

6.6.19



MURFREESBORO SPENDING REPORT

BY TENNESSEE RISING

with research compiled by
Beacon Center of Tennessee

tnrising.org

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TAX REVENUE VS. SPENDING 2013-2019

Tax Revenue in 2013-2014: \$121,508,081

Expenditures in 2013-2014: \$117,920,375

36%

Revenue Increase
2013-2019

44%

Spending Increase
2013-2019

Tax Revenue in 2018-2019: \$164,952,853

Expenditures in 2018-2019: \$170,181,908

WHERE DOES THE MONEY GO?

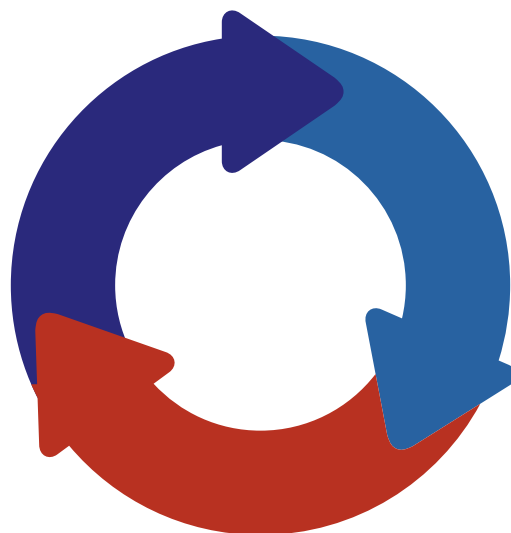
- Murfreesboro Communications Dept had expenses of \$698,948 for FY 2018. This includes "City TV" with streaming content in Spanish, Japanese and Laotian, 2020 Budget, page 103.
- Nearly \$766K a year to the Chamber of Commerce for projects like "Destination Rutherford," 2020 budget, page 70.
- \$4,656,110 in improvements to soccer fields in 2018 alone, page 16.
- \$428,453 for new paint and carpet at City Hall, 2017 report page 99.
- \$4,210,859 spent on Adams Tennis Center. Other funds came from MTSU and private donations. Total cost of project was \$6 million. \$631,273 for improvements to Tennis Center, included \$515,100 for its parking lot. 2016 report, page 15.
- \$951,713 increase over the FY 19 budget for Parks and Recreation, Golf, Strategic Partnerships, and Arts, 2020 budget, page 199.
- On Page 12 of the 2016 Report, **Murfreesboro touts that it has increased pay for city employees more than any other city in TN over the last 4 years.**
- \$11.5 million for a Rover bus facility, 2017 report, page 19.
- \$2,086,935 for renovations to Sports*Com, 2015 report, page 15.
- \$1 million over budget for new fire station. Post reported in Dec 2018.
- \$14.5 million in upgrades to Siegel Soccer Park. DNJ report, April 5, 2019.

And the list goes on...and on...

THE NEVER ENDING CYCLE

Government overspends on various projects, departments and personnel.

No changes are made in behavior or accountability.



Expenditures exceed tax revenues.

Government raises taxes to fill the hole.

**ENDING THE CYCLE
REQUIRES
TOUGH CHOICES**

THE CYCLE IN ACTION

2019 VS. 2020

PROPOSED BUDGET

	FY19 Projected	FY20 Proposed
Revenue		
Local Tax Revenue	65,569,800	68,955,775
State Shared Revenue	14,473,165	14,614,600
Property Tax	42,292,400	61,475,253
Other Revenue	45,231,785	46,394,384
Total Revenue	167,567,150	191,440,012
Expenses		
Salaries & Benefits	75,420,050	83,500,480
Non-Schools Debt Service	39,798,900	43,088,025
School Debt Service	5,713,726	6,417,173
Schools Operating	6,585,103	7,885,103
Other Expenses	44,539,850	47,938,336
Total Expenses	172,057,629	188,829,117
Effect on Fund Balance	(4,490,479)	2,610,895

**Property tax increase
boosts revenue by \$19 million.**



**Expenditures increase
by nearly \$17 million gobbling
up most of the tax increase.**



**If spending increases continue
at current rate, a new tax
increase will be needed in just
a few years.**

**ENDING THE CYCLE
REQUIRES
CHANGING BEHAVIOR**

SOLUTIONS

Fundamental Change in Philosophy

No government can be everything to every person. To that end, the goal of Murfreesboro's city government should not be to create an ever changing version of the perfect city. Residents simply need the flexibility to create **their own version** of that perfect city.

That means the city should focus only on the needs of core infrastructure and protection of residents. A safe and clean community, with a low cost of living is the perfect canvas for innovators, entrepreneurs and private investors to build anything they wish.

It is nice to have lots of parks and sports facilities, but unquestionably recreational facilities are not necessary for a city to function. It is immoral to take money from one person to fund the hobbies of another.

Murfreesboro's elected officials need to prioritize core services and cut speculative projects and luxuries.

Sell Assets and Stop New Projects

For sale immediately: unused land, soccer complexes, golf courses, community centers, etc.

Apart from the revenue generated from the sale, long term personnel costs would drop dramatically. A quick revenue boost would patch the short term hole, and the long term savings by cutting staff would sure up the future. 427 city employees (2020 budget) would no longer be needed to maintain a reduced Community Services Department.

Immediately stop the \$14 million Parks and Recreation has planned "for the purchase, development, renovations and construction of 11 new and existing parks throughout the City." **Any new projects like this should be put on hold immediately.**

Private Contracting

Financial services, IT services, HR services, non-emergency police work, etc. A wide variety of services can be put to bid with budget friendly costs linked to performance guarantees that are tied to specific metrics.

These are not theoretical ideas. Municipalities across the U.S. have been using outsourcing and contracting to reign in costs. Sometimes the plan is incorporated city wide, and sometimes it's just in specific departments.

Murfreesboro should begin a department by department analysis to look at outsourcing a variety of functions, in addition to consolidating overlapping services with a primary goal of cutting costs and reducing the number of city employees.

Help is Available

Leonard Gilroy, a Vice President at Reason Foundation, has offered to speak with the city's elected officials to discuss some of the cost saving solutions actually working across the US.

Leonard Gilroy leads Reason Foundation's government reform efforts. Prior to joining Reason, Gilroy was a senior planner at a Louisiana-based urban planning consulting firm. Gilroy has over 18 years of experience researching fiscal management, government operations, infrastructure public-private partnerships, government contracting, and urban policy topics.

He regularly consults with federal, state and local officials on ways to improve government performance and efficiency.

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MURFREESBORO SPENDING REPORT

OPINION OF MURFREESBORO VOTERS

83%

OPPOSE A
TAX INCREASE

**SAMPLE OF 325 MURFREESBORO RESIDENTS
WHO VOTED IN 2016 AND 2018 ELECTIONS**

**88% OF REPUBLICAN VOTERS OPPOSE
67% OF DEMOCRAT VOTERS OPPOSE
80% OF UNAFFILIATED VOTERS OPPOSE**

PHONE SURVEY COMPLETED MAY 6, 2019

THE BUCK STOPS HERE

A note from Chris Littleton, founder of Tennessee Rising:

The problems we face today didn't start yesterday. I realize some of you council members played absolutely no role in the budget shortfall now facing the city.

But your job as an elected official requires oversight and difficult choices when problems are found. Raising taxes is an easy way out of a bad situation, and does not require anyone to fix the actual problems that led to such a shortfall.

We don't need to look in the past and assign blame. Let's look to the future, and prevent the tax and spend cycle that will continue if our problems are never solved.

If you kick the can down the road without solving the fundamental problems and alter the decision making and lack of oversight that has led to this moment - you will be held accountable.

While Tennessee Rising typically focuses on state level public policy, as a resident of Murfreesboro, I will make it an organizational mission to highlight your votes on the tax increase, your ongoing lack of oversight and dismissal of our community's opinion.

Chris Littleton, Tennessee Rising

Tennessee Rising is a 501C4, non-partisan, non-profit organization. It is not associated with any special interest group, candidate or political party.