

CITY OF GERMANTOWN

FISCAL YEAR 2019

BUDGET

July 1, 2018 – June 30, 2019



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Germantown
Tennessee**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

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, 2017.

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 FY19 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 FY19 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 FY19 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, E-Citation, 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 2019 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

1930 South Germantown Road • Germantown, Tennessee 38138-2815
Phone (901) 757-7200 Fax (901) 757-7292 www.germantown-tn.gov

May 2018

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

Presented for your consideration is the FY19 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 FY19 budget accomplishes these two directives and continues to ensure a financially sustainable future for the next generation of Germantown residents.

The FY19 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 FY19 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 FY19 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 2018

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

This letter transmits the Budget for the fiscal year beginning July 1, 2018. 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 2019 BUDGET

The FY19 budget is structurally balanced and supports the City's sound fiscal and operational policies. It is a strategic budget that aligns financial, capital and employee resources with Germantown Forward 2030 long range strategic plan. The FY19 budget totals \$177.3 million for all funds, with the City's general fund totaling \$54.7 million. It provides for public investments in education, public safety, infrastructure and quality development. 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 and citizen feedback.

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 FY19 budget priorities.

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.

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 24-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 100 cities with a Triple A bond rating from both Moody's and Standard & Poor's. Both agencies conduct an extensive review of the City's finances and provide full disclosure to the bond buyer as to the fiscal health and stability of the City. These agencies last renewed the City's AAA rating prior to a bond sale in September 2017.

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 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 \$4.38 million with most of the cost attributed to five projects: GPAC Grove, Fire Engine Replacement, Central Business Streetscape, Forest Hill Irene Road Widening and GMSD's Riverdale boilers.
- 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.
- Employee benefits. There is a net effect of a 3% increase in the FY19 Budget for all full time employees.

- Wage adjustments. The FY19 Budget includes a market adjustment of several positions based on results from a class and compensation study.

STRATEGIC PLANNING/ VISION AND VALUES

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.

The result is a strategic plan that lays out the future direction and goals of the City. The FY19 budget provides the resources to implement the plan and make these stated goal and objectives a reality.

The City's vision and value statement, identified below in figure 1 and contained in the Germantown Forward 2030 (GF2030) long-range strategic plan, was adopted by the Board of Mayor and Aldermen and deployed by senior leaders. The vision and value statement is an expression of possibility, the ideal state that the community hopes to achieve. The vision provides the basis, defined by a series of value-based principles, from which nine key performance areas emerged. The City's leadership system is designed to position these elements of the strategic plan with a focus on results and continuous improvement. The leadership system identified in figure 2 provides a network to address how senior leaders deploy the vision and values

Figure 1.

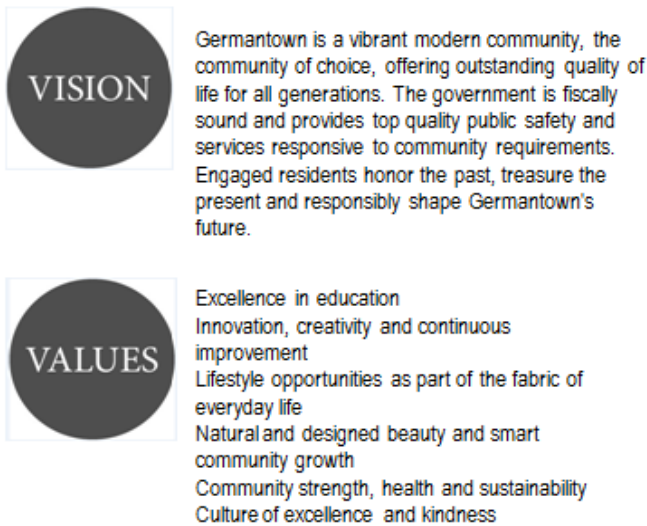
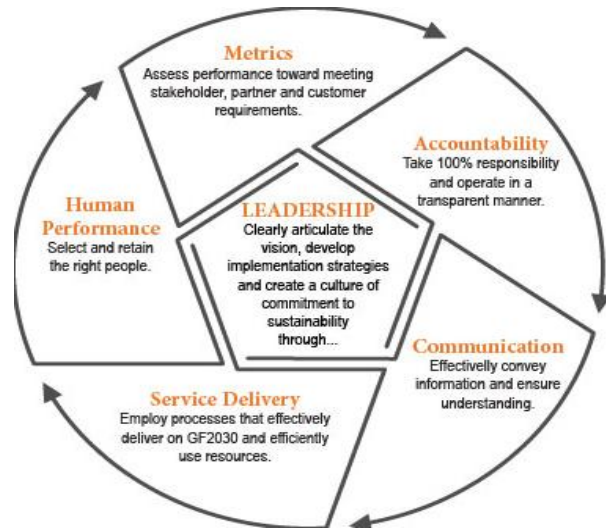


Figure 2.



REVENUE PROJECTIONS

Concurrent with the adoption of the budget, the Board of Mayor and Aldermen adopts a property tax rate. The budget for FY19 has a property tax rate of \$1.95. Property taxes generated in Germantown comprise about 58% of overall General Fund operating revenues.

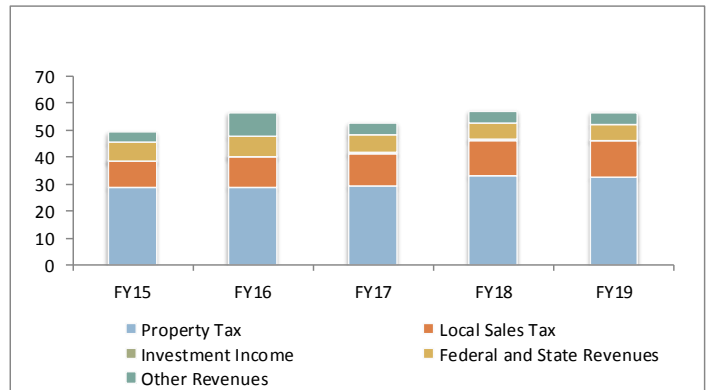
Germantown currently has multiple mixed-use projects under construction in FY19 representing over \$400 million in private investment. These projects will result in an additional 10,000 square feet compared to FY18 in retail shops, restaurants, hotel rooms, class-A office space and multifamily units. 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 FY19.

GENERAL FUND

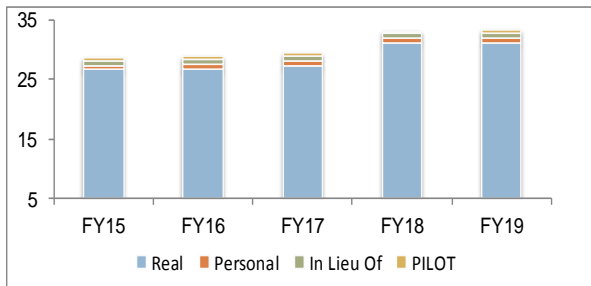
REVENUES:

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. FY19 general fund revenues decreased by 1% from FY18 estimate, due to a decrease in the property tax rate per state law. The property tax rate is \$1.95 per \$100 assessed value in FY19.

\$ MILLIONS



\$ MILLIONS



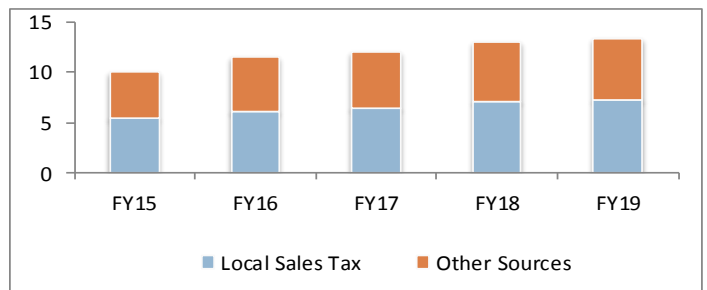
PROPERTY TAXES

The property tax rate for the City of Germantown is \$1.95 per \$100 of assessed valuation. In the FY19 budget, real, personal, in-lieu-of-property taxes and PILOT are projected to generate approximately \$32.8 million, 58% of the total revenue budget for the City.

LOCAL SALES TAXES

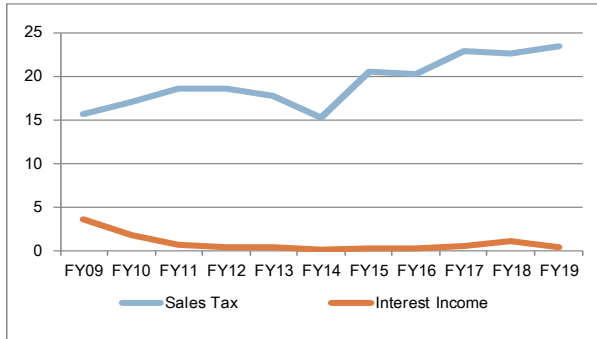
Local sales tax collections contribute 23% of the total revenue for the operations of the City. This category includes the local sales tax, the wholesale beer tax, the wholesale liquor tax, gross receipts business taxes and hotel/motel occupancy tax. FY15's sales tax included a \$0.005 increase that was approved by referendum in FY12. The FY19 Budget anticipates \$13.2 million in local sales tax revenue.

\$ MILLIONS



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

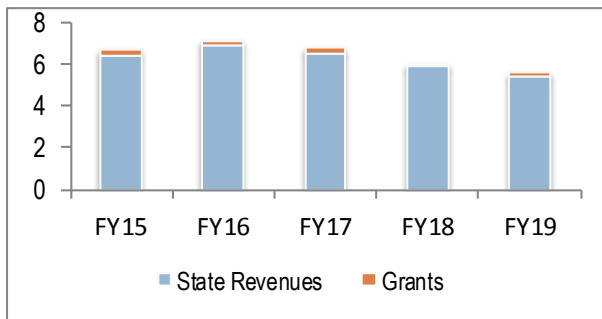
PERCENT



INTEREST INCOME

Interest on the City's investments contributes less than 1% of total revenues for the City of Germantown. The FY19 Budget projects income from investments at \$219,200. 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.

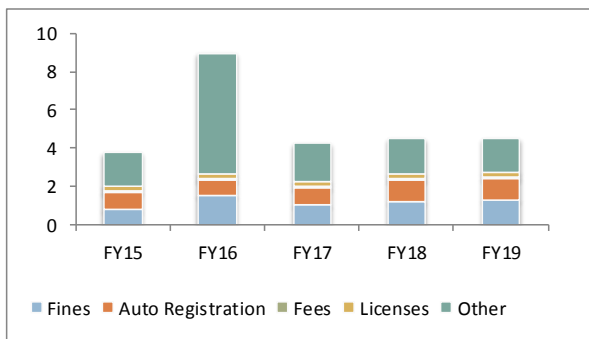
\$ MILLIONS



STATE REVENUES AND GRANTS

State shared revenues and state and federal grants make up 10% of the total fund sources for the City. This area includes state allocations for income tax, sales tax, beer tax, liquor tax, and City street and transportation tax allocation. In Germantown, state shared revenues are projected to be \$5.6 million in FY19. 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. FY18 and FY19 decrease is a reflection of the Hall Tax phases out that will be completed by FY22.

\$ MILLIONS



OTHER LOCAL REVENUE SOURCES

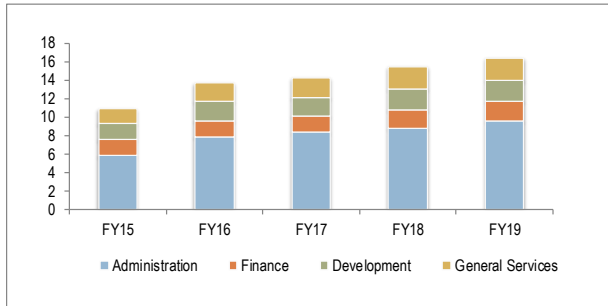
Other local revenue sources generate approximately 8% of the overall revenue for the City. This category includes automobile registration fees, local cable franchise fees, city court fees and an assortment of other smaller fees collected by municipalities. Licenses and fees are a fairly stable source of revenue for the City. Revenues are budgeted at \$4.4 million for this revenue category.

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 2019 and an overview of the Financial Policies as adopted by the Board of Mayor and Aldermen are provided following this section.)

\$ MILLIONS



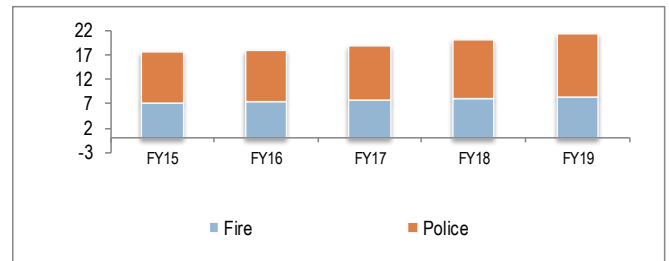
GENERAL GOVERNMENT EXPENDITURES

General government includes the Departments of Aldermen, Administration, Civic Support, Economic & Community Development, Human Resources, Information Technology, Germantown Performing Arts Center, General Services, Budget and Performance, City Court, Procurement, and Finance. FY19 expenditures for these functions increased by \$841,200 or 5% over the FY18 estimate. The reason for this increase can be attributed to an increase in group insurance, election expenses in Alderman, a SRO being moved into Civic Support and infrastructure replacement projects.

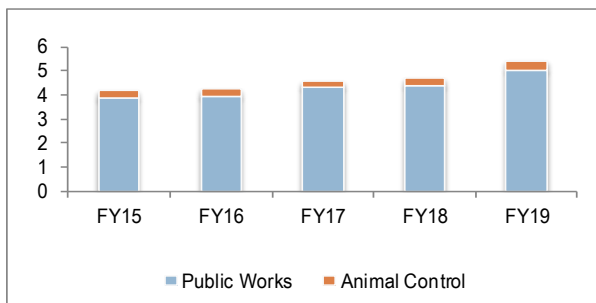
PUBLIC SAFETY EXPENDITURES

Total expenditures for Police and Fire Departments increased by \$1.2 million or 6% over the FY18 estimate. FY19 shows an increase over FY18 estimate due to group insurance, a full year's salary for three additional police officers and infrastructure replacement for vehicles.

\$ MILLIONS



\$ MILLIONS



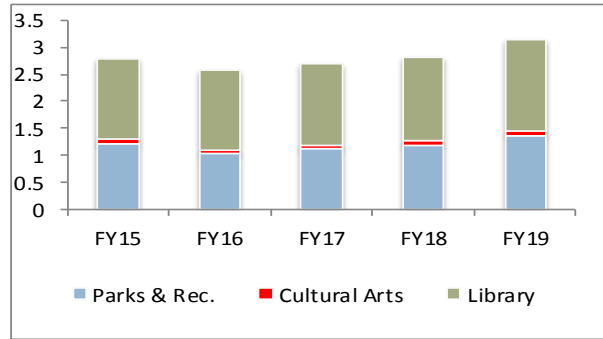
TRANSPORTATION AND ENVIRONMENT EXPENDITURES

The category includes the Department of Public Services and Animal Control. Total FY19 expenditures for this category increased by \$688,800 or 15% over the FY18 estimate. FY19 expenses are more than FY18 estimate due to group insurance and infrastructure replacements for equipment.

COMMUNITY SERVICES EXPENDITURES

The category includes the Parks and Recreation Department, Library Services and Cultural Arts. The FY19 expenditures increased by \$317,900 or 11% over the FY18 estimate. This increase is due to the Library Services consulting and infrastructure replacement for equipment and projects.

\$ MILLIONS



SUMMARY OF FY19 APPROVED EXPENDITURE HIGHLIGHTS

TOTAL BUDGET - GENERAL FUND

(in thousands)

	Original Budget FY18	Estimated FY18	Budget FY19	Variance - Est. FY18 Budget FY19	% Variance Estimated FY18	% Variance Budget FY19
Operating Budget*	\$ 51,658	50,004	54,721	4,717	9.4%	8.6%
Capital	-	-	-	-	0.0%	0.0%
Total	\$ 51,658	50,004	54,721	4,717	9.4%	8.6%

TOTAL BUDGET - ALL FUNDS

(in thousands)

	Original Budget FY18	Estimated FY18	Budget FY19	Variance - Est. FY18 Budget FY19	% Variance Estimated FY18	% Variance Budget FY19
Operating Budget*	\$ 129,846	136,834	146,084	9,250	6.8%	6.3%
Capital	39,944	34,234	31,225	(3,009)	-8.8%	-9.6%
Total	\$ 169,790	171,068	177,309	6,241	3.6%	3.5%

BY PROGRAM:	Increase (in thousands)	Percent of Total	Percent Inc. to Estimate
Community Services	\$ 318	5.1%	11.2%
General Debt Service	979	15.7%	28.4%
General Government	841	13.5%	5.4%
Transportation & Environment	689	11.0%	14.6%
Athletic Club	(55)	-0.9%	-1.0%
Great Hall	19	0.3%	3.2%
Contingencies	-	0.0%	0.0%
Other Programs	(463)	-7.3%	-0.5%
Public Safety	1,295	20.7%	6.4%
Sanitation	71	1.1%	1.4%
Stormwater	17	0.3%	1.6%
Utilities	2,530	40.5%	26.0%
TOTAL	\$ 6,241	100.0%	3.6%

BY CATEGORY:			
Personnel	\$ 4,785	76.7%	6.1%
Debt Service	941	15.1%	26.9%
Contingencies	-	0.0%	0.0%
Communications	134	2.2%	18.1%
Rents	(2)	0.0%	-0.3%
Contract Services	287	4.6%	4.2%
Professional Fees	175	2.8%	2.0%
Supplies	572	9.2%	10.7%
Capital Outlay	715	11.5%	6.4%
All Other Categories	(1,366)	-22.1%	-2.4%
TOTAL	\$ 6,241	100.0%	3.6%

* Includes Capital Outlay and Infrastructure.

RESERVES:

While the entire subsequent year's balance sheets are not presented in this document, the most critical aspect of the City's balance sheets – fund balance – is presented in the budget projection summaries in the following section. General Fund fund balance as of June 30, 2017 totaled \$32.6 million. The underlying purpose and rationale for these reserves are described in the Financial Policies contained in this section of the document.

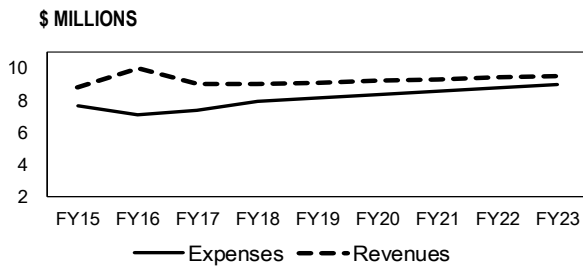
Following a review of the Financial Policies with the Financial Advisory Commission and the Board of Mayor and Aldermen, the Financial Policies were updated as detailed in this section of the Budget.

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.

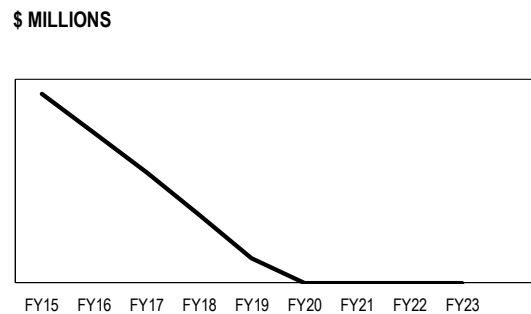
**UTILITY FUND
 REVENUES OVER EXPENSES**



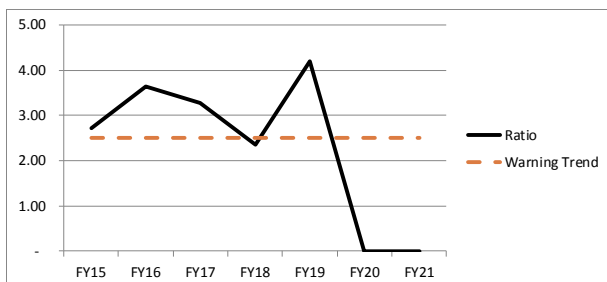
The chart on the left graphically illustrates the revenue and expenditure trends over a 9-year planning period. Utility revenues and expenses reflect the fluctuation common to a Utility Fund.

Outstanding Utility Debt of \$590,000 at the start of FY19 is comprised of one bond issue. 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.

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 an 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.

FY19 CAPITAL BUDGET

The FY19 Capital Budget totals \$31,224,958. There is a \$6 million transfer to capital projects from the General Fund in FY19. Those projects incorporated in the CIP are consistent with the Board of Mayor and Aldermen's Policy Agenda and funding priorities.

The FY19 CIP demonstrates a significant level of spending due mainly to the funding for GPAC Grove, Forest Hill Irene Road improvements, fire engine replacement and Riverdale school boiler replacement. 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.

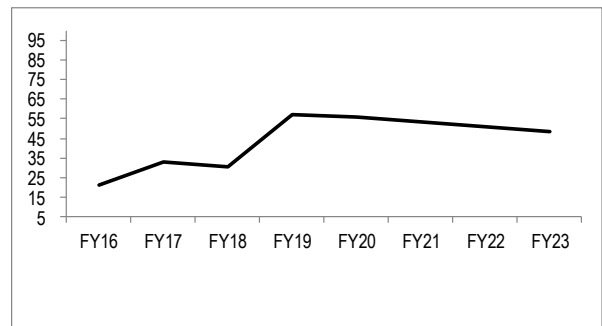
DEBT ANALYSIS

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. In FY18, \$29.3 million of G.O. debt was issued for a new school and road improvement. The five year planning period includes an \$8 million G.O bond for Parkland Acquisition and Houston Middle School Expansion in FY20 and \$6.4 million for new fire station and park improvements in FY22. Finally, a \$3.0 million is planned in FY24 for park improvements.

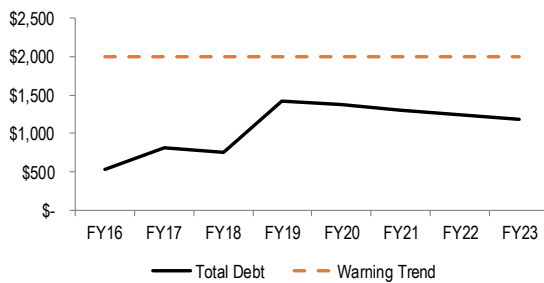
OUTSTANDING G.O. DEBT

\$ 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 in the outer years, Germantown maintains a debt level below the upper limit.

GERMANTOWN ATHLETIC CLUB FUND

The Germantown Athletic Club begins FY19 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 FY19 Budget for the Sanitation Fund reflects the costs of the third 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 FY19 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 FY19 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	15,711**
Asian	5.2%	Median household income	119,249**
Hispanic or Latino	1.9%	Median value of housing units (38138)	271,873**
Other	1.2%	Median value of housing units (38139)	381,345**
		Per capita money income	63,525**
		Average family size	2.7

Unless otherwise indicated, statistics are from 2010 Federal Census.

*Per 2012 certified Special Census

**Per 2017-2018 Memphis Business Journal - Book of List



GENERAL INFORMATION AND STATISTICAL DATA

2017 PRINCIPLE PROPERTY TAXPAYERS

Taxpayer	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
The Village at Germantown Inc.	\$ 15,869,080	1	0.99%
Whitney Bridges LLC	11,304,000	2	0.70%
HCP Germantown LLC	10,817,360	3	0.67%
PEBB Germantown LEB LLC	8,987,520	4	0.56%
G&I VIII Brook Chase LLC	8,831,680	5	0.55%
Shops at Saddle Creek Inc.	8,511,640	6	0.53%
Crestwyn Health Group LLC	8,247,120	7	0.51%
EREP Forest Hill I LLC	7,838,440	8	0.49%
Vineyards Apartments Inc	7,574,840	9	0.47%
Taylor Sentor Crook (TR) etal	7,475,760	10	0.46%
Totals	\$ 95,457,440		5.93%

2017 PRINCIPAL EMPLOYERS

Employer	Employees	Rank	Percentage of Total County Employment
Methodist Le Bonheur Hospital - Germantown	1,958	1	0.39%
Germantown Municipal School District	556	2	0.11%
City of Germantown	394	3	0.08%
Stern Cardiovascular	355	4	0.07%
Campbell Clinic	352	5	0.07%
Kroger	330	6	0.07%
ThyssenKrupp Elevator Manufacturing, Inc.	310	7	0.06%
Orgill, Inc.	286	8	0.06%
Baptist Rehabilitation - Germantown	231	9	0.05%
Villages of Germantown	221	10	0.04%

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 27 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 ADA Access Review, 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	232
Number of Street Lights	5,033

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	6,024

Water System:

Number of Consumers	13,833
Miles of Water Main	256
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	5.744 million gallons
Peak Day Pumpage	12.294 million gallons
Residential Rate in Force	\$8.78 for first 5,000 gallons (minimum) \$2.15 per additional 1,000 gallons up to 15,000 gallons \$2.47 per additional 1,000 gallons up to 50,000 gallons \$3.12 per 1,000 gallons thereafter

Sewer System:

Number of Consumers	13,641
Miles of Sewer Main	233
Treatment	Provided by City of Memphis
Residential Rate in Force	\$5.07 for first 2,000 gallons (minimum) \$.90 per for third additional 1,000 gallons \$1.99 per additional 1,000 gallons up to 20,000 gallons \$0.78 per 1,000 gallons (\$5.07 minimum and \$40.58 maximum)

CONTACT INFORMATION

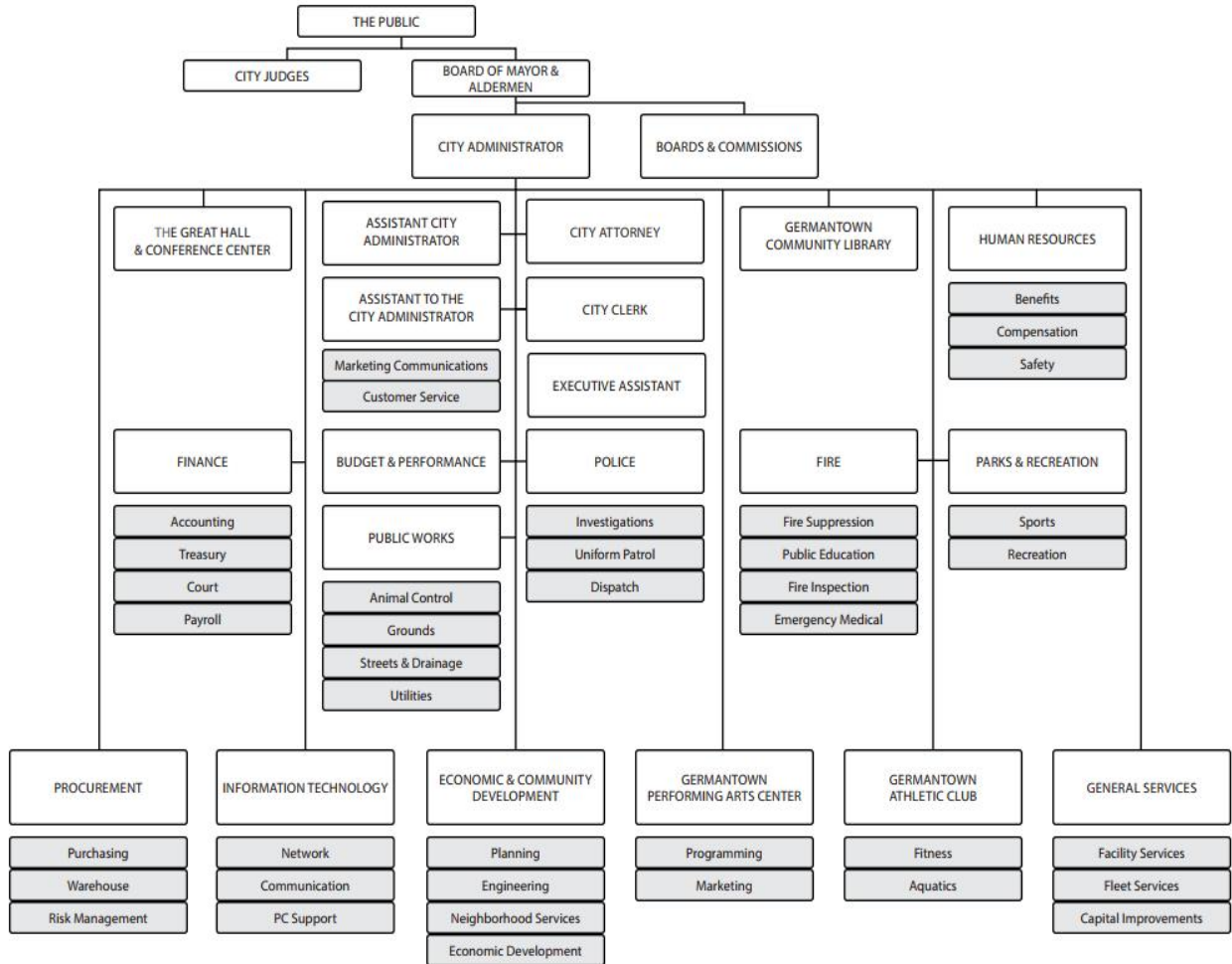
For further information, please contact:

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

Assistant City Administrator.....	Jason Huisman
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.....	Vacant
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 Coordinator.....	Emily Rozar

*(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. 2018 - 1

AN ORDINANCE OF THE CITY OF GERMANTOWN, TENNESSEE, ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 THROUGH JUNE 30, 2019

- Whereas, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall be appropriated before being expended and that only funds are available shall be appropriated; and
- Whereas, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and
- Whereas, the City Charter provides that at least forty-five (45) days before the beginning of the fiscal year, the City Administrator shall prepare and submit to the Board a budget for the ensuing fiscal year and an accompanying message. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position, and include such other material as the City Administrator deems desirable or the Board may require; and
- Whereas, the City Charter provides that after considering the City Administrator's proposed annual budget on first reading and the making of any modification thereto, the Board shall schedule a time and place for a public hearing thereon and shall give proper notice of the time and place of the public hearing, a summary of the annual budget tentatively approved by the Board to include the budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated), and a notice of when and where the entire annual budget may be inspected. Notice of the public hearing must be given at least ten (10) days in advance of the date thereof; and
- Whereas, in accordance with state law and the City Charter, the City Administrator has submitted the proposed budget for fiscal year 2019 which is hereby tentatively approved on first reading. The BMA hereby schedules June 11, 2018 as the public hearing date to consider the annual budget on second reading and has placed the entire annual budget on the City's website for public inspection at any time. The City shall publish a copy of this budget ordinance with a summary of the annual budget together with the notice of the public hearing date of June 11, 2018 in an officially designated newspaper and post the same at the Municipal Center at least ten (10) days in advance of the date thereof.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF GERMANTOWN, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body estimate anticipated revenues of the municipality from all sources to be as follows for fiscal year 2019:

General Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Property Taxes	29,415,474	\$ 33,164,533	\$ 32,855,367
Sales Taxes	12,007,202	12,938,939	13,265,000
Federal and State Revenues	6,797,012	6,000,190	5,677,000
Other Revenues	4,289,915	4,526,084	4,474,550
Investment Income	226,922	579,200	219,200
Transfer In - General Fund	-	100,000	100,000
Funds from Prior Periods	-	450,000	450,000
Total Revenues	52,736,525	\$ 57,758,946	\$ 57,041,117
Fund Balance - Beginning	31,857,871	32,151,112	37,456,451
Total Available Funds	\$ 84,594,396	\$ 89,910,058	\$ 94,497,568

Utility Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Metered Water Sales	\$ 5,393,461	\$ 5,156,231	\$ 5,350,000
Sewer Service Fees	3,279,737	3,122,936	3,200,000
Other Revenue	325,225	616,001	459,000
Gain/Loss on Disposal of Assets	8,660	3	-
Investment Income	39,361	129,100	66,500
Total Revenues	\$ 9,046,444	\$ 9,024,271	\$ 9,075,500
Total Net Position - Beginning	48,273,803	49,933,487	50,891,835
Total Available Funds	\$ 57,320,247	\$ 58,957,758	\$ 59,967,335

Germantown Athletic Club	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Membership Fees	\$ 3,434,004	\$ 3,664,556	\$ 3,844,900
Aquatics Revenues	204,898	134,148	118,400
Business Revenues	79,222	79,222	79,222
Personal Training Revenues	196,716	185,102	185,102
Other Revenues	174,996	182,612	244,610
Investment Income	19,799	36,572	30,000
Total Revenues	\$ 4,109,635	\$ 4,282,212	\$ 4,502,234
Total Net Position - Beginning	15,930,512	16,670,420	16,920,521
Total Available Funds	\$ 20,040,147	\$ 20,952,632	\$ 21,422,755

Great Hall Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Rent - Taxable Business	\$ 330,857	\$ 336,406	\$ 349,862
Rent - Nontaxable Business	140,336	142,027	147,708
Other Revenue	2,633	2,523	2,520
Catering Revenue	3,335	3,508	3,625
Investment Income	1,645	5,525	3,500
Transfer In - General Fund	175,000	85,000	75,000
Total Revenues	\$ 653,806	\$ 574,989	\$ 582,215
Total Net Position - Beginning	649,603	760,350	777,773
Total Available Funds	\$ 1,303,409	\$ 1,335,339	\$ 1,359,988

Sanitation Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Sanitation Fees	\$ 4,782,138	\$ 4,922,658	\$ 4,946,821
Grants	4,202	9,462	7,500
Recycling Reimbursement	2,688	1,500	1,500
Other Revenues	48,067	45,752	40,000
Investment Income	7,014	17,492	10,000
Total Revenues	\$ 4,844,109	\$ 4,996,864	\$ 5,005,821
Total Net Position - Beginning	932,147	787,962	923,838
Total Available Funds	\$ 5,776,256	\$ 5,784,826	\$ 5,929,659

Stormwater Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Stormwater Management Fee	\$ 1,030,039	\$ 1,029,900	\$ 1,038,730
Stormwater Permits	4,900	7,500	6,800
Other Revenues	203	-	-
Investment Income	5,037	9,800	4,900
Total Revenues	\$ 1,040,179	\$ 1,047,200	\$ 1,050,430
Fund Balance - Beginning	753,596	573,358	603,543
Total Available Funds	\$ 1,793,775	\$ 1,620,558	\$ 1,653,973

State Street Aid Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
State Street Aid	\$ 1,110,540	\$ 1,298,215	\$ 1,300,000
Other Revenue	-	-	-
Interest	5,313	4,030	2,500
Transfer In - General Fund	1,650,000	1,100,000	1,500,000
Total Revenues	\$ 2,765,853	\$ 2,402,245	\$ 2,802,500
Fund Balance - Beginning	1,506,093	1,269,566	1,063,294
Total Available Funds	\$ 4,271,946	\$ 3,671,811	\$ 3,865,794

Drug Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Drug Enforcement	\$ 115,730	\$ 300,000	\$ 300,000
Interest	-	-	-
Total Revenues	\$ 115,730	\$ 300,000	\$ 300,000
Fund Balance - Beginning	226,916	138,206	178,956
Total Available Funds	\$ 342,646	\$ 438,206	\$ 478,956

Pickering Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Classes	\$ 37,194	\$ 45,000	\$ 45,000
Special Events	4,052	4,500	4,500
Rental	40,175	50,000	50,000
Transfer In - General Fund	-	-	-
Total Revenues	\$ 81,421	\$ 99,500	\$ 99,500
Fund Balance - Beginning	245,788	276,626	306,187
Total Available Funds	\$ 327,209	\$ 376,126	\$ 405,687

Recreation Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Basketball Fees	\$ 60,721	\$ 66,678	\$ 68,520
Softball Fees	23,298	23,000	32,000
Kickball Fees	1,280	1,920	3,200
Sports Camps	7,570	14,923	27,000
Tennis Classes	7,772	7,500	7,750
Basketball Sponsors	-	-	1,000
Baseball Fees	-	-	-
Croquet	768	900	900
Cheerleading	-	-	-
Community Education	527,793	513,995	531,733
Intramurals	660	900	3,000
Other Revenue	-	-	-
Total Revenues	\$ 629,862	\$ 629,816	\$ 675,103
Fund Balance - Beginning	390,611	551,431	432,516
Total Available Funds	\$ 1,020,473	\$ 1,181,247	\$ 1,107,619

Federal Asset Forfeiture Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Forfeiture Revenue	\$ 32,812	\$ 50,000	\$ 50,000
Total Revenues	\$ 32,812	\$ 50,000	\$ 50,000
Fund Balance - Beginning	30,206	35,958	35,958
Total Available Funds	\$ 63,018	\$ 85,958	\$ 85,958

Ambulance Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Transport Fee	\$ 1,032,561	\$ 1,214,650	\$ 1,280,000
Non Transport Fee	9,600	2,875	-
Other Revenue	9	68	-
Interest	1,976	2,650	-
Transfer In - General Fund	600,000	625,000	775,000
Total Revenues	\$ 1,644,146	\$ 1,845,243	\$ 2,055,000
Fund Balance - Beginning	522,612	423,772	126,419
Total Available Funds	\$ 2,166,758	\$ 2,269,015	\$ 2,181,419

GMSD Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
BEP	\$ 25,402,000	\$ 27,075,000	\$ 27,933,000
ADA	17,624,000	17,445,000	17,445,000
Federal Grants	1,760,000	3,650,000	3,560,000
Other Revenues	986,000	842,000	830,000
Charges for Services	833,000	970,000	955,000
County Commission	986,000	940,000	978,000
Liquor Tax	128,000	115,000	115,000
Sales Tax	6,418,000	6,450,000	6,306,000
Transfer In - General Fund	2,189,386	2,474,720	2,496,607
Total Revenues	\$ 56,326,386	\$ 59,961,720	\$ 60,618,607
Fund Balance - Beginning	10,181,594	14,680,980	13,363,700
Total Available Funds	\$ 66,507,980	\$ 74,642,700	\$ 73,982,307

Farm Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Membership Fee	\$ 3,110	\$ 3,800	\$ 3,800
Donations	17,376	16,100	17,500
Vendor Income	4,209	3,000	3,600
Educational Fees	335	900	1,400
Grant	1,000	1,000	1,000
Rental Income	-	12,700	13,000
Transfer In - General Fund	150,000	120,000	120,000
Total Revenues	\$ 176,030	\$ 157,500	\$ 160,300
Fund Balance - Beginning	78,571	133,217	123,245
Total Available Funds	\$ 254,601	\$ 290,717	\$ 283,545

Library Endowment Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Interest	\$ 1,303	\$ -	\$ -
Other Revenue	1,000	2,792	-
Total Revenues	\$ 2,303	\$ 2,792	\$ -
Fund Balance - Beginning	256,016	247,585	231,339
Total Available Funds	\$ 258,319	\$ 250,377	\$ 231,339

E-Citations	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Other Revenues	\$ -	\$ -	\$ 36,960
Total Revenues	\$ -	\$ -	\$ 36,960
Fund Balance - Beginning	-	-	-
Total Available Funds	\$ -	\$ -	\$ 36,960

Capital Projects Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Intergovernmental Revenues	\$ 2,382,497	\$ 2,311,268	\$ 9,946,358
Bond Proceeds	-	32,971,959	3,000,000
Total Revenues	\$ 2,382,497	\$ 35,283,227	\$ 12,946,358
Total Available Funds	\$ 2,382,497	\$ 35,283,227	\$ 12,946,358

TOTAL REVENUES **\$ 157,001,645**

Decreases (Increases) in Fund Balances:	
General Fund	\$ (2,320,408)
Special Revenue Funds	4,722,715
Capital Projects Funds	13,745,500
Utility Fund	3,197,186
Internal Service Funds	46,000
Germantown Athletic Club Fund	749,806
Great Hall Fund	37,892
Sanitation Fund	76,620
Stormwater Management Fund	51,560
TOTAL	\$ 20,306,871

TOTAL REVENUES AND CHANGES IN FUND BALANCES **\$ 177,308,516**

SECTION 2: That the governing body appropriates from these anticipated revenues and unexpended and unencumbered funds as follows:

General Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Aldermen	\$ 191,973	\$ 194,553	\$ 226,960
Civic Support	1,637,548	1,480,467	1,695,376
City Court	685,076	731,887	801,304
Administration	1,604,239	1,615,402	1,669,805
Germantown Performing Arts Center	1,261,783	1,324,126	1,450,278
Information Technology	2,028,104	2,454,613	2,621,923
Human Resources	589,016	630,927	658,811
Finance	1,135,977	1,314,945	1,384,590
Procurement	666,333	723,466	756,820
Community Development	2,040,520	2,156,297	2,240,274
General Services	2,031,441	2,447,003	2,388,119
Budget & Performance	325,078	365,988	386,638
Police	11,359,830	12,008,075	13,021,569
Fire	7,769,219	8,148,370	8,429,506
Public Services	4,302,667	4,394,168	5,051,646
Animal Control	295,787	334,263	365,567
Parks & Recreation	1,124,376	1,178,244	1,374,211
Genealogy Center	62,772	73,530	150,710
Library Services	1,456,655	1,500,048	1,537,768
Cultural Arts Programs	46,399	79,497	86,497
General Debt Service	3,852,402	3,439,979	4,418,520
Transfers Out	4,715,647	4,404,720	4,966,607
Contingencies	-	50,000	50,000
Expense Reimbursement	(978,808)	(1,046,960)	(1,012,790)
Appropriations	\$ 48,204,034	\$ 50,003,608	\$ 54,720,709
Transfer to Capital Project	3,789,250	2,000,000	1,620,000
CIP Reserve	-	-	4,380,000

Utility Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Water	\$ 4,367,388	\$ 4,635,828	\$ 4,756,904
Sewer	1,570,691	1,778,083	1,818,440
Sewage Treatment	1,379,611	1,483,200	1,572,192
Utility Debt Service	69,070	45,100	12,050
Total Appropriations	\$ 7,386,760	\$ 7,942,211	\$ 8,159,586
Effect of Change in accounting principle	\$ -	\$ 123,712	\$ -
Capital/IRP	236,230	1,800,123	4,113,100

Germantown Athletic Club	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Recreation	\$ 2,669,278	\$ 3,109,774	\$ 3,324,274
Personal Training	209,544	-	-
Aquatics	775,281	741,034	719,270
Interest Payment	15,624	12,024	8,496
Transfer to (From) - General Fund	(300,000)	100,000	100,000
Total Appropriations	\$ 3,369,727	\$ 3,962,832	\$ 4,152,040
Effect of Change in accounting principle	\$ -	\$ 69,279	\$ -
Capital/IRP	2,503,789	1,344,431	1,100,000

Great Hall Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Communications	\$ 350	\$ 750	\$ 750
Allocations	22,257	16,108	16,498
Other Maint	63,587	75,200	75,200
Personnel	179,591	185,743	196,262
Professional Fees	46,807	44,522	43,000
Supplies	17,537	15,215	14,700
Utilities	42,086	39,479	39,479
Rent	93,000	94,222	95,222
Depreciation	63,764	71,754	76,692
Grants	8,004	-	-
Interest Payment	6,076	4,676	3,304
Total Appropriations	\$ 543,059	\$ 547,669	\$ 561,107
Effect of Change in accounting principle	\$ -	\$ 9,897	\$ -
Capital/IRP	42,381	53,234	59,000

Sanitation Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Communication	\$ 4,726	\$ 24,500	\$ 25,500
Other Maintenance	-	-	-
Personnel	158,272	107,152	113,478
Professional Fees	-	-	25,000
Supplies	34,432	38,000	40,000
Rent	-	-	-
Depreciation	-	7,737	15,474
Contract Services	4,790,864	4,679,491	4,862,989
Total Appropriations	\$ 4,988,294	\$ 4,856,880	\$ 5,082,441
Effect of Change in accounting principle	\$ -	\$ 4,108	\$ -
Capital/IRP	-	154,744	-

Stormwater Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Communication	\$ 765	\$ 2,000	\$ 1,650
Other Maintenance	25,438	25,460	39,860
Personnel	864,892	561,887	587,757
Professional Fees	-	1,000	-
Supplies	12,354	24,000	19,400
Utilities	-	-	1,080
Roads and Mains	247,276	290,795	292,600
Allocations	33,224	40,788	42,443
Depreciation	36,468	38,920	42,200
Total Appropriations	\$ 1,220,417	\$ 984,850	\$ 1,026,990
Effect of Change in accounting principle	\$ -	\$ 32,165	\$ -
Capital/IRP	49,976	100,000	75,000

State Street Aid Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Other Maintenance	\$ 213,298	\$ 289,440	\$ 200,000
Electricity & Gas	907,296	900,000	920,000
Str. Contract Maint.	1,601,523	1,088,407	2,000,000
City Str. Maint.	280,263	330,670	350,000
Total Appropriations	\$ 3,002,380	\$ 2,608,517	\$ 3,470,000

Drug Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 63,577	\$ 111,000	\$ 111,000
Communications	558	1,000	1,000
Professional Fees	-	-	-
Other Maintenance	1,178	5,000	5,000
Supplies	80,601	138,000	138,000
Utilities	4,767	3,500	6,000
Rents	-	750	750
Capital Outlay	53,759	-	-
Total Appropriations	\$ 204,440	\$ 259,250	\$ 261,750

Pickering Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Allocations	\$ 2,489	\$ 2,696	\$ 2,857
Utilities	9,631	10,370	11,810
Capital Outlay	-	-	62,500
Professional Fees	33,319	48,873	48,873
Supplies	5,144	8,000	2,000
Total Appropriations	\$ 50,583	\$ 69,939	\$ 128,040

Recreation Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 230,655	\$ 319,165	\$ 427,828
Allocations	12,857	13,928	14,760
Professional Fees	137,032	130,940	152,340
Supplies	88,498	84,698	99,550
Rents	-	-	-
Capital Outlay	-	200,000	106,000
Total Appropriations	\$ 469,042	\$ 748,731	\$ 800,478

Federal Asset Forfeiture Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 19,062	\$ 20,000	\$ 20,000
Supplies	7,998	30,000	30,000
Total Appropriations	\$ 27,060	\$ 50,000	\$ 50,000

Ambulance Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 1,527,788	\$ 1,676,678	\$ 1,760,865
Communications	3,759	4,200	4,300
Professional Fees	66,928	65,000	68,404
Other Maintenance	6,900	7,975	11,525
Insurance	4,272	4,000	10,000
Supplies	95,185	103,658	115,665
Utilities	1,632	2,495	3,024
Rents	-	-	-
Allocations	36,522	40,383	42,239
Capital Outlay	-	238,207	-
Total Appropriations	\$ 1,742,986	\$ 2,142,596	\$ 2,016,022

GMSD Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 37,717,000	\$ 40,846,000	\$ 43,200,000
Communications	298,000	240,000	361,000
Professional Fees	4,895,000	5,364,000	5,378,000
Other Maintenance	674,000	1,032,000	917,000
Insurance	236,000	255,000	290,000
Supplies	2,493,000	2,743,000	3,190,000
Utilities	888,000	906,000	935,000
Rents	152,000	155,000	165,000
Allocations	117,000	-	102,000
Grants	-	-	-
Capital Outlay	3,762,000	9,059,000	9,391,000
Contract Maintenance	595,000	680,000	690,000
Total Appropriations	\$ 51,827,000	\$ 61,280,000	\$ 64,619,000

Farm Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ 55,475	\$ 63,074	\$ 83,482
Communications	1,544	2,800	3,300
Professional Fees	25,953	25,550	21,500
Other Maintenance	9,310	12,000	12,000
Insurance	4,616	3,000	3,000
Supplies	16,388	17,500	12,800
Utilities	6,386	9,846	10,231
Rents	770	15,450	8,000
Allocations	942	1,021	1,082
Capital Outlay	-	17,231	20,000
Total Appropriations	\$ 121,384	\$ 167,472	\$ 175,395

Library Endowment Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Personnel	\$ -	\$ -	\$ -
Communications	620	3,202	-
Professional Fees	-	-	-
Other Maintenance	2,418	9,585	-
Supplies	7,696	6,251	-
Total Appropriations	\$ 10,734	\$ 19,038	\$ -

Fleet Services Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
Capital Outlay	\$ 45,334	\$ -	\$ 46,000

Capital Projects Fund	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed
General Government	\$ 252,299	\$ 525,000	\$ 4,520,000
Fire	1,128,982	-	-
Major Roads	2,130,078	149,000	8,636,000
Intersections & Other	617,895	2,827,183	5,905,858
Drainage	1,843,447	342,875	200,000
Parks	143,215	1,128,000	2,680,000
Municipal Schools Projects	9,937,397	27,000,000	4,500,000
Contingency	-	-	250,000
Total Appropriations	\$ 16,053,313	\$ 31,972,058	\$ 26,691,858

TOTAL APPROPRIATIONS	
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\$ 177,308,516

SECTION 3. At the end of FY19, the governing body estimates balances/deficits as follows:

General Fund	\$ 33,776,859
Utility Fund	51,807,749
Germantown Athletic Club	17,270,715
Great Hall Fund	798,881
Sanitation Fund	847,218
Stormwater Fund	626,983
State Street Aid	395,794
Drug Fund	217,206
Pickering Fund	277,647
GMSD Fund	9,363,307
Federal Asset Forfeiture Fund	35,958
Ambulance Fund	165,397
Farm Park Fund	108,150
Recreation Fund	307,141
Library Endowment Fund	231,339
E-Citations	36,960
Fleet/Allocation	2,469,655

SECTION 4. At the beginning of FY19, the number of full-time equivalent employee positions is as follows:

	FY19 Budget	
	Full Time	Part Time
GENERAL FUND	352.0	19.3
AMBULANCE FUND	19.0	0.0
THE FARM	1.0	0.5
GERMANTOWN ATHLETIC CLUB	13.0	26.4
GREAT HALL	2.0	1.0
UTILITIES	22.0	0.0
SANITATION	0.8	0.0
STORMWATER	6.5	0.0
TOTAL	416.3	47.2

SECTION 5. That the governing body recognizes that the municipality has bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Outstanding at 06/30/18	Existing Debt Principal	Existing Interest Requirements	Debt Outstanding at 6/30/19
Capital Notes	-	-	-	\$ 3,000,000
GO Bonds	\$ 57,300,000	\$ 1,670,000	\$ 2,747,020	\$ 55,630,000
Revenue Bonds	\$ 590,000	\$ 590,000	\$ 11,800	\$ -
Settlement Liability	\$ 2,455,519	\$ 272,425	\$ 83,028	\$ 2,183,094

SECTION 6. During the coming fiscal year the governing body has planned capital projects and proposed funding as follows:

Capital Improvements Program - FY19	Proposed FY19 Total CIP	Amount Financed by Hall	Amount Financed by Grants	Amount Financed by Bonds	Amount Financed by State & Federal	Amount Financed by Reserves
<i>(in thousands)</i>						
GPAC - Grove	\$ 3,200	-	1,200	-	-	2,000
Fire Station 3 Preliminary Design	100	-	-	-	-	100
City Hall Elevator Replacement	360	260	-	-	-	100
Fire Engine Replacements	860	860	-	-	-	-
Total General Government:	4,520	1,120	1,200	-	-	2,200
MAJOR ROADS:						
Winchester Milling and Paving*	1,460	-	-	-	1,168	292
Poplar Avenue Culvert - Phase IV*	525	-	-	-	525	-
FHI Widening Poplar Pike to Winc ROW	351	-	-	-	-	351
FHI Widening Poplar Pike/Winc- Const	6,300	-	-	-	-	6,300
<i>* State funding is included in totals.</i> Total Major Roads:	8,636	-	-	-	1,693	6,943
INTERSECTIONS & OTHER:						
Central Business District Streetscape	500	500	-	-	-	-
Decorative Street Signs	25	-	12.5	-	-	12.5
Signal Upgrades*	1,050	-	-	-	1,050	-
Safe Routes to School Ph2*	356	-	-	-	356	-
Wolf River/Gtown Rd Impr- Const*	3,800	-	-	-	3,800	-
ADA Transition Plan*	175	-	-	-	140	35
<i>* State funding is included in totals.</i> Total Intersections/Other:	5,906	500	12.5	-	5,346	47.5
DRAINAGE:						
City Wide Master Drainage Plan	150	-	-	-	-	150
Annual Misc Drainage Imprv	50	-	-	-	-	50
<i>* State funding is included in totals.</i> Total Drainage:	200	-	-	-	-	200
PARKS:						
Greenway Wayfinding Signage	50	-	-	-	-	50
Greenway Phase Nashoba to East Trail Head*	1,850	-	-	-	1,480	370
Farmington Playground Renovation	430	-	215	-	-	215
Parkland Acquisition	350	-	-	-	-	350
<i>* State funding is included in totals.</i> Total Parks:	2,680	-	215	-	1,480	985
GERMANTOWN ATHLETIC CLUB FUND:						
Interior Security Cameras	150	-	-	-	-	150
GAC Renovation Phase 4	825	-	-	-	-	825
Total GAC Fund:	975	-	-	-	-	975
MUNICIPAL SCHOOLS:						
GMSD Central Office	3,000	-	-	3,000	-	-
Security Upgrades	500	-	-	-	-	500
Riverdale Boilers	1,000	-	-	-	-	1,000
Total GMSD Fund:	4,500	-	-	3,000	-	1,500
UTILITY FUND:						
Water Main to Elevated Water Tank	243	-	-	-	-	243
Annexation Area Water Main Phase 1	1,140	-	-	-	-	1,140
Western Gateway Sewer	2,000	-	-	-	-	2,000
Southern Ave Electrical Panels	175	-	-	-	-	175
Total Utility Fund:	3,558	-	-	-	-	3,558
CONTINGENCY:						
	250	-	-	-	-	250
Total Contingency:	250	-	-	-	-	250

SECTION 7. No appropriations listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 T.C.A. Section 6-56-208. In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Section 6-56-205 of the *Tennessee Code Annotated*.

- SECTION 8. At any time during the fiscal year, the City Administrator may transfer part or all of any unencumbered line items within a department, office, or agency. The Board, by appropriate resolution or ordinance, may authorize the City Administrator to transfer moneys from one (1) department, office or agency to another within the same fund subject to such limitations and procedures as it may prescribe. Any such transfers shall be reported to the Board at its next regular meeting and shall be entered in the minutes.
- SECTION 9. 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 10. A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Section 6-56-206, *Tennessee Code Annotated* will be attached.
- SECTION 11. If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations in this budget ordinance shall become the appropriations for the next fiscal year until the adoption of the new budget ordinance in accordance with Section 6-56-210, *Tennessee Code Annotated* provided sufficient revenues are being collected to support the continuing appropriations for no longer than 60 days after the end of the fiscal year. Approval of the Director of the Office of State and Local Finance in the Comptroller of the Treasury for a continuation budget will be requested if any indebtedness is outstanding.
- SECTION 12. There is hereby levied a property tax of \$1.95 per \$100 of assessed value on all real and personal property.
- SECTION 13. All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.
- SECTION 14. This ordinance shall take effect July 1, 2018, the public welfare requiring it.

First Reading: May 14, 2018

Second Reading: June 11, 2018

Third Reading: June 25, 2018



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	TIMELINE	KEY PERFORMANCE 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	<ul style="list-style-type: none"> ● Fully funded asset renewal
	Net financial liabilities are fully funded.	Reinforce adopted financial policies and monitor market performance.	1 to 10 years	<ul style="list-style-type: none"> ● 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	<ul style="list-style-type: none"> ● 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	<ul style="list-style-type: none"> ● 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

STRATEGIC OBJECTIVES

KPA	STRATEGIC OBJECTIVE	ACTION PLAN	TIMELINE	KEY PERFORMANCE INDICATOR
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 2 to 5 years	● 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	● Property tax revenue from smart growth areas
	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	● Assessed value of residential property ● Ratio of multi-family to single-family homes
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	● 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	● 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	● Total coliforms in stormwater ● Turbidity ● Total dissolved solids ● Water hardness ● Rate of change in aquifer level

STRATEGIC OBJECTIVES

KPA	STRATEGIC OBJECTIVE	ACTION PLANS	TIMELINE	KEY PERFORMANCE INDICATOR
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	<ul style="list-style-type: none"> ● 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
- No information available

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 75 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 79 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 2018, the following City Functions meet customer needs and satisfaction: **Police Services, Fire Services, Ambulance and Emergency Medical Services, Recycling and Garbage Collection, Emergency Preparedness, City Parks.** All these City Functions were areas of strengths identified in 2017. The City Parks were considered secondary strength in previous years and now show as a primary strength.

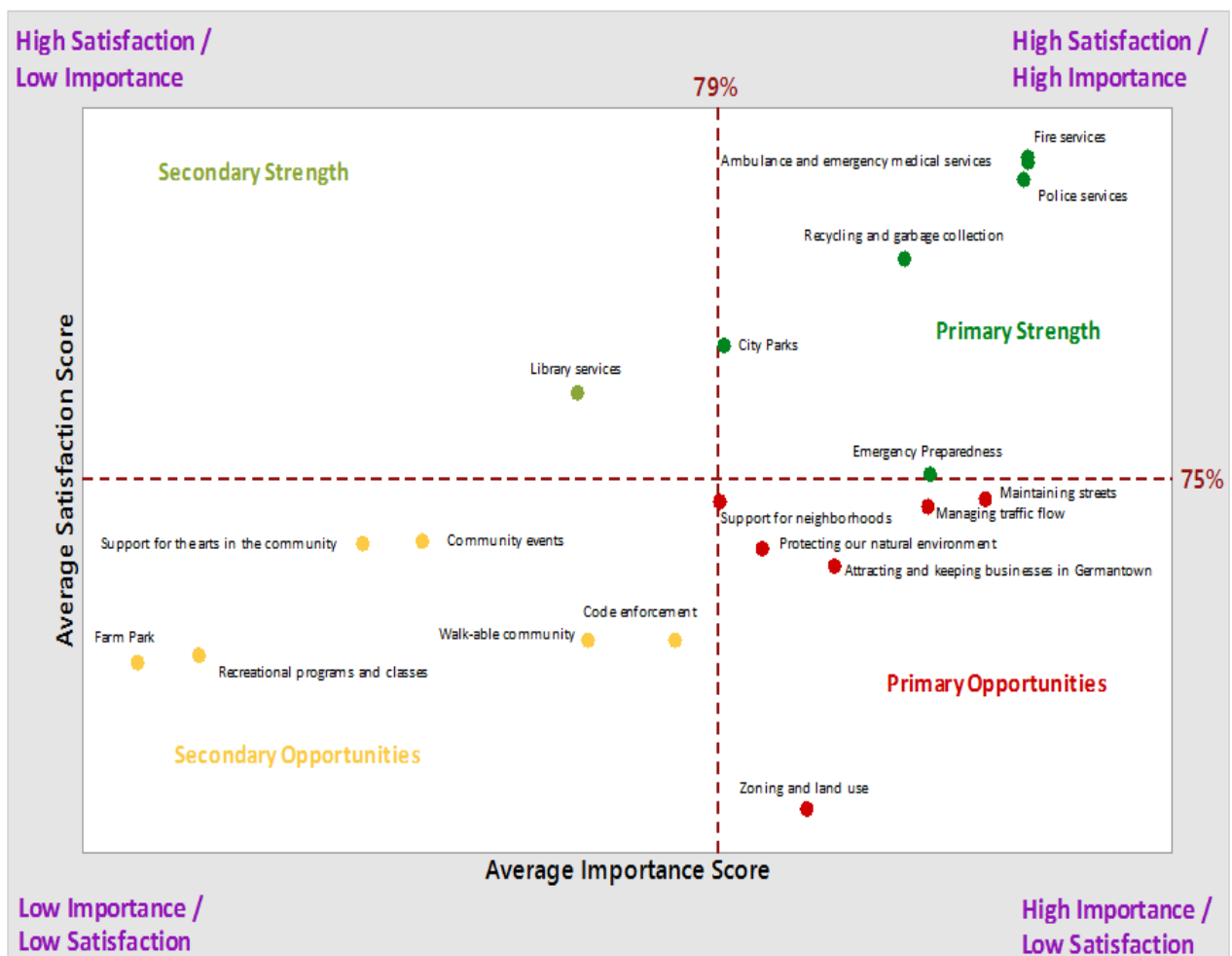
Primary Opportunities: These City Functions are those with above average customer ratings in importance, but with below average ratings in satisfaction. The City should prioritize improvements on these functions and services. Efforts placed on these areas should contribute towards raising overall satisfaction levels. According to survey results in 2018, the following City Functions need attention: **Support Neighborhoods, Attracting and Keeping Businesses in Germantown, Zoning and Land Use, Maintaining Streets, Managing Traffic Flow, Protecting our Natural Environment.** All of these areas continue to be high priorities for improvement since the 2016 survey with the exception of Supporting Neighborhood which was considered a

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high priority in 2017. In 2017, Maintaining Streets and Managing Traffic Flow were considered strengths, while Protecting our Natural Environment was considered a secondary opportunity.

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.** All these areas were considered secondary opportunities in 2017.

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: **Library Services.** This service was also considered secondary strengths in the 2017 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 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

FINANCIAL POLICIES

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 the 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 City Administrator 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 1 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.

PROPOSED FY19 BUDGET CALENDAR

January

- 1/05/18 Budget Material distributed to Departments
- 1/10/18 Capital Improvements Program (CIP) applications due to CIP Manager
- 1/23/18 **Financial Advisory Commission – First Meeting:** Introduction, recommendation of budget calendar and review of budget issues

February

- 2/02/18 FY19 Budget materials (Revenues and Expenses), Program Change Requests and Infrastructure Replacement Program requests are due to Budget and Performance (General Fund, Enterprise Funds, Internal Service Funds, Special Revenue Funds)
- 2/07/18 Vehicle and equipment replacement schedule review with City Administrator
- 2/12/18 **Board Meeting** - Budget Calendar review and approval by the Board of Mayor and Aldermen
- 2/12-16/18 FY19 Budget review with departments

March

- 3/20/18 **Financial Advisory Commission – Second Meeting:** Review of FY19 Budget Enterprise Funds (Utility, Germantown Athletic Club, Great Hall, Sanitation and Stormwater)
- 3/27/18 **Financial Advisory Commission – Third Meeting:** Review of Capital Improvements Program
- 3/28/18 Board of Mayor and Aldermen – work session on CIP

April

- 4/17/18 **Financial Advisory Commission – Fourth Meeting:** Review of FY19 Special Revenue Funds and GMSD Fund
- 4/24/18 **Financial Advisory Commission – Fifth Meeting:** Review of FY19 General Fund Revenues and Expenditures

May

- 5/02/18 Proposed FY19 Budget delivered to Board of Mayor and Aldermen
Budget in Brief prepared
- 5/09/18 Board of Mayor and Aldermen work session on FY19 Budget
- 5/14/18 **Board Meeting - First Reading on FY19 Budget Ordinance 2018-1**
Distribute *Budget in Brief* and Neighborhood News
- 5/21/18 Document printing due to Procurement

June

- 6/11/18 **Board Meeting - Public Hearing on FY19 Budget; Second Reading on FY19 Budget Ordinance 2018-1**
- 6/25/18 **Board Meeting - Third and Final Reading on FY19 Budget Ordinance 2018-1**

This section consists of summaries of the FY19 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 FY19. It is compared to the estimated total for FY18. 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 62 and 63. 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 FY18 and five years of projections including FY19, 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

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

TOTAL EXPENDITURE BUDGET

	General Fund	Utility Fund	Germantown Athletic Club	Great Hall Fund	Sanitation Fund	Stormwater Fund
REVENUES:						
Property Taxes	\$ 32,855,367	-	-	-	-	-
Sales Taxes	13,265,000	-	-	-	-	-
Federal and State Revenues	5,677,000	-	-	-	7,500	-
Metered Water Sales	-	5,350,000	-	-	-	-
Sewer Service Fees	-	3,200,000	-	-	-	-
Membership Fees	-	-	3,838,500	-	-	-
Aquatics Revenues	-	-	118,400	-	-	-
Business Revenues	-	-	-	503,715	-	-
Personal Training	-	-	185,102	-	-	-
Sanitation Fees	-	-	-	-	4,946,821	-
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	-	-	-	-	-	1,038,730
Other Revenues	4,474,550	459,000	330,232	-	41,500	6,800
Investment Income	219,200	66,500	30,000	3,500	10,000	4,900
Transfers In	100,000	-	-	75,000	-	-
Funds from Prior Periods	450,000	-	-	-	-	-
FY19 Total Revenues:	57,041,117	9,075,500	4,502,234	582,215	5,005,821	1,050,430
Expenditures/Expenses by Category:						
Personnel	32,114,823	1,727,986	1,791,718	196,262	113,478	587,757
Communications	383,846	84,100	8,700	750	25,500	1,650
Utilities	1,067,378	646,100	370,907	39,479	-	1,080
Professional	2,634,765	134,768	483,389	43,000	25,000	-
Grants	1,704,376	-	-	-	-	-
Other Maintenance	2,617,756	105,000	184,000	75,200	-	39,860
Vehicle Maintenance	-	-	-	-	-	-
Street Maintenance	-	-	-	-	-	292,600
Mains Maintenance	-	155,000	-	-	-	-
Supplies	1,698,255	217,700	237,735	14,700	40,000	19,400
Contract Services	-	1,572,192	-	-	4,862,989	-
Insurance	100,000	11,000	-	-	-	-
Rent	93,004	-	240,000	95,222	-	-
Debt Service	4,418,520	12,050	8,496	3,304	-	-
Capital Outlay	2,365,000	-	-	-	-	-
Depreciation	-	1,785,657	625,000	76,692	15,474	42,200
Contingency	50,000	-	-	-	-	-
Transfers Out	4,966,607	-	100,000	-	-	-
Allocation/PILOT	1,519,169	1,708,032	102,095	16,498	-	42,443
Expense Reimbursement	(1,012,790)	-	-	-	-	-
FY19 Total Expenditures/Expenses	54,720,709	8,159,586	4,152,040	561,107	5,082,441	1,026,990
Excess (Deficit)/Income (Loss)	2,320,408	915,914	350,194	21,108	(76,620)	23,440
Fund Balance/Net Assets Position:						
Beg. Fund Bal./Net Assets Position	37,456,451	50,891,835	16,920,521	777,773	923,838	603,543
Transfer to CIP/IRP	(6,000,000)	-	-	-	-	-
End Fund Bal./Net Assets Position	\$ 33,776,859	51,807,749	17,270,715	798,881	847,218	626,983
Capital Outlay/Infrastructure/CIP	-	4,113,100	1,100,000	59,000	-	75,000
COMPARISON TO PRIOR YEAR'S BUDGET						
ALL FUNDS:	BUDGET FY18	BUDGET FY19	CHANGE	% CHANGE		
Operating Budget*	\$ 129,846,012	146,083,558	16,237,546	12.5%		
Capital Budget	39,943,911	31,224,958	(8,718,953)	-21.8%		
TOTAL BUDGET	\$ 169,789,923	177,308,516	7,518,593	4.4%		

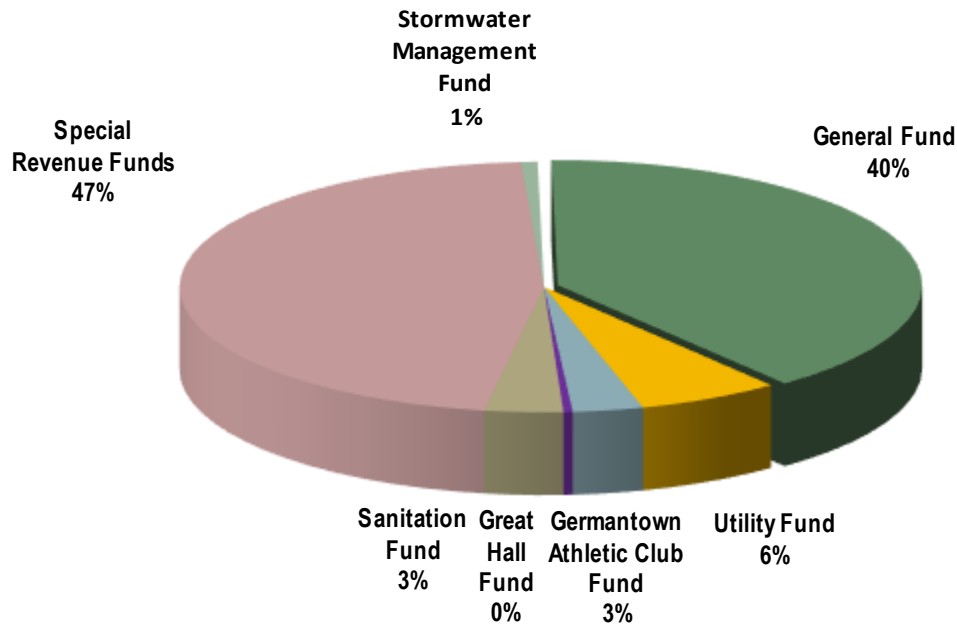
* Includes Capital Outlay and Infrastructure.

TOTAL EXPENDITURE BUDGET

	Special Revenue	Veh. Maint./ Alloc.	Capital Projects	Total FY19	Increase/ Decrease	Estimated FY18	Actual FY17
REVENUES:							
Property Taxes	\$ -	-	-	32,855,367	-0.9%	33,164,533	29,415,474
Sales Taxes	-	-	-	13,265,000	2.5%	12,938,939	12,007,202
Federal and State Revenues	-	-	-	5,684,500	-5.4%	6,009,652	6,801,214
Metered Water Sales	-	-	-	5,350,000	3.8%	5,156,231	5,393,461
Sewer Service Fees	-	-	-	3,200,000	2.5%	3,122,936	3,279,737
Membership Fees	-	-	-	3,838,500	4.7%	3,664,556	3,434,004
Aquatics Revenues	-	-	-	118,400	-11.7%	134,148	204,898
Business Revenues	-	-	-	503,715	-10.6%	563,686	556,383
Personal Training	-	-	-	185,102	0.0%	185,102	196,716
Sanitation Fees	-	-	-	4,946,821	0.5%	4,922,658	4,782,138
State Gasoline Tax Allocation	1,300,000	-	-	1,300,000	0.1%	1,298,215	1,110,540
Automated Enforcement Revenues	-	-	-	-	0%	-	-
Drug Enforcement Revenues	300,000	-	-	300,000	0.0%	300,000	115,730
Federal Asset Forfeiture Revenues	50,000	-	-	50,000	0.0%	50,000	32,812
Pickering Complex Revenues	99,500	-	-	99,500	0.0%	99,500	81,421
Transport Fee	1,280,000	-	-	1,280,000	0.0%	1,214,650	1,032,561
Non Transport Fee	-	-	-	-	-100%	2,875	9,600
Education Revenues	58,122,000	-	-	58,122,000	0.0%	57,487,000	54,137,000
Recreation Revenues	675,103	-	-	675,103	7.2%	629,816	629,862
Farm Revenues	40,300	-	-	40,300	0.0%	37,500	-
Stormwater Fee	-	-	-	1,038,730	0.1%	1,037,400	1,034,939
Other Revenues	36,960	-	-	5,349,042	-0.4%	5,371,952	4,850,763
Investment Income	2,500	-	-	336,600	-57.2%	787,161	308,370
Transfers In	4,891,607	-	-	5,066,607	12.5%	4,504,720	5,064,386
Funds from Prior Periods	-	-	-	450,000	0.0%	450,000	-
FY19 Total Revenues:	66,797,970	-	-	144,055,287	0.6%	143,133,230	134,505,241
Expenditures/Expenses by Category:							
Personnel	45,603,175	739,092	-	82,874,291	6.1%	78,089,608	72,774,497
Communications	369,600	3,000	-	877,146	18.1%	742,954	708,976
Utilities	1,886,065	21,615	-	4,032,624	4.2%	3,871,382	3,850,729
Professional	5,669,117	-	-	8,990,039	2.0%	8,814,608	8,459,709
Grants	-	-	-	1,704,376	14.4%	1,489,467	1,659,304
Other Maintenance	941,025	152,500	-	4,115,341	-1.5%	4,177,251	3,289,595
Vehicle Maintenance	-	128,000	-	128,000	0.0%	128,000	101,789
Street Maintenance	2,550,000	-	-	2,842,600	42.2%	1,999,312	2,342,360
Mains Maintenance	-	-	-	155,000	2.0%	152,000	142,494
Supplies	3,595,015	99,835	-	5,922,640	10.7%	5,350,925	4,620,672
Contract Services	694,500	-	-	7,129,681	4.2%	6,842,691	6,765,475
Insurance	303,000	641,000	-	1,055,000	0%	963,735	910,929
Rent	166,750	3,500	-	598,476	-0.3%	600,150	481,312
Debt Service	-	-	-	4,442,370	26.9%	3,501,779	3,943,172
Capital Outlay	9,579,500	-	-	11,944,500	6.4%	11,229,518	5,559,483
Depreciation	-	140,000	-	2,685,024	1.7%	2,640,035	2,550,794
Contingency	-	-	-	50,000	0%	50,000	-
Transfers Out	-	-	-	5,066,607	12.5%	4,504,720	4,764,386
Allocation	162,938	(1,928,542)	-	1,622,633	5.2%	1,542,418	1,569,772
Expense Reimbursement	-	-	-	(1,012,790)	-3.3%	(1,046,960)	(978,808)
FY19 Total Expenditures/Expenses	71,520,685	-	-	145,223,558	7.1%	135,643,593	123,516,640
Excess (Deficit)/Income (Loss)	(4,722,715)	-	-				
Fund Balance/Retained Earnings:							
Beg. Fund Bal./Retained Earnings	15,861,614	2,469,655	-				
Transfer to CIP/IRP	-	-	-				
End Fund Bal./Ret. Earnings	\$ 11,138,899	2,469,655	-				
Capital Outlay/Infrastructure/CIP	4,500,000	46,000	22,191,858				
COMPARISON TO PRIOR YEAR'S BUDGET							
GENERAL FUND:	BUDGET FY18	BUDGET FY19	CHANGE	% CHANGE			
Operating Budget*	\$ 51,658,406	54,720,709	3,062,303	5.9%			
Capital Budget	-	-	-	0.0%			
TOTAL BUDGET	\$ 51,658,406	54,720,709	3,062,303	5.9%			

* Includes Capital Outlay and Infrastructure.

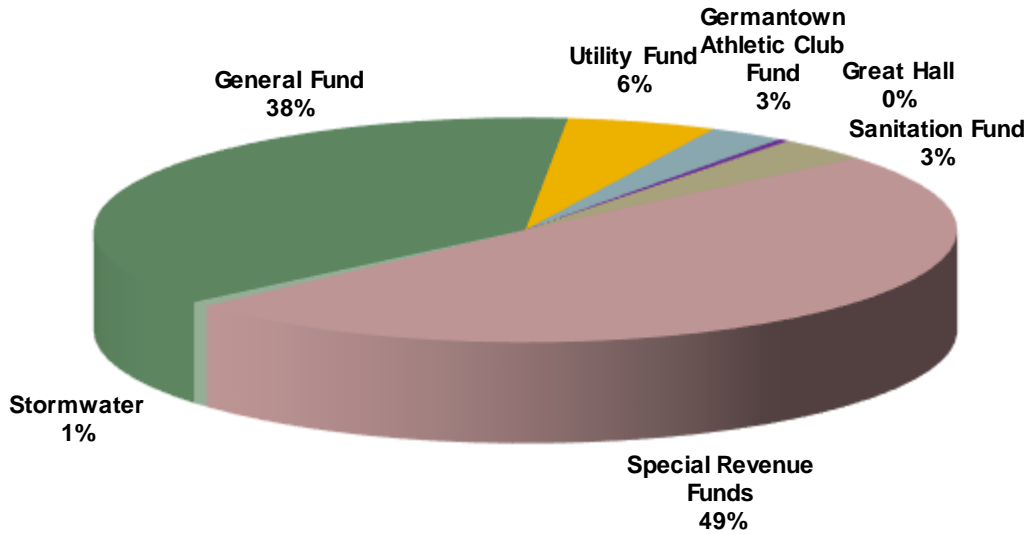
ALL FUND OPERATING REVENUES FY19



ALL FUND REVENUES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 57,759	41%	\$ 57,041	40%
Utility Fund	9,024	6%	9,076	6%
Germantown Athletic Club Fund	4,282	3%	4,502	3%
Great Hall	575	0%	582	0%
Sanitation Fund	4,997	3%	5,006	3%
Special Revenue Funds	65,449	46%	66,798	47%
Stormwater Management Fund	1,047	1%	1,050	1%
TOTAL REVENUES	\$ 143,133	100%	\$ 144,055	100%

ALL FUND OPERATING EXPENSES FY19



ALL FUND EXPENDITURES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 50,004	37%	\$ 54,722	38%
Utility Fund	7,942	6%	8,160	6%
Germantown Athletic Club Fund	3,963	3%	4,152	3%
Great Hall	548	0%	561	0%
Sanitation Fund	4,857	4%	5,082	3%
Special Revenue Funds	67,345	49%	71,520	49%
Stormwater	985	1%	1,027	1%
TOTAL EXPENDITURES	\$ 135,644	100%	\$ 145,224	100%

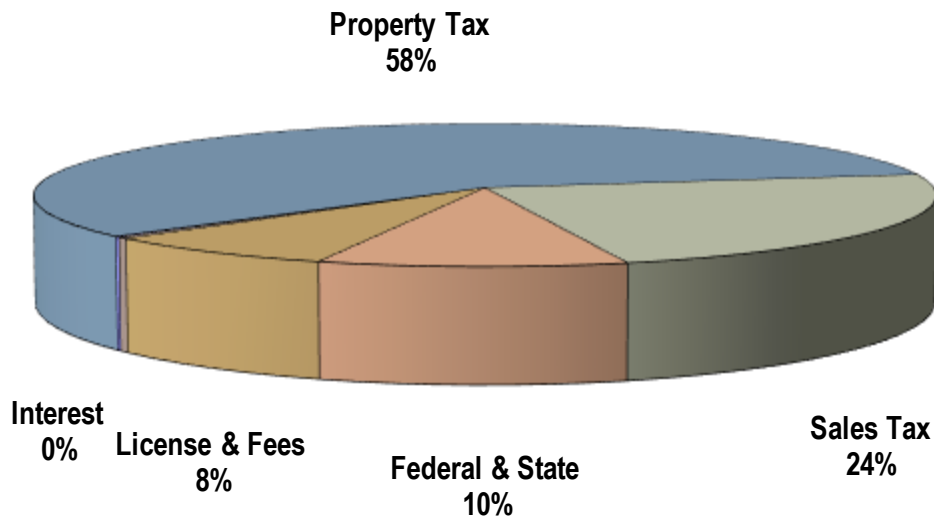
GENERAL FUND BUDGET SUMMARY

REVENUES:	Actual FY16	Actual FY17	Original FY18 Budget
Property Taxes	\$ 28,867,646	29,415,474	33,067,964
Sales Taxes	11,422,380	12,007,202	11,725,001
Federal and State Revenues	7,117,090	6,797,012	5,986,000
Other Revenues	8,963,471	4,289,915	4,818,542
Investment Income	149,778	226,922	139,200
Transfers In	-	-	-
Funds from Prior Periods	-	-	450,000
TOTAL GENERAL FUND REVENUES	56,520,365	52,736,525	56,186,707
EXPENDITURES:			
General Government:			
Aldermen	165,657	191,973	194,453
Civic Support	1,610,901	1,637,548	1,523,795
City Court	704,098	685,076	731,495
Administration	1,573,727	1,604,239	1,732,509
Germantown Performing Arts Center	1,207,605	1,261,783	1,353,961
Information Technology	1,624,745	2,028,104	2,287,158
Human Resources	644,475	589,016	647,996
Finance	1,075,984	1,135,977	1,304,021
Procurement	695,692	666,333	729,601
Community Development	2,146,062	2,040,520	2,123,667
General Services	1,879,516	2,031,441	2,458,779
Budget & Performance	309,748	325,078	367,519
Total General Government	13,638,210	14,197,088	15,454,955
Public Safety:			
Police	10,618,929	11,359,830	12,175,188
Fire	7,400,432	7,769,219	8,181,073
Total Public Safety	18,019,361	19,129,049	20,356,261
Transportation & Environment:			
Public Services	3,914,788	4,302,667	4,478,216
Animal Control	367,554	295,787	395,216
Total Transportation & Environment	4,282,342	4,598,454	4,873,432
Community Services:			
Parks & Recreation	1,038,286	1,124,376	1,300,501
Genealogy Center	63,893	62,772	80,073
Library Services	1,410,571	1,456,655	1,503,330
Cultural Arts Programs	61,001	46,399	75,997
Total Community Services	2,573,751	2,690,202	2,959,901
General Debt Service	7,724,454	3,852,402	4,881,097
Other Expenditures:			
Transfer to Great Hall Fund	225,000	175,000	85,000
Transfer to Municipal Schools Fund	2,131,594	2,189,386	2,474,720
Transfer to Germantown Athletic Club Fund	-	-	(100,000)
Transfer to Ambulance	750,000	600,000	450,000
Transfer to Automated Enforcement	75,000	(48,739)	-
Transfer to State Street Aid	1,850,000	1,650,000	1,100,000
Transfer to Farm Park	150,000	150,000	120,000
Contingencies	-	-	50,000
Expense Reimbursement	(534,852)	(978,808)	(1,046,960)
Roll Forward Enc.- Prior Year	450,000	450,000	450,000
Roll Forward Enc.- Next Year	(450,000)	(450,000)	(450,000)
TOTAL GENERAL FUND EXPENDITURES	50,884,860	48,204,034	51,658,406
Excess of Revenues Over/(Under) Expenditures	\$ 5,635,505	4,532,491	4,528,301
Fund Balance - Beginning	28,250,366	31,857,871	29,060,899
Transfer to Capital Projects	(2,028,000)	(3,789,250)	(2,000,000)
CIP Reserve Increase (Decrease)	-	-	-
Fund Balance - Ending	\$ 31,857,871	32,601,112	31,589,200

GENERAL FUND BUDGET SUMMARY

	Estimate FY18	Budget FY19	Projected			
			FY20	FY21	FY22	FY23
\$	33,164,533	32,855,367	33,090,758	33,486,610	34,028,849	34,746,836
	12,938,939	13,265,000	13,443,300	13,648,444	13,932,064	14,144,225
	6,000,190	5,677,000	5,215,200	4,710,354	4,216,355	4,273,217
	4,526,084	4,474,550	4,849,198	5,147,862	5,242,366	5,333,821
	579,200	219,200	221,700	218,700	217,840	217,161
	100,000	100,000	100,000	-	-	-
	450,000	450,000	450,000	450,000	450,000	450,000
	57,758,946	57,041,117	57,370,156	57,661,969	58,087,474	59,165,260
	194,553	226,960	204,646	207,452	211,210	214,632
	1,480,467	1,695,376	1,712,265	1,734,963	1,759,438	1,784,544
	731,887	801,304	810,815	828,543	847,969	868,065
	1,615,402	1,669,805	1,699,109	1,739,337	1,786,299	1,831,231
	1,324,126	1,450,278	1,403,522	1,442,194	1,483,782	1,526,773
	2,454,613	2,621,923	2,417,957	2,443,515	2,513,114	2,511,606
	630,927	658,811	677,119	696,422	717,313	738,966
	1,314,945	1,384,590	1,414,756	1,446,473	1,484,080	1,519,679
	723,466	756,820	777,619	799,539	823,264	847,797
	2,156,297	2,240,274	2,297,593	2,361,887	2,461,363	2,593,082
	2,447,003	2,388,119	2,355,191	2,429,054	2,231,680	2,338,924
	365,988	386,638	392,161	401,868	412,366	423,221
	15,439,674	16,280,898	16,162,751	16,531,249	16,731,878	17,198,520
	12,008,075	13,021,569	13,423,209	13,529,244	13,969,358	14,606,045
	8,148,370	8,429,506	8,588,416	8,788,933	9,053,372	9,275,958
	20,156,445	21,451,075	22,011,625	22,318,177	23,022,728	23,882,001
	4,394,168	5,051,646	4,668,220	5,069,598	4,923,974	4,985,300
	334,263	365,567	405,831	390,435	401,038	411,894
	4,728,431	5,417,213	5,074,052	5,460,034	5,325,012	5,397,193
	1,178,244	1,374,211	1,340,925	1,324,935	1,389,159	1,394,247
	73,530	150,710	154,553	86,936	89,090	91,266
	1,500,048	1,537,768	1,579,611	1,623,196	1,668,427	1,714,722
	79,497	86,497	86,497	86,543	86,725	86,773
	2,831,319	3,149,186	3,161,586	3,121,610	3,233,401	3,287,008
	3,439,979	4,418,520	4,794,301	5,471,591	5,520,100	5,551,722
	85,000	75,000	75,000	50,000	-	-
	2,474,720	2,496,607	2,546,539	2,597,470	2,649,419	2,702,408
	-	-	-	-	-	-
	625,000	775,000	700,000	675,000	650,000	675,000
	-	-	-	-	-	-
	1,100,000	1,500,000	1,700,000	1,600,000	1,500,000	1,400,000
	120,000	120,000	120,000	100,000	100,000	90,000
	50,000	50,000	50,000	50,000	50,000	50,000
	(1,046,960)	(1,012,790)	(1,035,806)	(1,061,216)	(1,087,369)	(1,114,291)
	450,000	450,000	450,000	450,000	450,000	450,000
	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
	50,003,608	54,720,709	55,360,047	56,913,913	57,695,171	59,119,561
\$	7,755,339	2,320,408	2,010,109	748,056	392,304	45,699
	32,151,112	37,456,451	33,326,859	30,248,968	27,604,024	22,841,328
	(2,000,000)	(1,620,000)	(1,000,000)	(500,000)	-	-
	-	(4,380,000)	(3,638,000)	(2,443,000)	(4,705,000)	(1,915,000)
\$	37,906,451	33,776,859	30,698,968	28,054,024	23,291,328	20,972,027

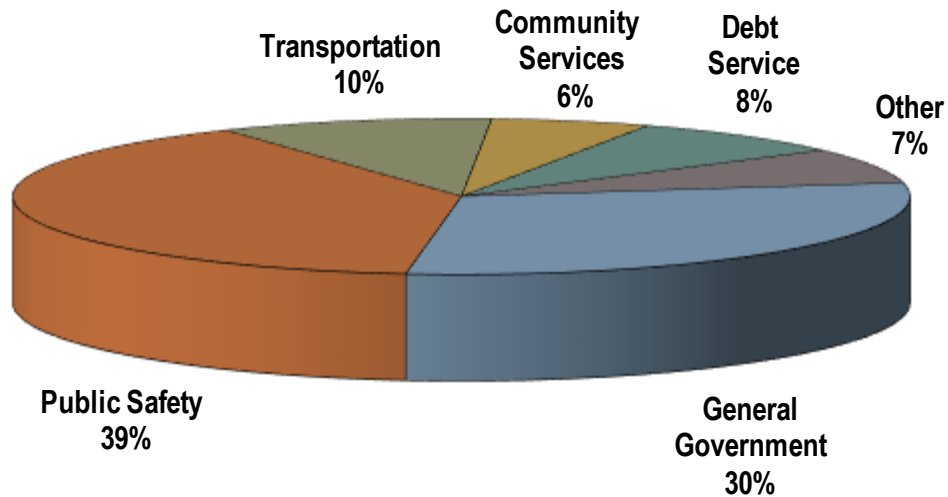
GENERAL FUND REVENUES FY19



GENERAL FUND REVENUES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Property Taxes	\$ 33,165	58%	\$ 32,855	58%
Sales Taxes	12,939	23%	13,265	24%
Federal & State Revenues	6,000	10%	5,677	10%
License, Fees & Other	4,526	8%	4,475	8%
Investment Income	579	1%	219	0%
Transfers In	100	0%	100	0%
TOTAL REVENUES	\$ 57,309	100%	\$ 56,591	100%

GENERAL FUND EXPENDITURES FY19



GENERAL FUND EXPENDITURES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
General Government	\$ 15,440	30%	\$ 16,281	30%
Public Safety	20,156	40%	21,451	39%
Transportation	4,728	9%	5,417	10%
Community Services	2,831	6%	3,149	6%
Debt Services	3,440	7%	4,419	8%
Other Expenses (Reimb.)	3,407	6%	4,004	7%
TOTAL EXPENDITURES	\$ 50,004	100%	\$ 54,721	100%

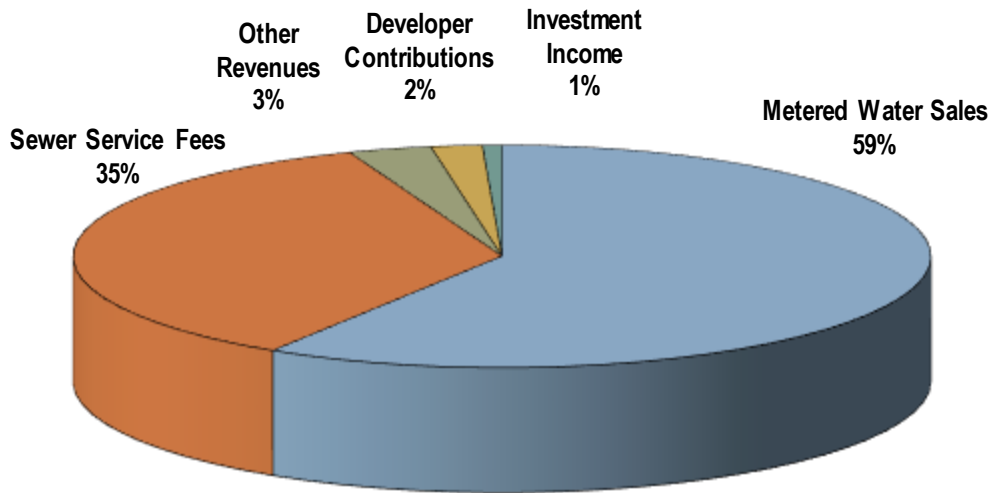
UTILITY FUND BUDGET SUMMARY

	Actual FY16	Actual FY17	Budget FY18
OPERATING REVENUES			
Metered Water Sales	\$ 5,434,612	5,393,461	5,430,000
Sewer Service Fees	3,180,474	3,279,737	3,190,000
Other Revenue	302,326	284,461	282,000
Total Operating Revenues	8,917,412	8,957,659	8,902,000
OPERATING EXPENSES			
Water	4,168,917	4,367,388	4,703,322
Sewer	1,533,750	1,570,691	1,757,755
Sewage Treatment	1,314,988	1,379,611	1,539,879
Total Operating Expenses	7,017,655	7,317,690	8,000,956
OPERATING INCOME	1,899,757	1,639,969	901,044
NONOPERATING REVENUES (EXPENSES)			
Contributions from Developers	1,085,523	40,764	650,000
Investment Income	16,493	39,361	15,000
Gain/loss on disposal of assets	-	8,660	-
Utility Debt Service	(109,654)	(69,070)	(45,350)
Net Non-Operating Revenues (Expenses)	992,362	19,715	619,650
NET INCOME	2,892,119	1,659,684	1,520,694
Other Receipts			
Debt Proceeds	-	-	-
Depreciation	1,712,327	1,751,416	1,764,124
Total Other Receipts	1,712,327	1,751,416	1,764,124
Other Expenses			
Bonds Payable	990,000	1,035,000	1,075,000
Major Construction	1,169,031	236,230	1,040,000
Infrastructure (Water & Sewer)	132,444	-	952,500
Total Other Expenses	2,291,475	1,271,230	3,067,500
Effect of Change in Accounting Principle	-	-	-
Total Net Position - Beginning	45,381,684	48,273,803	50,041,638
Total Net Position - Ending	\$ 48,273,803	49,933,487	51,562,332

UTILITY FUND BUDGET SUMMARY

	Estimate FY18	Budget FY19	Projected			
			FY20	FY21	FY22	FY23
\$	5,156,231	5,350,000	5,457,000	5,511,570	5,566,686	5,622,353
	3,122,936	3,200,000	3,232,000	3,264,320	3,296,963	3,329,933
	387,001	284,000	290,000	295,177	298,187	301,107
	8,666,168	8,834,000	8,979,000	9,071,067	9,161,836	9,253,393
	4,635,828	4,756,904	4,891,419	5,012,467	5,144,107	5,266,985
	1,778,083	1,818,440	1,847,954	1,888,096	1,930,074	1,973,155
	1,483,200	1,572,192	1,608,192	1,644,192	1,680,192	1,716,192
	7,897,111	8,147,536	8,347,565	8,544,755	8,754,373	8,956,332
	769,057	686,464	631,435	526,312	407,463	297,061
	229,000	175,000	192,500	231,000	237,930	242,009
	129,100	66,500	20,000	21,000	22,050	23,153
	3	-	-	-	-	-
	(45,100)	(12,050)	-	-	-	-
	313,003	229,450	212,500	252,000	259,980	265,161
	1,082,060	915,914	843,935	778,312	667,443	562,222
	-	-	3,391,000	-	-	-
	1,764,124	1,785,657	1,826,417	1,841,417	1,861,084	1,870,084
	1,764,124	1,785,657	5,217,417	1,841,417	1,861,084	1,870,084
	1,075,000	590,000	-	-	-	-
	964,000	3,558,100	4,076,000	-	-	-
	836,123	555,000	463,000	710,000	700,000	480,000
	2,875,123	4,703,100	4,539,000	710,000	700,000	480,000
	(123,712)	-	-	-	-	-
	49,933,487	50,891,835	51,807,749	52,651,684	53,429,996	54,097,439
\$	50,891,835	51,807,749	52,651,684	53,429,996	54,097,439	54,659,661

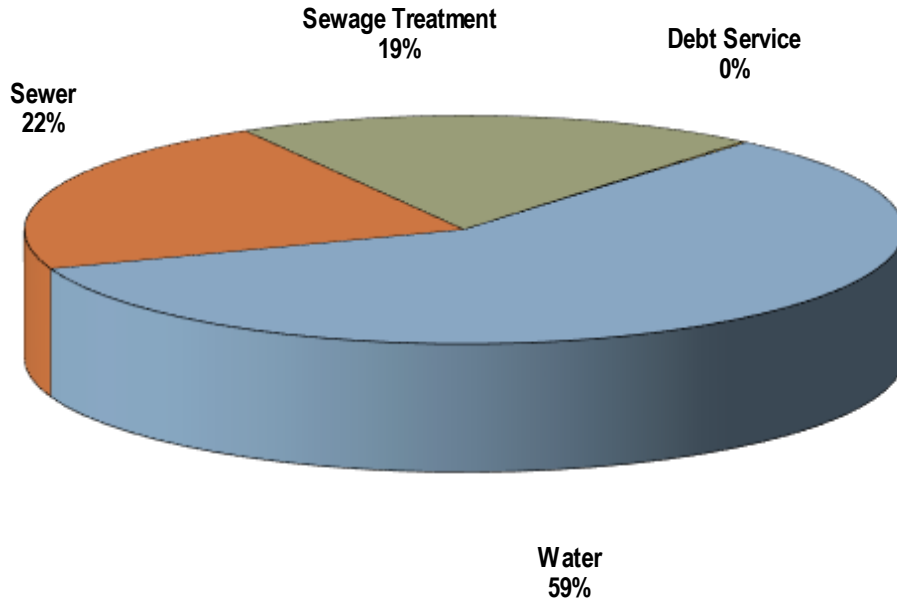
UTILITY FUND REVENUES FY19



UTILITY FUND REVENUES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Metered Water Sales	\$ 5,156	57%	\$ 5,350	59%
Sewer Service Fees	3,123	35%	3,200	35%
Other Revenue	387	4%	284	3%
Contributions from Developers	229	3%	175	2%
Investment Income	129	1%	67	1%
TOTAL REVENUES	\$ 9,024	100%	\$ 9,076	100%

UTILITY FUND EXPENDITURES FY19



UTILITY FUND EXPENDITURES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Water	\$ 4,636	58%	\$ 4,758	59%
Sewer	1,778	22%	1,818	22%
Sewage Treatment	1,483	19%	1,572	19%
Utility Debt Service	45	1%	12	0%
TOTAL EXPENDITURES	\$ 7,942	100%	\$ 8,160	100%

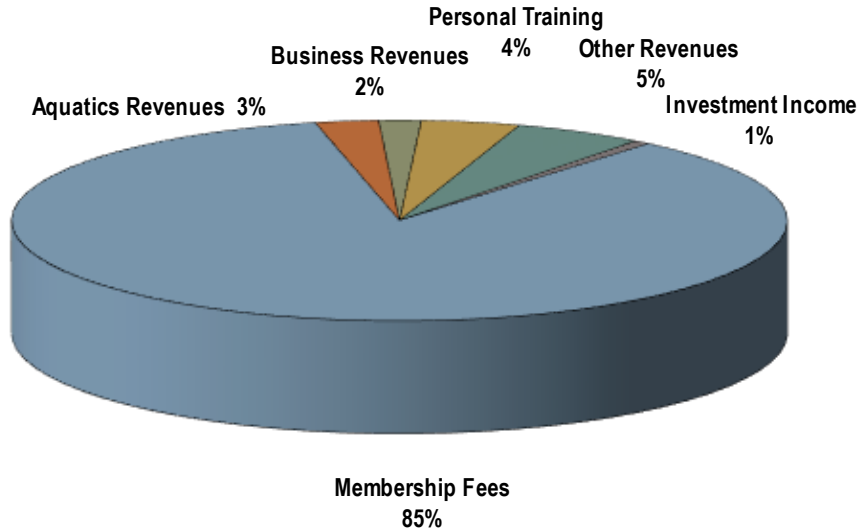
GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

	<u>Actual FY16</u>	<u>Actual FY17</u>	<u>Original FY18 Budget</u>
OPERATING REVENUES			
Membership Fees	\$ 3,606,459	3,434,004	3,774,500
Aquatics Revenues	169,349	204,898	215,110
Business Revenues	79,222	79,222	79,222
Personal Training Revenues	198,879	196,716	258,000
Other Revenues	199,681	174,996	193,675
TOTAL OPERATING REVENUES	4,253,590	4,089,836	4,520,507
OPERATING EXPENSES			
Recreation	2,527,523	2,669,278	3,183,126
Personal Training	173,029	209,544	-
Aquatics	772,789	775,281	845,155
TOTAL OPERATING EXPENSES	3,473,341	3,654,103	4,028,281
OPERATING INCOME	780,249	435,733	492,226
NONOPERATING REVENUES (EXPENSES)			
Investment Income	15,147	19,799	15,000
Interest Payment	(19,224)	(15,624)	(12,024)
Contribution from (to) other funds	-	300,000	(100,000)
Total	(4,077)	304,175	(97,024)
NET INCOME (LOSS)	776,172	739,908	395,202
Other Receipts			
Depreciation	526,758	558,655	611,788
Total Other Receipts	526,758	558,655	611,788
Other Expenses			
Debt Payable	125,000	125,000	125,000
Infrastructure	1,489,864	2,503,789	1,000,000
Other Assets	33,412	-	135,000
Total Other Expenses	1,648,276	2,628,789	1,260,000
Effect of change in accounting principle			
Total Net Position-Beginning	15,154,340	15,930,512	16,787,234
Total Net Position-Ending	\$ 15,930,512	16,670,420	17,182,436

GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

Estimate FY18	Budget FY19	Projected			
		FY20	FY21	FY22	FY23
\$ 3,664,556	3,844,900	3,960,247	3,999,849	4,039,848	4,080,246
134,148	118,400	121,952	123,172	124,403	125,647
79,222	79,222	79,222	79,222	79,222	79,222
185,102	185,102	190,655	192,562	194,487	196,432
182,612	244,610	251,943	254,467	257,017	259,593
4,245,640	4,472,234	4,604,019	4,649,272	4,694,978	4,741,140
3,109,774	3,324,274	3,424,055	3,520,680	3,606,131	3,694,376
-	-	-	-	-	-
741,034	719,270	729,335	742,701	756,800	771,290
3,850,808	4,043,544	4,153,390	4,263,381	4,362,931	4,465,666
394,832	428,690	450,629	385,891	332,047	275,474
36,572	30,000	25,000	25,500	26,000	26,500
(12,024)	(8,496)	(5,040)	(1,656)	-	-
(100,000)	(100,000)	(100,000)	-	-	-
(75,452)	(78,496)	(80,040)	23,844	26,000	26,500
319,380	350,194	370,589	409,735	358,047	301,974
617,500	625,000	667,333	684,000	684,000	684,000
617,500	625,000	667,333	684,000	684,000	684,000
125,000	125,000	125,000	-	-	-
1,190,478	975,000	1,100,000	1,100,000	-	-
153,953	125,000	-	-	-	-
1,469,431	1,225,000	1,225,000	1,100,000	-	-
(69,279)					
16,670,420	16,920,521	17,270,715	17,641,304	18,051,039	18,409,085
\$ 16,920,521	17,270,715	17,641,304	18,051,039	18,409,085	18,711,060

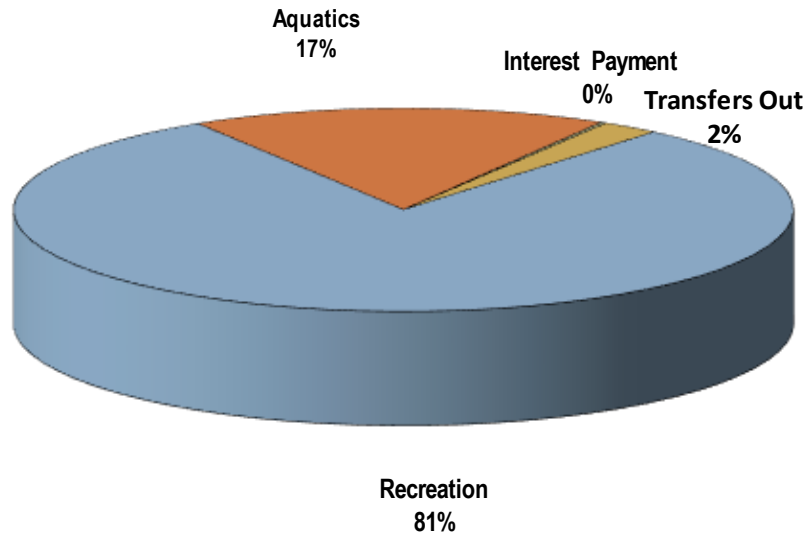
GERMANTOWN ATHLETIC CLUB FUND REVENUES FY19



GAC FUND REVENUES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Membership Fees	\$ 3,665	86%	\$ 3,845	85%
Aquatics Revenues	134	3%	118	3%
Business Revenues	79	2%	79	2%
Personal Training	185	4%	185	4%
Other Revenues	182	4%	245	5%
Investment Income	37	1%	30	1%
TOTAL REVENUES	\$ 4,282	100%	\$ 4,502	100%

GERMANTOWN ATHLETIC CLUB FUND EXPENDITURES FY19



GAC FUND EXPENDITURES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Recreation	\$ 3,110	78%	\$ 3,324	81%
Aquatics	741	19%	719	17%
Interest Payment	12	0%	9	0%
Transfers Out	100	3%	100	2%
TOTAL EXPENDITURES	\$ 3,963	100%	\$ 4,152	100%

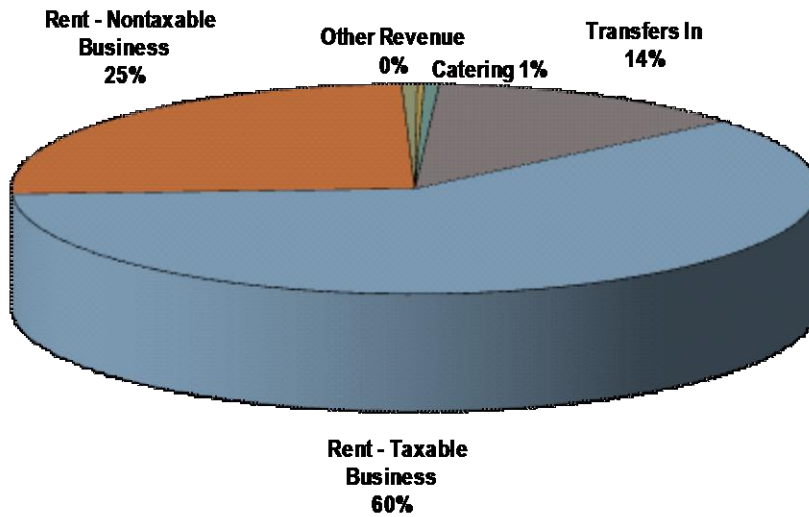
GREAT HALL FUND BUDGET SUMMARY

	Actual FY16	Actual FY17	Original FY18 Budget
OPERATING REVENUES			
Rent - Taxable Business	\$ 284,740	330,857	311,630
Rent - Nontaxable Business	136,637	140,336	164,016
Other Revenue	12,346	2,633	3,800
Catering Revenue	3,465	3,335	2,800
TOTAL OPERATING REVENUES	437,188	477,161	482,246
OPERATING EXPENSES			
Communications	718	350	750
Allocations	23,492	22,257	16,437
Other Maint	69,167	63,587	75,200
Personnel	175,515	179,591	192,056
Professional Fees	36,952	46,807	43,000
Supplies	15,205	17,537	14,700
Utilities	38,827	42,086	39,479
Rent	89,519	93,000	94,222
Grants	-	8,004	-
Depreciation	59,626	63,764	71,786
TOTAL OPERATING EXPENSES	509,021	536,983	547,630
OPERATING INCOME (LOSS)	(71,833)	(59,822)	(65,384)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	270	1,645	300
Interest Payment	(7,476)	(6,076)	(4,676)
Contribution from other funds	225,000	175,000	85,000
Total	217,794	170,569	80,624
NET INCOME (LOSS)	145,961	110,747	15,240
Other Receipts			
Depreciation	59,626	63,764	71,786
Total Other Receipts	59,626	63,764	71,786
Other Expenses			
Infrastructure	92,834	42,381	30,000
Other Assets	13,616	-	-
Total Other Expenses	106,450	42,381	30,000
Effect of change in accounting principle	-	-	-
Total Net Position-Beginning	503,642	649,603	733,344
Total Net Position-Ending	\$ 649,603	760,350	748,584

GREAT HALL FUND BUDGET SUMMARY

Estimate FY18	Budget FY19	Projected			
		FY20	FY21	FY22	FY23
\$ 336,406	349,862	367,355	385,723	405,009	425,259
142,027	147,708	155,093	162,848	170,990	179,540
2,523	2,520	2,646	2,778	2,917	3,063
3,508	3,625	3,806	3,997	4,196	4,406
484,464	503,715	528,901	555,346	583,113	612,269
750	750	750	750	750	750
16,108	16,498	16,828	17,088	17,430	17,779
75,200	75,200	76,712	78,253	80,014	81,814
185,743	196,262	200,939	206,453	212,325	218,392
44,522	43,000	43,860	44,737	45,632	46,545
15,215	14,700	15,020	15,260	15,535	15,816
39,479	39,479	40,071	40,873	41,690	42,524
94,222	95,222	95,222	95,544	95,911	96,286
-	-	-	-	-	-
71,754	76,692	73,256	71,511	61,124	29,031
542,993	557,803	562,657	570,469	570,411	548,937
(58,529)	(54,088)	(33,757)	(15,124)	12,702	63,332
5,525	3,500	1,000	1,000	1,000	1,000
(4,676)	(3,304)	(1,960)	(644)	-	-
85,000	75,000	75,000	50,000	-	-
85,849	75,196	74,040	50,356	1,000	1,000
27,320	21,108	40,283	35,232	13,702	64,332
71,754	76,692	73,256	71,511	61,124	29,031
71,754	76,692	73,256	71,511	61,124	29,031
53,234	59,000	35,000	-	-	-
-	-	-	-	-	-
53,234	59,000	35,000	-	-	-
(9,897)	-	-	-	-	-
760,350	777,773	798,881	839,164	874,397	888,099
\$ 777,773	798,881	839,164	874,397	888,099	952,431

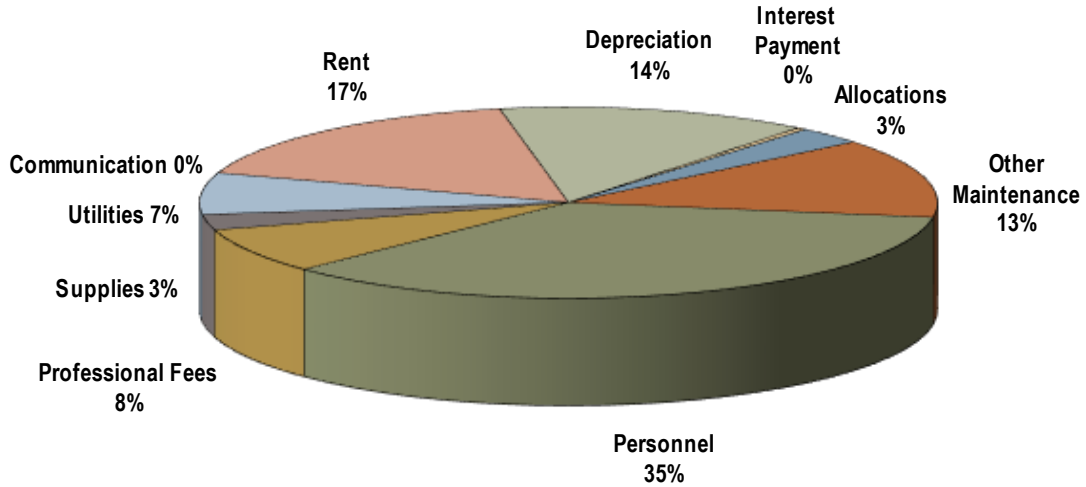
GREAT HALL FUND REVENUES FY19



GREAT HALL FUND REVENUES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Rent - Taxable Business	\$ 335	57%	\$ 350	60%
Rent - Nontaxable Business	142	25%	147	25%
Catering Revenue	4	1%	4	1%
Other Revenue	3	0%	2	0%
Investment Income	6	1%	4	0%
Transfers In	85	15%	75	14%
TOTAL REVENUES	\$ 575	100%	\$ 582	100%

GREAT HALL FUND EXPENDITURES FY19



GREAT HALL FUND EXPENDITURES (\$000)

	2018 ESTIMATED		2019 BUDGET	
	Amount	Percent	Amount	Percent
Allocations	\$ 16	3%	16	3%
Other Maintenance	75	14%	75	13%
Personnel	186	34%	197	35%
Professional Fees	45	8%	43	8%
Communication	1	0%	1	0%
Supplies	15	3%	15	3%
Utilities	39	7%	39	7%
Rent	94	17%	95	17%
Depreciation	72	13%	77	14%
Interest Payment	5	1%	3	0%
TOTAL EXPENDITURES	\$ 548	100%	561	100%

SANITATION FUND BUDGET SUMMARY

	Actual FY16	Actual FY17	Budget FY18
OPERATING REVENUES			
Sanitation Fees	\$ 3,377,711	4,782,138	4,942,300
Grants	8,205	4,202	7,000
Recycling Reimbursement	1,992	2,688	2,150
Other Revenues	35,591	48,067	45,000
TOTAL OPERATING REVENUES	3,423,499	4,837,095	4,996,450
OPERATING EXPENSES			
Communication	6,415	4,726	25,900
Personnel	132,980	158,272	110,189
Professional Fees	9,500	-	-
Supplies	34,628	34,432	38,000
Rent	27,850	-	-
Depreciation	-	-	8,500
Contract Services	3,215,036	4,790,864	4,609,000
TOTAL OPERATING EXPENSES	3,426,409	4,988,294	4,791,589
OPERATING INCOME	(2,910)	(151,199)	204,861
NONOPERATING REVENUES (EXPENSES)			
Investment Income	4,858	7,014	6,150
Total Nonoperating Revenues	4,858	7,014	6,150
NET INCOME/(LOSS)	1,948	(144,185)	211,011
Other Receipts			
Depreciation	-	-	8,500
Total Other Receipts	-	-	8,500
Other Expenses			
Other Assets	-	-	170,000
Total Other Expenses	-	-	170,000
Effect of change in accounting principle	-	-	-
Total Net Position-Beginning	930,199	932,147	822,626
Total Net Position Ending	\$ 932,147	787,962	1,033,637

SANITATION FUND BUDGET SUMMARY

Estimate FY18	Budget FY19	FY20	FY21	FY22	FY23
\$ 4,922,658	4,946,821	4,967,885	4,989,042	5,010,291	5,054,434
9,462	7,500	7,725	7,956	8,195	8,441
1,500	1,500	1,500	1,500	1,500	1,500
45,752	40,000	40,000	40,000	40,000	40,000
4,979,372	4,995,821	5,017,110	5,038,498	5,059,986	5,104,375
24,500	25,500	15,500	15,500	17,500	17,500
107,152	113,478	115,837	119,297	124,161	126,632
-	25,000	-	25,000	-	-
38,000	40,000	40,000	40,000	40,000	50,000
-	-	-	-	-	-
7,737	15,474	15,474	15,474	15,474	15,474
4,679,491	4,862,989	4,914,844	4,956,621	5,037,624	5,133,441
4,856,880	5,082,441	5,101,656	5,171,893	5,234,760	5,343,048
122,492	(86,620)	(84,546)	(133,395)	(174,774)	(238,673)
17,492	10,000	10,000	10,000	10,000	10,000
17,492	10,000	10,000	10,000	10,000	10,000
139,984	(76,620)	(74,546)	(123,395)	(164,774)	(228,673)
7,737	15,474	15,474	15,474	15,474	15,474
7,737	15,474	15,474	15,474	15,474	15,474
154,744	-	-	-	-	-
154,744	-	-	-	-	-
(4,108)	-	-	-	-	-
787,962	923,838	847,218	772,672	649,277	484,503
\$ 923,838	847,218	772,672	649,277	484,503	255,831

STORMWATER FUND BUDGET SUMMARY

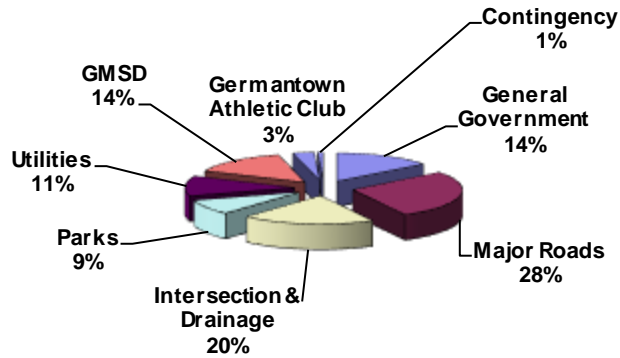
	Actual FY16	Actual FY17	Budget FY18
OPERATING REVENUES			
Stormwater Management Fee	\$ 994,425	1,030,039	1,040,175
Stormwater Permits	9,000	4,900	7,500
Other Revenue	331	203	-
TOTAL OPERATING REVENUES	1,003,756	1,035,142	1,047,675
OPERATING EXPENSES			
Communication	2,248	765	3,000
Other Maintenance	24,517	25,438	29,820
Personnel	514,965	864,892	575,046
Professional Fees	900	-	5,000
Supplies	10,280	12,354	29,100
Utilities	-	-	-
Roads and Mains	249,232	247,276	285,000
Allocations	43,149	33,224	38,567
Depreciation	33,131	36,468	38,920
TOTAL OPERATING EXPENSES	878,422	1,220,417	1,004,453
OPERATING INCOME	125,334	(185,275)	43,222
NONOPERATING REVENUES (EXPENSES)			
Investment Income	2,608	5,037	3,500
Total Nonoperating Revenues	2,608	5,037	3,500
NET INCOME/(LOSS)	127,942	(180,238)	46,722
Other Receipts			
Depreciation	33,131	36,468	38,920
Total Other Receipts	33,131	36,468	38,920
Other Expenses			
Other Assets	90,000	49,976	100,000
Total Other Expenses	90,000	49,976	100,000
Effect of change in accounting principle	-	-	-
Total Net Position-Beginning	625,654	753,596	833,775
Total Net Position-Ending	\$ 753,596	573,358	880,497

STORMWATER FUND BUDGET SUMMARY

Estimate FY18	Budget FY19	Projected			
		FY20	FY21	FY22	FY23
\$ 1,029,900	1,038,730	1,043,924	1,054,363	1,059,635	1,070,231
7,500	6,800	9,000	12,000	15,000	17,000
-	-	-	-	-	-
1,037,400	1,045,530	1,052,924	1,066,363	1,074,635	1,087,231
2,000	1,650	1,650	1,650	1,650	1,650
25,460	39,860	32,107	32,909	33,732	34,575
561,887	587,757	606,486	626,664	647,968	670,020
1,000	-	-	-	-	-
24,000	19,400	19,915	20,463	21,026	21,606
-	1,080	1,102	1,124	1,146	1,169
290,795	292,600	292,600	307,600	307,600	307,600
40,788	42,443	43,136	44,511	46,077	47,553
38,920	42,200	42,622	43,048	43,479	43,913
984,850	1,026,990	1,039,616	1,077,969	1,102,678	1,128,087
52,550	18,540	13,307	(11,606)	(28,044)	(40,856)
9,800	4,900	5,047	5,198	5,354	5,515
9,800	4,900	5,047	5,198	5,354	5,515
62,350	23,440	18,354	(6,407)	(22,689)	(35,341)
38,920	42,200	42,622	43,048	43,479	43,913
38,920	42,200	42,622	43,048	43,479	43,913
100,000	75,000	180,000	100,000	110,000	100,000
100,000	75,000	180,000	100,000	110,000	100,000
(32,165)	-	-	-	-	-
573,358	603,543	626,983	645,337	638,930	616,241
\$ 603,543	626,983	645,337	638,930	616,241	580,900

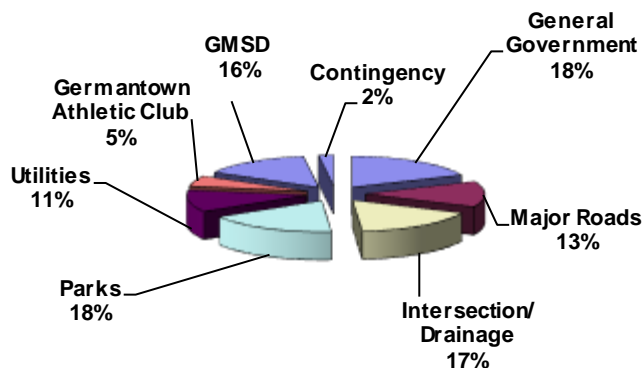
CAPITAL IMPROVEMENTS PROGRAM

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.



General Government	\$	4,520
Major Roads		8,636
Intersection & Drainage		6,106
Parks		2,680
Utilities		3,558
GMSD		4,500
Germantown Athletic Club		975
Contingency		250
TOTAL	\$	31,225

The six-year CIP total has decreased over last year's total. Contributions from intergovernmental sources will total \$9,946,358 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.



General Government	\$	13,635
Major Roads		9,836
Intersection/Drainage		12,481
Parks		12,980
Utilities		8,384
Germantown Athletic Club		3,975
GMSD		11,000
Contingency		1,500
TOTAL	\$	73,791

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 FY19 project is provided under the Capital Improvements Program tab.

CAPITAL IMPROVEMENTS PROGRAM

CITY OF GERMANTOWN Capital Improvements Program - 2018 to 2024

(in thousands)	FY18	TOTAL	EXPENDITURES						FUNDING SOURCES				STATE & FEDERAL PROJECTS
			FY19	FY20	FY21	FY22	FY23	FY24	Reserves	Grants	Bonds	Hall	
GENERAL GOVERNMENT:													
GPAC - Grove	-	3,200	3,200	-	-	-	-	-	2,000	1,200	-	-	-
Police Indoor Range	75	-	-	-	-	-	-	-	-	-	-	-	-
Fire Station 3 Preliminary Design	-	100	100	-	-	-	-	-	100	-	-	-	-
Fire Station 3	-	5,650	-	-	400	5,000	250	-	2,650	-	3,000	-	-
City Hall Elevator Replacement	-	360	360	-	-	-	-	-	100	-	-	260	-
Court Clerk Office Renovation	-	40	-	40	-	-	-	-	-	-	-	40	-
City Hall Police Parking	300	-	-	-	-	-	-	-	-	-	-	-	-
Customer Service Center (ADA Compatible)	150	-	-	-	-	-	-	-	-	-	-	-	-
Ambulance	-	1,275	-	235	245	255	265	275	1,275	-	-	-	-
Fire Engine Replacements	-	3,010	860	-	1,200	-	950	-	1,650	-	-	1,360	-
Total General Government:	525	13,635	4,520	275	1,845	5,255	1,465	275	7,775	1,200	3,000	1,660	-
MAJOR ROADS:													
Winchester Milling and Paving*	-	1,460	1,460	-	-	-	-	-	292	-	-	-	1,168
Wolf River Milling and Paving - West of Gtown Rd	-	1,200	-	1,200	-	-	-	-	953	-	-	247	-
Poplar Avenue Culvert - Phase IV*	-	525	525	-	-	-	-	-	-	-	-	-	525
FHI Widening Poplar Pike to Winc ROW	149	351	351	-	-	-	-	-	351	-	-	-	-
FHI Widening Poplar Pike/Winc- Const	-	6,300	6,300	-	-	-	-	-	6,300	-	-	-	-
Total Major Roads:	149	9,836	8,636	1,200	-	-	-	-	7,896	-	-	247	1,693
* State funding is included in totals.													
INTERSECTIONS & OTHER:													
Central Business District Streetscape	500	1,000	500	500	-	-	-	-	-	-	-	1,000	-
Decorative Street Signs	-	25	25	-	-	-	-	-	12.5	12.5	-	-	-
Signal Upgrades*	-	1,050	1,050	-	-	-	-	-	-	-	-	-	1,050
Allenby Rd Sidewalks Mercedes to Farmington	16	-	-	-	-	-	-	-	-	-	-	-	-
Safe Routes to School Ph1*	16	275	-	275	-	-	-	-	55	-	-	-	220
Safe Routes to School Ph2*	18	356	356	-	-	-	-	-	-	-	-	-	356
WRB/Campbell Clinic Signal	-	400	-	75	325	-	-	-	163	200	-	38	-
Wolf River/Gtown Rd Impr- ROW*	2,277	-	-	-	-	-	-	-	-	-	-	-	-
Wolf River/Gtown Rd Impr- Const*	-	3,800	3,800	-	-	-	-	-	-	-	-	-	3,800
FHH Signalization	-	425	-	100	325	-	-	-	385	40	-	-	-
ADA Transition Plan*	-	175	175	-	-	-	-	-	35	-	-	-	140
Total Intersections/Other:	2,827	7,506	5,906	950	650	-	-	-	650	253	-	1,038	5,566
* State funding is included in totals.													
DRAINAGE:													
City Wide Master Drainage Plan	150	900	150	150	150	150	150	150	750	-	-	150	-
Lateral E Bank Stabilization	-	575	-	575	-	-	-	-	575	-	-	-	-
Duntreath Drainage Ditch Improvements	-	2,200	-	-	200	2,000	-	-	2,200	-	-	-	-
Annual Misc Drainage Imprv	43	300	50	50	50	50	50	50	275	-	-	25	-
Mimosa Drainage	-	1,000	-	1,000	-	-	-	-	1,000	-	-	-	-
Lateral G Mitigation at Allenby Lakes	150	-	-	-	-	-	-	-	-	-	-	-	-
Total Drainage:	343	4,975	200	1,775	400	2,200	200	200	4,800	-	-	175	-
* State funding is included in totals.													
PARKS:													
Greenway Restroom & Lift Station Replacement	175	-	-	-	-	-	-	-	-	-	-	-	-
Neighborhood Parks	-	3,000	-	-	-	1,500	-	1,500	-	-	3,000	-	-
Greenway Extension	-	800	-	-	400	-	400	-	-	-	800	-	-
Parks on Poplar Pike	-	3,500	-	500	-	1,500	-	1,500	500	-	3,000	-	-
Parks Master Plan	500	-	-	-	-	-	-	-	-	-	-	-	-
Greenway Wayfinding Signage	-	50	50	-	-	-	-	-	50	-	-	-	-
Greenway Phase Nashoba to East Trail Head*	-	1,850	1,850	-	-	-	-	-	370	-	-	-	1,480
Farmington Playground Renovation	306	430	430	-	-	-	-	-	215	215	-	-	-
Farmington Park East Field Renovation	147	-	-	-	-	-	-	-	-	-	-	-	-
Parkland Acquisition	-	3,350	350	3,000	-	-	-	-	350	-	3,000	-	-
Total Parks:	1,128	12,980	2,680	3,500	400	3,000	400	3,000	1,485	215	9,800	-	1,480
* State funding is included in totals.													
GERMANTOWN ATHLETIC CLUB FUND:													
Interior Security Cameras	-	150	150	-	-	-	-	-	150	-	-	-	-
GAC Renovation Phase 4	1,190	825	825	-	-	-	-	-	825	-	-	-	-
GAC Renovation Phase 5-7	-	3,000	-	1,000	1,000	1,000	-	-	3,000	-	-	-	-
Total GAC Fund:	1,190	3,975	975	1,000	1,000	1,000	-	-	3,975	-	-	-	-

CAPITAL IMPROVEMENTS PROGRAM

(in thousands)	EXPENDITURES								FUNDING SOURCES				STATE & FEDERAL PROJECTS
	FY18	TOTAL	FY19	FY20	FY21	FY22	FY23	FY24	Reserves	Grants	Bonds	Hall	
MUNICIPAL SCHOOLS:													
New School Const	27,000	-	-	-	-	-	-	-	-	-	-	-	-
GMSD Central Office	-	3,000	3,000	-	-	-	-	-	-	-	3,000	-	-
Security Upgrades	-	500	500	-	-	-	-	-	500	-	-	-	-
Riverdale Boilers	-	2,500	1,000	1,500	-	-	-	-	2,500	-	-	-	-
Houston Middle School Expansion	-	5,000	-	5,000	-	-	-	-	-	-	5,000	-	-
Total GMSD Fund:	27,000	11,000	4,500	6,500	-	-	-	-	3,000	-	8,000	-	-
UTILITY FUND:													
Water System Acquisition Funding	-	200	-	-	200	-	-	-	200	-	-	-	-
Johnson Rd Roof Replacement	310	-	-	-	-	-	-	-	-	-	-	-	-
Water Main to Elevated Water Tank	-	243	243	-	-	-	-	-	243	-	-	-	-
Elevated Water Tank	-	2,357	-	2,357	-	-	-	-	-	-	2,357	-	-
Annexation Area Water Main Phase 1	-	1,140	1,140	-	-	-	-	-	1,140	-	-	-	-
Annexation Area Water Main Phase 2	-	1,034	-	1,034	-	-	-	-	-	-	1,034	-	-
Johnson Rd Lift Station Rerouting	-	235	-	235	-	-	-	-	235	-	-	-	-
Western Gateway Sewer	189	2,000	2,000	-	-	-	-	-	2,000	-	-	-	-
Land Purchase Southern Ave	350	-	-	-	-	-	-	-	-	-	-	-	-
Greenway Restroom & Lift Station Replacement	40	-	-	-	-	-	-	-	-	-	-	-	-
Southern Ave Electrical Panels	183	175	175	-	-	-	-	-	175	-	-	-	-
Sanitary Sewer Upgrade Design- FHH	-	1,000	-	-	100	900	-	-	800	200	-	-	-
Total Utility Fund:	1,072	8,384	3,558	3,626	300	900	-	-	4,793	200	3,391	-	-
CONTINGENCY:													
		1,500	250	250	250	250	250	250	1,500	-	-	-	-
Total Contingency:	-	1,500	250	250	250	250	250	250	1,500	-	-	-	-
CIP SUMMARY													
General Government	525	13,635	4,520	275	1,845	5,255	1,465	275					
Major Roads	149	9,836	8,636	1,200	-	-	-	-					
Intersec/Other/Drainage	3,170	12,481	6,106	2,725	1,050	2,200	200	200					
Parks	1,128	12,980	2,680	3,500	400	3,000	400	3,000					
Utilities	1,072	8,384	3,558	3,626	300	900	-	-					
Germantown Athletic Club	1,190	3,975	975	1,000	1,000	1,000	-	-					
Great Hall	-	-	-	-	-	-	-	-					
GMSD	27,000	11,000	4,500	6,500	-	-	-	-					
Contingency	-	1,500	250	250	250	250	250	250					
Total CIP:	34,234	73,791	31,225	19,076	4,845	12,605	2,315	3,725					
FUNDING SUMMARY													
Reserves: General	4,972	24,106	10,626	3,693	2,443	4,705	1,915	725					
Utility	1,072	4,793	3,558	235	300	700	-	-					
Germantown Athletic Club	1,190	3,975	975	1,000	1,000	1,000	-	-					
Great Hall	-	-	-	-	-	-	-	-					
GMSD	27,000	3,000	1,500	1,500	-	-	-	-					
State/Intergovernmental/Grant:		10,606	9,946	258	203	200	-	-					
Bonds: General	-	20,800	3,000	8,000	400	6,000	400	3,000					
Utility	-	3,391	-	3,391	-	-	-	-					
Hall: General	-	3,120	1,620	1,000	500	-	-	-					
Total Funding:	34,234	73,791	31,225	19,076	4,845	12,605	2,315	3,725					

INFRASTRUCTURE REPLACEMENT PROGRAM – 2019 to 2028

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget Estimate												10 YEAR
	FY18	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	TOTAL
DEVELOPMENT:													
Ford Ranger	30	27	-	-	-	30	30	-	-	-	-	-	60
Ford Escape	-	-	-	-	-	-	-	-	-	-	30	-	30
Ford F-150 4x4	-	-	-	-	-	-	60	-	-	32	-	30	122
TOTAL DEVELOPMENT	30	27	-	-	-	30	90	-	-	32	30	30	212
PUBLIC SERVICE AND GROUNDS:													
Chevrolet 3500	-	-	40	-	-	-	-	-	-	-	-	-	40
Sterling Dump Truck	-	-	-	-	-	130	-	-	-	-	-	-	130
Ford F-350 Crew Cab	-	-	-	40	45	-	-	-	-	-	-	-	85
Ford F-750 Flat Bed	150	150	-	-	-	-	-	90	-	-	-	-	90
Ford F-750 Dump	-	-	-	-	-	90	-	-	-	-	-	-	90
Transit Connect	-	-	-	-	-	-	-	-	-	35	-	-	35
Dodge 2500 4x4 Pickup	-	-	-	-	-	-	-	-	-	-	-	-	35
Ford F-450 Crew Cab	-	-	65	-	-	-	-	-	-	-	-	-	65
Ford F-250 4x4	37	37	-	-	-	-	-	-	-	-	-	-	-
Ford F-550 Bucket Truck	-	-	-	-	-	-	100	-	-	-	-	-	100
Dodge 4x4 Ram Pick-Up	-	-	40	-	-	-	-	-	-	-	-	-	40
Dodge 1500 Pickup	-	-	-	30	-	-	-	-	-	-	-	-	30
Ford F-150	-	-	-	-	-	-	30	-	-	-	-	-	30
Ford F-250	40	40	40	40	-	-	-	-	-	-	-	87	167
Ford F-350	-	-	-	-	-	-	40	-	-	-	-	-	40
John Deere 4x4 Tractor	-	-	-	70	-	-	-	-	-	-	-	-	70
John Deere 4500 Tractor	-	-	-	-	50	-	-	-	-	-	-	-	50
John Deere 710K Backhoe	-	-	-	-	-	-	-	-	-	-	200	-	200
Kubota M4900 Tractor	-	-	-	-	50	50	-	-	-	-	-	-	100
Kubota M5400 Tractor	-	-	-	-	-	35	-	-	-	-	-	-	35
Ford F-450	-	-	-	-	70	-	-	-	-	-	65	-	135
TOTAL PUBLIC SVCS.	227	227	220	180	215	305	170	90	-	35	265	87	1,567
FIRE:													
Ford Expedition	65	61	-	-	50	-	40	-	-	-	-	-	90
Ford F-350	-	-	60	-	-	-	-	-	-	-	-	-	60
Chevy Tahoe	40	40	-	45	-	-	-	-	-	-	-	-	45
Ford Explorer	-	-	-	-	-	80	-	-	-	-	-	-	80
Ford F-350 4x4 Crew Cab Pickup	-	-	-	-	-	-	-	60	-	-	60	-	120
TOTAL FIRE	105	101	60	45	50	80	40	60	-	-	60	-	395
PARKS AND RECREATION:													
Ford Transit Connect	-	-	-	-	-	-	-	-	-	30	-	-	30
Ford Escape	-	-	-	-	-	30	-	-	-	-	32	-	62
Ford F-150	-	-	-	-	-	-	-	-	-	30	-	-	30
Ford Ranger	-	-	30	-	-	-	-	-	-	-	-	-	30
Dodge Journey	-	-	30	-	-	-	-	-	-	-	32	-	62
TOTAL PARKS AND REC.	-	-	60	-	-	30	-	-	-	60	64	-	214
POLICE:													
Police Fleet - Chevy Tahoes - (6)	240	252	255	168	84	42	168	-	132	220	132	88	1,289
Police Fleet - Impala	35	23	35	-	-	37	-	-	-	37	-	-	109
Police Fleet - Ford Crown Vic	-	-	-	42	84	-	168	-	-	-	-	-	294
Police Fleet - Ford F-350 4x4 Crewcab	-	-	-	-	50	-	-	-	-	-	-	-	50
Police Fleet - Ford Fusion Hybrid	-	-	-	105	35	35	-	-	35	-	-	-	210
Police Fleet - 4x4 Ford Expedition	-	-	42	-	-	-	-	-	-	-	-	-	42
Police Fleet - Ford Fusion	-	-	-	-	-	-	84	-	-	-	-	-	84
Police Fleet - Ford Explorer (3)	-	-	119	210	42	252	168	176	132	176	44	396	1,715
Police Fleet - Chevrolet Malibu	-	-	-	35	-	-	-	-	-	-	-	-	35
TOTAL POLICE	275	275	451	560	295	366	588	176	299	433	176	484	3,828
TOTAL AUTOS & TRUCKS	637	631	821	820	585	843	888	446	364	560	635	601	6,563
COMPUTER EQUIPMENT:													
INFORMATION TECHNOLOGY:													
City Hall UPS System	-	-	35	-	-	-	-	-	-	-	-	-	35
City Hall Server	-	-	40	20	20	50	20	-	-	-	-	-	150
Servers	20	19	-	-	-	-	-	-	-	-	-	-	-
Network Switches	35	36	150	35	35	35	35	-	-	-	-	-	290
Card Access - Various City Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
Radio System Hardware	-	-	-	-	-	-	-	-	-	-	-	-	-
IBM Message Switch	18	7	-	-	-	-	-	-	-	-	-	-	-
Portable Radio Repeater	10	13	-	-	-	-	-	-	-	-	-	-	-
Library CCTV Cameras	40	48	-	-	-	-	-	-	-	-	-	-	-
Security Cameras Replacements	-	-	35	35	35	35	35	-	-	-	-	-	175
FS4 UPS Battery Replacement	20	20	-	-	-	-	-	-	-	-	-	-	-
Phone System Servers	-	-	35	-	-	-	-	-	-	-	-	-	35
TOTAL I.T.	143	143	295	90	90	120	90	-	-	-	-	-	685
TOTAL COMPUTER EQUIPMENT	143	143	295	90	90	120	90	-	-	-	-	-	685

INFRASTRUCTURE REPLACEMENT PROGRAM – 2019 to 2028

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY18	Estimate FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	10 YEAR TOTAL
COMPUTER SOFTWARE:													
INFORMATION TECHNOLOGY:													
Electronic Citations	-	20	-	-	-	-	-	-	-	-	-	-	-
Performance Management Software	-	-	20	-	-	-	-	-	-	-	-	-	20
OneSolution	-	46	-	-	-	-	-	-	-	-	-	-	-
Court Software	-	77	-	-	-	-	-	-	-	-	-	-	-
TOTAL I.T.	-	142	20	-	-	-	-	-	-	-	-	-	20
TOTAL COMPUTER SOFTWARE	-	142	20	-	-	-	-	-	-	-	-	-	20
OTHER ASSETS:													
BUILDING MAINTENANCE:													
City Signs	100	100	100	-	-	-	-	-	-	-	-	-	100
GPAC and GAC Boilers	45	3	-	-	-	-	-	-	-	-	-	-	-
TOTAL FACILITIES MAINT.	145	103	100	-	-	-	-	-	-	-	-	-	100
PARKS													
Oaklawn Garden Maintenance	-	5	-	-	-	-	-	-	-	-	-	-	-
Forgey Park Playground Replacement	-	-	-	28	-	-	-	-	-	-	-	-	28
Maintenance - Houston Levee Skate Park	-	-	-	20	-	-	-	-	-	-	-	-	20
Security Camaras - Parks and Greenway Trail	10	10	-	-	-	-	-	-	-	-	-	-	-
Greenway Usage Counter	16	16	-	-	-	-	-	-	-	-	-	-	-
Greenway ATV	-	-	15	-	-	-	-	-	-	-	-	-	15
Arboretum & Tree Restoration and Replacement - Phase I	-	-	35	-	-	-	-	-	-	-	-	-	35
TOTAL PARKS	26	31	50	48	-	-	-	-	-	-	-	-	98
GPAC:													
Marley Floor	-	-	8	-	-	-	-	-	-	-	-	-	8
Theater Seat Replacement- Phase 1	-	-	65	-	-	-	-	-	-	-	-	-	65
Theater Seat Replacement- Phase 2	-	-	-	40	-	-	-	-	-	-	-	-	40
Bistro tables w/ chairs	-	-	10	-	-	-	-	-	-	-	-	-	10
Mezzanine Lobby Area furniture	-	-	-	11	-	-	-	-	-	-	-	-	11
Recover Orchestra Shell	-	-	-	19	-	-	-	-	-	-	-	-	19
Hand Rails (8)	15	14	-	-	-	-	-	-	-	-	-	-	-
Bar and Concessions renovations	15	16	-	-	-	-	-	-	-	-	-	-	-
TOTAL GPAC	30	30	83	70	-	-	-	-	-	-	-	-	153
PUBLIC SERVICES:													
Round rail fencing	42	42	-	50	-	-	-	-	-	-	-	-	50
Soccerplex/Lacrosse Drainage	-	-	100	-	-	-	-	-	-	-	-	-	100
Pour in Place Playground at Riverdale and Dogwood Park	-	-	68	-	-	-	-	-	-	-	-	-	68
Wolf River Greenway Repaving	-	-	-	75	-	-	-	-	-	-	-	-	75
Resurface Greenway Walking trail	80	80	-	-	-	-	-	-	-	-	-	-	-
Houston Levee Park pedestrian bridge	-	-	-	-	80	-	-	-	-	-	-	-	80
TOTAL PUBLIC SERVICES	122	122	168	125	80	-	-	-	-	-	-	-	373
POLICE:													
In-Car Video Systems - Police Vehicles	30	27	45	35	35	35	35	35	35	35	35	35	360
TOTAL POLICE	30	27	45	35	35	35	35	35	35	35	35	35	360
TOTAL OTHER ASSETS	353	313	446	278	115	35	35	35	35	35	35	35	1,084
TOTAL GENERAL FUND	1,600	1,714	2,365	1,514	1,397	1,053	1,207	481	549	595	670	680	10,511
SANITATION:													
AUTO & TRUCKS													
Knuckle Boom Truck	170	155	-	-	-	-	-	-	-	-	-	-	-
TOTAL SANITATION FUND	170	155	-	-	-	-	-	-	-	-	-	-	-
DRUG FUND:													
AUTO & TRUCKS:													
Ford Explorer	-	-	-	35	-	-	-	-	-	-	-	-	35
Ford Expedition EL	-	-	-	-	-	-	-	-	-	-	-	50	50
TOTAL AUTOS & TRUCKS	-	-	-	35	-	-	-	-	-	-	-	-	-
TOTAL DRUG FUND	-	-	-	35	-	-	-	-	-	-	-	-	-
RECREATION FUND:													
OTHER ASSETS:													
Baseball and Soccer/Lacrosse Park Bleachers Replacement (10)	-	-	10	-	-	-	-	-	-	-	-	-	10
Sports Lighting & Control Upgrades	200	200	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	200	200	10	-	-	-	-	-	-	-	-	-	10
FURNITURE:													
Office and Conference Room Furniture	-	-	12	-	-	-	-	-	-	-	-	-	12
TOTAL FURNITURE	-	-	12	-	-	-	-	-	-	-	-	-	12

INFRASTRUCTURE REPLACEMENT PROGRAM – 2019 to 2028

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY18	Estimate FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	10 YEAR TOTAL
OTHER IMPROVEMENTS:													
Tennis Court Resurfacing (14)	-	-	49	-	-	-	-	-	-	-	-	-	49
TOTAL OTHER IMPROVEMENTS	-	-	49	-	-	-	-	-	-	-	-	-	49
AUTO & TRUCKS													
Ford Transit Connect	-	-	35	-	-	-	-	-	-	-	-	-	35
TOTAL AUTOS & TRUCKS	-	-	35	-	-	-	-	-	-	-	-	-	35
TOTAL RECREATION FUND	200	200	106	-	-	-	-	-	-	-	-	-	57
STORMWATER FUND:													
OTHER ASSETS:													
CIPP	100	100	75	50	100	50	100	100	100	100	100	100	875
TOTAL OTHER ASSETS	100	100	75	50	100	50	100	100	100	100	100	100	875
AUTO & TRUCKS:													
Ford F-450 Truck	-	-	-	130	-	60	-	-	-	-	-	-	190
TOTAL AUTOS & TRUCKS	-	-	-	130	-	60	-	-	-	-	-	-	190
TOTAL STORMWATER FUND	100	100	75	180	100	110	100	100	100	100	100	100	1,065
GREAT HALL FUND:													
BUILDING IMPROVEMENTS:													
Great Hall Skylight Repairs	-	-	-	35	-	-	-	-	-	-	-	-	-
Carpet Replacement	-	-	59	-	-	-	-	-	-	-	-	-	-
Light Dimming Rack and 6 Wall mounted Control Panels	30	53	-	-	-	-	-	-	-	-	-	-	-
Carpet	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL BUILDING IMPROVEMENTS	30	53	59	35	-	-	-	-	-	-	-	-	94
TOTAL GREAT HALL FUND	30	53	59	35	-	-	-	-	-	-	-	-	-
LINES, WELLS AND STATION IMPROVEMENTS:													
SEWER:													
Sewer Lift Station Rewiring	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance of Sewer Collection System	300	250	265	300	300	300	300	300	300	300	300	300	2,965
Sewer Main Reconstruction	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEWER	300	250	265	300	300	300	300	300	300	300	300	300	2,965
WATER:													
Water Tower Maintenance	-	-	100	-	-	-	-	-	-	-	-	-	100
Water Mains Maintenance	100	55	100	100	100	100	100	100	100	100	100	100	1,000
Maintenance of Water WellField System	20	20	20	50	50	50	50	50	50	50	50	50	470
TOTAL WATER	120	75	220	150	150	150	150	150	150	150	150	150	1,470
TOTAL LINES, WELLS & STATION IMPROVEMENTS	420	325	485	450	450	450	450	450	450	450	450	450	4,435
MAINTENANCE EQUIPMENT:													
SEWER:													
Ingersoll Rand Compressor	35	27	-	-	-	-	-	-	-	-	-	-	-
Trailer Mounted GenSet	55	63	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEWER	90	90	-	-	-	-	-	-	-	-	-	-	-
WATER:													
Atlas Copco Compressor	35	27	-	-	-	-	-	-	-	-	-	-	-
Gradall Excavator 3100	-	-	-	-	-	250	-	-	-	-	-	-	250
Gradall XL4100	-	-	-	-	-	-	-	-	450	-	-	-	450
Cat 308E Trackhoe	-	-	-	-	-	-	-	-	-	-	140	-	140
TOTAL WATER	35	27	-	-	-	250	-	-	450	-	140	-	840
TOTAL MAINTENANCE EQUIPMENT	125	116	-	-	-	250	-	-	450	-	140	-	840
AUTOS AND TRUCKS:													
SEWER:													
International Sewer/Vacuum Truck	-	-	-	-	-	-	-	300	-	-	-	-	300
Ford F-750 Sewer Flush Truck	-	-	-	275	-	-	-	-	-	-	-	-	275
Ford F-350	125	110	-	-	-	-	-	-	-	-	-	-	-
Ford F-450 Service Truck w/crane & Chevy 3500 Truck	120	97	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEWER	245	207	-	275	-	-	-	300	-	-	-	-	575

INFRASTRUCTURE REPLACEMENT PROGRAM – 2019 to 2028

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget Estimate		FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	10 YEAR TOTAL
	FY18	FY18											
WATER:													
Ford F-350	-	-	70	-	-	-	-	-	-	-	-	-	70
Dodge Dakota	-	-	-	60	-	-	-	-	-	-	-	60	120
Ford F-150 Truck	-	-	-	70	30	-	30	35	35	-	-	-	200
International Dump Truck	-	-	-	-	-	-	-	-	120	-	-	-	120
Ford Transit Connect	-	-	-	28	-	-	-	-	-	30	-	-	58
Ford Ranger	-	-	-	30	30	-	-	-	-	-	-	-	60
TOTAL WATER	-	-	70	188	60	-	30	35	155	30	-	60	628
TOTAL AUTOS & TRUCKS	245	207	70	463	60	-	30	335	155	30	-	60	1,203
COMPUTER EQUIPMENT:													
WATER:													
SCADA System Replacement	100	80	-	-	-	-	-	-	-	-	-	-	-
TOTAL WATER	100	80	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMPUTER EQUIPMENT	100	80	-	-	-	-	-	-	-	-	-	-	-
TOTAL UTILITY FUND	890	729	555	913	510	700	480	785	605	930	450	650	6,478
GERMANTOWN ATHLETIC CLUB:													
OTHER ASSETS:													
GAC Skylight Repairs	-	-	-	100	-	-	-	-	-	-	-	-	100
GPAC and GAC Boilers	135	154	-	-	-	-	-	-	-	-	-	-	-
GAC & GPAC Cooling Tower Replacement	-	-	125	-	-	-	-	-	-	-	-	-	125
OTHER ASSETS	135	154	125	100	-	-	-	-	-	-	-	-	225
TOTAL G'TOWN ATHLETIC CLUB	135	154	125	100	-	-	-	-	-	-	-	-	225
PICKERING													
Cabinets	-	-	40	-	-	-	-	-	-	-	-	-	40
Controlled Access	-	-	23	-	-	-	-	-	-	-	-	-	23
BUILDING IMPROVEMENTS	-	-	63	-	-	-	-	-	-	-	-	-	-
TOTAL PICKERING	-	-	63	-	-	-	-	-	-	-	-	-	-
VEHICLE MAINTENANCE FUND:													
AUTOS AND TRUCKS:													
Ford Fusion	-	-	-	30	-	-	-	-	-	-	32	-	62
Dodge Charger	-	-	30	-	-	-	-	-	-	30	-	-	60
Dodge Avenger	-	-	-	-	-	-	32	-	-	-	-	-	32
Ford Explorer	-	-	-	-	40	-	-	-	-	-	-	42	82
TOTAL AUTOS & TRUCKS	-	-	30	30	40	32	-	-	-	30	32	42	236
Maintenance Equipment													
Fuel Transport Trailer	-	-	16	-	-	-	-	-	-	-	-	-	16
TOTAL OTHER ASSETS	-	-	16	-	-	-	-	-	-	-	-	-	16
TOTAL VEHICLE MAINT. FUND	-	-	46	30	40	32	-	-	30	32	42	252	
The Farm													
OTHER ASSETS:													
Tractor and Agricultural Implements	-	-	20	-	-	-	-	-	-	-	-	-	20
Farm Park Entrance Sign (Cross Country)	-	8	-	-	-	-	-	-	-	-	-	-	-
Farm Park Storage Shed	-	10	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	-	17	20	-	-	-	-	-	-	-	-	-	20
TOTAL FARM	-	17	20	-	-	-	-	-	-	-	-	-	20
Ambulance													
OTHER ASSETS:													
EMS Training Mannequin	23	23	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER ASSETS	23	23	-	-	-	-	-	-	-	-	-	-	-
AUTOS AND TRUCKS:													
Ambulance	216	216	-	-	-	-	-	-	-	-	-	-	-
TOTAL AUTOS AND TRUCKS	216	216	-	-	-	-	-	-	-	-	-	-	-
TOTAL AMBULANCE	239	238	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL - ALL FUNDS	3,364	3,205	3,414	2,807	2,007	1,903	1,819	1,366	1,254	1,655	1,252	1,472	18,608

DISCUSSION OF GENERAL FUND RESERVES

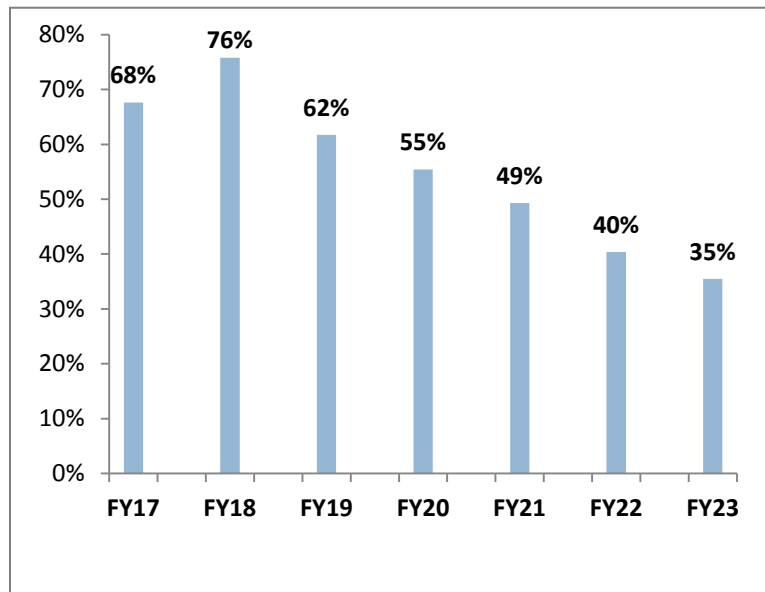
During the City's high growth period, excess revenues over expenditures were used for capital projects not funded by bond proceeds. In the past several years, General Fund reserves were used to fund a significant portion of the capital projects. Beginning in FY04, revenues from the Hall Income and Excise 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>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>
CIP \$	2,000,000	6,000,000	4,638,000	2,943,000	4,705,000	1,915,000

ANALYSIS OF FUND BALANCE

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

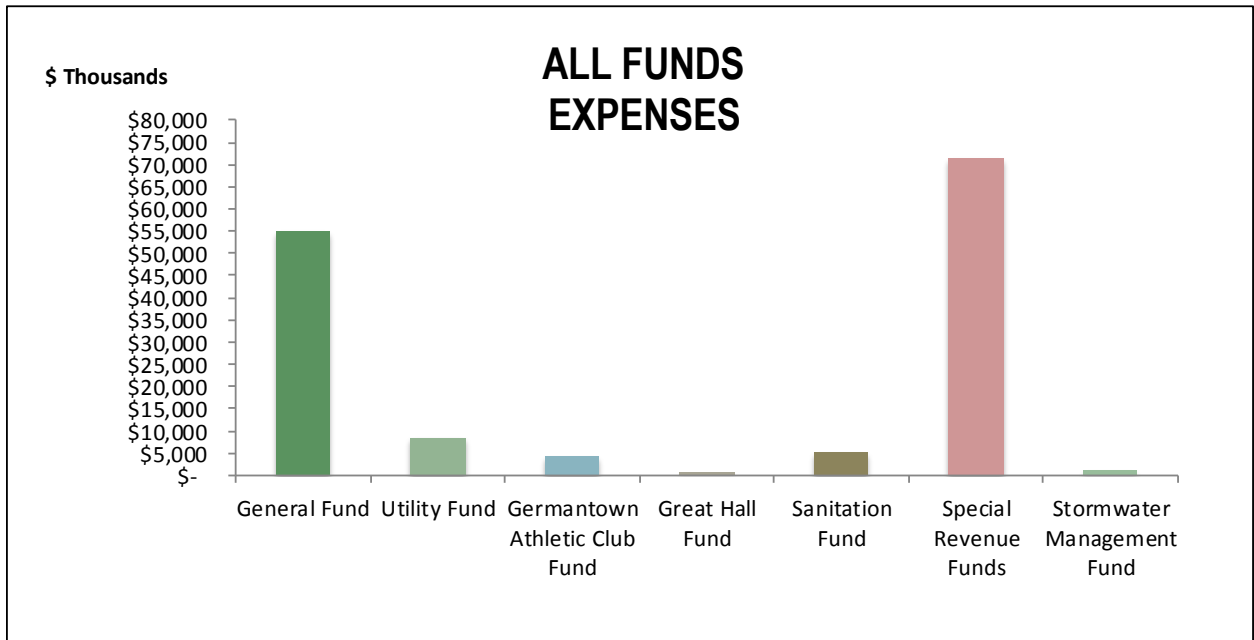
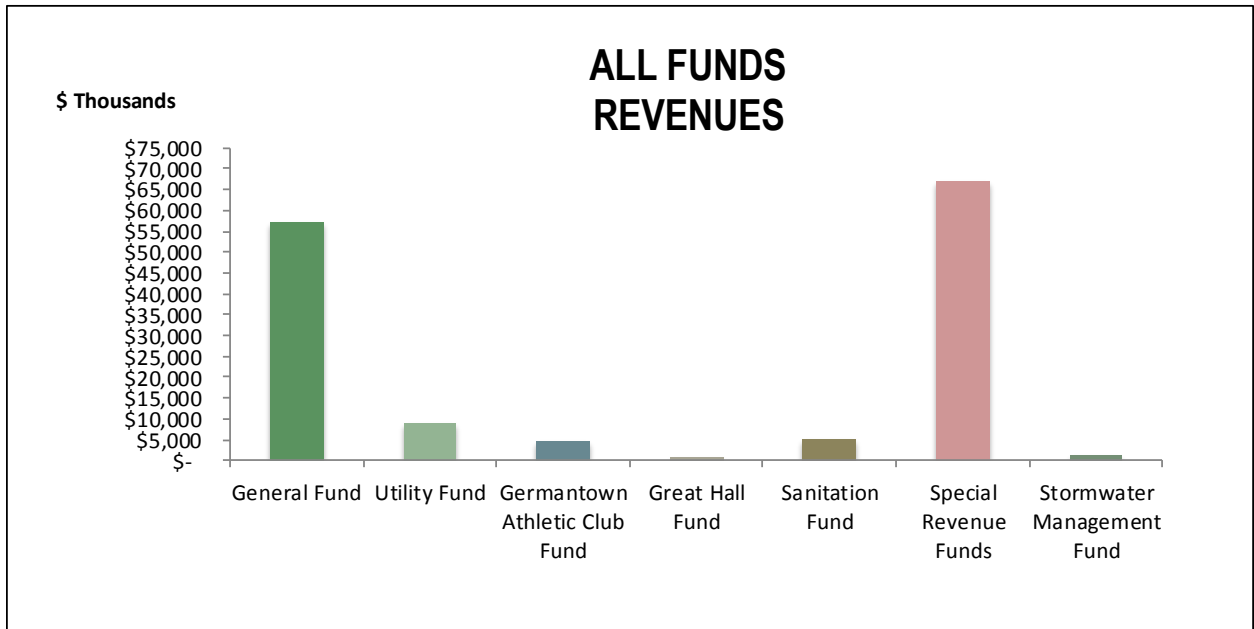
FUND BALANCE % TOTAL EXPENDITURES



	Actual FY17	Estimated FY18	Budget FY19	Projected			
				FY20	FY21	FY22	FY23
Nonspendable	\$ 1,153,721	1,189,204	1,065,204	939,204	814,204	689,204	564,204
Restricted:							
Committed Emergencies & Catastrophe	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Committed Capital Asset Repl. Infrastru	1,600,000	3,413,500	2,806,500	2,007,000	1,903,000	1,819,000	1,366,000
Committed Tax Anticipation	10,956,206	10,951,789	11,030,253	11,162,203	11,342,950	11,582,279	11,813,924
Committed General Debt	4,881,097	4,418,520	4,794,301	5,471,591	5,520,100	5,551,722	2,619,285
Committed Contingencies	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Assigned	2,096,450	275,891	2,825,596	2,890,794	2,882,624	2,243,814	2,866,624
Unassigned	10,963,638	16,707,547	10,305,006	7,278,176	4,641,146	455,309	791,990
Total Fund Balance	32,601,112	37,906,451	33,776,859	30,698,968	28,054,024	23,291,328	20,972,027
Operating Expenditures	\$ 48,204,034	50,003,608	54,720,709	55,360,047	56,913,913	57,695,171	59,119,561
Fund Balance as % of Expenditures	68%	76%	62%	55%	49%	40%	35%

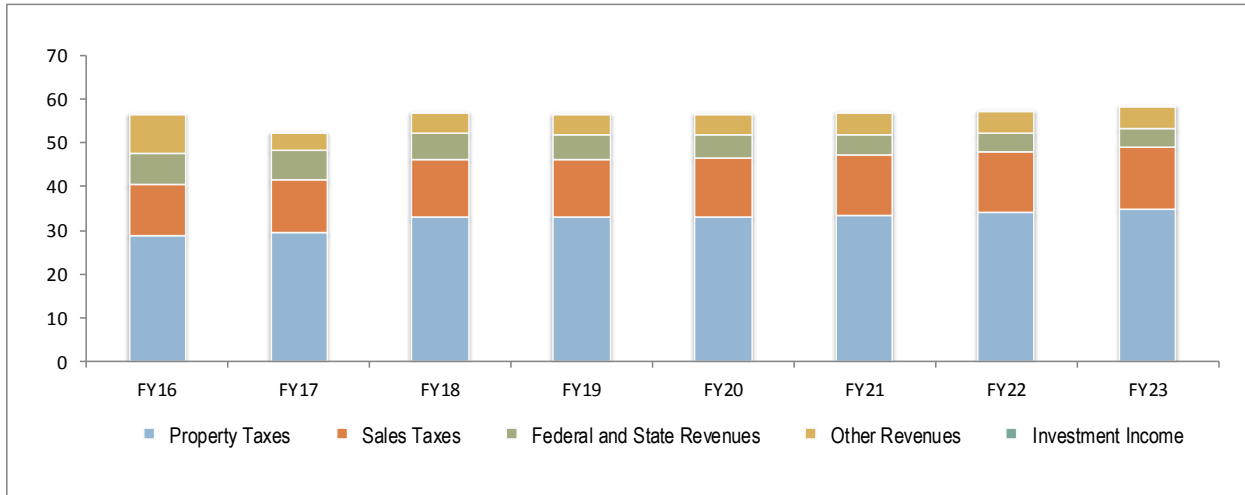
The two charts below illustrate revenues and expenses for all major funds. The section following these charts consist of budget projection summaries of revenues and expenditures by major categories, along with fund balances as of June 30, for the fiscal years 2016-2023. The graphs illustrate 8 years 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 FY18 and FY19.



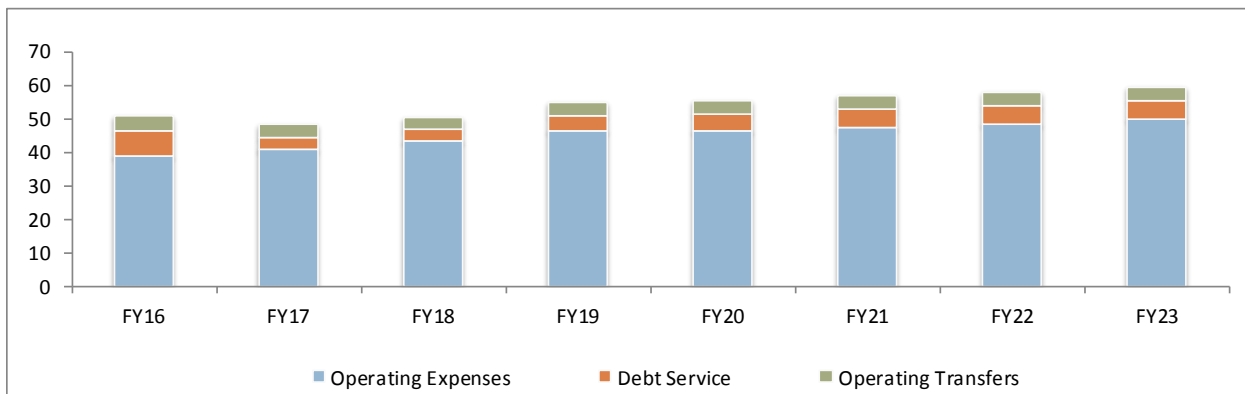
GENERAL FUND REVENUES

\$ Millions



GENERAL FUND EXPENDITURES

\$ Millions



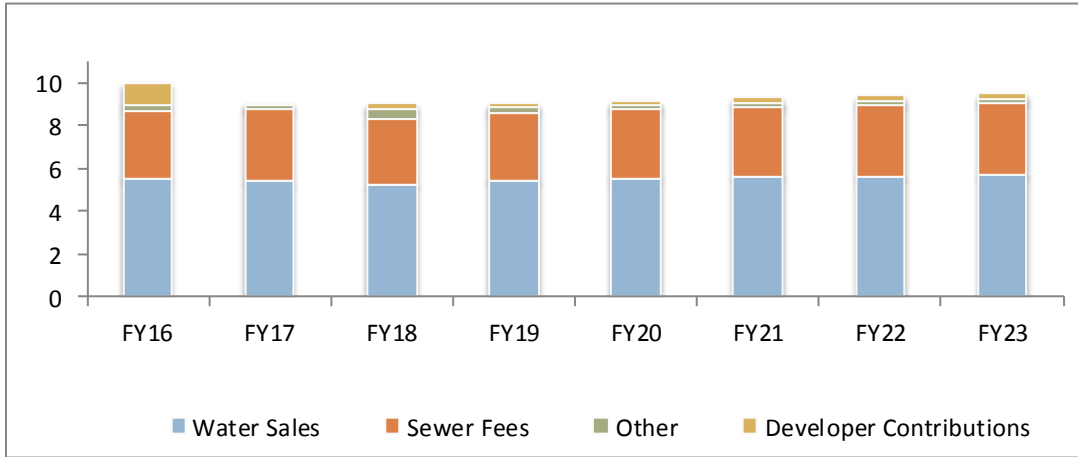
GENERAL FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY16	Actual FY17	Budget FY18	Estimate FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
GENERAL REVENUES:									
Auto Registration	\$ 870	886	1,215	1,106	1,150	1,173	1,196	1,220	1,245
Court Fines	1,429	990	1,114	1,170	1,191	1,204	1,216	1,242	1,269
Franchise Fees	820	781	850	766	850	850	876	902	929
Grants	213	271	200	100	200	200	200	200	200
Interest	121	203	120	560	200	200	202	206	210
Licenses	224	269	238	234	246	246	249	255	261
Other Income	5,650	1,388	1,421	1,269	1,057	1,095	1,328	1,338	1,344
Property Taxes	28,868	29,415	33,068	33,165	32,855	33,091	33,487	34,029	34,747
Sales Taxes	11,422	12,007	11,725	12,939	13,265	13,704	13,906	14,186	14,394
State Taxes	6,904	6,526	5,786	5,900	5,477	5,057	4,553	4,059	4,117
Transfers In	-	-	-	100	100	100	-	-	-
Funds From Prior Periods	-	-	450	450	450	450	450	450	450
REVENUE TOTAL	56,520	52,737	56,187	57,759	57,041	57,370	57,662	58,087	59,165
EXPENDITURE BY CATEGORY:									
Personnel	26,813	28,107	30,490	30,195	32,115	33,043	34,002	34,987	36,061
Communication	344	321	395	375	384	385	388	392	395
Prof. Fees	2,764	2,726	2,573	2,540	2,635	2,674	2,648	2,704	2,751
Other Maint.	1,928	2,157	2,558	2,563	2,618	2,648	2,680	2,726	2,762
Supplies	1,360	1,371	1,691	1,651	1,698	1,644	1,675	1,709	1,744
Insurance	79	71	97	87	100	100	100	100	100
Rent	73	71	91	92	93	91	91	92	92
Allocations	1,447	1,404	1,548	1,455	1,519	1,551	1,601	1,656	1,710
Capital Outlay	1,134	1,744	1,600	1,715	2,365	1,469	1,397	1,053	1,207
Contingency	-	-	50	50	50	50	50	50	50
Grants	1,630	1,651	1,533	1,489	1,704	1,721	1,744	1,769	1,794
Debt Service	7,724	3,852	4,881	3,440	4,419	4,794	5,472	5,520	5,552
Operating Transfers	5,182	4,716	4,130	4,405	4,967	5,142	5,022	4,899	4,867
Expense Reimburs.	(535)	(979)	(1,047)	(1,047)	(1,013)	(1,036)	(1,061)	(1,087)	(1,114)
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	942	993	1,068	993	1,067	1,084	1,105	1,126	1,148
EXPENDITURE TOTAL	50,885	48,204	51,658	50,004	54,721	55,360	56,914	57,695	59,120
Excess (Deficit)	5,635	4,531	4,528	7,755	2,320	2,010	748	392	46
FUND BALANCE									
Beginning	28,250	31,858	29,061	32,150	37,455	33,326	30,248	27,604	22,841
Transf. to CIP	(2,028)	(3,789)	(2,000)	(2,000)	(1,620)	(1,000)	(500)	-	-
CIP Res Inc (Dec)	-	-	-	-	(4,380)	(3,638)	(2,443)	(4,705)	(1,915)
Ending	\$ 31,858	32,600	31,589	37,905	33,776	30,698	28,053	23,291	20,972

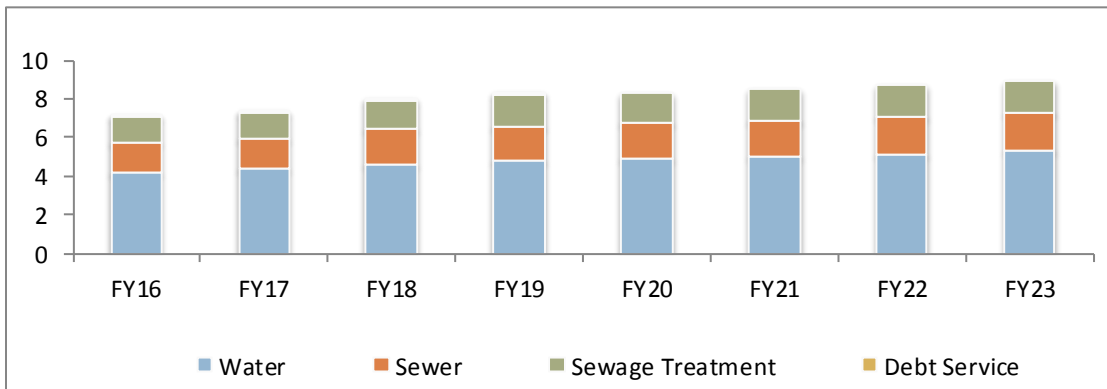
UTILITY REVENUES

\$ Millions



UTILITY EXPENSES

\$ Millions



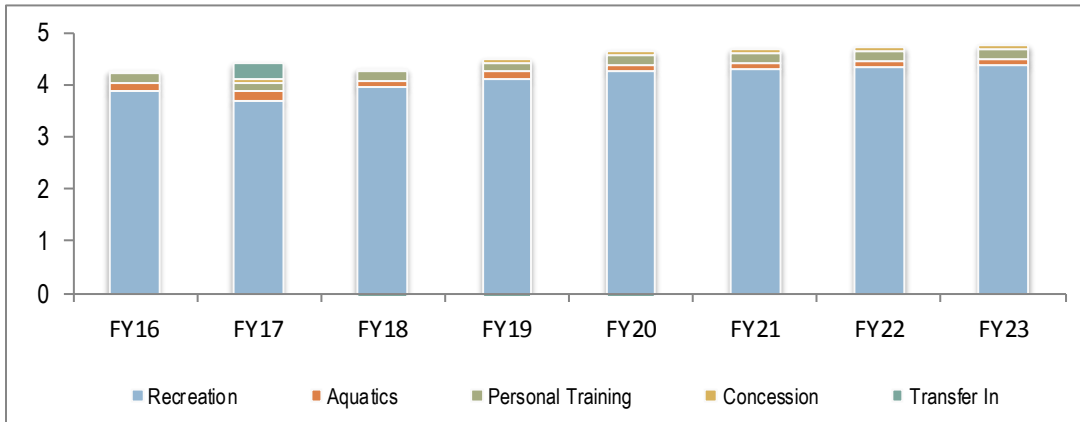
UTILITY FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY16	Actual FY17	Budget FY18	Estimate FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
Allocations	\$ -	-	-	-	-	-	-	-	-
Installation Charges	154	170	172	260	167	170	172	173	174
Interest	16	39	15	129	67	20	21	22	23
Contrib. Developers	1,086	41	650	229	175	193	231	238	242
Other Income	69	48	40	49	40	41	42	42	43
Sewer Fees	3,180	3,280	3,190	3,123	3,200	3,232	3,264	3,297	3,330
Water Sales	5,514	5,469	5,500	5,235	5,427	5,536	5,593	5,649	5,706
TOTAL REVENUES	10,019	9,046	9,567	9,024	9,076	9,192	9,323	9,422	9,519
EXPENSES BY CATEGORY:									
Allocations	672	1,133	1,230	1,225	1,200	1,216	1,253	1,292	1,331
Communication	71	76	84	84	84	86	88	90	92
Debt Service	110	69	45	45	12	-	-	-	-
Depreciation	1,712	1,751	1,764	1,764	1,786	1,826	1,841	1,861	1,870
Other Maintenance	89	69	90	105	105	108	110	113	116
Personnel	1,682	1,444	1,627	1,612	1,727	1,780	1,842	1,907	1,975
Professional Fees	103	90	127	135	135	135	135	136	136
Rents	-	-	-	-	-	-	-	-	-
Insurance	20	2	10	10	11	11	12	12	13
Mains Maintenance	125	142	152	152	155	159	163	168	172
Contract Services	1,315	1,380	1,540	1,483	1,572	1,608	1,644	1,680	1,716
Supplies	148	147	228	208	218	224	230	236	243
Utilities	612	610	675	625	646	669	682	696	710
PILOT	467	474	474	495	508	525	543	562	582
TOTAL EXPENSES	7,126	7,387	8,046	7,942	8,160	8,347	8,545	8,754	8,956
NET INCOME (LOSS)	2,893	1,660	1,521	1,083	916	844	778	667	562
TOTAL NET POSITION									
Effect of change in accounting principle	-	-	-	(124)	-	-	-	-	-
Beginning	45,382	48,274	50,042	49,934	50,892	51,808	52,652	53,431	54,098
Ending	\$ 48,274	49,934	51,563	50,892	51,808	52,652	53,431	54,098	54,660
Capital Outlay	\$ 1,301	236	1,993	1,800	4,113	4,539	710	700	480

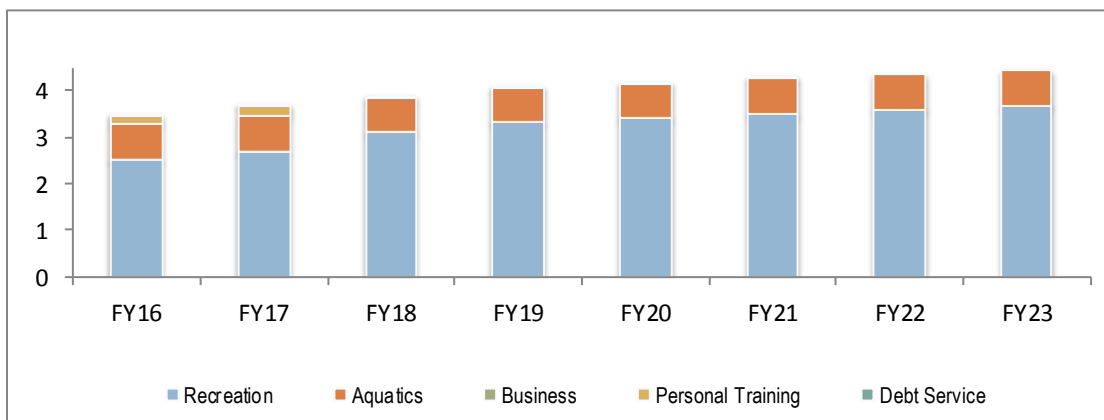
GERMANTOWN ATHLETIC CLUB REVENUES

\$ Millions



GERMANTOWN ATHLETIC CLUB EXPENSES

\$ Millions



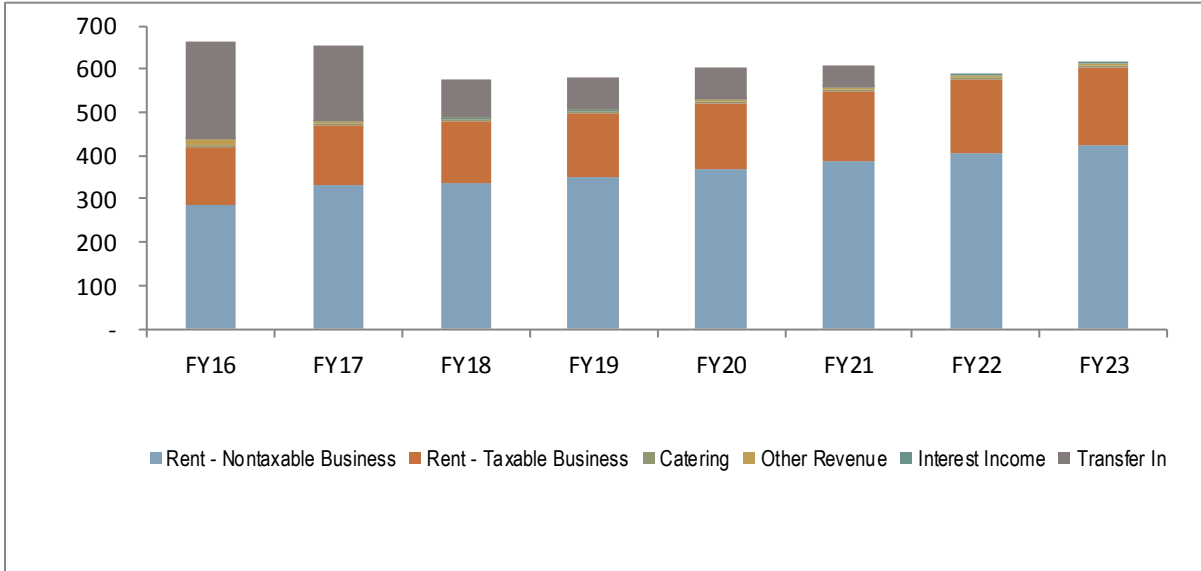
GERMANTOWN ATHLETIC CLUB FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Centre Revenue	\$ 3,877	3,671	4,000	3,948	4,129	4,244	4,286	4,329	4,371
Aquatics Revenue	169	205	215	134	118	122	123	124	126
Personal Training	160	175	258	185	185	191	193	194	196
Concession Revenue	63	59	62	15	70	72	73	74	74
Transfer In	-	300	-	-	-	-	-	-	-
TOTAL REVENUE	4,269	4,410	4,536	4,282	4,502	4,629	4,675	4,721	4,768
EXPENSES BY CATEGORY:									
Allocations	95	89	103	98	102	104	106	108	111
Communication	4	0	8	7	9	9	9	9	9
Debt Service	19	16	12	12	8	5	2	-	-
Other Maint.	108	117	170	195	184	188	191	196	200
Personnel	1,650	1,758	1,812	1,698	1,791	1,839	1,900	1,965	2,033
Professional Fees	413	436	510	450	483	493	502	512	522
Rents	147	162	241	239	240	245	250	255	261
Supplies	189	163	192	185	238	233	237	242	247
Depreciation	527	559	612	618	625	667	684	684	684
Utilities	340	370	381	361	371	376	384	391	399
Transfer Out	-	-	100	100	100	100	-	-	-
TOTAL EXPENSES	3,493	3,670	4,140	3,963	4,152	4,258	4,265	4,363	4,466
EXCESS (DEFICIT)	776	740	395	319	351	371	410	358	302
TOTAL NET POSITION									
Effect of change in accounting principle	-	-	-	(69)	-	-	-	-	-
Beginning	15,154	15,930	16,787	16,670	16,920	17,271	17,642	18,051	18,409
Ending	<u>\$ 15,930</u>	<u>16,670</u>	<u>17,182</u>	<u>16,920</u>	<u>17,271</u>	<u>17,642</u>	<u>18,051</u>	<u>18,409</u>	<u>18,711</u>
Capital Outlay	\$ 1,523	2,504	1,135	1,344	1,100	1,100	1,100	-	-

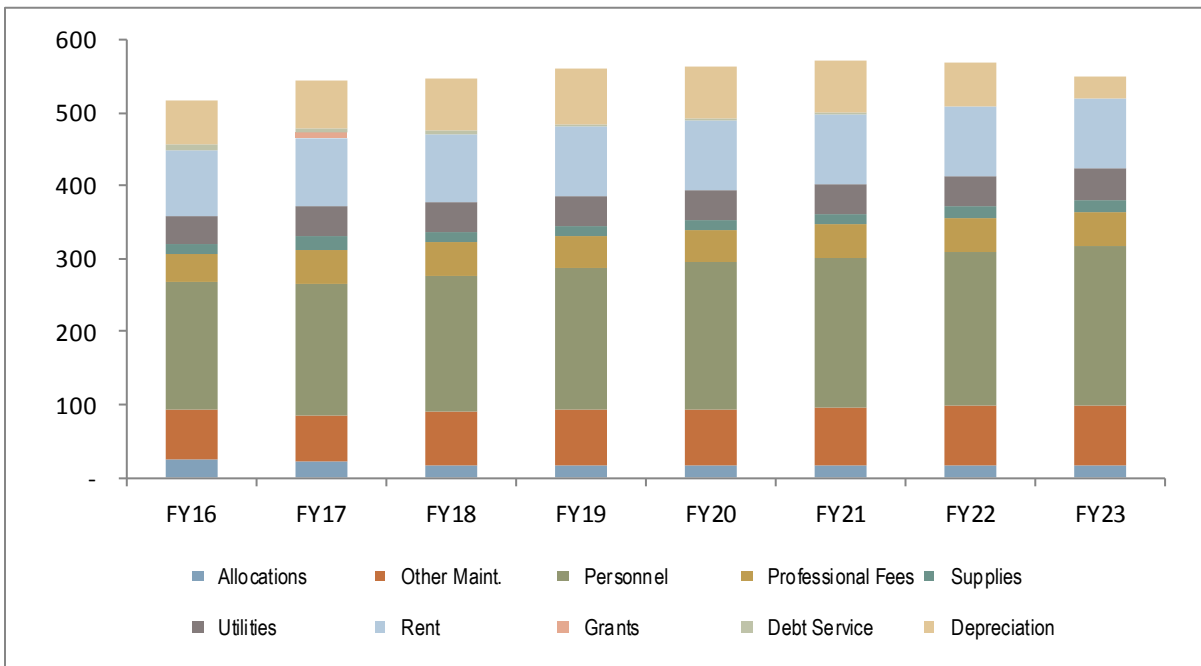
GREAT HALL REVENUES

\$ Thousands



GREAT HALL EXPENSES

\$ Thousands



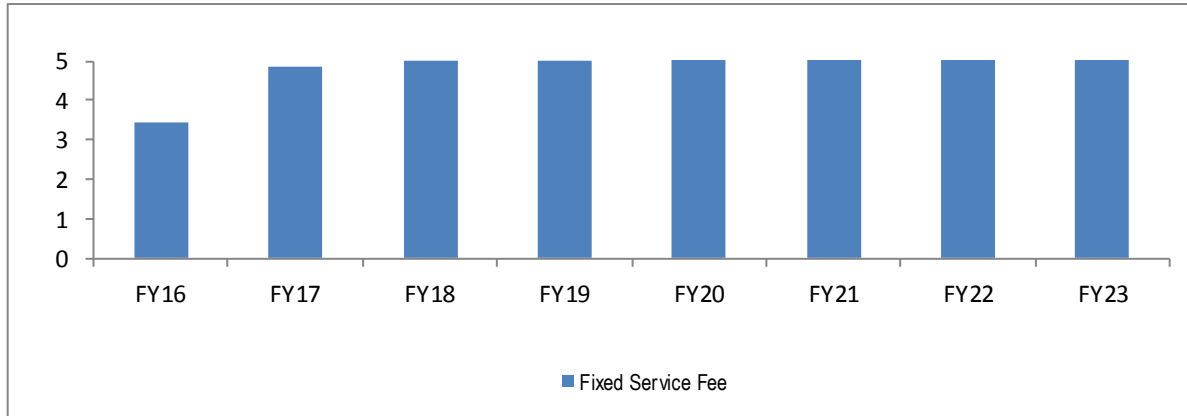
GREAT HALL

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Business Revenue	\$ 437	479	483	490	507	530	556	584	613
Transfer In	225	175	85	85	75	75	50	-	-
TOTAL REVENUES	662	654	568	575	582	605	606	584	613
EXPENSES BY CATEGORY:									
Allocations	23	22	16	16	16	17	17	17	18
Communication	1	0	1	1	1	1	1	1	1
Debt Service	7	6	5	5	3	2	1	-	-
Other Maint	69	64	75	75	75	77	78	80	82
Personnel	176	180	192	186	196	201	206	212	218
Professional Fees	37	47	43	45	43	44	45	46	47
Rents	90	93	94	94	95	95	96	96	96
Insurance	-	-	-	-	-	-	-	-	-
Supplies	15	18	15	15	15	15	15	16	16
Depreciation	60	64	72	72	77	73	72	61	29
Grants	-	8	-	-	-	-	-	-	-
Utilities	39	42	39	39	39	40	41	42	43
TOTAL EXPENSES	516	544	552	548	561	565	571	570	549
EXCESS (DEFICIT)	146	111	15	27	21	40	35	14	64
TOTAL NET POSITION									
Effect of change in accounting principle	-	-	-	(10)	-	-	-	-	-
Beginning	504	650	733	760	778	799	839	874	888
Ending	\$ 650	760	749	778	799	839	874	888	952
Capital Outlay	\$ 106	42	30	53	59	35	-	-	-

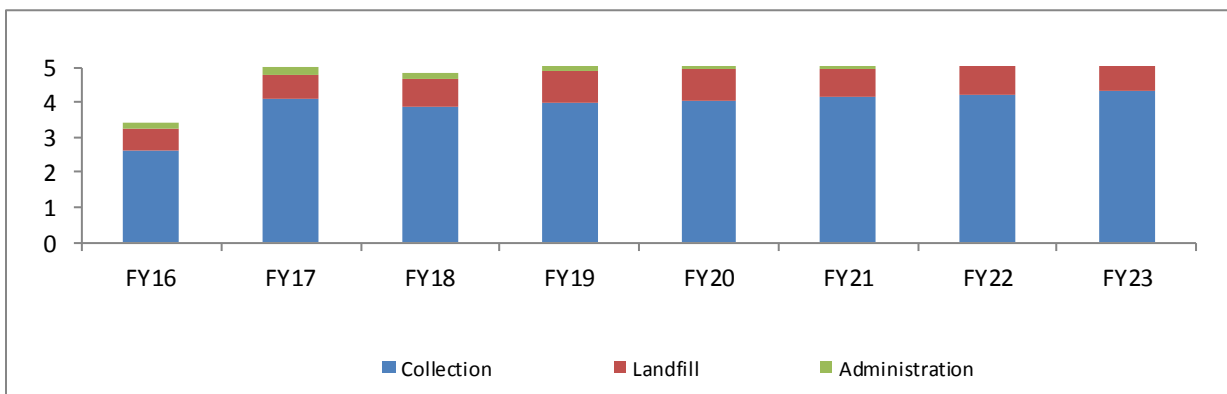
SANITATION REVENUES

\$ MILLIONS



SANITATION EXPENSES

\$ MILLIONS



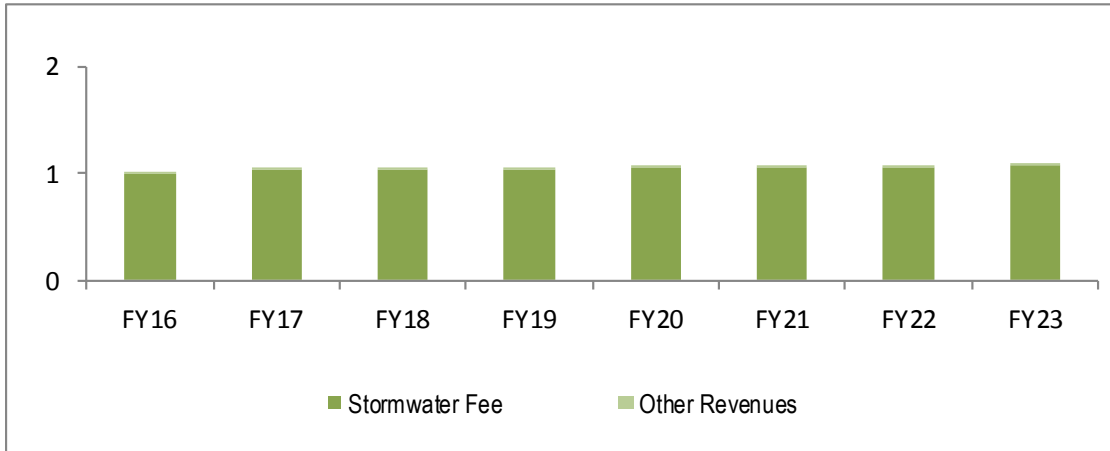
SANITATION FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Fixed Service Fee	\$ 3,378	4,782	4,942	4,923	4,947	4,968	4,989	5,010	5,054
Other Revenues	51	62	60	74	59	59	59	60	60
TOTAL REVENUES	3,429	4,844	5,003	4,997	5,005	5,027	5,048	5,070	5,114
EXPENSES BY CATEGORY:									
Communication	6	5	26	25	26	16	16	18	18
Personnel	133	158	110	107	113	116	119	124	127
Prof. Fees	10	-	-	-	25	-	25	-	-
Supplies	35	34	38	38	40	40	40	40	50
Depreciation	-	-	9	8	15	15	15	15	15
Contract Services	3,215	4,791	4,609	4,679	4,863	4,915	4,957	5,038	5,133
Rent	28	-	-	-	-	-	-	-	-
TOTAL EXPENSES	3,427	4,988	4,792	4,857	5,082	5,102	5,172	5,235	5,343
EXCESS (DEFICIT)	2	(144)	211	140	(77)	(75)	(123)	(165)	(229)
TOTAL NET POSITION									
Effect of change in accounting principle	-	-	-	(4)	-	-	-	-	-
Beginning	930	932	822	788	924	847	773	649	485
Ending	\$ 932	788	1,033	924	847	773	649	485	256
Capital Outlay	\$ -	-	170	155	-	-	-	-	-

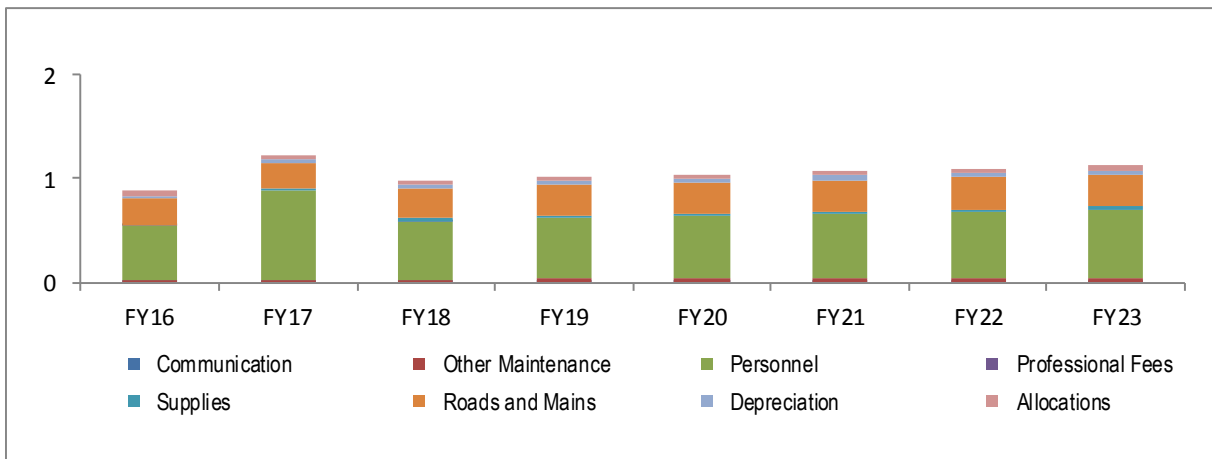
STORMWATER MANAGEMENT REVENUES

\$ MILLIONS



STORMWATER MANAGEMENT EXPENSES

\$ MILLIONS



STORMWATER MANAGEMENT FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Stormwater Management Fee	\$ 994	1,030	1,040	1,030	1,039	1,044	1,054	1,060	1,070
Other Revenues	12	10	11	17	12	14	17	20	23
TOTAL REVENUES	1,006	1,040	1,051	1,047	1,051	1,058	1,071	1,080	1,093
EXPENSES BY CATEGORY:									
Communication	2	1	3	2	2	2	2	2	2
Other Maintenance	25	25	30	25	40	32	33	34	35
Personnel	515	865	575	562	588	606	627	648	670
Prof. Fees	1	-	5	1	-	-	-	-	-
Supplies	10	12	29	24	19	20	20	21	22
Roads and Mains	249	247	285	291	293	293	308	308	308
Utilities	-	-	-	-	1	1	1	1	1
Depreciation	33	36	39	39	42	43	43	43	44
Allocations	43	33	39	41	42	43	45	46	48
TOTAL EXPENSES	878	1,220	1,004	985	1,027	1,040	1,079	1,103	1,126
EXCESS (DEFICIT)	128	(180)	47	62	24	18	(8)	(23)	(33)
TOTAL NET POSITION:									
Effect of change in accounting principle	-	-	-	(32)	-	-	-	-	-
Beginning	625	753	833	573	604	627	645	637	614
Ending	\$ 753	573	880	604	627	645	637	614	581
Capital Outlay	\$ 90	50	100	100	75	180	100	110	100

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

STATE STREET AID

	Actual FY16	Actual FY17	Budget FY18	Estimated FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
State Street Aid	\$ 1,103	1,111	1,123	1,298	1,300	1,326	1,353	1,380	1,407
Other Revenue	-	-	-	-	-	-	-	-	-
Interest	1	5	1	4	3	1	1	2	2
Transfer In-Gen. Fund	1,850	1,650	1,100	1,100	1,500	1,700	1,600	1,500	1,400
TOTAL REVENUES	2,954	2,766	2,225	2,402	2,803	3,027	2,954	2,881	2,809
EXPENSES BY CATEGORY:									
Other Maintenance	37	213	200	289	200	200	200	200	200
Electricity & Gas	861	907	920	900	920	948	967	986	1,006
Str. Contract Maint.	809	1,602	1,000	1,088	2,000	1,800	1,400	1,300	1,300
City Str. Maint.	336	280	350	331	350	375	375	375	375
TOTAL EXPENSES	2,043	3,002	2,470	2,609	3,470	3,323	2,942	2,861	2,881
EXCESS (DEFICIT)	912	(237)	(245)	(206)	(668)	(295)	11	20	(72)
FUND BALANCE:									
Beginning of Year	595	1,506	1,061	1,270	1,063	396	100	113	133
Ending	1,506	1,270	816	1,063	396	100	113	133	61

(\$000)

AUTOMATED ENFORCEMENT

	Actual FY16	Actual FY17	Budget FY18	Estimated FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
Red Lights	\$ 4	-	-	-	-	-	-	-	-
Transfer In-Gen. Fund	75	-	-	-	-	-	-	-	-
TOTAL REVENUES	79	-	-	-	-	-	-	-	-
EXPENSES BY CATEGORY:									
Personnel	75	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-	-	-
Other - Grants	10	-	-	-	-	-	-	-	-
Transfer Out- Gen. Fund	-	49	-	-	-	-	-	-	-
TOTAL EXPENSES	85	49	-	-	-	-	-	-	-
EXCESS (DEFICIT)	(6)	(49)	-	-	-	-	-	-	-
FUND BALANCE:									
Beginning of Year	55	49	-	-	-	-	-	-	-
Ending	49	(0)	-	-	-	-	-	-	-

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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DRUG ASSET FORFEITURE FUND

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Drug Enforcement	\$ 143	116	300	300	300	300	300	300	300
Interest	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	143	116	300	300	300	300	300	300	300
EXPENSES BY CATEGORY:									
Personnel	86	64	111	111	111	111	111	111	111
Communications	0	1	1	1	1	1	1	1	1
Professional Fees	-	-	-	-	-	-	-	-	-
Other Maintenance	-	1	5	5	5	5	5	5	5
Supplies	76	81	138	138	138	138	138	138	138
Utilities	5	5	6	4	6	6	6	6	6
Rents	-	-	1	1	1	1	1	1	1
Capital Outlay	33	54	-	-	-	-	-	-	-
TOTAL EXPENSES	200	204	262	259	262	262	262	262	262
EXCESS (DEFICIT)	(57)	(89)	38	41	38	38	38	38	38
FUND BALANCE:									
Beginning	284	227	266	138	179	217	255	294	332
Ending	227	138	304	179	217	255	294	332	369

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PICKERING COMPLEX FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Classes	\$ 32	37	52	45	45	45	45	46	46
Special Events	4	4	5	5	5	5	5	5	5
Rental	39	40	43	50	50	50	50	52	52
Transfer In-Gen. Fund	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	75	81	100	100	100	100	100	102	102
EXPENSES BY CATEGORY:									
Allocations	3	2	3	3	3	3	3	3	3
Utilities	9	10	10	10	12	12	12	13	13
Capital Outlay	-	-	-	-	63	45	30	30	30
Professional Fees	28	33	47	49	49	49	49	49	49
Supplies	3	5	8	8	2	2	2	2	2
TOTAL EXPENSES	43	51	68	70	128	111	96	97	97
EXCESS (DEFICIT)	32	31	31	30	(29)	(12)	4	6	5
FUND BALANCE:									
Beginning	213	246	246	277	306	277	265	268	274
Ending	246	277	277	306	277	265	268	274	279

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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RECREATION FUND

	Actual FY16	Actual FY17	Budget FY18	Estimate FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
Basketball Fees	\$ 62	61	64	67	69	69	70	71	71
Softball Fees	34	23	36	23	32	32	33	33	33
Kickball Fees	3	1	4	2	3	3	3	3	3
Sports Camps	0	8	14	15	27	27	28	28	28
Tennis Classes	7	8	7	8	8	8	8	8	8
Basketball Sponsors	-	-	1	-	1	1	1	1	1
Croquet	1	1	1	1	1	1	1	1	1
Community Education	408	528	545	514	532	537	542	548	553
Intramurals	-	1	6	1	3	3	3	3	3
Other Revenue	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	515	630	677	630	675	682	689	696	703
EXPENSES BY CATEGORY:									
Personnel	190	231	409	319	428	432	447	462	478
Allocations	15	13	18	14	15	15	15	16	17
Professional Fees	134	137	186	131	152	152	153	154	154
Supplies	68	88	96	85	100	100	102	104	105
Rents	-	-	-	-	-	-	-	-	-
Capital Outlay	32	-	200	200	106	-	-	-	-
TOTAL EXPENSES	439	469	909	749	800	700	717	736	755
EXCESS (DEFICIT)	76	161	(232)	(119)	(125)	(18)	(28)	(41)	(52)
FUND BALANCE:									
Beginning	315	391	431	551	432	307	289	261	220
Ending	<u>391</u>	<u>551</u>	<u>199</u>	<u>432</u>	<u>307</u>	<u>289</u>	<u>261</u>	<u>220</u>	<u>168</u>

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FEDERAL ASSET FORFEITURE FUND

	Actual FY16	Actual FY17	Budget FY18	Estimated FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
Forfeiture Revenue	\$ 27	33	50	50	50	50	50	50	50
TOTAL REVENUES	27	33	50	50	50	50	50	50	50
EXPENSES BY CATEGORY:									
Personnel	8	19	20	20	20	20	20	20	20
Supplies	17	8	30	30	30	30	30	30	30
TOTAL EXPENSES	25	27	50	50	50	50	50	50	50
EXCESS (DEFICIT)	2	6	-	-	-	-	-	-	-
FUND BALANCE:									
Beginning	28	30	30	36	36	36	36	36	36
Ending	<u>30</u>	<u>36</u>	<u>30</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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Ambulance Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Transport Fee	983	1,033	1,350	1,215	1,280	1,344	1,411	1,482	1,556
Non Transport Fee	10	10	-	3	-	-	-	-	-
Other Revenue	0	0	-	0	-	-	-	-	-
Interest	0	2	-	3	-	-	-	-	-
General Fund Transfer	750	600	450	625	775	700	675	650	675
TOTAL REVENUES	1,744	1,644	1,800	1,845	2,055	2,044	2,086	2,132	2,231
EXPENSES BY CATEGORY:									
Personnel	1,399	1,528	1,611	1,677	1,761	1,773	1,833	1,894	1,956
Communications	1	4	4	4	4	4	4	4	5
Professional Fees	65	67	65	65	68	68	71	73	75
Other Maintenance	6	7	8	8	12	11	11	12	12
Insurance	7	4	10	4	10	10	10	10	10
Supplies	73	95	104	104	116	112	114	117	119
Utilities	2	2	3	2	3	3	3	3	3
Rents	-	-	-	-	-	-	-	-	-
Allocations	38	37	36	40	42	43	45	46	48
Capital Outlay	-	-	239	238	-	-	-	-	-
TOTAL EXPENSES	1,591	1,743	2,080	2,143	2,016	2,025	2,091	2,158	2,228
EXCESS (DEFICIT)	153	(99)	(280)	(297)	39	18	(4)	(27)	3
FUND BALANCE:									
Beginning	369	523	376	424	126	165	183	179	154
Ending	523	424	96	126	165	183	179	154	157

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Germantown Municipal School District Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
BEP	24,221	25,402	26,188	27,075	27,933	28,492	29,061	29,643	30,236
ADA	16,277	17,624	17,407	17,445	17,445	17,794	18,150	18,513	18,883
Federal Grants	1,847	1,760	1,858	3,650	3,560	3,631	3,704	1,778	1,814
Other Revenues	1,021	986	752	842	830	847	864	881	898
Charges for Services	678	833	895	970	955	974	994	1,013	1,034
County Commission	2,234	986	955	940	978	998	1,018	1,038	1,059
Liquor Tax	92	128	96	115	115	117	120	122	124
Sales Tax	6,310	6,418	6,200	6,450	6,306	6,512	6,642	6,775	6,911
General Fund Transfer	2,132	2,189	2,475	2,475	2,497	2,547	2,597	2,649	2,702
	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	54,812	56,326	56,826	59,962	60,619	61,912	63,150	62,412	63,661
EXPENSES BY CATEGORY:									
Personnel	36,688	37,717	40,884	40,846	43,200	44,064	44,945	45,844	46,761
Communications	287	298	361	240	361	368	376	383	391
Professional Fees	3,817	4,895	4,853	5,364	5,378	5,486	5,595	5,707	5,821
Other Maintenance	711	674	952	1,032	917	935	954	973	993
Insurance	231	236	275	255	290	296	302	308	314
Supplies	2,648	2,493	2,777	2,743	3,190	3,254	3,319	2,385	2,433
Utilities	781	888	915	906	935	954	973	992	1,012
Rents	133	152	152	155	165	168	172	175	179
Allocations	253	117	115	-	102	104	106	108	110
Capital Outlay	3,739	3,762	4,576	9,059	9,391	5,391	5,499	4,609	4,701
Contract Maintenance	633	595	680	680	690	704	718	732	747
TOTAL EXPENSES	49,921	51,827	56,540	61,280	64,619	61,724	62,958	62,217	63,461
EXCESS (DEFICIT)	4,891	4,499	286	(1,318)	(4,000)	188	192	195	199
FUND BALANCE:									
Beginning	5,291	10,182	11,244	14,681	13,364	9,363	9,552	9,744	9,938
Ending	10,182	14,681	11,530	13,364	9,363	9,552	9,744	9,938	10,137

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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Farm Fund

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Membership Fee	\$ 4	3	4	4	4	4	4	4	4
Donations	19	17	18	16	18	18	18	19	19
Vendor Income	3	4	5	3	4	4	4	4	4
Educational Fees	1	0	1	1	1	1	1	1	2
Grant	1	1	1	1	1	-	-	-	-
Rental Income	4	-	32	13	13	14	16	17	19
General Fund Transfer	150	150	120	120	120	120	100	100	90
TOTAL REVENUES	182	176	181	158	160	161	143	145	137
EXPENSES BY CATEGORY:									
Personnel	60	55	71	63	83	86	88	91	94
Communications	1	2	4	3	3	3	3	3	3
Professional Fees	26	26	27	26	22	22	22	23	23
Other Maintenance	8	9	13	12	12	12	13	14	14
Insurance	0	5	3	3	3	3	3	3	3
Supplies	16	16	18	18	13	13	13	14	14
Utilities	8	6	13	10	10	11	11	11	11
Rents	3	1	11	15	8	8	8	8	8
Allocations	-	1	1	1	1	1	1	1	1
Capital Outlay	29	-	-	17	20	-	-	-	-
TOTAL EXPENSES	151	121	161	167	175	159	164	167	171
EXCESS (DEFICIT)	31	55	20	(10)	(15)	1	(21)	(21)	(34)
FUND BALANCE:									
Beginning	47	79	118	133	123	108	110	90	67
Ending	79	133	138	123	108	110	90	67	34

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E-CITATIONS FUND

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
E-Fee \$4	\$ -	-	-	-	25	25	25	25	25
E-Fee \$1	-	-	-	-	6	6	6	6	6
Technology Fee Revenue	-	-	-	-	5	5	5	5	5
TOTAL REVENUES	-	-	-	-	37	37	37	37	37
EXPENSES BY CATEGORY:									
Other Maintenance	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	-	-	-	-	-	-	-	-	-
EXCESS (DEFICIT)	-	-	-	-	37	37	37	37	37
FUND BALANCE:									
Beginning	-	-	-	-	-	37	74	111	148
Ending	-	-	-	-	37	74	111	148	185

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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LIBRARY ENDOWMENT

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Interest	\$ 1	1	-	3	-	-	-	-	-
Fines	-	1	-	-	-	-	-	-	-
TOTAL REVENUES	1	2	-	3	-	-	-	-	-
EXPENSES BY CATEGORY:									
Personnel	-	1	3	3	-	-	-	-	-
Communications	-	-	-	-	-	-	-	-	-
Professional Fees	-	2	8	10	-	-	-	-	-
Other Maintenance	-	-	-	-	-	-	-	-	-
Supplies	8	8	7	6	-	-	-	-	-
TOTAL EXPENSES	8	11	18	19	-	-	-	-	-
EXCESS (DEFICIT)	(7)	(8)	(18)	(16)	-	-	-	-	-
FUND BALANCE:									
Beginning	264	256	331	248	231	231	231	231	231
Ending	256	248	313	231	231	231	231	231	231

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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FLEET SERVICES FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Grants	\$ -	-	-	-	-	-	-	-	-
Transfers In	1,169	1,174	1,299	1,253	1,300	1,325	1,369	1,419	1,466
TOTAL REVENUES	1,169	1,174	1,299	1,253	1,300	1,325	1,369	1,419	1,466
EXPENSES BY CATEGORY:									
Allocations	12	11	13	12	13	13	13	14	14
Depreciation	143	140	140	140	140	144	149	159	164
Other Maintenance	288	267	281	284	281	288	295	302	310
Personnel	595	649	737	690	739	752	780	810	841
Communication	2	2	3	3	3	3	3	3	3
Rents	3	3	4	3	4	4	4	4	4
Supplies	107	81	100	99	100	100	103	105	108
Utilities	19	19	22	21	22	22	22	23	23
Vehicle Maint.	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	1,169	1,174	1,299	1,253	1,300	1,325	1,368	1,419	1,467
EXCESS (DEFICIT)	(0)	(0)	-	-	-	-	-	-	-
TOTAL NET POSITION:									
Beginning	2,322	2,322	2,322	2,322	2,322	2,322	2,322	2,322	2,322
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	45	-	-	46	30	-	40	32

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ALLOCATED EXPENSES

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES:									
Transfers In	\$ 645	593	664	605	641	698	723	749	775
TOTAL REVENUES	645	593	664	605	641	698	723	749	775
EXPENSES BY CATEGORY:									
Insurance	645	593	664	605	641	698	723	749	775
TOTAL EXPENSES	645	593	664	605	641	698	723	749	775
EXCESS (DEFICIT)	(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 FY16	Actual FY17	Budget FY18	Estimate FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
REVENUES:									
Contributions	\$ 4,260	4,964	4,965	4,965	5,585	5,864	6,441	6,872	7,397
TOTAL REVENUES	4,260	4,964	4,965	4,965	5,585	5,864	6,441	6,872	7,397
HEALTH PLAN EXPENSES:									
Health Claims	4,003	4,872	4,715	5,232	5,325	5,534	5,975	6,451	6,971
Dental Claims	245	274	250	250	260	271	285	298	313
TOTAL EXPENSES	4,248	5,146	4,965	5,482	5,585	5,806	6,260	6,749	7,285
EXCESS (DEFICIT)	12	(182)	-	(517)	-	58	182	123	112
TOTAL NET POSITION:									
Beginning	978	990	602	808	291	291	350	531	654
Ending	\$ 990	808	602	291	291	350	531	654	766

INTERNAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

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OPEB FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
OPEB REVENUES:									
Contributions	\$ 724	707	896	896	896	902	939	976	1,015
Fair Value Appreciation	(436)	275	140	140	130	135	141	146	152
Gain (Loss)	186	238	280	240	240	250	260	270	281
Interest	67	66	80	66	67	70	72	75	78
TOTAL REVENUES	541	1,286	1,396	1,342	1,333	1,357	1,412	1,467	1,526
OPEB EXPENSES:									
Trustee Fees	21	24	12	16	18	19	19	20	21
Benefits	1,020	1,414	1,252	1,411	1,423	1,480	1,539	1,601	1,665
Stop Loss	(1)	(27)	-	(198)	-	-	-	-	-
TOTAL EXPENSES	1,041	1,411	1,264	1,229	1,441	1,499	1,558	1,621	1,686
EXCESS (DEFICIT)	(500)	(125)	132	113	(108)	(142)	(145)	(154)	(160)
FUND BALANCE:									
Beginning	6,488	5,988	5,857	5,863	5,976	5,868	5,726	5,581	5,427
Ending	\$ 5,988	5,863	5,989	5,976	5,868	5,726	5,581	5,427	5,267

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CASH BALANCE

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY16	FY17	FY18	FY18	FY19	FY20	FY21	FY22	FY23
CASH BALANCE REVENUES:									
Contributions	\$ 218	392	424	523	599	623	647	673	700
Fair Value Appreciation	(3)	33	20	3	3	3	3	3	4
Interest	2	7	6	9	9	9	10	10	11
Realized Gain Loss	5	9	10	10	10	10	11	11	12
TOTAL REVENUES	222	441	460	545	621	645	671	697	727
CASH BALANCE EXPENSES:									
Trustee Fees	7	15	12	7	8	9	9	9	10
Benefits	17	15	16	16	15	-	-	-	-
TOTAL EXPENSES	24	30	28	23	23	9	9	9	10
EXCESS (DEFICIT)	199	410	432	522	597	637	662	688	717
FUND BALANCE:									
Beginning	173	372	765	782	1,304	1,901	2,538	3,200	3,888
Ending	\$ 372	782	1,197	1,304	1,901	2,538	3,200	3,888	4,605

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PENSION FUND

	Actual FY16	Actual FY17	Budget FY18	Estimate FY18	Budget FY19	Projected			
						FY20	FY21	FY22	FY23
PENSION REVENUES:									
Contributions	\$ 2,202	2,934	3,671	3,641	3,756	3,756	3,846	3,846	3,846
Fair Value Appreciation (Depreciation)	(6,379)	5,615	4,000	1,500	1,500	1,575	1,622	1,671	1,721
Realized Gain (Loss)	2,999	1,187	1,600	3,500	3,500	3,500	3,535	3,535	3,535
Interest	634	754	900	920	900	900	909	909	927
TOTAL REVENUES	(544)	10,490	10,171	9,561	9,656	9,731	9,912	9,961	10,029
PENSION EXPENSES:									
Trustee Fees	249	274	260	260	262	262	262	262	262
Benefits	3,369	3,687	3,640	3,640	3,714	4,085	1,738	1,738	1,825
TOTAL EXPENSES	3,618	3,961	3,900	3,900	3,976	4,347	2,000	2,000	2,087
EXCESS (DEFICIT)	(4,162)	6,529	6,271	5,661	5,680	5,384	7,911	7,960	7,942
TOTAL NET POSITION:									
Beginning	65,999	61,837	69,217	68,366	74,027	79,708	85,093	93,004	100,964
Ending	\$ 61,837	68,366	75,488	74,027	79,708	85,093	93,004	100,964	108,906

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 FY19 Budget. The budget for total personnel salaries and wages increased over FY18 budget by \$734,445.

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:

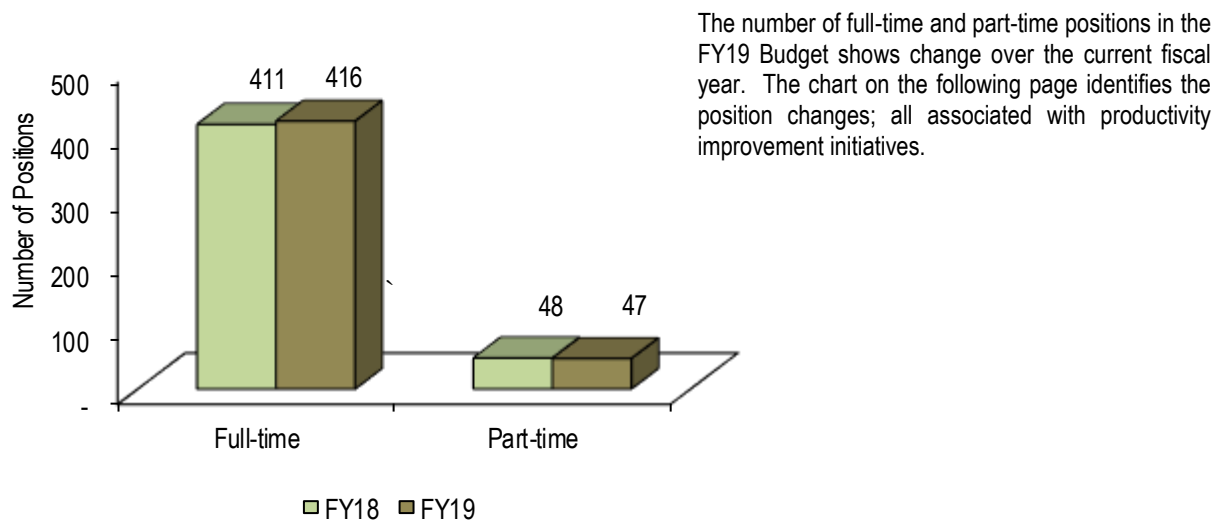
Fringe Benefits include the City's cost for FICA, medical, dental, life, long-term disability, retirement, OPEB, and Workers' Compensation insurance. FICA, set by the federal law, is 7.65% of salary. The new per employee City annual contribution is \$11,000 both health and dental.

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

	FY17 Actual		FY18 Estimate		FY19 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	0.0	7.0	0.0	7.0	0.0	0.0	
Administration	7.0	0.5	8.0	0.4	8.0	0.3	-0.1	\$ (1,699)
Human Resources	5.0	0.0	5.0	0.0	5.0	0.0	0.0	
Information Technology	5.0	0.1	5.0	0.1	5.0	0.1	0.0	
Finance	11.0	0.0	12.0	0.0	12.0	0.0	0.0	
Procurement	7.0	0.0	7.0	0.0	7.0	0.0	0.0	
Economic and Community Development	20.0	0.1	20.0	0.1	20.0	0.1	0.0	
Facilities Services	17.0	0.5	17.0	0.5	17.0	0.5	0.0	
GPAC*	11.0	1.5	11.5	1.5	12.0	1.5	0.5	\$ 51,824
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	6.8	1.3	0.8	\$ 76,031
PUBLIC SAFETY								
Police*	117.0	0.0	118.0	0.0	120.2	0.0	2.2	\$ 131,983
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	4.3	0.5	5.0	0.5	5.0	0.5	0.0	
COMMUNITY SERVICES								
Parks & Recreation	6.0	5.5	8.0	5.5	8.0	5.5	0.0	
Community Education	1.2	7.5	2.0	7.5	2.0	7.5	0.0	
MUNICIPAL SCHOOLS FUND								
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
AMBULANCE FUND								
	19.0	0.0	19.0	0.0	19.0	0.0	0.0	
THE FARM (Special Revenue Fund)*								
	0.0	1.0	0.0	1.0	1.0	0.5	0.5	\$ 10,102
AUTOMATED ENFORCEMENT FUND								
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
GERMANTOWN ATHLETIC CLUB								
Recreation	11.0	11.9	12.0	12.9	12.0	12.9	0.0	
Aquatics	2.0	13.5	1.0	13.5	1.0	13.5	0.0	
Personal Training	1.0	1.0	0.0	0.0	0.0	0.0	0.0	
GREAT HALL								
	2.0	1.0	2.0	1.0	2.0	1.0	0.0	
UTILITIES								
Water	16.0	0.0	17.0	0.0	17.0	0.0	0.0	
Sewer	5.0	0.0	5.0	0.0	5.0	0.0	0.0	
SANITATION								
	0.8	0.0	0.8	0.0	0.8	0.0	0.0	
STORMWATER								
	6.5	0.0	6.5	0.0	6.5	0.0	0.0	
TOTAL	404.8	47.9	411.8	47.8	416.3	47.2	3.9	\$ 268,241

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

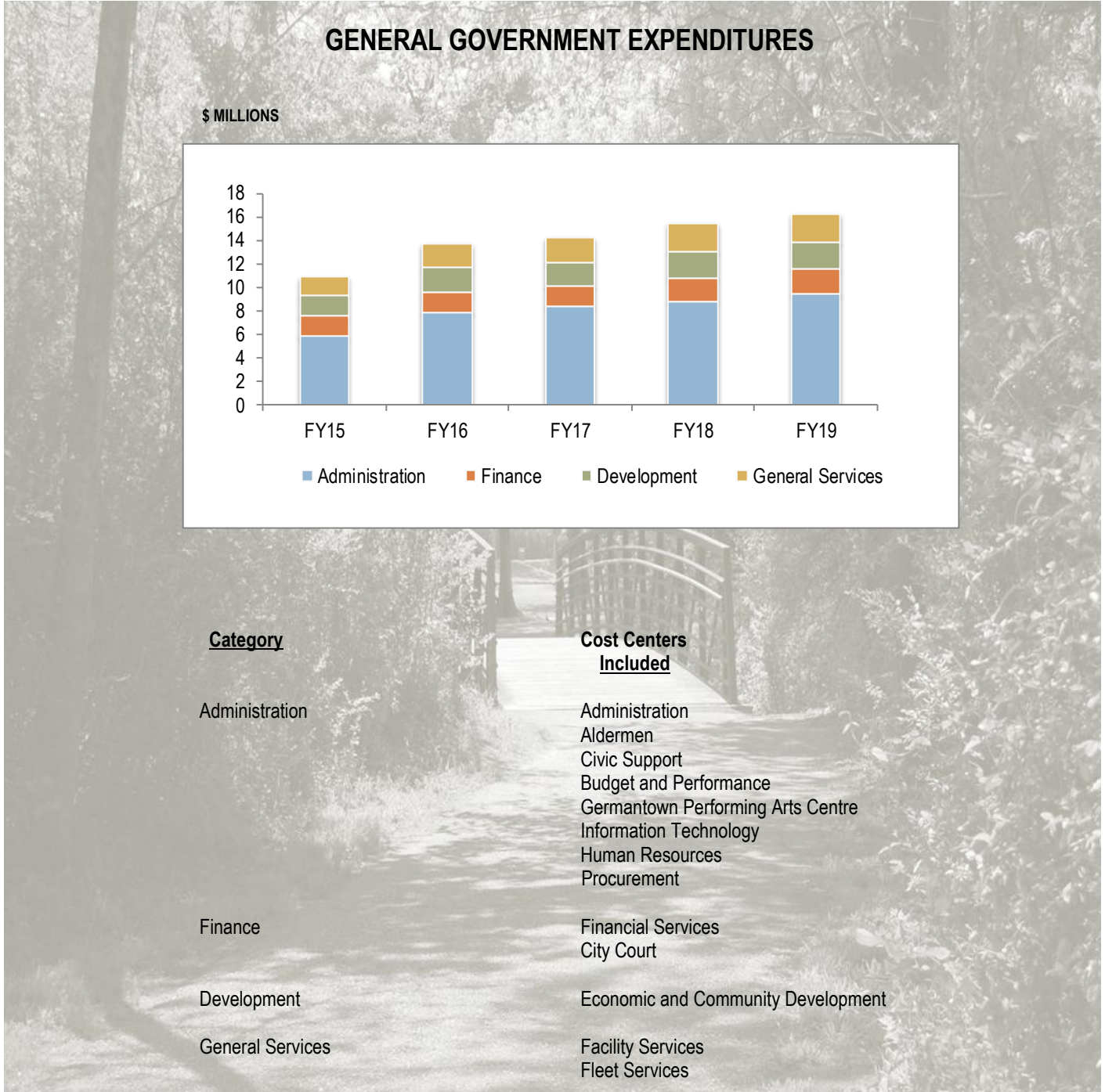
Administration	Intern	-0.1
Civic Support	School Resource Officer	0.8
Police	Police Officers	3.0
Police	School Resource Officer	-0.8
GPAC	Development Associate	0.5
The Farm	Farm Operations Coordinator	0.5



GENERAL GOVERNMENT

FY19 BUDGET

The following section presents the operating budget for all General Government cost centers. Also presented in this section are the costs associated with Fleet Services. 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

<u>CATEGORY</u>	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 121,398	114,396	114,496	5,182	4.53%	119,678
Communication	9,654	14,402	14,402	-	0.00%	14,402
Professional Fees	42,000	50,000	50,000	-	0.00%	50,000
Supplies	18,921	15,655	15,655	27,225	173.91%	42,880
TOTAL	\$ 191,973	194,453	194,553	32,407	16.66%	226,960

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Other Compensation	5.0	58,653	5.0
Fringe Benefits		62,745	54,496
DEPARTMENT TOTAL	5.0	\$ 121,398	5.0

Categories

Personnel - \$119,678 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 - \$42,880 This category covers funding for the Annual Commission Appreciation Reception, Principals' Luncheon, election expenses, 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 661,849	716,191	722,863	100,576	13.91%	823,439
Professional Fees	-	-	-	15,000	100%	15,000
Grants	975,699	813,240	757,604	99,333	13.11%	856,937
TOTAL	\$ 1,637,548	1,523,795	1,480,467	214,909	14.52%	1,695,376

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	0.0	\$ -	0.0
Non-Exempt Wages	7.3	467,087	7.3
Other Compensation		38,169	51,000
Fringe Benefits		156,593	180,900
Other Personnel		-	2,000
DEPARTMENT TOTAL	7.3	\$ 661,849	7.3

GENERAL FUND

Categories

Personnel - \$823,439 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.

Professional Fees - \$15,000 This category cover funding for public art consulting.

Grants - \$856,937 This category includes funds budgeted for the following organizations:

Shelby County Schools	\$355,453
Other Civic Support	297,388
Germantown Education Foundation	100,000
Arts Grant/GPAC	40,000
City Beautification Grant	43,000
Education Commission Grant	4,110
Historic Commission Grant	11,350
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

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Personnel	\$ 642,013	684,925	688,882	61,589	8.94%	750,471
Communication	870	2,500	549	1,451	264.30%	2,000
Professional Fees	4,847	10,500	10,000	500	5.00%	10,500
Supplies	7,843	8,339	8,344	156	1.87%	8,500
Rent	5,203	-	-	5,000	100%	5,000
Allocations	2,828	3,349	3,063	183	5.97%	3,246
Utilities	21,472	21,882	21,049	538	2.56%	21,587
TOTAL	\$ 685,076	731,495	731,887	69,417	9.48%	801,304

BUDGET PAYROLL SUMMARY

	<u>FY17 Actual</u>	<u>FY18 Estimate</u>	<u>FY19 Budget</u>
Exempt Salaries	1.0 \$ 71,478	1.0 78,279	1.0 77,708
Non-Exempt Wages	6.3 212,539	6.0 228,933	6.0 241,408
Other Compensation	6.0 188,239	6.0 193,409	6.0 226,117
Fringe Benefits	165,963	180,761	199,438
Other Personnel	3,794	7,500	5,800
DEPARTMENT TOTAL	7.3 \$ 642,013	7.0 688,882	7.0 750,471

Categories

Personnel - \$750,471 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.

Communications - \$2,000 This category funds the required current edition of the Tennessee Code Annotated, Tennessee Rules of Court and Attorney General Opinions. Codebooks and supplements are kept current in the court library. Also, a partial set of T.C.A. is kept in the prosecutors' office for court use on Wednesday and Thursday night sessions.

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

Rent - \$5,000 This category includes rental costs associated with the copy machine. In addition, this line includes the cost of building rent for the storage of court documents.

Allocations - \$3,246 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$21,587 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Average wait time	58 minutes	47 minutes	<60 minutes
Operational Objective	To meet customer expectations		
Key Product/Service	Court Services		
Target	80%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer service satisfaction	76%	N/A	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 FY17	Budget FY18	Estimated FY18	Amt Chg.	% Chg.	Budget FY19
Personnel	\$ 769,463	1,033,078	1,009,962	76,315	7.56%	1,086,277
Communication	127,116	142,274	129,766	(2,250)	-1.73%	127,516
Professional Fees	621,452	463,750	363,750	(3,750)	-1.03%	360,000
Other Maintenance	6,500	6,825	6,825	-	0.00%	6,825
Supplies	25,481	25,100	44,490	(18,390)	-41.34%	26,100
Rent	2,205	3,000	6,000	-	0.00%	6,000
Allocations	38,311	45,368	41,495	2,478	5.97%	43,973
Utilities	13,711	13,114	13,114	-	0.00%	13,114
TOTAL	\$ 1,604,239	1,732,509	1,615,402	54,403	3.37%	1,669,805
Expense Reimbursement	\$ (49,196)	(49,560)	(49,560)	(10,480)	21.15%	(60,040)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	3.0 \$ 348,463	3.0 484,486	4.0 521,732
Non-Exempt Wages	2.3 192,643	4.5 226,085	4.5 231,715
Other Compensation	48,504	47,470	47,240
Fringe Benefits	175,853	245,881	279,550
Other Personnel	4,000	6,040	6,040
DEPARTMENT TOTAL	5.3 \$ 769,463	7.5 1,009,962	8.5 1,086,277

GENERAL FUND

Categories

Personnel - \$1,086,277 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 - \$127,516 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 - \$360,000 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 - \$26,100 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 - \$6,000 This category includes rental costs associated with the copy machine.

Allocation - \$43,973 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	FY17 Actual	FY18 Actual	FY19 Budgeted
General Fund transfers to Special Revenue Funds	45%	32%	49%
Strategic Objective	All funds are self-sustaining		
Key Product/Service	City Services & Finance		
Target	10%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
General Fund transfers to Enterprise Funds	1.6%	.79%	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Satisfaction with Germantown as a place to live	98%	97%	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Satisfaction with GMSD operations	66%	72%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 470,320	524,619	524,248	20,777	3.96%	545,025
Communication	25,387	27,000	26,500	1,050	3.96%	27,550
Professional Fees	57,791	46,000	33,000	8,500	25.76%	41,500
Other Maintenance	-	300	300	-	0.00%	300
Supplies	20,761	35,000	32,100	(4,100)	-12.77%	28,000
Rent	2,063	2,100	2,062	59	2.86%	2,121
Allocations	3,771	4,466	4,085	244	5.97%	4,329
Utilities	8,923	8,511	8,632	1,354	15.69%	9,986
TOTAL	\$ 589,016	647,996	630,927	27,884	4.42%	658,811
Expense Reimbursement	\$ (38,219)	(44,060)	(44,060)	(420)	0.95%	(44,480)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	4.0 \$ 313,306	4.0 337,322	4.0 346,082
Non-Exempt Wages	1.0 45,729	1.0 47,843	1.0 49,308
Other Compensation		117	161
Fringe Benefits		105,201	122,462
Other Personnel		5,967	16,460
DEPARTMENT TOTAL	5.0 \$ 470,320	5.0 524,248	5.0 545,025

Categories

Personnel - \$545,025 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 - \$27,550 This category funds the City's employee recognition program, subscriptions to professional organizations and training meetings and seminars.

Professional Fees - \$41,500 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 - \$28,000 This category includes funds for specialized supply requisitions and materials, and book printing.

Rent - \$2,121 This category includes rental costs associated with the copy machine and offsite storage of personnel records.

Allocation - \$4,329 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$9,986 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction with HR services	97%	93%	95%
Operational Objective	To maintain adequate staffing		
Key Product/Service	Workforce Management		
Target	12%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Employee Turnover Rate of new hires within first year of employment	20%	30%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 547,311	602,762	592,032	50,407	8.51%	642,439
Communication	4,703	6,070	6,070	4,000	65.90%	10,070
Professional Fees	149,087	207,280	207,290	(1,090)	-0.53%	206,200
Insurance	1,418	2,000	2,000	-	0.00%	2,000
Other Maintenance	719,789	1,005,251	1,049,908	45,817	4.36%	1,095,725
Supplies	170,147	181,625	193,882	17,743	9.15%	211,625
Rent	3,474	3,500	3,500	-	0.00%	3,500
Allocations	3,242	3,450	3,156	188	5.96%	3,344
Capital Outlay	308,656	143,000	285,225	29,775	10.44%	315,000
Utilities	120,277	132,220	111,550	20,470	18.35%	132,020
TOTAL	\$ 2,028,104	2,287,158	2,454,613	167,310	6.82%	2,621,923
Expense Reimbursement	\$ (88,841)	(94,700)	(94,700)	260	-0.27%	(94,440)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	4.0 \$ 371,962	4.0 371,760	4.0 399,359
Non-Exempt Wages	1.1 51,492	1.1 55,201	1.1 59,389
Other Compensation	-	-	-
Fringe Benefits	122,648	160,131	178,641
DEPARTMENT TOTAL	5.1 \$ 547,311	5.1 592,032	5.1 642,439

Categories

Personnel - \$642,439 This category includes salaries, benefits and education expenses for the information technology director, network administrator, application support analyst, a technical services coordinator and computer support specialist.

GENERAL FUND

Communications - \$10,070 This category includes publications and subscription costs for professional periodicals as well as funds for travel to local and national conferences and seminars.

Professional Fees - \$206,200 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 - \$1,095,725 This category includes maintenance charges for all computer equipment, and production of related equipment.

Supplies - \$211,625 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 - \$3,344 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$315,000 This category funds IRP projects, which includes the purchase of computers and software.

Utilities - \$132,020 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Resident internet satisfaction	59%	53%	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Resident wireless, cellular satisfaction	56%	47%	80%
Operational Objective	To provide employees with timely system accessibility		
Key Product/Service	Communications		
Target	99.99%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Server system availability	99.98%	99.99%	99.90%
Operational Objective	To meet customer expectations		
Key Product/Service	Education: Service desk		
Target	90% very or somewhat satisfied		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction rating	97%	98.75%	97%

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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 977,961	1,056,397	1,047,785	119,137	11.37%	1,166,922
Communication	7,040	12,600	8,000	4,600	57.50%	12,600
Professional Fees	3,488	-	-	-	-	-
Insurance	-	4,500	4,500	-	0.00%	4,500
Other Maintenance	41,172	65,000	55,000	(55,000)	-100.00%	-
Supplies	20,631	20,700	20,700	19,500	94.20%	40,200
Rent	3,975	-	3,500	(3,500)	-100.00%	-
Allocations	19,455	23,039	21,072	1,259	5.97%	22,331
Capital Outlay	67,664	51,000	45,414	37,586	82.76%	83,000
Utilities	120,397	120,725	118,155	2,570	2.18%	120,725
TOTAL	\$ 1,261,783	1,353,961	1,324,126	126,152	9.53%	1,450,278

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	7.0	\$ 484,834	7.0
Non-Exempt Wages	5.5	253,497	6.0
Other Compensation		4,734	4,000
Fringe Benefits		232,556	276,380
Other Personnel		2,340	6,000
DEPARTMENT TOTAL	12.5	\$ 977,961	13.0
			1,047,785
			13.5
			1,166,922

GENERAL FUND

Categories

Personnel - \$1,166,922 This category contains sufficient funds to staff the department, including the executive director, GPAC development director, box office manager, marketing director, marketing manager, venue director, program director, facility services coordinators, assistant box office manager, development associate, business manager 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.

Supplies - \$40,200 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 - \$22,331 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$83,000 This category represents costs associated with marley floor, theater seat replacement, bistro tables with chairs

Utilities - \$120,725 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	Venue Management		
Target	2% increased in customer satisfaction		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction	96%	95%	98%
Operational Objective	To diversify funding sources		
Key Product/Service	Fundraising		
Target	3% increase in new donors		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
New donors	20%	52%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 761,939	901,983	873,711	77,936	8.92%	951,647
Communication	32,224	56,730	56,730	(7,777)	-13.71%	48,953
Professional Fees	284,738	272,168	315,300	5,300	1.68%	320,600
Other Maintenance	149	1,300	1,300	(1,000)	-76.92%	300
Supplies	17,218	20,510	20,510	(5,010)	-24.43%	15,500
Rent	6,084	12,336	12,336	(1,836)	-14.88%	10,500
Allocations	20,741	24,562	22,465	1,342	5.97%	23,807
Utilities	12,884	14,432	12,593	690	5.48%	13,283
TOTAL	\$ 1,135,977	1,304,021	1,314,945	69,645	5.30%	1,384,590
Expense Reimbursement	\$ (150,229)	\$ (163,260)	\$ (163,260)	22,290	-13.65%	(140,970)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	3.0	\$ 261,875	4.0
Non-Exempt Wages	8.0	284,231	8.0
Other Compensation		2,580	2,800
Fringe Benefits		208,723	255,804
Other Personnel		4,530	8,280
DEPARTMENT TOTAL	11.0	\$ 761,939	12.0

GENERAL FUND

Categories Personnel - \$951,647 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.

Communications - \$48,953 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 - \$320,600 This category includes contract services for temporary word processing and other clerical personnel on an as needed basis. \$89,600 is budgeted for the eight year of a multi-year contract for the City's audit engagement and CAFR preparation. The category includes the City's portion of the continuous cycle reappraisal cost. This category also includes funds for the monthly consultation on debt financing, under a retainer agreement with the City's financial advisor, Public Financial Management, Inc.

Other Maintenance - \$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 - \$15,500 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 - \$10,500 This category includes rental payments for the copy machines, postage meter, and an off-site storage facility to store permanent records.

Allocation - \$23,807 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$13,283 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Fully funded annual pension liability	72.69%	N/A	80%
Operational Objective	To provide stable liquidity		
Key Product/Service	Collection of tax payments		
Target	100%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Percentage of tax payments collected within the City Ordinance and State Statute	99%	99%	100%
Operational Objective	To meet vendor requirements		
Key Product/Service	Accounts Payable		
Target	100%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Payment of vendor invoice within terms of contract	94%	95%	100%

Procurement

Mission

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

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

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 618,651	669,190	667,824	32,846	4.92%	700,670
Communication	10,360	14,000	13,000	(1,000)	-7.69%	12,000
Professional Fees	-	-	-	500	100%	500
Insurance	-	500	-	500	100%	500
Other Maintenance	-	500	500	-	0.00%	500
Supplies	15,300	18,300	17,500	(1,000)	-5.71%	16,500
Rent	3,674	5,000	5,000	-	0.00%	5,000
Allocations	3,171	3,756	3,435	205	5.97%	3,640
Utilities	15,177	18,355	16,207	1,303	8.04%	17,510
TOTAL	\$ 666,333	729,601	723,466	33,354	4.61%	756,820
Expense Reimbursement	\$ (61,832)	\$ (65,550)	\$ (65,550)	(1,080)	1.65%	(66,630)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	3.0 \$ 277,270	3.0 290,195	3.0 296,128
Non-Exempt Wages	4.0 180,564	4.0 187,674	4.0 195,944
Other Compensation	-	-	-
Fringe Benefits	159,666	188,055	205,998
Other Personnel	1,151	1,900	2,600
DEPARTMENT TOTAL	7.0 \$ 618,651	7.0 667,824	7.0 700,670

GENERAL FUND

Categories

Personnel - \$700,670 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 - \$12,000 This category covers dues for professional organizations and subscriptions to various publications, and publications of legal notices for bids.

Professional Fees - \$500 This category includes expenses associated with banking charges.

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 - \$16,500 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 - \$3,640 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$17,510 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Operational Objective	Usage of the P-Card		
Key Product/Service	Procurement of Good and Services		
Target	5%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
% of P-card spend of total Procurement spend	4.5%	2.75%	5%
Operational Objective	To maintain integrity of procurement standards		
Key Product/Service	Inventory control and operations		
Target	99.9%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Inventory accuracy	94%	95.5%	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

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Allocations	\$ (593,122)	(664,000)	(604,879)	(36,121)	5.97%	(641,000)
Insurance	593,122	664,000	604,879	36,121	5.97%	641,000
TOTAL	\$ -	-	-	-	-	-

- Categories
- Allocations - (\$641,000) 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 - \$641,000 This category includes: property insurance coverage (\$215,000) that is on an All Risk form, vehicle insurance (\$65,000), casualty or liability coverage (\$276,000) designed to match minimum state tort limits, uninsured losses insurance (\$20,000) 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, \$18.2 million Series 2016 General Obligation bonds and \$29.3 million Series 2017 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 \$21.1 million. The outstanding balance of General Obligation Debt at July 1, 2018 is \$57,300,000. During the year, principal of \$1,670,000 and interest of \$2,747,020 will be paid. The balance of existing debt remaining at June 30, 2019 will be \$55,630,000.

<u>Security</u>	<u>Balance</u> <u>7/1/2018</u>	<u>Principal</u> <u>Payment</u>	<u>Balance</u> <u>6/30/2019</u>	<u>Interest</u> <u>Expense</u>
Existing:				
Series 2009 Bonds	1,375,000	540,000	835,000	49,194
Series 2011 Bonds	4,500,000	275,000	4,225,000	118,725
Series 2013 Bonds	5,125,000	395,000	4,730,000	145,984
Series 2016 Bonds	17,025,000	460,000	16,565,000	774,750
Series 2017 Bonds	29,275,000	-	29,275,000	1,658,367
Total FY19 Debt	<u>\$ 57,300,000</u>	<u>1,670,000</u>	<u>55,630,000</u>	<u>2,747,020</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>
FY20	\$ 2,305,000	2,263,403	-	224,398
FY21	2,345,000	2,183,953	450,000	491,137
FY22	2,325,000	2,097,210	475,000	621,390
FY23	2,075,000	2,019,115	685,000	771,106
FY24	2,160,000	1,940,465	715,000	819,741
Thereafter	44,420,000	21,271,204	18,730,000	8,616,064
Total Debt Service	<u>\$ 55,630,000</u>	<u>31,775,350</u>	<u>21,055,000</u>	<u>11,543,836</u>

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Debt Service	\$ 3,850,552	4,879,597	3,438,479	978,541	28.46%	4,417,020
Agency Fees	1,850	1,500	1,500	-	0.00%	1,500
TOTAL	<u>\$ 3,852,402</u>	<u>4,881,097</u>	<u>3,439,979</u>	<u>978,541</u>	<u>28.45%</u>	<u>4,418,520</u>

Categories

Debt Service - \$4,418,520 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 1,623,769	1,777,995	1,786,790	109,889	6.15%	1,896,679
Communication	28,750	28,505	32,505	(5)	-0.02%	32,500
Professional Fees	156,005	70,425	97,678	(8,500)	-8.70%	89,178
Insurance	(8,825)	5,000	5,000	-	0.00%	5,000
Other Maintenance	65,232	69,150	74,286	2,412	3.25%	76,698
Supplies	30,488	29,200	28,413	3,100	10.91%	31,513
Rent	7,046	11,300	12,003	-	0.00%	12,003
Allocations	43,539	54,401	47,174	5,078	10.76%	52,252
Capital Outlay	51,617	30,000	27,472	(27,472)	-100.00%	-
Utilities	42,899	47,691	44,976	(525)	-1.17%	44,451
Grants	-	-	-	-	-	-
TOTAL	\$ 2,040,520	2,123,667	2,156,297	83,977	3.89%	2,240,274
Expense Reimbursement	\$ (78,417)	(82,580)	(82,580)	(6,820)	8.26%	(89,400)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	10.0 \$ 760,407	10.0 824,117	10.0 843,735
Non-Exempt Wages	10.1 441,144	10.1 457,824	10.1 503,242
Other Compensation	-	-	-
Fringe Benefits	415,238	497,949	542,702
Other Personnel	6,980	6,900	7,000
DEPARTMENT TOTAL	20.1 \$ 1,623,769	20.1 1,786,790	20.1 1,896,679

Categories

Personnel - \$1,896,679 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 - \$32,500 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 - \$89,178 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 - \$76,698 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 - \$31,513 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 - \$12,003 This category includes rental costs associated with the department's copy machine and color printer/copier.

Allocation - \$52,252 This category covers insurance and vehicle maintenance costs allocated to the department for its portion of the City's shared expenses.

Utilities - \$44,451 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Ratio of elastic tax revenue	32%	35%	30%
Strategic Objective	Economic development policies encourage investment in key commercial areas		
Key Product/Service	Economic Development		
Target	19,000		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Job growth	18,924	19,505	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Traffic flow satisfaction	80%	74%	78%
Operational Objective	Build value from within		
Key Product/Service	Business community engagement		
Target	1% increase in number of permits		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Office vacancy rate	2.3%	*8.8%	3%

* The higher number reflects new product in our office market added within Q4 (TraVure) and the vacancy at the former Orgill building (which has now been 100% leased).



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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 280,348	310,980	309,196	16,462	5.32%	325,658
Communication	1,953	10,000	10,000	3,000	30.00%	13,000
Supplies	37,530	41,250	41,250	1,000	2.42%	42,250
Allocations	514	609	557	33	5.92%	590
Utilities	4,733	4,680	4,985	155	3.11%	5,140
TOTAL	\$ 325,078	367,519	365,988	20,650	5.64%	386,638
Expense Reimbursement	\$ (21,134)	(22,350)	(22,350)	(340)	1.52%	(22,690)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	3.0 \$ 207,771	3.0 218,921	3.0 225,665
Fringe Benefits		71,290	85,275
Other Personnel		1,287	5,000
DEPARTMENT TOTAL	3.0 \$ 280,348	3.0 309,196	3.0 325,658

GENERAL FUND

Categories Personnel - \$325,658 This category includes salaries, wages and benefits for senior budget and performance analysts and budget and performance analyst.

Communications - \$13,000 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 - \$42,250 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 - \$590 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$5,140 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Number of budget adjustments per department	5	4	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 1,116,428	1,202,194	1,231,671	24,686	2.00%	1,256,357
Communication	3,361	1,500	4,050	1,950	48.15%	6,000
Professional Fees	19,086	10,000	20,000	(10,000)	-50.00%	10,000
Contract Services	289,204	290,000	260,000	30,000	11.54%	290,000
Insurance	7,260	2,000	2,000	-	0.00%	2,000
Other Maintenance	275,398	266,200	263,159	12,041	4.58%	275,200
Supplies	88,948	112,700	103,300	400	0.39%	103,700
Rent	3,520	3,900	3,000	900	30.00%	3,900
Allocations	37,601	46,890	49,741	2,226	4.48%	51,967
Capital Outlay	183,104	512,500	499,937	(124,937)	-24.99%	375,000
Utilities	7,531	10,895	10,145	3,850	37.95%	13,995
TOTAL	\$ 2,031,441	2,458,779	2,447,003	(58,884)	-2.41%	2,388,119
Expense Reimbursement	\$ (65,500)	(65,100)	(65,100)	(1,100)	1.69%	(66,200)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	3.0 \$ 300,949	3.0 322,301	3.0 283,220
Non-Exempt Wages	14.50 459,856	14.5 506,110	14.5 530,605
Other Compensation	30,212	26,300	26,300
Fringe Benefits	323,618	369,260	407,232
Other Personnel	1,793	7,700	9,000
DEPARTMENT TOTAL	17.50 \$ 1,116,428	17.5 1,231,671	17.5 1,256,357

Categories

Personnel - \$1,256,357 This category includes the salaries, wages and benefits for the general services director, facility maintenance superintendent, CIP coordinator, 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.

GENERAL FUND

Communications - \$6,000 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.

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 - \$275,200 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 - \$103,700 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 - \$51,967 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 - \$375,000 This category provides funding for the following IRP projects: ECD Boilers, Police – Office and Corridors Floor Replacement, Police – Air Handler Replacement in Pistol Range, GPAC Cooling Tower Replacement, Station 2 Building Interior and Exterior Improvements, Station 1 Condenser Units and Freon Gas Line Replacement, replacement vehicle and City Signs.

Utilities - \$13,995 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	FY17 Actual	FY18 Actual	FY19 Budgeted
City's Carbon Footprint	5%	N/A	5%
Operational Objective	To meet customer expectations		
Key Product/Service	Cleaning Services		
Target	92% Satisfaction		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction	94%	93%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 648,903	737,408	690,248	48,844	7.08%	739,092
Communication	2,259	3,000	2,900	100	3.45%	3,000
Professional Fees	369	375	375	(375)	-100.00%	-
Other Maintenance	267,233	280,500	284,350	(3,850)	-1.35%	280,500
Supplies	81,118	99,835	99,360	475	0.48%	99,835
Rent	3,236	3,500	3,450	50	1.45%	3,500
Allocations	(1,162,340)	(1,285,858)	(1,241,203)	(46,339)	3.73%	(1,287,542)
Depreciation	140,491	140,000	140,000	-	0.00%	140,000
Utilities	18,732	21,240	20,520	1,095	5.34%	21,615
TOTAL	\$ 1	-	-	-	-	-
Capital Outlay	\$ 25,162	29,589	-	46,000	100%	46,000

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1.0 \$ 92,294	1.0 98,484	1.0 98,274
Non-Exempt Wages	8.0 365,940	8.0 372,251	8.0 401,221
Other Compensation	3,304	4,000	4,000
Fringe Benefits	183,874	208,713	227,197
Other Personnel	3,491	6,800	8,400
DEPARTMENT TOTAL	9.0 \$ 648,903	9.0 690,248	9.0 739,092

INTERNAL SERVICE FUND

- Categories Personnel - \$739,092 This category includes the salaries, wages, and benefits for a fleet services manager, fleet services assistant, vehicle attendant, fleet services tech I, 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 – (\$1,287,542) 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).
- Capital Outlay - \$46,000 This category provides funding for the following IRP projects: Fuel Transport Trailer and one vehicle.

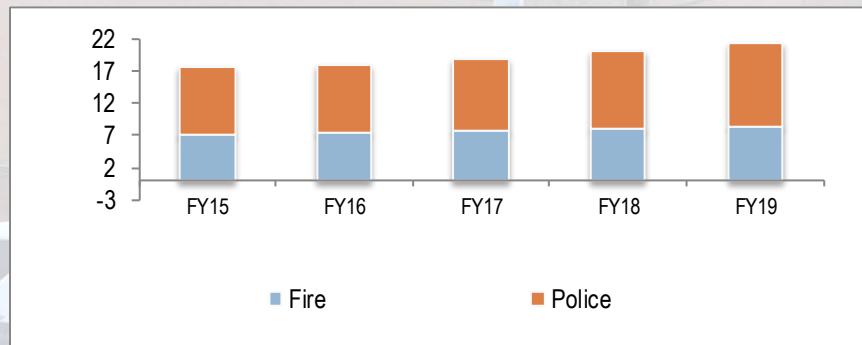
Performance Measures			
Operational Objective	To maintain an efficient fleet management program for the City		
Key Product/Service	Fleet Management		
Target	97%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Fleet availability for public safety and non-public safety	98%	97%	97%

PUBLIC SAFETY FY19 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

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Personnel	\$ 9,955,171	10,562,645	10,493,408	794,731	7.57%	11,288,139
Communication	20,401	25,700	22,300	4,000	17.94%	26,300
Professional Fees	8,037	10,000	10,000	-	0.00%	10,000
Insurance	34,242	40,000	35,115	4,885	13.91%	40,000
Other Maintenance	2,172	6,000	4,500	1,500	33.33%	6,000
Supplies	361,429	630,891	575,200	5,450	0.95%	580,650
Rent	8,494	12,500	13,500	-	0.00%	13,500
Allocations	442,719	469,257	443,017	3,433	0.77%	446,450
Capital Outlay	418,362	305,000	301,970	194,030	64.25%	496,000
Utilities	104,494	107,895	103,765	5,465	5.27%	109,230
Grants	4,309	5,300	5,300	-	0.00%	5,300
TOTAL	\$ 11,359,830	12,175,188	12,008,075	1,013,494	8.44%	13,021,569

BUDGET PAYROLL SUMMARY

	<u>FY17 Actual</u>	<u>FY18 Estimate</u>	<u>FY19 Budget</u>
Exempt Salaries	12.0 \$ 1,164,807	13.0 1,238,564	13.0 1,204,533
Non-Exempt Wages	105.0 5,714,704	105.0 5,753,880	107.3 6,212,808
Other Compensation	341,308	386,210	370,050
Fringe Benefits	2,627,878	2,994,554	3,366,848
Other Personnel	106,474	120,200	133,900
DEPARTMENT TOTAL	117.0 \$ 9,955,171	118.0 10,493,408	120.3 11,288,139

Categories

Personnel - \$11,288,139 Salaries, wages, and benefits for the chief of police, deputy chief of police, inspectors, captains, communications center manager, 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 - \$26,300 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 - \$580,650 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 - \$13,500 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 - \$446,450 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 - \$496,000 This item includes the funding necessary to purchase police vehicles/related equipment and weapons.

Utilities - \$109,230 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	FY17 Actual	FY18 Actual	FY19 Budgeted
State crime rate index; crime per 1,000 populations	11.96	16.23	14
Strategic Objective	Germantown is the Safest City in Tennessee		
Key Product/Service	Public Safety		
Target	90%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Satisfaction with Police Services	95%	91%	90%
Strategic Objective	Germantown is the Safest City in Tennessee		
Key Product/Service	Public Safety		
Target	90%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Satisfaction with Safety in Comparison to Other Cities	95%	94%	90%
Operational Objective	Effective emergency response		
Key Product/Service	Public Safety		
Target	< 4 minutes		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Emergency Response Time in minutes	2.22	2.50	< 4



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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 63,577	111,000	111,000	-	0.00%	111,000
Communication	558	1,000	1,000	-	0.00%	1,000
Other Maintenance	1,178	5,000	5,000	-	0.00%	5,000
Supplies	80,601	138,000	138,000	-	0.00%	138,000
Rent	-	750	750	-	0.00%	750
Utilities	4,767	6,000	3,500	2,500	71.43%	6,000
TOTAL	\$ 204,440	261,750	259,250	2,500	0.96%	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 FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Personnel	\$ 19,062	20,000	20,000	-	0.00%	20,000
Supplies	7,998	30,000	30,000	-	0.00%	30,000
TOTAL	<u>\$ 27,060</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>0.00%</u>	<u>50,000</u>

Categories

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

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



Fire Mission

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

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

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 6,825,945	7,185,660	7,196,954	227,715	3.16%	7,424,669
Communication	22,896	24,500	24,500	100	0.41%	24,600
Professional Fees	15,977	14,990	14,990	-	0.00%	14,990
Contract Services	5,558	5,558	5,558	-	0.00%	5,558
Insurance	21,469	22,000	17,941	7,059	39.35%	25,000
Other Maintenance	41,508	41,000	41,000	11,250	27.44%	52,250
Supplies	274,875	222,500	216,430	(4,025)	-1.86%	212,405
Rent	5,235	6,000	6,000	60	1.00%	6,060
Allocations	362,417	394,293	377,791	650	0.17%	378,441
Capital Outlay	70,400	129,000	120,562	32,438	26.91%	153,000
Utilities	122,939	135,572	126,644	5,889	4.65%	132,533
TOTAL	\$ 7,769,219	8,181,073	8,148,370	281,136	3.45%	8,429,506

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	9.0 \$ 980,331	9.0 929,721	9.0 947,295
Non-Exempt Wages	59.0 3,738,240	59.0 3,898,516	59.0 3,891,198
Other Compensation	342,175	315,699	327,928
Fringe Benefits	1,702,885	1,993,418	2,198,473
Other Personnel	62,314	59,600	59,775
DEPARTMENT TOTAL	68.0 \$ 6,825,945	68.0 7,196,954	68.0 7,424,669

Categories

Personnel - \$7,424,669 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.

GENERAL FUND

Communications - \$24,600 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 - \$25,000 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 - \$52,250 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 - \$212,405 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 - \$6,060 This category includes rental fees associated with the department's copy machines.

Allocation - \$378,441 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Capital Outlay - \$153,000 This item includes the funding for IRP projects including apparatus exhaust systems, haz-mat ID, swiftwater trailers and a vehicle.

Utilities - \$132,533 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction on post incident surveys	99.2%	99.45%	98.5%
Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
Target	91% of violations corrected in 90 days		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Percent of violations corrected in 90 days	94%	92.58%	91%
Operational Objective	To protect life and property		
Key Product/Service	Fire prevention		
Target	90% fire cause determination		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Percent of fires in which a cause is determined	100%	91.2%	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Fire apparatus average response time	8 min 4 sec	7 min 47 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 1,527,788	1,610,633	1,676,678	84,187	5.02%	1,760,865
Communication	3,759	4,300	4,200	100	2.38%	4,300
Professional Fees	66,928	65,146	65,000	3,404	5.24%	68,404
Insurance	4,272	10,000	4,000	6,000	150.00%	10,000
Other Maintenance	6,900	7,500	7,975	3,550	44.51%	11,525
Supplies	95,185	103,870	103,658	12,007	11.58%	115,665
Allocations	36,522	36,233	40,383	1,856	4.60%	42,239
Capital Outlay	-	239,000	238,207	(238,207)	-100.00%	-
Utilities	1,632	2,592	2,495	529	21.20%	3,024
TOTAL	\$ 1,742,986	2,079,274	2,142,596	(126,574)	-5.91%	2,016,022

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1.0 \$ 91,009	1.0 94,992	1.0 92,874
Non-Exempt Wages	18.0 872,296	18.0 984,191	18.0 1,050,476
Other Compensation	195,766	169,443	145,059
Fringe Benefits	353,923	413,533	456,094
Other Personnel	14,794	14,519	16,362
DEPARTMENT TOTAL	19.0 \$ 1,527,788	19.0 1,676,678	19.0 1,760,865

Categories

Personnel - \$1,760,865 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 - \$68,404 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 - \$11,525 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 - \$115,665 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 - \$42,239 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

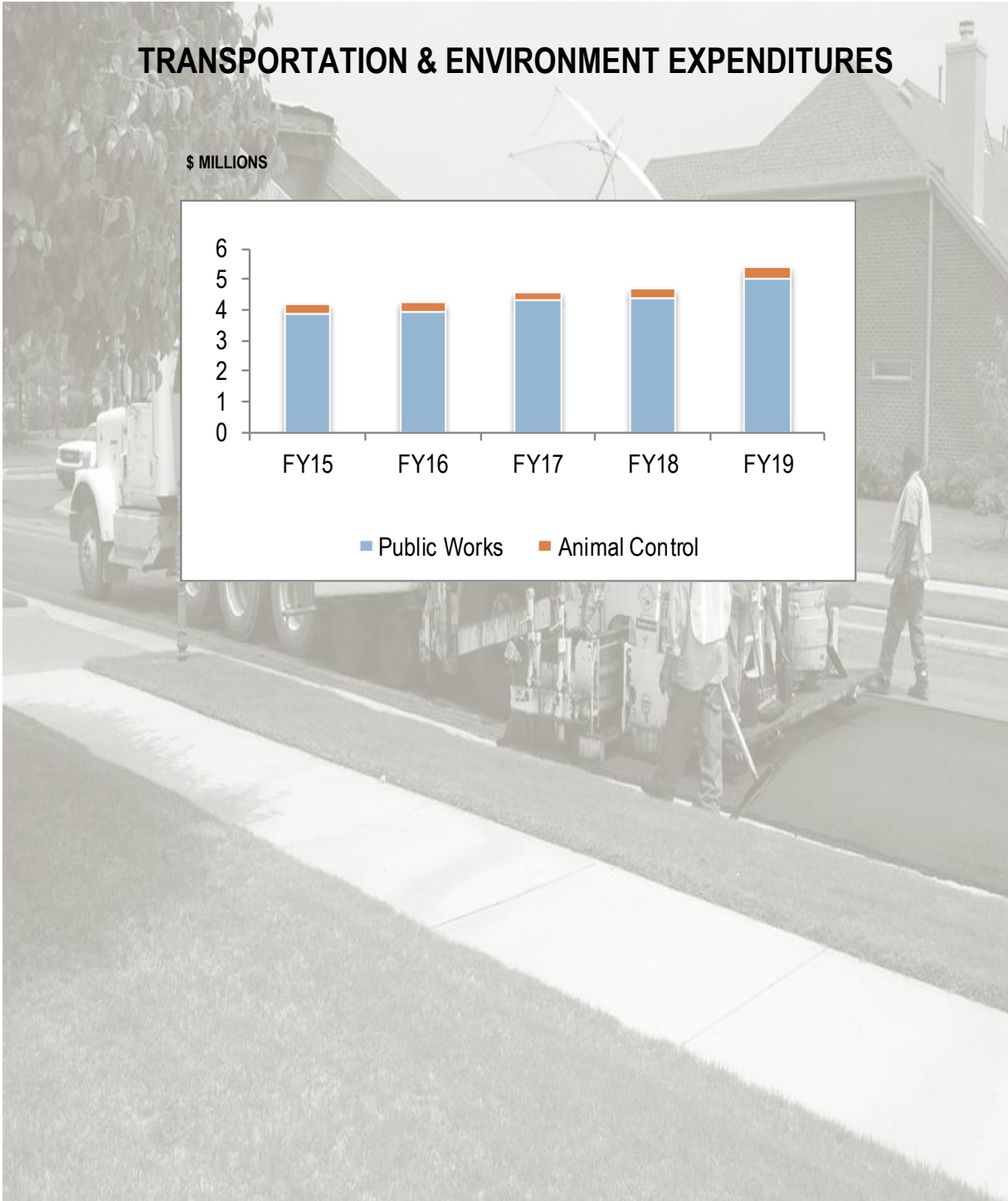
Utilities - \$3,024 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures			
Operational Objective	To protect life		
Key Product/Service	Emergency medical services		
Target	Average of 5 minutes and 45 seconds		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Ambulance average response time	6:09	5:52	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	FY17 Actual	FY18 Actual	FY19 Budgeted
Cardiac arrest survival rate	43%	39%	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	FY17 Actual	FY18 Actual	FY19 Budgeted
General funds transfer to Ambulance Special Revenue Funds	\$600,000	\$625,000	\$775,000

TRANSPORTATION AND ENVIRONMENT

FY19 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. 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 2,541,400	2,728,984	2,676,051	190,074	7.10%	2,866,125
Communication	2,718	4,500	4,500	(500)	-11.11%	4,000
Contract Services	572,251	652,000	652,000	(2,000)	-0.31%	650,000
Insurance	13,273	15,000	15,000	-	0.00%	15,000
Other Maintenance	130,333	130,000	130,000	(1,000)	-0.77%	129,000
Supplies	86,592	116,000	114,700	(700)	-0.61%	114,000
Rent	1,939	3,000	3,000	(1,000)	-33.33%	2,000
Allocations	356,487	395,332	360,501	41,773	11.59%	402,274
Capital Outlay	566,817	404,000	404,000	429,000	106.19%	833,000
Utilities	30,857	29,400	34,416	1,831	5.32%	36,247
TOTAL	\$ 4,302,667	4,478,216	4,394,168	657,478	14.96%	5,051,646
Expense Reimbursement	\$ (425,440)	(459,800)	(459,800)	31,860	-6.93%	(427,940)

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	6.0 \$ 452,076	6.0 464,326	6.0 514,831
Non-Exempt Wages	33.0 1,292,517	33.0 1,312,574	33.0 1,355,818
Other Compensation	30,963	38,000	38,000
Fringe Benefits	763,701	858,651	955,476
Other Personnel	2,143	2,500	2,000
DEPARTMENT TOTAL	39.0 \$ 2,541,400	39.0 2,676,051	39.0 2,866,125

GENERAL FUND

Categories

Personnel - \$2,866,125 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 - \$4,000 This category funds memberships and professional publications allowing staff to remain current with new and more efficient ways of day-to-day job performance.

Contract Services - \$650,000 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 - \$129,000 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 - \$114,000 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 - \$2,000 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 - \$402,274 This category represents the department's portion of the insurance and vehicle maintenance.

Capital Outlay - \$833,000 This category includes the funding of IRP projects including Solar Arrow Board, Gradall, five vehicles, Soccerplex/Lacrosse Drainage, and Pour in Place Playground at Riverdale and Dogwood Park.

Utilities - \$36,247 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	FY17 Actual	FY18 Actual	FY19 Budgeted
Asset Condition Index of City Parks	92%	92%	90%
Operational Objective	To meet customer expectations		
Key Product/Service	Street maintenance		
Target	74%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Pavement Condition Index Score	76%	76%	74%



State Street Aid

Mission

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

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Roads and Mains	\$ 2,095,084	1,550,000	1,708,517	841,483	49.25%	2,550,000
Utilities	907,296	920,000	900,000	20,000	2.22%	920,000
TOTAL	\$ 3,002,380	2,470,000	2,608,517	861,483	33.03%	3,470,000

Categories Roads and Mains- \$2,550,000 This category includes expenditures for improving or maintaining city streets. It includes work done by City crews (\$350,000), contract street resurfacing (\$2,000,000), 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

<u>CATEGORY</u>	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 186,743	271,718	211,609	29,433	13.91%	241,042
Communication	64	1,100	1,100	-	0.00%	1,100
Professional Fees	7,200	7,200	7,200	-	0.00%	7,200
Insurance	-	3,000	3,000	-	0.00%	3,000
Supplies	87,002	95,100	93,700	1,200	1.28%	94,900
Allocations	5,709	6,698	7,668	357	4.66%	8,025
Capital Outlay	-	-	-	-	-	-
Utilities	9,069	10,400	9,986	314	3.14%	10,300
TOTAL	\$ 295,787	395,216	334,263	31,304	9.37%	365,567

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1.0 \$ 51,772	1.0 53,739	1.0 55,388
Non-Exempt Wages	3.8 122,307	3.5 74,048	3.5 103,457
Other Compensation	-	2,000	2,000
Fringe Benefits	68,077	79,822	78,165
Other Personnel	723	2,000	2,032
DEPARTMENT TOTAL	4.8 \$ 242,879	4.5 211,609	4.5 241,042

GENERAL FUND

Categories

Personnel - \$241,042 This category contains funds to cover personnel costs for an exempt animal services manager and non-exempt animal control officers and part time animal shelter worker. Non-exempt staff 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 - \$94,900 This category provides funding for office and cleaning supplies, purchase of replacement uniforms, food that is used to feed animals impounded in the shelter and disposal fees for dead animals. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Allocation – \$8,025 This category includes the Animal Control Division’s portion of shared costs of all funds, including insurance and vehicle maintenance.

Utilities - \$10,300 This category includes the Division’s utility costs (electricity, gas, water, sewer and local telephone calls).

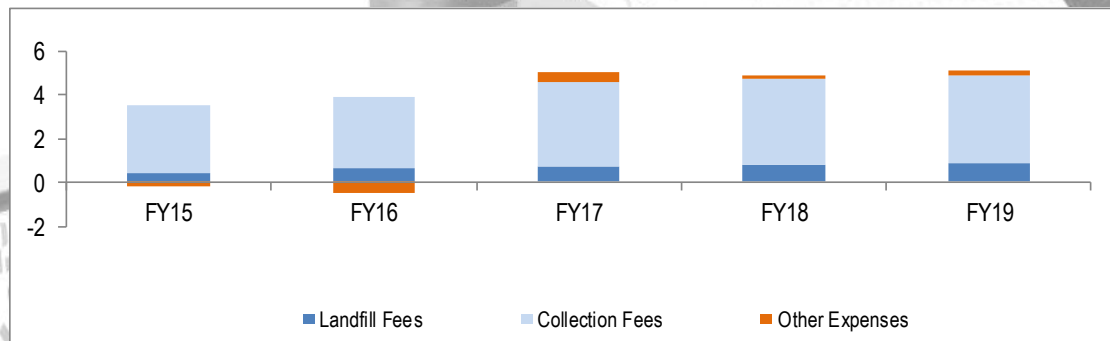
Performance Measures			
Operational Objective	To promote animal welfare		
Key Product/Service	Animal adoptions		
One Year Target	83%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Live release rate	94%	92%	83%

SANITATION FY19 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 vendors, and in conjunction with the Environmental Commission, to educate citizens about solid waste reduction activities such as recycling, grass cycling and composting.

The FY19 Sanitation Budget includes options for backdoor trash collection or curbside option, weekly recyclables collection and limited resident generated yard debris collection. This fund reflects the third year of a five year contract with option to renew for an additional five years with Waste Pro for collection. The sanitation fee of residential collection in FY19 is calculated at \$36.50 per single-family dwelling backdoor, \$29.50 for curbside and \$19.00 for condominium.

In addition to the collection costs, the City is in the third 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 sanitary sanitation landfill. This fee is \$25.76 per ton with a \$1.25 surcharge per ton. In addition, the City is in the third 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 of processing recyclables is also included in the disposal budget.

The cost for collection service alone is \$3,968,548 with landfill fees projected to total \$904,441. One goal of the Environmental Commission is to familiarize the public with the benefits of recycling.

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 158,272	110,189	107,152	6,326	6%	113,478
Communication	4,726	25,900	24,500	1,000	4%	25,500
Professional Fees	-	-	-	25,000	100%	25,000
Contract Services	4,790,864	4,609,000	4,679,491	183,498	4%	4,862,989
Supplies	34,432	38,000	38,000	2,000	5%	40,000
Depreciation	-	8,500	7,737	7,737	100.00%	15,474
TOTAL	\$ 4,988,294	\$ 4,791,589	4,856,880	225,561	5%	5,082,441
Capital Outlay	\$ -	170,000	154,744	-	0.00%	-

BUDGET PAYROLL SUMMARY

	FY17 Actual		FY18 Estimate		FY19 Budget	
Exempt Salaries	0.5	\$ 32,816	0.5	32,121	0.5	33,100
Non-Exempt Wages	0.3	55,591	0.3	41,301	0.3	41,943
Other Compensation		-		-		-
Fringe Benefits		69,717		33,530		36,935
Other Personnel		148		200		1,500
DEPARTMENT TOTAL	0.8	\$ 158,272	0.8	107,152	0.8	113,478

Categories Personnel - \$113,478 This category contains funds to cover personnel costs for the sanitation program.

Communications - \$25,500 This category funds the City's publications for semiannual Amnesty Days and the recycling/composting program. Also included in this category are funds for attending meetings, professional licenses and subscriptions to publications related to solid waste collection and disposal.

Professional Fees - \$25,000 This category funds the City's portion of consultant to develop regional solid waste plan. This category funds the contract service expenses of daily operations and management for the Sanitation Fund.

Contract Services - \$4,862,989 This category reflects the cost for landfill charges (\$904,441) and collection charges for one year (\$3,968,548).

Supplies - \$40,000 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 - \$15,474 This category includes the annual depreciated valuation of the Sanitation equipment.

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	FY17 Actual	FY18 Actual	FY19 Budgeted
Trash tons per 1,000 population	319	319	<327
Operational Objective	Neighborhood Services: To meet customer expectations		
Key Product/Service	Solid waste collection		
One Year Target	85%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Customer satisfaction with solid waste collection service	89%	93%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 864,892	575,046	561,887	25,870	4.60%	587,757
Communication	765	3,000	2,000	(350)	-17.50%	1,650
Professional Fees	-	5,000	1,000	(1,000)	-100.00%	-
Insurance	-	-	-	-	-	-
Other Maintenance	25,438	29,820	25,460	14,400	56.56%	39,860
Supplies	12,354	29,100	24,000	(4,600)	-19.17%	19,400
Allocations	33,224	38,567	40,788	1,655	4.06%	42,443
Roads & Mains	247,276	285,000	290,795	1,805	0.62%	292,600
TOTAL	\$ 1,220,417	1,004,453	984,850	42,140	4.28%	1,026,990
Capital Outlay	\$ -	100,000	100,000	58,760	58.76%	75,000

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	0.5 \$ 120,444	0.5 123,191	0.5 123,414
Non-Exempt Wages	6.0 272,320	6.0 253,736	6.0 263,002
Other Compensation	651	2,000	2,000
Fringe Benefits	470,291	181,585	197,341
Other Personnel	1,186	1,375	2,000
DEPARTMENT TOTAL	6.5 \$ 864,892	6.5 561,887	6.5 587,757

Categories Personnel - \$587,757 This category contains funds to cover personnel costs for the stormwater program including an engineer, crew supervisors and maintenance technicians.

Communications - \$1,650 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.

ENTERPRISE FUND

Other Maintenance - \$39,860 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 - \$19,400 This category funds office supplies, uniforms and clothing and small tools that are unique to providing stormwater services. Also, included in this category are non-capital assets ranging in value from \$500 to \$4,999.

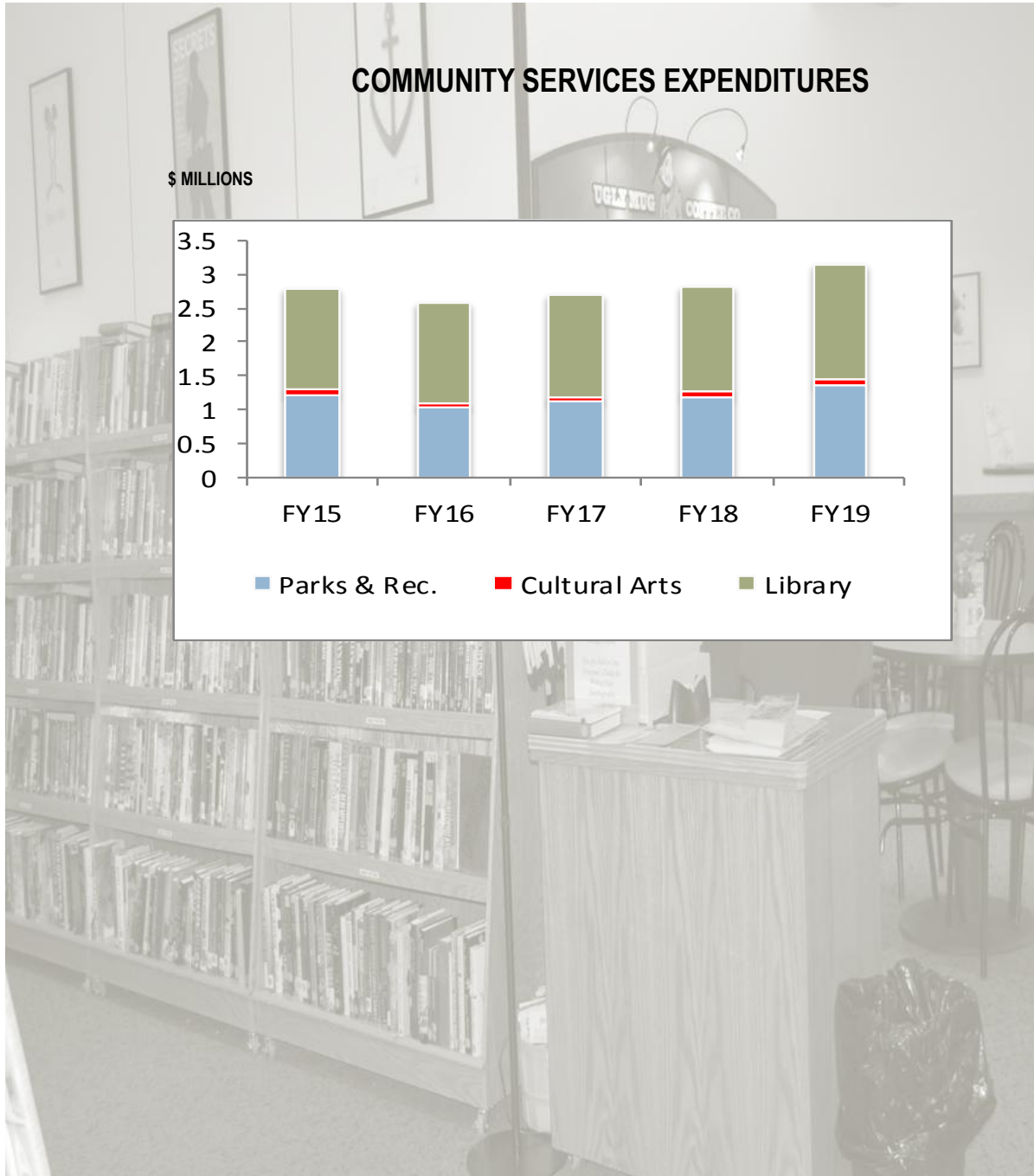
Allocation - \$42,443 This category includes the Stormwater's portion of shared costs of all funds, including insurance and vehicle maintenance.

Roads and Mains - \$292,600 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.

Performance Measures			
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 40		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Total Coliforms	92	86	<40
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 200		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Turbidity	173	141	<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	FY17 Actual	FY18 Actual	FY19 Budgeted
Total dissolved solids	72	65	50-250

COMMUNITY SERVICES FY19 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 667,141	860,988	768,684	82,641	10.75%	851,325
Communication	17,377	13,755	11,205	600	5.35%	11,805
Professional Fees	29,920	40,000	40,000	50	0.13%	40,050
Insurance	2,108	3,000	2,300	700	30.43%	3,000
Supplies	27,466	21,200	24,110	(1,930)	-8.00%	22,180
Rent	4,748	12,000	5,800	1,200	20.69%	7,000
Allocations	39,725	44,758	44,045	3,206	7.28%	47,251
Capital Outlay	77,104	25,500	30,500	79,500	260.66%	110,000
Utilities	249,344	275,600	247,900	19,500	7.87%	267,400
Grants	9,443	3,700	3,700	-	0.00%	3,700
TOTAL	\$ 1,124,376	1,300,501	1,178,244	195,967	16.63%	1,374,211

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	5.0 \$ 352,822	7.0 370,707	7.0 426,377
Non-Exempt Wages	5.5 176,121	6.5 203,208	6.5 205,767
Other Compensation	-	-	-
Fringe Benefits	137,223	192,499	216,581
Other Personnel	975	2,270	2,600
DEPARTMENT TOTAL	10.5 \$ 667,141	13.5 768,684	13.5 851,325

Categories

Personnel - \$851,325 This category contains the salaries, wages and benefits for the director of parks and recreation, recreation services manager, special events and marketing coordinator, recreation specialist,

GENERAL FUND

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.

Communications - \$11,805 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 - \$40,050 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 - \$22,180 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 - \$7,000 This category includes rental fees for land and equipment. It also includes lease and taxes for Depot Park and Oaklawn Gardens.

Allocation - \$47,251 This includes the Parks and Recreation Department's portion of the shared costs of all internal funds, including insurance and vehicle maintenance.

Capital Outlay - \$110,000 This category provides funding for the Greenway UTV, Arboretum & Tree Restoration and Replacement - Phase 1 and two vehicles.

Utilities - \$267,400 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.7

Performance Measures			
Strategic Objective	Ecosystem integrity and habitat biodiversity on public lands		
Key Product/Service	Natural Resources		
Target	42.39%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Tree canopy coverage ratio	n/a	n/a	42.9%
Operational Objective			
Key Product/Service	Safe and secure parks		
Target	< 13		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Reduction in non-violent crimes	15	10	<13
Operational Objective	To meet customer expectations		
Key Product/Service	Recreation, leisure, sports programs		
Target	94%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Overall satisfaction	88%	96%	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

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 230,655	409,103	319,165	108,663	34.05%	427,828
Professional Fees	137,032	186,069	130,940	21,400	16.34%	152,340
Supplies	88,498	95,700	84,698	14,852	17.54%	99,550
Rent	-	-	-	-	-	-
Allocations	12,857	17,892	13,928	832	5.97%	14,760
Capital Outlay	-	200,000	200,000	(94,000)	-47.00%	106,000
TOTAL	\$ 469,042	908,764	748,731	51,747	6.91%	800,478

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1 \$ 57,141	2 94,795	2 138,265
Non-Exempt Wages	7.5 142,888	7.5 175,000	7.5 216,742
Other Compensation	-	-	-
Fringe Benefits	30,626	49,370	72,821
Other Personnel	-	-	-
DEPARTMENT TOTAL	8.7 \$ 230,655	9.5 319,165	9.5 427,828

Categories Personnel - \$427,828 This category pays for a full-time REACH manager, Reach Program Coordinator that serves the Germantown Municipal School District, site directors part-time and program assistants part-time.

Professional Fees - \$152,340 This category pays referees who officiate in basketball, softball, baseball, kickball, croquet, community education, intramurals and cheerleading as well as sport camp instructors.

SPECIAL REVENUE FUND

Supplies - \$99,550 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 - \$14,760 This category covers insurance allocation for program participants.

Capital Outlay - \$106,000 This category includes the costs associated with the following IRP projects: Baseball and Soccer/Lacrosse park bleachers replacement, office and conference room furniture, tennis court resurfacing and one vehicle.

Performance Measures			
Operational Objective	To meet customer expectations		
Key Product/Service	Recreation, leisure, sports programs		
Target	50,000		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Annual participation rate	40,103	32,556	50,000

Cultural Arts

Mission

To sponsor numerous special events and projects throughout the year.

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Professional Fees	14,300	13,575	13,575	-	0.00%	13,575
Supplies	30,526	59,102	62,602	7,000	11.18%	69,602
Rent	1,573	3,320	3,320	-	0.00%	3,320
TOTAL	\$ 46,399	75,997	79,497	7,000	8.81%	86,497

- 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 - \$69,602 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Professional Fees	\$ 33,319	47,333	48,873	-	0.00%	48,873
Supplies	5,144	8,000	8,000	(6,000)	-75.00%	2,000
Allocations	2,489	2,948	2,696	161	5.97%	2,857
Capital Outlay	-	-	-	62,500	100%	62,500
Utilities	9,631	10,020	10,370	1,440	13.89%	11,810
TOTAL	\$ 50,583	68,301	69,939	58,101	83.07%	128,040

Categories	<p>Professional Fees - \$48,873 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 - \$2,000 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 - \$2,857 This category includes shared costs of the City's insurance expenses for the Pickering Community Center building.</p> <p>Capital Outlay - \$62,500 This category includes the costs associated with the following IRP projects: cabinets and controlled access at the Pickering Complex .</p> <p>Utilities - \$11,810 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 435	1,500	1,500	-	0.00%	1,500
Communication	6,037	9,450	9,450	-	0.00%	9,450
Professional Fees	1,268,976	1,307,092	1,307,092	31,469	2.41%	1,338,561
Other Maintenance	7,490	18,900	18,900	-	0.00%	18,900
Supplies	43,323	28,400	28,400	-	0.00%	28,400
Rent	11,050	12,500	12,500	-	0.00%	12,500
Allocations	22,284	26,388	24,136	1,441	5.97%	25,577
Utilities	97,060	99,100	98,070	4,810	4.90%	102,880
TOTAL	\$ 1,456,655	1,503,330	1,500,048	37,720	2.51%	1,537,768

- 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 - \$1,338,561 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 - \$25,577 This category includes the Germantown Community Library's portion of insurance expenses.
 - Utilities - \$102,880 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	FY17 Actual	FY18 Actual	FY19 Budgeted
% Increase in usage of services	139%	35%	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>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Personnel	\$ 200	200	200	-	0.00%	200
Professional Fees	43,082	50,441	50,441	70,690	140.14%	121,131
Supplies	6,580	9,350	9,464	(114)	-1.20%	9,350
Rent	503	600	600	-	0.00%	600
Allocations	1,457	1,725	1,578	94	5.96%	1,672
Utilities	10,950	17,757	11,247	6,510	57.88%	17,757
TOTAL	\$ 62,772	80,073	73,530	77,180	104.96%	150,710

Categories

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

Professional Fees - \$121,131 This category funds the contract services expenses of daily operations and management of the Tennessee Genealogical Library as well as digitization of the collection.

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 - \$1,672 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. Funds are not budgeted in this cost center due to the expenses being absorbed by the General Fund in order to preserve the Endowment Fund to be available for future needs.

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Personnel	\$ 620	3,460	3,202	(3,202)	-100.00%	-
Professional	2,418	7,608	9,585	(9,585)	-100.00%	-
Supplies	7,696	7,000	6,251	(6,251)	-100.00%	-
TOTAL	\$ 10,734	18,068	19,038	(19,038)	-100.00%	-

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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 55,475	70,819	63,074	20,408	32%	83,482
Communication	1,544	3,800	2,800	500	18%	3,300
Professional Fees	25,953	27,150	25,550	(4,050)	-16%	21,500
Contract Services	-	5,500	4,500	-	0%	4,500
Insurance	4,616	3,000	3,000	-	0%	3,000
Other Maintenance	9,310	7,500	7,500	-	0%	7,500
Supplies	16,388	27,600	31,950	(12,150)	-38%	19,800
Rent	770	1,000	1,000	-	0%	1,000
Allocations	942	1,116	1,021	61	6%	1,082
Capital Outlay	-	-	17,231	2,769	16%	20,000
Utilities	6,386	13,200	9,846	385	4%	10,231
TOTAL	\$ 121,384	160,685	167,472	7,923	4.73%	175,395

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Non-Exempt Wages	1.0 \$ 51,332	1.0 58,000	0.5 29,490
Fringe Benefits	4,143	5,074	18,431
DEPARTMENT TOTAL	1.0 \$ 55,475	1.0 63,074	1.5 83,482

- Categories
- Personnel - \$83,482 This category contains funds to cover personnel costs for the farm park including farm operations coordinator and part-time farm staff.
 - Communications - \$3,300 This category funds marketing and notice publications, dues and subscriptions to American Gardening Society.
 - Professional Fees - \$21,500 This category funds the contract services expenses of daily operations and management of the farm park.

SPECIAL REVENUE FUND

Contract Services - \$4,500 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 - \$19,800 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 - \$1,082 This category includes the farm's portion of insurance expense.

Capital Outlay - \$20,000 This category includes the costs associated with the following IRP projects: tractor and agricultural implements.

Utilities - \$10,231 This category includes the department's utility costs (electricity and gas, water, sewer, stormwater and local telephone).

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	FY17 Actual	FY18 Actual	FY19 Budgeted
Farm Park Fund	150,000	120,000	120,000

Germantown Municipal School District

Mission

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

BUDGET CATEGORY SUMMARY

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 37,717,000	40,884,000	40,846,000	2,354,000	5.76%	43,200,000
Communication	298,000	361,000	240,000	121,000	50.42%	361,000
Professional Fees	4,895,000	4,853,000	5,364,000	14,000	0.26%	5,378,000
Contract Maintenance	595,000	680,000	680,000	10,000	1.47%	690,000
Supplies	2,493,000	2,777,000	2,743,000	447,000	16.30%	3,190,000
Rent	152,000	152,000	155,000	10,000	6.45%	165,000
Allocations	117,000	115,000	-	102,000	100%	102,000
Capital Outlay	3,762,000	4,576,000	9,059,000	332,000	3.66%	9,391,000
Utilities	888,000	915,000	906,000	29,000	3.20%	935,000
Other Maintenance	674,000	952,000	1,032,000	(115,000)	-11.14%	917,000
Insurance	236,000	275,000	255,000	35,000	13.73%	290,000
TOTAL	\$ 51,827,000	56,540,000	61,280,000	3,339,000	5.45%	64,619,000

Categories	<p>Personnel - \$43,200,000 This category contains funds to cover personnel costs for the school system.</p> <p>Communications - \$361,000 This category funds marketing and notice publications, dues and subscriptions and election expenses.</p> <p>Professional Fees - \$5,378,000 This category funds the contract service expenses of daily operations and management for the school system.</p> <p>Contract Maintenance - \$690,000 This category includes expenses associated with equipment maintenance.</p> <p>Supplies - \$3,190,000 This category funds general supplies used in the operations of municipal school startup.</p> <p>Rent - \$165,000 This category funds costs associated with rental office space.</p> <p>Allocations - \$102,000 This category funds the operating transfer to the Cafeteria Fund.</p> <p>Capital Outlay - \$9,391,000 This category includes the purchase of capital and maintenance equipment and construction.</p> <p>Utilities - \$935,000 This category includes utility costs (electricity and gas, water, and sewer).</p> <p>Other Maintenance - \$917,000 This category includes other maintenance expenses.</p> <p>Insurance - \$290,000 This category includes the Municipal Schools' portion of insurance expenses.</p>
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GERMANTOWN ATHLETIC CLUB EXPENDITURES

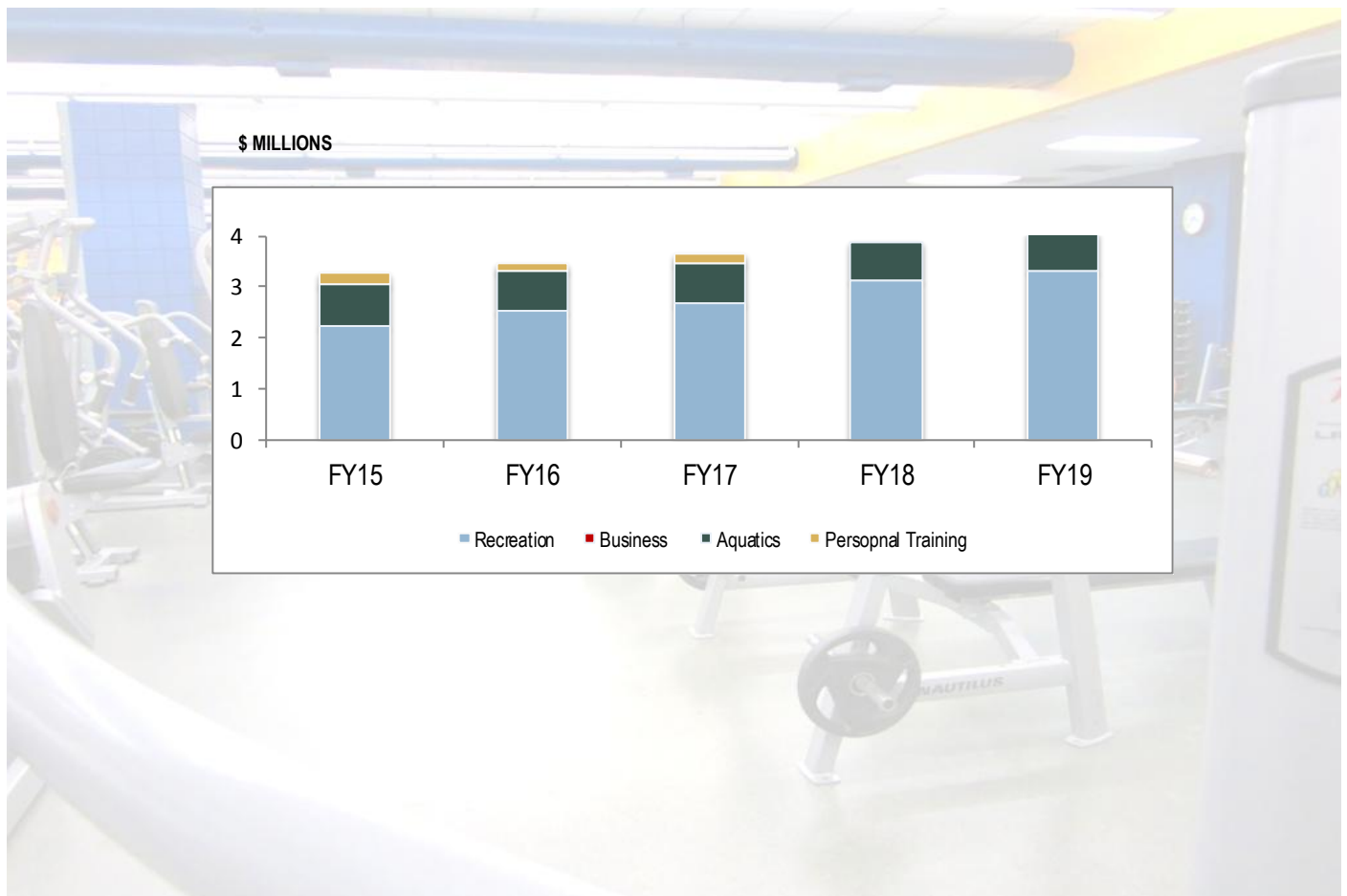
FY19 BUDGET

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 FY17	Budget FY 18	Estimated FY 18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 1,256,697	1,361,161	1,319,742	143,677	10.89%	1,463,419
Communication	365	7,500	6,577	1,123	17.07%	7,700
Professional Fees	312,489	510,366	449,679	33,710	7.50%	483,389
Other Maintenance	117,484	170,000	195,030	(11,030)	-5.66%	184,000
Supplies	133,108	146,760	142,547	41,688	29.25%	184,235
Rent	161,520	241,015	239,157	843	0.35%	240,000
Allocations	62,269	66,362	63,918	2,103	3.29%	66,021
Depreciation	372,317	424,300	443,862	6,138	1.38%	450,000
Utilities	253,029	255,662	249,262	(3,752)	-1.51%	245,510
TOTAL	\$ 2,669,278	\$ 3,183,126	3,109,774	214,500	6.90%	3,324,274
Capital Outlay	\$ 2,503,789	1,135,000	1,344,431	(244,431)	-18.18%	1,100,000

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	6.0 \$ 387,490	7.0 418,861	7.0 491,982
Non-Exempt Wages	16.9 580,468	17.9 609,881	17.9 648,157
Other Compensation	948	1,008	1,500
Fringe Benefits	286,480	288,373	318,345
Other Personnel	1,311	1,619	3,435
DEPARTMENT TOTAL	22.9 \$ 1,256,697	24.9 1,319,742	24.9 1,463,419

Categories

Personnel - \$1,463,419 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.

ENTERPRISE FUND

Communication - \$7,700 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 - \$483,389 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 - \$184,000 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 - \$184,235 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 - \$240,000 This category provides rental of specialty and fitness equipment needed by the Germantown Athletic Club.

Allocations- \$66,021 This category includes the Germantown Athletic Club Recreation's portion of insurance expenses.

Depreciation - \$450,000 This category includes the annual depreciated valuation of the Germantown Athletic Club facilities and equipment.

Utilities - \$245,510 This line includes the Recreation's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Capital Outlay - \$1,100,000 This category includes the costs associated with CIP and IRP projects at the GAC. Specifically, this year's budget funds phase IV renovations at the GAC, security cameras, and cooling tower.

Performance Measures			
Operational Objective	To increase profitability		
Key Product/Service	Membership		
Target	70%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Member retention	70%	69%	70%
Operational Objective	To increase profitability		
Key Product/Service	Net profit margin		
Target	12.5%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Net profit margin	11.3%	13.6%	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 420,878	450,628	378,645	(50,346)	-13.30%	328,299
Insurance	318	-	-	-	-	-
Supplies	24,217	45,500	42,246	11,254	26.64%	53,500
Allocations	26,612	36,634	34,579	1,495	4.32%	36,074
Depreciation	186,338	187,488	173,638	1,362	0.78%	175,000
Utilities	116,918	124,905	111,926	13,471	12.04%	125,397
TOTAL	\$ 775,281	845,155	741,034	(21,764)	-2.94%	719,270

BUDGET PAYROLL SUMMARY

	FY17 Actual		FY18 Estimate		FY19 Budget	
Exempt Salaries	2.0	\$ 91,558	1.0	79,806	1.0	46,543
Non-Exempt Wages	13.5	265,879	13.5	235,286	13.5	225,618
Other Compensation	-	235	-	509	-	500
Fringe Benefits	-	61,148	-	60,015	-	52,138
Other Personnel	-	2,058	-	3,029	-	3,500
DEPARTMENT TOTAL	15.5	\$ 420,878	14.5	378,645	14.5	328,299

Categories

Personnel - \$328,299 Represented in this category are the salaries and benefits for an aquatics coordinator, 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 - \$53,500 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- \$36,074 This line includes the Athletic Club's portion of insurance costs for the aquatic facilities.

Depreciation - \$175,000 Included in this category is the annual charge representing depreciated valuation of aquatic facilities and equipment.

Utilities - \$125,397 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

<u>CATEGORY</u>	Actual FY17	Budget FY18	Estimated FY18	Amt Chg.	% Chg.	Budget FY19
Personnel	\$ 80,321	-	-	-	-	-
Professional Fees	123,685	-	-	-	-	-
Supplies	5,538	-	-	-	-	-
TOTAL	\$ 209,544	-	-	-	-	-

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1.0 \$ 43,662	0.0	0.0
Non-Exempt Wages	1.0 20,357	0.0	0.0
Other Compensation	-	-	-
Fringe Benefits	- 16,302	-	-
Other Personnel	-	-	-
DEPARTMENT TOTAL	2.0 \$ 80,321	0.0	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 CATEGORY SUMMARY

CATEGORY	Actual FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Debt Service	\$ 15,624	12,024	12,024	(3,528)	-29.34%	8,496
TOTAL	\$ 15,624	12,024	12,024	(3,528)	-29.34%	8,496

Categories

Debt Service - \$8,496 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 179,591	192,056	185,743	10,519	5.66%	196,262
Communication	350	750	750	-	0.00%	750
Professional Fees	46,807	43,000	44,522	(1,522)	-3.42%	43,000
Other Maintenance	63,587	75,200	75,200	-	0.00%	75,200
Supplies	17,537	14,700	15,215	(515)	-3.38%	14,700
Rent	93,000	94,222	94,222	1,000	1.06%	95,222
Allocations	22,257	16,437	16,108	390	2.42%	16,498
Depreciation	63,764	71,786	71,754	4,938	6.88%	76,692
Utilities	42,086	39,479	39,479	-	0.00%	39,479
Grants	8,004	-	-	-	-	-
TOTAL	\$ 536,983	547,630	542,993	14,810	2.73%	557,803
Capital Outlay	\$ 42,381	30,000	53,234	5,766	10.83%	59,000

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	2.0 108,189	2.0 112,048	2.0 115,489
Non-Exempt Wages	1.0 34,633	1.0 32,574	1.0 36,451
Other Compensation	66	-	-
Fringe Benefits	- 36,703	- 41,121	- 44,322
Other Personnel	-	-	-
DEPARTMENT TOTAL	3.0 179,591	3.0 185,743	3.0 \$ 196,262

Categories Personnel - \$196,262 Represented in this category are the salaries and benefits for a Great Hall & Conference Center manager, event planner, and part-time event representative.

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.

ENTERPRISE FUND

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- \$95,222 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- \$16,498 This line includes the Great Hall's portion of insurance costs.

Depreciation - \$76,692 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 - \$59,000 This category includes the costs associated with carpeting 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	FY17 Actual	FY18 Actual	FY19 Budget
General Fund transfer to GH&CC	\$175,000	\$85,000	\$75,000
Operational Objective	To meet customer expectations		
Key Product/Service	Meeting/Banquet Room rental		
Target	99%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budget
Customer satisfaction	95%	100%	99%
Operational Objective	To increase funding of operations		
Key Product/Service	Meeting/Banquet Room rental		
Target	\$437,807		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budget
Total revenue	\$478,806	\$497,157	\$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 FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Debt Service	\$ 6,076	4,676	4,676	(1,372)	-29.34%	3,304
TOTAL	\$ 6,076	4,676	4,676	(1,372)	-29.34%	3,304

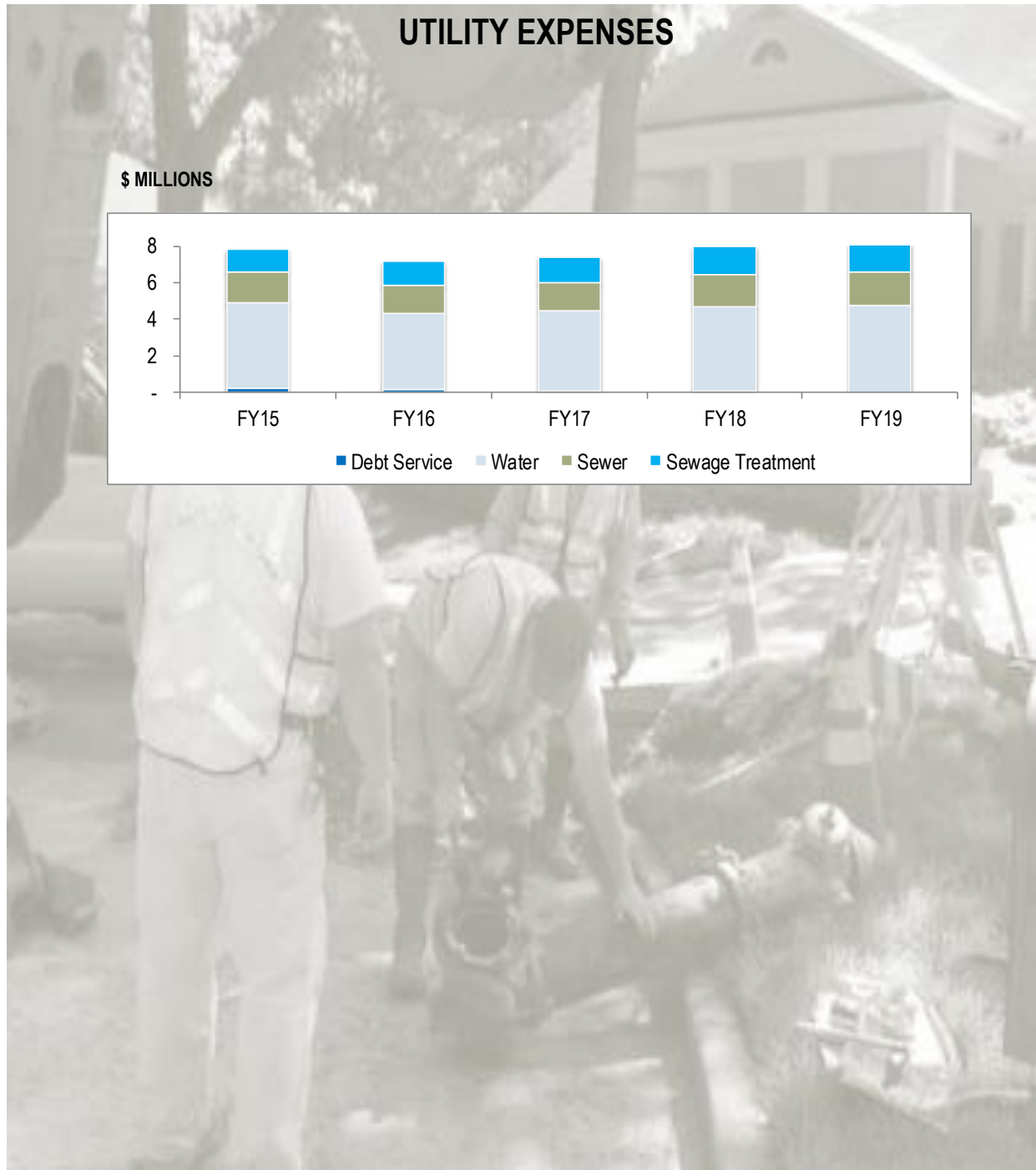
Categories Debt Service - \$3,304 This category includes the Great Hall's interest portion of the \$2.5 million General Intergovernmental loan.



UTILITIES

FY19 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. Outstanding principal of the Utility Fund at July 1, 2018 is \$590,000. During the year, principal of \$590,000 and interest of \$11,000 will be paid. The principal balance at June 30, 2019, will be \$0.

<u>Security</u>	<u>Balance 7/1/2018</u>	<u>Principal Payment</u>	<u>Balance 6/30/2019</u>	<u>Interest Expense</u>
<u>Existing:</u>				
2008 Water Revenue Bonds	\$ 590,000	590,000	-	11,800
Total FY18 Debt	<u>\$ 590,000</u>	<u>590,000</u>	<u>-</u>	<u>11,800</u>
	<u>Existing Principal</u>	<u>Existing Interest</u>	<u>Future Principal</u>	<u>Future Interest</u>
<u>Proposed:</u>				
FY19	-	-	-	-
FY20	-	-	-	-
FY21	-	-	-	-
Thereafter	-	-	-	-
Total Debt Service	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

BUDGET CATEGORY SUMMARY

<u>CATEGORY</u>	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Debt Service	\$ 68,820	45,100	45,100	(33,300)	-73.84%	11,800
Agency Fees	250	250	-	250	100%	250
TOTAL	<u>\$ 69,070</u>	<u>45,350</u>	<u>45,100</u>	<u>(33,050)</u>	<u>-73.28%</u>	<u>12,050</u>

Categories

Debt Service - \$11,800 This category includes interest payments on the Series 2008 Water and Sewer System Revenue and Tax Bonds.

Agency Fees - \$250 This category covers fees paid to 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

Four 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 13,164 residential and 489 business customers with an uninterrupted supply of potable water, sufficient water pressure and adequate supply of water for fire protection; maintains 235 miles of water mains, 5,430 fire hydrants, 9,000 main line valves and 14,331 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

Four 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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
Personnel	\$ 1,183,332	1,252,277	1,235,305	85,600	6.93%	1,320,905
Communication	75,679	83,500	83,000	500	0.60%	83,500
Professional Fees	84,955	122,000	130,000	-	0.00%	130,000
Insurance	1,331	5,000	5,000	1,000	20.00%	6,000
Other Maintenance	67,824	85,000	100,000	-	0.00%	100,000
Supplies	132,812	204,000	189,000	10,000	5.29%	199,000
Allocations	750,748	817,937	800,757	(15,581)	-1.95%	785,176
Roads & Mains	121,199	120,000	120,000	-	0.00%	120,000
Depreciation	1,059,065	1,059,991	1,059,991	11,533	1.09%	1,071,524
Utilities	601,326	664,500	613,818	20,550	3.35%	634,368
Pilot	289,117	289,117	298,957	7,474	2.50%	306,431
TOTAL	\$ 4,367,388	4,703,322	4,635,828	121,076	2.61%	4,756,904
Capital Outlay	\$ 30,315	1,097,500	1,024,160	156,053	15.24%	1,848,100

BUDGET PAYROLL SUMMARY

	FY17 Actual		FY18 Estimate		FY19 Budget	
Exempt Salaries	1.0	\$ 64,285	1.0	114,844	2.0	152,194
Non-Exempt Wages	15.0	674,008	15.0	674,561	15.0	678,957
Other Compensation		37,489		60,000		65,000
Fringe Benefits		401,144		378,645		416,754
Other Personnel		6,406		7,255		8,000
DEPARTMENT TOTAL	16.0	\$ 1,183,332	16.0	1,235,305	17.0	1,320,905

Categories

Personnel - \$1,320,905 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, maintenance worker, 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. 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 - \$130,000 This category includes fees to pay outside engineering and professional consultants for review and recommendations concerning the water system as required.

Insurance - \$6,000 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 - \$100,000 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 - \$199,000 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 - \$785,176 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 235 miles of various sized water mains and approximately 14,331 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 - \$1,071,524 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 - \$634,368 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Pilot - \$306,431 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 - \$1,848,100 This category includes the costs associated with the CIP and IRP projects of well field maintenance and water mains maintenance and one vehicle.

Performance Measures			
Strategic Objective	Enhanced protection and conservation of water resources are priorities		
Key Product/Service	Natural Resources		
Target	< 60 ppm		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Water hardness: total PPM	23.6	24.49	<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	FY17 Actual	FY18 Actual	FY19 Budgeted
Avg. Rate of change in aquifer levels, feet below land surface (Johnson Road)	-9.33	-11.64	(+)-10
Avg. Rate of change in aquifer levels, feet below land surface (Southern Ave.)	-8.75	-10.56	0(+)-10
Operational Objective	To produce and deliver adequate water supply to utility customers		
Key Product/Service	Portable water		
Target	99.9%		
Performance Measure	FY17 Actual	FY18 Actual	FY19 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 260 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 FY17	Budget FY18	Estimated FY18	Amt Chg.	% Chg.	Budget FY19
Personnel	\$ 260,798	374,356	376,764	30,317	8.05%	407,081
Communication	60	600	600	-	0.00%	600
Insurance	325	5,000	5,000	-	0.00%	5,000
Other Maintenance	1,674	5,000	5,000	-	0.00%	5,000
Supplies	13,985	23,700	18,700	-	0.00%	18,700
Allocations	382,380	412,466	423,885	(8,873)	-2.09%	415,012
Roads & Mains	21,295	32,000	32,000	3,000	9.38%	35,000
Depreciation	692,351	704,133	704,133	10,000	1.42%	714,133
Utilities	12,977	15,500	15,500	1,000	6.45%	16,500
PILOT	184,846	185,000	196,501	4,913	2.50%	201,414
TOTAL	\$ 1,570,691	1,757,755	1,778,083	40,357	2.27%	1,818,440
Capital Outlay	\$ 205,915	895,000	775,963	1,489,037	191.90%	2,265,000

BUDGET PAYROLL SUMMARY

	FY17 Actual	FY18 Estimate	FY19 Budget
Exempt Salaries	1.0 \$ 67,953	1.0 67,885	1.0 72,416
Non-Exempt Wages	4.0 170,829	4.0 177,269	4.0 172,064
Other Compensation	7,144	15,000	18,000
Fringe Benefits	14,872	116,110	144,101
Other Personnel	-	500	500
DEPARTMENT TOTAL	5.0 \$ 260,798	5.0 376,764	5.0 407,081

UTILITY FUND

Categories

Personnel – \$407,081 This category includes salaries, wages and benefits for the superintendent of utility field operations, waste water collections field supervisor, heavy equipment operators, 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 five 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 - \$18,700 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 - \$415,012 This category funds the water operations portion of shared costs for services provided by other departments such as Insurance, Fleet Service, Development, Public Services and Human Resources.

Roads and Main –\$ 35,000 This category funds the purchase of supplies and construction material required to make repairs and maintain the sanitary sewer main.

Depreciation - \$714,133 Funds in this category are for the annual depreciated valuation of equipment and sewer mains that make up the sanitary sewer system.

Utilities - \$16,500 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

PILOT - \$201,414 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 - \$2,265,000 This category includes the costs associated with the CIP and IRP projects of sewer line maintenance and Western Gateway Sewer project.

Performance Measures			
Operational Objective	To adequately collect and transport sewage		
Key Product/Service	Sewer collection		
Target	< 5 annually		
Performance Measure	FY17 Actual	FY18 Actual	FY19 Budgeted
Sewer system backups	2	1	< 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 47% of the current user fee to the City of Memphis for sewer treatment, which will continue through FY19. 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 FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Contract Services	\$ 1,379,611	1,539,879	1,483,200	88,992	6.00%	1,572,192
TOTAL	<u>\$ 1,379,611</u>	<u>1,539,879</u>	<u>1,483,200</u>	<u>88,992</u>	<u>6.00%</u>	<u>1,572,192</u>

Categories

Sewer Fees to Memphis - \$ 1,572,192 Under contract, Germantown pays 47% 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.



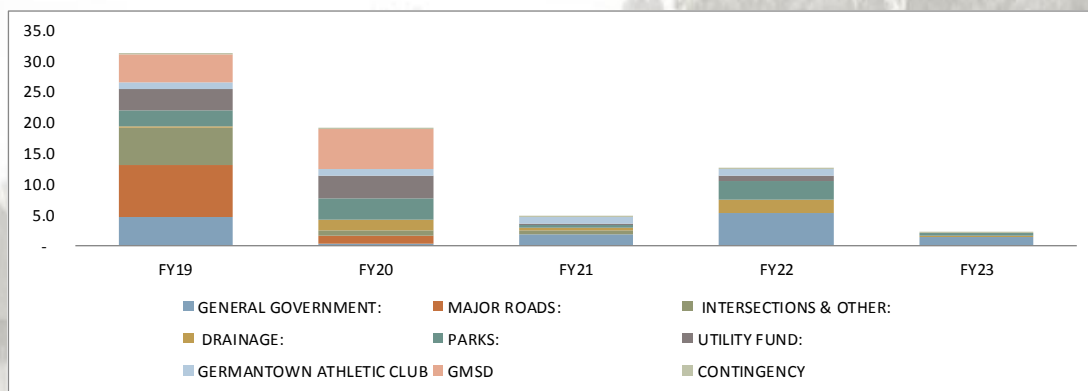
CAPITAL IMPROVEMENTS PROGRAM

FY19 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 FY19-23 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 – Four 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 FY19 is fixed at \$250,000 and is reviewed annually by both the Financial Advisory Commission and Board of Mayor and Aldermen.

General Government

The Grove Construction					
Description					
Improvements to the Grove adjacent to north side of the Germantown Performing Arts Center for the establishment of an outdoor venue for concerts and other outdoor related entertainment. Design is currently underway and construction expected to begin in Q1 FY19.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$2,000,000	\$1,200,000			
					Total: \$3,200,000
Net Operating Financial Impact: There is additional operating cost associated with this project of \$85,000.					

Fire Station 3 Preliminary Design					
Description					
Preliminary Design for a new facility for Fire Station 3. The preliminary design will determine the location of the new facility.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$100,000				
					Total: \$100,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

City Hall Elevator Replacement					
Description					
In fiscal year 2018, the original elevator in City Hall failed and is not cost effective to repair nor is it ADA compliant. This project is for the construction of a replacement elevator which will resolve ongoing operational issues, serviceability, and better serve customers that need to access either floor level of City Hall.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$100,000			\$260,000	
					Total: \$360,000
Net Operating Financial Impact: There is a \$15,000 reduction in annual operating maintenance cost associated with this project.					

Fire Engine Replacement (F-156)					
Description					
Purchase a new fire pumper to replace F-156, a 2003 model Smeal fire engine. Once replaced, F-156 will be utilized as a reserve apparatus for an additional five years. During FY19 this apparatus will reach 16 years of front-line service. The new apparatus will meet current NFPA and federal safety standards.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
				\$860,000	
					Total: \$860,000
Net Operating Financial Impact: Replacement of this engine will reduce maintenance cost by the Fleet Department of \$10,000 annually.					

Major Roads

Poplar Ave. Culvert Replacement Phase IV – Construction and CEI					
Description					
Continuation of an ongoing project to repair and/or replace damaged culverts under Poplar Avenue. There are approximately 46 corrugated metal pipes that convey stormwater under Poplar Ave. 16 culverts have been replaced to date.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
					\$525,000
					Total: \$525,000
Net Operating Financial Impact: Upgrades will reduce maintenance responsibility by \$5,000 annually.					

Forest Hill Irene Rd Traffic/Safety Imp. – Poplar Pike to Winchester Rd. - ROW					
Description					
This project involves purchase of right-of-way for construction of a 4-lane median divided urban cross-section from Winchester Rd to Poplar Pike.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$351,000				
					Total: \$351,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Forest Hill Irene Rd Traffic/Safety Imp. – Poplar Pike to Winchester Rd. - CONSTRUCTION					
Description					
This project involves construction of a 4-lane median divided urban cross-section from Winchester Rd to Poplar Pike. Curb/gutter, sidewalks and bike lanes are included in the project. Increased urgency has been placed on this project since the new elementary school site is located within the limits of this project; and higher density, mixed-use developments are being planned for this area.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$6,300,000				
					Total: \$6,300,000
Net Operating Financial Impact: Road improvements should reduce maintenance cost for the next 10 years.					

CAPITAL IMPROVEMENTS PROGRAM

Winchester Rd. Milling, Paving, and Striping – Construction and CEI					
Description					
The project involves milling/removal of existing surface asphalt and resurfacing with new asphalt, replacement of deteriorated curb/gutter and sidewalk as necessary, restriping, updated regulatory signage and installation of ADA ramps as necessary.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$292,000				\$1,168,000
					Total: \$1,460,000
Net Operating Financial Impact: Road improvements should reduce maintenance cost for the next 10 years.					

TOTAL MAJOR ROADS

\$8,636,000

Intersections and Others

WRB and Germantown Rd Improvements – Construction and CEI					
Description					
Construction of traffic signal modifications and additional 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 Source	Reserves	Grants	Bonds	Hall	State & Federal
					\$3,800,000
					Total: \$3,800,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Signal Upgrades – Hacks Cross@ Poplar Pike; Kirby @ Poplar Ave; Poplar Pike@Gtown Rd/Arthur Rd					
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, signage, and ADA ramps as necessary.					
Funding Source	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.					

Decorative Street Signs					
Description					
This project is for the installation of decorative street signs and posts and regulatory signs in residential neighborhoods including Farmington Meadows. This would include the installation of approximately 30 posts.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$12,500	\$12,500			
					Total: \$25,000
Net Operating Financial Impact: Installation will increase maintenance costs by \$1,000 annually.					

Safe Routes to School Phase II					
Description					
This project involves installation of sidewalks along Oak Run Drive (~1,620'), Neshoba Road (~1,590') and Great Oaks Road (1,195'). The SRTS program is intended to encourage healthy habits, including walking and bicycling, for elementary and middle school students.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
					\$356,000
					Total: \$356,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

CAPITAL IMPROVEMENTS PROGRAM

Central Business District Streetscape Master Plan Implementation					
Description					
Implementation of the Central Business District Streetscape Master Plan to enhance the character of the CBD by improving the visual elements of streets, sidewalks, street furniture, trees, and open spaces. Old Germantown has been completed. Exeter will be addressed next.					
Funding Source	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.					

ADA Transition Plan					
Description					
This project involves a complete inventory of all public access infrastructure within City rights-of-ways. The project also includes all access infrastructure from right-of-way to the front door of all public facilities. Based on the inventory assessment, deficiencies will be identified and prioritized for construction/replacement/repair in future CIP FY's.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$35,000				\$140,000
					Total: \$175,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL INTERSECTION/OTHER

\$ 5,905,858

Drainage

City Wide Master Drainage Plan and Infrastructure Inventory					
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 would 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 Source	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 Misc. Drainage Improvements					
Description					
<p>This project is part of the City's ongoing response to address small, isolated concerns regarding relieving flood prone properties and making improvements to the existing drainage system where "hot spots" of drainage problems exist in established residential neighborhoods.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$50,000				
					Total: \$50,000
Net Operating Financial Impact: Upgrades will reduce maintenance cost by the Public Works Department.					

TOTAL DRAINAGE

\$ 200,000

Parks

Greenway Trail Connectors Phase IV					
Description					
Construction of a 10' wide section of the greenway adjacent to the Wolf River and running parallel with the extension of the Wolf River Blvd from Riverwoods State Natural Area, behind Stern Medical and connecting to the existing trail at Nashoba Park; and will construct the trail, necessary bridges and provide a new public access point and trailhead adjacent to the traffic light at Wolf River Blvd and Farmington.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$370,000				\$1,480,000
					Total: \$1,850,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Farmington Playground Renovation Phase II					
Description					
With funding allocated in FY 18 for playground equipment replacement and drainage improvements to this site, work is currently underway. The Phase II plan includes additional equipment to meet age group requirements and installation of site berms for play structures and complete soft surface safety requirements.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$215,000	\$215,000			
					Total: \$430,000
Net Operating Financial Impact: Improvements will increase maintenance responsibility by \$1,000 annually.					

Greenway Wayfinding Signage					
Description					
An initial appropriation to implement new signage standards and a fresh, innovative wayfinding system.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$50,000				
					Total: \$50,000
Net Operating Financial Impact: Improvements will increase maintenance responsibility by \$500 annually.					

Parkland Acquisition					
Description					
Initial funding for the purchase of property suited for multiple, flexible sized multipurpose long fields.					
Funding Source	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.					

TOTAL PARKS

\$2,680,000

GAC

GAC Renovations Phase IV					
Description					
Phase IV will include construction of a mezzanine at the 2 nd floor level which will create space for a café and sitting area. The front entry will be reconfigured allowing for better egress and ingress. And the façade will receive a facelift.					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$825,000				
					Total: \$825,000
Net Operating Financial Impact: There will be part time personnel cost associated with this project.					

Interior Security Cameras					
Description					
The current security camera surveillance equipment was installed in 2003. Many of the cameras are no longer operational and technology has improved so much over the past 15 years that a complete new system needs to be put in place that will integrate with other city entities, provide backup and storage footage, as well as accommodate future growth within the system.					
Funding Source	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 GERMANTOWN ATHLETIC CLUB

\$ 975,000

Municipal Schools

Riverdale Boilers					
Description					
<p>The existing boiler system at Riverdale School will be replaced during the summer of 2019. In FY19, the city has allocated \$1 million towards the initial cost of replacing the antiquated system with a modern HVAC system that will use roof-top units, allowing for a more responsive, interior temperature regulation during periods of drastic, seasonal changes in temperature. The project will be let for bid during the spring of 2019 and the balance of the project will be considered as part of the FY20 CIP budget.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,000,000				
					Total: \$1,000,000
Net Operating Financial Impact: There is no reduced maintenance cost associated with this project.					

GMSD Central Office					
Description					
<p>The Germantown Municipal School District is relocating their temporary, leased administrative offices to a permanent location adjacent to the site of the new elementary school on Forest-Hill Irene Rd. Construction on the new school and the new central office will be completed by the fall of 2019. Total cost of the central office will be approximately \$4 million and GMSD will pay the first \$1 million from their general fund reserves. The city has issued capital outlay note(s) for the remaining \$3 million to cover the remaining costs of the project. GMSD will remit the debt service amounts to the city annually until the debt is paid in its entirety.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$3,000,000				
					Total: \$3,000,000
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

Security Upgrades					
Description					
<p>The city is providing \$500,000 to GMSD in FY19 from general fund reserves to cover costs associated with safety/security upgrades at each of the GMSD school locations. It is anticipated that these dollars will be used immediately in the summer of 2018, to be used for costs associated with security camera installations and other improvements that further restrict public access where necessary.</p>					
Funding Source	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 MUNICIPAL SCHOOLS

\$ 4,500,000

Utilities

Western Gateway Sewer Improvements - Construction					
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. This phase involves construction of a new sewer line and easements necessary to accommodate full build-out of the Western Gateway.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$2,000,000				
					Total: \$2,000,000
<p>Net Operating Financial Impact: There is reduced maintenance cost associated with this project by \$5,000 annually.</p>					

Southern Ave. Water Treatment Plant Electrical Panel Upgrade Phase II					
Description					
<p>Replacement of the original electrical panels of the facility that was constructed in 1978. In FY18 \$183,000 was allocated to accomplish the professional services design work and to replace the panels. Allen and Hoshall was contracted with to provide the design. After investigation by Allen & Hoshall's electrical engineers of the existing electrical panels, the need is greater than expected prompting a second phase to this project.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$175,000				
					Total: \$175,000
<p>Net Operating Financial Impact: There is reduced maintenance cost associated with this project by \$2,000 annually.</p>					

Annexation Area Water Main Construction – Phase I					
Description					
<p>Installation of approximately 1,350 linear feet of 24 inch water main and needed casing and to install 4,500 feet of 12 inch water main to serve the new school, to connect the City's system in Poplar Pike to the system in Winchester Rd bringing more volume and pressure to the area south of Winchester.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,140,000				
					Total: \$1,140,000
<p>Net Operating Financial Impact: There is no additional operating cost associated with this project.</p>					

CAPITAL IMPROVEMENTS PROGRAM

Water Main for Elevated Water Tower – East of New School					
Description					
<p>A CIP project is in place to construct a new 250,000 elevated tank just east of the new school on the parkland in FY 2020. It is imperative that we bring the 24 inch water main from the ROW of Forest Hill to the site to supply the tower while the school infrastructure is under construction. The new school is to come on line in August of 2019. The purpose of this project is to lay 1,350 linear feet of 24 inch water main to serve the new elevated tower. Several valves and fire hydrants are included in this project.</p>					
Funding Source	Reserves	Grants	Bonds	Hall	State & Federal
	\$243,100				
					Total: \$243,100
Net Operating Financial Impact: There is no additional operating cost associated with this project.					

TOTAL UTILITY FUND

\$ 3,558,100

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

----C I P SUMMARY----

General Government	\$4,520,000
Major Roads	8,636,000
Intersec/Other/Drainage	6,105,858
Parks	2,680,000
GMSD	4,500,000
Germantown Athletic Club	975,000
Utilities	3,558,100
Contingency	250,000

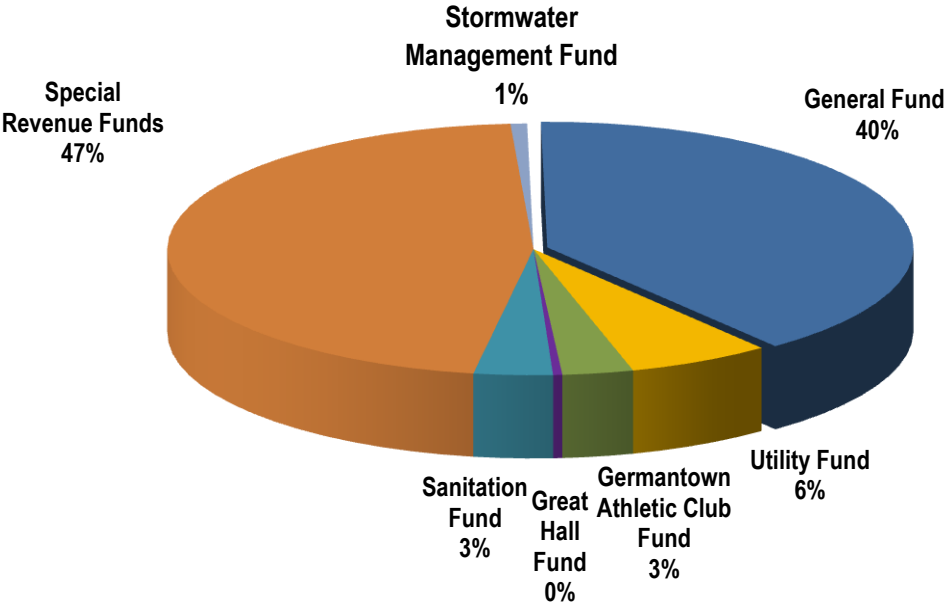
TOTAL FY19 CAPITAL IMPROVEMENTS PROGRAM

\$ 31,224,958

REVENUE PROJECTIONS

This section presents an analysis of projected revenues for FY19 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 FY19 PROJECTED REVENUES

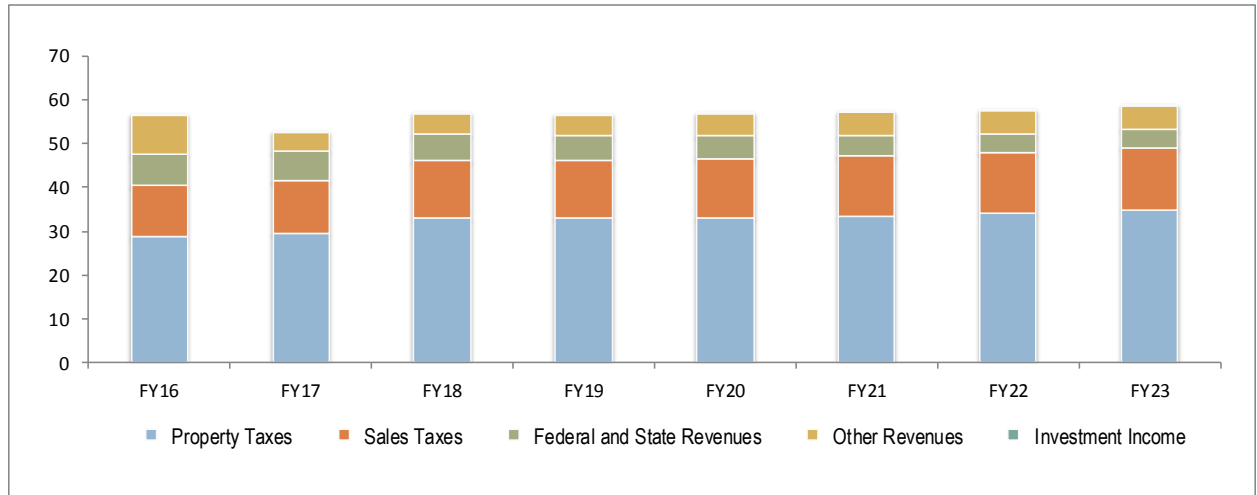


GENERAL FUND REVENUE PROJECTIONS

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	TITLE	ACTUAL FY17	BUDGET FY18	BUDGET FY19
010-0000-311.10-00	Real Property Tax	\$ 27,254,056	30,870,500	30,645,000
010-0000-311.20-00	Personal Property Tax	791,369	799,464	800,000
010-0000-311.30-00	PILOT	473,963	490,000	505,367
010-0000-313.00-00	Penalties and Interest	104,768	130,000	110,000
010-0000-315.10-00	TVA	472,461	478,000	475,000
010-0000-315.20-00	MLG&W	318,857	300,000	320,000
010-0000-316.10-00	Local Option Sales Tax	6,541,450	6,400,000	7,300,000
010-0000-316.10-01	Contra - 20 year Annex Local Option Sales	(79,306)	(75,000)	(75,000)
010-0000-316.10-10	.5 Percent Sales Tax	2,933,981	2,850,000	3,300,000
010-0000-317.10-00	Wholesale Beer Tax	439,095	450,000	440,000
010-0000-317.20-00	Wholesale Liquor Tax	669,093	625,000	650,000
010-0000-318.10-00	Gross Receipts Business Tax	610,277	550,001	550,000
010-0000-318.50-00	Business Collection Fees	5	-	-
010-0000-319.10-00	Cable TV and Telecommunication	780,717	850,000	850,000
010-0000-319.20-00	Room Occupancy Tax	892,607	925,000	1,100,000
010-0000-321.10-00	Automobile Registration	886,319	1,215,000	1,150,000
010-0000-322.10-00	Retail Beer Licenses	7,999	7,000	8,000
010-0000-322.20-00	Retail Liquor Licenses	18,125	13,000	20,000
010-0000-324.10-00	Animal Registration Fees	76,039	78,000	78,000
010-0000-326.10-00	Fence and Sign Permits	5,710	5,000	5,000
010-0000-326.20-00	Building Permits	87,998	60,000	60,000
010-0000-326.40-00	Subdivision Engineering	36,396	35,000	35,000
010-0000-326.50-00	Zoning Application Fees	36,858	40,000	40,000
010-0000-331.90-00	Grants - Federal/State	270,866	200,000	200,000
010-0000-335.10-00	State Sales Tax Allocation	3,328,313	3,300,000	3,500,000
010-0000-335.20-00	State Income and Excise Tax (Hall)	2,969,807	2,200,000	1,600,000
010-0000-335.30-00	State Beer Tax Allocation	19,373	24,000	20,000
010-0000-335.40-00	State Liquor Tax Allocation	255,028	180,000	275,000
010-0000-335.40-01	GMSD Tax Distribution	(127,514)	-	-
010-0000-335.90-00	City Street and Transportation Tax Allocation	81,139	82,000	82,000
010-0000-342.30-00	Fire Inspection Fees	14,900	13,000	13,000
010-0000-351.10-00	City Court Costs	82,148	421,000	421,000
010-0000-351.11-00	City Court Fines	307,823	250,000	250,000
010-0000-351.11-01	Fines Forfeitures	660	-	-
010-0000-351.20-00	Other Court Revenue	599,606	443,000	520,000
010-0000-351.30-00	Animal Impoundment Fees	6,164	5,000	5,000
010-0000-353.01-00	Fines - Library	53,461	55,000	55,000
010-0000-361.10-00	Investment Income	202,722	120,000	200,000
010-0000-361.11-00	Loan Interest - Civic Centre	24,200	19,200	19,200
010-0000-361.12-00	Interest Income - From RAN	8,700	-	-
010-0000-362.00-00	Rental Revenue - WTF	326,810	360,000	360,000
010-0000-362.10-00	Rental Revenue - GPAC	100,264	85,000	-
010-0000-362.20-00	Library Materials	16,625	18,000	18,000
010-0000-362.41-00	Parks - Taxable	7,480	7,800	7,800
010-0000-367.10-00	Friends of Library	4,105	11,000	7,000
010-0000-367.30-00	Senior Expo Revenue	11,000	20,000	20,000
010-0000-367.90-00	Playground Registrations Revenue	7,921	30,750	30,750
010-0000-368.01-00	Gain/Loss Sale of Assets	91,539	-	-
010-0000-369.10-00	Other Revenue	452,462	480,925	450,000
010-0000-369.15-00	Surplus Equipment Sale - Govdeals	7,420	10,000	10,000
010-0000-369.20-00	Library - Printing & Misc.	12,835	11,000	11,000
010-0000-369.25-00	Library/Friends Book Sale	-	-	-
010-0000-369.90-00	Other Financing Sources	220,755	219,067	-
010-0000-369.99-00	Credit Card Fees: Gain/Loss	21,076	75,000	50,000
010-0000-369.99-01	Cash Short/Over	1	-	-
TOTAL REVENUES		\$ 52,736,526	55,736,707	56,491,117

Current Real Property Tax **\$30,645,000**

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 \$1.95 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 **\$800,000**

This rate is set by the same ordinance as real property. It represents a 30% assessment on personal property owned by commercial entities. This assessment is taxed at the same rate and handled in the same manner as the real estate assessment. Personal property taxes are erratic and difficult to evaluate when the assessment is made. Some growth is expected in this line item due to new office development now underway. Key assumptions are that 92% of assessments will be collected in the year assessed, and that 50% of delinquents will be collected each year.

PILOT **\$505,367**

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 \$1.95 per \$100 of assessed value.

Penalties & Interest **\$110,000**

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 **\$475,000**

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 **\$320,000**

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 **\$7,300,000**

Half of the 2.75% local tax on each purchase of merchandise made in Germantown is collected by the State and returned to Germantown. It is collected monthly approximately 65 days after the end of the tax month (i.e. 50% of October's collections would be received in the first five days of January). A 2.375% commission fee is paid to the County. Future projections of sales tax revenue are based on a 2% growth rate.

0.5 Percent Sales Tax **\$3,300,000**

In 2012, the City increased its sales tax rate from 0% to 0.5%, 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

\$440,000

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

\$650,000

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

\$550,000

Ordinance No. 1971-8. Authorized by Chapter 387 of the Public Acts of 1971. It is collected annually from retail sales and service businesses based on different percentages of the gross sales. Five due dates are spread throughout the year. The largest taxpayers are in the last quarter of the fiscal year. The tax base for the revenue is slightly different from local sales tax, but growth generally tracks that revenue. This revenue source is projected to increase at the same rate as local sales tax. Public Chapter 530 provides for the State of Tennessee to collect the business tax and remit this to the City.

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

\$1,100,000

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

\$1,150,000

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

\$8,000

A fee of \$250 per application and a \$100 beer privilege tax are collected in January. A total of 57 licenses are in effect now, and has no projected growth.

Retail Liquor Licenses

\$20,000

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, 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**

Permit fees for commercial and residential new construction, remodeling, additions, alterations, swimming pools, accessory structures, permanent signs and demolitions are established by Memphis/Shelby County Office of Construction Code Enforcement. Fees vary depending on the type of application and permit requested and they return to the City of Germantown twenty five (25) percent of the gross permit fees collected from permits issued for Germantown activities.

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 \$1,500 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 **\$3,500,000**

T.C.A. 67-6-103 (3) (A). The state sales and use tax is 7 percent (except for food, on which the rate is 4 percent), plus an additional 2.75 percent on the portion of the purchase price of single articles subject to local sales taxes from \$1,600.01 through \$3,200. The 0.5 percent increase adopted in 1992 is earmarked for K-12 education. The 2002 increase from 6 percent to 7 percent on non-food items accrues to the state general fund. Cities receive 4.6030 percent of the remaining 5.5 percent state tax after deductions, including funds to support MTAS. The city's share is calculated by computing the city population as a portion of all city residents in the state.

Three special censuses can be conducted each decade and a census of annexed areas can be made each year. This revenue 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 **\$1,600,000**

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 **\$20,000**

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. This money is collected on a per capita basis without regard to legal beer sales in the community.

State Liquor Taxes Allocation **\$275,000**

T.C.A. 57-4-301. This revenue is collected monthly and directly deposited to the LGIP on the 20th of the month. In addition to a state privilege tax, the state levies a 15 percent gross receipts tax on all alcoholic beverages sold for consumption on the premises. The tax is earmarked for education and local government. Distribution to cities and counties depend on several factors, including which local governments operate their own school systems.

GENERAL FUND

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.

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 **\$520,000**

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 **\$200,000**

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.

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>\$7,000</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>\$450,000</u>
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>Credit Card Fees: Gain/Loss</u>	<u>\$50,000</u>
This account records cash overage and shortage.	
<u>TOTAL GENERAL FUND REVENUES</u>	<u>\$56,491,117</u>

SPECIAL REVENUE FUND REVENUE PROJECTIONS

STATE STREET AID FUND

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>% Chg.</u>	<u>Budget FY19</u>
State Gasoline Tax Allocation	\$ 1,110,540	1,123,400	1,298,215	0.14%	1,300,000
Investment Income	5,313	1,200	4,030	-37.97%	2,500
General Fund Transfer	1,650,000	1,100,000	1,100,000	36.36%	1,500,000
TOTAL REVENUES	<u>\$ 2,765,853</u>	<u>2,224,600</u>	<u>2,402,245</u>	<u>16.66%</u>	<u>2,802,500</u>

State Gasoline Tax Allocation

\$1,300,000

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 \$34.30. FY18 was the first year of a three year planned increase.

Investment Income

\$2,500

Interest on funds held in State Street Aid Fund.

Transfer In- General Fund

\$1,500,000

Funds transferred from the General Fund to cover additional expenses.

SPECIAL REVENUE FUND REVENUE PROJECTIONS

DRUG ASSET FORFEITURE FUND

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Drug Enforcement Revenues	\$ 115,730	300,000	300,000	0.00%	300,000
TOTAL REVENUES	\$ 115,730	\$ 300,000	\$ 300,000	0.00%	300,000

Drug Enforcement Revenues

\$300,000

Funds received from court fines and seizures.

PICKERING COMPLEX FUND

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Classes Revenues	\$ 37,194	52,000	45,000	0.00%	45,000
Senior Events Revenues	4,052	4,500	4,500	0.00%	4,500
Other Revenue	1	-	-	-	-
Other Revenue - Taxable	40,174	43,000	50,000	0.00%	50,000
TOTAL REVENUES	\$ 81,421	99,500	99,500	0.00%	99,500

Classes

\$45,000

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

\$50,000

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

SPECIAL REVENUE FUND REVENUE PROJECTIONS

FEDERAL ASSET FORFEITURE FUND

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Other Revenues/Forfeiture \$	32,812	50,000	50,000	0.00%	50,000
TOTAL REVENUES \$	32,812	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 FY17	Budget FY18	Estimated FY18	Amt. Chg.	% Chg.	Budget FY19
BEP	\$ 25,402,000	26,188,000	27,075,000	858,000	3.17%	27,933,000
ADA	17,624,000	17,407,000	17,445,000	-	0.00%	17,445,000
Federal Grants	1,760,000	1,858,000	3,650,000	(90,000)	-2.47%	3,560,000
Other Revenues	986,000	752,000	842,000	(12,000)	-1.43%	830,000
Charges for Services	833,000	895,000	970,000	(15,000)	-1.55%	955,000
County Commission	986,000	955,000	940,000	38,000	4.04%	978,000
Liquor Tax	128,000	96,000	115,000	-	0.00%	115,000
Sales Tax	6,418,000	6,200,000	6,450,000	(144,000)	-2.23%	6,306,000
General Fund Transfer	2,189,386	2,474,720	2,474,720	21,887	0.88%	2,496,607
	\$ 56,326,386	56,825,720	59,961,720	656,887	1.10%	60,618,607

Germantown Municipal School District

\$2,496,607

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

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Transport Fees	\$ 1,032,561	1,350,000	1,214,650	65,350	5.38%	1,280,000
Nontransport Fees	9,600	-	2,875	(2,875)	-100.00%	-
Other Revenue	1,985	-	2,650	(2,650)	-100.00%	-
General Fund Transfer	600,000	450,000	625,000	150,000	24.00%	775,000
TOTAL REVENUES	<u>\$ 1,644,146</u>	<u>1,800,000</u>	<u>1,845,175</u>	<u>209,825</u>	<u>11.37%</u>	<u>2,055,000</u>

Transport Fee

\$1,280,000

Funds received for transporting patients to area hospitals.

FARM PARK FUND

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Membership Fees	\$ 3,110	4,220	3,800	-	0.00%	3,800
Donations	17,376	17,500	16,100	1,400	8.70%	17,500
Earned Income	4,209	4,600	3,000	600	20.00%	3,600
Education Fees	335	1,400	900	500	55.56%	1,400
Rental	-	32,000	12,700	300	2.36%	13,000
Grant	1,000	1,000	1,000	-	0.00%	1,000
General Fund Transfer	150,000	120,000	120,000	-	0.00%	120,000
	<u>\$ 176,030</u>	<u>180,720</u>	<u>157,500</u>	<u>2,800</u>	<u>1.78%</u>	<u>160,300</u>

Membership Fees

\$3,800

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

Donations

\$17,500

Funds received from contributions to the Farm Park.

Earned Income

\$3,600

Funds received from Farm Park rent/merchandise.

Education Fees

\$1,400

Funds received from community education programs.

Rental

\$13,000

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

SPECIAL REVENUE FUND REVENUE PROJECTIONS

LIBRARY ENDOWMENT FUND

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Fines	\$ 1,000.00	-	-	-	-
Interest Income	1,303	-	2,792	0.00%	-
TOTAL REVENUES	\$ 2,303	-	2,792	-100.00%	-

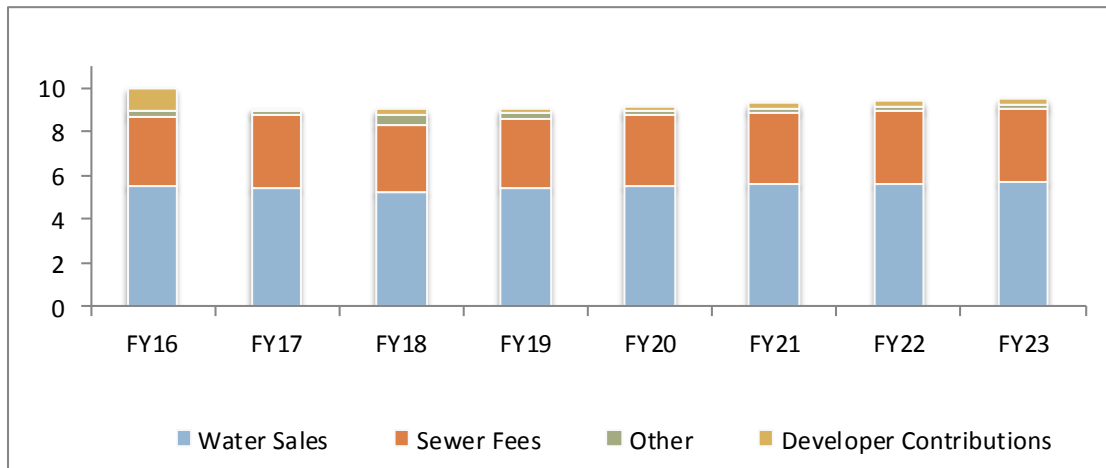
UTILITY FUND REVENUE PROJECTIONS

This section presents the projected Utility Fund revenues for FY19. An analysis chart of revenue components and projected trends through FY23 is presented below.

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Metered Water Sales	\$ 5,393,461	5,430,000	5,156,231	3.76%	5,350,000
Forfeited Discounts	75,748	70,000	79,000	-2.53%	77,000
Water Application Fee	9,675	12,000	10,000		12,000
Other Revenue	35,330	40,000	48,500	-17.53%	40,000
Developer Installation	28,639	30,000	10,000	150.00%	25,000
Water Connection Fees	70,264	60,000	59,500	0.84%	60,000
Sewer Connection Fees	60,943	70,000	180,000	-61.11%	70,000
Sewer Service Fees	3,279,737	3,190,000	3,122,936	2.47%	3,200,000
OPERATING REVENUES	\$ 8,953,797	8,902,000	8,666,167	1.94%	8,834,000
Investment Income	\$ 39,361	15,000	129,100	-48.49%	66,500
Contributions from Developers	40,764	650,000	229,000	-23.58%	175,000
Credit Card Fees/Gain/Loss	3,862	-	1	-100.00%	-
NONOPERATING REVENUES	\$ 92,647	665,000	358,104	-32.56%	241,500

UTILITY REVENUES

\$ MILLIONS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Metered Water Sales **\$5,350,000**

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 **\$77,000**

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 **\$25,000**

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 **\$3,200,000**

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, and \$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 **\$66,500**

Interest earned on investments and gains and losses on sales of securities are allocated to the Utility Fund based on the average daily balance of cash in the fund. These funds are invested in the LGIP at an average projected rate of 1.5%.

Contributions from Developers **\$175,000**

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

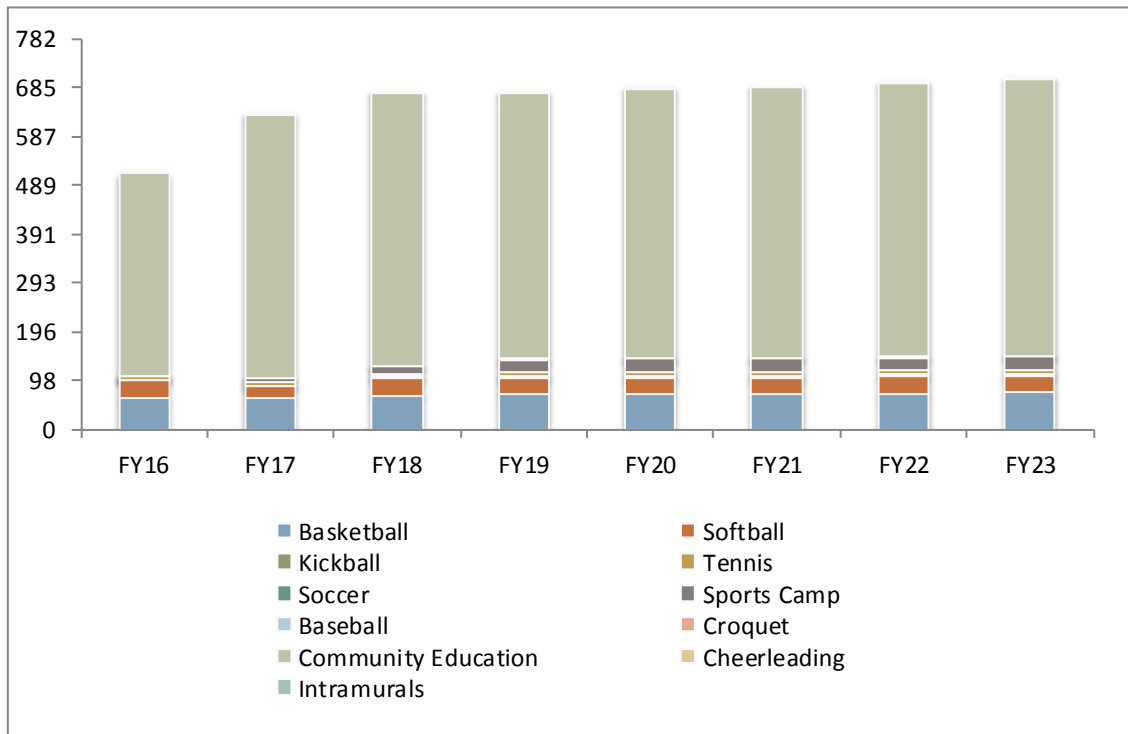
RECREATION FUND REVENUE PROJECTIONS

This section presents the projected Recreation Fund revenues for FY19. An analysis chart of revenue components for the Recreation Fund is presented below.

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Basketball Fees and Sponsorships	\$ 60,721	64,850	66,678	4.26%	69,520
Softball Fees	23,298	36,000	23,000	39.13%	32,000
Kickball Fees	1,280	3,920	1,920	0.00%	3,200
Tennis Classes and Other Fees	7,772	7,000	7,500	3.33%	7,750
Sports Camps Fees	7,570	13,650	14,923	80.93%	27,000
Croquet Fees	768	900	900	0.00%	900
Community Education	527,793	545,000	513,995	3.45%	531,733
Intramurals	-	6,000	-	100%	3,000
TOTAL REVENUES	\$ 629,202	677,320	628,916	7.34%	675,103

RECREATION REVENUES

\$ THOUSANDS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Basketball Fees and Sponsors **\$69,520**

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 **\$32,000**

This category includes adult softball teams with various divisions including men, women and coed. Sixty teams are expected at a fee of \$525 per team.

Kickball Fees **\$3,200**

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 **\$7,750**

Revenues generated through leagues, lessons, and tournaments.

Sports Camps **\$27,000**

Revenues are generated through Sports Camps range \$55 to \$75 depending on the sport.

Croquet **\$900**

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

Community Education **\$531,733**

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

Intramurals **\$3,000**

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

GEMANTOWN ATHLETIC CLUB PROJECTIONS

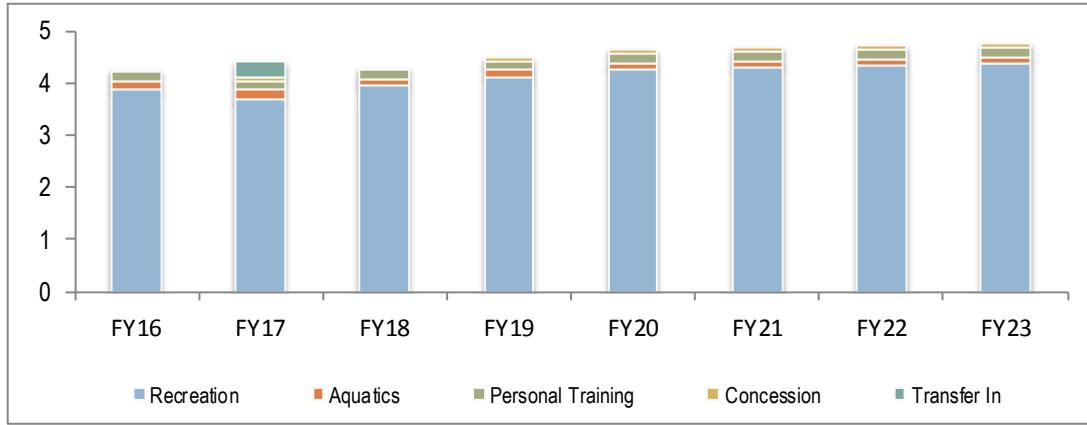
This section presents the projected Germantown Athletic Club Fund revenues for FY19. The graph of revenue components and projected trends through FY23 is presented on the next page.

	<u>Actual FY17</u>	<u>Budget FY18</u>	<u>Estimated FY18</u>	<u>% Chg.</u>	<u>Budget FY19</u>
Membership Fees	\$ 3,365,722	3,700,000	3,587,908	5.08%	3,770,000
Membership Application Fee	60,853	66,000	70,238	-2.47%	68,500
Daily Fees	7,429	8,500	6,410	-0.16%	6,400
Classes - Club Programs	108,311	110,400	99,047	18.43%	117,300
Classes - Contract Programs	1,197	9,065	14,826	207.57%	45,600
Concessions - Recreation	59,184	62,000	60,000	16.67%	70,000
Rent - Taxable Recreation	-	-	-	100%	500
Rent - Nontaxable Business	79,222	79,222	79,222	0.00%	79,222
Rent - Nontaxable Recreation	-	1,000	1,300	-100.00%	-
Non-Member Surcharge	510	-	-	-	-
Other Revenues	186	-	82	-100.00%	-
Swim Team	91,650	108,110	33,404	-100.00%	-
Swimming Lessons	72,406	75,000	54,864	9.36%	60,000
Swim Meet Fees	14,427	14,000	7,000	-20.00%	5,600
Aquatics Rental	26,415	18,000	38,880	35.80%	52,800
Personal Trainer	196,716	258,000	185,102	0.00%	185,102
Pro Shop	5,618	11,200	7,352	52.34%	11,200
OPERATING REVENUES	<u>\$ 4,089,846</u>	<u>4,520,497</u>	<u>4,245,635</u>	<u>5.34%</u>	<u>4,472,224</u>
Investment Income	\$ 19,799	15,000	36,572	-17.97%	30,000
Credit Card Over/Short	(10)	10	5	100.00%	10
NONOPERATING REVENUES	<u>\$ 19,789</u>	<u>\$ 15,010</u>	<u>\$ 36,577</u>	<u>-17.95%</u>	<u>\$ 30,010</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 5,630. The membership fee structure includes adult/couple/family/ youth (16 & 17)/senior (62+) and senior couple.

Membership Application Fees **\$68,500**

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

Daily Fees **\$6,400**

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

Classes – Club Programs **\$117,300**

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

Classes – Contract Programs **\$45,600**

Taekwondo, Ballroom dancing, summer camps, winter camps.

Concessions - Recreation **\$70,000**

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

Rent – Nontaxable Recreation **\$500**

Revenue received from gym or other room rentals.

Rent – Nontaxable Business **\$79,222**

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

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Credit Card Short/Over **\$10**

This account records cash overage and shortage.

Swimming Lessons **\$60,000**

Includes charges for all regular and special swimming lessons.

Swim Meet Fees **\$5,600**

Revenues generated from hosting United States Swimming Meets and Memphis Swim Conference Meets.

Aquatics Rental **\$52,800**

Income generated from rentals of lanes and open swim for the indoor and outdoor pools.

Club Training **\$185,102**

Revenue generated from staff personal trainers.

Pro Shop **\$11,200**

Revenues from the sale of Germantown Athletic Club merchandise.

Investment Income **\$30,000**

Interest earned on available cash from investments in the State of Tennessee LGIP account.

GREAT HALL PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Rent - Business	\$ 471,193	475,646	478,433	4.00%	497,570
Other Revenues	2,633	3,800	2,523	-0.12%	2,520
Catering-Taxable	2,940	2,400	2,908	4.02%	3,025
Catering-Nontaxable	395	400	600	0.00%	600
OPERATING REVENUES	\$ 477,161	482,246	484,464	3.97%	503,715
Investment Income	\$ 1,645	300	5,525	-36.65%	3,500
NONOPERATING REVENUES	\$ 1,645	300	5,525	-36.65%	3,500

Rent - Business

\$495,570

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

Other Revenue

\$2,520

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

Catering -Taxable

\$3,025

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

Catering -Nontaxable

\$600

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

SANITATION FUND REVENUE PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Sanitation Service Fees	\$ 4,782,138	4,942,300	4,922,658	0.5%	4,946,821
Forfeiture Discounts	48,067	45,000	45,752	-12.6%	40,000
OPERATING REVENUES	\$ 4,830,205	4,987,300	4,968,410	0.4%	4,986,821
Investment Income	\$ 7,014	6,150	17,492	-42.8%	10,000
Grants	4,202	7,000	9,462	-20.7%	7,500
Recycling Reimbursement	2,688	2,150	1,500	0.0%	1,500
NONOPERATING REVENUES	\$ 13,904	15,300	28,454	-33.2%	19,000

Sanitation Fees

\$4,946,821

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

\$40,000

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

Interest Income

\$10,000

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

Grants

\$7,500

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

Recycling Reimbursement

\$1,500

This revenue source represents funds received from the sale of recyclable material. Specifically, this revenue includes the sale of scrap metal received at the Amnesty Day events.

STORMWATER MANAGEMENT FUND REVENUE PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Stormwater Management Fee	\$ 1,030,039	1,040,175	1,029,900	0.86%	1,038,730
Other Revenue	203	-	-	-	-
Stormwater Permits	4,900	7,500	7,500	-9.33%	6,800
OPERATING REVENUES	\$ 1,035,142	1,047,675	1,037,400	0.78%	1,045,530
Investment Income	5,037	3,500	9,800	-50.00%	4,900
NONOPERATING REVENUES	\$ 5,037	3,500	9,800	-50.00%	4,900

Stormwater Management Fee

\$1,038,730

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

\$6,800

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

Investment Income

\$ 4,900

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

PENSION FUND REVENUE PROJECTION

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Contributions	\$ 2,934,249	3,671,340	3,641,340	3.16%	3,756,365
Fair Value Appreciation (Depreciation)	5,615,416	4,000,000	1,500,000	0.00%	1,500,000
Realized Gain/Loss	1,187,022	1,600,000	3,500,000	0.00%	3,500,000
Interest and Dividends	753,769	900,000	920,000	-2.17%	900,000
TOTAL REVENUES	\$ 10,490,456	10,171,340	9,561,340	0.99%	9,656,365

Contributions

\$3,765,365

The actual contributions each year are determined by actuarial data compiled by the Actuarial Services Group, Inc. The City budget contribution for FY19 is projected to be \$2,980,665. In addition, emergency services personnel contribute a determined percent of their salary. The employee contributions are determined by a payroll calculation. Employee contributions for FY19 are estimated to total \$775,700.

Fair Value Appreciation (Depreciation)

\$1,500,000

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)

\$3,500,000

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 FY19 projection is based on a rate of return of 7.5%.

HEALTH FUND REVENUE PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Contributions	\$ 4,964,085	4,965,000	4,964,700	12.49%	5,585,000
TOTAL REVENUES	\$ 4,964,085	4,965,000	4,964,700	12.49%	5,585,000

Contributions

\$5,585,000

Health Insurance Transfer – effective January 1, 1993, employees began funding medical benefits, based on family size. The City’s contribution is \$10,400 per employee and subscriber for FY19 with a total contribution of \$4,532,500 approximately 85% of medical costs. Recipients of the City’s health benefits account for approximately 15% of the estimated contributions for FY19, \$1,001,578.

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 FY19, the City will contribute \$150 per employee with a total contribution of \$50,882 approximately 20%. Recipients of the City’s dental benefits fund approximately 80% of the estimated dental contributions for FY19 \$209,118.

OPEB FUND REVENUE PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Contributions	\$ 706,512	896,248	896,248	0.00%	896,248
Fair Value Appreciation	274,856	140,000	140,000	-7.14%	130,000
Realized Gain/Loss	238,027	280,000	240,000	0.00%	240,000
Interest and Dividends	65,673	80,000	66,000	1.52%	67,000
TOTAL REVENUES	\$ 1,285,068	1,396,248	1,342,248	-0.67%	1,333,248

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)

\$130,000

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

\$240,000

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

Interest and Dividends

\$67,000

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 FY19 projection is based on a rate of return is 7.5%.

CASH BALANCE FUND REVENUE PROJECTIONS

	Actual FY17	Budget FY18	Estimated FY18	% Chg.	Budget FY19
Contributions	\$ 392,450	424,000	523,255	14.39%	598,575
Fair Value Appreciation (Depreciation)	32,873	20,000	12,500	-76.00%	3,000
Realized Gain/Loss	8,567	10,000	10,000	0.00%	10,000
Interest and Dividends	6,803	6,200	8,900	1.12%	9,000
TOTAL REVENUES	\$ 440,693	460,200	554,655	11.88%	620,575

Contributions

\$598,575

Contributions to the Cash Balance Fund have two components. The City employees hired after July 1, 2013 are required to contribute 5% of wages. The City matches the employee contribution at year end.

Fair Value Appreciation (Depreciation)

\$3,000

The plan's assets are stated at fair value. The increase (or decrease) includes unrealized appreciation or depreciation in the value of the plan assets; that is, the difference between the value of the plan assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year.

Realized Gain/(Losses)

\$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

\$9,000

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 FY19 projections herein are based on a 5% rate of return.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1 from June 30, 2017 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 and is organized into the following functions: General Government, Public Safety, Community Services, Transportation and Environment, Education, Utilities, Athletic Club and Performing Arts Center.

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. Blended component units, although legally separate entities, are, in substance, part of a government's operations. The City has one blended component and one discretely presented component unit (see details below). The significant accounting policies followed by the component unit are generally the same as those followed by the primary government.

Blended Component Unit:

Germantown Municipal School District ("Board of Education" of the "Schools") – The Board of Education is a legally separate organization that includes all the public schools within the City. The Board of Education has a separately elected governing board but is fiscally dependent upon the City. The City provides funding, approves its operating budget, and issues debt for its capital projects. The Board of Education's total debt outstanding is expected to be repaid entirely or almost entirely with the resources of the City. The Board of Education's general purpose fund, federal projects fund, and cafeteria fund are each reported as special revenue funds of the City. The Board of Education's capital projects fund is considered a nonmajor fund of the City. The Board of Education's student activity funds are an agency fund of the City. The Board of Education does not issue separate financial statements.

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.

Basis of Presentation

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statements of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. 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. Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and business type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, those transactions between governmental and business-type activities have not been eliminated. The City has one discretely presented component unit, the Germantown Performing Arts Center, for which the financial information is reported separately from the information presented for the primary government.

The statement of net position presents information on all the City's assets, deferred outflows of resources, liabilities, 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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

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. The activities of the government are organized into funds, each of which are considered to be separate entities. Each fund is accounted for by providing a set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures/expenses. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City has presented all major funds that met the quantitative or qualitative qualifications to be reported as a major fund as separate columns in the fund financial statements. The City's major governmental funds include the General Fund, the General Purpose School Fund and the Capital Projects Fund. In addition, the City reports the Water and Sewer Fund as a major proprietary fund. Detailed descriptions of these funds are presented below.

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and statement of revenues, expenditures, and changes in fund balance individually for all major funds and in the aggregate for the remaining nonmajor funds. An accompanying schedule is presented to reconcile and explain the difference in fund balance and changes in fund balances as presented in these statements to net position and changes in net position presented in the government-wide financial statements. The governmental funds of the City are described below:

General Fund – 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.

Special Revenue Fund – These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted or committed to expenditures for specific purposes. The special revenue funds include the State Street Aid Fund, Automated Enforcement Fund, Drug Enforcement Fund, Pickering Fund, Farm Park Fund, Ambulance Fund, Recreation Fund, Library Endowment Fund, School Federal Projects Fund, and School Cafeteria Fund. The special revenue funds also include the General Purpose School Fund which is considered a major fund and described in further detail below:

General Purpose School Fund – The operating fund of the Germantown Municipal School District and accounts for all general revenues and other receipts that are not allocated by law or contractual agreement to another Board of Education Program (BEP) funds, sales tax, etc. General operating expenditures and capital improvement costs that are not paid through other School funds are paid from the General Purpose School Fund.

Capital Projects Fund – These funds account for all the financing of major governmental fund capital asset purchases. The City maintains multiple capital improvement funds including the Major Roads Fund, Intersections Fund, General Government Fund, Fire Department Fund, Parks Improvement Fund, Germantown Municipal School Fund, and Drainage Fund. In addition, the Board of Education maintains the School Capital Projects Fund.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows individually for all major enterprise funds and in the aggregate for the remaining nonmajor enterprise funds. A column representing internal service funds is also presented in these statements. However, internal service fund balances and activities are combined with the governmental activities in the government-wide financial statements. The proprietary funds of the City are described below:

Enterprise Fund – These funds are used to account for business-like activities provided to the general public. The activities are financed primarily by user charges and the measurement of the financial activity focuses on net income measurement similar to private sector businesses. The enterprise funds include the Sanitation Fund, Great Hall Fund, and the Stormwater

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund. The enterprise funds also include the Utility Fund and the Athletic Club Fund which are considered major funds and are described in further detail below:

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 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 water and sewer fund operations, these obligations are reported in this fund.

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 Athletic Club Fund. The General Fund made an advance to the Athletic Club facility for a 20-year term.

Internal Service Fund – Used to account for services provided to other departments and agencies of the government on a cost reimbursement basis. The City has three internal service funds: Health Insurance Fund, Vehicle Maintenance Fund, and the Municipal School Health Insurance Fund.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of fiduciary net position and statement of changes in fiduciary net position. Agency funds are fiduciary funds used to account for assets held by the City in a purely custodial capacity. Single agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations.

Pension (and Other Employee Benefit) Trust Fund – These funds account for the activities and accumulation of resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and other postemployment benefit plans. The City maintains two pension trust funds, the Amended and Restated Pension Plan Fund and the Employee Cash Balance Pension Plan Fund which are used to account for the accumulation of resources to provide defined benefits to qualified employees upon retirement. In addition, the City and the School each use an Other Postemployment Benefits Fund ("OPEB" and "School OPEB") to account for activity related to retiree group health and dental benefits.

Agency Fund – These funds report resources held by the City in a purely custodial capacity. The Bail Bond Fund accounts for bail funds by persons awaiting trial in City Court. In addition, the School Activity Funds are used to account for cash and inventory held by the Germantown Municipal School District on behalf of the school activity fund for the Germantown City Schools. These funds were audited in a separate report and can be obtained by contacting the Germantown Municipal School District.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the "economic resources" measurement focus. Accordingly, all of the City's assets and liabilities, including capital assets and long-term liabilities, along with deferred inflows and outflows of resources, are included in the accompanying statement of net position. The statement of activities presents changes in net position.

Proprietary funds and fiduciary funds are also accounted for using the "economic resources" measurement focus. Accordingly all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included in the statement of net position. The statement of revenues, expenses, and changes in net position presents revenues (additions) and expenses (deductions) in total net position. Agency funds do not use the economic resources measurement focus.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available resources during a given period. These funds use fund balance as their measure of available resources at the end of the period.

Basis of Accounting

The government-wide financial statements are presented using the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. 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 nonoperating 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 enterprise funds 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 nonoperating revenues and expenses.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available to finance expenditures of the current period. 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. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, other local taxes, and intergovernmental revenues. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues are considered to be measurable and available only when cash is received by the City. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability 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. The issuance of long-term debt is reported as other financing sources.

Assets, Liabilities, Deferred outflows/Inflows of Resources, and Net Position/Fund Balances

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 equivalents. Cash equivalents held by the trustee of the Amended and Restated Pension Fund, the Employee Cash Balance Pension Fund, the OPEB Fund, and the School OPEB Fund are included in cash and cash equivalents. Cash equivalents also include investments in the Local Government Investment Pool (“LGIP”) due to the short-term nature of their maturity.

Investments, including pension and other postemployment benefit investments held in fiduciary funds, are reported at fair value except for those investments in the Local Government Investment Pool (“LGIP”). The LGIP qualifies as a 2a7- like pool and is reported at amortized cost using a Stable Net Asset Value which approximates fairvalue.

Restricted investments in proprietary funds represent investments primarily restricted for Athletic Club renovations.

2. Receivables

All trade and property taxes receivable are shown net of an allowance for uncollectibles.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Real and personal property taxes are Board approved by July 1 for each fiscal year on values assessed as of the prior January 1. The City has an enforceable legal claim as of January 1 (the assessment date). Property taxes are due on December 1 and are considered delinquent after February 28, at which time penalties and interest are assessed and property is available for tax lien. All property taxes are billed and collected by the City.

Property taxes receivable are recognized as of the date the City has an enforceable legal claim. Property taxes are reflected as revenues in the fiscal period for which they are levied, which is the subsequent fiscal year for the current fiscal year's assessment, provided they are received and collected within the current period or within 60 days following the fiscal year end (August 31). Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30. Delinquent taxes estimated to be collected subsequent to August 31 are included in the balance sheet as property taxes receivable and a deferred inflow of resources to reflect amounts that were not available as revenues at June 30, 2017. The property tax levy is without legal limit. The rate, as permitted by Tennessee State Law and City Charter, is set annually by the Board of Mayor and Aldermen and collected by the City Clerk.

Receivables due from other governments are primarily from the United States government, the State of Tennessee, and Shelby County, Tennessee. No allowance for uncollectible amounts has been recognized.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned as "unearned revenue". At the end of the current fiscal year, unavailable revenue principally represents amounts relating to property taxes.

3. Interfund Transactions

Interfund 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.

Interfund transfers

Permanent reallocations of resources between funds of the City are classified as interfund transfers. For the purpose of the statement of activities, all transfers between individual governmental funds have been eliminated.

4. Inventories and prepaid items

Inventories are valued at the lower of cost or market determined using the first-in, first-out (FIFO) method. Inventory in all funds consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

The cost of inventory and prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

statements. Such assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated acquisition value at the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. 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.

Land and construction in progress are not depreciated. Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	20-40 years
Other improvements	10-25 years
Machinery and equipment	3-15 years
Vehicles	3-15 years
Infrastructure	20-50 years

6. *Deferred outflows of resources*

In addition to assets, the statement of financial 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 has qualifying items for reporting in this category. The unamortized discount on refunding reported in the government-wide statement of net position results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Other deferred outflows of resources include pension changes in experience, pension changes in investment earnings, and employer contributions to the pension plan after the measurement date.

7. *Compensated absences*

Compensated absences for accumulated unpaid vacation and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. Accumulated unpaid overtime is also accrued when incurred in the government-wide financial statements. 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. GMSD employees may accrue up to 25 vacation days.

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 the governmental fund financial statements, bond premiums and discounts, issuance costs are recognized in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. *Deferred inflows of resources*

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent 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 has two types of items that qualify for reporting in this category. These items are amounts in the governmental funds that were receivable and measureable at year-end but were not available to finance

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

expenditures for the current year including unavailable revenues from property taxes. In addition, deferred inflows of resources include those related to pensions.

10. Net Position and Fund balance

In the government-wide financial statements and the proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislations.

Unrestricted net position – all other net position that does not meet the definition of restricted or net investment in capital assets.

In the fund financial statements, governmental funds report fund balances in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications consist of the following five components, as applicable:

Nonspendable – amounts that cannot be spent because they are either in a (a) non-spendable form, including items not expected to be converted to cash (i.e. inventories, prepaid amounts, long-term portion of loans and notes receivable), or (b) legally or contractually required to be maintained intact (i.e. the principal of a permanent fund).

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 by formal action by ordinance adopted by the Board of Mayor and Aldermen and the Germantown Municipal School District Board of Education. 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 a specific purpose, but are neither restricted nor committed. The intent shall be expressed by the Board of Mayor and Aldermen or a designee authorized by the Board of Mayor and Aldermen with authority to assign amounts. 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 City Finance Director has been authorized to assign amounts in the general fund for a specific purpose in accordance with fund balance policy established by the Board of Mayor and Aldermen. The Germantown Municipal School District Board of Education has the authority to assign the fund balance for the School Funds. Amounts in excess of nonspendable, restricted, and committed fund balance in funds other than the general fund are reported as assigned fund balance.

Unassigned – represents the residual balance available for any purpose in the general fund or deficit balances in other funds.

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.

11. Pensions

The City maintains six defined benefit retirement plans. Two are sponsored by the City and the remaining four are sponsored by the Tennessee Consolidated Retirement System.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position, and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by the actuaries. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of each plan. Expenses of the plans, such as investment fees, trustee fees, and audit fees, are paid by the plans. However, certain administrative functions are performed by employees of the City and are not reimbursed by the plans. Investments, other than contracts, are reported at fair value. Investment income is recognized as earned. Plan assets do not include any securities of the City nor have any of the plans made any loans to the City.

12. Fair Value Measurements

GASB Statement 72, Fair Value Measurement and Application, categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs include unadjusted quoted prices in active markets for identical assets or liabilities accessible at the measurement date. Level 2 inputs include quoted prices for similar assets or liabilities; quoted prices in inactive markets; or other inputs that can be corroborated by observable market data. Such inputs include market interest rates and volatilities, spreads and yield curves. Level 3 inputs are inputs which are unobservable for the asset or liability and rely on management's own assumptions that market participants would use in pricing the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In determining fair value, the City utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The methods used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at reporting date.

13. 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.

New Governmental Accounting Standards Board (GASB) Pronouncements

The City implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, in the fiscal year ending June 30, 2017. The implementation of the Statement modified note disclosures related to the City's OPEB plans and added additional required supplementary information schedules.

The City plans to adopt GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, required for fiscal periods beginning after June 15, 2017, in fiscal year 2018. This Statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions.

The City adopted GASB Statement No. 77, *Tax Abatement Disclosures*, required for fiscal periods beginning after December 15, 2015. This Statement improves financial reporting by giving users of financial statements essential information regarding tax abatements that was not previously reported consistently or comprehensively.

The City adopted GASB Statement No. 82, *Pension Issues*, required for fiscal periods beginning after June 15, 2016, except for certain provisions effective for fiscal periods beginning after June 15, 2017. This Statement modifies the measure of payroll that is presented in the required supplementary information.

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.
Audit	An examination, usually by an official or private accounting firm retained by the Board, that reports on the accuracy of the annual financial report.
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.
FTE	Full Time Equivalent. A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.
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.
Nonmajor Fund	Nonmajor funds are segregated by type (governmental or "business-like"), then presented in total by type in separate columns.
Total Net Position Objective	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 from a specific purpose and is, therefore, not available for general appropriation.
Retained Earnings	An equity account reflecting the accumulated earnings of an enterprise or internal service fund.
Revenue	A term used to represent actual or expected income to a specific fund.
Risk Management	An organized attempt to protect a government's assets against accidental loss in the most economical methods.
RPAC	The Retirement Plan Administrator Commission is a citizen advisory committee made up of three citizens, the Mayor, the city administrator, the finance director, and one alderman.
SCAT	Shelby County Automatic Tracking. This is the system used in Shelby County to track an individual through Shelby County Criminal Justice Center, which includes all warrants and local driving registration information.
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 26 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
- BICYCLE AND PEDESTRIAN 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 ART COMMISSION
- PUBLIC SAFETY EDUCATION COMMISSION
- RETIREMENT PLAN ADMINISTRATION COMMISSION
- OTHER POST EMPLOYMENT BENEFIT COMMISSION
- SENIOR CITIZENS ADVISORY COMMISSION

CITY OF GERMANTOWN CITIZEN BOARDS AND COMMISSIONS

- TECHNOLOGY COMMISSION
- TREE BOARD COMMISSION

