

# Resurgence



CABR 2010



City of Chattanooga, Tennessee  
Comprehensive Annual Budget Report for the year ending June 30, 2010

ABOUT THE COVER:

The cover depicts Chattanooga's resurgence to a vibrant city with a diverse economy and a strong manufacturing base. National and international corporations are investing major capital resources in new and expanding facilities which will generate significant job growth. At the top left corner is the \$1 billion Volkswagen facility construction site at the Enterprise South Industrial Park. The recently completed 950,000 sq. ft. BlueCross BlueShield complex is pictured at the top right corner. These investments along with many others represent the dawn of a new era for the City. Chattanooga can look forward to an even brighter future.

*Enterprise South Industrial Park photos courtesy of Volkswagen Group of America, Inc.  
BlueCross BlueShield photo by Warren McLelland.*

# City of Chattanooga, Tennessee

*Comprehensive Annual Budget Report*  
**Fiscal Year July 1, 2009 thru June 30, 2010**

*Presented by:*

*The Department of Finance & Administration*

**Daisy W. Madison, City Finance Officer**

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The **CABR 2010** 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 profiles of City officials.

**Section B: Guidelines** - Provides guidelines and rules adhered to by the Finance department of the City 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 the City 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, Education, Arts & Culture, Debt Service and Capital Outlay.

**Section D: Personnel Administration** - gives an overview of 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.



September 22, 2009



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

I am pleased to present the FY2010 budget for the City of Chattanooga. This budget continues to provide for current services and programs that support our growing economy. We built our budget around the City's long term budget strategy to be a responsive government, have clean and safe neighborhoods, support economic development, and provide effective delivery of quality services.

### *Chattanooga's Challenges*

Like other municipalities around the world, we feel the impact of the global recession. Department administrators and employees continue to find innovative ways to work smarter in the face of increasing costs and declining revenues while

continuing to provide quality services to Chattanooga's citizens while maintaining a strong fiscal position. Challenges we continue to face include:

#### ■ **Workforce**

• **Keeping a Competitive Workforce** ~ To ensure that the City attracts and maintains a professional and competent workforce, the City Council commissioned an independent consultant to develop a pay plan that encompasses a total compensation package. To that end, in January, 2008, the City moved toward a pay plan that includes open pay base ranges, pay-for-performance, and bonuses. In 2010 we were able to maintain employees with no layoffs, but unfortunately due to market conditions we were unable to increase the plan to current market rate.

#### ■ **Affordable Medical Benefits Program**

• **Employee Benefit Costs** ~ The medical insurance premium is expected to increase by 6% this year following a 20% increase in FY08. This 6% is compared to 12% medical inflation. The City has been able to minimize the increased costs due to the implementation of a wellness initiative which included onsite clinics, a fitness program and for the first time in FY09 a pharmacy program that enhances the prescription drug benefit for employees while greatly reducing costs for the City.

•**Retiree Benefits** ~The cost of retiree benefits continues to be one of the fastest growing concerns. While contributions to the Fire & Police pension plan decreased by 7.4% for FY10, this amount is expected to increase significantly in coming years due to current market conditions resulting in declining investment returns. Assets in the pension plans had an overall decrease of \$980,000 over prior year due to the reduction in funded positions; changes in actuarial assumptions for both plans based on experience; and 20% per year plan to phase in an approach to increase in ARC for general pension contributions. Also a review of the DROP plan was recently completed and changes are being made.

•**Other Post-Employment Benefits (OPEB)** ~ The Governmental Accounting Standards Board issued statement No. 45 which sets forth standards for reporting post retirement benefits other than pensions (OPEB). Based on an actuarial evaluation the City's unfunded actuarial liability for OPEB is \$145,800,000 on a prefunding basis, \$192,035,979 on a partial prefunding basis, and \$215,300,000 on a pay-as-you-go basis. The City established an Other Post-Retirement Benefits Trust during FY07 and contributed \$2,000,000 from excess operations revenues in each of the 2007 and 2008 fiscal years. In 2009, the City contributed \$561,006. The 2010 budget does not include and funding for OPEB.

### ■**Rising Cost of Vehicle Maintenance**

•**Energy Costs** ~ Uncertainty regarding energy costs and the fiscal impact to heat and cool buildings and to fuel vehicles continues to be a concern. This year we factored in a three and a half percent (3.5%) increase in water rates and maintained the previous year's rate (3.5%) for the cost of diesel fuel.

### ■**Maintaining Quality Services with Less Operational Funding**

Departments and agencies submitted requests which exceeded estimated revenues. As we moved through the process several choices had to be made on items we needed to trim in order to maintain quality services and still be able to work within our revenue stream without raising taxes. Below are some of the choices we faced along with some preliminary decisions to help balance the budget :

- 21% reduction in vehicle operating due to the temporary suspension of the capital recovery component of fleet lease payment for general fund only
- 9% reduction in travel



- Expanded parks & recreation program with addition of Summit of Softball Complex
- Reduced hours at all 15 recreation centers
- Consolidate Eastgate, Southside, & Downtown police precincts
- Loss in fund assets due to current pension market conditions and benefit levels
- \$400K increase in Liability Insurance funding
- \$3.4M increase in existing debt service requirement
- Additional \$300K new debt service requirement
- \$10,249 net decrease in agency appropriations
- Discontinue City funding of VITA Program
- Discontinue Common Ground Newsletter Publication
- Maintenance of high quality benefits program for employees
- 50% reduction in longevity pay

### *Change, Creativity, and Compassion*

As our commitments keep us classified as a model for performance accountability in the region and beyond, our city continues to move forward with its many initiatives. Focusing on productivity and efficiency, we will continue to commit to economic development, job growth, transforming Chattanooga into a renaissance city. If you would like to see our scorecard on performance, using the Mayor's Seven Step Strategy, please find on our website at [www.chattanooga.gov](http://www.chattanooga.gov).

- **Finish what we've started**
- **Fill in the economic gaps**
- **Enhance links and gateways**
- **Nourish the neighborhoods**
- **Keep growing the green**
- **Attack fear with technology**
- **Focus on teaching**

### *Budget Highlights*

The City's undesignated General Fund budget has grown by roughly 15% over the past five years while funding more than \$33.7 million pay as you go capital. There has also been a significant effort to maintain the reduction in force implemented in 2002. For the eighth consecutive year tax increases have been avoided by a combination of effective management and economic growth. This budget provides

the resources for continued investment in the long term fiscal health of this community.

The City's *chattanoogaRESULTS* and vacancy control programs have been in effect for the past seven (7) years. These initiatives have greatly increased 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 review process that defines the way that all of City government does business throughout the fiscal year. The City has published four annual performance reports to the citizens of Chattanooga. The first through fourth were designed to highlight the highpoints of performance. As the process continued, in 2007 a 4-page format was adopted to highlight the highpoints in an easy to read quick reference guide. All reports can be found on [www.chattanooga.gov](http://www.chattanooga.gov)

### Major Highlights of the Fiscal Year 2010 Budget:

**Taxes** - No tax increase for the eighth consecutive year. The current tax rate of \$1.939 is \$.263 cents less than the 2006 reappraisal rate of \$2.202. See page 101.

**Personnel** - The fiscal year 2010 budget includes several frozen positions this year. These vacancies were necessary in order to maintain our current level of services with no adverse impact.

**Public Safety** - A continued effort toward citizen safety was highlighted by continuing our efforts to provide a unified dispatch program to answer 911 calls from Hamilton County and surrounding municipalities. In addition to this program we are continuing our use of security cameras in parks and other key public spaces to enhance the safety of our citizens.

Increased citizen participation in the **recycling program** was achieved last year thru creation of additional drop off centers and improved awareness through public education. This year we continue to support our community efforts by providing an additional pickup, thus pickup will increase from once to twice weekly. We also enhanced brush pick-up services by implementing a call as needed program.

**Animal Shelter** - It has been one year since the McKamey Animal Care and Adoption Center was opened. The facility was the answer to a challenge to raise the standard of care given to unwanted and abandoned animals in the City. We continue to support our successful partnership with the Animal Care Trust to run the center.

Projected revenues for all appropriated funds total \$315,840,847, a minimal decrease of 0.0015% from the previous year. This does not include fund balance, bond proceeds, and transfers in, which are

considered other financing sources. In FY10 the major decreases in charges for services, interest earnings, and miscellaneous, and licenses & permits outweigh the increases of taxes, intergovernmental, and fines, forfeitures, and penalties resulting in an overall decrease. Other financing sources is up 86.07% in FY10 primarily due to inclusion of the proposed \$58 million in capital funding.

Appropriations are \$371,812,872, a 8.68% increase from the FY09 budget, excluding transfers out, which are considered other financing uses. Although increases are projected in all funds except General Fund and Enterprise Funds, most are attributable to the compensation plan for city employees, fuel, utility, and debt services. The 73.83% increase in Capital Funding is primarily due to the funding of IDB infrastructure and ISS capital funding from Fund Balance.

**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 FY10 budget is \$167,535,000 including transfers of \$22,085,471, 6.42% decrease from FY09 budget. Salaries and fringes decreased 8.5% due to freezing 93 positions, 50% reduction in the longevity pay to employees, cutting six (6) positions, and decrease in pension contributions over prior year. There is no capital included in the FY10 budget at this time.

**Special Revenue Funds.** The City's Special Revenue Funds are set by City resolution to account for funds that are restricted as to use. Reported funds for FY10 include State Street Aid, Human Services, Narcotics, Economic Development, Community

Revenues	Budget FY09/10	Budget FY08/09	inc (dec)	% change
Taxes	123,881,826	122,615,642	1,266,184	1.03%
Licences & Permits	2,624,700	3,443,800	(819,100)	-23.78%
Intergovernmental	121,335,720	117,193,298	4,142,422	3.53%
Charges for Services	57,851,535	60,094,274	(2,242,739)	-3.73%
Fines, forfeitures and penalties	2,851,100	1,614,600	1,236,500	76.58%
Interest Earnings	1,208,518	2,420,115	(1,211,597)	-50.06%
Miscellaneous	6,087,448	8,463,836	(2,376,388)	-28.08%
<b>Total Revenues</b>	<b>315,840,847</b>	<b>315,845,565</b>	<b>(4,718)</b>	<b>0.00%</b>
Other Financing Sources:				
Transfer in	65,038,059	37,367,336	27,670,723	74.05%
Fund Balance	11,380,868	990,745	10,390,123	1048.72%
Bond Proceeds	13,562,945	10,000,000	3,562,945	35.63%
<b>Total Other Financing Sources</b>	<b>89,981,872</b>	<b>48,358,081</b>	<b>41,623,791</b>	<b>86.07%</b>
<b>Total Revenues &amp; Other Sources</b>	<b>405,822,719</b>	<b>364,203,646</b>	<b>41,619,073</b>	<b>11.43%</b>

<b>Appropriations</b>	<b>Budget FY09/10</b>	<b>Budget FY08/09</b>	<b>inc (dec)</b>	<b>% change</b>
General Fund	145,608,067	152,564,333	(6,956,266)	-4.56%
Enterprise Funds	55,158,634	57,214,085	(2,055,451)	-3.59%
Special Revenue Funds	42,866,799	34,856,061	8,010,738	22.98%
Debt Service Fund	21,449,643	17,378,642	4,071,001	23.43%
Capital Project Funds	58,469,521	33,636,249	24,833,272	73.83%
Internal Service	48,260,208	46,469,855	1,790,353	3.85%
<b>Total Expenditures</b>	<b>371,812,872</b>	<b>342,119,225</b>	<b>29,693,647</b>	<b>8.68%</b>
<b>Other Financing Uses:</b>				
Transfer Out	33,973,847	22,084,421	11,889,426	53.84%
<b>Total Other Financing Uses</b>	<b>33,973,847</b>	<b>22,084,421</b>	<b>11,889,426</b>	<b>53.84%</b>
<b>Total Expenditures &amp; Other Uses</b>	<b>405,786,719</b>	<b>364,203,646</b>	<b>41,583,073</b>	<b>11.42%</b>

Development, Hotel/Motel Tax and the Automated Traffic Enforcement Fund as per the budget ordinance. The 2010 budget for the Special Revenue Funds totals \$44,109,719 including transfers of \$1,242,914. The Economic Development Fund accounts for the 1/2% of the City's share of the countywide local option sales tax. 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 there was \$865,093,932 in debt outstanding for the primary government and its component units.

This debt includes the following:

General Obligation Bonds		
General Obligation Debt	\$ 169,652,699	38.1%
Enterprise Funds Debt	135,471,523	30.4%
Other Self-Supporting Debt	<u>140,476,861</u>	<u>31.5%</u>
Total General Obligation Debt	\$445,601,083	100.0%

EPB Revenue Bonds	288,060,000
EPB Equipment Notes	587,572

Housing Management	2,498,108
Component Units:	
Chatt. Downtown Redevelopment Corp. <sup>(1)</sup>	121,790,000
Metropolitan Airport Bonds	<u>6,557,169</u>
Total Revenue Bonds	<u>416,994,741</u>
Total Debt Outstanding	\$865,093,932

(1) Amount includes \$108,937,617 in lease rental payable to CDRC to pay off the CDRC \$121,790,000 obligation

During FY10, the City anticipates approving debt not to exceed \$6.7 million to fund the FY09/10 Capital Budget.

**Capital Project Funds.** These funds are used to account for the financial resources used for the acquisition or construction of major capital projects. The Proposed Capital Budget for the 2010 fiscal year is \$55,469,521, of which \$35,387,553 will be applied to General Government projects, \$10,804,000 will be used by the Enterprise Funds and \$12,277,968 for Industrial Development Board. This is a \$12,502,207 or 27.2% increase from last year's approved amount of \$45,967,314. The increase is due to an appropriation to the Industrial Development Board to fund infrastructure improvements to the City's Enterprise Industrial Park for the new Volkswagen Plant. We also anticipate using \$10.8M from the Interceptor Sewer fund balance for sewer system infrastructure.

**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, 2009 were \$547.7 million with a change in net assets of \$17.1 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 electric power within the boundaries of the City and County (600 square miles). It accounts for 90.4% of total Enterprise Fund operating revenues and reported a net operating income of \$8.9 million for the year ended June 30, 2009.

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 \$306.6 million in 2009. Their total assets account for almost 81.7 percent of total Enterprise Fund assets, excluding the Electric Power Board. The 2010 approved budget including Debt Service and Capital is \$53,123,195. Approved operations is \$24,298,626.

The Solid Waste/Sanitation Fund was established in accordance with state mandate. This fund accounts for the operations of the City's landfill. The FY 2010 budget is \$6,617,228. Landfill fees are charged to commercial customers for use of the landfill, while the cost of the City landfill needs are funded by the General Fund. The City has entered into a long term agreement to transfer solid waste from a centrally located privately operated transfer station to the City Landfill. The City has received a permit from the state for the construction of new disposal cells which will facilitate the deposit of approximately 100,000 tons of solid waste for thirty years. Net Capital Assets ending June 30, 2009 is \$11,600,801.

The Water Quality Management Fund accounts for the operations of the City's water quality 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 \$40.1 million. The 2010 budget is \$6,222,211. There will be no appropriation for capital projects in FY10.

The Housing Management Fund accounts for the operations an apartment complex the City acquired from the U.S. Department of Housing and Urban Development. Dogwood Manor, provides low-income housing within the inner city for the elderly, reported rental revenue of \$786,153 for the year ended June 30, 2009.

**Internal Service Funds.** The City maintains three Internal Service Funds. Internal Service Funds provide goods or services for a fee to other governmental units, departments, and agencies. The three established reporting funds are the Municipal Fleet Services Fund, Liability Insurance Fund, and the Medical Services Fund. The Fleet Services Funds 2010 budget is \$16,127,850. The City of Chattanooga is self insured for judgements and claims, including health care. The Liability Insurance Fund was established to fund and pay for all judgments and costs or liability claims against the City. The 2010 budget for the Liability Insurance Fund is \$800,000. The 2010 Medical Fund budget is \$28,107,358.

**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 (asset) for each fund at June 30, 2009.

Trend Information:

	Year <u>Ended</u>	Annual <u>Cost (APC)</u>	% APC <u>Cont.</u>	Net Pension Obligation <u>(Assets)</u>
General	12/31/08	\$3,635,302	92.18%	(4,138,811)
Pension	12/31/07	3,540,962	98.90%	(4,177,414)
Fund	12/31/06	3,825,453	98.97%	(4,216,376)
Firemen's and	12/31/08	\$7,623,063	109.40%	(4,129,090)
Policemen's	12/31/07	\$7,437,283	99.88%	(3,412,170)
Fund	12/31/06	7,454,348	90.00%	(3,420,846)
OPEB	06/30/09	\$17,790,129	44.28%	19,434,217
	06/30/08	20,360,866	53.24%	9,521,039

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 7.57% for FY2010.

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 2010 not to exceed 21.4%. Each employee who is a participant in this Plan contributes 8% of total salary annually.

Electric Power Board Pension Plan. The Electric Power Board of Chattanooga is a single-employer defined benefit pension plan administered by an individual designated by EPB. The Plan provides retirement benefits to plan members. Article VIII of the Plan assigns the authority to establish and amend benefit provisions to EPB. The contribution requirements of plan members and EPB are established and may be amended by EPB. Plan members are not required to contribute to the Plan. EPB's contributions are calculated based on an actuarially determined rate, which is currently 9.91% of annual covered payroll. Effective August 1, 1984, EPB implemented a 401(k) defined contribution plan, the EPB Retirement Savings Plan, which allows employees to invest up to 15.0% of their salary in the savings plan. EPB contributes up to 4.0% of an employee's salary after one year of employment.

## Per Capita Budget

The chart below represents per capita expenditures by department over the past four years. The population figures used in calculations are shown in the chart:

Program	Actual FY06/07	Actual FY07/08	Budget FY08/09	Budget FY09/10
<b>Population</b>	<b>154,762</b>	<b>168,293</b>	<b>169,884</b>	<b>170,880</b>
General Government	\$ 294.95	\$ 271.24	\$ 216.37	\$ 237.53
Personnel	37.53	39.18	39.36	41.24
Neighborhood Services	42.80	53.43	41.44	43.47
Executive Branch	10.61	9.22	11.05	9.25
Finance & Administration	22.54	24.79	24.00	22.67
Police	265.07	280.79	254.78	238.96
Fire	167.80	179.92	167.97	160.56
Public Works	576.71	560.69	612.21	587.42
Parks & Recreation	81.55	88.39	79.39	78.52
Human Services	91.64	78.09	87.19	102.72
Education, Arts & Culture	13.87	14.73	13.82	13.38
Debt Service	100.62	104.85	102.30	125.52
<b>Total</b>	<b>\$ 1,705.69</b>	<b>\$ 1,705.32</b>	<b>\$ 1,649.88</b>	<b>\$ 1,661.24</b>

## Financial Assessment

Chattanooga continues to enjoy a position of fiscal strength and our outlook is improving. Through strong fiscal management, Chattanooga has positioned itself well to weather economic downturns, and create an environment that fosters economic development.



## General Fund Undesignated Fund Balance

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, 2009 is \$31.5 million or 22.7% of undesignated general fund revenues and transfers in, or 20.2% of total unaudited 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 fund balance position to provide sufficient reserves for emergencies and revenue shortfalls. Specifically the debt service fund has \$8.9 million in reserves at June 30, 2009.

## Bond Ratings

The City has maintained a "AA+" rating from Standard & Poor's and "AA" from 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,

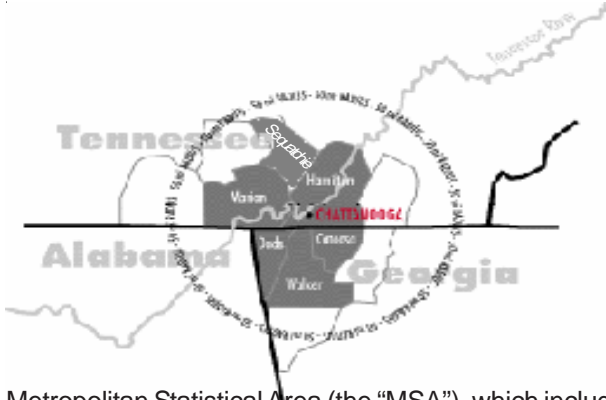
A handwritten signature in black ink that reads "Daisy W. Madison".

Daisy W. Madison, CPA, CGFM  
City Finance Officer



## History & Development

**F**ounded 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.

## Form of Government

Date of Organization: 1839

Form of Government: Mayor/Council

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 seven principal departments are Finance & Administration; Fire; Police; Parks & Recreation; Human

Services; Public Works; and Education, Arts, & Culture. The City employs approximately 2,382 full-time equivalent employees. The City's Electric Power Board has an additional 398 employees.

## 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 14 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. Unemployment within the City as of October 2009 is at 8.9%, compared with 10.2% for the State of Tennessee and 9.5% for the nation. Like the rest of the nation and the world, Chattanooga is experiencing the negative impact of the current economic climate. However, due to strategic economic initiatives by federal, state and local leaders, the City is well positioned to weather the storm.

In the 1960s, Chattanooga was declared the nation's dirtiest city. Soot from the iron mills stained the air, the river was tainted and its banks were an industrial wasteland. In the April 7, 2008 issue of Forbes magazine the headline read that Chattanooga was, "Back on Track". During the 1980s the City lost 10% of its population as manufacturing jobs drifted away. However since 2000 the population has rebounded and currently stands at 170,880. (Update for newly annexed area)

While construction permits are down 48% from the 2006 and 2007, the values are in line with 2005 and prior years due to the abnormally large projects begun in 2006 and 2007 such as the \$300 million Blue Cross Blue Shield facility.

Over the past 41 months more than 75 new and expansion projects have been publicly announced bringing in over 5,860 new jobs and saving over 630 additional jobs with a total investment of over \$2.2 million. Amid concern that the US economy is slipping and sliding into a recession, *the Christian Science Monitor*, an independent daily newspaper, places Chattanooga among the states and cities expected to continue to grow. With a more diverse economic mix than in previous recessions, the article says, Chattanooga is no longer hit hard by economic downturns; it shrugs them off. In virtually all cases, those areas of growth mentioned in the article appear to have avoided the huge run-up in housing prices and subsequent collapse, though having the right industries or resources were also listed as contributing factors.

The Foreign-Trade Zone (FTZ) in the metropolitan area, originally limited to 230 acres, was recently approved by FTZ board in Washington, DC to expand by an additional 5,000 acres. It will support the advantage of Chattanooga's proximity to major U.S. population centers, allowing it to remain competitive in regional and U.S. markets. The zone expansion will encourage more business and commerce in the southeast Tennessee region and serve as an excellent business recruiting tool. Enterprise South Industrial Park (ESIP) is included in the FTZ expansion.

Through collaborative efforts of the federal state and local governments, the old Volunteer Army Ammunition Plant site has been developed into a top tier industrial park – renamed Enterprise South Industrial Park. The site includes 3,000 developable acres surrounded by a 2,800 acre passive recreation area. The site is located within 2 miles of Interstate 75 where a \$23 million interstate interchange has recently been completed. This is the largest block of land available within the City limits in several decades. ESIP, one of Tennessee's premier Mega sites, has infrastructure in place to support a wide range of manufacturing and industrial uses and boasts dual main line rail capacity.

On July 15, 2008, Volkswagen announced plans to build a new \$1 billion assembly plant in Chattanooga which brings 2,000 direct jobs and up to 9,500 additional support jobs to the area by major supplier spin-off. This 1,350-acre facility will produce 150,000 vehicles annually, one of which will be a new mid-sized sedan for the US market. Construction is well underway and on target to begin production in 2011. Annual economic impact is estimated at over \$600 million. Volkswagen cited the City's

intangible assets as a major factor in the decision to choose Chattanooga.

In June 2009, Gestamp Corporation announced plans to invest \$90 million to establish a new automotive parts stamping operation at Enterprise South Industrial Park. The company expects the operation to create at least 230 new jobs within three years.

In August 2009, German-based SIAG Schaaf Industrie Aktiengesellschaft announced it acquired Aerisyn, a manufacturer of wind turbine towers located in Chattanooga. In addition to acquiring the Aerisyn facility, SIAG Schaaf is investing \$3 million and plans to create 120 new jobs.

Since the early 1990s, the City has enjoyed a reputation for renewable energy investment, luring three major wind power development companies as well as a leading research institute dedicated to alternative-fuel vehicles. The United States Department of Commerce 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. A component of this alliance is the Electric Power Board of Chattanooga who donated a portion of its nearly 40-mile fiber optic ring. This move has created a high-speed information corridor allowing Chattanooga to become a hub for future research, information sharing, and job growth.

Another component of the alliance is the SimCenter. The SimCenter has become known as a nationally unparalleled expert in computational engineering, solving technological problems through computer simulation in diverse fields. The most publicized of the center's projects is its solid-oxide fuel cell that will be capable of providing electricity for a mid-sized building while emitting hydrogen, which could in turn be used to power a vehicle. The SimCenter has worked with the Department of Energy, the Department of Defense, NASA and others to make Chattanooga a significant part of the Tennessee Valley Technology Corridor. It has the potential to strengthen the knowledge-based economy of Chattanooga in a way that could rival the impact of an auto plant as more private industries move to Chattanooga to work with the SimCenter.

Chattanooga's Waterfront has been heralded as a model of urban renewal. Southern Living in July 2007 said: "An utterly inspiring turnaround, Chattanooga proves that a vision, a plan, and a community that cooperates can make big dreams happen."

The key to Chattanooga's renaissance, which began in the mid 1980's, was the realization of the importance of our downtown. The Moccasin Bend Task Force was ap-

pointed by local governments to lead the community in an inclusive planning process to outline future development plans for the river corridor between the Chickamauga Dam and the Marion County line. The visionary plan which grew out of the task force has reconnected the City to the magnificent Tennessee River. It has resulted in the City making over its image, founding new sources of pride for its citizens and fueling the engine for central economic development.

The first phase of this development resulted in the Tennessee Aquarium, the Tennessee Riverpark, the Walnut Street Pedestrian Bridge and Coolidge Park. Hundreds of millions of dollars were invested in this necklace of recreation, historical exhibits, new housing, museums, working industry, hotels, shopping and tourist attractions along the banks of the river.

The next phase of the plan began during the late 1990's in the Southside Redevelopment District so named because of the focus on redevelopment of a large former industrial area south of the central business district. This phase of the plan provided an opportunity to create a model community by rebuilding the district's job base and revitalizing housing opportunities. In the heart of the district is a convention and conference complex that includes three public use facilities: (1) The Chattanooga, a residential meeting facility, (2) a parking facility, and (3) expansion of the Chattanooga-Hamilton County Convention and Trade Center. The Southside project also includes the Development Resource Center which is a joint City/County office building. Development of the Southside is being supported by one-quarter of one percent of the City's share of the two and one-quarter percent county-wide sales tax. This investment of more than \$129 million is estimated to have leveraged more than \$400 million in private investment.

The final step of the master plan was completed in 2005 with the 21<sup>st</sup> Century Waterfront Development. The City, through the Chattanooga Downtown Redevelopment Corporation (formerly the Southside Redevelopment Corporation) was entrusted oversight of the project. The \$120 million, 129-acre vision, capitalizing on the public/private partnerships that have made Chattanooga a model for urban revitalization, transforms the downtown riverfront with a careful combination of development, preservation and enhancement that honors the history and beauty of the area. Individual projects include an expansion of the Tennessee Aquarium, expansion of the Hunter Museum of American Art, renovation of the Creative Discovery Museum, enhanced public spaces along both shore's of the Tennessee River, and a dramatic underground passageway to the river marking the beginning of the Trail of Tears. The City's share was approximately \$70 million.

The downtown area of Chattanooga continues to experience a renaissance from the central business district to the Northshore of the Tennessee River. New restaurants, businesses and condominiums are changing the face of the downtown area. Examples of this development include the renovation of a former office building into a school for children with special needs and the revitalization of a department store building as a premier downtown housing development.

The skyline of the City is also changing. EPB, the City-owned electric utility, moved into a new, seven-story office building in 2006. The \$26 million project includes office space in addition to a parking garage and retail stores. In April 2009 BlueCross BlueShield of Tennessee completed the 950,000 square foot building complex and 4,000 space parking garage overlooking historic Cameron Hill. The company incorporated sustainable design attributes and achieved certification for its new headquarters from the U.S. Green Building Council becoming the largest LEED-certified building in Tennessee. Memorial Hospital, one of Chattanooga's largest employers, has announced plans for a \$330 million project beginning in 2010 to expand intensive care facilities, add two new patient care towers, increase imaging capacity, add parking and expand medical office buildings. This project will enhance the Glenwood area of downtown and partner with the City's efforts to become a world-class retirement destination.

The City's two largest local revenue sources are sales and property taxes. The local option sales tax rate is 2.25 percent county-wide. By state law, 50% of the county-wide local option sales tax is dedicated to schools. The City earmarks .25 percent of its share of the local option sales tax for economic development. In 2009 the property tax rate was lowered to \$1.939 per \$100 of assessed valuation due to reappraisal of all property in Hamilton County to 100 percent market value. This is the lowest tax rate for the City since 1958 largely due to growth in the economic base.

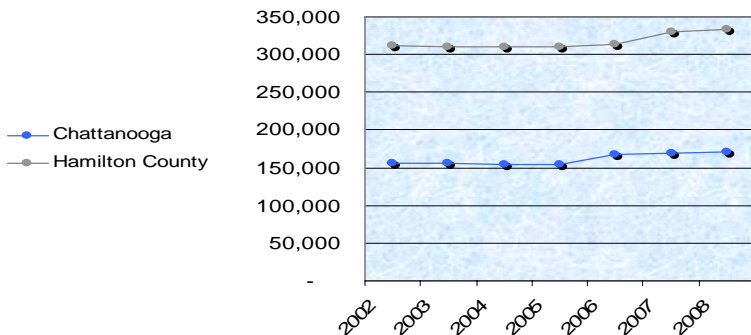
The City's capital initiatives reflect its continual commitment to economic development and long-term sustainability of the City. In addition to the operating budget, over \$45 million was appropriated for major initiatives in fiscal year 2010. These include \$6.09 million for road improvements; \$3.6 million for technology projects such as Mesh Network, security cameras and police laptops; \$14.8 million for the City's share of economic incentives to, \$5 million for fire department expansion for annexed areas, \$10.8 million for Interceptor Sewer, \$3 million for fleet lease program and \$2.4 million for other capital projects.

## Demographics

During 2002 thru 2008, the population for Chattanooga increased 9.8 percent and Hamilton County showed an increase of approximately 7.0 percent.

Population		
	Chattanooga	Hamilton County
2002	155,582	311,178
2003	155,289	309,956
2004	154,853	310,371
2005	154,762	310,935
2006	168,293	312,905
2007	169,884	330,168
2008	170,880	332,848

Source: U.S. Census Bureau



### Land Area and Usage

Area in Square Miles

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).....	1,221
Miles of Streets (County-wide).....	2,829

### Elections (County-wide):

Registered Voters.....	184,099
Votes Cast in Last Major Election.....	109,424
Registered Voters Voting.....	59.44%

### Racial Composition

	Chattanooga MSA
White	83.1%
Black	13.6

Asian	1.3
Two or More Races	1.1
Some Other Race	0.6
American Indian/Alaska Native	0.3

Source: Chamber of Commerce

### Housing Costs

Year	Average Sale Price
2002	\$112,300
2003	\$116,700
2004	\$125,400
2005	\$131,900
2006	\$136,000
2007	\$130,900
2008*	\$131,870

Source: Chamber of Commerce and Sterling's Best Places

## Service Statistics

### Education

There are over 76 public schools in the Hamilton County School System. The type and number of schools in the County are as follows: Elementary (45); Middle (18); High (11); Adult high Schools (2).

There are 39 private and parochial schools in the Chattanooga area with combined enrollment of over 11,000.

### Facilities

#### Convention & Meeting Facilities (Capacity)

Soldiers and Sailors Memorial Auditorium (4,843); Chattanooga-Hamilton County Convention & Trade Center (312,000 sq. ft.); Tivoli Theater (1,800); McKenzie Arena (12,000); Engel Stadium (7,000); UTC Chamberlain Field (12,500); Finley Stadium (20,000); Chattanooga (25,000 sq. ft.); AT&T Field (6,300).

#### Cultural Activities & Facilities

Hunter Museum of American Art, Houston Museum of Decorative Arts, Bluff View Art District, Chattanooga Ballet, Chattanooga Theatre Center, UTC Fine Arts Center, Chattanooga Symphony and Opera Association, Arts & Education Council, Chattanooga Boys Choir, Chattanooga Girls Choir, Bessie Smith Performance Hall, African-American Museum, Oak Street Playhouse, Creative Discovery Museum, Regional History Center, Tennessee Valley Railroad Museum.

**City-County Recreational Facilities**

- 98 Parks
- 17 Golf Courses
- 8 Country Clubs
- 16 Community Centers
- 67 Hotels and Motels (9,000+ total rooms)

**Transportation**

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

Airline carriers: US Airways, American Eagle, Continental, Allegiant Air, Delta Connection - ASA/Comair/Northwest AirlinK and 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 84 Routes 17

Highways:  
 Interstate highways 3 US highways 7  
 State highways 19

**Customer Services**

**Electric Power Board**

Electric Customers.....169,941  
 Electric Rate for residential.....\$0.0884/ kw-hr

**Public Works:**

Solid Waste Accepted at Landfill (tons).....87,896  
 Miles of Pavement Markings (Center line)....684 miles  
 Signalized Intersections.....313

**Interceptor Sewer System:**

Net Assets.....\$240 million  
 Volumes:  
 ⇒ Approx. 70.1 MGD or 25.6 billion gallons per year  
 ⇒ 57.9 mil lbs/yr CBOD removed at 96.94% efficiency  
 ⇒ 73.4 mil lbs/year Suspended Solids removed at 96.06% efficiency  
 ⇒ 93,000 tons/yr biosolids land applied  
 ⇒ 3.9 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.....1,239  
 Diameter.....2 to 96 inches  
 Major Pump Stations.....8  
 Minor Pump Stations.....59  
 Residential/Grinder Stations.....184

**Police Protection**

Sworn Officers.....472  
 Crime Index (CY08).....14,577  
 Crime rate (per 1,000 pop.-CY08).....82.80  
 Parking Violations (CY08).....59,371  
 Moving Violations (CY08).....38,078  
 Calls for Service (CY08).....208,246

**Fire Protection**

Sworn Officers.....400  
 Fire Stations.....17  
 Front Line Ladder Trucks.....2  
 Front Line Fire Engines.....11  
 Front Line Quints (Engine/Truck Combination).....11  
 Fire Responses.....6,144  
 EMS Responses.....5,705  
 Average Response Time (minutes).....5.05

**Economic**

**Bond Ratings**

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

**Building Permits Issued & Value**

2001.....	2,443.....	\$365,734,755
2002.....	2,330.....	\$287,929,751
2003.....	2,596.....	\$345,528,832
2004.....	2,500.....	\$347,658,477
2005.....	2,678.....	\$388,424,847
2006.....	2,667.....	\$415,215,320
2007.....	2,387.....	\$673,609,683
2008.....	1,186.....	\$347,269,516

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

Source: Land Development Office





## Largest Employers in the Chattanooga Area (MSA)

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

<b>TOP NON-MANUFACTURERS</b>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
Blue Cross Blue Shield of Tennessee	4,498	Insurance
Hamilton County Dept. of Education	4,362	Elementary & Secondary Schools
Erlanger Medical System	3,841	Hospital
Tennessee Valley Authority	3,429	Utility Electric Service
Memorial Health Care System	2,891	Hospital
Unum Group	2,800	Insurance
City of Chattanooga	2,311	Government
CIGNA Health Care	1,953	Insurance
Hamilton County Government	1,743	Government
Convergys Corporation	1,500	Consulting

<b>TOP MANUFACTURERS</b>		
<u>Employer</u>	<u>Number of Employees</u>	<u>Type of Service</u>
McKee Foods Corp.	3,200	Cakes & Cookies
Pilgrim's Pride Corporation	1,850	Process Chickens
Roper Corporation	1,500	Cooking Ranges
Astec Industries, Inc.	1,317	Asphalt & Dust Collectors
Koch Foods LLC	590	Process Chickens
Alstom Power	549	Boilers
Propex, Inc.	509	Geosynthetics & Building Materials

# City Officials as of July 1, 2009

Mayor: Ron Littlefield

Chief of Staff: L. Dan Johnson

City Council:

Deborah Scott	District 1	Carol Berz	District 6
Sally L. Robinson	District 2	Manuel Rico*	District 7
Pam Ladd	District 3	Andrae McGary	District 8
W. Jack Benson, Sr.**	District 4	Peter Murphy	District 9
Russell Gilbert	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:

Daisy W. Madison, Administrator  
Vickie C. Haley, Deputy Finance Officer

### Human Services:

Bernadine Turner, Administrator  
Tommie Pruitt, Deputy Administrator

### Police:

Freeman Cooper, Chief  
Mark Rawlston, Deputy Chief

### Personnel:

Donna Kelley, Administrator  
Susan Dubose, Deputy Administrator

### Fire:

Randall Parker, Chief  
Lamar Flint, Deputy Chief

### Neighborhood Services:

Beverly P. Johnson, Administrator  
Anthony O. Sammons, Assistant Administrator

### Public Works:

Steven C. Leach, Administrator  
Donald L. Norris, Deputy Administrator

### Education, Arts & Culture:

Missy Crutchfield, Administrator  
David Johnson, Deputy Administrator

### Parks & Recreation:

Larry Zehnder, Administrator

### General Services

Paul Page, Director

\*Chairman

\*\*Vice-Chairman

# *Mayor Ron Littlefield*



## Awards of Achievement

We are honored with the distinction of receiving, for the past sixteen years, the Certificate of Achievement for Excellence in Financial Reporting for Comprehensive Annual Financial Report (CAFR). The Fiscal Year 2009 CAFR is currently being submitted for review.

Also, for thirteen 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 2010 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



The New York Times (September 13, 2006) says, "NOT too small and not too big, Chattanooga is really the undiscovered gem of Tennessee, where old-school Southern manners and grand Victorian mansions meet

a thoroughly modern, eco-friendly Tennessee riverfront."

The City of Chattanooga has also been recognized by:

- *U.S. News & World Report* as one of the "Cities that Work."
- *Family Fun Magazine* as one of America's 10 most family-friendly cities to visit.
- *Parade* magazine as one of the "Reborn Cities".
- *Utne Reader* magazine as one of the 10 "Most Enlightened Cities".
- *Walking Magazine* as one of "America's Best Walking Cities".
- *New York Times* article entitled "Smaller U. S. Airports Are Increasingly Popular".
- *Foreign Direct Investment* in the April 2003 issue as an ideal environment for foreign companies looking to relocate or expand.
- *Forbes Magazine* says "technology makes Chattanooga great place for business"
- September 2008 issue of *National Geographic's Adventure* magazine includes Chattanooga among the "50 Next Great Towns" for living and playing.
- *MSN Money* calls Chattanooga a "New Hot Retirement Spot...where the amenities include hiking and biking trails, an aquarium and a thriving local arts scene".
- August 2008 issue of *Outside Magazine* calls Chattanooga one of the 20 Best Towns in America and ranks the Scenic City No. 2
- According to a 2008 listing by *RelocateAmerica.com*, Chattanooga landed third-place out of the top 100 places to live. nominated for its rich culture, beautiful landscapes and business opportunities.
- Chattanooga is one of the Top 10 Healthy Places in the Southeast for longevity and enjoying a productive retirement lifestyle, according to *Retirement Lifestyles Magazine* December 2007/ January 2008 edition.
- Travel section of the July 2007 issue of *Southern Living* features Chattanooga as a traveler's delight. Titled Splashy River Town, the piece begins, "Chattanooga just keeps getting better. Ditch your car, and discover new surprises around every bend".

# Meet US

## Mayor Ron Littlefield

Mayor Littlefield was sworn into his second term as Mayor on April 20, 2009. He brought with him many years of experience in City Government and urban planning. Under the guidance of Mayor Littlefield, Chattanooga has experienced a manufacturing rebirth with the announcement that Volkswagen would locate their North American Manufacturing facility at the Enterprise South Industrial Park. Volkswagen's \$1 billion investment in the community will result in 2000 direct jobs and another 9500 indirect jobs. Alstom Power is also investing over \$300 million in a new facility and will be employing over 300 people. Working closely with Hamilton County officials, our United States congressional delegation, state and local officials, Mayor Littlefield has been instrumental in attracting thousands of new jobs to our region in the past four years.

Mayor Littlefield's dedication to Chattanooga's neighborhoods has resulted in more sidewalk construction than any previous administration. Coupled with his dedication to neighborhoods and support of increased involvement from community leaders, Chattanooga has seen a resurgence of neighborhood pride and neighbors coming together to fight blight and crime. Under his direction, the Department of Neighborhood Services has been at the forefront of re-establishing itself as premier resource that citizens can rely upon for direction in reclaiming and strengthening neighborhoods.

By establishing annual neighborhood meetings in 2006, Mayor Littlefield has been able to hear directly from citizens in each of the city's nine unique districts. With departmental leadership supporting the Mayor, numerous matters are resolved immediately and others are given individualized attention. Neighborhoods are stronger as a result. Residents are able to speak directly with the Mayor and gain a better understanding of the City of Chattanooga. Neighborhoods are integral to the success of our city.

Since 2005, approximately 198 miles of roads have been repaved, replaced, and improved in the city. This creative use of scarce resources, along with a life time of working with State and Federal officials, has helped improve the city's infrastructure and has positioned Chattanooga as a potential recipient of funding which will allow the continuation of this much needed work.

As a community planner in the 1970's, Ron Littlefield was instrumental in establishing the Brainerd Levee as the City's first Greenway and as Mayor, he has extended and improved the City's Greenway system. Under the leadership of Mayor Littlefield, Warner Park has undergone a dramatic transformation which has been a key competent in reestablishing Chattanooga as a Soft Ball Tournament destination. Along with a new entrance to the Chattanooga Zoo, Warner Park is now a first-class facility able to once again host softball tournament play. Combined with the new Summit of Softball, Chattanooga can once again host regional and national events which will have an estimated economic impact of \$25 million within the next five years for our community.

After a decade-long effort, the new McKamey Animal Care and Adoption Center will soon celebrate their one year anniversary. The McKamey Center provides comprehensive services for adoption, animal population control, education and animal rescue. McKamey is employing national best practices; setting a higher standard in animal welfare; and helping to inspire and educate our citizens toward an awareness and compassion for all living beings.

In 2006 Mayor Littlefield joined 235 other communities when he signed the US Conference of Mayors Climate Protection Agreement. Creating a sustainable city is a long term journey and requires commitment. In 2007, Mayor Littlefield appointed the Chattanooga Green Committee to advise and assist in moving Chattanooga toward the long-sought goal of sustainability. The committee is working diligently towards this goal.

Mayor Littlefield has and continues to be committed to completing the transformation of Chattanooga. From urban renewal to planned growth in the region, Mayor Littlefield has lead with experience and knowledge.

The installation of cameras in high traffic areas continues to deter speeding and dangerous driving habits resulting in a safer Chattanooga. The supplemental use of cameras to help fight crime has been unprecedented. Police officers are now equipped with state of the art surveillance equipment helping reduce their workload and their ability to fight crime more effectively. The innovative use of technology continues to be high on the city's agenda for Mayor Littlefield.

Mayor Littlefield's commitment to providing better access to services for those less fortunate continues to be a priority. The resources to effectively address homelessness and those at risk of becoming homeless already exist in our city. All we need is an efficient delivery system. Once in place, it will help to provide better access to housing, employment, and services. Work continues towards this goal.

Though his license is now retired, Mayor Littlefield was a Realtor, specializing in Commercial and Industrial Development, in both Tennessee and Georgia from 2000 to 2005. He has been an instructor at the University of Tennessee at Chattanooga, as well, teaching a summer postgraduate course on metropolitan politics and policies.

In private life, Mayor Littlefield and his wife Lanis have been married over 40 years. They grew up in the same community and even attended the same elementary school. The couple dated in high school and married during Ron's senior year at Auburn University, where he earned a Bachelor of Science degree in Business Administration in 1968.

After college, the couple moved to Chattanooga in 1968. For more than 30 years, the Littlefield's have lived in the same home in the Glendon Place neighborhood in Brainerd. They have two grown sons.

Mayor & Mrs. Littlefield are active members of Calvary Chapel where they have participated in the recent building program for the church. They also lead a small group Bible study.

# City Council



**Jack Benson**  
Chairman  
District 4

**Manuel Rico**  
Vice- Chair  
District 7

**Deborah Scott**  
District 1

**Sally Robinson**  
District 2

**Pam Ladd**  
District 3



**Russell Gilbert**  
District 5

**Carol Berz**  
District 6

**Andraé McGary**  
District 8

**Peter Murphy**  
District 9

# Council Members

## Deborah Scott, District 1

Councilwoman Scott is a native of Alabama, but has been a District One resident of Chattanooga for 25 years. Prior to running for City Council, she retired from a career in education and nursing. She received her Bachelor's Degree in Education from the University of Alabama, as well as two Master's Degrees, in Counseling & Guidance and in Communications. While teaching high school in Birmingham she attended UAB, earning a Bachelor of Science of Nursing. After moving to Chattanooga she received a Master's Degree in Nursing with specialization as a Family Nurse Practitioner from UTC.

Councilwoman Scott and Wayne, her husband of 31 years, reside on Mountain Creek Road. They are members of Red Bank Church of Christ.

Councilwoman Scott's philosophy of governance is predicated on 3 main goals: fiscal responsibility, transparency and accountability. She believes fiscal policy should be prioritized according to resident needs, with the most important needs being safety and infrastructure. She believes the most effective governments promote full disclosure and that elected officials have a duty to inform and educate residents about administrative problems, government actions, and issues that impact them. "When residents know more, government accountability will follow."

District 1 consists of the following precincts: Lookout Valley 1 & 2; Moccasin Bend; Mountain Creek 1, 2 & 4; North Chattanooga 2; Northwoods North 2.

## Sally L. Robinson, District 2

Sally Robinson, 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 The 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 five grandchildren.

District 2 is consists of the following precincts: Lupton City; North Chattanooga 1; Northgate; Northwoods 2; Riverview; and Stuart Heights 1 & 2.

## Pam Ladd, District 3

Pam Ladd grew up in the Hixson area of District 3 and is a graduate of Hixson High School. She is a current resident of Murray Hills where she served as President of her neighborhood association for 2 years. She has been active in several civic organizations in her district and throughout Chattanooga. She is a graduate of Chattanooga Leadership and the City of Chattanooga Neighborhood Leadership Institute.

Pam holds a Master of Science Degree in Industrial Organizational Psychology from UTC. She owns and operates Custom Custodial, Inc. Her business is located in Hixson and employs over 120 part-time and 6 full-time positions.

District 3 consists of the following precincts: Dupont; Hixson 1, 2, 3; Murray Hills; Northwoods 3 & 4; Northwoods North 1.

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

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. 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.

## **Russell Gilbert, District 5**

Russell Gilbert is a Food Service Director at Parkridge Valley Hospital. He's also an entrepreneur whose non-profit organization, "Angels in Flight", provides industrial and arts training to area children. Councilman Gilbert has also worked to revitalize the Washington Hills Recreation Center and football field. These areas provide a safe haven for community children to spend time and play. He also coordinates the McKenzie Football Camp for Kids and is the coordinator of the Highway 58 Neighborhood Association Coalition, a group of over 3,000 households working together to improve their neighborhoods in Murray Hills, Lakes Hills, Washington Hills, Mimosa Circle, Chickamauga and Bal Harbour.

District 5 consists of the following precincts: Bonny Oaks; Eastgate 1; Dalewood; Kingspoint; Lake Hills; Woodmore.

## **Carol B. Berz, District 6**

Carol Berz is the Chief Executive Officer of Private Dispute Resolution Services, LLC, a mediation services and training organization. In addition, Dr. Berz does extensive teaching in both the private and public sectors in the areas of mediation, mediation advocacy, mediation ethics and employment and labor/management matters relative to the costs of corporate conflict. Dr. Berz studied liberal arts at Emory University and human service administration at UTC. Her law degree was completed at the Nashville School of Law; and her master's and doctorate in social policy was completed at UT Knoxville in cooperation with Bryn Mawr College in Philadelphia, Pennsylvania.

District 6 consists of the following precincts: Airport 1, 2 & 4; Brainerd Hills; Concord 3; Eastgate 2; Sunnyside; Tyner 2 & 4.

## **Manuel Rico, District 7, Vice Chairman**

Councilman Rico is serving as Vice-Chairman of the Council for the current year. He first entered public service roughly twenty years ago as a member of the Downtown Sertoma Club where he served as President. At about the same time he was asked to become chairman of the board of WTCI; since that time he has served numerous other boards including Blood Assurance, the American Red Cross, Goodwill Industries, Moccasin Bend, Mental Health Association, Hamilton County Health Council, Boy Scouts, the Homeless Coalition, Southeast Tennessee Development Board, T.P.O. Board, Chattanooga Community Housing Development Organization, and was a past Chairman of the Human Rights Commission.

Councilman Rico enjoys working with young people and also serves on the Metro YMCA board as well as Y-CAP. While he has never had any problem working hard with any group that in need of help, he particularly enjoys his spot on the board of the "Friends of the Festival" and the Riverbend celebration each year.

District 7 consists of the following precincts: Alton Park; Cedar Hill; East Lake; Howard; Piney Woods; St. Elmo 1 & 2.

## **Andraé McGary, District 8**

Councilman Andraé McGary is originally from Houston, Texas, but has lived in Chattanooga since 2002. Councilman McGary has a B.A. from Carver Bible College in Atlanta, a Master's in Divinity from Covenant Theological Seminary, and is working on a doctorate in pastoral theology at Oxford Graduate School. Councilman McGary is an Adjunct Faculty Member at Bethel College.

Councilman McGary and his wife have been married for 8 years and are expecting their fourth child.

Key issues for Councilman McGary: Helping growth and development along Main Street and M.L. King Boulevard; seeing if incentives can be used to improve participation in our recycling program; making government more transparent.

District 8 consists of the following precincts: Avondale; Clifton Hills 1 & 2; Courthouse; Eastside 1 & 2.

## **Peter Murphy, District 9**

Councilman Peter Murphy is a native of New York and the youngest of seven children. He attended public schools there and earned scholarships in Track and Cross Country and an Academic pre-law scholarship to Canisius College, in Buffalo, New York, graduating with a B.A. in Political Science and Communication.

Prior to law school, he was a Program Assistant with the Congressional Economic Leadership Institute in Washington, D.C.

He received his Juris Doctor in 1997 from Washington & Lee University Law School where he was a member of the Law School Rugby team and (by personal invitation) a member of the Black Law Student's Association.

He is married to Etelka Murphy and the father of two sons. In addition to his work for our City, Councilman Murphy practices civil litigation in State and Federal Courts in and



around Chattanooga.

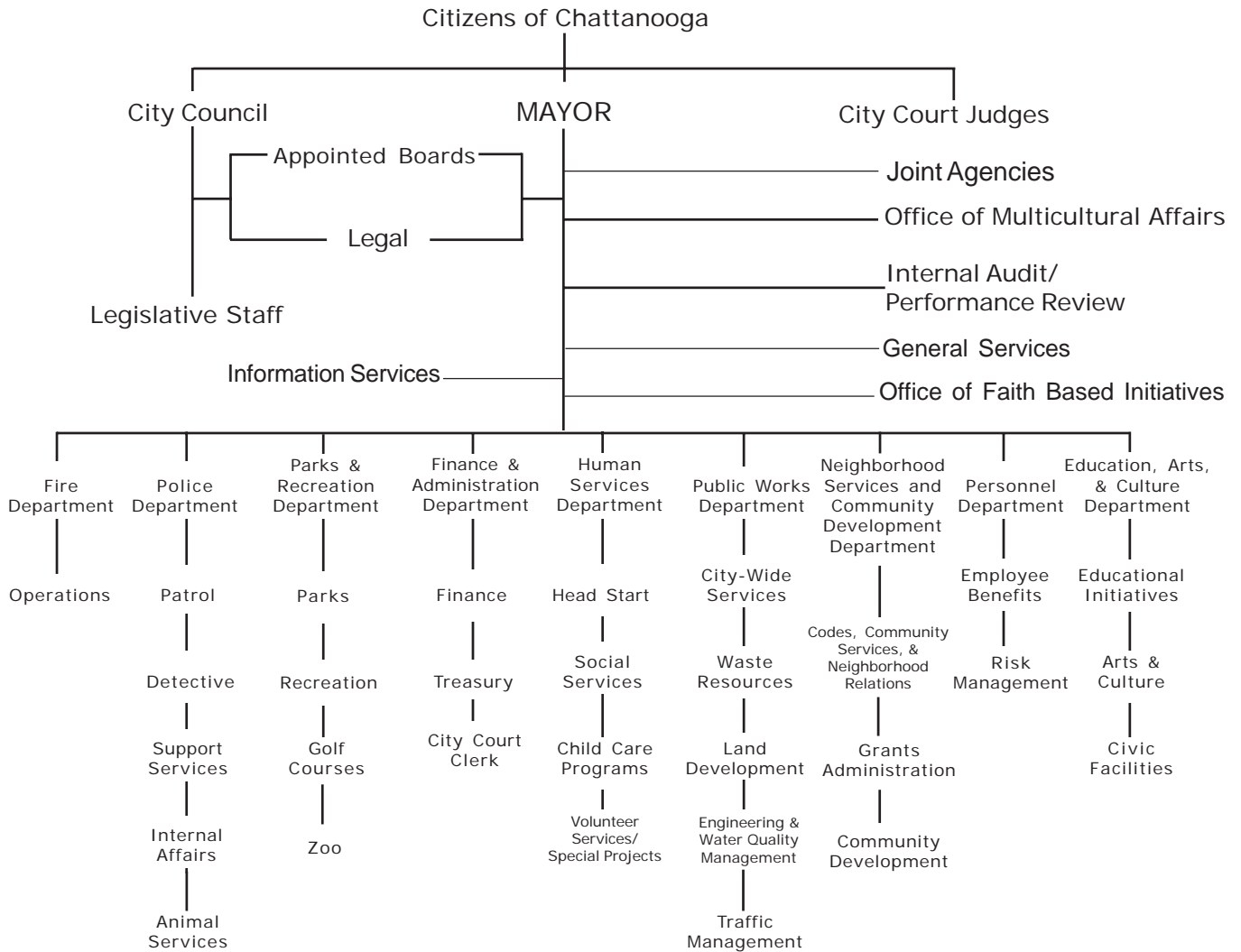
His civic and community activities have included Chattanooga City Council, District Nine and Chair of Chattanooga City Council Legal and Legislative Committee since 2009. He is on the Board of Directors for The Industrial Development Board of Hamilton County and the Chattanooga Track Club. Mr. Murphy is the Arbitrator for the Chattanooga Bar Association, Fee Dispute Panel. He serves as Legal Advisor and Treasurer for The Missionary Ridge Neighborhood Association. He is a past and present member of the YMCA of Greater Chattanooga, the Chattanooga Track Club, Friends of the Park, The Historical Society of the US District Court for the Eastern District of Tennessee.

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

*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 2013 (their current terms run from April, 2009 until April, 2013).*



# Organizational Chart



# *Management & Budget Staff*

## **Daisy W. Madison, CPA, CGFM, City Finance Officer**

Daisy W. Madison was hired as Deputy Finance Officer in 1992 and appointed to the position of City Finance Officer under the Littlefield administration in 2005. 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 several years, Sam, are the *proud* parents of four children and two grandchildren. **Office Phone: 757-5232**

## **Vickie C. Haley, CPA, CGFM Deputy Administrator**

Vickie Haley, who was appointed as Deputy Administrator in 2006 began her service with the City in 1993 as an accountant. She obtained a Bachelor of Science in Business Administration from Old Dominion University in Norfolk, VA. As a CPA she has worked as an auditor in regional CPA firms in Norfolk and in Chattanooga. She has served on the Special Review Committee for GFOA's certificate of achievement in financial reporting, as an officer of the Chattanooga chapter of the Tennessee Society of Certified Public Accountants and the Chattanooga chapter of the Association of Government Accountants. She has two children and two grandchildren. **Office Phone: 757-4912.**

## **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 her appointment to the position of 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 gaining promotion to Senior Budget Analyst. In addition to major budget duties, she monitors all City Investments, performs Revenue and Bond Analysis, including gathering data for official statement preparation. **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 Finance, Police, and ISS. 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 been a reviewer for the GFOA's Distinguished Budget Awards Program for over 10 years. 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 other church/community activities. Simone and her husband, Jerrold, are busy parents of triplets. **Office Phone: 757-0534**

**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 the Executive Office and Public Works and is the interim Director of Capital Projects for the City. He has been married to the former Teena Andrews for over twenty-five years with four cats (Ernest T. Bass, Little Miss, Arthur and Mud Ball). **Office Phone: 757-0535**

**Ulystean J. Oates, Jr.,  
Management & Budget Analyst**

Ulystean was hired by the City in January, 2008. He has over 19 years experience in the accounting and finance profession which includes governmental accounting, corporate finance, internal audit and supply chain management. He holds a Bachelor of Science with double majors in Finance and Economics from the University of North Alabama, Florence. His areas of responsibility include, Air Pollution, Personnel, including Employee Benefits, City Attorney, City Council, City Court, Fire Department, Internal Audit, Regional Planning. He is married to Shana and they have two boys. **Office Phone: 757-4751**

**Christy Creel  
Management & Budget Analyst**

Christy Creel was hired by the City in 2008 and joined the Budget Department in 2009. Prior to working with the City she worked as a Staff Accountant for Chattanooga Neighborhood Enterprise. Christy holds a Bachelor of Business Administration in Accounting from Shorter College. She handles budgets for the General Services, Human Services, and Education, Arts, and Culture. She is a Member of the Chattanooga Chapter Association of Government Accountants. Christy and her husband, Stephen, have one child. **Office Phone: 425-7874**

**Hujiaabudula Hasimu  
Management & Budget Analyst**

Hujiaabudula Hasimu joined City of Chattanooga in June of 2009. Prior to coming to Chattanooga, he was a Budget Analyst Intern in Metro Government of Nashville and Davidson County. He served as Vice Manager of Budgeting Division in Urumqi city of Xinjiang Uighur Autonomous Region in China before he relocated to the USA in 2007. For his brilliant work in underdeveloped region of China, Hujia was awarded Ford Foundation International Fellowship and attended Vanderbilt University during 2007-2009. He received his Master of Arts in Economics degree from Vanderbilt with many awards and honors. His areas of responsibility include Debt Service, Parks & Recreation, Neighborhood Services, Community Development, Chattanooga Trade & Conventions Center and Bicentennial Library. **Office Phone: 643-6363**

