

CABR

2005

Comprehensive Annual Budget Report

For the Year Ending June 30, 2005

City of Chattanooga, Tennessee

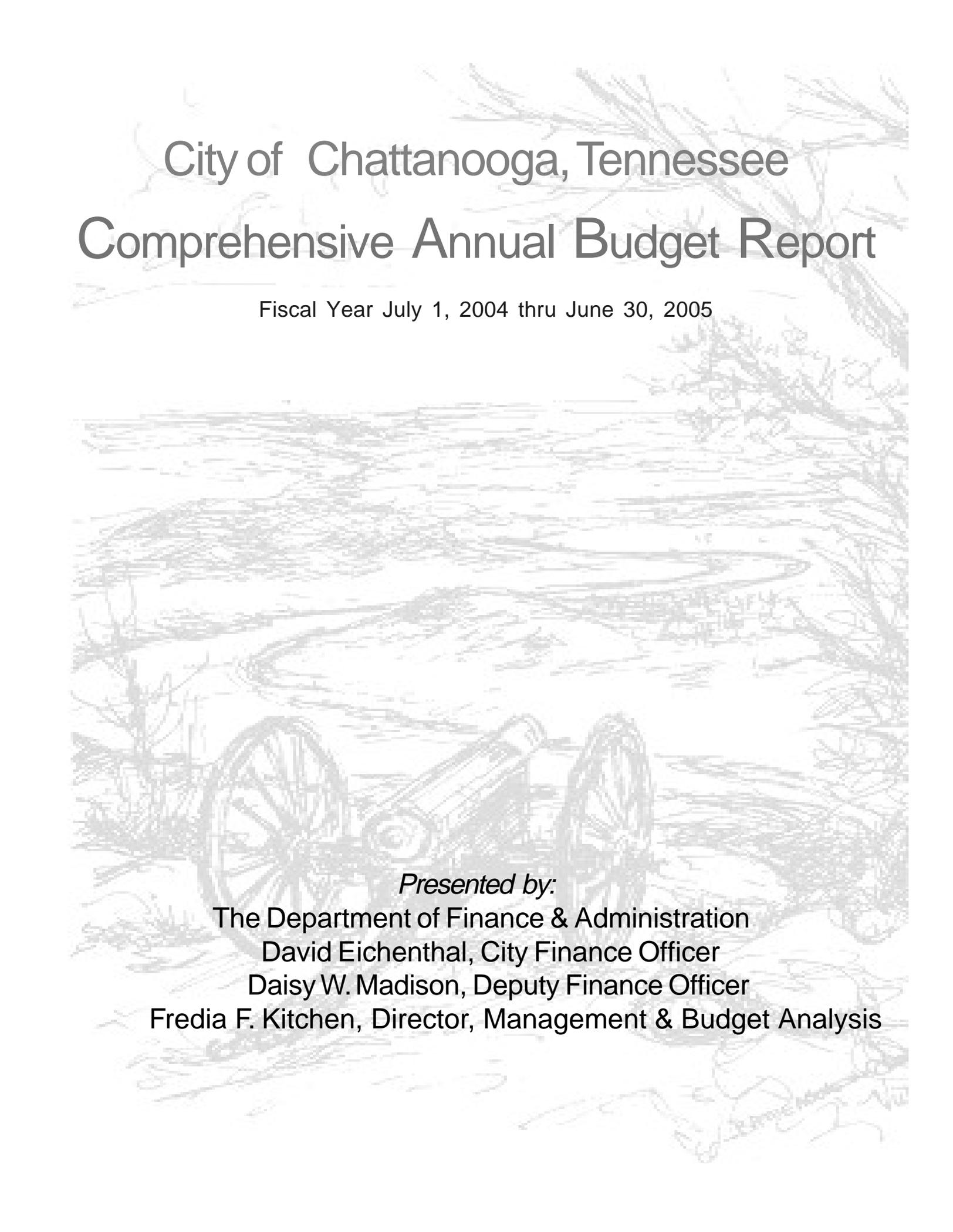




On The Cover:

The official seal of the City of Chattanooga adopted June 15, 1975. In 1975 the Mayor of Chattanooga initiated the change in the official seal and suggested a contest. The contest was conducted by one of the local newspapers. First place was awarded to local artist George Little for his offering and he received \$500.

The seal bears the words “City of Chattanooga, Tennessee” encircling a replica of a Civil War cannon pointing out over Moccasin Bend and Downtown Chattanooga from Point Park on Lookout Mountain. The same seal was adopted by Hamilton County, Tennessee which represented a unity and togetherness of city and county.

A detailed pencil sketch of a river scene. In the foreground, a cannon with two large spoked wheels is positioned on a rocky bank. The river flows through the center, with a small bridge or structure visible in the distance. The background shows more of the river and some trees on the right side. The entire scene is rendered in a fine-line, sketchy style.

City of Chattanooga, Tennessee

Comprehensive Annual Budget Report

Fiscal Year July 1, 2004 thru June 30, 2005

Presented by:

The Department of Finance & Administration

David Eichenhal, City Finance Officer

Daisy W. Madison, Deputy Finance Officer

Fredia F. Kitchen, Director, Management & Budget Analysis

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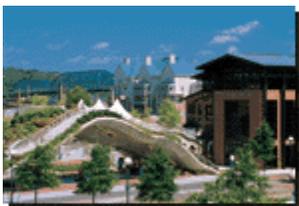
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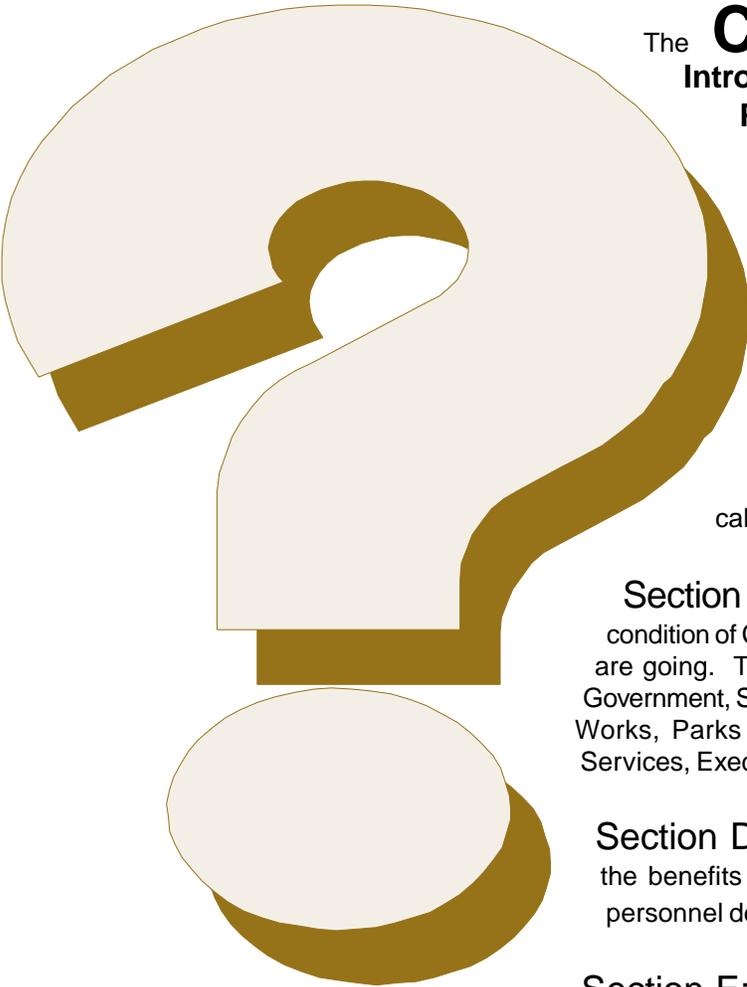
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The **CABR 2005** is divided into five major sections:
Introduction, Guidelines, Financial Overview,
Personnel Administration, and the **Appendix.**

Section A: Introduction - gives a profile of Chattanooga with selected useful service, demographic, economic, and statistical information, a message from the City Finance Officer, an organizational chart, and City officials

Section B: Guidelines - informs you of guidelines and rules adhered to by the Finance department of Chattanooga, as well as budget policies, model, procedures, a calendar, and the budget ordinance.

Section C: Financial Overview - summarizes the overall financial condition of Chattanooga, where we have been, where we are, and where we are going. This is followed by discussions of programs such as General Government, Supported Agencies, Finance & Administration, Police, Fire, Public Works, Parks & Recreation, Human Services, Personnel, Neighborhood Services, Executive Branch, Debt Services and Capital Outlay.

Section D: Personnel Administration - gives an outlook on the benefits provided by the City of Chattanooga, position changes, its personnel detail, and pay plan tables.

Section E: Appendix - includes a glossary and an index.



David R. Eichenthal
City Finance Officer

Daisy W. Madison
Deputy Finance Officer

Fredia F. Kitchen
Director, Mgmt & Budget Analysis

Simone M. White
Sr. Management & Budget Analyst

Management & Budget Analysts
Randall E. Ray
Christopher L. Haley
Beverly J. Adams
Preciosa G. Goduco
Brett W. Hysinger

Department of Finance & Administration
Management & Budget Division



July 2004

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

I am pleased to present the FY 2005 budget for the City of Chattanooga. This budget maintains current tax rates, provides for the delivery of quality City services for our residents and includes a reasonable increase in wages for our employees. It is consistent with our long term budget strategy to grow jobs and the local economy to increase revenue, increase efficiency and productivity through smaller and smarter government and maintain the long term fiscal health of the City through prudent financial and accounting policies.

Budget in Brief: Smaller and Smarter Government

During the last four years, the City's General Fund budget has grown by less than one percent and there are more than 250 fewer full time General Fund funded positions in City government. In the last three budgets, tax increases and layoffs have been avoided by a combination of aggressive efforts at management and recent growth in economically sensitive taxes, especially the sales tax.

Management changes, however, are most critical. They have already provided short term fiscal relief and, over the long term, are essential to curbing spending growth and enabling City government to weather future economic slowdowns.

The City's *chattanoogaRESULTS* initiative and a hiring vacancy control program that has been in effect since February 2002 greatly increases accountability by allowing the Mayor, the City Finance Officer and other senior City officials to regularly monitor both spending and departmental performance. The result has been a budget review process that is no longer episodic, but instead defines the way that all of City government does business throughout the fiscal year.

Competitive bidding for health insurance and a new wellness program for City employees have already led to a slowing in the growth in health insurance costs.

Investments in technology – a 311 system to manage service requests, the purchase of knucklebooms to allow for reengineering of the City's process for brush collection and the acquisition of hand-held devices for the issuance of parking tickets – will yield short term and long term budget savings. Changes in departmental operations – in the City's civic facilities and its recycling program – will allow services to continue at present levels but reduced cost.

As a result, the City is able to invest in services and initiatives that will contribute to the City's long term fiscal health. The City's \$28 million capital program provides necessary infrastructure to ensure economic growth and

vitality. Recognizing the importance of public safety to the community and its long term economic future, the FY 2005 General Fund budget provides funding for the employment of more Chattanooga Police Department patrol officers than ever before. It also includes an additional position in the Chattanooga Fire Department to focus on inspection and prevention strategies.

The FY 2005 budget provides funding for a unique new effort specifically designed to reduce future strains on the City budget. The City has launched *chattanoogaINVEST* with a goal of funding efforts designed to reduce or prevent poverty or crime. Under the program, the City will fund up to \$250,000 in research-driven and results focused proposals by not-for-profit organizations. By preventing poverty or crime, these programs will build a stronger economy leading to improved city revenues or reduced budgetary costs. Through the program, the city will serve as a partner to initiatives that help leverage efforts by other governments, the private sector and the non-profit sector.

Accomplishing Long Term Initiatives: Growing Jobs and the Economy

Creating economic growth has been at the core of Mayor Bob Corker's agenda for Chattanooga since he took office in April 2001. At the beginning of his term, he outlined nine key strategies designed to grow jobs and the economy:

- Aggressive Business Recruitment
- Access to Capital for Local Businesses
- Access to Technology
- Development of Enterprise South
- New Partnerships with the University of Tennessee at Chattanooga
- Improved Airline Service
- Turning Around Poor Performing Schools
- Crime Reduction
- Neighborhood Development

As Mayor Corker's term ends, the City has made remarkable progress in each of these areas. As a result, Chattanooga is focused like never before on the recruitment of new businesses and the expansion of existing business.

Aggressive Business Recruitment: The Chamber of Commerce has initiated and completed a campaign to raise \$9 million dollars to support the "Tell the World" campaign to market Chattanooga for new businesses. The Chamber has set a goal of creating 20,000 new jobs by 2007.

Access to Capital for Local Businesses: Southeast Community Capital was recruited to the community and the Chattanooga Opportunity Fund, a debt-based fund, was created for small and minority owned businesses. In addition, Delta Capital, a "pure" venture capital firms was recruited to the city and their presence has already resulted in commitments to Chattanooga companies.

Access to Technology: The City has developed a plan to take full advantage of the city's location and establish Chattanooga as a hub of a technology corridor between Oak Ridge, Tullahoma and Huntsville. Through the Enterprise Center, twelve separate efforts are now coordinated to enhance Chattanooga's place in this technology corridor and build relationships with the world class research institutions throughout the region.

Development of Enterprise South: Enterprise South, a 1,200 acre industrial park is complete and construction is already underway on the first companies to locate there. Through a partnership with the State, construction has begun on a new \$23 million interchange dedicated to the site, along with the continued widening of I-75.

New Partnerships with the University of Tennessee at Chattanooga: In 2002, Chattanooga became the first city in the state with a direct fiber optic connection to the Oak Ridge National Laboratory's super computer. This distinction was instrumental in UTC's recruitment of the SIM Center, a world-class computational engineering program, which also brought the first doctoral program to the university.

Improved Airline Service: Efforts have led to a restructured and professionalized Airport Authority Board, direct flights Reagan National Airport Washington D.C. and the award of federal funding that will soon result in direct service to Dallas, Texas.

Turning Around Poor Performing Schools: The City funded and created the Community Education Alliance to focus on recruiting and retaining teachers at the nine urban elementary schools in Chattanooga on the State's on notice list. After three years, 56 of the school system's most effective educators are taking advantage of bonus incentives for high performing teachers and principals at these schools and each of the nine schools has outpaced all other schools in the system in student performance improvements.

Crime Reduction: Since 2002, crime in Chattanooga is down 22% thanks to these efforts and to the diligence of the men and women in the Chattanooga Police Department. In addition, through 2003, violent crime has dropped more in Chattanooga than any other city in the state of Tennessee.

Neighborhood Development: The City's Strategic Neighborhood Initiative has strengthened code enforcement, developed neighborhood leaders, and restored blighted property in 15 of Chattanooga's neighborhoods most in need. By creatively leveraging existing funds coupled with the utilization of a federal grant, the City was able to fully implement the \$84 million Hope VI project that is now underway in the Alton Park community. When complete, the development will provide 400 new units of housing for that community. And the City also succeed in securing a Renewal Community designation for the downtown and other areas, which has resulted in significant tax credits for eligible businesses that are expanding and adding jobs in Chattanooga.

One final initiative may have the most transformative effect on the City and its economy.

On May 22, 2002, after tremendous public input and with no identified funding source or architectural plans, Mayor Corker announced that the \$120 million 21st Century Waterfront Plan would be implemented and completed in 35 months, by May 2005. The Waterfront Plan includes major expansions of the Tennessee Aquarium, the Hunter Museum of Art and an extensive renovation of the Creative Discovery Museum. On the south shore, the project includes the creation of public green spaces at Ross's Landing Park; riverfront mooring facilities; the connection of the art district to the downtown via First Street and a new pedestrian bridge; the creation of a new City Pier; a narrowed Riverfront Parkway that better accommodates pedestrian traffic; a passage-way underneath the Parkway which connects the Aquarium Plaza to the river; and additional parking facilities. On the North shore, the development of property adjacent to Coolidge Park will feature additional public spaces and the preservation of a natural wetland.

Several parcels have been set aside which will allow for immediate on-site private development, bringing additional housing and retail units to the urban core. One developer has already purchased the "Smokestack Lot" and will soon begin construction of a \$17 million mixed-use development featuring residential, retail and a public parking facility.

The waterfront plan represents the largest public/private undertaking in a community known for such partnerships. Funding is divided between the public and private sectors, with \$69 million in public funds generated primarily through a dedicated lodging tax.

Budget Highlights

Projected revenues for all appropriated funds total \$244,471,868, an increase of 1.79% from the previous year; this does not include bond proceeds and transfers which are considered other financing sources. For FY 2005, property tax, countywide and state sales tax are projected to grow by one, four, and five percent respectively. These conservative forecasts are based on an improving economy. The largest projected revenue increases come from intergovernmental transfers, 10.05%, and miscellaneous sources showing a 78.34% growth, with the most significant increase being earmarked for capital projects.

Revenues	Budget FY04/05	Budget FY03/04	inc(dec)	% change
Taxes	110,811,174	115,344,072	(4,532,898)	-3.93%
Licenses & Permits	6,182,567	6,213,139	(30,572)	-0.49%
Intergovernmental	65,072,868	59,127,707	5,945,161	10.05%
Charges for services	49,124,207	50,325,750	(1,201,543)	-2.39%
Fines, forfeitures and penalties	1,091,759	1,616,084	(524,325)	-32.44%
Interest earnings	1,362,736	1,469,908	(107,172)	-7.29%
Miscellaneous	10,826,557	6,070,682	4,755,875	78.34%
Total Revenues	\$ 244,471,868	\$ 240,167,342	4,304,526	1.79%
Other Financing Sources				
Transfers in	22,671,477	20,857,307	1,814,170	8.70%
Bond Proceeds	11,274,010	16,128,161	(4,854,151)	-30.10%
Total Other Financing Sources	\$ 33,945,487	\$ 36,985,468	(3,039,981)	-8.22%
Total Revenues & Other Sources	\$ 278,417,355	\$ 277,152,810	1,264,545	0.46%

Interest earnings are estimated to be down marginally during FY05. Fines, forfeitures and penalties are projected to decline by 32% from FY 2004 budget due to under collections in FY04 for court fines and clerk fees. All other revenue sources remain relatively steady.

Appropriations are \$249,685,885, a 1% decrease from the FY04 Budget, excluding transfers out which are considered other financing uses. The most noticeable projected increases come from increased capital expenditures and from compensation and related fringe benefits for City Employees.

Appropriations	FY04/05	FY03/04	inc(dec)	% Change
General Fund	117,735,530	119,620,484	(1,884,954)	-1.58%
Enterprise Funds	46,026,379	45,748,489	277,890	0.61%
Special Revenue Funds	37,411,824	42,552,258	(5,140,434)	-12.08%
Debt Service Fund	13,208,998	11,112,886	2,096,112	18.86%
Capital Project Funds	28,350,044	25,026,116	3,323,928	13.28%
Internal Service Funds	6,953,110	8,156,061	(1,202,951)	-14.75%
Total Expenditures	\$249,685,885	\$252,216,294	(2,530,409)	-1.00%
Other Financing Uses				
Transfers Out	28,731,470	24,936,516	3,794,954	15.22%
Total Other Financing Uses	\$ 28,731,470	\$ 24,936,516	3,794,954	15.22%
Total Expenditures & Other Uses	\$278,417,355	\$277,152,810	1,264,545	0.46%

General Fund. The City's Undesignated General Fund accounts for all applicable resources related to the general operations of city government that are not accounted for elsewhere. The total appropriation for FY05 budget is \$146,467,000, a 1.13% increase from FY04. Increases in salaries and medical benefits are offset by reductions in operating costs. Not reflected in this number is the subsequent \$3.5 million general fund capital appropriation from reserves.

Special Revenue Funds. The City's Special Revenue Funds are set by City resolution to account for funds that are restricted as to use by federal and state governments and special purpose. Reported funds for FY05 include State Street Aid, Human Services, Economic Development, Community Development and Hotel/Motel Tax as per the budget ordinance. The 2005 budget for the Special Revenue Funds totals \$37,411,824. The Economic Development fund accounts for a portion (1/2 cent) of the countywide local option sales tax collected in the City. These funds are earmarked to pay long term lease rental payments to the Chattanooga Downtown Redevelopment Corporation and other economic development initiatives. The Community Development Fund is used to account for Community Development Block Grants and other projects funded by the Federal Housing and Urban Development Programs.

Debt Service Fund. The City is authorized to finance capital improvements through various financing instruments, including but not limited to general obligation bonds, revenue bonds, loan agreements and capital leases. The City Council may authorize the issuance of tax-supported bonds by a simple majority vote, with notification of the action published in local newspapers. Unless 10 percent of the qualified voters protest the issuance by petition within 20 days of notification, the bonds may be issued as proposed. Both principal and interest on general obligation bonds are payable from ad valorem taxes which may be levied by the City Council subject to a legal debt limit of 10 percent of assessed valuation of property. Revenue bonds could be issued for various enterprise operations.

At year-end, the primary government and its component units had a number of debt issues outstanding. These issues included \$434,308,264 in general obligation debt, of which revenues from the City's Enterprise Funds support \$353,562,825 or 81.41%. The primary government also has \$35,200,000 in revenue bonds outstanding at year-end for the Electric Power Board, an Enterprise Fund. Two component units have revenue bonds outstanding. These include \$15,670,000 for the Metropolitan Airport Authority and \$129,200,000 in lease rental revenue bonds issued by the Industrial Development Board of Chattanooga.

During FY05, the City anticipates issuing debt not to exceed \$25 million to fund FY04 and 05 Capital Budgets.

Capital Project Funds. These funds are used to account for the financial resources used for the acquisition or construction of major capital facilities. The Capital Budget for the 2005 fiscal year is \$28,345,044, this is a \$2,968,928 or 11.7% increase from last year's approved amount of \$25,376,116.

Enterprise Funds. The City maintains five enterprise operations as part of the primary government. These funds are used to account for operations of entities that are financed and operated in a manner similar to a private business. Combined Enterprise Funds net assets at June 30, 2004 were \$473.4 million with a net income of \$10.73 million. A brief discussion of the major operations follows:

The Electric Power Board is not presented because it is a separate administrative agency of the government, having exclusive control and management of the Electric Distribution System. It is the sole distributor of the electric power within the boundaries of the City and County (600 square miles). It accounts for 89.04% of total Enterprise Fund operating revenues and reported a net operating income of \$5.4 million for the year ended June 30, 2004.

The Interceptor Sewer System of the City provides sewer services to customers on a self-supporting basis utilizing a rate structure designed to produce revenues sufficient to provide for debt service, operating expenses and adequate working capital. The strong commercial, industrial and residential

growth in the City, along with increased federal mandates, have necessitated ongoing expansion of the Interceptor Sewer System. To illustrate, property, plant and equipment of the system in 1976 totaled \$68.8 million compared to \$361.48 million in 2004. Their total assets account for almost 83 percent of total Enterprise Fund assets, excluding the Electric Power Board. The 2005 approved budget including Debt Service and Capital is \$34,827,714. Approved operations is \$18,091,114.

The Solid Waste/Sanitation Fund was established in accordance with state mandate. This fund accounts for the operations of the City's landfill. Landfill fees are charged commercial customers for use of the landfill, while the cost of City landfill needs are funded by the General Fund. An aggressive capital program has been launched to meet landfill requirements set by the state and federal governments. This program is estimated to cost \$38.5 million over a ten-year period. The 2005 Budget is \$5,623,545.

The Storm Water Fund accounts for the operations of the City's storm water management program as mandated by the Environmental Protection Agency and the state. The program is designed to produce revenues sufficient to provide for debt service, operating expenses and adequate working capital. Since the inception of this program in 1994, the investment in property, plant, and equipment has grown to \$37.7 million. The 2005 Budget is \$5,575,120.

The Housing Management Fund accounts for the costs associated with low-income housing provided to residents of the City. One complex exclusively provides low-income housing inside the inner city. Another complex, also in the heart of the city, meets the needs of the elderly in the community. The third complex is designed to provide mixed and affordable housing outside the traditional inner city. As of June 30, 2004 (unaudited) the operating income was \$41,152 with net assets of \$4,684,878.

Internal Service Funds. The City maintains two Internal Service Funds. These funds provide goods or services for a fee to other governmental units, departments, and agencies. The two reporting funds are the Municipal Fleet Services Fund and the Liability Insurance Fund. The Fleet Services Fund's 2005 budget is \$6,703,110. The City of Chattanooga is self insured. The liability Insurance Fund was established to fund and pay for all judgments and costs or liability claims against the city. The 2005 budget for the Liability Insurance Fund is \$250,000.

The Pension Trust Funds account for resources held in trust for defined benefit pension plans to provide disability and retirement benefits for City employees/retirees. These funds are accounted for in the same manner as business enterprises providing similar services. Following is a brief discussion about the employee pension system.

Retirement Plans. The City maintains three single-employer defined benefit pension plans which cover all employees. Each of these systems is maintained separately: one system (General Pension Plan) covers general City employees; a second plan covers employees of the Electric Power Board; and the third covers Firefighters and Police Officers. Each plan has its own consulting actuary. The following schedule shows the unfunded actuarial accrued liability for each fund at June 30, 2003.

Pension Plan	*UAAL	Funded Ratio
General Pension	(28,542)	117.06%
Fireman & Policemen	37,051	84.46%
Electric Power Board	0	100.00%

(FY04 information was not available at time of CABR compilation)

City management and the Pension Boards closely observe the future costs of both benefit improvements and changes in retirement trends of employees. Recommendations of actuaries are carefully considered and appropriate measures are taken to ensure that the pension plans are actuarially sound.

General Pension Plan. The City provides a pension plan for permanent general city employees. All permanent employees hired after February 1, 1979 must join the plan as a condition of employment. Employee contributions are 2% of total earnings. The City Finance Officer is authorized to match all salaries of all participants in the General Pension Plan, at an actuarially computed contribution rate of 4.07% for FY2005.

Fire and Police Insurance and Pension Fund. The City Finance Officer is authorized to match the total salaries of all participants in the Fire & Police Pension Fund with a contribution from the General Fund in FY 2005 not to exceed 18.39%. Each employee who is a participant in this Plan contributes 8% of total salary annually.

Electric Power Board Pension Plan. The Electric Power Board's plan is a single employer defined benefit pension plan. The plan administrator is appointed by the EPB. Contribution requirements of Plan members and the EPB are established and can be amended by the EPB. Plan members are not required to contribute to the plan. EPB's contributions are calculated based on an actuarial rate, which is currently 9.71% of annual covered payroll. Effective August 1, 1984, the Board implemented a 401(k) plan, which permits employees to invest up to 13% of salary in a tax-deferred savings plan. EPB contributes up to 3% of the employee's salary.

Per Capita Budget

The following chart represents per capita expenditures by department over the past four years.

Program	Actual FY01/02	Actual FY02/03	Budget FY03/04	Budget FY04/05
General Government	\$ 205.65	\$ 190.61	\$ 176.33	\$ 183.17
Finance & Administration	102.70	103.54	99.67	97.55
Fire	133.04	145.82	158.06	162.12
Police	212.00	224.00	235.00	230.00
Public Works	453.34	550.49	485.99	490.67
Parks Recreation Arts & Culture	80.95	79.50	79.01	78.38
Debt Services	157.92	99.12	54.90	83.85
Human Services	88.31	100.86	88.45	86.17
Total	\$ 1,433.91	\$ 1,493.94	\$ 1,377.41	\$ 1,411.91

The population figures used in calculations are shown below:

FY02 = 155,554; FY03 = 155,582; FY04 = 157,532; FY05 = 157,532

Per Capita expenditures were \$1,433.91 in 2002 and fell to \$1,411.91 in 2005, showing a decrease of \$22 or (1.5%). Much of this may be attributed to increased capital outlays in 2002 to fund the 21st Century Waterfront Plan.

Financial Assessment

Chattanooga continues its position of fiscal strength enjoyed over the past several years. The City is in the best fiscal condition it has been in over 30 years and our outlook is improving. Over the years, through strong fiscal management, Chattanooga has positioned itself well to weather economic downturns, and create a positive atmosphere for economic development.

General Fund Undesignated Fund Balances

One measure of a city's financial strength is the level of its fund balances. The City's general fund unaudited undesignated fund balance at June 30, 2004 is \$37.4 million or 21.8% of general fund revenues and transfers in. The City strives to maintain an undesignated general fund balance of 20% of operating revenues and transfers in. Reserves in excess of the 20% level may be used to fund capital projects.

Financial Reserves of Other Operating Funds

In other operating funds, the City strives to maintain a positive retained earnings position to provide sufficient reserves for emergencies and revenue shortfalls. Specifically the debt service fund has \$5.2 million in reserves at June 30, 2004.

Bond Ratings

The City has maintained a "AA" rating from Standard & Poor's and Fitch Investor's Service. Both agencies cite sound financial management, fund balance reserves, the debt retirement policy and a history of pay-as-you-go capital financing as justification for the favorable rating.

Conclusion

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.

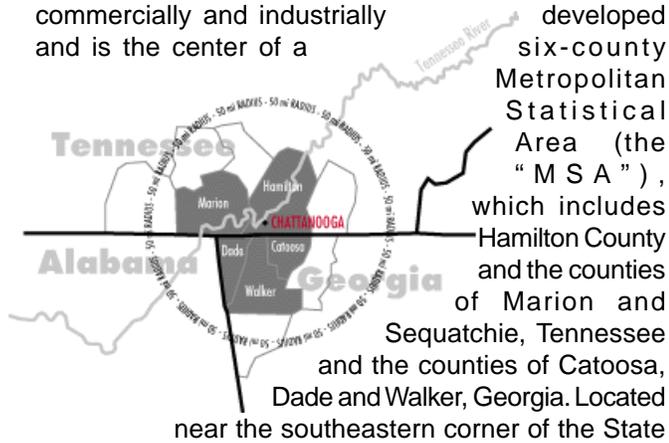
Respectfully submitted,



David R. Eichenthal,
City Finance Officer

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 144.1 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.

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 18.8 percent of its employment in that sector. However, 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 3.2 percent as of July, 2003. This is comparable to the nation's unemployment rate of 6.3 percent and the state rate of 5.4 percent.

Twenty years ago, the City began a rebirth with the establishment of the Moccasin Bend Task Force. The Master Plan which grew out of this task force has resulted in the development of the Tennessee Aquarium, the Riverpark, the Walnut Street Bridge and Coolidge Park.

Over the past decade, hundreds of millions of dollars have been invested in these and other projects in the riverfront and downtown gaining the City international recognition. Within the last 18 months, over \$293 million in new developments are either completed, under construction or breaking ground. The 21st Century Waterfront Plan is another step in this Master Plan to focus on the City's riverfront. The 21st Century plan grew out of a public process led by Hargreaves & Associates. The \$120 million plan combines public and private financing to transform the downtown riverfront with a careful combination of development, preservation and enhancement that honors the history and beauty of the area.

The 21st Century Waterfront Plan comprises 129 acres on both sides of the river stretching from the Veteran's Bridge on the east to Moccasin Bend and M. L. King Boulevard on the west. The plan area is divided into six districts based on their natural features and development characteristics. Half of the districts- the First Street Steps, Ross' Landing Park, and Manufacturer's East-offer immediate development potential. Three others- Manufacturers West, Cameron Harbor, and the Moccasin Bend Gateway will develop over a longer period. A brief description of the projects follows:

The First Street Steps connect Market Street and the Bluff View Art District and the Hunter Museum of American Art, which is undergoing a \$19.5 million expansion. A new public plaza is being created between Cherry and Walnut Streets. First Street itself is transformed into a mixed-use neighborhood of residences, shops, cafes, and galleries. Pedestrian connections at Second Street and a proposed bridge from the Walnut Street Circle across Riverfront Parkway complement the Hunter's plan to reconnect the museum to the City.

The Ross's Landing Park is a cornerstone of the plan. Here at the birthplace of the city, the vision includes a

reconfigured Riverfront Parkway allowing for an enlarged and enhanced riverside park. This expansive area encompasses the Chattanooga Green and the Tennessee River Terraces and will be a fabulous and functional setting for riverside festivals. An expanded marina, water taxis, riverfront cafes, residential units and commercial development bring a fitting vitality to the area known as the "front porch" of the city. The expansion of the Tennessee Aquarium, will solidify its position as the finest freshwater aquarium in the world.

Manufacturers East comprises the area near the intersection of Manufacturers Road, Cherokee Boulevard, and Market Street. The plan calls for a new mixed-use neighborhood of residential and commercial development that mark the beginning of a connection between downtown and Moccasin Bend. The highlight of this district is the Tennessee Wetland Park, preserving the wetlands west of the Market Street Bridge as a nature reserve with an interpretive riverside boardwalk. The Adventure Playground and a segment of the Trail of Tears bring recreation and history to the district, and the collective components of the district provide a perfect complement to Coolidge Park.

The City's share of the cost of the Plan will be funded by the recently levied Hotel Motel Tax. In June 2002, the Tennessee Legislature enacted law (TCA 67-4-1401, et seq.) which removed constraints on municipalities giving them the freedom to enact a tax on the occupancy of hotel/motel rooms, in addition to the County Tax. In August 2002, the City levied such a tax to be phased in over a 30-month period beginning October 1, 2002 at 2%; increasing to 3% on October 1, 2003 and 4% effective May 1, 2005 and thereafter.

In addition to increasing park space and expanding cultural institutions, the Waterfront Plan has led to significant growth in Downtown Housing. Construction of River Pier Landing, an 18 unit condominium, is underway. The Chattanooga Downtown Redevelopment Corporation (CDRC) has also selected a developer for two sites along the First Street Steps which will yield 136 new units of housing. On the Northshore, the Waterfront Plan has spawned 2 new housing developments with 60 new units.

On the Southside, the CDRC funded, in part through revenue from the State designated Tourism Development Zone (TDZ), construction of The Chattanooga, a 208,210 sq. ft. residential meeting facility, a new 1,029-space Parking Facility and the Development Resource Center which is an 85,000 sq. ft. facility that serves as a model for better ways to develop a sustainable community, and the 226,000 sq. ft. expansion of the Chattanooga-Hamilton County Convention and Trade

Center which was completed in the spring of 2003. Together, these developments have made downtown Chattanooga area a gathering place for night and family and recreational activity. The implementation of the 21st Century Waterfront Plan will further highlight Chattanooga's ability to forge bold visions through aggressive implementation.

A new focus on neighborhoods has complemented the City's efforts to revitalize downtown. In response to neighborhood groups, the Mayor implemented a controversial plan that changed MLK Blvd. and McCallie Avenue from one way to two way traffic. This change has had a positive impact on the community and to the neighborhoods that border these two streets. Through the leadership of the Lyndhurst Foundation, MLK Tomorrow, the Community Impact Fund and Chattanooga Neighborhood Enterprises, 92 housing units for all income levels (19 of which were among the City's most economically disadvantaged neighborhoods) are being constructed and rehabbed in this neighborhood resulting in a \$13 million investment to be completed by May 2005.

And, in 2004, the first units of the Alton Park Hope VI projects will become available. This \$84 Million effort will rejuvenate the Alton Park neighborhood.

As people return downtown to work and play and live, the City finds itself faced with parking shortages. To address this concern in a manner consistent with adherence to a clear vision for the future of the City and a set of principles and values relative to rebuilding downtown, River City Company recently released a yearlong parking study that calls for the creation of an authority to oversee enforcement and policy making in the central city.

The U.S. Department of Transportation recently announced the award of a \$750,000 Small Community Air Service grant to Chattanooga. This grant combined with \$325,000 in local matching funds from the business community will be used to pursue a direct western route from the Chattanooga Metropolitan Airport to the Dallas/Ft. Worth International Airport, a link that will be a tremendous strategic enhancement to economic development efforts in the Chattanooga area.

Enterprise South, a 1,200 acre industrial park has achieved contingent certification as a Megasite initiative as a result of an independent assessment performed by McCallum Sweeney Consulting (MSC). MSC is an internationally known firm commissioned by the Tennessee Valley Authority (TVA) to identify the sites across the TN Valley that have the strongest potential for development as automotive assembling facilities. The firm cited the park's access to distribution channels,

proximity to a manufacturing oriented workforce and the construction of a dedicated interchange from I-75 directly into the park as its strong points. Two issues preventing full certification are the acquisition of an additional 400 acres to “square off” the site and the development of a detailed plan to relocate Poe Branch Creek. Efforts were already underway by City and County officials to address both these issues before the MSC evaluation. This independent assessment affirms that Enterprise South is one of the top industrial sites in the TVA footprint and validates the great progress made in developing this important asset in a way that creates the largest number of high-paying jobs for our citizens. Mayor Corker renewed his commitment to do what is necessary to ensure attainment of full certification.

Construction is underway on the first new business and strong partnerships have been forged with our state economic development team, the Chamber of Commerce, TVA, and other economic development entities.

Mayor Corker has worked to take full advantage of the City’s location and establish Chattanooga as a hub of the technology corridor. The City, County and Congressman Wamp have caused the “Enterprise Center” to become an umbrella organization for oversight and accountability to 12 innovative, federally funded initiatives in order to enhance Chattanooga’s placement in the technology corridor and the community’s relationship with the world class research institutions throughout the region. They include initiatives such as: Advanced Transportation and Technology Institute; the Alliance for Secure Energy and Transportation; CARTA ITS Project; Connect the Valley; the Fuel Cell Project; the High Speed Rail Maglev initiative; the SimCenter; the Center for Entrepreneurial Growth; the Riverbend Technology Institute; and the New Economy Institute. The United States Department of Commerce recently announced that The Tennessee Valley Corridor, was one of two regional alliances in the country to win the national award for Excellence in Regional Competitiveness in Economic Development. We share this award with the Research Triangle—great company for us to be in. The staff of the Enterprise Center, is governed by a nine member board and works closely with our Chamber of Commerce.

Other initiatives such as the Public Art and Outdoor initiatives and the initiative to end chronic homelessness are designed to create public/private partnerships that improve the quality of life in Chattanooga making it truly a great 21st Century American City.

Finally, Hamilton Place Mall, Tennessee’s largest, and now in its fourteenth year of operation, remains a magnet for millions of people. The 1.4 million-square-foot mall

has brought in many 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 over the past decade 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. CBL and Associates, the mall’s owner and developer of major retail space nation wide, has completed development of a multi-acre site on the south perimeter of the mall. The site includes a new national headquarters office building and additional retail space.

The City’s two biggest local revenue sources are sales and property taxes. The local option sales tax rate is 2.25 percent. Following two successive reductions the property tax rate has remained at \$2.516 per \$100 assessed valuation for the past three years.

The City’s capital initiatives reflect its ongoing commitment to economic development and long term sustainability of the City. In the FY05 budget, over \$25 million was appropriated for major initiatives. These include \$2.7 million for upgrade of various City parks; \$18.5 million for various public works projects such as paving , street improvement, curbs, gutters and sidewalks, downtown streetscape, and equipment replacement; \$2 million for fire vehicles and other equipment; and \$1.8 million for other miscellaneous requirements.

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

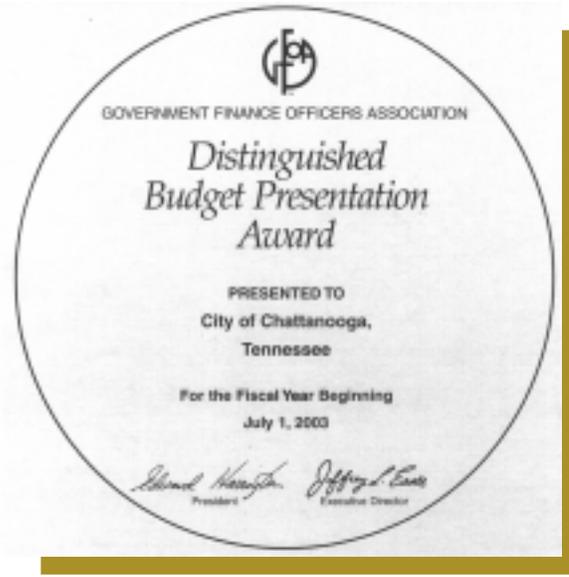
Improving the Living Environment". This initiative was given special recognition at the City Summit in Istanbul, Turkey at a special awards ceremony June 4, 1996. The award included a special plaque, a scroll, and a grant that was used to cover costs of travel and per diem for two people directly involved 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.
- One of cities cited by New York Times in "Smaller U. S. Airports Are Increasingly Popular".
- The National Arbor Day Foundation's "Lady Bird Johnson Award" for the Area Beautification Committee's work in establishing the Gateways Program. 1993.
- Cited in the April 2003 issue of Foreign Direct Investment as an ideal environment for foreign companies looking to relocate or expand due to the Economic Development made.
- The Tennessee Urban Forestry Council's "Tree Board" Award to the Chattanooga Tree Commission for outstanding Contributions to Urban Forestry in Tennessee. 1996.

We are honored with the distinction of receiving, for the past twelve years, the Certificate of Achievement for Excellence in Financial Reporting for our preparation of state and local government financial reports. The Fiscal Year 2004 CAFR is currently being submitted for review.

Also, for eight years we were honored with the distinction of receiving the Distinguished Budget Presentation Award.

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 2005 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. The six principal departments are Finance & Administration; Fire; Police; Parks Recreation, Arts & Culture; Human Services; and Public Works. The City employs approximately 2,404 full-time employees and approximately 146 part-time employees. The City's Electric Power Board has an additional 382 employees.

Date of Organization: 1839

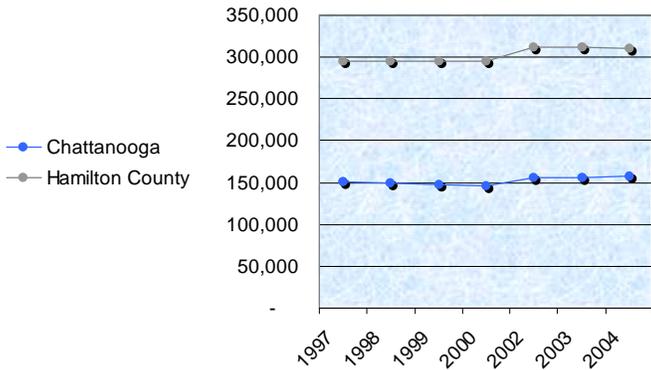
Form of Government: Council/Mayor

Demographics

During 1997 thru 2004, the population for Chattanooga and Hamilton County show an increase of approximately 5%.

Population		
	Chattanooga	Hamilton County
1997	150,300	295,800
1998	148,800	296,000
1999	147,500	294,800
2000	145,700	295,000
2002	155,992	312,266
2003	155,582	311,178
2004	157,532	309,956

Source: U.S. Census Bureau, National Decision S



Land Area and Usage

Area per Square Mile

1950.....	28.0
1960.....	36.7
1970.....	52.5
1980.....	126.9
1990.....	126.9
2000.....	144.1

The county's land use is predominately agricultural woodland with approximately 587 square miles or 21.2% having been developed.

Miles of Streets (Inside City)

Paved.....1,150

Miles of Streets (County-wide)

Paved.....2,650
Unpaved.....180

Elections (County-wide):

Registered Voters.....171,899
Votes Cast in Last Election.....31,373
Registered Voters Voting.....18.25%

Racial Composition

	City	County
Asian & Pacific Islanders	2.0%	1.6%
African-American	36.7	20.6
Caucasian	60.7	77.3
Other	1.4	1.1

Source: Chamber of Commerce

Average Home Sale Prices

0-2 Bedroom House.....	\$ 69,428
3 Bedroom House.....	\$114,438
4+ Bedroom House.....	\$210,785
Condo/Co-op.....	\$110,541

Source: Chattanooga Association of Realtors

Average Monthly Rent

Average rental for a two bedroom, 1 1/2 bath mid-management household, stove and refrigerator included: **\$649**

Source: ACCRA Cost of Living Index, Second Quarter 2003

Service Statistics

Education

There are 78 public schools in the Hamilton County with a combined enrollment of 40,641. The type of schools and number in County is as follows: Elementary (45); Middle (15); Middle thru High (4); Senior High (12); Kindergarten thru eight, eleven, & 12 (2)

There are 27 private and parochial schools in the Hamilton County area with combined enrollment of 10,350. The type of school and number in County are as follows: Parochial (18); Elementary (6); Preparatory (3).

Facilities

Convention & Meeting Facilities (Capacity)

Soldier's and Sailor's Memorial Auditorium (4,843); Chattanooga-Hamilton County Convention & Trade Center (9,500); 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, the Chattanooga Girls Choir, Bessie Smith Performance Hall, African-American Museum, Oak Street Playhouse, Creative Discovery Museum, Regional History Museum.

Recreational Facilities

- 119 Parks
- 16 Golf Courses
- 15 Recreation Centers
- 38 Summer Playgrounds
- 122 Ball Fields
- 191 Public & Private Tennis Courts
- 55 Swimming Pools
- 17 Theaters
- 3 Bowling Alleys

Transportation

Airport: Lovell Field operated by the Chattanooga Metropolitan Airport Authority.

Airline carriers: American Eagle/American Airlines, Delta Airlines/ASA, Delta Airlines/Comair, The Delta Connection, Northwest/Northwest Airlin, US Airways Express.

Privately owned and operated airport facilities: Collegedale Municipal Airport and Dallas Bay Skypark

Railway service: Norfolk Southern Railway System and CSX Transportation System

Local mass transportation service: Chattanooga Area Regional Transportation Authority

Vehicles in Operation 88 Routes 16

Highways:

Interstate highways 3 US highways 7
State highways 5

Customer Services

Electric Power Board

Electric Customers.....163,356
Telephone lines14,529
Electric Rate for residential.....\$0.0667/ kw-hr

Public Works:

Solid Waste Collected (tons).....106,933
Miles of Pavement Markings (Center line).....550miles
Signalized Intersections.....290

Interceptor Sewer System:

Net Assets.....\$246 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
- “ 140,000 tons/yr biosolids 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 other than city.....11
Sewer and Pump Stations:
Miles of sewer.....1,200
Diameter.....4 to 84 inches
Major Pump Stations.....7
Minor Pump Stations.....48
Residential/Grinder Stations.....130

Police Protection

Sworn Officers.....472
Crime Index (CY03).....14,934
Crime rate (per 1,000 pop.-CY03).....95.37
Parking Violations (CY03).....39,237
Moving Violations (CY03).....25,549
Calls for Service (CY03).....127,245
Average response time (CY03).....7.9 min

Fire Protection

Sworn Officers.....385
Fire Stations.....17
Front Line Ladder Trucks.....2
Front Line Fire Engines.....12
Front Line Quints (Engine/Truck Combination).....9
Fire Responses.....5,411
EMS Responses.....4,188
Average Response Time..... 5.23 min.

Economic

Bond Ratings

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

Building Permits Issued & Value

1997.....2,343.....\$236,856,304
1998.....2,338.....\$286,159,625
1999.....2,263.....\$304,112,845
2000.....2,421.....\$283,589,165
2001.....2,443.....\$365,734,755
2002.....2,330.....\$287,929,751
2003.....2,597.....\$345,741,832

Values are based on the current industry averages as published by the Southern Building Code Congress International (SBCCI).

Source: City Building Inspection Department

Largest Employers in the Chattanooga Area (MSA)

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

TOP NON-MANUFACTURERS		
<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
Hamilton County Dept. of Education	6,000	Elementary & Secondary Schools
Covenant Transport	5,929	Trucking
Erlanger Medical Center	4,110	Hospital
Blue Cross & Blue Shield of Tenn.	4,100	Insurance
Memorial Hospital	3,300	Hospital
Tennessee Valley Authority	3,240	Utility Electric Service
UnumProvident Corporation	3,200	Insurance
City of Chattanooga	2,627	Government
CIGNA Health Care	2,216	Insurance
Bi-Lo, Incorp.	1,579	Grocery Store

TOP MANUFACTURERS		
<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
McKee Foods Corp.	3,500	Cakes & Cookies
Synthetic Industries	2,067	Carpet Backing
Roper Corporation	1,900	Cooking Ranges
Pilgrims Pride, Corp.	1,620	Process Boiler Chickens
Astec Industries, Inc.	595	Asphalt & Dust Collectors
Shaw Industries, Inc.	1,182	Carpet
Invista, Inc.	1,400	Synthetic Yarn
Olan Mills	700	Portrait Studio
US Pipe and Foundry	500	Iron Pressure Fittings

City Officials as of July 1, 2004

Mayor: Robert P. Corker

Chief of Staff: Mike Compton

City Council:

John M. Lively	District 1	Ronald C. Littlefield	District 6
**Sally L. Robinson	District 2	John R. Taylor, Sr.	District 7
Dan B. Page	District 3	Leamon Pierce	District 8
*W. Jack Benson, Sr.	District 4	Yusuf A. Hakeem	District 9
John P. Franklin Jr.	District 5		

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

Legal: Randall Nelson, City Attorney

City Court: Russell Bean, City Court Judge
Sherry Paty, City Court Judge



Department Administrators and Directors:

Finance & Administration:

David Eichenenthal, Administrator
Daisy W. Madison, Deputy Administrator

Police: Steve Parks, Chief

Freeman Cooper, Executive Chief

Fire: Jim M. Coppinger, Chief

Kelvin Flint, Deputy Chief

Public Works:

Bill McDonald, Administrator
Beverly Johnson, Deputy Administrator

Parks Recreation Arts & Culture:

Jerry Mitchell, Administrator
Janice Miller-Hester, Deputy Administrator

Human Services:

Bernadine Turner, Administrator
Tommie Pruitt, Deputy Administrator

Personnel:

Donna Kelley, Administrator
Susan Dubose, Deputy Administrator

Neighborhood Services:

Kenardo Curry, Administrator
Steven Hargis, Assistant Administrator

Community Development:

Rayburn Traughber, Administrator

Chattanooga-Hamilton County Bicentennial Library:

David Clapp, Director

Regional Planning Agency:

Barry Bennett, Director

Air Pollution Control:

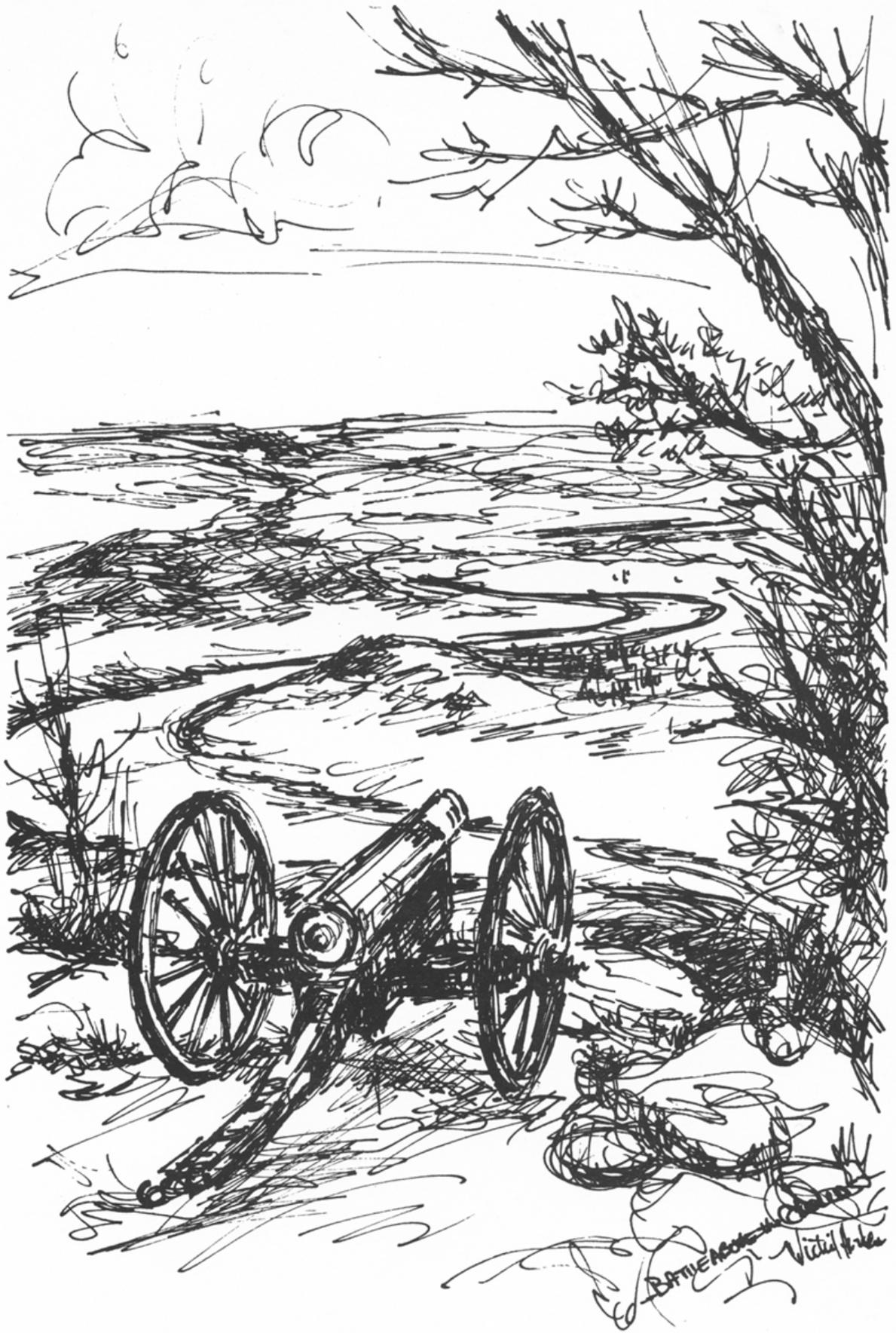
Robert H. Colby, Director

Scenic Cities Beautiful:

Jeanette Eigelsbach, Director

*Chairman

**Vice-Chairman





Chattanooga City Council



John M. Lively
DISTRICT 1



Sally L. Robinson
DISTRICT 2
Vice Chairman



Dan B. Page
DISTRICT 3



W. Jack Benson, Sr.
DISTRICT 4
Chairman



John P. Franklin, Jr.
DISTRICT 5



Ronald C. Littlefield
DISTRICT 6



John R. Taylor, Sr.
DISTRICT 7



Leamon Pierce
DISTRICT 8



Yusuf A. Hakeem
DISTRICT 9

Meet US

Mayor

Mayor, Robert P. Corker

Mayor Bob Corker graduated from the University of Tennessee in 1974 with a Bachelor of Science Degree in Industrial Management. He began his career in 1974 as a Project Manager and Construction Superintendent until he founded Bencor Corporation in 1978. Bencor specialized in building retail shopping centers and operated in 18 states.

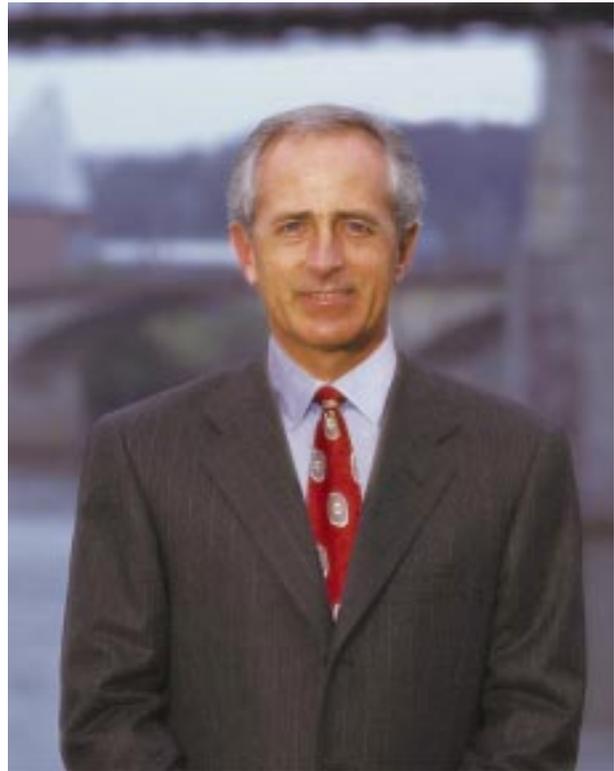
Over time, the acquisition of real estate and other investments became Mayor Corker's business focus and the construction arm of his company was sold in 1990. In 1999, he acquired Osborne Building Corporation and Stone Fort Land Company, the two largest and most historic real estate companies in Chattanooga.

In 1986, Mayor Corker led the creation of Chattanooga Neighborhood Enterprise (CNE), a non-profit, public/private partnership, and served as its founding Chairman. Through the hard work of a diverse group of community participants, CNE has become a national model for neighborhood revitalization, having invested more than \$200 million dollars and having helped more than 6,000 families in Chattanooga find decent, fit and affordable housing.

In 1995, Mayor Corker was recruited to serve as Commissioner of Finance and Administration for the State of Tennessee. There, he was widely acclaimed for his ability to bring together people from both sides of the aisle to solve problems. Among his responsibilities were the preparation and implementation of Tennessee's \$13 billion state budget and overseeing the general operations of the state.

In March of 2001, Bob Corker was elected Mayor of Chattanooga, earning 54% of the vote and a first ballot victory in a crowded field of eleven candidates.

Mayor Corker serves, or has served, on the board of directors of the University of Chattanooga Foundation, Chattanooga Housing Authority, Chattanooga Neighborhood Enterprise, U.S. Xpress Enterprises, Inc., River City Company, American National Bank and Trust Company, Siskin Memorial Foundation, Creative Discovery Museum, Regional Planning Agency,



Southside Development Corporation, Memorial Hospital, Tennessee Housing Development Agency, Chattanooga Venture, Chattanooga Chamber of Commerce, Associated General Contractors, the Executive Committee of the United Way, the Rotary Club and the Urban League. He is past Chairman of the Administrative Board and past Finance Chairman of First Centenary United Methodist Church and a past member of the University of Tennessee at Chattanooga Chancellor's Round table. Mayor Corker is a former member of the Governor's Task Force on Low-Income Housing as well as a former Trustee of the Tri-State Carpenters' Fringe Benefit Fund.

The Mayor and his family are members of St. Paul's Episcopal Church. He and his wife, Elizabeth, and their two daughters, Julia and Emily live in North Chattanooga.

Council Members

John M. 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 40 years and have three daughters and 3 grandchildren.

District 1 consists of the following precincts: Lookout Valley 1 & 2; Moccasin Bend; Mountain Creek 1, 2 & 4; North Chattanooga 2; Northwoods North 2.
Phone: 757-5196
Address: 263 Garden Road, Chattanooga, TN 37419

Sally L. Robinson, District 2, Vice Chairman

Sally Robinson, the current Council Vice-Chairman, has been involved in downtown revitalization and riverfront development in Chattanooga since 1980 as a founding member of the Riverbend Festival, and has volunteered through the years on the Moccasin Bend Task Force, Walnut Street Bridge Restoration, Cornerstones Historic Preservation and Friends of Moccasin Bend National Park. She is past executive director of the Arts & Education Council where she worked to establish the Chattanooga Conference on Southern Literature. Ms. Robinson is past executive director of Chattanooga Downtown Partnership where she expanded the Nightfall Concerts, established the Downtown Business and Merchants Roundtable Association, and developed seasonal activities promoting downtown year-round. She has served on the board of the International Downtown Association, and was elected to City Council in 2001. Ms. Robinson attended the University of North Carolina and graduated from the University of Tennessee-Chattanooga. Ms. Robinson is a member of St. Paul's Episcopal Church. She is married to attorney Sam Robinson and has four children and two grandchildren.

District 2 is consists of the following precincts: Lupton City; North Chattanooga 1; Northgate; Northwoods 2; Riverview; and Stuart Heights 1 & 2.
Phone: 757-5196
Address: 1136 Constitution Dr. - Chattanooga, TN 37405

Dan B. Page, District 3

Councilman Dan Page, in his first venture into politics, was elected to the Council in 2001. Dan, a lifelong resident of Chattanooga, is founder and president of Greenleaf Health Systems. He grew up in the Avondale-East Chattanooga area and graduated from Central High School. He earned a Masters Degree from the University of Tennessee at Chattanooga and completed post-graduate studies at the University of Tennessee at Knoxville. Dan currently resides with his wife of 38 years, Shirley Lowe Page, in the Hixson area. They are actively involved at Trinity Lutheran Church. Dan Page has had a successful business career while raising two sons, Brent and Brian, who graduated from Chattanooga public schools...Hixson High School and Chattanooga High School of the Performing Arts. Dan is a Rotarian, a Trustee Emeritus of Newberry College, has been a board member of the North Chickamauga Creek Conservancy and the North River YMCA. He served on the core group that initiated the Interfaith Hospitality Network of Greater Chattanooga and has been involved with Northside Neighborhood House. Dan's interest is to continue helping people by listening to the citizens and providing them leadership with a strong voice. He believes public service is of the highest calling. He supports encouraging better community planning and promoting a strong business climate for Chattanooga.

District 3 consists of the following precincts: Dupont; Hixson 1, 2, 3; Murray Hills; Northwoods 3 & 4; Northwoods North 1.
Phone: 757-5196
Address: 3000 Hamill Road - Hixson, TN 37343

W. Jack Benson, Sr., District 4, Chairman

W. Jack Benson, B.S. Peabody at Vanderbilt, M. Ed. University of Chattanooga, Post Graduate at University of Tennessee at Knoxville. He is presently serving on the Chattanooga City Council as Councilman from District 4 and Council Chairman. Mr. Benson served for 35 years in the Chattanooga Public School System as an elementary and junior high teacher and then as principal of two elementary schools and two junior high schools. He then moved to a system-wide position at the administrative office where he served as Director of Curriculum and as the Assistant to the Superintendent. After retirement from the school system Mr. Benson served as the Executive Director of the Chattanooga Big Brothers/Big Sisters Association. Mr. Benson is a Past-President of the Association of United Way Agency Directors. He has also served on the boards of the National Education Association; Tennessee Education Association; Southern Association of College and Secondary Schools;

Chattanooga/Hamilton County Planning Commission; Tele-scripps Cable Access; Council of Alcohol and Drug Abuse Services; Chattanooga Education Association; United Way Allocation Panel; Armed Forces Committee; Camp Ocoee; and Boy Scout Exposition.

District 4 consists of the following precincts: Concord 1 & 2; East Brainerd 1 & 2; Ooltewah 3; Tyner 1.
Phone: 757-5196
Address: 2302 Laurelton Creek Lane – Chattanooga, TN 37421

John P. Franklin, Jr., District 5

John Franklin—better known as Duke—was 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.

District 5 consists of the following precincts: Bonny Oaks, Brainerd 2; Dalewood; Kingspoint; Lake Hills; Woodmore.
Phone: 757-5196
Address: 2233 Nimitz St. – Chattanooga, TN 37406

Ronald C. Littlefield, District 6

Ron Littlefield is a professional city planner with 32 years of experience working with cities, counties, states and private sector organizations. He was the first director of Chattanooga's combined city/county/chamber of commerce economic development office where, in 1981, he initiated the annual leadership visits to dynamic cities such as Indianapolis, Baltimore and Charlotte that have inspired a number of major Chattanooga projects. In 1984, he was an incorporator and initial Executive Director of Chattanooga Venture where he led the successful Vision 2000 planning program -credited with shaping the communities grand scale ideas for riverfront and downtown redevelopment. Subsequently, he was elected Commissioner of Public Works for the City of Chattanooga where he had opportunities to implement plans for restoration of the Walnut Street Bridge and construction of streets, sewers and other infrastructure associated with the Tennessee Aquarium and related projects. Later following a change in the form of local government, he became the first Chairman of the new Chattanooga City Council and helped to guide the community's transition from the old form of government to the new. During an

eight-year hiatus from public office, Littlefield worked as a planning consultant for a number of public and private clients on a wide variety of development projects. In 1998, he was recruited by Mayor Jon Kinsey to assist with proposals for a high-speed passenger rail connection between Chattanooga and Atlanta. In April of 2001, he was reelected to the Chattanooga City Council from District 6.

District 6 consists of the following precincts: Airport 1, 2 & 4; Brainerd Hills; Concord 3; Eastgate 2; Sunnyside; Tyner 2 & 4.
Phone: 757-5196
Address: 3420 Glendon Drive – 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 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 attend East Third Street Church of Christ, where John is pastor.

District 7 consists of the following precincts: Alton Park; Cedar Hill; East Lake; Howard; Piney Woods; St. Elmo 1 & 2.
Phone: 757-5196
Address: 4611 Tennessee Ave. – Chattanooga, TN 37409

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.

District 8 consists of the following precincts: Avondale; Clifton Hills 1 & 2; Courthouse; Eastside 1 & 2.
Phone: 757-5196
Address: 2710 Cannon Ave. – Chattanooga, TN 37404

Yusuf A. Hakeem, District 9

Yusuf 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 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 4th 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.

District 9 consists of the following precincts: Amnicola; Bushtown; East Chattanooga 1; Eastdale 1 & 2; Glenwood; Highland Park; Missionary Ridge.

Phone: 757-5196

Address: 504 Kilmer St. – Chattanooga, TN 37404

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 2005 (their current terms run from April, 2001 until April, 2005).

Management & Budget Staff

David R. Eichenthal, Esq., City Finance Officer

David Eichenthal joined the City of Chattanooga in July 2002 as the City's first Director of the Office of Performance Review. In February 2003, Mayor Corker tapped him to serve as City Finance Officer as well. Prior to coming to Chattanooga, Mr. Eichenthal served in a series of senior positions in New York City government in the Offices of the Public Advocate, the City Comptroller and the New York City School Construction Authority's Office of Inspector General. He represented the Public Advocate on the City of New York Audit Committee and was appointed by the New York State Assembly Speaker to serve as a local government representative on the New York State Procurement Council. A graduate of the University of Chicago and New York University School of Law, Mr. Eichenthal has also been an adjunct professor of public administration at New York University's Wagner School of Public Service and Baruch College. **Office Phone: 425-6200**

Daisy W. Madison, CPA, CGFM, Deputy Finance Officer/Treasurer

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 and the first GFOA Budget Award 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 26 years, Sam, are the *proud* parents of four children. **Office Phone: 757-5232**

Fredia F. Kitchen, CPA, CGFM Director of Management & Budget Analysis

Fredia Kitchen was promoted to Budget Officer in March, 2000. She holds a Bachelor of Science degree from Austin Peay State University located in Clarksville, TN. She has obtained certificates for Certified Public Accountancy and the Certified Government Financial Manager issued by the Association of Government Accountants. 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 Senior Budget Analyst. 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 the Assistant Chief Information Officer in the City's Information Services division. **Office Phone: 757-0524**

Simone M. White, Sr. Management & Budget Analyst

Simone White joined the City in March 1993 as a Budget Analyst. In November, 2000 she was promoted to her current position. She handles budgets for Police, Neighborhood Services, and the Interceptor Sewer. 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 serves as a reviewer for the GFOA's Distinguished Budget Awards Program. Her other activities include serving as Member of the Chattanooga

Chapter Association of Government Accountants, Daisy Girl Scout Leader, member of Delta Sigma Theta Sorority, and several church related activities. Simone is married to the wonderful Jerrold Javier White, an attorney practicing in the Chattanooga area and they are parents of one year old triplets. **Office Phone: 757-0534**

Christopher L. Haley, CFA, CGFM, Management & Budget Analyst

Chris Haley was hired as a Budget Analyst in 1996. His area of responsibilities include selected General Government accounts, Parks, Recreation, Arts, & Culture, Community Development, and the Pension Fund. Prior to coming to the City, he worked in internal audit for Hamilton County. In addition to obtaining a CFA (Chartered Financial Analyst), he holds a BS in accounting from the University of Tennessee at Chattanooga and a MBA from Middle Tennessee State University. **Office Phone: 757-0537**

Randall E. Ray, CGFM, Management & 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 Fleet Services, Fire, and Public Works. He has been married to the former Teena Andrews for eighteen years with three cats (Ernest T. Bass, Little Miss, and Arthur). **Office Phone: 757-0535**

Beverly J. Adams, Management & Budget Analyst

Beverly Isaac Adams was hired in February 2001 as a Budget Analyst. She handles budget for General Government, Personnel, Human Services and the joint funded agencies (Regional Planning Agency, Air Pollution, and Scenic Cities Beautiful). Beverly is a graduate of Southern University located in Baton Rouge, Louisiana. She holds a Bachelor of Science in Accounting. Prior to coming to the City, she served in the United States Army for seven years. She held various positions in the Finance Department. Beverly recently married Marcus Adams in December 2003. They are expecting their first baby later this year. **Office Phone: 757-4751**

Preciosa G. Goduco, CGFM, Management & Budget Analyst

Preciosa Goduco joined the city in March, 1984 as an Internal Auditor. In 2003, she was transferred to the Management and Budget Analysis staff. She handle budgets for Finance & Administration and Debt Service. Prior to working with the city, she was a supervising senior

with Carlos J. Valdes & Co., CPA's in Manila, Philippines where she was in charge of auditing various SEC corporations and banks. She also worked as a senior auditor with Tomatsu Awoki & Co., CPA's in Tokyo, Japan for 16 months. She holds a BS in Commerce major in accounting from the College of the Holy Spirit and a CPA certification in the Philippines. **Office Phone: 425-6215**

Brett W. Hysinger, MPA, Management & Budget Analyst

Brett Hysinger was hired by the City in August of 2004. He holds a BSBA in Finance from Coastal Carolina University and a MPA in Public Financial Administration from the University of Indiana, Bloomington. He was married to the former Amy Self on June 14, 2003 and they currently reside in Signal Mountain Tennessee. **Office Phone: 425-6208**

Organizational Chart

CITY OF CHATTANOOGA

