

CITY OF GERMANTOWN

FISCAL YEAR 2018

BUDGET

July 1, 2017 – June 30, 2018



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Germantown

Tennessee

For the Fiscal Year Beginning

July 1, 2016

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, 2016.

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 FY18 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 FY18 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 FY18 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, 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 2018 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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May 2017

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

Presented for your consideration is the FY18 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 FY18 budget accomplishes these two directives and continues to ensure a financially sustainable future for the next generation of Germantown residents.

The FY18 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 FY18 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.

Of considerable note in the FY18 budget is the City's continued investment and support of public education in Germantown. Evidenced by the Board of Mayor and Aldermen's commitment to provide capital assets and funding for a new K-5 elementary school and associated road improvements to Forest Hill Irene Road totaling close to a \$33 million. Your Board, along with City staff, have a strong relationship with our partners at Germantown Municipal School District, allowing us to work together to deliver value and excellence in public education.

A handwritten signature in black ink, appearing to read "Mike Palazzolo".

Mike Palazzolo, Mayor



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May 2017

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

This letter transmits the Budget for the fiscal year beginning July 1, 2017. 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 2018 BUDGET

The FY18 budget is balanced and totals \$169.8 million for all funds with the City's general fund totaling \$51.6 million. This balanced budget is the result of ongoing departmental cost control, city-wide performance improvement and efficiency measures and a property tax adjustment of \$0.21 designed to address educational and other capital needs during the five-year financial planning period. 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.

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 Forward 2030 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 objectives identified in Germantown Forward 2030
- A fiscally balanced budget with no use of one-time revenues to fund ongoing city operations
- A budget based on customer ratings for importance and satisfaction with City services
- 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. The City's long-range strategic plan, Germantown Forward 2030, heavily influenced FY18 budget priorities.

Board of Mayor and Aldermen
Financial Advisory Commission
May 2017

With a focus on the priorities set forth in the bi-annually updated Germantown Forward 2030 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.

ISSUES AND PRIORITIES

As we manage the resources entrusted to us by our residents, we see positive signs of improvement to our five-year financial forecast, particularly in the area of state sales tax and local sales tax. However, our enthusiasm is curbed by the eventual loss in 2021 of the Hall income tax. And although the costs of delivering services are also growing, we will continue to look for ways to build in operating efficiencies. The proposed budget before you continues to provide core services and maintains the quality standards our residents have come to expect. This balanced and strategic approach results in a spending plan that adapts to the changing needs of our community without compromising our financial future.

Over the past several months, staff has worked closely and extensively with the City's Financial Advisory Commission (FAC) based upon the budget calendar established by the BMA. The FAC reviewed and discussed each of the City governmental funds including capital, enterprise, special revenue and general fund. After each presentation, a vote was taken to forward the budget for approval by the BMA. During the public hearing held the budget, the chairman of the FAC presented an overview and recommendation of the FY18 budget.

In addition to the work of the FAC, staff has provided the BMA with information briefings and work sessions regarding significant policy issues regarding CIP and the budget and capital needs for Germantown Municipal School District. The recommended budget includes appropriate funding to address these demands and service areas in a thoughtful and deliberate manner, without disrupting existing services or placing additional strain on the General Fund.

Each year, as part of the City's budget process, department heads engage with their employees to discuss trends, options and opportunities for addressing citizens' needs. Department heads align their individual Business Plans with the City's strategic plan and submit associated budget requests to achieve desired performance outcomes. The budget requests are responsible and overall the General Fund represents a 1% increase over the estimate for FY17.

Several of the most important points covered in the development of this year's proposed budget result from the recent reappraisal and the resulting adjustment to the City's property taxes, the construction of a new K-5 elementary school and the continued phase out of the Hall income tax.

The State of Tennessee requires the Shelby County Assessor to conduct a reappraisal every four years. The state's Truth in Taxation law requires that local governments adjust the tax rate to a new "certified tax rate" that brings in the same amount of property tax revenue from both residential and commercial property as before the reappraisal. On April 20, the Assessor provided the City with our certified tax roll for 2017 and since that time, our City Finance Director has worked closely with the Assessor's office to determine the new certified tax rate for the City of Germantown. The result is a "roll back" from the current \$1.93 per \$100 of assessed value to \$1.76 per \$100 in the proposed FY18 budget. On May 17, 2017, the state Board of Equalization also approved the calculation of the certified tax rate.

However, the need for a new K-5 elementary school and associated Forest Hill Irene Road improvements coupled with a significant reduction in state shared revenues (the Hall income tax) necessitates the consideration of property tax increase of \$0.21 for a new effective property tax rate of \$1.97. It is anticipated that this new tax rate will last during the five-year planning period and will assist in maintaining fund balance levels. The new K-5 elementary school including land, site work, construction and equipment has a budget of \$27,000,000. Safety improvements to Forest Hill Irene Road have a construction budget of \$5.8 million. A general obligation bond in the amount of \$34 million will be issued in FY18 to address this capital plan.

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 23-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 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 postcard 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 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 each time the City enters the bond market to issue debt. Germantown is one of only 103 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 renewed the City's AAA rating prior to a bond sale in February 2016.

The City conducts an annual audit at the conclusion of each fiscal year. Records for every fund are audited by an independent audit 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 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 eight years. A copy of the PAFR is available online at Germantown-TN.gov.

SHORT TERM FACTORS

The City's main objective is to provide a balanced budget that insures financial health and stability of the City while preserving current service levels for its citizens.

- *Economic Outlook.* The City's overall economic outlook in the near future is positive. Over the past several years, we witnessed positive growth in sales and occupancy tax as well as an increase in the overall assessed value of the commercial tax base. This, coupled with a low vacancy rate in the retail and office market, supports this positive trend.
- *Current Reserves.* The City plans to spend reserves for capital improvement projects. FY19's reserve spending is projected to be \$4.75 million with most of the cost attributed to four projects: GPAC Grove, Mimosa Drainage, Central Business Streetscape and Park's Master Plan.
- *State Revenue Sharing.* Pending legislation is looked at during the budget process for its impact on the City's budget. Fiscal Year 2017 was the first year of a state-planned five-year phase out of the state shared revenue known as the Hall income tax. Eight cents of the \$0.21 property tax increase will be used to compensate for this loss of revenue.
- *Employee benefits.* There is a net effect of a 3% increase in the FY18 Budget for all full time employees.
- *Wage adjustments.* The FY18 Budget includes a market adjustment of several positions based on results from a class and compensation study performed for the City during FY17.
- *Retail.* A proposed mixed-use lifestyle center is planned in FY18, which will include office and retail space, a full service hotel, apartments and condominiums. Planned development of the hotel and restaurants should begin in 2017/2018.

STRATEGIC PLANNING

The complexity of the problems facing local governments and communities across the country requires active and ongoing citizen engagement in long-range planning to guide public policy and service delivery. It was against this backdrop that the strategic plan, now known as Germantown Forward 2030, emerged. The decision by the Board of Mayor and Aldermen to pursue the development of a strategic plan aimed at 2030, gave Germantown residents an opportunity to truly consider their future desires for the City and to plan proactive steps to move there.

The year-long planning process engaged residents in a dialogue about challenges and opportunities, community values and ensuring a sustainable future for the City. The process also provided an opportunity for the wisdom and expertise of Germantown residents to devise innovative solutions to address the economic, environmental and social issues faced today and anticipated to emerge in the future.

In an effort to make the strategic planning process a truly grass roots effort, one of the first actions by the Board of Mayor and Aldermen was to hand over the keys to the 30-member steering committee, charging them with the development of the plan to ensure community ownership. Steering committee members represented all aspects of the community in regard to age, race, gender and neighborhood. The process was facilitated by City staff to provide support and guidance and ensure completion of the plan.

Members of the steering committee plunged headfirst into an intensive situational analysis, including the systematic collection and evaluation of data relevant material related to the City's current environmental and future trends. The group enjoyed unlimited access to executives and materials. In other words, the committee spent several months learning what makes our City and the greater community "tick," and understanding what's around the corner that may impact us. This analysis included:

- An environmental scan including analysis of key indicators
- Workforce planning analysis
- Legal, ethical and reputational risk assessment
- Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis
- Review and discussion about the City's competitive position, customer requirements and industry trends
- Identification of key communities
- Review of community survey results

With a treasure trove of knowledge, the committee then spent a period of three months putting pen to paper and collectively developed the Germantown Forward 2030 vision statement. This statement is based on a comprehensive understanding of the current affairs of our community and the challenges and opportunities that lie ahead.

The steering committee's early writing efforts focused on the following questions:

- What must happen to ensure Germantown's sustainability in 2030?
- What words do you want your children and grandchildren to use to describe Germantown?
- What are the common values shared across the community?
- What is unique about Germantown?

The vision statement developed by the steering committee is an expression of possibility, the ideal state that the community hopes to achieve. The focus of the steering committee in writing the vision statement was to ensure the entire community embraces it. The vision provides the basis defined by a series of value-based principles, from which the steering committee established the key performance areas.

The key performance areas (KPAs) that emerged from the visioning process formed the foundation for the task forces' strategy development work that followed. Nine task forces were comprised of steering committee members, appropriate City staff and residents tapped for their expertise or interest in one of the KPAs. Individual task forces used the following steps to develop the strategic objectives, action plans and key performance indicators that guide the implementation of the strategic plan.

- Each task force developed a Description of Success for the KPA. The Description of Success defines KPA success in reference to the vision statement. Task force members asked the question, "What should the performance area look like if the vision is achieved?" and "What community assets exist to help reach this description?"

- Once the Description of Success was defined, the task force used this description to identify indicators and targets to monitor progress.
- Each task force developed a Description of the Current Reality focusing on challenges that may threaten achievement of the description of success. Identification of these challenges provided a starting point for action plan development.
- Finally, each task force generated ideas and initiatives, in the form of strategic objectives and action plans, designed to move the community from current reality toward success. Action plans were sorted into short-, medium- and long-term priorities and performance indicators were developed for each objective.

The strategic objectives and action plans that emerged effectively identify what must be accomplished to achieve the vision set forth in Germantown Forward 2030. These objectives will be deployed through the allocation of intellectual and human capital and financial resources. Progress will be measured using a performance management program designed to provide accountability and transparency. Each strategic objective is contained in the appropriate departmental business plan and progress is reported on a quarterly basis. The actual strategic objectives, action plans, time lines and key performance indicators are located immediately following this transmittal letter.

REVENUE PROJECTIONS

Concurrent with the adoption of the budget, the Board of Mayor and Aldermen adopts a property tax rate. The budget for FY18 has a property tax rate of \$1.97. Property taxes generated in Germantown comprise about 60% of overall General Fund operating revenues.

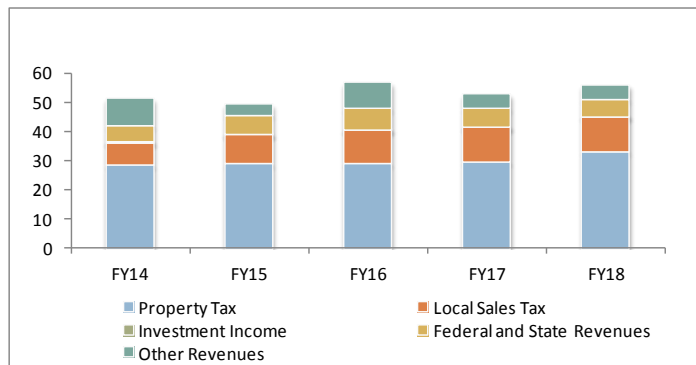
Germantown currently has multiple mixed-use projects under construction in FY18 representing over \$400 million in private investment. These projects will result in an additional 110,000 square feet in retail shops, restaurants, hotel rooms, class-A office space and multifamily units. In addition, 180 new single family homes, with a total value of more than \$25 million, are being developed with many already under construction. These new Germantown properties will be assessed beginning in FY18.

GENERAL FUND

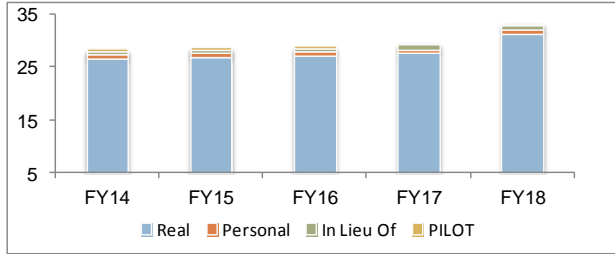
REVENUES:

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. FY18 general fund revenues increased by 6.0% over FY17 estimate. The property tax rate of \$1.97 per \$100 assessed value, compared to \$1.93 in FY17, accounts for the increase in property taxes shown in the graph.

\$ MILLIONS



\$ MILLIONS



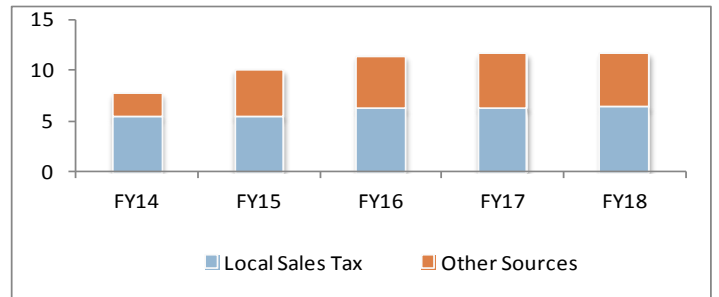
PROPERTY TAXES

The property tax rate for the City of Germantown is \$1.97 per \$100 of assessed valuation. In the FY18 budget, real, personal, in-lieu-of-property taxes and PILOT are projected to generate approximately \$33.1 million, 59% of the total revenue budget for the City.

LOCAL SALES TAXES

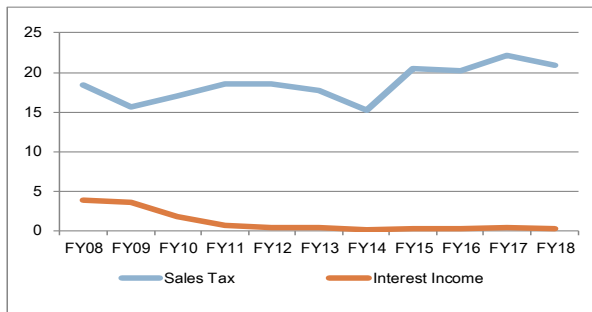
Local sales tax collections contribute 21% of the total revenue for the operations of the City. This category includes the local sales tax, the wholesale beer tax, the wholesale liquor tax, gross receipts business taxes and hotel/motel occupancy tax. FY15's sales tax includes a 0.005 increase that was approved by referendum in FY12. The FY18 Budget anticipates \$11.7 million in local sales tax revenue.

\$ MILLIONS



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

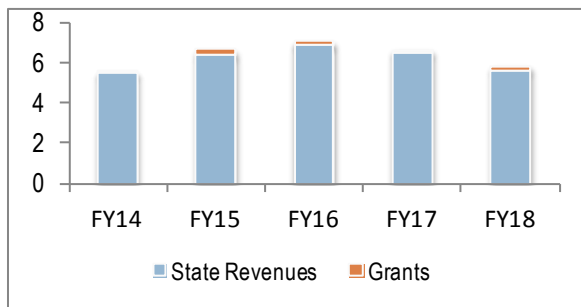
PERCENT



INTEREST INCOME

Interest on the City's investments contributes less than 1% of total revenues for the City of Germantown. The FY18 Budget projects income from investments at \$139,200. 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.

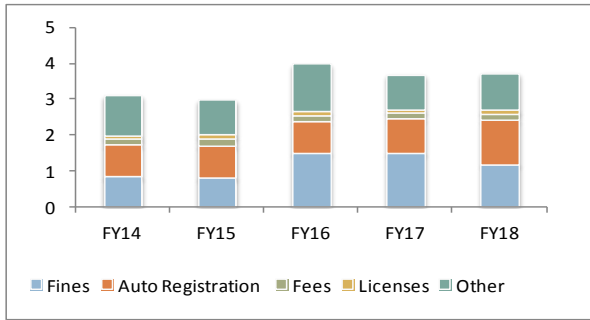
\$ MILLIONS



STATE REVENUES AND GRANTS

State shared revenues and state and federal grants make up 11% 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 \$6 million in FY18. 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

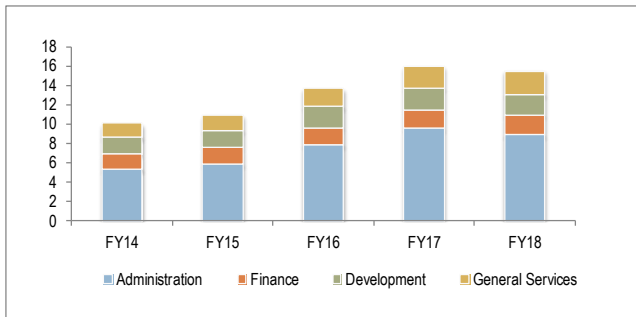
Other local revenue sources generate approximately 8% of the overall revenue for the City. This category includes automobile registration fees, local cable franchise fees, city court fees and an assortment of other smaller fees collected by municipalities. Licenses and fees are a fairly stable source of revenue for the City. Revenues are budgeted at \$4.8 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 2018 and an overview of the Financial Policies as adopted by the Board of Mayor and Aldermen are provided following this section.)

\$ MILLIONS



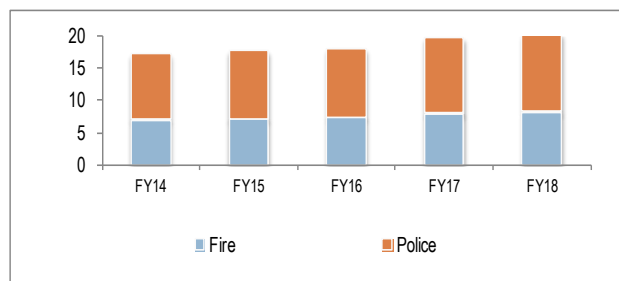
GENERAL GOVERNMENT EXPENDITURES

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. FY18 expenditures for these functions decreased by \$434,500 or 3% from the FY17 estimate. The reason for this decrease can be attributed to a reduction in one-time expenses in Civic Support, Human Resource and Alderman.

PUBLIC SAFETY EXPENDITURES

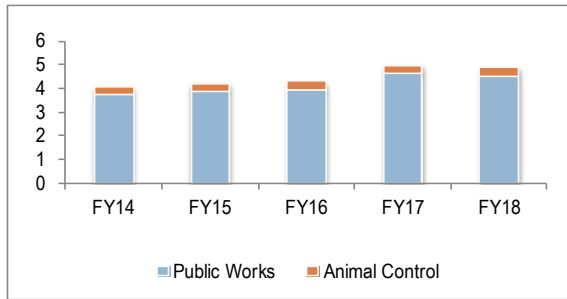
Total expenditures for Police and Fire Departments increased by \$664,100 or 3% from the FY17 estimate. FY18 shows an increase over FY17 estimate due to a full year’s salary for an additional dispatcher and infrastructure for vehicles.

\$ MILLIONS



**TRANSPORTATION AND ENVIRONMENT
 EXPENDITURES**

\$ MILLIONS

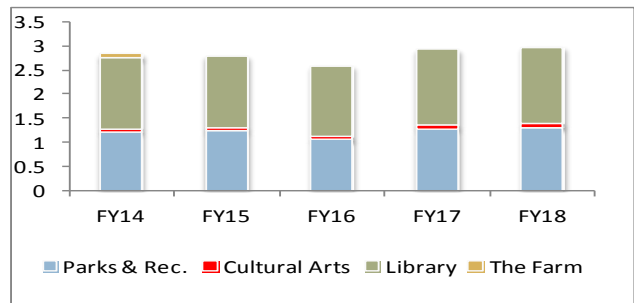


The category includes the Department of Public Services and Animal Control. Total FY18 expenditures for this category decreased by \$97,100 or 2% from the FY17 estimate. FY18 expenses are less than FY17 estimate due to less infrastructure replacements for equipment.

COMMUNITY SERVICES EXPENDITURES

Department, Library Services, and Cultural Arts. The FY18 expenditures increased by \$49,200 or 2% over the FY17 estimate.

\$ MILLIONS



SUMMARY OF FY18 APPROVED EXPENDITURE HIGHLIGHTS

TOTAL BUDGET - GENERAL FUND

(in thousands)

	Original Budget FY17	Estimated FY17	Budget FY18	Variance - Est. FY17 Budget FY18	% Variance Estimated FY17	% Variance Budget FY18
Operating Budget*	50,211	51,150	51,658	508	1.0%	1.0%
Capital	-	-	-	-	0.0%	0.0%
Total	50,211	51,150	51,658	508	1.0%	1.0%

TOTAL BUDGET - ALL FUNDS

(in thousands)

	Original Budget FY17	Estimated FY17	Budget FY18	Variance - Est. FY17 Budget FY18	% Variance Estimated FY17	% Variance Budget FY18
Operating Budget*	124,959	124,247	129,846	5,599	4.5%	4.3%
Capital	12,180	8,754	39,944	31,190	356.3%	78.1%
Total	137,139	133,001	169,790	36,789	27.7%	21.7%

BY PROGRAM:	Increase (in thousands)	Percent of Total	Percent Inc. to Estimate
Community Services	\$ 49	0.1%	1.7%
General Debt Service	1,029	2.8%	26.7%
General Government	(434)	-1.2%	-2.7%
Transportation & Environment	(97)	-0.3%	-2.0%
Athletic Club	(574)	-1.6%	-9.8%
Great Hall	119	0.3%	31.4%
Contingencies	-	0.0%	0.0%
Other Programs	33,926	92.4%	51.9%
Public Safety	664	1.8%	3.4%
Sanitation	(11)	0.0%	-0.2%
Stormwater	91	0.2%	9.0%
Utilities	2,027	5.5%	25.3%
TOTAL	\$ 36,789	100.0%	27.7%

BY CATEGORY:			
Personnel	\$ 4,507	12.3%	6.1%
Debt Service	982	2.7%	24.8%
Contingencies	-	0.0%	0.0%
Communications	(12)	0.0%	-1.3%
Rents	70	0.2%	13.6%
Contract Services	(15)	0.0%	-0.2%
Professional Fees	271	0.7%	3.3%
Supplies	400	1.1%	7.9%
Capital Outlay	(1,343)	-3.7%	-16.9%
All Other Categories	31,928	86.7%	125.8%
TOTAL	\$ 36,789	100.0%	27.7%

* 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, 2016 totaled \$31.9 million. The underlying purpose and rationale for these reserves are described in the Financial Policies contained in this section of the document.

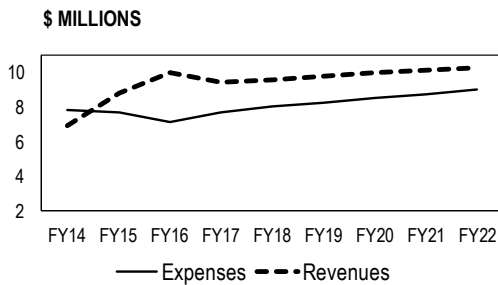
Following a review of the Financial Policies with the Financial Advisory Commission and the Board of Mayor and Aldermen, the Financial Policies were updated as detailed in this section of the Budget.

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.

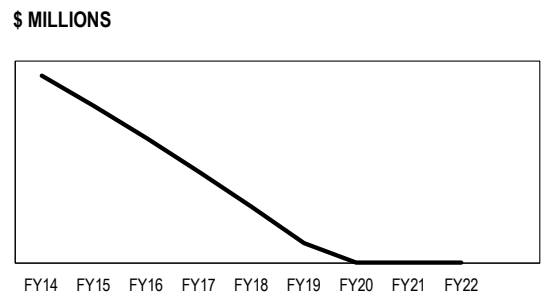
**UTILITY FUND
 REVENUES OVER EXPENSES**



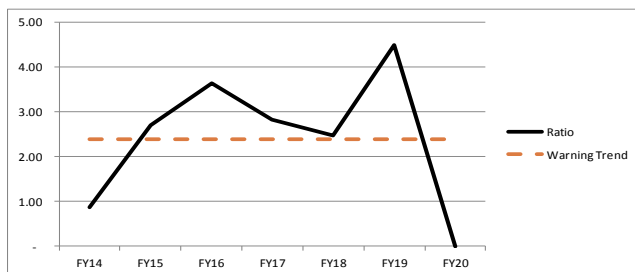
The chart on the left graphically illustrates the revenue and expenditure trends over a 9-year planning period. Utility revenues and expenses reflect the fluctuation common to a Utility Fund.

Outstanding Utility Debt of \$1.7 million at the start of FY18 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 coverage graph shows the ratio of net operating revenues to debt services. The number of times net operating revenues covers long term debt. A debt service coverage ratio of 1.0 means that the system has exactly enough money from operating revenues to pay off its annual debt service once it has paid all of its operating expenses. FY19, is the last year of debt service payments for the fund.

Although the major rating agencies consider 2.4 an appropriate debt coverage ratio for a AAA rated city, 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.

FY18 CAPITAL BUDGET

The FY18 Capital Budget totals \$39,943,911. There is a \$2 million transfer to capital projects from the General Fund in FY18. Those projects incorporated in the CIP are consistent with the Board of Mayor and Aldermen's Policy Agenda and funding priorities.

The FY18 CIP demonstrates a significant level of spending due mainly to the funding for a new K-5 school, several road and drainage and parks 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.

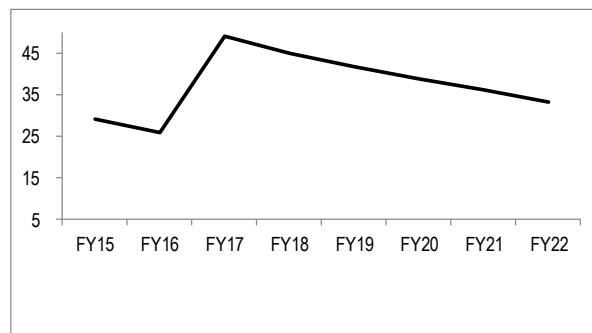
DEBT ANALYSIS

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. In FY16, \$10.2 of G.O. debt was issued for school construction and \$7.9 million in G.O. debt and refunding bonds were issued. The five year planning period includes a \$32.8 million G.O. bond for a new school and road improvement in FY18.

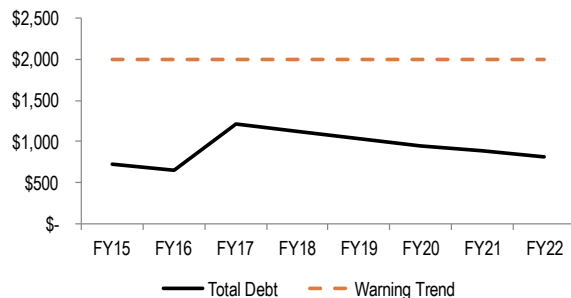
OUTSTANDING G.O. DEBT

\$ 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 FY18 with continued reinvestment back into the facility; increased competition and an aging facility have resulted in a strong focus on membership retention as well as a need to update both facility and programming. Streamlining programs and membership fees, enhancing marketing and communications, along with a "back to basics" approach of services have resulted in several continuous years of positive growth and revenue.

GREAT HALL FUND

The Great Hall & Conference Center focuses on providing 8,600 square feet of rental facility space ideal to accommodate meetings, weddings and receptions. The Great Hall handles both large and intimate events. The 160' by 54' main space can be reconfigured into as many as five meeting spaces and the Conference Center seats up to 84 in tiered theatre seating, which features expansive table space for participants.

SANITATION FUND

The FY18 Budget for the Sanitation Fund reflects the costs of the second year of a five year collection contract with an option to renew an additional five years with Waste Pro and landfill disposal, BFI Waste Systems and Quad County Environmental Solutions. The revenue side includes a rate increase that was implemented in FY17 for solid waste collection and disposal. The contract includes weekly collection of household trash with a choice of backdoor or curbside collection, weekly recyclables collection and weekly 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 FY18 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 FY18 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

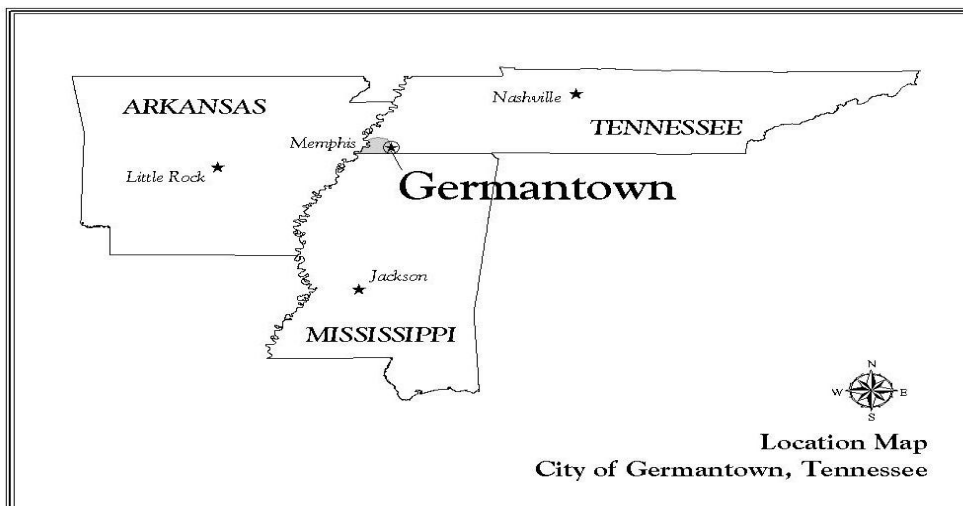
In 1960, the City had 1,101 residents. In the 1970s, Germantown began to grow rapidly and by 1980 the population had grown to 20,459. Today, the City's population is 40,123 per 2012 Special Census. The City is primarily residential in character, but continues to expand in commercial businesses and professional 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	66%
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	14,910
Asian	5.2%	Median household income	154,355
Hispanic or Latino	1.9%	Median value of owner-occupied housing units (38138)	282,160
Other	1.2%	Median value of owner-occupied housing units (38139)	401,816
		Per capita money income	54,229
		Average family size	2.7

Unless otherwise indicated, statistics are from 2010 Federal Census.

*Per 2012 certified Special Census



GENERAL INFORMATION AND STATISTICAL DATA

2016 PRINCIPLE PROPERTY TAXPAYERS

Taxpayer	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
The Village at Germantown Inc.	\$ 16,848,760	1	1.20%
HCP Germantown LLC	9,664,320	2	0.69%
V A Germantown LLC	8,310,400	3	0.59%
Germantown Village Square Joint Venture	6,807,400	4	0.48%
Vineyards Apartments, Inc.	6,664,520	5	0.47%
Taylor Sentor Crook, et al	6,116,640	6	0.43%
Shops at Saddle Creek Inc.	6,093,040	7	0.43%
SWC Poplar FHI Partners LLC	4,860,080	8	0.34%
HRT of Tennessee	4,812,520	9	0.34%
Baptist Memorial Healthcare Corporation	4,634,520	10	0.33%
Totals	\$ 74,812,200		5.30%

2016 PRINCIPAL EMPLOYERS

Employer	Employees	Rank	Percentage of Total County Employment
Methodist Le Bonheur Hospital - Germantown	1,960	1	0.39%
Germantown Municipal School District	505	2	0.10%
City of Germantown	394	3	0.08%
Stern Cardiovascular	356	4	0.07%
Campbell Clinic	350	5	0.07%
Kroger	332	6	0.07%
Villages of Germantown	330	7	0.07%
ThyssenKrupp Elevator Manufacturing, Inc.	291	8	0.06%
Orgill, Inc.	284	9	0.06%
Baptist Rehabilitation - Germantown	129	10	0.03%

GENERAL INFORMATION AND STATISTICAL DATA

AMENITIES

A total of 29 parks allow for a park within walking distance of every residence. The community has more than 700 acres of parkland. More than 13 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 Center (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 26 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.

Around 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	215
Number of Street Lights	5,099

Fire Protection:

Number of Stations	4
Number of Regular Firefighters:	
Fire and Ambulance	86
Number of Volunteer Firefighters	20
Insurance Service Office Rating	Class I

Police Protection:

Number of Regular Police Officers	99
Number of Reserve Police Officers	30

Recreation and Culture:

Number of Parks	29
Acreage	748
Number of Libraries	2
	(Germantown Community Library and Genealogy Center)
Volumes	139,545

Education (1) :

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

Water System:

Number of Consumers	13,638
Miles of Water Main	220
Well Capacity	22.43 million gallons per day
Treatment Plant Capacity	24 million gallons per day
Storage Capacity	7.800 million gallons
Average Daily Consumption	7.530 million gallons
Peak Day Pumpage	13.580 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	15,382
Miles of Sewer Main	250
Treatment	Provided by City of Memphis
Residential Rate in Force	\$5.07 for first 2,000 gallons (minimum) \$0.90 per for third additional 1,000 gallons \$1.99 per additional 1,000 gallons up to 20,000 gallons \$0.78 per 1,000 gallons (\$5.07 minimum and \$40.58 maximum)

CONTACT INFORMATION

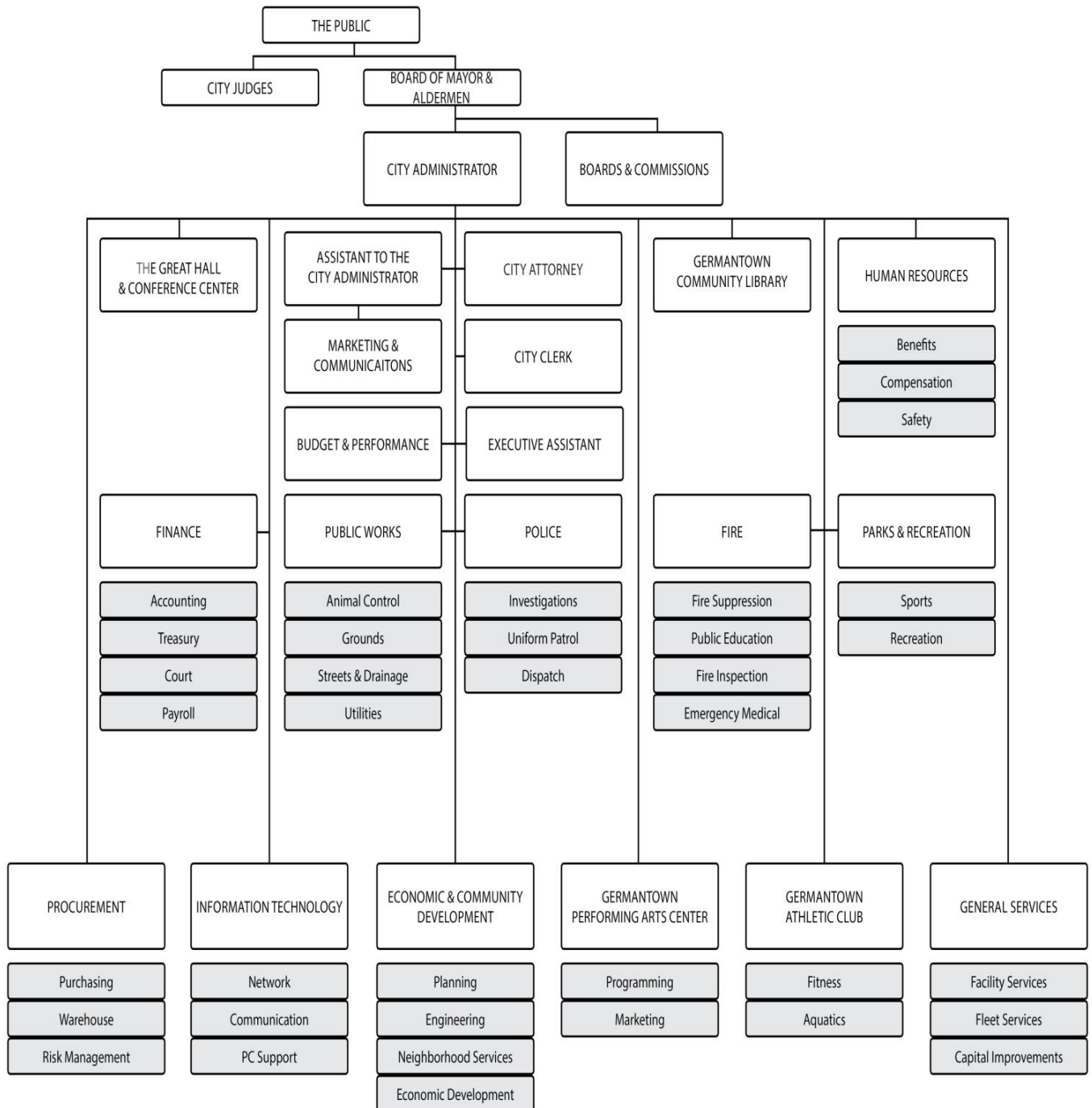
For further information, please contact:

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

Mary Anne Gibson (Vice Mayor – 2018*)

Forrest Owens (2020*)



Dean Massey (2020*)



Rocky Janda (2020*)



John M. Barzizza (2018*)



CITY ADMINISTRATOR

Patrick J. Lawton

CITY ATTORNEY

David Harris

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.....	Paul Turner
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

Sr. Budget and Performance Analyst.....	Sherry Rowell
Sr. Budget and Performance Analyst	Adrienne Royals
Budget and Performance Analyst.....	De’Kisha Fondon
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. 2017 - 1

AN ORDINANCE TO ADOPT THE 2017- 2018 BUDGET

WHEREAS, the City of Germantown desires to ordain its budget for the fiscal year July 1, 2017 through June 30, 2018; 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, 2017 through June 30, 2018, 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/ExpendituresA. Total Revenues and Available Funds

General Fund Revenues		\$56,186,707
Special Revenue Funds Revenues		58,013,140
Intergovernmental Revenues		6,750,811
Utility Fund Revenues		9,567,000
Germantown Athletic Club Fund Revenues		4,535,507
Great Hall Fund Revenues		482,546
Sanitation Fund Revenues		5,002,600
Stormwater Management Fund Revenues		1,051,175

Decreases (Increases) in Fund Balances:

General Fund		(4,528,301)
Special Revenue Funds		27,399,507
Capital Projects Funds		4,090,600
Utility Fund		471,806
Internal Service Funds		-
Germantown Athletic Club Fund		739,798
Great Hall Fund		14,760
Sanitation Fund		(41,011)
Stormwater Management Fund		53,278
TOTAL		<u>\$169,789,923</u>

B: Expenditures

General Fund		\$51,658,406
Special Revenue Funds		85,412,647
Capital Projects Funds		10,841,411
Utility Fund		10,038,806
Internal Service Funds		-
Germantown Athletic Club Fund		5,275,305
Great Hall Fund		497,306
Sanitation Fund		4,961,589
Stormwater Management Fund		1,104,453
TOTAL		<u>\$169,789,923</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, 2017, the public welfare requiring it.

First Reading: May 22, 2017

Second Reading: June 12, 2017

Third Reading: June 26, 2017



Mike Palazzolo, Mayor



Michele Betty, City Clerk/Recorder

STRATEGIC OBJECTIVES

In January 2015 the Germantown Board of Mayor and Aldermen approved a process for the development of a long-range strategic plan to guide the growth and development of the community for the next 15 years. The year-long planning process focused on understanding and influencing the future, rather than simply preparing for or adapting to it, by aligning resources to bridge the gap between our present condition and the desired future. The strategic planning process began with the appointment of a 30-member steering committee. These citizens led the development of the Germantown Forward 2030 vision statement. A larger group of citizens assigned to specific task forces worked to develop specific goals and action plans to translate the vision into reality.

The vision statement developed by the steering committee is an expression of possibility, the ideal state that the community hopes to achieve. The focus of the steering committee in writing the vision statement was to ensure it is embraced by the entire community. The vision provides the basis, defined by a series of value based principles, from which the steering committee established the key performance areas.

The key performance areas that emerged from the visioning process formed the foundation for the task forces' strategy development work that followed. Nine task forces were comprised of steering committee members, appropriate City staff, and residents tapped for their expertise or interest in one of the key performance areas (KPA). Individual task forces used the following steps to develop the strategic objectives, actions plans and key performance indicators that guide the implementation of the strategic plan.

1. Each task force developed a description of success (DoS) for the KPA. The description of success defines KPA success in reference to the vision statement. Task force members asked the question, "What should the performance area look like if the vision is achieved?" and "What community assets exist to help reach this description?"
2. Once the description of success was defined, the task force used this description to identify indicators and targets to monitor progress.
3. Each task force developed a Description of the Current Reality focusing on challenges that may threaten achievement of the description of success. Identification of these challenges provided a starting point for action plan development.
4. Finally, the task force generated ideas and initiatives, in the form of strategic objectives and action plans, designed to move the community from current reality toward success. Action plans were sorted into short-, medium- and long-term priorities and performance indicators were developed for each objective.

The strategic objectives and the action plans that emerged effectively identify what must be accomplished to achieve the vision set forth in Germantown Forward 2030. These objectives will be deployed through the allocation of intellectual and human capital and financial resources. Progress will be measured using a performance management program designed to provide accountability and transparency.

GERMANTOWN FORWARD 2030

VISION:

Germantown is a vibrant modern community, the community of choice, offering outstanding quality of life for all generations. The government is fiscally sound and provides top quality public safety and services responsive to community requirements. Engaged residents honor the past, treasure the present and responsibly shape Germantown's future.

THE COMMUNITY VALUES:

Excellence in education
Innovation, creativity and continuous improvement
Lifestyle opportunities as part of the fabric of everyday life
Natural and designed beauty and smart community growth
Community strength, health and sustainability
Culture of excellence and kindness
Local and regional partnerships

STRATEGIC OBJECTIVES

KPA	STRATEGIC OBJECTIVE	ACTION PLAN	KEY PERFORMANCE	
			TIMELINE	INDICATOR
City Services and Finance	All funds are self-sustaining.	Reduce dependency of Special Revenue Funds on the General Fund. Reduce dependency of Enterprise Funds on the General Fund.	1 to 2 years	<ul style="list-style-type: none"> ● General Fund transfers to Special Revenue Funds ● General Fund transfers to Enterprise Funds
	Asset renewal is fully funded and takes place as scheduled.	Update IRP policy, establish prioritization criteria. Develop process to measure variance between IRP and actual replacement. Increase asset replacement to meet schedule.	1 to 2 years	Fully funded asset renewal
	Net financial liabilities are fully funded.	Reinforce adopted financial policies and monitor market performance.	1 to 10 years	Fully funded annual pension liability
	The City provides high-quality services.	Provide timely response to customer needs. Understand customer requirements and integrate within the performance management system.	1 to 2 years	● Satisfaction with City services
	The City provides community services that are responsive to customer needs.	Align departmental business plans with strategic plan. Develop and implement a process to update the plan.	1 to 2 years	● Net Promoter Score
	City Services are used effectively in high-priority areas.	Percent of total City resources for low-valued services should not exceed 20%.	1 to 2 years	<ul style="list-style-type: none"> ● Satisfaction with the focus on priorities ● Funding of low-valued services
Economic Development	Economic development practices support economic sustainability.	Develop Germantown as a regional destination. Grow and retain employment opportunities by executing industry sector and cluster strategies aimed at growing the Life Sciences and Health Care sectors.	1 to 2 years	<ul style="list-style-type: none"> ● Ratio of elastic tax revenue to total revenue ● Unemployment rate ● Business growth rate ● Cost of living index
	Economic development policies encourage investment in key commercial areas.	Complete all identified small area plans and adopt related land use changes. Redevelop municipal center into a mixed-use development and city center.	1 to 2 years 2 to 5 years	<ul style="list-style-type: none"> ● Commercial tax base revenue ● Value of new construction in key commercial areas ● Job growth ● Median residential property value and home price
Education	Germantown has a reputation for lifelong learning and continuous education that meets the needs of all residents.	Conduct a survey of local offerings and prepare a plan to fill identified gaps. Improve availability and awareness of adult and children's education opportunities in Germantown. Establish a forum for education leaders to share, coordinate and cooperate. Support campus safety and the health and welfare of students and teachers.	1 to 2 years	<ul style="list-style-type: none"> ● Participation in adult lifelong learning and continuing education ● Degree that adult lifelong learning and continuing education needs are met ● Books from Birth enrollment
	Germantown Municipal School District is the top-performing school district in Shelby County and ranks among the top five statewide.	The City responsibly provides financial support for GMSD's facilities plan. GMSD benefits from the City's borrowing and purchasing power. Support campus safety and the health and welfare of students and teachers. City departments collaborate with GMSD to support student achievement.	1 to 2 years	<ul style="list-style-type: none"> ● Satisfaction with GMSD operations ● GMSD ACT scores ● GMSD Graduation rate ● GMSD College readiness
Land Use and Transportation	Significantly improve walkability in Germantown's CBD	Implement streetscape design standards in the CBD to enhance walkability. Fully implement the City's Greenway and Pedestrian/Bicycle Master Plans.	1 to 2 years 2 to 5 years	● Central Business District Walk Score
	Germantown is regionally recognized as a leader for improved access and mobility for all forms of transportation.	Develop a baseline for level of service on Germantown Rd. and Poplar Ave. Develop and adopt a Complete Streets policy. Update the major road plan and establish priorities for transportation efficiency. Improve the Level of Service on Poplar Ave. and Germantown Rd.	1 to 2 years	<ul style="list-style-type: none"> ● Ratio of proposed to actual bike routes and greenway ● Satisfaction with traffic flow ● Level of Service for Germantown Road ● Level of Service for Poplar Avenue
		Assessed property value in smart growth areas increases annually.	Proactively promote smart growth development opportunities in identified. Economic Development strategic nodes.	1 to 2 years
	The City experiences positive trends in assessed value of residential areas.	Activate the Neighborhood Planning Initiative. Incentivize and support rehabilitation of existing single family homes and lots. Promote alternative models of single family housing types. Establish a support program for the maintenance of older homes.	1 to 2 years 2 to 5 years	<ul style="list-style-type: none"> ● Assessed value of residential property ● Ratio of multi-family to single-family homes

STRATEGIC OBJECTIVES

KPA	STRATEGIC OBJECTIVE	ACTION PLAN	TIMELINE	KEY PERFORMANCE INDICATOR
Natural Resources	Policies and practices advance sustainable practices in natural resource management.	Create a Natural Resource Division. Create a comprehensive database of all natural resources. Provide public awareness for understanding of the plan. Improve access to nature and increase public awareness. Develop and implement a long-term funding strategy to progress plan. Practice and promote innovative energy conservation measures. Implement a long-term funding strategy to support sustained tree canopy.	1 to 2 years 2 to 5 years 5 to 10 years	<ul style="list-style-type: none"> ● City's carbon footprint ● Air quality index
	Ecosystem integrity and habitat biodiversity exist on public lands.	Ensure well-stocked fishing lakes and ponds. Develop and implement a streamside buffer ordinance. Increase use of drought-tolerant, low-maintenance native plants. Eradicate invasive plants on all public property. Increase designated arboretums on public lands. Create designated, protected wildlife corridors. Increase tree planting programs. Increase planting of vegetation and habitat restoration to attract desired wildlife, pollinators, birds and butterflies.	1 to 2 years 2 to 5 years	<ul style="list-style-type: none"> Tree canopy coverage ratio City's non-invasive plant inventory ● Designated arboretum
	Enhanced protection and conservation of water resources are priorities.	Monitor USGS and Groundwater Institute reports. Invest in water availability redundancy. Protect wetlands and surface water. Maintain a national pollutant discharge eliminations system. Invest in infrastructure through a comprehensive IRP plan. Implement eco-friendly irrigation systems and retrofits. Evaluate long-term non-ground water irrigation options.	1 to 2 years	<ul style="list-style-type: none"> ● Total coliforms in stormwater ● Turbidity ● Total dissolved solids ● Water hardness ● Rate of change in aquifer level
Public Safety	Germantown is the safest city in Tennessee.	High-visibility patrols and proactive enforcement. Evaluate emergency response to ensure safe, efficient and effective arrival. Recruit, hire and retain quality employees. Maintain, improve and acquire innovative technology. Develop and strengthen community outreach programs. Assess infrastructure and capital needs for potential CIP projects.	1 to 2 years	<ul style="list-style-type: none"> ● State crime rate index ● Satisfaction with police services ● Satisfaction with safety while walking alone ● Satisfaction with safety compared to other cities ● Satisfaction with fire department services
	Fire protection services result in low property loss and no fire deaths.	Assure response times meet National Fire Protection Association standards. Ensure adequate staffing levels to meet community needs. Recruit, hire and retain quality employees. Assure safe commercial buildings through Fire Code enforcement. Assure adequate fire station placement and coverage. Assess infrastructure and capital needs for potential CIP projects.	1 to 2 years	<ul style="list-style-type: none"> Ratio of total estimated value of fire loss to total appraised value of residential property Ratio of total estimated value of fire loss to total appraised value of commercial property
	Germantown has the highest survivability rate in Tennessee related to Emergency Medical Services.	Increase community education and outreach. Ensure all personnel are fully qualified and trained. Assure ambulance response times meet or exceed national standards. Invest in equipment and lifesaving technology.	1 to 2 years	Cardiac arrest survival rate
Quality of Life	Exceptional gathering places encourage engagement among residents and visitors.	Develop a branding and marketing campaign for the City. Design and implement a Central Business District streetscape plan. Create policies and guidelines to develop, manage and promote placemaking.	1 to 2 years 2 to 5 years	<ul style="list-style-type: none"> Satisfaction with CBD contribution to quality of life ● Satisfaction with top five City functions ● Satisfaction with Germantown as a place to live

- Meets or exceeds target
- Approaching target
- Not meeting target

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 Germantown Forward 2030 Strategic Plan, 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.

In addition, the City also conducts an annual citizen survey. The survey asks respondents to rate the importance respondents assign to a set of City Services and then provide the level of satisfaction they have with how they perceive the City is performing those services. A Gap Analysis is conducted comparing how often each City Service is given a high satisfaction rating vs. how often the City Service is given a high importance rating. The difference or “gap” between satisfaction and importance ratings, in other words, customer needs and perceived performance allows the identification of areas of improvement and the construction of an improvement opportunity grid or priority chart. A priority chart graphically displays the City Functions in terms of satisfaction and importance scores and helps set priorities for future initiatives to improve resident satisfaction. The chart shows the value placed on each City Function from the survey respondent perspective and shows the importance value along the horizontal axis and the satisfaction value along the vertical axis. City Functions then fall into one of four quadrants based upon whether the value is above or below the average importance or average satisfaction rating. For example, with regards to importance values, City Functions on the right-hand side of the grid (above the average importance score of 80 percent) reflect values that are above average as far as importance ratings. With regards to satisfaction scores, City Functions on the top half of the grid (above the average satisfaction scores of 83 percent) reflect values that are above average as far as satisfaction ratings. From right to left counter clock wise, the priority chart shows the following results:

Primary Strengths: These City Functions are above average in both satisfaction and importance levels. This indicates that the City is doing well in delivering these services and functions, and is placing the right level of effort and priority on them. These City Functions should be targets for continuous improvement. According to survey results in 2017, the following City Functions meet customer needs and satisfaction: **Police Services, Fire Services, Ambulance and Emergency Medical Services, Street Maintenance, Recycling and Garbage Collection, Managing Traffic Flow, Emergency Preparedness.** Of these, all but the latter were also areas of strengths identified in 2016. It appears that the City is making a good effort in managing recycling and garbage collection since this was identified as a priority in 2016 and now shows as a primary strength.

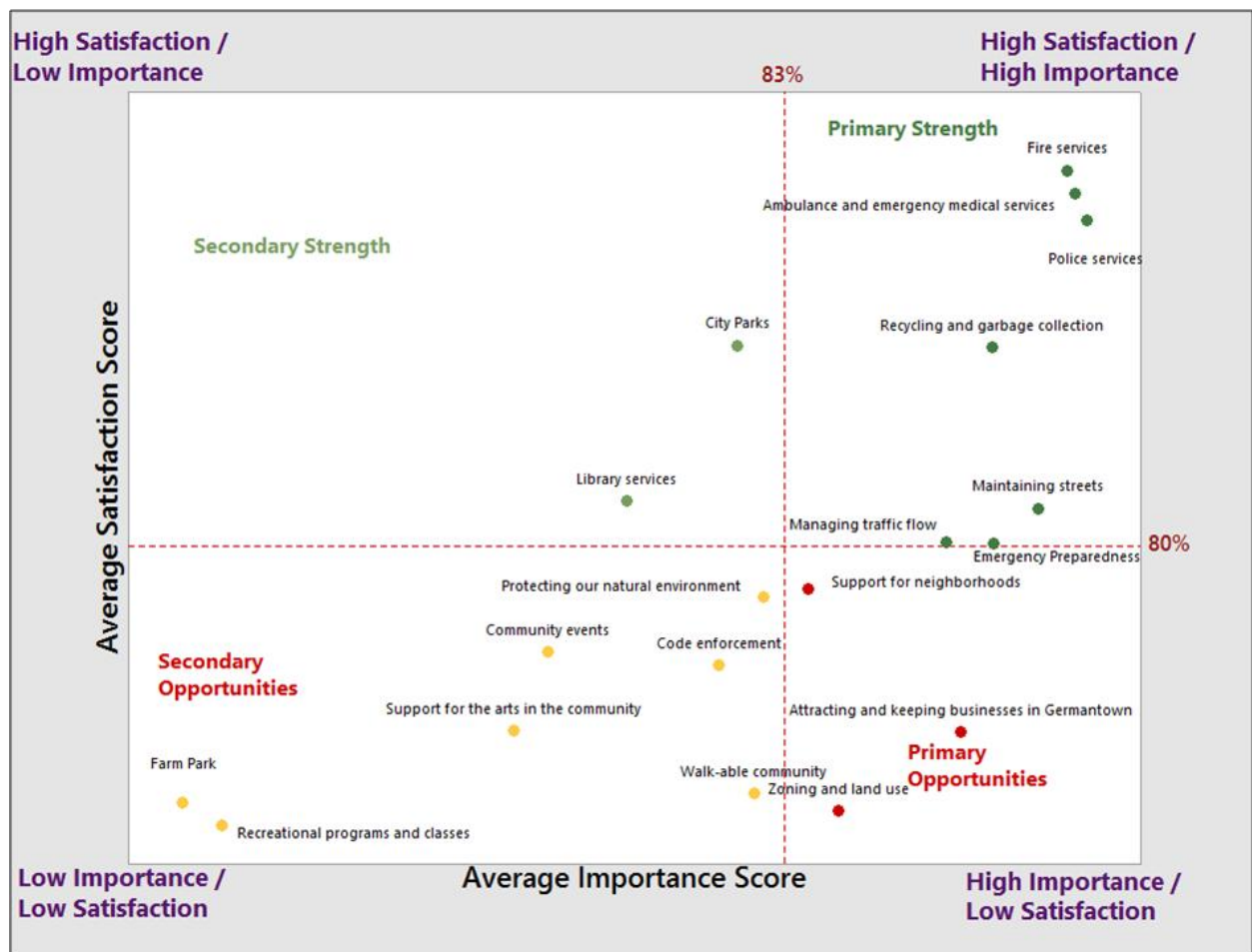
Primary Opportunities: These City Functions are those with above average customer ratings in importance, but with below average ratings in satisfaction. The City should prioritize improvements on these functions and services. Efforts placed on these areas should contribute towards raising overall satisfaction levels. According to survey results in 2017, the following City Functions need attention: **Support Neighborhoods, Attracting and Keeping Businesses in Germantown, Zoning and Land**

PERFORMANCE MEASUREMENTS – FY18

Use. All of these areas continue to be high priorities for improvement since the 2016 survey with the exception of Supporting Neighborhood which was considered strength in 2016.

Secondary Opportunities: These City Functions reflect areas in which no immediate attention is needed. Even though survey respondents rated these functions below average in satisfaction, they also rated them below average in importance. Therefore, the City should not consider the following functions as high improvement priorities: **Community Events, Walkable Community, Code Enforcement, Support for the Arts in the Community, Recreational Programs and Classes, Farm Park, Protecting our Natural Environment.** All these areas were considered Secondary Opportunities in 2016 with the exception of protecting our natural environment which was a primary opportunity in 2016 survey.

Secondary Strengths: These City Functions correspond to those areas where the City is meeting or exceeding public satisfaction, but are not a high priority for survey respondents. The City may be placing too high of a priority or too many resources on these functions, and could redirect attention to the services and programs that fall under Primary Opportunities. These functions are: **City Parks and Library Services.** These two services were also considered Secondary Strengths in the 2016 survey.



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 five 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 appraised 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 so 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.

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

FINANCIAL POLICIES

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 an 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.

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.

FY18 BUDGET CALENDAR

October	10/03/16	Budget Material distributed to Departments
November	11/04/16	Capital Improvements Program (CIP) applications due to CIP Manager
December	12/28//16	FY18 Budget materials for the General Fund (Revenues/Expenses and Infrastructure Replacement Program requests) due to Budget and Performance
January	1/17/17	Financial Advisory Commission – First Meeting: Introduction and recommendation of budget calendar
	1/17-1/20/17	FY18 Budget review with departments (General Fund only)
	1/23/17	Board Meeting - Budget Calendar review and approval by the Board of Mayor and Aldermen
February	2/03/17	FY18 Budget materials (Revenues and Expenses and Infrastructure Replacement Program requests) are due to Budget and Performance (Enterprise Funds, Internal Service Funds, Special Revenue Funds)
	2/07/17	Financial Advisory Commission – Second Meeting: Debt Capacity overview and review of FY18 Pension Fund
	2/20-2/24/17	FY18 Budget review with departments (Enterprise, Internal Service Funds, Special Revenue Funds)
March	3/07/17	Financial Advisory Commission – Third Meeting: Review of FY18 Budget Enterprise Funds (Utility, Germantown Athletic Club, Great Hall, Sanitation and Stormwater)
	3/28/17	Financial Advisory Commission – Fourth Meeting: Review of Capital Improvements Program and GMSD Capital
	3/29/17	Board of Mayor and Aldermen – work session on CIP
April	4/04/17	Financial Advisory Commission – Fifth Meeting: Review of FY18 Special Revenue Funds
	4/18/17	Financial Advisory Commission – Sixth Meeting: Review of FY18 GMSD Fund
May	5/2/17	Financial Advisory Commission – Seventh Meeting: Review of FY18 General Fund Revenues and Expenditures
	5/10/17	Proposed FY18 Budget delivered to Board of Mayor and Aldermen <i>Budget in Brief</i> prepared
	5/17/17	Board of Mayor and Aldermen work session on FY18 Budget
	5/22/17	Board Meeting - First Reading on FY18 Budget Ordinance 2017-1 Schedule meetings with Chamber, Homeowner Associations and Civic Clubs; Distribute <i>Budget in Brief</i> , Press Conference; Neighborhood News (Budget and Property Tax Rate)
June	6/12/17	Board Meeting - Public Hearing on FY18 Budget; Second Reading on FY18 Budget Ordinance 2017-1
	6/26/17	Board Meeting - Third and Final Reading on FY18 Budget Ordinance 2017-1

EXPLANATION OF BUDGET SUMMARIES

This section consists of summaries of the FY18 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 FY18. It is compared to the estimated total for FY17. 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 FY17 and five years of projections including FY18, 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 a couple of objectives: 1) to provide a Net Operating Income amount and 2) to project Total Net Position. 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. 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 FUNDS					
Governmental Funds			Proprietary Funds		Fiduciary
General Fund	Special Revenue Funds	Capital Improvements Fund	Enterprise Funds	Internal Service Funds	Trust Funds
Aldermen	State Street Aid	Capital Projects	Utility Fund:	Fleet Services	OPEB
City Court	Drug Asset Forfeiture		Water	Allocated Expenses	Cash Balance
Administration	Pickering Complex		Sewer	Health	Pension
Finance	Federal Asset Forfeiture		Sewage Treatment		
Procurement	Ambulance		GAC Fund:		
Human Resources	Farm Park		Recreation		
Information Technology	Recreation		Aquatics		
ECD	GMSD		Sanitation		
Facility Services	Library Endowment		Stormwater		
Budget & Performance			Great Hall		
Civic Support					
Police					
Fire					
Public Works					
Animal Control					
Parks & Recreation					
Cultural Arts					
Genealogy Center					
Library					
GPAC					
General Debt Service					

TOTAL EXPENDITURE BUDGET

	General Fund	Utility Fund	Germantown Athletic Club	Great Hall Fund	Sanitation Fund	Stormwater Fund
REVENUES:						
Property Taxes	\$ 33,067,964	-	-	-	-	-
Sales Taxes	11,725,001	-	-	-	-	-
Federal and State Revenues	5,986,000	-	-	-	7,000	-
Metered Water Sales	-	5,430,000	-	-	-	-
Sewer Service Fees	-	3,190,000	-	-	-	-
Membership Fees	-	-	3,766,000	-	-	-
Aquatics Revenues	-	-	215,110	-	-	-
Business Revenues	-	-	-	482,246	-	-
Personal Training	-	-	258,000	-	-	-
Sanitation Fees	-	-	-	-	4,942,300	-
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	-	-	-	-	-	1,040,175
Other Revenues	4,818,542	932,000	281,397	-	47,150	7,500
Investment Income	139,200	15,000	15,000	300	6,150	3,500
Funds from Prior Periods	450,000	-	-	-	-	-
FY18 Total Revenues:	56,186,707	9,567,000	4,535,507	482,546	5,002,600	1,051,175
Expenditures/Expenses by Category:						
Personnel	30,490,215	1,626,633	1,811,789	192,056	110,189	575,046
Communications	394,586	84,100	7,500	750	25,900	3,000
Utilities	1,068,229	675,100	380,567	39,479	-	-
Professional	2,573,421	126,900	510,366	43,000	-	5,000
Grants	1,532,795	-	-	-	-	-
Other Maintenance	2,557,984	90,000	170,000	75,200	-	29,820
Vehicle Maintenance	-	-	-	-	-	-
Street Maintenance	-	-	-	-	-	285,000
Mains Maintenance	-	152,000	-	-	-	-
Supplies	1,690,922	227,700	192,260	14,700	38,000	29,100
Contract Services	-	1,539,879	-	-	4,609,000	-
Insurance	97,000	10,000	-	-	-	-
Rent	91,056	-	241,015	94,222	-	-
Debt Service	4,881,097	45,350	12,024	4,676	-	-
Capital Outlay	1,600,000	-	-	-	-	-
Depreciation	-	1,764,124	611,788	71,786	8,500	38,920
Contingency	50,000	-	-	-	-	-
Operating Transfer	4,129,720	-	100,000	(85,000)	-	-
Allocation/PILOT	1,548,341	1,704,520	102,996	16,437	-	38,567
Expense Reimbursement	(1,046,960)	-	-	-	-	-
FY18 Total Expenditures/Expenses	51,658,406	8,046,306	4,140,305	467,306	4,791,589	1,004,453
Excess (Deficit)/Income (Loss)	4,528,301	1,520,694	395,202	15,240	211,011	46,722
Fund Balance/Net Assets Position:						
Beg. Fund Bal./Net Assets Position	29,060,899	50,041,638	16,787,234	733,344	822,626	833,775
Transfer to CIP/IRP	(2,000,000)	-	-	-	-	-
End Fund Bal./Net Assets Position	\$ 31,589,200	51,562,332	17,182,436	748,584	1,033,637	880,497
Capital Outlay/Infrastructure/CIP	-	1,992,500	1,135,000	30,000	170,000	100,000
COMPARISON TO PRIOR YEAR'S BUDGET						
ALL FUNDS:	BUDGET FY17	BUDGET FY18	CHANGE	% CHANGE		
Operating Budget*	\$ 124,958,710	129,846,012	4,887,302	3.9%		
Capital Budget	12,180,178	39,943,911	27,763,733	227.9%		
TOTAL BUDGET	\$ 137,138,888	169,789,923	32,651,035	23.8%		

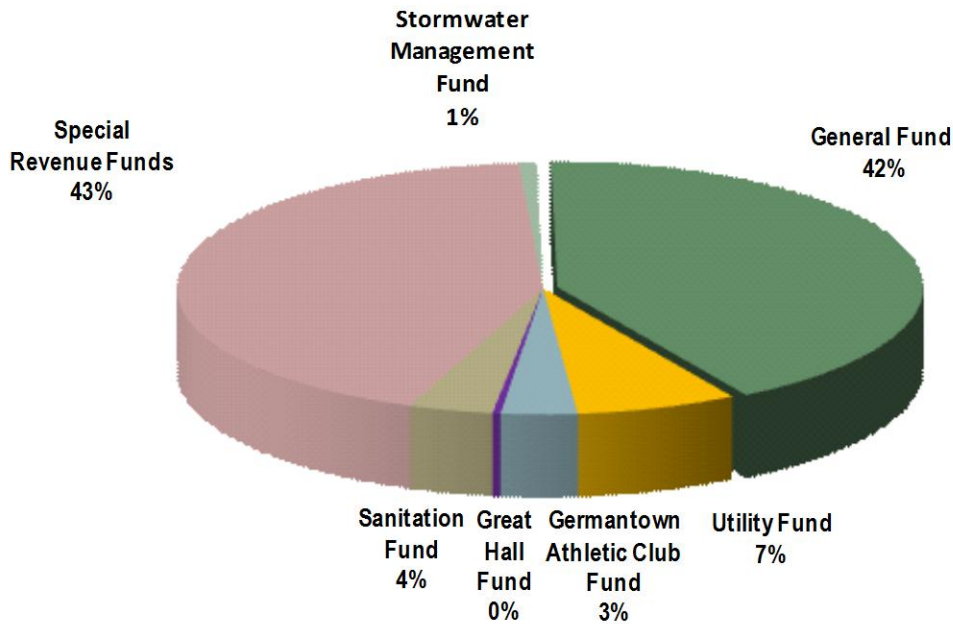
* Includes Capital Outlay and Infrastructure.

TOTAL EXPENDITURE BUDGET

	Special Revenue	Veh. Maint./ Alloc.	Capital Projects	Total FY18	Increase/ Decrease	Estimated FY17	Actual FY16
REVENUES:							
Property Taxes	\$ -	-	-	33,067,964	12.3%	29,439,857	28,867,646
Sales Taxes	-	-	-	11,725,001	0.8%	11,635,000	11,422,380
Federal and State Revenues	-	-	-	5,993,000	-10.1%	6,667,200	7,117,090
Metered Water Sales	-	-	-	5,430,000	2.3%	5,310,000	5,434,612
Sewer Service Fees	-	-	-	3,190,000	1.4%	3,145,488	3,180,474
Membership Fees	-	-	-	3,766,000	8.3%	3,476,651	3,606,459
Aquatics Revenues	-	-	-	215,110	3.3%	208,271	169,349
Business Revenues	-	-	-	482,246	-10.8%	540,802	516,410
Personal Training	-	-	-	258,000	8.5%	237,792	198,879
Sanitation Fees	-	-	-	4,942,300	3.0%	4,800,000	3,377,711
State Gasoline Tax Allocation	1,123,400	-	-	1,123,400	1.7%	1,105,000	1,103,137
Automated Enforcement Revenues	-	-	-	-	0%	-	3,500
Drug Enforcement Revenues	300,000	-	-	300,000	0.0%	300,000	143,151
Federal Asset Forfeiture Revenues	50,000	-	-	50,000	0.0%	50,000	27,369
Pickering Complex Revenues	99,500	-	-	99,500	31.8%	75,500	75,019
Transport Fee	1,350,000	-	-	1,350,000	0.0%	985,000	983,499
Non Transport Fee	-	-	-	-	0%	-	10,289
Education Revenues	54,351,000	-	-	54,351,000	0.0%	52,783,000	52,680,000
Recreation Revenues	677,320	-	-	677,320	7.5%	630,129	514,668
Farm Revenues	60,720	-	-	60,720	0.0%	35,124	-
Stormwater Fee	-	-	-	1,040,175	0.0%	1,040,000	1,003,425
Other Revenues	-	-	-	6,086,589	3.1%	5,903,831	10,597,145
Investment Income	1,200	-	-	180,350	-10.2%	200,906	190,374
Funds from Prior Periods	-	-	-	450,000	0.0%	450,000	-
FY18 Total Revenues:	58,013,140	-	-	134,838,675	4.5%	129,019,551	131,253,834
Expenditures/Expenses by Category:							
Personnel	43,109,015	737,408	-	78,652,351	6.1%	74,144,958	70,069,108
Communications	370,100	3,000	-	888,936	-1.3%	901,001	719,988
Utilities	1,866,912	21,615	-	4,051,902	4.3%	3,885,518	3,617,193
Professional	5,186,306	-	-	8,444,993	3.3%	8,173,778	7,398,984
Grants	-	-	-	1,532,795	-13.8%	1,778,518	1,639,915
Other Maintenance	972,525	152,500	-	4,048,029	3.8%	3,899,089	3,096,371
Vehicle Maintenance	-	128,000	-	128,000	2.4%	125,000	134,581
Street Maintenance	1,550,000	-	-	1,835,000	-29.2%	2,590,940	1,431,111
Mains Maintenance	-	-	-	152,000	16.9%	130,000	124,821
Supplies	3,187,070	99,835	-	5,479,587	7.9%	5,079,444	4,764,145
Contract Services	685,500	-	-	6,834,379	-0.2%	6,848,959	5,163,024
Insurance	288,000	664,000	-	1,059,000	0%	936,872	983,083
Rent	153,750	3,500	-	583,543	13.6%	513,670	477,062
Debt Service	-	-	-	4,943,147	24.8%	3,961,301	7,860,808
Capital Outlay	5,015,000	-	-	6,615,000	-16.9%	7,957,898	4,967,023
Depreciation	-	140,000	-	2,635,118	3.4%	2,547,660	2,474,713
Contingency	-	-	-	50,000	0%	50,000	-
Operating Transfer	(4,144,720)	-	-	-	-100.0%	(300,000)	-
Allocation	173,189	(1,949,858)	-	1,634,192	1.5%	1,610,133	1,255,016
Expense Reimbursement	-	-	-	(1,046,960)	7.0%	(978,806)	(534,852)
FY18 Total Expenditures/Expenses	58,412,647	-	-	128,521,012	3.8%	123,855,933	115,642,094
Excess (Deficit)/Income (Loss)	(399,507)	-	-				
Fund Balance/Retained Earnings:							
Beg. Fund Bal./Retained Earnings	13,891,241	2,469,642	-				
Transfer to CIP/IRP	-	-	-				
End Fund Bal./Ret. Earnings	\$ 13,491,734	2,469,642	-				
Capital Outlay/Infrastructure/CIP	27,000,000	-	10,841,411				
COMPARISON TO PRIOR YEAR'S BUDGET							
GENERAL FUND:	BUDGET FY17	BUDGET FY18	CHANGE	% CHANGE			
Operating Budget*	\$ 50,210,824	51,658,406	1,447,582	2.9%			
Capital Budget	-	-	-	0.0%			
TOTAL BUDGET	\$ 50,210,824	51,658,406	1,447,582	2.9%			

* Includes Capital Outlay and Infrastructure.

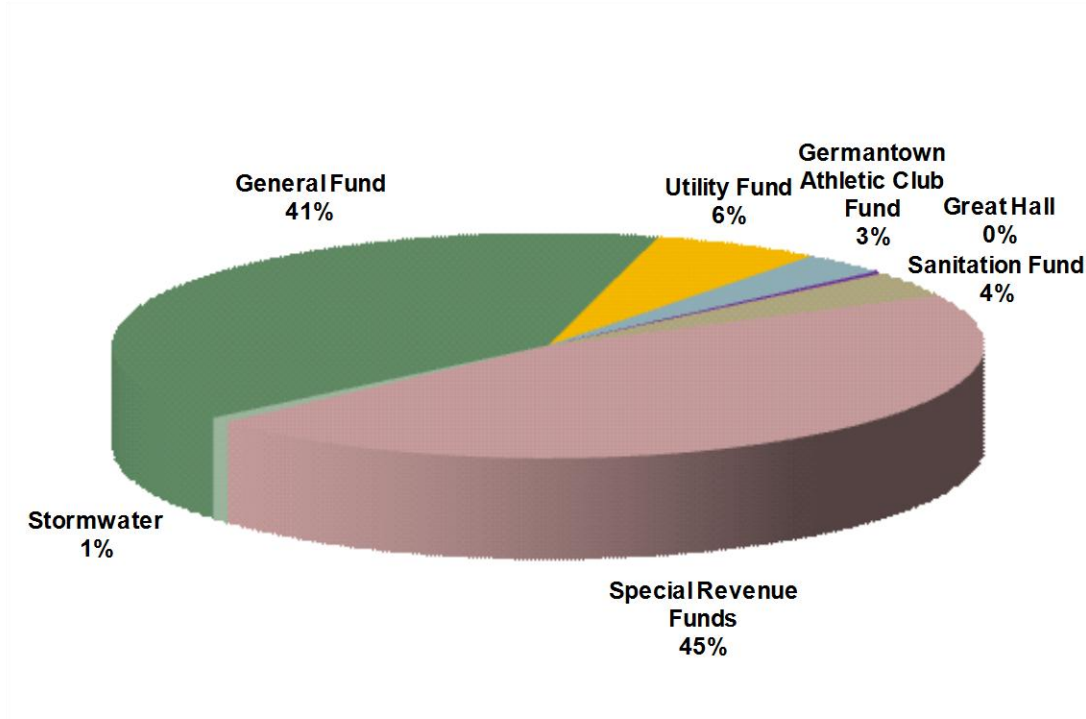
ALL FUND OPERATING REVENUES FY18



ALL FUND REVENUES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 53,054	42%	\$ 56,187	42%
Utility Fund	9,424	7%	9,567	7%
Germantown Athletic Club Fund	4,206	3%	4,536	3%
Great Hall	462	0%	483	0%
Sanitation Fund	4,863	4%	5,002	4%
Special Revenue Funds	55,968	43%	58,013	43%
Stormwater Management Fund	1,043	1%	1,051	1%
TOTAL REVENUES	\$ 129,020	100%	\$ 134,839	100%

ALL FUND OPERATING EXPENSES FY18



ALL FUND EXPENDITURES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 51,151	41%	\$ 51,659	41%
Utility Fund	7,656	6%	8,046	6%
Germantown Athletic Club Fund	3,350	3%	4,140	3%
Great Hall	378	0%	467	0%
Sanitation Fund	4,973	4%	4,792	4%
Special Revenue Funds	55,385	45%	58,413	45%
Stormwater	963	1%	1,004	1%
TOTAL EXPENDITURES	\$ 123,856	100%	\$ 128,521	100%

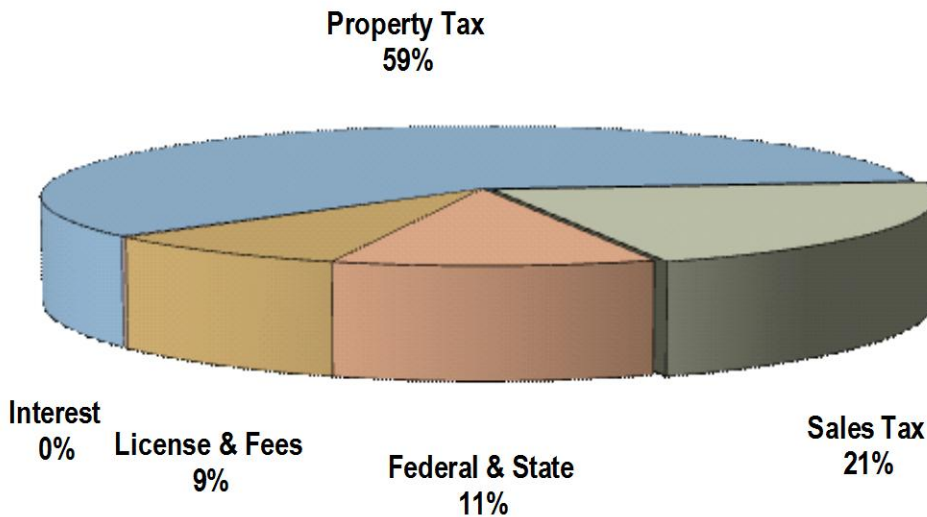
GENERAL FUND BUDGET SUMMARY

REVENUES:	Actual FY15	Actual FY16	Original FY17 Budget	Estimate FY17
Property Taxes	\$ 28,633,370	28,867,646	29,374,083	\$ 29,439,857
Sales Taxes	10,069,167	11,422,380	11,189,500	11,635,000
Federal and State Revenues	6,733,690	7,117,090	6,072,306	6,660,000
Other Revenues	3,749,261	8,963,471	3,814,751	4,718,381
Investment Income	74,989	149,778	65,000	150,200
Funds from Prior Periods	-	-	450,000	450,000
TOTAL GENERAL FUND REVENUES	49,260,477	56,520,365	50,965,640	53,053,438
EXPENDITURES:				
General Government:				
Aldermen	192,267	165,657	231,653	237,859
Civic Support	-	1,610,901	1,502,870	1,769,518
City Court	618,269	704,098	730,274	729,918
Administration	1,622,055	1,573,727	1,893,590	1,709,548
Germantown Performing Arts Center	1,046,082	1,207,605	1,316,032	1,350,838
Information Technology	1,447,781	1,624,745	2,498,600	2,665,415
Human Resources	638,608	644,475	678,173	692,994
Finance	996,818	1,075,984	1,173,553	1,213,613
Procurement	671,243	695,692	718,501	708,802
Community Development	1,809,313	2,146,062	2,195,798	2,241,942
General Services	1,589,069	1,879,516	1,963,462	2,215,997
Budget & Performance	315,825	309,748	367,063	353,000
Total General Government	10,947,330	13,638,210	15,269,570	15,889,444
Public Safety:				
Police	10,571,580	10,618,929	11,680,737	11,732,673
Fire	7,104,005	7,400,432	7,701,559	7,959,460
Total Public Safety	17,675,585	18,019,361	19,382,296	19,692,133
Transportation & Environment:				
Public Services	3,884,003	3,914,788	4,424,734	4,623,680
Animal Control	322,281	367,554	337,585	346,844
Total Transportation & Environment	4,206,284	4,282,342	4,762,319	4,970,524
Community Services:				
Parks & Recreation	1,216,187	1,038,286	1,379,880	1,264,088
Genealogy Center	69,841	63,893	79,034	79,141
Library Services	1,418,167	1,410,571	1,484,097	1,495,725
Cultural Arts Programs	77,660	61,001	65,997	71,725
Total Community Services	2,781,855	2,573,751	3,009,008	2,910,679
General Debt Service	3,168,485	7,724,454	3,852,051	3,852,051
Other Expenditures:				
Transfer to Great Hall Fund	225,000	225,000	175,000	175,000
Transfer to Municipal Schools Fund	2,121,576	2,131,594	2,189,386	2,189,386
Transfer to (from) Germantown Athletic Club Fund	-	-	-	-
Transfer to Ambulance	500,000	750,000	700,000	600,000
Transfer to Automated Enforcement	75,000	75,000	-	-
Transfer to State Street Aid	1,650,000	1,850,000	1,650,000	1,650,000
Transfer to Farm Park	150,000	150,000	150,000	150,000
Contingencies	-	-	50,000	50,000
Expense Reimbursement	(991,167)	(534,852)	(978,806)	(978,806)
Roll Forward Enc.- Prior Year	450,000	450,000	450,000	450,000
Roll Forward Enc.- Next Year	(450,000)	(450,000)	(450,000)	(450,000)
TOTAL GENERAL FUND EXPENDITURES	42,509,948	50,884,860	50,210,824	51,150,411
Excess of Revenues Over/(Under) Expenditures	\$ 6,750,529	5,635,505	754,816	\$ 1,903,028
Fund Balance - Beginning	24,069,837	28,250,366	26,655,851	31,407,871
Transfer to Capital Projects	(2,570,000)	(2,028,000)	(2,500,000)	(2,500,000)
CIP Reserve Increase (Decrease)	-	-	(1,300,000)	(1,300,000)
Prior Period Adjustment	-	-	-	-
Fund Balance - Ending	\$ 28,250,366	31,857,871	23,610,667	\$ 29,510,899

GENERAL FUND BUDGET SUMMARY

Budget FY18	Projected			
	FY19	FY20	FY21	FY22
33,067,964	33,314,350	33,636,343	34,188,464	34,815,189
11,725,001	11,936,501	12,167,231	12,477,776	12,718,238
5,986,000	5,477,240	4,974,415	4,470,393	3,969,186
4,818,542	4,913,392	4,917,157	5,005,781	5,096,546
139,200	141,700	137,900	135,424	133,096
450,000	450,000	450,000	450,000	450,000
56,186,707	56,233,183	56,283,046	56,727,837	57,182,255
194,453	196,901	199,459	202,929	206,047
1,523,795	1,551,379	1,577,569	1,605,115	1,633,717
731,495	736,018	752,795	771,119	790,065
1,732,509	1,769,603	1,808,523	1,855,057	1,898,460
1,353,961	1,444,217	1,454,731	1,412,993	1,453,548
2,287,158	2,393,084	2,262,654	2,274,209	2,380,433
647,996	665,573	684,096	704,037	724,798
1,304,021	1,332,881	1,363,210	1,398,800	1,432,803
729,601	749,417	770,290	792,834	816,143
2,123,667	2,148,074	2,208,135	2,272,960	2,339,855
2,458,779	2,274,190	2,262,022	2,185,637	2,210,470
367,520	372,669	381,893	391,852	402,148
15,454,955	15,634,006	15,725,378	15,867,541	16,288,487
12,175,188	12,444,272	12,829,854	12,992,714	13,768,577
8,181,073	8,454,109	8,516,943	8,741,932	9,055,497
20,356,261	20,898,381	21,346,797	21,734,646	22,824,074
4,478,216	5,185,181	4,704,353	4,939,871	5,008,130
395,216	433,365	418,842	430,375	442,198
4,873,432	5,618,546	5,123,195	5,370,246	5,450,327
1,300,501	1,390,249	1,340,814	1,374,967	1,409,982
80,073	81,795	83,427	85,476	87,543
1,503,330	1,544,161	1,586,688	1,630,831	1,676,005
75,997	75,997	76,043	76,225	76,273
2,959,901	3,092,202	3,086,972	3,167,499	3,249,804
4,881,097	4,860,053	4,859,753	4,815,403	4,718,935
85,000	75,000	75,000	50,000	-
2,474,720	2,499,467	2,524,462	2,549,706	2,575,204
(100,000)	(100,000)	(100,000)	-	-
450,000	475,000	475,000	500,000	375,000
-	-	-	-	-
1,100,000	1,400,000	1,500,000	1,500,000	1,500,000
120,000	120,000	100,000	90,000	80,000
50,000	50,000	50,000	50,000	50,000
(1,046,960)	(1,071,451)	(1,097,030)	(1,123,328)	(1,150,370)
450,000	450,000	450,000	450,000	450,000
(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
51,658,406	53,551,205	53,669,528	54,571,714	55,961,460
4,528,301	2,681,978	2,613,518	2,156,123	1,220,795
29,060,899	31,139,200	28,621,178	27,474,696	21,665,819
(2,000,000)	(1,450,000)	(1,050,000)	(500,000)	-
-	(3,300,000)	(2,260,000)	(7,015,000)	(1,085,000)
-	-	-	-	-
31,589,200	29,071,178	27,924,696	22,115,819	21,801,614

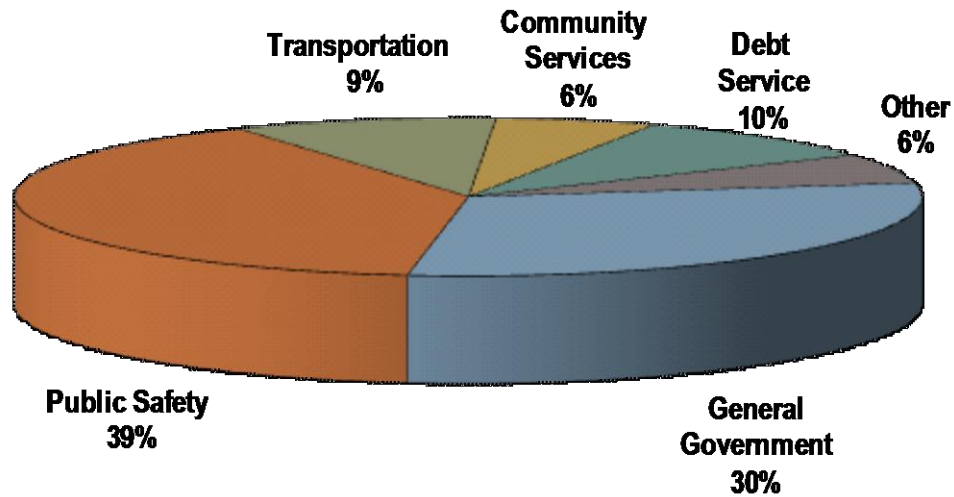
GENERAL FUND REVENUES FY18



GENERAL FUND REVENUES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Property Taxes	\$ 29,440	56%	\$ 33,068	59%
Sales Taxes	11,635	22%	11,725	21%
Federal & State Revenues	6,660	13%	5,986	11%
License, Fees & Other	4,718	9%	4,819	9%
Investment Income	150	0%	139	0%
TOTAL REVENUES	\$ 52,603	100%	\$ 55,737	100%

GENERAL FUND EXPENDITURES FY18



GENERAL FUND EXPENDITURES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
General Government	\$ 15,889	31%	\$ 15,455	30%
Public Safety	19,692	38%	20,356	39%
Transportation	4,971	10%	4,873	9%
Community Services	2,911	6%	2,960	6%
Debt Services	3,852	8%	4,881	10%
Other Expenses (Reimb.)	3,835	7%	3,134	6%
TOTAL EXPENDITURES	\$ 51,150	100%	\$ 51,658	100%

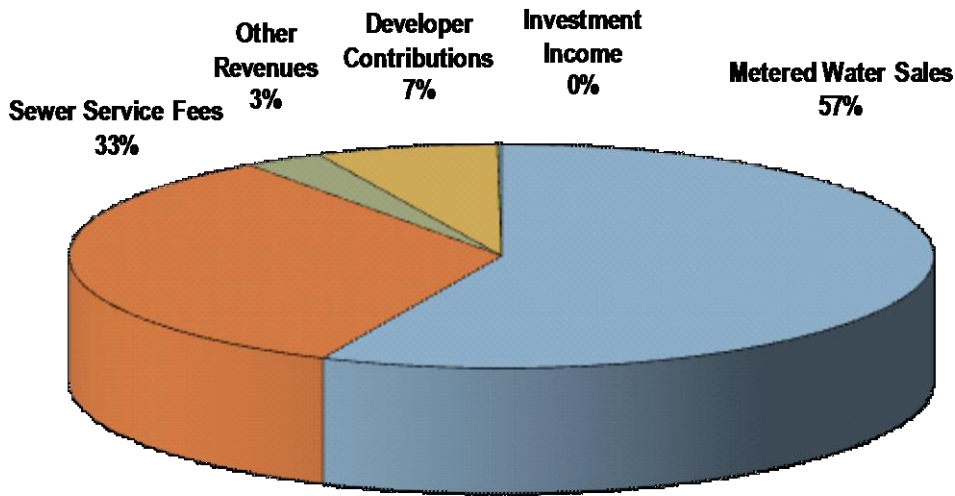
UTILITY FUND BUDGET SUMMARY

	Actual FY15	Actual FY16	Budget FY17
OPERATING REVENUES			
Metered Water Sales	\$ 4,990,035	5,434,612	5,230,000
Sewer Service Fees	3,117,434	3,180,474	3,250,000
Other Revenue	363,740	302,326	247,000
Total Operating Revenues	8,471,209	8,917,412	8,727,000
OPERATING EXPENSES			
Water	4,531,043	4,168,917	4,582,616
Sewer	1,619,518	1,533,750	1,688,154
Sewage Treatment	1,384,933	1,314,988	1,300,000
Total Operating Expenses	7,535,494	7,017,655	7,570,770
OPERATING INCOME	935,715	1,899,757	1,156,230
NONOPERATING REVENUES (EXPENSES)			
Contributions from Developers	329,674	1,085,523	240,000
Investment Income	4,878	16,493	7,000
Gain/loss on disposal of assets	-	-	-
Utility Debt Service	(147,552)	(109,654)	(87,550)
Net Non-Operating Revenues (Expenses)	187,000	992,362	159,450
NET INCOME	1,122,715	2,892,119	1,315,680
Other Receipts			
Debt Proceeds	-	-	-
Depreciation	1,656,441	1,712,327	1,722,931
Total Other Receipts	1,656,441	1,712,327	1,722,931
Other Expenses			
Bonds Payable	955,000	990,000	1,035,000
Major Construction	506,709	1,169,031	170,000
Infrastructure (Water & Sewer)	921,071	132,444	200,000
Total Other Expenses	2,382,780	2,291,475	1,405,000
Effect of Change in Account Principle	-	-	-
Total Net Position - Beginning	44,258,969	45,381,684	47,507,297
Total Net Position - Ending	\$ 45,381,684	48,273,803	48,822,977

UTILITY FUND BUDGET SUMMARY

	Estimate FY17	Budget FY18	Projected			
			FY19	FY20	FY21	FY22
\$	5,310,000	5,430,000	5,538,600	5,593,986	5,649,926	5,706,425
	3,145,488	3,190,000	3,221,900	3,254,119	3,286,660	3,319,527
	295,810	282,000	287,890	292,876	295,838	298,683
	8,751,298	8,902,000	9,048,390	9,140,981	9,232,424	9,324,635
	4,475,403	4,703,322	4,835,183	5,026,345	5,179,876	5,335,749
	1,679,552	1,757,755	1,835,897	1,879,954	1,925,781	1,972,866
	1,413,959	1,539,879	1,575,879	1,611,879	1,647,879	1,683,879
	7,568,914	8,000,956	8,246,959	8,518,177	8,753,535	8,992,493
	1,182,385	901,044	801,431	622,804	478,888	332,142
	650,000	650,000	715,000	858,000	883,740	895,976
	23,000	15,000	10,000	15,000	20,000	25,000
	-	-	-	-	-	-
	(87,550)	(45,350)	(12,050)	-	-	-
	585,450	619,650	712,950	873,000	903,740	920,976
	1,767,835	1,520,694	1,514,381	1,495,804	1,382,628	1,253,118
	-	-	-	-	-	-
	1,750,791	1,764,124	1,846,524	1,929,199	1,968,049	2,006,899
	1,750,791	1,764,124	1,846,524	1,929,199	1,968,049	2,006,899
	1,035,000	1,075,000	590,000	-	-	-
	135,350	1,040,000	2,711,000	2,857,000	1,034,000	-
	219,620	952,500	1,120,000	510,000	580,000	700,000
	1,389,970	3,067,500	4,421,000	3,367,000	1,614,000	700,000
	-	-	-	-	-	-
	48,273,803	50,041,638	51,562,332	53,076,713	54,572,516	55,955,145
\$	50,041,638	51,562,332	53,076,713	54,572,516	55,955,145	57,208,263

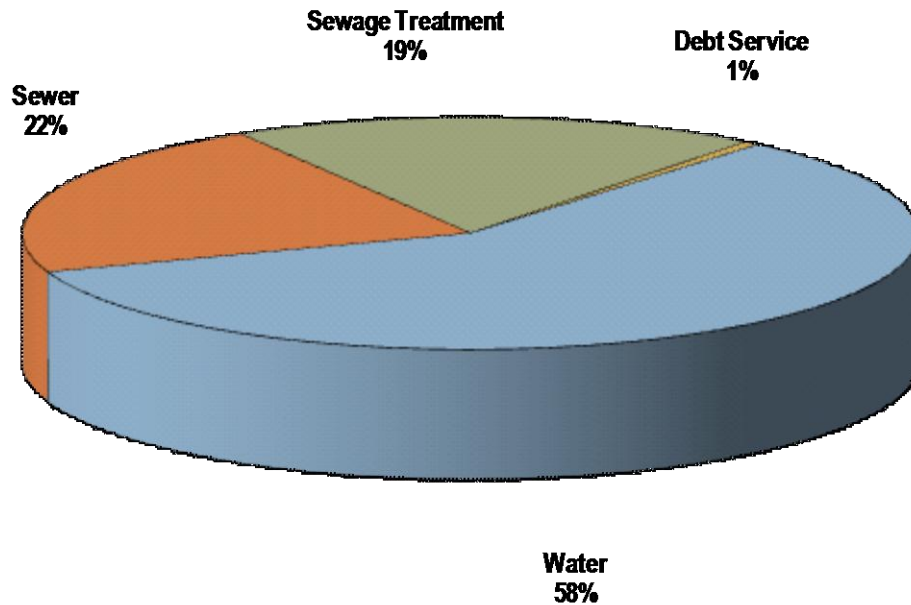
UTILITY FUND REVENUES FY18



UTILITY FUND REVENUES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Metered Water Sales	\$ 5,310	57%	\$ 5,430	57%
Sewer Service Fees	3,145	33%	3,190	33%
Other Revenue	296	3%	282	3%
Contributions from Developers	650	7%	650	7%
Investment Income	23	0%	15	0%
TOTAL REVENUES	\$ 9,424	100%	\$ 9,567	100%

UTILITY FUND EXPENSES FY18



UTILITY FUND EXPENSES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Water	\$ 4,475	59%	\$ 4,703	58%
Sewer	1,679	22%	1,758	22%
Sewage Treatment	1,414	18%	1,540	19%
Utility Debt Service	88	1%	45	1%
TOTAL EXPENSES	\$ 7,656	100%	\$ 8,046	100%

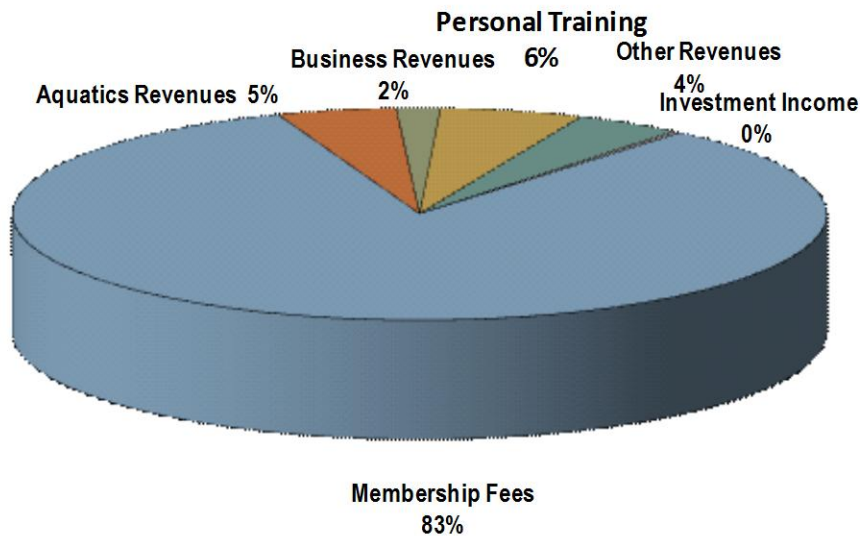
GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

	Actual FY15	Actual FY16	Original FY17 Budget
OPERATING REVENUES			
Membership Fees	\$ 3,472,744	3,606,459	3,765,942
Aquatics Revenues	173,405	169,349	173,000
Business Revenues	79,222	79,222	79,222
Personal Training Revenues	185,112	198,879	300,000
Other Revenues	170,394	199,681	212,700
TOTAL OPERATING REVENUES	4,080,877	4,253,590	4,530,864
OPERATING EXPENSES			
Recreation	2,242,552	2,527,523	2,860,079
Personal Training	208,686	173,029	314,095
Aquatics	804,681	772,789	831,346
TOTAL OPERATING EXPENSES	3,255,919	3,473,341	4,005,520
OPERATING INCOME	824,958	780,249	525,344
NONOPERATING REVENUES (EXPENSES)			
Investment Income	5,812	15,147	5,000
Interest Payment	(22,896)	(19,224)	(15,624)
Contribution from (to) other funds	-	-	300,000
Total	(17,084)	(4,077)	289,376
NET INCOME (LOSS)	807,874	776,172	814,720
Other Receipts			
Depreciation	525,494	526,758	597,000
Total Other Receipts	525,494	526,758	597,000
Other Expenses			
Debt Payable	125,000	125,000	125,000
Infrastructure	370,391	1,489,864	2,500,000
Other Assets	2,745	33,412	-
Total Other Expenses	498,136	1,648,276	2,625,000
Effect of change in accounting principle	(181,864)	-	-
Total Net Position-Beginning	14,528,330	15,154,340	15,824,829
Total Net Position-Ending	\$ 15,154,340	15,930,512	16,639,549

GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

Estimate FY17	Budget FY18	Projected			
		FY19	FY20	FY21	FY22
\$ 3,476,651	3,774,500	3,887,735	3,926,612	3,965,878	4,005,537
208,271	215,110	221,563	223,779	226,017	228,277
79,222	79,222	79,222	79,222	79,222	79,222
237,792	258,000	265,740	268,397	271,081	273,792
188,540	193,675	199,485	201,480	203,494	205,529
4,190,476	4,520,507	4,653,745	4,699,490	4,745,693	4,792,358
2,599,910	3,183,126	3,281,882	3,374,205	3,454,933	3,538,247
246,001	-	-	-	-	-
788,007	845,155	858,543	875,233	892,802	910,871
3,633,918	4,028,281	4,140,425	4,249,438	4,347,735	4,449,118
556,558	492,226	513,320	450,052	397,958	343,239
15,788	15,000	15,000	15,000	15,000	15,000
(15,624)	(12,024)	(8,496)	(5,040)	(1,656)	-
300,000	(100,000)	(100,000)	(100,000)	-	-
300,164	(97,024)	(93,496)	(90,040)	13,344	15,000
856,722	395,202	419,824	360,012	411,302	358,239
556,685	611,788	654,121	670,788	670,788	670,788
556,685	611,788	654,121	670,788	670,788	670,788
125,000	125,000	125,000	125,000	-	-
2,500,000	1,000,000	1,000,000	-	-	-
-	135,000	20,000	-	-	-
2,625,000	1,260,000	1,145,000	125,000	-	-
-	-	-	-	-	-
15,930,512	16,787,234	17,182,436	17,602,260	17,962,272	18,373,575
\$ 16,787,234	17,182,436	17,602,260	17,962,272	18,373,575	18,731,814

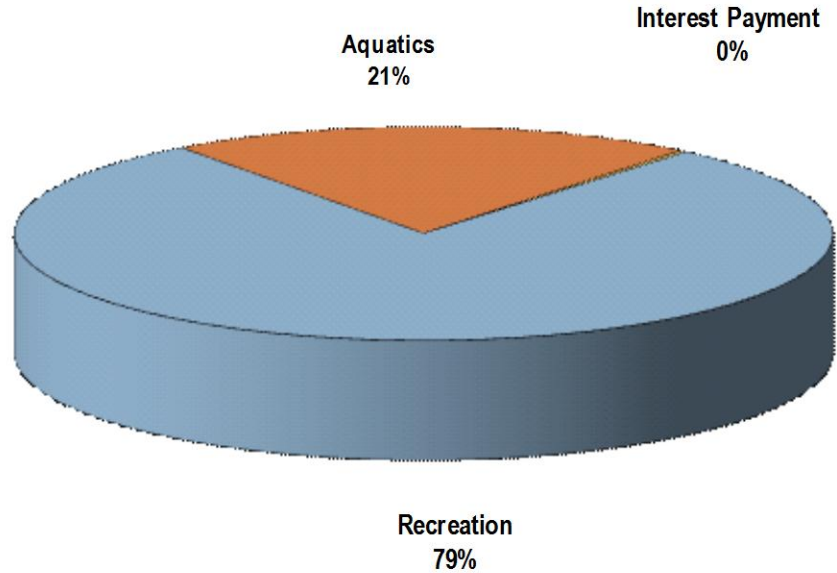
GERMANTOWN ATHLETIC CLUB FUND REVENUES FY18



GAC FUND REVENUES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Membership Fees	\$ 3,477	83%	\$ 3,775	83%
Aquatics Revenues	208	5%	215	5%
Business Revenues	79	2%	79	2%
Personal Training	238	6%	258	6%
Other Revenues	188	4%	194	4%
Investment Income	16	0%	15	0%
TOTAL REVENUES	\$ 4,206	100%	\$ 4,536	100%

GERMANTOWN ATHLETIC CLUB FUND EXPENSES FY18



GAC FUND EXPENSES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Recreation	\$ 2,600	71%	\$ 3,183	79%
Aquatics	788	22%	845	21%
Personal Training	246	7%	-	0%
Interest Payment	16	0%	12	0%
TOTAL EXPENSES	\$ 3,650	100%	\$ 4,040	100%

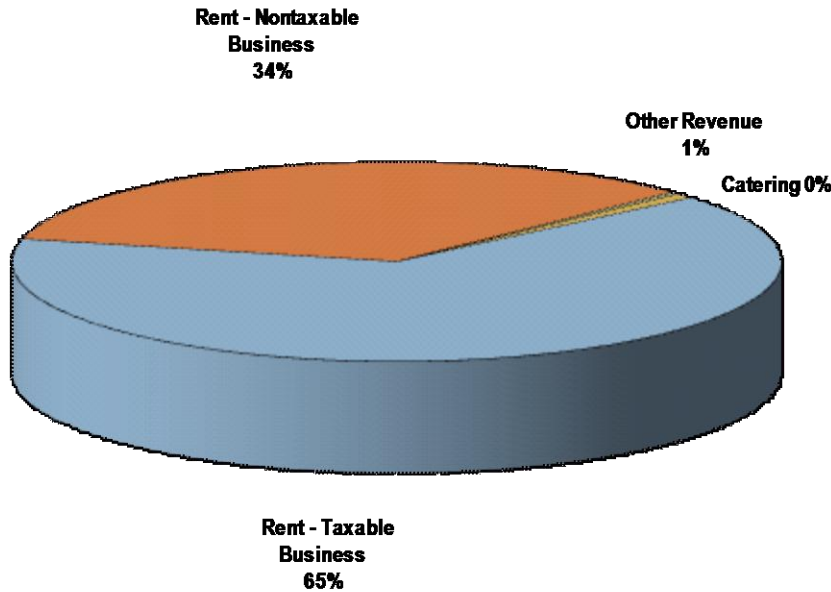
GREAT HALL FUND BUDGET SUMMARY

	Actual FY15	Actual FY16	Original FY17 Budget
OPERATING REVENUES			
Rent - Taxable Business	\$ 269,972	284,740	282,787
Rent - Nontaxable Business	132,497	136,637	148,835
Other Revenue	6,231	12,346	3,558
Catering Revenue	2,940	3,465	2,627
TOTAL OPERATING REVENUES	411,640	437,188	437,807
OPERATING EXPENSES			
Communications	993	718	1,000
Allocations	21,859	23,492	22,767
Other Maint.	64,817	69,167	75,200
Personnel	172,638	175,515	190,606
Professional Fees	46,761	36,952	52,800
Supplies	24,069	15,205	22,700
Utilities	40,450	38,827	41,250
Rent	87,149	89,519	93,222
Depreciation	50,805	59,626	69,987
TOTAL OPERATING EXPENSES	509,541	509,021	569,532
OPERATING INCOME (LOSS)	(97,901)	(71,833)	(131,725)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	136	270	-
Interest Payment	(8,904)	(7,476)	(6,076)
Contribution from other funds	225,000	225,000	175,000
Total	216,232	217,794	168,924
NET INCOME (LOSS)	118,331	145,961	37,199
Other Receipts			
Depreciation	50,805	59,626	69,987
Total Other Receipts	50,805	59,626	69,987
Other Expenses			
Debt Payable	-	-	-
Infrastructure	172,592	106,450	-
Other Assets	-	-	-
Total Other Expenses	172,592	106,450	-
Total Net Position-Beginning	385,311	503,642	593,656
Total Net Position-Ending	\$ 503,642	649,603	630,855

GREAT HALL FUND BUDGET SUMMARY

Estimate FY17	Budget FY18	Projected			
		FY19	FY20	FY21	FY22
\$ 298,193	311,630	327,212	343,572	360,751	378,788
156,944	164,016	172,217	180,828	189,869	199,362
3,793	3,800	3,990	4,190	4,399	4,619
2,650	2,800	2,940	3,087	3,241	3,403
461,580	482,246	506,358	531,676	558,260	586,173
700	750	750	750	750	750
22,622	16,437	16,766	17,022	17,363	17,710
73,662	75,200	76,712	78,253	80,014	81,814
190,224	192,056	196,632	201,988	207,682	213,561
42,800	43,000	43,860	44,737	45,632	46,545
20,900	14,700	15,020	15,260	15,535	15,816
39,469	39,479	40,071	40,873	41,690	42,524
93,222	94,222	94,222	94,524	94,868	95,220
63,764	71,786	69,405	61,755	60,010	49,623
547,363	547,630	553,437	555,163	563,543	563,563
(85,783)	(65,384)	(47,079)	(23,486)	(5,283)	22,610
600	300	200	200	200	200
(6,076)	(4,676)	(3,304)	(1,960)	(644)	-
175,000	85,000	75,000	75,000	50,000	-
169,524	80,624	71,896	73,240	49,556	200
83,741	15,240	24,817	49,754	44,273	22,810
63,764	71,786	69,405	61,755	60,010	49,623
63,764	71,786	69,405	61,755	60,010	49,623
-	-	-	-	-	-
-	30,000	-	-	-	-
-	-	-	-	-	-
-	30,000	-	-	-	-
649,603	733,344	748,584	773,401	823,154	867,427
\$ 733,344	748,584	773,401	823,154	867,427	890,237

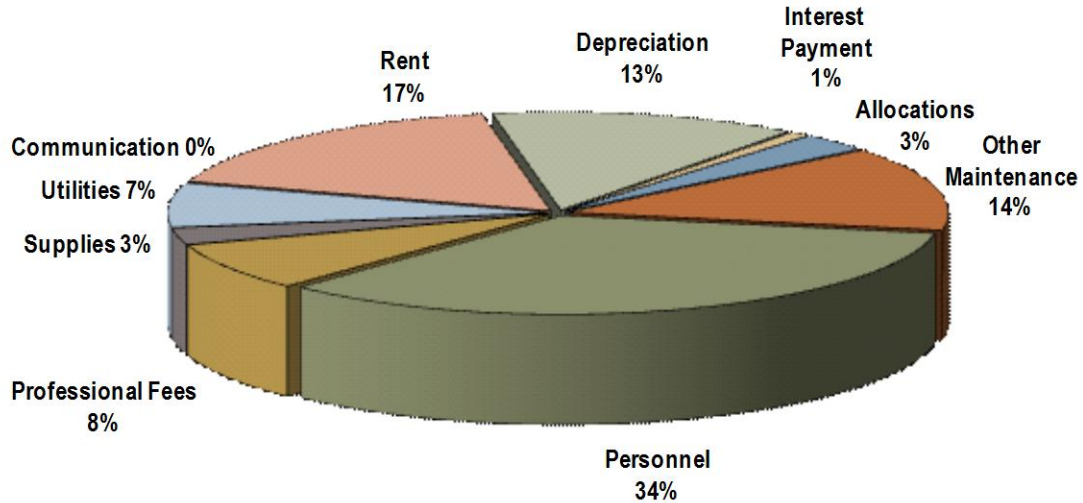
GREAT HALL FUND REVENUES FY18



GREAT HALL FUND REVENUES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Rent - Taxable Business	\$ 298	64%	\$ 312	65%
Rent - Nontaxable Business	157	34%	164	34%
Catering Revenue	3	1%	2	0%
Other Revenue	4	1%	4	1%
TOTAL REVENUES	\$ 462	100%	\$ 482	100%

GREAT HALL FUND EXPENSES FY18



GREAT HALL FUND EXPENSES (\$000)

	2017 ESTIMATED		2018 BUDGET	
	Amount	Percent	Amount	Percent
Allocations	\$ 23	4%	16	3%
Other Maintenance	74	13%	75	14%
Personnel	189	34%	192	34%
Professional Fees	43	8%	43	8%
Communication	1	0%	1	0%
Supplies	21	4%	15	3%
Utilities	39	7%	39	7%
Rent	93	17%	94	17%
Depreciation	64	12%	72	13%
Interest Payment	6	1%	5	1%
TOTAL EXPENSES	\$ 553	100%	552	100%

SANITATION FUND BUDGET SUMMARY

	Actual FY15	Actual FY16	Budget FY17
OPERATING REVENUES			
Sanitation Fees	\$ 3,304,542	3,377,711	5,001,780
Grants	5,176	8,205	5,000
Recycling Reimbursement	17,188	1,992	-
Other Revenues	37,897	35,591	32,000
TOTAL OPERATING REVENUES	3,364,803	3,423,499	5,038,780
OPERATING EXPENSES			
Communication	1,068	6,415	15,400
Other Maintenance	-	-	-
Personnel	94,890	132,980	123,293
Professional Fees	-	9,500	15,000
Supplies	32,236	34,628	37,000
Rent	-	27,850	-
Depreciation	-	-	-
Contract Services	3,163,362	3,215,036	4,857,011
TOTAL OPERATING EXPENSES	3,291,556	3,426,409	5,047,704
OPERATING INCOME	73,247	(2,910)	(8,924)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,808	4,858	1,900
Operating Transfer	-	-	-
Total Nonoperating Revenues	1,808	4,858	1,900
NET INCOME/(LOSS)	75,055	1,948	(7,024)
Other Receipts			
Depreciation	-	-	-
Total Other Receipts	-	-	-
Other Expenses			
Other Assets	-	-	-
Total Other Expenses	-	-	-
Total Net Position-Beginning	855,144	930,199	1,027,805
Total Net Position Ending	\$ 930,199	932,147	1,020,781

SANITATION FUND BUDGET SUMMARY

	Estimate FY17	Budget FY18	FY19	FY20	FY21	FY22
\$	4,800,000	4,942,300	4,973,100	5,000,600	5,028,200	5,055,738
	7,200	7,000	7,000	7,000	7,000	7,000
	2,100	2,150	2,241	12,330	12,824	13,337
	48,000	45,000	40,000	40,000	40,000	40,000
	4,857,300	4,996,450	5,022,341	5,059,930	5,088,024	5,116,075
	13,000	25,900	11,000	31,000	31,000	11,000
	-	-	-	-	-	-
	124,801	110,189	113,876	117,263	120,750	124,343
	15,000	-	20,000	-	40,000	-
	37,000	38,000	39,000	40,000	40,000	102,000
	-	-	-	-	-	-
	-	8,500	17,000	17,000	17,000	17,000
	4,783,000	4,609,000	4,707,117	4,780,789	4,826,614	4,970,246
	4,972,801	4,791,589	4,907,993	4,986,052	5,075,364	5,224,589
	(115,501)	204,861	114,348	73,878	12,660	(108,514)
	5,980	6,150	6,283	6,000	6,000	6,000
	-	-	-	-	-	-
	5,980	6,150	6,283	6,000	6,000	6,000
	(109,521)	211,011	120,631	79,878	18,660	(102,514)
	-	8,500	17,000	17,000	17,000	17,000
	-	8,500	17,000	17,000	17,000	17,000
	-	170,000	-	-	-	-
	-	170,000	-	-	-	-
	932,147	822,626	1,033,637	1,154,268	1,234,146	1,252,806
\$	822,626	1,033,637	1,154,268	1,234,146	1,252,806	1,150,292

STORMWATER FUND BUDGET SUMMARY

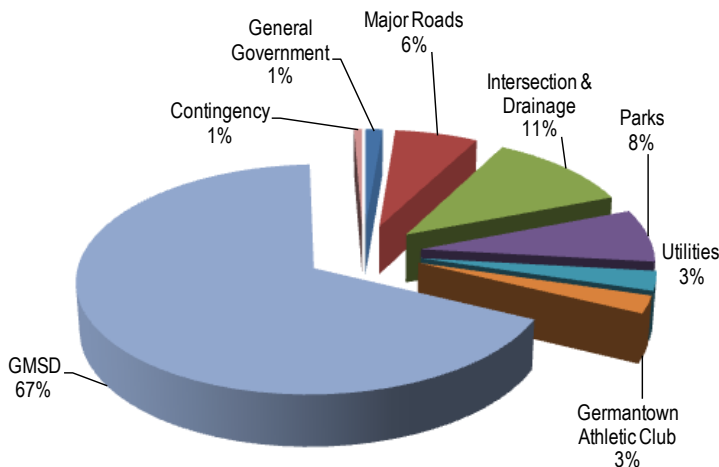
	Actual FY15	Actual FY16	Budget FY17
OPERATING REVENUES			
Stormwater Management Fee	\$ 1,030,843	994,425	1,009,964
Stormwater Permits	17,760	9,000	9,000
Other Revenue	-	331	-
TOTAL OPERATING REVENUES	1,048,603	1,003,756	1,018,964
OPERATING EXPENSES			
Communication	1,792	2,248	1,800
Other Maintenance	6,590	24,517	30,000
Personnel	599,276	514,965	548,443
Professional Fees	-	900	-
Supplies	14,994	10,280	22,500
Utilities	-	-	-
Roads and Mains	226,494	249,232	290,000
Allocations	39,472	43,149	43,392
Depreciation	18,747	33,131	32,832
TOTAL OPERATING EXPENSES	907,365	878,422	968,967
OPERATING INCOME	141,238	125,334	49,997
NONOPERATING REVENUES (EXPENSES)			
Investment Income	9,965	2,608	1,700
Operating Transfer	-	-	-
Total Nonoperating Revenues	9,965	2,608	1,700
NET INCOME/(LOSS)	151,203	127,942	51,697
Other Receipts			
Depreciation	18,747	33,131	32,832
Total Other Receipts	18,747	33,131	32,832
Other Expenses			
Other Assets	93,040	90,000	50,000
Total Other Expenses	93,040	90,000	50,000
Total Net Position-Beginning	474,451	625,654	646,016
Total Net Position-Ending	\$ 625,654	753,596	697,713

STORMWATER FUND BUDGET SUMMARY

	Estimate FY17	Budget FY18	Projected			
			FY19	FY20	FY21	FY22
\$	1,035,000	1,040,175	1,045,376	1,055,830	1,061,109	1,071,720
	5,000	7,500	9,000	12,000	15,000	17,000
	-	-	-	-	-	-
	1,040,000	1,047,675	1,054,376	1,067,830	1,076,109	1,088,720
	1,800	3,000	3,025	3,051	3,077	3,104
	30,000	29,820	30,566	31,330	32,113	32,916
	548,233	575,046	593,306	612,915	633,582	654,969
	-	5,000	5,000	5,000	5,050	5,050
	22,500	29,100	29,738	30,417	31,117	31,837
	-	-	-	-	-	-
	290,000	285,000	285,000	290,000	290,000	290,000
	34,068	38,567	39,272	40,513	41,924	43,255
	36,420	38,920	39,309	39,702	40,099	40,500
	963,021	1,004,453	1,025,215	1,052,928	1,076,962	1,101,631
	76,979	43,222	29,160	14,901	(853)	(12,911)
	3,200	3,500	3,605	3,713	3,825	3,939
	-	-	-	-	-	-
	3,200	3,500	3,605	3,713	3,825	3,939
	80,179	46,722	32,765	18,615	2,971	(8,972)
	36,420	38,920	39,309	39,702	40,099	40,500
	36,420	38,920	39,309	39,702	40,099	40,500
	50,000	100,000	100,000	160,000	160,000	100,000
	50,000	100,000	100,000	160,000	160,000	100,000
	753,596	833,775	880,497	913,262	931,877	934,848
\$	833,775	880,497	913,262	931,877	934,848	925,876

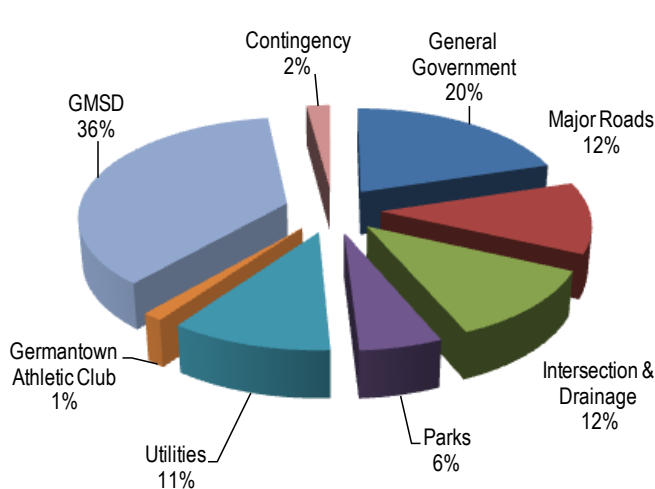
CAPITAL IMPROVEMENTS PROGRAM

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, GMSD and Utility Fund summaries as transfers to CIP and Debt Service and in project detail found under the CIP tab.



	(\$000)	FY18 CIP
General Government	\$	525
Major Roads		2,550
Intersection & Drainage		4,505
Parks		3,011
Utilities		1,103
Germantown Athletic Club		1,000
GMSD		27,000
Contingency		250
TOTAL	\$	39,944

The six-year CIP total has increased over last year's total. Contributions from intergovernmental sources will total \$8,751,811 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	\$	14,535
Major Roads		8,350
Intersection & Drainage		8,405
Parks		4,011
Utilities		7,805
Germantown Athletic Club		1,000
GMSD		27,000
Contingency		1,500
TOTAL	\$	72,606

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 FY18 project is provided under the Capital Improvements Program tab.

CAPITAL IMPROVEMENTS PROGRAM

CITY OF GERMANTOWN Capital Improvements Program - 2017 to 2023

(in thousands)	FY17	TOTAL	EXPENDITURES							FUNDING SOURCES				STATE & FEDERAL PROJECTS
			FY18	FY19	FY20	FY21	FY22	FY23	Reserves	Grants	Bonds	Hall		
GENERAL GOVERNMENT:														
City Hall Structural Work	50	-	-	-	-	-	-	-	-	-	-	-	-	-
GPAC - Grove	292	4,000	-	4,000	-	-	-	-	2,000	2,000	-	-	-	-
Police Indoor Range	-	75	75	-	-	-	-	-	-	-	-	-	75	-
Fire Station 3	-	5,750	-	-	500	5,000	250	-	5,750	-	-	-	-	-
Houston High Parking Lot Paving	120	-	-	-	-	-	-	-	-	-	-	-	-	-
ADA Compliance Improvements	-	700	-	300	100	100	100	100	600	-	-	-	100	-
Court Clerk Design Renovation	10	-	-	-	-	-	-	-	-	-	-	-	-	-
City Hall Police Parking	-	300	300	-	-	-	-	-	300	-	-	-	-	-
Customer Service Center (ADA Compatible)	-	150	150	-	-	-	-	-	-	-	-	-	150	-
City Hall Rain Garden Improvements	79	-	-	-	-	-	-	-	-	-	-	-	-	-
100ft Platform Fire	1,455	-	-	-	-	-	-	-	-	-	-	-	-	-
Ambulance	-	550	-	-	-	265	285	-	550	-	-	-	-	-
Fire Engine Replacements	-	3,010	-	-	860	1,200	-	950	3,010	-	-	-	-	-
Total General Government:	2,006	14,535	525	4,300	1,460	6,565	635	1,050	12,210	2,000	-	325	-	
MAJOR ROADS:														
Median - Gtown Rd South	57	-	-	-	-	-	-	-	-	-	-	-	-	-
FHI Widening Farmoor to Winc Design	135	-	-	-	-	-	-	-	-	-	-	-	-	-
Winchester Milling and Paving*	100	1,450	1,450	-	-	-	-	-	290	-	-	-	-	1,160
Poplar Avenue Culvert - Phase IV	530	600	600	-	-	-	-	-	-	-	-	-	-	600
FHI Widening Poplar Pike to Winc ROW	-	500	500	-	-	-	-	-	500	-	-	-	-	-
FHI Widening Poplar Pike/Winc- Const	-	5,800	-	5,800	-	-	-	-	-	-	5,800	-	-	-
FHI Widening Farmoor/Poplar	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Major Roads:	822	8,350	2,550	5,800	-	-	-	-	790	-	5,800	-	1,760	
* State funding is included in totals.														
INTERSECTIONS & OTHER:														
Central Business District Streetscape	300	1,500	500	500	250	250	-	-	-	-	-	1,500	-	-
Bicycle Facilities Program	10	-	-	-	-	-	-	-	-	-	-	-	-	-
Signal Upgrades	300	1,050	1,050	-	-	-	-	-	-	-	-	-	-	1,050
Allenby Rd Sidewalks Mercedes to Farmington	-	30	30	-	-	-	-	-	30	-	-	-	-	-
Safe Routes to School Ph2	-	191	191	-	-	-	-	-	-	-	-	-	-	191
Wolf River/Gtown Rd Impr- Design*	541	-	-	-	-	-	-	-	-	-	-	-	-	-
Wolf River/Gtown Rd Impr- ROW	-	2,230	2,230	-	-	-	-	-	-	-	-	-	-	2,230
Oak Manor RR Crossing	30	-	-	-	-	-	-	-	-	-	-	-	-	-
Safe Routes to School Ph1	-	155	155	-	-	-	-	-	155	-	-	-	-	-
Decorative Street Signs	150	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Intersections/Other:	1,331	5,155	4,155	500	250	250	-	-	185	-	-	1,500	3,471	
* State funding is included in totals.														
DRAINAGE:														
City Wide Master Drainage Plan	150	900	150	150	150	150	150	150	450	-	-	450	-	-
Howard/McVay Culvert Replacement	800	-	-	-	-	-	-	-	-	-	-	-	-	-
Lateral F - Protection	720	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Misc Drainage Imprv	50	300	50	50	50	50	50	50	150	-	-	150	-	
Allenby Lake Drainage	50	-	-	-	-	-	-	-	-	-	-	-	-	-
Mimosa Drainage	-	1,000	-	1,000	-	-	-	-	1,000	-	-	-	-	-
Dogwood Grove Ditch Imprv	-	900	-	-	900	-	-	-	900	-	-	-	-	-
Lateral G Mitigation at Allenby Lakes	-	150	150	-	-	-	-	-	-	-	-	150	-	
Total Drainage:	1,770	3,250	350	1,200	1,100	200	200	200	2,500	-	-	750	-	
* State funding is included in totals.														
PARKS:														
Greenway Restroom & Lift Station Replacement	-	175	175	-	-	-	-	-	-	-	-	175	-	-
Parks Master Plan	165	1,500	500	500	250	250	-	-	-	-	-	1,500	-	
Greenway Phase Nashoba to East Trail Head	-	1,900	1,900	-	-	-	-	-	380	-	-	-	-	1,520
Farmington Playground Renovation	-	306	306	-	-	-	-	-	-	-	-	306	-	
Farmington Park East Field Renovation	-	130	130	-	-	-	-	-	-	-	-	130	-	
Total Parks:	165	4,011	3,011	500	250	250	-	-	380	-	-	2,111	1,520	
GERMANTOWN ATHLETIC CLUB FUND:														
GAC Renovation	2,500	1,000	1,000	-	-	-	-	-	1,000	-	-	-	-	-
Total GAC Fund:	2,500	1,000	1,000	-	-	-	-	-	1,000	-	-	-	-	

CAPITAL IMPROVEMENTS PROGRAM

(in thousands)	EXPENDITURES								FUNDING SOURCES				STATE & FEDERAL PROJECTS
	FY17	TOTAL	FY18	FY19	FY20	FY21	FY22	FY23	Reserves	Grants	Bonds	Hall	
MUNICIPAL SCHOOLS:													
New School Const	100	27,000	27,000	-	-	-	-	-	-	-	27,000	-	-
Total GMSD Fund:	100	27,000	27,000	-	-	-	-	-	-	-	27,000	-	-
UTILITY FUND:													
Forest Hill-Irene Main	-	486	-	486	-	-	-	-	486	-	-	-	-
Johnson Rd Roof Replacement	-	310	310	-	-	-	-	-	310	-	-	-	-
Elevated Water Tank	-	2,857	-	-	2,857	-	-	-	2,857	-	-	-	-
Annexation Area Water Main	50	1,034	-	1,034	-	-	-	-	1,034	-	-	-	-
Johnson Rd Lift Station Rerouting	10	225	-	225	-	-	-	-	225	-	-	-	-
Western Gateway Sewer	-	2,200	200	2,000	-	-	-	-	2,200	-	-	-	-
Land Purchase Southern Ave	-	350	350	-	-	-	-	-	350	-	-	-	-
Greenway Restroom & Lift Station Replacement	-	60	60	-	-	-	-	-	60	-	-	-	-
Southern Ave Electrical Panels	-	183	183	-	-	-	-	-	183	-	-	-	-
Water System Aquisition of Winchester RD	-	100	-	-	-	100	-	-	100	-	-	-	-
Total Utility Fund:	60	7,805	1,103	3,745	2,857	100	-	-	7,805	-	-	-	-
CONTINGENCY:													
		1,500	250	250	250	250	250	250	1,500	-	-	-	-
Total Contingency:	-	1,500	250	250	250	250	250	250	1,000	-	-	500	-
CIP SUMMARY													
General Government	2,006	14,535	525	4,300	1,460	6,565	635	1,050					
Major Roads	822	8,350	2,550	5,800	-	-	-	-					
Intersec/Other/Drainage	3,101	8,405	4,505	1,700	1,350	450	200	200					
Parks	165	4,011	3,011	500	250	250	-	-					
Utilities	60	7,805	1,103	3,745	2,857	100	-	-					
Germantown Athletic Club	2,500	1,000	1,000	-	-	-	-	-					
Great Hall	-	-	-	-	-	-	-	-					
GMSD	100	27,000	27,000	-	-	-	-	-					
Contingency	-	1,500	250	250	250	250	250	250					
Total CIP:	8,754	72,606	39,944	16,295	6,167	7,615	1,085	1,500					
FUNDING SUMMARY													
Reserves: General	6,094	17,065	1,905	3,300	2,260	7,015	1,085	1,500					
Utility	60	7,805	1,103	3,745	2,857	100	-	-					
Germantown Athletic Club	2,500	1,000	1,000	-	-	-	-	-					
Great Hall	-	-	-	-	-	-	-	-					
Recreation	-	-	-	-	-	-	-	-					
GMSD	100	-	-	-	-	-	-	-					
State/Intergovernmental/Grant:		8,751	6,751	2,000	-	-	-	-					
Bonds: General	-	32,800	27,000	5,800	-	-	-	-					
Utility	-	-	-	-	-	-	-	-					
Hall: General	-	5,186	2,186	1,450	1,050	500	-	-					
Total Funding:	8,754	72,606	39,944	16,295	6,167	7,615	1,085	1,500					

INFRASTRUCTURE REPLACEMENT PROGRAM – 2018 to 2027

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
(in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY17	Estimate FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	10 YEAR TOTAL
FIRE:													
Ford Expedition	-	-	65	-	-	-	50	-	-	-	-	-	115
Ford F-350	-	-	-	50	-	-	-	-	-	-	-	-	50
Chevy Tahoe	40	40	40	45	-	-	-	45	-	-	-	-	130
TOTAL FIRE	40	40	105	95	-	-	50	45	-	-	-	-	295
PARKS AND RECREATION:													
Dodge Dakota	35	28	-	-	-	-	-	-	-	-	-	-	-
Dodge Journey	-	-	-	35	-	-	-	-	-	-	-	-	35
TOTAL PARKS AND REC.	35	28	-	35	-	-	-	-	-	-	-	-	35
POLICE:													
Police Fleet - Chevy Tahoes - (6)	-	-	240	200	80	-	160	40	-	-	-	-	720
Police Fleet - Impala	35	28	35	-	35	-	-	35	-	-	-	-	105
Police Fleet - Ford Crown Vic	40	39	-	-	40	80	40	120	-	-	-	-	280
Police Fleet - Ford Hybrid	-	-	-	35	35	-	105	-	-	-	-	-	175
Police Fleet - Ford Explorer	275	275	-	-	115	40	200	80	-	-	-	-	435
Police Fleet - Chevrolet Malibu	-	-	-	35	-	-	-	-	-	-	-	-	35
TOTAL POLICE	350	342	275	270	305	120	505	275	-	-	-	-	1,750
TOTAL AUTOS & TRUCKS	667	623	637	650	485	375	595	360	-	-	-	-	3,102

COMPUTER EQUIPMENT:

INFORMATION TECHNOLOGY:

Servers	-	-	20	20	20	20	20	20	20	100	20	20	280
Network Switches	35	35	35	150	35	35	35	35	150	35	35	35	580
iPAD w/Lifeproof Case (13) - Fire	13	13	-	-	-	-	-	-	-	-	-	-	-
Court Security Camera	6	6	-	-	-	-	-	-	-	-	-	-	-
ECD Card Access System	-	-	-	29	-	-	-	-	-	-	-	-	29
Council Chambers AV System	-	-	-	-	-	-	50	-	-	-	-	-	50
IBM Message Switch	-	-	18	-	-	-	-	-	-	18	-	-	36
Portable Radio Repeater	-	-	10	-	-	-	-	-	-	10	-	-	20
Sign Shop Plotter	5	5	-	-	-	-	-	-	-	-	-	-	-
Mobil Work Order iPads w/Lifeproof Case- PW & FS	10	10	-	-	-	-	-	-	-	-	-	-	-
Library Card Access System	-	-	-	-	25	-	-	-	-	-	-	-	25
Library CCTV Cameras	-	-	40	-	-	-	-	-	-	-	-	-	40
Purchasing Vendor Management	3	3	-	-	-	-	-	-	-	-	-	-	-
Tablet Computers- Fire	9	9	-	-	-	-	-	-	-	-	-	-	-
AFIS Fingerprint Machine	15	15	-	-	-	-	-	15	-	-	-	-	15
NetApp Server Storage	25	25	-	-	-	-	-	-	-	-	-	-	-
FS4 UPS Battery Replacement	-	-	20	-	-	-	-	20	-	-	-	-	40
Phone System Servers	-	-	-	35	-	-	-	-	35	-	-	-	70
TOTAL I.T.	121	121	143	234	80	55	105	90	205	163	55	55	1,185
TOTAL COMPUTER EQUIPMENT	121	121	143	234	80	55	105	90	205	163	55	55	1,185

COMPUTER SOFTWARE:

INFORMATION TECHNOLOGY:

Electronic Citations	55	55	-	-	-	-	-	-	-	-	-	-	-
Location	-	-	-	-	-	-	-	-	-	200	-	-	200
HR Performance Appraisal	16	16	-	-	-	-	-	-	-	-	-	-	-
Court Software	200	200	-	-	-	-	-	-	-	-	-	-	-
NetApp Server Backup Software	30	30	-	-	-	-	30	-	-	-	-	30	60
TOTAL I.T.	301	301	-	-	-	-	30	-	-	200	-	30	260
TOTAL COMPUTER SOFTWARE	301	301	-	-	-	-	30	-	-	200	-	30	260

OTHER ASSETS:

BUILDING MAINTENANCE:

City Signs	-	-	100	100	-	-	-	-	-	-	-	-	200
GPAC and GAC Boilers	-	-	45	-	-	-	-	-	-	-	-	-	45
TOTAL FACILITIES MAINT.	-	-	145	100	-	-	-	-	-	-	-	-	245

PARKS

GTown Rotary Club YEP Project - Trail Connectors	9	9	-	-	-	-	-	-	-	-	-	-	-
City Signs	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance- Oaklawn Gardens	28	28	-	-	-	-	-	-	-	-	-	-	-
Security Camaras - Parks and Greenway Trail	-	-	10	5	-	-	-	-	-	10	-	-	25
Greenway Usage Counter	-	-	16	-	-	-	-	-	-	-	-	-	16
Greenway RTV	-	-	-	15	-	-	-	-	-	-	17	-	32
Greenway 911 Signage	-	-	-	27	-	-	-	-	-	-	-	-	27
TOTAL PARKS	37	37	26	47	-	-	-	-	-	10	17	-	99

GPAC:

Theater Lighting Instruments	-	-	-	23	-	-	-	-	-	-	-	-	23
Performance Risers & Platforms	25	21	-	-	-	-	-	-	-	-	-	-	-
Bistro tables w/ chairs	-	-	-	-	10	-	-	-	-	-	-	-	10
24x24 Screen with Projector	-	-	-	-	20	-	-	-	-	-	-	-	20
Folding Chairs	16	7	-	-	-	-	-	-	-	-	-	-	-
Recover Orchestra Shell	-	-	-	19	-	-	-	-	-	-	-	-	19
Hand Rails (8)	-	-	15	-	-	-	-	-	-	-	-	-	15
GPAC Upstairs Lobby carpet	-	-	-	-	-	-	-	-	-	-	-	-	-
Black Box Floor	6	6	-	-	-	-	-	-	-	-	-	-	-
Theater Seat Replacement- Phase 1	-	-	-	65	40	-	-	-	-	-	-	-	105
Floor replacement- Green Room	-	-	-	-	11	-	-	-	-	-	-	-	11
Bar and Concessions renovations	-	-	15	-	-	-	-	-	-	-	-	-	15
TOTAL GPAC	47	54	30	107	81	-	-	-	-	-	-	-	218

INFRASTRUCTURE REPLACEMENT PROGRAM – 2018 to 2027

City of Germantown INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL (in thousands)													
AREA & TYPE OF INFRASTRUCTURE	Budget FY17	Estimate FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	10 YEAR TOTAL
PUBLIC SERVICES:													
Round rail fencing	-	-	42	80	50	50	50	50	50	50	50	50	522
ADA Compliance Sidewalk	-	-	-	100	100	100	100	100	100	100	100	100	900
Greenway (Dogwood) walking trail repair	42	42	-	-	-	-	-	-	-	-	-	-	-
Poplar Estates pedestrian bridge	25	25	-	-	-	-	-	-	-	-	-	-	-
Resurface Greenway Walking trail	-	-	80	80	80	100	100	100	100	100	100	100	940
Houston Levee Park pedestrian bridge	-	-	-	80	-	50	-	50	-	50	-	-	230
TOTAL PUBLIC SERVICES	67	67	122	340	230	300	250	300	250	300	250	250	2,592
FIRE													
Pagers	8	5	-	-	-	-	-	-	-	-	-	-	-
TOTAL FIRE	8	5	-	-	-	-	-	-	-	-	-	-	-
POLICE:													
Mobile Video Cameras	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Car Video Systems - Police Vehicles	-	-	30	35	35	35	35	35	35	35	35	35	345
TOTAL POLICE	-	-	30	35	35	35	35	35	35	35	35	35	345
TOTAL OTHER ASSETS	159	163	353	629	346	335	285	335	285	345	302	285	3,499
TOTAL GENERAL FUND	1,570	1,489	1,600	2,132	1,081	765	1,196	995	490	508	567	384	9,717
SANITATION:													
AUTO & TRUCKS													
Knuckle Boom Truck	-	-	170	-	-	-	-	-	-	-	-	0	170
TOTAL SANITATION FUND	-	-	170	-	-	-	-	-	-	-	-	-	170
RECREATION FUND:													
OTHER ASSETS:													
Sports Lighting & Control Upgrades	-	-	200	-	-	-	-	-	-	-	-	-	200
TOTAL RECREATION FUND	-	-	200	-	-	-	-	-	-	-	-	-	200
STORMWATER FUND:													
MAINTENANCE EQUIPMENT:													
Tarco Leaf Vac	-	-	-	-	-	-	-	-	-	-	-	60	60
TOTAL MAINTENANCE EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	60	60
OTHER ASSETS:													
CIPP	50	50	100	100	100	100	100	100	100	-	-	-	600
TOTAL OTHER ASSETS	50	50	100	100	100	100	100	100	100	-	-	-	600
AUTO & TRUCKS:													
Ford F-450 Truck	-	-	-	-	60	60	-	-	-	-	-	-	120
TOTAL AUTOS & TRUCKS	-	-	-	-	60	60	-	-	-	-	-	-	120
TOTAL STORMWATER FUND	50	50	100	100	160	160	100	100	-	-	-	60	780
GREAT HALL FUND:													
BUILDING IMPROVEMENTS:													
Light Dimming Rack and 6 Wall mounted Control Panels	-	-	30	-	-	-	-	-	-	-	-	-	-
TOTAL BUILDING IMPROVEMENTS	-	-	30	-	-	-	-	-	-	-	-	-	30
TOTAL GREAT HALL FUND	-	-	30	-	-	-	-	-	-	-	-	-	-
UTILITY FUND:													
LINES, WELLS AND STATION IMPROVEMENTS:													
SEWER:													
Maintenance of Sewer Collection System	200	220	300	300	300	300	300	300	300	300	300	300	2,700
TOTAL SEWER	200	220	300	300	300	300	300	300	300	300	300	300	2,700
WATER:													
Water Tower Cleaning/Painting	-	-	-	440	-	-	-	-	-	-	-	-	440
Water Mains Maintenance	100	75	100	100	100	100	100	100	100	100	100	-	900
Maintenance of Water Well/Field System	20	-	20	50	50	50	50	50	50	50	50	-	420
TOTAL WATER	120	75	120	590	150	150	150	150	150	150	150	150	1,320
TOTAL LINES, WELLS & STATION IMPROVEMENTS	320	295	420	890	450	450	450	450	450	450	450	450	4,020
MAINTENANCE EQUIPMENT:													
SEWER:													
Ingersoll Rand Compressor	-	-	35	-	-	-	-	-	-	-	-	-	35
Trailer Mounted GenSet	-	-	55	-	-	-	-	-	-	-	-	-	55
International Sewer/Vacuum Truck	-	-	-	-	-	-	-	-	300	-	-	-	300
Ford 750 Sewer Flush Truck	-	-	-	150	-	-	-	-	-	-	-	-	150
TOTAL SEWER	-	-	90	150	-	-	-	-	300	-	-	-	540
WATER:													
Atlas Copco Compressor	-	-	35	-	-	-	-	-	-	-	-	-	35
Gradall Excavator 3100	-	-	-	-	-	-	250	-	-	-	-	-	250
Gradall XL4100	-	-	-	-	-	-	-	-	-	-	450	-	450
Ford Transit Connect	-	-	-	-	25	-	-	-	-	-	-	-	25
TOTAL WATER	-	-	35	-	25	-	250	-	-	-	450	-	760
TOTAL MAINTENANCE EQUIPMENT	-	-	125	150	25	-	250	-	300	-	450	-	1,300

INFRASTRUCTURE REPLACEMENT PROGRAM – 2018 to 2027

City of Germantown INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL (in thousands)														
AREA & TYPE OF INFRASTRUCTURE	Budget FY17	Estimate FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	10 YEAR TOTAL	
AUTOS AND TRUCKS:														
SEWER:														
Ford F-350	-	-	125	-	-	-	-	-	-	-	-	-	50	175
Ford F-450 Service Truck w/crane & Chevy 3500 Truck	-	-	120	-	-	-	-	-	-	-	-	-	-	120
TOTAL SEWER	-	-	245	-	-	-	-	-	-	-	-	-	50	295
WATER:														
Ford F-350	-	-	-	50	-	-	-	-	-	-	-	-	-	50
Dodge Dakota	-	-	-	30	-	30	-	-	-	-	-	-	-	60
Ford F-150 Truck	-	-	-	-	35	-	-	30	-	-	-	-	-	65
Ford Ranger	-	-	-	-	-	-	-	60	-	-	-	-	-	60
TOTAL WATER	-	-	-	80	35	30	-	90	-	-	-	-	-	235
TOTAL AUTOS & TRUCKS	-	-	245	80	35	30	-	90	-	-	-	-	50	530
COMPUTER EQUIPMENT:														
WATER:														
SCADA System Replacement	-	-	100	-	-	-	-	-	75	-	-	-	-	175
TOTAL WATER	-	-	100	-	-	-	-	-	75	-	-	-	-	175
TOTAL COMPUTER EQUIPMENT	-	-	100	-	-	-	-	-	75	-	-	-	-	175
TOTAL UTILITY FUND	320	295	890	1,120	510	480	700	540	750	450	900	50	6,025	
GERMANTOWN ATHLETIC CLUB:														
OTHER ASSETS:														
GPAC and GAC Boilers	-	-	135	-	-	-	-	-	-	-	-	-	-	135
OTHER ASSETS	-	-	135	-	-	-	-	-	-	-	-	-	-	135
COMPUTER EQUIPMENT:														
RECREATION														
GAC Paging & Speaker System	-	-	-	20	-	-	-	-	-	-	-	-	-	20
TOTAL COMPUTER	-	-	-	20	-	-	-	-	-	-	-	-	-	20
TOTAL G'TOWN ATHLETIC CLUB	-	-	135	20	-	-	-	-	-	-	-	-	-	155
PICKERING														
Exterior Lighting	25	25	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING IMPROVEMENTS	25	25	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PICKERING	25	25	-	-	-	-	-	-	-	-	-	-	-	-
VEHICLE MAINTENANCE FUND:														
AUTOS AND TRUCKS:														
Ford Fusion	-	-	-	30	-	-	-	-	-	-	-	-	-	30
Dodge Charger	-	-	-	-	30	-	-	-	-	-	-	-	-	30
Dodge Avenger	-	-	-	-	-	30	-	-	-	-	-	-	-	30
Ford Crown Vic	35	29	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL AUTOS & TRUCKS	35	29	-	30	30	30	-	-	-	-	-	-	-	90
OTHER ASSETS:														
Ceiling Fans	18	18	-	-	-	-	-	-	-	-	-	-	-	-
Daewoo Forklift	-	-	-	-	-	40	-	-	-	-	-	-	-	40
TOTAL OTHER ASSETS	18	18	-	-	-	40	-	-	-	-	-	-	-	40
TOTAL VEHICLE MAINT. FUND	53	47	-	30	30	70	-	-	-	-	-	-	-	130
The Farm														
OTHER ASSETS:														
Farm Park Entrance Sign (Cross Country)	8	8	-	-	-	-	-	-	-	-	-	-	-	-
Farm Park Storage Shed	10	10	-	-	-	-	-	-	-	-	-	-	-	-
Hoop House	15	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	33	18	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FARM	33	18	-	-	-	-	-	-	-	-	-	-	-	-
Ambulance														
OTHER ASSETS:														
Defibrillators	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EMS Training Mannequin	-	-	23	-	-	-	-	-	-	-	-	-	-	23
TOTAL OTHER ASSETS	-	-	23	-	-	-	-	-	-	-	-	-	-	23
AUTOS AND TRUCKS:														
Ambulance	-	-	216	-	-	195	-	-	-	-	-	-	-	411
TOTAL AUTOS AND TRUCKS	-	-	216	-	-	195	-	-	-	-	-	-	-	411
TOTAL AMBULANCE	-	-	239	-	-	195	-	-	-	-	-	-	-	434
GRAND TOTAL - ALL FUNDS	2,051	1,923	3,364	3,402	1,781	1,670	1,996	1,635	1,240	958	1,467	494	17,441	

DISCUSSION OF GENERAL FUND RESERVES

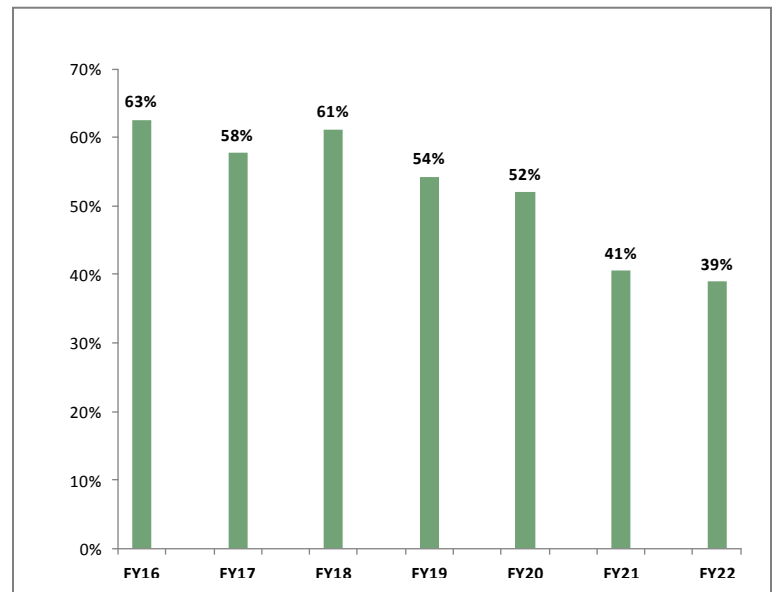
During the City's high growth period, excess revenues over expenditures were used for capital projects not funded by bond proceeds. In the past several years, General Fund reserves were used to fund a significant portion of the capital projects. Beginning in FY04, revenues from the Hall Income and Excise Tax were earmarked to fund capital projects due to the uncertainty of this revenue source for operational funding. Beginning in 2017, the State began phasing out the Hall Income and Excise Tax with total elimination by 2022. The drawdown of reserves, including Hall, for the five-year planning period is as follows.

	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
CIP \$	3,800,000	2,000,000	4,750,000	3,310,000	7,515,000	1,085,000

ANALYSIS OF FUND BALANCE

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

FUND BALANCE % TOTAL EXPENDITURES

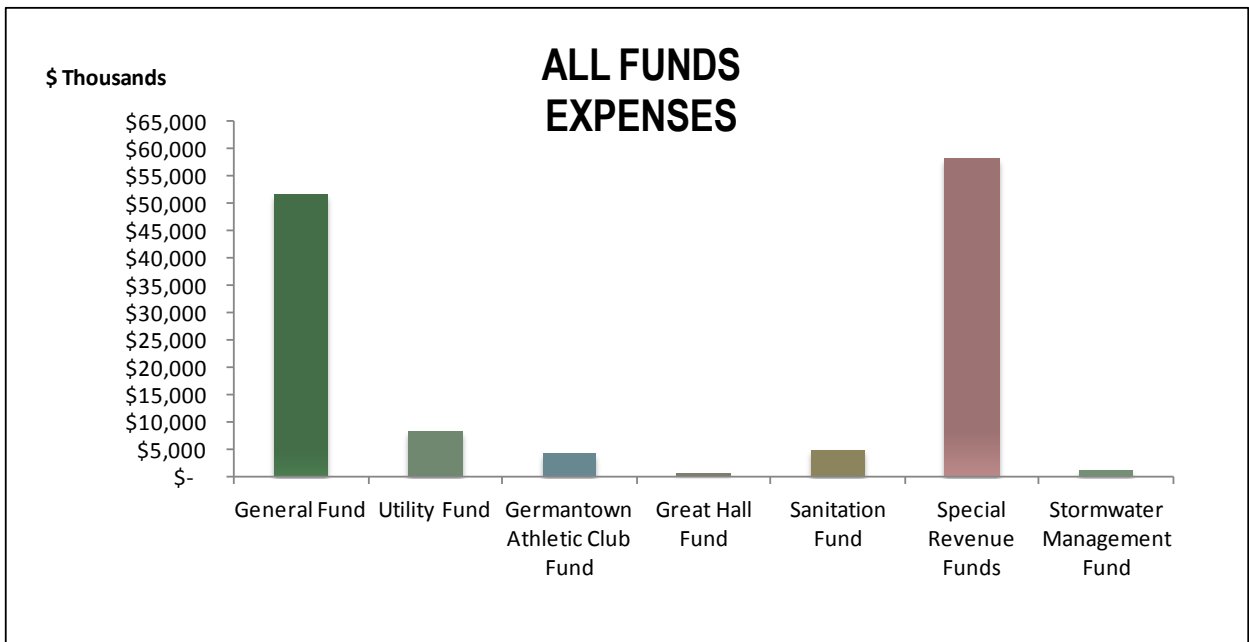
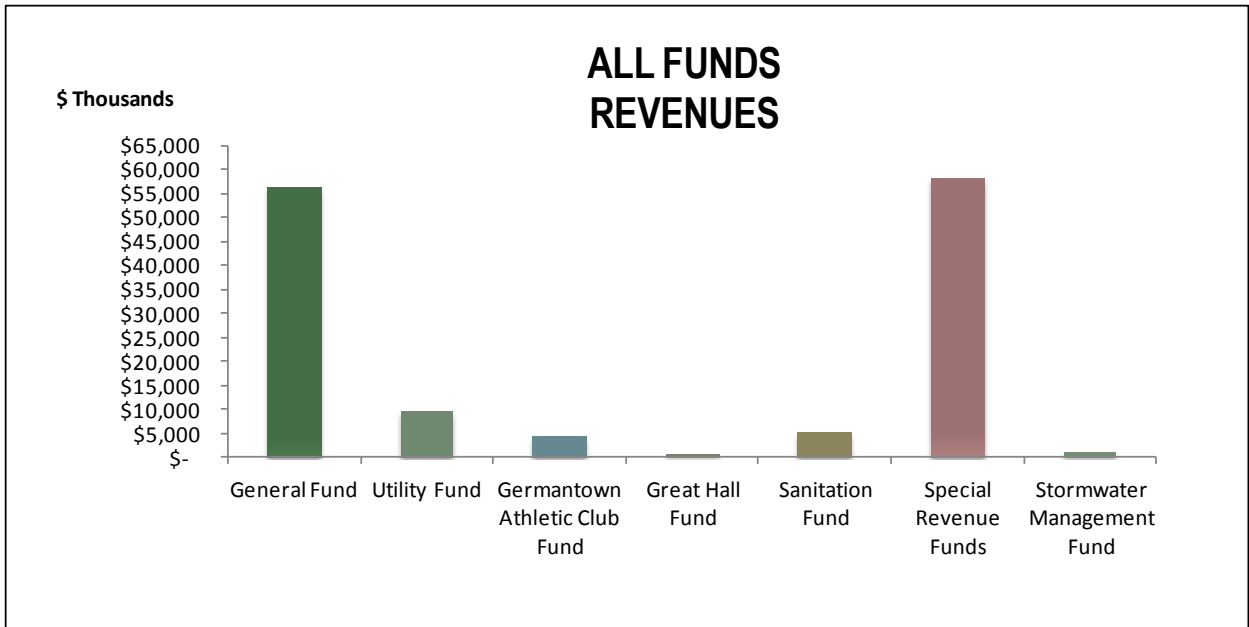


	Actual FY16	Estimated FY17	Budget FY18	Projected			
				FY19	FY20	FY21	FY22
Nonspendable	1,439,204	1,023,970	1,023,970	608,985	194,000	69,000	-
Restricted:							
Committed emergencies & Catastrophes	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Committed Capital Asset Repl. Infrastruc	1,570,000	3,402,000	3,402,000	1,781,000	1,670,000	1,996,000	1,635,000
Committed Tax Anticipation	9,526,736	11,022,655	11,104,783	11,212,114	11,396,155	11,605,063	11,837,164
Committed General Debt	3,850,551	4,881,097	4,804,403	4,800,103	4,761,953	4,661,485	4,384,465
Committed Contingencies	-	-	50,000	50,000	50,000	50,000	50,000
Assigned	2,449,205	2,449,205	2,449,205	2,449,205	2,449,205	2,449,205	2,449,205
Unassigned	12,072,176	5,831,972	7,861,839	7,339,420	6,639,681	581,813	806,976
Total fund Balance	31,857,872	29,510,899	31,596,200	29,140,827	28,060,994	22,312,566	22,062,810
Operating Expenditures	50,884,860	51,150,411	51,651,406	53,488,555	53,602,878	54,511,264	55,897,010
Fund Balance as % of Expenditures	63%	58%	61%	54%	52%	41%	39%



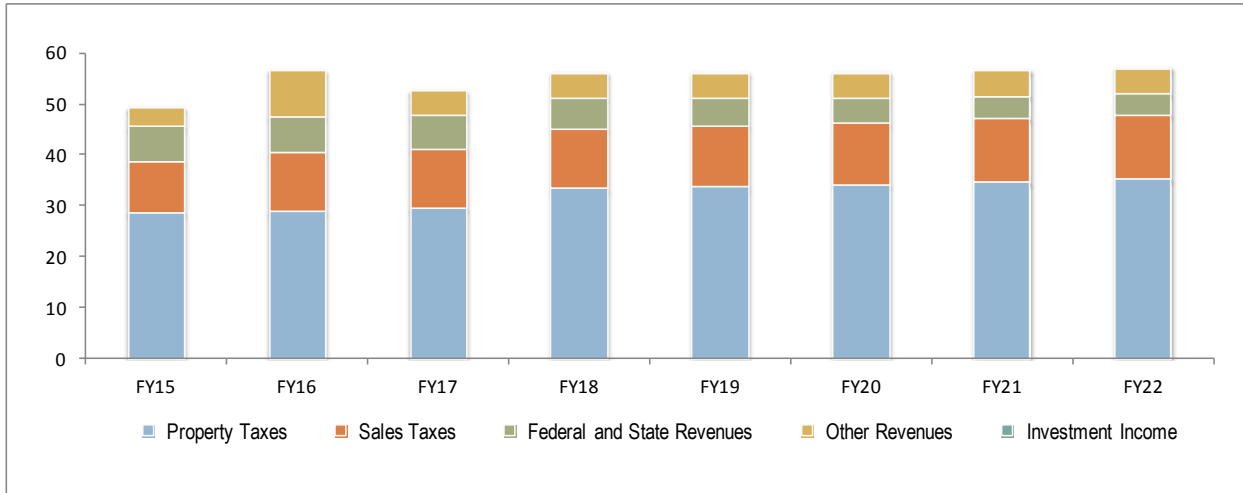
The two charts below illustrate revenues and expenses for all major funds. The section following these charts consist of budget projection summaries of revenues and expenditures by major categories, along with fund balances as of June 30, for the fiscal years 2015-2022. The graphs illustrate 8 years 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 FY17 and FY18.



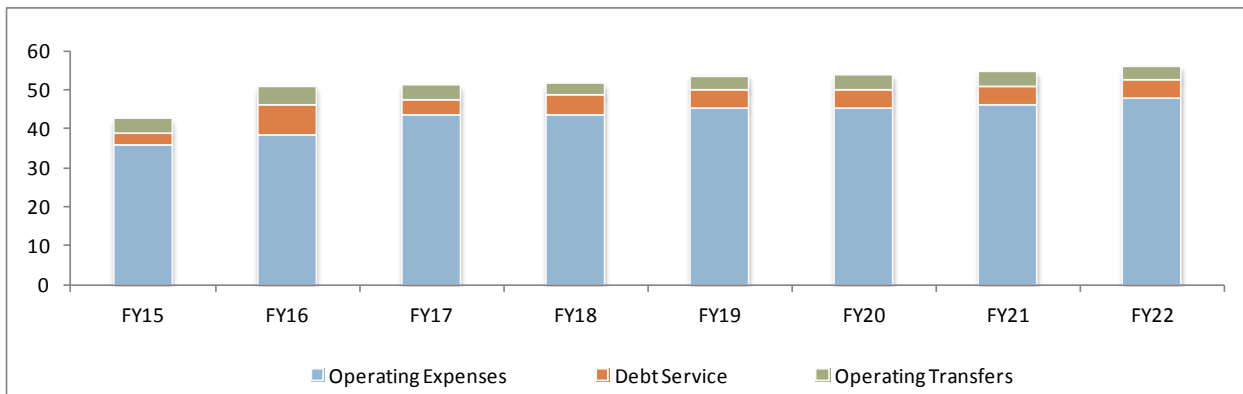
GENERAL FUND REVENUES

\$ Millions



GENERAL FUND EXPENDITURES

\$ Millions



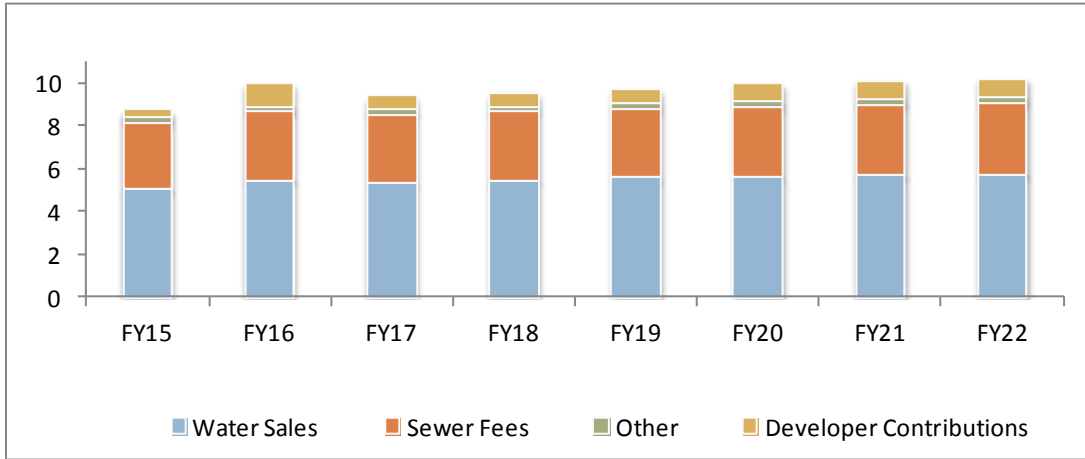
GENERAL FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
GENERAL REVENUES:									
Auto Registration	\$ 892	870	890	940	1,215	1,239	1,264	1,289	1,315
Court Fines	746	1,429	740	1,433	1,114	1,127	1,139	1,164	1,190
Franchise Fees	787	820	790	822	850	850	876	902	929
Grants	294	213	100	150	200	200	200	200	200
Interest	41	121	35	126	120	120	121	124	126
Licenses	252	224	211	219	238	238	242	248	254
Other Income	1,107	5,650	1,214	1,329	1,421	1,336	1,275	1,283	1,291
Property Taxes	28,633	28,868	29,374	29,440	33,068	33,314	33,636	34,188	34,815
Sales Taxes	10,069	11,422	11,190	11,635	11,725	12,039	12,264	12,567	12,800
State Taxes	6,440	6,904	5,972	6,510	5,786	5,319	4,817	4,313	3,812
Fund From Prior	-	-	450	450	450	450	450	450	450
REVENUE TOTAL	49,260	56,520	50,966	53,053	56,187	56,233	56,283	56,728	57,182
EXPENDITURES BY CATEGORY:									
Personnel	26,416	26,813	29,048	28,919	30,490	31,372	32,279	33,206	34,219
Communication	314	344	456	447	395	396	400	404	408
Prof. Fees	2,205	2,764	2,805	2,962	2,573	2,642	2,685	2,740	2,785
Other Maint.	1,756	1,928	2,523	2,607	2,558	2,589	2,621	2,667	2,704
Supplies	1,342	1,360	1,727	1,867	1,691	1,673	1,705	1,741	1,778
Insurance	96	79	95	83	97	94	94	94	94
Rent	70	73	107	110	91	90	90	90	90
Allocations	1,213	1,447	1,514	1,479	1,548	1,585	1,635	1,691	1,746
Capital Outlay	692	1,134	1,570	2,159	1,600	2,157	1,081	765	1,196
Road & Mains	-	-	-	-	-	-	-	-	-
Contingency	-	-	50	50	50	50	50	50	50
Grants	554	1,630	1,512	1,779	1,533	1,560	1,587	1,614	1,643
Debt Service	3,168	7,724	3,852	3,852	4,881	4,860	4,860	4,815	4,719
Operating Transfers	4,722	5,182	4,864	4,764	4,130	4,469	4,574	4,690	4,530
Sanitation	-	-	-	-	-	-	-	-	-
Expense Reimbursement	(991)	(535)	(979)	(979)	(1,047)	(1,071)	(1,097)	(1,123)	(1,150)
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	953	942	1,066	1,050	1,068	1,084	1,105	1,127	1,149
EXPENDITURE TOTAL	42,510	50,885	50,211	51,150	51,658	53,551	53,670	54,572	55,961
Excess (Deficit)	6,750	5,635	755	1,903	4,528	2,682	2,614	2,156	1,221
FUND BALANCE									
Beginning	24,070	28,250	26,656	31,407	29,060	31,139	28,621	27,475	21,666
Transf. to CIP	(2,570)	(2,028)	(2,500)	(2,500)	(2,000)	(1,450)	(1,050)	(500)	-
Transf. to Infrs.	-	-	-	-	-	-	-	-	-
CIP Res Inc (Dec)	-	-	(1,300)	(1,300)	-	(3,300)	(2,260)	(7,015)	(1,085)
Prior Period Adjustment	-	-	-	-	-	-	-	-	-
Ending	\$ 28,250	31,857	23,611	29,510	31,589	29,071	27,925	22,116	21,802

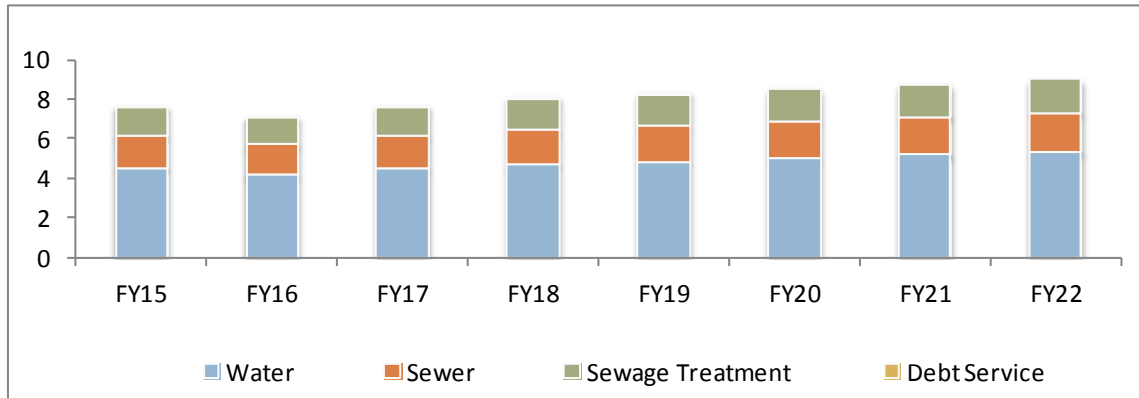
UTILITY REVENUES

\$ Millions



UTILITY EXPENSES

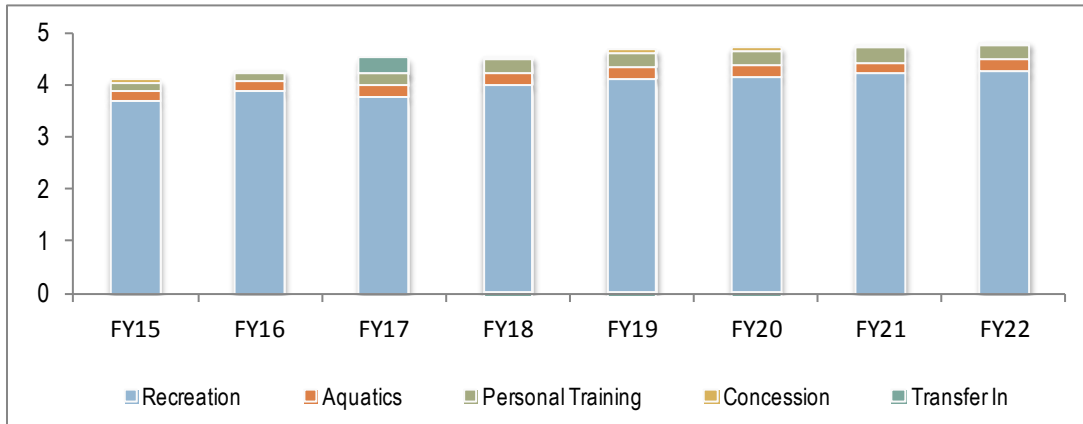
\$ Millions



(\$000)	Actual FY15	Actual FY16	Budget FY17	Estimate FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
Allocations	\$ 3	-	-	4	-	-	-	-	-
Installation Charges	220	154	162	172	172	175	177	178	180
Interest	5	16	7	23	15	10	15	20	25
Contrib. Developers	330	1,086	240	650	650	715	858	884	896
Other Income	65	69	25	45	40	41	42	42	43
Sewer Fees	3,117	3,180	3,250	3,145	3,190	3,222	3,254	3,287	3,320
Water Sales	5,066	5,514	5,290	5,385	5,500	5,611	5,668	5,725	5,782
TOTAL REVENUES	8,806	10,019	8,974	9,424	9,567	9,773	10,014	10,136	10,246
EXPENSES BY CATEGORY:									
Allocations	1,121	672	1,162	1,151	1,230	1,248	1,290	1,335	1,381
Communication	74	71	88	72	84	86	88	90	92
Debt Service	148	110	88	88	45	12	-	-	-
Depreciation	1,656	1,712	1,723	1,751	1,764	1,847	1,929	1,968	2,007
Other Maintenance	41	89	90	89	90	92	95	97	100
Personnel	1,731	1,682	1,520	1,505	1,626	1,680	1,745	1,811	1,880
Professional Fees	91	103	115	115	127	127	127	128	128
Rents	-	-	-	-	-	-	-	-	-
Insurance	4	20	10	7	10	10	11	11	11
Mains Maintenance	128	125	153	130	152	156	160	165	169
Contract Services	1,385	1,315	1,300	1,414	1,540	1,576	1,612	1,648	1,684
Supplies	173	148	241	217	228	234	241	247	254
Utilities	638	612	685	644	675	699	713	727	741
PILOT	493	467	484	474	474	491	508	526	544
TOTAL EXPENSES	7,683	7,127	7,658	7,656	8,046	8,258	8,518	8,754	8,992
NET INCOME (LOSS)	1,123	2,892	1,316	1,769	1,521	1,514	1,496	1,383	1,253
TOTAL NET POSITION									
Change in Account Principle	(526)	-	-	-	-	-	-	-	-
Beginning	44,785	45,382	26,860	48,274	50,042	51,562	53,077	54,573	55,955
Ending	\$ 45,382	48,274	28,176	50,042	51,562	53,077	54,573	55,955	57,208
Capital Outlay	\$ 1,428	1,301	370	355	1,993	3,831	3,367	1,614	700

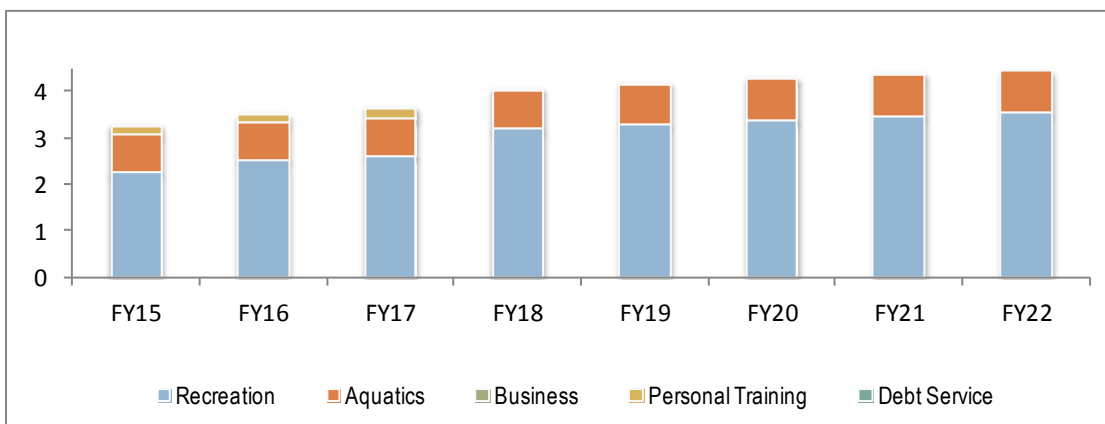
GERMANTOWN ATHLETIC CLUB REVENUES

\$ Millions



GERMANTOWN ATHLETIC CLUB EXPENSES

\$ Millions



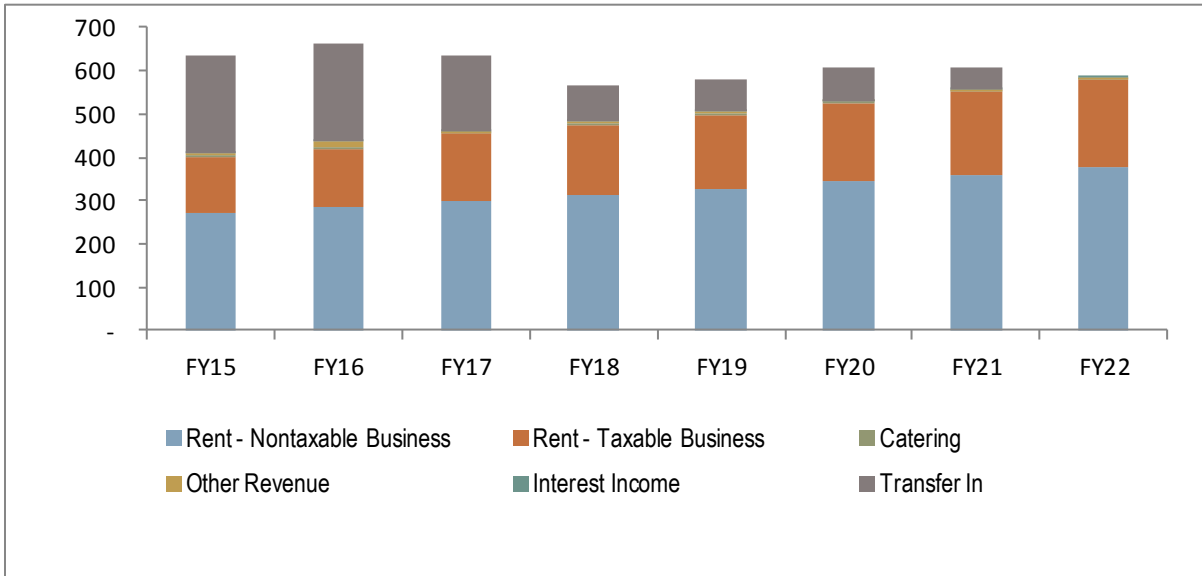
GERMANTOWN ATHLETIC CLUB FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Centre Revenue	\$ 3,692	3,877	4,061	3,767	4,000	4,118	4,158	4,198	4,239
Aquatics Revenue	178	169	173	208	215	222	224	226	228
Personal Training	151	160	250	223	258	266	268	271	274
Concession Revenue	64	63	52	8	62	64	64	65	66
Transfer In (from)	-	-	300	300	(100)	(100)	(100)	-	-
TOTAL REVENUE	4,087	4,269	4,836	4,506	4,435	4,569	4,614	4,761	4,807
EXPENSES BY CATEGORY:									
Allocations	89	95	96	94	103	105	107	109	111
Communication	1	4	8	1	8	8	8	8	8
Debt Service	23	19	16	16	12	8	5	2	-
Other Maint	93	108	130	101	170	173	177	181	185
Personnel	1,488	1,650	1,867	1,724	1,811	1,859	1,920	1,984	2,050
Professional Fees	402	413	554	470	510	520	531	541	552
Rents	143	147	145	149	241	246	251	256	262
Insurance	-	0	-	-	-	-	-	-	-
Supplies	168	189	225	168	192	189	192	196	200
Depreciation	525	527	597	557	612	654	671	671	671
Utilities	347	340	383	370	381	386	394	401	409
TOTAL EXPENSES	3,279	3,493	4,021	3,650	4,040	4,149	4,254	4,349	4,449
EXCESS (DEFICIT)	808	776	815	857	395	420	360	411	358
Effect of change in accounting principle	(182)	-	-	-	-	-	-	-	-
TOTAL NET POSITION									
Beginning	14,528	15,154	15,824	15,930	16,787	17,182	17,602	17,962	18,373
Ending	<u>\$ 15,154</u>	<u>15,930</u>	<u>16,639</u>	<u>16,787</u>	<u>17,182</u>	<u>17,602</u>	<u>17,962</u>	<u>18,373</u>	<u>18,731</u>
Capital Outlay	\$ 373	1,523	2,500	2,500	1,135	1,020	-	-	-

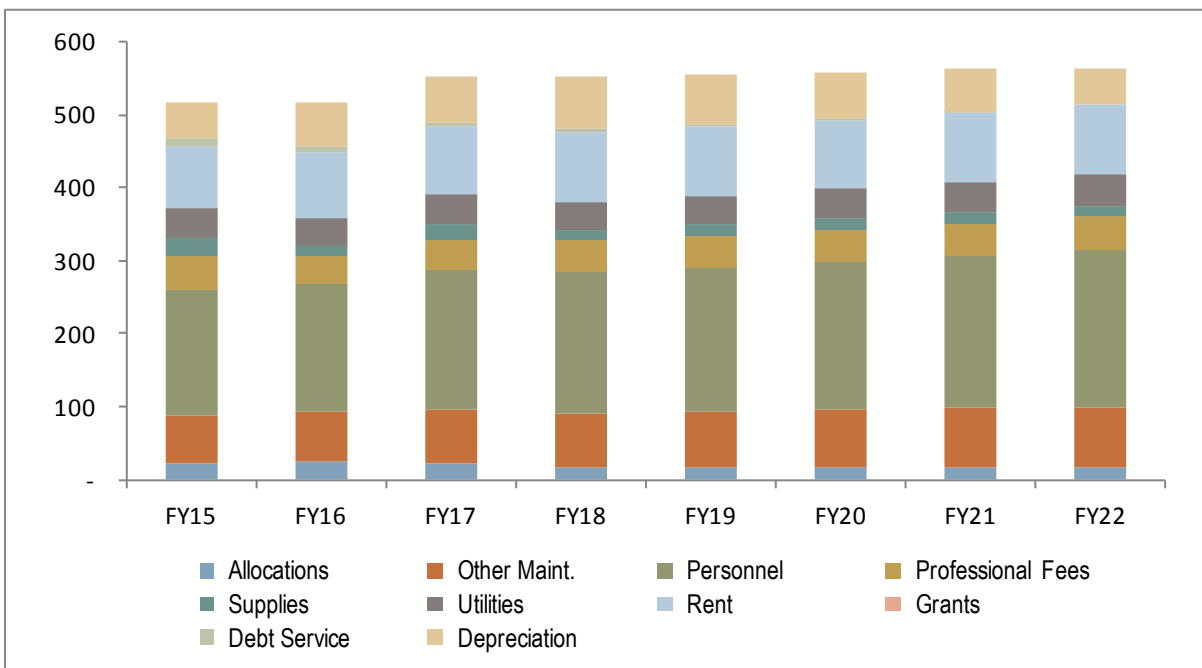
GREAT HALL REVENUES

\$ Thousands



GREAT HALL EXPENSES

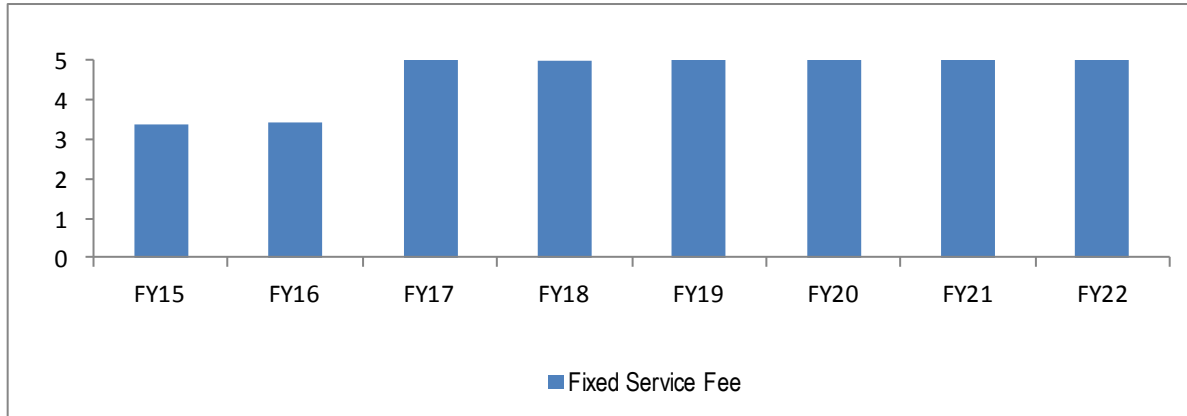
\$ Thousands



(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Business Revenue	\$ 412	437	438	462	482	507	532	558	586
Transfer In	225	225	175	175	85	75	75	50	-
TOTAL REVENUE	637	662	613	637	567	582	607	608	586
EXPENSES BY CATEGORY:									
Allocations	22	23	23	23	16	17	17	17	18
Communication	1	1	1	1	1	1	1	1	1
Debt Service	9	7	6	6	5	3	2	1	-
Other Maint.	65	69	75	74	75	77	78	80	82
Personnel	173	176	191	190	192	197	202	208	214
Professional Fees	47	37	53	43	43	44	45	46	47
Rents	87	90	93	93	94	94	95	95	95
Insurance	-	-	-	-	-	-	-	-	-
Supplies	24	15	23	21	15	15	15	16	16
Depreciation	51	60	70	64	72	69	62	60	50
Grants	-	-	-	-	-	-	-	-	-
Utilities	40	39	41	39	39	40	41	42	43
TOTAL EXPENSES	518	516	576	553	552	557	557	564	564
EXCESS (DEFICIT)	118	147	37	83	15	25	50	44	23
TOTAL NET POSITION									
Beginning	385	503	594	650	733	748	773	823	867
Ending	\$ 503	650	631	733	748	773	823	867	890
Capital Outlay	\$ 173	106	-	-	30	-	-	-	-

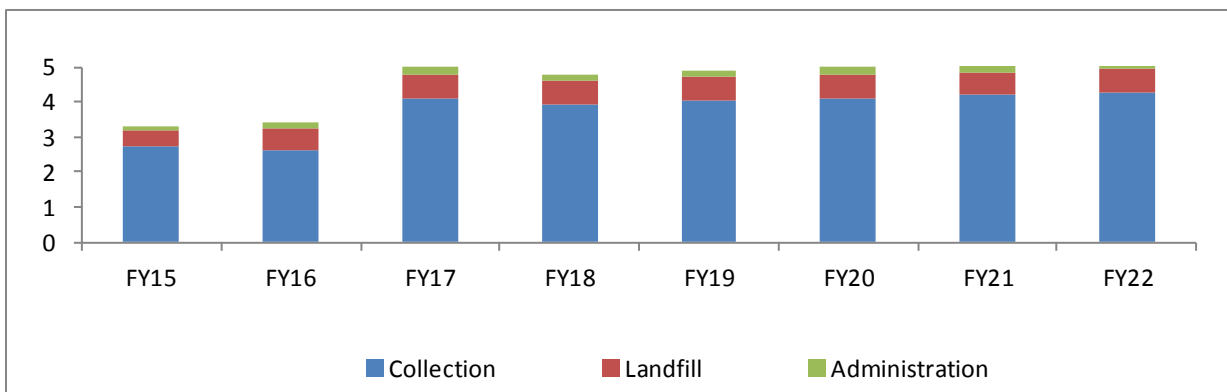
SANITATION REVENUES

\$ MILLIONS



SANITATION EXPENSES

\$ MILLIONS



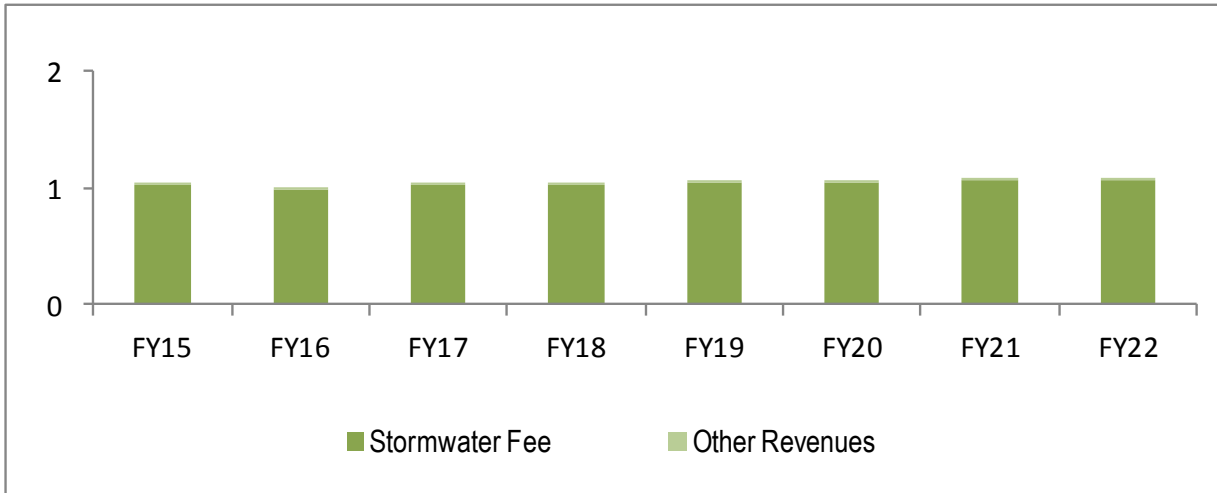
SANITATION FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Fixed Service Fee	\$ 3,305	3,378	5,002	4,800	4,942	4,973	5,001	5,028	5,056
Other Revenues	62	51	39	63	61	56	65	66	66
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,367	3,428	5,041	4,863	5,003	5,029	5,066	5,094	5,122
EXPENSES BY CATEGORY:									
Communication	1	6	15	13	25	11	31	31	11
Personnel	95	133	123	125	110	114	117	121	124
Prof. Fees	-	10	15	15	-	20	-	40	-
Supplies	32	35	37	37	38	39	40	40	102
Contract Services	3,163	3,215	4,857	4,783	4,609	4,707	4,781	4,827	4,970
Utilities	-	28	-	-	-	-	-	-	-
TOTAL EXPENSES	3,292	3,426	5,048	4,973	4,792	4,908	4,986	5,075	5,225
EXCESS (DEFICIT)	75	2	(7)	(110)	211	121	80	19	(103)
TOTAL NET POSITION									
Beginning	855	930	1,028	932	822	1,033	1,154	1,234	1,253
Ending	\$ 930	932	1,021	822	1,033	1,154	1,234	1,253	1,150
Capital Outlay	\$ -	-	-	-	170	-	-	-	-

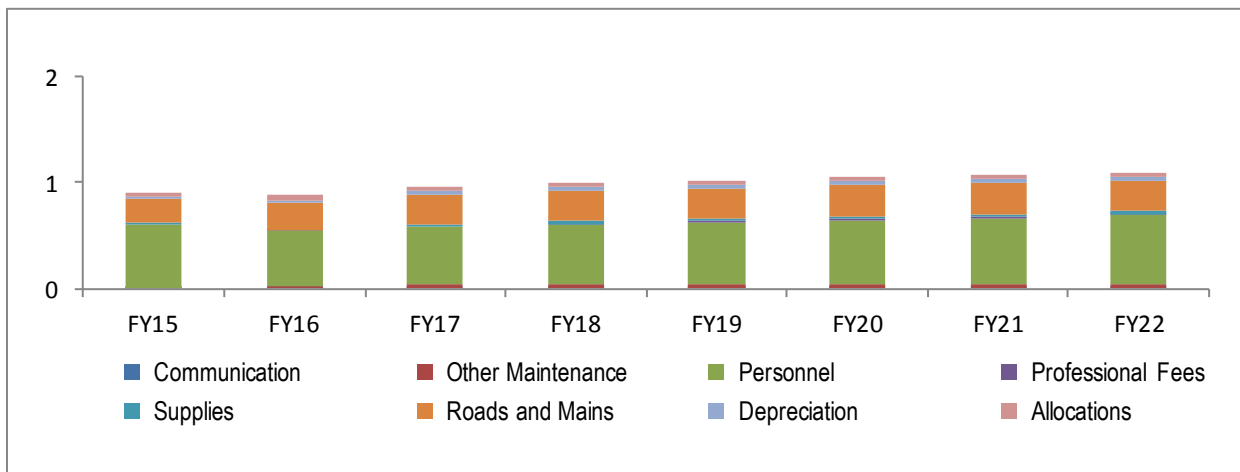
STORMWATER MANAGEMENT REVENUES

\$ MILLIONS



STORMWATER MANAGEMENT EXPENSES

\$ MILLIONS



STORMWATER MANAGEMENT FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY15	Actual FY16	Budget FY17	Estimate FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
Stormwater Management Fee	\$ 1,031	994	1,010	1,035	1,040	1,045	1,056	1,061	1,072
Other Revenues	28	12	11	8	11	13	16	19	21
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,059	1,006	1,021	1,043	1,051	1,058	1,072	1,080	1,093
EXPENSES BY CATEGORY:									
Communication	2	2	2	2	3	3	3	3	3
Other Maintenance	7	25	30	30	30	31	31	32	33
Personnel	599	515	548	548	575	593	613	634	655
Prof. Fees	-	1	-	-	5	5	5	5	5
Supplies	15	10	23	23	29	30	30	31	32
Roads and Mains	226	249	290	290	285	285	290	290	290
Depreciation	19	33	33	36	39	39	40	40	41
Allocations	39	43	43	34	38	39	41	42	43
TOTAL EXPENSES	907	878	969	963	1,004	1,025	1,053	1,077	1,102
EXCESS (DEFICIT)	151	128	52	80	47	33	19	3	(9)
TOTAL NET POSITION:									
Beginning	474	625	646	753	833	880	913	931	934
Ending	<u>\$ 625</u>	<u>753</u>	<u>698</u>	<u>833</u>	<u>880</u>	<u>913</u>	<u>931</u>	<u>934</u>	<u>925</u>
Capital Outlay	\$ 93	90	50	50	100	100	160	160	100

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

STATE STREET AID

	Actual FY15	Actual FY16	Budget FY17	Estimated FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
State Street Aid	\$ 1,059	1,103	1,055	1,105	1,123	1,146	1,169	1,192	1,216
Other Revenue	-	-	-	-	-	-	-	-	-
Interest	0	1	-	1	1	1	1	2	2
Transfer In-Gen. Fund	1,650	1,850	1,650	1,650	1,100	1,400	1,500	1,500	1,500
TOTAL REVENUES	2,710	2,954	2,705	2,756	2,225	2,547	2,670	2,694	2,718
EXPENDITURES BY CATEGORY:									
Other Maintenance	117	37	200	300	200	200	200	200	200
Electricity & Gas	919	861	900	900	920	948	967	986	1,006
Str. Contract Maint.	1,161	809	1,300	1,609	1,000	1,200	1,200	1,300	1,300
City Str. Maint.	312	336	300	392	350	375	375	375	375
TOTAL EXPENDITURES	2,509	2,043	2,700	3,201	2,470	2,723	2,742	2,861	2,881
EXCESS (DEFICIT)	200	912	5	(445)	(245)	(175)	(72)	(167)	(163)
FUND BALANCE:									
Beginning of Year	394	595	243	1,506	1,061	816	641	569	402
Ending	595	1,506	248	1,061	816	641	569	402	239

(\$000)

AUTOMATED ENFORCEMENT

	Actual FY15	Actual FY16	Budget FY17	Estimated FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
Red Lights	\$ 0	4	-	-	-	-	-	-	-
Transfer In-Gen. Fund	75	75	-	-	-	-	-	-	-
TOTAL REVENUES	75	79	-	-	-	-	-	-	-
EXPENDITURES BY CATEGORY:									
Personnel	86	75	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-
Professional Fees	3	-	-	-	-	-	-	-	-
Other - Grants	10	10	-	-	-	-	-	-	-
TOTAL EXPENDITURES	99	85	-	-	-	-	-	-	-
EXCESS (DEFICIT)	(24)	(6)	-	-	-	-	-	-	-
FUND BALANCE:									
Beginning of Year	79	55	-	-	-	-	-	-	-
Ending	55	49	-	-	-	-	-	-	-

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

DRUG ASSET FORFEITURE FUND

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Drug Enforcement	\$ 340	143	350	300	300	300	300	300	300
Interest	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	340	143	350	300	300	300	300	300	300
EXPENDITURES BY CATEGORY:									
Personnel	44	86	111	111	111	111	111	111	111
Communications	-	0	1	1	1	1	1	1	1
Professional Fees	1	-	-	-	-	-	-	-	-
Other Maintenance	-	-	5	5	5	5	5	5	5
Supplies	81	76	138	138	138	138	138	138	138
Utilities	6	5	6	6	6	6	6	6	6
Rents	-	-	1	-	1	1	1	1	1
Capital Outlay	-	33	-	-	-	-	-	-	-
TOTAL EXPENDITURES	132	200	262	261	262	262	262	262	262
EXCESS (DEFICIT)	208	(57)	88	39	38	38	38	38	38
FUND BALANCE:									
Beginning	76	284	306	227	266	304	343	381	419
Ending	284	227	394	266	304	343	381	419	456

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PICKERING COMPLEX FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Classes	\$ 29	32	29	32	52	52	52	54	54
Special Events	6	4	7	5	5	5	5	5	5
Rental	31	39	32	39	43	43	43	44	44
Transfer In-Gen. Fund	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	66	75	67	76	100	100	100	102	102
EXPENDITURES BY CATEGORY:									
Allocations	3	3	3	3	3	3	3	3	3
Utilities	9	9	11	10	10	10	11	11	11
Capital Outlay	-	-	25	25	-	-	-	-	-
Professional Fees	24	28	31	30	47	47	47	48	48
Supplies	1	3	8	8	8	8	8	8	8
TOTAL EXPENDITURES	36	43	78	75	68	68	69	69	70
EXCESS (DEFICIT)	30	32	(11)	1	31	30	31	33	33
FUND BALANCE:									
Beginning	183	213	227	245	246	276	307	338	372
Ending	213	245	216	246	276	307	338	372	405

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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RECREATION FUND

	Actual FY15	Actual FY16	Budget FY17	Estimate FY17	Budget FY18	Projected				
						FY19	FY20	FY21	FY22	
REVENUES:										
Basketball Fees	\$ 53	62	67	61	64	64	65	66	66	
Softball Fees	32	34	42	27	36	36	37	37	37	
Kickball Fees	2	3	4	2	4	4	4	4	4	
Sports Camps	10	0	17	6	14	14	14	14	14	
Tennis Classes	3	7	4	7	7	7	7	7	7	
Basketball Sponsors	6	-	4	-	1	1	1	1	1	
Baseball Fees	-	-	-	-	-	-	-	-	-	
Croquet	1	1	1	1	1	1	1	1	1	
Cheerleading	5	-	-	-	-	-	-	-	-	
Community Education	364	408	513	524	545	550	556	562	567	
Intramurals	-	-	14	3	6	6	6	6	6	
Other Revenue	27	-	-	-	-	-	-	-	-	
TOTAL REVENUES	503	515	665	630	677	684	691	698	705	
EXPENDITURES BY CATEGORY:										
Personnel	105	190	305	320	409	421	436	451	466	
Allocations	13	15	15	17	18	16	15	16	17	
Professional Fees	122	134	183	161	186	186	187	188	188	
Supplies	68	68	152	91	96	98	99	101	103	
Rents	1	-	-	-	-	-	-	-	-	
Capital Outlay	48	32	-	-	200	-	-	-	-	
TOTAL EXPENDITURES	357	439	655	588	909	721	737	756	775	
EXCESS (DEFICIT)	146	76	11	42	(232)	(37)	(46)	(58)	(69)	
FUND BALANCE:										
Beginning	168	314	360	390	431	199	162	116	58	
Ending	314	390	371	431	199	162	116	58	(12)	

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FEDERAL ASSET FORFEITURE FUND

	Actual FY15	Actual FY16	Budget FY17	Estimated FY17	Budget FY18	Projected				
						FY19	FY20	FY21	FY22	
REVENUES:										
Forfeiture Revenue	\$ 39	27	50	50	50	50	50	50	50	
TOTAL REVENUES	39	27	50	50	50	50	50	50	50	
EXPENDITURES BY CATEGORY:										
Personnel	7	8	20	20	20	20	20	20	20	
Supplies	6	17	30	30	30	30	30	30	30	
TOTAL EXPENDITURES	14	25	50	50	50	50	50	50	50	
EXCESS (DEFICIT)	25	2	-	-	-	-	-	-	-	
FUND BALANCE:										
Beginning	3	28	22	30	30	30	30	30	30	
Ending	28	30	22	30	30	30	30	30	30	

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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Ambulance Fund

	Actual FY15	Actual FY16	Budget FY17	Estimated FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
Transport Fee	914	984	980	985	1,350	1,418	1,488	1,563	1,641
Non Transport Fee	0	10	-	-	-	-	-	-	-
Other Revenue	0	0	-	-	-	-	-	-	-
Interest	0	0	-	-	-	-	-	-	-
General Fund Transfer	500	750	700	600	450	475	475	500	375
TOTAL REVENUES	1,415	1,744	1,680	1,585	1,800	1,893	1,963	2,063	2,016
EXPENDITURES BY CATEGORY:									
Personnel	1,197	1,399	1,531	1,516	1,611	1,622	1,676	1,732	1,789
Communications	2	1	4	4	4	4	4	4	5
Professional Fees	66	65	62	65	65	65	67	69	72
Other Maintenance	0	6	7	7	8	8	8	8	8
Insurance	5	7	19	10	10	10	10	10	10
Supplies	72	73	96	88	104	103	105	107	110
Utilities	2	2	3	3	3	3	3	3	3
Rents	-	-	-	-	-	-	-	-	-
Allocations	34	38	43	38	36	37	38	40	41
Capital Outlay	62	-	-	-	239	-	-	195	-
TOTAL EXPENDITURES	1,441	1,591	1,765	1,732	2,080	1,852	1,912	2,168	2,036
EXCESS (DEFICIT)	(26)	153	(85)	(147)	(280)	40	53	(105)	(20)
FUND BALANCE:									
Beginning	396	369	371	522	376	96	136	189	84
Ending	369	522	286	376	96	136	189	84	64

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Germantown Municipal School District Fund

	Actual FY15	Actual FY16	Budget FY17	Estimated FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
REVENUES:									
BEP	23,109	24,221	25,077	25,433	26,188	26,974	27,783	28,616	29,475
ADA	15,523	16,277	16,208	16,989	17,407	17,929	18,467	19,021	19,592
Federal Grants	1,334	1,847	1,929	2,154	1,858	1,914	1,971	2,030	2,091
Other Revenues	1,113	1,021	701	833	752	775	798	822	846
Charges for Services	562	678	835	844	895	922	950	978	1,007
County Commission	27	2,234	1,321	31	955	984	1,013	1,044	1,075
Liquor Tax	75	92	83	97	96	99	102	105	108
Sales Tax	5,451	6,310	6,049	6,402	6,200	6,386	6,578	6,775	6,978
General Fund Transfer	2,122	2,132	2,189	2,189	2,475	2,475	2,475	2,475	2,475
TOTAL REVENUES	49,316	54,812	54,392	54,972	56,826	58,456	60,136	61,866	63,647
EXPENDITURES BY CATEGORY:									
Personnel	34,678	36,688	38,973	38,448	40,884	42,111	43,374	44,675	46,015
Communications	241	287	355	355	361	372	383	394	406
Professional Fees	3,333	3,817	5,004	4,284	4,853	4,999	5,149	5,303	5,462
Other Maintenance	667	711	899	824	952	981	1,010	1,040	1,071
Insurance	238	231	264	214	275	283	292	300	310
Supplies	1,496	2,648	2,368	2,251	2,777	2,860	2,946	3,035	3,126
Utilities	839	781	865	835	915	942	971	1,000	1,030
Rents	145	133	152	152	152	157	161	166	171
Allocations	301	253	170	140	115	118	122	126	129
Grants	-	-	-	-	-	-	-	-	-
Capital Outlay	1,456	3,739	5,782	5,756	4,576	4,713	4,855	5,000	5,150
Contract Maintenance	635	633	660	652	680	700	721	743	765
TOTAL EXPENDITURES	44,028	49,921	55,492	53,911	56,540	58,236	59,984	61,783	63,636
EXCESS (DEFICIT)	5,288	4,891	(1,100)	1,061	286	220	152	83	11
FUND BALANCE:									
Beginning	3	5,291	7,828	10,182	11,244	11,530	11,750	11,902	11,984
Ending	5,291	10,182	6,728	11,244	11,530	11,750	11,902	11,984	11,995

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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Farm Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Membership Fee	\$ 4	4	5	4	4	4	4	4	4
Donations	-	19	21	18	18	18	20	20	20
Vendor Income	16	3	5	4	5	5	10	10	10
Educational Fees	3	1	4	1	1	1	10	10	10
Grant	-	1	-	1	1	-	-	-	-
Rental Income	6	4	46	8	32	35	37	40	45
General Fund Transfer	150	150	150	150	120	120	100	90	80
TOTAL REVENUES	179	182	231	185	181	183	181	174	169
EXPENDITURES BY CATEGORY:									
Personnel	60	60	87	59	71	92	94	97	100
Communications	3	1	6	3	4	4	4	4	4
Professional Fees	17	26	28	26	27	28	28	29	29
Other Maintenance	9	8	13	11	13	14	15	15	16
Insurance	-	0	3	-	3	3	3	3	3
Supplies	15	16	20	17	18	18	18	19	19
Utilities	5	8	17	9	13	13	14	14	14
Rents	8	3	10	3	11	11	11	11	11
Allocations	-	-	1	1	1	1	1	1	1
Capital Outlay	14	29	33	18	-	-	-	-	-
TOTAL EXPENDITURES	132	151	217	146	161	184	189	193	197
EXCESS (DEFICIT)	47	31	14	39	20	(1)	(8)	(18)	(28)
FUND BALANCE:									
Beginning	-	47	51	79	118	138	137	130	111
Ending	47	79	65	118	138	137	130	111	83

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LIBRARY ENDOWMENT

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Interest	\$ 0	1	-	1	-	-	-	-	-
Fines	-	-	-	1	-	-	-	-	-
TOTAL REVENUES	0	1	-	2	-	-	-	-	-
EXPENDITURES BY CATEGORY:									
Personnel	-	-	-	1	3	3	3	3	3
Communications	-	-	-	-	-	-	-	-	-
Professional Fees	-	-	-	4	8	8	8	8	8
Other Maintenance	-	-	-	-	-	-	-	-	-
Supplies	5	8	10	6	7	7	7	7	7
TOTAL EXPENDITURES	5	8	10	11	18	18	18	18	18
EXCESS (DEFICIT)	(4)	(7)	(10)	(10)	(18)	(18)	(18)	(18)	(18)
FUND BALANCE:									
Beginning	268	264	331	256	247	228	210	192	174
Ending	264	256	321	247	228	210	192	174	156

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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FLEET SERVICES FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Grants	\$ 5	-	-	-	-	-	-	-	-
Transfers In	950	1,169	1,248	1,233	1,299	1,327	1,371	1,421	1,468
TOTAL REVENUES	955	1,169	1,248	1,233	1,299	1,327	1,371	1,421	1,468
EXPENSES BY CATEGORY:									
Allocations	11	12	13	12	13	13	14	14	14
Depreciation	58	143	143	140	140	144	149	159	164
Other Maintenance	253	288	276	276	281	288	295	302	310
Personnel	568	595	691	657	737	754	782	811	842
Communication	1	2	4	3	3	3	3	3	3
Rents	2	3	6	6	4	4	4	4	4
Supplies	38	107	95	118	100	100	103	105	108
Utilities	18	19	20	20	22	22	22	23	23
Vehicle Maint.	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	951	1,169	1,248	1,233	1,299	1,327	1,370	1,421	1,468
EXCESS (DEFICIT)	5	(0)	-	-	-	-	-	-	-
TOTAL NET POSITION:									
Beginning	373	2,322	2,322	2,322	2,322	2,322	2,322	2,322	2,322
Prior Period Adjustment	1,944	-	-	-	-	-	-	-	-
Ending	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>	<u>2,322</u>
Capital Outlay	\$ -	65	53	47	-	30	30	70	-

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ALLOCATED EXPENSES

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Transfers In	\$ 605	645	686	623	664	712	737	763	790
TOTAL REVENUES	605	645	686	623	664	712	737	763	790
EXPENSES BY CATEGORY:									
Insurance	605	645	686	623	664	712	737	763	790
TOTAL EXPENSES	605	645	686	623	664	712	737	763	790
EXCESS (DEFICIT)	(0)	(0)	-	-	-	-	-	-	-
RETAINED EARNINGS:									
Beginning	148	148	148	148	148	148	148	148	148
Ending	<u>\$ 148</u>	<u>148</u>	<u>148</u>	<u>148</u>	<u>148</u>	<u>148</u>	<u>148</u>	<u>148</u>	<u>148</u>

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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HEALTH INSURANCE FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
REVENUES:									
Contributions	\$ 4,332	4,260	4,582	4,321	4,965	5,507	5,873	6,318	6,799
TOTAL REVENUES	4,332	4,260	4,582	4,321	4,965	5,507	5,873	6,318	6,799
HEALTH PLAN EXPENSES:									
Health Claims	4,043	4,003	4,357	4,439	4,715	5,063	5,505	6,033	6,622
Dental Claims	244	245	250	270	250	271	284	298	312
TOTAL EXPENSES	4,287	4,248	4,607	4,709	4,965	5,333	5,789	6,331	6,934
EXCESS (DEFICIT)	45	12	(25)	(388)	-	174	84	(12)	(135)
TOTAL NET POSITION:									
Beginning	933	978	1,204	990	602	602	776	860	848
Ending	\$ 978	990	1,179	602	602	776	860	848	714

TRUST FUNDS

BUDGET PROJECTION SUMMARY

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OPEB FUND

	Actual FY15	Actual FY16	Budget FY17	Estimate FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
OPEB REVENUES:									
Contributions	\$ 875	724	654	637	896	902	939	976	1,015
Fair Value Appreciation	(118)	(436)	150	135	140	146	151	157	164
Gain (Loss)	89	186	300	280	280	291	303	315	328
Interest	146	67	65	77	80	83	87	90	94
TOTAL REVENUES	991	541	1,169	1,129	1,396	1,422	1,479	1,539	1,600
OPEB EXPENSES:									
Trustee Fees	8	21	25	11	12	12	13	13	14
Benefits	645	1,020	720	1,249	1,252	1,302	1,354	1,408	1,465
Stop Loss	(14)	(1)	-	-	-	-	-	-	-
TOTAL EXPENSES	639	1,041	745	1,260	1,264	1,315	1,367	1,422	1,479
EXCESS (DEFICIT)	353	(500)	424	(130)	132	108	112	117	121
FUND BALANCE:									
Beginning	6,135	6,488	6,729	5,988	5,857	5,989	6,098	6,210	6,326
Ending	\$ 6,488	5,988	7,153	5,857	5,989	6,098	6,210	6,326	6,448

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CASH BALANCE

	Actual FY15	Actual FY16	Budget FY17	Estimate FY17	Budget FY18	Projected			
						FY19	FY20	FY21	FY22
CASH BALANCE REVENUES:									
Contributions	\$ 146	218	174	379	424	441	459	477	496
Fair Value Appreciation	1	(3)	3	25	20	21	22	22	23
Interest	0	2	2	7	6	6	7	7	7
Realized Gain Loss	0	5	0	11	10	10	11	11	12
TOTAL REVENUES	148	222	179	422	460	479	498	518	538
CASH BALANCE EXPENSES:									
Trustee Fees	2	7	10	12	12	12	13	13	14
Benefits	1	17	-	16	16	-	-	-	-
TOTAL EXPENSES	3	24	10	28	28	12	13	13	14
EXCESS (DEFICIT)	145	198	169	394	432	466	485	504	524
FUND BALANCE:									
Beginning	28	173	331	371	765	1,197	1,663	2,148	2,652
Ending	\$ 173	371	500	765	1,197	1,663	2,148	2,652	3,176

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PENSION FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY15	FY16	FY17	FY17	FY18	FY19	FY20	FY21	FY22
PENSION REVENUES:									
Contributions	\$ 2,372	2,202	2,855	2,850	3,671	3,671	3,759	3,759	3,759
Fair Value Appreciation (Depreciation)	(645)	(6,379)	1,000	6,000	4,000	4,200	4,326	4,456	4,589
Realized Gain (Loss)	1,965	2,999	1,200	1,500	1,600	1,600	1,616	1,616	1,616
Interest	786	634	1,200	880	900	900	909	909	927
TOTAL REVENUES	4,479	(544)	6,255	11,230	10,171	10,371	10,610	10,740	10,892
PENSION EXPENSES:									
Trustee Fees	200	249	255	220	260	260	260	260	260
Benefits	2,924	3,369	3,600	3,629	3,640	4,004	1,738	1,738	1,825
TOTAL EXPENSES	3,124	3,618	3,855	3,850	3,900	4,264	1,998	1,998	2,085
EXCESS (DEFICIT)	1,355	(4,162)	2,400	7,380	6,271	6,107	8,611	8,741	8,807
TOTAL NET POSITION:									
Beginning	64,644	65,999	65,076	61,837	69,217	75,488	81,596	90,208	98,949
Ending	<u>\$ 65,999</u>	<u>61,837</u>	<u>67,476</u>	<u>69,217</u>	<u>75,488</u>	<u>81,596</u>	<u>90,208</u>	<u>98,949</u>	<u>107,756</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 FY18 Budget. The budget for total personnel salaries and wages increased over FY17 budget by \$792,300.

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:

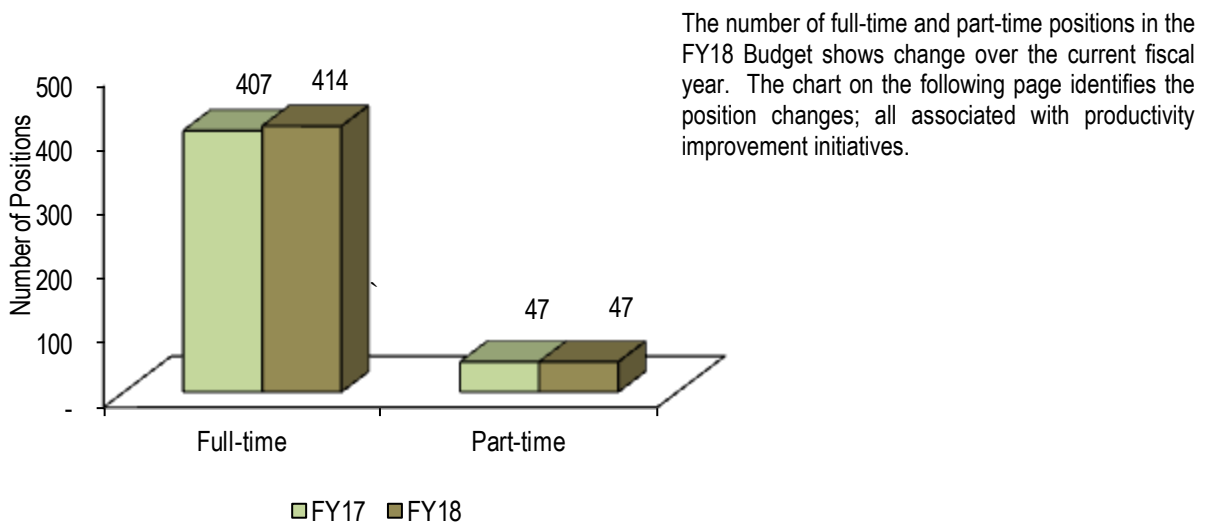
Fringe Benefits include the City's cost for FICA, medical, dental, life, long-term disability, retirement, OPEB, and Workers' Compensation insurance. FICA, set by the federal law, is 7.65% of salary. The new per employee annual contribution is \$12,400 both health and dental.

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.



COMPARISON OF STAFFING

BUDGET PROJECTION SUMMARY

	FY16 Actual		FY17 Estimate		FY18 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	0.0	7.0	0.0	0.0	
Administration*	5.0	0.3	8.0	0.5	9.0	0.5	1.0	\$ 167,100
Human Resources	5.0	0.0	5.0	0.0	5.0	0.0	0.0	
Information Technology	5.0	0.0	5.0	0.1	5.0	0.1	0.0	
Finance	11.0	0.0	11.0	0.0	12.0	0.0	1.0	\$ 80,251
Procurement	7.0	0.0	7.0	0.0	7.0	0.0	0.0	
Economic and Community Development	20.0	0.0	20.0	0.1	20.0	0.1	0.0	
Facilities Services*	16.0	0.0	17.0	0.5	17.0	0.5	0.0	
GPAC	11.0	0.5	12.0	0.5	12.0	0.5	0.0	
Office of Budget and Performance	3.0	0.0	3.0	0.0	3.0	0.0	0.0	
Civic Support	6.0	1.3	6.0	1.3	6.0	1.3	0.0	
PUBLIC SAFETY								
Police	116.0	0.0	117.0	0.0	118.0	0.0	1.0	\$ 53,899
Fire	67.0	1.0	67.0	1.0	67.0	1.0	0.0	
TRANSP. & ENVIRONMENT								
Public Services	38.0	1.0	38.0	1.0	38.0	1.0	0.0	
Fleet Services	9.0	0.0	9.0	0.0	9.0	0.0	0.0	
Animal Control	4.0	0.5	4.3	0.5	5.0	0.5	0.7	\$ 34,545
COMMUNITY SERVICES								
Parks & Recreation	5.0	6.0	6.3	5.5	8.0	5.5	1.7	\$ 115,837
Community Education	1.0	7.5	1.2	7.5	2.0	7.5	0.8	\$ 42,405
MUNICIPAL SCHOOLS FUND								
AMBULANCE FUND	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
THE FARM (Special Revenue Fund)	19.0	0.0	19.0	0.0	19.0	0.0	0.0	
AUTOMATED ENFORCEMENT FUND	0.0	1.0	0.0	1.0	0.0	1.0	0.0	
GERMANTOWN ATHLETIC CLUB								
Recreation	11.0	11.9	11.0	11.9	12.0	12.9	2.0	\$ 86,015
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	0.0	0.0	-2.0	\$ (86,015)
GREAT HALL								
GREAT HALL	2.0	1.0	2.0	1.0	2.0	1.0	0.0	
UTILITIES								
Water	16.0	0.0	16.0	0.0	17.0	0.0	1.0	\$ 93,452
Sewer	5.0	0.0	5.0	0.0	5.0	0.0	0.0	
SANITATION								
SANITATION	0.8	0.0	0.8	0.0	0.8	0.0	0.0	
STORMWATER								
STORMWATER	6.5	0.0	6.5	0.0	6.5	0.0	0.0	
TOTAL	400.3	46.8	407.1	46.9	414.3	46.9	7.2	\$ 587,489

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

Administration	Assistant City Administrator*	1.0
Finance	Compliance Officer	1.0
Police	Public Safety Dispatcher/Jailer	1.0
Animal Control	Animal Control Officer*	0.7
Parks & Recreation	Natural Resource Manager*	0.9
	Ranger Naturalist*	0.9
Community Education	Reach Coordinator*	0.8
Gac Recreation	Fitness Training Manager**	1.0
	Personal Training Part Time**	1.0
Gac Personal Training	Fitness Training Manager**	-1.0
	Personal Training Part Time**	-1.0
Water	Assistant Director of Utilities	1.0

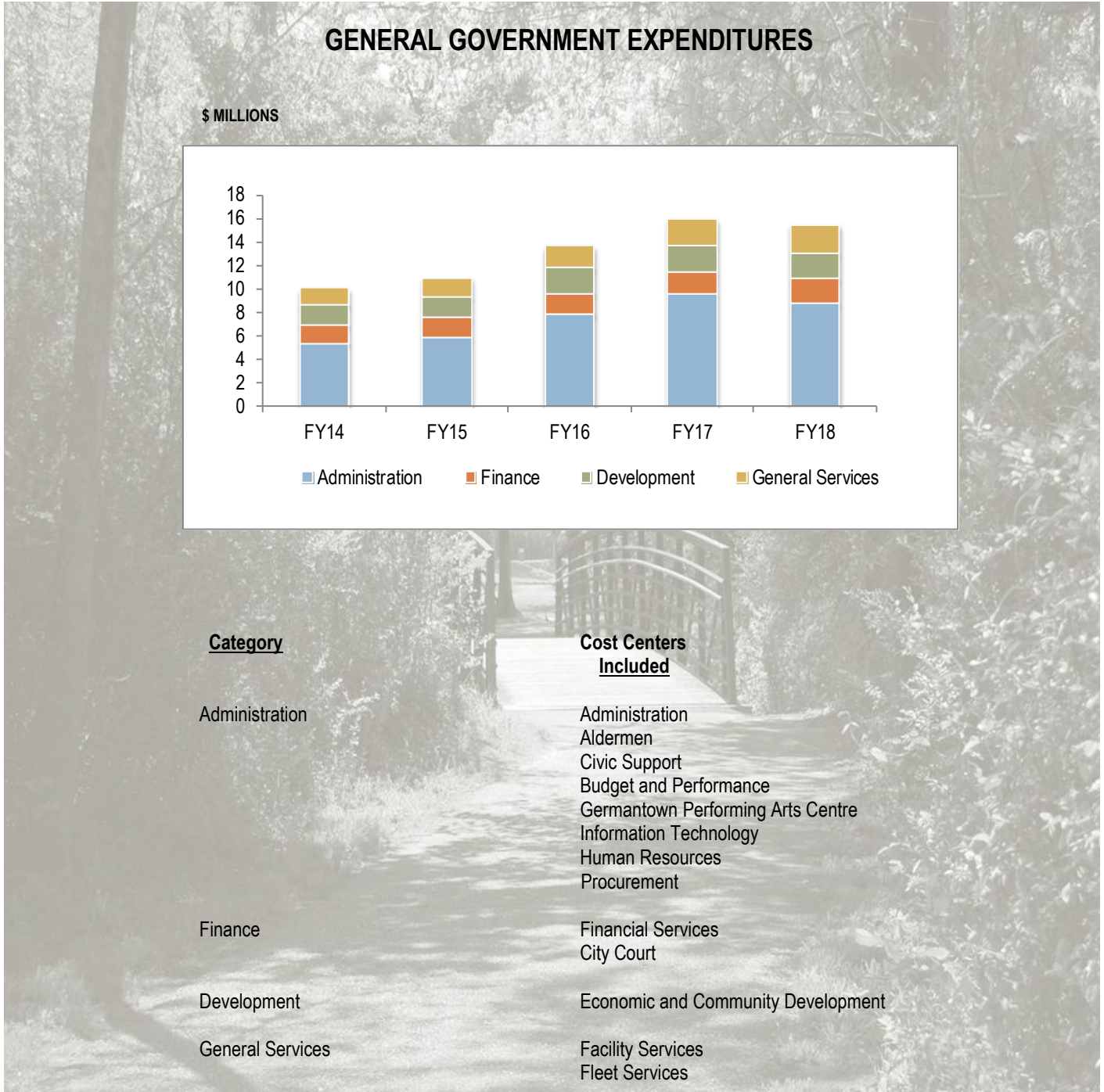
*Position approved in FY17

**Position moved to another cost center

GENERAL GOVERNMENT

FY18 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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 111,152	122,251	122,457	(8,061)	-6.58%	114,396
Communication	11,226	14,402	14,402	-	0.00%	14,402
Professional Fees	28,000	50,000	56,000	(6,000)	-10.71%	50,000
Supplies	15,279	45,000	45,000	(29,345)	-65.21%	15,655
TOTAL	\$ 165,657	231,653	237,859	(43,406)	-18.25%	194,453

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Other Compensation	5.0	60,813	5.0
Fringe Benefits		50,339	62,457
DEPARTMENT TOTAL	5.0	\$ 111,152	5.0

Categories

Personnel - \$114,396 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 - \$14,402 This category includes the Aldermen's dues and subscriptions in the Tennessee Municipal League and the National League of Cities.

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

Supplies - \$15,655 This category covers funding for the Annual Commission Appreciation Reception, Principals' Luncheon, and recognition item.



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 Community Television Foundation, City Beautification, Historic Commission, Education Commission Grant and Other Civic Support. In addition, personnel costs are included here for school related expenses associated with the Germantown Municipal School District Fund.

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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 611,766	631,466	677,495	38,696	5.71%	716,191
Grants	999,135	871,404	1,092,023	(291,419)	-26.69%	800,604
TOTAL	\$ 1,610,901	1,502,870	1,769,518	(252,723)	-14.28%	1,516,795

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	0.0	\$ -	0.0
Non-Exempt Wages	7.3	435,015	7.3
Other Compensation		37,423	47,800
Fringe Benefits		139,328	178,392
Other Personnel		-	2,000
DEPARTMENT TOTAL	7.3	\$ 611,766	7.3

GENERAL FUND

Categories

Personnel - \$716,191 This category funds salaries, wages, and benefits for police officers and school crossing guards. This category also includes necessary overtime. In addition, this category includes FICA, group insurance, retirement, OPEB, and workers' compensation.

Grants - \$800,604 This category includes funds budgeted for the following organizations:

Shelby County Schools	\$355,453
Other Civic Support	248,055
Germantown Education Foundation	100,000
Arts Grant/GPAC	40,000
City Beautification Grant	43,000
Education Commission Grant	4,110
Historic Commission Grant	4,350
Chamber of Commerce Grant	5,636

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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 659,024	676,019	679,660	5,265	0.77%	684,925
Communication	1,034	2,500	1,500	1,000	66.67%	2,500
Professional Fees	10,799	10,500	7,500	3,000	40.00%	10,500
Supplies	5,351	8,100	8,339	-	0.00%	8,339
Rent	5,758	7,892	7,892	(7,892)	-100.00%	-
Allocations	3,076	3,271	3,145	204	6.49%	3,349
Utilities	19,056	21,992	21,882	-	0.00%	21,882
TOTAL	\$ 704,098	730,274	729,918	1,577	0.22%	731,495

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	1.0 \$ 71,237	1.0 73,247	1.0 75,445
Non-Exempt Wages	6.3 235,038	6.0 224,711	6.0 231,452
Other Compensation	6.0 173,217	6.0 192,909	6.0 192,909
Fringe Benefits	173,985	182,993	177,119
Other Personnel	5,547	5,800	8,000
DEPARTMENT TOTAL	7.3 \$ 659,024	7.0 679,660	7.0 684,925

Categories Personnel - \$684,925 This category funds salaries, wages and benefits for a court clerk and deputy court clerks. 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 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 \$6,833 per month each, the chief prosecutor at \$2,083 per month and assistant prosecutors at \$4,951 per month.

Communications - \$2,500 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 - \$10,500 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 - \$8,339 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.

Allocations - \$3,349 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$21,882 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		
Target	< 60 minutes or less		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Average wait time	52 minutes	58 minutes	<60 minutes
Operational Objective	To meet customer expectations		
Key Product/Service	Court Services		
Target	80%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer service satisfaction	80%	76%	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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 778,144	983,867	788,563	244,515	31.01%	1,033,078
Communication	141,879	190,450	190,450	(48,176)	-25.30%	142,274
Professional Fees	566,943	625,000	625,000	(161,250)	-25.80%	463,750
Other Maintenance	-	6,500	6,500	325	5.00%	6,825
Supplies	30,746	26,599	39,147	(14,047)	-35.88%	25,100
Rent	2,150	4,175	4,175	(1,175)	-28.14%	3,000
Allocations	41,666	44,310	42,599	2,769	6.50%	45,368
Utilities	12,199	12,689	13,114	-	0.00%	13,114
TOTAL	\$ 1,573,727	1,893,590	1,709,548	22,961	1.34%	1,732,509

BUDGET PAYROLL SUMMARY

	FY16 Actual		FY17 Estimate		FY18 Budget	
Exempt Salaries	3.0	\$ 386,215	3.0	356,084	4.0	505,386
Non-Exempt Wages	2.3	194,977	4.5	187,792	4.5	230,039
Other Compensation		50,373		49,730		31,630
Fringe Benefits		144,001		184,217		256,083
Other Personnel		2,578		10,740		9,940
DEPARTMENT TOTAL	5.3	\$ 778,144	7.5	788,563	8.5	1,033,078

GENERAL FUND

Categories

Personnel - \$1,033,078 This category includes staffing funds for the mayor, city administrator, assistant city administrator, assistant to the city administrator, executive assistant, marketing and communications coordinator, city clerk/recorder, two customer service specialists and 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 - \$142,274 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 - \$463,750 This category includes professional consulting related to team building, leadership training and legal services provided under contract by the city attorney.

Other Maintenance - \$6,825 This category funds maintenance for office equipment including facsimile equipment, tape recorders, copier and mobile radios used by the city administrator.

Supplies - \$25,100 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 - \$3,000 This category includes rental costs associated with the copy machine.

Allocation - \$45,368 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$13,114 This category includes utility costs (electricity, gas, water, sewer and long distance telephone).

Performance Measures			
Strategic Objective	All funds are self-sustaining		
Key Product/Service	City Services & Finance		
Target	49%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
General Fund transfers to Special Revenue Funds	49%	45%	49%
Strategic Objective	All funds are self-sustaining		
Key Product/Service	City Services & Finance		
Target	10%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
General Fund transfers to Enterprise Funds	2.4%	1.6%	10%
Strategic Objective	Exceptional gathering places encourage engagement among residents and visitors		
Key Product/Service	Quality of Life		
Target	85% of survey respondents report satisfaction with Germantown as a place to live		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Satisfaction with Germantown as a place to live	98%	98%	85%
Strategic Objective	Germantown Municipal School District (GMSD) is the top-performing school district in Shelby County and ranks among the top five statewide		
Key Product/Service	Education		
Target	70% of survey respondents report satisfaction with GMSD operations		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Satisfaction with GMSD operations	67%	66%	70%

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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 546,718	512,800	525,689	(1,070)	-0.20%	524,619
Communication	24,492	29,500	27,500	(500)	-1.82%	27,000
Professional Fees	52,601	86,000	86,000	(40,000)	-46.51%	46,000
Other Maintenance	-	500	500	(200)	-40.00%	300
Supplies	6,797	35,000	38,500	(3,500)	-9.09%	35,000
Rent	2,115	2,100	2,100	-	0.00%	2,100
Allocations	4,101	4,362	4,194	272	6.49%	4,466
Utilities	7,651	7,911	8,511	-	0.00%	8,511
TOTAL	\$ 644,475	678,173	692,994	(44,998)	-6.49%	647,996

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	4.0 \$ 371,653	4.0 338,247	4.0 336,633
Non-Exempt Wages	1.0 40,089	1.0 46,478	1.0 47,872
Other Compensation	-	120	-
Fringe Benefits	109,544	121,543	123,314
Other Personnel	25,432	19,301	16,800
DEPARTMENT TOTAL	5.0 \$ 546,718	5.0 525,689	5.0 524,619

Categories

Personnel - \$524,619 This category includes sufficient funds to staff the following positions: human resources director, compensation administrator, two generalists II and one generalist I.

GENERAL FUND

Communications - \$27,000 This category funds the City's employee recognition program, subscriptions to professional organizations and training meetings and seminars.

Professional Fees - \$46,000 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 - \$300 This category includes funds for the maintenance of the department's office equipment.

Supplies - \$35,000 This category includes funds for specialized supply requisitions and materials, and book printing.

Rent - \$2,100 This category includes rental costs associated with the copy machine and offsite storage of personnel records.

Allocation - \$4,466 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$8,511 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		
Target	95%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction with HR services	90%	97%	95%
Operational Objective	To maintain adequate staffing		
Key Product/Service	Workforce Management		
Target	12%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Employee Turnover Rate of new hires within first year of employment	21%	20%	12%

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.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 551,724	589,340	597,336	5,426	0.91%	602,762
Communication	5,238	7,270	7,270	(1,200)	-16.51%	6,070
Professional Fees	124,729	192,591	216,651	(9,371)	-4.33%	207,280
Insurance	-	2,000	2,000	-	0.00%	2,000
Other Maintenance	608,526	967,562	983,300	21,951	2.23%	1,005,251
Supplies	139,999	178,625	199,518	(17,893)	-8.97%	181,625
Rent	2,748	3,200	3,200	300	9.38%	3,500
Allocations	5,226	5,242	3,240	210	6.48%	3,450
Capital Outlay	84,273	422,000	521,000	(378,000)	-72.55%	143,000
Utilities	102,282	130,770	131,900	320	0.24%	132,220
TOTAL	\$ 1,624,745	2,498,600	2,665,415	(378,257)	-14.19%	2,287,158

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	4.0 \$ 377,284	4.0 371,311	4.0 380,101
Non-Exempt Wages	1.0 46,626	1.1 66,124	1.1 57,922
Other Compensation	-	-	-
Fringe Benefits	126,878	154,461	159,799
DEPARTMENT TOTAL	5.0 \$ 551,724	5.1 597,336	5.1 602,762

Categories Personnel - \$602,762 This category includes salaries, benefits and education expenses for the information technology director, network administrator, network/communication analyst, a technical services coordinator and computer support specialist.

Communications - \$6,070 This category includes publications and subscription costs for professional periodicals as well as funds for travel to local and national conferences and seminars.

GENERAL FUND

Professional Fees - \$207,280 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 - \$1,005,251 This category includes maintenance charges for all computer equipment, and production of related equipment.

Supplies - \$181,625 This category includes all continuous forms. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$3,500 This category includes rental costs associated with the annual maintenance contract on one color copier.

Allocation - \$3,450 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$143,000 This category funds IRP projects, which includes the purchase of computers and software.

Utilities - \$132,220 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Strategic Objective	A city-wide technological infrastructure supports and sustains individual, educational, government and business demands		
Key Product/Service	Technology		
Target	80%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Resident internet satisfaction	58%	59%	80%
Strategic Objective	A city-wide technological infrastructure supports and sustains individual, educational, government and business demands		
Key Product/Service	Technology		
Target	80%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Resident wireless, cellular satisfaction	60%	56%	80%
Operational Objective	To provide employees with timely system accessibility		
Key Product/Service	Communications		
Target	99.99%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Server system availability	99.99%	99.98%	99.99%
Operational Objective	To meet customer expectations		
Key Product/Service	Education: Service desk		
Target	90% very or somewhat satisfied		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction rating	96%	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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 917,012	1,014,005	1,025,839	30,558	2.98%	1,056,397
Communication	8,623	14,800	12,800	(200)	-1.56%	12,600
Professional Fees	18,070	-	4,000	(4,000)	-100.00%	-
Insurance	(3,823)	4,500	-	4,500	100%	4,500
Other Maintenance	54,409	57,000	53,300	11,700	21.95%	65,000
Supplies	18,645	18,000	19,900	800	4.02%	20,700
Rent	3,368	3,500	3,500	(3,500)	-100.00%	-
Allocations	21,159	22,502	21,633	1,406	6.50%	23,039
Capital Outlay	59,662	68,000	89,141	(38,141)	-42.79%	51,000
Utilities	110,480	113,725	120,725	-	0.00%	120,725
TOTAL	\$ 1,207,605	1,316,032	1,350,838	3,123	0.23%	1,353,961

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	6.0 \$ 456,428	7.0 505,443	7.0 501,667
Non-Exempt Wages	5.5 248,462	5.5 250,729	5.5 266,089
Other Compensation	4,598	5,000	5,000
Fringe Benefits	204,326	259,167	277,641
Other Personnel	3,198	5,500	6,000
DEPARTMENT TOTAL	11.5 \$ 917,012	12.5 1,025,839	12.5 1,056,397

GENERAL FUND

Categories

Personnel - \$1,056,397 This category contains sufficient funds to staff the department, including the executive director, GPAC development director, box office manager, marketing coordinator/graphic designer, marketing director, venue director, program manager, facility services coordinators, assistant box office manager, assistant to the director and box office assistants.

Communications - \$12,600 This category includes dues and subscriptions to professional journals and meetings.

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 - \$65,000 This category includes funding for technical contractual services and miscellaneous expenses.

Supplies - \$20,700 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.

Allocation - \$23,039 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$51,000 This category represents costs associated with hand rails, bar and concessions renovations and main stage curtains.

Utilities - \$120,725 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	Venue Management		
Target	2% increased in customer satisfaction		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction	96%	96%	98%
Operational Objective	To diversify funding sources		
Key Product/Service	Fundraising		
Target	3% increase in new donors		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
New donors	19%	20%	10%

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, payroll 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. 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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 752,632	796,900	789,275	112,708	14.28%	901,983
Communication	1,484	53,700	53,500	3,230	6.04%	56,730
Professional Fees	247,025	237,200	286,700	(14,532)	-5.07%	272,168
Other Maintenance	7,163	1,300	1,300	-	0.00%	1,300
Supplies	28,629	32,700	32,100	(11,590)	-36.11%	20,510
Rent	5,097	12,000	13,411	(1,075)	-8.02%	12,336
Allocations	22,558	23,989	23,063	1,499	6.50%	24,562
Utilities	11,396	15,764	14,264	168	1.18%	14,432
TOTAL	\$ 1,075,984	1,173,553	1,213,613	90,408	7.45%	1,304,021

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	3.0 \$ 268,500	3.0 266,282	4.0 334,435
Non-Exempt Wages	8.0 283,892	8.0 285,901	8.0 296,956
Other Compensation	3,371	2,800	2,800
Fringe Benefits	192,011	227,012	259,512
Other Personnel	4,858	7,280	8,280
DEPARTMENT TOTAL	11.0 \$ 752,632	11.0 789,275	12.0 901,983

Categories

Personnel - \$901,983 This category includes salaries, wages, and benefits for the director of finance, accounting manager, accountant, compliance officer, senior accounting clerks, property and business tax specialist, administrative assistant, customer service clerk, payroll tech and general clerks.

GENERAL FUND

Communications - \$56,730 This category covers dues for professional organizations and subscriptions to various publications. It also includes the expense associated with the City's postage.

Professional Fees - \$272,168 This category includes contract services for temporary word processing and other clerical personnel on an as needed basis. \$81,720 is budgeted for the City's audit contract 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 - \$1,300 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 - \$20,510 This category covers the expense for general office supplies, including specialized forms for W-2s and payroll checks. Also included in this category are non-capital assets ranging in value between \$500 and \$4,999.

Rent - \$12,336 This category includes rental payments for the copy machines, postage meter, and an off-site storage facility to store permanent records.

Allocation - \$24,562 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$14,432 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Strategic Objective	Net Financial Liabilities are fully funded		
Key Product/Service	City Services & Finance		
Target	Pension funding level of 80% or greater		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Fully funded annual pension liability	73%	N/A	80%
Operational Objective	To provide stable liquidity		
Key Product/Service	Collection of tax payments		
Target	99%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Percentage of tax payments collected within the City Ordinance and State Statute	100%	99%	99%
Operational Objective	To meet vendor requirements		
Key Product/Service	Accounts Payable		
Target	100%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Payment of vendor invoice within terms of contract	95%	94%	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, insurance and risk management and inventory.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 605,481	653,683	643,126	26,064	4.05%	669,190
Communication	44,798	11,100	12,300	1,700	13.82%	14,000
Professional Fees	-	1,000	100	(100)	-100.00%	-
Insurance	-	1,000	1,000	(500)	-50.00%	500
Other Maintenance	375	500	500	-	0.00%	500
Supplies	22,790	25,000	25,700	(7,400)	-28.79%	18,300
Rent	3,755	4,600	4,600	400	8.70%	5,000
Allocations	4,161	3,668	3,526	230	6.52%	3,756
Utilities	14,332	17,950	17,950	405	2.26%	18,355
TOTAL	\$ 695,692	718,501	708,802	20,799	2.93%	729,601

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	3.0 \$ 279,559	3.0 282,772	3.0 290,329
Non-Exempt Wages	4.0 177,928	4.0 180,360	4.0 187,665
Other Compensation	-	-	-
Fringe Benefits	147,046	177,594	188,796
Other Personnel	948	2,400	2,400
DEPARTMENT TOTAL	7.0 \$ 605,481	7.0 643,126	7.0 669,190

GENERAL FUND

Categories

Personnel - \$669,190 This category includes salaries, wages, and benefits for the director of procurement, assistant procurement director, risk coordinator, procurement specialist, procurement coordinator and inventory control coordinators.

Communications - \$14,000 This category covers dues for professional organizations and subscriptions to various publications, and publications of legal notices for bids.

Insurance - \$500 This category includes Procurement's share of deductibles associated with workers compensation claims and personal and private property claims.

Other Maintenance - \$500 This category funds maintenance charges for postage and binder machines.

Supplies - \$18,300 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 - \$5,000 This category includes rental payments for the copy machine.

Allocation - \$3,756 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$18,355 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	Contracts Development		
Target	5 days		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Reduction of the number of days to process non-standard contracts and agreements	9.5 days	4.2 days	5 days
Operational Objective	To maintain integrity of procurement standards		
Key Product/Service	Inventory control and operations		
Target	99.9%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Inventory accuracy	83%	94%	99.9%

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 FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Allocations	\$ (645,064)	(686,000)	(623,272)	(40,728)	6.53%	(664,000)
Insurance	645,065	686,000	623,272	40,728	6.53%	664,000
TOTAL	<u>\$ 1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

- Categories
- Allocations - (\$664,000) 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 - \$664,000 This category includes: property insurance coverage (\$226,000) that is on an All Risk form, vehicle insurance (\$67,000), casualty or liability coverage (\$276,000) 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

Mission

The General Debt Service cost center accounts for the principal and interest payments on: \$2.41 million Series 2009 General Obligation bonds (refunded), \$6.025 million Series 2011 General Obligation bonds, \$9.07 million Series 2013 General Obligation bonds, and \$18.2 million Series 2016 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 \$9.07 million of G.O. debt was issued, of that amount \$5.57 million was the refunding of Bond Series 2005. In FY16 \$18.2 million of G.O. debt was issued, of that amount \$7.935 million current refunding of Bond Series 2006 and advance refunding of the Bond Series 2009. 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 \$31.8 million. The outstanding balance of General Obligation Debt at July 1, 2017 is \$30,325,000. During the year, principal of \$2,300,000 and interest of \$1,138,479 will be paid. The balance of existing debt remaining at June 30, 2018 will be \$28,025,000.

<u>Security</u>	<u>Balance</u> <u>7/1/2017</u>	<u>Principal</u> <u>Payment</u>	<u>Balance</u> <u>6/30/2018</u>	<u>Interest</u> <u>Expense</u>
Existing:				
Series 2009 Bonds	1,900,000	525,000	1,375,000	67,570
Series 2011 Bonds	4,770,000	270,000	4,500,000	124,175
Series 2013 Bonds	6,170,000	1,045,000	5,125,000	162,784
Series 2016 Bonds	17,485,000	460,000	17,025,000	783,950
Total FY17 Debt	<u>\$ 30,325,000</u>	<u>2,300,000</u>	<u>28,025,000</u>	<u>1,138,479</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>
FY18	\$ -	-	1,025,000	416,118
FY19	1,670,000	1,088,653	620,000	1,479,900
FY20	1,715,000	1,042,103	650,000	1,451,150
FY21	1,725,000	992,903	675,000	1,421,000
FY22	1,680,000	937,785	710,000	1,389,650
Thereafter	21,235,000	9,487,184	28,180,000	19,581,750
Total Debt Service	<u>\$ 28,025,000</u>	<u>13,548,627</u>	<u>31,860,000</u>	<u>25,739,568</u>

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Debt Service	7,722,954	3,850,550	3,850,551	1,029,046	26.72%	4,879,597
Agency Fees	1,500	1,500	1,500	-	0.00%	1,500
TOTAL	<u>\$ 7,724,454</u>	<u>3,852,050</u>	<u>3,852,051</u>	<u>1,029,046</u>	<u>26.71%</u>	<u>4,881,097</u>

Categories

Debt Service - \$4,879,597 This category includes principal payments on the Series 2009 Bonds, the Series 2011 Bonds, the Series 2013 Bonds and the Series 2016 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 FY16	Budget FY17	Estimated FY17	Amt Chg.	% Chg.	Budget FY18
Personnel	\$ 1,640,094	1,740,842	1,721,062	56,933	3.31%	1,777,995
Communication	28,421	33,600	33,600	(5,095)	-15.16%	28,505
Professional Fees	263,263	168,000	200,219	(129,794)	-64.83%	70,425
Insurance	(7,976)	5,000	6,800	(1,800)	-26.47%	5,000
Other Maintenance	70,557	72,150	72,150	(3,000)	-4.16%	69,150
Supplies	34,853	45,977	46,060	(16,860)	-36.60%	29,200
Rent	7,324	10,500	11,700	(400)	-3.42%	11,300
Allocations	45,145	46,478	51,952	2,449	4.71%	54,401
Capital Outlay	21,428	27,000	51,668	(21,668)	-41.94%	30,000
Utilities	42,953	46,251	46,731	960	2.05%	47,691
TOTAL	\$ 2,146,062	2,195,798	2,241,942	(118,275)	-5.28%	2,123,667

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	10.0 \$ 805,310	10.0 797,627	10.0 819,057
Non-Exempt Wages	10.0 437,109	10.1 438,914	10.1 460,218
Other Compensation	75	77	-
Fringe Benefits	392,152	473,644	491,820
Other Personnel	5,448	10,800	6,900
DEPARTMENT TOTAL	20.0 \$ 1,640,094	20.1 1,721,062	20.1 1,777,995

Categories

Personnel - \$1,777,995 This category includes salaries, wages, and benefits for the economic and community development services director, city engineer, assistant city engineer, plans manager, stormwater engineer, economic development manager, planning division manager, planner, neighborhood services manager, neighborhood coordinator, community services coordinator, chief constructor inspector, senior construction inspectors, construction inspectors, administrative assistant, senior administrative assistant, code compliance officers and senior code compliance officer.

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 - \$28,505 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 - \$70,425 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 - \$69,150 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 - \$29,200 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 - \$11,300 This category includes rental costs associated with the department's copy machine and color printer/copier.

Allocation - \$54,401 This category covers insurance and vehicle maintenance costs allocated to the department for its portion of the City's shared expenses.

Capital Outlay - \$30,000 This item includes the funding necessary to purchase a vehicle.

Utilities - \$47,691 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Strategic Objective	Economic development practices support economic sustainability		
Key Product/Service	Economic Development		
Target	30%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Ratio of elastic tax revenue	35%	32%	30%
Strategic Objective	Economic development policies encourage investment in key commercial areas		
Key Product/Service	Economic Development		
Target	19,000		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Job growth	19,100	18,924	19,000
Strategic Objective	Germantown is regionally recognized as a leader for improved access and mobility for all forms of transportation		
Key Product/Service	Land Use and Transportation		
Target	78%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Traffic flow satisfaction	77%	80%	78%
Operational Objective	Build value from within		
Key Product/Service	Business community engagement		
Target	1% increase in number of permits		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Office vacancy rate	2.8%	2.3%	2.5%



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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 266,613	301,628	301,498	9,482	3.15%	310,980
Communication	4,234	15,000	10,000	-	0.00%	10,000
Supplies	34,177	45,250	36,250	5,000	13.79%	41,250
Allocations	559	595	572	37	6.47%	609
Utilities	4,165	4,590	4,680	-	0.00%	4,680
TOTAL	\$ 309,748	367,063	353,000	14,519	4.11%	367,520

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	3.0 \$ 199,458	3.0 212,711	3.0 219,092
Fringe Benefits		62,341	78,815
Other Personnel		1,514	9,972
DEPARTMENT TOTAL	3.0 \$ 263,313	3.0 301,498	3.0 310,980

GENERAL FUND

Categories Personnel - \$310,980 This category includes salaries, wages and benefits for senior budget and performance analysts and budget and performance analyst.

Communications - \$10,000 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 - \$41,250 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 - \$609 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$4,680 This category includes utility costs (electricity, gas, water, and sewer).

Performance Measures			
Operational Objective	To maintain budget integrity		
Key Product/Service	Coordination (Governance)		
Target	2 or less		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Number of budget adjustments per department	1	5	2

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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 1,070,701	1,184,231	1,167,286	34,908	2.99%	1,202,194
Communication	2,255	2,500	2,500	(1,000)	-40.00%	1,500
Professional Fees	7,442	10,000	24,710	(14,710)	-59.53%	10,000
Contract Services	266,086	290,000	342,045	(52,045)	-15.22%	290,000
Insurance	(35)	2,000	3,300	(1,300)	-39.39%	2,000
Other Maintenance	212,899	266,200	287,142	(20,942)	-7.29%	266,200
Supplies	97,389	98,500	109,341	3,359	3.07%	112,700
Rent	2,256	8,000	8,000	(4,100)	-51.25%	3,900
Allocations	32,429	38,466	42,590	4,300	10.10%	46,890
Capital Outlay	181,746	55,000	220,693	291,807	132.22%	512,500
Utilities	6,348	8,565	8,390	2,505	29.86%	10,895
TOTAL	\$ 1,879,516	1,963,462	2,215,997	242,782	10.96%	2,458,779

BUDGET PAYROLL SUMMARY

	FY16 Actual		FY17 Estimate		FY18 Budget	
Exempt Salaries	2.0	\$ 302,559	3.0	296,004	3.0	311,382
Non-Exempt Wages	14.00	443,295	14.5	484,698	14.5	495,426
Other Compensation		21,334		25,000		26,300
Fringe Benefits		300,016		357,584		365,786
Other Personnel		3,497		4,000		3,300
DEPARTMENT TOTAL	16.00	\$ 1,070,701	17.5	1,167,286	17.5	1,202,194

Categories

Personnel - \$1,202,194 This category includes the salaries, wages and benefits for the general services director, facility maintenance superintendent, CIP manager, facility services technicians, crew supervisors, senior cleaning services workers, cleaning services workers, courier 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 - \$1,500 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

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 - \$112,700 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 - \$3,900 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 - \$46,890 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 - \$512,500 This category provides funding for the following IRP projects: IT computer room HVAC installations, City Hall boilers, Parks & Recreation security system, Parks & Recreation HVAC, Greenway storage, GPAC/GAC boilers, and City signs.

Utilities - \$10,895 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Strategic Objective	Policies and practices advance sustainable practices in natural resource management		
Key Product/Service	Natural Resources		
Target	5% in reduction		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
City's Carbon Footprint	1%	5%	5%
Operational Objective	To meet customer expectations		
Key Product/Service	Cleaning Services		
Target	92% Satisfaction		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction	90%	94%	92%

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

CATEGORY	Actual	Budget	Estimated	Amt. Chg.	% Chg.	Budget
	FY16	FY17	FY17			FY18
Personnel	\$ 594,518	691,270	657,232	80,176	12.20%	737,408
Communication	2,499	4,000	3,000	-	0.00%	3,000
Professional Fees	369	375	372	(372)	-100.00%	-
Other Maintenance	288,005	276,000	275,500	5,000	1.81%	280,500
Supplies	106,788	94,750	117,842	(18,007)	-15.28%	99,835
Rent	2,897	6,300	6,200	(2,700)	-43.55%	3,500
Allocations	(1,156,373)	(1,235,215)	(1,220,180)	(65,678)	5.38%	(1,285,858)
Depreciation	142,871	142,600	140,000	-	0.00%	140,000
Utilities	18,769	19,920	20,034	1,581	7.89%	21,615
TOTAL	\$ 343	-	-	-	-	-

BUDGET PAYROLL SUMMARY

	FY16		FY17		FY18	
		Actual		Estimate		Budget
Exempt Salaries	1.0	\$ 95,462	1.0	91,697	1.0	98,740
Non-Exempt Wages	8.0	333,969	8.0	354,938	8.0	416,877
Other Compensation		1,801		3,500		4,000
Fringe Benefits		156,032		199,093		209,391
Other Personnel		7,254		8,004		8,400
DEPARTMENT TOTAL	9.0	\$ 594,518	9.0	657,232	9.0	737,408

INTERNAL SERVICE FUND

Categories

Personnel - \$737,408 This category includes the salaries, wages, and benefits for a fleet services manager, fleet services assistant, vehicle attendant, fleet services tech trainee, fleet services tech I, fleet services techs II, fleet services tech II, and fleet shop foreman.

Communication - \$3,000 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 - \$280,500 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 - \$99,835 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 - \$3,500 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 – (\$1,285,858) 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 - \$140,000 This category includes annual depreciated valuation of equipment used in daily operations.

Utilities - \$21,615 This category includes the division’s utility costs (electricity, gas, water, sewer and local and long distance telephone).

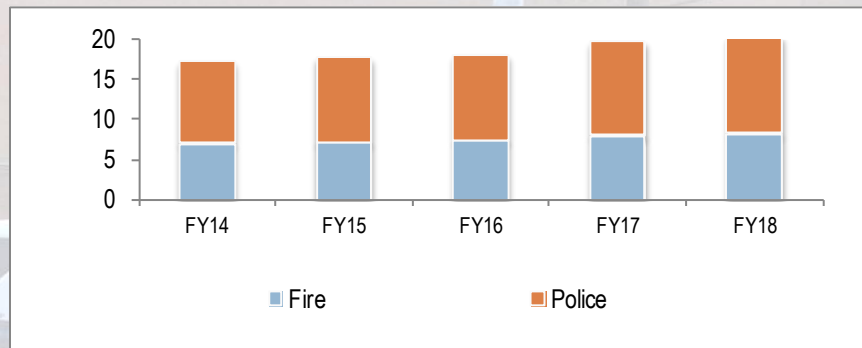
Performance Measures			
Operational Objective	To maintain an efficient fleet management program for the City		
Key Product/Service	Fleet Management		
Target	97%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Fleet availability for public safety and non-public safety	97%	98%	97%

PUBLIC SAFETY FY18 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

\$ MILLIONS





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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 9,242,738	10,015,745	10,033,190	529,455	5.28%	10,562,645
Communication	22,252	25,700	25,700	-	0.00%	25,700
Professional Fees	8,000	10,000	10,000	-	0.00%	10,000
Insurance	46,908	40,000	40,000	-	0.00%	40,000
Other Maintenance	5,012	6,000	6,000	-	0.00%	6,000
Supplies	385,925	591,441	619,177	11,714	1.89%	630,891
Rent	8,021	11,500	11,500	1,000	8.70%	12,500
Allocations	444,234	478,271	442,611	26,646	6.02%	469,257
Capital Outlay	360,894	385,000	431,465	(126,465)	-29.31%	305,000
Utilities	91,423	111,780	107,730	165	0.15%	107,895
Grants	3,522	5,300	5,300	-	0.00%	5,300
TOTAL	\$ 10,618,929	11,680,737	11,732,673	442,515	3.77%	12,175,188

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	12.0 \$ 1,135,387	12.0 1,068,631	12.0 1,165,123
Non-Exempt Wages	104.0 5,438,159	105.0 5,761,965	106.0 5,972,767
Other Compensation	293,032	312,952	307,996
Fringe Benefits	2,269,846	2,786,242	3,013,359
Other Personnel	106,314	103,400	103,400
DEPARTMENT TOTAL	116.0 \$ 9,242,738	117.0 10,033,190	118.0 10,562,645

Categories

Personnel - \$10,562,645 Salaries, wages, and benefits for the chief of police, deputy chief of police, inspectors, captains, lieutenants, police officers, public safety dispatcher/jailer supervisors, public safety dispatcher/jailers, administrative assistant, senior data entry clerk, and police data technician. Wages and benefits for the school resource officers and school crossing guards were 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

GENERAL FUND

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.

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 - \$630,891 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 - \$12,500 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 - \$469,257 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 - \$305,000 This item includes the funding necessary to purchase police vehicles/related equipment and weapons.

Utilities - \$107,895 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	Germantown is the Safest City in Tennessee		
Key Product/Service	Public Safety		
Target	14 crimes per 1,000 population		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
State crime rate index; crime per 1,000 populations	12.55	11.96	14
Strategic Objective	Germantown is the Safest City in Tennessee		
Key Product/Service	Public Safety		
Target	90%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Satisfaction with Police Services	94%	95%	90%
Strategic Objective	Germantown is the Safest City in Tennessee		
Key Product/Service	Public Safety		
Target	90%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Satisfaction with Safety in Comparison to Other Cities	95%	95%	90%
Operational Objective	Effective emergency response		
Key Product/Service	Public Safety		
Target	< 4 minutes		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Emergency Response Time in minutes	2.37	2.22	< 4



Automated Enforcement

Mission

The expenditures in this cost center accounted for the leasing of the automated enforcement equipment and processing of citations from GATSO USA, Inc. Also included in the expenditures were funding for the Alive-At-25 program. This program was eliminated in FY17.

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Personnel	\$ 75,224	-	-	-	-	-
Grants	9,750	-	-	-	-	-
TOTAL	<u>\$ 84,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 85,658	111,000	111,000	-	0.00%	111,000
Communication	360	1,000	1,000	-	0.00%	1,000
Other Maintenance	-	5,000	5,000	-	0.00%	5,000
Supplies	75,620	138,000	138,000	-	0.00%	138,000
Rent	-	750	-	750	100%	750
Capital Outlay	33,261	-	-	-	-	-
Utilities	5,336	6,000	6,000	-	0.00%	6,000
TOTAL	\$ 200,235	261,750	261,000	750	0.29%	261,750

Categories

Personnel - \$111,000 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.

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 FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Personnel	\$ 8,305	20,000	20,000	-	0.00%	20,000
Supplies	16,858	30,000	30,000	-	0.00%	30,000
TOTAL	\$ 25,163	50,000	50,000	-	0.00%	50,000

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

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Personnel	\$ 6,368,493	6,721,497	6,928,590	257,070	3.71%	7,185,660
Communication	23,140	27,000	27,000	(2,500)	-9.26%	24,500
Professional Fees	67,613	14,990	42,000	(27,010)	-64.31%	14,990
Contract Services	5,558	5,558	5,558	-	0.00%	5,558
Insurance	29,741	22,000	15,000	7,000	46.67%	22,000
Other Maintenance	39,404	43,200	43,200	(2,200)	-5.09%	41,000
Supplies	255,539	241,300	273,124	(50,624)	-18.54%	222,500
Rent	5,244	8,000	8,000	(2,000)	-25.00%	6,000
Allocations	366,849	392,836	388,993	5,300	1.36%	394,293
Capital Outlay	121,854	92,000	92,551	36,449	39.38%	129,000
Utilities	116,997	133,178	135,444	128	0.09%	135,572
TOTAL	\$ 7,400,432	7,701,559	7,959,460	221,613	2.78%	8,181,073

BUDGET PAYROLL SUMMARY

	<u>FY16 Actual</u>	<u>FY17 Estimate</u>	<u>FY18 Budget</u>
Exempt Salaries	9.0 \$ 919,155	9.0 925,046	9.0 948,586
Non-Exempt Wages	59.0 3,614,520	59.0 3,838,264	59.0 3,874,361
Other Compensation	302,207	321,470	317,084
Fringe Benefits	1,469,544	1,781,561	1,986,029
Other Personnel	63,067	62,250	59,600
DEPARTMENT TOTAL	68.0 \$ 6,368,493	68.0 6,928,590	68.0 7,185,660

GENERAL FUND

Categories

Personnel - \$7,185,660 Salaries, wages and benefits for a fire chief, assistant fire chief, deputy fire chief, battalion chiefs, fire marshal, assistant fire marshal, training officer, fire lieutenants, fire inspector, fire fighters, fire apparatus drivers, technical services/safety officer, fire records coordinator and senior administrative assistant. To maximize staffing, firefighters also serve a dual role as fire fighters and as paramedics.

Communications - \$24,500 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 - \$14,990 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 cleaning service at 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 - \$41,000 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 - \$222,500 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 - \$6,000 This category includes rental fees associated with the department's copy machines.

Allocation - \$394,293 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Capital Outlay - \$129,000 This item includes the funding for IRP projects including administrative office furniture, generators, radio microphones, and two vehicles.

Utilities - \$135,572 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Strategic Objective	Fire protection results in low property loss and no fire deaths		
Key Product/Service	Fire and Emergency Medical Services		
Target	Percentage of post-incident survey scores above average or outstanding at or above 98.5%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction on post incident surveys	98.3%	99.2%	98.5%
Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
Target	91% of violations corrected in 90 days		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Percent of violations corrected in 90 days	96%	94%	91%
Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
Target	90% fire cause determination		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Percent of fires in which a cause is determined	93.3%	100%	90%
Operational Objective	To protect life and property		
Operational Objective	To provide timely and effective response to fire and medical emergencies		
Key Product/Service	Emergency response		
Target	Average of 7 minutes and 45 seconds or less		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Fire apparatus average response time	8 min 6 sec	8 min 4 sec	7 min 45 sec



Ambulance

Mission

The ambulance services provide timely and effective response to 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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 1,399,018	1,531,018	1,516,285	94,348	6.22%	1,610,633
Communication	1,104	3,735	4,146	154	3.71%	4,300
Professional Fees	64,993	61,750	65,000	146	0.22%	65,146
Insurance	6,585	19,000	10,000	-	0.00%	10,000
Other Maintenance	6,034	6,900	7,425	600	8.08%	8,025
Supplies	73,011	95,850	87,880	15,990	18.20%	103,870
Allocations	38,246	43,191	38,281	(2,048)	-5.35%	36,233
Capital Outlay	-	-	-	239,000	100%	239,000
Utilities	1,632	2,592	2,592	-	0.00%	2,592
TOTAL	\$ 1,590,623	1,764,036	1,731,609	348,190	20.11%	2,079,799

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	1.0 \$ 90,504	1.0 83,271	1.0 85,733
Non-Exempt Wages	18.0 862,163	18.0 900,992	18.0 970,378
Other Compensation	109,774	124,907	130,609
Fringe Benefits	323,883	392,775	408,773
Other Personnel	12,694	14,340	15,140
DEPARTMENT TOTAL	19.0 \$ 1,399,018	19.0 1,516,285	19.0 1,610,633

Categories

Personnel - \$1,610,633 Salaries, wages and benefits for an EMS coordinator and firefighters who also serve a dual role as fire fighters and as paramedics.

SPECIAL REVENUE FUND

Communications - \$4,300 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 - \$65,146 Funds the contract billing service used for revenue collection.

Insurance - \$10,000 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 - \$8,025 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 - \$103,870 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 - \$36,233 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Capital Outlay - \$239,000 This item includes the funding for IRP projects including EMS training mannequin and an ambulance.

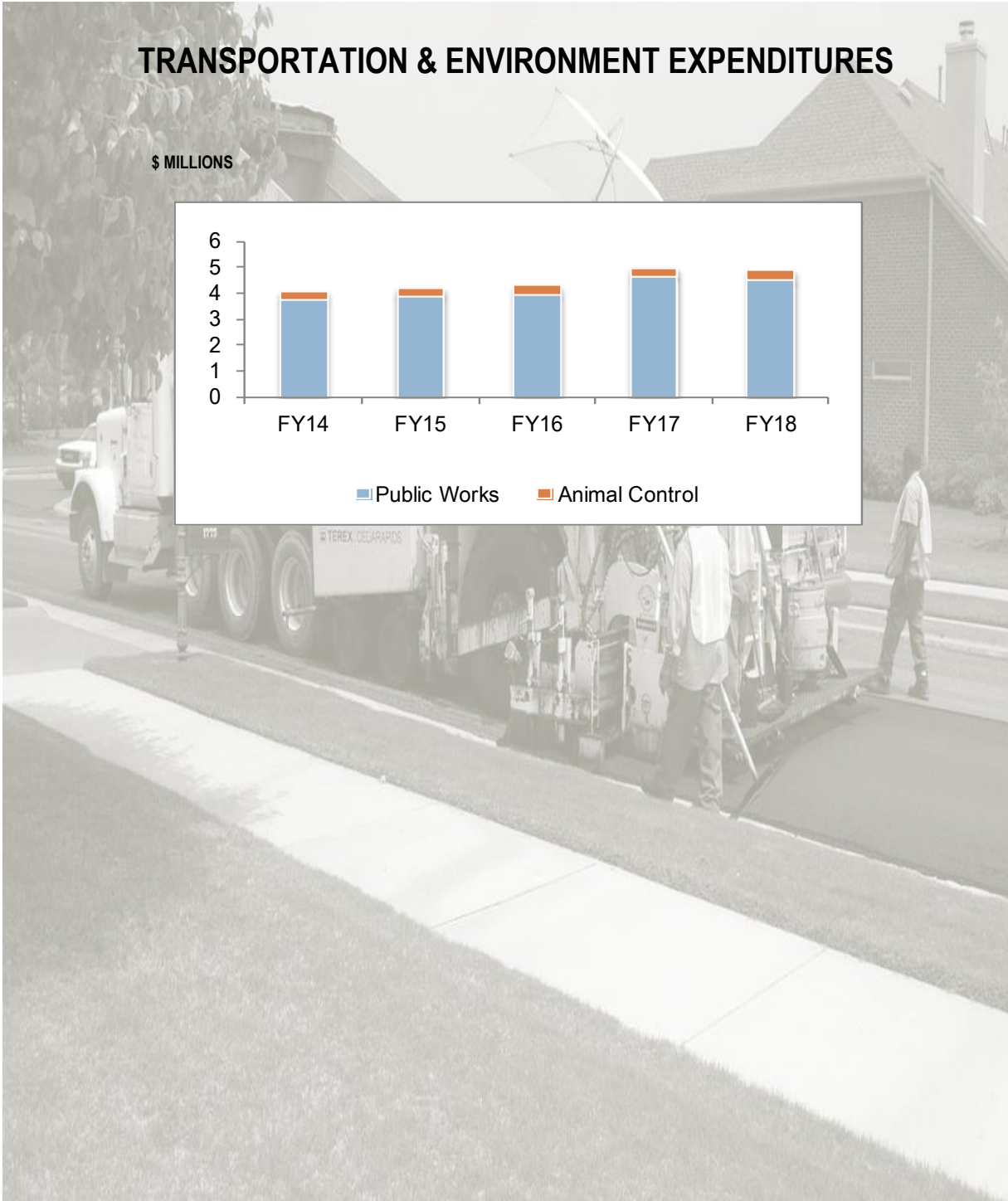
Utilities - \$2,592 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Operational Objective	To protect life		
Key Product/Service	Emergency medical services		
Target	Average of 5 minutes and 45 seconds		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Ambulance average response time	6:05	6:09	5:45
Strategic I Objective	Germantown has the highest survivability rate in Tennessee related to emergency medical services		
Key Product/Service	Emergency medical services		
Target	35% ROSC for all full arrests		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Cardiac arrest survival rate	46%	43%	35%
Strategic I Objective	All funds are self-sustaining		
Key Product/Service	Finance		
Target	Percent of Transfer less than 49% of overall fund		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
General funds transfer to Ambulance Special Revenue Funds	\$750,000	\$600,000	\$450,000

TRANSPORTATION AND ENVIRONMENT

FY18 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 210 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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 2,483,101	2,623,857	2,604,588	124,396	4.78%	2,728,984
Communication	2,879	3,000	3,000	1,500	50.00%	4,500
Contract Services	539,130	652,000	652,000	-	0.00%	652,000
Insurance	12,364	15,000	12,000	3,000	25.00%	15,000
Other Maintenance	114,889	136,000	135,000	(5,000)	-3.70%	130,000
Supplies	94,606	153,000	151,100	(35,100)	-23.23%	116,000
Rent	1,371	3,000	3,000	-	0.00%	3,000
Allocations	381,400	362,977	374,340	20,992	5.61%	395,332
Capital Outlay	257,471	449,000	659,752	(255,752)	-38.76%	404,000
Utilities	27,577	26,900	28,900	500	1.73%	29,400
TOTAL	\$ 3,914,788	4,424,734	4,623,680	(145,464)	-3.15%	4,478,216

BUDGET PAYROLL SUMMARY

	FY16 Actual		FY17 Estimate		FY18 Budget	
Exempt Salaries	6.0	\$ 443,982	6.0	458,015	6.0	473,317
Non-Exempt Wages	33.0	1,266,241	33.0	1,289,277	33.0	1,344,830
Other Compensation		36,703		40,000		38,000
Fringe Benefits		734,734		813,296		870,337
Other Personnel		1,441		4,000		2,500
DEPARTMENT TOTAL	39.0	\$2,483,101	39.0	2,604,588	39.0	2,728,984

GENERAL FUND

Categories

Personnel - \$2,728,984 This category includes salaries, wages and benefits for non-exempt and exempt employees, which includes the director of public services, assistant director of public services, superintendent of ground maintenance, superintendent of street & drainage, assistant superintendent of street & drainage and contract administrator. Also included in this category is overtime for non-exempt employees, which include crew supervisors, heavy equipment operators, equipment operator, senior maintenance workers, maintenance worker, maintenance technicians and an administrative assistant. 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 - \$4,500 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 - \$652,000 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 - \$130,000 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 - \$116,000 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 - \$395,332 This category represents the department's portion of the insurance and vehicle maintenance.

Capital Outlay - \$404,000 This category funds the purchase of a salt spreaders, grasshopper mowers, debris buggy, round rail fencing, vehicles, resurface walking trails and improvements to various city grounds and parks.

Utilities - \$29,400 This category includes the department's share of utility costs (electricity, gas, water, sewer and local and long distance telephone).

GENERAL FUND

Performance Measure			
Operational Objective	To meet customer expectations		
Key Product/Service	Parks maintenance		
Target	90%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Asset Condition Index of City Parks	88%	92%	90%
Operational Objective	To meet customer expectations		
Key Product/Service	Street maintenance		
Target	74%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Pavement Condition Index Score	72%	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 FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Roads and Mains	\$ 1,181,879	1,800,000	2,300,940	(750,940)	-32.64%	1,550,000
Utilities	860,820	900,000	900,000	20,000	2.22%	920,000
TOTAL	\$ 2,042,699	2,700,000	3,200,940	(730,940)	-22.84%	2,470,000

Categories

Roads and Mains- \$1,550,000 This category includes expenditures for improving or maintaining city streets. It includes work done by City crews (\$350,000), contract street resurfacing (\$1,000,000), and street striping (\$200,000).

Utilities - \$920,000 This category funds electricity expenses for streetlights and traffic signals.



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 animal services manager 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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 242,879	232,745	227,287	44,431	19.55%	271,718
Communication	-	1,100	1,100	-	0.00%	1,100
Professional Fees	7,200	7,200	7,200	-	0.00%	7,200
Insurance	-	-	-	3,000	100%	3,000
Supplies	78,088	73,900	92,900	2,200	2.37%	95,100
Allocations	8,779	10,235	5,952	746	12.53%	6,698
Capital Outlay	21,390	-	-	-	-	-
Utilities	9,218	12,405	12,405	(2,005)	-16.16%	10,400
TOTAL	\$ 367,554	337,585	346,844	48,372	13.95%	395,216

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	1.0 \$ 51,772	1.0 52,209	1.0 55,479
Non-Exempt Wages	3.5 122,307	3.8 100,634	4.5 126,890
Other Compensation	-	300	2,000
Fringe Benefits	68,077	71,644	85,349
Other Personnel	723	2,500	2,000
DEPARTMENT TOTAL	4.5 \$ 242,879	4.8 227,287	5.5 271,718

GENERAL FUND

Categories

Personnel - \$271,718 This category contains funds to cover personnel costs for an animal services manager, senior animal control officer, animal control officers and animal shelter attendant. 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.

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.

Insurance - \$3,000 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

Supplies - \$95,100 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 – \$6,698 This category includes the Animal Control Division’s portion of shared costs of all funds, including insurance and vehicle maintenance.

Utilities - \$10,400 This category includes the Division’s utility costs (electricity, gas, water, sewer and local telephone calls).

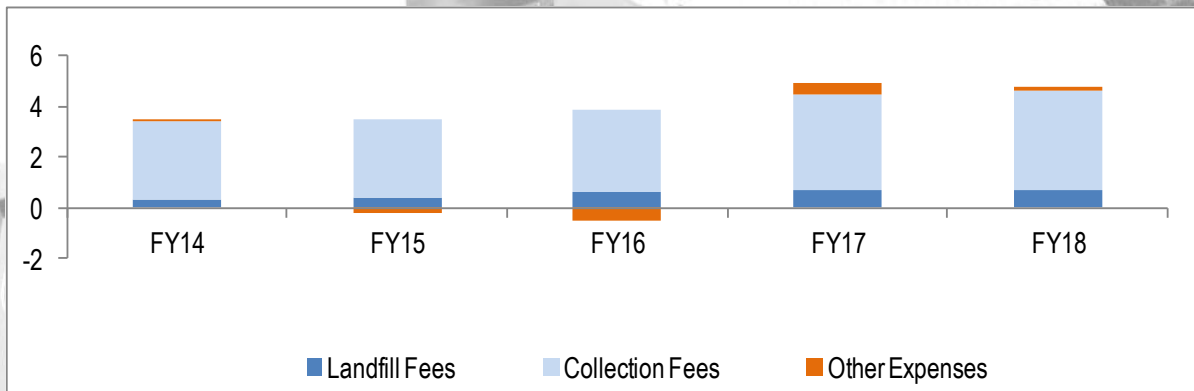
Performance Measures			
Operational Objective	To promote animal welfare		
Key Product/Service	Animal adoptions		
One Year Target	83%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Live release rate	90%	94%	83%

SANITATION FY18 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 FY18 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 second year of a five year contract with option to renew for an additional five years with Waste Pro for collection. The fee of residential collection for FY18 is calculated at \$36.50 per single-family dwelling backdoor, \$29.50 for curbside and \$19.00 for multi-family.

In addition to the collection costs, the City is in the second first year of a five-year contract with option to renew for an additional five year extension for disposal of residential/city solid waste with BFI Waste Systems of North America in a permitted sanitation landfill. This fee is \$23.75 per ton with a \$1.25 surcharge per ton. In addition, the City is in the first year of a five-year contract with option for a five year extension for disposal of yard debris with Quad County Environmental Solutions. This fee is \$4.44 per cubic yard.

The cost for collection service alone is \$3,924,000 with landfill fees projected to total \$690,000 including savings from recycling. One goal of the Environmental Commission is to familiarize the public with the benefits of recycling.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 132,980	123,293	124,801	(14,613)	-12%	110,189
Communication	6,415	15,400	13,000	12,900	99%	25,900
Professional Fees	9,500	15,000	15,000	(15,000)	-100%	-
Contract Services	3,215,036	4,857,011	4,783,000	(174,000)	-4%	4,609,000
Supplies	34,628	37,000	37,000	1,000	3%	38,000
Rent	27,850	-	-	-	-	-
Depreciation	-	-	-	8,500	100%	8,500
TOTAL	\$ 3,426,409	\$ 5,047,704	4,972,801	(181,213)	-4%	4,791,589
Capital Outlay	\$ -	-	-	-	100%	170,000

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	0.5 \$ 33,482	0.5 34,486	0.5 35,521
Non-Exempt Wages	0.3 76,302	0.3 55,579	0.3 40,722
Other Compensation	3,064	-	-
Fringe Benefits	19,922	34,336	33,346
Other Personnel	210	400	600
DEPARTMENT TOTAL	0.8 \$ 132,980	0.8 124,801	0.8 110,189

ENTERPRISE FUND

Categories

Personnel - \$110,189 This category contains funds to cover personnel costs for the sanitation program.

Communications - \$25,900 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.

Contract Services - \$4,609,000 This category reflects the cost for landfill charges (\$690,000) and collection charges for one year (\$3,924,000).

Supplies - \$38,000 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.

Depreciation - \$8,500 This category includes the annual depreciated valuation of the Sanitation equipment.

Capital Outlay - \$170,000 This category includes the purchase of a Knuckle Boom Truck.

Performance Measures			
Strategic Objective	Promote environmentally sustainable opportunities in Solid Waste		
Key Product/Service	Solid waste collection and disposal		
Target	< 326 trash tons per 1,000 population		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Trash tons per 1,000 population	306	319	326
Operational Objective	Neighborhood Services: To meet customer expectations		
Key Product/Service	Solid waste collection		
One Year Target	85%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Customer satisfaction with solid waste collection service	48%	89%	85%

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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 514,965	548,443	548,233	26,813	4.89%	575,046
Communication	2,248	1,800	1,800	1,200	66.67%	3,000
Professional Fees	900	-	-	5,000	100%	5,000
Other Maintenance	24,517	30,000	30,000	(180)	-0.60%	29,820
Supplies	10,280	22,500	22,500	6,600	29.33%	29,100
Allocations	43,149	43,392	34,068	4,499	13.21%	38,567
Roads & Mains	249,232	290,000	290,000	(5,000)	-1.72%	285,000
TOTAL	\$ 878,422	968,967	963,021	41,432	4.30%	1,004,453
Capital Outlay	\$ -	50,000	50,000	54,851	109.70%	100,000

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	0.5 \$ 115,125	0.5 118,700	0.5 120,612
Non-Exempt Wages	6.0 246,837	6.0 258,690	6.0 266,075
Other Compensation	1,021	2,000	2,000
Fringe Benefits	150,197	166,907	183,359
Other Personnel	1,785	1,936	3,000
DEPARTMENT TOTAL	6.5 \$ 514,965	6.5 548,233	6.5 575,046

Categories

Personnel - \$575,046 This category contains funds to cover personnel costs for the stormwater program including an engineer, crew supervisors and maintenance technicians.

Communications - \$3,000 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 - \$5,000 This category funds consulting for MS4.

ENTERPRISE FUND

Other Maintenance - \$29,820 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 - \$29,100 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 - \$38,567 This category includes the Stormwater's portion of shared costs of all funds, including insurance and vehicle maintenance.

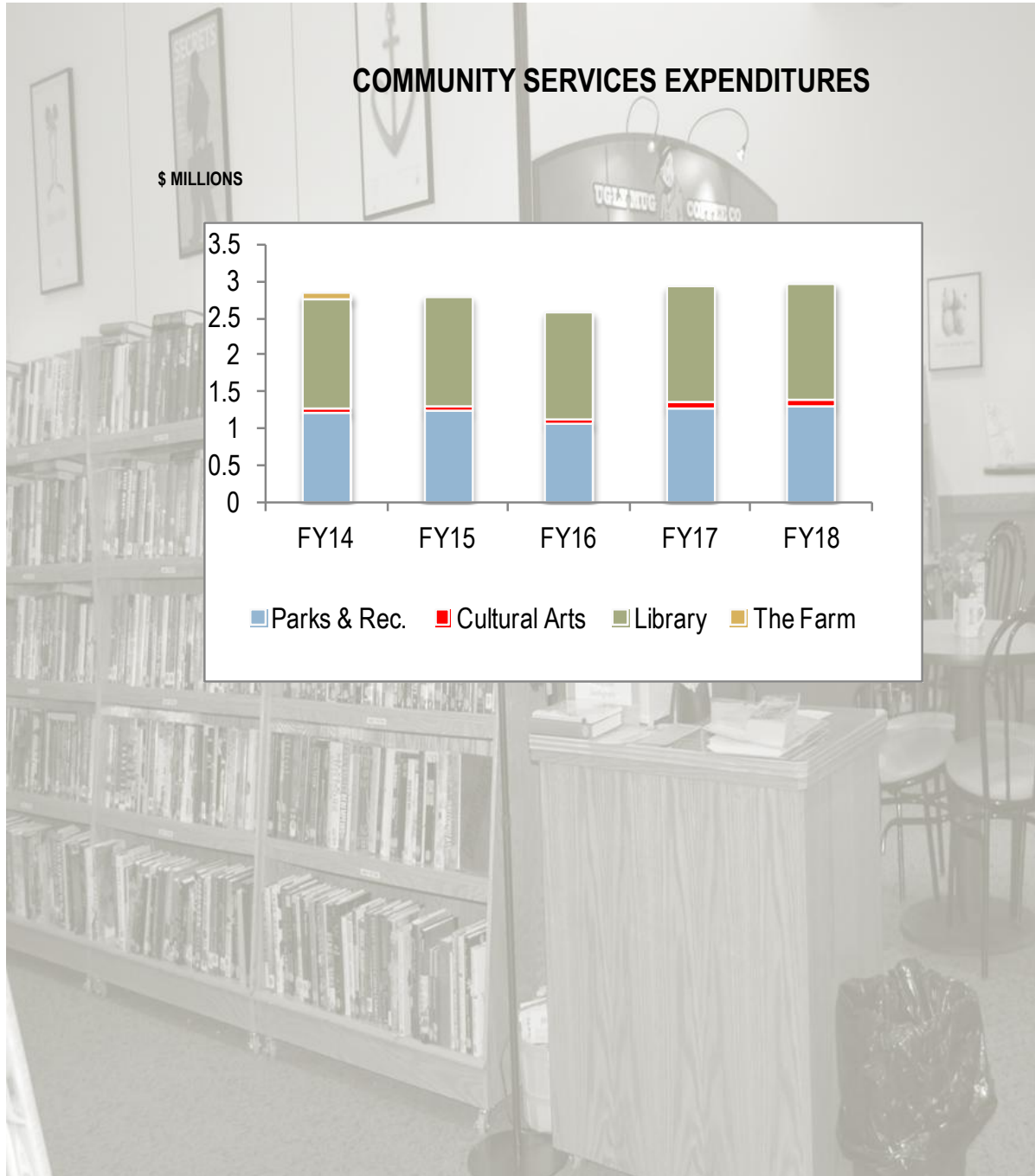
Roads and Mains - \$285,000 This category funds the contract sweeping and asphalt resurfacing of the City's roadway systems. In addition, this category funds the purchase of necessary supplies and equipment needed to maintain and overlay Germantown's roadway system.

Capital Outlay - \$100,000 This category funds cured in place piping (CIPP) IRP project.

Performance Measures			
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 40		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Total Coliforms	100	92	< 40
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 200		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Turbidity	196	173	< 200
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	Between 50 and 250 mg/L		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Total dissolved solids	86	72	50-250

COMMUNITY SERVICES FY18 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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 575,416	876,834	762,207	98,781	12.96%	860,988
Communication	12,888	14,600	14,600	(845)	-5.79%	13,755
Professional Fees	61,775	40,000	40,027	(27)	-0.07%	40,000
Insurance	2,229	3,000	3,000	-	0.00%	3,000
Supplies	21,548	23,000	30,381	(9,181)	-30.22%	21,200
Rent	11,712	12,500	12,500	(500)	-4.00%	12,000
Allocations	39,485	49,646	43,945	813	1.85%	44,758
Capital Outlay	25,680	72,000	93,128	(67,628)	-72.62%	25,500
Utilities	271,811	284,600	260,600	15,000	5.76%	275,600
Grants	15,742	3,700	3,700	-	0.00%	3,700
TOTAL	\$ 1,038,286	1,379,880	1,264,088	36,413	2.88%	1,300,501

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	4.0 \$ 305,392	5.3 366,628	7.0 457,845
Non-Exempt Wages	6.0 180,847	6.5 200,631	6.5 203,177
Other Compensation	-	-	-
Fringe Benefits	88,163	193,544	198,562
Other Personnel	1,014	1,404	1,404
DEPARTMENT TOTAL	10.0 \$ 575,416	11.8 762,207	13.5 860,988

Categories

Personnel - \$860,988 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, sports coordinator, natural resources manager, ranger naturalist, senior administrative assistant, part-time senior adult program coordinator, part-time park rangers, playground leaders and part-time administrative assistants. 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.

GENERAL FUND

Communications - \$13,755 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 - \$40,000 This line category provides funding for 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 - \$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.

Supplies - \$21,200 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 - \$12,000 This category includes rental fees for land and equipment. It also includes lease and taxes for Depot Park and Oaklawn Gardens.

Allocation - \$44,758 This includes the Parks and Recreation Department's portion of the shared costs of all internal funds, including insurance and vehicle maintenance.

Capital Outlay - \$25,500 This category provides funding for security cameras and greenway usage counter.

Utilities - \$275,600 This category includes the department's utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$3,700 This category includes funding for the Depot.

Performance Measures			
Strategic Objective	Ecosystem integrity and habitat biodiversity on public lands		
Key Product/Service	Natural Resources		
Target	42.39%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Tree canopy coverage ratio	n/a	n/a	42.39%
Operational Objective			
Key Product/Service	Safe and secure parks		
Target	< 13		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Reduction in non-violent crimes	14	15	< 13
Operational Objective	To meet customer expectations		
Key Product/Service	Recreation, leisure, sports programs		
Target	94%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Overall satisfaction	92%	88%	94%

Recreation

Mission

The Recreation Fund includes community education and the following recreational leagues: basketball, softball, baseball, Mayor's Cup 5K Race, sport camps, kickball, croquet, cheerleading, intramurals and tennis.

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Personnel	\$ 190,267	304,559	319,587	89,516	28.01%	409,103
Professional Fees	134,217	183,297	160,764	25,305	15.74%	186,069
Supplies	67,844	152,156	91,250	4,450	4.88%	95,700
Allocations	15,006	14,870	16,798	1,094	6.51%	17,892
Capital Outlay	31,679	-	-	200,000	100%	200,000
TOTAL	\$ 439,013	654,882	588,399	320,365	54.45%	908,764

BUDGET PAYROLL SUMMARY

	<u>FY16 Actual</u>	<u>FY17 Estimate</u>	<u>FY18 Budget</u>
Exempt Salaries	1 \$ 49,555	1 65,012	2 93,301
Non-Exempt Wages	7.5 115,642	7.5 216,573	7.5 261,953
Other Compensation	-	-	-
Fringe Benefits	25,070	38,002	53,849
Other Personnel	-	-	-
DEPARTMENT TOTAL	8.5 \$ 190,267	8.7 319,587	9.5 409,103

SPECIAL REVENUE FUND

Categories Personnel - \$409,103 This category pays for a full-time REACH manager, after/before school leader that serves the Germantown Municipal School District, site directors P/T and program assistants P/T.

Professional Fees - \$186,069 This category pays referees who officiate in basketball, softball, baseball, kickball, croquet, community education, intramurals and cheerleading as well as sport camp instructors.

Supplies - \$95,700 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.

Allocations - \$17,892 This category covers insurance allocation for program participants.

Capital Outlay - \$200,000 This category includes the costs associated with sports lighting and control upgrades.

Performance Measures			
Operational Objective	To meet customer expectations		
Key Product/Service	Recreation, leisure, sports programs		
Target	50,000		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Annual participation rate	45,922	40,103	50,000

Cultural Arts

Mission

To sponsor numerous special events and projects throughout the year.

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Professional Fees	17,250	13,575	17,075	(3,500)	-20.50%	13,575
Supplies	42,178	49,102	51,330	7,772	15.14%	59,102
Rent	1,573	3,320	3,320	-	0.00%	3,320
TOTAL	\$ 61,001	65,997	71,725	4,272	5.96%	75,997

- 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 - \$59,102 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 Great Hall and Conference Center (Spring Formal) and Germantown Athletic Club (special recreation pool parties).



Pickering Complex

Mission

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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Professional Fees	\$ 28,260	31,176	29,740	17,593	59.16%	47,333
Supplies	3,045	7,500	7,500	500	6.67%	8,000
Allocations	2,703	2,879	2,768	180	6.50%	2,948
Capital Outlay	-	25,000	25,000	(25,000)	-100.00%	-
Utilities	8,523	11,020	9,500	520	5.47%	10,020
TOTAL	\$ 42,531	77,575	74,508	(6,207)	-8.33%	68,301

Categories	<p>Professional Fees - \$47,333 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.</p> <p>Supplies - \$8,000 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.</p> <p>Allocation - \$2,948 This category includes shared costs of the City's insurance expenses for the Pickering Community Center building.</p> <p>Utilities - \$10,020 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).</p>
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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.

Mission

Germantown Community Library

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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 440	1,500	1,500	-	0.00%	1,500
Communication	8,713	9,450	9,450	-	0.00%	9,450
Professional Fees	1,240,553	1,289,474	1,289,474	17,618	1.37%	1,307,092
Other Maintenance	3,561	18,900	18,900	-	0.00%	18,900
Supplies	38,833	27,400	40,023	(11,623)	-29.04%	28,400
Rent	10,411	12,500	12,500	-	0.00%	12,500
Allocations	24,235	25,773	24,778	1,610	6.50%	26,388
Utilities	83,825	99,100	99,100	-	0.00%	99,100
TOTAL	\$ 1,410,571	1,484,097	1,495,725	7,605	0.51%	1,503,330

- Categories
- Personnel - \$1,500 This category funds the professional development and training of staff.
 - Communications - \$9,450 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 - \$1,307,092 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 - \$18,900 This category funds maintenance of OCLC and automation.
 - Supplies - \$28,400 This category funds general supplies used in the operations of the Library.
 - Rent - \$12,500 This category funds costs associated with a copier machine.
 - Allocation - \$26,388 This category includes the Germantown Community Library's portion of insurance expenses.
 - Utilities - \$99,100 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		
Target	Increase by 40%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
% Increase in usage of services	56%	139%	5%

Mission

Germantown Regional History and Genealogy Center

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 FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 188	200	200	-	0.00%	200
Professional Fees	43,099	49,442	49,442	999	2.02%	50,441
Supplies	8,340	9,350	9,522	(172)	-1.81%	9,350
Rent	310	600	600	-	0.00%	600
Allocations	1,585	1,685	1,620	105	6.48%	1,725
Utilities	10,371	17,757	17,757	-	0.00%	17,757
TOTAL	\$ 63,893	79,034	79,141	932	1.18%	80,073

Categories

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

Professional Fees - \$50,441 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 - \$600 This category funds the costs associated with a copier machine.

Allocation - \$1,725 This category includes the Tennessee Genealogical Library's portion of insurance expenses.

Utilities - \$17,757 This category includes the department's utility costs (electricity and gas, water, sewer, local and long distance telephone).

Mission

Library Endowment Fund

The Library Endowment Fund's mission is to preserve and share across generations the wisdom, culture and history of the South.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ -	-	1,399	2,061	147.24%	3,460
Professional	-	-	4,000	3,608	90.20%	7,608
Supplies	8,101	10,000	5,973	1,027	17.19%	7,000
TOTAL	\$ 8,101	10,000	11,372	6,696	58.88%	18,068

Categories

Personnel - \$3,460 Wages for library personnel to catalog library materials.

Professional Fees - \$7,608 Included in this category are funds associated with conferences and training of Library Director.

Supplies - \$7,000 This category includes funds needed for catalog supplies.

The Farm

Mission

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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 59,657	87,428	59,354	11,465	19%	70,819
Communication	950	5,720	3,035	765	25%	3,800
Professional Fees	26,188	28,023	25,550	1,600	6%	27,150
Contract Services	478	3,500	3,500	2,000	57%	5,500
Insurance	384	3,000	-	3,000	100%	3,000
Other Maintenance	7,364	9,500	7,500	-	0%	7,500
Supplies	15,642	24,500	18,650	8,950	48%	27,600
Rent	3,380	5,000	1,000	-	0%	1,000
Allocations	-	1,090	1,048	68	6%	1,116
Capital Outlay	28,685	32,500	17,500	(17,500)	-100%	-
Utilities	8,316	16,600	8,676	4,524	52%	13,200
TOTAL	\$ 151,044	216,861	145,813	14,872	10.20%	160,685

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Non-Exempt Wages	1.0 \$ 55,042	1.0 54,906	1.0 65,700
Fringe Benefits	4,615	4,448	5,119
DEPARTMENT TOTAL	1.0 \$ 59,657	1.0 59,354	1.0 70,819

Categories Personnel - \$70,819 This category contains funds to cover personnel costs for the farm park including part-time farm staff.

Communications - \$3,800 This category funds marketing and notice publications, dues and subscriptions to American Gardening Society.

SPECIAL REVENUE FUND

Professional Fees - \$27,150 This category funds the contract services expenses of daily operations and management of the farm park.

Contract Services - \$5,500 This category reflects the cost of outside maintenance contracts.

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 - \$27,600 This category funds general supplies used in the operations of the farm.

Rent - \$1,000 This category funds costs associated with rental equipment used for seasonal work.

Allocations - \$1,116 This category includes the farm's portion of insurance expense.

Utilities - \$13,200 This category includes the department's utility costs (electricity and gas, water, and sewer).

Performance Measures			
Strategic Objective	All funds are self-sustaining		
Key Product/Service	Finance		
Target	Percent of Transfer less than 49% of overall fund		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Farm Park Fund	150,000	150,000	120,000

Germantown Municipal School District

Mission

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

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	Actual FY 16	Budget FY 17	Estimated FY 17	Amt. Chg.	% Chg.	Budget FY 18
Personnel	\$ 36,688,000	38,973,000	38,448,000	2,436,000	6.34%	40,884,000
Communication	287,000	355,000	355,000	6,000	1.69%	361,000
Professional Fees	3,817,000	5,004,000	4,284,000	569,000	13.28%	4,853,000
Contract Services	633,000	660,000	652,000	28,000	4.29%	680,000
Supplies	2,648,000	2,368,000	2,251,000	526,000	23.37%	2,777,000
Rent	133,000	152,000	152,000	-	0.00%	152,000
Allocations	253,000	170,000	140,000	(25,000)	-17.86%	115,000
Capital Outlay	3,739,000	5,782,000	5,756,000	(1,180,000)	-20.50%	4,576,000
Utilities	781,000	865,000	835,000	80,000	9.58%	915,000
Other Maintenance	711,000	899,000	824,000	128,000	15.53%	952,000
Insurance	231,000	264,000	214,000	61,000	28.50%	275,000
TOTAL	\$ 49,921,000	55,492,000	53,911,000	2,629,000	4.88%	56,540,000

Categories	Personnel - \$40,884,000 This category contains funds to cover personnel costs for the school system.
	Communications - \$361,000 This category funds marketing and notice publications, dues and subscriptions and election expenses.
	Professional Fees - \$4,853,000 This category funds the contract service expenses of daily operations and management for the school system.
	Other Maintenance - \$680,000 This category includes expenses associated with equipment maintenance.
	Supplies - \$2,777,000 This category funds general supplies used in the operations of municipal school startup.
	Rent - \$152,000 This category funds costs associated with rental office space.
	Allocations - \$115,000 This category funds the operating transfer to the Cafeteria Fund.
	Capital Outlay - \$4,576,000 This category includes the purchase of capital and maintenance equipment and construction.
	Utilities - \$915,000 This category includes utility costs (electricity and gas, water, and sewer).
	Other Maintenance - \$952,000 This category includes other maintenance expenses.
	Insurance - \$275,000 This category includes the Municipal Schools' portion of insurance expenses.



GERMANTOWN ATHLETIC CLUB EXPENDITURES

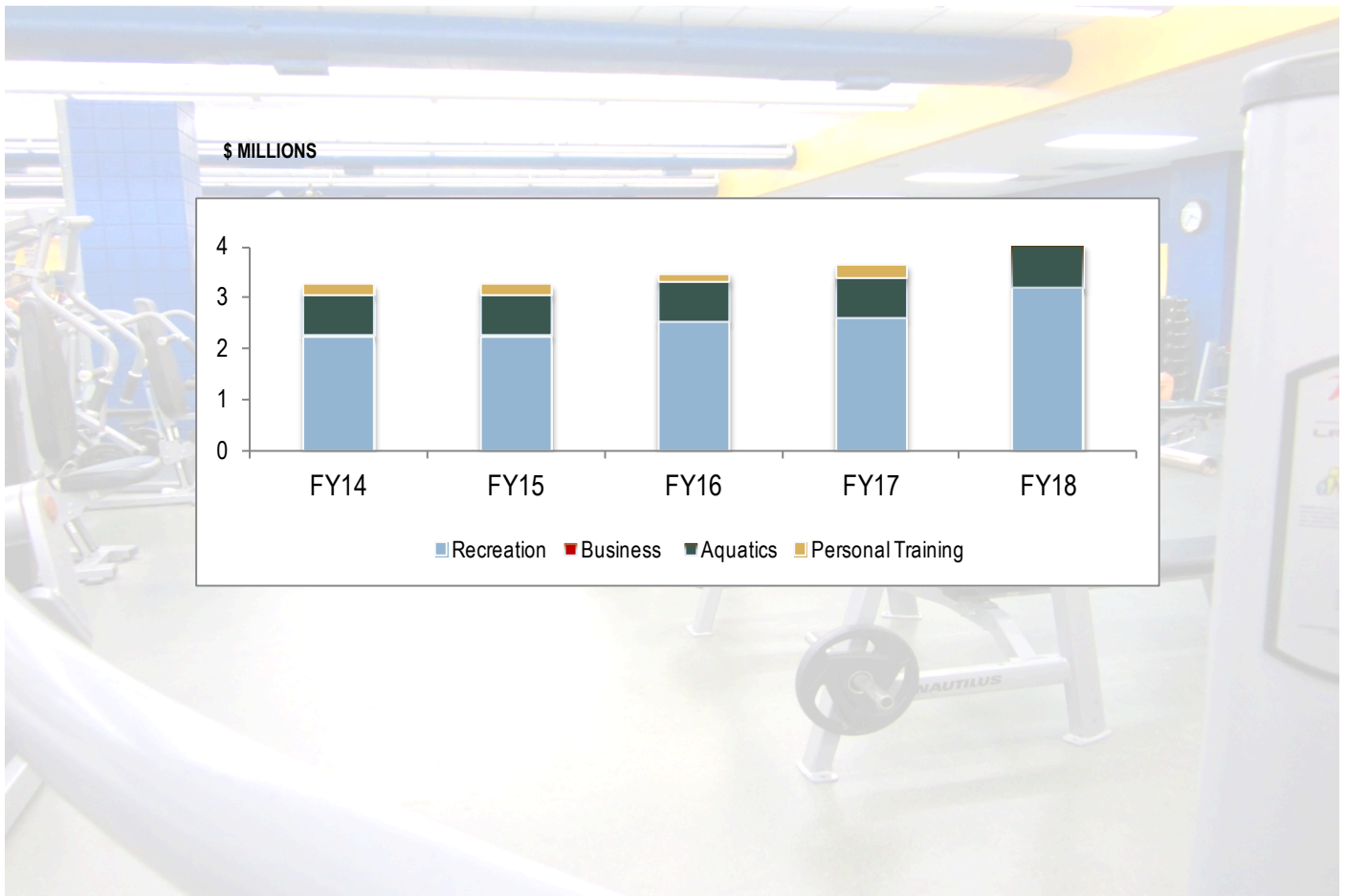
FY18 BUDGET

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 two cost centers – Recreation 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 member related programming. 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, two full-court basketball gymnasiums, walking/jogging track, meeting rooms, group fitness studios, licensed child drop in center 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 (GAC) members plus Germantown citizens and others in the surrounding area while generating a balanced budget as an enterprise fund.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 1,183,274	1,302,540	1,217,660	143,501	11.79%	1,361,161
Communication	4,056	7,500	748	6,752	902.67%	7,500
Professional Fees	301,898	371,635	312,531	197,835	63.30%	510,366
Other Maintenance	107,867	130,300	101,107	68,893	68.14%	170,000
Supplies	146,669	157,950	131,293	15,467	11.78%	146,760
Rent	147,203	145,000	149,250	91,765	61.48%	241,015
Allocations	66,186	66,054	64,975	1,387	2.13%	66,362
Depreciation	338,283	408,400	369,194	55,106	14.93%	424,300
Utilities	231,975	270,700	253,152	2,510	0.99%	255,662
Grants	(66)	-	-	-	-	-
TOTAL	\$ 2,527,523	\$ 2,860,079	2,599,910	583,216	22.43%	3,183,126
Capital Outlay	\$ 1,489,864	2,500,000	2,500,000	(1,365,000)	-54.60%	1,135,000

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	6.0 \$ 398,808	6.0 393,364	7.0 499,315
Non-Exempt Wages	16.9 514,720	16.9 552,296	17.9 562,659
Other Compensation	1,438	932	2,500
Fringe Benefits	263,210	269,123	294,187
Other Personnel	5,098	1,945	2,500
DEPARTMENT TOTAL	22.9 \$ 1,183,274	22.9 1,217,660	24.9 1,361,161

ENTERPRISE FUND

Categories

Personnel - \$1,361,161 This category includes part of the salaries and benefits for the athletic club director, assistant club directors, business manager, youth activities coordinator, fitness training manager, membership sales & services coordinator, administrative assistant, customer service representatives, custodial services supervisor, cleaning services worker and part-time concessions workers, part-time customer service representatives, part-time child care attendants, part-time managers on duty, part-time personal training and part-time recreation leaders.

Communication - \$7,500 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 - \$510,366 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 - \$170,000 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 - \$146,760 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 - \$241,015 This category provides rental of specialty and fitness equipment needed by the Germantown Athletic Club.

Allocations- \$66,362 This category includes the Germantown Athletic Club Recreation's portion of insurance expenses.

Depreciation - \$424,300 This category includes the annual depreciated valuation of the Germantown Athletic Club facilities and equipment.

Utilities - \$255,662 This line includes the Recreation's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Capital Outlay - \$1,135,000 This category includes the costs associated with CIP and IRP projects at the GAC. Specifically, this year's budget funds phase III renovations and boilers at the GAC.

Performance Measures			
Operational Objective	To increase profitability		
Key Product/Service	Membership		
Target	70%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Member retention	64%	70%	70%
Operational Objective	To increase profitability		
Key Product/Service	Net profit margin		
Target	12.5%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Net profit margin	18.5%	20.4%	12.5%

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 FY 16	Budget FY 17	Estimated FY 17	Amt. Chg.	% Chg.	Budget FY 18
Personnel	\$ 409,068	444,903	420,825	29,803	7.08%	450,628
Supplies	38,597	55,550	33,818	11,682	34.54%	45,500
Allocations	28,741	29,793	28,886	7,748	26.82%	36,634
Depreciation	188,475	188,600	187,491	(3)	0.00%	187,488
Utilities	107,908	112,500	116,987	7,918	6.77%	124,905
TOTAL	\$ 772,789	831,346	788,007	57,148	7.25%	845,155

BUDGET PAYROLL SUMMARY

	FY16 Actual		FY17 Estimate		FY18 Budget	
Exempt Salaries	2.0	\$ 84,388	2.0	87,278	2.0	91,862
Non-Exempt Wages	13.5	262,874	13.5	268,060	13.5	290,797
Other Compensation	-	764	-	941	-	1,000
Fringe Benefits	-	59,542	-	62,808	-	64,469
Other Personnel	-	1,500	-	1,738	-	2,500
DEPARTMENT TOTAL	15.5	\$ 409,068	15.5	420,825	15.5	450,628

Categories

Personnel - \$450,628 Represented in this category are the salaries and benefits for an aquatics coordinator, head swim coach, seasonal aquatic supervisors, lifeguards, assistant swim coach, water exercise instructors, and water safety instructors. The personnel category also includes employee education to train employees in specialized areas.

ENTERPRISE FUND

Supplies - \$45,500 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- \$36,634 This line includes the Athletic Club's portion of insurance costs for the aquatic facilities.

Depreciation - \$187,488 Included in this category is the annual charge representing depreciated valuation of aquatic facilities and equipment.

Utilities - \$124,905 This line includes the Aquatic's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

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. Expenses in this cost center were moved to the Germantown Athletic Club Recreation cost center in FY18.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 58,120	119,895	85,620	(85,620)	-100%	-
Professional Fees	111,047	182,500	157,155	(157,155)	-100%	-
Supplies	3,862	11,700	3,226	(3,226)	-100%	-
TOTAL	\$ 173,029	314,095	246,001	(246,001)	-100%	-

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	1.0 \$ 9,738	1.0 45,124	0.0 -
Non-Exempt Wages	1.0 42,183	1.0 19,993	0.0 -
Other Compensation	- 8	- -	- -
Fringe Benefits	- 6,191	- 20,503	- -
Other Personnel	- -	- -	- -
DEPARTMENT TOTAL	2.0 \$ 58,120	2.0 85,620	0.0 -



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 PAYROLL SUMMARY

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Debt Service	\$ 19,224	15,624	15,624	(3,600)	-23.04%	12,024
TOTAL	\$ 19,224	15,624	15,624	(3,600)	-23.04%	12,024

Categories

Debt Service - \$12,024 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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 175,515	190,606	190,224	1,832	0.96%	192,056
Communication	718	1,000	700	50	7.14%	750
Professional Fees	36,952	52,800	42,800	200	0.47%	43,000
Other Maintenance	69,167	75,200	73,662	1,538	2.09%	75,200
Supplies	15,205	22,700	20,900	(6,200)	-29.67%	14,700
Rent	89,519	93,222	93,222	1,000	1.07%	94,222
Allocations	23,492	22,767	22,622	(6,185)	-27.34%	16,437
Depreciation	59,626	69,987	63,764	8,022	12.58%	71,786
Utilities	38,827	41,250	39,469	10	0.03%	39,479
TOTAL	\$ 509,021	569,532	547,363	267	0.05%	547,630
Capital Outlay	\$ 92,834	-	-	30,000	100%	30,000

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	2.0 104,942	2.0 108,859	2.0 112,125
Non-Exempt Wages	1.0 33,664	1.0 38,454	1.0 38,454
Other Compensation	86	-	-
Fringe Benefits	- 36,823	- 42,911	- 41,477
Other Personnel	-	-	-
DEPARTMENT TOTAL	3.0 175,515	3.0 190,224	3.0 \$ 192,056

Categories Personnel - \$192,056 Represented in this category are the salaries and benefits for a Great Hall & Conference Center manager, event planner, and part-time event representative.

ENTERPRISE FUND

Communication - \$750 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 - \$43,000 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 - \$14,700 This line includes funds for the purchase of general office supplies, cleaning supplies, food supplies, and miscellaneous supplies.

Rent- \$94,222 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- \$16,437 This line includes the Great Hall's portion of insurance costs.

Depreciation - \$71,786 Included in this category is the annual charge representing depreciated valuation of the Great Hall & Conference Center.

Utilities - \$39,479 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 - \$30,000 This category includes the costs associated with CIP and IRP projects at the Great Hall & Conference Center.

Performance Measures			
Strategic Objective	All funds are self-sustaining		
Key Product/Service	City Services and Finance		
Target	< 10% of fund		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budget
General Fund transfer to GH&CC	225,000	175,000	85,000
Operational Objective	To meet customer expectations		
Key Product/Service	Meeting/Banquet Room rental		
Target	99%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budget
Customer satisfaction	97%	95%	99%
Operational Objective	To increase funding of operations		
Key Product/Service	Meeting/Banquet Room rental		
Target	\$437,807		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budget
Total revenue	\$437,458	\$478,806	\$437,807

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 FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Debt Service	\$ 7,476	6,076	6,076	(1,400)	-23.04%	4,676
TOTAL	\$ 7,476	6,076	6,076	(1,400)	-23.04%	4,676

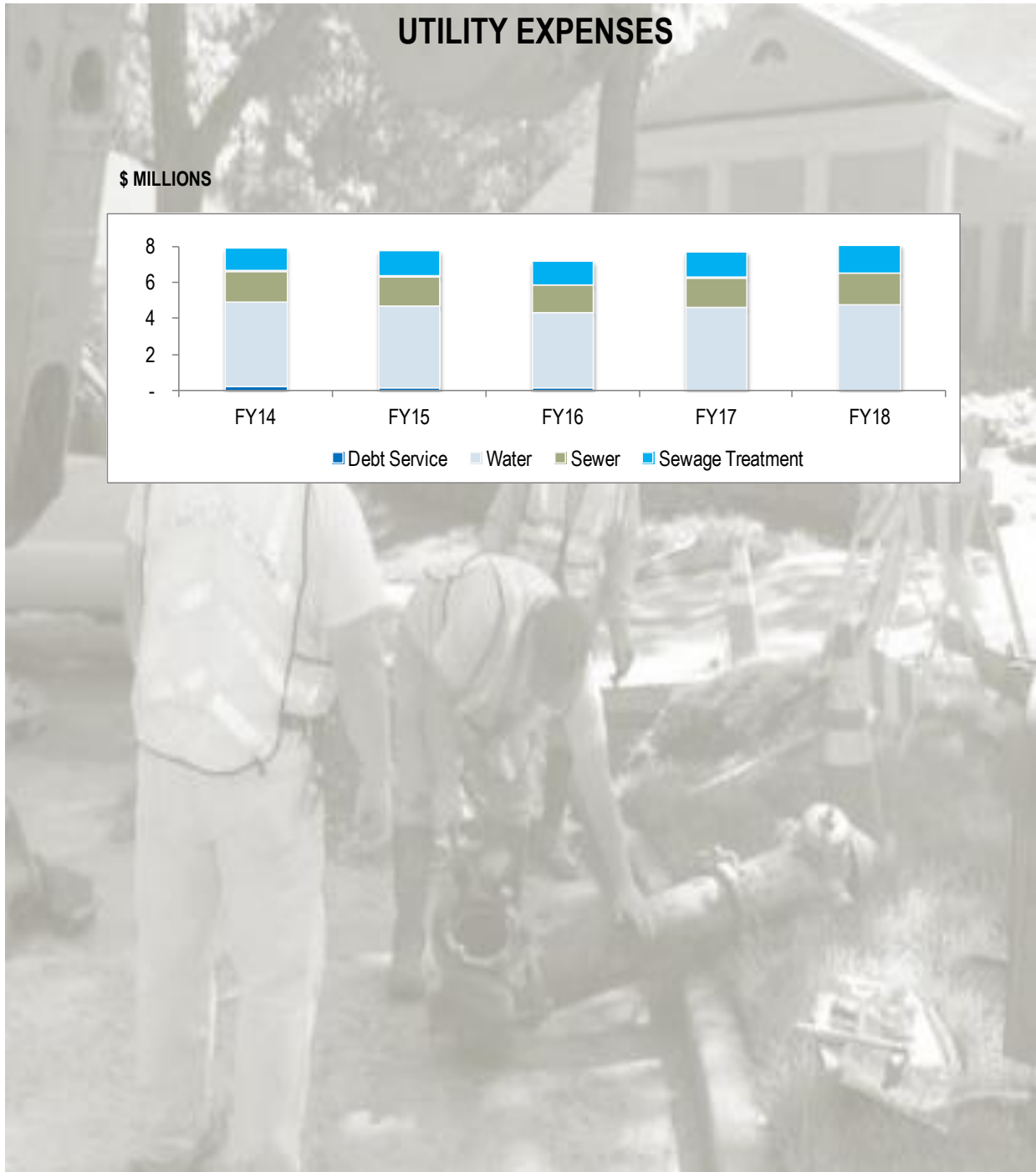
Categories Debt Service - \$4,676 This category includes the Great Hall's interest portion of the \$2.5 million General Intergovernmental loan.



UTILITIES

FY18 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

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, 2017 is \$1,665,000. During the year, principal of \$1,075,000 and interest of \$45,100 will be paid. The principal balance at June 30, 2018, will be \$ 590,000.

<u>Security</u>	<u>Balance 7/1/2017</u>	<u>Principal Payment</u>	<u>Balance 6/30/2018</u>	<u>Interest Expense</u>
Existing:				
2008 Water Revenue Bonds	\$ 1,155,000	565,000	590,000	34,900
2006 Water Revenue Bonds	510,000	510,000	-	10,200
Total FY18 Debt	<u>\$ 1,665,000</u>	<u>1,075,000</u>	<u>590,000</u>	<u>45,100</u>
Proposed:				
	<u>Existing Principal</u>	<u>Existing Interest</u>	<u>Future Principal</u>	<u>Future Interest</u>
FY19	590,000	11,800	-	-
FY20	-	-	-	-
FY21	-	-	-	-
Thereafter	-	-	-	-
Total Debt Service	<u>\$ 590,000</u>	<u>11,800</u>	<u>-</u>	<u>-</u>

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Debt Service	\$ 109,404	87,300	87,300	(42,200)	-48.34%	45,100
Agency Fees	250	250	250	-	0.00%	250
TOTAL	<u>\$ 109,654</u>	<u>87,550</u>	<u>87,550</u>	<u>(42,200)</u>	<u>-48.20%</u>	<u>45,350</u>

Categories

Debt Service - \$45,100 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

Five 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 13,095 residential and 485 business customers with an uninterrupted supply of potable water, sufficient water pressure and adequate supply of water for fire protection; maintains 220 miles of water mains, 3,500 fire hydrants, 5,000 main line valves and 14,265 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.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Personnel	\$ 1,280,419	1,161,280	1,152,418	99,859	8.67%	1,252,277
Communication	71,082	87,500	71,800	11,700	16.30%	83,500
Professional Fees	103,364	115,000	114,768	12,132	10.57%	126,900
Insurance	12,804	5,000	3,500	1,500	42.86%	5,000
Other Maintenance	85,222	85,000	85,000	-	0.00%	85,000
Supplies	138,302	216,000	201,500	2,500	1.24%	204,000
Allocations	450,744	783,721	762,659	55,278	7.25%	817,937
Roads & Mains	99,513	120,000	105,000	15,000	14.29%	120,000
Depreciation	1,039,106	1,037,598	1,059,991	-	0.00%	1,059,991
Utilities	598,717	669,600	629,650	29,950	4.76%	659,600
Pilot	289,644	301,917	289,117	-	0.00%	289,117
TOTAL	\$ 4,168,917	4,582,616	4,475,403	227,919	5.09%	4,703,322
Capital Outlay	\$ 204,245	170,000	125,000	344,279	275.42%	1,097,500

BUDGET PAYROLL SUMMARY

	FY16 Actual		FY17 Estimate		FY18 Budget	
Exempt Salaries	1.0	\$ 34,865	1.0	63,783	2.0	137,994
Non-Exempt Wages	15.0	692,163	15.0	648,516	15.0	658,718
Other Compensation		73,966		80,000		75,000
Fringe Benefits		474,623		353,119		372,565
Other Personnel		4,802		7,000		8,000
DEPARTMENT TOTAL	16.0	\$ 1,280,419	16.0	1,152,418	17.0	1,252,277

Categories

Personnel - \$1,252,277 This category includes salaries, wages and benefits for the assistant director of utilities, water services superintendent, crew supervisor, lead water plant operator, lead meter reader, meter readers, utility billing specialist, maintenance technicians, utility locator, water distribution field supervisor, water plant operators, senior maintenance worker and water plant technician. 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 - \$83,500 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 \$80,000 for postage for utility bill mailing and includes one special mailing to comply with state regulations.

Professional Fees - \$126,900 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.

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 - \$204,000 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 - \$817,937 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.

UTILITY FUND

Roads and Main – \$120,000 Funds in this category are to purchase parts, supplies and construction material required to repair and maintain 256 miles of various sized water mains and approximately 14,265 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 - \$1,059,991 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 - \$659,600 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Pilot - \$289,117 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 - \$1,097,500 This category includes the costs associated with the CIP and IRP projects of well field maintenance and water mains maintenance.

Performance Measures			
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 60 ppm		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Water hardness: total PPM	23.7	23.6	<60
Strategic I Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	No aquifer level changes plus or minus 10' fluctuation		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Avg. Rate of change in aquifer levels, feet below land surface (Johnson Road)	-10.09	-9.33	No Change
Avg. Rate of change in aquifer levels, feet below land surface (Southern Ave.)	-6.68	-8.75	No Change
Operational Objective	To produce and deliver adequate water supply to utility customers		
Key Product/Service	Portable water		
Target	99.9%		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Water system availability	99.9%	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 250 miles of sewer mains and 22 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

CATEGORY	Actual FY16	Budget FY17	Estimated FY17	Amt Chg.	% Chg.	Budget FY18
Personnel	\$ 401,570	358,495	352,967	21,389	6.06%	374,356
Communication	-	600	100	500	500.00%	600
Insurance	7,659	5,000	3,000	2,000	66.67%	5,000
Other Maintenance	3,729	5,000	4,000	1,000	25.00%	5,000
Supplies	10,082	24,700	15,700	8,000	50.96%	23,700
Allocations	221,371	377,960	388,764	23,702	6.10%	412,466
Roads & Mains	25,308	33,000	25,000	7,000	28.00%	32,000
Depreciation	673,221	685,333	690,800	13,333	1.93%	704,133
Utilities	13,286	15,600	14,375	1,125	7.83%	15,500
PILOT	177,524	182,466	184,846	154	0.08%	185,000
TOTAL	\$ 1,533,750	1,688,154	1,679,552	78,203	4.66%	1,757,755
Capital Outlay	\$ 1,097,230	200,000	229,970	665,030	289.18%	895,000

BUDGET PAYROLL SUMMARY

	FY16 Actual	FY17 Estimate	FY18 Budget
Exempt Salaries	1.0 \$ 72,300	1.0 64,715	1.0 69,368
Non-Exempt Wages	4.0 167,825	4.0 154,686	4.0 164,117
Other Compensation	19,291	25,000	25,000
Fringe Benefits	142,154	108,066	115,371
Other Personnel	-	500	500
DEPARTMENT TOTAL	5.0 \$ 401,570	5.0 352,967	5.0 374,356

UTILITY FUND

Categories

Personnel – \$374,356 This category includes salaries, wages and benefits for the superintendent of utility field operations, waste water collections field supervisor, heavy equipment operator, equipment operator, and maintenance technician. 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 - \$23,700 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.

Allocation - \$412,466 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 –\$ 32,000 This category funds the purchase of supplies and construction material required to make repairs and maintain the sanitary sewer main.

Depreciation - \$704,133 Funds in this category are for the annual depreciated valuation of equipment and sewer mains that make up the sanitary sewer system.

Utilities - \$15,500 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

PILOT - \$185,000 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 - \$895,000 This category includes the costs associated with the CIP and IRP projects of sewer line maintenance.

Performance Measures			
Operational Objective	To adequately collect and transport sewage		
Key Product/Service	Sewer collection		
Target	< 5 annually		
Performance Measure	FY16 Actual	FY17 Actual	FY18 Budgeted
Sewer system backups	3	2	< 5

Sewer Treatment

Mission

This cost center accounts for the payments to the City of Memphis for sewage treatment. Under the contract amended in FY17, Germantown currently remits 41% of the current user fee to the City of Memphis for sewer treatment, which will continue through FY17. 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 FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Contract Services	\$ 1,314,988	1,300,000	1,413,959	125,920	8.91%	1,539,879
TOTAL	\$ 1,314,988	1,300,000	1,413,959	125,920	8.91%	1,539,879

Categories

Sewer Fees to Memphis - \$ 1,539,879 Under contract, Germantown pays 41% 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 2017.



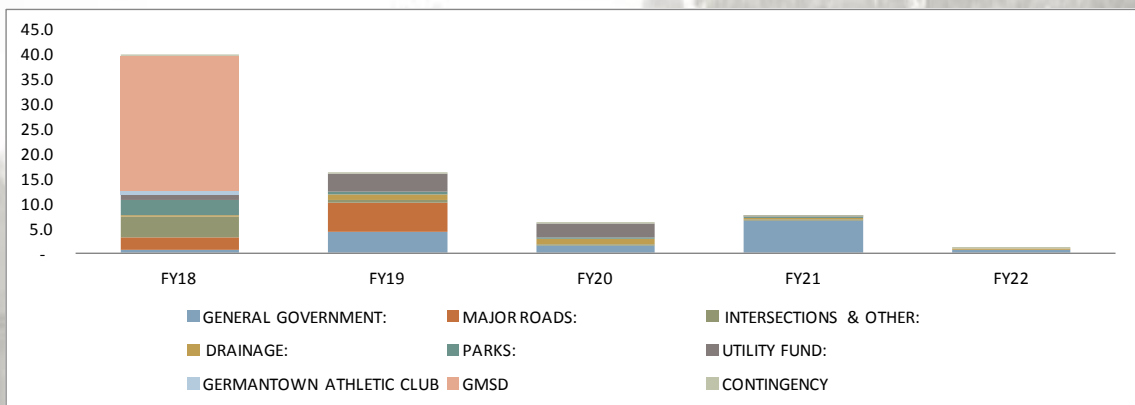
CAPITAL IMPROVEMENTS PROGRAM

FY18 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, Germantown Municipal School District 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 FY18-22 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 FY18 is fixed at \$250,000 and is reviewed annually by both the Financial Advisory Commission and Board of Mayor and Aldermen.

GENERAL GOVERNMENT

Police Indoor Firing Range					
Description					
Replacement of the bullet trap system and target system in the Police Indoor Range that are original to the facility that opened in 1988. The project will include the replacement of the current fixed mounted steel target holders with a target system designed to create a dynamic and realistic firearms training environment that challenges users to build skill and decision making.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$75,000	
TOTAL					\$75,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Customer Service Center Improvements					
Description					
The Customer Service Center is the first thing visitors see when entering City Hall and the 1979 design is not functioning well or ADA compliant. The project will provide better customer access, maximize existing employee work space and meet new ADA regulations.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$150,000	
TOTAL					\$150,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

City Hall Police Parking					
Description					
Project will provide additional parking for the Police Department at City Hall by filling in the small retention pond adjacent to the Police Building and constructing a new parking lot in its place. Project not only will provide much needed parking for police but will provide additional parking during court sessions and public meetings within City Hall.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$300,000				
TOTAL					\$300,000
Net Operating Financial Impact: There is a \$1,000 reduction operating cost associated with this project.					

TOTAL GENERAL GOVERNMENT

\$ 525,000

MAJOR ROADS

Poplar Avenue Culvert Replacement Phase IV - Construction & CEI					
Description					
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. After FY17, sixteen culverts will have been replaced or repaired by the City and nine have been addressed by others, primarily TDOT's widening of Poplar Ave. and construction of Solana.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$600,000
TOTAL					\$600,000
Net Operating Financial Impact: Upgrades will reduce maintenance responsibility by \$5,000.					

Forest Hill Irene Rd. Traffic /Safety Improvements – ROW Acquisition					
Description					
Professional engineering services and ROW acquisition for safety improvements on the unimproved sections of Forest Hill Irene Rd. from Poplar Pike to Winchester Rd.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$500,000				
TOTAL					\$500,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Winchester Road Resurfacing – Forest Hill Irene to Eastern City Limits (Construction & CEI)					
Description					
This project will provide Construction and CEI funds for the resurfacing of Winchester Road from Forest Hill Irene to the eastern City Limits. Project includes milling, paving and stripping.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$290,000				\$1,160,000
TOTAL					\$1,450,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL MAJOR ROADS

\$ 2,550,000

INTERSECTIONS & OTHER

Wolf River Boulevard/ Germantown Road Intersection Improvements - ROW Acquisition					
Description					
Right of Way acquisition for traffic signal modifications and the addition of lanes: <ul style="list-style-type: none"> • SB G'town – 4 thru lanes, double lefts to EB WRB • NB G'town – 3 thru lanes, double lefts to WB WRB • EB WRB – triple lefts to NB G'town, 2 thru lanes • WB WRB – 3 thru lanes, 1 dedicated turn to SB G'town, dedicated right turn to NB G'town 					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$2,230,000
TOTAL					\$2,230,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Signal Upgrades – Hacks Cross Rd. and Poplar Pike, Kirby and Poplar Ave. & Poplar Pike/Germantown Rd./Arthur Rd. – Construction					
Description					
Construction of upgrades at these intersections. The upgrades involve replacing wooden/concrete poles and span wires with Germantown’s standard mast arms, installing video detection and emergency vehicle pre-emption devices as necessary and updating striping and signage as necessary.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$1,050,000
TOTAL					\$1,050,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Allenby Road Sidewalks – Mercedes to Farmington					
Description					
This project would provide for the installation of sidewalks on Allenby Road from Mercedes to Farmington Boulevard approximately 780 feet improving the safety for the neighborhood that depends on Allenby Road for access to schools, parks and other neighborhoods.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$30,000				
TOTAL					\$30,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

INTERSECTIONS

Safe Routes To School – Phase I					
Description					
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.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$154,600
TOTAL					\$154,600
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Safe Routes To School – Riverdale Phase II					
Description					
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. Project involves installation of sidewalks along Oak Run Drive (1,620 ft), Neshoba Road (1,590 ft), and Great Oaks Road (1,195 ft)					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
					\$190,811
TOTAL					\$190,811
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Central Business Streetscape Master Plan Phase II – Construction					
Description					
Implementation of Phase II of the 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.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$500,000	
TOTAL					\$500,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL INTERSECTIONS/OTHER

\$ 4,155,411

DRAINAGE

City Wide Master Drainage Plan – Phase II					
Description					
<p>The goal of this plan is to develop a comprehensive drainage plan for the entire city that addresses existing drainage and flooding problems and avoids creating future ones. This plan will develop a master drainage plan to provide the city with sufficient, up-to-date, and accurate information to systematically plan and manage its drainage systems and provide a higher flood protection to its citizens, communities, properties, and infrastructure investments. The plan will contain information to existing drainage system conditions, location and extent of drainage problem areas, inadequate systems, proposed improvements, cost associated with the criteria for future drainage improvements and land.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$150,000	
TOTAL					\$150,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Annual Miscellaneous Drainage Improvements					
Description					
<p>This project involves design and construction of 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.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$50,000	
TOTAL					\$50,000
Net Operating Financial Impact: Upgrades will reduce maintenance cost by Public Works.					

Allenby Lake Spillway Repair & Lateral G Mitigation Project Construction					
Description					
<p>Allenby Lake Spillway repair and wetlands mitigation required as a result of construction activities within wetlands adjacent to the Lateral G construction project.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$150,000	
TOTAL					\$150,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL DRAINAGE

\$ 350,000

PARKS

Comprehensive Parks & Recreation Master Plan – Projects TBD					
Description					
The project will provide initial funding for projects identified in the Comprehensive Parks & Recreation Plan that is underway.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$500,000	
TOTAL					\$500,000
Net Operating Financial Impact: This should have a small increase in maintenance cost of \$500.					

Farmington Playground Renovation					
Description					
The project will include site work and erosion control to improve existing drainage challenges. The project design will be completed by a combination of in-house staff resources, a professional landscape consultant and working with potential vendors who will submit complementary design proposals. Hardscape, walkways, landscaping and plant materials will also be included in the design. There will be some flexibility in the selection of the type of playground equipment allowing for public and school input on the final decision.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$306,000	
TOTAL					\$306,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Farmington Park East Field Renovation					
Description					
The project will include laser grading for proper drainage, amending the soils for proper growing nutrients, running irrigation to improve growing conditions, and sod with 419 Bermuda for a playable surface. The current sod in place is T-10 Bermuda which isn't grown locally anymore, therefore typical annual sod replacement in heavy use areas has been difficult.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$130,000	
TOTAL					\$130,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Greenway Restroom Replacement					
Description					
<p>The Greenway Restroom & Sewer Lift station was installed in 2000 and met the needs of the users at the time. However, the number of users have increased dramatically with the opening of the new Greenway extensions resulting in inadequate facility and sewer capacity. The sewer lift station requires constant maintenance and repairs due to the increase in the volume of users.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
				\$175,000	
TOTAL					\$175,000
Net Operating Financial Impact: Improvements will reduce maintenance cost and repairs by \$1,000.					

Wolf River Blvd. Greenway Trail Connectors					
Description					
<p>The project will provide a connector from Nashoba Park to the New Trail Head & from Cameron Brown Park to Eastern Trail Head near Farmington Boulevard.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$380,000				1,520,000
TOTAL					\$1,900,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL PARKS

\$ 3,011,000

GERMANTOWN ATHLETIC CLUB

GERMANTOWN ATHLETIC CLUB

Germantown Athletic Club Expansion Construction Phase III					
Description					
Phase III consists of the renovation of the men's locker room, creation of community space upstairs, new customer service desk and both upstairs and downstairs common areas will be renovated.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,000,000				
TOTAL					\$1,000,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL GERMANTOWN ATHLETIC CLUB

\$ 1,000,000

UTILITY FUND

Johnson Road Water Plant Roof					
Description					
<p>This is the original roof for this facility that opened in 1996 and it has developed many defects around the many penetrations such as the pitch pans and cap sheet blisters that are no longer covered under the manufactures warranty.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$310,000				
TOTAL					\$310,000
Net Operating Financial Impact: This project will reduce maintenance cost by \$500.					

Western Gateway Sewer Improvements - Design					
Description					
<p>This project is a follow up to the FY15 Western Gateway Sewage Basin Study. This is also a proactive measure that encourages growth in a targeted area of Germantown (Germantown Economic Development Strategic Plan 2012-2013 and Western Gateway Small Area Plan).</p> <p>The first phase of the project would involve analysis and design of new sewer line and easements necessary to accommodate full build-out of the Western Gateway.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$200,000				
TOTAL					\$200,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Land Purchase – Southern Ave.					
Description					
<p>Properties located at 7598, 7606, 7630 and 7632 Southern Avenue have become available from New Bethel Church. The purchase would provide future growth options for Public Works as well as a potential new water well field.</p> <p>The properties were independently appraised at \$350,000.00.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$350,000				
TOTAL					\$350,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

UTILITY FUND

Greenway Restroom Lift Station Replacement					
Description					
<p>The Greenway Restroom & Sewer Lift station was installed in 2000 and met the needs of the users at the time. However, the numbers of users have increased dramatically with the opening of the new Greenway extensions resulting in inadequate facility and sewer capacity. The sewer lift station requires constant maintenance and repairs due to the increase in the volume of users.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$60,000				
TOTAL					\$60,000
Net Operating Financial Impact: There should be a small reduction in maintenance cost by \$500.					

Southern Ave. Water Plant – Electrical Panel Upgrade					
Description					
<p>Design and replacement of the original electrical panels of the facility that was constructed in 1978. The panels have functioned flawlessly for years until rainfall entered the building in 2012 causing damage to the panel components. It was very difficult to find parts to make the necessary repairs since the original replacement parts were not available. Therefore, the only certain long term solution is to replace the panels.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$182,500				
TOTAL					\$182,500
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL UTILITY FUND

\$ 1,102,500

MUNICIPAL SCHOOLS

New Elementary School Design, Land Acquisition and Construction					
Description					
<p>Since the current overcrowding of area elementary schools could potentially lead to a decline in academic standards, the GMSD is recommending the building a new elementary school in the southeast section of the City to relieve the overcrowding.</p> <p>The project will consist of the design, land acquisition, approximately 15-30 acres depending upon if an adjacent park is included and the construction of a new elementary school in the southeast section of the City.</p>					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$27,000,000		
TOTAL					\$27,000,000
<p>Net Operating Financial Impact: There will be significant increases to the school's operating budget once the new school is complete. However for this fiscal year there is no additional operating expense.</p>					

TOTAL MUNICIPAL SCHOOLS

\$ 27,000,000

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	\$ 525,000
Major Roads	2,550,000
Intersections/Other/Drainage	4,505,411
Parks	3,011,000
GMSD	27,000,000
Germantown Athletic Club	1,000,000
Utilities	1,102,500
Contingency	250,000

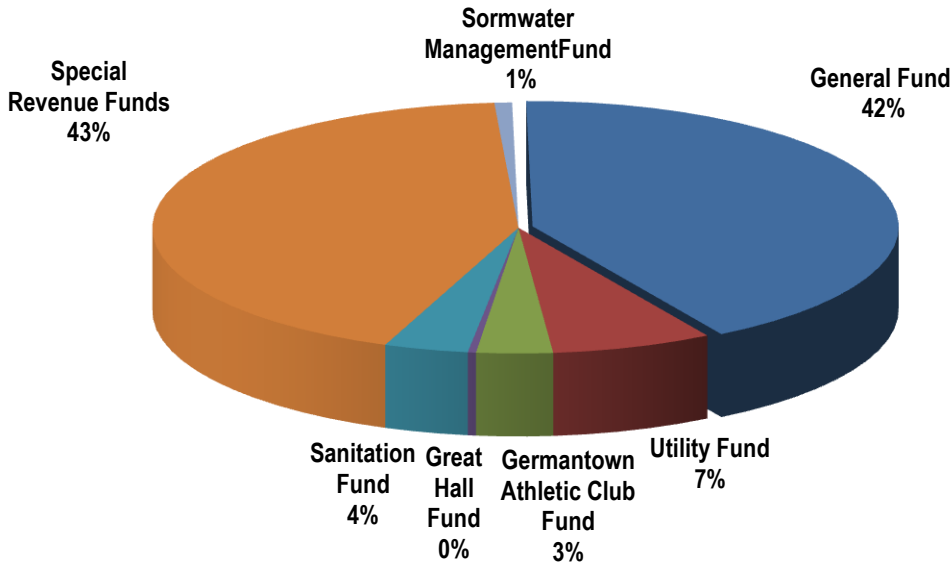
TOTAL FY18 CAPITAL IMPROVEMENTS PROGRAM

\$ 39,943,911

REVENUE PROJECTIONS

This section presents an analysis of projected revenues for FY18 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 FY18 PROJECTED REVENUES

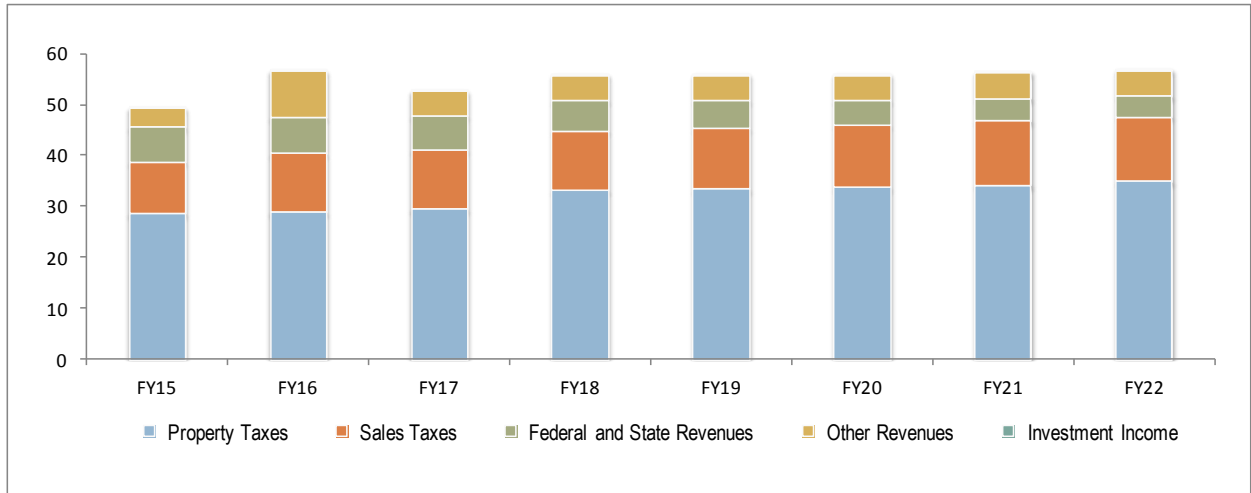


GENERAL FUND REVENUE PROJECTIONS

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

ACCT	ACTUAL FY16	BUDGET FY17	Budget FY18
010-0000-311.10-00 Real Property Tax	\$ 26,740,447	27,200,000	30,870,500
010-0000-311.20-00 Personal Property Tax	769,994	800,000	799,464
010-0000-311.30-00 PILOT	467,168	484,683	490,000
010-0000-313.00-00 Penalties and Interest	128,635	130,000	130,000
010-0000-315.10-00 TVA	470,844	459,400	478,000
010-0000-315.20-00 MLG&W	290,558	300,000	300,000
010-0000-316.10-00 Local Option Sales Tax	6,225,192	6,110,717	6,400,000
010-0000-316.10-01 Contra - 20 year Annex Local Option Sales	(73,590)	-	(75,000)
010-0000-316.10-10 .5 Percent Sales Tax	2,794,699	2,748,414	2,850,000
010-0000-317.10-00 Wholesale Beer Tax	446,310	450,000	450,000
010-0000-317.20-00 Wholesale Liquor Tax	604,937	550,000	625,000
010-0000-318.10-00 Gross Receipts Business Tax	549,398	510,000	550,001
010-0000-318.20-00 Business Tax Interest	-	100	-
010-0000-318.30-00 Business Tax Penalty	-	229	-
010-0000-318.50-00 Business Collection Fees	35	40	-
010-0000-319.10-00 Cable TV and Telecommunication	820,129	790,000	850,000
010-0000-319.20-00 Room Occupancy Tax	875,399	820,000	925,000
010-0000-321.10-00 Automobile Registration	869,626	889,870	1,215,000
010-0000-322.10-00 Retail Beer Licenses	7,622	7,500	7,000
010-0000-322.20-00 Retail Liquor Licenses	13,788	13,200	13,000
010-0000-324.10-00 Animal Registration Fees	77,077	79,500	78,000
010-0000-326.10-00 Fence and Sign Permits	5,360	6,000	5,000
010-0000-326.20-00 Building Permits	58,924	50,000	60,000
010-0000-326.40-00 Subdivision Engineering	22,283	30,000	35,000
010-0000-326.50-00 Zoning Application Fees	38,455	25,000	40,000
010-0000-331.90-00 Grants - Federal/State	213,232	100,000	200,000
010-0000-335.10-00 State Sales Tax Allocation	3,248,705	3,249,992	3,300,000
010-0000-335.20-00 State Income and Excise Tax (Hall)	3,480,220	2,500,000	2,200,000
010-0000-335.30-00 State Beer Tax Allocation	19,591	20,062	24,000
010-0000-335.40-00 State Liquor Tax Allocation	172,787	120,000	180,000
010-0000-335.40-01 GMSD Tax Distribution	(99,094)	-	-
010-0000-335.90-00 City Street and Transportation Tax Allocation	81,649	82,252	82,000
010-0000-342.30-00 Fire Inspection Fees	15,050	13,000	13,000
010-0000-351.10-00 City Court Costs	413,916	160,000	421,000
010-0000-351.11-00 City Court Fines	237,172	120,000	250,000
010-0000-351.20-00 Other Court Revenue	777,321	460,000	443,000
010-0000-351.30-00 Animal Impoundment Fees	5,444	5,000	5,000
010-0000-353.01-00 Fines - Library	56,754	52,000	55,000
010-0000-361.10-00 Investment Income	120,578	35,000	120,000
010-0000-361.11-00 Loan Interest - Civic Centre	29,200	30,000	19,200
010-0000-362.00-00 Rental Revenue - WTF	364,258	315,000	360,000
010-0000-362.10-00 Rental Revenue - GPAC	137,390	85,000	85,000
010-0000-362.20-00 Library Materials	18,801	19,000	18,000
010-0000-362.41-00 Parks - Taxable	8,080	7,550	7,800
010-0000-367.10-00 Friends of Library	11,502	10,000	11,000
010-0000-367.30-00 Senior Expo Revenue	19,950	19,975	20,000
010-0000-367.90-00 Playground Registrations Revenue	29,927	39,800	30,750
010-0000-368.01-00 Gain/Loss Sale of Assets	89,517	-	-
010-0000-369.10-00 Other Revenue	635,428	370,000	480,925
010-0000-369.15-00 Surplus Equipment Sales - GovDeals	2,012	15,000	10,000
010-0000-369.20-00 Library - Printing & Misc.	11,882	11,600	11,000
010-0000-369.30-00 Farm Park Rent	-	-	-
010-0000-369.80-00 Debt Proceeds	4,185,000	-	-
010-0000-369.90-00 Other Financing Sources	-	220,756	219,067
010-0000-369.99-00 Credit Card Fees: Gain/Loss	30,110	-	75,000
010-0000-369.99-01 Cash Short/Over	-	-	-
TOTAL REVENUES	\$ 56,520,365	50,515,680	55,736,707

GENERAL FUND

Current Real Property Tax

\$30,870,500

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 \$1.97 per \$100 of assessed value. Key assumptions are a growth of 120 housing units per year for the next four years that are valued at \$450,000, a collection of 99% of taxes in the year assessed and a collection of 50% of all delinquent taxes each year.

Current Personal Property

\$799,464

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

\$490,000

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 \$1.97 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

\$478,000

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

\$6,400,000

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 2% growth rate.

.5 Percent Sales Tax

\$2,850,000

In 2012, the City increased its sales tax rate from 2.25% to 2.75%, except were different sales tax rates for particular goods and services are set by statute and are not subject to variation by ordinance. The city receives 98.875% of this revenue, with the state deducting 1.125% for administrative cost.

GENERAL FUND

Wholesale Beer Taxes **\$450,000**

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 **\$625,000**

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 **\$550,001**

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.

Cable TV Franchise Fee **\$850,000**

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.

Hotel/Motel Occupancy Tax **\$925,000**

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). Seven hotel/motel facilities are now open and in full operation within the City's boundaries. Projections are made at 3%.

Automobile Registration **\$1,215,000**

Ordinance No. 1980-9. The rate is \$35 per automobile of which \$1.25 covers a collection fee. A \$10 increase was added in FY18. Projections are based on the number of registered vehicles in FY17 plus an annual increase of 2.65 autos per living unit, times growth in living units projected at 15 per year.

Retail Beer Licenses **\$7,000**

A fee of \$250 per application and a \$100 beer (\$150 wine) annual permit renewal fee. A total of 48 licenses are in effect now, and has no projected growth.

Retail Liquor Licenses **\$13,000**

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 **\$78,000**

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.

GENERAL FUND

Fence & Sign Permits **\$5,000**

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 **\$60,000**

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 **\$35,000**

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 **\$40,000**

Zoning application fees range from \$600 to \$3,600 depending on size and proposed use.

Grants – Federal, State **\$200,000**

Grants received from the State of Tennessee or the Federal Government.

State Sales Tax Allocation **\$3,300,000**

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 **\$2,200,000**

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. In FY17 State legislators passed a bill to phase out this revenue from local governments. This revenue will be completely phased out by FY22.

State Beer Taxes Allocation **\$24,000**

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 **\$180,000**

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 **\$82,000**

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.

GENERAL FUND

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 **\$421,000**

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 **\$250,000**

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 **\$443,000**

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 **\$5,000**

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 **\$55,000**

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, \$1.00 per day per item for interlibrary loan materials, \$1.00 per day per item for Book Club books and \$1.00 per day per kit for Book Club kits.

Investment Income **\$120,000**

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.

Loan Interest – Germantown Athletic Club **\$19,200**

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 **\$360,000**

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 **\$85,000**

Revenue received from facility rentals at GPAC.

Library Materials **\$18,000**

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.

GENERAL FUND

<u>Parks</u>	<u>\$7,800</u>
Rental revenue received from the pavilions.	
<u>Friends of Library</u>	<u>\$11,000</u>
Money collected from the "Friends of the Library" on the sales of donated books. This money helps to support the Germantown Community Library.	
<u>Senior Expo</u>	<u>\$20,000</u>
Rental revenue received from booths at the annual Senior Expo at the Germantown Athletic Club.	
<u>Playground Program</u>	<u>\$30,750</u>
Program fees collected for the Summer Playground program. The "Summer Playground Program" is a partial day program (fee is \$225/per participant per two week session and \$15 discount for each additional child per family).	
<u>Other Revenues</u>	<u>\$480,925</u>
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.	
<u>Surplus Equipment Sales - GovDeals</u>	<u>\$10,000</u>
Monies collected from the disposition of surplus or confiscated items.	
<u>Library – Printing & Misc.</u>	<u>\$11,000</u>
The library charges \$.20 per page for black and white copies and \$1.00 per page for color copies.	
<u>Other Financing Sources</u>	<u>\$219,067</u>
The payment received from the FY16 Interfund Reimbursement Agreement between the City of Germantown and Germantown Municipal School District. GMSD reimburses the city for the principal amount of \$4 million dollars plus interest and pro rata share of all cost association with the issuance of the 30 year bond.	
<u>TOTAL GENERAL FUND REVENUES</u>	<u>\$55,736,707</u>

SPECIAL REVENUE FUND REVENUE PROJECTIONS

STATE STREET AID FUND

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
State Gasoline Tax Allocation	\$ 1,103,137	1,055,000	1,105,000	1.67%	1,123,400
Investment Income	1,111	-	1,336	-10.18%	1,200
General Fund Transfer	1,850,000	1,650,000	1,650,000	-33.33%	1,100,000
TOTAL REVENUES	\$ 2,954,248	2,705,000	2,756,336	-19.29%	2,224,600

State Gasoline Tax Allocation

\$1,123,400

A population based allocation of the state \$0.254 gasoline tax and \$0.224 diesel fuel tax is accounted for in the separate State Street Aid Fund. 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 \$33.20. FY18 is the first year of a three year planned increase.

Investment Income

\$1,200

Interest on funds held in State Street Aid Fund.

Transfer In- General Fund

\$1,100,000

Funds transferred from the General Fund to cover additional expenses.

AUTOMATED ENFORCEMENT FUND

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Red Lights	\$ 3,500	-	-	-	-
General Fund Transfer	75,000	-	-	-	-
TOTAL REVENUES	\$ 78,500	-	-	-	-

This Fund has been discontinued in FY18.

SPECIAL REVENUE FUND REVENUE PROJECTIONS

DRUG ASSET FORFEITURE FUND

	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Drug Enforcement Revenues	\$ 143,151	350,000	300,000	0.00%	300,000
TOTAL REVENUES	\$ 143,151	\$ 350,000	\$ 300,000	0.00%	300,000

Drug Enforcement Revenues

\$300,000

Funds received from court fines and seizures.

PICKERING COMPLEX FUND

	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Classes Revenues	\$ 32,090	28,500	32,000	62.50%	52,000
Senior Events Revenues	4,151	6,615	4,500	0.00%	4,500
Other Revenue	3	-	-	-	-
Other Revenue - Taxable	38,775	31,729	39,000	0.00%	43,000
TOTAL REVENUES	\$ 75,019	66,844	75,500	31.79%	99,500

Classes

\$52,000

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

\$4,500

Funds received for senior events, including special events, day trips, and commissions.

Other Revenue – Taxable

\$43,000

This category represents revenue that is taxable from the rental of the Pickering Complex.

SPECIAL REVENUE FUND REVENUE PROJECTIONS

FEDERAL ASSET FORFEITURE FUND

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Other Revenues/Forfeiture \$	27,369	50,000	50,000	0.00%	50,000
TOTAL REVENUES \$	27,369	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 FY15	ACTUAL FY16	BUDGET FY17	ESTIMATED FY17	BUDGET FY18
BEP	\$ 23,109,000	24,221,000	25,077,000	25,433,000	26,188,000
ADA	15,523,000	16,277,000	16,208,000	16,989,000	17,407,000
Federal Grants	1,334,000	1,847,000	1,929,000	2,154,000	1,858,000
Other Revenues	1,113,000	1,021,000	701,000	833,000	752,000
Charges for Services	562,000	678,000	835,000	844,000	895,000
County Commission	27,000	2,234,000	1,321,000	31,000	955,000
Liquor Tax	75,000	92,000	83,000	97,000	96,000
Sales Tax	5,451,000	6,310,000	6,049,000	6,402,000	6,200,000
General Fund Transfer	2,121,576	2,131,594	2,189,386	2,189,386	2,474,720
TOTAL REVENUES \$	49,315,576	54,811,594	54,392,386	54,972,386	56,825,720

Germantown Municipal School District

\$2,474,720

Funds received are equal to \$0.15 tax levy on each \$100 of taxable property for the current year.

SPECIAL REVENUE FUND REVENUE PROJECTIONS

AMBULANCE FUND

	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Transport Fees	\$ 983,499	980,000	985,000	365,000	37.06%	1,350,000
Nontransport Fees	10,289	-	-	-	-	-
Other Revenue	134	-	-	-	-	-
General Fund Transfer	750,000	700,000	600,000	(150,000)	-25.00%	450,000
TOTAL REVENUES	\$ 1,743,922	1,680,000	1,585,000	215,000	13.56%	1,800,000

Transport Fee

\$1,350,000

Funds received for transporting patients to area hospitals.

FARM PARK FUND

	Actual FY16	Budget FY17	Estimated FY17	Amt. Chg.	% Chg.	Budget FY18
Membership Fees	\$ 3,660	5,000	3,660	560	15.30%	4,220
Donations	18,948	21,000	17,500	-	0.00%	17,500
Earned Income	3,390	5,400	3,964	636	16.04%	4,600
Education Fees	1,450	3,500	1,400	-	0.00%	1,400
Rental	3,800	45,600	7,600	24,400	321.05%	32,000
Grant	1,000	-	1,000	-	0.00%	1,000
General Fund Transfer	150,000	150,000	150,000	(30,000)	-20.00%	120,000
	\$ 182,248	230,500	185,124	(4,404)	-2.38%	180,720

Membership Fees

\$4,220

Funds received from membership fees for the Community Garden (resident/nonresident).

Donations

\$17,500

Funds received from contributions to the Farm Park.

Earned Income

\$4,600

Funds received from Farm Park rent/merchandise.

Education Fees

\$1,400

Funds received from community education programs.

Rental

\$32,000

Funds received from rental of Hay Barn (weddings and miscellaneous small rentals).

SPECIAL REVENUE FUND REVENUE PROJECTIONS

LIBRARY ENDOWMENT FUND

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Fines	\$ -	-	1,802	-100.00%	-
Interest Income	608	-	802	0.00%	-
TOTAL REVENUES	\$ 608	-	3,604	-100.00%	-

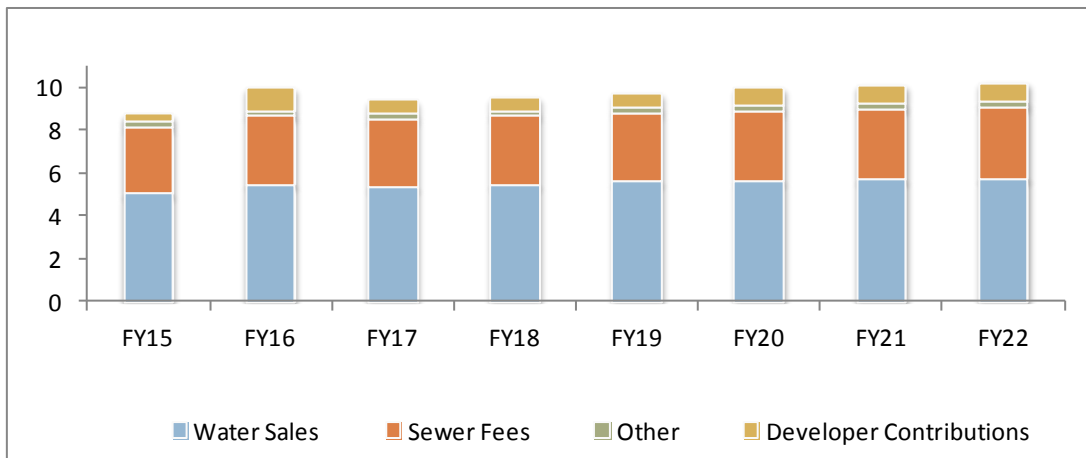
UTILITY FUND REVENUE PROJECTIONS

This section presents the projected Utility Fund revenues for FY18. An analysis chart of revenue components and projected trends through FY22 is presented below.

	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Metered Water Sales	\$ 5,434,612	5,230,000	5,310,000	2.26%	5,430,000
Forfeited Discounts	79,380	60,000	75,000	-6.67%	70,000
Water Application Fee	12,075	12,000	10,000	20.00%	12,000
Other Revenue	44,850	25,000	45,000	-11.11%	40,000
Developer Installation	7,000	30,000	35,000	-14.29%	30,000
Water Connection Fees	54,732	60,000	57,000	5.26%	60,000
Sewer Connection Fees	80,635	60,000	70,000	0.00%	70,000
Sewer Service Fees	3,180,474	3,250,000	3,145,488	1.42%	3,190,000
OPERATING REVENUES	\$ 8,893,758	8,727,000	8,747,488	1.77%	8,902,000
Investment Income	\$ 16,493	7,000	23,000	-34.78%	15,000
Contributions from Developers	1,085,523	240,000	650,000	0.00%	650,000
Surplus Equip Sale - GovDeals	-	-	3,810	-100.00%	-
Credit Card Fees/Gain/Loss	23,654	-	-	-	-
NONOPERATING REVENUES	\$ 1,125,670	247,000	676,810	-1.74%	665,000
	\$ 10,019,428	\$ 8,974,000	\$ 9,424,298		\$ 9,567,000

UTILITY REVENUES

\$ MILLIONS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Metered Water Sales **\$5,430,000**

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.

Forfeited Discounts **\$70,000**

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.

Water Application Fee **\$12,000**

The water application fee is 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).

Other Revenues **\$40,000**

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% 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 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 **\$70,000**

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 **\$3,190,000**

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 per 1,000 gallons thereafter with a maximum charge of \$40.58. 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 **\$15,000**

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 **\$650,000**

Assets received from private developers when the installation of water and sewer mains within the newly completed project is completed.

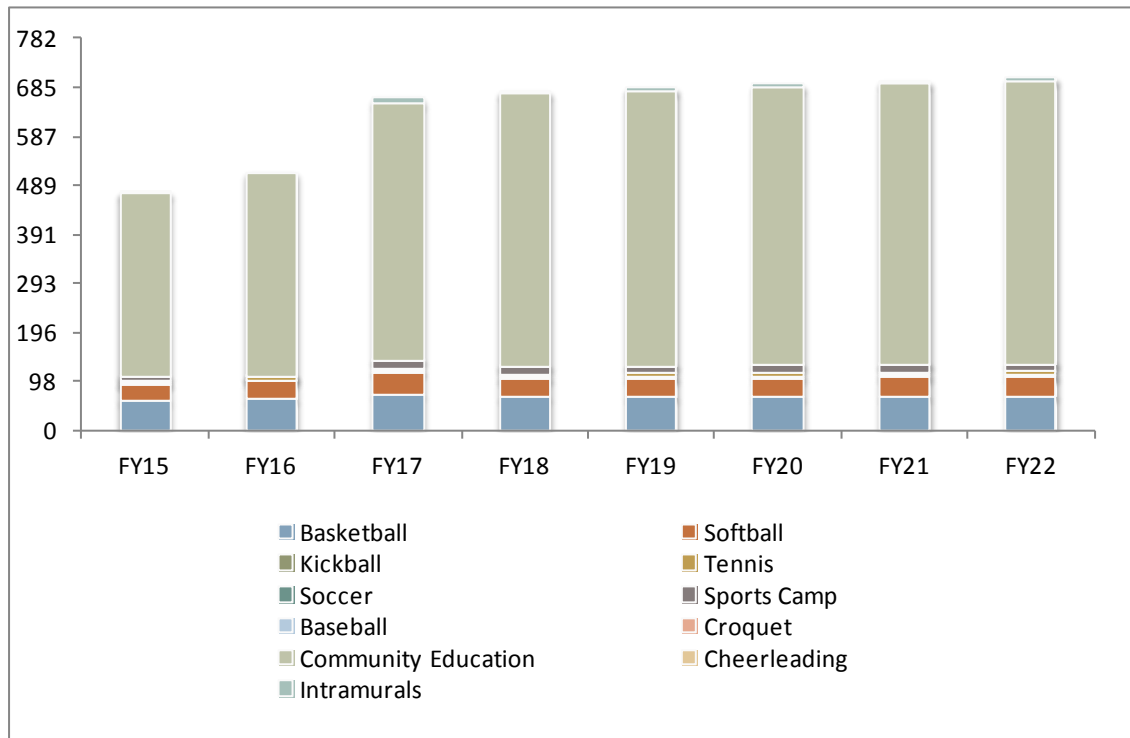
RECREATION FUND REVENUE PROJECTIONS

This section presents the projected Recreation Fund revenues for FY18. An analysis chart of revenue components for the Recreation Fund is presented below.

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Basketball Fees and Sponsorships	\$ 61,571	70,371	60,692	6.85%	64,850
Softball Fees	34,251	42,000	27,000	33.33%	36,000
Kickball Fees	2,560	3,931	1,960	0.00%	3,920
Tennis Classes and Other Fees	6,851	4,000	6,500	7.69%	7,000
Sports Camps Fees	440	17,260	5,595	143.97%	13,650
Croquet Fees	868	1,010	900	0.00%	900
Community Education	408,127	513,115	524,482	3.91%	545,000
Intramurals	-	13,800	-	100%	6,000
TOTAL REVENUES	\$ 514,668	665,487	627,129	8.00%	677,320

RECREATION REVENUES

\$ THOUSANDS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Basketball Fees and Sponsors **\$64,850**

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 **\$36,000**

This category includes adult softball teams with various divisions including men, women and coed. Eighty-four teams are expected at a fee of \$500 per team.

Kickball Fees **\$3,920**

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 **\$7,000**

Revenues generated through leagues, lessons, and tournaments.

Sports Camps **\$13,650**

Revenues are generated through Sports Camps Basketball (\$55-65), Football (\$80) and Soccer (\$110).

Croquet **\$900**

Revenue generated through lessons, leagues, and tournaments, as well as court rentals.

Community Education **\$545,000**

Revenue for this account comes from educational courses and school activities including a before and after school care program with Germantown Municipal School District created in FY15.

Intramurals **\$6,000**

Revenue for this account comes from after school activities with Germantown Municipal School District created in FY16.

GEMANTOWN ATHLETIC CLUB PROJECTIONS

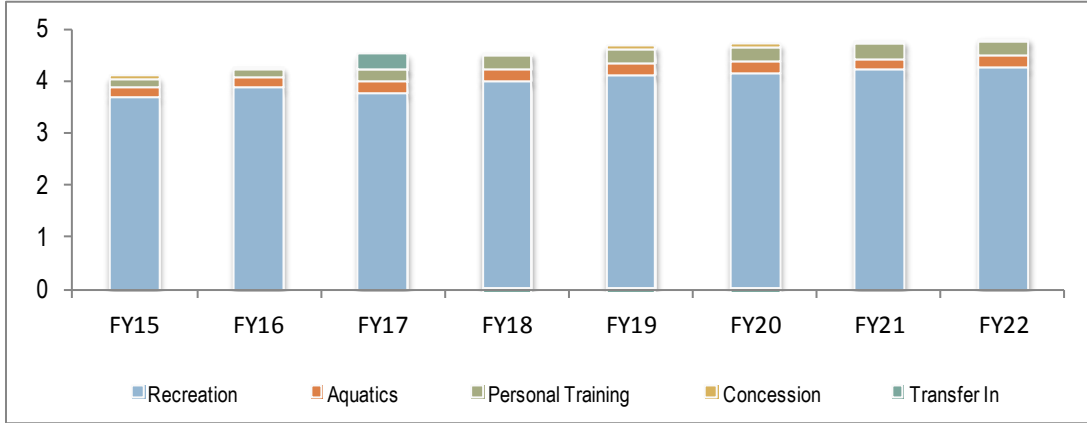
This section presents the projected Germantown Athletic Club Fund revenues for FY18. The graph of revenue components and projected trends through FY22 is presented on the next page.

	<u>Actual FY16</u>	<u>Budget FY17</u>	<u>Estimated FY17</u>	<u>% Chg.</u>	<u>Budget FY18</u>
Membership Fees	\$ 3,513,529	3,675,642	3,400,000	8.82%	3,700,000
Membership Application Fee	77,837	77,800	66,147	-0.22%	66,000
Daily Fees	15,093	12,500	10,504	-19.08%	8,500
Classes - Club Programs	104,970	113,000	106,799	3.37%	110,400
Classes - Contract Programs	21,034	21,500	8,062	12.44%	9,065
Concessions - Recreation	62,522	51,580	65,559	-5.43%	62,000
Rent - Taxable Recreation	60	1,000	-	-	-
Rent - Nontaxable Business	79,222	79,222	79,222	0.00%	79,222
Rent - Nontaxable Recreation	1,135	1,000	-	100%	1,000
Non-Member Surcharge	446	-	390	-100.00%	-
Other Revenues	352	-	135	-100.00%	-
Swim Team	75,825	99,000	98,920	9.29%	108,110
Swimming Lessons	71,500	55,000	74,906	0.13%	75,000
Swim Meet Fees	13,284	15,000	14,000	0.00%	14,000
Aquatics Rental	8,740	4,000	20,445	-11.96%	18,000
Personal Trainer	198,879	300,000	237,792	8.50%	258,000
Pro Shop	9,153	24,600	7,600	47.37%	11,200
OPERATING REVENUES	<u>\$ 4,253,581</u>	<u>4,530,844</u>	<u>4,190,481</u>	<u>7.88%</u>	<u>4,520,497</u>
Investment Income	\$ 15,147	5,000	15,788	-4.99%	15,000
Credit Card Over/Short	9	20	(5)	-300.00%	10
NONOPERATING REVENUES	<u>\$ 15,156</u>	<u>\$ 5,020</u>	<u>\$ 15,783</u>	<u>-4.90%</u>	<u>\$ 15,010</u>

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

GERMANTOWN ATHLETIC CLUB OPERATING REVENUES

\$ MILLIONS



Membership Fees

\$3,700,000

Membership fee revenues are based on an average annual membership of 5,840. The membership fee structure includes adult/couple/family/ youth (16 & 17)/senior (62+) and senior couple.

Membership Application Fees

\$66,000

Membership application fee revenues are based on a \$59-\$99 nonrefundable, administrative, processing fee.

Daily Fees

\$8,500

Based on daily guest fees to residents and nonresidents for use of the Germantown Athletic Club.

Classes – Club Programs

\$110,400

Staff organized programs such as: group exercise special events, Gobble Wobble, Luau, kids programs, Father/daughter dance, dodge ball, etc.

Classes – Contract Programs

\$9,065

Taekwondo, Ballroom dancing, summer camps, winter camps.

Concessions - Recreation

\$62,000

Profits received from the sale of food/menu items at the Germantown Athletic Club concessions that include birthday parties.

Rent – Nontaxable Business

\$79,222

Revenue received from space rented/leased to the Great Hall for occupancy.

Rent – Nontaxable Recreation

\$1,000

Revenue received from gym or other room rentals.

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

<u>Credit Card Short/Over</u>	<u>\$10</u>
This account records cash overage and shortage.	
<u>Swim Team</u>	<u>\$108,110</u>
Includes charges for participants in the Swim Team, Masters Swim Team and coaching clinic.	
<u>Swimming Lessons</u>	<u>\$75,000</u>
Includes charges for all regular and special swimming lessons.	
<u>Swim Meet Fees</u>	<u>\$14,000</u>
Revenues generated from hosting United States Swimming Meets and Memphis Swim Conference Meets.	
<u>Aquatics Rental</u>	<u>\$18,000</u>
Income generated from rentals of lanes and open swim for the indoor and outdoor pools.	
<u>Club Training</u>	<u>\$258,000</u>
Revenue generated from staff personal trainers.	
<u>Pro Shop</u>	<u>\$11,200</u>
Revenues from the sale of Germantown Athletic Club merchandise.	
<u>Investment Income</u>	<u>\$15,000</u>
Interest earned on available cash from investments in the State of Tennessee LGIP account.	

GREAT HALL FUND PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Rent - Business	\$ 421,377	431,622	455,137	4.51%	475,646
Other Revenues	12,346	3,558	3,793	0.18%	3,800
Catering-Taxable	2,975	2,189	2,300	4.35%	2,400
Catering-Nontaxable	490	438	350	14.29%	400
OPERATING REVENUES	\$ 437,188	437,807	461,580	4.48%	482,246
Investment Income	\$ 270	-	600	-50.00%	300
NONOPERATING REVENUES	\$ 271	1	600	-50.00%	300

Rent - Business

\$475,646

Revenue received from the Great Hall rentals. These rentals include the multi-media room and Great Hall & Conference Center banquet rooms.

Other Revenue

\$3,800

Revenue received from use of the dance floor, linens, pipe and drape easels, microphones.

Catering -Taxable

\$2,400

Profits received from the sale of food/menu items at the Great Hall & Conference Center.

Catering -Nontaxable

\$400

Food items sold to nontaxable organizations at the Great Hall & Conference Center.

SANITATION FUND REVENUE PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Sanitation Service Fees	\$ 3,377,711	5,001,780	4,800,000	3.0%	4,942,300
Forfeiture Discounts	35,591	32,000	48,000	-6.3%	45,000
OPERATING REVENUES	\$ 3,413,302	5,033,780	4,848,000	2.9%	4,987,300
Investment Income	\$ 4,858	1,900	5,980	2.8%	6,150
Grants	8,205	5,000	7,200	-2.8%	7,000
Recycling Reimbursement	1,992	-	2,100	2.4%	2,150
NONOPERATING REVENUES	\$ 15,055	6,900	15,280	0.1%	15,300

Sanitation Fees

\$4,942,300

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	\$36.50
(Backdoor \$36.50/Curbside \$29.50)	
Multi-Family	19.00

Forfeiture Discounts

\$45,000

This source represents the additional rates that customers pay when they do not pay their sanitation fees on time.

Interest Income

\$6,150

This source represents interest earned on LGIP accounts and treasury notes.

Grants

\$7,000

This source represents federal and state grants Germantown receives for operations and promotion of its recycling program.

STORMWATER MANAGEMENT FUND REVENUE PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Stormwater Management Fee	\$ 994,425	1,009,964	1,035,000	0.50%	1,040,175
Other Revenue	331	-	-	-	-
Stormwater Permits	9,000	9,000	5,000	50.00%	7,500
OPERATING REVENUES	\$ 1,003,756	1,018,964	1,040,000	0.74%	1,047,675
Investment Income	2,608	1,700	3,200	9.38%	3,500
NONOPERATING REVENUES	\$ 2,608	1,700	3,200	9.38%	3,500

Stormwater Management Fee

\$1,040,175

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

\$7,500

This fee covers the cost of review for stormwater permit for new construction with homebuilders.

Investment Income

\$ 3,500

This source represents interest earned on LGIP accounts and treasury notes.

PENSION FUND REVENUE PROJECTION

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Contributions	\$ 2,202,058	2,854,637	2,849,637	28.84%	3,671,340
Fair Value Appreciation (Depreciation)	(6,379,237)	1,000,000	6,000,000	-33.33%	4,000,000
Realized Gain/Loss	2,999,373	1,200,000	1,500,000	0.00%	1,600,000
Interest and Dividends	634,232	1,200,000	880,000	2.27%	900,000
TOTAL REVENUES	\$ (543,574)	6,254,637	11,229,637	-9.42%	10,171,340

Contributions

\$3,671,340

The actual contributions each year are determined by actuarial data compiled by the Actuarial Services Group, Inc. The City budget contribution for FY18 is projected to be \$2,926,340. In addition, emergency services personnel contribute a determined percent of their salary. The employee contributions are determined by a payroll calculation. Employee contributions for FY18 are estimated to total \$745,000.

Fair Value Appreciation (Depreciation)

\$4,000,000

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)

\$1,600,000

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

\$900,000

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 FY18 projection is based on a rate of return of 7.5%.

HEALTH FUND REVENUE PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Contributions	\$ 4,184,244	4,582,000	4,320,858	14.91%	4,965,000
TOTAL REVENUES	\$ 4,184,244	4,582,000	4,320,858	14.91%	4,965,000

Contributions

\$4,965,000

Health Insurance Transfer – effective January 1, 1993, employees began funding medical benefits, based on family size. The City’s contribution is \$9,865 per employee and subscriber for FY18 with a total contribution of \$3,995,240 approximately 85% of medical costs. Recipients of the City’s health benefits account for approximately 15% of the estimated contributions for FY18, \$719,760.

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 FY18, the City will contribute \$350 per employee with a total contribution of \$142,715 approximately 57%. Recipients of the City’s dental benefits fund approximately 43% of the estimated dental contributions for FY18 \$107,285.

OPEB FUND REVENUE PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Contributions	\$ 723,852	654,229	637,229	40.65%	896,248
Fair Value Appreciation	(436,488)	150,000	135,000	3.70%	140,000
Realized Gain/Loss	186,437	300,000	280,000	0.00%	280,000
Interest and Dividends	66,750	65,000	77,000	3.90%	80,000
TOTAL REVENUES	\$ 540,551	1,169,229	1,129,229	23.65%	1,396,248

Contributions

\$896,248

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)

\$140,000

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

\$280,000

This is the actual gain/loss on the sale of mutual funds.

Interest and Dividends

\$80,000

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 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 money managers who invest the funds according to the objectives for large and small capital stocks, international stocks and fixed income instruments.

The FY18 projection is based on a rate of return is 7.5%.

CASH BALANCE FUND REVENUE PROJECTIONS

	Actual FY16	Budget FY17	Estimated FY17	% Chg.	Budget FY18
Contributions	\$ 217,983	174,144	378,644	11.98%	424,000
Fair Value Appreciation (Depreciation)	(3,364)	2,500	36,000	-44.44%	20,000
Realized Gain/Loss	5,183	100	11,000	0.00%	10,000
Interest and Dividends	2,499	1,500	6,920	-10.40%	6,200
TOTAL REVENUES	\$ 222,301	178,244	432,564	6.39%	460,200

Contributions

\$424,000

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)

\$20,000

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)

\$10,000

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

\$6,200

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 FY18 projections herein are based on a 5% rate of return.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1 from June 30, 2016a 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, General Services, Development, Community Services, Fire, Police, Human Resources, Germantown Athletic Club, and Germantown Performing Arts Center, and Procurement.

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. 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 is 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 Municipal Schools Fund is a special revenue fund used as the operating fund of the Germantown Municipal School District ("GMSD") and accounts for all general revenues and other receipts that are not allocated by law or contractual agreement to another GMSD fund, such as property tax revenue from Shelby County, Tennessee, Basic Education Program ("BEP") funds, sales tax, etc. General operating expenditures and capital improvement costs that are not paid through other GMSD funds are paid from the Municipal Schools 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 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 Amended & Restated and Cash Value Pension Funds, which are pension and other employee benefit trust funds, are used to account for the accumulation of resources to provide defined retirement benefits to qualified employees upon retirement.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Other Post Employment Benefits (“OPEB”) Funds of the City and GMSD, which are pension and other employee benefit trust funds, are 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.

The School Student Activity Fund, an agency fund, is used to account for funds and inventory accumulated by GMSD student activity groups. The fund is purely custodial and thus does not involve measurement of results of operation.

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 formal ordinance adopted by the Board of Mayor and Aldermen and the Board of Education for the Germantown Municipal School District. 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. The Board of Education for the Germantown Municipal School District has the authority to assign the fund balance for the school funds.
- Unassigned – amounts available for any purpose. Unassigned fund balance is only available 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 Amended & Restated Pension Fund, the Cash Value Pension Fund, The OPEB Fund, and the GMSD OPEB 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 doubtful accounts.

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 and prepaid items

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 investments primarily restricted for Athletic Club renovations.

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:

Buildings	25-50 years
Improvements	10-60 years
Infrastructure	50 years
Machinery and equipment	3-15 years

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 the government-wide financial statements.

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.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the Public Employee Retirement Plan, Teacher Legacy Pension Plan and the Teacher Retirement Plan in the Tennessee Consolidated Retirement System ("TCRS") and additions to/deductions from the respective plans' fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Legacy Pension Plan and the Teacher Retirement Plan. Investments are reported at fair value.

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 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 expensed when incurred.

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 outflows/inflows of resources*

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City only has one item that qualifies for reporting in this category. It is the deferred outflows related to pensions recorded in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. It is comprised of the deferrals of pension experience and earnings as well as contributions made after the measurement date of the net pension liability.

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 two types of items that qualify for reporting in this category. Deferred inflows for pensions are comprised of the deferral of pension earnings recorded in accordance with GASB Statement No. 68. Unavailable revenues from property taxes are amounts in the governmental funds that were receivable and measurable at year-end but were not available to finance expenditures for the current year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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.
Germantown Forward 2030 Strategic Plan	Strategic plan for the City of Germantown formulated by the citizens and approved by the Board of Mayor and Aldermen.

GLOSSARY OF TERMS

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.
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.
Total Net Position	Total assets plus deferred outflows minus liabilities plus deferred inflows of a fund.
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 fro 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.
SCBA	Self-contained breathing apparatus is a piece of firefighting equipment critical to the personal safety of the City's Fire Department personnel.

GLOSSARY OF TERMS

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.
Unencumbered	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

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 23 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.

- ADA ACCESS REVIEW BOARD
- 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 & CONFERENCE CENTER 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
- TREE BOARD COMMISSION