



# CITY OF GERMANTOWN TENNESSEE

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## **Financial Advisory Commission Minutes**

Tuesday, April 6, 2010, 6.30pm  
Blue Room, 1920 S Germantown Rd

**Members Present:** Chairman Julius Moody, Alderman Ernest Chism, Eddie Cox, Donna Curlin, Bill Dudley, Clinton Hardin, Russell Johnson, Mark Kooker, Howard Lasley, Frank Markus, Paul Mosteller, Frank SanPietro, Lynda Smith, Harold Steinberg, Chris Thornton, Paul Volpe, Richard Wagoner.

**Members Absent:** Mike Agee, Paul Bryan, Sharon Hammer, Frederick Miller, Lou Paris, Sehrish Siddiqui, Brian White.

**Staff Present:** Patrick Lawton, Kristen Geiger, George Brogdon, Andy Pouncey, Ralph Gabb, Michael Stoll, Bo Mills, Joe Nunes, Adrienne Royals and Sherry Rowell.

### **Call to Order**

Vice-Chairman Johnson called the April 6, 2010 Financial Advisory Commission (FAC) meeting to order at 6:33 p.m. The meeting was held in the Blue Room, 1920 S Germantown Rd.

### **Roll Call**

Vice-Chairman Johnson called roll and announced a quorum was present.

### **Approval of Minutes**

Vice-Chairman Johnson called for approval of the minutes from the March 16, 2010 FAC meeting.

### **\*\*MOTION\*\***

Clint Hardin moved to approve the minutes from the March 16, 2010 FAC meeting as presented. Lynda Smith seconded and the motion passed unanimously

### **Review of FY11 Budget Enterprise Funds**

Kristen Geiger started her review of the FY11 Budget Enterprise Funds, and she stated that she was only going to cover the first four Funds, and said that the Athletic Club would be presented at another FAC meeting.

## **FINANCIAL ADVISORY COMMISSION**

April 6, 2010

Page Two

### **Sanitation**

Kristen Geiger stated that this represented the fifth year of the City's contract with the service providers for both household and recyclables and then yard debris. The BMA approved an extension of the one year option. Therefore the FAC sub-committee will be working this fall to prepare for the new bid which will be going out late this calendar year/early next year in preparation for getting everyone on board, getting authorization by the early 2011 year in order to allow the service provider to have the equipment ready to start with the service July 1, 2011. Kristen Geiger went on to describe the lower fees, reducing the rate from \$24.90 to \$24.50 for single and \$14.90 to \$14.65 for multi. Kristen Geiger stated that the city was providing a survey for residents to see whether they still want back door, or do they want to go to curbside, and that the City was looking at other options.

Joe Nunes answered questions about the recycling streams.

### **Utility**

Kristen Geiger stated that there was an increase in FY10 estimate with \$7.4m in revenues and \$7m in expenses, FY10 estimate is lower than budget because of the wet season. FY11 represents an increase from FY10 estimate, however it does represent a decrease from what was budgeted in FY10. The Fund is still healthy, predominantly going forward, its assets and retained earnings are good and continue over the next couple of years making sure that this service is secured and especially in going forward. Kristen Geiger then spoke about the significant achievements of this Fund.

- Annual well and pump analysis and follow up maintenance program
- Annual cured-in-place pipe sewer mains maintenance technology program
- Johnson Road Sewer Pump Station – bid out/construction – April 2010
- Johnson Road Water Plant Expansion – in-service on October 2009
- New lift station capital project for Miller Farms Basin Improvement Design
- Well No. 5 replacement – Southern Water Plant Refurbishment
- Forest Hill 12" Water Main installation – completed September 2009

### **Stormwater**

Kristen Geiger described that this was a new Fund. She explained that the FY11 Operating Revenues were \$985,000 and the FY11 Operating Expenses were \$941,316. She stated that the rate would be good for three years and after that it would be reviewed. Revenues will be adjusted and also as the Fund starts the City will gain experience with the initiatives that are coming out of this program with the new 5 year permit that we just received.

Kristen Geiger then spoke about the achievements of the Fund so far.

- Enhancement of public safety and health
- Mapping of watershed (basin)
- Resources used to mitigate flooding
- Maintenance actions increased
- Monitoring all waters of the state
- Visual inspection of all laterals
- New developments monitored to ensure discharge less than 280 NTU's
- Water sampling at each lateral during certain intervals

Kristen Geiger also spoke of the new Riverdale Park project with water drainage features.

## FINANCIAL ADVISORY COMMISSION

April 6, 2010

Page Three

### Great Hall

Kristen Geiger presented the Great Hall Fund in the absence of George Brogdon. She stated the FY11 Operating Revenues: \$165,000 which was a 64.4% Increase over FY10 est. and the FY11 Operating Expenses: \$467,383 which was a 20.3% increase over FY10 est. She explained that the Great Hall had undergone a lot of renovation in terms of really trying to take this year to plan and assess itself and where it needs to be. There has been a taskforce set up to look at different areas of concentration and presented their findings to the BMA. It was recommended that the Great Hall is truly an asset of the City and as such there are some things that could be invested in and to take it forward to a higher level. The areas of concentration are: Administration Sales Marketing Catering and Physical Plant.

Kristen Geiger spoke of the elements of the Fund.

- Commission
- Management Council
- Non-Enterprise Fund
- Revenue Enhancements
- Expenditure Savings

Kristen Geiger then continued her review of the Great Hall with an overview of the projects and initiatives of the Fund. She also explained the new capital project which is to increase parking spaces on the Germantown Road side.

Kristen Geiger handed out the Enterprise Fund spreadsheets and spoke briefly about the revenues and expenses for each Fund.

A question and answer session regarding the Funds ensued amongst members and staff.

Vice-Chairman Johnson called for a motion to approve FY11 Enterprise Sanitation Fund

**\*\*MOTION\*\***

Paul Volpe moved to approve the FY11 Sanitation Enterprise Fund as presented. Howard Lasley seconded and the motion passed unanimously.

Vice-Chairman Johnson called for a motion to approve FY11 Utility Enterprise Fund

**\*\*MOTION\*\***

Harold Steinberg moved to approve the FY11 Utility Enterprise Fund as presented. Clinton Hardin seconded and the motion passed unanimously.

Vice-Chairman Johnson called for a motion to approve FY11 Stormwater Enterprise Fund

**\*\*MOTION\*\***

Paul Mosteller moved to approve the FY11 Stormwater Enterprise Fund as presented. Richard Wagoner seconded and the motion passed unanimously.

## FINANCIAL ADVISORY COMMISSION

April 6, 2010

Page Four

George Brogdon then went through the Great Hall PowerPoint presentation again and Harold Steinberg expressed his concern that the revenue estimates were too optimistic and he recommended being more conservative in the FY11 rentals. He stated that the new manager of the Hall would be stepping into a budget that would not be attainable.

Vice-Chairman Johnson called for a motion to defer FY11 Great Hall Enterprise Fund to one of the two future FAC meetings.

### **\*\*MOTION\*\***

Frank Markus moved to defer the FY11 Great Hall Enterprise Fund to another meeting. Clinton Hardin seconded and the motion to defer was passed unanimously.

### **Adjournment**

Vice-Chairman Johnson called for a motion to adjourn.

### **\*\*MOTION\*\***

Paul Mosteller moved to adjourn, Howard Lasley seconded and the motion passed unanimously.

The meeting adjourned at 8:06 p.m.

Respectfully submitted by Finance & General Services.