

To the Honorable Mayor, Members of the City Council, and the Citizens of Chattanooga

Transmitted herein is the City's Service Program and Budget for the fiscal year ending June 30, 2001. This balanced budget recommends no increase in the property tax rate of \$2.31 per \$100 assessed valuation. There are also no proposed increases in the charges for services provided under the City's enterprise operations such as the Interceptor Sewer System, Stormwater Program or the Solid Waste Landfill. This budget presents the financial and operating plan for the City with the primary goal of continuing the economic prosperity enjoyed by the citizens through economic growth and improved quality of life while maintaining a strong financial position and a solid level of reserves. The four overriding themes reflected in this budget as in the past four years are:

- Improved Public Safety
- Improved Parks & Recreation
- Strengthen, Neighborhoods
- Continued Economic Growth
- Encourage Population growth through
- Improved quality of life
- Increased efficiencies in providing government services
- Enhancement of county-wide public education
- Creation of new, higher paying jobs

Each of these is briefly described below.

Improved Public Safety

Community policing which began two years ago has expanded to include three locations (Brainerd, Alton Park/St.Elmo, and Downtown/Walnut Street) in addition to the main office on Amnicola Highway. Greater police presence fosters community involvement and cooperation between the citizens and police personnel. This budget includes a full year's operation of a storefront operation at the TVA Solar Energy Building on Martin Luther King Boulevard

which began during the the FY2000 fiscal year. Programs are being instituted that train communities how to improve the safety in their neighborhood through cooperative efforts with the police department. The cost for these innovative approaches to the City's public safety programs is minimized through operational efficiencies and restructuring of personnel. Several high ranking sworn positions are being eliminated and replaced with lower paying civilian positions upon retirements resulting in greater efficiencies at reduced costs. Total increase in operational costs for the police department is \$387,546 or (10.8%) primarily due to the inclusion of the costs of the city's contract with the Humane Society of \$316,000.

School resource officers (SRO's) are included for every school within the City. While these officers were largely funded by federal and state funds in previous years, this budget includes up 75% of the total funding at a total cost of \$388,500. All federal and state funding ceases in FY 2002 at which time these positions will be 100% funded by the City.

This budget includes a full year of funding for the newly established activity Animal Services in Police. This additional \$323,680 will provide enhance animal services programs, along with education, and improved response to community requests for the Chattanooga area.

Fourteen additional firefighters are included at a cost of \$433,060. This will provide the minimum staffing requirements for fire apparatus thereby improving the quality of fire protection afforded the citizens of Chattanooga. This is in addition to 14 new positions added in the prior year. Our goal is an upgraded fire rating to a class 2. Also included is the reclassification of 25 Firefighter to Senior Firefighters which will increase the professional competency level of Firefighters for better service delivery. The fire safety budget was reduced by \$570,000 due to a reduction in fire hydrant fees which resulted from a settlement with the Tennessee American Water Company.

Improved Parks & Recreation

Operational funding was increased by \$399,639 or 14% for Parks, Recreation, Arts, & Culture. The additional funding was dictated in part by the 10 year master plan (RECREATE2008), established from a series of citizen's forums and adopted by the City Council during the fiscal year 1988. This plan outlined the future development of the City's park system based on citizen demand and input. The opening of Coolidge Park in August, the new downtown Skatepark on the Southside, and the new Champion Tennis Club at Rivermont Park, as well as the need for better park maintenance accounted for most of the increased operations cost. This additional amount, along with others included in last year's capital budget is expected to give Chattanooga the edge it needs to sponsor larger tournament type events like, the USA Leagues Tennis Southern Sectional Championships, a nine-day event that attracts 2,000 players from the nine states representing the Southern Tennis Association.

Cleaner, Safer Neighborhoods

Recognizing that neighborhoods are Chattanooga's most important assets, this budget provides \$115,000 in mini grants for the continued development of a Neighborhood Relations Program. This is in addition to the more than \$240,000 included as mini grants in the current year (FY 2000) for that same purpose. Also to continue the efforts of Cleaner, Safer Neighborhoods, six additional positions were approved at a cost of \$111,972. Created in 1998, the Neighborhood Services Department is one of the fastest growing departments in city government as demonstrated by the urgent need and desire of the communities to improve itself. The newly established programs provide developmental and organizational support for the empowerment of Chattanooga's neighborhoods by offering guidance and advocacy for residents wishing to improve the quality of life in their communities. Services include regularly scheduled workshops on the formation of neighborhood associations as well as assistance in the form of educational material, bylaw development, community involvement activities, newsletter development, block captain training, neighborhood watch information, grant information, information on city resources, information on neighborhood associations in the area, community resource information and neighborhood enhancement opportunities. A quarterly magazine, "*Common Ground*," dedicated to all of Chattanooga's neighborhoods is published quarterly.

Continued Economic Growth

A primary goal of the current administration and the city council is the provision of jobs with earnings sufficient to support a family for all Chattanoogaans. To this end the FY2001 budget continues to appropriate 50% of the city-only sales taxes to economic development. This year's appropriation totals \$17,400,000 million or 4.3% more than the previous year. This commitment was made at the initial assessment of the city-only sales tax of 1/2% and has resulted in more than \$35.5 million for economic development over the past four years. An equal amount is used for education. This half cent city-only sales tax along with an incremental state sales tax provided for under the Tourism and Convention Center Financing Act will provide funding for over \$117.7 million in construction projects in the southside of downtown. The State has granted approval and development has already begun development of a Tourism Development Zone (TDZ) which encompasses the heart of Chattanooga's downtown. A convention and conference complex which includes four planned public use facilities is currently under construction. The four facilities will contain more than 631,210 square feet and cost in excess of \$117.7 million. Plans are also underway to purchase portions of the 6000 plus acres of the Volunteer Army Ammunition Plant (VAAP) property currently owned by the federal government.

FY 99/00 City Council Goals Achieved

Although the City Council established a formidable FY 1999/00 municipal work plan, the city's management team and staff was successful in meeting all of the Council's primary goals and objectives. These accomplishments included the following:

- ☑ Additional police officers and community action teams were added to initiate the Police Department's community-oriented policing program. Three precinct have been opened in the Eastgate Town Centre, Alton Park/St. Elmo and downtown/Walnut Street.
- ☑ Construction has begun on the new Super Fire Station located at Main Street and 14 additional firefighters have been added to the fire department to fully man all fire stations.
- ☑ The Recreate2008 master plan for the parks and recreation program was completed. As a result of the plan there are over \$26 million in planned city capital expenditures for the city's park system. An additional \$35 million in private investment in the plan is anticipated. This represents the largest

capital outlay for the parks department in Chattanooga's history. Included are major upgrades to existing recreation centers and the addition of three super recreation centers at a cost of over \$4 million each: The new Brainerd Recreation Complex along the South Chickamauga Creek Greenway, South Chattanooga Recreation Complex at two locations, Hixson Recreation Complex with a state of the art aquatics center.

- The State has granted approval and the construction has already begun on the development of a Tourism Development Zone (TDZ) which encompasses the heart of Chattanooga's downtown. A convention and conference complex which includes four planned public use facilities is currently under construction. The Development will be supported by allocations of incremental increases in state and local sales and use tax revenues. The four facilities will contain more than 631,210 sq. ft. and cost in excess of \$117.7 million. After sputtering in the 1980s the City ended the 1990s with manufacturing growth (4%) greater than any of the state's other metropolitan cities.
- The City became one of 18 cities across the country to receive a HOPE VI grant to redevelop public housing and one of 10 cities to receive the full \$35 million allowed by HUD. Coupled with the Alton Park Development Corporation's master plan, the HOPE VI grant will bring about a major revitalization the Spencer McCallie homes, one of the City's most depressed neighborhoods.
- A pay increase of 6% was granted to city employees to ensure that employees continue to receive market wages and the city continues to retain and attract competent professional staff.
- The City negotiated a settlement with the Tennessee-American Water Company whereby the City's rates for hydrant fees were reduced by \$1 million annually.

- Animal Services Division is established and fully operational including 18 staff and 8 vehicles. Animal services programs including education is being implemented throughout the city.
- City management continues to identify creative ways to contain costs while maintaining high levels and quality of services and adequate financial reserves within a balanced budget environment.

FY 2001 Budget Highlights

The 2000/2001 Annual General Fund Operating Budget of \$131,017,415 includes only \$800,000 of capital. This represents a 36.7% decrease in the total financial program due primarily to \$128,134,146 in bonds proceeds included in FY00. The FY01 capital program is still under management review at this time.

Revenues for all appropriated funds total \$219,838,000, an increase of 1.98% or \$4,266,000 from the previous year. The increase is primarily attributable to taxes (\$1.2M) and intergovernmental revenue which includes state sales tax (\$.25M), county wide sales tax (\$1.9M) and state income tax (\$.5M). Service charges are down approximately \$1,600,000 due to a significant drop in landfill tipping fees in the SolidWaste/Sanitation Fund. Interest earnings are up slightly anticipating favorable market rates in FY01 versus the experience in FY00. The costs incurred to date for projects in the Tourist Development Zone has been fronted by Cash Pool funds thereby reducing our actual interest earnings in FY00. The City of Chattanooga will be receiving a significant inflow of cash with the pending bond sale in early FY01 to rectify the cash depletion.

Appropriations are \$219,353,000, a \$158,164,000, or 42% decrease from the previous budget. This decrease

Revenues (expressed in 1,000)	FY00/01	FY 99/00	inc(dec)	% change
Taxes	90,976	89,056	1,920	2.16%
Licenses & Permits	5,146	4,855	291	5.99%
Intergovernmental	58,933	56,247	2,686	4.78%
Charges for services	55,207	56,807	(1,600)	-2.82%
Fines, forfeitures and penalties	1,741	1,740	1	0.06%
Interest earnings	6,982	4,740	2,242	47.30%
Miscellaneous	853	2,127	(1,274)	-59.90%
Total Revenues	\$ 219,838	\$ 215,572	4,266	1.98%
Other Financeing Sources				
Transfers in	16,487	29,721	(13,234)	N/A
Bond Proceeds	0	128,134	(128,134)	N/A
Total Other Financing Sources	\$ 16,487	\$ 157,855	(141,368)	N/A
Total Revenues & Other Sources	\$ 236,325	\$ 373,427	(137,102)	-36.71%

Expenditures (expressed in 1,000)	FY2000/2001	FY99/2000	inc(dec)	% Change
General Fund	113,807	125,742	(11,935)	-9%
Enterprise Funds	49,515	48,689	826	2%
Special Revenue Funds	34,576	32,090	2,486	8%
Fiduciary Funds	5,255	5,521	(266)	-5%
Debt Service Fund	7,650	9,264	(1,614)	-17%
Capital Project Funds		148,474	(148,474)	-100%
Internal Service Funds	8,550	7,737	813	11%
Total Expenditures	\$ 219,353	\$ 377,517	(158,164)	-42%
Other Financing Uses				
Transfers Out	17,210	6,273	10,937	174%
Total Other Financing Uses	\$ 17,210	\$ 6,273	10,937	174%
Total Expenditures & Other Uses	\$ 236,563	\$ 383,790	(147,227)	-38%

is largely due to the elimination of \$6.3 million capital funding from general fund balance that was included in the prior year's budget. Also in FY00, the capital budget appropriated \$128,134,146 from bonds and \$10.0 million from the Economic Development Fund. This reduction is overstated by the fact the capital budget has yet to be approved. Personnel costs are up due to the addition of positions throughout city departments; the bulk of which are in the safety function; police (23) and fire (14). Other departmental personnel increases were approved as follows: public works (4), parks (8), general services (1) and neighborhood services (6). The net result of the personnel increases, decrease in required pension funding to both the General Pension Plan and the Fire and Police Pension Plan, and the decrease in capital funding from the General Fund, the General Fund has an overall increase of \$5.3 million or 4%.

Although revenues for Fiscal Year 2001 show an increase in anticipated collections, program appropriations exceeds revenues by \$238,000, thus the intended use of fund balance is a portion of the funding plan.

Financial Assessment

Chattanooga continues its position of strong fiscal strength enjoyed over the past several years. The City is in the best fiscal condition it has been in over 29 years and our outlook is improving. Over the years, through strong fiscal management, Chattanooga has positioned itself well to weather economic downturns, create a positive atmosphere for economic development, and provide greater flexibility on budgetary issues.

Fund Balances

One measure of a city's financial strength is the level of its fund balances. The City's estimated unrestricted fund balance in the general fund will amount to approximately \$28 million as of June 30, 2001. This balance assumes no change in the current fund balance. Our recommended guideline for general fund balance coverage is 25% of general fund revenues.

Financial Reserves

Another indicator of a city's financial strength is the level of financial reserves. Over the years the City has established financial reserves to absorb unforeseen liabilities. The City also has \$2.6 million in debt service reserves at June 30, 2000 monies that will help stabilize and fund future debt service obligations. Included in this budget and financed from current revenues are \$.5 million that will protect us against unanticipated emergencies.

Bond Ratings

The City's bond ratings are further evidence of its financial strength. In 1998 Standard and Poor's upgraded the City's bond rating from "AA-" to "AA". Such rankings mean the City's bonds are considered to be of excellent investment quality, meaning lower interest rates on bonds with corresponding lower interest payments. Having solid financial policies and strong financial reserves are principle reasons for these excellent bond ratings.

Conclusion

The following budget recommendations for FY 2001 are committed to the Council's policy of preserving the City's strong financial position by maintaining strong fund balances and reserves, recommending a balanced budget, adding new programs cautiously, and making decision within the context of prescribed goals and objectives. This budget asserts our commitment to meet and exceed our community's highest priority of making Chattanooga the "best midsize city in America." We continue to meet these needs at the lowest possible cost to our citizens.

The favorable economic activity throughout our entire local and regional economy, provided some flexibility in preparing the City's fiscal year 2001 operating budget. However, we must continue to focus on our long-range

financial plan to further streamline the City's operations while providing quality public service at the lowest cost to the taxpayers.

With final budget adoption, I want to thank the Mayor and City Council, citizens and City staff for their time and effort throughout this budget process.

Respectfully submitted,

A handwritten signature in cursive script that reads "James S. Boney".

James S. Boney,
Chief of Staff/Finance Administrator

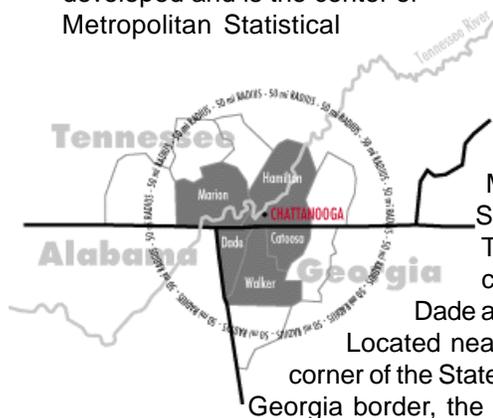


The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Chattanooga for its annual budget for the fiscal year beginning July 1, 1999. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, as a financial plan and as a communication device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



History & Development

Founded in 1816, by the leader of the Cherokee Indians, Chief John Ross, the City of Chattanooga was created on the site of Ross's Landing trading post. Chattanooga, a Cherokee word for "Rock coming to a point" was incorporated under State of Tennessee Private Acts of 1839. Today the City serves as the County seat of Hamilton County, is commercially and industrially developed and is the center of a six-county Metropolitan Statistical Area (the "MSA"), which includes Hamilton County and the counties of Marion and Sequatchie, Tennessee and the counties of Catoosa, Dade and Walker, Georgia. Located near the southeastern corner of the State on the Tennessee-Georgia border, the City encompasses an area of 126.9 square miles. The Tennessee River flows through the center of the City, which has a diversified terrain. The MSA is centrally located in relation to other major population centers of the Southeast, being within a 150-mile radius of Knoxville and Nashville, Tennessee; Birmingham, Alabama and Atlanta, Georgia.



there is no single dominating industry. Economic advantages such as ample utilities, an efficient transportation system, abundant natural resources, a trained labor force and centralized location make Chattanooga a diversified and profitable business location. This largely accounts for the City's low unemployment rate, which stands at 3.0 percent as of June 30, 2000. This is comparable to the nation's unemployment rate of 4.2 percent and the state rate of 3.9 percent. The total civilian labor force for the MSA for the past ten years is set forth below:

	Civilian Labor Force % Unemployed		
	MSA	TN	U.S.
1990	4.6	5.2	5.5
1991	6.0	6.6	6.7
1992	5.7	6.3	7.1
1993	5.1	5.7	6.8
1994	4.5	4.8	6.1
1995	4.8	5.2	5.6
1996	4.6	5.2	5.4
1997	5.0	5.1	5.0
1998	4.0	4.2	4.5
1999	3.5	3.8	4.2

Source: Tennessee Department of Employment Security

Industrial and Economic Development

The area's central location makes it a perfect distribution center for the eastern United States. Supplies and products for industry flow easily to and from the Chattanooga area by way of an extensive network of highway, water, air and rail transportation systems. Beyond its advantages as a business location, Chattanooga is blessed with beautiful natural surroundings. A gracious life-style results from the community's commitment to preserving its culture and supporting the arts. Chattanooga offers excellence in education and quality health care as well as a virtually unlimited range of recreational activities – all at one of the lowest costs of living in the nation.

Chattanooga, known in the 1930's as the "Dynamo of Dixie", is one of the nation's oldest manufacturing cities with 23 percent of its employment in that sector. However,

The City has undergone a renaissance that can not be surpassed by no other city of its size. This rebirth began in 1982 with the establishment of the Moccasin Bend Task Force which was developed as a result of the City's and County's initiative to determine the best use of 600-plus acres on the Moccasin Bend – a place where the Tennessee River bends back sharply to linger a while in Chattanooga. The scope of the project soon expanded to include a 22-mile Tennessee River corridor. With the guidance of a consulting firm, the Task Force forged the Tennessee River Park Master Plan – a 20-year commitment to use the river as a catalyst for increasing Chattanooga's livability, for improving the area's prospects for attracting new investment and for initiating new development that included industry, retail, office space, housing and attractions. Through cooperative efforts of both the public and private sectors, most of the goals

were met by 1992 generating \$793 million of investment in the community and many major projects including the Tennessee Aquarium (the world's largest freshwater aquarium), Tennessee Riverpark, Walnut Street Bridge Renovation, Bessie Smith Hall and Chattanooga Neighborhood Enterprise. While the \$45 million aquarium anchors most of the dynamic area of downtown, signs of renewal are strong in almost every area of the City – expanding even beyond the downtown. The City has become known nationally for its efforts in providing affordable housing for low-income citizens and its electric shuttle system. Largely through the efforts of the Chattanooga Neighborhood Enterprises (CNE), progress is being made to bring people back downtown to live. Not only has CNE produced and financed over 600 units of affordable housing in the area for low income citizens but it has began efforts to stimulate the market for unsubsidized housing to demonstrate it can be profitable.

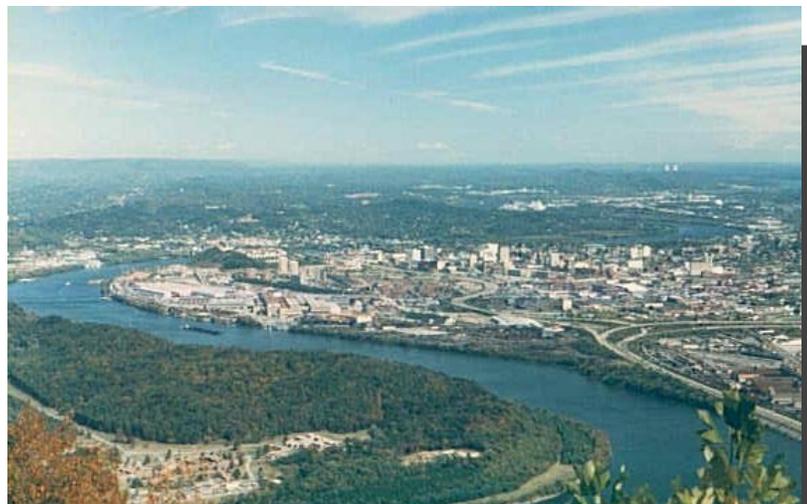
Since its opening in 1992, the \$45 million aquarium has spurred an estimated \$1 billion in downtown economic development causing property values to increase 141 percent 10 years, from \$25 million in 1988 and \$60.3 million in 1999 according to RiverCity Co. Eight attractions, two public parks, eleven apartment buildings, 26 businesses, three industrial complexes and five public or religious institutions have opened or expanded facilities in the area. While most of the aquarium's success comes from boosting the City's tourist industry, the aquarium is a crucial element in recruiting coveted high-dollar, high-tech business. The Tennessee Aquarium is touted as the world's largest freshwater aquarium, having 12 stories and home to more than 9,000 animals – 350 species of fish, birds mammals, reptiles and amphibians. The 130,000 square foot building holds 400,000 gallons of water in 24 exhibits.

Coolidge Park, (encompassing 10-acres), is the latest addition to the Tennessee Riverpark (a 22-mile public park along the Tennessee River). The park is named in honor of Charles Coolidge, a World War II veteran who five decades ago was awarded the Medal of Honor. Located on Chattanooga's North shore waterfront, the park's 3-row vintage carousel, designed by Gustave Denzel and built in 1895, was restored and fitted with 52 animals carved and painted by local and out of town sculptors. As with many of the

projects that are part of Chattanooga's renaissance, Coolidge Park is a shining example of the public and private partnerships that exists here. Three local foundations provided more than 70 percent of the funding or over \$5 million for the park's development. This park joins the many other developments along the Tennessee River such as the Tennessee Aquarium, the Max Finley Stadium/Gordon Davenport Field, the Children's Creative Discovery Museum, the IMAX and the Bijou Theatre, along with dozens of restaurants and retail shops.

The Chattanooga Lookouts played their final game at the 70 year old Engel Stadium in September 1999. The new \$8-10 million, 6000-seat facility (BellSouth Stadium) opened in March 2000. It is located on the south shore of the river near the aquarium.

Hamilton Place Mall, Tennessee's largest, remains a magnet for millions of people. The 1.4 million-square-foot mall has reeled in tourist and locals with a savvy mix of new and familiar stores, theme restaurants and movie theaters. Thanks to the mall, the area has become a retail hotbed with more than 15 million visitors a year. Sales at Hamilton Place have grown steadily and now average 30 percent above the national average for regional malls. That success has quickly spilled across Gunbarrel Road and Interstate 75. The number of businesses and amount of traffic in the mall area has more than doubled over the past decade.



The Moccasin Bend

photo courtesy of Mike & Diedra Smith



The Tennessee Commissioner for Economic and Community Development has stated that with a new development strategy and the opening up of the Volunteer Army Ammunitions Plant site, Chattanooga is well positioned to capitalize on another year of record investment in the State. Upon the advice of a Harvard University business professor and development consultant, Chattanooga is developing a new regional growth strategy that emphasizes its dominant business clusters of tourism, technology, medical services and confectionery bakeries.

The industrial reuse of the abandoned Volunteer site should open the way for Chattanooga to get a share of the automotive market.

A New Era

The City is well postured to enter into the new millennium. Many new projects are on the horizon that will enhance our economy through better schools, better jobs and a better community in which to live, work and play. City leaders are not content to rest on its laurels but to keep the momentum for improvement going that has been started by our predecessors. Much attention is being focused on the south side of town for the near future.

The State has granted approval and the City has already begun development of a Tourism Development Zone ("TDZ"), which encompasses the heart of Chattanooga's downtown. The zone is comprised of three districts – the Aquarium/Ross's Landing District, The Central Business District and the Southside Redevelopment District. A convention and conference complex which includes four planned public use facilities is currently under construction in the Southside Redevelopment District. The development will be supported by allocations of incremental increases in state and local sales and use tax revenues. The four facilities will contain more than 631,210 square feet and cost in excess of \$117.7 million. Private investments planned or completed since January 1998 total more than \$50 million. It is anticipated that the projected \$118 million public investment in the TDZ will leverage more than \$400 million in private investment by 2006.

The Southside Redevelopment District is an opportunity to create a model community by rebuilding the District's job base and revitalize housing opportunities. In the heart

of the TDZ is the convention and conference complex that includes four public use facilities as follows:

Chattanooga-Hamilton County Convention and Trade Center Expansion – a 226,000 square feet addition to the successful Convention and Trade Center to enable the community to attract more and larger conventions, meetings and trade shows. The expansion will more than double the size of the current facility, adding new exhibit space, meeting and banquet rooms. Cost: \$50 million.

Conference and Training Center – already under construction is the new 208,210 square feet residential meeting facility designed specifically for the upscale conference center market. The facility is targeted for small-to medium-sized groups of less than 250 people with 200 guest rooms and 27,000 square feet of fully equipped meeting room space. Cost: \$43.5 million.

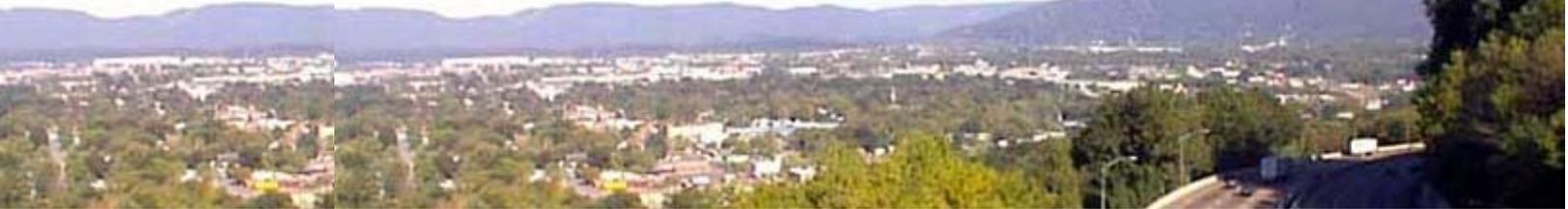


The Conference and Training Center

photo courtesy of Regional Planning Agency

Development Resource Center – this new facility is also under construction and will exhibit improved efficiencies that can be achieved by utilizing best building practices in its own design and operation thus serving as a model for better ways to develop a sustainable community. This 85,000 square feet facility will be located one block from the conference and training center. Cost: \$11 million

New Parking Facility – located between the conference and training center and the trade center, the 1,029 space new parking facility is designed to serve the needs of increased traffic in the convention and conference complex and replacement parking. Cost: \$10.8 million



These projects constitute a concentrated \$118 million building boom unmatched here in decades. Investment in the four-block area bounded by Market, Carter, 11th and 13th streets will exceed the value of the Hamilton Place Mall and the Aquarium combined. These projects are an expression of the City's growing dynamism, optimism and progressive outlook. A city that invests in itself expresses vision and faith that it can make things happen. These projects, along with others, will attract interest in the City and generate economic growth that will spread benefits to the entire region. Mayor Kinsey, along with Tennessee's other urban mayors, played a significant role in the Legislature's creation of the special tax district financing plan integral to the Southside developments. The plan let Chattanooga and other large Tennessee cities use sales tax growth downtown to finance investments in the designated districts.

City officials have focused on ways to reverse the City's trend of slow employment growth. The Chamber of Commerce was given the task to create more jobs when it drew oversight of economic development. The Chamber is preparing a new plan for a larger economic recruitment program, which includes expanded business financial support. One of the most recognized people in the country and possibly the world has been tapped to fashion a new job growth plan. He will identify the region's strengths and weaknesses and help devise a 3 to 5 year road map to create more jobs. Chattanooga has already shown signs of stronger economic growth as it continues to attract large industries such as AT&T, DuPont, Komatsu, America International, MG Industries, Wheland Foundries, Century Telephone and others who continue to make major financial investments in this community. Anchored by a \$35 million federal HOPE VI grant from the Department of Housing and Urban Development (HUD), City officials announced a \$159 million project to replace Spencer J. McCallie Homes and revitalize the surrounding Alton Park neighborhood

The City is one of 18 cities across the country to receive HOPE VI grants to redevelop public housing and one of 10 cities to receive the full \$35 million allowed by HUD. The HOPE VI projects replace the kind of public housing that should never have been built in the first place, according to HUD secretary.



Coupled with the Alton Park Development Corporation's master plan, the HOPE VI grant will bring about a major revitalization of one of the City's most depressed neighborhoods. The HOPE VI plan includes day care, retail stores, park spaces, a community center expansion, a police precinct and financial assistance for building and buying new homes. The two plans work together; the Alton Park master plan outlines community priorities, such as more single family homes, while the HOPE VI plan provides a blueprint for financial planning and partnerships to get there. The grant will fund the demolition of the mid-1950s project and rebuild 360 units in Alton Park and 75 in other neighborhoods. In addition, 141 vouchers for the Section 8 rental subsidy program will enable families to relocate in St. Elmo, the Martin Luther King District and other neighborhoods. The plans also include a town center to be built on 38th Street with health, day care community and senior centers, offices, as well as business incubator and retail space. A warehouse distribution center is to be developed along a new truck route to be created at the eastern edge of the McCallie Homes site all the way to 38th Street and Central Avenue. Expansion of the SafeWalk from McCallie Homes to Emma Wheeler Homes and creation of a new greenway along the banks of Chattanooga Creek are also part of the plan. "Mayor Kinsey refers to this project as more than just housing; it is the rebuilding of people's lives in a neighborhood that has really been neglected."



Awards of Achievement

In addition to the development in and around town, the City was privileged to receive the 1994 City Livability Award for its *Renaissance on the River* presentation. The United States Conference of Mayors established the City Livability Awards Program to honor the outstanding leadership of Mayors devoted to enhancing "livability" across the country. The award highlights the mayors' commitment to improving cities and their encouragement of the diverse creativity in our community. The focus for the 1994 City Livability Awards was on the arts and culture. Chattanooga was also designated as one of America's most livable communities by Partners for Livable Places in Washington, D.C. In January 1995, the President's Council on Sustainable Development Conference was conducted in the City of Chattanooga.

On March 28, 1996 in Toronto, Canada, the City of Chattanooga was selected by the Best Practices Jury as one of 12 winners of the Tokyo and Dubar "Awards of Excellence in Improving the Living Environment". This initiative was given special recognition at the City Summit in Istanbul, Turkey at a special awards ceremony June 4, 1996. The award included a special plaque, a scroll, and a grant that was used to cover costs of travel and per diem for two people directly involved in The Best Practice project.

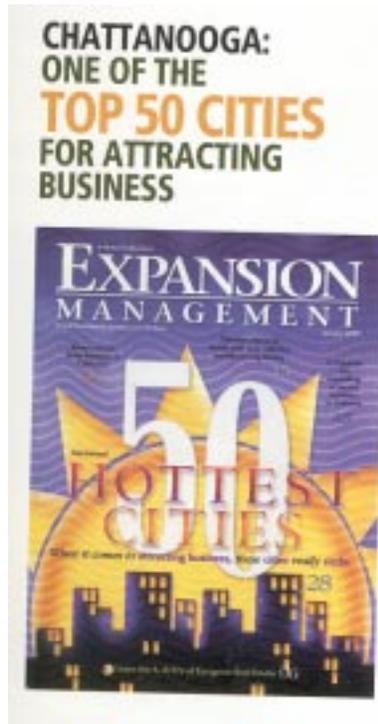
- One of six cities in the world featured by U.S. News & World Report last year as "Cities that Work."
- One of America's 10 most family-friendly cities to visit, according to Family fun magazine last year.
 - One of the "Reborn Cities" profiled by Parade magazine earlier this year.
 - One of the 10 "Most Enlightened Cities" featured by Utne Reader magazine.
 - One of "America's Best Walking Cities" saluted by Walking Magazine.

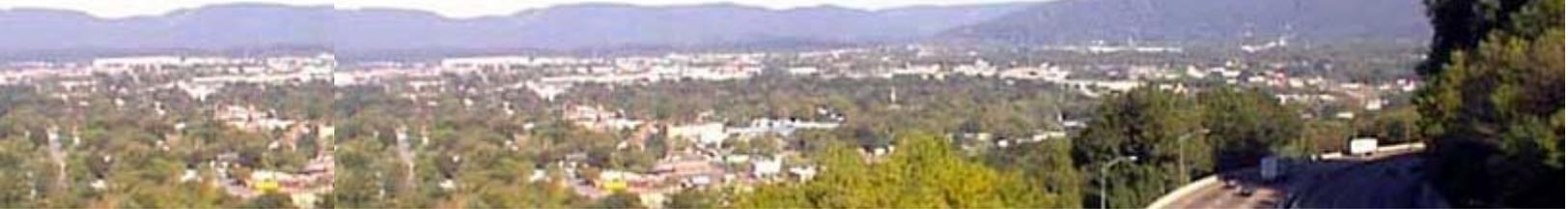


We are honored with the distinction of receiving, for the past eight years, the Certificate of Achievement for Excellence in Financial Reporting for our preparation of state and local government financial reports. The Fiscal Year 2000 CAFR is currently being submitted for review.

Also, for 1996, 1997, 1998, and 2000 we were honored with the distinction of receiving the Distinguished Budget Presentation Award. Due to extended circumstance the 1999 budget was not submitted to GFOA for review.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. The award is valid for a period of one year only. We believe our 2001 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





Form of Government

The City operates under a Mayor/Council form of government. The Mayor is elected at-large and is not a member of the City Council. The Council is composed of nine members, with each member being elected from one of nine districts within the geographic boundaries of the City. The Mayor and Council are elected for four-year terms. The Mayor is the City's chief executive officer and oversees the operation of all City departments including the seven principal departments – Fire, Police, Parks Recreation, Arts & Culture, Finance and Administration, Human Services, Public Works and General Services. The City employs approximately 2,341 full-time employees and approximately 200 part-time employees. The City's Electric Power Board has an additional 447 employees.

Date of Organization: 1839

Form of Government: Council/Mayor,

Chattanooga City Government

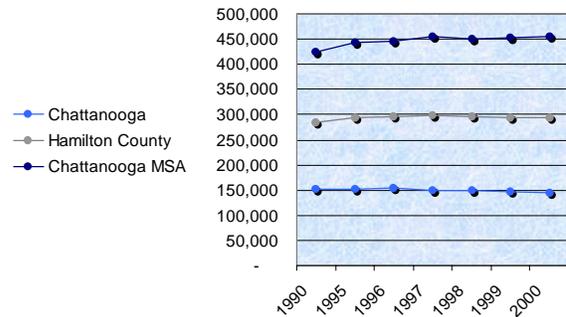
Government Type	Mayor/Council
Police Officers	430
Police Vehicles	400
Firefighters	351
Equipment	70
Insurance Rate	Class 3

Source: City of Chattanooga

Demographics

Population			
	Chattanooga	Hamilton County	Chattanooga MSA
1990	151,821	285,536	424,347
1995	152,642	294,070	444,213
1996	153,154	295,183	446,512
1997	149,513	299,320	453,802
1998	148,820	296,468	450,381
1999	146,615	294,897	452,198
2000	144,776	294,982	453,925

Source: Chamber of Commerce



During 1990 thru 2000, the population for Chattanooga show a decrease of approximated 4.05%. The population for the County's and MSA show a 3.31% and 6.97% increase, respectively.

Population projections for 2000 thru 2005 for the City are expected to continue decreasing another 2.33% to 141,399. The County and MSA are expected to show slight increases of .38% (296,104) and 2.45% (465,050) respectively.

Financial Institutions. There are 12 commercial banks within the MSA reporting a total deposits of \$3,500,642 as of June 30, 1999. They are SunTrust Bank, Nations Bank, AmSouth Bank, First Tennessee Bank, First American National Bank, Union Planters National Bank, and Volunteer Bank & Trust Company, Cornerstone Coimmunity Bank, Regions Bank, Meigs County Bank, The Bank/First Citizens Bank, and Community Trust & Banking Company.



Climate

Annual Average Temperature	60.5 degrees
<small>(avg. low 50.2 degrees, avg. high 70.6 degrees)</small>	
Annual Rainfall	51.8 inches
Annual Snowfall	2.8 inches
Prevailing Wind Direction	South
Elevation	675 feet

Source: Chamber of Commerce

Land Area and Usage

The county's land use is predominately agricultural woodland with approximately 73,419 acres or 21.2% having been developed.

Miles of Streets (City)

Paved.....1,100

Miles of Streets (County)

Paved.....2,239
Unpaved.....180

Elections (County-wide):

Registered Voters.....178,677
Votes Cast in Last Election.....28,674
Registered Voters Voting.....16.00%

Source: County Election Commission (August 2000)

Racial Composition

	<u>City</u>	<u>County</u>	<u>MSA</u>
Asian & Pacific Islanders	1.52%	1.36%	1.05%
African-American	38.19	20.77	14.63
Caucasian	59.71	77.25	83.76
Other	.58	.61	.56

Source: Chamber of Commerce

Area per Square Mile

1950.....28.0
1960.....36.7
1970.....52.5
1980.....126.9
1990.....126.9

Median Household Effective Buying Income

Chattanooga.....\$28,919
Tennessee.....\$31,464
United States.....\$34,618

Source: Sales & Marketing Management Survey of Buying Power(1999)

Housing Units-Chattanooga

Total Housing Units.....69,601
Single Unit Structures.....60.2%
Owner Occupied.....54.2%
Median value of Owner-Occupied Housing.....\$54,100

Source: National Decision Systems

Retail Sales Growth (000's)

1991.....1,977,974
1992.....2,229,363
1993.....2,454,374
1994.....2,578,700
1995.....2,767,981
1996.....2,871,417
1997.....2,937,117
1998.....3,066,687

Sales & Marketing Management Survey of Buying Power (1999).

Service Statistics

Convention & Meeting Facilities

	<u>Capacity</u>
Soilder's and Sailor's Memorial Auditorium.	4,843
Chattanooga-Hamilton County Convention & Trade Center.	7,500
Tivoli Theater.	1,800
UTC Roundhouse Arena.	12,000
Engel Stadium.	7,000
UTC Chamberlain Field.	12,500
Finley Stadium.	20,000

Cultural Activities & Facilities

Hunter Museum of American Art, the Houston Museum of Decorative Arts, Bluff View Art District, Chattanooga Ballet, Chattanooga Theatre Center, UTC Fine Arts Center, the Chattanooga Symphony and Opera



Association, the Arts & Education Council, the Chattanooga Boys Choir, and the Chattanooga Girls Choir, Bessie Smith Performance Hall, Afro-American Museum, Tivoli Theatre, and Soldier's and Sailor's Memorial Auditorium

Recreational Facilities

- 28 Parks
- 17 Golf Courses
- 28 Recreation Centers
- 48 Summer Playgrounds
- 82 Ball Fields
- 200 Public Tennis Courts
- 55 Swimming Pools
- 15 Theaters
- 3 Bowling Alleys

Airport:

Lovell Field operated by the Chattanooga Metropolitan Airport Authority.

Airline carriers:

US Airways, American Eagle, Northwest Airlin, Comair, Atlantic Southeastern Airlines, US Air Express
Passenger flow603,922

Chattanooga Metropolitan Airport (1999)

Privately owned and operated airport facilities:

Collegedale Municipal Airport
Dallas Bay Skypark

Railway service:

Norfolk Southern Railway System
CSX Transportation System

Local mass transportation service:

Chattanooga Area Regional Transportation Authority
Buses 55
Routes 14

Highway:

Interstate highways. 3
US highways. 7
State highways 5

Electric Power Board

Customers.....153,748

Rate..... \$0.0631/ kw-hr

Public Works:

Solid Waste Collected (tons).....453.320
Street Miles (Center line).....276miles
Signalized Intersections.....260

Interceptor Sewer System:

Total Investment.....\$100 million

Volumes:

- " Approx. 61.1 MGD or 22.3 billion gallons per year
- " 52.4 mil lbs/yr CBOD removed at 94.3% efficiency
- " 153.5 mil lbs/year Suspended Solids removed at 97.9% efficiency
- " 23,409 tons/yr dewatered sludge to Landfill
- " 3.5 million gallons of septage per year

Waste Load Distribution:

- " 50% Domestic Waste approx. 220,000 persons
- " 50% Industrial Waste 100 permitted industries

Areas Served.....11

Sewer and Pump Stations:

Miles of sewer.....1,200
Diameter.....4 to 84inches
Major Pump Stations.....7
Minor Pump Stations.....48
Residential/Grinder Stations.....121

Police Protection

Sworn Officers.....430
Crime Index.....14,688
Crime rate (per 1,000 pop.).....93.84
Traffic Accidents.....13,502
Traffic Citations.....26,110
Calls for Service.....159,286
Average response time.....4.12 min

Fire Protection

Sworn Officers.....	351
Fire Stations.....	20
First Line Fire Trucks.....	8
First Line Fire Engines.....	17
Fire Runs.....	5,100
EMS Runs.....	5,200
Average response time:	
Fire.....	4.5min
Medic.....	4.5min

Economic

Bond Ratings

Fitch.....	AA
Standard & Poor's.....	AA

Building Permits Issued & Value

1994.....	2,106	188,231,830
1995.....	2,109	215,706,030
1996.....	2,258	289,913,419
1997.....	2,343	236,856,304
1998.....	2,335	285,997,625

Source: City Building Inspection Department

Per Capita Income				
	Hamilton Co.	Growth Rate	Chattanooga MSA	Growth Rate
1995	\$18,365	8.30%	\$16,355	6.80%
1996	19,046	3.7	17,007	4
1997	19,350	1.6	17,310	1.8
1998	20,232	4.6	18,308	5.8
1999	21,710	7.3	19,464	6.3
2000	22,587	4	20,320	4.4

Source: Chamber of Commerce

Property Tax

Chattanooga City	\$2.31 per \$100 assessed value
Hamilton County	\$3.519 per \$100 assessed value
Total	\$5.829 per \$100 assessed value

Source: Chamber of Commerce

Ratio of Assessment		
	Chattanooga	Hamilton County
Residential	0.25	0.25
Commercial & Industrial Real	0.4	0.4
Commercial & Industrial Personal	0.3	0.3

Source: Chamber of Commerce



Largest Employers in the Chattanooga Area

The largest employers within the Chattanooga area in the manufacturing and non-manufacturing sectors are:

TOP 10 NON-MANUFACTURERS

<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
Covenant Transport	6,105	Trucking
Hamilton County Dept. of Education	6,074	Elementary & Secondary Schools
Blue Cross & Blue Shield of Tenn.	3,664	Insurance
Tennessee Valley Authority	3,212	Utility Electric Service
Bi-Lo, Incorp.	3,206	Grocery Store
Erlanger Medical Center	2,882	Hospital
City of Chattanooga	2,847	Government
Memorial Hospital	2,500	Hospital
UnumProvident Corp.	2,341	Insurance
CIGNA Health Care	1,841	Insurance

TOP 10 MANUFACTURERS

<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
McKee Foods Corp.	3,000	Cakes & Cookies
North American Royalties	2,002	Grey Iron, Castings, Oil Prod.
Roper Corp.	1,950	Cooking Ranges
Synthetic Industries	1,900	Carpet Backing
DuPont Company	1,520	Synthetic Yarn
Con Agra (formerly Seaboard Farms)	1,410	Process Boiler Chickens
Astec Industries, Inc.	1,401	Asphalt, & Dust Collectors
Shaw Industries	1,182	Carpet
Olan Mills, Inc.	1,000	Portrait Studio
US Pipe and Foundry	750	Iron Pressure Fittings

Source: City of Chattanooga, Tennessee

Home-Grown National Names
 These are just a few of the brands known around the nation that are made in Chattanooga by Chamber members.

- BIG RIVER**: From one brewing restaurant in 1981, the Chattanooga company has grown to 12 restaurants, expanding so rapidly that Inc. Magazine named it one of the South's fastest growing companies.
- CHATTEM**: This Chattanooga manufacturer makes dozens of familiar consumer products.
- COCA-COLA BOTTLING**: The world's favorite soft drink was first put into bottles in Chattanooga in 1898.
- KRYSTAL**: The little square hamburgers get their start in Chattanooga, and the company is headquartered here.
- LITTLE DEBBIE**: McKee Foods, the company that makes America's number one snack cake, is headquartered in metropolitan Chattanooga.
- OLAN MILLS**: The company that makes all those family portraits and school pictures is headquartered here.
- ROCK CITY**: One of the best known destinations in the South, thanks to hundreds of "See Rock City" signs.

City Officials as of July 1, 2000

Mayor: Jon Kinsey

Chief of Staff: James S. Boney

City Council:

John Lively	District 1		
Mai Bell Hurley	District 2	Marti Rutherford	District 6
Dave W. Crockett	District 3	John Taylor	District 7
Don Eaves	District 4	Leamon Pierce	District 8
John P. Franklin Jr.	District 5	Yusuf A. Hakeem	District 9

Legislative Staff: Carol K. O'Neal, Clerk of the Council

Legal: Randall Nelson, City Attorney

City Court:
Walter F. Williams, City Court Judge
Russell Bean, City Court Judge
Vacant, City Court Clerk

Department Administrators and Directors:

Finance & Administration:
James S. Boney, Administrator
Daisy W. Madison, Deputy Administrator

Personnel:
Donna Kelley, Director

Police: Jimmie L. Dotson, Chief

Neighborhood Services:
Moses Freeman, Administrator

Fire: Jim M. Coppinger, Chief

Community Development:
Sandra Gober, Director of Economic Development
Juliette Thornton, Director of Planning

Public Works:
Jack C. Marcellis, Administrator
Beverly Johnson, Deputy Administrator

Regional Planning Agency:
Barry Bennett, Director

Parks & Recreation:
Darrell McDonald, Administrator
Larry Zehnder, Deputy Administrator
Janice Miller-Hester, Deputy Administrator

Air Pollution Control:
Robert H. Colby, Director

General Services:
Rayburn Traughber, Administrator
George Morgan, Deputy Administrator

Scenic Cities Beautiful:
Carolyn Skipper, Director

Human Services:
Bernadine Turner, Administrator
Tommie Pruitt, Deputy Administrator

**Chattanooga-Hamilton County
Bicentennial Library:**
Jane McFarland, Director

Citizens of Chattanooga



Council Members



Mayor Kinsey



Judge Williams



Judge Bear

Appointed Boards

Executive Staff

Legislative Staff



Randall Nelson
Legal



James Boney

Finance & Administration



Jimmie Dotson

Police



Jim Coppinger

Fire



Jack Marcellis

Public Works



Jerry Mitchell

*Parks, Recreation,
Arts & Culture*



Rayburn Traugher

General Services



Donna Kelley

Personnel



Moses Freeman

Neighborhood Services



Bernadine Turner

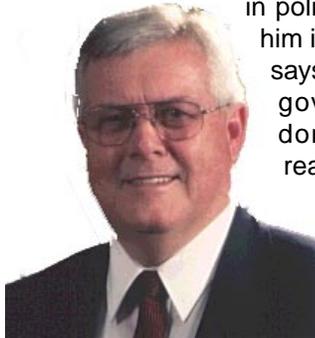
Human Services

Meet US

Council Photos © 1999 Steve Watkins Photography

Council Members

John Lively, District 1



Mr. Lively had never been involved in politics before friends talked him into running in 1990. " He says that it is "more difficult to govern...to get things done...than most people realize." His special interest is cutting waste from city's budget. Lively worked in sales and marketing for General Mills for 20 years and is still active in the

business world selling commercial waste removal services to contractors and others. He attended Central High and UTC, and put in 35 years of active service in the National Guard. Lively was a football official with the Tennessee Secondary School Athletic Association for 20 years spending many Friday nights refereeing games around the region. Lively is Deacon of Lookout Valley Baptist Church, a choir member and Sunday school teacher. Lively and his wife Margie Bryan, have been married for 35 years and have three daughters.

Represents citizens in areas: Mountain Creek, Northwoods North, Valley View East, Wauhatchie
Phone: 825-1218
Address: 263 Garden Road, Chattanooga, TN 37419

Mai Bell Hurley, District 2, Vice Chairman,

Ms. Hurley was first elected to Council in 1990. She graduated Phi Beta Kappa from University of North Carolina at Chapel Hill. She spent her early years as a reporter for the Chattanooga News Free Press. Ms. Hurley has been active all of her adult life as a civic volunteer and fundraiser in fields of social welfare, the arts and community development. She is past president of

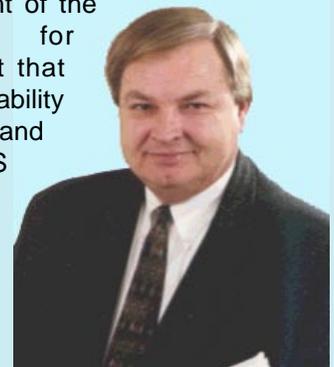


several state and national organizations and currently presides over Allied Arts of Chattanooga, the Council on Accreditation, and the Hamilton County Children's Service Committee. Ms. Hurley is a member of eight other public, private or non-profit boards at present. Ms. Hurley is described as a "professional volunteer...she's worked as hard as any CEO of any Fortune 500 company, but never a day for pay." She is married to B.T. Hurley and has two children and two grandchildren.

Represents citizens in areas: Lupton City, North Chattanooga, Northgate, Northwoods South, Riverview, and Stuart Heights
Phone: Home 266-0224
Address: 1068 Constitution Dr. - Chattanooga, TN 37405

David Crockett, District 3

Following a 20-year career with IBM, Mr. Crockett was elected to the City Council in 1990. In 1997 he became president of the Chattanooga Institute for Sustainable Development that develops models of sustainability in industry, institutions and land use. He has traveled the US and world as a keynote speaker on environmentally sound community development and has served on five national boards including the Climate Institute and the National Council on Environmental Policy and Technology. An avid outdoorsman and sportsman, Crockett chaired the 1995 Outdoor Writers of America national conference held here. He graduated from University of Alabama and served as an Army officer. He is married to Sue Galloway of Birmingham, Alabama, and they have four children.

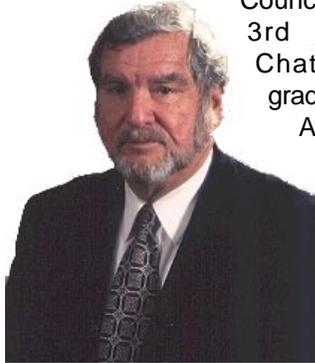


Represents citizens in areas: Dupont, Hixson 1, Hixson 2, Kingsport, Lake Hills, Murray Hills
Phone: Home 842-7464
Address: 6315 Ridge Lake Rd. - Hixson, TN 37343

Elections for Chair and Vice Chair are made each year, generally the 3rd week of April. Each councilperson will be up for re-election in 2001 (their current terms run from April, 1997 until April, 2001).

Council Members

Don Eaves, District 4

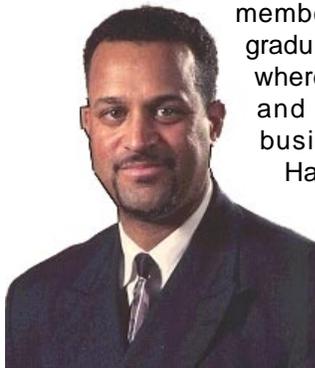


Mr. Eaves was elected to the City Council in 1990 and is now in his 3rd term. Eaves is a Chattanooga native and a graduate of Tyner High School.

After business school and serving 3 years in the Korean conflict, he went to work as a regional sales manager for an electrical supplier in 1978. He started his own electrical supply company here where he was both manufacturer's representative and jobber until his retirement in 1984. His district includes East Brainerd, the most rapidly growing part of town. His chief interests are to find 500 acres for a new landfill to handle Chattanooga's daily 2,000 tons of waste on along-term basis, and to track the progress of the \$40 million EPA-mandated combined sewer overflow project now almost complete. Eaves is married to Harriett Ann and has four daughters, but he leaves everything behind once a year to navigate southeastern rivers on his pontoon boat.

Represents citizens in areas: Concord 1, Concord 2, East Brainerd, Tyner
Phone: Home 892-2359
Address: 8510 Chambers Rd. – Chattanooga, TN 37421

John P. Franklin, Jr., District 5



John Franklin—better known as Duke—is the newest Council member elected in 1998. He graduated from Brainerd High where he excelled in football and track. He received a business degree from Hampton University. Duke is a third-generation director of Franklin-Strickland Funeral Home, and past president of the Tennessee Funeral Director's Association.

He has served on numerous boards including Partners for Academic Excellence, Chamber of Commerce, Jewish Community Center, and Zoning Board of Appeals for Variance and Special Permits.

The Councilman is interested in improving the climate for new and existing business and upgrading property values in his district. Duke is an avid golfer.

Represents citizens in areas: Airport, Bonny Oaks, Dalewood, Eastdale, Woodmore
Phone: Home 622-6484
Address: 2233 Nimitz St. – Chattanooga, TN 37406

Marti Rutherford, District 6

Marti Rutherford owned and operated Apollo Travel Agency from 1980 until she sold the company in 1998. She has been active in the Republican Party—on state and local levels—most of her life.

She was elected to City Council in 1993 and has been an officer or board member of a number of civic organizations focused on mental health, race relations, the arts, the disadvantaged, and children. For the past 6 years she has worked to revitalize the aging Eastgate Mall and convert it to a town center in the heart of her district; her number one concern is neighborhood revitalization. A native Chattanooga, Ms. Rutherford graduated from GPS and University of Chattanooga and is a member of First Presbyterian Church. She is involved in restoration of her 70-year-old home and gardens, and fund-raising for GPS.

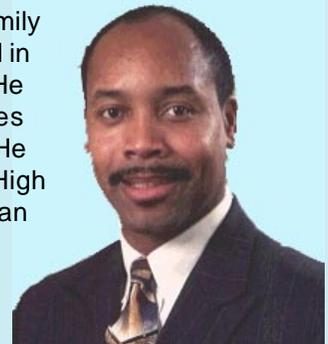
Represents citizens in areas: Brainerd, Brainerd Hills, Cedar Hill, Eastgate, Missionary Ridge North, Missionary Ridge South, Ridgedale, Sunnyside
Phone: Home 629-0501
Address: 308 Hemphill Ave. – Chattanooga, TN 37411



John R. Taylor, Sr., District 7

Mr. Taylor was elected to the City Council in 1997. He is president of Taylor Funeral Home, a family owned business established in 1989 employing 20 people. He is president of the Scales Funeral Home in Nashville. He graduated from Brainerd High and Southwestern Christian College in Tiarell, Texas, and went on to get a degree in Mortuary Science. His district is 50% black and 50% white; some

constituents live in poverty and others are wealthy. He is interested in empowering underdeveloped neighborhoods



Council Members

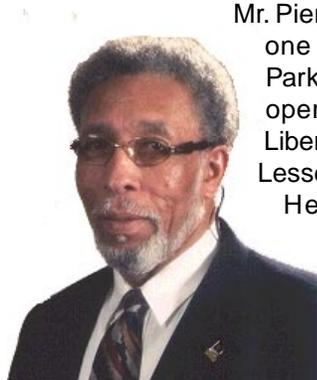
by bringing more people into the governmental process...“for the people and by the people”. Taylor loves to travel (but hates to fly) and in Spring 1999 journeyed to Johannesburg, South Africa as an embalming consultant. He is married to Anita, a native of Indianapolis. They have two sons and are active members of the Avondale Church of Christ where John is educational director.

Represents citizens in areas: Alton Park, East Lake, Howard, Moccasin Bend, Piney Woods, St. Elmo
 Phone: Home 821-2715
 Address: 4611 Tennessee Ave. – Chattanooga, TN 37409

Bethlehem Center and Credit Union. Hakeem has been very active in the Tennessee Municipal League and is currently on the Board of Directors; he chaired the League’s Telecommunications Committee in 1996. Hakeem was elected to City Council in 1990 and is now serving his 3rd term on the Council. He is a graduate of Howard High School and Chattanooga State. He and his wife Beseemah have four children—all are college graduates.

Represents citizens in areas: Amnicola, East Chattanooga, East Side, Glenwood, Highland Park
 Phone: Home 624-0118
 Address: 504 Kilmer St. – Chattanooga, TN 37404

Leamon Pierce, District 8



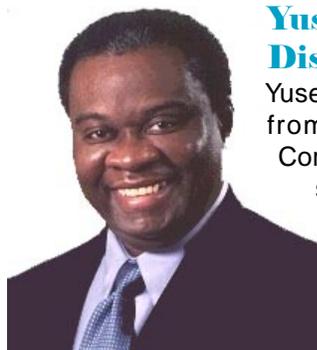
Mr. Pierce and his wife Sue have one child and have lived in Park City all their lives. He has operated his own business, Liberty Bonding Company and Lesser Properties, since 1974.

He was elected to City Council in 1990. Pierce’s career history includes five years as a linesman with TVA and six years with the Electric Power Board where he

became the company’s first Black linesman. He has been an activist for equal opportunity through many years of service with NAACP, the Action Coordinating Council, Operation PUSH and the Unity Group.

Represents citizens in areas: Avondale, Bushtown, City Hall, Clifton Hills, Courthouse, Downtown
 Phone: Home 624-0118
 Address: 2710 Cannon Ave. – Chattanooga, TN 37404

Yusuf Hakeem, District 9, Chairman



Yusef Abdul Hakeem retired from the General Electric Corporation after 25 years of service, and was one of the pioneers who started the Islamic Center in Chattanooga. He served on the Board of Education for 10

years, and on many other local boards—both past and present—including Chattanooga Neighborhood Enterprise, the Regional History Museum and the

Mayor & Financial Staff

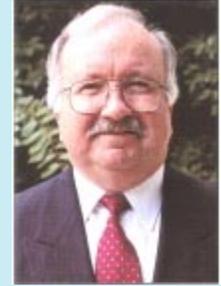
Mayor Jon Kinsey



Jon Kinsey, in his first attempt to hold public office, was elected Mayor of Chattanooga in March 1997, running on the promise to bring a business approach to the management of city government. He received 54% of the vote in a five-person race. Prior to election, Mr.

Kinsey enjoyed a successful career in real estate development, primarily in Chattanooga and the Southeast. He and his firm were instrumental in the revitalization of downtown Chattanooga with the development of the Riverset Apartments, Big River Grille and Brewing Works, the Bijou Theatre for Carmike Cinemas and the renovation of Chattanooga's premiere golf course community, Council Fire. He currently serves on the boards of the Tennessee Aquarium and RiverValley Partners—a public/private enterprise whose primary mission is to promote economic development and sustainable growth in Chattanooga—Chattanooga Neighborhood Enterprise, the Regional Planning Commission and the Sports Committee, among others. Mr. Kinsey has been active in community affairs much of his life. In 1978 he managed the public campaign for elected—rather than appointed—school board members. He served as co-chair of the 1994 Legislative Weekend, which showcased the Chattanooga community for members of the Tennessee General Assembly. Mr. Kinsey was Chairman of the Chattanooga Convention and Visitors Bureau for two years, and has served on the boards of the Chattanooga Chamber of Commerce, the Siskin Foundation, the Chamber Foundation, the Tennessee Aquarium, and the Tourist Development Agency. Mr. Kinsey attended Boston University and the University of Tennessee at Chattanooga. He has lived in Chattanooga since 1965, is married to Candy and has three children.

James S. Boney, Chief of Staff/ Chief Financial Officer



Jim Boney was appointed City Finance Officer in 1992 and has been re-appointed twice. Prior to his appointment, Boney served 26 years with the United States Air Force, retiring as a Colonel to accept this position. Under his leadership, the City of Chattanooga has been recognized for excellence in financial reporting, and has achieved an upgraded credit rating from the major rating agencies. Boney serves on numerous civic boards in the community and is a trustee of the Chattanooga-Hamilton County Hospital Authority (the Erlanger Health System). He and his wife of 30 years, Dianne, have three children.

Office Phone: 757-5234

Daisy W. Madison, Deputy Financial Officer



Daisy W. Madison was hired as Deputy Finance Officer in 1992. She is a Certified Public Accountant with over 22 years of experience in financial accounting and auditing which include 10 years as staff auditor for the U.S. General Accounting Office, Arthur Anderson

& Company and audit manager for the internal audit division of Hamilton County government. Prior to coming to the City, she served as Director of Financial Management for Hamilton County government for over 10 years. Mrs. Madison initiated the first successful attempt by the City to obtain the GFOA certificate of achievement in financial reporting which was instrumental in the city's achieving an upgraded bond rating. She is involved in numerous community and civic organization which promote a better quality of life in Chattanooga. Daisy and her husband of 23 years, Sam, are the *proud* (smile) parents of four children. **Office Phone: 757-5232**

Fredia F. Kitchen, Budget Officer

Fredia F. Kitchen was promoted to Budget Officer in March, 2000. Prior to Budget Officer, her career with the City began in 1980 where she started out in Payroll, moving to Budget in 1984 as a Budget Analyst, then

promoted to Budget Analyst, Senior. She handles budgets for Finance & Administration and the Interceptor Sewer Funds. In addition to major budget duties, she monitors all City Investments, performs Revenue Analysis, and Bond Analysis, including gathering data for official statement preparation. She is married to Ken, who is a System & Data Base Specialist Senior in the City's Information Services division. **Office Phone: 757-0524**

Christopher Haley, Budget Analyst

Chris Haley was hired as a Budget Analyst in 1996. He handles budgets for the General Government and Parks, Recreation, Arts, & Culture. Prior to coming to the City, he worked in internal audit with Hamilton County. **Office Phone: 757-0537**

Randall Ray, Budget Analyst

Randall Ray was hired by the City in 1986. Prior to that he was a Sales Tax Auditor for the State of Tennessee for 2 years. He is a graduate of Middle Tennessee State University. He handles budgets for Police, Fire, and Public Works. He has been married to the former Teena Andrews for fifteen years with two cats (Bearden and Ernest T. Bass).

Office Phone: 757-0535

Simone M. White, Budget Analyst

Simone White was hired by the City of Chattanooga in March 1993. She handles budgets for the General Services, Personnel, Neighborhood Services, as well as most of the joint funded agencies of the City (Air Pollution, Regional Planning Agency, Scenic Cities Beautiful, and Human Services). Prior to joining the City, she was a Business Analyst for the City of Charleston (South Carolina). Simone holds a Bachelor of Science in Accounting from Clemson University (SC). She has served as a reviewer for the GFOA's Distinguished Budget Awards Program for the past three years. She also serves on the board of the Chattanooga Chapter, Association of Government Accountants. Prior to her board appointment, she served five years as the Newsletter Editor, winning four first place awards. Simone is married to the wonderful Jerrold Javier White.

Office Phone: 757-0534

