

# Policies & Procedures

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## Budget Procedures

The Charter of the City of Chattanooga designates the City Council as being the party responsible for the preparation and passage of the annual budget. This is found in Title 6, Finance & Taxation, Chapter III, Section. 6.80 and states:

**Section. 6.80** Annual budget not to exceed estimated revenue except in cases of extraordinary emergencies. It shall be the duty of the City Council elected under this act to prepare and pass an annual budget each year. The budget for the ordinary and extraordinary expenses of said city for any one year shall not exceed the estimated amount of revenue to be collected for said year; and in no event shall there be appropriated by the Council any sum or sums in excess of the estimated revenues of said city, for the fiscal year in which said appropriation is made. Provided, however, said members of the Council may, in extraordinary emergencies such as floods, epidemics, or destructive fires, make appropriations in excess of the estimated revenue when the public health, safety, and welfare demand same.

The Budget Section, a subsection of the Department of Finance, is the catalyst for the budget process for the City Council.

A brief description of the form of government the City of Chattanooga utilizes will be useful in more fully understanding the budget process. The City of Chattanooga operates under a Council/Mayor form of government, having changed from the Mayor/Commission form in 1990. The current organizational plan places legislative responsibility for municipal government in the City Council and gives administrative or executive authority to the Mayor. The Council levies taxes, enacts ordinances, adopts the annual budgets as well as performs other legislative functions. The Mayor, who is elected by the citizens of Chattanooga in an at-large vote, carries out the programs and policies approved by the City Council. In addition to advising the Council on policy and legislative matters, the Mayor also recommends the annual budgets and work programs.

The operating budget of the City is the single most important decision making document passed by the Council each year. This budget document passed each year must effectively accomplish several criteria as well as meet certain governmental budgeting standards. The Government Finance Officers Association has established four (4) criteria that governmental budgets should meet:

A governmental budget should:

- (1) Be a policy document
- (2) Be an operating guide
- (3) Be a financial plan, and
- (4) Be a communications device

To insure these criteria are met, the Budget section of the City Finance Department prepares a budget calendar and budget policies to facilitate the decision-making process by providing overall direction to City departments. The budget calendar and the budget policies form the nucleus of the budget-making process for the City of Chattanooga. Following these two tools City Departments and Agencies develop their budget requests as well as their performance data to reflect the goals and objectives for the upcoming fiscal year.

The first budget procedure to be put into place is planning of the budget calendar and the budget policies by the City Finance Officer. In early February, the Budget Section, working under the direction of the Finance Administrator, compiles draft copies of the proposed budget calendar as well as the proposed budget policies. When the Finance Administrator is satisfied the proposals meet the needs of the Departments/Agencies, they are presented to the Mayor for review. The Mayor can at this time add to or delete from either document. When his review is finished the Mayor then presents the finished products to the City Council for review and approval. The City Council can then change either document. This provides the guidelines needed by the Departments/Agencies to begin budget preparation for the upcoming fiscal year. After the City Council has adopted the budget calendar and the budget policies, the Mayor meets with his Department Administrators and Department Budget Personnel to distribute them. While the budget calendar

and budget policies are being discussed, the Budget Section of the City Finance Officer's Department is preparing the budget forms and supplementary data for distribution to the various Departments and Agencies. A budget request form is prepared for each activity within each department of city government. This budget request form, along with the supplementary data, provides the detailed expenditures of the prior fiscal year and the detailed expenditures for the current fiscal year-to-date. Each department/Agency is responsible for projecting its expenditures thru the end of the fiscal year. Each increase requested in appropriations by a department or agency must be accompanied by a detailed justification sheet. Once the departments receive these budget request forms they are given a set time to return them to the City Finance Office, per the budget calendar. Detailed estimates are prepared of all anticipated revenues to the City from all sources. The Budget Section prepares these revenue estimates working in conjunction with the various departments and outside agencies or governmental units who plan to contribute funds to the City. The Revenue Budget Form contains data on the prior fiscal year, current year-to-date, a projection through the end of the fiscal year, and the amount estimated to be collected in the next fiscal year. These estimates are monitored throughout the budget-making process and changed as required, using updated data. When the Revenue Budget Form is completed it is discussed in detail with the Mayor by the Finance Administrator.

The Departments and Agencies are given a deadline in the budget calendar by which to turn in their budget requests to the City Finance Office. During this time their budgets are finalized by their budget personnel working closely with the Budget Section analyst assigned to their department. The goals and objectives of each activity are spelled out, and the financial means to accomplish them are incorporated into their budgets. Each activity is a stand alone document, virtually a teaching tool. When presented to the City Finance Office, a department's budget consists of Budget Forms for each activity within the department, overlaid with a departmental summary form. The department's overall goals and objectives are stated here on the summary forms.

Once all Budget Forms for all departments and agencies are collected by the City Finance Office a review process begins by the Budget Section. This budget documentation turned in by the departments should include a statement of proposed departmental goals and objectives, performance measures, an

estimate on the status of performance at the end of the current year as well as traditional account line item expenditure requests and justification for maintaining current and expanded expenditure requests. The Budget Section reviews each budget request to insure compliance with the budget policies.

It is at this time that budget sessions are held with departmental Administrators and budget personnel to discuss various issues and gain a thorough understanding of the budget requests. After meetings with the departments, the Budget Section is ready to balance the budget request to the estimated revenues. When this is accomplished, the balanced budget is presented to the Mayor for review. At this point the Mayor can add or delete items to the budget. When the Mayor is satisfied that the budget presented represents the goals and objectives of the City and the financial means of reaching those goals and objectives, he will present the balanced budget to the City Council at a Budget and Finance Committee meeting.

The City Council begins a budget review of its own once it receives the balanced budget proposal. This is done through the Budget Committee, where numerous work sessions are held to examine all aspects of the proposal. Department Administrators are called in to explain differences in their current year budget and the proposed budget. Changes are made by the Council at their discretion. Finally, when the budget is agreed upon, a Budget Ordinance is written up by the Budget Section for passage by the City Council at a regularly scheduled meeting. In this Budget Ordinance the City Council sets the Tax Rate for the next year to support the budget being submitted. The City Council holds public hearings on the budget proposal during the time the budget is first presented and when it is finally passed. The Budget Ordinance, like all City Ordinances, must pass three readings of the Council to become law.

The City of Chattanooga's budget process has evolved into a comprehensive system. The process is being constantly upgraded to provide the best tool possible for the departments and agencies to work with and to produce a budget document that is easy to read and follow and at the same time complex enough to allow for the many changes confronted by the City each year.

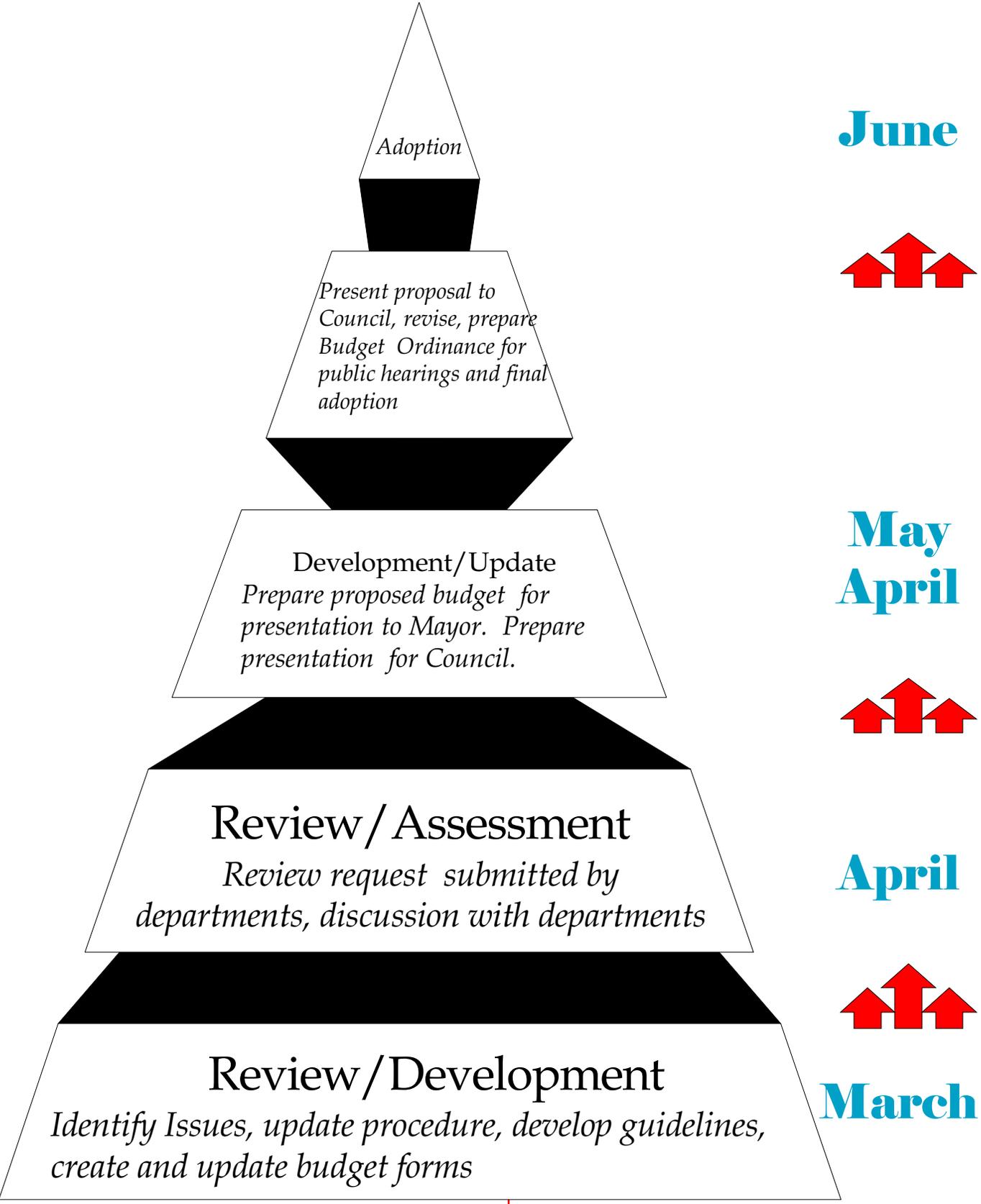
During May and June, the City Council hears budget requests from agencies and departments at its regularly scheduled meetings. Prior to July 1, the City

adopts an interim budget appropriating funds for the usual and ordinary expenses of the City government in an amount not to exceed one-twelfth of the preceding fiscal year operating budget for each month that the interim budget is in effect. Subsequently, the budget is legally enacted through passage of an ordinance with an operative date of July 1. Upon adoption of the annual budget ordinance by the Council, it becomes the formal budget for City operations. After the budget ordinance is adopted, the council can increase the budget only if actual receipts exceed the estimated, or from accumulated surplus in the amount of an unexpended appropriation from the previous year. Budget control is maintained by recording encumbrances as purchase orders are written. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council, allowing the council to review the financial status and measure the effectiveness of the budgetary controls. Open encumbrances are reported as reservations of fund balance at June 30. All unencumbered and unexpended appropriations lapse at year-end.

The City Finance Officer is authorized to transfer budgeted amounts within divisions within the General Fund, but the authorization does not apply to funds other than the General Funds.

Formal budgets are adopted for the General Fund, Debt Service Fund, all enterprise funds and for a majority of the Special Revenue Funds, including the State Street Aid Fund. These formal budgets are adopted on a departmental basis. Line item amounts from the budget preparation phase are booked on the appropriation ledger.

# The Budget Pyramid Approach Model



S M T W T F S

January 2001

1 2 3 4 5 6
7 8 9 10 11 12 13
14 15 16 17 18 19 20
21 22 23 24 25 26 27
28 29 30 31

February 2001

1 2 3
4 5 6 7 8 9 10
11 12 13 14 15 16 17
18 19 20 21 22 23 24
25 26 27 28 29 30

March 2001

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18 19 20 21 22 23 24
25 26 27 28

April 2001

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22 23 24 25 26 27 28
29 30 31

May 2001

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20 21 22 23 24 25 26
27 28 29 30 31

June 2001

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31

January

2 Finance Officials discuss capital budget with Mayor
4 Finance Officials discuss conference center budget issues with Mayor
23 Deputy Finance Officer presents information to Department Heads @ Staff Meeting

February

5 Budget meeting w/ Mayor department fiscal coordinators
16 Target cut off date for CY actuals on buget forms
19-21 Budget Office prepares for Intranet presentation
22 Presentation to Department Liasons & budget forms available on Intranet to all departments
28 Budget Officer meet with Finance Officials to discuss budget execution

March

12 Salary projections distribution to departments
22 Departmental deadline for Budget 2002 submissions
27-31 Internal Budget Office review
30 Revenue projection target date/deadline for Agency budget submission/submission of total budget package to Mayor

April

3-12 Budget discussions with departments
17-20 In house Budget Session to balance Budget 2002
25 Prepare budget/finance presentation for council orientation
30 Capital and Sewer request submitted to Finance Office

May

7-24 Mayor meets with all Department Heads to discuss budget requests
9 City/County Joint Hearing

June

1 Finance Officials meet with Budget Officer to discuss all departmental budget requests and revisions/Finance Officials meet with the Mayor to discuss all departmental budget requests and revisions

July

3 Finance Officer discuss status of budget with Mayor
5 Finance Officer meets with Department Head to diccuss capital projects
12 Finance Officer discuss budget revisions with Mayor
13 Finance Officer meets with Mayor to discuss budget draft/Finance Officer briefs council members
17-27 Finance Officer discuss capital projects and budget revisions of all departments with the Mayor

August

7-17 Finance Officer discuss budget revisions with the Mayor

S M T W T F S

July 2001

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August 2001

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September 2001

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October 2001

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21 22 23 24 25 26 27
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November 2001

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December 2001

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23 24 25 26 27 28 29
30 31

**S M T W T F S**

**January 2002**

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13 14 15 16 17 18 19  
20 21 22 23 24 25 26  
27 28 29 30 31

**February 2002**

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17 18 19 20 21 22 23  
24 25 26 27 28 29 30  
31

**September**

**4** Budget submitted to Council for first reading  
**11** Budget submitted to Council for second and third reading  
**25** Budget and Revenue Ordinances adopted with City Council amendments

**October/November**

**4-9** Finance Officer discuss Capital Budget with various Department Heads  
**Budget Maintenance and Monitoring**

**December/January/February**

**10-17** Finance Officials discuss Capital Budget of all departments with the Mayor  
Review improvement ideas for FY 2003 Budget process

## Budget Policies

The City of Chattanooga has as its highest priority not only the maintenance of basic public services and facilities necessary to meet the needs of its citizens, but also any future needs necessary to keep it the growing, thriving metropolitan area it has become over the years. Current basic public services are those services that would not be provided without public action, and future basic public services could not be provided without the proper planning necessary to provide them. Within this framework the City prepares its Operating Budget each year.

The overall goal of the City's financial plan is to establish and maintain effective top quality management of the City's financial resources. By effectively managing these financial resources through sound budget policies and the monitoring of the results of these policies throughout the fiscal year, the City builds itself a framework for subsequent years. Because the City involves each Department/Division so heavily in the budget process, the policies serve as an excellent training guide, even for the budget novice. And because the City involves each Department/Division Administrator so heavily in the budget process, the finished product, i.e. the Budget Ordinance, serves as an excellent management tool for use in day to day decision making in the operation of a department. The Budget Ordinance also provides the basis of financial control to ensure compliance and prevent any overspending. Monthly reports comparing budgeted amounts to actual amounts are furnished to each department for review. These reports are also used to search for funding sources, or unexpended appropriations, needed if a departmental mission is adjusted in midyear.

The City's budget policies are written up each year by the Budget Section of the City Finance Administrator's Office. These proposed policies are reviewed by the Finance Administrator to insure they contain all information known at that time to provide the desired results of the current year budget process. Working together, the Finance Administrator, Deputy Finance Administrator, Budget Officer and the budget staff insure that the budget policies to be presented for consideration by the Mayor and City Council do contain the means to provide the basic public services. Basic public services can be defined as those services that are

- *essential to the health and safety of the City's citizens,*
- *necessary in order to avoid irreparable damage to City resources, and*
- *a service that the absence of which would make the City's quality of life generally unacceptable to its citizens.*

After the budget policies have met the satisfaction of the Finance Administrator and his staff, the Finance Administrator presents them to the Mayor. They undergo further review, additions, deletions, and changes by the Mayor based upon his personal knowledge of the direction the City needs to be taking in conjunction with the Administrator's initiative. After the Mayor has reviewed the budget policies, he then presents them to the City Council for review and adoption. Here the City Council can add, delete, or change any portion of the policies they deem necessary. Once the Council is in agreement, the policies are formally adopted in a City Council budget meeting. Once adopted, the budget policies are set in place to serve as the guide for the fiscal year.

The following section outlines the budget policies adopted by the City Council for use in preparation of the City's FY 01/02 Operating Budget:

Budget Requests for Fiscal Year 2002 will be submitted on line-item (Account) basis. Generally, any growth in funding must be fully justified and will be at the expense of some other line item, barring a specific revenue generated to cover the additional expense.

Budget Requests will be divided into two parts: The Maintain Requests, and the Additional Requests. Requests for additional funding must be accompanied by narrative justification.

Maintain Requests will be based upon the projected 00/01 expenditures less any one time nonrecurring expenditures.

- a. Request for one time, unavoidable costs that are anticipated for FY 01/02 will be included in the Additional Requests with justification.
- b. Requests for recurring unavoidable increases, including such items as street lighting, other utilities, pension costs, FICA, etc., will be included in the Maintain Budget Requests.

**Personnel Issues:**

- a. Maintain Requests for Salaries & Wages will include all positions authorized at the current Pay Plan Amount. The Finance Office will provide projections.
- b. Maintain Requests will not include any requests for funding of additional personnel.
- c. Do not include funds for pay raises or pending reclassifications. Step increases are provided for by Projections, which will be entered by the Budget Analysts after a decision is made concerning salary and wage changes.
- d. Budget Requests for overtime must be from a zero base, consistent with overtime ordinances, and not justified by prior year experience only.
- e. If you plan to hire temporary workers, your budget estimate should include payroll taxes. Any hiring of contract employees must stand up to IRS scrutiny.
- f. Temporary staffing should be budgeted under "Salaries & Wages".
- g. There will be no additions to the total number of positions. New positions and position reclassifications must be matched with comparable reductions or consolidation of existing positions so as to result in no increase in total personnel cost.
- h. No increase in positions or position reclassifications will be considered in the 2001-2002 Budget without a corresponding reduction/reclassification in existing positions resulting in the same or reduced costs to the City.
- i. New and additional positions (including reclassifications) must be submitted to Personnel for review no later than March 30, 2001. Forms are available in personnel, see Susan Dubose (ext. 4856). (All requests for new positions and reclassifications must be supported by corresponding reductions in existing positions resulting in the same or reduced payroll cost)

**Renewal & Replacement:**

Budget Requests will include capital operating requirements, to be funded from the amount appropriated for Renewal & Replacement of Equipment. Generally, a capital operating requirement has a useful life of less than 15 years

and involves a cost less than \$25,000.00. Items with a longer useful life and greater cost will be included in the Capital Budget. We anticipate that the FY 01/02 budget will include funding for Renewal & Replacement in the amount of \$1,500,000.

All departments will include in each activity funds for vehicle repairs at City Garage. Parts will be billed by the Garage at a 25% markup. Labor cost has been set at \$45.00 per hour. Vehicle maintenance cost expenses should be based on hours experienced during FY 00/01 execution. The price factor to be used for forecasting fuel costs is \$1.35 per gallon for gasoline and \$1.15 per gallon for diesel.

Fringe Benefit costs are to be included in each Activity Request which has Personnel costs. These Fringe Benefit costs are:

General Pension	0.00%
Fire & Police Pension	12.24%
BlueCross Blue Shield of Tennessee net of employee contribution:	
Individual	\$181.24
Subscriber + Spouse	\$369.40
Family	\$512.10
Subscriber + Child	\$302.20

Life Insurance Coverage: \$0.295 per \$1,000 coverage/month. Maximum: \$50,000.

Long-Term Disability:  
 \$0.125 per \$100 coverage per month.  
 FICA 6.20%  
 Medicare 1.45%

Union Pensions:  
 Operating Engineers \$1.11/hour  
 Laborers \$0.86/hour

We do not anticipate any increase in utility costs during FY 01/02. These costs are subject to update as additional information becomes available. Fringe Benefit cost projections will be provided by the Finance Office.

**Budget Execution Guidance**

Salary and wage funds are "generally untouchable" to use as funding sources for other line items during the fiscal year.

Use of the city's garage services is mandatory for applicable procedures/services unless specific approval of the Mayor is obtained in advance.

Descriptions, Goals & Objectives, and Performance Measures for each activity will be distributed during budget time. Please update, if necessary, as they are included in the City's Comprehensive Annual Budget Report submitted to the Government Finance Officer's Association.

## Revenue Policies

The City of Chattanooga's revenue programs are administered by the Budget Section of the Department of Finance & Administration. The Budget Section adheres to long-standing principles which insure stability and financial health. The cornerstone of these principles followed by the City is an air of conservatism. The City never has, nor never will, intentionally overestimate a revenue source merely to fund a project or additional personnel. The revenue policies of the City remain fairly constant from year to year, changing to include new revenue sources and an extension of the tax base when appropriate. These revenue policies give a good insight into the reasoning being considered by the City at budget time. The policies themselves reflect the conservative approach used by the City.

Revenue policies of the City include, but are not limited to the following:

The City will maintain effective collection systems and implement aggressive enforcement strategies to maximize revenues from all sources.

The City will attempt to maintain a diversified revenue base, which will not emphasize any one revenue source.

The City will attempt to maintain a revenue system which will encourage development of alternative revenue sources.

The City will continually monitor the local tax effort, such as Property Tax and Sales Tax, and compare it with other cities of comparable size.

The City will maintain a broad revenue base; that is, a large number of widely diversified revenue sources will be established and

maintained in order to distribute the revenue burden equitably and protect the City from short-term fluctuations in any one revenue source.

The City will follow a conservative approach in the projection of revenues so that actual revenues at year end will consistently equal or exceed budgeted amounts.

The City will actively seek Federal and State grants and insure a fair proportion is received.

The City will review all user fees and licenses annually, adjust these fees and licenses when appropriate, and establish new fees and licenses when necessary.

The City will establish all user charges and fees at a level related to the full cost of providing the operating, direct, indirect, and capital services.

The City will limit the designation of General Fund revenues for specified purposes in order to maximize flexibility and utilize revenues more efficiently.

The City will continue to maintain its low Debt Ratio in providing funding through general obligation bond sales.

## Cash Management & Investment Policy

**1.0 Policy** It is the policy of the City of Chattanooga to invest public funds in a manner which will maximize investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The City Treasurer is authorized to manage the investments described herein.

**2.0 Scope** This investment policy applies to all financial resources of the City of Chattanooga, other than funds of The City of Chattanooga General Pension Plan and The City of Chattanooga Fire and Police Pension Plan, managed by a board of trustees or contractual managers; Deferred Compensation Plan funds managed externally; and such funds excluded by law, bond indenture or other Council-approved covenant.

These funds are accounted for by the City's Finance

Department Accounting Services Division, as represented in the City of Chattanooga Comprehensive Annual Financial Report and include:

## 2.1 Funds

- (1) General Funds
- (2) Special Revenue Funds
- (3) Debt Service Funds *(unless prohibited by bond indentures)*
- (4) Capital Project Funds
- (5) Enterprise Funds
- (6) Trust and Agency Funds
- (7) Any new fund created by the City Council, unless specifically exempted.

Funds held by the Hamilton County Finance Department during tax collection period shall be governed by the County's investment policies, and are not subject to the provisions of this policy.

**3.0 Prudence** The standard of prudence to be used by investment personnel shall be the "Prudent Investor Rule" and will be in the context of managing an overall portfolio: "Investments shall be made with judgment and care-under circumstances then prevailing-which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Investment officials meeting this standard will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

**4.0 Investment Objectives.** The primary objectives, in priority order, of the City of Chattanooga's investment activities shall be as follows:

**4.1 Safety.** Safety of principal is the foremost objective of the investment program. Investments of the City of Chattanooga shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversion is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

**4.2 Liquidity.** The City of Chattanooga's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

**4.3 Return on Investment.** The City of Chattanooga's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and cash flow characteristics of the portfolio.

**4.4 Local Institutions.** Local institutions shall be given preference when they are, in the judgment of the Treasurer, competitive with other institutions.

**5.0 Delegation of Authority.** Chattanooga City Charter 6.1 Empowers the Mayor, Finance Officer, and Treasurer with the investment responsibility for the City. There is created within the Department of Finance, a Treasury Division. The Treasurer is responsible for day-to-day investment decisions and activities and the development and maintenance of written procedures for the operation of the investment program, consistent with these policies.

Procedures should include reference to: safekeeping, SPA repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The Treasurer shall report to the Mayor and Finance Officer at agreed-upon intervals, on investment activities. The Treasurer will train other investment personnel to assist and provide relief in the day-to-day placement of investments.

## 6.0 Ethics and Conflicts of Interest.

Any person involved in the investment process shall refrain from personal business activities which could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment personnel shall disclose to the Mayor any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment position that could be related to the

performance of the City of Chattanooga, particularly with regard to the time of purchases and sales.

Bonding of all staff involved in the investment process shall be required, and such bonding requirements shall apply to those individuals authorized to place orders to purchase or sell investment instruments.

### 7.0 Authorized Financial Dealers and Institutions.

The Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Tennessee. These may include "primary dealers" or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by the laws of the State of Tennessee.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following:

- (1) Audited financial statements
- (2) Proof of National Association of Security Dealers certification.
- (3) Trading resolution
- (4) Proof of State of Tennessee registration
- (5) Completed broker/dealer questionnaire
- (6) Certification of having read the City of Chattanooga's investment policy and depository contracts.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer.

A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the city of Chattanooga invests.

### 8.0 Authorized and Suitable Investments.

The City of Chattanooga shall limit its investments to those allowed by the Tennessee Code Annotated 6-56-106, which states:

"In order to provide a safe temporary medium for investment of idle funds, municipalities are authorized to invest in the following:

- (1) Bonds, Notes or Treasury Bills of the United States;
- (2) Non-convertible debt securities of the following issues:
  - (A) The Federal Home Loan Bank;
  - (B) The National Mortgage Association;
  - (C) The Federal Farm Credit Bank; and
  - (D) The Student Loan Marketing Association;
- (3) Any other obligations not listed above which are guaranteed as to principal and interest by the United States or any of its agencies;
- (4) Certificates of deposit and other evidences of deposit at state and federal chartered banks and savings and loan associations.
- (5) Obligations of the United States or its agencies.
- (6) The Tennessee Local Government Investment Pool
- (7) Repurchase Agreements (provided a Master repurchase agreement has been executed and approved by the state director of local finance, such investments are made in accordance with procedures established by the state funding board;)"

### 8.1 Securities Not Eligible As Investments For Public Funds In The State Of Tennessee:

- (1) Corporate Bonds
- (2) Corporate Stocks
- (3) Foreign Government Obligations
- (4) Futures Contracts
- (5) Investments in Commodities
- (6) Real Estate
- (7) Limited Partnerships
- (8) Negotiable Certificates of Deposit

### 8.2 Reverse Repurchase Agreements.

The City of Chattanooga will not engage in using Reverse Repurchase Agreements. "Leveraging" is not an acceptable strategy for the City.

**8.3 Derivatives.** The City will not engage in rate speculation (e.g. through purchase of "derivative" securities).

**8.4 Risk.** The City's investing maxim is that public funds should never be put at risk.

**9.0 Investment Pool.** A thorough investigation of

the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer the following questions:

- (1) A description of eligible investment securities, and a written statement of investment policy.
- (2) A description of interest calculations and how it is distributed and how gains and losses are treated.
- (3) A description of how the securities are safeguarded (including the settlement processes, and how often are the securities priced and the program audited).
- (4) A description of who may invest in the program, how often, what size deposit and withdrawal.
- (5) A schedule for receiving statements and portfolio listings.
- (6) Are reserves, retained earnings, etc. utilized by the pool/fund?
- (7) A fee schedule, and when and how it is assessed.
- (8) Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

**10.0 Collateralization.** All certificates of deposit and repurchase agreements will be collateralized. In order to anticipate market changes and provide a level of security for all funds, the Collateralization level will be 105% (Tennessee Code Annotated 9-4-105 "Required Collateral") of market value of principal and accrued interest.

(1) Eligible Collateral: (Tennessee Code Annotated 9-4-103)

- a. Bonds of the United States and its agencies
- b. Obligations guaranteed by the United States
- c. Obligations of Local Public Agencies and Public Housing Agencies (Section 110(c) of the Housing Act of 1949 amended:

(2) Custodial Agreement: Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. All financial institutions doing business with the City are required to sign a Bond and Deposit Agreement with the City and it will be updated annually. The right of collateral substitution is granted.

**11.0 Safekeeping and Custody:** All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a Delivery-Versus-Payment (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

#### **12.0 Diversification**

The City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and the Tennessee State Local Government Investment Pool, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

#### **13.0 Maximum Securities:**

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Under current City policy, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than two (2) years from date of purchase. However, the City may collateralize its repurchase agreements using longer dated investments not to exceed five(5) years to maturity.

Reserve funds may be invested in securities exceeding two (2) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

#### **14.0 Internal Control**

The Treasurer shall establish an annual process of independent review by an external auditor. The review will provide internal controls by assuring compliance with policies and procedures.

#### **15.0 Performance Standards**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

**15.1 Market Yield (Benchmark):** The City's investment strategy is passive. Basically, the passive approach to investing involves buying-and-holding purchases until maturity. Given this strategy, the basis used by the Treasurer to determine how the portfolio's market average rate of return compares to market yields shall be the six-month U.S. Treasury Bill and the average Federal Funds Rate.

**16.0 Reporting.** The Treasurer is responsible for preparing a quarterly investment report to the Mayor and Finance Officer which will provide a clear picture of the status of the current investment portfolio. The management report should include comments on the fixed income markets and economic conditions, discussions regarding restrictions on percentage of investment by categories, possible changes in the portfolio structure going forward and thoughts on investment strategies.

Schedules in the quarterly report should include the following:

- (1) A listing of individual securities held at the end of the reporting period by authorized investment category, and financial institutions
- (2) Average life and final; maturity of all investments listed
- (3) Coupon, discount or earnings rate
- (4) Par value, Amortized Book Value and Market Value
- (5) Percentage of the Portfolio represented by each investment category

**17.0 Investment Policy Adoption:** The City of Chattanooga's Investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed on an annual basis by the Finance Officer and Treasurer and any modifications made thereto must be approved by the City Council.

## Debt Policies

The City will maintain a bond retirement fund reserve which is equivalent to the amount of debt services due on tax-supported General Obligation Bonds in the next fiscal year.

The City will not issue notes to finance operating deficits.

The City will issue bonds for capital improvements and moral obligations.

The City will publish and distribute an official statement for each bond and note issue.

## Reserve Policies

The City will maintain a revenue reserve in the General Operating Fund which represents between 20-25% of the fund's expenditures.

The City will maintain a revenue reserve in the Interceptor Sewer Fund and the Solid Waste/Sanitation Fund.

## Accounting, Auditing, and Financial Reporting Policies

An independent audit will be performed annually.

The City will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.

The City will maintain a strong internal audit capability.

## Capital Budget Policies

The City shall invest a percentage of its general operating funds to finance ongoing infrastructure maintenance, repair and replacement programs, and to implement approved plans that foster economic and neighborhood development each year.

The City will develop a multi-year plan for ongoing capital improvements, update it annually, and make all capital improvements in accordance with the plan. Funding of repair and replacement schedule projects will have funding priority before discretionary capital projects.

Capital improvement projects which violate the principles and concepts of an adopted City plan or which duplicate other public and/ or private services will not be considered.

The City Council will use the following criteria to evaluate the relative merit of each capital project:

Projects which will increase property values in a neighborhood, residential or business district; Projects identified by a priority board or a department as important; Projects which will directly benefit a community development area of the City; Projects which are part of a multi-year funding commitment; Projects which are an element of an approved master plan adopted by City Council; Projects which result

in the creation of permanent jobs and/or generate additional net revenue to the city; Projects specifically included in an approved replacement schedule.

## Legal Requirements

In 1982 the Tennessee General Assembly passed what has become known as the “Municipal Budget Law of 1982.” This law was incorporated into the Tennessee Code Annotated under *Section 6-56*. The following excerpts are from Tennessee Code Annotated 1992 Replacement and provide the state requirements for municipal budgets.

**6-56-203. Annual Budget Ordinance.** The governing body of each municipality shall adopt and operate under an annual budget ordinance. The budget ordinance shall present a financial plan for the ensuing fiscal year, including at least the following information:

- (1) *Estimates of proposed expenditures for each department, board, office or other agency of the municipality, showing in addition, the expenditures for corresponding items for the last preceding fiscal year, projected expenditures for the current fiscal year and reasons for recommended departures from the current appropriation pattern in such detail as may be prescribed by the governing body. It is the intent of this subdivision that except for moneys expended pursuant to a project ordinance or accounted for in a proprietary type fund or a fiduciary type fund which are excluded from the budget ordinance, all moneys received and expended by a municipality shall be included in a budget ordinance. Therefore, notwithstanding any other provision of law, no municipality may expend any moneys regardless of their source (including moneys derived from bond and long-term note proceeds, federal, state or private grants or loans, or special assessments), except in accordance with a budget ordinance adopted under this section or through a proprietary type fund or a fiduciary type fund properly excluded from the budget ordinance;*
- (2) *statements of the bonded and other indebtedness of the municipality, including the debt redemption and interest requirements, the debt authorized and unissued, and the condition of the sinking fund;*
- (3) *estimates of anticipated revenues of the municipality from all sources including current and delinquent taxes, nontax revenues and proceeds from the sale of any bonds or long-term notes with a comparative statement of the amounts received by the municipality from each of such source for the last preceding fiscal year, the current fiscal year, and the coming fiscal year in such detail as may be prescribed by the governing body;*
- (4) *a statement of the estimated fund balance or deficit, as of the end of the current fiscal year;*
- (5) *a statement of pending capital projects and proposed new capital projects, relating to respective amounts proposed*

*to be raised therefore by appropriations in the budget and the respective amounts, if any, proposed to be raised therefor by the issuance of bonds during the fiscal year; and (6) such other supporting schedules as the governing body deems necessary, or otherwise required by law.*

*The City Code of the City of Chattanooga also provides requirements for a budget. Following is an excerpt from Chapter III, Chattanooga City Code:*

*Sect. 6.80. Annual Budget not to exceed estimated revenue except in cases of extraordinary emergencies. It shall be the duty of the City Council elected under this act to prepare and pass an annual budget each year. The budget for the ordinary and extraordinary expenses of said city for any one year shall not exceed the estimated amount of revenue to be collected for said year; and in no event shall there be appropriated by the City Council any sum or sums in excess of the estimated revenues of said City, for the fiscal year in which said appropriation is made. Provided, however, said City Council may, in extraordinary emergencies such as floods, epidemics, or destructive fires, make appropriations in excess of the estimated revenue when the public health, safety, and welfare demand same.*

# Budget Ordinance

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ORDINANCE NO. 11175

AN ORDINANCE, HEREINAFTER ALSO KNOWN AS "THE FY2001/2002 BUDGET ORDINANCE", TO PROVIDE REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2001, AND ENDING JUNE 30, 2002, AND APPROPRIATING SAME TO THE PAYMENT OF EXPENSES OF THE MUNICIPAL GOVERNMENT; FIXING THE RATE OF TAXATION ON ALL TAXABLE PROPERTY IN THE CITY, AND THE TIME TAXES AND PRIVILEGES ARE DUE, HOW THEY SHALL BE PAID, WHEN THEY SHALL BECOME DELINQUENT; PROVIDING FOR INTEREST AND PENALTY ON DELINQUENT TAXES AND PRIVILEGES; AND TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTERS 2, 3, 10, 12, 16, 18, 26, 27, 31, 32 AND 35, BY SETTING AND/OR INCREASING FEES ON VARIOUS CITY SERVICES, PERMITS, LICENSES AND OTHER ACTIVITIES.

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WHEREAS, pursuant to and in compliance with the provisions of the Charter of the City of Chattanooga, Tennessee, the revenue has been estimated for operating the Municipal Government for the fiscal year 2001-2002 from all sources to be as follows:

PROPERTY TAXES:

Current Taxes on Real & Personal Property	\$ 76,868,672
Taxes on Real & Personal Property - Prior Years	2,300,000
CHA - In Lieu of Taxes	20,420
TVA - In Lieu of Taxes	1,024,000
Electric Power Board - In Lieu of Taxes	2,204,596
Electric Power Board – In Lieu of Taxes/Telecom	130,000
CNE - In Lieu of Taxes	57,996
Sofix - In Lieu of Taxes	210,076
Gibraltar Steel - In Lieu of Taxes (Metals USA)	32,612
Champion Tray - In Lieu of Taxes	19,594
Burner Systems - In Lieu of Taxes	20,631
Regis Corporation - In Lieu of Taxes	34,214
E.I. Dupont - In Lieu Of Taxes	143,610
Messer Griesheim Ind - In Lieu of Taxes	54,009
Pavestone Company-In Lieu of Taxes	25,215
Chattem Inc – In Lieu of Taxes	11,282
Total Other – In Lieu of Taxes	73,522
Corporate Excise Taxes – State (Intangible Property)	72,000
Interest & Penalty on Current Year Taxes	50,000
Interest & Penalty on Delinquent Taxes	185,000
Delinquent Taxes Collection Fees	<u>100,000</u>
TOTAL	\$ 83,637,449

<u>OTHER LOCAL TAXES:</u>	
Franchise Taxes – ComCast Cable	\$ 1,289,000
Franchise Taxes – Chattanooga Gas	298,750
Liquor Taxes	1,365,000
Beer Taxes	4,350,000
Local Litigation Taxes - City Court	3,200
TOTAL	\$ 7,305,950

<u>LICENSE, PERMITS, ETC.:</u>	
Motor Vehicle Licenses	\$ 380,000
Parking Meters	454,860
Business Licenses (excluding Liquor)	120,000
Gross Receipts Tax	1,100,000
Fees for Issuing Business Licenses & Permits	57,000
Interest & Penalty on Business Licenses & Permits	72,000
Wrecker Permits	8,100
Building Permits	642,000
Electrical Permits	100,000
Plumbing Permits	150,600
Street Cut-In Permits	165,000
Temporary Use Permits	2,000
Sign Permits	85,800
Liquor By the Drink Licenses	100,000
Hotel Permits	2,000
Gas Permits	8,500
Liquor By the Drink – Interest & Penalty	1,050
Plumbing Examiner Fees & Licenses	25,000
Electrical Examiner Fees & Licenses	35,000
Gas Examination Fees & Licenses	35,000
Mechanical Code Permits	65,000
Permit Issuance Fees	64,000
Beer Application Fees	90,000
Annual Electrical Contractor License	65,000
Exhibitor's fees	2,900
Construction Board of Appeals	1,680
Demolition Fee	8,800
Mechanical Exam Fee & Licenses	62,000
Subdivision Review/Inspection Fee	62,000
Technology Fee	34,058
TOTAL	\$ 5,999,348

<u>FINES, FORFEITURES, AND PENALTIES:</u>	
City Court Fines	\$ 15,000
False Alarm Call Fine	40,000
Delinquent City Court Fines	118,000
Criminal Court Fines	180,000
Parking Ticket Fines	154,000
Traffic Court Fines-Speeding	516,000
Traffic Court Fines-Other Driving Offenses	357,000
City Fines-Non Driving Offenses	8,500
Delinquent Tickets	150,000
Delinquent Tickets – Court Cost	29,000
Delinquent Tickets – Clerk's Fee	85,000
TOTAL	\$ 1,652,500

REVENUES FROM USE OF MONEY OR PROPERTY:

Interest on Investments	\$ 2,400,000
Land & Building Rents	70,000
Telephone Commissions	100
Dock Rental (Wharf)	<u>25,000</u>
TOTAL	\$ 2,495,100

REVENUES FROM OTHER AGENCIES:

Local Option Sales Tax-General Fund	\$ 21,527,000
State Beer Tax	65,000
Hall Income Tax	3,050,000
State Sales Tax	10,400,000
State Mixed Drink Tax	1,246,000
State Gas Inspection Fees	359,000
State Maintenance of Streets	110,000
State Alcoholic Beverage Tax	65,000
Hamilton County-Development Resource Center	27,399
Hamilton County - Radio & Electronics	48,000
COPS Universal Hiring Grant	585,036
Hamilton County Ross' Landing/Plaza	671,788
COPS MORE –State Grant	36,000
State – Specialized Training Funds	430,000
State – Telecommunication Sales	<u>25,000</u>
TOTAL	\$ 38,645,223

SERVICE CHARGES FOR CURRENT SERVICES:

Current City Court Costs	\$ 100,000
Court Commissions	14,400
Delinquent City Court Cost	11,000
Clerk's Fees	552,996
Delinquent Clerk's Fee	45,000
Current State Court Costs	500
Delinquent State Court Costs	7,000
Processing of Release Forms	14,000
Delinquent-processing of Release Forms	6,000
Charges for Financial Services - Electric Power Board	7,200
Variance Request Fees	6,000
Fitness Center	25,000
Arts & Culture	65,000
Skateboard Park	12,500
Kidz Kamp	69,000
Champion's Club	21,600
Zoning Board of Appeals	1,230
Floodplain Variance Request	40
Zoning Letter	3,000
Fire District Removal Request	120
Sign Board of Appeals	960
Certificates of Occupancy	8,518
Sewer Verification Letter	600
Code Compliance Letters	18,000
Re-inspection	500
Permit Transfer	200
Modular Home Site Investigation	120

Plan Checking Fee	40,000
Phased Construction Plans Review	4,000
Cell Tower Site/Location Review	6,400
Memorial Auditorium Credit Card Fees	25,000
Tivoli Credit Card Fees	10,000
Sports Program Fees	10,000
Non-Traditional Program Fees	7,500
OutVenture Fees	8,000
Police Reports: Fees, Accidents, etc.	87,091
Police Records: Fingerprinting, etc	6,632
Photo/ID Card Fees	8,500
Dead Animal Pick Up Fee	<u>22,800</u>
TOTAL	\$ 1,226,407

MISCELLANEOUS REVENUE:

Payroll Deduction Charges	\$ 6,500
Indirect Cost	1,679,578
Plans and Specification Deposits	24,000
Condemnation	25,000
Memorial Auditorium Rents	242,880
Memorial Auditorium Concessions	50,000
Tivoli Rents	145,000
Tivoli Concessions	20,000
Swimming Pools	10,000
Park Concessions	16,000
Zoo Recycling	38,000
Recreation Center Rental	25,000
Private Donations	30,000
Retiree Reimbursement (Regular)	600,000
Carousel Ridership	165,000
Walker Pavilion Rents	24,000
Coolidge Park Table Rents	10,000
Recreation Center Concessions	10,000
City Softball Program Fees	37,000
Auditorium Box Office	61,500
Tivoli Box Office	28,000
Back Tax Properties	50,000
Sale of Surplus Properties	100,000
Sale of Equipment – GF Dept	67,000
Loss & Damage – GF Dept	100,000
Miscellaneous Rev – GF Dept	3,000
Greenway Facilities Rent	9,611
Outside Sales – Radio Shop	10,000
Memorial Auditorium OT Reimbursement	10,000
Tivoli Theatre OT Reimbursement	10,000
Other Funds Reimbursement –DRC	<u>41,141</u>
TOTAL	\$ 3,648,210

TOTAL GENERAL FUND ESTIMATED REVENUE \$ 144,594,307  
=====

and,

WHEREAS, it is necessary to base the appropriations to the various departments of the Municipal Government on the above estimated revenues:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE:

SECTION 1. That for the purpose of raising revenue to operate the various departments, agencies, boards, commissions, offices, divisions or branches of the Municipal Government, and to pay the interest on and retire bonds of said City as they mature, there be and is hereby levied upon all taxable property within the City of Chattanooga, Tennessee, a tax for the year 2001 at a rate of \$2.516 upon every \$100.00 in assessed value of such taxable property; and to the extent applicable there is also levied a tax at the same rate upon every \$100.00 of Merchant and other Ad Valorem within the corporate limits of the City of Chattanooga, Tennessee.

SECTION 2. That the assessment made by the Assessor of Property of Hamilton County, Tennessee, and by the Tennessee Regulatory Agency for 2001 on all property located within the Corporate limits of the City of Chattanooga, Tennessee, be and is hereby adopted as the assessments of the City of Chattanooga.

SECTION 3. That the taxes herein levied on all taxable property within the corporate limits of the City of Chattanooga shall be due and payable at the office of the City Treasurer and Tax Collector OCTOBER 1, 2001, and shall become delinquent MARCH 1, 2002, after which date unpaid taxes shall bear interest at six percent (6%) per annum, and a penalty of six percent (6%) per annum, plus other penalties as provided by law, which shall be paid by the taxpayer; provided, that except for taxpayers receiving tax relief under T.C.A. Sections 67-5-702 through 67-5-705.

SECTION 4. That the Provisions of Chapter 387, Public Acts of 1971, as amended by Chapter 850, Public Acts of 1972, and as further amended by the Public Acts of 1973, and as further amended, relative to the authorization of local taxes upon the privilege of engaging in certain types of business activities be and are hereby adopted by reference, and there is hereby levied a Business Tax on all businesses taxable by municipalities under Chapter 387, Public Acts of 1971, as amended, at the maximum rates specified therein. The City Treasurer is authorized and directed to collect such taxes as are authorized by said Act to be collected by the City of Chattanooga, a municipality, together with such interest and penalties as may become due thereon, at the maximum rate provided by law. In addition to said taxes, the City Treasurer is hereby authorized and directed to collect a fee of Five and 00/100 Dollars (\$5.00) upon the issuance of any privilege license under said Business Tax Act and also upon receipt of each payment of the Gross Receipts tax authorized by said Act, except that this fee may not be charged persons paying the annual minimum tax under the provisions of Chapter 58, Title 67, of the Tennessee Code Annotated, if paid on the same date as the respective and related return is filed.

SECTION 5. That the budgets of the various departments, agencies, boards, commissions, offices, divisions, or branches of Municipal Government for the fiscal year beginning July 1, 2001, are fixed as hereafter set out; and the amount so fixed for each is hereby appropriated out of the estimated revenue for said year for the use of that department, agency, board, commission, office, division, branch of government, to-wit:

GENERAL FUND APPROPRIATIONS

Department of Finance & Administration	\$ 8,958,996
Department of Police	33,997,377
Department of Fire	21,809,608
Department of Public Works	25,815,723
Department of Parks, Recreation, Arts & Culture	11,204,573
Department of Personnel	6,406,859
Department of Neighborhood Services	1,797,185
General Government & Supported Agencies	32,978,645
Executive Department	<u>1,625,341</u>
TOTAL	\$ 144,594,307

DEPARTMENT OF FINANCE & ADMINISTRATION

Finance Office	\$ 1,576,652
Information Services	2,488,750
City Treasurer	577,973
Telephone System	281,238
City Court Clerk – Operations	1,015,392
City Court Clerk’s Office – Space Cost	95,000
Telecommunications Operations	124,729
Geographic Information System	175,843
Building Maintenance	931,225
Electronics Division	364,417
Purchasing	848,801
Real Estate – Administration	263,876
Real Estate – Property Maintenance	<u>215,100</u>
TOTAL	\$ 8,958,996

DEPARTMENT OF POLICE

Police Operations	\$ 2,168,488
Chief of Police	315,968
Internal Affairs	397,627
Office of Budget & Finance	706,873
Office of Community Outreach	144,296
Police Information Office	80,469
Office of Legal Services	125,045
Accreditation	121,019
Technology Manager	98,918
Administrative Services	764,978
Uniform Services Command	371,395
Sector 1	5,646,917
Sector 2	3,670,636
Sector 3	3,527,661
Community Services	1,075,464
Special Operations	984,406
Animal Services	1,007,464
Support Services	493,389
Training Division	1,948,882
Fleet / Facilities Management	2,632,821

Technical Services	1,477,736
Operations Support Services	3,572,379
Major Investigations	<u>2,664,546</u>
TOTAL	\$ 33,997,377

DEPARTMENT OF FIRE

<u>Fire Operations</u>	\$ 21,247,432
Utilities	556,176
Combat Challenge	<u>6,000</u>
TOTAL	\$ 21,809,608

DEPARTMENT OF PUBLIC WORKS

Administration	\$ 526,377
City Engineer	1,923,163
Municipal Forestry	429,493
Street Cleaning	1,664,908
Emergency	519,105
City Wide Services	874,476
Sewer Construction & Maintenance	1,935,557
Inspection Division	1,404,639
Board of Gas Fitters	2,900
Board of Plumbing Examiners	2,000
Board of Electrical Examiners	19,400
Board of Variances	5,000
Board of Mechanical Examiners	1,800
Utilities	154,150
Brainerd Levee 1,2,3	47,750
Orchard Knob Storm Stations	44,375
Minor Pump Stations	17,250
Traffic Administration	539,169
Traffic Control	1,598,071
Street Lighting	2,525,100
Solid Waste & Sanitation Fund Subsidy	5,159,292
State Street Aid Subsidy	320,000
Storm Water Subsidy	683,952
Waste Pickup Garbage	3,128,179
Waste Pickup Brush	<u>2,289,617</u>
TOTAL	\$ 25,815,723

DEPARTMENT OF PARKS, RECREATION, ARTS & CULTURE

Administration	\$ 583,501
Facility Planning	116,034
Public Information	96,079
Recreation Administration	500,800
Community Centers	829,147
Senior Citizen Recreation. . . . . A.O.	58,916
Summer Youth	245,009
Fitness Center	292,259
Greater Chattanooga Sports Committee . . . . . A.O.	75,000
Inner City Ministry. . . . . A.O.	18,500
Late Night Programs	61,139
OutVenture	101,881
Sports	731,556
At-Risk Youth/Spec Program	494,489

Champion's Club	181,216
Warner Park Zoo	336,784
Municipal Parks	1,011,932
Tennessee Riverpark – Downtown	952,558
Buildings & Structures	1,490,484
Carousel Operations	186,741
Parks Administration	549,990
Landscape	437,651
Tennessee Riverpark Security	298,250
City Wide Security	79,629
Memorial Auditorium	381,741
Civic Facilities Concessions	48,340
Tivoli Theatre	254,283
Civic Facilities Administration	514,370
Arts & Culture	276,294
TOTAL	\$ 11,204,573

DEPARTMENT OF PERSONNEL

Administration	\$ 899,832
Physicals	101,850
Employee Benefit	302,688
Employee Insurance	3,220,889
Job Injuries	1,881,600
TOTAL	\$ 6,406,859

DEPARTMENT OF NEIGHBORHOOD SERVICES

Administration	\$ 577,445
Codes & Community Services	786,654
Neighborhood Relations	318,086
Neighborhood Mini Grants	115,000
TOTAL	\$ 1,797,185

DEPARTMENT OF EXECUTIVE BRANCH

Mayor's Office	\$ 853,982
Internal Audit	186,976
General Fund – Community Development	379,180
Grants Administration	90,401
Human Rights	114,802
TOTAL	\$ 1,625,341

SECTION 5(a) GENERAL GOVERNMENT & SUPPORTED AGENCIES. The initials "A.O." as they appear in this Section, or elsewhere in the Ordinance, shall mean "Appropriation Only" which is hereby defined to mean that the amount as is shown being appropriated is only the appropriation of the City toward the total budget of such department, agency, board, commission, office or division or branch of government and is not to be construed to mean that such amount is its total budget or appropriation. The initials "A.S.F." as they appear in this Section, or elsewhere in this Ordinance, shall mean "Appropriation to Special Fund" which is hereby defined to mean that the amount as is shown being appropriated is to a Special Fund that will not revert to the General Fund at the end of the fiscal year.

**GENERAL GOVERNMENT & SUPPORTED AGENCIES:**

City Council	\$ 571,955
Air Pollution Control Bureau. . . . . A.S.F.	270,820
Allied Arts Council. . . . . A.O.	250,000
Association of Visual Artists . . . . . A.O.	15,000
Chattanooga Regional History Museum	48,000
Audits, Dues, & Surveys	143,750
Capital Improvements	5,302,101
CARCOG & Economic Development Distr. . . . . A.O.	30,493
CARTA Subsidy. . . . . A.O.	2,976,800
Carter Street Corporation Lease Agreement. . . . . A.O.	1,426,542
C-HC Bicentennial Public Library. . . . . A.S.F.	2,405,725
Chatt. African-American Museum/Bessie Smith . . . . A.O.	70,000
Chatt. African-American Museum Bldg. Maint. . . . A.S.F.	35,000
Chattanooga Neighborhood Enterprises. . . . . A.O.	2,000,000
Chattanooga Area Urban League. . . . . A.O.	50,000
Chattanooga Storm Water Fees. . . . . A.S.F.	75,000
Children’s Advocacy Center. . . . . A.O.	30,000
City Court (Judicial) #1	299,196
City Court (Judicial) #2	320,201
Community Foundation Scholarships	160,000
Community Research Council, Inc.	10,000
Contingency Fund	500,000
Debt Service Fund. . . . . A.S.F.	8,964,342
Downtown Design Center	236,501
Downtown Partnership. . . . . A.O.	140,000
Homeless Health Care Center. . . . . A.O.	17,500
Human Services. . . . . A.S.F.	1,481,641
Inner City Development Corp.	35,000
Intergovernmental Relations	228,850
City Attorney’s Office	
Administration	698,285
Liability Insurance Fund . . . . . A.S.F.	850,000
Renewal & Replacement	1,500,000
Pensions, FICA, & UIC	41,500
Regional Planning Agency. . . . . A.S.F.	876,277
Scenic Cities Beautiful. . . . . A.S.F.	30,294
Tuition Assistance Program	20,000
Taxi Board. . . . . A.O.	300
Tennessee RiverPark. . . . . A.O.	807,572
WTCL-TV-Channel 45 . . . . . A.O.	60,000
	<hr/>
<b>TOTAL</b>	<b>\$ 32,978,645</b>

SECTION 5(b). The appropriation to Chattanooga Neighborhood Enterprises (CNE) is contingent upon CNE’s continued commitment to providing access to affordable housing within the community and the City’s continued reliance on CNE to provide this service on behalf of the City of Chattanooga. Further, this funding is subject to covenants to be entered into by the City and CNE providing for the reversion to the City of loan portfolios and other assets which were funded by the city in the event that CNE is sold, becomes a “for-profit” entity, ceases to exist for

any other reason, changes its mission focus from providing affordable housing for the Chattanooga Community, or ceases to be the City’s chosen agency to perform the affordable housing mission.

SECTION 6. That there be and is hereby established a budget for each of the following special funds for Fiscal Year 2001-2002:

Fund Number	Fund Title	Amount
1119	<u>ECONOMIC DEVELOPMENT/EDUCATION FUND</u>	
Estimated Revenue:		
City – Only Sales Tax		\$ 17,594,842 =====
Appropriations:		
Education – Hamilton County		\$ 8,459,059
Chattanooga Economic Development Capital Fund		3,764,629
Chattanooga African-American Chamber of Commerce		150,000
Chattanooga Chamber for Economic Development		400,000
Public/Private Partnership on Education		338,361
Business Development Initiative		75,000
Net Debt Service		4,407,793
		<hr/> \$ 17,594,842 =====

SECTION 6(a). The following provisions apply to the Economic Development/ Education Fund for fiscal year 2002. The direct appropriation to the Hamilton County Education Department shall be frozen at the FY2001 level as indicated above. All funds collected above that amount this year and in subsequent years shall be held by the City for funding of the Mayor’s education initiatives. Beginning in FY2003, the direct appropriation to Hamilton County Education shall be reduced by an amount equal to seventy-five percent (75%) of the annual operating costs and salaries of City Police Officers functioning as School Resource Officers in Hamilton County Schools. Further reductions for expenses directly related to education may occur in future years.

SECTION (6)(a)(1). There is hereby established a funding level and mission for the Mayor’s initiative on the Public/Private Partnership on Education. This funding level equivalent to the excess funds collected over the “frozen” level discussed in SECTION (6)(a) may cover salaries (for a limited staff), administrative expenses, analysis of fundraising opportunities and programs to benefit principally schools within the City, and other education-oriented initiatives.

SECTION (6)(a)(2). The Mayor is hereby authorized to enter into an agreement and make any payments attendant thereto between the City and entity to be selected at a later date for an amount not to exceed seventy-five thousand dollars (\$75,000.00). The purpose of this agreement is to develop a framework for providing access to capital and other economic and business development tools/opportunities to stimulate growth and establishment of small businesses primarily within the City.

SECTION (6)(a)(3). There is also established a loan pool to be made available to stimulate economic growth in the small and minority business communities. The initial amount of this loan pool shall be the one million, five hundred thousand dollars (\$1,500,000.00) previously allocated to the Community Development Financing Institute. This loan pool may be supplemented from time to time by contributions from other sources and repayments to the pool so as to be self-perpetuating to the extent possible. Said loan pool is to be administered by and loans approved by the selected entity [ref. SEC.(6)(a)(2)] subject to oversight by the Department of Finance and Administration.

SECTION (6)(a)(4). The appropriation to the Chattanooga Chamber of Commerce for Economic Development is subject to approval by the Mayor of a plan of action submitted by the Chamber of Commerce that outlines a strategy to recruit new businesses and further develop existing businesses in the Chattanooga area. In addition, the Mayor must be convinced that the mission of the Chamber focuses on economic development in the Chattanooga area.

2104 STATE STREET AID FUND

Estimated Revenue:	
State of Tennessee	\$ 3,621,297
Investment Income	50,000
Fund Balance	358,703
General Fund Subsidy	320,000
	-----
	\$ 4,350,000
	=====
Appropriations:	
Appropriation	\$ 4,350,000
	-----
	\$ 4,350,000
	=====

3100 DEBT SERVICE FUND

Estimated Revenue:	
General Fund	\$ 8,964,342
911 Emergency Communications	200,000
Hamilton County	799,098
Safety Capital (Fire Loan)	3,889
	-----
	\$ 9,967,329
	=====
Appropriations:	
Principal	\$ 4,658,954
Interest	4,005,797
Bank Service Charges	10,000
Future Debt	1,292,578
	-----
	\$ 9,967,329
	=====

2105 COMMUNITY DEVELOPMENT FUND

Estimated Revenue:	
Community Development Block Grant - New Grants	\$ 2,682,000
CDBG – Program Income	990,000
Emergency Shelter Grant	90,000
	<hr/>
	\$ 3,762,000
	=====

Appropriations:	
28th Legislative District CDC	\$ 22,600
Allied Arts	100,000
Boy Scout of America	46,500
CADAS	150,000
Chattanooga Homeless Coalition	34,000
Chattanooga Scenic Drum & Bugle	72,000
City of Chattanooga Human Services	35,000
City of Chattanooga Neighborhood Services	75,000
City of Chattanooga Parks, Rec Arts & Culture	50,000
Chattanooga Neighborhood Enterprise	1,225,000
Community Housing Resource Bd	10,000
Contingency	400,000
Family & Children’s Services	64,500
Good Neighbor’s Housing	100,000
Inner City Development Corporation	300,000
Room In The Inn	100,000
St. Elmo/Alton Park Partners	10,000
Tennessee Temple	200,000
United Methodist Center	10,000
United Way Center for NonProfits	10,000
Community Development Administration	500,000
Community Development Administration Planning	67,400
ESG – Chatt Room in the Inn	22,773
ESG – Family & Children’s Services	67,227
THDA-ICDC	40,000
THDA-Scenic View CDC	50,000
	<hr/>
	\$ 3,762,000
	=====

2105 ECONOMIC & COMMUNITY DEVELOPMENT - HOME PROGRAM

Estimated Revenue:	
Federal Grant (HOME)	\$ 1,349,000
Program Income	300,000
	<hr/>
	\$ 1,649,000
	=====



Appropriations:

Recycle	\$ 652,851
Waste Disposal – Chattanooga Landfill	146,539
Sanitary Landfill	1,533,794
Wood Recycle	697,504
Solid Waste Reserve	313,423
Renewal & Replacement	25,000
Debt Service	3,222,434
Household Hazardous Waste	100,000
	\$ 6,691,545
	=====

5300

STORM WATER FUND

Estimated Revenue:

Storm Water Fee	\$ 4,104,048
General Fund Subsidy	683,952
	\$ 4,788,000
	=====

Appropriations:

Stormwater Administration	\$ 1,346,722
Storm Water City Wide Services	1,049,360
Renewal & Replacement	77,600
Debt Service	2,314,318
	\$ 4,788,000
	=====

SECTION 6(b). That there be and is hereby authorized the appropriation of all collections and fund balances to the respective funds, other than the General Fund, to be expended for the general public purposes as indicated.

SECTION 7(a). That all persons in the General City Employee Pay Plan within the “City of Chattanooga Classification System” and covered by the “Pay Plan” on the effective date of this Ordinance shall receive a five hundred dollar (\$500.00) increase followed by a two percent (2%) increase in pay in addition to the amount they are being paid on the effective date of this Ordinance. That all persons in the Fire and Police Pay Plans within the “City of Chattanooga Classification System” and covered by the “Pay Plans” on the effective date of this Ordinance shall receive a five hundred dollar (\$500.00) increase followed by a two percent (2%) increase in pay in addition to the amount they are being paid on the effective date of this Ordinance. This raise shall be retroactive to July 1, 2001, only for those persons employed by the City on July 1, 2001, and still employed by the City. However, there shall be no “step” increases at that time; steps having been held in abeyance for this fiscal year. Employees hired subsequent to February 28,

2002, shall not be eligible for a step increase prior to June 30, 2003; provided however, that steps are permitted. However, a Department head can certify that an employee is not qualified for a step increase. Also, all persons within the "City of Chattanooga Classification System" but not covered by the "Pay Plans" shall receive a five hundred dollar (\$500.00) increase and a two percent (2%) increase in pay effective July 1, 2001. Permanent part-time employees shall receive a three and one-half percent (3.5%) increase.

SECTION 7(a)(1). In addition to the minimum rate of pay established in the Classification Plan, a rate of pay less than Step One (1) of the designated pay grade may be assigned to the newly employed or promoted incumbent for a specified period of time. This step shall be identified as "probation step". Provided, however, that no full time City employee shall be paid less than the prevailing poverty rate, except for those employees whose pay is governed by federal formula.

SECTION 7(a)(2). Any person employed on a temporary basis in positions authorized within the Classification Plan shall be paid at a rate not more than Step One (1) of the position's pay grade. As provided in the Chattanooga City Code, Part II, temporary employment shall not exceed a period of six (6) months on any occasion.

SECTION 7(a)(3). In addition to positions provided for hereinafter, known as positions within the "City of Chattanooga Classification Plan", which includes only permanent full time positions, the City recognizes and authorizes the following types of designation of positions as exempt from the Classification Plan: Permanent Part-Time, Temporary Part-Time, Permanent Daily, Permanent Full-Time Elected Officials, and Temporary Full-Time.

SECTION 7(b). That except as otherwise provided, the positions specified hereinafter are hereby authorized at the pay grades or maximum amounts and upon the terms hereinafter specified.

SECTION 7(b)(1). The positions above reflect the elimination of one hundred fourteen (114) vacant positions previously funded in the FY2001 budget. Additionally, all nonessential part-time or temporary positions will be eliminated. Further, there are identified fifty-nine (59) full-time positions to be eliminated by December 31, 2002. None of these fifty-nine (59) positions shall include sworn firefighters or police officers. In addition to these positions, further positions shall be earmarked for elimination by Dec. 31, 2002 resulting in total reductions from the FY2001 levels of employment of two hundred (200) positions.

SECTION 7(b)(2). In order to achieve the efficiencies possible through this approach, the Mayor is hereby authorized to realign, reclassify or otherwise change positions within the total number of funded positions provided for.

SECTION 7(b)(3). During the period of this budget and until December 31, 2002, the Mayor and his staff will conduct an aggressive effort to transfer current employees whose positions have been identified for elimination. Barring unforeseen circumstances, no layoffs of full-time employees are anticipated prior to December 31, 2002.

SECTION 8. That all salaries and wages and other expenditures shall be paid only upon the authorization of the official who has the responsibility of expending the appropriation

against which the salaries or wages or other expenditures are charged, pursuant to Private Acts of 1953, Chapter 105, Section 2 (4). That all funds appropriated in this Ordinance for payment of salaries and/or wages shall be spent for salaries and wages only unless proper authorization is given to do otherwise.

SECTION 9. That the City Finance Officer is authorized to pay the payroll and/or costs of personal services, whether on the payroll, voucher or otherwise, of the Air Pollution Control Bureau, Chattanooga-Hamilton County Bicentennial Library, Chattanooga-Hamilton County Regional Planning Agency, Special Counsels and personnel of the Office of the City Attorney, Human Services Department, Scenic Cities Beautiful, and any other department, agency, board, commission, office, division, or branch of Municipal Government heretofore or hereafter established, notwithstanding that same is not specified hereinbefore, as certified to him by the respective administrative official.

SECTION 9(a). That the City Finance Officer is authorized to pay a uniform and equipment maintenance allowance of five hundred dollars (\$500.00) for all sworn policemen and firefighters as of July 1, 2001. Further, the City Finance Officer is authorized to pay a supplemental tool allowance of one hundred fifty dollars (\$150.00) for certain employees as set forth in Resolution No. 18381, dated December 5, 1989, as amended; and is authorized to pay a supplemental uniform allowance of two hundred twenty-five dollars (\$225.00) for certain employees as set forth in Resolution No. 17840, dated October 4, 1988, as amended. It shall be the duty of employees receiving these supplements to use the funds for the specified purpose and retain receipts to that effect. Any unused funds shall be returned to the City of Chattanooga.

SECTION 9(b). That the City Finance Officer is authorized to match the total salaries of all participants in the Fire and Police Pension Fund with a contribution from the General Fund not to exceed twelve point twenty-four percent (12.24%).

SECTION 9(c). That the City Finance Officer is authorized to match the total salaries of all participants in the General Pension Plan as specified in the most recent actuarial study with zero percent (0.0%) contribution from the General Fund.

SECTION 9(d). That the City Finance Officer is authorized to pay the following Union Pension Plans the specified amounts per participation agreements:

Central Pension Fund	\$1.11 Per Hour
LIUNA (Laborers) Pension Fund	\$ 0.86 Per Hour

SECTION 10. That the City Finance Officer is authorized to reimburse officials and employees for use of personal vehicles on official business at the current rate per mile recognized and established by the Internal Revenue Service.

SECTION 11. That for employees currently receiving a monthly allowance of four hundred dollars (\$400.00) per person in-lieu of a take-home government vehicle shall continue to

receive same for as long as such employee holds his or her current position. Additional employees may receive this allowance only with approval of the Mayor and passage of an ordinance by the City Council.

**SECTION 12.** That pursuant to the Charter, it shall be unlawful for any department, agency, or branch of the Government to expend any money other than the purpose for which it was appropriated, nor shall the expenditures for a purpose exceed the appropriation for said purpose.

**SECTION 13.** If at any time the actual receipt of revenues is projected to be less than the estimated revenues, it shall be the duty of the Mayor to forthwith initiate an ordinance amending this budget ordinance so as to appropriately reduce or otherwise change the various appropriations made herein which, in the judgment of the City Council, should be made.

**SECTION 14.** That any person, firm or corporation who engages in any business, occupation or vocation without first obtaining a license or permit therefore as provided herein shall, upon conviction, be fined not less than two dollars (\$2.00) nor more than five hundred dollars (\$500.00) for each violation, and each day or violation shall constitute a separate offense.

**SECTION 15.** That Chattanooga City Code, Part II, Chapter 2, be and the same is hereby amended so as to add new Sections 2-585 and 2-586 to read as follows:

**Sec. 2-585. Preservation fee.**

There is hereby imposed a preservation fee on each ticket sold for events held at either the Memorial Auditorium or the Tivoli Theater as follows:

- Increase of \$.25 for tickets costing \$0.00 - \$10.00
- Increase of \$.50 for tickets costing \$10.01 - \$20.00
- Increase of \$.75 for tickets costing \$20.01 and above

This preservation fee is to be added to the cost of the tickets as otherwise provided for or negotiated.

**Sec. 2-586. Rental Rates for Memorial Auditorium and Tivoli Theater and Community Theater.**

There is hereby established a rental rate schedule for the Memorial Auditorium, Tivoli Theater and Community Theater as follows:

Memorial Auditorium

		<u>Ticketed Events</u>	<u>Non-Ticketed Events</u>
Resident Non-Profit	(Monday-Thursday)	\$1,200.00	\$1,600.00
	(Friday-Sunday)	\$1,450.00	\$1,850.00
Non-Profit	(Monday-Thursday)	\$1,300.00	\$1,700.00
	(Friday-Sunday)	\$1,550.00	\$1,950.00
For-Profit	(Monday-Thursday)	\$1,400.00*	\$1,800.00*
	(Friday-Sunday)	\$1,650.00*	\$2,050.00*

\* vs. 10%-no cap (negotiated by Manager)

Tivoli Theater

	<u>Ticketed Events</u>	<u>Non-Ticketed</u>
<u>Events</u>		
Resident Non-Profit	\$1,100.00	\$1,300.00
Non-Profit	\$1,200.00	\$1,400.00
For-Profit	\$1,300.00*	\$1,500.00*
* vs. 10%-no cap (negotiated by Manager)		

Community Theater

	<u>Ticketed Events</u>	<u>Non-Ticketed</u>
<u>Events</u>		
Resident Non-Profit	\$450.00	\$550.00
Non-Profit	\$450.00	\$550.00
For-Profit	\$450.00*	\$550.00*
* vs. 10%-capped @ \$800.00		

SECTION 16. That Chattanooga City Code, Part II, Chapter 3, Section 3-8(a), be and the same is hereby amended so as to delete any and all references therein to “One Hundred Twenty-Five Dollars (\$125.00)” and substitute in lieu thereof “Two Hundred Dollars (\$200.00).”

SECTION 17. That Chattanooga City Code, Part II, Chapter 3, Section 3-8(b), be and the same is hereby amended so as to delete any and all references therein to “Eighty Dollars (\$80.00)” and substitute in lieu thereof “One Hundred Twenty-Five Dollars (\$125.00)” and so as to delete any and all references therein to “Thirty Dollars (\$30.00)” and substitute in lieu thereof “Fifty Dollars (\$50.00).”

SECTION 18. That Chattanooga City Code, Part II, Chapter 3, Section 3-81(a), be and the same is hereby amended so as to delete any and all references therein to “Five Dollars (\$5.00)” and substitute in lieu thereof “Thirty Dollars (\$30.00).”

SECTION 19. That Chattanooga City Code, Part II, Chapter 3, Section 3-103, be and the same is hereby amended so as to delete any and all references therein to “Fifty Dollars (\$50.00)” and substitute in lieu thereof “One Hundred Dollars (\$100.00).”

SECTION 20 That Chattanooga City Code, Part II, Chapter 3, Section 3-125, be and the same is hereby amended so as to delete any and all references therein to “One Hundred Dollars (\$100.00)” and substitute in lieu thereof “One Hundred Twenty-Five Dollars (\$125.00).”

SECTION 21. That Chattanooga City Code, Part II, Chapter 10, Section 10-3, be and the same is hereby amended so as to delete subsections (e)3313(D) and (e)3313(F) and delete subsection (g) and substitute in lieu thereof a new subsection (g) to read as follows:

(g) In addition to the fees otherwise provided hereinabove, the Building Official and/or his or her designee shall charge a non-refundable fee for the following services:

**AMENDED FEE SCHEDULE**

**B101 Permit Fees**

<b>Total Valuation</b>	<b>Fee</b>
\$1,000 and less	No fee, unless inspection required, in which case a \$15.00 fee for each inspection shall be charged.
\$1,001 to \$50,000	\$15.00 for the first \$1,000.00 plus \$5.00 for each additional thousand or fraction thereof, to and including \$50,000.00
\$50,001 to \$100,000	\$260.00 for the first \$50,000.00 plus \$4.00 for each additional thousand or fraction thereof, to and including \$100,000.00
\$100,001 to \$500,000	\$460.00 for the first \$100,000.00 plus \$3.00 for each additional thousand or fraction thereof, to and including \$500,000.00
\$500,001 and up	\$1,660.00 for the first \$500,000.00 plus \$2.00 for each additional thousand or fraction thereof

**B102 MOVING FEE**

For the moving of any building or structure, the fee shall be \$100.00.

**B103 DEMOLITION FEES**

For the demolition of any building or structure, the fee shall be:

Residential Structures (maximum of 4 units)	\$100.00
Non-Residential & Apartments	\$200.00

**B104 PENALTIES**

Where work for which a permit is required by this Code is started or proceeded with prior to obtaining said permit, the fees herein specified may be doubled, but the payment of such double fee shall not relieve any persons from fully complying with the requirements of this Code in the execution of the work nor from any other penalties prescribed herein.

**B105 OTHER FEES**

Certificates of Occupancy (New Facility)	\$ 10.00
Certificates of Occupancy (Conditional)	50.00
Certificates of Occupancy (Existing Facility)	50.00
Certificates of Occupancy (Beverage License)	25.00
Certificates of Completion	10.00
Fee for Sewer Verification Letter	50.00
Fee for Zoning Letter	50.00
Fee for Code Compliance Letter (Basic)	50.00
Fee for Code Compliance Letter	.05/per sq. ft.
Fee for Code Compliance Letter (warehouse/industrial)	500.00+*
{*.02/sq. ft. for each add'l sq. ft. above 10,000}	(max. \$2,000)
Fee for Re-inspections (Bldg., Plumbing, Gas, Mechanical Electrical and Signs)	25.00
Fee for Permit Transfer	25.00
Fee for Modular Home Site Investigation	25.00
Plan Checking Fee	(30% of Building Permit Fee)
Phased Construction Plans Review Fee (50% of Building Permit Fee)(5,000 max.)	
Cell Tower Site Review Fee	100.00
Cell Tower Technical Location Requirements Review Fee	1,500.00
Construction Board of Appeals:	
Fee for 1-2 Family Structure Appeals	50.00
Fee for all other Appeals	100.00
Fee for Variance Request to Board of Zoning Appeals	75.00
Fee for Appeal to the Board of Sign Appeals	100.00
Fee for Floodplain Variance Request	100.00
Fee for Fire District Removal Request	100.00

SECTION 22. That Chattanooga City Code, Part II, Chapter 10, Section 10-5, be and the same is hereby amended so as to designate the existing Section 10-5 as subsection 10-5(a) and add a new subsection 10-5(b) to read as follows:

(b) The Building Official and/or his or her designee shall be authorized to charge a non-refundable fee in the amount of One Hundred Dollars (\$100.00) for any Fire District removal request.

SECTION 23. That Chattanooga City Code, Part II, Chapter 10, be and the same is hereby amended so as to add a new Section 10-23 to read as follows:

**Sec. 10-23. Engineering plans review and fees.**

The City Engineer is authorized to charge a non-refundable fee for services provided as follows:

Plans deposit for project cost of \$500,000 or less	\$ 100.00
Plans deposit for project cost of \$501,000 to \$1,000,000	150.00
Plans deposit for project cost of over \$1,000,000	250.00
Subdivision review & inspection fee for lots (per lot)	300.00

SECTION 24. That Chattanooga City Code, Part II, Chapter 12, Section 12-21, be and the same is hereby amended so as to delete subsections 12-21(a) and (d) in their entirety and substitute in lieu thereof new subsections 12-21(a) and (d) to read as follows:

(a) In all cases tried in the City Court of Chattanooga for the violation of ordinances of said City, costs shall be taxed as follows:

Clerk's Fee	\$ 28.75
Microfilming	2.00
Data Processing	3.50
Technology Fee	3.00

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(d) The Clerk's fee in the amount of Twenty-Eight and 75/100 Dollars (\$28.75) shall be reduced to Eighteen and 75/100 Dollars (\$18.75) for all violations paid prior to Court.

SECTION 25. That Chattanooga City Code, Part II, Chapter 14, Section 14-15, be and the same is hereby amended so as to delete said Section in its entirety and substitute in lieu thereof a new Section 14-15 to read as follows:

**Sec. 14-15. Same-Fees.**

Before any electrical contractor obtains a permit for installation or alterations, services, feeders, branch circuits or signs, he shall pay a fee for such permit based upon the following; however, the minimum fee shall not be less than twenty dollars (\$20.00):

- (1) Fees for work on electrical services:
  - 600 volts or less..... \$ 20.00
  - plus per 100 amps..... 4.00
  - Over 600 volts, per KVA (\$200.00 min.) .20
  - Fee for temporary service complete \$20.00
  
- (2) Fees for work on separately derived systems, per 100 amps..... \$ 4.00
  
- (3) Fees for work on feeder and branch circuits (new or alterations to existing):
  - 0-30 amp ..... \$ 2.00
  - 31-100 amp..... 4.00
  - Larger, per 100 amp..... 8.00
  
- (4) Fees for interior-wired signs:
  - 25 sq. ft. or less..... \$20.00
  - Over 25 square feet..... 20.00 plus \$.20
  - for each additional square foot over 25 square feet
  - Neon transformers..... \$20.00 per transformer
  - with maximum of 3 transformers
  
- (5) Fees for approval of non-listed or non-labeled

	signs and showcases.....	\$20.00 each
(6)	Fees for neon transformers:	
	Neon transformers.....	\$10.00 per transformer
with a		\$60.00 minimum
charge		
(7)	Re-inspection fee.....	\$25.00

**SECTION 26.** That Chattanooga City Code, Part II, Chapter 14, Section 14-16, be and the same is hereby amended so as to delete any and all references therein to “ten dollars (\$10.00)” and substitute in lieu thereof “twenty dollars (\$20.00)” and to delete any and all references therein to “one hundred dollars (\$100.00)” and substitute in lieu thereof “two hundred dollars (\$200.00).”

**SECTION 27.** That Chattanooga City Code, Part II, Chapter 14, Section 14-18 be and the same is hereby amended so as to delete any and all references therein to “ten dollars (\$10.00)” and substitute in lieu thereof “twenty-five dollars (\$25.00)” and to delete any and all references therein to “twenty dollars (\$20.00)” and substitute in lieu thereof “fifty dollars (\$50.00).”

**SECTION 28.** That Chattanooga City Code, Part II, Chapter 16, Section 16-57, be and the same is hereby amended so as to delete said Section in its entirety and substitute in lieu thereof the following:

**Sec. 16-57. Charges for records and fingerprinting.**

The Chattanooga Police Department is authorized and directed to charge the following fees for the following records and services:

Accident reports.....	\$ 7.00
Incident reports (except to victim).....	7.00
Background checks.....	5.00
Fingerprinting	
First Card.....	9.00
Second and subsequent cards.....	2.00
Arrest reports.....	7.00

**SECTION 29.** That Chattanooga City Code, Part II, Chapter 18, Section 18-49, be and the same is hereby amended so as to add a new subsection 18-49(d) to read as follows:

(d) There shall be a charge of Three Dollars (\$3.00) per bag for the pick-up of dead animals from veterinary clinics with a Fifteen-Dollar (\$15.00) minimum charge. The bags can not weigh more than thirty (30) pounds. Those dead animals exceeding thirty (30) pounds must be placed in a bag alone. Collection dates must be scheduled in advance. A Five Dollar (\$5.00) surcharge will be added for all non-scheduled requests.

**SECTION 30.** That Chattanooga City Code, Part II, Chapter 26, be and the same is hereby amended so as to add new Sections 26-22 through 26-24 to read as follows:

**Sec. 26-22. Rental rates for Greenway Farm Conference Room.**

There shall be a charge of Twenty-Five Dollars (\$25.00) per hour for the Greenway Farm Conference Room, not to exceed One Hundred Dollars (\$100.00) per day, for the rental of the Greenway Farm.

**Sec. 26-23. Rental rates for Walker Pavilion.**

There is hereby established a rental rate schedule for the Walker Pavilion as follows:

Casual Daily User	Free
Pavilion Table Reservation	\$ 25.00/per 2 hours
Private Facility Rental (6 p.m. – 12 midnight)	\$350.00
—User rents table and chairs privately	
—Insurance cost is renters	
—Off-duty police officer(s)	
—\$100.00 maintenance deposit (refundable)	

**Sec. 26-24. Rental rates for Park Spaces (Walnut Street Bridge, Coolidge Park and Ross’s Landing).**

There is hereby established a rate of One Thousand Dollars (\$1,000.00) for reserving the Walnut Street Bridge, Coolidge Park or Ross’s Landing for festivals and special events. Five Hundred Dollars (\$500.00) will be refunded upon proper maintenance and damage correction being performed.

SECTION 31. That Chattanooga City Code, Part II, Chapter 27, Section 27-3, be and the same is hereby amended so as to delete Appendix A Permit Fees, as amended, and substitute in lieu thereof the following:

**AMENDED APPENDIX A  
PERMIT FEES**

*Permit Fees:*

For issuing each permit \$ 20.00

*Plus the following when provided:*

For each Plumbing Fixture, Floor Drain or Trap (including Water and Drainage Piping)	5.00/ea.
For each Building Sewer	8.00/ea.
For each Building Sewer having to be replaced or repaired	8.00/ea.
For each Water Heater and/or Vent	5.00/ea.
For installation, alteration or repair of water piping and/or water treating equipment	8.00/ea.
For repair or alteration of Drainage or Vent Piping	8.00/ea.
For each Pressure Reducing Device and each Check Valve Assembly-- One to Five	5.00/ea.
Over Five, each	3.00/ea.

For Vacuum Breakers or backflow protective devices installed subsequent to the installation of the piping or equipment served---  
 One to Five  
 5.00/ea.  
 Over Five, each  
 3.00/ea.  
 For each Grease or Oil Interceptor  
 5.00/ea.  
 Other Miscellaneous Items, each  
 5.00/ea.  
 Sanitary Sewer Connection  
 70.00  
 Lateral Sewer provided  
 800.00  
 Re-inspection fee  
 25.00

SECTION 32. That Chattanooga City Code, Part II, Chapter 31, Section 31-4(d), be and the same is hereby amended so as to delete any and all references therein to “five hundred dollars (\$500.00)” and substitute in lieu thereof “eight hundred dollars (\$800.00)” and to delete any and all references therein to “ten dollars (\$10.00)” and substitute in lieu thereof “twenty dollars (\$20.00).”

SECTION 33. That Chattanooga City Code, Part II, Chapter 32, be and the same is hereby amended so as to add a new Section 32-44 to read as follows:

**Sec. 32-44. Temporary Use Permit.**

It shall be unlawful for any person to place an obstruction on or over any City right-of-way or property unless such person has obtained a temporary use permit from the City. Applications for such permits shall be made by the City Engineer’s Office along with a non-refundable application fee of One Hundred Dollars (\$100.00).

SECTION 34. That Chattanooga City Code, Part II, Chapter 32, Section 32-64, be and the same is hereby amended so as to delete said Section in its entirety and substitute in lieu thereof a new Section 32-64 to read as follows:

**Sec. 32-64. Application fee.**

Each application shall be accompanied by a fee as follows:

- (a) Three Hundred Dollars (\$300.00) for a utility cut in street pavement or boring perpendicular to center line.
- (b) One Hundred Dollars (\$100.00) for driveway or curb cuts.
- (c) One Dollar (\$1.00) per lineal foot for cuts in right-of-way parallel to centerline with a Three Hundred Dollar (\$300.00) minimum.

SECTION 35. That Chattanooga City Code, Part II, Chapter 35, Section 35-152, be and the same is hereby amended so as to delete any and all references therein to “one hundred dollars (\$100.00)” and substitute in lieu thereof “two hundred dollars (\$200.00),” to delete any and all references

therein to "twenty-five dollars (\$25.00)" and substitute in lieu thereof "fifty dollars (\$50.00)," and to delete any and all references therein to "fifty dollars (\$50.00)" and substitute in lieu thereof "one hundred dollars (\$100.00)."

SECTION 36. That Chattanooga City Code, Part II, Chapter 35, Section 35-168(b), be and the same is hereby amended so as to delete any and all references therein to "ten dollars (\$10.00)" and substitute in lieu thereof "twenty dollars (\$20.00)."

SECTION 37. That this Ordinance shall be operative, as distinguished from its effective date, on and after July 1, 2001.

SECTION 38. That if any section, sentence, word or figures contained in this Ordinance should be declared invalid by a final decree of a Court of competent jurisdiction, such holding shall not affect the remaining sentences, sections, words or figures contained in this Ordinance, but the same shall remain in full force and effect.

SECTION 39. That this Ordinance shall take effect two (2) weeks from and after its passage as provided by law.

PASSED on Third and Final Reading

\_\_\_\_ September 11, \_\_\_\_\_, 2001.

\_\_\_\_ Yusuf A. Hakeem /S/  
CHAIRPERSON

APPROVED: Y DISAPPROVED: \_\_\_\_\_

DATE: 9/13, 2001

\_\_\_\_ Bob Corker /S/  
MAYOR

Reviewed by: \_\_\_\_\_  
JAMES S. BONEY /S/

RLN/JSB:cjc/rr

