

TOWN OF COLLIERVILLE T E N N E S S E E



FY 2007-2008

Approved Annual Financial Plan
and
Annual Budget

TOWN OF COLLIERVILLE, TENNESSEE

TOWN OFFICIALS

MAYOR

Linda Kerley (2008*)

ALDERMEN

Maureen Fraser (2010*)
Stan Joyner (2010*)

Travis Rowe, Jr. (2008*)

Jimmy Lott (2008*)
Tom Allen (2010*)

TOWN ADMINISTRATOR

James Lewellen

TOWN ATTORNEY

Tom Cates

TOWN JUDGE

William Craig Hall (2010*)

ASSISTANT TOWN ADMINISTRATOR

Chip Petersen

TOWN CLERK

Lynn Carmack

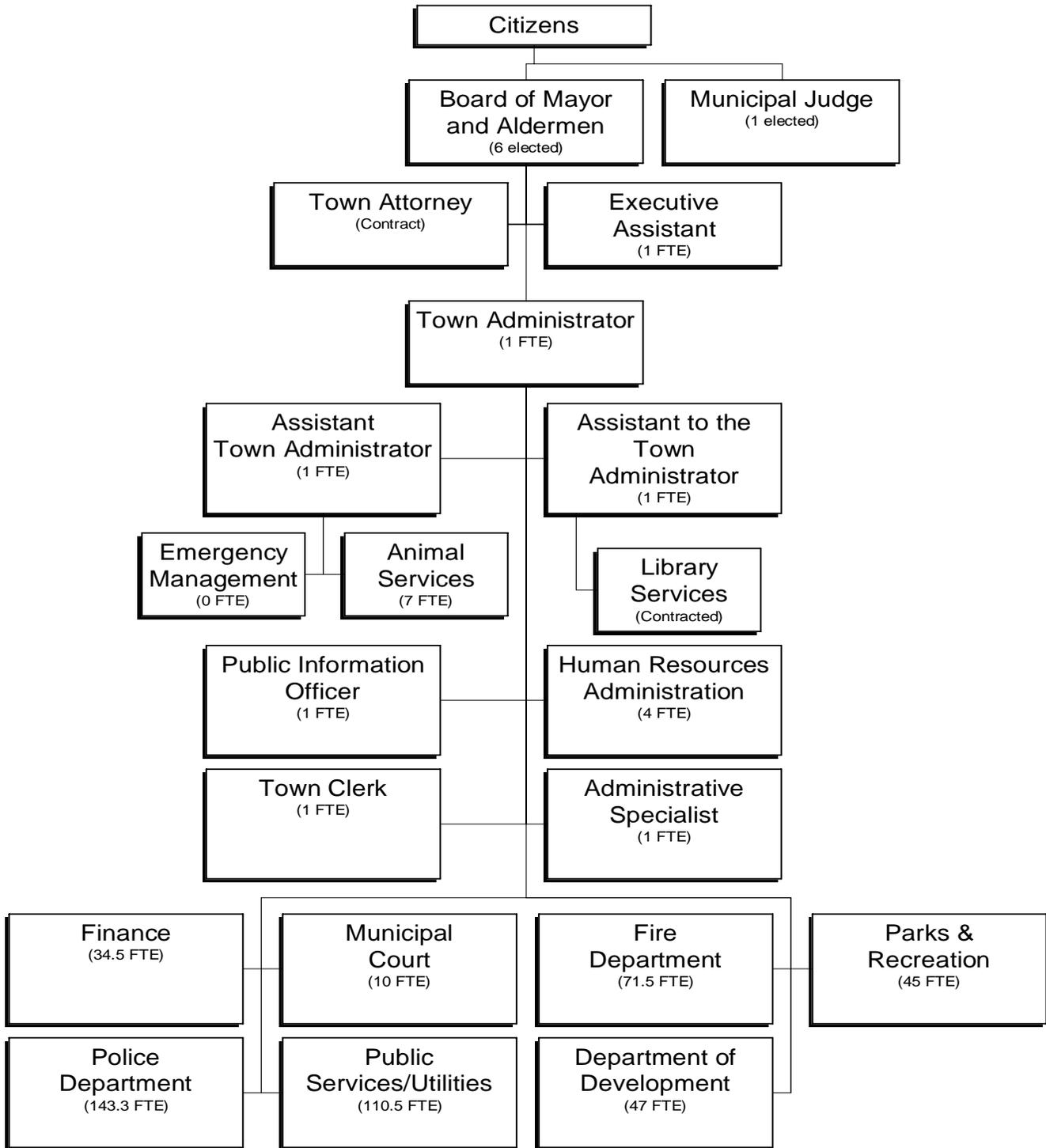
DEPARTMENT DIRECTORS

Development Director
Finance Director
Fire Chief
Parks and Recreation Director
Police Chief
Public Services Director

Vacant
Jane Bevill
Jerry Crawford
Greg Clark
Larry Goodwin
William Kilp

*Elected - term expires

TOWN OF COLLIERVILLE, TENNESSEE



Linda Kerley
Mayor

Maureen Fraser, *Alderman*
Stanley R. Joyner, *Alderman*
Buddy Rowe, *Alderman*
Tom Allen, *Alderman*
Jimmy Lott, *Alderman*



James H. Lewellen
Town Administrator

Lynn Carmack
Town Clerk

The Town of Collierville

Dear Collierville Residents:

Collierville is without a doubt one of the most desirable communities for families who want a quality of life with amenities that are unrivaled. To maintain an excellent quality of life in a growing community, the Board of Mayor and Aldermen and Town worked hard to present a 2007-2008 balanced budget with no new taxes.

One of our goals is to be a financially sound government, and we continue to meet this goal by having a diversified tax base, by maintaining our reserve requirements and maintaining our Aa1 bond rating. Moody's Investor Services awarded this rating because Moody's, "expects the town's healthy reserves, strong revenue growth, unlimited operating tax rate, and conservative budgeting practices to continue to provide favorable financial flexibility to meet the needs of this growing community".

Our general fund budget projects \$37.9 million in revenues and \$36.8 million in expenses for the fiscal year beginning July 1, 2007. Revenues are projected to rise \$2.7 million including \$1.2 million more from local option sales tax.

General Fund expenditures for fiscal year 2008 total \$36,804,378, an increase of 4.6% over the previous year's budget. This year, municipalities across the country were required by the Governmental Accounting Standards Board (GASB), to budget funds for retiree health insurance costs. To meet this requirement alone, the Town had to set aside \$1.1 million that had not been budgeted for in previous years. Other priorities included an upgraded ambulance service contract that will provide for better service and more reliable response times at a cost of \$424,000, and we established a defined benefit pension plan for our employees that required an increase of approximately \$359,000.

One important area that was addressed in the budget process is the addition of personnel in key areas town wide. In the area of public safety, five new police officers, one additional school resource officer to serve at Collierville High School, eight new police cars, and three new firefighter positions have been added. We also have added a development director and engineer to maintain and continue to improve our high standards for quality development and an additional equipment operator and sanitation worker were added to keep pace with growing routes and services.

We also are continuing to invest in Capital Improvements for the design and construction of major infrastructure and facility projects. In the 2008 Capital Investment Program budget \$8,191,700 has been allocated for improvements throughout the Town. We are continuing to improve our road system throughout the Town spending \$575,000 for improvements to Byhalia Road and another \$570,000 for improvements to the Shelton/Verlington/Wolf River Blvd. intersection. Over \$1,000,000 has been allocated to replace aging sewer lines; \$45,000 for renovations to the Police Firing Range; \$375,000 for water distribution system improvements-replacement of aging water mains; \$150,000 for drainage improvements at Alcorn Village/Harris Estates; and \$137,000 for sewer upgrades at Halley Road.

With over 110,000 participants in the Town's Parks system each year, the Collierville Parks, Recreation and Cultural Arts Department continues to be a leader in offering citizens a wide variety of recreational activities.

The commitment to Parks funding remains strong in 2008. We are planning to spend \$120,000 to renovate and upgrade the Harrell Theatre; \$85,000 for renovations to Nikki McCray park which will include resurfacing two existing basketball courts and replacing the existing playground surface; \$62,000 for existing playground renovations to Suggs Park; \$50,000 for a comprehensive Park Master Plan to be developed for a future 110 acre Southwest Community Park which will be located near the corner of Holmes Road and Fleming Road; and \$50,000 for overlays of existing trails in the Collierville Greenbelt System.

Your Board of Aldermen and I are proud that you call Collierville home and will continue to deliver to all our citizens the high quality services you expect and deserve. Thank you for helping us make Collierville a great place for family living!

Sincerely,

A handwritten signature in cursive script that reads "Linda Kerley".

Linda Kerley
Mayor

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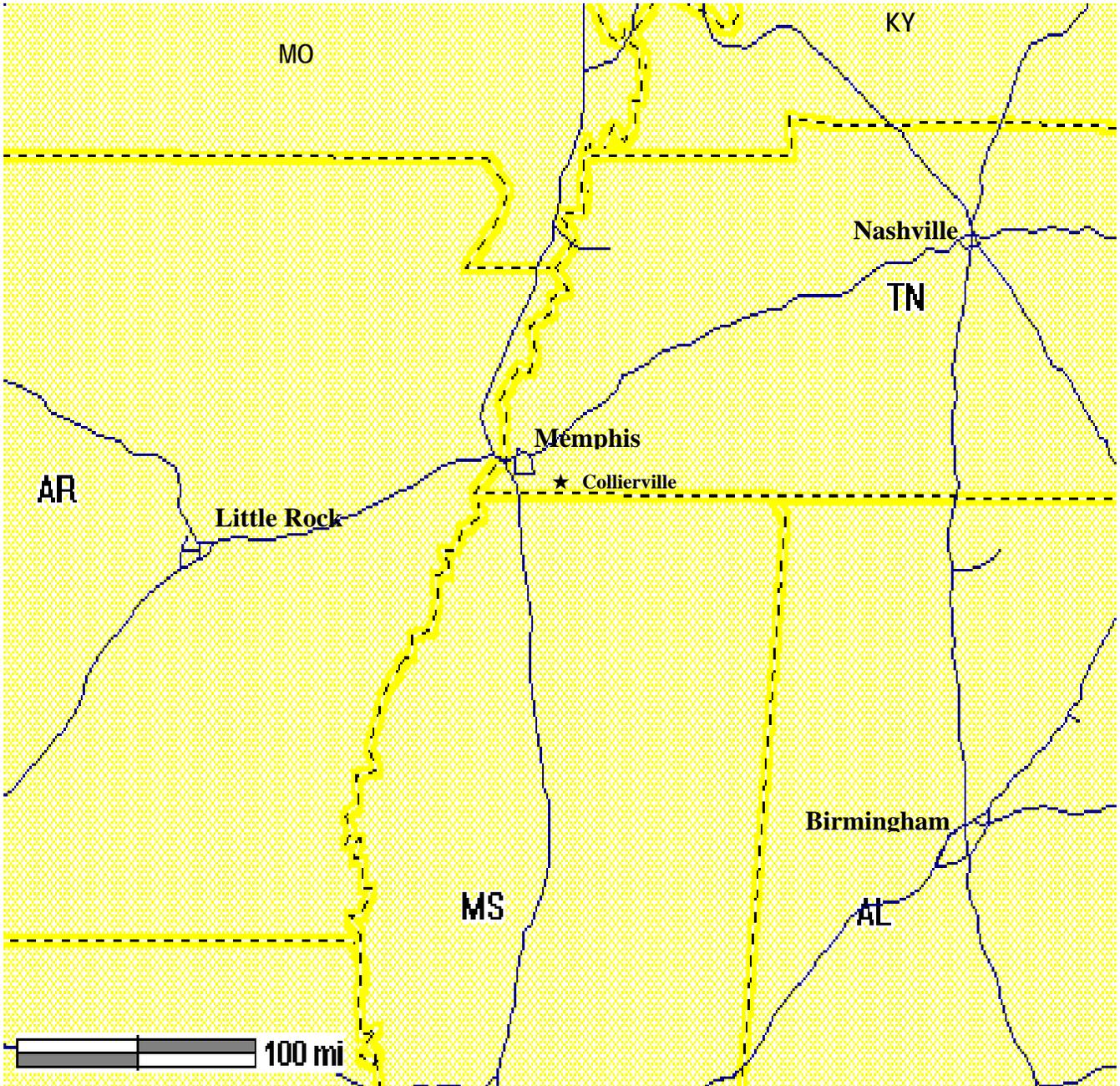
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MISSION STATEMENT

Through the application of sound fiscal practices and with a high degree of broad-based citizen participation, the Town of Collierville will develop a program of well-planned, balanced growth that protects the integrity and character of residential neighborhoods, provides for enhanced cultural and recreational programs, protects the environment, meets expanding transportation needs through mass transit and/or improved highway systems, and captures and utilizes advanced technology that provides improved services, promotes compatible industry, and supports a stronger, quality educational system.



The Town of Collierville is located in Shelby County, southeast of Memphis, Tennessee. Collierville was first settled in 1853, incorporated in 1870, and is currently one of the fastest growing municipalities in the state. According to the 2000 Federal Census, the population was 32,824. The Town conducted a special census in the spring of 2005 which put the population at 41,923, a 28% increase above the 2000 census. The current estimate is 45,142. Another special census is planned for the spring of 2008.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Collierville
Tennessee**

For the Fiscal Year Beginning

July 1, 2006

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Collierville, Tennessee for its annual budget for the fiscal year beginning July 1, 2006. 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.

This 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.



EXECUTIVE SUMMARY

The annual operating budget represents the Town's plans and strategies for carrying out a level of services required to suit the needs of the community. The first process in the planning effort is to take into account the current status and makeup of our community and to review the progress of the previous year.

Collierville as a corporation has assets totaling \$205,452,733. Our Town area consists of 18,568 acres or 29.0 square miles. Within our Reserve Area, we have another 13,440 acres to grow into. Ultimately, Collierville will cover 32,505 acres or 50 square miles. Our current Town limits is comprised of 57.1% residential, 9.1% commercial, 6.8% office, 5.1% industrial, 5.6% agricultural, and 15.8% open spaces, greenbelts, and parks.

•FY 2007—A look back Since the adoption of the FY 2007 Budget in July of last year, 212 new homes have been added with an estimated construction value of \$77,676,760. In addition to the new construction, renovations and pools added another \$9,355,252 in construction value. That will equate to an estimated 1,330 new residents bringing our new population estimate for to 45,142.

In addition to the new responsibilities growth adds to our operations, changes in state and federal laws and regulations, shifts in program responsibility, service or program demands from the community, and emerging local and national policies also bring new programs and responsibilities to town government.

Over the past five years, emergency preparedness and homeland security issues have grown into major operational concerns for local governments. Emergency preparedness, whether for natural disasters or from terrorism, requires the attention and efforts of every level of government. As its emphasis has grown, operating departments have had to distribute the additional time and work to several members of their department. Our Fire Service is now required to prepare for not only fire and EMS but all hazards: Biological, chemical, explosions, earthquakes, extreme heat, floods and tornados.

The Federal Government adopted the National Incident Management System which requires both online training and course development to keep up with the Presidential Declaration which started in FY 2007 and will require 40 hours of training annually. Metropolitan Medical Response System and Urban Area Security Initiative will require enhanced mutual aid agreements, training and planning.

Other examples of increased responsibilities include:

- Parks and Recreation maintenance added 55 acres of parkland in FY 2007 that had to be maintained and added an additional 2.5 miles of greenbelt trail in FY 2007. The department also extended the Peterson Lake Nature Boardwalk by .7 miles.
- Our athletic facilities hosted over 2,850 games with more than 57,000 participants, which included hosting the 12 year old Super Series World Series at W.C. Johnson Park with over 45 teams from around the United States. Collierville will again host this event in FY 2008 for the fourth straight year.
- From 2006 to 2007, the Planning Department saw a decrease in the number of applications to the Planning Commission from 147 to 102. Historic District Commission went from 33 applications to 20, and Board of Zoning Appeals from 53 to 32. The Design Review Commission applications decreased from 163 to 60 since the Avenue Carriage Crossing was completed in the previous year.
- The Engineering Department inspected 9 capital projects at a construction cost of approximately 4.0 million; this does not include the inspection at the two wastewater treatment plants where we are actively involved with construction inspection and some management responsibilities. We also have 59 commercial and residential sub division projects that are either under construction or in the warranty period and still require inspector attention.
- In the Streets and Drainage Department, we repaved 19 lane miles of road and used 1,330 tons of asphalt to patch various sections of roads in Collierville.
- Fleet Maintenance had 1,815 service requests and purchased over 261,742 gallons of fuel.
- The Sanitation Department is one of the most efficient operations in the State of Tennessee. Last year we hauled away over 43,000 tons of solid waste at an average per ton cost of \$64. We were able to absorb 481 new home pickups throughout the year.
- The Water Department last year sold 2.5 billion gallons of water to 15,062 customers. That is an average of 165,981 gallons of water per customer at a cost of less than one penny per gallon.
- The Fire Department responded to 2,566 calls last year with an average response time of 4:54. The Fire Marshal's office inspected over 2,776 structures and investigated 20 fires last year as well.

The budget challenge has been working to find ways to fund the new demands being placed on the Town, while keeping up with our goals of providing first rate service, being responsible to our financial plan through adequate funding of equipment replacement and capital asset depreciation while also continuing to fund much needed

EXECUTIVE SUMMARY

community projects which mean so much to an enhanced quality of life for which so many chose Collierville as the place they would call home.

•**FY 2008** Planning and review of the FY 2008 budget began in earnest in January. We budgeted rather conservatively our need to hire additional personnel and the corresponding equipment purchases that would be needed to keep pace with growth.

The FY 2008 Budget meets the State's mandate of a balanced budget and provides funding for 16 new positions. Each year, it costs the Town more to provide the same services as the year before. Based upon our own experiences and the experiences of cities and towns across the country, we have to predict that this trend will continue into the foreseeable future. As such, the Town will need to continue to actively manage our growth in expenditures, including compensation and benefits, especially healthcare, resource allocation and non-core service reductions where possible.

This general overview of the 2008 budget for the Town of Collierville will provide Town residents with an introduction to the Town's fiscal plan for the upcoming fiscal year. It explains how the Town plans to utilize its resources and highlights some of the more significant changes to the Town's budget.

•**The financial plan** is a long-range approach to assessing the Town's revenue and expenditure needs and becomes the basis for formulating the one-year annual budget. The plan is developed by utilizing existing policies, objectives, assumptions, and accepted benchmarks and activity measures. It was conceived using the following long-term goals:

- Achieve and maintain a long-term stable, strong financial position.
- Authorize a program of services which ensures safe, attractive, well-maintained neighborhoods and quality housing.
- Authorize programs to preserve the home-town charm and historic character; foster a sense of community pride, identity, and spirit; and involve citizens in community activities.
- Authorize programs which provide recreation/leisure opportunities for all.
- Adopt personnel policies which promote and increase effectiveness, efficiency and high quality performance in the service of the Town.

These goals allow the Board of Mayor and Aldermen, as policy formulators, to analyze programs, to develop alternatives and to forecast. They are aimed at keeping the cost of Town government as low as possible,

developing a solid diversified community and economic base, spreading the cost of government fairly among those served, and future expansion paying its own way. They provide direction for the various departments in preparing their operating and capital budget requests as well.

•**The operating budget** is the principal policy management tool for governing. It is the mechanism used to evaluate services, measure and compare needs, and implement priorities established by elected officials. In development of the annual budget, the elected officials of the Town of Collierville combine their priorities of operating cost containment, ongoing infrastructure improvements, stable financial condition, and future planning into a budget that provides quality services for their constituents.

•**Policy Issues.** During the development of the 2008 budget, a number of policy issues were addressed. The resulting decisions, some of which are listed below, provide the framework for the overall budget process.

- It is imperative to continue a revenue monitoring system to assist in trend analysis and revenue forecasting in order to maintain and/or increase the level of specific revenue sources.
- The property tax rate will be set at an amount that will provide adequate funding for the operating and CIP budgets.
- A review of all fees will be conducted to determine what changes, if any, are viable options for the 2008 budget year.
- The Town should continue to promote economic development so that the residential to business tax ratio is maintained and/or improved.
- The undesignated General Fund balance will remain at 25% of expenditures.
- A sufficient allocation of resources will be distributed to various projects and programs so as to address the balance between present and future needs, i.e. preventive, suppressive, or restorative strategies.
- Budgetary control must be maintained at the departmental level by line item, and expenditures may not exceed funds budgeted which constitute the legal spending limit.

•**The budget documents** provide revenue, expenditure and staffing information concerning all the Town's funds and departments. Projected revenues and expenditures for FY 2008 are provided as well as budget and estimated revenues and expenditures for the current year and actual revenues and expenditures for the past two fiscal years.

EXECUTIVE SUMMARY

The budget consists of three separate documents. A line item supplement to the operating budget organizes costs by type or class of expenditure and by source of revenue. Because its format adapts easily to an accounting/reporting financial system, the line item budget is an internal document and becomes a basic tool for year-long financial reporting and budget management.

The line item document also contains explanations/assumptions for each revenue source and explanations/justifications for each departmental expenditure.

The second document is in the form of a program budget which we submit for grading to the Government Finance Officer's Association's (GFOA) Distinguished Budget Presentation Award Program. This document explains significant changes in priorities for the current year along with an explanation of the factors and policy direction that led to those changes.

This document also includes information about the Town's long and short term policies. A detailed explanation of the budget process provides a unique understanding of the time and commitment required by elected officials and staff to develop the annual budget.

Because the basic function of the Town government is to carry out programs and provide services that benefit the citizens of Collierville, the Town budget itself is organized around programs and services provided by various Town departments. Each department defines its operational objectives as well as performance measures. Also included is a breakdown of expenditures by personnel, operating, and capital allocations. The staffing summary includes the number of authorized positions in each department.

The third document is the Capital Investment Program (CIP). This document reflects a consensus of the perceived needs and desires of the community based on current surveys and long-range planning. The CIP is used as a planning guide for future improvements to the Town's infrastructure and other Town-owned major structures. In evaluating each of the approved projects, the CIP process takes into account such factors as population growth, density, economic development concerns, the Town's fiscal ability, and the desired service levels. By projecting capital improvements in advance of actual need, several advantages accrue to the Town:

- Budgeting may take place within a system which assures that capital projects will be built according to a predetermined priority system while planning in advance for the revenue needed to finance and complete these capital projects.

- Advance planning ensures that projects are well thought out in advance of construction.
- Coordination with the operating budget is maximized. When a new facility is established, it must be maintained and staffed, and obligations which begin when it is made operational will become continuous.

Included within the CIP is equipment with a cost of over \$25,000 and with a life of more than five years, such as garbage and recycling trucks, dump trucks, and fire pumps. It does not include expenditures for capital items such as office furniture or equipment other than that mentioned above.

•Development. For the operating budget, the preparation of the line item detail began first with end-of-year estimates—revenue and expenditures. These estimates are extremely important and must be as accurate as possible. The principal reason is that estimated revenue and expenditures provide the estimated addition to (or subtraction from) fund balance. This directly affects the amount of total funds available for operating expenses for the coming fiscal year since undesignated fund balance should remain at 25% of expenditures. This ensures that resources are available for operations during the period between the first of the fiscal year and the collection of property tax revenue which generally begins in late November or early December.

The Town is required to present a balanced budget. Therefore, operating expenses must not exceed projected revenues and funding sources. Since the amount of revenue available dictates the requested amounts for expenditures, revenue projection is the next step in budget preparation. A revenue forecast is prepared for each major revenue source. For some smaller sources, a forecast is made for combined totals. All estimates should be as accurate as possible.

With revenue projections complete, the departmental line item budget proposals were prepared. Following guidelines provided by the Town Administrator, budget requests for the coming fiscal year were submitted by department directors. Concurrent with this procedure, the departments also prepared their performance budgets.

The budget was developed in two stages. A base budget was assembled which only included existing services and staffing levels. Next, department directors were asked to identify program changes they felt were essential to providing services to ensure a high quality of life for Town residents. The Mayor and Board of Aldermen held several work sessions to review the proposed budget document and program changes.

EXECUTIVE SUMMARY

•**Organization** of the operating budget is on the basis of funds, each of which is considered to be a separate accounting entity. These funds are grouped into three categories: governmental funds, proprietary funds, and fiduciary funds:

1. Governmental funds are those through which most governmental services are provided and are directed toward maintaining and enhancing the health, safety and welfare of the community. These services include: police and fire protection, zoning, building code enforcement, and street maintenance. These services are usually funded by generally applied taxes or fees and are accounted for in the General Fund. Other governmental funds include special revenue funds which account for proceeds of specific revenue sources.
2. Proprietary or enterprise activities such as utility operation are supported with the customer paying directly for the commodity used and are similar to regular business operations. The Town of Collierville operates a combined water and sewer utility. Charges collected and costs of operation are accounted for in the Water and Sewer Fund. The Health Insurance Fund, an internal service fund, accounts for transactions related to group medical benefits (including claims incurred but not reported) for which the Town is self-insured.
3. Fiduciary funds account for assets held in a trustee capacity or as an agent for individuals. The Town approved a new retirement plan for employees for FY 2008. The Retirement Fund, a pension trust fund, was created to account for plan assets.

At this time the overall financial condition of the Town is strong as indicated by the undesignated portion of fund balance for fiscal year ending 2006 at 46.6% of expenditures. That addition above the 25% stated in Town policy was planned and was used for needed capital projects in 2007. The estimated ending undesignated fund balance in FY 2007 will be at 38.0% of expenditures.

The following sections provide a summary of revenues and expenditures and identify programs and projects which have been funded in the coming fiscal year.

GENERAL FUND

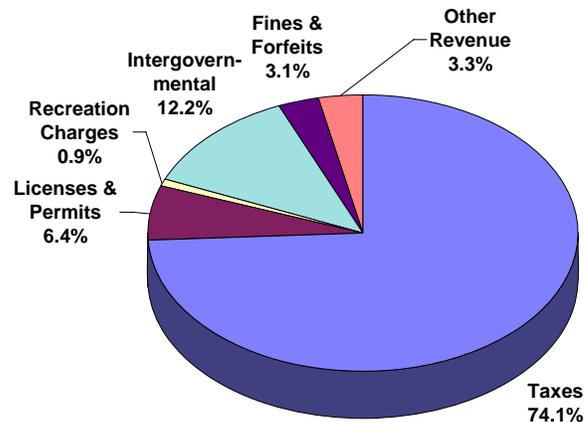
The General Fund accounts for all revenues and expenditures which are not accounted for in other funds. It is where the largest and most important accounting activity is recorded. Its primary support is from property

tax revenues and other local taxes, though it receives a great variety of other revenues and finances a wide range of programs. Most of the Town's operation is financed from this fund.

•**Revenue** is largely derived from general property taxes, local option sales taxes, business taxes, licenses and permits, charges for services, and revenue received from the State as shared funding (intergovernmental revenue), most of which is distributed on a per capita basis. Because of revenue shortfalls, the State reduced the per-capita amount shared with municipalities in FY 2004. The State has since restored the revenues allotted to the municipalities. The increase in population from the 2005 special census also resulted in an increase in these revenues. The Town plans another special census in the spring of 2008 which will result in increased revenue in FY 2009.

Overall General Fund revenue for FY 2008 totals \$37,606,958 a 6.9% increase over the previous year's budget and 6.1% above the FY 2007 estimated revenue.

The chart below shows the percentage of total revenue for each revenue category. Tax revenue accounts for the largest portion of total revenue at 74.1%. State shared revenue makes up 12.2%, and licenses & permits, 6.4%.



FY 2008 General Fund Revenue

•**Tax Revenue.** Although it has slowed somewhat, growth in the residential real estate market continues to outpace that in adjacent communities. Shelby County conducted a reappraisal in 2005 for the FY 2006 budget year, and the Town set a certified tax rate so as not to realize a windfall from tax revenue. For the FY 06 budget year, the certified rate of \$1.28 per \$100 assessed valuation was adopted. The rate has remained the same since then, and no tax increase is proposed for FY 08. The appraisal for real property increased 4.4% for the FY 08 tax year.

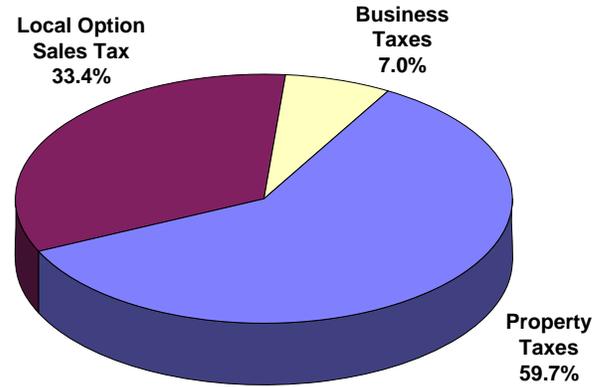
EXECUTIVE SUMMARY

Sales tax is levied on the final sale of an item and remitted to the state by retail merchants. The Town's current levy is 2.25% with a cap on a single item of \$36.00. The Town receives 50% of taxes collected with 2.375% divided between the state and Shelby County for administration fees. The other 50% goes to the Shelby County school system.

Following the national economic trend, collections declined sharply in growth beginning in FY 2002. With the addition of several large retailers and the upswing in the economy, revenues rebounded in FY 2004. FY 2006 revenue increased 32.8% with the opening of the Avenue Carriage Crossing open air lifestyle center and other new retail stores. Estimates for FY 07 are for an 8% increase and for FY 08, 15%.

Business tax revenue is derived from several sources which include: wholesale beer and liquor taxes, gross receipts taxes, occupancy taxes, and cable TV franchise taxes. The projected FY 2008 business tax revenue is 1.8% above the estimated revenue for FY 2007.

The chart below shows the percent of total taxes each category of these taxes represents. Property taxes make up the largest portion at 59.7% of total, local option sales taxes follow with a 33.4% share, and business taxes furnish the remainder of tax revenue at 7.0%.



FY 2008 Tax Revenue

Below is the General Fund revenue summary by source.

General Fund Revenue

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Revenue					
Taxes					
Property Taxes	\$ 13,667,212	\$ 14,616,182	\$ 16,191,800	\$ 15,904,444	\$ 16,620,819
Local Option Sales Tax	5,626,968	7,474,750	8,088,767	8,088,767	9,302,082
Business Taxes	1,820,432	1,970,277	1,832,146	1,903,526	1,937,647
Licenses & Permits	3,480,912	3,280,104	2,365,455	2,485,949	2,407,895
Intergovernmental	3,359,267	4,242,249	4,120,086	4,329,436	4,588,804
Charges For Services	613,805	542,119	210,985	199,765	205,551
Recreation Charges	204,089	329,783	349,820	360,950	346,640
Fines and Forfeits	1,306,993	1,133,772	1,223,764	1,114,000	1,159,500
Other	847,882	1,219,573	807,126	1,046,726	1,038,020
Total Revenue	\$ 30,927,561	\$ 34,808,809	\$ 35,189,948	\$ 35,433,561	\$ 37,606,958

•**General Fund expenditures** include the cost of general government services such as public safety, highways and streets, administrative costs, and debt service requirements. The operating budget for fiscal year 2008 contains funding for the following:

- New personnel in General Services, the Department of Development, the Police Department and the Fire Department.

- A 5% merit package for eligible Town employees.
- A new defined benefit retirement plan.
- Step increases for eligible Police and Fire personnel.
- Debt service on bonds issued to fund various capital projects.
- Grants for the Literacy Council, the Chamber of Commerce, Crime Stoppers, Alive at 25, Main Street, the Collierville Education Foundation, and TV-19.

EXECUTIVE SUMMARY

Below is the General Fund summary of expenditures by category. Total General Fund expenditures are projected to increase 4.6% above FY 2007 budget. In this summary, total expenses are shown for each category. Charges to the Water and Sewer Fund for administrative

fees, insurance, and attorney fees and to the Library Fund for functions performed by General Fund departments are shown as a reduction to expenditures. The total reduction amounts to 4.4% of expenditures.

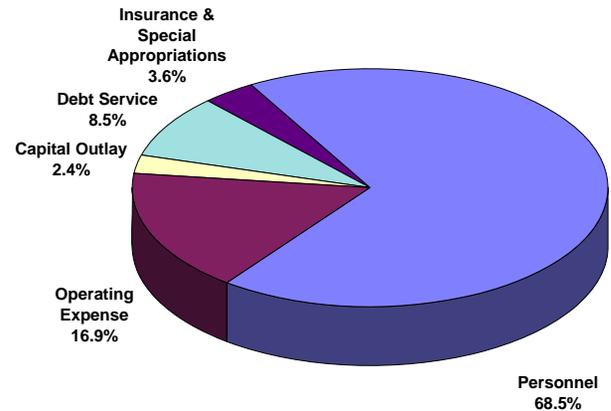
General Fund Expenditures

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Expenditures					
Personnel	\$ 19,595,975	\$ 20,759,145	\$ 24,521,163	\$ 23,285,942	\$ 26,391,065
Operating Expense	3,524,827	4,454,917	5,998,242	5,590,892	6,512,088
Capital Outlay	249,215	777,855	1,490,096	1,214,242	930,300
Debt Service	2,732,815	2,910,175	3,362,013	3,364,013	3,285,403
Insurance	591,699	582,846	629,251	586,507	629,251
Special Appropriations	819,915	725,254	809,737	809,737	773,692
Total Expenditures	27,514,446	30,210,192	36,810,501	34,851,333	38,521,799
Reduction to Expenditures					
Library Fund	(83,285)	(75,234)	(112,020)	(112,020)	(132,620)
Water & Sewer Fund	(1,202,586)	(1,235,081)	(1,518,078)	(1,407,007)	(1,584,801)
General Fund Expenditures	\$ 26,228,575	\$ 28,899,877	\$ 35,180,403	\$ 33,332,306	\$ 36,804,378

The chart to the right shows the percentage of total General Fund expenditures by category. As this chart indicates, the greatest percent of expenditures (68.5%) represents personnel costs. This is not unusual since local government is primarily a service organization. Personnel increases are due to merit and step plan increases and benefits such as health insurance, retirement, and workers compensation costs. Personnel expense increased 7.6% above the FY 2007 budget due to new personnel added in several departments.

Operating expenditures increased 8.6% over the FY 2007 budget and represent 16.9% of the total General Fund expenditures for FY 2007. Capital outlay expenditures include all equipment and office furnishings costing more than \$500.00 and not funded in the C.I.P. These expenditures decreased by 37.6% from FY 2007 and make up 3.6% of the budget.

In FY 2005, only capital outlay funded by special revenues such as Fire Facility Fees and Police Privilege Tax were purchased. The increase in FY 2006 and 2007 includes capital purchases that were deferred in FY 2005 including vehicles for several departments.



FY 2008 General Fund Expenditures

Insurance expense includes the Town's property and liability coverage as well as long-term disability and unemployment insurance. There is no increase in insurance expense in FY 2008.

Special Appropriations decreased by 4.5%. These appropriations include grants provided by the Town to various community agencies as well as expenditures not included in departmental budgets such as: special census, reappraisal costs, attorney and legal fees, bank charges, and election expenses. Insurance and Special Appropriations are 3.6% of the FY 2008 budget.

EXECUTIVE SUMMARY

Debt service is the payment of interest and principal on all general obligation (G. O.) debt of the Town. This expense makes up 8.5% of the FY 2008 budget and decreased by 2.3%. In FY 2006, \$8 million in new debt was issued as well as \$5.29 million in general obligation refunding bonds to take advantage of lower interest rates. Moody's Investor Service assigned a Aa1 rating, an upgrade from Aa2 for the new issue as well as all previously issued general obligation debt. No new debt was issued in FY 2007, and none is proposed for FY 2008.

SPECIAL REVENUE FUNDS

Special Revenue Funds are governmental funds supported by special levies and fees, grants or intergovernmental revenues. Expenditures in these funds are strictly limited to the mandates of the funding source. Special Revenue Funds are not to be used to subsidize other funds, except as required or permitted by program regulations.

•**State Street Aid Fund** accounts for the Town's share of State of Tennessee gas tax revenues. This revenue is distributed on a per capita basis and is restricted to street related maintenance and repair. Projected FY 2008 revenue is expected to be \$1,200,300.

Expenditures for State Street Aid are expected to be \$1,154,409 in FY 2008. The budget for the annual paving contract for asphalt overlay of approximately 30 lane miles of streets is \$989,429. Funding for traffic signal maintenance is \$17,000, street striping \$30,000 and asphalt, gravel, sand and concrete products for street repair and maintenance \$117,500.

•**Historic Preservation Fund.** The Historic Preservation Fund is a special revenue fund used to maintain Town buildings, sidewalks, fencing and landscaping on the historic Town Square and other historic properties within the Town. A Historic Preservation fee of \$.25 per square foot is collected from all new commercial, industrial, and office development within the corporate limits of the town. Revenues are expected to be \$75,000 for FY 2008. Expenses are for debt service on the Square development, repair and painting of fences, handrails, and benches, upgrade of the sound system and for electrical repair.

•**The Sanitation Fund** is a special revenue fund used to account for the proceeds of specific revenue sources which in this case is the collection and disposal of garbage and recyclables. Sanitation Fund revenues are projected to be \$2,648,089 in FY 2008. Of the total

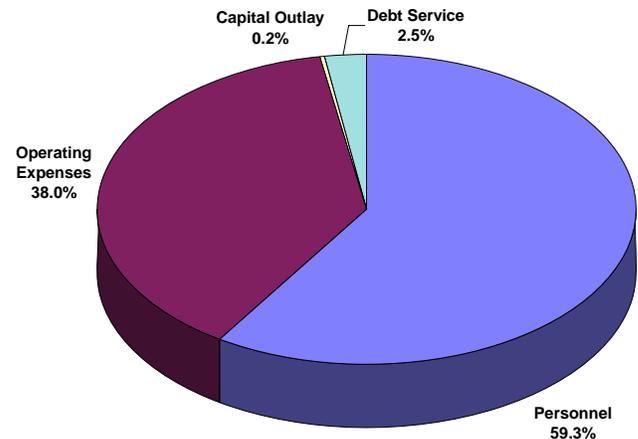
projected revenue, \$3,500 is from a recycling grant, \$50,000 is from recycling fees, \$75,000 is cart establishment fees, and the remainder is revenue from collection fees. This is a 2.4% increase over the FY 2007 budgeted revenue.

Even with the tremendous growth the Town has experienced, the Sanitation Department continued to fund operations from the monthly fee charged for services, and the rate has not changed from \$15 per month since FY 2000. The Department has been able to keep that rate by negotiating new landfill contracts that saved over \$120,000 per year for household garbage and \$35,000 per year for yard waste.

In FY 2002, the Department redesigned the recycling sorting procedures and routes and saved \$50,000 per year. Over the past four years, the department has changed work schedules, redesigned collection routes, implemented normal collection of "special pickups" and saved an estimated \$290,000 per year.

Through FY 2006, new and replacement recycle and garbage trucks were purchased with fund balance that was available because of these savings. However, in FY 2007, a fund balance appropriation was needed for operations, and while no increase in fees are proposed for FY 2008, the fund will use the remaining fund balance and will need an additional transfer of \$122,464 from General Fund for operations.

Expenditures for the Sanitation Department are projected to be \$2,954,598, an increase of 10.2% over last year's budget. Personnel accounts for the greatest expenditure at 59.3%. Two additional positions are funded for FY 2008. Operating expenses are 38.0% of total expenditures, 2.5% is debt service, and .2% is capital outlay. The chart below indicates the percentage of total expenditures in each category.



FY 2008 Sanitation Fund Expenses

EXECUTIVE SUMMARY

•**Library Fund.** In the fall of FY 2005, the Town took over operations of the Lucius E. and Elsie C. Burch, Jr. Library following funding cuts from Shelby County Government as part of their planned phase-out of Library funding. Numerous improvements were made including additional hours and Sunday afternoon operations.

Total revenue of \$86,800 comes from fees and fines. Originally, the Board of Mayor and Aldermen set aside the utility-in-lieu-of tax paid by the Water & Sewer Fund for construction of the Library. After taking over operations, it was decided to continue to use these funds for that purpose as well. These funds (\$500,000) are shown as an operating transfer into the Library fund. An operating transfer from the General Fund of \$809,186 is necessary to cover expenses as well.

Total FY 2008 expenditures are projected to be \$1,402,566. The largest portion of expenditures is for staffing services (\$524,533), debt service on the construction bond issue (\$259,085), and materials (\$200,000). The Town has contracted with Library Systems and Services, Inc. (LSSI) to provide staffing and materials purchase.

•**Special Drug Fund.** The Police Department's drug fund is a special revenue fund created during FY 1998 to comply with state law. Projected revenues from drug fines total \$28,000 for FY 2008 and must be used to reduce drug-related crime. State law requires that half of this amount must go into the General Fund. However, it is then returned to the Drug Fund as an operating transfer. In addition, revenue from seizures totals \$57,000. Expenditures total \$191,885 and include funding for narcotics buy money for undercover operations, turnout gear for drug task force officers, specialized training, and three police vehicles.

ENTERPRISE FUNDS

•**The Water and Sewer fund** accounts for the provision of water and sewer services to residents of the Town of Collierville. All activities necessary to provide such services are accounted for in this fund, including construction, financing, and related debt service. No Town taxes are used to support these services. All services provided are paid for by the people who use them.

By FY 2004, the Town's schedule of rates, fees, and charges for water and sewer service had been in effect for approximately 10 years and was no longer generating sufficient funding to accommodate water and sewer service needs. From FY 2002 until FY 2005, the town had been experiencing a deficit of annual revenues to cover all operational needs and had been utilizing retained earnings to fund operations and maintenance.

A sewer engineering report and rate study was approved to determine a rate structure necessary to provide for operations and maintenance and debt service for capital investments in infrastructure and sewer treatment. The rate increase proposed by the study became effective in April, 2005. Revenue for the 2005 fiscal year increased 33.8% above FY 2004. The increase for FY 2006 was 52.0%, and the estimated increase in FY 2007 is 12.8%. This increase has resulted in sufficient revenue to cover operations as well as provide funding for repair and renovation of aging infrastructure. A summary of Water and Sewer Fund revenue is shown below.

Water and Sewer Fund Revenue

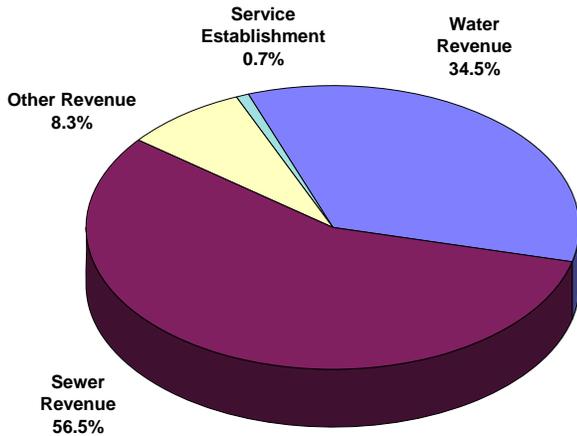
	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Revenue					
Water Revenue	\$ 2,715,769	\$ 3,763,144	\$ 3,656,405	\$ 4,084,327	\$ 4,227,120
Service Establishment	66,605	68,585	65,000	65,000	65,000
Sewer Revenue	3,766,269	5,945,722	6,217,373	6,816,486	7,759,056
Other Revenue	144,487	399,340	158,500	518,500	668,500
Total Revenue	\$ 6,693,130	\$ 10,176,791	\$ 10,097,278	\$ 11,484,313	\$ 12,719,676

Water and Sewer Fund revenue is expected to be \$12,719,676 an increase of 10.8% over the FY 2007 estimated revenue. The sewer revenue generates the greatest percentage of revenue at 56.5% followed by

water revenue at 34.5%. Service establishment contributes .7% of revenue, and other revenue, which includes interest income, makes up 8.3% of total revenue.

EXECUTIVE SUMMARY

The chart below shows the percentage of total revenue of each category.



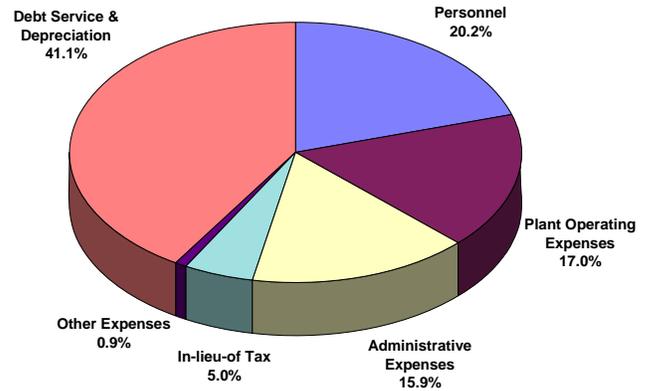
FY 2008 Water and Sewer Fund Revenue

Water and Sewer fund operating expenses less capital outlay, which is funded through retained earnings, total \$9,982,210. This is a 6.3% increase over budget for 2006 and a 10.0% increase over the estimated end-of-year expenses. Personnel expense increased 6.9% above the FY 2007 budget while operating expenses increased 8.2%. There was an increase of 2.5% in special appropriations expense, which includes in-lieu-of property tax paid by the utility.

Debt service and depreciation accounts for the largest portion of expenses at 41.1% of the total. Water and sewer projects funded through bond issues are financed through water and sewer revenues. In FY 2006, \$26 million in water and sewer bonds were issued to fund an

upgrade and expansion at the Northwest Wastewater Treatment Plant and in FY 2007, an expansion of the Shelton Road Wastewater Treatment Plant.

Personnel expense is 20.2%. Plant operating expense accounts for 17.0%, and in-lieu-of tax is 5.0% of the total expense. Administrative expenses, the amount the fund pays to the General Fund departments that provide services and for insurance and attorney fees, is 15.9% of the expenses for FY 2008. Each category of expenses in the operating budget is shown in the chart below as a percentage of total expense.



FY 2008 Water and Sewer Fund Expenses

In the summary below, each category of expense is listed. The in-lieu-of tax in this summary is included in the Special Appropriations category, and while capital outlay is shown as an expense in the total, it is funded through retained earnings and therefore subtracted from total expenses. The following summary indicates the expenses in each category:

Water and Sewer Fund Expenses

	Actual		Budget	Estimated	Approved
	FY 04	FY 05	FY 06	FY 06	FY 07
Expenses					
Personnel	\$ 1,616,609	\$ 1,600,175	\$ 1,747,611	\$ 1,602,406	\$ 1,882,491
Operating Expense	1,209,434	1,339,580	1,454,967	1,364,991	1,564,089
Capital Outlay	42,062	62,932	66,951	56,900	62,500
Administrative Charges	1,257,394	1,202,586	1,389,543	1,304,298	1,513,859
Special Appropriations	413,661	650,022	520,894	577,219	574,694
Debt Svc & Depreciation	2,755,390	2,814,307	3,245,097	2,820,042	3,847,274
Total	\$ 7,294,549	\$ 7,669,600	\$ 8,425,063	\$ 7,725,857	\$ 9,444,907
Capital Outlay funded through retained earnings	(42,062)	(62,932)	(66,951)	(56,900)	(62,500)
Total	\$ 7,252,487	\$ 7,606,669	\$ 8,358,112	\$ 7,668,957	\$ 9,382,407

EXECUTIVE SUMMARY

•**The Health Insurance Fund** is an internal service fund which accounts for transactions related to group medical benefits (including claims incurred but not reported) for which the Town is self-insured.

Revenues are derived from charges to each department which pays into the fund, according to the number of employees in the plan, an amount determined by estimating claims and service charges for the year. In addition, employees are charged a monthly premium. This is paid into the fund as well.

Health insurance costs rose sharply from FY 2002 through 2004 because of increased claims expenses, especially prescription drugs. Rates were adjusted for FY 2003, 2004, and 2005 to reflect this increase. Several plan design changes were implemented in FY 2005 in order to try to curb the escalation of expenses. This included additional charges to employees for coverage as well as greater employee co-pays to physicians and for prescription drugs. These changes resulted in substantial savings with a decrease to expenses in FY 2005 and more moderate increases in succeeding years.

The increase in expenses for FY 2008 is 9.3% above the FY 2007 budget. Total projected expenses are \$4,209,886 and include charges by a third-party vendor for administration of the plan, the actual amount of claims paid from the fund for employee health care and prescription drugs, and a reinsurance fee paid by the Town for catastrophic coverage. Projected revenue for FY 2008 totals \$4,213,759 an increase of 8.0% over the FY 2007 budget.

FIDUCIARY FUNDS

•**The Retirement Fund** is a new fund for FY 2008. It is a pension trust fund which accounts for retirement plan assets and distributions. The Board of Mayor and Aldermen approved a new retirement plan beginning July 1, 2007. The Town previously maintained two retirement plans, a defined contribution plan and a defined benefit plan sponsored by the State of Tennessee. The new plan actually is two plans in one, a contributory plan and a non-contributory plan. Employees were given the opportunity to choose either plan one or plan two or stay with their current plan.

Approximately \$17,000,000 in assets from the other plans will be transferred into the new plan. Projected expenses

include attorney and trustee fees, administration fees and distributions to retirees.

CONCLUSION

The budget is an important plan and does, in many ways, reflect on the visions and makeup of a community, but it is never the whole story. The Town of Collierville continues poised to become one of the most important trade areas in the mid-south. The government of Collierville continues to garner respect from peer communities and is looked upon as a model in many ways. The reasons for our standing can be attributed to sound leadership from our elected officials and the quality of our employees who are responsible for the level and quality of service we provide.

In Tennessee, fundamental local government services are provided by the counties. Throughout their development, communities that desire a higher level of services have been allowed to form city governments to meet those needs. The reason cities exist is to provide a higher level of service.

The Town is a complex organization. Our core business is one of the most diverse of any single entity one could imagine. We are engineers and accountants, auditors and architects, soldiers and safety advisors. We are counselors and referees, coaches and teachers, rescuers and emergency medical professionals. We are doctors and lawyers, librarians and veterinarians, contractors and builders. We are janitors and crossing guards, jailers and musicians, chemists and researchers. When Town employees are not filling those roles, they are community leaders and volunteers in their own right. At its core, the Town of Collierville is people helping people. The community can be proud of the commitment, integrity and pride Town employees have in their work and their devotion to quality government.

This executive summary is not intended to substitute for the comprehensive details contained in the Town Budget. We have attempted to cover only the highlights in summary form. For a complete understanding of the Town's fiscal plan for the coming year, the budget document should be reviewed in its entirety. Inquiries or comments may be directed to Jane Bevill, Finance Director, or James Lewellen, Town Administrator. The budget may be viewed on the Town's website, www.collierville.com.

The Town of Collierville, Tennessee (the “Town”) complies with accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP) included all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Town applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the Committee on Accounting Procedure. The Town has elected not to apply FASB Statements and Interpretations issued after November 30, 1989, to business-type activities. The accounting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

FINANCIAL REPORTING ENTITY

The Town is a municipal corporation governed by an elected mayor and five-member board of aldermen. In determining the financial reporting entity, the Town complies with the provisions of GASB Statement No. 14, “The Financial Reporting Entity”. Based on this standard, there are no component units, entities for which the Town is considered to be financially accountable, to be included in the Town’s financial statements.

The Town’s officials are also responsible for appointing the members of the boards of other organizations, however the Town’s accountability for these organizations does not extend beyond making the appointments. There were no material transactions with these organizations during the year ended June 30, 2006.

GOVERNMENTAL FUNDS

•**General Fund.** The General Fund is the primary operating fund of the Town and always is classified as a major fund. Transactions relating to resources obtained and used for delivery of those services traditionally provided by a city government, which are not accounted for in other funds, are accounted for in the General Fund. These services include, among other things, general government, public safety, public works, culture and recreation, and certain courts.

•**Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes. The following comprise the special revenue fund:

- The State Street Aid Fund accounts for the receipt and expenditures of the Town’s share of state gasoline tax.
- The Solid Waste and Sanitation Fund accounts for the receipts and expenditures of the Town’s solid waste removal services.
- The Historic Preservation Fund accounts for the receipts and expenditures of fees charged to developers for the preservation of the Town’s historic town square.
- The Library Fund accounts for the receipts and expenditures of the Town’s Lucius E. and Elsie C. Burch, Jr. Library.
- The special Drug Fund accounts for the receipt of and expenditures related to court drug fines and drug seizures.

•**Capital Investment Program Fund.** The Capital Investment Program Funds account for all Town of Collierville capital improvement projects.

PROPRIETARY TYPES

•**Enterprise Funds** are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:

- The Water and Sewer Fund accounts for the operations of the water and sewer department. Operating revenues are derived from service charges. Revenues derived from physical connection to the system do not substantially exceed the cost incurred to provide such services.

•**Internal Service Funds** account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursed basis. The internal service fund used by the Town is as follows:

- The Health Insurance Fund accounts for transactions related to group medical benefits (including claims incurred but not reported) for which the Town is self-insured.

(The Town approved a new retirement plan for employees for FY 2008, and a new Retirement Fund will be created. This is a pension trust fund of the Fiduciary type.)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when”

transactions are recorded regardless of the measurement focus applied.

Proprietary funds are accounted for using the “economic resources” measurement focus. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

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

•**Basis of Accounting.** Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Town, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Proprietary funds utilize the accrual basis of accounting, whereby revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

BUDGETARY DATA

The revenues and expenditures accounted for in all governmental fund types are controlled by a formal integrated budgetary accounting system. The Mayor and Board of Aldermen approve annually the budgets for these funds. Budgetary control is maintained at the

departmental level by line item, and expenditures may not exceed funds budgeted which constitute the legal spending limit. Unexpended appropriations lapse at year-end. Management may amend the budget within departments without approval of the governing body, however, any amendments made between departments must meet with the governing body’s approval as prescribed by the Town Charter. The same basis of accounting is used to reflect actual revenue and expenditures recognized on a U.S. generally accepted accounting principle basis.

ENCUMBRANCES

Encumbrance accounting is not used since it is not legally required.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, cash in checking accounts with depository institutions, and all highly liquid debt instruments purchased with a maturity of three months or less.

RESTRICTED ASSETS

The Health Insurance Fund has restricted cash of \$13 which must be used for insurance claims and expenses.

INVESTMENTS

Investments are limited to those authorized by Tennessee State Law. State statutes authorize the Town to invest in Treasury bonds, notes or bills of the United States; nonconvertible debt securities of the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank and the Student Loan Marketing Association; other obligations not listed above which are guaranteed as to principal and interest by the United States or any of its agencies; certificates of deposit and other evidences of deposit at State and Federal chartered banks and savings and loan associations; obligations of the United States or its agencies under a repurchase agreement and money market funds whose portfolios consist of any of the foregoing investments if approved by the State Director of Local Finance and made in accordance with procedures established by the State Funding Board; the Local Government Investment Pool (“LGIP”); obligations of the Public Housing Authority and bonds of the Tennessee Valley Authority. State statutes limit maturities of the above investments to two years from the date of investment unless a greater maturity is approved by the State Director of Local Finance. Investments are recorded at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town’s policy is to fully collateralize bank deposits in excess of federally insured amounts. For an investment, custodial credit risk is the risk that, in the

event of the failure of the counterparty, the Town will not be able to recover the value of its investments that are in the possession of an outside party. The Town’s investments in the LGIP are held by the State Treasury, not in the name of the Town.

PROPERTY TAXES

Property taxes are recorded as revenues in the fiscal year of the levy if collected within two months (by August 31) following the end of the fiscal year, in accordance with U.S. generally accepted accounting principles. Property tax receivables are recorded in the period when an enforceable legal claim has arisen or when resources are received, whichever is first. Deferred revenues are recorded if the related revenue is not available. Delinquent taxes estimated to be collected subsequent to August 31 are included in the balance sheet as property taxes receivable and deferred revenues to reflect amounts that were not available as revenues at June 30, 2006.

INVENTORIES

Inventories are stated at cost and are charged to operations under the consumption method using average cost.

INTERFUND TRANSACTIONS

•Interfund Receivables and Payables. During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds are eliminated in the Statement of Net Assets.

Interfund Transfers. Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and certain infrastructure assets (roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial individual cost of at least \$500 and estimated useful life in excess of two years.

The Town’s assets are capitalized at historical cost or estimated historical cost. Gifts or contributions of capital assets are recorded at fair market value when received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset’s lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land is not depreciated. Buildings, improvements, equipment, and infrastructure of the Town is depreciated using the straight-line method over the following estimated useful lives:

Buildings	25-50 years
Other Improvements.....	15-75 years
Equipment	3-40 years
Infrastructure	50-75 years

UNEARNED REVENUES

Unearned revenues represent amounts that were received or receivable and measurable at June 30, 2006, but were not available to finance expenditures for the year ended June 30, 2006.

Unearned revenues primarily include unavailable revenues from property taxes, state shared taxes, local option sales taxes and operating subsidies received in advance.

COMPENSATED ABSENCE

Town employees are granted sick and annual leave in varying amounts in accordance with administrative policies. Upon termination or retirement, the employees are paid full value for any accrued annual leave earned not to exceed the maximum annual leave as set forth by personnel policy. Generally, employees may accumulate sick leave up to nine hundred and sixty (960) hours, but upon termination or retirement, no payment shall be made for unused sick leave.

Vested or accumulated annual leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated annual leave that are not expected to be liquidated with expendable available financial resources are maintained separately and represents a reconciling item between the fund and government-wide presentation. Vested or accumulated annual leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. The Town’s contingent liability for the unused, accumulated portions of sick leave as of June 30, 2006 approximates \$3,155,000.

RETIREMENT PLANS

The Town maintains two retirement plans. One is a defined contribution plan and the other is a defined benefit plan sponsored by the State of Tennessee. Contributions to these plans by the Town of Collierville amounted to \$1,475,376 and \$333,757, respectively, for the year ended June 30, 2006. (The Board of Mayor and Aldermen approved a new defined benefit retirement plan to begin July 1, 2007.)

PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

UNBILLED UTILITY RECEIVABLE

Utility revenue is recorded when earned. Customers are billed at various times throughout the month. The estimated value of services provided but unbilled at year end has been included in the financial statements.

RESTRICTED RESOURCES

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

POLICY OVERVIEW/GOALS AND OBJECTIVES

A written policy statement provides a standard of fiscally wise practices and governmental accountability. Recognizing the importance of such a written policy, the Town leadership has adopted the following policies, goals, and objectives for FY 2008.

Leadership Policies

Through the application of sound fiscal practices and with a high degree of broad-based citizen participation, the Town of Collierville will develop a program of well-planned, balanced growth that protects the integrity and character of residential neighborhoods, provides for enhanced cultural and recreational programs, protects the environment, meets expanding transportation needs through mass transit and/or improved highway systems, and captures and utilizes advanced technology that provides improved services, promotes compatible industry, and supports a stronger, quality educational system. To accomplish this mission, the Town will:

- Be a financially sound town government.
- Become a high performance service organization.
- Preserve Collierville's heritage and character as a "Community for Family Living".
- Be recognized as a regional leader.
- Improve mobility and traffic flow.
- Create a sustainable local economy within Collierville (in partnership with the Collierville Chamber of Commerce).

Financial Policies

The Town will achieve and maintain a long-term stable, strong financial position by adopting the policies set forth below. These policies will be reviewed yearly to assist the decision-making process of the Town's leadership. They are based on the following goals which will:

- Protect the interest of citizens and promote business activity.
- Require budget decisions be made in a public forum open to taxpayers and the media.
- Incorporate extensive financial controls designed to prevent financial mismanagement, excessive borrowing, inordinately high taxes, and deficit spending.
- Pursue goals of efficiency and effectiveness by balancing short-term and longer-term community interests.

•Operating Budget Policies.

- The Town Administrator will present the recommended budget to the Board of Mayor and Aldermen forty-five days before the beginning of the ensuing fiscal year beginning July 1.
- Proposed revenues and expenditures will be detailed by fund, program, and activity for five years—two

years prior, current year budget and estimated and budget year proposed.

- The Board will set the tax rate adequate to meet the financial obligations of the Town each year before the beginning of the new year.
- Budgetary control will be maintained at the departmental level by line item, and expenditures may not exceed funds budgeted which constitute the legal spending limit.
- A sufficient allocation of resources will be distributed to various projects and programs so as to address the balance between present and future needs, i.e. preventive, suppressive, or restorative strategies.

•Reserve Policies.

The General Fund fund balance will consist of four components: Reserved Fund Balance, Designated Fund Balance, Undesignated/ Unreserved Fund Balance, and Financial Stabilization Fund Balance.

- The Reserved Fund Balance consists of funds that are mandated by a third party through laws, regulations, and other legal requirements to be used for a specific purpose.
- The Designated Fund Balance consists of funds set aside by the Board of Mayor and Aldermen by ordinances or resolutions for specific purposes.
- The Undesignated/Unreserved Fund Balance consists of funds not mandated or set aside for a specific purpose and that are available for current or future expenditures.
- The Financial Stabilization Fund Balance as set forth in this policy will consist of 25% of General Fund budgeted expenditures and shall include four accounts: the Contingency Reserve, the Emergency Reserve, the Cash Flow Stabilization Reserve and the Debt Service Reserve.

•Revenue Policies.

- A revenue monitoring system will assist in trend analysis and revenue forecasting in order to maintain and/or increase the level of specific revenue sources.
- There will be a review of all fees to determine what changes, if any, are viable options.
- The Town will continue to promote economic development so that the residential to business tax ratio is maintained and/or improved.

•Accounting/Auditing/Reporting Policies.

- There will be an audit of the financial condition of the Town conducted after the end of each fiscal year.
- The financial reports will be in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.

POLICY OVERVIEW/GOALS AND OBJECTIVES

- Monthly financial reports will be distributed to departmental units for the purpose of budgetary control.

•**Investment Policies.**

- Town funds will be deposited at financial institutions at which deposits are insured by the Federal Deposit Insurance Corporation or the Federal Saving and Loan Insurance Corporation.
- The Town will require institutions in which funds are deposited to pledge collateral whose market value is equal to one hundred five percent (105%) of the value of the Town's deposits secured thereby.

•**Capital Budget Policies.**

- The Capital Investment Plan (CIP) serves as a financial planning and management tool by:
 1. Establishing priorities that balance capital needs with available resources.
 2. Pairing projects with their potential internal and external funding sources.
 3. Ensuring the orderly improvement or replacement of fixed assets.
 4. Providing an estimate of the size and timing of future bond issues.
- The CIP will be reviewed and updated annually in order to maintain a current and viable program of on-going capital projects.
- Construction projects and capital purchases which cost more than \$25,000 and with a life of more than five years will be included in the CIP. Capital outlays of \$25,000 or less will be accounted for in the operating budget.
- Every CIP project will have a project manager who will prepare the project proposal, ensure that the required phases are completed on schedule, authorize all project expenditures, ensure that all laws and regulations are observed, and periodically report project status.
- The Town Administrator or designee will review project proposals, determine project phasing, review and evaluate the draft CIP budget document and report CIP project progress annually.
- Pay-as-you-go financing will be used when possible to conserve debt capacity for future bond issues.

•**Debt Policies.**

In managing its debt, it is the Town's policy to:

- Achieve the lowest cost of capital
- Ensure high credit quality
- Assure access to the capital credit markets
- Preserve financial flexibility
- Manage interest rate risk exposure

There is no legal debt limit. The ratios and standards identified below are primarily intended to limit the use of debt financing in order to facilitate long-term access to capital while ensuring that financial leveraging decisions do not negatively impact the Town's annual operations:

- General Fund Balance Requirement = 25%
- Average Life of Total Debt \leq 10 Years
- Percentage of Principal Paid within 10 Yrs \geq 60%
- Per Capita Debt/Per Capita Income \leq 4%
- Per Capita Debt/Per Capita Assessed Value \leq 4%
- Debt Service/General Fund Operating Expense \leq 12%

Goals and Objectives

In addition to the preceding policies, the Board of Mayor and Aldermen have set forth the following goals and objectives. These also serve to guide department directors during the budget process.

Goal: *Be a financially sound town government.*

Objectives:

1. Promote a more diversified tax base.
2. Maintain adequate reserves and fund balances.
3. Set a fiscally responsible tax rate.
4. Be a more financially self-supporting and sustainable town government.
5. Diversify revenues to be less dependent on property tax.

Goal: *Become a high performance service organization.*

Objectives:

1. Maintain a high level of productivity.
2. Use the most efficient "state of the art" methods in service delivery using technology and new approaches.
3. Achieve a high level of citizen satisfaction with Town services.
4. Focus on "basic services".
5. Maintain a highly motivated and professional workforce.
6. Become an organization valuing and practicing the Town's core values with greater accountability.

Goal: *Preserve Collierville's heritage and character as a "community for family living".*

Objectives:

1. Make all family generations welcome.
2. Provide family-oriented recreational and leisure amenities and facilities.
3. Respect our past and historical roots.
4. Approve developments designed in Collierville's character and vision.
5. Create a strong sense of community pride with involved citizens.

POLICY OVERVIEW/GOALS AND OBJECTIVES

- Promote job opportunities available in the community.

Goal: *Be recognized as a regional leader.*

Objectives:

- Provide self-contained and sufficient Town services.
- Advocate for the Town's interests at the federal, state, and regional levels.
- Shape regional policies and plans protecting Collierville's interests.
- Create a leadership based upon a common vision for the future with realistic and achievable goals.
- Forge a strong relationship with the legislative delegation based upon mutual respect.

Goal: *Improve mobility and traffic flow.*

Objectives:

- Reduce trip times within the Town of Collierville.
- Provide better signal synchronization within the Town.
- Improve the quality of major corridors and Town streets.
- Construct more roads connecting neighborhoods and corridors.
- Develop safe, convenient trail systems for biking and walking throughout our community.

Goal: *Create a sustainable local economy within Collierville (in partnership with the Collierville Chamber of Commerce).*

Objectives:

- Create a business community which has long term sustainability.
- Attract new business consistent with Collierville's vision.
- Retain current businesses and help them to prosper.
- Maintain a reputation as a business-friendly town government and community.
- Attract a new full-service hotel with conference meeting space.

Core Businesses

Additionally, in strategic planning sessions, the Board identified eight core businesses of Town government and the elements of those businesses which are necessary to fulfilling their goals and objectives. They are:

Guide Collierville's future growth and development.

Operating Elements:

- Develop and update long-term plans—the Comprehensive, Land Use, and Infrastructure plans.
- Review and evaluate development proposals and plans.
- Develop and enforce zoning laws and subdivision regulations.
- Control land uses and design guidelines.

Promote economic growth in Collierville.

Operating Elements:

- Actively recruit new businesses and industries.
- Retain existing businesses and industries.
- Provide financial incentives and negotiate agreements.
- Participate in coordinated marketing program for economic development.
- Analyze market needs and trends, defining Collierville's niche and role in economic development.

Enforce laws and regulations.

Operating Elements:

- Provide visible police patrol throughout our community.
- Investigate crimes, prepare cases for prosecution.
- Operate the city court system.
- Educate citizens on community safety and their responsibility.
- Inspect buildings, homes and businesses.
- Seek compliance with codes and regulations.

Provide basic utility services for an urban lifestyle.

Operating Elements:

- Build and maintain a water distribution system – sell water to our customers.
- Operate water treatment plants.
- Secure an adequate, quality water supply – buy water.
- Build and maintain a wastewater collection system.
- Operate wastewater treatment plants.
- Collect and dispose of solid waste, including a recycling program.
- Maintain the storm-water drainage system.
- Regulate quality control and oversight of electricity, gas, and cable television.

Protect life and property of citizens and businesses.

Operating Elements:

- Provide timely response to emergency situations.
- Respond to medical calls for services.
- Prevent, put out fires.
- Plan for response to emergency situations and disasters.
- Receive and dispatch calls.
- Inspect buildings and properties for life safety.

Develop a comprehensive transportation system.

Operating Elements:

- Design, build, and maintain streets and streetscapes.
- Design, build, and maintain sidewalks and greenways.
- Provide effective traffic control.
- Install and maintain street lights and signals.
- Handle snow, ice, mud, or flooding situations.

POLICY OVERVIEW/GOALS AND OBJECTIVES

Advocate for the interests of Collierville.

Operating Elements:

1. Lobby at federal, state, and county levels.
2. Work on school-related issues.
3. Work with the county and neighboring cities to address issues of common concerns.
4. Work with businesses to address issues and concerns.
5. Represent "Town of Collierville" to the outside world.
6. Communicate with our citizens.

Provide recreational facilities and programs.

Operating Elements:

1. Plan and develop major community facilities, greenbelts, parks, and provisions.
2. Plan community activities.
3. Plan park development.
4. Coordinate neighborhood parks.
5. Provide organized sports and summer camps.
6. Provide cultural arts programs and activities.
7. Partner with community organizations for leisure programs.

2008 MANAGEMENT AGENDA

Top priority:

- Develop a five-year financial projection for all Town services.
- Develop a new financing model for the five-year Capital Investment Program.
- Review growth management strategies for evaluating project impacts.
- Improve contract administration and accountability through consolidation of all contract oversight and improved review processes.
- Implement video programming for public awareness of operations.
- Improve standards for measuring program effectiveness.
- Develop a tracking and measurement system for tourism efforts.
- Develop a five-year annexation and plan of services strategy.

High priority:

- Evaluate the employee recruitment and selection process.
- Update the traffic model.
- Conduct community focus groups for evaluation of services.
- Implement new economic development strategies with the Chamber of Commerce.
- Establish a core training model for management level positions.

- Develop a Library five-year strategic plan/needs assessment.
- Improve CIP project planning and contract management with new processes and accountability standards.

Departmental Goals

Development Department Goals

•*Planning Division.*

Goals and Objectives

Goal: Provide quality service to the customers of the Town of Collierville, while assuring compliance with the Land Use Plan, Zoning Ordinance, Subdivision Regulations, Historic District Guidelines and Design Review Guidelines.

Objectives:

- Continue to monitor and refine the Division functions in order to better facilitate development review. Provide quality customer service and interrelated processes with other divisions and departments.
- Better utilize the Town's website with dissemination of information for customers. Digitize Subdivision regulations and Design Guidelines Manual. Develop a Sign Policy database to be available via the Town's website.
- Inform and provide assistance and/or training to customers regarding changes to processes and amendments to ordinances and regulations.
- Overhaul filing system to assist with expeditious and complete research and information retrieval and to better coordinate with other divisions.

Goal: Preserve the heritage and character of the Town of Collierville through managed growth and development in a way that sustains the Land Use Plan.

Objectives:

- Provide professional and accurate support and guidance to the Board of Mayor and Aldermen, Planning Commission, Board of Zoning Appeals, Historic District Commission and Design Review Commission.
- Continue to provide accurate and expeditious plan reviews to ensure compliance with and uniform application of land development.
- Encourage and offer training and continuing education opportunities to division staff and Board and Commission members to keep abreast of emerging trends, learn and incorporate new ideas, and gain skills.
- Amend Zoning Ordinance provisions for Planned Developments, and other areas in need of updating and clarification.
- Continue to work with and monitor growth issues and regulatory amendments in other municipalities.

POLICY OVERVIEW/GOALS AND OBJECTIVES

Goal: Have a solid Geographical Information Systems (GIS) database and be able to share information with other departments, municipalities and customers.

Objectives:

- Prepare for delivery and implementation of the 2007 Pictometry image library.
- Continue to support the Town and its Divisions with their GIS and mapping needs.
- Continue communications and data-sharing arrangements with other municipalities and neighboring County governments.
- Continue to advance employee use of GIS applications.
- Purchase and install ArcGIS Server 9.2 and Oracle Standard Edition
- Develop maps to identify undeveloped land in both the Town's reserve area and within the Town limits.
- Digitize the Town's stormwater system and capture the Town's fire hydrants and water valves in order to provide information to other departments and allow the Town to observe current systems and possible future needs.

•**Engineering Division.**

Goal: Improve mobility and traffic flow.

Objectives:

- Build a working traffic model against which proposed developments can be tested
- Provide better signal synchronization within the Town.
- Complete widening of certain routes and improvements to others.

Goal: Commence the Stormwater Initiative.

Objectives:

- Implement and begin using a working model of the southwest quadrant.
- Begin the comprehensive streambank stabilization program.
- Implement streambank buffer zones.
- Revise stormwater detention standards.
- Revise detention facility design standards.

Goal: Preserve the character of Collierville in new development and in existing areas.

Objectives:

- Strictly interpret and apply Town Standards and Specifications.
- Modify as applicable subdivision regulations.
- Completely re-write the Town's Development Agreement to clearly define developer responsibilities and to modernize the procedures.
- Enact the Right-of-Way Ordinance to protect the Town's infrastructure.
- Re-write construction specifications.

- Implement Best Paving Job award to encourage better street construction.
- Implement Best Concrete Job award to encourage better curbs and sidewalks.
- Implement Best Plans of the Year to encourage better plans and reduce workload in the division.

Goal: Augment employee job knowledge/performance.

Objectives:

- Seek out and provide training opportunities for each employee at least one time per year for continuing education specific to job responsibility.
- Challenge each employee to submit at least one idea for improving efficiency, construction standards, etc.
- Ramp up in-house design of projects to respond more quickly to problem areas in Town.

•**Code Enforcement Division.**

Goal: Protect the Town's financial security by insuring the construction and maintenance of the Town's building stock meets Town standards.

Objectives:

- Maintain a high level of inspection services to insure existing and new development maintains the maximum possible property values.
- Establish a program for the inspection of older residential and commercial buildings and properties to insure the abatement of unsafe, substandard buildings, signs, and unkempt properties, which present a detriment to the surrounding properties.
- Provide effective, fair and consistent enforcement efforts against recognizable code violations, which detract from Town standards.
- Be trained and prepared for emergency response to natural disasters to allow recovery and reconstruction as quickly as possible.
- Attend training classes on emergency response and disaster mitigation.
- Provide each Division employee with 16 hours of training in job related classes by professional programs.
- Provide each Division employee with 16 hours of in house training relating to process, procedures, and customer service.
- Review the 2003 International Building Codes for possible adoption in the following fiscal year.

Goal: Work to insure a safe and useable community to all inhabitants and visitors and to preserve the historical small town flavor by maintaining the Town design standards.

Objectives:

- Insure a thorough inspection process for all building construction to insure young and old, able and disabled are provided with a built environment

POLICY OVERVIEW/GOALS AND OBJECTIVES

designed according to nationally recognized standards for safety and livability.

- Provide a permitting and inspection procedure necessary to insure the enforcement of all conditions and requirements established by the Town through the Historic District Commission, Board of Zoning Appeals, Planning Commission, Design Review Commission and Board of Mayor and Aldermen.
- Provide a permitting and inspection process as easy, understandable and efficient as possible without compromising the control necessary to insure development in accordance with Collierville's character and vision.
- Eliminate fire hazards and other dangerous conditions associated with buildings and building systems (i.e. electrical, mechanical, plumbing, gas) by providing thorough plans review and inspection processes.

Goal: To improve customer service levels within the Division and Department.

Objectives:

- Provide upfront information to prospective development applicants in preconstruction meetings to insure understanding and purposes of review and approval processes.
- Develop and cultivate a customer service mentality in Town employees.
- Empower staff to investigate and evaluate state of the art methods for delivering permitting and inspection services.
- Develop and cultivate a relationship with Germantown, Bartlett and Shelby County to share ideas, programs, procedures and processes for the best results.
- Expose staff to all reasonable available technical and behavioral training programs to insure professionally trained staff.
- Further review of whether to replace the current permit and inspection software program with improved system.

Goal: To establish the reputation of the Town of Collierville Division of Building Codes and Codes Compliance as a leader in the codes enforcement field and customer service.

Objectives:

- Attend and represent the Town at Local, State and Regional Code Enforcement Association Meetings and Conferences.
- Develop and cultivate a relationship with Germantown, Bartlett and Shelby County to share ideas, programs, procedures and processes for the best results.
- Cultivate relationships with legislative delegates.

- Expose staff to all reasonable available technical and behavioral training programs to insure professionally trained staff.
- Review and analyze the latest available building codes for adoption this fiscal year.

Human Resources Goals

Goal: Complete the implementation of the Town's new defined benefit retirement plan.

Objectives:

- Obtain Tennessee Consolidated Retirement System (TCRS) withdrawal forms (signed and notarized) from all employees between July 1, 2007 and July 31, 2007.
- Obtain enrollment forms for the new plan from all employees.
- Coordinate the preparation and distribution of new/initial benefit statements to all employees.
- Obtain new beneficiary designation forms from employees selecting Plan 2.
- Distribute copy of Plan Document to all departments and copy of summary plan description to all employees.

Goal: Implement regular wage and hour audits in each department.

Objectives:

- Conduct on-site and desk audits of duties and responsibilities of various positions in each department throughout the fiscal year.
- Compare audit results against Fair Labor Standards Act (FLSA) "exempt" test provisions.
- Validate current FLSA status.

Goal: Implement random drug testing program for public safety employees.

Objectives:

- Advise all Police Officers and Fire Fighters about program.
- Will test 25% of Police Officer and Fire Fighters this fiscal year.

Goal: Bid out contracts on various insurance programs.

Objectives:

- Will bid the Town's third party administrator (TPA) for health insurance claims.
- Will bid the Town's group life and long term disability plans.
- Will bid the Town's dental/vision plans.

POLICY OVERVIEW/GOALS AND OBJECTIVES

Public Safety Goals

•Police Department.

Goal: To continue to be a high service performance organization.

Objectives:

- Provide leadership training to newly promoted employees in order to help achieve goals and objectives set forth by the department and the Town.
- To publicly commend exemplary employee performance throughout the year and to reinforce service above self-mentality through the use of the media.
- To remain fiscally responsible through sound accounting and business practices for assets entrusted to us by the Town.
- Continue to place citizens first in order to achieve a high level of citizen satisfaction with Town services.

Goal: To maintain the trust of the public.

Objectives:

- To hold employees to a higher level of ethics in order to be above reproach.
- To increase community input into decision-making and advisory sessions in order to identify and meet the needs of the community.
- To act in the best interest at all times for the community and to be selfless when resolving conflicts and problems.
- To obtain and deploy state of the art equipment in order to respond appropriately to all situations and ensure the safety of the community.

Goal: To create a safe working environment in order to reduce insurance claims.

Objectives:

- To keep employees safe through the proper use of specialized equipment.
- To work closer with Human Resources for education in safety practices and standards during the year.
- To provide training for all first line employees who are at risk for serious bodily injury or death in order to increase safety awareness.

•Fire Department.

Goal: Implement an Electronic Fire Code Field Inspection Program.

Objectives:

- Begin field trials of new electronic Fire Code Field Inspection software utilizing tablet computers by July 15, 2007.
- Reduce the overall average inspection time by twenty-two percent (22%).
- Eliminate data key-punch errors and reduce data key-punch hours by 85% within twelve months of implementing the program.

- Eliminate duplicate paper forms and data entry errors and provide instant access to that information for updates.

Goal: Construction of a Centralized Fire Headquarters for Administration and Fire Prevention.

Objectives:

- To improve work productivity and efficiency by consolidating staff services for both Fire Administration and Fire Prevention Bureau.
- To begin construction by mid-September 2007 with anticipated completion within nine months.
- To provide a multi-use training room, which may be used for community meetings, staff conferences and easily converted to an Emergency Operations Center.
- To provide adequate office and storage space for all levels of administration.

Goal: Lowering the Town's Public Protection Classifications issued by the ISO Commercial Risk Services, Inc.

Objectives:

- To lower the Town's protection class "4" to a protection class "3" within the next twelve months.
- To directly impact every person who purchases insurance on a structure within our community by lowering their insurance premiums.
- The savings of one point on the ISO rating is approximately 6.8% of a homeowner's insurance premium, which on a \$100,000.00 new home is equivalent to 6.8 cents per \$100.00 value.

Culture and Recreation Goals

Goal: Provide family-oriented recreational and leisure amenities and facilities.

Objectives:

- Create Comprehensive Park Master Plan for 100 acres "undeveloped" Hinton Park.
- Complete Tennis Complex Expansion at HW Cox Park to include two (2) new tennis courts and restroom building.
- Computer 'On-Line' Registration for recreational instructional programs, box-office tickets, athletic program registrations, etc. that will allow credit-card payment for departmental services.
- Renovation of Park Administration Offices at HW Cox Community Center.
- Promote community economic development program for state, regional, and national athletic tournaments and special events.
- Secure TDOT Grant and begin initial design work for Nonconnah Greenbelt Trail – Phase II.
- Continue implementation of Greenbelt Master Plan.

POLICY OVERVIEW/GOALS AND OBJECTIVES

Goal: To expand park system to meet population growth.

Objectives:

- Development of a range of parks: community, neighborhood, and special usage.
- Increase recreational programming for residents of all ages by offering new innovative recreational programs.
- Update 5-year Facility Development Plan to outline projected facility development.
- Administration of new community events and festivals.

Goal: Preserve greenspace and natural areas.

Objectives:

- Identify target areas for future neighborhood park acreage.
- Continued Preservation of Wolf River Corridor with Corp of Engineers, Shelby County and Chickasaw Basin Authority.
- Continued implementation of updated Greenbelt Master Plan to link neighborhoods with parks.
- Continued upgrades of streetscapes and medians in high visible areas.

Public Services Goals

•Streets & Drainage

Goal: Provide safe roadway systems throughout town cost effectively.

Objectives:

- Respond to numerous pavement, sink hole and signage maintenance repairs.
- Install handicap ramps at various locations to meet ADA requirements.
- Pave approximately 22 lane miles of streets.
- Stripe 5 center line miles of streets by contract.
- Repaint crosswalks/stop bars at all schools and intersections.
- Continue up grading of traffic control devices.

Goal: Maintain and improve drainage systems throughout town cost effectively.

Objectives:

- Respond to numerous drainage maintenance repairs.
- Repair concrete water tables at various locations.
- Meet state phase II requirements for stormwater permits.
- Repair ditch bank erosion south of Lawnwood Street on Lateral K.

- Repair ditch bank erosion south of White Road on Lateral K at Park Hill subdivision.

Public Utilities Goals

Goal: Provide adequate quantities of safe drinking water in compliance with all State and Federal regulations, at equitable costs, to current customers and future development.

Objectives:

- Paint elevated tank at Water Plant #1.
- Optimize chemical and electrical usage.
- Install a replacement well for Water Plant #2.

Goal: Operate and maintain distribution system to provide for minimal loss of service to residents due to system failures and bottlenecks.

Objectives:

- Update mapping and water flow analysis of water mains to plan for future water requirements.
- Obtain Board approval of updated Water Ordinance.

Goal: Operate and maintain wastewater collection system without having wet weather or dry weather overflows due to pipe sizing deficiencies.

Objectives:

- Reduce Infiltration and Inflow through sewer rehabilitation (installing cured in-place pipe (C.I.P.P.) liner) of 12,000 feet of deteriorated sewer main.
- Increase sewer cleaning (jetting/root cutting) program.
- Utilize sewer model to insure adequate capacity for all new developments.
- Develop Sewer Master Plan for southwest region of town.

Goal: Meet Federal and State Regulations and Laws.

Objectives:

- Update Agreed Order programs.
- Implement town wide sewer flow model for wet weather occurrences.
- Comply with new National Pollutant Discharge Elimination System (NPDES) regulations.
- Complete construction of both WWTP expansions.
- Obtain Board approval of updated Sewer Use and Water Ordinances.

BUDGET PROCESS

The Town of Collierville's budget process begins with a review of current Town finances, local and regional economic conditions, major program changes, and wage and price levels. The review of current Town finances covers such specifics as revenue from tax assessments, sales taxes as affected by retail sales, building permits, and business license records; debt service; and current expenditures.

•Guidelines. The budget document that is presented to the Board of Mayor and Aldermen represents the culmination of intensive research and analysis. The purpose of the document is to present to the legislative body and the public a comprehensive picture of proposed operations for the budget year based on the following guidelines:

- The primary objective is to provide the highest possible level of service to residents without impairing the Town's sound financial condition.
- The budget must be balanced for each fund; total projected revenues and funding sources must equal total anticipated expenditures.
- General Fund fund balance should be maintained at 25% of expenditures.
- The internal budgetary control is maintained at the department level by line item and designed to provide reasonable assurance that these objectives are met.

BUDGET ADOPTION

The Charter of the Town of Collierville requires that at least forty-five days before the beginning of the fiscal year, the Town Administrator prepares and submits to the Board of Mayor and Aldermen a budget for the ensuing fiscal year. The budget provides a complete financial plan for the coming fiscal year. State law requires that the budget presented must be balanced, which means that expenditures cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years.

•Public Notice. After considering the Town Administrator's proposed budget and making modifications during one or more work sessions, the Board schedules a public hearing. At least seven days before the hearing, public notice of the time and place, along with a summary of the budget tentatively approved by the board, is published.

•Budget Resolution. After the public hearing, the Board adopts the budget by resolution, with such modifications or amendments as the Board deems advisable, on or before the last day of the fiscal year currently ending.

BUDGET AMENDMENTS

•Fund Transfer. At any time during the fiscal year, the Town Administrator upon request of the department director, may transfer part or all of any unencumbered appropriation within a department. The Board, by appropriate resolution, may authorize the Town Administrator to transfer moneys from one department to another within the same fund.

•Emergency Appropriations. Upon a declaration by the Board that there exists a public emergency affecting life, health, property, or the public peace, the Board may make emergency appropriations. If there are not available unappropriated revenues to meet such appropriations, the Board is authorized to borrow sufficient funds to meet the emergency.

BUDGET BASIS

•Governmental Funds. The budgets of the Town are prepared on a modified accrual basis for the governmental funds (those through which most governmental functions are financed — General Fund and Special Revenue Funds, including State Street Aid Fund, Historic Preservation Fund, Library Fund, Sanitation Fund, and Special Drug Fund). Revenues are recognized when they become both measurable and available, meaning collectible, in the current period or soon enough thereafter to pay liabilities on the current period. Expenditures are recognized when the liability is incurred, except for general long-term debt services (maturing principal, interest and fiscal charges) and compensated absences which are recorded when due.

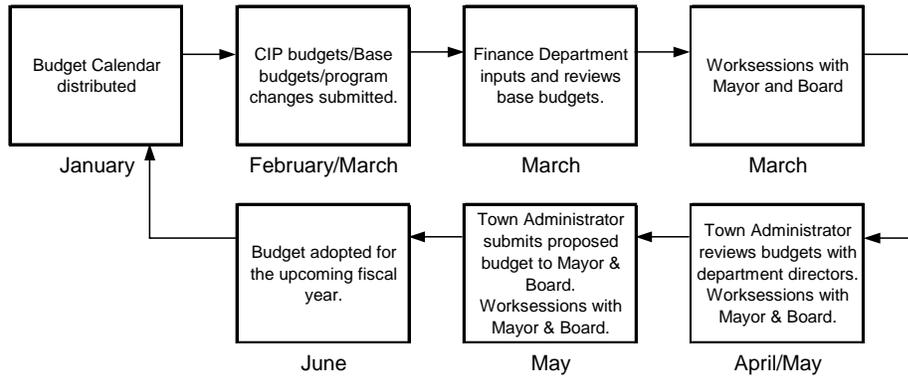
Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. All annual appropriations lapse at fiscal year end to the extent that they have not been expended or lawfully encumbered.

•Proprietary Funds. The budgets of the proprietary funds (Water and Sewer Fund and Health Insurance Fund) use the accrual basis. Under the accrual basis, revenues are recorded as earned and expenses are recorded as incurred.

BUDGET CALENDAR

The budget process began in January with the distribution of the budget calendar to department directors. Department directors submit their year-end estimates and requests for the coming year along with proposed program changes to the Finance Department for compilation and review. After review, the base budget and program changes are submitted to the Town Administrator. The list of important dates in the budget calendar is shown in the section following.

BUDGET PROCESS

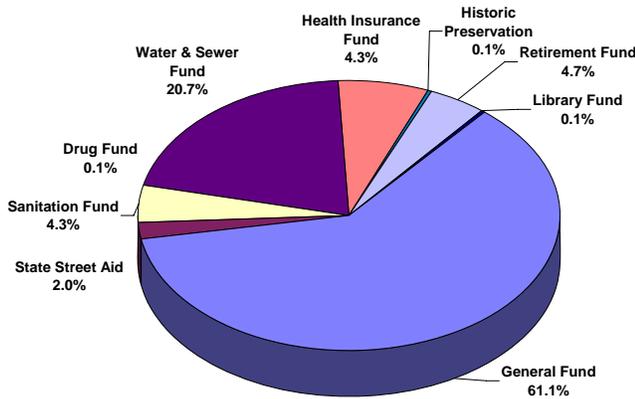


Shown to the left is a graphical representation of the budget process which began in January. Below is the budget calendar for the fiscal year 2007-2008.

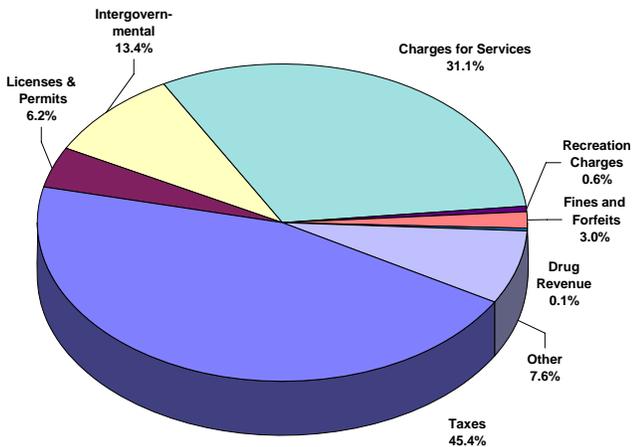
- January 9 ----- Budget calendar distributed to Department Directors.
- February 2 ----- Personnel end of year estimates from Human Resources.
- February 9 ----- Departments submit end-of-year estimates and 2008 Revenue projections.
- February 16 ----- Departments submit CIP budgets.
- March 2 ----- Departments submit base budgets and program changes for 2008.
- March 23 ----- Finance Department submits base budget/program changes to Town Administrator.
- March 26 ----- Revenue work-session with Board of Mayor and Aldermen.
- April ----- Town Administrator reviews base budgets and program changes with Dept. Directors.
- April 9 ----- Budget work-session with Board.
- April 23 ----- Budget work-session with Board.
- May 7 ----- Deadline for changes to final draft budget.
- May 14 ----- Budget work-session with Board; First reading of ordinance on the tax levy.
- May 14 ----- Deadline for submission of budget summaries for public notice.
- May 16 ----- Public notice of public hearing on the proposed budget.
- May 28 ----- Second reading of ordinance on the tax levy; public hearing on the proposed budget.
- June 11 ----- Third and final reading of ordinance on the tax levy; adoption of the FY 08 budget.
- July 1 ----- Fiscal year begins.

REVENUE ANALYSIS AND PROJECTIONS

FY 2008 projected revenue for all funds totals \$61,509,802. General Fund revenues make up the greatest portion at 61.1%. Water & Sewer fund revenue is 20.7% of total, Sanitation Fund 4.3%, State Street Aid 2.0%, Health Insurance is 4.3%, and the Retirement Fund 4.7%. Taxes contribute the greatest amount of total revenue at 45.4% while charges for services—solid waste collection and water, sewer service charges, etc. — make up 31.1%. The charts below show the percentage of total revenue by fund and the percent of total each revenue source contributes.

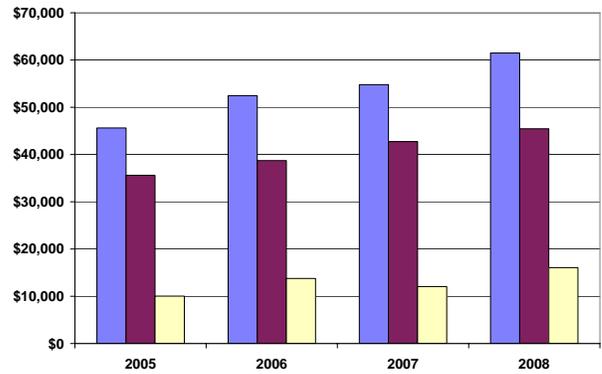


FY 2008 Revenues by Fund



FY 2008 Revenues by Source

The following sections provide analyses and projections for FY 2008 for the Town's major revenue sources. Major sources account for 73.9% or \$45,462,348 of total revenue. Charts depicting the revenue history of some of these sources are included as well. The FY 2007 figures are estimated end-of-year amounts, and the FY 2008 numbers are projected. The chart in the next column compares the major revenue sources and all other revenue sources to total revenue.



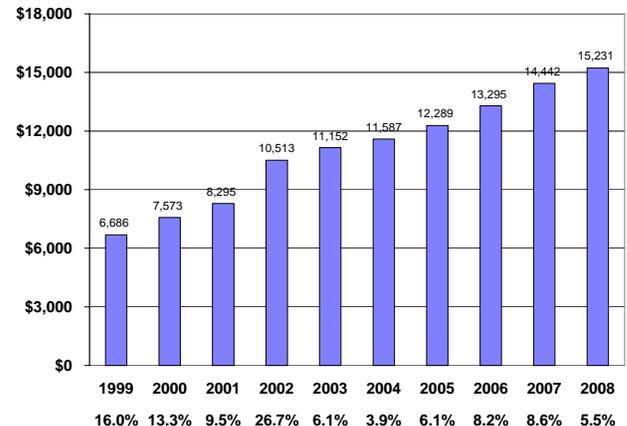
Major and Non-major Revenues (000s)

The following section provides analysis and charts for the Town's major revenue sources:

Real Property Tax \$15,230,618

Property taxes are assessed on January 1 prior to each fiscal year in which taxes are recorded. Tax is determined by three factors: (1) the appraised value of the property as determined by the county tax assessor; (2) the level of assessment for that kind of property as set in the state Constitution; and (3) the rate of tax set by the local government. The State of Tennessee has set the level of assessment as follows: commercial and industrial - 40%; residential and farm - 25%.

The significant revenue increase in FY 2002 was from a reappraisal of property in 2001. A reappraisal was conducted in 2006, and in FY 06 the property tax rate was certified at \$1.28 per \$100 assessed value. Following reappraisals, the rate must be set to avoid a "windfall" in that year. The rate has remained at \$1.28 through FY 2007. Projections for FY 2008 are 5.5% above estimated FY 2007 with no tax increase. Revenue projections are based on an estimated 98.0% collection rate.

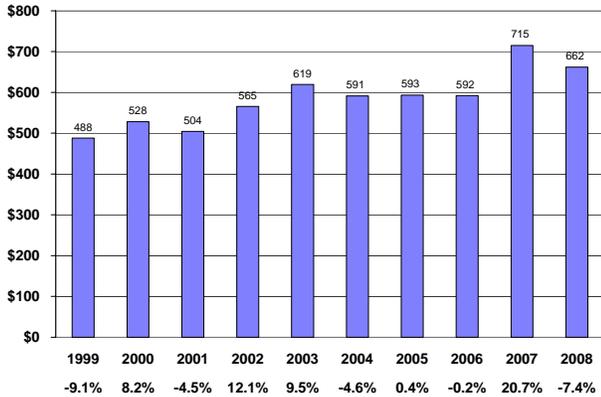


Property Tax Revenue (000s)

REVENUE ANALYSIS AND PROJECTIONS

Personal Property Tax **\$662,201**

Generally, the level of assessment for tangible personal property is 30% for commercial and industrial. This tax is set at the same rate as real property tax. Personal property taxes normally are reduced by a sales ratio except in reappraisal years. The significant increase in FY 2007 is attributed to The Avenue Carriage Crossing, an 810,000 square foot open-air, lifestyle mall, which opened in the second quarter of FY 2006. For FY 2008 a 7.4% decrease is projected since a sales ratio of 93.3% was applied.



Personal Property Tax Revenues (000s)

Ad Valorem Tax **\$195,000**

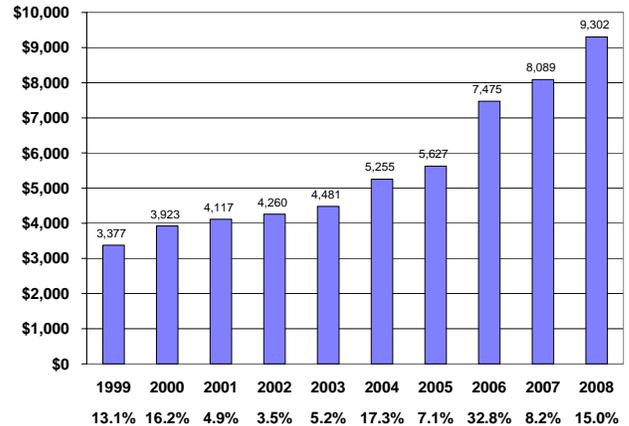
This is a separate tax which applies to utility property. The state comptroller's office appraises utility property — including railroad and motor carrier property — across the state annually. However, since appraisals of other property in each county are often lower than current values, the Division of Property Assessments conducts a yearly survey of appraisal ratios in the counties, and utility appraisals are reduced accordingly. The FY 2008 revenue is increased based on collections in FY 2006.

Local Option Sales Tax **\$9,302,082**

Sales tax is levied on the final sale of an item and remitted to the state by retail merchants. Cities and counties may levy up to 2.75% local option sales tax in addition to the state sales tax of 7%. The Town's current levy is 2.25% with a cap on a single item of \$36.00. The Town receives 50% of taxes collected with 2.375% divided between the state and Shelby County for administration fees. The other 50% goes to the county school system. The local option sales tax revenue is the second largest revenue stream after real property tax and in previous years has been a good indicator of economic growth in the Town.

The Avenue Carriage Crossing, an 810,000 square foot open-air, lifestyle mall, opened in the second quarter of FY 2006. Revenue for that year increased dramatically,

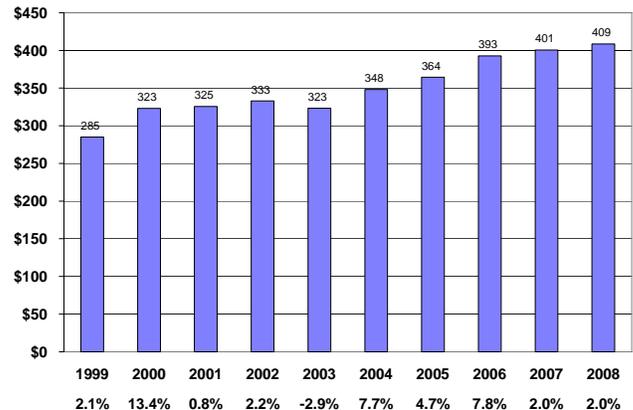
rising 32.8% above the previous year. An 8.2% increase above that amount is estimated for FY 2007, and the projection for FY 2008 is 15% above the estimated FY 2007. Local option sales tax makes up 33.4% of total tax revenue and is currently the fastest growing of the major revenues.



Local Option Sales Tax Revenue (000s)

Wholesale Beer Tax **\$408,515**

A 17% Wholesale Beer Tax is authorized by the State. It is collected from wholesalers based on their sales to retailers in the Town and is collected monthly. While yearly trends are slightly erratic for wholesale beer tax, the ten-year history shows an overall increase. A conservative 2% increase is projected over the current year estimate for FY 2008.



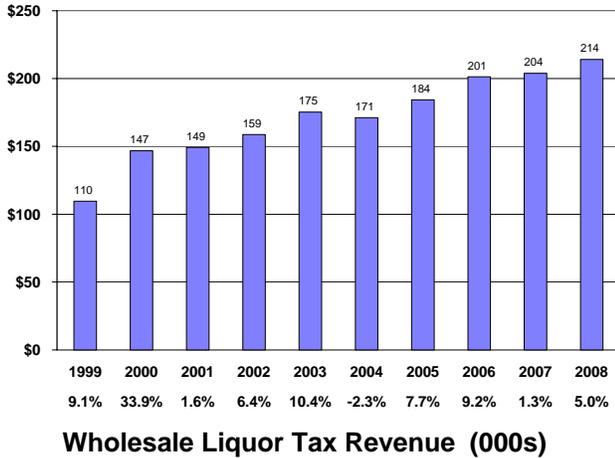
Wholesale Beer Tax Revenue (000s)

Wholesale Liquor Tax **\$214,090**

The State authorized a 5% inspection fee on the wholesale of alcoholic beverages in the Town. It is collected from wholesalers based on their sales to the retail liquor stores in the Town and is collected monthly. The yearly trend for wholesale liquor tax follows a similar erratic pattern as the wholesale beer tax. However,

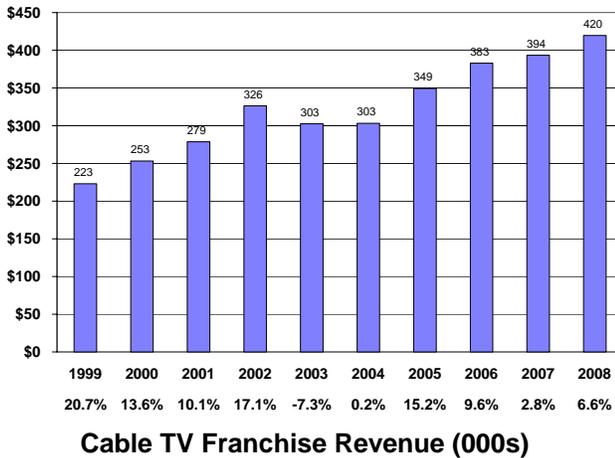
REVENUE ANALYSIS AND PROJECTIONS

the ten-year history shows a greater overall percentage increase. While the FY 2007 estimate is 1% above that of the previous year, a 5% increase is projected for FY 2008.



Cable TV Franchise \$419,542

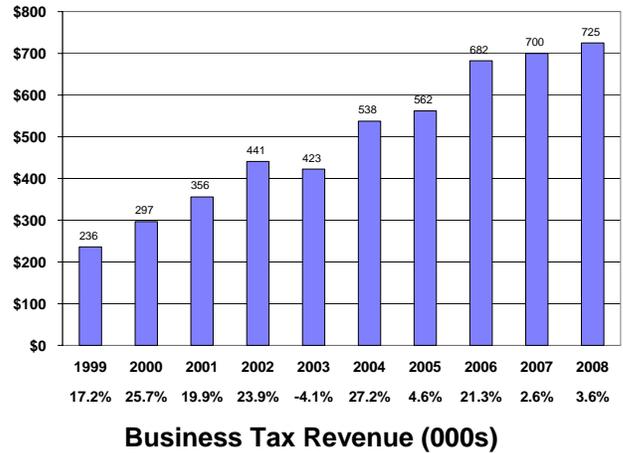
The Town authorized a cable communication system franchise with Time Warner Communications (now Comcast). Revenue from this franchise fee is 5% of the communication system's gross revenue. Based on prior years' history, a 7% increase in gross revenue is projected for FY 2008.



Business Tax \$725,000

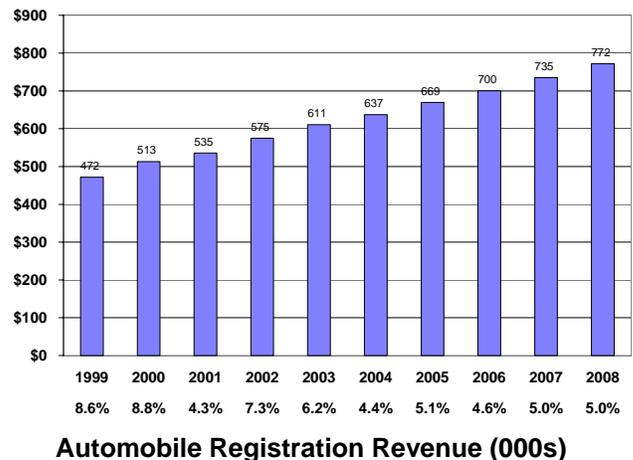
Business taxes are privilege taxes levied by cities and counties for the right to do business within their jurisdiction. The business tax is collected and imposed by local governments but administered by the State Department of Revenue. The minimum amount is a \$15 business license which is credited against taxes of 1/10th of 1% of retail sales and 1/40th of 1% of wholesale sales. This is divided into 5 classes of businesses. A business may also deduct the amount of their wholesale beer tax and personal property tax from their gross receipts

liability. In FY 2003, the amount of the taxes owed to the State of Tennessee increased, resulting in a decrease in net revenue to the Town. The sharp increase in revenue in FY 2004 was due to the opening of several large retail stores and in FY 2006, the opening of the Avenue Carriage Crossing in the second quarter. That year revenue increased 21.3%. For FY 2007, the increase is estimated to be 2.6%, and for FY 2008 a 3.6% increase is projected.



Automobile Registration \$771,750

The Town receives a portion of the revenue from each car licensed within Town limits - \$20 less an administrative fee charged by the Shelby County Clerk's office which distributes the funds. Auto registration revenue had increased 9% per year for the six fiscal years prior to FY 2001 when it increased only 4%. Since FY 2001 revenue has increased an average of 5%. Estimated FY 2007 and projected FY 2008 revenue is for a 5% increase.

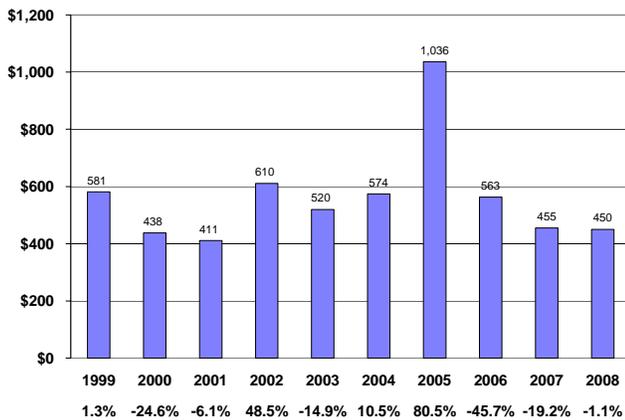


Building Permits \$450,000

Building permit fees are charged in accordance with the fee schedule established by the Board of Mayor and

REVENUE ANALYSIS AND PROJECTIONS

Aldermen. The fee schedule for building permits is not expected to change in the coming year. The significant increase in permit revenues in FY 2005 was from the Avenue Carriage Crossing Project. A decrease in building permit revenue in FY 2007 and 2008 is partly due to building plans review fees, which were previously included as a building permit fee, having been moved into a separate revenue source. The reduction in all permit revenues is due to a decrease in estimated single family permits. The FY 2008 projected revenue is the same as that budgeted in FY 2007.



Building Permit Revenue (000s)

Electrical Permits **\$105,000**

Electrical permit fees are charged in accordance with the fee schedule established by the Board of Mayor and Aldermen. The fee schedule for electrical permits is not expected to change in the coming year. The FY 2008 projected is 2.8% less than estimated FY 2007.

Plumbing Permits **\$110,000**

Plumbing permit fees are charged in accordance with the fee schedule established by the Board of Mayor and Aldermen. The fee schedule for plumbing permits is not expected to change in the coming year. The FY 2008 projected is 4.2% less than estimated FY 2007.

Mechanical Permits **\$115,000**

Mechanical permit fees are charged in accordance with the fee schedule established by the Board of Mayor and Aldermen. The fee schedule for mechanical permits is not expected to change in the coming year. The FY 2007 projected is 4.2% less than estimated FY 2006.

Engineering Fees **\$220,000**

Engineering fees are collected to offset the cost of commercial and residential construction inspections conducted by the Town Engineer's office. Inspections are made of the infrastructure to be dedicated to the

Town. Fees are estimated per development and are reflected in Development Agreements approved by the Board of Mayor and Aldermen. The residential construction base is \$750 plus an additional \$250 per lot. The commercial construction inspection fee base is \$1,000 plus an additional \$300 per lot.

Building Plan Review Fees **\$150,000**

Building plans review fees are charged for the plans review of commercial projects in accordance with the fee schedule established by the Board of Mayor and Aldermen. The fee schedule was amended in FY 2005 to require the building plans review fee to be paid prior to the review of the plans. In previous years, the plans review fee was incorporated into the building permit fee and was paid along with the building permit fee at the time of the issuance of the permit. The completion of The Avenue Carriage Crossing Project decreased the amount of building plans review fees in FY 2006. The FY 2008 revenue is 16.7% less than estimated FY 2007.

TVA Payments in Lieu of **\$347,892**

The state requires TVA to pay 5% of gross power sales proceeds to the state in-lieu-of taxes. Of the increase in TVA payments made to the state above the amount received in the base year (1977-78), 48.5% is distributed to county and municipal governments. Thirty percent of this amount is distributed in equal quarterly payments to municipalities based on population. Revenue projection for FY 2006 is based on the per capita amount provided by the state. The Town conducted a special census in the spring of 2005. The increase in population from 37,044 (2002 special census count) to 41,923 resulted in an increase in projected revenue. In FY 2006, the State also restored a portion (50%) of state shared revenues allocated to local governments that were reduced during the 2003 general assembly. The FY 2008 revenue is projected to be the same as the FY 2007 budgeted amount.

State Income Tax **\$500,000**

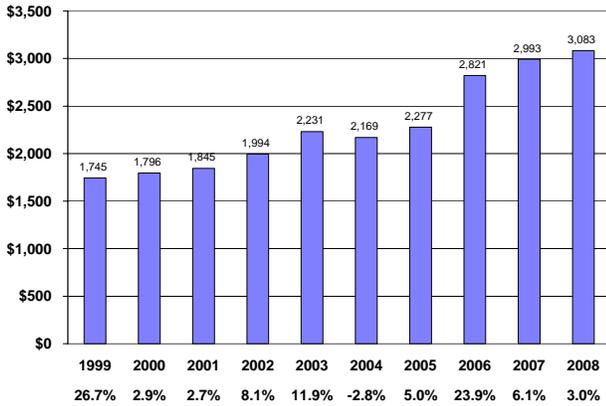
The state income tax or Hall Income Tax is levied on dividends and bond interest received by individuals or other entities, including corporations and partnerships. Thirty-eight percent of revenue collected within the Town is returned in one annual payment received in July for the previous fiscal year. The allocation also is affected by fluctuations in population and investment earnings.

State Sales Tax **\$3,082,670**

State sales tax is collected by the state and distributed to municipalities as a per capita amount. Revenue projection for FY 2008 is based on the per capita amount provided by the state. The Town conducted a special

REVENUE ANALYSIS AND PROJECTIONS

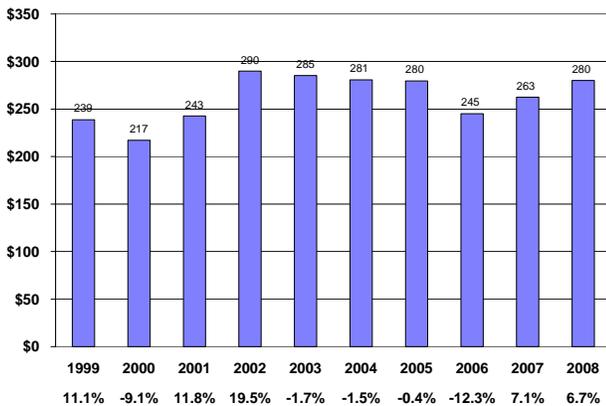
census in the spring of 2005. The increase in population from 37,044 (2002 special census count) to 41,923 resulted in an increase in projected revenue beginning in FY 2006. In FY 2006, the State also restored a portion (50%) of state shared revenues allocated to local governments that were reduced during the 2003 general assembly.



State Sales Tax Revenue (000s)

City Court Fines \$262,500

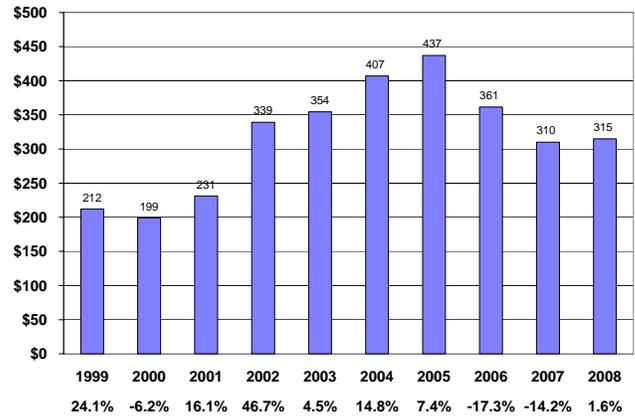
As the chart shows, this revenue has been erratic in the past and trends are difficult to predict which holds true for most court revenue. There has been a decrease in revenue for the four years prior to FY 2007. However, the FY 2007 revenue is expected to increase 7.1%, and a 6.7% increase is projected for FY 2008.



City Court Fines (000s)

Court Costs \$420,000

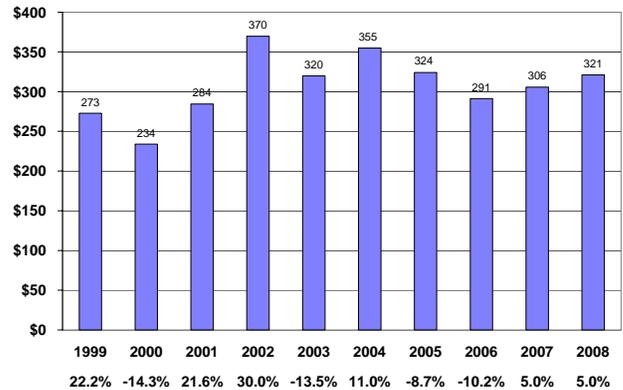
This revenue has been erratic in the past and trends are difficult to predict which holds true for most court revenue. After several years of increases, revenue decreased dramatically in FY 2006 and an additional decrease is estimated for FY 2007. For FY 2008, a 1.6% increase is projected



Court Cost Revenue (000s)

Court Costs Forfeitures \$288,750

This revenue as with all court revenues has been erratic in the past and trends are difficult to predict. Revenue decreased in FY 2005 and 2006; however, the estimate for FY 2007 is a 5% increase, and 5% is projected for FY 2008 as well.



Court Cost Forfeitures (000s)

State Street Aid Revenue \$1,200,000

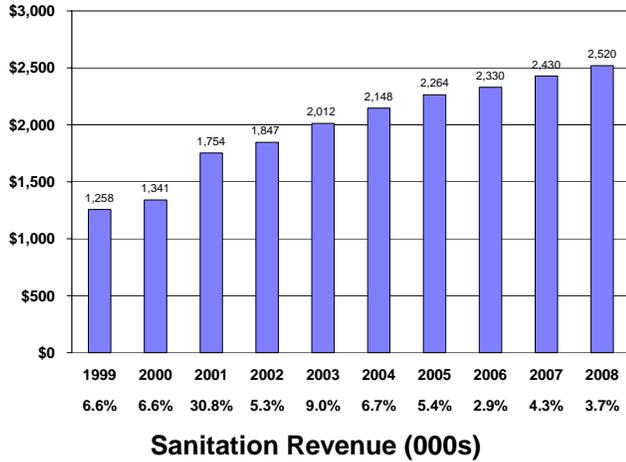
The State Street Aid Fund is a special revenue fund which derives its operating revenue from state shared gasoline taxes. The state distributes the monies on a per capita basis to each municipality. This revenue is restricted to street related maintenance and repair.

Solid Waste Collection \$2,519,589

This revenue is reported in the Sanitation Fund. This special revenue fund derives its operating revenue from service charges for garbage collection. All operating costs, including debt service, is funded through these charges. A \$3 fee increase in FY 2001 resulted in that year's revenue increase of 30.8%. There have been no fee increases since then, and the revenue trend has followed the population increase. Although there was an operating deficit in FY 2007 and again projected for FY

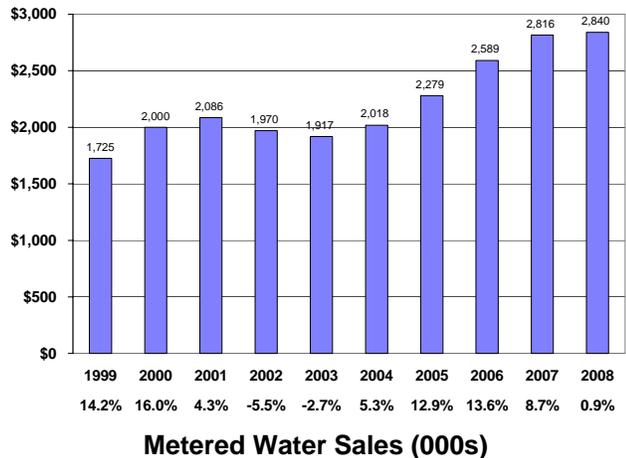
REVENUE ANALYSIS AND PROJECTIONS

2008, the Board of Mayor and Aldermen decided not to raise the sanitation fee and to subsidize the fund from general revenues. A 3.7% increase in fee revenue is projected for FY 2008.



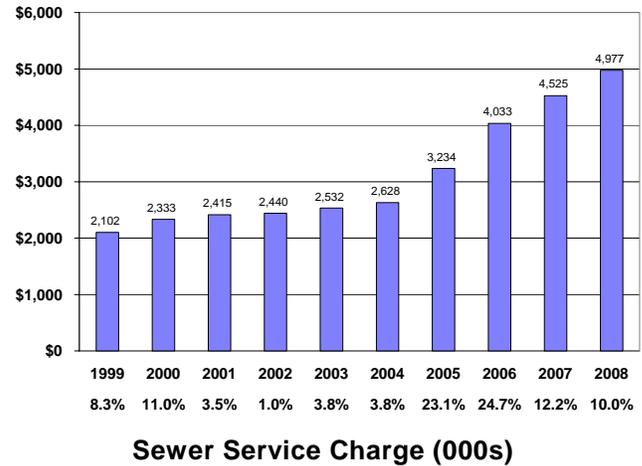
Metered Water Sales \$2,840,080

This revenue is reported in the Water and Sewer fund and is derived from charges for water sold to Town residents and businesses. Water also is sold to residents of Piperton, a neighboring community in Fayette County, and rates are higher than for Collierville residents (see rates in the Water and Sewer Fund section). Since the Water and Sewer Fund is a proprietary fund, it must be self-supporting. Revenue must be sufficient to cover operating expenses, including debt service. There was no rate increase in the ten fiscal years prior to FY 2005. A retained earnings appropriation had been necessary to fund operations and maintenance in the Water & Sewer fund since FY 2002. Because of this, a sewer engineering report and rate study was approved in FY 2004, and a ten-year rate schedule was implemented in April, FY 2005. Since that time, revenue has been sufficient to fund operations and maintenance without using retained earnings. FY 2008 revenue is projected to increase .9%.



Sewer Service Charge \$4,977,319

Sewer service charges are charged according to water usage of Town residents and businesses. Additionally, in FY 2008, the Town will begin providing sewer service to some residents outside the Town limits in the annexation reserve area (see rates in the Water and Sewer Fund section). The new rates for the sewer service charge were implemented in April 2005, as well. The FY 2008 revenue projections are based on the new rate structure, and a 10% increase is projected.



Water Base Rate \$723,469

This charge was added in FY 2005 when the new ten-year rate schedule went into effect. This revenue covers the costs associated with the creation of the Utility and its readiness to meet customer capacity demands, such as debt service and other capital costs. Revenue for FY 2007 is estimated to be 14.4% above FY 2006, and an 8.3% increase above FY 2007 is projected for FY 2008.

Water Customer Service \$403,571

This charge was added in FY 2005 when the new ten-year rate schedule went into effect. This revenue covers the costs associated with each customer account and the maintenance of the account, such as meter reading and billing and other customer service administrative costs. Revenue for FY 2007 is estimated to be 19.3% above FY 2006, and an 18.4% increase above FY 2007 is projected for FY 2008.

Sewer Base Rate \$2,182,016

This charge was added in FY 2005 when the new ten-year rate schedule went into effect. This revenue covers the costs associated with the creation of the Utility and its readiness to meet customer capacity demands, such as debt service and other capital costs. Revenue for FY 2007 is estimated to be 18.7% above FY 2006, and a 17.1% increase above FY 2007 is projected for FY 2008.

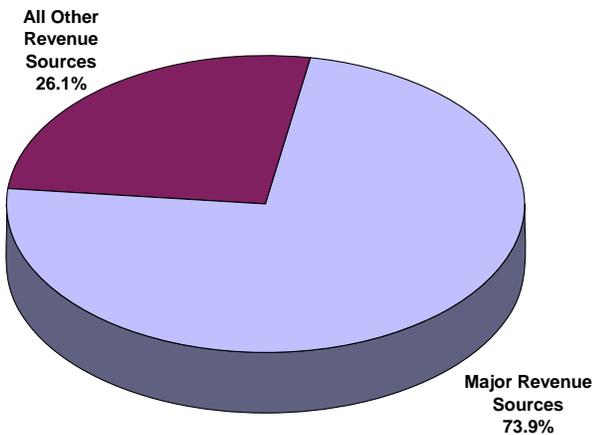
REVENUE ANALYSIS AND PROJECTIONS

Sewer Customer Service \$599,721

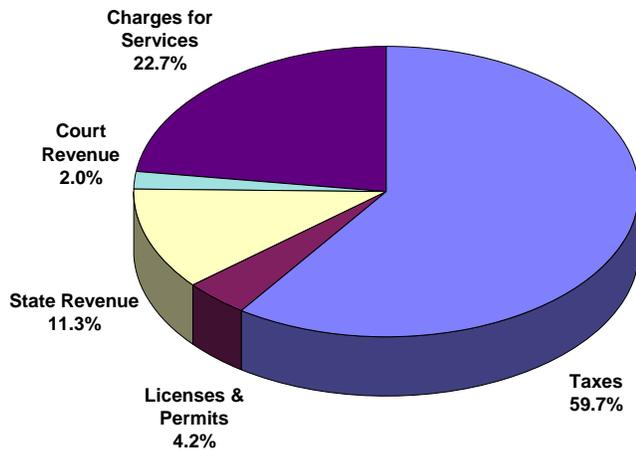
This charge was added in FY 2005 when the new ten-year rate schedule went into effect. This revenue covers the costs associated with each customer account and the maintenance of the account, such as meter reading and billing and other customer service administrative costs. Revenue for FY 2007 is estimated to be 24.7% above FY 2006, and a 40.1% increase above FY 2007 is projected for FY 2008.

Major Revenue Sources

The following charts depict the revenue defined on the preceding pages. These sources make up 73.9% of revenue and total \$45,462,348. The first chart shows major and non-major revenue sources as a percentage of total revenue. The second chart shows the percent each category of major revenue is of total major sources. Taxes make up 59.7% of the 73.9% followed by charges for services at 22.7%. State revenue is 11.3%, licenses and permits 4.2% and court revenue is 2.0%.



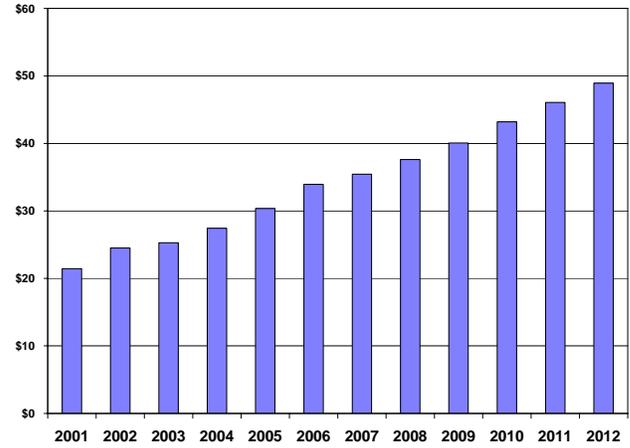
Major and Non-major Revenue



Major Revenue Sources by Category

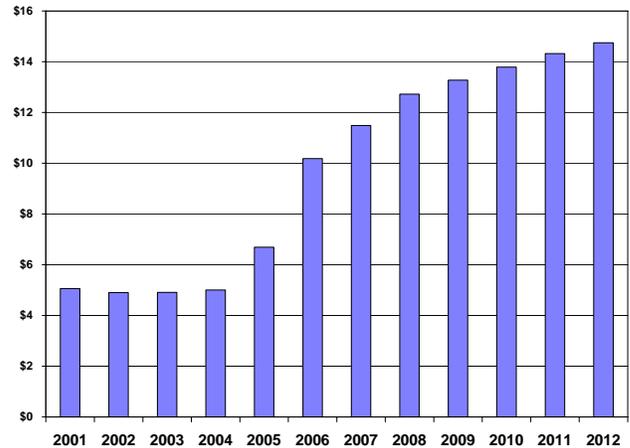
5-Year Projected Revenue

The charts below show actual and projected operating revenue for the Town's General Fund and Water and Sewer Fund.



General Fund Revenue (millions)

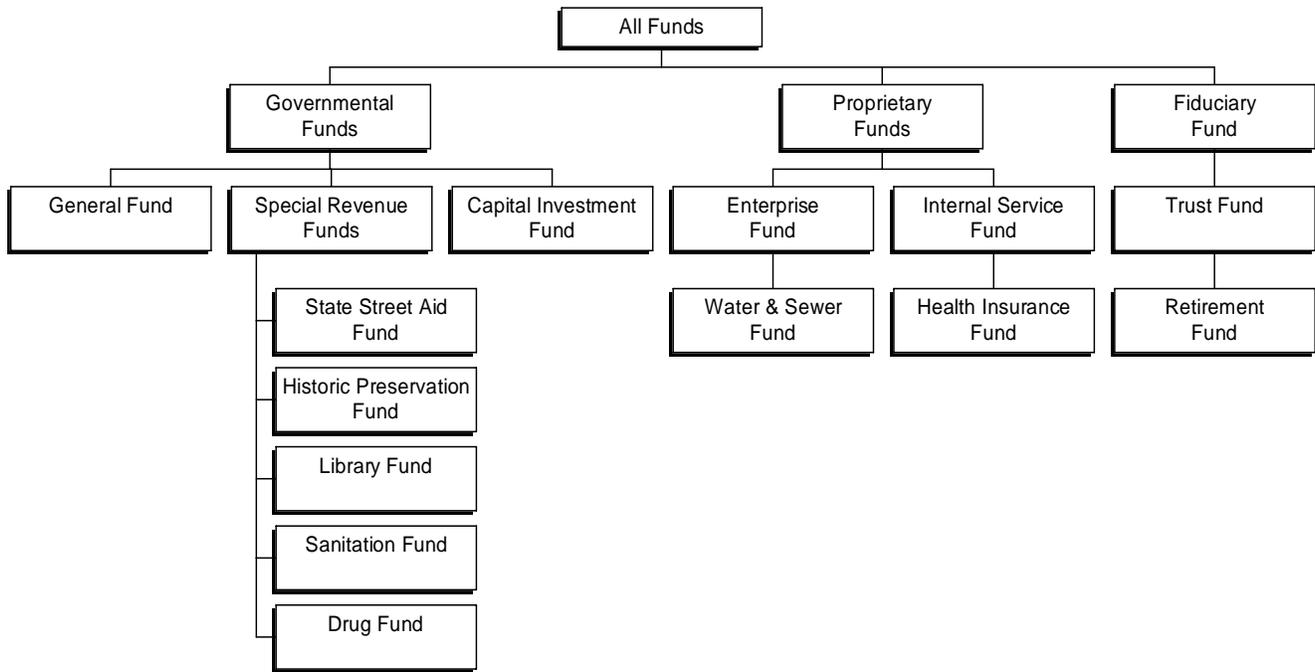
Revenue is actual operating revenue for FY 2001 through 2006; estimated for 2007 and projected for FY 2008 through 2012. Amounts depicted are in millions of dollars. The Water & Sewer chart reflects a rate increase beginning in April 2005.



Water & Sewer Fund Revenue (millions)



FUND STRUCTURE



BUDGET SUMMARY - ALL FUNDS

	ACTUAL		BUDGET	ESTM'D	APPROVED	Var. Inc/(Dec)	% Inc/(Dec)
	FY 05	FY 06	FY 07	FY 07	FY 08	from Estm'd	from Estm'd
Beginning Fund Balance	\$ 29,699,636	\$ 35,501,504	\$ 42,994,378	\$ 42,994,378	\$ 39,390,285	(3,604,093)	(8.4)%
REVENUE							
Taxes							
Property Taxes	13,667,212	14,616,182	16,191,800	15,904,444	16,620,819	716,375	4.5%
Local Option Sales Tax	5,626,968	7,474,750	8,088,767	8,088,767	9,302,082	1,213,316	15.0%
Business Taxes	2,137,391	2,044,613	1,932,146	1,968,526	2,012,647	44,121	2.2%
Licenses & Permits	3,480,912	3,280,104	2,365,455	2,485,949	2,407,895	(78,054)	(3.1)%
Intergovernmental	5,382,069	5,619,345	5,342,086	5,547,951	5,792,304	244,354	4.4%
Charges for Services	12,746,161	16,163,166	16,657,076	17,548,245	19,144,875	1,596,631	9.1%
Recreation Charges	204,089	329,783	349,820	360,950	346,640	(14,310)	(4.0)%
Fines and Forfeits	1,306,993	1,133,772	1,223,764	1,114,000	1,159,500	45,500	4.1%
Drug Revenue	31,752	121,147	85,600	85,600	71,000	(14,600)	(17.1)%
Other	1,041,484	1,689,922	1,046,225	1,666,005	4,652,040	2,986,035	179.2%
Total Revenue	45,625,032	52,472,783	53,282,738	54,770,435	61,509,802	6,739,367	12.3%
EXPENDITURES							
Legislative & General Government	2,988,121	3,479,676	4,335,483	4,148,164	4,780,640	632,477	15.2%
Public Safety	13,888,923	15,116,988	18,202,510	17,066,237	19,483,962	2,417,724	14.2%
Roads and Public Works	2,806,137	3,415,786	4,633,675	4,320,975	4,483,970	162,995	3.8%
Culture and Recreation	2,541,015	2,786,660	3,350,663	3,173,190	3,510,389	337,199	10.6%
State Street Aid	1,108,997	1,132,262	1,118,000	1,118,000	1,154,409	36,409	3.3%
Historic Preservation	72,402	46,066	53,200	53,200	29,600	(23,600)	(44.4)%
Library	854,405	1,056,766	1,137,081	1,101,668	1,132,440	30,772	2.8%
Sanitation	2,062,885	2,223,823	2,584,348	2,571,542	2,879,710	308,168	12.0%
Drug Prevention	41,325	84,520	127,857	127,857	191,885	64,028	50.1%
Water & Sewer Systems	4,053,585	4,173,411	4,870,271	4,608,654	5,163,528	554,875	12.0%
Debt Service	5,930,818	6,154,880	7,520,163	7,477,163	7,775,621	298,458	4.0%
Special Appropriations	1,429,683	1,292,949	1,346,931	1,348,575	1,362,786	14,211	1.1%
Insurance	3,789,813	3,920,430	4,479,484	4,387,331	4,839,137	451,806	10.3%
Retirement	0	0	0	0	215,367	215,367	
Total Expenditures	41,568,109	44,884,215	53,759,667	51,502,556	57,003,444	5,500,888	10.7%
Revenue over (under) expenditures	4,056,923	7,588,569	(476,929)	3,267,879	4,506,358		
Fund Balance Appropriation	955,499	0	155,611	206,290	1,750,105		
Adjustments	0	0	0	0	0		
Other Sources (bond proceeds)	220,500	6,180,000					
Other Uses (bond retirement)	0	(5,264,155)					
Operating Transfer	(2,809,717)	(4,767,374)	(2,994,960)	(3,934,472)	16,010,000		
Non-operating Revenue	1,231,535	1,858,038	1,000,000	1,600,000	1,200,000		
Capital Contribution	3,102,627	1,897,795					
W & S Capital Outlay/Projects	0	0	(4,537,500)	(4,537,500)	(4,089,900)		
Designated/Reserved	6,121,378	5,550,776	2,319,859	3,280,660	4,702,038		
Undesignated	29,380,126	37,443,602	33,665,130	36,109,625	52,314,705		
Ending Fund Balance	\$ 35,501,504	\$ 42,994,378	\$ 35,984,989	\$ 39,390,285	\$ 57,016,743	17,626,458	44.7%

The above is a summary of revenues by source and expenditures by function for all governmental and proprietary funds budgeted by the Town. Development fees in the Water and Sewer Fund are recognized as non-operating revenue. In FY 2005 and FY 2006 the capital contributions are donated infrastructure in the Water and Sewer Fund. Capital outlay and some capital projects are

funded through retained earnings in the Water and Sewer Fund. The designated/reserved funds are those which are to be used for specific purposes and not available for general use. The large transfer amount in FY 2008 is a transfer of retirement funds into the Town's new Retirement Fund for employees who opted out of the two other retirement plans.

BUDGET SUMMARY BY FUND

	GENERAL FUND	STATE STREET AID	HISTORIC PRESERVATION	LIBRARY FUND	SANITATION FUND	DRUG FUND	W & S FUND	HEALTH INSURANCE	RETIREMENT FUND	TOTAL ALL FUNDS
Beginning Fund Balance	\$ 15,770,880	\$ 254,109	\$ 111,507	\$ 6,580	\$ 184,045	\$ 159,778	\$ 22,849,359	\$ 54,026	\$ -	\$ 39,390,285
REVENUE										
Taxes										
Property Taxes	16,620,819									16,620,819
Local Option Sales Tax	9,302,082									9,302,082
Business Taxes	1,937,647		75,000							2,012,647
Licenses & Permits	2,407,895									2,407,895
Intergovernmental	4,588,804	1,200,000		150						5,788,954
Charges for Services	205,551			34,150	2,519,589		12,051,176	4,213,759		19,024,225
Recreation Charges	346,640									346,640
Fines and Forfeits	1,159,500			45,500						1,205,000
Drug Revenue						71,000				71,000
Other	1,038,020	300		7,000	128,500	0	668,500	0	2,888,220	4,730,540
Total Revenue	37,606,958	1,200,300	75,000	86,800	2,648,089	71,000	12,719,676	4,213,759	2,888,220	61,509,802
EXPENDITURES										
Personnel	25,154,765				1,750,816		2,011,681			28,917,262
Operating Expense	6,185,321	1,154,409	19,500	1,084,760	1,122,094	74,385	1,698,934			11,339,403
Capital Outlay	918,875	0	10,100	47,680	6,800	117,500				1,100,955
Debt Service	3,285,403		52,345	259,085	74,888		4,103,900			7,775,621
Administrative Charges							1,490,413			1,490,413
Insurance	523,822			11,041			94,388	4,209,886		4,839,137
Special Appropriations	736,192						589,094			1,325,286
Retirement									215,367	215,367
Total Expenditures	36,804,378	1,154,409	81,945	1,402,566	2,954,598	191,885	9,988,410	4,209,886	215,367	57,003,444
Revenue over (under) expenditures	802,580	45,891	(6,945)	(1,315,766)	(306,509)	(120,885)	2,731,266	3,873	2,672,853	4,506,358
Fund Balance Appropriation	0	0	6,945	1,315,766	306,509	120,885	0	0	0	1,750,105
Non-operating Revenue	0						1,200,000	0	0	1,200,000
Operating Transfer	(2,435,650)	0	0	1,309,186	122,464	14,000	0	0	17,000,000	16,010,000
W & S Capital Outlay/Projects							(4,089,900)			(4,089,900)
Designated/Reserved	4,702,038				0	0	0			4,702,038
Undesignated	9,435,771	300,000	104,562	0	0	52,893	22,690,725	57,899	19,672,853	52,314,705
Ending Fund Balance	\$ 14,137,809	\$ 300,000	\$ 104,562	\$ 0	\$ -	\$ 52,893	\$ 22,690,725	\$ 57,899	\$ 19,672,853	\$ 57,016,743

The above is a summary of revenues by source and expenditures by category for all governmental and proprietary funds budgeted.

The administrative charges in Water and Sewer Fund are the portion that fund pays to various General Fund departments for services performed for the fund such as: utility billing and collection, human resources, engineering, IT, facilities maintenance, purchasing, and administrative services. In the General Fund it is accounted for as a reduction in expenditures in the departments in which the function or service is performed.

General Fund activities which are charged to the Library Fund include computer support, facilities maintenance, and grounds maintenance. There is a reduction to expenditures in the General Fund departments which perform these functions.

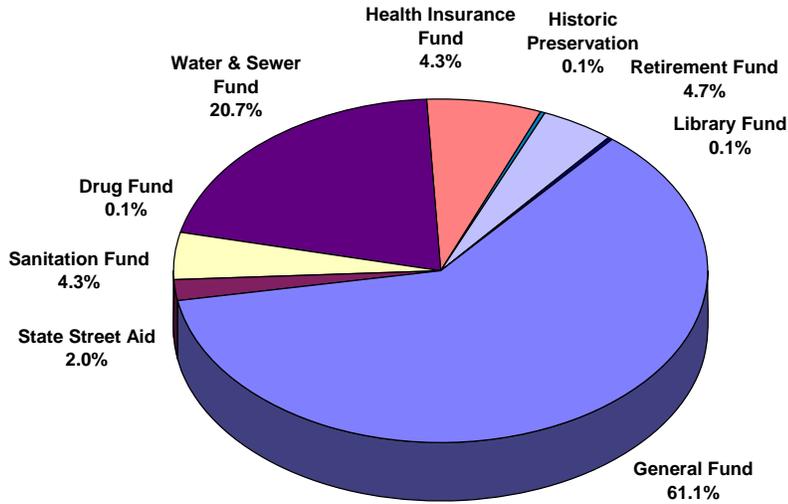
State law requires that half of the drug fine revenue accounted for in the special Drug Fund must go into the

General Fund. However, the Board of Mayor and Aldermen made the decision to return the revenue to the Drug Fund as an operating transfer to fund police activities related to reducing drug related crime. The remainder of the operating transfer out in General Fund is the amount appropriated for capital projects in FY 2007.

Capital outlay and capital projects are not accounted for in the operating budget and are shown as a decrease to retained earnings in the Water and Sewer Fund.

The Retirement Fund is a new fund for FY 2008. The Town made the decision to fund its own retirement plan, and allowed employees who wished to do so to opt in to the new plan. The Town previously maintained two retirement plans, a defined contribution plan and a defined benefit plan sponsored by the State of Tennessee. The \$17,000,000 transfer is plan assets transferred in from the two other plans for employees who chose the new plan.

FY 2008 REVENUE - ALL FUNDS

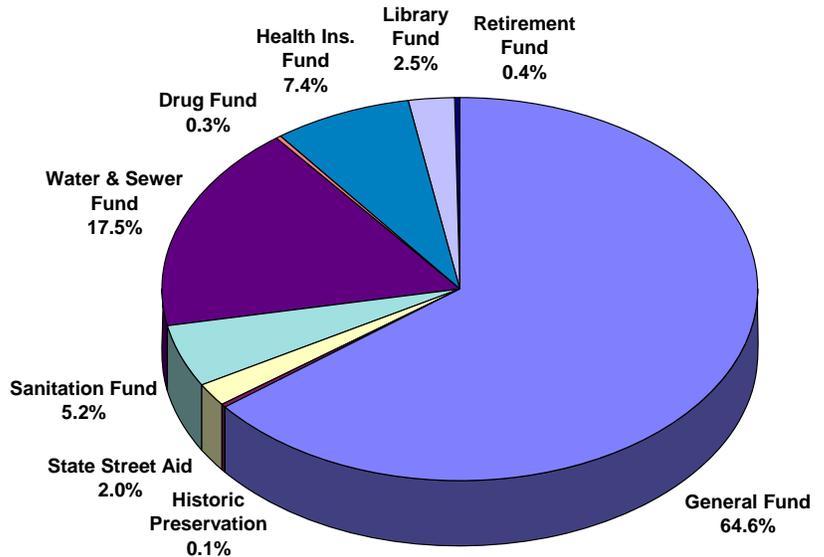


The chart to the left shows the percentage of total revenues of each fund reported. General Fund revenues make up the greatest percentage at 61.1%. Water and Sewer Fund brings in the next largest portion with 20.7% of total revenue. Following these funds are: Retirement Fund, 4.7%; Sanitation Fund, 4.3%; Health Insurance Fund, 4.3%; State Street Aid, 2.0%; Library Fund, 0.1%; Historic Preservation Fund, 0.1%; and Special Drug Fund, 0.1%.

Total Revenue \$61,509,802

FY 2008 EXPENDITURES - ALL FUNDS

The chart to the right depicts the percentage of total expenditures of each fund reported. General Fund expenditures make up the greatest percentage at 64.6%. Water and Sewer Fund expends the next largest portion at 17.5% of total. Following these funds are Health Insurance Fund, 7.4%; Sanitation Fund with 5.2%; Library Fund, 2.5%; State Street Aid, 2.0%; Historic Preservation Fund, 0.1%; Retirement Fund, 0.4%, and Special Drug Fund, 0.3%.



Total Expenditures \$56,997,244

GENERAL FUND DEPARTMENTAL SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 15,254,642	\$ 17,101,776	\$ 18,722,856	\$ 18,722,856	\$ 15,770,880
REVENUE					
Taxes					
Property Taxes	13,667,212	14,616,182	16,191,800	15,904,444	16,620,819
Local Option Sales Tax	5,626,968	7,474,750	8,088,767	8,088,767	9,302,082
Business Taxes	1,820,432	1,970,277	1,832,146	1,903,526	1,937,647
Licenses & Permits	3,480,912	3,280,104	2,365,455	2,485,949	2,407,895
Intergovernmental	3,359,267	4,242,249	4,120,086	4,329,436	4,588,804
Charges for Services	613,805	542,119	210,985	199,765	205,551
Recreation Charges	204,089	329,783	349,820	360,950	346,640
Fines and Forfeits	1,306,993	1,133,772	1,223,764	1,114,000	1,159,500
Other	847,882	1,219,573	807,126	1,046,726	1,038,020
Total Revenue	30,927,561	34,808,809	35,189,948	35,433,561	37,606,958
EXPENDITURES					
Mayor and Board of Aldermen	148,343	133,755	210,167	216,761	201,730
Town Administrator's Office	403,197	472,399	632,669	554,506	612,218
Human Resources	259,166	286,116	338,218	334,971	366,845
Financial Administration	684,291	700,197	816,219	757,219	825,741
Information Technology	199,008	439,633	599,959	565,211	635,619
General Services	646,141	762,030	856,968	864,891	1,127,881
Development					
Administration	167,250	107,678	141,507	135,776	277,520
Office of Planning	480,725	577,867	739,775	718,829	733,086
Office of Engineer	604,210	622,587	956,662	824,607	955,313
Code Enforcement	875,396	1,052,500	1,228,402	1,166,047	1,255,431
Public Safety					
Animal Services	309,733	326,364	478,972	453,520	481,315
Municipal Court	497,857	519,482	610,136	588,520	634,356
Police Department	7,129,714	7,876,741	9,622,938	9,013,286	10,037,879
Fire Department	5,076,223	5,341,901	6,262,063	5,844,866	7,074,980
Public Works					
Administration	214,700	220,137	253,226	234,661	258,489
Vehicle Maintenance	480,256	544,747	688,619	659,960	672,602
Streets and Drainage	1,506,970	2,028,315	2,735,169	2,601,747	2,597,567
Parks and Recreation	2,541,015	2,786,660	3,350,663	3,173,190	3,510,389
Non-Departmental Accounts					
Special Appropriations	779,661	695,550	772,237	772,237	736,192
Debt Service	2,732,815	2,910,175	3,362,013	3,364,013	3,285,403
Insurance	491,904	495,042	523,822	487,490	523,822
Total Expenditures	26,228,575	28,899,877	35,180,403	33,332,306	36,804,378
Revenue over (under) expenditures	4,698,986	5,908,932	9,544	2,101,255	802,580
Fund Balance Appropriation	0	0	0	0	0
Adjustments	0	0	0	0	0
Other Sources (bond proceeds)	220,500	6,180,000			
Other Uses (bond retirement)	0	(5,264,155)			
Operating Transfer	(3,072,353)	(5,203,698)	(4,153,953)	(5,053,231)	(2,435,650)
Designated/Reserved	5,848,105	5,257,381	2,120,135	3,096,615	4,702,038
Undesignated	11,253,671	13,465,474	12,458,312	12,674,265	9,435,771
Ending Fund Balance	\$ 17,101,776	\$ 18,722,856	\$ 14,578,447	\$ 15,770,880	\$ 14,137,809

GENERAL FUND CATEGORY SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 15,254,642	\$ 17,101,776	\$ 18,722,856	\$ 18,722,856	\$ 15,770,880
REVENUE					
Taxes					
Property Taxes	13,667,212	14,616,182	16,191,800	15,904,444	16,620,819
Local Option Sales Tax	5,626,968	7,474,750	8,088,767	8,088,767	9,302,082
Business Taxes	1,820,432	1,970,277	1,832,146	1,903,526	1,937,647
Licenses & Permits	3,480,912	3,280,104	2,365,455	2,485,949	2,407,895
Intergovernmental	3,359,267	4,242,249	4,120,086	4,329,436	4,588,804
Charges for Services	613,805	542,119	210,985	199,765	205,551
Recreation Charges	204,089	329,783	349,820	360,950	346,640
Fines and Forfeits	1,306,993	1,133,772	1,223,764	1,114,000	1,159,500
Other	847,882	1,219,573	807,126	1,046,726	1,038,020
Total Revenue	30,927,561	34,808,809	35,189,948	35,433,561	37,606,958
EXPENDITURES					
Personnel	18,651,417	19,780,549	23,372,845	22,193,450	25,138,239
Operating Expense	3,328,288	4,260,730	5,692,955	5,333,385	6,201,847
Capital Outlay	244,490	757,831	1,456,531	1,181,731	918,875
Debt Service	2,732,815	2,910,175	3,362,013	3,364,013	3,285,403
Insurance	491,904	495,042	523,822	487,490	523,822
Special Appropriations	779,661	695,550	772,237	772,237	736,192
Total General Fund Expenditures	26,228,575	28,899,877	35,180,403	33,332,306	36,804,378
Revenue over (under) expenditures	4,698,986	5,908,932	9,544	2,101,255	802,580
Fund Balance Appropriation	0	0	0	0	0
Adjustments	0	0	0	0	0
Other Sources (bond proceeds)	220,500	6,180,000			
Other Uses (bond retirement)	0	(5,264,155)			
Operating Transfer	(3,072,353)	(5,203,698)	(4,153,953)	(5,053,231)	(2,435,650)
Designated/Reserved	5,848,105	5,257,381	2,120,135	3,096,615	4,702,038
Undesignated	11,253,671	13,465,474	12,458,312	12,674,265	9,435,771
Ending Fund Balance	\$ 17,101,776	\$ 18,722,856	\$ 14,578,447	\$ 15,770,880	\$ 14,137,809

On the preceding page, the expenditures are reported for each function or division reported in the General Fund. In the General Fund summary on this page, expenses are indicated for each category of expenditure.

The designated/reserved portion of fund balance consists of revenue reported in the operating budget which is designated or reserved for specific purposes, such as development fees, privilege taxes, parks improvement taxes, etc., and revenue from third parties.

The operating transfer consists of \$14,000 in drug fines returned to the Drug Fund, \$809,186 to subsidize the Library Fund operations, \$122,464 to subsidize Sanitation operations, \$390,000 to the Capital Investment Program Fund for capital projects, and \$1,100,000 transferred to a trust to fund the OPEB (Other Post Employment Benefits) liability which for the Town is employee health insurance.

See the summary on the next page for the transfer and fund balance detail.

FUND BALANCE SUMMARY—GENERAL FUND

Beginning Fund Balance	\$ 15,770,880
OPERATING REVENUE	
Total Revenue	37,606,958
Less Non-Operating Revenue	
Parks Improvement Tax	1,293,423
Stormwater Fees	300,000
Parkland Dedication Fees	200,000
Federal Grant - Fire	193,500
Fire Facility Fees	17,545
Local Litigation Tax	12,000
Drug Fines	14,000
Total Non-Operating Revenue	2,030,468
Total Operating Revenue	35,576,490
Total Expenditure	36,804,378
Expenditures Funded by Non-Operating Revenues	
Wolf River Conservancy (Parkland Dedication Fees)	200,000
Fire Department SCBA (90% grant funded)	193,500
Public Education using Fire Facility Fees	16,445
Total Expenditures Funded by Non-Operating Revenues	409,945
Total Expenditures Less Expenditures Funded by Non-Operating Revenue	36,394,433
Revenue over (under) expenditures	(817,944)
Fund Balance Appropriation	817,944
Increase in Fund Balance from Non-Operating Revenues	1,620,523
Operating Transfer	
Transfer to Drug Fund	(14,000)
General Fund appropriation to the Library Fund	(809,186)
General Fund appropriation to the Sanitation Fund	(122,464)
Transfer to the Capital Investment Program	(390,000)
Transfer for OPEB liability	(1,100,000)
Designated/Reserved	
Designated	
Economic Development & Tourism Grant	1,600
Parkland Dedication Fees	50,174
Fees in lieu of construction	1,145,344
Fire Facility Fee	448,366
Street/median lighting and distribution pole fees	829,359
Parks Improvement Tax	1,317,690
Crime Stoppers	3,800
Police Privilege Tax	433,921
Stormwater Fees	300,000
Local Litigation Tax	12,000
Reserved	
Police Department - various donations	28,412
CYAA & CSA Delta Beverage Grant	25,000
Town Beautiful donations	2,744
Reserved for sidewalks	69,271
Animal Shelter donations	23,982
Christmas donations	2,749
Log Cabin donation	5,943
Courtroom Security Fee	1,684
Undesignated	9,435,771
Ending Fund Balance	\$ 14,137,809

STATE STREET AID FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 127,019	\$ 123,191	\$ 171,809	\$ 171,809	\$ 254,109
REVENUE					
State Revenue	1,076,124	1,180,138	1,200,000	1,200,000	1,200,000
Interest Income	285	742	150	300	300
TOTAL REVENUE	1,076,409	1,180,879	1,200,150	1,200,300	1,200,300
EXPENDITURES					
Operating Expenses	1,108,997	1,132,262	1,118,000	1,118,000	1,154,409
Capital Outlay	0	0	0	0	0
TOTAL EXPENDITURES	1,108,997	1,132,262	1,118,000	1,118,000	1,154,409
Revenue over (under) expenditures	(32,588)	48,618	82,150	82,300	45,891
Fund Balance Appropriation	32,588	0	0	0	0
Adjustments	0	0	0	0	0
Operating Transfer	28,760	0	0	0	0
Ending Fund Balance	\$ 123,191	\$ 171,809	\$ 253,959	\$ 254,109	\$ 300,000

The State Street Aid Fund is a special revenue fund. Gasoline tax revenue is distributed to municipalities by the state on a per capita basis and use is restricted to street-related expenses. Expenditures in FY 2008 are for traffic signal maintenance, streets maintenance, and the annual paving contract. In previous years the annual paving contract was charged to a capital account. In FY 05, however, it was reclassified as an expense and moved

to an operating expense account. Beginning in FY 07 the total expense for street lighting has been allocated to the General Fund. In previous years the expense was split between General Fund and State Street Aid. These funds are now used to increase the funding for the street overlay program. A fund balance is maintained for cash flow purposes.

DRUG FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 124,433	\$ 129,345	\$ 180,635	\$ 180,635	\$ 159,778
REVENUE					
Drug Revenue	31,752	115,067	85,600	85,600	71,000
Substance Tax	0	6,079	0	0	0
Other Revenue	201	282	0	0	0
TOTAL REVENUE	31,953	121,429	85,600	85,600	71,000
EXPENDITURES					
Operating Expenses	24,002	42,870	63,335	63,335	74,385
Capital Outlay	17,323	41,650	64,522	64,522	117,500
TOTAL EXPENDITURES	41,325	84,520	127,857	127,857	191,885
Revenue over (under) expenditures	(9,372)	36,908	(42,257)	(42,257)	(120,885)
Fund balance appropriation	9,372	0	42,257	42,257	120,885
Operating Transfer	14,284	14,382	21,400	21,400	14,000
Designated/Reserved	0	0	0	0	0
Undesignated	129,345	180,635	159,778	159,778	52,893
Ending Fund Balance	\$ 129,345	\$ 180,635	\$ 159,778	\$ 159,778	\$ 52,893

This fund was created in FY 1998 to comply with state law to budget funds which were previously kept in a confidential special account. A change in state law also requires that half of the revenue from drug fines must go into the General Fund. However, the Board of Mayor and Aldermen made the decision to return this revenue to the Drug Fund to be used to combat drug-related crime. It is returned as an operating transfer.

The Drug Fund is a special revenue fund. Revenue, which is derived from drug fines and sale of seized and forfeited property, must be used to reduce drug-related crime. The fund is under the administration of the Police Department.

Expenditures for FY 2008 include:

- Educational material for drug education and public relations programs.

- Buy money, informant money for narcotic investigations and their set-up.
- Specialized narcotics and crime scene training for officers.
- Turn-out gear with identification for officer safety.
- Repair and maintenance on vehicles for drug task force units.
- Rent and supplies for the Specialized Enforcement Unit satellite office.
- Three Police pursuit vehicles.
- Equipment to be used for covert operations.

SANITATION FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 245,960	\$ 273,273	\$ 293,394	\$ 293,394	\$ 184,045
REVENUE					
Recycling Grant	7,803	6,525	7,000	3,515	3,500
Solid Waste Collection Fee	2,264,025	2,329,592	2,429,667	2,429,667	2,519,589
Special Refuse Pick-up Fee	900	750		0	0
Cart Establishment Fee	83,704	91,620	100,000	70,000	75,000
Recycling Revenue	29,489	54,973	50,000	55,000	50,000
Total Revenue	2,385,922	2,483,460	2,586,667	2,558,182	2,648,089
EXPENDITURES					
Personnel	1,226,565	1,270,289	1,499,885	1,502,547	1,750,816
Operating Expenses	830,114	953,534	1,078,463	1,068,995	1,122,094
Capital Outlay	6,206	0	6,000	0	6,800
Debt Service	96,057	91,810	95,989	95,989	74,888
Total Expenditure	2,158,942	2,315,632	2,680,338	2,667,531	2,954,598
Revenue over (under) expenditures	226,980	167,827	(93,671)	(109,349)	(306,509)
Fund balance appropriation	0	0	93,671	109,349	306,509
Operating transfer from General Fund	0	0	0	0	122,464
Operating transfers in/(out)	(199,668)	(147,706)	0	0	0
Designated/Reserved	273,273	293,394	199,724	184,045	0
Undesignated	(0)	0	0	0	0
Ending Fund Balance	\$ 273,273	\$ 293,394	\$ 199,724	\$ 184,045	\$ -

The Sanitation Fund is a special revenue fund used to account for the proceeds of specific revenue sources which in this case is the collection and disposal of garbage and recyclables. The monthly residential Sanitation rates have remained at \$15 since FY 2001, and no rate increase was adopted for the FY 2008 budget.

Since the Sanitation Fund is a special revenue fund, any operating deficit not covered by fund balance reserves is subsidized by the General Fund. In FY 2007 and FY 2008, the Fund will show an operating deficit. While there was enough fund balance to cover the FY 2007 deficit, a subsidy from General Fund will be needed in FY 2008.

HISTORIC PRESERVATION FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ 149,445	\$ 263,587	\$ 166,191	\$ 166,191	\$ 111,507
REVENUE					
Building Assessments	316,959	74,336	100,000	65,000	75,000
TOTAL REVENUE	316,959	74,336	100,000	65,000	75,000
EXPENDITURES					
Operating Expenses	68,102	33,264	33,200	33,200	19,500
Capital Outlay	4,300	12,802	20,000	20,000	10,100
Debt Service	130,415	125,667	66,483	66,483	52,345
TOTAL EXPENDITURES	202,817	171,732	119,683	119,683	81,945
Revenue over (under) expenditures	114,142	(97,396)	(19,683)	(54,683)	(6,945)
Fund Balance Appropriation	0	0	19,683	54,683	6,945
Operating Transfer	0	0	0	0	0
Ending Fund Balance	\$ 263,587	\$ 166,191	\$ 146,507	\$ 111,507	\$ 104,562

In order to preserve the Town Square and protect it from deterioration and demise caused by commercial and office developments within the Town but outside the Town Square, Title VI Chapter 8 of the Collierville Town Code authorizes the collection of a historic preservation tax.

This tax is levied on all new office, commercial and industrial facilities and is to be used to offset the cost of maintaining, improving, and developing the Historic Town Square and repair and maintenance of other historic property within the Town limits.

This special revenue fund accounts for all revenue received from the historic preservation tax and all expenditures made in the development and maintenance

of the Historic Town Square and maintenance of other historic Town property.

The increase in revenue for fiscal year 2005 was due to the construction of an 810,000 square foot regional mall, The Avenue Carriage Crossing at Collierville. The estimated FY 07 and 08 revenue reflect a more normal trend.

Expenses also include debt service on the original Town Square renovation project. The FY 2008 expense is for debt service and for repair and maintenance of fences, benches, and sidewalks around the Square and also for an upgrade to the electrical and sound systems.

LIBRARY FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ -	\$ 391,305	\$ 29,834	\$ 29,834	\$ 6,580
REVENUE					
State Grant	100,000	0	15,000	15,000	0
Utility in-lieu-of Tax	527,075	0	0	0	0
Shelby County	311,800	190,433	0	0	0
Fees and Fines	36,971	84,050	75,150	80,020	79,800
Donations	18,739	14,520	30,349	45,379	0
Other	131	264	100	100	7,000
TOTAL REVENUE	994,715	289,267	120,599	140,499	86,800
EXPENDITURES					
Operating Expenses	780,896	1,056,766	1,079,732	1,056,065	1,084,760
Capital Outlay	73,509	0	57,349	45,603	47,680
Insurance	11,041	11,041	11,041	11,041	11,041
Debt Service	157,225	152,578	148,403	148,403	259,085
TOTAL EXPENDITURES	1,022,671	1,220,385	1,296,526	1,261,112	1,402,566
Revenue over (under) expenditures	(27,955)	(931,118)	(1,175,926)	(1,120,613)	(1,315,766)
Fund Balance Appropriation	27,955	931,118	1,175,926	1,120,613	1,315,766
Operating Transfer	419,260	569,647	1,137,592	1,097,359	1,309,186
Designated/Reserved	0	5,348	0	6,580	0
Ending Fund Balance	\$ 391,305	\$ 29,834	\$ (8,500)	\$ 6,580	\$ 0

The Library Fund was created during the 2005 fiscal year when Shelby County announced that funding for library operations in the county would be phased out over the next two years. FY 2006 was the end of that funding. Previously Memphis and Shelby County Public Library system funded and operated all libraries in Shelby County. With the announcement that Shelby County was phasing out funding, the City of Memphis requested that suburban municipalities fund the County's share of library operations in their cities. Memphis would still contribute funding and operate the libraries.

The Collierville Board of Mayor and Aldermen voted to take over library operations instead of providing funding to the City of Memphis for this function. Unlike some

suburban municipalities, Collierville owns the building which houses the Library. It was built in FY 2000 with funds that had been reserved for several years for that purpose, general obligation bonds, and a donation from the Burch family.

The Board set aside the utility-in-lieu-of tax paid by the Water & Sewer Fund to be used for construction of the Library. After taking over operations, it was decided to continue to use these funds for that Library operations. It was accounted for as revenue in FY 05; however, in subsequent years it is considered an operating transfer. Additionally, the General Fund subsidizes the Library. In FY 2008 this amount will be \$809,186.

HEALTH INSURANCE FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Retained Earnings	\$ 51,373	\$ 51,642	\$ 51,870	\$ 51,870	\$ 54,026
REVENUE					
Charges for Services	2,627,679	2,754,620	3,340,057	3,240,796	3,617,364
Charges for Services - Employee	570,434	582,964	562,439	562,184	596,396
Interest Revenue	269	228	0	0	0
Total Revenue	3,198,382	3,337,813	3,902,496	3,802,980	4,213,759
OPERATING EXPENSES					
Reinsurance Premium	214,065	438,297	491,712	498,160	538,013
Claims	2,860,107	2,772,737	3,216,157	3,170,749	3,529,409
Aggregate Fee	19,100	15,955	17,913	13,377	14,447
3rd Party Administration Fee	104,741	110,579	124,452	118,488	127,967
Bank Service Charge	100	15	0	50	50
Total Expenses	3,198,113	3,337,584	3,850,233	3,800,824	4,209,886
Revenue over (under) expenses	269	228	52,263	2,155	3,873
Fund balance appropriation	0	0	0	0	0
Adjustments					
Operating Transfer					
Ending Balance	\$ 51,642	\$ 51,870	\$ 104,133	\$ 54,026	\$ 57,899

The Health Insurance Fund is an internal service fund of the proprietary type which accounts for transactions related to group medical benefits (including claims incurred but not reported) for which the Town is self-insured.

Revenues reported in this fund are derived from charges to each of the Town's departments which pays into the fund, according to the number of employees in the plan, an amount determined by estimating claims and service charges for the year. Employees who are covered by the plan pay a monthly premium as well.

In order to offset some of the costs for FY 2005, several changes in plan design were implemented. These changes included increased premiums for employees and increased physician and drug co-pays. This resulted in substantial savings in claims paid.

Expenditures for FY 2008 include charges by a third-party vendor for administration of the plan, the estimated amount of medical claims made by Town employees or covered family members, an aggregate premium, and a reinsurance fee.

The aggregate amount is paid by the Town to insure that claims do not go beyond a negotiated amount. This amount is negotiated each year and is based on the number of covered employees. The reinsurance fee assures that the Town pays no more than \$60,000 for any individual claim.

RETIREMENT FUND SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Retained Earnings					\$ -
REVENUE					
Contributions - Employer					2,573,156
Contributions - Employee					315,064
Interest Revenue					0
Dividend Revenue					0
Total Revenue	0	0	0	0	2,888,220
OPERATING EXPENSES					
Attorney Fees					15,000
Trustee/Advisor Fees					51,500
Plan Administrator Fee					16,800
Distributions - Retirees					132,067
Total Expenses	0	0	0	0	215,367
Revenue over (under) expenses	0	0	0	0	2,672,853
Fund balance appropriation	0	0	0	0	0
Adjustments	0	0	0	0	0
Transfer	0	0	0	0	17,000,000
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 19,672,853

The Retirement Fund is a trust fund of the fiduciary type and a new fund for FY 2008. It was created to account for a new retirement plan that was approved by the Board of Mayor and Aldermen.

Since FY 1994, the Town has maintained two retirement plans—a defined contribution plan and a defined benefit plan sponsored by the State of Tennessee. When the new Town plan was adopted, Employees were given the opportunity to choose the new plan or stay in their current plan.

Additionally, the new plan has two options, a non-contributory option and a contributory option with enhanced benefits.

Revenue in the fund consists of contributions by the Town and contributions from employees who chose the contributory plan option. The transfer is the estimated assets from the two current plans for employees who opted out of those plans.

WATER & SEWER FUND DEPARTMENTAL SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Retained Earnings	\$ 13,746,763	\$ 17,167,386	\$ 23,377,788	\$ 23,377,788	\$ 22,849,359
REVENUE					
Water Revenue	2,715,769	3,763,144	3,656,405	4,084,327	4,227,120
Service Establishment	66,605	68,585	65,000	65,000	65,000
Sewer Service Charge	3,766,269	5,945,722	6,217,373	6,816,486	7,759,056
Other Revenue	144,487	399,340	158,500	518,500	668,500
Total Revenues	6,693,130	10,176,791	10,097,278	11,484,313	12,719,676
EXPENSES					
Water Treatment Plant	668,188	823,973	875,494	899,333	965,138
Water Distribution System	784,106	828,812	983,518	950,781	1,100,373
Wastewater Collection	504,154	473,946	586,650	532,076	635,704
Wastewater Treatment	983,306	888,360	1,000,919	907,432	1,003,200
Mayor and Board of Aldermen	26,178	23,604	0	0	0
Town Administrator's Office	71,152	83,364	111,648	97,854	108,038
Personnel	45,735	50,491	59,686	59,113	64,737
Information Technology	21,094	37,543	48,602	47,295	51,913
General Services	57,324	57,638	67,185	69,448	91,546
Financial Administration	368,464	377,029	439,503	407,734	444,630
Development Administration	29,515	18,977	24,972	23,960	48,974
Office of Planning	84,834	102,002	130,548	126,852	129,368
Office of Engineer	201,403	207,529	318,887	274,869	318,438
Public Services Administration	167,877	170,439	185,161	174,406	195,269
Attorney's Fees	40,253	29,704	37,500	37,500	37,500
Insurance Costs	88,755	76,762	94,388	87,976	94,388
Non-Departmental Accounts					
Special Appropriations	650,022	597,398	574,694	576,338	589,094
Debt Service & Depreciation	2,814,307	2,874,651	3,847,274	3,802,274	4,103,900
Total Expenses	7,606,669	7,722,222	9,386,627	9,075,242	9,982,210
Revenue over (under) expenses	(913,539)	2,454,569	710,651	2,409,071	2,737,466
Retained earnings appropriation	913,539	0	0	0	0
Non Operating Revenue	1,231,535	1,858,038	1,000,000	1,600,000	1,200,000
Capital Contribution	3,102,627	1,897,795			
Operating Transfer	0	0	0	0	0
Capital Outlay/Projects	0	0	(4,537,500)	(4,537,500)	(4,089,900)
Designated/Reserved	0	0	0	0	0
Undesignated	17,167,386	23,377,788	20,550,940	22,849,359	22,696,925
Ending Balance	\$ 17,167,386	\$ 23,377,788	\$ 20,550,940	\$ 22,849,359	\$ 22,696,925

WATER & SEWER FUND CATEGORY SUMMARY

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Retained Earnings	\$ 13,746,763	\$ 17,167,386	\$ 23,377,788	\$ 23,377,788	\$ 22,849,359
REVENUE					
Water Revenue	2,715,769	3,763,144	3,656,405	4,084,327	4,227,120
Service Establishment	66,605	68,585	65,000	65,000	65,000
Sewer Service Charge	3,766,269	5,945,722	6,217,373	6,816,486	7,759,056
Other Revenue	144,487	399,340	158,500	518,500	668,500
Total Revenues	6,693,130	10,176,791	10,097,278	11,484,313	12,719,676
EXPENSES					
Personnel	1,600,175	1,576,317	1,882,491	1,817,119	2,011,681
Operating Expenses	1,339,580	1,438,774	1,564,089	1,472,503	1,692,734
Administrative Charges	1,113,831	1,158,319	1,423,691	1,319,031	1,490,413
Insurance	88,755	76,762	94,388	87,976	94,388
Special Appropriations	650,022	597,398	574,694	576,338	589,094
Debt Service & Depreciation	2,814,307	2,874,651	3,847,274	3,802,274	4,103,900
Total Expenses	7,606,669	7,722,222	9,386,627	9,075,242	9,982,210
Revenue over (under) expenses	(913,539)	2,454,569	710,651	2,409,071	2,737,466
Retained Earnings Appropriation	913,539	0	0	0	0
Non Operating Revenue	1,231,535	1,858,038	1,000,000	1,600,000	1,200,000
Capital Contribution	3,102,627	1,897,795	0	0	0
Operating Transfer	0	0	0	0	0
Capital Outlay/Projects	0	0	(4,537,500)	(4,537,500)	(4,089,900)
Designated/Reserved	0	0	0	0	0
Undesignated	17,167,386	23,377,788	20,550,940	22,849,359	22,696,925
Ending Balance	\$ 17,167,386	\$ 23,377,788	\$ 20,550,940	\$ 22,849,359	\$ 22,696,925

The summary on the previous page shows expenses for each division of the Water and Sewer Fund. The amount of administrative fees paid to each General Fund department and for insurance costs and attorney fees are indicated as well.

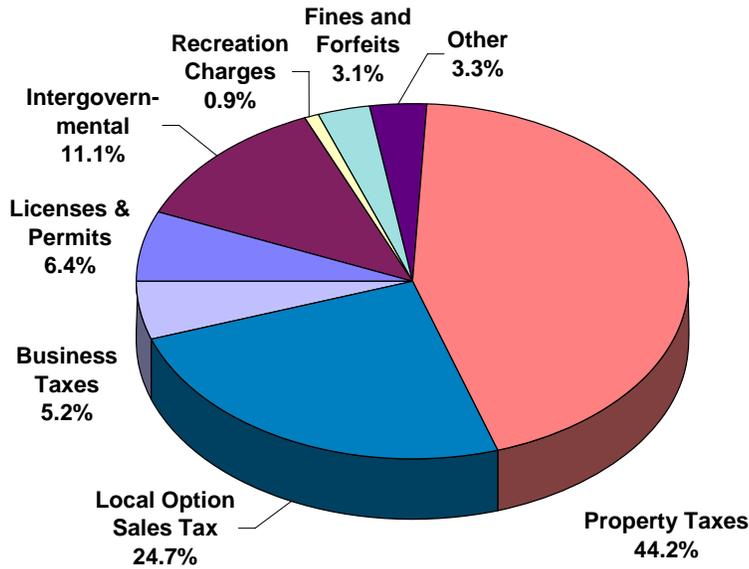
The summary above lists the expense for each category of expenses. The expense for capital items and pay-as-you-go capital projects is shown as a reduction to retained

earnings. The capital contributions in FY 2005 and 2006 are donated infrastructure from developers.

Retained earnings appropriations were necessary from FY 2003 to 2005 to fund operations. Water and Sewer rates had remained the same for the previous ten years; however; in FY 2005, a sewer engineering and water and sewer rate study was conducted. As a result of this study, a new rate structure was adopted which should be adequate to fund operations for the next ten years.

REVENUES BY SOURCE

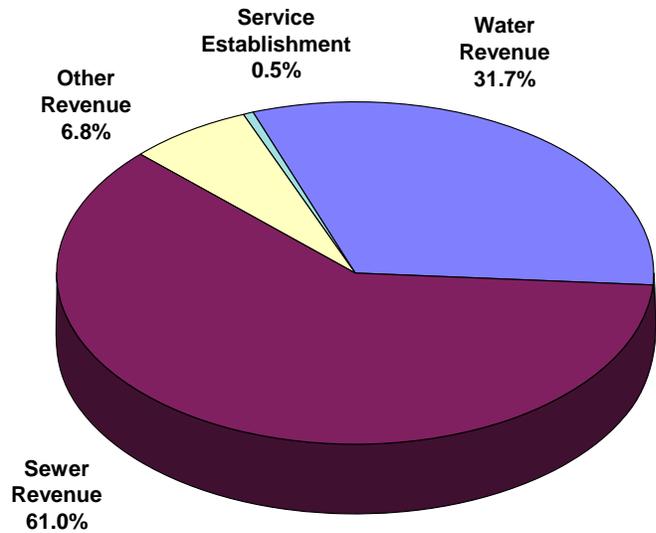
GENERAL FUND



The chart to the left shows the percentage of total revenues for each revenue category. Overall General Fund revenues for FY 2008 total \$37,606,958 a 6.9% increase over the previous year's budget and 6.1% above the FY 2007 estimated revenue. Property tax revenue accounts for the largest portion of total revenue at 44.2% followed by local option sales tax at 24.7%. Intergovernmental revenues make up 11.1%, and licenses, 6.4%. Business taxes are 5.2%, fines and forfeits 3.1%, recreation charges 0.9%, and other revenue is 3.3% of the total.

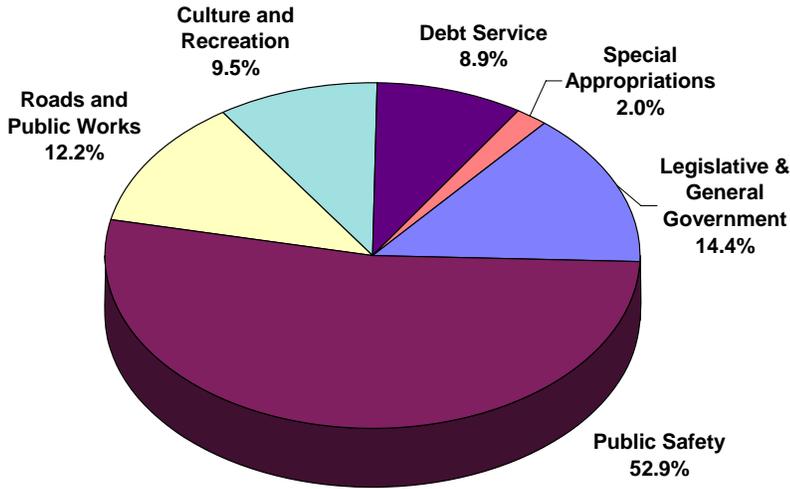
WATER & SEWER

Water and Sewer Fund revenues are expected to be \$12,719,676 an increase of 10.8% over FY 2007 estimated revenue. The chart to the right shows the percentage of total revenues of each category. The sewer revenue generates the greatest percentage of revenue at 61.0% followed by water revenue at 31.7%. Service establishment fees are 0.5% and other revenue, which includes interest income, makes up 6.8%.



EXPENDITURES BY FUNCTION

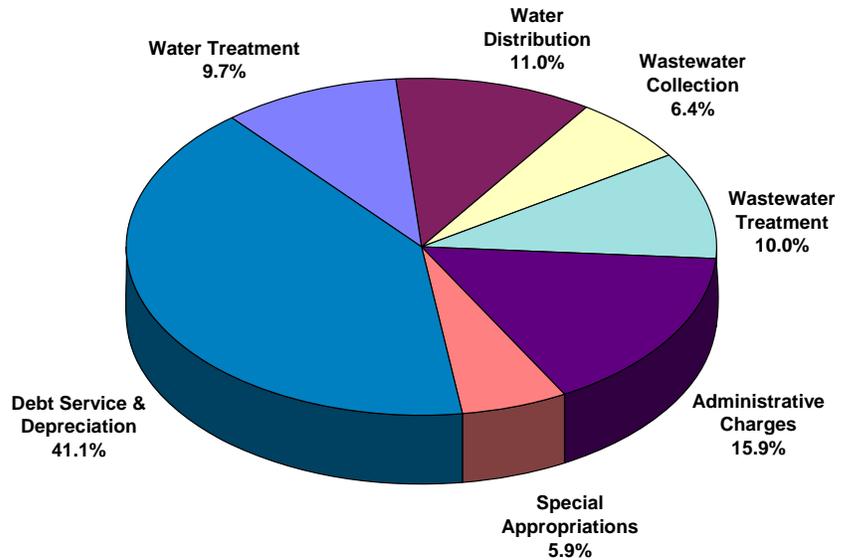
GENERAL FUND



The chart to the left shows the percentage of total expenditures of each unit or function of Town Government. Public safety, comprised of Police, Fire Department, Municipal Court, Code Enforcement, and Animal Services, makes up 52.9% percent of expenditures. Legislative and General Government expends 14.4%, Roads and Public Works, 12.2%, and Culture & Recreation, 9.5%. The remainder is for debt service with 8.9% and special appropriations 2.0%.

WATER & SEWER

The chart to the right shows the percentage of total expenses each unit or function expends. Water Treatment expends 9.7%, Water Distribution 11.0%, Wastewater Collection 6.4%, Wastewater Treatment 10.0%, Administrative charges by General Fund departments are 15.9% of total expenses, Special Appropriations 5.9%, and Debt Service & Depreciation make up 41.1%.



BOARD OF MAYOR AND ALDERMEN

The Board of Mayor and Aldermen is the elected governing body of the Town and is responsible for establishing policy within the framework of the Town Charter and the Tennessee Code Annotated. These policies may take the form of ordinances, resolutions, or motions which establish the laws, proceedings and Town service levels for the community.

The Mayor and Board members are elected for four year terms, at large by position. The Board appoints the Town Administrator who administers day-to-day operations of the Town. The Board also appoints members of the Planning Commission, Design Review Commission, Industrial Development Board, Parks and Recreation Advisory Board and several other advisory boards and commissions.

The Town Board adopts the annual budget and appropriates all funds for expenditures. The Board meets yearly to update the Town of Collierville Strategic Plan.

FY 2008 Goals and Objectives

Goal: Be a financially sound town government.

Objectives:

- Promote a more diversified tax base.
- Maintain adequate reserves and fund balances.
- Set a fiscally responsible tax rate.
- Be a more financially self-supporting and sustainable town government.
- Diversify revenues to be less dependent on property tax.

Goal: Become a high performance service organization.

Objectives:

- Maintain a high level of productivity
- Use the most efficient “state of the art” methods in service delivery using technology and new approaches.
- Achieve a high level of citizen satisfaction with Town services.
- Focus on “basic services”.
- Maintain a highly motivated and professional workforce.
- Become an organization valuing and practicing the Town’s core values with greater accountability.

Goal: Preserve Collierville’s heritage and character as a “community for family living”.

Objectives:

- Make all family generations welcome.

- Provide family-oriented recreational and leisure amenities and facilities.
- Respect our past and historical roots.
- Approve developments designed in Collierville’s character and vision.
- Create a strong sense of community pride with involved citizens.
- Promote job opportunities available in the community.

Goal: Be recognized as a regional leader.

Objectives:

- Provide self-contained and sufficient Town services.
- Advocate for the Town’s interests at the federal, state, and regional levels.
- Shape regional policies and plans protecting Collierville’s interests.
- Create a leadership based upon a common vision for the future with realistic and achievable goals.
- Forge a strong relationship with the legislative delegation based upon mutual respect.

Goal: Improve mobility and traffic flow.

Objectives:

- Reduce trip times within the Town of Collierville.
- Provide better signal synchronization within the Town.
- Improve the quality of major corridors and Town streets.
- Construct more roads connecting neighborhoods and corridors.
- Develop safe, convenient trail systems for biking and walking throughout our community.

Goal: Create a sustainable local economy within Collierville (in partnership with the Collierville Chamber of Commerce).

Objectives:

- Create a business community which has long term sustainability.
- Attract new business consistent with Collierville’s vision.
- Retain current businesses and help them to prosper.
- Maintain a reputation as a business-friendly town government and community.
- Attract a new full-service hotel with conference meeting space.

BOARD OF MAYOR AND ALDERMEN

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Goal: Preserve Collierville's Heritage and Character			
# of park acres	489	519	519
# of new development projects	22	16	20
# of community events	18	18	18
# of new jobs created in Collierville	700	484	500
Goal: Financially Sound Town Government			
% of revenues from property tax	38.9%	42.3%	44.2%
% of revenues from sales tax	19.9%	21.5%	24.7%
% of revenues from development fees	7.3%	4.9%	4.3%
% undesignated fund balance	46.6%	38.0%	25.6%
Goal: High Performance Organization			
Employee Turnover Ratio	12%	9.8%	9.0%
Annual hours of training per employee	53.5	41.0	45.0
Goal: Be Recognized as a Regional Leader			
# of meetings held with legislators	31	31	15
Membership on regional/national boards, associations or advisory boards	3	5	5
# of leadership positions on intergovernmental committees, task force or advisory boards	15	15	15
# of intergovernmental meetings attended	15	23	21
Goal: Improve Mobility and Traffic Flow			
# road miles	271	240	246
# of lane miles overlaid	23	17	21
Linear feet of greenbelt trails added	10,560	16,896	9800
Goal: Sustainable Local Economy			
# of sq. ft. of retail/commercial approved	305,860	409,348	27,000
# of residential homes constructed	503	260	350
# of industry sites visited by town staff	10	7	16
# of new businesses in Collierville	363	181	160
% increase in sales tax revenue	32.8%	8.2%	15.0%
% dependence on 10 largest employers	7.60%	7.80%	7.61%
% increase in property values	24.9%	8.8%	4.2%

BOARD OF MAYOR AND ALDERMEN

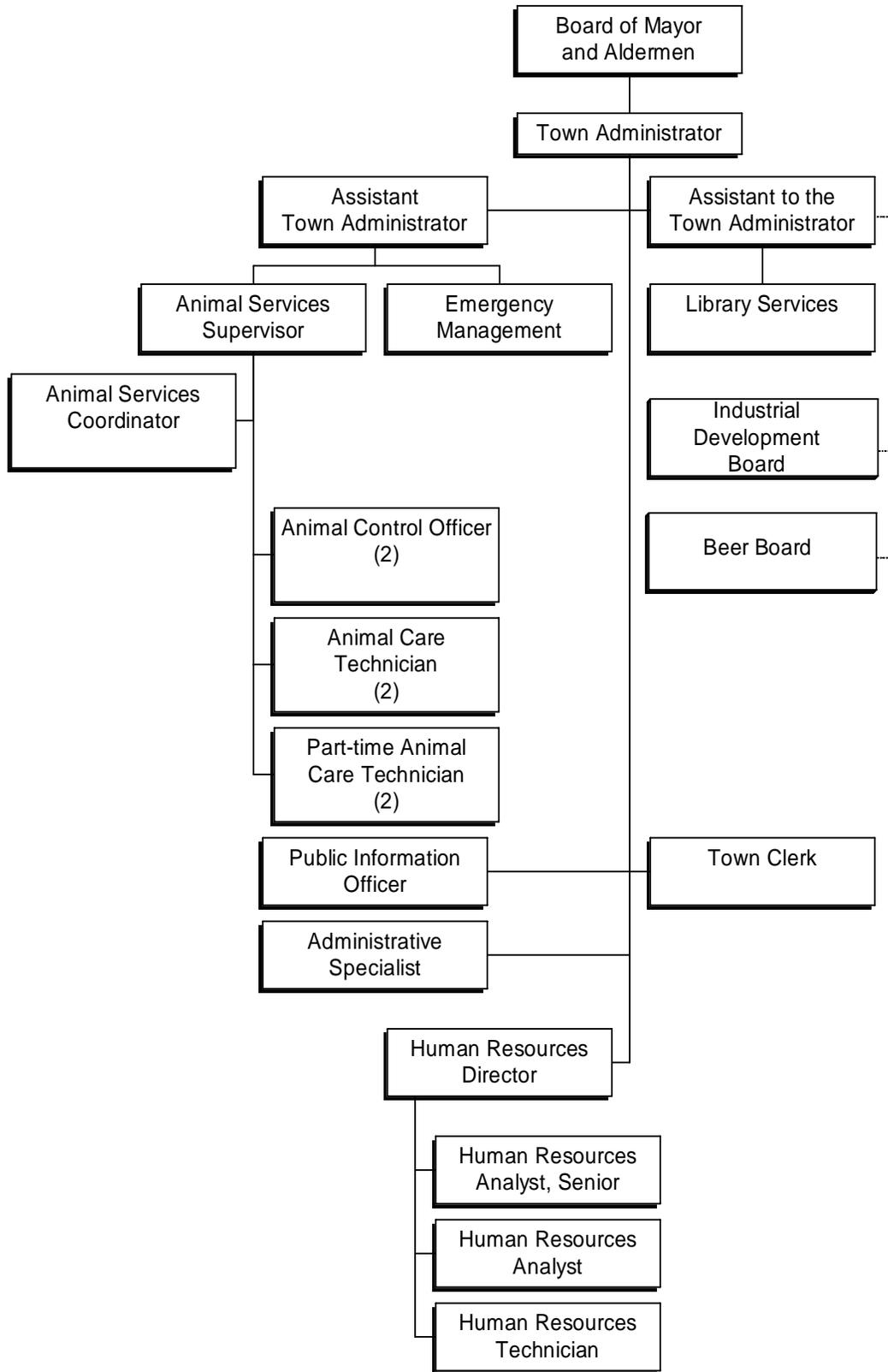
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 115,698	\$ 120,706	\$ 131,992	\$ 142,807	\$ 145,055
Operating Expense	58,823	34,990	78,175	73,954	56,675
Capital Outlay	0	1,664	0	0	0
Total	\$ 174,521	\$ 157,359	\$ 210,167	\$ 216,761	\$ 201,730
Reduction to expenditures					
Water & Sewer Fund	(26,178)	(23,604)	0	0	0
General Fund	\$ 148,343	\$ 133,755	\$ 210,167	\$ 216,761	\$ 201,730

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	6.0	\$ 39,753	6.0	\$ 39,600	6.0	\$ 39,600
Wages	1.0	\$ 35,851	1.0	\$ 39,021	1.0	\$ 35,764
Part-time	0.0	0	0.0	0	0.0	0
Other Compensation		0		0		0
Benefits		45,102		64,187		68,127
Merit & General Adjustment		0		0		1,565
Other Personnel		0		0		0
Total	7.0	\$ 120,706	7.0	\$ 142,807	7.0	\$ 145,055

TOWN ADMINISTRATOR'S OFFICE



TOWN ADMINISTRATOR'S OFFICE

The Administration budget accounts for the cost of operating the Town Administrator's office. This office provides staff support to the Board of Mayor and Aldermen as well.

The Town Administrator is responsible for advising and recommending actions to the Board of Mayor and Aldermen in order to meet the needs of Town residents; providing overall management of Town departments and operations; and implementing Town policy.

In addition to administering the day-to-day operations of the Town, the Town Administrator is required by law to present an annual budget to the Board for consideration of all needed Town expenditures.

Some of the objectives of the Town Administrator's office is to keep the Board of Mayor and Aldermen and the general public informed of all activities of Town government. The Town Administrator must also provide the Board with timely information in order to assist them in making difficult policy decisions.

The Town Administrator works with all Town departments in promoting efficiency and effectiveness in customer service and implements an annual plan to carry out each department's work programs, which help to accomplish the Board of Mayor and Aldermen's goals.

2008 MANAGEMENT AGENDA

Top priority:

- Develop a five-year financial projection for all Town services.
- Develop a new financing model for the five-year Capital Investment Program.

- Review growth management strategies for evaluating project impacts.
- Improve contract administration and accountability through consolidation of all contract oversight and improved review processes.
- Implement video programming for public awareness of operations.
- Improve standards for measuring program effectiveness.
- Develop a tracking and measurement system for tourism efforts.
- Develop a five-year annexation and plan of services strategy.

High priority:

- Evaluate the employee recruitment and selection process.
- Update the traffic model.
- Conduct community focus groups for evaluation of services.
- Implement new economic development strategies with the Chamber of Commerce.
- Establish a core training model for management level positions.
- Develop a Library five-year strategic plan/needs assessment.
- Improve CIP project planning and contract management with new processes and accountability standards.

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Total Budget Managed	\$44,884,215	\$51,502,556	\$57,003,444
Operating Budget Variance from Actual	3.2%	2.0%	2.0%
Total Value of all Capital Projects	\$31,010,145	\$18,918,900	\$8,191,700
Total Number of Capital Projects	52	49	37
% of CIP Projects Completed on Schedule	53%	53%	55%
% of CIP Projects Completed Under Budget	91%	91%	85%
Full-Time Employees Managed	441	461	475
% of Personnel Expenses to General Fund Budget	67.7%	67.8%	68.6%

TOWN ADMINISTRATOR'S OFFICE

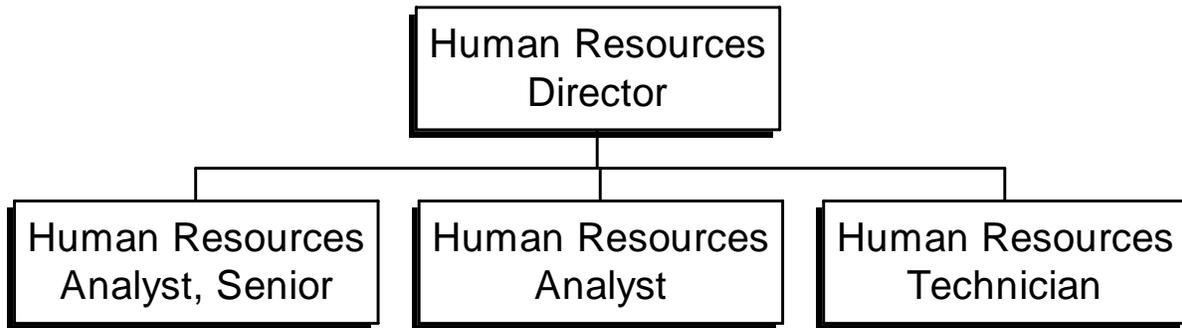
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 405,240	\$ 490,694	\$ 648,749	\$ 567,886	\$ 592,763
Operating Expense	68,319	60,553	95,568	84,474	127,493
Capital Outlay	790	4,517	0	0	0
Total	\$ 474,350	\$ 555,763	\$ 744,317	\$ 652,360	\$ 720,256
Reduction to expenditures					
Water & Sewer Fund	(71,152)	(83,364)	(111,648)	(97,854)	(108,038)
General Fund	\$ 403,197	\$ 472,399	\$ 632,669	\$ 554,506	\$ 612,218

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	6.0	\$ 339,576	6.0	\$ 399,764	6.0	\$ 394,400
Wages	1.0	18,300	1.0	24,791	1.0	25,301
Part-time		0		0		0
Other Compensation		0		0		0
Benefits		123,054		143,330		156,198
Merit & General Adjustment				0		16,864
Other Personnel		9,764	0.0	0	0.0	0
Total	7.0	\$ 490,694	7.0	\$ 567,886	7.0	\$ 592,763

HUMAN RESOURCES



HUMAN RESOURCES

The Human Resources Department provides human resource management services to all Town departments. It is responsible for personnel policy development and implementation and for monitoring federal and state legislation to ensure compliance with a myriad of personnel laws.

The use of the Human Resources Department's services should eliminate costly and unnecessary duplication of effort and, thereby, allow operating departments more time to concentrate on their primary responsibilities.

This department administers a comprehensive personnel program incorporating all aspects of equal employment opportunity. The functions of the Human Resources Office are: recruitment, selection, employment testing and retention of qualified employees, maintenance of employee and applicant records, administration of the Town's classification and compensation and employee benefit programs, new employee orientation, the employee grievance procedure, unemployment and workman's compensation, the pay for performance system, conduct supervisory and employee training, and coordination of COBRA/HIPAA administration. Additionally, this office is involved in assisting management and supervisory staff with day-to-day employee issues.

The Human Resources Director is responsible for the overall management of this function and is assisted in the day-to-day administrative procedural requirements of this office by a Human Resources Analyst, Senior, a Human Resources Analyst, and a Human Resources Technician.

FY 2007 Accomplishments

- Sponsored and coordinated the first Annual Employee Health Fair in November 2007.
- Established hearing standard for Dispatchers and coordinated with medical staff for pre-employment exams.
- Organized/coordinated computer training classes for all departments and coordinated Municipal Management Academy training for Collierville Police Department through Municipal Technical Advisory Service.
- Completed annual benefit statements for all employees.
- Updated the Town's ethics policy for employees and elected officials for compliance with the State's ethics law.
- Updated the employment application.
- Updated the Personnel Action Form and streamlined the submission process.
- Revised the Town's vehicle use policy.
- Revised provisions to retiree health insurance program in compliance with Other Post Employee Benefits (OPEB) regulations.
- Participated in all aspects of planning, developing, and implementing the Town's new defined benefit retirement plan for all employees.
- Developed/distributed statements for all employees estimating benefits under the proposed new retirement plan.
- Successfully completed annual TOSHA inspection.

FY 2008 Goals and Objectives

Goal: Complete the implementation of the Town's new defined benefit retirement plan.

Objectives:

- Obtain Tennessee Consolidated Retirement System (TCRS) withdrawal forms (signed and notarized) from all employees between July 1, 2007 and July 31, 2007.
- Obtain enrollment forms for the new plan from all employees.
- Coordinate the preparation and distribution of new/initial benefit statements to all employees.
- Obtain new beneficiary designation forms from employees selecting Plan 2.
- Distribute copy of Plan Document to all departments and copy of summary plan description to all employees.

Goal: Implement regular wage and hour audits in each department.

Objectives:

- Conduct on-site and desk audits of duties and responsibilities of various positions in each department throughout the fiscal year.
- Compare audit results against Fair Labor Standards Act (FLSA) "exempt" test provisions.
- Validate current FLSA status.

Goal: Implement random drug testing program for public safety employees.

Objectives:

- Advise all Police Officers and Fire Fighters about program.
- Will test 25% of Police Officer and Fire Fighters this fiscal year.

Goal: Bid out contracts on various insurance programs.

Objectives:

- Will bid the Town's third party administrator (TPA) for health insurance claims.
- Will bid the Town's group life and long term disability plans.
- Will bid the Town's dental/vision plans.

HUMAN RESOURCES

Performance Measures

Activity	Actual	Estimated	Projected
	FY 06	FY 07	FY 08
Applications processed	1,055	1,093	1,126
Employee Orientation Programs conducted	38	15	16
New employees hired	*	66	45
Workman's compensation claims processed	68	69	55
Unemployment insurance costs	\$16,398.32	\$4,843.00	\$5,700.00
# days to process an application	3	3	3
% employees assisted with health insurance claims	45%	45%	45%
% open positions filled within 90 days	80%	80%	85%
% performance evaluations submitted to payroll by 1st pay period after being received	98%	98%	98%
% of performance evaluations received in H. R. on a timely basis (i.e., on or before due date)	0.78	85%	87%
Town wide turnover rate	*	9.8%	9.5%

*New performance measure

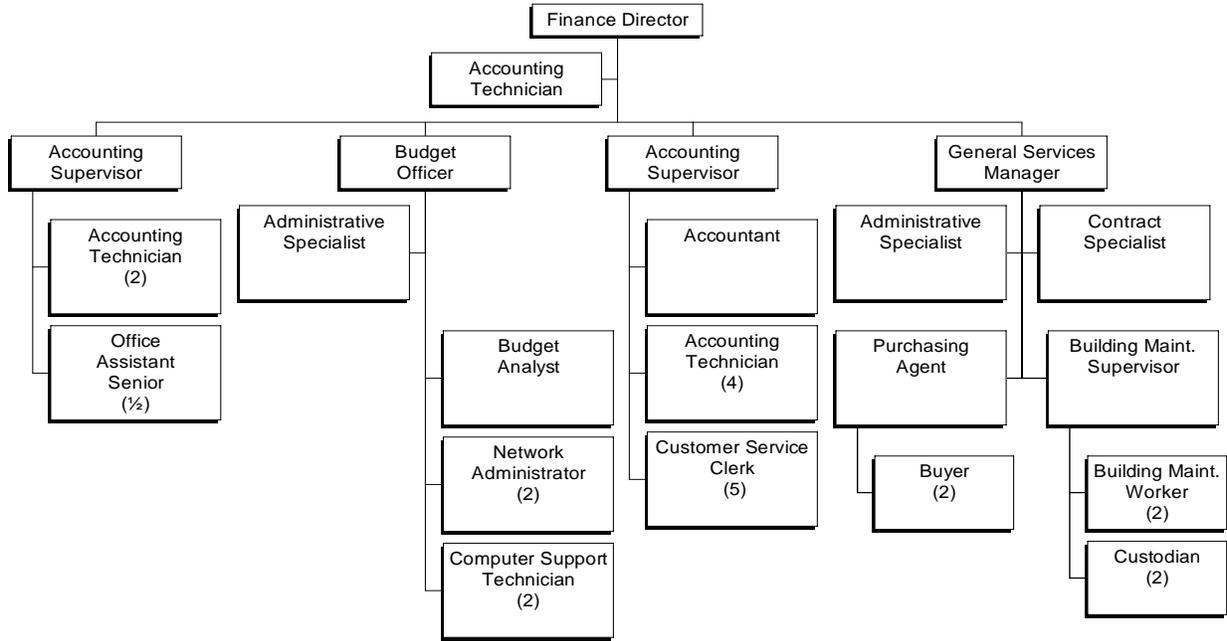
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 271,349	\$ 276,773	\$ 295,331	\$ 296,280	\$ 315,517
Operating Expense	33,552	59,110	102,573	97,803	116,066
Capital Outlay	0	725	0	0	0
Total	\$ 304,901	\$ 336,607	\$ 397,904	\$ 394,083	\$ 431,583
Reduction to expenditures					
Water & Sewer Fund	(45,735)	(50,491)	(59,686)	(59,113)	(64,737)
General Fund	\$ 259,166	\$ 286,116	\$ 338,218	\$ 334,971	\$ 366,845

Staffing Summary

	Actual		Estimated		Budget	
	FY 06	FY 07	FY 07	FY 08	FY 08	FY 08
Salaries	3.0	\$ 180,893	3.0	\$ 189,149	3.0	\$ 190,628
Wages	1.0	28,334	1.0	30,243	1.0	31,274
Part-time		0		0		0
Other Compensation		0		0		0
Benefits		67,546		76,889		87,497
Merit & General Adjustment				0		6,118
Other Personnel	0.0	0	0.0	0	0.0	0
Total	4.0	\$ 276,773	4.0	\$ 296,280	4.0	\$ 315,517

FINANCIAL ADMINISTRATION



FINANCIAL ADMINISTRATION

The Finance Department is responsible for managing all of the Town's fiscal affairs. The department supports the operating departments through accounting and administrative services and financial reporting. The department manages all investments of the Town, handles capital project financing, and collects taxes and other revenues. An independent firm selected by the Board of Mayor and Aldermen audits the financial records annually.

The department is responsible for all billing and collection of revenues for the Town's utilities. This includes water, sewer and sanitation services.

The department provides specific services to the operating departments including payroll, inventory and fixed asset control, budgeting, and financial reporting.

Finance provides other services to the operating departments through the divisions of Information Technology and General Services.

Financial reporting has been timely and accurate. Credit ratings were upgraded to Aa1.

FY 2007 Accomplishments

- Received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the FY 2006 Comprehensive Annual Financial Report (CAFR).
- Received the GFOA Distinguished Budget Presentation Award for the FY 2007 budget.
- Installed financial software upgrade.
- Worked with vendors to utilize electronic deposits to increase cash flow and minimize payment processing time.
- Provided access for other departments to the financial software.

- Provided five training sessions on various finance functions to internal customers.

FY 2008 Goals and Objectives

Goal: To preserve the financial soundness of the Town.

Objectives:

- Adopt a formal investment policy by June 30, 2008.
- Earn the tenth Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).
- Earn the sixteenth Certificate of Achievement of Excellence in Financial Reporting from GFOA.

Goal: To enhance internal and external customer service performance.

Objectives:

- Distribute all monthly financial reports to internal customers by the twentieth of the following month.
- Provide job-related training for all employees of the department by June 30, 2008.
- Provide four training sessions on various finance functions to internal customers.
- Send out courtesy reminder notices by January 30, 2008, one month before taxes become delinquent.

Goal: To sustain a high level of efficiency in service delivery using technology and new approaches.

Objectives:

- Relocate the meter reading equipment to Public Services by June 30, 2008.
- Provide additional on-line payment options for tax and utility customers.
- Convert manual record keeping of leave time to an electronic process.
- Integrate property tax information with the GIS system.

FINANCIAL ADMINISTRATION

Performance Measures

Activity	Actual	Estimated	Projected
	FY 06	FY 07	FY 08
Number of adjusting entries for audit purposes	10	13	13
Percent of property tax levy collected	96.49%	97.00%	97.00%
Variance of estimated revenue to actual	5.25%	2.00%	2.00%
Variance of estimated expenditures to actual	-3.16%	-3.00%	-2.50%
Percent of undesignated fund balance to			
General Fund expenditures	46.59%	38.02%	25.64%
Ratio of debt service to General Fund expenditures	0.10	0.10	0.09
Debt service to General Fund revenues	0.08	0.09	0.09
Total bonded debt per capita	\$1,756.08	\$1,644.39	\$1,511.91
Net bonded debt per capita	\$804.17	\$740.06	\$669.35
Internal audits performed	4	4	4
General government obligation bond rating	Aa1	Aa1	Aa1
Percent of monthly financial reports delivered by			
20th of following month	100%	92%	100%
Utility bill accounts at fiscal year end	14,676	15,062	15,363
Percent of total payments received at drive			
through window	15.7%	16.9%	18.1%
Percent of customers utilizing online payments	8.1%	11.6%	20.0%
Percent of employees completing 8 hrs of			
customer service training	100%	100%	100%
Number of training sessions to internal customers	7	5	4

Budget Summary

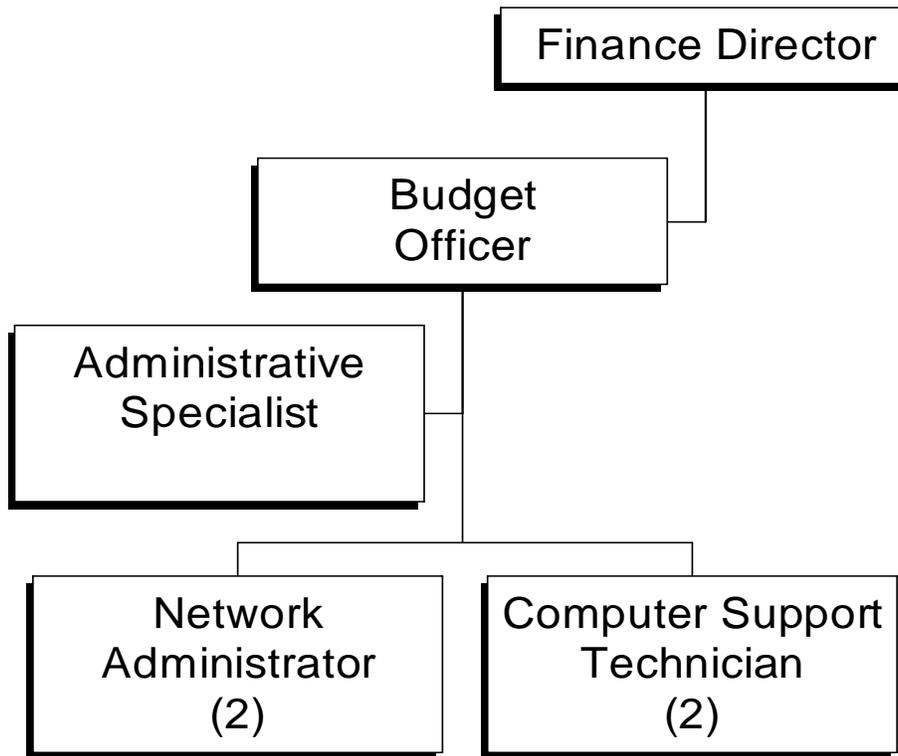
	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 872,467	\$ 884,729	\$ 1,025,055	\$ 942,893	\$ 1,023,447
Operating Expense	178,671	181,403	219,990	211,329	246,923
Capital Outlay	1,617	11,094	10,677	10,731	0
Total	\$ 1,052,755	\$ 1,077,227	\$ 1,255,722	\$ 1,164,953	\$ 1,270,370
Reduction to expenditures					
Water & Sewer Fund	(368,464)	(377,029)	(439,503)	(407,734)	(444,630)
General Fund	\$ 684,291	\$ 700,197	\$ 816,219	\$ 757,219	\$ 825,741

FINANCIAL ADMINISTRATION

Staffing Summary

	Actual FY 06		Estimated FY 07		Budget FY 08	
Salaries	6.0	\$ 341,002	6.0	\$ 345,607	6.0	\$ 352,307
Wages	11.0	312,298	12.0	340,960	12.0	364,378
Part-time	1.0	10,018	1.0	10,673	1.0	12,375
Other Compensation		0		0		0
Benefits		221,411		245,653		276,862
Merit & General Adjustment				0		17,525
Other Personnel	0.0	0	0.0	0	0.0	0
Total	18.0	\$ 884,729	19.0	\$ 942,893	19.0	\$ 1,023,447

INFORMATION TECHNOLOGY



INFORMATION TECHNOLOGY

The Information Technology Department is a division of the Finance Department and was created during the FY 2003 budget process to account for the Town's computer assets, including software, equipment and networking infrastructure. Before FY 2003, the computer support staff was a part of the Finance Department.

The division is under the supervision of the Budget Officer and consists of five employees—two network administrators, two computer support technicians, and an administrative specialist.

Information Technology's responsibilities include:

- Administration of Town-wide network systems.
 - a. Administer backup, security, and recovery procedures on all Linux, UNIX and other Town servers.
 - b. Maintain and administer voice mail and telephone systems.
 - c. Monitor systems via management software tools.
 - d. Serve as a front-line interface to users, accepting and resolving trouble reports.
 - e. Produce and maintain documentation on all systems related procedures.
- Maintenance of hardware/software.
 - a. Configure, test, install, troubleshoot and maintain new and existing hardware, software and communications equipment.
 - b. Maintain inventory of hardware and software products ensuring compliance with software licensing.
 - c. Conduct software upgrades/patches as required.
- Evaluation of new equipment/software.
 - a. Remain abreast of the latest computer and networking developments and services.
 - b. Provide input/recommendations to management on the direction of IT and the Town.

FY 2007 Accomplishments

- Purchased and installed 40 new computers.

- Installed a new server for the financial system and assisted in the upgrade of the financial software.
- Provided access to the financial system for off-site departments.
- Upgraded the Town Hall and Police Department PBXs.
- Upgraded out-dated and obsolete switches to more efficient switches.
- Provided access to Memphis Light Gas & Water (MLGW) for several Departments for access to utility records.
- Evaluated additional security restrictions for the Town network.

FY 2008 Goals and Objectives

Goal: Utilize technology to provide the most efficient and advanced methods in the delivery of Town services.

Objectives:

- Purchase and install 36 new computers by June 30, 2008.
- Install fiber connections to Parks Maintenance, Facilities Maintenance, Water Plant #4, and Fire Houses #4 & #5 by June 30, 2008
- Install redundant servers in the Fire Administration facility.
- Install a managed antivirus system by June 30, 2008.
- Install a fiber loop between the Police and Fire departments.
- Purchase and install a help-desk database by 10/1/07.

Goal: Maintain a high level of productivity from staff.

Objectives:

- Provide a minimum of eight hours of training to each staff member in order to remain abreast of latest technological developments.
- Purchase and install a tracking system to provide measurements of staff's workload.

INFORMATION TECHNOLOGY

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Servers maintained	18	22	23
PCs maintained	310	360	390
Routers maintained	2	2	2
VLANs	2	3	10
VPNs	5	3	2
PBXs	2	2	3
Network Availability	>99%	>99%	>99%
% time spent on repairs	50%	50%	25%
% time spent on administration	50%	50%	75%

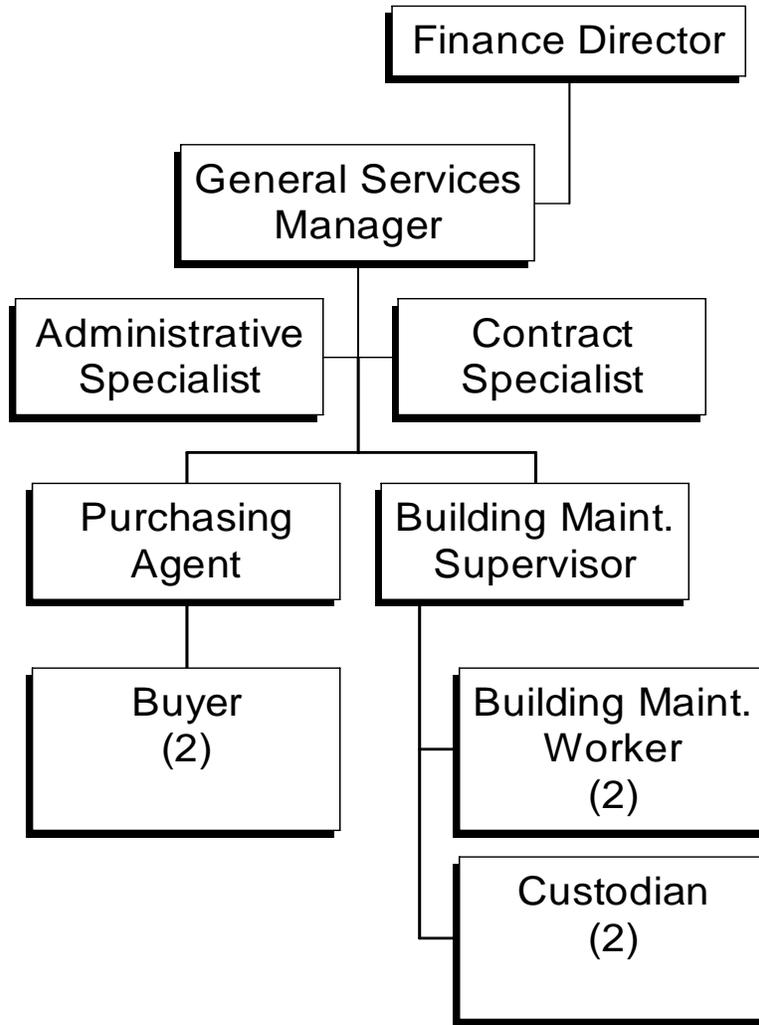
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 140,624	\$ 250,285	\$ 324,011	\$ 315,302	\$ 346,088
Operating Expense	52,171	119,861	150,450	137,473	218,844
Capital Outlay	35,306	117,030	184,100	169,731	146,200
Total	\$ 228,101	\$ 487,175	\$ 658,561	\$ 622,506	\$ 711,132
Reduction to expenditures					
Library Fund	(8,000)	(10,000)	(10,000)	(10,000)	(23,600)
Water & Sewer Fund	(21,094)	(37,543)	(48,602)	(47,295)	(51,913)
General Fund	\$ 199,008	\$ 439,633	\$ 599,959	\$ 565,211	\$ 635,619

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	2.0	\$ 110,194	2.0	\$ 116,438	2.0	\$ 117,514
Wages	2.0	69,524	3.0	96,643	3.0	105,732
Part-time		0		0		0
Other Compensation		0		0		0
Benefits		70,566		102,221		115,571
Merit & General Adjustment				0		7,271
Other Personnel		0		0		0
Total	4.0	\$ 250,285	5.0	\$ 315,302	5.0	\$ 346,088

GENERAL SERVICES



GENERAL SERVICES

The General Services Department is a division of the Finance Department and was created during the FY 2004 budget year. Before FY 2004, the General Services staff was part of the Finance Department and the Parks and Recreation Department.

The Department serves Collierville and its citizens by supporting other Town departments in achieving their mission and the goals established by the Mayor and Board of Alderman. The Department performs a variety of functions that include purchasing, facilities management, risk management and contract administration.

The General Services Manager directs the department and receives office support from an Administrative Specialist. The Purchasing Division consists of a Purchasing Agent that supervises two Buyers. One Contract Specialist administers the Contract Administration Division, and the Risk Management Division duties are performed by General Service's staff. The Facilities Management Division is operated with a Building Maintenance Supervisor, two Building Maintenance Workers, and two Custodians.

FY 2007 Accomplishments

- Collected general information and established a five year roof repair and preventative maintenance schedule with estimated annual costs.
- Developed training program to train department purchasers in the use of the U.S. Communities Government Purchasing Alliance program.
- Facilitated the selection of and contracting for a Financial Advisor, Trust Administrator for the Town's new pension plan.
- Purchase permanent property easements for largest road widening project in the Town's history.
- Completed the research phase of procuring a purchasing software program that meets the needs of the Town.
- Purchased and implemented a new filing system.

FY 2008 Goals and Objectives

Goal: To implement an ongoing facilities inspection program as it relates to property risk management by identifying deficient streets, sidewalks, storm sewers, play grounds, and other risk areas.

Objective:

- Implement a semi-monthly schedule to perform risk evaluations by visiting public areas and performing a visual inspection of equipment, infrastructure, and facilities.

Goal: Establish a department wide paperless process.

Objective:

- During the FY 2008, implement processes that will include networking copiers for faxing from desktops, scanning of bid files, and updating web-site enabling vendors to download and print bid documents. This will save money on postage and the purchase of paper.

Goal: Increase employee's equipment and purchasing process knowledge through training in order to properly communicate with other departments and bidders by reducing down time as well as repair costs.

Objective:

- During FY2008, use \$4,800 for manager and buyers to attend a week long purchasing forum where a plethora of classes will be attended; facilities employees will attend classes on boiler, HVAC, and electrical installation and maintenance for a cost of \$2,600.

Goal: Conduct internal training programs to teach end users, supervisors and managers on how to develop standard specifications for the purchasing division to use as a guide in preparing solicitations for required goods or services.

Objective:

- Before the end of FY 2008, purchasing staff will prepare a training manual and conduct an annual classroom work session to instruct department personnel on writing statements that will clearly communicate to the buyers the necessary requirements of the item or service.

Goal: Purchase and implement purchasing software program to increase efficiencies in the procurement process creating a paperless process.

Objective:

- Purchase software with \$50,000 capital improvement projects (C.I.P.) funding and create a pilot program for implementing the software Town-wide in phases, bringing each department on-line one at-a-time beginning with the Finance department.

Goal: Develop, implement, and manage a contract administration program.

Objective:

- Write a job description and hire a Contract Specialist by November 2007.
- Develop a program by researching and investigating other successful programs.
- Implement the program and monitor its positive and negative outcomes to enlist changes for better contract monitoring.

GENERAL SERVICES

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Maintain, repair & replace roof systems	16	19	19
Amount of facility work orders completed	526	500	644
Average cost per completed work order	\$94.16	\$90.00	\$85.00
Average number of hours spent on work orders	2.6 hrs	2.5 hrs	2.0 hrs
Property and Casualty Claims Processed	21	20	20
Total amount paid out due to claims	\$48,000.00	\$45,000.00	\$50,000.00
Number of formal bids to solicit	68	75	72
Number of formal bids awarded	51 (75%)	60 (80%)	58(80%)
Procedural infractions found during open purchase order audits	6	4	0
Contracts administered			
Term contracts	56	60	63
One-time and professional services contracts	62	64	64

Budget Summary

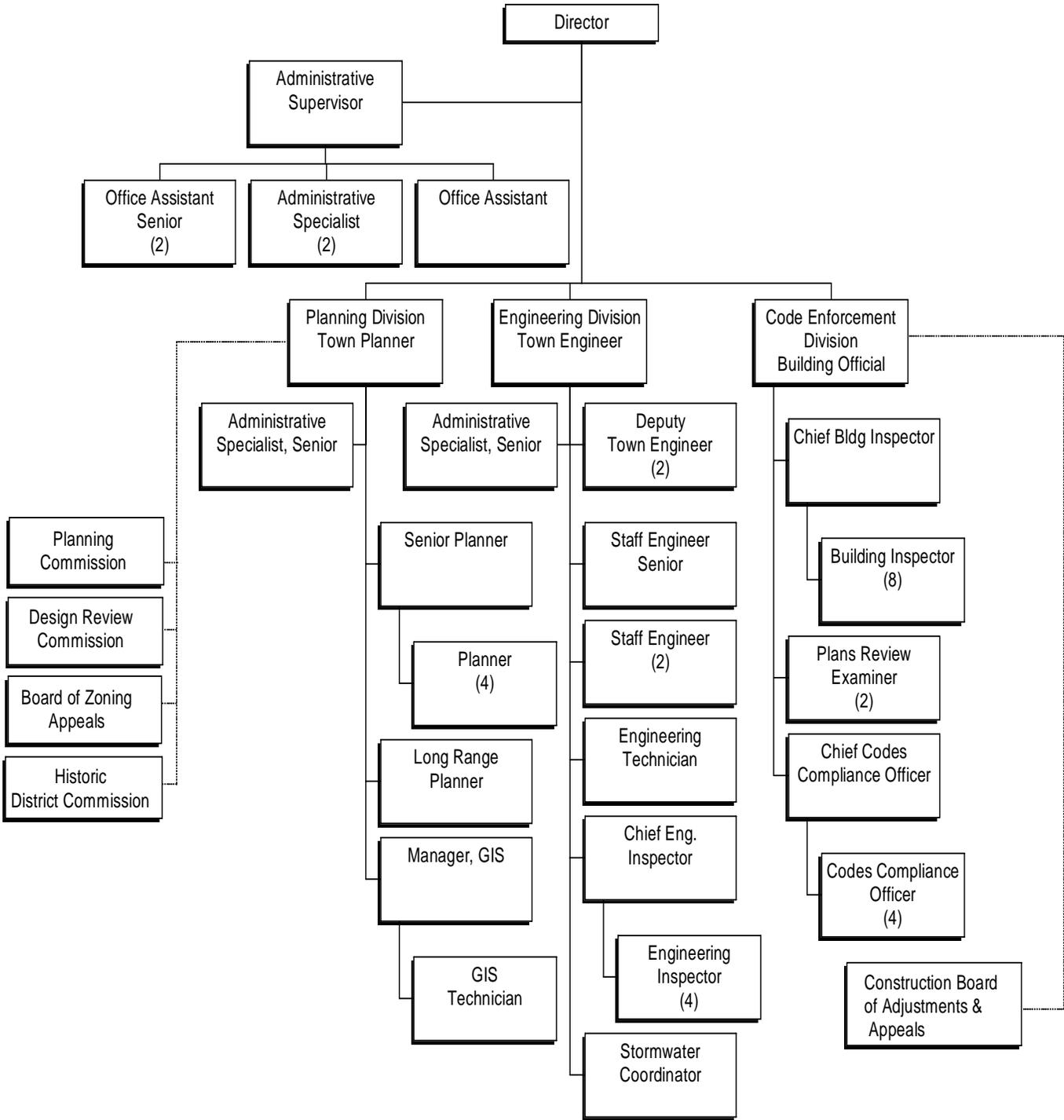
	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 382,163	\$ 384,250	\$ 448,900	\$ 462,986	\$ 610,306
Operating Expense	376,547	475,506	542,232	538,332	660,000
Capital Outlay	0	5,104	15,000	15,000	38,100
Total	\$ 758,710	\$ 864,861	\$ 1,006,132	\$ 1,016,318	\$ 1,308,406
Reduction to expenditures					
Library Fund	(55,244)	(45,193)	(81,979)	(81,979)	(88,979)
Water & Sewer Fund	(57,324)	(57,638)	(67,185)	(69,448)	(91,546)
General Fund	\$ 646,141	\$ 762,030	\$ 856,968	\$ 864,891	\$ 1,127,881

GENERAL SERVICES

Staffing Summary

	Actual FY 06		Estimated FY 07		Budget FY 08	
Salaries	2.0	\$ 103,647	2.0	\$ 110,658	3.0	\$ 165,026
Wages	6.0	167,797	7.0	208,333	8.0	237,527
Part-time		0		0		0
Other Compensation		0		1,000		1,500
Benefits		112,806		142,994		199,551
Merit & General Adjustment				0		6,702
Other Personnel		0		0		0
Total	8.0	\$ 384,250	9.0	\$ 462,986	11.0	\$ 610,306

DEPARTMENT OF DEVELOPMENT



DEVELOPMENT - ADMINISTRATION

The Development Department administration division consists of the Development Director, an Administrative Supervisor and two part-time Office Assistants. This department was created in FY 1997 and functions include department budgeting, purchasing, personnel and payroll.

The Director provides coordination of the three divisions within this department: Planning, Code Enforcement, and Engineering. Responsibilities include providing leadership and motivation to the Division Directors, handling complex functions, special projects and assignments.

The Director should work with the Board of Mayor and Aldermen to assist them in establishing their goals for the Town. Public relations is also a responsibility, as well as, communications with the Town Administrator, Mayor, Aldermen and other Department Directors.

The overall mission of the Development Department is to promote and protect, through professional standards, property values, infrastructure, land use and public safety in accordance with the vision of the Board of Mayor and Aldermen.

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 133,797	\$ 44,499	\$ 64,918	\$ 67,541	\$ 204,784
Operating Expense	62,967	82,156	101,560	92,195	120,211
Capital Outlay	0	0	0	0	1,500
Total	\$ 196,764	\$ 126,654	\$ 166,478	\$ 159,736	\$ 326,495
Reduction to expenditures					
Water & Sewer Fund	(29,515)	(18,977)	(24,972)	(23,960)	(48,974)
General Fund	\$ 167,250	\$ 107,678	\$ 141,507	\$ 135,776	\$ 277,520

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	0.0	\$ -	1.0	\$ 33,735	2.0	\$ 122,795
Wages	1.0	30,452	0.0	0	0.0	0
Part-time	0.0	0	1.0	11,500	2.0	23,000
Other Compensation		0		0		0
Benefits		14,046		22,307		57,554
Merit & General Adjustment		0		0		1,435
Other Personnel	0.0	0	0.0	0	0.0	0
Total	1.0	\$ 44,499	2.0	\$ 67,541	4.0	\$ 204,784

DEVELOPMENT - PLANNING

The Planning Division is responsible for long-range and current planning and maintaining the Town's Geographic Information System (GIS). The Planning Division provides staff support to the Board of Mayor and Aldermen, Planning Commission, Board of Zoning Appeals, Design Review Commission and Historic District Commission. Long-range planning includes updating and revising the Land Use Plan, Zoning Maps, Zoning Ordinances and Subdivision Regulations. Long range planning staff makes recommendations to the Memphis and Shelby County Office of Planning and Development regarding development applications for projects located in Collierville's annexation reserve areas. Communicates with and monitors other municipalities (local and national) relative to regulatory changes, growth, and development issues. Long range planning staff monitors population trends and development trends within the Town and surrounding jurisdictions. Represents the Town on Shelby County Community Development Block Grant (CDBG) Board related matters and coordinates CDBG items with administration and other Town departments. Long range planning staff also works with the Town Engineer on Memphis MPO (Metropolitan Planning Organization) related matters.

Current planning includes reviewing applications for Site Plans, Subdivision Plats, Planned Unit Developments, Rezoning Requests, Variances and Conditional Use Permits, as well as, day-to-day review of building permits, sign permits, fence permits, demolition permits and business licenses prior to issuance and final plats prior to recording. Planning staff also works with the Engineering and Codes Divisions to make adjustments to enhance the review process.

To alleviate the potential negative effects that are often associated with development, the Planning Division is also responsible for design review of building elevations, signage, lighting levels and landscaping. The desired end results are aesthetically pleasing architecture, tree-lined streets, buffers between different land uses, screening of objectionable views and preservation of green open space and the Town's historic character.

The Planning Division develops and maintains statistical information and serves as an information resource to other Town departments, the general public, developers, design professionals and real estate agencies. Planning staff routinely responds to inquiries regarding the proposed development of vacant land, zoning classifications of specific properties, permitted uses on specific properties and the development review process.

GIS staff conducts day-to-day maintenance and updates to the Geographic Information System, maintains address and street names, and processes requests from the Town

and general public for paper and electronic GIS data and maps. GIS databases include Tax Parcels, Zoning, Land Use, Historic District boundaries, Existing Subdivisions, Street Centerlines, and Sewer and Water infrastructure.

FY 2007 Accomplishments

- Adopted and implemented new Design Guidelines manual. The new Design Guidelines are available for download on the Town's website as part of a continuing effort to make information readily available online to citizens and other stakeholders.
- Improved internal Division and Department plans review processes.
- Staff prepared an amendment to the Land Use Plan Map (the first amendment adopted since 2001).
- Staff, working with administration and other Town departments, obtained \$112,500 in Federal funding for local Community Development Block Grant (CDBG) projects for FY 2007.
- Staff prepared a system for developing population estimates on a monthly basis.

FY 2008

Goals and Objectives

Goal: Provide quality service to the customers of the Town of Collierville, while assuring compliance with the Land Use Plan, Zoning Ordinance, Subdivision Regulations, Historic District Guidelines and Design Review Guidelines.

Objectives:

- Continue to monitor and refine the Division functions in order to better facilitate development review. Provide quality customer service and interrelated processes with other divisions and departments.
- Better utilize the Town's website with dissemination of information for customers. Digitize Subdivision regulations and Design Guidelines Manual. Develop a Sign Policy database to be available via the Town's website.
- Inform and provide assistance and/or training to customers regarding changes to processes and amendments to ordinances and regulations.
- Overhaul filing system to assist with expeditious and complete research and information retrieval and to better coordinate with other divisions.

Goal: Preserve the heritage and character of the Town of Collierville through managed growth and development in a way that sustains the Land Use Plan.

Objectives:

- Provide professional and accurate support and guidance to the Board of Mayor and Aldermen, Planning Commission, Board of Zoning Appeals, Historic District Commission and Design Review Commission.

DEVELOPMENT - PLANNING

- Continue to provide accurate and expeditious plan reviews to ensure compliance with and uniform application of land development.
- Encourage and offer training and continuing education opportunities to division staff and Board and Commission members to keep abreast of emerging trends, learn and incorporate new ideas, and gain skills.
- Amend Zoning Ordinance provisions for Planned Developments, and other areas in need of updating and clarification.
- Continue to work with and monitor growth issues and regulatory amendments in other municipalities.

Goal: Have a solid Geographical Information Systems (GIS) database and be able to share information with other departments, municipalities and customers.

Objectives:

- Prepare for delivery and implementation of the 2007 Pictometry image library.

- Continue to support the Town and it's Divisions with their GIS and mapping needs.
- Continue communications and data-sharing arrangements with other municipalities and neighboring County governments.
- Continue to advance employee use of GIS applications.
- Purchase and install ArcGIS Server 9.2 and Oracle Standard Edition
- Develop maps to identify undeveloped land in both the Town's reserve area and within the Town limits.
- Digitize the Town's stormwater system and capture the Town's fire hydrants and water valves in order to provide information to other departments and allow the Town to observe current systems and possible future needs.

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Number of development and pre-application meetings held	132	137	150
Number of hours spent at development and pre-application meetings	148	137	165
Pre-construction meetings attended	15	14	20
Applications processed for each:			
Board of Zoning Appeals	41	33	35
Planning Commission	124	75	100
Design Review Commission	268	106	110
Historic District Commission	24	25	25
Training for staff and Board/Commission members (number of hours)	340	433	420
Review of Business Licenses			
Number of licenses reviewed	291	210	200
Average number of days to complete review	12	7	9
Board and Commission meetings (number of hours)	62	68	68

DEVELOPMENT - PLANNING

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Ensure sufficiency review of all applications within a max of 3 working days of submittal date	3	3	3
Administrative Reviews			
Number of requests	196	48	60
Average no. of days to review	23	22	20
Zoning Verification Letters completed	29	21	25
Maps produced/requested			
Standard	***	***	***
Special Requests	***	***	***
Maps Sold	***	***	***
Data (DWG or Shapefile) sets sold	***	***	***
Total Requests Received (Paper, Graphics, and Data)	186	128	140
(NOTE: A single request may include multiple map sheets.)			
Total Paper Requests	113	97	106
Paper Requests - External	34	13	16
Paper Requests - Internal	79	84	90
Total Map Sheets Produced (8.5x11 up to 36x46)	332	457	480
Map Sheets Sold (External)	48	19	21
Map Sheets (Internal)	284	438	480
Total Digital File (PDF, Graphic, and Data) Requests	73	31	34
Requests - Shapefile Format	4	4	4
Requests - CAD Formats	13	8	10
Requests - PDF Format	17	14	16
Requests - Graphic Formats (JPEG & TIFF)	39	5	6
Total Digital Files Produced	114	32	35
Shapefiles Produced	4	4	4
CAD Files Produced	17	8	10
PDF Files Produced	22	15	16
Graphic Formats Produced	71	5	6

***Data Collection Modified 2006

DEVELOPMENT - PLANNING

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 510,925	\$ 628,088	\$ 711,912	\$ 695,770	\$ 724,053
Operating Expense	49,460	49,123	102,761	96,911	138,401
Capital Outlay	5,174	2,658	55,650	53,000	0
Total	\$ 565,559	\$ 679,869	\$ 870,323	\$ 845,681	\$ 862,454
Reduction to expenditures					
Water & Sewer Fund	(84,834)	(102,002)	(130,548)	(126,852)	(129,368)
General Fund	\$ 480,725	\$ 577,867	\$ 739,775	\$ 718,829	\$ 733,086

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	8.0	\$ 371,728	8.0	\$ 418,750	8.0	\$ 416,915
Wages	3.0	82,126	3.0	89,162	3.0	91,684
Part-time	0.0	0	0.0	0	0.0	0
Other Compensation		0		0		0
Benefits		165,397		185,170		202,298
Merit & General Adjustment		0		0		13,156
Other Personnel	1.0	8,837	0.0	2,687	0.0	0
Total	12.0	\$ 628,088	11.0	\$ 695,770	11.0	\$ 724,053

DEVELOPMENT - ENGINEERING

The Engineering Division is primarily responsible for the oversight of public infrastructure installation throughout the Town. These improvements are the outcome of private development and the Town's Capital Investment Program. The Division provides review, approval and inspection for much public infrastructure (i.e., water, sewer, drainage and streets) installed as part of the private development as well as management of all Development Agreement Contracts. Recently, the Division has begun in-house design for certain projects. Staff coordinates the planning, design, bidding, project management and inspection of all public infrastructure for Capital Investment Projects within the Town of Collierville.

In addition, the Engineering Division serves as a resource for engineering related information to the general public and other departments. Staff routinely assists in matters such as flood area determinations, drainage complaint investigation and follow-up, traffic impact and safety issues associated with private development, fencing, street lighting and coordination with federal, state and local agencies such as the Corps of Engineers, Tennessee Department of Transportation, Tennessee Department of Environment and Conservation, Shelby County and surrounding jurisdictions.

During fiscal year 2007, the Division reviewed plans and specifications and provided project management and/or inspection services for the following Town projects:

- Wolf River Boulevard between Houston Levee Road and Shelton Road. This project was completed under budget.
- Wolf River Boulevard between N. Byhalia and Shelton. This project was completed approximately on-budget.
- Greenbelt overlay
- Nonconnah Greenbelt
- Shelton Road Wastewater Plant upgrades (inspection)
- Northwest Wastewater Treatment Plant (inspection)
- Misc. sidewalks construction (Raintree Subdivision and others)
- Wolf River water main construction was designed and built
- Stormwater system model and mapping begun.

In addition, the Division managed the Development Agreement Contracts and inspections for 121 residential and commercial projects at various stages of development.

FY 2007 Accomplishments

- Emphasis on project management resulted in remaining within established budget on Capital Investment Projects.

- Retained pro-active stance of addressing development projects and issues in face of increased activity and unchanged net staff levels.
- Enhanced Development Agreement to compliment Town's Strategic Plan.

FY 2008 Goals and Objectives

Goal: Improve mobility and traffic flow.

Objectives:

- Build a working traffic model against which proposed developments can be tested
- Provide better signal synchronization within the Town.
- Complete widening of certain routes and improvements to others.

Goal: Commence the Stormwater Initiative.

Objectives:

- Implement and begin using a working model of the southwest quadrant.
- Begin the comprehensive streambank stabilization program.
- Implement streambank buffer zones.
- Revise stormwater detention standards.
- Revise detention facility design standards.

Goal: Preserve the character of Collierville in new development and in existing areas.

Objectives:

- Strictly interpret and apply Town Standards and Specifications.
- Modify as applicable subdivision regulations.
- Completely re-write the Town's Development Agreement to clearly define developer responsibilities and to modernize the procedures.
- Enact the Right-of-Way Ordinance to protect the Town's infrastructure.
- Re-write construction specifications.
- Implement Best Paving Job award to encourage better street construction.
- Implement Best Concrete Job award to encourage better curbs and sidewalks.
- Implement Best Plans of the Year to encourage better plans and reduce workload in the division.

Goal: Augment employee job knowledge/performance.

Objectives:

- Seek out and provide training opportunities for each employee at least one time per year for continuing education specific to job responsibility.
- Challenge each employee to submit at least one idea for improving efficiency, construction standards, etc.
- Ramp up in-house design of projects to respond more quickly to problem areas in Town.

DEVELOPMENT - ENGINEERING

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Private Development			
New private development	38	23	25
Average plans review time (days)	11	15	18
Percent of plans reviewed within 3 weeks of submittal	75%	75%	70%
Letters of Credit released	20	38	38
Letters of Credit reduced	21	21	24
Plats recorded	55	54	50
Capital Investment Program			
Active CIP projects	12	9	10
Number and percent of CIP projects within original contract amount	12/95%	7/78%	9/90%
Number and percent of CIP projects within original contract time	12/75%	6/67%	9/90%

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 709,747	\$ 709,808	\$ 881,858	\$ 868,832	\$ 1,026,897
Operating Expense	95,867	97,556	307,766	147,421	202,054
Capital Outlay	0	22,751	85,925	83,223	44,800
Total	\$ 805,614	\$ 830,115	\$ 1,275,549	\$ 1,099,476	\$ 1,273,751
Reduction to expenditures					
Water & Sewer Fund	(201,403)	(207,529)	(318,887)	(274,869)	(318,438)
General Fund	\$ 604,210	\$ 622,587	\$ 956,662	\$ 824,607	\$ 955,313

Staffing Summary

	Actual FY 06		Estimated FY 07		Budget FY 08	
Salaries	5.0	\$ 264,176	5.0	\$ 307,376	6.0	\$ 380,720
Wages	7.0	237,222	8.0	317,482	8.0	332,148
Part-time		0		0		0
Other Compensation		0		0		0
Benefits		207,430		243,974		301,694
Merit & General Adjustment		0		0		12,335
Other Personnel	0.0	980	0.0	0	0.0	0
Total	12.0	\$ 709,808	13.0	\$ 868,832	14.0	\$ 1,026,897

DEVELOPMENT – CODE ENFORCEMENT

The Codes Enforcement Division of the Development Department is responsible for the administration and implementation of the Town's adopted construction codes, Zoning Ordinance, and Town Code.

Codes Enforcement is further divided into the two branches of Construction Codes and Codes Compliance.

Construction Codes is charged with the responsibility of permitting, review and inspection of all new construction within the Town. Certified plans examiners and inspectors monitor the design and construction of all structures to insure the built environment in which we live, eat, shop, play, worship and visit all meet design standards for life safety and property protection.

Code Compliance staff inspects for compliance with standards established by the Town Code and the Zoning Ordinance which are adopted to insure livability standards and to protect the beneficial interest of the public and the general welfare of the people.

FY 2007 Accomplishments

- The Division continues its soil erosion and sediment control program.
- The Division has continued the process of requiring Pre-Construction Meetings on all new commercial projects prior to permit issuance. The "Pre-Con" Meeting reviews Town requirements and expectations with the Owner, Architect and Contractor.
- The Division staff continues to attend educational classes applicable to maintaining inspector and plans examiner certifications
- The Division staff attended and participated in the Annual Tennessee Building Official's Association Conference and the monthly South West Tennessee Building Officials Association Meetings.
- The Division continues to require the Approved Plans to be available on the commercial job sites at the time of the inspection by the inspector. The change coupled with the Pre-Con Meetings insures a much more stringent adherence to the plans approved by the Town.
- The Division meets regularly with the Memphis/Shelby County Home Builder's Association Builder's Issues Committee.
- The Division created a salary incentive plan to reward inspectors for exceeding minimum job description requirements and provide a competitive salary with surrounding jurisdictions.
- The Division has equipped all inspectors and inspector vehicles with emergency response kits and radios.

- The reconstruction of the front lobby was completed to provide a more user-friendly atmosphere and increase serviceability to the public.
- The existing fee schedule was revised and was adopted by the Board of Mayor and Aldermen.
- Code Compliance has initiated a Welcome Wagon program to welcome all new businesses to Collierville.
- Proactive compliance enforcement was added to keep complaints down and keep court action to a minimum of less than 1%.
- The development of a "Courtesy Notice" was added to the division for a more friendly approach to the enforcement of the Town Code.
- The Division has met and worked with other local Code Enforcement agencies to develop more consistent Building and Town Code requirements and the enforcement of the same.

FY 2008 Goals and Objectives

Goal: Protect the Town's financial security by insuring the construction and maintenance of the Town's building stock meets Town standards.

Objectives:

- Maintain a high level of inspection services to insure existing and new development maintains the maximum possible property values.
- Establish a program for the inspection of older residential and commercial buildings and properties to insure the abatement of unsafe, substandard buildings, signs, and unkempt properties, which present a detriment to the surrounding properties.
- Provide effective, fair and consistent enforcement efforts against recognizable code violations, which detract from Town standards.
- Be trained and prepared for emergency response to natural disasters to allow recovery and reconstruction as quickly as possible.
- Attend training classes on emergency response and disaster mitigation.
- Provide each Division employee with 16 hours of training in job related classes by professional programs.
- Provide each Division employee with 16 hours of in house training relating to process, procedures, and customer service.
- Review the 2003 International Building Codes for possible adoption in the following fiscal year.

Goal: Work to insure a safe and useable community to all inhabitants and visitors and to preserve the historical small town flavor by maintaining the Town design standards.

Objectives:

DEVELOPMENT – CODE ENFORCEMENT

- Insure a thorough inspection process for all building construction to insure young and old, able and disabled are provided with a built environment designed according to nationally recognized standards for safety and livability.
- Provide a permitting and inspection procedure necessary to insure the enforcement of all conditions and requirements established by the Town through the Historic District Commission, Board of Zoning Appeals, Planning Commission, Design Review Commission and Board of Mayor and Aldermen.
- Provide a permitting and inspection process as easy, understandable and efficient as possible without compromising the control necessary to insure development in accordance with Collierville’s character and vision.
- Eliminate fire hazards and other dangerous conditions associated with buildings and building systems (i.e. electrical, mechanical, plumbing, gas) by providing thorough plans review and inspection processes.

Goal: To improve customer service levels within the Division and Department.

Objectives:

- Provide upfront information to prospective development applicants in preconstruction meetings to insure understanding and purposes of review and approval processes.
- Develop and cultivate a customer service mentality in Town employees.
- Empower staff to investigate and evaluate state of the art methods for delivering permitting and inspection services.

- Develop and cultivate a relationship with Germantown, Bartlett and Shelby County to share ideas, programs, procedures and processes for the best results.
- Expose staff to all reasonable available technical and behavioral training programs to insure professionally trained staff.
- Further review of whether to replace the current permit and inspection software program with improved system.

Goal: To establish the reputation of the Town of Collierville Division of Building Codes and Codes Compliance as a leader in the codes enforcement field and customer service.

Objectives:

- Attend and represent the Town at Local, State and Regional Code Enforcement Association Meetings and Conferences.
- Develop and cultivate a relationship with Germantown, Bartlett and Shelby County to share ideas, programs, procedures and processes for the best results.
- Cultivate relationships with legislative delegates.
- Expose staff to all reasonable available technical and behavioral training programs to insure professionally trained staff.
- Review and analyze the latest available building codes for adoption this fiscal year.

Code Compliance Activity

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Inspection Type			
Complaints	602	600	575
Follow up	3,654	3,500	3,595
Self-Initiated	5,965	5,875	6,115
Development	301	299	285
Investigations	449	420	455
Property Maintenance	279	275	230
Continuing Maintenance	309	270	320
Routine	550	510	495
Total	12,109	11,749	12,070

*Pro-active enforcement by Codes Compliance staff has resulted in the number of complaints being less than 1% of the inspections made in FY06 and the number of court actions being less than 1% also.

DEVELOPMENT – CODE ENFORCEMENT

Construction Activity

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Total Units	1,163	794	920
Dwelling	452	224	282
Commercial/Industrial	195	172	193
Miscellaneous	516	398	445
Total Valuation	\$237,618,395	\$174,885,650	\$194,178,635
Dwelling	\$169,168,970	\$77,364,760	\$84,600,000
Commercial/Industrial	\$58,935,911	\$88,062,908	\$100,078,635
Miscellaneous	\$9,513,514	\$9,457,982	\$9,500,000
Total Permits	5,047	3,833	4,293
Building	1,366	1,110	1,243
Electrical	1,434	994	1,113
Plumbing	1,329	998	1,118
Mechanical	918	731	819
Total Inspections	23,950	15,745	17,634
Building	6,766	4,428	4,959
Mechanical	4,236	2,354	2,636
Plumbing	4,849	3,124	3,499
Electrical	5,436	3,812	4,269
Miscellaneous	2,663	2,027	2,270
Total Fees	\$1,310,728	\$1,050,140	\$1,177,611
Building	\$565,816	\$470,373	\$540,930
Electrical	\$147,352	\$131,568	\$144,725
Plumbing	\$154,765	\$106,920	\$122,958
Mechanical	\$135,585	\$91,436	\$105,153
Reinspection	\$164,900	\$50,830	\$53,372
Building Plans Review	\$108,849	\$183,938	\$193,135
Other (Sign, Fence, Code Appeals)	\$33,461	\$15,075	\$17,338
Average # inspections/day	12	7.5	10.7
Average time (minutes) per inspection (including driving & preparation time)	35	56	40
Average # inspectors	8	8	8

DEVELOPMENT - CODE ENFORCEMENT

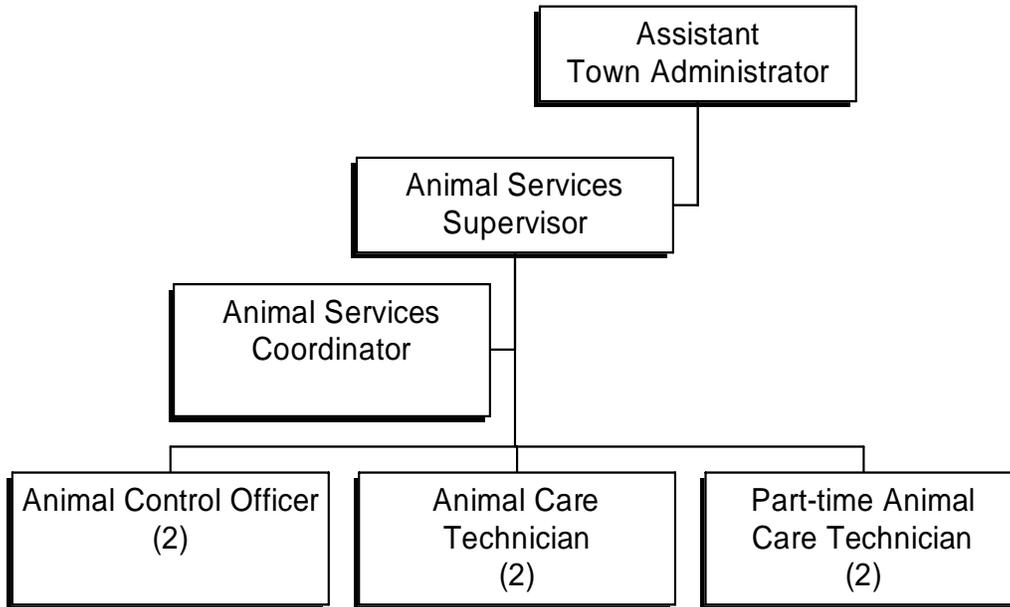
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 818,636	\$ 942,255	\$ 1,094,319	\$ 1,043,811	\$ 1,133,716
Operating Expense	56,760	83,356	90,133	83,102	103,465
Capital Outlay	0	26,889	43,950	39,134	18,250
Total	\$ 875,396	\$ 1,052,500	\$ 1,228,402	\$ 1,166,047	\$ 1,255,431

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	3.0	\$ 157,115	3.0	\$ 152,296	3.0	\$ 173,058
Wages	15.0	499,090	16.0	586,172	16.0	604,032
Part-time	1.0	18,593	0.0	0	0.0	0
Other Compensation		736		0		2,000
Benefits		266,721		305,342		339,785
Merit & General Adjustment		0		0		14,841
Other Personnel		0	0.0	0	0.0	0
Total	19.0	\$ 942,255	19.0	\$ 1,043,811	19.0	\$ 1,133,716

ANIMAL SERVICES



ANIMAL SERVICES

Animal Services is under the direction of the Assistant Town Administrator. The Division consists of the Animal Services Supervisor, the Animal Services Coordinator, two Animal Control Officers, two full-time Animal Care Technicians and two part-time Animal Care Technicians.

The mission of the Collierville Animal Shelter is to provide animal control and safety for citizens of the Town of Collierville and to ensure the health, safety and welfare of the animals in our trust. We do this by responsibly and humanely enforcing state, county and Town animal laws and ordinances; providing nourishment, medical care, and a safe environment for unwanted stray, abused, impounded, and unlicensed animals; educating the public about responsible pet ownership through humane education and community awareness programs; finding new loving homes for the adoptable animals at the shelter, and providing a humane euthanasia to those animals that are not adoptable due to aggression or health related issues. Animal Services also is responsible for responding to rabies control, bite calls, animal attacks, cruelty and neglect investigations, injured animal rescue, animal placement and adoption, and disaster animal rescue.

The Collierville Animal Shelter strives:

- To protect the public and animal health safety in the community, maintaining a safe environment.
- To enforce state, county and Town animal laws and ordinances.
- To provide temporary refuge to those animals that are homeless or rescued from cruelty and neglect, adopt out temperamentally sound, healthy pets and present a positive adoption experience and increase efforts to reunite lost pets and their owners.
- To reduce animal cruelty through stronger ordinances, investigations, partnerships, and educating the public regarding responsible pet ownership, and control of pet overpopulation through aggressive spaying/neutering.
- To promote and support positions that have a positive impact on the quality of life for animals.
- To prevent euthanasia of adoptable animals.
- To place adoptable animals with responsible pet owners.

FY 2007 Accomplishments

- Received \$62,391.71 in donations, which helped to offset operating expenses.
- Created partnership with BellSouth to provide outlet to present programs to the community through sponsorship of booth at annual Collierville Expo.
- Worked in conjunction with state wide animal control agencies.

- Animal Services Supervisor was requested to serve on the Animal Control Association of Tennessee Board of Directors.
- Completed FEMA training and also met TEMA credentialing requirements for staff and volunteers as part of requirement for Homeland Security.
- Continued microchipping program for identification of Shelter and community animals which has resulted in the microchipping of 1500 animals since July of 2005.
- Only Animal Shelter within Shelby County that conducted its own rabies drive to address the rabies concern within the community which brought in \$4,800 extra revenue in four months
- Partnered with the Boy Scouts of America to provide opportunities for Eagle Scout projects which resulted in the completion of two Eagle Scouts projects at the Animal Shelter.
- Received a \$3,000 grant from the ASPCA for the humane education building fund.

FY 2008 Goals and Objectives

Goals: To be a financially sound animal care and animal control services organization.

Objectives:

- Offset operating expenses by receiving \$25,000 in donations.
- Secure \$100,000 in funding for the Humane Education building by July 1, 2008.
- Secure grants and additional funding for animal services through agencies such as SPCA of Memphis (Society for the Prevention of Cruelty to Animals), Assisi Foundation, BellSouth, Humane Society of the United States (HSUS), PetSmart Foundation, and the State of Tennessee.
- Bring in \$10,000 rabies/microchip revenue with monthly rabies/microchip drives.

Goal: To become a more highly visible organization within the community.

Objectives:

- Provide greater visibility for Collierville Animal Services in the community with more offsite adoptions and events.
- Implement measures to expand media coverage through radio and television.
- Partner with SPCA and local businesses to provide scholarship awards through an application process to qualified graduating high school seniors who fulfill specific requirements such as completing a set number of volunteer hours, outstanding service as a volunteer, etc.
- Partner with the Parks and Recreation Department to open a dog park within the community.

ANIMAL SERVICES

Goal: To continuously seek volunteer assistance for the shelter.

Objectives:

- Actively recruit additional volunteers to assist with daily Shelter duties and various special projects.
- Actively recruit additional high school students for community service hours.
- Work with Memphis/Shelby County court system on community service hours for minor offenses.

Goal: To continue to promote animal education within the community.

Objectives:

- Create a website dedicated entirely to Collierville Animal Services that offers information for more humane education, animal related state and local ordinances, and familiarizes citizens on outreach programs currently available.
- Provide the Collierville library with animal care and animal training information for public access.
- Continue to provide funding and services for no cost spay/neuter for low income families in order to reach 150 animals by June 30, 2008.
- Help make pets a part of the community by providing programs such as “Canine Good Citizenship” and DVD’s on animal care at the Shelter.
- Revise existing ordinances and implement new ordinances to focus on new ideas to improve animal safety such as prohibiting electronic/invisible fencing and tethering as primary containment.

Goal: To implement measures to allow for more accountability and efficiency.

Objectives:

- Require staff to complete call out sheets for accountability of time and mileage for after hours call initiated through Dispatch.
- Schedule veterinary clinic visits for animal drop offs and pick ups to maximize efficiency of staff time.
- Train all staff and core volunteers in CPR and First-Aid in order to be First Responders in disasters by September 1, 2007.
- Provide customer service training for all staff and volunteers who work with the public by utilizing training videos available through Human Resources.
- Provide each full time employee with a minimum of eight hours of training pertaining to animal related issues.

Goal: To continue to expand relationships with area businesses.

Objectives:

- Partner with area corporations to promote opportunities for employees to participate in a matching contribution program.
- Continue to forge partnerships with area businesses for support.
- Attract businesses that would like to be recognized as a sponsor of various programs or projects since shelter programs and projects are often promoted through various media outlets and can be associated with an animal friendly community.
- Explore ways to provide various advertising opportunities to businesses that continuously support the shelter.

ANIMAL SERVICES

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Animals taken in at shelter	1,500	1,600	1,700
Percent of animals taken in that were:			
surrendered	13%	13%	15%
strays brought in	87%	88%	85%
Animal Control Officer pick-up	600	700	800
Percent of animals:			
Adopted out	57%	55%	55%
Reclaimed	23%	25%	20%
Euthanized	20%	25%	25%
Animals adopted out	850	800	935
Animals reclaimed	350	320	340
Animals euthanized	300	480	425
Animals spayed/neutered at shelter:			
Dogs			
Spayed	208	214	250
Neutered	181	191	200
Cats			
Spayed	194	191	200
Neutered	153	210	
Calls responded to within 24 hours	2,500	3,500	5,000
After hour call-outs	40	50	30
Number of visitors at Shelter	6,500	9,000	11,000
Number of volunteer hours	10,000	12,000	15,000
Number of Kids Camp attendees	120	140	160
Number of humane education			
Adults	200	250	250
Children	1,500	1,500	1,800
Donations	\$22,104	\$25,000	\$30,000
Animals served by no cost spay/neuter program	78		150
Adoptions placed with animal rescue group			
Cats	15	25	25
Dogs	15	30	40
Adoption of other pets (chickens, rabbits, goats, etc.)	10	10	15
Dog bites	60	80	
Court appointed service hours	2,500	1,500	1,500
Percent of total visits to shelter made on Saturday	34%	40%	50%

ANIMAL SERVICES

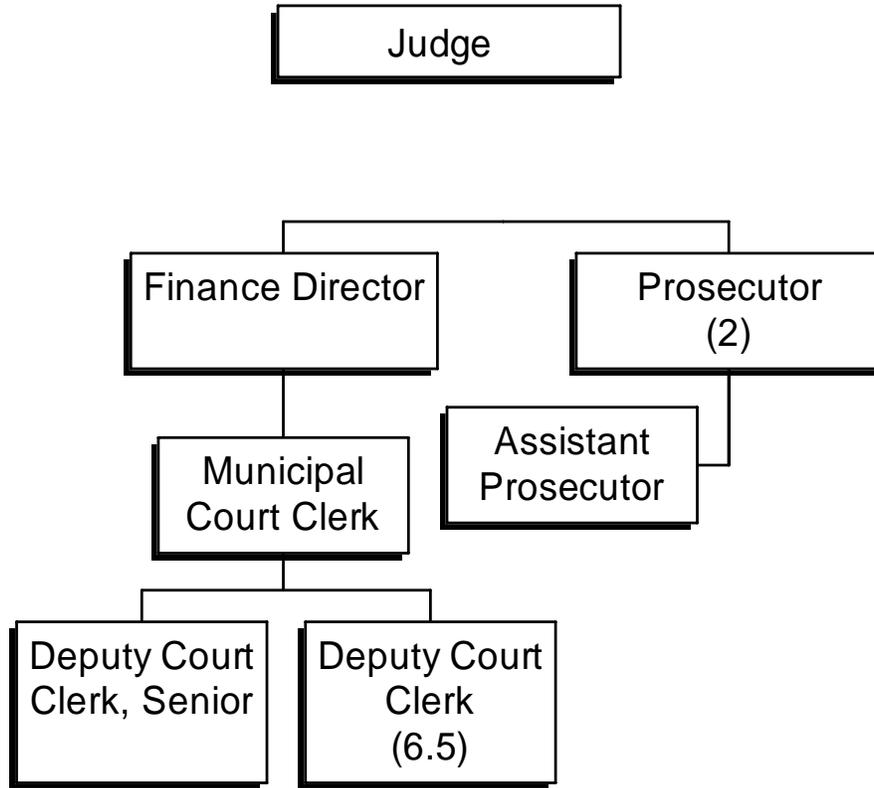
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 212,462	\$ 227,714	\$ 323,238	\$ 298,692	\$ 356,291
Operating Expense	84,775	98,650	108,884	110,393	120,824
Capital Outlay	12,496	0	46,850	44,435	4,200
Total	\$ 309,733	\$ 326,364	\$ 478,972	\$ 453,520	\$ 481,315

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	1.0	53,070	1.0	\$ 53,877	1.0	\$ 55,819
Wages	3.0	86,407	5.0	\$ 130,974	5.0	\$ 157,881
Part-time	2.0	20,477	2.0	15,335	2.0	20,904
Other Compensation		3,808		4,800		4,800
Benefits		63,952		93,705		112,354
Merit & General Adjustment		0		0		4,534
Other Personnel		0	0.0	0	0.0	0
Total	6.0	\$ 227,714	8.0	\$ 298,692	8.0	\$ 356,291

MUNICIPAL COURT



MUNICIPAL COURT

This is a municipal court with general sessions jurisdiction. This court exercises original jurisdiction over all misdemeanor cases. Felony cases are heard up to the preliminary hearing stage in this court. In addition, the court decides traffic cases and city ordinance violations. There is one Judge who presides over six or seven permanent court dates a month and as many times as needed for special court. He is elected for an eight-year term. The Town employs three prosecutors, one Municipal Court Clerk, a Deputy Court Clerk, Senior, six (6) Deputy Court Clerks, and one (1) part-time Deputy Court Clerk.

The Court Clerk's Office prepares, processes, and maintains all legal documents and records pertaining to Court; collects and accounts for all fines, forfeitures, fees and court cost; and reports and distributes funds to city, county and state agencies on a monthly basis.

The Clerk's Office also issues warrants, subpoenas, writs of Mittimus, and is responsible for transferring appeals to the appropriate courts, and processing felony/misdemeanor cases held to the state for presentation to the Grand Jury.

FY 2007 Accomplishments

- Met with architectural firm to develop plans for new court facility to improve court efficiency, customer service, and security.
- Researched and implemented \$13.75 City Litigation Tax to be used for courthouse and/or jail construction, renovation, upgrading and debt service.
- Reorganized and relocated staff to give temporary relief for crowded workspace.
- Collected over \$1,000,000 in revenue.
- Prepared and processed court docket with 28% increased caseload.
- Upgraded ADSI Court Reporting software and provided employee training.
- Provided four hours training in court procedure, court cost, and customer service to eight employees.
- Provided Excel training to four employees.
- Judge and Court Clerk completed required training with Administrative Office of the Courts and Department of Safety.
- Provided eight employees with sexual harassment training.
- Consulted with and provided information to Bartlett Municipal Court concerning allowable court cost, cost bills, and court procedure.
- Submitted monthly financial reports and disbursements to state and county by the 15th of each month.

- Electronically reported traffic convictions and failure to pay cases to Department of Safety within three (3) business days of the court docket.
- Provided docket report to requesting attorneys five (5) business days before court hearing.
- Prepared and process Petitions to Show Cause for failure to comply with order to pay fines and cost.
- Developed and implemented a Report Fine Program to monitor defendants' accounts for installment payments.
- Developed and implemented program to turn over delinquent fines and costs to attorney for garnishment, bankruptcy, and collections.

FY 2008 Goals and Objectives

Goal: Improve efficiency of court functions.

Objectives:

- Update court data, process court judgments, and prepare Court Docket for the Judge and Court Clerk's signature the following business day after court.
- Conduct Court Clerk's Workshop for Shelby County Municipal Courts with General Sessions Jurisdiction and court employees.
- Provide four (4) hours court procedures, policy, and court cost training for each employee.
- Provide six (6) hours ADSI Court Reporting software training to eight (8) employees.
- Judge and Court Clerk to complete required Administrative Office of the Courts and Department of Safety training program.

Goal: Plan Court Expansion.

Objectives:

- Meet with architectural firm to discuss plans for court expansion and bid out by April 2008.
- Collect city litigation tax to be used toward court expansion and police renovation.
- Collection courtroom security fee to be used for enhancing court security.
- Maintain current staff levels to process increasing caseload until completion of new court facility.

Goal: Improve customer service performance.

Objectives:

- Provide one (1) hour customer service training for each employee.
- Provide docket report to requesting attorneys five (5) business days before court hearing.
- Complete and submit monthly financial reports and disbursements to the state, county, and internal agencies by the 15th day of each month.
- Electronically report traffic convictions and failure to pay cases to Department of Safety within three (3) business days of the court docket.

MUNICIPAL COURT

Goal: Enhance collections of fines and court cost.

Objectives:

- Develop and implement on-line payments.
- Process NRA Collection Agency, Attorney Collections, and payments received by mail within one (1) business day of receipt of payment.
- Monitor balance reports for payment accuracy.
- Balance cash drawer three (3) times daily to reduce payment errors, overages and shortages.
- Monitor, process, and submit delinquent defendant accounts for collections, garnishment, and bankruptcy to attorney by the 15th day of each month.
- Monitor, process, and turn over delinquent traffic tickets to collection agency by the 15th day of each month.

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 437,126	\$ 470,479	\$ 517,656	\$ 511,670	\$ 548,856
Operating Expense	54,938	47,583	88,380	74,100	85,500
Capital Outlay	5,793	1,420	4,100	2,750	0
Total	\$ 497,857	\$ 519,482	\$ 610,136	\$ 588,520	\$ 634,356

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	2.0	\$ 91,806	2.0	\$ 97,211	2.0	\$ 105,541
Wages	6.0	164,922	7.0	201,831	7.0	205,004
Part-time	5.0	91,900	4.0	78,078	4.0	82,254
Other Compensation		0		0		0
Benefits		121,852		134,550		150,357
Merit & General Adjustment				0		5,700
Other Personnel	0.0	0	0.0	0	0.0	0
Total	13.0	\$ 470,479	13.0	\$ 511,670	13.0	\$ 548,856

MUNICIPAL COURT

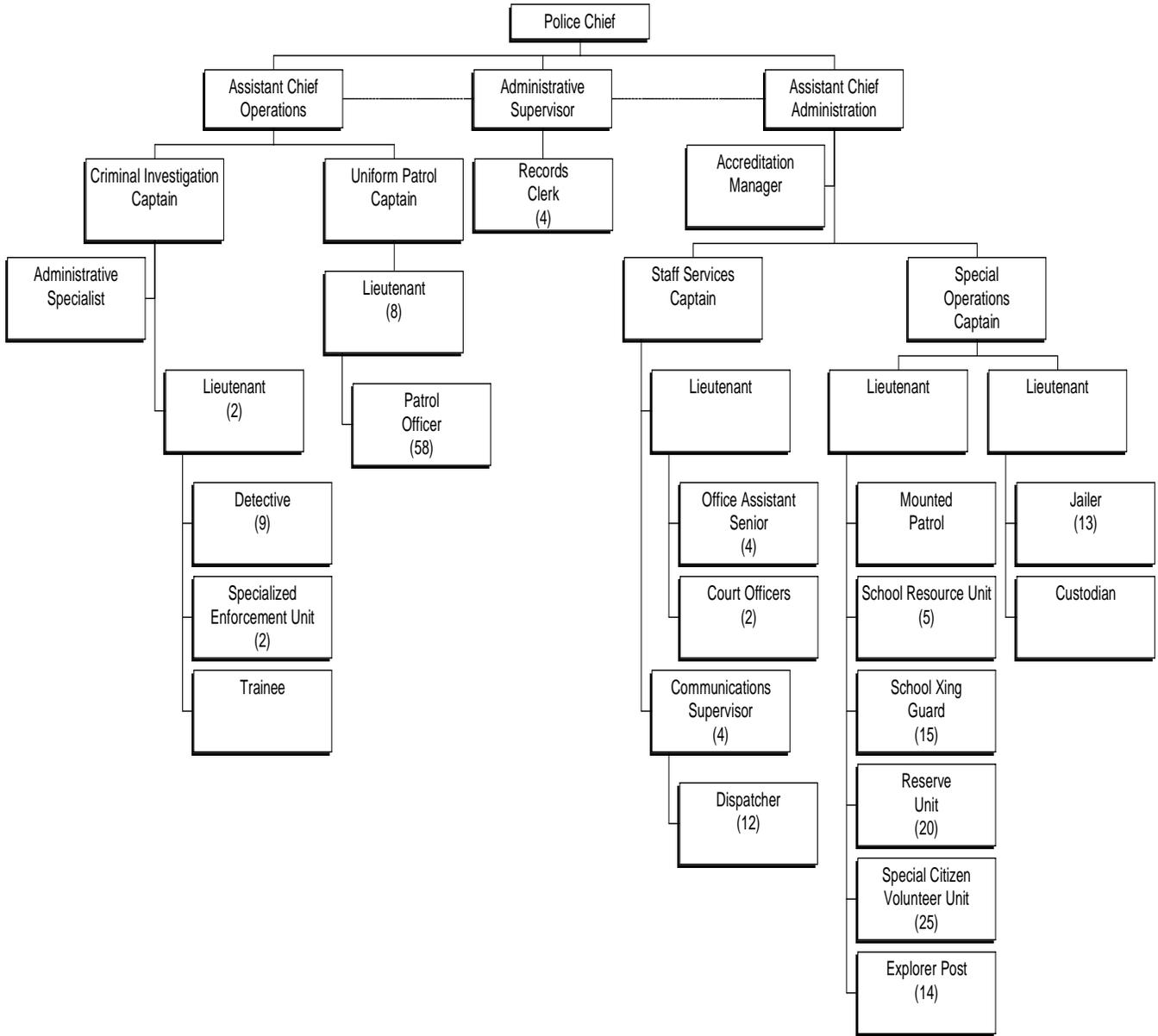
Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Total Charges			
Charge Dispositions	18,213	16,163	16,675
Held to state (Grand Jury)	575	432	450
Guilty plea	1,568	1,313	1,380
Guilty verdict	136	149	155
Dismissed with cost	3,551	3,719	3,800
Forfeits	4,876	5,522	5,585
Active pac (unpaid tickets)	802	809	820
Other (nolle pros/dismiss w/o cost)	1,437	1,330	1,350
Total Cases			
Case Dispositions			
Criminal cases	1,827	1,705	1,800
Traffic cases	8,307	9,827	9,900
Total cases on docket	16,026	14,582	14,875
Percent of cases disposed	63%	79%	79%
Defendants w/misdemeanor dispositions	875	925	840
Warrants processed	661	609	625
Traffic tickets processed	9,424	11,538	11,875
* Parking tickets processed		580	625
**New cases set for court	10,048	7,841	8,250
* New statistic beginning FY 2007			
** Changed measure in FY 2007 from counting DL history to counting court judgments prepared			
Revenue collected	\$1,104,260	\$1,174,000	\$1,225,000
New active collection cases	215	270	310
Criminal collection cases paid in full	218	176	200
* Traffic cases turned over to collection agency	1,464	689	775
** Traffic fines/costs turned over to collection agency	418,603	171,857	195,000
Amount recovered by collection agency	59,600	62,239	67,000
Amount disbursed by collection agency to court	50,550	52,514	56,950
Scheduled court docket			
Sessions	144	144	142
Days	72	72	71

* New statistic beginning fy06

** Delinquent traffic tickets from 2000 through 2006 sent to collection agency in fy06

POLICE DEPARTMENT



POLICE DEPARTMENT

The Collierville Police Department is dedicated in its efforts to preserve and strengthen community bonds through exceptional service with honesty, compassion, and integrity. The dedication and sacrifices made by our members to provide exceptional service exemplifies our commitment to the community. The Collierville Police Department serves as a model agency for other departments across the nation. The services provided to the community stem from five divisions within the police department structure. These divisions are Administration, Uniform Patrol, Criminal Investigation, Staff Services, and Special Operations.

•**Administration** The Administrative Division is responsible for ensuring the effective and efficient delivery of all police services. Managing capital investment projects, budget analysis, planning and research, fiscal management, crime analysis, and the accreditation process are among the multitude of tasks accomplished by these professionals each day. Personnel assigned to the administrative function serve the citizens of Collierville with dedication, pride and integrity.

•**The Uniform Patrol Division** is the backbone of any police organization. A majority of the full-time commissioned personnel belong to this division. The Division's operational procedures and guidelines have a direct effect on the total efficiency of the department. This division is divided into four primary units. These units are patrol, traffic, K-9, and SWAT. The primary functions include but are not limited to: preventive patrol, crime prevention and deterrence, response to calls for service, traffic control, direction and enforcement to ensure maintenance of public order, crisis intervention, and the development of partnerships within the community.

•**The Criminal Investigation Division** provides the Town with professional and skilled investigators who are available twenty-four hours a day, seven days a week. These multifunctional employees complete all crime scene investigations, criminal investigations, interrogations, personnel background checks, and internal affairs complaints. This division also houses the Victim/Witness Assistance and Domestic Violence Unit and Combined Service Unit that investigates illegal narcotics.

•**Staff Services** The Division of Staff Services is divided into five units that include: Public Relations, Training, Communications, Court Officer, and Office Assistants. These highly trained employees form the support structure of the police department. Their professionalism and dedication to achieving the goals and objectives of the Collierville Police Department enables all police functions to operate smoothly and efficiently.

•**Special Operations** The Special Operations Division is the largest division consisting of full-time commissioned, full-time non-commissioned, part-time and volunteer personnel. The Special Operations Division is divided into nine units of specially trained members. These units include: Mounted Patrol, Bike Patrol, School Resource Officer, Jail, Building Maintenance, Boy Scouts of America Law Enforcement Explorer's Post, Special Citizen Volunteers, Reserve Police Officers, and School Crossing Guards. The members of each unit are assigned positions based on their respective specialization to promote and achieve the goals and objectives of the Collierville Police Department.

FY 2007 Accomplishments

- Ranked 1st among all the Tennessee law enforcement agencies for fund raising to benefit Special Olympics.
- In our resolve to be fiscally responsible, we were able to save overtime costs of \$186,505.35 by utilizing Special Citizen Volunteer Patrol (SCVP) and Reserve Police Officers for selected functions while promoting a safe environment.
- Met our goal of maintaining a high visibility at dangerous traffic locations during peak hours and to target causative factors, which lead to accidents and traffic congestion. This was accomplished through a grant from the Governor's Highway Safety Office and resulted in a decrease of 11% in injury crashes.
- Were awarded Homeland Security Grants, which allowed us to purchase specialized equipment and training specific to catastrophic events and terrorism at no cost to the Town.
- Met our goal for maintaining a highly visible Police presence in our business community for the perception of security and so that businesses could flourish.
- The Specialized Enforcement Unit removed illegal drugs from our streets while seizing a grand total of \$377,833.00 in cash, vehicles and other assets.
- The CIT (Crisis Intervention Team) and officers responded to 63 calls for help without a single injury. Highly trained negotiation skills were used in all incidents.
- The Training Office hosted five post certified schools for our officers which minimized the expense of travel associated with outside schools.
- Citizens Police Academy completed its eleventh session to help promote community involvement and awareness of the department. These citizens gain an understanding of the intricacies of police work and often help the department by becoming ambassadors.
- Delivered advisory sessions and programs such as Fatal Vision through our SRO's (School Resource

POLICE DEPARTMENT

Officers) to over 11,276 students and did not have a juvenile alcohol related fatality.

- CALEA awarded reaccreditations to the police department for its continued excellence in law enforcement. Collierville is only one of four agencies in west Tennessee to achieve accreditation for professional standards.

FY 2008 Goals and Objectives

Goal: To continue to be a high service performance organization.

Objectives:

- Provide leadership training to newly promoted employees in order to help achieve goals and objectives set forth by the department and the Town.
- To publicly commend exemplary employee performance throughout the year and to reinforce service above self-mentality through the use of the media.
- To remain fiscally responsible through sound accounting and business practices for assets entrusted to us by the Town.
- Continue to place citizens first in order to achieve a high level of citizen satisfaction with Town services.

Goal: To maintain the trust of the public.

Objectives:

- To hold employees to a higher level of ethics in order to be above reproach.
- To increase community input into decision-making and advisory sessions in order to identify and meet the needs of the community.
- To act in the best interest at all times for the community and to be selfless when resolving conflicts and problems.
- To obtain and deploy state of the art equipment in order to respond appropriately to all situations and ensure the safety of the community.

Goal: To create a safe working environment in order to reduce insurance claims.

Objectives:

- To keep employees safe through the proper use of specialized equipment.
- To work closer with Human Resources for education in safety practices and standards during the year.
- To provide training for all first line employees who are at risk for serious bodily injury or death in order to increase safety awareness.

POLICE DEPARTMENT

Performance Measures

Statistics	Actual CY 06	Estimated CY 07	Projected CY 08
Population	43,812	45,142	46,342
Sworn Officer Complement	87	98	102
Civilian Employees	48	58	60
Volunteers	25	25	25
Reserves	18	20	20
Explorers	11	15	15
Total Incoming/Outgoing Phone Calls	127,734	128,076	129,000
# of Calls Officers Dispatched On	20,712	21,290	23,050
Alarm Calls	2,992	2,340	2,433
911 Calls	749	809	873
Traffic Warnings	9,058	9,782	10,564
Traffic Citations	11,444	11,901	12,377
Uniformed Narcotic Arrests	151	163	181
Special Weapons and Tactics (SWAT)	3	6	8
Crisis Intervention Team Calls	58	62	67
Specialized Enforcement Unit	123	110	120
Total DUIs	120	130	140
Total Crashes	1,163	1,256	1,355
Assaults	155	227	334
Auto Thefts	48	58	70
Burglaries	127	179	252
Homicides	0	1	1
Larcenies	706	995	1,402
Rapes	19	24	30
Robberies	29	15	8
Local Organizations "Partnered" with	30	35	40
Neighborhood Watch Groups	96	109	115
Citizen Survey (every 3 years)	No	No	Yes

Activity	Actual CY 06	Estimated CY 07	Projected CY 08
Calls for Service	40,847	44,116	47,645
Average Response Time	3:34	3:45	4:00
Total Training Hours	18,853	19,000	19,750
Agency Hosted Training Courses	5	6	6
Officers per 1,000 Population	2.00	2.18	2.11
Assigned Criminal Cases to CID	1,514	1,635	1,765
Percentage of Criminal Cases Cleared	66%	66%	66%
FBI Part I Offenses Clearance Rate	49%	49%	49%
Prisoners Processed	1,777	1,848	1,921
Volunteer Hours Worked	6,058	6,500	7,000
Reserve Hours Worked	1,120	1,500	1,700
Dollars Saved Using SCVPs*+	\$162,109.00	\$164,000.00	\$166,000.00

POLICE DEPARTMENT

	Actual CY 06	Estimated CY 07	Projected CY 08
Dollars Saved Using Reserves+	\$24,395.00	\$25,370.00	\$26,384.00
SRO** Topics for Youth	26	26	26
% of Eligible Students Reached Through SRO	100%	100%	100%
% of Eligible Schools Covered by SROs	100%	100%	100%
Adults Reached through SRO Training	11,276	11,500	11,750
Total # of Community Events Involving Police Department	108	117	126

*Special Citizen Volunteer Program

**School Resource Officer

+Previously combined figure of SCVP/Reserves Savings

Resource on Crime and Community from Police Annual Report

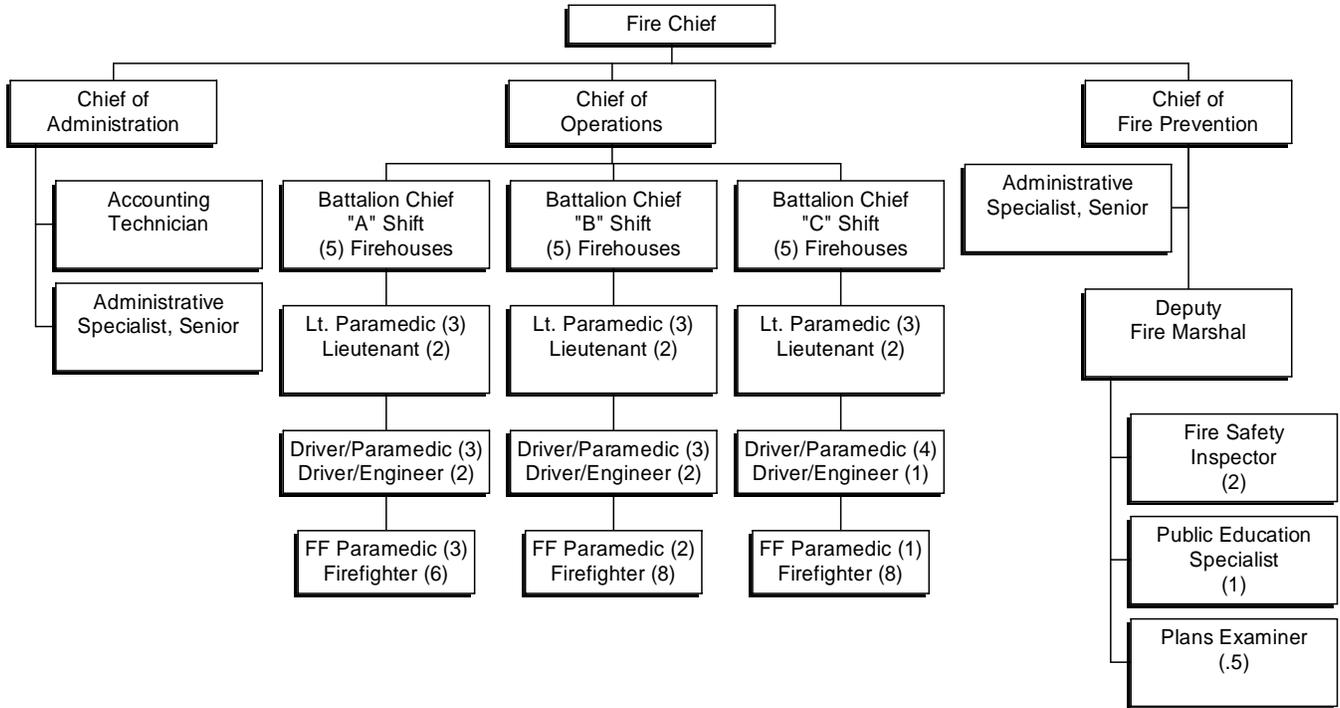
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 6,517,735	\$ 6,856,914	\$ 8,242,312	\$ 7,664,211	\$ 8,755,594
Operating Expense	475,612	670,747	893,969	867,917	1,020,335
Capital Outlay	136,366	349,080	486,657	481,157	261,950
Total	\$ 7,129,714	\$ 7,876,741	\$ 9,622,938	\$ 9,013,286	\$ 10,037,879

Staffing Summary

	Actual FY 06		Estimated FY 07		Budget FY 08	
	9.0	\$ 586,493	9.0	\$ 629,447	9.0	\$ 640,618
Salaries	9.0	\$ 586,493	9.0	\$ 629,447	9.0	\$ 640,618
Wages	118.0	4,177,437	124.0	4,564,666	130.0	5,067,082
Part-time	15.0	64,418	15.0	79,402	15.0	92,676
Other Compensation		164,728		203,187		222,571
Benefits		1,863,839		2,187,509		2,589,560
Merit Step & General Adj.		0		0		143,088
Other Personnel	0.0	0	0.0	0	0.0	0
Total	142.0	\$ 6,856,914	148.0	\$ 7,664,211	154.0	\$ 8,755,594

FIRE DEPARTMENT



FIRE DEPARTMENT

The mission of the Collierville Fire & Rescue is to foster a philosophy which values employee contributions, promotes teamwork and participation, provides the highest quality of customer service, and assures a positive atmosphere directed toward a service-oriented delivery system with a vision for the future.

This department is dedicated to customer service, both internally and externally. We will respond to all requests efficiently and take pride in providing the highest quality of service with an attitude of professionalism. We will always consider the benefit of our services to those whom we serve.

We shall provide complete emergency, fire and advanced emergency medical service for the community. We will be innovative in learning and embracing new technologies and services. Our training will continually be improved and reflect the ever-changing technological advances. We will share our success, and listen and learn from others.

Collierville Fire & Rescue exists exclusively to provide a professional level of selected safety services to the general public within the Town of Collierville and in accordance with existing automatic and mutual-aid agreements. Professional service delivery requires that the members of the department:

- Provide the best possible fire protection and advanced emergency medical services to our community;
- Provide proactive programs that maintain and improve fire safety education throughout our community;
- Provide for a fire-safe environment throughout the community by enforcing the requirements of the Town's fire code, emphasizing voluntary compliance through education;
- Maintain and improve their knowledge, skills, and abilities in all aspects of the fire service by actively participating in the training program and available training opportunities;
- Share their knowledge and skills by lending enthusiastic support to fellow firefighters and other members of the emergency service community;
- Conduct themselves in a manner that shows respect toward our community, fellow employees, members of the department, and members of other agencies;
- Maintain the vehicles, equipment, and facilities of the department in a high state of readiness and cleanliness at all times.
- Maintain and improve interagency cooperation and mutual respect among all other interacting organizations and their members.

•**Office of the Fire Chief** is responsible for overall applied strategic and operational planning, formulating departmental policy and coordinating activities of the various divisions to achieve established planned goals and objectives, as well as, continued development of the department in terms of service delivery capacity and capability.

•**Administration** under the direction of the Assistant Chief of Administration is responsible for planning and developing the support requirements for the department. Specific areas of responsibility include: Financial Management, Communications, Emergency Medical Services, Inventory and Supply Control, Maintenance Management, Research and Development, Management Information Systems, Public Information Management and Human Resource Management. The division also coordinates with other Town departments, general counsel and works in collaboration with the Fire Chief to develop operational and strategic planning.

•**Fire Prevention** under the direction of the Assistant Chief of Fire Prevention is responsible for enhancing fire safety and life safety in the community, primarily through the development and enforcement of the Fire Code. The Division inspects new and existing buildings for Fire Code compliance, and is the primary source of general and technical information for property owners, facility managers, contractors and the public on Fire Code requirements. The Division enhances public safety through Fire Safety educational activities in schools, homes and businesses. The Division also investigates the causes of fires and related incidents, and works with law enforcement officials to reduce the incidence of arson in the community. Areas of responsibility include: Fire Protection and Water Supply through Plans Review, Fire Investigative Services, Fire Code Administration, Fire Prevention, Fire Records Management Systems and Public Fire Safety Education.

•**Operations** under the direction of the Assistant Chief of Operations provides life safety, fire protection and customer service to the community through the delivery of Fire Suppression and Protection, Specialized Technical Rescue Operations, Hazardous Materials Incident Control Measures and Preplanning. The division also has the responsibility of planning, directing, supervising, revising and publishing all monthly training schedules, training publications, SOP's, memos, letters and such other publications as may be required for the establishment, conduct, and implementation of an effective training program. Responsibilities also include developing written standard operating procedures and maintaining current records on all personnel covering the type and amount of training received yearly, keeping abreast of any state laws concerning training and implement such as necessary.

FIRE DEPARTMENT

FY 2007 Accomplishments

- Hired additional full-time Fire Inspector.
- Hired additional permanent part-time Public Education Specialist.
- Awarded \$193,500 for Self-Contained Breathing Apparatus (SCBA) through the Assistance to Firefighter Grants.
- Awarded \$58,477 for a Mobile Fire Safety House through the Assistance to Firefighters Grant Program; Fire Prevention and Safety Grants.
- Awarded \$41,020 for an Air Service Truck through the State Homeland Security Fire Service Grant.
- Awarded \$8,000 for Training Equipment through the National Incident Management System (NIMS) Homeland Security Grant.
- Applied for \$175,560 for Structure Firefighting Protective Clothing (turn-out gear) through the FY2007 Assistance to Firefighter Grant.
- Applied for \$42,000 for Mass Casualty Incident (MCI) Trailer through Metropolitan Medical Response System (MMRS) Grant.
- Renegotiated new Ambulance Service Contract and Intergovernmental Agreement for more Ambulance Services.

FY 2008 Goals and Objectives

Goal: Implement an Electronic Fire Code Field Inspection Program.

Objectives:

- Begin field trials of new electronic Fire Code Field Inspection software utilizing tablet computers by July 15, 2007.
- Reduce the overall average inspection time by twenty-two percent (22%).

- Eliminate data key-punch errors and reduce data key-punch hours by 85% within twelve months of implementing the program.
- Eliminate duplicate paper forms and data entry errors and provide instant access to that information for updates.

Goal: Construction of a Centralized Fire Headquarters for Administration and Fire Prevention.

Objectives:

- To improve work productivity and efficiency by consolidating staff services for both Fire Administration and Fire Prevention Bureau.
- To begin construction by mid-September 2007 with anticipated completion within nine months.
- To provide a multi-use training room, which may be used for community meetings, staff conferences and easily converted to an Emergency Operations Center.
- To provide adequate office and storage space for all levels of administration.

Goal: Lowering the Town's Public Protection Classifications issued by the ISO Commercial Risk Services, Inc.

Objectives:

- To lower the Town's protection class "4" to a protection class "3" within the next twelve months.
- To directly impact every person who purchases insurance on a structure within our community by lowering their insurance premiums.
- The savings of one point on the ISO rating is approximately 6.8% of a homeowner's insurance premium, which on a \$100,000.00 new home is equivalent to 6.8 cents per \$100.00 value.

FIRE DEPARTMENT

Performance Measures

Activity	Actual	Estimated	Projected
	FY06	FY 07	FY 08
Population	43,812	45,142	46,342
Total Number of Calls	2485	2566	2669
Avg. Response Time All Incidents (min:sec)	4.25	4.54	5
Fire Dollar Loss	1,244,635.00	976,845.00	714,413.00
Dollar Value Saved	9,051,134.00	11,325,891	8,412,036
Fire Dollar Loss Per Capita	28.41	21.64	15.42
Structure Fires	43	60	46
Vehicle Fires	18	17	18
Outside Fires	76	78	82
Other Calls (for public assistance and alarms)	707	706	741
Emergency Medical Calls (EMS)	1641	1650	1732
Percent of Calls That Are False Alarms	15%	16%	16%
Civilian Injuries	4	0	0
Civilian Fire Fatalities	3	0	0
Mutual Aid Given (to other municipalities or counties)	45	54	50
Mutual Aid Received (from other municipalities or counties)	10	11	10
Total Inspections	1799	2776	2500
Avg. Number of Inspections Per Inspector	600	925	833
Total Hazards	170	2966	2000
Total Hazards Corrected	157	2884	1900
Total Fire Investigations	29	20	25
Hours Spent Inspecting	810	1122	1100

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 4,527,726	\$ 4,788,376	\$ 5,374,536	\$ 5,233,948	\$ 5,957,203
Operating Expense	498,812	484,145	605,810	552,331	900,477
Capital Outlay	49,685	69,379	281,717	58,587	217,300
Total	\$ 5,076,223	\$ 5,341,901	\$ 6,262,063	\$ 5,844,866	\$ 7,074,980

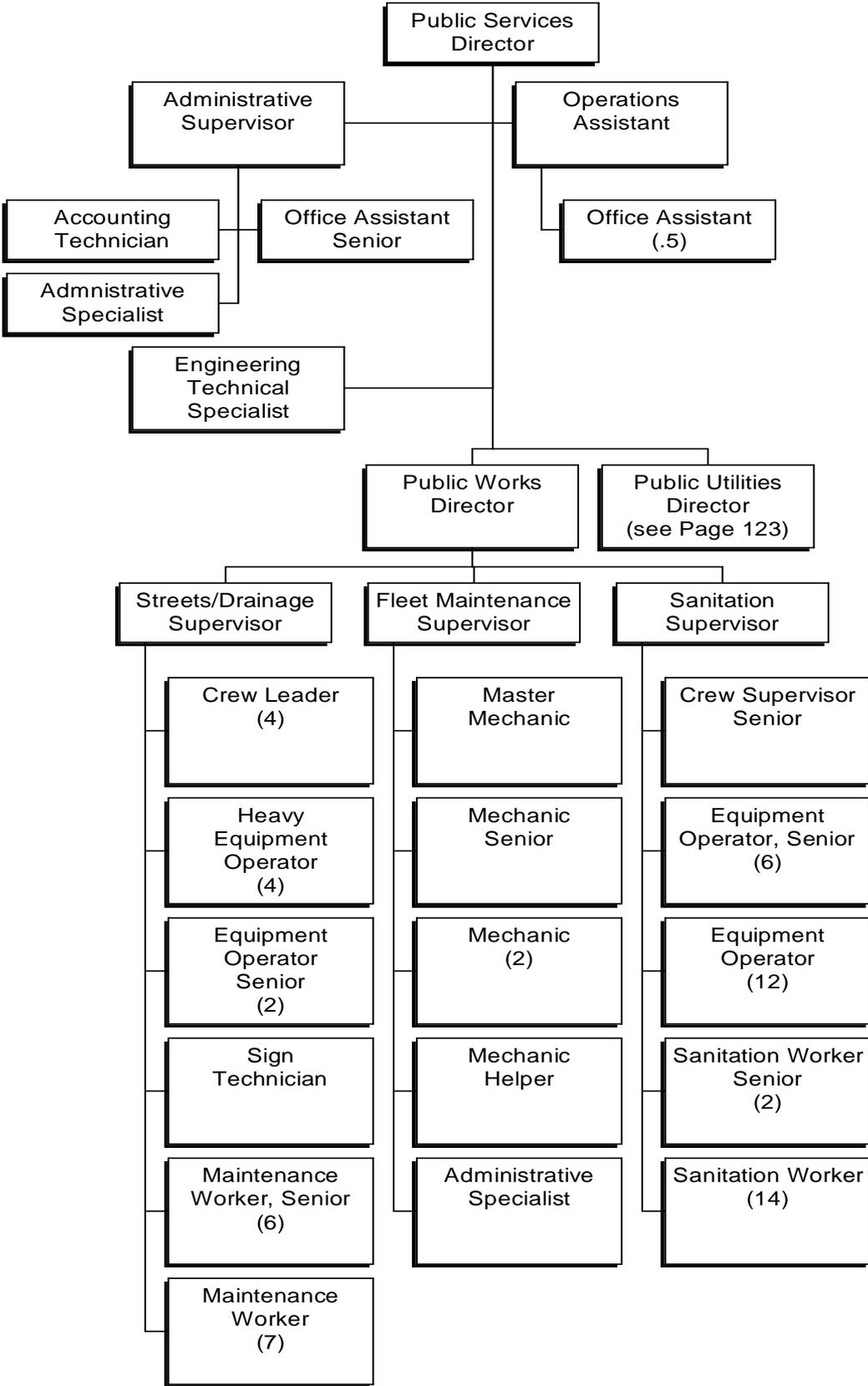
FIRE DEPARTMENT

Staffing Summary

	Actual FY 06		Estimated FY 07		Budget FY 08	
Salaries	7.0	\$ 481,002	7.0	\$ 480,801	7.0	\$ 504,094
Wages	59.0	2,845,941	60.0	3,032,615	63.0	3,295,540
Part-time	2.0	36,063	3.0	52,131	3.0	77,209
Other Compensation		205,936		232,509		289,956
Benefits		1,206,407		1,426,956		1,696,750
Merit Step & General Adj.		0		0		86,520
Other Personnel	12.0	13,028	12.0	8,935	12.0	7,134
Total	80.0	\$ 4,788,376	82.0	\$ 5,233,948	85.0	\$ 5,957,203



PUBLIC SERVICES



PUBLIC SERVICES ADMINISTRATION

The Public Services administration division provides central direction to the department's activities and is the first point of contact between the public and the department. The department consists of a Department Director and administrative personnel that oversee and manage the department budget, purchasing, personnel, payroll/salaries along with the delivery of effective and efficient operating services of eight divisions: Administration, Streets and Drainage, Vehicle Maintenance Shop, Sanitation, Water Treatment, Water Distribution, Wastewater Treatment and Wastewater Treatment Plant.

The Department Director provides leadership, direction and motivation to division directors and staff. Responsibilities include developing departmental policies and standards, coordinating activities of the various divisions to ensure goals and objectives are accomplished, continuously reviews department services to increase the efficiency of services offered while maintaining cost effectiveness and attends to special projects and assignments as requested. In addition, the Department Director communicates with the Board of Mayor and Aldermen, Town Administrator, Department Directors and the citizens of Collierville.

FY 2007 Accomplishments

- Department and all eight divisions finished FY 2007 under budget.
- Improved efficiency in all divisions within the department.
- Addressed various legal and environmental challenges to obtain successful results.
- Assisted strengthening the quality of town wide infrastructure.

FY 2008 Goals and Objectives

Goal: Improve department safety record.

Objective:

- Reduce lost time accident hours.
- Safety Awareness discussions/training through monthly meetings.

Goal: Operate within budget.

Objectives:

- Perform department services efficiently and effectively working within means of department budget.
- Establish and monitor divisions' core business plan.

Goal: Maintain department staffing levels.

Objective:

- Reduce employee turnover.
- Evaluate position salary ranges.
- Implement salary scales based on level of experience.

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Safety Meetings	12	12	12
Purchase orders processed	2,083	1,955	2,100
Check requests processed	207	164	175
% of purchase orders/check requests voided	4%	6%	6%
Total number of department employees	105	109	111
Number of workman's compensation claims processed	17	5	3
Man hours lost due to on the job injury	816	537	300

PUBLIC SERVICES ADMINISTRATION

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 335,755	\$ 340,877	\$ 370,322	\$ 348,813	\$ 390,538
Operating Expense	46,823	49,699	65,765	57,955	63,220
Capital Outlay	0	0	2,300	2,300	0
Total	\$ 382,578	\$ 390,576	\$ 438,387	\$ 409,068	\$ 453,758
Reduction to expenditures					
Water & Sewer Fund	\$ (167,877)	\$ (170,439)	\$ (185,161)	\$ (174,406)	\$ (195,269)
General Fund	\$ 214,700	\$ 220,137	\$ 253,226	\$ 234,661	\$ 258,489

Staffing Summary

	Actual		Estimated		Budget	
		FY 06		FY 07		FY 08
Salaries	4.0	\$ 232,888	4.0	\$ 229,203	4.0	\$ 248,097
Wages	1.0	33,131	1.0	35,318	1.0	36,112
Part-time		0		0		0
Other Compensation		0		0		0
Benefits		74,858		84,292		96,509
Merit & General Adjustment		0		0		9,820
Other Personnel	0.0	0	0.0	0	0.0	0
Total	5.0	\$ 340,877	5.0	\$ 348,813	5.0	\$ 390,538

PUBLIC SERVICES - STREETS AND DRAINAGE

Streets and Drainage, a division of the Department of Public Services, is responsible for the maintenance of approximately 525 lane-miles of roadway including pavement, curb, ditches, right-of-way litter collection and street signage. Large quantity of drainage structures and open ditches in the right-of-way and easements are also maintained. The division also assists with street cleaning, leaf pick-up and special events. The division works under the general direction of the Streets and Drainage Supervisor who coordinates the daily work schedules of twenty-four employees.

FY 2007 Accomplishments

- Established drainage crew for full-time drainage maintenance (80,000 feet of drainage ways and 370,000 feet of roadside ditches).
- Maintained (cut vegetation/remove silt) 5,600 feet of vertical walled concrete ditches.
- Installed 14 handicap ramps.
- Completed stabilization of Tissington ditch with in-house staff and equipment.
- Purchased new mini excavator, large crawler excavator and three new pickup trucks.
- Poured concrete slab (150 cubic yards) for Ryans Hope playground.
- Responded to 1263 calls for service for signs, street repair and drainage repairs.

FY 2008 Goals and Objectives

Goal: Provide safe roadway systems throughout town cost effectively.

Objectives:

- Respond to numerous pavement, sink hole and signage maintenance repairs.
- Install handicap ramps at various locations to meet ADA requirements.
- Pave approximately 22 lane miles of streets.
- Stripe 5 center line miles of streets by contract.
- Repaint crosswalks/stop bars at all schools and intersections.
- Continue up grading of traffic control devices.

Goal: Maintain and improve drainage systems throughout town cost effectively.

Objectives:

- Respond to numerous drainage maintenance repairs.
- Repair concrete water tables at various locations.
- Meet state phase II requirements for stormwater permits.
- Repair ditch bank erosion south of Lawnwood Street on Lateral K.
- Repair ditch bank erosion south of White Road on Lateral K at Park Hill subdivision

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Roadway Lane (miles)	515	520	560
Open ditches in miles	12	13	13.0
Sidewalk replacement, linear feet	250	300	100
Asphalt paving, contract (lane miles)	17.0	19.0	22.0
Cost per lane mile paved	30,643	33,000	30,000
Percent of streets paved	3.0%	3.0%	3.0%
Asphalt patching tons	1,900	1,330	1,400
Pavement repairs	500	500	550
Street Signs	6,050	6,241	6,650
Street Signs repaired / installed	800	817	950
Work orders processed	1,200	1,300	1,300
Number of man hours paid (non-exempt)	40,247	45,767	49,920
Percent of overtime hours paid	1%	1%	1%
After hour call-outs	60	52	50

PUBLIC SERVICES - STREETS AND DRAINAGE

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 941,775	\$ 975,511	\$ 1,250,626	\$ 1,182,180	\$ 1,307,398
Operating Expense	565,195	1,007,713	1,413,593	1,358,093	1,273,669
Capital Outlay	0	45,090	70,950	61,474	16,500
Total	\$ 1,506,970	\$ 2,028,315	\$ 2,735,169	\$ 2,601,747	\$ 2,597,567

Staffing Summary

	Actual		Estimated		Budget	
		FY 06		FY 07		FY 08
Salaries	1.0	\$ 54,732	1.0	\$ 58,418	1.0	\$ 60,755
Wages	22.0	600,349	24.0	709,558	24.0	757,061
Part-time		0		0		0
Other Compensation		10,649		14,000		18,000
Benefits		309,781		400,204		455,013
Merit & General Adjustment		0		0		16,570
Other Personnel		0		0		0
Total	23.0	\$ 975,511	25.0	\$ 1,182,180	25.0	\$ 1,307,398

PUBLIC SERVICES - FLEET MAINTENANCE

Fleet Maintenance is a division of the Department of Public Services and provides both preventative maintenance and repairs to Town vehicles and construction equipment. The division consists of a Fleet Maintenance Supervisor, five mechanics and an administrative specialist. Vehicles serviced include pickup trucks, automobiles, dump trucks, fire pumpers, aerial fire trucks, a bus, emergency rescue trucks, hydraulic excavators, sewer machines, off road pieces of equipment such as air compressors, emergency generators, tractors, trailers, etc. The division also maintains and repairs a variety of miscellaneous power-driven pieces of equipment such as line trimmers, gas-powered trash pumps, chainsaws and other non-motorized equipment. Special jobs bid and performed by private shops are bodywork and automatic transmission repairs. Fleet Maintenance also provides welding and fabrication for all departments.

FY 2007 Accomplishments

- Rebuilt automated sanitation truck in-house preventing purchase of new truck.
- Expanded loaner car program improving service.
- Achieved second Master EVT certification.

FY 2008 Goals and Objectives

Goal: Promptly repair all Town-owned vehicles and pieces of maintenance equipment in order to minimize downtime and maximize the Town's return on investments.

Objectives:

- Schedule and provide preventive maintenance to all Town-owned vehicles and pieces of maintenance equipment in an attempt to identify maintenance needs prior to their becoming dangerous or more costly.
- Continue to expand management/inventory software program to improve preventative maintenance program and warehouse parts application (accounting of weekly and monthly reports, parts and equipment costs, tracking of work orders, surplus equipment, vehicle service schedules and history tracking to reduce cost related factors).

Goal: Improve service level and lower annual maintenance costs.

Objectives:

- Provide educational opportunities for staff in an effort to improve their job-related knowledge and skills for successful completion of master emergency vehicle technician certification.
- Continue large truck rebuild/overhaul program.
- Lower parts inventory costs through annual bid.
 - Evaluate costs of outsourcing routine oil changes.
- Develop customer satisfaction survey.
- Work with Assistant City Administrator to improve replacement procedures for various department equipment needs. This includes reassigning units to other departments to limit capital expenditures.

PUBLIC SERVICES - FLEET MAINTENANCE

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Service Requests by Department:			
Public Services	1,485	1,131	1171
Police	442	412	435
Fire	131	107	115
Town Administration	8	22	25
Development	86	65	70
Finance	1	20	25
Parks	68	58	65
Number of Mechanics	5	4	5
Service orders completed	1,871	1,815	1906
Fuel Gallons Purchased:			
Regular	147,091	154,132	158,000
Diesel	103,435	107,610	112,990
Fuel Average Price per Gallon			
Regular	1.9249	1.9062	2.0015
Diesel	2.0306	2.0088	2.1092
Yearly cost to maintain police vehicles (no labor)	500	4,554	5,500
Vehicle downtime due to normal repairs (oil change, brakes, etc.)	1 day	1 day	1 day
Number of man hours paid (non-exempt)	12,918	12,280	14,560
% of overtime hours paid	0.5%	0.3%	0.5%

Budget Summary

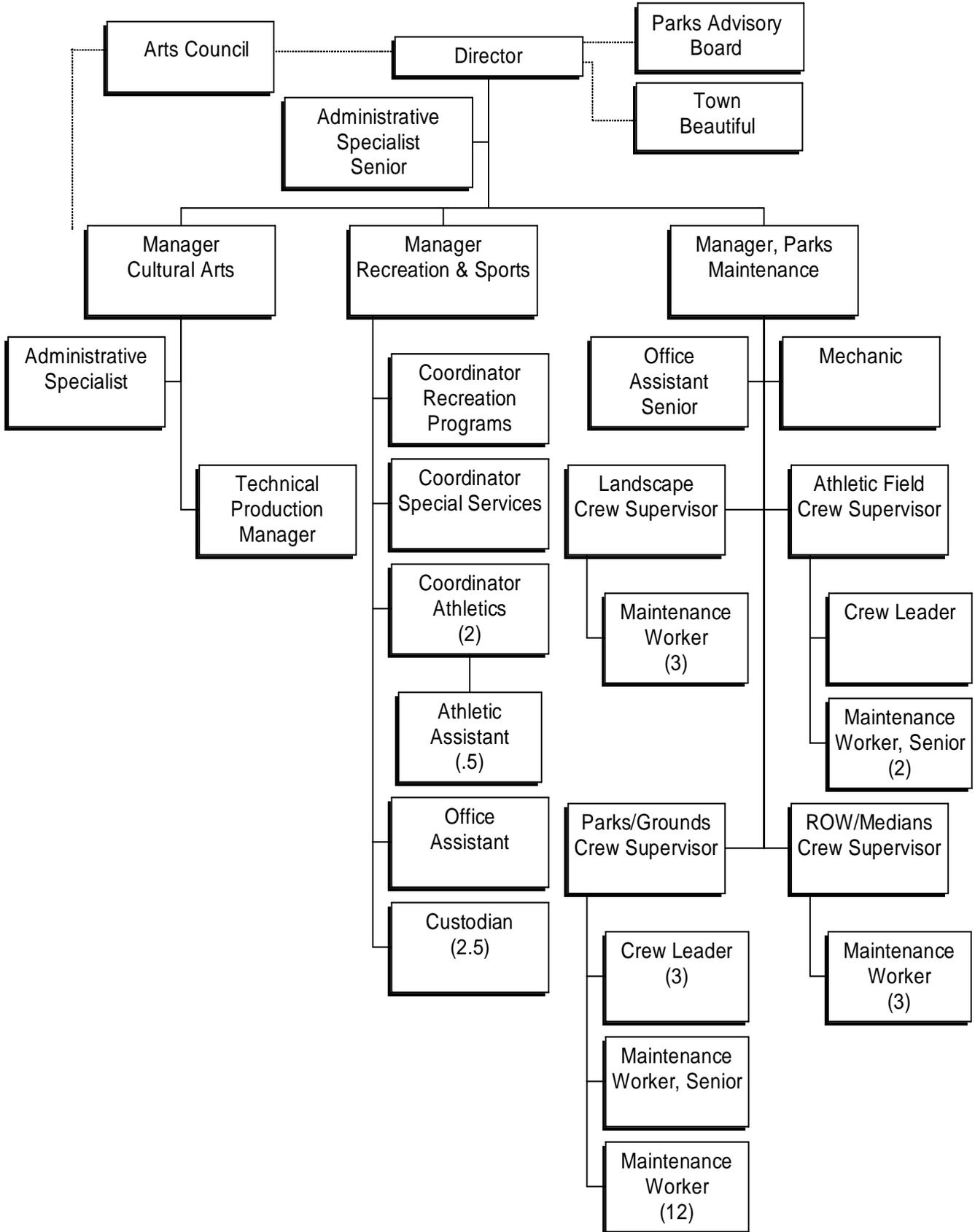
	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 438,217	\$ 482,704	\$ 543,386	\$ 512,976	\$ 574,689
Operating Expense	42,039	45,767	123,013	124,763	73,613
Capital Outlay	0	16,277	22,220	22,220	24,300
Total	\$ 480,256	\$ 544,747	\$ 688,619	\$ 659,960	\$ 672,602

PUBLIC SERVICES - FLEET MAINTENANCE

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	2.0	\$ 126,837	2.0	\$ 133,884	2.0	\$ 134,676
Wages	7.0	205,689	7.0	210,460	7.0	232,504
Part-time		0		0		0
Other Compensation		434		1,300		1,000
Benefits		147,446		167,332		193,303
Merit & General Adjustment		0		0		13,205
Other Personnel		2,298		0		0
Total	9.0	\$ 482,704	9.0	\$ 512,976	9.0	\$ 574,689

PARKS AND RECREATION DEPARTMENT



PARKS AND RECREATION DEPARTMENT

The Collierville Parks, Recreation, & Cultural Arts Department believes that a park system should create a feeling of pride, a sense of value, a picture of beauty, a sense of belonging, the challenge of developing skills and abilities, and the opportunity to grow by delivering to the citizens of Collierville a variety of well organized, supervised, and maintained recreation programs, opportunities, and facilities for leisure enjoyment.

With over 120,000 participants in the Town's Park System each year, the Collierville Parks, Recreation, and Cultural Arts Department continues to be a leader in offering its citizens a wide variety of recreational leisure time activities. The Department Management Team is responsible for the development of a complete municipal recreation program capable of meeting the cultural and recreational needs of Town citizens, budget management and analysis, personnel management, short and long-term planning of the Park System, and providing administrative support for the Park Advisory Board, Collierville Arts Council, and the Collierville Town Beautiful Commission.

FY 2007 Accomplishments

- Completed *Phase II* of the Peterson Lake Nature Center by constructing 0.7-mile extension of elevated Boardwalk with Wolf River Overlook.
- Completed the redesign and launch of website for www.colliervilleparks.org.
- Expanded SPoRT (Special Populations Recreational Teams) by adding youth basketball league.
- Completed Ryan's Place Universal Playground at WC Johnson Park.
- Administered Public/Private (Desoto Athletic Club) Partnership for Community Center Wellness Operations.
- Over 80,000 people used the Collierville Community Center.
- Hosted Independence Day Celebration – 13,000+ in attendance.
- Hosted 2006 National 12 & Under Super Series Baseball of America National Baseball Championship's for National & American Divisions.
- Launched new Youth SELF After-School Program (Sports Excellence with a Lifestyle in Fitness) at all five (5) Collierville Elementary Schools.
- Hosted in excess of 2,800 youth sport games.
- Installed new Athletic Lighting System at HW Cox Soccer Complex.
- Presented five (5) theatre productions with attendance in excess of 9,400.

- Recruited additional youth 12U Baseball Championship for 2007.

FY 2008 Goals and Objectives

Goal: Provide family-oriented recreational and leisure amenities and facilities.

Objectives:

- Create Comprehensive Park Master Plan for 100 acres "undeveloped" Hinton Park.
- Complete Tennis Complex Expansion at HW Cox Park to include two (2) new tennis courts and restroom building.
- Computer 'On-Line' Registration for recreational instructional programs, box-office tickets, athletic program registrations, etc. that will allow credit-card payment for departmental services.
- Renovation of Park Administration Offices at HW Cox Community Center.
- Promote community economic development program for state, regional, and national athletic tournaments and special events.
- Secure TDOT Grant and begin initial design work for Nonconnah Greenbelt Trail – Phase II.
- Continue implementation of Greenbelt Master Plan.

Goal: To expand park system to meet population growth.

Objectives:

- Development of a range of parks: community, neighborhood, and special usage.
- Increase recreational programming for residents of all ages by offering new innovative recreational programs.
- Update 5-year Facility Development Plan to outline projected facility development.
- Administration of new community events and festivals.

Goal: Preserve greenspace and natural areas.

Objectives:

- Identify target areas for future neighborhood park acreage.
- Continued Preservation of Wolf River Corridor with Corp of Engineers, Shelby County and Chickasaw Basin Authority.
- Continued implementation of updated Greenbelt Master Plan to link neighborhoods with parks.
- Continued upgrades of streetscapes and medians in high visible areas.

PARKS AND RECREATION DEPARTMENT

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Special Events Attendance	16,950	17,100	31,450
Instr./recreation program participants	15,300	15,800	16,250
Maintenance man-hours worked	76,880	80,760	84,920
Work Order Completion %	97.2%	97.5%	98.1%
Greenbelt Mileage	9.5	11.0	12.2
Park Acreage Maintained	381	403	403
Harrell Theatre Box Office Increases	6.0%	23.0%	5.0%
Cost (\$) of Park Operations/Resident	\$68.50	\$71.10	\$76.30

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 1,824,533	\$ 1,884,483	\$ 2,272,043	\$ 2,129,344	\$ 2,377,871
Operating Expense	723,496	807,000	907,621	882,346	984,318
Capital Outlay	1,987	104,177	180,000	170,500	157,200
Total	\$ 2,550,015	\$ 2,795,660	\$ 3,359,663	\$ 3,182,190	\$ 3,519,389
Reduction to expenditures					
Library Fund	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
General Fund	\$ 2,541,015	\$ 2,786,660	\$ 3,350,663	\$ 3,173,190	\$ 3,510,389

Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	8.0	\$ 335,640	8.0	\$ 343,343	8.0	\$ 401,835
Wages	35.0	878,301	36.0	992,008	36.0	1,037,834
Part-time	2.0	13,879	2.0	22,000	2.0	23,880
Other Compensation		68,084		45,500		46,250
Benefits		519,399		613,993		701,938
Merit & General Adjustment		0		0		43,253
Other Personnel	30.0	69,180	30.0	112,500	30.0	122,880
Total	75.0	\$ 1,884,483	76.0	\$ 2,129,344	76.0	\$ 2,377,871



NON-DEPARTMENTAL

Certain General Fund functions which cannot logically be categorized with any of the established departments are included as Non-Departmental. These activities include Debt Service, Insurance, and Special Appropriations.

•**Debt Service** is the payment of interest and principal on all general obligation debt of the Town. The debt service on revenue bonds issued by the Town's Water and Sewer utility is paid and accounted for within the Water and Sewer Fund.

The process of issuing general obligation bonded debt in the Town begins with the departments' presentation of capital expenditure and projects needs to the Town Administrator, who then presents the requests for funding to the Mayor and Board of Aldermen. Board approval must be received before debt issues may proceed. In FY 2006, the Town issued \$8 million in new G.O. bonds for capital projects including an expansion to the Police/Court building, Houston Levee Road north, and several large drainage projects. In order to take advantage of lower interest rates, the Town also issued \$5.29 million in refunding bonds. There are no plans to issue bonds again until FY 09.

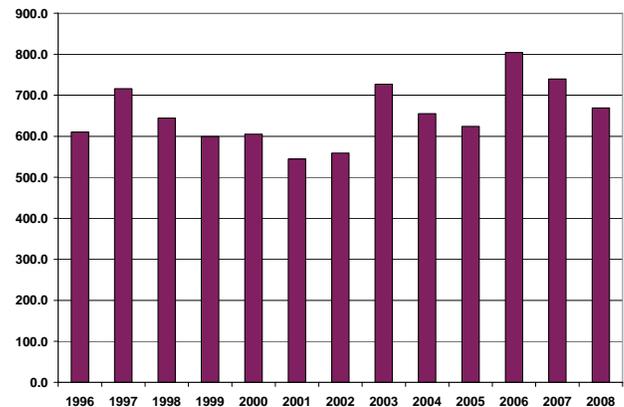
The Town's authority to issue bonds is in the provisions of Title 9, Chapter 21, *Tennessee Code Annotated*, as amended. There is no legal debt limit; however, the Town has adopted a formal debt policy. The ratios and standards identified below are primarily intended to limit the use of debt financing in order to facilitate long-term access to capital while ensuring that financial leveraging decisions do not negatively impact the Town's annual operations.

- General Fund Balance Requirement 25%
- Average Life of Total Debt ≤ 10 Years
- Percentage of Principal Paid within 10 Yrs ≥ 60%
- Per Capita Debt/Per Capita Income ≤ 4%
- Per Capita Debt/Per Capita Assessed Value ≤ 4%
- Debt Service/General Fund Operating Expense ≤ 12%

As of June 30, 2007, the Town is projected to have \$31,019,068 of general obligation bonds, general obligation capital outlay notes, and TMBF loan outstanding. The ratio of net per-capita debt to per-capita income (using 2000 U.S. Census per-capita income figures) is 2.2% for FY 2008. The net per-capita debt to per-capita assessed value is 2.4%, and the debt service to General Fund operating expense is 8.9%

The ratio of bonded debt to assessed value of property is a measure of the Town's ability to meet interest and principal payments on its long-term debt. This ratio

which is expressed in percentage terms was 3.13% for FY 2006. A ratio of 2.72% is estimated for FY 2007, and 2.44% is projected for FY 2008. The percentage of General Fund revenues applied to debt service for FY 2007 is estimated at 9.5%. The percentage for FY 2008 is projected to be 8.7%. The net bonded debt per capita was \$804.17 in FY 2006, is estimated to be \$740.06 in FY 2007, and projected to be \$669.35 in FY 2008. The chart below depicts the net general bonded debt per capita:



Net General Bonded Debt Per Capita

The Town received a bond rating upgrade from A1 to Aa3 from Moody's Investors Service for the FY 2000 bond issue. For the FY 2002 capital outlay notes, Moody's upgraded the rating again from Aa3 to Aa2. Moody's again issued an upgrade from Aa2 to Aa1 for the FY 2006 bonds. This rating applies to all previous issues as well. **(For additional information, please see the debt schedules and tables in the Appendix.)**

•**Insurance** accounted for within the non-departmental accounts includes:

- General liability
- Law enforcement liability
- Auto liability
- Auto physical damage
- Errors and omissions
- Property
- Unemployment
- Disability Insurance

The Water and Sewer fund pays 15% of all insurance costs. The Library Fund pays a portion of the property and liability insurance.

•**Special Appropriations** include grants provided by the Town to various non-profit community agencies as well as expenditures not included in departmental budgets such as:

NON-DEPARTMENTAL

- Reappraisal costs
- Attorney and legal fees
- Bank charges
- Election expenses
- Special census expense
- An intergovernmental contribution to Shelby County for the establishment of the Wolf River Wildlife Corridor

Fifteen percent of Attorney fees are paid by the Water and Sewer Fund.

The Town also provides funding to a number of non-profit agencies which provide needed and useful services to residents of the Town. These are:

- Chamber of Commerce
- Collierville Crime Stoppers
- Collierville Literacy Council
- Alive at 25 Program
- TV 19 Contribution
- Collierville Education Foundation
- Main Street Collierville

Non-Departmental Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Debt Service	\$ 2,732,815	\$ 2,910,175	\$ 3,362,013	\$ 3,364,013	\$ 3,285,403
Insurance	591,699	582,846	629,251	586,507	629,251
Special Appropriations	819,915	725,254	809,737	809,737	773,692
Total	\$ 4,144,429	\$ 4,218,275	\$ 4,801,001	\$ 4,760,257	\$ 4,688,346
Reduction to expenditures					
Library Fund	(11,041)	(11,041)	(11,041)	(11,041)	(11,041)
Water & Sewer Fund	(129,008)	(106,466)	(131,888)	(125,476)	(131,888)
General Fund	\$ 4,004,380	\$ 4,100,767	\$ 4,658,072	\$ 4,623,740	\$ 4,545,417

PUBLIC SERVICES - SANITATION

The Sanitation Department is a division of the Department of Public Services and is responsible for the collection of household waste, yard waste, and curbside recycling. The division works under the general direction of the Sanitation Supervisor who coordinates the daily work schedules of 35 employees.

Monthly sanitation fee is \$15 for residential and \$35, \$45, and \$55 for commercial and industrial pick-up (dependent on the number of disposal carts). The Town contracts with Waste Connection of Walnut, Mississippi for the disposal of its household garbage. Brush, grass and some leaves are disposed of at a local private demolition landfill. Recyclable waste is taken to the FCR Memphis recycling center.

FY 2007 Accomplishments

- Finished with an operating surplus allowing a continued low monthly service fee.
- Repaired Transfer Station for continual reliability
- Revised Sanitation Guidelines.
- Rehabbed Automated Garbage Truck #414 delaying the need to purchase new truck.

- Adjusted collection routes to improve efficiency.
- Initiated salary pay scale for drivers based on experience.

FY 2008 Goals and Objectives

Goal: Maintain and improve the level of daily service for timely collections of household garbage, recyclables, yard waste, junk, loose leaves and appliances in a cost effective manner.

Objectives:

- Educate public encouraging grass recycling and other cost saving techniques.
- Review sanitation guidelines periodically and adjust if necessary.
- Install vehicle tracking equipment to improve route design and study efficiency.
- Establish programs / methods to hire and retain qualified staff.
- Maintain level of service with no new equipment being purchased.

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Household garbage collected (tons)	14,893	15,000	15,500
Number of loads hauled from transfer station	744	885	925
Yard waste mulched/composted (tons)	3,727	1,800	2,000
Yard Waste Landfilled (tons)	20,876	23,000	24,150
Recycled household waste (tons)	1,818	1,810	1,845
Percent of household waste recycled	11.0%	11.0%	12.0%
Number of customers per employee	386	437	380
Tons collected per employee	1,217	1,175	1,105
Cost per ton collected	58	64	64
Number of customers receiving Sanitation services:			
Households	12,919	13,400	13,700
Commercial	144	119	120
Percent of residents who purchased additional cart for residence	1.5%	1.5%	1.5%
Number of cart refunds processed	21	25	25
Appliance Pickup Requests	726	750	650
Monthly cost per house for curbside recycling	4	4	4
Yearly cost for loose leaf collection	150,000	155,000	160,000
Number of man hours paid (non-exempt)	62,948	64,369	64,480
% of overtime hours paid	2.5%	2.9%	2.5%

PUBLIC SERVICES - SANITATION

Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Personnel	\$ 1,226,565	\$ 1,270,289	\$ 1,499,885	\$ 1,502,547	\$ 1,750,816
Operating Expense	830,114	953,534	1,078,463	1,068,995	1,122,094
Capital Outlay	4,024	0	6,000	0	6,800
Debt Service	96,057	91,810	95,989	95,989	74,888
Total	\$ 2,156,760	\$ 2,315,632	\$ 2,680,338	\$ 2,667,531	\$ 2,954,598

Staffing Summary

	Actual		Estimated		Budget	
		FY 06		FY 07		FY 08
Salaries	1.0	\$ 49,203	1.0	\$ 52,024	1.0	\$ 52,333
Wages	32.0	764,299	33.0	881,070	35.0	987,773
Part-time		0		0		0
Other Compensation		25,803		30,000		40,000
Benefits		421,120		524,453		623,437
Merit & General Adjustment		0		0		28,492
Other Personnel	2.0	9,865	2.0	15,000	2.0	18,780
Total	35.0	\$ 1,270,289	36.0	\$ 1,502,547	38.0	\$ 1,750,816

LUCIUS E. AND ELSIE C. BURCH, JR. LIBRARY

It is the mission of the Lucius E. and Elsie C. Burch, Jr. Library Board and staff to provide access to information and services in order to meet the evolving educational, informational, recreational, and cultural needs of our patrons with courtesy, professionalism and competence.

The Library is open 7 days per week for 60 hours per week. The staff consists of the Director, 6 full-time, and 12 part-time staff. Library Systems and Services, Inc. (LSSI), a library management company contracted by the Town to operate the Library and supply staff.

The Library owns 90,754 volumes. The Library subscribes to 174 paper copies of magazines and 15 paper copies of both local and national newspapers. Access to 49 electronic databases is offered. All of the databases may be accessed both in-house and remotely except for one genealogy database.

FY 2007 Accomplishments

- Provided a two (2) day community library card registration drive at Fair on the Square.
- Improved access to the magazines and newspapers by dedicating a room for their use, by purchasing appropriate shelving to house the magazines, and by rearranging the furniture to enhance the atmosphere of the space.
- Received a \$15,000 Library Services for the Disadvantaged Direct Service Grant from the Tennessee State Library and Archives which allowed the Library to provide access patrons with visual impairments
- Hosted the first "Government Day" with the Town of Collierville, which provided citizens an opportunity to meet informally with their local officials and representatives.
- Expedited access to current issues of magazines and newspapers for patron use by streamlining their processing, including the documentation of gifts, ordering of new items, and scheduling retention.
- Friends of the Library book sales raised over \$22,000.
- Improved teen patron satisfaction through the increased availability of classic titles in audio format.
- Received over \$30,000 in donations from individuals and organizations.
- Improved patron access to materials and provided a more accurate online catalog through the deletion of erroneous title records, the correction of call numbers, and correction of location information. To-date, over 5,000 catalog records have been corrected.
- Provided 19 outreach programs with 1,570 in attendance.
- Provided 38 adult programs and reached 871 patrons.

- Improved the Teen reading area by purchasing soft seating and tables.
- Received \$1,783 grant from the Community Foundation of Greater Memphis.
- Offered 192 programs reaching 6,148 children and young adults.
- Answered over 27,000 informational questions for patrons.
- Received over 5,000 hours of volunteer help in programming and services.
- Improved promotion of library services and collections by providing Power Point presentations using an in-house 42" LCD monitor.
- Improved presentation capabilities for both staff and patrons with the installation of a computer projector and Smart Board.

FY 2008 Goals and Objectives

Goal: To improve access to library services for all area residents.

Objectives:

- Provide 3M self-check circulation systems for use by the patron to improve circulation service by December 2007.
- Provide equal access for the disabled to our library and services by teaching the visually impaired patron how to use assistive technology to access information by June 2008.
- Install a pc management system to provide better service to the patron by December 2007.
- Complete the online catalog database record corrections to provide improved patron access to materials by December 2007.

Goal: To strengthen the library collection in all formats to meet the stated needs of the Library's diverse community.

Objectives:

- Provide an expanded adult fiction collection by adding 140 authors to the vendor standing order plan by August 2007.
- Improve the adult collection through the addition of donations by September 2008.
- Improve the electronic database offerings by the purchase of databases in business, foreign language, genealogy, literature, and personal and business forms by December 2007.
- Enhance access to the children's collection for the Collierville schools' Accelerated Reading Program by purchasing an AR electronic database by December 2007.

LUCIUS E. AND ELSIE C. BURCH, JR. LIBRARY

Goal: To encourage all area residents to use library services.

Objectives:

- Provide a library card sign-up opportunity in the community by June 2008.
- Attend Collierville PTA meetings local community organizational meetings, and homeowners meetings to promote library services by June 2008.
- Shape adult programming around local interests by June 2008.
- Maintain an accurate, interesting and useful library web site.
- Maintain Power Point slide shows on the Library's 42" LCD monitor to promote programming, collections and services.

Goal: To seek additional and alternative funding sources to support library services and collections.

Objectives:

- Seek partners from the business community to provide alternative funding sources in support of the Library's services and collections by June 2008.

- Continue to work with the Friends of the Collierville Burch Library to support programs and needed materials beyond the regular budget by June 2008.
- Request a grant from the Collierville Community Fund to purchase a professional public announcement system to support programming needs by June 2008.

Goal: To provide sufficient, diverse, and well-trained staff to meet the library needs of area residents.

Objectives:

- Provide opportunities for unit heads to see "best practices" in other libraries by October 2007.
- Direct the completion of an "Online Selection and Acquisitions" manual by June 2008.
- Complete cross training of the Reference staff in the Circulation unit by June 2008.
- Provide opportunities for full-time staff to attend conferences and workshops appropriate to their responsibilities by June 2008.

LUCIUS E. AND ELSIE C. BURCH, JR. LIBRARY

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Total circulation transactions per staff	54,999	59,826	60,770
Circulations per capita	5.6	6.1	6.5
Circulations per registered borrower	13.9	12	12.5
Visits per capita	4.8	5.3	5.5
Items owned per capita	1.9	2.1	2.2
Circulations per title	2.9	3	3.1
New cards issued	6,058	4,762	3,600
Total collection size	85,209	90,846	95,000
Total number of original titles	60,286	64,291	68,200
Total reference questions answered per staff	4857	5,146	5,500
Total of programs/Average attendance	263/39	212/34	224/35
Total patron visits	211,180	232,244	24,000
Total ILL requests	109	126	130
Percentage of patrons that use electronic databases	79	80	80
Total Donations to Library	\$47,864.48	\$37,250.00	\$15,000
Percentage of population who are registered borrowers	40.7	51.6	50
Operating expenditures per capita	25.4	24.2	23.5
Operating expenditures per circulated item	4.2	3.9	4
Visitation rate per registered borrower	11.8	10.3	10.5

2005 Collierville population= 43,812

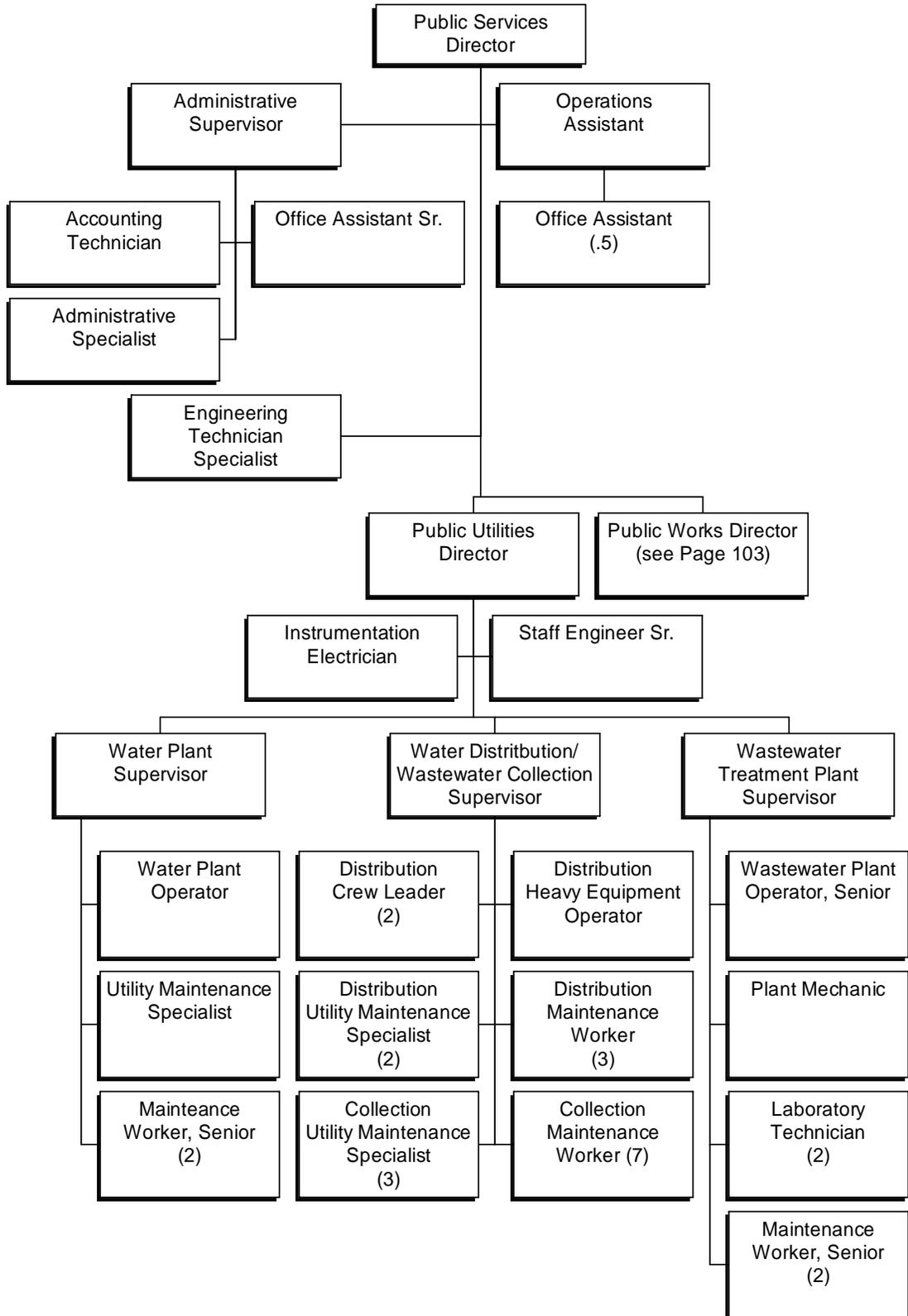
Library staff FTE=13

LUCIUS E. AND ELSIE C. BURCH, JR. LIBRARY

Budget Summary

	ACTUAL		BUDGET	ESTM'D	APPROVED
	FY 05	FY 06	FY 07	FY 07	FY 08
Beginning Fund Balance	\$ -	\$ 391,305	\$ 29,834	\$ 29,834	\$ 6,580
REVENUE					
State Grant	100,000	0	15,000	15,000	0
Utility in-lieu-of Tax	527,075	0	0	0	0
Shelby County	311,800	190,433	0	0	0
Fees and Fines	36,971	84,050	75,150	80,020	79,800
Donations	18,739	14,520	30,349	45,379	0
Other	131	264	100	100	7,000
TOTAL REVENUE	994,715	289,267	120,599	140,499	86,800
EXPENDITURES					
Operating Expenses	780,896	1,056,766	1,079,732	1,056,065	1,084,760
Capital Outlay	73,509	0	57,349	45,603	47,680
Insurance	11,041	11,041	11,041	11,041	11,041
Debt Service	157,225	152,578	148,403	148,403	259,085
TOTAL EXPENDITURES	1,022,671	1,220,385	1,296,526	1,261,112	1,402,566
Revenue over (under) expenditures	(27,955)	(931,118)	(1,175,926)	(1,120,613)	(1,315,766)
Fund Balance Appropriation	27,955	931,118	1,175,926	1,120,613	1,315,766
Operating Transfer	419,260	569,647	1,137,592	1,097,359	1,309,186
Designated/Reserved	0	5,348	0	6,580	0
Ending Fund Balance	\$ 391,305	\$ 29,834	\$ (8,500)	\$ 6,580	\$ 0

PUBLIC UTILITIES



PUBLIC UTILITIES

The Water and Sewer fund accounts for the provision of water and sewer services to residents of the Town of Collierville. All activities necessary to provide such services are accounted for in this fund, including construction, financing, and related debt service. All services provided are paid for by the people who use them. No Town taxes are used to support these services.

•**Revenues** are derived from service fees for water and sewer. (A schedule of these fees follows this section.) Water tap and sewer tap fees are charged to builders who connect to the water and sewer lines. Other revenues come from developers who are charged “Basin Fees” which are used to fund future sewer construction.

Water and Sewer rates remained the same from FY 1994 through FY 2004. However, since retained earnings appropriations were necessary to fund operations for the past three previous fiscal years, the Town authorized a sewer engineering report and rate study in FY 2004. The study determined the rate structure necessary to fund expansion of the water/wastewater system for the next twenty years and fund operations and maintenance as well. The study was completed in FY 2005, and the recommended rate increase took effect in April of that year. A schedule of the rates for FY 2008 follows this section.

•**The Water Treatment** division is responsible for providing water to the Town and its citizens. Staff tests the water on a daily basis for chlorine, fluoride, P^h, carbon dioxide and alkalinity to ensure the water being supplied is safe and dependable. The division adheres to all rules and regulations set forth by the EPA and the State of Tennessee. The division works under the general direction of the Water Treatment Supervisor who coordinates the daily work schedules of four employees.

The Town’s water is supplied by eleven deep wells that pump from 280 foot to 600-foot aquifers directly to one of five water treatment plants for processing. Well capacity totals 25.0 million gallons per day (MGD). Collierville’s water mains vary in size from six inches to sixteen inches with pressure on those mains ranging from 65 to 95 pounds per square inch. Storage capacity is 3.5 million gallons in one overhead, two ground level and three underground reservoirs. The average daily usage is 7.0 MGD.

•**The Water Distribution** division is responsible for the maintenance and repair of over 230 miles of mains that range in size from 6 inches to 16 inches, the installation and maintenance of over 2,300 fire hydrants throughout the Town, and the operation of two booster pumps; one 500 gpm pump and one 2,000 gpm pump. Water Distribution also provides meter reading services

for the Town’s utility billing. The division works under the general direction of Water Distribution/Collection Supervisor who coordinates the daily work schedules of eight employees.

•**The Wastewater Collection** division is responsible for the maintenance and repair of over 220 miles of gravity sewer mains that range in size from 6 inches to 36 inches and the operation of 24 sewer lift stations. The division is also responsible for conducting infiltration and inflow studies on gravity sewer mains. Wastewater Collection works under the general direction of the Water Distribution/Collection Supervisor who coordinates the daily work schedules of ten employees.

•**The Wastewater Treatment** division is responsible for the processing and treatment of sewer wastewater prior to being discharged into the Wolf River. The Town currently operates two sewage treatment facilities, which have a combined average treatment capacity of 6.5 MGD. Flow at the Shelton Road Treatment Plant averaged 2.14 MGD in 2006, with a capacity of 3.0 MGD. Flow at the Northwest Treatment Plant averaged 2.71 MGD in 2006 with a capacity of 3.0 MGD. This division consists of a Wastewater Treatment Plant Supervisor, who coordinates the daily activities of six employees, and an Instrumentation Electrician who oversees all electrical issues within utilities.

•**Debt Service.**

Debt service accounts for principal and interest payments on revenue and tax bonds issued by the Water and Sewer utility and a portion of some general obligation bonds and are secured by a pledge of the net revenues derived from the operation of the water and sewer system of the Town. As of June 30, 2007, the Town is projected to have \$39,045,932 of Water and Sewer Fund debt outstanding.

Debt	Balance 6/30/07
1996 Tax & Revenue Bond	\$ 420,000
2000 Tax & Revenue Bond	175,000
2002 General Imp. Ref Bond	30,932
2002 Tax & Revenue Ref Bond	9,785,000
2005 Tax & Revenue Ref Bond	3,575,000
2006 Tax & Revenue Bond	25,060,000
Total	\$ 39,045,932

In FY 2006, the Town issued \$26 million in new debt to expand and upgrade the Town’s two wastewater treatment plants. Also, in FY 2006 the Town issued \$3.76 million in refunding bonds in order to take advantage of lower interest rates. No bond issue is planned for FY 2008.

•**Special Appropriations** include payments of in-lieu-of property taxes to the Town of \$500,000. The Board of

PUBLIC UTILITIES

Mayor and Aldermen has allocated the in-lieu-of tax for the Lucius E. and Elsie C. Burch, Jr. Library.

The Water and Sewer Fund pays a percentage of the total expenditures for the following General Fund departments and non-departmental accounts:

- Town Administrator's Office 15%
- Finance Department 35%
- Human Resources 15%
- Development Administration 15%
- Planning 15%
- Engineering 25%
- Insurance 15%
- Attorney Fees 15%

In addition a percent of the personnel budgets of the following departments are funded by Water and Sewer:

- Information Technology 15%
- General Services 15%
- Public Services Administration 50%

FY 2007 Accomplishments

Water Treatment:

- Perfect compliance record following all state and federal guidelines.
- Record production of water:
 - Yearly Average – 7.010 MGD
 - Monthly Average - 11.57 MGD, occurred in July
 - Daily Maximum – 16.14 MMG, occurred in August
- Installed new/larger capacity high service pump at Water Plant #3 with variable frequency drive (for better pressure control) increasing capacity by 1.4 MGD.

Water Distribution:

- Installed new 12" water line on Byhalia Road.
- Relocated 16" water main from under building on Washington Street.
- Passed Sanitary Sewer survey with a 96/100 score.

Wastewater Collection:

- Relined approximately 12,000 feet of old sewer.
- Completed Sewer Flow Monitoring and Model.

Wastewater Treatment Plant (WWTP):

- Shelton Road WWTP was in compliance with State and Federal Laws and Regulations for all of FY07.
- Northwest WWTP was in compliance 11 out of 12 months with State and Federal Laws and Regulations for FY07.

- Construction of Northwest WWTP was started in September 2006.
- Construction of Shelton Road upgrade was started in January 2007.
- Overhauled 2 rotors in original oxidation ditch at Shelton Road WWTP.

FY 2008 Goals and Objectives

Goal: Provide adequate quantities of safe drinking water in compliance with all State and Federal regulations, at equitable costs, to current customers and future development.

Objectives:

- Paint elevated tank at Water Plant #1.
- Optimize chemical and electrical usage.
- Install a replacement well for Water Plant #2.

Goal: Operate and maintain distribution system to provide for minimal loss of service to residents due to system failures and bottlenecks.

Objectives:

- Update mapping and water flow analysis of water mains to plan for future water requirements.
- Obtain Board approval of updated Water Ordinance.

Goal: Operate and maintain wastewater collection system without having wet weather or dry weather overflows due to pipe sizing deficiencies.

Objectives:

- Reduce Infiltration and Inflow through sewer rehabilitation (installing cured in-place pipe (C.I.P.P.) liner) of 12,000 feet of deteriorated sewer main.
- Increase sewer cleaning (jetting/root cutting) program.
- Utilize sewer model to insure adequate capacity for all new developments.
- Develop Sewer Master Plan for southwest region of town.

Goal: Meet Federal and State Regulations and Laws.

Objectives:

- Update Agreed Order programs.
- Implement town wide sewer flow model for wet weather occurrences.
- Comply with new National Pollutant Discharge Elimination System (NPDES) regulations.
- Complete construction of both WWTP expansions.
- Obtain Board approval of updated Sewer Use and Water Ordinances.

PUBLIC UTILITIES

Statistics

Statistics	Actual FY 06	Estimated FY 07	Projected FY 08
Water System			
Number of customers	14,676	15,062	15,350
Miles of water main	230	232	234
Well capacity (million gallons per day)	23.9	23.9	25.0
Storage capacity (million gallons)	3.45	3.45	3.45
Average daily consumption (million gallons)	6.9	7.3	7.6
Peak day pumpage (million gallons)	13.0	16.0	16.0
Sewer System			
Number of customers	13,837	14,109	14,400
Miles of sewer main	218	220	222
Treatment plant capacity (million gallons per day)	6.5	6.5	6.5
Wastewater treated (million gallons per day)	4.9	4.5	4.6
Peak day treatment (million gallons)	9.1	7.5	9.0
Sewer Overflows per 100 miles of sewer	7.5	7.3	7.0

Performance Measures

Activity	Actual FY 06	Estimated FY 07	Projected FY 08
Service orders completed	2,600	2,500	2,600
TN One Call Requests	13,800	9,500	10,000
Number of man hours paid per division (non-exempt):			
Water Treatment	8,080	7,912	8,320
Water Distribution	20,038	18,965	18,720
Wastewater Collection	17,840	19,161	20,800
WWTP	13,502	14,923	14,560
Percent of overtime hours paid per division:			
Water Treatment	6%	4%	3%
Water Distribution	5%	6%	6%
Wastewater Collection	2%	1%	2%
WWTP	4%	2%	2%
Cost per 1,000 gallons treated for:			
Water Treatment	\$0.90	\$0.80	\$0.85
Water Distribution	\$0.92	\$0.80	\$0.92
Wastewater Collection	\$1.04	\$0.92	\$1.05
WWTP	\$1.25	\$1.15	\$1.30

PUBLIC UTILITIES

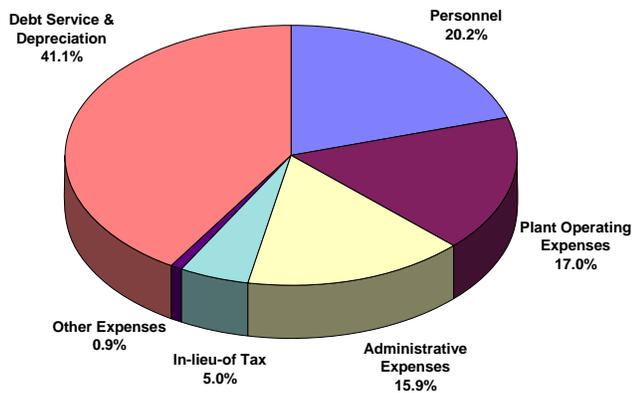
Budget Summary

	Actual		Budget	Estimated	Approved
	FY 05	FY 06	FY 07	FY 07	FY 08
Expenses					
Personnel	\$ 1,600,175	\$ 1,576,317	\$ 1,882,491	\$ 1,817,119	\$ 2,011,681
Operating Expense	1,339,580	1,438,774	1,564,089	1,472,503	1,692,734
Capital Outlay	62,932	55,512	62,500	62,500	29,900
Administrative Charges	1,202,586	1,235,081	1,518,078	1,407,007	1,584,801
Special Appropriations	650,022	597,398	574,694	576,338	589,094
Debt Svc & Depreciation	2,814,307	2,874,651	3,847,274	3,802,274	4,103,900
Total	\$ 7,669,600	\$ 7,777,734	\$ 9,449,127	\$ 9,137,742	\$ 10,012,110
Capital Outlay funded through retained earnings	(62,932)	(55,512)	(62,500)	(62,500)	(29,900)
Total	\$ 7,606,669	\$ 7,722,222	\$ 9,386,627	\$ 9,075,242	\$ 9,982,210

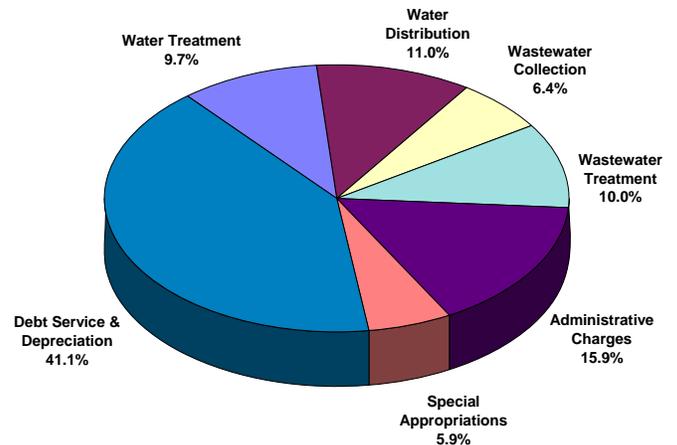
Staffing Summary

	Actual		Estimated		Budget	
	FY 06		FY 07		FY 08	
Salaries	4.0	\$ 245,015	5.0	\$ 282,553	5.0	\$ 326,752
Wages	30.0	802,228	30.0	889,533	30.0	925,252
Part-time	1.0	4,747	1.0	10,000	1.0	13,975
Other Compensation		53,573		58,700		62,700
Benefits		467,905		576,233		648,177
Merit & General Adjustment		0		0		34,825
Other Personnel	1.0	2,850		100		0
Total	36.0	\$ 1,576,317	36.0	\$ 1,817,119	36.0	\$ 2,011,681

FY 2008 Adopted Budget by Category



FY 2008 Adopted Budget by Division



PUBLIC UTILITIES

FY 2008 Schedule of Utility Rates in Force

Inside city (volume charge is per 1,000 gal):

Water			
Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	2.25	3.45	1.35
1"	2.25	8.63	1.35
2"	2.25	27.60	1.35
3"	2.25	51.75	1.35
4"	2.25	86.25	1.35
6"	2.25	172.50	1.35
8"	2.25	276.00	1.35

Sewer			
Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	3.50	10.90	2.90
1"	3.50	27.25	2.90
2"	3.50	87.20	2.90
3"	3.50	163.50	2.90
4"	3.50	272.50	2.90
6"	3.50	545.00	2.90
8"	3.50	872.00	2.90

Outside city (volume charge is per 1,000 gal):

Meter Size	Customer Service Charge	Base Charge	Volume Charge
3/4"	2.25	5.18	2.01
1"	2.25	12.95	2.01
2"	2.25	41.44	2.01

Outside city (volume charge is per 1,000 gal):

Meter Size	Base Charge	Volume Charge
3/4"	16.35	4.35
1"	40.88	4.35
2"	130.80	4.35
3"	245.25	4.35
4"	408.75	4.35
6"	817.50	4.35
8"	1,308.00	4.35

Piperton (volume charge is per 1,000 gal):

Meter Size	Customer Service Charge	Base Charge	Volume Charge
2"	2.25	31.74	1.55
6"	2.25	198.38	1.55
8"	2.25	317.40	1.55
10"	2.25	456.26	1.55

Note: All customers will be charged a volumetric rate provided, however, that a cap of 20,000 gallons of water usage shall apply for residential customers.

CAPITAL INVESTMENT PROGRAM SUMMARY

The Capital Investment Program as a planning guide does not fund projects but provides an orderly schedule for implementing projects and purchasing equipment. It is reviewed and updated annually in order to maintain a current and viable program of on-going capital projects. In evaluating each of the approved projects, the CIP process takes into account such factors as population growth, density, economic development concerns, the Town's fiscal ability, and the desired service levels.

•Policy. The Capital Investment Program provides for the orderly and systematic financing and acquisition of public improvements. By projecting capital investments in advance of actual need, several advantages accrue to the Town:

- Budgeting may take place within a system which assures that capital projects will be built according to a predetermined priority system while planning in advance for the revenue needed to finance and complete these capital projects.
- Advance planning ensures that projects are well thought out in advance of construction.
- Coordination with the operating budget is maximized. When a new facility is established, it must be maintained and staffed, and obligations which begin when it is made operational will become continuous.

•Funding. The majority of the funding for the CIP projects comes from two major sources: long-term borrowing (G.O. bonds) and current revenues. The operating budget is the primary mechanism through which current revenues are appropriated to capital projects. Other sources of financing are the fund balances which remain within the respective funds at the end of each fiscal year, specialized Federal and State grants, Water and Sewer fund resources, and developer contributions in the form of fees charged for specific purposes and maintained in separate accounts.

The amount appropriated for capital projects each year is based on the Capital Investment Program in effect at the time of the development of the budget. Recommendations in subsequent CIPs may result in revisions to the amounts appropriated for specific projects.

•Guidelines. The following guidelines are considered in determining capital items and their inclusion within the Capital Budget:

A. Construction projects and capital purchases which cost more than \$25,000 and with a life of more than five years will be included in the CIP. Capital

outlays of \$25,000 or less will be accounted for in the operating budget.

- B. Every CIP project will have a project manager who will prepare the project proposal, ensure that the required phases are completed on schedule, authorize all project expenditures, ensure that all laws and regulations are observed, and periodically report project status.
- C. The Town Administrator or designee will review project proposals, determine project phasing, review and evaluate the draft CIP budget document and report CIP project progress annually.
- D. The CIP will emphasize project planning with projects progressing through at least two and up to six of the following phases:
1. Designation: sets aside funding for future project development under "pay-as-you-go" financing.
 2. Study: includes concept design, site selection, feasibility analysis, schematic design, environmental determination, property appraisals, scheduling, grant application, grant approval, and specification preparation for equipment purchases.
 3. Acquisition: includes equipment purchases and property acquisition for projects, if necessary.
 4. Design: includes final design, plan and specification preparation, and construction cost estimate.
 5. Construction: includes bid administration, construction, project inspection and management, and close-out.
 6. Debt Service: installment payments of principal and interest for completed projects funded through debt financing.

•Funding Sources identified in the FY 2008 Capital Investment Program are as follows:

- General Obligation bonds – The Town will use proceeds from prior year general obligation bonds for FY 2008.
- Fund balance reserves/retained earnings in the General Fund and the Water & Sewer fund are used to fund pay-as-you-go projects and for equipment that should not be funded from bonds.
- CDBG (Community Development Block Grant) funds administered through Shelby County will provide funding for drainage improvements and improvements to Suggs and Nikki McCray Parks.

CAPITAL INVESTMENT PROGRAM SUMMARY

- Fire Facility fees are fees paid by developers. In FY 08 this revenue will be used for matching funds to purchase a mobile fire safety trailer and provide additional funding for the Fire Administration Facility.
- A federal grant along with 10% matching funds will purchase a mobile fire safety trailer.
- The Parks Improvement Tax is revenue equal to \$0.10 on the property tax. This revenue will provide funding for several parks projects.
- Tennessee Department of Transportation (TDOT) funding will be used for utility relocation on Highway 72.
- Historic Preservation Fees Historic are charged on commercial developments at a rate of \$0.25 per gross square foot. These fees are used for upkeep and

maintenance of the Historic Town Square. In FY 08 these fees will be used for the renovation of the Town's railroad car.

- Police Privilege fees are fees paid by developers. In FY 08 this revenue will be used for design to renovate the firing range.

The following detailed description of each FY 2008 capital project/equipment purchase provides information about its funding source and its impact on the operating budget. Projects funded in FY 2007, but not under contract by June 30, 2007, are included in the FY 2008 CIP.

CAPITAL INVESTMENT PROGRAM SUMMARY

Renovation of Town Business Train Car **\$55,100**

This project will consist of renovating the Town owned Business train car. It will involve the following phases:

1. Roof Repair - prep and apply a vinyl coating \$29,000
2. Exterior lettering and stripping - \$2,500
3. Paint undercarriage and wheels - \$1,500
4. Replace window seals - \$12,000
5. Replace cloth awning - \$500
6. Repair floor and replace carpet - \$2,000
7. Repair wood veneers on ceiling, walls and cabinets - \$1,000
8. Repair shower tiles & rooms - \$1,500
9. Renovate kitchen area - \$2,000
10. Fix & reupholster chairs - \$600
11. Repair light fixtures and electrical \$2,500

Funding Source Historic Preservation Fund

Department General Services

Operating Budget Impact: Decrease in utility costs due to renovations. Increase of janitorial services of approximately 1 hour/week.

Alcorn Village/Harris Estates Drainage Improvements **\$150,000**

This project involves the construction of Harris Estates and Alcorn Village drainage improvements based on a design by the Town's consultant. The timing of this project is based on Federal/County funding.

Funding Source Community Development Block Grant (CDBG)

Department Development

Operating Budget Impact: Years 1-5: \$1,000 per year, years 5-10: \$2,000 per year, year 10+: \$3,000 per year.

Halley Road Sewer Improvements **\$137,500**

This project involves upgrading existing sanitary sewer lines that experience frequent blockages. Alignment of the project will be along Halley Road ROW, east of Friendship Cove to the stone container..

Funding Source CDBG

Department Development

Operating Budget Impact: Reduced maintenance and operational cost due to replaced lines.

Shelton/Wolf River Blvd. and Verlington Intersection **\$570,000**

This project is for the design work for the improvements to the Shelton/Wolf River Blvd/Verlington Intersection. This project is to include sidewalks in the immediate vicinity.

Funding Source General Obligation Bonds

Department Development

Operating Budget Impact: Approximately \$250.00 per year assuming an overlay every 8-10 years plus incidental maintenance.

Traffic Model **\$75,000**

This project involves traffic studies and computer modeling of the traffic movements and volumes throughout the Town. Once built and calibrated, this model will be used to determine the impacts of new developments on the levels of service of the Town's streets.

Funding Source General Fund

Department Development

Operating Budget Impact: Years 1 - 5: \$0 per year; years 5 - 10: \$18,000 per year; years 10+: \$20,000 per year.

Traffic Signal Repair and Modifications **\$30,000**

This project includes the engineering design to repair various street intersections around Town where signal lights exist. Note: FY 09 is the construction project for the signals that need to be repaired, (i.e.: loops, video detectors, cards, etc.).

Funding Source General Fund

Department Development

Operating Budget Impact: Years 1-5: \$5,000 per year, years 5-10: \$10,000 per year, year 10+: \$15,000 per year.

CAPITAL INVESTMENT PROGRAM SUMMARY

Houston Levee Road - Phase 1B

\$85,000

This project is for the relocation of utilities for the construction of Houston Levee Road - Phase 1B. \$3,600,000 was budgeted in FY06. Note: Additional funds for construction are budgeted for FY 2009.

Funding Source

General Obligation Bonds

Department

Development

Operating Budget Impact: Approximately \$8,000 per year increase assuming an overlay every 8-10 years, incidental maintenance, shoulder and right of way maintenance, and median maintenance cost.

Drainage Improvements

\$300,000

This project consists of various drainage improvements as recommended by drainage engineering study.

FY 2007-2008 - Houston Downs \$146,000.00

FY 2007-2008 - Queen Oaks Ditch Emergency Repair 33,000.00

FY 2007-2008 - Alcorn Village 75,000.00

Funding Source

General Fund

Department

Development

Operating Budget Impact: Decreased maintenance costs on repaired sections.

Byhalia Road Improvements

\$575,000

This project will include the engineering, utility relocation, right-of-way acquisition and construction of Byhalia Road and Shelby Drive. There are approximately 15 parcels to be acquired either by donation or purchasing. The Town will share in the cost of construction with private developers and TDOT and will extend from HWY 385 to the New Shelby Drive. The Town will have sole responsibility from Shelby Drive to just north of Holmes Road. \$300,000 was approved in FY 06-07 for the Town's portion for design and right of way. Funding will be used for additional right-of-way and utility relocation. Note: Right-of-way acquisition and utility relocation only are budgeted in FY 08.

Funding Source

General Fund/Water & Sewer Fund

Department

Development

Operating Budget Impact: Approximately \$8,000 per year increase assuming an overlay every 8-10 years, incidental maintenance, shoulder and right of way maintenance, and median maintenance cost.

Firing Range Renovation

\$45,000

This project allows for the renovation of the existing firing range. Due to public safety considerations, this facility will rebuild impact berms and add additional berms on the sides of the current range to protect surrounding residential areas. Noise abatement measures also will be built into this range. This range will provide approximately 20 static firing positions from 7 yards to 50 yards. Also housed will be a live-fire "shoot house" as well as positions for sniper training. A training building with ammo storage will also be built. FY 08 funds are for design. Construction is budgeted in FY 09.

Funding Source

Police Privilege Tax

Department

Police Department

Operating Budget Impact: The project will have about a 50% increase on current yearly operating costs. Current operating budget is approximately \$9,500 per year.

Mobile Fire Safety Trailer

\$65,000

This project will provide the Fire Department with a mobile fire safety house (trailer) to be utilized for public fire safety education. The unit consists of modules to promote and educate citizens about commercial and residential sprinklers (burn room), as well as severe weather for Community Emergency Response Team (CERT) classes. The trailer is on one level (Recreational Vehicle Industry Association & National Electric Code Compliant) and has a 39' length frame. Note: Once the order is placed, it will take a minimum of eleven (11) months to construct and deliver.

Funding Source

Federal Grant/Fire Facility Fees

Department

Fire Department

Operating Budget Impact: Approximately \$650 in annual operating costs (general preventative maintenance, replacement tires, replacement bulbs, fuel for portable generator and liquid smoke for smoke machines).

CAPITAL INVESTMENT PROGRAM SUMMARY

Fire Administration Facility **\$531,600**

The Fire Department is requesting additional project funds to cover the expense of the construction of the Fire Administration Facility and the associated furnishing and equipment. The facility total square footage is 8,380 sq. ft., which reflects 6,778 sq. ft. on the first floor and 1,602 sq. ft. of expandable attic space for future expansion. The facility will consist mainly of general administrative office and will integrate and consolidate staff services for both Fire Administration and the Division of Fire Prevention. The facility will also have a training room, which has the capabilities of being transformed into the primary Emergency Operation Center (EOC) for disaster recovery. In addition, the facility will house the Town's redundant Information Technology Center for continued business continuity. Note: \$794,000 was budgeted in FY 06.

Funding Source Fire Facility Fees
Department Parks and Recreation Department
Operating Budget Impact: Minimal maintenance

Ryan's Place Shade Structure **\$28,000**

This project includes the purchasing of 44'x77' shade awning for the Ryan's Place Playground located at WC Johnson Park that would cover the new playground area and provide shade for participants using the new playground structure.

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: None.

Greenbelt System **\$50,000**

This project includes construction of new trails as well as overlays of existing trails in Collierville Greenbelt Trail System. Funding is for FY 08 only. A list of the projects with the proposed budgets are:

2008 - Overlay of Wynbrooke, Steeplechase	\$50,000.
2009 - Nonconnah Regional Greenbelt Trail - Phase II - TDOT Grant	150,000.
2010 - Sanders Creek Trail Connection to Frank Road	50,000.
2011 - Wolf River Regional Trail - Phase I - TDOT Grant	150,000.
2012 - Wolf River Regional Greenbelt Trail - Phase II - TDOT Grant	200,000.

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: New construction requires basic grounds maintenance of mowing, trimming and litter control. New trail Construction - approx. \$1,000/yr in maintenance expenses.

Hinton Park **\$50,000**

Project includes:

FY 2008	\$50,000 - Comprehensive Master Park Plan
FY 2009	\$200,000 - Design and construction of New Community Park - Phase I to include eight (8) fields football/soccer complex. Construction includes grading, drainage, irrigation, sports turf, athletic lighting, concession/restroom buildings and parking areas
FY 2010	\$1,800,000 - Continued development of new park to include additional infrastructure and passive park amenities
FY 2011	\$1,150,000 - Design & Construction of our (4) adult softball fields & four (4) multi-purpose fields

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: Approximately \$75,000/year in ground maintenance costs. Operating costs for this project will start in FY 2011.

Athletic Lighting **\$60,000**

This project includes the installation of new lighting for Progress Road Field #3 and the renovation of the existing lighting system at the HW Cox Baseball Complex.

CAPITAL INVESTMENT PROGRAM SUMMARY

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: \$5,000/yr increase in utilities for new system at Progress Road.

Suggs Park - Playground Renovation **\$62,500**

This project is a renovation to existing playgrounds that will replace all sand-based materials with poured-in-place rubber safety surface. The timing of this project is based on Federal/County funding

Funding Source CDBG
Department Parks and Recreation Department
Operating Budget Impact: None.

Suggs & Nikki McCray Parks Parking Lot Overlay **\$70,000**

This project involves an overlay of all parking areas at Suggs and Nikki McCray Parks and also includes re-stripping and speed bump installation.

Funding Source CDBG
Department Parks and Recreation Department
Operating Budget Impact: None.

Nikki McCray Park - Playground & Basketball Court Renovations **\$85,000**

This project will include a renovation to existing playground that will replace all sand-based materials with poured-in-place rubber safety surface & resurfacing the two (2) existing outdoor basketball courts with Ultra Cushion Acrylic Surfacing. The timing of this project is based on Federal/County funding.

Funding Source CDBG
Department Parks and Recreation Department
Operating Budget Impact: None.

Harrell Theatre Renovations **\$120,000**

This project includes the renovation of the Harrell Theatre including:

- \$40,000 - Stage Light Dimmer System
- \$35,000 - Stage Curtains (replacement)
- \$25,000 - Projection System, Upgrading Light Board Computer
- \$20,000 - Upgrade Lobby windows & Seating, renovation of storage area

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: None.

Precast Restroom Buildings **\$120,000**

Installation of new restroom buildings at Progress Road Park and HW Cox Tennis Complex. Building is a pre-cast concrete building (12'x23') to include restrooms and required mechanical area. Connection of utilities and concrete slab is additional construction expenses.

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: Approximately \$2,000/yr in utility costs and \$500/yr janitorial supplies for each building

Estanaula Park Development Improvements **\$180,000**

This project will be Phase II of the development of Estanaula Park and includes the construction of two (2) outdoor multi-purpose courts and small parking facility. Phase III in FY 12 will include construction of Outdoor Pavilion.

Funding Source Parks Improvement Tax
Department Parks and Recreation Department
Operating Budget Impact: Approximately \$5,000/yr in utility costs and approx. \$2,500 / yr in additional grounds maintenance costs.

CAPITAL INVESTMENT PROGRAM SUMMARY

Administrative Office Building/Expansion - Parks **\$372,000**

Design and construction of approximately 2,500 sq. ft. office building that will house administrative offices for the Parks, Recreation, & Cultural Arts department. Facility to include offices, restrooms, conference room, storage areas and required mechanical area.

Funding Source Parks Improvement Tax

Department Parks and Recreation Department

Operating Budget Impact: Approximately \$6,000/yr in utility costs and \$500/yr janitorial supplies.

Medians - Irrigation Systems and Landscaping **\$115,000**

Installation of irrigation systems and landscaping in designated medians throughout town. Funding is for FY 08 only.

A list of the projects with the proposed budgets are:

2008 - Winchester Blvd. (Bailey St. to Western Town Limit)	\$115,000.
2009 - Bailey Station (Winchester to Houston Levee)	137,000.
2010 - Houston Levee (Poplar Avenue to Bailey Station)	80,000.
2011 - Houston Levee (Poplar Avenue to Frank Road)	80,000.
2012 - Houston Levee (Frank Road to Wolf River)	60,000.

Equipment - One Ton Dump Truck **\$35,000**

These are one-ton dump trucks. These trucks are used daily by Streets and Drainage crew members to get to job sites, carry asphalt and haul equipment. An additional dump truck is budgeted in FY 11. Replacements for truck #284 and #256, purchased in 1994 and 1998.

Funding Source General Fund

Department Public Services Department

Operating Budget Impact: None – Replacement.

Water Distribution System Improvements **\$375,000**

Replace old water mains around town with ductile iron pipe in order to improve reliability and increase capacity of water distribution or add new water mains where needed.

This ongoing project was started in FY 2000.

Funding Source Water & Sewer Retained Earnings

Department Public Utilities Department

Operating Budget Impact: Reduce repair and maintenance budgets due to line replacement.

Sewer Collection System Improvements **\$1,175,000**

Replace old or damaged collection pipes with PVC pipe in order to upgrade collection system and to reduce groundwater infiltration and sewer surcharges. Install new or larger pipes where flows have increased.

This ongoing project started in FY 2000.

Funding Source Water & Sewer Retained Earnings

Department Public Utilities Department

Operating Budget Impact: Reduced maintenance and operational cost due to replaced lines.

Paint Elevated Tank at Water Treatment Plant #1 **\$250,000**

Paint the elevated water tank, inside and out, at Water Treatment Plant #1

Funding Source Water & Sewer Retained Earnings

Department Public Utilities Department

Operating Budget Impact: None.

Hwy 72 Utility Relocation **\$1,000,000**

This project is to move and upsize the utilities along Hwy 72 from Poplar Avenue to just north of 385. The current line is 6" and 10" and will be replaced with a 12" or 16". This project will be managed by TDOT as part of the Hwy

CAPITAL INVESTMENT PROGRAM SUMMARY

72 widening. TDOT will pay for the engineering and moving the utilities. Collierville will pay for the upsizing of the utilities.

Funding Source Water & Sewer Retained Earnings/Tennessee Department of Transportation (TDOT)
Department Public Utilities Department
Operating Budget Impact: None.

Well and Water Line for Water Treatment Plant #2

\$725,000

This is a new 1,000 gpm off site well and raw line to supply WTP #2, which will allow the plant to return to production. The current smaller wells are off line reducing the Town's capacity for production. This will increase capacity by 1.4 million gallons per day and keep adequate pressure / flow in the central part of the Town.

Funding Source Water & Sewer Retained Earnings
Department Public Utilities Department

Operating Budget Impact: No impact during normal demand because the water could come from other Town plants. During peak demands, this will reduce costs because high cost water from MLGW will not have to be purchased.

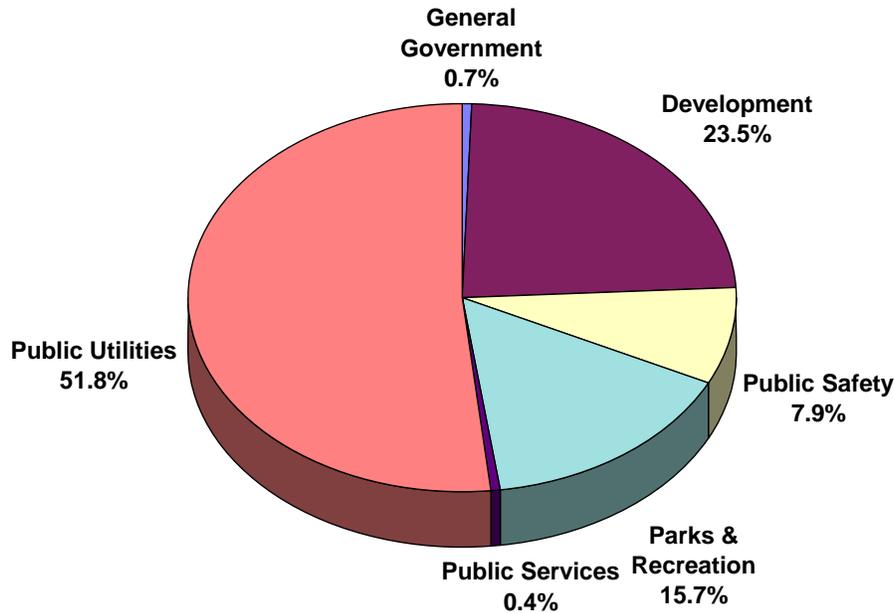
CAPITAL INVESTMENT PROGRAM SUMMARY

Department/Project	Cost
General Government	
Traincar Renovation	55,100
Development	
Alcorn Village Drainage Project (CDBG)	150,000
Halley Road Sewer Improvements (CDBG)	137,500
Shelton/Wolf River Blvd and Verlington Intersection	570,000
Traffic Model	75,000
Traffic Signal Repair and Modifications	30,000
Houston Levee Road	85,000
Drainage Improvements	300,000
Byhalia Road Improvements	575,000
Public Safety	
Firing Range Renovation	45,000
Mobile Fire Safety Trailer	65,000
Fire Administration Facility	531,600
Parks & Recreation	
Ryan's Place Shade Structure	28,000
Greenbelt System	50,000
Hinton Park	50,000
Athletic Field Lighting Improvements	60,000
Suggs Park Playground Improvements (CDBG)	62,500
Suggs & Nikki McCray Parks Parking Lot Overlay	70,000
Nikki McCray Park - Playground & Basketball Ct Renovations (CDBG)	85,000
Harrell Theatre Improvement	120,000
Precast Restroom Buildings	120,000
Estanaula Park Development Improvements	180,000
Administrative Office Building/Expansion - Parks	372,000
Medians - Irrigation Systems and Landscaping	115,000
Public Services	
Equipment - One Ton Dump Truck	35,000
Public Utilities	
Water Distribution System Improvements	375,000
Sewer Collection System Improvements	1,175,000
Paint Elevated Tank at Water Treatment Plant #1	250,000
Hwy 72 Utility Relocation	1,000,000
Well and Waterline at Water Treatment Plant #2	1,425,000
Total FY 2008 CIP	8,191,700
Funding Sources	
General Obligation Bonds	570,000
Fire Facility Fees	538,100
Federal Grants	58,500
CDBG Grants	435,000
Historic District Funds	55,100
Tennessee Department of Transportation	500,000
Police Privilege Tax	45,000
Parks Improvement Tax	1,165,000
General Fund Reserves	765,000
Water & Sewer Fund Reserves	4,060,000
Total Funding Sources	8,191,700

CAPITAL INVESTMENT PROGRAM SUMMARY

	ADOPTED FY 2008	PROJECTED FY 2009	PROJECTED FY 2010	PROJECTED FY 2011	PROJECTED FY 2012
Expenses					
General Government	55.1	170.5	130.0	-	-
Development	1,922.5	9,949.0	1,642.0	865.0	2,690.0
Public Safety	641.6	529.0	1,179.0	1,871.0	1,967.0
Parks & Recreation	1,312.5	849.0	2,220.0	1,380.0	1,110.0
Public Services	35.0	445.0	925.0	885.0	2,340.0
Public Utilities	4,225.0	2,530.0	2,048.0	2,015.0	2,350.0
Total Expenses	8,191.7	14,472.5	8,144.0	7,016.0	10,457.0
Funding Sources					
General Obligation Bonds	570.0	3,727.0	1,321.0	-	4,211.0
Sanitation Equipment Replacement Fund	-	-	-	85.0	410.0
Fire Facility Fees	538.1	34.0	108.0	1,871.0	881.0
Shelby County Government	-	22.0	237.0	210.0	-
Federal Grants	58.5	-	-	-	-
CDBG Grants	435.0	-	-	-	-
Historic District Funds	55.1	-	-	-	-
State of Tennessee	-	3,900.0	-	-	-
Construction in-lieu-of	-	1,500.0	-	-	-
Police Privilege Tax	45.0	450.0	500.0	-	-
Parks Improvement Tax	1,165.0	849.0	2,220.0	1,380.0	1,110.0
General Fund Reserves	765.0	1,460.5	1,710.0	1,455.0	1,495.0
Tennessee Department of Transportation	500.0	-	-	-	-
Water & Sewer Fund Reserves	4,060.0	2,530.0	2,048.0	2,015.0	2,350.0
Total Funding Sources	8,191.7	14,472.5	8,144.0	7,016.0	10,457.0

(All amounts are in 000's dollars.)



FY 2008 Capital Investments by Function

CAPITAL INVESTMENT PROGRAM SUMMARY

PROJECT	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	5 YEAR CIP
General Government						
Traincar Renovation	55.1					55.1
Halle Park Well		80.5				80.5
Emergency Generator		90.0				90.0
Expansion of Facilities Maintenance Building			130.0			130.0
Development						
Alcorn Village Drainage Project (CDBG)	150.0					150.0
Halley Road Sewer Improvements (CDBG)	137.5					137.5
Shelton/Wolf River Blvd and Verlington Intersection	570.0					570.0
Traffic Model	75.0					75.0
Traffic Signal Repair and Modifications	30.0	175.0				205.0
Houston Levee Road	85.0	1,435.0				1,520.0
Drainage Improvements	300.0	300.0	300.0	300.0	300.0	1,500.0
Byhalia Road Improvements	575.0	7,000.0				7,575.0
White Road Improvements - Peterson Lake to Park Hill Rd.		482.0				482.0
Traffic Signal Upgrades to LED Heads		125.0				125.0
Stormwater Mapping and Modeling		95.0	95.0	95.0		285.0
Sycamore Road Improvements (CDBG)		22.0	215.0			237.0
Crooked Creek Road		165.0	750.0			915.0
Traffic Signal Upgrades to Mast Arms		150.0	260.0	260.0	265.0	935.0
North Rowlett Street and Drainage Improvements			10.0	110.0		120.0
Halley Road Improvements			12.0	100.0		112.0
Shelton Road Widening					2,125.0	2,125.0
Public Safety						
Firing Range Renovation	45.0	350.0				395.0
Mobile Fire Safety Trailer	65.0					65.0
Fire Administration Facility	531.6					531.6
Replacement Hydraulic Rescue Tools		34.0	31.0	24.0		89.0
Police Department Expansion/Renovation		145.0	1,071.0		1,086.0	2,302.0
Firehouse Facilities #6			77.0	1,304.0		1,381.0
Rescue/Pumper - Firehouse #6				543.0		543.0
Ladder Truck/Platform					881.0	881.0
Parks & Recreation						
Ryan's Place Shade Structure	28.0					28.0
Greenbelt System	50.0	150.0	50.0	150.0	200.0	600.0
Hinton Park	50.0	200.0	1,800.0	1,150.0		3,200.0
Athletic Field Lighting Improvements	60.0				350.0	410.0
Suggs Park Playground Improvements (CDBG)	62.5					62.5
Suggs & Nikki McCray Parks Parking Lot Overlay	70.0					70.0
Nikki McCray Park Playground Improvements (CDBG)	85.0					85.0
Harrell Theatre Improvement	120.0					120.0
Precast Restroom Buildings	120.0					120.0
Estanaula Park Development Improvements	180.0				100.0	280.0
Administrative Office Building/Expansion - Parks	372.0					372.0
Medians - Irrigation Systems and Landscaping	115.0	137.0	80.0	80.0	60.0	472.0
WC Johnson Parking Lot - Overlays		55.0	55.0			110.0
Equipment - Park Mowing Units		75.0	55.0			130.0
Restroom Building/Pavilion at WC Johnson Park		232.0				232.0
Tara Oaks Park Development			180.0			180.0
Park Maintenance Complex - Design & Construction					400.0	400.0
Public Services						
Equipment - One Ton Dump Truck	35.0			50.0		85.0
Equipment - Bucket Truck		55.0				55.0
Equipment - Transfer Trailer		70.0			90.0	160.0
Guard Rails		90.0	75.0	75.0		240.0
Equipment - Rear Loading Garbage Truck		110.0			140.0	250.0
Equipment - Road Tractor		120.0			180.0	300.0
Parts Storage Mezzanine in Shop			40.0			40.0
Equipment - Skid Steer Loader			45.0		55.0	100.0
Equipment - Tandem Axle Dump Truck			90.0		110.0	200.0
Equipment - Brush Truck			115.0		140.0	255.0
Equipment - Street Sweeper			160.0			160.0
Equipment - Recycle Truck			170.0		190.0	360.0
Equipment - Automated Garbage Truck			230.0		230.0	460.0
Equipment - Bridge Crane in Shop				40.0		40.0
Mulching Facility				40.0		40.0
Equipment - Mini-excavator				60.0		60.0
Equipment - Flat Bed Dump Truck				60.0		60.0
Equipment - Jet Truck				75.0		75.0
Transfer Station				85.0	1,000.0	1,085.0

CAPITAL INVESTMENT PROGRAM SUMMARY

PROJECT	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	5 YEAR CIP
Equipment - Backhoe				100.0		100.0
Equipment - Bulldozer				100.0		100.0
Fuel Island				200.0		200.0
Security Fence and Gates					40.0	40.0
Materials Storage Bins					55.0	55.0
Equipment - Single Axle Dump Truck					110.0	110.0
Public Utilities						
Water Distribution System Improvements	375.0	375.0	400.0	400.0	400.0	1,950.0
Sewer Collection System Improvements	1,175.0	1,000.0	1,500.0	1,500.0	1,500.0	6,675.0
Paint Elevated Tank at Water Treatment Plant #1	250.0					250.0
Hwy 72 Utility Relocation	1,000.0					1,000.0
Well and Waterline at Water Treatment Plant #2	1,425.0					1,425.0
Trailer for Emergency Generator		35.0				35.0
Inspect/Repair Existing Oxidation Ditch - Shelton Rd WWTP		75.0				75.0
Backup Generator for Water Treatment Plant #3 Wells		120.0				120.0
Security Systems at Utility Plants		150.0				150.0
Remote Alarms for Sewer Lift Stations		275.0				275.0
Lagoon Decommissioning		500.0				500.0
Equipment - One Ton Utility Bed Truck with Crane			38.0			38.0
Garage and Storage Building for Wastewater Collection			110.0			110.0
Equipment - Backhoe				115.0		115.0
Elevated Water Tank					110.0	110.0
Equipment - Vac/Jet Truck					340.0	340.0
Total CIP	8,191.7	14,472.5	8,144.0	7,016.0	10,457.0	48,281.2
Funding Sources						
General Obligation Bonds	570.0	3,727.0	1,321.0		4,211.0	9,829.0
Sanitation Equipment Replacement Fund				85.0	410.0	495.0
Fire Facility Fees	538.1	34.0	108.0	1,871.0	881.0	3,432.1
Shelby County Government		22.0	237.0	210.0		469.0
Federal Grants	58.5					58.5
CDBG Grants	435.0					435.0
Historic District Funds	55.1					55.1
State of Tennessee		3,900.0				3,900.0
Construction in-lieu-of		1,500.0				1,500.0
Police Privilege Tax	45.0	450.0	500.0			995.0
Parks Improvement Tax	1,165.0	849.0	2,220.0	1,380.0	1,110.0	6,724.0
General Fund Reserves	765.0	1,460.5	1,710.0	1,455.0	1,495.0	6,885.5
Tennessee Department of Transportation	500.0					500.0
Water & Sewer Fund Reserves	4,060.0	2,530.0	2,048.0	2,015.0	2,350.0	13,003.0
Total Funding Sources	8,191.7	14,472.5	8,144.0	7,016.0	10,457.0	48,281.2

(All amounts are in 000's dollars.)

STAFFING SUMMARY

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	% Inc/ Dec	FY 08 Bud	% Inc/ Dec		
	Actual											Est.	Var	Bud	Var	Dec
Full-time Positions																
Mayor and Board of Aldermen	6	6	6	6	6	6	7	7	7	7	7	0	7	0	0.0%	
Town Administrator's Office	3.2	4	6	7	7	6	5	5	5	7	7	0	6	-1	-14.3%	
Financial Administration	10	11	13	19	21	23	21	21	17	17	18	1	18	0	0.0%	
Human Resources	2	2	3	4	4	4	4	4	4	4	4	0	4	0	0.0%	
Information Technology ^a							3	3	3	4	5	1	5	0	0.0%	
General Services ^b									9	8	9	1	11	2	22.2%	
Development																
Administration	0	2	2	3	3	2	2	2	2	1	1	0	2	1	100.0%	
Office of Planning	3.5	7	7	11	12	12	9	9	10	11	11	0	11	0	0.0%	
Code Enforcement	12	10	10	14	14	14	17	17	17	18	19	1	19	0	0.0%	
Office of Engineer	6.5	9	9	9	10	10	11	11	11	12	13	1	14	1	7.7%	
Public Safety																
Animal Services	2	3	3	3	4	4	4	4	4	4	6	2	6	0	0.0%	
Municipal Court	5	5	6	7	7	8	8	8	8	8	9	1	9	0	0.0%	
Police Department	63	81	85	94	100	107	115	118	119	127	133	6	139	6	4.5%	
Fire Department	39	42	44	52	53	65	66	66	66	66	67	1	70	3	4.5%	
Emergency Management ^c	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0.0%	
Public Services																
Administration	2	2	2	2	3	5	5	5	5	5	5	0	5	0	0.0%	
Fleet Maintenance	3	3	3	4	5	5	8	8	8	9	9	0	9	0	0.0%	
Streets and Drainage	14	20	20	20	21	21	22	22	21	23	25	2	25	0	0.0%	
Sanitation	21	23	23	24	25	33	33	32	32	33	34	1	36	2	5.9%	
General Government Buildings ^d	3	4	6	7	8	8	0	0	0	0	0	0	0	0	0.0%	
Parks and Recreation	23	27	29	32	38	40	49	49	41	43	44	1	44	0	0.0%	
Economic Development ^e	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0.0%	
Public Utilities																
Water Treatment Plant	0	2	2	3	5	5	5	5	5	5	5	0	5	0	0.0%	
Water Distribution System	8	10	10	9	11	11	11	11	11	11	12	1	12	0	0.0%	
Wastewater Collection	4	5	6	7	8	10	10	10	10	10	10	0	10	0	0.0%	
Wastewater Treatment Plant	5	5	7	7	8	8	8	8	8	8	8	0	8	0	0.0%	
Total	236.2	285	304	346	374	407	423	425	423	441	461	20	475	14	3.0%	

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

^aThe Information Technology department was created in FY 2003.

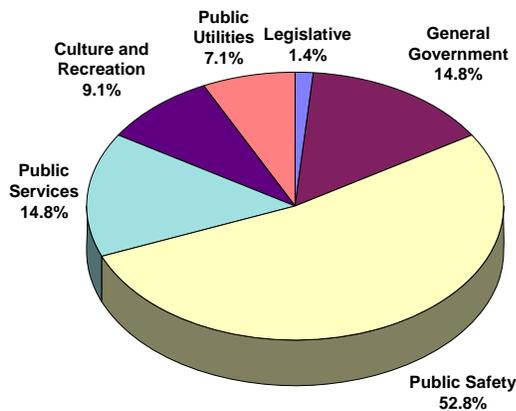
^bThe General Services department was created in FY 2005 to combine the functions of purchasing and building maintenance.

^cThe office of Emergency Management was eliminated in FY 2002 and the function was moved to Administration.

^dGeneral Government Buildings function was relocated to Parks and Recreation in FY 2003, then to General Services in FY 2005.

^eThe economic development function was begun in FY 1998 and eliminated in FY 2001. The Chamber of Commerce now handles this function.

FY 2008 Budget Staffing by Function



For FY 2006, new positions were added in several departments. One position was eliminated in General Services, and one position in Development was not funded. For FY 2007, twenty full-time positions and one part-time position were added. One part-time position was reclassified to full-time. For FY 2008, fifteen full-time positions and one part-time position were added and a full-time position was eliminated. The development director position was funded and an engineer and part-time office assistant was added in Development; six additional police officers and three firefighters were added in Public Safety; a contract specialist and purchasing agent were added in General Services; and an equipment operator, sr. and a sanitation worker were added in Public Services. The risk manager position in the Town Administrator's Office was eliminated.

STAFFING SUMMARY

Positions	FY 06 Actual		FY 07 Estimated			FY 08 Budget		
	Full Time	Part Time	Full Time	Part Time	Inc/ (Dec)	Full Time	Part Time	Inc/ (Dec)
Mayor and Board of Aldermen	7.0	0.0	7.0	0.0	0.0	7.0	0.0	0.0
Town Administrator's Office	7.0		7.0		0.0	6.0		(1.0)
Financial Administration	17.0	1.0	18.0	1.0	1.0	18.0	1.0	0.0
Human Resources	4.0		4.0		0.0	4.0		0.0
Information Technology	4.0		5.0			5.0		0.0
General Services	8.0		9.0			11.0		2.0
Development								
Administration	1.0	0.0	1.0	1.0	1.0	2.0	2.0	2.0
Office of Planning	11.0		11.0	0.0	0.0	11.0	0.0	0.0
Code Enforcement	18.0	1.0	19.0	0.0	0.0	19.0	0.0	0.0
Office of Engineer	12.0		13.0		1.0	14.0		1.0
Public Safety								
Animal Services	4.0	2.0	6.0	2.0	2.0	6.0	2.0	0.0
Municipal Court	8.0	5.0	9.0	4.0	0.0	9.0	4.0	0.0
Police Department	127.0	15.0	133.0	15.0	6.0	139.0	15.0	6.0
Fire Department	66.0	2.0	67.0	3.0	2.0	70.0	3.0	3.0
Public Services								
Administration	5.0		5.0		0.0	5.0		0.0
Fleet Maintenance	9.0		9.0		0.0	9.0		0.0
Streets and Drainage	23.0		25.0		2.0	25.0		0.0
Sanitation	33.0		34.0		1.0	36.0		2.0
Parks and Recreation	43.0	2.0	44.0	2.0	1.0	44.0	2.0	0.0
Public Utilities								
Water Treatment Plant	5.0		5.0		0.0	5.0		0.0
Water Distribution System	11.0	1.0	12.0	1.0	1.0	12.0	1.0	0.0
Wastewater Collection	10.0		10.0		0.0	10.0		0.0
Wastewater Treatment	8.0		8.0		0.0	8.0		0.0
Total	441.0	29.0	461.0	29.0	20.0	475.0	30.0	15.0

	Actual FY 06		Estimated FY 07		Budget FY 08	
Salaries	80.0	4,164,769	82.0	4,474,135	84.0	4,883,482
Wages	361.0	12,039,699	379.0	13,380,840	391.0	14,529,883
Part-time	29.0	260,094	29.0	279,120	30.0	346,273
Other Compensation		533,750		590,996		688,777
Benefits		6,490,638		7,741,295		9,072,533
Merit & General Adjustment		0		0		483,821
Other Personnel	46.0	116,801	44.0	139,222	44.0	148,794
Total	516.0	\$ 23,605,751	534.0	\$ 26,605,608	549.0	\$ 30,153,562

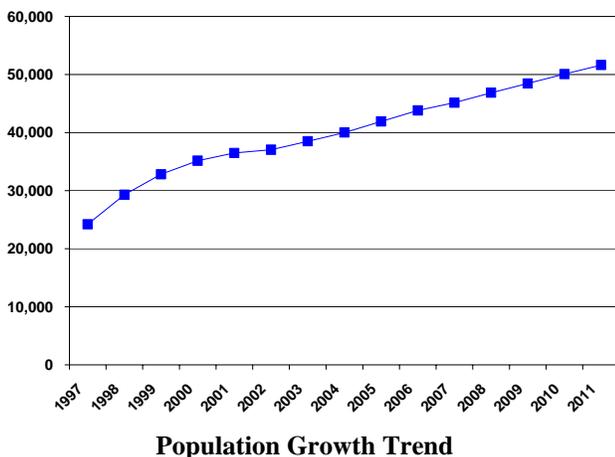
DEPARTMENTAL USE OF FUNDS

Department	%	%	%	%
	General	Sanitation	Library	Water & Sewer
Mayor and Board of Aldermen	100.00			
Town Administrator's Office	85.00			15.00
Financial Administration	65.00			35.00
Human Resources	85.00			15.00
Information Technology	89.38		3.32	7.30
General Services	86.20		6.80	7.00
Development				
Administration	85.00			15.00
Office of Planning	85.00			15.00
Code Enforcement	100.00			
Office of Engineer	75.00			25.00
Public Safety				
Animal Services	100.00			
Municipal Court	100.00			
Police Department	100.00			
Fire Department	100.00			
Public Services				
Administration				
Fleet Maintenance	100.00			
Streets and Drainage	100.00			
Sanitation		100.00		
Parks and Recreation	99.74		0.26	
Public Utilities				
Water Treatment Plant				100.00
Water Distribution System				100.00
Wastewater Collection				100.00
Wastewater Treatment				100.00

TOWN OF COLLIERVILLE, TENNESSEE

Collierville has always prided itself on being an independent Town. Established originally as a regional trade area around a Town Square, Collierville has grown from that “heart,” the Square, rather than from the sprawl typical of other areas in Shelby County. Even in the enhanced growth mode the Town is experiencing, it continues to be a balanced “whole” community with an identity, a quality of life, and an economy distinct and separate from the larger Memphis Metropolitan Area of which it is a part. However, the need for relationships and partnerships with groups of similar interest and goals, not only in the larger Memphis Metro but in the State of Tennessee and the entire United States as well, continues to increase.

•**Population.** Population growth for Collierville continues to outpace Memphis and Shelby County. Area and state publications list the Town as one of the fastest growing municipalities in the State of Tennessee. The state legislature allows municipalities to conduct 3 special censuses in a decade. The Town conducted its first special census in the spring of 2002 which showed an increase of 13% above the federal census. The second special census conducted in the spring of 2005 put the population at 41,293, a 13.2% increase. The chart below shows the expected population growth trend. The Town plans another special census in the spring of 2008.



•**Government.** The Town of Collierville was first settled in 1835, incorporated in 1870, and is located in Shelby County, southeast of Memphis, Tennessee in the southwestern part of the state. Collierville is part of the most rapidly developing area of Shelby County. The Town of Collierville currently occupies a land area of 29.01 square miles. The Town is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which

occurs periodically when deemed appropriate by the Board of Mayor and Aldermen.

The Town of Collierville operates under a Private Acts Charter. The present charter was adopted in 2001. Collierville is a mayor-aldermanic/town administrator form of government. Policy-making and legislative authority are vested in a board consisting of the mayor and five aldermen. The board is responsible, among other things, for passing ordinances, adopting the budget, adopting the tax rate and setting fees, appointing boards and commissions, and appointing the town administrator and department heads.

The town administrator is responsible for carrying out the policies and ordinances of the board and for overseeing the day-to-day operations of the Town. The board is elected on a non-partisan basis by popular vote. Recent changes to the charter created staggered terms and changed the time of election from May to November. To make the transition, the mayor and two aldermen elected in 2003 will serve 5 years and the other 3 aldermen served 3 years. After 2008, all positions will serve 4 year on a staggered basis.

•**Major Initiatives.** In partnership with its citizens, the Town of Collierville accepts the challenge associated with the social, physical and economic change which comes from the rapid growth the Town is experiencing. The Town’s commitment to the well being of its citizens is evidenced through the completion of the following congestion reduction road projects:

- Construction was completed on a portion of Wolf River Boulevard which will be a major east-west corridor and will improve traffic congestion on Poplar Avenue.
- In partnership with Shelby County, Houston Levee Road was widened north of Wolf River Boulevard, and a new bridge was constructed over the river to provide a critical north-south connector to Hwy 385.
- Construction is budgeted to widen an additional section of Houston Levee Road north of Poplar to six lanes.
- The first phase of the construction of Byhalia Road, another north-south connector, from Hwy 385 to New Shelby Drive was budgeted for FY 2008.

In addition to the Town roadway projects, the County and the State of Tennessee continue to plan, design, and construct transportation improvements in the southeast quadrant of Shelby County. These projects include: a controlled access interstate design roadway along the Town’s southeastern and eastern borders and the remaining segments to the north of Collierville; widening of an existing state and federal highway system through the southeast quadrant of town.

TOWN OF COLLIERVILLE, TENNESSEE

The Town's greenbelt system is designed for the construction of over 60 miles of trails and sidewalks connecting parks, schools, and commercial districts. The Town currently manages over 7.5 miles of trails within the corporate limits. Designed to enhance the natural beauty of the town, the trails are placed along laterals of the famous Wolf River, preserving natural vegetation and providing protected wildlife habitats. The majority of these funds for greenbelt enhancement are being and will be provided by Transportation Enhancement Program Grants through the Tennessee Department of Transportation.

•Economy. The Town of Collierville economy has transcended from a predominantly agricultural base into a diverse economic structure including manufacturing, distribution, service, trade, construction, finance, government and high technology. This economic structure continues to expand and grow as new businesses locate in the area. Existing businesses and industries continue to identify and establish properties available for further expansion and development.

A large manufacturer expanded by adding 36,000 square feet of manufacturing area, 3,600 square feet of office space and 5,400 square feet of cafeteria and restroom facilities. This created 300 full time and 98 seasonal new jobs in Collierville. Two major retail stores and a grocery store opened in 2004. The Avenue Carriage Crossing, an

open-air life-style shopping center 810,832 square feet in size, opened in October 2005.

The trend for steady residential growth continues. This growth is accommodated by the continued addition and expansion of residential housing in the Town.

•Services. The Town of Collierville provides a full range of services, including police and fire and paramedic services; the construction and maintenance of highways, streets, and other infrastructure; planning and zoning services; sanitation and recreational activities and cultural events. The Town operates its own water and sewer utility system. The Memphis Light, Gas and Water Division of the City of Memphis provides electrical and natural gas distribution to the Collierville service area. The Memphis Area Transit Authority provides scheduled bus service throughout the Town.

•Schools. The Shelby County Board of Education funds and operates the schools in the Town, which has no separate school system. Shelby County levies a property tax on assessed values throughout the County to finance the school system and capital improvements to the system. There are eight schools located in the Town - five elementary schools, two middle schools, and one high school. Some high school students attend a County school located in the adjacent city of Germantown.

Additional Data

STATISTICAL INFORMATION

	FY 98 ¹	FY 99 ²	FY 00 ²	FY 01 ²	FY 02 ³	FY 03 ²	FY 04 ²	FY 05 ⁴	FY 06 ²	% Inc/Dec	FY 07 Est	% Inc/Dec	FY 08 Budget	% Inc/Dec
Population	29,295	32,724	35,146	36,475	37,044	38,500	40,000	41,923	43,812	4.5%	45,142	3.0%	46,342	2.7%
Single Family Building Permits	542	737	480	312	507	608	453	533	451	-15.4%	212	-53.0%	300	41.5%
Miles of Streets	178	189	189	189	248	299	311	228 ⁵	248	8.8%	260	4.8%	269	3.5%
Acres of Parkland	244.0	246.0	289.0	289.0	318.5	346.0	385.0	487.0	487.0	0.0%	487.0	0.0%	487.0	0.0%
Water Customers	9,821	10,628	11,424	11,798	12,280	12,922	13,300	14,156	14,676	3.7%	15,062	2.6%	15,350	1.9%
Sewer Customers	9,229	10,069	10,814	11,148	11,473	12,119	12,600	13,323	13,837	3.9%	14,109	2.0%	14,400	2.1%
Sanitation Customers	8,304	8,859	9,459	10,032	10,414	11,487	12,044	12,603	13,063	3.6%	13,519	3.5%	13,820	2.2%

¹ Population figures according to the 1998 Special Census.

² Population figures are estimated.

³ Population figures according to the 2002 Special Census.

⁴ Population figures according to the 2005 Special Census.

⁵ Previous figures include annexation reserve area.

Demographic and Economic Statistics,

June 30, 2006

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income^a</u>	<u>School Enrollment</u>	<u>Unemployment Rate^b</u>
1997	24,210	\$ 662,797	\$ 27,377	6,085	N/A
1998	29,295	862,679	29,448	6,338	N/A
1999	29,295	862,679	29,448	6,436	N/A
2000	29,295	886,232	30,252	6,717	3.8
2001	32,824	992,992	30,252	7,194	4.3
2002	37,044	1,120,655	30,252	7,252	5.3
2003	37,044	1,120,655	30,252	7,414	5.8
2004	37,044	1,120,655	30,252	7,590	5.9
2005	41,923	1,268,255	30,252	7,600	6.2
2006	41,923	1,268,255	30,252	7,887	6.2

^aInformation is available through the 2000 Federal Census. Mid-decade information is unavailable for the Town.

^bInformation about unemployment is provided by the Tennessee Department of Labor and Workforce Development. The unemployment rate is for the Memphis MSA and is unavailable prior to 2000.

Principal Employers,
Current year and Nine Years Ago

<u>Employer</u>	<u>2006</u>			<u>1997</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment¹</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Carrier Corporation	2,564	1	0.56%	1,300	1	0.30%
FedEx World Technology Center	2,504	2	0.55	-	-	-
Town of Collierville	395	3	0.09	246	8	0.06
Pepsi Americas	300	4	0.07	-	-	-
Baptist Memorial Hospital	260	5	0.06	-	-	-
AIMS Logistics	228	6	0.05	-	-	-
Bodine	220	7	0.05	-	-	-
Helena Chemical	217	8	0.05	-	-	-
Central Woodwork	165	9	0.04	-	-	-
ConStar Plastics	160	10	0.03	231	10	0.05
Wal-Mart	-	-	-	557	2	0.13
Shelby County Schools	-	-	-	372	3	0.08
Witt International	-	-	-	307	4	0.07
A. E. Clevite	-	-	-	300	5	0.07
Delta Beverage	-	-	-	296	6	0.07
Hart's Manufacturing	-	-	-	275	7	0.06
Kroger	-	-	-	240	9	0.05
Total	<u>7,013</u>		<u>1.53%</u>	<u>4,124</u>		<u>0.41%</u>

Sources: Collierville Chamber of Commerce, U. S. Census Bureau.

¹Percentage of total Shelby County employment.

Miscellaneous Data

Year	General Fund			Estimated Population	Full Time Employees*	Emp. Per 1000 Pop.
	Oper. Revenue	Expenditures	Tax Rate			
1980	\$ 1,234,880	\$ 1,226,001	\$ 1.70	7,839	87	11.10
1985	2,634,617	2,634,617	2.08	9,480	113	11.92
1990	6,597,129	5,560,968	2.27	16,300	173	10.61
1991	6,480,179	6,114,639	2.27	14,427	176	12.20
1992	7,399,369	7,258,134	1.59	18,450	177	9.59
1993	7,357,732	7,056,818	1.59	18,150	189	10.41
1994	9,461,726	9,370,373	1.59	18,350	197	10.74
1995	9,915,510	10,575,651	1.59	18,350	226	12.32
1996	12,172,420	12,689,203	1.59	24,210	228	9.42
1997	13,578,805	12,658,018	1.59	24,210	229	9.46
1998	16,404,840	13,982,972	1.89	29,295	278	9.49
1999	18,719,681	15,592,072	1.47	31,253	297	9.50
2000	20,421,748	17,234,465	1.47	32,824	339	10.33
2001	21,429,457	19,982,011	1.47	35,448	367	10.35
2002	24,515,723	22,036,244	1.45	37,044	400	10.80
2003	25,303,574	23,991,956	1.45	38,500	416	10.81
2004	27,424,012	26,479,602	1.45	40,000	418	10.45
2005	30,341,813	26,228,575	1.45	41,923	415	9.90
2006	33,945,343	28,899,877	1.28	43,812	434	9.91
2007**	35,433,561	33,332,306	1.28	45,142	454	10.06
2008***	37,606,958	36,804,378	1.28	46,342	469	10.12

*Excluding elected officials

**Estimated

***Projected

**Operating Indicators by Function/Program,
Last Ten Fiscal Years**

<i>Function/Program</i>	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Development										
Permits issued	1,373	4,615	5,200	4,436	3,156	4,308	4,874	4,636	3,830	5,047
Inspections conducted	5,918	19,906	23,740	24,060	22,616	18,806	19,427	21,319	24,063	20,161
Police ^a										
Physical arrests	3,019	2,843	3,163	2,363	3,550	3,826	2,489	2,100	1,633	NA
Traffic violations	13,425	13,874	10,937	11,056	17,307	17,879	16,565	9,158	8,499	NA
DUI arrests	221	261	225	275	311	350	255	240	140	NA
Fire										
Emergency responses	1,361	1,236	1,590	1,718	1,789	1,883	2,056	2,124	2,175	2,485
Fires extinguished	116	119	168	139	131	144	126	113	110	138
Inspections	1,355	1,159	1,228	1,518	1,904	1,691	1,986	2,201	2,518	1,803
Sanitation										
Refuse collected (tons) ^b	9,522	10,498	10,975	11,512	11,883	12,833	13,087	14,094	14,575	14,893
Recyclables collected (tons)	3,023	1,121	1,096	1,108	1,119	1,153	1,200	1,784	1,813	1,819
Other public works										
Street resurfacing (miles)	7	8	8	8	8	16	20	24	23	17
Sidewalk replacement (linear feet)	2,000	1,500	9,500	500	500	500	100	100	100	250
Pavement repairs	410	420	416	475	475	520	525	530	350	500
Parks and Recreation										
Adult/youth sports participants	6,475	5,743	5,172	5,215	5,425	5,695	5,980	5,306	5,420	5,737
Community center admissions ^c	49,549	52,522	53,250	51,500	54,800	78,079	46,483	46,767	135,924	143,424
Harrell Theatre attendance	40,356	41,886	34,629	49,000	44,500	46,000	48,300	36,225	38,036	39,938
Library										
Volumes in collection	59,074	54,834	57,975	57,008	62,420	66,992	72,530	74,720	80,809	85,209
Total volumes circulated	NA	185,609	182,859	178,581	201,818	243,943	256,207	267,225	246,339	266,049
Water										
New connections	547	813	681	441	462	624	642	508	724	520
Water main breaks	-	4	2	14	41	29	18	26	15	8
Average daily consumption (thousands of gallons)	3,760	4,273	4,598	5,035	5,146	4,969	5,038	5,522	6,182	6,883
Peak day consumption (thousands of gallons)	6,700	9,216	10,010	10,470	12,736	10,291	9,802	9,762	12,739	14,999
Wastewater										
Average daily sewage treatment (thousands of gallons)	NA	NA	3,360	3,769	3,983	4,160	4,499	4,347	4,753	4,910

Sources: Various town departments.

Notes:

^aThe Police Department measures are by calendar year.

^bHousehold garbage only. Junk and yard waste is not included.

^cCommunity Center admissions decreased during expansion construction in FY 2003.

**Capital Asset Statistics by Function/Program,
Last Ten Fiscal Years**

<i>Function/Program</i>	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Satellite offices	0	0	0	0	0	1	1	1	1	0
Patrol units	15	18	28	37	41	52	52	59	59	66
Fire stations	3	3	3	4	4	5	5	5	5	5
Sanitation										
Refuse collection trucks	11	11	12	13	15	19	20	21	21	22
Recycle trucks	2	3	3	3	3	4	4	4	4	4
Other public works										
Streets (miles)	145	178	189	189	189	248	299	311	228	248
Streetlights	3,398	3,682	3,821	3,985	3,985	4,923	5,088	5,290	5,489	5,775
Traffic Signals	NA	NA	NA	NA	NA	NA	24	28	32	32
Parks and Recreation										
Parks	6	6	11	11	11	12	12	12	15	15
Acreage	231	231	289	289	289	346	346	385	487	487
Playgrounds	8	8	9	10	11	11	12	12	12	12
Baseball/softball diamonds	11	11	11	11	11	11	15	15	15	15
Soccer/football fields	8	9	9	11	11	11	11	11	11	11
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	170	170	190	210	210	213	213	220	225	228
Fire hydrants	NA	NA	NA	NA	NA	NA	NA	NA	NA	2,832
Water treatment plants	3	3	3	4	5	5	5	5	5	5
Storage capacity (thousands of gallons)	2,500	2,500	2,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Wastewater										
Sewer mains (miles)	140	140	180	190	195	198	198	204	213	216
Wastewater treatment plants	1	2	2	2	2	2	2	2	2	2
Treatment capacity (thousands of gallons)	3,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500

Sources: Various town departments.

Statistical Data Comparison - Comparable Tennessee Cities

<u>City</u>	FY 2006				FY 2005			
	<u>Pop.</u>	<u>Tax Rate</u>	<u>Operating Budget</u>	<u># of Emp.</u>	<u>Pop.</u>	<u>Tax Rate</u>	<u>Operating Budget</u>	<u># of Emp.</u>
Bartlett	46,954	1.31	49,103,013	440	43,354	1.38	46,059,163	485
Brentwood ¹	30,617	0.59	42,268,601	231	30,617	0.59	45,139,580	227
Cleveland	39,375	1.65	37,353,322	331				
Collierville	43,812	1.28	45,940,748	441	41,923	1.45	41,568,109	422
Cookeville	26,052	0.79	83,302,354	394	26,052	0.88	76,114,364	384
East Ridge	20,640	1.08	9,848,073	130	20,640	1.08	12,290,609	125
Franklin ²	51,300	0.43	47,416,976	640	52,000	0.55	45,503,844	561
Germantown	40,997	1.54	52,700,000	400	40,203	1.70	46,952,602	439
Hendersonville	42,509	0.63	23,647,016	261				
Maryville ³	27,514	2.27	121,713,796	906	26,484	2.27	110,423,215	906

<u>City</u>	FY 2004				FY 2003			
	<u>Pop.</u>	<u>Tax Rate</u>	<u>Operating Budget</u>	<u># of Emp.</u>	<u>Pop.</u>	<u>Tax Rate</u>	<u>Operating Budget</u>	<u># of Emp.</u>
Bartlett	43,025	1.38	41,501,690	466	42,265	1.23	41,098,620	452
Brentwood ¹	30,617	0.59	45,902,935	218	26,743	0.59	31,907,701	219
Collierville	41,923	1.45	41,490,326	425	39,500	1.45	36,191,903	423
Cookeville	26,052	0.88	76,225,346	385	26,052	0.71	82,231,278	390
East Ridge	20,640	1.25	12,556,343	130	20,640	1.25	14,184,968	134
Franklin ²	48,210	0.55	50,000,000	551	45,000	0.55	50,910,259	492
Germantown	40,203	1.70	43,389,055	431	40,203	1.30	46,439,376	405
Maryville ³	25,763	2.27	103,902,103	980	25,535	2.15	103,628,403	967

¹Broad tax base - 7th largest in the state. Sales tax revenues = 35% of budget.

²Local option sales tax = 48% of revenue or twice the amount of property taxes.

³Of Property taxes - 55% goes to schools, 38% to debt service, 7% to general government. FY 2003 figures include utility funds, capital project funds, and employees associated with the Maryville City School System.

Tennessee Cities Water, Sewer, Sanitation Rates

<u>City</u>	<u>Population</u>	<u>Water Minimum</u>			<u>Sewer Minimum</u>			<u>Garbage</u>	
		<u>Gallons</u>	<u>Meter</u>	<u>Rate</u>	<u>Gallons</u>	<u>Rate</u>	<u>P/U / Wk.</u>	<u>Cost</u>	
Bartlett	46,954	2,000	3/4"	4.00 Min	2,000	4.27 Min	1	19.00	
Brentwood	30,617	2,000	5/8"	11.62 Min	2,000	11.62 Min	N/A	N/A	
Cleveland	39,375			6.73 Min		4.41 Min	1	1.66	
Collierville	43,812	1,000	3/4"	5.55 Min	1,000	12.45 Min	1	15.00	
Cookeville	26,052	2,000	5/8"	5.88 Min	1,000	4.50 Min	1	0.00	
East Ridge	20,640	750	5/8"	9.09 Min	0	7.48 Min	2	10.00	
Franklin	51,300	1,000	1/2"	3.22 Min	1,000	3.05 Min	1	0.88	
Germantown	40,997	5,000	3/4"	6.75 Min	0	1.53 Min	1	23.50	
Hendersonville	42,509	n/a	n/a	n/a	n/a	n/a	1	2.52	
Maryville	27,514	1,500	5/8"	5.05 Min	1,000	3.95 Min	1	0.00	

**Tax Revenue by Source, Governmental Funds,
Last Ten Fiscal Years**
(modified accrual basis of accounting)

Fiscal Year	Property	In Lieu of	Local Option Sales	Beer & Liquor	Business & Privilege	Motor Vehicle	Park Land Dedication	Historic Preservation	Substance	Total
1997	\$ 4,568,861	\$ 294,534	\$ 2,854,876	\$ 343,782	\$ 421,682	\$ 396,867	\$ 158,853	\$ 165,643	\$ -	\$ 9,205,098
1998	6,821,107	357,213	2,990,941	379,478	556,608	434,504	235,437	217,024	-	11,992,312
1999	7,544,272	354,057	3,427,612	376,491	654,058	471,873	238,866	114,621	-	13,181,850
2000	8,429,927	342,590	3,937,323	469,835	702,526	513,555	162,210	44,523	-	14,602,489
2001	9,305,577	408,968	4,208,076	474,667	781,809	535,445	231,556	70,875	-	16,016,973
2002	11,582,563	456,627	4,259,546	491,532	899,772	574,782	122,352	72,001	-	18,459,175
2003	12,016,898	229,114	4,480,530	498,502	932,191	610,562	235,944	41,498	-	19,045,239
2004	12,843,599	290,166	5,255,480	519,392	1,289,911	637,132	478,732	158,151	-	21,472,563
2005	13,574,550	277,507	5,626,968	548,729	1,271,703	669,379	67,549	316,958	-	22,353,343
2006	14,517,719	286,864	7,474,750	594,020	1,376,257	700,121	340,200	74,336	6,079	25,370,346
Change										
1997-2006	217.8%	-2.6%	161.8%	72.8%	226.4%	76.4%	114.2%	-55.1%	100.0%	175.6%

Assessed Value and Estimated Actual Value of Taxable Property,
(in thousands of dollars)

Fiscal Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Multiple Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
1997	\$ 1,769	\$ 195,149	\$ 42,944	\$ 6,521	\$ 2,217	\$ 29,141	\$ 277,740	\$ 1.59	\$ 1,015,272	27.356%
1998	2,568	241,663	46,895	7,869	3,121	28,434	330,550	1.89	1,219,663	27.102
1999	9,637	364,058	87,263	12,711	3,639	34,013	511,321	1.47	1,871,297	27.324
2000	7,069	402,820	101,745	13,605	3,210	37,402	565,851	1.47	2,064,144	27.413
2001	6,537	453,853	108,554	12,589	4,829	37,098	623,460	1.47	2,309,701	26.993
2002	9,122	547,406	150,391	14,635	6,330	38,795	766,679	1.45	2,819,125	27.196
2003	7,834	596,349	152,355	16,754	6,330	46,594	826,216	1.45	3,045,696	27.127
2004	8,093	635,116	152,631	16,274	6,328	45,230	863,672	1.45	3,197,079	27.014
2005	7,100	678,747	151,839	15,712	6,690	44,824	904,912	1.45	3,365,547	26.888
2006	12,867	801,778	225,886	26,784	7,148	50,083	1,124,546	1.28	4,109,255	27.366
2007	9,986	900,127	268,386	33,094	6,547	52,837	1,270,976	1.28	4,619,977	27.510

Source: Shelby County Assessor's Office

Notes: Property in Shelby County is reassessed every three years. The county assesses property at 25 percent of actual value for residential and farm property, 40 percent for commercial and industrial property, 0 to 40 percent for multiple property and 30 percent for personal property. Tax rates are per \$100 of assessed value.

**Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ^a	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ^b	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997	\$ 4,416,065	\$ 4,236,753	95.94%	\$ 201,757	\$ 4,438,510	100.51%
1998	6,247,398	6,108,096	97.77	318,986	6,427,082	102.88
1999	7,516,416	7,343,434	97.70	172,982	7,516,416	100.00
2000	8,318,009	8,110,406	97.50	245,469	8,355,875	100.46
2001	9,164,867	8,825,146	96.29	339,721	9,164,867	100.00
2002	11,116,836	10,621,958	95.55	420,567	11,042,525	99.33
2003	11,980,114	11,570,522	96.58	392,716	11,963,238	99.86
2004	12,523,244	12,027,520	96.04	399,778	12,427,298	99.23
2005	13,121,230	12,889,426	98.23	222,118	13,111,544	99.93
2006	14,394,186	13,888,702	96.49	-	13,888,702	96.49

Source: Shelby County Assessor's Office

^aInitial certified levy before Board of Appeals adjustments and other change orders.

^bCollections in subsequent year amounts before 2000 include all delinquent collections received in that fiscal year. Amounts in 2000 and after include collections for that fiscal year to date.

**Principal Property Tax Payers,
Current year and Nine Years Ago**

<u>Taxpayer</u>	<u>2006</u>			<u>1997</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Value</u>
Carrier Corporation	\$ 15,732,330	1	1.40%	\$ 8,896,450	1	3.20%
Northwestern Mutual Life	10,030,880	2	0.89	-		-
Delta Beverage Group, Inc	9,072,850	3	0.81	3,430,760	6	1.24
G & I IV Madison Apartments	8,498,720	4	0.76	-		-
Carriage Avenue, LLC	8,023,385	5	0.71	-		-
Baptist Hospital	7,566,080	6	0.67	-		-
Cingular Wireless	7,042,419	7	0.63	-		-
Dogwood Creek Apartments	6,853,040	8	0.61	-		-
Christian Mission	6,745,680	9	0.60	-		-
G & I IV Bailey Creek Apartments	5,862,840	10	0.52	-		-
Constar	-		-	5,604,750	2	2.02
BellSouth Communications	-		-	4,378,939	3	1.58
Wal-Mart	-		-	3,874,050	4	1.39
York-Cios	-		-	3,522,640	5	1.27
City Center	-		-	3,182,720	7	1.15
Evepco	-		-	3,094,160	8	1.11
Hart Manufacturing	-		-	2,173,945	9	0.78
A. H. Witt	-		-	1,516,710	10	0.55
Total	\$ 85,428,224		7.60%	\$ 39,675,124		14.29%

Source: Shelby County Assessor's Office

**Direct and Overlapping Property Tax Rates,
(Rate per \$100 of assessed value)**

<u>Fiscal Year</u>	<u>Town Direct Rates</u>			<u>Total Direct Rate</u>	<u>Overlapping Rate^a</u>
	<u>Basic Rate</u>	<u>Parks Improvement</u>			<u>Shelby County</u>
1997	\$ 1.59	\$ -		\$ 1.59	\$ 3.16
1998	1.89	-		1.89	3.16
1999	1.47	-		1.47	2.82
2000	1.47	-		1.47	3.54
2001	1.47	-		1.47	3.54
2002	1.35	0.10		1.45	3.79
2003	1.35	0.10		1.45	3.79
2004	1.35	0.10		1.45	4.09
2005	1.35	0.10		1.45	4.09
2006	1.18	0.10		1.28	4.09
2007	1.18	0.10		1.28	4.09

Note: The Town's property tax rate may be increased by a majority vote of the Board of Mayor and Aldermen on three readings, one of which is a public hearing.

^aThe overlapping rate is that of the county government that applies to property owners in the Town of Collierville. Source: Shelby County Assessor's office.

Ratios of General Bonded Debt Outstanding

(dollars in thousands except per capita)

Fiscal Year	General Bonded Debt Outstanding			Total	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Capital Outlay Notes	Notes Payable			
1997	\$ 16,782	\$ 560	\$ -	\$ 17,342	1.67%	\$ 617
1998	18,586	290	-	18,876	1.53	629
1999	17,350	205	-	17,555	0.94	536
2000	21,115	150	-	21,265	1.03	605
2001	19,770	100	-	19,870	0.86	545
2002	18,459	2,250	-	20,709	0.73	559
2003	25,917	2,075	-	27,992	0.92	727
2004	24,323	1,895	-	26,218	0.82	655
2005	22,715	1,735	1,720	26,170	0.78	624
2006	30,842	-	676	31,518	0.77	719
2007	31,019	-	-	31,019	0.67	687

Pledged-Revenue Coverage,

(dollars in thousands)

Fiscal Year	Water & Sewer Tax & Revenue Bonds			Debt Service		Coverage
	Total Revenue and Other Sources	Less: Operating Expenses	Net Available Revenue	Principal	Interest	
1997	\$ 3,940	\$ 1,852	\$ 2,088	\$ 389	\$ 630	2.05
1998	5,170	2,164	3,006	406	867	2.36
1999	4,562	2,710	1,852	385	847	1.50
2000	5,070	2,842	2,228	654	838	1.49
2001	5,471	3,444	2,027	809	1,019	1.11
2002	4,900	3,808	1,092	840	978	0.60
2003	4,939	4,007	932	931	1,005	0.48
2004	5,021	4,528	493	936	829	0.28
2005	6,693	4,741	1,952	962	783	1.12
2006	10,177	4,781	5,396	882	814	3.18
2007	11,484	5,273	6,211	1,777	1,000	2.24
2008	12,720	5,878	6,841	1,752	1,040	2.45

Ratios of Outstanding Debt by Type,
(dollars in thousands except per capita)

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Outlay Notes	Notes Payable	Water & Sewer Revenue & Tax Bonds	Notes Payable	General Obligation Bonds			
1997	\$ 16,782	\$ 560	\$ -	\$ 15,585	\$ 447	\$ 188	\$ 33,562	4.85%	\$ 1,193
1998	18,586	290	-	15,310	385	119	34,690	4.81	1,157
1999	17,350	205	-	15,025	303	100	32,983	4.09	1,008
2000	21,115	150	-	18,665	249	85	40,264	3.79	1,146
2001	19,770	100	-	17,930	189	70	38,059	3.45	1,043
2002	18,459	2,250	-	17,170	182	56	38,117	3.40	1,029
2003	25,917	2,075	-	17,396	-	37	45,425	3.90	1,180
2004	24,323	1,895	-	16,460	-	37	42,715	3.53	1,068
2005	22,715	1,735	1,720	15,500	-	35	41,705	3.29	995
2006 ^a	30,842	-	676	40,790	-	33	72,341	5.46	1,651
2007	31,019	-	-	39,015	-	31	70,065	5.13	1,552

^aThe Town issued \$26 million in water & sewer revenue and tax bonds in FY 2006 for expansion and upgrade of its two waste water treatment plants.

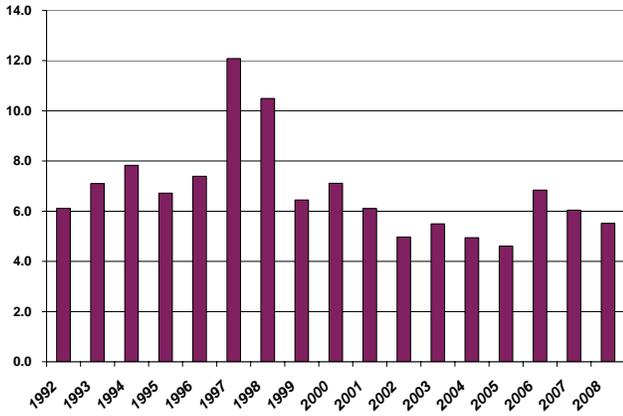
General Bonded Debt to Total General Expenditures and Other Uses
(dollars in thousands)

	Principal	Interest	Total	Ratio of Debt Service to Total General Expenditures and Other Uses	
				Total General Fund Expenditures and Other Uses	Total General Expenditures and Other Uses
1990 ^a	897	462	1,359	5,561	24.44
1991	264	440	704	6,115	11.51
1992	394	406	799	7,258	11.01
1993	404	318	722	7,057	10.23
1994 ^b	487	513	1,001	8,070	12.40
1995	956	465	1,420	10,808	13.14
1996	1,571	584	2,155	12,989	16.59
1997	985	755	1,740	13,080	13.31
1998	1,402	849	2,250	14,578	15.44
1999	1,237	859	2,096	16,765	12.50
2000	1,141	792	1,933	19,675	9.82
2001	1,273	976	2,248	29,919	7.51
2002	1,238	965	2,203	25,426	8.66
2003	1,383	846	2,229	25,034	8.90
2004	1,650	1,094	2,745	29,343	9.35
2005	1,751	981	2,733	29,301	9.33
2006	1,825	1,196	3,020	28,900	10.45
2007	2,187	1,163	3,350	33,332	10.05
2008	2,191	1,081	3,271	36,804	8.89

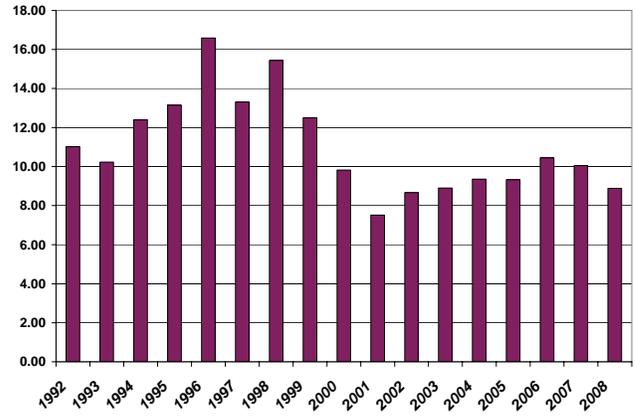
^aExcludes 1989 \$1,165,000 refunding bond issue considered legally defeased and includes \$700,000 capital outlay notes paid by issuance of \$980,000 new notes.

^bExclude Excludes retirement of \$1,300,000 bond anticipation

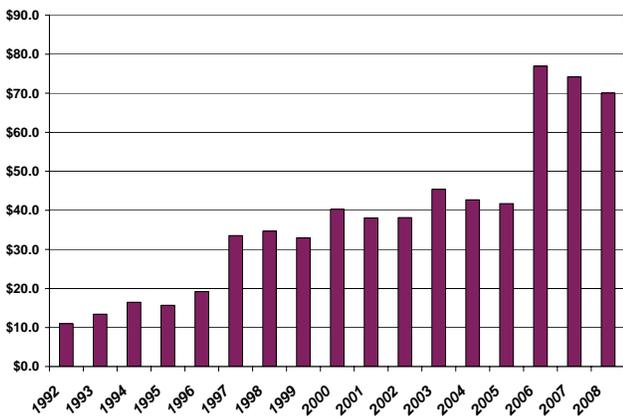
DEBT CHARTS



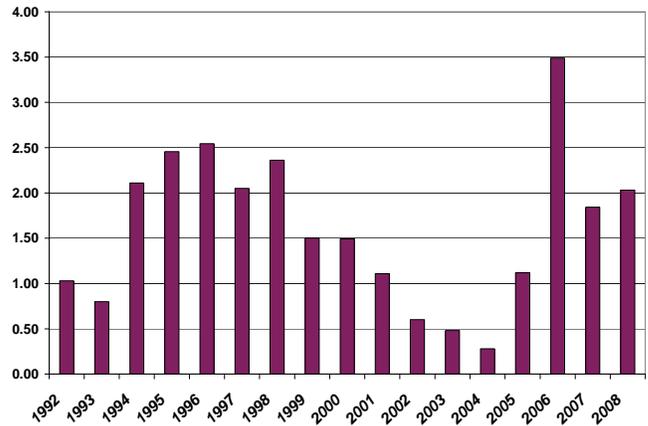
Total Debt to Assessed Valuation



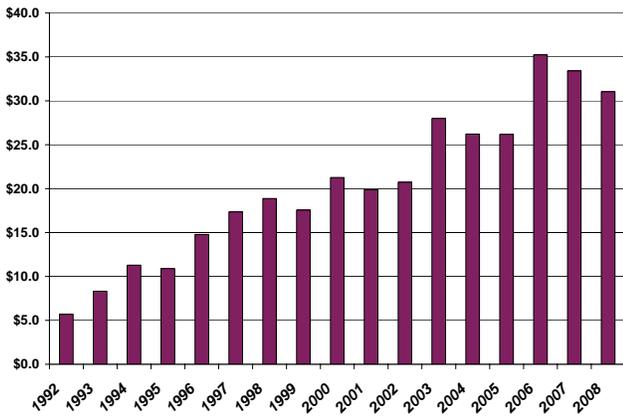
Ratio of Debt Service to General Fund Expenditures and Other Uses



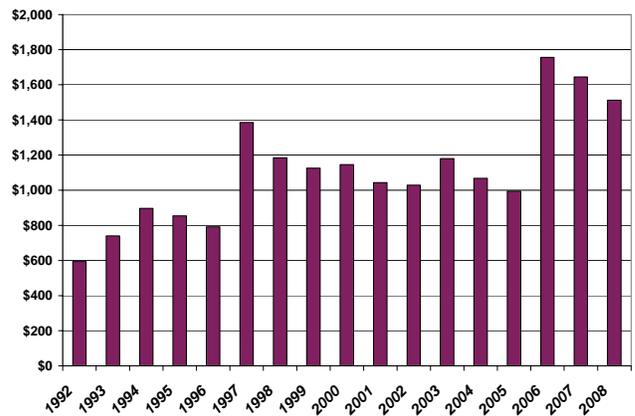
Total Bonded Debt (Millions)



Revenue Bond Coverage – Debt Service Ratio



Net Bonded Debt (Millions)



Total Bonded Debt Per Capita

GLOSSARY OF TERMS

ADA	Americans with Disability Act. Prohibits private employers, state and local governments, employment agencies and labor unions from discriminating against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training, and other terms, conditions and privileges of employment.
AICPA	The American Institute of Certified Public Accountants.
ASPCA	American Society for the Prevention of Cruelty to Animals
Abatement	A complete or partial cancellation of a levy imposed by the Town, usually applied to tax levies, special assessments and service charges.
Account	A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.
Accounting Period	The period of time represented by published financial statements. The Town prepares financial statements for a <i>fiscal year</i> beginning July 1st and ending June 30th, however, an accounting period can begin and end for other intervals; such as quarterly or monthly.
Accounts Payable	A short term liability account reflecting amounts owed to private persons or organizations for goods and services received by the Town.
Accounts Receivable	An asset account reflecting amounts due from private persons or organizations for goods and services furnished by the Town.
Accrual Basis	The recording of the financial effects on an entity of cash transactions in the periods in which they occur rather than the periods in which the cash is received.
Accrued Interest	The amount of interest which has accumulated since the last coupon interest payment on a bond. It is the amount of interest which the holder is entitled but is not due until the payment date. The buyer pays the seller of the bond the accrued interest.
Accumulated Depreciation	The amount of depreciation already taken against an asset.
Actuarial Value of Assets	The value of cash, investments, other assets and property belonging to an OPEB trust, pension fund or similar entity, as used by the actuary for the purpose of actuarial valuation.
Ad Valorem Tax	A separate tax which applies to utility property.
Adopted Budget	The budget approved by the board of Mayor and Aldermen and enacted by resolution on or before June 30 of each year.
Amortization	The process of paying the principal amount of an issue of bonds by periodic payments. Payments are usually calculated to include interest in addition to a partial payment of the original principal amount.
Amortization Schedule	A table showing the gradual repayment of an amount of indebtedness.
Appraised Value	The estimate of fair market value assigned to property by an appraiser or the County Tax Assessor. For tax assessment purposes, the value is stated as of the last reappraisal date.
Appropriation	This is the legal authorization granted by the Board of Mayor and Aldermen to expend or obligate funds for specific purposes. An appropriation usually is limited in the amount and time that it may be expended. The Board appropriates annually, at the beginning of each fiscal year, by department, based upon the adopted Budget. Additional appropriations may be approved by the Board during the fiscal year by amending the Budget and appropriating the funds for expenditure.
Arbitrage	The difference between the interest paid on a municipal bond issue and the interest earned by investing the bond proceeds in other securities.

GLOSSARY OF TERMS

Assessed Value	A value set on real and other property as a basis for levying taxes. The appraised value is multiplied by the legal assessment ratio. The legal assessment ratios for Tennessee are: Residential and Farm 25%; Commercial and Industrial 40%; Commercial and Industrial Personal Property 30%; Public Utilities 55%. See <i>Tax Rate</i> .
Assessment	The valuation of property for tax purposes. In Tennessee this is the appraised value multiplied by the percentage ratio applied to the classification of the property. (For example: Under Tennessee law, the percentage applied to a Residential classification property is 25% of the appraised value while that applied to a Commercial/Industrial property is 40%. A residential property appraised at \$100,000 would be assessed at \$25,000 while a commercial property of the same appraisal would be assessed at \$40,000.)
Assessment Ratio	The fractional relationship an assessed value bears to the market value of the property in question. Example: Residential/Farm property is assessed at 25% of the appraised value.
Assessment Year	In Tennessee, the effective date of assessment is January 1 of each year and the appraisal represents the value of the property on that date.
Assessor	The publicly elected official whose legal responsibility it is to discover, list and appraise all property in the applicable jurisdiction. For the Town of Collierville, the Assessor is the Shelby County Assessor.
Asset	A probable future economic benefit obtained or controlled by the Town as a result of past transactions or events.
Audit	An examination, usually by an official or private accounting firm retained by the Board, that reports on the accuracy of the annual financial report.
Bank Qualified Debt	A debt issued in a year in which the Town issues less than \$10 million of general obligation debt. Because there are certain tax benefits for banks that purchase bank qualified debt, banks may offer a lower interest rate.
Benefits	Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits and benefits due on termination of employment.
Board of Equalization	A non-judicial, appointed body which attempts to ensure that property under its jurisdiction is appraised equitably and at market value.
Bond	Written evidence of the Town's obligation to repay a specified principal amount on a certain date, together with interest at a stated rate, or according to a formula for determining that rate. State or local governments offer municipal bonds, as they are called, to pay for special projects such as highways or sewers. The interest that investors receive is exempt from some income taxes.
Bond Anticipation Notes (BANS)	Notes issued for capital projects, which are paid off by the issuance of long-term tax-exempt bonds.
Bond Counsel	An attorney (or firm of attorneys) retained by the Town to give a legal opinion that the Town is authorized to issue proposed bonds, the Town has met all legal requirements necessary for issuance, and interest on the proposed bonds will be exempt from federal income taxation and, where applicable, from state and local taxation.
Bonded Debt	The portion of the Town's total indebtedness represented by outstanding bonds.
Budget	The Town's estimated expenditures and revenues as well as other related data for a specific fiscal year. The Board of Mayor and Aldermen adopts the Budget by resolution.
Budget Amendment	A revision of the adopted budget that, when approved by the Board, replaces the original provision. Budget amendments occur throughout the fiscal year as spending priorities shift.

GLOSSARY OF TERMS

Budget Calendar	The schedule of key dates or milestones which the Town follows in the Calendar preparation and adoption of the budget.
Budget Document	The official written statement prepared by the Town's staff which presents the proposed budget to the Mayor and Aldermen.
CAFR	Comprehensive Annual Financial Report. The official annual report of a government.
CALEA	Communications Assistance in Law Enforcement Act. The CALEA Public Safety Communications Accreditation Program provides a communications center, or the communications unit of a public safety agency, with a process to systemically review and internally assess their operations and procedures.
CDBG	Community Development Block Grant. Administered by Shelby County, these grants have funded several road improvement projects in the Town.
CERT	Community Emergency Response Team.
COBRA	Consolidated Omnibus Budget Reconciliation Act. Provides former employees, retirees, spouses and dependent children the right to temporary continuation of health coverage at group rates.
Capital Budget	A plan of proposed capital projects and means of financing them. Capital projects are approved and funds are appropriated for expenditure by the Board of Mayor and Aldermen for the duration of the project. The capital budget contains the funds available for expenditure in a specific fiscal year.
Capital Investment Program (CIP)	A plan for capital expenditures to be incurred each year over a five-year period to meet capital needs by the Town. It sets forth each project, by department, in which the Town is to have a part, and it specifies the full resources estimated to be available to finance the projected expenditures. The first year of the CIP becomes the capital budget for that fiscal year.
Capital Outlay	Outlays which result in the acquisition (either new or replacement) or additions to fixed assets except outlays for major capital facilities which are constructed or acquired (e.g., land and buildings). Expenditures for these major capital facilities are reflected within the capital budget. Examples of capital outlays are furniture, fixtures, machinery, and equipment.
Capitalized Interest	A portion of the proceeds of a bond issue set aside, upon issuance of bonds, to pay interest on the bonds for a specified period of time.
Cash Basis	The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.
Chart of Accounts	A chart that assigns a unique number to each type of transaction and to each budgetary unit in the organization.
Coding	A system of numbering or otherwise designating accounts, entries, invoices, vouchers, etc., in such a manner that the symbol used reveals quickly certain required information. (Example: 110-42100-948. In this example 110 designates General Fund; 42100 designates Police Department, and 948 is the code for computer equipment.)
Collateral	The underlying security, mortgage, or asset for the purposes of securitization or borrowing and lending activities. It is pledged or held in trust. The Town requires collateral pledges equal to 105% of investments.
Construction in Progress	A fixed asset account reflecting the cost of construction work for projects not yet completed.

GLOSSARY OF TERMS

Contingency	Funds set aside in a special account, but not always appropriated for expenditure. These funds are for emergency and unforeseen needs or for previously identified items that may have funding held for further actions or approvals before being appropriated for expenditure.
Credit	An amount expressed as a “minus.” A negative resource usually means a transfer to another fund or fund balance. A negative expenditure usually implies an anticipated credit in that account during the year.
Debt Service	Payment of interest and repayment of principal on Town debt.
Deficit	The excess of an entity’s liabilities over its assets. The excess of expenditures or expenses over revenues during a single accounting period.
Department	An entity within the Town for the administration of specifically related duties or responsibilities. A department head is responsible for all expenditures and other activities assigned to that department.
Depreciation	1. Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. 2. The portion of the cost of a fixed asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.
Designated/Reserved Fund Balance	That portion of resources, which at years end, exceeded requirements and has been designated for use at some future time for a specific project or use. Money in a designated fund balance is not in the Budget and therefore has not been appropriated for expenditure. Those funds are not available for use except for designated purposes.
Direct Debt	The sum total of bonded debt issued by the Town.
EMT	Emergency Medical Technician.
Encumbrance	A recorded expenditure commitment representing a contract to purchase goods or services.
Enterprise Fund	These types of funds account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Town is that the cost of providing services to the general public be financed or recovered through charges to users of such services. An example is the Water and Sewer Revenue.
Excise Tax	An indirect tax levied upon the manufacture, sale, or consumption of commodities or upon the license to pursue certain occupations or upon corporate privileges within the Town.
Expenditure	The authorized paying out of Town funds to defray the Town charges and expenses and all necessary obligations relating to, or arising from, the execution of the lawful authority of the Board of Mayor and Aldermen.
FASB	Financial Accounting Standards Board.
FEMA	Federal Emergency Management Agency. The primary mission of the Federal Emergency Management Agency is to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

GLOSSARY OF TERMS

Fees	A general term used for any charge levied by the Town associated with providing a service or permitting an activity.
Fiduciary Fund	Fiduciary funds account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.
Financial Advisor	A consultant who advises the Town on any of a variety of matters related to a bond issue.
Financial Statements	The document, published at periodic intervals, such as monthly, that provides a summary of the financial transactions of the school district for the specified reporting period or as of the date of the financial report.
Fiscal Year (FY)	A twelve month period which determines the time frame for financial reporting, budgeting, and accounting. The Town of Collierville operates with a fiscal year from July 1 to June 30.
Fixed Assets	Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances.
Function	Broad categories are accounted for by classifying each as a function. Examples are: Revenue from Taxes, Revenue from Intergovernmental, and Fund Balance.
Fund	Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.
Fund Balance	Those resources which at year's end exceeded requirements and have not been designated for any specific use. It represents the cumulative of surpluses and deficits over the years. These funds are not in the Budget and therefore have not been appropriated for expenditure. An Enterprise Fund may refer to these as retained earnings.
GAAP	Generally accepted accounting principles. A uniform minimum standard used by state and local governments for financial recoding and reporting; established by the accounting profession through the Governmental Accounting Standards Board.
GASB	Governmental Accounting Standards Board. The authoritative accounting and financial reporting standard-setting body for government entities.
GFOA	Government Finance Officers Association. A professional organization primarily of state and local government finance officers.
GIS	Geographical Information System. GIS is a system for capturing, storing, analyzing and managing data and associated attributes which are spatially referenced to the earth. It is a computer system capable of integrating, storing, editing, analyzing, sharing, and displaying geographically referenced information.
General Fund	This fund accounts for all revenues and expenditures of the Town which are not accounted for in the other funds. Revenues are primarily derived from general property taxes, local sales taxes, license and permit fees, and revenues received from the State. Some revenue collected in the General Fund is transferred to support requirements of other funds such as the Sanitation Fund.
General Obligation Bond	When a government pledges its full faith and credit and unlimited taxing power to repayment of the bonds it issues, then those bonds are General Obligation Bonds (GO). 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 a periodic interest paid at a specified interest percentage.
Goal	The purpose toward which an endeavor is directed. The underlying reason(s) for the provision of Town services.

GLOSSARY OF TERMS

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.
HIPAA	Health Insurance Portability and Accountability Act. National standards to protect the privacy of personal health information.
Industrial Property	Land and/or improvements that can be adapted for industrial use; a combination of land, improvements, and machinery integrated into a functioning unit to assemble, process, and manufacture products from raw materials or fabricated parts.
In Lieu of Taxes	A contribution by benefactors of Town services who are tax exempt, i.e., certain utilities who must pay a “tax equivalent amount.”
Interest	Compensation for the use of borrowed money, generally expressed as an annual percentage of the principal amount.
Interfund Transfers	Amounts transferred from one fund to another.
Intergovernmental Revenue	Revenue received from another government for general purposes or a special purpose.
Internal Service Fund	A fund that accounts for the goods and services provided by one department to another within government on a cost-reimbursement basis.
Jurisdiction	(1)The right and power to interpret and apply the law; also, the power to tax and the power to govern. (2) The territorial range of authority or control.
LAN	Local Area Network. A local area network is a group of computers and associated devices that share a common communications line or wireless link.
LGIP	The Local Government Investment Pool (LGIP) is an investment mechanism authorized by the 91st 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.
LPRF	Local Park and Recreation Fund.
LWCF	Land and Water Conservation Fund.
Lease	A contract for temporary use of equipment or facilities at a negotiated price.
Letter of Credit	An agreement, usually with a commercial bank, to honor demands for payment upon compliance with conditions established in the agreement.
Liabilities	Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.
Line Item Budget	A budget summarizing the detail categories of expenditures for goods and services the Town intends to purchase during the fiscal year.
Long-Term Debt	A financial obligation with maturity of more than one year after the date of issuance.
Modified Accrual Basis	The accrual basis of accounting adapted to the governmental fund-type measurement focus. Revenues are recognized when they become both measurable and available meaning collectible in the current period or soon enough thereafter to pay liabilities on the current period. Expenditures are recognized when the liability is incurred.
Moody’s Investor Service	A recognized bond rating agency.
Municipal Bonds	Bonds of local governmental subdivisions which are exempt from federal income taxation.

GLOSSARY OF TERMS

NCGA	National Council of Governmental Accounting.
Net Assets	The amount remaining after subtracting total liabilities from total assets on an accrual basis. Net assets are the most accurate indicator of an entity's financial condition.
Net Bonded Debt	Gross bonded debt less any cash or other assets available and earmarked for its retirement and less all self-supporting debt.
OPEB	Other Post Employment Benefits. The Town provides health insurance coverage to retirees.
Object	A more detailed and specific listing of expenditures under "department" in the structure. Examples of objects are: 121 Wages - Regular; and 122 Wages - Overtime.
Objective	A measurable statement of the actual results which a Town activity expects to achieve in support of a stated goal.
Official Statement	A document published by the Town which discloses information on a bond issue, including the purposes of the bond issue, how the bonds will be repaid, and financial, economic and demographic characteristics of the Town.
Operating Budget	Includes all funds except those accounted for in the capital budget. The Operating Budget is adopted by the Board of Mayor and Aldermen by resolution on a fiscal year basis, and an annual appropriation is made, also by resolution, based upon this Budget. The Budget may be amended during the fiscal year pursuant to Tennessee Code.
Operating Expenses	The cost of contractual services, materials, supplies and other expenses not related to personnel and capital outlay expenses or capital projects.
Operating Transfer	The routine and/or recurring transfer of assets between funds.
PBX	A Private Branch eXchange is a telephone exchange that serves a particular business or office, as opposed to one that a common carrier or telephone company operates for many businesses or for the general public.
Pension Trust Fund	This is a fund which is administered by an independent board for which the Town performs a fiduciary role.
Per Capita Debt	The amount of the Town's debt divided by the population. It is used as an indication of credit position by reference to the proportionate debt borne per resident.
Performance Measures	Specific measures of work performed as an objective of the various departments based upon quality and quantity of particular items.
Personal Property	(or Personalty): Identifiable portable and tangible objects that are considered by the general public to be "personal", e.g., furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate. Personal property includes movable items that are not permanently affixed to, and part of, the real estate.
Personnel Expenses	Cost of salaries, wages, and fringe benefits such as employer's share of social security contributions, retirement expenses, and health and life insurance payments.
Plat	1. A plan, map, or chart of a city, town, section, or subdivision indicating the location and boundaries of individual properties; 2. A map or sketch of an individual property that shows property lines and may include features such as soils, building locations, vegetation, and topography.
Program Budget	A budget which structures budget choices and information in terms of programs and their related work activities (i.e., repairing roads, treating water, etc.), provides information on what each program is committed to accomplish in the long run (goals) and in the short run (objectives), and measures the degree of achievement of program objectives (performance measures).

GLOSSARY OF TERMS

Program Change	An alteration or enhancement of current services or the provision of new services.
Project (Capital)	An item for which the purchase, construction, or other acquisition will represent a public betterment to the community and add to the total physical worth of the Town provided that the project considered meets the criteria for total cost and life expectancy. Examples of capital projects are land, buildings, roads, and certain major pieces of equipment of a fixed nature.
Proprietary Fund	When a government operates activities similar to a business, proprietary fund statements should be used to report the results of these operations. There are two types of proprietary funds. Enterprise funds are used to account for activities that sell goods or services outside of the government. Internal service funds are used to report activities that sell goods or services to other parts of the same government.
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 document and control buying by the Town.
Ratings	In the context of bonds, normally an evaluation of creditworthiness performed by an independent rating service.
Real Property	Land and improvements to the land.
Reappraisal	The mass appraisal of all property within an assessment jurisdiction normally accomplished within a given time period, also called revaluation or reassessment.
Recommended Budget	The budget proposed by the Town Administrator to the Board of Mayor and Aldermen for adoption.
Reserve	Each fund may have one or more reserve accounts. These accounts contain funds which have been set aside for a specific purpose.
Resource	The income which supports the operation of the Town. Sufficient resources each fiscal year must be received to meet the total requirements of the Town for that fiscal year. Examples of a resource are: revenue (from taxes, fees, etc.), sale of bonds (or other borrowings), certain recoveries, contributions-in-aid, and prior year fund balances.
Revenue	A term used to represent actual or expected income to a specific fund.
Revenue Bonds	Bonds payable from a specific source of revenue and which do not pledge the full faith and credit of the Town.
Risk Management	An organized attempt to protect a government's assets against accidental loss in the most economical method.
SCAT	Shelby County Automatic Tracking. This is the system used in Shelby County to track an individual through Shelby County Criminal Justice Center which includes all warrants and local driving registration information.
SCBA	Self contained breathing apparatus is a piece of fire fighting equipment critical to the personal safety of the Town's Fire Department personnel.
Sales Ratio	The ratio of an appraised value to the sale price or adjusted sale price of a property. The appraised value is divided by the sale price to determine the individual ratio.
Self-supporting Debt	Debt which is to be repaid from proceeds derived exclusively from the enterprise activity for which the debt was issued - the Town's Water and Sewer Fund is an example.
Source	The revenue structure lists dollars by revenue "type" and aggregates them according to their similarity under "source." Examples of sources are Real Property Taxes and Personal Property Taxes.

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Special Revenue Fund	This fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This includes resources obtained from state and federal grants and street lighting.
Standard & Poor's Corporation	A recognized bond rating agency.
Structure	A framework for classifying or aggregating information. The Town structures by expenditure and revenue as well as by Fund, Department, and function. Each report in the Budget utilizes one of these structures.
Surplus	Total assets minus the sum of all liabilities. Excess of revenues over expenditures.
TDOT	Tennessee Department of Transportation.
TEMA	Tennessee Emergency Management Agency. TEMA is the first point of contact for obtaining state or federal assistance. The agency's normal day-to-day duties include monitoring developing situations across the state (i.e., weather, smaller emergencies, etc.), providing timely notification to other state and federal agencies about local emergency situations, plan development, exercise development, and response capability development.
TFIRS	Tennessee Fire Incident Reporting System.
TGFOA	Tennessee Government Finance Officers Association.
TLDA	Tennessee Local Development Authority.
TMBF	The Tennessee Municipal Bond Fund ("TMBF") creates and administers various types of loan programs for the benefit of cities and counties. As an entity of the Tennessee Municipal League, TMBF works closely with city officials to structure cost-effective and flexible borrowing options.
TOSHA	Tennessee Occupational Safety and Health Administration.
TPA	Third party administrator. The company that administers the Town's health insurance plan.
Tax or Taxes	Compulsory charges levied by a governmental unit for the purpose of raising revenue.
Taxable Value	Taxable value is the value of property as determined by the Assessor using methods proscribed by Tennessee Statute and Board of Equalization rules. Generally speaking, taxable value of real property is the appraised value of the land and the current replacement cost of improvements less statutory depreciation.
Tax Base	Total assessed value in a given tax district.
Tax Exemptions	Tennessee law exempts all property owned by federal, state and local governments from taxation. This includes property for schools, parks, libraries, government buildings, roads, airports, military installations and other public areas. The law also exempts churches and some other charitable organizations.
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 of taxation levied by the Town on specifically identified property. For example, the real estate tax rate for calendar year 2007 is \$1.28 per \$100 assessed value.
Tax Relief	Elderly and Disabled citizens and Disabled Veterans may qualify for tax relief. Elderly is considered to be persons 65 or older prior to the end of a tax year; Disabled is considered to be totally and permanently disabled as rated by the Social Security Administration or other qualified agency before the end of the tax year. In either case,

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the combined income for all owners of the property must not exceed \$12,210. Disabled veterans for this purpose also must be considered 100% disabled.

Tax Roll

The official list showing the amount of taxes levied against each taxpayer or parcel of property, prepared and authenticated in proper form to warrant the collecting officers to proceed with the enforcement of the tax. A listing of real property parcels which includes information about parcel ownership and mailing address, property location, land use and valuation.

TML Risk Management Pool

A self insurance pool formed in 1981 by the Tennessee Municipal League.

Undesignated Fund Balance

That portion of resources, which at years end, exceeded requirements and has not been designated at some future time for a specific project or use. Money in the undesignated fund balance is not in the Budget and therefore has not been appropriated for expenditure. However, those funds are available for use if the need arises.

Unencumbered Balance

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

User Fees

The payment of a fee for direct receipt of a public service by the party benefiting from the service.

VLAN

Virtual Local Area Network. A virtual LAN (VLAN) is very similar to the common Local Area Network; however, the devices do not necessarily need to be connected to the same segment physically. Network administrators configure VLANs through software rather than hardware, which makes them extremely flexible.

VoIP

Voice over Internet Protocol is phone service over the Internet.

VPN

Virtual Private Network. This is a private network that uses a public network (usually the Internet) to connect remote sites or users together. Instead of using a dedicated, real-world connection such as leased line, a VPN uses "virtual" connections routed through the Internet from the company's private network to the remote site or employee.

Valuation

The process of estimating the market value, insurable value, investment value, or some other properly defined value of an identified interest or interests in a specific parcel or parcels of real estate as of a given date. Valuation is a term used interchangeably with appraisal.

Zoning

The categorizing of property for permitted use and the allowed characteristics of use by a government body, such as the Planning Commission, subject to the approval of the Board of Mayor and Aldermen.

