

Guide to the City of Red Bank FY26 Budget

8 May 2025

‘Good to know’ tips before you dive into the 32-page budget spreadsheet:

- The **date on the top, right** of the front page of the budget document is **Version Control**: the budget is an evolving document, so it's important to know which version you are viewing. Here in Red Bank, we have adopted the practice of dating the budget spreadsheet on the top, right of the first page; the date on the version I am using at this moment is **5/8/25**
- The FY26 Budget is comprised of seven separate budgets, or ‘funds’ as they are labeled in the document: **General Fund, State Street Aid, Solid Waste, Stormwater, Drug Fund, Impound Fund**, and lastly a look at the **ARPA**. Please keep reading for a breakdown of each fund... but first, a word on staffing...
- **Staffing Level**: one of the things the budget does is set our staffing levels. At the top of the first page for each department or fund is a box that shows the staffing level supported by that fund. A good example of this is the Judicial Department found on page 3. In the box at the top of page 5 it indicates 2.00. The Judicial Department pays for two full-time staff: the Court Clerk and Deputy Court Clerk. It also pays for Judge Houston, but he is a part-time employee (one day/week) and is funded in the part-time line, along with our part-time Court Assistant. **The ‘Staffing level’ shown at the top only lists full-time, benefitted employees of the city**; no part-time employees are included in that staffing level number; rather, they are factored into the part-time budget line for each department. If you go through the budget and add up all the ‘Staffing Level’ numbers you get to a total of **84 full-time, benefitted employees of the City of Red Bank** across all departments and funds. OK, lets go back to page 1...
- **General Fund: Operating Budget Summary**: page 1 provides a quick summary of the revenues, expenditures, beginning and ending fund balance for our largest fund, the General Fund, and in four ways: FY24 Actual (audited), FY25 Forecast, FY25 Budget, and FY26 Request... this four-way look at the budget is consistent throughout the document. Page 2 is a detailed look at all the various sources of General Fund Revenue, with each source listed

separately. The largest source is **Property Tax** at \$5,250,000. The second largest is **Local Sales Tax** at \$1,810,000 (the top local sales tax contributor is our Food City... so **shopping local is important**), and the third largest collectively is **State Taxes (local share)** at \$1,536,279. These categories of State Taxes are shared with cities on a per capita basis... so as the population of Red Bank grows, our allocation of State Tax grows as well (that is why an **accurate Census** is so important!)

So, let's get to those details... for each fund, the departments associated with each fund, and the staffing levels...

General Fund – detailed breakout: pages 3 – 24 of the budget document comprise the departments, divisions, and specific municipal services funded by the 'General Fund'. The General Fund is what your Property Taxes support. The General Fund supports all or part of the following Departments: Judicial (Court), Legislative (the Commission itself), Administration & Finance (City Hall) which also includes all Insurance, Community Development, Fire, Police, and part of Public Works

- Page 3 is **Judicial**, a part of the larger General Fund, with Staffing Level of 2.00
- Page 4 is **Legislative**, also part of the larger General Fund, and funds the City Commission itself. Commissioners are not employees of the City; therefore, no staffing is indicated
- Page 5 is **Finance and Administration**... you might think of it as 'City Hall'. It's all the internal support staff and functions... HR, IT, city manager, city recorder, payroll, finance, risk management, etc. The staffing level is 6.00
- Page 6 is all forms of **Insurance** ... employee insurance benefits (health, vision, dental, life), liability, property, cyber, workers comp. The Insurance budget does not fund staff
- Page 7-9 is **Community Development**, with a staffing level of 3.75. Why do we show a fraction? Good Question! The Department Director is 50% funded out of the Stormwater Fund, and the Office Manager only allocates 25% of her time to this department... so the Community Development Department is only paying a portion of their respective personnel costs... $\frac{1}{2}$ of one, and $\frac{1}{4}$ of another. The three fully-funded employees of this department are: Building Official; Community Planner, and Office Manager... a staffing level of 3.75 personnel in total
- Page 10 is **Police**, with a Staffing Level of 28; 26 of which are sworn officers, and two are civilian support staff

- Page 11 is the **Fire Department**, with a staffing level of 15 full-time professional firefighters. There is also a pool of approximately 27 part-time firefighters funded in the ‘Other Wages’ line to fill identified vacancies in the staffing matrix, plus six volunteer firefighters. The RBFD is called a hybrid department due to this unique mix of full-time, part-time and volunteer... 48 State Certified Firefighters in total
- Pages 12-24 are the General Fund portions of **Public Works**. The Public Works Department Summary on page 12 indicates staffing of 15.25. The Streets Division budget reflects 8.00 in Streets plus 1.0 for the Department Director plus 50% of the Public Works Supervisor (the other 50% is in Stormwater) and 50% of the Engineering Tech (the other 50% is in Stormwater), and lastly ¼ of the Office Manager for a Streets total of 10.25. The rest of Public Works General Fund staffing is: Fleet with 2.00 staff; Facilities Management with 1.00 staff; and Parks with 2.00 staff. This is a total of 15.25 Public Works staff funded by the General Fund
- This ends the General Fund portion of the budget document (pages 1-24)

State Street Aid: Page 25. These funds are essentially **gas taxes** collected by the State and earned by cities on a **per capita basis**. They are generally restricted for use on roads, sidewalks, etc. but up to 22.22% of our annual allocation can be used for mass transit as well. The **Public Works** Department is responsible for executing all work funded under State Street Aid. No staff are included in this fund

Solid Waste: Page 26-28. This fund is largely funded by **sanitation fees (not property taxes)** for the purpose of running all aspects of our trash and recycling operations. Staffing level is 9.25, including eight Solid Waste Drivers; one Recycling Attendant; and 25% of the Public Works Office Manager. The **Public Works** Department is responsible for all work funded under Solid Waste

Stormwater: Page 29. The Stormwater Fund takes care of over 4,000 structures that collectively comprise our “Wet Weather Conveyances” ... a.k.a. our stormwater system spread throughout the city. The Stormwater Fund is a ‘proprietary fund’ which means several things; first, it’s not a part of the General Fund and is not funded by property taxes. Second it is funded by its own revenues (**stormwater fees**) and is expected to be self-sustaining... much like a business. The City of Red Bank operates our stormwater system as a permitted utility, with its own revenues and expenses separate from all other funds. The staffing level is 4.75. Two Stormwater Specialists; One Light Equipment Operator; 50% of the Community

Development Director; 50% of the Public Works Supervisor; 50% of the Engineering Tech; and 25% of the Public Works Office Manager. The **Public Works** Department is responsible for all work funded under Stormwater

Drug Enforcement Fund: Page 30. The Drug Enforcement Fund includes revenues from two primary sources. The first are funds related to the State such as court fines related to drug cases, seized drug money, and the sale of seized assets related to drug crimes. The second are funds related to Federal funds that are shared with us from the seizure of money, vehicles, homes and other assets related to drug crimes. Each of these funds has its own requirements regarding how the funds can be spent. Generally, the drug fund must be used for law enforcement purposes to include drug activities such as covering costs for a drug canine. The **Police Department** is responsible for all work funded under the Drug Fund. No staff positions are included in this fund

Impound Fund: Page 31. This fund includes revenues related to vehicle seizures for someone driving on a revoked driver's license that was related to a DUI (Driving Under the Influence). The funds can be used to recover costs/expenses associated with these seizures such as overtime paid to officers attending seizure hearings, towing and storage of vehicles, and help with costs of maintaining a storage facility. The **Police Department** is responsible for all work funded under the Drug Fund. No staff positions are included in this fund

American Rescue Plan Act (ARPA): Page 32. These are federal funds allocated to Red Bank during the pandemic and will expire 31 December 2026. These funds cross several fiscal years, and the use of these funds is determined by Resolution No. 22-1477. No staff are funded by ARPA.

This completes our overview of Red Bank's budget documents covering all funds, departments, divisions, municipal services, and staffing levels... thank you for taking the time to be informed!

Respectfully,

Martin Granum
City Manager, Red Bank Tennessee