

CITY OF GERMANTOWN

FISCAL YEAR 2016

BUDGET

July 1, 2015 – June 30, 2016



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Germantown
Tennessee**

For the Fiscal Year Beginning

July 1, 2014

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Germantown, Tennessee for its annual budget for the fiscal year beginning July 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements. and we are submitting it to GFOA to determine its eligibility for another award.

READER'S GUIDE

The budget document is organized in 11 sections.

Introduction. Separate letters from the Mayor and the City Administrator, transmitting the FY16 Budget document. General information about the City. The Board of Mayor and Aldermen's Policy Agenda, listing major objectives. City Financial Policies, a guide in preparation and management of the Budget.

Budget Summaries. An overview of the FY16 Budget. Total expenditure overview and summaries by major category and by cost center in six major operating funds: General, Utility, Germantown Athletic Club, Great Hall, Sanitation and Stormwater. Graphs/charts of revenues and expenditures, CIP projects, Infrastructure Replacement Program (IRP) lists, personnel staffing, special revenue funds, internal service funds and fiduciary funds.

General Government. Operating budget for several departments including Administration, Finance, Procurement and General Services, Fleet Services, Economic Development. Specific cost centers and program description including overview, mission and FY16 objectives, performance measurements, budget category summary, personnel projections and category explanations. (Basic department and cost center information also found in other sections).

Public Safety. Information about operation budgets for the Police Department, Automated Enforcement, Drug Asset Forfeiture, Federal Asset Forfeiture, Fire Department and Ambulance.

Transportation and Environment. Operating Budget for all transportation and environment cost centers, including Public Services, State Street Aid, and Animal Control.

Sanitation. Information for the operating budget for the Sanitation Fund, an enterprise fund, which incorporates the cost for both the collection and disposal of solid waste.

Stormwater Management. Information for the operating budget for the Stormwater Management Fund, an enterprise fund.

Community Services. Information about the operating budgets for Parks and Recreation, Library Services, Pickering Center, Cultural Arts and Germantown Municipal School Districts (GMSD). In addition, budgets are included for Germantown Athletic Club and the Great Hall & Conference Center, both enterprise funds.

Utilities. Information about operating budgets for all utility cost centers, including Water Operations, Sewer Operations, Sewage Treatment and Utility Debt Service.

Capital Improvements Program Summary. General overview of the CIP, divided in nine categories: General Government, Major Roads, Intersections/Other/Drainage, Parks, Germantown Athletic Club, Utilities, Great Hall & Conference Center, and Recreation. (Complete listing of 2016 projects and five-year CIP projection in Budget Summary section).

Revenues and Other Information. Specific information regarding revenue sources for General Fund and five enterprise funds. Significant accounting principles and policies followed by the City in the administration and development of the budget. Glossary of governmental budgeting and accounting terms.

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CITY OF GERMANTOWN TENNESSEE

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Phone (901) 757-7200 Fax (901) 757-7292 www.germantown-tn.gov

May 2015

Board of Mayor and Aldermen
Financial Advisory Commission
City of Germantown, Tennessee

Presented for your consideration is the FY16 annual operating and capital budget for the City of Germantown. It is a fiscally sound and balanced document representing countless hours of development and review by City staff and citizen volunteers. The annual budget and five year financial plan is built around our financial policies and addresses the operational and capital challenges that face our community. As a policy document, the budget serves as the financial plan for our City and will help guide the actions of the Board of Mayor and Aldermen over the next 12 months.

Our role as elected officials and that of City staff is to utilize the resources that the taxpayers of Germantown have entrusted to us. It is also our role to improve our City product and service delivery to our citizens while at the same time reducing costs. The FY16 budget accomplishes these two directives and continues to ensure a financially sustainable future for the next generation of Germantown residents.

The FY16 budget encompasses funding for a wide range of services including safety, security and infrastructure improvements, accomplished through fiscal soundness while sustaining the character of the community. In every department, division and line item, the FY16 budget reflects the Board's thoughtful and diligent decisions about services and infrastructure investment, the Financial Advisory Commission's thoughtful examination of revenue and expense projections and the professional staff's daily stewardship of citizen tax dollars. Because of the soundness of and adherence to conservative fiscal policies, the City continues to merit the triple-A bond ratings of both Moody's and Standard and Poor's.

Over the next several months we will continue our efforts to build a sustainable Germantown through the hard work of our Germantown Forward 2030 steering committee and professional, dedicated City staff. There are challenges and opportunities that lie ahead. We can address challenges by cultivating a collaborative culture, where we all share the responsibility for problem solving. Then, together, we can capitalize on opportunities for our community to achieve the desired state. A community built upon economic, environmental and social sustainability.

A handwritten signature in black ink, appearing to read "Mike Palazzolo". The signature is fluid and cursive.

Mike Palazzolo, Mayor



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May 2015

Board of Mayor and Aldermen
Financial Advisory Commission
City of Germantown, Tennessee

This letter transmits the Budget for the fiscal year beginning July 1, 2015. In setting the City's annual financial and spending plan, the adoption of the Budget is the most significant action taken by the Board of Mayor and Aldermen each year. It authorizes the allocation of resources and establishes the direction for programs and services for our AAA rated city for the coming year and the five-year planning period.

THE FISCAL YEAR 2015 BUDGET

With the recent recession mostly behind us, the Board of Mayor and Aldermen, City administration and City staff consider the lessons learned during this period of financial difficulty a silver lining. These lessons have led to a focus on performance improvement and resulted in fundamental shifts to resource management and cost control. The bottom line is that Germantown remains in excellent financial health as evident by our AAA bond rating and strong financial reserves and is experiencing significant investment as a result of the improving economy.

The FY16 budget is balanced and totals \$127.5 million for all funds with the City's general fund totaling \$47.9 million. This balanced budget is the result of ongoing departmental cost control, city-wide performance improvement and efficiency measures and the fiscal year 2014 property tax adjustment approved. Against this backdrop Administration has proposed a budget for FY16 that, in most instances, calls for an increase in general fund spending. The opportunity exists to fund some of the top priorities identified by the Board of Mayor and Aldermen during the strategic planning process and to reexamine previous spending cuts made during the recession in the areas of personnel, deferred maintenance and infrastructure replacement and capital improvements.

PUBLIC POLICY

Adoption of the budget remains by far one of the most significant actions taken by the BMA each year. It authorizes the allocation of resources and establishes direction for programs and services for the coming year and during the five-year planning period.

The annual budget represents the culmination of hours of analysis and hundreds of recommendations on how best to respond to needs of the community in accordance with resources available, established policies and sound administrative practices. The annual budget builds upon prior budgets, staff objectives and departmental business plans, citizen feedback and the Germantown Vision 2020 Plan.

Administration employs certain funding priorities in developing the annual budget. Administration is strongly committed to the following:

- An operationally balanced budget, which supplies the necessary materials and tools to address the goals and objectives identified in Vision 2020
- A fiscally balanced budget with no use of one-time revenues to fund ongoing city operations
- A programmatically balanced budget which achieves equality between operations and support activities
- Full cost accounting and fee collection where possible
- A commitment to funding capital projects based upon the City's established financial policies.

When structuring the budget document, Administration's goal is to produce a document that provides sufficient policy and financial information to give an accurate description of the city's financial health and stability.

The Germantown Board of Mayor and Aldermen, Administration and staff are committed to Germantown's economic, environmental and social sustainability. The strategic vision and planning process focus on influencing the future rather than simply adapting to it by aligning organizational resources to bridge the gap between present conditions and the envisioned

future. As a result, Vision 2020 is currently being reviewed and updated by a 30-member steering committee. Early in fiscal year 2016, the committee will engage additional residents to participate in task forces. The culmination of this work will be a new strategic plan for Germantown, taking the City to 2030 and beyond.

With a focus on the priorities set forth in the annually updated Vision 2020 Plan, Administration routinely presents a balanced budget for the year under consideration in addition to a five-year financial plan based upon carefully researched data, planning scenarios and financial assumptions. Current and long-term financial obligations of the community are addressed through the following measures.

FISCAL ACCOUNTABILITY

Fiscal accountability is achieved through development and adoption of the annual budget and long-range financial plan. This action authorizes the allocation of resources and establishes direction for programs and services for the coming year and for the five-year planning period. The budget process and development begins with the annual Board of Mayor and Aldermen retreat when strategic objectives and policy decisions are identified for budget deliberations.

The actual development of the budget relies on the expertise and professionalism of a highly trained staff in cooperation with the 22-member Financial Advisory Commission (FAC), a volunteer commission appointed by the BMA. These appointed resident volunteers, who have extensive experience in the financial sector, generously donate their time to work with City staff on every aspect of the budget and financial policies prior to their recommendation to the BMA for adoption and passage. Believing that a budget is more than simply a series of numbers, graphs and statistics, the City works hard to ensure that the document is easy to understand and that residents have a clear picture of how tax dollars are used. Prior to budget adoption, a budget in brief brochure is created and distributed to residents. The document includes an invitation to the public hearing on the budget and highlights key revenues, expenditures and capital projects. Once adopted, the budget is made available on the City's website.

Throughout the fiscal year, the Budget and Performance staff prepares and disseminates monthly financial reports to the city administrator, the BMA and every city department. The report provides information on key revenue and expenditures and highlights any variance requiring examination.

Fiscal accountability is also achieved by rating agencies during the bi-annual surveillance and each time the City enters the bond market to issue debt. Germantown is one of only 100 cities with a Triple A bond rating from both Moody's and Standard & Poor's. Both agencies conduct an extensive review of the City's finances and provide full disclosure to the bond buyer as to the fiscal health and stability of the City. These agencies last visited the City prior to a bond sale in September 2013.

The City conducts an annual audit at the conclusion of each fiscal year. Records for every fund are audited by an independent accounting firm that tests and reviews supporting evidences and financial statements. The City's audit has resulted in an unmodified opinion for more than 20 years on the overall fiscal health of the City. The audit report is reviewed by the City Audit Commission prior to submission to the Board of Mayor and Aldermen. The Audit Commission is staffed by the City's mayor, city administrator, alderman liaison, finance director and Financial Advisory Commission chairman.

The City has received the GFOA award for excellence in financial reporting each year since its first award in 1982. The purpose of the award is to encourage local governments to go beyond the minimum requirements of generally accepted accounting principles and to prepare comprehensive financial reports that provide true transparency and full disclosure.

The City also prepares and distributes to all residents a popular annual financial report (PAFR). The PAFR, prepared using information from the City's audit and annual financial report, is presented in a format designed to be easily understood by the general public. The City has also received the GFOA award for excellence for the PAFR for the past seven years. A copy of the PAFR is available online at Germantown-tn.gov.

STRATEGIC PLANNING

Adopted in 2005, Vision 2020 is a citizen-driven long-range planning document based on annual goals, objectives and performance metrics designed to measure progress toward stated goals and key indicators. The plan encourages leaders look to the future and a sustainable Germantown based on the triple bottom line. Since the adoption of Vision 2020 in 2005, the BMA has participated in an annual retreat each January to test the vision and ensure that board members and City staff stay focused on the vision, mission and core values of the organization. Results from the retreat are used to create strategic objectives, departmental business plans, the annual Budget, five-year financial plan and five-year CIP. A second retreat, which takes place

each July, promotes organizational agility by providing an opportunity to review progress toward identified objectives and adjust plans as needed.

In January, a steering committee consisting of 30 diverse individuals from across the City was formed and tasked with forming the new Vision for the City – Germantown Forward 2030. The work of the committee is taking place in four segments:

1. **Setting the stage – January**
During this time, members of the Board of Mayor and Aldermen identified a group of candidates, focusing on diversity in terms of interests, age, race, gender and area of residence. Administration staff worked to design the process and the board set the stage to empower the committee to make decisions and take ownership of the community-owned plan that they will develop.
2. **Situational Analysis – February to April**
Committee members participate in an intense environmental scan of Germantown's current situation including quantitative and qualitative analysis of the City's key indicators, workforce planning, risk assessment, SWOT analysis, key communities, competitive position, customer requirements, industry trends and community survey results. Designed to promote an understanding of the City's broad range of services, the situational analysis phase is crucial to building a knowledge base from which the 2030 plan can emerge.
3. **Strategic Visioning – May to July**
This phase of the visioning process begins the actual identification of the Vision statement. Outputs from the situational awareness phase are used to establish and confirm the vision, mission and values of the organization. Once the Vision is established and has been tested with the community at large, strategic challenges and advantages and key performance areas are established.
4. **Strategy Development – July to September**
Working from the identified Vision statement and related key performance areas, task forces are staffed with additional volunteers. These groups work to establish strategic objectives and related long- and short-term goals for each.
5. **Implementation – October to December**
Once objectives and goals are finalized, action plans are developed. These include physical, human, intellectual and financial resource commitments and time horizons for accomplishment. These details facilitate organization-wide understanding and deployment. A City-wide kick-off celebration takes place upon completion of the plan documents.

REVENUE PROJECTIONS

Concurrent with the adoption of the budget, the Board of Mayor and Aldermen adopts a property tax rate. The budget for FY16 has a property tax rate of \$1.93. Property taxes generated in Germantown comprise about 60% of overall General Fund operating revenues.

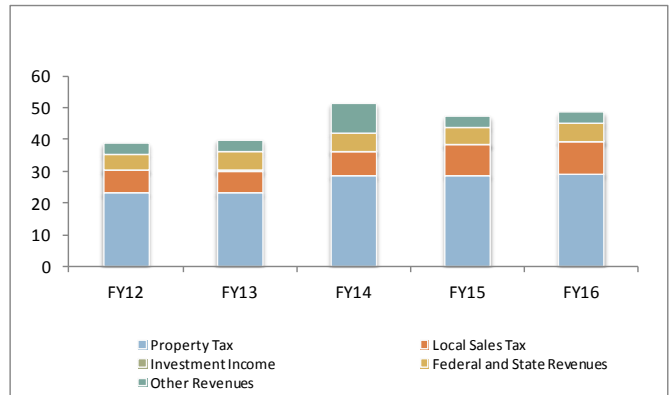
Germantown currently has six large-scale commercial projects that will open in the first quarter of fiscal year 2016, representing over \$60 million in private investment and netting an additional 113,000 square feet in retail shops and restaurants. In addition 180 new single family homes, valued at over \$25 million, are being developed and will be assessed by fiscal year 2017.

GENERAL FUND

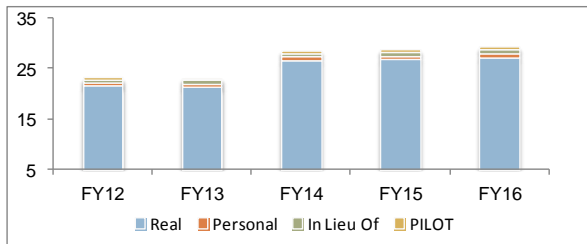
REVENUES:

The General Fund revenues include property tax, local sales tax, investment income and other revenues. **The property tax consistently remains one of the most stable sources of revenue in our community.** Other revenue sources are subject to some degree of fluctuation in economic cycles, with the inclusion of a half cent sales tax increase, FY16 general fund revenues increased by 2.7% over FY15 estimate. The property tax rate of \$1.93 per \$100 assessed value, compared to \$1.485 in FY13, accounts for the increase in property taxes shown in the graph.

\$ MILLIONS



\$ MILLIONS



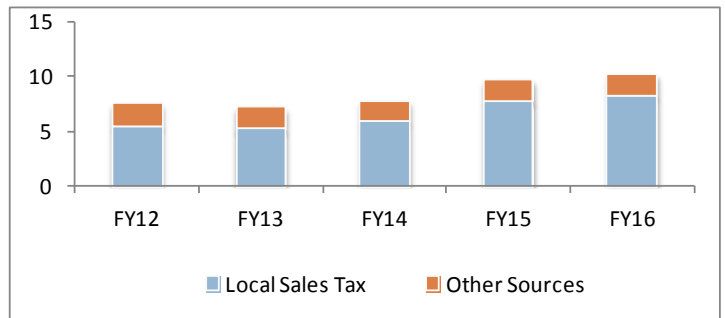
PROPERTY TAXES

The property tax rate for the City of Germantown is \$1.93 per \$100 of assessed valuation. In the FY16 budget, real, personal, in-lieu-of-property taxes and PILOT are projected to generate approximately \$29.0 million, 60% of the total revenue budget for the City.

LOCAL SALES TAXES

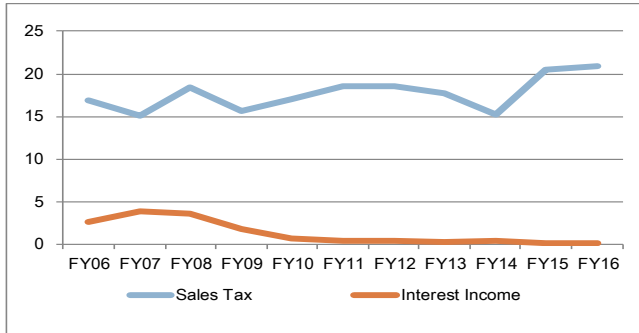
Local sales tax collections contribute 21% of the total revenue for the operations of the City. This category includes the local sales tax, the wholesale beer tax, the wholesale liquor tax, gross receipts business taxes and hotel/motel occupancy tax. FY15's sales tax includes a 0.005 increase that was approved by referendum in FY12. The FY16 Budget anticipates \$10.2 million in local sales tax revenue.

\$ MILLIONS



**SALES TAX REVENUE AND INTEREST INCOME
 AS % OF GENERAL FUND REVENUES**

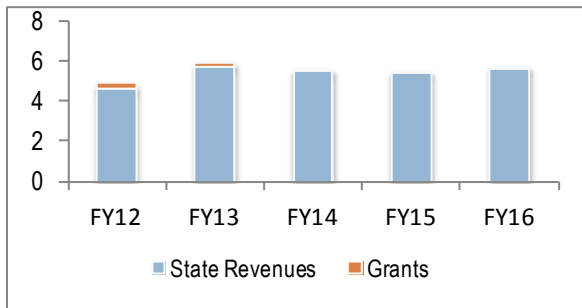
PERCENT



INTEREST INCOME

Interest on the City's investments contributes less than 1% of total revenues for the City of Germantown. The FY16 Budget projects income from investments at \$51,700. Both the State of Tennessee and the City of Germantown have regulations regarding authorized investments. The level of interest income fluctuates depending on interest rates and amount of funds held in reserve.

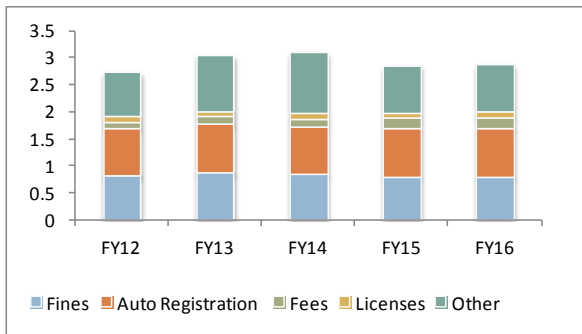
\$ MILLIONS



STATE REVENUES AND GRANTS

State shared revenues and state and federal grants make up 12% of the total fund sources for the City. This area includes state allocations for income tax, sales tax, beer tax, liquor tax, and City street and transportation tax allocation. In Germantown, state shared revenues are projected to be \$5.8 million in FY16. With the exception of the income and excise tax, state revenues are allocated on a per capita basis with Germantown's population at 40,123 with a Special Census in 2012. This source of revenue fluctuates depending on the statewide economy and certified population counts.

\$ MILLIONS



OTHER LOCAL REVENUE SOURCES

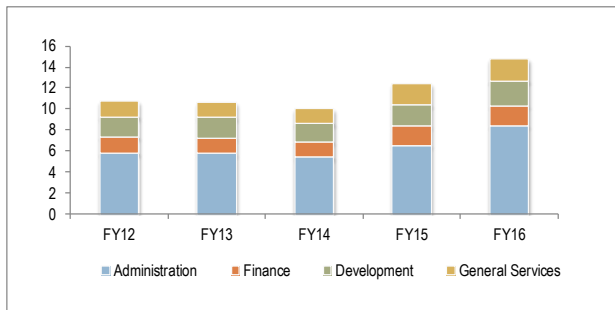
Other local revenue sources generate approximately 7% of the overall revenue for the City. This category includes automobile registration fees, local cable franchise fees, city court fees and an assortment of other smaller fees collected by municipalities. Licenses and fees are a fairly stable source of revenue for the City. Revenues are budgeted at \$3.5 million from fees.

More detailed information about each revenue category is provided under the “Revenues and Other Information” tab in the latter part of the document.

EXPENDITURES

The City’s fiscal year spending plan emphasizes a long-term goal of maintaining financial stability. All expenditures reflect the spending priorities established by the Board of Mayor and Aldermen and strict adherence to the financial policies that provide a framework for allocating resources. (The Board’s Policy Agenda for fiscal year 2016 and an overview of the Financial Policies as adopted by the Board of Mayor and Aldermen are provided following this section.)

\$ MILLIONS



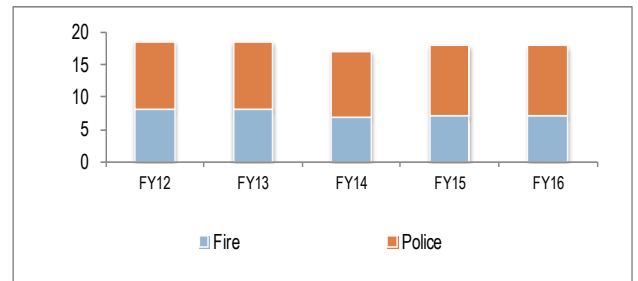
GENERAL GOVERNMENT EXPENDITURES

General government includes the Departments of Aldermen, Administration, Economic & Community Development, Human Resources, Information Technology, Germantown Performing Arts Center, General Services, Budget and Performance, City Court, Procurement, and Finance. FY16 expenditures for these functions increased by \$2.3 million or 18.5% from the FY15 estimate. The reason for this increase was the creation of a Civic Support cost center under the Administration category that centralized all expense associated with grants and school related items.

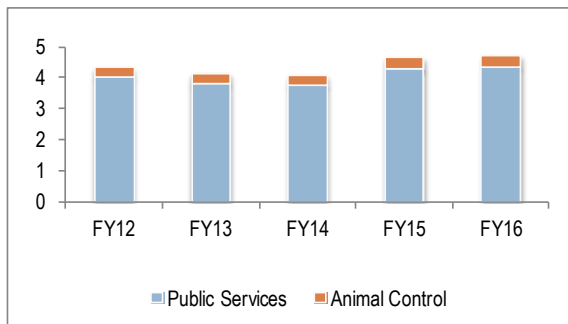
PUBLIC SAFETY EXPENDITURES

Total expenditures for Police and Fire Departments decreased by \$106,000 or 0.6% from the FY15 estimate. FY16 shows a decrease over FY15 estimate due to the removal of personnel cost associated with school resource officers to the Civic Support cost center under the General Government category.

\$ MILLIONS



\$ MILLIONS



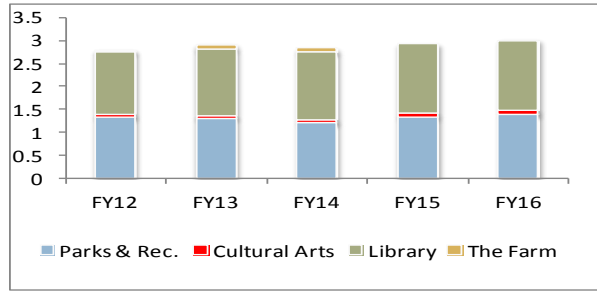
TRANSPORTATION AND ENVIRONMENT EXPENDITURES

The category includes the Department of Public Services and Animal Control. Total FY16 expenditures for this category increased by \$64,000 or 1.4% from the FY15 estimate. FY16 expenses are more than FY15 estimate due to infrastructure replacements for equipment and vehicles.

COMMUNITY SERVICES EXPENDITURES

The category includes the Parks and Recreation Department, Library Services, and Cultural Arts. The FY16 expenditures increased by \$48,500 or 1.7% over the FY15 estimate. This increase is due to three new positions being created in the Parks Department. In addition, the Farm Park was moved to a special revenue fund in FY15.

\$ MILLIONS



SUMMARY OF FY16 APPROVED EXPENDITURE HIGHLIGHTS

TOTAL BUDGET - GENERAL FUND

(in thousands)

	Original Budget FY15	Estimated FY15	Budget FY16	Variance - Est. FY15 Budget FY16	% Variance Estimated FY15	% Variance Budget FY16
Operating Budget*	44,970	45,434	47,954	2,520	5.5%	5.3%
Capital	-	-	-	-	0.0%	0.0%
Total	44,970	45,434	47,954	2,520	5.5%	5.3%

TOTAL BUDGET - ALL FUNDS

(in thousands)

	Original Budget FY15	Estimated FY15	Budget FY16	Variance - Est. FY15 Budget FY16	% Variance Estimated FY15	% Variance Budget FY16
Operating Budget*	110,493	106,504	116,665	10,161	9.5%	8.7%
Capital	9,654	7,732	10,788	3,056	39.5%	28.3%
Total	120,147	114,237	127,453	13,217	11.6%	10.4%

BY PROGRAM:	Increase (in thousands)	Percent of Total	Percent Inc. to Estimate
Community Services	\$ 49	0.4%	1.7%
General Debt Service	(291)	-2.2%	-9.2%
General Government	2,295	17.4%	18.5%
Transportation & Environment	63	0.5%	1.4%
Athletic Club	1,404	10.6%	36.1%
Great Hall	(3)	0.0%	-0.6%
Contingencies	50	0.4%	0.0%
Other Programs	9,419	71.1%	17.0%
Public Safety	(106)	-0.8%	-0.6%
Sanitation	350	2.7%	10.3%
Stormwater	(60)	-0.5%	-5.2%
Utilities	47	0.4%	0.5%
TOTAL	\$ 13,217	100.0%	11.6%

BY CATEGORY:			
Personnel	\$ 3,897	29.5%	5.7%
Debt Service	(334)	-2.6%	-9.9%
Contingencies	50	0.4%	0.0%
Communications	183	1.4%	28.1%
Rents	250	1.9%	48.4%
Contract Services	721	5.5%	14.5%
Professional Fees	1,738	13.1%	30.1%
Supplies	1,617	12.2%	32.3%
Capital Outlay	371	2.8%	13.7%
All Other Categories	4,724	35.8%	20.8%
TOTAL	\$ 13,217	100.0%	11.6%

* Includes Capital Outlay and Infrastructure.

RESERVES:

While the entire subsequent year's balance sheets are not presented in this document, the most critical aspect of the City's balance sheets – fund balance – is presented in the budget projection summaries in the following section. General Fund fund balance as of June 30, 2014 totaled \$24.1 million. The underlying purpose and rationale for these reserves are described in the Financial Policies contained in this section of the document.

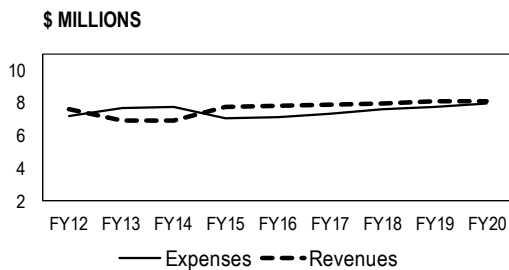
Following a review of the Financial Policies with the Financial Advisory Commission and the Board of Mayor and Aldermen, the Financial Policies were updated as detailed in this section of the Budget.

UTILITY FUND

REVENUE AND EXPENSES:

Utility rates were increased by 30% in FY15. This increase was recommended to keep the fund sustainable in future years.

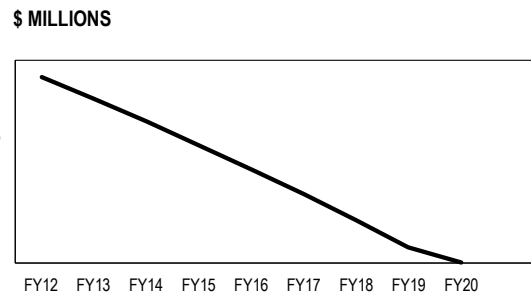
**UTILITY FUND
 REVENUES OVER EXPENSES**



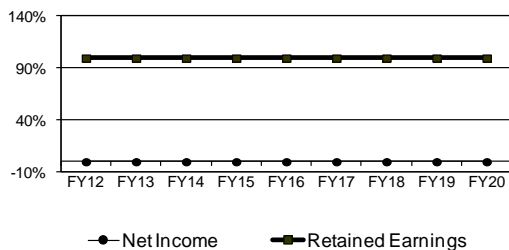
The chart on the left graphically illustrates the revenue and expenditure trends over a 9-year planning period. Utility revenues and expenses reflect the fluctuation common to a Utility Fund.

Outstanding Utility Debt of \$3.7 million at the start of FY16 is comprised of two bond issues. This chart displays Outstanding Utility Debt at the beginning of each fiscal year. In FY09 a bond issue totaling \$5.0 million was issued to support the expansion of the Johnson Road Water Plant and water storage. The one bond issue in FY98, refunded in 2006, totaling \$8.025 million was mainly to support the construction of a new water treatment plant. The five-year planning period does not include issuing new debt.

OUTSTANDING UTILITY DEBT



**UTILITY DEBT
 SERVICE COVERAGE**



The debt service coverage graph shows the ratio of operating income and retained earnings to debt service (the number of times operating income and retained earnings covers bonded debt service). Debt service coverage is the principal ratio used to assess utility debt capacity. As shown in the graph, the ratio for operating income coverage is fairly stable. FY16 and the projected plan period show a healthy fund. The retained earnings ratio illustrates the strong financial stability of the Utility Fund.

Although the major rating agencies consider 2.4 an appropriate debt coverage ratio, Germantown's strong financial foundations, coupled with its high levels of working capital maintained in the Utility Fund, provide additional protection against unexpected operating costs and declines in revenues between periodic rate adjustments.

FY16 CAPITAL BUDGET

The FY16 Capital Budget totals \$10,788,000. There is a \$2.0 million transfer to capital projects from the General Fund in FY16. Those projects incorporated in the CIP are consistent with the Board of Mayor and Aldermen's Policy Agenda and funding priorities.

The FY16 CIP demonstrates a significant level of spending due mainly to the funding for several road and drainage improvement projects. Details on these and other CIP projects and their impact on operations in this Budget and future years are contained under the tab *Capital Improvements Program*. The following chart illustrates the impact of drawdown on General Fund reserves over the planning period for the CIP.

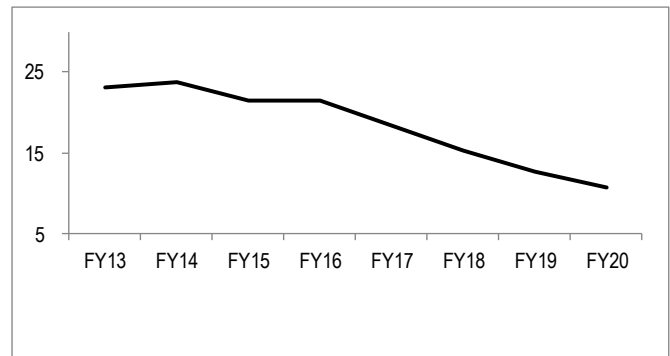
DEBT ANALYSIS

In the State of Tennessee, there is no legal debt limit.

The Outstanding General Obligation Debt chart depicts the level of indebtedness over an 8-year period. In FY12 \$6.025 million of G.O. debt and \$3.5 million of new debt and \$5.5 million in refunding in FY14 were issued. The five year planning period includes a bond issuance in FY16 of \$3.5 million.

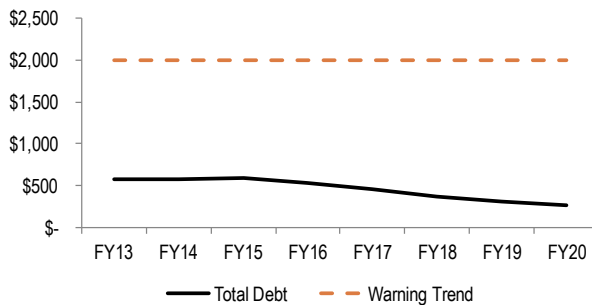
OUTSTANDING G.O. DEBT

\$ MILLIONS



G.O. DEBT PER CAPITA

\$ PER CAPITA



The City's debt policy considers \$2,000 per capita to be the upper limit. Even with the anticipated issuance of debt this fiscal year, Germantown maintains a debt level below the upper limit.

GERMANTOWN ATHLETIC CLUB FUND

The Germantown Athletic Club begins FY16 with a business development plan. Increased competition and an aging facility have resulted in a strong focus on membership retention. Streamlining programs and membership fees, enhancing marketing and communications, along with a “back to basics” approach of services, is planned to build membership and fiscal soundness. This business plan shows the financial improvement anticipated for the forecast period. In addition, the operations of the Great Hall & Conference Center were separated from the Germantown Athletic Club in FY10, thus allowing each facility to focus on its business objectives.

GREAT HALL FUND

In the FY10 Budget the Great Hall & Conference Center was separated from the Germantown Athletic Club Fund and a new enterprise fund was created for the Great Hall. This separation was done to better identify the profitability of operations for each of these funds. The Great Hall & Conference Center focuses on providing 8,000 square feet of rental facility space ideal to accommodate meetings, weddings and receptions.

SANITATION FUND

The FY16 Budget for the Sanitation Fund reflects costs of the fifth year of a five year contract with option to renew an additional five years for collection with Inland Waste Solutions and landfill disposal with Waste Management. The revenue side includes a rate that remains the same as last year for solid waste collection in FY16. The contract includes backdoor household trash collection with curbside option, weekly recyclables collection and unlimited resident generated yard debris collection.

STORMWATER MANAGEMENT FUND

In the FY11 Budget a Stormwater Management Fund was created in response to a federal mandate for municipalities to manage stormwater runoff. This fund provides citizens with improved health and safety, protection of property value, maintenance of drainage and cleaner and safer streets.

SPECIAL THANKS:

The FY16 Budget could not have been prepared without the combined efforts of staff, the Financial Advisory Commission, the Personnel Advisory Commission and the Board of Mayor and Aldermen. I want to express my appreciation to all of those who have worked to produce the FY16 Budget and Capital Improvements Program, and in particular, I want to thank the Office of Budget and Performance.

Sincerely,



Patrick J. Lawton
City Administrator

GENERAL INFORMATION AND STATISTICAL DATA

Germantown is located in southeast Shelby County. It is one of six municipalities adjacent to Memphis, Tennessee.

GERMANTOWN'S EARLY HISTORY

Germantown began in 1833 as the hamlet of Pea Ridge. In 1836 it was renamed Germantown, probably because the earliest settlers were of German heritage. By 1841, the City of Germantown was chartered. It met with a modest amount of prosperity when a plank road was built in 1849 and the railroad came through in 1852. It suffered setbacks in the 1860s when part of the City was destroyed during the Civil War and during the yellow fever epidemics of the 1870s.

GERMANTOWN'S POPULATION PATH

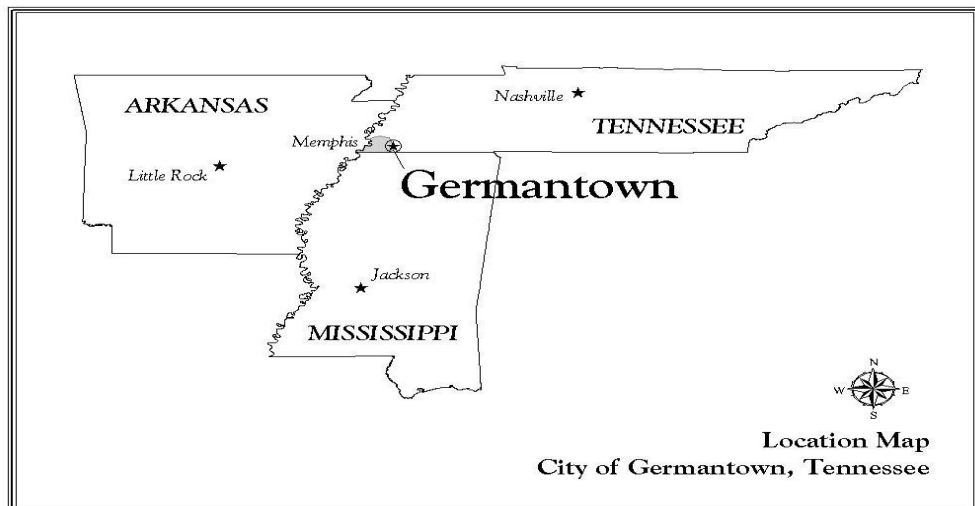
In 1960, the City had 1,101 residents. In the 1970s, Germantown began to grow rapidly and by 1980 the population had grown to 20,459. Today, the City's population is 40,123 per 2012 Special Census. The City is primarily residential in character, but continues to expand in commercial businesses and professional services.

GERMANTOWN DEMOGRAPHICS

Population	40,123*	Education (persons 25 years of age or older)	
Male	48.4%	High School graduate or higher	98%
Female	51.6%	Bachelor's degree or higher	63%
Age		Occupation	
Under 5 years	4.9%	Management, professional, and related occupations	60.8%
5 to 19 years	21.2%	Sales and office occupations	24.2%
20 to 44 years	22.8%	Service occupations	7.2%
45 to 64 years	35.0%	Production, transportation, and material moving occupations	5.1%
65 years and older	16.1%	Farming, fishing, and forestry occupations	2.7%
Race		Other	
White	88.1%	Homeownership rate	89%
Black or African American	3.6%	Number of households	14,407
Asian	5.5%	Median household income	113,535
Hispanic or Latino	1.8%	Median value of owner-occupied housing units	284,400
Other	1.0%	Per capita money income	54,229
		Average family size	3.0

Unless otherwise indicated, statistics are from 2010 Federal Census.

*Per 2012 certified Special Census



GENERAL INFORMATION AND STATISTICAL DATA

2014 PRINCIPLE PROPERTY TAXPAYERS

Taxpayer	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
The Village at Germantown Inc.	\$ 12,777,160	1	0.90%
VA Germantown LLC	8,310,400	2	0.58%
Germantown Village Square Joint Venture	6,807,400	3	0.48%
Vinyards Apartments Inc.	6,664,520	4	0.47%
BIC-MTS Partners (PSO)	5,953,240	5	0.42%
Taylor Sentor Crook, et. al	5,772,040	6	0.41%
UT Medical Group	5,438,920	7	0.38%
SWC Poplar FHI Partners LLC	5,428,520	8	0.38%
LMP Wolf River LLC	4,913,880	9	0.35%
Wolf River Medical Center LTD LP	4,843,320	10	0.34%
Totals	\$ 66,909,400		4.71%

2014 PRINCIPAL EMPLOYERS

Employer	Employees	Rank	Percentage of Total County Employment
Methodist Le Bonheur Hospital - Germantown	1,291	1	0.21%
Orgill, Inc.	319	2	0.05%
City of Germantown	465	3	0.07%
Campbell Clinic	400	4	0.06%
ThyssenKrupp Elevator Manufacturing, Inc.	260	5	0.04%
Villages of Germantown	249	6	0.04%
Stern Cardiovascular	240	7	0.04%
Baptist Rehabilitation - Germantown	184	8	0.03%
Kroger	107	9	0.02%
Shelby County School System - Germantown Schools	49	10	0.01%

GENERAL INFORMATION AND STATISTICAL DATA

AMENITIES

A total of 28 parks allow for a park within walking distance of every residence. The community has more than 700 acres of parkland. More than 12.9 miles of greenway links parkland and neighborhoods.

Under the Germantown Municipal School District, a high school, one middle school and three elementary schools serve Germantown. The City also has three private and four specialty schools, along with three schools operated by Shelby County.

The Community Library was constructed in 1996, the Regional History and Genealogy Center opened in FY07. The Germantown Performing Arts Centre (GPAC) is an acoustically-perfect 800-seat theater featuring top artists from around the world. The Germantown Athletic Club is an 118,000 square foot indoor athletic complex that opened in 1989 and expanded in 2003 to include two outdoor pools. The Great Hall & Conference Center is an 8,000 square feet rental facility space that is ideal to accommodate meetings, weddings and receptions.

GERMANTOWN'S STATUS

Germantown is one of a few cities in the nation possessing a triple-A bond rating from both Moody's and Standard & Poor's. It has the lowest crime rate for any city its size in the State of Tennessee and the police and fire departments have average emergency response time of five minutes. The parks and recreation department is nationally accredited. The Arbor Day Foundation has designed Germantown a "Tree City USA" for 24 consecutive years.

GERMANTOWN'S GOVERNMENT

The City of Germantown operates under a Mayor-Aldermanic form of government. The mayor and five aldermen are elected for four year terms and are part-time positions. The Board of Mayor and Aldermen is the legislative and policy-making body of the City. The mayor does not vote except to break a tie. By charter, the mayor is the chief administrative officer; however, oversight of day-to-day management is assigned to a professional city administrator, appointed by the mayor but subject to board approval.

More than 200 citizens annually volunteer their time, expertise and energy in service on the City's 20-plus advisory commissions and boards. Most appointments, made by the mayor and aldermen each December, are for one year terms; most groups meet monthly. Their responsibilities range from recommendations on City government matters and community interests to identifying opportunities, challenges and solutions to conducting special activities. The commissions are Audit, Beautification, Design Review, Economic Development, Education, Environmental, Financial, Athletic Club, Great Hall, Historic, Neighborhood Preservation, Parks and Recreation, Personnel, Planning, Public Safety Education, Retirement Plan Administration/Other Postemployment Benefits, and Senior Citizens. The boards are Zoning Appeals, Industrial Development and Library.

GENERAL INFORMATION AND STATISTICAL DATA

CITY OF GERMANTOWN, TENNESSEE MISCELLANEOUS STATISTICAL DATA

City Stats:

Date Originally Chartered	1841
Date of Incorporation	1903
Form of Government	Mayor-Aldermanic
Area	19.8 sq. miles
Miles of Streets	206
Number of Street Lights	4,948

Fire Protection:

Number of Stations	4
Number of Regular Firefighters:	
Fire and Ambulance	85
Number of Volunteer Firefighters	25
Insurance Service Office Rating	Class III

Police Protection:

Number of Regular Police Officers	95
Number of Reserve Police Officers	30

Recreation and Culture:

Number of Parks	27
Acreage	748
Number of Libraries	2
	(Germantown Community Library and Genealogy Center)
Volumes	143,618

Education (1) :

Number of Schools	5 (GMSD)
Number of Students	5,732

Water System:

Number of Consumers	13,516
Miles of Water Main	208
Well Capacity	25 million gallons per day
Treatment Plant Capacity	24 million gallons per day
Storage Capacity	7.875 million gallons
Average Daily Consumption	7.500 million gallons
Peak Day Pumpage	15.120 million gallons
Residential Rate in Force	\$8.78 for first 5,000 gallons (minimum) \$2.15 per additional 1,000 gallons up to 15,000 gallons \$2.47 per additional 1,000 gallons up to 50,000 gallons \$3.12 per 1,000 gallons thereafter

Sewer System:

Number of Consumers	13,270
Miles of Sewer Main	211
Treatment	Provided by City of Memphis
Residential Rate in Force	\$5.07 for first 2,000 gallons (minimum) \$.90 per for third additional 1,000 gallons \$1.99 per additional 1,000 gallons up to 20,000 gallons \$0.78 for 21st 1,000 gallons (\$5.07 minimum and \$40.56 maximum)

CONTACT INFORMATION

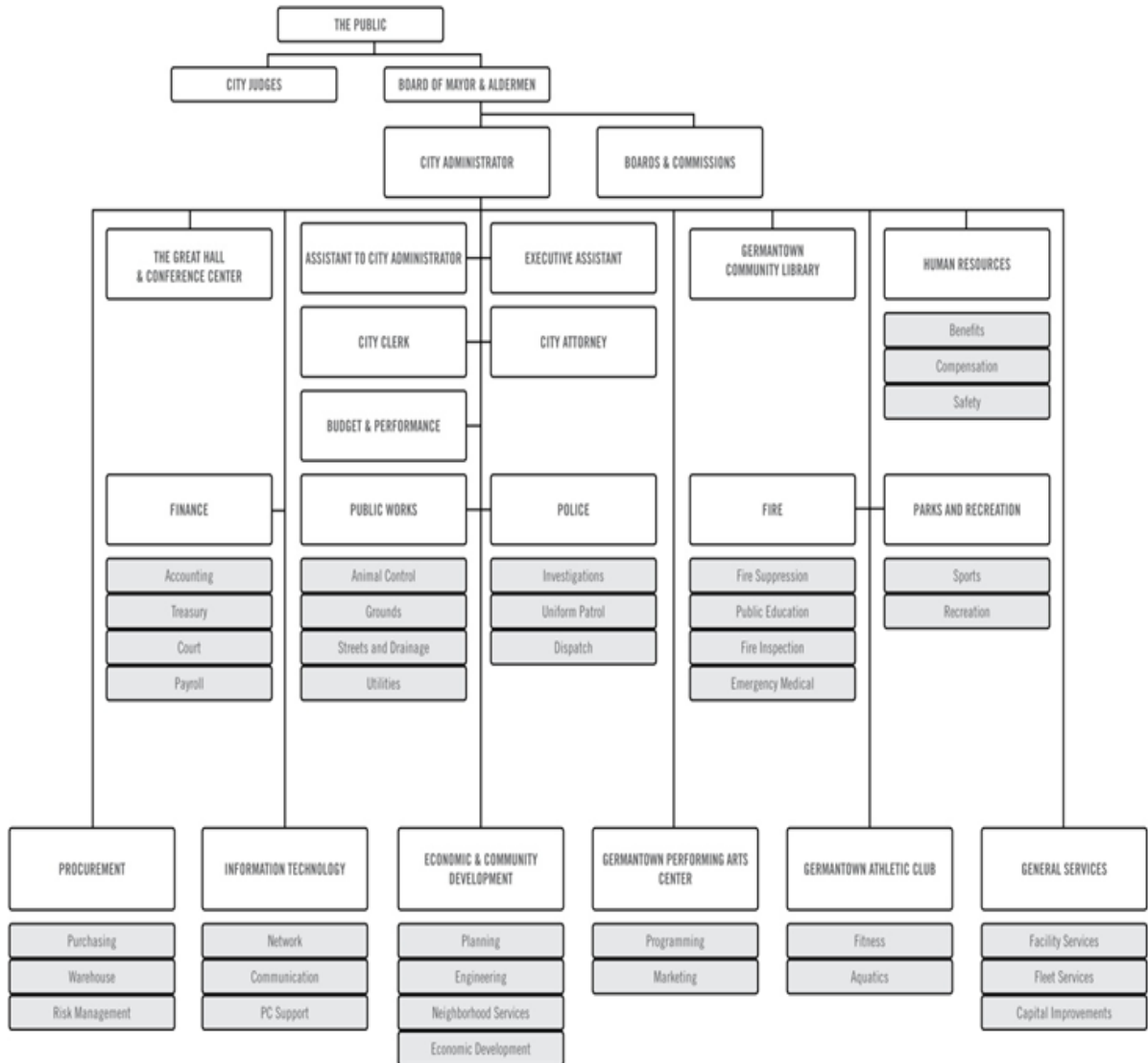
For further information, please contact:

City of Germantown
1930 South Germantown Road
Germantown, Tennessee 38138
901-757-7200

www.germantown-tn.gov

CITY OF GERMANTOWN, TENNESSEE

Organization Chart



**CITY OF GERMANTOWN
CITY OFFICIALS**

MAYOR

Honorable Mike Palazzolo (2018*)



ALDERMEN

(Vice Mayor – 2016*)
Rocky Janda (2016*)

Mary Anne Gibson (2018*)



David Klevan (2016*)



Forrest Owens (2016*)



John M. Barzizza` (2018*)



CITY ADMINISTRATOR

Patrick J. Lawton

CITY ATTORNEY

Debra Wiles

CITY JUDGES

Bob Brannon
Raymond S. Clift

EXECUTIVES

Economic and Community Development Director.....	Cameron Ross
Fire Chief.....	John M. Selberg
Police Chief.....	Richard Hall
General Services Director.....	Reynold Douglas
Germantown Performing Arts Center Director	Paul Chandler
Human Resources Director.....	Stephen Wilensky
Finance Director.....	Ralph J. Gabb
Procurement Director.....	Lisa Piefer
Parks and Recreation Director.....	Pam Beasley
Library Services Director.....	Daniel Page
Public Works Director.....	Bo Mills
Information Technology Director	Tony Fischer
Germantown Athletic Club Director	Phil Rogers

BUDGET PREPARATION STAFF

Budget and Performance Analyst.....	Sherry Rowell
Budget and Performance Analyst	Adrienne Royals
Budget and Performance Analyst.....	Jessica Brown
Capital Improvements Projects Manager.....	Rodney "Butch" Eder

*(Date elected term expires)

City of Germantown Core Values

We, the Germantown Managers and Employees,

Strive for **S**ERVICE Excellence

PRODUCE “A+” Results

Take the **I**NITIATIVE

Are **R**ESPONSIBLE

Are **I**NNOVATIVE

Practice **T**EAMWORK

The **S.P.I.R.I.T.** of Germantown

ORDINANCE NO. 2015 - 2

AN ORDINANCE TO ADOPT THE 2015- 2016 BUDGET

WHEREAS, the City of Germantown desires to ordain its budget for the fiscal year July 1, 2015 through June 30, 2016; and

WHEREAS, by charter, of the City of Germantown, the Board of Mayor and Aldermen is required to fix and determine an annual budget setting forth all income and expenditures containing total revenues and available funds and total expended; prohibiting against exceeding appropriations and a line item financial plan;

BE IT ORDAINED by the City of Germantown, that its budget for the fiscal year July 1, 2015 through June 30, 2016, is the following:

SECTION

- 6-801 Revenues/Expenditures
- 6-802 Expenditure Appropriations
- 6-803 Expenditure of Donations and Grants
- 6-804 Line Item
- 6-805 Effective Date

Section 6-801 Revenue/Expenditures

A. Total Revenues and Available Funds

General Fund Revenues		\$48,956,701
Special Revenue Funds Revenues		51,734,986
Intergovernmental Revenues		3,723,000
Utility Fund Revenues		7,823,500
Germantown Athletic Club Fund Revenues		4,158,372
Great Hall Fund Revenues		433,733
Sanitation Fund Revenues		3,464,980
Stormwater Management Fund Revenues		1,011,807

Decreases (Increases) in Fund Balances:

General Fund		(1,003,149)
Special Revenue Funds		238,262
Capital Projects Funds		4,482,000
Utility Fund		798,641
Internal Service Funds		80,000
Germantown Athletic Club Fund		1,131,355
Great Hall Fund		56,229
Sanitation Fund		283,763
Stormwater Management Fund		79,056
TOTAL		<u>\$127,453,236</u>

B: Expenditures

General Fund		\$47,953,552
Special Revenue Funds		51,973,248
Capital Projects Funds		8,205,000
Utility Fund		8,622,141
Internal Service Funds		80,000
Germantown Athletic Club Fund		5,289,727
Great Hall Fund		489,962
Sanitation Fund		3,748,743
Stormwater Management Fund		1,090,863
	TOTAL	<u>\$127,453,236</u>

Section 6-802 Expenditure Appropriations

No expenditure listed above may be exceeded without appropriate ordinance action to amend the budget, except as provided in the following section. Such action shall fully describe all changes to the budget and shall include the sources of revenue to finance the expenditure.

Section 6-803 Expenditure of Donations and Grants

In the event funds are donated or contributed to the City or the City receives grants, revenue projections and expenditure appropriations may be increased by resolution of the Board of Mayor and Aldermen to the extent of the amount of funds received.

Section 6-804 Line Item Financial Plan Required

A detailed line item financial plan shall be prepared in support of the budget. The financial plan shall be used as guidance and generally followed in implementing the budget.


Section 6-805 Effective Date

This Ordinance shall take effect July 1, 2015, the public welfare requiring it.

First Reading: May 11, 2015

Second Reading: June 8, 2015

Third Reading: June 22, 2015


Mike Palazzolo, Mayor


Betty Johnson
City Clerk/Recorder

Since adoption of the Vision 2020 plan in 2005, the Germantown Board of Mayor and Aldermen (BMA) has conducted a retreat each January to test the validity and relevance of the Vision, Mission and Core Values and refine goals and objectives. In 2011, the BMA and City administration added an additional August retreat. This change allowed the addition of an end of fiscal year report meeting which better prepares the BMA for the January strategic planning retreat.

The City takes an integrated approach to its strategic planning process by using situational awareness. Tools include an environmental scan, Financial Trend Monitoring System and SWOT analysis, quadrant thinking focusing on customer requirements and priority based resource allocation. The process is described in the following steps.

1. A review of the vision statement for the long-term sustainability of the City and evaluation of the value based principles that define the vision. The BMA also conducts a review of the City's mission and core values to ensure a culture of action and performance-based accountability.
2. The next step in the process is an environmental scan of external, financial and social factors which impact sustainability. This analysis demonstrates the integration and use of financial reporting with economic and demographic data to identify the strategic challenges and opportunities facing the City. This learning opportunity results enhancements to City policies and priorities.
3. Third, the Board reviews the satisfaction and importance quadrant and constructs an opportunity grid to help set priorities for future initiatives and improve customer satisfaction.
4. Participants conduct a strengths, weaknesses, opportunities, threats (SWOT) analysis of internal and external factors that can impact strategic planning and long-term sustainability efforts.
5. Establish BMA strategic objectives for the coming year and five-year planning period.
6. The final step includes alignment, strategic execution and integration. Departmental business plans are aligned with the BMA's vision, mission, and core values and policy agenda. Strategic objectives identify the activities, timelines, milestones and performance metrics that support the BMA's policy agenda. Individual Employee Development Plans (IEDPs) are established for each employee creating clear goals and objectives that align daily work with the Board's strategic plan. This alignment to Vision 2020 encourages employees to perform more efficiently and effectively toward achieving the vision. The strategic plan is integrated into the City's budget, department business plans, IEDPs and related reviews.

The Vision

The vision for the city defines the value-based preferences for the community and reflects what is unique about Germantown. These long-range principles guide the policies, decisions, plans and actions for our community. They are as follows:

Germantown is a safe, family friendly city, which is a community of residential neighborhoods, has natural and designed beauty, and provides exceptional leisure, cultural and recreational opportunities. Our residents enjoy excellent schools, diverse shopping and dining choices, access to premier healthcare and ease of mobility to the Memphis region and the world. Businesses have opportunities to succeed. The community takes pride in Germantown.

Long-Range Goals

In addition to establishing the long-range vision for the community, the Board also established goals, which define five-year outcomes for the city. The goals become a guidepost for policy development, policy decisions, management decisions and management/organization action.

Goals as established by the Board include the following:

- Public Safety
- Economic Sustainability
- Community Vitality
- Quality of Life
- City Services

FY16 Focus Areas

From the goals, the Board and the Administration establish specific action items. Action items are used to create strategic objectives and are included in departmental business plans. Each objective includes short- and long-term goals with related action plans. Short-term policy issues are identified and used to establish a one-year work program for the Board. The FY16 policy agenda includes the following projects.

Long-Range Strategic Planning

Dubbed Germantown Forward 2030, the City's long-range strategic plan has been under development since January 2015. A 30-member steering committee has met twice each month since February. To date, co-chairmen and members of City Administration have led the group through the situational awareness and strategic visioning phases. With the vision statement identified, staff recently convened a town hall meeting to gather input from the community. Next steps in the process include formation of task forces, completion of the task force planning phase, consideration of the ongoing fiscal impact analysis and BMA approval of the final vision statement and related plans. A city-wide launch is planned for early 2016.

Police District Addition

Plans are in place to develop and staff an additional police district within the City to help address increased service demands related to the expected rapid expansion of retail and service businesses within the Central Business District. In FY16, four officers will be added, allowing for the additional assignment of officers in high call areas to increase without decreasing GPD's presence in City neighborhoods.

Expanded Emergency Medical Response Service

The City's ambulance program will add an ambulance and three additional personnel including two Emergency Medical Technicians and one Paramedic. These changes will help to maintain minimum staffing levels, increase the City's ISO score, reduce overtime expenditures and most importantly ensure quality emergency medical response to residents.

Customer Service Centralization

Development of a Germantown customer relations management center will centralize all switchboard call answering, customer service request management (online and call-in), in-person customer interaction and management of the City's new resident process/packet distribution. Dedicated staff will closely monitor performance through a variety of measures designed to improve customer satisfaction and department performance in terms of addressing complaints/reports. Implementation is expected to lead to improved levels of responsiveness to citizens, new data collection opportunities, increased efficiency and creation of a knowledge database for City functions.

SunGard Software Upgrade

This project will replace/upgrade the City's current SunGard Naviline system to the Windows based ONESolution. Departments will have the ability to structure their business to follow the workflow. Reporting capabilities and opportunities for communication with the customer will be increased. Added modules will allow additional departmental communication/participation.

Targeted Small Area Redevelopment Plans

To assist in facilitating infill development where existing infrastructure investment exist, the City will develop a targeted small area redevelopment plan identified strategic commercial areas which could be prioritized with incentives similar to that created in the Smart Growth Plan. These small area plans will provide an opportunity for unique regulating documents such as an overlay district to encourage new development.

Germantown Municipal Schools Capital Funding

With the formation of the Germantown Municipal School District, the City of Germantown will work very closely with the District in the creation of a five-year capital plan and funding priorities. The plan will be built on enrollment data, growth projections and facility condition. The City will also work with the District on an ongoing basis to evaluate the physical condition of the school buildings and how well they support current and future populations and educational requirements.

Central Business District Street Scaping

In order to provide a consistent look in the city's Central Business District (CBD) and to incorporate the existing conditions, the City will engage the services of a professional design firm for the establishment of a CBD street scaping plan. The plan will identify a unified approach to street lighting, signage, landscaping and public art. Future funding for the implementation of this plan will be incorporated into the City's five-year capital improvements plan and will be supported by revenue from the City's occupancy tax.

It is not enough to simply provide good customer service; the City of Germantown continually strives to improve overall value to its citizens. Business planning is a basic step to understanding how departments operate and provides a framework to examine alternatives to “business as usual”. Performance measures are the core of any results-based business planning and budgeting system. Thus, the City’s business planning process has a specific focus on performance measurement linking to the desired outcomes and performance measures in the City’s Strategic Plan. Departments monitor the need for change in performance measures as their operating environment evolves. Results-based business planning and budgeting is a process that directly connects resource allocations to specific measurable outcomes. Budgets are used to drive the progress and leverage accountability, rather than maintaining the status quo. This system provides policy makers with the tools they need to respond more effectively to what the community wants, as well as provide them with the political support that is needed to make tough choices.

The City of Germantown’s performance management and strategic planning approach consists of identifying organizational strategies based on the Board of Mayor and Aldermen’s focus areas, then translating the strategy through organizational departments. Performance measures are reviewed during the budget process to ensure that target goals are current with the BMA Policy Agenda. Changes were made to reflect each department’s evaluation of past service results and new program changes. Performance measures are reported quarterly along with a year-end report summarizing the fiscal year’s performance on an annual basis, which is distributed to elected officials and all levels of city management. These reports spotlight the level of service and allow for appropriate changes in staffing, funding allocations and delivery of service levels.

The quality of customer service is almost wholly determined by the organization’s ability to meet their citizen and customer’s expectations. Because customer expectations are an ever-evolving process, it can be very challenging to know precisely what those expectations might be. The best course of action is to take the question directly to the city’s citizen and customers.

Each year, departments conduct customer focus groups with both internal and external customers to determine departmental requirements. Questions such as “what do you expect of the department?” “What must be accomplished to meet your expectations?” “What is the most important factor leading to your complete satisfaction?” These answers provide valuable feedback that help identify possible program changes and processes that need to be amended in order to meet community needs. From this, departments validate or modify their performance measures to support citizen expectations.

Performance Measures are included in each department’s section.

FINANCIAL POLICIES

By resolution of the Board of Mayor and Aldermen on June 28, 2004 the following policies were adopted, and on April 27, 2015 were amended to provide guidance to Administration in budgeting, long-range planning and financial management of the City's operations designation for the General Fund fund balance.

I. Operating Budget

The operating budget will be based on the principle of financing current expenditures with current revenues or accumulated reserves. Operating expenditures will not be directly supported by debt or federal and state transfer proceeds. Expenditures shall include adequate funding for retirement systems and adequate maintenance and replacement of capital and operating assets. Budgeted expenditures shall reflect the City's perceived needs and desires of the community based on current surveys and long-range planning.

The budget will also be based on generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. The budget basis will conform to the accounting policies contained in the Comprehensive Annual Financial Report, Note 1 – Summary of Significant Accounting Policies.

The form of the budget will include five-year projections of revenues and expenditures based on a program orientation, which includes measurement of performance, full cost absorption, adequate provisions for debt service and depreciation where applicable. The budget presentation will include analyses of cash flow, capital position and debt capacity.

Semiannually, there will be a comprehensive review of the operations to date in comparison to the existing budget. Projections of remaining revenues and expenditures for the year will be made and reviewed by the City Administrator, Mayor, and the Financial Advisory Commission and appropriate adjustments will be recommended to the Board of Mayor and Aldermen.

II. Revenues

The operating budget will be developed with the objective of funding all well justified program goals, while avoiding major per capita tax increases. The City will strive to diversify the revenue base, reducing its dependency on property taxes and intergovernmental transfers.

The City will maximize the availability of revenue proceeds through aggressive collection and investment policies and proper timing of cash disbursements.

User fees will be developed and continually reviewed to ensure that they recover the cost of services that are not universal to all taxpayers. In Proprietary Funds, user fees will provide full coverage of direct and indirect costs including depreciation. In the Recreation Fund and the Pickering Center Fund, user fees will be maintained at a level to cover operating costs.

III. Fund Balance

General Fund:

The operating budget will provide funding of commitments necessary to the continued financial health of the City. In compliance with generally accepted accounting principles, the following four areas are defined as Commitments of the General Fund fund balance in the City's financial statements.

Emergencies and Catastrophes – provide funds to meet major, unforeseen, infrequent, catastrophic or emergency requirements, and are to be maintained at a level of \$900,000. This amount also provides funding of a risk management program, whereby the City obtains insurance contracts for catastrophic losses, but maintains relatively high deductible or retention limits on operating equipment and maintains no insurance contracts on certain exposures.

Contingencies – provides funds annually from which appropriations may be made to meet minor, additional needs not specifically provided for in the current operating budget. An amount of \$50,000 is budgeted in the General Fund Contingency Account. The Financial Advisory Commission and the Board of Mayor and Aldermen will review this fixed level of funding annually.

Infrastructure Replacement – commits the following year’s funding for the replacement, reconstruction or refurbishment of City assets consisting of, but not limited to, city buildings, parks, streets, curbs, and sidewalks and operating equipment on a pay-as-you-go basis.

Tax Anticipation – supplements operating cash flows to avoid liquidity problems, which might necessitate the issuance of Tax Anticipation Notes. The funding commitment is to be maintained at a level of one-third of property tax revenues for the following year.

Debt Service – establishes a funding commitment to meet total debt service requirements for the following year.

Utility Fund:

The operating budget will provide funding of certain reserves considered necessary to the continued financial health of the Utility Fund. These two reserves are reflected in the City’s annual budget as unrestricted net assets of the Utility Fund.

Operations – the unallocated cash balance in the Utility Fund will be maintained at a 90 day reserve level, not including debt service. This level was established to ensure reserves equal to three months of operating expenditures to meet cash flow requirements.

Debt Service – the unallocated cash balance in the Utility Fund will maintain debt service coverage of two years of annual debt service.

IV. Capital Improvements Program

The Capital Improvements Program (CIP) will reflect a consensus of the perceived needs and desires of the community based on current surveys and long-range planning. The CIP will be cognizant of the financial impact on the applicable fiscal year and the City’s past, present and future goals. The CIP will generally address those capital projects used for the acquisition or construction of major capital facilities.

The City will update and adopt annually a six-year CIP, including the annual Capital Improvements Budget (CIB) and a five year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects. Projections may be made for future projects exceeding the six-year CIP timeframe. The plan will include costs that have been estimated including consideration for inflation. The inflation rate will be determined annually in the budget process and will be disclosed in the capital budget report.

The first year of the six-year CIP will be the basis of formal fiscal year appropriations during the annual budget process. As part of the annual budget process, the CIP will be evaluated and adjusted with changes in priorities. The Mayor and City Administrator will review the CIP quarterly and if new project needs arise during the year, a budget adjustment identifying both the funding sources and project appropriations must be presented to the Board of Mayor and Aldermen (BMA) for approval. The approval must occur before active progress is made on the planning, design, or construction of the project. Projects may be granted exceptions as to promptly resolve any dangers to the community.

Projects involving development contracts brought before the Board of Mayor and Aldermen for approval during the operating year will identify proposed sources of funding and impacts to CIP funding, in particular, the General Fund Operating Reserves.

Each capital project will have a “sunset provision” enforced at the end of the fiscal year, which can only be lifted by resolution adopted by the Board of Mayor and Aldermen.

Projects will be monitored to ensure compliance with CIP Policy and Procedures. Projects will be entered into a timeline to produce a CIP schedule. Post-project evaluation reports will be used to determine the successfulness of a project.

A contingency amount of \$250,000 will be budgeted annually to meet minor, additional needs not specifically provided for in the current capital budget. The contingency amount is budgeted in the CIP Contingency Account. The Financial Advisory Commission and the Board of Mayor and Aldermen will review this fixed level of funding annually.

Evaluation Criteria

In order for a project to be considered in the CIP, an application shall be submitted for evaluation. A CIP Committee will be developed to assist in the review of project applications. The CIP Committee will use the following criteria to evaluate each capital project:

1. Conforms to the City's Strategic Plan
2. Supports the BMA Policy as adopted in January of each year
3. Promotes safety and security
4. Requirements to meet federal or state mandates
5. Savings in operating, capital spending or energy consumption
6. Impacts to future operating costs
7. Enhances economic development or adds to the tax base
8. Availability of federal or state funding assistance
9. Deferring will have possible significant implications for the community
10. Maintains a current level of service
11. Relates to another high priority project or is a continuation of a project currently under way
12. Improves the quality of existing services to safety
13. Replaces or maintains a capital asset
14. Creates a disruption or inconvenience to citizens
15. Benefits a large amount of stakeholders
16. Carries risk or uncertainty
17. Protects or contributes to the history of the City

Financing

The two basic approaches to funding capital projects are pay-as-you-go and pay-as-you-use. Pay-as-you-go means paying for the capital project out of current revenues at the time of expenditure. Pay-as-you-use means borrowing to finance the expenditure with debt service payments generated from revenues raised through the useful life of the project. The CIP will use a combination of these two financing methods. Capital projects are funded through bonds, reserves, grants, developer contributions and other governmental sources. The average maturity of general obligation bonds will be at or below 30 years. Pay-as-you-go financing for capital projects must account for at least 25% of capital plan funding.

The City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of capital plant and equipment from current revenues where possible. Future maintenance or replacement costs will be factored into future years CIP as a result of the entry of a new project.

The Capital Improvements Program (CIP) will reflect a consensus of the perceived needs and desires of the community based on current surveys and long-range planning. The City will develop and maintain a CIP to control capital projects over a six-year planning period coordinated with the operating budget.

The CIP will be designed to protect the City's investments in capital and operating assets through timely and adequate maintenance and replacement of those assets. The Mayor and City Administrator will review the CIP quarterly and recommendations for amendments will be made to the Board of Mayor and Aldermen. Projects involving development contracts brought before the Board of Mayor and Aldermen for approval during the operating year will identify possible sources of funding and impacts to CIP funding, in particular, General Fund Operating Reserves. The CIP will monitor projects in progress to ensure timely completion or the substitution of alternative projects.

V. Debt Management and Investment Polices

Debt will be used to finance long-lived capital and operating assets for the City as well as the School District within the constraints of maintaining or improving bond ratings and debt service quality and payments.

Debt management will provide for the protection of bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument provisions and appropriate disclosure to investors, underwriters and rating agencies.

Investments of the City will be made and collateralized in accordance with Tennessee Code Annotated.

Investment management will strive to maximize investment return on the City's funds through pooling of funds where permitted, frequent market analysis; cash forecasting procedures and competitive bidding.

A separate detailed investment policy "Policy Letter No. 27" was revised and approved by the Board of Mayor and Aldermen on October 22, 2007. The policy letter addresses in greater detail the administrative involvement into City investments. The policy defines the guidelines for the selection of financial institutions and investment instruments as authorized under Tennessee Code.

Types and Use of Debt

Uses of Debt

Capital Improvement Plan (CIP). To ensure sustainability, City staff identifies new construction projects, infrastructure replacement or major asset acquisitions through its multi-year Capital Improvements Program (CIP). This process of long-term planning is performed in conjunction with the annual budget process and reflects the Board's visions and goals for capital improvements to the City. Early identification of future capital needs allows the City more time to assess various financial alternatives and to plan the use of debt financing more effectively.

The City will assess all financial alternatives for funding capital improvements, but initially, pay-as-you-go financing will be considered before issuing any debt. Pay-as-you-go financing may include: current revenues and unreserved fund balances; grants from federal, state and other sources; private sector or developer contributions; public/private partnerships; leasing payments. Once the City has determined the available "pay-as-you-go" funding, the City may consider debt to finance the balance of approved capital projects.

When debt financing is considered, the City's policy is to issue debt for the acquisition or construction of major capital assets or infrastructure with a useful life of not less than **ten (10)** years. With the exception of unanticipated capital expenditures, the acquisitions or projects financed with debt will be well identified and analyzed in the CIP. Projects eligible for funding with debt include, but are not limited to, libraries, public streets and bridges, administrative facilities and equipment, public safety facilities and equipment, parks and recreational facilities, storm water drainage and treatment facilities and drinking water treatment and distribution facilities, school facilities and school equipment.

Refunding. Under certain circumstances, the City's financial interests will best be served by the prepayment or refinancing of existing debt. Because many factors could influence this decision, the City's staff and advisors will periodically (at least annually) review all outstanding debt to determine refunding or prepayment opportunities. In general, refundings (or debt prepayments) will be considered if and when there is a net economic benefit from the transaction. Subject to a review of the transaction by the Tennessee Comptroller's office (Division of Local Finance), targeted savings (net of all transaction costs) for advance refundings will be a net present value savings of at least **four percent (4%)** of the refunded debt. Notwithstanding the targeted savings, other factors will be considered on a case-by-case basis to determine if a refund, prepayment or other modification of existing debt is warranted or will be beneficial to the City.

Municipal School District Short-Term Cash Flow. Revenue Anticipation Notes (RANs) shall be issued only to meet cash flow needs of the Germantown Municipal School District (GMSD) consistent with cash flow projections by the Chief Financial Officer (the "CFO"). The CFO shall determine such cash flow projections based on the budgeted operating revenues and expenditures. The issuance of RANs will be presented to the Board of Mayor and Alderman and will retire no later than June 30 of each year.

Types of Debt

When the City's determines that the use of debt is appropriate for funding, the form of the debt will be evaluated according to the criteria for various types of debt. The typical types of debt financing are listed in order as most commonly used by the City and are described herein:

General Obligation Bonds. The City may issue general obligation bonds to finance approved capital projects that otherwise lack a dedicated revenue stream from operations. This long-term debt has the "full faith, credit and taxing power" of the City pledged to the repayment of the bonds and typically has the lowest interest cost for long-term capital. Generally, this debt will be issued for capital projects with a useful life of at least ten (10) years and a

combined cost (for the funded projects) of at least **three million dollars** (\$3,000,000). [Note: It is intended that any issuances of debt refunding bonds be combined with general obligation bonds (or revenue bonds, described below) in order to meet the targeted \$3 million minimum issuance and to maximize the value of the issuance costs.]

Revenue Bonds. The City may issue revenue bonds to finance approved capital projects (equipment and facilities) that have a useful life of at least ten (10) years and have a dedicated revenue stream as part of a separate enterprise fund (e.g., Utility Fund). It is fully intended that the debt will be repaid by the revenue generated by the enterprise fund. However, the revenue bonds may be issued with the City's "full faith" backing as approved by the Board of Mayor and Aldermen based on economic and financial considerations.

Special Assessment and Incremental Tax Revenue Bond. Specific to projects under the City's Public Private Partnership Policy or other economic development initiative, the City may issue special assessment or incremental tax revenue bonds as part of the financing of the overall development project. Generally, these projects will be of significant size and scope encompassing major capital developments so that issued debt will be at least five million dollars (\$5,000,000) with the useful lives of assets not less than twenty (20) years. It is intended and expected that any special assessment or incremental tax revenue bonds will be issued by a separate legal entity such as the Industrial Development Board (IDB) of the City of Germantown, Tennessee (a public benefit corporation chartered under Tennessee law) but will not be issued with the City's "full faith" backing. Any bonds issued by the IDB will be subject to approval by the Board of Mayor and Aldermen, therefore it is intended that the IDB will be subject to the general guidelines and procedures included in this Debt Policy.

Capital Outlay Notes. Under the provisions of T.C.A. Section 9-21-101 et seq., the City may issue capital outlay notes, a simpler and usually less expensive form of general obligation debt that is often structured as a loan from local banks. Subject to approval by an agency of the Tennessee Comptroller's Office, this debt funding may be provided for approved capital equipment and projects with a useful life between three (3) and twelve (12) years and a total project cost of not more than three million dollars (\$3,000,000).

Revenue Anticipation Notes. RANs will be issued under the provisions of Title IX, Chapter 21, Parts I, IV, and VIII of Tennessee Code Annotated. The amount of such RANs will not exceed the estimated annual expenses times 5% plus highest estimated monthly deficit for the Fiscal Year upon the approval of the State Director of Local Finance. The issuance of RANs will be presented to the Board of Mayor and Alderman and will retire no later than June 30 of each year.

Other Financing Types. If it is determined in the best interest of the City after consulting with financial advisors, appropriate commissions or other stakeholders, and subject to required approvals by the City's Board, the City may issue other forms of debt (including capital lease or installment financing). This section is not intended to circumvent the issuance process for other types of debt funding but merely recognizes that a simpler type of debt may be more cost effective under certain circumstances. Debt obligations of this type will not exceed two million dollars (\$2,000,000) during a fiscal year with a maximum term not to exceed six (6) years.

VII. Debt Limits and Affordability

Consistent with the stated objectives of this Debt Policy (**SECTION IV**), financial and economic indicators have been devised to reasonably measure the City's debt capacity and establish maximum debt limits or limits of affordability. While recognizing the City's need to access debt capital under a wide variety of obligations or changing circumstances, it is fully intended that the indicators of affordability provide measures that reflect the constantly changing dynamics of the population, the tax base and the economic environment. Likewise, it is intended that these measures are viewed and projected in conjunction with the City's Capital Improvement Program in order to identify potential limitations or an unfavorable impact on future operations. The City's established debt limits and affordability does not apply for debt issued on behalf of the Municipal School District Short-Term Cash Flow needs.

The following benchmarks (financial or economic indicators) are devised to establish not only limits on the total debt but also the City's ability to repay outstanding debt over future periods. These limits of affordability include:

1. **Net Debt Service to Governmental Fund Expenditures** – a measure of the debt service as a percent of the City's total operating expense.

A percent not to exceed: 12%

Net Debt Service will include all debt service costs (principal and interest) related to general obligation or other secured debt (but not including business enterprise debt with proven revenues) paid from the City's general fund.

2. **Direct Debt to Appraised Property Value** – a measure of the debt liability to the City's total assessed values for property taxes.

A percent not to exceed: 1.50%

Direct Debt will include all general obligation debt and any business enterprise debt secured by the City's taxing authority.

3. **Direct Debt Per Capita** – a measure of debt liability to the City's population.

An amount not to exceed: \$2,000

Direct Debt will include all general obligation debt and any business enterprise debt secured by the City's taxing authority.

4. **Per Capita Debt to Per Capita Income** – a measure of the debt liability for the City's population as a percent to their annual income.

A percent not to exceed: 4%

Per capita income from published sources and Direct Debt Per Capita calculated above.

Notwithstanding the measures established herein, this policy ultimately seeks to maintain the highest credit quality (triple-A) established by the national rating agencies due to easier access to capital and the lower overall cost for debt. Recognizing that these same measures are utilized by the rating agencies, the City's policy will be adapted to ensure that its debt limits and measures of affordability do not exceed the levels necessary to maintain the highest quality rating for its debt.

This policy requires that these measures and limits of affordability be fully analyzed when evaluating the issuance of new or refunding debt in order to determine the financial impact of the additional debt on future periods. The analysis described herein will be made part of the information or presentations provided to the Financial Advisory Commission (FAC) and the Board of Mayor and Aldermen as outlined in **SECTION V**.

Periodic monitoring and reporting of these debt measures will also be performed as part of the City's annual budget preparation. During the annual budget process, the fiscal year budget information presented for review to the Financial Advisory Commission and the Board of Mayor and Aldermen will include the current and projected analysis of these debt measures.

VIII. Debt Issuance Process

Once the City determine that debt will be utilized to fund an approved capital project or acquisition, the Finance Director will assemble the staff resources and service professionals needed to prepare, analyze, document and close the debt transaction. The type, complexity, and size of the debt to be issued will determine the staff requirements and service professionals required. The various considerations that must be addressed at the onset to ensure the proper planning and execution of the debt issuance process are discussed herein.

Timing of the Transaction

The City will determine the optimal timing for issuing or placing the debt based on the requirements identified in the CIP, the funding forecast developed in the budgeting process, and the actual cash flow projected for the construction or acquisition of the capital asset. Once the targeted debt issue date is determined, the Finance Director will determine the necessary lead times to identify the type of debt to be issued, engage the appropriate professionals, analyze payment structure and estimated rates, and then schedule the various commission, public and Board presentations. Timing of the debt issuance will ultimately be determined by mandated public notice and necessary Board approvals.

Sale Method or Placement

Competitive Sale

The City believes that the competitive sale process is the best tool for obtaining the lowest interest rates and terms for the issued debt. Therefore the City will always use the competitive sale process to sell its general obligation or revenue bonds (including capital outlay notes), except in situations where (1) existing disruptions in the national capital markets make it unlikely the City will receive at least three (3) reasonable bids for its bonds, or (2) the general obligation debt is in the form of a loan agreement through a federal or state sponsored loan program.

Negotiated Sale

Notwithstanding the strong preference for issuing debt using the competitive process, the City recognizes that some debt is best sold through negotiation. In such instances, the City shall assess the following circumstances or conditions when considering a negotiated sale: (1) express statutory authority; (2) a structure which may require a strong pre-marketing effort such as a complex transaction or new credit; (3) size of the issue; (4) market volatility; and (5) variable rate pricing. To ensure full transparency of any debt issuance, the use of the negotiated sale process will not reduce the analysis of the transaction by staff and professionals nor limit the public information and participation during the debt approval process.

Private Placement

For certain capital transactions, the City may elect to privately place the debt issued as part of the transaction (e.g. installment transactions or capital leases). Such placement will be acceptable if the method clearly demonstrates that such transaction will be in the best interest of the City due to cost savings or other favorable transaction terms.

Use of Professionals

As part of the debt issuance process, the City will engage the services of knowledgeable professionals to analyze and advise City staff about optimizing the outcome of the transaction and clearing all the legal hurdles. Due to the infrequency of issuing new debt, the City will maintain its expertise in the credit markets by retaining professionals who stay well-informed about industry trends and about the City's visions and finances. **SECTION X** of this policy will more fully describe the details of the relationship with the professionals named herein.

City Attorney

The City Attorney will review, advise, and prepare debt-related documents on behalf of the City for simple borrowings that do not involve the public debt market. In the case of debt structures that directly access the public debt market, the City Attorney will provide support to staff and bond counsel about the City's legal status and authority for issuing the debt. In addition, the City Attorney will provide an opinion that the debt was issued within the applicable debt limitations set by State law or the City's charter, that the City has taken all steps necessary to authorize the sale and issuance of debt, and that the debt is a valid and binding obligation of the City (if applicable).

Bond Counsel

For all sales of debt in the public debt market, the City will engage a specialized bond counsel with specific experience in the issuance of municipal debt. The bond counsel will prepare all legal documents related to the issuance of the public debt including the legal documents necessary for the City to authorize the issuance of debt. In addition, the bond counsel must be fully competent to provide an unqualified opinion as to the tax-exempt or tax credit status of applicable debt issued and to prepare, review, or comment on all disclosure documents and regulatory forms or applications associated with the transaction.

Financial Advisor

For all debt transactions in excess of \$1 million or for all sales of debt in the public debt market, the City will select a financial advisory firm to assist in the issuance and administration of the City's debt. The firm selected to serve as financial advisor will provide objective advice and analysis, maintain the confidentiality (to the extent permitted by law) of the City's financial plans and be free from any conflict of interest as defined in this Debt Policy and Tennessee statutes. Further, the City's financial advisor will not underwrite or participate in any syndicates in the sale of the debt.

Underwriters

In a **competitive** sale of debt, the City and its financial/legal advisors will set the business and legal terms for the financing and then take public bids from qualified underwriters in a generally accepted auction setting. The firm (or syndicate) that submits the lowest true-interest-cost bid will be awarded the bonds and serve as underwriter (or senior manager of the syndicate).

In the case of a **negotiated** sale of debt, the City will first select a firm to market its debt from a pool of qualified underwriters. The City's appointment will be based upon a competitive evaluation of objective criteria, which may include the firm's performance in the City's past competitive sales of debt. The City's selection of the underwriter will be subject to review and recommendation by the FAC and approval by the Board.

Registration/Escrow Agent

In the case of debt issued in the public debt market, the City will designate a bond registrar and paying agent (known as the "Registration Agent") to maintain books and records necessary for the registration, record-keeping and transfer of bonds on behalf of the City. In addition, the Registration Agent will act as pay agent for the City and will be authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the issued bonds.

In the case of debt that is issued for the purpose of refunding currently outstanding bonds at the time of debt issue or in the near future, the City will designate an agent (known as the "Escrow Agent") to hold funds in escrow for the express purpose of performing the refunding. The City and Escrow Agent will enter into an agreement (the "Escrow Agreement") that authorizes the Escrow Agent to perform duties on behalf of the City with respect to the acquisition and payment for the refund bonds.

Board Approval

All debt financing that constitutes an obligation beyond one fiscal year will be presented for review by the Financial Advisory Commission (FAC) as described in **SECTION V**. At the completion of the FAC's review of the proposed debt issuance, and with the FAC recommendation, the debt transaction will be presented to the Board for approval of the resolutions required to authorize the debt issuance. In the absence of a quorum of the FAC, the Finance Director may present the transaction directly to the Board for consideration.

Compliance Reporting

It is the City's intent to provide a high level of transparency in all of its financial dealings, including debt management. Consistent with past practice, the City will issue on a timely basis and make widely available all financial reports including the annual budget, the Comprehensive Annual Financial Report (CAFR), the Popular Annual Financial Report (PAFR), and the Capital Improvements Program Report (CIP). In addition, as part of the issuance of debt in the public markets, the City covenants and agrees that it will comply with and carry out all of the provisions of the continuing disclosure certificate, which includes providing annual reports to national repositories and issuing material event notices in accordance with SEC Rule 15c2-12.

IX. Terms of the Debt Issue

During the course of issuing debt, the City will endeavor to structure the terms and conditions of each debt transaction to achieve a low cost of capital and to preserve the City's overall financial flexibility. Maintaining financial flexibility enables the City to readily access and restructure its financing at a low cost. (Likewise, the City can avoid financial distress in the face of negative shocks or readily fund capital investments when opportunities arise.) ***Adherence to the policies in this section is not intended to override the requirement that the City stay within the overall limits of the entire debt portfolio addressed in Section VII (Debt Limits and Affordability).*** However, the policies herein will address the individual components of all financing that have the most immediate impact on the City's credit rating and debt service payments.

Maximum Maturity

All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event will the term of the debt financing exceed thirty (30) years.

As part of this process to determine the maximum maturity of a debt issue, the City must consider the need to allocate the capital burden to upcoming generations (i.e. future fiscal periods) as opposed to funding from currently available sources. The City will measure the future financial impact of the financing's debt service (principal and interest) by projecting the estimated percentage of the future budgets dedicated to total debt service. Analysis of the future debt capacity will be performed in order to assess the City's commitment to a pay-as-you-go budget allocation for capital projects.

Maturity Schedule

Debt issuance will be planned to achieve relatively level debt service for each individual debt issue, while still matching debt service to the useful life of projects financed. The terms and life of each debt issue, including the detail of expected principal and interest payments, will be prominently disclosed when terms of the issued debt are published or otherwise made available to the public (through websites, e-mails, or other electronic means).

The City will avoid the use of bullet or balloon maturities except in those rare instances where these maturities serve to make existing overall debt service level or match a specific income stream. Any deferral of principal payment or backloading must be explicitly disclosed and justified, including disclosure of the justification or recommendation made by the Financial Advisor for the principal deferral.

Interest Rates

To maintain a predictable level of debt service and to avoid future uncertainty, the City will issue debt that carries a fixed interest rate.

Under certain limited conditions, the City may consider variable rate debt subject to additional analysis and recommendations by the Financial Advisor that the tradeoff between costs and risks is not unreasonable. Further, the City will employ cost effective measures (rate swaps, credit enhancements, etc.) to minimize risks associated with variable rate debt. If utilized, the total amount of variable rate debt issued will not exceed twenty-five percent (25%) of the City's total outstanding debt at the time of issue.

Bond Coupon Rate

For most bond issuances, the City's will set parameters so that bonds subject to redemption can be priced between 95% and 125% of par.

In certain market conditions, bonds issued with a deep discount may provide the City with a lower cost of borrowing. Subject to additional analysis and recommendations by the Financial Advisor, the City will assess the value and effect on any refinancing opportunities as a result of accepting lower-than-market coupons.

Call Features

In many cases, it is the City's policy to include a call feature with a date set appropriate to current market conditions. Subject to additional analysis and recommendations by the Financial Advisor, the City will assess the value of including a call option relative to the lower interest rate associated with non-callable bonds.

Credit Enhancement Facilities

Historically, the City has avoided the use of credit enhancement (insurance or letters of credit) because of its strong financial position and excellent standing with the national rating agencies. However, the City will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when clearly demonstrable savings can be shown shall an enhancement be considered.

Issuance Cost

As part of the Capital Improvements Program (CIP), the City regularly evaluates future capital project needs and the methods for financing them, including the use of debt financing. The City's policy is to reasonably coordinate new bond issues to that multiple projects can be accommodated in a single borrowing to reduce issuance costs per dollar of debt issued. Total issuance costs will be evaluated and disclosed during all phases of the debt issue process.

X. Professional Services

The City will engage and utilize professional services as necessary to supplement the skills and expertise in the Finance Department or to meet regulatory requirements related to the issuance of debt. The selection or hiring of

professionals will not be based on competitive bids but will be determined on the basis of recognized competence and integrity in their field of expertise.

The Finance Director will determine the criteria for selecting professionals to be utilized in the debt issuance process. The selection criteria will include, but not be limited to, recognized professional expertise, depth of transaction experience, and the opportunity to bring current best industry practices to the City. Using the defined selection criteria, the City Administrator and Finance Director will interview eligible persons or groups and make specific recommendations to the Board of Mayor and Aldermen for qualified professionals.

All professionals engaged in the City's process of issuing debt will affirm, acknowledge or disclose the following statements or information in an engagement letter, professional services agreement, or a separate writing provided as a matter of record to the City:

- The professional will clearly disclose all compensation and consideration received (or to be received) as related to services provided in the debt issuance process by the City and the lender or conduit issuer, if any. This includes "soft" costs or compensation in lieu of direct payments.
- The professional will acknowledge receipt of this Debt Management Policy and will adhere to the standards and guidelines contained herein.
- The professional will acknowledge receipt of and familiarity with the details of the "Code of Ethical Conduct for Officials of the City of Germantown" and the "Code of Ethical Conduct for City Employees of the City of Germantown."
- The professional will affirm that they have disclosed any existing client and business relationships as described in **SECTION XI** of this Policy (Conflicts of Interest).

Any exceptions, either by the professional or the City, to this Policy or other policies and procedures indicated above, must be clearly disclosed in the engagement letter, professional services agreement, or a separate writing. The City Administrator will determine if the exception requires removal of the professional from the debt transaction or if the exception requires any further disclosure.

Specific to certain professionals are the following requirements:

Legal Counsel. An engagement letter (or professional services agreement) will be required from each lawyer or law firm that represents or provides services to the City in a debt transaction. (This requirement does not apply to the City Attorney or to counsel not directly representing the City, such as underwriters' counsel.)

Financial Advisor. A professional services agreement or other form of written agreement (engagement letter) will be provided by each person or firm serving as financial advisor in a debt management role or in a debt transaction.

In the sale of the City's debt instruments, whether in a competitive or negotiated transaction, the financial advisor will not be permitted to bid on, privately place or underwrite an issue for which they have been providing advisory services.

Underwriter. If the City engages an underwriter in a sale transaction, the underwriter will be required to clearly identify itself in writing (in its proposal, in its bid, or in its submitted promotional materials) as an underwriter and not as a financial advisor. This disclosure will occur at the earliest stages of the relationship with the debt issue.

The underwriter will clarify that its primary role as a purchaser of securities in an arm's-length commercial transaction has financial and other interests that differ from those of the City.

Additionally, if the debt is offered in a publicly offered, negotiated sale, the underwriter will be required to provide pricing information (both as to interest rates and takedown per maturity) to the Financial Services Director in advance of the pricing of the debt.

XI. Conflicts of Interest

The City of Germantown operates as a public trust, which is subject to scrutiny by and is accountable to its residents and members of the public. Consequently, a fiduciary duty exists between the City's officers/employees and the public which carries with it a broad and unbending duty of loyalty and fidelity. Those officers and employees are responsible for administering the affairs of the City honestly and prudently. They will exercise the utmost good faith in all transactions involved in their duties, and they will not use their positions with the City or knowledge gained there from for their personal benefit.

Separate from this Policy, the City's officers (who include elected officials and members appointed to commission or boards) and all City employees are subject to strict Codes of Ethical Conduct. These Codes include very detailed standards that prohibit the officer or employee from knowingly engaging in activities that would lead to a conflict of interest with the City. By reference, the City's existing Codes of Ethical Conduct as applicable to officer or employee conflicts of interest in debt transactions are applicable to the administration of this Policy.

Likewise, all professionals (as defined in **SECTION X**) involved in a debt transaction who have been hired or compensated by the City are required to disclose to the City any existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This written disclosure will include information reasonably sufficient to allow the City to appreciate the significance of the relationships.

[NOTE: Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform is not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct. However, subject to regulatory agency rules or industry guidelines, these same professionals are required to exercise due care and proper conduct in the debt transaction process.]

Therefore, all parties to the debt transaction must be free from conflicts of interest that could adversely influence their judgment, objectivity or fiduciary duty on behalf of the City. Likewise, all parties must be aware that even the appearance of a conflict of interest can weaken or damage the public trust.

XII. Debt Management Policy Review and Approval

This Debt Management Policy will be administered and maintained by the City's Finance Department and will address or incorporate any requirements specified by the Tennessee State Funding Board or other regulatory board (such as MSRB) having appropriate authority over the issuance of the City's debt.

This policy will be formally approved and adopted by the Board of Mayor and Aldermen. Any changes or amendments to the Policy must be recommended by the City Administrator and are subject to approval by the Board of Mayor and Aldermen.

This policy will be subject to periodic reviews by the Finance Director well in advance of any anticipated debt issuance. To ensure reasonable public disclosure and to invite participation by City residents, the policy reviews will be addressed with the City's Financial Advisory Commission (FAC). Comments and recommendations will be solicited from the FAC for consideration by City staff.

Basis of Budgeting

The City does not distinguish between Basis of Budgeting and Basis of Accounting, as reflected in the City's Comprehensive Annual Financial Report (CAFR). The principles set forth as the Basis of Accounting are strictly observed in the budgetary process.

The City budget is prepared on a modified accrual basis of accounting except for encumbrances. Unencumbered appropriations lapse at the end of each fiscal year, with encumbered appropriations being carried forward to the next year.

FINANCIAL POLICIES

The budgetary process for the City of Germantown begins in January with the Board of Mayor and Aldermen's annual retreat where its policy agenda is set for the upcoming fiscal year. Early in January, a budget manual is distributed to all departments and divisions, which outlines the budget calendar, submission dates, performance measurement requirements and parameters for budget requests. Six months of actual data for the current fiscal year is given as a basis for departments to submit their estimates for the current fiscal year end. Departments are required to complete their budgetary requests for the new fiscal year and include justifications for any infrastructure, capital and program change requests. The Office of Budget and Performance staff works with departments in reviewing personnel needs. The city administration reviews all requests on the timeframe as identified in the annual budget calendar. All funds, capital programs, infrastructure replacement programs and staffing are presented to the City's Financial Advisory Commission (FAC). The FAC is composed of citizens who volunteer to serve on the Commission on an annual basis and whose background is within the financial services discipline. The final component of the budgetary process is highlighted in a work session with the Board of Mayor and Aldermen. The Proposed Budget is then presented to the Board of Mayor and Aldermen for adoption through three readings, including a public hearing. Prior to the public hearing, a Budget In Brief brochure is mailed to all citizens. The brochure highlights the major capital and operating projects in the proposed Budget along with a letter from the Mayor.

Budgetary Control

Formal budgetary accounting is used as a management control for all funds of the City. Budgetary controls are exercised both at the departmental level, with the adoption of the budget, and at the line item level through accounting controls. Additionally, budgetary control is maintained at the program level by the individual departments, acting in conjunction with the Department of Finance and General Services. The latter has a Office of Budget & Performance to execute budgetary controls.

Under provisions of the City's charter, the Board of Mayor and Aldermen annually enact by ordinance the operating budgets of the general, special revenue, capital projects, enterprise and internal service funds, which cannot exceed appropriation except by approval of the governing body. An annual budget for the capital projects is adopted by individual funds. The total budgets of these funds constitute legal spending limits, requiring ordinance amendment. Transfers within the funds are accomplished by resolution of the Board of Mayor and Aldermen to authorize expenditures of various grants received and to adjust the individual fund budgets as required within the total dollar limitations of the budget ordinance. The Mayor may approve transfers between categories within a cost center without the governing body's approval. The Board must approve other transfers or requests for additional funds. Thus, departmental or cost center appropriations comprise a legal spending limit for governmental fund types, except for capital projects funds for which the project length financial plans are adopted. The City disperses its capital projects fund monies to various projects, which may cause a deficit within the project. However, the City adopts a positive Capital Improvements Program where funds can be transferred within the fund with appropriate approval from the governing body. Supplemental appropriations were required during the year and the accompanying budgetary data has been revised for amendments authorized by resolution during the year. The basis of accounting applied to budgetary data presented is consistent with the appropriate basis of accounting for each fund type.

The Capital Projects Funds account for the receipt and disbursement of all resources used in the acquisition and construction of capital facilities where the construction period is expected to exceed one year, other than those financed entirely by Proprietary Fund Types. The primary funding sources are debt proceeds and General Fund transfers. The facilities constructed and assets acquired become a part of the City's fixed assets and are, therefore, recorded in the General Fixed Assets Account Group. The residual equity in Capital Projects Funds, if any, is returned to the General Fund upon completion of the project. The following funds are included in this grouping.

The Major Roads Fund includes projects that create, widen or improve roads or intersections. In addition, this fund provides safe and reasonable access to the commercial developments while maintaining a reasonable level of service for traffic using the roadways.

The Intersections & Other Fund includes additional intersections and signals for the city or the improvement of the existing ones. The major purpose of this fund is to provide safe and orderly movement of traffic.

The Fire Fund contains major objective is to provide adequate fire protection to the city and to maintain the Class 3 insurance rating. The major projects in this fund include the construction of new fire stations, the remodeling or expansion of existing fire stations and major equipment purchases.

The Parks Improvements Fund is needed to meet the intensified demand for additional parkland. In addition, growth and development of new parkland is needed to keep pace with the 2004 Plan for parks and recreation.

FINANCIAL POLICIES

The Drainage Projects Fund includes projects that will provide adequate water supply for existing and future population requirements. In addition, this fund consists of sewer projects, such as the provision of sanitary sewers, which are needed when properties are annexed into the City.

The General Government Projects Fund includes miscellaneous projects needed to meet individual departmental demands. The major projects in this fund include the remodeling or expansion of City owned buildings as well as community use buildings and property.

FY16 BUDGET CALENDAR

January

1/09/15 Budget Material distributed to Departments
 1/26/15 **Board Meeting** - Budget Calendar review and approval by the Board of Mayor and Aldermen

February

2/06/15 Capital Improvements Program (CIP) applications due to CIP Manager
 2/06/15 FY16 Budget materials (Revenues and Expenses) and Program Change Request Forms due to Budget and Performance (General Fund, Enterprise Funds, Internal Service Funds, Special Revenue Funds, Infrastructure Replacement Program)
 2/17/15 **Financial Advisory Commission – First Meeting:** Introduction, BMA Retreat overview-Strategic Plan, and review of FY16 Pension Fund
 2/19/15 Vehicle and equipment replacement schedule review with City Administrator
 2/23-2/27/15 FY16 Budget review with departments

March

3/10/15 **Financial Advisory Commission – Second Meeting:** Review of FY16 Budget Enterprise Funds (Utility, Germantown Athletic Club, Great Hall & CC, Stormwater and Sanitation)

April

3/31/15 **Financial Advisory Commission – Third Meeting:** Review of Capital Improvements Program and Infrastructure Replacement Program
 4/01/15 Board of Mayor and Aldermen – work session on CIP
 4/10/15 Proposed FY16 Budget and Capital Plan delivered to Department Directors for final comment and review
 4/14/15 **Financial Advisory Commission – Fourth Meeting:** Review of FY16 Special Revenue Funds
 4/28/15 **Financial Advisory Commission – Fifth Meeting:** Review of FY16 General Fund Revenues and General Fund Expenditures

May

5/01/15 Proposed FY16 Budget delivered to Board of Mayor and Aldermen *Budget in Brief* prepared
 5/01/15 Proposed FY16 Business Plans including Strategic objectives due to Budget and Performance
 5/06/15 Board of Mayor and Aldermen work session on FY16 Budget
 5/11/15 **Board Meeting - First Reading on FY16 Budget Ordinance 2015-2**
 Schedule meetings with Chamber, Homeowner Associations and Civic Clubs;
 Distribute *Budget in Brief*; Press Conference; Neighborhood News (Budget and Property Tax Rate)
 5/15/15 Document printing RFP due to Procurement

June

6/08/15 **Board Meeting - Public Hearing on FY16 Budget; Second Reading on FY16 Budget Ordinance 2015-2**
 6/22/15 **Board Meeting - Third and Final Reading on FY16 Budget Ordinance 2015-2**

This section consists of summaries of the FY16 Budget by major category and by cost center in the six major operating funds: General, Utility, Germantown Athletic Club, Great Hall, Sanitation and Stormwater. It also contains pie charts of General Revenues and Expenditures, CIP Project Listings, Personnel Staffing Schedule, Special Revenue Funds, Internal Service Funds and Fiduciary Funds.

TOTAL EXPENDITURE BUDGET – The schedule, which appears on the next two pages, summarizes revenues and expenditures for all fund types by category or nature of revenue and expenditure for FY16. It is compared to the estimated total for FY15. The significant totals are carried forward to the City Administrator’s transmittal letter in analyzing major changes in operating and capital expenditures. The impact to fund balance is also provided.

GENERAL FUND – The summary of the General Fund Budget is on pages 48 and 49. The details of General and Special Revenues are found in the last section of the document. Expenditures are summarized by cost center and grouped by program. General Fund expenditures that include engineering, public services and information technology services are charged to the Utility Fund, which is reimbursed by the expense reimbursement line of the General Fund Budget Summary. Three years of history, including FY15 and five years of projections including FY16, are presented. The bottom line in this schedule is the ending fund balance for each of the fiscal years. A detail of the General Fund’s fund balance is outlined in this section under the heading Discussion of General Fund Reserves.

The General Fund Summary reflects the carry forward resources from prior year revenues, which carries forward prior year expenditure obligations. This change accounts for the variance between ending and beginning fund balance figures.

PIE CHARTS – Pie charts are presented for General Fund Revenues and Expenditures in order to demonstrate the proportional relationships of the General Fund Budget. Beneath the pie charts are comparative summaries of major categories of revenues and expenditures by program. Similar pie charts are presented for the Utility Fund, the Germantown Athletic Club and the Great Hall Fund.

UTILITY FUND – GERMANTOWN ATHLETIC CLUB FUND – GREAT HALL FUND – SANITATION FUND – STORMWATER MANAGEMENT FUND – These Fund Summaries are presented in the same columnar format as the General Fund Summary. The summaries are designed to accomplish four objectives: 1) to provide a Net Operating Income amount; 2) to provide a projection of Working Capital; 3) to project Fund Equity; and 4) to project Total Net Assets. Revenues are detailed in the last section of this document. Operating Expenditures, including depreciation and interest on indebtedness, are subtracted from Total Revenues to arrive at Net Operating Income. Other adjustments to income, including depreciation and capital outlays, are added to or deducted from Net Operating Income to arrive at an estimation of cash flows. Working capital is defined as current assets less current liabilities at June 30 of each fiscal year. Components of fund equity at each of the fiscal year-ends are also described in these summaries. Contributed Capital in the Utility Fund does not include fees paid to the City by developers for infrastructure constructed by the City, but generally represents subdivision and project water and sewer lines installed by developers.

List of Major Funds

<i>Governmental</i>		<i>Proprietary</i>		<i>Fiduciary</i>	
General Fund	General	Utility Fund	Enterprise	Pension Fund	Trust Fund
Recreation Fund	Special	Germantown Athletic Club Fund	Enterprise	OPEB Fund	Trust Fund
State Street Aid Fund	Special	Great Hall Fund	Enterprise	Cash Balance Fund	Trust Fund
Automated Enforcement	Special	Sanitation Fund	Enterprise		
Drug Asset Forfeiture	Special	Stormwater Fund	Enterprise		
Federal Asset Forfeiture	Special	Health Fund	Internal Service		
Pickering Fund	Special	Fleet Services	Internal Service		
Ambulance Fund	Special	Allocated Expenses	Internal Service		
GMSD Fund	Special				
Farm Park Fund	Special				
Capital Improvements Fund	Capital				

TOTAL EXPENDITURE BUDGET

	General Fund	Utility Fund	Germantown Athletic Club	Great Hall Fund	Sanitation Fund	Stormwater Fund
REVENUES:						
Property Taxes	\$ 28,997,483	-	-	-	-	-
Sales Taxes	10,165,909	-	-	-	-	-
Federal and State Revenues	5,841,514	-	-	-	5,000	-
Metered Water Sales	-	4,550,000	-	-	-	-
Sewer Service Fees	-	2,950,000	-	-	-	-
Membership Fees	-	-	3,370,000	-	-	-
Aquatics Revenues	-	-	162,000	-	-	-
Business Revenues	-	-	-	433,733	-	-
Personal Training	-	-	312,000	-	-	-
Sanitation Fees	-	-	-	-	3,411,045	-
State Gasoline Tax Allocation	-	-	-	-	-	-
Automated Enforcement Revenues	-	-	-	-	-	-
Drug Enforcement Revenues	-	-	-	-	-	-
Federal Asset Forfeiture Revenues	-	-	-	-	-	-
Pickering Complex Revenues	-	-	-	-	-	-
Transport Fee	-	-	-	-	-	-
Non Transport Fee	-	-	-	-	-	-
Education Revenues	-	-	-	-	-	-
Recreation Revenues	-	-	-	-	-	-
Farm Revenues	-	-	-	-	-	-
Stormwater Fee	-	-	-	-	-	1,002,807
Other Revenues	3,450,095	317,000	310,872	-	47,500	9,000
Investment Income	51,700	6,500	3,500	-	1,435	-
Funds from Prior Periods	450,000	-	-	-	-	-
FY16 Total Revenues:	48,956,701	7,823,500	4,158,372	433,733	3,464,980	1,011,807
Expenditures/Expenses by Category:						
Personnel	27,441,616	1,618,203	1,860,978	183,780	82,678	531,036
Communications	453,464	88,100	5,000	1,000	12,800	4,300
Utilities	1,083,691	720,600	386,300	42,750	1,030	-
Professional	2,664,182	115,000	347,500	52,200	40,000	10,000
Grants	1,443,704	-	-	-	-	-
Other Maintenance	2,227,746	90,000	125,000	75,200	-	60,000
Vehicle Maintenance	-	-	-	-	-	-
Street Maintenance	-	-	-	-	-	285,000
Mains Maintenance	-	155,000	-	-	-	-
Supplies	1,700,900	242,700	221,020	22,600	36,000	28,000
Contract Services	-	955,000	-	-	3,576,235	-
Insurance	96,500	10,000	-	-	-	-
Rent	129,601	100	145,000	89,222	-	-
Debt Service	2,877,533	128,050	19,224	7,476	-	-
Capital Outlay	1,734,050	-	-	-	-	-
Depreciation	-	1,821,038	567,935	52,184	-	30,200
Contingency	50,000	-	-	-	-	-
Operating Transfer	5,181,594	-	-	(225,000)	-	-
Allocation/PILOT	1,403,821	1,175,350	98,450	23,750	-	42,327
Expense Reimbursement	(534,851)	-	-	-	-	-
FY16 Total Expenditures/Expenses	47,953,552	7,119,141	3,776,407	325,162	3,748,743	990,863
Excess (Deficit)/Income (Loss)	1,003,149	704,359	381,965	108,571	(283,763)	20,944
Fund Balance/Net Assets:						
Beg. Fund Bal./Net Assets	22,837,418	46,188,426	15,068,100	461,533	823,911	430,718
Transfer to CIP/IRP	(2,028,000)	-	-	-	-	-
End Fund Bal./Net Assets	\$ 21,812,567	46,892,786	15,450,065	570,104	540,148	451,662
Capital Outlay/Infrastructure/CIP	-	1,503,000	1,513,320	164,800	-	100,000
COMPARISON TO PRIOR YEAR'S BUDGET						
ALL FUNDS:	BUDGET FY15	BUDGET FY16	CHANGE	% CHANGE		
Operating Budget*	\$ 110,492,893	116,665,236	6,172,343	5.6%		
Capital Budget	9,653,829	10,788,000	1,134,171	11.7%		
TOTAL BUDGET	\$ 120,146,722	127,453,236	7,306,514	6.1%		

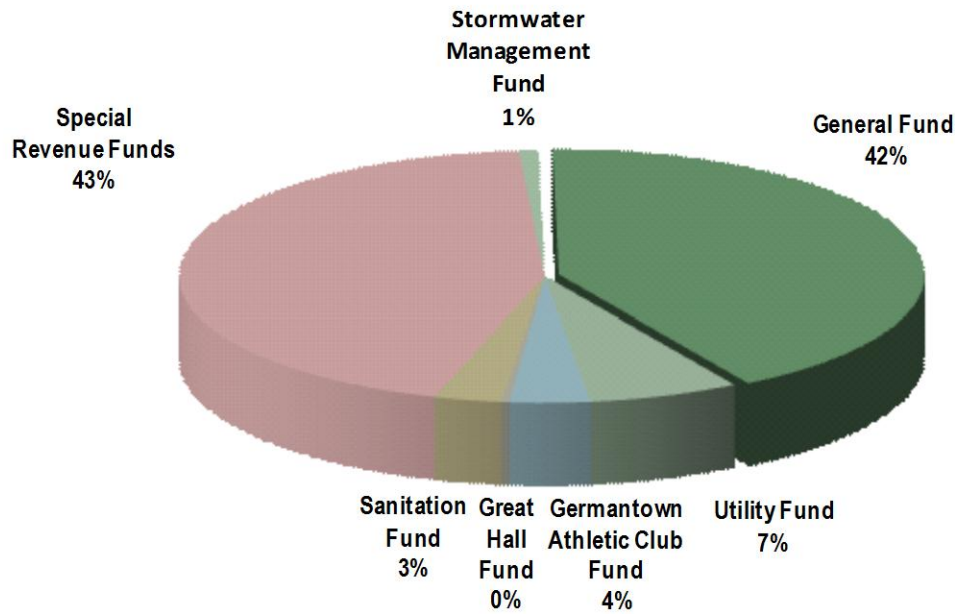
* Includes Capital Outlay and Infrastructure.

TOTAL EXPENDITURE BUDGET

	Special Revenue	Veh. Maint./ Alloc.	Capital Projects	Total	FY16	Increase/ Decrease	Estimated FY15	Actual FY14
REVENUES:								
Property Taxes	\$ -	-	-	28,997,483		1.7%	28,504,055	28,308,958
Sales Taxes	-	-	-	10,165,909		5.4%	9,645,110	9,684,656
Federal and State Revenues	-	-	-	5,846,514		4.1%	5,618,424	5,657,937
Metered Water Sales	-	-	-	4,550,000		-4.8%	4,780,172	3,986,805
Sewer Service Fees	-	-	-	2,950,000		-2.1%	3,012,027	2,441,350
Membership Fees	-	-	-	3,370,000		-2.3%	3,447,681	3,364,759
Aquatics Revenues	-	-	-	162,000		5.9%	152,983	168,135
Business Revenues	-	-	-	433,733		-9.9%	481,609	438,124
Personal Training	-	-	-	312,000		76.2%	177,026	218,371
Sanitation Fees	-	-	-	3,411,045		3.1%	3,308,952	3,406,413
State Gasoline Tax Allocation	1,050,000	-	-	1,050,000		-1.1%	1,061,900	1,038,065
Automated Enforcement Revenues	250,000	-	-	250,000		99900.0%	250	100
Drug Enforcement Revenues	350,000	-	-	350,000		0.0%	350,000	154,618
Federal Asset Forfeiture Revenues	50,000	-	-	50,000		0.0%	50,000	27,489
Pickering Complex Revenues	65,749	-	-	65,749		-6.4%	70,267	71,652
Transport Fee	880,000	-	-	880,000		0.0%	836,000	756,681
Non Transport Fee	-	-	-	-		0.0%	-	-
Education Revenues	48,459,000	-	-	48,459,000		0.0%	44,892,000	-
Recreation Revenues	565,237	-	-	565,237		7.7%	524,633	172,403
Farm Revenues	65,000	-	-	65,000		0.0%	28,230	-
Stormwater Fee	-	-	-	1,002,807		-1.0%	1,012,592	997,799
Other Revenues	-	-	-	4,134,467		-4.2%	4,317,021	10,208,210
Investment Income	-	-	-	63,135		-0.7%	63,564	77,118
Funds from Prior Periods	-	-	-	450,000		-	450,000	-
FY16 Total Revenues:	51,734,986	-	-	117,584,079		4.3%	112,784,496	71,179,643
Expenditures/Expenses by Category:								
Personnel	40,052,234	682,147	-	72,452,672		5.7%	68,555,660	32,393,222
Communications	265,300	6,000	-	835,964		28.1%	652,538	354,458
Utilities	2,064,862	24,995	-	4,324,228		4.2%	4,150,311	2,847,263
Professional	4,287,880	-	-	7,516,762		30.1%	5,779,083	3,316,187
Grants	9,750	-	-	1,453,454		156.7%	566,179	339,989
Other Maintenance	403,500	147,356	-	3,128,802		-11.1%	3,520,468	2,082,105
Vehicle Maintenance	-	120,000	-	120,000		14.3%	105,000	91,594
Street Maintenance	2,250,000	-	-	2,535,000		16.1%	2,183,268	1,605,751
Mains Maintenance	-	-	-	155,000		13.1%	137,000	117,954
Supplies	4,314,189	54,950	-	6,620,359		32.3%	5,003,173	2,039,743
Contract Services	1,161,500	-	-	5,692,735		14.5%	4,971,772	4,647,168
Insurance	264,000	692,033	-	1,062,533		0%	1,010,500	677,677
Rent	395,700	6,300	-	765,923		48.4%	516,163	502,139
Debt Service	-	-	-	3,032,283		-9.9%	3,365,972	9,272,333
Capital Outlay	1,351,000	-	-	3,085,050		13.7%	2,714,374	1,641,160
Depreciation	-	36,110	-	2,507,467		2.8%	2,438,827	2,375,529
Contingency	-	-	-	50,000		0%	-	-
Operating Transfer	(4,956,594)	-	-	-		0%	-	-
Allocation	45,427	(1,769,891)	-	1,019,234		0.6%	1,012,923	1,451,573
Expense Reimbursement	-	-	-	(534,851)		0.0%	(534,851)	(949,559)
FY16 Total Expenditures/Expenses	51,908,748	-	-	115,822,616		9.1%	106,148,361	64,806,286
Excess (Deficit)/Income (Loss)	(173,762)	-	-					
Fund Balance/Retained Earnings:								
Beg. Fund Bal./Retained Earnings	1,500,439	371,193	-					
Transfer to CIP/IRP	-	-	-					
End Fund Bal./Ret. Earnings	\$ 1,326,677	371,193	-					
Capital Outlay/Infrastructure/CIP	64,500	80,000	8,205,000					
COMPARISON TO PRIOR YEAR'S BUDGET								
GENERAL FUND:	BUDGET FY15	BUDGET FY16	CHANGE	% CHANGE				
Operating Budget*	\$ 44,969,800	47,953,552	2,983,752	6.6%				
Capital Budget	-	-	-	0.0%				
TOTAL BUDGET	\$ 44,969,800	47,953,552	2,983,752	6.6%				

* Includes Capital Outlay and Infrastructure.

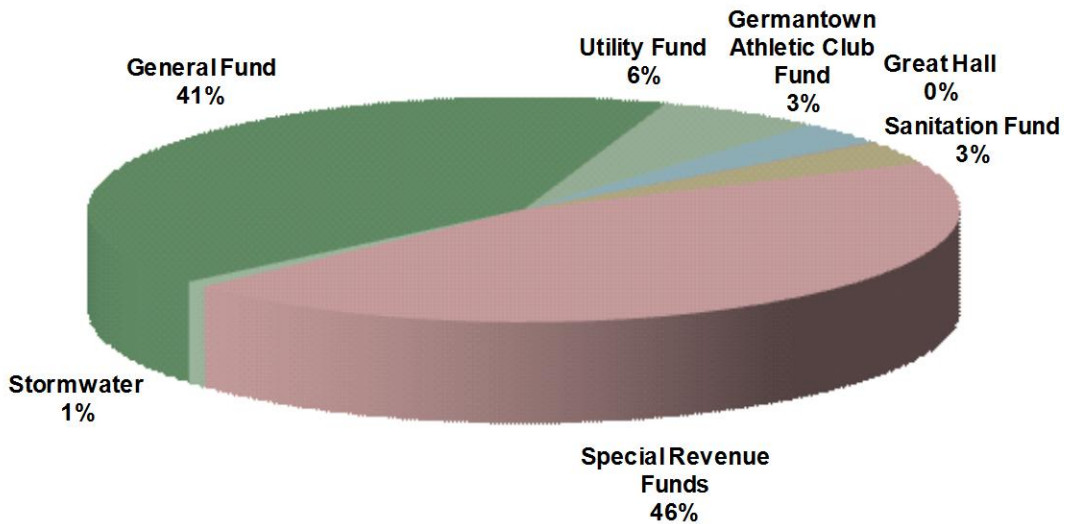
ALL FUND OPERATING REVENUES FY16



ALL FUND REVENUES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 47,671	42%	\$ 48,957	42%
Utility Fund	8,489	8%	7,824	7%
Germantown Athletic Club Fund	4,028	4%	4,158	4%
Great Hall	402	0%	433	0%
Sanitation Fund	3,367	3%	3,465	3%
Special Revenue Funds	47,813	42%	51,735	43%
Stormwater Management Fund	1,014	1%	1,012	1%
TOTAL REVENUES	\$ 112,784	100%	\$ 117,584	100%

ALL FUND OPERATING EXPENSES FY16



ALL FUND EXPENDITURES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 45,434	43%	\$ 47,954	41%
Utility Fund	7,086	7%	7,119	6%
Germantown Athletic Club Fund	3,488	3%	3,776	3%
Great Hall	326	0%	325	0%
Sanitation Fund	3,398	3%	3,749	3%
Special Revenue Funds	45,359	43%	51,909	46%
Stormwater	1,057	1%	991	1%
TOTAL EXPENDITURES	\$ 106,148	100%	\$ 115,823	100%

GENERAL FUND BUDGET SUMMARY

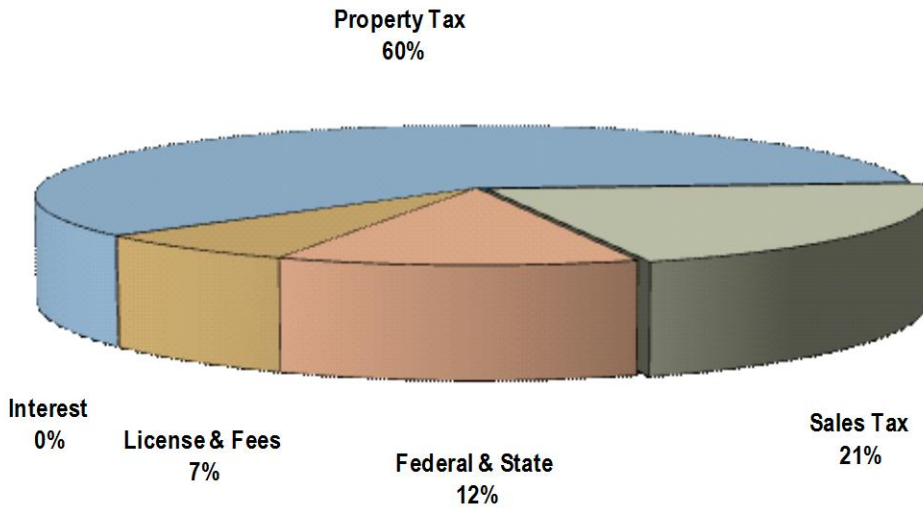
	Actual FY13	Actual FY14	Original FY15 Budget
REVENUES:			
Property Taxes	\$ 22,895,489	28,308,958	28,441,574
Sales Taxes	7,063,632	7,755,752	9,555,865
Federal and State Revenues	6,070,654	5,657,937	5,676,924
Other Revenues	3,741,794	9,384,771	3,460,004
Investment Income	79,972	64,904	54,400
Funds from Prior Periods	-	-	450,000
TOTAL GENERAL FUND REVENUES	39,851,541	51,172,322	47,638,767
EXPENDITURES:			
General Government:			
Aldermen	199,484	187,286	214,012
City Court	591,906	550,724	646,777
Administration	1,512,536	1,114,846	1,934,037
Germantown Performing Arts Center	984,060	1,123,346	1,159,177
Information Technology	1,514,689	1,422,071	1,887,111
Human Resources	677,981	678,254	741,605
Finance	1,526,170	920,723	1,008,969
Procurement	-	597,025	686,609
Community Development	1,916,928	1,762,765	1,980,011
General Services	1,481,349	1,389,602	1,971,908
Budget & Performance	246,387	298,962	353,058
Total General Government	10,651,490	10,045,604	12,583,275
Public Safety:			
Police	10,433,218	10,184,272	10,933,702
Fire	8,280,402	6,975,854	6,927,999
Total Public Safety	18,713,620	17,160,126	17,861,701
Transportation & Environment:			
Public Services	3,813,292	3,732,753	4,323,953
Animal Control	323,257	349,896	364,853
Total Transportation & Environment	4,136,549	4,082,649	4,688,806
Community Services:			
Parks & Recreation	1,301,524	1,199,535	1,376,426
The Farm	95,700	93,519	-
Genealogy Center	66,028	67,922	69,979
Library Services	1,382,281	1,393,707	1,438,074
Cultural Arts Programs	55,968	71,519	84,446
Total Community Services	2,901,501	2,826,202	2,968,925
General Debt Service	3,375,248	9,052,645	3,036,307
Other Expenditures:			
Transfer to Great Hall Fund	70,000	175,000	280,000
Transfer to Municipal Schools Fund	-	130,000	2,121,583
Transfer to (from) Germantown Athletic Club Fund	(850,000)	-	-
Transfer to Ambulance	-	1,000,000	500,000
Transfer to Automated Enforcement	125,000	150,000	75,000
Transfer to State Street Aid	200,000	900,000	1,650,000
Transfer to Farm Park	-	-	150,000
Contingencies	-	-	-
Expense Reimbursement	(943,053)	(949,559)	(945,797)
Roll Forward Enc.- Prior Year	450,000	450,000	450,000
Roll Forward Enc.- Next Year	(450,000)	(450,000)	(450,000)
TOTAL GENERAL FUND EXPENDITURES	38,380,355	44,572,667	44,969,800
Excess of Revenues Over/(Under) Expenditures	\$ 1,471,186	6,599,655	2,668,967
Fund Balance - Beginning	16,710,513	19,220,182	20,201,644
Transfer to Capital Projects	-	(1,750,000)	(2,357,000)
CIP Reserve Increase (Decrease)	-	-	(213,000)
Prior Period Adjustment	1,038,483	-	-
Fund Balance - Ending	\$ 19,220,182	24,069,837	20,300,611

GENERAL FUND BUDGET SUMMARY

GENERAL FUND BUDGET SUMMARY

Estimate	Budget	Projected				
		FY15	FY16	FY17	FY18	FY19
\$	28,504,055	28,997,483	29,249,071	29,570,461	30,122,346	30,748,450
	9,645,110	10,165,909	10,252,425	10,409,632	10,569,485	10,732,033
	5,610,924	5,841,514	5,840,047	5,887,399	5,935,472	5,984,278
	3,406,984	3,450,095	3,454,952	3,447,483	3,508,213	3,570,646
	54,400	51,700	77,000	77,770	78,800	79,846
	450,000	450,000	450,000	450,000	450,000	450,000
	47,671,473	48,956,701	49,323,495	49,842,745	50,664,315	51,565,253
	218,034	205,616	208,560	211,636	215,707	219,458
	-	1,408,604	1,427,619	1,450,042	1,473,521	1,497,907
	643,750	698,961	722,977	739,841	758,368	777,524
	1,781,453	1,448,526	1,473,118	1,500,938	1,534,603	1,565,562
	1,133,024	1,219,860	1,202,980	1,235,739	1,270,134	1,305,868
	1,725,400	2,340,529	2,193,207	2,023,140	1,874,515	1,979,482
	671,771	704,776	713,998	732,316	752,010	772,560
	1,072,225	1,122,135	1,147,747	1,174,567	1,205,750	1,235,790
	735,193	735,745	755,851	776,894	798,823	821,838
	2,029,641	2,367,624	2,418,303	2,479,687	2,547,235	2,618,309
	2,041,104	2,073,815	2,150,262	2,137,072	2,053,079	2,114,447
	358,442	378,909	385,639	394,783	404,646	414,846
	12,410,037	14,705,100	14,800,260	14,856,655	14,888,392	15,323,591
	10,992,961	10,744,642	11,329,695	11,609,048	12,129,127	12,393,938
	7,120,564	7,262,437	7,524,388	7,804,993	7,936,032	8,102,870
	18,113,525	18,007,079	18,854,083	19,414,041	20,065,159	20,496,807
	4,275,173	4,352,376	4,233,613	4,561,459	4,670,716	4,786,422
	364,581	350,831	390,409	375,306	385,334	395,982
	4,639,754	4,703,207	4,624,022	4,936,764	5,056,050	5,182,404
	1,315,484	1,372,770	1,394,577	1,401,902	1,407,900	1,443,302
	-	-	-	-	-	-
	70,054	74,839	76,361	77,804	79,654	81,495
	1,440,995	1,450,284	1,446,558	1,486,003	1,526,962	1,568,878
	88,827	65,997	65,997	66,043	66,225	66,273
	2,915,360	2,963,890	2,983,493	3,031,752	3,080,741	3,159,948
	3,168,484	2,877,533	3,113,183	2,730,357	2,046,933	2,046,883
	225,000	225,000	50,000	50,000	50,000	50,000
	2,121,583	2,131,594	2,153,000	2,175,000	2,197,000	2,219,000
	-	-	-	-	-	-
	500,000	750,000	825,000	850,000	850,000	850,000
	75,000	75,000	77,000	80,000	83,000	88,000
	1,650,000	1,850,000	1,500,000	1,500,000	1,500,000	1,500,000
	150,000	150,000	150,000	150,000	100,000	90,000
	-	50,000	50,000	50,000	50,000	50,000
	(534,851)	(534,851)	(547,139)	(559,940)	(573,089)	(586,598)
	450,000	450,000	450,000	450,000	450,000	450,000
	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
	45,433,893	47,953,552	48,632,902	49,264,630	49,394,187	50,470,034
\$	2,237,581	1,003,149	690,593	578,115	1,270,129	1,095,219
	23,619,837	22,837,418	21,362,567	20,228,160	19,106,275	18,016,404
	(2,357,000)	(2,028,000)	(1,375,000)	(1,250,000)	(1,910,000)	(1,300,000)
	(213,000)	-	-	-	-	-
	-	-	-	-	-	-
\$	23,287,418	21,812,567	20,678,160	19,556,275	18,466,404	17,811,623

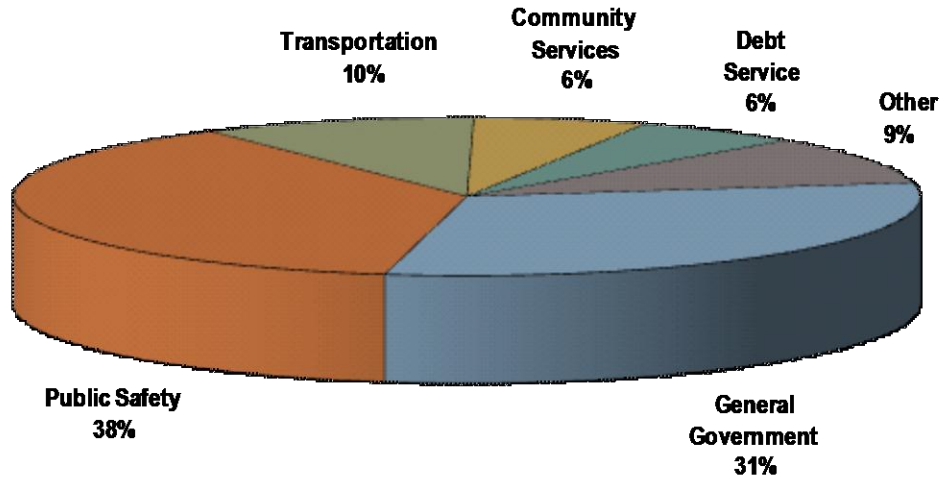
GENERAL FUND REVENUES FY16



GENERAL FUND REVENUES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Property Taxes	\$ 28,504	60%	\$ 28,997	60%
Sales Taxes	9,645	20%	10,166	21%
Federal & State Revenues	5,611	12%	5,842	12%
License, Fees & Other	3,407	8%	3,450	7%
Investment Income	54	0%	52	0%
TOTAL REVENUES	\$ 47,221	100%	\$ 48,507	100%

GENERAL FUND EXPENDITURES FY16



GENERAL FUND EXPENDITURES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
General Government	\$ 12,410	27%	\$ 14,705	31%
Public Safety	18,114	40%	18,007	38%
Transportation	4,640	10%	4,703	10%
Community Services	2,915	6%	2,964	6%
Debt Services	3,168	7%	2,878	6%
Other Expenses (Reimb.)	4,187	10%	4,697	9%
TOTAL EXPENDITURES	\$ 45,434	100%	\$ 47,954	100%

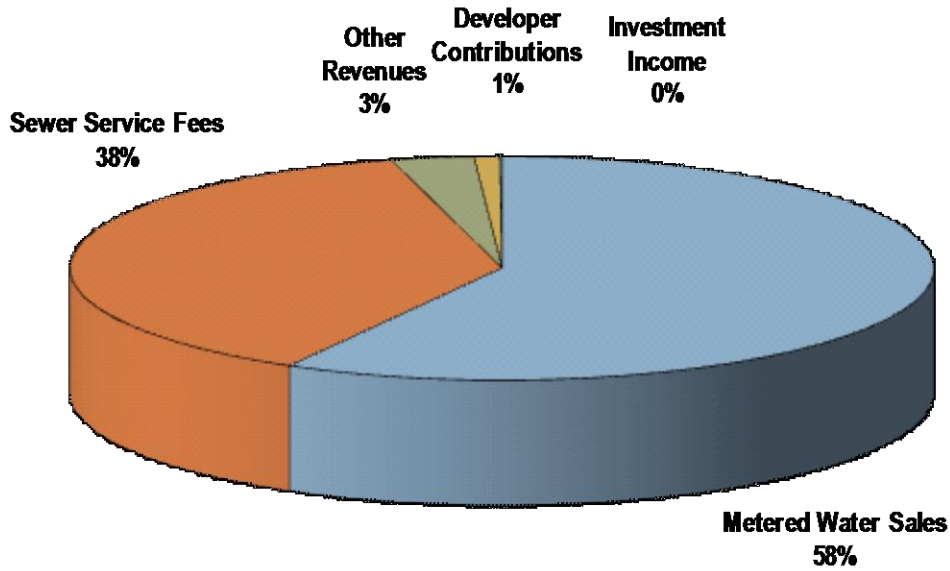
UTILITY FUND BUDGET SUMMARY

	Actual FY13	Actual FY14	Budget FY15
OPERATING REVENUES			
Metered Water Sales	\$ 4,118,201	3,986,805	5,353,661
Sewer Service Fees	2,449,575	2,441,350	3,184,448
Other Revenue	231,498	257,350	181,000
Total Operating Revenues	6,799,274	6,685,505	8,719,109
OPERATING EXPENSES			
Water	4,613,128	4,739,103	5,023,833
Sewer	1,606,335	1,672,300	1,716,065
Sewage Treatment	1,171,901	1,241,703	1,200,000
Total Operating Expenses	7,391,364	7,653,106	7,939,898
OPERATING INCOME	(592,090)	(967,601)	779,211
NONOPERATING REVENUES (EXPENSES)			
Contributions from Developers	86,243	259,000	75,000
Investment Income	13,786	5,332	6,500
Gain/loss on disposal of assets	-	-	-
Utility Debt Service	(310,669)	(182,608)	(165,688)
Net Non-Operating Revenues (Expenses)	(210,640)	81,724	(84,188)
NET INCOME	(802,730)	(885,877)	695,023
Other Receipts			
Debt Proceeds	-	-	-
Depreciation	641,014	672,629	1,818,493
Total Other Receipts	641,014	672,629	1,818,493
Other Expenditures			
Bonds Payable	920,000	880,000	955,000
Major Construction Infrastructure (Water & Sewer)	1,293,884	467,699	330,000
	273,129	153,912	625,000
Total Other Expenditures	2,487,013	1,501,611	1,910,000
Working Capital - Beginning	5,207,688	3,392,716	(468,505)
Working Capital - Ending	3,392,716	2,298,857	60,011
Contributed Capital	17,833,462	17,833,462	17,833,462
Retained Earnings Reserved for:			
Emergencies	600,000	600,000	600,000
Contingencies	51,000	51,000	51,000
Capital Replacement	800,000	800,000	800,000
Total Reserved	1,451,000	1,451,000	1,451,000
Retained Earnings Unreserved	26,386,511	25,500,634	26,104,235
Retained Earnings at Beginning of Year	28,640,241	27,837,511	26,860,212
Retained Earnings at End of Year	27,837,511	26,951,634	27,555,235
Total Net Assets - Beginning	46,473,711	45,670,981	44,693,692
Total Net Assets - Ending	\$ 45,670,981	44,785,104	45,388,715

UTILITY FUND BUDGET SUMMARY

	Estimate FY15	Budget FY16	Projected			
			FY17	FY18	FY19	FY20
\$	4,780,172	4,550,000	4,572,750	4,595,614	4,618,592	4,641,685
	3,012,027	2,950,000	2,964,750	2,979,574	2,994,472	3,009,444
	363,790	242,000	244,215	245,481	247,282	248,949
	8,155,989	7,742,000	7,781,715	7,820,669	7,860,346	7,900,078
	4,342,318	4,506,658	4,693,694	4,826,661	4,937,943	5,061,843
	1,497,456	1,529,433	1,565,368	1,694,148	1,741,189	1,784,604
	1,080,000	955,000	991,000	1,027,000	1,063,000	1,099,000
	6,919,774	6,991,091	7,250,062	7,547,809	7,742,133	7,945,447
	1,236,216	750,909	531,653	272,859	118,213	(45,369)
	329,674	75,000	100,000	100,000	200,000	200,000
	3,120	6,500	10,000	15,000	20,000	25,000
	-	-	-	-	-	-
	(165,688)	(128,050)	(87,550)	(45,350)	(12,050)	-
	167,106	(46,550)	22,450	69,650	207,950	225,000
	1,403,322	704,359	554,103	342,509	326,163	179,631
	-	-	-	-	-	-
	1,775,438	1,821,038	1,832,038	1,842,738	1,855,638	1,865,538
	1,775,438	1,821,038	1,832,038	1,842,738	1,855,638	1,865,538
	955,000	990,000	1,035,000	1,075,000	590,000	-
	332,993	1,048,000	-	-	-	-
	1,156,743	455,000	550,000	535,000	645,000	460,000
	2,444,736	2,493,000	1,585,000	1,610,000	1,235,000	460,000
	2,298,857	3,658,207	4,605,604	6,341,745	7,891,992	9,228,793
	3,658,207	4,605,604	6,341,745	7,891,992	9,228,793	10,613,962
	17,833,462	17,833,462	17,833,462	17,833,462	17,833,462	17,833,462
	600,000	600,000	600,000	600,000	600,000	600,000
	51,000	51,000	51,000	51,000	51,000	51,000
	800,000	800,000	800,000	800,000	800,000	800,000
	1,451,000	1,451,000	1,451,000	1,451,000	1,451,000	1,451,000
	26,903,956	27,608,316	28,162,419	28,504,928	28,831,091	29,010,722
	26,951,634	28,354,956	29,059,316	29,613,419	29,955,928	30,282,091
	28,354,956	29,059,316	29,613,419	29,955,928	30,282,091	30,461,722
	44,785,104	46,188,426	46,892,785	47,446,888	47,789,397	48,115,560
\$	46,188,426	46,892,785	47,446,888	47,789,397	48,115,560	48,295,191

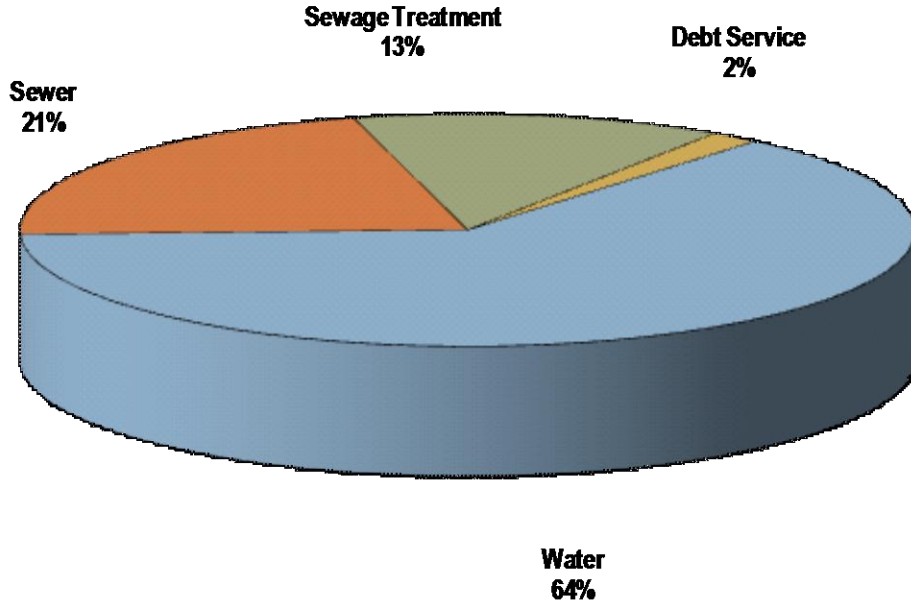
UTILITY FUND REVENUES FY16



UTILITY FUND REVENUES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Metered Water Sales	\$ 4,780	56%	\$ 4,550	58%
Sewer Service Fees	3,012	36%	2,950	38%
Other Revenue	364	4%	242	3%
Contributions from Developers	330	4%	75	1%
Investment Income	3	0%	7	0%
TOTAL REVENUES	\$ 8,489	100%	\$ 7,824	100%

UTILITY FUND EXPENDITURES FY16



UTILITY FUND EXPENDITURES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Water	\$ 4,342	62%	\$ 4,507	64%
Sewer	1,497	21%	1,529	21%
Sewage Treatment	1,080	15%	955	13%
Utility Debt Service	166	2%	128	2%
TOTAL EXPENDITURES	\$ 7,085	100%	\$ 7,119	100%

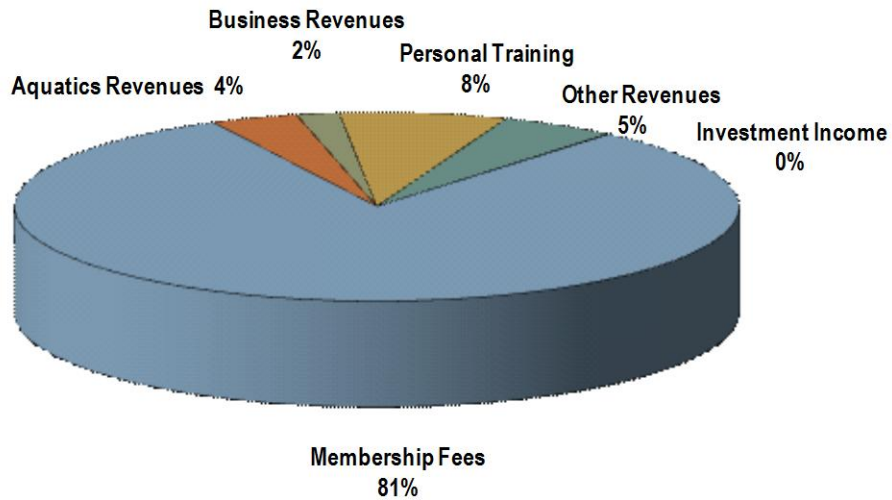
GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

	<u>Actual FY13</u>	<u>Actual FY14</u>	<u>Original FY15 Budget</u>
OPERATING REVENUES			
Membership Fees	\$ 3,191,099	3,364,759	3,342,000
Aquatics Revenues	176,066	168,135	163,000
Business Revenues	79,222	79,222	79,222
Personal Training Revenues	255,198	218,371	280,000
Other Revenues	200,051	195,767	202,650
TOTAL OPERATING REVENUES	3,901,636	4,026,254	4,066,872
OPERATING EXPENSES			
Recreation	2,357,315	2,192,314	2,451,848
Personal Training	194,472	227,801	291,136
Aquatics	823,128	810,286	849,499
TOTAL OPERATING EXPENSES	3,374,915	3,230,401	3,592,483
OPERATING INCOME	526,721	795,853	474,389
NONOPERATING REVENUES (EXPENSES)			
Investment Income	6,009	3,372	3,500
Interest Payment	(30,557)	(26,698)	(22,896)
Contribution from (to) other funds	(850,000)	-	-
Total	(874,548)	(23,326)	(19,396)
NET INCOME (LOSS)	(347,827)	772,527	454,993
Other Receipts			
Depreciation	561,010	522,261	561,447
Total Other Receipts	561,010	522,261	561,447
Other Expenditures			
Debt Payable	125,000	125,000	125,000
Infrastructure	-	5,460	1,420,529
Other Assets	113,984	65,062	18,000
Total Other Expenditures	238,984	195,522	1,563,529
NET CHANGE IN WORKING CAPITAL	(25,801)	1,099,266	(547,089)
Working Capital - Beginning	1,342,141	1,316,340	2,113,791
Working Capital - Ending	1,316,340	2,415,606	1,566,702
Retained Earnings at Beginning of Year	3,009,132	2,661,305	3,329,878
Retained Earnings at End of Year	2,661,305	3,433,832	3,784,871
Total Net Assets-Beginning	14,103,630	13,755,803	14,425,141
Total Net Assets-Ending	\$ 13,755,803	14,528,330	14,880,134

GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

Estimate FY15	Budget FY16	Projected			
		FY17	FY18	FY19	FY20
\$ 3,447,681	3,385,000	3,421,800	3,592,431	3,631,598	3,671,315
152,983	162,000	164,430	166,896	169,400	171,941
79,222	79,222	79,222	79,222	79,222	79,222
177,026	312,000	312,000	312,000	312,000	312,000
167,323	216,650	222,354	228,017	234,147	240,503
4,024,235	4,154,872	4,199,806	4,378,566	4,426,367	4,474,981
2,394,516	2,586,679	2,666,829	2,763,909	2,877,776	2,946,966
224,910	309,460	311,240	322,821	335,158	348,005
845,643	861,044	877,543	894,641	912,692	931,256
3,465,069	3,757,183	3,855,612	3,981,371	4,125,626	4,226,228
559,166	397,689	344,194	397,195	300,741	248,753
3,500	3,500	3,500	3,500	3,500	3,500
(22,896)	(19,224)	(15,624)	(12,024)	(8,496)	(5,040)
-	-	-	-	-	-
(19,396)	(15,724)	(12,124)	(8,524)	(4,996)	(1,540)
539,770	381,965	332,070	388,671	295,745	247,213
558,533	567,935	602,335	636,635	683,535	683,535
558,533	567,935	602,335	636,635	683,535	683,535
125,000	125,000	125,000	125,000	125,000	125,000
-	1,500,000	1,000,000	2,500,000	-	-
397,774	13,320	-	-	-	-
522,774	1,638,320	1,125,000	2,625,000	125,000	125,000
575,529	(688,420)	(190,595)	(1,599,694)	854,280	805,748
2,415,606	2,991,135	2,302,715	2,112,120	512,426	1,366,706
2,991,135	2,302,715	2,112,120	512,426	1,366,706	2,172,454
3,433,832	3,973,602	4,355,567	4,687,637	5,076,308	5,372,053
3,973,602	4,355,567	4,687,637	5,076,308	5,372,053	5,619,266
14,528,330	15,068,100	15,450,065	15,782,135	16,170,806	16,466,551
\$ 15,068,100	15,450,065	15,782,135	16,170,806	16,466,551	16,713,764

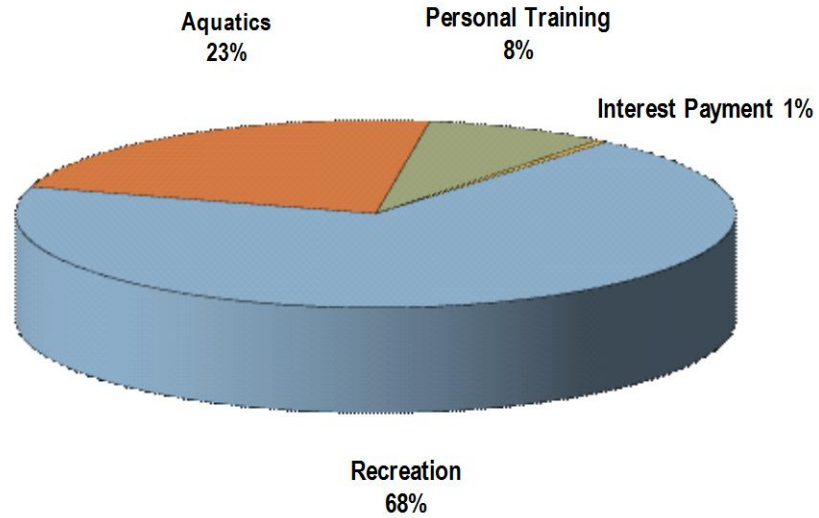
GERMANTOWN ATHLETIC CLUB FUND REVENUES FY16



GAC FUND REVENUES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Membership Fees	\$ 3,448	86%	\$ 3,385	81%
Aquatics Revenues	153	4%	162	4%
Business Revenues	79	2%	79	2%
Personal Training	177	4%	312	8%
Other Revenues	167	4%	216	5%
Investment Income	4	0%	4	0%
TOTAL REVENUES	\$ 4,028	100%	\$ 4,158	100%

GERMANTOWN ATHLETIC CLUB FUND EXPENDITURES FY16



GAC FUND EXPENDITURES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Recreation	\$ 2,394	69%	\$ 2,587	68%
Aquatics	846	24%	861	23%
Personal Training	225	6%	309	8%
Interest Payment	23	1%	19	1%
TOTAL EXPENDITURES	\$ 3,488	100%	\$ 3,776	100%

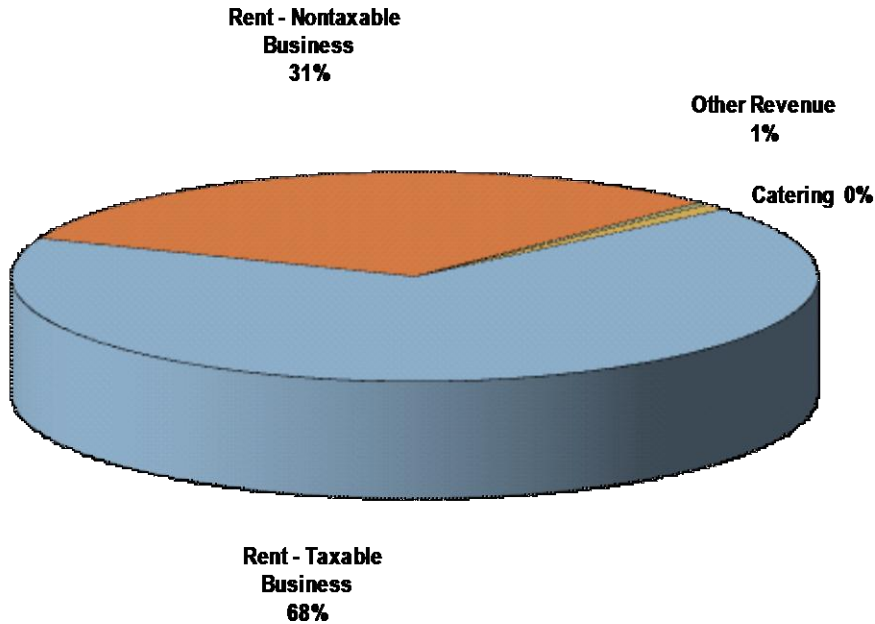
GREAT HALL FUND BUDGET SUMMARY

	Actual FY13	Actual FY14	Original FY15 Budget
OPERATING REVENUES			
Rent - Taxable Business	\$ 164,231	251,128	260,348
Rent - Nontaxable Business	107,176	99,931	90,486
Other Revenue	33,920	5,057	6,308
Catering Revenue	2,876	2,786	40,858
TOTAL OPERATING REVENUES	308,203	358,902	398,000
OPERATING EXPENSES			
Communications	790	940	1,000
Allocations	34,001	21,840	21,923
Other Maint	46,987	62,800	75,200
Personnel	137,145	145,703	178,471
Professional Fees	67,035	37,938	52,163
Insurance	776	-	-
Supplies	15,187	10,196	31,105
Utilities	39,727	41,429	41,778
Rent	84,236	87,320	87,462
Grants	-	19,838	-
Depreciation	43,351	45,148	45,000
TOTAL OPERATING EXPENSES	469,235	473,152	534,102
OPERATING INCOME	(161,032)	(114,250)	(136,102)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	22	93	-
Interest Payment	(11,883)	(10,382)	(8,904)
Contribution from other funds	70,000	175,000	280,000
Total	58,139	164,711	271,096
NET INCOME (LOSS)	(102,893)	50,461	134,994
Other Receipts			
Depreciation	43,351	45,148	45,000
Total Other Receipts	43,351	45,148	45,000
Other Expenditures			
Debt Payable	-	-	-
Infrastructure	20,373	9,710	150,000
Other Assets	-	-	3,000
Total Other Expenditures	20,373	9,710	153,000
NET CHANGE IN WORKING CAPITAL	(79,915)	85,899	26,994
Working Capital - Beginning	64,229	(15,686)	16,192
Working Capital - Ending	(15,686)	70,213	43,186
Retained Earnings at Beginning of Year	437,743	334,850	349,440
Retained Earnings at End of Year	334,850	385,311	484,434
Total Net Assets-Beginning	437,743	334,850	349,440
Total Net Assets-Ending	\$ 334,850	385,311	484,434

GREAT HALL FUND BUDGET SUMMARY

Estimate FY15	Budget FY16	Projected			
		FY17	FY18	FY19	FY20
\$ 269,227	290,924	334,563	351,291	368,855	387,298
126,443	136,616	157,108	164,964	173,212	181,873
4,702	4,118	4,736	4,972	5,221	5,482
2,015	2,075	2,386	2,506	2,631	2,762
402,387	433,733	498,793	523,733	549,919	577,415
993	1,000	1,000	1,000	1,000	1,000
22,123	23,750	24,225	24,632	25,125	25,627
75,200	75,200	76,712	78,253	80,014	81,815
181,430	183,780	188,159	193,381	198,961	204,728
52,254	52,200	53,244	54,309	55,395	56,503
-	-	-	-	-	-
30,919	22,600	23,084	23,343	23,638	23,941
41,678	42,750	43,391	44,259	45,144	46,048
87,462	89,222	89,222	89,423	89,653	89,887
-	-	-	-	-	-
50,246	52,184	54,121	54,121	54,121	54,121
542,305	542,686	553,157	562,721	573,051	583,670
(139,918)	(108,953)	(54,365)	(38,988)	(23,131)	(6,255)
44	-	-	-	-	-
(8,904)	(7,476)	(6,076)	(4,676)	(3,304)	(1,960)
225,000	225,000	50,000	50,000	50,000	50,000
216,140	217,524	43,924	45,324	46,696	48,040
76,222	108,571	(10,441)	6,336	23,565	41,785
50,246	52,184	54,121	54,121	54,121	54,121
50,246	52,184	54,121	54,121	54,121	54,121
-	-	-	-	-	-
162,523	155,000	-	-	-	-
4,000	9,800	-	-	-	-
166,523	164,800	-	-	-	-
(40,055)	(4,046)	43,680	60,457	77,686	95,906
70,213	30,158	26,112	69,792	130,249	207,935
30,158	26,112	69,792	130,249	207,935	303,841
385,311	461,533	570,104	559,663	565,999	589,563
461,533	570,104	559,663	565,999	589,563	631,348
385,311	461,533	570,104	559,663	565,999	589,563
\$ 461,533	570,104	559,663	565,999	589,563	631,348

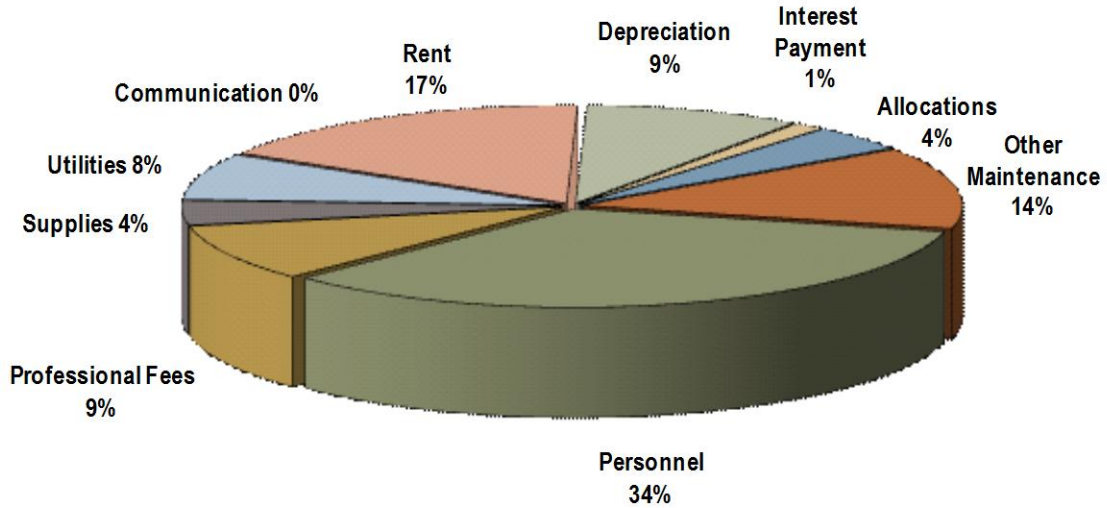
GREAT HALL FUND REVENUES FY16



GREAT HALL FUND REVENUES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Rent - Taxable Business	\$ 269	67%	\$ 291	68%
Rent - Nontaxable Business	126	31%	137	31%
Catering Revenue	2	1%	2	0%
Other Revenue	5	1%	4	1%
Investment Income	0	0%	0	0%
TOTAL REVENUES	\$ 402	100%	\$ 434	100%

GREAT HALL FUND EXPENDITURES FY16



GREAT HALL FUND EXPENDITURES (\$000)

	2015 ESTIMATED		2016 BUDGET	
	Amount	Percent	Amount	Percent
Allocations	\$ 22	4%	24	4%
Other Maintenance	75	14%	75	14%
Personnel	182	32%	184	34%
Professional Fees	52	9%	52	9%
Communication	1	0%	1	0%
Supplies	31	6%	23	4%
Utilities	42	8%	43	8%
Rent	87	16%	89	17%
Depreciation	50	9%	52	9%
Interest Payment	9	2%	7	1%
TOTAL EXPENDITURES	\$ 551	100%	550	100%

SANITATION FUND BUDGET SUMMARY

	Actual FY13	Actual FY14	Budget FY15
OPERATING REVENUES			
Sanitation Fees	\$ 3,410,013	3,406,413	3,420,700
Grants	3,757	2,732	3,800
Recycling Reimbursement	100,868	64,453	68,000
Other Revenues	35,722	35,488	35,000
TOTAL OPERATING REVENUES	3,550,360	3,509,086	3,527,500
OPERATING EXPENSES			
Communication	6,120	1,018	13,350
Other Maintenance	-	-	-
Personnel	47,692	90,859	93,059
Professional Fees	-	-	-
Supplies	19,770	20,538	41,900
Utilities	531	-	1,000
Depreciation	-	-	-
Contract Services	3,121,245	3,353,465	3,527,600
TOTAL OPERATING EXPENSES	3,195,358	3,465,880	3,676,909
OPERATING INCOME	355,002	43,206	(149,409)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,970	1,969	1,400
Operating Transfer	-	-	-
Total Nonoperating Revenues	1,970	1,969	1,400
NET INCOME/(LOSS)	356,972	45,175	(148,009)
Other Receipts			
Depreciation	-	-	-
NET CHANGE IN WORKING CAPITAL	356,972	45,175	(148,009)
Working Capital Fund - Beginning	383,647	740,619	751,948
Working Capital Fund - Ending	740,619	785,794	603,939
Total Retained Earnings - Beginning	452,998	809,970	821,302
Total Retained Earnings - Ending	\$ 809,970	855,145	673,293
Total Net Assets-Beginning	452,998	809,970	821,302
Total Net Assets-Ending	\$ 809,970	855,145	673,293

SANITATION FUND BUDGET SUMMARY

	Estimate FY15	Budget FY16	FY17	FY18	FY19	FY20
\$	3,308,952	3,411,045	3,997,818	4,023,035	4,045,371	4,067,707
	7,500	5,000	5,000	5,000	5,000	5,000
	14,250	14,500	43,500	43,800	44,100	44,400
	35,000	33,000	32,000	32,000	32,000	32,000
	3,365,702	3,463,545	4,078,318	4,103,835	4,126,471	4,149,107
	13,350	12,800	8,400	8,900	11,000	31,000
	-	-	-	-	-	-
	87,314	82,678	85,965	87,351	88,792	90,291
	-	40,000	-	-	-	-
	39,900	36,000	37,000	38,000	39,000	40,000
	1,000	1,030	1,061	1,093	1,126	1,159
	-	-	-	-	-	-
	3,256,772	3,576,235	3,704,333	3,865,730	4,016,324	4,170,555
	3,398,336	3,748,743	3,836,759	4,001,074	4,156,242	4,333,005
	(32,634)	(285,198)	241,559	102,761	(29,771)	(183,898)
	1,400	1,435	1,471	1,508	1,545	1,600
	-	-	-	-	-	-
	1,400	1,435	1,471	1,508	1,545	1,600
	(31,234)	(283,763)	243,030	104,269	(28,226)	(182,298)
	-	-	-	-	-	-
	(31,234)	(283,763)	243,030	104,269	(28,226)	(182,298)
	785,794	754,560	470,797	713,827	818,096	789,869
	754,560	470,797	713,827	818,096	789,869	607,571
	855,145	823,911	540,148	783,178	887,447	859,220
\$	823,911	540,148	783,178	887,447	859,220	676,922
	855,145	823,911	540,148	783,178	887,447	859,220
\$	823,911	540,148	783,178	887,447	859,220	676,922

STORMWATER FUND BUDGET SUMMARY

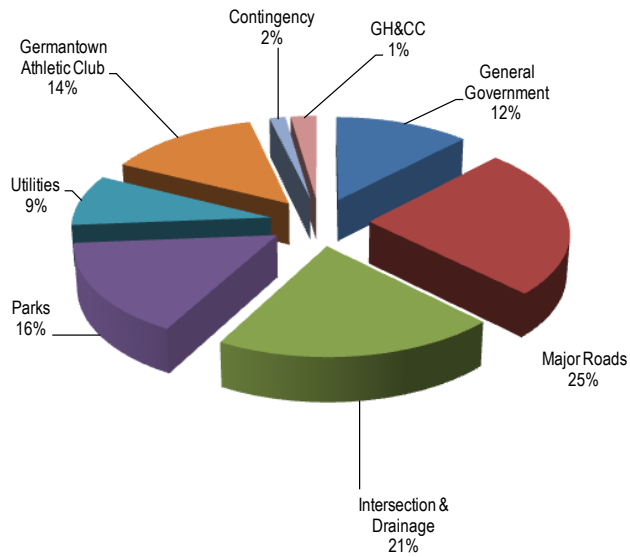
	Actual FY13	Actual FY14	Budget FY15
OPERATING REVENUES			
Stormwater Management Fee	\$ 982,426	987,969	1,002,752
Stormwater Permits	12,510	9,830	9,000
Other Revenue	-	426	-
TOTAL OPERATING REVENUES	994,936	998,225	1,011,752
OPERATING EXPENSES			
Communication	1,370	735	6,350
Other Maintenance	19,218	11,420	65,000
Personnel	617,587	585,013	587,062
Professional Fees	5,550	4,899	20,000
Supplies	24,185	43,684	32,000
Utilities	-	-	-
Roads and Mains	216,876	223,450	255,000
Allocations	29,322	24,880	40,814
Depreciation	552	7,980	18,500
TOTAL OPERATING EXPENSES	914,660	902,061	1,024,726
OPERATING INCOME	80,276	96,164	(12,974)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,209	1,231	-
Operating Transfer	-	-	-
Total Nonoperating Revenues	1,209	1,231	-
NET INCOME/(LOSS)	81,485	97,395	(12,974)
Other Receipts			
Depreciation	552	7,980	18,500
Total Other Receipts	552	7,980	18,500
Other Expenditures			
Other Assets	33,139	37,459	195,000
Total Other Expenditures	33,139	37,459	195,000
NET CHANGE IN WORKING CAPITAL	48,898	67,916	(189,474)
Working Capital Fund - Beginning	295,569	344,467	369,911
Working Capital Fund - Ending	344,467	412,383	180,437
Total Retained Earnings - Beginning	295,569	377,054	399,038
Total Retained Earnings - Ending	\$ 377,054	474,449	386,064
Total Net Assets-Beginning	295,569	377,054	399,038
Total Net Assets-Ending	\$ 377,054	474,449	386,064

STORMWATER FUND BUDGET SUMMARY

Estimate	Budget	Projected				
		FY15	FY16	FY17	FY18	FY19
\$	1,003,412	1,002,807	1,022,863	1,043,320	1,064,187	1,085,471
	9,180	9,000	9,000	9,000	9,000	9,000
	-	-	-	-	-	-
	1,012,592	1,011,807	1,031,863	1,052,320	1,073,187	1,094,471
	4,350	4,300	4,350	4,401	4,454	4,508
	65,000	60,000	61,500	63,038	64,613	66,229
	631,307	531,036	549,318	570,563	592,865	616,067
	10,000	10,000	10,000	10,000	10,100	10,100
	32,000	28,000	28,750	29,552	30,377	31,227
	-	-	-	-	-	-
	255,268	285,000	285,000	285,000	285,000	285,000
	40,998	42,327	47,469	53,411	51,626	53,398
	18,500	30,200	31,300	31,300	28,300	28,300
	1,057,423	990,863	1,017,687	1,047,264	1,067,335	1,094,828
	(44,831)	20,944	14,176	5,056	5,852	(358)
	1,100	-	-	-	-	-
	-	-	-	-	-	-
	1,100	-	-	-	-	-
	(43,731)	20,944	14,176	5,056	5,852	(358)
	18,500	30,200	31,300	31,300	28,300	28,300
	18,500	30,200	31,300	31,300	28,300	28,300
	93,040	100,000	-	-	-	-
	93,040	100,000	-	-	-	-
	(118,271)	(48,856)	45,476	36,356	34,152	27,942
	412,383	294,112	245,256	290,732	327,088	361,240
	294,112	245,256	290,732	327,088	361,240	389,182
	474,449	430,718	451,662	465,838	470,894	476,746
\$	430,718	451,662	465,838	470,894	476,746	476,388
	474,449	430,718	451,662	465,838	470,894	476,746
\$	430,718	451,662	465,838	470,894	476,746	476,388

CAPITAL IMPROVEMENTS PROGRAM

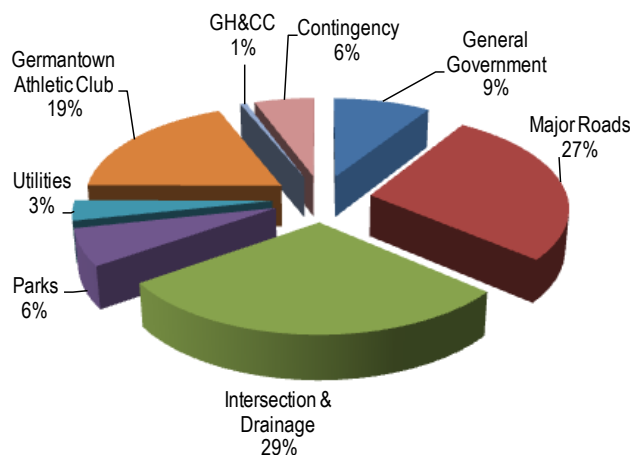
The Capital Improvements Program (CIP) is a plan for capital expenditures over a fixed period of several years. The CIP identifies capital projects, the expected beginning and ending for each project, the funds to be expended each year and the method of financing projects. The six-year program is based on available fiscal resources and established community priorities. The CIP is updated annually as each year is lifted from the capital budget and included in the City's current year budget appropriations. The impact of the CIP to operations can be seen in the General Fund, the Germantown Athletic Club Fund, Great Hall & Conference Center, Stormwater, Recreation and Utility Fund summaries as transfers to CIP and Debt Service and in project detail found under the CIP tab.



	(\$000)	FY16 CIP
General Government	\$	1,318
Major Roads		2,722
Intersection & Drainage		2,215
Parks		1,700
Utilities		928
Germantown Athletic Club		1,500
GH&CC		155
Contingency		250
TOTAL	\$	10,788

The six-year CIP total has increased over last year's total. Approximately \$3,544,000 in General Obligation (G.O.) funding is identified in the six-year planning period. The City's long-range strategic plan calls for funding of general government projects in the future through the use of G.O. debt.

Contributions from intergovernmental sources will total \$8,193,000 during the next six years. The Board of Mayor and Aldermen and City Administration have worked closely with state officials to obtain funding for costly street and intersection improvements. The success of the Board's efforts created valuable funding opportunities for other projects.



	(\$000)	6-YEAR CIP
General Government	\$	2,428
Major Roads		7,272
Intersection & Drainage		7,775
Parks		1,700
Utilities		928
Germantown Athletic Club		5,000
GH&CC		155
Contingency		1,500
TOTAL	\$	26,758

CIP IMPACT ON OPERATING BUDGET

CIP projects can affect the City's Operating Budget by increasing or decreasing expenditures and sometimes by increasing revenues. Projects that replace or rehabilitate existing facilities, like asphalt overlays, may decrease the cost of maintaining the system. Projects that build completely new infrastructure, such as a new park, will usually increase expenditures since more staff may be needed to operate and maintain the facility. A new facility, such as a recreation center, may increase the City's revenue by offering a new service that may generate new customers. The fiscal impact on general operations for each individual FY16 project is provided under the Capital Improvements Program tab.

CAPITAL IMPROVEMENTS PROGRAM

CITY OF GERMANTOWN Capital Improvements Program - 2015 to 2021

(in thousands)	FY15	TOTAL	EXPENDITURES						FUNDING SOURCES				STATE & FEDERAL PROJECTS
			FY16	FY17	FY18	FY19	FY20	FY21	Reserves	Grants	Bonds	Hall	
GENERAL GOVERNMENT:													
Animal Shelter Expansion	413	-	-	-	-	-	-	-	-	-	-	-	-
Redesign Corner of Gtown/Farmington	242	-	-	-	-	-	-	-	-	-	-	-	-
Ambulance	-	448	198	-	-	-	250	-	-	-	-	448	-
GPAC Parking Lot	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire Engine F-148	-	760	760	-	-	-	-	-	-	-	-	760	-
Dimmer System at GPAC	525	-	-	-	-	-	-	-	-	-	-	-	-
IT/HR Space Reconfiguration	165	-	-	-	-	-	-	-	-	-	-	-	-
Park & Rec Building Roof	-	110	110	-	-	-	-	-	-	-	-	110	-
Center Complex Parking Study	-	250	250	-	-	-	-	-	-	-	-	250	-
Fire Engine F-156	-	860	-	-	-	860	-	-	-	-	-	860	-
Total General Government:	1,345	2,428	1,318	-	-	860	250	-	-	-	-	2,428	-
MAJOR ROADS:													
Gtown Rd Realignment - Design*	138	-	-	-	-	-	-	-	-	-	-	-	-
Gtown Rd Realignment - ROW*	-	150	150	-	-	-	-	-	-	-	-	15	135
Gtown Rd Realignment - Constr*	-	2,400	-	2,400	-	-	-	-	-	-	240	-	2,160
Wolf Trail Cove Ext Design	-	250	250	-	-	-	-	-	-	-	-	250	-
Wolf River Milling and Paving*	1,266	1,722	1,722	-	-	-	-	-	-	-	344	-	1,378
Wolf Trail Cove Ext ROW	-	350	-	350	-	-	-	-	-	-	-	350	-
Poplar Avenue Culvert - Phase III	60	600	600	-	-	-	-	-	-	-	-	-	600
Poplar Avenue Culvert - Phase IV	-	600	-	600	-	-	-	-	-	-	-	-	600
Poplar Avenue Culvert - Phase V	-	600	-	-	600	-	-	-	-	-	-	-	600
Poplar Avenue Culvert - Phase VI	-	600	-	-	-	600	-	-	-	-	-	-	600
McVay Rd Design	36	-	-	-	-	-	-	-	-	-	-	-	-
Total Major Roads:	1,500	7,272	2,722	3,350	600	600	-	-	-	-	584	615	6,073
<i>* State funding is included in totals.</i>													
INTERSECTIONS & OTHER:													
Central Business District Streetscape	-	2,600	100	500	500	500	500	500	-	-	-	2,600	-
Bicycle Facilities Program	25	150	25	25	25	25	25	25	-	-	-	150	-
School Zone Improvements	20	-	-	-	-	-	-	-	-	-	-	-	-
RR Crossing - West St./Poplar Pike	26	-	-	-	-	-	-	-	-	-	-	-	-
Safe Routes to School	-	1,075	200	200	225	225	225	-	-	-	-	1,075	-
Wolf River/Gtown Rd Impr- Design*	150	250	250	-	-	-	-	-	-	-	-	-	250
Wolf River/Gtown Rd Impr- ROW*	-	510	-	510	-	-	-	-	-	-	-	-	510
Western Gateway Transportation Study	-	70	70	-	-	-	-	-	-	-	-	70	-
Decorative Street Signs	5	-	-	-	-	-	-	-	-	-	-	-	-
Total Intersections/Other:	226	4,655	645	1,235	750	750	750	525	-	-	-	3,895	760
<i>* State funding is included in totals.</i>													
DRAINAGE:													
Annual Misc Drainage Imprv	-	300	50	50	50	50	50	50	-	-	-	300	-
Cameron Brown Ditch Imprv	30	210	210	-	-	-	-	-	-	-	-	210	-
Grove Park Outfall Imprv	20	210	210	-	-	-	-	-	-	-	-	210	-
Lateral G Flood Control -	-	2,200	1,100	1,100	-	-	-	-	-	-	2,200	-	-
Lateral B (Miller Farms) Channel Eval	-	200	-	-	200	-	-	-	-	-	-	200	-
Total Drainage:	50	3,120	1,570	1,150	250	50	50	50	-	-	-	2,620	500
<i>* State funding is included in totals.</i>													
PARKS:													
Bobby Lanier Park	951	-	-	-	-	-	-	-	-	-	-	-	-
Wolf River Greenway	1,821	-	-	-	-	-	-	-	-	-	-	-	-
Greenway Phase VI	-	1,700	1,700	-	-	-	-	-	-	-	340	-	1,360
Total Parks:	2,772	1,700	1,700	-	-	-	-	-	-	-	340	-	1,360
GERMANTOWN ATHLETIC CLUB FUND:													
GAC Renovation	201	5,000	1,500	1,000	2,500	-	-	-	5,000	-	-	-	-
Fitness & Weight Equip	171	-	-	-	-	-	-	-	-	-	-	-	-
Total GAC Fund:	371	5,000	1,500	1,000	2,500	-	-	-	5,000	-	-	-	-

CAPITAL IMPROVEMENTS PROGRAM

(in thousands)	EXPENDITURES								FUNDING SOURCES				STATE & FEDERAL PROJECTS
	FY15	TOTAL	FY16	FY17	FY18	FY19	FY20	FY21	Reserves	Grants	Bonds	Hall	
GREAT HALL & CC:													
Patio Project	142	-	-	-	-	-	-	-	-	-	-	-	-
Lobby Expansion	-	155	155	-	-	-	-	-	155	-	-	-	-
Total GH Fund:	142	155	155	-	-	-	-	-	155	-	-	-	-
RECREATION:													
Sports Lighting & Control Upgrades	48	-	-	-	-	-	-	-	-	-	-	-	-
Total Recreation Fund:	48	-	-	-	-	-	-	-	-	-	-	-	-
UTILITY FUND:													
Western Gateway Study	-	213	213	-	-	-	-	-	213	-	-	-	-
Water Main Relocation	195	50	50	-	-	-	-	-	50	-	-	-	-
N Johnson Lift Station Rerouting	23	-	-	-	-	-	-	-	-	-	-	-	-
Farm Park Sewer	105	-	-	-	-	-	-	-	-	-	-	-	-
Lateral D Sewer Crossing Protection	-	665	665	-	-	-	-	-	665	-	-	-	-
Southern Ave WTP Aeration Towers	955	-	-	-	-	-	-	-	-	-	-	-	-
Total Utility Fund:	1,278	928	928	-	-	-	-	-	928	-	-	-	-
CONTINGENCY:													
		1,500	250	250	250	250	250	250	-	-	-	1,500	-
Total Contingency:	-	1,500	250	250	250	250	250	250	-	-	-	1,500	-

CIP SUMMARY

General Government	1,345	2,428	1,318	-	-	860	250	-
Major Roads	1,500	7,272	2,722	3,350	600	600	-	-
Intersec/Other/Drainage	276	7,775	2,215	2,385	1,000	800	800	575
Parks	2,772	1,700	1,700	-	-	-	-	-
Utilities	1,278	928	928	-	-	-	-	-
Germantown Athletic Club	371	5,000	1,500	1,000	2,500	-	-	-
Great Hall	142	155	155	-	-	-	-	-
Recreation	48	-	-	-	-	-	-	-
Contingency	-	1,500	250	250	250	250	250	250
Total CIP:	7,732	26,758	10,788	6,985	4,350	2,510	1,300	825

FUNDING SUMMARY

Reserves: General	5,893	-	-	-	-	-	-	-
Utility	1,278	928	928	-	-	-	-	-
Germantown Athletic Club	371	5,000	1,500	1,000	2,500	-	-	-
Great Hall	142	155	155	-	-	-	-	-
Recreation	48	-	-	-	-	-	-	-
Stormwater	-	-	-	-	-	-	-	-
State/Intergovernmental/Grant:		8,193	3,723	3,270	600	600	-	-
Bonds: General	-	3,544	2,204	1,340	-	-	-	-
Utility	-	-	-	-	-	-	-	-
Hall: General	-	8,938	2,278	1,375	1,250	1,910	1,300	825
Total Funding:	7,732	26,758	10,788	6,985	4,350	2,510	1,300	825

INFRASTRUCTURE REPLACEMENT PROGRAM - 2016 to 2025

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
(in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY15	Estimate FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	10 YEAR TOTAL
GENERAL FUND:													
BUILDING IMPROVEMENTS:													
FACILITIES SERVICES:													
HVAC Upgrade - Municipal Center	150	150	-	-	-	-	-	-	-	-	-	-	-
Library-HVAC Cooling Tower	75	75	-	-	-	-	-	-	-	-	-	-	-
Train Depot Refurbish	35	35	-	-	-	-	-	-	-	-	-	-	-
Flooring - Municipal Center	60	61	-	-	-	-	-	-	-	-	-	-	-
Warehouse Building Improvements	-	-	65	65	-	-	-	-	-	-	-	-	130
Library Carpet	-	-	75	-	-	-	-	-	-	-	-	-	75
Library Interior Paint	-	-	-	60	-	-	-	-	-	-	-	-	60
GPAC Mezzanine/Lobby Paint	-	-	30	-	-	-	-	-	-	-	-	-	30
Front Lobby Improvements	-	-	30	-	-	-	-	-	-	-	-	-	30
Administration Office Improvements	-	-	25	-	-	-	-	-	-	-	-	-	25
Station 1 Bay, Doors and Frames Painting/Roof	-	-	-	47	-	-	-	-	-	-	-	-	47
Fire Marshal Office Renovation	-	-	15	-	-	-	-	-	-	-	-	-	15
Fire Administration Carpet	-	-	7	-	-	-	-	-	-	-	-	-	7
Fire Station Concrete Joints	-	-	-	22	-	-	-	-	-	-	-	-	22
Station 3 Bay and Exterior Repainting	-	-	-	14	-	-	-	-	-	-	-	-	14
Station 1 HVAC Living Area/Bay Floor Leveling	-	-	-	-	90	-	-	-	-	-	-	-	90
Security System- Parks & Recreation	-	-	-	-	15	-	-	-	-	-	-	-	15
Park Restrooms	-	-	-	-	5	25	-	-	-	-	-	-	30
Station 3 Lt. Office	-	-	-	-	20	-	-	-	-	-	-	-	20
TOTAL FACILITIES SERVS.	320	321	247	208	130	25	-	-	-	-	-	-	610
TOTAL BUILDING IMPROVEMENTS	320	321	247	208	130	25	-	-	-	-	-	-	610
OTHER EQUIPMENT:													
GPAC:													
Main Stage Curtains	-	-	21	21	21	21	-	-	-	-	-	-	84
Audio system patchbay	-	-	16	-	-	-	-	-	-	-	-	-	16
TOTAL GPAC	-	-	37	21	21	21	-	-	-	-	-	-	100
Parks:													
Outdoor Movie Projection Screen	20	20	-	-	-	-	-	-	-	-	-	-	-
TOTAL PARKS	20	20	-	-	-	-	-	-	-	-	-	-	-
FACILITY MAINTENANCE													
Depot Park Exterior Lighting	-	-	-	-	-	30	-	-	-	-	-	-	30
TOTAL BUILDING MAINTENANCE	-	-	-	-	-	30	-	-	-	-	-	-	30
FIRE:													
Fire Hose Replacement	40	40	-	30	-	-	-	-	-	-	-	-	30
Power Hawk	16	16	-	-	18	-	20	-	38	-	-	-	76
Hurst Tool	35	35	-	-	-	-	-	-	-	-	-	-	-
Thermal Imaging Detectors	-	-	10	10	10	10	10	-	-	-	-	-	50
Area Rae Replacement	-	-	-	-	68	-	-	-	-	-	-	-	68
Rope Rescue Gear	-	-	-	-	28	-	-	-	-	-	-	-	28
Hydraulic Rescue Tool	-	-	-	-	-	42	-	-	-	-	-	-	42
TOTAL FIRE	91	91	10	40	124	52	30	-	38	-	-	-	294
POLICE:													
Handguns	140	100	-	-	-	-	-	-	-	-	-	-	-
In-Car Video Systems - Police Vehicles	15	15	15	30	35	60	35	20	-	-	-	-	195
TOTAL POLICE	155	115	15	30	35	60	35	20	-	-	-	-	195
TOTAL OTHER EQUIPMENT	266	226	62	91	180	163	65	20	38	-	-	-	619
PUBLIC SERVICE AND GROUNDS:													
Z-Trak Mower (2)	35	35	-	-	-	-	-	-	-	-	-	-	-
Top Dresser	25	25	-	-	-	-	-	-	-	-	-	-	-
Field Rake (2)	30	30	-	-	-	-	-	-	-	-	-	-	-
Material Loader	85	85	-	-	-	-	-	-	-	-	-	-	-
Ingersoll Rand Roller	60	60	-	-	-	60	-	-	-	-	-	-	60
Vermear Brush Chipper	-	-	35	-	-	-	-	-	-	-	-	-	35
Snow Plow Truck Mount Attachments (2)	-	-	11	-	-	-	-	-	-	-	-	-	11
Agrimetal Debris Blower	-	-	10	-	-	-	-	-	-	-	-	-	10
Grasshopper Mower	-	-	-	34	-	-	-	-	-	-	-	-	34
Gradall Rubber Tire Excavator	-	-	-	-	450	-	-	-	-	-	-	-	450
Smitco Bunker Rake	-	-	-	-	15	-	-	-	-	-	-	-	15
DXT Loader	-	-	-	-	-	-	150	-	-	-	-	-	150
Backhoe	-	-	-	-	-	-	-	200	-	-	-	-	200
TOTAL PUBLIC SVCS.	235	235	56	34	465	60	150	200	-	-	-	-	965
TOTAL MAINTENANCE EQUIPMENT	235	235	56	34	465	60	150	200	-	-	-	-	965
AUTOS AND TRUCKS:													
ANIMAL CONTROL:													
Ford Ranger	25	25	-	-	-	-	-	-	-	-	-	-	-
TOTAL ANIMAL CONTROL	25	25	-	-	-	-	-	-	-	-	-	-	-
FACILITIES MANAGEMENT:													
Ford F-150 Pickup	-	-	-	-	30	-	-	-	-	-	-	-	30
Ford Taurus	-	-	-	-	-	-	-	30	-	-	-	-	30
TOTAL FACILITIES MAINT.	-	-	-	-	30	-	-	30	-	-	-	-	60
DEVELOPMENT:													
Ford Ranger													

INFRASTRUCTURE REPLACEMENT PROGRAM - 2016 to 2025

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY15	Estimate FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	10 YEAR TOTAL
PUBLIC SERVICE AND GROUNDS:													
Ford F-350 Extended Cab	45	45	-	-	-	-	-	-	-	-	-	-	-
Chevrolet S-10	-	-	25	-	-	-	-	-	-	-	-	-	25
Ford F-450 Dump Truck	-	-	120	50	-	-	-	-	-	-	-	-	170
Sterling Dump Truck	-	-	120	-	-	-	125	-	-	-	-	-	245
Ford F-350 Crew Cab	-	-	50	-	-	-	40	40	-	-	-	-	130
Ford F-750 Flat Bed	-	-	-	75	-	75	-	-	-	-	-	-	150
GMC Dump Truck	-	-	-	-	120	-	-	-	-	-	-	-	120
Ford F-450 Service/Dump Body	-	-	-	-	50	-	-	-	-	-	-	-	50
Dodge 2500 4x4 Pickup	-	-	-	-	30	35	-	-	-	-	-	-	65
Ford F-450 Crew Cab	-	-	-	-	-	50	-	-	-	-	-	-	50
Ford F-250 4x4	-	-	-	-	-	35	-	-	-	-	-	-	35
Dodge 1500 Pickup	-	-	-	-	-	30	-	-	-	-	-	-	30
Ford F-250	-	-	-	-	-	40	-	80	-	-	-	-	120
Ford F-350 Pickup	-	-	-	-	-	-	30	-	-	-	-	-	30
Chevrolet 3500	-	-	-	-	-	-	40	-	-	-	-	-	40
Ford F-450	-	-	-	-	-	-	-	50	-	-	-	-	50
TOTAL PUBLIC SVCS.	45	45	315	125	200	265	235	170	-	-	-	-	1,310
FIRE:													
Ford Expedition (2)	-	-	80	-	-	40	-	-	-	-	-	-	120
Ford F-350	-	-	-	40	50	-	-	-	-	-	-	-	90
Chevy Tahoe	-	-	-	40	-	-	40	-	-	-	-	-	80
Impala	-	-	-	-	-	35	-	-	-	-	-	-	35
TOTAL FIRE	-	-	80	80	50	75	40	-	-	-	-	-	325
PARKS AND RECREATION:													
Ford Explorer	-	-	27	-	-	-	-	-	-	-	-	-	27
Ford Escape	-	-	27	-	-	-	-	-	-	-	-	-	27
Dodge Dakota	-	-	-	27	-	-	-	-	-	-	-	-	27
Ford Ranger	-	-	-	27	-	-	-	-	-	-	-	-	27
Dodge Journey	-	-	-	-	27	-	-	-	-	-	-	-	27
TOTAL PARKS AND REC.	-	-	54	54	27	-	-	-	-	-	-	-	135
POLICE:													
Police Fleet - Dodge Charger	36	36	-	-	-	-	-	-	-	-	-	-	-
Police Fleet - Chevy Tahoes - (3)	108	109	-	228	114	152	114	152	-	-	-	-	760
Police Fleet - Impala (2)	90	91	30	-	60	60	-	-	-	-	-	-	150
Police Fleet - Ford Crown Vic	36	83	76	-	38	114	114	38	-	-	-	-	380
Police Fleet - Ford Hybrid	-	-	-	-	-	60	60	-	-	-	-	-	120
Police Fleet - Ford Explorer	-	-	90	45	-	30	-	-	-	-	-	-	165
Police Fleet - Chevrolet Malibu	-	-	-	-	-	-	30	-	-	-	-	-	30
TOTAL POLICE	270	318	196	273	212	416	318	190	-	-	-	-	1,605
TOTAL AUTOS & TRUCKS	365	413	645	532	519	756	618	390	-	-	-	-	3,460

COMPUTER EQUIPMENT:

INFORMATION TECHNOLOGY:

Plotter- Engineering	10	6	-	-	-	-	-	-	-	-	-	-	-
Main File Server	10	10	12	20	20	20	100	20	20	20	20	100	352
Network Switches	26	24	35	35	150	35	35	35	35	150	35	35	580
HVAC monitoring server upgrade	15	15	-	-	-	-	-	-	-	-	-	-	-
Toughbooks- (4) General Services	10	-	-	10	-	-	-	-	-	-	-	-	10
Computers	80	76	-	-	-	-	-	-	-	-	-	-	-
Court CCTV Camera	-	-	-	5	-	-	-	-	-	-	-	-	5
ECD Card Access System	-	-	-	28	-	-	-	-	-	-	-	-	28
Council Chambers AV System	-	-	-	50	-	-	-	50	-	-	-	-	100
IBM Message Switch	-	-	-	17	-	-	-	-	-	-	17	-	34
Portable Radio Repeater	-	-	-	10	-	-	-	-	-	-	-	10	20
FarmPark Rental Equipment	-	-	-	24	-	-	-	-	-	-	-	-	24
Sign Shop Plotter	-	-	-	-	5	-	-	-	-	-	-	-	5
Public Works Field Work Order Tablets	-	-	-	-	38	-	-	-	-	-	-	-	38
Library Servers Updated	-	-	-	-	11	-	-	-	-	-	-	-	11
Phone System Servers	-	-	-	-	12	-	-	-	-	-	-	-	12
TOTAL I.T.	151	131	47	199	236	55	135	105	55	170	72	145	1,219
TOTAL COMPUTER EQUIPMENT	151	131	47	199	236	55	135	105	55	170	72	145	1,219

COMPUTER SOFTWARE:

INFORMATION TECHNOLOGY:

OneSolution	238	-	526	-	-	-	-	-	-	-	-	-	526
Compensation System	10	-	-	-	-	-	-	-	-	-	-	-	-
Vendor management system	15	16	-	-	-	-	-	-	-	-	-	-	-
Electronic Signature System	-	-	9	-	-	-	-	-	-	-	-	-	9
2FA	-	-	10	-	-	-	-	-	-	-	-	-	10
SunGard Lockbox Interface	-	-	-	25	-	-	-	-	-	-	-	-	25
SunGard C2G Upgrade	-	-	-	25	-	-	-	-	-	-	-	-	25
Court Software	-	-	-	180	-	-	-	-	-	-	-	-	180
GPAC Internal Camera	-	-	10	-	-	-	-	-	-	-	-	-	10
TOTAL I.T.	263	16	555	230	-	-	-	-	-	-	-	-	785
TOTAL COMPUTER SOFTWARE	263	16	555	230	-	-	-	-	-	-	-	-	785

OTHER ASSETS:

BUILDING MAINTENANCE:

Depot Park Plants	-	-	-	20	-	-	-	-	-	-	-	-	20
TOTAL FACILITIES MAINT.	-	-	-	20	-	-	-	-	-	-	-	-	20

INFRASTRUCTURE REPLACEMENT PROGRAM - 2016 to 2025

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY15	Estimate FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	10 YEAR TOTAL
PARKS													
Scoreboards	48	48	-	-	59	-	-	-	-	-	-	-	59
Dog Park Improvements	10	10	10	-	-	-	-	-	-	-	-	-	10
Greenway Signage	-	-	6	-	-	-	-	-	-	-	-	-	6
TOTAL PARKS	58	58	16	-	59	-	-	-	-	-	-	-	75
GPAC:													
Fire Pump Control Panels	9	12	-	-	-	-	-	-	-	-	-	-	-
Exterior Cameras	-	-	16	-	-	-	-	-	-	-	-	-	16
TOTAL GPAC	9	12	16	-	-	-	-	-	-	-	-	-	16
PUBLIC SERVICES:													
Pour in Place Playground at Cone	115	115	-	-	-	-	-	-	-	-	-	-	-
Total round rail fence	-	-	53	-	-	-	-	-	-	-	-	-	53
Johnson Rd Park concrete steps	-	-	37	-	-	-	-	-	-	-	-	-	37
Greenway walking trail repair	-	-	-	20	-	-	-	-	-	-	-	-	20
Poplar Estates pedestrian bridge	-	-	-	20	-	-	-	-	-	-	-	-	20
Pour in Place Playground at Franklin	-	-	-	-	160	-	-	-	-	-	-	-	160
Houston Levee Park pedestrian bridge	-	-	-	-	-	70	-	-	-	-	-	-	70
TOTAL PUBLIC SERVICES	115	115	90	40	160	70	-	-	-	-	-	-	360
FIRE													
Treadmill	-	-	-	6	6	7	7	-	-	-	-	-	26
Fitness Equipment	-	-	-	-	11	11	11	-	-	-	-	-	33
TOTAL FIRE	-	-	-	6	17	18	18	-	-	-	-	-	59
TOTAL OTHER ASSETS	182	185	122	66	236	88	18	-	-	-	-	-	514
TOTAL GENERAL FUND	1,782	1,525	1,734	1,360	1,766	1,147	986	715	93	170	72	145	8,188
RECREATION FUND:													
OTHER ASSETS:													
Scoreboard	-	-	27	-	-	-	-	-	-	-	-	-	27
TOTAL RECREATION FUND	-	-	27	-	-	-	-	-	-	-	-	-	27
STORMWATER FUND:													
MAINTENANCE EQUIPMENT:													
Tarco Leaf Vac	45	43	-	-	-	-	-	-	-	-	-	-	-
Skid Loader	50	50	-	-	-	-	-	-	-	-	-	-	-
Bushog	-	-	10	-	-	-	-	-	-	-	-	-	10
TOTAL MAINTENANCE EQUIPMENT	95	93	10	-	-	-	-	-	-	-	-	-	10
OTHER ASSETS:													
CIPP	-	-	90	-	-	-	-	-	-	-	-	-	90
TOTAL OTHER ASSETS	-	-	90	-	-	-	-	-	-	-	-	-	90
AUTO & TRUCKS:													
Ford F-450 Truck	-	-	-	-	-	-	120	-	-	-	-	-	120
TOTAL AUTOS & TRUCKS	-	-	-	-	-	-	120	-	-	-	-	-	120
TOTAL STORMWATER FUND	95	93	100	-	-	-	120	-	-	-	-	-	220
GREAT HALL FUND:													
OTHER ASSETS:													
Fire Pump Control Panels	3	4	-	-	-	-	-	-	-	-	-	-	-
Flooring	-	21	-	-	-	-	-	-	-	-	-	-	-
Exterior Cameras	-	-	10	-	-	-	-	-	-	-	-	-	10
TOTAL OTHER ASSETS	3	25	10	-	-	-	-	-	-	-	-	-	10
TOTAL GREAT HALL FUND	3	25	10	-	-	-	-	-	-	-	-	-	10
UTILITY FUND:													
LINES, WELLS AND STATION IMPROVEMENTS:													
SEWER:													
Maintenance of Sewer Collection System	310	185	300	300	300	300	300	300	300	300	300	300	3,000
TOTAL SEWER	310	185	300	300	300	300	300	300	300	300	300	300	3,000
WATER:													
Water Mains Maintenance	100	-	100	100	100	100	100	100	100	100	100	100	1,000
Maintenance of Water WellField System	20	10	20	20	20	20	20	20	20	20	20	20	200
TOTAL WATER	120	10	120	120	120	120	120	120	120	120	120	120	1,200
TOTAL LINES, WELLS & STATION IMPROVEMENTS	430	194	420	420	420	420	420	420	420	420	420	420	4,200
MAINTENANCE EQUIPMENT:													
SEWER:													
Ingersoll Rand Compressor	-	-	-	35	-	-	-	-	-	-	-	-	35
Ford 750 Sewer Flush Truck	-	-	-	-	-	150	-	-	-	-	-	-	150
TOTAL SEWER	-	-	-	35	-	150	-	-	-	-	-	-	185

INFRASTRUCTURE REPLACEMENT PROGRAM - 2016 to 2025

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
(in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY15	Estimate FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	10 YEAR TOTAL
WATER:													
Backhoe	125	17	125	-	-	-	-	-	-	-	-	-	125
Atlas Copco Compressor	-	-	-	-	-	40	-	-	-	-	-	-	40
Ford Transit Connect	-	-	-	-	-	25	-	-	-	-	-	-	25
Ford Transit Connect	-	-	-	-	-	-	-	250	-	-	-	-	250
TOTAL WATER	125	17	125	-	-	65	-	250	-	-	-	-	440
TOTAL MAINTENANCE EQUIPMENT	125	17	125	35	-	215	-	250	-	-	-	-	625
AUTOS AND TRUCKS:													
SEWER:													
Chevy 3500 Cab	35	-	-	35	-	-	-	-	-	-	-	-	35
Ford F-350	-	-	-	-	50	-	-	-	-	-	-	-	50
Ford F-450 Service Truck	-	-	-	-	-	-	-	55	-	-	-	-	55
TOTAL SEWER	35	-	-	35	50	-	-	55	-	-	-	-	140
WATER:													
Dodge Ram Pick-up	35	-	30	-	-	-	-	-	-	-	-	-	30
Ford F-350	-	-	-	50	-	-	-	-	-	-	-	-	50
Dodge Dakota Pick-up	-	-	-	-	55	-	-	30	-	-	-	-	85
Ford F-150 Truck	-	-	-	-	-	35	-	25	-	-	-	-	60
Ford F-350 Crew Cab	-	-	-	-	-	50	-	-	-	-	-	-	50
Ford Ranger	-	-	-	-	-	-	30	30	-	-	-	-	60
TOTAL WATER	35	-	30	50	55	85	30	85	-	-	-	-	335
TOTAL AUTOS & TRUCKS	70	-	30	85	105	85	30	140	-	-	-	-	475
TOTAL UTILITY FUND	625	212	575	540	525	720	450	810	420	420	420	420	5,300
GERMANTOWN ATHLETIC CLUB:													
OTHER ASSETS:													
Fire Pump Control Panels	18	27	-	-	-	-	-	-	-	-	-	-	-
Exterior Cameras	-	-	13	-	-	-	-	-	-	-	-	-	13
OTHER ASSETS:	18	27	13	-	-	-	-	-	-	-	-	-	13
COMPUTER EQUIPMENT:													
RECREATION													
GAC Paging & Speaker System	-	-	-	-	20	-	-	-	-	-	-	-	20
TOTAL COMPUTER	-	-	-	-	20	-	-	-	-	-	-	-	20
TOTAL G'TOWN ATHLETIC CLUB	18	27	13	-	20	-	-	-	-	-	-	-	33
VEHICLE MAINTENANCE FUND:													
AUTOS AND TRUCKS:													
Dodge 2500 Pick-up	-	-	32	-	-	-	-	-	-	-	-	-	32
Ford Fusion	-	-	-	-	-	-	-	30	-	-	-	-	30
TOTAL AUTOS & TRUCKS	-	-	32	-	-	-	-	30	-	-	-	-	62
OTHER ASSETS:													
Fuel System- Station 2	20	-	30	-	-	-	-	-	-	-	-	-	30
Used Forklift	-	-	18	-	-	-	-	-	-	-	-	-	18
Daewoo Forklift	-	-	-	-	-	40	-	-	-	-	-	-	40
TOTAL OTHER ASSETS	20	-	48	-	-	40	-	-	-	-	-	-	88
TOTAL VEHICLE MAINT. FUND	20	-	80	-	-	40	-	30	-	-	-	-	150
The Farm													
OTHER ASSETS:													
RTV/Furnishings	30	30	15	-	-	-	-	-	-	-	-	-	15
Farm Park Entrance Sign (Cross Country)	-	-	8	-	-	-	-	-	-	-	-	-	8
Hoop House	-	-	15	-	-	-	-	-	-	-	-	-	15
TOTAL OTHER ASSETS	30	30	38	-	-	-	-	-	-	-	-	-	38
TOTAL FARM	30	30	38	-	-	-	-	-	-	-	-	-	38
Ambulance													
OTHER ASSETS:													
Defibrillators	62	62	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	62	62	-	-	-	-	-	-	-	-	-	-	-
TOTAL AMBULANCE	62	62	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL - ALL FUNDS	2,635	1,973	2,577	1,900	2,311	1,907	1,556	1,555	513	590	492	565	13,966

DISCUSSION OF GENERAL FUND RESERVES

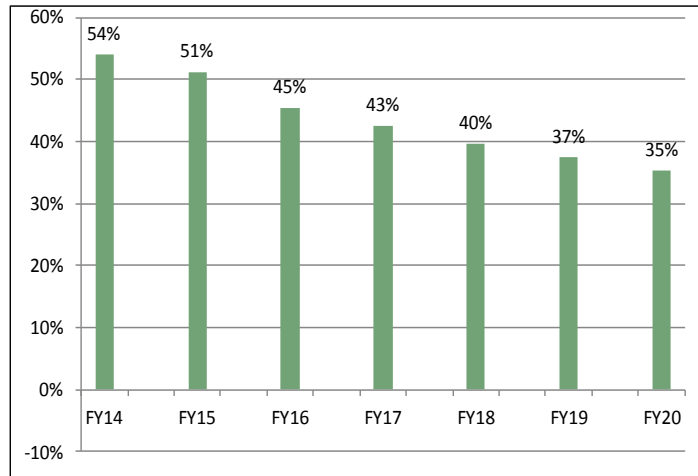
During the City's high growth period, excess revenues over expenditures were used for capital projects not funded by bond proceeds. In the past several years, General Fund reserves were used to fund a significant portion of the capital projects. Beginning in FY04, revenues from the Hall Income and Excise Tax were earmarked to fund capital projects due to the uncertainty of this revenue source for operational funding. The drawdown of reserves, including Hall, for the five-year planning period is as follows.

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
CIP \$	2,357,000	2,028,000	1,375,000	1,250,000	1,910,000	1,300,000

FUND BALANCE % TOTAL EXPENDITURES

ANALYSIS OF FUND BALANCE

The chart at the right illustrates the impact of the draw downs on the City's General Fund fund balance:

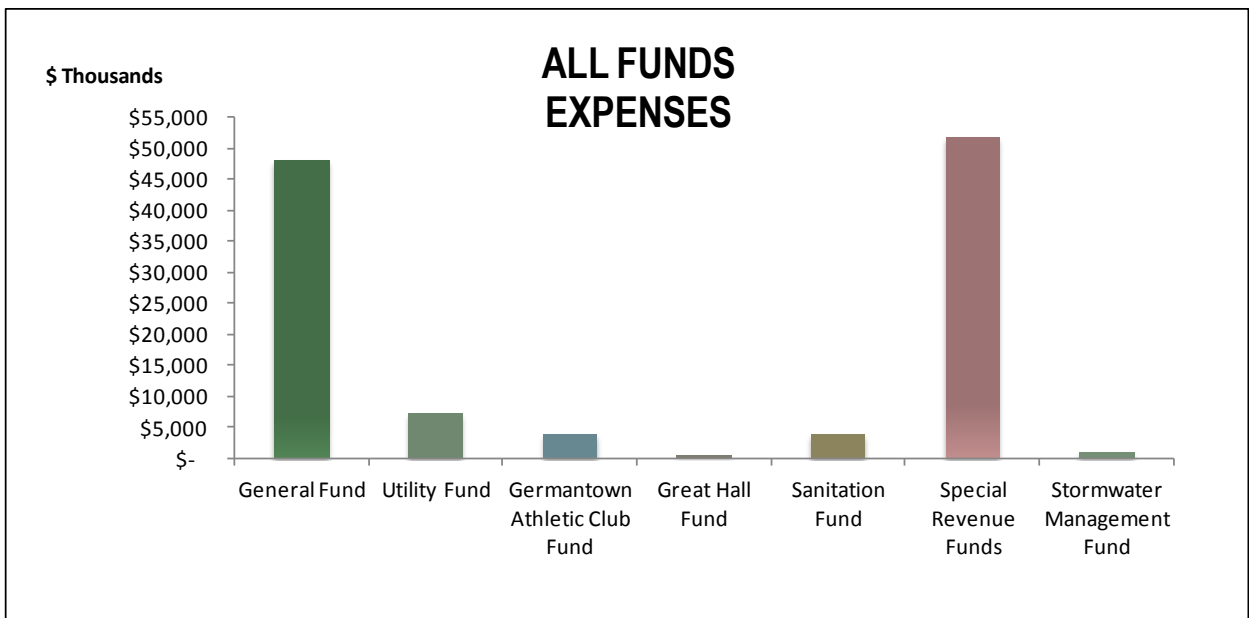
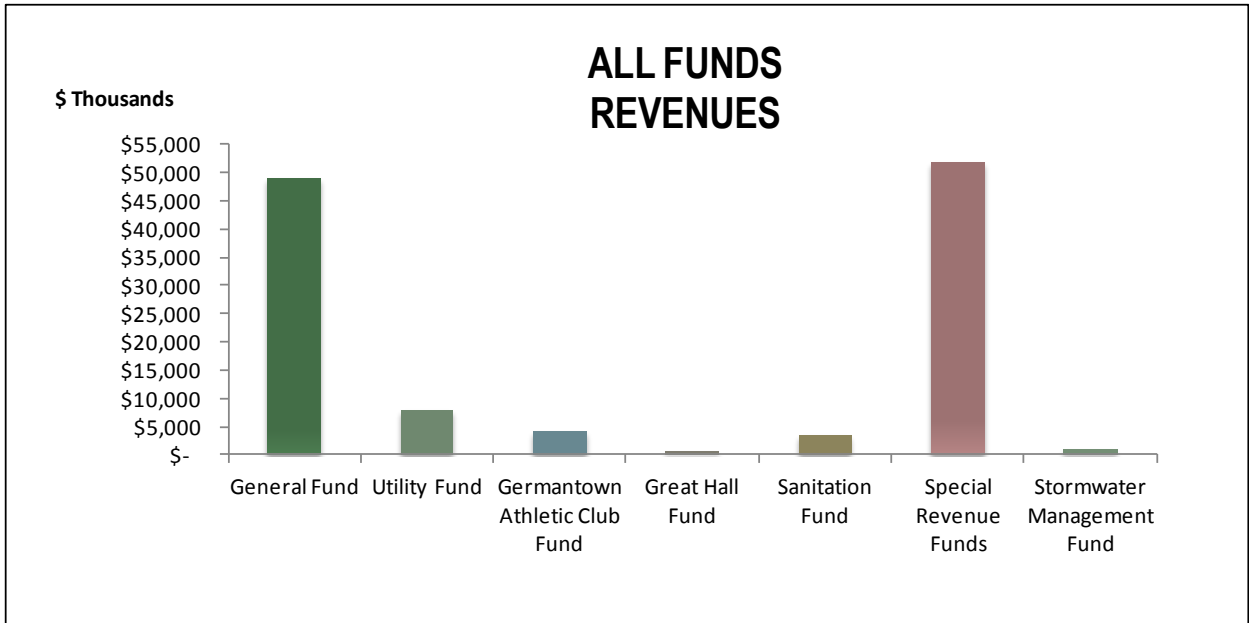


	Actual FY14	Estimated FY15	Budget FY16	Projected			
				FY17	FY18	FY19	FY20
Nonspendable	\$ 829,361	703,837	823,255	698,255	573,255	448,255	323,255
Restricted:							
Committed Emergencies & Catastrophe	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Committed Capital Asset Repl. Infrastr.	1,782,000	1,101,000	1,360,000	1,766,000	1,147,000	986,000	715,000
Committed Tax Anticipation	9,047,847	9,034,932	9,749,690	9,856,820	10,040,782	10,249,483	10,454,473
Committed General Debt	3,036,307	2,877,533	3,113,183	2,730,357	2,046,933	2,046,883	2,046,000
Committed Contingencies	-	-	50,000	50,000	50,000	50,000	50,000
Contractual Obligation	355,453	-	-	-	-	-	-
Assigned	1,823,473	1,403,776	279,265	294,530	83,853	249,507	667,768
Unassigned	6,295,396	7,266,340	5,537,174	4,382,198	4,714,452	3,536,276	2,655,127
Total Fund Balance	24,069,837	23,287,418	21,812,567	20,678,160	19,556,275	18,466,404	17,811,623
Operating Expenditures	\$ 44,572,667	45,433,893	47,953,552	48,632,902	49,264,360	49,394,187	50,470,034
Fund Balance as % of Expenditures	54%	51%	45%	43%	40%	37%	35%



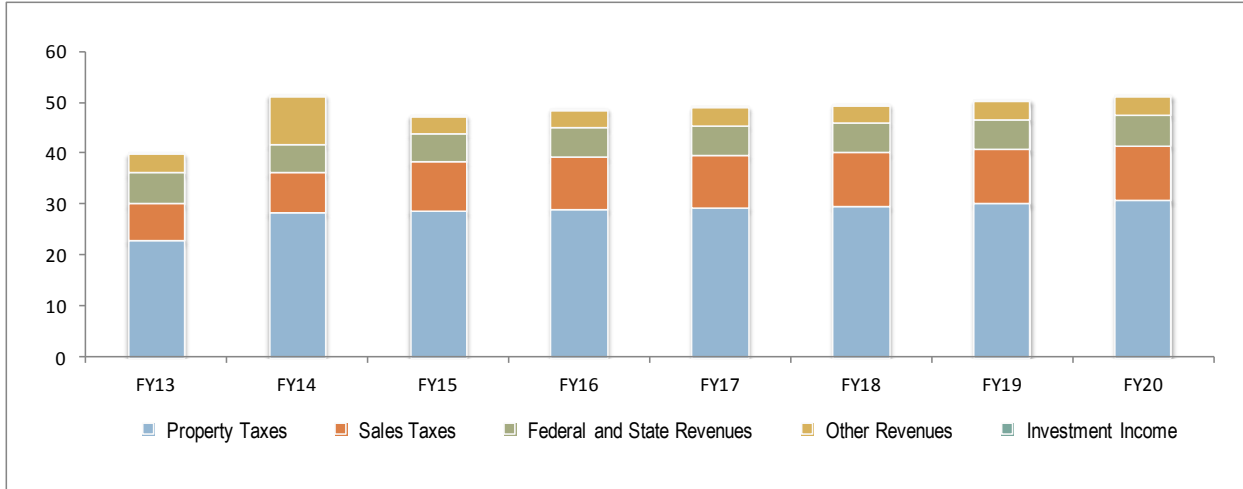
The two charts below illustrate revenues and expenses for all major funds. The section following these charts consist of budget projection summaries of revenues and expenditures by major categories, along with fund balances as of June 30, for the fiscal years 2013-2020. The graphs illustrate 8 years of information. This data is provided for the General Fund, Utility Fund, Germantown Athletic Club Fund, Great Hall Fund, Sanitation Fund, Stormwater Management Fund, Special Revenue Funds, Internal Service Funds, Pension, OPEB, Health Fund and Cash Balance Funds.

Following the budget projection summaries is a description of personnel costs with a comparison of staffing levels between FY15 and FY16.



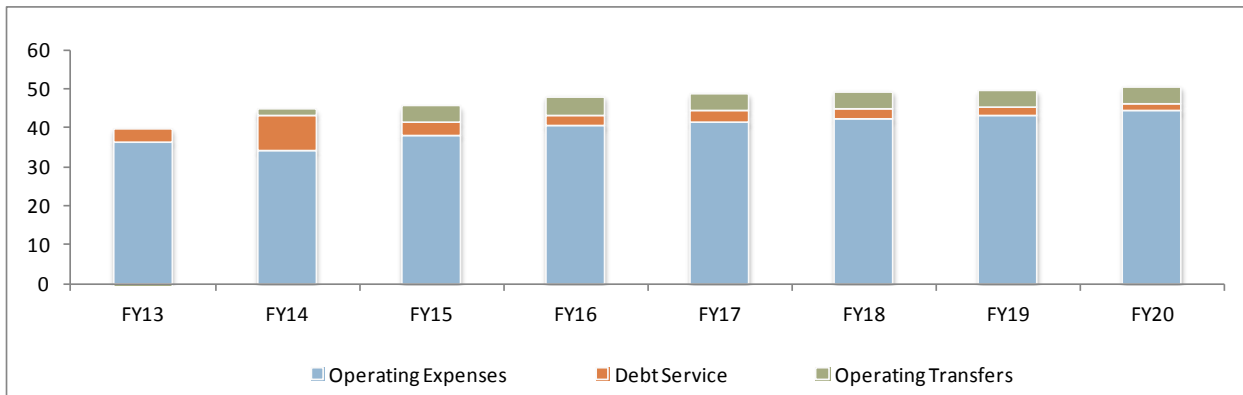
GENERAL FUND REVENUES

\$ Millions



GENERAL FUND EXPENDITURES

\$ Millions



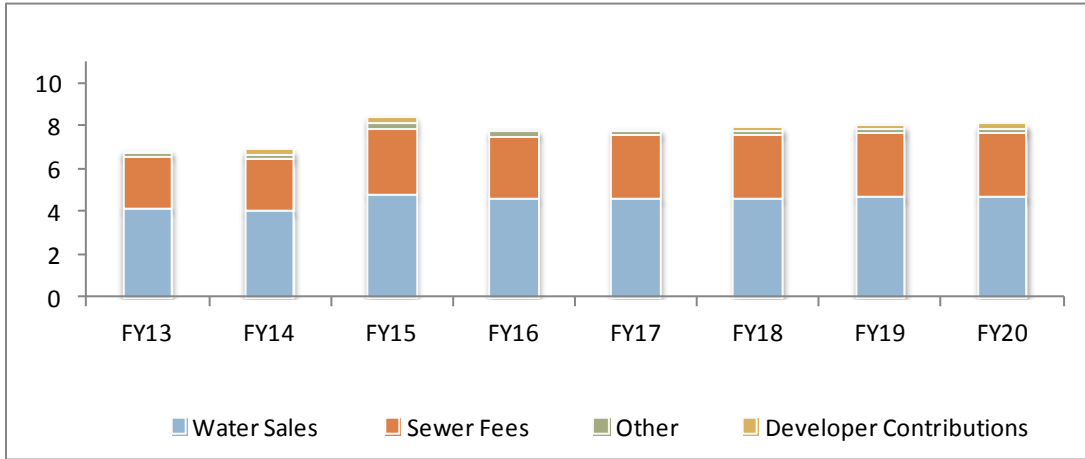
GENERAL FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
GENERAL REVENUES:									
Auto Registration	\$ 900	885	881	881	890	908	926	944	963
Court Fines	810	770	740	740	740	753	756	773	790
Franchise Fees	732	744	581	600	618	618	637	656	675
Grants	237	75	200	100	100	100	100	100	100
Interest	35	25	20	20	25	25	25	26	26
Licenses	188	187	164	235	250	250	197	201	206
Other Income	1,156	6,838	1,128	986	979	851	861	868	875
Property Taxes	22,895	28,309	28,442	28,504	28,997	29,249	29,570	30,122	30,748
Sales Taxes	7,064	7,756	9,556	9,645	10,166	10,317	10,470	10,624	10,781
State Taxes	5,834	5,583	5,477	5,511	5,742	5,802	5,851	5,900	5,950
Fund From Prior	-	-	450	450	450	450	450	450	450
REVENUE TOTAL	39,851	51,172	47,639	47,671	48,957	49,323	49,843	50,664	51,565
EXPENDITURE BY CATEGORY:									
Personnel	26,317	25,806	26,604	26,894	27,442	28,493	29,310	30,146	31,060
Communication	334	245	388	397	453	456	458	464	469
Prof. Fees	2,660	2,231	2,331	2,310	2,664	2,688	2,734	2,791	2,839
Other Maint.	1,886	1,649	2,167	2,248	2,228	2,259	2,290	2,333	2,370
Supplies	1,374	1,154	1,526	1,539	1,701	1,688	1,703	1,739	1,776
Insurance	64	59	88	88	97	97	97	97	97
Rent	63	83	269	131	130	130	130	130	130
Allocations	1,169	1,161	1,327	1,336	1,404	1,546	1,705	1,674	1,732
Capital Outlay	1,215	589	1,782	1,525	1,734	1,358	1,219	1,078	1,003
Road & Mains	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	50	50	50	50	50
Grants	364	176	547	553	1,444	1,448	1,471	1,496	1,521
Debt Service	3,375	9,053	3,036	3,168	2,878	3,113	2,730	2,047	2,047
Operating Transfers	(455)	2,355	4,777	4,722	5,182	4,755	4,805	4,780	4,797
Sanitation	-	-	-	-	-	-	-	-	-
Expense Reimburs.	(943)	(950)	(946)	(535)	(535)	(547)	(560)	(573)	(587)
Roll Fwd. Enc. - Prior Yr.	-	-	450	450	450	450	450	450	450
Roll Fwd. Enc. - Next Yr.	-	-	(450)	(450)	(450)	(450)	(450)	(450)	(450)
Utilities	956	963	1,072	1,058	1,084	1,100	1,121	1,143	1,166
EXPENDITURE TOTAL	38,379	44,573	44,970	45,434	47,954	48,633	49,265	49,394	50,470
Excess (Deficit)	1,472	6,600	2,669	2,238	1,003	690	578	1,270	1,095
FUND BALANCE									
Beginning	16,710	19,220	20,202	23,620	22,837	21,362	20,227	19,106	18,016
Transf. to CIP	-	(1,750)	(2,357)	(2,357)	(2,028)	(1,375)	(1,250)	(1,910)	(1,300)
Transf. to Infrs.	-	-	-	-	-	-	-	-	-
CIP Res Inc (Dec)	-	-	(213)	(213)	-	-	-	-	-
Prior Period Adjustment	1,038	-	-	-	-	-	-	-	-
Ending	\$ 19,220	24,070	20,301	23,287	21,812	20,677	19,555	18,466	17,812

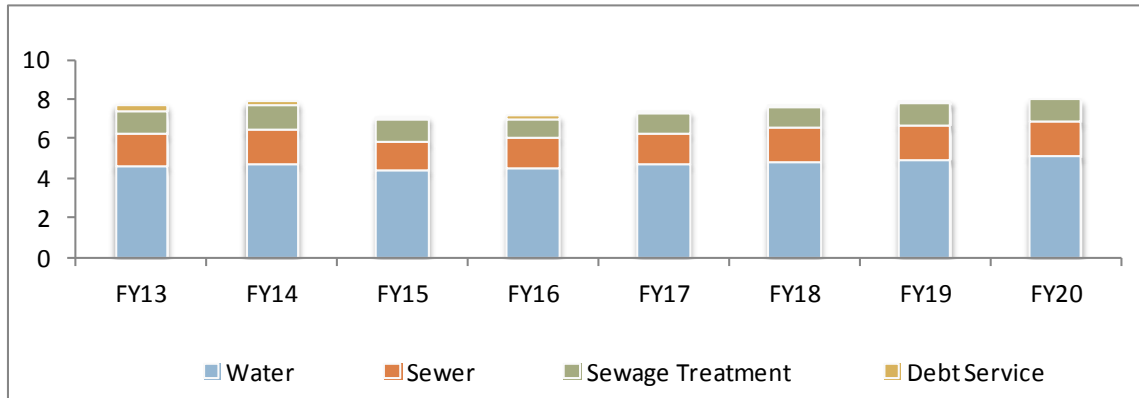
UTILITY REVENUES

\$ Millions



UTILITY EXPENDITURES

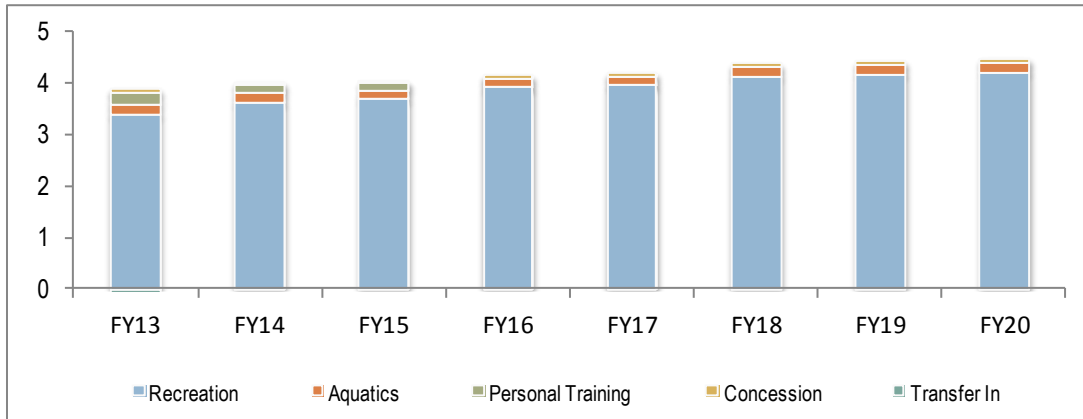
\$ Millions



(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Allocations	\$ 6	5	-	3	-	-	-	-	-
Installation Charges	149	148	107	220	157	158	159	160	161
Interest	14	5	7	3	7	10	15	20	25
Contrib. Developers	86	259	75	330	75	100	100	200	200
Other Income	16	46	14	64	25	26	26	27	27
Sewer Fees	2,450	2,441	3,184	3,012	2,950	2,965	2,980	2,994	3,009
Water Sales	4,179	4,046	5,414	4,856	4,610	4,633	4,656	4,679	4,703
TOTAL REVENUES	6,899	6,950	8,801	8,488	7,824	7,892	7,936	8,080	8,125
EXPENSES BY CATEGORY:									
Allocations	1,133	1,094	1,140	690	691	789	928	956	993
Communication	65	68	74	72	88	90	92	95	97
Debt Service	311	183	166	166	128	88	45	12	-
Depreciation	1,678	1,765	1,818	1,775	1,821	1,832	1,843	1,856	1,866
Other Maintenance	84	89	90	30	90	96	98	101	104
Personnel	1,720	1,823	1,859	1,606	1,618	1,669	1,734	1,800	1,869
Professional Fees	103	88	115	97	115	115	115	116	116
Rents	-	-	0	-	0	0	0	0	0
Insurance	5	5	10	10	10	10	11	11	11
Mains Maintenance	178	118	142	137	155	159	164	168	173
Contract Services	1,172	1,242	1,200	1,080	955	991	1,027	1,063	1,099
Supplies	184	198	254	237	243	250	257	264	271
Utilities	682	661	753	701	721	746	761	776	791
PILOT	387	502	484	484	484	501	519	537	556
TOTAL EXPENSES	7,702	7,836	8,106	7,085	7,119	7,337	7,593	7,754	7,945
NET INCOME (LOSS)	(803)	(886)	695	1,403	705	554	343	326	180
RETAINED EARNINGS:									
Beginning	28,640	27,837	26,860	26,951	28,354	29,059	29,613	29,956	30,282
Ending	\$ 27,837	26,951	27,555	28,354	29,059	29,613	29,956	30,282	30,462
Capital Outlay	\$ 1,567	622	955	1,490	1,503	550	535	645	460

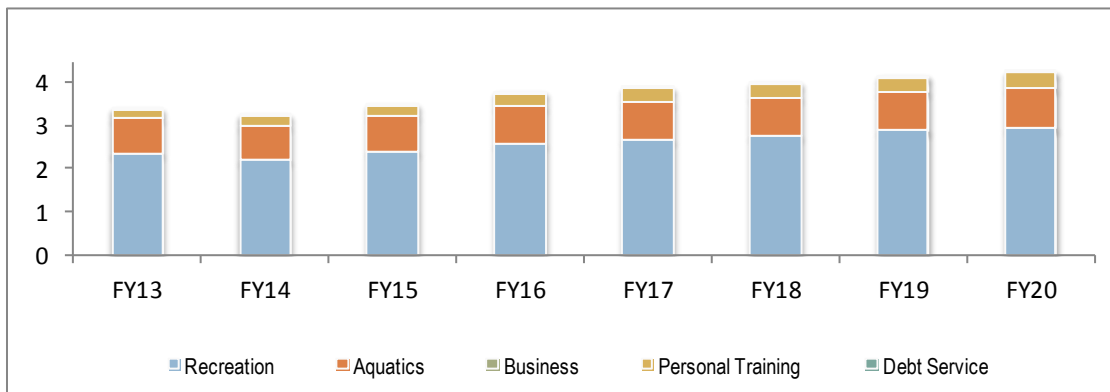
GERMANTOWN ATHLETIC CLUB REVENUES

\$ Millions



GERMANTOWN ATHLETIC CLUB EXPENDITURES

\$ Millions



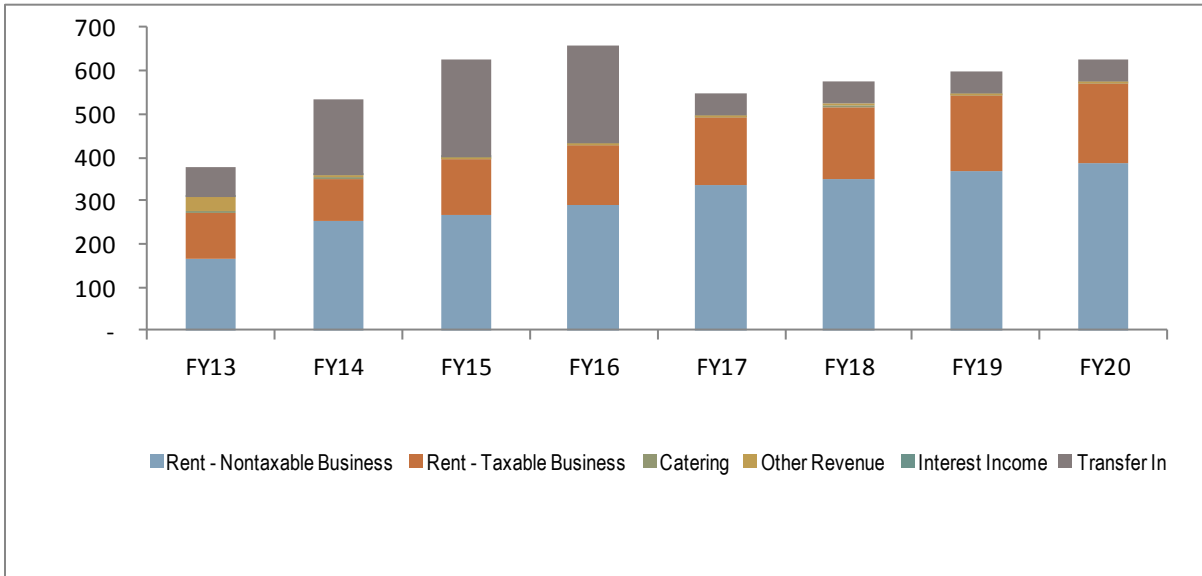
GERMANTOWN ATHLETIC CLUB FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Centre Revenue	\$ 3,399	3,631	3,649	3,701	3,927	3,967	4,140	4,182	4,224
Aquatics Revenue	182	174	171	158	168	170	173	175	178
Personal Training	255	160	180	145	-	-	-	-	-
Concession Revenue	72	65	70	23	63	66	69	73	77
Transfer In	(850)	-	-	-	-	-	-	-	-
TOTAL REVENUE	3,058	4,030	4,070	4,028	4,158	4,203	4,382	4,430	4,478
EXPENSES:									
Allocations	112	86	89	92	98	100	102	104	107
Communication	9	3	5	1	5	5	5	5	5
Debt Service	31	27	23	23	19	16	12	8	5
Other Maint.	108	65	130	119	125	128	130	133	136
Personnel	1,407	1,432	1,611	1,578	1,861	1,910	1,975	2,044	2,116
Professional Fees	458	399	470	417	348	355	363	370	377
Rents	181	181	125	144	145	148	151	154	158
Insurance	-	-	-	-	-	-	-	-	-
Supplies	202	181	230	185	221	216	220	224	229
Depreciation	561	522	561	559	568	602	637	684	684
Utilities	337	360	371	372	386	391	399	407	415
TOTAL EXPENSES	3,406	3,257	3,615	3,488	3,776	3,871	3,993	4,134	4,231
EXCESS (DEFICIT)	(348)	773	455	540	382	332	389	296	247
RETAINED EARNINGS:									
Beginning	3,009	2,661	3,330	3,433	3,973	4,355	4,687	5,076	5,371
Ending	<u>\$ 2,661</u>	<u>3,433</u>	<u>3,785</u>	<u>3,973</u>	<u>4,355</u>	<u>4,687</u>	<u>5,076</u>	<u>5,371</u>	<u>5,619</u>
Capital Outlay	\$ 114	71	1,439	398	1,513	1,000	2,500	-	-

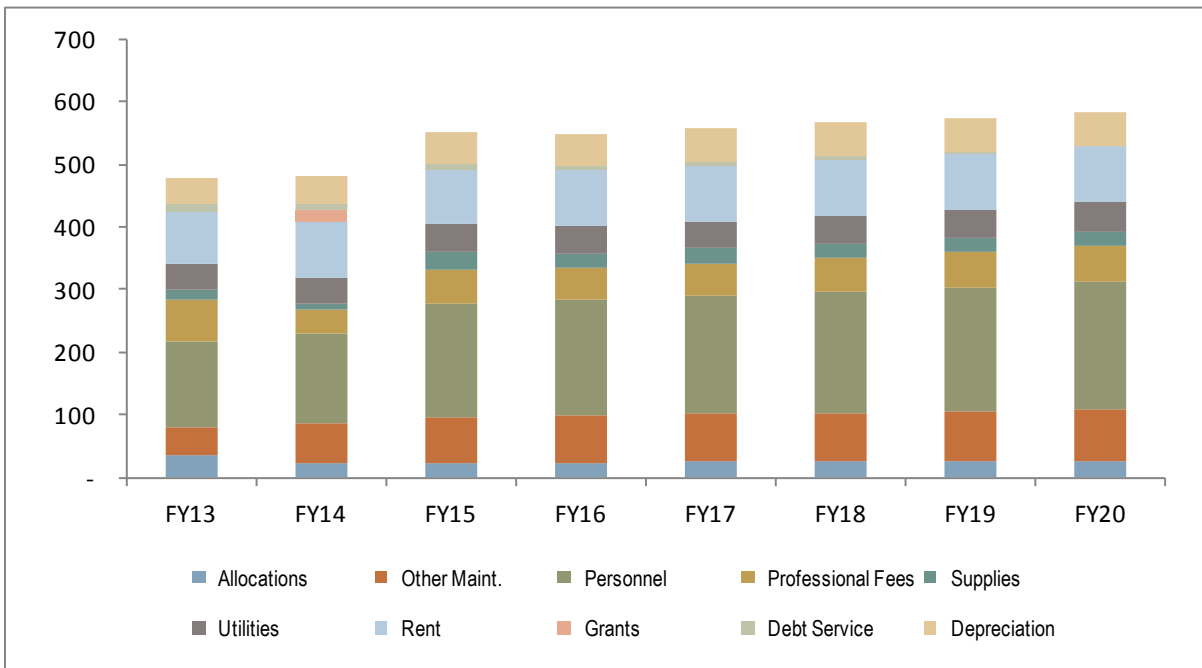
GREAT HALL REVENUES

\$ Thousands



GREAT HALL EXPENDITURES

\$ Thousands



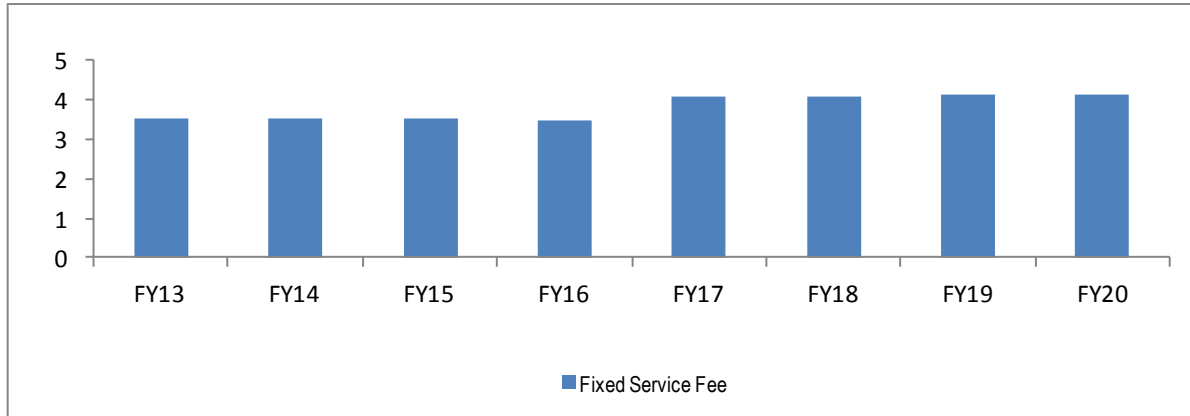
GREAT HALL

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Business Revenue	\$ 308	359	398	402	434	499	524	550	577
Transfer In	70	175	280	225	225	50	50	50	50
TOTAL REVENUE	378	534	678	627	659	549	574	600	627
EXPENSES:									
Allocations	34	22	22	22	24	24	25	25	26
Communication	1	1	1	1	1	1	1	1	1
Debt Service	12	10	9	9	7	6	5	3	2
Other Maint.	47	63	75	75	75	77	78	80	82
Personnel	137	146	178	181	185	188	193	199	205
Professional Fees	67	38	52	52	52	53	54	55	57
Rents	84	87	87	87	89	89	89	90	90
Insurance	1	-	-	-	-	-	-	-	-
Supplies	15	10	31	31	23	23	23	24	24
Depreciation	43	45	45	50	52	54	54	54	54
Grants	-	20	-	-	-	-	-	-	-
Utilities	40	41	42	42	43	43	44	45	46
TOTAL EXPENSES	481	484	543	551	550	559	567	576	586
EXCESS (DEFICIT)	(103)	50	135	76	109	(10)	6	24	42
RETAINED EARNINGS:									
Beginning	438	335	349	385	462	570	560	566	590
Ending	\$ 335	385	484	462	570	560	566	590	631
Capital Outlay	\$ 20	10	153	167	165	-	-	-	-

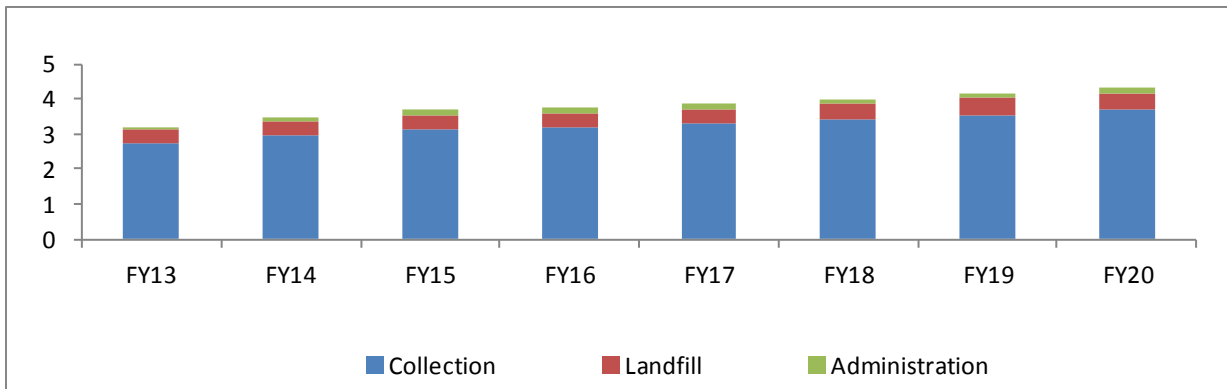
SANITATION REVENUES

\$ MILLIONS



SANITATION EXPENDITURES

\$ MILLIONS



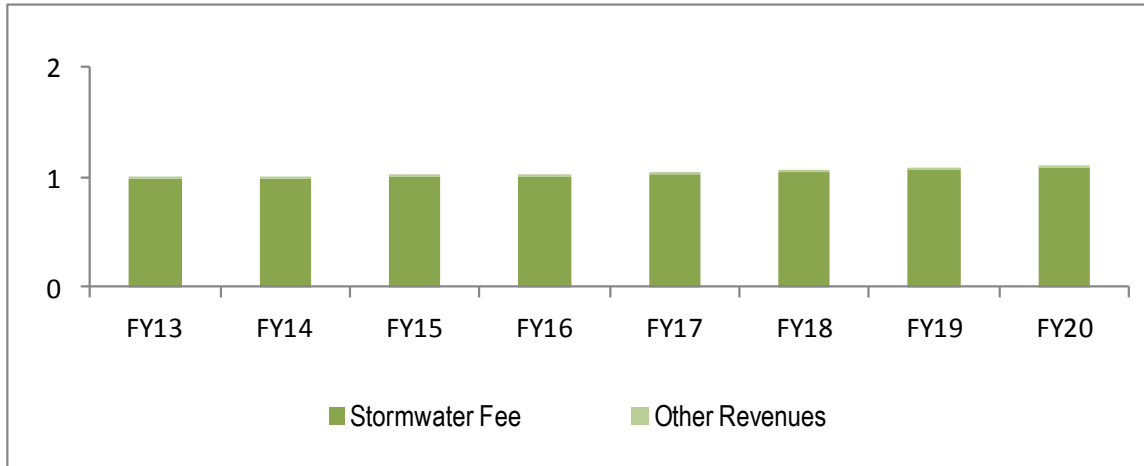
SANITATION FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Fixed Service Fee	\$ 3,410	3,406	3,421	3,309	3,411	3,998	4,023	4,045	4,068
Other Revenues	142	105	108	58	54	82	82	83	83
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,552	3,511	3,529	3,367	3,465	4,080	4,105	4,128	4,151
EXPENSES BY CATEGORY:									
Communication	6	1	13	13	13	8	9	11	31
Personnel	48	91	93	87	82	86	87	89	90
Prof. Fees	-	-	-	-	40	-	-	-	-
Supplies	20	21	42	40	36	37	38	39	40
Contract Services	3,121	3,353	3,528	3,257	3,576	3,704	3,866	4,016	4,171
Utilities	1	-	1	1	1	1	1	1	1
TOTAL EXPENSES	3,195	3,466	3,677	3,398	3,748	3,837	4,001	4,156	4,333
EXCESS (DEFICIT)	356	45	(148)	(31)	(283)	243	104	(28)	(182)
RETAINED EARNINGS:									
Beginning	453	809	821	854	823	540	783	887	859
Ending	\$ 809	854	673	823	540	783	887	859	677
Capital Outlay	\$ -	-	-	-	-	-	-	-	-

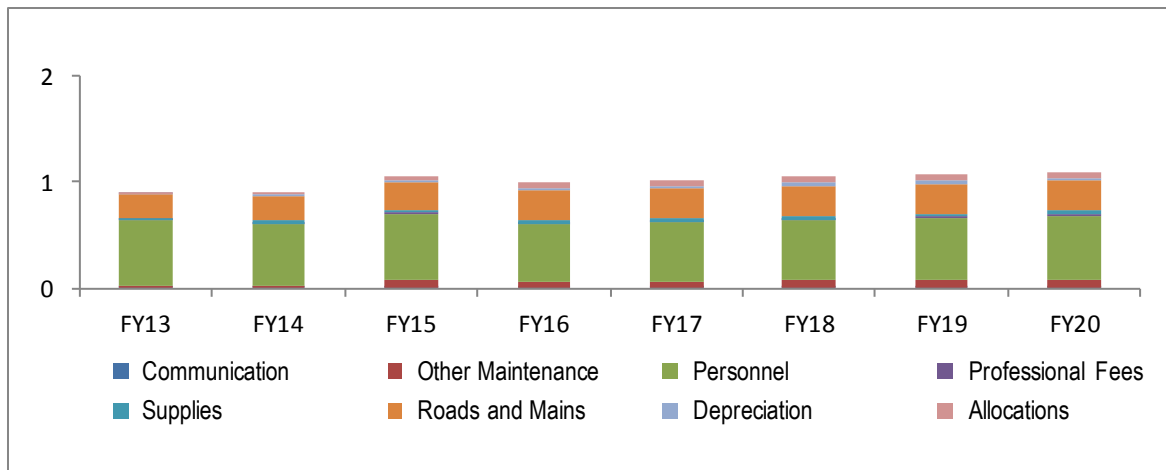
STORMWATER MANAGEMENT REVENUES

\$ MILLIONS



STORMWATER MANAGEMENT EXPENSES

\$ MILLIONS



STORMWATER MANAGEMENT FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY13	Actual FY14	Budget FY15	Estimate FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
REVENUES:									
Stormwater Management Fee	\$ 982	988	1,003	1,003	1,003	1,023	1,043	1,064	1,085
Other Revenues	14	11	9	10	9	9	9	9	9
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	996	999	1,012	1,014	1,012	1,032	1,052	1,073	1,094
EXPENSES BY CATEGORY:									
Communication	1	1	6	4	4	4	4	4	5
Other Maintenance	19	11	65	65	60	62	63	65	66
Personnel	618	585	587	631	531	549	571	593	616
Prof. Fees	6	5	20	10	10	10	10	10	10
Supplies	24	44	32	32	28	29	30	30	31
Roads and Mains	217	223	255	255	285	285	285	285	285
Depreciation	1	8	19	19	30	31	31	28	28
Allocations	29	25	41	41	42	47	53	52	53
TOTAL EXPENSES	915	902	1,025	1,057	991	1,018	1,047	1,067	1,095
EXCESS (DEFICIT)	81	97	(13)	(44)	21	14	5	6	(0)
RETAINED EARNINGS:									
Beginning	296	377	399	474	431	452	466	471	477
Ending	<u>\$ 377</u>	<u>474</u>	<u>386</u>	<u>431</u>	<u>452</u>	<u>466</u>	<u>471</u>	<u>477</u>	<u>476</u>
Capital Outlay	\$ 33	37	195	93	100	-	-	-	-

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

STATE STREET AID

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
State Street Aid	\$ 1,033	1,038	1,040	1,062	1,050	1,071	1,092	1,114	1,137
Other Revenue	-	-	-	-	-	-	-	-	-
Interest	2	0	-	-	-	5	6	7	8
Transfer In-Gen. Fund	200	900	1,650	1,650	1,850	1,500	1,500	1,500	1,500
TOTAL REVENUES	1,235	1,938	2,690	2,712	2,900	2,576	2,598	2,621	2,645
EXPENSES BY CATEGORY:									
Other Maintenance	64	76	200	200	200	200	200	200	200
Electricity & Gas	814	770	824	800	824	847	864	881	898
Str. Contract Maint.	1,136	1,012	1,300	1,378	1,700	1,100	1,100	1,100	1,100
City Str. Maint.	306	294	350	350	350	375	375	375	375
TOTAL EXPENSES	2,319	2,152	2,674	2,728	3,074	2,522	2,539	2,556	2,573
EXCESS (DEFICIT)	(1,085)	(214)	16	(16)	(174)	53	59	64	71
FUND BALANCE:									
Beginning of Year	1,692	607	34	394	378	204	257	316	380
Ending	<u>607</u>	<u>394</u>	<u>50</u>	<u>378</u>	<u>204</u>	<u>257</u>	<u>316</u>	<u>380</u>	<u>451</u>

(\$000)

AUTOMATED ENFORCEMENT

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Red Lights	\$ 44	-	59	-	250	300	300	300	300
Transfer In-Gen. Fund	125	150	75	75	75	77	80	83	88
TOTAL REVENUES	169	150	134	75	325	377	380	383	388
EXPENSES BY CATEGORY:									
Personnel	108	79	100	93	89	90	92	97	100
Materials & Supplies	2	-	8	-	4	5	5	5	5
Rent	22	-	-	-	241	267	267	267	267
Professional Fees	-	27	-	3	-	-	-	-	-
Other - Grants	-	19	13	13	10	10	10	10	10
Capital Outlay	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	133	125	120	109	345	372	375	378	382
EXCESS (DEFICIT)	37	25	14	(34)	(20)	5	5	5	5
FUND BALANCE:									
Beginning of Year	17	54	55	79	45	25	30	35	40
Ending	<u>54</u>	<u>79</u>	<u>69</u>	<u>45</u>	<u>25</u>	<u>30</u>	<u>35</u>	<u>40</u>	<u>45</u>

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

DRUG ASSET FORFEITURE FUND

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Drug Enforcement	\$ 115	155	350	350	350	350	350	350	350
Interest	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	115	155	350	350	350	350	350	350	350
EXPENSES BY CATEGORY:									
Personnel	27	65	81	81	96	96	96	96	96
Communications	-	-	1	1	1	1	1	1	1
Professional Fees	-	1	24	-	24	24	24	24	24
Other Maintenance	-	-	5	5	5	5	5	5	5
Supplies	52	43	138	138	138	138	138	138	138
Utilities	2	5	6	6	6	6	6	6	6
Rents	-	-	1	-	1	1	1	1	1
Allocations	-	-	-	-	-	-	-	-	-
Capital Outlay	52	60	-	6	-	-	-	-	-
TOTAL EXPENSES	133	174	256	237	271	271	271	271	271
EXCESS (DEFICIT)	(18)	(20)	94	113	79	79	79	79	79
FUND BALANCE:									
Beginning	113	95	97	75	188	267	346	425	504
Ending	95	75	191	188	267	346	425	504	583

(\$000)

PICKERING COMPLEX FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Classes	\$ 19	29	25	29	27	27	27	27	27
Special Events	8	7	7	7	7	7	7	7	7
Rental	36	35	35	35	32	35	35	35	35
Transfer In-Gen. Fund	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	63	72	67	70	66	69	69	69	69
EXPENSES BY CATEGORY:									
Allocations	2	2	3	3	3	3	3	3	3
Utilities	8	9	10	11	11	11	11	12	12
Capital Outlay	17	7	-	-	-	-	-	-	-
Professional Fees	18	24	25	26	26	26	26	26	26
Supplies	1	1	1	1	8	2	2	2	2
TOTAL EXPENSES	46	43	39	40	47	41	41	42	42
EXCESS (DEFICIT)	17	28	28	30	19	28	28	27	27
FUND BALANCE:									
Beginning	137	154	179	183	213	232	260	288	315
Ending	154	183	207	213	232	260	288	315	342

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

RECREATION FUND

	Actual FY13	Actual FY14	Budget FY15	Estimate FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
REVENUES:									
Basketball Fees	\$ 38	48	45	56	67	68	68	69	70
Softball Fees	33	36	37	38	42	42	43	43	44
Kickball Fees	2	2	4	3	4	4	4	4	4
Sports Camps	26	8	41	11	17	17	18	18	18
Tennis Classes	8	2	15	4	4	4	4	4	4
Basketball Sponsors	5	5	5	4	4	4	4	4	4
Soccer Fees	13	-	-	-	-	-	-	-	-
Baseball Fees	6	3	11	-	-	-	-	-	-
Croquet	1	1	1	1	1	1	1	1	1
Cheerleading	32	25	27	23	33	33	34	34	34
Competitive Soccer	-	-	-	-	-	-	-	-	-
Community Education	35	41	336	385	380	384	387	391	395
Intramurals	-	-	-	-	14	14	14	14	14
TOTAL REVENUES	197	172	522	525	565	571	577	582	588
EXPENSES BY CATEGORY:									
Personnel	-	-	168	124	237	243	252	261	270
Allocations	10	11	14	14	16	16	16	18	19
Professional Fees	109	98	150	107	176	176	177	178	178
Supplies	47	47	136	72	128	130	132	134	137
Capital Outlay	-	-	-	-	-	-	-	-	-
Rents	2	1	3	2	3	3	3	3	3
TOTAL EXPENSES	168	157	471	319	559	568	580	594	607
EXCESS (DEFICIT)	29	16	51	206	6	2	(3)	(12)	(19)
FUND BALANCE:									
Beginning	167	196	166	212	417	424	425	422	410
Ending	196	212	217	417	424	425	422	410	391
Capital Outlay	\$ 43	-	50	48	27	-	-	-	-

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FEDERAL ASSET FORFEITURE FUND

	Actual FY13	Actual FY14	Budget FY15	Estimated FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
REVENUES:									
Forfeiture Revenue	\$ 7	27	50	50	50	50	50	50	50
TOTAL REVENUES	7	27	50	50	50	50	50	50	50
EXPENSES BY CATEGORY:									
Personnel	-	6	20	20	20	20	20	20	20
Supplies	5	7	30	30	30	30	30	30	30
Capital Outlay	-	18	-	-	-	-	-	-	-
TOTAL EXPENSES	5	30	50	50	50	50	50	50	50
EXCESS (DEFICIT)	2	(3)	-	-	-	-	-	-	-
FUND BALANCE:									
Beginning	4	6	6	3	3	3	3	3	3
Ending	6	3	6	3	3	3	3	3	3

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

Ambulance Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Transport Fee	-	757	836	836	880	933	989	1,048	1,111
Non Transport Fee	-	-	-	-	-	-	-	-	-
General Fund Transfer	-	1,000	500	500	750	825	850	850	850
TOTAL REVENUES	-	1,757	1,336	1,336	1,630	1,758	1,839	1,898	1,961
EXPENSES BY CATEGORY:									
Personnel	-	1,077	1,209	1,232	1,568	1,602	1,656	1,711	1,769
Communications	-	1	2	2	2	2	2	3	3
Professional Fees	-	52	54	62	57	57	59	61	63
Other Maintenance	-	-	1	1	7	7	7	7	7
Insurance	-	4	15	20	19	36	37	37	38
Supplies	-	94	75	80	86	77	79	81	83
Utilities	-	1	2	2	3	3	3	3	3
Rents	-	50	-	-	-	-	-	-	-
Allocations	-	18	24	31	26	11	13	12	13
Capital Outlay	-	62	62	62	-	-	-	-	-
TOTAL EXPENSES	-	1,361	1,445	1,492	1,769	1,795	1,855	1,915	1,977
EXCESS (DEFICIT)	-	396	(109)	(156)	(139)	(37)	(16)	(16)	(16)
FUND BALANCE:									
Beginning	-	-	355	396	240	101	64	48	32
Ending	-	396	246	240	101	64	48	32	16

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

Germantown Municipal School District Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
BEP	-	-	22,115	23,413	24,463	24,708	24,955	25,205	25,457
ADA	-	-	18,693	18,697	20,400	20,604	20,810	21,018	21,228
Federal Grants	-	-	-	1,593	1,846	1,864	1,883	1,902	1,921
Other Revenues	-	8	3,316	356	90	91	92	93	94
Charges for Services	-	-	1,126	523	821	829	837	845	853
County Commission	-	-	-	223	752	760	768	776	784
Liquor Tax	-	7	-	87	87	88	89	90	91
Sales Tax	1,779	1,929	-	-	-	-	-	-	-
General Fund Transfer	-	130	2,122	2,122	2,132	2,153	2,175	2,197	2,219
TOTAL REVENUES	1,779	2,074	47,371	47,014	50,591	51,097	51,609	52,126	52,647
EXPENSES BY CATEGORY:									
Personnel	554	701	37,198	35,350	37,972	38,352	38,736	39,123	39,514
Communications	7	34	149	156	257	260	263	266	269
Professional Fees	22	353	2,618	2,680	3,980	4,020	4,060	4,101	4,142
Other Maintenance	-	50	684	833	384	388	392	396	400
Insurance	1	30	-	242	242	244	246	248	250
Supplies	-	218	2,735	2,456	3,894	3,933	3,972	4,012	4,052
Utilities	369	24	1,021	1,132	1,208	1,220	1,232	1,244	1,256
Rents	-	99	144	144	145	146	147	148	149
Allocations	-	11	246	-	-	-	-	-	-
Grants	294	125	-	-	-	-	-	-	-
Capital Outlay	-	906	1,917	1,091	1,351	685	685	685	685
Contract Maintenance	-	52	629	635	1,158	1,170	1,182	1,194	1,206
TOTAL EXPENSES	1,247	2,603	47,341	44,719	50,591	50,418	50,915	51,417	51,923
EXCESS (DEFICIT)	532	(529)	30	2,295	-	679	694	709	724
FUND BALANCE:									
Beginning	-	532	62	3	2,297	2,297	2,976	3,670	4,378
Ending	<u>532</u>	<u>3</u>	<u>92</u>	<u>2,297</u>	<u>2,297</u>	<u>2,976</u>	<u>3,670</u>	<u>4,378</u>	<u>5,102</u>

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

Farm Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Membership Fee	-	-	5	4	6	7	7	7	7
Donations	-	-	17	17	20	20	20	20	20
Vendor Income	-	-	10	5	6	10	10	10	10
Educational Fees	-	-	4	2	5	8	10	10	10
Rental Income	-	-	-	-	28	54	65	65	65
General Fund Transfer	-	-	150	150	150	150	150	100	90
TOTAL REVENUES	-	-	186	178	215	249	262	212	202
EXPENSES BY CATEGORY:									
Personnel	-	-	70	70	70	92	94	97	100
Communications	-	-	5	3	5	5	5	5	5
Professional Fees	-	-	15	15	25	25	25	25	25
Other Maintenance	-	-	11	10	11	14	15	15	16
Insurance	-	-	3	3	3	3	3	3	3
Supplies	-	-	24	19	21	22	22	22	23
Utilities	-	-	10	6	14	14	14	14	14
Rents	-	-	10	5	11	11	11	11	11
Allocations	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	30	30	38	60	65	8	-
TOTAL EXPENSES	-	-	178	161	197	245	254	200	197
EXCESS (DEFICIT)	-	-	8	17	18	4	8	11	5
FUND BALANCE:									
Beginning	-	-	-	-	17	35	39	47	58
Ending	-	-	8	17	35	39	47	58	63

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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FLEET SERVICES FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Transfers In	\$ 891	912	1,065	1,064	1,091	1,245	1,419	1,361	1,410
TOTAL REVENUES	891	912	1,065	1,064	1,091	1,245	1,419	1,361	1,410
EXPENSES BY CATEGORY:									
Allocations	10	12	12	12	13	13	13	14	14
Depreciation	31	35	36	36	36	40	45	55	60
Other Maintenance	237	245	242	240	267	412	553	455	468
Personnel	732	584	615	607	682	702	728	755	784
Communication	0	0	2	2	6	6	6	6	6
Rents	2	1	3	3	6	6	6	6	6
Supplies	17	23	144	144	55	40	41	43	44
Utilities	9	13	12	21	25	25	26	26	27
Vehicle Maint.	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	1,039	913	1,065	1,064	1,091	1,245	1,419	1,361	1,409
EXCESS (DEFICIT)	(148)	(2)	-	-	-	-	-	-	-
RETAINED EARNINGS:									
Beginning	374	226	35	225	225	225	225	225	225
Ending	226	225	35	225	225	225	225	225	225
Capital Outlay	\$ 65	26	20	-	80	-	50	90	-

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ALLOCATED EXPENSES

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
REVENUES:									
Transfers In	\$ 665	580	617	648	692	741	767	795	823
TOTAL REVENUES	665	580	617	648	692	741	767	795	823
EXPENSES BY CATEGORY:									
Insurance	518	580	617	648	692	741	767	795	823
TOTAL EXPENSES	518	580	617	648	692	741	767	795	823
EXCESS (DEFICIT)	147	1	-	-	-	-	-	-	-
RETAINED EARNINGS:									
Beginning	-	147	148	148	148	148	148	148	148
Ending	\$ 147	148	148	148	148	148	148	148	148

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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HEALTH INSURANCE FUND

	Actual FY13	Actual FY14	Budget FY15	Estimate FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
REVENUES:									
Contributions	\$ 4,678	4,108	4,959	4,959	4,762	5,290	5,640	6,066	6,526
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,678	4,108	4,959	4,959	4,762	5,290	5,640	6,066	6,526
HEALTH PLAN EXPENSES:									
Health Claims	4,466	3,398	4,709	4,019	4,512	4,678	5,076	5,551	6,080
Dental Claims	213	288	250	225	250	224	234	246	258
TOTAL EXPENSES	4,679	3,686	4,959	4,244	4,762	4,902	5,310	5,797	6,338
EXCESS (DEFICIT)	(0)	421	-	715	-	388	329	269	188
RETAINED EARNINGS:									
Beginning	512	512	1,591	933	1,648	1,648	2,036	2,365	2,634
Ending	\$ 512	933	1,591	1,648	1,648	2,036	2,365	2,634	2,823

TRUST FUNDS

BUDGET PROJECTION SUMMARY

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OPEB FUND

	Actual FY13	Actual FY14	Budget FY15	Estimate FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
OPEB REVENUES:									
Contributions	\$ 1,601	856	920	920	926	932	970	1,008	1,049
Fair Value Appreciation	366	183	150	(300)	150	156	162	169	175
Gain (Loss)	80	577	300	200	300	312	324	337	351
Interest	59	63	60	60	60	62	65	67	70
TOTAL REVENUES	2,107	1,679	1,430	880	1,436	1,462	1,521	1,581	1,645
OPEB EXPENSES:									
Trustee Fees	20	19	1	4	4	4	4	4	5
Benefits	710	618	540	590	690	718	746	776	807
Stop Loss	(41)	(8)	-	-	-	-	-	-	-
TOTAL EXPENSES	689	630	541	594	694	722	750	780	812
EXCESS (DEFICIT)	1,417	1,049	889	286	742	740	772	801	833
FUND BALANCE:									
Beginning	3,669	5,086	5,567	6,135	6,422	7,164	7,904	8,676	9,477
Ending	\$ 5,086	6,135	6,456	6,422	7,164	7,904	8,676	9,477	10,310

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CASH BALANCE

	Actual FY13	Actual FY14	Budget FY15	Estimate FY15	Budget FY16	Projected			
						FY17	FY18	FY19	FY20
CASH BALANCE REVENUES:									
Contributions	\$ -	28	127	130	263	273	284	295	307
Fair Value Appreciation	-	-	8	3	3	3	3	3	4
Gain (Loss)	-	-	3	-	2	2	2	2	2
Interest	-	-	5	1	5	5	5	5	5
TOTAL REVENUES	-	28	142	134	273	283	294	305	318
CASH BALANCE EXPENSES:									
Trustee Fees	-	-	7	7	7	7	8	8	8
Benefits	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	-	-	7	7	7	7	8	8	8
EXCESS (DEFICIT)	-	28	135	127	266	276	286	297	310
FUND BALANCE:									
Beginning	-	-	-	28	156	421	697	983	1,280
Ending	\$ -	28	135	156	421	697	983	1,280	1,590

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PENSION FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY13	FY14	FY15	FY15	FY16	FY17	FY18	FY19	FY20
PENSION REVENUES:									
Contributions	\$ 3,075	3,065	2,274	2,294	2,133	2,133	2,174	2,174	2,174
Fair Value Appreciation (Depreciation)	4,156	1,138	2,000	(1,000)	1,000	1,050	1,082	1,114	1,147
Realized Gain (Loss)	1,639	8,206	3,000	1,700	1,700	-	-	-	-
Interest	1,030	823	1,030	1,030	1,000	1,000	1,010	1,010	1,030
TOTAL REVENUES	9,900	13,232	8,304	4,024	5,833	4,182	4,266	4,299	4,351
PENSION EXPENSES:									
Trustee Fees	273	305	282	200	200	200	200	200	200
Benefits	2,382	2,643	1,594	2,900	3,500	3,850	1,738	1,738	1,825
TOTAL EXPENSES	2,655	2,948	1,876	3,100	3,700	4,050	1,938	1,938	2,025
EXCESS (DEFICIT)	7,244	10,284	6,428	924	2,133	132	2,327	2,360	2,326
FUND BALANCE:									
Beginning	47,115	54,359	63,931	64,644	65,568	67,700	67,832	70,159	72,520
Ending	<u>\$ 54,359</u>	<u>64,644</u>	<u>70,359</u>	<u>65,568</u>	<u>67,700</u>	<u>67,832</u>	<u>70,159</u>	<u>72,520</u>	<u>74,846</u>

The following staffing schedule summarizes the employee component of the City. In each cost center section of the Budget, a Personnel Projection schedule lists five areas of personnel expense – exempt salaries, non-exempt wages, other compensation, fringe benefits and other personnel. Since the nature of these categories is generally common to all departments, these items will be described in this section.

Exempt Salaries and Non-Exempt Wages:

Exempt salaries and non-exempt wages include the payroll cost for full-time and part-time positions classified under each category. There is a net effect of a 3% merit increase in the FY16 Budget. The budget for total personnel salaries and wages increased over FY15 by \$2,347,555.

Other Compensation:

Other compensation includes overtime wages, extra duty wages, housing allowance and per diem expenses. Overtime is self-explanatory. Extraordinary amounts and changes are described in certain cost center Budget Category Explanations. Extra duty wages account for the amounts paid to police and fire employees in lieu of holiday time off and for court appearances. Housing allowance has been discontinued, but is still paid to those who were grandfathered in before 1986. Per Diem covers City judges, prosecutors, Aldermen and the Mayor.

Fringe Benefits:

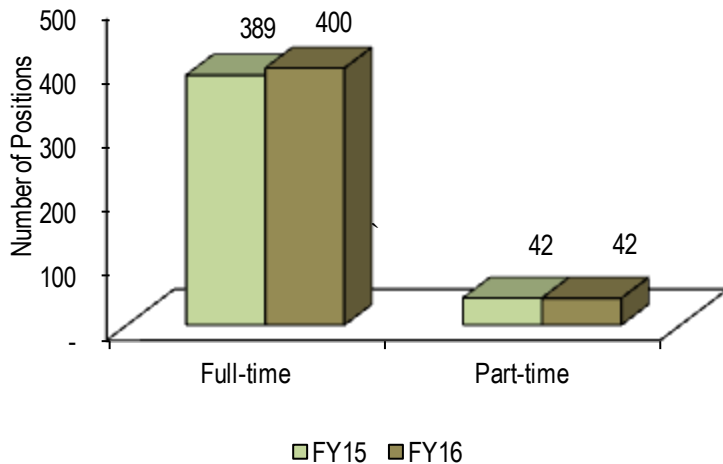
Fringe Benefits include the City's cost for FICA, medical, dental, life, long-term disability, retirement, OPEB, and Workers' Compensation insurance. FICA, set by the federal law, is 7.65% of salary. The new per employee annual contribution is \$11,202 for both health and dental.

To maintain a competitive compensation package, the City added retiree's medical benefits several years ago and continues to improve the retirement plan. The City has implemented an IRS Section 125 Plan to pay employee costs of retirement and medical benefits with pre-tax dollars.

The City also provides life insurance of three times salary at a cost of 13¢ per month per \$1,000 of coverage. The City pays 80¢ per month per \$100 of salary for long-term disability benefits. Workers' Compensation is through the TML Risk Management Pool and varies by department based on the Pool's assessment of potential risks.

Other Personnel:

Other Personnel costs include education, staff functions, and unemployment. Employee education amounts and charges are described in the Budget Category Explanations in the various cost centers. Staff functions fund events such as employee holiday parties and awards programs. Unemployment funds payments to individuals receiving unemployment benefits.



The number of full-time and part-time positions in the FY16 Budget shows change over the current fiscal year. The chart on the following page identifies the position changes; all associated with productivity improvement initiatives.

COMPARISON OF STAFFING

BUDGET PROJECTION SUMMARY

	FY14 Actual		FY15 Budget		FY16 Budget		INC/ (DECR)	Incr/ (Decr) Salary Cost
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time		
(Full Time Equivalents-Non-Exempt/Exempt Employees)								
GENERAL GOVERNMENT								
City Court	7.0	0.3	7.0	0.3	7.0	0.3	0.0	
Administration*	4.0	1.0	5.0	1.1	5.0	0.6	-0.5	\$ (19,240)
Human Resources	7.0	0.0	7.0	0.0	6.0	0.0	-1.0	\$ (40,292)
Information Technology	5.0	0.0	5.0	0.0	5.0	0.0	0.0	
Finance	10.0	0.0	10.0	0.0	11.0	0.0	1.0	\$ 40,292
Procurement*	7.0	0.5	7.0	0.0	7.0	0.0	0.0	
Economic and Community Development*	17.5	0.0	18.5	0.0	20.0	0.0	1.5	\$ -
Facilities Services*	13.0	0.5	14.0	0.0	16.0	0.0	2.0	\$ 59,008
GPAC	10.0	1.5	10.0	1.5	10.0	1.5	0.0	
Office of Budget and Performance	3.0	0.0	3.0	0.0	3.0	0.0	0.0	
Civic Support	0.0	0.0	0.0	0.0	6.0	1.3	7.3	\$ 412,811
PUBLIC SAFETY								
Police*	112.0	0.0	115.0	1.3	113.0	0.0	-3.3	\$ (256,691)
Fire	66.0	1.0	66.0	1.0	67.0	1.0	1.0	\$ 59,740
TRANSP. & ENVIRONMENT								
Public Services	38.5	1.0	38.5	1.0	38.0	1.0	-0.5	\$ (69,051)
Fleet Services	8.0	0.0	8.0	0.5	9.0	0.0	0.5	\$ 18,028
Animal Control	4.0	0.5	4.0	0.5	4.0	0.5	0.0	
COMMUNITY SERVICES								
Parks & Recreation	5.5	5.5	5.5	5.5	7.0	6.0	2.0	\$ -
The Farm*	0.0	1.0	0.0	1.0	0.0	1.0	0.0	
Community Education	0.0	0.0	0.0	0.0	1.0	0.0	1.0	\$ 49,440
MUNICIPAL SCHOOLS FUND								
	0.0	1.3	n/a	n/a	n/a	n/a	n/a	
AMBULANCE FUND*								
	13.0	0.0	16.0	0.0	19.0	0.0	3.0	\$ 113,034
THE FARM (Special Revenue Fund)*								
	0.0	0.0	0.0	1.0	0.0	1.0	0.0	
GERMANTOWN ATHLETIC CLUB								
Recreation*	9.0	11.9	10.0	11.9	10.0	11.9	0.0	
Aquatics	2.0	13.5	2.0	13.5	2.0	13.5	0.0	
Personal Training	1.0	1.0	1.0	1.0	3.0	1.0	2.0	\$ 86,000
GREAT HALL								
	2.0	1.0	2.0	1.0	2.0	1.0	0.0	
UTILITIES								
Water*	20.0	0.0	21.0	0.0	17.0	0.0	-4.0	\$ -
Sewer	6.0	0.0	6.0	0.0	5.0	0.0	-1.0	\$ -
SANITATION								
	0.8	0.0	0.8	0.0	0.8	0.0	0.0	
STORMWATER								
	7.0	0.0	7.0	0.0	6.5	0.0	-0.5	\$ -
TOTAL	378.3	41.5	389.3	42.1	400.3	41.6	10.5	\$ 453,079

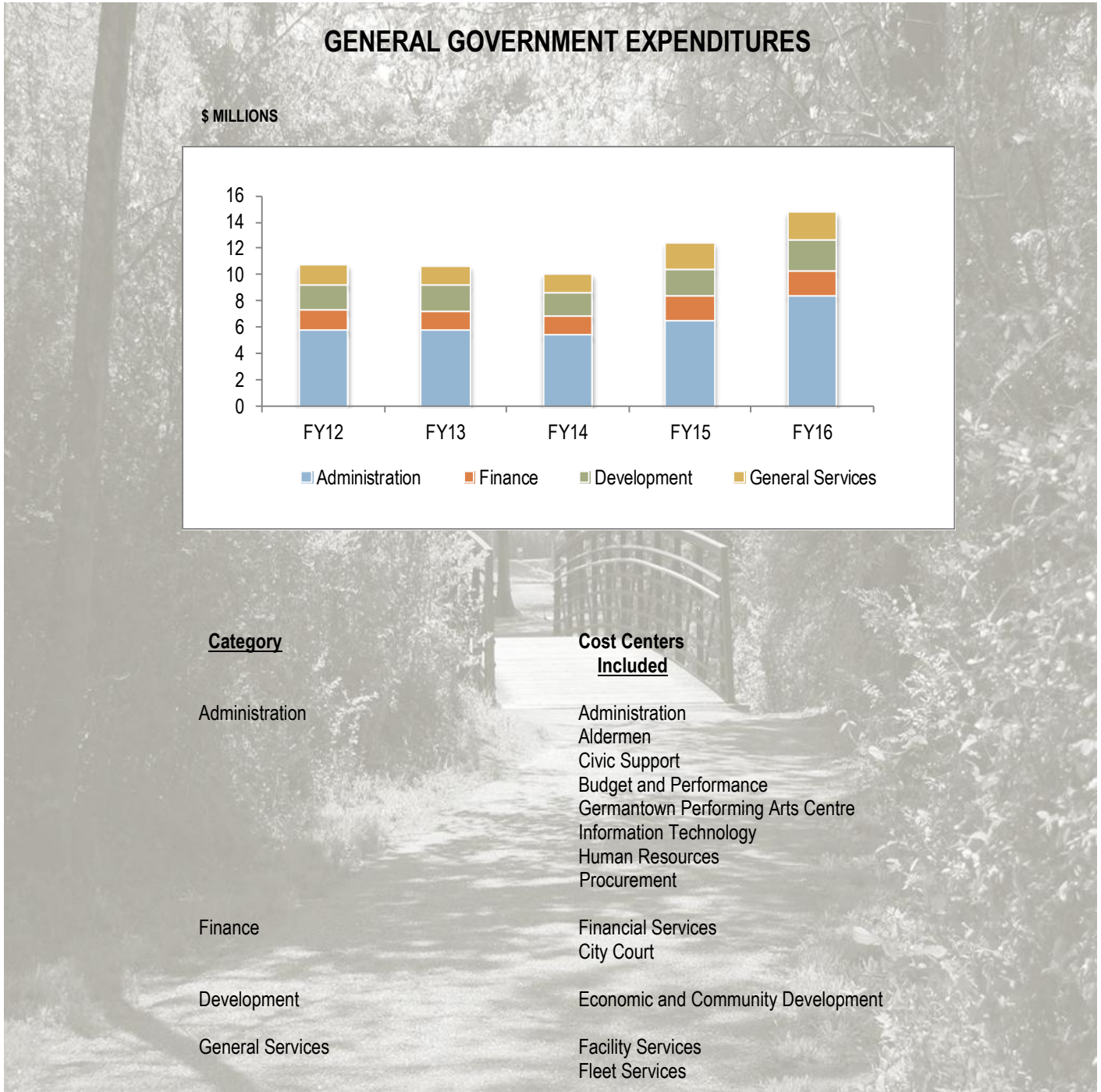
*** Analysis of Increase/(Decrease):**

Administration	Senior Administrative Assistant	-0.5
Human Resources	Payroll Technician	(1.0)
Finance	Payroll Technician	1.0
Economic Community Development	Stormwater Engineer	0.5
	Senior Construction Inspector	(1.0)
	Construction Inspector	2.0
	Senior Compliance Officer	(1.0)
	Code Compliance Officer	1.0
Facilities Services	Cleaning Services Worker	1.0
	Facility Services Technician	1.0
Civic Support	Police Officers (SRO)	6.0
	School Crossing Guards	1.3
Police	Police Officers	4.0
	Police Officers (SRO)	(6.0)
	School Crossing Guards	(1.3)
Fire	Fire Inspector	1.0
Public Services	Division Director	(0.5)
Fleet Services	Administrative Assistant	0.5
Parks & Recreation	Division Director	(0.5)
	Natural Resources Manager	1.0
	Assistant to the Director	1.0
	Ranger Naturalist	1.0
	Recreation Specialist	(1.0)
	Inclusion Specialist	0.5
Community Education	Recreation Specialist	1.0
Ambulance	Paramedic Fire Fighter	3.0
GAC Personal Training	Personal Trainers	2.0
Water	Assistant Water Director	(1.0)
	Heavy Equipment Operator	(1.0)
	Maintenance Technician	(1.0)
	Senior Maintenance Worker	(1.0)
Sewer	Senior Maintenance Worker	(1.0)
Stormwater	Stormwater Engineer	(0.5)



GENERAL GOVERNMENT FY16 BUDGET

The following section presents the operating budget for all General Government cost centers. Total operating expenditures for the four major categories within this classification are summarized below:





Aldermen

Mission To represent all the citizens of Germantown; to legally, ethically and morally uphold the duties and responsibilities of the City of Germantown; and to support the City's charter.

The legislative and policy making body of the City is the five Aldermen, elected for four-year overlapping terms. Their responsibility is representing the citizens of the community through the establishment of policies. These policies may take the form of resolutions or ordinances that establish the laws, proceedings and City service levels for the community. Compensation for their services is the major cost item in this activity. Also included are educational and meeting appropriations to provide for participation in the National League of Cities and the Tennessee Municipal League.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 119,184	119,862	115,426	9,988	8.65%	125,414
Communication	9,758	11,900	11,802	2,900	24.57%	14,702
Professional Fees	44,250	40,000	42,000	8,000	19.05%	50,000
Supplies	14,094	42,250	25,250	(9,750)	-38.61%	15,500
TOTAL	\$ 187,286	214,012	194,478	11,138	5.73%	205,616

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Other Compensation	5.0	60,146	5.0
Fringe Benefits		59,038	55,426
DEPARTMENT TOTAL	5.0	\$ 119,184	5.0

Categories

Personnel - \$125,414 This category includes funding for the per diem of the City's five Aldermen and their related payroll expenditures. On January 1, 2009, the per diem increased to \$1,000 for each Alderman per month as per Ordinance No. 2006-5.

Communications - \$14,702 This category includes the Aldermen's dues and subscriptions in the Tennessee Municipal League and the National League of Cities.

GENERAL FUND

Aldermen

Professional Fees - \$50,000 This category covers funding for lobbying services at the state level and miscellaneous consulting services.

Supplies - \$15,500 This category covers funding for the Annual Commission Appreciation Reception, Principals' Luncheon, and recognition items.

Civic Support

Mission The Civic Support cost center accounts for all funds associated with projects or activities, which serve as an outreach to the community. Included in this cost center are the following organizations or programs - Germantown Chamber of Commerce, Germantown Arts Alliance, Germantown Community Television Foundation, City Beautification, Historic Commission, and Other Civic Support.

The purpose behind the creation of this cost center is to consolidate all grants to outside organizations into a specific cost center, thereby clearly communicating to the public the programs funded by the Board of Mayor and Aldermen (BMA) for civic support.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ -	-	-	601,411	100%	601,411
Grants	\$ -	-	-	807,193	100%	807,193
TOTAL	\$ -	-	-	1,408,604	100%	1,408,604

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Exempt Salaries	0.0	\$ -	0.0
Non-Exempt Wages	0.0	-	0.0
Other Compensation		-	-
Fringe Benefits		-	-
Other Personnel		-	-
DEPARTMENT TOTAL	0.0	\$ -	0.0

Categories Personnel - \$601,411 This category funds salaries, wages, and benefits for school resource officers and school crossing guards. This category also includes necessary overtime. In addition, this category includes FICA, group insurance, retirement, OPEB, and workers' compensation.

GENERAL FUND

Civic Support

Grants - \$807,193 This category includes funds for budgeted for the following organizations:

Shelby County Schools	\$355,453
Other Civic Support	278,305
Germantown Education Foundation	100,000
Arts Alliance Grant	40,000
City Beautification Grant	21,000
Education Commission Grant	4,110
Historic Commission Grant	4,350
Chamber of Commerce Grant	3,975

Court

Mission Provide for the orderly, efficient and responsive disposition of all clerical and administrative matters for Municipal Court.

Under Finance, the Court Clerk's Office creates and maintains all dockets and documents pertaining to Court; collects and accounts for all fines, costs, forfeitures, fees, bonds and taxes; reports and distributes funds to City, County and State agencies on a monthly basis; issues subpoenas and garnishments; documents warrants, jail sentencing logs and writs; transfers appeals and submits bindovers to the appropriate courts; schedules community service; maintains juvenile traffic school files; maintains the probation for juvenile offenders in the First Offenders Program and performs secretarial functions for prosecutors and judges.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 514,807	589,910	585,341	53,836	9.20%	639,177
Communication	596	2,500	2,500	500	20.00%	3,000
Professional Fees	6,226	13,500	13,500	(500)	-3.70%	13,000
Supplies	3,487	8,100	8,600	(500)	-5.81%	8,100
Rent	3,117	7,500	8,392	-	0.00%	8,392
Allocations	2,796	3,000	3,150	150	4.76%	3,300
Utilities	19,695	22,267	22,267	(275)	-1.24%	21,992
TOTAL	\$ 550,724	646,777	643,750	55,211	8.58%	698,961

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Exempt Salaries	1.0 \$ 60,893	1.0 69,831	1.0 70,101
Non-Exempt Wages	6.3 174,815	6.3 203,815	6.3 219,549
Other Compensation	6.0 140,841	6.0 141,650	6.0 155,000
Fringe Benefits		135,236	162,745
Other Personnel		3,022	7,300
DEPARTMENT TOTAL	7.3 \$ 514,807	7.3 585,341	7.3 639,177

Categories

Personnel - \$639,177 This category funds salaries, wages, and benefits for a court clerk, deputy court clerks and one intern. This category also includes necessary overtime. In addition, this category includes FICA, group insurance, retirement, OPEB, and workers' compensation.

Additionally, included in this category are per diem expenses for judges who alternate 76 court sessions and prosecutors working weekly Wednesday night court sessions and bi-weekly Thursday night sessions. Besides holding court, judges are available 24 hours a day to sign warrants, set bonds or preside over non-scheduled court hearings. Prosecutors, in addition to

GENERAL FUND

Court

attending court, receive phone calls in their private law offices regarding court related matters and require time to prepare for trials. Per diems are budgeted as follows: city judges at \$2,500 per month each, the chief prosecutor at \$1,500 per month and assistant prosecutors at \$1,000 per month.

Communications - \$3,000 This category funds the required current edition of the Tennessee Code Annotated, Tennessee Rules of Court and Attorney General Opinions. Codebooks and supplements are kept current in the court library. Also, a partial set of T.C.A. is kept in the prosecutors' office for court use on Wednesday and Thursday night sessions.

Professional Fees - \$13,000 This category includes three major funding items: legal fees associated with appeal cases; legal fees for unscheduled court sessions to handle the jail cases and fees for Spanish interpreting services.

Supplies - \$8,100 This category covers the cost for necessary office supplies utilized by the court: printed forms, warrants, subpoenas, receipt books, binders, tapes, special file supplies, vouchers and other office supplies. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$8,392 This category includes rental costs associated with the copy machine. In addition, this line includes the cost of building rent for the storage of court documents.

Allocation - \$3,300 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$21,992 This category includes utility costs (electricity, gas, water, sewer and long distance telephone).

Performance Measures

Operational Objective	To provide efficient court services		
Key Product/Service	Court Services		
One Year Target	100%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
< or = 1 hour after arrival	n/a	100%	100%

Operational Objective	To meet customer expectations		
Key Product/Service	Court Services		
One Year Target	80%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer service satisfaction	64%	77%	80%

Administration

Mission

The Administration cost center represents the executive function of the City. The Mayor, as executive officer of the City, is responsible for the establishment and implementation of citywide policies. Legal services are provided to the City on a contractual basis through a part-time city attorney and part-time attorneys assigned to the Planning Commission, the Board of Zoning Appeals and the Design Review Commission. In addition, Administration is responsible for overseeing the agreement with Germantown Community Television Foundation and Germantown Community Theater.

Administration staff is provided for numerous citizen advisory groups including the Education Commission, Senior Citizens' Advisory Commission, Library Commission, and other special focus groups created during the year to assist the administration in clarifying policy initiatives for the Board of Mayor and Aldermen (BMA).

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 613,252	737,920	726,814	63,791	8.78%	790,605
Communication	88,984	133,150	133,150	37,400	28.09%	170,550
Professional Fees	253,715	373,000	373,000	(3,000)	-0.80%	370,000
Other Maintenance	9,398	4,815	4,815	492	10.22%	5,307
Supplies	20,963	21,800	21,800	28,700	131.65%	50,500
Rent	1,217	148,175	4,175	-	0.00%	4,175
Allocations	39,435	39,800	42,322	2,378	5.62%	44,700
Utilities	28,061	58,789	58,789	(46,100)	-78.42%	12,689
Grants/Intergovernmental	59,821	416,588	416,588	(416,588)	-100.00%	-
TOTAL	\$ 1,114,846	1,934,037	1,781,453	(332,927)	-18.69%	1,448,526
Expense Reimbursement	\$ (40,405)	(45,370)	(22,685)	-	0.00%	(22,685)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	2.0 \$ 298,595	3.0 330,649	3.0 329,974
Non-Exempt Wages	2.5 133,209	2.6 199,500	2.6 237,100
Other Compensation	27,661	28,100	46,580
Fringe Benefits	153,035	164,693	171,011
Other Personnel	752	3,872	5,940
DEPARTMENT TOTAL	4.5 \$ 613,252	5.6 726,814	5.6 790,605

GENERAL FUND

Administration

Categories

Personnel - \$790,605 This category includes staffing funds for the mayor, city administrator, assistant to the city administrator, executive assistant, marketing and communications coordinator, city clerk/recorder and part-time grants manager. Ordinance number 2006-5 adjusted the Mayor's per diem effective January 1, 2009 from \$1,000 a month to \$2,000. Additionally, included is the monthly per diem for the city attorney and attorneys for the Planning Commission, Board of Zoning Appeals and the Design Review Commission.

Communications - \$170,550 This category includes publication of public meeting and hearing notices, various City receptions, membership and meeting costs for professional organizations such as the International City Manager's Association and Tennessee City Manager's Association.

Professional Fees - \$370,000 This category includes professional consulting related to team building, leadership training and legal services provided under contract by the city attorney.

Other Maintenance - \$5,307 This category funds maintenance for office equipment including facsimile equipment, tape recorders, copier and mobile radios used by the city administrator.

Supplies - \$50,500 This category includes supplies to fund special requisitions through the department, as well as general office supplies. Examples include audiotapes, report printing and binding and the City newsletter.

Rent - \$4,175 This category includes rental costs associated with the copy machine.

Allocation - \$44,700 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$12,689 This category includes utility costs (electricity, gas, water, sewer and long distance telephone).

Performance Measures

Operational Objective	To achieve the City's priorities and goals		
Key Product/Service	Coordination (Governance)		
One Year Target	90%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Completion of business plan objectives	59%	85%	90%

Operational Objective	To achieve the City's priorities and goals		
Key Product/Service	Coordination (Governance)		
One Year Target	90%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Completion of strategic objectives	82%	88%	90%

Human Resources

Mission To design and administer programs that attract, retain, develop and motivate highly skilled employees who are committed to the accomplishment of City goals, and provide professional and safe working conditions for all City employees.

The Human Resources Department posts job openings, conducts interviews, processes new employees, develops and formalizes personnel policies, conducts new employee orientation, sets the strategy for employee development, administers benefits and provides employee relations management.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 588,375	665,316	597,391	(816)	-0.14%	596,575
Communication	1,083	23,180	23,576	26,191	111.09%	49,767
Professional Fees	65,790	27,000	28,500	2,700	9.47%	31,200
Other Maintenance	164	300	300	200	66.67%	500
Supplies	10,203	12,600	7,600	3,900	51.32%	11,500
Rent	1,138	1,000	2,000	900	45.00%	2,900
Allocations	3,635	3,900	4,095	305	7.45%	4,400
Utilities	7,866	8,309	8,309	(375)	-4.51%	7,934
TOTAL	\$ 678,254	741,605	671,771	33,005	4.91%	704,776
Expense Reimbursement	\$ (46,138)	(52,112)	(26,056)	-	0.00%	(26,056)

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	5.0	\$ 334,311	5.0	359,348	5.0	383,510
Non-Exempt Wages	2.0	75,853	1.0	54,059	1.0	38,110
Other Compensation		-		600		57
Fringe Benefits		170,728		170,664		148,478
Other Personnel		7,483		12,720		26,420
DEPARTMENT TOTAL	7.0	\$ 588,375	6.0	597,391	6.0	596,575

Categories

Personnel - \$596,575 This category includes sufficient funds to staff the following positions: human resources director, human resources coordinator, compensation administrator, benefits administrator and two generalists.

Communications - \$49,767 This category funds the City's employee recognition program, subscriptions to professional organizations and training meetings and seminars.

GENERAL FUND

Human Resources

Professional Fees - \$31,200 This category funds the cost of new employee physicals, expenses from employee training, background checks, the employee survey and the Federal Privacy Act requirements.

Other Maintenance - \$500 This category includes funds for the maintenance of the department's office equipment.

Supplies - \$11,500 This category includes funds for specialized supply requisitions and materials, and book printing.

Rent - \$2,900 This category includes rental costs associated with the copy machine and offsite storage of personnel records.

Allocation - \$4,400 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$7,934 This category includes utility costs (electricity, gas, water, sewer and long distance telephone).

Performance Measures

Operational Objective	To meet employee expectations		
Key Product/Service	HR Services		
One Year Target	98%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction with HR services	98%	98%	98%

Operational Objective	To maintain adequate staffing		
Key Product/Service	Workforce Management		
One Year Target	4%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Employee Turnover Rate	4.5%	3%	4%

Information Technology

Mission Provide employees and citizens with high-quality, cost-effective, timely and accurate information by maintaining and supporting the information technology systems used by City employees.

Information Technology (IT) purchases, maintains, supports and enhances the City's computer and technology related systems, including hardware, software, operating systems, telephones, voice and radio communications equipment and the local and wide area networks. The staff maintains the integrity of the computer systems. IT also serves as a technical consultant to the City. IT strives to integrate all of the City's information systems, thus establishing an enterprise-wide system. Standardizing and streamlining City processes results in reduced risks and costs. In addition, Geographical Information Systems (GIS) are provided for all city departments. Staffing oversight is provided to the Telecommunication Commission.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 532,301	533,927	556,525	(1,367)	-0.25%	555,158
Communication	4,739	6,040	6,320	50	0.79%	6,370
Professional Fees	104,153	123,840	138,493	22,867	16.51%	161,360
Insurance	-	2,000	2,000	-	0.00%	2,000
Other Maintenance	561,579	637,285	685,424	13,257	1.93%	698,681
Supplies	61,413	93,500	117,147	45,953	39.23%	163,100
Rent	2,763	3,200	3,200	-	0.00%	3,200
Allocations	2,796	6,519	4,001	2,999	74.96%	7,000
Capital Outlay	87,480	414,000	146,310	455,690	311.46%	602,000
Utilities	64,847	66,800	65,980	75,680	114.70%	141,660
TOTAL	\$ 1,422,071	1,887,111	1,725,400	615,129	35.65%	2,340,529
Expense Reimbursement	\$ (80,960)	(80,990)	(40,495)	-	0.00%	(40,495)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	4.0 \$ 337,225	4.0 363,613	4.0 363,599
Non-Exempt Wages	1.0 43,204	1.0 45,674	1.0 45,920
Other Compensation	-	-	-
Fringe Benefits	151,872	141,958	140,199
DEPARTMENT TOTAL	5.0 \$ 532,301	5.0 556,525	5.0 555,158

GENERAL FUND

Information Technology

- Categories**
- Personnel - \$555,158** This category includes salaries, benefits and education expenses for the information technology director, network/communication analysts, a technical services coordinator and computer support specialist.
- Communications - \$6,370** This category includes publications and subscription costs for professional periodicals as well as funds for travel to local and national conferences and seminars.
- Professional Fees - \$161,360** This category includes vendor support services, trouble shooting calls and disaster recovery for downed systems throughout the City. This line also funds e-commerce services.
- Insurance - \$2,000** This category includes the department's share of deductibles associated with workers' compensation claims, and personal and private property claims.
- Other Maintenance - \$698,681** This category includes maintenance charges for all computer equipment, and production of related equipment.
- Supplies - \$163,100** This category includes all continuous forms. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.
- Rent - \$3,200** This category includes rental costs associated with the annual maintenance contract on one color copier.
- Allocation - \$7,000** This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.
- Capital Outlay - \$602,000** This category funds IRP projects, which includes the purchase of computers and software.
- Utilities - \$141,660** This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Operational Objective	To meet customer expectations		
Key Product/Service	Education		
One Year Target	95%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer request completed within one business day	95%	95%	95%

Operational Objective	To provide employees with timely system accessibility		
Key Product/Service	Communications		
One Year Target	99.9%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Network system availability	99.8%	99.8%	99.9%

GENERAL FUND

Information Technology

Operational Objective	To provide employees with timely system accessibility		
Key Product/Service	Communications		
One Year Target	99.9%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Server system availability	99.99%	99.92%	99.90%

Operational Objective	To meet customer expectations		
Key Product/Service	Education: Service desk		
One Year Target	90% very or somewhat satisfied		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction rating	n/a	97%	90%



Germantown Performing Arts Center

Mission Foster quality performances and educational opportunities; encourage artistic expression and establish lasting relationships between the community and all the arts.

The Germantown Performing Arts Center (GPAC) provides a variety of performing and visual arts. GPAC opened on November 19, 1994, with a gala concert by the blues singer Ray Charles. Since then, GPAC has provided the community with performers such as Itzhak Perlman, Yo-Yo Ma, the New York City Opera, the Boston Pops, Dave Brubeck and the Alvin Ailey American Dance Theatre. Additionally, GPAC provides a diverse popular series, offering entertainers such as Bob Newhart, Emmylou Harris and the Capital Steps.

Youth education is important in GPAC's mission and offers several programs offering performing art programs to youth. The *Peanut Butter & Jam* program consists of 20 classical music concerts for three to six-year-old children. The sessions are held on GPAC's main stage and introduce the children to string, woodwind and brass instruments as well as basic classical composition. GPAC also offers instruction at string classes servicing over 150 area students, as well as a youth orchestra.

GPAC salaries and all other operating costs associated with the building, including debt service, are paid out of the General Fund. The artistic season at GPAC is the responsibility of the Germantown Performing Arts Center Foundation Board. All ticket sales, sponsorships, grants and individual contributions support artist fees and ancillary costs such as marketing, public relations and accommodations through the Foundation.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 833,798	867,473	864,290	49,745	5.76%	914,035
Communication	7,661	15,000	12,000	-	0.00%	12,000
Professional Fees	93,472	-	-	25,000	100%	25,000
Insurance	-	4,500	4,500	-	0.00%	4,500
Other Maintenance	1,209	52,000	52,000	-	0.00%	52,000
Supplies	25,642	72,300	49,700	(25,050)	-50.40%	24,650
Rent	7,011	3,500	3,500	-	0.00%	3,500
Allocations	20,899	24,679	25,769	(3,069)	-11.91%	22,700
Capital Outlay	15,814	9,000	11,500	41,550	361.30%	53,050
Utilities	117,840	110,725	109,765	(1,340)	-1.22%	108,425
TOTAL	\$ 1,123,346	1,159,177	1,133,024	86,836	7.66%	1,219,860

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	10.0	\$ 530,531	6.0	494,270	6.0	424,107
Non-Exempt Wages	1.5	103,027	5.5	141,796	5.5	244,625
Other Compensation		3,326		2,000		10,000
Fringe Benefits		191,527		220,724		227,803
Other Personnel		5,387		5,500		7,500
DEPARTMENT TOTAL	11.5	\$ 833,798	11.5	864,290	11.5	914,035

GENERAL FUND

GPAC

Categories

Personnel - \$914,035 This category contains sufficient funds to staff the department, including the executive director, GPAC development director, box office manager, marketing director, venue director, program manager, facility services coordinators, assistant box office manager, assistant to the director and box office assistants.

Communications - \$12,000 This category includes dues and subscriptions to professional journals and meetings.

Professional Fees - \$25,000 This category includes costs associated with professional services.

Insurance - \$4,500 This category includes the department's share of deductibles associated with workers' compensation claims, and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$52,000 This category includes funding for technical contractual services and miscellaneous expenses.

Supplies - \$24,650 This category includes program printing for presentations, general office supplies, theatre supplies, ticket stock and in-house publications. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$3,500 This category includes rental costs associated with a copy machine.

Allocation - \$22,700 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$53,050 This category represents costs associated with exterior cameras, audio system patchbay and main stage curtains.

Utilities - \$108,425 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Strategic Objective	To meet customer expectations		
Key Product/Service	Educational programming		
One Year Target	3% increased in customer satisfaction		
Five Year Target	Incorporate Germantown Municipal School District into GPAC Educational programming		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction	80%	93%	96%

Operational Objective	To diversify funding sources		
Key Product/Service	Fundraising		
One Year Target	3% increase in new donors		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
New donors	15%	20%	23%

Finance

Mission

To manage the financial affairs of the City through successful collection and disbursement of revenues and expenditures; to accurately record and report all financial transactions while maintaining superior standards; to uphold the laws and ordinances of the City and State; to establish sound fiscal, and business policies and practices; and to maintain the triple-A credit ratings.

Financial Services includes three areas: Accounting, Treasury, and City Court. Financial Services manages all of the City's fiscal affairs; supports the operating departments with accounting, financial reporting, and administrative services; manages all City investments; obtains debt financing for capital projects; collects taxes, utility billings and other revenues; financial reporting, and capital asset control; and conducts internal auditing of procedures and operations. In addition, the Financial Services area oversees the management of the City's main reception and information center. Staffing oversight is provided to the Financial Advisory Commission, the Audit Commission, Retirement Plan Advisory Commission and Other Postemployment Benefits Commission.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 686,572	717,223	749,884	51,467	6.86%	801,351
Communication	4,110	8,389	8,389	(1,009)	-12.03%	7,380
Professional Fees	178,822	201,300	232,155	(15,435)	-6.65%	216,720
Other Maintenance	280	1,300	1,300	5,800	446.15%	7,100
Supplies	11,819	26,820	27,320	6,780	24.82%	34,100
Rent	3,752	13,800	14,840	500	3.37%	15,340
Allocations	20,787	21,500	22,600	1,600	7.08%	24,200
Capital Outlay	-	-	-	-	-	-
Utilities	14,581	18,637	15,737	207	1.32%	15,944
TOTAL	\$ 920,723	1,008,969	1,072,225	49,910	4.65%	1,122,135
Expense Reimbursement	\$ (136,184)	\$ (78,933)	\$ (78,933)	-	0.00%	(78,933)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	3.0	\$ 245,915	3.0
Non-Exempt Wages	7.0	226,226	8.0
Other Compensation		3,414	2,500
Fringe Benefits		207,605	212,730
Other Personnel		3,412	7,102
DEPARTMENT TOTAL	10.0	\$ 686,572	11.0

GENERAL FUND

Finance

Categories

Personnel - \$801,351 This category includes salaries, wages, and benefits for the finance director, accounting manager, accountant, senior accounting clerks, property and business tax specialist, administrative assistant, customer service clerk, payroll tech and general clerks.

Communications - \$7,380 This category covers dues for professional organizations and subscriptions to various publications.

Professional Fees - \$216,720 This category includes contract services for temporary word processing and other clerical personnel on an as needed basis. \$81,720 is budgeted for the seventh year of a multi-year contract for the City's audit engagement and CAFR preparation. The category includes the City's portion of the continuous cycle reappraisal cost. This category also includes funds for the monthly consultation on debt financing, under a retainer agreement with the City's financial advisor, Public Financial Management, Inc.

Other Maintenance - \$7,100 This category funds copier maintenance and other smaller office machines. Computer, telephone and related equipment maintenance are accounted for in the *Information Technology* cost center.

Supplies - \$34,100 This category covers the expense for all the City's general office supplies. Only specialized forms and document printing are charged to other departments. Special mailings and printing are charged to other departments. Also included in this category are non-capital assets ranging in value between \$500 and \$4,999.

Rent - \$15,340 This category includes rental payments for the copy machines and an off-site storage facility to store permanent records.

Allocation - \$24,200 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$15,944 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Strategic Objective	To adequately fund the Retirement Plan		
Key Product/Service	Financial sustainability		
One Year Target	Meet actuary return of 8%		
Five Year Target	Meet actuary return or greater and reduce City contribution		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Asset investment performance on Retirement Plan	19%	3%	8%

GENERAL FUND

Finance

Operational Objective	To provide stable liquidity		
Key Product/Service	Collection of tax payments		
One Year Target	99%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Percentage of tax payments collected within the City Ordinance and State Statute	99%	99%	99%

Operational Objective	To meet vendor requirements		
Key Product/Service	Accounts Payable		
One Year Target	100%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Payment of vendor invoice within terms of contract	87%	95%	100%



Procurement

Mission To procure the highest quality and quantity of supplies, materials, equipment and contractual services with the least expense; to manage contract activities to assure contractual agreements are carried out according to specifications, budgets and schedules; asset/surplus property disposal; direct and control warehouse activities including maintaining inventory of supplies; and coordinate and oversee claims, administer risk management and loss prevention programs.

Procurement includes three areas: Purchasing, Risk Management, and Warehouse. Procurement administers all contracts, provides centralized purchasing, courier services, insurance and risk management and inventory.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 515,131	562,174	615,668	(556)	-0.09%	615,112
Communication	44,333	62,000	57,400	900	1.57%	58,300
Professional Fees	-	5,000	5,000	(2,000)	-40.00%	3,000
Insurance	-	-	1,000	-	0.00%	1,000
Other Maintenance	1,171	1,100	1,000	-	0.00%	1,000
Supplies	18,515	26,300	28,793	(2,693)	-9.35%	26,100
Rent	4,722	6,500	6,500	-	0.00%	6,500
Allocations	3,668	7,033	4,032	3,486	86.46%	7,518
Utilities	9,485	15,502	15,800	1,415	8.96%	17,215
TOTAL	\$ 597,025	685,609	735,193	552	0.08%	735,745
Expense Reimbursement	\$ (75,168)	\$ (34,664)	\$ (34,664)	-	0.00%	(34,664)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	4.0 \$ 232,509	3.0 311,010	3.0 271,790
Non-Exempt Wages	3.50 129,002	4.0 125,140	4.0 172,814
Other Compensation	-	500	1,000
Fringe Benefits	152,616	176,118	166,108
Other Personnel	1,004	2,900	3,400
DEPARTMENT TOTAL	7.50 \$ 515,131	7.0 615,668	7.0 615,112

GENERAL FUND

Procurement

- Categories**
- Personnel - \$615,112** This category includes salaries, wages, and benefits for the procurement director, assistant procurement director, risk coordinator, purchasing specialist, procurement coordinator, purchasing assistant and inventory control coordinator.
 - Communications - \$58,300** This category covers dues for professional organizations and subscriptions to various publications, the expenses of the City's postage expense except Cultural Arts and Utilities, and publications of legal notices for bids.
 - Professional Fees - \$3,000** This category includes costs associated with procurement card fees.
 - Insurance - \$1,000** This category includes Procurement's share of deductibles associated with workers compensation claims and personal and private property claims.
 - Other Maintenance - \$1,000** This category funds maintenance charges for postage and binder machines.
 - Supplies - \$26,100** This category covers the expense for general office supplies. Also included in this category are non-capital assets ranging in value between \$500 and \$4,999.
 - Rent - \$6,500** This category includes rental payments for the copy machines and postage meter register.
 - Allocation - \$7,518** This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.
 - Utilities - \$17,215** This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Operational Objective	To effectively pay and complete purchase orders		
Key Product/Service	Procurement of goods and services		
One Year Target	7%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Reduce the percentage of PO's in non-paid/incomplete status	9%	6%	7%

Operational Objective	To maintain integrity of procurement standards		
Key Product/Service	Inventory issues and returns		
One Year Target	99%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Inventory accuracy	36%	72%	99%

Allocated Expenses

Mission This cost center was used in the past to distribute shared costs of telephone, gas and electric, radio maintenance, gasoline, and uniform expenses to all funds, departments and cost centers. However, beginning in FY93, all shared costs, except insurance, were budgeted and tracked by each fund, department and cost center. This decision to decentralize budgeting and control was made in order to establish more accountability at the departmental level. Department managers receive, on a monthly basis, actual expenses for all of the above items, allowing for more cost control and better management of important resource dollars.

Insurance is the only shared cost that remains in this cost center. Since insurance-related costs are bid out in one contract, it was unrealistic to allocate this one remaining cost to each fund, department, and cost center.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Allocations	\$ (580,299)	(616,619)	(648,000)	(44,033)	6.80%	(692,033)
Insurance	579,699	616,619	648,000	44,033	6.80%	692,033
TOTAL	<u>\$ (600)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Categories Allocations – (\$692,033) This category represents the allocation of the costs to individual funds, departments and cost centers; thus this cost center has a net cost of zero.

Insurance - \$692,033 This category includes: property insurance coverage (\$267,033) that is on an All Risk form, vehicle insurance (\$75,000), casualty or liability coverage (\$255,000) designed to match minimum state tort limits, uninsured losses insurance (\$30,000) to pay the deductibles for vehicle maintenance and administration, liability deductible (\$15,000), and workers compensation deductible (\$50,000).



General Debt

The General Debt Service cost center accounts for the principal and interest payments on: \$5.6 million Series 2006 General Obligation bonds, \$9.6 million Series 2009 General Obligation bonds and \$6.0 million Series 2011 General Obligation bonds. In FY10 \$9.635 million of G.O. debt was issued. Of this amount \$6.0 million was new debt and \$3.635 million was the refunding of Bond Series 2000 and 2002. In FY12 \$6.025 million of G.O. debt was issued. In FY14 \$9.070 million of G.O. debt was issued, of that amount \$5.57 million was the refunding of Bond Series 2005. The General Fund revenues of the City fund this cost center.

The long-range projections are based on the City's Long-Range Strategic Plan approved by the BMA in each year's CIP process. There is one projected future issue over the next five years totaling \$3.5 million. The outstanding balance of General Obligation Debt at July 1, 2015 is \$21,405,000. During the year, principal of \$2,250,000 and interest of \$626,033 will be paid. The balance of existing debt remaining at June 30, 2016 will be \$19,155,000.

<u>Security</u>	<u>Balance</u> 7/1/2015	<u>Principal</u> <u>Payment</u>	<u>Balance</u> 6/30/2016	<u>Interest</u> <u>Expense</u>
Existing:				
Series 2006 Bonds	\$ 1,490,000	490,000	1,000,000	49,800
Series 2009 Bonds	6,420,000	495,000	5,925,000	237,674
Series 2011 Bonds	5,290,000	255,000	5,035,000	134,725
Series 2013 Bonds	8,205,000	1,010,000	7,195,000	203,834
Total FY16 Debt	<u>\$ 21,405,000</u>	<u>2,250,000</u>	<u>19,155,000</u>	<u>626,033</u>
	<u>Existing</u> <u>Principal</u>	<u>Existing</u> <u>Interest</u>	<u>Future</u> <u>Principal</u>	<u>Future</u> <u>Interest</u>
FY17	\$ 2,300,000	565,833	130,000	115,850
FY18	1,970,000	510,608	135,000	113,250
FY19	1,335,000	464,883	135,000	110,550
FY20	1,375,000	422,533	140,000	107,850
Thereafter	12,175,000	2,248,828	2,905,000	1,013,600
Total Debt Service	<u>\$ 19,155,000</u>	<u>4,212,683</u>	<u>3,445,000</u>	<u>1,461,100</u>

Budget Category Summary

<u>CATEGORY</u>	<u>Actual</u> <u>FY14</u>	<u>Budget</u> <u>FY15</u>	<u>Estimated</u> <u>FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget</u> <u>FY16</u>
Debt Service	\$ 9,050,645	3,034,807	3,166,984	(290,951)	-9.19%	2,876,033
Agency Fees	2,000	1,500	1,500	-	0.00%	1,500
TOTAL	<u>\$ 9,052,645</u>	<u>3,036,307</u>	<u>3,168,484</u>	<u>(290,951)</u>	<u>-9.18%</u>	<u>2,877,533</u>

Categories

Debt Service - \$2,876,033 This category includes principal payments on the Series 2006 Bonds, the Series 2009 Bonds, the Series 2011 Bonds and the Series 2013 Bonds. Utility debt service is accounted for in a separate cost center in the Utility Fund.

Agency Fees - \$1,500 This category covers fees paid to paying agents for the various bond issues.



Economic and Community Development

Mission

To provide residents a strategically planned, well-designed, well-constructed community and to provide an attractive community through public education and enforcement of the City's various Codes and Ordinances.

This department, comprised of the Planning Division, Engineering Division and the Neighborhood Services Division, provides professional and technical services in the fields of civil engineering, traffic engineering, planning, land use and control, zoning and subdivision regulations, ordinances, construction inspection of public improvements, floodplain management, sign ordinance administration, code enforcement, neighborhood information, public relations and oversight of the Sanitation Fund.

This department provides staffing functions for the Planning Commission, Design Review Commission, Board of Zoning Appeals, Council of Neighborhood Associations (CONA), Telecommunications Commission, Youth Commission, Education Commission Economic Development Commission and the Environmental Commission.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 1,426,732	1,503,727	1,624,634	64,611	3.98%	1,689,245
Communication	20,636	31,332	31,332	2,660	8.49%	33,992
Professional Fees	140,917	181,290	107,099	298,591	278.80%	405,690
Insurance	448	3,000	3,000	2,000	66.67%	5,000
Other Maintenance	42,071	71,000	71,000	-	0.00%	71,000
Supplies	30,984	41,240	42,883	4,279	9.98%	47,162
Rent	9,238	24,300	24,300	-	0.00%	24,300
Allocations	32,998	38,118	39,388	6,612	16.79%	46,000
Capital Outlay	-	25,000	25,000	(25,000)	-100.00%	-
Utilities	43,889	46,754	46,755	(1,520)	-3.25%	45,235
Grants	14,852	14,250	14,250	(14,250)	-100.00%	-
TOTAL	\$ 1,762,765	1,980,011	2,029,641	337,983	16.65%	2,367,624
Expense Reimbursement	\$ (70,509)	(72,909)	(36,455)	-	0.00%	(36,455)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	8.5 \$ 669,784	9.5 685,982	10.0 778,336
Non-Exempt Wages	9.0 360,197	10.0 492,914	10.0 449,931
Other Compensation	-	-	-
Fringe Benefits	392,699	433,638	448,353
Other Personnel	4,052	12,100	12,625
DEPARTMENT TOTAL	17.5 \$ 1,426,732	19.5 1,624,634	20.0 1,689,245

GENERAL FUND

Economic and Community Development

- Categories
- Personnel - \$1,689,245** This category includes salaries, wages, and benefits for the economic and community development services director, city engineer, assistant city engineer, plans manager, economic development manager, chief planner, planner, neighborhood services manager, neighborhood coordinator, community services coordinator, chief constructor inspector, senior construction inspector, construction inspectors, administrative assistant, senior administrative assistant, code compliance officer and senior code compliance officers.
- The personnel category also includes overtime wages for attendance of the administrative secretary and other non-supervisory personnel at Planning Commission, Design Review Commission, Board of Zoning Appeals meetings and employee education expenses.
- Communications - \$33,992** This category is comprised of items that enhance the department's efficiency and effectiveness through continual contact with current issues and techniques, including dues and subscriptions to professional engineering societies, meetings and training sessions at one national and one regional or local professional seminar and the publication of commission meetings as required by State law.
- Professional Fees - \$405,690** This category consists of funds to cover appraisal fees associated with capital projects. In addition, this category consists of funds to cover engineering surveys, design and traffic studies that arise during the year, but cannot be handled in-house due to time constraints or requirement of special skills. Also included are funds for special planning services or engineering services not allocated to specific capital improvements through the use of private consulting firms. Additionally, funds are provided for the National Pollution Discharge Elimination System program's intergovernmental agreement with Shelby County. Funds are also included for economic development.
- Insurance - \$5,000** This category includes ECD's share of deductibles associated with workers compensation claims and personal and private property claims.
- Other Maintenance - \$71,000** This category funds the maintenance of equipment not covered by maintenance contracts, including personal computers, color monitors, printers, lettering machine and digital cameras. Also included in this amount is the sign replacement and maintenance budget, which includes upgrading traffic signals.
- Supplies - \$47,162** This category includes supplies unique to the department, (e.g. supplies for the printing of area maps and drawings and small tools for surveys and other projects). Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.
- Rent - \$24,300** This category includes rental costs associated with the department's copy machine and color printer/copier.
- Allocation - \$46,000** This category covers insurance and vehicle maintenance costs allocated to the department for its portion of the City's shared expenses.
- Utilities - \$45,235** This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

GENERAL FUND

Economic and Community Development

Performance Measures

Strategic Objective	Leverage assets to attract new investment		
Key Product/Service	Property offering marketing package		
One Year Target	Vacancy rate of 7% or less		
Five Year Target	Vacancy rate of 5% or less		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Reduction in retail vacancy rates	11%	8%	7%

Strategic Objective	Reposition Germantown within the regional economy		
Key Product/Service	Public Relations		
One Year Target	4% increase in open rate over FY15		
Five Year Target	10% increase in open rate		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Constant Contact open rate	46%	47%	51%

Operational Objective	Engineering: To fund capital project contracts within budget		
Key Product/Service	Project Management/Contract Administration		
One Year Target	90%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Percentage of capital project contracts awarded within original budget	84%	75%	90%



Budget and Performance

Mission

To provide stronger linkage and greater emphasis on fiscal and policy analysis in strengthening the City's ability to plan for the future; to ensure the City's continued fiscal health through financial analysis and forecasting; and to serve as a research resource for city management.

Under Administration, Budget and Performance centralizes the linkage of policy and resources. The Board of Mayor and Aldermen's Policy Agenda sets the tone, guide and direction for policy development, policy decisions and resource allocation. The division allows that agenda to directly relate and flow to resource allocation through the tools of performance management and budget. The division also serves as a resource for city management by providing independent policy and procedure analysis. As changes occur at the state and local levels, analysis is performed to assess the impact on the City of Germantown.

Budget and Performance's chief responsibility is developing, providing and monitoring the City's annual operating and capital budgets. The division is also responsible for performance measurement and reporting, the City's line item document, monthly and quarterly financial monitoring and reporting, fiscal forecasting and planning, financial analysis reports on projects, Capital Improvements Program tracking/reporting, policy analysis on programs and policy changes in addition to grant research and monitoring, and designing and conducting annual community surveys. The division also assists on budgetary expenditures, debt issuance, the City's Annual Reports, and other financial operation issues.

Budget Category Summary

<u>CATEGORY</u>	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 275,910	295,827	301,186	7,709	2.56%	308,895
Communication	3,880	18,550	18,550	-	0.00%	18,550
Supplies	14,546	33,500	33,500	12,695	37.90%	46,195
Allocations	466	500	525	75	14.29%	600
Utilities	4,160	4,681	4,681	(12)	-0.26%	4,669
TOTAL	<u>\$ 298,962</u>	<u>353,058</u>	<u>358,442</u>	<u>20,467</u>	<u>5.71%</u>	<u>378,909</u>
Expense Reimbursement	\$ (16,627)	(19,147)	(9,574)	-	0.00%	(9,574)

Budget Payroll Summary

	FY14 <u>Actual</u>	FY15 <u>Estimate</u>	FY16 <u>Budget</u>
Exempt Salaries	3.0 \$ 191,622	3.0 212,019	3.0 217,849
Non-Exempt Wages	0.0 -	0.0 -	0.0 2,000
Fringe Benefits		82,935 79,195	79,074
Other Personnel		1,353 9,972	9,972
DEPARTMENT TOTAL	3.0 \$ 275,910	3.0 301,186	3.0 308,895

GENERAL FUND

Budget & Performance

Categories

Personnel - \$308,895 This category includes salaries, wages and benefits for budget and performance analysts.

Communications - \$18,550 This category is comprised of items that enhance the division's efficiency and effectiveness through continual contact with current issues and techniques including dues and subscriptions to professional publications, meetings and training sessions at national, regional and local professional seminars.

Supplies - \$46,195 This category funds supplies unique to the division, including supplies for the printing of the City's financial documents and the community and employee surveys.

Allocation - \$600 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$4,669 This category includes utility costs (electricity, gas, water, and sewer).

Performance Measures

Operational Objective	To maintain budget integrity		
Key Product/Service	Coordination (Governance)		
One Year Target	3 or less		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Number of budget adjustments per department	4	2	3

Facility Services

Mission Facility Services is responsible for the maintenance of all city buildings, equipment and plumbing, HVAC and electrical systems and for maximizing the life cycle of the facilities through daily janitorial maintenance plus programmed and preventative maintenance schedules. Under the General Services Division, Facility Services provides oversight of all City facilities and systems.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 839,941	916,339	956,940	118,572	12.39%	1,075,512
Communication	1,084	2,400	2,400	300	12.50%	2,700
Professional Fees	7,413	10,000	11,250	(1,250)	-11.11%	10,000
Contract Services	138,357	290,000	324,000	(34,000)	-10.49%	290,000
Insurance	-	2,000	2,000	-	0.00%	2,000
Other Maintenance	257,880	266,200	264,919	1,281	0.48%	266,200
Supplies	78,809	94,000	102,627	73	0.07%	102,700
Rent	4,817	8,000	9,700	(1,700)	-17.53%	8,000
Allocations	35,385	57,307	37,581	22,582	60.09%	60,163
Capital Outlay	20,785	320,000	321,325	(74,325)	-23.13%	247,000
Utilities	5,131	5,662	8,362	1,178	14.09%	9,540
TOTAL	\$ 1,389,602	1,971,908	2,041,104	32,711	1.60%	2,073,815
Expense Reimbursement	\$ (74,086)	(69,023)	(73,778)	-	0.00%	(73,778)

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	2.0	\$ 188,798	2.0	282,221	3.0	291,374
Non-Exempt Wages	11.50	361,269	12.0	362,026	13.0	421,329
Other Compensation		22,152		25,000		25,000
Fringe Benefits		266,682		283,493		329,309
Other Personnel		1,040		4,200		8,500
DEPARTMENT TOTAL	13.50	\$ 839,941	14.0	956,940	16.0	1,075,512

Categories

Personnel - \$1,075,512 This category includes the salaries, wages and benefits for the general services director, CIP manager, facility services superintendent, facility services technicians, crew supervisor, senior cleaning services workers, cleaning services workers and administrative assistant. The personnel category also includes overtime wages for the Germantown Festival, Germantown Charity Horse Show, July Family Fourth, special functions, staff functions for employees and employee education.

Communications - \$2,700 This category covers the expenses associated with the Facility Services Department remaining up-to-date on current trends through publications and communications with selected specialists in the field.

GENERAL FUND

Facility Services

Professional Fees - \$10,000 This category provides funding for professional services for electrical, plumbing, mechanical and architectural.

Contract Services - \$290,000 This category covers the outside contract costs for the maintenance and repair of elevators, fire warning systems, fire protection systems, pest control and HVAC systems. This category also includes funding for an electrical contract and security alarm monitoring.

Insurance - \$2,000 This category includes the department's share of deductibles associated with workers' compensation claims.

Other Maintenance - \$266,200 This category funds maintenance for equipment used by Facility Services to service City buildings, maintenance parts and supplies for 33 City buildings (including 95 HVAC systems, 4 boilers, 28 air handler units and 177 electrical motors), 12 parks, 5 pavilions and related facilities.

Supplies - \$102,700 This category includes supplies used by staff to supply buildings including cleaning and paper supplies, gloves, hard hats, safety shoes and other miscellaneous supplies such as oxygen, potting soil and small tools used by staff. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$8,000 This category includes rental costs associated with a lift truck and equipment pertaining to the repair and maintenance of City facilities not owned by the City.

Allocation - \$60,163 This line item contains Facility Services' portion of the shared costs of all funds, departments, and cost centers, including insurance and vehicle maintenance.

Capital Outlay - \$247,000 This category provides funding for the following IRP projects: Warehouse Building improvements, Library carpet, GPAC interior paint, City Hall Front Lobby improvements, Administration Office improvements, Fire Marshal Office renovation and Fire Administration carpet.

Utilities - \$9,540 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Strategic Objective	To improve City's carbon footprint		
Key Product/Service	CO2 Emissions		
One Year Target	Reduce fuel usage by 1% compared to FY15		
Five Year Target	Reduce electrical kilowatt usage 3% by the 5th year		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Petroleum fuel usage	3%	1%	-1%

Operational Objective	To meet customer expectations		
Key Product/Service	Cleaning Services		
One Year Target	95% Satisfaction		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction	90%	88%	95%

Fleet Services

Mission To provide a fleet management program for the City of Germantown, this includes acquisition, maintenance, warehousing, safety and disposal of automobiles, trucks and equipment, plus supplies for fleet management.

Under the General Services Division, Fleet Services provides vehicle maintenance to city vehicles and various types of equipment (trucks, automobiles, fire trucks and engines, construction and street repair equipment and vehicles, emergency generators, etc.). Fleet Services also provides welding and fabrication services for all departments, fuel management, and equipment maintenance and safety training.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 583,503	615,122	607,181	74,966	12.35%	682,147
Communication	240	2,000	1,630	4,370	268.10%	6,000
Professional Fees	115	120	370	(370)	-100.00%	-
Other Maintenance	245,412	241,530	239,989	27,367	11.40%	267,356
Supplies	22,642	143,550	143,574	(88,624)	-61.73%	54,950
Rent	1,284	2,700	2,700	3,600	133.33%	6,300
Allocations	(900,869)	(1,053,377)	(1,051,874)	(25,984)	2.47%	(1,077,858)
Depreciation	35,246	36,110	36,110	-	0.00%	36,110
Utilities	13,026	12,245	20,320	4,675	23.01%	24,995
TOTAL	\$ 599	-	-	-	-	-
Capital Outlay	\$ 16,712	26,427	-	80,000	100%	80,000

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Exempt Salaries	1.0 \$ 88,095	1.0 92,013	1.0 95,248
Non-Exempt Wages	7.0 303,359	7.5 333,849	8.0 376,551
Other Compensation	939	1,000	2,000
Fringe Benefits	189,293	176,515	196,943
Other Personnel	1,817	3,804	11,405
DEPARTMENT TOTAL	8.0 \$ 583,503	8.5 607,181	9.0 682,147

Fleet Services

Categories

Personnel - \$682,147 This category includes the salaries, wages, and benefits for a superintendent of fleet services, fleet services tech master, fleet services tech trainee, fleet shop foreman, fleet services technicians, small engine/tire mechanic and a part-time inventory data clerk.

Communication - \$6,000 This category provides funds for staff to attend meetings and/or conferences, which allows staff to remain current with new and more efficient ways of day-to-day job performance.

Other Maintenance - \$267,356 This category provides replacement and repair parts for items, such as lawn mowers, pumps and other small maintenance equipment repaired in-house, as well as specialized repairs beyond the technical ability of the shop. Replacement tires, vehicular internal and external cosmetic repairs, and emergency lighting are also included in this category.

Supplies - \$54,950 This category funds the purchase of acetylene, oxygen, and cleaning solvents, oil absorbing material and other various chemicals used in the vehicle maintenance operation. Also included are the purchase of consumable goods, uniforms, small tools and petroleum products.

Rent - \$6,300 This category includes funding for the rental of a parts cleaning machine. Additionally, shop towel cleaning, oil filter disposal and pagers for the superintendent, chief mechanic and vehicle attendant are funded in this category.

Allocation – (\$1,077,858) This category represents the Fleet Services Division's portion of shared costs for services rendered, which allocated back to departments and divisions is based on their respective percentage of fleet costs.

Depreciation - \$36,110 This category includes annual depreciated valuation of equipment used in daily operations.

Utilities - \$24,995 This category includes the division's utility costs (electricity, gas, water, sewer and local and long distance telephone).

Capital Outlay - \$80,000 This category provides funding for the following IRP projects: Fire Station 2 Fuel System, forklift and vehicle.

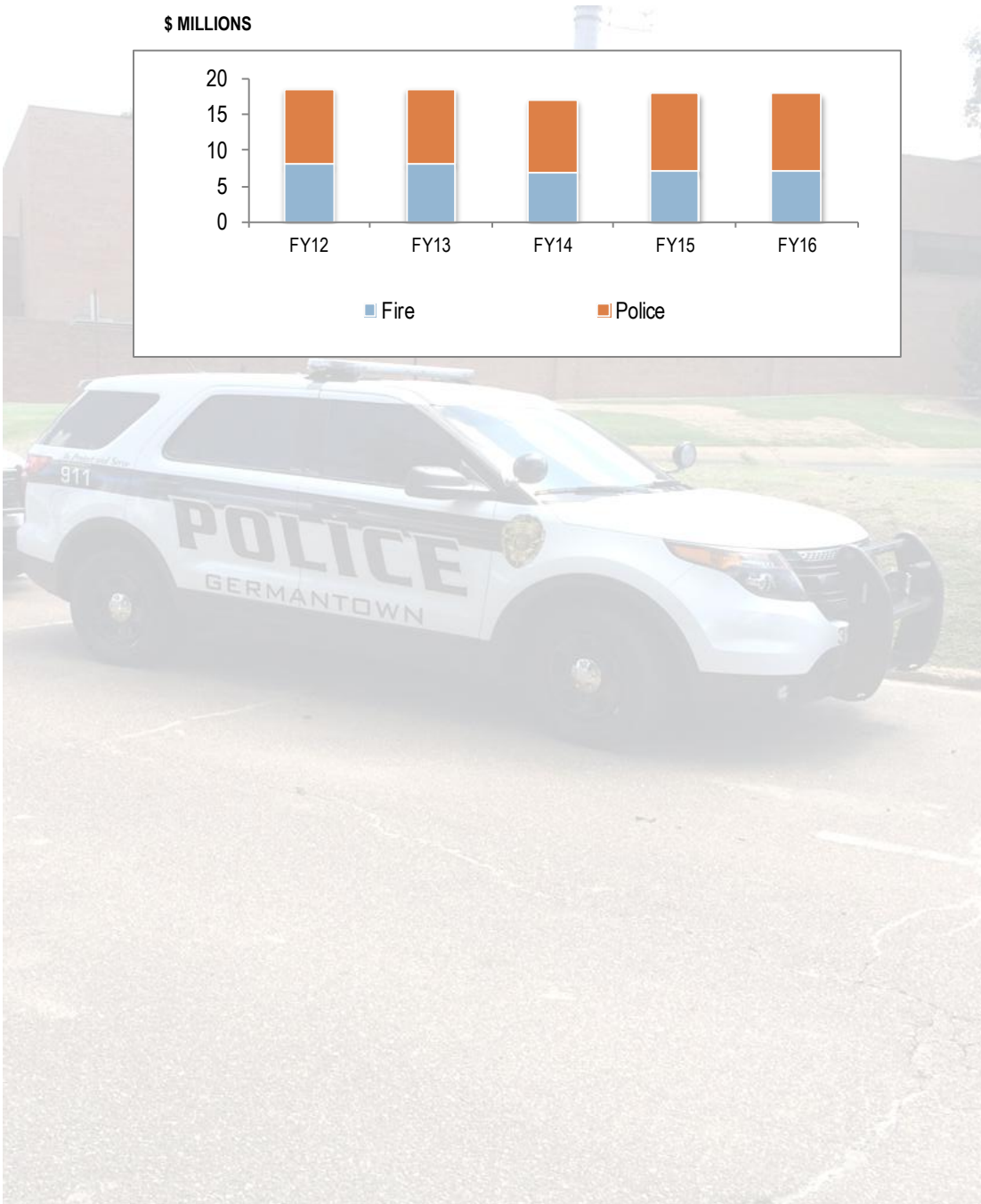
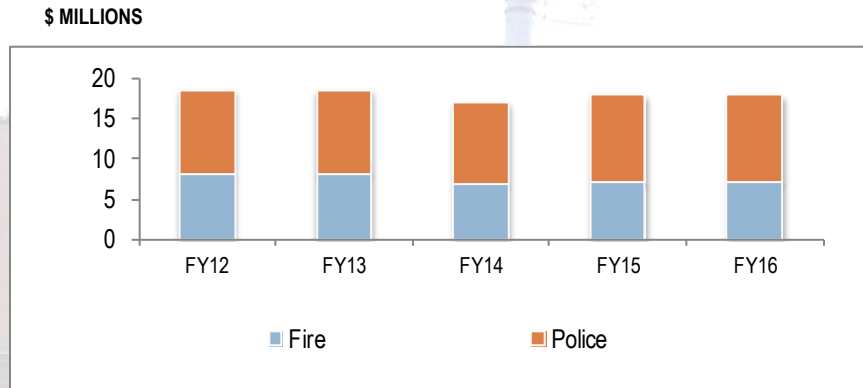
Performance Measures

Operational Objective	To maintain an efficient fleet management program for the City		
Key Product/Service	Fleet Management		
One Year Target	97%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Fleet availability for public safety and non-public safety	96%	97%	97%

PUBLIC SAFETY FY 16 BUDGET

The following section presents the operating budget for the Police and Fire Departments. Total operating expenditures for each department are summarized below:

PUBLIC SAFETY EXPENDITURES





Police

Mission The mission of the Germantown Police Department is to maintain a peaceful and orderly environment that ensures the protection of life and property through equitable enforcement of laws, rapid response and community education.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 9,032,213	9,353,851	9,364,515	(74,521)	-0.80%	9,289,994
Communication	18,879	25,100	25,100	600	2.39%	25,700
Professional Fees	8,000	10,000	10,000	-	0.00%	10,000
Insurance	36,020	40,000	40,000	-	0.00%	40,000
Other Maintenance	3,118	6,000	6,000	-	0.00%	6,000
Supplies	375,319	536,949	559,333	51,408	9.19%	610,741
Rent	7,182	11,500	11,500	-	0.00%	11,500
Allocations	354,662	402,272	421,226	4,351	1.03%	425,577
Capital Outlay	242,051	425,000	432,257	(221,257)	-51.19%	211,000
Utilities	101,629	117,730	117,730	(8,900)	-7.56%	108,830
Grants	5,199	5,300	5,300	-	0.00%	5,300
TOTAL	\$ 10,184,272	10,933,702	10,992,961	(248,319)	-2.26%	10,744,642

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	12.0 \$ 1,023,135	12.0 1,087,200	12.0 1,069,918
Non-Exempt Wages	100.0 5,051,471	104.3 5,358,931	101.0 5,307,926
Other Compensation	245,518	299,000	261,683
Fringe Benefits	2,626,232	2,530,884	2,549,567
Other Personnel	85,857	88,500	100,900
DEPARTMENT TOTAL	112.0 \$ 9,032,213	116.3 9,364,515	113.0 9,289,994

Categories

Personnel - \$9,289,994 Salaries, wages, and benefits for the police chief, deputy chief, inspectors, captains, lieutenants, public safety dispatcher/jailer supervisors, police officers, public safety dispatcher/jailers, administrative assistant, senior data entry clerk, police data technician and a legal advisor are included in this item. Wages and benefits for the school resource officers and school crossing guards have been moved to the Civic Support cost center in FY16.

The Personnel category also includes overtime wages for extra hours as required and off-duty officers' City level court appearances (two hours minimum); State level court appearances (three hours minimum); extra duty wages for 10 paid holidays for 100 police personnel who cannot be given the day off; FICA; group insurance; retirement; OPEB, workers' compensation; and employee education.

GENERAL FUND

Police

Communications - \$25,700 This category includes items that enhance the Police Department's efficiency and effectiveness through continual contact with current issues and techniques including dues and subscriptions to law enforcement bulletins, Tennessee Code Annotated books and their supplements, meetings and training sessions at Tennessee and national police conferences.

Professional Fees - \$10,000 This category includes payments for legal and professional services.

Insurance - \$40,000 This category includes the department's share of deductibles associated with workers' compensation claims, and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$6,000 This item covers maintenance costs for office equipment and the jail security system.

Supplies - \$610,741 This category includes supplies the department requires to function on a daily basis, including printing report forms, traffic citations, daily activity reports, radio logs and other forms that had previously been available through the State. Also included are replacement uniforms and clothing for police personnel. Other required supplies include jail supplies (milk and meals for prisoners), training ammunition, cleaning supplies for the weapons, crime scene supplies, photo supplies, markings for vehicles, flashlight batteries, computer supplies and petroleum products. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$11,500 This item includes the lease of the Smith & Wesson Identi-kit used as an investigative tool. In addition, lease payments for the copy machine are also included in this category.

Allocation - \$425,577 This line item contains the Police Department's portion of the shared costs of all funds, departments, and cost centers, including insurance and vehicle maintenance.

Capital Outlay - \$211,000 This item includes the funding necessary to purchase police vehicles/related equipment and weapons.

Utilities - \$108,830 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$5,300 This category includes funding for the Public Safety Education Commission.

Performance Measures

Strategic Objective	Effective emergency response		
Key Product/Service	Public Safety		
One Year Target	<4 Minutes		
Five Year Target	Best in Tennessee		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Emergency response time in minutes	2.33	2.43	4.00

GENERAL FUND

Police

Strategic Objective	Safest City in Tennessee		
Key Product/Service	Crime Investigation		
One Year Target	80%		
Five Year Target	Best in Tennessee		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Percentage of Part I crimes cleared	78%	81%	80%



Automated Enforcement

SPECIAL REVENUE FUND

Mission The expenditures in this cost center accounts for the leasing of the automated enforcement equipment and processing of citations from GATSO USA, Inc. Also included in the expenditures is funding for the Alive-At-25 program.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 78,632	99,624	93,233	(4,227)	-4.53%	89,006
Professional Fees	27,090	-	3,010	(3,010)	-100.00%	-
Supplies	-	7,500	-	5,000	100%	5,000
Rent	-	-	-	241,200	100%	241,200
Grants	19,200	13,000	13,000	(3,250)	-25.00%	9,750
TOTAL	\$ 124,922	120,124	109,243	235,713	215.77%	344,956

Categories Personnel - \$89,006 This category includes 100% of one police officer personnel costs to administer the automated enforcement program.

Supplies - \$5,000 This category includes the cost of office supplies for the program and a printer.

Rent - \$241,200 This category includes the rental cost of automated enforcement cameras.

Grants - \$9,750 This category includes grants to support the Alive-At-25 and Driver Education programs.



Drug Asset Forfeiture

Mission The expenditures in this cost center account for the use of the City's drug-related fines and confiscation. State law requires these resources be used in drug law enforcement.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 64,943	81,000	81,000	15,000	18.52%	96,000
Communication	-	1,000	1,000	-	0.00%	1,000
Professional Fees	572	24,000	-	24,000	100%	24,000
Other Maintenance	-	5,000	5,000	-	0.00%	5,000
Supplies	43,009	138,000	138,000	-	0.00%	138,000
Rent	-	750	-	750	100%	750
Capital Outlay	60,288	-	6,000	(6,000)	-100.00%	-
Utilities	5,491	6,000	6,000	-	0.00%	6,000
TOTAL	\$ 174,303	255,750	237,000	33,750	14.24%	270,750

Categories

Personnel - \$96,000 This category includes overtime for police officers assigned to drug enforcement and the employee education costs for those same officers.

Communications - \$1,000 This category includes funds to enhance the department's efficiency and effectiveness through continual contact with current issues and techniques, which includes dues and subscriptions to industry associations and magazines.

Professional Fees - \$24,000 This category includes the cost of providing high school drug tests.

Other Maintenance - \$5,000 This category covers maintenance costs for office equipment and the jail security system.

Supplies - \$138,000 This category includes expenditures associated with the Drug Fund dogs. This item also includes all Drug Fund expenditures associated with drug education, lab tests, the emergency storage facility and other supplies. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$750 This category covers the cost of rental of cellular telephones.

Utilities - \$6,000 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).



Federal Asset Forfeiture

Mission The expenditures in this cost center account for the use of money obtained from asset forfeitures to be used by the Police department. The federal government requires money seized from assets to be placed in a separate fund and then used by the Police department.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 5,517	20,000	20,000	-	0.00%	20,000
Supplies	7,414	30,000	30,000	-	0.00%	30,000
Capital Outlay	17,554	-	-	-	-	-
TOTAL	<u>\$ 30,485</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>0.00%</u>	<u>50,000</u>

Categories Personnel - \$20,000 This category funds employee education for police officers involved in criminal investigations. Police officers are sent to specialized police training schools.

Supplies - \$30,000 This category includes expenditures associated with the Federal Asset Forfeiture Fund. In addition to office supplies, this fund provides funding for related supplies and non-cap assets needed by police officers involved in criminal investigations.



Fire

Mission To provide timely and effective response to fire and medical emergencies for the protection of lives and property in Germantown.

In addition to fire suppression, other services include: Emergency Medical Services (EMS), Special Operations and Rescue Techniques (SORT), Hazardous Materials Response Unit (HazMat), Public Fire Safety Education, Fire Inspections and Investigations, and Learning About Fire Safety (LAFS) Clown Troupe.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 6,214,032	6,102,283	6,299,261	83,540	1.33%	6,382,801
Communication	17,375	23,618	23,618	2,700	11.43%	26,318
Professional Fees	-	11,500	11,500	3,495	30.39%	14,995
Contract Services	5,558	5,558	5,558	-	0.00%	5,558
Insurance	15,651	15,000	15,000	7,000	46.67%	22,000
Other Maintenance	36,550	40,200	40,200	3,000	7.46%	43,200
Supplies	182,881	201,250	195,250	34,200	17.52%	229,450
Rent	3,701	5,550	5,550	2,150	38.74%	7,700
Allocations	256,592	291,608	295,615	11,618	3.93%	307,233
Capital Outlay	111,520	91,000	91,000	(1,000)	-1.10%	90,000
Utilities	131,994	140,432	138,012	(4,830)	-3.50%	133,182
TOTAL	\$ 6,975,854	6,927,999	7,120,564	141,873	1.99%	7,262,437

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	9.0 \$ 853,477	9.0 934,883	9.0 896,541
Non-Exempt Wages	58.0 3,311,185	58.0 3,461,330	59.0 3,511,049
Other Compensation	249,560	270,377	279,341
Fringe Benefits	1,753,041	1,575,071	1,633,616
Other Personnel	46,769	57,600	62,254
DEPARTMENT TOTAL	67.0 \$ 6,214,032	67.0 6,299,261	68.0 6,382,801

Categories

Personnel - \$6,382,801 Salaries, wages and benefits for a fire chief, assistant fire chief, deputy fire chief, battalion chiefs, administrative assistants, technical services/safety officer, fire lieutenants, apparatus drivers, fire fighters, fire marshal, assistant fire marshal, fire department instructor and reserve fire fighters. To maximize staffing, firefighters also serve a dual role as fire fighters and as paramedics.

Communications - \$26,318 This category includes funds to enhance the department's efficiency and effectiveness through continual contact with current issues and techniques, which includes dues and subscriptions to industry associations and magazines.

GENERAL FUND

Fire

Professional Fees - \$14,995 Funds included are for fees to provide Hepatitis B vaccinations for new employees, medical coordinator fees and additional consulting fees.

Contract Services - \$5,558 Funds are included for a privatized to clean Fire Station #4.

Insurance - \$22,000 This category includes the department's share of deductibles associated with workers' compensation claims, and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$43,200 Funds in this category are for the maintenance of office equipment, computer equipment, fire fighting and personal protection equipment, EMS equipment and the installation and removal of radio equipment from vehicles and apparatus.

Supplies - \$229,450 This category includes supplies required for the daily operation of the department, including the printing of various forms and handout materials for public education programs. Also included are replacement uniforms and turnout clothing, chemical supplies for recharging fire extinguishers, EMS supplies, and small tools for fire fighting and fuel. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$7,700 This category includes rental fees associated with the department's copy machines.

Allocation - \$307,233 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Capital Outlay - \$90,000 This item includes the funding for IRP projects including a thermal imaging, and 2 trucks.

Utilities - \$133,182 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Strategic Objective	To provide timely and effective response to fire and medical emergencies		
Key Product/Service	Emergency response		
One Year Target	Average of 6 minutes or less		
Five Year Target	Average of 5 minutes 45 seconds or less		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Fire apparatus average response time	6 min 19 sec	5 min 51 sec	5 min 45 sec

Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
One Year Target	91% of violations corrected in 90 days		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Percent of violations corrected in 90 days	92%	93.55%	91%

GENERAL FUND

Fire

Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
One Year Target	90% fire cause determination		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Percent of fires in which a cause is determined	100%	100%	90%



Ambulance

Mission To provide timely and effective response medical emergencies for the protection of lives and property in Germantown.

In addition, Emergency Medical Services (EMS)/Ambulance Transport provide advanced life support (ALS), first responder emergency medical services and ambulance transport service.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 1,077,187	\$ 1,208,782	\$ 1,231,712	336,583	27.33%	\$ 1,568,295
Communication	1,118	2,075	2,075	375	18.07%	2,450
Professional Fees	52,285	54,275	61,775	(4,575)	-7.41%	57,200
Insurance	4,254	15,000	20,000	(1,000)	-5.00%	19,000
Other Maintenance	-	1,000	1,000	6,000	600.00%	7,000
Supplies	93,934	75,287	80,361	6,134	7.63%	86,495
Rent	50,000	-	-	-	-	-
Allocations	18,445	24,405	31,183	(4,756)	-15.25%	26,427
Capital Outlay	61,960	62,000	61,982	(61,982)	-100.00%	-
Utilities	1,496	2,000	1,900	692	36.42%	2,592
TOTAL	\$ 1,360,679	1,444,824	1,491,988	277,471	18.60%	1,769,459

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Exempt Salaries	1.0 \$ 84,168	1.0 80,993	1.0 80,659
Non-Exempt Wages	12.0 608,285	15.0 731,697	18.0 925,937
Other Compensation	60,011	91,538	121,950
Fringe Benefits	317,743	315,494	426,209
Other Personnel	6,980	11,990	13,540
DEPARTMENT TOTAL	13.0 \$ 1,077,187	16.0 1,231,712	19.0 1,568,295

SPECIAL REVENUE FUND

Ambulance

Categories

Personnel - \$1,568,295 Salaries, wages and benefits for a EMS coordinator and firefighters also serve a dual role as fire fighters and as paramedics.

Communications - \$2,450 This category includes funds to enhance the department's efficiency and effectiveness through continual contact with current issues and techniques, which includes dues and subscriptions to industry associations and magazines.

Professional Fees - \$57,200 Funds the contract billing service used for revenue collection.

Insurance - \$19,000 This category includes the department's share of deductibles associated with workers' compensation claims, and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$7,000 Funds in this category are for the maintenance of office equipment, computer equipment, fire fighting and personal protection equipment, EMS equipment and the installation and removal of radio equipment from vehicles and apparatus.

Supplies - \$86,495 This category includes supplies required for the daily operation of the department, including the printing of various forms and handout materials for public education programs. Also included are replacement uniforms and turnout clothing, chemical supplies for recharging fire extinguishers, EMS supplies, and small tools and fuel. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Allocation - \$26,427 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Utilities - \$2,592 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

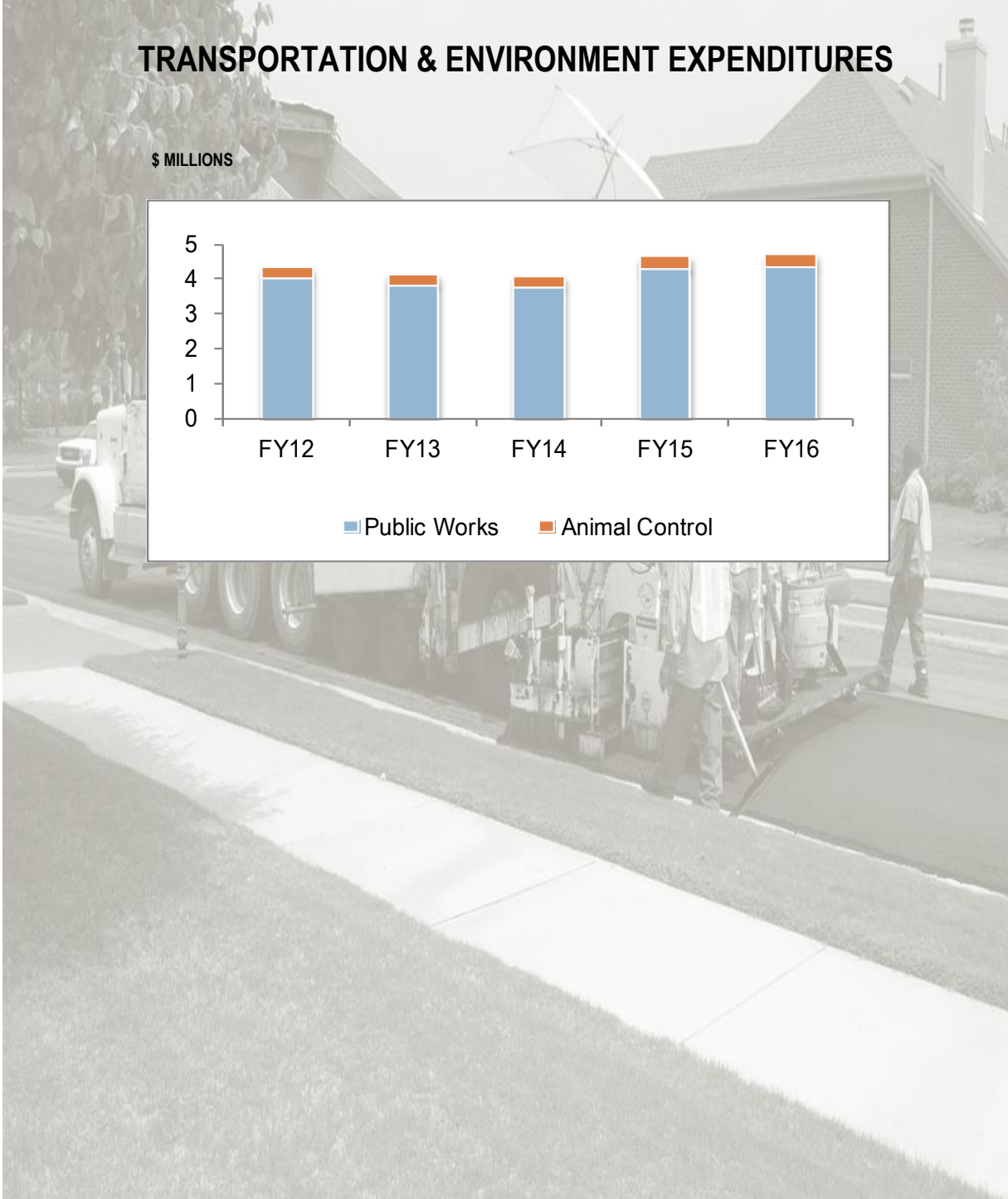
Performance Measures

Operational Objective	To protect life		
Key Product/Service	Emergency medical services		
One Year Target	Average of 5 minutes and 45 seconds		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Ambulance average response time	5:54	6:01	5:45

Operational Objective	To protect life		
Key Product/Service	Emergency medical services		
One Year Target	35% ROSC for all full arrests		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Cardiac arrest survival	33%	35%	35%

TRANSPORTATION AND ENVIRONMENT FY16 BUDGET

The following section presents the operating budget for all Transportation and Environment cost centers. Also presented in this section are the costs associated with the State Street Aid Fund and Fleet Services. Total operating expenditures for the two major fund categories within Transportation and Environment are summarized below:





Public Works

Mission

To provide the citizens with safe streets and functioning drainage infrastructure. This is accomplished through an efficient and effective maintenance program, an aggressive planning process and prudent fiscal management.

The Public Works Department provides management oversight and administrative functions for the Utility Fund, State Street Aid, Animal Control and Street, Grounds, and Drainage Maintenance. Budgetary information for these areas can be found under separate headings within this budget document.

The State Street Aid Fund provides for maintenance and repairs of curbs and gutters, handicap access ramps, cross walks, more than 206 miles of roadways and seasonal maintenance and repair of 45 miles of concrete and earthen ditches. The Public Works Department also oversees for the Germantown Environmental Commission.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 2,572,536	2,598,989	2,549,237	16,387	0.64%	2,565,624
Communication	1,883	4,000	4,000	-	0.00%	4,000
Professional Fees	-	-	-	-	-	-
Contract Services	470,199	643,520	643,520	(14,820)	-2.30%	628,700
Insurance	5,755	15,000	15,000	-	0.00%	15,000
Other Maintenance	97,045	122,500	122,500	2,100	1.71%	124,600
Supplies	147,314	154,500	154,500	3,100	2.01%	157,600
Rent	955	6,000	6,000	(3,000)	-50.00%	3,000
Allocations	318,886	363,194	364,166	10,846	2.98%	375,012
Capital Outlay	95,369	395,000	395,000	66,000	16.71%	461,000
Utilities	22,811	21,250	21,250	(3,410)	-16.05%	17,840
TOTAL	\$ 3,732,753	4,323,953	4,275,173	77,203	1.81%	4,352,376
Expense Reimbursement	\$ (409,482)	(424,422)	(212,211)	-	0.00%	(212,211)

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	6.5 \$ 472,460	6.0 462,276	6.0 448,096
Non-Exempt Wages	33.0 1,227,016	33.0 1,263,642	33.0 1,295,697
Other Compensation		21,855	20,000
Fringe Benefits		848,026	799,319
Other Personnel		3,179	4,000
DEPARTMENT TOTAL	39.5 \$ 2,572,536	39.0 2,549,237	39.0 2,565,624

GENERAL FUND

Public Works

Categories

Personnel - \$2,565,624 This category includes salaries, wages and benefits for non-exempt and exempt employees, which includes the director of public works, assistant director of public works, superintendent of ground maintenance, superintendent of public works operations, contract administrator and the assistant superintendent of public works operations. Also included in this category is overtime for non-exempt employees, which include crew supervisors, heavy equipment operators, senior maintenance workers, maintenance workers, maintenance technicians and an office support technician. Additionally, funds are budgeted to provide job-related educational enrichment for employees, attendance at seminars, monthly safety and job-related training seminars and the purchase of necessary manuals.

Communications - \$4,000 This category funds memberships and professional publications allowing staff to remain current with new and more efficient ways of day-to-day job performance.

Contract Services - \$628,700 This category includes contract landscaping costs for grass cutting, herbicide, and maintenance.

Insurance - \$15,000 This category includes the department's share of deductibles associated with worker's compensation claims and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$124,600 This category includes materials and supplies necessary to make drainage, structural repairs and general improvements, as well as repairs to tools and equipment such as air hammers, welding machines and sump pumps. This category also includes the costs associated with park repair and maintenance. In addition, this category includes maintenance for forestry and parks equipment, landscaping turf, fencing, and repair of fire hydrants throughout the City.

Supplies - \$157,600 This category funds the purchase of office supplies, small tools used in day-to-day operations of maintenance activities and uniform service for all employees. This category provides the department with chemical supplies, small tools and miscellaneous supplies. Major expenses include fertilizer, weed control chemicals, athletic field marker and paint, and petroleum products. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$3,000 This category funds the rental of equipment, which is not owned by the City and cannot be acquired through our mutual use agreement with other municipalities.

Allocation - \$375,012 This category represents the department's portion of the insurance and vehicle maintenance.

Capital Outlay - \$461,000 This category funds the purchase of Z-trak mowers, Rand roller, top dresser, field rakes, and material loaders and improvements to various city grounds and parks.

Utilities - \$17,840 This category includes the department's share of utility costs (electricity, gas, water, sewer and local and long distance telephone).

GENERAL FUND

Public Works

Performance Measures

Operational Objective	To meet customer expectations		
Key Product/Service	Parks maintenance		
One Year Target	93		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Target
Asset Condition Index of City Parks	93	92	93

Operational Objective	To meet customer expectations		
Key Product/Service	Street maintenance		
One Year Target	74		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Target
Pavement Condition Index Score	76	76	74



State Street Aid

Mission The expenditures in this cost center account for the use of the City's share of state gasoline tax revenues. State law requires these resources be used only to maintain or improve streets.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Roads and Mains	\$ 1,382,301	1,850,000	1,928,000	322,000	16.70%	2,250,000
Utilities	769,597	824,000	800,000	24,000	3.00%	824,000
TOTAL	<u>\$ 2,151,898</u>	<u>2,674,000</u>	<u>2,728,000</u>	<u>346,000</u>	<u>12.68%</u>	<u>3,074,000</u>

Categories Roads and Mains- \$2,250,000 This category includes expenditures for improving or maintaining city streets. It includes work done by City crews (\$350,000), contract street resurfacing (\$1,700,000), and street striping (\$200,000).

Utilities - \$824,000 This category funds electricity expenses for streetlights and traffic signals.

Performance Measures

Operational Objective	To provide an adequate transportation system		
Key Product/Service	Street maintenance		
One Year Target	Index score 74		
Performance Measure	FY14 Actual	FY15 Actual	FY 16 Target
Pavement condition index	n/a	73	74



Animal Control

Mission To enforce the regulations in the Animal Control Ordinance, while educating and developing a cooperative relationship with Germantown citizens.

Animal Control represents funding necessary for the daily operations of the animal shelter, including maintenance, personnel costs for three animal control officers and an administrative secretary and supplies. Staff responsibilities include the daily maintenance of the shelter, response to daily service and emergency requests and enforcement of the City's animal control ordinances. Secondary activities include educational programs at local schools, coordination of the shelter volunteer program and assisting with the annual Running of the Weenies charity event.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 271,953	256,129	254,170	6,006	2.36%	260,176
Communication	60	400	400	700	175.00%	1,100
Professional Fees	7,200	7,200	7,200	-	0.00%	7,200
Supplies	52,711	57,900	57,900	5,000	8.64%	62,900
Allocations	6,583	5,519	7,206	(206)	-2.86%	7,000
Capital Outlay	-	25,000	25,000	(25,000)	-100.00%	-
Utilities	11,389	12,705	12,705	(250)	-1.97%	12,455
TOTAL	\$ 349,896	364,853	364,581	(13,750)	-3.77%	350,831

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	1.0	\$ 43,723	1.0	46,351	1.0	46,248
Non-Exempt Wages	3.5	136,633	3.0	122,989	3.5	127,506
Other Compensation		961		2,000		3,000
Fringe Benefits		89,512		80,894		80,486
Other Personnel		1,124		1,936		2,936
DEPARTMENT TOTAL	4.5	\$ 271,953	4.0	254,170	4.5	260,176

Categories

Personnel - \$260,176 This category contains funds to cover personnel costs for an animal control manager, senior animal control officers, animal control maintenance worker, and an administrative secretary. Staff is non-exempt and receives overtime in addition to regular benefits. Also included is education, which includes attending local seminars and the Animal Control Academy.

GENERAL FUND

Animal Control

Communication - \$1,100 Subscriptions to animal control related periodicals and annual membership.

Professional Fees - \$7,200 This includes veterinary fees for 12 months and additional fees for extraordinary treatments.

Supplies - \$62,900 This category provides funding for office and cleaning supplies, purchase of replacement uniforms, food that is used to feed animals impounded in the shelter and disposal fees for dead animals. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Allocation – \$7,000 This category includes the Animal Control Division's portion of shared costs of all funds, including insurance and vehicle maintenance.

Utilities - \$12,455 This category includes the Division's utility costs (electricity, gas, water, sewer and local telephone calls).

Performance Measures

Operational Objective	To promote animal welfare		
Key Product/Service	Animal adoptions		
One Year Target	84%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Target
Live release rate	87%	90%	84%

SANITATION FY16 BUDGET

The following section presents the operating budget for the Sanitation Fund. Total operating expenditures for the fund are summarized below.

SANITATION EXPENDITURES

\$ MILLIONS





Sanitation

Mission

To successfully collect and dispose of all solid waste through contracts with external vendor, and in conjunction with the Environmental Commission, to educate citizens about solid waste reduction activities such as recycling, grass cycling and composting.

The FY16 Sanitation Budget includes options for backdoor trash collection or curbside option, weekly recyclables collection and unlimited resident generated yard debris collection. This fund reflects the fifth year of a five year contract with option to renew for an additional five years with Inland Waste Solutions for collection. The fee of residential collection for FY16 is calculated at \$24.50 per single-family dwelling and \$14.65 for multi-family.

In addition to the collection costs, the City is in the fourth year of a five-year contract with Waste Management with option to renew for three additional five year extensions with for disposal of residential waste in a permitted sanitation landfill. This fee is \$31.70 per ton for FY16.

The cost for collection service alone is \$3,181,913 with landfill fees projected to total \$404,322 including savings from recycling. One goal of the Environmental Commission is to familiarize the public with the benefits of recycling.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 90,859	93,059	87,314	(4,636)	-5%	82,678
Communication	1,018	13,350	13,350	(550)	-4%	12,800
Professional Fees	-	-	-	40,000	100%	40,000
Contract Services	3,353,465	3,527,600	3,256,772	319,463	10%	3,576,235
Supplies	20,538	41,900	39,900	(3,900)	-10%	36,000
Utilities	-	1,000	1,000	30	3%	1,030
TOTAL	\$ 3,465,880	\$ 3,676,909	3,398,336	350,407	10%	3,748,743

Budget Payroll Summary

	<u>FY14 Actual</u>		<u>FY15 Estimate</u>		<u>FY16 Budget</u>	
Exempt Salaries	0.5	\$ 31,279	0.5	32,473	0.5	31,428
Non-Exempt Wages	0.3	31,888	0.3	28,592	0.3	27,152
Other Compensation		-		-		-
Fringe Benefits		27,337		25,749		23,598
Other Personnel		355		500		500
DEPARTMENT TOTAL	0.8	\$ 90,859	0.8	87,314	0.8	82,678

SANITATION FUND

Sanitation

- Categories
- Personnel - \$82,678 This category contains funds to cover personnel costs for the sanitation program.

 - Communications - \$12,800 This category funds the City's publications for semiannual Amnesty Days and the recycling/composting program. Also included in this category are funds for attending meetings, professional licenses and subscriptions to publications related to solid waste collection and disposal.

 - Professional Fees - \$40,000 This category contains funds to cover consulting services needed for proposals of solid waste requests.

 - Contract Services - \$3,576,235 This category reflects the cost for landfill charges (\$404,322) and collection charges for one year (\$3,181,913). In addition, liquidated damages are included in this category (-\$10,000).

 - Supplies - \$36,000 This category funds miscellaneous supplies unique to providing sanitation services and the City's Amnesty Days and Recycling Program. Also, \$15,000 is budgeted here for the Household Hazardous Waste Facility Fund.

 - Utilities - \$1,030 This category includes Sanitation's share of utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Strategic Objective	Promote environmentally sustainable opportunities in Solid Waste		
Key Product/Service	Solid waste collection and disposal		
One Year Target	<.92 tons of household trash per HH (1,840 lbs)		
Five Year Target	<.88 tons of household trash per HH (1,760 lbs.)		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Tons/pounds of household trash collected per household	0.87	0.94	0.92

Operational Objective	Neighborhood Services: To meet customer expectations		
Key Product/Service	Solid waste collection		
One Year Target	85%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction with solid waste collection service	77%	74%	85%

STORMWATER MANAGEMENT FUND

Stormwater Management

Mission To provide for a safe and adequate drainage system to prevent flooding, meet future growth requirements, and to insure our waterways meet water quality standards.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 585,013	587,062	631,307	(100,271)	-15.88%	531,036
Communication	735	6,350	4,350	(50)	-1.15%	4,300
Professional Fees	4,899	20,000	10,000	-	0.00%	10,000
Other Maintenance	11,420	65,000	65,000	(5,000)	-7.69%	60,000
Supplies	43,684	32,000	32,000	(4,000)	-12.50%	28,000
Allocations	24,880	40,814	40,998	1,329	3.24%	42,327
Roads & Mains	223,450	255,000	255,268	29,732	11.65%	285,000
TOTAL	\$ 902,061	1,024,726	1,057,423	(66,560)	-6.29%	990,863
Capital Outlay	\$ 37,459	195,000	93,040	(32,799)	-35.25%	100,000

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	1.0 \$ 187,648	1.0 187,881	0.5 114,403
Non-Exempt Wages	6.3 222,538	6.0 258,795	6.0 250,501
Other Compensation	1,777	2,500	2,000
Fringe Benefits	171,201	179,196	161,132
Other Personnel	1,849	2,935	3,000
DEPARTMENT TOTAL	7.3 \$ 585,013	7.0 631,307	6.5 531,036

STORMWATER MANAGEMENT FUND

Stormwater Management

Categories

Personnel - \$531,036 This category contains funds to cover personnel costs for the stormwater program including an engineer, crew supervisors, maintenance technicians, and senior maintenance worker.

Communications - \$4,300 This category funds the air time on public radio to inform the public about the importance of stormwater management. In addition, this category funds professional licenses, dues to professional organizations and subscriptions to periodicals relevant to stormwater collection.

Professional Fees - \$10,000 This category funds professional engineering services that may be needed, which includes design work prior to replacement or construction of a stormwater project.

Other Maintenance - \$60,000 This category funds the permits needed in stormwater operations and the annual TDEC maintenance fee needed to hold discharge water. In addition, this category funds the quarterly testing and monitoring of outlets flowing into rivers. Necessary supplies are included in this category that is needed to maintain the City's drainage system.

Supplies - \$28,000 This category funds office supplies, uniforms and clothing and small tools that are unique to providing stormwater services. Also, included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Allocation – \$42,327 This category includes the Stormwater's portion of shared costs of all funds, including insurance and vehicle maintenance.

Roads and Mains - \$285,000 This category funds the contract sweeping and asphalt resurfacing of the City's roadway systems. In addition, this category funds the purchase of necessary supplies and equipment needed to maintain and overlay Germantown's roadway system.

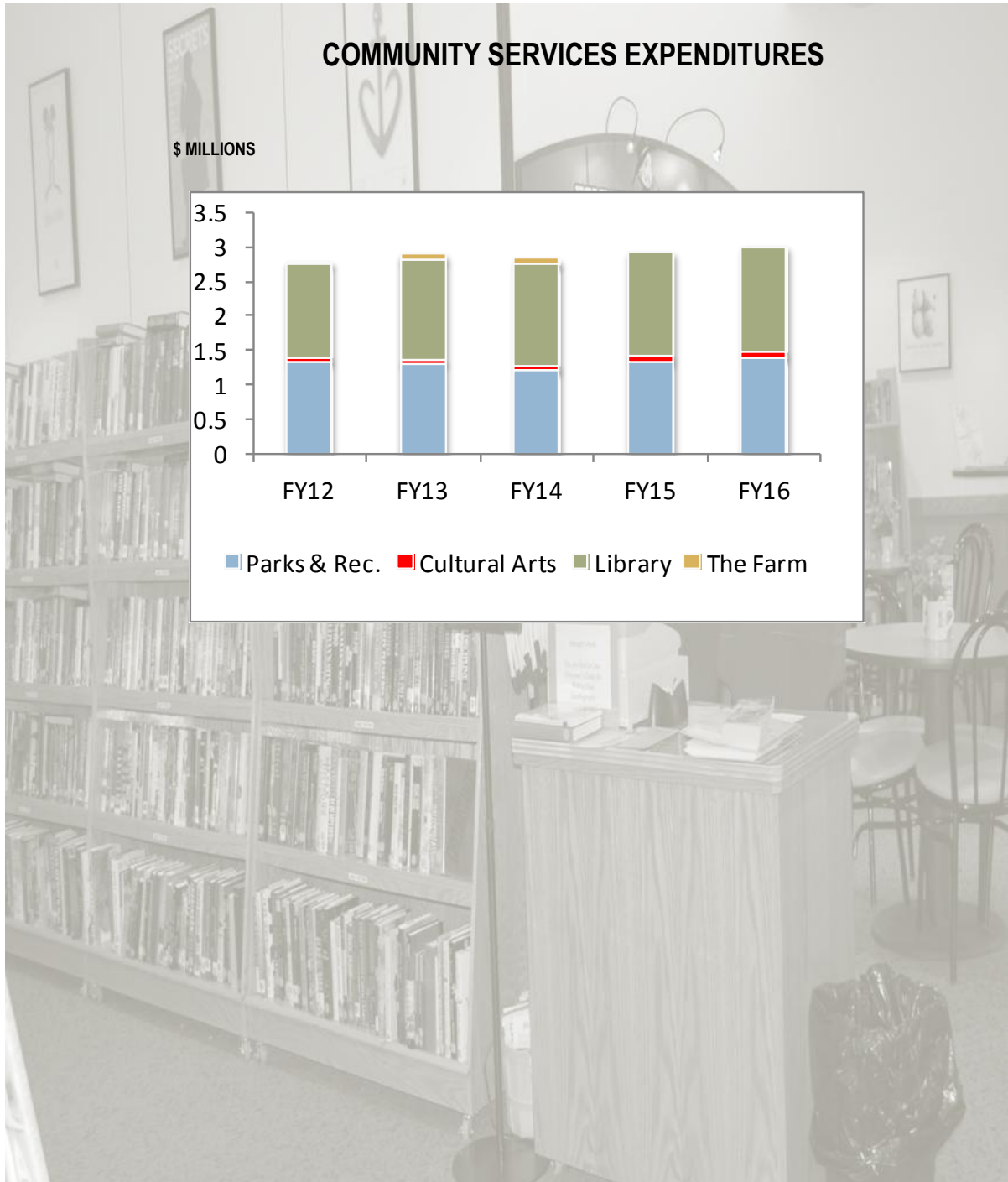
Capital Outlay - \$100,000 This category funds two IRP projects, a cured in place pipe (CIPP) project and a bushog.

Performance Measures

Strategic Objective	Clean Water Act compliance		
Key Product/Service	Stormwater Quality Management		
One Year Target	Meet or exceed stormwater TDEC		
Five Year Target	Reduce total maximum daily load (TMDLs) by 1%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
TDEC quality standards	1	2	3

COMMUNITY SERVICES FY16 BUDGET

The following section presents the operating budget for Community Services. Total operating expenditures for the major General Fund categories within this classification are summarized below:





Parks and Recreation

Mission The Parks and Recreation Department provides recreational services, cultural arts, and coordination of special events. In addition, staff provides management and oversight of the Pickering Center and Farm Park.

Recreational Services

Recreational Services focuses on strengthening the community and creating quality recreation and leisure experiences. City recreational programs fulfill the recreational needs of the City's youth, adult, senior and special needs populations. Staff manages the Recreation Fund, a special revenue fund for athletic activities.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 717,301	777,191	721,499	107,243	14.86%	828,742
Communication	9,641	13,825	11,025	(2,040)	-18.50%	8,985
Professional Fees	40,555	44,400	44,400	1,000	2.25%	45,400
Insurance	699	5,000	5,000	-	0.00%	5,000
Supplies	19,174	25,100	24,500	-	0.00%	24,500
Rent	12,902	11,696	12,500	-	0.00%	12,500
Allocations	38,227	37,664	38,739	1,979	5.11%	40,718
Capital Outlay	15,729	78,000	78,000	(8,000)	-10.26%	70,000
Utilities	267,665	298,400	288,400	18,725	6.49%	307,125
Grants	77,642	85,150	91,421	(61,621)	-67.40%	29,800
TOTAL	\$ 1,199,535	1,376,426	1,315,484	57,286	4.35%	1,372,770

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	5.5 \$ 403,301	4.0 393,784	7.0 463,153
Non-Exempt Wages	5.5 147,806	6.0 179,482	6.0 181,035
Other Compensation	-	-	-
Fringe Benefits	164,322	146,946	183,267
Other Personnel	1,872	1,287	1,287
DEPARTMENT TOTAL	11.0 \$ 717,301	10.0 721,499	13.0 828,742

GENERAL FUND

Parks and Recreation

Categories

Personnel - \$828,742 This category contains the salaries, wages and benefits for the director of parks and recreation, superintendent of recreation, special events and marketing coordinator, recreation specialist, part-time senior adult program coordinator, part-time park rangers, playground leaders, part-time administrative assistant and partial cost for the community services division director. The personnel category also includes overtime wages for athletic tournaments, Germantown Festival, Germantown Charity Horse Show, Holiday Parade, July Family Fourth, Mayor's Cup 5K Race and employee education for Parks and Recreation employees.

Communications - \$8,985 This category includes funding for dues, subscriptions and meetings to assist the department in maintaining high proficiency and remaining up-to-date on current trends. Staff receives publications and attends meetings on various subjects related to parks and recreation.

Professional Fees - \$45,400 This line category provides funding each year for a stipend to Becky Cloyes at Oaklawn Gardens, the Germantown Family Fourth Celebration and implementation of a marketing plan. Funding for the Parks and Recreation Department's re-accreditation annual fee is also included.

Insurance - \$5,000 This category includes the department's share of deductibles associated with workers' compensation claims and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Supplies - \$24,500 This category provides the department with office, recreational supplies, as well as special clothing, small tools and miscellaneous supplies. Major expenses include baseball/softball supplies, playground supplies and small tools, park ranger first aid kits, trashcans and petroleum products. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$12,500 This category includes rental fees for land and equipment. It also includes lease and taxes for Depot Park and Oaklawn Gardens.

Allocation - \$40,718 This includes the Parks and Recreation Department's portion of the shared costs of all internal funds, including insurance and vehicle maintenance.

Capital Outlay - \$70,000 This category provides funding for a scoreboards and dog park renovation.

Utilities - \$307,125 This category includes the department's utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$29,800 This category includes funding for City Beautification Commission, Historic Commission, and Germantown Community Theatre.

GENERAL FUND

Parks and Recreation

Performance Measures

Operational Objective	To meet customer expectations		
Key Product/Service	Facility rentals		
One Year Target	90%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction rate	n/a	n/a	90%

Operational Objective	To promote a safe environment in City parks		
Key Product/Service	Park safety and security		
One Year Target	4 incidents or less		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Decrease in non-violent crime incidents in parks (theft, vandalism, alcohol, drugs)	16	9	4



SPECIAL REVENUE FUND

Recreation

Supplies - \$127,600 This category includes supplies necessary to operate successful basketball, softball, baseball, sport camps, kickball, community education including an after school program, cheerleading, mayors cup, croquet, intramurals and tennis programs. Additionally, this category covers expenses for t-shirts, race officiating, awards and trophies associated with the Mayor's Cup 5K Race.

Rent – \$2,750 This category includes fees paid to the Union University and gym rentals for court time.

Allocations - \$16,100 This category covers insurance allocation for program participants.

Capital Outlay - \$27,000 This category for an IRP project for scoreboards.

Performance Measures

Operational Objective	To meet customer expectations		
Key Product/Service	After School Program		
One Year Target	90%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction rate	n/a	78%	90%

Cultural Arts

Mission To sponsor numerous special events and projects throughout the year.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Professional Fees	15,807	13,900	14,900	(1,325)	-8.89%	13,575
Supplies	34,462	41,606	44,987	4,115	9.15%	49,102
Rent	2,813	3,320	3,320	-	0.00%	3,320
Grants	18,437	25,620	25,620	(25,620)	-100.00%	-
TOTAL	\$ 71,519	84,446	88,827	(22,830)	-25.70%	65,997

Categories

Professional Fees - \$13,575 This category includes fees for instructors, entertainers, decorations, supplies, equipment, trophies and fliers for a variety of programs planned throughout the year.

Supplies - \$49,102 Included in this category are equipment, playground program and camp supplies, shirts, craft and art supplies and equipment. This category also includes funding for playground and camp trips and lunches for program participants.

Rent- \$3,320 This category includes the funds for rental space at the Germantown Athletic Club for programs and events.



Pickering Complex

The Pickering Complex includes the Pickering Community Center. The Pickering Community Center is utilized for cultural arts classes, senior programs and is also available for rental by individuals or organizations.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Professional Fees	\$ 23,803	25,000	26,000	-	0.00%	26,000
Supplies	479	500	500	7,000	1400.00%	7,500
Allocations	2,424	2,600	2,730	170	6.23%	2,900
Capital Outlay	6,610	-	-	-	-	-
Utilities	8,975	10,395	10,770	-	0.00%	10,770
TOTAL	<u>\$ 42,291</u>	<u>38,495</u>	<u>40,000</u>	<u>7,170</u>	<u>17.93%</u>	<u>47,170</u>

Categories

Professional Fees - \$26,000 This category pays instructors for teaching classes at the Pickering Community Center. The instructor receives 70% of fees collected. This includes the senior programs that are held at the Pickering Community Center and funds for senior trips.

Supplies - \$7,500 This category includes supplies used for the operation of the Pickering Community Center such as coffee, trash bags, keys, napkins and piano tuning. Also included are funds to purchase replacement furnishings.

Allocation - \$2,900 This category includes shared costs of the City's insurance expenses for the Pickering Community Center building.

Utilities - \$10,770 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).



Library Services

Library Services is responsible for the operations of the Germantown Community Library and the Germantown Community Library Regional History and Genealogy Center. The management and operations of the library are provided through a contract with Library Systems & Services, LLC. The Germantown Community Library provides reading material, educational activities, meeting space and a technology center.

Germantown Community Library

Mission Germantown Community Library seeks to promote lifelong learning and a love of reading; to inform, enrich and empower every patron served; to provide easy access to a wide variety of materials, services and programs; and to meet the personal, educational, cultural, and professional needs of the community.

Budget Category Summary

<u>CATEGORY</u>	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 165	3,000	3,000	-	0.00%	3,000
Communication	9,333	9,900	9,900	150	1.52%	10,050
Professional Fees	1,209,487	1,227,024	1,228,232	12,352	1.01%	1,240,584
Other Maintenance	18,077	25,000	25,000	900	3.60%	25,900
Supplies	30,335	27,650	28,203	(553)	-1.96%	27,650
Rent	10,638	14,500	14,500	-	0.00%	14,500
Allocations	21,532	23,200	24,360	1,640	6.73%	26,000
Utilities	94,140	107,800	107,800	(5,200)	-4.82%	102,600
TOTAL	\$ 1,393,707	1,438,074	1,440,995	9,289	0.64%	1,450,284

- Categories**
- Personnel - \$3,000 This category funds the professional development and training of staff.
 - Communications - \$10,050 This category funds marketing and notice publications, dues and subscriptions to TN Library Association, conferences and local travel within the Wolf River Consortium.
 - Professional Fees - \$1,240,584 This category funds the contract services expenses of daily operations and management of the Germantown Community Library as well as credit card fees.
 - Other Maintenance - \$25,900 This category funds maintenance of OCLC and automation.
 - Supplies - \$27,650 This category funds general supplies used in the operations of the Library.
 - Rent - \$14,500 This category funds costs associated with a copier machine.
 - Allocation - \$26,000 This category includes the Germantown Community Library's portion of insurance expenses.

GENERAL FUND

Library Services

Utilities - \$102,600 This category includes the department's utility costs (electricity and gas, water and sewer).

Performance Measures

Operational Objective	To promote engagement with library customers		
Key Product/Service	Library services		
One Year Target	Increase by 3%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Usage of services	37%	30%	3%

Germantown Regional History and Genealogy Center

Mission The Germantown Community Library Regional History and Genealogy Center's mission is to preserve and share across generations the wisdom, culture and history of the South.

Budget Category Summary

<u>CATEGORY</u>	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ -	200	200	-	0.00%	200
Professional Fees	39,658	42,448	42,448	4,010	9.45%	46,458
Supplies	9,464	9,000	9,000	350	3.89%	9,350
Rent	451	774	774	-	0.00%	774
Allocations	1,398	1,500	1,575	125	7.94%	1,700
Utilities	16,951	16,057	16,057	300	1.87%	16,357
TOTAL	\$ 67,922	69,979	70,054	4,785	6.83%	74,839

Categories

Personnel - \$200 This category funds professional development and training of staff.

Professional Fees - \$46,548 This category funds the contract services expenses of daily operations and management of the Tennessee Genealogical Library as well as credit card fees.

Supplies - \$9,350 This category includes the Tennessee Genealogical Library's portion of insurance expenses.

Rent - \$774 This category funds the costs associated with a copier machine.

Allocation - \$1,700 This category includes the Tennessee Genealogical Library's portion of insurance expenses.

Utilities - \$16,357 This category includes the department's utility costs (electricity and gas, water, sewer, local and long distance telephone).



The Farm

The 10-acre farm serves as a community gathering place, an educational center for sustainable gardening and agriculture and a demonstration site for environmental stewardship. The farm park is a resource to connect people with nature, our heritage, educational opportunities and a variety of outdoor recreation.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ -	70,272	70,322	-	0%	70,322
Communication	-	4,950	3,350	1,500	45%	4,850
Professional Fees	-	15,000	15,000	9,750	65%	24,750
Contract Services	-	3,500	2,500	1,000	40%	3,500
Insurance	-	3,000	3,000	-	0%	3,000
Other Maintenance	-	7,500	7,500	-	0%	7,500
Supplies	-	24,000	19,300	6,700	35%	26,000
Rent	-	10,000	5,000	1,000	20%	6,000
Capital Outlay	-	30,000	30,000	7,500	25%	37,500
Utilities	-	9,500	5,500	8,000	145%	13,500
TOTAL	<u>\$ -</u>	<u>177,722</u>	<u>161,472</u>	<u>35,450</u>	<u>21.95%</u>	<u>196,922</u>

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Non-Exempt Wages	0.0	\$ -	1.0 65,000
Fringe Benefits	-	-	5,322
DEPARTMENT TOTAL	<u>0.0</u>	<u>\$ -</u>	<u>1.0 70,322</u>

Categories

Personnel - \$70,322 This category contains funds to cover personnel costs for the farm park.

Communications - \$4,850 This category funds marketing and notice publications, dues and subscriptions to American Gardening Society.

Professional Fees - \$24,750 This category funds the contract services expenses of daily operations and management of the farm park.

Contract Services - \$3,500 This category reflects the cost of outside maintenance contracts.

SPECIAL REVENUE FUND

The Farm

Insurance - \$3,000 This category includes the department's share of deductibles associated with workers' compensation claims and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$7,500 This category includes materials and supplies necessary to make drainage, structural repairs and general improvements.

Supplies - \$26,000 This category funds general supplies used in the operations of the farm.

Rent - \$6,000 This category funds costs associated with rental equipment used for seasonal work.

Capital Outlay - \$37,500 This category funds the purchase of a RTV and furnishings for the farm.

Utilities - \$13,500 This category includes the department's utility costs (electricity and gas, water, and sewer).

Performance Measures

Operational Objective	To promote an educational center for sustainable gardening		
Key Product/Service	Programming		
One Year Target	92%		
Performance Measure	FY14 Actual	FY15 Actual	FY16
Program satisfaction	n/a	90%	92%

Germantown Municipal School District

With the passage of Ordinance 2013-7, the Germantown Municipal School District was established.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 701,000	37,198,028	35,350,000	2,622,000	7.42%	37,972,000
Communication	34,000	148,660	156,000	101,000	64.74%	257,000
Professional Fees	353,000	2,618,000	2,680,000	1,300,000	48.51%	3,980,000
Contract Services	52,000	629,000	635,000	523,000	82.36%	1,158,000
Insurance	30,000	-	242,000	-	0.00%	242,000
Other Maintenance	50,000	684,000	833,000	(449,000)	-53.90%	384,000
Supplies	218,000	2,735,000	2,456,000	1,437,594	58.53%	3,893,594
Rent	99,000	144,000	144,000	1,000	0.69%	145,000
Allocations	11,000	246,296	-	-	-	-
Capital Outlay	906,000	1,917,000	1,091,000	260,000	23.83%	1,351,000
Utilities	24,000	1,021,000	1,132,000	76,000	6.71%	1,208,000
Grants	125,000	-	-	-	-	-
TOTAL	\$ 2,603,000	47,340,984	44,719,000	5,871,594	13.13%	50,590,594

- Categories Personnel - \$37,972,000 This category contains funds to cover personnel costs for the school system.
- Communications - \$257,000 This category funds marketing and notice publications, dues and subscriptions and election expenses.
- Professional Fees - \$3,980,000 This category funds the contract service expenses of daily operations and management for the school system.
- Contract Maintenance - \$1,158,000 This category includes contractual maintenance expenses.
- Issuance - \$242,000 This category includes the Municipal Schools' portion of insurance expenses.
- Other Maintenance - \$384,000 This category includes expenses associated with equipment maintenance.
- Supplies - \$3,893,594 This category funds general supplies used in the operations of municipal school startup.
- Rent - \$145,000 This category funds costs associated with rental office space.
- Capital Outlay - \$1,351,000 This category includes the purchase of capital and maintenance equipment and construction.
- Utilities - \$1,208,000 This category includes utility costs (electricity and gas, water, and sewer).



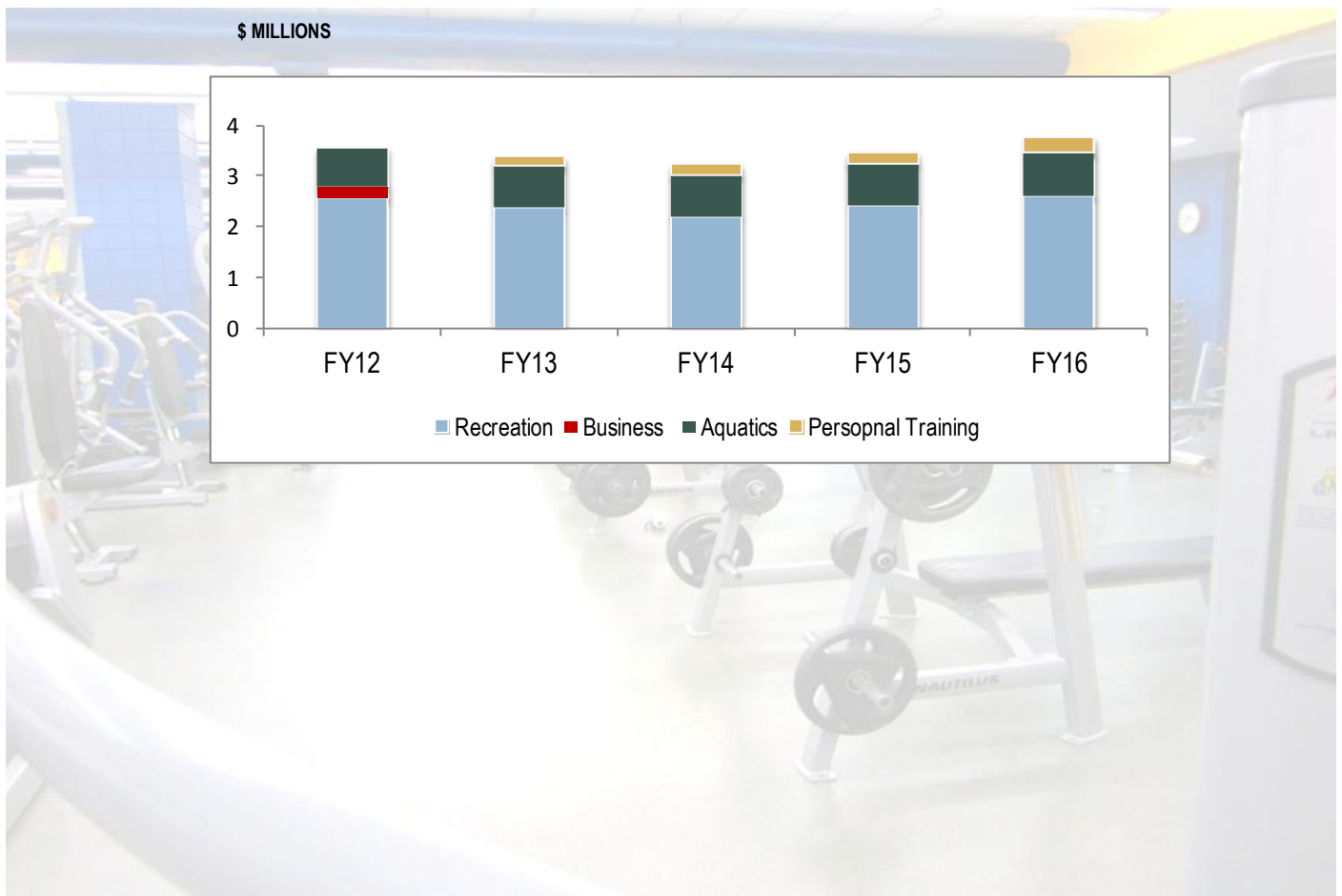
GERMANTOWN ATHLETIC CLUB FY16 BUDGET

The Germantown Athletic Club is an enterprise fund in order to focus on net income and the ability of user fees to support operating expenses, which includes depreciation. The Germantown Athletic Club Fund consists of three cost centers – Recreation, Personal Training, and Aquatics. Debt service for the initial building was accounted for in the General Fund since it was originally contemplated that general revenues for the City would provide the funding. Capital debts for expansion expenditures are being accounted for in the Germantown Athletic Club Fund.

The Germantown Athletic Club operates 106 hours each week and offers memberships and daily passes. The revenue system is designed to cover the operating expenses of the Athletic Club and the debt service for the Athletic Club’s expansion. Other non-operating expenses will be deducted from the operating income to determine net income.

The Germantown Athletic Club includes a wide variety of functions and programming centered around the indoor 40 meter pool, outdoor zero depth pool, outdoor 25 meter recreation pool, fitness area, racquetball courts, 3 full court gymnasium, jogging track, meeting rooms, dance room, nursery and leisure areas. The Germantown Athletic Club offers a wide variety of classes and programs and adds new programs based on member needs.

GERMANTOWN ATHLETIC CLUB EXPENDITURES





Germantown Athletic Club Recreation

Mission To provide leisure and arts facilities and resources to Germantown Athletic Club members plus Germantown citizens and others in the surrounding area while generating a balanced budget as an enterprise fund.

Budget Category Summary

CATEGORY	Actual	Budget	Estimated	Amt. Chg.	% Chg.	Budget
	FY14	FY15	FY15			FY16
Personnel	\$ 889,025	1,003,904	1,004,842	100,937	10.05%	1,105,779
Communication	3,379	5,000	624	4,376	701.28%	5,000
Professional Fees	280,944	340,200	312,874	34,626	11.07%	347,500
Other Maintenance	65,473	130,000	118,743	6,257	5.27%	125,000
Supplies	136,324	166,250	132,546	21,954	16.56%	154,500
Rent	181,081	125,000	144,000	1,000	0.69%	145,000
Allocations	60,645	62,147	63,447	4,653	7.33%	68,100
Depreciation	329,427	368,647	365,700	9,400	2.57%	375,100
Utilities	246,436	250,700	251,740	8,960	3.56%	260,700
Grants	(420)	-	-	-	-	-
TOTAL	<u>\$ 2,192,314</u>	<u>\$ 2,451,848</u>	<u>2,394,516</u>	<u>192,163</u>	<u>8.03%</u>	<u>2,586,679</u>
Capital Outlay	\$ 70,522	1,438,529	397,774	1,115,546	280.45%	1,513,320

Budget Payroll Summary

	FY14		FY15		FY16	
		Actual		Estimate		Budget
Exempt Salaries	4.0	\$ 253,221	5.0	272,090	5.0	302,351
Non-Exempt Wages	16.9	428,096	16.9	505,719	16.9	556,447
Other Compensation		3,257		2,144		1,500
Fringe Benefits		205,351		219,359		239,481
Other Personnel		(900)		5,530		6,000
DEPARTMENT TOTAL	20.9	\$ 889,025	21.9	1,004,842	21.9	1,105,779

ENTERPRISE FUND

Athletic Club Recreation

Categories

Personnel - \$1,105,779 This category includes part of the salaries and benefits for the athletic club director, assistant club director, business manager, child care programming coordinator, Membership sales & services coordinator, administrative assistant, customer service representatives, custodial service supervisor, lead cleaning services worker, part-time concessions worker, part-time customer service representatives, part-time child care attendants, part-time managers on duty and part-time recreation leaders.

Communication - \$5,000 This category includes items that enhance the Germantown Athletic Club's staff and programs through recreation and fitness publications, training meetings for staff and contact with specialized sources.

Professional Fees - \$347,500 This category includes fees for professional services required for the cost center, including payment for class instructors. Group Exercise Instructors will receive \$25-\$30 per class and personal trainers will receive 70%-75% of the gross collected. In addition, this category includes a marketing effort to enhance membership of the Germantown Athletic Club and credit card fees.

Other Maintenance - \$125,000 This category funds expenses for part of the maintenance of fire extinguishers and control systems, elevator, sprinkler, pest control inspections and equipment maintenance as well as all items for general building maintenance. This category also includes contract and equipment and building maintenance items such as belts, replacement parts, etc.

Supplies - \$154,500 This category includes office supplies for the Germantown Athletic Club, medical supplies, uniforms, small tools and cleaning supplies. Also included are recreational supplies needed to equip the Germantown Athletic Club such as basketballs, volleyballs, badminton equipment, table tennis equipment and air pumps. This category also includes camera equipment and supplies for producing membership cards and the purchase of small tools for building maintenance.

Rent - \$145,000 This category provides rental of specialty and fitness equipment needed by the Germantown Athletic Club.

Allocations- \$68,100 This category includes the Germantown Athletic Club Recreation's portion of insurance expenses.

Depreciation - \$375,100 This category includes the annual depreciated valuation of the Germantown Athletic Club facilities and equipment.

Utilities - \$260,700 This line includes the Recreation's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

ENTERPRISE FUND

Athletic Club Recreation

Performance Measures

Operational Objective	To increase profitability		
Key Product/Service	Membership		
One Year Target	67%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Member retention	63%	63%	67%



Germantown Athletic Club Aquatics

Mission To provide a safe and clean environment for quality aquatic leisure, instructional and fitness opportunities for Germantown Athletic Club members and area citizens.

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 433,821	451,322	455,312	(1,073)	-0.24%	454,239
Supplies	44,340	58,000	49,221	8,799	17.88%	58,020
Allocations	25,798	27,274	28,374	1,976	6.96%	30,350
Depreciation	192,834	192,800	192,833	2	0.00%	192,835
Utilities	113,493	120,103	119,903	5,697	4.75%	125,600
TOTAL	<u>\$ 810,286</u>	<u>849,499</u>	<u>845,643</u>	<u>15,401</u>	<u>1.82%</u>	<u>861,044</u>

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	2.0	\$ 93,596	2.0	94,247	2.0	94,407
Non-Exempt Wages	13.5	271,077	13.5	290,624	13.5	290,000
Other Compensation	-	832	-	1,000	-	1,000
Fringe Benefits	-	68,316	-	67,994	-	66,832
DEPARTMENT TOTAL	15.5	\$ 433,821	15.5	455,312	15.5	454,239

Categories Personnel - \$454,239 Represented in this category are the salaries and benefits for an aquatics coordinator, head swim coach, seasonal aquatic supervisor, lifeguards, assistant swim coaches, water exercise instructors, and water safety instructors. The personnel category also includes employee education to train employees in specialized areas.

ENTERPRISE FUND

Athletic Club Aquatics

Supplies - \$58,020 This line includes funds for chemicals for the swimming pool and cleaning supplies for the aquatic area. Equipment used in the aquatic area will include kickboards, hand paddles, teaching aids, recreation equipment and expenses for catered swim events and birthday parties. This category also includes uniforms for lifeguards and instructors and non-capital assets ranging in value from \$500 to \$4,999.

Allocations- \$30,350 This line includes the Athletic Club's portion of insurance costs for the aquatic facilities.

Depreciation - \$192,835 Included in this category is the annual charge representing depreciated valuation of aquatic facilities and equipment.

Utilities - \$125,600 This line includes the Aquatic's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Operational Objective	To increase profitability		
Key Product/Service	Aquatics		
One Year Target	10%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Amount of increase in swim lesson revenue	-3%	33%	10%

Germantown Athletic Club Personal Training

Mission To provide a service to Club members through team and one on one exercise instruction led by certified personal trainers.

Budget Category Summary

<u>CATEGORY</u>	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 109,593	155,636	117,930	183,030	155%	300,960
Professional Fees	118,208	130,000	103,745	(103,745)	-100%	-
Supplies	-	5,500	3,235	5,265	163%	8,500
TOTAL	<u>\$ 227,801</u>	<u>291,136</u>	<u>224,910</u>	<u>84,550</u>	<u>38%</u>	<u>309,460</u>

Budget Payroll Summary

	FY14 Actual	FY15 Estimate	FY16 Budget
Exempt Salaries	1.0 \$ 30,948	1.0 42,377	1.0 42,599
Non-Exempt Wages	0.0 59,711	1.0 50,585	3.0 195,000
Fringe Benefits	- 18,934	- 24,968	- 63,361
DEPARTMENT TOTAL	1.0 \$ 109,593	2.0 117,930	4.0 300,960

Categories Personnel - \$300,960 Represented in this category are the salaries and benefits for a fitness training manager and personal trainers.

Supplies - \$8,500 This line includes funds for uniforms and clothing for personal trainers. In addition, other supplies are included here which includes miscellaneous fitness equipment attachments and accessories used in training, such as kettlebells, ropes, bands medicine balls, etc.

ENTERPRISE FUND

Athletic Club Personal Training

Performance Measure

Operational Objective	To increase profitability		
Key Product/Service	Fitness		
One Year Target	65%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
% of personal training renewals	40%	70%	65%

Germantown Athletic Club Debt Service

The Germantown Athletic Club Debt Service cost center accounts for the interest portion on the \$2.5 million General Fund Intergovernmental loan for the Germantown Athletic Club's expansion project.

Budget Category Summary

<u>CATEGORY</u>	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Debt Service	\$ 26,698	22,896	22,896	(3,672)	-16.04%	19,224
TOTAL	<u>\$ 26,698</u>	<u>22,896</u>	<u>22,896</u>	<u>(3,672)</u>	<u>-16.04%</u>	<u>19,224</u>

Categories

Debt Service - \$19,224 This category includes the interest portion of the \$2.5 million General Fund Intergovernmental loan for the Germantown Athletic Club's expansion project.



Great Hall

Mission The Great Hall is an enterprise fund, which consists of a banquet area that accommodates weddings, receptions and meetings. In addition, a multimedia training room is also included in the Great Hall, which provides rental space that is ideal to accommodate meetings.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 145,703	178,471	181,430	2,350	1.30%	183,780
Communication	940	1,000	993	7	0.70%	1,000
Professional Fees	37,938	52,163	52,254	(54)	-0.10%	52,200
Insurance	-	-	-	-	-	-
Other Maintenance	62,800	75,200	75,200	-	0.00%	75,200
Supplies	10,196	31,105	30,919	(8,319)	-26.91%	22,600
Rent	87,320	87,462	87,462	1,760	2.01%	89,222
Allocations	21,840	21,923	22,123	1,627	7.35%	23,750
Depreciation	45,148	45,000	50,246	1,938	3.86%	52,184
Utilities	41,429	41,778	41,678	1,072	2.57%	42,750
Grants	19,838	-	-	-	-	-
TOTAL	\$ 473,152	534,102	542,305	381	0.07%	542,686
Capital Outlay	\$ 9,710	153,000	166,523	(1,723)	-1.03%	164,800

Budget Payroll Summary

	<u>FY14 Actual</u>		<u>FY15 Estimate</u>		<u>FY16 Budget</u>	
Exempt Salaries	2.0	90,562	2.0	104,838	2.0	105,399
Non-Exempt Wages	1.0	22,927	1.0	31,363	1.0	33,791
Fringe Benefits	-	32,214	-	45,229	-	44,590
DEPARTMENT TOTAL	3.0	145,709	3.0	181,430	3.0	\$ 183,780

Categories Personnel - \$183,780 Represented in this category are the salaries and benefits for a Great Hall & Conference Center manager, event planner, part-time facility representative, and part-time event representative.

ENTERPRISE FUND

Great Hall

Communication - \$1,000 This category includes job-related dues and subscriptions to assist the Great Hall & Conference Center in staying up-to-date with current trends in facility rentals.

Professional Fees - \$52,200 This category includes marketing and advertising costs for the Great Hall & Conference Center. In addition, this category includes credit card fees.

Other Maintenance - \$75,200 This category includes the maintenance cost associated with equipment used at the Great Hall. It also covers various materials and supplies needed in minor building repairs and janitorial service. In addition, this category includes funds for carpet cleaning and security monitoring.

Supplies - \$22,600 This line includes funds for the purchase of general office supplies, cleaning supplies, food supplies, and miscellaneous supplies.

Rent- \$89,222 This line includes the rental of a copy machine and the rental payments due to the Germantown Athletic Club for its portion of building depreciation.

Allocations- \$23,750 This line includes the Great Hall's portion of insurance costs.

Depreciation - \$52,184 Included in this category is the annual charge representing depreciated valuation of the Great Hall & Conference Center.

Utilities - \$42,750 This line includes the Great Hall & Conference Center's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Capital Outlay - \$164,800 This category includes the costs associated with the following IRP projects: lobby expansion and exterior cameras.

Performance Measures

Operational Objective	To meet customer expectations		
Key Product/Service	Meeting/Banquet Room rental		
One Year Target	99%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Customer satisfaction	98%	99%	99%

Operational Objective	To increase funding of operations		
Key Product/Service	Meeting/Banquet Room rental		
One Year Target	\$433,700		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Budgeted
Total revenue	\$354,197	\$410,450	\$433,700

Great Hall Debt Service

The Great Hall Debt Service cost center accounts for the interest portion on the \$2.5 million General Fund Intergovernmental loan for the expansion project.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Debt Service	\$ 10,382	8,904	8,904	(1,428)	-16.04%	7,476
TOTAL	<u>\$ 10,382</u>	<u>8,904</u>	<u>8,904</u>	<u>(1,428)</u>	<u>-16.04%</u>	<u>7,476</u>

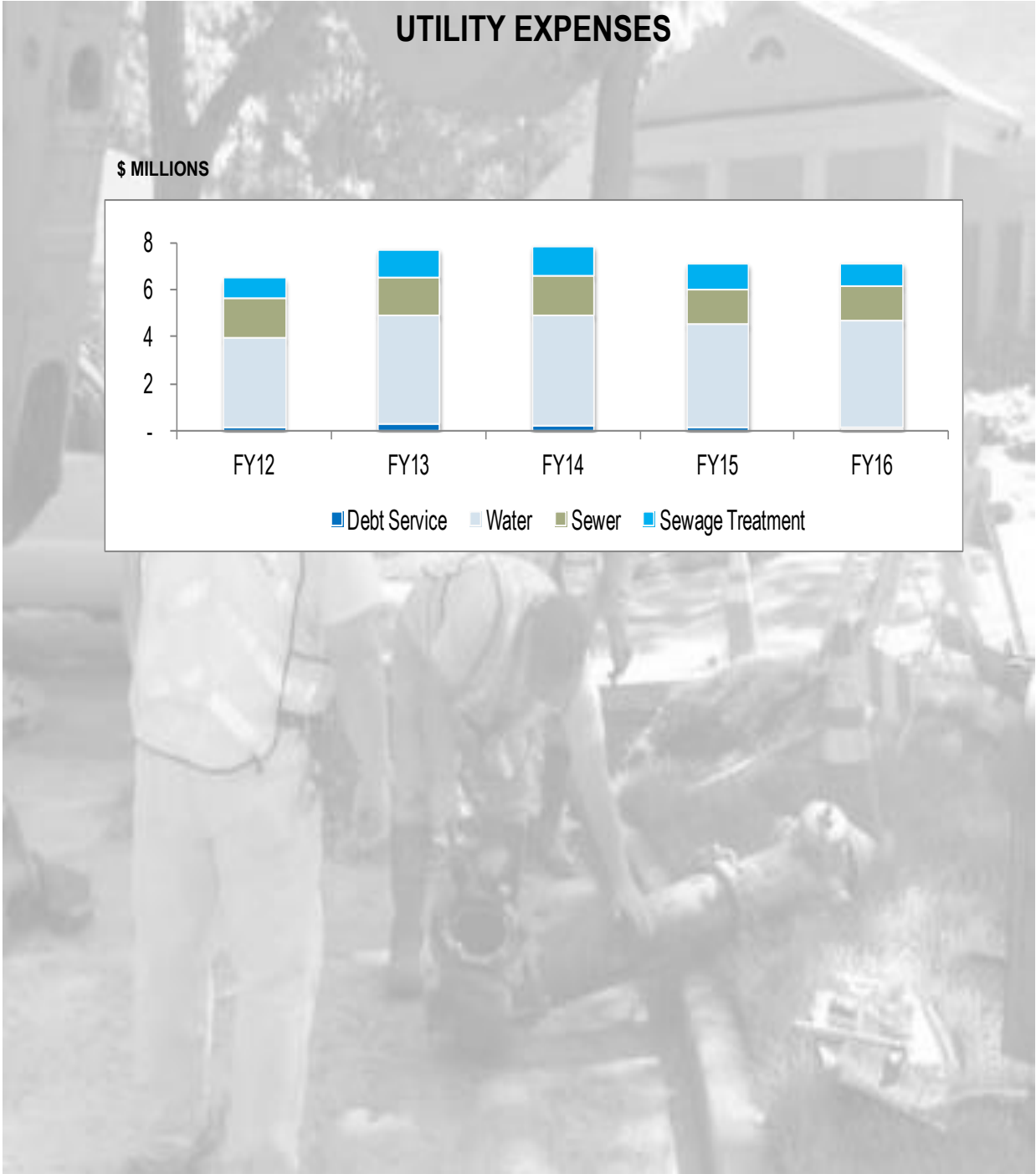
Categories

Debt Service - \$7,476 This category includes the Great Hall's interest portion of the \$2.5 million General Intergovernmental loan.



UTILITIES FY16 BUDGET

This section presents the operating budget for all Utility cost centers. Total operating expenses for Water Operations, Sewer Operations, Sewage Treatment and Utility Debt Service are summarized below.





UTILITY DEBT SERVICE

Utility Debt

The Utility Debt Service cost center accounts for the interest payments on the 2006 and 2008 Water Revenue Bonds.

The City issued \$5.0 million in Water Revenue Bonds Series 2008 in December 2008. This issue supported the plant expansion of the Johnson Road Water Plant, Johnson Road Reservoir, water wells, automated controls (SCADA), and sewer pipeline rehabilitation. The one bond issue in FY98, refunded in 2006, totaling \$8.025 million was mainly to support the construction of a new water treatment plant. Outstanding principal of the Utility Fund at July 1, 2015 is \$3,690,000. During the year, principal of \$990,000 and interest of \$127,800 will be paid. The principal balance at June 30, 2016, will be \$2,700,000.

<u>Security</u>	<u>Balance 7/1/2015</u>	<u>Principal Payment</u>	<u>Balance 6/30/2016</u>	<u>Interest Expense</u>
<u>Existing:</u>				
2008 Water Revenue Bonds	\$ 2,220,000	520,000	1,700,000	78,400
2006 Water Revenue Bonds	1,470,000	470,000	1,000,000	49,400
Total FY16 Debt	<u>\$ 3,690,000</u>	<u>990,000</u>	<u>2,700,000</u>	<u>127,800</u>
<u>Proposed:</u>				
	<u>Existing Principal</u>	<u>Existing Interest</u>	<u>Future Principal</u>	<u>Future Interest</u>
FY17	\$ 1,035,000	87,300	-	-
FY18	1,075,000	45,100	-	-
FY19	590,000	11,800	-	-
FY20	-	-	-	-
Thereafter	-	-	-	-
Total Debt Service	<u>\$ 2,700,000</u>	<u>144,200</u>	<u>-</u>	<u>-</u>

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Debt Service	\$ 182,358	165,438	165,438	(37,638)	-22.75%	127,800
Agency Fees	250	250	250	-	0.00%	250
TOTAL	<u>\$ 182,608</u>	<u>165,688</u>	<u>165,688</u>	<u>(37,638)</u>	<u>-22.72%</u>	<u>128,050</u>

Categories

Debt Service - \$127,800 This category includes interest payments on the Series 2006 Water Revenue and Tax Refunding Bonds and the Series 2008 Water and Sewer System Revenue and Tax Bonds.

Agency Fees - \$250 This category covers fees paid to paying agents for the various bond issues.



Water

Mission

The Water Operations Division is part of the Utility Fund. This portion of the budget encompasses expenditures required to produce and deliver water to utility customers. The assistant director of utilities oversees daily functions of both water and sewer operations.

Water Distribution

Seven employees provide daily maintenance and repair needed to operate the system. These employees install meters, repair water service lines, main breaks, fire hydrants and maintain valves. They also perform minor new water construction and provide in-house utility locate duties for the Tennessee One-Call Service. An emergency call-out work force is provided for after hour calls. A standby operation, consisting of five water division employees, is an alternative to staffing two additional shifts. The staff successfully provides approximately 15,200 residential and 440 business customers with an uninterrupted supply of potable water, sufficient water pressure and adequate supply of water for fire protection; maintains 208 miles of water mains, 2,559 fire hydrants, 3,881 main line valves and 13,800 service lines with a minimum of down time; responds to main breaks, service line breaks and broken fire hydrants in a timely manner and educates customers about how to protect our most abundant natural resource, water.

Customer Services

Four meter readers and their supervisor provide a variety of services including meter reading, turning services on and off, meter testing, meter change-outs and meter maintenance. The utility billing specialist prepares the water billing and assists customers regarding accounts. Staff strives to accurately read water meters, provides fair and timely assistance to each customer, and assists in maintaining a safe water system by protecting against utility theft; builds good working relationships with customers; prepares citizens for water emergencies that could occur in the home and contributes to each employee's job enrichment.

Water Treatment

Six employees are responsible for the quality and quantity of water produced, minor repairs to the water plant and repair and maintenance of various pieces of water production equipment. They also sample and analyze water from various points within the distribution system and administer a cross connection control inspection program as required by the Tennessee Department of Public Health. Staff provides safe water to customers, protects the integrity of well fields and builds a high level of customer confidence in product and operation.

UTILITY FUND

Water

Budget Category Summary

CATEGORY	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Personnel	\$ 1,454,048	1,486,852	1,268,192	9,762	0.77%	1,277,954
Communication	67,799	73,500	72,000	15,500	21.53%	87,500
Professional Fees	88,236	115,000	97,000	18,000	18.56%	115,000
Insurance	5,391	5,000	5,000	-	0.00%	5,000
Other Maintenance	84,802	85,000	25,000	60,000	240.00%	85,000
Supplies	177,621	225,875	209,975	6,025	2.87%	216,000
Rent	-	-	-	-	-	-
Allocations	717,061	755,822	475,367	(10,947)	-2.30%	464,420
Roads & Mains	91,137	110,000	105,000	15,000	14.29%	120,000
Depreciation	1,092,265	1,129,267	1,097,267	32,000	2.92%	1,129,267
Utilities	647,914	735,600	685,600	19,000	2.77%	704,600
Pilot	312,829	301,917	301,917	-	0.00%	301,917
TOTAL	\$ 4,739,103	5,023,833	4,342,318	164,340	3.78%	4,506,658
Capital Outlay	\$ 185,879	280,000	1,176,913	303,418	25.78%	325,000

Budget Payroll Summary

	FY14 Actual		FY15 Estimate		FY16 Budget	
Exempt Salaries	2.0	\$ 210,368	2.0	147,342	2.0	152,505
Non-Exempt Wages	18.0	716,207	15.0	663,829	15.0	666,382
Other Compensation		84,033		75,000		75,000
Fringe Benefits		433,900		373,021		372,567
Other Personnel		9,540		9,000		11,500
DEPARTMENT TOTAL	20.0	\$ 1,454,048	17.0	1,268,192	17.0	1,277,954

Categories

Personnel - \$1,277,954 This category includes salaries, wages and benefits for the director of utilities, water services superintendent, chief water plant operator, crew supervisors, water plant operators, water plant technician, maintenance technicians, senior maintenance worker, maintenance worker, lead meter reader, meter readers, utility billing specialist, and equipment operator. Also in this category is overtime wages, which consists of funds to support six employees involved with the after-hours call out program. Overtime wages are based on an average of \$54.90 per standby shift as well as 3% of the employee's salaries. Based on current trends, there are approximately two callouts per shift at an average cost of \$107.00 per callout. This standby expense is part of the alternative costs of staffing three additional shifts by providing these services on a 24-hour basis.

Communications - \$87,500 This category is for subscriptions to job-related periodicals and dues to maintain state certification for those employees who maintain and operate the system. Funds are also provided to publish public notifications as required by the Tennessee Department of Public Health and fund job-related educational opportunities. This total amount includes \$84,000 for postage for utility bill mailing and includes one special mailing to comply with state regulations.

Professional Fees - \$115,000 This category includes fees to pay outside engineering and professional consultants for review and recommendations concerning the water system as required.

Insurance - \$5,000 This category includes the division's share of deductibles associated with workers' compensation claims and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

UTILITY FUND

Water

Other Maintenance - \$85,000 This category includes funds necessary to provide repair and maintenance to electrical switchgear, 10 high service pumps and 17 wells, which are all part of the water production facilities. Also included is day-to-day maintenance of the water treatment facility and repairs to the communications system not covered under an annual maintenance contract.

Supplies - \$216,000 This category includes funds necessary to purchase chemical supplies used for the treatment and production of water, office supplies, uniforms for employees and small tools. Additionally, funds are included to purchase all paper supplies necessary to produce the monthly utility bills as well as non-capital assets, which range in value between \$500 and \$4,999.

Allocation - \$464,420 This category funds the water operations portion of shared costs for services provided by other departments such as Insurance, Vehicle Maintenance, Development, Public Services and Personnel.

Roads and Main – \$120,000 Funds in this category are to purchase parts, supplies and construction material required to repair and maintain 208 miles of various sized water mains and approximately 13,800 service lines.

This category also covers the cost of repairing or replacing water meters, as well as the maintenance and replacement of meter boxes.

Depreciation - \$1,129,267 This category includes the annual charge that represents the estimated monetary replacement expense as a result of aging and wear and tear of those assets that make up the Water Utility Fund. Water lines and appurtenances are depreciated on a 50-year basis with smaller equipment and machinery on a three to five-year basis.

Utilities - \$704,600 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Pilot - \$301,917 This category includes payments in lieu of taxes. Funds that are paid to offset costs incurred by the City for services provided to tax exempted properties.

Capital Outlay - \$325,000 This category includes the costs associated with the CIP and IRP projects of well field maintenance, and water mains maintenance.

Performance Measures

Operational Objective	To produce and deliver adequate water supply to utility customers		
Key Product/Service	Potable water		
One Year Target	99.9%		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Target
Water system availability	n/a	99.9%	99.9%



Sewer

Mission To successfully collect and transport sewage from the residential and commercial districts in Germantown to the Memphis outfall lines; to maintain all manholes, lift stations and lateral connections.

The Sewer Operations Division oversees the daily operations of the sanitary sewer system within the areas served by Germantown utilities, provides preventative maintenance to all sewer mains, lift stations, and laterals within the system, regularly cleans and flushes trouble areas and routinely flushes and cleans all lines through a systematic program. Video operations are incorporated into daily operations for inspection repairs, troubleshooting and assessment of future needs. Sewer operations also perform minor construction such as installation of sewer laterals and short sections of sewer main. There are over 211 miles of sewer mains and 23 lift pump stations throughout the city system.

A contract exists between the City of Memphis and Germantown, which was signed in FY03 providing for the treatment of Germantown's sanitary sewage. It is Germantown's responsibility to collect and deliver the sewage through its sanitary system to various points of connection within the Memphis system. Customers' monthly fees are based on the amount of water consumed.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Personnel	\$ 368,779	372,084	338,027	2,222	0.66%	340,249
Communication	-	600	-	600	100%	600
Professional Fees	-	-	-	-	-	-
Insurance	(240)	5,000	5,000	-	0.00%	5,000
Other Maintenance	4,407	5,000	5,000	-	0.00%	5,000
Supplies	20,773	28,025	27,100	(400)	-1.48%	26,700
Rent	-	100	-	100	100%	100
Allocations	376,890	384,564	214,192	12,355	5.77%	226,547
Roads & Mains	26,817	32,000	32,000	3,000	9.38%	35,000
Depreciation	672,629	689,226	678,171	13,600	2.01%	691,771
Utilities	12,873	17,000	15,500	500	3.23%	16,000
PILOT	189,372	182,466	182,466	-	0.00%	182,466
TOTAL	\$ 1,672,300	1,716,065	1,497,456	31,977	2.14%	1,529,433
Capital Outlay	\$ 435,732	675,000	312,823	865,177	276.57%	1,178,000

Budget Payroll Summary

	<u>FY14 Actual</u>	<u>FY15 Estimate</u>	<u>FY16 Budget</u>
Exempt Salaries	1.0 \$ 53,173	1.0 64,980	1.0 62,416
Non-Exempt Wages	5.0 164,187	4.0 146,352	4.0 150,039
Other Compensation	21,756	22,000	24,000
Fringe Benefits	129,260	104,195	103,294
Other Personnel	403	500	500
DEPARTMENT TOTAL	6.0 \$ 368,779	5.0 338,027	5.0 340,249

UTILITY FUND

Sewer

Categories

Personnel – \$340,249 This category includes salaries, wages and benefits for the superintendent of utilities, crew supervisor, equipment operator, senior maintenance worker and maintenance workers. Overtime wages are included to cover expenditures associated with after hour sewer stoppages and maintenance requirements.

Communications - \$600 Included in this category is the cost of job-related educational supplies and materials for six employees as well as registration fees for supervisory training seminars and Tennessee Department of Health certification requirements.

Insurance - \$5,000 This category includes the division's share of deductibles associated with workers' compensation claims and personal and private property claims. Also included in this category is the City's deductible on all the City's uninsured vehicle claims.

Other Maintenance - \$5,000 Funding in this category includes preventive maintenance and repair to the City's video inspection equipment.

Supplies - \$26,700 This category funds the purchase of chemicals used in grease and odor control on lift stations, safety related items and uniform service for maintenance employees. In addition, petroleum products, small tools and non-capital assets, which range in value between \$500 and \$4,999, are budgeted here.

Rent - \$100 This category funds the rental of emergency generator, lighting or other types of equipment that may be needed as a result of a sewer lift station breakdown or other failures within the system. This allows us to obtain equipment that is not owned, but needed to make specific repairs.

Allocation - \$226,547 This category funds the water operations portion of shared costs for services provided by other departments such as Insurance, Fleet Service, Development, Public Services and Human Resources.

Roads and Main –\$ 35,000 This category funds the purchase of supplies and construction material required to make repairs and maintain the sanitary sewer main.

Depreciation - \$691,771 Funds in this category are for the annual depreciated valuation of equipment and sewer mains that make up the sanitary sewer system.

Utilities - \$16,000 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

PILOT - \$182,466 This category includes payments in lieu of taxes. Funds that are paid to offset costs incurred by the City for services provided to tax exempted properties.

Capital Outlay - \$1,178,000 Funding in this category includes IRP projects for maintenance of the sewer collection system and pickup truck. In addition, two CIP projects are included here for Lateral D crossing and Western Gateway Study.

Performance Measures

Operational Objective	To adequately collect and transport sewage		
Key Product/Service	Sewer collection		
One Year Target	< 5 annually		
Performance Measure	FY14 Actual	FY15 Actual	FY16 Target
Sewer system backups	n/a	2	<5

Sewage Treatment

Mission This cost center accounts for the payments to the City of Memphis for sewage treatment. Under the contract amended in FY07, Germantown currently remits 35% of the current user fee to the City of Memphis for sewer treatment, which will continue through FY16. The rate was recalculated based on the formula set within the contract signed in FY03. This contract also requires that Germantown fund all new capital projects within its city's limits.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Contract Services	\$ 1,241,703	1,200,000	1,080,000	(125,000)	-11.57%	955,000
TOTAL	<u>\$ 1,241,703</u>	<u>1,200,000</u>	<u>1,080,000</u>	<u>(125,000)</u>	<u>-11.57%</u>	<u>955,000</u>

Categories Sewer Fees to Memphis - \$ 955,000 Under contract, Germantown pays 35% of the monthly sewer fees to the City of Memphis for treatment of sewage. Additionally, the contract signed in FY03 allowed the rate to be reviewed every two years, or when Memphis' fees are changed. The rate was last reviewed in January 2015.

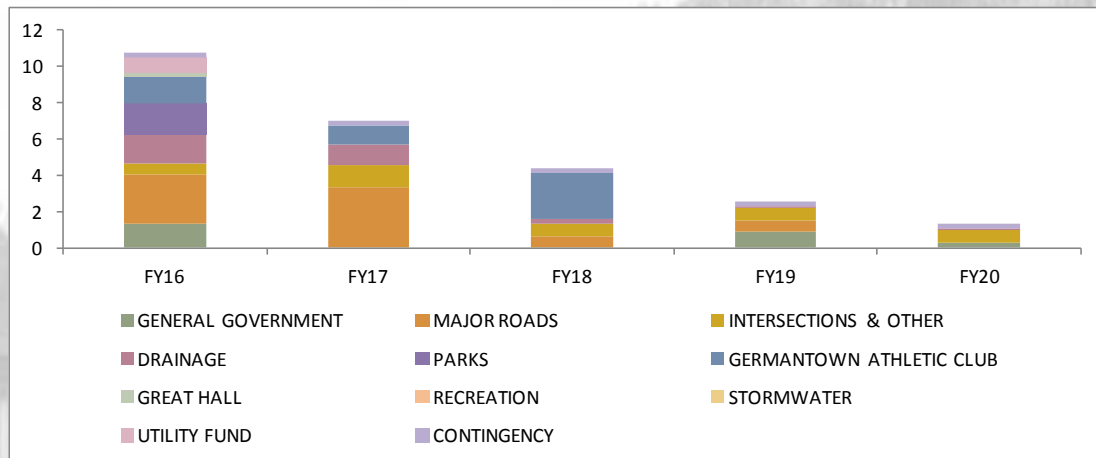


CAPITAL IMPROVEMENTS PROGRAM FY16 BUDGET

This section presents the capital budget for all Capital Improvements Programs. Total capital expenses for General Government, Major Roads, Intersection/Other/Drainage, Parks, Utility Fund, Germantown Athletic Club Fund, Great Hall Fund, Recreation Fund, Stormwater Fund and Contingency are summarized below.

CAPITAL IMPROVEMENTS PROJECT EXPENSES

\$ MILLIONS



CAPITAL IMPROVEMENTS PROGRAM

The Capital Improvements Program (CIP) is divided into six major categories - General Government, Major Roads, Intersections/Other/Drainage, Parks, and Utilities. The Intersections/Other/Drainage category includes traffic signals, sidewalks and drainage projects. A comprehensive schedule of the FY16-20 CIP is contained in the Budget Summaries section of this document.

The following is a brief summary of the funding sources identified in the CIP:

- Bond Issues – One General Obligation Bond (G.O.) and no Utility (Revenue) Bond issues are anticipated during the 6-year CIP.
- General Reserves – (General Fund) – The CIP funding source described as General Fund Reserves is defined as the portion of General Fund funding for capital projects through the provision of cash as a result of excess General Fund operating revenues over General Fund operating expenditures.
- General Reserves – (Hall) – The CIP funding source described as General Fund Reserves – (Hall) is defined as a revenue source from the Hall Income and Excise Tax to fund capital projects.
- Utility Fund – The Utility Fund accounts for water and sewer fees in connection with the operation of the City's water and sewer system. The proceeds of several bond issues and intergovernmental loans have been used specifically for the construction or acquisition of water and sewer systems and facilities.
- Grants – Funding is available from various county, state and federal agencies, including Tennessee Department of Transportation (TDOT), Environmental Protection Agency (EPA), Federal Congestion Mitigation and Air Quality (CMAQ) and Department of Conservation.
- State/Federal – Funding for these capital projects is the full responsibility of a federal or state agency. The City of Germantown is only responsible for the coordination of the capital project due to it being within Germantown's borders. These funds are not accounted for in the six category totals, since the City of Germantown will not appropriate the funding.
- Development Contributions – This funding source is assumed to be available from developers in a specific area for a specific project. It is anticipated that as property is developed, the developers will fund their fair share of the CIP project. The City may construct projects in an area prior to development. In such cases, only water lines and traffic signal reimbursements have been required from developers.
- Contingency – This mechanism provides, on an annual basis, funding from which appropriations are made to meet minor overruns in CIP projects. The amount for FY16 is fixed at \$250,000 and is reviewed annually by both the Financial Advisory Commission and Board of Mayor and Aldermen.

GENERAL GOVERNMENT

GENERAL GOVERNMENT

Parks & Recreation Building – Roof and Exterior Improvements					
Description					
<p>The building is located in the Old Germantown District and the only improvements to the facility since the original construction more than 60 years ago occurred in 2000 with an interior refurbishment. This project will address exterior improvements including a new roof, windows, painting and rotten wood replacement.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$110,000	
TOTAL					\$110,000

Fire Engine F-148 Replacement					
Description					
<p>The new fire engine will replace Fire Engine F-148 that was purchased in 1998. The normal utilization of a pumper is fifteen years of front-line service and five years as a reserve apparatus. F-148 will be removed from front-line service and be used as a reserve pumper.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$760,000	
TOTAL					\$760,000

Ambulance Purchase					
Description					
<p>This ambulance will be used as a front-line ambulance and it will allow one of the current front-line ambulances to be used as a back-up ambulance. Because of the call volume it is necessary for the Fire Department to be able to place a total of five ambulances into service at any given time. This increases the Fire Department's ability to meet service demands while reducing the reliance on a private ambulance service to provide additional back-up ambulances during times of heavy call volumes.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$198,000	
TOTAL					\$198,000

GENERAL GOVERNMENT

Center Complex Parking Study and Plaza Construction - \$250,000					
Description					
<p>This project was moved to FY16 via the CIP Policy Sunset Provision due to bids coming in significantly over budget. The FY16 project will consist of a comprehensive parking study to evaluate locations and possible infrastructure improvements to meet the long term parking needs of the Center Complex. In addition, the Plaza will be rebid in hopes of attracting additional and more reasonable bids</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$250,000	
TOTAL					\$250,000

TOTAL GENERAL GOVERNMENT

\$ 1,318,000

MAJOR ROADS

MAJOR ROADS

Germantown Road Realignment – Final Design For Right-of-Way Acquisition					
Description					
<p>Final Design for Right-of-Way acquisition to align Germantown Road south of Poplar Avenue with West Street south of the railroad crossing. Project is a Smart Growth Planning Initiative to reduce traffic congestion in and through the Business District.</p> <p>ROW of acquisition is scheduled for FY17 with construction to follow shortly thereafter.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$15,000	\$135,000
TOTAL					\$150,000

Poplar Avenue Culvert Replacement Phase III					
Description					
<p>Continuation of an ongoing project to repair and/or replace damaged culverts under Poplar Avenue. Thirty-one of the forty-six need repair and seventeen of the thirty-one need to be excavated and completing replaced. Six culverts have been replaced or repaired to date.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$600,000
TOTAL					\$600,000

Wolf River Boulevard Milling & Paving (East Section)					
Description					
<p>Project involves mill and overlay, pavement markings on Wolf River Boulevard between Farmington Boulevard and the east city limits. Also includes signage and upgrading of HCR's to current ADA standards as needed and installation of new sidewalk to fill in the missing links along the north side eastward to Houston Middle School.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$344,000		\$1,378,000
TOTAL					\$1,722,000

MAJOR ROADS

Wolf Trail Cove Extension Preliminary Engineering/Environmental Design					
Description					
<p>This project involves the extension of Wolf Trail Cove from Germantown Road westward to connect to Wolf River Boulevard. This extension would provide a bypass route for traffic traveling southbound on Germantown Road to westbound Wolf River Boulevard, greatly reducing congestion and emergency response times at the intersection of Germantown Road and Wolf River Boulevard.</p> <p>FY16 - \$ 250,000 - Prelim Engineering & Environmental Mitigation FY17 - \$ 350,000 - Final Design/ROW FY18 - \$4,000,000 - Construction</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$250,000	
TOTAL					\$250,000

TOTAL MAJOR ROADS

\$ 2,722,000

INTERSECTIONS & OTHER

INTERSECTIONS & OTHER

Wolf River Boulevard/ Germantown Road Intersection Improvements Design					
Description					
Design of traffic signal modifications and the addition of lanes:					
<ul style="list-style-type: none"> • SB Gtown – 4 thru lanes, double lefts to EB WRB • NB Gtown – 3 thru lanes, double lefts to WB WRB • EB WRB – triple lefts to NB Gtown, 2 thru lanes • WB WRB – 3 thru lanes, 1 dedicated turn to SB Gtown, dedicated right turn to NB Gtown 					
FY16 - Final Design and Property Appraisals; FY17- Right of Way acquisition					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$250,000
TOTAL					\$250,000

Bicycle Facilities Program					
Description					
Restriping of existing bike lanes, striping of new bike lanes and new signage focusing on areas near public schools and the installation of bicycle racks at City facilities.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$25,000	
TOTAL					\$25,000

Western Gateway Transportation Study					
Description					
The purpose of this project is to develop a Western Gateway Transportation Master plan similar to the recently completed Medical District Transportation Plan to provide a blueprint for the development of a safe and efficient transportation system as the area re-develops.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$70,000	
TOTAL					\$70,000

INTERSECTIONS & OTHER

Central Business Streetscape Master Plan					
Description					
<p>Development of a Central Business Streetscape Master Plan to enhance the character of the Central Business District by improving the visual elements of streets, sidewalks, street furniture, trees and open spaces.</p> <p>FY16 - Master Plan Development FY17 – FY21 - Construction</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$100,000	
TOTAL				\$100,000	

Safe Routes To School					
Description					
<p>This project will create safe, convenient, and fun opportunities for elementary and middle school students to bicycle and walk to and from schools. Infrastructure improvements include new sidewalks, bike lanes and signage.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$200,00	
TOTAL				\$200,000	

TOTAL INTERSECTION/OTHER

\$645,000

DRAINAGE

Annual Miscellaneous Drainage Improvements					
Description					
This project involves design and construction for necessary improvements to small, isolated existing drainage problems inside existing public easements in residential back yards and in public streets to alleviate flooding and erosion issues.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$50,000	
TOTAL					\$50,000

Cameron Brown Park Drainage Improvements					
Description					
This project will stabilize the severely eroded ditch bank erosion that is occurring on Cameron Brown Park Ditch as a result of head cutting on Lateral D. This section is located between the baseball fields, near the restroom facilities.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$210,000		
TOTAL					\$210,000

Grove Park Lake Outfall Repair					
Description					
This project is for design and repair of the Grove Park Outfall. Severe bank erosion has resulted in the discharge pipe to be in danger of collapsing.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$210,000		
TOTAL					\$210,000

DRAINAGE/PARKS

Lateral G Phase I Construction					
Description					
This project will consist of drainage improvements along Lateral G south of Wolf River Blvd. and adjacent to Houston High School to reduce the potential for flooding and achieve a revision of the FEMA 100 Year Flood Plain Map for this area. Final construction will consist of widening the bank slopes on the east side of the existing channel and installing a box culvert for the Houston High School students to use as a pedestrian bridge.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$1,100,000		
TOTAL					\$1,100,000

TOTAL DRAINAGE

\$ 1,570,000

PARKS

Wolf River Boulevard Greenway Trail VI Connectors					
Description					
The project will provide a connector from the new greenway trail under construction to Nashoba Park and a connector from Cameron Brown Park to Farmington Boulevard.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$340,000		\$1,360,000
TOTAL					\$1,700,000

TOTAL PARKS

\$ 1,700,000

GERMANTOWN ATHLETIC CLUB/GREAT HALL

GERMANTOWN ATHLETIC CLUB

Germantown Athletic Club Expansion Construction Phase I					
Description					
<p>The expansion of programming spaces, including functional training, expanded group programming and social areas. The social amenities are critical to serving the growing needs of the current members as well as attaining new members. Design will be completed in FY15.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,500,000				
TOTAL					\$1,500,000

TOTAL GERMANTOWN ATHLETIC CLUB

\$ 1,500,000

GREAT HALL

Great Hall Lobby Expansion					
Description					
<p>This project will expand the Lobby area by removing the inside walls and doors surrounding the unused stairwell in the lobby and adding a floor over the stairwell to create a larger lobby space that will be used for pre-function and post-function events such as cocktail hours.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$155,000				
TOTAL					\$155,000

TOTAL GREAT HALL

\$ 155,000

UTILITY

Western Gateway Sewer Basin Study					
Description					
This study will include both east and west basins. Elements include an asset evaluation (size, material type and condition), flow monitoring (both dry and rainy conditions), hydraulic modeling, full build out flow projections and the resulting master plan options for future sewer improvements, if needed.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$213,000				
TOTAL					\$213,000

Lateral D Sewer Crossing Protection					
Description					
The Sanitary Sewer crossing of Lateral D is in danger of failure due to excessive head cutting along Lateral D. This project will stabilize the ditch at the sewer crossing and for several hundred feet both north and south of the crossing correcting the severely eroded stream bank. This is a joint project with the City and the U. S. Army Corps of Engineers under the Corps Section 14 Program. The cost share of this project is a 65% Corps and 35% City funding.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$665,000				
TOTAL					\$665,000

Water Main Relocation Poplar Avenue -TDOT Widening Project					
Description					
City of Germantown's final payment to pay for cost overruns associated with the Poplar Avenue -TDOT Widening Project for the relocation and upgrading of existing water mains. First Payment in the amount of \$195,822.50 was made in FY15.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$50,000				
TOTAL					\$50,000

TOTAL UTILITY FUND

\$ 928,000

CIP SUMMARY

CONTINGENCY

\$250,000

Funding: General Fund Reserves - \$250,000

Description: This is a continuation of the City's Financial Policy intended to help support higher bid cost estimates and to cover project cost overruns.

TOTAL CONTINGENCY

\$250,000

CIP SUMMARY

General Government	\$ 1,318,000
Major Roads	2,722,000
Intersections/Other	645,000
Drainage	1,570,000
Parks	1,700,000
Athletic Club	1,500,000
Utility	928,000
Great Hall	155,000
Contingency	250,000

TOTAL FY16 CAPITAL IMPROVEMENTS PROGRAM

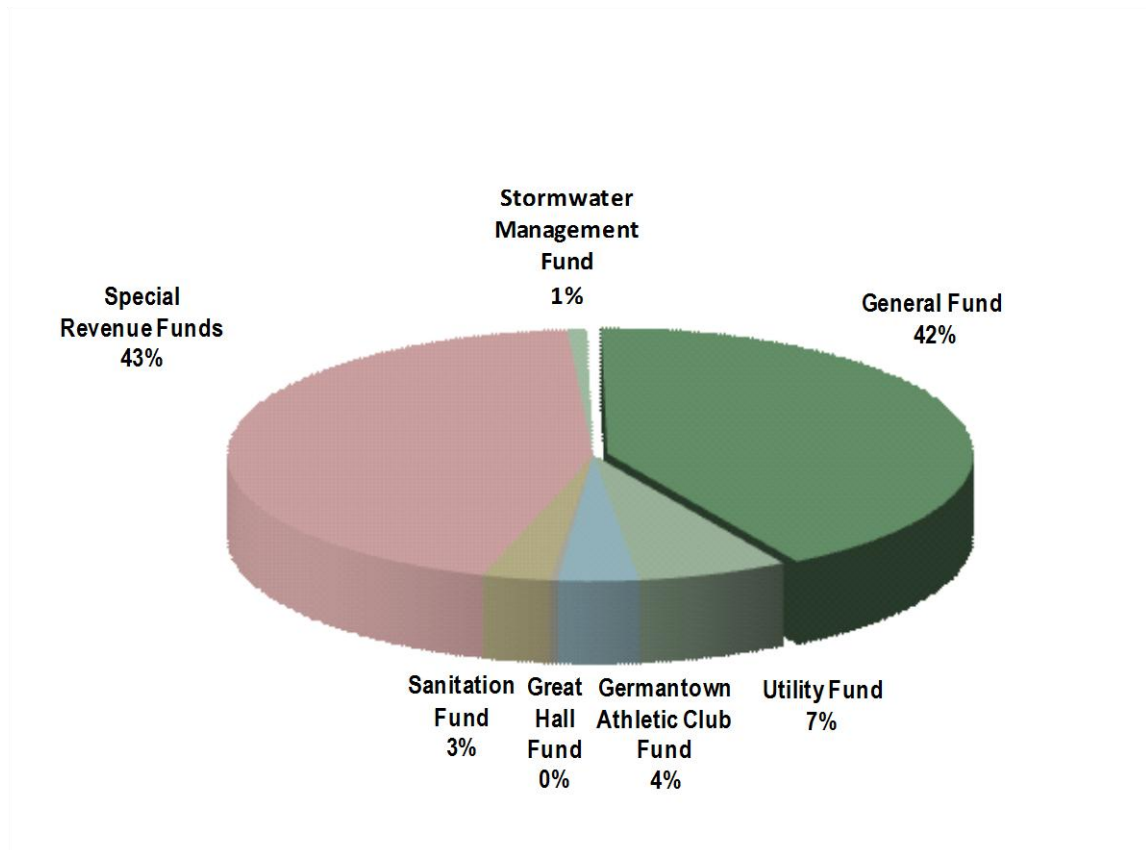
\$ 10,788,000



REVENUE PROJECTIONS

This section presents an analysis of projected revenues for FY16 and a rationale for future projections. The information is a condensed extract from the City's Revenue Manual, which includes revenues for the General Fund, Utility Fund, Germantown Athletic Club Fund, Sanitation Fund, Great Hall Fund, Stormwater Management Fund and Special Revenue Funds (State Street Aid Fund, Automated Enforcement Fund, Drug Fund, Pickering Fund, Federal Asset Forfeiture, Ambulance Fund, Germantown Municipal School District Fund, Farm Park Fund and Recreation Fund). The Pension Trust Fund, the Health Insurance Service Fund, OPEB Fund and Cash Balance Fund projections are also included in this section.

TOTAL FY16 PROJECTED REVENUES

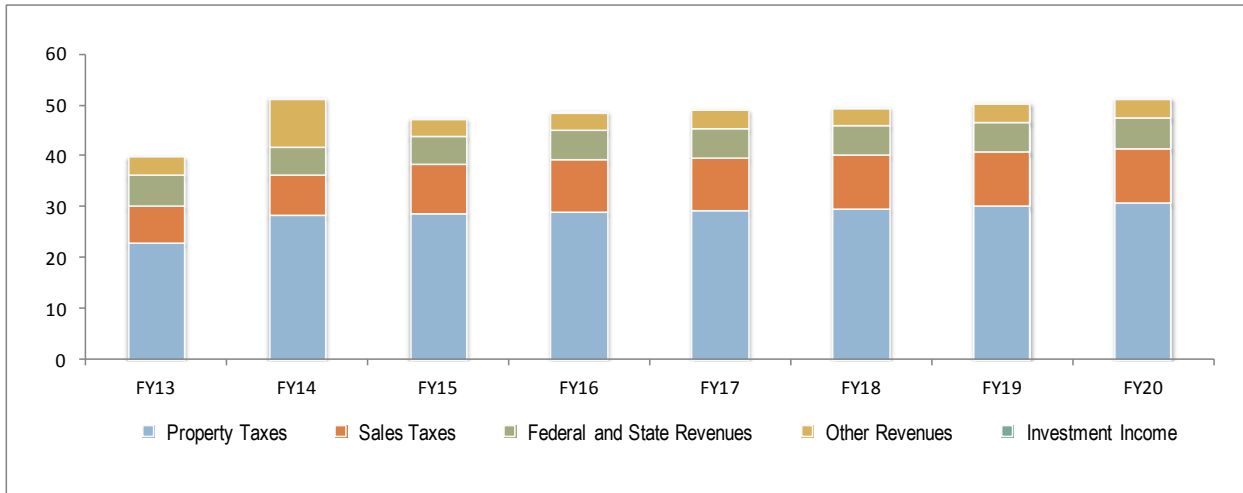


GENERAL FUND REVENUE PROJECTIONS

The five major components of General Fund revenues and projected trends are presented below. The other revenues component is analyzed and projected through a revenue model, which is based on the rationales contained in this section.

GENERAL FUND REVENUES

\$ MILLIONS



GENERAL FUND

<u>ACCT</u>	<u>ACTUAL</u> <u>FY14</u>	<u>BUDGET</u> <u>FY15</u>	<u>Budget</u> <u>FY16</u>
010-0000-311.10-00 Real Property Tax	\$ 26,203,180	26,378,541	26,835,400
010-0000-311.20-00 Personal Property Tax	756,948	765,000	788,000
010-0000-311.30-00 PILOT	502,201	484,683	484,683
010-0000-313.00-00 Penalties and Interest	110,779	130,000	130,000
010-0000-315.10-00 TVA	443,906	450,180	459,400
010-0000-315.20-00 MLG&W	291,944	233,170	300,000
010-0000-316.10-00 Local Option Sales Tax	5,418,809	7,800,000	8,300,000
010-0000-316.10-01 Contra - 20 year Annex Local Option Sales	(47,836)	(41,000)	(53,000)
010-0000-316.10-10 .5 Percent Sales Tax	503,783	-	-
010-0000-317.10-00 Wholesale Beer Tax	352,481	411,828	352,800
010-0000-317.20-00 Wholesale Liquor Tax	273,442	217,155	392,740
010-0000-318.10-00 Gross Receipts Business Tax	490,108	561,000	510,000
010-0000-318.20-00 Business Tax Interest	11	100	100
010-0000-318.30-00 Business Tax Penalty	29	229	229
010-0000-318.50-00 Business Collection Fees	40	-	40
010-0000-319.10-00 Cable TV and Telecommunication	744,218	581,367	618,000
010-0000-319.20-00 Room Occupancy Tax	764,885	606,553	663,000
010-0000-321.10-00 Automobile Registration	885,302	881,062	889,870
010-0000-322.10-00 Retail Beer Licenses	7,262	7,500	7,500
010-0000-322.20-00 Retail Liquor Licenses	14,050	12,675	13,200
010-0000-324.10-00 Animal Registration Fees	76,419	79,500	79,500
010-0000-326.10-00 Fence and Sign Permits	4,580	3,800	60,000
010-0000-326.20-00 Building Permits	38,647	34,000	50,000
010-0000-326.40-00 Subdivision Engineering	17,290	10,900	20,000
010-0000-326.50-00 Zoning Application Fees	28,715	15,391	20,000
010-0000-331.90-00 Grants - Federal/State	75,435	200,000	100,000
010-0000-335.10-00 State Sales Tax Allocation	2,870,731	2,808,610	3,029,200
010-0000-335.20-00 State Income and Excise Tax (Hall)	2,501,075	2,500,000	2,500,000
010-0000-335.30-00 State Beer Tax Allocation	18,985	20,062	20,062
010-0000-335.40-00 State Liquor Tax Allocation	117,000	66,000	110,000
010-0000-335.40-01 GMSD Tax Distribution	(7,428)	-	-
010-0000-335.90-00 City Street and Transportation Tax Allocation	82,139	82,252	82,252
010-0000-342.30-00 Fire Inspection Fees	12,325	5,325	13,000
010-0000-351.10-00 City Court Costs	164,140	300,000	300,000
010-0000-351.11-00 City Court Fines	123,595	140,000	140,000
010-0000-351.11-01 Fines Forfeitures	735	-	-
010-0000-351.20-00 Other Court Revenue	481,845	300,000	300,000
010-0000-351.30-00 Animal Impoundment Fees	8,226	3,200	3,500
010-0000-353.01-00 Fines - Library	56,769	52,000	52,000
010-0000-361.10-00 Investment Income	25,144	20,000	25,000
010-0000-361.11-00 Loan Interest - Civic Centre	39,760	34,400	26,700
010-0000-362.00-00 Rental Revenue - WTF	351,966	336,259	340,600
010-0000-362.10-00 Rental Revenue - GPAC	120,000	120,000	120,000
010-0000-362.20-00 Library Materials	20,390	23,000	19,000
010-0000-362.41-00 Parks - Taxable	7,200	7,500	7,550
010-0000-367.10-00 Friends of Library	8,109	10,000	10,000
010-0000-367.30-00 Senior Expo Revenue	19,550	20,000	19,975
010-0000-367.90-00 Playground Registrations Revenue	41,012	37,425	39,800
010-0000-368.01-00 Gain/Loss Sale of Assets	3,000	-	-
010-0000-369.10-00 Other Revenue	501,681	449,100	300,000
010-0000-369.15-00 Surplus Equipment Sales - GovDeals	40,024	20,000	15,000
010-0000-369.20-00 Library - Printing & Misc.	10,972	10,000	11,600
010-0000-369.30-00 Farm Park Rent	5,837	-	-
010-0000-369.80-00 Debt Proceeds	5,570,000	-	-
010-0000-369.99-00 Credit Card Fees: Gain/Loss	20,914	-	-
010-0000-369.99-01 Cash Short/Over	(2)	-	-
TOTAL REVENUES	\$ 51,172,362	47,188,767	48,506,741

GENERAL FUND

Current Real Property Tax

\$26,835,400

Property taxes are assessed on January 1, prior to each fiscal year in which taxes are recorded. Residential property is assessed at 25% and commercial at 40% of the appraised value. The current projections are based on the tax rate of \$1.93 per \$100 of assessed value. Key assumptions are a growth of 70 housing units per year for the next four years that are valued at \$450,000, a collection of 97% of taxes in the year assessed and a collection of 50% of all delinquent taxes each year.

Current Personal Property

\$788,000

This rate is set by the same ordinance as real property. It represents a 30% assessment on personal property owned by commercial entities. This assessment is taxed at the same rate and handled in the same manner as the real estate assessment. Personal property taxes are erratic and difficult to evaluate when the assessment is made. Some growth is expected in this line item due to new office development now underway. Key assumptions are that 92% of assessments will be collected in the year assessed, and that 50% of delinquents will be collected each year.

PILOT

\$484,683

A payment that a property owner, who is not subject to taxation, makes to compensate the City for services that the property owner receives that are normally financed through property taxes. Public utility property is assessed at 55% of its value. The current projection is based on the tax rate of \$1.93 per \$100 of assessed value.

Penalties & Interest

\$130,000

After February 28, 5% penalty accrues immediately, the following month an additional penalty of 2% accrues and with each additional month 1% accrues to a maximum of a 10% penalty. Interest is charged at 1% each month until paid.

TVA Payments in Lieu

\$459,400

T.C.A. 67-9-101 et. Seq. collects 5% of TVA gross sales. A total of 48% is allocated back to local governments with cities getting 30% of that on a per capita basis. Collected quarterly (October, January, April and June) as a direct deposit to the City's Local Government Investment Pool (LGIP) account on the 20th of the month. The most recent federal census establishes a population of 40,123. This revenue has increased on average 2% per year for the last two years. Future projections are based on 2% per capita growth.

MLGW Payments in Lieu

\$300,000

The 1987 Municipal Electric Systems Tax Equivalent Law established maximum in lieu of tax payments. It is the equivalent payment that would be made for MLGW plant and equipment in Germantown assessed at 55%. Payments are to be received in two equal installments in November and April for the MLGW fiscal year, which is the calendar year. This revenue has been erratic due to tax increases, rollback tax rates and changes to state law. Therefore, it is not easy to establish a predictable trend.

Local Sales Taxes

\$8,300,000

Half of the 2.75% local tax on each purchase of merchandise made in Germantown is collected by the State and returned to Germantown. It is collected monthly approximately 65 days after the end of the tax month (i.e. 50% of October's collections would be received in the first five days of January). A 2.375% commission fee is paid to the County. In addition, this revenue includes a \$0.005 sales tax that was approved by referendum in 2012. Future projections of sales tax revenue are based on a 1.5% growth rate.

Contra – 20 Year Annex Agreement

\$(53,000)

Local sales tax collected from the tax on each purchase of merchandise within the annexed area are remitted to the City of Memphis. This remittance is based on the 20-year agreement signed between the City of Germantown and the City of Memphis upon annexation in 1999.

GENERAL FUND

Wholesale Beer Taxes **\$352,800**

A 17% Wholesale Beer Tax is authorized by the State. It is collected from wholesalers based on their sales to retailers in the City and is collected monthly on about the 22nd directly from wholesalers. The revenue has increased steadily the last several years. Projections are based on a 2% annual growth.

Wholesale Liquor Taxes **\$392,740**

City Ordinance No. 1980-6. The State authorized a 5% inspection fee on the wholesale sale of alcoholic beverages in the City. It is collected from wholesalers based on sales to retail liquor stores in the City and is collected monthly. This revenue is projected to continue at the current level.

Gross Receipts Business **\$510,000**

Ordinance No. 1971-8. Authorized by Chapter 387 of the Public Acts of 1971. It is collected annually from retail sales and service businesses based on different percentages of the gross sales. Five due dates are spread throughout the year. The largest taxpayers are in the last quarter of the fiscal year. The tax base for the revenue is slightly different from local sales tax, but growth generally tracks that revenue. This revenue source is projected to increase at the same rate as local sales tax. Public Chapter 530 provides for the State of Tennessee to collect the business tax and remit this to the City.

Business Tax Interest **\$100**

Interest collected by the State of Tennessee on the gross receipts for late tax filings.

Penalty – Business **\$229**

Penalties collected by the State of Tennessee on the gross receipts for late tax filings.

Business Collection Fees **\$40**

A recording fee charged for a business moving locations.

Cable TV Franchise Fee **\$618,000**

Ordinance No. 1980-2. Authorizes the granting of a cable communication system franchise. The fees are collected quarterly. Projections are projected at a 3% increase.

\$663,000

Hotel/Motel Occupancy Tax

The City adopted, by ordinance, a Hotel/Motel Occupancy Tax in FY96. This tax is a privilege tax on transient occupancy (occupancy for a period of less than 30 days). Collections from the customer are remitted to the City by the 20th of each month for the preceding month. The rate originally adopted by the City was 3%. With the adoption of the FY98 Budget, this rate was established at 5% (the maximum rate available). Five hotel/motel facilities are now open and in full operation within the City's boundaries. Projections are made at 3%.

Automobile Registration **\$889,870**

Ordinance No. 1980-9. The rate is \$25 per automobile of which \$1.25 covers a collection fee. Projections are based on the number of registered vehicles in FY15 plus an annual increase of 2.65 autos per living unit, times growth in living units projected at 15 per year.

Retail Beer Licenses **\$7,500**

A fee of \$250 per application and \$100 for each permit is collected annually. A total of 48 licenses are in effect now, and has no projected growth.

GENERAL FUND

Retail Liquor Licenses **\$13,200**

Ordinance No. 1973-23. Privilege Tax Liquor by the Drink is based on a scale of \$100 to \$1,000, depending on the type of establishment or seating capacity. It is collected in January and February, except for new establishments, and is projected to continue at the current level.

Animal Registration **\$79,500**

Ordinance No. 1979-13. The license fee for any dog over six months of age, unneutered or unspayed, is \$15.00. Neutered or spayed is \$10.00 as set by the Resolution on Revenue. Throughout the year, veterinarians and the Animal Shelter collect this fee. Revenue from animal registration fees is leveling out due to the emphasis placed on spaying and neutering dogs.

Fence & Sign Permits **\$60,000**

Ordinance Sec. 14-8 and Sec. 6-108. The fees are \$30 for temporary signs and \$30 for residential fences. Commercial fences are \$50.

Building Permits **\$50,000**

Under contract with Shelby County, permit fees are collected and a 25% of the basis fee is remitted to the City of Germantown generally in August, October, February and April. Non-residential fees are assessed per \$1,000 of construction costs and rates vary between \$1.50 and \$4.00 depending upon the total value of construction. Residential construction and addition fees are assessed at \$.05 per square foot.

Subdivision Engineering **\$20,000**

The current Subdivision Development Contract requires the payment of \$500 per commercial development and \$500 per residential development plus \$80 per residential lot to cover inspection by the City. The projections are based on the level of new development required to achieve the real estate growth projected for real property taxes.

Zoning Application Fee **\$20,000**

Zoning application fees range from \$600 to \$3,600 depending on size and proposed use.

Grants – Federal, State **\$100,000**

Grants received from the State of Tennessee or the Federal Government.

State Sales Tax Allocation **\$3,029,200**

T.C.A. 67-6-103 (3) (A). The State allocates back to all municipalities slightly more than 4.5% of the 5.5% tax rate, based on population as of a certified census. Three special censuses can be conducted each decade and a census of annexed areas can be made each year. It is collected monthly and directly deposited to the LGIP on the 20th of each month. A 4% annual increase in per capita allocation is projected and the population is 40,123.

State Income & Excise Tax **\$2,500,000**

T.C.A. 67-2601. This tax is collected by the State as a tax on income from dividends and interest on certain investments and is allocated back to the City at 3/8 of the amount collected from Germantown taxpayers. It is collected in August and direct deposited to the LGIP. The allocation is affected by fluctuations in the growth in number of taxpayers and investment earnings.

GENERAL FUND

State Beer Taxes Allocation **\$20,062**

T.C.A. 57-5-201. A 10.05% allocation of the tax of \$4.29 per barrel paid by manufacturers or distributors is made to municipalities and collected semiannually in October and April. It is a direct deposit to the LGIP on the 20th of each month. The projections are based on the same housing patterns as previously described and cut 9% in adoption of the State budget.

State Liquor Taxes Allocation **\$110,000**

T.C.A. 57-4-301. This revenue is collected monthly and directly deposited to the LGIP on the 20th of the month. Projections are based on the same housing patterns as previously described and cut 9% in adoption of the State budget in FY04

City Street & Transportation System **\$82,252**

T.C.A. 67-3-904. State allocation is \$0.01 per gallon for gasoline and other fuel in the state and is based on population. It is collected monthly and is directly deposited to the LGIP on the 20th of the month. Growth in this revenue is from the growth in housing as described earlier.

Fire Inspection Fees **\$13,000**

This revenue includes fees obtained from fire inspection of new construction and annual inspection of existing construction.

City Court Costs **\$300,000**

This revenue is from Court Costs assessed in Municipal Court and is collected daily by the City Court clerk's office. This revenue, like court fines, has been erratic and it will vary in direct proportion to court fines. Projections are based on a 3% annual growth factor.

City Court Fines **\$140,000**

Fines are assessed by Municipal Court and collected daily by the Court Clerk's office. In the past, this revenue has been erratic. Approximately 15% of all fines assessed are deferred and only about half of the 15% deferrals are collected in the year assessed. Projections are based on a 3% annual growth factor.

Court – Other Revenue **\$300,000**

Other court revenue includes miscellaneous fees charged by City Court, including accident reports, bond filing, expungement, license clearance, returned check and warrant recall fees, returned check fees, warrant recall fees and offense reports.

Animal Impoundment Fee **\$3,500**

A charge of \$35 (first time), \$70 (second time), \$90 (third or more times) impoundment fees and a \$9 per day boarding fee is collected. The objective of Animal Control is to reduce the number of animals running loose. Projections are at current levels.

Fines - Library **\$52,000**

Library fines are assessed as follows: \$.10 per day per item for juvenile print and audio materials, \$.20 per day per item for adult print and audio materials, \$1.00 per day per item for adult/juvenile visual materials, and \$1.00 per day per item for interlibrary loan materials.

Investment Income **\$25,000**

This revenue is from the investment of the pooled funds of the City, including all funds except enterprise, Drug Asset Forfeiture and fiduciary. Both gains and losses on sales of investment securities and interest earned on investments are included in this account. Projections are based on cash flows in the budget and an average investment rate of less than 1.0%. The LGIP account will be reduced to the minimum required to pay current bills, and all excess funds will be invested at the long-term rate.

GENERAL FUND

Loan Interest – Germantown Athletic Club **\$26,700**

This revenue is the interest owed to the City by the Germantown Athletic Club annually on the loan of \$2.5 million issued to the Germantown Athletic Club Fund in 2000.

Rental Revenues - WTF **\$340,600**

In addition to miscellaneous rental income, the City rents property under long-term contracts. There are several long-term contracts for wireless transmission facilities.

Rental Revenues - GPAC **\$120,000**

Revenue received from facility rentals at GPAC.

Library Materials **\$19,000**

Fees received for library materials. Some of the fees include: \$1.00 for DVDs, \$2.00 for book-on-tape/CD, \$.50 for music CDs, \$5.00 processing fee in addition to the cost for lost or damaged items, \$2.00 processing fee for replacement of plastic magazine covers and \$1.00 per library card replacement.

Parks **\$7,550**

Rental revenue received from the pavilions.

Friends of Library **\$10,000**

Money collected from the "Friends of the Library" on the sales of donated books. This money helps to support the Germantown Community Library.

Senior Expo **\$19,975**

Rental revenue received from booths at the annual Senior Expo at the Germantown Athletic Club.

Playground Program **\$39,800**

Program fees collected for the Summer Playground program. The "Summer Playground Program" is a partial day program (fee is \$515/child).

Other Revenues **\$300,000**

This item increases and decreases from the sale of leased vehicles when the police fleet is replaced based on Vehicle Maintenance records and depreciation schedules. Other revenues collected are on routine items such as charges for copies of public records and donations.

Surplus Equipment Sales - GovDeals **\$15,000**

Monies collected from the disposition of surplus or confiscated items.

Library – Printing & Misc. **\$11,600**

The library charges \$.20 per page for black and white copies and \$1.00 per page for color copies.

TOTAL GENERAL FUND REVENUES **\$48,506,701**

GENERAL FUND

STATE STREET AID FUND

	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>% Chg.</u>	<u>Budget FY16</u>
State Gasoline Tax Allocation	\$ 1,038,065	1,040,200	1,061,900	-1.12%	1,050,000
Investment Income	239	-	-	-	-
General Fund Transfer	900,000	1,650,000	1,650,000	12.12%	1,850,000
TOTAL REVENUES	\$ 1,938,304	2,690,200	2,711,900	6.94%	2,900,000

State Gasoline Tax Allocation **\$1,050,000**

A population based allocation of the state \$0.20 gasoline tax and \$0.18 diesel fuel tax is accounted for in the separate State Street Aid Fund. A special petroleum tax of \$0 .01 is also included. It is collected monthly and directly deposited to the LGIP on the 20th. These projections are based on the same housing growth as described for other state allocations. State collections have been erratic, and per capita collections are projected at the current rate of \$26.17.

Transfer In- General Fund **\$1,850,000**

Funds transferred from the General Fund to cover additional expenses.

AUTOMATED ENFORCEMENT FUND

	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Red Lights	\$ 100	58,800	250	99900.00%	250,000
General Fund Transfer	150,000	75,000	75,000	0.00%	75,000
TOTAL REVENUES	\$ 150,100	133,800	75,250	331.89%	325,000

Red Lights **\$250,000**

This category includes fines captured on the automated enforcement cameras installed at Exeter/Poplar Avenue, Farmington/Poplar Avenue, and Kimbrough/Poplar Avenue. The fine for each violation is \$50.00.

SPECIAL REVENUE FUNDS REVENUE PROJECTIONS

DRUG ASSET FORFEITURE FUND

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Drug Enforcement Revenues	\$ 154,618	350,000	350,000	0.00%	350,000
TOTAL REVENUES	\$ 154,618	\$ 350,000	\$ 350,000	0.00%	350,000

Drug Enforcement Revenues

\$350,000

Funds received from court fines and seizures.

PICKERING COMPLEX FUND

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Classes Revenues	\$ 28,974	25,000	28,705	-4.53%	27,405
Senior Events Revenues	7,196	7,000	6,907	-4.23%	6,615
Other Revenue	2	-	-	-	-
Other Revenue - Taxable	35,480	35,000	34,655	0.00%	31,729
TOTAL REVENUES	\$ 71,652	67,000	70,267	-6.43%	65,749

Classes

\$27,405

Included in this category are revenues received from cultural arts and senior classes offered in the Pickering Community Center. Instructors receive 70% of the revenue and the City receives 30%.

Senior Events

\$6,615

Funds received for senior events, including special events, day trips, and commissions.

Other Revenue – Taxable

\$31,729

This category represents revenue that is taxable from the rental of the Pickering Complex.

SPECIAL REVENUE FUNDS REVENUE PROJECTIONS

FEDERAL ASSET FORFEITURE FUND

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Other Revenues/Forfeiture	\$ 27,489	50,000	50,000	0.00%	50,000
TOTAL REVENUES	\$ 27,489	50,000	50,000	0.00%	50,000

Federal Asset Forfeiture

\$50,000

Funds received from the sale of seized assets by the federal government.

GERMANTOWN MUNICIPAL SCHOOL DISTRICT FUND

	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
BEP	\$ -	22,114,766	23,413,000	1,050,000	4.48%	24,463,000
ADA	-	18,692,688	18,697,000	1,703,000	9.11%	20,400,000
Federal Grants	-	-	1,593,000	253,000	15.88%	1,846,000
Other Revenues	8,223	3,316,259	356,000	(266,000)	-74.72%	90,000
Charges for Services	-	1,126,000	523,000	298,000	56.98%	821,000
County Commission	-	-	223,000	529,000	237.22%	752,000
Liquor Tax	7,427	-	87,000	-	0.00%	87,000
Sales Tax	1,928,904	-	-	-	-	-
General Fund Transfer	130,000	2,121,583	2,121,583	10,011	0.47%	2,131,594
	\$ 2,074,554	47,371,296	47,013,583	3,577,011	7.61%	50,590,594

Germantown Municipal School District

\$2,131,594

Funds received are equal to \$0.15 tax levy on each \$100 of taxable property for the current year.

SPECIAL REVENUE FUNDS REVENUE PROJECTIONS

AMBULANCE FUND

	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Transport Fees	\$ 756,639	835,936	836,000	44,000	5.26%	880,000
Nontransport Fees	-	-	-	-	-	-
Other Revenue	42	-	-	-	-	-
General Fund Transfer	1,000,000	500,000	500,000	250,000	50.00%	750,000
TOTAL REVENUES	\$ 1,756,681	1,335,936	1,336,000	294,000	22.01%	1,630,000

Transport Fee

\$ 880,000

Funds received for transporting patients to area hospitals.

FARM PARK FUND

	Actual FY14	Budget FY15	Estimated FY15	Amt. Chg.	% Chg.	Budget FY16
Membership Fees	\$ -	5,000	4,000	2,300	57.50%	6,300
Donations	-	17,000	17,200	2,800	16.28%	20,000
Earned Income	-	9,500	5,000	1,000	20.00%	6,000
Education Fees	-	4,200	2,030	2,970	146.31%	5,000
Rental	-	-	-	27,700	100%	27,700
General Fund Transfer	-	150,000	150,000	-	0.00%	150,000
	\$ -	185,700	178,230	36,770	20.63%	215,000

Membership Fees

\$ 6,300

Funds received from membership fees for the Community Garden (resident/nonresident).

Donations

\$ 20,000

Funds received from contributions to the Farm Park.

Earned Income

\$ 6,000

Funds received from Farm Park rent/merchandise.

Education Fees

\$ 5,000

Funds received from community education programs.

Rental

\$ 27,700

Funds received from rental of Hay Barn (weddings and miscellaneous small rentals).

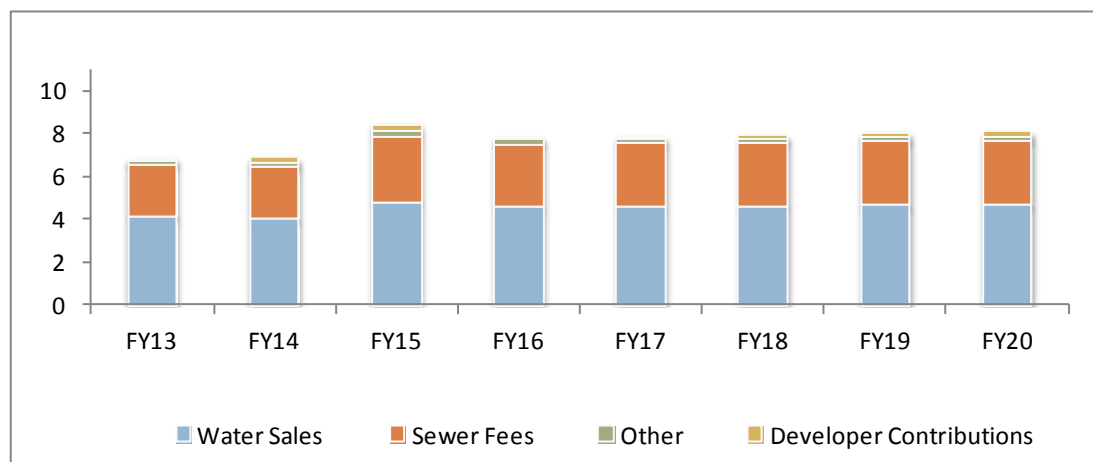
UTILITY FUND REVENUE PROJECTIONS

This section presents the projected Utility Fund revenues for FY16. An analysis chart of revenue components and projected trends through FY20 is presented below.

	<u>Actual FY14</u>	<u>Budget FY15</u>	<u>Estimated FY15</u>	<u>% Chg.</u>	<u>Budget FY16</u>
Metered Water Sales	\$ 3,986,805	5,353,661	4,780,172	-4.82%	4,550,000
Forfeited Discounts	58,989	60,000	75,926	-20.98%	60,000
Water Application Fee	9,075	12,000	10,875		12,000
Other Revenue	43,043	14,000	44,423	-43.72%	25,000
Developer Installation	47,283	5,000	57,693	-48.00%	30,000
Water Connection Fees	39,683	60,000	65,133	-7.88%	60,000
Sewer Connection Fees	51,596	30,000	86,509	-36.42%	55,000
Sewer Service Fees	2,441,350	3,184,448	3,012,027	-2.06%	2,950,000
OPERATING REVENUES	<u>\$ 6,677,824</u>	<u>8,719,109</u>	<u>8,132,758</u>	<u>-4.80%</u>	<u>7,742,000</u>
Investment Income	\$ 5,332	6,500	3,120	108.33%	6,500
Contributions from Developers	259,000	75,000	329,674	-77.25%	75,000
Surplus Equip Sale - GovDeals	4,621	-	2,666	-100.00%	-
Credit Card Fees/Gain/Loss	3,060	-	20,565	-100.00%	-
NONOPERATING REVENUES	<u>\$ 272,013</u>	<u>81,500</u>	<u>356,025</u>	<u>-77.11%</u>	<u>81,500</u>

UTILITY REVENUES

\$ MILLIONS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Metered Water Sales **\$4,550,000**

Residential charges are \$8.78 for the first 5,000 gallons, \$2.15 for each additional 1,000 gallons up to 15,000 gallons, \$2.47 for each additional 1,000 gallons up to 50,000 gallons and \$3.12 per 1,000 gallons thereafter. Commercial charges are \$13.17 for the first 5,000 gallons, \$3.42 for each additional 1,000 gallons up to 15,000 gallons, \$3.90 for each additional 1,000 gallons up to 50,000 gallons and \$4.88 per 1,000 gallons thereafter. These are net charges collected monthly by the City. The current rates became effective in FY15 and represented an average increase of 30%.

Forfeited Discounts **\$60,000**

By ordinance, when water and sewer bills are not paid within the ten-day discount period, the gross amount of the bill becomes due. On the average, this revenue is 3% of total water billings and is higher when water usage is greater.

Other Revenues **\$25,000**

This category includes all revenues not otherwise classified: reimbursement for repair, supplies and labor, fire hydrant usage permits and vendor compensation for sales tax. This revenue source is projected to increase at 2.5% per year.

Developer Installation **\$30,000**

The City charges \$300 per residential lot for water system expansion and for reimbursement of the City's cost when an existing line originally installed by the City will serve the development. The recoveries for existing lines are currently a smaller projection than in previous years.

Water Application Fee **\$12,000**

The water application fee is a revenue that is generated from new renter service applications. Homeowners pay a \$75 refundable utility deposit and renters pay \$150 (\$75 refundable deposit and \$75 nonrefundable application fee).

Water Connection Fees **\$60,000**

Charges in this category are \$750 for residential (5/8-inch x 3/4-inch meter) with higher scheduled charges for larger meters. Collected monthly, this revenue is also affected by lower growth rate.

Sewer Connection Fees **\$55,000**

Residential fees are \$600 per lot. The commercial charges are based on the development's frontage or acreage. This revenue is collected monthly and with the City installing the outfall lines, this revenue will accrue primarily to the City.

Sewer Service Fee **\$2,950,000**

This revenue is based on metered water service. Residential charges are \$5.07 for the first 2,000 gallons, \$.90 for an additional 1,000 gallons, \$1.99 for each additional 1,000 gallons up to 20,000 gallons and \$.78 for per 1,000 gallon thereafter with a maximum charge of \$40.56. There is a nominal surcharge for restaurants. Commercial charges are \$5.07 for the first 2,000 gallons, \$.90 for an additional 1,000 gallons, \$1.99 for each additional 1,000 gallons thereafter. These are net charges collected monthly by the City. The current rates became effective in FY15 and represented an average increase of 30%.

Interest Income **\$6,500**

Interest earned on investments and gains and losses on sales of securities are allocated to the Utility Fund based on the average daily balance of cash in the fund. These funds are invested in the LGIP at an average projected rate of 1.5%.

Contributions from Developers **\$75,000**

Assets received from private developers when the installation of water and sewer mains within the newly completed project is completed.

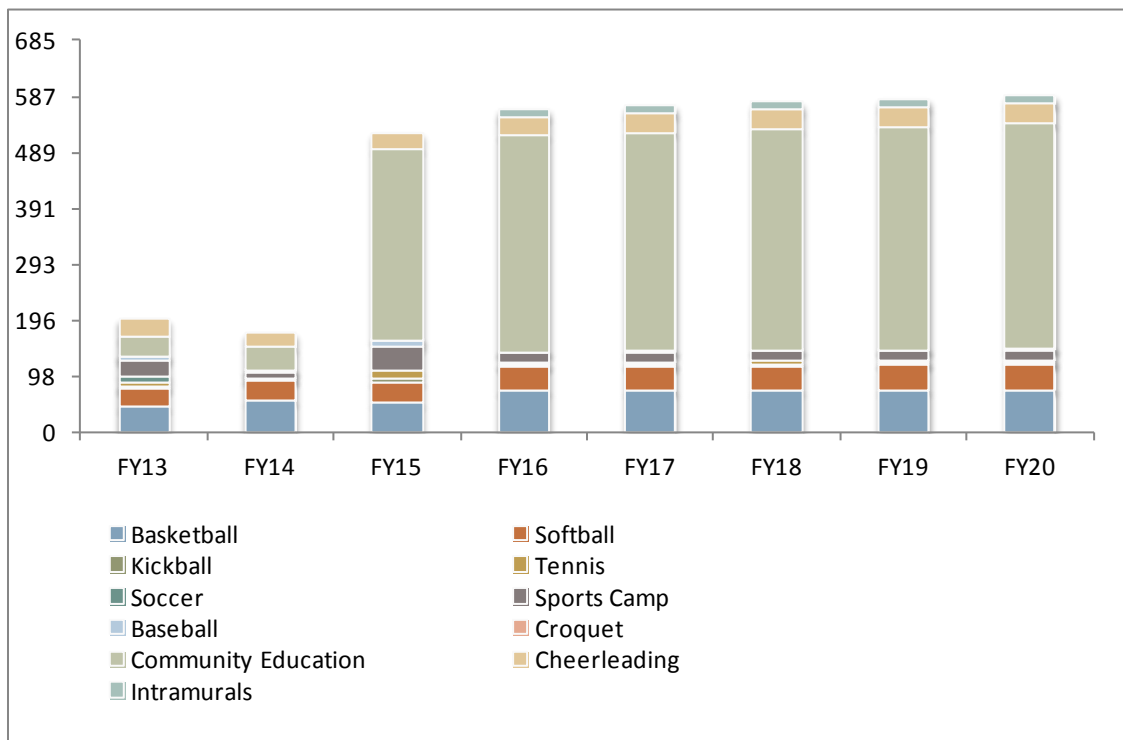
RECREATION FUND REVENUE PROJECTIONS

This section presents the projected Recreation Fund revenues for FY16. An analysis chart of revenue components for the Recreation Fund is presented below.

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Basketball Fees and Sponsorships	\$ 53,477	49,845	59,332	18.61%	70,371
Softball Fees	36,320	37,260	37,740	11.29%	42,000
Kickball Fees	2,100	3,900	3,482	0.00%	3,931
Tennis Classes and Other Fees	2,412	15,000	3,935	1.65%	4,000
Sports Camps Fees	8,328	41,425	11,372	51.78%	17,260
Baseball	3,060	11,200	-	-	-
Croquet Fees	995	640	620	62.90%	1,010
Cheerleading	24,748	26,940	23,131	0.00%	33,145
Community Education	40,963	335,700	385,021	-1.38%	379,720
Intramurals	-	-	-	100%	13,800
TOTAL REVENUES	\$ 172,403	521,910	524,633	7.74%	565,237

RECREATION REVENUES

\$ THOUSANDS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Basketball Fees and Sponsors **\$70,371**

Youth participant fees are \$117 per player for residents and \$163 for non-residents. The league is expecting over 350 youth participants, due to forming a high school age league and an increase in Challenger league.

Softball Fees **\$42,000**

This category includes adult softball teams with various divisions including men, women and coed. Eighty-seven teams are expected at a fee of \$500 per team.

Kickball Fees **\$3,931**

Revenues are generated through seven expected Adult coed kickball teams participating in our league at a fee of \$320 per team.

Tennis Classes and Rentals **\$4,000**

Revenues generated through leagues, lessons, and tournaments.

Sports Camps **\$17,260**

Revenues are generated through Sports Camps Basketball (\$125-150), Baseball (\$150) and Lacrosse (\$165).

Croquet **\$1,010**

Revenue generated through lessons, leagues, and tournaments, as well as court rentals.

Cheerleading **\$33,145**

Revenue generated through lessons, leagues, and tournaments, as well as court rentals.

Community Education **\$379,720**

Revenue for this account comes from educational courses and after school activities including a new after school care program with Germantown Municipal School District created in FY15.

Intramurals **\$13,800**

Revenue for this account comes from after school activities with Germantown Municipal School District created in FY16.

GERMANTOWN ATHLETIC CLUB PROJECTIONS

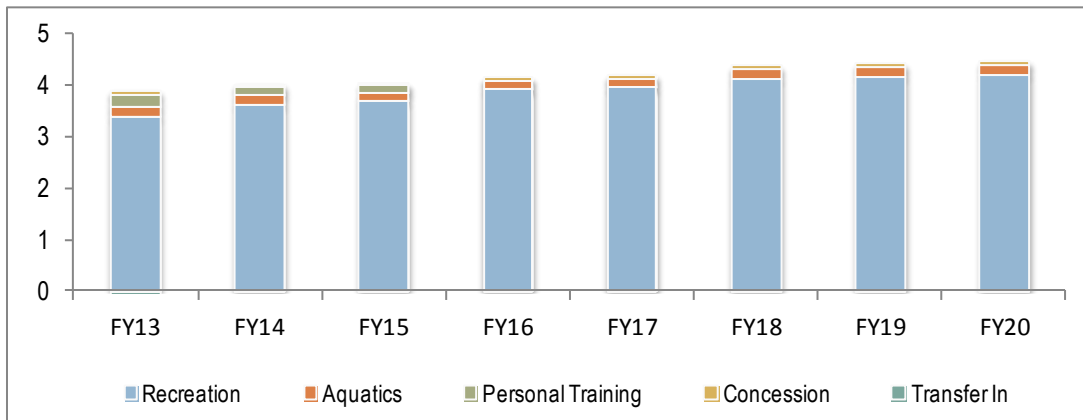
This section presents the projected Germantown Athletic Club Fund revenues for FY16. The graph of revenue components and projected trends through FY20 is presented on the next page.

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Membership Fees	\$ 3,262,791	3,250,000	3,359,238	-1.76%	3,300,000
Membership Application Fee	86,242	80,000	71,214	-1.70%	70,000
Daily Fees	15,726	12,000	17,229	-12.94%	15,000
Classes - Club Programs	61,749	60,000	63,548	31.71%	83,700
Classes - Contract Programs	28,844	24,000	23,300	0.86%	23,500
Concessions - Recreation	65,318	70,000	63,561	-0.88%	63,000
Rent - Taxable Recreation	10,482	8,000	3,336	49.88%	5,000
Rent - Nontaxable Business	79,222	79,222	79,222	0.00%	79,222
Rent - Nontaxable Recreation	8,840	9,500	8,000	-6.25%	7,500
Non-Member Surcharge	5,013	8,000	1,500	100.00%	3,000
Other Revenues	1,767	1,500	1,344	272.02%	5,000
Nursery	260	150	310	-19.35%	250
Fitness Programs	-	-	796	-100.00%	-
Swim Team	88,915	85,000	74,450	14.17%	85,000
Swimming Lessons	56,234	55,000	57,165	-3.79%	55,000
Swim Meet Fees	18,304	18,000	17,921	-5.14%	17,000
Aquatics Rental	4,682	5,000	3,447	45.05%	5,000
Personal Trainer	218,371	280,000	177,026	76.25%	312,000
Pro Shop	8,111	13,000	11,620	67.81%	19,500
Catered Events	5,439	8,000	5,000	20.00%	6,000
OPERATING REVENUES	<u>\$ 4,026,310</u>	<u>4,066,372</u>	<u>4,039,227</u>	<u>2.86%</u>	<u>4,154,672</u>
Investment Income	\$ 3,372	3,500	3,500	0.00%	3,500
Gain/Loss Disposal	-	-	(15,066)	-100.00%	-
Credit Card Over/Short	(56)	500	74	170.27%	200
Surplus Equip Sale - GovDeals	-	-	-	-	-
NONOPERATING REVENUES	<u>\$ 3,316</u>	<u>\$ 4,000</u>	<u>\$ (11,492)</u>	<u>-132.20%</u>	<u>\$ 3,700</u>

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

GERMANTOWN ATHLETIC CLUB OPERATING REVENUES

\$ MILLIONS



Membership Fees **\$3,300,000**

Membership fee revenues are based on an average annual membership of 5,840. The membership fee structure includes adult/couple/adult + 1/family/ youth (16 & 17)/senior (62+) and senior couple.

Membership Application Fees **\$70,000**

Membership application fee revenues are based on a \$59-\$99 nonrefundable, administrative, processing fee.

Daily Fees **\$15,000**

Based on daily guest fees to residents and nonresidents for use of the Germantown Athletic Club.

Classes – Club Programs **\$83,700**

Staff organized programs such as: group exercise special events, Gobble Wobble, Luau, kids programs, Father/daughter dance, dodge ball, etc.

Classes – Contract Programs **\$23,500**

Taekwondo, Ballroom dancing, summer camps, winter camps.

Concessions - Recreation **\$63,000**

Profits received from the sale of food/menu items at the Germantown Athletic Club concessions that include birthday parties.

Rent – Taxable Recreation **\$5,000**

Revenue received for rental of GAC rooms.

Rent – Nontaxable Business **\$79,222**

Revenue received from space rented/leased to the Great Hall for occupancy.

Rent – Nontaxable Recreation **\$7,500**

Revenue received from gym or other room rentals.

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Non-Member Surcharge **\$3,000**

Revenue collected from non-member participation in programs.

Other Revenues **\$5,000**

This line includes revenue from food and drink machines at the Germantown Athletic Club, purchase of replacement ID and return check fees.

Credit Card Short/Over **\$200**

This account records cash overage and shortage.

Nursery **\$250**

Income generated from kids klub and kids zones.

Swim Team **\$85,000**

Includes charges for participants in the Swim Team, Masters Swim Team and coaching clinic.

Swimming Lessons **\$55,000**

Includes charges for all regular and special swimming lessons.

Swim Meet Fees **\$17,000**

Revenues generated from hosting United States Swimming Meets and Memphis Swim Conference Meets.

Aquatics Rental **\$5,000**

Income generated from rentals of lanes and open swim for the indoor and outdoor pools.

Club Training **\$312,000**

Revenue generated from staff personal trainers.

Pro Shop **\$19,500**

Revenues from the sale of Germantown Athletic Club merchandise.

Catered Events **\$6,000**

Profits received from the sale of food/menu items for birthday parties.

Investment Income **\$3,500**

Interest earned on available cash from investments in the State of Tennessee LGIP account.

GREAT HALL PROJECTIONS

This section presents the projected Great Hall Fund revenues for FY16.

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Rent - Business	\$ 351,059	350,834	395,670	8.05%	427,540
Other Revenues	5,057	6,308	4,702	-12.42%	4,118
Catering-Taxable	2,701	40,740	1,880	2.98%	1,936
Catering-Nontaxable	85	118	135	2.96%	139
OPERATING REVENUES	<u>\$ 358,902</u>	<u>398,000</u>	<u>402,387</u>	<u>7.79%</u>	<u>433,733</u>
Investment Income	\$ 93	-	44	-100.00%	-
Credit Card Over/Short	-	-	-	-	-
NONOPERATING REVENUES	<u>\$ 93</u>	<u>-</u>	<u>44</u>	<u>-100.00%</u>	<u>-</u>

Rent - Business

\$427,540

Revenue received from the Great Hall rentals. These rentals include the multi-media room and Great Hall & Conference Center banquet rooms.

Other Revenue

\$4,118

Revenue received from use of the dance floor, linens, pipe and drape easels, microphones.

Catering -Taxable

\$1,936

Profits received from the sale of food/menu items at the Great Hall & Conference Center.

Catering –Nontaxable

\$139

Food items sold to nontaxable organizations at the Great Hall & Conference Center.

SANITATION FUND REVENUE PROJECTIONS

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Sanitation Service Fees	\$ 3,406,413	3,420,700	3,308,952	3.1%	3,411,045
Forfeiture Discounts	35,488	35,000	35,000	-5.7%	33,000
OPERATING REVENUES	\$ 3,441,901	3,455,700	3,343,952	3.0%	3,444,045
Investment Income	\$ 1,969	1,400	1,400	2.5%	1,435
Grants	2,732	3,800	7,500	-33.3%	5,000
Recycling Reimbursement	64,453	68,000	14,250	1.8%	14,500
NONOPERATING REVENUES	\$ 69,154	73,200	23,150	-9.6%	20,935

Sanitation Fees

\$3,411,045

This revenue source is associated with garbage collection and disposal. A monthly service fee was set by resolution, which requires the following payment from all residential sites:

Single Family	\$24.50
(Backdoor \$24.50/Curbside \$20.00)	
Multi-Family	14.65

Forfeiture Discounts

\$33,000

This source represents the additional rates that customers pay when they do not pay their sanitation fees on time.

Interest Income

\$1,435

This source represents interest earned on LGIP accounts and treasury notes.

Grants

\$5,000

This source represents federal and state grants Germantown receives for operations and promotion of its recycling program.

Recycling Reimbursement

\$14,500

This source represents monies received from recycling facilities from the sale of collected recyclable materials.

STORMWATER MANAGEMENT FUND REVENUE PROJECTIONS

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Stormwater Management Fee	\$ 987,969	1,002,752	1,003,412	-0.06%	1,002,807
Other Revenue	426	-	-	-	-
Stormwater Permits	9,830	9,000	9,180	-1.96%	9,000
OPERATING REVENUES	\$ 998,225	1,011,752	1,012,592	-0.08%	1,011,807
Investment Income	1,231	-	1,100	-100.00%	-
NONOPERATING REVENUES	\$ 1,231	-	1,100	-100.00%	-

Stormwater Management Fee

\$1,002,807

This revenue source represents a set fee designated to cover the costs of the stormwater management program. The fee charged to residents and commercial properties is based on a gross area methodology.

Stormwater Permits

\$9,000

This fee covers the cost of review for stormwater permit for new construction with homebuilders.

PENSION FUND REVENUE PROJECTION

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Contributions	\$ 3,065,341	2,274,372	2,294,372	-7.05%	2,132,685
Fair Value Appreciation (Depreciation)	1,137,620	2,000,000	(1,000,000)	-200.00%	1,000,000
Realized Gain/Loss	8,206,363	3,000,000	1,700,000	0.00%	1,700,000
Interest and Dividends	822,697	1,030,000	1,030,000	-2.91%	1,000,000
TOTAL REVENUES	\$ 13,232,021	8,304,372	4,024,372	44.93%	5,832,685

Contributions

\$2,132,685

The actual contributions each year are determined by actuarial data compiled by the Actuarial Services Group, Inc. The City budget contribution for FY16 is projected to be \$1,382,685. In addition, emergency services personnel contribute a determined percent of their salary. The employee contributions are determined by a payroll calculation. Employee contributions for FY16 are estimated to total \$750,000.

Fair Value Appreciation (Depreciation)

\$1,000,000

The plan's assets are stated at fair value. The increase (or decrease) includes unrealized appreciation or depreciation in the value of the plan assets; that is, the difference between the value of the plan assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year.

Realized Gains/(Losses)

\$ 1,700,000

At the time of the sale, maturity or disposal of plan assets, the realized gain or loss is recognized as the difference between the cost of the asset and the proceeds received upon disposition.

Interest and Dividends

\$1,000,000

The Retirement Plan Administration Commission (RPAC) reviews the investment strategy of the City's pension plan including evaluation of its financial performance.

The City engages the services of a professional investment advisor, Gerber/Taylor Associates, Inc. to advise the City and RPAC regarding investment objectives and strategies and to assess the performance of the plan's money managers. The plan employs five money managers to invest the plan assets according to the investment objectives established by the City and RPAC. To provide a reasonable investment diversification, the plan assets are allocated to the five money managers who invest the funds according to the objectives for large and small capital stocks, international stocks and fixed income instruments.

The rate of return for FY15 on the Pension Plan was 2.8%. The FY16 projection is based on a rate of return of 8.0%.

HEALTH FUND REVENUE PROJECTIONS

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Contributions	\$ 4,062,424	4,959,230	4,959,230	-3.98%	4,762,000
TOTAL REVENUES	\$ 4,062,424	4,959,230	4,959,230	-3.98%	4,762,000

Contributions

\$4,762,000

Health Insurance Transfer – effective January 1, 1993, employees began funding medical benefits, based on family size. The City's contribution is \$12,100 per employee and subscriber for FY16 with a total contribution of \$3,783,308 approximately 84% of medical costs. Recipients of the City's health benefits account for approximately 16% of the estimated contributions for FY16, \$728,692.

Dental Insurance Transfer – effective February 1, 1986 the City chose to self-fund the employees and dependents dental benefits. The City revised the policy effective July 1, 2003 to offset rising medical costs by having the fund's recipients contribute for dental benefits. In FY16, the City will contribute \$726 per employee with a total contribution of \$141,605 approximately 57%. Recipients of the City's dental benefits fund approximately 43% of the estimated dental contributions for FY15 \$108,395.

OPEB FUND REVENUE PROJECTIONS

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Contributions	\$ 856,068	920,357	920,426	0.61%	926,000
Fair Value Appreciation	182,511	150,000	(300,000)	-150.00%	150,000
Realized Gain/Loss	577,280	300,000	200,000	0.00%	300,000
Interest and Dividends	62,949	60,000	60,000	0.00%	60,000
TOTAL REVENUES	\$ 1,678,808	1,430,357	880,426	63.10%	1,436,000

Contributions

\$926,000

Starting in FY09, the City began funding Other Post-employment Benefits (OPEB). This represents the City's Annual Required Contribution (ARC) as determined actuarially and is required by the Governmental Accounting Standard Board Statement 45. In addition, retirees who participate in OPEB contribute monthly to the Fund.

Fair Value Appreciation (Depreciation)

\$150,000

The plan's assets are stated at fair value. The increase (or decrease) includes unrealized appreciation or depreciation in the value of the plan assets; that is, the difference between the value of the plan assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year.

Realized Gain/Loss

\$300,000

This is the actual gain/loss on the sale of mutual funds.

Interest and Dividends

\$60,000

The Other Postemployment Benefits Commission (OPEBC) reviews the investment strategy of the City's OPEB plan including evaluation of its financial performance.

The City engages the services of a professional investment advisor, Gerber/Taylor Associates, Inc. to advise the City and OPEBC regarding investment objectives and strategies and to assess the performance of the plan's money managers. The plan employs 13 money managers to invest the plan assets according to the investment objectives established by the City. To provide a reasonable investment diversification, the plan assets are allocated to the 13 money managers who invest the funds according to the objectives for large and small capital stocks, international stocks and fixed income instruments.

The rate of return for FY15 on the OPEB Plan was 2.0%. The FY16 projection is based on a rate of return is 7.5%.

CASH BALANCE FUND REVENUE PROJECTIONS

	Actual FY14	Budget FY15	Estimated FY15	% Chg.	Budget FY16
Contributions	\$ 28,438	126,718	130,324	101.42%	262,500
Fair Value Appreciation (Depreciation)	-	7,531	2,600	15.38%	3,000
Realized Gain/Loss	-	3,013	-	100%	1,500
Interest and Dividends	-	4,519	1,250	260.00%	4,500
TOTAL REVENUES	\$ 28,438	141,781	134,174	102.35%	271,500

Contributions **\$262,500**

Contributions to the Cash Balance Fund have two components. The City employees hired after July 1, 2013 are required to contribute 5% of wages. The City matches the employee contribution at year end.

Fair Value Appreciation (Depreciation) **\$3,000**

The plan's assets are stated at fair value. The increase (or decrease) includes unrealized appreciation or depreciation in the value of the plan assets; that is, the difference between the value of the plan assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year.

Realized Gain/(Losses) **\$1,500**

At the time of the sale, maturity or disposal of plan assets, the realized gain or loss is recognized as the difference between the cost of the asset and the proceeds received upon disposition.

Interest and Dividends **\$4,500**

The Other Postemployment Benefits Commission (OPEBC) reviews the investment strategy of the City's Cash Balance including evaluation of its financial performance.

The City engages the services of a professional investment advisor, Gerber/Taylor Associates, Inc. to advise the City and RPAC regarding investment objectives and strategies and to assess the performance of the plan's money managers. The FY16 projections herein are based on a 5% rate of return.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1 from June 30, 2014 Comprehensive Annual Financial Report condensed:

Reporting entity

The City of Germantown, Tennessee (the "City") was chartered in 1841 and incorporated in 1903 under the provisions of Chapter 550 of the Private Acts of the General Assembly of the State of Tennessee. The City operates under a Board of Mayor and Aldermen form of government. The Executive Branch is organized into the following departments: Finance and General Services, Development, Community Services, Fire, Police, Human Resources, Germantown Athletic Club, and Germantown Performing Arts Centre.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City's one component unit has a June 30 year-end and their separate financial statements are available as indicated below. The significant accounting policies followed by the component unit are generally the same as those followed by the primary government.

Discretely Presented Component Unit:

Germantown Performing Arts Center (GPAC) – GPAC has a cooperative agreement with the City to carry out a performing arts program that will foster and promote theatrical and musical performances to the community at the Germantown Performing Arts Center. GPAC is dependent upon the City for providing payroll, utilities, and other expenses as well as the building used by GPAC, which is owned by the City. In-kind contributions made to GPAC by the City during 2013 totaled \$984,060. Upon termination of this agreement, the City shall receive all assets and assume all liabilities of GPAC. GPAC is a 501(c)3 organization with separately issued financial statements which may be obtained from the Germantown Performing Arts Center, 1801 Exeter Road, Germantown, Tennessee 38138, (901)757-7500.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statements of net assets and the statement of activities) are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows of resources, with the differences presented as a net position. Net position is reported as one of three categories: net investment in capital assets; restricted; or unrestricted. Restricted net position is further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City has one component unit, the Germantown Performing Arts, for which the financial information is reported separately from the information presented for the primary government.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recognized when earned and expenses are recognized at the time when liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, fines and forfeitures, and miscellaneous revenues (except for investment earnings) are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City and accounts for all financial resources of the general government not specifically provided for in other funds. Most of the essential governmental services such as police and fire protection, community services, and general administration are reported in the General Fund.

The City reports the following major proprietary funds:

The Utility Fund accounts for water and sewer fees in connection with the operation of the City's water and sewer system. The proceeds of several bond issues and intergovernmental loans have been used specifically for the construction or acquisition of water and sewer systems and facilities. Since it is the intention of the City to repay these bonds and loans through the operations of this fund, these obligations are classified as debt of this fund.

The Germantown Athletic Club Fund accounts for the operations of the Germantown Athletic Club, a recreation and cultural facility. The Athletic Club facility was financed through general obligation bonds and General Fund transfers. The City's intent is to operate the facility in a manner in which revenues cover operating expenses plus depreciation of the facility. However, the outstanding debt is to be paid by the General Fund and is therefore not carried as debt of the Germantown Athletic Club Fund. The General Fund made an advance to the Athletic Club facility for a 20-year term.

The City reports the following fund types:

Internal service funds account for health insurance and vehicle maintenance services provided to other departments or agencies of the government on a cost reimbursement basis.

Fiduciary Fund Types include Pension and Other Employee Benefit Trust Funds and Agency Funds. The Pension and Other Employee Benefit Trust Funds and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governments.

Pension and Other Employee Benefit Trust Funds are accounted for on the accrual basis. Agency Funds are custodial in nature (assets equal liabilities) and generally are accounted for on the cash basis, which approximates the modified accrual basis of accounting.

The Pension Fund, a pension and other employee benefit trust fund, is used to account for the accumulation of resources to be used to provide defined retirement benefits to all qualified employees upon retirement.

The Other Post Employment Benefits Fund, a pension and other employee benefit trust fund, is used to account for the accumulation of resources to be used to provide health and dental benefits to all qualified retired employees.

The Bail Deposit Fund, an agency fund, is used to account for bail funds deposited by persons awaiting trial in City Court. The fund is purely custodial and thus does not involve measurement of results of operation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Additionally, the City makes mention of these details on the following special revenue funds:

The Automated Enforcement Fund accounts for all expenditures and receipts associated with traffic camera fines and forfeitures. The City has conducted a study to see where the traffic cameras are best utilized. The City has conducted a study for the location of the traffic cameras. The final phase is the selection of a vendor. The City fully expects this revenue stream to increase and be sufficient to support the fund.

The Municipal Schools Fund accounts for all expenditures and receipts associated with the City's public school system. Fiscal year 2015 will be the first year of operations for the school system.

The Ambulance Fund accounts for all expenditures and revenues associated with ambulance fees and services. Fiscal year 2014 is the first year of operations. The City expects revenue to continue to increase and be sufficient to support the fund.

As a general rule the effect of interfund activity has been eliminated from the government – wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Utility Fund, Athletic Club Fund, Sanitation Fund, Great Hall Fund, and Stormwater Fund are charges to customers for sales and services.

The Utility Fund also recognizes, as operating revenue, the portion of tap fees intended to recover the cost of connecting new customers to the system.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

The City has implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable – amounts that cannot be spent either because they are either in a (a) nonspendable form, including items not expected to be converted to cash, or (b) legally or contractually required to be maintained intact.
- Restricted – amounts constrained to be used for a specific purpose as per external parties, constitutional provision, or enabling legislation.
- Committed – amounts constrained to be used for specific purposes as per action by the Board of Mayor and Aldermen. Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Board removes or changes the commitment by taking the same action it employed to impose the commitment.
- Assigned – amounts intended to be used by the City for specific purposes, but are neither restricted nor committed. The intent shall be expressed by the Board of Mayor and Aldermen or an official delegated the authority to assign by the Board of Mayor and Aldermen for a specific purpose in accordance with the policy established by the Board of Mayor and Aldermen. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification.
- Unassigned – amounts available for any purpose in the General Fund.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Assets, liabilities and fund balances/net position

1. Deposits and investments

The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments are stated at fair value. Cash equivalents held by the trustee of the Pension Fund and the Other Post Employment Benefits Fund are included in cash and cash equivalents.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property taxes receivable are shown net of an allowance for uncollectibles.

Taxes are due December 1 (levy date) and are considered delinquent after February 28 (lien date), at which time penalties and interest are assessed.

3. Inventories

Inventories are valued at cost (first-in, first-out). Inventory in all funds consists of expendable supplies held for consumption. In the General Fund, the cost is recorded as an asset at the time individual inventory items are purchased. The reserve for inventories in the General Fund represents a portion of the fund balance that is applicable to future accounting periods.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Restricted assets

Restricted assets in proprietary funds represent cash on deposit with paying agents primarily restricted for the principal and interest requirements of long-term debt.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets in excess of \$5,000 are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated fair market value at the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Buildings	25-50 years
Improvements	10-60 years
Infrastructure	50 years
Machinery and equipment	3-15 years

6. *Compensated absences*

Compensated absences for accumulated unpaid vacation are accrued when incurred in all funds. Employees earn 10 or more days of vacation each year depending on length of service. The amount does not exceed the guidelines of the City Policy. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are paid out of the employee's cost center.

Accumulated unpaid overtime is also accrued when incurred in all funds. Sick leave is not accrued except at the governmental-wide presentation.

7. *Post Employment Benefits*

In addition to providing pension benefits, the City provides health insurance coverage for current and future retirees and their spouses as described at Note 10.

8. *Long-term obligations*

In the governmental-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt in the governmental activities and reported as a reduction of long-term debt in the proprietary funds.

In governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt issuance expenditures.

9. *Deferred inflows of resources*

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an increase to net position that applies to a future period and is not recognized as an inflow of resources (revenue) until that time. The City only has one type of item that qualifies for reporting in this category. The item is amounts in the governmental funds that were receivable and measurable at year-end but were not available to finance expenditures for the current year. This includes unavailable revenues from property taxes.

GLOSSARY OF TERMS

Accrual Basis	A method of accounting in which each item is entered as it is earned or incurred regardless of when actual payments are received or made.
Adopted Budget	The budget approved by the BMA and enacted by budget appropriation ordinance, on or before June 30 of each year.
Appraised Value	The estimate of fair market value assigned to property by an appraiser or tax assessor. For tax assessment purposes such value is stated as of the last countywide reappraisal date.
Appropriation	An authorization made by the BMA, which permits the City administrative staff to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.
Balanced Budget	A balanced budget occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt interest/principal.
BMA	Board of Mayor and Alderman.
Bond(s)	A certificate of debt (usually interest-barring or discounted) that is issued by a government or corporation in order to raise money.
Budget	A plan of financial operations comprised of an estimate of expenditures for a fiscal year and the means of financing those expenditures (revenue estimates).
Budget Appropriation Ordinance	The official enactment by the BMA establishing the legal authority for City administrative staff to obligate and expend funds.
Budget Calendar	The schedule of key dates or milestones that the City follows in the calendar preparation and adoption of the budget.
Budget Document	The official written statement prepared by the City's staff that presents the budget to the BMA.
CAFR	Comprehensive Annual Financial Report.
Capital Outlay	The purchase of items of significant value (more than \$5,000) and having a useful life of several years, also referred to as fixed assets.
Capital Projects	Projects established to account for the cost of capital improvements. Typically a capital project encompasses a purchase of land and/or the construction of or improvements to a building or infrastructure.
Cash Balance Fund	The Tennessee Defined Benefit Plan "the New Plan", also referred to as the "Cash Balance Plan", is for City of Germantown full time employees hired 7/1/13 and after, having 21 years of age and 6 months of service. It is one plan for General Service and Public Service Employees. All contribute a mandatory 5% to the plan. At the end of the Plan Year (June 30 th), the City contributes 5% and the employee account receives a 5% interest credit. The vesting period is 10 years.
CIP	Capital Improvements Program.
Contingency Fund	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
Cost Center	An organizational budget and operating unit within a City department.
Debt Service	Payment of interest and repayment of principal on City debt.

GLOSSARY OF TERMS

Depreciation	A noncash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence.
Department	A management unit of closely associated City activities headed by a director or chief.
Direct Debt	The sum total of bonded debt issued by the City.
Distinguished Budget Presentation Award	A GFOA sponsored program award presented to a qualifying governmental unit that publishes a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.
EMS	Emergency Medical Services.
EMT	Emergency Medical Technician.
Encumbrance	A recorded expenditure commitment representing a contract to purchase goods or services.
Enterprise Fund	A type of proprietary fund used to account for the financing of goods or services to the public where all or most of the operating expenses involved are recovered in the form of user charges. This category includes the Germantown Centre Fund, the Great Hall Fund, the Utility Fund and the Sanitation Fund.
Expenditures	The cost of goods received or services rendered whether payment for such goods and services has been made or not.
FAC	Financial Advisory Commission – A citizen’s advisory committee made up of business executives and professionals from the community and one alderman.
FASB	Financial Accounting Standards Board.
Fiduciary Funds	Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.
Fiscal Year (FY)	An accounting period extending from July 1 to the following June 30.
Fund	A fiscal entity with a self-balancing set of accounts used to account for an activity(s) with common objectives.
Fund Balance	The cumulative excess of revenues over expenditures in a fund at a point in time. With certain limitations, a fund balance may be used to balance the subsequent year’s budget.
GAAP	Generally Accepted Accounting Principles are uniform standards and guidelines for financial accounting and reporting which govern the form and content of the basic financial statements of an entity.
GASB	The Governmental Accounting Standards Board, established in 1984 and comprised of five members, is the highest source of accounting and financial reporting guidance for state and local governments.
General Fund	The principal fund operating the City, it accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, and other types of revenues. This fund usually includes most of the basic operating services, such as fire and police, finance, administration, parks and recreation and environmental services.

GLOSSARY OF TERMS

General Obligation (GO) Bonds	When a government pledges its full faith and credit and unlimited taxing power for repayment of the bonds it issues. A GO Bond is typically used for long-term financing of capital projects and represents a written promise to pay to the bond purchaser a specified sum of money at a specified future date along with periodic interest paid at a specified interest percentage.
GFOA	Government Finance Officers Association of the United States and Canada.
Goal	The underlying reason(s) for the provision of essential City services.
GMSD	Germantown Municipal School District.
GPAC	Germantown Performing Arts Centre.
Governmental funds	Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service fund, capital projects funds, and permanent funds.
Grant	A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed the grantee.
Hall Income Tax	Tax on dividends from stocks and interest from bonds and notes.
Interfund Transfers	Amounts transferred from one fund to another.
Inter-governmental Revenue	Revenue received from another government for general purposes or a special purpose.
Internal Service	A type of proprietary fund used to account for the financing of goods or services provided by one City activity to other City activities on a cost-recovery basis.
IRP	Infrastructure Replacement Program.
LEAA	Law Enforcement Assistance Administration, a grant or agency.
LGIP	An investment mechanism authorized by the 91 st General Assembly, which enables all Tennessee municipalities, counties, school districts, utility districts or other local government units and political subdivisions to participate with the state in providing maximum opportunities for the investment of public funds.
Line Item Budget	A budget summarizing the detailed categories of expenditures for goods and services the City intends to purchase during the fiscal year.
LSSI	Library Systems & Services, LLC.
Major fund	Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item.

GLOSSARY OF TERMS

Moody's Investor Services, Inc.	A recognized bond-rating agency.
MSA Air Mask Objective	Mine Safety Appliance – used as a self-contained breathing apparatus.
MUNIES System	Municipal Impact Evaluation System.
Net Assets	Total assets minus the total liabilities of an organization.
Objective	A measurable statement of the actual results which a City activity expects to achieve in support of a stated goal.
OPEB	Other Post Employment Benefits
PAFR	Popular annual financial reporting – Supplementary financial reporting designed to meet the special needs of interested parties who are either unable or willing to use the more detailed financial information provided in traditional comprehensive annual financial reports.
Policy Agenda	The BMA's long-range goals for the City of Germantown.
Program Change	Alteration or enhancement of current services or the provision of new services.
Proprietary Fund	A distinct business entity, which is responsible for its liabilities and entitled to its profits.
Proposed Budget	The budget proposed by the city administrator to the BMA for adoption.
Purchase Order	A written legal document stating or confirming an offer to buy goods or services, which upon acceptance by a vendor becomes a contract. Its main function is to expedite and control buying by the City.
Reserves	An account used to indicate that a portion of a fund's balance is legally restricted from a specific purpose and is, therefore, not available for general appropriation.
Retained Earnings	An equity account reflecting the accumulated earnings of an enterprise or internal service fund.
Revenue	A term used to represent actual or expected income to a specific fund.
Risk Management	An organized attempt to protect a government's assets against accidental loss in the most economical methods.
RPAC	The Retirement Plan Administrator Commission is a citizen advisory committee made up of three citizens, the Mayor, the city administrator, the finance director, and one alderman.
SCAT	Shelby County Automatic Tracking. This is the system used in Shelby County to track an individual through Shelby County Criminal Justice Center, which includes all warrants and local driving registration information.

GLOSSARY OF TERMS

SCBA	Self-contained breathing apparatus is a piece of firefighting equipment critical to the personal safety of the City's Fire Department personnel.
Situs	The allocation formula of State shared revenue based on the population of each local municipality as a percent of the State population.
Standard & Poor's Corp.	A recognized bond-rating agency.
Tax Levy	The total amount of tax that optimally should be collected based on tax rates and assessed values of personal and real properties.
Tax Rate	The level at which taxes are levied. The City of Germantown's tax rate is \$1.93 per \$100 of assessed value for FY14.
TFIRS	Tennessee Fire Incident Reporting System.
TGFOA	Tennessee Government Finance Officers Association.
TML	Tennessee Municipal League - a voluntary, cooperative organization established by the cities and towns of the state for mutual assistance and improvement.
TML Risk Management Pool	Self-insurance pool formed in 1981 by the TML.
Transmittal Letter	A general discussion of the budget presented to the BMA by the City Administrator as a part of the budget document. The transmittal letter explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the city administrator.
TVA	Tennessee Valley Authority.
Un-encumbered	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.
Vision 2020	Strategic plan for the City of Germantown formulated by the citizens and approved by the Board of Mayor and Aldermen

CITY OF GERMANTOWN CITIZEN BOARDS AND COMMISSIONS

The most important ingredient in creating and maintaining a quality environment for the community is the people. The City of Germantown is very fortunate to have caring and concerned citizens whom volunteer their time to serve on boards and commissions.

There are 21 different groups of citizens who meet to discuss city business. They make suggestions to the Board of Mayor and Aldermen that shape the city's future and they make decisions that set standards and goals for the community. The volunteers put much time, talent and hard work into the task at hand. Their continued commitment is the reason for the quality of life that is uniquely Germantown.

- AUDIT COMMISSION
- BEAUTIFICATION COMMISSION
- BOARD OF ZONING APPEALS
- DESIGN REVIEW COMMISSION
- ECONOMIC DEVELOPMENT COMMISSION
- EDUCATION COMMISSION
- ENVIRONMENTAL COMMISSION
- FINANCIAL ADVISORY COMMISSION
- GERMANTOWN ATHLETIC CLUB ADVISORY COMMISSION
- GREAT HALL ADVISORY COMMISSION
- HISTORIC COMMISSION
- INDUSTRIAL DEVELOPMENT BOARD
- LIBRARY BOARD
- NEIGHBORHOOD PRESERVATION COMMISSION
- PARKS & RECREATION COMMISSION
- PERSONNEL ADVISORY COMMISSION
- PLANNING COMMISSION
- PUBLIC SAFETY EDUCATION COMMISSION
- RETIREMENT PLAN ADMINISTRATION COMMISSION
- OTHER POST EMPLOYMENT BENEFIT COMMISSION
- SENIOR CITIZENS ADVISORY COMMISSION

