



BRENTWOOD  
TENNESSEE

# Board of Commissioners Racquet Facility Work Session

January 18, 2024



# Racquet Facility Work Session – January 18, 2024

## A G E N D A

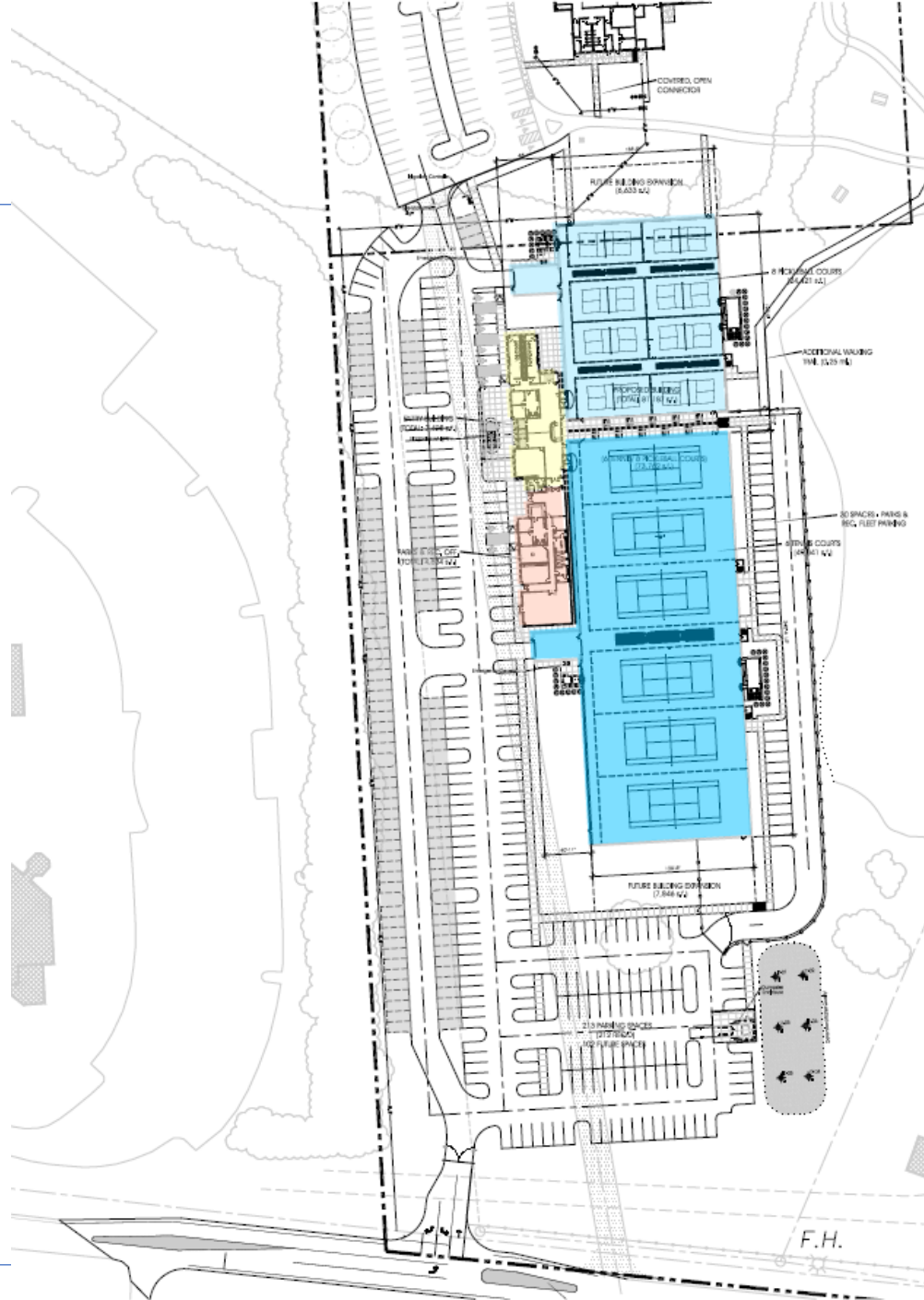
1. REVIEW OF UPDATED PROJECT FINANCIALS
2. DISCUSSION OF DECISION-MAKING PROCESS GOING FORWARD
3. FY 2024-2029 CAPITAL BUDGET STATUS UPDATE
4. FUNDING OPPORTUNITIES DISCUSSION



# Updated Project Details Since Report

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- 1. INCLUSION OF PARK OFFICE SPACE AND FLEET PARKING AREA**
  - 2. TRAFFIC REVIEW OF PARKING NEEDS AND CROCKETT ROAD ACCESS POINT**
    - a. Reduce parking count to 212**
    - b. Recommends addition of eastbound left turn lane on Crockett**
  - 3. UPDATE PRELIMINARY COST ESTIMATES BASED ON ABOVE CHANGES**
  - 4. ENTERPRISE FUND ACCOUNTING BASIS**
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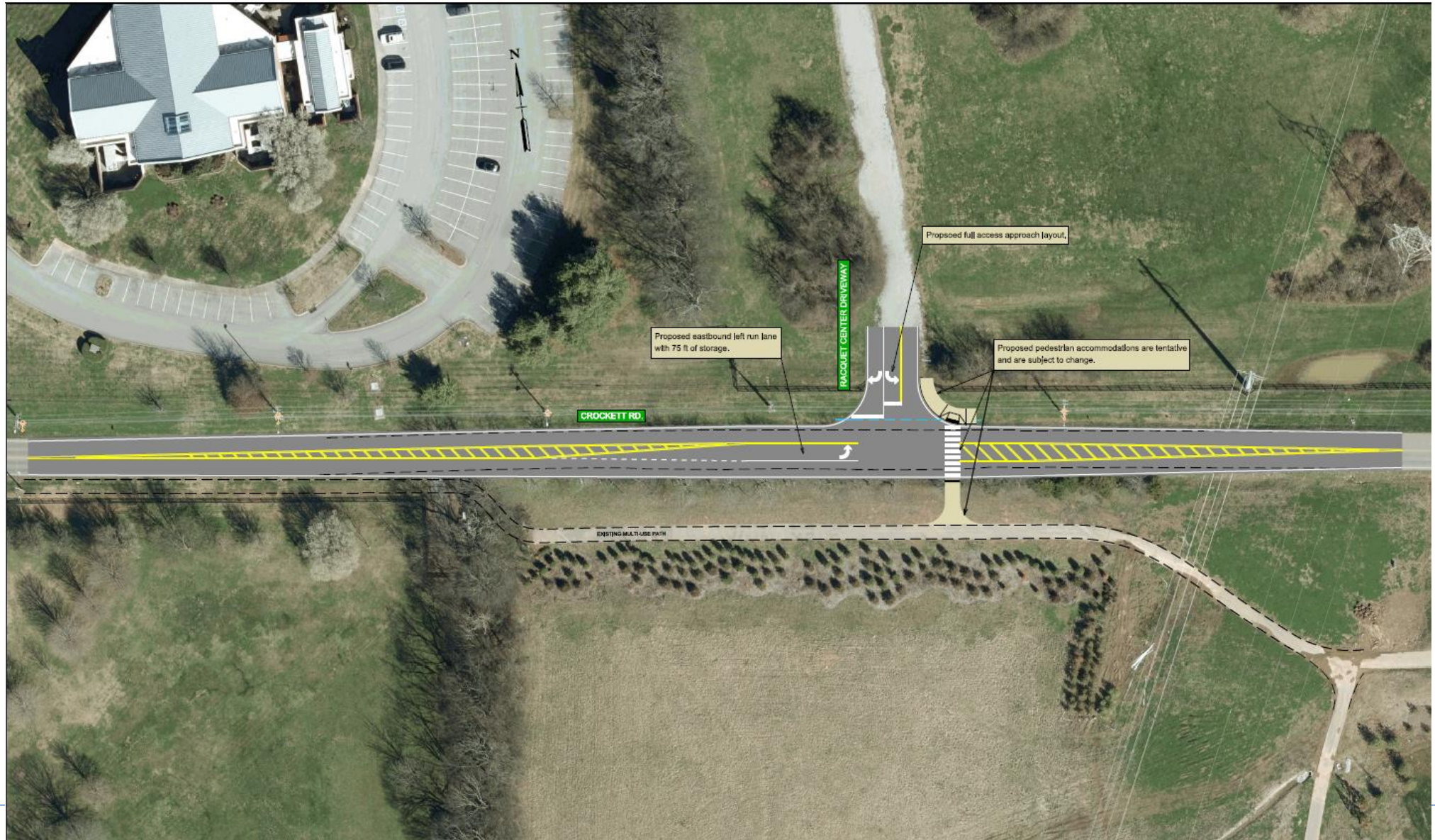






# BRENTWOOD Recommended Crockett Road Improvements

TENNESSEE





# Updated Total Project Cost



## OPINION OF OVERALL PROJECT COST

Date: Tu.16.Jan.24

| Item |  | RANGE OF PROJECT COSTS |                 |
|------|--|------------------------|-----------------|
| A    | PROJECT EXPENSES - BASE BID  | UNIT COST              | TOTAL COST      |
| 1    | Land Cost (Owner holds property) *   | 1 ls                   | \$0.00          |
| 2    | Site Due Dilligence Report **  | 1 ls                   | \$0.00          |
| 3    | Surveying Fee (Boundary, Topographic, & Utilities)                         | 1 ls                   | \$9,500.00      |
| 4    | Tree Survey  | 1 ls                   | \$800.00        |
| 5    | Geotechnical Engineering Fee (Project Specific)                            | 1 ls                   | \$8,500.00      |
| 6    | A/E Basic Services ***   | 1 ls                   | \$842,514.20    |
| 7    | Civil Engineering/Landscape Architecture ***                               | 1 ls                   | \$0.00          |
| 8    | Additional Services (Specialty Consultants) - N/A                          | 1 ls                   | \$0.00          |
| 9    | Estimated Development Fee  | 1 ls                   | \$0.00          |
| 10   | Estimated Permitting   | 1 ls                   | \$0.00          |
| 11   | Estimated Plan Review  | 1 ls                   | \$0.00          |
| 12   | Estimated Sewer Fee  | 1 ls                   | \$7,050.00      |
| 13   | Estimated WaterTap Fees  | 1 ls                   | \$15,000.00     |
| 14   | Estimated Impact Fees  | 1 ls                   | \$0.00          |
| 15   | CONSTRUCTION COSTS   |                        |                 |
| 16   | 1. Estimated Construction Cost (See Page 2)                                | 1 ls                   | \$12,674,457.50 |
| 17   | 2. Site Development - (In Item #1)   | 1 ls                   | \$0.00          |
| 18   | 3. Estimated Construction Cost - (In Item #1)                              |                        | \$0.00          |
| 19   | Contingency  | 1 ls                   | \$1,267,445.75  |
| 20   | CONSTRUCTION SUBTOTAL  |                        | \$13,941,903.25 |
| 21   | SUBTOTAL - DESIGN FEES & CONSTRUCTION                                      |                        | \$14,825,267.45 |
| 22   | Equipment (to be provided by Owner - Divider Screens in Building Estimate) | 1 ls                   | \$0.00          |
| 23   | Furnishings (to be provided by Owner) - Racquet Club                       | 1 ls                   | \$50,000.00     |
| 24   | Furnishings (to be provided by Owner) - Parks & Rec Offices                | 1 ls                   | \$50,000.00     |
| 25   | Estimated Reimbursables Expenses (Printing)                                | 1 ls                   | \$38,736.67     |
| 26   | SUBTOTAL - FF&E & REIMBURSABLES  |                        | \$138,736.67    |
|      | TOTAL PROJECT BUDGET W/CONTINGENCY   |                        | \$14,964,004.12 |





# Committee Financials vs. Enterprise Fund

Committee financials assumed a \$100,000 annual set aside for structure replacement



|   | Tennis          | Pickleball    | Total           |
|---|-----------------|---------------|-----------------|
| Revenue                                   | \$ 1,073,520.00 | \$ 712,041.60 | \$ 1,785,561.60 |
| Expenses                                  | \$ 625,876.40   | \$ 447,070.00 | \$ 1,072,946.40 |
| Net Revenue                               | \$ 447,643.60   | \$ 264,971.60 | \$ 712,615.20   |
| Margin %                                  | 42%             | 37%           | 40%             |
|   |                 |               |                 |
|   | Tennis          | Pickleball    | Total           |
| Future Structure Replacement              | \$ 50,000.00    | \$ 50,000.00  | \$ 100,000.00   |
| Net Revenue less Future Structure Replace | \$ 397,643.60   | \$ 214,971.60 | \$ 612,615.20   |

Staff recommends setting up as a separate Enterprise Fund like Water Services or ECD which requires accounting for depreciation:

Fabric (\$350K) - 25 yrs.  
Other (\$12.6M) - 40 yrs.

|                               | Tennis          | Pickleball    | Total           |
|-------------------------------|-----------------|---------------|-----------------|
| Revenue                       | \$ 1,073,520.00 | \$ 712,041.60 | \$ 1,785,561.60 |
| Expenses                      | \$ 625,876.40   | \$ 447,070.00 | \$ 1,072,946.40 |
| Net Revenue                   | \$ 447,643.60   | \$ 264,971.60 | \$ 712,615.20   |
| Margin %                      | 42%             | 37%           | 40%             |
|                               |                 |               |                 |
|                               | Tennis          | Pickleball    | Total           |
| Depreciation                  |                 |               | \$ 329,148.66   |
| Net Revenue less Depreciation | \$ 447,643.60   | \$ 264,971.60 | \$ 383,466.54   |



**BRENTWOOD**  
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City of Brentwood, Tennessee

General Obligation Public Improvement Bonds, Series 2024

Project Size of \$12 Million

## Current Refunding Escrow Summary Cost

| Date         | Principal              | Coupon   | Interest              | Total P+I              |
|--------------|------------------------|----------|-----------------------|------------------------|
| 06/30/2024   | -                      | -        | -                     | -                      |
| 06/30/2025   | 365,000.00             | 5.000%   | 488,354.17            | 853,354.17             |
| 06/30/2026   | 335,000.00             | 5.000%   | 514,500.00            | 849,500.00             |
| 06/30/2027   | 355,000.00             | 5.000%   | 497,750.00            | 852,750.00             |
| 06/30/2028   | 370,000.00             | 5.000%   | 480,000.00            | 850,000.00             |
| 06/30/2029   | 390,000.00             | 5.000%   | 461,500.00            | 851,500.00             |
| 06/30/2030   | 410,000.00             | 5.000%   | 442,000.00            | 852,000.00             |
| 06/30/2031   | 430,000.00             | 5.000%   | 421,500.00            | 851,500.00             |
| 06/30/2032   | 450,000.00             | 5.000%   | 400,000.00            | 850,000.00             |
| 06/30/2033   | 475,000.00             | 5.000%   | 377,500.00            | 852,500.00             |
| 06/30/2034   | 500,000.00             | 5.000%   | 353,750.00            | 853,750.00             |
| 06/30/2035   | 525,000.00             | 5.000%   | 328,750.00            | 853,750.00             |
| 06/30/2036   | 550,000.00             | 5.000%   | 302,500.00            | 852,500.00             |
| 06/30/2037   | 575,000.00             | 5.000%   | 275,000.00            | 850,000.00             |
| 06/30/2038   | 605,000.00             | 5.000%   | 246,250.00            | 851,250.00             |
| 06/30/2039   | 635,000.00             | 5.000%   | 216,000.00            | 851,000.00             |
| 06/30/2040   | 665,000.00             | 5.000%   | 184,250.00            | 849,250.00             |
| 06/30/2041   | 700,000.00             | 5.000%   | 151,000.00            | 851,000.00             |
| 06/30/2042   | 735,000.00             | 5.000%   | 116,000.00            | 851,000.00             |
| 06/30/2043   | 775,000.00             | 5.000%   | 79,250.00             | 854,250.00             |
| 06/30/2044   | 810,000.00             | 5.000%   | 40,500.00             | 850,500.00             |
| <b>Total</b> | <b>\$10,655,000.00</b> | <b>-</b> | <b>\$6,376,354.17</b> | <b>\$17,031,354.17</b> |





# Decision Making Going Forward

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## QUESTIONS TO CONSIDER:

1. WHAT ADDITIONAL PUBLIC INPUT PROCESS IS NEEDED?
  2. WHAT ARE FINANCIAL IMPLICATIONS RELATIVE TO OTHER CAPITAL NEEDS?
  3. IS PARTNERSHIP WITH COUNTY STILL AN OPTION TO CONSIDER?
  4. A COMMUNITY AMENITY OR A FINANCIAL INVESTMENT?
  5. IF AN AMENITY, THEN DECISION HISTORICALLY BASED ON:
    - a. The cost/benefit for the population to be served and community
    - b. Other capital projects needs, and
    - c. City's historically conservative financial practices
-



# Updated Total Project Cost

|                                   |               |
|-----------------------------------|---------------|
| Racquet Facility (Tension Fabric) | \$ 12,954,000 |
| Parks and Rec Offices             | 2,010,000     |
| Crockett Rd Access Improvements   | 1,000,000     |
|                                   | <hr/>         |
|                                   | \$ 15,964,000 |

## Current CIP Allocated Funding

|  |               |
|--|---------------|
| FY 2023 Year-End Excess Revenue Transfer - Racquet         | \$ 3,000,000  |
| FY 2024 Adequate Facilities Fund Allocation - Racquet      | 1,000,000     |
| FY 2024 Capital Projects Fund Balance Allocation - Racquet | 500,000       |
| FY 2025 Programmed Unassigned Fund Balance - Racquet       | 1,500,000     |
| FY 2025 Year-End Excess Revenue Transfer - Park Offices    | 400,000       |
| FY 2027 Bond Issue - Park Offices                          | 5,000,000     |
|  | <hr/>         |
|  | \$ 11,400,000 |



# Other Project Funding Increases

| PROJECT                        | CURRENT CIP<br>ALLOCATION | ADDITIONAL<br>NEEDED BASED<br>ON UPDATED<br>COST EST. |
|--------------------------------|---------------------------|---|
| Old Smyrna Road (West Segment) | \$ 6,160,000              | \$ 3,500,000  |
| Windy Hill Park                | \$ 3,250,000              | \$ 1,300,000  |
| Ragsdale Road                  | \$ 16,000,000             | \$ 2,500,000  |
|                                | \$ 25,410,000             | \$ 7,300,000  |

\* Additional funding needed over next 2-3 fiscal years based on project schedules



# Capital Projects Funding

## SOURCES OF FUNDS FOR CITY CAPITAL PROJECTS:

- General Fund Excess Revenues
- Debt
- General Fund Undesignated Fund Balance
- Intergovernmental Sources
- Private Sources
- Capital Projects Fund Balance (unassigned and/or other projects)
- American Rescue Plan Funds
- County Adequate Facilities Taxes
- Road Impact Fees *(N/A)*
- Utility Revenues *(N/A)*
- Special Revenue Funds (Equip. Repl., Facility Maint., SSA, etc.) *(N/A)*
- Enterprise Funds (ECD, City Hall) *(N/A)*





# Capital Projects Funding

## SOURCES OF FUNDS FOR CITY CAPITAL PROJECTS:

- **General Fund Excess Revenues**
- **Debt**
- **General Fund Undesignated Fund Balance**
- **Intergovernmental Sources**
- **Private Sources**
- **Capital Projects Fund Balance (unassigned and/or other projects)**
- **American Rescue Plan Funds**
- **County Adequate Facilities Taxes**



# Excess Gen. Fund Revenue Projections

## Summary - General Fund

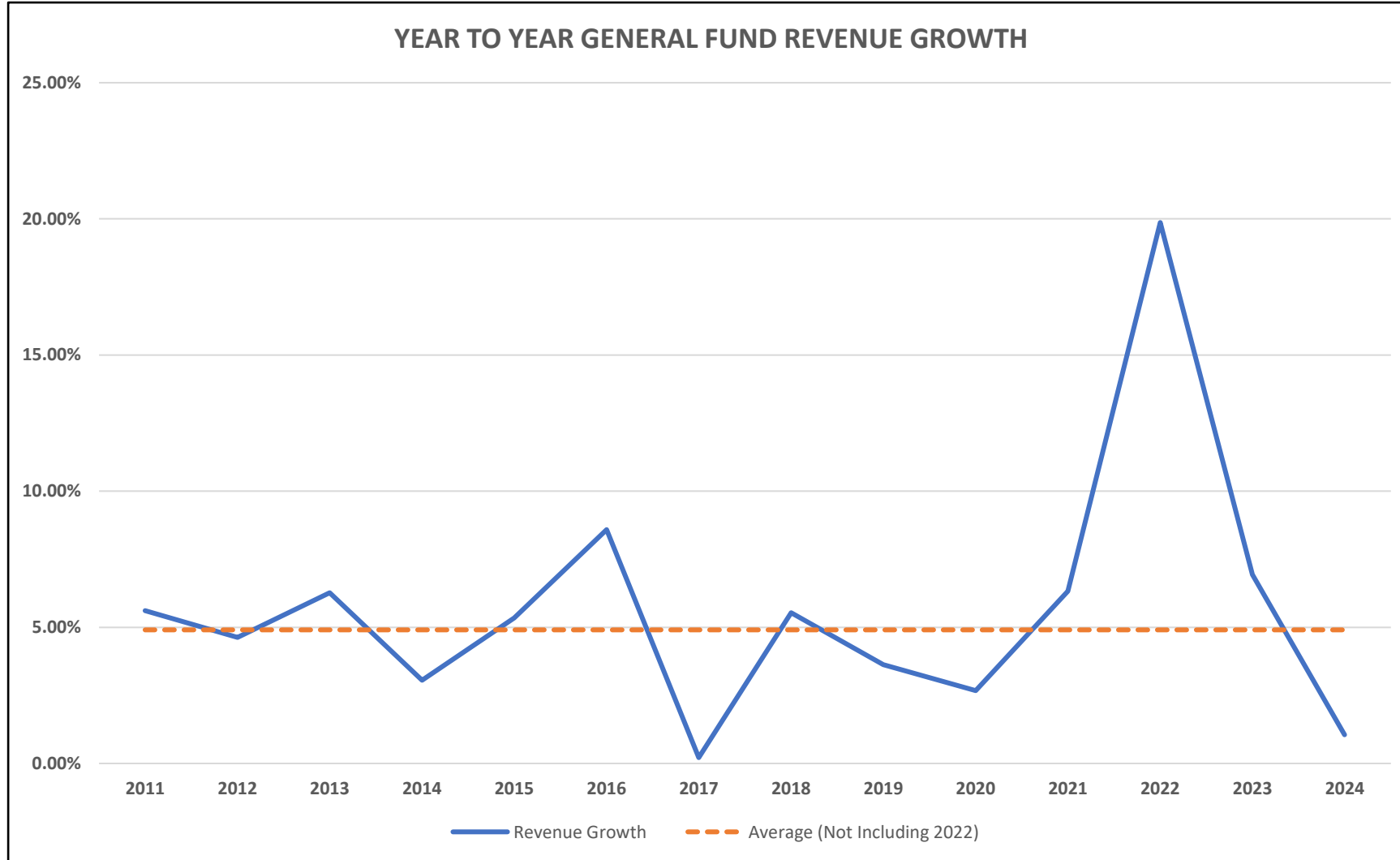
### 6-Year Financial Forecast - Excess Revenue Available

|   | 2024<br>Projected | 2025<br>Projected | 2026<br>Projected | 2027<br>Projected | 2028<br>Projected | 2029<br>Projected | TOTAL<br>Projected |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Total Projected Revenue                 | 69,768,019        | 72,793,016        | 76,146,520        | 79,774,298        | 83,741,080        | 88,012,715        | 470,235,649        |
| Less 5% Cushion Allowance               | (1,744,200)       | (3,639,651)       | (3,807,326)       | (3,988,715)       | (4,187,054)       | (4,400,636)       | (21,767,582)       |
| Projected Revenue<br>Available          | 68,023,818        | 69,153,366        | 72,339,194        | 75,785,583        | 79,554,026        | 83,612,079        | 448,468,067        |
| Projected Expenditures &<br>Transfers   | 51,831,900        | 54,952,452        | 58,168,999        | 61,718,966        | 65,388,825        | 69,429,171        | 361,490,313        |
| Excess Funding Available<br>for Capital | 16,191,918        | 14,200,913        | 14,170,196        | 14,066,617        | 14,165,202        | 14,182,908        | 86,977,754         |



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# General Fund Revenue Trends





# Excess Gen. Fund Revenue Uses

| Current Model                        | 2024         | 2025       | 2026         | 2027         | 2028         | 2029          | TOTAL         |
|--------------------------------------|--------------|------------|--------------|--------------|--------------|---------------|---------------|
|                                      | Projected    | Projected  | Projected    | Projected    | Projected    | Projected     | Projected     |
| Excess Funding Available for Capital | 16,191,918   | 14,200,913 | 14,170,196   | 14,066,617   | 14,165,202   | 14,182,908    | 86,977,754    |
| Programmed in CIP                    | 13,645,000   | 13,815,000 | 11,585,000   | 5,490,000    | 6,350,000    | -             | 50,885,000    |
| Net Available                        | \$ 2,546,918 | \$ 385,913 | \$ 2,585,196 | \$ 8,576,617 | \$ 7,815,202 | \$ 14,182,908 | \$ 36,092,754 |

| Projected Model<br>(2024 Projections) | 2024         | 2025           | 2026       | 2027         | 2028         | 2029          | TOTAL         |
|---------------------------------------|--------------|----------------|------------|--------------|--------------|---------------|---------------|
|                                       | Projected    | Projected      | Projected  | Projected    | Projected    | Projected     | Projected     |
| Excess Funding Available for Capital  | 16,829,498   | 12,009,890     | 11,858,560 | 11,624,493   | 11,581,524   | 11,445,250    | 75,349,215    |
| Programmed in CIP                     | 13,645,000   | 13,815,000     | 11,585,000 | 5,490,000    | 6,350,000    | -             | 50,885,000    |
| Net Available                         | \$ 3,184,498 | \$ (1,805,110) | \$ 273,560 | \$ 6,134,493 | \$ 5,231,524 | \$ 11,445,250 | \$ 24,464,215 |





# Excess Gen. Fund Revenue Uses

| <b>Parks</b>                                    | <b>FY 2025</b>       | <b>FY 2026</b>      | <b>FY 2027</b>       |
|---|----------------------|---------------------|----------------------|
| Crockett Park Trails, Playground, Amphitheatre  | 500,000              | 450,000             |                      |
| Deerwood  | 100,000              | -                   |                      |
| Smith Park - Phase 3 Master Planning            |                      |                     | 125,000              |
|   |                      |                     |                      |
| <b>General Facilities and Equipment</b>         |                      |                     |                      |
| City Hall Remodel                               | 1,500,000            | -                   |                      |
| Service Center Remodel                          | 1,500,000            | 2,000,000           |                      |
| Community Identity Features                     | 15,000               | 15,000              | 15,000               |
| Equipment - Misc Moved from Operating Budgets   | 15,000               | -                   |                      |
| ERF Funding Supplement                          | 500,000              | 750,000             | 500,000              |
| Fire Station 2                                  |                      |                     | 150,000              |
| Park Department Maintenance/Office Facility     | -                    | 400,000             |                      |
|   |                      |                     |                      |
| <b>Technology</b>                               |                      |                     |                      |
| Fiber Network                                   | 400,000              | -                   |                      |
| Warning Sirens                                  | 50,000               | -                   | 50,000               |
|   |                      |                     |                      |
| <b>Transportation</b>                           |                      |                     |                      |
| ADA Compliance Plan Projects                    | 240,000              | 300,000             | 300,000              |
| Traffic Signals/Equipment                       | 125,000              | 125,000             | 125,000              |
| Ragsdale Phase 2 to Split Log                   | 4,000,000            | 3,275,000           | -                    |
| Other Trails and Sidewalks (school connections) | 2,600,000            | 500,000             | 500,000              |
| Holly Tree/Murray Intersection                  | 250,000              | -                   |                      |
| McEwen  | -                    | 1,000,000           | 2,370,000            |
| Split Log Phase 3                               | 700,000              | 2,000,000           | 4,000,000            |
| Stormwater Rehab                                | -                    | -                   | 250,000              |
| Sunset Phase 3                                  | -                    | -                   | 200,000              |
| Old Smyrna Road                                 | 900,000              | 3,000,000           | 3,000,000            |
| Bridges   | 250,000              | -                   |                      |
|   | <b>\$ 13,645,000</b> | <b>\$13,815,000</b> | <b>\$ 11,585,000</b> |



# Unassigned Fund Balance Status

|                                     |                      | % of FY<br>2024<br>budget |
|-------------------------------------|----------------------|---------------------------|
| FY 2023 Audited Ending Fund Balance | \$ 55,534,806        | 107%                      |
| Required Minimum Fund Balance       | \$ (20,733,160)      | 40%                       |
|                                     | \$ 34,801,646        |                           |
|                                     |                      |                           |
| Currently Programmed in CIP         | \$ (7,500,000)       |                           |
| <b>Net Available</b>                | <b>\$ 27,301,646</b> |                           |



# ARP Available Funds

|                            |                         |  |                  |
|----------------------------|-------------------------|--|------------------|
| <b>Total Allocation</b>    | <b>\$ 12,694,292.04</b> |  |                  |
|                            |                         |  |                  |
| <b>Project</b>             | <b>Committed</b>        | <b>Expenditures Paid</b>   | <b>Remaining</b> |
| Sewer Equalization Tank    | 5,000,000.00            | 5,000,000.00   | -                |
| CIP Pipe Rehab             | 3,000,000.00            | 68,975.00  | 2,931,025.00     |
| CIP Stormwater Projects    | 2,450,000.00            | 0  | 2,450,000.00     |
| Drainage Basin Master Plan | 660,258.00              | 431,450.59   | 228,807.41       |
|                            | 11,110,258.00           | 5,500,425.59   | 5,609,832.41     |
|                            |                         |  |                  |
| Unallocated                | 1,584,034.04            | <div>Will likely need to allocate some ARP funds to upcoming projects (i.e. Windy Hill and/or Murray Lane) to meet spending schedule and then reallocate local programmed funds for those projects</div> |                  |
| Interest Earnings          | 432,437.40              |  |                  |
| <b>Unallocated in CIP</b>  | <b>2,016,471.44</b>     |  |                  |
| Remaining of committed exp | 5,609,832.41            |  |                  |
| Cash balance               | \$ 7,626,303.85         |  |                  |



# Summary

**Racquet facility and associated improvements - \$16.0 million**

- \$11.4M in CIP (inclusive of \$5M bond issue with earlier schedule)

**Other near-term CIP projects require additional - \$7.3 million**

- Windy Hill, Ragsdale, Old Smyrna

**Additional funding needed if all projects proceed - \$12 million**

- Over next 2-3 years

**Windy Hill and Ragsdale have design complete for bidding 2024**

**Racquet facility and Old Smyrna are preliminary estimates only**

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# Summary

**With clear direction from Commission on project priorities, staff will prepare 2025 CIP to cover project funding gaps using a combination of:**

- **General Fund Excess Revenues**
- **Debt (assumes \$5 million toward Park office/Racquet project)**
- **American Rescue Plan Funds**
- **Capital Projects Fund Balance (unassigned and/or other projects)**
- **General Fund Undesignated Fund Balance**



# Decision Making Going Forward

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## QUESTIONS TO CONSIDER:

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