

CITY OF GERMANTOWN

FISCAL YEAR 2013 BUDGET

July 1, 2012 – June 30, 2013



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Germantown
Tennessee**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Danson Jeffrey R. Emer

President

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, 2011.

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 FY13 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 FY13 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 and General Services, Fleet Services, Economic Development. Specific cost centers and program description including overview, mission and FY13 objectives, performance measurements, budget category summary, personnel projections and category explanations. (Basic department and cost center information also found in other sections).

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

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 and incorporating 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 and Cultural Arts. In addition, budgets are included for Germantown Athletic Club and the Great Hall, 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 five categories: General Government, Major Roads, Intersections/Other/Drainage, Parks, Germantown Athletic Club and Utilities. (Complete listing of 2013 projects and five-year CIP projection in Budget Summary section).

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

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CITY OF GERMANTOWN TENNESSEE

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May 2012

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

The City's proposed budget for FY13 continues to support the vision, goals, and strategies identified in Vision 2020. It is further driven by the commitment to "the triple bottom line"—the long-term economic, environmental and social sustainability of our community. The Vision was developed by a citizen-driven process and adopted by the Board of Mayor and Aldermen in 2005. It defines actions that enable Germantown's transition from the growth/development mode to sustainability, promoting preservation, reinvestment, and redevelopment toward assuring a property tax base that appreciates and provides adequate revenues to fund municipal services.

As elected officials identified priorities for FY13, they kept in mind the prospect of the City of Germantown moving toward the formation of a municipal school district. Understanding the significant implications of such a decision, the Board nevertheless made certain the budget encompasses a wide range of municipal services. It enhances safety and security, supports infrastructure replacement and improvement, sustains fiscal soundness, maintains the character of the community and supports a broad spectrum of programs assuring quality services to our residents, workers and visitors.

The FY13 general fund and capital fund budget does not require a property tax increase. Initiatives and innovations undertaken during the past several years—restructuring divisions, consolidating and eliminating positions, redefining job responsibilities and other measures—continue to prove effective in controlling the cost of services while assuring the quality and scope we believe our citizens expect and require.

The FY13 budget reflects the Board's thoughtful and careful decisions about services and infrastructure investment, the Financial Advisory Commission's diligent examination of revenue and expense projections and the professional staff's daily stewardship of citizen tax dollars. Driven by conservative fiscal policies, the City continues to merit the triple-A bond ratings of both Moody's and Standard & Poor's, established in FY94 and most recently reaffirmed during FY12.

A handwritten signature in cursive script that reads "Sharon Goldsworthy".

Sharon Goldsworthy, Mayor



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May 2012

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

This letter transmits the Budget for the fiscal year beginning July 1, 2012. 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 "triple-A" rated city for the coming year and the five-year planning period.

THE FISCAL YEAR 2013 BUDGET

The FY13 Budget is balanced and totals \$75.3 million for all funds with the City's General Fund totaling \$40.5 million. The balanced budget is the result of ongoing departmental cost control, efficiency measures implemented even before the start of the recession and a property tax increase of \$0.06 in 2011, designed to ensure our financial health as the recovery continues to gather strength. Significant elements in the Budget include the construction of a new fleet maintenance shop and the Southern Avenue water treatment plant.

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 action plans, citizen feedback, and the Germantown Vision 2020 Plan.

Administration employs certain funding priorities in developing the annual Budget. These funding priorities include a commitment to an operationally balanced budget, which includes the necessary supplies and tools to address the goals and objectives identified in Vision 2020; a fiscally balanced Budget, with no use of one-time revenues to fund ongoing city operations; a programmatically balanced Budget, which achieves parity between operations and support activities; full cost accounting and fee collection where possible and a commitment to funding capital projects based upon the City's established financial policies. When structuring the budget document, one of the administration's overarching goals is to produce a document that is user friendly and provides sufficient policy and financial information to give an accurate description of the City's financial health and stability.

The BMA realizes that sustainability requires a shift in orientation and how civic affairs are managed. 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.

Through the adoption of the Vision 2020 plan, a platform was developed for the City to transform the workforce into a high performing organization and implement best practices for service delivery. In the consideration and adoption of the City's annual Budget, the administration routinely presents a balanced budget for the year under consideration in a five-year financial plan based upon various planning scenarios and financial assumptions. Administration addresses current and long-term financial obligations of the community through the following measures.

Revenue Enhancements/Cost Savings

The City of Germantown identifies new revenue sources and pursues grants to supplement the stable property tax rate and growth. Service delivery systems and processes are reengineered in order to control operating expenses.

Funding High Priority Focus Areas

Cost savings over the past several years have enabled the City to fund the BMA's priority areas while keeping operating expenditures relatively flat. This action has allowed leaders to extend a tax rate in a responsible manner for eight years through FY11. The City adopted a modest increase of \$0.06 in FY12. Continued recovery from the recession along with tight fiscal management will determine the funding priorities and service levels going forward.

Business Planning

Typical government budgets are driven by available revenues through taxes and fees. The business planning approach is outcome based and results oriented, with processes in place to deliver services in the most effective way.

With the proper deployment of these activities now and in the future the City is able to address long term financial obligations of the organization, maintain a stable tax rate, and move closer to sustainability.

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 high priority items and policy decisions are included in budget deliberations. The actual development of the budget relies on the expertise and professionalism of a highly trained staff in cooperation with the 22-member Financial Advisory Commission (FAC), a volunteer commission appointed by the BMA. These appointed residents, with extensive experience in the financial sector, volunteer their time to work with City staff on every aspect of the budget and financial policies before recommending to the BMA the Budget adoption and passage. Believing that a Budget is more than simply a series of numbers, graphs and statistics, the City works hard to ensure that the document is easy to understand and that residents have a clear picture of how tax dollars are used. Prior to Budget adoption, a Budget in brief brochure is mailed to every resident. The document highlights key revenues, expenditures and capital projects and includes an invitation to attend the public hearing on the Budget where residents can express concerns, raise specific issues or give support. Once adopted, the Budget is placed on the City's website.

Throughout the fiscal year the Finance and General Services Division 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. Residents have access to this information via the City's website.

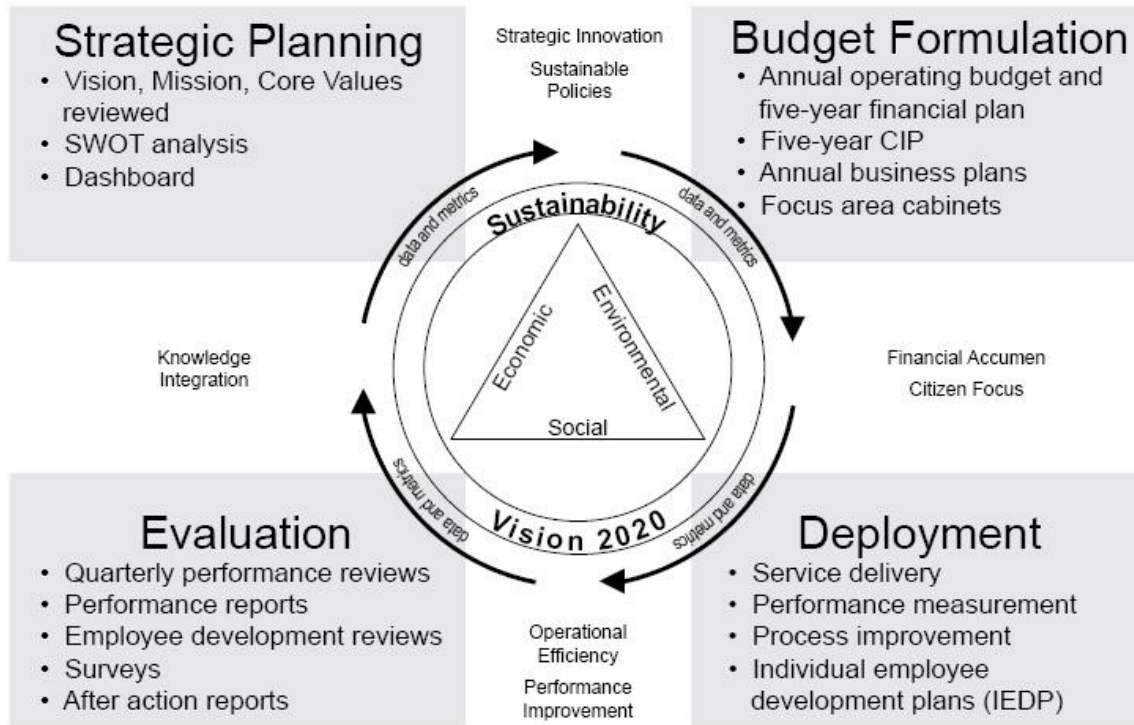
Fiscal accountability is also achieved each time the City enters the bond market to issue debt for capital projects. Germantown is one of only 66 cities with a triple-A bond rating from both Moody's Investor Services and Standard & Poors. Both agencies conduct extensive reviews of the City's finances and provide full disclosure to the bond buyer as to the fiscal health and stability of the City. These agencies last visited the City prior to a bond sale September 2011. Following two days of staff presentations on strategic planning and fiscal accountability, the City was reaffirmed triple-A by both agencies.

At the end of each fiscal year the City conducts an annual audit. Records for every fund are audited by an independent accounting firm that tests and reviews supporting evidences and financial statements. This independent audit has produced a clean unqualified opinion for the past 20 years on the overall fiscal health of the City.

The audit report is presented to an Audit Commission consisting of Germantown residents for review prior to submission to the Board of Mayor and Aldermen. Since 1982, the City has received the GFOA award for excellence in financial reporting every year. 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 is prepared using information from the City's audit and annual financial report and is presented in a format that is easily understood by the general public. The City has also received the GFOA Award for Excellence for the material presented in the PAFR for the past four years. A copy of the PAFR is available on the City's website.

STRATEGIC PLANNING



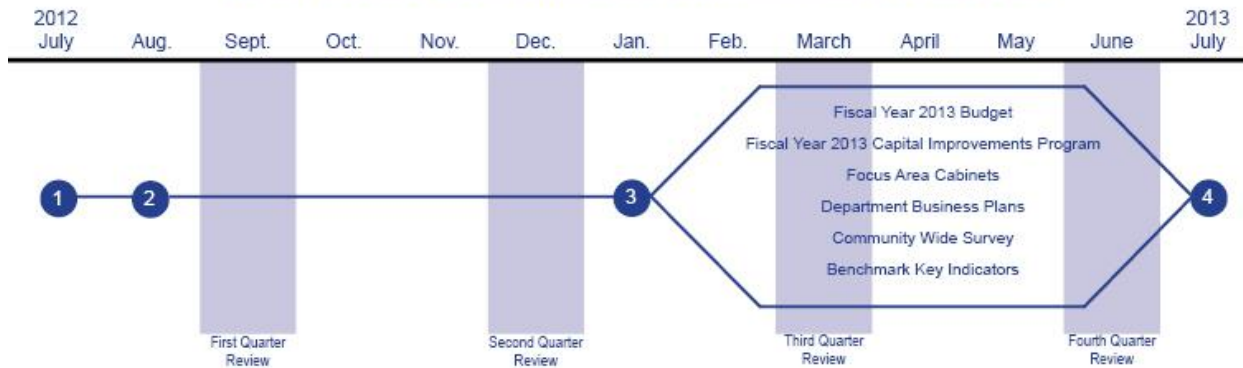
Strategic Planning and Performance Improvement Model

Figure 1

Since the adoption of Vision 2020 in 2005, the BMA has conducted an annual retreat each January to test the validity and relevance of the vision and refocus goals and objectives. Beginning in 2011, the BMA and city Administrator expanded the strategic planning model to include an additional retreat held in July. Participants in this process include the BMA and City staff. A professional facilitator ensures the process stays on track and helps build consensus. This annual strategic planning process ensures that the BMA and City staff stay focused on the vision, mission and core values of the organization. Results from the retreat are used to create focus area cabinet, departmental business plans, the annual Budget, five-year financial plan and five-year CIP. These plans are based on the triple bottom line (Economic, Environmental, and Social Sustainability) and are driven by key indicators with progress measured by the achievement of performance measures.

Core competencies were established during the initial Vision 2020 process and are refined during the January retreat. Strategic challenges and opportunities are identified in one of five focus areas based on the BMA's policy agenda. Vision 2020 is a long-range planning document based on annual goals, objectives and performance metrics designed to measure progress toward stated goals and key indicators. Leaders look to the future and a sustainable Germantown based on the triple bottom line. This approach is integrated throughout the strategic planning process. A systems approach is followed based on the understanding that systems are cyclical not linear. This approach takes a long term perspective with clear annual targets and indicators. It also provides for evaluation and feedback throughout the 12-month planning period to address unanticipated consequences, blind spots or variances. Through an understanding and analysis of this knowledge base, progress is measured toward the long range vision of sustainability and we are able to close the system loop and refocus strategic planning efforts each year during the retreat held in January and July. Figure 1 represents the critical steps involved in the strategic planning process.

Strategic Plan Development and Implementation 2012-2013



EVENT	PARTICIPANTS
1 2012 strategic plan adopted	BMA, City Administrator
2 BMA July retreat	BMA, City Administrator, Facilitator
3 BMA January retreat	BMA, City Administrator, Facilitator
4 2013 strategic plan adopted	BMA, City Administrator
Quarterly review of cabinet and department performance measures	BMA, City Administrator, Focus Area Cabinet Chairs, Key Business Executives

The Vision 2020 strategic plan is defined by value based principles that describe the preferred future for the next eight years. Strategic planning culminating during the annual January retreat provides the BMA and City staff the opportunity to focus outcome based objectives over the next twelve months. This provides both the structure and context for knowledge integration, one of the City's core competencies. It transforms the organization and creates opportunities for performance improvement. Knowledge generated through strategic planning and performance improvement model is the result of a collaborative effort citywide. This process, outlined in Figure 2 constitutes the basis for the City's sustainable competitive advantage.

Figure 2

The Vision 2020 goals established by the Board of Mayor and Aldermen during the retreat forms the focus areas. Focus areas are designed to ensure that the policies and priorities identified by the Board are incorporated into the annual Budget and addressed during this fiscal year. A complete outline of the five focus areas, supporting policy agenda and performance measures follows this Budget transmittal letter. Vision 2020 goals identified by the Board of Mayor and Aldermen this year include the following:

Public Safety

- Safest City in the southeast
- Proactive approach to community safety
- Effective emergency response
- Safe buildings and homes
- Top quality police and fire workforce

Community Vitality

- Germantown – the preferred place to live
- Enhanced residential neighborhoods
- Development consistent with Germantown character
- Connectivity and ease of movement
- Beautiful community

Quality of Life

- Vibrant community
- Lifelong learning
- Parks, green spaces and natural areas
- Recreation and entertainment opportunities
- Cultural arts and enrichment
- Personal wellness of residents

City Services and Finances

- Financial sustainability
- Services excellence
- Services valued by our customers
- Services delivered in most cost effective manner
- Civic Involvement

Environmental Quality

- Pure water
- Reduced energy consumption
- Waste reduction and resource recovery
- Stormwater pollution prevention

REVENUE PROJECTIONS

Concurrent with the adoption of the Budget, the Board of Mayor and Aldermen adopts a property tax rate. Property taxes generated in Germantown comprise about 58% of overall General Fund operating revenues. The property tax increase in FY12 was established to create a two-year tax stability period. The proposed tax rate for FY13 is set at \$1.485.

However, the uncertain economic times required an in-depth review of all revenue assumptions in formulating the Budget. Additionally, a thorough expense review was conducted and included local issues of growth, new operating services, neighborhood preservation and quality of life.

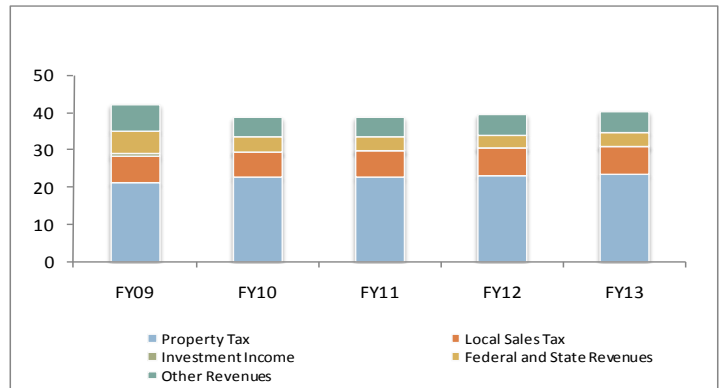
- The State Economy – The slow economic recovery continued to impact cities across the state during FY12. Rising gasoline prices are impacting Tennessee harder than most states because it relies so heavily on revenue from sales taxes of other consumer goods and services. The sales tax is elastic and more sensitive to economic shifts.
- The Local Economy – Germantown tends to follow the dynamic fluctuations of the national economy. FY12 is anticipated to be better than budget and local sales are projected to slightly increase in FY13 over FY12 estimate.
- Hall Income Tax – This tax is collected by the state as a tax on income from dividends and interest on out of state investments and allocated to the City at 3/8 of the amount collected from Germantown residents.

GENERAL FUND

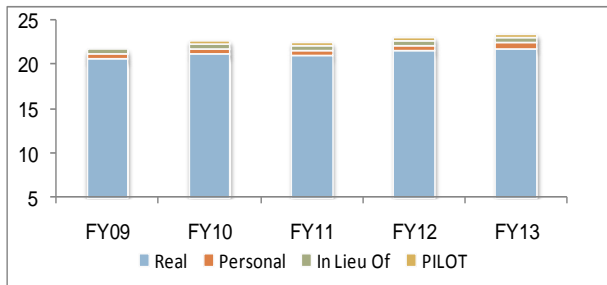
REVENUES:

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, and have decreased from FY09 levels.

\$ MILLIONS



\$ MILLIONS



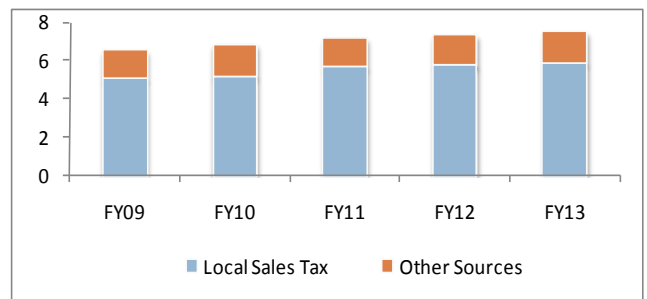
PROPERTY TAXES

The proposed property tax rate for the City of Germantown is \$1.485 per \$100 of assessed valuation. In the FY13 budget, real, personal, in-lieu-of-property taxes and PILOT are projected to generate approximately \$23.3 million, 58% of the total revenue budget for the City.

LOCAL SALES TAXES

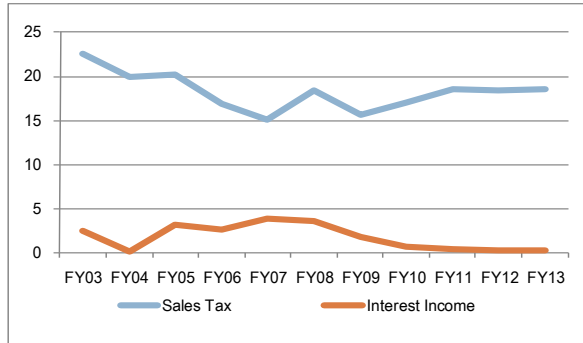
Local sales tax collections contribute 19% of the total revenue for the operations of the City. This category includes the local sales tax, the wholesale beer tax, the wholesale liquor tax, gross receipts business taxes and hotel/motel occupancy tax. The FY13 Budget anticipates \$7.4 million in local sales tax revenue.

\$ MILLIONS



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

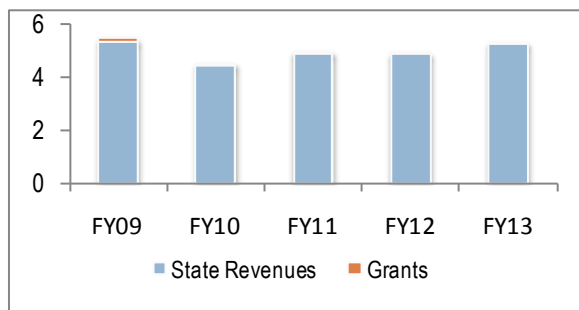
PERCENT



INTEREST INCOME

Interest on the City's investments contributes less than 1% of total revenues for the City of Germantown. The FY13 Budget projects income from investments at \$101,960. 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.

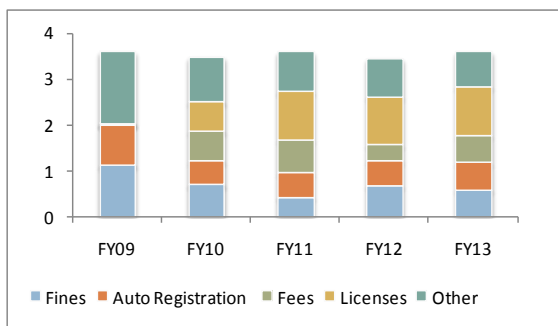
\$ MILLIONS



STATE REVENUES AND GRANTS

State shared revenues and state and federal grants make up 14% 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 FY13. With the exception of the income and excise tax, state revenues are allocated on a per capita basis with Germantown's population at 40,123 with a Special Census in 2012. This source of revenue fluctuates depending on the statewide economy and certified population counts.

\$ MILLIONS



OTHER LOCAL REVENUE SOURCES

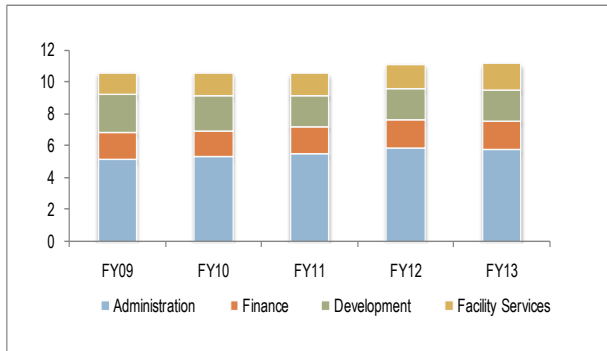
Other local revenue sources generate approximately 9% of the overall revenue for the City. This category includes automobile registration fees, local cable franchise fees, city court fees and an assortment of other smaller fees collected by municipalities. Licenses and fees are a fairly stable source of revenue for the City. However, revenues are budgeted to increase in FY13 with projections of \$3.6 million from fees.

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

EXPENDITURES

The City’s fiscal year spending plan emphasizes a long-term goal of maintaining financial stability. All expenditures reflect the spending priorities established by the Board of Mayor and Aldermen and strict adherence to the financial policies that provide a framework for allocating resources. (The Board’s Policy Agenda for fiscal year 2013 and an overview of the Financial Policies as adopted by the Board of Mayor and Aldermen are provided following this section.)

\$ MILLIONS



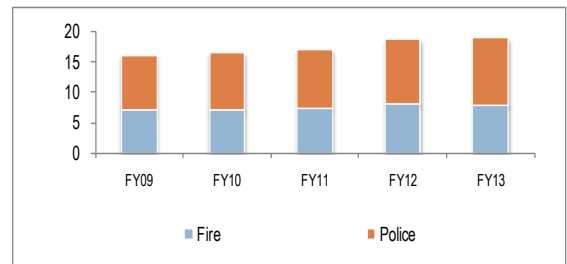
GENERAL GOVERNMENT EXPENDITURES

General government includes the Departments of Aldermen, Administration, Economic & Community Development, Human Resources, Information Technology, Germantown Performing Arts Centre, Facility Services, Research and Budget, City Court, Facilities Services and Finance. FY13 expenditures for these functions increased by \$118,712 or 1.1% from the FY12 estimate.

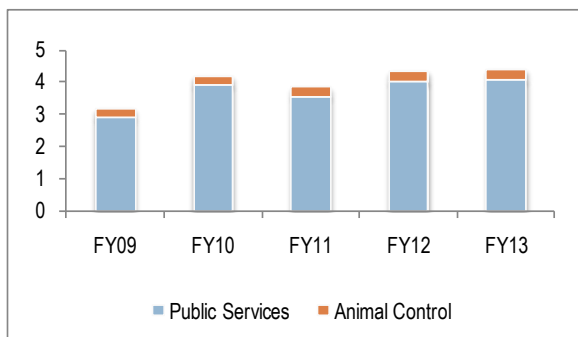
PUBLIC SAFETY EXPENDITURES

Total expenditures for Police and Fire Departments increased by \$217,043 or 1.2% from the FY12 estimate. During the past five years, public safety costs have raised primarily due to the additional safety personnel and ancillary costs. FY13 shows an increase over FY12 estimate due primarily to the replacement of public safety vehicles in FY13.

\$ MILLIONS



\$ MILLIONS



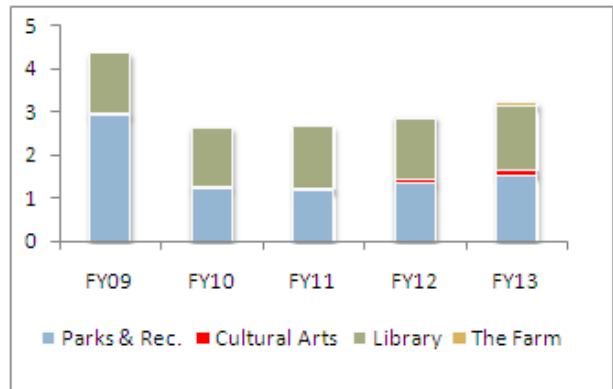
TRANSPORTATION AND ENVIRONMENT EXPENDITURES

The category includes the Department of Public Services and Animal Control. Total FY13 expenditures for this category increase by \$59,027 or 1.4% from the FY12 estimate. FY13 expenses are higher than FY12 estimate due to the replacement of maintenance equipment in Public Services.

COMMUNITY SERVICES EXPENDITURES

The category includes the Parks and Recreation Department, Library Services, the Farm, and Cultural Arts. The FY13 expenditures increased by \$375,153 or 13.2% above the FY12 estimate. This increase is due partially to the inclusion of The Farm Park in FY13.

\$ MILLIONS



SUMMARY OF FY13 APPROVED EXPENDITURE HIGHLIGHTS

TOTAL BUDGET - GENERAL FUND

(in thousands)

	Original Budget FY12	Estimated FY12	Budget FY13	Variance - Est. FY12 Budget FY13	% Variance Estimated FY12	% Variance Budget FY13
Operating Budget*	38,878	39,549	40,456	906	-2.3%	-2.2%
Capital	-	-	-	-	0.0%	0.0%
Total	38,878	39,549	40,456	906	-2.3%	-2.2%

TOTAL BUDGET - ALL FUNDS

(in thousands)

	Original Budget FY12	Estimated FY12	Budget FY13	Variance - Est. FY12 Budget FY13	% Variance Estimated FY12	% Variance Budget FY13
Operating Budget*	58,722	62,072	61,259	(812)	1.3%	1.3%
Capital	14,996	9,679	14,057	4,378	45.2%	31.1%
Total	73,718	71,751	75,316	3,564	5.0%	4.7%

BY PROGRAM:	Increase (in thousands)	Percent of Total	Percent Inc. to Estimate
Community Services	\$ 375	10.5%	13.2%
General Debt Service	312	8.7%	10.2%
General Government	119	3.3%	1.1%
Transportation & Environment	59	1.7%	1.4%
Athletic Club	(13)	-0.4%	-0.3%
Great Hall	(62)	-1.8%	-9.8%
Contingencies	50	1.4%	0.0%
Other Programs	4,298	120.8%	38.8%
Public Safety	217	6.1%	1.2%
Sanitation	71	2.0%	2.1%
Stormwater	86	2.4%	8.7%
Utilities	(1,948)	-54.7%	-16.6%
TOTAL	\$ 3,564	100.0%	5.0%

BY CATEGORY:	Increase (in thousands)	Percent of Total	Percent Inc. to Estimate
Personnel	\$ 606	17.0%	1.9%
Debt Service	276	7.6%	8.2%
Contingencies	50	1.4%	0.0%
Communications	139	3.9%	34.4%
Rents	22	0.6%	3.9%
Contract Services	91	2.6%	2.0%
Professional Fees	(135)	-3.8%	-3.8%
Supplies	95	2.7%	4.3%
Capital Outlay	6	0.2%	0.4%
All Other Categories	2,414	67.8%	9.9%
TOTAL	\$ 3,564	100.0%	5.0%

* 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, 2011 totaled \$19.8 million. The underlying purpose and rationale for these reserves are described in the Financial Policies contained in this section of the document.

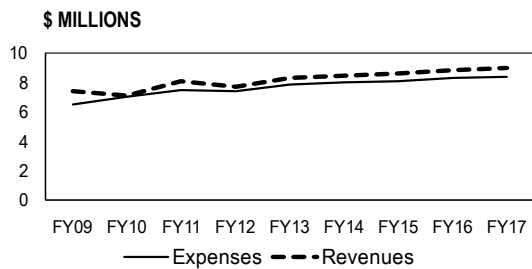
Following a review of the Financial Policies with the Financial Advisory Commission and the Board of Mayor and Aldermen, the Financial Policies were updated as detailed in this section of the Budget.

UTILITY FUND

REVENUE AND EXPENSES:

Utility rates were decreased in the FY09 Budget for the Utility Fund. This decrease was recommended to promote equity to the users, since the existing rate structure has built up an excessive working capital during drought years. The base rate is budgeted to remain the same to help avoid future revenue shortfalls during rainy years.

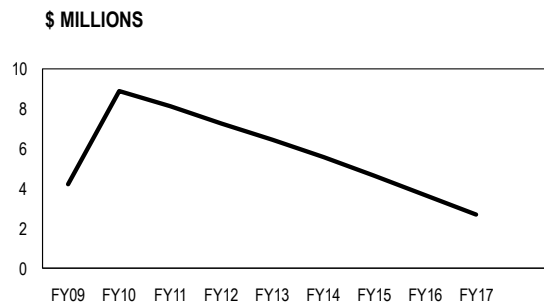
**UTILITY FUND
 REVENUES OVER EXPENSES**



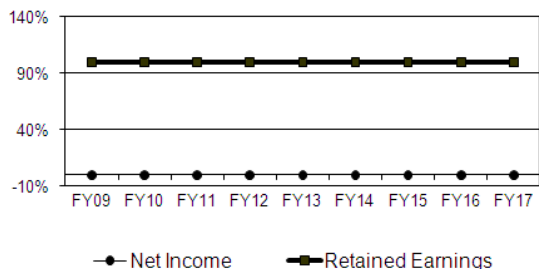
The chart on the left graphically illustrates the revenue and expenditure trends over a 9-year planning period. Utility revenues and expenses reflect the fluctuation common to a Utility Fund.

Outstanding Utility Debt of \$6.4 million at the start of FY13 is comprised of two bond issues. This chart displays Outstanding Utility Debt at the beginning of each fiscal year. In FY09 a bond issue totaling \$5.0 million was issued to support the expansion of the Johnson Road Water Plant and water storage. The one bond issue in FY98, refunded in 2006, totaling \$8.025 million was mainly to support the construction of a new water treatment plant. The five-year planning period does not anticipate a bond issuance.

OUTSTANDING UTILITY DEBT



**UTILITY DEBT
 SERVICE COVERAGE**



The debt service coverage graph shows the ratio of operating income and retained earnings to debt service (the number of times operating income and retained earnings covers bonded debt service). Debt service coverage is the principal ratio used to assess utility debt capacity. As shown in the graph, the ratio for operating income coverage is fairly stable. FY13 and the projected plan period show a healthy fund. The retained earnings ratio illustrates the strong financial stability of the Utility Fund.

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

FY13 CAPITAL BUDGET

The FY13 Capital Budget totals \$14,057,000. There is no transfer to capital projects from the General Fund in FY13. Those projects incorporated in the CIP are consistent with the Board of Mayor and Aldermen’s Policy Agenda and funding priorities.

The FY13 CIP demonstrates a significant level of spending due mainly to the funding for several road and drainage improvement projects. Details on these and other CIP projects and their impact on operations in this Budget and future years are contained under the tab *Capital Improvements Program*. The following chart illustrates the impact of drawdown on General Fund reserves over the planning period for the CIP.

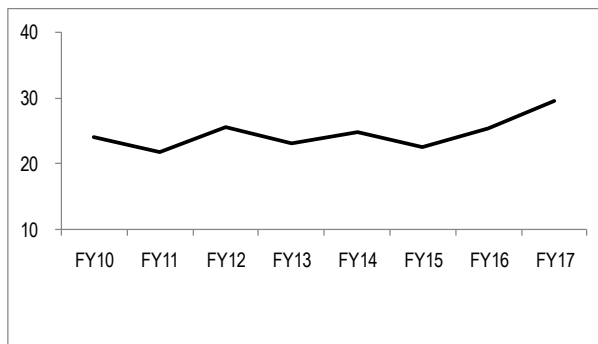
DEBT ANALYSIS

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

The Outstanding General Obligation Debt chart depicts the level of indebtedness over an 8-year period. In 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 addition, in FY12 \$6.025 million of G.O. debt was issued. The five-year planning period anticipates the following bond issuances: \$4.35 million in FY14, \$5.0 million in FY16, and \$6.3 million in FY17 which are included in the graph to the right.

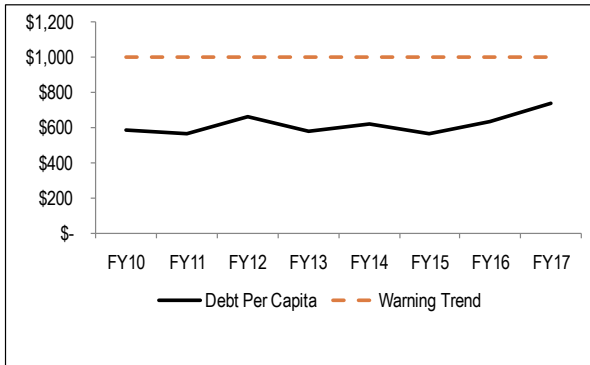
OUTSTANDING G.O. DEBT

\$ MILLIONS



G.O. DEBT PER CAPITA

\$ PER CAPITA



Rating agencies generally consider \$1,000 per capita to be the upper limit for a triple-A rating. 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 FY13 with a planned business development approach. Increased competition and an aging facility have resulted in a strong focus on membership retention. Investment of more than \$3 million over the past several years in renovations, streamlining programs and membership fees, enhancing marketing and communications, along with a "back to basics" approach of services, is planned to build membership and fiscal soundness. This business plan shows the financial improvement anticipated for the forecast period. In addition, the operations of the Great Hall were separated from the Germantown Athletic Club in FY10, thus allowing each facility to focus on its business objectives.

GREAT HALL FUND

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

SANITATION FUND

The FY13 Budget for the Sanitation Fund reflects costs of the second year of a five year contract with option to renew an additional five years for collection with Republic Services and landfill disposal with Waste Management. The revenue side includes a rate that remains the same as last year for solid waste collection in FY13. The contract includes backdoor household trash collection with curbside option, weekly recyclables collection with incentive program and unlimited resident generated yard debris collection and composting.

STORMWATER MANAGEMENT FUND

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

SPECIAL THANKS:

The FY13 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 FY13 Budget and Capital Improvements Program, and in particular, I want to thank the Research and Budget Services.

Sincerely,

Patrick J. Lawton
City Administrator

GENERAL INFORMATION AND STATISTICAL DATA

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

GERMANTOWN'S EARLY HISTORY

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

GERMANTOWN'S POPULATION PATH

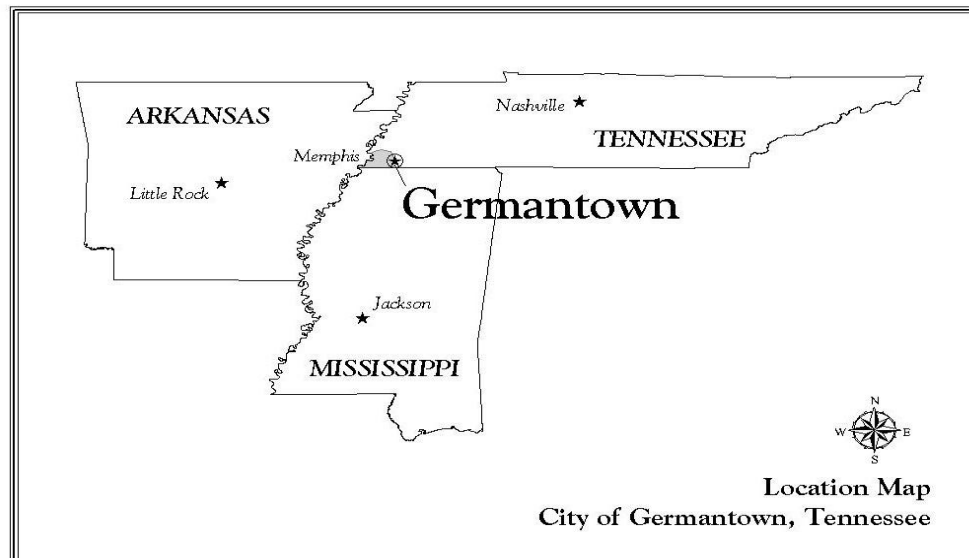
In 1960, the City had 1,101 residents. In the 1970s, Germantown began to grow rapidly and by 1980 the population had grown to 20,459. Today, the City's population is 40,123 per 2012 Special Census. The City is primarily residential in character, but continues to expand in commercial businesses and professional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

GERMANTOWN DEMOGRAPHICS

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

Unless otherwise indicated, statistics are from 2010 Federal Census.

*Per 2012 certified Special Census



GENERAL INFORMATION AND STATISTICAL DATA

CITY OF GERMANTOWN, TENNESSEE PRINCIPAL PROPERTY TAXPAYERS

The Village at Germantown Inc.
Belz Investment Company (PSO)
UT Medical Group Inc.
Empirian Colonneade LLC 75%/Bushreal
Vinyards Apartments Inc.
Senter Crook Taylor Et Al
Sherriff LLC
BIC-MTS Partners (PSO)
SWC Poplar FHI Partners LLC
Lightman Exeter Village CO GP

CITY OF GERMANTOWN, TENNESSEE PRINCIPAL EMPLOYERS

Methodist Le Bonheur Hospital - Germantown
Shelby County School System - Germantown Schools
City of Germantown
Campbell Clinic
Baptist Rehabilitation - Germantown
Orgill, Inc.
ThyssenKrupp Elevator Manufacturing, Inc.
O.R. Nurses
El Porton
Stern Cardiovascular

AMENITIES

A total of 27 parks allow for a park within walking distance of every residence. The community has more than 700 acres of parkland. More than 11.4 miles of greenway links parkland and neighborhoods.

Under the umbrella of the Shelby County School System, two high schools, two middle schools and four elementary schools serve Germantown. The City also has three private and four specialty schools.

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

GERMANTOWN'S STATUS

Germantown is one of a few cities in the nation possessing a triple-A bond rating from both Moody's and Standard & Poor's. It has the lowest crime rate for any city its size in the State of Tennessee and the police and fire departments have average emergency response time of five minutes. The parks and recreation department is nationally accredited. The Arbor Day Foundation has designed Germantown a "Tree City USA" for 22 consecutive years.

GERMANTOWN'S GOVERNMENT

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

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

GERMANTOWN AT A GLANCE

**City of Germantown, Tennessee
Miscellaneous Statistical Data**

City Stats:

Date Originally Chartered	1841
Date of Incorporation	1903
Form of Government	Mayor-Aldermanic
Area	19.8 sq. miles
Miles of Streets	206
Number of Street Lights	5,122

Fire Protection:

Number of Stations	4
Number of Regular Firefighters	71
Number of Volunteer Firefighters	25
Insurance Service Office Rating	Class III

Police Protection:

Number of Regular Police Officers	86
Number of Reserve Police Officers	30

Recreation and Culture:

Number of Parks	27
Acreage	748
Number of Libraries	2
	(Germantown Community Library and Genealogy Center)
Volumes	143,520

Education (1) :

Number of Schools	8 (Shelby County)
Number of Students	8,499

Water System:

Number of Consumers	13,820
Miles of Water Main	208
Well Capacity	25 million gallons per day
Treatment Plant Capacity	24 million gallons per day
Storage Capacity	7.875 million gallons
Average Daily Consumption	7.500 million gallons
Peak Day Pumpage	15.120 million gallons
Residential Rate in Force	\$6.75 for first 5,000 gallons (minimum) \$1.65 per additional 1,000 gallons up to 15,000 gallons \$1.90 per additional 1,000 gallons up to 50,000 gallons \$2.40 per 1,000 gallons thereafter

Sewer System:

Number of Consumers	13,800
Miles of Sewer Main	211
Treatment	Provided by City of Memphis
Residential Rate in Force	\$3.90 for first 3,000 gallons (minimum) \$1.53 per additional 1,000 gallons (\$3.90 minimum and \$31.20 maximum)

CONTACT INFORMATION

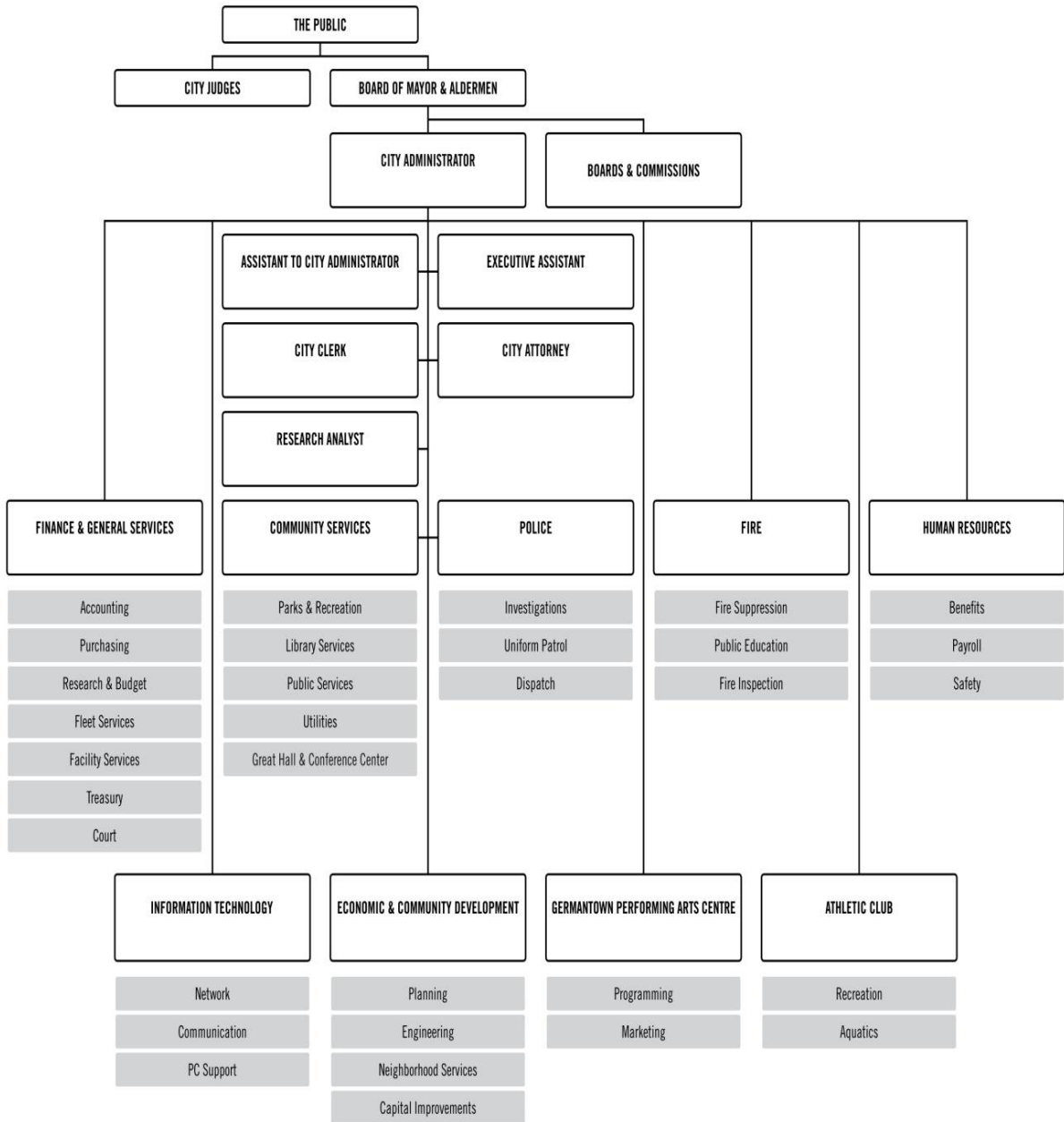
For further information, please contact:

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

www.germantown-tn.gov

CITY OF GERMANTOWN, TENNESSEE

Organization Chart



LIST OF CITY OFFICIALS

**CITY OF GERMANTOWN
CITY OFFICIALS**

MAYOR

Honorable Sharon Goldsworthy (2014*)

ALDERMEN

Mark Billingsley (Vice Mayor – 2012*)

Ernest Chism (2012*)
Mike Palazzolo (2012*)

Greg Marcom (2014*)
John Drinnon (2014*)

CITY ADMINISTRATOR

Patrick J. Lawton

CITY ATTORNEY

C. Thomas Cates

CITY JUDGES

Bob Brannon
Raymond S. Cliff

EXECUTIVES

Community Services Division Director.....	George Brogdon
Finance and General Services Division Director.....	Kristen A. Geiger
Economic and Community Development Director.....	G. Andrew Pouncey
Fire Chief.....	John M. Selberg
Police Chief.....	Richard Hall
Human Resources Director.....	Susan Hopson
Finance Director.....	Ralph J. Gabb
Parks and Recreation Director.....	Pam Beasley
Library Services Director.....	Melody Pittman
Public Services Director.....	Bo Mills
Information Technology Director	Tony Fischer
Germantown Athletic Club Director	Phil Rogers

BUDGET PREPARATION STAFF

Sr. Research and Budget Analyst.....	Sherry Rowell
Sr. Research and Budget Analyst.....	Adrienne Royals
Capital Improvements Projects Manager.....	Rodney "Butch" Eder

*(Date elected term expires)

City of Germantown Core Values

We, the Germantown Managers and Employees,

Strive for **S**ERVICE Excellence

PRODUCE “A+” Results

Take the **I**NITIATIVE

Are **R**ESPONSIBLE

Are **I**NNOVATIVE

Practice **T**EAMWORK

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

ORDINANCE NO. 2012 - 8

AN ORDINANCE TO ADOPT THE 2012 - 2013 BUDGET

WHEREAS, the City of Germantown desires to ordain its budget for the fiscal year July 1, 2012 through June 30, 2013; and

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

BE IT ORDAINED by the City of Germantown, that its budget for the fiscal year July 1, 2012 through June 30, 2013, is the following:

SECTION

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

Section 6-801 Revenue/ExpendituresA. Total Revenues and Available Funds

General Fund Revenues		\$40,516,397
Special Revenue Funds Revenues		2,233,640
Intergovernmental Revenues		3,000,000
Contributions		0
Utility Fund Revenues		8,300,480
Germantown Athletic Club Fund Revenues		3,746,092
Great Hall Fund Revenues		224,200
Sanitation Fund Revenues		3,521,762
Stormwater Management Fund Revenues		1,088,900

Decreases (Increases) in Fund Balances:

General Fund		(60,799)
Special Revenue Funds		1,156,225
Capital Projects Funds		9,578,500
Utility Fund		1,456,451
Internal Service Funds		90,000
Germantown Athletic Club Fund		139,268
Great Hall Fund		350,270
Sanitation Fund		(8,554)
Stormwater Management Fund		(17,124)
TOTAL		<u>\$75,315,708</u>

B. Expenditures

General Fund		\$40,455,599
Special Revenue Funds		3,389,865
Capital Projects Funds		12,578,500
Utility Fund		9,756,930
Internal Service Funds		90,000
Germantown Athletic Club Fund		3,885,360
Great Hall Fund		574,470
Sanitation Fund		3,513,208
Stormwater Management Fund		1,071,776
TOTAL		\$75,315,708

Section 6-802 Expenditure Appropriations

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

Section 6-803 Expenditure of Donations and Grants

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

Section 6-804 Line Item Financial Plan Required

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

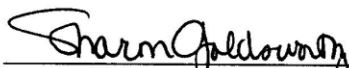
Section 6-805 Effective Date

This Ordinance shall take effect July 1, 2012, the public welfare requiring it.

First Reading: May 14, 2012

Second Reading: June 11, 2012

Third Reading: June 25, 2012


 Sharon Goldsworthy, Mayor


 Betty Johnson
 City Clerk/Recorder

2013 Focus Areas

Supporting Sustainability in Germantown

The five plans set forth in Vision 2020 provide focus areas and are divided among the three triple bottom line categories. Vision 2020's City Services and Finances focus area helps support the economic sustainability of the City. Environmental sustainability is supported by the Environmental Quality focus area. Social sustainability is supported by the Quality of Life, Community Vitality and Public Safety focus areas.

A system has been put in place to guide the City's progress toward making the Vision 2020 plans a reality. Goals are designated for each focus area. Policy agendas help to ensure that goals are met. Performance measures, tracked quarterly, indicate progress toward the policy agenda. Performance measures are combined to produce results and reported quarterly as key indicators to the public to ensure transparency and commitment to Vision 2020.

Triple Bottom Line

Economic Sustainability	Environmental Sustainability	Social Sustainability
City Services and Finances	Environmental Quality	Quality of Life Community Vitality Public Safety

City Services and Finances

Supporting Financial Sustainability

The City of Germantown has significant physical assets including streets, utility system for water and sewer, drainage system, City Hall and adjacent buildings, fire stations, Germantown Athletic Club, Community Library, parks, streetscapes, medians and others. This City infrastructure is aging which means increased maintenance levels and costs. In addition, the city has future infrastructure needs such as additional fire stations and upgrade and expansion of parks. The quality of the City infrastructure impacts the city's quality of life, community vitality and community safety. The City must have long-term sustainable revenues to support defined services and service levels. Balancing current needs with future obligations, the city performs a wide variety of services in order to sustain consistent performance.

Goals

- Financial sustainability
- Service excellence
- Services valued by customers
- Services delivered in the most cost effective manner
- Civic involvement

Key Indicators

- Citizen satisfaction
- Fiscal health

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Maintain sufficient funds to meet financial obligations • Maintain triple A bond rating • Departments meet budgeted expenses and revenues • Financial reserves are consistent or expanding • Grow a diverse and well balance tax base 	<ul style="list-style-type: none"> • Pension obligations as a percentage of salaries and wages <ul style="list-style-type: none"> ○ Target: maintain trend without any increases • Cash and short-term investment as a percentage of current liabilities (General and Enterprise Funds) <ul style="list-style-type: none"> ○ Target: maintain trend without any decreases • Maintain Rating <ul style="list-style-type: none"> ○ Target: reaffirmation • Monthly budget reports- budget vs. actual <ul style="list-style-type: none"> ○ Target: within 2% of budget • General Fund unassigned fund balance <ul style="list-style-type: none"> ○ Target: 15% of total fund balance • Property, sales, federal and state- actual vs. budget; last year versus current year <ul style="list-style-type: none"> ○ Target: at budget or better
<ul style="list-style-type: none"> • Provide timely response to customer needs 	<ul style="list-style-type: none"> • Customer requests acknowledged within one business day (using work order system and contact management system) <ul style="list-style-type: none"> ○ Target: 98%
<ul style="list-style-type: none"> • Customer satisfaction • Provide services that are valued by citizen 	<ul style="list-style-type: none"> • Satisfaction rating on overall city services and amenities from citizen survey <ul style="list-style-type: none"> ○ Target: 85% or higher very or somewhat satisfied • Respondents who rate value of services for taxes paid <ul style="list-style-type: none"> ○ Target: 85% or higher very or somewhat satisfied
<ul style="list-style-type: none"> • Improve cost effective service delivery 	<ul style="list-style-type: none"> • Worker compensation claims- year to year comparison <ul style="list-style-type: none"> ○ Target: maintain • Implement Direct Deposit citywide <ul style="list-style-type: none"> ○ Target: August – KBE Meeting and Launch Program September – Q&A site visits with employees September/October – sign-up November – program complete • Lean Six Sigma projects completed <ul style="list-style-type: none"> ○ Target: 9 per year • PATS reviews completed <ul style="list-style-type: none"> ○ Target: 24 per year

Environmental Quality

Supporting Environmental Sustainability

The environmental quality plan is designed to provide a comprehensive approach to protect the natural resources of our community. The goals and objectives identified in the plan reflect the ideal future we strive to achieve. These include the implementation of energy conservation practices, reduction of solid and hazardous waste and the protection of the water supply. Many of these goals are the result of proactive planning practices and others are mandated by federal and state law.

Goals

- Reduce energy consumption
- Pure water
- Waste reduction and resource recovery
- Stormwater pollution prevention
- Enhance natural resources management

Key Indicators

- CO2 emissions
- Drinking water quality index
- Refuse reduction
- Wolf River quality index

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Reduce CO2 emissions by reducing electrical use • Upgrade aging equipment • Reduce CO2 emissions by reducing natural gas use • Develop strategy to reduce gasoline and diesel fuel consumption 	<ul style="list-style-type: none"> • Reduce electrical usage (KW) data compared to FY12 <ul style="list-style-type: none"> ○ Target: 1% reduction • Number of appliances retrofitted or replaced <ul style="list-style-type: none"> ○ Target: seven units by June 2013 • Analyze natural gas usage (CCF) data compared to previous year <ul style="list-style-type: none"> ○ Target: 1% reduction • Update/develop fleet policy <ul style="list-style-type: none"> ○ Target: complete by June 2013 • Acquire and install GPS devices in all vehicles <ul style="list-style-type: none"> ○ Target: 1Q issue RFP, 2Q bid and award, 3Q install • Reduce fuel consumption <ul style="list-style-type: none"> ○ Target: 2% decrease
<ul style="list-style-type: none"> • Meet or exceed state and federal drinking water standards with no major violations • Monitor groundwater quantity and quality using analysis provided by USGS and GWI • Develop strategy to enhance compliance with backflow prevention program • Sanitary sewer inspection and maintenance 	<ul style="list-style-type: none"> • System management and operation inspections <ul style="list-style-type: none"> ○ Target: 98% • Analyze well field quantity data trends <ul style="list-style-type: none"> ○ Target: analyze and report • Analyze well field quality data trends <ul style="list-style-type: none"> ○ Target: analyze and report • Improve backflow prevention testing reporting <ul style="list-style-type: none"> ○ Target: 60% reports received annually • Sanitary sewer overflow prevention <ul style="list-style-type: none"> ○ Target: fewer than five sanitary sewer overflow incidents per year
<ul style="list-style-type: none"> • Develop strategy to reduce the volume of waste entering landfill • Develop strategy to increase residential recycling rate 	<ul style="list-style-type: none"> • Tons of refuse collected per account <ul style="list-style-type: none"> ○ Target: 0.96 ton reduction per year • Pounds of recyclables collected per capita <ul style="list-style-type: none"> ○ Target: 135 pound increase per year • Recyclables and yard debris tons diverted per 1,000 population <ul style="list-style-type: none"> ○ Target: 700 tons per 1,000 population annually • Recyclables diversion rate <ul style="list-style-type: none"> ○ Target: 18% increase per year
<ul style="list-style-type: none"> • Stormwater pollution prevention • Develop strategy to improve water quality index on Wolf River 	<ul style="list-style-type: none"> • Perform sampling parameters <ul style="list-style-type: none"> ○ Target: complete by June 2013 • Surface water monitoring at other locations along Wolf River <ul style="list-style-type: none"> ○ Target: complete by June 2013 • Develop community awareness program about Wolf River water quality <ul style="list-style-type: none"> ○ Target: complete by June 2013

continued

Environmental Quality

continued

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Natural Resource Management Plan approval • Implement priority strategies identified in Natural Resource Management Plan • Implement "best practices" pilot projects 	<ul style="list-style-type: none"> • Provide an overview to Environmental Quality Focus Cabinet <ul style="list-style-type: none"> ○ Target: complete during 1Q • Provide an overview to Commission Boards <ul style="list-style-type: none"> ○ Target: complete during 2Q • Include natural resource oriented questions in community survey <ul style="list-style-type: none"> ○ Target: complete by 2Q • Present to Administration and BMA <ul style="list-style-type: none"> ○ Target: complete during 3Q • Research funding for recommended plans <ul style="list-style-type: none"> ○ Target: complete by 3Q • Establish plant and wildlife inventory along with location for drip irrigation and native plants <ul style="list-style-type: none"> ○ Target: complete during 4Q • Expand environmental education opportunities through the Farm Park <ul style="list-style-type: none"> ○ Target: Report and communicate each quarter

Quality of Life

Supporting Social Sustainability

The foundation of a strong community exists in Germantown as a result of common community values and natural assets. Residents take ownership of the community and contribute time and resources to community betterment. The City's top quality parks, preserved open spaces and natural areas provide a beautiful setting for residents to live, work, relax and play. A wide variety of leisure and cultural activities are available through Germantown Community Library Germantown Athletic club and the Germantown Performing Arts Centre. The ultimate goal is to add value to the lives of Germantown residents.

Goals

- Vibrant community
- Lifelong learning
- Parks, green spaces and natural areas
- Recreation and entertainment opportunities

Key Indicators

- Resident participation
- Community investment
- Citizen satisfaction

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Increase monetary and in-kind contributions received by City and affiliated with non-profit groups • Increase number of hours that volunteers contribute to City sponsored events and commissions 	<ul style="list-style-type: none"> • Monetary value of donations received <ul style="list-style-type: none"> ○ Target: 2% increase over FY12 • Number of service hours donated to City <ul style="list-style-type: none"> ○ Target: 2% increase over FY12
<ul style="list-style-type: none"> • Benchmark with exceptional libraries nationally 	<ul style="list-style-type: none"> • IMLA Index <ul style="list-style-type: none"> ○ Target: top five in Tennessee with similar budget and population
<ul style="list-style-type: none"> • Develop parks condition rating system 	<ul style="list-style-type: none"> • Rate each park, playground and athletic field <ul style="list-style-type: none"> ○ Target: all parks rated each quarter
<ul style="list-style-type: none"> • Survey parks and recreation participants to determine satisfaction with programs • Maintain parks and recreation program participation 	<ul style="list-style-type: none"> • Level of customer satisfaction <ul style="list-style-type: none"> ○ Target: 80% or higher • Meet or exceed FY12 participation level <ul style="list-style-type: none"> ○ Target: 24,000 or higher
<ul style="list-style-type: none"> • Increase number of Germantown residents attending GPAC events • Survey GPAC patrons to determine program satisfaction 	<ul style="list-style-type: none"> • Percentage of patrons who are Germantown residents <ul style="list-style-type: none"> ○ Target: 2% increase over FY12 • Satisfaction of major season genres <ul style="list-style-type: none"> ○ Target: 85%
<ul style="list-style-type: none"> • Retain the number of Germantown residents who are members of the Germantown Athletic Club 	<ul style="list-style-type: none"> • Retain percentage of GAC members who are Germantown residents <ul style="list-style-type: none"> ○ Target: 58% or more of members are Germantown residents

Community Vitality

Supporting Social Sustainability

Neighborhood preservation, development consistent with Germantown's character and well maintained public infrastructure help define community vitality. The City strives to maintain the quality of existing residential and commercial areas through strong property maintenance codes and a dependable and well maintained system infrastructure. Value is placed also on new growth and development consistent with Germantown codes through the adherence to exemplary planning and design standards.

Goals

- Germantown is the preferred place to live
- Enhanced residential neighborhoods
- Development and redevelopment consistent
- Connectivity and ease of movement
- Beautiful community

Key Indicators

- Home ownership
- Citizen satisfaction
- Property values
- Infrastructure condition
- Business vitality

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Increase percent of homes that are owner occupied • High level of customer satisfaction with City services 	<ul style="list-style-type: none"> • Percentage of homes occupied by owner <ul style="list-style-type: none"> ○ Target: 94% • Community survey results on satisfaction with City services <ul style="list-style-type: none"> ○ Target: 85% satisfied or very satisfied • Community survey results on responsiveness to citizens <ul style="list-style-type: none"> ○ Target: 85% satisfied or very satisfied • Community survey results on efficiency <ul style="list-style-type: none"> ○ Target: 85% satisfied or very satisfied • Results from online customer service center user survey <ul style="list-style-type: none"> ○ Target: average 4.3 rating or greater • Results from Athletic Club in-house customer survey <ul style="list-style-type: none"> ○ Target: 85% satisfied or very satisfied
<ul style="list-style-type: none"> • Maintain or increase property values • Analyze residential property values • Establish baseline and evaluate condition of single family homes 	<ul style="list-style-type: none"> • Change in appraisal value <ul style="list-style-type: none"> ○ Target: 1% annual increase • Average sales price and price per square foot <ul style="list-style-type: none"> ○ Target: 1% increase • Complete 7,000 surveys <ul style="list-style-type: none"> ○ Target: 2,350 per quarter
<ul style="list-style-type: none"> • Increase level of business sales • Reduce office vacancy rate • Reduce retail vacancy rate • Investment and reinvestment in commercial property 	<ul style="list-style-type: none"> • Increase sales tax revenue <ul style="list-style-type: none"> ○ Target: 2% increase • Office vacancy rate <ul style="list-style-type: none"> ○ Target: 5% vacancy • Monitor retail vacancy rate <ul style="list-style-type: none"> ○ Target: vacancy rate 7% or less • Number/value of business permits <ul style="list-style-type: none"> ○ Target: 5% annual increase
<ul style="list-style-type: none"> • Safe, high quality streets • Well-maintained infrastructure • Upgrade and add bike lanes and amenities 	<ul style="list-style-type: none"> • Conduct annual street condition survey <ul style="list-style-type: none"> ○ Target: 80% rated good to excellent • Miles of street paved <ul style="list-style-type: none"> ○ Pave 10 miles of street per year • Inspect sewer lift stations <ul style="list-style-type: none"> ○ Target: 22 inspections per quarter • Increase bike lane miles <ul style="list-style-type: none"> ○ Target: 5% increase annually
<ul style="list-style-type: none"> • Proactive code compliance 	<ul style="list-style-type: none"> • Rate of voluntary compliance <ul style="list-style-type: none"> ○ Target: 80%

Public Safety

Supporting Social Sustainability

Germantown residents enjoy a low crime rate and affordable homeowner and business insurance premiums due to the efforts of the police and fire departments. Both departments have excellent emergency response times and provide enhanced services in addition to traditional public safety services. The public safety plan focuses on sustaining Germantown as a safe community with an approach to public safety that incorporates essential emergency services tailored to the community’s risk.

Goals

- Safest city in southeast
- Proactive approach to community safety
- Effective emergency response
- Safe buildings and homes
- Top quality police and fire workforce

Key Indicators

- Low crime rate
- Citizen satisfaction
- Fire service index

Policy Agenda	Performance Measures
<ul style="list-style-type: none"> • Improve solvability rate for violent crimes • Benchmark with cities in Tennessee and Southeast participating in established performance measurement programs 	<ul style="list-style-type: none"> • Percentage of violent crimes solved <ul style="list-style-type: none"> ○ Target: 80% • Benchmark with comparable cities <ul style="list-style-type: none"> ○ Target: Lowest crime rate
<ul style="list-style-type: none"> • Survey residents to determine safety rating in neighborhoods day or night • Customer satisfaction with fire service 	<ul style="list-style-type: none"> • Community survey personal safety rating <ul style="list-style-type: none"> ○ Target: 90% somewhat or very satisfied • Customers reporting service as above average <ul style="list-style-type: none"> ○ Target: 90%
<ul style="list-style-type: none"> • Fire department response • Police response time on emergencies • Effective emergency medical response 	<ul style="list-style-type: none"> • First unit arrives on scene 6.5 minutes or less <ul style="list-style-type: none"> ○ Target: 80% • Response time <ul style="list-style-type: none"> ○ Target: average 4 minutes or less • Cardiac arrest survival rate <ul style="list-style-type: none"> ○ Target: 30%
<ul style="list-style-type: none"> • Fire safe commercial properties 	<ul style="list-style-type: none"> • Fire code violations corrected within 90 days <ul style="list-style-type: none"> ○ Target: 90%
<ul style="list-style-type: none"> • Fully staffed police and fire departments 	<ul style="list-style-type: none"> • Position vacancy rate for police and fire <ul style="list-style-type: none"> ○ Target: 0%

POLICY AGENDA AND PERFORMANCE MEASUREMENT – FY13

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

The City of Germantown’s performance management and strategic planning approach consists of identifying organizational strategies based on the Board of Mayor and Aldermen’s focus areas, then translating the strategy through Key Business Units. 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. In addition to these yearly reports, the City produces a PAFR to inform citizens about financial indicators and performance.

Performance Measures are included in each department section. The chart below and on the following page lists the Focus Area performance measures for each of the BMA long-range goals. During FY10 the City contracted with ICMA (International City/County Management Association) to train our staff in developing meaningful performance measures that are used to benchmark with other comparable cities across the country.

Long-Range Focus Area Goals	Performance Measure	Target	FY12 Results
City Services and Finance			
	Maintain Balance Budget	Yes	Yes
	Maintain Triple A Bond Rating	Yes	Yes
	Fiscal Health: General Fund Reserves Compared to Fiscal Year	40%	42%
	Departmental Expenses Compared to Budget - % Below Budget	100%	66%
	Percent of Property Tax Base as a % per Caterories	58%	59%
	Percent of Customer Request Acknowledge in 1 business day	98%	99%
	Percent of Work Orders Requiring Rework	0%	2%
	Satisfaction Rating from Citizen Survey	85%	83%
	Response Rate to Overall Value of Services in Citizen Survey	85%	80%
	Number of Workplace Injuries that Result in Worker’s Compensation Claim	35	31
	Commission Turnover Rate	25%	30%
	Increased Visits to City Website	10%	14%
	Number of Open City Hall Users	300	1,516
Environmental Quality			
	Annual Reduction Electrical Usage Consumption	-1%	-6%
	Annual Reduction Gas Usage Consumption	-1%	-12%
	Annual Reduction Gasoline and Diesel Fuel Consumption	-3%	-2%
	State Annual Water Quality Report Compliance Rate	99%	98%
	Number of Residential Backflow Prevention Devices Tested	70%	41%
	Landfill Tonnage Reduction	5%	-0.5%
	Percent Increase of Household Participation in Recycling	5%	2%
	Wolf River Water Quality Index	Good	Good

POLICY AGENDA AND PERFORMANCE MEASUREMENT – FY13

Long-Range Focus Area Goals	Performance Measure	Target	FY12 Results
Quality of Life			
	IMLA Index	Top 5 in TN	4th in TN
	Park Accreditation	Achieved	Achieved
	Percent of Parks in Good or Excellent Condition	90%	87%
	Citizen Satisfaction with Park Programs	80%	93%
	Patron Satisfaction with GPAC Season	80%	93%
	Increase Number of GAC Members Who Are Residents	2%	4%
	Increase Number of Residents Attending GPAC Events	2%	1%
	Increase Participants in Park Programs	1%	-1%
	Increase Monetary Value of Donations	2%	3215%
	Increase Number of Service Hours Donated to City	3%	52%
Community Vitality			
	Percent of Homes that are Owner Occupied	95%	94%
	Change in Residential Property Valuation	3%	-1%
	Change in Price per Square Foot in Residential Sales	3%	-6%
	Annual Street Condition Survey	80%	82%
	Satisfaction with City Services	98%	83%
	Citizen Survey: Responsiveness to Citizens	93%	80%
	Citizen Survey: Efficiency	82%	80%
	Online Customer Service Center Satisfaction	> 4.3	4.1
Public Safety			
	Percent of Part 1 Crimes Cleared	90%	72%
	Citizen Survey: Level of Safety While Walking in Neighborhood	90%	95%
	Uniform Crime Rate as Reported by Selected Cities	Lowest	Lowest
	Police Position Vacancy	0%	1%
	Percent of Structure Fires Contained to Room of Origin	70%	62%
	Fire: First Unit Arrives on Scene within Six and Half Minutes or Less	90%	80%
	Percent of Fire Code Violations Corrected within 90 Days	90%	95%
	Police: Four Minutes of Less Response Time for Emergencies	95%	100%
	Percent of Customer Rating on Fire Services	90%	96%

FINANCIAL POLICIES

By resolution of the Board of Mayor and Aldermen on June 28, 2004 the following policies were adopted 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, user fees will be maintained at a level to cover operating costs exclusive of facility costs.

III. Reserves

The operating budget will provide funding of certain reserves considered necessary to the continued financial health of the City. They are reflected in the City's financial statements as Commitments of General Fund fund balance.

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. The amount will be fixed at \$250,000. An amount of \$50,000 is budgeted in the General Fund Contingency Account and \$200,000 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.

Infrastructure Replacement – provides funding for the replacement, reconstruction or refurbishment of City assets consisting of, but not limited to, city buildings, parks, streets, curbs, sidewalks and operating equipment on a pay-as-you-go basis. Funding will be provided annually during the budget process from General Fund operations.

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

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

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.

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 20 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 Policies

Debt will be used to finance long-lived capital and operating assets within the constraints of maintaining or improving bond ratings and debt service quality.

Debt management will provide for the protection of bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument provisions and appropriate disclosures 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" has been revised and made current by the subcommittee of the citizen based Financial Advisory Commission for the city during calendar year 2004. The policy letter addresses in greater detail the administrative involvement into City investments. The policy defines appropriate criteria guidelines for the selection of financial institutions and investment instruments as authorized under Tennessee Code, staying mindful of cash flows and investment risk when matching length of maturities.

Types and Use of Debt

Uses of Debt

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.

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 a 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.

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).

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.

Debt Limits and Affordability

Consistent with the stated objectives of this Debt Policy 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 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 General 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 Assessed Property Value** – a measure of the debt liability to the City's total assessed values for property taxes.

A percent not to exceed: 4%

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: \$1,500

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: 3%

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 this policy.

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.

Debt Issuance Process

Once the City determine that debt will be utilized to fund an approved capital project or acquisition, the Finance Director and City Treasurer 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 City Treasurer 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. The Professional Services section 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 Financial Advisory Commission (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 at 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 FAC as described in this policy. 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.

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 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 twenty (20) 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 interest rates so that each bond maturity in a bond issue eligible for early redemption is priced between 95% and 110% 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 at a date no earlier than ten (10) years from the date of the original bond issuance. 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.

Professional Services

The City will engage and utilize professional services as necessary to supplement the skills and expertise in the Financial Services Division 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 Director of the Financial Services Division 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 Finance Director and Treasurer will interview eligible persons or groups and make specific recommendations to the Division Director for qualified professionals. The City Administrator will concur on all professionals selected by the Division Director.

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 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.

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 therefrom 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 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 are 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.

FINANCIAL POLICIES

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 Research and Budget staff works with departments in reviewing personnel needs. The city administration reviews all requests on the timeframe as identified in the annual budget calendar. All funds, capital programs, infrastructure replacement programs and staffing are presented to the City's Financial Advisory Commission (FAC). The FAC is composed of citizens who volunteer to serve on the Commission on an annual basis and whose background is within the financial services discipline. The final component of the budgetary process is highlighted in a work session with the Board of Mayor and Aldermen. The Proposed Budget is then presented to the Board of Mayor and Aldermen for adoption through three readings, including a public hearing. Prior to the public hearing, a Budget In Brief brochure is mailed to all citizens. The brochure highlights the major capital and operating projects in the proposed Budget along with a letter from the Mayor.

Budgetary Control

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

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

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

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

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

FINANCIAL POLICIES

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

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

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

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

BUDGET CALENDAR

January

1/17/12 Budget Material distributed to Departments
 1/23/12 **Board Meeting** - Budget Calendar review and approval by the Board of Mayor and Aldermen

February

2/01/12 Special Revenue Funds FY13 submissions due to Research and Budget
 2/03/12 Capital Improvements Program applications deadline
 2/07/12 **Financial Advisory Commission – First Meeting:** Introduction, BMA Retreat and Policy Update and FY12 Update
 2/10/12 FY13 Budget materials due to Research and Budget
 2/17/12 Vehicle and equipment replacement schedule review with City Administrator
 2/21/12 Enterprise Fund FY13 Budget submissions due to Research & Budget
 2/21-3/02/12 FY13 Budget review with departments
 2/28/12 **Financial Advisory Commission – Second Meeting:** Review of FY13 Budget Revenue Projections for the General Fund Revenues, Special Revenues and Sanitation

March

3/20/12 **Financial Advisory Commission – Third Meeting:** Review of FY13 Budget Enterprise Funds (Utility, Germantown Athletic Club, Great Hall, Stormwater and Sanitation) and CIP
 3/26/12 Board of Mayor and Aldermen – work session on CIP

April

4/17/12 **Financial Advisory Commission – Fourth Meeting:** Review of FY13 Infrastructure Replacement Program and Expenditure Projections for the General Fund
 4/20/12 Proposed FY13 Budget and Capital Plan delivered to Department Directors for final comment and review
 4/27/12 Proposed FY13 Budget delivered to Board of Mayor and Aldermen
Budget in Brief prepared

May

5/01/12 Document printing RFP due to Purchasing
 5/02/12 Board of Mayor and Aldermen work session on FY13 Budget
 5/14/12 **Board Meeting - First Reading on FY13 Budget Ordinance 2012-8**
 Schedule meetings with Chamber, Homeowner Associations and Civic Clubs;
 Distribute *Budget in Brief*, Press Conference; Neighborhood News (Budget and Property Tax Rate)

June

6/11/12 **Board Meeting - Public Hearing on FY13 Budget; Second Reading on FY13 Budget Ordinance 2012-8**
 6/25/12 **Board Meeting - Third and Final Reading on FY13 Budget Ordinance 2012-8**



This section consists of summaries of the FY13 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 FY13. It is compared to the estimated total for FY12. 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. Pie charts illustrate revenues and expenses by General Fund, Utility Fund, Germantown Athletic Club Fund, Great Hall Fund, Sanitation Fund, Stormwater Fund and Special Revenue Fund.

GENERAL FUND – The summary of the General Fund Budget is on pages 50 and 51. 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 FY12 and five years of projections including FY13, are presented. The bottom line in this schedule is the ending fund balance for each of the fiscal years. A detail of the General Fund’s fund balance is outlined in this section under the heading Discussion of General Fund Reserves.

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

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

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

List of Major Funds

<i>Governmental</i>		<i>Proprietary</i>		<i>Fiduciary</i>	
General Fund	General	Utility Fund	Enterprise	Pension Fund	Trust Fund
Recreation Fund	Special	Germantown Athletic Club Fund	Enterprise	OPEB Fund	Trust Fund
State Street Aid Fund	Special	Great Hall Fund	Enterprise		
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		
Capital Improvements Fund	Capital	Allocated Expenses	Internal Service		

TOTAL EXPENDITURE BUDGET

	General Fund	Utility Fund	Germantown Athletic Club	Great Hall Fund	Sanitation Fund	Stormwater Fund
REVENUES:						
Property Taxes	\$ 23,288,252	-	-	-	-	-
Sales Taxes	7,431,188	-	-	-	-	-
Federal and State Revenues	5,609,352	-	-	-	5,000	-
Metered Water Sales	-	5,000,000	-	-	-	-
Sewer Service Fees	-	2,900,000	-	-	-	-
Membership Fees	-	-	2,985,000	-	-	-
Aquatics Revenues	-	-	150,000	-	-	-
Business Revenues	-	-	-	224,200	-	-
Sanitation Fees	-	-	-	-	3,395,312	-
State Gasoline Tax Allocation	-	-	-	-	-	-
Automated Enforcement Revenues	-	-	-	-	-	-
Drug Enforcement Revenues	-	-	-	-	-	-
Federal Asset Forfeiture Revenues	-	-	-	-	-	-
Pickering Complex Revenues	-	-	-	-	-	-
Recreation Revenues	-	-	-	-	-	-
Stormwater Fee	-	-	-	-	-	1,085,000
Other Revenues	3,635,645	375,000	604,722	-	119,000	3,900
Investment Income	101,960	25,480	6,370	-	2,450	-
Funds from Prior Periods	450,000	-	-	-	-	-
FY13 Total Revenues:	40,516,397	8,300,480	3,746,092	224,200	3,521,762	1,088,900
Expenditures/Expenses by Category:						
Personnel	26,937,342	1,684,645	1,439,569	169,529	51,269	592,929
Communications	421,687	85,600	10,000	1,000	15,100	5,500
Utilities	1,072,505	755,100	356,596	41,728	1,339	-
Professional	2,471,006	90,500	594,202	51,300	-	40,000
Grants	480,220	-	-	-	-	-
Other Maintenance	2,071,874	90,000	139,000	32,000	-	65,000
Vehicle Maintenance	-	-	-	-	-	-
Street Maintenance	-	-	-	-	-	235,000
Mains Maintenance	-	165,000	-	-	-	-
Supplies	1,492,762	242,075	195,250	14,200	28,500	40,800
Contract Services	-	1,200,000	-	-	3,417,000	-
Insurance	81,500	10,000	-	-	-	-
Rent	119,711	1,100	182,043	81,622	-	-
Debt Service	3,375,748	233,713	30,557	11,883	-	-
Capital Outlay	1,250,000	-	-	-	-	-
Depreciation	-	1,764,724	629,342	51,750	-	3,000
Contingency	50,000	-	-	-	-	-
Operating Transfer	325,000	-	-	-	-	-
Allocation/PILLOT	1,323,110	1,556,473	168,801	56,458	-	29,547
Expense Reimbursement	(1,016,867)	-	-	-	-	-
FY13 Total Expenditures/Expenses	40,455,599	7,878,930	3,745,360	511,470	3,513,208	1,011,776
Excess (Deficit)/Income (Loss)	60,798	421,550	732	(287,270)	8,554	77,124
Fund Balance/Net Assets:						
Beg. Fund Bal./Net Assets	16,323,095	46,505,198	13,958,079	419,436	431,268	222,687
Transfer to CIP/IRP	-	-	-	-	-	-
End Fund Bal./Net Assets	\$ 16,383,893	46,926,748	13,958,810	132,167	439,822	299,811
Capital Outlay/Infrastructure/CIP	-	1,878,000	140,000	63,000	-	60,000
COMPARISON TO PRIOR YEAR'S BUDGET						
ALL FUNDS:		BUDGET '12	BUDGET '13	CHANGE	% CHANGE	
Operating Budget*	\$	58,722,203	61,259,208	2,537,005	4.3%	
Capital Budget		14,996,028	14,056,500	(939,528)	-6.3%	
TOTAL BUDGET	\$	73,718,231	75,315,708	1,597,477	2.2%	

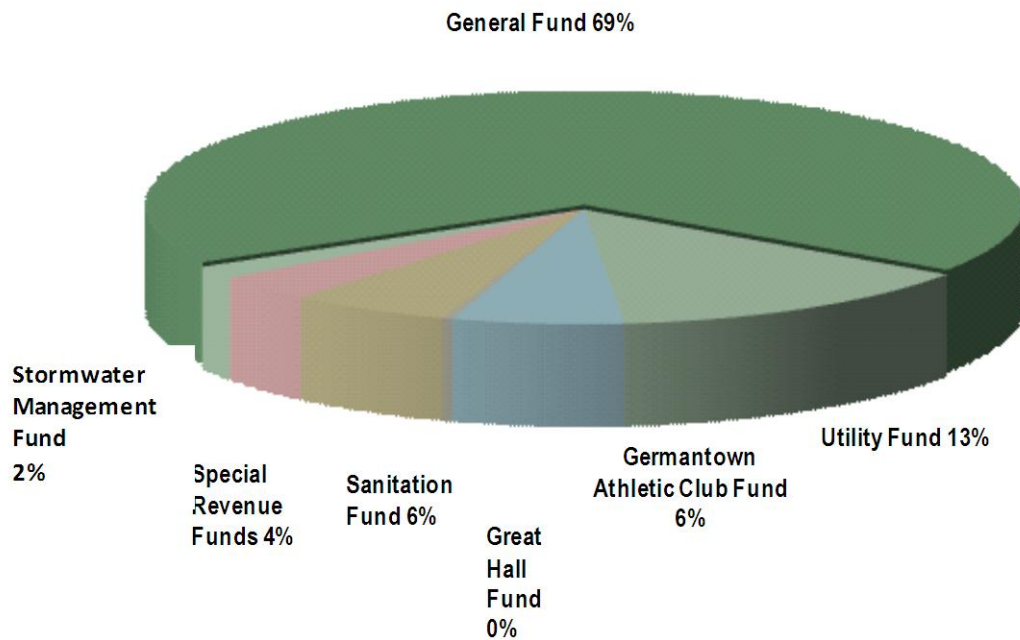
* Includes Capital Outlay and Infrastructure.

TOTAL EXPENDITURE BUDGET

	Special Revenue	Veh. Maint./ Alloc.	Capital Projects	Total	FY13	Increase/ Decrease	Estimated FY12	Actual FY11
REVENUES:								
Property Taxes	\$ -	-	-	23,288,252		1.3%	22,980,403	22,409,252
Sales Taxes	-	-	-	7,431,188		2.4%	7,258,982	7,144,712
Federal and State Revenues	-	-	-	5,614,352		4.0%	5,399,230	5,285,289
Metered Water Sales	-	-	-	5,000,000		6.4%	4,700,000	4,951,857
Sewer Service Fees	-	-	-	2,900,000		3.6%	2,800,000	2,744,814
Membership Fees	-	-	-	2,985,000		1.0%	2,956,500	2,769,712
Aquatics Revenues	-	-	-	150,000		7.1%	140,000	130,273
Business Revenues	-	-	-	224,200		-23.4%	292,722	79,222
Sanitation Fees	-	-	-	3,395,312		-1.1%	3,433,700	3,816,627
State Gasoline Tax Allocation	1,099,705	-	-	1,099,705		6.2%	1,035,175	1,108,185
Automated Enforcement Revenues	375,000	-	-	375,000		0.0%	375,000	380,210
Drug Enforcement Revenues	350,000	-	-	350,000		0.0%	350,000	200,462
Federal Asset Forfeiture Revenues	100,000	-	-	100,000		0.0%	100,000	-
Pickering Complex Revenues	81,500	-	-	81,500		28.3%	63,500	62,602
Recreation Revenues	220,575	-	-	220,575		10.0%	200,450	367,699
Stormwater Fee	-	-	-	1,085,000		1.6%	1,067,900	904,378
Other Revenues	-	-	-	4,738,267		9.0%	4,348,287	4,675,590
Investment Income	6,860	-	-	143,120		34.4%	106,480	165,454
Funds from Prior Periods	-	-	-	450,000		-	450,000	-
FY13 Total Revenues:	2,233,640	-	-	59,631,471		2.7%	58,058,329	57,196,338
Expenditures/Expenses by Category:								
Personnel	236,209	702,110	-	31,813,602		1.9%	31,207,106	29,436,851
Communications	1,000	1,630	-	541,517		34.4%	402,856	357,700
Utilities	836,150	9,425	-	3,072,843		3.7%	2,963,990	2,950,214
Professional	177,167	-	-	3,424,175		-3.8%	3,559,259	3,729,333
Grants	23,000	-	-	503,220		-7.4%	543,534	458,814
Other Maintenance	5,000	98,050	-	2,500,924		4.6%	2,391,203	1,921,266
Vehicle Maintenance	-	112,000	-	112,000		0.9%	111,000	189,653
Street Maintenance	1,800,000	-	-	2,035,000		2.6%	1,982,777	767,811
Mains Maintenance	-	-	-	165,000		31.0%	126,000	111,029
Supplies	275,139	26,200	-	2,314,926		4.3%	2,219,608	1,856,135
Contract Services	-	-	-	4,617,000		2.0%	4,525,800	5,002,323
Insurance	-	752,300	-	843,800		0%	759,545	776,817
Rent	201,800	1,650	-	587,926		3.9%	566,128	370,342
Debt Service	-	-	-	3,651,901		8.2%	3,376,031	3,345,707
Capital Outlay	145,000	-	-	1,395,000		0.4%	1,389,051	455,985
Depreciation	-	31,000	-	2,479,816		9.5%	2,264,855	2,255,723
Contingency	-	-	-	50,000		0%	-	-
Operating Transfer	(325,000)	-	-	-		0%	-	315,000
Allocation	14,400	(1,734,365)	-	1,414,424		5.3%	1,342,852	1,379,935
Expense Reimbursement	-	-	-	(1,016,867)		5.2%	(966,529)	-
FY13 Total Expenditures/Expenses	3,389,865	-	-	60,506,210		3.0%	58,765,066	55,080,637
Excess (Deficit)/Income (Loss)	(1,156,225)	-	-					
Fund Balance/Retained Earnings:								
Beg. Fund Bal./Retained Earnings	1,888,899	35,494	-					
Transfer to CIP/IRP	-	-	-					
End Fund Bal./Ret. Earnings	\$ 732,673	35,494	-					
Capital Outlay/Infrastructure/CIP	-	90,000	12,578,500					
COMPARISON TO PRIOR YEAR'S BUDGET								
GENERAL FUND:	BUDGET '12	BUDGET '13	CHANGE	% CHANGE				
Operating Budget*	\$ 38,877,815	40,455,599	1,577,784	4.1%				
Capital Budget	-	-	-	0.0%				
TOTAL BUDGET	\$ 38,877,815	40,455,599	1,577,784	4.1%				

* Includes Capital Outlay and Infrastructure.

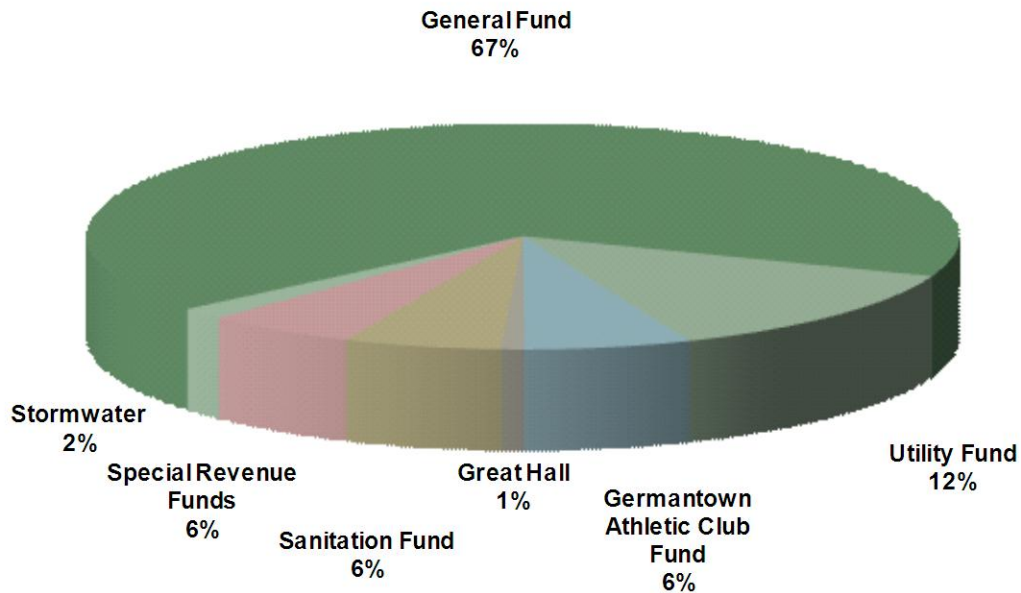
ALL FUND REVENUES FY13



ALL FUND REVENUES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 39,753	68%	\$ 40,516	69%
Utility Fund	7,725	13%	8,300	13%
Germantown Athletic Club Fund	3,628	6%	3,746	6%
Great Hall	214	1%	224	0%
Sanitation Fund	3,543	6%	3,522	6%
Special Revenue Funds	2,127	4%	2,234	4%
Stormwater Management Fund	1,068	2%	1,089	2%
TOTAL REVENUES	\$ 58,058	100%	\$ 59,631	100%

ALL FUND EXPENSES FY13



ALL FUND EXPENDITURES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
General Fund	\$ 39,549	67%	\$ 40,456	67%
Utility Fund	7,443	13%	7,879	12%
Germantown Athletic Club Fund	3,639	6%	3,745	6%
Great Hall	494	1%	511	1%
Sanitation Fund	3,442	6%	3,513	6%
Special Revenue Funds	3,212	5%	3,390	6%
Stormwater	986	2%	1,012	2%
TOTAL EXPENDITURES	\$ 58,765	100%	\$ 60,506	100%

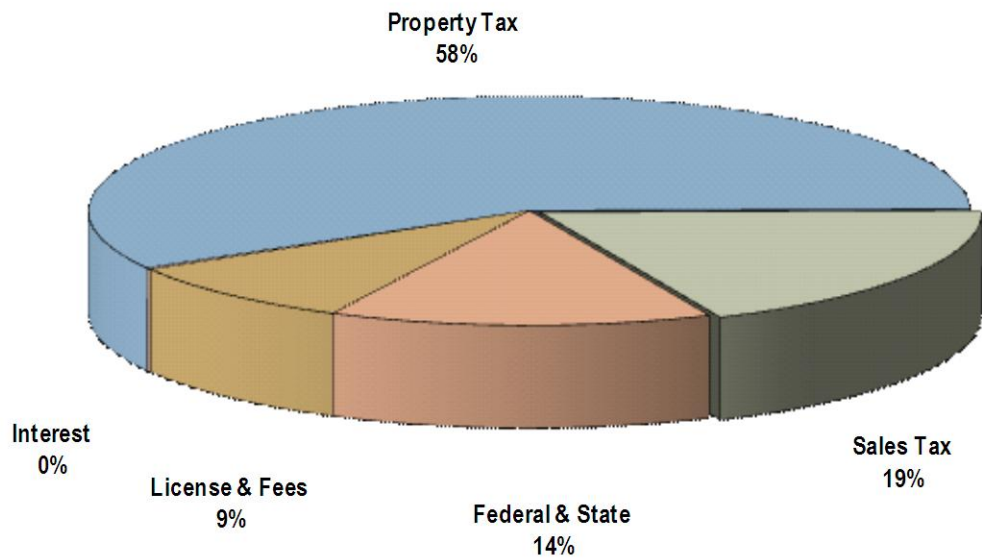
GENERAL FUND BUDGET SUMMARY

	Actual FY10	Actual FY11	Original FY12 Budget
REVENUES:			
Property Taxes	\$ 22,581,468	22,409,252	23,092,489
Sales Taxes	6,570,007	7,144,712	7,132,350
Federal and State Revenues	5,219,372	5,285,289	5,062,304
Other Revenues	3,950,438	3,637,897	3,439,000
Investment Income	225,283	129,276	235,480
Funds from Prior Periods	-	-	450,000
TOTAL GENERAL FUND REVENUES	38,546,568	38,606,426	39,411,623
EXPENDITURES:			
General Government:			
Aldermen	162,905	172,664	207,033
Civic Support	815,559	299,078	-
City Court	506,868	599,685	618,400
Administration	1,180,412	1,662,063	1,628,757
Germantown Performing Arts Centre	962,003	1,005,716	981,664
Information Technology	1,047,371	995,780	1,232,973
Human Resources	620,445	722,761	693,671
Finance	1,360,157	1,430,319	1,422,095
Community Development	2,264,169	1,993,034	1,807,217
Facilities Services	1,433,116	1,360,868	1,485,931
Research & Budget	229,228	272,681	297,243
Total General Government	10,582,233	10,514,649	10,374,982
Public Safety:			
Police	9,474,262	9,797,471	10,257,136
Fire	7,236,320	7,458,971	7,393,784
Total Public Safety	16,710,582	17,256,442	17,650,920
Transportation & Environment:			
Public Services	3,911,422	3,553,043	3,830,802
Animal Control	271,903	285,146	292,004
Total Transportation & Environment	4,183,325	3,838,189	4,122,806
Community Services:			
Parks & Recreation	1,209,646	1,165,966	1,285,070
The Farm	-	-	-
Genealogy Center	65,776	66,035	68,580
Library Services	1,296,740	1,352,205	1,374,571
Cultural Arts Programs	47,989	47,434	82,327
Total Community Services	2,620,151	2,631,640	2,810,548
General Debt Service	2,952,181	3,017,142	3,921,149
Other Expenditures:			
Transfer to Great Hall Fund	19,000	525,000	-
Transfer to Sanitation	21,206	-	-
Transfer to Germantown Athletic Club Fund	700,000	300,000	-
Transfer to Automated Enforcement	112,944	3,000	-
Transfer to State Street Aid	600,000	1,100,000	900,000
Transfer to Stormwater Management	7,450	-	-
Contingencies	3,926	-	50,000
Expense Reimbursement	(1,273,522)	(1,071,730)	(952,590)
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	37,239,476	38,114,332	38,877,815
Excess of Revenues Over/(Under) Expenditures	\$ 1,307,092	492,094	533,808
Fund Balance - Beginning	24,066,611	22,409,653	20,238,024
Transfer to Capital Projects	(2,964,050)	(3,075,000)	(1,683,000)
CIP Reserve Increase (Decrease)	-	-	(2,025,000)
Prior Period Adjustment	-	-	-
Fund Balance - Ending	\$ 22,409,653	19,826,747	17,063,832

GENERAL FUND BUDGET SUMMARY

	Estimate FY12	Budget FY13	Projected			
			FY14	FY15	FY16	FY17
\$	22,980,403	23,288,252	23,329,702	23,381,456	23,424,717	23,447,449
	7,258,982	7,431,188	7,570,796	7,712,572	7,857,133	8,004,534
	5,391,730	5,609,352	5,692,136	5,777,991	5,840,063	5,903,376
	3,589,887	3,635,645	3,659,995	3,725,743	3,800,160	3,876,511
	82,480	101,960	105,120	128,480	143,120	164,760
	450,000	450,000	450,000	450,000	450,000	450,000
	39,753,482	40,516,397	40,807,749	41,176,240	41,515,192	41,846,631
	244,255	231,312	234,310	237,442	241,729	245,548
	-	-	-	-	-	-
	619,130	655,529	674,558	690,870	708,987	727,702
	1,744,456	1,681,567	1,811,083	1,852,389	1,898,467	1,972,311
	1,072,441	1,047,337	1,089,176	1,117,867	1,148,556	1,180,236
	1,311,386	1,398,783	1,362,507	1,379,536	1,405,090	1,424,186
	774,553	697,764	723,491	741,373	761,574	781,733
	1,469,165	1,533,185	1,569,877	1,608,250	1,651,383	1,694,416
	1,921,260	1,981,220	2,220,217	2,120,678	2,180,970	2,243,043
	1,560,644	1,612,724	1,513,448	1,547,977	1,586,819	1,626,139
	278,891	275,472	300,389	307,369	315,037	322,809
	10,996,181	11,114,893	11,499,055	11,603,751	11,898,613	12,218,124
	10,746,418	11,091,482	11,390,117	11,443,380	11,881,804	12,173,761
	8,045,213	7,917,192	8,289,257	8,417,829	8,621,546	8,886,265
	18,791,631	19,008,674	19,679,373	19,861,209	20,503,350	21,060,026
	4,007,271	4,049,158	4,418,546	4,574,144	4,493,766	4,623,856
	325,330	342,470	356,654	390,956	376,162	386,643
	4,332,601	4,391,628	4,775,200	4,965,100	4,869,928	5,010,499
	1,325,324	1,509,673	1,445,058	1,475,702	1,481,788	1,543,474
	14,849	108,931	111,217	113,515	115,973	118,466
	64,937	68,580	68,773	68,588	70,096	71,596
	1,353,960	1,418,752	1,455,461	1,494,935	1,535,902	1,577,838
	72,300	100,587	106,587	106,633	107,042	107,090
	2,831,370	3,206,523	3,187,097	3,259,373	3,310,801	3,418,464
	3,063,881	3,375,748	3,673,332	3,266,593	3,331,033	3,785,158
	-	-	160,000	285,000	285,000	285,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	500,000	325,000	1,000,000	1,200,000	1,000,000	1,100,000
	-	-	-	-	-	-
	-	50,000	50,000	50,000	50,000	50,000
	(966,529)	(1,016,867)	(1,036,649)	(1,057,401)	(1,078,760)	(1,100,747)
	450,000	450,000	450,000	450,000	450,000	450,000
	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
	39,549,135	40,455,599	42,987,409	43,433,625	44,169,964	45,826,524
\$	204,348	60,798	(2,179,661)	(2,257,385)	(2,654,772)	(3,979,893)
	19,376,747	16,323,095	15,933,893	10,729,233	1,846,848	(6,542,925)
	(2,100,000)	-	(2,300,000)	(2,360,000)	(2,360,000)	(2,360,000)
	(708,000)	-	(275,000)	(3,815,000)	(2,925,000)	(3,515,000)
	-	-	-	-	-	-
\$	16,773,095	16,383,893	11,179,233	2,296,848	(6,092,925)	(16,397,818)

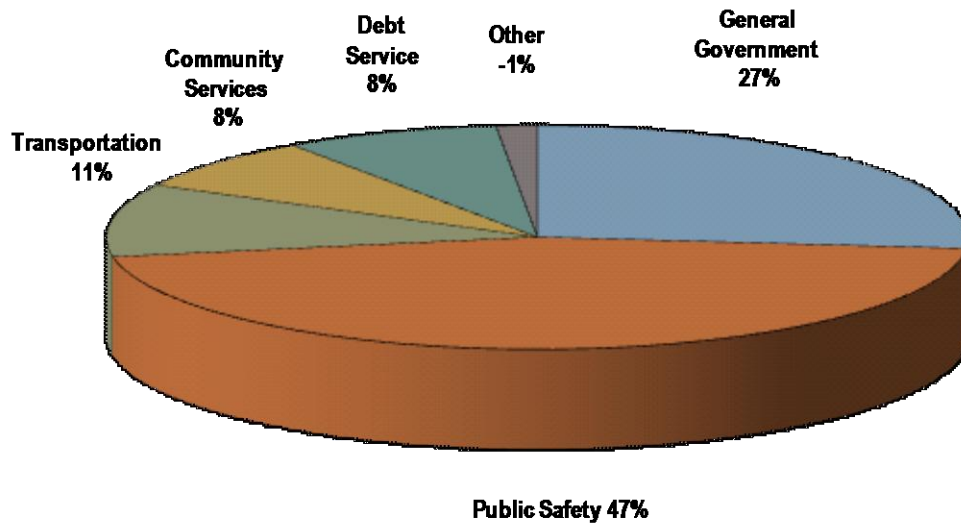
GENERAL FUND REVENUES FY13



GENERAL FUND REVENUES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Property Taxes	\$ 22,980	59%	\$ 23,288	58%
Sales Taxes	7,259	18%	7,431	19%
Federal & State Revenues	5,392	14%	5,609	14%
License, Fees & Other	3,590	9%	3,636	9%
Investment Income	82	0%	102	0%
TOTAL REVENUES	\$ 39,303	100%	\$ 40,066	100%

GENERAL FUND EXPENDITURES FY13



GENERAL FUND EXPENDITURES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
General Government	\$ 10,996	27%	\$ 11,115	27%
Public Safety	18,792	48%	19,009	47%
Transportation	4,333	11%	4,392	11%
Community Services	2,831	7%	3,206	8%
Debt Services	3,064	8%	3,376	8%
Other Expenses (Reimb.)	(467)	-1%	(642)	-1%
TOTAL EXPENDITURES	\$ 39,549	100%	\$ 40,456	100%

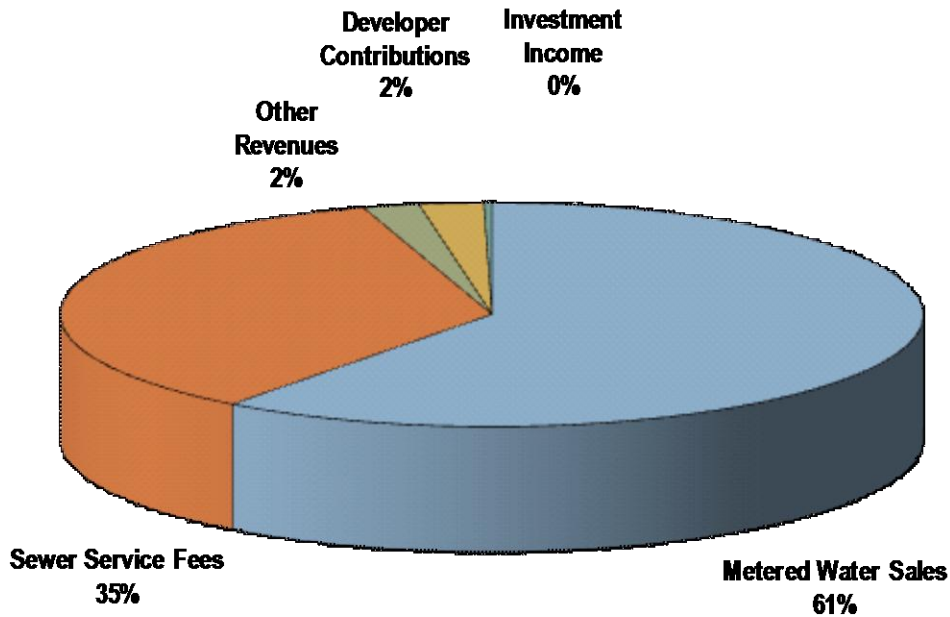
UTILITY FUND BUDGET SUMMARY

	Actual FY10	Actual FY11	Budget FY12
OPERATING REVENUES			
Metered Water Sales	\$ 3,970,827	4,951,857	4,600,000
Sewer Service Fees	2,444,113	2,744,814	2,700,000
Other Revenue	234,362	199,880	180,000
Total Operating Revenues	6,649,302	7,896,551	7,480,000
OPERATING EXPENSES			
Water	4,050,631	4,505,456	4,406,709
Sewer	1,726,558	1,592,611	1,564,594
Sewage Treatment	928,265	1,097,830	1,200,000
Total Operating Expenses	6,705,454	7,195,897	7,171,303
OPERATING INCOME	(56,152)	700,654	308,697
NONOPERATING REVENUES (EXPENSES)			
Contributions from Developers	417,437	171,857	320,000
Investment Income	51,037	27,830	65,000
Gain/loss on disposal of assets	-	-	-
Utility Debt Service	(318,623)	(290,811)	(264,350)
Net Non-Operating Revenues (Expenses)	149,851	(91,124)	120,650
NET INCOME	93,699	609,530	429,347
Other Receipts			
Debt Proceeds	-	-	-
Depreciation	1,489,495	1,650,287	1,662,486
Total Other Receipts	1,489,495	1,650,287	1,662,486
Other Expenditures			
Bonds Payable	826,025	825,000	855,000
Major Construction	1,638,440	633,238	1,597,000
Infrastructure (Water & Sewer)	939,920	199,596	410,000
Total Other Expenditures	3,404,385	1,657,834	2,862,000
Working Capital - Beginning	6,994,016	4,755,388	2,798,953
Working Capital - Ending	4,755,388	5,185,514	1,708,786
Contributed Capital	17,833,462	17,833,462	17,833,462
Retained Earnings Reserved for:			
Emergencies	600,000	600,000	600,000
Contingencies	51,000	51,000	51,000
Capital Replacement	800,000	800,000	800,000
Total Reserved	1,451,000	1,451,000	1,451,000
Retained Earnings Unreserved	26,329,215	26,938,745	27,547,062
Retained Earnings at Beginning of Year	27,686,516	27,780,215	28,568,715
Retained Earnings at End of Year	27,780,215	28,389,745	28,998,062
Total Net Assets - Beginning	45,519,986	45,613,685	46,402,195
Total Net Assets - Ending	\$ 45,613,685	46,223,225	46,831,542

UTILITY FUND BUDGET SUMMARY

	Estimate FY12	Budget FY13	Projected			
			FY14	FY15	FY16	FY17
\$	4,700,000	5,000,000	5,025,000	5,075,250	5,126,003	5,177,263
	2,800,000	2,900,000	2,950,000	3,009,000	3,069,180	3,130,564
	170,150	175,000	175,000	205,000	235,000	240,000
	7,670,150	8,075,000	8,150,000	8,289,250	8,430,183	8,547,826
	4,458,677	4,769,913	4,826,747	4,936,297	5,051,535	5,169,510
	1,554,350	1,675,305	1,763,176	1,753,814	1,795,766	1,810,927
	1,165,800	1,200,000	1,236,000	1,272,000	1,308,000	1,344,000
	7,178,827	7,645,217	7,825,923	7,962,112	8,155,301	8,324,436
	491,323	429,783	324,077	327,138	274,882	223,390
	40,000	200,000	300,000	300,000	400,000	400,000
	15,000	25,480	29,380	35,100	42,120	50,700
	-	-	-	-	-	-
	(264,350)	(233,713)	(200,700)	(165,688)	(128,050)	(87,550)
	(209,350)	(8,233)	128,680	169,413	314,070	363,150
	281,973	421,550	452,757	496,551	588,952	586,540
	-	-	-	-	-	-
	1,640,129	1,764,724	1,808,724	1,814,324	1,821,924	1,828,124
	1,640,129	1,764,724	1,808,724	1,814,324	1,821,924	1,828,124
	855,000	880,000	920,000	955,000	990,000	1,035,000
	3,558,285	1,338,000	1,805,000	-	-	-
	703,639	540,000	395,000	280,000	380,000	400,000
	5,116,924	2,758,000	3,120,000	1,235,000	1,370,000	1,435,000
	5,185,514	1,950,692	1,178,966	20,447	796,322	1,437,198
	1,950,692	1,178,966	20,447	796,322	1,437,198	2,016,862
	17,833,462	17,833,462	17,833,462	17,833,462	17,833,462	17,833,462
	600,000	600,000	600,000	600,000	600,000	600,000
	51,000	51,000	51,000	51,000	51,000	51,000
	800,000	800,000	800,000	800,000	800,000	800,000
	1,451,000	1,451,000	1,451,000	1,451,000	1,451,000	1,451,000
	27,220,718	27,642,268	28,095,025	28,591,576	29,180,527	29,767,067
	28,389,745	28,671,718	29,093,268	29,546,025	30,042,576	30,631,527
	28,671,718	29,093,268	29,546,025	30,042,576	30,631,527	31,218,067
	46,223,225	46,505,198	46,926,748	47,379,505	47,876,056	48,465,007
\$	46,505,198	46,926,748	47,379,505	47,876,056	48,465,007	49,051,547

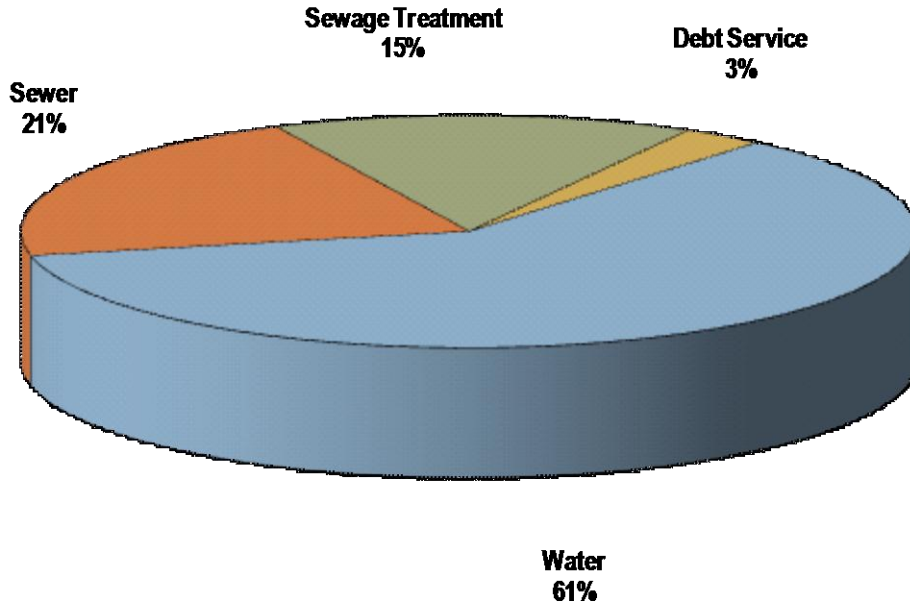
UTILITY FUND REVENUES FY13



UTILITY FUND REVENUES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Metered Water Sales	\$ 4,700	61%	\$ 5,000	61%
Sewer Service Fees	2,800	36%	2,900	35%
Other Revenue	170	2%	175	2%
Contributions from Developers	40	1%	200	2%
Investment Income	15	0%	25	0%
TOTAL REVENUES	\$ 7,725	100%	\$ 8,300	100%

UTILITY FUND EXPENDITURES FY13



UTILITY FUND EXPENDITURES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Water	\$ 4,459	59%	\$ 4,770	61%
Sewer	1,554	21%	1,675	21%
Sewage Treatment	1,166	16%	1,200	15%
Utility Debt Service	264	4%	234	3%
TOTAL EXPENDITURES	\$ 7,443	100%	\$ 7,879	100%

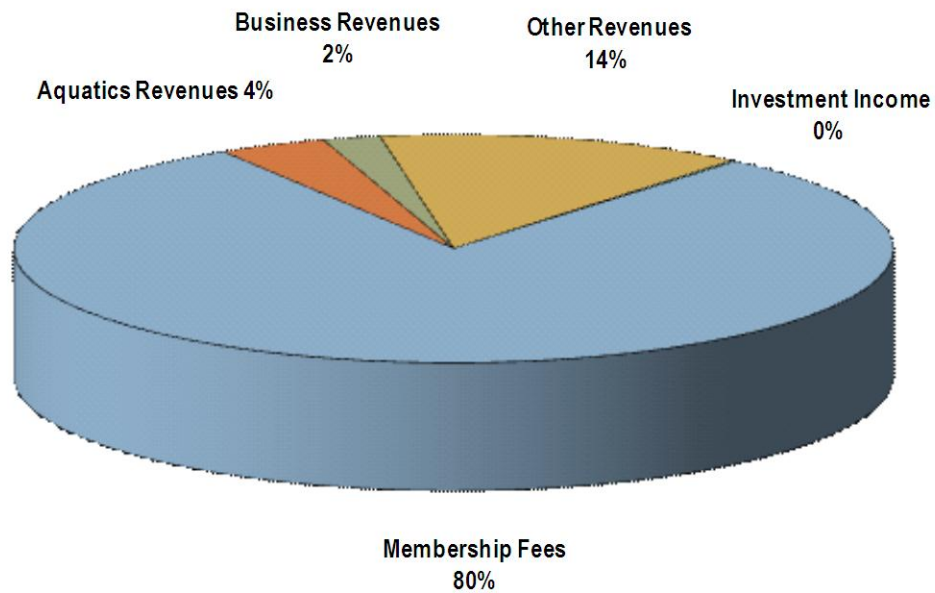
GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

	Actual FY10	Actual FY11	Budget FY12
OPERATING REVENUES			
Membership Fees	\$ 2,510,712	2,769,712	3,000,000
Aquatics Revenues	147,204	130,273	141,000
Business Revenues	79,222	79,222	79,222
Other Revenues	486,905	538,084	498,000
TOTAL OPERATING REVENUES	3,224,043	3,517,291	3,718,222
OPERATING EXPENSES			
Recreation	2,657,549	2,664,495	3,117,400
Aquatics	776,651	821,261	862,267
TOTAL OPERATING EXPENSES	3,434,200	3,485,756	3,979,669
OPERATING INCOME	(210,157)	31,535	(261,447)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	(2,144)	7,111	2,600
Interest Payment	(39,208)	(37,754)	(34,416)
Contribution from other funds	700,000	1,110,000	-
Total	658,648	1,079,357	(31,816)
NET INCOME (LOSS)	448,491	1,110,892	(293,263)
Other Receipts			
Depreciation	561,511	573,441	688,241
Total Other Receipts	561,511	573,441	688,241
Other Expenditures			
Debt Payable	125,000	125,000	125,000
Infrastructure	-	-	-
Other Assets	779,769	488,000	-
Total Other Expenditures	904,769	613,000	125,000
NET CHANGE IN WORKING CAPITAL	105,233	1,071,333	269,978
Working Capital - Beginning	(170,778)	(65,545)	507,898
Working Capital - Ending	(65,545)	1,005,788	777,876
Retained Earnings at Beginning of Year	1,315,061	1,763,552	2,602,421
Retained Earnings at End of Year	1,763,552	2,874,444	2,309,158
Total Net Assets-Beginning	12,410,324	12,858,815	13,697,684
Total Net Assets-Ending	\$ 12,858,815	13,969,707	13,404,421

GERMANTOWN ATHLETIC CLUB FUND BUDGET SUMMARY

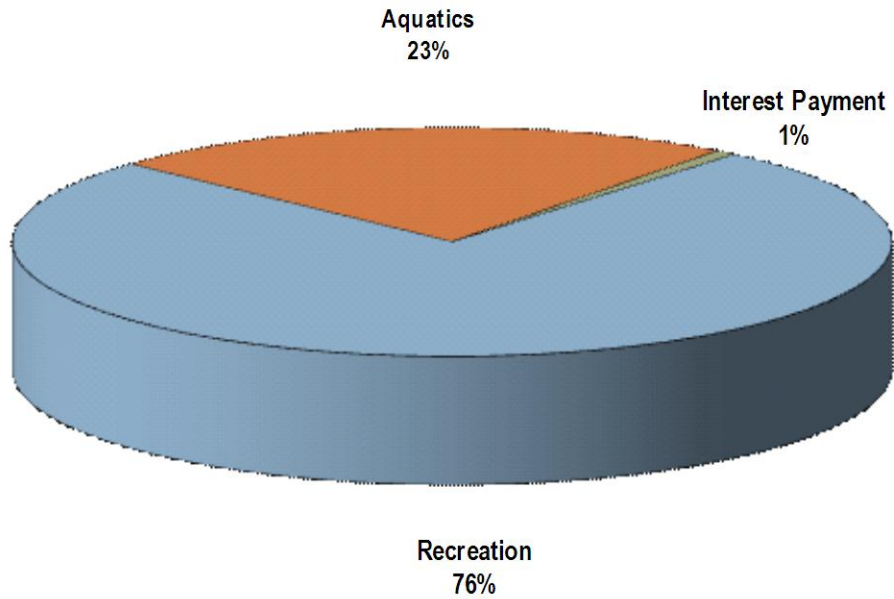
Estimate FY12	Budget FY13	Projected			
		FY14	FY15	FY16	FY17
\$ 2,956,500	3,000,000	3,033,150	3,228,435	3,264,183	3,300,457
140,000	150,000	152,250	154,534	156,852	159,205
79,222	79,222	79,222	79,222	79,222	79,222
448,350	510,500	538,690	561,055	585,008	610,103
3,624,072	3,739,722	3,803,312	4,023,246	4,085,265	4,148,986
2,756,534	2,839,106	2,860,992	2,888,843	2,936,724	2,986,258
848,251	875,698	896,043	918,836	942,558	967,082
3,604,784	3,714,803	3,757,035	3,807,679	3,879,282	3,953,340
19,288	24,919	46,277	215,566	205,983	195,646
3,500	6,370	7,345	8,775	10,530	12,675
(34,416)	(30,557)	(26,698)	(22,896)	(19,224)	(15,624)
-	-	-	-	-	-
(30,916)	(24,187)	(19,353)	(14,121)	(8,694)	(2,949)
(11,628)	732	26,925	201,445	197,289	192,697
575,974	629,342	629,342	629,342	629,342	629,342
575,974	629,342	629,342	629,342	629,342	629,342
125,000	125,000	125,000	125,000	125,000	125,000
119,562	-	-	-	-	-
140,004	140,000	-	-	-	-
384,566	265,000	125,000	125,000	125,000	125,000
179,779	365,074	531,267	705,788	701,632	697,039
1,005,788	1,185,567	1,550,641	2,081,908	2,787,696	3,489,328
1,185,567	1,550,641	2,081,908	2,787,696	3,489,328	4,186,367
2,874,444	2,862,816	2,863,547	2,890,472	3,091,917	3,289,207
2,862,816	2,863,547	2,890,472	3,091,917	3,289,207	3,481,904
13,969,707	13,958,079	13,958,810	13,985,735	14,187,180	14,384,470
\$ 13,958,079	13,958,810	13,985,735	14,187,180	14,384,470	14,577,167

GERMANTOWN ATHLETIC CLUB FUND REVENUES FY13



	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Membership Fees	\$ 2,957	82%	\$ 3,000	80%
Aquatics Revenues	140	4%	150	4%
Business Revenues	79	2%	79	2%
Other Revenues	448	12%	511	14%
Investment Income	4	0%	6	0%
TOTAL REVENUES	\$ 3,628	100%	\$ 3,746	100%

GERMANTOWN ATHLETIC CLUB FUND EXPENDITURES FY13



GAC FUND EXPENDITURES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Recreation	\$ 2,757	76%	\$ 2,839	76%
Aquatics	848	23%	876	23%
Interest Payment	34	1%	30	1%
TOTAL EXPENDITURES	\$ 3,639	100%	\$ 3,745	100%

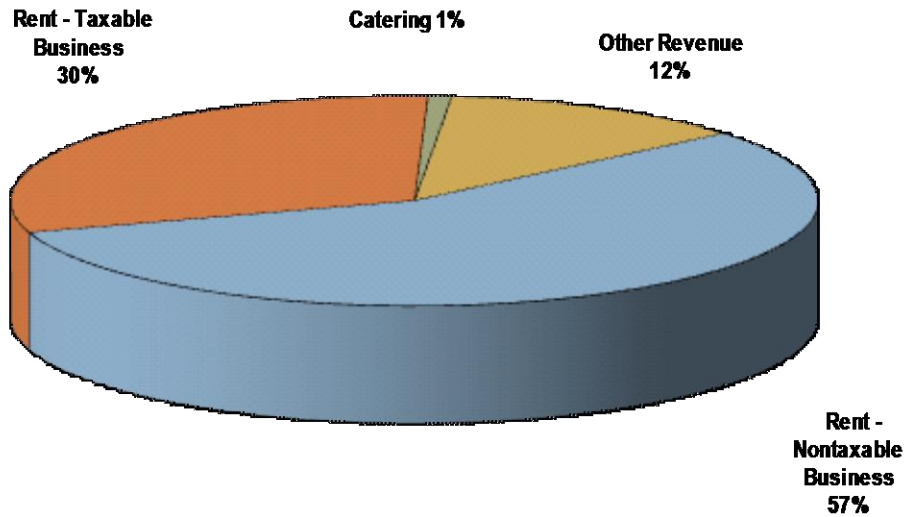
GREAT HALL FUND BUDGET SUMMARY

	Actual FY10	Actual FY11	Budget FY12
OPERATING REVENUES			
Rent - Taxable Business	\$ 67,937	97,282	80,000
Rent - Nontaxable Business	46,861	55,385	65,000
Other Revenue	-	14,766	11,700
Catering Revenue	-	2,454	5,000
TOTAL OPERATING REVENUES	114,798	169,887	161,700
OPERATING EXPENSES			
Communications	15	771	900
Allocations	53,700	55,263	53,977
Other Maint	16,380	25,718	35,230
Personnel	137,802	150,642	148,487
Professional Fees	4,749	102,183	52,500
Supplies	5,411	10,250	19,289
Utilities	36,139	40,193	39,428
Rent	79,378	84,423	84,461
Grants	-	-	500
Depreciation	5,516	3,904	46,404
TOTAL OPERATING EXPENSES	339,090	473,347	481,176
OPERATING INCOME	(224,292)	(303,460)	(319,476)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	506	-	-
Interest Payment	(20,790)	(15,926)	(13,384)
Contribution from other funds	49,000	915,101	-
Total	28,716	899,175	(13,384)
NET INCOME (LOSS)	(195,576)	595,715	(332,860)
Other Receipts			
Depreciation	5,516	3,904	46,404
Total Other Receipts	5,516	3,904	46,404
Other Expenditures			
Debt Payable	-	-	-
Infrastructure	-	262,717	10,000
Other Assets	-	-	-
Total Other Expenditures	-	262,717	10,000
NET CHANGE IN WORKING CAPITAL	(190,060)	336,902	(296,456)
Working Capital - Beginning	300,000	109,940	287,925
Working Capital - Ending	109,940	446,842	(8,531)
Retained Earnings at Beginning of Year	300,000	104,424	683,170
Retained Earnings at End of Year	104,424	700,139	350,310
Total Net Assets-Beginning	300,000	104,424	683,170
Total Net Assets-Ending	\$ 104,424	700,139	350,310

GREAT HALL FUND BUDGET SUMMARY

Estimate FY12	Budget FY13	Projected			
		FY14	FY15	FY16	FY17
\$ 120,000	126,000	144,900	152,145	159,752	167,740
65,000	68,250	78,488	82,412	86,532	90,859
26,500	27,825	31,999	33,599	35,279	37,043
2,000	2,125	2,444	2,566	2,694	2,829
213,500	224,200	257,830	270,722	284,258	298,470
925	1,000	1,000	1,000	1,000	1,000
53,977	56,458	56,458	56,458	56,458	56,458
51,067	32,000	32,800	33,620	34,461	35,323
155,400	169,529	174,435	180,913	187,702	194,761
51,704	51,300	51,300	51,300	51,813	51,813
21,683	14,200	10,968	11,121	11,279	11,440
41,728	41,728	41,339	42,165	43,009	43,870
86,582	81,622	81,622	81,682	81,744	81,807
-	-	-	-	-	-
17,753	51,750	91,650	95,936	95,936	95,936
480,819	499,587	541,571	554,195	563,400	572,407
(267,319)	(275,387)	(283,741)	(283,473)	(279,142)	(273,936)
-	-	-	-	-	-
(13,384)	(11,883)	(10,382)	(8,904)	(7,476)	(6,076)
-	-	160,000	285,000	285,000	285,000
(13,384)	(11,883)	149,618	276,096	277,524	278,924
(280,703)	(287,270)	(134,123)	(7,377)	(1,618)	4,988
17,753	51,750	91,650	95,936	95,936	95,936
17,753	51,750	91,650	95,936	95,936	95,936
-	-	-	-	-	-
142,675	43,000	110,000	60,000	-	-
-	20,000	-	-	-	-
142,675	63,000	110,000	60,000	-	-
(405,625)	(298,520)	(152,473)	28,558	94,317	100,923
446,842	41,217	(257,303)	(409,776)	(381,218)	(286,901)
41,217	(257,303)	(409,776)	(381,218)	(286,901)	(185,978)
700,139	419,436	132,167	(1,957)	(9,334)	(10,952)
419,436	132,167	(1,957)	(9,334)	(10,952)	(5,964)
700,139	419,436	132,166	(1,958)	(9,335)	(10,953)
\$ 419,436	132,166	(1,958)	(9,335)	(10,953)	(5,965)

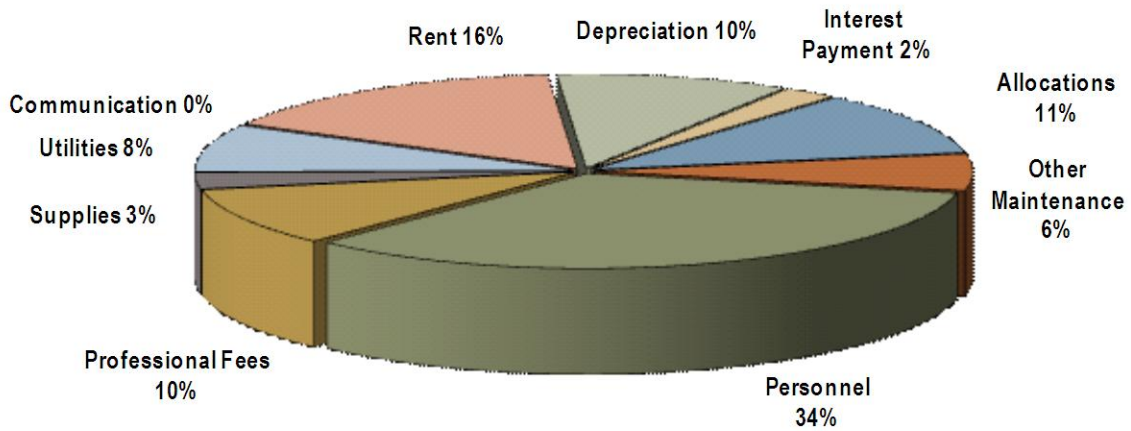
GREAT HALL FUND REVENUES FY13



GREAT HALL FUND REVENUES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Rent - Taxable Business	\$ 120	57%	\$ 126	57%
Rent - Nontaxable Business	65	30%	68	30%
Catering Revenue	2	1%	2	1%
Other Revenue	27	12%	28	12%
Investment Income	-	-	-	-
TOTAL REVENUES	\$ 214	100%	\$ 224	100%

GREAT HALL FUND EXPENDITURES FY13



GREAT HALL FUND EXPENDITURES (\$000)

	2012 ESTIMATED		2013 BUDGET	
	Amount	Percent	Amount	Percent
Allocations	\$ 54	11%	56	11%
Other Maintenance	51	10%	32	6%
Personnel	154	32%	169	34%
Professional Fees	52	10%	51	10%
Communication	1	0%	1	0%
Supplies	22	4%	14	3%
Utilities	42	8%	42	8%
Rent	87	18%	82	16%
Depreciation	18	4%	52	10%
Interest Payment	13	3%	12	2%
TOTAL EXPENDITURES	\$ 494	100%	511	100%

SANITATION FUND BUDGET SUMMARY

	Actual FY10	Actual FY11	Budget FY12
OPERATING REVENUES			
Sanitation Fees	\$ 3,864,615	3,816,627	3,582,540
Grants	5,074	-	7,500
Recycling Reimbursement	16,870	88,863	22,000
Other Revenues	40,827	39,009	35,000
TOTAL OPERATING REVENUES	3,927,386	3,944,499	3,647,040
OPERATING EXPENSES			
Communication	2,625	8,781	4,300
Other Maintenance	-	-	-
Personnel	43,152	41,232	41,439
Professional Fees	1,522	15,356	-
Supplies	23,102	25,969	32,000
Utilities	1,136	1,518	1,442
Depreciation	-	-	-
Contract Services	3,814,282	3,904,493	3,543,220
TOTAL OPERATING EXPENSES	3,885,819	3,997,349	3,622,401
OPERATING INCOME	41,567	(52,850)	24,639
NONOPERATING REVENUES (EXPENSES)			
Investment Income	2,558	2,094	900
Operating Transfer	21,206	-	-
Total Nonoperating Revenues	23,764	2,094	900
NET INCOME/(LOSS)	65,331	(50,756)	25,539
Other Receipts			
Depreciation	-	-	-
NET CHANGE IN WORKING CAPITAL	65,331	(50,756)	25,539
Working Capital Fund - Beginning	247,011	312,342	335,183
Working Capital Fund - Ending	312,342	261,586	360,722
Total Retained Earnings - Beginning	316,366	381,697	404,538
Total Retained Earnings - Ending	\$ 381,697	330,941	430,077
Total Net Assets-Beginning	316,366	381,697	404,538
Total Net Assets-Ending	\$ 381,697	330,941	430,077

SANITATION FUND BUDGET SUMMARY

	Estimate FY12	Budget FY13	FY14	FY15	FY16	FY17
\$	3,433,700	3,395,312	3,408,230	3,421,148	3,434,066	3,449,445
	7,500	5,000	5,000	5,000	5,000	5,000
	63,000	84,000	84,000	84,000	84,000	84,000
	36,900	35,000	32,000	32,000	32,000	32,000
	3,541,100	3,519,312	3,529,230	3,542,148	3,555,066	3,570,445
	7,300	15,100	5,800	9,600	6,400	6,700
	-	-	-	-	-	-
	47,473	51,269	48,587	50,944	53,275	55,918
	1,200	-	-	-	20,000	-
	25,000	28,500	35,000	35,000	35,000	35,000
	1,300	1,339	1,379	1,421	1,463	1,507
	-	-	-	-	-	-
	3,360,000	3,417,000	3,462,728	3,567,285	3,691,702	3,830,846
	3,442,273	3,513,208	3,553,494	3,664,250	3,807,840	3,929,971
	98,827	6,104	(24,264)	(122,102)	(252,774)	(359,526)
	1,500	2,450	2,825	3,375	4,050	4,875
	-	-	-	-	-	-
	1,500	2,450	2,825	3,375	4,050	4,875
	100,327	8,554	(21,439)	(118,727)	(248,724)	(354,651)
	-	-	-	-	-	-
	100,327	8,554	(21,439)	(118,727)	(248,724)	(354,651)
	261,586	361,913	370,467	349,028	230,301	(18,423)
	361,913	370,467	349,028	230,301	(18,423)	(373,074)
	330,941	431,268	439,822	418,383	299,656	50,932
\$	431,268	439,822	418,383	299,656	50,932	(303,719)
	330,941	431,268	439,822	418,383	299,656	50,932
\$	431,268	439,822	418,383	299,656	50,932	(303,719)

STORMWATER MANAGEMENT FUND BUDGET

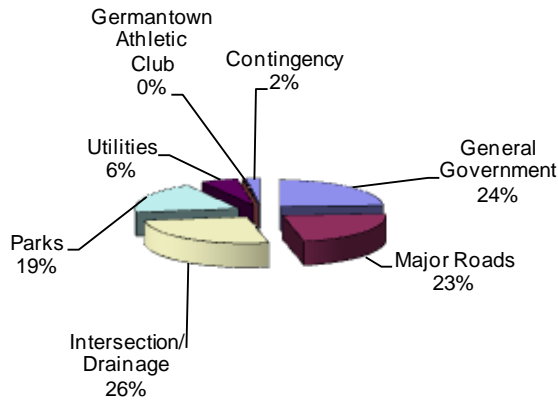
	Actual FY10	Actual FY11	Budget FY12
OPERATING REVENUES			
Stormwater Management Fee	\$ -	902,228	1,150,000
Stormwater Permits	200	2,150	1,800
TOTAL OPERATING REVENUES	200	904,378	1,151,800
OPERATING EXPENSES			
Communication	-	1,447	5,400
Other Maintenance	-	36,636	75,000
Personnel	-	479,898	595,850
Professional Fees	7,650	13,927	20,000
Supplies	-	13,735	39,000
Utilities	-	-	-
Roads and Mains	-	187,727	235,000
Allocations	-	30,611	25,204
Depreciation	-	-	-
TOTAL OPERATING EXPENSES	7,650	763,981	995,454
OPERATING INCOME	(7,450)	140,397	156,346
NONOPERATING REVENUES (EXPENSES)			
Investment Income	-	-	-
Operating Transfer	7,450	-	-
Total Nonoperating Revenues	7,450	-	-
NET INCOME/(LOSS)	-	140,397	156,346
Other Expenditures			
Other Assets	-	-	-
Total Other Expenditures	-	-	-
NET CHANGE IN WORKING CAPITAL	-	140,397	156,346
Working Capital Fund - Beginning	-	-	(3,508)
Working Capital Fund - Ending	-	140,397	152,838
Total Retained Earnings - Beginning	-	-	(3,508)
Total Retained Earnings - Ending	\$ -	140,397	152,838
Total Net Assets-Beginning	-	-	(3,508)
Total Net Assets-Ending	\$ -	140,397	152,838

STORMWATER MANAGEMENT FUND BUDGET

	Estimate FY12	Budget FY13	Projected			
			FY14	FY15	FY16	FY17
\$	1,064,000	1,085,000	1,106,700	1,128,834	1,151,411	1,174,439
	3,900	3,900	3,900	3,900	3,900	3,900
	1,067,900	1,088,900	1,110,600	1,132,734	1,155,311	1,178,339
	1,730	5,500	5,600	5,703	5,808	5,915
	38,460	65,000	66,625	68,291	69,998	71,748
	593,194	592,929	611,717	634,513	658,450	683,354
	10,000	40,000	40,000	40,000	40,400	40,400
	31,004	40,800	41,625	42,504	43,408	44,338
	-	-	-	-	-	-
	282,777	235,000	240,875	246,897	253,069	259,396
	28,445	29,547	30,335	31,402	32,626	33,772
	-	3,000	12,000	12,000	12,000	9,000
	985,610	1,011,776	1,048,777	1,081,309	1,115,758	1,147,923
	82,290	77,124	61,823	51,425	39,553	30,415
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	82,290	77,124	61,823	51,425	39,553	30,415
	-	60,000	-	-	-	-
	-	60,000	-	-	-	-
	82,290	20,124	73,823	63,425	51,553	39,415
	140,397	222,687	242,811	316,634	380,059	431,612
	222,687	242,811	316,634	380,059	431,612	471,027
	140,397	222,687	299,811	361,634	413,059	452,612
\$	222,687	299,811	361,634	413,059	452,612	483,027
	140,397	222,687	299,811	361,634	413,059	452,612
\$	222,687	299,811	361,634	413,059	452,612	483,027

CAPITAL IMPROVEMENTS PROGRAM

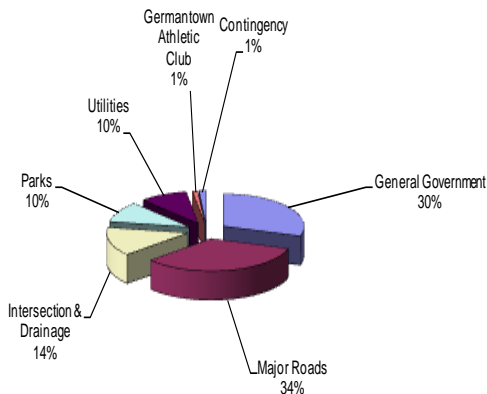
The Capital Improvements Program (CIP) is a plan for capital expenditures over a fixed period of several years. The CIP identifies capital projects, the expected beginning and ending for each project, the funds to be expended each year and the method of financing projects. The six-year program is based 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 and Utility Fund summaries as transfers to CIP and Debt Service and in project detail found under the CIP tab.



	(\$000)	6-YEAR CIP
General Government	\$	13,180
Major Roads		12,208
Intersection/Drainage		14,206
Parks		10,350
Utilities		3,143
GAC		140
Contingency		1,200
TOTAL	\$	54,427

The six-year CIP total has increased over last year's total. Approximately \$15,650,000 in General Obligation (G.O.) and Revenue Bond funding is identified in the six-year planning period. The City's long-range strategic plan calls for funding of general government projects in the future through the use of G.O. debt.

Contributions from intergovernmental sources will total \$4,500,000 during the next six years. The Board of Mayor and Aldermen and City Administration have worked closely with state officials to obtain funding for costly street and intersection improvements. The success of the Board's efforts created valuable funding opportunities for other projects.



	FY13 CIP
General Government	\$ 4,210
Major Roads	\$ 4,708
Intersection & Drainage	\$ 2,006
Parks	\$ 1,455
Utilities	\$ 1,338
GAC	\$ 140
Contingency	\$ 200
TOTAL	\$ 14,057

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 FY13 project is provided under the Capital Improvements Program tab.

CAPITAL IMPROVEMENTS PROGRAM

CITY OF GERMANTOWN Capital Improvements Program - 2012 to 2018

(in thousands)	FY12	TOTAL	EXPENDITURES						FUNDING SOURCES				STATE & FEDERAL PROJECTS	
			FY13	FY14	FY15	FY16	FY17	FY18	Reserves	Grants	Bonds	Hall		
GENERAL GOVERNMENT:														
Community Development Roof	80	-	-	-	-	-	-	-	-	-	-	-	-	-
Document Management System	-	100	-	100	-	-	-	-	-	-	-	-	100	-
Emergency Operations Center	170	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire Engine F-141	-	560	-	560	-	-	-	-	-	560	-	-	-	-
Fire Station 4 - Fence	50	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire Station 3 - Renovation	-	90	90	-	-	-	-	-	-	90	-	-	-	-
Fleet Maintenance Shop - Construction	125	1,500	1,500	-	-	-	-	-	-	1,500	-	-	-	-
Fleet Maintenance Shop - FF&E	-	447	447	-	-	-	-	-	-	447	-	-	-	-
Germantown Center Complex Generator	-	300	300	-	-	-	-	-	-	300	-	-	-	-
Germantown Library - Roof	-	100	-	100	-	-	-	-	-	100	-	-	-	-
GPAC Renovation - Phase I	-	73	73	-	-	-	-	-	-	73	-	-	-	-
GPAC Renovation - Phase II	-	500	-	500	-	-	-	-	-	-	-	-	500	-
GPAC Renovation - Phase III	-	500	-	-	500	-	-	-	-	-	-	-	500	-
GPAC Sound Line Array	-	360	-	-	-	360	-	-	-	-	-	-	360	-
Information Technology Upgrade	150	-	-	-	-	-	-	-	-	-	-	-	-	-
Library Expansion	-	6,850	-	-	-	550	6,300	-	-	550	-	6,300	-	-
Library Restroom - TNGEN	23	-	-	-	-	-	-	-	-	-	-	-	-	-
NPI Phase III	250	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety Radio System	150	1,800	1,800	-	-	-	-	-	-	1,800	-	-	-	-
Public Safety CADD System	1,250	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone System	380	-	-	-	-	-	-	-	-	-	-	-	-	-
Smart Growth - Municipal Square	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total General Government:	2,628	13,180	4,210	1,260	500	910	6,300	-	5,420	-	6,300	1,460	-	
MAJOR ROADS:														
Devonshire Gardens Roadway	650	-	-	-	-	-	-	-	-	-	-	-	-	-
Farmington Blvd Rehabilitation Phase II	3,431	250	250	-	-	-	-	-	-	250	-	-	-	-
Forest Hill Widening	188	-	-	-	-	-	-	-	-	-	-	-	-	-
Gtown Rd - Stout/City Limits*	-	40	2,140	-	-	-	-	-	-	40	-	-	-	2,100
Gtown Rd Realignment - Construction	-	3,000	-	-	-	3,000	-	-	-	-	-	3,000	-	-
Gtown Rd Realignment - ROW	-	3,000	-	-	3,000	-	-	-	-	1,540	-	-	1,460	-
Germantown Road Streetscape	-	88	88	-	-	-	-	-	-	18	70	-	-	-
Poplar Avenue Culvert - Phase I	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Poplar Avenue Culvert - Phase II	-	500	500	-	-	-	-	-	-	500	-	-	-	-
Poplar Avenue Culvert - Phase III	-	500	-	500	-	-	-	-	-	500	-	-	-	-
Poplar Avenue Culvert - Phase IV	-	500	-	-	500	-	-	-	-	500	-	-	-	-
Poplar Avenue Culvert - Phase V	-	500	-	-	-	500	-	-	-	500	-	-	-	-
Poplar Ave - Miller Farms/Dogwood	10	750	750	-	-	-	-	-	-	-	-	750	-	-
Wolf River Blvd. - Design/Construction	-	3,000	3,000	-	-	-	-	-	-	-	2,400	600	-	-
Wolf River Cove Extension - Design	-	80	80	-	-	-	-	-	-	80	-	-	-	-
Total Major Roads:	4,279	12,208	4,708	500	3,500	3,500	-	-	1,928	4,470	4,350	1,460	2,100	
INTERSECTIONS & OTHER:														
Decorative Street Signage	100	-	-	-	-	-	-	-	-	-	-	-	-	-
Gtown Road/Methodist Hospital Signal	251	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Center Transportation Plan	-	70	70	-	-	-	-	-	-	70	-	-	-	-
RR Crossing - West St./Poplar Pike	-	30	30	-	-	-	-	-	-	-	30	-	-	-
School Zone Improvements	-	120	120	-	-	-	-	-	-	120	-	-	-	-
Signal - Poplar Avenue/Oakleigh	120	-	-	-	-	-	-	-	-	-	-	-	-	-
Signal - LED Upgrade	86	-	-	-	-	-	-	-	-	-	-	-	-	-
Traffic Video Detection	-	150	150	-	-	-	-	-	-	150	-	-	-	-
Total Intersections/Other:	558	370	370	-	-	-	-	-	340	30	-	-	-	
DRAINAGE:														
Lateral B (Miller Farms)	25	10,000	-	2,000	2,000	2,000	2,000	2,000	4,000	-	4,000	2,000	-	-
Lateral D - Farmington Culvert Protection	-	352	1,140	-	-	-	-	-	352	-	-	-	-	788
Lateral D & E - Design	-	164	164	-	-	-	-	-	164	-	-	-	-	-
Lateral D & E - Construction	-	1,500	-	1,500	-	-	-	-	-	-	-	1,500	-	-
Lateral F & G - Design	176	-	-	-	-	-	-	-	-	-	-	-	-	-
Lateral F - Construction	-	200	200	-	-	-	-	-	-	-	-	200	-	-
Lateral G - Construction	-	800	800	-	-	-	-	-	-	-	-	800	-	-
Shady Creek Weir	-	700	-	700	-	-	-	-	-	700	-	-	-	-
West Street/RR Culvert	-	120	120	-	-	-	-	-	-	120	-	-	-	-
Total Drainage:	201	13,836	1,636	4,200	2,000	2,000	2,000	2,000	5,336	-	5,000	3,500	788	

* State funding is excluded in totals.

CAPITAL IMPROVEMENTS PROGRAM

(in thousands)	EXPENDITURES								FUNDING SOURCES				STATE & FEDERAL
	FY12	TOTAL	FY13	FY14	FY15	FY16	FY17	FY18	Reserves	Grants	Bonds	Hall	PROJECTS
PARKS:													
Bobby Lanier Park	425	1,400	1,400	-	-	-	-	-	1,400	-	-	-	-
Cameron Brown Playground	56	-	-	-	-	-	-	-	-	-	-	-	-
Farmington Park - New Field	-	400	-	-	400	-	-	-	-	-	-	400	-
Greenway Connection	108	-	-	-	-	-	-	-	-	-	-	-	-
Greenway Phase V	-	3,600	-	-	-	-	3,600	-	1,240	-	-	2,360	-
Greenway Phase VI	-	4,100	-	-	-	4,100	-	-	2,100	-	-	2,000	-
Playground Surface Program	-	430	55	75	75	75	75	75	355	-	-	75	-
Skate Park - Houston Levee	-	220	-	220	-	-	-	-	220	-	-	-	-
Sports Lighting & Control Upgrades	-	200	-	200	-	-	-	-	-	-	-	200	-
Total Parks:	589	10,350	1,455	495	475	4,175	3,675	75	5,315	-	-	5,035	-
GERMANTOWN ATHLETIC CLUB FUND:													
Athletic Club Renovation - Phase I	-	-	-	-	-	-	-	-	-	-	-	-	-
Computers	8	-	-	-	-	-	-	-	-	-	-	-	-
Racquetball Court Flooring	26	-	-	-	-	-	-	-	-	-	-	-	-
Fitness Room Flooring	106	-	-	-	-	-	-	-	-	-	-	-	-
GAC - Parking Lot Resurfacing	120	-	-	-	-	-	-	-	-	-	-	-	-
Indoor Pool Surface	-	90	90	-	-	-	-	-	90	-	-	-	-
Ultraviolet Sanitation	-	50	50	-	-	-	-	-	50	-	-	-	-
Total GAC Fund:	260	140	140	-	-	-	-	-	140	-	-	-	-
UTILITY FUND:													
Blue Grass Lift Station - Refurbishment	-	163	163	-	-	-	-	-	163	-	-	-	-
Germantown Road South - Sewer	-	50	50	-	-	-	-	-	50	-	-	-	-
Germantown Road South - Water	-	200	200	-	-	-	-	-	200	-	-	-	-
Retrofit Sewer Pumping	115	-	-	-	-	-	-	-	-	-	-	-	-
Lateral D - Sewer	-	1,805	-	1,805	-	-	-	-	1,805	-	-	-	-
Miller Farms Sewer Lift Station - PH 2	1,128	-	-	-	-	-	-	-	-	-	-	-	-
Southern Ave WTP Aeration Towers	-	925	925	-	-	-	-	-	925	-	-	-	-
Water Extension - Arthur/Riggs	182	-	-	-	-	-	-	-	-	-	-	-	-
Total Utility Fund:	1,425	3,143	1,338	1,805	-	-	-	-	3,143	-	-	-	-
CONTINGENCY:													
		1,200	200	200	200	200	200	200	1,200	-	-	-	-
Total Contingency:	-	1,200	200	200	200	200	200	200	1,200	-	-	-	-
CIP SUMMARY													
General Government	2,628	13,180	4,210	1,260	500	910	6,300	-	-	-	-	-	-
Major Roads	4,279	12,208	4,708	500	3,500	3,500	-	-	-	-	-	-	-
Intersec/Other/Drainage	758	14,206	2,006	4,200	2,000	2,000	2,000	2,000	-	-	-	-	-
Parks	589	10,350	1,455	495	475	4,175	3,675	75	-	-	-	-	-
Utilities	1,425	3,143	1,338	1,805	-	-	-	-	-	-	-	-	-
Germantown Athletic Club	260	140	140	-	-	-	-	-	-	-	-	-	-
Contingency	-	1,200	200	200	200	200	200	200	-	-	-	-	-
Total CIP:	9,939	54,427	14,057	8,460	6,675	10,785	12,175	2,275	-	-	-	-	-
FUNDING SUMMARY													
Reserves: General	8,254	19,539	7,229	1,855	3,815	2,925	3,515	200	-	-	-	-	-
Utility	1,425	3,143	1,338	1,805	-	-	-	-	-	-	-	-	-
Germantown Athletic Club	260	140	140	-	-	-	-	-	-	-	-	-	-
Intergovernmental/Grant:	-	4,500	3,000	500	500	500	-	-	-	-	-	-	-
Bonds: General	-	15,650	2,350	2,000	-	5,000	6,300	-	-	-	-	-	-
Utility	-	-	-	-	-	-	-	-	-	-	-	-	-
Hall: General	-	11,455	-	2,300	2,360	2,360	2,360	2,075	-	-	-	-	-
Total Funding:	9,939	54,427	14,057	8,460	6,675	10,785	12,175	2,275	-	-	-	-	-

INFRASTRUCTURE REPLACEMENT PROGRAM - 2013 to 2022

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
(in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY12	Estimate FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	10 YEAR TOTAL
GENERAL FUND:													
BUILDING IMPROVEMENTS:													
FACILITIES MANAGEMENT:													
Court Interior Walls	-	20	-	-	-	-	-	-	-	-	-	-	0
New Glass Wall - Library	-	6	-	-	-	-	-	-	-	-	-	-	-
Air Handler - Police	-	-	100	-	-	-	-	-	-	-	-	-	100
Flooring - Municipal Center	-	-	60	-	-	-	-	-	-	-	-	-	60
Restroom Improvements	-	24	-	-	-	-	-	-	-	-	-	-	-
TOTAL FACILITIES MAINT.	-	50	160	-	-	-	-	-	-	-	-	-	160
TOTAL BUILDING IMPROVEMENTS	-	50	160	-	-	-	-	-	-	-	-	-	160
OTHER EQUIPMENT:													
GPAC:													
Sound Board	-	10	-	-	-	-	-	-	-	-	-	-	0
TOTAL GPAC	-	10	-	-	-	-	-	-	-	-	-	-	0
Parks:													
Projector	-	-	18	-	-	-	-	-	-	-	-	-	18
TOTAL PARKS	-	-	18	-	-	-	-	-	-	-	-	-	18
DEVELOPMENT:													
Wolf Trail Sign	-	11	-	-	-	-	-	-	-	-	-	-	0
TOTAL DEVELOPMENT	-	11	-	-	-	-	-	-	-	-	-	-	0
FIRE:													
Power Hawk	-	-	-	15	-	-	-	-	-	-	-	-	15
Defibrillators	-	-	99	99	-	-	-	-	-	-	-	-	198
Hurst Tool	-	-	-	35	-	-	-	-	-	-	-	-	35
Rescue Boat	-	28	-	-	-	-	-	-	-	-	-	-	-
Thermal Imaging Detectors	-	-	-	-	19	-	20	-	-	-	-	-	39
Emergency Warning Siren Controller	-	-	-	118	121	125	130	-	-	-	-	-	494
TOTAL FIRE	-	28	99	267	140	125	150	-	-	-	-	-	781
POLICE:													
AFIS Livescan Fingerprint Workstation	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Car Video Systems - Police Vehicles	30	29	60	35	30	30	30	-	-	-	-	-	185
TOTAL POLICE	30	29	60	35	30	30	30	-	-	-	-	-	185
TOTAL OTHER EQUIPMENT	30	78	177	302	170	155	180	-	-	-	-	-	984
MAINTENANCE EQUIPMENT:													
BUILDING MAINTENANCE:													
Trailer	-	11	-	-	-	-	-	-	-	-	-	-	-
TOTAL BLDG. MAINT.	-	11	-	-	-	-	-	-	-	-	-	-	-
PUBLIC SERVICE AND GROUNDS:													
Turf Aerator	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk Spreader	-	-	-	45	-	-	-	45	-	-	-	-	90
Z-Trak Mower	-	-	16	-	-	-	-	17	-	-	-	-	33
Crack Sealer	-	-	-	-	-	50	-	-	-	-	-	-	50
Tarco Leaf Vac	-	-	-	-	-	50	40	-	-	-	-	-	90
Ingersoll Rand Roller	-	-	-	60	-	60	-	-	-	-	-	-	120
DXT Loader	-	-	-	-	-	-	95	-	-	-	-	-	95
Gradall Rubber Tire Excavator	-	-	-	-	350	-	-	-	-	-	-	-	350
DR Brush & Field Mower	-	-	-	20	-	-	-	-	-	-	-	-	20
Bob-Cat Skid Loader	-	-	-	-	50	-	-	-	-	-	-	-	50
Top Dresser	-	-	-	-	25	-	-	-	-	-	-	-	25
Grasshopper Mower	-	-	-	-	-	-	30	-	-	-	-	-	30
Track Loader	210	177	-	-	-	-	-	-	-	-	-	-	-
Field Rake	-	-	-	30	-	-	-	-	-	15	-	-	45
Walker Mower	-	-	-	15	-	-	-	-	-	-	-	-	15
Vac - Litter	-	-	-	21	-	-	-	-	-	-	-	-	21
Tractor	-	-	-	40	35	26	-	-	26	-	-	-	127
TOTAL PUBLIC SVCS.	210	177	16	231	460	186	165	62	26	15	-	-	1,161
TOTAL MAINTENANCE EQUIPMENT	210	188	16	231	460	186	165	62	26	15	-	-	1,161
AUTOS AND TRUCKS:													
ADMINISTRATION:													
Taurus	28	35	-	-	-	-	-	-	-	28	-	-	28
Charger	-	-	-	-	-	-	-	28	-	-	-	-	28
TOTAL ADMINISTRATION	28	35	-	-	-	-	28	-	-	28	-	-	56
ANIMAL CONTROL:													
Ford Ranger	-	-	-	-	25	-	-	-	-	-	-	-	25
TOTAL ANIMAL CONTROL	-	-	-	-	25	-	-	-	-	-	-	-	25

INFRASTRUCTURE REPLACEMENT PROGRAM - 2013 to 2022

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget	Estimate											10 YEAR
	FY12	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	TOTAL
FACILITIES MANAGEMENT:													
Dodge 2500 w/ Service Body	-	-	30	-	-	-	-	-	-	-	-	-	30
Ford E-150 Van	27	27	-	-	-	-	-	-	-	-	-	-	-
Ford F-250 Pickup	-	-	-	-	-	-	-	-	90	-	-	-	90
Ford Ranger	-	-	-	-	-	-	-	30	-	-	-	-	30
Ford F-150	-	-	-	-	-	-	-	-	-	-	30	-	30
TOTAL FACILITIES MAINT.	27	27	30	-	-	-	-	30	90	-	30	-	180
DEVELOPMENT:													
Chevy S-10	22	-	-	-	-	-	-	-	-	-	25	25	50
Ford Explorer	28	23	-	-	-	-	-	-	-	-	-	30	30
Ford Ranger	-	-	-	25	-	-	-	-	-	25	-	25	75
Jeep Cherokee	56	47	-	-	-	-	-	-	-	-	-	60	60
TOTAL DEVELOPMENT	106	70	-	25	-	-	-	-	25	-	50	115	215
PUBLIC SERVICE AND GROUNDS:													
Dodge 2500 Pickup	-	-	-	-	-	-	-	32	100	-	-	70	202
Ford F-350 w/ Service Body	-	-	-	-	-	45	-	-	-	-	-	-	45
Ford F-450 Dump Truck	-	-	-	-	-	40	45	-	-	-	-	-	85
Ford F-750 Flat Bed	-	-	-	-	-	-	-	-	55	55	-	-	110
Ford F-250 Crew Cab	-	-	-	-	-	-	-	30	-	-	-	-	30
Ford Expedition	-	-	30	-	-	-	-	30	-	-	-	-	60
Ford F-450 Crew Cab	-	-	-	-	40	-	-	50	40	50	-	-	180
Ford F-350 Extended Cab	-	-	-	45	-	30	-	-	-	-	-	-	75
Sterling Dump Truck	-	-	-	-	-	-	100	-	200	-	-	-	300
TOTAL PUBLIC SVCS.	-	-	30	45	40	115	145	142	395	105	-	70	1,087
FINANCE:													
Dodge Pickup Truck	-	-	25	-	-	-	-	-	21	-	-	-	46
TOTAL FINANCE	-	-	25	-	-	-	-	-	21	-	-	-	46
FIRE:													
Ford F-350	-	-	-	-	-	-	-	45	-	-	-	-	45
Impala	-	-	-	-	-	-	30	-	-	-	-	-	30
Ford Expedition	-	-	-	-	35	35	-	-	-	-	-	-	70
Chevy Tahoe	80	80	35	-	-	-	-	-	-	-	-	-	35
TOTAL FIRE	80	80	35	-	35	35	30	45	-	-	-	-	180
PARKS AND RECREATION:													
Chevrolet 3500	-	-	-	-	-	-	-	-	-	-	-	-	-
Chevrolet 3500	-	-	-	-	-	-	-	-	-	-	-	-	-
GMC Crew Cab	-	-	-	-	-	-	-	-	-	-	-	-	-
Ford Explorer	-	-	-	-	-	-	28	-	-	-	-	-	28
Ford Escape	-	-	28	-	28	-	-	-	30	-	-	-	86
Ford Ranger	-	-	-	28	-	-	-	-	30	-	-	-	58
TOTAL PARKS AND REC.	-	-	28	28	28	-	28	-	60	-	-	-	172
POLICE:													
Police Fleet - Chevy Tahoes - new (12)	210	193	385	140	35	105	105	210	560	175	140	175	2,030
Police Fleet - Tahoe	-	-	-	-	-	70	-	-	-	-	-	-	70
Police Fleet - Taurus	28	28	-	-	-	-	-	-	-	-	-	-	-
Police Fleet - Impala	84	84	-	28	30	-	28	30	-	84	28	120	348
Police Fleet - Dodge Charger	-	-	-	70	-	-	-	-	-	70	-	-	140
Police Fleet - Ford Explorer	-	-	28	70	-	30	-	-	-	70	28	-	226
Police Fleet - Chevrolet Malibu	-	-	-	-	-	-	28	-	-	-	-	-	28
TOTAL POLICE	322	305	413	308	65	205	161	240	560	399	196	295	2,842
TOTAL AUTOS & TRUCKS	563	517	561	406	193	355	392	457	1,151	532	276	480	4,803
COMPUTER EQUIPMENT:													
INFORMATION TECHNOLOGY:													
File Server	10	9	-	-	-	-	-	-	-	-	-	-	-
Computers	-	46	50	-	-	-	-	-	-	-	-	-	50
TOTAL I.T.	10	55	50	-	-	-	-	-	-	-	-	-	50
TOTAL COMPUTER EQUIPMENT	10	55	50	-	-	-	-	-	-	-	-	-	50
COMPUTER SOFTWARE:													
INFORMATION TECHNOLOGY:													
AVL	53	-	-	-	-	-	-	-	-	-	-	-	-
Firehouse Software	15	8	-	-	-	-	-	-	-	-	-	-	-
TOTAL I.T.	68	8	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMPUTER SOFTWARE	68	8	-	-	-	-	-	-	-	-	-	-	-

INFRASTRUCTURE REPLACEMENT PROGRAM - 2013 to 2022

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
 (in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY12	Estimate FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	10 YEAR TOTAL
OTHER ASSETS:													
PARKS:													
Scoreboards - all fields	-	-	37	-	-	-	-	-	-	-	-	-	37
Trail Security Camera - Greenway	-	-	9	-	-	-	-	-	-	-	-	-	9
Holiday Tree	-	-	40	-	-	-	-	-	-	-	-	-	40
TOTAL PARKS	-	-	86	-	-	-	-	-	-	-	-	-	86
PUBLIC SERVICES:													
Cameron Brown Ballfields	-	-	200	-	-	-	-	-	-	-	-	-	200
Greenbelt and Poplar Estate Walking Trails	-	-	-	22	-	-	-	-	-	-	-	-	22
Dogwood Park	200	165	-	-	-	-	-	-	-	-	-	-	-
Split Rail Fencing	-	-	-	52	-	-	-	-	-	-	-	-	52
Playground Border	-	-	-	14	-	-	-	-	-	-	-	-	14
TOTAL PUBLIC SERVICES	200	165	200	88	-	-	-	-	-	-	-	-	288
TOTAL OTHER ASSETS	200	165	286	88	-	-	-	-	-	-	-	-	374
FURNITURE:													
INFORMATION TECHNOLOGY:													
Office Furniture	-	10	-	-	-	-	-	-	-	-	-	-	-
TOTAL I.T.	-	10	-	-	-	-	-	-	-	-	-	-	-
TOTAL FURNITURE	-	10	-	-	-	-	-	-	-	-	-	-	-
TOTAL GENERAL FUND	1,081	1,071	1,250	1,027	823	696	737	519	1,177	547	276	480	7,532
PICKERING CENTER FUND:													
BUILDING IMPROVEMENTS:													
Park Lighting	-	-	-	10	-	-	-	-	-	-	-	-	10
Exterior Lighting	-	-	25	-	-	-	-	-	-	-	-	-	25
Kitchen Improvements	78	102	25	-	-	-	-	-	-	-	-	-	25
TOTAL PICKERING FUND	78	102	50	10	-	-	-	-	-	-	-	-	60
RECREATION FUND:													
OTHER ASSETS:													
Tennis Courts	80	60	50	-	-	-	-	-	-	-	-	-	50
Baseball Awning	-	-	45	-	-	-	-	-	-	-	-	-	45
Tennis Courts Riverdale	-	-	-	17	-	-	-	-	-	-	-	-	17
Lighting at Soccerplex	35	35	-	-	-	-	-	-	-	-	-	-	-
Fencing at Farmington	16	16	-	-	-	-	-	-	-	-	-	-	-
TOTAL RECREATION FUND	131	111	95	17	-	-	-	-	-	-	-	-	112
STORMWATER FUND:													
MAINTENANCE EQUIPMENT:													
Compact Excavator	-	-	60	-	-	-	-	-	-	-	-	-	-
TOTAL STORMWATER FUND	-	-	60	-	-	-	-	-	-	-	-	-	-
GREAT HALL FUND:													
OTHER EQUIPMENT:													
Upgrade Audio/Visual Components	-	-	20	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER EQUIPMENT	-	-	20	-	-	-	-	-	-	-	-	-	-
BUILDING IMPROVEMENTS:													
Portable Dance Floor	-	-	11	-	-	-	-	-	-	-	-	-	-
Lighting	-	-	-	110	-	-	-	-	-	-	-	-	-
Carpet	-	-	17	-	60	-	-	-	-	-	-	-	-
Signage	-	-	15	-	-	-	-	-	-	-	-	-	-
TOTAL BUILDING IMPROVEMENTS	-	-	43	110	60	-	-	-	-	-	-	-	-
TOTAL GREAT HALL FUND	-	-	63	110	60	-	-	-	-	-	-	-	-

INFRASTRUCTURE REPLACEMENT PROGRAM - 2013 to 2022

City of Germantown
INFRASTRUCTURE REPLACEMENT PROGRAM DETAIL
(in thousands)

AREA & TYPE OF INFRASTRUCTURE	Budget FY12	Estimate FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	10 YEAR TOTAL
UTILITY FUND:													
LINES, WELLS AND STATION IMPROVEMENTS:													
SEWER:													
Sewer Lift Station Rewiring	10	10	10	10	10	10	10	10	10	10	10	10	100
Maintenance of Sewer Collection System	250	250	250	250	250	250	250	250	250	250	250	250	2,500
TOTAL SEWER	260	260	260	260	260	260	260	260	260	260	260	260	2,600
WATER:													
Water Mains Maintenance	100	100	100	-	-	-	-	-	-	-	-	-	100
Maintenance of Water WellField System	20	20	20	20	20	20	20	20	20	20	20	20	200
TOTAL WATER	120	120	120	20	20	20	20	20	20	20	20	20	300
TOTAL LINES, WELLS & STATION IMPROVEMENTS	380	380	380	280	280	280	280	280	280	280	280	280	2,900
MAINTENANCE EQUIPMENT:													
SEWER:													
Backhoe	-	-	90	-	-	-	-	-	-	-	-	-	90
Retrofit Sewer Pumping	115	115	-	-	-	-	-	-	-	-	-	-	-
Ingersoll Rand Compressor	-	-	-	-	-	35	-	-	-	-	-	-	35
Video Camera - Trailer Mounted	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEWER	115	115	90	-	-	35	-	-	-	-	-	-	125
WATER:													
Backhoe	-	-	-	85	-	-	-	-	-	-	-	-	85
Excavator	-	-	-	-	-	-	-	-	-	-	250	-	250
TOTAL WATER	-	-	-	85	-	-	-	-	-	-	250	-	335
TOTAL MAINTENANCE EQUIPMENT	115	115	90	85	-	35	-	-	-	-	250	-	460
AUTOS AND TRUCKS:													
SEWER:													
Chevy 3500 Pickup	-	-	-	30	-	-	-	-	-	-	-	-	30
Ford F-350 Crew Cab	-	-	-	-	-	35	-	-	-	-	-	40	75
Ford F-450 Truck	-	-	-	-	-	-	-	-	-	55	-	-	55
TOTAL SEWER	-	-	-	30	-	35	-	-	-	55	-	40	160
WATER:													
Chevy 1500 Pickup	-	-	25	-	-	-	-	-	-	-	-	-	25
Ford F-150 Truck	-	-	-	-	-	30	-	-	-	-	-	-	60
Dodge Ram Pick-up	30	30	-	-	-	-	30	-	-	-	-	-	30
Dodge Dakota Pick-up	-	-	-	-	-	-	25	-	-	60	80	-	165
Ford F-350 Crew Cab	-	-	-	-	-	-	35	-	-	-	-	-	35
Ford Ranger	-	-	25	-	-	-	-	-	-	-	-	-	25
TOTAL WATER	30	30	50	-	-	30	120	-	-	60	80	-	340
TOTAL AUTOS & TRUCKS	30	30	50	30	-	65	120	-	-	115	80	40	500
COMPUTER EQUIPMENT:													
WATER:													
Handheld computers	-	-	20	-	-	-	-	-	-	-	-	-	20
TOTAL WATER	-	-	20	-	-	-	-	-	-	-	-	-	20
TOTAL COMPUTER EQUIPMENT	-	-	20	-	-	-	-	-	-	-	-	-	20
TOTAL UTILITY FUND	525	525	540	395	280	380	400	280	280	395	610	320	3,880
VEHICLE MAINTENANCE FUND:													
AUTOS AND TRUCKS:													
Dodge 2500 Pick-up	-	-	-	30	-	-	-	-	-	-	-	-	30
Dodge Pick-up	-	-	-	-	-	30	-	-	-	-	-	-	30
Taurus	-	-	-	-	-	-	30	-	-	-	-	-	30
Ford Crown Vic	23	23	25	75	-	-	-	-	-	-	-	-	100
TOTAL AUTOS & TRUCKS	23	23	25	105	-	30	30	-	-	-	-	-	190
OTHER ASSETS:													
Warehouse Shelving	-	-	25	-	-	-	-	-	-	-	-	-	25
Daewoo Forklift	-	-	-	-	-	50	-	-	-	-	-	-	50
Software	20	20	-	-	-	-	-	-	-	-	-	-	-
Fuel/UST Monitor Upgrade - FS 2	25	25	-	-	-	-	-	-	-	-	-	-	-
Fuel System Upgrade	-	-	40	-	-	-	-	-	-	-	-	-	40
TOTAL OTHER ASSETS	45	45	65	-	-	50	-	-	-	-	-	-	115
TOTAL VEHICLE MAINT. FUND	68	68	90	105	-	80	30	-	-	-	-	-	305
GRAND TOTAL - ALL FUNDS	1,883	1,877	2,148	1,664	1,163	1,156	1,167	799	1,457	942	886	800	11,889

DISCUSSION OF GENERAL FUND RESERVES

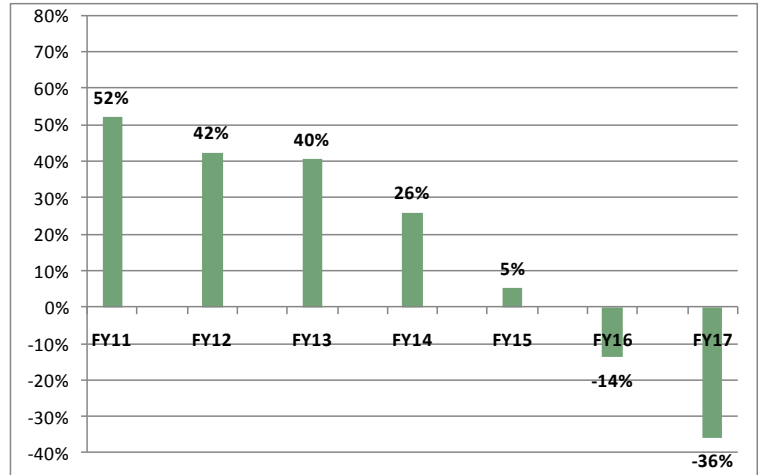
During the City's high growth period, excess revenues over expenditures were used for capital projects not funded by bond proceeds. In the past several years, General Fund reserves were used to fund a significant portion of the capital projects. Beginning in FY04, revenues from the Hall Income and Excise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

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
CIP	\$2,808,000	-	2,575,000	6,175,000	5,285,000	5,875,000

FUND BALANCE % TOTAL EXPENDITURES

ANALYSIS OF FUND BALANCE

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



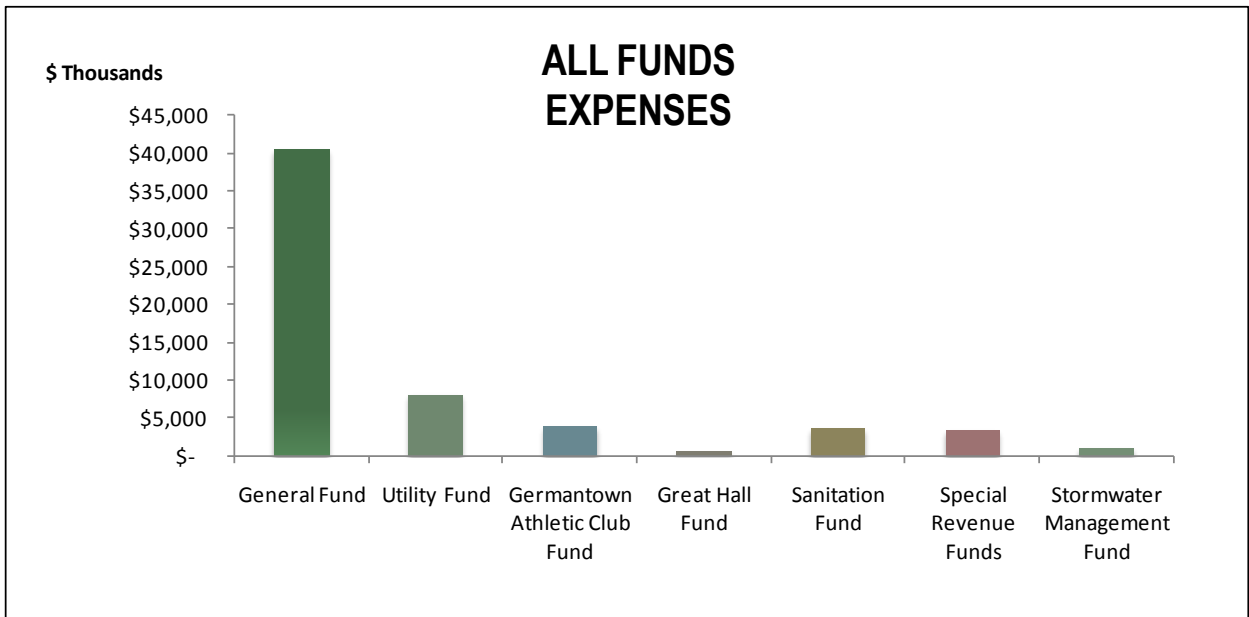
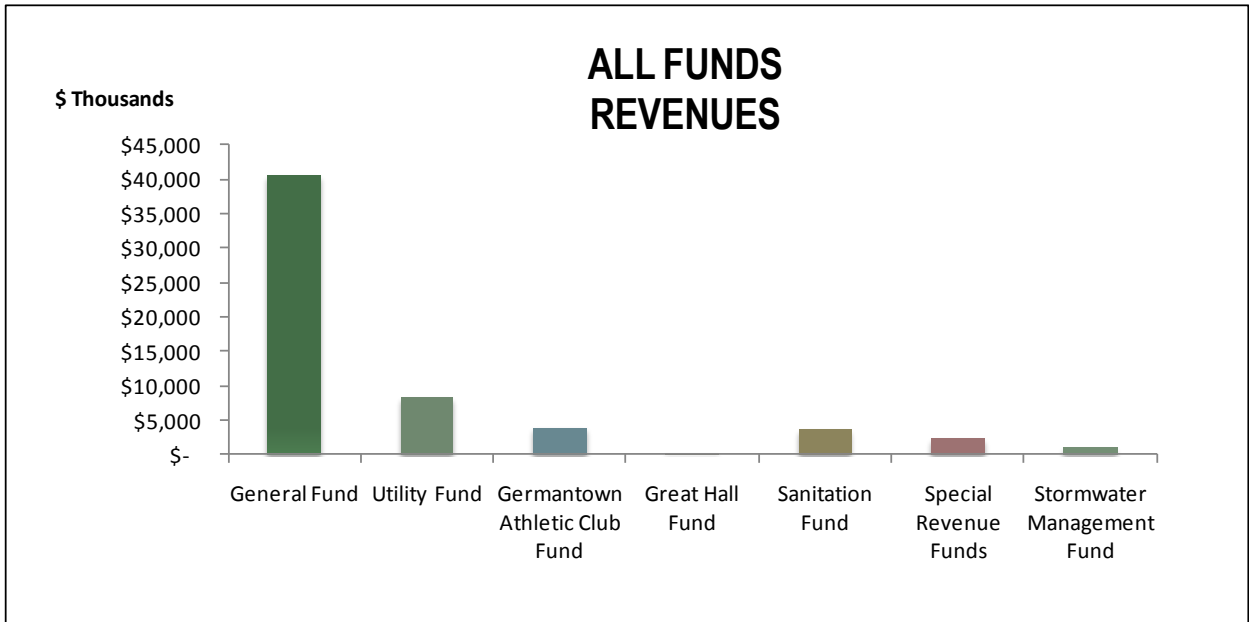
	Actual FY11	Estimated FY12	Budget FY13	Projected			
				FY14	FY15	FY16	FY17
Nonspendable	\$ 1,192,317	1,073,254	948,254	823,254	698,254	573,254	448,254
Restricted	-	-	-	-	-	-	-
Committed Emergencies & Catastrophe	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Committed Capital Asset Repl. Infrastru	828,000	1,250,000	1,027,000	823,000	696,000	737,000	519,000
Committed Tax Anticipation	7,328,090	7,685,123	7,698,802	7,715,880	7,730,157	7,737,658	7,884,760
Committed General Debt	3,921,149	3,375,748	3,673,332	3,266,593	3,331,033	3,785,158	3,399,657
Committed Contingencies	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Assigned	2,583,000	2,008,000	2,086,505	(2,399,495)	(11,108,596)	(19,875,995)	(29,599,489)
Unassigned	3,024,191	430,970	0	0	0	0	0
Total Fund Balance	19,826,747	16,773,095	16,383,893	11,179,233	2,296,848	(6,092,925)	(16,397,818)
Operating Expenditures	\$ 38,114,332	39,549,135	40,455,599	42,987,409	43,433,625	44,169,964	45,826,524
Fund Balance as % of Expenditures	52%	42%	40%	26%	5%	-14%	-36%

A property tax increase will be proposed in our projected years FY14-FY17.



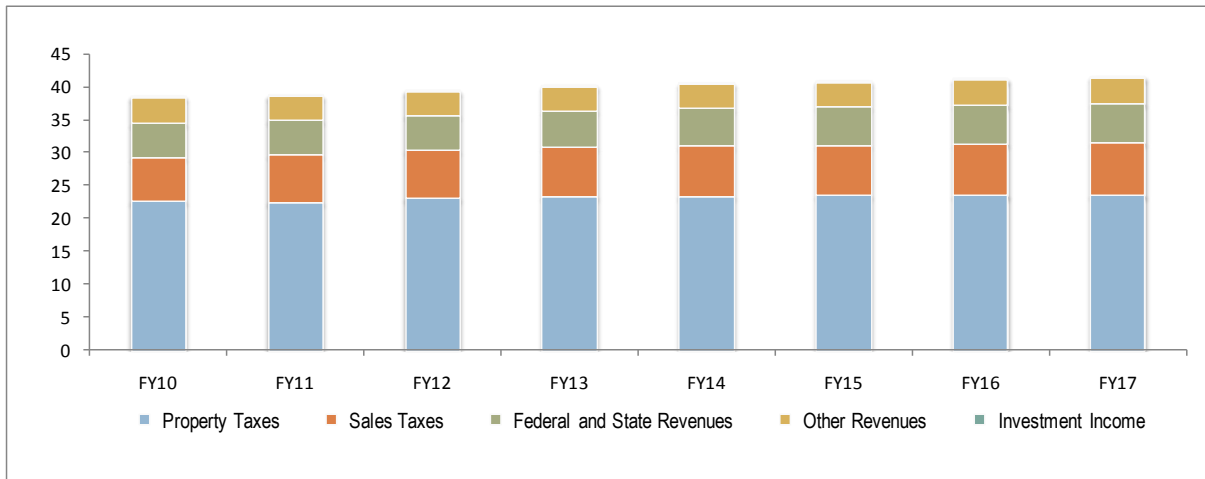
The two charts below illustrate revenues and expenses for all major funds. The section following these charts consist of budget projection summaries of revenues and expenditures by major categories, along with fund balances as of June 30, for the fiscal years 2010–2017. The graphs illustrate 8 years 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 and Pension, OPEB, and Health Funds.

Following the budget projection summaries is a description of personnel costs with a comparison of staffing levels between FY12 and FY13.



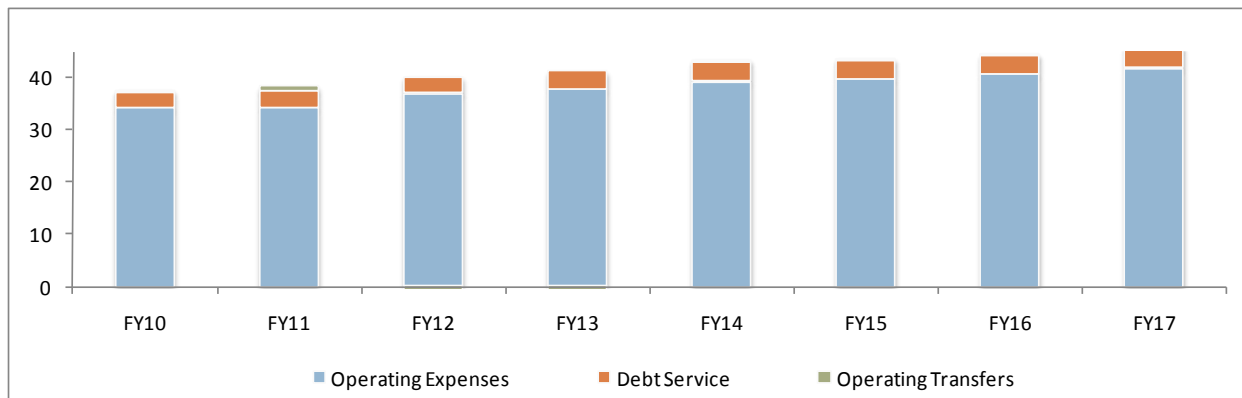
GENERAL FUND REVENUES

\$ Millions



GENERAL FUND EXPENDITURES

\$ Millions



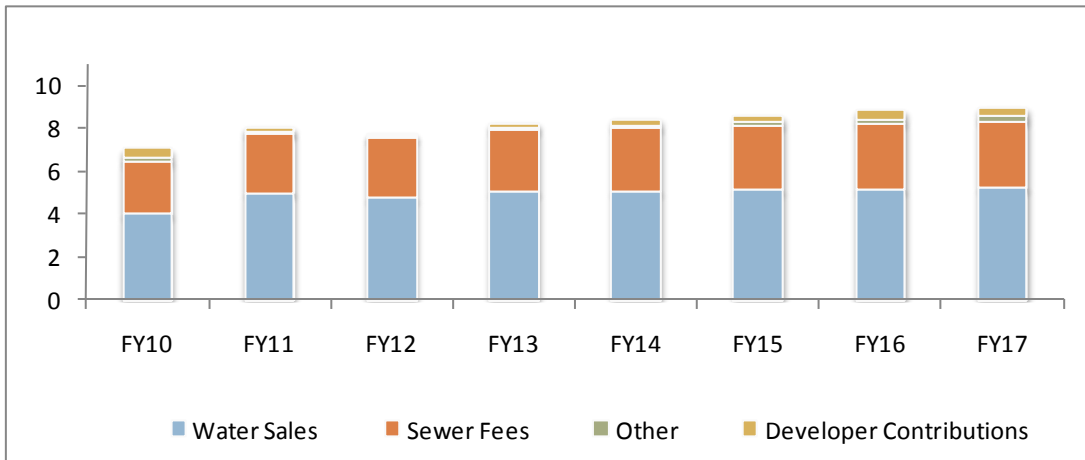
GENERAL FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
GENERAL REVENUES:									
Auto Registration	\$ 527	538	551	551	583	918	936	955	974
Court Fines	679	417	665	560	580	1,185	1,208	1,232	1,257
Franchise Fees	-	0	-	-	-	586	604	622	640
Grants	11	19	15	15	16	250	250	250	250
Interest	55	53	52	52	52	60	78	98	125
Licenses	1,049	1,044	1,047	1,048	1,055	171	172	176	179
Other Income	1,864	1,770	1,398	1,492	1,534	845	855	860	865
Property Taxes	22,385	22,210	22,892	22,780	23,088	23,330	23,381	23,425	23,447
Sales Taxes	6,845	7,358	7,368	7,494	7,634	7,571	7,713	7,857	8,005
State Taxes	5,131	5,197	4,974	5,311	5,524	5,442	5,528	5,590	5,653
Fund From Prior	-	-	450	450	450	450	450	450	450
REVENUE TOTAL	38,547	38,606	39,412	39,753	40,516	40,808	41,176	41,515	41,847
EXPENDITURE BY CATEGORY:									
Personnel	25,284	25,115	24,775	26,386	26,937	28,110	28,893	29,693	30,569
Communication	232	280	335	312	422	422	426	431	435
Prof. Fees	2,171	2,763	2,598	2,713	2,471	2,817	2,740	2,805	2,861
Other Maint.	1,647	1,536	1,872	1,979	2,072	2,101	2,131	2,172	2,207
Supplies	1,077	1,299	1,355	1,492	1,493	1,482	1,511	1,544	1,577
Insurance	40	95	87	79	82	82	82	82	82
Rent	56	60	111	95	120	119	119	119	119
Allocations	1,148	1,252	1,251	1,238	1,323	1,357	1,394	1,439	1,482
Capital Outlay	794	369	1,103	1,100	1,250	1,120	828	701	742
Road & Mains	-	-	-	-	-	-	-	-	-
Contingency	4	-	50	-	50	50	50	50	50
Grants	816	439	447	521	480	574	588	603	618
Debt Service	2,952	3,017	3,921	3,064	3,376	3,673	3,267	3,331	3,785
Operating Transfers	1,461	1,928	900	500	325	1,160	1,485	1,285	1,385
Sanitation	-	-	-	-	-	-	-	-	-
Expense Reimburs.	(1,274)	(1,072)	(953)	(967)	(1,017)	(1,037)	(1,057)	(1,079)	(1,101)
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	833	1,033	1,027	1,036	1,073	958	976	995	1,015
EXPENDITURE TOTAL	37,241	38,114	38,878	39,549	40,456	42,987	43,434	44,170	45,827
Excess (Deficit)	1,306	492	534	204	61	(2,180)	(2,257)	(2,655)	(3,980)
FUND BALANCE									
Beginning	24,067	22,409	20,238	19,377	16,323	15,934	10,729	1,847	(6,543)
Transf. to CIP	(2,964)	(3,075)	(1,683)	(2,100)	-	(2,300)	(2,360)	(2,360)	(2,360)
Transf. to Infrs.	-	-	-	-	-	-	-	-	-
CIP Res Inc (Dec)	-	-	(2,025)	(708)	-	(275)	(3,815)	(2,925)	(3,515)
Prior Period Adjustment	-	-	-	-	-	-	-	-	-
Ending	\$ 22,409	19,826	17,064	16,773	16,384	11,179	2,297	(6,093)	(16,398)

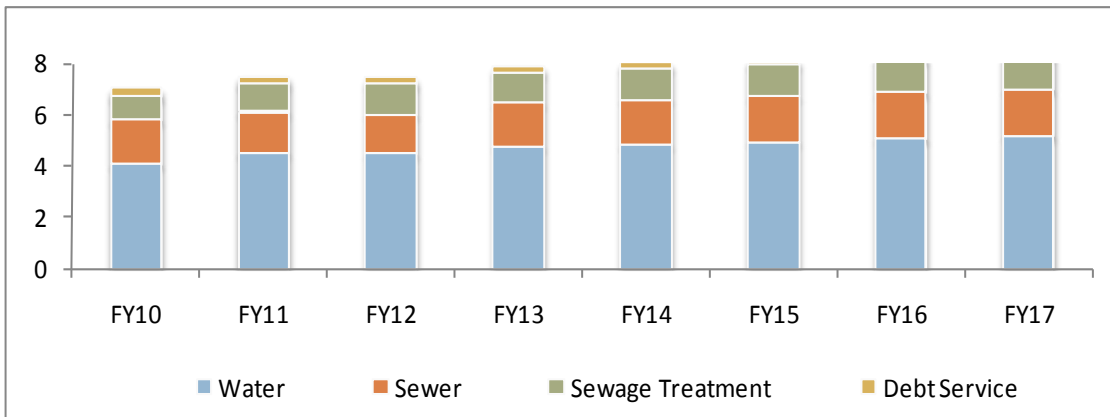
UTILITY REVENUES

\$ Millions



UTILITY EXPENDITURES

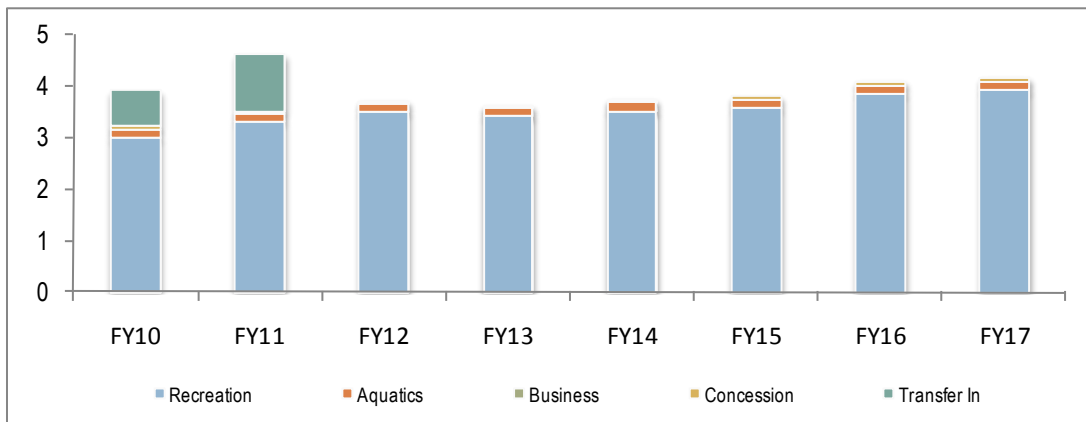
\$ Millions



(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Allocations	\$ 51	19	-	-	-	-	-	-	-
Installation Charges	102	90	95	82	90	90	115	130	135
Interest	51	28	65	15	25	29	35	42	51
Contrib. Developers	417	172	320	40	200	300	300	400	400
Other Income	16	14	15	13	15	15	20	25	25
Sewer Fees	2,444	2,745	2,700	2,800	2,900	2,950	3,009	3,069	3,131
Water Sales	4,033	5,029	4,670	4,775	5,070	5,095	5,145	5,206	5,257
TOTAL REVENUES	7,114	8,096	7,865	7,725	8,300	8,479	8,624	8,872	8,999
EXPENSES BY CATEGORY:									
Allocations	1,378	1,174	1,091	1,099	1,159	1,202	1,201	1,251	1,275
Communication	57	66	64	68	85	88	90	92	94
Debt Service	319	291	264	264	234	201	166	128	88
Depreciation	1,489	1,650	1,662	1,640	1,765	1,809	1,814	1,822	1,828
Other Maintenance	50	131	85	84	90	96	98	101	103
Personnel	1,587	1,607	1,548	1,642	1,684	1,735	1,800	1,868	1,940
Professional Fees	77	82	105	80	91	61	61	61	61
Rents	-	0	1	1	1	1	1	1	1
Insurance	(2)	7	15	3	10	10	10	10	10
Mains Maintenance	68	111	146	126	165	169	174	178	182
Contract Services	928	1,098	1,200	1,166	1,200	1,236	1,272	1,308	1,344
Supplies	144	156	181	185	242	248	254	260	266
Utilities	574	747	704	709	755	770	786	802	818
PILIOT	354	366	369	376	398	402	402	402	402
TOTAL EXPENSES	7,023	7,487	7,436	7,443	7,879	8,027	8,128	8,283	8,412
NET INCOME (LOSS)	91	610	429	282	422	453	497	589	587
RETAINED EARNINGS:									
Beginning	27,688	27,779	28,569	28,388	28,670	29,092	29,545	30,041	30,630
Ending	\$ 27,779	28,388	28,998	28,670	29,092	29,545	30,041	30,630	31,217
Capital Outlay	\$ 2,578	833	2,007	4,262	1,878	2,200	280	380	400

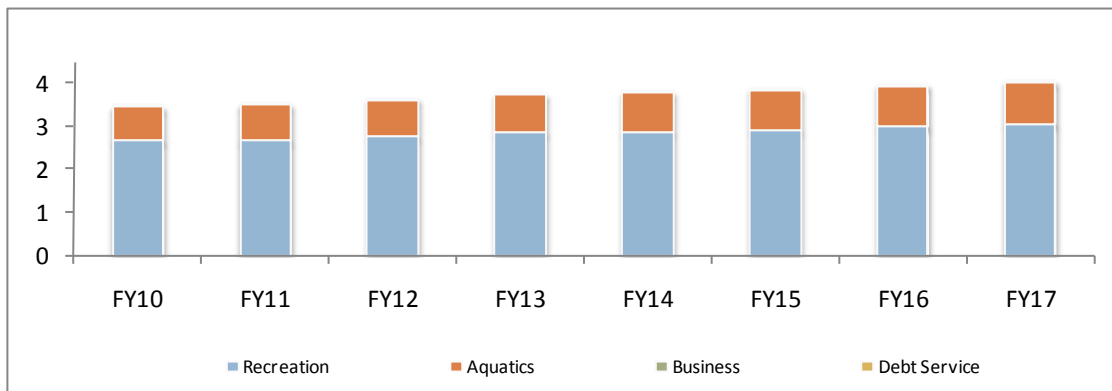
GERMANTOWN ATHLETIC CLUB REVENUES

\$ Millions



GERMANTOWN ATHLETIC CLUB EXPENDITURES

\$ Millions



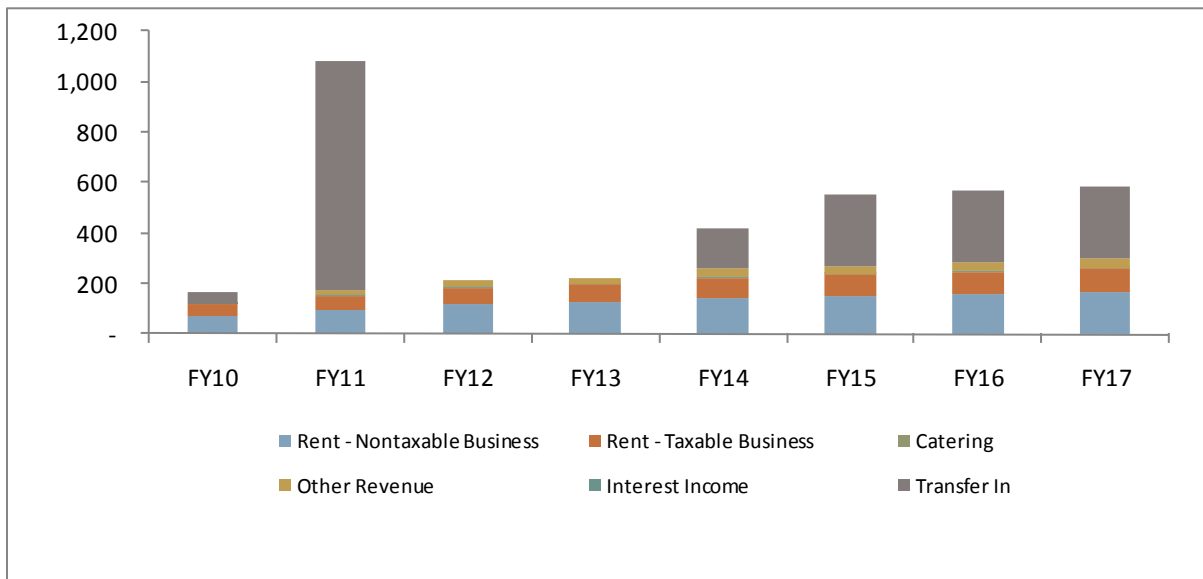
GERMANTOWN ATHLETIC CLUB FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Centre Revenue	\$ 3,003	3,331	3,510	3,432	3,524	3,583	3,799	3,857	3,918
Aquatics Revenue	159	140	151	150	162	164	167	169	171
Business Revenue	-	-	-	-	-	-	-	-	-
Concession Revenue	60	53	60	46	60	63	66	69	73
Transfer In	700	1,110	-	-	-	-	-	-	-
TOTAL REVENUE	3,922	4,634	3,721	3,628	3,746	3,811	4,032	4,096	4,162
EXPENSES:									
Allocations	198	185	161	161	169	169	170	170	171
Communication	1	1	3	10	10	10	10	10	10
Debt Service	39	38	34	34	31	27	23	19	16
Other Maint.	163	124	208	137	139	139	140	142	143
Personnel	1,341	1,358	1,467	1,466	1,439	1,450	1,490	1,536	1,582
Professional Fees	554	609	682	538	594	618	619	633	647
Rents	132	132	179	182	182	182	184	186	188
Insurance	22	-	-	-	-	-	-	-	-
Supplies	157	163	237	179	195	195	198	200	203
Depreciation	562	573	688	576	629	629	629	629	629
Utilities	305	339	356	357	357	364	367	373	380
TOTAL EXPENSES	3,474	3,524	4,014	3,639	3,745	3,784	3,831	3,899	3,969
EXCESS (DEFICIT)	449	1,111	(293)	(12)	1	27	201	197	193
RETAINED EARNINGS:									
Beginning	1,315	1,764	2,602	2,875	2,863	2,864	2,891	3,092	3,290
Ending	<u>\$ 1,764</u>	<u>2,875</u>	<u>2,309</u>	<u>2,863</u>	<u>2,864</u>	<u>2,891</u>	<u>3,092</u>	<u>3,290</u>	<u>3,482</u>
Capital Outlay	\$ 780	488	-	260	140	-	-	-	-

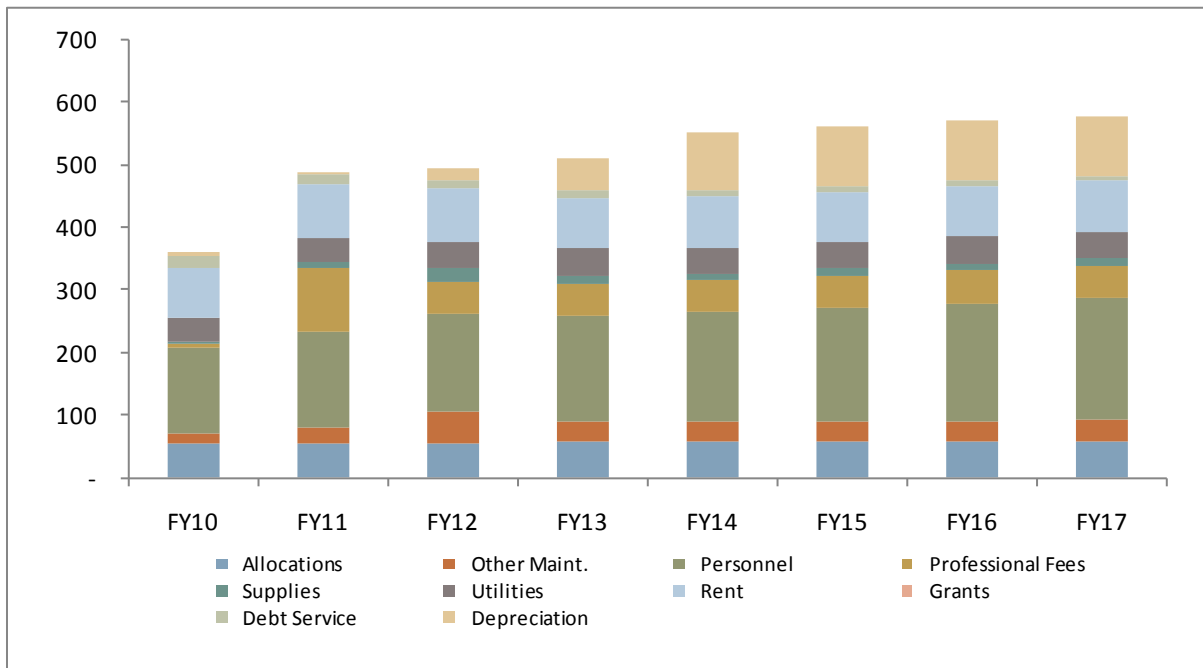
GREAT HALL REVENUES

\$ Thousands



GREAT HALL EXPENDITURES

\$ Thousands



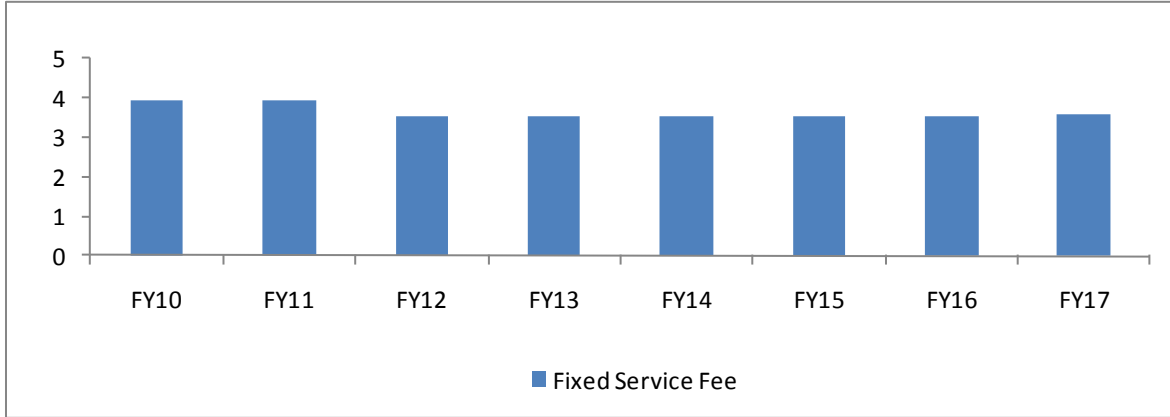
GREAT HALL FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Business Revenue	\$ 115	170	162	214	224	258	271	284	298
Transfer In	49	915	-	-	-	160	285	285	285
TOTAL REVENUE	164	1,085	162	214	224	418	556	569	583
EXPENSES:									
Allocations	54	55	54	54	56	56	56	56	56
Communication	0	1	1	1	1	1	1	1	1
Debt Service	21	16	13	13	12	10	9	7	6
Other Maint.	16	26	35	51	32	33	34	34	35
Personnel	138	151	148	155	170	174	181	188	195
Professional Fees	5	102	53	52	51	51	51	52	52
Rents	79	84	84	87	82	82	82	82	82
Supplies	5	10	19	22	14	11	11	11	11
Depreciation	6	4	46	18	52	92	96	96	96
Utilities	36	40	39	42	42	41	42	43	44
TOTAL EXPENSES	360	489	494	494	511	552	563	571	578
EXCESS (DEFICIT)	(196)	596	(332)	(281)	(287)	(134)	(7)	(2)	5
RETAINED EARNINGS:									
Beginning	300	104	683	700	419	132	(2)	(10)	(11)
Ending	\$ 104	700	351	419	132	(2)	(10)	(11)	(6)
Capital Outlay	\$ -	263	10	143	63	110	60	-	-

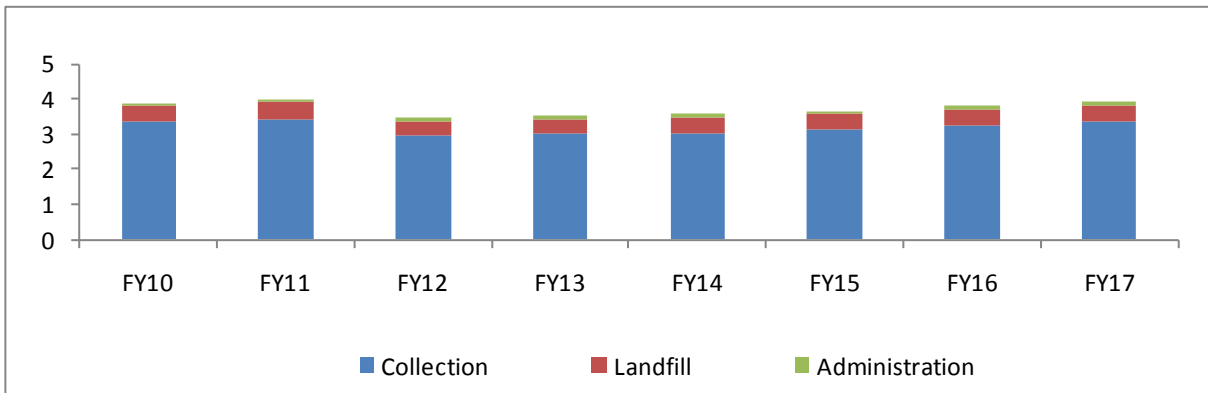
SANITATION REVENUES

\$ MILLIONS



SANITATION EXPENDITURES

\$ MILLIONS



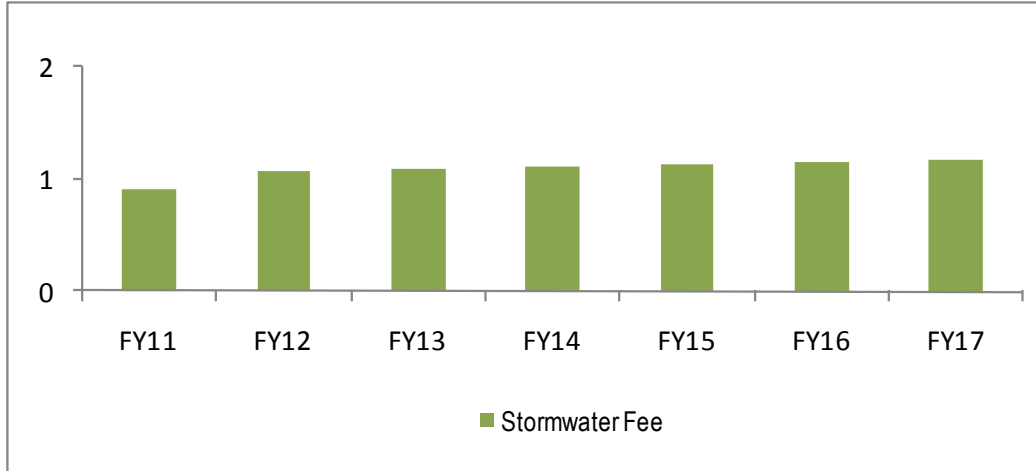
SANITATION FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Fixed Service Fee	\$ 3,865	3,817	3,583	3,434	3,395	3,408	3,421	3,434	3,449
Other Revenues	65	130	65	109	126	124	124	125	126
Transfer In	21	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,952	3,947	3,648	3,543	3,522	3,532	3,546	3,559	3,575
EXPENSES BY CATEGORY:									
Communication	3	9	4	7	15	6	10	6	7
Other Maintenance	-	-	-	-	-	-	-	-	-
Personnel	43	41	41	47	51	49	51	53	56
Prof. Fees	2	15	-	1	-	-	-	20	-
Supplies	23	26	32	25	29	35	35	35	35
Depreciation	-	-	-	-	-	-	-	-	-
Contract Services	3,814	3,904	3,543	3,360	3,417	3,463	3,567	3,692	3,831
Utilities	1	2	1	1	1	1	1	1	2
TOTAL EXPENSES	3,886	3,997	3,622	3,442	3,513	3,553	3,664	3,808	3,930
EXCESS (DEFICIT)	66	(51)	26	100	9	(21)	(119)	(249)	(355)
RETAINED EARNINGS:									
Beginning	316	382	404	331	431	439	418	299	51
Ending	<u>\$ 382</u>	<u>331</u>	<u>430</u>	<u>431</u>	<u>439</u>	<u>418</u>	<u>299</u>	<u>51</u>	<u>(304)</u>
Capital Outlay	\$ -	-	-	-	-	-	-	-	-

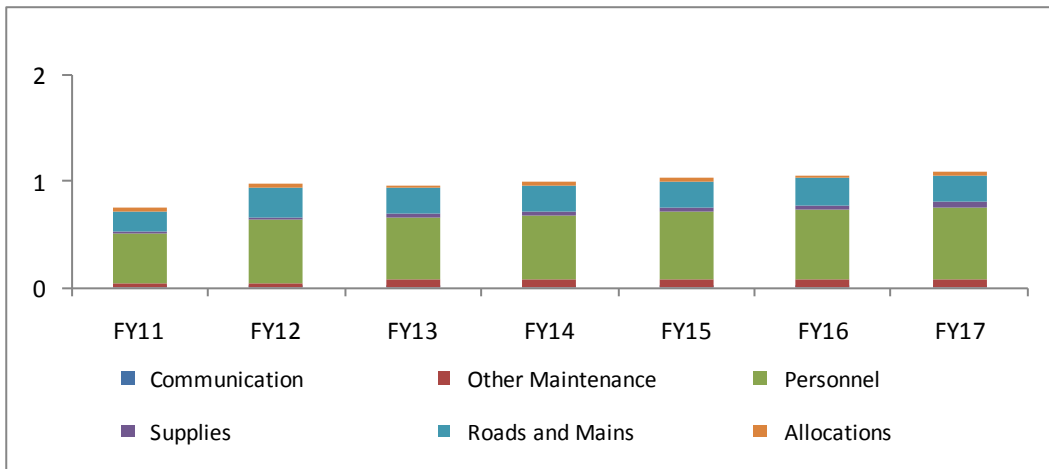
STORMWATER MANAGEMENT REVENUES

\$ MILLIONS



STORMWATER MANAGEMENT EXPENSES

\$ MILLIONS



STORMWATER MANAGEMENT FUND

BUDGET PROJECTION SUMMARY

(\$000)	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Stormwater Management Fee	\$ -	904	1,150	1,064	1,085	1,107	1,129	1,151	1,174
Other Revenues	0	-	2	4	4	4	4	4	4
Transfer In	8	-	-	-	-	-	-	-	-
TOTAL REVENUES	8	904	1,152	1,068	1,089	1,111	1,133	1,155	1,178
EXPENSES BY CATEGORY:									
Communication	-	1	5	2	6	6	6	6	6
Other Maintenance	-	37	75	38	65	67	68	70	72
Personnel	-	480	596	593	593	612	635	658	683
Prof. Fees	8	14	20	10	40	40	40	40	40
Supplies	-	14	39	31	41	42	43	43	44
Roads and Mains	-	188	235	283	235	241	247	253	259
Depreciation	-	-	-	-	3	12	12	12	9
Allocations	-	31	25	28	30	30	31	33	34
TOTAL EXPENSES	8	764	995	986	1,012	1,049	1,081	1,116	1,148
EXCESS (DEFICIT)	(0)	140	156	82	77	62	51	40	30
RETAINED EARNINGS:									
Beginning	-	(0)	(4)	140	223	300	361	413	452
Ending	\$ (0)	140	152	223	300	361	413	452	483
Capital Outlay	\$ -	-	-	-	60	-	-	-	-

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

STATE STREET AID

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
State Street Aid	\$ 1,088	1,108	1,042	1,035	1,100	1,122	1,144	1,167	1,190
Other Revenue	156	-	-	-	-	-	-	-	-
Interest	17	(1)	8	4	7	8	9	11	14
Transfer In-Gen. Fund	600	1,100	900	500	325	1,000	1,200	1,000	1,100
TOTAL REVENUES	1,862	2,207	1,950	1,539	1,432	2,130	2,354	2,178	2,304
EXPENSES BY CATEGORY:									
Other Maintenance	-	-	200	100	300	300	300	300	300
Electricity & Gas	768	811	824	800	824	847	864	881	898
Str. Contract Maint	677	274	1,033	1,000	1,100	750	750	750	750
City Str. Maint	323	306	350	600	400	385	385	385	385
TOTAL EXPENSES	1,768	1,391	2,407	2,500	2,624	2,282	2,299	2,316	2,333
EXCESS (DEFICIT)	93	816	(457)	(961)	(1,192)	(153)	55	(138)	(29)
FUND BALANCE:									
Beginning of Year	1,511	1,604	1,584	2,420	1,459	267	114	169	31
Ending	<u>1,604</u>	<u>2,420</u>	<u>1,127</u>	<u>1,459</u>	<u>267</u>	<u>114</u>	<u>169</u>	<u>31</u>	<u>2</u>

(\$000)

AUTOMATED ENFORCEMENT

	Actual	Actual	Budget	Estimated	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Red Lights	296	380	375	375	375	375	385	396	407
Transfer In-Gen. Fund	113	3	-	-	-	-	-	-	-
TOTAL REVENUES	409	383	375	375	375	375	385	396	407
EXPENSES BY CATEGORY:									
Personnel	315	129	123	143	130	133	137	142	148
Materials & Supplies	3	8	8	8	8	8	8	8	8
Rent	256	176	197	197	197	197	197	197	197
Other - Grants	19	20	23	23	23	23	23	23	23
Capital Outlay	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	594	333	350	371	358	360	365	370	375
EXCESS (DEFICIT)	(185)	50	25	4	17	15	20	26	32
FUND BALANCE:									
Beginning of Year	162	(23)	91	27	31	48	63	83	109
Ending	<u>(23)</u>	<u>27</u>	<u>116</u>	<u>31</u>	<u>48</u>	<u>63</u>	<u>83</u>	<u>109</u>	<u>141</u>

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

DRUG ASSET FORFEITURE FUND

	Actual FY10	Actual FY11	Budget FY12	Estimated FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Drug Enforcement	\$ 131	200	350	350	350	350	350	350	350
Interest	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	131	200	350	350	350	350	350	350	350
EXPENSES BY CATEGORY:									
Personnel	47	59	81	65	81	81	81	81	81
Communications	-	-	1	1	1	1	1	1	1
Professional Fees	7	3	24	24	24	24	24	24	24
Other Maintenance	-	-	5	5	5	5	5	5	5
Supplies	96	98	132	135	133	108	108	108	108
Utilities	1	1	1	2	2	2	2	2	2
Rents	-	-	1	-	1	1	1	1	1
Capital Outlay	43	38	-	76	-	-	-	-	-
TOTAL EXPENSES	194	199	245	308	247	222	222	222	222
EXCESS (DEFICIT)	(63)	1	105	42	103	128	128	128	128
FUND BALANCE:									
Beginning	150	87	162	88	130	233	362	491	619
Ending	87	88	267	130	233	362	491	619	749

(\$000)

PICKERING COMPLEX FUND

	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Classes	\$ 26	26	27	27	27	27	27	27	27
Special Events	6	8	7	7	7	7	7	7	7
Rental	35	29	32	30	48	35	35	35	35
Transfer In-Gen. Fund	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	67	63	66	64	82	69	69	69	69
EXPENSES BY CATEGORY:									
Allocations	2	2	3	3	3	3	3	3	3
Utilities	8	8	10	8	10	10	10	10	10
Capital Outlay	-	-	78	102	50	10	-	-	-
Professional Fees	20	18	23	21	23	23	23	23	23
Supplies	20	1	5	5	5	5	5	5	5
Other Maintenance	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	51	30	118	138	90	50	41	41	41
EXCESS (DEFICIT)	17	32	(53)	(75)	(8)	19	28	28	27
FUND BALANCE:									
Beginning	144	161	187	193	118	110	129	157	185
Ending	161	193	134	118	110	129	157	185	212

SPECIAL REVENUE FUNDS

BUDGET PROJECTION SUMMARY

(\$000)

RECREATION FUND

	Actual FY10	Actual FY11	Budget FY12	Estimate FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Basketball Fees	\$ 30	28	31	30	32	32	32	32	32
Softball Fees	37	38	37	38	40	40	40	40	40
Kickball Fees	4	2	3	2	2	2	2	2	2
Sports Camps	46	47	50	43	50	50	50	50	50
Tennis Classes	40	78	18	15	16	16	16	16	16
Basketball Sponsors	2	1	2	2	2	2	2	2	2
Soccer Fees	83	71	61	-	-	-	-	-	-
Baseball Fees	10	9	16	13	11	11	11	11	11
Croquet	1	1	1	1	1	1	1	1	1
Cheerleading	63	32	31	30	37	37	37	37	37
Competitive Soccer	29	39	91	-	-	-	-	-	-
Youth Softball	23	-	-	-	-	-	-	-	-
Community Education	29	22	28	28	30	30	30	30	30
TOTAL REVENUES	398	368	369	201	221	221	221	221	221
EXPENSES BY CATEGORY:									
Personnel	-	19	20	-	-	-	-	-	-
Allocations	16	15	14	15	12	11	13	13	14
Professional Fees	185	229	198	120	131	131	131	131	131
Supplies	63	75	107	45	55	38	38	38	38
Capital Outlay	181	49	131	111	95	372	-	-	-
Rents	1	1	4	3	4	4	4	4	4
TOTAL EXPENSES	444	386	475	295	297	556	186	186	187
EXCESS (DEFICIT)	(46)	(18)	(106)	(94)	(76)	(336)	35	34	33
FUND BALANCE:									
Beginning	308	262	227	244	149	74	(262)	(227)	(193)
Ending	262	244	121	149	74	(262)	(227)	(193)	(160)

(\$000)

FEDERAL ASSET FORFEITURE FUND

	Actual FY10	Actual FY11	Budget FY12	Estimated FY12	Budget FY13	Projected			
						FY14	FY15	FY16	FY17
REVENUES:									
Forfeiture Revenue	\$ -	3	100	100	100	100	100	100	100
TOTAL REVENUES	-	3	100	100	100	100	100	100	100
EXPENSES BY CATEGORY:									
Personnel	-	-	25	25	25	25	25	25	25
Supplies	-	-	75	75	75	75	75	75	75
TOTAL EXPENSES	-	-	100	100	100	100	100	100	100
EXCESS (DEFICIT)	-	3	-	-	-	-	-	-	-
FUND BALANCE:									
Beginning	-	-	-	3	3	3	3	3	3
Ending	\$ -	3	-	3	3	3	3	3	3

(\$000)

FLEET SERVICES FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Transfers In	\$ 903	981	932	964	994	1,027	1,065	1,110	1,152
TOTAL REVENUES	903	981	932	964	994	1,027	1,065	1,110	1,152
EXPENSES BY CATEGORY:									
Allocations	9	10	10	11	12	11	12	12	13
Depreciation	32	32	39	31	31	35	40	50	55
Other Maintenance	187	283	195	208	210	215	221	226	232
Personnel	640	629	656	683	702	723	752	780	809
Communication	-	0	2	2	2	2	2	2	2
Rents	1	2	2	2	2	2	2	2	2
Supplies	14	15	18	19	26	27	27	28	28
Utilities	9	9	9	9	9	9	10	10	10
Vehicle Maint	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	893	981	932	964	994	1,027	1,065	1,110	1,152
EXCESS (DEFICIT)	10	-	-	-	-	-	-	-	-
RETAINED EARNINGS:									
Beginning	25	35	26	35	35	35	35	35	35
Ending	35	35	26	35	35	35	35	35	35
Capital Outlay	\$ -	-	68	68	90	105	-	80	30

(\$000)

ALLOCATED EXPENSES

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Transfers In	\$ 628	675	712	678	752	820	850	880	912
TOTAL REVENUES	628	675	712	678	752	820	850	880	912
EXPENSES BY CATEGORY:									
Insurance	628	675	712	678	752	820	850	880	912
TOTAL EXPENSES	628	675	712	678	752	820	850	880	912
EXCESS (DEFICIT)	-	-	-	-	-	-	-	-	-
RETAINED EARNINGS:									
Beginning	-	-	-	-	-	-	-	-	-
Ending	\$ -	-	-	-	-	-	-	-	-

PENSION AND HEALTH FUND

BUDGET PROJECTION SUMMARY

(\$000)

PENSION FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
PENSION REVENUES:									
Contributions	\$ 2,992	3,008	3,012	2,972	2,795	3,042	3,042	3,042	3,042
Fair Value Appreciation (Depreciation)	3,517	5,168	2,735	1,650	1,350	1,189	2,532	2,686	2,839
Realized Gain (Loss)	109	885	250	750	800	-	-	-	-
Interest	935	1,294	1,225	1,365	1,415	393	422	448	473
TOTAL REVENUES	7,554	10,355	7,222	6,737	6,360	4,624	5,996	6,176	6,354
PENSION EXPENSES:									
Trustee Fees	219	234	229	225	237	230	230	230	230
Benefits	1,742	1,957	2,100	2,260	2,350	1,655	1,738	1,738	1,825
TOTAL EXPENSES	1,961	2,191	2,329	2,485	2,587	1,885	1,968	1,968	2,055
EXCESS (DEFICIT)	5,593	8,165	4,894	4,252	3,773	2,739	4,028	4,208	4,299
FUND BALANCE:									
Beginning	33,770	39,363	48,043	47,528	51,780	55,552	58,291	62,319	66,527
Ending	\$ 39,363	47,528	52,937	51,780	55,552	58,291	62,319	66,527	70,826

(\$000)

HEALTH INSURANCE FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
REVENUES:									
Contributions	\$ 3,906	4,945	4,034	4,584	5,501	5,969	7,120	7,866	8,693
Transfer In	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,906	4,945	4,034	4,584	5,501	5,969	7,120	7,866	8,693
HEALTH PLAN EXPENSES:									
Health Claims	3,934	5,345	3,819	5,171	5,286	5,692	6,162	6,725	7,350
Dental Claims	189	214	215	200	215	225	236	247	260
TOTAL EXPENSES	4,123	5,559	4,034	5,371	5,501	5,917	6,399	6,973	7,610
EXCESS (DEFICIT)	(216)	(614)	-	(787)	-	52	722	893	1,083
RETAINED EARNINGS:									
Beginning	1,329	1,113	338	499	(287)	(287)	(235)	487	1,380
Ending	\$ 1,113	499	338	(287)	(287)	(235)	487	1,380	2,464

(\$000)

OPEB FUND

	Actual	Actual	Budget	Estimate	Budget	Projected			
	FY10	FY11	FY12	FY12	FY13	FY14	FY15	FY16	FY17
OPEB REVENUES:									
Contributions	\$ 1,043	1,077	1,035	1,036	1,379	1,639	1,704	1,772	1,414
Fair Value Appreciation	155	277	200	200	285	296	308	321	333
Gain (Loss)	3	33	-	(54)	35	36	38	39	41
Interest	34	74	10	50	76	79	82	85	89
TOTAL REVENUES	1,236	1,461	1,245	1,233	1,775	2,050	2,132	2,218	1,877
OPEB EXPENSES:									
Trustee Fees	3	13	4	6	14	14	15	15	16
Benefits	793	422	736	581	489	509	511	551	573
Stop Loss	(210)	-	(50)	(50)	-	-	-	-	-
TOTAL EXPENSES	587	436	689	537	503	523	525	566	588
EXCESS (DEFICIT)	649	1,025	556	696	1,272	1,527	1,607	1,652	1,288
FUND BALANCE:									
Beginning	1,425	2,074	2,576	3,099	3,795	5,067	6,594	8,202	9,853
Ending	\$ 2,074	3,099	3,132	3,795	5,067	6,594	8,202	9,853	11,142

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 FY13 Budget. The total personnel budget increased over FY12 by \$277,808.

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:

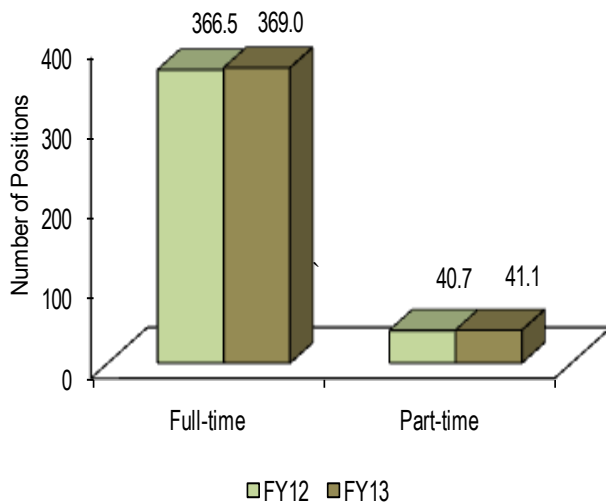
Fringe Benefits include the City’s cost for FICA, medical, dental, life, long-term disability, retirement, OPEB, and Workers’ Compensation insurance. FICA, set by the federal law, is 7.65% of salary. Increases in the City’s health benefit costs necessitated a rate adjustment in the FY12 Budget. The new per-employee annual contribution is \$11,300 for both health and dental.

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

The City also provides life insurance of three times salary at a cost of 17¢ per month per \$1,000 of coverage. The City pays 47¢ per month per \$100 of salary for long-term disability benefits, which have remained the same for several years. Workers’ Compensation is through the TML Risk Management Pool and varies by department based on the Pool’s assessment of potential risks.

Other Personnel:

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



The number of full-time and part-time positions in the FY13 Budget shows change over the current fiscal year. The chart on the following page identifies the position changes; all associated with productivity improvement initiatives.

COMPARISON OF STAFFING

BUDGET PROJECTION SUMMARY

	FY11 Actual		FY12 Actual		FY13 Budget		INC/ (DECR)	Incr/ (Decr) 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	0.3	7.0	0.3	0.0	
Administration*	5.0	1.0	4.0	1.0	6.0	0.5	1.5	\$ 118,000
Human Resources	6.0	0.0	6.0	0.0	6.0	0.0	0.0	
Information Technology*	4.0	0.0	4.5	0.0	5.0	0.0	0.5	\$ 57,000
Finance	15.0	0.5	15.0	1.0	15.0	1.0	0.0	
Economic and Community Development	20.5	0.0	21.0	0.0	21.0	0.0	0.0	
Facilities Services*	15.0	0.0	13.0	0.0	10.0	0.0	-3.0	\$ (122,600)
GPAC	7.0	4.5	9.0	4.5	9.0	4.5	0.0	
Research & Budget	2.0	0.0	2.0	0.0	2.0	0.0	0.0	
PUBLIC SAFETY								
Police*	109.0	1.3	110.0	1.3	112.0	1.3	2.0	\$ 70,000
Fire*	69.0	1.0	69.0	1.0	70.0	1.0	1.0	\$ 36,000
TRANSP. & ENVIRONMENT								
Public Services	38.4	0.0	38.5	1.0	38.5	1.0	0.0	
Fleet Services	10.0	0.0	10.0	0.0	10.0	0.0	0.0	
Animal Control	4.0	0.0	4.0	0.0	4.0	0.0	0.0	
COMMUNITY SERVICES								
Parks & Recreation	7.4	4.1	6.5	4.1	6.5	4.1	0.0	
The Farm*	0.0	0.0	0.0	0.1	0.0	1.0	0.9	\$ 60,300
GERMANTOWN ATHLETIC CLUB								
Recreation	10.0	11.9	10.0	11.9	10.0	11.9	0.0	
Aquatics	2.0	13.5	2.0	13.5	2.0	13.5	0.0	
GREAT HALL								
	2.0	1.0	2.0	1.0	2.0	1.0	0.0	
UTILITIES								
Water	19.0	0.0	20.0	0.0	20.0	0.0	0.0	
Sewer	6.0	0.0	6.0	0.0	6.0	0.0	0.0	
STORMWATER								
	7.3	0.0	7.0	0.0	7.0	0.0	0.0	
TOTAL	365.6	38.8	366.5	40.7	369.0	41.1	2.9	\$ 218,700

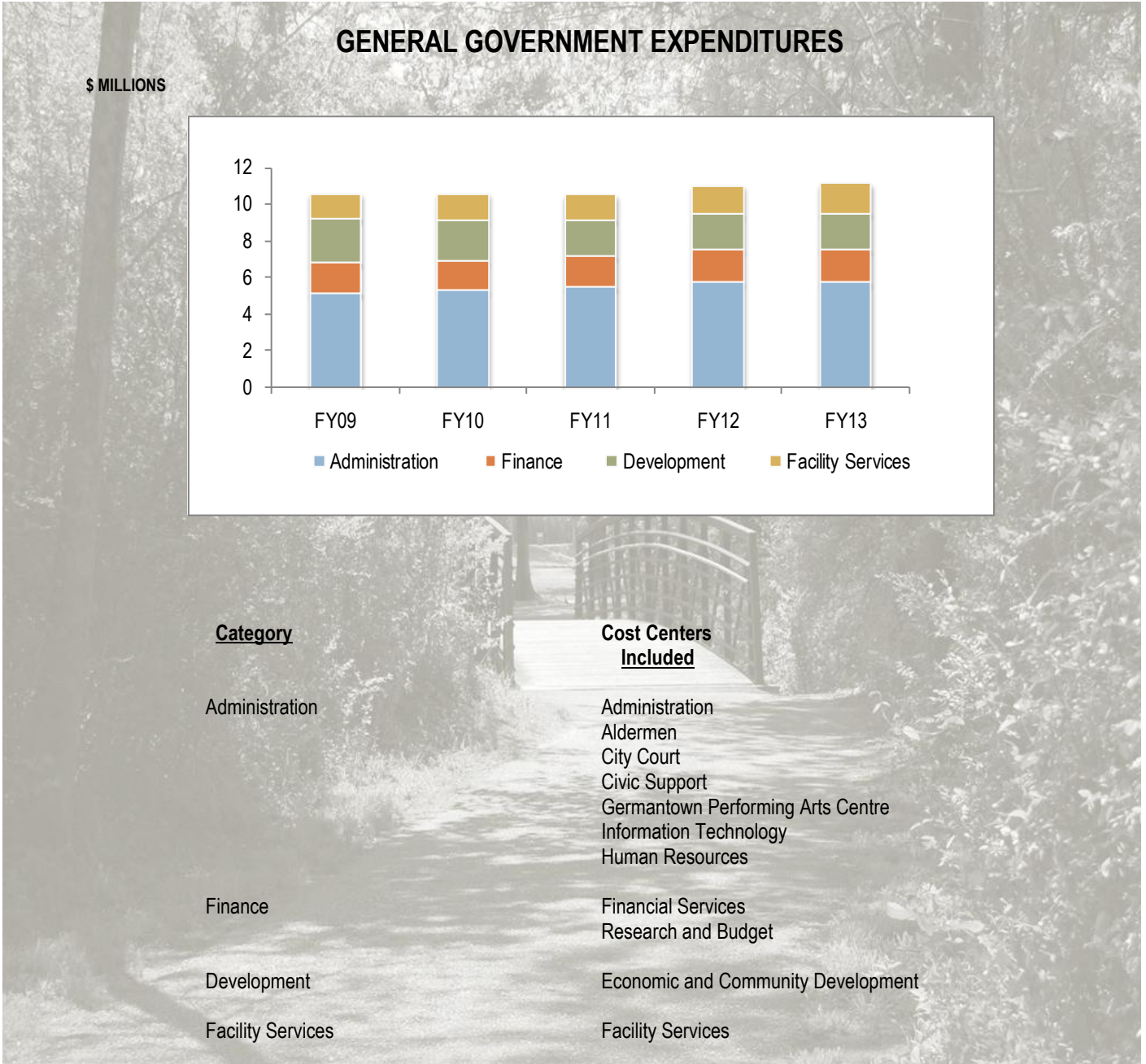
* Analysis of Increase/(Decrease):

Administration	ECD Director	1.0
	Data Analyst	1.0
	Intern	(0.5)
Fire	EMS Coordinator	1.0
I.T.	I.T. Director	0.5
The Farm	Part time Workers	0.9
Police	Dispatchers	2.0
Facility Services	Crew Supervisor	(1.0)
	Sr. Building Maintenance Worker	(2.0)



GENERAL GOVERNMENT FY13 BUDGET

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





Aldermen

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

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 89,604	113,933	129,855	(3,243)	-2.50%	126,612
Communication	10,080	14,200	12,200	2,000	16.39%	14,200
Professional Fees	58,208	65,000	90,200	(25,200)	-27.94%	65,000
Supplies	14,772	13,900	12,000	13,500	112.50%	25,500
TOTAL	\$ 172,664	207,033	244,255	(12,943)	-5.30%	231,312

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget
Other Compensation	5.0	61,852	5.0	60,000	5.0 60,000
Fringe Benefits		27,752		69,855	66,612
DEPARTMENT TOTAL	5.0	\$ 89,604	5.0	129,855	5.0 126,612

Categories

Personnel - \$126,612 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. In addition, this classification provides funding for the Aldermen's participation in the National League of Cities conference and other appropriate educational training programs.

Communications - \$14,200 This category includes the Aldermen's dues and subscriptions in the Tennessee Municipal League and the National League of Cities.

GENERAL FUND

Aldermen

Professional Fees - \$65,000 This category covers funding for lobbying services at the state level and miscellaneous consulting services.

Supplies - \$25,500 This category covers funding for the City's Annual Commission Appreciation Reception, Principals' Luncheon, and recognition items.

Performance Measures

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measurement Type: Effectiveness					
Measure: % of Commission Turnover Rate	10%	10%	25%	30%	25%

Civic Support

Mission

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

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

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Grants	\$ 299,078	-	-	-	-	-
TOTAL	<u>\$ 299,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

This department was eliminated in FY12. The grants have been moved to the following departments: Administration, Parks and Recreation, Economic and Community Development, Police and Cultural Arts.



Court

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

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 546,977	547,463	566,143	29,029	5.13%	595,172
Communication	741	3,000	1,700	2,300	135.29%	4,000
Professional Fees	13,528	26,000	16,965	535	3.15%	17,500
Other Maintenance	-	100	100	(100)	-100.00%	-
Supplies	10,017	7,000	5,000	1,500	30.00%	6,500
Rent	3,920	8,300	4,727	1,273	26.93%	6,000
Allocations	2,980	3,200	3,200	100	3.13%	3,300
Utilities	21,522	23,337	21,295	1,762	8.27%	23,057
TOTAL	\$ 599,685	618,400	619,130	36,399	5.88%	655,529

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	1.0	\$ 55,019	1.0	56,288	1.0	59,029
Non-Exempt Wages	6.0	187,046	6.3	161,370	6.3	178,965
Other Compensation	6.0	146,025	6.0	137,730	6.0	131,000
Fringe Benefits		155,453		206,292		217,678
Other Personnel		3,434		4,463		8,500
DEPARTMENT TOTAL	7.0	\$ 546,977	7.3	566,143	7.3	595,172

Categories

Personnel - \$595,172 This category funds salaries, wages, and benefits for a court clerk, lead deputy court clerk, deputy court clerks one intern. This category also includes necessary overtime. In addition, this category includes FICA, group insurance, retirement, OPEB, and workers' compensation.

Additionally, included in this category are per diem expenses for judges who alternate 76 court sessions and prosecutors working weekly Wednesday night court sessions and bi-weekly Thursday night sessions. Besides holding court, judges are available 24 hours a day to sign warrants, set bonds or preside over non-scheduled court hearings. Prosecutors, in addition to attending court, receive phone calls in their private law offices regarding court related matters and require time to prepare for trials. Per diems are budgeted as follows: city judges at \$2,500 per month each, the chief prosecutor at \$1,500 per month and assistant prosecutors at \$1,000 per month.

GENERAL FUND

Court

Communications - \$4,000 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 - \$17,500 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 - \$6,500 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 - \$6,000 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.

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

Utilities - \$23,057 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Days to process warrants and signatred	4	3	3	2	2

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Maintain <10% avg OT hours/not# cases on docket	<10%	6%	<10%	6%	<8%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Maintain 70% collection rate on AE tickets	> 70%	89%	> 70 %	100%	>75%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Input	Goal	Actual	Goal	Actual	Goal
Measure: Pieces of mail processed daily by customer service	100%	100%	>100	100%	100%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Input	Goal	Actual	Goal	Actual	Goal
Measure: Number of warrants served	n/a	n/a	n/a	n/a	15

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 FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 702,904	644,892	626,503	199,568	31.85%	826,071
Communication	99,847	93,915	105,657	45,338	42.91%	150,995
Professional Fees	591,695	354,500	434,470	(242,470)	-55.81%	192,000
Other Maintenance	-	7,200	4,700	-	0.00%	4,700
Supplies	22,641	15,260	23,349	11,551	49.47%	34,900
Rent	1,879	3,576	3,762	-	0.00%	3,762
Allocations	45,958	67,465	47,360	115	0.24%	47,475
Capital Outlay	-	28,000	35,000	(35,000)	-100.00%	-
Utilities	56,903	58,349	53,369	5,300	9.93%	58,669
Grants	140,236	355,600	410,286	(47,291)	-11.53%	362,995
TOTAL	\$ 1,662,063	1,628,757	1,744,456	(62,889)	-3.61%	1,681,567
Expense Reimbursement	\$ (34,768)	(36,911)	(36,911)	(4,419)	11.97%	(41,330)

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	3.0 \$ 361,500	2.0 257,809	4.0 356,897
Non-Exempt Wages	3.0 132,411	3.0 146,610	2.5 161,077
Other Compensation	28,270	27,823	77,600
Fringe Benefits	179,453	193,236	223,575
Other Personnel	1,270	1,025	6,922
DEPARTMENT TOTAL	6.0 \$ 702,904	5.0 626,503	6.5 826,071

GENERAL FUND

Administration

Categories

Personnel - \$826,071 This category includes staffing funds for the mayor, city administrator, assistant to the city administrator, director of economic development, executive assistant, city clerk/recorder, research analyst and part-time administrative assistant. 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 - \$150,995 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 - \$192,000 This category includes professional consulting related to team building, leadership training and legal services provided under contract by the city attorney.

Other Maintenance - \$4,700 This category funds maintenance for office equipment including facsimile equipment, tape recorders, copier and mobile radios used by the city administrator.

Supplies - \$34,900 This category includes supplies to fund special requisitions through the department, as well as general office supplies. Examples include audiotapes, report printing and binding and the City newsletter.

Rent - \$3,762 This category includes rental costs associated with the copy machine and Comcast monthly service fees.

Allocation - \$47,475 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance and vehicle maintenance.

Utilities - \$58,669 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$362,995 This category includes funds budgeted for the following organizations:

GHS-TV	\$262,395
Germantown Education Foundation	85,000
Miscellaneous/Gym Rental	5,500
Project Graduation	4,500
Leadership Germantown	3,400
Battle of the Brains	1,650
Education Commission Grant	550

Performance Measures

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Citizen Satisfaction Rating	80%	93%	80%	90%	80%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: City government's effort to seek citizen input	n/a	74%	n/a	71%	75%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % Increase of Website Visitors over previous fiscal year	10%	10%	10%	14%	7%

GENERAL FUND

Administration

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % Increase of Open City Hall visitors over previous fiscal year	n/a	n/a	n/a	n/a	50%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Education Foundation - % of Matching Dollars for Schools	50%	46%	50%	n/a	50%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % Increase of employee participation in Ethics Quality Circle	n/a	n/a	n/a	n/a	5%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of Achieving Objectives of Focus Areas and Business Plans	100%	100%	100%	100%	100%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Number of Administration documented process completed	n/a	n/a	n/a	n/a	20

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Number of processes reviewed by Six Sigma Team city-wide	n/a	n/a	n/a	n/a	20

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: % of Agenda Sheets Completed on Time	100%	80%	100%	76%	100%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Remain within Administration budget	Yes	Yes	Yes	Yes	Yes



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 payroll and benefits and provides employee relations management.

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 629,266	574,288	673,181	(108,658)	-16.14%	564,523
Communication	16,967	29,500	20,800	14,700	70.67%	35,500
Professional Fees	58,360	47,000	48,589	24,411	50.24%	73,000
Other Maintenance	128	750	150	50	33.33%	200
Supplies	5,648	27,100	19,050	(10,050)	-52.76%	9,000
Rent	677	3,133	700	2,433	347.57%	3,133
Allocations	3,845	4,100	4,100	200	4.88%	4,300
Utilities	7,870	7,800	7,983	125	1.57%	8,108
TOTAL	\$ 722,761	693,671	774,553	(76,789)	-9.91%	697,764
Expense Reimbursement	\$ (42,626)	(45,317)	(45,317)	1,930	-4.26%	(43,387)

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	4.0	\$ 341,674	4.0	381,237	4.0	302,130
Non-Exempt Wages	2.0	83,458	2.0	65,078	2.0	67,239
Other Compensation		-		-		-
Fringe Benefits		176,536		195,956		167,344
Other Personnel		27,598		30,910		27,810
DEPARTMENT TOTAL	6.0	\$ 629,266	6.0	673,181	6.0	564,523

Categories

Personnel - \$564,523 This category includes sufficient funds to staff the following positions: human resources director, personnel technician, payroll technician, compensation administrator, benefits administrator and safety coordinator.

Communications - \$35,500 This category funds the City's employee recognition program, subscriptions to International Personnel Manager's Association, Mid-South Compensation organization and the Bureau of National Affairs and training meetings and seminars held by professional organizations.

GENERAL FUND

Human Resources

Professional Fees - \$73,000 This category funds the cost of the employee fitness program, new employee physicals, Fire Department HazMat physicals and expenses from employee training, background checks, the employee survey and the Federal Privacy Act requirements.

Other Maintenance - \$200 This category includes funds for the maintenance of the department's office equipment.

Supplies - \$9,000 This category includes funds for specialized supply requisitions and materials, and book printing.

Rent - \$3,133 This category includes rental costs associated with the copy machine and offsite storage of personnel records.

Allocation - \$4,300 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$8,108 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic Measurement Type: Productivity	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Turnover Rates - Total	4.35%	4.00%	3.50%	2.00%	3.50%
- Non-Public Safety, excluding IT	5.52%	7.00%	6.00%	3.00%	4.50%
- Public Safety	2.99%	1.00%	2.00%	1.00%	2.00%

Triple Bottom Line Focus Area: Economic Measurement Type: Efficiency	FY11		FY12	FY12	FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Sick Leave Hours Used per 1,000 Hours Worked	27.60	23.25	25.00	24.00	26.00

Triple Bottom Line Focus Area: Economic Measurement Type: Productivity	FY11		FY12	FY12	FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Number of days lost to Injury per FTE	0.31	0.33	0.45	0.30	0.30

Triple Bottom Line Focus Area: Economic Measurement Type: Efficiency	FY11		FY12	FY12	FY13
	IND STD	Actual	Goal	Actual	Goal
Measure: Average # of days to process a medical claim	14	10	12	12	12

Triple Bottom Line Focus Area: Social Measurement Type: Efficiency	FY11		FY12	FY12	FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measure: # of Employee Grievances and Appeals per 100 Employees	0.75	N/A	N/A	N/A	0.75

Information Technology

Mission

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

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 336,419	386,939	435,361	77,598	17.82%	512,959
Communication	150	2,300	1,320	3,950	299.24%	5,270
Professional Fees	72,904	100,520	135,130	(22,600)	-16.72%	112,530
Insurance	-	-	5,043	(5,043)	-100.00%	-
Other Maintenance	403,554	554,544	568,500	35,374	6.22%	603,874
Supplies	129,003	93,000	77,800	15,400	19.79%	93,200
Rent	-	-	-	2,000	100%	2,000
Allocations	2,499	2,800	2,557	443	17.32%	3,000
Capital Outlay	35,403	78,000	71,695	(21,695)	-30.26%	50,000
Utilities	15,848	14,870	13,980	1,970	14.09%	15,950
TOTAL	\$ 995,780	1,232,973	1,311,386	87,397	6.66%	1,398,783
Expense Reimbursement	\$ (34,161)	(35,024)	(35,024)	(23,839)	68.06%	(58,863)

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	3.0 \$ 191,679	3.5 253,442	4.0 311,064
Non-Exempt Wages	1.0 39,818	1.0 40,829	1.0 42,024
Other Compensation	-	-	-
Fringe Benefits	104,922	141,090	154,903
DEPARTMENT TOTAL	4.0 \$ 336,454	4.5 435,361	5.0 512,959

GENERAL FUND

Information Technology

Categories

Personnel - \$512,959 This category includes salaries, benefits and education expenses for the network/communication analysts, a technical services coordinator and computer support specialist.

Communications - \$5,270 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 - \$112,530 This category includes software expenses, costs for outside vendor services, support trouble calls, annual and monthly fees, license fees, service and support fees, and expenses related to the purchase of the tax rolls from Shelby County.

Other Maintenance - \$603,874 This category includes maintenance charges for all computer equipment, and production of related equipment.

Supplies - \$93,200 This category includes all continuous forms. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$2,000 This category includes rental costs associated with the annual maintenance contract on one color copier.

Allocation - \$3,000 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$50,000 This category funds IRP projects, which includes the purchase of computers.

Utilities - \$15,950 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Estimate	Goal
Measurement Type: Efficiency					
IT Expenditures as total operating expenditures	1.40%	2.52%	1.29%	3.04%	3.19%

Triple Bottom Line Focus Area: Social Sustainability	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
IT Radio system problem resolution % corrected within 24 hours	24.00%	100.00%	100.00%	100.00%	100.00%

Germantown Performing Arts Centre

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 Centre (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 Centre 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 FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 829,614	779,168	819,273	29,715	3.63%	848,988
Communication	11,396	12,430	12,430	(1,680)	-13.52%	10,750
Professional Fees	-	25,000	20,000	(20,000)	-100.00%	-
Insurance	3,009	4,500	4,500	-	0.00%	4,500
Other Maintenance	15,797	14,900	54,500	(33,200)	-60.92%	21,300
Supplies	7,875	16,900	18,600	4,500	24.19%	23,100
Rent	850	4,200	3,500	-	0.00%	3,500
Allocations	23,156	24,441	24,360	1,615	6.63%	25,975
Capital Outlay	-	-	9,553	(9,553)	-100.00%	-
Utilities	114,019	100,125	105,725	3,500	3.31%	109,225
TOTAL	\$ 1,005,716	981,664	1,072,441	(25,104)	-2.34%	1,047,337

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	5.0 \$ 384,563	5.0 315,992	5.0 311,651
Non-Exempt Wages	6.5 220,994	8.5 286,563	8.5 312,423
Other Compensation	18,572	7,000	7,000
Fringe Benefits	205,485	209,218	213,233
Other Personnel	1,036	2,180	4,680
DEPARTMENT TOTAL	11.5 \$ 830,650	13.5 820,953	13.5 848,988

GENERAL FUND

GPAC

Categories

Personnel - \$848,988 This category contains sufficient funds to staff the department, including the executive director, facility services coordinator, GPAC development director, director of marketing and public relations, box office manager, technical director, sales and scheduling specialist, education outreach coordinator, theatre operations director, box office assistants, and theatre technical assistants and part-time hourly positions, which are hired as needed for box office and technical support.

Communications - \$10,750 This category includes dues and subscriptions to professional journals and meetings.

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

Other Maintenance - \$21,300 This category includes funding for contracts, including the security system and elevator maintenance and other general building maintenance expenses.

Supplies - \$23,100 This category includes program printing for presentations, general office supplies, theatre supplies, ticket stock and in-house publications. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

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

Allocation - \$25,975 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Utilities - \$109,225 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Measurement Type: Productivity	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: Total \$ amount of contributions meet or exceed projection	100%	n/a	90-100%	100%	90-100%

Triple Bottom Line Focus Area: Social Measurement Type: Effectiveness	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of performances that meet or exceed attendance projections	85%	n/a	85%	93%	85%

Triple Bottom Line Focus Area: Economic Measurement Type: Effectiveness	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of performances that meet or exceed revenue projections	85%	n/a	85%	87%	85%

Triple Bottom Line Focus Area: Economic Measurement Type: Productivity	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of Retention rate of donors who contribute \$1K/3 years	85%	n/a	85%	100%	85%

Triple Bottom Line Focus Area: Economic Measurement Type: Effectiveness	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: Reach 30 Presenter Circle members per year	30	n/a	30	13	24

Triple Bottom Line Focus Area: Social Measurement Type: Effectiveness	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of participant increase on social media sites	25	n/a	25%	36%	30%

Triple Bottom Line Focus Area: Social Measurement Type: Effectiveness	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of Patron satisfaction rating of major season genre	85%	n/a	85%	93%	85%

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.

Under the Finance and General Services Division, Financial Services includes four areas: Accounting, Budget, Purchasing Services and Treasury. Financial Services manages all of the City's fiscal affairs; supports the operating departments with accounting, financial reporting, and administrative services; manages all City investments; obtains debt financing for capital projects; collects taxes, utility billings and other revenues; administers contracts; provides centralized purchasing, financial reporting, courier services, insurance and risk management, inventory and capital asset control; and conducts internal auditing of procedures and operations. In addition, the Financial Services area oversees the management of the City's main reception and information center. Staffing oversight is provided to the Financial Advisory Commission, the Audit Commission, Retirement Plan Advisory Commission and Other Postemployment Benefits Commission.

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 1,071,068	1,084,111	1,159,007	18,898	1.63%	1,177,905
Communication	67,628	69,500	67,800	405	0.60%	68,205
Professional Fees	179,954	156,500	139,710	13,290	9.51%	153,000
Other Maintenance	282	1,500	900	100	11.11%	1,000
Supplies	51,521	46,600	39,100	1,475	3.77%	40,575
Rent	5,610	7,824	9,300	400	4.30%	9,700
Allocations	27,547	28,241	26,818	3,752	13.99%	30,570
Capital Outlay	-	-	-	25,000	100%	25,000
Utilities	26,709	27,819	26,530	700	2.64%	27,230
TOTAL	\$ 1,430,319	1,422,095	1,469,165	64,020	4.36%	1,533,185
Expense Reimbursement	\$ (145,687)	\$ (160,240)	\$ (160,240)	(9,965)	6.22%	(170,205)

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	6.0	\$ 423,934	6.0	437,958	6.0	448,307
Non-Exempt Wages	9.50	317,829	10.0	328,938	10.0	337,363
Other Compensation		1,467		1,038		2,500
Fringe Benefits		324,629		377,797		374,061
Other Personnel		3,209		13,276		15,674
DEPARTMENT TOTAL	15.50	\$ 1,071,068	16.0	1,159,007	16.0	1,177,905

GENERAL FUND

Finance

Categories

Personnel - \$1,177,905 This category includes salaries, wages, and benefits for the finance director, treasurer, accounting manager, purchasing officer, purchasing specialists, senior accounting clerks, accountant, clerk/courier, general clerks, property and business tax specialist, part-time administrative assistant, part-time general clerk and customer service clerk, and partial cost for the finance and general services division director.

Communications - \$68,205 This category covers the expenses of the City's postage expense, with the exception of cultural arts and utilities. Additionally, dues for professional organizations and subscriptions to various publications and publications of legal notices for bids are in this category.

Professional Fees - \$153,000 This category includes contract services for temporary word processing and other clerical personnel on an as needed basis. \$72,000 is budgeted for the fifth 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. In addition, expenses associated with the processing of credit card transactions.

Other Maintenance - \$1,000 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 - \$40,575 This category covers the expense for all the City's general office supplies. Only specialized forms and document printing are charged to other departments. Special mailings and printing are charged to other departments. Also included in this category are non-capital assets ranging in value between \$500 and \$4,999.

Rent - \$9,700 This category includes rental payments for the postage meter, copy machines, and an off-site storage facility to store permanent records.

Allocation - \$30,570 This category represents the department's portion of the shared cost of all funds, departments and cost centers including insurance.

Capital Outlay - \$25,000 This category provides funding for one pickup truck.

Utilities - \$27,230 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
	MTAS Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Invoices Processed	13,860	18,928	14,768	14,664	14,700

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
	MTAS Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Collection as % billed (Utilities)	100%	95%	95%	93%	95%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
	MTAS Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Collection as % billed (Property Tax)	96%	99%	97%	98%	97%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
	MTAS Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Collection as % billed (Municipal Court)	85%	71%	50%	64%	70%

Allocated Expenses

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

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

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Allocations	\$ (674,731)	(712,000)	(677,548)	(74,752)	11.03%	(752,300)
Insurance	674,732	712,000	677,548	74,752	11.03%	752,300
TOTAL	<u>\$ 1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Categories Allocations – (\$752,300) 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 - \$752,300 This category includes: property insurance coverage (\$347,000) that is on an All Risk form, vehicle insurance (\$117,000), casualty or liability coverage (\$209,000) designed to match minimum state tort limits, uninsured losses insurance (\$10,000) to pay the deductibles for vehicle maintenance and administration, liability deductible (\$12,000), and workers compensation deductible (\$57,300).



General Debt

The General Debt Service cost center accounts for the principal and interest payments on: \$9.7 million Series 2005 General Obligation bonds, \$5.6 million Series 2006 General Obligation bonds, \$9.6 million Series 2009 General Obligation bonds and \$6.0 million Series 2011 General Obligation bonds. In FY10 \$9.635 million of G.O. debt was issued. Of this amount \$6.0 million was new debt and \$3.635 million was the refunding of Bond Series 2000 and 2002. In FY12 \$6.025 million of G.O. debt was issued. 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 FY06 and include three projected future issues over the next five years totaling \$15.65 million. These projections include these issues: \$4.35 million in FY14, \$5.0 million in FY16, and \$6.3 million in FY17. The outstanding balance of General Obligation Debt at July 1, 2012 is \$25,650,000. During the year, principal of \$2,545,000 and interest of \$829,248 will be paid. The balance of existing debt remaining at June 30, 2013 will be \$23,105,000.

<u>Security</u>	<u>Balance</u> <u>7/1/2012</u>	<u>Principal</u> <u>Payment</u>	<u>Balance</u> <u>6/30/2013</u>	<u>Interest</u> <u>Expense</u>
Existing:				
Series 2005 Bonds	\$ 7,355,000	765,000	6,590,000	243,849
Series 2006 Bonds	3,695,000	715,000	2,980,000	133,500
Series 2009 Bonds	8,575,000	825,000	7,750,000	302,324
Series 2011 Bonds	6,025,000	240,000	5,785,000	149,575
Total FY13 Debt	\$ 25,650,000	2,545,000	23,105,000	829,248
	<u>Existing</u> <u>Principal</u>	<u>Existing</u> <u>Interest</u>	<u>Future</u> <u>Principal</u>	<u>Future</u> <u>Interest</u>
FY13	\$ -	-	-	-
FY14	2,620,000	745,761	153,821	152,250
FY15	2,300,000	659,023	159,204	146,867
FY16	2,085,000	586,656	341,582	316,294
FY17	2,145,000	517,216	565,102	556,339
Thereafter	13,955,000	3,425,740	14,430,291	5,607,070
Total Debt Service	\$ 23,105,000	5,934,396	15,650,000	6,778,820

Budget Category Summary

<u>CATEGORY</u>	<u>Actual</u> <u>FY11</u>	<u>Budget</u> <u>FY12</u>	<u>Estimated</u> <u>FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget</u> <u>FY13</u>
Debt Service	\$ 3,016,142	3,919,649	3,062,381	311,867	10.18%	3,374,248
Agency Fees	1,000	1,500	1,500	-	0.00%	1,500
TOTAL	\$ 3,017,142	3,921,149	3,063,881	311,867	10.18%	3,375,748

Categories

Debt Service - \$3,374,248 This category includes principal payments on the Series 2005 Bonds, the Series 2006 Bonds, the Series 2009 Bonds and the Series 2011 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 FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 1,748,785	1,409,381	1,546,030	145,984	9.44%	1,692,014
Communication	10,269	17,500	13,800	13,979	101.30%	27,779
Professional Fees	30,592	57,300	63,143	(43,143)	-68.33%	20,000
Insurance	9,143	-	600	(600)	-100.00%	-
Other Maintenance	63,535	62,000	57,500	6,000	10.43%	63,500
Supplies	24,030	38,800	42,039	(179)	-0.43%	41,860
Rent	6,671	25,000	14,000	10,300	73.57%	24,300
Allocations	45,997	46,040	43,922	4,640	10.56%	48,562
Capital Outlay	16,678	106,000	81,100	(81,100)	-100.00%	-
Utilities	37,334	41,646	41,926	1,454	3.47%	43,380
Grants	-	3,550	17,200	2,625	15.26%	19,825
TOTAL	\$ 1,993,034	1,807,217	1,921,260	59,960	3.12%	1,981,220
Expense Reimbursement	\$ (163,208)	(72,812)	(72,812)	(7,878)	10.82%	(80,690)

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	11.8 \$ 827,899	12.0 693,931	12.0 723,505
Non-Exempt Wages	8.7 401,201	9.0 352,528	9.0 425,757
Other Compensation	-	7,000	-
Fringe Benefits	514,653	486,423	536,002
Other Personnel	5,032	6,148	6,750
DEPARTMENT TOTAL	20.5 \$ 1,748,785	21.0 1,546,030	21.0 1,692,014

GENERAL FUND

Economic and Community Development

Categories

Personnel - \$1,692,014 This category includes salaries, wages, and benefits for the economic and community services director, city engineer, assistant city engineer, engineers, capital manager, plans manager, chief planner, chief constructor inspector, planner, neighborhood services manager, neighborhood coordinator, community services coordinator, senior construction inspectors, construction inspector, administrative assistants, sr. administrative assistant and senior code compliance officers.

The personnel category also includes overtime wages for attendance of the administrative secretary and other non-supervisory personnel at Planning Commission, Design Review Commission, Board of Zoning Appeals meetings and employee education expenses.

Communications - \$27,779 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 - \$20,000 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.

Other Maintenance - \$63,500 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 - \$41,860 This category includes supplies unique to the department, (e.g. supplies for the printing of area maps and drawings and small tools for surveys and other projects). Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Rent - \$24,300 This category includes rental costs associated with the department's copy machine and color printer/copier.

Allocation - \$48,562 This category covers insurance and vehicle maintenance costs allocated to the department for its portion of the City's shared expenses.

Utilities - \$43,380 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$19,825 This category includes funds budgeted for the following organizations:

Chamber Grant	\$12,750
Neighborhood Preservation Commission	7,075

GENERAL FUND

Economic and Community Development

Performance Measures

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Number of administrative subdivision plans review	3	4	4	3	3

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Average cost per development plan review	\$ 1,762	n/a	\$ 6,600	\$ 4,400	\$ 3,300

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Average number of calendar days per administrative sign review	9	n/a	2	4.48	5

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Number of administrative sign reviews	3	29	2	33	33



Research and Budget

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 the Finance and General Services Division, Research and Budget 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.

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

Budget Category Summary

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 228,579	248,062	240,035	9,312	3.88%	249,347
Communication	1,237	10,500	4,000	4,500	112.50%	8,500
Professional Fees	27,333	15,000	16,175	(16,175)	-100.00%	-
Supplies	10,521	18,390	13,608	(1,108)	-8.14%	12,500
Allocations	481	500	500	-	0.00%	500
Utilities	4,530	4,791	4,573	52	1.14%	4,625
TOTAL	\$ 272,681	297,243	278,891	(3,419)	-1.23%	275,472
Expense Reimbursement	\$ (14,547)	(15,885)	(15,885)	(3,055)	19.23%	(18,940)

Budget Payroll Summary

	FY11 <u>Actual</u>	FY12 <u>Estimate</u>	FY13 <u>Budget</u>
Exempt Salaries	2.0 \$ 159,585	2.0 158,300	2.0 168,612
Non-Exempt Wages	0.0 -	0.0 -	0.0 -
Other Compensation	-	-	-
Fringe Benefits	64,225	67,599	69,799
Other Personnel	4,769	14,136	10,936
DEPARTMENT TOTAL	2.0 \$ 228,579	2.0 240,035	2.0 249,347

GENERAL FUND

Research & Budget

Categories

Personnel - \$249,347 This category includes salaries, wages and benefits for sr. research and budget analysts and partial personnel cost for the finance and general services division director.

Communications - \$8,500 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 - \$12,500 This category funds supplies unique to the division, including supplies for the printing of the City's financial documents.

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

Utilities - \$4,625 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic Sustainability Measurement Type: Efficiency	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of Budget Adjustments completed within one week*	85%	80%	85%	79%	85%

Triple Bottom Line Focus Area: Economic Sustainability Measurement Type: Efficiency	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: % of Agenda Budget Adjustments completed within four days of BMA approval	85%	40%	85%	88%	90%

*Within one allocation

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 Finance and General Services Division, Facility Services provides oversight of all City facilities and systems.

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 738,963	731,935	712,935	(53,459)	-7.50%	659,476
Communication	1,072	850	1,500	4,100	273.33%	5,600
Professional Fees	17,266	40,000	30,000	(10,000)	-33.33%	20,000
Contract Services	270,589	281,900	299,000	41,000	13.71%	340,000
Insurance	5,896	2,000	(1,800)	3,800	-211.11%	2,000
Other Maintenance	161,686	258,620	277,934	(17,734)	-6.38%	260,200
Supplies	110,817	91,700	96,000	(16,900)	-17.60%	79,100
Rent	5,762	4,000	9,000	(5,000)	-55.56%	4,000
Allocations	44,465	42,384	43,633	3,173	7.27%	46,806
Capital Outlay	-	27,000	88,000	102,000	115.91%	190,000
Utilities	4,352	5,542	4,442	1,100	24.75%	5,542
TOTAL	\$ 1,360,868	1,485,931	1,560,644	52,079	3.34%	1,612,724
Expense Reimbursement	\$ (211,008)	(169,590)	(183,529)	(7,091)	3.86%	(190,620)

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	1.0	\$ 87,728	1.0	81,391	1.0	84,453
Non-Exempt Wages	14.00	387,246	12.0	352,261	9.0	323,123
Other Compensation		19,507		14,176		20,000
Fringe Benefits		239,085		249,307		214,100
Other Personnel		5,397		15,800		17,800
DEPARTMENT TOTAL	15.00	\$ 738,963	13.0	712,935	10.0	659,476

Categories Personnel - \$659,476 This category includes the salaries, wages and benefits for the facility services superintendent, facility maintenance supervisor, crew supervisor, senior building maintenance workers, and building maintenance technicians. The personnel category also includes overtime wages for the Germantown Festival, Germantown Charity Horse Show, July Family Fourth, special functions, staff functions for employees and employee education.

Communications - \$5,600 This category covers the expenses associated with the Facility Services Division remaining up-to-date on current trends through publications and communications with selected specialists in the field.

GENERAL FUND

Facility Services

Professional Fees - \$20,000 This category provides funding for mechanical upgrade assessment for vav boxes, air handlers, boilers, controls, and controllers.

Contract Services - \$340,000 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 contracted building cleaning services and an electrical contract.

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

Other Maintenance - \$260,200 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 - \$79,100 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 - \$4,000 This category includes rental costs associated with a lift truck and equipment pertaining to the repair and maintenance of City facilities not owned by the City.

Allocation - \$46,806 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 - \$190,000 This category provides funding for one Dodge 2500 truck. In addition, funding is provided for two IRP projects: air handlers – Police, and flooring – Municipal Center.

Utilities - \$5,542 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Custodial Expenditures per square foot for offices	\$1.66	\$1.34	\$1.33	\$1.14	\$1.33

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Custodial Expenditures per sq ft for library/art	\$1.33	\$1.26	\$1.20	\$1.72	\$1.60

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Custodial Expenditures per sq ft for rec/com center	\$2.36	\$1.87	\$1.91	\$2.58	\$2.36

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Custodial Expenditures per sq ft for All Facilities	\$1.50	\$1.30	\$1.58	\$1.95	\$1.80

GENERAL FUND

Facility Services

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Custodial Service Request	n/a	n/a	n/a	n/a	n/a

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Customer Satisfaction	n/a	n/a	n/a	n/a	n/a

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Repair Expenditure per square foot for offices	\$0.92	\$1.05	\$1.07	\$1.19	\$1.10

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Repair Expenditure per square foot for All Facilities	\$1.21	\$1.16	\$1.63	\$1.91	\$1.80



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 Finance and 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, warehouse management, fuel management and equipment maintenance and safety training.

Budget Category Summary

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 629,262	656,826	683,506	18,604	2.72%	702,110
Communication	85	1,600	1,600	30	1.88%	1,630
Professional Fees	93	111	100	(100)	-100.00%	-
Other Maintenance	283,396	195,300	207,945	2,105	1.01%	210,050
Supplies	15,168	17,650	18,500	7,700	41.62%	26,200
Rent	1,527	1,700	1,600	50	3.13%	1,650
Allocations	(970,425)	(921,527)	(953,371)	(28,694)	3.01%	(982,065)
Depreciation	31,995	39,470	31,000	-	0.00%	31,000
Utilities	8,899	8,870	9,120	305	3.34%	9,425
TOTAL	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay	\$ -	68,000	68,000	22,000	32.35%	90,000

Budget Payroll Summary

	FY11 <u>Actual</u>		FY12 <u>Estimate</u>		FY13 <u>Budget</u>	
Exempt Salaries	2.0	\$ 128,303	2.0	125,321	2.0	127,015
Non-Exempt Wages	8.0	289,138	8.0	310,519	8.0	328,355
Other Compensation		(533)		700		1,000
Fringe Benefits		209,617		244,196		242,335
Other Personnel		2,737		2,770		3,405
DEPARTMENT TOTAL	10.0	\$ 629,262	10.0	683,506	10.0	702,110

INTERNAL SERVICE FUND

Fleet Services

Categories

Personnel - \$702,110 This category includes the salaries, wages, and benefits for a superintendent of fleet services, chief automotive mechanic, warehouse supervisor, inventory control clerk, master mechanics, senior mechanics, vehicle mechanic, and small engine/tire mechanic.

Communication - \$1,630 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 - \$210,050 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 - \$26,200 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 - \$1,650 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 – (\$982,065) 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 - \$31,000 This category includes annual depreciated valuation of equipment used in daily operations.

Utilities - \$9,425 This category includes the division's utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Hours billed as % of hours available	62.5%	71.0%	75.0%	72.0%	70.0%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: % of fleet maintenance contracted	27.8%	9.2%	15.0%	10.0%	12.0%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Fleet maintenance expended/police vehicle	\$ 2,862	\$ 2,263	\$ 2,700	\$ 1,138	\$ 1,500

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Preventive maintenance expended/police vehicle	\$ 498	\$ 170	\$ 950	\$ 248	\$ 350

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Fleet maintenance expended/tire vehicle	\$ 9,632	\$ 9,219	\$ 9,500	\$ 1,977	\$ 2,500

INTERNAL SERVICE FUND

Fleet Services

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Preventive maintenance expended/fire vehicle	\$ 1,832	\$ 314	\$ 750	\$ 331	\$ 750

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Fleet maintenance expended/light weight 1 vehicle	\$ 1,038	\$ 887	\$ 1,000	\$ 252	\$ 350

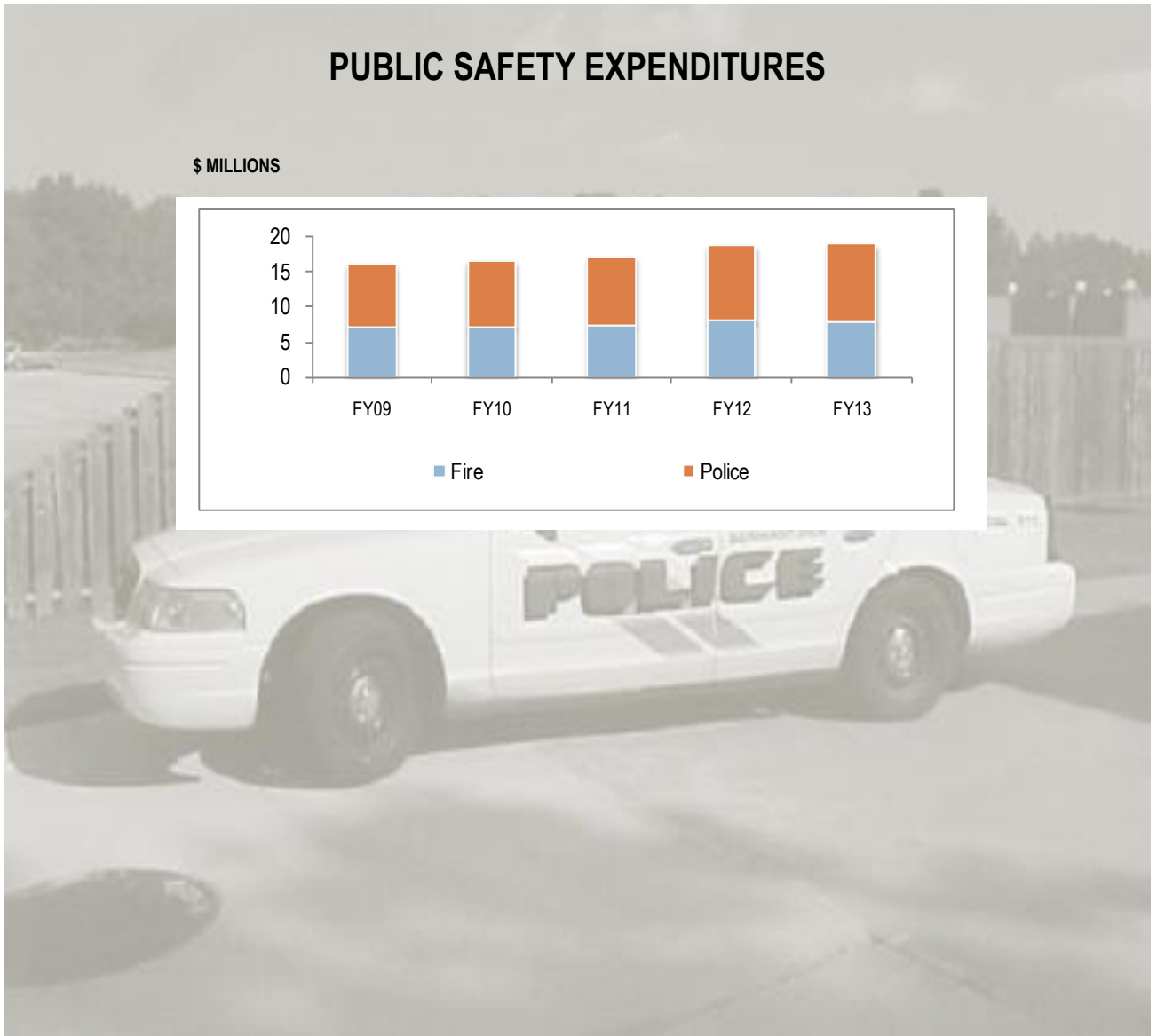
Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Fleet maintenance expended/light weight 2 vehicle	\$ 1,372	\$ 791	\$ 950	\$ 203	\$ 350

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: % using alternative fuel	8%	0%	2%	2%	2%



PUBLIC SAFETY FY 13 BUDGET

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





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 FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Personnel	\$ 8,622,714	8,796,773	9,269,775	191,299	2.06%	9,461,074
Communication	23,403	25,821	28,474	2,626	9.22%	31,100
Professional Fees	6,984	11,500	11,500	-	0.00%	11,500
Insurance	24,797	35,000	31,249	3,751	12.00%	35,000
Other Maintenance	6,048	7,700	10,000	(2,300)	-23.00%	7,700
Supplies	383,345	507,359	525,355	3,095	0.59%	528,450
Rent	7,406	11,847	13,179	(1,679)	-12.74%	11,500
Allocations	392,379	396,051	382,209	29,814	7.80%	412,023
Capital Outlay	213,165	352,000	346,244	126,756	36.61%	473,000
Utilities	117,230	113,085	123,135	(8,300)	-6.74%	114,835
Grants	-	-	5,298	2	0.04%	5,300
TOTAL	<u>\$ 9,797,471</u>	<u>10,257,136</u>	<u>10,746,418</u>	<u>345,064</u>	<u>3.21%</u>	<u>11,091,482</u>

Budget Payroll Summary

	<u>FY11 Actual</u>		<u>FY12 Estimate</u>		<u>FY13 Budget</u>
Exempt Salaries	11.0	\$ 859,219	11.0	876,326	11.0
Non-Exempt Wages	99.3	4,828,287	100.3	5,100,950	102.3
Other Compensation		266,169		287,979	249,000
Fringe Benefits		2,576,684		2,907,720	2,915,140
Other Personnel		92,355		96,800	104,300
DEPARTMENT TOTAL	110.3	\$ 8,622,714	111.3	9,269,775	113.3

Categories

Personnel - \$9,461,074 Salaries, wages, and benefits for the police chief, deputy chief, inspectors, captains, lieutenants, public safety dispatcher/jailer supervisors, police officers, public safety dispatcher/jailers, administrative assistant, senior data entry clerk, police data technician, a legal advisor, and school crossing guards are included in this item.

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

GENERAL FUND

Police

Communications - \$31,100 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 - \$11,500 This category includes payments for legal and professional services.

Insurance - \$35,000 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 - \$7,700 This item covers maintenance costs for office equipment and the jail security system.

Supplies - \$528,450 This category includes supplies the department requires to function on a daily basis, including printing report forms, traffic citations, daily activity reports, radio logs and other forms that had previously been available through the State. Also included are replacement uniforms and clothing for police personnel. Other required supplies include jail supplies (milk and meals for prisoners), training ammunition, cleaning supplies for the weapons, crime scene supplies, photo supplies, markings for vehicles, flashlight batteries, computer supplies and petroleum products. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

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

Allocation - \$412,023 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 - \$473,000 This item includes the funding necessary to purchase police vehicles/related equipment, and in-car video systems.

Utilities - \$114,835 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

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Sworn/Civilian FTE per 1,000 Population	2.30	2.47	2.87	3.44	2.90

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Oper./Maintenance Expenditures Charged to the Police Department Per Capita	\$189.00	\$264.00	\$250.00	\$267.00	\$265.00

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Number of Top Priority Police Calls per 1,000 Population	38.10	11.25	10.00	11.10	10.00

GENERAL FUND

Police

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Response Time in Minutes to Top Priority Calls	4.18	3.41	4.00	3.47	4.00

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: UCR Part 1 Violent Crimes Reported per 1,000 Population (Violent Crimes Only)	2.79	0.75	0.90	1.10	0.90

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Arrests for UCR Part 1 Crimes per 1,000 Population	9.9	0.1	4.0	1.8	1.0

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Arrests for UCR1 Crimes per Sworn FTE	5.67	1.08	2.00	0.47	1.00

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Juvenile Arrests for UCR Part 1 Crimes as % Total (Violent Crimes)	12.30%	19.00%	15.00%	21.00%	20.00%
Measure: Juvenile Arrests for UCR Part 1 Crimes as % Total (Property Crimes)	20.50%	23.00%	15.00%	30.00%	26.00%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Arrests per 1,000 population	n/a	73.10	66.00	64.28	66.00

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: % of UCR Part 1 Violent Crimes assigned to Investigators (Violent Crimes Only)	71%	100%	100%	100%	100%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: % of UCR Part 1 Violent Crimes Cleared (Violent Crimes Only)	61%	86%	100%	72%	90%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: UCR Part 1 Crimes Cleared per Sworn	1.00	0.26	0.50	0.72	0.50
	5.05	0.75	1.50	2.44	1.50

GENERAL FUND

Police

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating and Maintenance Expenditures Charged to the Police Department for UCR Part I Crimes Cleared	\$27,138	\$88,375	\$88,000	\$125,510	\$106,900

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Arrests for UCR Part II Drug Offenses per 1,000 Population	n/a	0.1	2.0	1.9	2.0

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Juvenile Arrests for Part II Drug Abuse Offenses as % of Total Arrests	12.7%	15.5%	12.0%	32.9%	20.0%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: DUI Arrests per 1,000 Population	4.88	2.27	2.50	2.20	2.50

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Fatal Traffic Accidents per 1,000 population	n/a	0	0	0	0







Fire

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

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

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Personnel	\$ 6,255,204	6,173,085	6,684,265	(129,537)	-1.94%	6,554,728
Communication	13,370	25,200	17,200	6,118	35.57%	23,318
Professional Fees	474,294	432,243	436,030	47,662	10.93%	483,692
Insurance	17,715	20,000	20,806	(5,806)	-27.91%	15,000
Other Maintenance	46,840	42,200	40,700	1,000	2.46%	41,700
Supplies	248,424	211,460	325,953	(78,053)	-23.95%	247,900
Rent	2,432	4,445	3,840	160	4.17%	4,000
Allocations	273,370	273,617	275,860	19,462	7.06%	295,322
Capital Outlay	14,906	102,014	126,742	7,258	5.73%	134,000
Utilities	112,416	109,520	113,817	3,715	3.26%	117,532
TOTAL	\$ 7,458,971	7,393,784	8,045,213	(128,021)	-1.59%	7,917,192

Budget Payroll Summary

	<u>FY11 Actual</u>		<u>FY12 Estimate</u>		<u>FY13 Budget</u>
Exempt Salaries	9.0	\$ 788,750	9.0	856,437	9.0 679,949
Non-Exempt Wages	61.0	3,310,062	61.0	3,505,511	62.0 3,570,050
Other Compensation		268,906		282,285	291,400
Fringe Benefits		1,837,340		1,983,482	1,945,729
Other Personnel		50,146		56,550	67,600
DEPARTMENT TOTAL	70.0	\$ 6,255,204	70.0	6,684,265	71.0 6,554,728

Categories

Personnel - \$6,554,728 Salaries, wages and benefits for a fire chief, assistant fire chief, deputy fire chief, battalion chiefs, administrative assistants, technical services/safety officer, EMS coordinator, fire lieutenants, apparatus drivers, fire fighters, fire marshal, assistant fire marshal, fire department instructor and reserve fire fighters. To maximize staffing, firefighters also serve a dual role as fire fighters and as paramedics.

Communications - \$23,318 This category includes funds to enhance the department's efficiency and effectiveness through continual contact with current issues and techniques, which includes dues and subscriptions to industry associations and magazines.

GENERAL FUND

Fire

Professional Fees - \$483,692 Funds are included for Germantown's portion of the emergency transport ambulance service. Also included are fees to provide Hepatitis B vaccinations for new employees, medical coordinator fees and additional consulting fees.

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

Other Maintenance - \$41,700 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 - \$247,900 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 - \$4,000 This category includes rental fees associated with the department's copy machines.

Allocation - \$295,322 Funds in this category are for the department's portion of shared insurance and vehicle maintenance costs.

Capital Outlay - \$134,000 This item includes the funding necessary to replace one vehicle and an IRP project - defibrillators.

Utilities - \$117,532 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Per Capita Total Fire/EMS Expenditure (Some Volunteers)	\$ 153	\$ 190	\$ 178	\$ 193	\$ 198

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Workload	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Residential Structure Fires/1,000 Population	0.94	1.06	1.00	0.49	1.00

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Workload	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Commercial & Industrial Structure Fires/1,000 Population	6.75	0.15	1.00	0.10	1.00

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Workload	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Total Structure Fire Incidents per 1,000 Population	1.17	1.21	1.00	0.60	1.00

GENERAL FUND

Fire

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Outcome	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Residential Structural Fires 1 & 2 Family confined to room origin	52.4%	97.0%	70.0%	62.0%	70.0%

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Outcome	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Average Public Safety ans. Point to Arrival for EMS (seconds)	258	279	390	290	280

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Outcome	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Customer Satisfaction last 12 months % Quality Excellent	49.5%	89.9%	90.0%	98.0%	90.0%

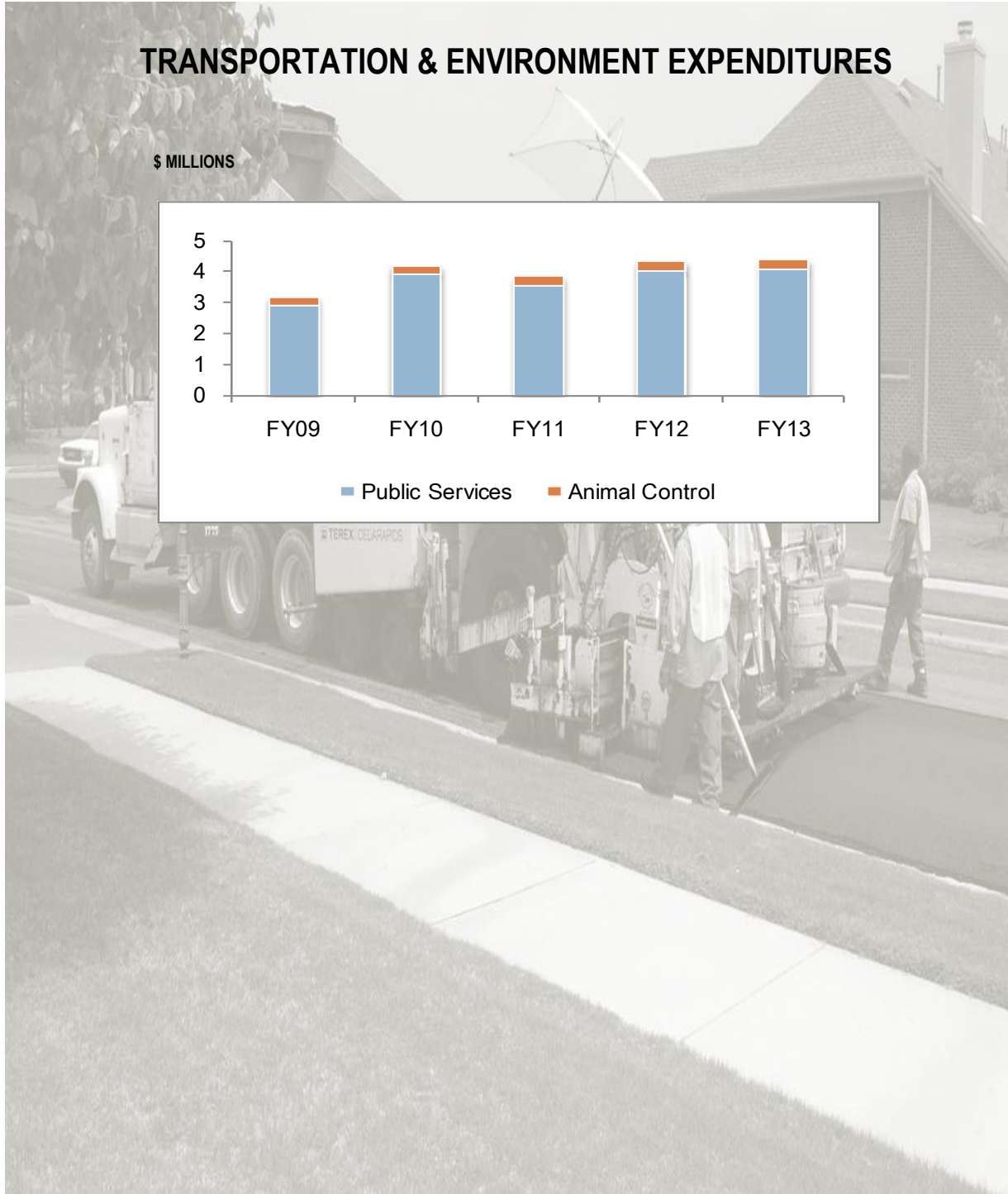
Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Outcome	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Prct. Calls0 <= 8 Minutes Call Entry to Arrival (Total Calls)	84.0%	93.0%	90.0%	95.4%	90.0%

Triple Bottom Line Focus Area: Economic & Social	FY11		FY12		FY13
Measurement Type: Outcome	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Arson Clearance Rate	24.5%	100.0%	100.0%	100.0%	100.0%



TRANSPORTATION AND ENVIRONMENT FY13 BUDGET

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





Public Services

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

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 2,400,020	2,329,633	2,500,479	46,680	1.87%	2,547,159
Communication	5,070	5,500	5,500	500	9.09%	6,000
Professional Fees	-	-	4,000	(4,000)	-100.00%	-
Contract Services	428,381	485,200	538,464	23,236	4.32%	561,700
Insurance	32,141	20,000	12,559	7,441	59.25%	20,000
Other Maintenance	125,884	134,500	112,000	24,500	21.88%	136,500
Supplies	120,057	119,960	144,128	22,872	15.87%	167,000
Rent	953	1,400	1,447	53	3.66%	1,500
Allocations	330,696	300,259	324,914	14,035	4.32%	338,949
Capital Outlay	88,942	410,000	342,000	(96,000)	-28.07%	246,000
Utilities	20,899	24,350	21,780	2,570	11.80%	24,350
TOTAL	\$ 3,553,043	3,830,802	4,007,271	41,887	1.05%	4,049,158
Expense Reimbursement	\$ (425,727)	(416,811)	(416,811)	3,979	-0.95%	(412,832)

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	6.4 \$ 409,622	6.5 444,663	6.5 448,471
Non-Exempt Wages	32.0 1,142,475	33.0 1,131,832	33.0 1,185,345
Other Compensation	22,194	21,000	20,000
Fringe Benefits	818,891	895,359	887,543
Other Personnel	3,058	4,125	5,800
DEPARTMENT TOTAL	38.4 \$ 2,396,240	39.5 2,496,979	39.5 2,547,159

GENERAL FUND

Public Services

Categories

Personnel - \$2,547,159 This category includes salaries, wages and benefits for non-exempt and exempt employees, which includes the director of public services, assistant director of administration, superintendent of ground maintenance, superintendent of public works operations, contract administrator and the assistant superintendent of public works operations. Also included in this category is overtime for non-exempt employees, which include crew supervisors, heavy equipment operators, senior maintenance workers, maintenance workers, maintenance technicians and an office support technician. Additionally, funds are budgeted to provide job-related educational enrichment for employees, attendance at seminars, monthly safety and job-related training seminars and the purchase of necessary manuals.

Communications - \$6,000 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 - \$561,700 This category includes contract landscaping costs for grass cutting, herbicide, and maintenance.

Insurance - \$20,000 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 - \$136,500 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 - \$167,000 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 - \$1,500 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 - \$338,949 This category represents the department's portion of the insurance and vehicle maintenance.

Capital Outlay - \$246,000 This category funds the purchase of a GPS units for vehicles and improvements to Cameron Brown Park.

Utilities - \$24,350 This category includes the department's share of utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Road Rehabilitation Expenditures per Paved Lane	\$ 3,750	\$ 4,600	\$ 4,800	\$ 4,650	\$ 5,265

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Road Rehabilitation Expenditures per Capita	\$ 23.50	\$ 29.26	\$ 25.00	\$ 37.45	\$ 43.89

GENERAL FUND

Public Services

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Street-Sweeping Expenditures per Linear Mile Swept	\$ 81.66	\$ 245.08	\$ 304.50	\$ 304.50	\$ 304.50

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Street-Sweeping Expenditures per Capita	\$ 3.00	\$ 3.00	\$ 4.35	\$ 4.73	\$ 4.35

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Snow and Ice Control Expenditures per Capita Compared with Inches of Snowfall	\$ 4.00	\$ 2.00	\$ 4.00	\$ -	\$ 3.00

Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Expenditures per Capita for Road Rehabilitation, Street Sweeping, and Snow and Ice Control	\$ 57.00	\$ 45.00	\$ 60.00	\$ 46.73	\$ 60.00





Animal Control

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

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

Budget Category Summary

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 218,991	220,754	253,577	10,994	4.34%	264,571
Communication	70	420	70	350	500.00%	420
Professional Fees	4,800	4,800	8,015	(3,215)	-40.11%	4,800
Supplies	42,595	44,600	44,807	6,693	14.94%	51,500
Allocations	7,549	8,125	7,556	318	4.21%	7,874
Capital Outlay	-	-	-	-	-	-
Utilities	11,141	13,305	11,305	2,000	17.69%	13,305
TOTAL	\$ 285,146	292,004	325,330	17,140	5.27%	342,470

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Non-Exempt Wages	4.0	139,371	4.0
Other Compensation		302	1,000
Fringe Benefits		78,618	91,865
Other Personnel		700	1,340
DEPARTMENT TOTAL	4.0	\$ 218,991	4.0
			253,577
			5.0
			264,571

Categories

Personnel - \$264,571 This category contains funds to cover personnel costs for an animal control supervisor, senior animal control officer, animal control officer, and an administrative secretary. Staff is non-exempt and receives overtime in addition to regular benefits. Also included is education, which includes attending local seminars and the Animal Control Academy.

Communication - \$420 Subscriptions to animal control related periodicals and annual membership.

GENERAL FUND

Animal Control

Professional Fees - \$4,800 This includes veterinary fees for 12 months and additional fees for extraordinary treatments.

Supplies - \$51,500 This category provides funding for office and cleaning supplies, purchase of replacement uniforms, food that is used to feed animals impounded in the shelter and disposal fees for dead animals. Also included in this category are non-capital assets ranging in value from \$500 to \$4,999.

Allocation – \$7,874 This category includes the Animal Control Division’s portion of shared costs of all funds, including insurance and vehicle maintenance.

Utilities - \$13,305 This category includes the Division’s utility costs (electricity, gas, water, sewer and local telephone calls).

Performance Measures

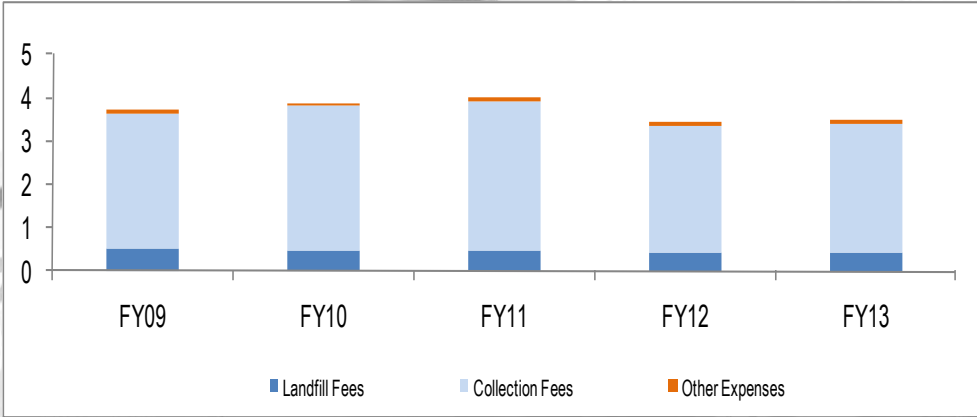
Triple Bottom Line Focus Area: Economic Sustainability	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Percent of Services Responded to within One Hour	95%	95%	98%	98%	98%

SANITATION FY13 BUDGET

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

SANITATION EXPENDITURES

\$ MILLIONS





Sanitation

Mission

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

The FY13 Sanitation Budget includes backdoor trash collection with curbside option, weekly recyclables collection with incentive program and unlimited resident generated yard debris collection. This fund reflects the second year of a five year contract with option to renew for an additional five years with Republic Services for collection. The cost of residential collection for FY13 is calculated at \$24.50 per single-family dwelling and \$14.65 for multi-family.

In addition to the collection costs, the City is in the second year of a five-year contract with Waste Management for disposal of residential waste in a permitted sanitation landfill. This fee is \$30.35 per ton for FY13.

The cost for collection service alone is \$2,990,000 with landfill fees projected to total \$427,000 including savings from recycling. A continued citizen education program is underway to familiarize the public with the benefits of recycling. Reducing yard waste volumes continues to be a goal of the Environmental Commission.

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Personnel	\$ 41,232	41,439	47,473	3,796	8%	51,269
Communication	8,781	4,300	7,300	7,800	107%	15,100
Professional Fees	15,356	-	1,200	(1,200)	-100%	-
Contract Services	3,904,493	3,543,220	3,360,000	57,000	2%	3,417,000
Supplies	25,969	32,000	25,000	3,500	14%	28,500
Utilities	1,518	1,442	1,300	39	3%	1,339
TOTAL	\$ 3,997,349	\$ 3,622,401	3,442,273	70,935	2%	3,513,208

Budget Payroll Summary

	<u>FY11 Actual</u>	<u>FY12 Estimate</u>	<u>FY13 Budget</u>
Exempt Salaries	0.0	\$ -	0.0
Non-Exempt Wages	0.0	28,221	0.0
Other Compensation		-	14
Fringe Benefits		11,924	17,325
Other Personnel		-	-
DEPARTMENT TOTAL	0.0	\$ 40,145	0.0

SANITATION FUND

Sanitation

Categories

Personnel - \$51,269 This category contains funds to cover personnel costs for the sanitation program.

Communications - \$15,100 This category funds the City's publications for semiannual Amnesty Days and the recycling/composting program. Also included in this category are funds for attending meetings, professional licenses and subscriptions to publications related to solid waste collection and disposal.

Contract Services - \$3,417,000 This category reflects the cost for landfill charges (\$427,000) and collection charges for one year (\$2,990,000).

Supplies - \$28,500 This category funds miscellaneous supplies unique to providing sanitation services and the City's Amnesty Days and Recycling Program. Also, \$15,000 is budgeted here for the Household Hazardous Waste Facility Fund.

Utilities - \$1,339 This category includes Sanitation's share of utility costs (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Environmental		FY11		FY12		FY13
Measurement Type: Effectiveness		ICMA Mean	Actual	Goal	Actual	Goal
Measure: Average tons of refuse collected per refuse collection account-all account types		1.04	1.02	0.995	0.980	0.95

Triple Bottom Line Focus Area: Economic		FY11		FY12		FY13
Measurement Type: Efficiency		ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating and maintenance expenditures for refuse collection per ton of refuse collected		\$ 72.32	\$ 138.00	\$ 125.00	\$ 107.00	\$ 112.00

Triple Bottom Line Focus Area: Economic		FY11		FY12		FY13
Measurement Type: Efficiency		ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating and maintenance expenditures for refuse collection per refuse collected account		\$ 103.39	\$ 141.21	\$ 135.00	\$ 107.60	\$ 111.00

Triple Bottom Line Focus Area: Environmental		FY11		FY12		FY13
Measurement Type: Effectiveness		ICMA Mean	Actual	Goal	Actual	Goal
Measure: Average pounds of recyclable material collected per account		132	136.14	147	132.080	137

Triple Bottom Line Focus Area: Economic		FY11		FY12		FY13
Measurement Type: Efficiency		ICMA Mean	Actual	Goal	Actual	Goal
Measure: Gross and net operating and maintenance expenditures for recycling services per ton of recyclable material collected		77.96	109	133	145	130

STORMWATER MANAGEMENT FUND

Stormwater Management

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

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Personnel	\$ 479,898	595,850	593,194	(265)	-0.04%	592,929
Communication	1,447	5,400	1,730	3,770	217.92%	5,500
Professional Fees	13,927	20,000	10,000	30,000	300.00%	40,000
Other Maintenance	36,636	75,000	38,460	26,540	69.01%	65,000
Supplies	13,735	39,000	31,004	9,796	31.60%	40,800
Allocations	30,611	25,204	28,445	1,102	3.87%	29,547
Roads & Mains	187,727	235,000	282,777	(47,777)	-16.90%	235,000
TOTAL	\$ 763,981	995,454	985,610	26,166	2.65%	1,011,776

Budget Payroll Summary

	<u>FY11 Actual</u>	<u>FY12 Estimate</u>	<u>FY13 Budget</u>
Exempt Salaries	1.0 \$ 139,860	1.0 165,094	1.0 165,191
Non-Exempt Wages	6.3 187,463	6.0 220,587	6.0 222,510
Other Compensation	1,201	5,000	2,000
Fringe Benefits	151,164	200,960	201,388
Other Personnel	210	1,553	1,840
DEPARTMENT TOTAL	7.3 \$ 479,898	7.0 593,194	7.0 592,929

STORMWATER MANAGEMENT FUND

Stormwater Management

Categories

Personnel - \$592,929 This category contains funds to cover personnel costs for the stormwater program.

Communications - \$5,500 This category funds the air time on public radio to inform the public about the importance of stormwater management. In addition, this category funds professional licenses, dues to professional organizations and subscriptions to periodicals relevant to stormwater collection.

Professional Fees - \$40,000 This category funds professional engineering services that may be needed, which includes design work prior to replacement or construction of a stormwater project.

Other Maintenance - \$65,000 This category funds the permits needed in stormwater operations and the annual TDEC maintenance fee needed to hold discharge water. In addition, this category funds the quarterly testing and monitoring of outlets flowing into rivers. Necessary supplies are included in this category that are needed to maintain the City's drainage system.

Supplies - \$40,800 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 – \$29,547 This category includes the Stormwater's portion of shared costs of all funds, including insurance and vehicle maintenance.

Roads and Mains - \$235,000 This category funds the contract sweeping and asphalt resurfacing of the City's roadway systems. In addition, this category funds the purchase of necessary supplies and equipment needed to maintain and overlay Germantown's roadway system.

Performance Measures

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Wolf River Water Quality (Turbidity NTU's)	26.00	17.50	15.00	16.75	20.00

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % NPDES Stormwater Permit Compliance	21	25	26	64	52

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Maintenance costs per surface water area	\$ 32,000	\$ 34,000	\$ 35,000	\$ 31,250	\$ 35,000

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: number of samples taken and processed that meets standard	4	20	8	24	24

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of number of FEMA questions/concerns resolved	23	17	23	32	30

COMMUNITY SERVICES FY13 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.

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

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 694,804	732,206	763,935	26,388	3.45%	790,323
Communication	13,315	12,350	12,000	5,350	44.58%	17,350
Professional Fees	45,488	47,400	45,900	1,500	3.27%	47,400
Contract Services	-	-	-	-	-	-
Insurance	2,624	5,000	6,461	(1,461)	-22.61%	5,000
Other Maintenance	-	-	-	-	-	-
Supplies	16,634	20,600	22,500	6,100	27.11%	28,600
Rent	8,364	7,803	10,953	(757)	-6.91%	10,196
Allocations	27,539	28,711	27,675	3,779	13.65%	31,454
Capital Outlay	-	-	-	132,000	100%	132,000
Utilities	357,198	361,750	366,650	7,100	1.94%	373,750
Grants	-	69,250	69,250	4,350	6.28%	73,600
TOTAL	\$ 1,165,966	1,285,070	1,325,324	184,349	13.91%	1,509,673

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	6.4	\$ 370,576	5.5	362,719	5.5	385,757
Non-Exempt Wages	5.1	141,437	5.1	195,085	5.1	191,398
Other Compensation		184		100		500
Fringe Benefits		181,077		199,331		204,423
Other Personnel		1,530		6,700		8,245
DEPARTMENT TOTAL	11.5	\$ 694,804	10.6	763,935	10.6	790,323

GENERAL FUND

Parks and Recreation

Categories

Personnel - \$790,323 This category contains the salaries, wages and benefits for the director of parks and recreation, superintendent of recreation, sports coordinators, special events and marketing coordinator, administrative assistant, part-time senior adult program coordinator, part-time park rangers, playground leaders, part-time administrative assistant and partial cost for the community services division director. The personnel category also includes overtime wages for athletic tournaments, Germantown Festival, Germantown Charity Horse Show, Holiday Parade, July Family Fourth, Mayor's Cup 5K Race and employee education for Parks and Recreation employees.

Communications - \$17,350 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 - \$47,400 This line category provides funding each year for a stipend to Harry Cloyes at Oaklawn Gardens, the Germantown Family Fourth Celebration and implementation of a marketing plan. Funding for the Parks and Recreation Department's re-accreditation annual fee is also included.

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

Supplies - \$28,600 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 - \$10,196 This category includes rental fees for land and equipment. It also includes lease and taxes for Depot Park and Oaklawn Gardens.

Allocation - \$31,454 This includes the Parks and Recreation Department's portion of the shared costs of all internal funds, including insurance and vehicle maintenance.

Capital Outlay - \$132,000 This category provides funding for a \$9,000 trail cameras, \$18,000 projector, \$28,000 vehicle, \$37,000 scoreboard, and \$40,000 holiday tree.

Utilities - \$373,750 This category includes the department's utility costs (electricity, gas, water, sewer and local and long distance telephone).

Grants - \$73,600 This category includes funding for City Beautification, Commission, Germantown Community Theatre, and Public Art Program.

Performance Measures

Triple Bottom Line Focus Area: Financial	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Net Revenue per Capita	\$ (58.64)	\$ 107.00	\$ (1.43)	\$ (1.43)	\$ (1.43)

Triple Bottom Line Focus Area: Financial	FY11		FY12		FY13
	ICMA Mean	Actual	Goal	Actual	Goal
Measurement Type: Efficiency					
Measure: Revenue from Grants Endowments and Foundations	\$ 2.04	\$ 0.06	\$ 2.13	\$ 1.38	\$ -

GENERAL FUND

Parks and Recreation

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Overall Citizen Satisfaction with Parks & Recreation	84%	n/a	80%	94%	80%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Quality of Parks and Recreation Programs	75%	n/a	80%	93%	80%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Satisfaction with Recreational Opportunitites	n/a	n/a	80%	96%	80%





Cultural Arts

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Professional Fees	16,019	17,700	15,000	15,200	101.33%	30,200
Supplies	29,291	42,807	35,800	12,767	35.66%	48,567
Rent	2,124	3,320	3,000	320	10.67%	3,320
Grants	-	18,500	18,500	-	0.00%	18,500
TOTAL	<u>\$ 47,434</u>	<u>82,327</u>	<u>72,300</u>	<u>28,287</u>	<u>39.12%</u>	<u>100,587</u>

Categories

Professional Fees - \$30,200 This category includes fees for instructors, entertainers, decorations, supplies, equipment, trophies and fliers for a variety of programs planned throughout the year.

Supplies - \$48,567 Included in this category are equipment, playground program and camp supplies, shirts, craft and art supplies and equipment. This category also includes funding for playground and camp trips and lunches for program participants.

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

Grants- \$18,500 This category includes the following:

Senior Expo	\$10,000
Movers Program	7,650
Senior Advisory Commission	850



Pickering Complex

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Professional Fees	\$ 18,464	22,500	21,000	1,500	7.14%	22,500
Supplies	1,305	4,500	4,500	-	0.00%	4,500
Rent	-	-	-	-	-	-
Allocations	2,307	2,500	2,500	300	12.00%	2,800
Capital Outlay	-	78,000	102,000	(52,000)	-50.98%	50,000
Utilities	8,248	10,150	8,370	1,780	21.27%	10,150
TOTAL	<u>\$ 30,324</u>	<u>117,650</u>	<u>138,370</u>	<u>(48,420)</u>	<u>-34.99%</u>	<u>89,950</u>

Categories

Professional Fees - \$22,500 This category pays instructors for teaching classes at the Pickering Community Center. The instructor receives 70% of fees collected. This includes the senior programs that are held at the Pickering Community Center and funds for senior trips.

Supplies - \$4,500 This category includes supplies used for the operation of the Pickering Community Center such as coffee, trash bags, keys, napkins and piano tuning. Also included are funds to purchase new coffee pots, chairs, cords and other supplies plus repairs.

Allocation - \$2,800 This category includes shared costs of the City's insurance expenses for the Pickering Community Center building.

Capital Outlay - \$50,000 This category includes funding for the renovation of the Pickering Community Center building (\$25,000 kitchen cabinets and \$25,000 outdoor lighting).

Utilities - \$10,150 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).



Library Services

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

Germantown Community Library

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

Budget Category Summary

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 493	2,000	2,000	-	0.00%	2,000
Communication	5,750	12,000	7,800	2,200	28.21%	10,000
Professional Fees	\$ 1,127,962	1,158,371	1,160,314	37,272	3.21%	1,197,586
Other Maintenance	12,997	21,000	12,000	11,000	91.67%	23,000
Supplies	60,037	30,000	30,268	(2,518)	-8.32%	27,750
Rent	11,379	21,000	15,556	8,444	54.28%	24,000
Allocations	22,491	23,700	21,647	3,753	17.34%	25,400
Utilities	111,096	106,500	104,375	4,641	4.45%	109,016
Grants	-	-	-	-	-	-
TOTAL	\$ 1,352,205	1,374,571	1,353,960	64,792	4.79%	1,418,752

- Categories**
- Personnel - \$2,000 This category funds the professional development and training of staff.
 - Communications - \$10,000 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 - \$1,197,586 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 - \$23,000 This category funds maintenance of OCLC and automation.
 - Supplies - \$27,750 This category funds general supplies used in the operations of the Library.
 - Rent - \$24,000 This category funds costs associated with a copier machine.
 - Allocation - \$25,400 This category includes the Germantown Community Library's portion of insurance expenses.
 - Utilities - \$109,016 This category includes the department's utility costs (electricity and gas, water, sewer, local and long distance telephone).

GENERAL FUND

Library Services

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating & Maintenance expenditures per registered borrower	\$ 51.71	\$ 48.79	\$ 50.74	\$ 53.93	\$ 53.00

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Material acquisition expenditures as a percentage of total expenditures	12.2%	15.8%	16.0%	16.0%	16.0%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating and Maintenance expenditures per capita	\$ 33.93	n/a	\$ 30.38	\$ 37.00	\$ 37.00

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Operating and Maintenance expenditures per item circulated	\$ 3.38	\$ 3.81	\$ 3.36	\$ 4.00	\$ 4.00

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Circulation Rate per Capita	16.7	13.0	10.1	9.1	9.0

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Circulation Rate per Borrower	10.9	9.2	17.3	13.3	13.0

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Registered borrowers as a percentage of service area population	67%	74%	62%	68%	68%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	ICMA Mean	Actual	Goal	Actual	Goal
Measure: Library visitation rates per registered borrower	9.5	8.0	11.3	8.9	8.9



The Farm

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ -	-	3,849	60,322	1567%	64,171
Communication	-	-	-	2,700	100%	2,700
Professional Fees	-	-	10	2,990	29900%	3,000
Contract Services	-	-	-	3,500	100%	3,500
Other Maintenance	-	-	2,783	217	8%	3,000
Supplies	-	-	8,207	9,053	110%	17,260
Rent	-	-	-	6,800	100%	6,800
Utilities	-	-	-	8,500	100%	8,500
TOTAL	\$ -	-	14,849	94,082	633.59%	108,931

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	0.0	\$ -	0.0
Non-Exempt Wages	0.0	-	0.1
Other Compensation		-	-
Fringe Benefits		-	250
Other Personnel		-	350
DEPARTMENT TOTAL	0.0	\$ -	0.1

Categories

Personnel - \$64,171 This category contains funds to cover personnel costs for the farm park.

Communications - \$2,700 This category funds marketing and notice publications, dues and subscriptions to American Gardening Society.

Professional Fees - \$3,000 This category funds the contract services expenses of daily operations and management of the farm park.

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

Other Maintenance - \$3,000 This category includes materials and supplies necessary to make drainage, structural repairs and general improvements.

Supplies - \$17,260 This category funds general supplies used in the operations of The Farm.

GENERAL FUND

The Farm

Rent - \$6,800 This category funds costs associated with rental equipment used for seasonal work.

Utilities - \$8,500 This category includes the department's utility costs (electricity and gas, water, and sewer).

Performance Measures

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Vegetable crop yield: lbs/per acre	N/A	N/A	N/A	N/A	2,500 lbs

Triple Bottom Line Focus Area: Environmental	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Percent of food donated from total harvest	N/A	N/A	N/A	N/A	20%

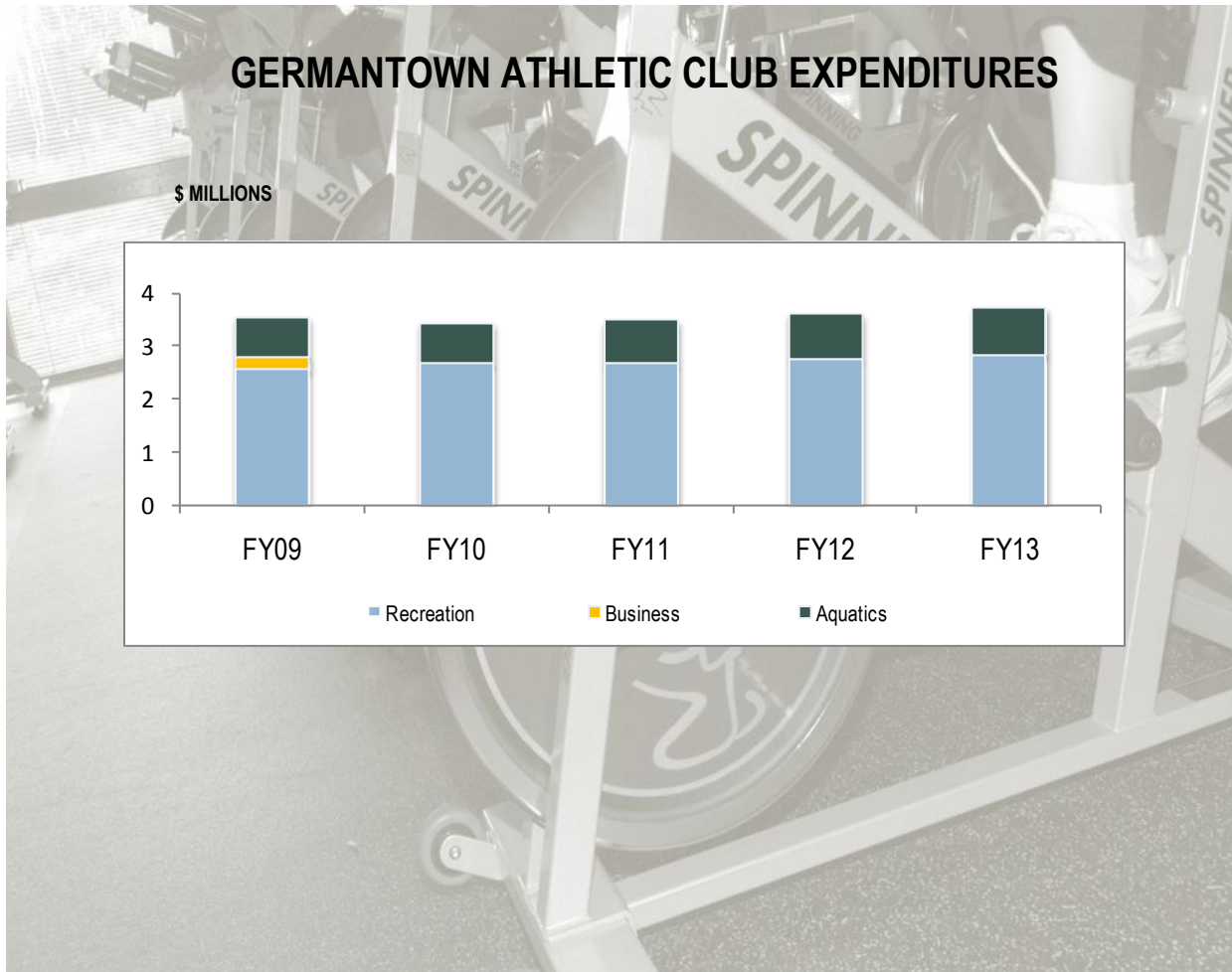
Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: Percent increase of visitors per quarter	N/A	N/A	N/A	N/A	5%

GERMANTOWN ATHLETIC CLUB FY13 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. The Business Center was removed from the Germantown Athletic Club and made into a separate enterprise fund called the Great Hall Fund. Debt service for the initial building was accounted for in the General Fund since it was originally contemplated that general revenues for the City would provide the funding. Capital debts for expansion expenditures are being accounted for in the Germantown Athletic Club Fund.

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

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





Germantown Athletic Club Recreation

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

Budget Category Summary

CATEGORY	Actual	Budget	Estimated	Amt. Chg.	% Chg.	Budget
	FY11	FY12	FY12			FY13
Personnel	\$ 891,533	967,561	961,925	(12,353)	-1.28%	949,572
Communication	836	2,600	10,000	-	0.00%	10,000
Professional Fees	607,547	674,410	536,273	56,537	10.54%	592,810
Insurance	-	-	-	-	-	-
Other Maintenance	124,218	208,075	137,000	2,000	1.46%	139,000
Supplies	106,089	176,000	131,250	-	0.00%	131,250
Rent	132,040	178,555	182,043	-	0.00%	182,043
Allocations	156,724	139,085	139,085	6,593	4.74%	145,678
Depreciation	412,739	527,539	414,322	29,835	7.20%	444,157
Utilities	231,841	243,575	244,636	(40)	-0.02%	244,596
Grants	928	-	-	-	-	-
TOTAL	\$ 2,664,495	\$ 3,117,400	2,756,534	82,572	3.00%	2,839,106
Capital Outlay	\$ 488,000	-	259,566	(259,566)	-100.00%	-

Budget Payroll Summary

	FY11		FY12		FY13	
		Actual		Estimate		Budget
Exempt Salaries	6.0	\$ 294,686	6.0	298,414	6.0	316,256
Non-Exempt Wages	15.9	405,352	15.9	465,126	15.9	419,587
Other Compensation		256		1,600		500
Fringe Benefits		182,492		183,785		213,229
Other Personnel		8,747		13,000		-
DEPARTMENT TOTAL	21.9	\$ 891,533	21.9	961,925	21.9	949,572

Categories

Personnel - \$949,572 This category includes part of the salaries and benefits for the athletic club director, facility programming coordinator, business manager, managers on duty, marketing and membership sales coordinator, administrative assistant, customer service representatives, part-time weekend supervisor, part-time concessions workers, part-time information clerks, part-time nursery workers, and recreation leaders.

ENTERPRISE FUND

Athletic Club Recreation

Communication - \$10,000 This category includes items that enhance the Germantown Athletic Club's staff and programs through recreation and fitness publications, training meetings for staff and contact with specialized sources.

Professional Fees - \$592,810 This category includes fees for professional services required for the cost center, including payment for class instructors. Group Exercise Instructors will receive \$23-\$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 - \$139,000 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 - \$131,250 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 - \$182,043 This category provides rental of specialty and fitness equipment needed by the Germantown Athletic Club.

Allocations- \$145,678 This category includes the Germantown Athletic Club Recreation's portion of insurance expenses.

Depreciation - \$444,157 This category includes the annual depreciated valuation of the Germantown Athletic Club facilities and equipment.

Utilities - \$244,596 This line includes the Recreation's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	Goal	Actual	Goal	Actual	Goal
Measure: % of resident membership	n/a	n/a	n/a	n/a	58%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of member retention over previous year	n/a	n/a	75%	63%	75%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	Goal	Actual	Goal	Actual	Goal
Measure: Amount of increase in IPV revenue (\$0.10)	n/a	n/a	\$1.04	\$1.52	\$1.75

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of current members who use the Club less than four times per month	n/a	n/a	60%	64%	60%

ENTERPRISE FUND

Athletic Club Recreation

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of current members who use the Club more than 8 times per month	n/a	n/a	20%	19%	20%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of membership using the Club daily	n/a	n/a	20%	10%	20%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of Members who rate you as a five on a five-point scale	n/a	n/a	15%	29%	15%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of early stage usage (8 visits or more)	n/a	n/a	15%	17%	18%

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

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 466,694	499,296	503,979	(13,982)	-2.77%	489,997
Communication	-	-	-	-	-	-
Professional Fees	876	7,392	1,392	-	0.00%	1,392
Supplies	57,029	61,100	47,500	16,500	34.74%	64,000
Allocations	28,530	21,728	21,728	1,395	6.42%	23,123
Depreciation	160,702	160,702	161,652	23,534	14.56%	185,186
Utilities	107,430	112,050	112,000	-	0.00%	112,000
TOTAL	<u>\$ 821,261</u>	<u>862,267</u>	<u>848,251</u>	<u>27,447</u>	<u>3.24%</u>	<u>875,698</u>
Capital Outlay	\$ -	-	-	140,000	100%	140,000

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	2.0	\$ 89,465	2.0	84,808	2.0	85,395
Non-Exempt Wages	13.5	292,474	13.5	338,462	13.5	330,000
Other Compensation	-	208	-	-	-	-
Fringe Benefits	-	84,547	-	80,709	-	74,602
DEPARTMENT TOTAL	<u>15.5</u>	<u>\$ 466,694</u>	<u>15.5</u>	<u>503,979</u>	<u>15.5</u>	<u>489,997</u>

Categories Personnel - \$489,997 Represented in this category are the salaries and benefits for an aquatics coordinator, head swim coach, seasonal aquatic supervisor, lifeguards, age group swim coaches, water exercise instructors, and water safety instructors. The personnel category also includes employee education to train employees in specialized areas.

ENTERPRISE FUND

Athletic Club Aquatics

Professional Fees - \$1,392 This category includes fees for professional services required for the cost center, including payment for class instructors. Group Exercise Instructors will receive \$23-\$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.

Supplies - \$64,000 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- \$23,123 This line includes the Athletic Club's portion of insurance costs for the aquatic facilities.

Depreciation - \$185,186 Included in this category is the annual charge representing depreciated valuation of aquatic facilities and equipment.

Utilities - \$112,000 This line includes the Aquatic's share of utility expenses (electricity, gas, water, sewer and local and long distance telephone).

Capital Outlay - \$140,000 This category includes the cost s associated with two CIP project: indoor pool surface and ultraviolet sanitation

Performance Measures

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Customer Satisfaction	Goal	Actual	Goal	Actual	Goal
Measure: % of swim lesson participants who rate you as a 5 on a 5 point scale	n/a	n/a	75%	75%	75%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	Goal	Actual	Goal	Actual	Goal
Measure: amount of increase in aquatics revenue (2%)	n/a	n/a	\$132,878	\$160,691	\$163,904

Germantown Athletic Club Debt Service

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

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Debt Service	\$ 37,754	34,416	34,416	(3,859)	-11.21%	30,557
TOTAL	<u>\$ 37,754</u>	<u>34,416</u>	<u>34,416</u>	<u>(3,859)</u>	<u>-11.21%</u>	<u>30,557</u>

Categories

Debt Service - \$30,557 This category includes the interest portion of the \$2.5 million General Fund Intergovernmental loan for the Germantown Athletic Club's expansion project.

Great Hall

Mission

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

Budget Category Summary

<u>BUDGET CATEGORY SUMMARY</u>						
<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Personnel	\$ 150,642	148,487	155,400	14,129	9.09%	169,529
Communication	771	900	925	75	8.11%	1,000
Professional Fees	102,183	52,500	51,704	(404)	-0.78%	51,300
Other Maintenance	25,718	35,230	51,067	(19,067)	-37.34%	32,000
Supplies	10,250	19,289	21,683	(7,483)	-34.51%	14,200
Rent	84,423	84,461	86,582	(4,960)	-5.73%	81,622
Allocations	55,263	53,977	53,977	2,481	4.60%	56,458
Depreciation	3,904	46,404	17,753	33,997	191.51%	51,750
Utilities	40,193	39,428	41,728	-	0.00%	41,728
Grants	-	500	-	-	-	-
TOTAL	\$ 473,347	\$ 481,176	\$ 480,819	18,768	3.90%	499,587
Capital Outlay	\$ -	10,000	142,675	(79,675)	-55.84%	63,000

Budget Payroll Summary

	<u>FY11 Actual</u>		<u>FY12 Estimate</u>		<u>FY13 Budget</u>	
Exempt Salaries	1.0	49,101	1.0	46,912	1.0	57,865
Non-Exempt Wages	2.0	56,725	2.0	60,139	2.0	61,000
Fringe Benefits	-	44,816	-	48,296	-	50,664
DEPARTMENT TOTAL	3.0	150,642	3.0	155,400	3.0	\$ 169,529

Categories

Personnel - \$169,529 Represented in this category are the salaries and benefits for a Great Hall & Conference Center manager, event coordinator, part-time facility representative, and part-time event representative.

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

ENTERPRISE FUND

Great Hall

Professional Fees - \$51,300 This category includes marketing and advertising costs for the Great Hall & Conference Center. In addition, this category includes credit card fees.

Other Maintenance - \$32,000 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. In addition, this category includes funds for carpet cleaning, security monitoring, security guard service, and CheckFree.

Supplies - \$14,200 This line includes funds for the purchase of general office supplies, cleaning supplies, food supplies, and miscellaneous supplies.

Rent- \$81,622 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- \$56,458 This line includes the Great Hall's portion of insurance costs.

Depreciation - \$51,750 Included in this category is the annual charge representing depreciated valuation of the Great Hall & Conference Center.

Utilities - \$41,728 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 - \$63,000 This category includes the costs associated with IRP projects: upgrade audio/visual components, portable dance floor, carpet and signage.

Performance Measures

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Entire Great Hall Hrs Billed as a % of Hrs Available	n/a	n/a	23%	35%	40%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Conf. Center Hrs Billed as a % of Hrs Available	n/a	n/a	35%	46%	50%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Effectiveness	Goal	Actual	Goal	Actual	Goal
Measure: % of Repeat Customers	n/a	n/a	95%	95%	95%

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	Goal	Actual	Goal	Actual	Goal
Measure: Net Income from Taxable Room Rental	n/a	n/a	\$ 100,000	\$ 58,654	\$ 151,800

Triple Bottom Line Focus Area: Economic	FY11		FY12		FY13
Measurement Type: Productivity	Goal	Actual	Goal	Actual	Goal
Measure: Net Income from Non-Taxable Room Rental	n/a	n/a	\$ 65,000	\$ 31,470	\$ 88,550

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 FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Debt Service	\$ 15,926	13,384	13,384	(1,501)	-11.21%	11,883
TOTAL	<u>\$ 15,926</u>	<u>13,384</u>	<u>13,384</u>	<u>(1,501)</u>	<u>-11.21%</u>	<u>11,883</u>

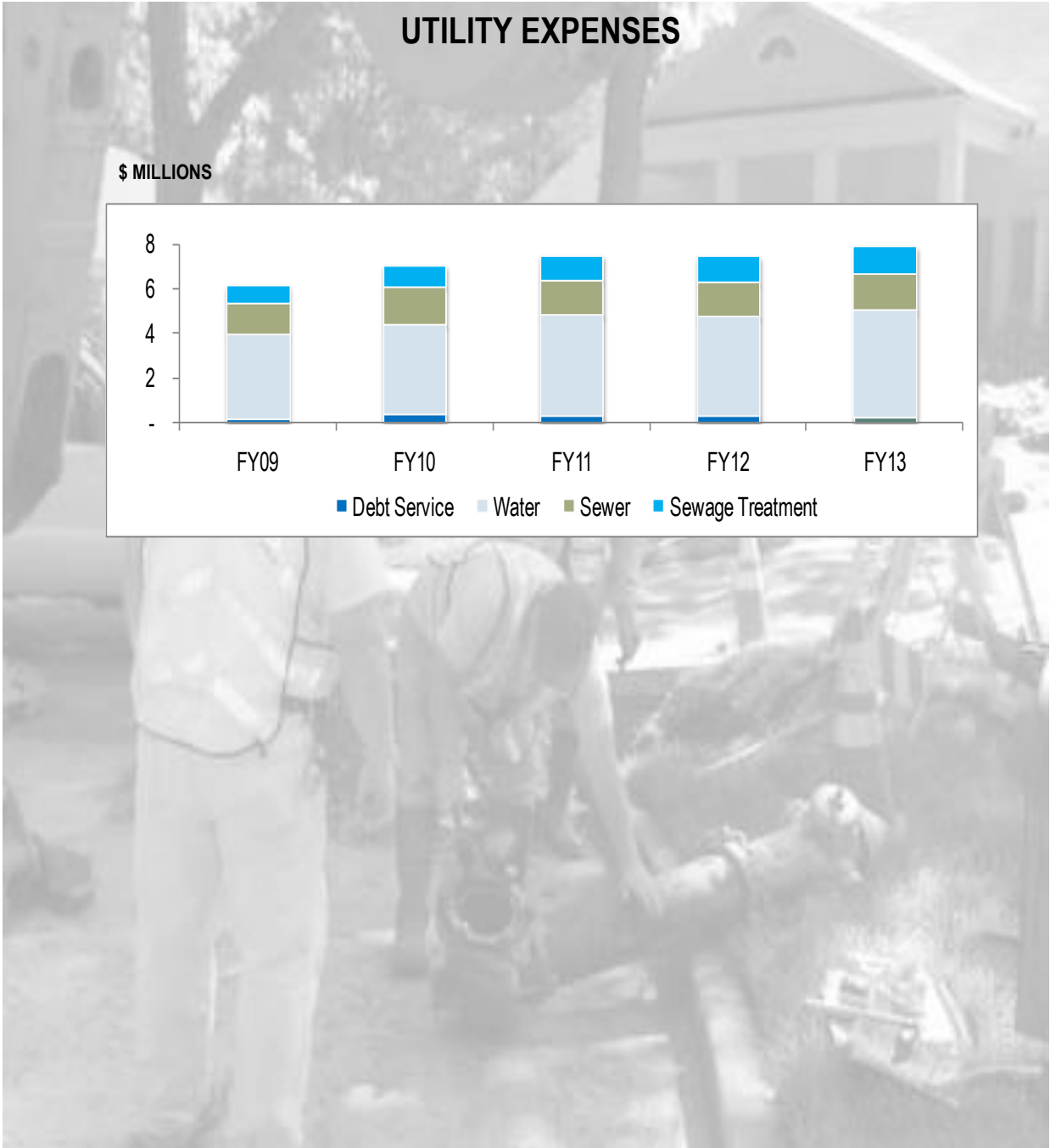
Categories

Debt Service - \$11,883 This category includes the Great Hall's interest portion of the \$2.5 million General Intergovernmental loan.



UTILITIES FY13 BUDGET

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





UTILITY DEBT SERVICE

Utility Debt

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

The City issued \$5.0 million in Water Revenue Bonds Series 2008 in December 2008. This issue supported the plant expansion of the Johnson Road Water Plant, Johnson Road Reservoir, water wells, automated controls (SCADA), and sewer pipeline rehabilitation. The one bond issue in FY98, refunded in 2006, totaling \$8.025 million was mainly to support the construction of a new water treatment plant. There are no future issuances projected in FY13-17. Outstanding principal of the Utility Fund at July 1, 2012 is \$6,445,000. During the year, principal of \$880,000 and interest of \$233,462 will be paid. The principal balance at June 30, 2012, will be \$5,565,000.

<u>Security</u>	<u>Balance 7/1/2012</u>	<u>Principal Payment</u>	<u>Balance 6/30/2013</u>	<u>Interest Expense</u>
<u>Existing:</u>				
2008 Water Revenue Bonds	\$ 3,685,000	470,000	3,215,000	131,262
2006 Water Revenue Bonds	\$ 2,760,000	410,000	2,350,000	102,200
Total FY13 Debt	<u>\$ 6,445,000</u>	<u>880,000</u>	<u>5,565,000</u>	<u>233,462</u>
<u>Proposed:</u>				
	<u>Existing Principal</u>	<u>Existing Interest</u>	<u>Future Principal</u>	<u>Future Interest</u>
FY14	920,000	200,450	-	-
FY15	955,000	165,438	-	-
FY16	990,000	127,800	-	-
FY17	1,035,000	127,800	-	-
Thereafter	1,665,000	144,200	-	-
Total Debt Service	<u>\$ 5,565,000</u>	<u>765,688</u>	<u>-</u>	<u>-</u>

Budget Category Summary

<u>CATEGORY</u>	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>Amt. Chg.</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Debt Service	\$ 290,561	264,100	264,100	(30,637)	-11.60%	233,463
Agency Fees	250	250	250	-	0.00%	250
TOTAL	<u>\$ 290,811</u>	<u>264,350</u>	<u>264,350</u>	<u>(30,637)</u>	<u>-11.59%</u>	<u>233,713</u>

Categories

Debt Service - \$233,463 This category includes interest payments on the Series 2006 Water Revenue and Tax Refunding Bonds and the Series 2008 Water and Sewer System Revenue and Tax Bonds.

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



Water

Mission

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

Water Distribution

Seven employees provide daily maintenance and repair needed to operate the system. These employees install meters, repair water service lines, main breaks, fire hydrants and maintain valves. They also perform minor new water construction and provide in-house utility locate duties for the Tennessee One-Call Service. An emergency call-out work force is provided for after hour calls. A standby operation, consisting of five water division employees, is an alternative to staffing two additional shifts. The staff successfully provides approximately 15,200 residential and 440 business customers with an uninterrupted supply of potable water, sufficient water pressure and adequate supply of water for fire protection; maintains 206 miles of water mains, 2,361 fire hydrants, 3,881 main line valves and 13,800 service lines with a minimum of down time; responds to main breaks, service line breaks and broken fire hydrants in a timely manner and educates customers about how to protect our most abundant natural resource, water.

Customer Services

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

Water Treatment

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

Budget Category Summary

<u>CATEGORY</u>	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 1,264,785	1,224,887	1,292,325	34,381	2.66%	1,326,706
Communication	65,831	63,500	67,500	17,000	25.19%	84,500
Professional Fees	82,420	104,790	79,770	10,730	13.45%	90,500
Insurance	4,091	5,000	2,448	2,552	104.25%	5,000
Other Maintenance	126,624	80,000	80,000	5,000	6.25%	85,000
Supplies	138,811	160,000	163,000	51,275	31.46%	214,275
Rent	-	1,000	1,000	-	0.00%	1,000
Allocations	754,539	700,347	707,155	37,468	5.30%	744,623
Roads & Mains	79,291	120,000	100,000	30,000	30.00%	130,000
Depreciation	1,035,416	1,038,619	1,023,913	65,566	6.40%	1,089,479
Utilities	732,682	687,600	694,290	43,310	6.24%	737,600
Pilot	220,966	220,966	247,276	13,954	5.64%	261,230
TOTAL	\$ 4,505,456	4,406,709	4,458,677	311,236	6.98%	4,769,913
Capital Outlay	\$ 666,594	332,000	2,460,785	571,090	23.21%	1,315,000

UTILITY FUND

Water

Budget Payroll Summary

	FY11 Actual		FY12 Estimate		FY13 Budget	
Exempt Salaries	2.0	\$ 155,230	3.0	126,777	3.0	127,266
Non-Exempt Wages	17.0	638,798	17.0	646,902	17.0	671,507
Other Compensation		81,461		80,000		81,600
Fringe Benefits		383,176		428,846		436,333
Other Personnel		6,120		9,800		10,000
DEPARTMENT TOTAL	19.0	\$ 1,264,785	20.0	1,292,325	20.0	1,326,706

Categories

Personnel - \$1,326,706 This category includes salaries, wages and benefits for the assistant director of utilities, water services superintendent, chief water plant operator, crew supervisors, water plant operators, water plant technician, maintenance technicians, senior maintenance worker, maintenance worker, lead meter reader, meter readers, utility billing specialist, and equipment operator. Also in this category is overtime wages, which consists of funds to support six employees involved with the after-hours call out program. Overtime wages are based on an average of \$53.50 per standby shift as well as 3% of the employee's salaries. Based on current trends, there are approximately two callouts per shift at an average cost of \$107.00 per callout. This standby expense is part of the alternative costs of staffing three additional shifts by providing these services on a 24-hour basis.

Communications - \$84,500 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 - \$90,500 This category includes fees to pay outside engineering and professional consultants for review and recommendations concerning the water system as required.

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

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

Supplies - \$214,275 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.

Rent - \$1,000 This category covers the emergency rental of equipment such as generators, lighting and other types of equipment, which may either be down for repairs or not owned, but needed to properly maintain the water system.

Allocation - \$744,623 This category funds the water operations portion of shared costs for services provided by other departments such as Insurance, Vehicle Maintenance, Development, Public Services and Personnel.

Roads and Main - \$130,000 Funds in this category are to purchase parts, supplies and construction material required to repair and maintain 206 miles of various sized water mains and approximately 13,800 service lines. This category also covers the cost of repairing or replacing water meters, as well as the maintenance and replacement of meter boxes.

UTILITY FUND

Water

Depreciation - \$1,089,479 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 - \$737,600 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

Pilot - \$261,230 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 - \$1,315,000 This category includes the costs associated with the CIP and IRP projects of well field maintenance, water mains maintenance, and two pickup trucks.

Performance Measures

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Percent of Non emergency customer request responded within 24 hours	98%	95%	98%	96%	98%

Triple Bottom Line Focus Area: Social	FY11		FY12		FY13
Measurement Type: Efficiency	Goal	Actual	Goal	Actual	Goal
Measure: Percent of Emergency customer request responded within 30 minutes	95%	98%	95%	97%	95%



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 206 miles of sewer mains and 23 lift pump stations throughout the city system.

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

Budget Category Summary

CATEGORY	Actual FY11	Budget FY12	Estimated FY12	Amt. Chg.	% Chg.	Budget FY13
Personnel	\$ 342,386	323,019	349,423	8,516	2.44%	357,939
Communication	355	600	550	550	100.00%	1,100
Professional Fees	-	-	-	-	-	-
Insurance	2,669	10,000	131	4,869	3716.79%	5,000
Other Maintenance	4,324	5,000	3,500	1,500	42.86%	5,000
Supplies	17,555	20,700	22,300	5,500	24.66%	27,800
Rent	94	100	79	21	26.58%	100
Allocations	419,315	390,982	392,304	21,987	5.60%	414,291
Roads & Mains	31,738	26,000	26,000	9,000	34.62%	35,000
Depreciation	614,871	623,867	616,216	59,030	9.58%	675,246
Utilities	14,111	16,000	14,800	2,700	18.24%	17,500
PILOT	145,193	148,326	129,047	7,282	5.64%	136,329
TOTAL	\$ 1,592,611	1,564,594	1,554,350	120,955	7.78%	1,675,305
Capital Outlay	\$ -	1,675,000	1,517,255	(954,255)	-62.89%	563,000

Budget Payroll Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Exempt Salaries	1.0 \$ 67,560	1.0 52,156	1.0 52,973
Non-Exempt Wages	5.0 147,852	5.0 150,160	5.0 152,184
Other Compensation		19,394	25,500
Fringe Benefits		107,580	121,607
Other Personnel		-	500
DEPARTMENT TOTAL	6.0 \$ 342,386	6.0 349,423	6.0 357,939

UTILITY FUND

Sewer

Categories

Personnel – \$357,939 This category includes salaries, wages and benefits for the superintendent of utilities, crew supervisor, equipment operator, senior maintenance worker and maintenance workers. Overtime wages are included to cover expenditures associated with after hour sewer stoppages and maintenance requirements.

Communications - \$1,100 Included in this category is the cost of job-related educational supplies and materials for six employees as well as registration fees for supervisory training seminars and Tennessee Department of Health certification requirements.

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

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

Supplies - \$27,800 This category funds the purchase of chemicals used in grease and odor control on lift stations, safety related items and uniform service for maintenance employees. In addition, petroleum products, small tools and non-capital assets, which range in value between \$500 and \$4,999, are budgeted here.

Rent - \$100 This category funds the rental of emergency generator, lighting or other types of equipment that may be needed as a result of a sewer lift station breakdown or other failures within the system. This allows us to obtain equipment that is not owned, but needed to make specific repairs.

Allocation - \$414,291 This category funds the water operations portion of shared costs for services provided by other departments such as Insurance, Vehicle Maintenance, Development, Public Services and Personnel.

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

Depreciation - \$675,246 Funds in this category are for the annual depreciated valuation of equipment and sewer mains that make up the sanitary sewer system.

Utilities - \$17,500 This category includes utility costs (electricity, gas, water, sewer and local and long distance telephone).

PILOT - \$136,329 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 - \$563,000 Funding in this category includes IRP projects for maintenance of the sewer collection system and lift stations rewiring for generator power. In addition, two CIP projects are included here: Blue Grass Lift Station and Germantown Road South.

Performance Measures

Triple Bottom Line Focus Area: Social Measurement Type: Efficiency	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: Percent of Non emergency customer request responded within 24 hours	95%	95%	95%	96%	95%

Triple Bottom Line Focus Area: Social Measurement Type: Efficiency	FY11		FY12		FY13
	Goal	Actual	Goal	Actual	Goal
Measure: Percent of Emergency customer request responded within 30 minutes	100%	100%	100%	100%	100%

Sewage Treatment

Mission This cost center accounts for the payments to the City of Memphis for sewage treatment. Under the contract amended in FY07, Germantown currently remits 34% of the current user fee to the City of Memphis for sewer treatment, which will continue through FY13. 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>TITLE</u>	<u>ACTUAL</u> <u>FY10</u>	<u>ACTUAL</u> <u>FY11</u>	<u>BUDGET</u> <u>FY12</u>	<u>ESTIMATED</u> <u>FY12</u>	<u>BUDGET</u> <u>FY13</u>
Contract Sewage Collection Fee	\$ 928,265	1,097,830	1,200,000	1,165,800	1,200,000
TOTAL	<u>\$ 928,265</u>	<u>1,097,830</u>	<u>1,200,000</u>	<u>1,165,800</u>	<u>1,200,000</u>

Categories Sewer Fees to Memphis - \$ 1,200,000 Under contract, Germantown pays 34% 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 2011.

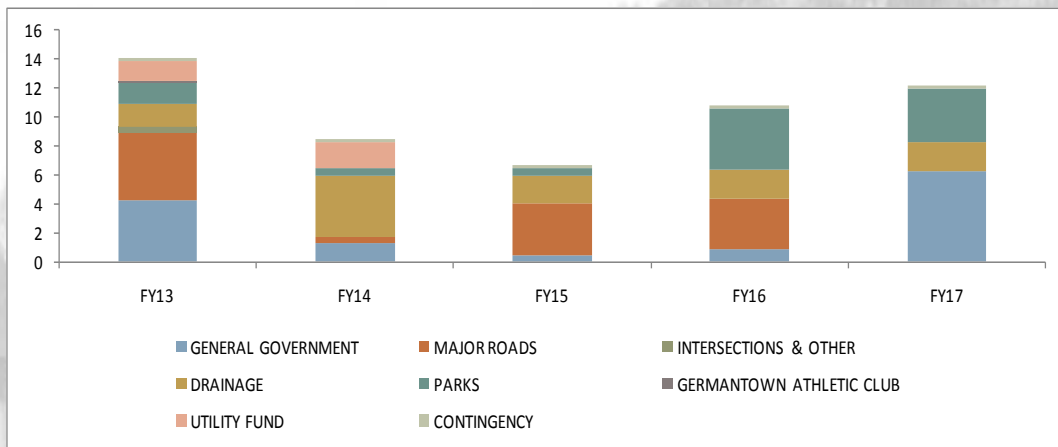


CAPITAL IMPROVEMENTS PROGRAM FY13 BUDGET

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, 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 FY13-17 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 – Three 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 FY13 is fixed at \$200,000 and is reviewed annually by both the Financial Advisory Commission and Board of Mayor and Aldermen.

GENERAL GOVERNMENT

GENERAL GOVERNMENT

Fleet Maintenance Shop Construction					
Description					
A new vehicle maintenance facility will be constructed on the recently acquired 2.74 acres of land adjacent to Public Services. The new facility will increase the efficiency and effectiveness of the maintenance shop and eliminate environmental and safety concerns.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,500,000				
TOTAL					\$1,500,000
Net Operating Financial Impact: The annual operational cost associated with electricity and water will increase by \$7,000. Funding was obtained from prior year funding.					

Fleet Maintenance Shop FF&E					
Description					
Installation of all furniture, fixtures and equipment not supplied by the general contractor required to complete the construction project and occupancy of the building including heavy duty lifts, jib crane, exhaust transfer system, fluid management system and general furnishings required for office, meeting and locker room areas.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$447,000				
TOTAL					\$447,000
Net Operating Financial Impact: There are no additional annual operating expenses associated with this phase of the project.					

Germantown Center Complex Generator					
Description					
This generator will provide emergency electrical service to the Athletic Club, GPAC and the Great Hall during electrical outages. The existing generator that was installed in 1989 is not sufficient to supply power to building expansions that were completed in 1994 and 2001.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$300,000				
TOTAL					\$300,000
Net Operating Financial Impact: Reduction in maintenance and energy costs when operating the new generator.					

GENERAL GOVERNMENT

GPAC Improvements Phase I					
Description					
First phase of a project to improve infrastructure within GPAC including drop cable replacement, rigging replacement, lighting improvements and wireless hearing assistance.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$73,000				
TOTAL					\$73,000
Net Operating Financial Impact: There are no additional operating costs associated with this project.					

Fire Station 3 Renovation					
Description					
This project will renovate the kitchen area within Fire Station 3 including additional space and new cooking appliances.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$90,000				
TOTAL					\$90,000
Net Operating Financial Impact: There are no additional operating costs associated with this project.					

Public Safety Radio System					
Description					
This project will convert all four public safety channels to P25 800 MHz conventional repeaters. Add simulcast capability to provide transmitters and receivers at the new site and a site on the far east side of the City. The project will also add a 5th channel (Special Event) to the four channels to be shared between Police and Fire staff.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,800,000				
TOTAL					\$1,800,000
Net Operating Financial Impact: The additional operating cost associated with this project will be \$30,000 annually. This increase is based on increased maintenance fees and electricity usage. Funding was obtained from prior year funding.					

TOTAL GENERAL GOVERNMENT

\$ 4,210,000

MAJOR ROADS

Poplar Avenue – Miller Farms to Dogwood (Non-participating Items)					
Description					
This project funds non-participating items related to TDOT's Poplar widening project from Miller Farms to Dogwood including Bavarian Village Wall, entrance feature at Germantown Heights, decorative cross walks at Poplar/West Street and Poplar/ Germantown Road and relocating existing communication utilities at intersections underground.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$750,000		
TOTAL					\$750,000
Net Operating Financial Impact: There are no additional operational costs associated with this project.					

Germantown Road – Stout to City Limits					
Description					
This project will complete the widening of Germantown Road through Germantown and will consist of improving 3,500 feet of the existing two lane road from Stout road south to the city limits to a four lane road with a median and bicycle lanes. Includes a traffic signal at Crestridge.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$40,000				\$2,100,000
TOTAL					\$2,140,000
Net Operating Financial Impact: These roadway improvements will result in a \$10,000 annual increase in maintenance costs. Plus, an additional \$2,000 for signal maintenance.					

Poplar Avenue Culvert Replacement Phase III					
Description					
Repair and/or replacement of damaged culverts under Poplar Avenue identified in the recently completed inspection and evaluation study.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
		\$500,000			
TOTAL					\$500,000
Net Operating Financial Impact: The upgrades to the drainage infrastructure will reduce the maintenance responsibility of the Public Services Department by approximately \$5,000.					

MAJOR ROADS

Germantown Road Streetscape (Median Development)					
Description					
Installation of a Median & Gateway sign on Germantown Rd. North of Neshoba Rd. Matching funds for TDOT Roadscape Grant.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$18,000	\$70,000			
TOTAL					\$88,000
Net Operating Financial Impact: These roadway improvements will result in a \$10,000 annual increase in maintenance costs.					

Farmington Boulevard (Non-participating Items)					
Description					
This project funds non-participating items not funded as part of the State STP Project to improve Farmington Boulevard during Phase I & II construction. This project will provide underground utilities and decorative crosswalks at the Germantown Road and Farmington and Farmington and Exeter intersections.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$250,000				
TOTAL					\$250,000
Net Operating Financial Impact: There are no additional operational costs associated with this project.					

Wolf River Boulevard Closeout Costs					
Description					
The State through the Memphis MPO allocated \$25,000,000 for the construction of Wolf River Boulevard between Kimbrough Road and Farmington Boulevard. The construction low bid was \$18,700,000 and the construction and inspection contract was \$3,100,000 leaving approximately a \$3,000,000 balance from the initial allocation. The city has requested that the MPO not reallocate these funds. The MPO agreed providing that the City show the funds in the current CIP.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
		\$2,400,000	\$600,000		
TOTAL					\$3,000,000
Net Operating Financial Impact: There are no additional operational costs associated with this project.					

MAJOR ROADS

Wolf Trail Cove Extension Design					
Description					
This project will design an extension of Wolf Trail Cove from Germantown Road westward to connect to Wolf River Boulevard. The extension will provide a bypass route for traffic traveling southbound on Germantown Road to Wolf River Boulevard and reduce the amount of congestion at the intersection.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$80,000				
TOTAL					\$80,000
Net Operating Financial Impact: There are no additional operational costs associated with this phase of the project.					

TOTAL MAJOR ROADS

\$ 4,708,000

INTERSECTIONS/OTHER/DRAINAGE

INTERSECTIONS & OTHER

Traffic Video Detection					
Description					
Currently the city has 32 signalized intersections, 20 of which utilize video detection equipment and 12 that utilize in pavement detection devices. This project will replace the in pavement detection devices with video detection equipment that has proven to be much more reliable and have a longer useful life.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$150,000				
TOTAL					\$150,000
Net Operating Financial Impact: There are no additional operational costs associated with this phase of the project.					

Medical Center Transportation Plan					
Description					
The area along Germantown Road, from Brierbrook to Wolf Trail Cove and east towards Kimbrough Road, is predominantly medical office buildings. This area has seen constant and continued growth over the last five years. Baptist Cancer Center has recently announced plans to build a large cancer research center in this area. This continued growth, and the future growth, has and will continue to have a large impact on the City's transportation system. The purpose of this project is to develop a transportation master plan, similar to what was done for the Smart Growth Area, to plan and provide guidance for future growth in this area.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$70,000				
TOTAL					\$70,000
Net Operating Financial Impact: There are no additional operational costs associated with this phase of the project.					

Railroad Crossing Improvements – West Street/Poplar Pike					
Description					
Installation of signage and battery backup to provide motorists with a safer crossing. TDOT will reimburse the City for 100% of the design and construction costs.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
		\$30,000			
TOTAL					\$30,000
Net Operating Financial Impact: There are no additional operational costs associated with this project.					

INTERSECTIONS/OTHER/DRAINAGE

School Zone Improvements					
Description					
This project provides for the installation of crosswalks inside school zones, restriping the crosswalks, replacing the existing incandescent school flashers with LED flashers and replacing the existing school signage.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$120,000				
TOTAL					\$120,000
Net Operating Financial Impact: There are no additional operational costs associated with this project.					

TOTAL INTERSECTION/OTHER

\$370,000

INTERSECTIONS/OTHER/DRAINAGE

DRAINAGE

Lateral D – Farmington Boulevard Culvert Protection					
Description					
This is a joint project between the city and the Corps of Engineers to protect the box culvert under Farmington Blvd. under a Section 14 Permit. The funding is 65% Federal and 35% Local.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$352,000				\$788,000
TOTAL					\$1,140,000
Net Operating Financial Impact: The upgrades to the drainage system will decrease the maintenance responsibilities of the Public Services Department.					

Lateral F Construction					
Description					
Lateral F has severely eroded banks that are encroaching on private property and are need of stabilization. The specific area of concern is approximately 1,250 feet north of Wolf River Boulevard and 200 feet east of Enclave Green Cove.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$200,000		
TOTAL					\$200,000
Net Operating Financial Impact: The upgrades to the drainage system will decrease the maintenance responsibilities of the Public Services Department.					

Lateral G Construction					
Description					
Lateral G has severely eroded banks that are encroaching on private property and are need of stabilization. The specific area of concern is approximately 2,350 feet north of Wolf River Boulevard and 200 feet east of Dogwood Creek Cove.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
			\$800,000		
TOTAL					\$800,000
Net Operating Financial Impact: The upgrades to the drainage system will decrease the maintenance responsibilities of the Public Services Department.					

INTERSECTIONS/OTHER/DRAINAGE

West Street/RR Culvert Repair					
Description					
Repair or replacement of a culvert failure under the Norfolk Southern Railroad at West Street including an engineering study to evaluate alternatives.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$120,000				
TOTAL					\$120,000
Net Operating Financial Impact: The upgrades to the drainage system will decrease the maintenance responsibilities of the Public Services Department.					

Lateral D & E Design					
Description					
Both Lateral D & E have severely eroded banks that are encroaching on private property and are need of stabilization. The specific area of concern on Lateral D is approximately 250 feet east of Autobahn Drive. Lateral E specific location is approximately 700 feet south of Wolf River Boulevard and 200 feet east of Glenbuck Street.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$164,000				
TOTAL					\$164,000
Net Operating Financial Impact: There are no additional operational costs associated with this phase of the project.					

TOTAL DRAINAGE

\$ 1,636,000

PARKS

PARKS

Bobby Lanier Farm Park Phase II					
Description					
The scope of the project is to provide funding for Phase II based on the preliminary Master Plan. The Phase II amenities include renovation of the two existing barn structures and cottage including water and sewer service and construction of a primary access road and parking lot.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$1,400,000				
TOTAL					\$1,400,000
Net Operating Financial Impact: The additional operating cost associated with this project will be \$5,000 annually for road maintenance. An additional \$1,000 for electricity and water and sewer cost.					

Playground Resurfacing Program					
Description					
This project will provide the funding to install a recyclable soft surface material that is poured in place. It will reduce the maintenance and upkeep on the most utilized playground in the City park system.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$55,000				
TOTAL					\$55,000
Net Operating Financial Impact: The additional operating cost associated with this project will be \$2,500 annually for maintenance.					

TOTAL PARKS

\$ 1,455,000

GERMANTOWN ATHLETIC CLUB FUND

GERMANTOWN ATHLETIC CLUB

Repair Indoor Pool Surface					
Description					
The indoor pool has historically had issues with surfaces. The pool has had paint, fiberglass, plaster and two vinyl liners. Once again the current pool liner surface is in need of repair. The current liner surface is separating from the pool shell causing safety and aesthetic issues. Replacement of the current liner with a more commercial pool surface will enhance the user experience for the pool. The current vinyl liner will be removed; the pool tank will be prepped for the application of a plaster/gunnite pool surface. A diamondbrite or equivalent gunnite surface is recommended as a hard commercial surface to replace the current liner surface.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$90,000				
TOTAL					\$90,000
Net Operating Financial Impact: There is no additional cost associated with this project.					

Ultraviolet Sanitation Equipment					
Description					
Ultraviolet sanitation equipment will be used to enhance the sanitation of our current indoor aquatic facility. The UV light source would greatly aid in the disinfection of organics in the pool water and should reduce the amount of chlorine required to oxidize our organic load. This application would be our first green technology application for secondary disinfection of the swimming pool water.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$50,000				
TOTAL					\$50,000
Net Operating Financial Impact: The additional operating cost associated with this project will be \$1,000 annually for maintenance.					

TOTAL GERMANTOWN ATHLETIC CLUB

\$ 140,000

UTILITY FUND

Sewer Lift Station Retrofit - 7118 Blue Grass Lane					
Description					
This pumping station is over 40 years old and the operating systems and mechanical components have reached the end of their useful life. The current suction type pumps will be replaced with push type pumps and the old float switch systems will be replaced with modern transducer systems.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$163,000				
TOTAL					\$163,000
Net Operating Financial Impact: The annual operating cost per lift station is approximately \$1,700 annually.					

Seismic Retrofit /Refurbishment Aeration Towers - Southern Avenue Water Plant					
Description					
The aeration towers at the Southern Avenue Water Plant are free standing concrete structures 24 feet wide by 88 feet long and 35 feet high. These towers were built prior to current seismic design standards and the 2008 seismic evaluation of city facilities indicated that there was a 45% risk of damage to the structures in the event of a magnitude 7.7 earthquake. Failure of the towers could potentially result in water shortages to the community.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$925,000				
TOTAL					\$925,000
Net Operating Financial Impact: No additional operating cost associated with this project.					

Germantown Road South – Sewer Extension					
Description					
Extension of the existing sewer system north from Foster Ridge Road in conjunction with the TDOT improvements to Germantown Road south.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$50,000				
TOTAL					\$50,000
Net Operating Financial Impact: No additional operating cost associated with this project.					

UTILITY FUND

Germantown Road South Water Relocation					
Description					
Replace 8" water main with a 12" main, fire hydrants and service lines behind new curbs in conjunction with the TDOT improvements to Germantown Road south.					
Funding Sources:	Reserves	Grants	Bonds	Hall	State & Federal
	\$200,000				
TOTAL					\$200,000
Net Operating Financial Impact: No additional operating cost associated with this project.					

TOTAL UTILITIES

\$ 1,338,000

CIP SUMMARY

CONTINGENCY **\$200,000**

Funding: General Fund Reserves - \$200,000
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 **\$200,000**

CIP SUMMARY

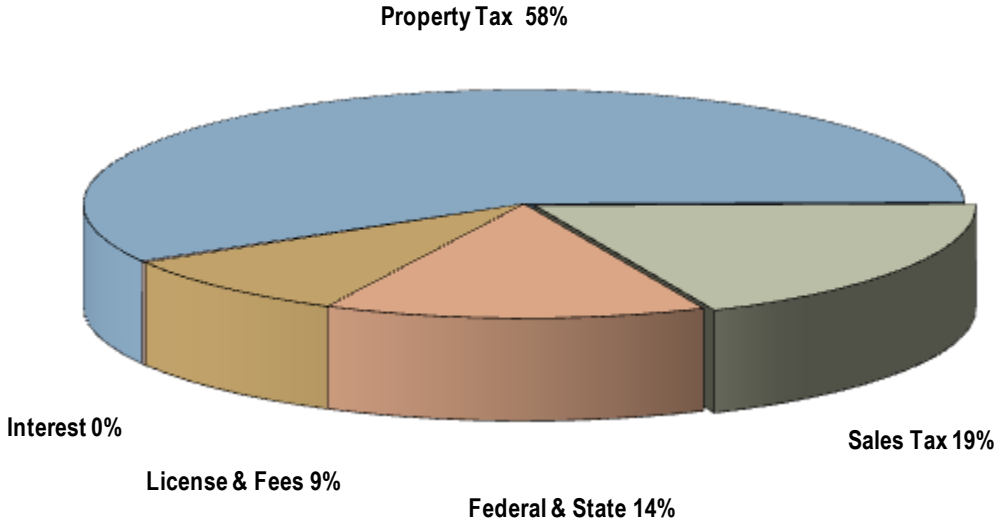
General Government	\$ 4,210,000
Major Roads	4,708,000
Intersections/Other	370,000
Drainage	1,636,000
Parks	1,455,000
Athletic Club	140,000
Utility	1,338,000
Contingency	200,000

TOTAL FY13 CAPITAL IMPROVEMENTS PROGRAM **\$14,057,000**

GENERAL FUND REVENUE PROJECTIONS

This section presents an analysis of projected revenues for FY13 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, Drug Fund, Automated Enforcement Fund, Federal Asset Forfeiture, Pickering Center Fund, and Recreation Fund). The Pension Trust Fund, the Health Insurance Service Fund, and OPEB Fund projections are also included in this section.

TOTAL FY13 GENERAL FUND PROJECTED REVENUES

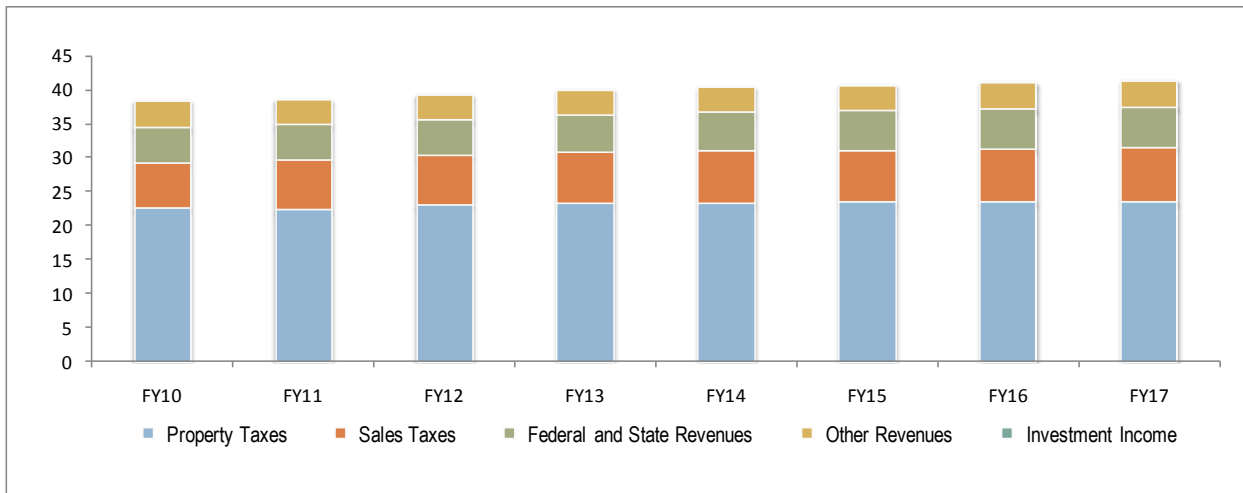


GENERAL FUND REVENUE PROJECTIONS

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

	ACTUAL	BUDGET	Budget
	FY11	FY12	FY13
Real Property Tax	\$ 20,656,775	21,392,262	21,546,025
Personal Property Tax	548,162	555,000	575,000
PILOT	-	368,000	375,000
Penalties and Interest	172,247	125,000	140,000
TVA	461,148	451,927	451,927
MLG&W	199,636	200,300	200,300
Local Option Sales Tax	5,444,952	5,465,000	5,670,373
Contra - 20 year Annex Local Option Sales	(26,677)	(20,000)	(27,510)
Wholesale Beer Tax	445,039	447,000	445,000
Wholesale Liquor Tax	249,723	249,600	258,526
Gross Receipts Business Tax	491,896	438,400	500,000
Business Tax Interest	242	350	600
Business Tax Penalty	1,060	1,200	1,200
Cable TV and Telecommunication	552,480	586,000	586,000
Room Occupany Tax	538,422	550,800	583,000
Automobile Registration	884,385	897,600	900,000
Retail Beer Licenses	7,565	7,200	7,500
Retail Liquor Licenses	12,563	12,500	12,500
Animal Registration Fees	83,917	79,400	80,352
Fence and Sign Permits	3,260	4,000	4,100
Building Permits	38,167	33,280	36,000
Subdivision Engineering	14,500	13,000	14,500
Zoning Application Fees	18,618	15,000	16,000
Grants - Federal/State	274,753	430,555	250,000
State Sales Tax Allocation	2,707,249	2,779,549	2,878,360
State Income and Excise Tax (Hall)	2,126,533	1,683,000	2,310,000
State Beer Tax Allocation	21,378	20,000	21,638
State Liquor Tax Allocation	67,424	61,200	64,386
City Street and Transportation Tax Allocation	87,952	88,000	84,968
Fire Inspection Fees	7,010	4,800	-
City Court Costs	195,553	430,000	400,000
City Court Fines	214,108	230,000	180,000
Other Court Revenue	713,039	335,000	605,000
Animal Impoundment Fees	3,408	3,700	3,193
Fines - Library	53,061	52,000	52,000
Investment Income	72,396	185,000	56,840
Loan Interest - Civic Centre	56,880	50,480	45,120
Rental Revenue - WTF	274,262	318,000	295,000
Library Materials	24,826	25,000	25,000
Parks - Taxable	8,000	-	7,500
Friends of Library	11,004	5,000	11,000
Senior Expo Revenue	21,275	18,000	13,000
Playground Registrations Revenue	50,945	52,000	52,000
Gain/Loss Sale of Assets	3,000	-	-
Other Revenue	420,618	250,020	300,000
Surplus Equipment Sales - GovDeals	12,675	50,000	20,000
Library - Printing & Misc.	9,659	10,000	15,000
TOTAL REVENUES	\$ 38,235,143	38,954,123	40,066,397

GENERAL FUND

Current Real Property Tax

\$21,546,025

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 \$1.485 per \$100 of assessed value. Key assumptions are a growth of 15 housing units per year for the next four years that are valued at \$350,000, a collection of 97% of taxes in the year assessed and a collection of 50% of all delinquent taxes each year.

Current Personal Property

\$575,000

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

\$375,000

A payment that a property owner, who is not subject to taxation, makes to compensate the City for services that the property owner receives that are normally financed through property taxes. Public utility property is assessed at 55% of its value. The current projection is based on the tax rate of \$1.485 per \$100 of assessed value.

Penalties & Interest

\$140,000

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

\$451,927

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 been up approximately 5% per year for the last two years. Future projections are based on 3% per capita growth.

MLGW Payments in Lieu

\$200,300

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

\$5,670,373

Half of the 2.25% 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.

Contra – 20 Year Annex Agreement

\$(27,510)

Local sales tax collected from the tax on each purchase of merchandise within the annexed area are remitted to the City of Memphis. This remittance is based on the 20-year agreement signed between the City of Germantown and the City of Memphis upon annexation in 1999.

GENERAL FUND

Wholesale Beer Taxes **\$445,000**

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 1% annual growth.

Wholesale Liquor Taxes **\$258,526**

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. Projections are based on a 1% annual increase.

Gross Receipts Business **\$500,000**

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

Business Tax Interest **\$600**

Interest collected by the State of Tennessee on the gross receipts for late tax fillings.

Penalty – Business **\$1,200**

Penalties collected by the State of Tennessee on the gross receipts for late tax fillings.

Cable TV Franchise Fee **\$586,000**

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.

\$583,000

Hotel/Motel Occupancy Tax

The City adopted, by ordinance, a Hotel/Motel Occupancy Tax in FY96. This tax is a privilege tax on transient occupancy (occupancy for a period of less than 30 days). Collections from the customer are remitted to the City by the 20th of each month for the preceding month. The rate originally adopted by the City was 3%. With the adoption of the FY98 Budget, this rate was established at 5% (the maximum rate available). Five hotel/motel facilities are now open and in full operation within the City's boundaries. Projections are made at 2%.

Automobile Registration **\$900,000**

Ordinance No. 1980-9. The rate is \$25 per automobile of which \$1.25 covers a collection fee. Projections are based on the number of registered vehicles in FY11 plus an annual increase of 2.65 autos per living unit, times growth in living units projected at 15 per year.

Retail Beer Licenses **\$7,500**

A fee of \$250 per application and \$100 for each permit is collected annually. A total of 48 licenses are in effect now, and projected growth is about two per year.

Retail Liquor Licenses **\$12,500**

Ordinance No. 1973-23. Privilege Tax Liquor by the Drink is based on a scale of \$100 to \$1,000, depending on the type of establishment or seating capacity. It is collected in January and February, except for new establishments, and is projected to continue at the current level.

GENERAL FUND

Animal Registration **\$80,352**

Ordinance No. 1979-13. The license fee for any dog over six months of age, unneutered or unsplayed, is \$15.00. Neutered or spayed is \$10.00 as set by the Resolution on Revenue. Throughout the year, veterinarians and the Animal Shelter collect this fee. Revenue from animal registration fees is leveling out due to the emphasis placed on spaying and neutering dogs.

Fence & Sign Permits **\$4,100**

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 **\$36,000**

Under contract with Shelby County, permit fees are collected and a 25% of the basis fee is remitted to the City of Germantown generally in August, October, February and April. Non-residential fees are assessed per \$1,000 of construction costs and rates vary between \$1.50 and \$4.00 depending upon the total value of construction. Residential construction and addition fees are assessed at \$.05 per square foot.

Subdivision Engineering **\$14,500**

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 **\$16,000**

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

Grants – Federal, State **\$250,000**

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

State Sales Tax Allocation **\$2,878,360**

T.C.A. 67-6-103 (3) (A). The State allocates back to all municipalities slightly more than 4.5% of the 5.5% tax rate, based on population as of a certified census. Three special censuses can be conducted each decade and a census of annexed areas can be made each year. It is collected monthly and directly deposited to the LGIP on the 20th of each month. A 4% annual increase in per capita allocation is projected and the population is 40,123. The State budget cut the allocation to local municipalities by 7.5% in FY04. Half of the cut was restored in FY06 with full restoration in FY07.

State Income & Excise Tax **\$2,310,000**

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. The State General Assembly cut this allocation by 33.3% in 2003 with the adoption of the FY04 Budget. In FY06, the state approved the restoration of this cut with half restored in FY06 and the balance in FY07.

State Beer Taxes Allocation **\$21,638**

T.C.A. 57-5-201. A 10.05% allocation of the tax of \$4.29 per barrel paid by manufacturers or distributors is made to municipalities and collected semiannually in October and April. It is a direct deposit to the LGIP on the 20th of each month. The projections are based on the same housing patterns as previously described and cut 9% in adoption of the State budget. In FY06, the state approved the restoration of this cut with half restored in FY06 and the balance in FY07.

GENERAL FUND

State Liquor Taxes Allocation

\$64,386

T.C.A. 57-4-301. This revenue is collected monthly and directly deposited to the LGIP on the 20th of the month. Projections are based on the same housing patterns as previously described and cut 9% in adoption of the State budget in FY04. In FY06, the state approved the restoration of this cut with half restored in FY06 and the balance in FY07.

City Street & Transportation System

\$84,968

T.C.A. 67-3-904. State allocation is \$0.01 per gallon for gasoline and other fuel in the state and is based on population. It is collected monthly and is directly deposited to the LGIP on the 20th of the month. Growth in this revenue is from the growth in housing as described earlier.

City Court Costs

\$400,000

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 .7% annual growth factor.

City Court Fines

\$180,000

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

\$605,000

Other court revenue includes miscellaneous fees charged by City Court, including accident reports, bond filing, expungement, license clearance, returned check and warrant recall fees, returned check fees, warrant recall fees and offense reports.

Animal Impoundment Fee

\$3,193

A charge of \$35 (first time), \$70 (second time), \$90 (third or more times) impoundment fees and a \$9 per day boarding fee is collected. The objective of Animal Control is to reduce the number of animals running loose. Projections are at current levels.

Fines - Library

\$52,000

Library fines are assessed as follows: \$.10 per day per item for juvenile print and audio materials, \$.20 per day per item for adult print and audio materials, \$1.00 per day per item for adult/juvenile visual materials, and \$1.00 per day per item for interlibrary loan materials.

Investment Income

\$56,840

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

\$45,120

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

\$295,000

In addition to miscellaneous rental income, the City rents property under long-term contracts. There are several long-term contracts for wireless transmission facilities.

GENERAL FUND

<u>Library Materials</u>	<u>\$25,000</u>
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.	
<u>Parks</u>	<u>\$7,500</u>
Rental revenue received from the pavilions.	
<u>Friends of Library</u>	<u>\$11,000</u>
Money collected from the "Friends of the Library" on the sales of donated books. This money helps to support the Germantown Community Library.	
<u>Senior Expo</u>	<u>\$13,000</u>
Rental revenue received from booths at the annual Senior Expo at the Germantown Athletic Club.	
<u>Playground Program</u>	<u>\$52,000</u>
Program fees collected for the Summer Playground program. There are two types of summer playground programs. "Camp Riverdale" is an all day summer program (resident fee is \$700/child, non-resident fee is \$1,001/child). The "Summer Playground Program" is a partial day program (resident fee is \$420/child, non-resident fee is \$601/child).	
<u>Other Revenues</u>	<u>\$300,000</u>
This item increases and decreases from the sale of leased vehicles when the police fleet is replaced based on Vehicle Maintenance records and depreciation schedules. Other revenues collected are on routine items such as charges for copies of public records and donations.	
<u>Surplus Equipment Sales - GovDeals</u>	<u>\$20,000</u>
Monies collected from the disposition of surplus or confiscated items.	
<u>Library – Printing & Misc.</u>	<u>\$15,000</u>
The library charges \$.20 per page for black and white copies and \$1.00 per page for color copies.	
<u>TOTAL GENERAL FUND REVENUES</u>	<u>\$40,066,397</u>

GENERAL FUND

STATE STREET AID FUND

	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>% Chg.</u>	<u>Budget FY13</u>
State Gasoline Tax Allocation	\$ 1,108,185	1,041,877	1,035,175	6.23%	1,099,705
Investment Income	(857)	7,800	4,000	71.50%	6,860
General Fund Transfer	1,100,000	900,000	500,000	-35.00%	325,000
TOTAL REVENUES	<u>\$ 2,207,328</u>	<u>1,949,677</u>	<u>1,539,175</u>	<u>-6.99%</u>	<u>1,431,565</u>

State Gasoline Tax Allocation

\$1,099,705

A population based allocation of the state \$0.20 gasoline tax and \$0.18 diesel fuel tax is accounted for in the separate State Street Aid Fund. A special petroleum tax of \$0 .01 is also included. It is collected monthly and directly deposited to the LGIP on the 20th. These projections are based on the same housing growth as described for other state allocations. State collections have been erratic, and per capita collections are projected at the current rate of \$26.65.

Interest Income

\$6,860

Interest on funds held in State Street Aid Fund.

Transfer In- General Fund

\$325,000

Funds transferred from the General Fund to cover additional expenses.

AUTOMATED ENFORCEMENT FUND

	<u>Actual FY11</u>	<u>Budget FY12</u>	<u>Estimated FY12</u>	<u>% Chg.</u>	<u>Budget FY13</u>
Red Lights	\$ 380,210	375,000	375,000	0.00%	375,000
General Fund Transfer	3,000	-	-	-	-
TOTAL REVENUES	<u>\$ 383,210</u>	<u>375,000</u>	<u>375,000</u>	<u>0.00%</u>	<u>375,000</u>

Red Lights

\$375,000

This category includes fines captured on the automated enforcement cameras installed at Germantown Road/Wolf River Boulevard, Farmington/Poplar Avenue, and Germantown Road/Poplar Avenue. The fine for each violation is \$50.00.

SPECIAL REVENUE FUNDS REVENUE PROJECTIONS

DRUG ASSET FORFEITURE FUND

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Grants	\$ -	-	-	-	-
Drug Enforcement Revenues	115,870	350,000	300,000	16.67%	350,000
Investment Income	-	-	-	-	-
TOTAL REVENUES	<u>\$ 115,870</u>	<u>\$ 350,000</u>	<u>\$ 300,000</u>	<u>16.67%</u>	<u>350,000</u>

Drug Enforcement Revenues

\$350,000

Funds received from court fines and seizures.

PICKERING COMPLEX FUND

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Classes Revenues	\$ 25,640	26,500	26,500	0.00%	26,500
Senior Events Revenues	7,725	7,000	7,000	0.00%	7,000
Other Revenue	-	-	-	-	-
Other Revenue - Taxable	29,237	32,100	30,000	0.00%	48,000
Surplus Equip Sale - GovDeals	-	-	-	-	-
TOTAL REVENUES	<u>\$ 62,602</u>	<u>65,600</u>	<u>63,500</u>	<u>28.35%</u>	<u>81,500</u>

Classes

\$26,500

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

\$7,000

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

Other Revenue – Taxable

\$48,000

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

SPECIAL REVENUE FUNDS REVENUE PROJECTIONS

FEDERAL ASSET FORFEITURE FUND

	Actual FY10	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Other Revenue/Forfeitures	\$ 2,602	100,000	100,000	0.00%	100,000
TOTAL REVENUES	\$ 2,602	\$ 100,000	\$ 100,000	0.00%	100,000

Federal Asset Forfeiture

\$100,000

Funds received from the sale of seized assets by the federal government.



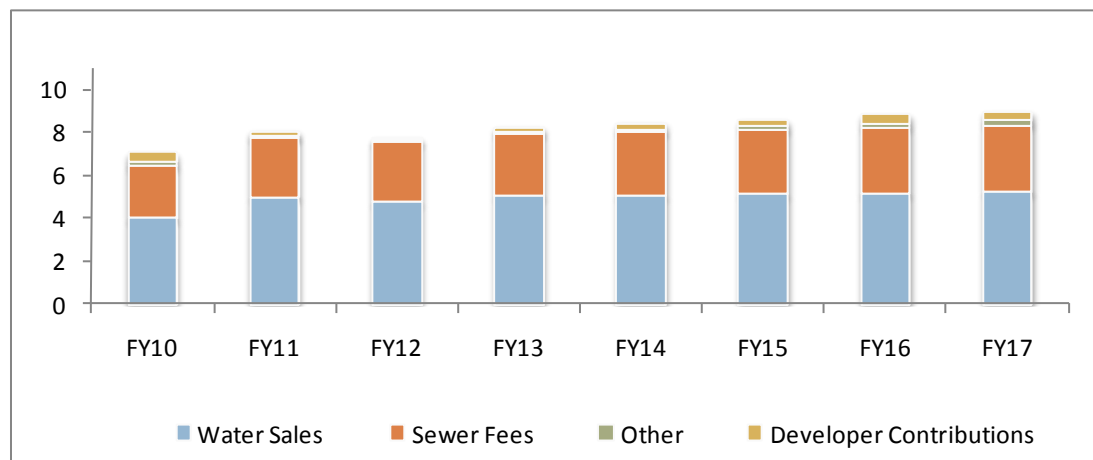
UTILITY FUND REVENUE PROJECTIONS

This section presents the projected Utility Fund revenues for FY13. An analysis chart of revenue components and projected trends through FY17 is presented below.

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Metered Water Sales	\$ 4,951,857	4,600,000	4,700,000	6.38%	5,000,000
Forfeited Discounts	76,883	70,000	75,400	-7.16%	70,000
Other Revenue	14,384	15,000	27,250	-8.26%	25,000
Developer Installation	5,373	10,000	5,000	0.00%	5,000
Water Connection Fees	46,400	40,000	34,500	15.94%	40,000
Sewer Connection Fees	25,160	35,000	28,000	25.00%	35,000
Sewer Service Fees	2,744,814	2,700,000	2,800,000	3.57%	2,900,000
OPERATING REVENUES	\$ 7,864,871	7,470,000	7,670,150	5.28%	8,075,000
Investment Income	\$ 27,830	65,000	15,000	69.87%	25,480
Contributions from Developers	171,857	320,000	40,000	400.00%	200,000
Surplus Equip Sale - GovDeals	18,930	-	-	-	-
Credit Card Fees/Gain/Loss	-	-	-	-	-
NONOPERATING REVENUES	\$ 218,617	385,000	55,000	309.96%	225,480

UTILITY REVENUES

\$ MILLIONS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

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

Residential charges are \$6.75 for the first 5,000 gallons, \$1.65 for each additional 1,000 gallons up to 15,000 gallons, \$1.90 for each additional 1,000 gallons up to 50,000 gallons and \$2.40 per 1,000 gallons thereafter. Commercial charges are 50% higher than residential. These are net charges collected monthly by the City. The current rates became effective in FY09 and represented an average decrease of 5%.

Forfeited Discounts **\$70,000**

By ordinance, when water and sewer bills are not paid within the ten-day discount period, the gross amount of the bill becomes due. On the average, this revenue is 3% of total water billings and is higher when water usage is greater.

Other Revenues **\$25,000**

This category includes all revenues not otherwise classified: reimbursement for repair, supplies and labor, fire hydrant usage permits and vendor compensation for sales tax of approximately \$1,200 per year. This revenue source is projected to increase at 25% per year.

Developer Installation **\$5,000**

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 **\$40,000**

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 **\$35,000**

Residential fees are \$600 per lot. The commercial charges are based on the development's frontage or acreage. This revenue is collected monthly and with the City installing the outfall lines, this revenue will accrue primarily to the City.

Sewer Service Fee **\$2,900,000**

This revenue is based on metered water service. Residential charges are \$3.90 for the first 3,000 gallons, \$1.53 for each additional 1,000 gallons up to a maximum charge of \$31.20. There is a nominal surcharge for restaurants. These are net charges collected monthly by the City. The current rates became effective in FY06 and represented an average increase of 160%.

Interest Income **\$25,480**

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 **\$200,000**

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

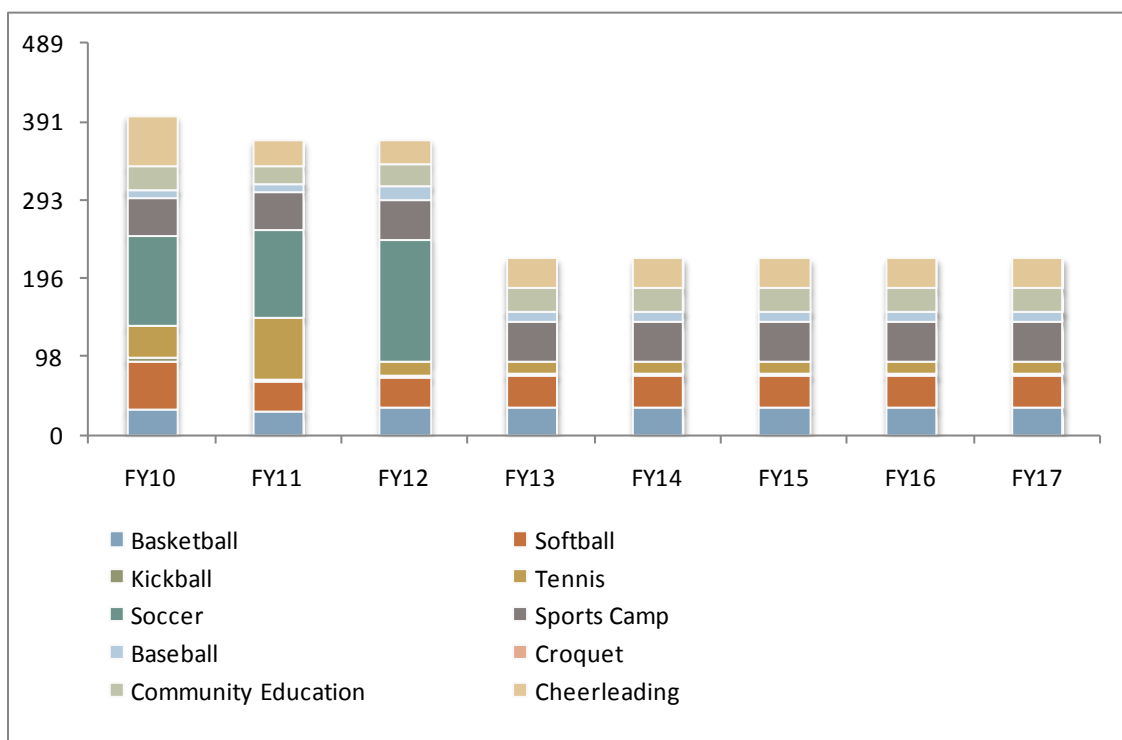
RECREATION FUND REVENUE PROJECTIONS

This section presents the projected Recreation Fund revenues for fiscal year 2013. An analysis chart of revenue components for the Recreation Fund is presented below.

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Basketball Fees and Sponsorships	\$ 28,868	33,215	31,456	7.67%	33,868
Softball Fees	37,886	36,935	38,010	5.10%	39,950
Kickball Fees	2,241	3,400	1,943	0.00%	2,300
Tennis Classes and Other Fees	77,701	17,500	15,000	3.33%	15,500
Sports Camps Fees	46,640	50,350	43,000	16.57%	50,125
Soccer	70,770	61,335	(99)	-100.00%	-
Baseball	9,310	16,000	12,750	-12.16%	11,200
Croquet Fees	984	640	640	0.00%	640
Competitive Soccer	39,235	39,235	250	0.00%	-
Cheerleading	32,276	32,276	30,000	0.00%	37,486
Community Education	21,788	27,500	27,500	7.29%	29,506
TOTAL REVENUES	\$ 367,699	318,386	200,450	10.04%	220,575

RECREATION REVENUES

\$ THOUSANDS



REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Basketball Fees and Sponsors **\$33,868**

Youth participant fees are \$95 per player for residents and \$133 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 **\$39,950**

This category includes adult softball teams with various divisions including men, women and coed. Forty-five teams are expected at a fee of \$425 per team.

Kickball Fees **\$2,300**

Revenues are generated through seven expected Adult coed kickball teams participating in our league at a fee of \$275 per team.

Tennis Classes and Rentals **\$15,500**

Revenues generated through leagues, lessons, and tournaments.

Sports Camps **\$50,125**

Revenues are generated through Sports Camps for Grizzlies Basketball (\$125-150), Baseball (\$150) and Lacrosse (\$165).

Baseball Fees **\$11,200**

This category includes nine adult baseball teams at \$1,600 per team.

Croquet **\$640**

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

Cheerleading **\$37,486**

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

Community Education **\$29,506**

Revenue for this account comes from after school activities and educational courses.

GERMANTOWN ATHLETIC CLUB PROJECTIONS

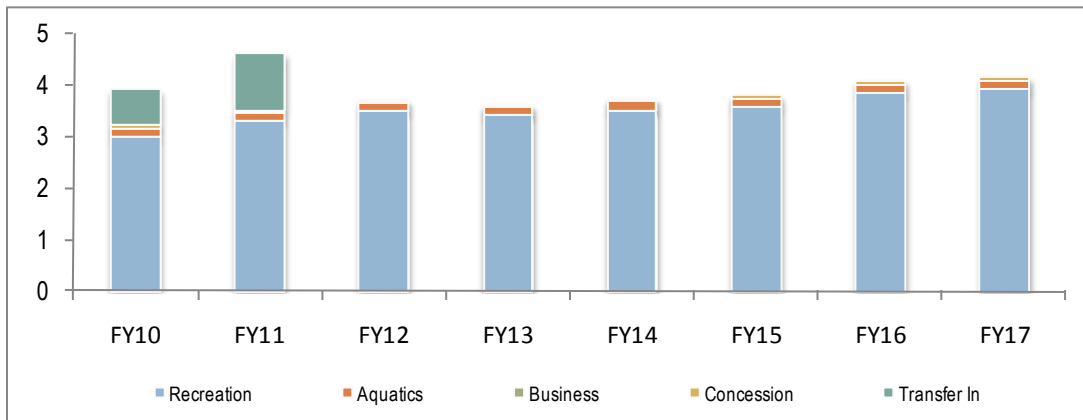
This section presents the projected Germantown Athletic Club Fund revenues for FY13. The graph of revenue components and projected trends through FY17 is presented below.

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Membership Fees	\$ 2,665,364	2,874,000	2,860,000	1.75%	2,910,000
Membership Application Fee	84,825	111,000	80,000	-6.25%	75,000
Daily Fees	19,523	15,000	16,500	-9.09%	15,000
Classes - Club Programs	9,759	20,000	17,000	76.47%	30,000
Classes - Contract Programs	43,950	50,000	46,000	-19.57%	37,000
Concessions - Recreation	53,144	60,000	55,000	9.09%	60,000
Rent - Taxable Recreation	3,086	3,000	3,500	0.00%	3,500
Rent - Nontaxable Business	79,222	79,222	79,222	0.00%	79,222
Rent - Nontaxable Recreation	7,088	10,000	7,500	0.00%	7,500
Non-Member Surcharge	13,019	10,000	10,000	-25.00%	7,500
Other Revenues	29,442	20,000	5,000	0.00%	5,000
Nursery	631	1,000	500	0.00%	500
Fitness Programs	-	-	350	-100.00%	-
Swim Team	62,706	75,000	72,000	4.17%	75,000
Swimming Lessons	40,667	50,000	55,000	9.09%	60,000
Swim Meet Fees	14,102	10,000	13,000	-23.08%	10,000
Aquatics Rental	12,798	6,000	-	100%	5,000
Personal Trainer	357,232	300,000	280,000	19.29%	334,000
Pro Shop	10,028	13,000	13,000	0.00%	13,000
Catered Events	10,019	10,000	10,000	20.00%	12,000
OPERATING REVENUES	\$ 3,516,605	3,717,222	3,623,572	3.19%	3,739,222
Investment Income	\$ 7,111	2,600	3,500	82.00%	6,370
Credit Card Over/Short	686	1,000	500	0.00%	500
Surplus Equip Sale - GovDeals	-	-	-	-	-
NONOPERATING REVENUES	\$ 7,797	\$ 3,600	\$ 4,000	71.75%	\$ 6,870

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

GERMANTOWN ATHLETIC CLUB OPERATING REVENUES

\$ MILLIONS



Membership Fees **\$2,910,000**

Membership fee revenues are based on an average annual membership of 5,840. The membership fee structure includes adult/couple/adult + 1/family/ youth (16 & 17)/senior (62+) and senior couple.

Membership Application Fees **\$75,000**

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

Daily Fees **\$15,000**

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

Classes – Club Programs **\$30,000**

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

Classes – Contract Programs **\$37,000**

Taekwondo, Ballroom dancing, summer camps, winter camps.

Concessions - Recreation **\$60,000**

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

Concessions - Aquatics **\$3,500**

Profits received from the sale of food/menu items at the Germantown Athletic Club pool concessions.

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

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

Rent – Nontaxable Recreation **\$7,500**

Revenue received from gym or other room rentals.

REVENUE ANALYSIS AND PROJECTIONS RATIONALE

Non-Member Surcharge **\$7,500**

Revenue collected from non-member participation in programs.

Other Revenues **\$5,000**

This line includes revenue from food and drink machines at the Germantown Athletic Club, purchase of replacement ID and return check fees.

Nursery **\$500**

Income generated from kids klub and kids zones.

Swim Team **\$75,000**

Includes charges for participants in the Swim Team, Masters Swim Team and coaching clinic.

Swimming Lessons **\$60,000**

Includes charges for all regular and special swimming lessons.

Swim Meet Fees **\$10,000**

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

Aquatics Rental **\$5,000**

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

Personal Trainer **\$334,000**

Revenue generated from personal training and pilates sessions.

Pro Shop **\$13,000**

Revenues from the sale of Germantown Athletic Club merchandise.

Catered Events **\$12,000**

Profits received from the sale of food/menu items for birthday parties.

Investment Income **\$6,370**

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

Credit Card Over/Short **\$500**

This account records cash overage and shortage.

GREAT HALL PROJECTIONS

This section presents the projected Great Hall Fund revenues for FY13.

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Rent - Business	\$ 152,667	145,000	185,000	5.00%	194,250
Other Revenues	14,766	11,700	26,500	5.00%	27,825
Catering-Taxable	2,454	5,000	1,500	5.00%	1,575
Catering-Nontaxable	-	-	500	10.00%	550
OPERATING REVENUES	\$ 169,887	161,700	213,500	5.01%	224,200

Rent - Business

\$194,250

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

Other Revenue

\$27,825

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

Catering -Taxable

\$1,575

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

Catering –Nontaxable

\$550

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

SANITATION FUND REVENUE PROJECTIONS

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Sanitation Service Fees	\$ 3,816,627	3,582,540	3,433,700	-1.1%	3,395,312
Forfeiture Discounts	39,009	35,000	36,900	-5.1%	35,000
OPERATING REVENUES	\$ 3,855,636	3,617,540	3,470,600	-1.2%	3,430,312
Investment Income	\$ 2,094	900	1,500	63.3%	2,450
Grants	-	7,500	7,500	-33.3%	5,000
Recycling Reimbursement	88,863	22,000	63,000	33.3%	84,000
NONOPERATING REVENUES	\$ 90,957	30,400	72,000	27.0%	91,450

Sanitation Fees

\$3,395,312

This revenue source is associated with garbage collection and disposal. A monthly service fee was set by resolution, which requires the following payment from all residential sites:

Single Family	\$24.50
(Backdoor \$24.50/Curbside \$20.00)	
Multi-Family	14.65

Forfeiture Discounts

\$35,000

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

Interest Income

\$2,450

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

Grants

\$5,000

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

Recycling Reimbursement

\$84,000

This source represents monies received from recycling facilities from the sale of collected recyclable materials.

STORMWATER MANAGEMENT FUND REVENUE PROJECTIONS

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Stormwater Management Fee	\$ 902,228	1,150,000	1,064,000	1.97%	1,085,000
Stormwater Permits	2,150	1,800	3,900	0.00%	3,900
OPERATING REVENUES	\$ 904,378	1,151,800	1,067,900	1.97%	1,088,900

Stormwater Management Fee

\$1,085,000

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

\$3,900

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

PENSION FUND REVENUE PROJECTION

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Contributions	\$ 3,008,303	3,012,000	2,972,000	-5.96%	2,795,000
Fair Value Appreciation (Depreciation)	5,168,241	2,735,000	1,650,000	-18.18%	1,350,000
Realized Gain/Loss	884,961	250,000	750,000	0.00%	800,000
Interest and Dividends	1,293,989	1,225,000	1,365,000	3.66%	1,415,000
TOTAL REVENUES	\$ 10,355,494	7,222,000	6,737,000	-5.60%	6,360,000

Contributions

\$2,795,000

The actual contributions each year are determined by actuarial data compiled by the Actuarial Services Group, Inc. The City budget contribution for FY13 is projected to be \$2,125,000. In addition, emergency services personnel contribute a determined percent of their salary. The employee contributions are determined by a payroll calculation. Employee contributions for FY13 are estimated to total \$670,000.

Fair Value Appreciation (Depreciation)

\$1,350,000

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)

\$ 800,000

At the time of the sale, maturity or disposal of plan assets, the realized gain or loss is recognized as the difference between the cost of the asset and the proceeds received upon disposition.

Interest and Dividends

\$1,415,000

The Retirement Plan Administration Commission (RPAC) reviews the operations and activities 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 two money managers who invest the funds according to the objectives for large and small capital stocks, international stocks and fixed income instruments.

During the calendar year 2011, the overall rate of return for plan investments was a loss of 5.4%. For the six months ended June 30, 2012, the overall fund has returned 6.1%. The FY13 projections herein are based on a 7.6% rate of return.

HEALTH FUND REVENUE PROJECTIONS

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Contributions	\$ 3,772,799	4,034,355	4,137,157	32.96%	5,500,852
TOTAL REVENUES	\$ 3,772,799	4,034,355	4,137,157	32.96%	5,500,852

Contributions

\$5,500,852

Health Insurance Transfer – effective January 1, 1993, employees began funding medical benefits, based on family size. The City's contribution is \$11,000 per employee and subscriber for FY13 with a total contribution of \$4,650,210 approximately 88% of medical costs. Recipients of the City's health benefits account for approximately 12% of the estimated contributions for FY13, \$635,706.

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 FY13, the City will contribute \$550 per employee with a total contribution of \$110,398 approximately 51%. Recipients of the City's dental benefits fund approximately 49% of the estimated dental contributions for FY13, \$104,538.

OPEB FUND REVENUE PROJECTIONS

	Actual FY11	Budget FY12	Estimated FY12	% Chg.	Budget FY13
Contributions	\$ 1,076,716	1,035,000	1,036,481	33.00%	1,378,515
Fair Value Appreciation	276,821	200,000	200,000	42.50%	285,000
Realized Gain/Loss	32,664	-	(54,104)	0.00%	35,000
Interest and Dividends	74,460	10,000	50,000	52.00%	76,000
TOTAL REVENUES	\$ 1,460,661	1,245,000	1,232,377	43.99%	1,774,515

Contributions

\$1,378,515

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)

\$285,000

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.

OPEB FUND REVENUE PROJECTIONS

Realized Gain/Loss

\$ 35,000

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

Interest and Dividends

\$76,000

The Other Postemployment Benefits Commission (OPEBC) reviews the operations and activities 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 six money managers to invest the plan assets according to the investment objectives established by the City and OPEBC. To provide a reasonable investment diversification, the plan assets are allocated to the two money managers who invest the funds according to the objectives for large and small capital stocks, international stocks and fixed income instruments.

During the fiscal year ended June 30, 2012, the overall rate of return for plan investments was -3.4%. For the six months ended June 30, 2012, the overall fund has returned negative 7.3%. The FY13 projections herein are based on a 7.5% rate of return.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1 from June 30, 2011 Comprehensive Annual Financial Report condensed:

Reporting entity

The City of Germantown, Tennessee (the "City") was chartered in 1841 and incorporated in 1903 under the provisions of Chapter 550 of the Private Acts of the General Assembly of the State of Tennessee. The City operates under a Board of Mayor and Aldermen form of government. The Executive Branch is organized into the following departments: Finance and General Services, Development, Community Services, Fire, Police, Human Resources, Germantown Athletic Club, and Germantown Performing Arts Centre.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City's one component unit has a June 30 year-end and their separate financial statements are available as indicated below. The significant accounting policies followed by the component unit are generally the same as those followed by the primary government.

Discretely Presented Component Unit:

Germantown Performing Arts Center (GPAC) – The purpose of GPAC is to foster and promote theatrical and musical performances to the community at the Germantown Performing Arts Center. GPAC receives significant funding by the City in the form of payroll and related expenses as well as providing the building used by GPAC. GPAC is a 501(c)3 organization with separately issued financial statements which may be obtained from the Germantown Performing Arts Center, 1801 Exeter Road, Germantown, Tennessee 38138, (901)757-7500.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statements of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recognized when earned and expenses are recognized at the time when a liability is incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, fines and forfeitures, and miscellaneous revenues (except for investment earnings) are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City and accounts for all financial resources of the general government not specifically provided for in other funds. Most of the essential governmental services such as police and fire protection, community services, and general administration are reported in the General Fund.

The Capital Projects – Major Roads Fund accounts for the acquisition and construction of major roads. The primary funding source is bond proceeds and federal and state grants.

The City reports the following major proprietary funds:

The Utility Fund accounts for water and sewer fees in connection with the operation of the City's water and sewer system. The proceeds of several bond issues and intergovernmental loans have been used specifically for the construction or acquisition of water and sewer systems and facilities. Since it is the intention of the City to repay these bonds and loans through the operations of this fund, these obligations are classified as debt of this fund.

The Germantown Athletic Club Fund accounts for the operations of the Germantown Athletic Club, a recreation and cultural facility. The Athletic Club facility was financed through general obligation bonds and General Fund transfers. The City's intent is to operate the facility in a manner in which revenues cover operating expenses plus depreciation of the facility. However, the outstanding debt is to be paid by the General Fund and is therefore not carried as debt of the Germantown Athletic Club Fund. The General Fund made an advance to the Athletic Club facility for a 20-year term.

The Sanitation Fund accounts for all expenditures and revenues associated with garbage collection and disposal.

Additionally, the City reports the following fund types:

Internal service funds account for health insurance and vehicle maintenance services provided to other departments or agencies of the government on a cost reimbursement basis.

Fiduciary Fund Types include Pension and Other Employee Benefit Trust Funds and Agency Funds. The Pension and Other Employee Benefit Trust Funds and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governments.

Pension and Other Employee Benefit Trust Funds are accounted for on the accrual basis. Agency Funds are custodial in nature (assets equal liabilities) and generally are accounted for on the cash basis, which approximates the modified accrual basis of accounting.

The Pension Fund, a pension and other employee benefit trust fund, is used to account for the accumulation of resources to be used to provide defined retirement benefits to all qualified employees upon retirement.

The Other Post Employment Benefits Fund, a pension and other employee benefit trust fund, is used to account for the accumulation of resources to be used to provide health and dental benefits to all qualified retired employees.

The Bail Deposit Fund, an agency fund, is used to account for bail funds deposited by persons awaiting trial in City Court. The fund is purely custodial and thus does not involve measurement of results of operation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government – wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Utility Fund, Athletic Club Fund, Sanitation Fund, Great Hall Fund, and Stormwater Fund are charges to customers for sales and services.

The Utility Fund also recognizes, as operating revenue, the portion of tap fees intended to recover the cost of connecting new customers to the system.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Assets, liabilities and fund equity

1. Deposits and investments

The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments are stated at fair value. Cash equivalents held by the trustee of the Pension Fund and the Other Post Employment Benefits Fund are included in cash and cash equivalents.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Taxes are due December 1 (levy date) and are considered delinquent after February 28 (lien date), at which time penalties and interest are assessed.

3. Inventories

Inventories are valued at cost (first-in, first-out). Inventory in all funds consists of expendable supplies held for consumption. In the General Fund, the cost is recorded as an asset at the time individual inventory items are purchased. The reserve for inventories in the General Fund represents a portion of the fund balance that is applicable to future accounting periods.

4. Restricted assets

Restricted assets in proprietary funds represent cash on deposit with paying agents primarily restricted for the principal and interest requirements of long-term debt.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets in excess of \$5,000 are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated fair market value at the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

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

6. Compensated absences

Compensated absences for accumulated unpaid vacation are accrued when incurred in all funds. Employees earn 10 or more days of vacation each year depending on length of service. The amount is provided for in current liabilities of the appropriate funds, as it does not exceed the guidelines of the City Policy. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are paid out of the employee's cost center.

Accumulated unpaid overtime is also accrued when incurred in all funds. Sick leave is not accrued except at the governmental-wide presentation.

7. Post Employment Benefits

In addition to providing pension benefits, the City provides health insurance coverage for current and future retirees and their spouses as described at Note 10.

8. Long-term obligations

In the governmental-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

9. *Fair Value Measurement*

Generally accepted accounting principles define fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into the following three broad levels:

- Level 1 – Quoted prices in active markets for identical assets or liabilities the City has the ability to access.
- Level 2 – Inputs (other than quoted prices within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Inputs which are unobservable for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

For assets and liabilities that are measured at fair value on a recurring basis, this statement requires disclosure of information that enables financial statement users to assess the inputs used to develop those measurements. The only assets the City measures at fair value on a recurring basis are investments. See Note 4 for the required disclosure 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.
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.
CIP	Capital Improvements Program.
Contingency Fund	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

GLOSSARY OF TERMS

Cost Center	An organizational budget and operating unit within a City department.
Debt Service	Payment of interest and repayment of principal on City debt.
Depreciation	A noncash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence.
Department	A management unit of closely associated City activities headed by a director or chief.
Direct Debt	The sum total of bonded debt issued by the City.
Distinguished Budget Presentation Award	A GFOA sponsored program award presented to a qualifying governmental unit that publishes a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.
EMS	Emergency Medical Services.
EMT	Emergency Medical Technician.
Encumbrance	A recorded expenditure commitment representing a contract to purchase goods or services.
Enterprise Fund	A type of proprietary fund used to account for the financing of goods or services to the public where all or most of the operating expenses involved are recovered in the form of user charges. This category includes the Germantown Centre Fund, the Great Hall Fund, the Utility Fund and the Sanitation Fund.
Expenditures	The cost of goods received or services rendered whether payment for such goods and services has been made or not.
FAC	Financial Advisory Commission – A citizen’s advisory committee made up of business executives and professionals from the community and one alderman.
FASB	Financial Accounting Standards Board.
Fiduciary Funds	Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.
Fiscal Year (FY)	An accounting period extending from July 1 to the following June 30.
Fund	A fiscal entity with a self-balancing set of accounts used to account for an activity(s) with common objectives.
Fund Balance	The cumulative excess of revenues over expenditures in a fund at a point in time. With certain limitations, a fund balance may be used to balance the subsequent year’s budget.
GAAP	Generally Accepted Accounting Principles are uniform standards and guidelines for financial accounting and reporting which govern the form and content of the basic financial statements of an entity.

GLOSSARY OF TERMS

GASB	The Governmental Accounting Standards Board, established in 1984 and comprised of five members, is the highest source of accounting and financial reporting guidance for state and local governments.
General Fund	The principal fund operating the City, it accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, and other types of revenues. This fund usually includes most of the basic operating services, such as fire and police, finance, administration, parks and recreation and environmental services.
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.
GPAC	Germantown Performing Arts Centre.
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.
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

GLOSSARY OF TERMS

Moody's Investor Services, Inc.	A recognized bond-rating agency.
MSA Air Mask Objective	Mine Safety Appliance – used as a self-contained breathing apparatus.
MUNIES System	Municipal Impact Evaluation System.
Net Assets	Total assets minus the total liabilities of an organization.
Objective	A measurable statement of the actual results which a City activity expects to achieve in support of a stated goal.
Policy Agenda	The BMA's long-range goals for the City of Germantown.
Program Change	Alteration or enhancement of current services or the provision of new services.
Proprietary Fund	A distinct business entity, which is responsible for its liabilities and entitled to its profits.
Proposed Budget	The budget proposed by the city administrator to the BMA for adoption.
Purchase Order	A written legal document stating or confirming an offer to buy goods or services, which upon acceptance by a vendor becomes a contract. Its main function is to expedite and control buying by the City.
Reserves	An account used to indicate that a portion of a fund's balance is legally restricted fro a specific purpose and is, therefore, not available for general appropriation.
Retained Earnings	An equity account reflecting the accumulated earnings of an enterprise or internal service fund.
Revenue	A term used to represent actual or expected income to a specific fund.
Risk Management	An organized attempt to protect a government's assets against accidental loss in the most economical methods.
RPAC	The Retirement Plan Administrator Commission is a citizen advisory committee made up of three citizens, the Mayor, the city administrator, the finance director, and one alderman.
SCAT	Shelby County Automatic Tracking. This is the system used in Shelby County to track an individual through Shelby County Criminal Justice Center, which includes all warrants and local driving registration information.

GLOSSARY OF TERMS

SCBA	Self-contained breathing apparatus is a piece of firefighting equipment critical to the personal safety of the City's Fire Department personnel.
Situs	The allocation formula of State shared revenue based on the population of each local municipality as a percent of the State population.
Standard & Poor's Corp.	A recognized bond-rating agency.
Tax Levy	The total amount of tax that optimally should be collected based on tax rates and assessed values of personal and real properties.
Tax Rate	The level at which taxes are levied. The City of Germantown's tax rate is \$1.485 per \$100 of assessed value for FY11.
TFIRS	Tennessee Fire Incident Reporting System.
TGFOA	Tennessee Government Finance Officers Association.
TML	Tennessee Municipal League - a voluntary, cooperative organization established by the cities and towns of the state for mutual assistance and improvement.
TML Risk Management Pool	Self-insurance pool formed in 1981 by the TML.
Transmittal Letter	A general discussion of the budget presented to the BMA by the City Administrator as a part of the budget document. The transmittal letter explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the city administrator.
TVA	Tennessee Valley Authority.
Un-encumbered	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.
Vision 2020	Strategic plan for the City of Germantown formulated by the citizens and approved by the Board of Mayor and Aldermen

CITY OF GERMANTOWN CITIZEN BOARDS AND COMMISSIONS

The most important ingredient in creating and maintaining a quality environment for the community is the people. The City of Germantown is very fortunate to have caring and concerned citizens whom volunteer their time to serve on boards and commissions.

There are 22 different groups of citizens who meet to discuss city business. They make suggestions to the Board of Mayor and Aldermen that shape the city's future and they make decisions that set standards and goals for the community. The volunteers put much time, talent and hard work into the task at hand. Their continued commitment is the reason for the quality of life that is uniquely Germantown.

- AUDIT COMMISSION
- BEAUTIFICATION COMMISSION
- BOARD OF ZONING APPEALS
- DESIGN REVIEW COMMISSION
- ECONOMIC DEVELOPMENT COMMISSION
- EDUCATION COMMISSION
- ENVIRONMENTAL COMMISSION
- FINANCIAL ADVISORY COMMISSION
- GERMANTOWN ATHLETIC CLUB COMMISSION
- GREAT HALL ADVISORY COMMISSION
- HISTORIC COMMISSION
- INDUSTRIAL DEVELOPMENT BOARD
- LIBRARY BOARD
- NEIGHBORHOOD PRESERVATION COMMISSION
- PARKS & RECREATION COMMISSION
- PERSONNEL ADVISORY COMMISSION
- PLANNING COMMISSION
- PUBLIC SAFETY EDUCATION COMMISSION
- RETIREMENT PLAN ADMINISTRATION COMMISSION
- OTHER POST EMPLOYMENT BENEFIT COMMISSION
- SENIOR CITIZENS ADVISORY COMMISSION
- TELECOMMUNICATIONS COMMISSION

