes. Local Up \$841,524, Car Tax Up \$109,202. Total Increase of \$950,726.**

Personal Property taxes are projected to increase 10% next fiscal year over current year projected totals. Projections are based on total billings for the current fiscal year multiplied by a collection percentage of 97% and then a growth percentage of 3%. Current year collections indicate that the County will collect a total of \$7.2 million for the current fiscal year. The County now knows the amount of Personal Property tax relief it will receive next fiscal year (\$2,626,618). Based upon action by the General Assembly, this amount is not scheduled to change in future years.

**Machinery and Tools Tax. Up \$88,216.**

The increase is reflective of new machinery and equipment in the industrial/manufacturing facilities of the County and the new tax rate that was effective last fiscal year.

**Merchants Capital. Up \$64,652.**

Merchants Capital is based on the value of the ending inventory at December 31 of the nonmanufacturing businesses located in the County. As retail businesses grow, this revenue is projected to grow as well. The budget increase for next fiscal year is a 4% increase over the current year projected.

**Local Sales Tax. Up \$518,357.**

This 5% increase over the current year projection reflects a strong local economy.

**Consumer Utility Taxes. Up \$69,557.**

The 2006-2007 projection calls for a 3% increase over the 2005-2006 budgeted amount. Although the number of land line telephones are decreasing, the number of cellular phones is increasing producing a net increase to this revenue.

**Motor Vehicle Decals. Up \$35,839.**

2% growth is projected for this revenue on current year projections.

**Tax on Deeds. Up 325,741.**

The FY06-07 projection is based on projected FY05-06 revenues. The State increased this revenue in FY04-05 (from 15% to 25%) which caused the local revenue percentage to increase as well (from 5% to 8%).

**Hotel/Motel Occupancy Tax. Down \$11,482.**

Current year projections indicate that this revenue will decrease slightly in the next fiscal year.

**Meals Tax. Up \$83,487.**

The total increase projected for Meals Tax is 4%.

**Cable TV Franchise Fee. Down \$13,131.**

As competition has increased from satellite dish companies, this revenue has shown a small decrease. The budgeted amount for next fiscal year is based on actual collections from 2004-2005.

**Licenses and Fees. Up \$132,233.**

The increase in this category reflects the continued strong growth of building permits and the increase in planning and zoning fees.

**Interest on Deposits and Investments. Up \$330,000.**

Interest rates continue to increase which has a positive impact on the investments of the County.

**Landfill Fees. Down \$80,000.**

The decrease is based on projected FY05-06 revenues. Although total tonnage at the landfill is increasing, there can be year to year fluctuations in the amount of commercial trash that is brought to the landfill. The County only charges a tipping fee (\$32.00 per ton) for commercial waste.

**EMS Billing Revenue. Up \$110,817.**

This conservative estimate is based on a 50% collection rate of staff only billings. FY 05-06 was the first year for a complete collection cycle of this new revenue.

**State Share of ABC Profits, Wine Taxes, Motor Vehicle Carriers Tax and Mobile Home Titling Tax. Down a total of \$78,695.**

These revenue estimates are provided by the State and reflect the budgetary decreases approved by the General Assembly in prior years.

**Social Services Revenue. Up \$507,596.**

Up 16% primarily due to increase in social service's programs which are funded through State and Federal revenues.

**Comprehensive Services.**

The State match rate remains at 71.7%. Although it appears that we have slowed the increase in CSA, this program still remains very volatile. The amount proposed for next fiscal year is a 4% increase over the current year projected.

**Fund Balance. Up \$1,290,000**

One time fund balance revenues are being proposed for capital projects including renovation of the former library and the bridge at Waid Park to the new soccer fields.

**E911 Fund. Up \$439,660.**

The increase for FY06-07 is reflective of the E911 tax increase last year from \$1.80 to \$3.00 per telephone line.

**Debt Service Fund. Up \$1,404,530.**

This is a new fund created in the current fiscal year to account for the debt service payments of the County general government (the School system debt service payments are recorded in the School fund). The revenues of this fund consist solely of transfers from the general fund and transfers from the E911 fund.

**Capital Fund. Down \$3,589,073.**

All revenue sources for capital projects are now shown in the County Capital Fund. These revenues include transfer from the General Fund of \$2,195,000 for County Capital Projects, transfer from the General Fund of \$1,248,876 for School Capital Projects, transfer from E911 fund of \$100,000, and one-time fund balance funds of \$1,290,000. Budgeted set aside funds for the landfill of \$2.2 million and debt proceeds for the new career training center of \$3 million were included last year and are not projected for FY06-07.

**Utility Fund. Down \$5,065,431.**

In the current fiscal year, the utility fund shows debt proceeds of \$4 million and a STAG grant for \$1,000,000. These revenues are not repeated in the proposed budget for next fiscal year.