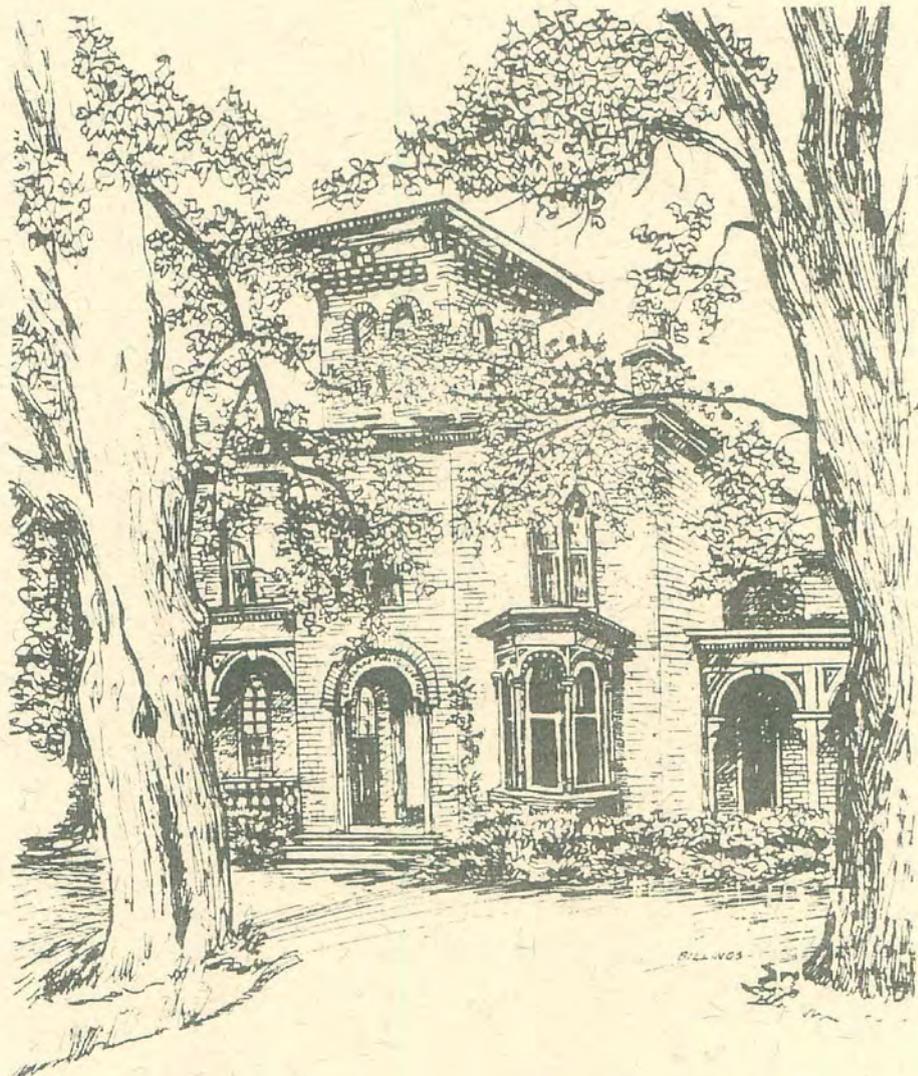


Founded
1842

Incorporated
1903

*City of Cleveland
Tennessee*



*Annual Budget
2011 - 2012*

*City of Cleveland,
Tennessee*



*Annual Budget
FY 2012*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Cleveland

Tennessee

For the Fiscal Year Beginning

July 1, 2010

Two handwritten signatures in black ink. The signature on the left is for the President, and the signature on the right is for the Executive Director.

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Cleveland, Tennessee for its annual budget for the fiscal year beginning July 1, 2010. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Mission Statement

City of Cleveland, Tennessee

Provide for the health, safety, education, and welfare of all citizens of Cleveland by providing efficient, high quality community services and schools, sound municipal leadership, and progressive planning for the future.

City of Cleveland, Tennessee

Annual Budget

Fiscal Year 2011-2012

City Officials:

<i>Mayor:</i>	Tom Rowland
<i>City Council:</i>	George Poe, Jr., (at large) Richard Banks, (at large) Charlie McKenzie, District 1 William Estes, District 2 Avery Johnson, Sr., District 3 David May, Jr., District 4 Dale Hughes, District 5
<i>City Attorney:</i>	John F. Kimball
<i>City Judge:</i>	Bill B. Moss
<i>City Manager:</i>	Janice S. Casteel
<i>Assistant City Manager:</i>	Melinda B. Carroll

Department Heads:

<i>Director of Finance/ City Clerk:</i>	Michael L. Keith, CPA
<i>Fire Chief:</i>	Chuck Atchley
<i>Library Director:</i>	Andrew Hunt
<i>Parks & Recreation Director:</i>	Patti Petitt
<i>Community Development Director:</i>	Greg Thomas
<i>Police Chief:</i>	Wes Snyder
<i>Public Works Director:</i>	Tommy Myers
<i>Cleveland Utilities General Manager:</i>	Tom Wheeler, PE
<i>Director of Schools:</i>	Dr. Martin Ringstaff

Table of Contents

	Page #
Front Cover Sheet	
Certificate - Government Finance Officers Association Distinguished Budget Presentation Award	
Mission Statement	
Listing of City Officials	
Table of Contents	
I. Introduction	i
Reader's Guide	vii
II. City Manager's Budget Message	xi
III. Summary of the Budget - All Funds	1-32
IV. Ordinances:	
Budget Ordinance	33-43
Tax Rate Ordinance	44-45
Appropriations Resolution	46-47
Electric-In-Lieu of Tax Resolution	48
Water-In-Lieu of Tax Resolution	49
Cleveland City Schools Federal Project Fund Resolution	50
V. Financial Policies and Budget Preparation	51-66
VI. Personnel Administration	
Personnel Overview	67-68
Organization Chart of the City	69-71
Staffing Overview	72-73
List of Authorized Personnel Positions by Department	74-79
Position Classification and Pay Plan	80-87
Fringe Benefits	88-93
Retirement System	94-100
City Boards and Commissions	101-106
Budget by Fund Type and Fund:	
VII. Fund Type: General Fund	
General Fund	107
Budget Summary	108
Revenues:	
Overview	109
Local Taxes	110
Licenses and Permits	111
Intergovernmental Revenues	112
Charges for Services	113
Fines and Forfeitures	114

Table of Contents

	Page #
Fund Type: General Fund (cont.):	
Interest (Investment) Income	115
Miscellaneous Revenues	116
Other Funding Sources	117
Summary of Revenues	118-120
Expenditures:	
Legislative and Judicial	121-126
Administration and Finance Department	127-134
Community Development Department	135-139
Police Department	140-145
Fire Department	146-153
Public Works Department	154-161
Operations Division	162-165
Engineering Division	166-168
Street Lighting and Signals	169-170
Animal Control	171-175
Wellness, Safety and Risk Management	176-180
Parks and Recreation Department	181-187
Administration & Maintenance	188-190
Landscape Maintenance	191-193
College Hill Recreation Center	194-196
Cleveland Community Center	197-199
Tinsley Park	200-202
Waterville Golf Course	203-205
Grants and Other Agency Support	206-209
Transfers to Other Funds	210-212
VIII. Fund Type: Special Revenue Funds	
Special Revenue Funds Overview	213-214
Special Revenue Funds Summary	215-216
Solid Waste Management Fund	217-226
Storm Water Management Fund	227-233
State Street Aid	234-238
Cleveland Public Library	239-245
Drug Enforcement	246-249
Department of Justice Asset Forfeiture Fund	250-252
Red Light Camera Safety Fund	253-255
Byrne Memorial and ARRA Justice Assistance Grants	256-258
Cops Hiring Recovery Grant	259-261
Targeted Crime Reduction Grant	262-264
Metropolitan Planning Organization	265-270
Community Development Block Grant	271-278
Cleveland City Schools	279-291
School Food Service	292-296

Table of Contents

	Page #
IX. Fund Type: Debt Service Funds	
Debt Service Fund	297-324
X. Fund Type: Capital Projects Funds	
Capital Improvement Projects Overview	325-332
Capital Improvements Program (CIP) Fund	333-335
Sales Tax Capital Projects Fund	336-337
Greenway Fund	338-342
Fletcher Park Trust Fund	343-344
2009 Bradley County Build America Bond Fund	345-346
2009 QSCB Fund	347-348
ARRA Grant Projects Fund	349-350
TN Housing Development Agency Home Grant	351-352
XI. Fund Type: Enterprise Funds	
Cleveland Municipal Airport Authority	353-359
Cleveland Utilities Overview	360-373
Cleveland Utilities Electric Fund	374-380
Cleveland Utilities Water/Wastewater Fund	381-390
XII. Fund Type: Internal Service Funds	
Fleet Management Fund	391-400
XIII. Fund Type: Trust Fund	
Meiler Estate Animal Shelter Fund	401-404
XIV. Appendices	
Glossary of Terms	405-413
List of Acronyms	414-415
Property Tax Rates - Direct and Overlapping Governments - Ten Years	416
Principal Employers	417
Principal Taxpayers	418
Cleveland Utilities Electric Division Data	419-421
Cleveland Utilities Water Division Data	422-424
Cleveland Utilities Sanitary Sewer System Data	425
Other Statistical Data	426-428
Computation of Legal Debt Margin	429

Introduction

The City of Cleveland is a fast-growing community that has retained its "hometown" feel. Convenient to numerous tourist attractions ranging from whitewater rafting and mountain climbing to shopping and big-city culture, Cleveland offers a high quality of life to its residents.

Cleveland has a growing economy facilitated by a strong industrial base and fast-evolving retail market. The area is home to 11 Fortune 500 manufacturing companies as well as increasing the tourism component of the economy, with its proximity to the mountains, whitewater rafting, and Cherokee Indian heritage. Its location along the Interstate 75 corridor offers transportation advantages to residents and industries. Regional educational and vocational opportunities, anchored by a wide selection of area private and public colleges and universities, provide a competitive advantage for future workers. A solid secondary educational system, funded in part by the City, ensures a fresh supply of qualified college- and workforce-bound individuals.

With the breath-taking beauty of the area, high standard of living and friendly, "hometown" feel, coupled with the community's unwavering commitment to ensure an even brighter future, Cleveland is a great place to live, work, play and visit.



The average elevation is 875 feet above sea level, the terrain being the foothills of the Appalachian Mountains. The climate is seasonal, but moderate, with mild winters and summers. The average annual rainfall is 54.6" and the relative humidity is 72%. The City is a short distance from the Smoky Mountains and the Cherokee National Forest, site of the 1996 Olympic canoe and kayak events on the scenic Ocoee River. Outdoor recreational activities are plentiful.

The City of Cleveland is the county seat of Bradley County, Tennessee, located in the extreme southeastern corner of the state. Cleveland is located 28 miles northeast of Chattanooga, 82 miles southwest of Knoxville, 124 miles north of Atlanta, 172 miles north of Birmingham, and 181 miles southeast of Nashville. It is located on Interstate 75, US Highways 11 and 64, and State Routes 60, 74, 40 and 2.

The City was incorporated on February 4, 1903, with a population of 400. The county is bordered on the south by Whitfield County, Georgia, to the west by Hamilton and Meigs counties, to the north by McMinn County, and to the east by Polk County, which is adjacent to North Carolina.

The City has a highly diversified economy, having the sixth largest number of manufacturing companies of any community in the state, and being a regional shopping destination and health care provider for surrounding counties in Tennessee, Georgia, and North Carolina. Among the major private-sector employers in the area are: Arch Chemicals, Inc., Bowater Newsprint – Calhoun Operations, Brown Stove Works, Renfro Corporation, Cleveland Chair Co., Procter & Gamble, Hardwick Clothes, Jackson Manufacturing, Johnston Coca-Cola Bottling Co., Master Foods, Whirlpool, SkyRidge Medical Center, Newlywed Foods, Olin Corporation, Peyton’s Southeastern, President Baking, Rubbermaid, Merck, and United Knitting.



The state-certified population for 2010 was 41,285. The City and County are both growing at a moderate rate. The City has shown consistent growth throughout its history, as the following table demonstrates:

Census Population

	City of Cleveland		Bradley County	
	Population	Square Miles	Population	Square Miles
1930	9,136	2.0	22,870	338
1940	11,357	2.0	28,498	338
1950	12,605	4.0	32,338	338
1960	16,196	7.0	38,324	338
1970	21,446	9.2	50,686	338
1980	26,415	13.3	67,547	338
1990	30,354	19.5	73,712	338
2000	37,192	25.0	87,965	338
2010	41,285	25.0	98,963	338

According to the 2010 census, the City's population is 81.4% Caucasian, 7.2% African-American, 7.5% Hispanic, and 3.9% Asian or Other. The median age is 34.8. Those 19 years of age and younger are 26.3% of the population, and those 55 years of age and older are 25.3%. The median income per household is \$32,257 and the per capita income is \$25,572. The housing stock totals 17,841 units, of which 7,820 (48.6%) are owner-occupied. The rental vacancy rate in 2010 was 9.9%. The median value of owner occupied units was \$141,600. Housing costs in Cleveland and Bradley County are 16.6% below the national average as reflected in the third quarter 2009 ACCRA cost of living survey. The unemployment rate has remained very low for the last seven years but, has increased by 3 percentage points since 2008 due to the declining economy. The unemployment rate for Cleveland in March 2011 was 9.4%. The unemployment rate for Bradley County was 9.0%, the State of Tennessee was 9.5% and the national average was 9.2%. The cost of living is 17.8% below the national average, and 1.06% above the state average.

Cleveland is served by Southern Railway, Greyhound bus line, numerous common freight carriers, and barge service from the Hiwassee River by Charleston Marine Transport, Inc. The City owns Hardwick Field, a general aviation airport. Chattanooga's Lovell Field, with both general aviation and commercial aviation capability, is approximately thirty minutes south on Interstate 75.

The City has two institutions of higher learning: Lee University, a 4-year liberal arts school, and Cleveland State Community College, a 2-year technical and community college. The City School System has one primary school, five elementary schools, one middle school, one high school, and one alternative school.

The school system consistently ranks among the top ten public systems in the state on the American College Test (ACT) for college entrance.



Education



Cleveland is home to 8 City-owned and maintained recreational parks, including a handicap park and a nature park. The City also owns and maintains 2 community centers, a soccer complex, a golf course and a greenway with 2 miles of walking paths.



Recreation

Utilities are provided by the following within the City:

Cleveland Utilities	Electricity, water, and wastewater
Volunteer Energy MC	Electricity in some annexed areas
Atlanta Gas	Natural Gas
AT&T	Telecommunications
Charter Communications	Cable Television

There are six local radio stations, AM-WBAC News Radio (1340), WCLE (1570), FM-Mix 104.1; WAYA-TN 93.9, WOOP 99.9 and WSAA-Ocoee 93; one daily newspaper, the Cleveland Daily Banner and one monthly newspaper, The People News. In addition, the Chattanooga Times Free Press, and the Knoxville News Sentinel report on news in Cleveland. Cleveland has its own local television channel with the local cable television provider Charter Communications. Four television stations in Chattanooga also cover Cleveland regularly: WRCB (NBC), WTVC (ABC), WDSI (FOX), and WDEF (CBS). Three public television stations are also available in the area, WTCI in Chattanooga, WTNB in Cleveland, and WCLP in Atlanta.

The City operates under the Council-Manager form of government, established by an amended Private Act Charter in 1993, following a referendum. There are five council-members elected from districts. The Mayor and two council-members are elected at large. All elections are non-partisan, and the terms are for four years, with half the members elected every two years. The City Council then appoints the City Manager to head the administrative functions of city government.



City of Cleveland *Area Map*



Reader's Guide to the Budget

This Budget Document has been organized with the main purpose being to make it user-friendly. Government budgets by definition are confusing documents, particularly for the first-time reader. Generally Accepted Accounting Principles (GAAP) for government require the use of multiple funds. Some of those fund categories are budgeted and accounted for using the modified accrual basis of accounting, and some the accrual basis of accounting. This further complicates the matter for readers of government budgets, who are familiar with private sector accounting using full accrual in which there is one balance sheet and one income statement. These terms are explained in the Financial Policies section; Summary of Significant Accounting Policies, under item C: Measurement focus, Basis of Accounting. It is strongly recommended that you take a few moments to review this Reader's Guide before reading the Budget.

Following this Guide is Tab II, which contains the City Manager's Budget Message. This message discusses the fund structure of the Budget, and which basis of accounting is used for each type of fund. It also includes a listing of the assumptions used in developing the Budget. Finally, it includes a discussion of the major issues facing the City and how the Budget affects them and is affected by them. Immediately following is a listing of the City's Goals and Objectives for FY2012.

Tab III is a multi-sheet spreadsheet, which summarizes all funds of the City of Cleveland, and the projected fund balances. This summary includes all revenues and transfers into a fund, and all expenditures (expenses) and transfers out of a fund. It also shows the uses of cash in those funds using full accrual accounting. In short, it is the entire budget in a condensed format.

Tab IV contains the two ordinances which the City Council must adopt annually in order to establish a Budget for the year: 1) the Budget Ordinance, which officially approves the Budget document; 2) the Tax Rate Ordinance, which officially sets the ad valorem (property) tax rate expressed as cents/\$100 of assessed valuation, and the business license tax rates; as well as the following resolutions: the Agency Appropriation Resolution; and the Water In-Lieu of Tax Resolution.

Tab V contains the Financial Policies of the City, which guide the financial administration of the City. Also, the budget process is described and a budget calendar is included showing the key dates and steps in the preparation of both the Capital Improvements Program (CIP) and the Budget.

Tab VI contains information on the City's personnel functions. First is an overview of the legal framework, including key documents and policies, and how positions and pay increases become authorized. Second is an organization chart followed by a narrative overview of the organization of the City. Third is a staffing overview.

Fourth is a listing of all authorized personnel positions by department for four years. This allows the reader to see the staffing level in each department, and whether it has grown or decreased. Fifth is the Position Classification and Pay Plan, which lists each position and assigns a pay grade to it, and includes the matrix of pay grades. This allows the reader to see the pay range for every classified position within the City. Sixth is a listing of every fringe benefit that the City provides its employees. There is some detailed information on the retirement system and finally a listing of all City boards and commissions, giving their duties and length of term.

Tabs I through VI should provide you with a solid overview of the City; how it is organized to provide services and what those services are; the major issues it faces and its goals and objectives to meet them; the financial policies and personnel policies it uses; the Budget preparation process; the assumptions used in developing the Budget; and a summary of the entire Budget.

Tabs VII through XIII will provide you with detailed information on each fund and operational department and division of the City. The tabs denote each of the seven fund types: 1) general, 2) special revenue, 3) debt service, 4) capital projects, 5) enterprise, 6) internal service, and 7) trust fund. The format used in each fund and department is to present a detailed organization chart; a narrative on the programs, services, and functions provided; a summary of expenditures; the goals and objectives for the year; and the performance measures used.

All positions shown uncolored on the detailed organization charts are financed by the general fund. Those positions shown in a different color are financed by another fund(s), which is explained in each narrative section. Below is a listing of the colors and which fund they represent:

Dark Green	Solid Waste Management Fund
Aqua	School Federal Projects Fund
Blue	School Food Service Fund
Light Green	Storm Water Fund
Lilac	Fleet Management Fund
Yellow	Brush Chipping Fund
Light Blue	State Street Aid Fund
Gray	Library Fund
Navy Blue	Cleveland Utilities
Rose	Community Development Block Grant
Purple	Metropolitan Planning Organization Fund

Tab XIV contains several appendices, the first being a Glossary of Terms. Since governmental budgeting and accounting is different from that in the private sector, definitions of many of our terms have been included. Also included, you will find historical information on property taxes, property values and assessments.

Our hope is that you will find this document informative about your municipal government, and organized in a manner that allows you to find information quickly on any fund, department, or operation. If you have difficulty using it, we would welcome your comments and suggestions for improvement. Please write Mr. Michael L. Keith, C.P.A., Director of Finance/City Clerk, P.O. Box 1519, Cleveland, TN 37364-1519, or phone him at (423) 472-4551.

“A World-Class Place to Call Home”

Cleveland, Tennessee



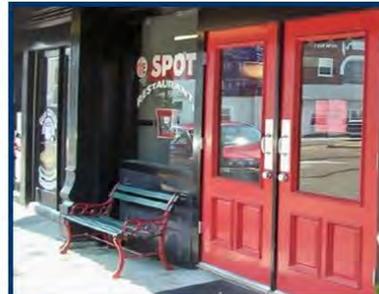
**Apple Valley
Orchards**



**Red Clay
Historical Park**



**Ocoee Whitewater
Center**



The Spot Restaurant



Cleveland Speedway

City of Cleveland
CLEVELAND, TENNESSEE
Office of the City Manager

Janice S. Casteel
City Manager
(423) 472-4551
(423) 559-3337 Fax
jcasteel@cityofclevelandtn.com



Cleveland Municipal Building
190 Church Street, N.E.
P.O. Box 1519
Cleveland, TN 37364-1519

June 28, 2011

Honorable Mayor and City Council
City of Cleveland
P.O. Box 1519
Cleveland, Tennessee 37364-1519

RE: City Manager's Budget Message and Transmittal of the Proposed Budget for
Fiscal Year 2012

Gentlemen:

The FY 2012 Budget for the City of Cleveland is submitted for your consideration. The document includes the revenues and expenditures that are necessary to maintain and in some areas improve the current levels of municipal services.

The FY 2012 Budget addresses infrastructure needs of a growing community. It is a challenge to keep up with the demand for services and facilities in such a growing community. The City of Cleveland is the principal city of the Cleveland Metropolitan Statistical Area (MSA) and it is the employment and commercial center of the metropolitan area. With the construction of a new Volkswagen plant to our south and a new Wacker Chemie plant under construction to our north, it is estimated that Bradley County will add another 33,000 residents over the next two decades, according to the recent Strategic Growth Study for Cleveland, Charleston and Bradley County.

The FY 2012 total budget, which includes all city and Cleveland Utility funds, is \$211,568,250. This represents an 8.8% decrease from the FY2011 amended budget. This decrease is primarily due to the capital expenditures in 2011 including design and earthwork on the new Cleveland airport and construction of the new science wing at Cleveland High School.

The FY 2012 budget does not include a property tax increase, and the city's tax rate is \$1.4904 per hundred dollars of assessed value. The budget also does not include an increase in the monthly sanitation fee or an increase in any other fees.

The major priorities of the FY 2012 budget include capital projects funded from the local sales tax referendum, construction of a new general aviation airport, and Cleveland Utilities will issue bonds to fund the construction of a 20" water main from Hiwassee Utility to the Eldridge Drive tank. State and federal funds will improve Exit 20 and construct a new APD-40 Interchange. This budget funds the city's share of the Local Interstate Connector (LIC) project at the new APD-40 Interchange. The city and county will each contribute a million dollars and the state will fund two million for the LIC project scheduled to take approximately 18 months for completion. Also, a complete list of capital projects funded by the proceeds of the new local option sales tax is presented at the end of the budget message.

Staff continued a conservative approach of estimating revenue for the FY 2012 budget. Due to conservative budgeting practices there has been growth in the fund balance for the past nine fiscal years. Using conservative estimates in projecting future revenue will help ensure that the City maintains an adequate fund balance.

Cleveland's operating revenues and expenditures are expected to be very close to last year's.

Approving an annual Budget is one of the most important decisions you make as a City elected official. The Budget is important as it determines staffing levels for City services and it provides funding for equipment and supplies for City operations. The Budget serves as a primary planning document for the operation and management of the City.

The proposed budget was developed through a planning process which included:

- 1) *Capital Improvement Needs Inventory (CINI)*: In September forms were distributed to all City departments, including the school system, for the CINI. In March 2011 a six-year CINI document was prepared which included the capital improvement needs of all departments. This document is for planning purposes only and is used as documentation for the preparation of the Capital Improvement Program (CIP), which is included in the proposed budget.
- 2) *Council Fall Planning Retreat*: Staff presented a financial report at the planning retreat which was attended by the Mayor and City Council, department heads, news media, a representative of the City School System, and the Cleveland Utilities manager. This session provides the council an opportunity to identify major needs, determine capital needs, and hear presentations on city programs and projects.
- 3) *Preparation of Proposed Budget*: During the month of December departments prepared their funding requests which were submitted to the City Manager, the Assistant City Manager and the Director of Finance. The City Council held a Budget Planning Session on March 14, 2011 at which the budget was presented and discussed. The final budget must be approved by June 30, 2011.

The City of Cleveland will operate this year with thirty separate funds, which makes municipal budgeting and accounting considerably different from that in the private

sector. Although the City may, in most cases, legally transfer money from one fund to another, each fund is a separate accounting entity with assets, liabilities, equity, revenues, and expenditures. Consequently, there are thirty separate balance sheets and income statements.

The funds fall into seven different categories, or types of funds, as required by Generally Accepted Accounting Principles (GAAP) for governmental entities. The funds are as follows:

General Fund:

- 1.) General Fund

Special Revenue Funds:

- 2.) Solid Waste Management Fund
- 3.) State Street Aid Fund
- 4.) School General Fund
- 5.) School Food Service Fund
- 6.) Library General Fund
- 7.) Drug Enforcement Fund
- 8.) Storm Water Management Fund
- 9.) Community Development Block Grant (CDBG) Fund
- 10.) Metropolitan Planning Organization (MPO) Fund
- 11.) 2010 Byrne Memorial Justice Assistance Grant Fund
- 12.) 2009 Cops Hiring Recovery Grant Fund
- 13.) 2009 Justice Assistance Grant - ARRA
- 14.) Department of Justice Asset Forfeiture Fund
- 15.) Red Light Camera Safety Fund
- 16.) Targeted Crime Reduction Grant

Debt Service Fund:

- 17.) Debt Service Fund

Capital Projects Funds:

- 18.) 2009 Bradley Build America Bonds
- 19.) THDA Home Grant Fund
- 20.) Sales Tax Capital Projects Fund
- 21.) Capital Improvements Program (CIP) Fund
- 22.) 2009 Qualified School Construction Bond (QSCB) Fund
- 23.) ARRA Grant Projects Fund
- 24.) Greenway Fund
- 25.) Fletcher Park Fund

Enterprise Funds:

- 26.) Cleveland Municipal Airport Authority Fund
- 27.) Cleveland Utilities Electric Fund
- 28.) Cleveland Utilities Water/Wastewater Fund

Internal Service Fund:

29.) Fleet Management Fund

Trust Fund:

30.) Meiler Estate Animal Shelter Fund

While the City administers twenty-five of these funds, the Cleveland City Schools administers two funds: the School General Fund and the School Food Service Fund. The Library Board administers on a daily basis the Library Fund. Cleveland Utilities administers on a daily basis two funds: the Electric Fund and the Water/Wastewater Fund.

Cleveland City Schools will receive a transfer of operating money from the City's General Fund in the amount of \$5,120,000. In addition, a transfer from the City's General Fund is made to the Debt Service Fund to cover long-term debt incurred by the school system. For FY 2012 the total transfer from the General Fund to schools is \$7,519,700, which is \$159,800 more than the previous fiscal year. Since 1998, it has been the policy of the City Council to increase school operating funding by an amount congruent with growth in tax revenues.

The Library Fund also receives a transfer of money from the City's General Fund each year, with an equal appropriation from Bradley County. The FY 2012 budget includes an increase of \$7,300 for the Cleveland Public Library. This increase is contingent upon the county providing matching funding.

Cleveland Utilities' budgets are actually enterprise fund service plans that can fluctuate depending upon the usage of utilities, which can be affected by market conditions and the weather. Cleveland Utilities receives no transfers of money from the City's General Fund or other funds because the utilities operate solely from their charges for service. Cleveland Utilities has included a 4.78% rate increase for water and 3.99% increase for their wastewater operation.

According to GAAP, General Funds, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Trust Funds are budgeted and accounted for using the modified accrual basis of accounting. The Enterprise Funds and Internal Service Fund are accounted for using the accrual basis of accounting. The differences in the basis of accounting are defined in the Glossary of Terms. The basis of budgeting and accounting are the same within each fund.

New for this year's budget, the City is implementing GASB Statement 54 which requires a change in the presentation of fund balances. This resulted in the Greenway Fund and the Fletcher Park Fund to be presented as Capital Projects Funds.

Budget Assumptions:

Staff used several assumptions in preparing this Budget which is \$257,600 above last fiscal year's amended General Fund budget. The assumptions were important factors in estimating revenues and expenditures. The major assumptions are as follows:

- No increase in property tax rate.
- No increase in the Residential Sanitation Fee.
- Property tax revenue growth of 2.2% over FY 2010's audited amount.
- Local sales tax budgeted at 2.6% above FY 2010's audited amount.
- State sales tax budgeted at 2.2% above FY 2010's audited amount.
- State income tax budgeted at 4.8% below FY 2010's audited amount.
- 5% franchise fee on the gas franchise and the cable television franchise.
- Bradley County to pay \$1,822,200 for fire suppression services for the fringe area as agreed to in the fire contract between the City of Cleveland and Bradley County.
- No increase for health or dental insurance for City employees, and the plan will be modified to impact the least number of employees possible to avoid a premium increase.
- City employees will not receive a Cost-of-Living-Adjustment. Employees received a 1% pay increase last year.
- The Cleveland City School System will receive an additional \$159,800 from the City for debt service.
- The city's FY2012 budget will decrease long-term debt by \$700,000.
- The city will issue bonds in the amount of \$1,700,000 for the connector roads for the new interchange on APD40 near Exit 20. The project is known as LIC North and LIC South.
- The proposed budget does not include any operating decreases for jointly funded agencies. The city and county meet each year to determine any adjustments necessary for jointly-funded agencies.
- The FY2012 budget will not use any of the city's \$9.1 million unreserved general fund balance. Unreserved fund balance represents 34% of total

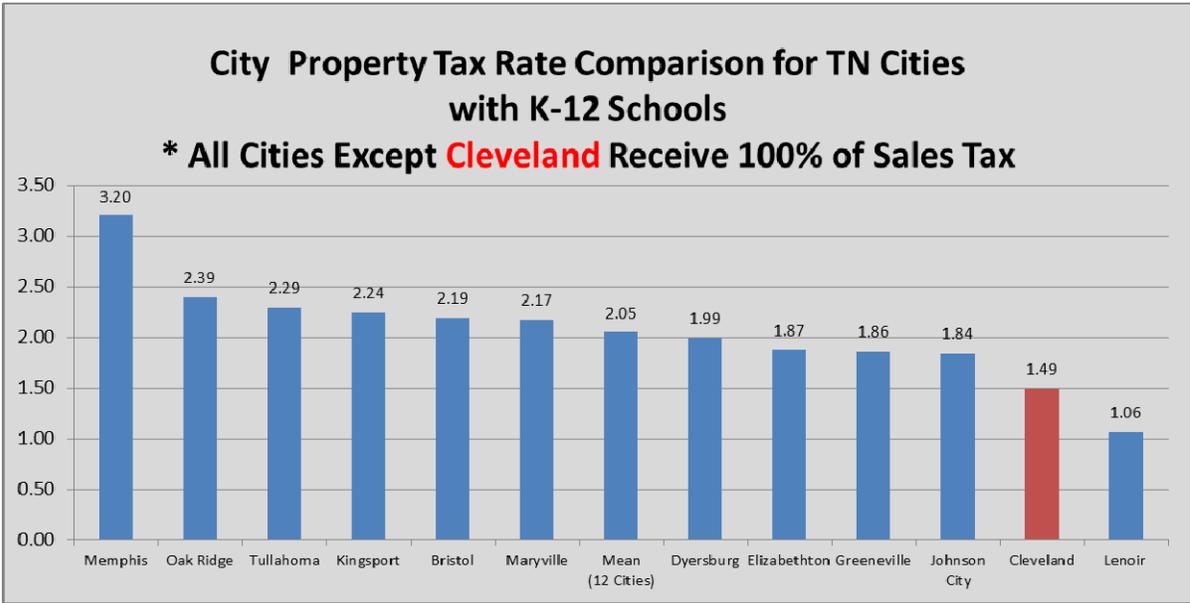
general fund expenditures. However, unreserved fund balance only represents 24% when compared to total general fund expenditures and transfers to other funds – such as debt service and schools.

- Fleet Management will charge \$67 per hour for labor, 30% markup on parts, 30% markup on contracted services and 20-cents markup on fuel over the City's actual cost. These fees are for the overall operating expenses incurred by this facility and fleet operation.
- The city will fund \$1.7 million in capital projects this fiscal year from the new local option sales tax which funds **only** capital infrastructure and equipment needs of each department. See the detailed list located immediately after this message. City Schools will receive approximately \$800,000 for its capital projects from the sales tax referendum.
- Federal funding has been made available through the Metropolitan Planning Organization (MPO) for transportation projects. This budget includes:
 - 25th Street & Ocoee Street intersection – right-of-way and utilities
 - ITS (Intelligent Transportation System) on APD-40 – final design and construction
 - Mouse Creek Road – environmental and design
 - 25th Street and Peerless Road – intersection, right-of-way and construction
 - ARRA (American Recovery and Reinvestment Act) projects contingency
 - Street paving
 - Georgetown Road & 25th Street intersection – environmental, design and construction
 - 20th Street from Old Tasso to APD-40 – planning
 - Michigan Avenue Road – TPR
- The FY 2012 budget includes \$200,000 (90% federal and state funds) for the Metropolitan Planning Organization (MPO) and \$364,000 for the Community Development Block Grant Entitlement program, a 100% federally funded program. The City qualifies as an Entitlement Community for the CDBG program due to designation as a principal city in an MSA.
- The FY 2012 budget includes the continued funding for the Storm Water Management Fund. This fund was established in order to address National Pollutant Discharge Elimination System (NPDES) requirements and to address drainage and flooding problems in the city.
- The FY 2012 budget includes four police officers funded by the ARRA Cops Hiring Recovery Grant, two community police officers funded by an OCJP grant, and one police officer serving as Housing Officer is funded by the

Cleveland Housing Authority. The budget has not funded nine authorized positions (3 firefighters, Police Captain, Mechanical Inspector, Public Service Worker, Construction Inspector, Motor Equipment Operator I, and Deputy Director of Public Works). Five full-time positions in the city have been eliminated: Special Projects Director, Assistant Director – Public Works Administration, Parks Superintendent, Public Works Operations Secretary, and Police Secretary. The Traffic Engineer and the Traffic Signal Technician positions were also eliminated and the City Council voted to contract those services.

Major Issues:

1.) **Property Tax Rate:** Cleveland’s property tax rate of \$1.49 remains the lowest property tax rate of any city with a K-12 city school system in the state. See the table below.



The total amount of funding for the Cleveland City Schools System equals \$7.5 million or 46% of the total property tax rate.

2.) **Transportation Improvements:** The City has many transportation needs, as evidenced in the 1995 Transportation Plan and the 2004 City-County Transportation Plan, but funds have not been available to start major transportation improvements.

3.) **New Fire Station:** This Budget **does not** include funding for construction of a new fire station. The City purchased a site for station number 6, but construction funds have not been provided. The station will be needed in the future in order for the fire department to adequately serve the southern portion of the city, including the Interstate Exit 20 area which will continue to develop. The new station is also needed in order to help the city maintain its ISO rating.

4.) **Public Works Building:** This Budget **does not** include funding for a new Public Works building. The construction of a new Public Works administrative building and facilities for material storage, equipment storage facilities and a new sign shop has been a goal of the city for several years. The new facility, when funded in the future, will be built on existing city property where the City Garage and impound lot are located on Fulbright Road.

5.) **Fire Contract:** The city currently extends the same fire suppression service to both city and fringe area residents. The existing \$1.8 million fire contract with Bradley County for the fringe area five-miles outside the city limits will end on June 30, 2013. The city has not identified a replacement source of revenue to fund its fire service operation. If a property tax increase is used to fund this lost revenue, it would require an 18 cent tax increase, which is a 12% increase. For a home with an appraised value of \$100,000, this would mean an additional \$3.75 per month, or \$45 annually.

6.) **Capital Equipment Replacement Program:** City departments have prepared a 15-year equipment replacement schedule. Funding was estimated at \$1.7 million annually; however, no funding is in place to implement the program.

7.) **New Airport:** The city is constructing a new general aviation airport. The majority of the project is funded by federal and state aeronautics grants. The city's share is estimated at \$3.5 million. This funding is not included in the FY2012 budget.

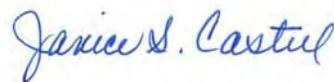
7.) **Other Funding Issues:** The city and county have each agreed to invest \$2 million in a proposed veterans' home to be located off APD-40. Also the city and county are considering investing in additional industrial park land near Exit 20 estimated at \$6 million. Funding is not included in this budget for either of these projects.

We believe this Budget includes only essential items required for the City to continue to move forward and that it includes the initiatives agreed to at the budget meetings held this year.

I want to thank the City staff for the hard work done in preparing this Budget. I especially want to thank Melinda Carroll, Assistant City Manager, Mike Keith, Director of Finance, and the staff of the Administration and Finance Department for all their time and effort in preparing this budget.

Please contact me if you have any questions or would like to discuss the Budget in detail.

Respectfully Submitted,



Janice S. Casteel
City Manager

City of Cleveland Sales Tax Fund
Half Cent Sales Tax Proceeds

City only portion of sales tax proceeds:

	FY2009	FY2010	FY2011	FY2012
Revenues:				
2009 actual	483,632			
2010 estimated		1,651,348		
2011 estimated			1,670,000	1,700,000
Expenditures:				
General Govt.				
Whirlpool incentive (actual)		1,000,000		
Strategic Plan		30,360		
First Street Square		285,000		
CSCC - Business incubator		37,500	37,500	
Comprehensive Plan-city share				62,500
Public Safety				
Emerg. Mgmt - Radio Tower (actual) Thru FY14		50,000	50,000	50,000
Public Safety - Police				
Police patrol cars		48,500	250,000	225,000
Public Safety - Fire				
Fire Hall survey & site design			9,500	
Fire Training tower survey/site design			2,000	
Public Works:				
MPO-Match-Ocoee/25th Prel. Eng. (actual)		30,000		
Ocoee St. Curb & sidewalks (actual)		85,111		
Street Paving		309,996	936,309	500,000
Drainage Projects				120,000
Sidewalk Projects				30,000
Ocoee/Lee Univ Pedestrian Lgts. (actual)		20,262		
20th/Dalton Pk. - ROW & design		5,440	36,060	
MPO-Mouse Ck. Rd.(Planning & Envir.)		44,000	60,000	
Knuckleboom replacement			112,000	
Guardrail at Blythe Ferry			12,000	
Ocoee Street Drainage - 3-laning		15,080	4,000	
N.Ocoee @ McIntire Drainage				28,700
Guthrie Drive Drainage Project				30,793
Hunters Run Cr. Drainage Project				18,000
MPO - Paving Match			108,000	43,000
MPO - Mich. Ave. Road.			12,000	
MPO-20th Street Improvements @ Old Tasso				7,000
Durkee Rd R-O-W - Whirlpool				100,000
Local Interstate Connector - North				175,000
Georgetown/25th St. Intersection (Env & constr)				95,000
Stormwater:				
Stormwater mapping				100,000
Parks & Recreation:				
Tinsley Park Tennis Courts			60,000	
Tinsley Park Tennis Lights			15,000	
Greenway Restroom			20,000	
Tinsley Park Playground Grant Match				110,000
Total:		1,961,249	1,724,369	1,694,993
Difference:	483,632	(309,901)	(54,369)	5,007
Unappropriated:	483,632	173,731	119,362	124,369

City of Cleveland, Tennessee Goals & Objectives

Goal #1: Improve the educational system in the City of Cleveland.

Objective: Continue upgrade of technology equipment in the elementary schools.

Objective: Continue to rank among the top school districts statewide on the ACT and on other measures of student performance.

Objective: Purchase land for a new elementary school.

Objective: Provide quality meals that meet federal and state nutritional guidelines for students through the School Food Service Program.

Objective: Provide major maintenance improvements including roofs & HVAC improvements for schools.

Goal #2 Improve the level of public safety within the City of Cleveland.

Objective: Provide better equipment for firefighter safety.

Objective: Increase number of inspections.

Objective: Increase public fire education with schools, civic organizations, and citizen groups.

Objective: Maintain or improve ISO rating by hiring additional firefighters and constructing new fire stations.

Objective: Develop additional funding sources or savings if not successful in extending the current fire contract with county.

Objective: Improve the level of traffic enforcement using increased patrol in designated areas.

Objective: Continue to reduce crime rates in Cleveland and place a high priority on school safety.

Objective: Implement equipment replacement program.

Goal #3 Improve the facilities and transportation system with the City of Cleveland.

Objective: Continue street resurfacing program.

Objective: Continue drainage improvements.

Objective: Continue pot hole patching program and eventually have all streets on resurfacing program to eliminate pot holes.

Objective: Install new sidewalks and repair existing sidewalks.

Objective: Improve the coordination of traffic signals inside the city limits.

- Objective: Continue security and safety improvements at Hardwick Field Airport while constructing new airport.
- Objective: Continue inspection of all utility cuts.
- Objective: Continue the City's stormwater program.
- Objective: Improve major intersections in Cleveland.
- Objective: Operate and expand a city-wide deviated fixed route transit system.
- Objective: Implement Phase II of Island Landscaping Project on 25th Street.

Goal #4 Improve our ability to provide services through technology.

- Objective: Continue to improve and update the city's website.
- Objective: Continue collection of property taxes and fines on-line.
- Objective: Continue scanning of City files for improved access to information and improve research capabilities.
- Objective: Continue use of procurement cards to purchase materials for city departments.
- Objective: Begin installation of laptop computers in fire trucks and continue maintenance of computers in police cars.

Goal #5 Improve our economic development efforts.

- Objective: Continue to aggressively market the Cleveland/Bradley Industrial Park.
- Objective: Continue to support the Economic Development Council and the Industrial Development Board so that a solid recruitment and retention program remains in place.
- Objective: Purchase additional industrial property.
- Objective: Complete Local Interstate Connector roads in conjunction with proposed APD-40 Interchange and planned improvements for Exit 20.

Goal #6: Improve our long-range planning.

- Objective: Hold a Fall Council Planning Retreat to determine city-wide needs and priorities.
- Objective: Continue Transportation Planning through the Metropolitan Planning Organization (MPO) coordinated with the Rural Planning Organization (RPO).
- Objective: Develop strategic growth plan for Bradley County due to the new Wacker Chemie Industrial development at Exit 33 and the new Volkswagen plant locating in Ooltewah, which is 8 miles from Cleveland.
- Objective: Annexation of industrial areas/Interstate 75.
- Objective: Develop 5 and 10-year annexation plans.
- Objective: Co-locate city and county planners and inspectors for one-stop service.

Goal #7: Improve the quality of life of citizens of Cleveland.

- Objective: Continue implementation of Community Development Block Grant program for low and moderate income areas of Cleveland.
- Objective: Continue implementation of historic zoning through the Historic Preservation Commission.
- Objective: Improve existing recreational facilities.
- Objective: Implement a pro-active codes enforcement program.
- Objective: Continue development of the Greenway project.
- Objective: Increase recreational opportunities for the entire community.
- Objective: Continue to implement the Master Plan for Northeast Recreation Center.
- Objective: Continue improvements at the skateboard park.
- Objective: Implement a Recreation Long-range Master Plan.
- Objective: Continue partnership with Habitat for Humanity for development of housing for low income home buyers.

Goal #8: Improve efficiency through workforce.

- Objective: Provide a safe work environment for all workers.
- Objective: Properly train and inform employees of safe workplace practices.
- Objective: Adhere to personnel policy in hiring qualified, competent workforce.
- Objective: Provide training and educational opportunities for workforce to enhance job skills.
- Objective: Implement new diversity policy.

Goal #9: Improve energy efficiency of city buildings and equipment.

- Objective: Replace roofs on city buildings with more energy efficient roofs.
- Objective: Research use of alternative fuels for city vehicles.
- Objective: Implement TVA's energy audit for the Fire Halls.

City of Cleveland Summary of All Funds

This section consists of first a consolidated summary of all funds used to provide city services. As described in the summary of significant accounting policies, the various funds are grouped into three broad fund categories as follows:

(1) Governmental Funds

General Fund – The principal fund of the city and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e., public safety, recreation, public works, general government, etc.)

Special Revenue Funds – Funds used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The City's Special Revenue Funds include the State Street Aid Fund, Solid Waste Management Fund, Drug Enforcement Fund, School Fund, School Food Services, Library Fund, Storm Water Management Fund, Community Development Block Grant Fund, Metropolitan Planning Organization Fund, Red Light Camera Safety Fund, Byrne Memorial Grant Funds, Cops Hiring Recovery Grant Fund, 2009 Justice Assistant Grant-ARRA and the Department of Justice Asset Forfeiture Fund.

Debt Service Fund – Fund used to account for the accumulation of resources for, and payment of, general long-term principal, interest, and related costs.

Capital Project Funds – Funds used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations. The City's Capital Project Funds include the Home Grant Funds, the City's Capital Improvement Program Fund, the Sales Tax Capital Projects Fund, Greenway Fund, Fletcher Park Trust Fund, ARRA Grant Projects Fund and several bond funds used to finance capital projects.

(2) Proprietary Funds

Enterprise Funds – Funds used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - - where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City has three Enterprise Funds: Cleveland Utilities Electric Division, Cleveland Utilities Water/Wastewater Division and the Cleveland Municipal Airport Authority Fund.

Internal Service Funds – Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. The Fleet Management Fund is the City’s only Internal Service Fund and is used to account for expenses necessary to maintain the rolling stock of the City departments.

(3) Fiduciary Funds

Trust Funds – Funds used to account for assets held by the city in a trustee capacity. A “non-expendable” trust fund stipulates that only earnings and not principal may be spent. The Meiler Estate Animal Shelter Trust Fund is used to account for funds bequeathed to the Cleveland Animal Shelter by Elizabeth and John Meiler.

The three largest sources of revenue for the City budget include Charges for Services, Intergovernmental, and Taxes. Combined these sources provide 91% of the total revenues received by the City of Cleveland.

Charges for services revenues provide 58.2% of the revenues necessary to provide city services. Cleveland Utilities bills the majority of this to its customers for electric, water, and wastewater services. Other charges include recreation fees, the sanitation fee billed to city residents, school tuition fees charged to students who live outside the city limits, charges for lunches in the School Food Service Fund, fees charged to golfers at the Waterville Golf Course, amounts billed to city departments for vehicle maintenance, amounts paid by Bradley County for animal control and fire protection services, and other miscellaneous fees.

Intergovernmental revenues represent 18.6% of the City’s revenues. Education funding received from Bradley County, the State of Tennessee, and the Federal government accounts for more than half of this revenue. Other sources include state sales tax, TVA in-lieu-of-tax payments, and state income tax, to name only the larger ones.

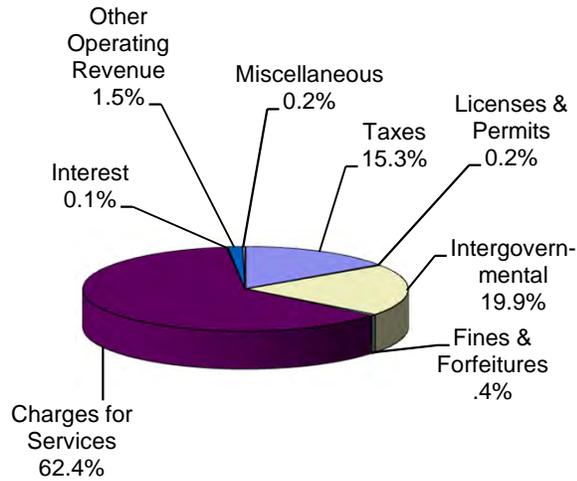
Tax revenues account for 14.3% of the total funding sources received to fund city services. Property tax and sales tax are the largest sources of tax revenues. Combined they provide over 85% of total taxes collected. The proposed budget includes no property tax increase on city taxpayers. The property tax rate will be \$1.49 per \$100 of assessed value.

Major uses of these resources include power purchased by Cleveland Utilities at 38.3% and education funding at 18.3%. Other significant expenditures and expenses include Cleveland Utilities’ operation expenses at 9.3% and Public Safety at 7.8%.

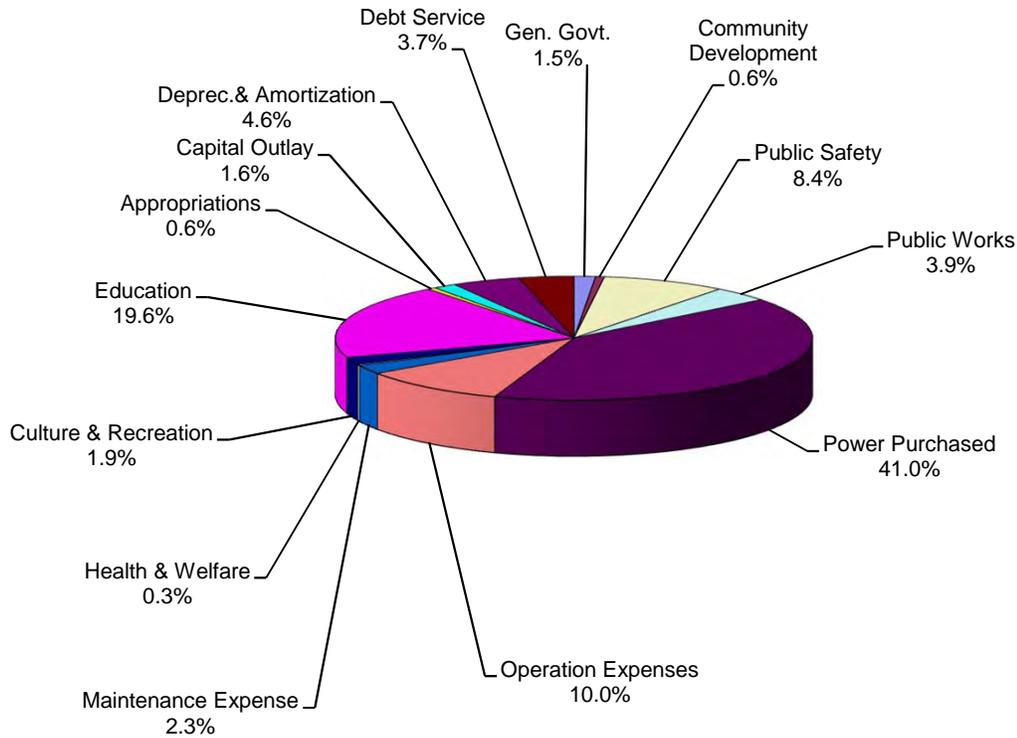
The revenue sources and expenditures of the City of Cleveland may be more easily understood by reviewing the following pie charts. Also included in this section are three-year budget spreadsheets (FY2010 actual, FY2011 budgeted, and FY2012 recommended budgets) for each of the fund categories.

Information about each individual fund may be found within the various fund types: General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service, and Trust Funds. Please see those tabs for detailed budget information and the services provided by these funds.

City of Cleveland Summary of All Funds Revenues By Source - FY2012



Expenditures and Expenses By Use - FY2012



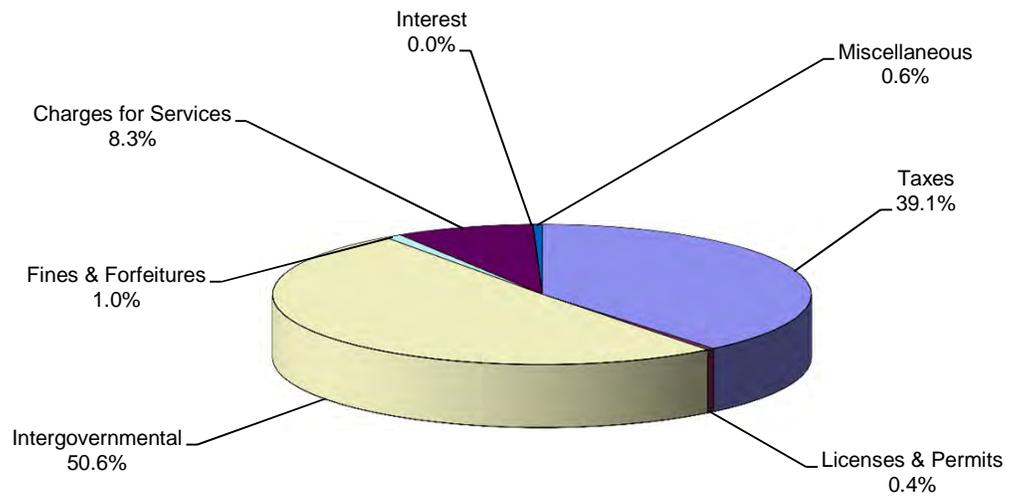
City of Cleveland, Tennessee
2010-2012 Summary of All Funds

	Governmental Funds			Proprietary Funds		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Revenues:						
Taxes	\$29,323,204	\$29,739,000	\$30,269,000	\$0	\$0	\$0
Licenses & permits	362,132	524,400	344,000	0	0	0
Intergovernmental	39,427,553	51,941,745	39,229,581	0	0	0
Fines & forfeitures	943,792	848,694	804,000	0	0	0
Charges for services	6,010,112	6,332,274	6,408,168	105,052,884	106,863,011	116,536,363
Interest	26,179	24,200	17,500	205,483	240,563	232,271
Other operating revenue	0	0	0	3,002,454	2,933,880	2,920,440
Miscellaneous	1,251,972	734,819	430,627	4,050	0	0
Subtotal:	\$77,344,944	\$90,145,132	\$77,502,876	\$108,264,871	\$110,037,454	\$119,689,074
Other financial sources:						
Operating transfers in	13,624,312	13,593,818	14,023,300	34,000	34,000	34,000
Capital contributions	0	0	0	4,882,848	10,023,000	23,000
Proceeds from bonds	29,527,800	0	0	0	0	0
Total Financial Sources	\$120,497,056	\$103,738,950	\$91,526,176	\$113,181,719	\$120,094,454	\$119,746,074
Expenditures and Expenses						
General government	\$2,292,562	\$2,188,300	\$2,134,800	\$668,277	\$685,000	\$710,900
Community development	920,353	1,236,704	1,153,000	0	0	0
Public safety	15,786,475	16,749,567	16,456,700	0	0	0
Public works	8,075,973	7,796,900	7,656,900	0	0	0
Power purchased	0	0	0	70,884,746	72,247,476	80,325,726
Operation expenses	0	0	0	19,193,222	19,559,188	19,536,687
Maintenance expense	0	0	0	4,976,838	4,932,887	4,587,962
Health and welfare	506,882	548,332	563,000	0	0	0
Culture and recreation	3,188,748	3,769,125	3,801,100	0	0	0
Education	36,092,156	39,212,047	38,433,898	0	0	0
Appropriations	1,072,554	1,083,000	1,088,000	0	0	0
Capital outlay	7,575,391	19,738,828	3,056,500	0	0	0
Depreciation and amortization expense	0	0	0	7,907,744	8,267,422	9,052,706
Debt service principal	1,939,428	1,916,000	2,104,000	0	0	0
Debt service interest and other	2,896,598	2,785,900	2,817,700	2,254,066	2,739,410	2,379,643
Subtotal:	\$80,347,120	\$97,024,703	\$79,265,598	\$105,884,893	\$108,431,383	\$116,593,624
Other financing uses:						
Pymt. to ref. bond escrow	24,652,000	0	0	0	0	0
Operating transfers out	11,927,950	12,077,361	12,142,678	1,756,261	1,783,494	1,869,720
Total Use of Resources:	\$116,927,070	\$109,102,064	\$91,408,276	\$107,641,154	\$110,214,877	\$118,463,344
Net Increase (Decrease) in Fund Balance	\$3,569,986	(\$5,363,114)	\$117,900	\$5,540,565	\$9,879,577	\$1,282,730
Fund Balance or Net Assets - July 1	17,828,798	21,398,784	16,035,670	127,117,307	132,657,872	142,537,449
Fund Balance or Net Assets-June 30	\$21,398,784	\$16,035,670	\$16,153,570	\$132,657,872	\$142,537,449	\$143,820,179

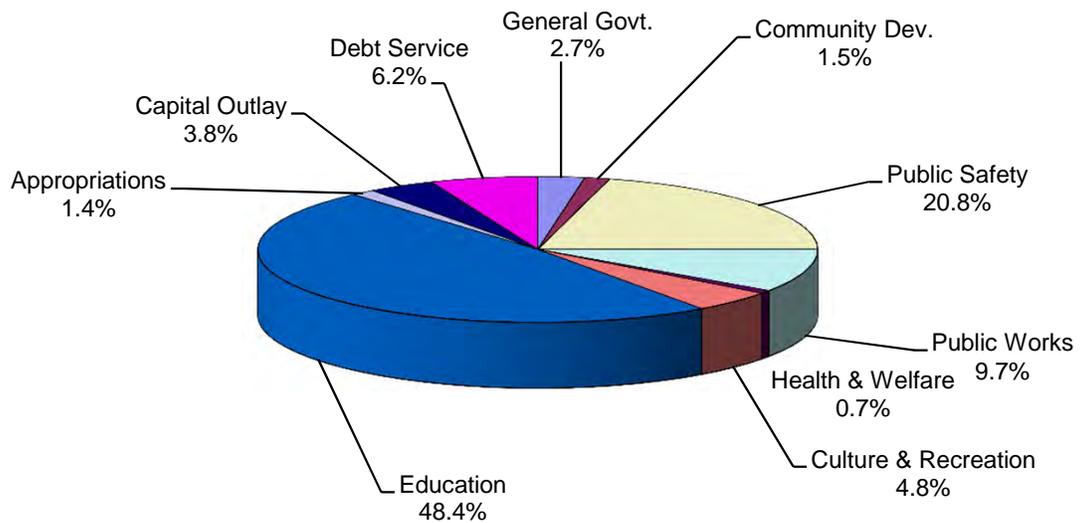
City of Cleveland, Tennessee
2010-2012 Summary of All Funds

	Fiduciary Funds			Total		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Revenues:						
Taxes	\$0	\$0	\$0	\$29,323,204	\$29,739,000	\$30,269,000
Licenses & permits	0	0	0	362,132	524,400	344,000
Intergovernmental	0	0	0	39,427,553	51,941,745	39,229,581
Fines & forfeitures	0	0	0	943,792	848,694	804,000
Charges for services	0	0	0	111,062,996	113,195,285	122,944,531
Interest	574	1,000	5,000	232,236	265,763	254,771
Other operating revenue	0	0	0	3,002,454	2,933,880	2,920,440
Miscellaneous	0	0	0	1,256,022	734,819	430,627
Subtotal:	\$574	\$1,000	\$5,000	\$185,610,389	\$200,183,586	\$197,196,950
Other financial sources:						
Operating transfers in	0	0	0	13,658,312	13,627,818	14,057,300
Capital contributions	0	0	0	4,882,848	10,023,000	23,000
Proceeds from bonds	0	0	0	29,527,800	0	0
Total Financial Sources	\$574	\$1,000	\$5,000	\$233,679,349	\$223,834,404	\$211,277,250
Expenditures and Expenses						
General government	\$0	\$0	\$0	\$2,960,839	\$2,873,300	\$2,845,700
Community development	0	0	0	920,353	1,236,704	1,153,000
Public safety	0	0	0	15,786,475	16,749,567	16,456,700
Public works	0	0	0	8,075,973	7,796,900	7,656,900
Power purchased	0	0	0	70,884,746	72,247,476	80,325,726
Operation expenses	0	0	0	19,193,222	19,559,188	19,536,687
Maintenance expense	0	0	0	4,976,838	4,932,887	4,587,962
Health and welfare	0	0	0	506,882	548,332	563,000
Culture and recreation	0	0	0	3,188,748	3,769,125	3,801,100
Education	0	0	0	36,092,156	39,212,047	38,433,898
Appropriations	0	0	0	1,072,554	1,083,000	1,088,000
Capital outlay	0	0	0	7,575,391	19,738,828	3,056,500
Depreciation and amortization expense	0	0	0	7,907,744	8,267,422	9,052,706
Debt service principal	0	0	0	1,939,428	1,916,000	2,104,000
Debt service interest and other	0	0	0	5,150,664	5,525,310	5,197,343
Subtotal:	\$0	\$0	\$0	\$186,232,013	\$205,456,086	\$195,859,222
Other financing uses:						
Pymt. to ref. bond escrow	0	0	0	24,652,000	0	0
Operating transfers out	6,700	1,000	5,700	13,690,911	13,861,855	14,018,098
Total Use of Resources:	\$6,700	\$1,000	\$5,700	\$224,574,924	\$219,317,941	\$209,877,320
Net Increase (Decrease) in Fund Balance	(\$6,126)	\$0	(\$700)	\$9,104,425	\$4,516,463	\$1,399,930
Fund Balance or Net Assets - July 1	466,387	460,261	460,261	145,412,492	154,516,917	159,033,380
Fund Balance or Net Assets-June 30	\$460,261	\$460,261	\$459,561	\$154,516,917	\$159,033,380	\$160,433,310

City of Cleveland Summary of Governmental Funds Revenues By Source - FY2012



City of Cleveland Summary of Governmental Funds Expenditures By Use - FY2012



City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds

	General Fund			Special Revenue Funds		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$26,890,200	\$27,389,000	\$27,769,000	\$0	\$0	\$0
Licenses & permits	362,132	524,400	344,000	0	0	0
Intergovernmental	4,155,020	4,184,900	4,184,900	33,130,549	35,981,799	34,897,981
Fines & forfeitures	767,342	765,500	764,000	176,450	83,194	40,000
Charges for services	2,716,741	2,717,000	2,817,000	3,293,371	3,615,274	3,591,168
Interest	6,755	6,000	6,000	6,136	9,200	8,700
Miscellaneous	123,730	59,500	19,000	896,574	564,211	331,727
Subtotal:	\$35,021,920	\$35,646,300	\$35,903,900	\$37,503,080	\$40,253,678	\$38,869,576
Other financial sources:						
Operating transfers in	1,756,261	1,826,000	1,826,000	\$7,088,432	\$7,148,800	\$7,173,300
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$36,778,181	\$37,472,300	\$37,729,900	\$44,591,512	\$47,402,478	\$46,042,876
Expenditures:						
General government	\$2,292,562	\$2,188,300	\$2,134,800	\$0	\$0	\$0
Community development	596,149	589,100	632,700	324,204	647,604	520,300
Public safety	15,427,007	16,110,325	16,130,000	359,468	639,242	326,700
Public works	3,975,801	3,513,900	3,472,200	4,100,172	4,283,000	4,184,700
Health and welfare	506,882	548,332	563,000	0	0	0
Culture and recreation	1,994,149	2,491,925	2,509,200	1,194,599	1,277,200	1,291,900
Education	0	0	0	36,092,156	39,212,047	38,433,898
Appropriations	1,072,554	1,083,000	1,088,000	0	0	0
Capital outlay	0	0	0	505,100	468,045	231,500
Debt service principal	0	0	0	71,428	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$25,865,104	\$26,524,882	\$26,529,900	\$42,647,127	\$46,527,138	\$44,988,998
Other financing uses:						
Pymt to ref. bond escrow	0	0	0	0	0	0
Operating transfers out	10,569,550	10,947,418	11,200,000	1,112,700	1,129,943	942,678
Total Use of Resources:	\$36,434,654	\$37,472,300	\$37,729,900	\$43,759,827	\$47,657,081	\$45,931,676
Net Increase(Decrease) in Fund Balance	343,527	0	0	831,685	(254,603)	111,200
Fund Balance - July 1	\$8,771,673	\$9,115,200	\$9,115,200	\$3,211,868	\$4,043,553	\$3,788,950
Fund Balance - June 30	\$9,115,200	\$9,115,200	\$9,115,200	\$4,043,553	\$3,788,950	\$3,900,150

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds

Debt Service Funds			Capital Project Funds			Total Governmental Funds		
2010	2011	2012	2010	2011	2012	2010	2011	2012
Actual	Budgeted	Proposed	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
\$0	\$0	\$0	\$2,433,004	\$2,350,000	\$2,500,000	\$29,323,204	\$29,739,000	\$30,269,000
0	0	0	0	0	0	362,132	524,400	344,000
69,653	146,700	146,700	2,072,331	11,628,346	0	39,427,553	51,941,745	39,229,581
0	0	0	0	0	0	943,792	848,694	804,000
0	0	0	0	0	0	6,010,112	6,332,274	6,408,168
6,279	5,000	2,800	7,009	4,000	0	26,179	24,200	17,500
91,250	81,300	79,900	140,418	29,808	0	1,251,972	734,819	430,627
\$167,182	\$233,000	\$229,400	\$4,652,762	\$14,012,154	\$2,500,000	\$77,344,944	\$90,145,132	\$77,502,876
4,327,300	3,541,600	4,692,300	452,319	1,077,418	331,700	13,624,312	13,593,818	14,023,300
25,225,800	0	0	4,302,000	0	0	29,527,800	0	0
<u>\$29,720,282</u>	<u>\$3,774,600</u>	<u>\$4,921,700</u>	<u>\$9,407,081</u>	<u>\$15,089,572</u>	<u>\$2,831,700</u>	<u>\$120,497,056</u>	<u>\$103,738,950</u>	<u>\$91,526,176</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$2,292,562	\$2,188,300	\$2,134,800
0	0	0	0	0	0	920,353	1,236,704	1,153,000
0	0	0	0	0	0	15,786,475	16,749,567	16,456,700
0	0	0	0	0	0	8,075,973	7,796,900	7,656,900
0	0	0	0	0	0	506,882	548,332	563,000
0	0	0	0	0	0	3,188,748	3,769,125	3,801,100
0	0	0	0	0	0	36,092,156	39,212,047	38,433,898
0	0	0	0	0	0	1,072,554	1,083,000	1,088,000
0	0	0	7,070,291	19,270,783	2,825,000	7,575,391	19,738,828	3,056,500
1,868,000	1,916,000	2,104,000	0	0	0	1,939,428	1,916,000	2,104,000
2,803,622	2,785,900	2,817,700	92,976	0	0	2,896,598	2,785,900	2,817,700
\$4,671,622	\$4,701,900	\$4,921,700	\$7,163,267	\$19,270,783	\$2,825,000	\$80,347,120	\$97,024,703	\$79,265,598
24,652,000	0	0	0	0	0	24,652,000	0	0
0	0	0	245,700	0	0	11,927,950	12,077,361	12,142,678
<u>\$29,323,622</u>	<u>\$4,701,900</u>	<u>\$4,921,700</u>	<u>\$7,408,967</u>	<u>\$19,270,783</u>	<u>\$2,825,000</u>	<u>\$116,927,070</u>	<u>\$109,102,064</u>	<u>\$91,408,276</u>
396,660	(927,300)	0	1,998,114	(4,181,211)	6,700	3,569,986	(5,363,114)	117,900
\$2,849,584	\$3,246,244	\$2,318,944	\$2,995,673	\$4,993,787	\$812,576	\$17,828,798	\$21,398,784	\$16,035,670
<u>\$3,246,244</u>	<u>\$2,318,944</u>	<u>\$2,318,944</u>	<u>\$4,993,787</u>	<u>\$812,576</u>	<u>\$819,276</u>	<u>\$21,398,784</u>	<u>\$16,035,670</u>	<u>\$16,153,570</u>

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	General Fund		
	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:			
Taxes	\$26,890,200	\$27,389,000	\$27,769,000
Licenses & permits	362,132	524,400	344,000
Intergovernmental	4,155,020	4,184,900	4,184,900
Fines & forfeitures	767,342	765,500	764,000
Charges for services	2,716,741	2,717,000	2,817,000
Interest	6,755	6,000	6,000
Miscellaneous	123,730	59,500	19,000
Subtotal:	\$35,021,920	\$35,646,300	\$35,903,900
Other financial sources:			
Operating transfers in	1,756,261	1,826,000	1,826,000
Proceeds from bonds	0	0	0
Total Financial Sources	\$36,778,181	\$37,472,300	\$37,729,900
Expenditures:			
General government	\$2,292,562	\$2,188,300	\$2,134,800
Community Development	596,149	589,100	632,700
Public safety	15,427,007	16,110,325	16,130,000
Public works	3,975,801	3,513,900	3,472,200
Health and welfare	506,882	548,332	563,000
Culture and recreation	1,994,149	2,491,925	2,509,200
Education	0	0	0
Appropriations	1,072,554	1,083,000	1,088,000
Capital outlay	0	0	0
Debt service principal	0	0	0
Debt service int. & other	0	0	0
Subtotal:	\$25,865,104	\$26,524,882	\$26,529,900
Other financing uses:			
Operating transfers out	10,569,550	10,947,418	11,200,000
Total Use of Resources:	\$36,434,654	\$37,472,300	\$37,729,900
Net Increase(Decrease) in Fund Balance	343,527	0	0
Fund Balance - July 1	8,771,673	9,115,200	9,115,200
Fund Balance - June 30	\$9,115,200	\$9,115,200	\$9,115,200

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Special Revenue Funds					
	State Street Aid Fund			Solid Waste Management Fund		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	993,867	1,000,000	1,000,000	0	0	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	2,248,927	2,356,000	2,330,000
Interest	117	0	0	466	500	1,000
Miscellaneous	2,747	0	0	20,936	0	0
Subtotal:	\$996,731	\$1,000,000	\$1,000,000	\$2,270,329	\$2,356,500	\$2,331,000
Other financial sources:						
Operating transfers in	\$103,700	\$0	\$0	\$1,061,300	\$1,226,800	\$1,226,000
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$1,100,431	\$1,000,000	\$1,000,000	\$3,331,629	\$3,583,300	\$3,557,000
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	598,029	611,800	617,500	3,313,728	3,379,500	3,370,900
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$598,029	\$611,800	\$617,500	\$3,313,728	\$3,379,500	\$3,370,900
Other financing uses:						
Operating transfers out	390,400	405,000	372,300	0	0	0
Total Use of Resources:	\$988,429	\$1,016,800	\$989,800	\$3,313,728	\$3,379,500	\$3,370,900
Net Increase(Decrease) in Fund Balance	112,002	(16,800)	10,200	17,901	203,800	186,100
Fund Balance - July 1	\$89,187	\$201,189	\$184,389	\$386,557	\$404,458	\$608,258
Fund Balance - June 30	\$201,189	\$184,389	\$194,589	\$404,458	\$608,258	\$794,358

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Special Revenue Funds, Continued					
	Drug Enforcement Trust Fund			Red Light Camera Safety Fund		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Fines & forfeitures	29,332	40,000	40,000	147,118	294	0
Charges for services	0	0	0	0	0	0
Interest	386	1,000	0	1	0	0
Miscellaneous	30	0	0	0	0	0
Subtotal:	\$29,748	\$41,000	\$40,000	\$147,119	\$294	\$0
Other financial sources:						
Operating transfers in	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$29,748	\$41,000	\$40,000	\$147,119	\$294	\$0
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	104,979	210,500	101,700	113,900	12,575	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$104,979	\$210,500	\$101,700	\$113,900	\$12,575	\$0
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$104,979	\$210,500	\$101,700	\$113,900	\$12,575	\$0
Net Increase(Decrease) in Fund Balance	(75,231)	(169,500)	(61,700)	33,219	(12,281)	0
Fund Balance - July 1	\$364,262	\$289,031	\$119,531	(\$20,938)	\$12,281	\$0
Fund Balance - June 30	\$289,031	\$119,531	\$57,831	\$12,281	\$0	\$0

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

Special Revenue Funds, Continued

	Dept. Of Justice Asset Forfeiture Fund			2010 Byrne Mem. Justice Asst. Grant		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	15,497	9,164	0	0	42,081	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Subtotal:	\$15,497	\$9,164	\$0	\$0	\$42,081	\$0
Other financial sources:						
Operating transfers in	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$15,497	\$9,164	\$0	\$0	\$42,081	\$0
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	16,876	11,307	0	0	42,081	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$16,876	\$11,307	\$0	\$0	\$42,081	\$0
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$16,876	\$11,307	\$0	\$0	\$42,081	\$0
Net Increase(Decrease) in Fund Balance	(1,379)	(2,143)	0	0	0	0
Fund Balance - July 1	\$3,522	\$2,143	\$0	\$0	\$0	\$0
Fund Balance - June 30	\$2,143	\$0	\$0	\$0	\$0	\$0

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

Special Revenue Funds, Continued

	School Fund			School Food Services Fund		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	29,204,619	31,481,005	30,735,381	1,571,595	1,665,000	1,665,000
Fines & forfeitures	0	0	0	0	0	0
Charges for services	263,197	382,274	384,168	707,393	800,000	800,000
Interest	2,238	3,500	3,500	75	2,000	2,000
Miscellaneous	502,897	450,111	261,727	0	0	0
Subtotal:	\$29,972,951	\$32,316,890	\$31,384,776	\$2,279,063	\$2,467,000	\$2,467,000
Other financial sources:						
Operating transfers in	\$5,127,982	\$5,134,200	\$5,134,200	\$0	\$0	\$0
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$35,100,933	\$37,451,090	\$36,518,976	\$2,279,063	\$2,467,000	\$2,467,000
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	33,882,146	36,745,047	35,966,898	2,210,010	2,467,000	2,467,000
Appropriations	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service principal	71,428	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$33,953,574	\$36,745,047	\$35,966,898	\$2,210,010	\$2,467,000	\$2,467,000
Other financing uses:						
Operating transfers out	704,900	706,043	552,078	0	0	0
Total Use of Resources:	\$34,658,474	\$37,451,090	\$36,518,976	\$2,210,010	\$2,467,000	\$2,467,000
Net Increase(Decrease) in Fund Balance	442,459	0	0	69,053	0	0
Fund Balance - July 1	\$1,669,968	\$2,112,427	\$2,112,427	\$146,159	\$215,212	\$215,212
Fund Balance - June 30	\$2,112,427	\$2,112,427	\$2,112,427	\$215,212	\$215,212	\$215,212

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Special Revenue Funds, Continued					
	Library Fund			Storm Water Mgmt. Fund		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	567,276	562,400	572,600	0	0	0
Fines & forfeitures	0	0	0	0	42,900	0
Charges for services	73,854	77,000	77,000	0	0	0
Interest	2,762	2,000	2,000	91	200	200
Miscellaneous	354,964	70,600	70,000	15,000	43,500	0
Subtotal:	\$998,856	\$712,000	\$721,600	\$15,091	\$86,600	\$200
Other financial sources:						
Operating transfers in	\$558,650	\$546,500	\$571,800	\$194,500	\$199,000	\$199,000
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$1,557,506	\$1,258,500	\$1,293,400	\$209,591	\$285,600	\$199,200
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	188,415	291,700	196,300
Health and welfare	0	0	0	0	0	0
Culture and recreation	1,194,599	1,277,200	1,291,900	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	291,003	26,700	1,500	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$1,485,602	\$1,303,900	\$1,293,400	\$188,415	\$291,700	\$196,300
Other financing uses:						
Operating transfers out	0	0	0	17,400	18,900	18,300
Total Use of Resources:	\$1,485,602	\$1,303,900	\$1,293,400	\$205,815	\$310,600	\$214,600
Net Increase(Decrease) in Fund Balance	71,904	(45,400)	0	3,776	(25,000)	(15,400)
Fund Balance - July 1	\$465,963	\$537,867	\$492,467	\$51,116	\$54,892	\$29,892
Fund Balance - June 30	\$537,867	\$492,467	\$492,467	\$54,892	\$29,892	\$14,492

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

Special Revenue Funds, Continued

	Community Development Block Grant			Metropolitan Planning Organization		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	401,839	710,049	500,000	106,364	295,100	200,000
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Subtotal:	\$401,839	\$710,049	\$500,000	\$106,364	\$295,100	\$200,000
Other financial sources:						
Operating transfers in	\$10,000	\$10,000	\$10,000	\$32,300	\$32,300	\$32,300
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$411,839	\$720,049	\$510,000	\$138,664	\$327,400	\$232,300
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	187,706	278,704	280,000	136,498	368,900	240,300
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	214,097	441,345	230,000	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$401,803	\$720,049	\$510,000	\$136,498	\$368,900	\$240,300
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$401,803	\$720,049	\$510,000	\$136,498	\$368,900	\$240,300
Net Increase(Decrease) in Fund Balance	10,036	0	0	2,166	(41,500)	(8,000)
Fund Balance - July 1	\$6,665	\$16,701	\$16,701	\$49,407	\$51,573	\$10,073
Fund Balance - June 30	\$16,701	\$16,701	\$16,701	\$51,573	\$10,073	\$2,073

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

Special Revenue Funds, Continued

	2009 COPS Hiring Recovery Grant			2009 Justice Assistance Grant-ARRA		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	102,704	217,000	225,000	166,788	0	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Subtotal:	\$102,704	\$217,000	\$225,000	\$166,788	\$0	\$0
Other financial sources:						
Operating transfers in	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from bonds	0	0	0	0	0	0
Total Financial Sources	\$102,704	\$217,000	\$225,000	\$166,788	\$0	\$0
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	102,704	217,000	225,000	21,009	145,779	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$102,704	\$217,000	\$225,000	\$21,009	\$145,779	\$0
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$102,704	\$217,000	\$225,000	\$21,009	\$145,779	\$0
Net Increase(Decrease) in Fund Balance	0	0	0	145,779	(145,779)	0
Fund Balance - July 1	\$0	\$0	\$0	\$0	\$145,779	\$0
Fund Balance - June 30	\$0	\$0	\$0	\$145,779	\$0	\$0

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Special Revenue Funds, Continued		
	Total Special Revenue Funds		
	2010	2011	2012
	Actual	Budgeted	Proposed
Financial Sources:			
Taxes	\$0	\$0	\$0
Licenses & permits	0	0	0
Intergovernmental	33,130,549	35,981,799	34,897,981
Fines & forfeitures	176,450	83,194	40,000
Charges for services	3,293,371	3,615,274	3,591,168
Interest	6,136	9,200	8,700
Miscellaneous	896,574	564,211	331,727
Subtotal:	\$37,503,080	\$40,253,678	\$38,869,576
Other financial sources:			
Operating transfers in	\$7,088,432	\$7,148,800	\$7,173,300
Proceeds from bonds	0	0	0
Total Financial Sources	\$44,591,512	\$47,402,478	\$46,042,876
Expenditures:			
General government	\$0	\$0	\$0
Community development	324,204	647,604	520,300
Public safety	359,468	639,242	326,700
Public works	4,100,172	4,283,000	4,184,700
Health and welfare	0	0	0
Culture and recreation	1,194,599	1,277,200	1,291,900
Education	36,092,156	39,212,047	38,433,898
Appropriations	0	0	0
Capital outlay	505,100	468,045	231,500
Debt service principal	71,428	0	0
Debt service int. & other	0	0	0
Subtotal:	\$42,647,127	\$46,527,138	\$44,988,998
Other financing uses:			
Operating transfers out	1,112,700	1,129,943	942,678
Total Use of Resources:	\$43,759,827	\$47,657,081	\$45,931,676
Net Increase(Decrease) in Fund Balance	831,685	(254,603)	111,200
Fund Balance - July 1	\$3,211,868	\$4,043,553	\$3,788,950
Fund Balance - June 30	\$4,043,553	\$3,788,950	\$3,900,150

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Debt Service Fund		
	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:			
Taxes	\$0	\$0	\$0
Licenses & permits	0	0	0
Intergovernmental	69,653	146,700	146,700
Fines & forfeitures	0	0	0
Charges for services	0	0	0
Interest	6,279	5,000	2,800
Miscellaneous	91,250	81,300	79,900
Subtotal:	\$167,182	\$233,000	\$229,400
Other financial sources:			
Operating transfers in	4,327,300	3,541,600	4,692,300
Proceeds from bonds	25,225,800	0	0
Total Financial Sources	\$29,720,282	\$3,774,600	\$4,921,700
Expenditures:			
General government	\$0	\$0	\$0
Community development	0	0	0
Public safety	0	0	0
Public works	0	0	0
Health and welfare	0	0	0
Culture and recreation	0	0	0
Education	0	0	0
Appropriations	0	0	0
Capital outlay	0	0	0
Debt service principal	1,868,000	1,916,000	2,104,000
Debt service int. & other	2,803,622	2,785,900	2,817,700
Subtotal:	\$4,671,622	\$4,701,900	\$4,921,700
Other financing uses:			
Pymt to ref. bond escrow	24,652,000	0	0
Operating transfers out	0	0	0
Total Use of Resources:	\$29,323,622	\$4,701,900	\$4,921,700
Net Increase(Decrease) in Fund Balance	\$396,660	(\$927,300)	\$0
Fund Balance - July 1	2,849,584	3,246,244	2,318,944
Fund Balance - June 30	\$3,246,244	\$2,318,944	\$2,318,944

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Capital Project Funds					
	2009 Bradley Build America Bonds			2009 QSCB Fund		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	1,233,510	4,322,500	0	0	0	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	62	0	0	5,192	4,000	0
Miscellaneous	0	0	0	0	0	0
Subtotal:	\$1,233,572	\$4,322,500	\$0	\$5,192	\$4,000	\$0
Other financial sources:						
Operating transfers in	0	0	0	0	0	0
Proceeds notes/bonds	0	0	0	4,160,000	0	0
Total Financial Sources	\$1,233,572	\$4,322,500	\$0	\$4,165,192	\$4,000	\$0
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	988,934	4,567,138	0	1,620,362	2,502,754	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	46,076	0	0
Subtotal:	\$988,934	\$4,567,138	\$0	\$1,666,438	\$2,502,754	\$0
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$988,934	\$4,567,138	\$0	\$1,666,438	\$2,502,754	\$0
Net Increase(Decrease) in Fund Balance	\$244,638	(\$244,638)	\$0	\$2,498,754	(\$2,498,754)	\$0
Fund Balance - July 1	\$0	\$244,638	\$0	\$0	\$2,498,754	\$0
Fund Balance - June 30	\$244,638	\$0	\$0	\$2,498,754	\$0	\$0

City of Cleveland, Tennessee
 2010-2012 Summary of Financial Sources and Uses
 Governmental Funds by Fund Type

	Capital Project Funds, Continued					
	THDA Home Grants			Capital Improvement Program		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	0	250,000	0	610,889	4,598,385	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	0	0	0	1,340	0	0
Miscellaneous	0	0	0	63,817	21,508	0
Subtotal:	\$0	\$250,000	\$0	\$676,046	\$4,619,893	\$0
Other financial sources:						
Operating transfers in	0	0	0	452,319	1,077,418	331,700
Proceeds notes/bonds	0	0	0	0	0	0
Total Financial Sources	\$0	\$250,000	\$0	\$1,128,365	\$5,697,311	\$331,700
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	0	250,000	0	2,215,567	5,862,705	325,000
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$0	\$250,000	\$0	\$2,215,567	\$5,862,705	\$325,000
Other financing uses:						
Operating transfers out	0	0	0	245,700	0	0
Total Use of Resources:	\$0	\$250,000	\$0	\$2,461,267	\$5,862,705	\$325,000
Net Increase(Decrease) in Fund Balance	\$0	\$0	\$0	(\$1,332,902)	(\$165,394)	\$6,700
Fund Balance - July 1	\$0	\$0	\$0	\$2,310,872	\$977,970	\$812,576
Fund Balance - June 30	\$0	\$0	\$0	\$977,970	\$812,576	\$819,276

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Capital Project Funds, Continued					
	Fletcher Park Trust Fund			Greenway Fund		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & permits	0	0	0	0	0	0
Intergovernmental	40,000	0	0	77,594	685,315	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	20	0	0	82	0	0
Miscellaneous	714	1,300	0	17,082	7,000	0
Subtotal:	\$40,734	\$1,300	\$0	\$94,758	\$692,315	\$0
Other financial sources:						
Operating transfers in	0	0	0	0	0	0
Proceeds notes/bonds	0	0	0	142,000	0	0
Total Financial Sources	\$40,734	\$1,300	\$0	\$236,758	\$692,315	\$0
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	49,050	8,839	0	96,910	834,466	0
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	0	0	0
Subtotal:	\$49,050	\$8,839	\$0	\$96,910	\$834,466	\$0
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$49,050	\$8,839	\$0	\$96,910	\$834,466	\$0
Net Increase(Decrease) in Fund Balance	(\$8,316)	(\$7,539)	\$0	\$139,848	(\$142,151)	\$0
Fund Balance - July 1	\$15,855	\$7,539	\$0	\$2,303	\$142,151	\$0
Fund Balance - June 30	\$7,539	\$0	\$0	\$142,151	\$0	\$0

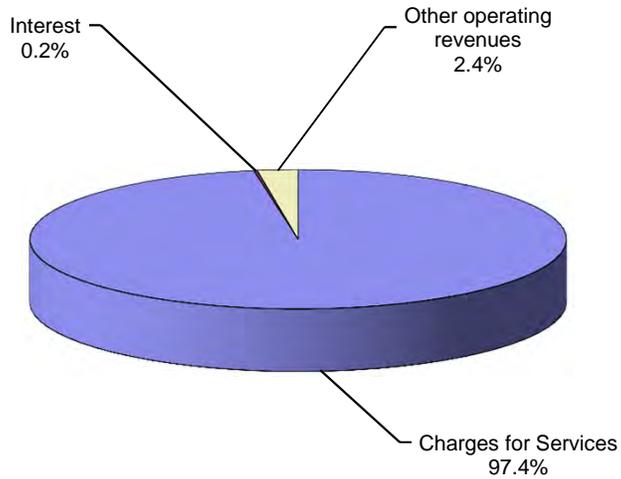
City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Governmental Funds by Fund Type

	Capital Project Funds, Continued					
	ARRA Grant Projects Fund			Sales Tax Capital Projects Fund		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Financial Sources:						
Taxes	\$0	\$0	\$0	\$2,433,004	\$2,350,000	\$2,500,000
Licenses & permits	0	0	0	0	0	0
Intergovernmental	110,338	1,772,146	0	0	0	0
Fines & forfeitures	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Interest	0	0	0	313	0	0
Miscellaneous	0	0	0	58,805	0	0
Subtotal:	\$110,338	\$1,772,146	\$0	\$2,492,122	\$2,350,000	\$2,500,000
Other financial sources:						
Operating transfers in	0	0	0	0	0	0
Proceeds notes/bonds	0	0	0	0	0	0
Total Financial Sources	\$110,338	\$1,772,146	\$0	\$2,492,122	\$2,350,000	\$2,500,000
Expenditures:						
General government	\$0	\$0	\$0	\$0	\$0	\$0
Community development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Public works	0	0	0	0	0	0
Health and welfare	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	0
Education	0	0	0	0	0	0
Appropriations	0	0	0	0	0	0
Capital outlay	110,338	1,772,146	0	1,989,130	3,472,735	2,500,000
Debt service principal	0	0	0	0	0	0
Debt service int. & other	0	0	0	46,900	0	0
Subtotal:	\$110,338	\$1,772,146	\$0	\$2,036,030	\$3,472,735	\$2,500,000
Other financing uses:						
Operating transfers out	0	0	0	0	0	0
Total Use of Resources:	\$110,338	\$1,772,146	\$0	\$2,036,030	\$3,472,735	\$2,500,000
Net Increase(Decrease) in Fund Balance	\$0	\$0	\$0	\$456,092	(\$1,122,735)	\$0
Fund Balance - July 1	\$0	\$0	\$0	\$666,643	\$1,122,735	\$0
Fund Balance - June 30	\$0	\$0	\$0	\$1,122,735	\$0	\$0

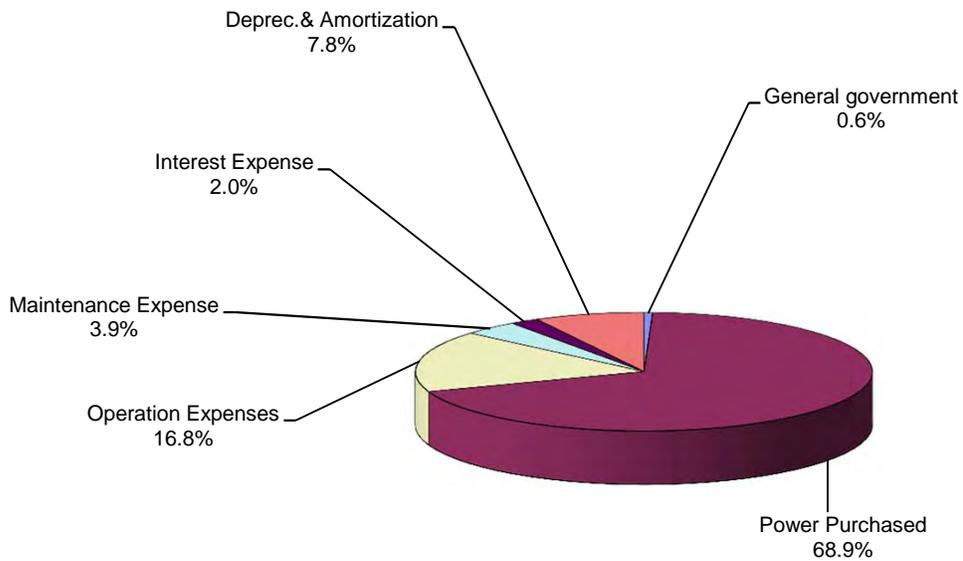
City of Cleveland, Tennessee
 2010-2012 Summary of Financial Sources and Uses
 Governmental Funds by Fund Type

<u>Capital Project Funds, Continued</u>			
<u>Total Capital Project Funds</u>			
	2010	2011	2012
	Actual	Budgeted	Proposed
Financial Sources:			
Taxes	\$2,433,004	\$2,350,000	\$2,500,000
Licenses & permits	0	0	0
Intergovernmental	2,072,331	11,628,346	0
Fines & forfeitures	0	0	0
Charges for services	0	0	0
Interest	7,009	4,000	0
Miscellaneous	140,418	29,808	0
Subtotal:	\$4,652,762	\$14,012,154	\$2,500,000
Other financial sources:			
Operating transfers in	\$452,319	\$1,077,418	\$331,700
Proceeds notes/bonds	4,302,000	0	0
Total Financial Sources	\$9,407,081	\$15,089,572	\$2,831,700
Expenditures:			
General government	\$0	\$0	\$0
Community development	0	0	0
Public safety	0	0	0
Public works	0	0	0
Health and welfare	0	0	0
Culture and recreation	0	0	0
Education	0	0	0
Appropriations	0	0	0
Capital outlay	7,070,291	19,270,783	2,825,000
Debt service principal	0	0	0
Debt service int. & other	92,976	0	0
Subtotal:	\$7,163,267	\$19,270,783	\$2,825,000
Other financing uses:			
Operating transfers out	245,700	0	0
Total Use of Resources:	\$7,408,967	\$19,270,783	\$2,825,000
Net Increase(Decrease) in Fund Balance	\$1,998,114	(\$4,181,211)	\$6,700
Fund Balance - July 1	\$2,995,673	\$4,993,787	\$812,576
Fund Balance - June 30	\$4,993,787	\$812,576	\$819,276

City of Cleveland Summary of Proprietary Funds Revenues By Use - FY2012



Expenses By Use - FY2012



City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Proprietary Funds

	Enterprise Funds			Internal Service Funds		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Operating Revenues:						
Charges for services	\$104,415,137	\$106,167,811	\$115,785,163	\$637,747	\$695,200	\$751,200
Other operating revenues	3,002,454	2,933,880	2,920,440	0	0	0
Total Operating Revenues	\$107,417,591	\$109,101,691	\$118,705,603	\$637,747	\$695,200	\$751,200
Operating Expenses:						
General government	\$0	\$0	\$0	\$668,277	\$685,000	\$710,900
Public works	\$0	\$0	\$0	0	0	0
Recreation	\$0	\$0	\$0	0	0	0
Power purchased	\$70,884,746	\$72,247,476	\$80,325,726	0	0	0
Operation expenses	\$19,193,222	\$19,559,188	\$19,536,687	0	0	0
Maintenance expense	\$4,976,838	\$4,932,887	\$4,587,962	0	0	0
Depreciation and amortization	7,871,679	8,226,622	9,011,906	36,065	40,800	40,800
Total Operating Expenses:	\$102,926,485	\$104,966,173	\$113,462,281	\$704,342	\$725,800	\$751,700
Operating Income (Loss)	\$4,491,106	\$4,135,518	\$5,243,322	(\$66,595)	(\$30,600)	(\$500)
Nonoperating Revenues (Expenses):						
Interest income	205,247	240,063	231,771	236	500	500
Interest expense	(2,254,066)	(2,739,410)	(2,379,643)	0	0	0
Other income	5,250	0	0	(1,200)	0	0
Total Nonoperating Revenues (Expenses):	(2,043,569)	(2,499,347)	(2,147,872)	(964)	500	500
Change In Net Assets Before Operating Transfers:	\$2,447,537	\$1,636,171	\$3,095,450	(\$67,559)	(\$30,100)	\$0
Capital contributions	4,882,848	10,023,000	23,000	0	0	0
Operating transfers in	34,000	34,000	34,000	0	0	0
Operating transfers out	(1,756,261)	(1,783,494)	(1,869,720)	0	0	0
Change In Net Assets	\$5,608,124	\$9,909,677	\$1,282,730	(\$67,559)	(\$30,100)	\$0
Est. Net Assets - July 1	125,567,454	131,175,578	141,085,255	1,549,853	1,482,294	1,452,194
Est. Net Assets - June 30	\$131,175,578	\$141,085,255	\$142,367,985	\$1,482,294	\$1,452,194	\$1,452,194

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Proprietary Funds

	Total Proprietary Funds		
	2010 Actual	2011 Budgeted	2012 Proposed
Operating Revenues:			
Charges for services	\$105,052,884	\$106,863,011	\$116,536,363
Other operating revenues	\$3,002,454	\$2,933,880	\$2,920,440
Total Operating Revenues	\$108,055,338	\$109,796,891	\$119,456,803
Operating Expenses:			
General government	\$668,277	\$685,000	\$710,900
Public works	0	0	0
Recreation	0	0	0
Power purchased	70,884,746	72,247,476	80,325,726
Operation expenses	19,193,222	19,559,188	19,536,687
Maintenance expense	4,976,838	4,932,887	4,587,962
Depreciation and amortization	7,907,744	8,267,422	9,052,706
Total Operating Expenses:	\$103,630,827	\$105,691,973	\$114,213,981
Operating Income (Loss)	\$4,424,511	\$4,104,918	\$5,242,822
Nonoperating Revenues (Expenses):			
Interest income	205,483	240,563	232,271
Interest expense	(2,254,066)	(2,739,410)	(2,379,643)
Other income	4,050	0	0
Total Nonoperating Revenues (Expenses):	(2,044,533)	(2,498,847)	(2,147,372)
Change In Net Assets Before Operating Transfers:	\$2,379,978	\$1,606,071	\$3,095,450
Capital contributions	4,882,848	10,023,000	23,000
Operating transfers in	34,000	34,000	34,000
Operating transfers out	(1,756,261)	(1,783,494)	(1,869,720)
Change In Net Assets	\$5,540,565	\$9,879,577	\$1,282,730
Est. Net Assets - July 1	127,117,307	132,657,872	142,537,449
Est. Net Assets - June 30	\$132,657,872	\$142,537,449	\$143,820,179

City of Cleveland, Tennessee
2010-2012 Summary of Estimated Revenues, Expenses and Changes in Net Assets
Proprietary Funds

	Enterprise Funds					
	Cleveland Utilities Electric Division			Cleveland Utilities Water/Wastewater Division		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Operating Revenues:						
Charges for services	\$85,575,799	\$86,368,468	\$94,582,428	\$18,822,563	\$19,788,543	\$21,191,935
Other operating revenues	1,405,897	1,441,458	1,445,672	1,596,557	1,492,422	1,474,768
Total Operating Revenues	\$86,981,696	\$87,809,926	\$96,028,100	\$20,419,120	\$21,280,965	\$22,666,703
Operating Expenses:						
General and administrative	\$0	\$0	\$0	\$0	\$0	\$0
Public works	0	0	0	0	0	0
Recreation	0	0	0	0	0	0
Power purchased	70,884,746	72,247,476	80,325,726	0	0	0
Operation expenses	7,098,180	7,333,541	6,996,099	11,856,061	12,180,647	12,495,588
Maintenance expense	2,507,948	2,532,121	2,401,896	2,468,890	2,400,766	2,186,066
Depreciation and amortization	3,163,711	3,320,847	3,913,911	4,683,570	4,882,775	5,074,995
Total Operating Expenses:	\$83,654,585	\$85,433,985	\$93,637,632	\$19,008,521	\$19,464,188	\$19,756,649
Operating Income (Loss)	\$3,327,111	\$2,375,941	\$2,390,468	\$1,410,599	\$1,816,777	\$2,910,054
Nonoperating Revenues (Expenses):						
Interest income	133,111	146,942	135,573	72,048	92,921	95,998
Interest expense	(344,472)	(696,261)	(461,696)	(1,909,594)	(2,043,149)	(1,917,947)
Other income	0	0	0	0	0	0
Total Nonoperating Revenues (Expenses):	(211,361)	(549,319)	(326,123)	(1,837,546)	(1,950,228)	(1,821,949)
Change in Net Assets Before Operating Transfers:	\$3,115,750	\$1,826,622	\$2,064,345	(\$426,947)	(\$133,451)	\$1,088,105
Capital contributions	0	0	0	1,442,074	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	(1,556,791)	(1,584,494)	(1,667,258)	(199,470)	(199,000)	(202,462)
Change in Net Assets	\$1,558,959	\$242,128	\$397,087	\$815,657	(\$332,451)	\$885,643
Est. Net Assets, July 1	55,600,659	57,159,618	57,401,746	59,946,899	60,762,556	60,430,105
Est. Net Assets, June 30	\$57,159,618	\$57,401,746	\$57,798,833	\$60,762,556	\$60,430,105	\$61,315,748

City of Cleveland, Tennessee
2010-2012 Summary of Estimated Revenues, Expenses and Changes in Net Assets
Proprietary Funds

Enterprise Funds, Continued

	Cleveland Municipal Airport Authority			Total Enterprise Funds		
	2010	2011	2012	2010	2011	2012
	Actual	Budgeted	Proposed	Actual	Budgeted	Proposed
Operating Revenues:						
Charges for services	\$16,775	\$10,800	\$10,800	\$104,415,137	\$106,167,811	\$115,785,163
Other operating revenues	0			3,002,454	2,933,880	2,920,440
Total Operating Revenues	\$16,775	\$10,800	\$10,800	\$107,417,591	\$109,101,691	\$118,705,603
Operating Expenses:						
General and administrative	\$0	\$0	\$0	\$0	\$0	\$0
Public works	0	0	0	\$0	\$0	\$0
Recreation	0	0	0	\$0	\$0	\$0
Power purchased	0	0	0	\$70,884,746	\$72,247,476	\$80,325,726
Operation expenses	238,981	45,000	45,000	\$19,193,222	\$19,559,188	\$19,536,687
Maintenance expense	0	0	0	\$4,976,838	\$4,932,887	\$4,587,962
Depreciation and amortization	24,398	23,000	23,000	7,871,679	8,226,622	9,011,906
Total Operating Expenses:	\$263,379	\$68,000	\$68,000	\$102,926,485	\$104,966,173	\$113,462,281
Operating Income (Loss)	(\$246,604)	(\$57,200)	(\$57,200)	\$4,491,106	\$4,135,518	\$5,243,322
Nonoperating Revenues						
(Expenses):						
Interest income	88	200	200	205,247	240,063	231,771
Interest expense	0	0	0	(2,254,066)	(2,739,410)	(2,379,643)
Other income	5,250	0	0	5,250	0	0
Total Nonoperating Revenues						
(Expenses):	5,338	200	200	(2,043,569)	(2,499,347)	(2,147,872)
Change in Net Assets Before						
Operating Transfers:	(\$241,266)	(\$57,000)	(\$57,000)	\$2,447,537	\$1,636,171	\$3,095,450
Capital contributions	3,440,774	10,023,000	23,000	4,882,848	10,023,000	23,000
Operating transfers in	34,000	34,000	34,000	34,000	34,000	34,000
Operating transfers out	0	0	0	(1,756,261)	(1,783,494)	(1,869,720)
Change in Net Assets	\$3,233,508	\$10,000,000	\$0	\$5,608,124	\$9,909,677	\$1,282,730
Est. Net Assets, July 1	10,019,896	13,253,404	23,253,404	125,567,454	131,175,578	141,085,255
Est. Net Assets, June 30	\$13,253,404	\$23,253,404	\$23,253,404	\$131,175,578	\$141,085,255	\$142,367,985

City of Cleveland, Tennessee
2010-2012
Summary of Estimated Revenues, Expenses and Changes in Net Assets
Proprietary Funds

	Internal Service Funds					
	Fleet Management			Total Internal Service Funds		
	2010 Actual	2011 Budgeted	2012 Proposed	2010 Actual	2011 Budgeted	2012 Proposed
Operating Revenues:						
Charges for services	\$637,747	\$695,200	\$751,200	\$637,747	\$695,200	\$751,200
Other operating revenues	0	0	0	0	0	0
Total Operating Revenues	\$637,747	\$695,200	\$751,200	\$637,747	\$695,200	\$751,200
Operating Expenses:						
General and administrative	\$668,277	\$685,000	\$710,900	\$668,277	\$685,000	\$710,900
Public works	0	0	0	0	0	0
Recreation	0	0	0	0	0	0
Power purchased	0	0	0	0	0	0
Operation expenses	0	0	0	0	0	0
Maintenance expense	0	0	0	0	0	0
Depreciation and amortization	36,065	40,800	40,800	36,065	40,800	40,800
Total Operating Expenses:	\$704,342	\$725,800	\$751,700	\$704,342	\$725,800	\$751,700
Operating Income (Loss)	(\$66,595)	(\$30,600)	(\$500)	(\$66,595)	(\$30,600)	(\$500)
Nonoperating Revenues (Expenses):						
Interest income	236	500	500	236	500	500
Interest expense	0	0	0	0	0	0
Other income(expense)	(1,200)	0	0	(1,200)	0	0
Total Nonoperating Revenues (Expenses):	(964)	500	500	(964)	500	500
Change in Net Assets Before Operating Transfers:	(\$67,559)	(\$30,100)	\$0	(\$67,559)	(\$30,100)	\$0
Capital contribution	0	0	0	0	0	0
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Change in Net Assets	(\$67,559)	(\$30,100)	\$0	(\$67,559)	(\$30,100)	\$0
Est. Net Assets, July 1	1,549,853	1,482,294	1,452,194	1,549,853	1,482,294	1,452,194
Est. Net Assets, June 30	\$1,482,294	\$1,452,194	\$1,452,194	\$1,482,294	\$1,452,194	\$1,452,194

City of Cleveland, Tennessee
2010-2012 Summary of Financial Sources and Uses
Fiduciary Funds by Fund Type

	Meiler Estate Animal Shelter Nonexpendable Trust Fund		
	2010	2011	2012
	Actual	Budgeted	Proposed
Financial Sources:			
Taxes	\$0	\$0	\$0
Licenses & permits	0	0	0
Intergovernmental	0	0	0
Fines & forfeitures	0	0	0
Charges for services	0	0	0
Interest	574	1,000	5,000
Miscellaneous	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal:	\$574	\$1,000	\$5,000
Other financial sources:			
Operating transfers in	0	0	0
Proceeds from bonds	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Total Financial Sources	<u><u>\$574</u></u>	<u><u>\$1,000</u></u>	<u><u>\$5,000</u></u>
Expenditures:			
General government	\$0	\$0	\$0
Planning and inspection	0	0	0
Public safety	0	0	0
Public works	0	0	0
Health and welfare	0	0	0
Culture and recreation	0	0	0
Education	0	0	0
Appropriations	0	0	0
Capital outlay	0	0	0
Debt service principal	0	0	0
Debt service int. & other	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal:	\$0	\$0	\$0
Other financing uses:			
Operating transfers out	6,700	1,000	5,700
	<u>6,700</u>	<u>1,000</u>	<u>5,700</u>
Total Use of Resources:	<u><u>\$6,700</u></u>	<u><u>\$1,000</u></u>	<u><u>\$5,700</u></u>
Net Increase(Decrease) in Fund Balance	(6,126)	0	(700)
Fund Balance - July 1	<u>\$466,387</u>	<u>\$460,261</u>	<u>\$460,261</u>
Fund Balance - June 30	<u><u>\$460,261</u></u>	<u><u>\$460,261</u></u>	<u><u>\$459,561</u></u>

ORDINANCE NO: 2011-10

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF CLEVELAND, TENNESSEE.

BE IT ORDAINED by the City of Cleveland as follows:

Whereas, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance including a financial plan with at least the information required by that state statute;

Whereas, Section 6-22-124, Tennessee Code Annotated, requires the city council to adopt an appropriation ordinance including all funds before the first day of the fiscal year;

Whereas, the budget process is one of the most important activities undertaken by governments for the public welfare. With the budget process being used to make program, service and capital decisions and allocate scarce resources to programs, services and capital;

Whereas, the financial plan developed in this process being the document to communicate the plan the City of Cleveland has decided to implement for the coming fiscal year;

SECTION 1: REVENUES. That the City of Cleveland estimates anticipated revenues of the municipality from all sources including current and delinquent taxes, nontax revenues, and proceeds from the sale of debt to be \$211,568,250. All of these sources are available for appropriation.

Anticipated Revenues	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
Revenues:			
General Fund	\$35,021,920	\$36,486,718	\$35,903,900
Special Revenue Funds:			
Solid Waste Management	2,270,329	2,356,500	2,331,000
Red Light Camera Safety Fund	147,119	294	0
State Street Aid	996,731	1,000,000	1,000,000
General Purpose School	29,972,951	30,404,912	31,397,776
Schools Food Service	2,279,063	2,392,000	2,467,000
Cleveland Public Library	998,856	730,000	721,600
Drug Enforcement	29,748	41,000	40,000
2009 Byrne Mem. Justice Asst. Grant	40,575	0	0
2010 Byrne Mem. Justice Asst. Grant	0	42,081	0
Targeted Crime Reduction Grant	0	220,641	284,200
THDA Neighborhood Stabilization Grant	0	423,970	0
Project Safe Neighborhood Grant	0	10,000	0
2009 COPS Hiring Recovery Grant	102,704	217,000	225,000
2009 Justice Assistance Grant-ARRA	166,788	0	0
Dept. of Justice Asset Forfeiture Fund	15,497	9,164	0
Storm Water Mgmt. Fund	15,091	86,600	200
Community Dev. Block Grant	401,839	710,049	500,000
Metropolitan Planning Organization	106,364	340,000	200,000
Debt Service	25,392,982	233,000	229,400

Anticipated Revenues, cont'd:	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
Revenues:			
Capital Projects Funds:			
THDA Home Grant	0	250,000	0
Fletcher Park	40,734	1,300	0
Greenway Fund	94,758	694,284	0
Capital Improvements Program	676,045	4,619,893	0
ARRA Grant Projects Fund	110,338	1,781,501	0
Sales Tax Capital Projects Fund	2,492,121	2,350,000	2,500,000
QSCB Fund	4,165,192	4,000	0
2009 Bradley Build America Bonds	1,233,572	4,322,500	0
Enterprise Funds:			
Cleveland Municipal Airport Authority	22,113	11,000	11,000
Cleveland Utilities Electric Division	86,918,982	95,407,164	96,163,673
Cleveland Utilities Water Division	20,463,639	21,856,445	22,762,701
Nonexpendable Trust Fund:			
Meiler Trust Fund	574	1,000	5,000
Internal Service Fund:			
Fleet Management	636,783	695,700	751,700
Total Revenues	214,813,408	207,698,716	197,494,150
Other financial sources			
Operating transfers in:			
General Fund:	1,756,261	1,826,000	1,826,000
Special Revenue Funds:			
Solid Waste Management	1,061,300	1,226,800	1,226,800
State Street Aid	103,700	0	0
General Purpose School	5,127,982	5,134,200	5,121,200
Cleveland Public Library	558,650	564,500	571,800
Community Dev. Block Grant	10,000	10,000	10,000
Storm Water Mgmt. Fund	194,500	199,000	199,000
Metropolitan Planning Organization	32,300	32,300	32,300
Debt Service	4,327,299	3,541,600	4,692,300
Capital Projects Funds:			
Capital Improvement Program	452,319	1,226,000	337,700
Greenway Fund	142,000	0	0
Enterprise Funds:			
Cleveland Municipal Airport Authority	34,000	34,000	34,000
Cleve. Utilities - Water/Wastewater	1,442,074	0	0
Total Operating Transfer In:	\$15,242,385	\$13,794,400	\$14,051,100

Anticipated Revenues	2009-2010 <u>(ACTUAL)</u>	2010-2011 <u>(ESTIMATED)</u>	2011-2012 <u>PROPOSED</u>
Other financial sources:			
Operating transfers in, cont'd:			
Capital Contributions			
Enterprise Funds:			
Cleveland Municipal Airport Authority	3,440,775	10,423,000	23,000
Cleve. Utilities - Water/Wastewater	0	0	0
Total Capital Contributions:	3,440,775	10,423,000	23,000
Bond & Note Proceeds			
Total Bond & Note Proceeds:	\$0	\$0	\$0
Total Other Financing Sources	\$18,683,160	\$24,217,400	\$14,074,100
Total Revenues and Other Financing Sources	\$233,496,568	\$231,916,116	\$211,568,250

Details of these revenues and other financing sources are shown in the City of Cleveland's budget document by fund.

SECTION 2: **APPROPRIATIONS.**

That the City of Cleveland appropriates from these anticipated revenues and unexpended and unencumbered funds the following:

Expenditures	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
General Fund	\$25,865,104	\$27,216,718	\$26,529,900
Special Revenue Funds:			
Solid Waste Management	3,313,728	3,412,500	3,370,900
Red Light Camera Safety Fund	113,900	12,575	0
State Street Aid	598,029	611,800	617,500
General Purpose School	33,953,574	34,949,498	35,966,898
Schools Food Service	2,210,010	2,392,000	2,467,000
Cleveland Public Library	1,485,602	1,303,900	1,293,400
Drug Enforcement	104,979	210,500	101,700
2009 Byrne Mem. Justice Asst. Grant	6,860	33,715	0
2010 Byrne Mem. Justice Asst. Grant	0	42,081	0
Targeted Crime Reduction Grant	0	220,641	284,200
THDA Neighborhood Stabilization Grant	0	423,970	0
Project Safe Neighborhood Grant	0	10,000	0
2009 COPS Hiring Recovery Grant	102,704	217,000	225,000
2009 Justice Assistance Grant-ARRA	21,009	145,779	0
Dept. of Justice Asset Forfeiture Fund	16,876	11,307	0
Storm Water Mgmt. Fund	188,415	291,700	196,300
Community Dev. Block Grant	401,803	720,049	510,000
Metropolitan Planning Organization	136,498	408,174	240,300
Debt Service	29,323,622	4,701,900	4,921,700
Capital Projects Funds:			
THDA Home Grant	0	250,000	0
Fletcher Park	49,050	8,839	0
Greenway Fund	96,910	836,435	0
Capital Improvements Program	2,215,567	6,737,715	332,000
ARRA Grant Projects Fund	110,338	1,781,501	0
Sales Tax Capital Projects Fund	2,036,029	3,472,735	2,500,000
QSCB Fund	1,666,438	2,502,754	0
2009 Bradley Build America Bonds	988,934	4,567,138	0
Enterprise Funds:			
Cleveland Municipal Airport Authority	263,379	10,468,000	68,000
Cleveland Utilities Electric Division	83,803,232	92,790,615	94,099,328
Cleveland Util. Water/Wastewater Div.	20,890,587	20,934,539	21,704,596
Nonexpendable Trust Fund:			
Meiler Estate Trust Fund	0	0	0
Internal Service Fund:			
Fleet Management	704,342	725,800	751,700
Total Expenditures	210,667,519	222,411,878	196,180,422

Other Financing Uses	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
Operating Transfers Out			
General Fund	10,569,550	11,096,000	11,200,000
Special Revenue Funds:			
State Street Aid	390,400	405,000	372,300
General Purpose School	704,900	589,614	552,078
Storm Water Mgmt. Fund	17,400	18,900	18,300
Debt Service	0	0	0
Capital Projects Funds:			
Capital Improv. Projects Fund	245,700	0	0
Enterprise Funds:			
Cleveland Utilities - Electric Division	1,556,791	1,627,253	1,667,258
Cleveland Utilities - Water/Wastewater Div.	199,470	199,470	202,462
Nonexpendable Trust Funds:			
Meiler Estate Trust Fund	6,700	1,000	5,700
Total Other Financing Uses	13,690,911	13,937,237	14,018,098
Total Expenditures and Other Financing Uses			
	224,358,430	236,349,115	210,198,520

Details of these appropriated expenditures are shown in the City of Cleveland's budget document by fund.

Increase (Use) of Fund Balance or Net Assets	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
General Fund	343,527	0	0
Special Revenue Funds:			
Solid Waste Management	17,901	170,800	186,900
Red Light Camera Safety Fund	33,219	(12,281)	0
State Street Aid	112,002	(16,800)	10,200
General Purpose School	442,459	0	0
Schools Food Service	69,053	0	0
Cleveland Public Library	71,904	(9,400)	0
Drug Enforcement	(75,231)	(169,500)	(61,700)
2010 Byrne Mem. Justice Asst. Grant	0	0	0
Targeted Crime Reduction Grant	0	0	0
THDA Neighborhood Stabilization Grant	0	0	0
Project Safe Neighborhood Grant	0	0	0

Increase (Use) of Fund Balance or Net Assets	2009-2010 (ACTUAL)	2010-2011 (ESTIMATED)	2011-2012 PROPOSED
Special Revenue Funds cont'd:			
2009 Byrne Mem. Justice Asst. Grant	33,715	(33,715)	0
2009 COPS Hiring Recovery Grant	0	0	0
2009 Justice Assistance Grant-ARRA	145,779	(145,779)	0
Dept. of Justice Asset Forfeiture Fund	(1,379)	(2,143)	0
Storm Water Mgmt. Fund	3,776	(25,000)	(15,400)
Commun. Development Block Grant	10,036	0	0
Metro. Planning Organization (MPO)	2,166	(35,874)	(8,000)
Debt Service	396,659	(927,300)	0
Capital Projects Funds:			
Capital Improvements Program	(1,332,903)	(891,822)	5,700
THDA Home Grant	0	0	0
Fletcher Park	(8,316)	(7,539)	0
Greenway Fund	139,848	(142,151)	0
Sales Tax Capital Projects Fund	456,092	(1,122,735)	0
QSCB Fund	2,498,754	(2,498,754)	0
2009 Bradley Build America Bonds	244,638	(244,638)	0
ARRA Grant Projects Fund	0	0	0
Enterprise Funds:			
Cleveland Municipal Airport Authority	3,233,509	0	0
Cleveland Utilities Electric Division	1,558,959	989,296	397,087
Cleveland Utilities Water Division	815,656	722,436	855,643
Internal Service Fund:			
Fleet Management	(67,559)	(30,100)	0
Nonexpendable Trust Fund:			
Meiler Estate Trust Fund	(6,126)	0	(700)
Total Incr. (Use) of Fund Balance or Net Assets	9,138,138	(4,432,999)	1,369,730

SECTION 3: **STATEMENT OF BALANCE/DEFICIT.** At end of the current fiscal year, the City of Cleveland estimates that it will use none of its \$9,115,200 General Fund fund balance and none of the \$2,318,944 Debt Service fund balance.

SECTION 4: **CAPITAL IMPROVEMENT PROGRAM.** During the coming fiscal year the City of Cleveland has planned for capital projects and proposed capital projects for future implementation and has included a statement listing these capital projects and the sources of financing these projects.

SECTION 5: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

First Reading: June 15, 2011
Final Reading: June 28, 2011

APPROVED AS TO FORM:

/s/John F. Kimball
City Attorney

/s/ Tom Rowland
Mayor

/s/Michael L. Keith
City Clerk

**City of Cleveland, Tennessee
Schedule of Debt Payments
For Fiscal Year 2012**

Loan Type	Loan Name	Authorized and Unissued at 6/30/11	Amount Outstanding at 6/30/11	Payment Fund	Principal	Interest	Total Debt Service
FY2012 Debt Requirement Excluding Cleveland Utilities							
Loan Agreements:							
	Local Gov't Energy Loan	0	214,287	School Fund	71,428	-	71,428
	TN Loans - 2008 TMBF-County	0	1,653,000	County's General Fund	64,000	82,700	146,700
	TN Loans- E-9-A	0	21,335,000	General Fund	107,500	889,800	997,300
				School Fund	17,500	177,000	194,500
	Energy Efficient School Loan	0	273,944	School Fund	39,080	5,920	45,000
	2009 QSCB	0	3,943,685	School Fund	259,578	71,344	330,922
	2012 Debt Issue		1,750,000	School Fund	60,000	80,000	140,000
	Total Loan Agreements:	\$ -	\$ 29,169,916		\$ 619,086	\$ 1,306,764	\$1,925,850
General Obligation Bonds:							
	Gen Impr Refund.Bonds - Series 2005	0	10,010,000	General Fund	139,700	273,900	413,600
				State St.Aid	75,300	147,400	222,700
	Gen Improv Bonds - Series 2007-A	0	5,580,000	General Fund	35,000	72,700	107,700
				School Fund	98,115	193,904	292,019
	Gen Improv. Bonds - Series 2009-B	0	1,360,000	General Fund	572,400	26,000	598,400
				State St.Aid	102,600	4,700	107,300
	Series 2009-C	0	15,860,000	General Fund	440,000	613,300	1,053,300
				Stormwater	15,000	3,300	18,300
				911 Center	70,000	9,900	79,900
	Series 2009-D	0	8,140,000	General Fund	260,000	244,400	504,400
				State St.Aid	20,000	22,300	42,300
	Total Gen. Oblig. Bonds:	\$ -	\$ 40,950,000		\$ 1,828,115	\$ 1,611,804	\$ 3,439,919
Total Long-term Debt Excluding Cleveland Utilities		\$ -	\$ 70,119,916		\$ 2,447,201	\$ 2,918,568	\$ 5,365,769

**City of Cleveland, Tennessee
Schedule of Debt Payments
For Fiscal Year 2012**

FY2012 Debt Requirement for Cleveland Utilities

Loan Type	Loan Name	Authorized and Unissued at 6/30/11	Amount Outstanding at 6/30/11	Payment Fund	Principal	Interest	Total Debt Service
Tax and Revenue Refunding Bonds :							
	Series 2003	0	\$ 1,455,000	Water/Sewer	\$ 500,000	\$ 36,133	\$ 536,133
	Series 2004	0	11,770,000	Water/Sewer	990,000	445,196	1,435,196
	Series 2009-B	0	2,515,000	Water/Sewer	755,000	56,575	811,575
	Series 2009-C	0	11,445,000	Water/Sewer	475,000	401,177	876,177
	Series 2009-D	0	6,890,000	Electric	535,000	221,671	756,671
	Series 2009-D	0	11,565,000	Water/Sewer	-	405,875	405,875
Total Tax & Revenue Refunding Bonds:		\$ -	\$ 45,640,000		\$ 3,255,000	\$ 1,566,627	\$ 4,821,627
Tax and Revenue Bonds:							
	Series 2007B	0	\$ 1,250,000	Electric	\$ 70,000	\$ 51,429	\$ 121,429
	Series 2007B	0	7,060,000	Water/Sewer	95,000	307,433	\$ 402,433
	Series 2010	0	6,500,000	Electric	325,000	165,127	\$ 490,127
	Series 2010	0	2,250,000	Water	80,000	61,039	\$ 141,039
Total Tax and Revenue Bonds:		\$ -	\$ 17,060,000		\$ 570,000	\$ 585,028	\$ 1,155,028
State Revolving Fund Loan:							
	SRF Loan		\$ 660,000	Sewer	\$ 27,848	\$ 13,828	\$ 41,676
	ARRA Loan		\$ 132,000	Sewer	\$ 5,570	\$ 2,766	\$ 8,336
Total State Revolving Fund Loan:			\$ 792,000		\$ 33,418	\$ 16,594	\$ 50,012
Total Long-term Debt-Cleveland Utilities		\$ -	\$ 63,492,000		\$ 3,858,418	\$ 2,168,249	\$ 6,026,667

Combined Debt Requirement for FY2012

Loan Type	Loan Name	Authorized and Unissued at 6/30/11	Amount Outstanding at 6/30/11	Principal	Interest	Total Debt Service
Loan Agreements		0	29,169,916	619,086	1,306,764	\$1,925,850
General Obligation Bonds		0	40,950,000	1,828,115	1,611,804	3,439,919
Tax & Revenue Refunding Bonds		0	45,640,000	3,255,000	1,566,627	4,821,627
Tax & Revenue Bonds		0	17,060,000	570,000	585,028	1,155,028
State Revolving Fund Loan			792,000	33,418	16,594	50,012
Combined Debt Requirement:		\$ -	\$ 133,611,916	\$ 6,305,619	\$ 5,086,817	\$11,392,436

**City of Cleveland, Tennessee
Schedule of Debt Payments
For Fiscal Year 2012**

FY2012 Debt Service By Fund:

Fund	Principal	Interest	Debt Service
General Fund	1,554,600	2,120,100	3,674,700
School Fund	545,701	528,168	1,073,869
State Street Aid Fund	197,900	174,400	372,300
Stormwater Fund	15,000	3,300	18,300
911 Center	70,000	9,900	79,900
Electric Fund	930,000	438,227	1,368,227
Water & Sewer Fund	2,928,418	1,730,022	4,658,440
County General Fund	64,000	82,700	146,700
Total:	\$ 6,305,619	\$ 5,086,817	\$ 11,392,436

Capital Improvement Program

Proj.ID	Project	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
Proposed Projects for CIP Fund:								
AF1	Office Equipment	0	5,000	5,000	5,000	5,000	5,000	25,000
AF2	Vehicle Replacement	0	0	0	0	24,500	0	24,500
AF-IS1	GIS	0	48,800	50,300	51,800	52,300	54,300	257,500
AF-IS2	Software License	0	25,000	30,000	30,000	30,000	35,000	150,000
AF-IS3	Computer Maint. & Software	332,000	130,600	125,600	128,400	133,000	147,400	997,000
AF-IS4	Elec. Doc. Mgmt. (SETDD)	0	5,000	5,000	5,000	5,000	5,000	25,000
PI1	Community Dev. Vehicle	0	50,000	25,000	0	25,000	0	100,000
PI2	Community Dev. Lot Clearing	0	10,000	10,000	10,000	10,000	10,000	50,000
PR1	Cherokee Springs Impr./Equip	0	55,000	38,000	53,000	60,000	1,000	207,000
PR2	N.E. Masterplan Phases	0	350,000	55,000	0	0	0	405,000
PR4	Playground Equipment	0	15,000	15,000	15,000	15,000	15,000	75,000
PR6	Tinsley Park Improvements	0	10,000	25,000	0	0	0	35,000
PR8	Comm. Ctr. Improvements	0	10,000	0	0	0	0	10,000
PD1	Police Vehicles	0	250,000	253,000	253,000	256,000	256,000	1,268,000
PD2	Police Misc. Equip.	0	15,000	15,000	15,000	15,000	15,000	75,000
PWD1	Major Paving	0	585,000	585,000	585,000	585,000	585,000	2,925,000
PWD2	Public Works Projects	0	35,000	35,000	35,000	35,000	35,000	175,000
PWD3	Paving Maintenance	0	0	0	0	0	0	0
PWD4	Sidewalks	0	33,000	33,000	33,000	33,000	33,000	165,000
PWD9	Engineering Equip/Vehicles	0	0	0	20,000	0	0	20,000
AC1	Animal Control Impr./Equip.	0	0	0	0	0	0	0
FD1	Fire Dept. Equipment	0	50,000	50,000	50,000	50,000	50,000	250,000
Total Projects Funded:		\$332,000	\$1,682,400	\$1,354,900	\$1,289,200	\$1,333,800	\$1,246,700	\$7,239,000
Funding Sources:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Transfer from General Fund	332,000	1,537,400	1,209,900	1,144,200	1,188,800	1,101,700	6,514,000
	Transfer from State St. Aid	0	120,000	120,000	120,000	120,000	120,000	600,000
	Transfer from Meiler	5,700	0	0	0	0	0	5,700
	Interest Income	0	25,000	25,000	25,000	25,000	25,000	125,000
	Use of CIP Fund Balance	0	0	0	0	0	0	0
Total Funding Sources:		\$337,700	\$1,682,400	\$1,354,900	\$1,289,200	\$1,333,800	\$1,246,700	\$7,244,700
Proposed Bond Fund Projects:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Public Works Facility	0	0	0	0	1,625,000	0	1,625,000
	Fire Impr./Equipment	0	0	1,300,000	0	25,000	0	1,325,000
	Fire Hall Station #6	0	0	920,000	0	0	0	920,000
	Cher. Springs - Equip/Improv	0	0	220,000	0	0	0	220,000
	Tinsley - Lighting	0	0	125,000	0	125,000	0	250,000
	Parks & Recreation Projects	0	0	0	0	0	0	0
	Fletcher - Phase V	0	0	50,000	0	0	0	50,000
	Detention Ponds	0	0	300,000	0	0	0	300,000
	Major Drainage Projects	0	0	200,000	0	100,000	0	300,000
	Greenway Project Phase III	0	0	200,000	0	0	0	200,000
	Major Intersection Improvements	0	0	200,000	0	200,000	0	400,000
	Public Works Equipment	0	0	100,000	0	100,000	0	200,000
	Public Works Projects	0	0	0	0	0	0	0
	Animal Shelter Equipment	0	0	0	0	0	0	0
	School Impr./Equipment	0	0	1,145,000	0	1,000,000	0	2,145,000
Total Projects Funded by Future Bonds:		0	0	4,760,000	0	3,175,000	0	\$7,935,000
Funding Sources:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Transf. Storm Water for Debt Serv.	0	0	40,000	0	0	0	40,000
	Transf. Gen. Fund for Debt Service	0	0	409,600	0	160,000	0	569,600
Total Funding Sources:		\$0	\$0	\$449,600	\$0	\$160,000	\$0	\$609,600
Required Tax Increase for Bond Projects:		0.0	0.0	4.1	0.0	1.6	0.0	
		cents	cents	cents	cents	cents	cents	
Unfunded Transportation Plan			1,020,000	1,020,000	1,320,000	1,320,000	1,320,000	\$6,000,000

Capital Improvement Program

Total Projects by Department:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:	
General Government	0	0	0	0	0	0	0	0
Administration & Finance	0	5,000	5,000	5,000	29,500	5,000	49,500	
Admin. & Fin. GIS,IS,Doc.Imag.	332,000	209,400	210,900	215,200	220,300	241,700	1,429,500	
Community Development	0	60,000	35,000	10,000	35,000	10,000	150,000	
Fire Department	0	50,000	2,270,000	50,000	75,000	50,000	2,495,000	
Greenway	0	0	200,000	0	0	0	200,000	
Fletcher Park Match	0	15,000	65,000	15,000	15,000	15,000	125,000	
Parks & Recreation	0	425,000	463,000	53,000	185,000	1,000	1,127,000	
Police Department	0	265,000	268,000	268,000	271,000	271,000	1,343,000	
Public Works	0	653,000	953,000	653,000	2,578,000	653,000	5,490,000	
Storm Water Mgmt.	0	0	500,000	0	100,000	0	600,000	
Animal Control	0	0	0	0	0	0	0	
Engineering Equip./Vehicles	0	0	0	20,000	0	0	20,000	
Schools - Funded by City	0	0	1,145,000	0	1,000,000	0	2,145,000	
Schools - Funded by Br. County	0	0	0	0	0	0	0	
Transportation Plan	0	1,020,000	1,020,000	1,320,000	1,320,000	1,320,000	6,000,000	
Total Funding:	\$332,000	\$2,702,400	\$7,134,900	\$2,609,200	\$5,828,800	\$2,566,700	\$21,174,000	
Departments by Percentage:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:	
General Government	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Admin. & Finance	0.0%	0.2%	0.1%	0.2%	0.5%	0.2%	0.2%	0.2%
Admin. & Fin. GIS Dept.	100.0%	7.7%	3.0%	8.2%	3.8%	9.4%	6.8%	
Community Development	0.0%	2.2%	0.5%	0.4%	0.6%	0.4%	0.7%	
Fire Department	0.0%	1.9%	31.8%	1.9%	1.3%	1.9%	11.8%	
Greenway	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.9%	
Fletcher Park Match	0.0%	0.56%	0.91%	0.57%	0.26%	0.58%	0.6%	
Parks & Recreation	0.0%	15.7%	6.5%	2.0%	3.2%	0.0%	5.3%	
Police Department	0.0%	9.8%	3.8%	10.3%	4.6%	10.6%	6.3%	
Public Works	0.0%	24.2%	13.4%	25.0%	44.2%	25.4%	25.9%	
Storm Water Management	0.0%	0.0%	7.0%	0.0%	1.7%	0.0%	2.8%	
Animal Control	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Engineering	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	0.1%	
Schools -Funded by City	0.0%	0.0%	16.0%	0.0%	17.2%	0.0%	10.1%	
Schools -Funded by County	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Transportation Plan	0.0%	37.7%	14.3%	50.6%	22.6%	51.4%	28.3%	
Total:	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

ORDINANCE NO: 2011-09

TAX ORDINANCE - YEAR 2011

AN ORDINANCE TO PROVIDE AND FIX FOR THE CITY OF CLEVELAND, TENNESSEE, FOR THE YEAR 2011, AND SUBSEQUENT YEARS, THE TAX RATE ON ALL PROPERTY, BOTH REAL AND PERSONAL; TO PROVIDE A BUSINESS TAX; TO PROVIDE FOR A SPECIAL FRANCHISE PRIVILEGE TAX, IN ACCORDANCE WITH AND AS SET FORTH IN THE "BUSINESS TAX ACT" KNOWN AS CHAPTER 387 OF THE PUBLIC ACTS OF 1971, PASSED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, WITHIN THE CORPORATE LIMITS OF THE CITY OF CLEVELAND, AND TO FIX A PENALTY FOR ANY PERSON, FIRM OR CORPORATION EXERCISING ANY SUCH VOCATION, OCCUPATION OR BUSINESS WITHIN SAID CITY OF CLEVELAND WITHOUT FIRST PAYING SAID TAX.

SECTION 1. BE IT ORDAINED by the City Council of the City of Cleveland, Tennessee, that the tax levy on all property, both real and personal, for the year 2011, and each subsequent year thereafter be, and is, \$1.4904 on each One Hundred Dollars (\$100.00) of assessed valuation.

SECTION 2. BE IT FURTHER ORDAINED by the City Council of the City of Cleveland, Tennessee, that all persons, firms and corporations engaged in any location, occupation or business within the corporate limits of said City shall pay a business tax to the City of Cleveland equal to and in the same amount as the business tax prescribed to be paid by such person, firm or corporation under the terms and provisions of the "Business Tax Act", known and designated as Chapter 387 of the Public Acts of 1971, as passed by the aforesaid Act hereto attached, read and understood by the said City Council, and made a part of this Ordinance; and the rate of taxes on such business is made a part hereof as fully as if the same were incorporated in full herein; and the rate of taxes on such privilege and privileges named in said Act for retail businesses shall be as follows:

Class 1A	1/10 of 1% retail 1/40 of 1% wholesale
Class 1B	1/10 of 1% retail 3/80 of 1% wholesale
Class 1C	1/10 of 1% retail 3/80 of 1% wholesale
Class 1D	1/20 of 1%
Class 2	3/20 of 1% retail 3/80 of 1% wholesale
Class 3	3/16 of 1% retail 3/80 of 1% wholesale
Class 4	1/10 of 1%

and the taxes shall be paid to the City Clerk as provided by law and Ordinances for the collection of all revenues for the City of Cleveland, Tennessee.

SECTION 3. BE IT FURTHER ORDAINED by the City Council of the City of Cleveland, Tennessee, that there is also levied a special franchise privilege tax, in accordance with the provisions of Chapter 311 of the Public Acts of the 85th General Assembly of the State of Tennessee, on all public utility corporations, domestic and foreign, and which do business, own property, or operate as a public utility in the City of Cleveland, Tennessee. The base of such tax shall be determined as set forth in Chapter 311 aforesaid. The rate of said tax shall be \$1.4904 for each one hundred dollars (\$100.00) of assessed valuation.

SECTION 4. BE IT FURTHER ORDAINED by the City Council of the City of Cleveland, Tennessee, that it shall be unlawful for any person, firm or corporation to exercise the privileges set forth and referred to in this Ordinance before complying with the provisions of the Ordinance, and anyone exercising any of the forgoing privileges without paying the tax prescribed shall be guilty of a misdemeanor and liable to a fine on conviction of not less than \$5.00, nor more than \$50.00, for each such privilege which is exercised without a license, to be imposed by the City Judge of the City of Cleveland.

SECTION 5. BE IT FURTHER ORDAINED by the City Council of the City of Cleveland, Tennessee, that if any Section or part of this Ordinance shall be declared invalid or unenforceable, the invalidity of such Section or part shall not otherwise affect its validity but the remaining Sections or parts of this Ordinance shall be enforced without regard to the Section or part declared to be invalid.

SECTION 6. BE IT FURTHER ORDAINED by the City Council of the City of Cleveland, Tennessee, that all Ordinances or parts of Ordinances in conflict with the provisions of this Ordinance are hereby repealed; however, this Ordinance shall not be the exclusive means of taxation within the City of Cleveland, Tennessee, but is in addition to any other valid Ordinances in existence at the present time by which the City may collect a tax or taxes, and this Ordinance shall take effect from and after its passage, the public welfare of the City of Cleveland requiring it.

Signed in Open Meeting:

/s/Charlie McKenzie

Councilman McKenzie

/s/Bill Estes

Councilman Estes

ATTEST:

/s/Michael L. Keith

Michael L. Keith, City Clerk

/s/Avery Johnson

Councilman Johnson

/s/David May, Jr.

Councilman May

APPROVED AS TO FORM:

/s/Dale Hughes

Councilman Hughes

/s/John F. Kimball

John F. Kimball, City Attorney

/s/Richard L. Banks

Councilman Banks

/s/Tom Rowland

Tom Rowland, Mayor

/s/George Poe, Jr.

Councilman Poe

RESOLUTION

**CITY OF CLEVELAND
APPROPRIATION RESOLUTION**

WHEREAS, the City of Cleveland recognizes that its citizens have various needs which must be addressed; and

WHEREAS, the municipal government has neither the expertise or manpower to assist its citizens with all their special needs; and

WHEREAS, several not-for-profit organizations have been established over the years to help the citizens with their special needs; and

WHEREAS, the enclosed organizations have demonstrated, through their financial statements and by reputation, to be of service in enhancing the quality of life in this area;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cleveland, Tennessee that these contributions be made for FY 2011-2012:

Adopted this 15th day of June 2011.

Approved as to form:

/s/John F. Kimball
City Attorney

/s/Tom Rowland
Mayor

/s/Michael L. Keith
City Clerk

FUND 110-GENERAL FUND		DEPT-51500- APPROPRIATIONS				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Operating expenditures:						
General government:						
700	JOINTLY FUNDED	0	17,500	9,000	20,000	20,000
701	CLEVE/BRAD REG MUSEUM	43,000	43,000	42,300	42,300	42,300
702	MTAS - BENCHMARKING	4,000	4,000	4,000	4,000	4,000
703	MUNICIPAL LEAGUE DUES	9,102	9,200	9,200	9,200	9,200
704	CHAMBER-ECONOMIC DEV	45,000	45,000	45,000	45,000	45,000
705	SE TN DISTRICT DUES	7,725	8,000	8,000	8,000	8,000
706	MAINSTREET CLEVELAND	25,000	25,000	25,000	25,000	25,000
707	CEMETERY ASSOCIATION (50%)	10,000	10,000	10,000	10,000	10,000
708	COURTS COMMUNITY SVC (50%)	56,230	53,900	53,900	53,900	53,900
709	KEEP AMERICA BEAUTIFUL(50%)	28,100	28,100	28,100	28,100	28,100
710	JUVENILE COURT MATCH	1,100	1,100	1,100	1,100	1,100
711	UNITED WAY SUPPORTERS	0	300	1,000	1,000	1,000
712	SETHRA-TRANSIT	135,000	135,000	141,000	135,000	135,000
	Total General government	364,257	380,100	377,600	382,600	382,600
Public safety:						
713	CLEVE/BRAD COMM CTR (49.5%)	450,000	450,000	450,000	450,000	450,000
714	EMERGENCY MGMT (20%)	87,297	87,300	87,300	87,300	87,300
715	KIWANIS FLAG PROGRAM	3,000	0	0	0	0
	Total Public Safety	540,297	537,300	537,300	537,300	537,300
Health & welfare:						
717	VETERANS AFFAIRS (20%)	22,094	22,100	22,100	22,100	22,100
718	BEHAVIORAL RESEARCH	2,000	2,000	2,000	2,000	2,000
720	DEVELOPMENTAL SVCS (20%)	6,200	6,200	6,200	6,200	6,200
721	COMMUNITY SVCS AGCY (50%)	94,306	94,400	94,400	94,400	94,400
	Total Health & welfare	124,600	124,700	124,700	124,700	124,700
Parks & recreation:						
726	AQUA TIGER EQUIPMENT	2,000	2,000	2,000	2,000	2,000
728	BRADLEY/CLEV FOOTBALL	3,500	3,500	3,500	3,500	3,500
729	YOUTH BASEBALL	5,000	5,000	5,000	5,000	5,000
730	CLEVELAND YOUTH SOFTBALL	4,000	4,000	4,000	4,000	4,000
731	SOCCER ASSOCIATION	5,000	5,000	5,000	5,000	5,000
733	LAND PAYMENT-SOCCER	5,000	5,000	5,000	5,000	5,000
734	FOOTHILLS COUNTRY FAIR	1,000	1,000	1,000	1,000	1,000
	Total Parks & recreation	25,500	25,500	25,500	25,500	25,500
Education:						
735	VOCATIONAL SCHOOL (20%)	17,900	17,900	17,900	17,900	17,900
	Total Education	17,900	17,900	17,900	17,900	17,900
TOTAL DEPARTMENT 51500		1,072,554	1,085,500	1,083,000	1,088,000	1,088,000

RESOLUTION

A RESOLUTION DIRECTING THE PAYMENT BY THE CLEVELAND UTILITIES BOARD TO THE CITY OF CLEVELAND TAX EQUIVALENT PAYMENTS FOR THE CLEVELAND UTILITIES BOARD'S ELECTRIC SYSTEM

WHEREAS, section 7-52-304 of the Tennessee Code annotated empowers a municipality's governing body, after consultation with the supervisory body of an electric system, to determine the amounts of tax equivalents to be paid to the taxing jurisdiction (municipality) in the service area of the electric system; and

WHEREAS, the City Council of the City of Cleveland, through its City Manager and Finance Director, has held such consultation with the supervisory body of the electric system of the City of Cleveland; and

WHEREAS, the necessary calculations of tax equivalents payable have been made in accordance with the provisions of Tennessee Code annotated Section 7-52-304;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLEVELAND;

Section 1. The Cleveland Utilities Board electric system is hereby directed to pay to the City of Cleveland \$1,667,258 in tax equivalents for FY2012.

Section 2. This resolution shall become effective July 1, 2011 the public welfare requiring it.

Adopted this 15th day of June 2011.

Approved as to form:

/s/John F. Kimball
City Attorney

/s/Tom Rowland
Mayor

/s/Michael L. Keith
City Clerk

RESOLUTION

A RESOLUTION DIRECTING THE PAYMENT BY THE CLEVELAND UTILITIES BOARD TO THE CITY OF CLEVELAND TAX EQUIVALENT PAYMENTS FOR THE CLEVELAND UTILITIES BOARD'S WATER AND WASTEWATER SYSTEM.

WHEREAS, section 7-34-115 of the Tennessee Code annotated empowers a municipality's governing body, after consultation with the supervisory body of a water and/or wastewater system, to determine the amounts of tax equivalents to be paid to the taxing jurisdiction (municipality) in the service area of the water and wastewater system; and

WHEREAS, the City Council of the City of Cleveland, through its City Manager and Finance Director, has held such consultation with the supervisory body of the water and/or wastewater system of the City of Cleveland; and

WHEREAS, the necessary calculations of tax equivalents payable have been made in accordance with the provisions of Tennessee Code annotated Section 7-34-115;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLEVELAND;

Section 1. The Cleveland Utilities Board water and wastewater system is hereby directed to pay to the City of Cleveland \$202,462 in tax equivalents for FY2012.

Section 2. This resolution shall become effective July 1, 2011 the public welfare requiring it.

Adopted this 15th day of June 2011.

Approved as to form:

/s/John F. Kimball
City Attorney

/s/Tom Rowland
Mayor

/s/Michael L. Keith
City Clerk

RESOLUTION

**A RESOLUTION REGARDING THE CLEVELAND CITY SCHOOLS
FEDERAL PROJECT FUND**

THAT WHEREAS, the Cleveland City Schools receive monies from the federal government to assist with the educational programs of the local school system; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cleveland, Tennessee in regular session assembled this 15th day of June 2011, as follows:

Section 1. That the Cleveland City Schools General Fund is hereby approved, and the budget for the Cleveland City Schools Federal Project Fund shall be the budget for the separate projects approved within the fund by the Tennessee Department of Education and for the *No Child Left Behind* projects as approved by the Cleveland Board of Education.

Section 2. That a certified copy of this Resolution shall be furnished to the Director of Schools to forward to the Tennessee Department of Education as proof of compliance with its regulations regarding federal project funds.

Section 3. That this Resolution shall be and remain in full force and effect from and after its date of adoption.

Passed and adopted this 15th day of June 2011.

Approved as to form:

/s/John F. Kimball
City Attorney

/s/Tom Rowland
Mayor

/s/Michael L. Keith
City Clerk

Financial Policies and Budget Preparation

The City Council has adopted policies in all areas of financial management, which guide the preparation, adoption, amendment, and administration of the Operating Budget, the Capital Budget, and the Capital Improvements Plan. Below is a listing of those policies in the areas of:

- Operating Budget Policies
- Capital Budget Policies
- Revenue Policies
- Reserve Policies
- Cash Management and Investment Policies
- Risk Management Policies
- Debt Policies
- Accounting, Auditing, and Financial Reporting Policies

Operating Budget Policies

The City Council shall hold an annual Budget Retreat each Spring in order to establish priorities for funding in the next fiscal year and a Planning Session in the Fall to discuss long-range major capital improvements.

The City shall adopt a balanced budget annually. A balanced budget is a basic budgetary constraint intended to ensure that a government does not spend beyond its means. A budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Any subsequent amendment must identify the revenues or other financing sources. The City will strive to maintain current fund balances in its operating funds and to meet the reserve targets established under the “Reserve Policy” section of this document.

The City will continue to pay competitive wages and fringe benefits in order to attract and retain quality personnel.

All Enterprise Funds shall be self-supporting from their fees and charges, with no subsidy from the General Fund. By the same token, the General Fund shall receive no subsidy from any Enterprise Fund. This does not prohibit the normal Payment in Lieu of Taxes (PILOT) required from Cleveland Utilities.

The Fleet Management Fund should reflect the true costs to provide maintenance for city-owned vehicles, as well as outside governmental agencies contracting vehicle maintenance with the city. The City Council shall review annually the hourly rate and mark-up on parts and gasoline required to support the operation.

The Solid Waste Management Fund should reflect the true costs to provide residential and commercial garbage collection, disposal and recycling; bulk (white goods) collection and disposal; and leaf collection and disposal. The City Council shall evaluate annually the extent to which each service is supported by service charges rather than a subsidy from the General Fund.

The Cleveland City School System (CCS) shall be given an increase in City funding over the current fiscal year's budgeted revenue estimate from the City, that is equal to the estimated percentage increase in the Local Taxes portion of the General Fund Revenues for the following fiscal year. The computation of this increased percentage shall not include any revenue increase due to increased property or sales tax rates which are earmarked for specific purposes. This will assure that the school system receives a reasonable inflationary increase for the portion of their Budget funded by the City. The City is not in a position to provide funding beyond this level and still have adequate financial resources for the other needs of the community. The increases necessary to cover inflationary increases in the CCS Budget currently funded by the Federal, State, and County governments must be obtained from those sources each year.

The City shall aggressively pursue improvements in technology and work methods that will improve service levels and/or reduce operating costs.

The City will not reduce the level of service of any program, activity, or function in FY2012. Recycling will continue to be made available to the citizens of Cleveland at regional recycling centers.

The City shall use one-time revenues only for capital items or to build reserves, instead of operating expenditures.

The City shall raise property taxes only when absolutely necessary to balance the Budget and maintain adequate reserves.

All appropriations and expenditures shall be made in full compliance with applicable State laws and the City's Purchasing Manual.

The City will follow the Budget Preparation Calendar shown at the end of this section.

The City Manager and Director of Finance shall prepare an annual Budget which meets the requirements to receive the Distinguished Budget Presentation Award from the Government Finance Officers Association. The City received this award for the first time in 1998.

Capital Budget Policies

The City shall adopt a Capital Improvements Plan (CIP) annually which will include the next fiscal year's Capital Budget. Improvements requested for the next five years are included in the city's Capital Improvement Needs Inventory (CINI).

The City shall make every effort not to add additional programs and services until both the Operating Budget and the CIP are adequately funded.

The City shall provide resources from current revenues to fund an adequate maintenance and replacement schedule for infrastructure and equipment.

The City will aggressively pursue state and federal funding, as well as other sources of funding for capital improvements.

Revenue Policies

The City will budget revenues conservatively so that the chance of a revenue shortage during the year is remote. This also will help finance contingencies and Budget amendments that were unforeseen when the Budget was first adopted.

The City will review annually all fees and charges to assure that they maintain their inflation-adjusted purchasing power.

Since different revenue sources impact classes of taxpayers differently, the City Council recognizes that the only way to minimize these different impacts is to have a diversified revenue system. These impacts will be considered in making any needed adjustments to the various sources of revenue.

The City will make every effort not to become too dependent on one source of revenue in order to minimize serious fluctuations in any year.

The City will consider market rates and rates of comparable cities in the region when changing tax rates, fees, and charges. The City will make every effort to maintain its favorable comparative position with other Tennessee cities in this regard, which has contributed to our economic development success.

All cash donations to any department or agency of the City shall be deposited with the City Clerk's Office. All purchases using such donations must be budgeted and will comply fully with the City's purchasing policies. The City cannot accept donations on behalf of an outside agency or group. Donations of equipment or supplies may be made directly to a department or agency of the City. Donated equipment meeting the definition of a fixed asset must be reported to the Purchasing Agent, for tagging and listing as a fixed asset.

Reserve Policies

The City Council recognizes the need to set reserve amount targets for every operating fund of the City. The targets for those funds using the modified accrual basis of accounting are set as the percentage that the unassigned fund balance is to the budgeted expenditures and transfers to other funds. The targets for those funds using the accrual basis of accounting are set as the percentage that the working capital is to the budgeted operating expenses. The targets are as follows:

Fund Title	Unassigned Fund Balance (or Working Capital) as a % of Expenditures (or Operating Expenses) And Transfers to Other Funds
General Fund	25%
Solid Waste Management Fund	5%
State Street Aid Fund	5%
Debt Service Fund	25%
Fleet Management Fund	5% Working Capital
Drug Enforcement Fund	5%
School General Fund	3%
School Food Service Fund	10%
Library General Fund	10%
Storm Water Fund	5%

The City Manager and Director of Finance are directed to prepare Budgets that result in every target being met by June 30, 2012.

These reserve targets shall be reviewed annually by the City Manager and Director of Finance, who shall report to the City Council on their continued adequacy.

Cash Management and Investment Policies

The City will make all deposits of cash within the time period required by State law.

The City will aggressively pursue all revenues due, including past due bills, court tickets and fines, using whatever legal means are available.

The City will pay all obligations on or before the due date.

The City will continue the current cash management and investment policies, which are designed to emphasize safety of capital first, sufficient liquidity to meet obligations second, and the highest possible yield third. Those policies are as follows:

The City operates with one consolidated checking account and one payroll account to handle all the funds, operating and capital. This does not include any accounts for Cleveland Utilities, the Cleveland Public Library, or the Cleveland City Schools, which maintain their own accounting systems and bank relationships. The services were rebid for a three-year contract beginning July 1, 2010.

The bank bid assures the City no service fees, free wire transfers, monthly statements, full collateralization per State requirements, and a rate on all money kept overnight pegged to a percentage of the federal funds rate. Consolidation of bank accounts makes investment decisions easier, and reduces staff time needed to reconcile monthly bank statements.

The Director of Finance makes a twelve month cash flow projection, and from that develops a schedule of long-term investments. These investments could be any type authorized by State law. However, the City Council has limited it to Certificates of Deposit. In an effort to provide an equal opportunity among the city's local banks, yet receive the maximum yield, each local bank is allowed to submit a sealed bid for any monies to be invested.

Should there not be enough interest from local banks, the Director of Finance is authorized to put the remainder in the State investment pool. The State investment pool's rates are set in a similar fashion to the City's program, so there should be no loss of yield.

Risk Management Policies

The City will minimize potential losses through employee safety training, inspections of the workplace, risk analysis, and Tennessee OSHA compliance. The City's Safety Committee will assist the Wellness, Safety and Risk Manager in this.

A drug testing program shall continue for all potential employees, as well as random testing of all federally-required employees.

The City will continue to participate in the Tennessee Municipal League's (TML) Risk Management Pool for virtually all necessary coverages, including General Liability, Automobile Liability, Errors and Omissions, Property, Boiler and Machinery, Inland Marine, Special Events and Worker's Compensation. The Cleveland Municipal Airport Authority also carries a policy on the airport through the City. The City will continue to be a reimbursing employer for unemployment claims.

Annual inspections of premises and work practices shall be performed by the risk management staff of the TML Pool, and the City will correct any deficiencies noted.

Debt Policies

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

The City will not issue notes or bonds to finance operating deficits. Adequate reserves will be maintained to assure this does not become necessary. No bond or note will be issued to purchase a fixed asset which has a shorter useful life than the term of the debt instrument.

The City will issue general obligation bonds or capital outlay notes for necessary general government projects and Cleveland City Schools projects. Cleveland City Schools may be required to budget the debt service for some smaller projects. Any new school construction not covered by the State or Bradley County will be budgeted within the City's Debt Service Fund or repaid by Cleveland City Schools. Cleveland Utilities shall pay from its fees and charges all the debt service payments on any general obligation bond issued on its behalf.

No debt will be issued which would increase the outstanding amount of debt above ten (10%) percent of the total assessed value of property within the City. The outstanding amount of debt in this calculation shall not include debt issued for improvements in the electric and water/wastewater systems, because that debt will be repaid from charges for services, not from property taxes.

The City will maintain at least 70% of its outstanding debt (bonds and notes) at a fixed interest rate, with the remaining portion being variable rate debt. Synthetically fixed rate debt will be considered as variable rate debt in calculating this percentage.

A firm source of revenue must be identified by the City Council before any bond or capital outlay note is issued.

Accounting, Auditing, and Financial Reporting Policies

The City will maintain its accounting records in full accord with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board.

The City Council will receive a monthly finance report showing Income Statements and all investments.

The City shall have a qualified certified public accounting firm conduct an independent audit annually.

The City Manager and Director of Finance shall prepare a Comprehensive Annual Financial Report each year which meets the requirements of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. The City of Cleveland has received this award every year since FY 1988.

Summary of Significant Accounting Policies

The City of Cleveland, Tennessee was incorporated in 1903 under the provisions of Chapter 307 of The Acts of 1903. The City operates under the Council-Manager form of government as authorized under Chapter 78 of the Private Acts of 1993 and amended by Chapter 165 of the Private Acts of 1994 as it relates to the operation of the school system. The City provides the following services as authorized by its charter: health, public safety, welfare and general government services.

The following is a summary of significant policies:

A. Reporting Entity

The financial statements of the City of Cleveland include those of separately administered organizations that have a significant operational or financial relationship with the City.

Based on the foregoing criteria, the financial statements of the following organizations are included in the accompanying financial statements as part of the primary government:

Cleveland Board of Education

The Board of Education consists of seven members. Members are elected to four-year terms. The Council levies taxes for the Board's operations and issues debt for its capital projects. The financial position and results of operations of the Board of Education are reported in the School Fund, School Federal Projects Fund, and School Food Services Fund as governmental fund types, and included as part of the primary government due to the fact that it is not considered to be legally separate.

Cleveland Board of Public Utilities

The Board of Public Utilities consists of five members appointed by the City Council. The City Council has authority over the Board, prescribes the rules and regulations to which the Board must comply, and must approve their budget and proposed changes in rates. The financial position and results of operations of the Board of Public Utilities are presented in the Cleveland Utilities Water Division and Cleveland Utilities Electric Division in the Enterprise Fund section. The activities of the Board of Public Utilities are includable as part of the primary government due to the fact that it is not considered to be legally separate.

Cleveland/Bradley Public Library

The Cleveland/Bradley Public Library Board consists of seven members appointed by the City Council and the County Commission. The Board is fiscally dependent upon the City because the City Council approves the Library's budget and issues debt for its capital projects. The financial position and results of operation of the Cleveland Public Library Board are reported in the Library Fund as a governmental fund type and includable as part of the primary government due to the fact that it is not considered to be legally separate.

B. Government-wide and Fund Financial Statements

Government-wide Statements – The statement of net assets and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenue, including all taxes, are presented as general revenue.

Fund Financial Statements – The fund financial statements provide information about the City's funds, including its governmental funds and proprietary funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

School Fund. This fund is used to account for the revenues and expenditures of the City of Cleveland Public School System.

The City reports the following major enterprise funds:

Cleveland Utilities Water Division. This fund is used to account for the provision of water and wastewater services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing and collection.

Cleveland Utilities Electric Division. This fund is used to account for the provision of electric service to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing and collection.

Additionally, the government reports the following fund type:

Internal Service Fund. This fund is used to account for the maintenance of all vehicles owned by the City of Cleveland and various other government agencies.

C. Measurement focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, gasoline taxes, wholesale beer taxes, income taxes, mixed drink taxes and in-lieu of taxes are susceptible to accrual. Licenses and permits, fines and forfeitures, gross receipts taxes and excise taxes are recorded as revenue

when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgements, and compensated absences, which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operation. The principal operating revenues of the City's enterprise funds and internal service fund are charges to customers for sales and services. Cleveland Utilities – Water Division also recognizes as operating revenue the portion of the tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The effect of inter-fund activity has been eliminated from the government-wide financial statements.

All governmental and business-type activities and enterprise funds of the City follow FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements, in which case, GASB prevails.

D. Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and certificates of deposit with original maturities of three months or less, primarily with local financial institutions.

E. Investments

Investments are stated at fair value based on quoted market prices, except for non-negotiable certificates of deposit that are reported at cost, which approximates fair value. Legal provisions of the city charter require that all investments be properly insured or collateralized with a federal depository. State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and pooled investment funds

F. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual

balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown net of an allowance for uncollectibles. The reserve method is used to estimate the allowance for electric and water service receivables.

The City’s property tax is levied each October 1, on the assessed value as of the prior January 1, for all real and personal property located in the City. City property tax revenues are recognized when levied to the extent they result in current receivables. Taxes not collected as of March 1 of the following year are considered delinquent and are subject to lien on April 1 of the succeeding year.

G. Inventories and Prepaid Items

Inventories are valued at the lower of average cost or market, using the first-in, first-out method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

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

H. Restricted Assets

Certain proceeds of the Cleveland Utilities – Water Division revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. They are represented mostly by cash and certificates of deposit. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., primary roads, secondary roads, drainage), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Infrastructure – Roads	50
Infrastructure – Drainage	20
Buildings	20-50
Vehicles	5
Equipment	5-10
Other Improvements	25

Cleveland Utilities

<u>Electric Division</u>		<u>Water Division</u>	
<u>Class</u>	<u>Years</u>	<u>Class</u>	<u>Years</u>
Structures, Transmission and distribution systems	33-50	Structures, Transmission and distribution systems	25-50
Equipment	10-20	Equipment	10-20
Transportation equipment	5	Transportation equipment	5

Cleveland Utilities uses a composite straight-line rate expressed as a percentage of average depreciable plant. The 2010 rates for the Electric Division and Water Divisions were 3.3% and 2.9% respectively. When property subject to depreciation is retired or otherwise disposed of in the normal course of business, its costs, together with the cost of removal less salvage, is charged to the reserve for depreciation. Replacements of property (exclusive of minor items of property) for Cleveland Utilities are charged to utility plant accounts.

J. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Long-term obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Equity

In the fund financial statements, governmental funds report classifications of fund balance in accordance with GASB Statement 54. Non-spendable, restricted, committed, assigned and unassigned classifications are used in the various funds.

M. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. The City holds budget hearings in February or March of each year with all department heads submitting requests. The operating budget includes proposed expenditures and the means of financing them. Also, a six-year capital budget is presented in conjunction with the operating budget.
2. At a later date, the City Manager makes a formal presentation to the Council for the finalized budget.
3. Prior to July 1, the budget and property tax rate are due for passage by Ordinance.
4. The City Clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Expenditures may not exceed appropriations at the fund level.
5. Formal legally adopted budgets are employed as a management control device during the year for all funds except for Cleveland Utilities – Electric and Water Divisions. Budgeted amounts reflected in the final budget and actual comparison are as originally adopted and amended by the City Council.
6. All appropriations which are not expended lapse at year end.

The Budget Process

The City's Budget process begins in the Fall. The City Manager conducts a planning session, establishing city-wide goals and priorities of the City Council. Prior to this session, department heads are given forms upon which to submit their capital budget requests. The City Council is also notified to give the City Manager any requests they might have, so that costs may be researched. Departmental requests for the Capital Improvements Program (CIP) are turned in to the City Manager in early October.

The Director of Finance and staff provide a budget worksheet which includes proposed insurance, retirement, and salary increases. Each department provides justification for additional increases in the operating budget, and budgets are due from departments in December. The Director of Finance reviews a five-year trend of revenues collected by the city to project the revenue estimates including growth. The Director of Finance and City Manager finalize the revenue estimates together considering the impact of new legislation and economic conditions, as well as the proposed fee and/or tax increases. At that point, the Finance Director begins the review of the operating expenditures, and the City Manager prepares the CIP. After the Director of Finance and staff have prepared a preliminary Budget, the Director of Finance and the City Manager review it to determine whether further cuts are possible, or if additional revenues are necessary. The City Manager and Director of Finance work with department heads to ensure that budget cuts do not adversely impact the delivery of basic services to Cleveland's citizens. Those decisions are made prior to the Budget Planning Session held by the City Council in late March or early April.

At that meeting, the Director of Finance and City Manager present projections of the current fiscal year's Budget, and the preliminary operating Budget for Council review. Department heads present their Capital Budget requests, changes in programs/services, and any requests for new personnel. In addition, the City Manager presents the Council with recommendations for a six-year Capital Improvements Program and the amount of any proposed bond issues and/or tax increases. The City Council then debates any changes in suggested priorities in both the preliminary operating Budget and the Capital Improvements Program. Once those priorities are established, the City Manager and the Director of Finance finalize the Budget. The City Manager prepares the Budget Message detailing the major issues and initiatives contained in both documents. The Finance department staff prepare the excel spreadsheets detailing the line item budgets proposed for each fund and work with individual departments on narratives and the graphics used throughout the budget.

The proposed budget must be distributed to the Mayor, City Council, and public by June 1st as required in the City Charter. Copies are available to the public for review at both the City Clerk's Office and the public library. A public hearing is scheduled for one of the regular meetings in May, after which the Budget is voted on first reading. Second and final reading of the Budget ordinance is held at the next meeting, and the Budget becomes effective July 1st. In the event the Council cannot agree on a Budget before July 1st, an Interim Budget is adopted, which is simply a continuation Budget from the previous year. At that point, the Finance Director authorizes the City Accountant to enter the adopted Budget into the accounting system.

Budget amendments may be made at any time throughout the fiscal year. Any amendment request is reviewed by the Finance Director, who makes a recommendation on whether the expenditure should be made, and what revenue source will be used to finance it. The budgetary level of control is at the fund level. All amendments require two separate readings of the Budget amendment ordinance just like the vote on the original Budget. After second reading and passage, the Finance Director authorizes the City Accountant to enter the amended amounts in the Budget.

CITY OF CLEVELAND, TENNESSEE
CALENDAR FOR FY 2012 BUDGET AND
CAPITAL IMPROVEMENTS (CINI) PREPARATION

- September 5 City Manager distributes Capital Request forms to Department Heads.
- October 3 Department Heads submit Capital Requests to City Manager.
- November 1 City Manager conducts planning session with City Council and Department Heads to establish city-wide goals and priorities.
- November 1 CINI completed by City Manager; notebooks prepared by her Executive Secretary and distributed to City Council and department heads.
- November 12 City Clerk releases budget preparation memo to Departmental Budget Officers.
- December 15 All budget requests and revisions to city-wide goals and objectives submitted to City Clerk's Office.
- February 25 City Clerk and City Manager complete all revenue projections for current and next fiscal year and work with Department Heads to make necessary budget cuts.
- February 28 City Council sets date for Budget Session to be held at Municipal Building.
- March 7-11 City Clerk's Office prepares Agenda packets, including budget requests, draft of CIP priorities, and distributes to the City Council.
- March 11 City Clerk and City Manager review each departmental budget. Also, discuss the presentation of the proposals by the Department Head and detailed agenda for Planning Session, including time slots for presentations.
- March 14 City Council Budget Session at Municipal Building.
- April 2-May 1 City Clerk and City Manager finish the Budget and write Budget Message, Budget Ordinance, and Tax Rate Ordinance. A&F Budget Team prepares Budget using GFOA criteria.

- May 9 City Council schedules a Public Hearing on the Budget for the May 23rd City Council Meeting.
- May 17 Budget distributed to the City Council, Department Heads, and News Media.
- May 20 City Clerk and City Manager meet with Bradley County Mayor on jointly-funded agencies.
- May 23 City Council holds Public Hearing concerning the Budget
- June 15 City Council adopts the Budget and Tax Rate Ordinance on First Reading.
- June 28 City Council adopts the Budget and Tax Rate Ordinance on Final Reading.

Personnel Administration

Federal law, State law, the City Charter and several policy documents approved by the City Council govern Personnel Administration. The City Manager and the Human Resources Director carry it out. The City Charter authorizes the City Manager to hire, supervise, and if necessary remove any employee of the City except the appointed City Attorney and City Judge. The City Charter further calls for Personnel Rules and Regulations, which the City Council has adopted by resolution, to guide the City Manager in personnel matters. The City Charter also calls for a Position Classification and Pay Plan. The City Council adopted the current plan effective July 1, 2001, following a detailed study by Burris & Associates, Inc. of both pay and fringe benefits. The Plan includes updated job descriptions for every position within the City. The previous Plan had been in effect for four years, with annual adjustments.

Cleveland City Schools and the Cleveland Utilities Board operate as separate entities, and therefore are not included under the City's personnel policies or pay plan. Therefore, all information here applies only to the City of Cleveland, not the schools or Utilities Board. The Library Board sets policies for the Library, but their employees are included in the Pay Plan.

The number of authorized positions within each department and division are established annually with the adoption of the Budget. No position can be added during the year without the approval of the City Council. The City's Personnel Rules and Regulations detail employee recruitment, selection, orientation, training, fringe benefits, expected conduct, attendance, work week and work periods, and grievance procedures. The Human Resources Director is responsible for administering these policies on a daily basis. Any proposed changes in the Personnel Rules and Procedures are reviewed by a Human Resources Committee, which is made up of representatives of each department recommended by the department heads and approved by the City Council. The Human Resources Committee also hears employee grievances; however, all grievances are decided by the City Manager.

Employee pay is adjusted annually in two ways. First, as part of the Budget the City Council may authorize a cost of living adjustment (COLA) to offset inflation, thereby keeping the Pay Plan competitive. Second, those employees who have received a good employee evaluation for the past year are eligible to move up one step on the Pay Plan, provided they are not at the last step. Both adjustments take effect with the new fiscal year. Effective July 1, 2003, the City converted from a weekly to a bi-weekly payroll schedule for hourly employees and salaried employees converted from a monthly payroll schedule to a bi-weekly or semi-monthly schedule, based on their preference. Police remained on their bi-weekly payroll schedule and Fire remained on their 28-day schedule, as they are subject to the 28-day work period exemption under the Fair Labor Standards Act. Effective October 1, 2003, electronic direct deposit was made available to employees on a voluntary basis.

Major medical insurance for employees was provided through a self-funded Insurance Trust Fund until July, 1999. In FY 2006, the City accepted bids on a premium based plan for both health and dental insurance and awarded them to CIGNA and Blue Cross Blue Shield of Tennessee, respectively. Health and dental insurance coverage are combined plans for Cleveland Utilities and City of Cleveland employees.

The City adopted a Fit for Duty policy for Police and Fire employees effective November 26, 2007. Certified police officers and firefighters hired after that date will be required to pass a validated agility test and medical exam annually to maintain their status as police officers or firefighters. Employees unable to meet the standards will be given time to improve their physical condition and be given the opportunity to pass the test and/or exam in order to maintain their position as a police officer or firefighter.

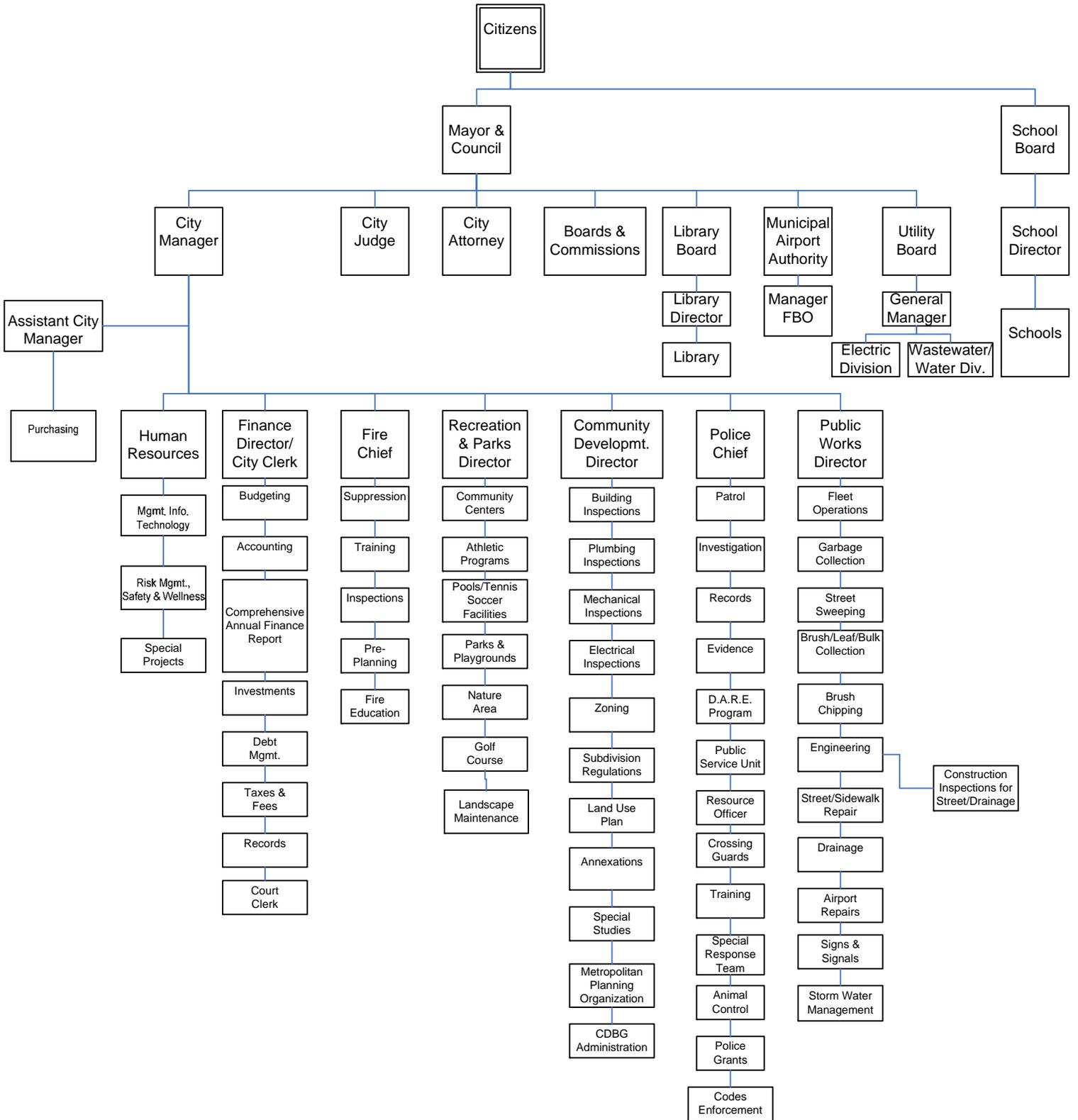
The City participates in the Tennessee Consolidated Retirement System (TCRS), the state system that is open to local government employees also. When the State institutes a benefit enhancement, local governments can choose whether to offer that as an option.

The City in recent years has improved its retirement plan by adding several of these options. The City is a non-contributory member of the system, meaning the City pays both the employer's and the employees' shares to actuarially fund the system. Effective July 1, 2010, the City of Cleveland pays 16.69% of gross wages for its employees for both the 2011 and 2012 fiscal years. The rate for the previous two years was 16.63%. The City's portion of the system is actuarially sound, and the system as a whole is financially stable.

Effective February 1, 2008, the City of Cleveland adopted the new Public Safety Officer Supplemental Bridge Option for retirement purposes. This option requires mandatory retirement for public safety officers (police officers and firefighters) at age 60, with an exception to age 62 in administrative positions. The option also provides full retirement benefits at age 55 with 25 years of service and provides an additional benefit for public safety officers between the ages of 55 and 62. This option resulted in an increase to the contribution rate on the salaries of the public safety officers by 3.5%. The contribution rate for those employees is 20.19% effective July 1, 2010 for both the 2011 and 2012 fiscal years and was 20.13% in FY2010 and FY2009.

More detailed information on personnel administration is given following this summary. First, the Organizational Chart of the City is given. More detailed departmental or division organizational charts can be found within the fund that finances that department or division. Next, a summary chart and graph along with a List of Authorized Personnel Positions by Department is provided with a three-year comparison. Then, the Position Classification and Pay Plan matrix is given, showing the pay grade for each position and what pay rates are assigned to that grade. A brief explanation of the City's Fringe Benefits follows. Finally, more information on the Retirement System is provided.

Organizational Chart for the City of Cleveland, Tennessee



Organizational Chart of the City of Cleveland, Tennessee

The City of Cleveland was incorporated in 1903. In an August 1993 referendum, the citizens approved a change to the City Charter from the Commission to the Council-Manager form of government. The Mayor and City Council are elected for four-year, staggered terms. The mayor, one at-large council seat, and those from Districts 1 and 2 were elected in 1998. The other at-large council seat was also elected in 1998, but for a two-year term. That seat went to the at-large candidate with the second-highest vote total. The election for that at-large council seat, and those from Districts 3, 4, and 5 was held in August 2000 for full four-year terms. City elections are held in even-numbered years.

The Cleveland Board of Education had been appointed by the City Council until September 1995, when the City Council adopted an ordinance requiring the election of board members. This ordinance was passed in order to comply with TCA 49-2-201, which now requires elected school boards and appointed directors of schools. The Board of Education is comprised of seven members; two elected at-large, and one elected from each of the five council districts. All serve four-year terms. In the August 1998 election one at-large member, and those representing Districts 1 and 2 were elected. In the August 2000 election, the other at-large member, and those representing Districts 3, 4, and 5 were elected. The Board of Education appoints the Director of Schools, who is in charge of the daily operations of the school system.

The City Council appoints a City Attorney to provide the Council and staff legal advice and serve as prosecutor in Municipal Court; a City Judge to preside over the Municipal Court; various Boards and Commissions; and the Cleveland Utilities Board (CUB). The five-member CUB then appoints a General Manager, who is in charge of the daily operations of Cleveland Utilities two divisions: the electric system, and the water and wastewater system.

Some Cleveland/Bradley Library Board members are appointed by the Cleveland City Council and some by the Bradley County Commission. The Library Budget must be approved by both the City Council and the Bradley County Commission, which share the cost equally under a joint agreement. The Library Board appoints the Library Director, who is in charge of the daily operations of the library.

The City Council also appoints the City Manager, who is in charge of all other City operations. The Assistant City Manager assists the City Manager in her duties. Those operations are listed in the attached Organizational Chart, shown under the appropriate department heads:

- Director of Finance/City Clerk
- Fire Chief
- Parks & Recreation Director
- Community Development Director
- Police Chief
- Public Works Director

The Cleveland Municipal Airport Authority works with the airport's fixed base operator (FBO) to ensure the airport is properly maintained and improved. The FBO operates the airport on a daily basis.

A more detailed Organization Chart for each department is contained within the fund, which finances the particular department or division of a department.

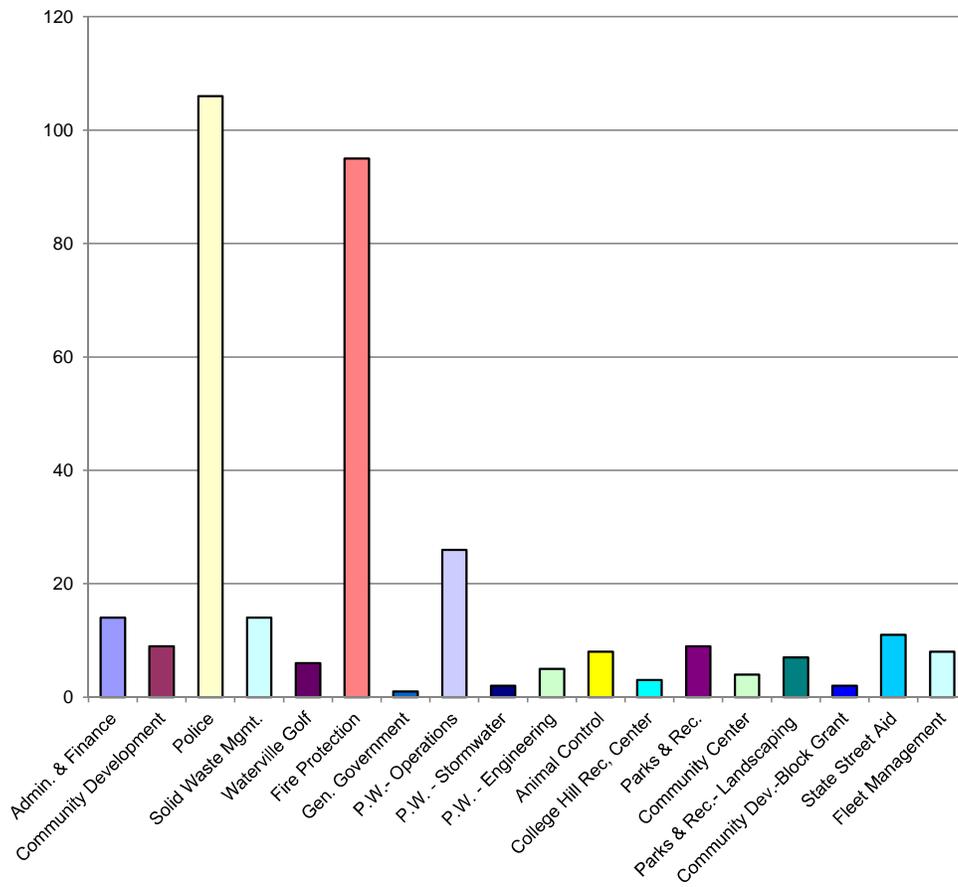
STAFFING COMPARISON BY DEPARTMENT
FULL TIME EMPLOYEES: FUNDED

Departments	2008/09 Adopted	2009/10 Adopted	2010/11 Adopted	2011/12 Adopted
Admin. & Finance	16	15	15	14
Community Development	10	9	8	9
Police	104	99	105	106
Solid Waste Mgmt.	14	14	14	14
Waterville Golf	6	6	6	6
Fire Protection	98	95	95	95
Gen. Government	1	1	1	1
P.W. - Operations	26	25	26	26
P.W. - Stormwater	2	2	2	2
P.W. - Engineering	7	7	7	5
Animal Control	8	8	8	8
College Hill Rec, Center	3	3	3	3
Parks & Rec.	9	9	9	9
Community Center	4	4	4	4
Parks & Rec.- Landscaping	8	10	7	7
Community Dev.-Block Grant	2	2	2	2
State Street Aid	11	11	11	11
Fleet Management	8	8	8	8
Total FTE's	337	328	331	330

FULL TIME EMPLOYEES AUTHORIZED: NOT FUNDED

Police	6	6	0	0
Fire	3	3	3	3
P.W. - Operations	5	5	5	5
Total FTE's	14	14	8	8

2011/12 Staffing By Department



Authorized Employees By Fund, Department, and Position Classification

Position Classification by Fund and Department	Position Grade	FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
General Fund:									
GENERAL GOVERNMENT AND LEGISLATIVE									
		1	10	1	10	1	10	1	10
Mayor	N/A	0	1	0	1	0	1	0	1
Council member	N/A	0	7	0	7	0	7	0	7
City Attorney	N/A	0	1	0	1	0	1	0	1
City Judge	N/A	0	1	0	1	0	1	0	1
Executive Assistant	27	1	0	1	0	1	0	1	0
ADMINISTRATION & FINANCE									
		16	0.58	15	1.58	15	1.58	14	0.58
City Manager	34	1	0	1	0	1	0	1	0
Assistant City Manager/Purch. Agent	33	1	0	1	0	1	0	1	0
Finance Director/City Clerk	32	1	0	1	0	1	0	1	0
Special Project Manager	32	0	0	0	0	0	1	0	0
Human Resources Director	29	1	0	1	0	1	0	1	0
Purchasing Agent	28	1	0	0	0	0	0	0	0
Wellness, Safety & Risk Manager	27	0	0	1	0	1	0	1	0
Sr. Accountant	27	1	0	1	0	1	0	1	0
Business Tax Inspector	25	1	0	1	0	1	0	0	0
Executive Secretary	25	1	0	1	0	1	0	1	0
Payroll Administrator/HR Assistant	25	1	0	0	0	0	0	0	0
Payroll Admin./HR & Purch. Assistant	25	0	0	1	0	1	0	1	0
Administrative Assistant	24	1	0	1	0	1	0	1	0
Purchasing Assistant	23	1	0	0	0	0	0	0	0
Accounts Payable Clerk	23	1	0	1	0	1	0	1	0
Accounting Clerk	22	2	0	2	0	2	0	2	0
Municipal Court Clerk	22	1	0	1	0	1	0	1	0
Central Receptionist	21	1	0	1	0	1	0	1	0
PT Janitorial	N/A	0	0.38	0	0.38	0	0.38	0	0.38
MIS Director	N/A	Contract w/CU		Contract w/CU		Contract w/CU		Contract w/CU	
Part-time, by FTE	N/A	0	0.2	0	0.2	0	0.2	0	0.2
<i>Previously Funded Independently as Separate Fund</i>									
FIRE DEPARTMENT									
		98	0	95	0	95	0	95	0
Fire Chief	32	1	0	1	0	1	0	1	0
Deputy Fire Chief	30	1	0	1	0	1	0	1	0
Battalion Commander	29	3	0	3	0	3	0	3	0
Training Coordinator	28	1	0	1	0	1	0	1	0
Captain	28	5	0	5	0	5	0	5	0
Lieutenant	27	12	0	12	0	13	0	13	0
Arson Investigator	27	1	0	1	0	1	0	1	0
Fire Inspector	27	2	0	2	0	2	0	2	0
Driver/Engineer	26	24	0	24	0	24	0	24	0
Firefighter	25	47	0	44	0	43	0	43	0
Administrative Assistant	24	1	0	1	0	1	0	1	0

Authorized Employees By Fund, Department, and Position Classification

Position Classification by Fund and Department	Position Grade	FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
COMMUNITY DEVELOPMENT									
		10	0.38	9	0.38	8	0.38	9	0.38
Community Development Director	31	1	0	1	0	1	0	1	0
Chief Building Official	29	1	0	1	0	1	0	1	0
Senior Planner	28	1	0	1	0	1	0	2	0
Planner	27	1	0	1	0	1	0	0	0
Community Development Coord.*	27	1	0	0*	0	0*	0	0	0
Plans Examiner/Inspector	27	0	0	0	0	0	0	1	0
Deputy Building Official	27	1	0	1	0	0	0	0	0
Building Inspector	26	0	0	0	0	1	0	1	0
Mechanical Inspector	26	1	0	1	0	0	0	0	0
Plumbing Inspector	26	1	0	1	0	1	0	0	0
Business Tax Inspector/Permit Clerk	25	0	0	0	0	0	0	1	0
Administrative Assistant	24	1	0	1	0	1	0	1	0
Permit Clerk	22	1	0	1	0	1	0	0	0
Part-time Janitorial, by FTE	N/A	0	0.38	0	0.38	0	0.38	0	0.38
Part-time, by FTE	N/A	0	0	0	0	0	0	0	0
<i>*Funded Independently in Separate Fund</i>									
POLICE DEPARTMENT									
		104	14	99	14	105	14	106	14
Chief of Police	32	1	0	1	0	1	0	1	0
Assistant Chief	30	1	0	1	0	1	0	1	0
Captain	29	2	0	2	0	2	0	1	0
Lieutenant	28	10	0	10	0	10	0	10	0
Sergeant	27	7	0	8	0	8	0	8	0
Detective	27	11	0	10	0	10	0	10	0
Crime Scene Technician	26	0	0	3	0	3	0	3	0
Crime Prevention Corporal	26	1	0	1	0	0	0	0	0
Support Services Manager	26	1	0	1	0	1	0	1	0
Codes Enforcement Officer	26	0	0	0	0	1	0	1	0
Master Police Officer	25+1	9	0	3	0	3	0	3	0
Police Officer/K-9	25+1	3	0	3	0	3	0	3	0
Police Officer/Bomb Tech/SRT	25+1	8	0	15	0	15	0	15	0
Targeted Crime Reduction Grant Officers*	25+1	0	0	0	0	0	0	2	0
Police Officer/Crime Scene Tech	25+1	2	0	0	0	0	0	0	0
Police Officer	25	37	0	31	0	32	0	32	0
COPS Grant**	25	0	0	0	0	4	0	4	0
Housing Officer***	25	0	0	0	0	1	0	1	0
Codes Enforcement Inspector****	25	0	0	0	0	0	0	0	0
Administrative Assistant	24	1	0	1	0	1	0	1	0
Property/Evidence Clerk	23	1	0	1	0	1	0	1	0
Secretary	23	4	0	3	0	3	0	1	0
Secretary-Quarter Master	23	1	0	1	0	1	0	3	0
Police Records Clerk	22	2	0	4	0	4	0	4	0
Court Liaison	22	1	0	0	1	0	1	0	1
Crime Analysis	22	1	0	0	0	0	0	0	0
School Crossing Guards	N/A	0	13	0	13	0	13	0	13
Custodians	N/A	0	1	0	0	0	0	0	0
<i>*Targeted Crime Reduction Grant Officers-This position is funded by Bryne JAG Grant **COPS Grant-This position is funded by COPS ARRA Grant</i>									
<i>***Housing Officer-This position funded by Cleveland Housing Authority****Codes Enforcement Inspector-This position funded by Community Development Block Grant</i>									

Authorized Employees By Fund, Department, and Position Classification

Position Classification by Fund and Department	Position Grade	FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
PUBLIC WORKS-OPERATIONS		26	0.91	25	1.22	26	1.09	26	0.62
Director of Public Works	32	1	0	1	0	1	0	1	0
Deputy Director	30	1	0	1	0	1	0	1	0
Asst. Dir.-P.W. Operations	28	0	0	0	0	0	0	0	0
Special Projects	27	1	0	1	0	0	0.47	0	0
General Supervisor II	27	1	0	1	0	1	0	1	0
General Supervisor I	26	1	0	1	0	1	0	1	0
Building Maint. Supervisor	26	1	0	1	0	1	0	1	0
Support Services Manager	26	0	0	0	0	1	0	1	0
Sign & Marking Supervisor	26	1	0	1	0	1	0	1	0
Construction Inspector	26	2	0	2	0	2	0	2	0
Brick Mason	24	1	0	1	0	1	0	1	0
Motor Equip. Operator III	24	1	0	1	0	1	0	1	0
Motor Equip. Operator II	23	1	0	1	0	1	0	1	0
Secretary	23	1	0	1	0	1	0	1	0
Accounting Technician	23	1	0	1	0	1	0	1	0
Sign Technician	22	2	0	2	0	2	0	2	0
Motor Equip. Operator I	22	5	0	5	0	5	0	5	0
Public Service Worker	21	5	0	4	0	5	0	5	0
P.T. Janitorial	N/A	0	0.38	0	0.62	0	0.62	0	0.62
P.T. Sign Technician	N/A	0	0.53	0	0.6	0	0	0	0
P.T. Recycle Program	0	0	0	0	0	0	0	0	0
Seasonal, by FTE	N/A	0	0	0	0	0	0	0	0
ANIMAL CONTROL									
		8	0.38	8	0.38	8	1	8	0
Animal Control Director	26	1	0	1	0	1	0	1	0
Senior Animal Control Officer	24	2	0	2	0	2	0	2	0
Animal Control Officer	23	2	0	2	0	2	0	2	0
Records Clerk	22	0	0	0	0	0	0	1	0
Animal Control Clerk	21	1	0	1	0	1	0	0	0
Animal Control Attendant	21	2	0	2	0	2	0	2	0
P.T. Clerk	21	0	0	0	0	0	1	0	0
P.T. Janitorial	N/A	0	0.38	0	0.38	0	0	0	0
COLLEGE HILL RECREATION CENTER									
		3	2.2	3	2.2	3	2.2	3	2.2
Recreation Center Supervisor	26	0	0	0	0	1	0	1	0
Recreation Center Supervisor	25	1	0	1	0	0	0	0	0
Asst. Rec. Center Supervisor	23	1	0	1	0	1	0	1	0
Recreation Assistant	21	1	0	1	0	1	0	1	0
Public Service Worker	21	0	1	0	1	0	1	0	1
P.T. Janitorial	N/A	0	0.45	0	0.45	0	0.45	0	0.45
Seasonal, by FTE	N/A	0	0.75	0	0.75	0	0.75	0	0.75

Authorized Employees By Fund, Department, and Position Classification

Position Classification by		FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
Fund and Department	Position Grade	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
PARKS & RECREATION DEPT.		9	4	9	4	9	4	9	4
Director of Parks & Recreation	31	1	0	1	0	1	0	1	0
Assistant Director of Parks & Rec.	29	0	0	0	0	1	0	1	0
Parks Superintendent	27	1	0	1	0	0	0	0	0
General Supervisor I	26	0	0	0	0	1	0	1	0
Assistant Supervisor	23	1	0	1	0	0	0	0	0
Secretary	23	1	0	1	0	1	0	1	0
Motor Equip. Operator I	22	1	0	1	0	1	0	1	0
Public Service Worker	21	4	0	4	0	4	0	4	0
Seasonal, by FTE	N/A	0	4	0	4	0	4	0	4
CLEVELAND COMMUNITY CENTER		4	3.34	4	3.34	4	4.34	4	4.34
Rec. Ctr./Program Supervisor	26	1	0	1	0	1	0	1	0
Asst. Rec. Center Supervisor	23	1	0	1	0	1	0	1	0
Recreation Assistant	21	1	0	1	0	1	0	1	0
Public Service Worker	21	1	0	1	0	1	0	1	0
P.T. Janitorial	N/A	0	0.45	0	0.45	0	0.45	0	0.45
Part Time Worker	N/A	0	0	0	0	0	1	0	1
Seasonal, by FTE	N/A	0	2.89	0	2.89	0	2.89	0	2.89
LANDSCAPING MAINTENANCE***		8	0	10	0	7	0	7	0
Urban Forester	27	1	0	1	0	0	0	0	0
General Supervisor I	26	1	0	1	0	1	0	1	0
Codes Enforcement Officer*	26	0	0	1	0	0	0	0	0
Codes Enforcement Inspector**	25	0	0	1	0	0	0	0	0
Forestry Inspector	25	0	0	0	0	1	0	1	0
Forestry Technician	24	1	0	1	0	1	0	1	0
Motor Eq. Operator II	23	1	0	1	0	1	0	1	0
Motor Eq. Operator I	22	4	0	4	0	3	0	3	0
Public Service Worker	21	0	0	0	0	0	0	0	0
<i>*Transferred to Police Department ** This position Funded by Comm. Dev. Block Grant ***Transferred from Public Works Dept. to Recreation Dept.</i>									
TINSLEY PARK		0	7.04	0	7.04	0	7.04	0	7.04
Manager-Concession	N/A	0	0.52	0	0.52	0	0.52	0	0.52
Concession Helper	N/A	0	1.04	0	1.04	0	1.04	0	1.04
Custodian	N/A	0	0.4	0	0.4	0	0.4	0	0.4
Laborer	N/A	0	0.42	0	0.42	0	0.42	0	0.42
Park Gatekeeper	N/A	0	0.08	0	0.08	0	0.08	0	0.08
Pool Manager	N/A	0	0.27	0	0.27	0	0.27	0	0.27
Assistant Pool Manager	N/A	0	0.27	0	0.27	0	0.27	0	0.27
Pool Gatekeeper	N/A	0	0.27	0	0.27	0	0.27	0	0.27
Lifeguard	N/A	0	3.77	0	3.77	0	3.77	0	3.77

Authorized Employees By Fund, Department, and Position Classification

Position Classification by Fund and Department	Position Grade	FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
WATERVILLE GOLF COURSE:									
		6	3.85	6	3.85	6	3.85	6	3.85
Golf Course Mgr./Superintendent	29	1	0	1	0	0	0	0	0
Golf Course Manager	29	0	0	0	0	0	0	0	0
Golf Course Mgr./Supervisor	27	0	0	0	0	1	0	1	0
Golf Course Superintendent	26	0	0	0	0	1	0	1	0
Crew Supervisor	23	1	0	1	0	0	0	0	0
Mechanic I	23	1	0	1	0	0	0	0	0
Senior Greenskeeper	23	0	0	0	0	1	0	1	0
Greenskeeper	22	1	0	1	0	0	0	0	0
Public Service Worker	21	1	0	1	0	2	0	2	0
Recreation Assistant	21	1	1	1	1	1	1	1	1
Seasonal, by FTE	N/A	0	2.85	0	2.85	0	2.85	0	2.85
PUBLIC WORKS-ENGINEERING									
		7	0.38	7	0.72	7	0	5	0
City Engineer	30	1	0	1	0	1	0	1	0
Traffic Engineer*	28	1	0	1	0	1	0	<i>*Moved to Cleveland Utilities</i>	
Staff Engineer	28	0	0	0	0	0	0	0	0
Assistant to City Engineer	28	1	0	1	0	1	0	1	0
Signal Technician*	26	1	0	1	0	1	0	<i>*Moved to Cleveland Utilities</i>	
Engineering Technician	26	1	0	1	0	1	0	1	0
Drafting Technician	25	1	0	1	0	1	0	1	0
Secretary	23	1	0	1	0	1	0	1	0
Public Service Worker	21	0	0	0	0	0	0	0	0
P.T. Janitorial	N/A	0	0.38	<i>Moved to PW - Operations</i>		<i>Moved to PW - Operations</i>		0	0
Part Time Engineering Aide, by FTE	N/A	0	0	0	0	0	0	0	0
Part Time Office Assistant, by FTE	N/A	0	0	0	0.72	0	0	0	0
<i>*Positions moved to Cleveland Utilities</i>									
PUBLIC WORKS-STORMWATER									
		2	0	2	0	2	0	2	0
Storm Water/Project Development Mgr.	29	0	0	0	0	1	0	1	0
Storm Water Manager	28	1	0	1	0	0	0	0	0
Staff Engineer	28	0	0	0	0	0	0	0	0
Storm Water Technician	25	1	0	1	0	1	0	1	0

Authorized Employees By Fund, Department, and Position Classification

Position Classification by Fund and Department	Position Grade	FY 2009 BUDGET		FY 2010 BUDGET		FY 2011 BUDGET		FY 2012 BUDGET	
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Other Funds:									
<i>SOLID WASTE MANAGEMENT FUND:</i>									
		13.4	1	14	0.23	14	0.23	14	0.23
General Supervisor	26	1	0	1	0	1	0	1	0
Construction Inspector	26	1	0	1	0	1	0	1	0
Motor Eq. Operator III	24	5.4*	0	6	0	6	0	6	0
Accounting Technician	23	1	0	1	0	1	0	1	0
Motor Equipment Operator II	23	1	0	1	0	1	0	1	0
Motor Equipment Operator I	22	2	0	2	0	2	0	2	0
Public Service Worker	21	2	0	2	0.23	2	0.23	2	0.23
P.T. Recycle Program	0	0	1	0	0	0	0	0	0
<i>BRUSH CHIPPING FUND:</i>									
		0.6	0	0.6	0	0	0	0	0
Motor Equipment Operator III*	24	0.6	0	0.6	0	0	0	0	0
<i>*This Employee previously funded by both Solid Waste and Brush Chipping Funds-moved to Solid Waste FY2010</i>									
<i>STATE STREET AID FUND:</i>									
		11	0	11	0	11	0	11	0
General Supervisor II	27	0	0	1	0	1	0	1	0
General Supervisor	26	2	0	1	0	1	0	1	0
Motor Equip. Operator III	24	3	0	3	0	3	0	3	0
Brick Mason	24	1	0	1	0	1	0	1	0
Motor Equip. Operator II	23	1	0	1	0	1	0	1	0
Motor Equip. Operator I	22	3	0	3	0	3	0	3	0
Public Service Worker	21	1	0	1	0	1	0	1	0
<i>COMMUNITY DEV. BLOCK GRANT:</i>									
		2	0	2	0	2	0	2	0
Grants Manager	28	0	0	0	0	1	0	1	0
Community Development Coord.	27	1	0	1	0	0	0	0	0
Codes Enforcement Inspector	25	1	0	1	0	1	0	1	0
<i>FLEET MANAGEMENT FUND:</i>									
		8	0	8	0	8	0	8	0
Fleet Manager	28	1	0	1	0	1	0	1	0
Maint. Supervisor (auto)	26	1	0	1	0	1	0	1	0
Mechanic III	26	4	0	4	0	4	0	4	0
Parts Manager	25	1	0	1	0	1	0	1	0
Mechanic II	25	1	0	1	0	1	0	1	0
Mechanic I	23	0	0	0	0	0	0	0	0
TOTALS		337	48.06	328	47.94	332	49.71	330	47.24

Positions Authorized but Unfunded:									
Firefighter	25	3	0	3	0	3	0	3	0
Police Officer*	25	6	0	6	0	0	0	1	0
MEO I	22	5	0	5	0	5	0	5	0
*2 positions moved due to re-structuring									
		15	0	15	0	8	0	9	0

City of Cleveland, Tennessee
Schematic List of Classes Grouped by Grade

Salary Grade 20

Golf Shop Worker

Salary Grade 21

Animal Control Attendant
Central Receptionist
Public Service Worker
Recreation Assistant

Salary Grade 22

Accounting Clerk
Animal Control Records Clerk
Court Clerk
Court Liaison
Greenskeeper
Library Assistant
MEO I
Permit Clerk
Records Clerk
Senior Library Assistant
Sign Technician

Salary Grade 23

Accounting Technician
Accounts Payable Clerk
Animal Control Officer
Library Circulation Supervisor
Mechanic I
MEO II
Property/Evidence Clerk
Recreation Center Assistant Supervisor
Secretary
Secretary – Quartermaster
Senior Greenskeeper
Library Technical Processing Supervisor

City of Cleveland, Tennessee
Schematic List of Classes Grouped by Grade

Salary Grade 24

Administrative Assistant
Brick Mason
Forestry Technician
History Branch Supervisor
MEO III
MSAG Coordinator
Senior Animal Control Officer
Telecommunicator
TAC/Records Officer-CBCC

Salary Grade 25

Business Tax Inspector
Codes Enforcement Inspector
Drafting Technician
Executive Secretary
Firefighter
Forestry Inspector
HR & Purchasing Assistant/Payroll Administrator
Mechanic II
Parts Manager
Police Officer/MPO
Storm Water Technician
Recreation Center Supervisor
Shift Supervisor

Salary Grade 26

Accountant
Animal Shelter Director
Auto Maintenance Supervisor
Building Inspector
Building Maintenance Supervisor
Children's Librarian
Circulation Librarian
Code Enforcement Officer
Construction Inspector
Crime Scene Technician
Corporal - Police

City of Cleveland, Tennessee
Schematic List of Classes Grouped by Grade

Salary Grade 26 (cont'd.)

Engineering Technician
General Supervisor I
Driver/Engineer – Fire
Golf Course Superintendent
Mechanic III
Mechanical Inspector
Plumbing Inspector
Recreation Center/Program Supervisor
Reference Librarian
Sign/Marking Supervisor
Signal Technician
Senior Supervisor-Communications
Support Services Manager

Salary Grade 27

Arson Investigator
Deputy Building Official
Plans Examiner/Inspector
Communications Center Assistant Director
Detective
Executive Assistant
Fire Inspector
Fire Lieutenant
General Supervisor II
Golf Course Manager/Supervisor
Planner
Police Sergeant
Senior Accountant
Wellness/Safety & Risk Manager

Salary Grade 28

Assistant to City Engineer
Fire Captain
Fire Marshall
Fire Training Coordinator
Fleet Manager
Planning/Research Manager
Grants Manager

City of Cleveland, Tennessee
Schematic List of Classes Grouped by Grade

Salary Grade 28 (cont'd.)

Police Lieutenant
Senior Planner
Traffic Engineer

Salary Grade 29

Assistant Director of Parks & Recreation
Chief Building Official
Communications Center Director
Fire Battalion Commander
Human Resources Director
Library Director
Police Captain
Storm Water/Project Development Manager

Salary Grade 30

Assistant Police Chief
City Engineer
Deputy Director – Public Works
Deputy Fire Chief

Salary Grade 31

Parks & Recreation Director
Community Development Director

Salary Grade 32

Director of Public Works Capital Projects
Finance Director/City Clerk
Fire Chief
Police Chief
Public Works Director

City of Cleveland, Tennessee
Schematic List of Classes Grouped by Grade

Salary Grade 33

Assistant City Manager/Purchasing Agent

Salary Grade 34

City Manager

CITY OF CLEVELAND
FY12 Salary Schedule
0% C.O.L.A.
40 Hour Workweek

Salary Grade	1	2	3	4	5	6	7	8	9	10	11	12	13
20 Annual	18,639.80	19,292.20	19,967.42	20,666.28	21,389.60	22,138.24	22,913.08	23,715.04	24,545.06	25,404.14	26,293.28	27,213.55	28,166.02
Monthly	1,553.29	1,607.65	1,663.92	1,722.16	1,782.43	1,844.82	1,909.39	1,976.21	2,045.38	2,116.97	2,191.06	2,267.75	2,347.12
Hourly	8.9614	9.2751	9.5997	9.9357	10.2835	10.6434	11.0159	11.4015	11.8005	12.2135	12.6410	13.0834	13.5414
21 Annual	20,876.78	21,607.47	22,363.73	23,146.46	23,956.58	24,795.06	25,662.89	26,561.09	27,490.73	28,452.91	29,448.76	30,479.46	31,546.24
Monthly	1,739.70	1,800.59	1,863.61	1,928.83	1,996.34	2,066.22	2,138.53	2,213.38	2,290.85	2,371.03	2,454.02	2,539.91	2,628.80
Hourly	10.0369	10.3882	10.7518	11.1281	11.5176	11.9207	12.3379	12.7698	13.2167	13.6793	14.1581	14.6536	15.1665
22 Annual	23,381.99	24,200.36	25,047.37	25,924.03	26,831.37	27,770.47	28,742.44	29,748.42	30,789.62	31,867.25	32,982.61	34,137.00	35,331.79
Monthly	1,948.46	2,016.66	2,087.24	2,160.29	2,235.90	2,314.16	2,395.16	2,478.99	2,565.75	2,655.55	2,748.50	2,844.70	2,944.26
Hourly	11.2413	11.6348	12.0420	12.4635	12.8997	13.3512	13.8185	14.3021	14.8027	15.3208	15.8570	16.4120	16.9864
23 Annual	26,186.87	27,103.42	28,052.03	29,033.86	30,050.04	31,101.79	32,190.35	33,317.02	34,483.11	35,690.02	36,939.17	38,232.04	39,570.17
Monthly	2,182.20	2,258.57	2,337.62	2,419.44	2,504.12	2,591.77	2,682.48	2,776.36	2,873.54	2,974.11	3,078.21	3,185.94	3,297.45
Hourly	12.5898	13.0305	13.4866	13.9586	14.4471	14.9528	15.4761	16.0178	16.5784	17.1587	17.7592	18.3808	19.0241
24 Annual	29,331.25	30,357.85	31,420.37	32,520.09	33,658.29	34,836.33	36,055.60	37,317.55	38,623.66	39,975.49	41,374.63	42,822.74	44,321.54
Monthly	2,444.22	2,529.77	2,618.31	2,709.96	2,804.80	2,902.97	3,004.58	3,109.74	3,218.58	3,331.23	3,447.82	3,568.49	3,693.39
Hourly	14.1016	14.5951	15.1059	15.6347	16.1819	16.7482	17.3344	17.9411	18.5691	19.2190	19.8916	20.5879	21.3084
25 Annual	32,848.71	33,998.42	35,188.36	36,419.96	37,694.65	39,013.97	40,379.46	41,792.74	43,255.48	44,769.43	46,336.36	47,958.13	49,636.66
Monthly	2,737.34	2,833.15	2,932.31	3,034.94	3,141.16	3,251.10	3,364.89	3,482.66	3,604.55	3,730.71	3,861.29	3,996.43	4,136.31
Hourly	15.7927	16.3454	16.9175	17.5096	18.1224	18.7567	19.4132	20.0927	20.7959	21.5238	22.2771	23.0568	23.8638
26 Annual	36,791.14	38,078.83	39,411.59	40,790.99	42,218.68	43,696.33	45,225.70	46,808.60	48,446.90	50,142.54	51,897.53	53,713.95	55,593.93
Monthly	3,065.87	3,173.17	3,284.24	3,399.18	3,518.16	3,641.29	3,768.74	3,900.64	4,037.16	4,178.46	4,324.71	4,476.08	4,632.74
Hourly	17.6880	18.3071	18.9479	19.6111	20.2974	21.0079	21.7431	22.5041	23.2918	24.1070	24.9507	25.8240	26.7279
27 Annual	41,207.18	42,649.43	44,142.16	45,687.13	47,286.18	48,941.20	50,654.14	52,427.03	54,261.98	56,161.15	58,126.79	60,161.23	62,266.87
Monthly	3,433.87	3,554.05	3,678.44	3,807.19	3,940.44	4,078.35	4,221.10	4,368.84	4,521.74	4,680.01	4,843.81	5,013.34	5,188.81
Hourly	19.8111	20.5045	21.2222	21.9650	22.7337	23.5294	24.3530	25.2053	26.0875	27.0006	27.9456	28.9237	29.9360
28 Annual	46,151.73	47,767.04	49,438.88	51,169.24	52,960.17	54,813.77	56,732.26	58,717.88	60,773.01	62,900.07	65,101.57	67,380.12	69,738.43
Monthly	3,845.90	3,980.51	4,119.83	4,264.02	4,413.26	4,567.73	4,727.60	4,893.06	5,064.32	5,241.57	5,425.03	5,614.90	5,811.42
Hourly	22.1883	22.9649	23.7687	24.6006	25.4616	26.3528	27.2751	28.2298	29.2178	30.2404	31.2988	32.3943	33.5281
29 Annual	51,689.80	53,498.95	55,371.41	57,309.41	59,315.24	61,391.27	63,539.97	65,763.87	68,065.60	70,447.90	72,913.57	75,465.55	78,106.84
Monthly	4,307.40	4,458.16	4,614.20	4,775.69	4,942.84	5,115.84	5,294.90	5,480.22	5,672.02	5,870.55	6,076.01	6,288.67	6,508.78
Hourly	24.8509	25.7206	26.6209	27.5526	28.5169	29.5150	30.5481	31.6172	32.7238	33.8692	35.0546	36.2815	37.5514

CITY OF CLEVELAND
 FY12 Salary Schedule
 0% C.O.L.A.

40 Hour Workweek

Salary Grade	1	2	3	4	5	6	7	8	9	10	11	12	13
30 Annual	57,892.02	59,918.24	62,015.38	64,185.92	66,432.43	68,757.56	71,164.08	73,654.82	76,232.74	78,900.88	81,662.41	84,520.60	87,478.82
Monthly	4,824.24	4,993.09	5,167.85	5,348.72	5,535.93	5,729.69	5,930.23	6,137.78	6,352.61	6,574.95	6,805.07	7,043.25	7,289.76
Hourly	27.8327	28.8068	29.8151	30.8586	31.9387	33.0565	34.2135	35.4110	36.6504	37.9331	39.2608	40.6349	42.0571
31 Annual	64,839.32	67,108.70	69,457.50	71,888.52	74,404.61	77,008.77	79,704.08	82,493.72	85,381.01	88,369.34	91,462.27	94,663.45	97,976.67
Monthly	5,403.17	5,592.28	5,788.01	5,990.59	6,200.27	6,417.27	6,641.88	6,874.34	7,114.95	7,363.97	7,621.71	7,888.47	8,164.57
Hourly	31.1728	32.2638	33.3930	34.5618	35.7714	37.0234	38.3193	39.6604	41.0486	42.4853	43.9722	45.5113	47.1042
32 Annual	72,619.76	75,161.45	77,792.10	80,514.82	83,332.84	86,249.49	89,268.22	92,392.61	95,626.35	98,973.27	102,437.34	106,022.65	109,733.44
Monthly	6,051.53	6,263.33	6,482.55	6,709.44	6,944.27	7,187.32	7,438.88	7,699.24	7,968.71	8,247.61	8,536.28	8,835.05	9,144.28
Hourly	34.9133	36.1353	37.4000	38.7090	40.0639	41.4661	42.9174	44.4195	45.9742	47.5833	49.2487	50.9724	52.7565
33 Annual	81,377.13	84,225.33	87,173.22	90,224.28	93,382.13	96,650.50	100,033.27	103,534.44	107,158.14	110,908.68	114,790.48	118,808.15	122,966.43
Monthly	6,781.30	7,018.64	7,264.30	7,518.55	7,781.69	8,054.05	8,335.95	8,627.70	8,929.67	9,242.21	9,565.69	9,900.49	10,247.01
Hourly	39.1236	40.4929	41.9102	43.3771	44.8953	46.4666	48.0929	49.7762	51.5183	53.3215	55.1877	57.1193	59.1185
34 Annual	91,094.87	94,283.19	97,583.10	100,998.51	104,533.46	108,192.13	111,978.86	115,898.12	119,954.55	124,152.96	128,498.31	132,995.75	137,650.60
Monthly	7,591.09	7,856.78	8,131.77	8,416.38	8,710.95	9,015.84	9,331.39	9,657.99	9,996.02	10,345.88	10,707.99	11,082.77	11,470.66
Hourly	43.7956	45.3285	46.9150	48.5570	50.2565	52.0154	53.8360	55.7202	57.6705	59.6889	61.7780	63.9403	66.1782

CITY OF CLEVELAND
 FY12 Salary Schedule
 0% C.O.L.A.
 28-Day including O.T.

Salary Grade	1	2	3	4	5	6	7	8	9	10	11	12	13
25 Annual	32,849.09	33,998.81	35,188.76	36,420.37	37,695.08	39,014.41	40,379.92	41,793.21	43,255.98	44,769.94	46,336.88	47,958.67	49,637.23
Hourly	11.5911	11.9968	12.4166	12.8512	13.3010	13.7666	14.2484	14.7471	15.2632	15.7974	16.3503	16.9226	17.5149
26 Annual	36,791.00	38,078.69	39,411.44	40,790.84	42,218.52	43,696.17	45,225.54	46,808.43	48,446.72	50,142.36	51,897.34	53,713.75	55,593.73
Hourly	12.9820	13.4364	13.9066	14.3934	14.8971	15.4185	15.9582	16.5167	17.0948	17.6931	18.3124	18.9533	19.6167
27 Annual	41,206.92	42,649.16	44,141.88	45,686.85	47,285.89	48,940.89	50,653.83	52,426.71	54,261.64	56,160.80	58,126.43	60,160.85	62,266.48
Hourly	14.5402	15.0491	15.5758	16.1210	16.6852	17.2692	17.8736	18.4992	19.1467	19.8168	20.5104	21.2282	21.9712
28 Annual	46,151.69	47,767.00	49,438.85	51,169.21	52,960.13	54,813.73	56,732.21	58,717.84	60,772.96	62,900.02	65,101.52	67,380.07	69,738.37
Hourly	16.2850	16.8550	17.4449	18.0555	18.6874	19.3415	20.0184	20.7191	21.4442	22.1948	22.9716	23.7756	24.6078

City of Cleveland Fringe Benefits Summary

The City provides a comprehensive package of fringe benefits for employees. The package includes the following:

Health/Dental Insurance Coverage

City employees are covered by the City of Cleveland Health and Dental Insurance Plan. The City and its employees will pay the following rates (*estimated*) for insurance coverage:

<u>Coverage</u>	<u>City Rates</u>		<u>Employee Rates</u>		<u>Total Cost</u>	
	Med	Dental	Med	Dental	Med	Dental
Individual	\$394.41	22.73	0	0	394.41	22.73
Family	\$725.43	40.76	315.96	18.06	1041.39	58.82

Health and dental insurance coverage was bid out in 2010. The objective in the bid process is to maintain or increase current benefits to employees with no increase in rates due to budgetary constraints. Details of the coverage are available in the employee health benefit handbook.

Life Insurance Coverage:

City employees are provided with two times their annual salary for life insurance and accidental death and dismemberment insurance. Dependent coverage is provided in the amount of \$2,000 on a spouse and \$1,000 on dependent children. The City currently pays \$ 0.30 per \$1,000 of salary for life and accidental death and dismemberment insurance for employees. There is no cost to employees for this coverage.

Long-Term Disability:

City employees are provided with long-term disability insurance that pays a minimum of 60% of the employee's regular earnings up to a maximum of \$5000 per month in the event of disability. This benefit begins after the exhaustion of sick leave or 90 days, whichever is greater.

Employee Assistance Program:

The Employee Assistance Program provides employees and family members with confidential counseling for a wide variety of purposes including such issues as divorce, personal stress, anxiety, depression, financial problems, alcohol/drug problems, etc. Counseling services offered include individual counseling, marriage and family counseling, grief counseling, academic assessment and testing, anger management, etc. The program also offers employee and supervisor training to City employees in such areas as Drug Free Workplace, Workplace Violence, Sexual Harassment, Conflict Resolution and others.

Flexible Spending Account Program:

The Flexible Spending Account Program is a plan that allows employees to use pre-tax dollars to pay for certain out-of-pocket expenses such as un-reimbursed medical and dental expenses including co-pays and deductibles, dependent care expenses, over-the-counter medications, eyeglasses, etc. Employees elect to have a specified amount of earnings deducted from their pay before taxes and deposited in a Flexible Spending Account. Once expenses are incurred, a claim is filed and the employee is reimbursed or the claim is paid directly to the provider from the employee's account. Both the City and the employee save on federal taxes, and the savings to the City usually is greater than the fees that are charged for administration of the plan.

Paid Sick Leave:

Employees are credited with one day of sick leave per month (number of hours equivalent to normal daily work schedule). Unlimited accumulation is allowed. Unused sick leave is not paid at termination of employment. However, credit is given for unused sick leave for employees retiring under the City's retirement plan.

Special Leave:

Employees are granted time off from work with or without pay at the discretion of the Department Head for various occasions. Bereavement leave is granted with pay for a maximum of three days for the death of a member of the immediate family. Jury service is granted with pay provided the jury service pay is turned in to the City. Military leave is granted with pay for a period not to exceed 20 calendar days in a 12 month period.

Paid Vacation Leave:

Employees earn vacation leave on a monthly accrual basis based on length of service. The following days of vacation are earned on an annual basis. 24/48 Fire personnel earn vacation time at 1.4 times the rate of a regular 40 hour per week employee:

Years Service	Days Vacation per Year
0 - 1	5
1 - 4	10
5 - 14	15
15 - 19	20
20+	25

Paid Holidays:

Employees are paid for 12 holidays annually either with time off or additional compensation. The paid holidays are:

New Years Day
M.L. King Birthday
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Veterans Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

Retirement Plan:

City employees are covered by the Tennessee Consolidated Retirement System. The City pays the full cost of membership for employees. The current contribution rate is 16.69% of gross wages for most employees. For police and fire employees who qualify, an additional 3.5% is paid for the Public Safety Officer Supplemental Bridge Option. Other current options include probationary period buyback, sick leave credit, option I death benefit, 25 year retirement, 5 year vesting, 3.6% indexing, prior service buyback, and military service credit.

Retiree Premium Reduction Plan/Medicare Supplement:

Effective June 12, 2006, the City allows retirees under age 65 and future retirees to remain on the City's health insurance coverage for life. Employees have the option of selecting to remain on the City's health insurance coverage or may choose to participate in the Medicare Supplement Program. A percentage of the premium is paid by the City, based on the employee's years of service. Retirees must have 10 years of service to remain on the City's coverage or qualify for the Medicare Supplement Program, and the premium reduction for both the health insurance and Medicare supplement starts at 15 years of service. The City pays 50% of the premium at 15 years of service and the percentage paid by the City increases 3.33% each year up to 100% paid at 30 or more years of service.

Deferred Compensation Plan:

City employees are eligible for a 457 Deferred Compensation Program administered by Nationwide Retirement Solutions. This is a voluntary tax-favored program that allows public employees to contribute a portion of their salary before federal taxes into a supplemental retirement account. Various options are available including fixed rate annuities, publicly available mutual funds and life insurance.

Workers Compensation and Occupational Disability Salary Supplement Plan:

City employees are covered for occupational injury and illness according to the state worker's compensation laws, with coverage administered by the Tennessee Municipal League Risk Management Pool. The City in addition has adopted an Occupational Disability Policy that will supplement the worker's compensation weekly benefit amount to insure that employees receive an amount equal to their regular earnings for a period of 30 calendar days.

Educational Reimbursement and Career Training:

City employees are eligible for up to \$1430 per fiscal year for reimbursement of expenses for continuing education. Employees who have not completed high school are eligible for a \$250 bonus for obtaining a GED. Employees are provided with job related training and certifications as needed such as Police POST certification, Firefighter certification, Building Inspector certification, SCBA certification for Firefighters, etc., and various other types of supervisory training and job-related courses and seminars.

Electronic Direct Deposit:

City employees have the option of having their payroll check electronically deposited directly to any financial institution.

Payroll Deduction YMCA Membership Fees:

Employees can join the local YMCA without a joining fee and are eligible for payroll deduction of the monthly membership dues.

Optional Vision, Accident, Cancer, Intensive Care, Etc. Insurance Coverage:

Employees have available at their own expense through payroll deduction group rate vision coverage as well as various other types of insurance through AFLAC and Colonial Insurance Companies.

Cafeteria Plan (Premium Conversion Only):

Employees are eligible to purchase dependent health coverage, dental coverage and other insurance policies with pre-tax dollars saving on their tax liability each pay period.

Longevity Pay:

Upon completion of their 5th year of service at July 1st, all employees will receive longevity pay in the amount of \$250, with an additional \$50 added annually for each year of service completed.

Service Awards:

City employees are provided with service awards for total years of service as of December 31st of each year. Service time includes all current and any prior periods of service combined. Employees may choose to receive cash or a gift certificate. Retiring employees who reach a qualifying number of years in the year they retire will receive the award payment upon retirement. Awards are provided for the following years:

5 years	\$ 75
10 years	\$100
15 years	\$150
20 years	\$200
25 years and above	\$250

Christmas Bonus:

All City employees receive a \$100 bonus in December of each year.

College Incentive Pay:

Employees hired prior to January 1, 1993 who have college credit hours receive a lump sum payment annually based on the total number of credit hours. The amounts are:

<u>Credit Hours</u>	<u>Amount</u>
37.5 - 82.5	\$125.00
83.0 - 127.5	\$280.00
128.5 - BS	\$435.00
BS Degree	\$625.00
Masters	\$750.00

FICA Taxes:

7.65% of wages.

Competitive Wages, Overtime Pay, and Compensatory Time:

City employees are paid competitive wages which are evaluated periodically to insure they are comparable to wages paid for similar duties in both the public and private sectors. Employees receive annual pay increases if job performance is satisfactory, subject to the approval of the City Council and the availability of funds. The current compensation plan gives employees with a good evaluation a 3.5% step in pay each year in addition to the annual cost of living increase that is normally given on July 1st of each year.

Employees are compensated for any overtime worked according to the Fair Labor Standards Act, either with pay at time and one half or compensatory time off.

Annual City Picnic and Employee Appreciation Day:

Employees are honored annually with a city-wide picnic in June and a luncheon in December, providing funds are available. Food and prizes are provided entirely by the City.

Sold Vacation:

Employees are allowed to receive pay in lieu of time off for up to one week of vacation time per fiscal year.

Advanced Sick and Vacation Time:

Under certain conditions, if an employee exhausts all earned sick and vacation time, they may be advanced up to two weeks of sick leave and two weeks of vacation leave.

Uniforms and Cleaning Services:

Uniforms are provided for city employees, other than clerical and others wearing normal street clothes, for Public Works, Police, Fire, Parks and Recreation, and the Animal Shelter. Clothing allowances are provided for police detectives, building, plumbing and mechanical inspectors, and department heads as well as reasonable amounts for laundry and dry cleaning.

Death of an Employee:

Upon the death of a full-time employee, his/her beneficiary shall receive pay for all accrued vacation time, plus an additional two weeks full pay.

Retirement Commitments

CLEVELAND BOARD OF EDUCATION, CLEVELAND FIRE AND POLICE DEPARTMENTS, CLEVELAND CITY-OTHER DEPARTMENTS, CLEVELAND UTILITIES-WATER DIVISION, CLEVELAND UTILITIES-ELECTRIC DIVISION, CLEVELAND SANITATION DEPARTMENT

PLAN DESCRIPTION

Certain employees of the above Departments of the City of Cleveland are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with 5 years of service or at any age with 30 years of service. A reduced retirement benefits is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There are no service requirements for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979 become vested after 5 years of service and members joining prior to July 1, 1979 were vested after 4 years of service. Benefit provisions are established in state statute found in Title 8, Chapter 34-37 of the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Political subdivisions such as the City of Cleveland participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPP. That report may be obtained by writing to Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at www.treasury.state.tn.us.

FUNDING POLICY

The City of Cleveland Plan is non-contributory and has assumed employee contributions up to 5.0 percent of annual covered payroll.

The City of Cleveland is required to contribute at an actuarially determined rate; the rate for the fiscal year ending June 30, 2010 was 17.76% of annual covered payroll. The contribution requirement of plan members is set by state statute. Contribution requirements for Cleveland City are established and may be amended by the TCRS Board of Trustees

ANNUAL PENSION COST

For the year ending June 30, 2010, the City’s annual pension cost of \$4,751,248 to TCRS was equal to the City’s required and actual contributions. The required contributions were determined as part of the July 1, 2007 actuarial valuation using the frozen entry age method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of 3.0 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. The City’s unfunded actuarial liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2007 was 8 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2010	\$4,751,248	100%	\$0.00
6/30/2009	\$4,919,306	100%	\$0.00
6/30/2008	\$4,568,248	100%	\$0.00
6/30/2007	\$4,204,899	100%	\$0.00
6/30/2006	\$3,340,890	100%	\$0.00
6/30/2005	\$3,044,151	100%	\$0.00
6/30/2004	\$2,410,210	100%	\$0.00
6/30/2003	\$2,311,987	100%	\$0.00
6/30/2002	\$1,657,787	100%	\$0.00
6/30/2001	\$1,528,993	100%	\$0.00

CLEVELAND CITY SCHOOL SYSTEM

PLAN DESCRIPTION

The Cleveland City Schools contribute to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEPP), a cost-sharing, multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member’s high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to members who are at least 55 years

of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979 are vested after five years of service. Members joining prior to July 1, 1979 are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Cost of living adjustments (COLA) are provided each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The maximum annual COLA is capped at three percent.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0239 or can be accessed at www.treasury.state.tn.us.

FUNDING POLICY

Most teachers are required by state statute to contribute 5 percent of their salary to the plan. The Cleveland City Schools are required to contribute to an actuarially determined rate. The rate for the fiscal year ending June 30, 2009 was 6.42 percent of annual covered payroll. The contribution requirement of Cleveland City Schools is established and may be amended by the TCRS Board of Trustees. Cleveland City School's contributions to TCRS for the years ending June 30, 2010, 2009 and 2008, were \$1,188,516, \$1,180,974 and \$1,123,267, respectively, equal to the required contributions for each year.

CLEVELAND UTILITIES – CSA PENSION PLAN

PLAN DESCRIPTION

All employees of the Cleveland Utilities-Electric Division hired prior to October 15, 1993 participate in a cost-sharing multiple-employer pension plan administered by the Central Service Association (the "CSA Plan"). The CSA Plan provides retirement benefits to plan members. Section 5.1 & 5.2 of the Pension Plan for employees of Central Service Association ("CSA") assigns the authority to establish and amend benefit provisions to the CSA Board of Directors.

On October 1, 2005, Cleveland Utilities-Electric Division withdrew from the CSA Non-governmental plan in a spin off whereby assets and liabilities were transferred into the Central Service Association Pension Plan for Governmental Employees, a new tax-

qualified multiple-employer defined benefit pension plan that is maintained as a governmental plan (as defined under section 414(d) of the Internal Revenue Code). The CSA Governmental Plan is substantially the same as the CSA Non-governmental plan with certain exceptions, including, but not limited to, (1) the CSA Governmental Plan will not be subject to any PBGC requirements, (2) benefits under the CSA Governmental Plan will not be insured by the PBGC, and (3) the CSA Governmental Plan will not be subject to the additional deficit reduction contribution funding requirements of Code Section 412(1).

The Cleveland Utilities Board will serve as the “Plan Sponsor,” in regard to employees participating in the plan (active and retired) and CSA shall continue to serve as the “Plan Administrator.” CSA issues a publicly available financial report that includes financial statements and required supplementary information for the CSA plan. That report may be obtained by writing Central Service Association, 93 Coley Road, Tupelo, MS 38803-3480, or by calling (662) 842-5962.

FUNDING POLICY

Participants are not required to contribute to the CSA Plan. The Board is required to contribute an actuarially determined amount. The contribution requirements of the Board are established and may be amended by the CSA Board of Directors. The Board’s contributions to the CSA Plan for the year ending June 30, 2010, 2009 and 2008 were \$ 1,274,256, \$972,426 and \$818,793, respectively, and were equal to the required contribution established by the CSA Board.

ANNUAL PENSION COST AND NET PENSION OBLIGATION

Determined in accordance with GASB Statement No. 27, there is no net pension obligation as the Board has contributed the annual required contribution, adjusted with interest, as calculated by actuarial valuation. The annual required contribution was determined as part of an actuarial valuation performed as of October 1, 2008, using the frozen entry age method. Significant actuarial assumptions used in the valuation included (a) a rate of return on the investment of present and future assets of 7% per year compounded annually, (b) projected salary increases of 4% per year compounded annually, and (c) no postretirement benefit increases.

POSTRETIREMENT BENEFITS

In addition to the pension benefits described above, the City, Cleveland Utilities and City Schools provide postretirement medical, hospitalization and dental benefits to all employees who retire from the entities. Although there exists no statutory, contractual or other authority under which provisions and obligations to contribute are established, the entities have no plans to discontinue these benefits. Expenses for postretirement health

care benefits are recognized as retirees' insurance premiums are paid. The required supplementary information provides more detail concerning the actuarial accrued liabilities.

Retired employees of general government not eligible for Medicare, Medicaid or other employer provided insurance benefits may continue coverage with the City's health insurance plan, and if they meet the minimum requirements, will be eligible for a premium reduction based on years of service, the City paying the reduced amount of premium. The reduction schedule is a 50% reduction for 15 years of service and an additional 3.33% reduction for each additional year of service to a maximum of 100% paid for 30 or more years of service.

Beginning July 1, 1997, the Cleveland City Schools began paying a portion of health insurance premiums for employees retiring during the 1998 fiscal year. The employee must reach a minimum age of 55 years or be eligible for disability retirement under the rules of the Tennessee Consolidate Retirement System. The retired employee's coverage shall terminate if the retiree becomes eligible for coverage under a plan provided by a new employer or the date of eligibility for coverage with Medicare/Medicaid.

REQUIRED SUPPLEMENTARY INFORMATION

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM (TCRS)
RETIREMENT PLAN**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c)
7/1/2009	\$ 65,941	\$ 93,010	\$ 27,069	70.90%	\$ 27,521	98.36%
7/1/2007	\$ 59,075	\$ 74,948	\$ 15,873	78.82%	\$ 24,855	63.86%
7/1/2005	\$ 48,146	\$ 54,909	\$ 6,763	87.68%	\$ 21,480	31.49%
7/1/2003	\$ 41,234	\$ 48,856	\$ 7,611	84.40%	\$ 19,221	39.65%
7/1/2001	\$ 35,796	\$ 43,901	\$ 8,105	81.54%	\$ 17,071	47.48%
7/1/1999	\$ 30,327	\$ 35,423	\$ 5,096	85.61%	\$ 14,556	35.01%
6/30/1997	\$ 24,842	\$ 27,004	\$ 2,161	92.00%	\$ 12,531	17.25%
6/30/1995	\$ 19,344	\$ 20,658	\$ 1,314	93.64%	\$ 10,664	12.32%
6/30/1993	\$ 16,259	\$ 16,606	\$ 347	97.91%	\$ 9,006	3.85%
6/30/1991	\$ 13,022	\$ 13,650	\$ 628	95.40%	\$ 8,049	7.80%

**CITY OF CLEVELAND OTHER THAN CITY SCHOOLS AND CLEVELAND
UTILITIES POSTEMPLOYMENT BENEFITS**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c)
7/1/2009	\$ 0	\$ 14,601	\$ 14,601	0.00%	\$ 15,112	96.629%

**CLEVELAND UTILITIES
POSTEMPLOYMENT BENEFITS**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c)
7/1/2009	\$ 0	\$ 14,772	\$ 14,772	0.00%	\$ 10,795	136.84%

**CLEVELAND CITY SCHOOLS
POSTEMPLOYMENT BENEFITS**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c)
7/1/2009	\$ 0	\$8,700	\$8,700	0.00%	\$ 24.213	35.93%

City Boards and Commissions

ANIMAL SHELTER ADVISORY BOARD

The Animal Shelter Advisory Board shall be responsible for advising the City Manager and City Council on policies and procedures necessary for the operation of the Cleveland Animal Shelter. The Advisory Board consists of 7 members, serving 5-year staggered terms. These members consist of 2 veterinarians, 2 city residents, 2 county residents, 1 at large resident.

AIRPORT AUTHORITY

The Cleveland Municipal Airport Authority was created by the Cleveland City Council in September, 2004. The five member board was given the authority to control and regulate any and all operations of the municipal airport. The members serve five-year staggered terms.

BEER BOARD

The Beer Board regulates the selling, storing for sale, distributing for sale, and manufacturing of beer within this municipality in accordance with the provisions of the City Code. The Beer Board consists of 5 members and 2 alternate board members, serving 2-year staggered terms.

BRADLEY/CLEVELAND COMMUNITY SERVICES AGENCY

This board has the following duties:

1. Enforcement of compliance with all conditions of the Community Services administration, Department of Labor, and the Department of Health, Education and Welfare and other applicable grant programs.
2. Selection of the committees to provide liaison with the Agency.
3. Determination, subject to the Community Services Administration's and/or other applicable federal agencies' regulations and policies, of all fiscal and personnel controls and policies.
4. The right to determination and final approval after recommendation by the Administering Board of all program plans, priorities, program proposals and budgets.
5. Selection, appointment, removal or the replacement of the Executive Director.
6. Final ratification upon recommendation by the Executive Director of appointment or replacement of all staff positions.
7. Determination, subject to Community Services Administration and other applicable federal agencies' regulations and policies, the rules of procedure for the Governing Board.
8. Selection of the officers of the Governing Board.

The Bradley/Cleveland Community Services has 9 board members and 1 alternate board member. They are City and County officials and serve an indefinite term.

BRADLEY COUNTY EQUALIZATION BOARD

This Board works with Assessor of Property office to hear complaints on property appraisals. The Bradley County Equalization Board has 4 members, serving 2-year terms. The City Council appoints 1 of these members.

BUILDING ADJUSTMENT AND APPEALS BOARD

This board has the powers and duties to hear appeals of decisions and interpretations of the building officials and consider variances of the technical codes. The board has 8 members serving a 3-year term, 3 alternate board members, and 2 serving a 3-year term and 1 serving a 1-year term.

WATERVILLE GOLF COURSE ADVISORY BOARD

The duties of the Waterville Golf Course Advisory Board are to submit recommendations for course improvements and operating policies to the Parks & Recreation Director and the City Manager. The Waterville Golf Course Advisory Board members consists of the City Manager, 2 City Council members, the Director of Parks and Recreation and 3 golfers having annual memberships who are elected annually by golfers having annual memberships. The 3 elected members are for 1-year terms.

CLEVELAND HOUSING AUTHORITY

By law, the housing authority board is required to make policy decisions, to determine how programs are administered, to obtain funds from various sources and protect funds needed to keep the Public Housing Agency (PHA) operating. Commissioners are responsible for the actions and decisions made by the Executive Director and other PHA staff. The Cleveland Housing Authority Board has 5 members, serving a 5-year staggered term.

ECONOMIC DEVELOPMENT COUNCIL

A division of the Cleveland/Bradley Chamber of Commerce, the purpose of the EDC is to further the quality, plan, and manage economic development of Cleveland/Bradley County and the surrounding trade area. The EDC has the power to take any action deemed necessary and appropriate to fulfill that purpose. The Economic Development Council has 32 board members, serving an indefinite term.

FLETCHER PARK ADVISORY BOARD

The Fletcher Park Planning Group is vested with the authority and responsibility to:

1. Establish bylaws and procedural rules;
2. Prepare a master plan which includes recommendations to the City Council pertaining to the development of Fletcher Park;
3. Review any plans for development of Fletcher Park and make recommendations to the City Council pertaining to the development of Fletcher Park; and.
4. Make recommendations to the City Manager and/or the Parks and Recreation Director on any matter pertaining to the development or operation of Fletcher Park.

Fletcher Park has 6 Advisory Board members, serving 3-year terms.

HEALTH & EDUCATION FACILITIES BOARD

This board issues bonds for development pertaining to health and education. The board issues the bond and that makes the bond interest tax free from federal income tax. The Health Education Facilities Board has 7 board members, serving a 6-year staggered term.

HISTORIC PRESERVATION COMMISSION

This Commission was established in April, 2004 to provide for the designation of landmarks, landmark sites, and historic districts; to provide for certificates of appropriateness for construction and demolition activities affecting historic resources; to establish criteria and procedures for the issuance of certificates of appropriateness; to provide exceptions for economic hardship, minimum maintenance requirements, public safety; to establish guidelines for enforcement and penalties, appropriations, conflicts of interest, severability and effective dates. This commission has 7 members, consisting of a representative of a local patriotic or historical organization; an architect or engineer, if available; and a member of the Cleveland Municipal Planning Commission. A documented effort to fill the other positions with community members from primary and secondary historic preservation-related principles shall be made. Members are appointed by the City Council and serve 4-year terms.

HOUSING ADJUSTMENT AND APPEALS

The duties of the Housing Board of Adjustments and Appeals shall be to consider and determine appeals whenever it is claimed that the true intent and meaning of this code or any of its regulations have been misconstrued or wrongly interpreted. The Housing Adjustment and Appeals Board has 5 members, serving a 3-year staggered term.

BRADLEY/CLEVELAND INDUSTRIAL DEVELOPMENT BOARD

This board was created by Cleveland/Bradley County in January, 2004 as a non-profit corporation for the purpose of promoting job creation and economic development. This board issues bonds for industry expansion or relocation. The bond board actually becomes the owner of the property and leases it back to the industry. The Industrial Development Board has 7 voting members, serving 6-year staggered terms.

JOHNSTON PARK ADVISORY BOARD

The duties of the Johnston Park Advisory Board are to advise the recreation director of improvements needed for the park. The Johnston Park Advisory Board has 9 members, serving 3-year staggered terms.

LIBRARY BOARD

The Library Board is organized to foster and promote public library development in Bradley County. In accordance with Tennessee law, the Board has the power to direct all the affairs of the library, including the appointment of a Library Director who directs the internal affairs of the library. It establishes the policies for all branches of the library. It may receive donations and bequests to be used directly for library purposes. It may hold and convey realty and personal property and negotiate leases for and on behalf of the library. The Library Board has 7 members, serving 6-year staggered terms.

PARKS ADVISORY COMMISSION

The powers and duties of the Parks Advisory Commission are to provide, establish, conduct and maintain a supervised recreation system and facilities and to acquire by gift, purchase, condemnation or lease, lands and buildings for such purposes. The Parks Advisory Commission has 7 members, serving 3-year terms.

PLANNING COMMISSION

The powers of the planning commission are to prepare and adopt a general plan, make advisory reports and recommendations, mandatory referral to review and comment on any public project, review subdivision regulations and site plans, prepare and recommend a zoning ordinance and map, and review amendments to the zoning ordinance or map. The Planning Commission has 10 members, serving 3-year staggered terms.

BOARD OF PLUMBING EXAMINERS

The powers and duties of the Board of Plumbing Examiners shall determine if an applicant for a plumbing license has knowledge of the rules and regulations for the installation of plumbing devices, appliances and equipment as set forth in the statutes of the state, the ordinances of the city and the Standard Plumbing Code; to issue licenses and certificates therefore; to determine the general qualifications and fitness of each applicant for executing the class of work covered by the license applied for, and for the transaction of the other business. The Board of Plumbing Examiners has 5 members, serving a 5-year staggered term.

SCHOOL BOARD

The School Board has full power as trustees and directors to manage and control the public schools of the city and to appoint a Director of city schools. The School Board has 7 members, elected by the citizens for 4-year staggered terms.

STORM WATER REGULATIONS BOARD

The Storm Water Regulations Board recommends amendments of the Storm Water ordinance to the City Council and holds hearings for appeals and other hearings as may be required. The board may issue subpoenas requiring attendance and testimony of witnesses relevant to any matter properly heard by the board in order to assure fair and just enforcement to all parties involved as well as provide adequate guidance as it pertains to the Storm Water Ordinance. The board consists of 5 members, meeting the following criteria: one (1) environmental engineer, environmental scientist or environmental technician, one (1) attorney, one (1) person employed or retired from an industrial or commercial establishment regulated by the storm water ordinance, and two (2) persons that shall not have any particular qualifications, but to the extent practical shall be selected to maintain diversity on the board. Members of the Storm Water Regulations Board serve 4-year staggered terms.

TREE BOARD

The shade tree board is responsible for administering the tree ordinance. The duties of the tree board include the following:

1. Develop and administer a master tree plan for the city subject to review and approval by the traffic engineer.
2. Develop and review, as necessary, recommended policies to carry out the intent of this chapter.
3. Assist in coordinating tree-related activities.
4. Coordinate publicity concerning the tree ordinance requirements.
5. Conduct an Arbor Day ceremony.
6. Provide tree information to the community.
7. Maintain a recommended tree list for the community.
8. Recognize groups and individuals completing tree projects.
9. Coordinate donations of trees or money to purchase trees.
10. Hear citizen concerns regarding tree problems during scheduled meetings.
11. Perform other tree-related duties and opportunities that arise from time to time.

The Tree Board has 9 board members, serving 2-year staggered terms.

UTILITY BOARD

The duties and powers of the Cleveland Utility Board are:

1. To employ a competent and well-qualified person to serve as general manager of the system, which includes water, wastewater and electric distribution.
2. Set salaries or delegate this power to the general manager except for the salary of the general manager and secretary/treasurer.
3. Have full charge of operating, equipping, maintaining, extending and servicing the system, making disbursements of funds in accordance with law and ordinances and contracts made and entered into by the city, and collecting all moneys due the system.
4. Have the right to extend or enlarge the system, right to contract and be contracted with, the right to exercise the rights of eminent domain, in the name of the City of Cleveland, by and with the consent of the City Council, the right to institute suit and defend suits brought against it, the right to employ counsel, and in general to do all acts and things necessary for the operation and maintenance of the system.
5. The Board shall give full effect to the contracts with the TVA, and others, with reference to the acquisition and purchase of the electric distribution system, as well as the power contract between the TVA and the City of Cleveland; shall rigidly enforce the collection of bills for electric, water and sewer service and shall, within the time prescribed by its rules and regulations, discontinue the electric, water or sewer service for the nonpayment of bills.
6. The Board shall fix rates to be charged for services rendered by the system.

The Utility Board has 5 board members, serving 4-year staggered terms.

VACANT PROPERTY REVIEW BOARD

The Vacant Property Review Board reviews vacant properties to make a written determination of blight and deterioration. The Board has 5 members, serving 2-year staggered terms.

WRECKER BOARD

The Wrecker Board is responsible for administering the provisions established by code concerning the towing and wrecker services within the City. These duties include rules and regulations for receiving a permit, holding hearings concerning wrecker operators, and investigating complaints against wrecker operators. The Board has 5 members, serving 5-year staggered terms.

BOARD OF ZONING APPEALS

The duties include hearing and deciding appeals from any order, requirement, decision or determination made by the city building inspector in the enforcement of the Zoning Ordinance; to hear and decide special exceptions to the terms of the ordinance upon which such board may be required to pass by subsequent ordinance. The Board has 5 members, serving 3-year staggered terms.

General Fund

The General Fund is the primary fund of the City of Cleveland. Any program, service or function not required to be funded elsewhere is budgeted in this fund. This fund supports most of the basic operations and services of the city.

The General Fund Revenues can be segregated into seven major categories:

- Local Taxes
- Licenses and Permits
- Intergovernmental Revenues
- Charges for Services
- Fines and Forfeitures
- Interest (Investment) Income
- Miscellaneous Revenues

In addition to these recurring sources of revenue, the City Council may elect to appropriate (or budget to use) some of the fund balance (excess of revenues and other resources over expenditures and other uses) in the General Fund. This will only be done if the fund balance is sufficient to support such an appropriation and still attain the targeted fund balance called for in the Financial Policies.

Expenditures in the General Fund are budgeted within several major categories, most of which represent individual departments or divisions of the city. These categories are as follows:

- Legislative and Judicial
- Administration and Finance
- Community Development
- Police Department
- Fire Department
- Public Works Department:
 - Operations Division
 - Engineering Division
 - Street Lighting and Signals
- Animal Control
- Wellness, Safety & Risk Management Program
- Parks and Recreation Department:
 - Administration and Maintenance Division
 - Landscape Maintenance
 - College Hill Recreation Center
 - Cleveland Community Center
 - Tinsley Park
 - Waterville Golf Course
- Grants and Other Agency Support
- Transfers to Other Funds

General Fund Budget Summary

	FY2010 ACTUAL	FY2011 ORIGINAL BUDGET	FY2011 AMENDED BUDGETED	FY2012 PROPOSED	% OF TOTAL
<i>Revenues and Other</i>					
<i>Financial Resources</i>					
Local Taxes	\$26,890,200	\$27,162,000	\$27,389,000	\$27,769,000	73.6%
Licenses and Permits	\$362,132	\$314,500	\$524,400	\$344,000	0.9%
Intergovernmental Revenues	\$4,155,020	\$4,027,800	\$4,184,900	\$4,184,900	11.1%
Charges for Services	\$2,716,741	\$2,701,500	\$2,717,000	\$2,817,000	7.5%
Fines and Forfeitures	\$767,342	\$788,000	\$765,500	\$764,000	2.0%
Interest (Investment) Income	\$6,755	\$3,000	\$6,000	\$6,000	0.0%
Miscellaneous Revenues	\$123,730	\$13,200	\$59,500	\$19,000	0.1%
Transfer from Other Funds	\$1,756,261	\$1,755,000	\$1,826,000	\$1,826,000	4.8%
<i>Total Revenues and Other</i>					
<i>Financial Resources</i>	\$36,778,181	\$36,765,000	\$37,472,300	\$37,729,900	100.0%
<i>Expenditures and Other</i>					
<i>Financing Uses</i>					
Legislative and Judicial	\$323,998	\$390,400	\$389,200	\$378,000	1.0%
Administration and Finance	\$1,968,564	\$1,868,600	\$1,799,100	\$1,756,800	4.7%
Community Development	\$596,149	\$560,000	\$589,100	\$632,700	1.7%
Police Department	\$7,970,097	\$8,304,800	\$8,268,000	\$8,321,100	22.1%
Fire Department	\$7,445,329	\$7,769,200	\$7,746,800	\$7,713,200	20.4%
Public Works Department :					
Operations Division	\$2,010,643	\$2,003,500	\$2,023,500	\$1,913,300	5.1%
Engineering Division	\$522,874	\$532,600	\$486,000	\$419,400	1.1%
Street Lighting and Signals	\$907,390	\$946,600	\$1,004,400	\$1,139,500	3.0%
Animal Control	\$506,881	\$538,700	\$548,332	\$563,000	1.5%
Safety Program	\$11,581	\$82,700	\$95,525	\$95,700	0.3%
Parks and Recreation :					
Administration and Maintenance	\$720,015	\$666,900	\$661,400	\$659,000	1.7%
Landscape Maintenance	\$534,895	\$465,000	\$468,100	\$466,200	1.2%
College Hill Recreation Center	\$384,375	\$333,000	\$332,800	\$339,300	0.9%
Cleveland Community Center	\$301,614	\$323,200	\$325,925	\$323,800	0.9%
Tinsley Park	\$194,291	\$218,800	\$218,900	\$222,100	0.6%
Waterville Golf Course	\$393,854	\$479,500	\$484,800	\$498,800	1.3%
Grants and Other Agency Support	\$1,072,554	\$1,085,500	\$1,083,000	\$1,088,000	2.9%
Transfers to Other Funds	\$10,569,550	\$10,196,000	\$10,947,418	\$11,200,000	29.7%
<i>Total Expenditures and</i>					
<i>Other Financing Uses</i>	\$36,434,654	\$36,765,000	\$37,472,300	\$37,729,900	100.0%
<i>Increase (Decrease) in Fund Balance</i>	\$ 343,527	\$ -	\$ -	\$ -	
<i>Fund Balance at Beginning of FY</i>	\$ 8,670,275	\$ 9,013,802	\$ 9,013,802	\$ 9,013,802	
<i>Fund Balance at End of FY</i>	\$ 9,013,802	\$ 9,013,802	\$ 9,013,802	\$ 9,013,802	

In addition to the budgeted appropriations in the General Fund, several departments have other operations or divisions that are financed within some of the other operating funds. The Police Department has additional operational funding in the Drug Enforcement Fund. (See Tab VIII.) The Public Works Department has additional operational funding in the Solid Waste Management Fund, the State Street Aid Fund, and the Stormwater Management Fund. (See Tab VIII.)

REVENUES:

Overview:

Revenues for FY2011 were 1.8%, or \$694,119 more than FY2010, mainly due to the increase in property taxes and in licenses and permits. Local sales tax collections are estimated to be 1.3% above FY2011 as a result of the slow growing economy. The local economy did begin to show some growth in FY2011 after several years of decline.

For FY2012, property taxes and the local sales tax are projected to have no increases over FY2011. Property tax growth is based upon the decreased number of building permits and sales tax is based upon the slow growth over the past two years.

The City has budgeted to use no fund balance in the General Fund in FY2012 for general operations.

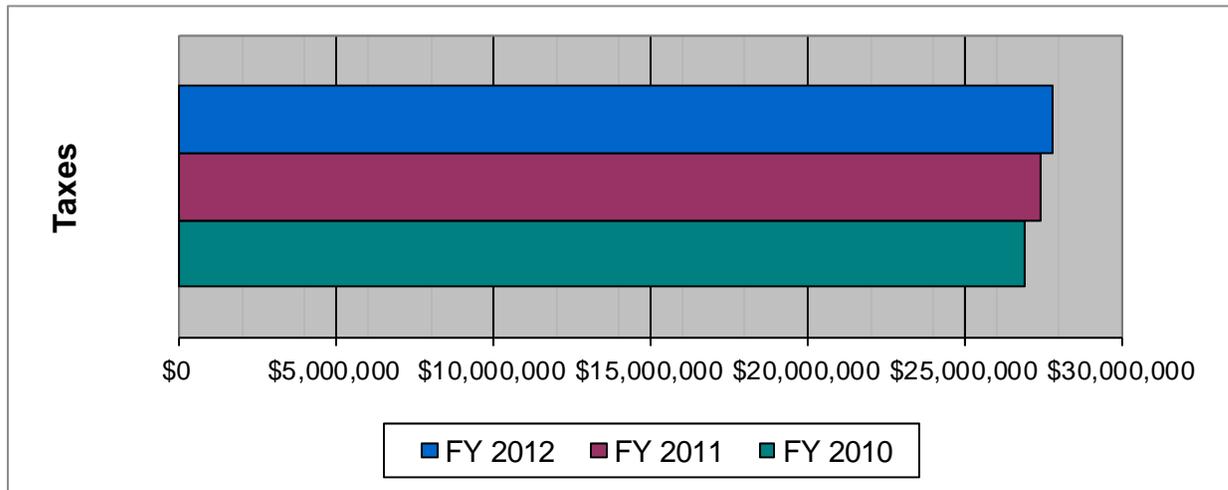
Local Taxes:

Local Taxes are projected to have a 1.3% increase over last year. The city's property tax rate will remain at \$1.49 per \$100 of the assessed value. Property tax assessments are not projected to grow in FY2012. This is the largest source of revenue in the General Fund. At \$16,449,000 it represents 44% of total General Fund revenues.

The Local Option Sales Tax is projected to increase in FY2012 by 1.3%. This is the second largest revenue source in the General Fund at \$7,600,000, representing 20% of total General Fund revenues.

Local Taxes represent \$27,769,000 of the \$37,729,900 General Fund revenues, or 73.6%. Combined, the Property Tax and Local Option Sales Tax represent 64% of the total General Fund.

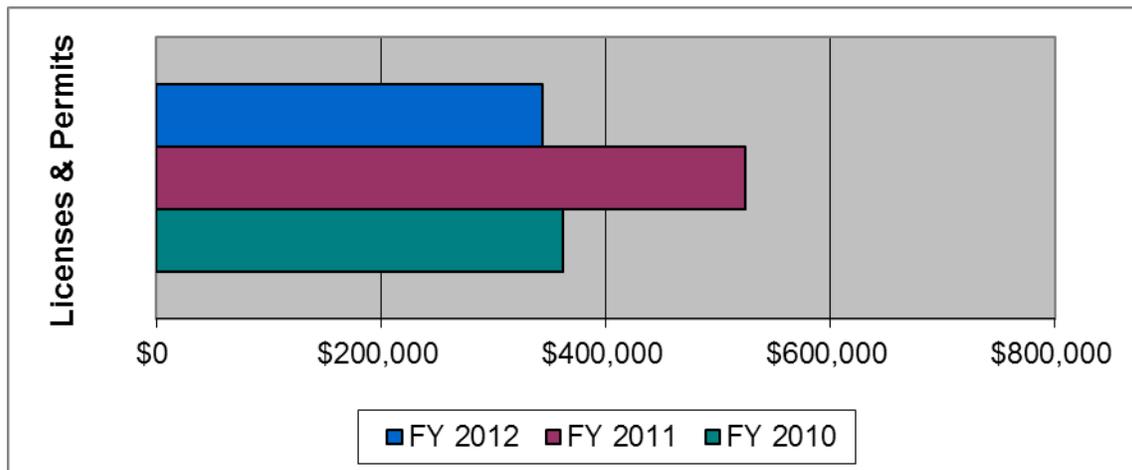
Acct #	Taxes	FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
31110/11	Property Tax	\$16,099,996	\$16,449,000	2.2%	\$16,449,000	0.0%
31310	Interest & Penalty on Tax	194,301	220,000	13.2%	220,000	0.0%
31510/11	In Lieu of Tax	90,822	80,000	-11.9%	350,000	337.5%
31610	Local Sales Tax	7,407,461	7,500,000	1.2%	7,600,000	1.3%
31710	Wholesale Beer Tax	1,245,869	1,260,000	1.1%	1,270,000	0.8%
31820	Gross Receipts Tax	898,254	900,000	0.2%	900,000	0.0%
31910	Franchise Tax	953,497	980,000	2.8%	980,000	0.0%
	Total Taxes	\$26,890,200	\$27,389,000	1.9%	\$27,769,000	1.4%



Licenses and Permits:

Licenses and Permits are projected to decrease by 34%. Building permits are expected to decrease for FY2012, but did increase 120% for FY2011 compared to FY2010 mainly due to the construction of the new Whirlpool plant. The number of permits has decreased due to the slowdown in the economy. At \$344,000 Licenses and Permits represent 0.9% of total General Fund revenues.

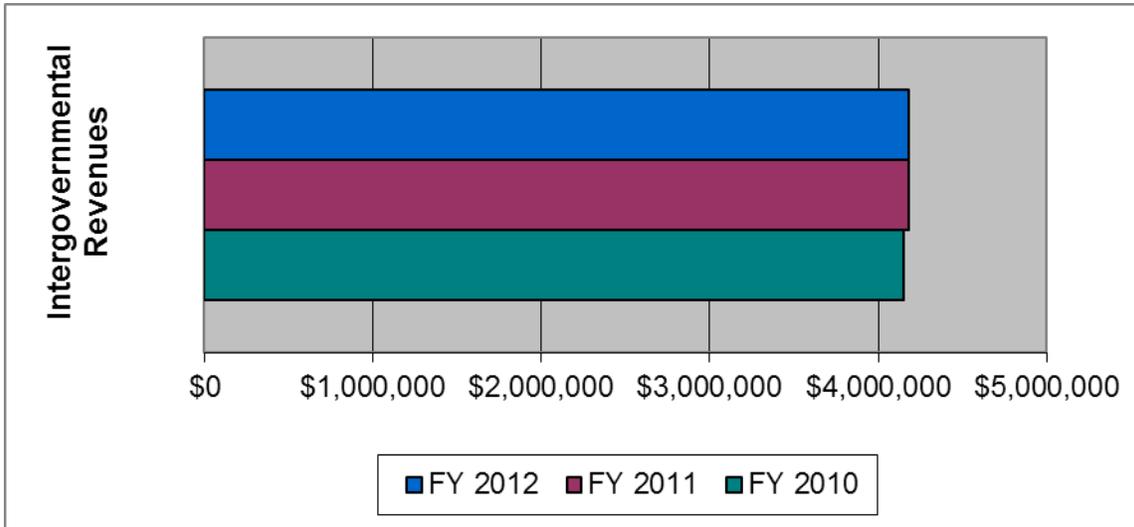
	FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Licenses & Permits					
32210 Beer Licenses	\$5,792	\$5,000	-13.7%	\$5,000	0.0%
32211 Beer Renewal Fee	11,487	11,000	-4.2%	11,000	0.0%
32220 Liquor License	3,575	2,200	-38.5%	0	-100.0%
32221 Liquor License Renewal	14,090	15,000	6.5%	15,000	0.0%
32610 Building Permits	136,498	300,000	119.8%	150,000	-50.0%
32620 Electrical Permits	6,145	7,000	13.9%	7,000	0.0%
32622 Electrical Licenses	14,992	16,000	6.7%	16,000	0.0%
32625 Mechanical Permits	9,456	11,000	16.3%	11,000	0.0%
32626 Mechanical Licenses	6,375	7,000	9.8%	7,000	0.0%
32630 Plumbing Permits	26,679	25,000	-6.3%	25,000	0.0%
32632 Plumbing Licenses	8,825	9,000	2.0%	9,000	0.0%
32650 Street Cut Permits	82,410	60,000	-27.2%	60,000	0.0%
32651 Land Disturbance Permits	5,430	7,000	28.9%	7,000	0.0%
32652 Tree Permit	50	0	-100.0%	0	N/A
32660 Rezoning Fee	900	2,000	122.2%	0	-100.0%
32662 Zoning Appeal Fee	2,450	700	-71.4%	500	-28.6%
32663 Zoning Letter Fee	1,150	500	-56.5%	500	0.0%
32664 Minor Encroachment Fee	400	0	-100.0%	0	N/A
32665 Certificate of Appropriateness	925	0	-100.0%	0	N/A
32690 Recr. Permits/Maint. Fee	6,120	5,000	-18.3%	5,000	0.0%
32691 Plat Review Fee	1,895	2,000	5.5%	2,000	0.0%
32692 Plans Review Fee	11,863	35,000	195.0%	9,000	-74.3%
32693 Certificate of Occupancy	4,475	4,000	-10.6%	4,000	0.0%
32694 Alley/Street Abandonment	150	0	-100.0%	0	N/A
Total	\$362,132	\$524,400	44.8%	\$344,000	-34.4%



Intergovernmental Revenues:

Intergovernmental Revenues are projected to have no growth. These revenues are all impacted by the State's economy and will not increase until the State recovers. At \$4,184,900, this revenue source is 11.1% of the total General Fund.

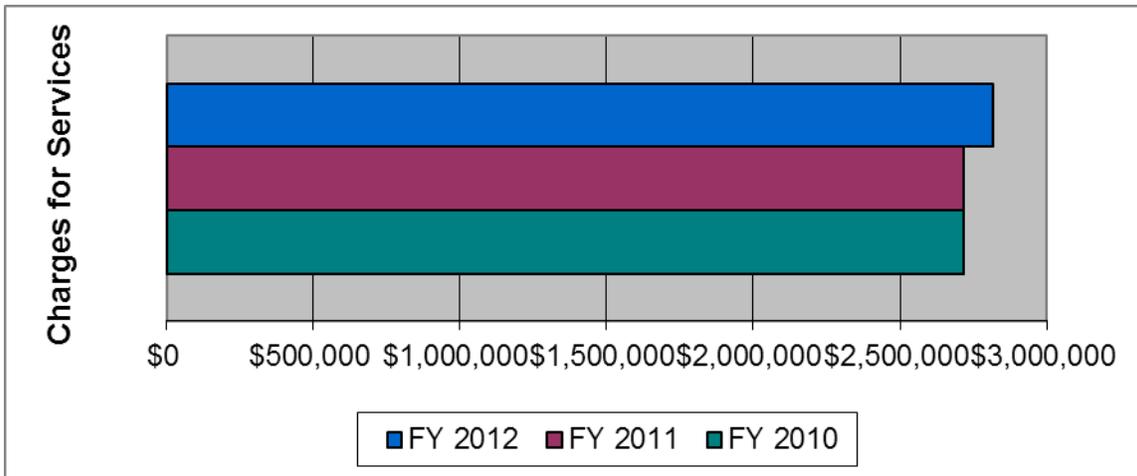
		FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Intergovernmental						
33200	Federal Grant-Prot. Vests	\$4,162	\$0	-100.0%	\$0	N/A
33410	Police Training Supp.	51,000	55,200	8.2%	55,200	0.0%
33411	Fire Training Supplement	51,007	52,200	2.3%	52,200	0.0%
33510	State Sales Tax	2,397,165	2,450,000	2.2%	2,450,000	0.0%
33520	State Income Tax	630,168	600,000	-4.8%	600,000	0.0%
33530	State Beer Tax	18,543	18,000	-2.9%	18,000	0.0%
33540	State Mixed Drink Tax	93,745	95,000	1.3%	95,000	0.0%
33552	State Gas Inspection Tax	80,344	80,000	-0.4%	80,000	0.0%
33559	State Hwy Maintenance	194,577	194,500	0.0%	194,500	0.0%
33591	TVA-In Lieu of Taxes	412,391	420,000	1.8%	420,000	0.0%
33593	Excise Tax	221,918	220,000	-0.9%	220,000	0.0%
Total		\$4,155,020	\$4,184,900	0.7%	\$4,184,900	0.0%



Charges for Services:

Charges for Services are projected to increase 3.7%, or \$100,000. This increase is attributed to the Waterville Golf Course reopening the entire course that was closed during the Dalton Pike widening project. At \$2,817,000, this revenue source represents 7.5% of total General Fund revenues.

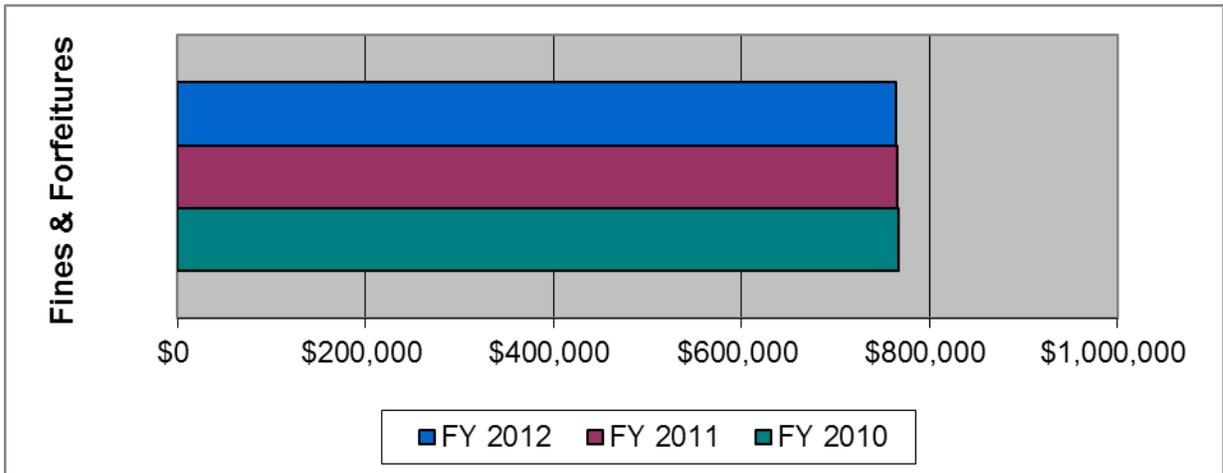
	FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Charges for services					
34221 Fire Inspection Fees	1,850	1,000	-45.9%	1,000	0.0%
34241 Police Accident Reports	2,495	0	-100.0%	0	N/A
34260 Police Dept-Cont Svcs	5,334	10,000	87.5%	10,000	0.0%
34262 Police-Housing Authority Contract	20,319	50,000	146.1%	50,000	0.0%
34316 Airport Grounds Maintenance	14,240	10,000	-29.8%	10,000	0.0%
34510 Animal Control-Sale/BD Fees	8,670	9,000	3.8%	9,000	0.0%
34512 Animal Control-Spay/Neuter	27,720	33,000	19.0%	33,000	0.0%
34513 County-Animal Control	339,741	325,000	-4.3%	325,000	0.0%
34514 County-Fire Protection	1,822,200	1,822,200	0.0%	1,822,200	0.0%
34700 Wellness Program Dues	13,915	8,000	-42.5%	12,000	50.0%
34701-19 Waterville Golf Course	173,697	196,300	13.0%	293,300	49.4%
34721-43 Tinsley Park	55,923	54,500	-2.5%	53,500	-1.8%
34744 Cleveland Comm Center	5,425	5,000	-7.8%	5,000	0.0%
34745-91 College Hill Recreation Center	18,258	12,000	-34.3%	12,000	0.0%
34799 Parks & Rec-Misc	2,573	1,000	-61.1%	1,000	0.0%
34912 SRO-City Schools	204,381	180,000	-11.9%	180,000	0.0%
Total	\$2,716,741	\$2,717,000	0.0%	\$2,817,000	3.7%



Fines and Forfeitures:

Fines and Forfeitures are projected to decrease by 0.2%. The largest revenue source by far is traffic tickets from Municipal Court, followed by fines from General Sessions Court and drug fines. At \$764,000, this revenue source is 2.0% of total General Fund revenues.

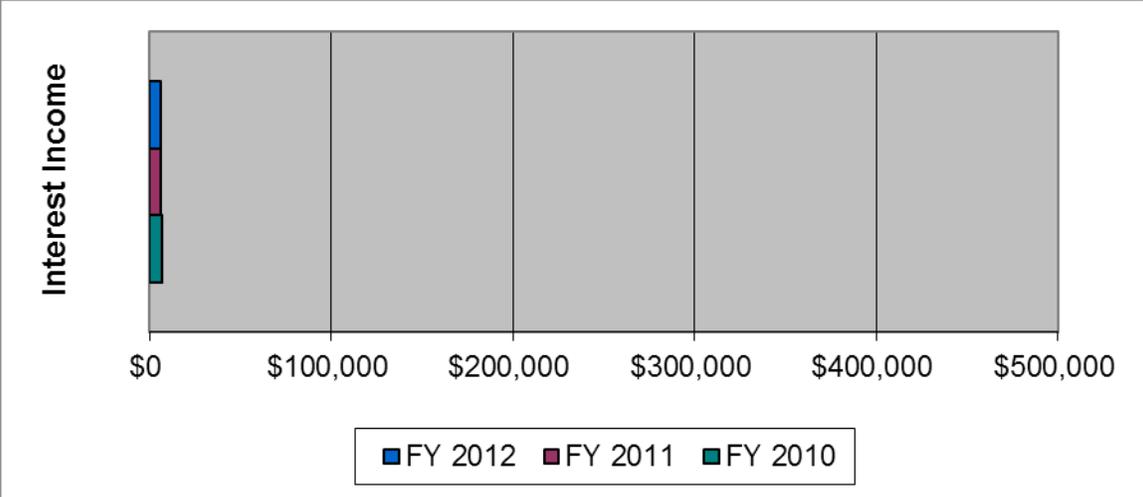
	FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Fines & Forfeitures					
35110 Traffic Tickets	\$585,606	\$600,000	2.5%	\$600,000	0.0%
35111 Parking Tickets	32,245	30,000	-7.0%	30,000	0.0%
35112 Animal Shelter	1,150	1,000	-13.0%	1,000	0.0%
35113 Code Enforcement Fines	386	1,500	288.6%	0	-100.0%
35115 Garnishments	93	0	-100.0%	0	N/A
35116 Court Clerk Fees	1,754	1,500	-14.5%	1,500	0.0%
35140 Bradley Co.-Drug Fines	25,879	20,000	-22.7%	20,000	0.0%
35160 Sessions Court	32,882	25,000	-24.0%	25,000	0.0%
35161 Circuit Court	24,800	16,000	-35.5%	16,000	0.0%
35162 Officers-Sessions	54,471	65,000	19.3%	65,000	0.0%
35163 Officers-Circuit	1,971	1,500	-23.9%	1,500	0.0%
35164 State Refunds	915	0	-100.0%	0	N/A
35166 Sex Offender Registry	5,190	4,000	-22.9%	4,000	0.0%
	\$767,342	\$765,500	-0.2%	\$764,000	-0.2%



Interest (Investment) Income:

Interest Income is the money earned on available cash during the fiscal year. With the banking services proposal accepted by the City Council effective July 1, 2010, the City receives 100% of the Federal Funds rate. Because the Federal Funds rate has been reduced by the Federal Reserve Board and has remained at a low level for several years, this income shows no increase.

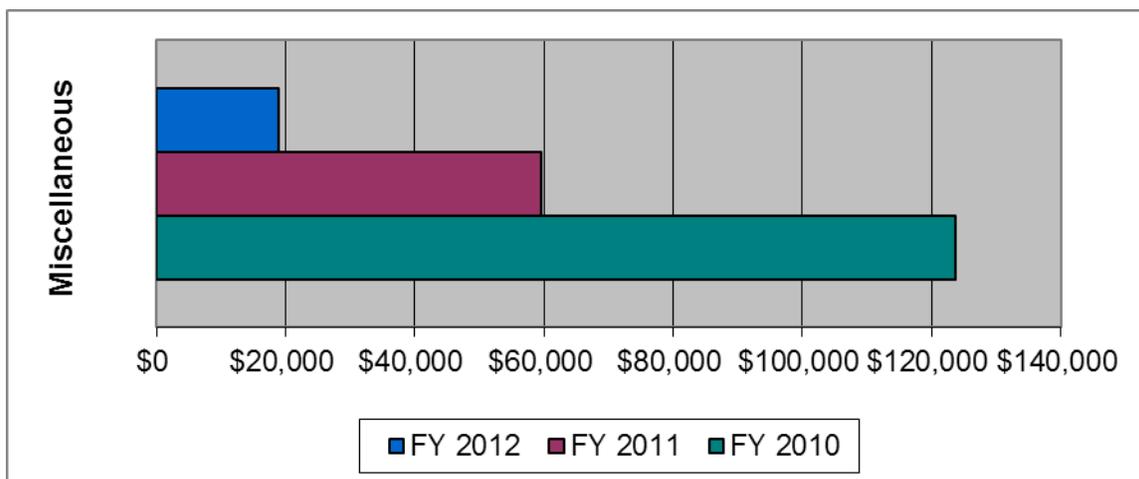
		FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Interest Income						
36110	Interest Income	\$6,755	\$6,000	-11.2%	\$6,000	0.0%
		\$6,755	\$6,000	-11.2%	\$6,000	0.0%



Miscellaneous Revenues:

Miscellaneous Revenues are projected to decrease by \$40,500, or 68.1%. In previous years, donations have been received and may continue, but are not a reliable source of income and are not budgeted to cover recurring costs. They will be used to supplement the existing budgets should they be received. At \$19,000 this revenue source is only 0.05% of total General Fund revenues.

	FY 2010	FY 2011	% (+/-)	FY 2012	% (+/-)
Miscellaneous					
36511 Sale of Maps-Engr.	77	0	-100.0%	0	N/A
36513 Sale of Mulch	5,384	0	-100.0%	0	N/A
36514 Sale of Scrap Metal	450	0	-100.0%	0	N/A
36704 Donation-Memorial Trees	6,403	0	-100.0%	0	N/A
36706 Old Timers Banquet Revenue	2,140	2,000	-6.5%	2,000	0.0%
36710 Sign/Decal Reimbursement	4,234	2,000	-52.8%	2,000	0.0%
36712 Donations-Fire Dept	1,400	0	-100.0%	0	N/A
36719 Donation-Northeast Rec Ctr	925	0	-100.0%	0	N/A
36720 TML Safety Grant-Matching	2,000	0	-100.0%	0	N/A
36721 TML Package Bonus	5,000	5,000	0.0%	5,000	0.0%
36728 Misc. Insurance Revenue	8,855	6,000	-32.2%	0	-100.0%
36729 TML Reimbursement-PW Truck	793	0	-100.0%	0	N/A
36730 TML Reimbursement-Fire Truck	0	3,000	N/A	0	-100.0%
36731 Animal Control Donations	1,636	500	-69.4%	0	-100.0%
36732 Animal Control Pet Adoptions	706	0	-100.0%	0	N/A
36735 City's Walk Team Donations	0	0	N/A	0	N/A
36736 Donations-Historic Signs	5,285	0	-100.0%	0	N/A
36980 TML Reimbursement-Police Veh.	21,144	0	-100.0%	0	N/A
36982 Fire Misc/Reports	43	0	-100.0%	0	N/A
36983 TML-Reimb. for Property Damage	915	11,000	1102.2%	0	-100.0%
36984 TML-Work Comp Salary Reimb	5,317	0	-100.0%	0	N/A
36985 Employee Jury Duty Reimb.	33	0	-100.0%	0	N/A
36990 Sundry Income	50,990	30,000	-41.2%	10,000	-66.7%
Total	\$123,730	\$59,500	-51.9%	\$19,000	-68.1%



Other Funding Sources:

Payments received as a transfer from Cleveland Utilities include \$199,000 for In-Lieu of Tax – Water Revenue, which is based upon the value of the Water Division assets, net of depreciation and \$1,627,000 as a transfer from Cleveland Utilities Electric Division which represents the amount of property tax the Electric Division would pay if they were a privately owned company. No transfer of profits is made from Cleveland Utilities to the General Fund, as is done in some other states.

FUND #110 - GENERAL FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Tax Revenues:						
31110	PROPERTY TAXES-REAL/PP	15,731,524	16,000,000	16,100,000	16,100,000	16,100,000
31120	PROPERTY TAXES-UTILITY	368,472	362,000	349,000	349,000	349,000
31310	INT AND PENALTY ON TAXES	194,301	160,000	220,000	220,000	220,000
31510	IN LIEU OF TAXES	90,822	70,000	80,000	350,000	350,000
31610	LOCAL SALES TAX	7,407,461	7,400,000	7,500,000	7,600,000	7,600,000
31710	WHOLESALE BEER TAX	1,245,869	1,230,000	1,260,000	1,270,000	1,270,000
31820	GROSS RCPTS TX/BUSINESS	898,254	900,000	900,000	900,000	900,000
31910	FRANCHISE TAXES-GAS	571,943	670,000	600,000	600,000	600,000
31911	FRANCHISE TAXES-CHARTER	381,554	370,000	380,000	380,000	380,000
Subtotal:		26,890,200	27,162,000	27,389,000	27,769,000	27,769,000
Licenses & permits:						
32210	BEER LICENSES	5,792	5,000	5,000	5,000	5,000
32211	BEER RENEWAL FEES	11,487	11,000	11,000	11,000	11,000
32220	LIQUOR LICENSE	3,575	0	2,200	0	0
32221	LIQUOR LICENSE RENEWAL	14,090	15,000	15,000	15,000	15,000
32610	BUILDING PERMITS	136,498	120,000	300,000	150,000	150,000
32620	ELECTRICAL PERMITS	6,145	7,000	7,000	7,000	7,000
32622	ELECTRICAL LICENSES	14,992	16,000	16,000	16,000	16,000
32625	MECHANICAL PERMITS	9,456	11,000	11,000	11,000	11,000
32626	MECHANICAL LICENSES	6,375	7,000	7,000	7,000	7,000
32630	PLUMBING PERMITS	26,679	15,000	25,000	25,000	25,000
32632	PLUMBING LICENSES	8,825	9,000	9,000	9,000	9,000
32650	STREET CUT PERMITS	82,410	70,000	60,000	60,000	60,000
32651	LAND DISTURBANCE PERMITS	5,430	5,000	7,000	7,000	7,000
32652	TREE PERMIT	50	0	0	0	0
32660	REZONING FEE	900	2,000	2,000	0	0
32661	PUD REZONING FEE	0	0	0	0	0
32662	ZONING APPEAL FEE	2,450	500	700	500	500
32663	ZONING LETTER FEE	1,150	1,000	500	500	500
32664	MINOR ENCROACHMENT FEE	400	0	0	0	0
32665	CERTIFICATE OF APPROPRIATENESS	925	0	0	0	0
32690	RECR. PERMITS/MAINT FEE	6,120	5,000	5,000	5,000	5,000
32691	PLAT REVIEW FEE	1,895	2,000	2,000	2,000	2,000
32692	PLANS REVIEW FEE	11,863	9,000	35,000	9,000	9,000
32693	CERTIFICATE OF OCCUPANCY	4,475	4,000	4,000	4,000	4,000
32694	ALLEY/STREET ABANDONMENT	150	0	0	0	0
32991	WRECKER PERMIT FEES	0	0	0	0	0
32699	MISC. FEES	0	0	0	0	0
Subtotal:		362,132	314,500	524,400	344,000	344,000
Intergovernmental:						
33200	FEDERAL GRANT-PRO VEST	4,162	0	0	0	0
33410	POLICE TRAINING SUPPLEMENT	51,000	55,200	55,200	55,200	55,200
33411	FIRE TRAINING SUPPLEMENT	51,007	57,600	52,200	52,200	52,200
33510	STATE SALES TAX	2,397,165	2,300,000	2,450,000	2,450,000	2,450,000
33520	STATE INCOME TAX	630,168	675,000	600,000	600,000	600,000
33530	STATE BEER TAX	18,543	20,000	18,000	18,000	18,000
33540	STATE MIXED DRINK TAX	93,745	90,000	95,000	95,000	95,000
33552	STATE GAS INSPECTION TAX	80,344	80,000	80,000	80,000	80,000
33559	STATE HWY MAINTENANCE	194,577	180,000	194,500	194,500	194,500
33591	TVA-IN LIEU OF TAXES	412,391	370,000	420,000	420,000	420,000
33593	STATE-EXCISE TAX	221,918	200,000	220,000	220,000	220,000
Subtotal:		4,155,020	4,027,800	4,184,900	4,184,900	4,184,900

FUND #110 - GENERAL FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Charges for services:						
34211	CHA POLICE PROTECTION	0	0	0	0	0
34212	SRO-EDUCATION FOUNDATION	0	0	0	0	0
34221	FIRE INSPECTION FEES	1,850	1,000	1,000	1,000	1,000
34241	POLICE ACCIDENT REPORTS	2,495	2,000	0	0	0
34260	POLICE-CONTRACTED SVCS	5,334	0	10,000	10,000	10,000
34262	POLICE-HOUSING AUTH CONTRACT	20,319	50,000	50,000	50,000	50,000
34316	AIRPORT GROUNDS MAINT.	14,240	5,000	10,000	10,000	10,000
34510	ANIMAL CONTROL-SALES/BD FEES	8,670	9,000	9,000	9,000	9,000
34512	ANIMAL CONTROL-SPAY/NEUTER	27,720	33,000	33,000	33,000	33,000
34513	COUNTY-ANIMAL CONTROL	339,741	335,000	325,000	325,000	325,000
34514	COUNTY-FIRE PROTECTION	1,822,200	1,822,200	1,822,200	1,822,200	1,822,200
34700	WELLNESS PROGRAM DUES	6,034	0	0	0	0
34701	CSGC-MISCELLANEOUS REV	1,737	2,000	1,000	1,000	1,000
34702	PERMITS-JR/SR	9,237	8,000	15,000	20,000	20,000
34703	PERMITS-INDIVIDUAL	8,406	8,000	8,000	8,000	8,000
34704	PERMITS-FAMILY	1,457	1,000	3,000	5,000	5,000
34705	CSGC-TOURNAMENTS/LEAGUES	11,949	12,000	12,000	20,000	20,000
34706	CSGC-SPECIALS/PROMOTIONS	83,929	90,000	90,000	150,000	150,000
34707	CART RENTAL FEE	16,736	16,000	20,000	30,000	30,000
34708	TRAIL FEE	579	500	0	0	0
34709	CART SHED RENTAL	1,000	800	800	1,300	1,300
34710	GREEN FEE-WKDAY REG	1,651	2,000	1,500	2,000	2,000
34711	GREEN FEE-WKDAY 9 HOLE	4,460	5,000	5,000	5,000	5,000
34712	GREEN FEE-WKDAY JR/SR	10,080	10,000	8,000	12,000	12,000
34713	GREEN FEE-WKEND REG	1,615	2,000	1,000	2,000	2,000
34714	GREEN FEE-WKEND 9 HOLE	1,736	1,500	2,000	2,000	2,000
34715	CSGC-CONCESSIONS	13,588	15,000	25,000	25,000	25,000
34716	CSGC-PRO-SHOP INCOME	5,537	4,000	4,000	10,000	10,000
34717	WELLNESS PROG. DUES-SCHOOLS	4,004	4,000	4,000	7,000	7,000
34718	DONATIONS	0	0	0	0	0
34719	WELLNESS PROG. DUES-CITY & CU	3,877	4,000	4,000	5,000	5,000
34721	TINSLEY-POOL GATE	18,815	22,000	22,000	22,000	22,000
34722	TINSLEY-POOL CONCESSIONS	4,276	5,000	5,000	5,000	5,000
34732	TINSLEY-POOL RENTAL	3,320	4,000	3,000	3,000	3,000
34741	TINSLEY-PARK GATE (TOURN)	2,970	0	1,000	0	0
34742	TINSLEY-PARK CONCESSIONS	24,892	22,000	22,000	22,000	22,000
34743	TINSLEY-PARK RENTAL	1,650	1,500	1,500	1,500	1,500
34744	CLEVE COMMUNITY CTR	5,425	5,000	5,000	5,000	5,000
34745	NORTHEAST RECREATION	11,160	11,000	5,000	5,000	5,000
34791	NORTHEAST PROGRAM FEES	7,098	7,000	7,000	7,000	7,000
34799	PARKS & REC MISCELLANEOUS	2,573	1,000	1,000	1,000	1,000
34912	SRO-CITY SCHOOLS	204,381	180,000	180,000	180,000	180,000
Subtotal:		2,716,741	2,701,500	2,717,000	2,817,000	2,817,000
Fines & forfeits:						
35110	TRAFFIC TICKETS	585,606	650,000	600,000	600,000	600,000
35111	PARKING TICKETS	32,245	30,000	30,000	30,000	30,000
35112	ANIMAL SHELTER	1,150	1,000	1,000	1,000	1,000
35113	CODE ENFORCEMENT FINES	386	0	1,500	0	0
35114	BEER FINES	0	0	0	0	0
35115	GARNISHMENTS	93	0	0	0	0
35116	COURT CLERK FEES	1,754	1,500	1,500	1,500	1,500
35117	LAND DISTURBANCE FINES	0	0	0	0	0
35140	BRADLEY CO-DRUG FINES	25,879	20,000	20,000	20,000	20,000
35160	SESSIONS COURT	32,882	30,000	25,000	25,000	25,000
35161	CIRCUIT COURT	24,800	16,000	16,000	16,000	16,000
35162	OFFICERS-SESSIONS	54,471	35,000	65,000	65,000	65,000
35163	OFFICERS-CIRCUIT	1,971	1,500	1,500	1,500	1,500
35164	STATE REFUNDS	915	0	0	0	0
35166	SEX OFFENDER REGISTRY	5,190	3,000	4,000	4,000	4,000
Subtotal:		767,342	788,000	765,500	764,000	764,000

FUND #110 - GENERAL FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Interest income:						
36110	INTEREST INCOME	6,755	3,000	6,000	6,000	6,000
Subtotal:		6,755	3,000	6,000	6,000	6,000
Miscellaneous:						
36202	MISC REV-CHILDREN'S SVCS	0	0	0	0	0
36330	AUCTION-SALE OF EQUIPMENT	0	0	0	0	0
36511	SALE OF MAPS-ENGR	77	0	0	0	0
36513	SALE OF MULCH	5,384	0	0	0	0
36514	SALE OF SCRAP METAL	450	0	0	0	0
36515	SALE OF CITY PARKING LOTS	0	0	0	0	0
36531	FLEX PLAN REFUND	0	0	0	0	0
36704	DONATION-TREES-MEMORIAL	6,403	0	0	0	0
36706	OLD TIMERS BANQUET REVENUE	2,140	2,200	2,000	2,000	2,000
36710	SIGN/DECAL REIMBURSEMENT	4,234	2,000	2,000	2,000	2,000
36712	DONATIONS-FIRE DEPT	1,400	0	0	0	0
36716	POLICE-MISC DONATIONS	0	0	0	0	0
36717	POLICE-DARE DONATIONS	0	0	0	0	0
36719	DONATIONS-NORTHEAST REC CTR	925	0	0	0	0
36720	TML SAFETY GRANT-MATCHING	2,000	0	0	0	0
36721	TML PACKAGE BONUS	5,000	5,000	5,000	5,000	5,000
36728	MISC INSURANCE REVENUE	8,855	0	6,000	0	0
36729	TML REIMB-PW TRUCK	793	0	0	0	0
36730	TML REIMB-FIRE TRUCK	0	0	3,000	0	0
36731	ANIMAL CONTROL-DONATIONS	1,636	0	500	0	0
36732	AN. CONTROL-PET ADOPTIONS	706	0	0	0	0
36735	CITY'S WALK TEAM DONATIONS	0	0	0	0	0
36736	DONATIONS-HISTORIC SIGNS	5,285	0	0	0	0
36737	DONATIONS-SHELTER VOLUNTEERS	0	0	0	0	0
36979	TML REIMB-SIGN	0	0	0	0	0
36980	TML REIMB-POLICE VEH.	21,144	0	0	0	0
36982	FIRE MISC/REPORTS	43	0	0	0	0
36983	TML-REIMB. FOR PROP. DAMAGE	915	0	11,000	0	0
36984	TML-WORK COMP SALARY REIMB	5,317	0	0	0	0
36985	EMPLOYEE JURY DUTY REIMB	33	0	0	0	0
36990	SUNDRY INCOME	50,990	4,000	30,000	10,000	10,000
Subtotal:		123,730	13,200	59,500	19,000	19,000
	TOTAL REVENUES 110	35,021,920	35,010,000	35,646,300	35,903,900	35,903,900
Other Funding Sources:						
	TRANSFER FROM C.U. - ELECTRIC	1,556,791	1,556,000	1,627,000	1,627,000	1,627,000
	TRANSFER FROM C.U. - WATER	199,470	199,000	199,000	199,000	199,000
	TOTAL OTHER FUNDING SOURCES	1,756,261	1,755,000	1,826,000	1,826,000	1,826,000
	TOTAL FUNDING AVAILABLE:	36,778,181	36,765,000	37,472,300	37,729,900	37,729,900

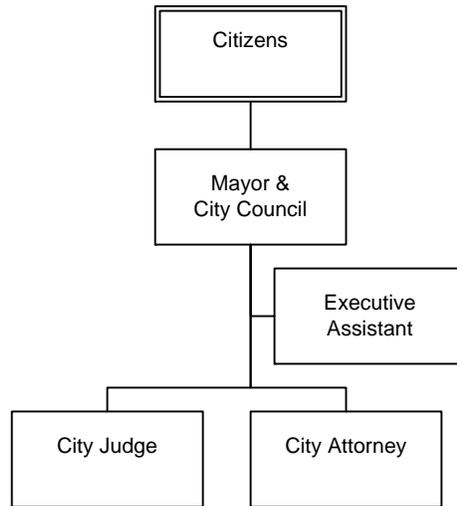
Legislative and Judicial



Cleveland City Council Members

Back row: Charlie McKenzie, District 1; Bill Estes, District 2; Dale Hughes, District 5; David May, Jr., District 4; Richard Banks, At-large; George Poe, At-large; Seated: Avery Johnson, Vice-Mayor/District 3; Mayor Tom Rowland

Legislative and Judicial Department



Legislative and Judicial

Programs, Services, and Functions:

This budget covers the costs of the Mayor, City Council, the part-time City Attorney, the Municipal Judge, and the Executive Assistant. The City Council is the legislative body which determines local laws and policies, including the annual budget. The Mayor presides at those meetings. The City Council appoints members to various boards and commissions and also appoints the City Manager, who manages the daily operations of the City according to the policies and laws they have adopted, as well as State and Federal laws.

The City Attorney advises the City Council and staff on all legal issues affecting the City. In addition, his office serves as the prosecuting attorney in the Municipal Court. The City Attorney is a part-time position appointed by the City Council.

The Municipal Judge is appointed by the City Council and presides over the Municipal Court. This is a part-time position. He is aided by the Court Clerk, who is funded in the Administration and Finance Department.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$270,817	\$284,400	\$285,200	0.3%
Operating Expenditures	\$53,162	\$102,900	\$90,900	-11.6%
Capital Outlay & Debt Service	\$19	\$1,900	\$1,900	0%
Total Expenditures	\$323,998	\$389,200	\$378,000	-2.9%

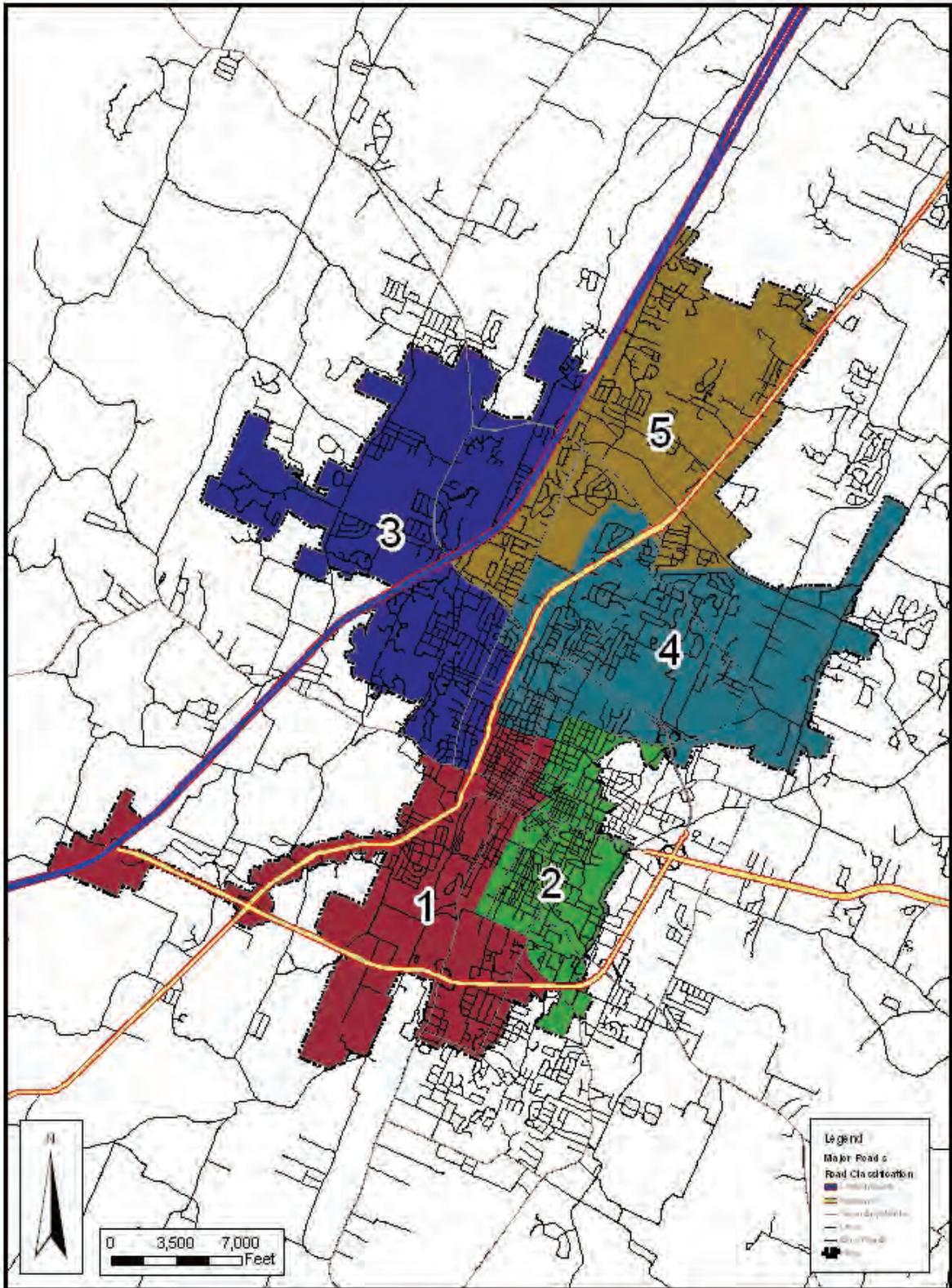
Goals and Objectives:

- To provide political leadership to the community in order to enhance the quality of life for all residents.
- Maintain the financial position of the City while providing high quality municipal services.
- Develop long-range financial plans to assure that community goals can be obtained.
- To increase the number of jobs recruited by 5% in FY2012.
- Attract six new retail businesses and two restaurants in FY2012.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Number of City Council Meetings	22	27	22	22
City's Bond Rating by Moody's/S&P	A2/A+			
Six-Year CIP Adopted	YES	YES	YES	YES
# New Industries Recruited	2	2	2	2
# of Jobs Created	50	500	150	150
# of new restaurants	3	3	2	2
# of new retail businesses	3	3	2	6

	FUND 110-GENERAL		DEPT-41110- LEGISLATIVE & JUDICIAL			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES-ADMIN	59,859	60,200	60,200	60,200	60,200
112	SALARIES-CITY COUNCIL	63,528	62,400	62,400	62,400	62,400
113	SALARIES-JUDICIAL	33,948	34,200	34,200	34,200	34,200
114	PART TIME WAGES	0	1,200	1,200	1,200	1,200
131	SERVICE AWARDS	0	500	500	500	500
132	LONGEVITY WAGES	3,300	3,500	3,500	3,700	3,700
133	SOLD VACATIONS	1,146	1,200	1,200	1,200	1,200
134	CHRISTMAS BONUS WAGES	325	300	300	300	300
140	DENTAL INSURANCE	5,431	5,800	5,800	6,400	6,400
141	SOCIAL SECURITY TAXES	10,671	12,400	12,400	12,400	12,400
142	HEALTH INSURANCE EXP	69,834	70,800	70,800	70,800	70,800
143	RETIREMENT EXP	21,795	27,000	27,000	27,000	27,000
144	LIFE/DISABILITY INSURANCE	980	4,900	4,900	4,900	4,900
Subtotal:		270,817	284,400	284,400	285,200	285,200
Operating expenditures:						
172	ELECTION	0	15,000	15,000	0	0
211	POSTAGE	188	500	500	500	500
221	PRINTING EXPENSE	1,303	1,500	1,500	1,500	1,500
233	SUBSC. & MEMBERSHIPS	291	5,200	5,200	5,200	5,200
237	ADVERTISING	3,223	3,000	3,000	3,000	3,000
245	TELEPHONE AND PAGER EXP	10,381	11,000	11,000	11,000	11,000
256	GOV'T CONSULTING SVCS	6,000	8,000	8,000	8,000	8,000
262	EQUIPMENT REPAIR/REPLCMNT	0	1,600	1,600	1,600	1,600
263	CONT SVC-ELEVATOR/COPIER	3,241	3,500	3,600	3,800	3,800
267	EMER REPAIRS-CITY BLDGS	0	20,000	15,000	20,000	20,000
283	TRAINING/TRAVEL EXP	8,001	12,000	12,000	12,000	12,000
287	COUNCIL WORK SESSIONS	1,133	3,000	3,000	3,000	3,000
288	COMPLIMENTARY MEALS	831	1,200	1,200	1,500	1,500
319	OFFICE EXPENSE	4,920	4,000	4,000	4,000	4,000
324	JANITORIAL EXP	0	400	400	400	400
513	INSURANCE-GENERAL LIABILITY	856	900	900	900	900
514	WORKER'S COMPENSATION	-344	1,100	1,100	1,100	1,100
532	RENT-PARKING LOTS	3,000	3,000	1,800	1,800	1,800
593	SERVICE PINS-ALL DEPTS	475	900	900	900	900
595	EMPLOYEE C-MAS DINNER	1,942	1,800	2,200	2,200	2,200
596	EMPLOYEE PICNIC	7,508	6,000	8,000	8,000	8,000
599	MISCELLANEOUS EXP	213	500	500	500	500
799	CONTINGENCY	0	0	2,500	0	0
Subtotal:		53,162	104,100	102,900	90,900	90,900
Capital outlay and debt service:						
947	OFFICE MACHINERY & EQUIP	0	700	700	700	700
949	COUNCIL ROOM EQUIPMENT	19	1,200	1,200	1,200	1,200
Subtotal:		19	1,900	1,900	1,900	1,900
TOTAL	DEPARTMENT 41110	323,998	390,400	389,200	378,000	378,000



City of Cleveland Voting Districts

Administration and Finance



Finance

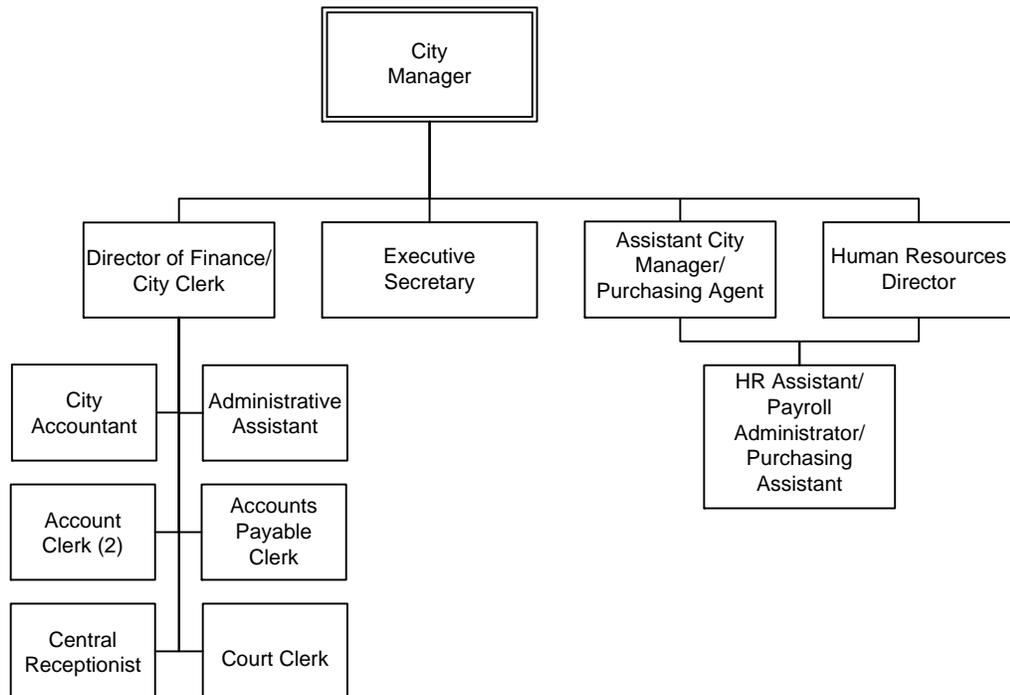
Back row: Amy Newman, Christy Bryant, Karen Casteel and Kim Winters; Seated: Sandy Hawkins, Lavinia Johnson and Kim Bivens.



Administration

Left to Right: Cindy Griggs, Beverley Lindsey, Kim Spence, Cathy Long, Melinda Carroll, Randy Sharp and Kris Miller.
Back row: Jeff Davis

Administration and Finance Department



Administration and Finance Department

Programs, Services, and Functions:

The City Manager is responsible for all city operations and assuring that Council policies and ordinances are enforced correctly. The City Manager is also responsible for the preparation of an annual Budget and a Capital Improvements Program. She is also a policy advisor to the City Council, particularly on the financial condition of the City. She is also responsible for any hiring, training, disciplinary action, and termination of all City employees.

The City Manager is responsible for supervising the Purchasing, Human Resources and Computer Administration divisions. She is also responsible for developing communication programs to keep the media, general public, employees and the City Council informed. The Assistant City Manager/Purchasing Agent assists in carrying out these functions.

The Human Resources Director is responsible for all employee recruitment, examination, and orientation. He also advises departments on personnel grievances, disciplinary actions, ADA, FLSA, and FMLA compliance. He is responsible for administering the City's pay and fringe benefits programs. Payrolls are administered by the Human Resource Assistant/Payroll Administrator/Purchasing Assistant.

The Purchasing Division is responsible for all purchasing for the city. In addition, the Assistant City Manager/Purchasing Agent conducts all City auctions of surplus equipment. Procurement cards implemented in February 2000 have significantly decreased the number of purchase orders issued. The City Council decreased the threshold for recognizing fixed assets from \$5,000 to \$500, because of the large number of fixed assets which fall in this category, and all fixed assets are tracked by the Human Resource Assistant/Payroll Administrator/Purchasing Assistant.

Computer System Administration is contracted to Cleveland Utilities, under the direction and supervision of the City Manager. This agreement affords the City more access to uninterrupted computer repair and installation services, as well as technical advice on electronic information technology purchases.

The City's website is maintained by this division. City bid openings, job opportunities and a calendar of events can be found at www.cityofclevelandtn.com. The City provides online access to inspection permits, City Council minutes and upcoming meeting agenda's, and property taxes. Citizens can also complete "Requests for Service" forms online.

The \$332,000 funded for the Information Technology (I.T.) Department will help achieve several goals in the coming year. Money allocated to the Electronic Document Imaging Program will further the department's pursuit to convert important paper documents to electronic files to be used by City employees as well as by the general

public via the City's internet website. Money allocated to the City-wide computer technology will help the I.T. Department keep over 250 computers and servers in top running order, repair and replace aging computer equipment, expand and enhance network capabilities, and purchase new software packages. Money spent in this area will lower overall maintenance costs and reduce downtime in the long run, thus keeping City employees efficient in their day-to-day tasks. Finally, the money allocated to Software Licensing will keep our copies of Microsoft operating systems and Office packages current, provide for free upgrades and updates, and most important of all – legal.

The Director of Finance assists the City Manager in the preparation of the annual budget and a capital improvements program, and supervises three divisions of the Finance department. In addition, the Director is responsible for the Comprehensive Annual Financial Report and works with the independent auditors. The Director also serves as the City Clerk, who is responsible for all official records of the City. The department has three divisions: Accounting, City Court and Revenue Collections.

The City Accountant tracks all collections and deposits. The City operates with one checking account and one payroll account. The consolidated accounts simplify the banking and investment procedures. Effective July 1, 2010, all overnight money will earn 100% of Federal Funds, based upon the banking services agreement. The Accountant prepares monthly revenue and expense reports for each fund, as well as a summary report for the City Council.

The Municipal Court Clerk assists the Municipal Judge by receiving and entering all citations in the computer, preparing the court docket, and preparing all reports for the Tennessee Department of Safety. The Court Clerk also prepares delinquent notices, default judgements, failure to appear notices, and garnishments for non-payment.

Revenue Collections is responsible for the collection of property taxes, citations, licenses, permits, and other miscellaneous revenues. The City has 18,988 parcels of property for the 2010 tax year, of which only 119 parcels were paid online. This number will increase as more taxpayers become aware of this convenient payment option.

The Administrative Assistant in this division helps the City Clerk with the preparation of Minutes and City Council Agenda packets. Council Meetings are held on the second and fourth Mondays of each month, with a work session at 2:00 pm and the regular meeting at 4:00 pm in the Cleveland Municipal Building.

The City's Accounts Payable Clerk receives and processes all invoices for payment. The Central Receptionist is responsible for greeting and directing the public as well as receiving and disbursing incoming telephone calls for the Municipal Building.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$1,242,781	\$1,057,700	\$1,013,400	-4.23%
Operating Expenditures	\$725,783	\$740,300	\$742,300	0.3%
Capital Outlay & Debt Service	\$0	\$1,100	\$1,100	0%
Total Expenditures	\$1,968,564	\$1,799,100	\$1,756,800	-2.4%

Goals and Objectives:

- To meet fund balance/working capital targets established by City Council next year.
- Continue to obtain clean audit opinions, reflecting sound financial management.
- Increase investment earnings by 1.5% next year while preserving the principal and sufficient cash liquidity.
- Increase collection of property tax and sales tax by 0.5% in FY2012.
- To add 10 new vendors to continue to aggressively pursue competitive purchasing to assure best pricing.
- Increasing the scanning of documents required by the City's Record Retention Policy by 10% by next year.
- Implement collection of traffic citations online.
- Continue to improve and update City's website.

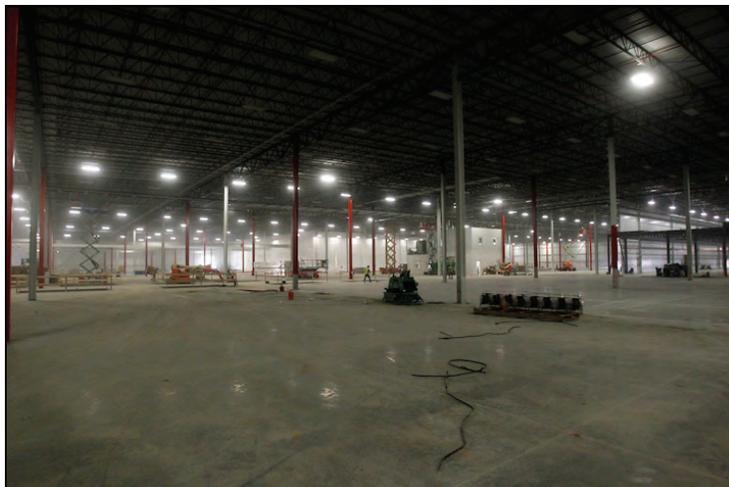
Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Clean Audit Opinion Received	Yes	Yes	Yes	Yes
Bad Debt Write-off	\$38,843	\$29,724	\$35,000	\$35,000
# of Financial Policies Not Met	None	None	None	None
# of Transactions Processed by Revenue Collection Division	43,409	42,558	44,000	45,000
# of online Property Tax Payments	78	119	155	200
Combined Current and Delinquent Property Tax Collection as % of Current Tax Levy	100.4%	97.2%	101.3%	100.5%
# of Municipal Court Cases Handled	1,436	1,584	2,397	2,400
Dollar amount of Garnishments collected	\$0	\$92	\$208	\$100
# of Purchase Orders Issued	1,676	1,585	1,540	1,520
# of Checks written	4,011	4,963	5,000	5,000
Dollar amount of Procurement Card purchases	\$506,160	\$479,205	\$485,000	\$485,000
# of Visits to the Website	136,576	139,473	150,000	150,000
# of Bids	17	27	20	23
% of Employees Utilizing Payroll Direct Deposit	46%	43%	50%	50%
# of Moving Citations Entered	6,404	7,905	9,608	9,500
% of Moving Citations Collected (including delinquent collections)	102%	92%	83%	90%
# of Parking Citations Entered	1,393	1,659	1,665	1,700
% of Parking Citations Collected (including delinquent collections)	89%	89%	80%	85%
% of moving Citations Collected (written during this fiscal year)	91%	88%	68%	85%
% of parking Citations collected (written during this fiscal year)	90%	92%	73%	80%
% of moving Citations outstanding	8%	8%	22%	20%
% of parking Citations outstanding	7%	9%	20%	18%

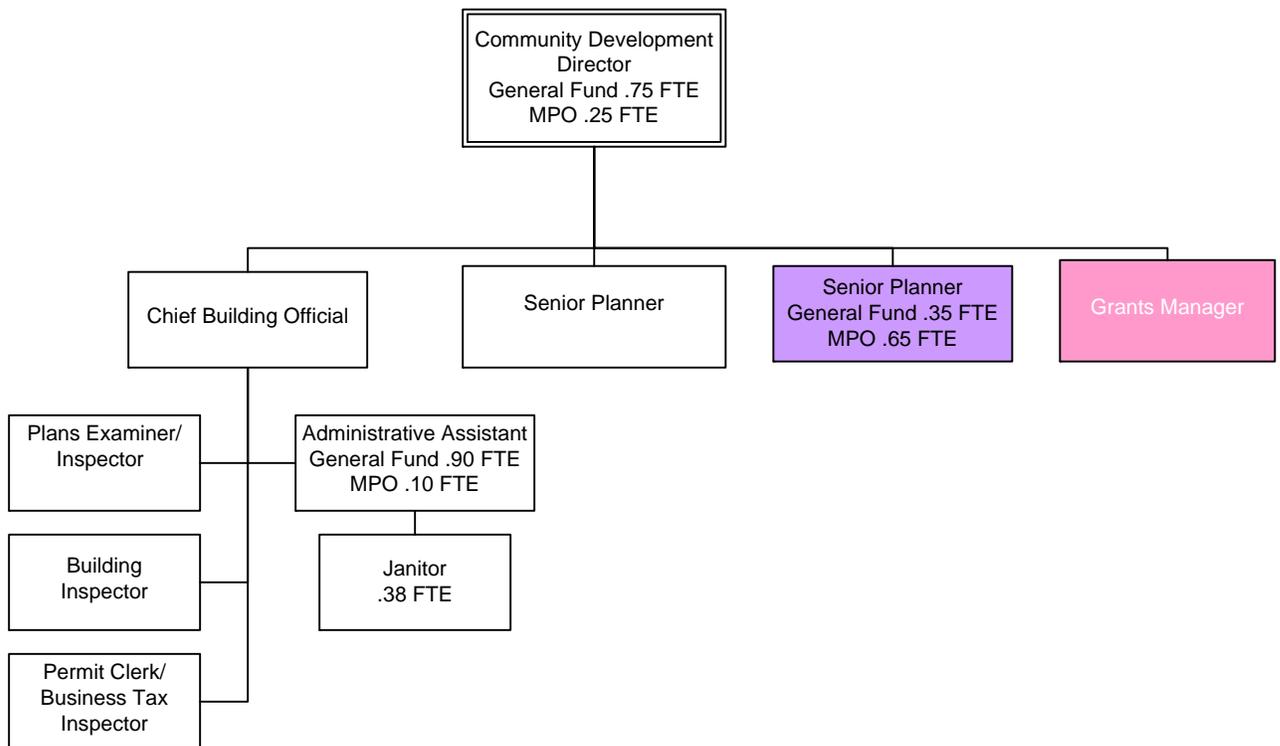
	FUND 110- GENERAL FUND		DEPT-41580- ADMINISTRATION & FINANCE			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	840,378	702,000	660,000	653,000	653,000
112	OVERTIME WAGES	10,002	8,000	11,000	8,000	8,000
114	PART TIME WAGES	16,795	56,000	60,000	29,000	29,000
131	SERVICE AWARDS	950	400	100	100	100
132	LONGEVITY WAGES	11,625	9,300	7,800	8,900	8,900
133	SOLD VACATIONS	10,909	10,000	10,000	10,000	10,000
134	CHRISTMAS BONUS	1,732	1,700	1,500	1,500	1,500
135	COLLEGE PAY	3,495	2,600	2,000	2,000	2,000
140	DENTAL INSURANCE	6,714	6,200	5,600	6,500	6,500
141	SOCIAL SECURITY TAXES	63,491	60,000	58,000	56,000	56,000
142	HEALTH INSURANCE EXP	111,033	108,000	93,000	96,000	96,000
143	RETIREMENT EXP	137,522	123,000	116,000	114,000	114,000
144	LIFE/DISABILITY INSURANCE	9,422	8,500	8,500	8,200	8,200
147	EMPLOYEE ASSISTANCE PROG.	9,380	9,600	9,600	9,600	9,600
148	EDUCATION REIMBURSEMENT	0	0	0	0	0
150	FLEX. SP. PROG. CITY-WIDE	8,736	8,000	13,000	9,000	9,000
191	LAUNDRY & DRY CLEANING	597	1,400	1,600	1,600	1,600
Subtotal:		1,242,781	1,114,700	1,057,700	1,013,400	1,013,400
Operating expenditures:						
211	POSTAGE EXP	19,784	19,500	19,500	19,500	19,500
212	POSTAGE MACHINE EXPENSE	1,232	800	800	800	800
221	PRINTING EXP	9,611	12,000	10,000	10,000	10,000
222	PRINTING-STATE-PROP TAXES	4,092	4,200	4,200	4,200	4,200
223	CITIZENS NEWSLETTER	0	1,500	1,500	1,500	1,500
233	SUBSC. & MEMBERSHIPS	8,534	5,000	6,000	6,000	6,000
237	ADVERTISING EXP	4,235	11,000	11,000	11,000	11,000
241	UTILITIES	24,970	26,000	30,000	32,000	32,000
245	TELEPHONE EXP	27,591	27,000	29,000	29,000	29,000
250	CONT SVCS-CPTR SYS ADMIN	200,406	230,000	220,000	220,000	220,000
251	DRUG & ALCOHOL TESTS	2,996	3,500	3,500	3,500	3,500
252	LEGAL EXP	116,382	105,000	105,000	105,000	105,000
253	AUDIT EXP	47,750	50,000	52,000	52,000	52,000
254	REAPPRAISAL/CITY SHARE	45,006	50,000	50,000	50,000	50,000
257	APPRAISAL FEES	4,443	1,500	1,500	1,500	1,500
258	ACTUARIAL SERVICES	0	10,000	10,000	10,000	10,000
261	VEHICLE EXPENSE	1,454	500	500	500	500
262	SMALL EQUIP REP/REPLCMNT	1,025	600	600	600	600
263	COPIER MAINTENANCE	2,852	2,800	3,000	3,000	3,000
266	BLDG/GROUND MAINTENANCE	31,439	22,000	12,000	12,000	12,000
282	CAR ALLOWANCE	10,500	12,600	12,600	12,600	12,600
283	TRAINING/TRAVEL EXP	7,720	9,000	9,000	9,000	9,000
288	DEPARTMENT WK SESSIONS	742	0	800	800	800
290	CREDIT CARD FEES	17,389	16,000	16,000	16,000	16,000
298	PEST CONTROL-MUN BLDG	948	1,000	1,000	1,000	1,000
319	OFFICE EXPENSE	32,167	28,000	32,000	32,000	32,000
322	FIRST AID/SAFETY SUPPLIES	127	100	100	100	100
324	JANITORIAL SUPPLIES	1,921	2,000	2,000	2,000	2,000
331	GASOLINE EXPENSE	2,110	2,000	2,500	2,500	2,500
511	INS-BLDGS & CONTENTS	3,225	3,300	3,300	3,300	3,300
512	INS-VEHICLES	231	300	300	300	300
513	INS-GENERAL LIABILITY	4,495	4,500	4,500	4,500	4,500
514	WORKER'S COMPENSATION	3,716	3,600	3,600	3,600	3,600

FUND 110- GENERAL FUND		DEPT-41580- ADMINISTRATION & FINANCE				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
515	INS-PROFESSIONAL LIABILITY	34,159	35,000	35,000	35,000	35,000
519	INS-EMPLOYEE BONDS	1,535	0	1,500	1,500	1,500
547	CONT SVCS-SECURITY	1,500	1,500	1,500	1,500	1,500
548	CONT SVCS-MTAS	9,499	6,500	0	0	0
595	EMPLOYEE APPREC DAY	9,765	9,000	9,000	9,000	9,000
599	MISCELLANEOUS EXP	508	500	500	500	500
741	BAD DEBTS EXP	29,724	35,000	35,000	35,000	35,000
Subtotal:		725,783	752,800	740,300	742,300	742,300
Capital outlay and debt service:						
947	EQUIPMENT	0	1,100	1,100	1,100	1,100
Subtotal:		0	1,100	1,100	1,100	1,100
TOTAL	DEPARTMENT 41580	1,968,564	1,868,600	1,799,100	1,756,800	1,756,800

Community Development



Community Development Department



Community Development Department

Programs, Services, and Functions:

The Community Development Department's purpose is to provide services that support orderly growth and a quality living environment within the Cleveland community. This is accomplished through planning, administration of funding programs, and administration and enforcement of regulations affecting building and development. The department has two main sections, planning and building, which work cooperatively with each other, other city departments, other governmental agencies, and most importantly, the public, to further the department's purpose.

The planning section administers the zoning ordinance, the subdivision regulations, the floodplain management ordinance, and the historic zoning ordinance. Major planning functions are comprehensive planning, transportation planning and administrative support for the Cleveland Urban Area Metropolitan Planning Organization (CUAMPO), planning and administration of the Community Development Block Grant (CDBG) program, planning and administrative support for the Cleveland Municipal Planning Commission and the Board of Zoning Appeals, and planning and administrative support for the Historic Preservation Commission. The planning staff serves on and provides administrative support for the City's site plan and subdivision plat review committee, the group that provides technical review of development plans. Planning conducts research and analysis, prepares and maintains plans, answers questions from property developers and others, prepares and presents staff reports (for rezonings, conditional uses, variances, right-of-way abandonments, subdivisions, annexations, etc.), and prepares and maintains budgets and other documents for the CUAMPO, CDBG, and other programs.

The building section interprets, applies, and enforces the building code, plumbing code, mechanical code, and other building-related codes. The building section assists in the administration and enforcement of the electrical and fire prevention codes, the zoning ordinance, the floodplain management ordinance, the stormwater ordinance, and the historic zoning ordinance. The building section answers questions for contractors and design professionals, reviews construction plans, writes and issues permits, performs construction inspections, investigates reported code violations and works to achieve compliance through voluntary compliance or enforcement measures. The building section maintains records of permits, construction plans, etc. The building section provides staff support for the Building Board of Adjustment and Appeals, the Plumbing Board, the Mechanical Board, and the Board of Zoning Appeals. The building section also collects business taxes.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$512,964	\$495,000	\$539,300	9.0%
Operating Expenditures	\$83,185	\$94,100	\$93,400	-0.7%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$596,149	\$589,100	\$632,700	7.4%

Goals and Objectives:

- Implement planning tasks for the Cleveland Municipal Planning Commission*
- Implement transportation planning program tasks for Cleveland Urban Area Metropolitan Planning Organization (CUAMPO)*
- Continue implementing CDBG Consolidated Plan
- Continue to update and improve City land development regulations
- Continue plan review, permitting, and inspections
- Continue preparation of a Strategic Plan and a Comprehensive Plan
- Continue implementation of Historic Zoning

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
# of Building Permits	247	217	175	200
Value of Building Permits	127,287	\$129,758	\$275,000	\$150,000
Value of Construction Permitted	39,596,442	\$43,490,568	\$120,000,000	\$45,000,000
# of Plumbing Permits	641	542	500	500
# of Mechanical Permits	284	225	310	310
# of Rezoning Cases	15	3	5	6
# of Subdivision Plats Approved	35	26	25	30
# of Business Licenses Processed	2,454	1,361	1,500	1,550
Complete Strategic Plan/ Comprehensive plan work items completed	0	DRAFT	YES	NO
Adopt/update Long-Range Transportation Plan	NO	NO	YES	YES
Adopt/update TIP*	YES	YES	YES	YES
Adopt/implement UPWP*	YES	YES	YES	YES
CDBG funds obligated/spent	\$313,408	\$401,803	\$513,000	\$331,285
Enforce Historic Zoning District	YES	YES	YES	YES

*Anticipated planning tasks include work on Land Use Plan update and other Strategic Plan, Comprehensive Plan tasks. CUAMPO work tasks include annual drafting and adopting of the Unified Planning Work Program (UPWP), amending the Transportation Improvement Plan (TIP) the Long Range Transportation Plan (LRTP) and the CUAMPO's Public Participation Plan. Additionally, the CUAMPO will update the FY011-2014 TIP and the 2035 LRTP as required by FHWA.

	FUND 110-GENERAL FUND		DEPT-41710- COMMUNITY DEVELOPMENT			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	343,023	310,700	330,000	357,000	357,000
112	OVERTIME WAGES	678	1,600	1,600	1,600	1,600
114	PART TIME WAGES	4,184	4,500	4,500	8,500	8,500
131	SERVICE AWARDS	0	100	600	0	0
132	LONGEVITY PAY	4,591	2,700	2,900	2,900	2,900
133	SOLD VACATIONS	5,566	2,800	4,300	4,300	4,300
134	CHRISTMAS BONUS	883	800	800	900	900
140	DENTAL INSURANCE	4,197	3,900	4,300	4,900	4,900
141	SOCIAL SECURITY TAXES	25,365	24,800	26,800	27,500	27,500
142	HEALTH INSURANCE EXP	64,115	57,700	56,200	62,000	62,000
143	RETIREMENT EXP	54,233	53,300	55,000	60,000	60,000
144	LIFE/DISABILITY INSURANCE	4,009	3,900	3,900	4,300	4,300
148	EDUCATION REIMBURSEMENT	1,429	2,900	2,900	4,200	4,200
149	WORKER'S COMP CLAIMS	0	200	200	200	200
191	LAUNDRY & DRY CLEANING	691	1,000	1,000	1,000	1,000
Subtotal:		512,964	470,900	495,000	539,300	539,300
Operating Expenditures:						
211	POSTAGE EXPENSE	1,545	1,000	3,600	3,600	3,600
221	PRINTING & ARTWORK EXP	721	1,300	1,300	1,300	1,300
233	SUBSC. & MEMBERSHIPS	4,392	4,500	4,500	4,500	4,500
237	ADVERTISING EXPENSE	1,268	1,500	1,500	1,500	1,500
241	UTILITIES	8,318	9,100	9,100	10,000	10,000
245	TELEPHONE EXPENSE	13,357	13,000	13,000	13,000	13,000
252	LEGAL SVCS-URBAN RENEW	0	0	0	0	0
261	VEHICLE MAINTENANCE	2,549	4,400	4,400	4,400	4,400
262	OFFICE EQUIP MAINT	1,273	1,500	1,500	1,500	1,500
266	BUILDING MAINTENANCE	1,478	3,000	3,000	3,000	3,000
282	CAR ALLOWANCE	3,850	4,200	4,200	4,200	4,200
283	TRAVEL/TRAINING EXPENSE	5,089	6,500	6,500	6,500	6,500
288	COMPLIMENTARY MEALS	917	400	400	400	400
290	CREDIT CARD FEES	1,795	3,000	3,000	3,000	3,000
298	CONT SVCS-PEST CONTROL	216	300	300	300	300
319	OFFICE/INSPECTION SUPPLIES	7,244	6,000	6,000	6,000	6,000
322	O.S.H.A.-FIRST AID KITS	16	200	200	200	200
324	JANITORIAL SUPPLIES	617	800	800	800	800
326	CLOTHING EXPENSE	1,507	1,100	1,500	1,400	1,400
331	GASOLINE EXPENSE	4,259	7,000	9,000	7,500	7,500
511	INS-BLDGS & CONTENTS	742	800	800	800	800
512	INS-VEHICLES & EQUIP	814	800	800	800	800
513	INS-GENERAL LIABILITY	1,673	1,700	1,700	1,700	1,700
514	WORKER'S COMPENSATION	13,901	11,000	11,000	11,000	11,000
519	INS-EMPLOYEE BONDS	100	100	100	100	100
591	PLANNING COMMISSION	3,351	4,000	4,000	4,000	4,000
592	BOARD OF ZONING APPEALS	848	700	700	700	700
593	HISTORIC ZONING COMMISSION	667	700	700	700	700
599	MISCELLANEOUS EXP	678	500	500	500	500
Subtotal:		83,185	89,100	94,100	93,400	93,400
Capital outlay and debt service:						
949	OFFICE EQUIPMENT	0	0	0	0	0
Subtotal:		0	0	0	0	0
TOTAL	DEPARTMENT 41710	596,149	560,000	589,100	632,700	632,700

Cleveland Police Department

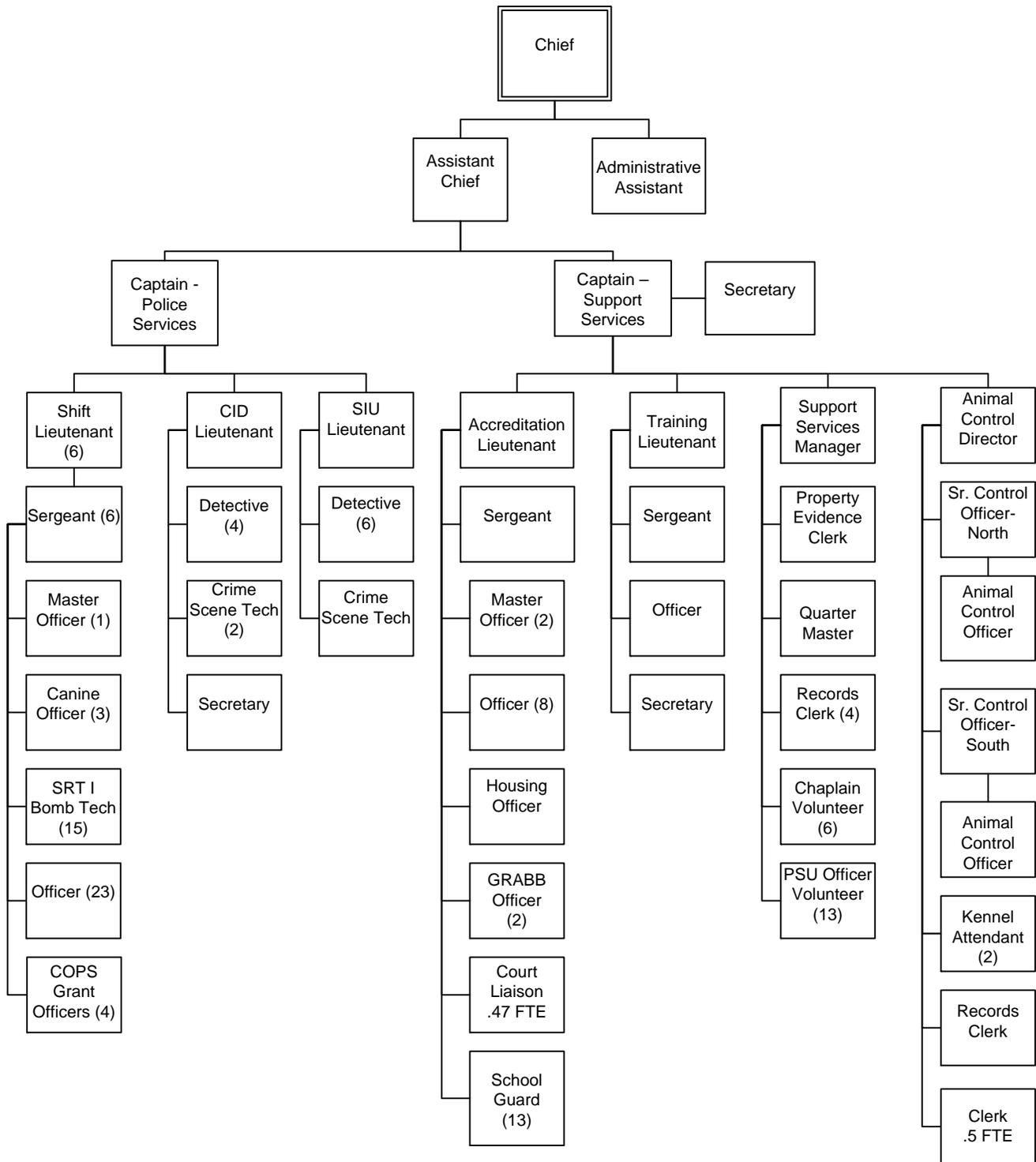


Yearly National Night Out at Mosby Park.

National Night Out is an annual event designed to strengthen our communities by encouraging neighborhoods to engage in stronger relationships with each other and with their local law enforcement partners. The goal is to heighten crime-prevention awareness, build support and participation in local anti-crime programs, and most importantly, send a message that our neighborhoods are organized and fighting back.



Police Department



Police Department

Programs, Services, and Functions:

It is the mission of the Cleveland Police Department to enhance the quality of life in the City of Cleveland by working cooperatively with the public to enforce the law, preserve the peace, reduce the fear of crime, and provide for a safe environment.

The Police Department is funded primarily from this budget within the General Fund. However, other resources that are funded are the Drug Enforcement Fund and Byrne Memorial Justice Assistance Grants (JAG). The department received two 2009 Recovery Act Grants; a COPS (Office of Community Oriented Policing Services) grant for four police officers (for positions that were frozen in FY2010 due to budget constraints) and a FY2009 Recovery Act – Byrne JAG grant for equipment and firing range updates and a FY2010 JAG grant for additional equipment.

The department has 2.4 officers per 1,000 citizens in Cleveland and is managed by the Chief of Police and Assistant Chief. The department has two main divisions: Operations and Support Services. Each division is headed by a Captain. The department provides services 24 hours a day, 7 days a week. The Operations Division is comprised of the Patrol Division that is divided into 6 patrol teams that work 10 hour shifts, and the Investigative Division that includes CID (Criminal Investigative Division) and SIU (Special Investigative Unit). CID investigates property and people crimes while SIU investigates vice crime. The Support Division includes Training, Accreditation, School Resource Officers, Records, Property and Evidence, Quartermaster, and Volunteer Units.

The department is active in the community providing services such as R.A.D. (Rape Aggression Defense System) classes, Neighborhood Watch Program, Citizen’s Police Academy, Public Service Unit, School Crossing Guards and provides services for Annual Events such as the Festival of Cultures, July 4th Fireworks Display, Halloween Block Party and Christmas Parade in addition to the various other special events throughout the year.

The department is accredited by CALEA – The Commission on the Accreditation for Law Enforcement Agencies, Inc.. During FY2010, the department added 1 additional officer through a contract with the Cleveland Housing Authority. This officer’s primary duties are patrolling the Authority properties. Two officers were added prior in January 2011 by a grant through the State of Tennessee. These officers are assigned to high crime sectors.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$6,712,485	\$6,875,800	\$6,919,600	0.6%
Operating Expenditures	\$1,241,255	\$1,377,700	\$1,386,000	0.6%
Capital Outlay & Debt Service	\$16,357	\$14,500	\$15,500	6.9%
Total Expenditures	\$7,970,097	\$8,268,000	\$8,321,100	0.6%

Goals and Objectives:

- Coordinate with GRABB (Going Respectfully Against Addictive Behavior in Cleveland and Bradley County) Coalition program in assigning two officers and fulfilling the mission statement of GRABB.
- Fully implement the department’s recruiting plan.
- Reduce the number of job related injuries.
- Reduce the number of traffic accidents by 5%
- Reduce the response time for call for service by 5%.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Population (Estimate)	40,150	41,285	41,697	42,114
# of Sworn Officers	88	93	95	95
Sworn Officers per 1,000 Population	2.19	2.25	2.27	2.26
# Job-related Injuries requiring medical treatment	16	4	4	3
Traffic Accidents	2,428	2,545	2,580	2,550
Traffic Accidents w/ Injury	299	311	312	295
Traffic Accidents – Alcohol Related	41	45	40	40
Response Time (in minutes)	7.10	7.53	7.34	7.04
DUI Citations/Arrests	160	178	145	150
<i>FBI Part I Crime Statistics:</i>				
Homicide	1	1	1	1
Rape	27	23	14	14
Robbery	37	43	15	15
Assault	879	821	890	880
Burglary	378	372	360	355
Larceny	1,565	1,269	1,300	1,300
Automobile Theft	61	72	64	60

* # of Sworn Officers FY2010 reflects 4 COPS Grant Officers, 1 Housing Officer
of Sworn Officers 2011 reflects 4 COPS Grant Officers, 1 Housing Officer and 2
Officers assigned to high crime sectors.

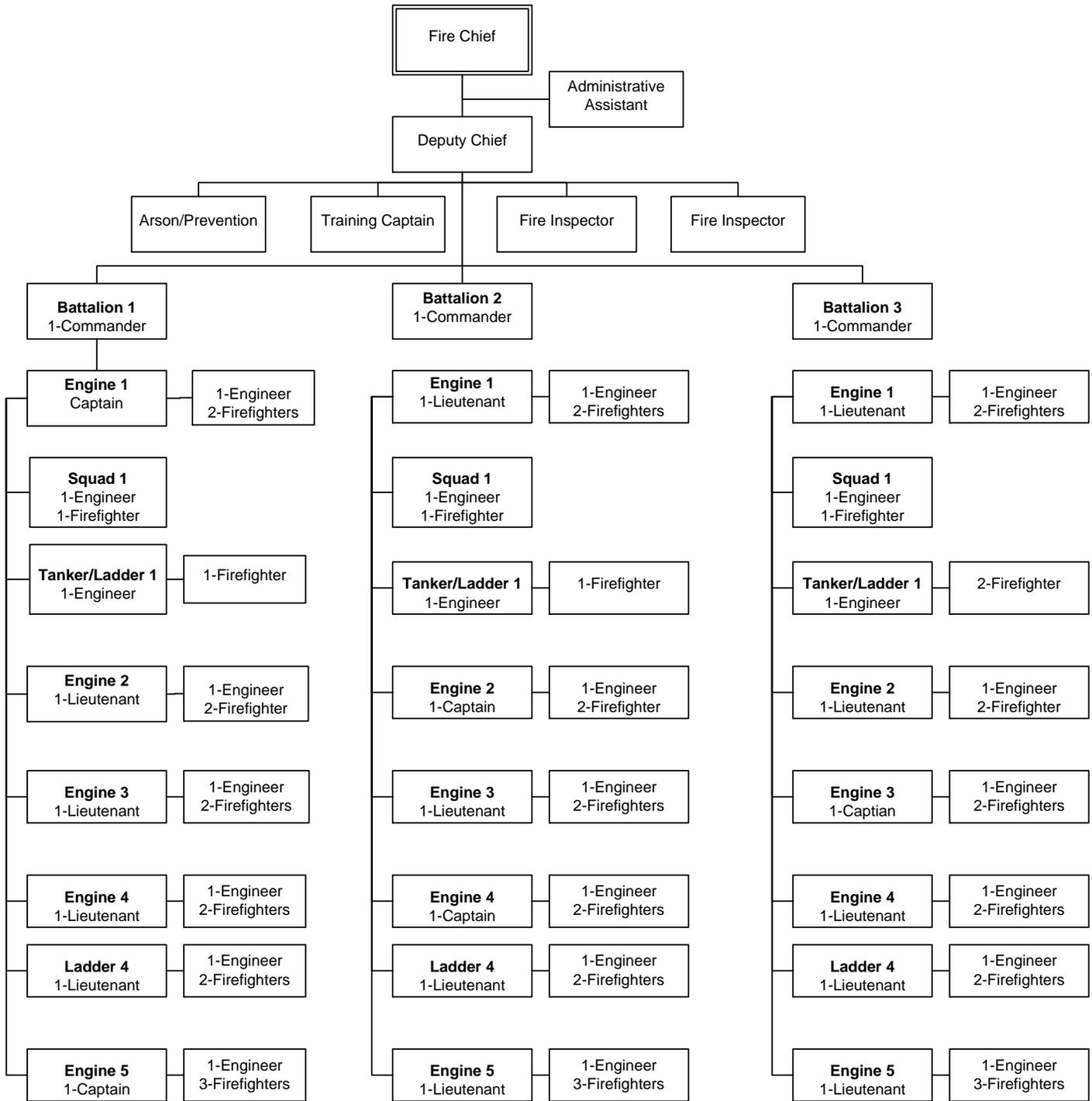
	FUND 110-GENERAL FUND	DEPT-42100-POLICE DEPARTMENT				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	4,148,575	4,255,000	4,161,500	4,202,000	4,202,000
112	OVERTIME	242,675	225,000	250,000	240,000	240,000
114	PART TIME WAGES	4,379	14,700	14,700	14,500	14,500
115	ACCUMULATED HOLIDAY PAY	2,638	5,000	2,500	2,500	2,500
117	SALARIES-SCHOOL PATROL	74,454	75,200	80,200	77,100	77,100
119	SUPPLEMENTAL PAY	1,248	1,300	1,400	1,200	1,200
121	STATE GRANT-IN SERVICE	50,400	55,200	55,200	55,200	55,200
122	OVERTIME-CONT SVCS	14,457	0	25,000	0	0
131	SERVICE AWARDS	1,900	1,800	2,100	2,700	2,700
132	LONGEVITY	50,859	56,500	55,500	56,400	56,400
133	SOLD VACATION	49,067	46,000	46,000	46,000	46,000
134	CHRISTMAS BONUS	12,940	13,200	11,900	12,500	12,500
135	COLLEGE PAY	8,820	8,600	8,700	8,700	8,700
140	DENTAL INSURANCE	46,063	48,400	46,900	52,600	52,600
141	SOCIAL SECURITY TAXES	334,980	366,300	354,300	367,000	367,000
142	HEALTH INSURANCE EXP	678,052	722,700	710,000	730,000	730,000
143	RETIREMENT EXP	888,279	936,500	923,100	935,100	935,100
144	LIFE/DISABILITY INSURANCE	53,386	52,400	52,900	54,400	54,400
147	UNEMPLOYMENT COMP	3,163	2,800	10,000	4,300	4,300
148	EDUCATION REIMBURSEMENT	0	1,700	4,300	2,900	2,900
149	WORKER'S COMP CLAIMS	9,983	10,000	15,000	10,000	10,000
191	LAUNDRY & DRY CLEANING	17,952	20,000	21,100	21,000	21,000
192	EMPLOYEE PHYSICALS	10,882	10,000	10,000	10,000	10,000
193	RECRUIT/PRE-EMPLOY TESTS	6,027	3,000	11,500	11,500	11,500
194	UNIFORMS-SCHOOL PATROL	1,306	2,000	2,000	2,000	2,000
Subtotal:		6,712,485	6,933,300	6,875,800	6,919,600	6,919,600
Operating expenditures:						
211	POSTAGE EXPENSE	2,164	2,000	5,000	5,000	5,000
215	800 mhz RADIO EXPENSE	0	24,000	24,000	24,000	24,000
216	LEASE-RADIO TOWER	3,092	4,500	8,100	5,000	5,000
217	CONT SVCS-VEHICLES	5,553	5,600	5,600	5,600	5,600
218	COMMUN. REPL. - NON-MOBILE	6,141	11,000	11,000	11,000	11,000
221	PRINTING EXPENSE	6,988	10,000	10,000	8,000	8,000
233	SUBSC & MEMBERSHIPS	3,300	3,900	11,900	11,000	11,000
235	ACCREDITATION	9,023	5,500	7,000	7,000	7,000
237	ADVERTISING EXPENSE	816	800	800	800	800
241	UTILITIES	73,915	90,700	85,000	91,000	91,000
245	TELEPHONE EXPENSE	131,975	125,000	140,000	140,000	140,000
249	NCIC COMPUTER LINE	8,000	8,000	8,000	8,000	8,000
258	TBI EVIDENCE ANALYSIS FEES	0	14,000	14,000	14,000	14,000
261	VEHICLE MAINTENANCE	275,456	330,000	330,000	330,000	330,000
262	SMALL EQUIP REP/REPLCMNT	750	2,000	2,000	2,000	2,000
263	COPIER MAINTENANCE	1,270	1,800	1,800	1,400	1,400
266	BUILDING MAINTENANCE	23,697	20,000	20,000	23,000	23,000
283	TRAVEL/TRAINING EXPENSE	44,778	33,800	39,800	40,000	40,000
288	MUTUAL AID MEALS	361	1,500	1,500	1,500	1,500
299	JANITORIAL CONTRACT	29,625	30,000	30,000	30,000	30,000
311	POLICE SUPPLIES	4,964	5,000	5,000	5,000	5,000
313	BATTERIES	1,224	2,000	2,000	2,000	2,000
314	DVD-VIDEO/AUDIO	758	1,000	1,000	1,000	1,000
315	DETECTIVE SUPPLIES	1,397	2,000	5,500	2,000	2,000
317	CRIME SCENE UNIT SUPPLIES	1,533	2,000	2,000	2,000	2,000
318	SRT SUPPLIES	960	5,000	5,000	5,000	5,000

FUND 110-GENERAL FUND		DEPT-42100-POLICE DEPARTMENT				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
319	OFFICE EXPENSE	32,445	28,000	28,000	28,000	28,000
320	PROTECTIVE VESTS-FED GRANT	10,326	0	2,500	0	0
321	PROTECT. VESTS-CITY FUNDED	0	8,000	8,000	8,000	8,000
322	OSHA SAFETY SUPPLIES	867	800	800	800	800
324	JANITORIAL SUPPLIES	2,467	2,000	2,000	2,300	2,300
326	UNIFORMS	45,796	47,000	47,000	47,000	47,000
327	AMMUNITION	24,247	35,000	35,000	35,000	35,000
328	CRIME PREVENTION	6,009	1,500	1,500	1,500	1,500
329	FIRING RANGE	1,706	2,000	2,000	2,000	2,000
330	CODES ENFORCEMENT EDU SUPPLIES	0	0	3,000	3,000	3,000
331	GASOLINE EXPENSE	196,302	200,000	220,000	238,000	238,000
339	VIDEO MAINTENANCE	92	1,000	1,000	0	0
396	CANINE EXPENSE	3,271	3,000	3,000	3,000	3,000
511	INS-BLDGS & CONTENTS	11,052	11,100	11,100	7,400	7,400
512	INS-VEHICLES & EQUIP	36,458	37,000	38,000	37,900	37,900
513	INS-GENERAL LIABILITY	73,636	74,000	74,000	73,300	73,300
514	WORKER'S COMPENSATION	156,175	157,000	113,000	113,000	113,000
521	INS-EMPLOYEE BONDS	500	500	500	500	500
542	COMPUTER SOFTWARE SUPPORT	170	0	2,000	2,000	2,000
599	MISCELLANEOUS	396	500	500	500	500
770	HONOR GUARD EXPENSES	0	500	500	500	500
771	VOLUNTEER SERVICES	0	2,500	1,800	2,500	2,500
772	INVESTIGATIVE FUNDS	0	1,500	1,500	1,500	1,500
774	SEX OFFENDER REGISTRY	1,600	3,000	3,000	3,000	3,000
Subtotal:		1,241,255	1,357,000	1,377,700	1,386,000	1,386,000
Capital outlay and debt service:						
941	GUNS/TASERS REPLACEMENT	10,628	11,000	11,000	11,000	11,000
942	SMALL EQUIPMENT	280	500	500	500	500
947	OFFICE EQUIPMENT	85	0	0	1,500	1,500
948	COMPUTER EQUIPMENT	5,364	3,000	3,000	2,500	2,500
Subtotal:		16,357	14,500	14,500	15,500	15,500
TOTAL	DEPARTMENT 42100	7,970,097	8,304,800	8,268,000	8,321,100	8,321,100

Cleveland Fire Department



Cleveland Fire Department



Note: 3 firefighter positions are authorized but not funded.

Cleveland Fire Department

Programs, Services, and Functions:

The Cleveland Fire Department (CFD) operates on a 24 hours on/48 hours off shift schedule for all personnel except for staff personnel. Staff personnel include the Chief, Deputy Chief, Administrative Assistant, Training Coordinator, Fire Inspector, Safety/Inspector and an Arson investigator. The CFD currently has 91 full-time firefighting personnel positions (3 of which are unfunded) and seven (7) staff positions. The department currently has five (5) operating stations.

Along with providing fire suppression, the Cleveland Fire Department provides vehicle extrication, medical first response and hazardous materials responses within the city limits. The department provides, under contract, fire suppression services to Bradley County residents within a five (5) mile fringe area outside the city limits. The contract ends June 30, 2013 and will provide \$1,822,200 for the General Fund in FY2012.

On February 1, 2009 the Cleveland Fire Department began responding to all Priority One medical first response calls within the city limits. This is in cooperation with the Bradley County Emergency Medical Service and does not involve medical transport. The calls for service in FY2010 for this type of incident were 1,932 or 57.2% of total calls.

The Cleveland Fire Department responded to 3,377 calls for service FY2010 which was a 40% increase over FY2009 and was primarily due to it being the first full year of medical first response calls. The estimated value of the property saved in FY2009 was \$40,743,481 and the estimated property saved in FY2010 is \$70,863,518.

Cleveland and Bradley County residents continued to enjoy the ISO Class 3 rating inside the city limits and a Class 4 for fringe area residents provided by the Cleveland Fire Department.

The Training Division continued to aggressively train all firefighters utilizing a variety of different methods and compiling more than 20,429 hours of classroom and hands-on training. Through continuous training, Cleveland firefighters have shown their dedication and commitment to their community, citizens, and their fellow firefighters.

Our Inspections Division, along with CFD Engine Companies, conducted 2,691 Life Safety Inspections at commercial occupancies inside the city limits.

The Fire Prevention/Arson Division made presentations to area schools as well as local businesses utilizing props, handouts, and our Fire Safety Smoke House, to more than 9,900 children and adults. Free fire extinguisher training was provided to more than 1,400 employees of local industries and medical facilities.

The Cleveland Fire Department web site (www.clevelandfiredept.com) has been updated and contains even more information about the department and our personnel.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$6,784,983	\$7,027,500	\$6,984,200	0.6%
Operating Expenditures	\$643,722	\$680,700	\$701,500	3.1%
Capital Outlay & Debt Service	\$16,624	\$38,600	\$27,500	-28.7%
Total Expenditures	\$7,445,329	\$7,746,800	\$7,713,200	-0.4%

Goals and Objectives:

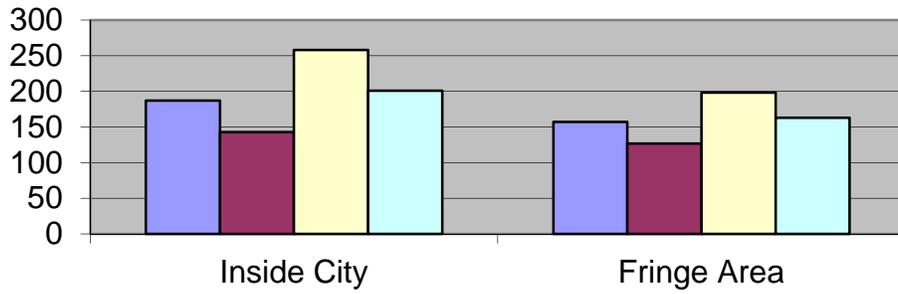
- Maintain the reduction the loss of property from fire in FY2012.
- Increase number of public information classes with the new Fire Safety House by 10% using fire education in schools, civic organizations and classes at the firehalls.
- Continue the implementation of the Wellness Program for Cleveland Fire Personnel.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Property Loss (\$) due to fire in City	\$1,310,935	\$1,340,383	\$2,054,074	\$1,697,228
Property Saved (\$) in City	\$35,913,690	\$64,407,573	\$29,569,290	\$64,407,573
Property Loss (\$) due to fire in Fringe Area	\$1,344,010	\$713,754	\$1,587,722	\$1,150,738
Property Saved (\$) in Fringe Area	\$4,829,791	\$6,455,945	\$8,675,206	\$7,565,575
# of Fatalities in City/Fringe Area	2	1	0	0
# of Injuries in City/Fringe Area	7	12	2	0
# of Certified Fire Personnel	90	90	90	90
# of 1 st Responders	54	54	54	54
# of EMTs	21	21	21	21
# of Paramedics	5	5	5	5
<i>Population</i>				
City	40,150	41,285	41,697	42,114
Fringe	22,835	23,177	23,409	23,643
Fire Service cost per 1,000 population (City and Fringe)	\$121,758	\$115,499	\$118,987	\$118,560
Fire Inspections per 1,000 population (City only)	68.74	65.78	80.43	78.48
# of Buildings inspected (City only)	2,760	2,716	3,354	3,305
# of Fire education classes in schools & day cares	60	65	65	65
Structure/Vehicle fire calls per 1,000 population (City and Fringe)	5.46	4.19	7.00	5.54
# of Structure/vehicle fire calls in City	187	143	258	201
# of Structure/vehicle fire calls in Fringe Area	157	127	198	163
Fire Cause Determined	98%	98%	98%	98%
Restricted duty during the year	0	0	0	0
Cost per Structure/vehicle fire call	\$22,293	\$27,575	\$16,988	\$21,418
Average Response Time from Dispatch (City)	4 min/25 sec	4 min/28 sec	4 min/34 sec	4 min/31 sec
Average Response Time from Dispatch (Fringe)	6 min/41 sec	6 min/14 sec	6 min/33 sec	6 min/24 sec

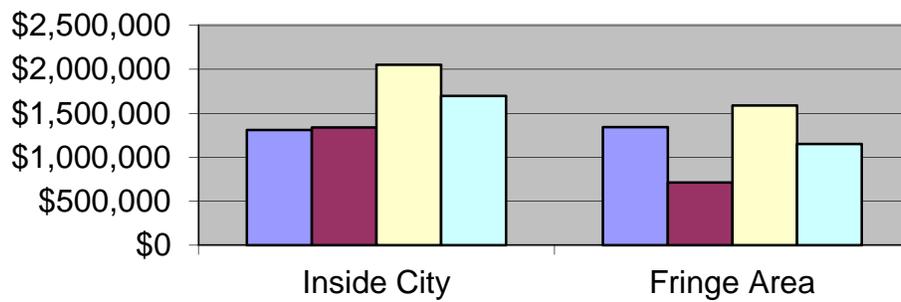
FIRE CALLS

■ FY2009 ■ FY2010 ■ FY2011 EST. ■ FY2012 EST.



Property Loss Due To Fire

■ FY2009 ■ FY2010 ■ FY2011 EST. ■ FY2012 EST.



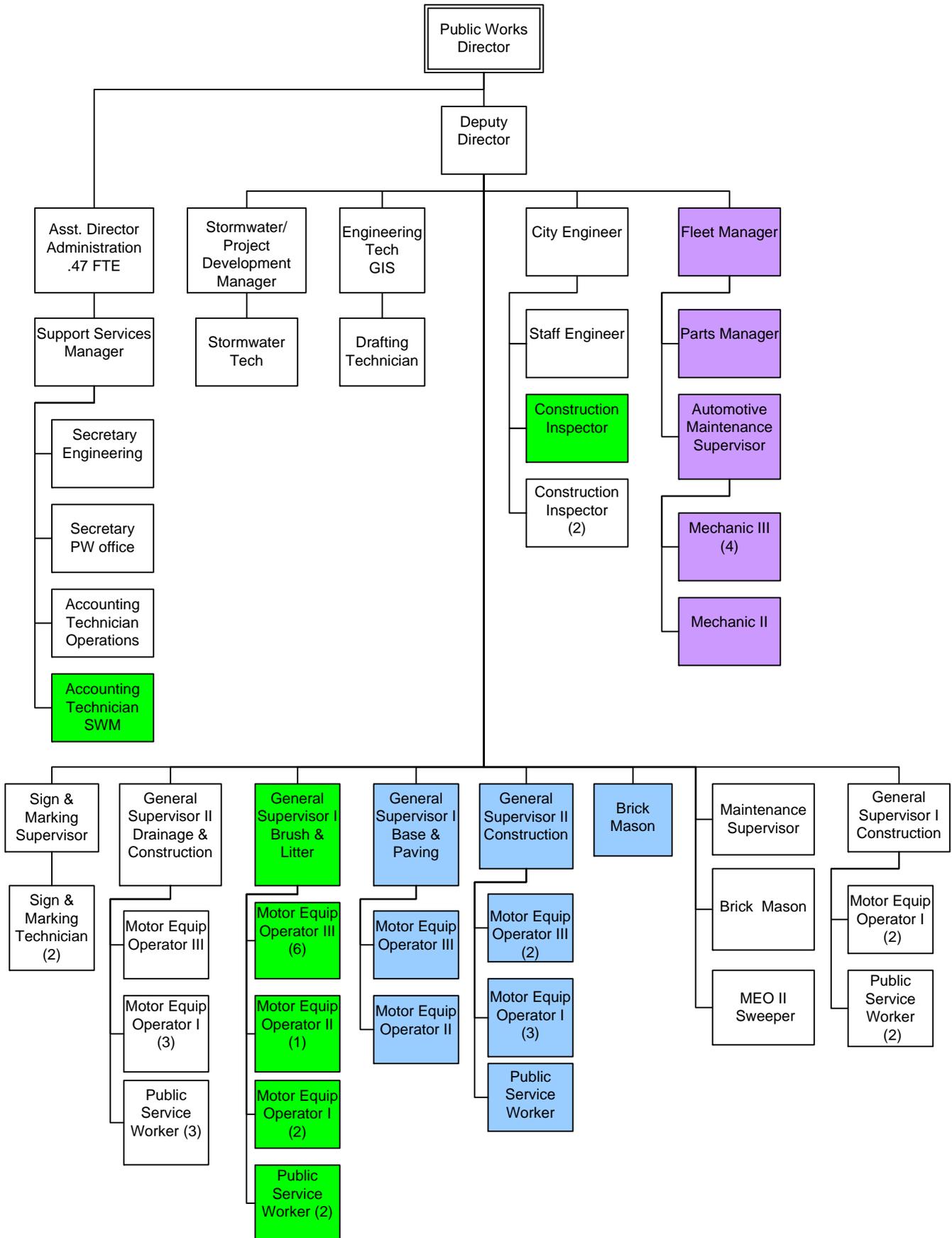
OBJECT CODE	FUND 110- GENERAL FUND	DEPT-42200- FIRE PROTECTION				
		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	4,242,563	4,340,000	4,340,000	4,282,000	4,282,000
112	OVERTIME	146,253	160,000	160,000	160,000	160,000
118	FIRE RUNS	6,687	10,000	10,000	10,000	10,000
119	SUPPLEMENTAL PAY	69,614	70,500	70,500	70,500	70,500
121	STATE GRANT-IN SVC	51,600	57,600	52,200	52,200	52,200
131	SERVICE AWARDS	2,100	1,900	1,900	3,400	3,400
132	LONGEVITY	46,828	50,400	50,400	49,700	49,700
133	SOLD VACATION	16,130	15,000	15,000	15,000	15,000
134	CHRISTMAS BONUS	8,662	10,300	10,300	10,300	10,300
135	COLLEGE PAY	2,481	1,000	1,000	500	500
140	DENTAL INSURANCE	48,245	48,100	48,100	54,100	54,100
141	SOCIAL SECURITY TAXES	331,315	375,200	365,000	368,000	368,000
142	HEALTH INSURANCE EXP	808,927	800,000	820,000	831,000	831,000
143	RETIREMENT EXP	916,061	952,000	952,000	950,000	950,000
144	LIFE/DISABILITY INSURANCE	55,194	50,600	50,600	55,000	55,000
148	EDUCATION REIMBURSEMENT	14,019	15,000	11,000	8,000	8,000
149	WORKER'S COMP CLAIMS	3,894	6,500	6,500	6,500	6,500
191	LAUNDRY & DRY CLEANING	13,185	18,000	18,000	18,000	18,000
192	IMMUNIZATIONS & PHYSICALS	1,225	40,000	40,000	40,000	40,000
195	RECRUIT TESTING	0	5,000	5,000	0	0
Subtotal:		6,784,983	7,027,100	7,027,500	6,984,200	6,984,200
Operating expenditures:						
211	POSTAGE EXPENSE	302	500	500	500	500
215	RADIO MAINTENANCE FEE	741	6,000	6,000	6,000	6,000
216	RADIO REPEATER MAINTENANCE	0	1,800	1,800	1,800	1,800
218	COMMUNICATIONS REPLCMNT	0	3,000	3,000	3,000	3,000
221	PRINTING EXPENSE	480	500	500	500	500
233	SUBSC. & MEMBERSHIPS	4,286	3,200	3,200	3,200	3,200
235	LICENSE/CERTIFICATION RENEWAL	1,254	1,400	1,400	2,400	2,400
237	ADVERTISING EXPENSE	244	500	0	0	0
241	UTILITIES	93,780	105,000	105,000	105,000	105,000
245	TELEPHONE EXPENSE	70,772	66,300	71,000	71,000	71,000
260	APPARATUS/EQUIP TESTS	2,664	3,900	3,900	3,900	3,900
261	VEHICLE MAINTENANCE	86,905	65,000	90,000	90,000	90,000
262	SMALL EQUIP-REPAIR/REPLC	2,069	2,800	2,800	2,800	2,800
263	COPIER MAINTENANCE	2,253	1,900	1,900	1,900	1,900
266	BUILDING MAINTENANCE	33,189	40,000	35,000	40,000	40,000
269	VEHICLE BODY REPAIR	0	0	0	0	0
282	CAR ALLOWANCE	0	0	3,900	4,200	4,200
283	TRAINING/TRAVEL	21,054	21,000	21,000	21,000	21,000
284	TRAINING/EDUCATIONAL MATERIAL	1,414	3,500	3,500	3,500	3,500
288	MUTUAL AID MEALS	2,451	1,300	1,800	1,800	1,800
309	TOWELS/CLOTHS	344	800	800	800	800
313	BATTERIES	669	1,000	1,000	1,000	1,000
316	ELECTRONICS-CAMERA SUPP	520	600	600	600	600
319	OFFICE EXPENSE	6,901	6,500	6,500	6,500	6,500
320	ARSON EXPENSE	322	1,500	1,500	1,500	1,500
322	SAFETY EXPENSE	5,253	4,500	4,500	4,500	4,500
323	MEDICAL SUPPLIES/EQUIPMENT	0	9,000	9,000	9,000	9,000
324	JANITORIAL SUPPLIES	14,850	16,000	16,000	16,000	16,000
325	BEDDING	490	1,000	500	500	500
326	UNIFORM EXPENSE	31,378	40,000	35,000	38,000	38,000
327	VEHICLE GRAPHICS-NFPA 150	0	500	500	500	500
329	OPERATING SUPPLIES	1,583	2,000	2,000	2,000	2,000

FUND 110- GENERAL FUND		DEPT-42200- FIRE PROTECTION				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
331	GASOLINE EXPENSE	50,788	53,000	53,000	58,000	58,000
338	APPLIANCES-REPAIR/REPLC	1,382	3,500	2,500	3,500	3,500
344	PPE EQUIPMENT	0	25,000	25,000	29,500	29,500
398	EXTINGUISHER REFILLS	250	2,000	1,000	2,000	2,000
399	HAZMAT SUPPLIES	0	2,000	2,000	2,000	2,000
511	INS-BLDGS & CONTENTS	7,973	8,000	8,000	8,000	8,000
512	INS-VEHICLES & EQUIP	23,662	24,000	24,000	24,000	24,000
513	INS-GENERAL LIABILITY	35,873	35,900	35,900	35,900	35,900
514	WORKER'S COMPENSATION	134,675	135,000	90,000	90,000	90,000
599	MISCELLANEOUS	212	500	500	500	500
771	PUBLIC INFORMATION	0	500	500	500	500
772	CITY FUNDED-HONOR GUARD	0	1,000	1,000	1,000	1,000
773	FIRE PREVENTION PROG	2,739	3,200	3,200	3,200	3,200
Subtotal:		643,722	704,600	680,700	701,500	701,500
Capital outlay and debt service:						
942	ISO FIREFIGHTING EQUIP	0	15,000	10,000	5,000	5,000
943	OFFICE EQUIPMENT	100	1,000	1,000	1,000	1,000
946	EQUIP-BREATHING APPARATUS	8,629	15,000	15,000	15,000	15,000
947	FURNITURE	1,497	2,200	8,300	2,200	2,200
949	COMPUTER EQUIPMENT	2,622	0	0	0	0
953	SMALL EQUIPMENT	720	800	800	800	800
955	WELLNESS CENTER	3,056	0	0	0	0
957	RADIO REPLACEMENT	0	3,500	3,500	3,500	3,500
Subtotal:		16,624	37,500	38,600	27,500	27,500
TOTAL	DEPARTMENT 42200	7,445,329	7,769,200	7,746,800	7,713,200	7,713,200

Public Works



Public Works Department



Public Works Department

Programs, Services, and Functions:

The functions of the Public Works Department are numerous as well as diversified. They include street design, construction inspection and maintenance, drainage design (construction or installation and maintenance), preparation and inspections for contracted major paving projects, sidewalk construction and replacement, public facilities maintenance and renovation, airport maintenance, residential and commercial garbage collection, brush disposal, bulk goods, and leaf collection. The Public Works Department is also responsible for the City's fleet operation, Geographical Information System (GIS) for the E-911 System, sign maintenance and design, and street markings.

The department receives operating funding from four separate funds: the General Fund, Solid Waste Management Fund, State Street Aid Fund and the Storm Water Management Fund. The General Fund contains three budgets: Public Works-Operations, Engineering, and Street Lighting & Signals. Public Works also has a Fleet Management division, which is an Internal Service Fund.

The administration area covers all the secretarial and office support personnel. The operations area includes all personnel except those working in Solid Waste and State Street Aid. Those employees are funded in the Solid Waste Management Fund and the State Street Aid Fund. The Operations Division also receives funding for equipment debt service from the State Street Aid and Storm Water Management Funds.

The Public Works Department utilizes a computerized, networked complaint tracking and work order system. One of the main features of this system is the capability of city departments to be able to view the status of requests and work orders when responding to citizen calls and complaints. Cartegraph has since been expanded to service twenty-four divisions within the City. This system has proven to be one of the department's best assets.

The Operations Division handles street cut repairs and inspections, new street and drainage construction inspections, pothole and crack sealing repairs, drainage construction, repair, and cleaning, snow removal, street sweeping, and the annual repaving projects.

The City's utility street cut policy requires anyone wanting to cut a street or sidewalk to get a permit from Public Works. The excavation must be sawed evenly, backfilled with flowable fill (under the construction inspector's supervision) to within 4" of the surface, and cured for at least two days before the City installs an asphalt patch. The fees generated by the permit offset the cost of inspection and patching, and the resulting surface will not buckle or sink.

Street routes are swept using the same twice-a-month schedule as brush collection. The City's policy regarding snow removal is to try to remove all snow within 24 hours from major roads first, then collectors, and finally residential streets.

Major street paving is the largest capital item funded for Public Works. The department provides street inspections throughout the year in order to evaluate and prioritize paving needs. A construction inspector prepares and maintains logged records and documentation, which is utilized for the budget and bidding process. Inspectors grade streets on a scale from 1 through 5 (1 being the worst case scenario and 5 being the best). Therefore, a street graded "1" would need immediate attention and a grade of "2 through 5" means streets would be re-evaluated in two through five years consecutively. The annual list takes into consideration multiple street cuts and/or construction projects by Cleveland Utilities or other contractors.

The construction inspector's annual paving list is presented to the Public Works Director for review and an annual priority list is prepared and grouped into the five voting districts. The list is based on the annual allocation provided by council for major paving. Streets with structural deficiencies are ranked highest because of problems associated with hazardous, unsafe roadway conditions which could result in traffic accidents and injury to motorists. When the major paving project begins, the construction inspectors monitor and inspect the work daily as it is conducted.

The Operations Division has a crew responsible for preventive maintenance by cleaning drainage areas and catch basins, as well as cleaning streets and handling erosion control. Having this has enabled the department to provide better drainage control, as well as new drainage construction in the city.

The City has been able to perform a number of drainage projects internally, at an estimated cost savings of thirty-five percent or greater (when compared to bidding). Having a dedicated crew for this purpose allows the City to take on larger projects that were otherwise beyond the department's resources.

A few of the projects completed by the Public Works Department during the last year include, 1) the drainage work for the Safe Routes to School Sidewalk Project along Wildwood Avenue, Dalton Pike, and 20th Street SE, 2) Greenway - section of path from Tinsley Park to Mouse Creek Road, 3) Laurel Drive drainage improvements, and 4) Peerless Road Extension project, 5) Fillauer Branch Greenway drainage, 6) 15th Street & Magnolia Avenue drainage, and 7) airport mitigation work at Rolling Hills.

The City received funding from the American Recovery & Reinvestment Act (ARRA) to complete the following projects in FY2011: 1) roadway and drainage improvements and asphalt resurfacing of Freewill Road between Cumberland Hills Circle and Cottonwood Bend, 2) asphalt resurfacing of Raider Drive from Peerless Road to Keith Street, 3) construction of a restroom facility at the Harris Circle Trailhead of the Greenway, and 4) sidewalk improvements for Walker Street (Central Ave. to 6th St.), Edwards Street (1st St. to Central Ave.), Central Avenue (Parker Ave. to Trunk St.), 1st Street (Edwards to 2nd St.), and Raider Drive (Peerless Road to 400 feet west of Keith Street).

Equipment provision and/or replacement greatly impact the progress and efficiency of many divisions of Public Works. The lack of funding for equipment upgrades and/or replacement greatly affects the overall operation of the department. The State Street Aid Fund continues to provide funding for debt service for prior equipment purchases. Also, the Storm Water Management Fund provides debt service funding for the purchase of an excavator, which is greatly utilized for numerous drainage projects. This equipment has enabled projects to be completed in half the time, thus freeing up work crews for other projects and making operations more productive.

The Engineering Division includes staff for engineering design, storm water design and mapping, GIS addressing for the E-911 system, and all related engineering activities. The Engineering Division is responsible for updating mapping of subdivisions and assigning new addresses. Engineering is responsible for drainage project design, Greenway project coordination (including project design, bidding, and project management), roadway design, field inspections, and review of all new subdivision roads and drainage, as well as design of some “in house” city projects.

In FY2011, the City eliminated the traffic engineer and signal technician positions, and entered into a contract with Cleveland Utilities to take full control of traffic signals within the city. This includes traffic signal warrant studies, signal design, and signal timing and coordination plans. All other traffic related functions, such as traffic counts, street closures, traffic plans, traffic sign requests, and helping future developments meet the city and state traffic design standards remain with the Public Works Department. These issues are reviewed by the Public Works Director and distributed to Engineering staff as needed.

The Engineering Division also has access to the joint GIS, which aids in design work, infrastructure information, analysis, and mapping for engineering and other departmental needs. Through an agreement with the State Planning Office, the Cleveland/Bradley G.I.S. will now be able to maintain a new flyover schedule of every two years for aerial photography.

Meetings are held weekly by the Engineering staff and Community Development personnel for site plan and plat review. Drainage, electric, water, sanitary sewer, landscaping, solid waste, road design, water quality management, egress and ingress parking, curb cuts, and street naming for the E-911 system are all examined and a combined report is issued to the Community Development Department.

The Public Works Department is responsible for the City’s Storm Water program. The program is guided by the NPDES (National Pollutant Discharge Elimination System) permit submitted by the City to the Tennessee Department of Environment and Conservation (TDEC).

In the past, the City has purchased modeling and design data for 2-ft. contours for storm water functions. City staff utilizes this data for watershed modeling necessary to do studies on flooding in areas within the city. The existing data in the GIS will not provide this information.

The large document media center enables engineering staff to initialize an electronic plans review process, which eliminates the need for multiple paper copies of plans. It has been utilized for mass production drawings for current projects, rapid reproduction of single prints and plots direct from computer prints and archiving of valuable historical mapping and plan sets. An information database is being developed with this equipment for public works and the engineering division, which will make archived information quickly retrievable for staff members. This has also enabled a cleanup of older records, of which many were worn or damaged, and also eliminating documents which were requiring a lot of space for storage.

The Signs & Marking staff is responsible for all street markings, sign construction and maintenance of all city-owned streets, including railroad crossings. This consists of fabricating all signs from raw materials, placement of street markings, and the lettering and numbering of all city department vehicles and other outside agencies. City departments are billed only for material costs; however, outside agencies are billed for both labor and materials. The sign crew is responsible for setup of signs and barricades required for city road closures.

The Public Works Department will work with the Municipal Airport Authority, continuing to be responsible for all maintenance and upkeep of the present airport facility. This includes utilizing staff for clerical, accounting, mowing, maintenance, engineering, storm water, or construction needs as is necessary.

The Solid Waste Management Fund finances the contracts for residential, commercial garbage collection and commercial recycling. However, the collection of brush, bulk goods, and leaves is performed by solid waste employees, which is funded by the general fund. The State Street Aid Fund provides debt service payments on the street equipment and road projects, as well as salaries of Public Works street crews.

In conjunction with Bradley County, the Public Works Department provides funding to operate a recycling site to collect recyclables in order to reduce landfill usage.

PW Operations Division:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$1,317,037	\$1,164,900	\$1,119,500	-3.9%
Operating Expenditures	\$689,949	\$853,000	\$789,000	-7.5%
Capital Outlay & Debt Service	\$3,657	\$5,600	\$4,800	-14.3%
Total Expenditures	\$2,010,643	\$2,023,500	\$1,913,300	-5.4%

PW Engineering Division:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$484,340	\$443,300	\$360,800	-18.6%
Operating Expenditures	\$38,106	\$41,700	\$57,600	38.1%
Capital Outlay & Debt Service	\$428	\$1,000	\$1,000	0%
Total Expenditures	\$522,874	\$486,000	\$419,400	-13.7%

PW Street Lighting and Signals:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$906,861	\$1,003,000	\$1,138,500	13.5%
Capital Outlay & Debt Service	\$529	\$1,400	\$1,000	-28.5%
Total Expenditures	\$907,390	\$1,004,400	\$1,139,500	13.4%

Goals and Objectives:

- Continue to inspect and repave all utility cuts.
- Increase the level of pothole patching, utilizing service of new construction inspector.
- Provide in-house training on a greater level and increase training for all staff.
- Respond to complaints within two working days.
- Expand the networked complaint tracking and work order system within the city to all departments.
- Continue document scanning at Public Works.

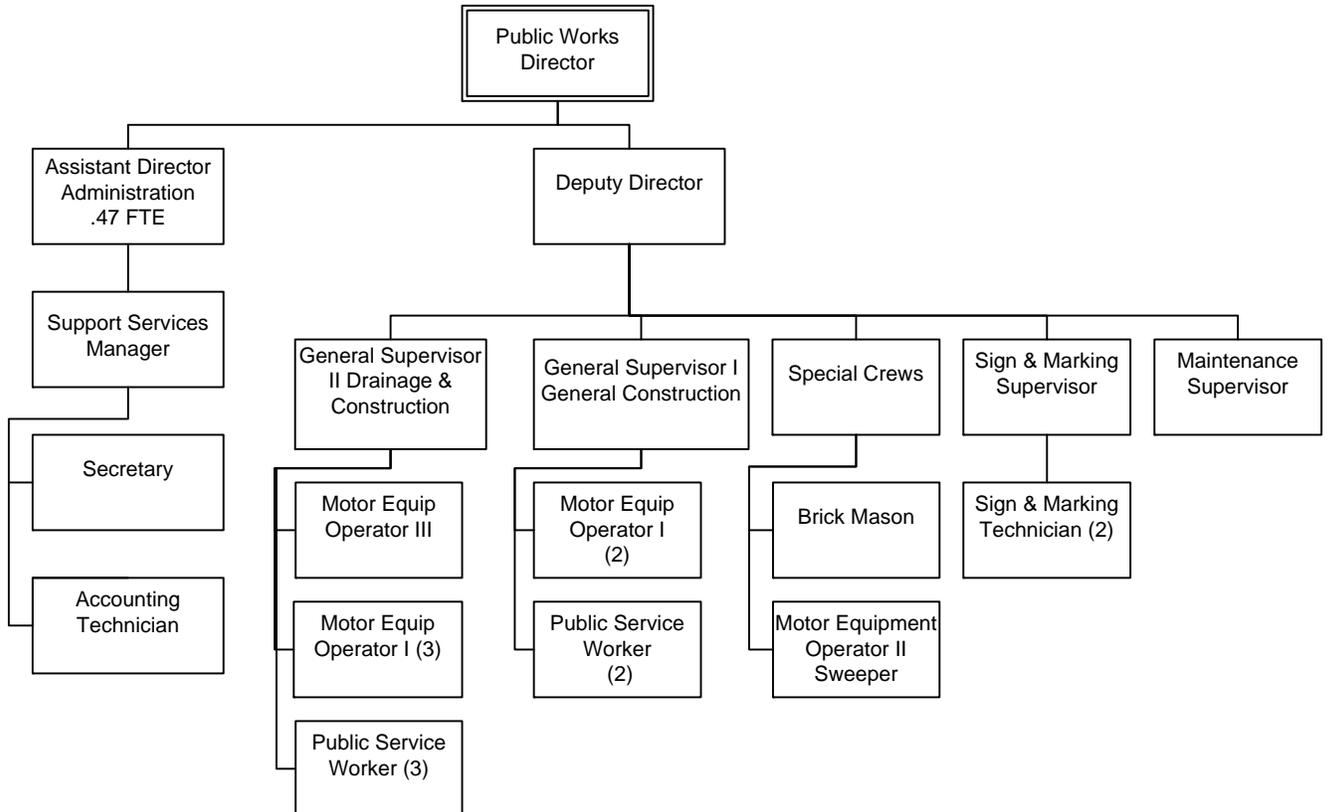
Performance Measures:

Measure Description	FY2009 (Actual)	FY2009 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Value of Street Repaving Contract	\$0	\$315,914	\$300,000	\$180,000
Value of Sidewalk, Curb, & Gutter Construction	\$232,277	\$220,367	\$139,858	\$185,000
# of Major Drainage Projects Completed	4	3	5	3
New Drainage Construction Costs (GASB)	\$180,317	\$107,662	\$158,580	\$110,000
Linear Feet of Drainage Pipe Installed	5,995	3,166	3,536	4,000
# of Stormwater Structures Installed	101	84	84	89
# of Utility Cut Permits	321	290	264	280
Value of Utility Cut Permits	\$76,769	\$71,541	\$65,129	\$68,880
# of Tons of Asphalt Used on Potholes	1,408	891.71	898.38	1,065
# Cubic Yards of Concrete/Flowable Fill for Street Cut Repair & Drainage Projects	513	495.75	519	509
# of CalLink complaints/work order requests	2,226	2,373	1,920	2,173
% of Complaints responded to within two working days	99.00%	99.00%	99.00%	99.00%
% of CalLink complaint/work orders completed/closed	94.00%	66.73%	69.42%	69.02%
# of CalLink complaint/work orders per 1,000 population	59.84	63.80	51.62	58.42

Public Works Operations



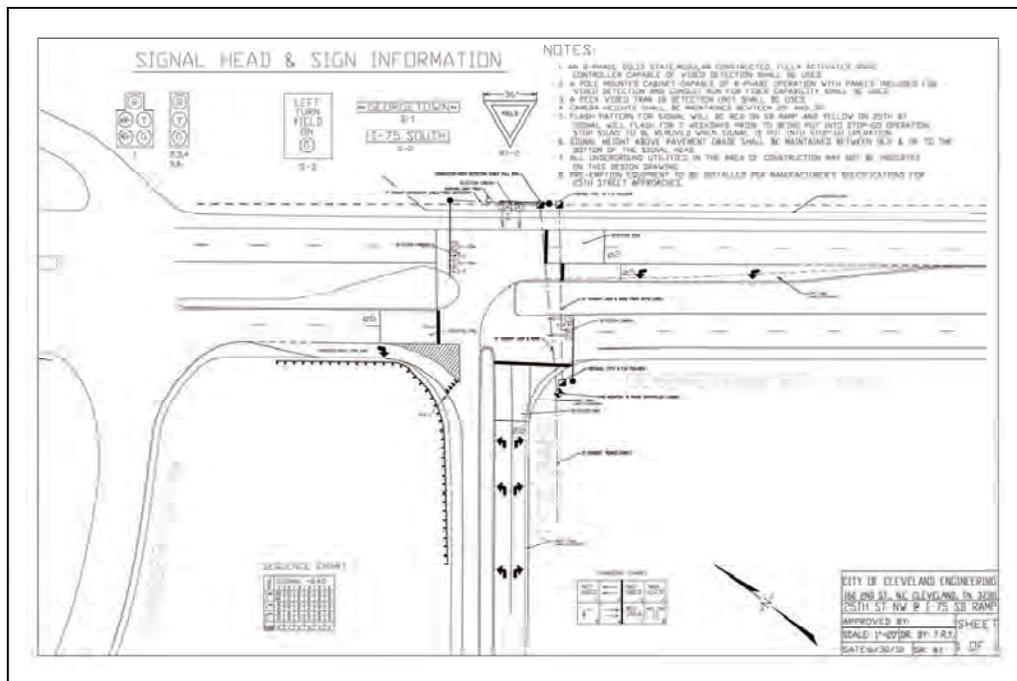
Public Works Operations Division



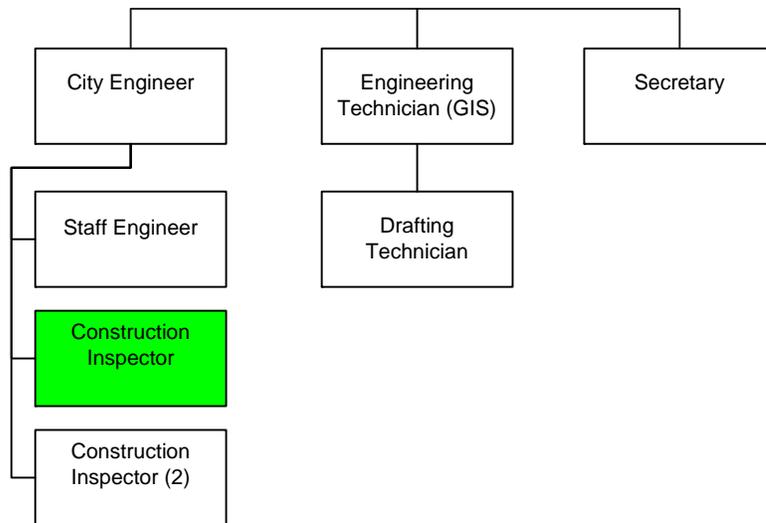
FUND 110-GENERAL FUND		DEPT-43110- PUBLIC WORKS OPERATIONS DIVISION				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	873,132	760,500	721,100	694,700	694,700
112	OVERTIME	10,508	10,000	13,000	10,000	10,000
114	PART-TIME	11,088	39,500	39,500	11,100	11,100
115	ACCUMULATED HOLIDAY PAY	948	0	0	0	0
119	SUPPLEMENTAL PAY	603	700	700	700	700
131	SERVICE AWARDS	475	800	500	200	200
132	LONGEVITY	14,725	10,600	10,600	11,500	11,500
133	SOLD VACATION	8,211	6,000	6,000	8,000	8,000
134	CHRISTMAS BONUS	2,599	2,400	2,300	2,400	2,400
135	COLLEGE PAY	125	200	200	200	200
140	DENTAL INSURANCE	10,777	11,300	11,300	12,300	12,300
141	SOCIAL SECURITY TAXES	66,748	63,900	60,900	61,200	61,200
142	HEALTH INSURANCE EXP	162,407	164,200	157,600	166,300	166,300
143	RETIREMENT EXPENSE	139,980	132,800	127,300	127,000	127,000
144	LIFE/DISABILITY INSURANCE	10,360	9,900	9,900	10,000	10,000
147	UNEMPLOYMENT COMPENSATION	1,013	0	1,000	1,000	1,000
149	WORKER'S COMP CLAIMS	1,000	500	500	500	500
192	PRE-EMPLOYMENT TESTING	434	500	500	500	500
197	SAFETY SHOES	1,904	2,000	2,000	1,900	1,900
Subtotal:		1,317,037	1,215,800	1,164,900	1,119,500	1,119,500
Operating expenditures:						
211	POSTAGE EXPENSE	332	1,800	800	500	500
215	800 MHZ RADIO FREQUENCY	0	0	0	3,000	3,000
221	PRINTING EXPENSE	231	200	200	200	200
233	SUBSC. & MEMBERSHIPS	429	400	400	400	400
237	ADVERTISING EXPENSE	666	200	200	200	200
241	UTILITIES	35,495	38,000	40,000	44,000	44,000
245	TELEPHONE EXPENSE	21,933	24,000	24,000	22,000	22,000
257	SURVEYS	2,590	3,000	1,600	3,000	3,000
262	SMALL EQUIPMENT MAINT-SIGNS	430	1,700	1,700	1,700	1,700
266	BUILDING MAINTENANCE	16,901	9,000	10,000	9,000	9,000
283	TRAVEL & TRAINING EXP	3,394	3,000	1,800	3,000	3,000
298	CONT SVCS-PEST CONTROL	875	1,200	1,200	1,000	1,000
319	OFFICE EXPENSE	5,936	7,000	5,500	7,000	7,000
321	OPERATING SUPPLIES	3,457	4,000	3,500	4,000	4,000
322	SAFETY SUPPLIES	1,172	1,500	1,500	1,500	1,500
324	JANITORIAL SUPPLIES	1,472	1,500	1,500	1,500	1,500
326	UNIFORM EXPENSE	8,761	9,000	9,000	10,500	10,500
330	EDUCATION SUPPLIES	211	3,000	0	0	0
331	GASOLINE EXPENSE	82,902	84,000	90,000	98,000	98,000
332	REPAIRS & PARTS	190,396	175,000	190,000	190,000	190,000
341	SIGN SHOP SUPPLIES	1,443	2,800	2,800	2,800	2,800
342	SIGN PARTS & SUPPLIES	36,042	40,000	40,000	40,000	40,000
344	MAJOR SAFETY MARKINGS	440	75,000	75,000	10,000	10,000
345	THERMOPLASTIC CONTRACT	4,705	7,500	24,500	22,500	22,500
471	PAVING & MATERIALS	209,165	225,000	265,000	250,000	250,000
511	INS-BLDGS & CONTENTS	4,626	6,600	6,600	4,700	4,700
512	INS-VEHICLES & EQUIP	11,192	11,200	11,500	11,500	11,500
513	INS-GENERAL LIABILITY	11,741	11,800	9,200	11,800	11,800
514	WORKER'S COMPENSATION	30,721	31,000	31,000	30,700	30,700
599	MISCELLANEOUS	1,451	500	500	500	500
799	INCENTIVE PROGRAM	840	4,000	4,000	4,000	4,000
Subtotal:		689,949	782,900	853,000	789,000	789,000

FUND 110-GENERAL FUND		DEPT-43110- PUBLIC WORKS OPERATIONS DIVISION				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
941	SMALL EQUIPMENT	817	3,000	3,800	3,000	3,000
942	SMALL EQUIPMENT-SIGNS	2,840	1,800	1,800	1,800	1,800
Subtotal:		3,657	4,800	5,600	4,800	4,800
TOTAL	DEPARTMENT 43110	2,010,643	2,003,500	2,023,500	1,913,300	1,913,300

Public Works Engineering



Public Works Engineering Division



	FUND 110-GENERAL FUND		DEPT-43120- PUBLIC WORKS ENGINEERING DIVISION			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	343,675	348,300	299,600	249,400	249,400
112	OVERTIME	886	2,000	1,000	500	500
114	PART TIME	112	0	0	0	0
131	SERVICE AWARDS	75	200	200	200	200
132	LONGEVITY	1,700	2,400	2,400	2,400	2,400
133	SOLD VACATION	725	2,400	3,900	4,800	4,800
134	CHRISTMAS BONUS	758	800	800	600	600
140	DENTAL INSURANCE	3,372	2,700	2,900	2,400	2,400
141	SOCIAL SECURITY TAXES	24,742	27,400	23,400	19,900	19,900
142	HEALTH INSURANCE EXP	44,898	37,800	39,300	30,500	30,500
143	RETIREMENT EXPENSE	57,551	59,700	52,300	43,300	43,300
144	LIFE INSURANCE EXPENSE	4,363	4,500	4,500	3,300	3,300
147	UNEMPLOYMENT COMP	0	0	9,600	0	0
148	EDUCATION REIMBURSEMENT	0	0	1,500	2,900	2,900
149	WORKERS COMP CLAIMS	0	200	200	200	200
197	CLOTHING ALLOW./SHOES	1,483	1,700	1,700	400	400
Subtotal:		484,340	490,100	443,300	360,800	360,800
Operating expenditures:						
211	POSTAGE EXPENSE	185	200	200	200	200
221	PRINTING EXPENSE	0	100	100	100	100
233	SUBSC. & MEMBERSHIPS	2,222	2,700	2,700	1,600	1,600
237	ADVERTISING EXPENSE	0	200	200	100	100
245	TELEPHONE EXPENSE	10,472	10,000	10,000	8,000	8,000
254	ENGINEERING SERVICES	0	0	0	20,000	20,000
261	VEHICLE MAINTENANCE	4,287	5,000	5,000	5,000	5,000
262	OFFICE EQUIP/MAINT	1,383	1,000	1,000	1,000	1,000
283	TRAVEL/TRAINING EXPENSE	834	3,000	3,000	1,500	1,500
288	COMPLIMENTARY MEALS	0	0	0	0	0
319	OFFICE EXPENSE	3,712	4,000	4,000	4,000	4,000
321	OPERATING SUPPLIES	259	200	200	200	200
324	JANITORIAL EXPENSE	557	500	500	600	600
326	UNIFORM EXPENSE	710	700	700	1,100	1,100
331	GASOLINE EXPENSE	4,021	4,000	4,000	4,400	4,400
511	INS-BLDGS & CONTENTS	268	300	300	300	300
512	INS-VEHICLES & EQUIP	869	900	1,000	900	900
513	INS-GENERAL LIABILITY	1,219	1,200	1,300	1,200	1,200
514	WORKER'S COMPENSATION	6,910	7,000	7,000	6,900	6,900
599	MISCELLANEOUS	198	500	500	500	500
Subtotal:		38,106	41,500	41,700	57,600	57,600
Capital outlay and debt service:						
940	COMPUTER SOFTWARE	0	0	0	0	0
941	EQUIPMENT	428	1,000	1,000	1,000	1,000
Subtotal:		428	1,000	1,000	1,000	1,000
TOTAL	DEPARTMENT 43120	522,874	532,600	486,000	419,400	419,400

Street Lighting and Signals



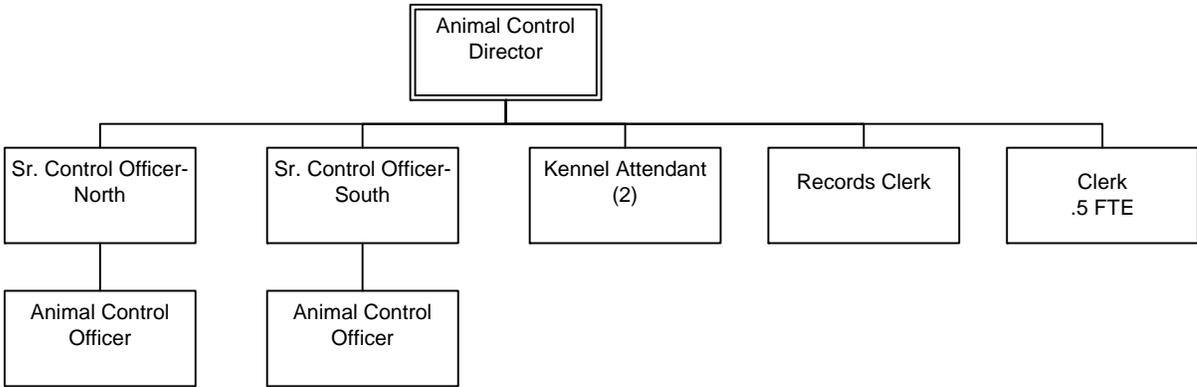
FUND 110-GENERAL FUND		DEPT-43130- STREET LIGHTING & SIGNALS				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Operating expenditures:						
241	STREET LIGHTING	684,044	700,000	720,000	775,000	775,000
245	TELEPHONE EXPENSE	2,383	2,500	2,500	2,500	2,500
247	TRAFFIC LIGHT UTILITY SVC	40,521	42,000	48,500	54,000	54,000
264	TRAFFIC LIGHT REP/MAINT	179,913	196,000	232,000	307,000	307,000
343	TRAFFIC SIGNAL SUPPLIES	0	1,700	0	0	0
Subtotal:		906,861	942,200	1,003,000	1,138,500	1,138,500
Capital outlay and debt service:						
934	SIGNALIZATION EXPENSES	529	3,000	0	0	0
941	SMALL EQUIPMENT	0	1,400	1,400	1,000	1,000
Subtotal:		529	4,400	1,400	1,000	1,000
TOTAL	DEPARTMENT 43130	907,390	946,600	1,004,400	1,139,500	1,139,500

Animal Control



Please remember to have your
pets spayed or neutered in order
to help control the pet population.

Animal Control



Animal Control

Programs, Services, and Functions:

This budget covers the costs to operate the City's Animal Control Department. The Department provides animal control services throughout Bradley County under a renewable annual contract. The Animal Control funding, according to the contract, is determined by the percentage of usage by the city and the county during the preceding February 1 to January 31 time period. The department also receives funding from the Meiler Estate Animal Shelter Trust Fund (see Tab XIII.)

The Animal Control Officers enforce the city's leash law and other related City ordinances, as well as all state statutes regarding animal control, rabies vaccinations, and quarantining of animals.

The Department has an active animal adoption program. The Bradley County Veterinarians Association provides discount rates for spaying, neutering, and vaccination of all adopted animals at the Cleveland Animal Control Department.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$390,299	\$406,400	\$425,600	4.7%
Operating Expenditures	\$116,423	\$140,832	\$136,300	-3.2%
Capital Outlay & Debt Service	\$159	\$1,100	\$1,100	0%
Total Expenditures	\$506,881	\$548,332	\$563,000	2.7%

Goals and Objectives:

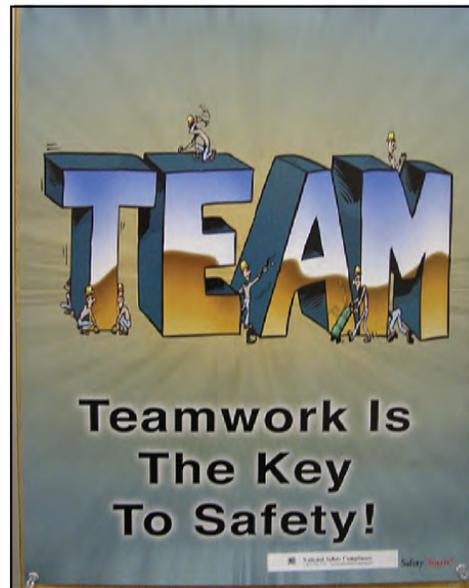
- Continue to provide high quality animal control services throughout the City and County.
- Increase pet adoptions by 10% this fiscal year.
- Increase educational programs on the need for spay, neutering and vaccinations of all cats and dogs.
- Continue to aggressively respond to citizen complaints regarding animals and animal cruelty.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
# of Animals Picked-up in City	2,516	2,368	2,455	2,446
# of Calls in City	2,626	3,340	2,968	2,978
# of Animals Picked-up in County	4,460	4,675	4,640	4,592
# of Calls in County	3,505	4,265	4,079	3,950
# of Animals Adopted	953	776	958	1050
# of Animals Euthanized	5,504	5,749	5,603	5,600
# of Animals Handled per Employee	872	880	886	880
Cost per Animal Handled	\$70.69	\$71.97	\$77.28	\$80.66
% of Animals Adopted vs. Euthanized	17%	13%	17%	15%
# of Complaints Regarding Animals	6,131	7,605	7,047	6,928
# of Complaints Regarding Animal Cruelty	95	91	128	104
# of Educational Programs	1	1	1	2
# of Employees	8	8	8	8
# of Certified Animal Control Officers	4	4	4	4
# of Certified Kennel Attendants	2	2	2	2

	FUND 110-GENERAL FUND		DEPT-44110- ANIMAL CONTROL			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	251,449	274,800	259,800	263,000	263,000
112	OVERTIME	17,438	20,400	19,400	20,400	20,400
131	SERVICE AWARDS	250	200	100	100	100
132	LONGEVITY	3,700	4,000	4,000	4,300	4,300
133	SOLD VACATIONS	663	700	700	700	700
134	CHRISTMAS BONUS	758	1,100	800	1,000	1,000
140	DENTAL INSURANCE	2,410	2,700	2,700	2,900	2,900
141	SOCIAL SECURITY EXPENSE	20,229	23,000	22,000	22,200	22,200
142	HEALTH INSURANCE EXP	41,010	45,800	41,800	50,000	50,000
143	RETIREMENT EXP	42,814	41,000	45,600	51,500	51,500
144	LIFE/DISABILITY INSURANCE	3,115	3,200	3,200	3,200	3,200
149	WORKER'S COMP CLAIMS	1,702	1,000	1,000	1,000	1,000
191	LAUNDRY AND DRY CLEANING	4,351	4,000	5,000	5,000	5,000
193	PROTECTIVE IMMUNIZATIONS	410	500	300	300	300
Subtotal:		390,299	422,400	406,400	425,600	425,600
Operating expenditures:						
211	POSTAGE EXPENSE	228	100	900	500	500
217	CONTRACTED SVCS-VEHICLES	802	900	900	900	900
218	COMMUNICATION REPAIR/REPLACE	0	500	500	500	500
221	PRINTING EXPENSE	1,686	1,600	1,600	1,600	1,600
233	SUBSCRIPTIONS/MEMBERSHIPS	571	800	800	800	800
237	ADVERTISING EXPENSE	363	200	300	300	300
241	UTILITIES/PAGER	9,425	10,100	10,100	11,000	11,000
245	TELEPHONE	9,300	10,500	10,500	10,500	10,500
258	ADOPTION-VET EXPENSE	23,133	0	22,000	22,000	22,000
261	VEHICLE MAINTENANCE	10,649	15,000	15,000	15,000	15,000
263	COPIER MAINTENANCE	458	500	600	600	600
265	GROUND IMPR & MAINT	0	1,200	1,200	1,200	1,200
266	BUILDING MAINTENANCE	3,945	6,500	6,500	6,500	6,500
283	TRAINING & TRAVEL EXP	686	1,500	1,500	1,500	1,500
295	LANDFILL EXPENSE	2,533	3,000	3,000	3,000	3,000
299	JANITORIAL CONTRACT	5,530	6,000	6,000	6,000	6,000
319	OFFICE EXPENSE	1,912	2,500	2,500	2,500	2,500
322	OSHA SAFETY SUPPLIES	96	500	500	500	500
324	JANITORIAL SUPPLIES	5,388	6,000	6,000	6,000	6,000
326	UNIFORMS & SAFETY SHOES	1,596	4,500	4,500	4,000	4,000
327	AMMUNITION	806	1,000	1,000	1,000	1,000
331	GASOLINE EXPENSE	17,644	20,000	20,000	20,000	20,000
395	EUTHANASIA SUPPLIES	5,986	6,000	6,000	6,000	6,000
396	PET FOOD/ANIMAL SUPPLIES	3,428	5,500	5,500	5,500	5,500
429	DONATIONS-CAGES & SUPPLIES	0	0	2,532	0	0
430	DONATIONS-SHELTER VOLUNTEERS	0	0	0	0	0
511	INS-BLDGS & CONTENTS	286	300	300	300	300
512	INS-VEHICLES & EQUIP	1,232	1,200	1,200	1,200	1,200
513	INS-GENERAL LIABILITY	1,214	1,200	1,300	1,300	1,300
514	WORKER'S COMPENSATION	7,526	7,600	7,600	5,600	5,600
599	MISCELLANEOUS EXP	0	500	500	500	500
Subtotal:		116,423	115,200	140,832	136,300	136,300
Capital outlay and debt service:						
949	REPLACEMENT EQUIPMENT	159	1,100	1,100	1,100	1,100
Subtotal:		159	1,100	1,100	1,100	1,100
TOTAL	DEPARTMENT 44110	506,881	538,700	548,332	563,000	563,000

Wellness, Safety & Risk Management Program



Wellness, Safety & Risk Management Program

Wellness, Safety & Risk Manager
1 FTE

Wellness, Safety & Risk Management Program

Programs, Services and Functions:

Effective in October 2009, a full-time Wellness, Safety & Risk Manager was hired, eliminating the need for a part-time consultant. This is in an effort to assist departments, on a day-to-day basis, maintain a safe work environment for the employees of the City of Cleveland, and reduce costs by implementing safety and wellness programs.

Since the full-time position was created, a Safety Program Committee and a Wellness Committee have been formed and implemented. The City of Cleveland's Safety Program Committee meets the third Thursday of each month to discuss safety issues for City of Cleveland employees and remain in compliance with current OSHA/TOSHA regulations. Each committee member is also assigned and is responsible for performing monthly safety inspections of all properties of the City of Cleveland, which are submitted to the Safety Manager, who maintains safety records. The Wellness, Safety & Risk Manager serves as Chairman for the committee. There are eight other committee members, representing departments of the City.

The City of Cleveland's Wellness Committee also meets the third Thursday of each month. The committee's objective is to explore and review programs and incentives to reduce health insurance claims and promote wellness to fellow employees. The committee is made up of seven members, representing departments of the City. Each committee member is responsible for gathering and distributing information regarding wellness programs and incentives, to their respective departments. The Wellness, Safety & Risk Manager also serves as Chairman for this committee.

This budget provides minimal funding for the following programs as well as salary and benefits for the Wellness, Safety & Risk Manager: Hazardous Material Clean Up, a funding match for the TML Safety Grant, safety supplies and a Safety Incentive Program for employees. All other needs are the responsibility of the individual departments.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$2,877	\$69,600	\$69,800	0.3%
Operating Expenditures	\$8,704	\$25,925	\$25,900	-0.1%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$11,581	\$95,525	\$95,700	0.2%

Goals and Objectives:

- Maintain MSDS inventory
- Schedule and conduct required safety training for employees
- Ensure the City of Cleveland remains in compliance with OSHA and TOSHA mandates and regulations
- Maintain first aid kits for city vehicles
- Communicate with departments to ensure a safe workplace for employees and maintain statistical loss information, reducing injuries and lost time accidents by 5%
- Continue implementation of the safety incentive program to reduce lost time accidents by 5%
- Increase safety training opportunities for employees
- Continue monthly Safety Inspections of city-owned properties
- Communicate Wellness Awareness and provide programs to employees as well as provide Fitness Classes to reduce health insurance costs.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
% of Departments with Right-To-Know (RTK) Centers	100%	100%	100%	100%
# of Annual Inspections by TML	2	1	2	2
# of City Buildings/Playgrounds Inspected	30	32	32	32
# of OSHA/TOSHA Citations issued	0	0	0	0
Lost Time Accidents	8	7	5	4
Total number of recordable injuries	12	11	10	9
Wellness Programs offered to employees	0	2	2	2
Fitness Classes provided to employees	72	200	200	200
Safety training session provided to employees	N/A	3	4	5

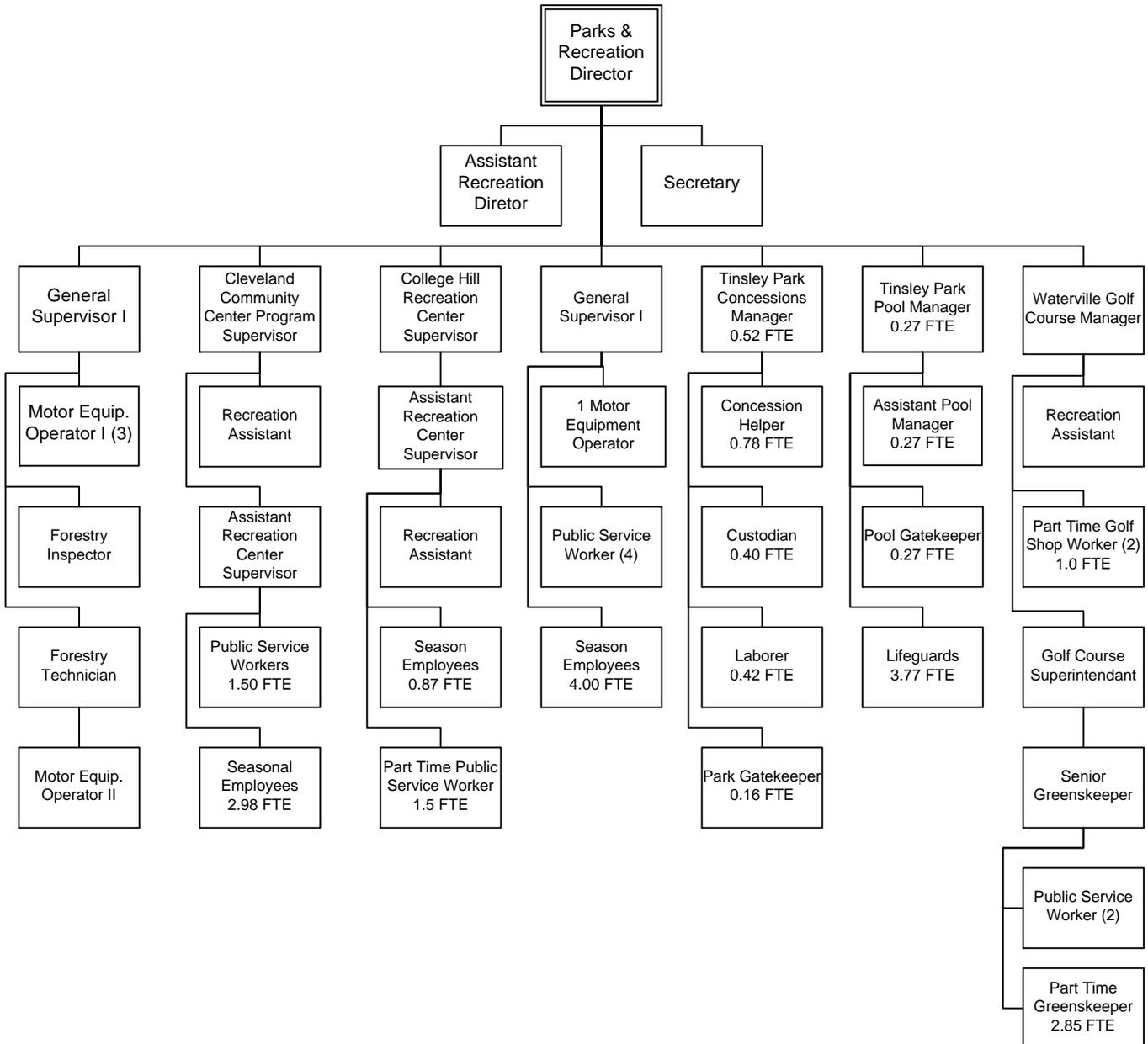
A safety incentive program was implemented as an effort to reduce the lost time injury statistics. The city reports work-related injuries to OSHA (Occupational Safety and Health Administration) as required on a calendar-year basis.

	FUND 110-GENERAL FUND	DEPT-44190- WELLNESS, SAFETY & RISK MANAGEMENT PROGRAM				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	2,718	48,700	48,700	48,700	48,700
132	LONGEVITY	0	1,100	1,100	1,200	1,200
133	SOLD VACATIONS	0	900	900	1,000	1,000
134	CHRISTMAS BONUS	0	100	100	100	100
135	COLLEGE PAY	0	300	300	300	300
140	DENTAL INSURANCE	0	300	300	300	300
141	SOCIAL SECURITY TAXES	159	3,900	3,900	3,900	3,900
142	HEALTH INSURANCE	0	4,800	4,800	4,800	4,800
143	RETIREMENT EXPENSES	0	8,500	8,500	8,500	8,500
144	LIFE/DISABILITY INSURANCE	0	600	600	600	600
197	CLOTHING ALLOWANCE	0	400	400	400	400
Subtotal:		2,877	69,600	69,600	69,800	69,800
Operating expenditures:						
239	HAZARD COMM-MSDS	0	500	500	500	500
245	TELEPHONE	0	800	800	800	800
251	MOTOR VEHICLE REGISTRATION	1,055	0	0	0	0
283	TRAINING AND TRAVEL	0	1,000	1,800	1,500	1,500
319	OFFICE SUPPLIES	0	0	25	300	300
324	WELLNESS CTR OPERATIONS	495	0	8,000	8,000	8,000
329	SAFETY SUPPLIES	1,027	1,000	500	500	500
331	GASOLINE EXPENSE	0	1,200	700	700	700
343	TML DRIVER SAFETY GRANT	0	0	5,000	5,000	5,000
344	TML SAFETY GRANT	3,989	2,000	2,000	2,000	2,000
512	INS-VEHICLES	0	300	300	300	300
513	INS-GENERAL LIABILITY	0	300	300	300	300
514	WORKER'S COMPENSATION	0	200	200	200	200
515	INS-PROFESSIONAL LIABILITY	0	300	300	300	300
599	MISCELLANEOUS EXPENSE	42	500	500	500	500
799	INCENTIVE PROGRAM	2,096	5,000	5,000	5,000	5,000
Subtotal:		8,704	13,100	25,925	25,900	25,900
TOTAL	DEPARTMENT 44190	11,581	82,700	95,525	95,700	95,700

Parks and Recreation



Parks & Recreation Department



Parks and Recreation Department

Programs, Services, and Functions:

The Parks and Recreation Department is funded through several separate budgets within the General Fund:

- Administration and Maintenance
- Landscape Maintenance
- College Hill Recreation Center
- Cleveland Community Center
- Tinsley Park
- Waterville Golf Course

The Fletcher Park Trust Fund and Greenway Fund are part of Parks and Recreation (See Tab X for additional information).

The Administration and Maintenance budget covers the costs of the director, assistant director, secretary, and the maintenance personnel.

The other four budgets in the General Fund cover the costs to run the Northeast Cleveland Recreation Center; Cleveland Community Center; Tinsley Park, the City's major ball field location; and Waterville Golf Course, an 18-hole public course.

The department provides a wide range of recreational activities either through direct programming, or working with other organizations indirectly. For example, the City financially supports the following programs:

- Greater Cleveland Soccer Association, which has helped the City develop the Mouse Creek Road soccer complex
- Bradley/Cleveland Youth Football Program
- Aqua Tigers for swimming
- Cleveland Youth Softball
- Mosby Pool Water Dogs
- Youth Baseball

The City runs several softball leagues and basketball leagues and is host to numerous softball tournaments. Swimming pools are provided at Tinsley Park, Cleveland Community Center, and Mosby Park (which is part of the College Hill Recreation Center). Two community centers provide recreational activities, crafts, and weight lifting. A walking trail and exercise stations are provided at Tinsley Park. Playground equipment is provided at neighborhood parks throughout the city, many shared with the City Schools.

Greenways and other open spaces enhance the quality of life in Cleveland by protecting the environment, giving citizens additional venues for recreation, and by providing economic development benefits. Restrooms were added to the Greenway this year through an ARRA project. Everyday uses include walking, jogging, rollerblading, bicycling, skateboarding, walking pets, observing nature, and more.

Waterville Golf Course is an 18-hole public course located on Dalton Pike, managed by the City of Cleveland. The rates for Waterville are among the lowest in the area, providing quality golfing at an affordable price. The Waterville Advisory Board recommends rates and course improvements, and monitors the operation of the course. Its recommendations are forwarded to the City Council for action. Senior and Junior fees and permits are discounted 20%. Members who are city residents receive a \$20 discount on their membership. The City offers a Wellness Program to all full-time employees, which includes 50% off membership rates to Waterville. Weather is a key factor in overall play. On April 1st, 2010 Waterville closed to begin improvements to the course as a result of the Dalton Pike Widening Project. As part of the improvements a new maintenance building has been built at the golf course. Waterville re-opened the front nine holes on July 1, 2010 with the rest of the course to follow in late summer/early fall of 2011.

The soccer complex hosts several regional tournaments and has both spring and fall programs. There are currently over 500 participants in the program. City staff, under the direction of the Golf Course manager, maintains the fields at the soccer complex. In FY 2009 the complex became home to the CHS Soccer Teams. Improvements completed were stadium fencing, team bleachers, new score boards and sidewalks.

Construction was completed on Phase VI at Fletcher Park, the city's passive park located on Tennessee Nursery Road. Phase VI consists of a trail around the perimeter of the back meadow that was completed using a State RTP grant. The Fletcher Park springhouse was also restored this year through donations from citizens.

Ongoing investment in Tinsley's ball fields is vital to the community's economic development and tourism efforts, as softball tournaments are the community's No. 1 tourist attraction. These tourists fill Cleveland's hotels, eat in its restaurants and patronize its shops, infuse sales tax and business tax revenues, provide local jobs and benefit small businesses while reducing the tax burden of local property taxpayers.

The city's parks are well utilized by City, Bradley County and surrounding area residents, causing equipment to wear and need repairs or replacement. Equipment is inspected regularly so repairs or replacements can be made on a priority basis. The City attempts to replace or upgrade some of its playground equipment annually, reducing the need to repair or replace all equipment simultaneously and spreading the capital investment out over a longer timeframe. Tinsley Park has received a grant for a new universal playground and restrooms through LPRF and Stuart School has received a commitment from the Cleveland Civitan Club for the replacement of the playground.

The City plans to continue with improvements at its College Hill Recreation Center and nearby Mosby Park this fiscal year. The City Council voted for Northeast Recreation's name to be changed back to College Hill in September of 2010. Improvements made in past years include a new multipurpose field, concession stand, rest rooms and walking track located at Shepard and East Streets. A new outdoor basketball court and playground equipment were installed at Mosby Park. The College Hill Recreation gym was painted and the floor was refurbished. Phase III was completed in FY2009 including a new pool deck area, renovations to the pool house area, a spray

park to replace the existing baby pool, new pool pump and concrete sidewalk from the parking area at Mosby. Resurfacing and striping the parking lot at College Hill Recreation Center and improvements to the bath house at Mosby pool are also planned. In October of 2010 work was completed on a new multipurpose building at College Hill which also includes a new office for the director of the center. It will be a place where a variety of activities can be held. CDBG funds have been used on most of these projects, leveraging federal funds with local capital budget funds to maximize the impact on recreational opportunities in low-and moderate-income areas of Cleveland.

In January of 2010 the Landscape Maintenance Division became a part of Parks and Recreation with Dan Hartman becoming Assistant Parks and Recreation Director. The Landscape Maintenance Division is responsible for the care and maintenance of any plant material located on city-owned properties. This includes the care and maintenance of all trees along street rights-of-ways, within city parks, Greenway, and on all city owned properties. The Division also handles the mowing and trimming of street rights-of-ways, medians, state-owned routes within the city’s boundaries, and Hardwick Field. Other activities include the planting of new trees along street rights-of-ways, within city parks, Greenway, and flower bed planting and care in street traffic islands, city buildings and Project Pride plantings.

P & R Administration and Maintenance:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$568,774	\$517,300	\$516,800	-0.1%
Operating Expenditures	\$149,783	\$143,100	\$141,200	-1.3%
Capital Outlay & Debt Service	\$1,458	\$1,000	\$1,000	0%
Total Expenditures	\$720,015	\$661,400	\$659,000	-0.4%

Landscape Maintenance:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$397,851	\$328,800	\$331,900	0.9%
Operating Expenditures	\$135,892	\$138,500	\$133,500	-3.6%
Capital Outlay & Debt Service	\$1,152	\$800	\$800	0%
Total Expenditures	\$534,895	\$468,100	\$466,200	-0.4%

College Hill Recreation Center:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$191,880	\$196,500	\$196,800	0.6%
Operating Expenditures	\$152,389	\$143,800	\$142,500	-0.9%
Capital Outlay & Debt Service	\$40,106	\$0	\$0	0%
Total Expenditures	\$384,375	\$340,300	\$339,300	-0.3%

Cleveland Community Center:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$222,382	\$246,525	\$244,800	-0.7%
Operating Expenditures	\$77,551	\$78,800	\$78,400	-0.5%
Capital Outlay & Debt Service	\$1,681	\$600	\$600	0%
Total Expenditures	\$301,614	\$325,925	\$323,800	-0.7%

Tinsley Park Operations:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$97,113	\$127,300	\$127,300	0%
Operating Expenditures	\$97,178	\$91,600	\$94,800	3.5%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$194,291	\$218,900	\$222,100	1.5%

Waterville Golf Course:

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$266,164	\$330,700	\$331,000	0.1%
Operating Expenditures	\$127,057	\$152,700	\$142,400	-6.8%
Capital Outlay & Debt Service	\$633	\$1,400	\$25,400	1714.2%
Total Expenditures	\$393,854	\$484,800	\$498,800	2.9%

Goals and Objectives:

- Increase basketball participants in the city by 20% in FY2012.
- Provide a quality golf course available to the public at affordable rates.
- Increase the number of rounds of golf played by 5%.

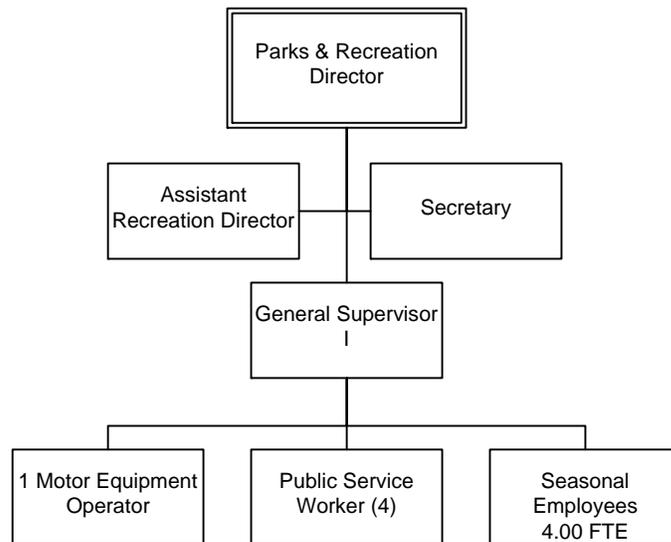
Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
# of Softball League Participants	1,814	1,820	1,575	1,600
# of Basketball League Participants	212	220	285	295
# of Soccer League Participants	920	950	960	975
# of Football League Participants	500	258	260	270
# of Aqua Tigers Participants	90	110	120	130
# Mosby Park Water Dogs	95	100	110	120
# of Sports for Youth Participants	500	600	650	650
# of Softball Tournaments	21	20	15	20
# Acres of Parks and Recreation Facilities	191	191	191	191
Number of Golf Rounds Played	22,000	9,600	12,000	15,000
Dollars per Golf Round	\$13.00	\$13.00	\$13.00	\$13.00
CSGC Memberships	166	84	150	175
Sr/Jr	56	37	50	60
Single	57	24	40	50
Family	53	23	40	50
# of Trees Trimmed Annually	2,083	1,563	1,650	1,750
# Trees Trimmed per employee	1,042	521	550	650
# of Trees Planted Annually	150	200	250	350

Parks and Recreation Administration and Maintenance



Parks & Recreation Administration & Maintenance Division

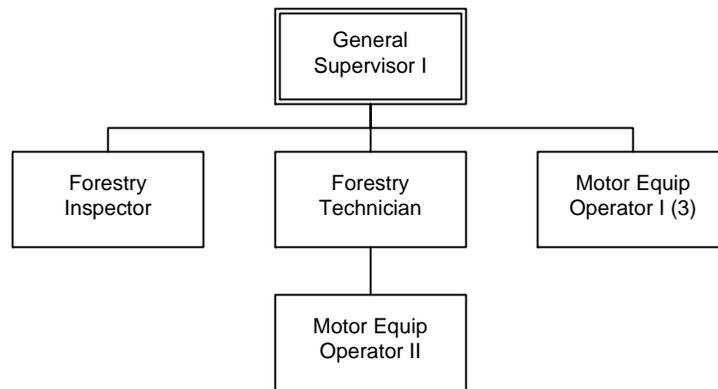


	FUND 110-GENERAL FUND		DEPT-44420- PARKS & RECREATION			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	368,677	341,000	322,000	320,000	320,000
112	OVERTIME	4,087	3,500	3,500	3,500	3,500
114	PART TIME WAGES	20,944	19,500	19,500	20,000	20,000
131	SERVICE AWARDS	250	200	200	300	300
132	LONGEVITY	4,925	2,900	3,200	3,500	3,500
133	SOLD VACATION	2,562	2,600	2,600	2,600	2,600
134	CHRISTMAS BONUS	1,083	900	1,000	1,000	1,000
135	COLLEGE PAY	125	200	200	200	200
140	DENTAL INSURANCE	4,093	4,100	4,100	4,500	4,500
141	SOCIAL SECURITY TAXES	29,550	28,700	28,000	28,000	28,000
142	HEALTH INSURANCE EXP	68,365	60,300	71,000	71,000	71,000
143	RETIREMENT EXP	57,817	58,700	56,000	56,000	56,000
144	LIFE/DISABILITY INSURANCE	3,356	4,100	4,100	4,300	4,300
147	UNEMPLOYMENT COMP	1,353	500	500	500	500
149	WORKER'S COMP CLAIMS	1,105	900	900	900	900
191	LAUNDRY & DRY CLEANING	461	500	500	500	500
192	PRE-EMPLOYMENT TESTING	21	0	0	0	0
Subtotal:		568,774	528,600	517,300	516,800	516,800
Operating expenditures:						
211	POSTAGE EXPENSE	80	200	200	200	200
233	MEMBERSHIP	135	300	500	500	500
237	ADVERTISING	118	0	300	300	300
241	UTILITIES	5,827	7,300	7,300	8,100	8,100
245	TELEPHONE EXPENSE	7,979	9,000	9,000	9,000	9,000
261	VEHICLE MAINTENANCE	43,926	30,000	35,000	30,000	30,000
262	EQUIPMENT REPAIRS	1,019	5,500	5,500	5,500	5,500
265	GROUNDS MAINT EXPENSE	18,638	23,000	23,000	23,000	23,000
267	FLETCHER BLDG EXP	15,443	9,000	9,000	9,000	9,000
282	CAR ALLOWANCE	3,850	4,200	4,200	4,200	4,200
283	TRAINING/TRAVEL EXP	4,279	3,000	3,000	3,000	3,000
319	OFFICE EXPENSE	1,839	1,300	1,300	1,300	1,300
326	UNIFORM EXPENSE	1,883	3,500	3,500	3,500	3,500
331	GASOLINE EXPENSE	24,494	20,000	20,000	22,000	22,000
511	INS-BLDGS & CONTENTS	2,785	2,800	3,400	3,400	3,400
512	INS-VEHICLES & EQUIP	2,800	3,000	3,400	3,000	3,000
513	INS-GENERAL LIABILITY	2,831	2,900	2,200	2,900	2,900
514	WORKER'S COMPENSATION	9,296	9,300	9,300	9,300	9,300
599	MISCELLANEOUS EXP	460	500	500	500	500
731	OLD TIMERS BANQUET	2,101	2,500	2,500	2,500	2,500
Subtotal:		149,783	137,300	143,100	141,200	141,200
Capital expenditures and debt service:						
949	SMALL EQUIPMENT	1,458	1,000	1,000	1,000	1,000
Subtotal:		1,458	1,000	1,000	1,000	1,000
TOTAL	DEPARTMENT 44420	720,015	666,900	661,400	659,000	659,000

Parks and Recreation Landscape Maintenance



Parks & Recreation Landscape Maintenance

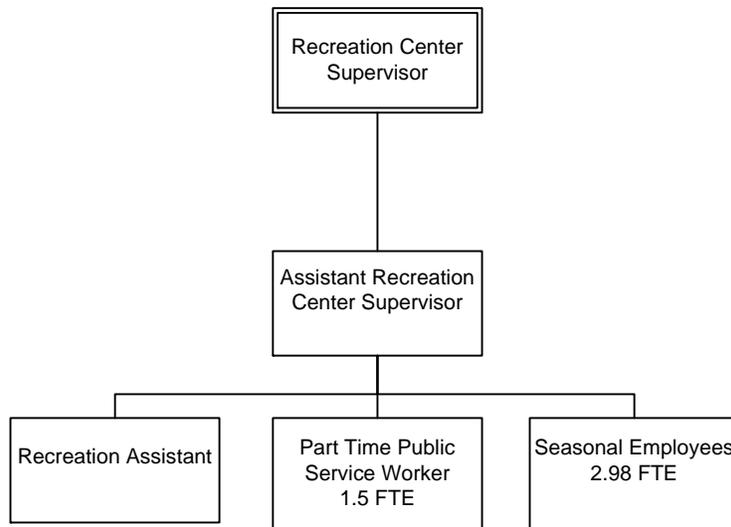


	FUND 110-GENERAL FUND	DEPT-43140 - PARKS & RECREATION				
				LANDSCAPE MAINTENANCE		
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	271,617	221,600	221,600	224,000	224,000
112	OVERTIME	390	900	900	900	900
131	SERVICE AWARDS	175	300	400	100	100
132	LONGEVITY	3,350	2,600	2,600	3,100	3,100
133	SOLD VACATIONS	1,795	1,900	1,900	1,900	1,900
134	CHRISTMAS BONUS	975	800	800	800	800
140	DENTAL INSURANCE	3,291	2,600	2,600	3,000	3,000
141	SOCIAL SECURITY EXPENSE	20,024	17,700	17,700	17,800	17,800
142	HEALTH INSURANCE EXP	46,356	37,100	37,100	37,100	37,100
143	RETIREMENT EXP	46,257	44,800	39,000	39,000	39,000
144	LIFE AND DISABILITY INSUR.	3,537	2,800	3,600	3,600	3,600
149	WORKER'S COMP CLAIMS	0	500	500	500	500
192	PRE-EMPLOYMENT TESTING	84	100	100	100	100
Subtotal:		397,851	333,700	328,800	331,900	331,900
Operating expenditures:						
211	POSTAGE EXPENSE	342	100	100	100	100
221	PRINTING EXPENSE	42	400	400	400	400
233	SUBSCRIPTIONS & MEMBERSHIPS	573	700	1,500	1,500	1,500
237	ADVERTISING	218	200	200	200	200
241	UTILITIES	787	1,200	1,200	1,400	1,400
245	TELEPHONE/PAGER EXPENSE	4,585	4,600	4,600	4,600	4,600
261	VEHICLE MAINTENANCE	64,129	60,000	60,000	60,000	60,000
262	EQUIPMENT REPAIRS	1,770	1,800	1,800	1,800	1,800
283	TRAINING & TRAVEL EXP	5,286	2,600	3,700	2,600	2,600
288	WORK SESSIONS/COMP MEALS	0	0	0	0	0
290	CONTRACTED SERVICES	180	300	1,400	300	300
319	OFFICE EXPENSE	819	800	800	800	800
321	BOTANICAL/OPERATING SUPP	5,800	9,000	9,000	9,000	9,000
326	UNIFORMS & SAFETY SHOES	2,762	3,500	3,500	3,500	3,500
327	TREE EXPENSE	7,095	7,500	7,500	7,500	7,500
329	DONATION-MEMORIAL TREE	4,454	0	4,800	0	0
330	EDUCATION SUPPLIES	1,668	0	0	0	0
331	GASOLINE EXPENSE	19,967	22,000	22,000	24,000	24,000
511	INSUR-BUILDING & CONTENTS	436	500	500	500	500
512	INSUR-VEHICLE/EQUIPMENT	3,998	4,000	4,100	4,000	4,000
513	INSUR-GENERAL LIABILITY	1,410	1,500	1,600	1,500	1,500
514	WORKER'S COMPENSATION	9,571	9,600	9,600	9,600	9,600
599	MISCELLANEOUS EXP	0	200	200	200	200
Subtotal:		135,892	130,500	138,500	133,500	133,500
Capital outlay and debt service:						
949	SMALL EQUIPMENT	1,152	800	800	800	800
Subtotal:		1,152	800	800	800	800
TOTAL	DEPARTMENT 43140	534,895	465,000	468,100	466,200	466,200

College Hill Recreation Center

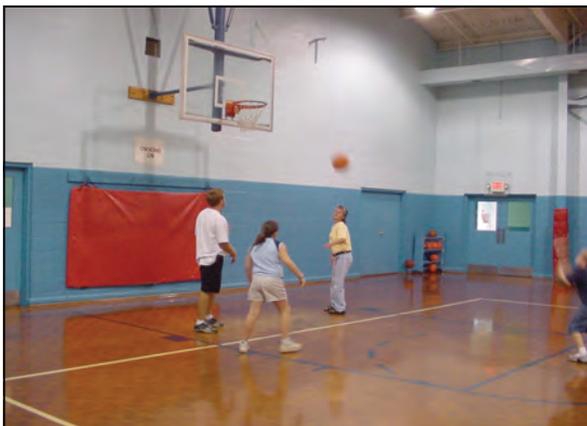


College Hill Recreation Center

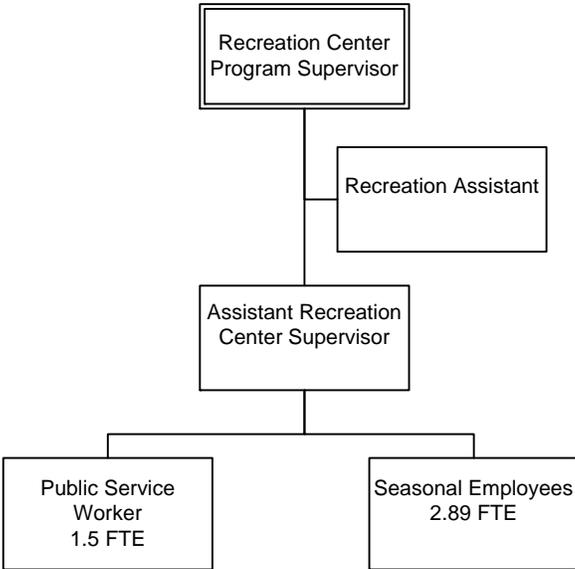


	FUND 110-GENERAL FUND		DEPT-44410- COLLEGE HILL RECREATION CENTER			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	98,602	107,400	99,000	99,000	99,000
112	OVERTIME WAGES	947	1,000	1,000	1,000	1,000
114	PART TIME WAGES	43,557	39,000	45,000	45,000	45,000
131	SERVICE AWARDS	434	300	300	0	0
132	LONGEVITY	1,650	2,000	2,000	2,200	2,200
133	SOLD VACATION	2,433	2,000	2,000	2,000	2,000
134	CHRISTMAS BONUS	433	500	400	400	400
140	DENTAL INSURANCE	727	900	900	900	900
141	SOCIAL SECURITY TAXES	11,192	11,700	11,700	11,700	11,700
142	HEALTH INSURANCE EXP	13,767	14,200	14,200	14,200	14,200
143	RETIREMENT EXP	17,050	21,400	18,000	18,000	18,000
144	LIFE/DISABILITY INSURANCE	1,088	1,300	1,300	1,300	1,300
147	UNEMPLOYMENT COMP	0	500	500	500	500
148	EDUCATION REIMBURSEMENT	0	400	0	400	400
149	WORKER'S COMP CLAIMS	0	200	200	200	200
Subtotal:		191,880	202,800	196,500	196,800	196,800
Operating expenditures:						
237	ADVERTISING	363	0	0	0	0
241	UTILITIES	44,216	47,300	47,300	52,100	52,100
245	TELEPHONE EXP	6,777	3,300	5,500	5,500	5,500
266	PARK & BLDG MAINTENANCE	26,059	18,700	19,300	20,700	20,700
289	TEAM COMPETITION/TRIPS	3,474	2,600	2,600	2,600	2,600
319	OFFICE EXPENSE	4,601	1,400	1,400	1,400	1,400
324	JANITORIAL SUPPLIES	3,207	1,500	3,000	3,000	3,000
325	CONCESSION SUPPLIES	8,461	3,500	3,500	3,500	3,500
331	GASOLINE EXPENSE	0	300	300	400	400
391	POOL EXPENSE	5,471	4,000	4,600	4,600	4,600
392	ATHLETIC SUPPLIES	4,842	3,000	3,000	3,000	3,000
399	PROGRAM DEVELOPMENT	6,417	6,000	6,000	6,000	6,000
511	INS-BLDGS & CONTENTS	3,187	3,200	4,300	4,300	4,300
513	INS-GENERAL LIABILITY	1,460	1,500	1,100	1,500	1,500
514	WORKER'S COMPENSATION	4,529	4,600	4,600	4,600	4,600
598	PROGRAM EXPENSE	12,614	5,000	13,000	5,000	5,000
599	MISCELLANEOUS	528	500	500	500	500
721	BCCSA ACTIVITIES	15,000	15,000	15,000	15,000	15,000
777	TEAM EXPENSE - DONATIONS	875	1,500	1,500	1,500	1,500
783	YOUTH ACHIEVEMENT PROG	308	5,300	5,300	5,300	5,300
784	SWIM TEAM	0	2,000	2,000	2,000	2,000
Subtotal:		152,389	130,200	143,800	142,500	142,500
Capital outlay and expenditures:						
929	ROOF REPLACEMENT	40,106	0	0	0	0
949	SMALL EQUIPMENT	0	0	0	0	0
Subtotal:		40,106	0	0	0	0
TOTAL	DEPARTMENT 44410	384,375	333,000	340,300	339,300	339,300

Cleveland Community Center



Cleveland Community Center

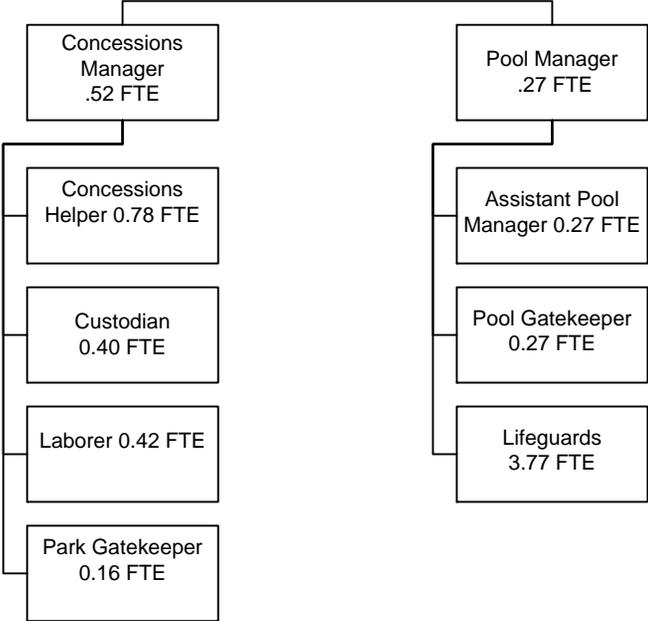


FUND 110-GENERAL FUND		DEPT-44430- CLEVELAND COMMUNITY CENTER				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	121,887	136,500	137,000	137,000	137,000
114	PART TIME	44,037	36,900	36,900	37,000	37,000
131	SERVICE AWARDS	250	0	0	300	300
132	LONGEVITY	3,900	4,100	4,100	4,200	4,200
133	SOLD VACATION	1,452	1,600	1,600	1,600	1,600
134	CHRISTMAS BONUS	325	500	500	500	500
140	DENTAL INSURANCE	818	1,300	1,300	1,500	1,500
141	SOCIAL SECURITY TAXES	12,970	13,900	13,900	13,900	13,900
142	HEALTH INSURANCE EXP	14,224	23,000	23,000	23,000	23,000
143	RETIREMENT EXPENSE	19,918	27,800	24,000	24,000	24,000
144	LIFE/DISABILITY INSURANCE	1,358	1,700	1,700	1,700	1,700
147	UNEMPLOYMENT COMPEN	1,243	0	2,425	0	0
149	WORKER'S COMP CLAIMS	0	100	100	100	100
Subtotal:		222,382	247,400	246,525	244,800	244,800
Operating expenditures:						
237	ADVERTISING	104	0	0	0	0
241	UTILITIES	32,126	32,000	32,000	35,200	35,200
245	TELEPHONE EXPENSE	4,122	4,000	4,000	4,000	4,000
261	VEHICLE EXPENSE	385	500	500	500	500
266	BUILDING MAINTENANCE	15,802	7,500	7,500	7,500	7,500
289	TEAM TRIPS/COMPETITIONS	347	1,500	1,500	1,500	1,500
319	OFFICE EXPENSE	303	700	700	700	700
324	JANITORIAL SUPPLIES	1,594	2,000	2,000	2,000	2,000
391	POOL EXPENSE	4,973	4,400	8,400	4,400	4,400
392	ATHLETIC SUPPLIES	260	1,500	1,500	1,500	1,500
399	CRAFT SUPPLIES	0	500	500	500	500
511	INS-BLDGS & CONTENTS	2,444	3,000	3,000	3,000	3,000
513	INS-GENERAL LIABILITY	1,421	1,500	1,100	1,500	1,500
514	WORKER'S COMPENSATION	3,684	3,700	3,700	3,700	3,700
546	CONT SVCS-FLOOR MAINT	4,061	2,000	2,000	2,000	2,000
547	CONT SVCS-SECURITY	1,164	1,200	1,200	1,200	1,200
599	MISCELLANEOUS EXP	379	500	500	500	500
784	SWIM TEAM	0	2,000	2,000	2,000	2,000
785	JUNIOR PRO BASKETBALL	3,074	3,000	3,000	3,000	3,000
786	CARDINAL ACCOUNT	1,308	3,700	3,700	3,700	3,700
Subtotal:		77,551	75,200	78,800	78,400	78,400
Capital outlay and debt service:						
941	SMALL EQUIPMENT	1,681	600	600	600	600
Subtotal:		1,681	600	600	600	600
TOTAL	DEPARTMENT 44430	301,614	323,200	325,925	323,800	323,800

Tinsley Park



Tinsley Park

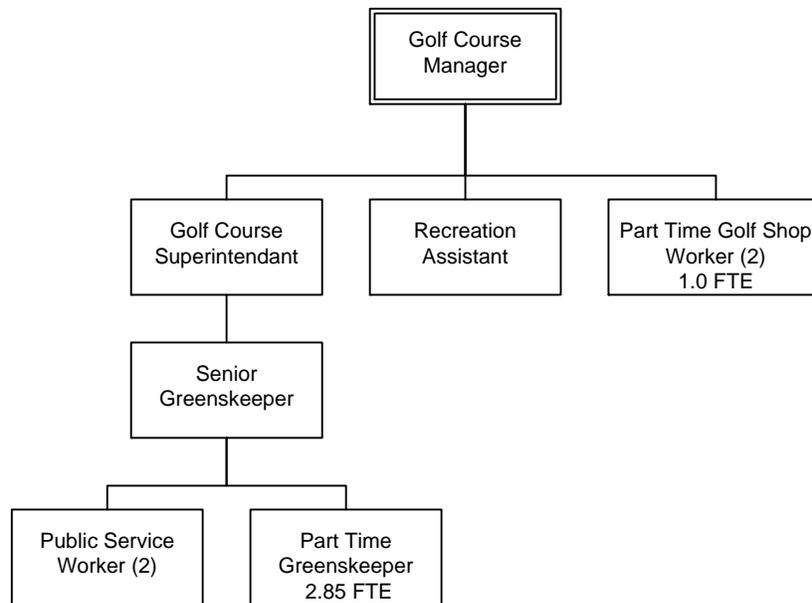


	FUND 110-GENERAL FUND		DEPT-44700- TINSLEY PARK				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED	
Personnel and fringe benefits:							
111	SALARIES	90,090	115,700	115,700	115,700	115,700	
112	OVERTIME	0	2,500	2,500	2,500	2,500	
141	SOCIAL SECURITY EXPENSE	6,801	9,100	9,100	9,100	9,100	
147	UNEMPLOYMENT COMP	222	0	0	0	0	
Subtotal:		97,113	127,300	127,300	127,300	127,300	127,300
Operating expenditures:							
237	ADVERTISING	68	0	0	0	0	
241	UTILITIES	31,021	30,000	30,000	33,000	33,000	
245	TELEPHONE EXPENSE	774	1,000	1,000	1,000	1,000	
265	MAINTENANCE/REPAIRS	12,817	10,000	10,000	10,000	10,000	
324	JANITORIAL SUPPLIES	2,686	3,000	3,000	3,000	3,000	
325	TOURNAMENT EXPENSE	4,531	6,000	6,000	6,000	6,000	
391	POOL EXPENSE	21,004	17,000	17,000	17,000	17,000	
393	CONCESSION SUPPLIES	16,463	16,500	16,500	16,500	16,500	
511	INS-BLDGS & CONTENTS	2,074	2,200	2,500	2,500	2,500	
513	INS-GENERAL LIABILITY	997	1,000	800	1,000	1,000	
514	WORKER'S COMPENSATION	4,743	4,800	4,800	4,800	4,800	
Subtotal:		97,178	91,500	91,600	94,800	94,800	94,800
TOTAL	DEPARTMENT 44700	194,291	218,800	218,900	222,100	222,100	

Waterville Golf Course



Waterville Golf Course



	FUND 110-GENERAL FUND	DEPT-44800-WATERVILLE GOLF COURSE				
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	146,317	176,100	176,100	176,100	176,100
112	OVERTIME	6,515	6,000	6,600	6,000	6,000
114	PART TIME	26,852	43,000	43,000	43,000	43,000
131	SERVICE AWARDS	0	0	0	200	200
132	LONGEVITY	1,450	2,000	2,000	2,200	2,200
133	SOLD VACATION	3,103	2,200	2,200	2,200	2,200
134	CHRISTMAS BONUS	541	800	800	600	600
140	DENTAL INSURANCE	1,764	2,100	2,100	2,800	2,800
141	SOCIAL SECURITY TAXES	13,433	17,800	17,800	17,800	17,800
142	HEALTH INSURANCE EXP	35,937	36,400	44,400	44,400	44,400
143	RETIREMENT EXPENSE	26,076	37,700	33,000	33,000	33,000
144	LIFE/DISABILITY INSURANCE	2,503	2,200	2,600	2,600	2,600
147	UNEMPLOYMENT EXPENSE	1,673	0	0	0	0
148	EDUCATION REIMBURSEMENT	0	0	0	0	0
149	WORKER'S COMP CLAIMS	0	100	100	100	100
Subtotal:		266,164	326,400	330,700	331,000	331,000
Operating expenditures:						
233	SUBSC. & MEMBERSHIPS	777	1,000	800	1,000	1,000
237	ADVERTISING/MKTG EXP	448	1,800	1,800	1,800	1,800
241	UTILITIES	22,320	21,600	21,600	23,800	23,800
245	TELEPHONE EXPENSE	11,306	10,200	10,200	10,200	10,200
261	VEHICLE MAINTENANCE	841	1,500	1,500	1,500	1,500
262	EQUIP PARTS & MAINT	14,795	19,000	19,000	19,000	19,000
265	SOD/SEED & COURSE MAINT	9,280	8,000	8,000	8,000	8,000
266	BUILDING MAINTENANCE	13,795	12,000	15,000	2,000	2,000
269	GOLF CART MAINTENANCE	6,909	5,000	5,200	0	0
283	TRAVEL/TRAINING EXPENSE	1,017	900	900	900	900
290	CREDIT CARD FEES	2,466	3,500	3,500	3,500	3,500
298	CONT SVCS-PEST CONTROL	192	300	300	300	300
319	OFFICE EXPENSE	678	700	500	700	700
324	JANITORIAL EXPENSE	2,178	1,500	1,000	1,500	1,500
326	UNIFORM EXPENSE	190	700	2,000	2,700	2,700
329	GOLF COURSE ACCESSORIES	617	1,000	500	1,000	1,000
334	TIRES, TUBES, ETC	15	900	900	900	900
339	IRRIGATION & DRAINAGE SUPP	558	2,000	2,000	2,000	2,000
392	PRO SHOP EXPENSE	5,589	9,000	9,000	9,000	9,000
393	CONCESSION SUPPLIES	11,826	17,000	17,000	17,000	17,000
394	SMALL SUPPLIES-PENCILS	717	500	500	500	500
453	FERTILIZER & CHEMICALS	6,697	20,000	16,700	20,000	20,000
511	INS-BLDGS & CONTENTS	1,442	1,400	1,900	1,900	1,900
513	INS-GENERAL LIABILITY	2,225	2,300	1,600	2,300	2,300
514	WORKER'S COMPENSATION	8,436	8,500	8,500	8,500	8,500
547	CONT SVCS-SECURITY	1,736	1,900	2,300	1,900	1,900
599	MISCELLANEOUS	7	500	500	500	500
Subtotal:		127,057	152,700	152,700	142,400	142,400
Capital outlay and debt service:						
949	EQUIPMENT	633	400	1,400	25,400	25,400
Subtotal:		633	400	1,400	25,400	25,400
	TOTAL EXPENDITURES	393,854	479,500	484,800	498,800	498,800

Grants and Other Agencies



Cleveland Urban Area Transit System (CUATS) bus which is operated by SETHRA.

Cleveland/Bradley
Chamber of Commerce



Grants and Other Agency Support

Programs, Services, and Functions:

This budget provides funding to various agencies outside the city organization. By state statute, all must be either a joint agency in which the city participates, or an IRS-qualified tax-exempt organization serving a community purpose.

The City of Cleveland and Bradley County operate under an agreement that sets out percentages each would be responsible for in funding 15 agencies. Keep America Beautiful (KAB), was to be funded from landfill tipping fees. Beginning in fiscal year 2000, the City no longer uses the Bradley County landfill; therefore, the City also funds KAB. These percentages are listed at the end of this section. All of those agencies are shown here, except for the Library, which operates as a Special Revenue Fund of the city.

The City of Cleveland, 911 Board, City of Charleston, and Bradley County entered into a four-year, automatically renewable agreement on January 13, 1995 to combine two separate emergency communication centers into one. The Emergency Communications Center was constructed and placed into operation in 1996. Those costs not covered by the Telephone 911 Service Charge are divided as follows:

City of Charleston	1.0%
City of Cleveland	49.5%
Bradley County	49.5%

The City's share of funding for the 911 center is appropriated in this budget.

The first line item shown in this budget is entitled "Jointly Funded". Since the City must by City Charter finish its budget much earlier than Bradley County, the percentage increase for the various jointly funded agencies has not yet been determined. This line item is a contingency to cover those costs once the decisions on funding are made.

The City will fund \$135,000 for the city's transit system to be operated by SETHRA which will include an additional route for East Cleveland. The deviated fixed-route system will provide an affordable transportation alternative. The City also provides funding for the operation of the Cleveland/Bradley Regional Museum.

Youth programs funded include Aqua Tigers swim team, Bradley/Cleveland Football, Youth Baseball, Cleveland Youth Softball, Soccer Association, and the Foothills Country Fair.

**FUNDING PERCENTAGES AND SOURCES
FOR JOINT AGENCIES**

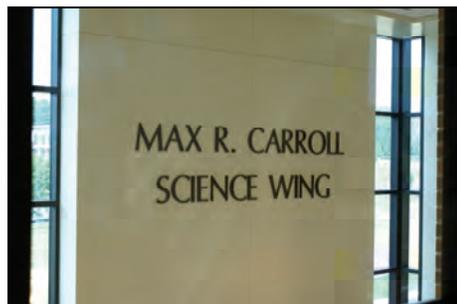
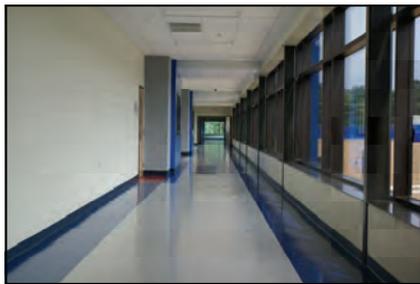
Name of Agency	Percentages & Sources of Funding
1. Chamber of Commerce: Tourism	County's share paid from 25% - Hotel/Motel Tax
2. Chamber of Commerce: EDC	County's share paid from 25% - Hotel/Motel Tax
3. Boys & Girls Club	\$ 2,000; \$5,000 County for Recreation Programs
4. Courts Community Service	50% City / 50% County
5. Keep America Beautiful Program	50% City / 50% County
6. MainStreet Program	50% City / 50% County
7. Fort Hill Cemetery	50% City / 50% County
8. Chamber of Commerce	50% City / 50% County
9. Public Library	50% City / 50% County
10. Emergency Management Agency	20% City / 80% County
11. Veteran's Affairs Office	20% City / 80% County
12. Community Services Agency	50% City / 50% County
13. Developmental Services Agency	20% City / 80% County
14. Tennessee Vocational Training Center	20% City / 80% County
15. 911 Board	49.5% City / 49.5% County / 1.0% Charleston

OBJECT CODE	FUND 110-GENERAL FUND	DEPT-51500- APPROPRIATIONS				
		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Operating expenditures:						
General government:						
700	JOINTLY FUNDED	0	17,500	9,000	20,000	20,000
701	CLEVE/BRAD REG MUSEUM	43,000	43,000	42,300	42,300	42,300
702	MTAS - BENCHMARKING	4,000	4,000	4,000	4,000	4,000
703	MUNICIPAL LEAGUE DUES	9,102	9,200	9,200	9,200	9,200
704	CHAMBER-ECONOMIC DEV	45,000	45,000	45,000	45,000	45,000
705	SE TN DISTRICT DUES	7,725	8,000	8,000	8,000	8,000
706	MAINSTREET CLEVELAND	25,000	25,000	25,000	25,000	25,000
707	CEMETERY ASSOCIATION (50%)	10,000	10,000	10,000	10,000	10,000
708	COURTS COMMUNITY SVC (50%)	56,230	53,900	53,900	53,900	53,900
709	KEEP AMERICA BEAUTIFUL(50%)	28,100	28,100	28,100	28,100	28,100
710	JUVENILE COURT MATCH	1,100	1,100	1,100	1,100	1,100
711	UNITED WAY SUPPORTERS	0	300	1,000	1,000	1,000
712	SETHRA-TRANSIT	135,000	135,000	141,000	135,000	135,000
	Total General government	364,257	380,100	377,600	382,600	382,600
Public safety:						
713	CLEVE/BRAD COMM CTR (49.5%)	450,000	450,000	450,000	450,000	450,000
714	EMERGENCY MGMT (20%)	87,297	87,300	87,300	87,300	87,300
715	KIWANIS FLAG PROGRAM	3,000	0	0	0	0
	Total Public Safety	540,297	537,300	537,300	537,300	537,300
Health & welfare:						
717	VETERANS AFFAIRS (20%)	22,094	22,100	22,100	22,100	22,100
718	BEHAVIORAL RESEARCH	2,000	2,000	2,000	2,000	2,000
720	DEVELOPMENTAL SVCS (20%)	6,200	6,200	6,200	6,200	6,200
721	COMMUNITY SVCS AGCY (50%)	94,306	94,400	94,400	94,400	94,400
	Total Health & welfare	124,600	124,700	124,700	124,700	124,700
Parks & recreation:						
726	AQUA TIGER EQUIPMENT	2,000	2,000	2,000	2,000	2,000
728	BRADLEY/CLEV FOOTBALL	3,500	3,500	3,500	3,500	3,500
729	YOUTH BASEBALL	5,000	5,000	5,000	5,000	5,000
730	CLEVELAND YOUTH SOFTBALL	4,000	4,000	4,000	4,000	4,000
731	SOCCER ASSOCIATION	5,000	5,000	5,000	5,000	5,000
733	LAND PAYMENT-SOCCER	5,000	5,000	5,000	5,000	5,000
734	FOOTHILLS COUNTRY FAIR	1,000	1,000	1,000	1,000	1,000
	Total Parks & recreation	25,500	25,500	25,500	25,500	25,500
Education:						
735	VOCATIONAL SCHOOL (20%)	17,900	17,900	17,900	17,900	17,900
	Total Education	17,900	17,900	17,900	17,900	17,900
TOTAL DEPARTMENT 51500		1,072,554	1,085,500	1,083,000	1,088,000	1,088,000

Transfers to Other Funds



The General Fund transfers funds to the Library Fund and School General Fund.



Transfers to other Funds

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This budget provides for the transfers made from the City's General Fund to other city funds.

The General Fund makes transfers to the School General Fund to support the school system beyond what it receives from the federal, state, and county governments. In FY2010, the latest state statistics available, Bradley County spent \$7,556 per student for total operating costs of the Bradley County School System (BCSS). The State average was \$8,773, which means the BCSS was \$1,217, or 14% below the State average. In FY2010 Cleveland City Schools spent \$8,873 per pupil on operating costs. This is \$1,317 more than the BCSS, or 17% and 1.1% more than the State average. The bulk of this additional operating money comes from the city. This supplement for FY2012 remains the same as FY2011 at \$5,120,000.

In addition to the transfer to the School General Fund, the City also makes a transfer to the Debt Service Fund not only for city debt, but debt for the School System as well. The transfer for schools for debt service for FY2012 is \$2,399,700. The transfer to the Debt Service Fund for the city is \$1,016,700 of which \$258,500 was formerly paid from the Fire Fund. When the fire contract was renegotiated in 2005, a separate fund was no longer necessary.

The City and County operate the Library as a joint agency, with each entity paying 50% of the cost. The City's share is shown as a transfer to the Library Fund. This year's transfer is \$571,800.

The Solid Waste functions (residential and commercial garbage and recycling, brush, bulk goods and leaf collection) are partially paid from user fees. Fees are charged for residential and commercial garbage and recycling. A transfer from the General Fund of \$1,226,000 subsidizes the remaining costs.

A transfer from the General Fund to the Capital Improvements Program Fund in the amount of \$332,000 funds the city's Capital Improvements Program. This transfer will pay for all costs associated with the city-wide computer system.

The General Fund will transfer \$199,000 to the city's Stormwater Fund. In addition, the city will transfer \$34,000 to the Cleveland Municipal Airport Authority Fund for routine maintenance, \$32,300 to the Metropolitan Planning Organization Fund to match Federal and State grants and \$10,000 to the Community Development Block Grant Fund. In total, the General Fund is budgeted to transfer \$11,200,000 in FY2012 to these other funds.

	FUND 110-GENERAL FUND		DEPT-51600- TRANSFERS TO OTHER FUNDS			
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
761	TRANSFER TO SCHOOL FUND	5,007,900	5,120,000	5,120,000	5,120,000	5,120,000
762	TRANSFER TO DEBT SVC	777,800	185,300	185,300	1,016,700	1,016,700
763	TRANSFER TO LIBRARY FUND	558,650	564,500	564,500	571,800	571,800
764	TRANS-SOLID WASTE MGMT	1,061,300	1,226,800	1,226,800	1,226,000	1,226,000
766	TRANSFER TO CIP	344,200	325,000	1,076,418	332,000	332,000
767	TRANSFER TO AIRPORT FUND	34,000	34,000	34,000	34,000	34,000
768	TRANS-DEBT SVC-FIRE	270,400	259,200	259,200	258,500	258,500
769	TRANS-DEBT SVC-SCHOOLS	2,166,400	2,239,900	2,239,900	2,399,700	2,399,700
771	TRANS TO SCHOOLS FOR DS	112,100	0	0	0	0
773	TRANSFER TO STORMWATER	194,500	199,000	199,000	199,000	199,000
776	TRANSFER TO MPO FUND	32,300	32,300	32,300	32,300	32,300
781	TRANSFER TO FLETCHER	0	0	0	0	0
782	TRANSFER TO CDBG	10,000	10,000	10,000	10,000	10,000
TOTAL	DEPARTMENT 51600	10,569,550	10,196,000	10,947,418	11,200,000	11,200,000
	GRAND TOTAL EXPENSES	36,434,654	36,765,000	37,472,300	37,729,900	37,729,900

Special Revenue Funds

Special Revenue Funds are funds used to account for the proceeds of specific revenue sources other than major capital projects that are legally restricted to expenditures for specified purposes.

Solid Waste Management Fund: This fund accounts for the revenues and expenditures of the City of Cleveland's Solid Waste Management program.

Storm Water Management Fund: This fund is used to meet the National Pollutant Discharge Elimination System requirements. It is funded by a transfer from the general fund.

State Street Aid Fund: This fund accounts for maintenance of all non-State streets in the City. Revenues are provided from a portion of the State of Tennessee gasoline and motor fuels tax.

Library Fund: This fund is used to account for revenues and expenditures of the City's public library.

Drug Enforcement Trust Fund: This fund is used to account for investigations of violations of controlled substance laws and is funded primarily by state statute from the receipt of fines and costs related to drug enforcement cases.

Department of Justice Asset Forfeiture Fund: This fund accounts for all monies received from participation in a Federal Equitable Sharing Agreement with the U.S. Department of Justice and the U.S. Department of the Treasury.

Red Light Camera Safety Fund: This fund accounts for revenues and expenditures associated with the installation of red light cameras at various intersections throughout the city.

Byrne Memorial and ARRA Justice Assistance Grants: These funds are used to account for grants received from the United States Department of Justice for the purchase of equipment for the Cleveland Police Department.

Cops Hiring Recovery Grant: This fund is used to account for a grant to hire four police officers for a period of three years.

Targeted Crime Reduction Grant: This fund is used to account for a grant from the office of Criminal Justice Programs. The grant provides funding for two police officers and programs with various partners to reduce crime in sectors 1 and 2 in the city.

Metropolitan Planning Organization Fund: This fund will serve Cleveland and the urbanized portions of Bradley County by transportation planning and the implementation of transportation projects.

Community Development Block Grant: This fund is used to account for a grant received by the United States Department of Housing and Urban Development.

School Fund: This fund is used to account for the revenues and expenditures of the City of Cleveland public school system.

School Food Services Fund: This fund is used to account for the revenues and expenditures of the City of Cleveland public school cafeterias.

Special Revenue Funds

Special Revenue Funds are funds used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

The City's Special Revenue Funds include the State Street Aid Fund, Solid Waste Management Fund, Drug Enforcement Trust Fund, School Fund, School Food Services, Library Fund, Storm Water Management Fund, Community Development Block Grant Fund, Metropolitan Planning Organization Fund, Byrne Memorial Grant Funds, the Department of Justice Asset Forfeiture Fund, Cops Hiring Recovery Grant, Justice Assistance Grant-ARRA, Targeted Crime Reduction Grant, and the Red Light Camera Safety Fund.

The revenues of the Special Revenue Funds can be segregated into five major categories:

- Intergovernmental Revenues
- Charges for Services
- Fines and Forfeitures
- Interest (Investment) Income
- Miscellaneous Revenues

Intergovernmental revenues provide 75% of the funding for Special Revenue Fund budgets. Education funding received from Bradley County, the State of Tennessee, and the Federal government accounts for over 90% of this revenue. Other sources include the state gas tax accounted for in the State Street Aid Fund, and state and federal grants for the Community Development Block Grant program, the Metropolitan Planning Organization program, and the Cops Hiring Recovery Grant.

Charges for services revenues provide 7.8% of the funding for Special Revenue Fund budgets. Cleveland Utilities bills the majority of this to commercial and residential garbage customers. Additionally, fees are charged for school tuition, community service activities, and meals; library fines and fees; and airport hangar leases.

Special Revenue Funds receive 15.6% of their funds as a transfer from other funds. The city's General Fund will transfer more than \$5 million to the School Fund for education, \$1,226,000 to the Solid Waste Management program, \$571,800 to support the Cleveland Public Library, \$199,000 for the Storm Water Management program, \$32,300 for the Metropolitan Planning program, and \$10,000 to the Community Development Block Grant Fund.

Expenditures in the Special Revenue Funds are budgeted within several major categories, most of which represent individual departments or divisions of the city. These categories are as follows:

- Community Development
- Public Safety
- Public Works
- Culture and Recreation
- Education
- Capital outlay

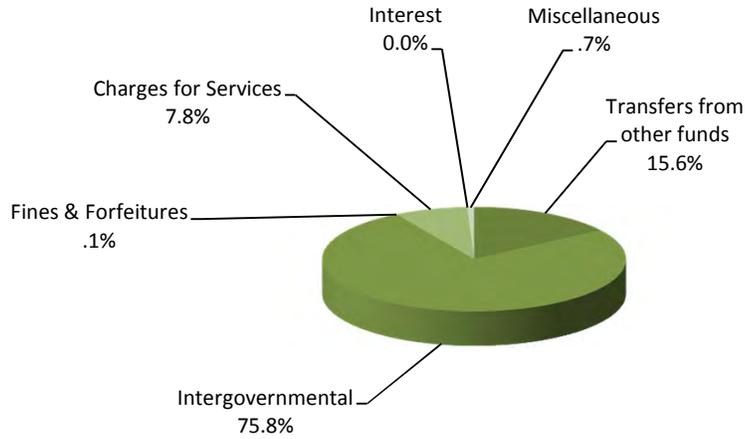
More than 83%, or \$38.4 million, of the \$45.9 million in total expenditures and other financing uses of the Special Revenue Funds is spent on education. More than 9% is spent on public works including projects and programs within the State Street Aid Fund, Solid Waste Management Fund and the Storm Water Management Fund.

Summary information for revenues and other sources and expenditures and other uses is included, followed by the individual funds. The format used in each fund is to present a detailed organization chart; a narrative on the programs, services, and functions provided; a summary of expenditures; the goals and objectives for the year; and the performance measures used.

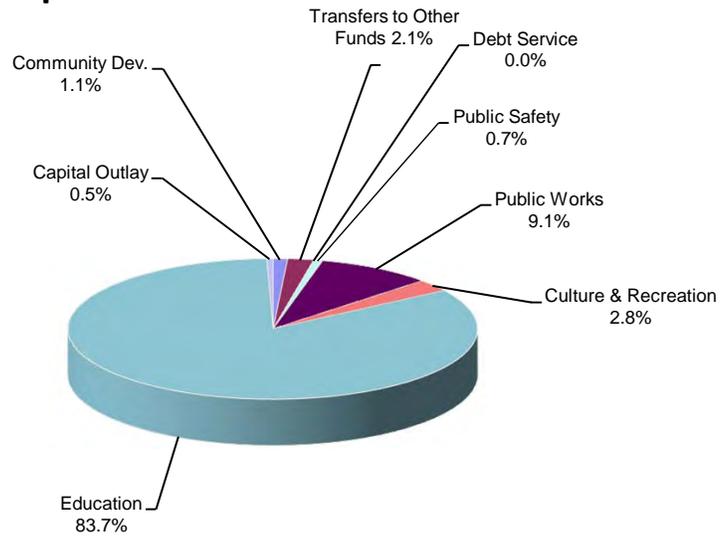
Special Revenue Funds Budget Summary

	FY2010 ACTUAL	FY2011 ORIGINAL BUDGET	FY2011 AMENDED BUDGETED	FY2012 PROPOSED	% OF TOTAL
<i>Revenues and Other</i>					
<i>Financial Resources</i>					
Intergovernmental Revenues	\$33,130,549	\$34,268,849	\$35,981,799	\$34,897,981	75.8%
Charges for Services	\$3,293,371	\$3,617,274	\$3,615,274	\$3,591,168	7.8%
Fines and Forfeitures	\$176,450	\$40,000	\$83,194	\$40,000	0.1%
Interest (Investment) Income	\$6,136	\$7,700	\$9,200	\$8,700	0.0%
Miscellaneous Revenues	\$896,574	\$447,389	\$564,211	\$331,727	0.7%
Transfer from Other Funds	\$7,088,432	\$7,308,800	\$7,148,800	\$7,173,300	15.6%
<i>Total Revenues and Other</i>	\$44,591,512	\$45,690,012	\$47,402,478	\$46,042,876	100.0%
<i>Expenditures and Other</i>					
<i>Financing Uses</i>					
Community Development	\$324,204	\$636,300	\$647,604	\$520,300	1.1%
Public Safety	\$359,468	\$323,700	\$639,242	\$326,700	0.7%
Public Works	\$4,100,172	\$4,224,800	\$4,283,000	\$4,184,700	9.1%
Health and Welfare	\$0	\$0	\$0	\$0	0.0%
Culture and Recreation	\$1,194,599	\$1,279,000	\$1,277,200	\$1,291,900	2.8%
Education	\$36,092,156	\$37,270,069	\$39,212,047	\$38,433,898	83.7%
Capital Outlay	\$505,100	\$924,600	\$468,045	\$231,500	0.5%
Debt Service Principal	\$71,428	\$71,429	\$0	\$0	0.0%
Debt Service Interest & Other	\$0	\$0	\$0	\$0	0.0%
Transfers to Other Funds	\$1,112,700	\$1,013,514	\$1,129,943	\$942,678	2.1%
<i>Total Expenditures and</i>	\$43,759,827	\$45,743,412	\$47,657,081	\$45,931,676	100.0%
<i>Other Financing Uses</i>	\$43,759,827	\$45,743,412	\$47,657,081	\$45,931,676	100.0%
<i>Increase (Decrease) in Fund Balance</i>	\$ 831,685	\$ (53,400)	\$ (254,603)	\$ 111,200	
<i>Fund Balance at Beginning of FY</i>	\$ 3,211,868	\$ 4,043,553	\$ 4,043,553	\$ 3,788,950	
<i>Fund Balance at End of FY</i>	\$ 4,043,553	\$ 3,990,153	\$ 3,788,950	\$ 3,900,150	

City of Cleveland Summary of Special Revenue Funds Revenue and Other Sources - FY 2012



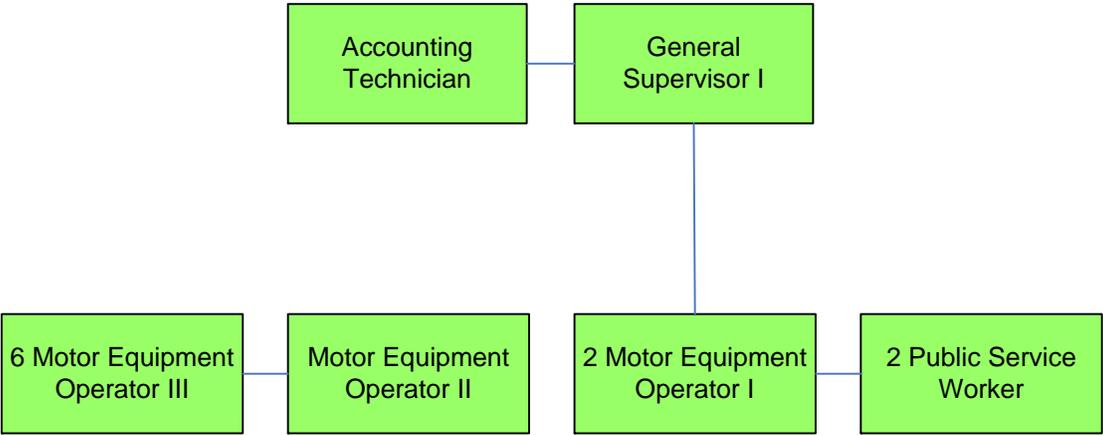
City of Cleveland Summary of Special Revenue Funds Expenditures and Other Uses - FY 2012



SOLID WASTE MANAGEMENT



Solid Waste Management



Solid Waste Management Fund

Programs, Services and Functions:

The Solid Waste Fund provides for residential and commercial garbage collection and disposal, commercial recycling, brush collection and disposal, bulk (white goods) collection and disposal, and leaf collection and disposal. The residential and commercial services are contracted with Waste Connections of Tennessee, Inc. Other collections and services are provided “in-house” by the Public Works Department.

Our current contract with Waste Connections is for a five year period with five year automatic renewals, unless either party gives a one hundred eighty (180) day notification requesting termination. This contract provides for annual contract increases or decreases based on 90% of the CPI (Consumer Price Index) and 10% CPI Gasoline (limited to a 5% overall increase).

Residential garbage collection and disposal is provided once per week with curbside pickup. The city pays Waste Connections \$6.64 per month per household serviced. Landfill costs of \$24.00 per ton are included in this price. The city charges residential customers a sanitation fee of \$6.95 monthly, which is included on their monthly utility bill. Therefore, the residential sanitation fee covers 100% of the actual cost plus the administration cost for billing, uncollectible debt, and reporting incurred by Cleveland Utilities who provides the billing services for the city.

Commercial garbage collection and disposal is provided up to six times per week, using front-end loaders and metal containers from 2 to 8 cubic yards. This service is contracted with Waste Connections. The contractor works with each business to determine the best container location and service requirements for the business, subject to the approval of the public works director. The city has been paying Waste Connections \$1.76 per cubic yard. Transfer station landfill costs of \$24.00 per ton are included in this price. The City charges commercial customers \$1.83 per cubic yard, which is included on their monthly utility billing. The commercial sanitation fee covers the actual cost, billing expenses, and uncollectible debts.

Commercial recycling service is provided up to six times per week, using metal recycling containers from 4 to 8 cubic yards. Businesses are encouraged to recycle and, in most cases, participation allows them to reduce their commercial garbage collection costs. This service is contracted with Waste Connections under the same contract as commercial garbage service. The city pays Waste Connections \$1.47 per cubic yard and commercial recycling customers pay \$1.60 per cubic yard, using monthly utility bills. Therefore, the commercial recycling fee covers the actual cost as well as billing expenses and uncollectible debts.

The City Council revamped the solid waste ordinance regarding containers and collection procedures for commercial housing facilities. The new ordinance went into effect October 10, 2005. The ordinance has various requirements regarding the number of

containers allowed, times for container placement and removal, types of waste to be collected, procedures for bagging garbage debris, etc. as well as the fee to be billed to each resident. The ordinance also gave the Public Works Director the authority to require the owner of the commercial housing facility to provide proper containers and/or receptacles to hold household garbage. Both sections of the ordinance included a section with a civil penalty for non-compliance.

During FY 2010, the City Council approved changes in the billing for commercial housing facilities and the downtown business district. These changes require the tenants, not the property owners, to pay for sanitation services. The city council and staff felt this change would make the billing structure more equitable for the citizens and streamline the billing process.

Route Collection System – Capital Investment: A knuckleboom loader, dump truck and trash trailer were added to the solid waste fleet a few years ago. This equipment allows older equipment to essentially be used as spares. Spares are used while like equipment is down for maintenance. This allows crews to remain on schedule while equipment is being repaired, reducing overtime costs. In the past, downtime increased overtime costs \$5,000 to \$10,000 annually. A new knuckleboom was purchased through the sales tax capital projects funds in FY2011.

Brush collection is provided at each residence twice each month, using city employees and four knuckleboom loaders and trailers. The collected brush is disposed of at either the City's old garage site or at the Mouse Creek Road site. The brush is chipped into mulch and used by the Parks and Recreation Department, Cleveland City Schools, and by residents. Last year excess mulch was sold to Bowater Paper Company for a revenue amount totaling over \$2,000.

Bulk (or white goods) collection is provided twice per month on the same residential route schedule as the brush collection, using city employees and one knuckleboom loader and trailer. The collected appliances are recycled if possible.

Leaf collection is provided from October through January (or longer if necessary) using leaf vacuum machines and knuckleboom trailers with canvas canopies attached. The twice monthly collections are on the same routes as the brush and bulk collections. Disposal is at the soccer field, located on Mouse Creek Road, or the former city dumping site located on Hill Street SE. The decaying leaves are turned periodically to ensure decomposition to be used as soil in landscaping or fill-in. This method saves the city \$24.00 per ton (Waste Connections-transfer station) or \$33.00 per ton (Bradley County Landfill) by not having to pay disposal fees. Some of this material is available to citizens upon request to the Public Works Department.

At times routes are delayed and require re-scheduling due to various circumstances, such as 1) inclement weather, 2) heavy periods of leaf collection, 3) excessive amounts of debris (requiring extra collection time), 4) older equipment which breaks down requiring immediate maintenance, and 5) holidays. When extra collection

time is required it will result in delay and rescheduling. Even though the routes are made up, it affects performance.

Brush, bulk, and leaf collection and disposal services are totally tax supported by a Transfer from the general fund.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$738,222	\$720,600	\$712,600	-1%
Operating Expenditures	\$2,555,234	\$2,638,100	\$2,637,500	0%
Capital Outlay & Debt Service	\$20,272	\$20,800	\$20,800	0%
Total Expenditures	\$3,313,728	\$3,379,500	\$3,370,900	-.3%

Goals and Objectives:

- Provide consistent, dependable cost-effective services to residential and commercial clients with minimal disruptions in scheduling.
- Handle all complaints on service within 2 working days.
- Reduce the amount of material that has to be landfilled for cost savings.
- Reduce residential (Route System) delayed collections by 5%.
- Sweep all streets in each route every quarter.
- Complete annual leaf collection with less delay time.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Solid Waste Contract:				
Number of residential customers	13,550	13,541	13,555	13,560
Number of commercial customers	985	984	981	983
Total residential tons collected	10,550	10,750	10,843	10,900
Total commercial tons collected	14,595	21,043	21,639	21,900
Number of residential tons collected per 1,000 population	284	289	292	293
Number of residential tons collected per 1,000 collection points – curbside	779	793	799	803
Cost per ton collected – curbside	\$109	\$100	\$98.50	\$99.91
Cost per collection point – curbside	\$82	\$79.77	\$78.79	\$80.31
Cost to the city per residential unit	\$6.83	\$6.57	\$6.64	\$6.71
Cost to the city per cubic yard for commercial collection	\$1.78	\$1.76	\$1.76	\$1.78
Cost to the city for commercial recycling	\$1.55	\$1.53	\$1.47	\$1.49
Number of lost days due to inclement weather	0	0	7	0
% of CPI increase and gas index on contracts	*N/A	-4.5%	+1.79%	+1%
**Brush Chipping:				
Number of days chipped	56	55	42	51
Number of hours chipped	312.25	284.85	256.56	284.56
Number of tons chipped (collected by PW)	4352.45	5507	5412	5090
Average # of hours of run time per day	5.58	5.18	6.11	5.58
Chipping Cost per hour	\$425/\$325	\$325	\$325	\$325
Public Works Route System:				
Number of days loose leaves were collected	65	65	43	57
Number of tons of loose leaves collected	2,097	2,340	2,400	2,279
Landfill tonnage from route collections	5,900	5,727	5,700	5,650
Number of delayed route collection days	10	32	20	15

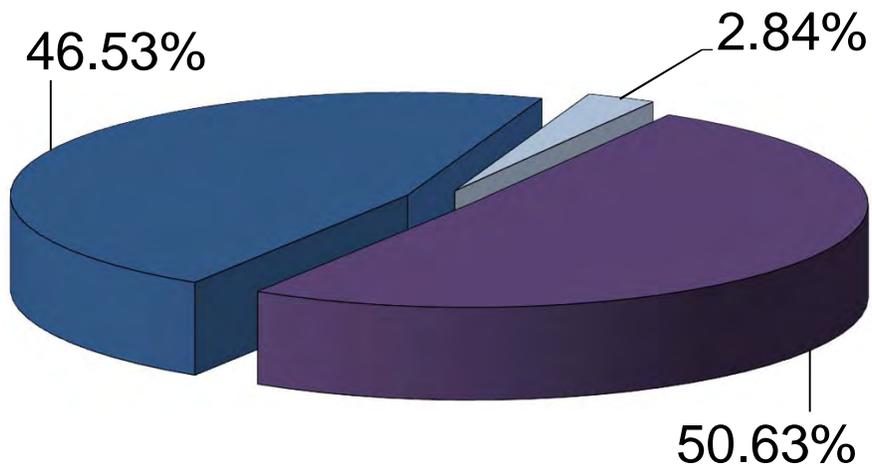
*N/A – per contract negotiation, no adjustment required.

**February, 2009, the Brush Chipping Program was contracted out at \$325 per hour.

Solid Waste Management

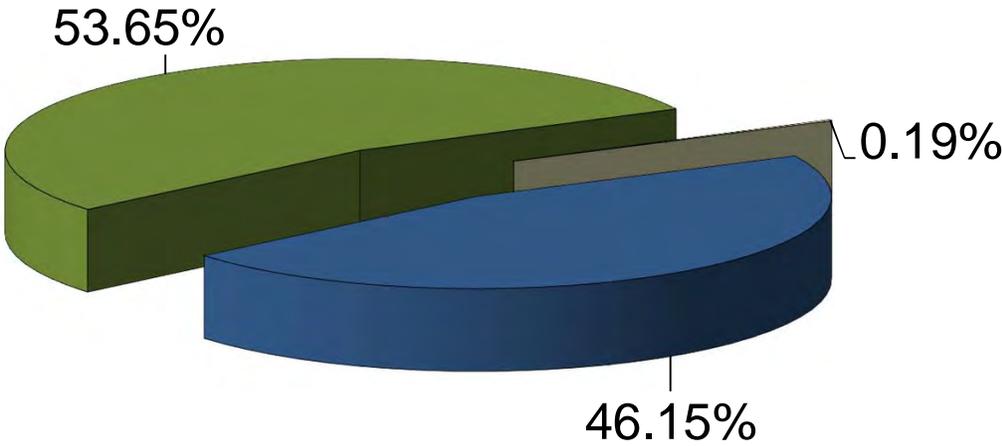
2011-12 Service Contract

\$2,142,000



■ Residential Standard	\$1,089,000
■ Commercial Standard	\$1,000,800
■ Commercial Recycle	\$61,000

Solid Waste Management 2011-12 Disposal Expenses \$270,000

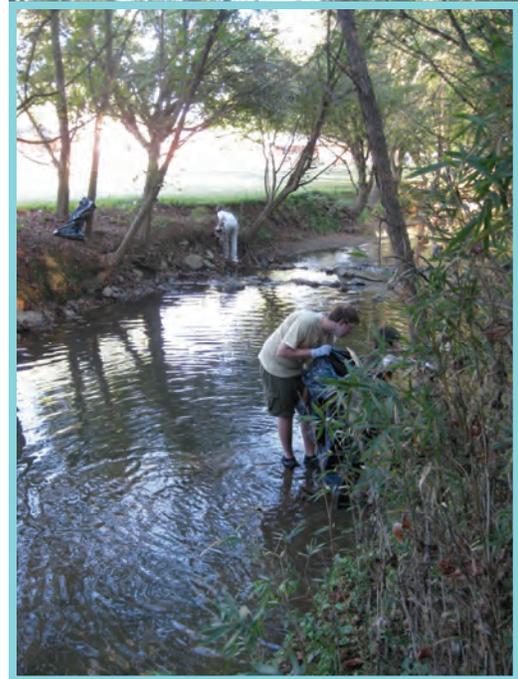


- Waste Connections Transfer Station-\$139,500
- Bradley County Landfill-\$500
- Contracted Brush Chipping-\$120,000

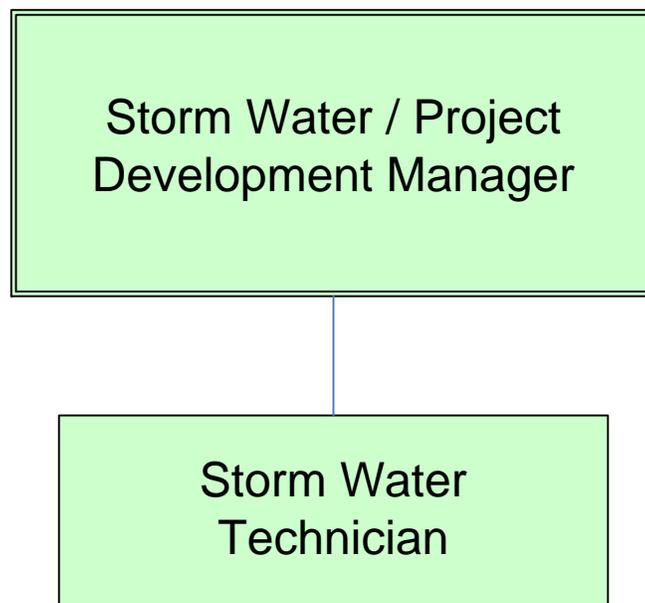
CITY OF CLEVELAND						
FUND #121 - SOLID WASTE MANAGEMENT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
34412	COMMERCIAL GARBAGE	989,743	900,000	980,000	964,000	964,000
34413	RESIDENTIAL GARBAGE	1,259,184	1,376,000	1,376,000	1,366,000	1,366,000
36110	INTEREST INCOME	466	500	500	1,000	1,000
36810	TRANS FROM GENERAL FUND	1,061,300	1,226,800	1,226,800	1,226,000	1,226,000
36985	TML-WORK COMP SALARY REIMB.	806	0	0	0	0
36990	MISCELLANEOUS REVENUES	20,130	0	0	0	0
	TOTAL REVENUES	3,331,629	3,503,300	3,583,300	3,557,000	3,557,000
EXPENDITURES						
DEPARTMENT #43210						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	495,173	471,700	474,000	469,500	469,500
112	OVERTIME	14,229	7,000	12,000	7,000	7,000
119	SUPPLEMENT PAY	603	700	700	700	700
131	SERVICE AWARDS	100	500	600	1,400	1,400
132	LONGEVITY	9,775	9,100	9,100	9,700	9,700
133	SOLD VACATION	1,906	3,200	3,200	3,800	3,800
134	CHRISTMAS BONUS	1,408	1,400	1,400	1,500	1,500
140	DENTAL INSURANCE	4,743	4,900	4,900	5,300	5,300
141	SOCIAL SECURITY TAXES	37,474	38,000	38,000	37,900	37,900
142	HEALTH INSURANCE EXPENSE	81,118	86,200	83,100	85,200	85,200
143	RETIREMENT EXPENSE	82,949	82,700	82,700	82,700	82,700
144	LIFE/DISABILITY INSURANCE EXPENSE	5,658	6,200	6,200	6,200	6,200
149	WORKERS COMP CLAIMS	1,811	500	3,500	500	500
197	SAFETY SHOES	1,275	1,200	1,200	1,200	1,200
	Subtotal:	738,222	713,300	720,600	712,600	712,600
Operating expenditures:						
211	POSTAGE EXPENSE	113	300	300	300	300
221	PRINTING EXPENSE	0	200	200	200	200
233	SUBSC. & MEMBERSHIPS	69	100	100	100	100
237	ADVERTISING EXPENSE	0	100	100	100	100
283	TRAINING/TRAVEL EXPENSE	0	800	800	800	800
295	LANDFILL EXPENSE	227,519	276,000	276,000	270,000	270,000
296	RESIDENTIAL ACCOUNT	1,080,166	1,086,000	1,086,000	1,089,000	1,089,000
298	COMMERCIAL ACCOUNT	983,620	993,000	993,000	1,000,800	1,000,800
299	COMMERCIAL RECYCLING	61,996	63,000	63,000	61,000	61,000
319	OFFICE EXPENSE	1,331	1,800	1,800	1,800	1,800
321	OPERATING SUPPLIES	1,547	1,500	1,500	1,500	1,500
322	SAFETY SUPPLIES	793	800	800	800	800
324	JANITORIAL SUPPLIES	789	600	600	600	600
326	UNIFORM EXPENSE	3,238	4,000	4,000	4,000	4,000
331	GASOLINE EXPENSE	45,861	52,000	52,000	57,200	57,200
332	REPAIRS & PARTS	109,367	110,000	110,000	110,000	110,000
511	INS-PROPERTY	772	800	800	1,000	1,000
512	INS-VEHICLE & EQUIPMENT	1,841	1,900	1,900	3,500	3,500

EXPENDITURES						
DEPARTMENT #43210						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
513	INS-GENERAL LIABILITY	7,804	7,800	7,800	7,800	7,800
514	WORKERS COMPENSATION	25,467	27,900	27,900	25,500	25,500
543	CPTR MAINT & SUPPORT	2,615	1,000	9,000	1,000	1,000
599	MISCELLANEOUS	326	500	500	500	500
Subtotal:		2,555,234	2,630,100	2,638,100	2,637,500	2,637,500
Capital outlay and debt service:						
791	BRADLEY COUNTY-RECYCLING	20,000	20,000	20,000	20,000	20,000
941	OFFICE FURNITURE/EQUIP	272	800	800	800	800
Subtotal:		20,272	20,800	20,800	20,800	20,800
	TOTAL EXPENDITURES	3,313,728	3,364,200	3,379,500	3,370,900	3,370,900

STORM WATER MANAGEMENT



Storm Water Management



Storm Water Management Fund

Programs, Services, and Functions:

The Storm Water Management Fund was established in FY2003 to implement mandated storm water quality functions of the National Pollutant Discharge Elimination System (NPDES) MS4 Phase II. The primary function of the fund is to satisfy components of the MS4 Phase II Storm Water Clean Water Act, with a secondary function of addressing water quantity problems, such as flooding and minor drainage improvements.

The city's MS4 Phase II program has completed and implemented program requirements for the first six years of NPDES. We will continue to operate under the first permit phase until the second phase is approved by the state. As prescribed by Cleveland's NPDES permit, the program is a phase-in approach and was fully operational by February 2008. In keeping with the intent of the NPDES permit, Cleveland's storm water program will be a continuum of improving local water quality to preserve the designated uses of public waters, drinking water, and recreation through the six program areas established by EPA:

1. Public education and outreach
2. Public participation and involvement
3. Illicit discharge detection and elimination
4. Construction site run-off program
5. Post-construction run-off control
6. Pollution prevention and good housekeeping

The primary emphasis of the storm water mandate for FY 2012 will be implementing the new MS4 Phase II permit. Total Daily Maximum Loads (TMDL) testing will continue with 50% of the testing locations completed. Minor capital improvement drainage projects to address storm water quantity will continue to be a priority of the engineering division with in-house engineering and construction material purchases from the storm water fund.

In accordance with the NPDES MS4 goals, storm water quality public education will continue through partnership efforts; such as Project Wet for education in the public school system and co-sponsored erosion training courses.

Each year, the Public Works Department constructs minor drainage improvement projects utilizing storm water funding. The intent is to abate or reduce existing drainage problems or flooding where feasible, utilizing a cost-benefit approach.

Storm water management will again provide \$20,000 for debt service for the next two years for the new hydraulic excavator (track hoe) and trailer that were purchased for the Public Works Department fleet in 2005. Adding this equipment enables more drainage and roadway projects to be completed "in-house", thus eliminating the need for rental equipment.

In FY2007, the city began purchasing watershed modeling software for storm water design facilities. This software module, when incorporated into the GIS, will provide the capability in determining storm water needs and remedies of flooding issues. In the past, this type of work was handled through consulting services.

The city also purchased modeling and design data for 2-foot contours for storm water functions. It has been necessary to obtain these contours for one major project currently under construction, which is the Waterville Golf Course redesign for the Dalton Pike project. City staff will also use this data for watershed modeling necessary to do studies on flooding in areas within the city. The existing data in the GIS will not provide this information.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$139,605	\$145,400	\$149,700	3%
Operating Expenditures	\$21,655	\$38,300	\$40,000	4%
Capital Outlay & Debt Service	\$44,555	\$126,900	\$24,900	-80%
Total Expenditures	\$205,815	\$310,600	\$214,600	-31%

Goals and Objectives

- Achieve permit compliance required by the city’s NPDES permit in each year of the five year permit.
- Continue partnership with Project Wet, Hamilton County, and Bradley County Storm Water as part of our program’s Public Education and Outreach.
- Construct the minor drainage projects identified by the Public Works Department as needed to solve the highest priority drainage problems.
- Continue TMDL testing on all impaired streams inside the city.
- Collect and place storm water infrastructure into the Geographical Information System (GIS) for watershed analysis.
- Continue to provide water quality education training for Public Works and Parks and Recreation staff in FY12.
- Through partnerships, hold fall and spring stream clean-ups along the Greenway path and South Mouse Creek.
- Apply for the pilot program to become a Qualified Local Program with TDEC. This will provide for one review of plans and developers not having to submit to TDEC and the City. Plans review and approval will take less time for developers.

Performance Measures

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Number of drainage projects completed	4	0	1	2
Public education and outreach	3	4	4	4
Contractor and developer training classes	1	2	2	2
Percentage of storm sewer outfall inventory	100%	N/A	10%	25%
Project wet programs	2	2	1	1
Stream Clean-ups	2	2	2	2
Water Quality Education for Public Works and Parks & Recreation staff	1	1	1	2

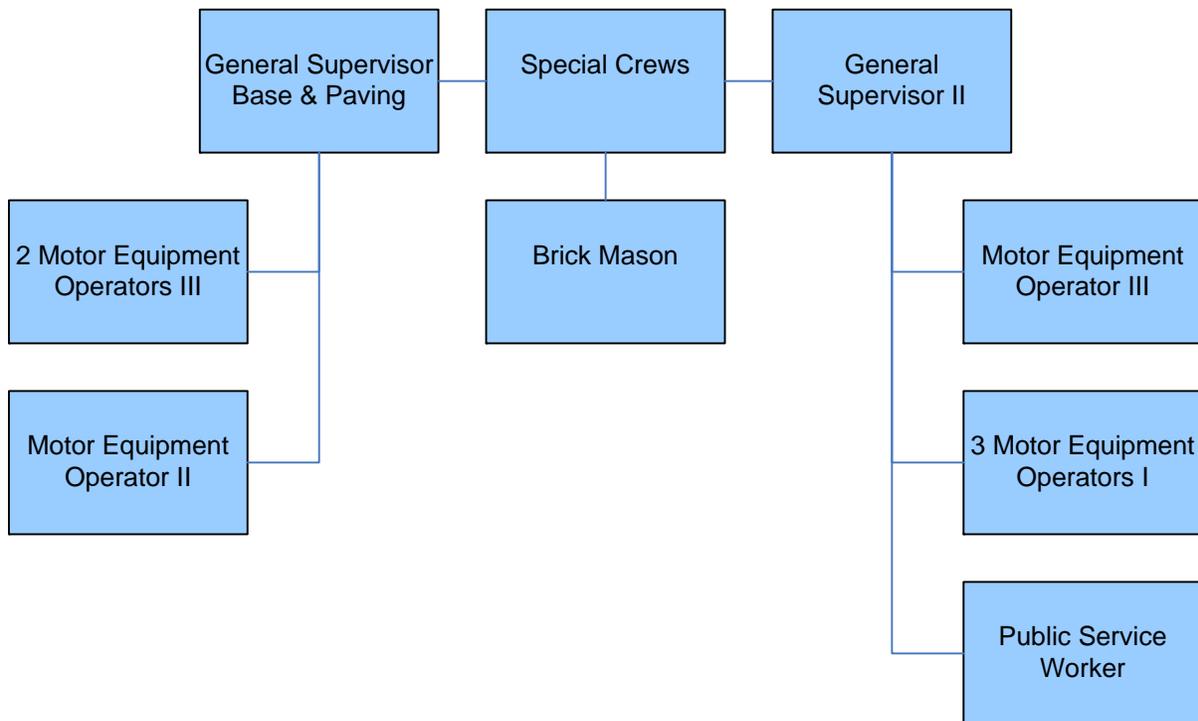
CITY OF CLEVELAND						
FUND #123 - STORM WATER MANAGEMENT FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
34351	TRANS FROM GENERAL FUND	194,500	199,000	199,000	199,000	199,000
35110	STORM WATER FINES	0	0	42,900	0	0
36110	INTEREST INCOME	91	200	200	200	200
36200	STORM WATER BANKING FEES	0	0	43,500	0	0
36990	MISCELLANEOUS	15,000	0	0	0	0
	TOTAL REVENUES	209,591	199,200	285,600	199,200	199,200
EXPENDITURES						
DEPARTMENT #43150						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	96,506	98,400	98,400	98,400	98,400
112	OVERTIME	0	100	300	300	300
114	PART-TIME EMPLOYEES	1,168	0	0	0	0
131	SERVICE AWARDS	100	0	0	0	0
132	LONGEVITY	0	500	500	600	600
133	SOLD VACATION	743	1,900	1,900	1,900	1,900
134	CHRISTMAS BONUS	217	300	300	300	300
140	DENTAL INSURANCE	879	1,000	1,000	1,100	1,100
141	SOCIAL SECURITY TAXES	6,534	7,900	7,600	7,900	7,900
142	HEALTH INSURANCE EXPENSE	16,103	17,500	15,400	19,200	19,200
143	RETIREMENT EXPENSE	16,138	17,200	17,200	17,200	17,200
144	LIFE/DISABILITY INSURANCE EXPENSE	1,217	1,300	1,300	1,300	1,300
148	EDUCATION REIMBURSEMENT	0	1,500	1,500	1,500	1,500
Subtotal:		139,605	147,600	145,400	149,700	149,700
Operating expenditures:						
211	POSTAGE EXPENSE	18	200	200	200	200
221	PRINTING EXPENSE	0	200	200	200	200
223	PUBLIC EDUCATION PROGRAMS	2,636	4,500	4,500	6,800	6,800
233	SUBSC. & MEMBERSHIPS	198	700	1,200	1,200	1,200
237	ADVERTISING	0	200	200	200	200
245	TELEPHONE EXPENSE	3,140	2,900	3,300	3,000	3,000
283	TRAVEL & TRAINING	1,394	4,500	4,500	5,500	5,500
288	WORK SESSION/COMP MEALS	2,107	1,700	1,700	2,500	2,500
293	NPDES PERMIT FEE	3,460	3,500	3,500	3,500	3,500
319	OFFICE EXPENSE	606	1,300	1,300	1,000	1,000
321	OPERATING & FIELD SUPPLIES	815	3,200	2,700	1,500	1,500
322	BENTHIC SAMPLING/LABWORK	0	7,000	7,000	7,000	7,000
326	CLOTHING, UNIFORMS, SHOES	783	1,000	1,000	1,000	1,000
331	GASOLINE EXPENSE	2,383	3,200	3,200	2,700	2,700
332	REPAIRS & PARTS	3,156	2,000	2,000	2,000	2,000
512	INSUR-VEHICLES & EQUIPMENT	407	500	500	400	400
513	INSUR-GENERAL LIABILITY	446	500	500	500	500
514	WORKERS COMPENSATION	0	300	300	300	300
599	MISCELLANEOUS	106	500	500	500	500
Subtotal:		21,655	37,900	38,300	40,000	40,000

EXPENDITURES						
DEPARTMENT #43150						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
761	TRANSFER TO DEBT SERVICE	17,400	18,900	18,900	18,300	18,300
934	MAINT/MINOR DRAINAGE PROJ.	22,964	45,000	45,000	0	0
935	TRASH RECEPTACLES	2,724	5,000	5,000	5,000	5,000
939	COMPUTER SOFTWARE & MAINT.	409	300	300	600	600
941	OFFICE FURNITURE/EQUIP	1,058	13,000	14,800	1,000	1,000
950	TRAIL DEVELOPMENT	0	0	42,900	0	0
Subtotal:		44,555	82,200	126,900	24,900	24,900
	TOTAL EXPENDITURES	205,815	267,700	310,600	214,600	214,600

STATE STREET AID



State Street Aid



State Street Aid Fund

Programs, Services, and Functions:

The State Street Aid Fund operates with funding from the state fuel tax. The Tennessee Legislature has authorized the state to distribute a portion of proceeds from the state gasoline and motor vehicle fuel tax to incorporated cities and towns to use for maintaining and improving municipal streets. The state gasoline tax is 20 cents per gallon plus a 1.4 cent per gallon special petroleum fee. These tax amounts include a special privilege tax of 1 cent per gallon on petroleum products and a 0.4 cent petroleum tax for the underground storage tank fund. Each penny is worth approximately \$30.8 million in state revenue and yields approximately \$659.4 million per year. The proceeds from these taxes are paid monthly to local governments on a per capita basis.

How the tax is divided:

- Approximately 7.9 cents, or \$243.8 million, goes to cities and counties
- Approximately .7 cent, or \$22.5 million, goes to the State General Fund
- Approximately 12.8 cents, or \$393.0 million, goes to TDOT

The law requires that gasoline and motor vehicle fuel tax monies be used for street-related purposes and requires that these funds be accounted for separately in a special revenue fund, commonly called the State Street Aid Fund or Gas Tax Fund. Local officials have almost 50 years of experience in using these funds for street improvements and they have seen changes in the activities that can be funded by these taxes.

Valid uses of this fund include construction and street repair and maintenance, equipment, personnel, and certain administration expenses. It can also be used for contracted maintenance. This fund is used by the public works department to supplement city revenues earmarked for street maintenance projects. In this fiscal year, there was not a request for major drainage construction or sidewalk maintenance due to a lack of revenue growth. When funding becomes available, these type projects will again be included in the requested budget allocation.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$598,029	\$611,800	\$617,500	.9%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$390,400	\$405,000	\$372,300	-8%
Total Expenditures	\$988,429	\$1,016,800	\$989,800	-2.7%

Goals and Objectives:

The goals and objectives of the Public Works Department are listed in the General Fund. In the past, as funds were available, this budget has provided funding for major drainage, street paving and materials, and sidewalk projects. Therefore, the goal for this fund is to complete as many projects as possible which can include (but is not limited to) minor/major drainage projects, minor/major paving projects, and/or sidewalk construction.

Performance Measures:

This fund pays a portion of the debt service for street equipment and roadway projects as well as providing current funding for equipment and infrastructure improvements. Therefore, this fund has an impact on the performance measures of the Public Works Department, which are located in the General Fund. This fund also provides salaries and benefits for 17% of the Public Works Department employees.

The City Council approved several capital projects, which State Street Aid funding is paying for future debt service. Some of the projects are still in progress.

Pending Projects:

- Dalton Pike @ 20th Street Intersection Project (design and right-of-way acquisition)
- Dalton Pike Drainage Project-Phase II

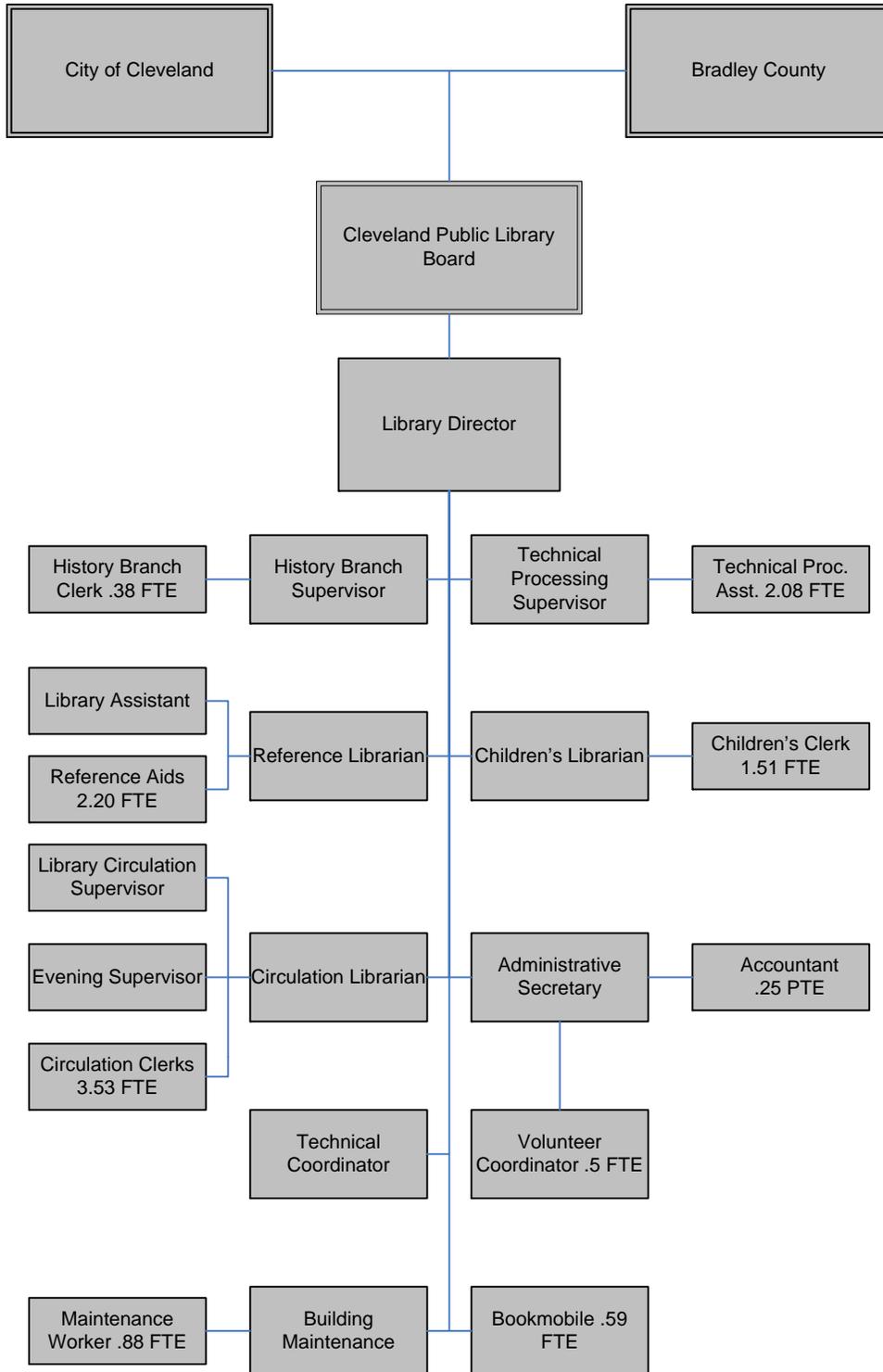
The State Street Aid Fund is an essential part of funding for the Public Works Department. It enables major projects to become a reality and provides much needed equipment to continue roadway maintenance and provision for new construction using in-house resources.

CITY OF CLEVELAND						
FUND #124 - STATE STREET AID FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	20102011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33551	STATE GAS TAX	993,867	1,000,000	1,000,000	1,000,000	1,000,000
36110	INTEREST INCOME	117	0	0	0	0
36830	TRANSFER FROM CAPITAL IMPROVM	103,700	0	0	0	0
36984	TML-WORK COMP SALARY REIMB.	2,610	0	0	0	0
36985	EMPLOYEE JURY DUTY REIMBURSE	137	0	0	0	0
	TOTAL REVENUES	1,100,431	1,000,000	1,000,000	1,000,000	1,000,000
PENDITURES						
DEPARTMENT #43190						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	20102011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	382,184	387,200	387,200	387,200	387,200
112	OVERTIME	5,601	6,000	6,000	6,000	6,000
131	SERVICE AWARDS	425	0	100	600	600
132	LONGEVITY	6,500	7,100	7,100	7,800	7,800
133	SOLD VACATION	2,038	3,200	3,200	3,200	3,200
134	CHRISTMAS BONUS	1,191	1,200	1,200	1,200	1,200
140	DENTAL INSURANCE	4,605	4,600	4,700	5,200	5,200
141	SOCIAL SECURITY TAXES	28,435	31,100	30,900	31,200	31,200
142	HEALTH INSURANCE EXPENSE	72,920	72,000	70,600	79,200	79,200
143	RETIREMENT EXPENSE	65,883	67,900	68,900	68,000	68,000
144	LIFE/DISABILITY INSURANCE EXPENSE	4,776	5,100	4,900	5,100	5,100
149	WORKERS COMP CLAIMS	1,205	500	1,100	500	500
197	SAFETY SHOES	1,060	1,100	1,100	1,100	1,100
514	WORKERS COMPENSATION	21,206	24,800	24,800	21,200	21,200
Subtotal:		598,029	611,800	611,800	617,500	617,500
Capital outlay and debt service:						
611	TRANS-DEBT SVC-97REFUND.	143,000	0	0	0	0
623	TRANS-DEBT SVC-99 SERIES	203,500	201,800	201,800	222,700	222,700
624	TRANS-DEBT SVC-2005 G.I.B.F.	43,900	0	0	0	0
626	TRANS-DEBT SVC-2009 B SERIES	0	160,100	160,100	107,300	107,300
627	TRANS-DEBT SVC-2009 C SERIES	0	43,100	43,100	42,300	42,300
Subtotal:		390,400	405,000	405,000	372,300	372,300
		988,429	1,016,800	1,016,800	989,800	989,800
	TOTAL EXPENDITURES					

Cleveland Public Library



CLEVELAND PUBLIC LIBRARY



Library General Fund

Programs, Services, and Functions:

This fund finances the operation of the Cleveland Bradley County Public Library (CBCPL), which is operated by the appointed Library Board. By written agreement, the funding is split on a 50-50 basis with the Bradley County government. The other sources of funding include fines and fees, donations, earned interest, and federal and state library service grants.

Exciting things continue to happen at the Cleveland Bradley County Public Library. A few post-construction projects were completed during FY 2010-11 such as the Ocoee Street irrigation system project, the new Ocoee Street library sign, and a new microfilm scanner for the main library. The library's 1986 bookmobile that was purchased in 2005 reached over 150,000 miles this year and was showing signs of falling apart. A search for a new/used bookmobile began last summer and resulted in the purchase of a "gently used" bookmobile by the Foundation for the Cleveland Bradley County Public Library. It was purchased from Beckley, West Virginia. While only three years younger than its predecessor, the new bookmobile is in much better shape. It is receiving a new paint job with the library name.

While the community has enjoyed the new, improved facilities, much of the strength of the library lies with the resources and services offered by the library. It includes the many wonderful resources for information and entertainment of books, periodicals, specialized reference materials, historic and genealogical materials, CDs, DVDs, videos, audio-books, art work, and computers. Beyond the physical library resources, there exists a world of eResources. These include eBooks, eAudio books, and online databases. These types of resources make the library available 24 hours a day, 7 days a week.

Over the last year, the popularity of downloadable eBooks and eAudio has risen dramatically. Currently, residents have access to over 8,000 eBooks and 8,000 eAudio through the Tennessee R.E.A.D.S. (Regional eBook and Audio Download System) program. Total eBook/eAudio circulation for FY 2009-10 was 5,361 checkouts. For FY 2010-11, circulation was surpassed in January. Calls come into the library weekly asking about access to eMaterials. In the January 2011 Library Board Meeting the Library Board voted to utilize part of the library's Gift and Memorial funds to begin building the library's own downloadable eMaterial collection as a way to answer the growing demand. These titles will be available solely to Bradley County residents.

The library has sought to provide new informational programs to our community now that programming space is available. New programs include movie night, legal forums, financial planning, new business advice, library tours, and cruising tips. Some of these programs have occurred through partnerships with other community organizations. The library plans to continue to be a place of information and provide relevant programs for our community.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$863,415	\$900,800	\$908,600	.9%
Operating Expenditures	\$330,929	\$376,400	\$383,300	1.8%
Capital Outlay & Debt Service	\$291,258	\$26,700	\$1,500	-94.4%
Total Expenditures	\$1,485,602	\$1,303,900	1,293,400	-.8%

Goals and Objectives:

- Bradley County residents will have the materials they need to support their recreational and cultural needs in a timely manner.
- Bradley County residents will receive a library that has adequate funding resources to meet the demands of city and county residents.
- Bradley County residents will receive a children's department that is inviting and exciting for children, especially of the preschool age, and their parents.
- Bradley County residents will receive a public Library Reference Department that provides relevant, up-to-date information in a variety of formats.
- The Library will continue to provide current computer technology and computer access by adding computers and software and complete the networking phase.
- The Library staff will offer a minimum of two computer-training sessions to help patrons with use of library on-line resources for FY 2012.
- The Cleveland Public Library will strive to be a friendly, open place to serve the needs of the Cleveland/Bradley County residents.
- The Cleveland Public Library will seek new grants (2 per year) to aid in operation and services costs.

Performance Measures:

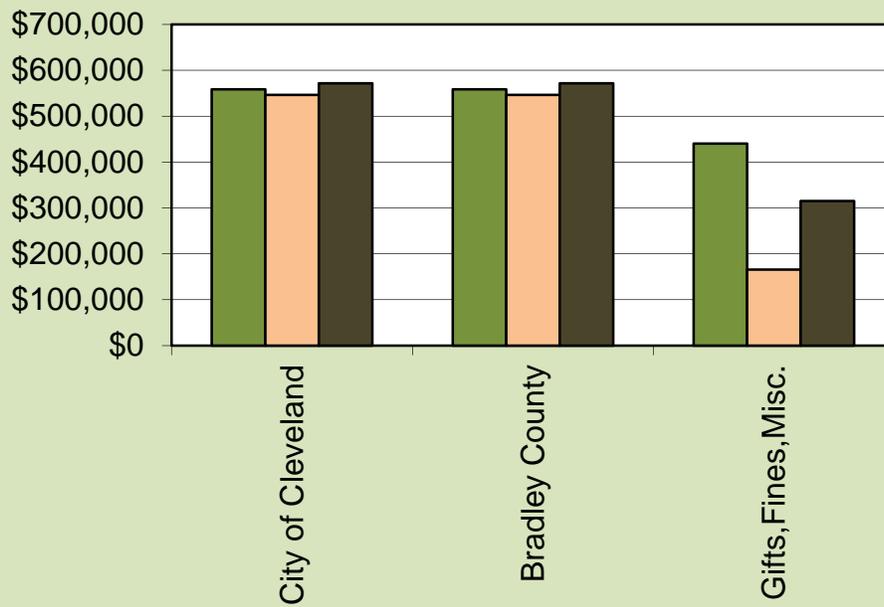
Measure Description	FY209 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Circulation	356,050	361,590	385,436	400,000
Patrons	282,718	296,265	290,000	300,000
Reference inquiries	29,093	29,369	26,268	28,000
Bradley County population (given by state)	95,443	96,472	97,710	98,963
Staff per capita, Bradley County (1,000)	0.25	0.247	0.245	0.239
State public library staff average (1,000)	0.30	0.30	0.30	0.30
Material collection*	163,585	171,720	176,720	181,720
Items per capita**	1.72	1.78	1.77	1.84
State recommended items per capita	2.00	2.00	2.00	2.00
Spending per capita	\$11.31	\$11.44	\$11.55	\$11.56

*Regional library materials included (including e-books and e-audio)

**Per Capita figures are for Bradley County, not just the City of Cleveland, as this is a county-wide service. Many of the FY 2009 and 2010 measures are excerpted from Institute of Museum and Library Services website (<http://www.ims.gov>) as well as the yearly State “Data Collection Form” for the State Library and Archives. Spending per capita is based solely on the fiscal dollars provided by the city and county.

REVENUE SOURCES

■ FY 2010 ■ FY 2011 ■ FY 2012 Proposed



FUND #129 - CLEVELAND PUBLIC LIBRARY FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33191	LIBRARY ARCHIVE GRANT	926	0	800	0	0
33491	E-RATE MONEY-TELEPHONE	1,009	1,000	500	800	800
33492	STATE GRANT-TECHNOLOGY	7,700	0	14,600	0	0
33711	BRADLEY COUNTY	558,650	564,500	564,500	571,800	571,800
34761	GIFTS, FINES, & MISC	73,854	77,000	77,000	77,000	77,000
34765	GIFTS	24,355	70,000	70,000	70,000	70,000
34766	DONATIONS EXPANSION ACCOUNT	328,200	0	0	0	0
36110	INTEREST INCOME	2,762	2,000	2,000	2,000	2,000
36115	RENT	0	0	600	0	0
36330	SALE OF EQUIPMENT	1,400	0	0	0	0
36810	TRANS-CITY GENERAL FUND	558,650	564,500	564,500	571,800	571,800
	TOTAL REVENUES	1,557,506	1,279,000	1,294,500	1,293,400	1,293,400
EXPENDITURES						
DEPARTMENT # 44800						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	668,834	684,700	691,000	691,500	691,500
141	BENEFITS	194,581	204,100	209,800	217,100	217,100
Subtotal:		863,415	888,800	900,800	908,600	908,600
Operating Expenditures:						
211	SUPPLIES	61,847	63,900	63,300	63,300	63,300
212	BOOKS	140,953	137,900	126,100	126,100	126,100
241	UTILITIES	74,443	77,600	77,700	84,600	84,600
262	EQUIPMENT REPAIR/REPLACEMENT	15,201	15,300	15,300	15,300	15,300
266	BUILDING REPAIRS	7,398	5,000	5,000	5,000	5,000
511	INSURANCE-BLDGS & CONTENTS	17,238	19,000	19,000	19,000	19,000
599	GIFT & MEMORIAL EXPENSES	13,854	70,000	70,000	70,000	70,000
Subtotal:		330,934	388,700	376,400	383,300	383,300
Debt service and capital outlay:						
923	GRANT EXPENDITURES	8,641	0	14,600	0	0
929	BUILDING ADDITION	82,948	0	0	0	0
930	BUILDING LANDSCAPING	12,408	0	2,600	0	0
941	EQUIPMENT	183,898	0	8,000	0	0
949	FURNITURE	3,108	1,500	1,500	1,500	1,500
954	LICENSE FEE	250	0	0	0	0
Subtotal:		291,253	1,500	26,700	1,500	1,500
	TOTAL EXPENDITURES	1,485,602	1,279,000	1,303,900	1,293,400	1,293,400

DRUG ENFORCEMENT FUND



Drug Enforcement Trust Fund

Programs, Services, and Functions:

This fund is financed by court fines and seizure of money and/or property obtained in cases involving state statutes on illegal drugs and driving under the influence (DUI). It also includes any federal grants for drug enforcement activities of the police department.

The Drug Enforcement Fund funded Phase I of the Department's Firearms Range. Phase I was completed in April 2009. Phase II will include the firearms training center and will be built as funding is available.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$79,869	\$88,200	\$91,700	4%
Capital Outlay & Debt Service	\$25,110	\$122,300	\$10,000	-92%
Total Expenditures	\$104,979	\$210,500	\$101,700	-52%

Goals and Objectives:

- To supplement and enhance the equipment used within the police department in the fight against illegal drugs and DUI enforcement.
- To maintain full compliance with all state requirements on the proper budgeting, expenditure, and accounting of these funds.

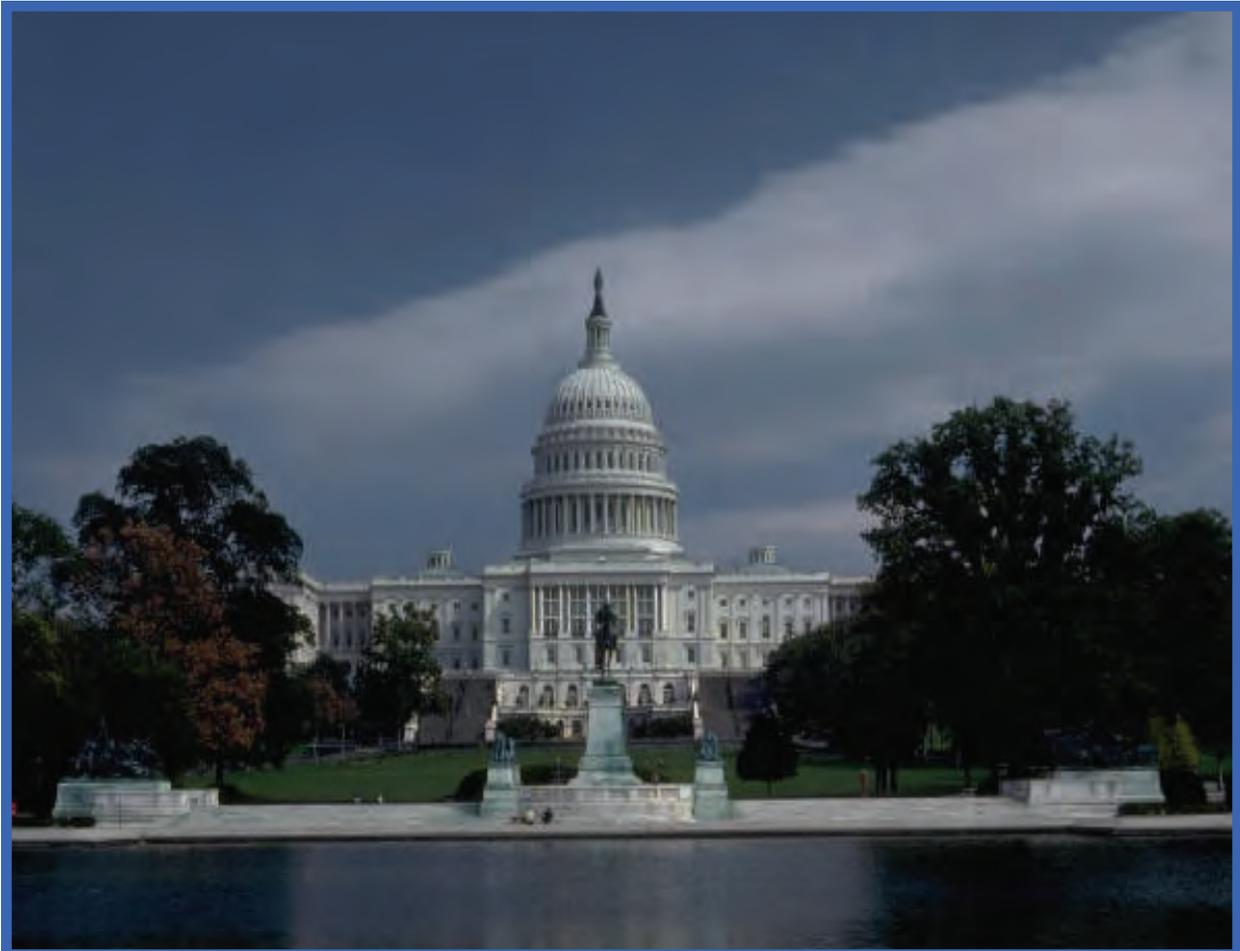
Performance Measures:

Performance measures for the detectives would be within those of the Police Department.

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Drug seizures (street value)	\$40,000	\$24,823	\$12,000	\$15,000
Number of Seizures: Marijuana	25	20	30	25
Number of Seizures: Cocaine	17	78	25	20
Number of Seizures: Crack Rocks	55	1	55	25
Number of Seizures: Meth	16	9	12	10
Number of Seizures: Other Drugs	9	9	15	10
Number of firearms seized	8	2	2	2
Number of vehicles seized	0	0	1	1
Cash seized	\$10,500	\$418	\$12,000	\$10,000
Drug-related arrests	259	172	125	175

CITY OF CLEVELAND						
FUND #130 - DRUG ENFORCEMENT TRUST FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
35140	BRADLEY COUNTY COURT	25,879	30,000	26,000	30,000	30,000
35200	CONFISCATED FUNDS	2,413	10,000	14,000	10,000	10,000
36110	INTEREST INCOME	386	1,000	1,000	0	0
36334	STATE SUBSTANCE TAX REVENUE	1,040	0	0	0	0
36990	MISCELLANEOUS	30	0	0	0	0
	TOTAL REVENUES	29,748	41,000	41,000	40,000	40,000
EXPENDITURES						
DEPARTMENT #42129						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Operating expenditures:						
112	PART TIME WAGES	0	0	0	7,400	7,400
141	SOCIAL SECURITY TAXES	0	0	0	600	600
215	SEIZED VEHICLE EXPENSE	2,080	5,000	5,000	5,000	5,000
233	SUBSCRIPTIONS	0	0	900	900	900
236	INVESTIGATIVE FUNDS	40,000	41,000	41,000	41,000	41,000
245	TELEPHONE EXPENSE	2,541	5,500	3,000	2,500	2,500
249	AUTO TRAK EXPENSE	1,133	1,200	1,300	1,300	1,300
261	VEHICLE MAINTENANCE	20,524	14,000	14,000	10,000	10,000
283	TRAVEL/TRAINING EXPENSE	3,829	3,500	3,500	3,500	3,500
290	BRADLEY CO-EQUIP MAINT	0	4,000	4,000	4,000	4,000
313	BATTERIES	538	600	600	600	600
314	TAPES-VIDEO & AUDIO	186	500	500	500	500
315	DETECTIVE SUPPLIES	890	1,000	1,000	1,000	1,000
319	OFFICE EXPENSE	385	1,500	1,500	1,500	1,500
322	OSHA SAFETY SUPPLIES	0	500	500	500	500
326	UNIFORM EXPENSE	1,400	1,400	1,400	1,400	1,400
328	DRUG EDUCATION	2,500	2,500	2,500	2,500	2,500
331	GASOLINE EXPENSE	3,624	11,000	6,000	6,000	6,000
396	CANINE EXPENSE	113	3,000	1,000	1,000	1,000
599	MISCELLANEOUS	126	500	500	500	500
	Subtotal:	79,869	96,700	88,200	91,700	91,700
Capital outlay and debt service:						
939	FIRING RANGE	6,206	0	47,000	0	0
944	VEHICLES	0	0	51,200	0	0
948	COMPUTERS	4,680	0	0	0	0
949	EQUIPMENT	1,599	10,000	9,100	10,000	10,000
951	CANINE PURCHASE	12,625	0	15,000	0	0
	Subtotal:	25,110	10,000	122,300	10,000	10,000
	TOTAL EXPENDITURES	104,979	106,700	210,500	101,700	101,700

DEPARTMENT OF JUSTICE ASSET FORFEITURE FUND



Department of Justice Asset Forfeiture Fund

Programs, Services, and Functions:

This fund accounts for all monies received from participation in a Federal Equitable Sharing Agreement with the U. S. Department of Justice and the U. S. Department of the Treasury. Assets seized by federal agents with the assistance of City of Cleveland Police Officers are shared pursuant to Section 309 of Public Law 98-473 (the Comprehensive Crime Control Act of 1984), as implemented by the Attorney General's Guidelines on Seized and Forfeited Property (July 1990).

Funds received have been used to purchase equipment and technology upgrades for the Cleveland Police Department. Future funds will continue to be used to purchase equipment and technology upgrades needs of the department.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$16,876	\$11,307	\$0	-100%
Total Expenditures	\$16,876	\$11,307	\$0	-100%

Goals and Objectives:

Goals and objectives are included in the Police Department in the city's General Fund.

Performance Measures:

Performance measures are discussed in the Police Department in the city's General Fund.

CITY OF CLEVELAND						
FUND #141 DEPARTMENT OF JUSTICE ASSET FORFEITURE FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33130	FED GRANT-ASSET FORFEITURE	15,497	0	9,164	0	0
36110	INTEREST INCOME	0	0	0	0	0
TOTAL REVENUES		15,497	0	9,164	0	0
EXPENDITURES						
DEPARTMENT #42110						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
949	EQUIPMENT	16,876	0	11,307	0	0
TOTAL EXPENDITURES		16,876	0	11,307	0	0

Red Light Camera Safety Fund



Red Light Camera Safety Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

The City established this fund in FY2009. The City installed cameras at five intersections in order to reduce the danger of vehicles running red lights. In 2006, the City conducted a test at one intersection. The data obtained from this test showed there is a serious problem within Cleveland. The City compared crash data for each of the intersections. Crashes were reduced; therefore, the cameras improved the safety for all motorists passing through the intersections.

The City contracted with Traffipax, Inc. to operate and maintain this program. The program began in September 2008. In February 2010, the City received notification that Traffipax would cease operating the red light cameras effective March 31st. The City Council voted on February 8, 2010 to end the red light camera program as of March 31st. Citations issued through March were collected by Traffipax through June 30, 2010 and subsequently were collected by the city directly.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$113,900	\$12,575	\$0	-100%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$113,900	\$12,575	\$0	-100%

Goals and Objectives:

- Provide safe intersections to motorists

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Number of crashes at red light camera intersections	91	N/A	N/A	N/A
Number of crashes with injuries at red light camera intersections	9	N/A	N/A	N/A

CITY OF CLEVELAND						
FUND #142 RED LIGHT CAMERA SAFETY FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
35110	TICKET REVENUE	147,118	0	294	0	0
36110	INTEREST INCOME	1	0	0	0	0
	TOTAL REVENUES	147,119	0	294	0	0
EXPENDITURES						
DEPARTMENT #42110						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
551	FEES	113,900	0	0	0	0
790	PEERLESS/PAUL HUFF SAFETY PROJ	0	0	12,575	0	0
	TOTAL EXPENDITURES	113,900	0	12,575	0	0

2009 ARRA & BYRNE MEMORIAL JUSTICE ASSISTANCE GRANTS



2009 ARRA and Byrne Memorial Justice Assistance Grants

Programs, Services, and Functions:

Local Law Enforcement Block Grants (The Justice Department changed the name to Byrne Memorial Justice Assistance Grants in 2005) are administered by the United States Department of Justice – Office of Justice Programs. These grants require no local match.

The 2009 ARRA (American Recovery and Reinvestment Act of 2009) award was \$166,788. The funds were used to purchase Taser Cams, Ballistic Shields and Hallagan tools and a Track Runner Moving Target System for our firing range. The 2010 award was \$42,081 and was used to purchase a video enhancement system, surveillance system and equipment for three interview/interrogation rooms.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$27,869	\$187,860	\$0	-100%
Total Expenditures	\$27,869	\$187,860	\$0	-100%

Goals and Objectives:

Goals and objectives are included in the Police Department general fund.

Performance Measures:

Performance measures are discussed in the Police Department general fund.

CITY OF CLEVELAND						
FUND #143 2009 JUSTICE ASSISTANCE GRANT-ARRA						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33130	FED GRANT-2009 JAG ARRA	166,788	0	0	0	0
	TOTAL REVENUES	166,788	0	0	0	0
EXPENDITURES						
DEPARTMENT #42100						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
939	FIRING RANGE BACKSTOPS	0	0	98,906	0	0
949	TASER CAMERAS	21,009	0	46,873	0	0
	TOTAL EXPENDITURES	21,009	0	145,779	0	0
FUND #146 2010 BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33130	FED GRANT-2010 BYRNE MEMORIAL	0	0	42,081	0	0
	TOTAL REVENUES	0	0	42,081	0	0
EXPENDITURES						
DEPARTMENT #42100						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
945	VIDEO ENHANCEMENT SYSTEM	0	0	23,000	0	0
946	SURVEILLANCE SYSTEM	0	0	7,050	0	0
947	DIGITAL AUDIO SYSTEM/RECORDERS	0	0	12,031	0	0
	TOTAL EXPENDITURES	0	0	42,081	0	0

COPS HIRING RECOVERY GRANT



2009 Cops Hiring Recovery Grant

Programs, Services, and Functions:

This 2009 grant became available as a result of the American Recovery and Reinvestment Act of 2009. It was designed to provide funding to create and preserve jobs and to increase the community policing and crime prevention efforts. The grants provide 100% funding for entry level salaries and benefits for 36 months for newly-hired, full-time sworn officers (including unfunded vacancies) or for rehiring laid off officers as a result of budget cuts.

The City of Cleveland has used these proceeds to hire four officers, whose positions were unable to be funded in the FY2010 original budget.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$102,704	\$217,000	\$225,000	4%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$102,704	\$217,000	\$225,000	4%

Goals and Objectives:

Goals and objectives are included in the Police Department general fund.

Performance Measures:

Performance measures are discussed in the Police Department general fund.

CITY OF CLEVELAND						
FUND #145 2009 COPS HIRING RECOVERY GRANT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33190	FED GRANT-2009 COPS RECOVERY	102,704	217,000	217,000	225,000	225,000
	TOTAL REVENUES	102,704	217,000	217,000	225,000	225,000
EXPENDITURES						
DEPARTMENT #42100						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits						
111	SALARIES	82,882	132,000	132,000	135,000	135,000
134	CHRISTMAS BONUS	433	400	400	500	500
140	DENTAL INSURANCE	535	2,000	2,000	2,000	2,000
141	SOCIAL SECURITY EXPENSE	6,183	10,300	10,300	11,000	11,000
142	HEALTH INSURANCE	9,417	26,200	26,200	29,000	29,000
143	RETIREMENT EXPENSE	3,185	35,000	35,000	36,000	36,000
144	LIFE/DISABILITY INSURANCE EXPENSE	69	1,100	1,100	1,500	1,500
514	WORKER'S COMPENSATION	0	10,000	10,000	10,000	10,000
	TOTAL EXPENDITURES	102,704	217,000	217,000	225,000	225,000

TARGETED CRIME REDUCTION GRANT



Targeted Crime Reduction Grant

Programs, Services, and Functions:

This 2010 grant became available through the office of Criminal Justice Programs as administered through the State of Tennessee. The grant provides for funding for two police officers and programs with various partners to reduce crime in sectors 1 and 2 in the city. Partners include the Boys and Girls Club, Bradley County Juvenile Court, and the Behavioral Research Institute.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$54,542	\$106,700	96%
Operating Expenditures	\$0	\$132,764	\$177,500	34%
Capital Outlay & Debt Service	\$0	\$33,335	\$0	-100%
Total Expenditures	\$0	\$220,641	\$284,200	29%

Goals and Objectives:

Goals and objectives are included in the Police Department general fund.

Performance Measures:

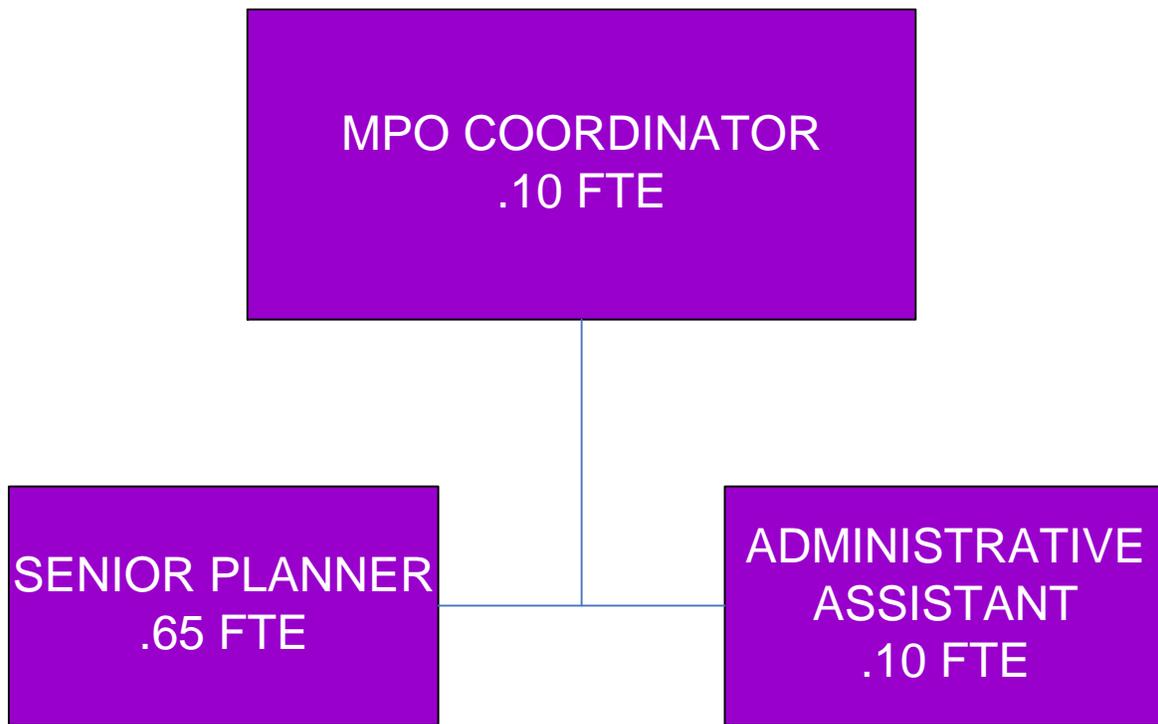
Performance measures are discussed in the Police Department general fund.

CITY OF CLEVELAND						
FUND #147 TARGETED CRIME REDUCTION GRANT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33130	GRANT FUNDS	0	0	220,641	284,200	284,200
	TOTAL REVENUES	0	0	220,641	284,200	284,200
EXPENDITURES						
DEPARTMENT #42110						
Personnel and fringe benefits:						
111	SALARIES	0	0	33,778	67,600	67,600
140	DENTAL INSURANCE	0	0	600	1,500	1,500
141	SOCIAL SECURITY TAXES	0	0	2,600	5,200	5,200
142	HEALTH INSURANCE EXP	0	0	9,314	18,000	18,000
143	RETIREMENT EXP	0	0	6,800	14,000	14,000
144	LIFE/DISABILITY INSURANCE	0	0	200	400	400
193	RECRUIT/PRE-EMPLOY TESTS	0	0	1,250	0	0
	Subtotal:	0	0	54,542	106,700	106,700
Operating expenditures:						
211	POSTAGE EXPENSE	0	0	300	400	400
221	PRINTING EXPENSE	0	0	2,300	2,000	2,000
283	TRAVEL/TRAINING EXPENSE	0	0	5,000	500	500
322	NEIGHBORHOOD WATCH SIGNS	0	0	0	200	200
326	UNIFORMS	0	0	1,400	700	700
331	GASOLINE EXPENSE	0	0	0	1,500	1,500
800	POSITIVE ACTION PROG (B&G CLUB)	0	0	49,000	46,000	46,000
805	RPT PROGRAM-JUVENILE COURT	0	0	16,364	14,000	14,000
810	GRAAB DIRECTOR	0	0	15,750	31,500	31,500
811	GRAAB ASSISTANT	0	0	5,250	10,500	10,500
812	GRAAB OFFICE SPACE	0	0	600	1,200	1,200
813	GRAAB OFFICE SUPPLIES	0	0	800	2,000	2,000
814	GRAAB EVALUATOR	0	0	6,000	12,000	12,000
820	BEHAVIORAL RESEARCH INST	0	0	30,000	55,000	55,000
	Subtotal:	0	0	132,764	177,500	177,500
Capital outlay and debt service:						
901	VEHICLE	0	0	30,000	0	0
902	OFFICER EQUIPMENT	0	0	3,335	0	0
	Subtotal:	0	0	33,335	0	0
	TOTAL EXPENDITURES	0	0	220,641	284,200	284,200

METROPOLITAN PLANNING ORGANIZATION



Metropolitan Planning Organization



Cleveland Urban Area Metropolitan Transportation Planning Organization Fund

Programs, Services, and Functions

The City of Cleveland, in conjunction with Bradley County formed the Cleveland Urban Area Metropolitan Transportation Planning Organization (MPO) in 2003. The MPO Executive Board is solely responsible for distribution of the Cleveland Urban Area Metropolitan Transportation Planning Organization Fund. The MPO serves the City of Cleveland and the urbanized portions of Bradley County. The MPO Executive Board members include the Governor of Tennessee, (usually represented by a TDOT official), City of Cleveland Mayor, City of Cleveland Vice-Mayor, County Mayor, and Executive Director of the South East Tennessee Human Resources Agency. The MPO's purpose is allocation and distribution of highway and transit project funds and transportation planning within the MPO boundary area. Federal Law mandates that US Census designated Urbanized Areas (geographical areas in excess of 50,000 people) are required to have an MPO. An MPO is required by federal law to conduct an on-going planning process for the expenditure of federal and state highway monies for roads that are part of the classified road network of interstate highways, arterial streets, and collector streets. An MPO is made up of all municipalities that are located within the designated US Census Urban Area (UA). The MPO presently has two areas within the Cleveland Urban Area: the City of Cleveland and Bradley County.

Typical projects include road widening, bridgework, intersection improvements, traffic signalization, etc. The MPO is also involved in planning for other transportation modes such as air, rail, transit services, bicycle, and pedestrian travel. The MPO is concerned with both passenger and freight traffic. The MPO seeks input from all user groups such as commuters, freight haulers, special needs populations, lower income populations, the traditionally underserved, etc. The MPO focuses on the present and future issues of traffic management and traffic safety. The MPO follows a process defined in federal law including a 25-year long-range transportation plan (LRTP), a short range transportation improvement program (TIP), and an annual unified planning work program (UPWP). The MPO works in close cooperation with officials from the Tennessee Department of Transportation (TDOT), the Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA), as well as other agencies as appropriate.

The MPO has a planning staff that consists of an MPO coordinator, planners, and support staff to perform the MPO planning duties on a part-time basis. The staff conducts planning analysis of transportation needs based on existing and projected land use. The staff drafts all documents pertaining to the LRTP, TIP, and UPWP and manages consultants on a project by project basis. Staff schedules and prepares meeting packets and ensures all MPO planning processes are transparent and follow the requirements of the MPO's adopted Public Participation Plan. They also perform GIS data mapping and analysis; update and forecast population and economic factors as well as updating and maintaining the transportation network model. The engineering technician at Cleveland Utilities and the City of Cleveland's engineering provide staff support the MPO. The director of community development serves as the MPO coordinator while the department's planner assumes the majority of MPO planning duties. When available, the community development administrative assistant may serve as the recording secretary. The

MPO has a Technical Coordinating Committee (TCC) that is made up of both city and county transportation personnel, transit operators, TDOT representative, FHWA representative, FTA representative, Title VI representative, and the MPO Coordinator. The TCC evaluates all transportation issues and reports or recommends an action on each to the MPO Executive Board. The MPO Executive Board has the sole power to approve or disapprove any recommendation or issue.

EXPENDITURE SUMMARY	FY2010 Actual	FY2011 Budgeted	FY2012 Proposed	Percentage Increase
Personnel Expenditures	\$127,132	\$344,400	\$216,500	-37%
Operating Expenditures	\$7,376	\$17,000	\$19,300	13%
Capital Outlay & Debt Service	\$1,990	\$7,500	\$4,500	-40%
Total Expenditures	\$136,498	\$368,900	\$240,300	-35%

Goals and Objectives

- Continue training of MPO staff
- Update FY2011-FY2014 transportation improvement plan as needed throughout the year
- Manage 2035 RTP and updated as needed throughout the year
- Manage the 2012 Unified Planning Work Program and update as needed throughout the year
- Complete 2013 Unified Planning Work Program

Performance Measures

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Percentage of completion of long range transportation plan	0%	70%	100%	N/A
Number of training sessions attended by MPO Staff	6	5	5	6
Number of public meetings	21	16	16	16
Percentage of completion of transportation improvement program	0%	80%	90%	90%
Percentage of completion of bicycle and pedestrian plan	100%	N/A	N/A	N/A
Percentage of completion of freight users study	N/A	100%	N/A	N/A

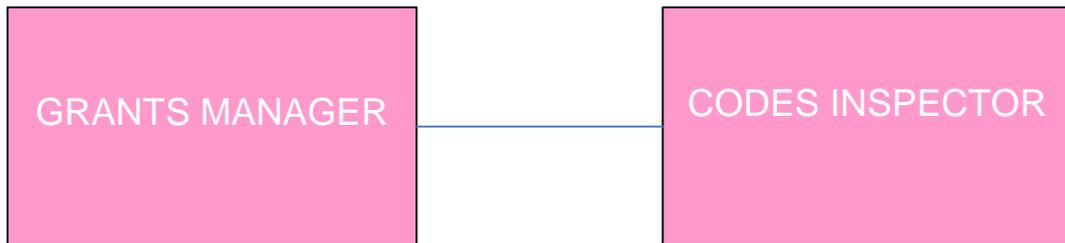
FUND #138 METROPOLITAN PLANNING ORGANIZATION FUND (MPO)						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33111	FEDERAL GOVERNMENT	106,364	295,100	295,100	200,000	200,001
36810	TRANSFER GENERAL FUND	32,300	32,300	32,300	32,300	32,301
	TOTAL REVENUES	138,664	327,400	327,400	232,300	232,302
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
MPO-33: 41733 - FY 2009						
Personnel and fringe benefits:						
111	SALARIES	8,935	0	0	0	0
149	BENEFITS	3,515	0	0	0	0
	Subtotal:	12,450	0	0	0	0
Operating Expenses:						
221	PRINTING & PUBLICATIONS	353	0	0	0	0
245	TELEPHONE	57	0	0	0	0
283	TRAVEL/TRAINING EXPENSE	518	0	0	0	0
	Subtotal:	928	0	0	0	0
Capital outlay and debt service:						
948	CAPITAL PURCHASE	995	0	0	0	0
	Subtotal:	995	0	0	0	0
	Total MPO-33: 41733	14,373	0	0	0	0
MPO-44: 41744 - FY 2010						
Personnel and fringe benefits:						
111	SALARIES	31,423	0	0	0	0
112	CONSULTING SERVICES	72,237	0	0	0	0
149	BENEFITS	11,022	0	0	0	0
	Subtotal:	114,682	0	0	0	0
Operating Expenses:						
212	POSTAGE & SHIPPING	0	0	0	0	0
221	PRINTING & PUBLICATIONS	2,003	0	0	0	0
245	TELEPHONE	290	0	0	0	0
283	TRAVEL/TRAINING EXPENSE	3,144	0	0	0	0
319	SUPPLIES	1,011	0	0	0	0
	Subtotal:	6,448	0	0	0	0
Capital outlay and debt service:						
948	CAPITAL PURCHASE	995	0	0	0	0
	Subtotal:	995	0	0	0	0
	Total MPO-44: 41744	122,125	0	0	0	0

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
MPO-55: 41755 - FY 2011						
Personnel and fringe benefits:						
111	SALARIES	0	50,000	50,000	0	0
112	CONSULTING SERVICES	0	277,900	277,900	0	0
149	BENEFITS	0	16,500	16,500	0	0
Subtotal:		0	344,400	344,400	0	0
Operating Expenses:						
212	POSTAGE & SHIPPING	0	1,000	1,000	0	0
221	PRINTING & PUBLICATIONS	0	4,500	4,500	0	0
245	TELEPHONE	0	1,700	1,700	0	0
283	TRAVEL/TRAINING EXPENSE	0	6,000	6,000	0	0
319	SUPPLIES	0	3,800	3,800	0	0
Subtotal:		0	17,000	17,000	0	0
Capital outlay and debt service:						
948	CAPITAL PURCHASE	0	7,500	7,500	0	0
Subtotal:		0	7,500	7,500	0	0
Total MPO-55: 41755		0	368,900	368,900	0	0
MPO-55: 41766 - FY 2012						
Personnel and fringe benefits:						
111	SALARIES	0	0	0	50,000	50,000
112	CONSULTING SERVICES	0	0	0	150,000	150,000
149	BENEFITS	0	0	0	16,500	16,500
Subtotal:		0	0	0	216,500	216,500
Operating Expenses:						
212	POSTAGE & SHIPPING	0	0	0	1,000	1,000
221	PRINTING & PUBLICATIONS	0	0	0	4,500	4,500
245	TELEPHONE	0	0	0	1,700	1,700
283	TRAVEL/TRAINING EXPENSE	0	0	0	6,500	6,500
319	SUPPLIES	0	0	0	5,600	5,600
Subtotal:		0	0	0	19,300	19,300
Capital outlay and debt service:						
948	CAPITAL PURCHASE	0	0	0	4,500	4,500
Subtotal:		0	0	0	4,500	4,500
Total MPO-66: 41766		0	0	0	240,300	240,300
TOTAL EXPENDITURES		136,498	368,900	368,900	240,300	240,300

Community Development Block Grant



Community Development Block Grant



Community Development Block Grant

Programs, Services and Functions:

The City of Cleveland is expected to receive \$364,000 from the United States Department of Housing and Urban Development (HUD) through the Community Development Block Grant Entitlement Program (CDBG) in FY2012. Funds must be administered so as to benefit primarily low-income and moderate-income people within the designated target area. Citizen participation is an integral part of the continual planning process to determine the use of these funds. Depending on the outcome of this process, the City Council may elect to fund a variety of public improvements such as drainage, recreation improvements, housing programs, codes enforcement, or other activities meeting CDBG eligibility requirements. The Grants Administrator is responsible for carrying out the administration of the CDBG program, ensuring that all applicable laws are complied with such as fair housing and other civil rights laws, labor and contracting laws, environmental laws, etc. The administrator must ensure that funded projects are carried out in a timely manner and that all HUD requirements for financial and program management are met. The City will provide an additional \$10,000 in funding for a total of \$374,000.

A concentrated codes enforcement program within the CDBG target area was implemented during FY2006, as requested by citizen input and by the City Council, and will continue this year. The codes enforcement officer is currently working on a proactive codes enforcement program and educational awareness program designed to improve the housing and living environment through increased public awareness and enforcement.

The city's partnership with Habitat for Humanity of Cleveland, a non-profit affordable housing provider, has provided in the past for funding to be used for infrastructure development of Century Village – Phase II located off 20th Street SE. This allows Habitat to continue its mission of providing affordable, single-family housing within the CDBG target area.

The city plans to recommend to the City Council the following activities (amounts have been approximated).

Codes Enforcement	\$ 55,400
Recreation Improvements	\$ 107,000
Century Village Infrastructure	\$ 175,000
Administration	<u>\$ 83,000</u>
TOTAL	\$ 348,000

The Emergency Shelter Grant will provide funds for the local shelter, which provides temporary food and housing for qualified individuals.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$116,607	\$123,475	\$126,500	2%
Operating Expenditures	\$71,099	\$15,858	\$14,500	-8.6%
Capital Outlay & Debt Service	\$214,097	\$580,716	\$369,000	-36%
Total Expenditures	\$401,803	\$720,049	\$510,000	-29%

Goals and Objectives

- Continue implementation of CDBG citizen participation plan
- Conduct agency consultations and public hearings for CDBG action plan
- Continue implementation of a concentrated codes enforcement program to improve housing and living environment within the CDBG Target Area
- Improve public facilities in targeted areas
- Continue planning for CDBG target area
- Provide funding for infrastructure development in affordable, single-family housing subdivision within the target area
- Complete required CDBG administrative activities
- Continue implementation of CDBG Consolidated Plan and develop and implement one-year action plan

Performance Measures

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Number of grant years funding remaining at year end	.72	1.05	.50	1.50
Percentage of low and moderate income expenditures	100%	100%	100%	100%
CDBG funds spent	\$313,408	\$336,540	\$513,000	\$364,000
Number of target area code enforcement contacts	601	605	600	500
Number of LMI families assisted into homeownership	5	4	8	4

FUND #139 COMMUNITY DEVELOPMENT BLOCK GRANT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33115	FEDERAL GRANT-2009 CDBG	244,090	0	210,227	0	0
33116	FEDERAL GRANT-2010 CDBG	0	335,800	363,692	0	0
33117	FEDERAL GRANT-2011 CDBG	0	0	0	364,000	364,000
33450	RECOVERY	89,967	0	0	0	0
33490	THDA EMERGENCY SHELTER GRANT	67,782	67,600	68,065	68,000	68,000
33491	EMERGENCY SHELTER MATCH	0	67,600	68,065	68,000	68,000
36810	TRANSFER FROM GENERAL FUND	10,000	10,000	10,000	10,000	10,000
	TOTAL REVENUES	411,839	481,000	720,049	510,000	510,000
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
	2009 CDBG					
51100	Administrative					
111	SALARIES	46,368	0	0	0	0
134	CHRISTMAS BONUS	100	0	0	0	0
140	DENTAL INSURANCE	489	0	0	0	0
141	SOCIAL SECURITY	3,245	0	0	0	0
142	HEALTH INSURANCE	8,633	0	0	0	0
143	RETIREMENT	7,726	0	0	0	0
144	LIFE & DISABILITY INS.	594	0	0	0	0
	Subtotal:	67,155	0	0	0	0
	Operating Expenditures					
221	PRINTING EXPENSE	217	0	0	0	0
237	ADVERTISING	629	0	0	0	0
245	TELEPHONE EXPENSE	667	0	0	0	0
283	TRAVEL AND TRAINING	175	0	0	0	0
319	OFFICE SUPPLIES	365	0	0	0	0
331	GASOLINE	355	0	0	0	0
	Subtotal:	2,408	0	0	0	0
	Subtotal Planning & Administration:	69,563	0	0	0	0
	51200 Recreation Projects					
	Capital outlay and debt service:					
939	NE CENTER IMPROVEMENTS	118,130	0	184,009	0	0
	Subtotal:	118,130	0	184,009	0	0
	51400 Housing					
	Capital outlay and debt service:					
719	DOWNPAYMENT ASSISTANCE	6,000	0	24,000	0	0
	Subtotal:	6,000	0	24,000	0	0
	Subtotal capital outlay and debt service:	124,130	0	208,009	0	0
	51500 Codes Enforcement					
	Personnel and fringe benefits:					
111	SALARIES	34,865	0	0	0	0
134	CHRISTMAS BONUS	100	0	0	0	0
140	DENTAL INSURANCE	273	0	0	0	0
141	SOCIAL SECURITY	2,711	0	0	0	0

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
142	HEALTH INSURANCE	5,251	0	0	0	0
143	RETIREMENT	5,816	0	0	0	0
144	LIFE & DISABILITY	436	0	0	0	0
Subtotal:		49,452	0	0	0	0
Operating Expenditures						
221	PRINTING	79	0	0	0	0
245	TELEPHONE EXPENSE	1,156	0	0	0	0
283	TRAVEL/TRAINING	180	0	0	0	0
319	SUPPLIES	259	0	0	0	0
326	CLOTHING ALLOWANCE	619	0	0	0	0
331	GASOLINE	1,135	0	0	0	0
Subtotal:		3,428	0	0	0	0
Subtotal Codes Enforcement:		52,880	0	0	0	0
61100	Emergency shelter grant					
Operating Expenditures						
259	SHELTER OPERATIONS	64,554	0	0	0	0
591	ADMINISTRATION COSTS	709	0	0	0	0
Subtotal:		65,263	0	0	0	0
62000	Recovery Grant					
Operating Expenditures						
939	NE CENTER IMPROVEMENTS	89,967	0	0	0	0
Subtotal:		89,967	0	0	0	0
TOTAL 2009 EXPENDITURES		401,803	0	208,009	0	0
2010 CDBG						
52100	Administrative					
111	SALARIES	0	47,400	50,500	0	0
132	LONGEVITY	0	500	250	0	0
134	CHRISTMAS BONUS	0	100	100	0	0
140	DENTAL INSURANCE	0	500	500	0	0
141	SOCIAL SECURITY	0	3,600	4,000	0	0
142	HEALTH INSURANCE	0	8,800	8,800	0	0
143	RETIREMENT	0	8,000	8,500	0	0
144	LIFE & DISABILITY INS.	0	300	600	0	0
Subtotal:		0	69,200	73,250	0	0
Operating Expenditures						
221	PRINTING EXPENSE	0	400	400	0	0
237	ADVERTISING	0	800	800	0	0
245	TELEPHONE EXPENSE	0	1,200	1,200	0	0
283	TRAVEL AND TRAINING	0	1,400	1,400	0	0
319	OFFICE SUPPLIES	0	1,000	1,000	0	0
331	GASOLINE	0	1,000	1,000	0	0
599	MISCELLANEOUS	0	1,800	2,665	0	0
Subtotal:		0	7,600	8,465	0	0
Subtotal Planning & Administration:		0	76,800	81,715	0	0
52200	Recreation Projects					
Capital outlay and debt service:						
939	NE CENTER IMPROVEMENTS	0	38,600	23,336	0	0
940	ACQUISITION FOR RECREATION	0	0	35,000	0	0
Subtotal:		0	38,600	58,336	0	0
52400	Housing					
Capital outlay and debt service:						

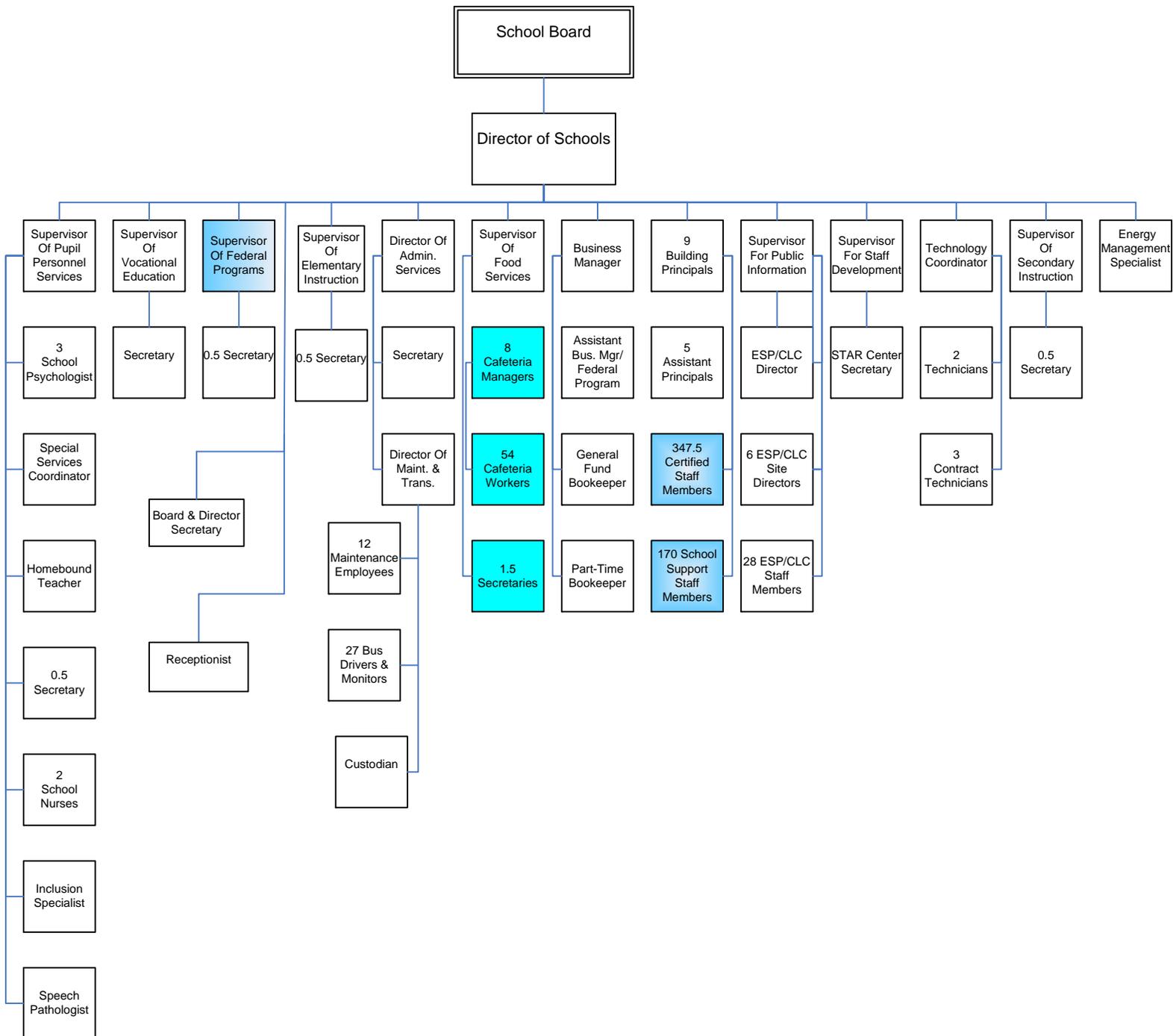
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
934	CENTURY VILLAGE-PHASE II	0	175,000	175,000		
Subtotal:		0	175,000	175,000	0	0
Subtotal capital outlay and debt service:		0	213,600	233,336	0	0
52500	Codes Enforcement					
Personnel and fringe benefits:						
111	SALARIES	0	35,300	35,300	0	0
131	LONGEVITY	0	0	250	0	0
132	SERVICE AWARDS	0	0	75	0	0
134	CHRISTMAS BONUS	0	100	100	0	0
140	DENTAL INSURANCE	0	300	300	0	0
141	SOCIAL SECURITY	0	2,700	2,700	0	0
142	HEALTH INSURANCE	0	4,800	4,800	0	0
143	RETIREMENT	0	5,900	5,900	0	0
144	LIFE & DISABILITY	0	200	200	0	0
191	LAUNDRY & DRY CLEANING	0	0	600	0	0
Subtotal:		0	49,300	50,225	0	0
Operating Expenditures						
221	PRINTING	0	400	393	0	0
237	ADVERTISING	0	100	100	0	0
245	TELEPHONE EXPENSE	0	1,200	1,600	0	0
252	LEGAL EXPENSE	0	250	250	0	0
261	VEHICLE MAINTENANCE	0	1,500	1,500	0	0
283	TRAVEL/TRAINING	0	500	500	0	0
319	SUPPLIES	0	300	300	0	0
326	CLOTHING ALLOWANCE	0	350	350	0	0
331	GASOLINE	0	1,200	1,200	0	0
512	INS-VEHICLES & EQUIPMENT	0	300	300	0	0
599	MISCELLANEOUS	0	0	0	0	0
949	EQUIPMENT	0	0	900	0	0
Subtotal:		0	6,100	7,393	0	0
Subtotal Codes Enforcement:		0	55,400	57,618	0	0
62100	Emergency shelter grant					
Operating Expenditures						
259	SHELTER OPERATIONS	0	132,000	136,130	0	0
591	ADMINISTRATION COSTS	0	3,200	3,241	0	0
Subtotal:		0	135,200	139,371	0	0
TOTAL 2010 EXPENDITURES		0	481,000	512,040	0	0
2011 CDBG						
53100	Administrative					
111	SALARIES	0	0	0	51,200	51,200
132	LONGEVITY	0	0	0	300	300
134	CHRISTMAS BONUS	0	0	0	100	100
140	DENTAL INSURANCE	0	0	0	900	900
141	SOCIAL SECURITY	0	0	0	3,900	3,900
142	HEALTH INSURANCE	0	0	0	9,600	9,600
143	RETIREMENT	0	0	0	8,600	8,600
144	LIFE & DISABILITY	0	0	0	700	700
Subtotal:		0	0	0	75,300	75,300
Operating Expenditures						
221	PRINTING EXPENSE	0	0	0	400	400
237	ADVERTISING	0	0	0	800	800
245	TELEPHONE EXPENSE	0	0	0	1,500	1,500
283	TRAVEL AND TRAINING	0	0	0	1,400	1,400

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
319	OFFICE SUPPLIES	0	0	0	1,200	1,200
331	GASOLINE	0	0	0	1,000	1,000
599	MISCELLANEOUS	0	0	0	1,200	1,200
Subtotal:		0	0	0	7,500	7,500
Subtotal Planning & Administration:		0	0	0	82,800	82,800
53400	Housing					
Capital outlay and debt service:						
934	PROJECTS TO BE DETERMINED	0	0	0	230,000	230,000
Subtotal:		0	0	0	230,000	230,000
Subtotal capital outlay and debt service:		0	0	0	230,000	230,000
53500	Codes Enforcement					
Personnel and fringe benefits:						
111	SALARIES	0	0	0	35,300	35,300
132	LONGEVITY	0	0	0	300	300
134	CHRISTMAS BONUS	0	0	0	100	100
140	DENTAL INSURANCE	0	0	0	300	300
141	SOCIAL SECURITY	0	0	0	2,800	2,800
142	HEALTH INSURANCE	0	0	0	5,300	5,300
143	RETIREMENT	0	0	0	6,000	6,000
144	LIFE & DISABILITY	0	0	0	500	500
191	LAUNDRY & DRY CLEANING	0	0	0	600	600
Subtotal:		0	0	0	51,200	51,200
Operating Expenditures						
221	PRINTING	0	0	0	400	400
237	ADVERTISING	0	0	0	100	100
245	TELEPHONE EXPENSE	0	0	0	1,500	1,500
252	LEGAL EXPENSE	0	0	0	300	300
261	VEHICLE MAINTENANCE	0	0	0	1,500	1,500
283	TRAVEL/TRAINING	0	0	0	500	500
319	SUPPLIES	0	0	0	300	300
326	CLOTHING ALLOWANCE	0	0	0	400	400
331	GASOLINE	0	0	0	1,200	1,200
512	INS-VEHICLES & EQUIPMENT	0	0	0	300	300
599	MISCELLANEOUS	0	0	0	500	500
Subtotal:		0	0	0	7,000	7,000
Subtotal Codes Enforcement:		0	0	0	58,200	58,200
63100	Emergency shelter grant					
Operating Expenditures						
259	SHELTER OPERATIONS	0	0	0	136,000	136,000
591	ADMINISTRATION COSTS	0	0	0	3,000	3,000
Subtotal:		0	0	0	139,000	139,000
TOTAL 2011 EXPENDITURES		0	0	0	510,000	510,000
TOTAL ALL EXPENDITURES		401,803	481,000	720,049	510,000	510,000

Cleveland City Schools



CLEVELAND CITY SCHOOLS



School General Fund

Programs, Services, and Functions:

This fund finances all of the Cleveland City School’s K-12 operations with the exception of the food service functions, which is financed by a separate fund. Under Tennessee law, each county is to fund a school system, with State aid, and some Federal assistance. In a case where a city elects to establish its own school system, as Cleveland has, State law requires that the County split the money appropriated for educational operating expenditures based on the ADA (average daily attendance) percentages in the separate school systems. State law also requires that the County split any money appropriated for capital outlay as well. In other words, the money goes with the child, whether he attends a county school or a city school. State money is split the same way, except for funds earmarked for specific purposes, such as grants or supplements based on need.

This fund receives its revenue from five sources: the Federal government, the State government, Bradley County government, Cleveland City government, and Other Sources (fees, charges, earned interest, etc.). State and County revenues combined represent approximately 83% of the funding for the School General Fund.

Capital Outlay expenditures are funded as necessary by note proceeds from Bradley County and from bond proceeds from the City of Cleveland. Beginning in May 2009, the schools began receiving a portion of a ½ cent increase in the local option sales tax. These proceeds will be used to pay for capital projects at each school. The Cleveland High School is currently using Bradley County funds and proceeds from the state to construct a science wing addition at a cost of approximately \$8,000,000.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel & Operating Expenditures	\$33,882,146	\$36,745,047	\$35,966,898	-1%
Capital Outlay & Debt Service	\$71,428	\$71,428	\$71,428	0%
Transfers to Other Funds	\$704,900	\$634,615	\$480,650	0%
Total Expenditures	\$34,658,474	\$ 37,451,090	\$36,518,976	-2%

Goals and Objectives

- Complete construction of the new science wing at Cleveland High School
- Continue Capital Improvement Program with use of sales tax proceeds
- Design and deliver a rigorous and relevant curriculum that supports student learning
- Operate a system that attracts, retains, and supports all staff for continuous improvement
- Foster positive and effective school and community relations
- Provide adequate resources to support the education program

Performance Measures

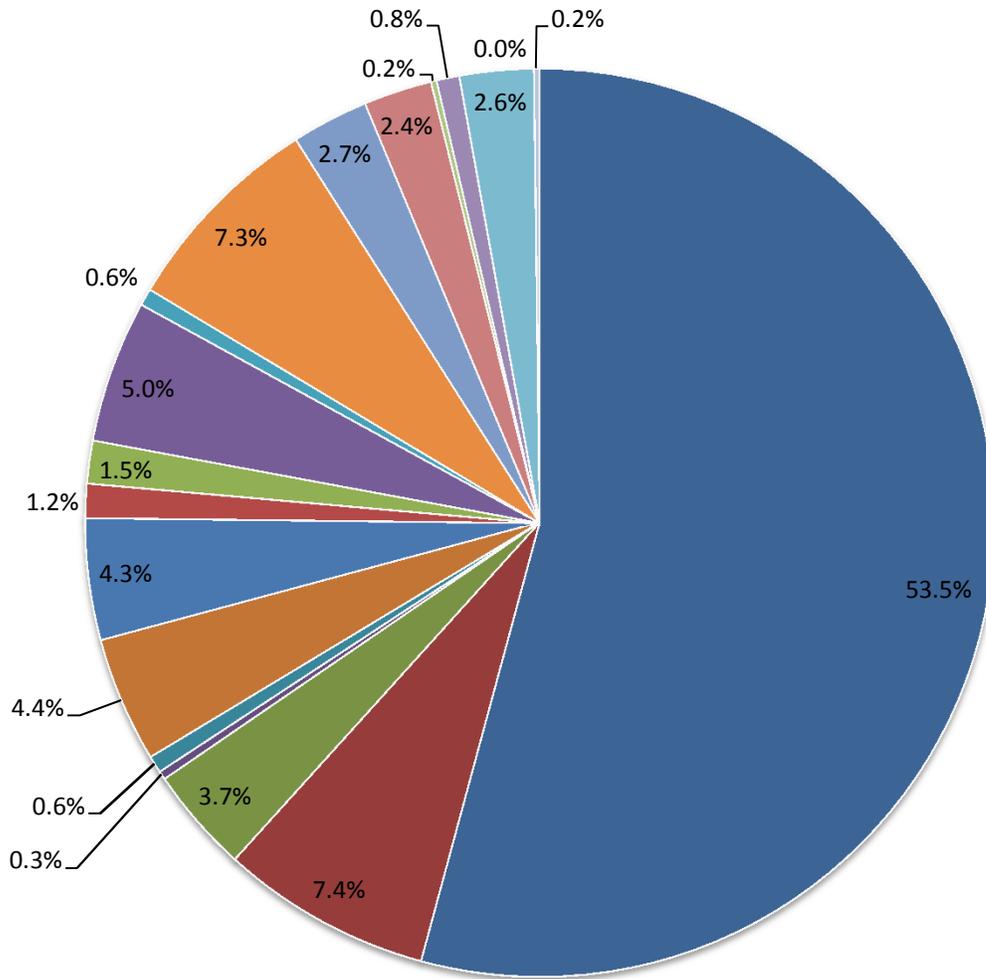
The Tennessee Department of Education provides excellent performance measures as part of its State Report Card. Anyone wishing to see more information on those measures can do so on the Internet by using the following steps:

Go to the State's web site at www.state.tn.us,
click on Education,
click on K-12 Education,
click on Report Card 2010

School General Fund Budget Summary

	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 BUDGETED	FY 2012 PROPOSED	% OF TOTAL
<i>Revenues and Other</i>					
<i>Financial Sources</i>					
Federal Government	\$51,359	\$110,762	\$635,149	\$190,131	0.5%
State of Tennessee	\$19,213,101	\$19,803,761	\$21,734,335	\$21,345,293	58.4%
Bradley County	\$8,641,941	\$9,290,096	\$9,111,521	\$9,199,957	25.2%
Other Revenues	\$903,412	\$768,332	\$835,885	\$649,395	1.8%
Other Financing Sources:					
Transfers from Other Funds	\$5,280,825	\$5,135,964	\$5,134,200	\$5,134,200	14.1%
<i>Total Revenues and Other</i>					
<i>Financial Sources</i>	\$34,090,638	\$35,108,915	\$37,451,090	\$36,518,976	100.0%
<i>Expenditures and Other</i>					
<i>Financing uses</i>					
Regular Instruction	\$18,094,948	\$18,765,264	\$19,641,751	\$19,554,147	53.5%
Special Education	\$2,426,973	\$1,817,461	\$2,580,269	\$2,579,984	7.1%
Vocational Education	\$1,135,476	\$1,145,181	\$1,174,932	\$1,193,180	3.3%
Attendance	\$91,061	\$99,723	\$102,906	\$102,623	0.3%
Health Services	\$199,267	\$193,007	\$227,896	\$226,522	0.6%
Other Student Support	\$1,304,029	\$1,416,721	\$1,790,786	\$1,619,242	4.4%
Instructional Staff	\$1,462,619	\$1,623,945	\$1,665,974	\$1,578,456	4.3%
Special Education Program	\$101,572	\$100,291	\$104,867	\$104,434	0.3%
Vocational Education Program	\$134,598	\$141,138	\$141,264	\$138,901	0.4%
General Administration	\$399,166	\$398,998	\$420,588	\$420,588	1.2%
Office of the Superintendent	\$504,041	\$498,230	\$545,778	\$555,341	1.5%
Office of the Principal	\$1,784,166	\$1,736,093	\$1,798,899	\$1,825,510	5.0%
Business Administration	\$193,452	\$214,968	\$228,691	\$229,953	0.6%
Operation of Plant	\$2,668,355	\$2,513,058	\$3,131,538	\$2,653,013	7.3%
Maintenance of Plant	\$933,568	\$1,089,767	\$1,005,794	\$987,624	2.7%
Transportation	\$886,967	\$910,481	\$870,402	\$881,663	2.4%
Food Service	\$52,270	\$52,883	\$55,548	\$55,660	0.2%
Community Services	\$304,120	\$222,723	\$289,540	\$292,433	0.8%
Early Childhood Education	\$765,495	\$942,214	\$967,624	\$967,624	2.6%
Capital Outlay	\$0	\$0	\$0	\$0	0.0%
Debt Service	\$158,341	\$71,428	\$71,428	\$71,428	0.2%
Other Financing Uses:					
Transfers to other Funds	\$704,800	\$712,882	\$634,615	\$480,650	1.3%
<i>Total Expenditures and</i>					
<i>Other Financing uses</i>	\$34,305,284	\$34,666,456	\$37,451,090	\$36,518,976	100.0%
<i>Increase (Decrease) in Fund Balance</i>	(\$214,646)	\$442,459	\$0	\$0	
<i>Fund Balance at Beginning of FY</i>	\$1,884,614	\$1,669,968	\$2,112,427	\$2,112,427	
<i>Fund Balance at End of FY</i>	\$1,669,968	\$2,112,427	\$2,112,427	\$2,112,427	

Summary of Expenditures by Category



- | | | |
|------------------------|-----------------------------|----------------------------|
| ■ Regular Instruction | ■ Special Education | ■ Vocational Education |
| ■ Attendance | ■ Health Services | ■ Other Student Support |
| ■ Instructional Staff | ■ General Administration | ■ Office of Superintendent |
| ■ Office of Principals | ■ Fiscal Services | ■ Plant Operation |
| ■ Plant Maintenance | ■ Transportation | ■ Food Service |
| ■ Community Services | ■ Early Childhood Education | ■ Regular Capital Outlay |

CLEVELAND CITY SCHOOLS						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
INTERGOVERNMENTAL						
FEDERAL GOVERNMENT						
47143	EDUCATION OF HANDICAPPED	21,326	21,327	47,713	47,713	47,713
47590	OTHER FEDERAL-STATE SN	0	0	51,406	0	0
47990	OTHER DIRECT FEDERAL REVENUE	89,436	118,120	536,030	142,418	142,418
Subtotal:		110,762	139,447	635,149	190,131	190,131
STATE OF TENNESSEE						
46511	BASIC EDUCATION PROGRAM	18,260,000	18,776,870	19,527,000	19,727,000	19,727,000
46520	SCHOOL FOOD SERVICE	24,655	24,654	25,177	25,177	25,177
46530	ENERGY EFFICIENT SCHOOLS	0	0	505,012	0	0
46550	DRIVER EDUCATION	8,118	8,000	8,000	8,000	8,000
46590	OTHER STATE EDUCATION	4,955	0	0	0	0
46591	COORD. SCHOOL HEALTH - ARRA	125,000	125,000	125,000	125,000	125,000
46592	INTERNET CONNECTIVITY - ARRA	16,880	0	25,546	0	0
46610	CAREER LADDER PROGRAM	214,828	224,648	224,648	224,648	224,648
46612	CAREER LADDER-EXT CONT	99,900	0	0	164,793	164,793
46615	CAREER LADDER-EXT. CONT. ARRA	0	164,793	164,793	0	0
46820	INCOME TAX	26,664	46,091	26,251	26,251	26,251
46850	MIXED DRINK TAX	67,117	76,800	76,800	76,800	76,800
46980	OTHER STATE GRANTS	942,214	947,020	1,002,608	967,624	967,624
46981	SAFE SCHOOLS - ARRA	13,430	0	23,500	0	0
Subtotal:		19,803,761	20,393,876	21,734,335	21,345,293	21,345,293
BRADLEY COUNTY						
40110	CURRENT PROPERTY TAX	5,181,258	5,011,440	5,111,440	5,151,440	5,151,440
40120	TRUSTEE'S COLLECTION	165,805	182,061	182,061	182,061	182,061
40130	CIR CLK/CLK & MASTER	125,021	66,000	66,000	66,000	66,000
40140	INTEREST & PENALTY	32,941	31,369	31,369	31,369	31,369
40162	PYMTS IN LIEU-LOCAL	1,502	1,370	1,370	1,370	1,370
40163	PAYMENTS IN LIEU-OTHER	23,595	0	23,595	23,595	23,595
40210	LOCAL OPTION SALES TAX	3,713,650	3,774,234	3,651,234	3,699,670	3,699,670
40320	BANK EXCISE TAX	41,230	37,201	37,201	37,201	37,201
40350	INTERSTATE TELECOMM. TAX	2,563	4,426	4,426	4,426	4,426
41110	MARRIAGE LICENSES	2,531	2,825	2,825	2,825	2,825
Subtotal:		9,290,096	9,110,926	9,111,521	9,199,957	9,199,957
CHARGES FOR SERVICES						
43511	TUITION-REGULAR DAY	96,780	101,935	101,935	101,935	101,935
43517	TUITION-OTHER CLC	0	0	0	0	0
43581	COMM SVCS FEES-CHILDREN	165,217	275,539	275,539	277,433	277,433
43583	TBI CRIMINAL BACKGROUND	1,200	4,800	4,800	4,800	4,800
Subtotal:		263,197	382,274	382,274	384,168	384,168
INTEREST						
44110	INTEREST EARNED	2,238	2,000	3,500	3,500	3,500
Subtotal:		2,238	2,000	3,500	3,500	3,500
MISCELLANEOUS						
44120	LEASE/RENTALS	2,650	0	0	0	0
44146	E-RATE FUNDING	67,966	0	62,022	0	0
44170	MISCELLANEOUS REFUNDS	92,990	98,841	98,841	98,841	98,841
44530	SALE OF EQUIPMENT	891	1,640	3,640	1,640	1,640
44560	DAMAGES RECOVERED	1,033	1,800	1,800	1,800	1,800
44570	CONTRIBUTIONS & GIFTS	283,677	244,108	253,808	129,446	129,446
44990	OTHER LOCAL REVENUES	53,690	30,000	30,000	30,000	30,000
Subtotal:		502,897	376,389	450,111	261,727	261,727
OTHER FINANCING USES						
49200	NOTE PROCEEDS	0	0	0	0	0
49800	OPERATING TRANSFERS (FED)	7,982	13,000	13,000	13,000	13,000
49810	CITY GENERAL FUND TRANS	5,127,982	5,121,200	5,121,200	5,121,200	5,121,200
Subtotal:		5,135,964	5,134,200	5,134,200	5,134,200	5,134,200
	TOTAL REVENUES	35,108,915	35,539,112	37,451,090	36,518,976	36,518,976

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
EDUCATION						
71100 REGULAR INSTRUCTION						
116	TEACHERS	11,707,785	11,840,374	12,079,094	12,334,734	12,334,734
117	CAREER LADDER PROGRAM	127,735	129,000	129,000	129,000	129,000
127	CAREER LADDER-EXT CONT	93,500	141,211	141,211	141,211	141,211
128	HOMEBOUND TEACHERS	44,299	44,540	48,240	53,824	53,824
163	ASSISTANTS	1,016,113	1,067,318	1,047,318	1,054,212	1,054,212
189	OTHER SALARIES & WAGES	166,030	191,784	228,584	191,982	191,982
195	CERTIFIED SUBSTITUTE TEACHERS	151,587	120,000	120,000	120,000	120,000
198	NON-CERTIFIED SUBSTITUTE TCHRS	113,875	92,780	95,805	92,780	92,780
201	SOCIAL SECURITY	775,514	830,618	834,477	861,044	861,044
204	STATE RETIREMENT	918,879	1,278,174	1,283,777	1,321,567	1,321,567
206	LIFE INSURANCE	23,764	15,607	15,607	15,607	15,607
207	MEDICAL INSURANCE	1,634,051	1,705,597	1,730,108	1,753,609	1,753,609
210	UNEMPLOYMENT COMP	28,177	18,000	18,000	18,000	18,000
212	EMPLOYER MEDICARE LIAB	183,380	194,258	195,459	201,373	201,373
299	OTHER FRINGE BENEFITS	102,761	109,000	112,000	109,000	109,000
336	MAINTENANCE & REPAIR	3,793	17,475	21,475	18,650	18,650
399	OTHER CONTRACTED SVCS	456,248	318,340	407,408	321,595	321,595
429	INSTRUCTIONAL SUPPLIES	251,568	247,005	327,735	263,980	263,980
449	TEXTBOOKS	345,615	305,000	551,046	305,000	305,000
499	OTHER SUPP & MATERIALS	22,047	42,050	43,667	31,000	31,000
599	OTHER CHARGES	9,425	10,325	10,686	9,825	9,825
722	REGULAR INSTRUCTION EQUIP	589,118	172,629	201,054	206,154	206,154
	TOTAL REGULAR INSTRUCT	18,765,264	18,891,085	19,641,751	19,554,147	19,554,147
71200 SPECIAL EDUCATION						
116	TEACHERS	815,142	1,439,454	1,400,205	1,427,759	1,427,759
117	CAREER LADDER PROGRAM	18,500	19,000	19,000	19,000	19,000
128	HOMEBOUND TEACHERS	4,117	1,000	1,000	1,000	1,000
163	ASSISTANTS	255,913	261,015	276,092	276,354	276,354
171	SPEECH PATHOLOGIST	256,978	234,239	257,866	237,467	237,467
195	CERTIFIED SUBSTITUTE TEACHERS	4,613	4,000	6,100	4,000	4,000
198	NON-CERTIFIED SUBSTITUTE TCHRS	5,607	3,000	3,000	3,000	3,000
201	SOCIAL SECURITY	78,265	120,193	120,193	120,619	120,619
204	STATE RETIREMENT	112,435	196,843	196,843	198,636	198,636
206	LIFE INSURANCE	3,324	1,956	1,956	1,956	1,956
207	MEDICAL INSURANCE	215,170	215,002	212,502	203,782	203,782
212	EMPLOYER MEDICARE LIAB	18,401	28,110	28,110	28,209	28,209
312	CONTRACTS-PRIVATE AGENCY	0	22,102	22,102	22,102	22,102
336	MAINTENANCE & REPAIR	1,140	1,700	1,700	1,700	1,700
429	INSTRUCTIONAL SUPPLIES	12,557	23,027	23,027	23,527	23,527
499	OTHER SUPP & MATERIALS	9,324	6,473	6,473	6,773	6,773
725	SPECIAL EDUCATION EQUIP	5,975	4,100	4,100	4,100	4,100
	TOTAL SPECIAL EDUCATION	1,817,461	2,581,214	2,580,269	2,579,984	2,579,984
71300 VOCATIONAL EDUCATION						
116	TEACHERS	817,702	841,782	820,728	841,467	841,467
195	CERTIFIED SUBSTITUTE TEACHERS	1,275	1,500	1,500	1,500	1,500
198	NON-CERTIFIED SUBSTITUTE TCHRS	2,732	1,000	1,000	1,000	1,000
201	SOCIAL SECURITY	47,655	51,945	51,945	51,925	51,925
204	STATE RETIREMENT	52,437	76,181	76,181	76,153	76,153
206	LIFE INSURANCE	1,260	639	639	639	639
207	MEDICAL INSURANCE	110,198	110,749	92,749	92,310	92,310
212	EMPLOYER MEDICARE LIAB	11,149	12,148	12,148	12,144	12,144
336	MAINTENANCE & REPAIR	5,198	8,500	8,500	8,500	8,500
356	TUITION-CERTIFICATION COURSE	0	375	375	375	375
399	OTHER CONTRACTED SVCS	79	4,500	4,500	4,500	4,500
429	INSTRUCTIONAL SUPPLIES	54,825	35,200	35,200	33,200	33,200

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
499	OTHER SUPP & MATERIALS	9,440	2,300	2,300	2,300	2,300
730	VOCATIONAL INSTR EQUIP	31,231	67,167	67,167	67,167	67,167
	TOTAL VOCATIONAL EDUCATION	1,145,181	1,213,986	1,174,932	1,193,180	1,193,180
	72110 ATTENDANCE					
105	SUPERVISOR/DIRECTOR	38,392	38,392	38,392	38,776	38,776
189	OTHER SALARIES AND WAGES	35,806	36,341	37,689	36,726	36,726
201	SOCIAL SECURITY	4,538	4,633	4,633	4,681	4,681
204	STATE RETIREMENT	8,419	9,540	9,540	9,639	9,639
206	LIFE INSURANCE	106	120	120	120	120
207	MEDICAL INSURANCE	2,401	2,448	2,448	2,586	2,586
212	EMPLOYER MEDICARE LIAB	1,061	1,084	1,084	1,095	1,095
704	ATTENDANCE EQUIPMENT	9,000	9,000	9,000	9,000	9,000
	TOTAL ATTENDANCE	99,723	101,558	102,906	102,623	102,623
	72120 HEALTH SERVICES					
131	MEDICAL PERSONNEL	54,160	79,760	79,760	79,160	79,160
189	OTHER SALARIES AND WAGES	88,630	89,571	89,571	91,418	91,418
201	SOCIAL SECURITY	7,842	10,499	10,499	10,576	10,576
204	STATE RETIREMENT	8,362	14,232	14,232	14,487	14,487
206	LIFE INSURANCE	70	94	94	94	94
207	MEDICAL INSURANCE	18,050	18,404	19,207	20,010	20,010
212	EMPLOYER MEDICARE LIAB	1,834	2,455	2,455	2,473	2,473
355	TRAVEL	2,401	2,407	2,407	3,407	3,407
399	OTHER CONTRACTED SVCS	0	515	515	515	515
413	DRUGS/MEDICAL SUPPLIES	1,678	2,000	2,000	2,000	2,000
499	OTHER SUPP & MATERIALS	9,980	6,956	7,156	2,382	2,382
	TOTAL HEALTH SERVICES	193,007	226,893	227,896	226,522	226,522
	72130 OTHER STUDENT SUPPORT					
117	CARRER LADDER PROGRAM	9,000	9,000	9,000	9,000	9,000
123	GUIDANCE PERSONNEL	601,572	608,049	619,035	630,659	630,659
124	PSYCHOLOGICAL PERSONNEL	89,497	86,659	89,509	87,760	87,760
130	SOCIAL WORKERS	79,745	80,272	85,825	81,816	81,816
164	ATTENDANTS	74,949	76,795	76,795	76,795	76,795
189	OTHER SALARIES AND WAGES	50,321	51,663	211,663	168,876	168,876
201	SOCIAL SECURITY	53,621	56,274	66,568	65,107	65,107
204	STATE RETIREMENT	62,419	82,526	98,529	106,001	106,001
206	LIFE INSURANCE	1,155	867	967	867	867
207	MEDICAL INSURANCE	82,797	86,213	89,829	97,555	97,555
212	EMPLOYER MEDICARE LIAB	12,540	13,230	15,660	15,296	15,296
307	COMMUNICATION	0	0	400	0	0
322	EVALUATION AND TESTING	39,982	35,425	35,425	35,425	35,425
336	MAINTENANCE & REPAIR	0	300	300	600	600
355	TRAVEL	0	0	27,608	0	0
399	OTHER CONTRACTED SVCS	240,681	237,670	306,461	237,670	237,670
499	OTHER SUPP & MATERIALS	17,572	25,315	39,727	5,815	5,815
599	OTHER CHARGES	870	20,000	17,160	0	0
790	OTHER EQUIPMENT	0	0	325	0	0
	TOTAL OTHER STUDENT SUPP	1,416,721	1,470,258	1,790,786	1,619,242	1,619,242
	INSTRUCTIONAL STAFF					
	72210 REGULAR INSTRUCTION PROGRAM					
105	SUPERVISOR/DIRECTOR	311,422	269,753	268,820	256,474	256,474
117	CAREER LADDER PROGRAM	20,500	20,500	20,500	20,500	20,500
129	LIBRARIANS	446,743	452,722	447,325	459,368	459,368
132	MATERIALS COORDINATOR	81,605	81,605	83,030	82,421	82,421
161	SECRETARIES	89,849	98,967	127,733	115,793	115,793
189	OTHER PERSONNEL	122,455	141,200	141,200	145,267	145,267
201	SOCIAL SECURITY	64,529	65,171	65,171	66,106	66,106
204	STATE RETIREMENT	80,300	114,708	114,708	117,669	117,669

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
206	LIFE INSURANCE	1,453	1,183	1,183	1,183	1,183
207	MEDICAL INSURANCE	97,499	105,626	109,577	113,025	113,025
212	EMPLOYER MEDICARE LIAB	15,134	15,242	15,242	15,460	15,460
320	DUES & SUBSCRIPTIONS	1,162	4,000	4,000	4,000	4,000
355	TRAVEL	30,672	36,040	45,315	36,040	36,040
399	CONTRACTED SERVICE	21,111	8,500	75,168	8,500	8,500
429	INSTRUCTION SUPPLIES/MATERIALS	0	0	3,816	0	0
432	LIBRARY BOOKS/MEDIA	35,497	37,000	37,000	36,000	36,000
499	OTHER SUPPLIES & MATERIALS	17,791	21,750	22,148	21,750	21,750
524	IN-SERVICE/STAFF DEVELOP	68,504	75,400	78,871	75,400	75,400
790	OTHER EQUIPMENT	117,719	3,500	5,167	3,500	3,500
	TOTAL REGULAR INSTRUCT	1,623,945	1,552,867	1,665,974	1,578,456	1,578,456
	72220 SPECIAL EDUCATION PROGRAM					
105	SUPERVISOR/DIRECTOR	81,605	81,605	83,030	82,421	82,421
117	CAREER LADDER PROGRAM	500	1,000	1,000	1,000	1,000
201	SOCIAL SECURITY	4,946	5,121	5,121	5,172	5,172
204	STATE RETIREMENT	5,271	7,476	7,605	7,550	7,550
206	LIFE INSURANCE	70	29	29	29	29
207	MEDICAL INSURANCE	4,801	4,895	4,895	5,063	5,063
212	EMPLOYER MEDICARE LIAB	1,157	1,187	1,187	1,199	1,199
308	CONSULTANTS	0	500	500	500	500
355	TRAVEL	1,941	1,500	1,500	1,500	1,500
	TOTAL SPECIAL EDUCATION	100,291	103,313	104,867	104,434	104,434
	72230 VOCATIONAL EDUCATION					
105	SUPERVISOR/DIRECTOR	76,723	76,723	78,148	77,491	77,491
117	CAREER LADDER PROGRAM	3,000	3,000	3,000	3,000	3,000
161	SECRETARIES	24,647	23,803	25,151	24,076	24,076
201	SOCIAL SECURITY	5,822	6,419	6,419	6,483	6,483
204	STATE RETIREMENT	9,217	11,188	11,188	11,303	11,303
206	LIFE INSURANCE	140	72	72	72	72
207	MEDICAL INSURANCE	13,103	13,285	13,285	12,460	12,460
212	EMPLOYER MEDICARE LIAB	1,363	1,501	1,501	1,516	1,516
355	TRAVEL	7,123	2,500	2,500	2,500	2,500
	TOTAL VOCATIONAL EDUC	141,138	138,491	141,264	138,901	138,901
	GENERAL ADMINISTRATION					
	72310 BOARD OF EDUCATION					
191	BOARD FEES	52,800	52,800	52,800	52,800	52,800
201	SOCIAL SECURITY	3,274	3,274	3,274	3,274	3,274
212	EMPLOYER MEDICARE	766	765	765	765	765
299	OTHER FRINGE BENEFITS	733	740	740	740	740
305	AUDIT SERVICES	12,250	11,600	12,500	12,500	12,500
320	DUES AND MEMBERSHIPS	14,045	11,753	11,753	11,753	11,753
331	LEGAL SERVICES	13,024	10,000	10,000	10,000	10,000
355	TRAVEL	910				
506	LIABILITY INSURANCE	34,864	35,001	34,916	34,916	34,916
508	PREMIUMS ON SURETY BONDS	8,451	8,486	8,464	8,464	8,464
510	TRUSTEE'S COMMISSION	110,181	92,000	109,753	109,753	109,753
513	WORKER'S COMP INSURANCE	122,535	122,514	133,623	133,623	133,623
533	CRIMINAL INVESTIGATION APPL	4,152	8,000	8,000	8,000	8,000
534	REFUND APPLICANT-INVESTIGAT	1,144	2,000	2,000	2,000	2,000
599	OTHER CHARGES	19,869	22,000	32,000	32,000	32,000
	TOTAL BOARD OF EDUCATION	398,998	380,933	420,588	420,588	420,588
	72320 OFFICE OF THE SUPERINTENDENT					
101	ADMINISTRATIVE OFFICER	131,722	136,991	138,416	136,991	136,991
103	ASSISTANT	85,030	85,605	87,030	86,461	86,461
117	CAREER LADDER PROGRAM	400	1,000	1,000	1,000	1,000
161	SECRETARIES	65,991	67,247	69,943	67,978	67,978

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
189	OTHER SALARIES & WAGES	8,580	8,064	8,064	8,064	8,064
201	SOCIAL SECURITY	15,945	18,346	18,346	18,444	18,444
204	STATE RETIREMENT	25,466	32,189	32,189	32,388	32,388
206	LIFE INSURANCE	210	195	195	195	195
207	MEDICAL INSURANCE	19,346	19,490	24,525	25,726	25,726
212	EMPLOYER MEDICARE LIAB	4,178	4,290	4,290	4,314	4,314
299	OTHER FRINGE BENEFITS	3,932	5,480	5,480	5,480	5,480
307	COMMUNICATION	92,013	80,000	80,000	80,000	80,000
320	DUES AND MEMBERSHIPS	1,260	2,500	2,500	2,500	2,500
348	POSTAL CHARGES	6,336	6,500	6,500	6,500	6,500
355	TRAVEL	1,082	4,300	4,300	4,300	4,300
399	OTHER CONTRACTED SVCS	13,189	22,600	22,600	34,600	34,600
435	OFFICE SUPPLIES	13,661	17,500	17,500	17,500	17,500
599	OTHER CHARGES	8,460	17,900	17,900	17,900	17,900
701	ADMINISTRATIVE EQUIPMENT	1,429	5,000	5,000	5,000	5,000
	TOTAL OFFICE OF SUPRNTNDT	498,230	535,197	545,778	555,341	555,341
	72410 OFFICE OF THE PRINCIPAL					
104	PRINCIPALS	629,202	630,378	633,654	645,326	645,326
117	CAREER LADDER PROGRAM	10,000	10,000	10,000	10,000	10,000
139	ASSISTANT PRINCIPALS	376,533	377,895	383,095	391,163	391,163
161	SECRETARIES	314,053	323,242	299,868	301,820	301,820
162	CLERICAL PERSONNEL	22,786	23,655	23,655	24,178	24,178
201	SOCIAL SECURITY	80,084	83,399	83,399	83,853	83,853
204	STATE RETIREMENT	113,770	150,051	150,051	149,116	149,116
206	LIFE INSURANCE	2,030	1,386	1,386	1,386	1,386
207	MEDICAL INSURANCE	124,408	128,322	134,261	142,752	142,752
212	EMPLOYER MEDICARE LIAB	18,729	19,505	19,505	19,611	19,611
320	DUES & MEMBERSHIPS	3,667	4,055	4,055	3,525	3,525
336	MAINTENANCE & REPAIR	1,100	5,925	5,925	1,925	1,925
348	POSTAL CHARGES	5,110	6,345	6,345	7,195	7,195
355	TRAVEL	2,038	5,100	5,100	5,100	5,100
399	OTHER CONTRACTED SVCS	12,837	18,025	18,025	13,725	13,725
435	OFFICE SUPPLIES	11,388	11,000	11,000	11,000	11,000
599	OTHER CHARGES	157	250	250	250	250
701	ADMINISTRATIVE EQUIPMENT	8,201	9,325	9,325	13,585	13,585
	TOTAL OFFICE OF THE PRINCIPAL	1,736,093	1,807,858	1,798,899	1,825,510	1,825,510
	72510 FISCAL SERVICES					
119	BOOKKEEPERS	156,390	159,662	161,684	160,591	160,591
201	SOCIAL SECURITY	8,615	9,899	9,899	9,957	9,957
204	STATE RETIREMENT	24,087	26,648	26,648	26,803	26,803
206	LIFE INSURANCE	210	163	163	163	163
207	MEDICAL INSURANCE	13,097	13,354	16,628	19,901	19,901
212	EMPLOYER MEDICARE LIAB	2,180	2,315	2,315	2,329	2,329
317	DATA PROCESSING SERVICES	9,433	9,209	10,354	9,209	9,209
355	TRAVEL	956	1,000	1,000	1,000	1,000
	TOTAL FISCAL SERVICES	214,968	222,250	228,691	229,953	229,953
	OPERATION AND MAINTENANCE OF PLANT					
	72610 OPERATION OF PLANT					
166	CUSTODIAL PERSONNEL	22,995	23,295	23,295	23,225	23,225
189	OTHER SALARIES & WAGES	76,785	76,785	76,785	77,553	77,553
201	SOCIAL SECURITY	5,570	6,205	6,205	6,248	6,248
204	STATE RETIREMENT	8,754	10,837	10,837	10,895	10,895
206	LIFE INSURANCE	140	84	84	84	84
207	MEDICAL INSURANCE	19,995	20,387	20,387	11,931	11,931
212	EMPLOYER MEDICARE LIAB	1,303	1,451	1,451	1,461	1,461
328	JANITORIAL SERVICES	716,979	716,967	731,319	731,319	731,319
330	OPERATING LEASE PAYMENTS	0	0	26,475	52,951	52,951
351	RENTALS	6,000	6,000	6,000	6,000	6,000
399	OTHER CONTRACTED SVCS	217,447	216,870	216,870	216,870	216,870

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
415	ELECTRICITY	1,030,340	969,048	1,052,422	1,052,422	1,052,422
434	NATURAL GAS	138,811	157,000	157,000	157,000	157,000
454	WATER AND SEWER	124,407	149,593	149,593	149,593	149,593
499	OTHER SUPP AND MATERIALS	13,587	25,000	25,000	25,000	25,000
501	BOILER INSURANCE	6,762	6,788	6,788	6,788	6,788
502	BLDG & CONTENTS INSURANCE	123,183	123,673	123,673	123,673	123,673
707	BUILDING IMPROVEMENTS	0	0	497,354	0	0
	TOTAL OPERATION OF PLANT	2,513,058	2,509,983	3,131,538	2,653,013	2,653,013
72620	MAINTENANCE OF PLANT					
105	SUPERVISOR	56,548	56,189	58,189	56,750	56,750
167	MAINTENANCE PERSONNEL	340,975	351,466	351,466	350,798	350,798
189	OTHER SALARIES AND WAGES	0	35,000	35,000	35,000	35,000
201	SOCIAL SECURITY	22,894	27,142	27,142	27,136	27,136
204	STATE RETIREMENT	55,916	68,037	68,037	68,020	68,020
206	LIFE INSURANCE	840	592	592	592	592
207	MEDICAL INSURANCE	70,900	72,477	74,992	79,211	79,211
212	EMPLOYER MEDICARE LIAB	5,354	6,418	6,418	6,417	6,417
335	MAINTENANCE/REPAIR-BLDG	156,491	58,000	58,000	58,000	58,000
336	MAINTENANCE/REPAIR-EQUIP	0	2,000	2,000	2,000	2,000
399	OTHER CONTRACTED SVCS	111,572	86,000	86,000	86,000	86,000
418	EQUIP/MACHINERY PARTS	0	10,200	10,200	10,200	10,200
499	OTHER SUPP AND MATERIALS	260,566	200,000	200,000	200,000	200,000
599	OTHER CHARGES	3,910	5,000	5,000	5,000	5,000
717	MAINTENANCE EQUIPMENT	3,801	2,500	22,758	2,500	2,500
	TOTAL MAINT OF PLANT	1,089,767	981,021	1,005,794	987,624	987,624
72710	TRANSPORTATION					
105	SUPERVISOR	32,232	31,240	31,240	31,249	31,249
142	MECHANICS	67,666	60,885	47,385	50,882	50,882
146	BUS DRIVERS	440,890	404,461	404,461	404,461	404,461
201	SOCIAL SECURITY	32,972	30,788	30,788	30,169	30,169
204	STATE RETIREMENT	14,810	15,376	15,376	13,708	13,708
206	LIFE INSURANCE	210	94	94	94	94
207	MEDICAL INSURANCE	20,502	22,485	4,985	5,171	5,171
212	EMPLOYER MEDICARE LIAB	7,711	7,200	7,200	7,056	7,056
313	CONTRACTS WITH PARENTS	0	1,000	1,000	1,000	1,000
340	MEDICAL/DENTAL SERVICES	1,430	3,500	3,500	3,500	3,500
355	TRAVEL	1,209	1,100	1,100	1,100	1,100
399	OTHER CONTRACTED SVCS	0	5,000	22,500	22,500	22,500
412	DIESEL FUEL	124,737	133,788	133,788	143,788	143,788
425	GASOLINE	18,861	20,000	20,000	20,000	20,000
433	LUBRICANTS	0	2,000	2,000	2,000	2,000
450	TIRE AND TUBES	12,436	9,962	9,962	9,962	9,962
453	VEHICLE PARTS	91,247	65,940	79,440	79,440	79,440
499	OTHER SUPP AND MATERIALS	4,834	2,000	2,000	2,000	2,000
511	VEHICLE/EQUIP INSURANCE	38,033	38,033	38,033	38,033	38,033
599	OTHER CHARGES	701	15,550	15,550	15,550	15,550
729	TRANSPORTATION EQUIPMENT	0	0	0	0	0
	TOTAL TRANSPORTATION	910,481	870,402	870,402	881,663	881,663
73100	FOOD SERVICE					
189	OTHER WAGES AND SALARIES	38,786	39,739	40,871	40,567	40,567
201	SOCIAL SECURITY	2,372	2,464	2,464	2,515	2,515
204	STATE RETIREMENT	6,450	6,633	6,633	6,771	6,771
206	LIFE INSURANCE	70	47	47	47	47
207	MEDICAL INSURANCE	4,650	4,741	4,957	5,172	5,172
212	EMPLOYER MEDICARE LIAB	555	576	576	588	588
	TOTAL FOOD SERVICE	52,883	54,200	55,548	55,660	55,660
73300	COMMUNITY SERVICE					
105	SUPERVISOR	47,327	48,199	48,199	49,776	49,776
189	OTHER WAGES AND SALARIES	119,265	162,229	162,229	162,228	162,228
201	SOCIAL SECURITY	10,153	13,046	13,046	13,144	13,144

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
204	STATE RETIREMENT	3,074	4,362	4,362	4,505	4,505
206	LIFE INSURANCE	70	34	34	34	34
207	MEDICAL INSURANCE	6,586	8,613	8,613	9,666	9,666
212	EMPLOYER MEDICARE LIAB	2,374	3,051	3,051	3,074	3,074
302	ADVERTISING	1,085	1,075	1,075	1,075	1,075
355	TRAVEL	1,182	3,150	3,150	3,150	3,150
399	OTHER CONTRACTED SVCS	20,003	17,500	17,500	17,500	17,500
422	FOOD SUPPLIES	9,498	22,000	22,000	22,000	22,000
499	OTHER SUPP AND MATERIALS	1,836	4,700	4,700	4,700	4,700
509	REFUNDS	81	350	350	350	350
599	OTHER CHARGES	189	1,231	1,231	1,231	1,231
	TOTAL COMMUNITY SERVICE	222,723	289,540	289,540	292,433	292,433
	TOTAL EDUCATION	32,939,932	33,931,049	35,777,423	34,999,274	34,999,274
73400	EARLY CHILDHOOD EDUCATION					
310	CONT. W/ OTHER PUBLIC AGENCY	942,214	947,020	967,624	967,624	967,624
	TOTAL EARLY CHILDHOOD EDUC	942,214	947,020	967,624	967,624	967,624
	DEBT SERVICE					
601	PRINCIPAL ON BONDS	413,633	355,357	394,437	256,536	256,536
603	INTEREST ON BONDS	143,166	175,486	181,406	165,342	165,342
699	OTHER DEBT SERVICE	227,511	130,200	130,200	130,200	130,200
	TOTAL DEBT SERVICE	784,310	661,043	706,043	552,078	552,078
	TOTAL EXPENDITURES	34,666,456	35,539,112	37,451,090	36,518,976	36,518,976

SCHOOL FOOD

SERVICES



School Food Service Fund

Programs, Services, and Functions:

This fund accounts for the monies to run the food service functions within all schools. The revenues come from the fees for breakfast, lunch, and from subsidies for breakfast and lunch paid by the US Department of Agriculture.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$1,107,581	\$ 1,206,000	\$1,224,000	1%
Operating Expenditures	\$1,102,429	\$1,261,000	\$1,243,000	-1%
Capital Outlay & Debt Service	\$0	\$0	\$0	0%
Total Expenditures	\$2,210,010	\$2,467,000	\$2,467,000	0%

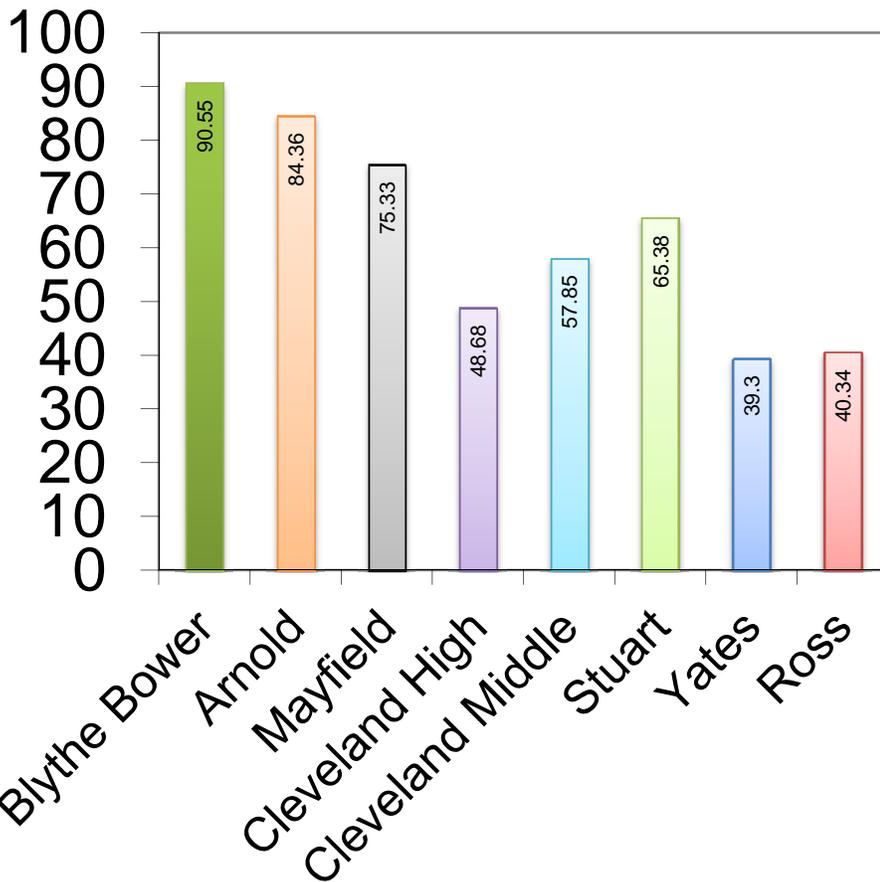
Goals and Objectives:

- Provide quality meals that meet federal and state nutritional guidelines for students.
- Assure that these funds are appropriated and spent in accordance with all regulations.

Performance Measures:

Measure Description	FY2008 (Actual)	FY2009 (Actual)	FY2010 (Estimated)	FY2011 (Projected)
Number of breakfasts served	227,000	227,000	237,000	237,000
Number of lunches served	597,000	597,000	608,000	608,000
Number of total meals served	824,000	824,000	845,000	845,000
Number of personnel in food service	64	64	67	67
Number of meals served per personnel	12,900	12,900	12,060	12,100
Cost of breakfast	\$1	\$1	\$1.25	\$1.25
Cost of reduced breakfast	\$0.30	\$0.30	\$0.30	\$0.30
Cost of lunch-elementary	\$1.75	\$1.75	\$2.00	\$2.00
Cost of lunch-Cleveland Middle School	\$2.00	\$2.00	\$2.25	\$2.25
Cost of lunch-Cleveland High School	\$2.00	\$2.00	\$2.25	\$2.25
Cost of reduced lunch	\$0.40	\$0.40	\$0.40	\$0.40
Average grade on state inspections	98%	98%	98%	98%

Cleveland City Schools Free/Reduced Lunch Percentages



CLEVELAND CITY SCHOOLS FOOD SERVICES FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
47111	CHARGES FOR SERVICES	1,538,121	1,508,000	1,620,050	1,665,000	1,665,000
44110	INTEREST EARNED	75	2,000	2,000	2,000	2,000
43521	STUDENT LUNCHESES	614,926	765,000	700,000	710,000	710,000
43522	ADULT LUNCHESES	35,254	45,000	42,000	42,000	42,000
43523	BREAKFAST	1,959	12,000	8,000	8,000	8,000
43525	ALA CARTE SALES	55,254	60,000	50,000	40,000	40,000
47114	GRANTS	33,474	0	44,950	0	0
	TOTAL REVENUES	2,279,063	2,392,000	2,467,000	2,467,000	2,467,000
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
162	CLERICAL PERSONNEL	51,878	56,000	56,000	54,000	54,000
165	CAFETERIA PERSONNEL	668,749	720,000	720,000	740,000	740,000
196	IN SERVICE TRAINING	640	2,000	2,000	2,000	2,000
201	SOCIAL SECURITY	40,274	45,000	45,000	45,000	45,000
204	STATE RETIREMENT	98,147	120,000	120,000	120,000	120,000
206	LIFE INSURANCE	3,478	3,000	3,000	5,000	5,000
207	MEDICAL INSURANCE	218,793	219,000	230,000	230,000	230,000
210	UNEMPLOYMENT COMP	910	1,000	1,000	1,000	1,000
212	EMPLOYER MEDICARE LIAB	9,419	12,000	12,000	12,000	12,000
299	OTHER FRINGE BENEFITS	15,293	17,000	17,000	15,000	15,000
	Subtotal:	1,107,581	1,195,000	1,206,000	1,224,000	1,224,000
Operating Expenditures:						
307	COMMUNICATION	502	500	500	500	500
320	DUES AND MEMBERSHIPS	383	600	600	600	600
336	MAINTENANCE & REPAIR	17,686	15,000	15,000	15,000	15,000
343	PAYMENTS TO SCHOOLS LUNCH	208	0	0	0	0
354	TRANSPORTATION	1,184	3,000	3,000	3,000	3,000
355	TRAVEL	3,166	3,000	3,000	3,000	3,000
399	CONTRACTED SERVICES	17,923	10,000	14,000	14,000	14,000
422	FOOD SUPPLIES	863,536	945,000	986,000	986,000	986,000
435	OFFICE SUPPLIES	7,673	8,500	8,500	8,500	8,500
451	UNIFORMS	3,411	2,000	2,000	2,000	2,000
452	UTILITIES	125	4,000	4,000	5,000	5,000
457	IN SERVICE STAFF DEV.	1,882	1,000	1,000	1,000	1,000
499	OTHER SUPPLIES	149,424	184,000	184,000	184,000	184,000
533	APPLICANT INVESTIGATION	720	400	400	400	400
710	EQUIPMENT	34,606	20,000	39,000	20,000	20,000
	Subtotal:	1,102,429	1,197,000	1,261,000	1,243,000	1,243,000
	TOTAL EXPENDITURES	2,210,010	2,392,000	2,467,000	2,467,000	2,467,000

This page left blank intentionally.

Debt Service Fund

The Debt Service Fund is used for the accumulation of resources for, and the payment of, principal and interest on general long-term debt.

DEBT SERVICE



Michael L. Keith, Finance Director/City Clerk, Mayor Tom Rowland, Scott Gibson of Morgan Keegan/Cumberland Securities, Janice Casteel, City Manager and City Attorney John Kimball attending the refinance closing for the 2009-C and 2009-D Refunding Bonds.

Debt Administration

The wise use of debt is essential to prudent financial planning and management. No city has adequate current revenues to purchase major capital improvements such as buildings, land, utility plants and extensions, and some large equipment. Therefore, it is essential that they borrow additional money to finance these items, and pay for them over a period of years. The City Council must establish clear policies to assure that only the debt which is absolutely essential to the community is issued, that adequate revenues are budgeted and collected to make the debt service (principal and interest) payments, and that the City's credit rating of "A+" with Standard and Poor's Corporation and an "Aa3" rating from Moody's Investor Service is not adversely affected. The revenue bonds of Cleveland Utilities carry the same ratings. The City of Cleveland has established Debt Policies as part of its Financial Policies (See the Financial Policies under Tab V.) There are no state statutes or City Charter requirements, which limit the amount of general obligation debt. However, the city has followed a policy limiting outstanding general government and school debt (not including Cleveland Utilities' debt) to not more than ten (10%) percent of the assessed valuation of property, or \$111,413,883. The City currently has \$43,523,828 available for future projects. Cleveland has a diverse tax base as evidenced by the listing of Cleveland's principal taxpayers (See Appendices under Tab XIV.) Since the assessed valuation averages about thirty (30%) percent of the appraised (fair market) valuation, this limits debt to about three (3%) percent of the appraised valuation of all property within the City. (See the estimated City's Legal Debt Margin also located behind Tab XIV).

The Debt Service Fund is used to pay all the general government debt service payments on general obligation bonds, capital outlay notes, or other debt instruments. The revenues are derived from the entity for which the debt was issued. A Transfer from the General Fund pays for debt issued for the city departments. All debt issued by the city to fund new school construction is financed by transfers from the General Fund and the Schools General Fund. The State Street Aid Fund transfer finances several road projects and major street equipment. The Stormwater Management Fund will transfer annually the amount necessary to finance equipment for the stormwater operation. The Meiler Estate Animal Control Fund pays for debt issued to purchase equipment for the Animal Control operation. The debt issued on behalf of the Bradley County E 911 Emergency Communications District (ECD) is funded through an impact payment from the 911 Center.

Debt service payments for enterprise operations such as Cleveland Utilities' electric and water/wastewater systems are paid directly from the Electric and Water/Wastewater funds of Cleveland Utilities respectively. Debt service payments for internal service operations such as the Fleet Management are paid directly from this fund. They are accounted for using full accrual accounting.

The city uses "double-barrel" bonds to finance the debt of Cleveland Utilities (CU). This means that the city issues general obligation bonds, which pledge the full faith and credit (taxing authority) of the city in addition to the revenues of either the

Water/Wastewater Fund or the Electric Fund of Cleveland Utilities. Bonds, which pledge the city's taxing authority, are usually sold at a lower interest rate than revenue bonds, which pledge only the revenues from the particular enterprise fund. This saves the city ratepayers on interest costs. However, even though the taxing authority of the city has been pledged for repayment if necessary, the city and CU make sure that the utility rates are always adequate to cover the debt service payments. Therefore, the utility debt should have no effect on the city's general revenues and operations. CU receives no subsidy whatever from the city, and is supported solely from its fees and charges. The city's General Fund also receives no subsidies from CU, with the only revenue being a required Payment in Lieu of Taxes from their water division and a tax equivalency payment from their electric division.

At June 30, 2010, the City of Cleveland had total bonded debt outstanding of \$128,071,710. Of this amount, \$42,805,000 comprises debt backed solely by the full faith and credit of the city. The city also issues bonds secured by specified revenue sources (i.e. revenue bonds); however, in the event of default, the full faith and credit of the city are irrevocably pledged. The city had \$57,165,000 in revenue bonds outstanding at the end of the fiscal year. The city also finances capital projects through loans from bond proceeds issued by the Public Building Authority of Sevier and Blount Counties, Tennessee, including \$27,494,716 for city general projects and \$606,994 for Cleveland Utilities.

During fiscal year 2012, the City Council will authorize the issuance of \$1,750,000 in bonds for repayment of the Arnold Elementary School Renovation Project based upon an agreement between the City and the Cleveland City School System. The debt service payments will be provided from the Schools. The City will use proceeds of this money to pay for their local share on two interstate connectors on APD-40.

General Government and School Debt

Because Cleveland Utilities' debt has no effect on the City's general revenues, the discussion of debt will be separated into General Government and School Debt, and Cleveland Utilities Debt. This section first will list the outstanding bond issues and capital outlay notes for general government and school purposes along with individual debt service schedules. (Capital outlay notes are similar to bonds, with a shorter duration.)

Outstanding Bond Issues

2005 Refunding Bonds:

The City authorized on January 10, 2005, the refinancing of the 1999 General Improvement Bonds in order to take advantage of lower interest rates. \$10,580,000 of the 1999 issue was refunded at a 4.21% net interest cost to the City. This issue was used

to finance the new middle school and school renovations, major road improvement projects including the widening of Stuart Road and the extension of Parker Street to Inman Street, transportation equipment for the Public Works Department and the Parks and Recreation Department, computer equipment for the Public Library and the renovation of the Library, and other projects and equipment for city departments. The fixed rate loan will mature June 1, 2024.

2007 General Improvement Bonds:

In January 2007, the city borrowed \$6,100,000 in general obligation bonds. Proceeds were used for Geothermal Units at three schools, completing renovations at Arnold Elementary School and completing Mayfield Elementary School. The fixed rate loan will mature June 1, 2037.

2009B Refunding Bonds:

In January 2009, the city refinanced the 1997 Refunding Bonds and 2001 Refunding Bonds in order to take advantage of lower interest rates. \$3,460,000 of the bonds was refunded at a 2.84% net interest cost to the City. The fixed rate loan will mature September 1, 2012.

2009C Refunding Bonds:

In August 2009, the city refinanced the 1996 Series E-5, 1997 Series II-C, 2002 Series A-7-B, and portions of the 2005 Series D-4-A and the 2008 TMBF in order to convert variable rate debt to fixed rate debt. \$16,335,000 of the bonds was refunded at a 4.15% net interest cost to the City. The fixed rate loan will mature June 1, 2031.

2009D Refunding Bonds:

In August 2009, the city refinanced the 2005 Series VI-E-4 and portions of the 2005 Series D-4-A, and the 2008 TMBF in order to convert variable rate debt to fixed rate debt. \$8,625,000 of the bonds was refunded at a 3.46% net interest cost to the City. The fixed rate loan will mature June 1, 2022.

Outstanding Capital Outlay Notes and Long-Term Variable Rate Notes:

2008 TMBF (County Portion):

In 2007, the city borrowed \$1,812,700 in general obligation notes from the Public Building Authority of the City of Clarksville, Tennessee. Proceeds of this loan are being used to repay Bradley County's portion of the Cleveland/Bradley Public Library addition. The variable rate loan matures June 1, 2028.

Series E-9-A:

In June 2009, the city authorized the refinancing of Adjustable Rate Series IV-C-3 and Series A-2-A into the Adjustable Rate Series E-9-A with the Public Building Authority of Blount County, Tennessee. In 2001, the city entered into two interest swap agreements with the Public Building Authority of Blount County, Tennessee with these debts. The swap agreements remain in effect with the new debt. The city owes interest at an

effective fixed rate of 4.43% on the series. In return, the counterparty owes the city interest based on a variable rate that is calculated at 63.5% of the 3-month LIBOR (London InterBank Offered Rate.) Only the net difference in interest payments is actually exchanged with the counterparty. The variable rate loan will mature June 1, 2030.

2010 Qualified School Construction Bond-QSCB:

In 2010, the City approved borrowing funds from the State of Tennessee through the Qualified School Construction Bond Program. These bonds were issued by the State of Tennessee and were used to pay for a portion of the Science Wing Addition at Cleveland High School. The debt service payments are made by the Cleveland City School System.

The Cleveland City Schools also makes payments on a non-interest bearing local government energy loan. Funds were used to pay for geothermal units at Mayfield Elementary. In June 2010, a separate energy loan in the amount of \$312,203 was obtained for 3%. This loan is to assist the city schools in installing energy efficient lighting at various facilities. These loans mature July 1, 2014 and October 1, 2015 respectively.

City of Cleveland, Tennessee
 General Obligation Refunding Bonds, Series 2005
 Outstanding Debt Service Requirements

<u>Debt Service Schedule</u>					
<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2011			210,643.75	210,643.75	
6/1/2012	215,000.00	4.00%	210,643.75	425,643.75	636,287.50
12/1/2012			206,343.75	206,343.75	
6/1/2013	215,000.00	4.00%	206,343.75	421,343.75	627,687.50
12/1/2013			202,043.75	202,043.75	
6/1/2014	570,000.00	4.00%	202,043.75	772,043.75	974,087.50
12/1/2014			190,643.75	190,643.75	
6/1/2015	590,000.00	5.00%	190,643.75	780,643.75	971,287.50
12/1/2015			175,893.75	175,893.75	
6/1/2016	610,000.00	3.75%	175,893.75	785,893.75	961,787.50
12/1/2016			164,456.25	164,456.25	
6/1/2017	800,000.00	3.75%	164,456.25	964,456.25	1,128,912.50
12/1/2017			149,456.25	149,456.25	
6/1/2018	870,000.00	4.25%	149,456.25	1,019,456.25	1,168,912.50
12/1/2018			130,968.75	130,968.75	
6/1/2019	925,000.00	4.25%	130,968.75	1,055,968.75	1,186,937.50
12/1/2019			111,312.50	111,312.50	
6/1/2020	960,000.00	4.00%	111,312.50	1,071,312.50	1,182,625.00
12/1/2020			92,112.50	92,112.50	
6/1/2021	1,000,000.00	4.50%	92,112.50	1,092,112.50	1,184,225.00
12/1/2021			69,612.50	69,612.50	
6/1/2022	1,050,000.00	4.20%	69,612.50	1,119,612.50	1,189,225.00
12/1/2022			47,562.50	47,562.50	
6/1/2023	1,075,000.00	4.25%	47,562.50	1,122,562.50	1,170,125.00
12/1/2023			24,718.75	24,718.75	
6/1/2024	<u>1,130,000.00</u>	4.38%	<u>24,718.75</u>	<u>1,154,718.75</u>	1,179,437.50
	<u>10,010,000.00</u>		<u>3,551,537.50</u>	<u>13,561,537.50</u>	

City of Cleveland, Tennessee
 General Obligation Bonds, Series 2007
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2011			119,956.26	119,956.26	
6/1/2012	160,000.00	4.00	119,956.26	279,956.26	399,912.52
12/1/2012			116,756.26	116,756.26	
6/1/2013	170,000.00	4.00	116,756.26	286,756.26	403,512.52
12/1/2013			113,356.26	113,356.26	
6/1/2014	175,000.00	4.00	113,356.26	288,356.26	401,712.52
12/1/2014			109,856.26	109,856.26	
6/1/2015	250,000.00	4.00	109,856.26	359,856.26	469,712.52
12/1/2015			104,856.26	104,856.26	
6/1/2016	265,000.00	4.00	104,856.26	369,856.26	474,712.52
12/1/2016			99,556.26	99,556.26	
6/1/2017	275,000.00	4.00	99,556.26	374,556.26	474,112.52
12/1/2017			94,056.26	94,056.26	
6/1/2018	285,000.00	4.00	94,056.26	379,056.26	473,112.52
12/1/2018			88,356.26	88,356.26	
6/1/2019	295,000.00	4.00	88,356.26	383,356.26	471,712.52
12/1/2019			82,456.26	82,456.26	
6/1/2020	305,000.00	4.00	82,456.26	387,456.26	469,912.52
12/1/2020			76,356.26	76,356.26	
6/1/2021	320,000.00	4.13	76,356.26	396,356.26	472,712.52
12/1/2021			69,756.25	69,756.25	
6/1/2022	335,000.00	4.13	69,756.25	404,756.25	474,512.50
12/1/2022			62,846.88	62,846.88	
6/1/2023	350,000.00	4.13	62,846.88	412,846.88	475,693.76
12/1/2023			55,628.13	55,628.13	
6/1/2024	360,000.00	4.13	55,628.13	415,628.13	471,256.26
12/1/2024			48,203.13	48,203.13	
6/1/2025	380,000.00	5.00	48,203.13	428,203.13	476,406.26
12/1/2025			38,703.13	38,703.13	
6/1/2026	390,000.00	5.00	38,703.13	428,703.13	467,406.26
12/1/2026			28,953.13	28,953.13	
6/1/2027	410,000.00	5.00	28,953.13	438,953.13	467,906.26
12/1/2027			18,703.13	18,703.13	
6/1/2028	70,000.00	4.38	18,703.13	88,703.13	107,406.26
12/1/2028			17,171.88	17,171.88	
6/1/2029	75,000.00	4.38	17,171.88	92,171.88	109,343.76

City of Cleveland, Tennessee
 General Obligation Bonds, Series 2007
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2029			15,531.25	15,531.25	
6/1/2030	75,000.00	4.38	15,531.25	90,531.25	106,062.50
12/1/2030			13,890.63	13,890.63	
6/1/2031	80,000.00	4.38	13,890.63	93,890.63	107,781.26
12/1/2031			12,140.63	12,140.63	
6/1/2032	85,000.00	4.38	12,140.63	97,140.63	109,281.26
12/1/2032			10,281.25	10,281.25	
6/1/2033	85,000.00	4.38	10,281.25	95,281.25	105,562.50
12/1/2033			8,421.88	8,421.88	
6/1/2034	90,000.00	4.38	8,421.88	98,421.88	106,843.76
12/1/2034			6,453.13	6,453.13	
6/1/2035	95,000.00	4.38	6,453.13	101,453.13	107,906.26
12/1/2035			4,375.00	4,375.00	
6/1/2036	100,000.00	4.38	4,375.00	104,375.00	108,750.00
12/1/2036			2,187.50	2,187.50	
6/1/2037	<u>100,000.00</u>	4.38	<u>2,187.50</u>	<u>102,187.50</u>	104,375.00
	<u>5,580,000.00</u>		<u>2,837,619.06</u>	<u>8,417,619.06</u>	

City of Cleveland, Tennessee
 General Obligation Refunding Bonds, Series 2009 B
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
9/1/2011	675,000.00	3.00	20,400.00	695,400.00	
3/1/2012			10,275.00	10,275.00	705,675.00
9/1/2012	<u>685,000.00</u>	3.00	<u>10,275.00</u>	<u>695,275.00</u>	695,275.00
	<u><u>1,360,000.00</u></u>		<u><u>40,950.00</u></u>	<u><u>1,400,950.00</u></u>	

City of Cleveland, Tennessee
 General Obligation Refunding Bonds, Series 2009 C
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2011			313,203.13	313,203.13	
6/1/2012	525,000.00	2.00	313,203.13	838,203.13	1,151,406.26
12/1/2012			307,953.13	307,953.13	
6/1/2013	550,000.00	2.50	307,953.13	857,953.13	1,165,906.26
12/1/2013			301,078.13	301,078.13	
6/1/2014	550,000.00	2.50	301,078.13	851,078.13	1,152,156.26
12/1/2014			294,203.13	294,203.13	
6/1/2015	250,000.00	2.50	294,203.13	544,203.13	838,406.26
12/1/2015			291,078.13	291,078.13	
6/1/2016	250,000.00	3.00	291,078.13	541,078.13	832,156.26
12/1/2016			287,328.13	287,328.13	
6/1/2017	30,000.00	3.00	287,328.13	317,328.13	604,656.26
12/1/2017			286,878.13	286,878.13	
6/1/2018	30,000.00	3.25	286,878.13	316,878.13	603,756.26
12/1/2018			286,390.63	286,390.63	
6/1/2019	25,000.00	3.50	286,390.63	311,390.63	597,781.26
12/1/2019			285,953.13	285,953.13	
6/1/2020	25,000.00	4.00	285,953.13	310,953.13	596,906.26
12/1/2020			285,484.38	285,484.38	
6/1/2021	25,000.00	4.00	285,484.38	310,484.38	595,968.76
12/1/2021			284,984.38	284,984.38	
6/1/2022	25,000.00	4.00	284,984.38	309,984.38	594,968.76
12/1/2022			284,484.38	284,484.38	
6/1/2023	1,100,000.00	4.00	284,484.38	1,384,484.38	1,668,968.76
12/1/2023			262,484.38	262,484.38	
6/1/2024	1,050,000.00	4.00	262,484.38	1,312,484.38	1,574,968.76
12/1/2024			241,484.38	241,484.38	
6/1/2025	300,000.00	4.00	241,484.38	541,484.38	782,968.76
12/1/2025			235,484.38	235,484.38	
6/1/2026	3,400,000.00	4.00	235,484.38	3,635,484.38	3,870,968.76
12/1/2026			167,484.38	167,484.38	
6/1/2027	3,125,000.00	4.125	167,484.38	3,292,484.38	3,459,968.76
12/1/2027			103,031.25	103,031.25	
6/1/2028	350,000.00	4.375	103,031.25	453,031.25	556,062.50
12/1/2028			95,375.00	95,375.00	
6/1/2029	100,000.00	4.25	95,375.00	195,375.00	290,750.00
12/1/2029			93,250.00	93,250.00	
6/1/2030	100,000.00	4.25	93,250.00	193,250.00	286,500.00

City of Cleveland, Tennessee
 General Obligation Refunding Bonds, Series 2009 C
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2030			91,125.00	91,125.00	
6/1/2031	4,050,000.00	4.50	91,125.00	4,141,125.00	4,232,250.00
	<u>15,860,000.00</u>		<u>9,597,475.16</u>	<u>25,457,475.16</u>	

City of Cleveland, Tennessee
 General Obligation Refunding Bonds, Series 2009 D
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
12/1/2011			133,337.50	133,337.50	
6/1/2012	280,000.00	2.00	133,337.50	413,337.50	546,675.00
12/1/2012			130,537.50	130,537.50	
6/1/2013	330,000.00	2.25	130,537.50	460,537.50	591,075.00
12/1/2013			126,825.00	126,825.00	
6/1/2014	365,000.00	2.50	126,825.00	491,825.00	618,650.00
12/1/2014			122,262.50	122,262.50	
6/1/2015	695,000.00	2.50	122,262.50	817,262.50	939,525.00
12/1/2015			113,575.00	113,575.00	
6/1/2016	740,000.00	2.75	113,575.00	853,575.00	967,150.00
12/1/2016			103,400.00	103,400.00	
6/1/2017	870,000.00	3.00	103,400.00	973,400.00	1,076,800.00
12/1/2017			90,350.00	90,350.00	
6/1/2018	890,000.00	3.25	90,350.00	980,350.00	1,070,700.00
12/1/2018			75,887.50	75,887.50	
6/1/2019	910,000.00	3.50	75,887.50	985,887.50	1,061,775.00
12/1/2019			59,962.50	59,962.50	
6/1/2020	990,000.00	3.75	59,962.50	1,049,962.50	1,109,925.00
12/1/2020			41,400.00	41,400.00	
6/1/2021	1,040,000.00	4.00	41,400.00	1,081,400.00	1,122,800.00
12/1/2021			20,600.00	20,600.00	
6/1/2022	1,030,000.00	4.00	20,600.00	1,050,600.00	1,071,200.00
	<u>8,140,000.00</u>		<u>2,036,275.00</u>	<u>10,176,275.00</u>	

City of Cleveland, Tennessee
 Local Government Public Improvement Bonds
 Adjustable Rate Series E-9-A (2009)
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>
6/1/2012	125,000.00	5.00	1,066,750.00	1,191,750.00
6/1/2013	130,000.00	5.00	1,060,500.00	1,190,500.00
6/1/2014	515,000.00	5.00	1,054,000.00	1,569,000.00
6/1/2015	535,000.00	5.00	1,028,250.00	1,563,250.00
6/1/2016	580,000.00	5.00	1,001,500.00	1,581,500.00
6/1/2017	580,000.00	5.00	972,500.00	1,552,500.00
6/1/2018	580,000.00	5.00	943,500.00	1,523,500.00
6/1/2019	595,000.00	5.00	914,500.00	1,509,500.00
6/1/2020	625,000.00	5.00	884,750.00	1,509,750.00
6/1/2021	660,000.00	5.00	853,500.00	1,513,500.00
6/1/2022	685,000.00	5.00	820,500.00	1,505,500.00
6/1/2023	730,000.00	5.00	786,250.00	1,516,250.00
6/1/2024	870,000.00	5.00	749,750.00	1,619,750.00
6/1/2025	2,875,000.00	5.00	706,250.00	3,581,250.00
6/1/2026	-	-	562,500.00	562,500.00
6/1/2027	450,000.00	5.00	562,500.00	1,012,500.00
6/1/2028	3,400,000.00	5.00	540,000.00	3,940,000.00
6/1/2029	3,600,000.00	5.00	370,000.00	3,970,000.00
6/1/2030	3,800,000.00	5.00	190,000.00	3,990,000.00
	<u>21,335,000.00</u>		<u>15,067,500.00</u>	<u>36,402,500.00</u>

City of Cleveland, Tennessee
Local Government Energy Loan
Outstanding Debt Service Schedule

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Period Total</u>	<u>Fiscal Total</u>
7/1/2012	71,429.00	71,429.00	71,429.00
7/1/2013	71,429.00	71,429.00	71,429.00
7/1/2014	71,429.00	71,429.00	71,429.00
	<u>214,287.00</u>	<u>214,287.00</u>	<u>214,287.00</u>

Non-interest bearing loan from Tennessee Department of Economic and
Community Development.

City of Cleveland, Tennessee
 Energy-Efficient Schools Initiative Loan of 2008
 Outstanding Debt Service Requirements

<u>Debt Service Schedule</u>				
<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Fiscal Total</u>
6/30/2012	60,108.00	3.00	7,392.00	67,500.00
6/30/2013	61,932.00	3.00	5,568.00	67,500.00
6/30/2014	63,816.00	3.00	3,684.00	67,500.00
6/30/2015	65,760.00	3.00	1,740.00	67,500.00
6/30/2016	22,328.00	3.00	150.00	22,478.00
	<u>273,944.00</u>		<u>18,534.00</u>	<u>292,478.00</u>

City of Cleveland, Tennessee
 General Obligation Notes, Series 2008-TMBF (County's Portion)
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
5/25/2012	64,000.00	5.00	82,650.00	146,650.00	146,650.00
5/25/2013	67,000.00	5.00	79,450.00	146,450.00	146,450.00
5/25/2014	70,000.00	5.00	76,100.00	146,100.00	146,100.00
5/25/2015	74,000.00	5.00	72,600.00	146,600.00	146,600.00
5/25/2016	78,000.00	5.00	68,900.00	146,900.00	146,900.00
5/25/2017	82,000.00	5.00	65,000.00	147,000.00	147,000.00
5/25/2018	86,000.00	5.00	60,900.00	146,900.00	146,900.00
5/25/2019	90,000.00	5.00	56,600.00	146,600.00	146,600.00
5/25/2020	94,000.00	5.00	52,100.00	146,100.00	146,100.00
5/25/2021	99,000.00	5.00	47,400.00	146,400.00	146,400.00
5/25/2022	104,000.00	5.00	42,450.00	146,450.00	146,450.00
5/25/2023	109,000.00	5.00	37,250.00	146,250.00	146,250.00
5/25/2024	115,000.00	5.00	31,800.00	146,800.00	146,800.00
5/25/2025	121,000.00	5.00	26,050.00	147,050.00	147,050.00
5/25/2026	127,000.00	5.00	20,000.00	147,000.00	147,000.00
5/25/2027	133,000.00	5.00	13,650.00	146,650.00	146,650.00
5/25/2028	140,000.00	5.00	7,000.00	147,000.00	147,000.00
	<u>1,653,000.00</u>		<u>839,900.00</u>	<u>2,492,900.00</u>	<u>2,492,900.00</u>

City of Cleveland, Tennessee
 General Obligation Notes, Series 2009-QSCB (School's Portion)
 Outstanding Debt Service Requirements

Debt Service Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
FY 2012	259,578.00	1.50	71,344.00	330,922.00	330,922.00
FY 2013	259,577.00	1.50	69,611.00	329,188.00	329,188.00
FY 2014	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2015	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2016	259,578.00	1.50	67,184.00	326,762.00	326,762.00
FY 2017	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2018	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2019	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2020	259,578.00	1.50	67,184.00	326,762.00	326,762.00
FY 2021	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2022	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2023	259,577.00	1.50	67,184.00	326,761.00	326,761.00
FY 2024	259,578.00	1.50	67,184.00	326,762.00	326,762.00
FY 2025	259,578.00	1.50	67,184.00	326,762.00	326,762.00
FY 2026	285,130.00	1.50	67,184.00	352,314.00	352,314.00
FY 2027	24,472.00	1.50	6,292.00	30,764.00	30,764.00
	<u>3,943,685.00</u>		<u>1,020,639.00</u>	<u>4,964,324.00</u>	<u>4,964,324.00</u>

CITY OF CLEVELAND, TENNESSEE

Existing/Proposed Long-term Bonded Debt Payment Schedule as of 6/30/2012

Fiscal Year	Existing Debt Principal	New Debt Principal	Total Principal	Future Debt* Principal	Grand Total Principal
2012	2,435,115	60,000	2,495,115	0	2,495,115
2013	2,539,938	60,000	2,599,938	0	2,599,938
2014	2,639,822	60,000	2,699,822	0	2,699,822
2015	2,719,337	60,000	2,779,337	0	2,779,337
2016	2,804,906	65,000	2,869,906	0	2,869,906
2017	2,896,577	70,000	2,966,577	0	2,966,577
2018	3,000,577	70,000	3,070,577	0	3,070,577
2019	3,099,577	75,000	3,174,577	0	3,174,577
2020	3,258,578	75,000	3,333,578	0	3,333,578
2021	3,403,577	80,000	3,483,577	0	3,483,577
2022	3,488,577	85,000	3,573,577	0	3,573,577
2023	3,623,577	90,000	3,713,577	0	3,713,577
2024	3,784,578	95,000	3,879,578	0	3,879,578
2025	3,935,578	100,000	4,035,578	0	4,035,578
2026	4,202,130	105,000	4,307,130	0	4,307,130
2027	4,142,472	110,000	4,252,472	0	4,252,472
2028	3,960,000	115,000	4,075,000	0	4,075,000
2029	3,775,000	120,000	3,895,000	0	3,895,000
2030	3,975,000	125,000	4,100,000	0	4,100,000
2031	4,130,000	130,000	4,260,000	0	4,260,000
2032	85,000	0	85,000	0	85,000
2033	85,000	0	85,000	0	85,000
2034	90,000	0	90,000	0	90,000
2035	95,000	0	95,000	0	95,000
2036	100,000	0	100,000	0	100,000
2037	100,000	0	100,000	0	100,000
	<u>68,369,916</u>	<u>1,750,000</u>	<u>70,119,916</u>	<u>0</u>	<u>70,119,916</u>

Cleveland Utilities Debt Outstanding Issues Projected

As of June 30, 2011, the following represents all bonds payable as well as a State Revolving Loan Fund.

<u>Description Bond Issues</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
2003 Series Revenue and Tax Refunding Issue		745,000	710,000
2004 Series Revenue and Tax Refunding Issue		1,032,820	10,737,180
2007 Series Revenue and Tax Issue	1,250,000	3,160,000	3,900,000
2009B Series Revenue and Tax Refunding Issue		645,000	1,870,000
2009C Series Revenue and Tax Refunding Issue		6,210,000	5,235,000
2009D Series Revenue and Tax Refunding Issue	6,890,000	7,470,000	4,095,000
2010 Series Revenue and Tax Issue (BAB)	6,500,000	2,250,000	
Total Bonds Payable	14,640,000	21,512,820	26,547,180
<u>Description Loan Issues</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
State Revolving Loan - Issued	-	-	792,000
State Revolving Loan - Not Issued	-	-	9,683
Total Bonds Payable & Loan	14,640,000	21,512,820	27,348,863

On April 23, 2009, the Board approved Cleveland Utilities applying to the Tennessee State Revolving Loan Fund (SRF) for funding of two wastewater projects, namely, the Enclave Annexation Sewer Project and the Exit 20 Sewer Project. The estimated cost of the projects are \$1,359,000. The funding applied for results in 50% of the costs being funded as a loan through the American Recovery and Reinvestment Act of 2009, and 50% being funded as a loan from the SRF. Of the amount received from the American Recovery and Reinvestment Act of 2009, 80% will be forgiven. The loan amounts are required to be paid back over a 20 year period once the projects are completed. The resulting loan is for up to \$815,400. Through June 30, 2011, \$805,717 had been drawn against the loan with the balance of \$9,683 available. Interest on the loan is variable and as of June 30, 2011, was 2.11%.

On December 15, 2010, the Board issued \$8,750,000 (\$6,500,000 electric, \$2,250,000 water) Build America Revenue and Tax Bonds, Series 2010. The proceeds from the issue will be used to fund capital improvements for the electric and water system. The bonds mature June 2031, and carry an average coupon rate of 3.03% after the 35% credit rebate from the United States Government. The interest on the bonds are taxable to the bondholders.

Pertinent information on each issue follows:

- (1) Issue Date: 12/23/2003
Amount: 4,675,000
Maturity: 9/1/2013
Average Rate: 3.03
Purpose: To refinance 1998 Series Water and Sewer Revenue and Tax Bonds
- (2) Issue Date: 3/18/2004
Amount: 13,455,000
Maturity: 9/1/2028
Average Rate: 4.05
Purpose: To refinance 1997 and 1999 Series Water and Sewer Revenue and Tax Bonds
- (3) Issue Date: 2/15/2007
Amount: 8,750,000
Maturity: 6/1/2037
Average Rate: 4.37
Purpose: Fund capital improvements as detailed below:
Electric 1,500,000
Water 3,250,000
Sewer 4,000,000
- (4) Issue Date: 2/27/2009
Amount: 4,505,000
Maturity: 9/1/2014
Average Rate: 2.89
Purpose: To refinance a portion of the 1997 and 2001 Series Bonds
- (5) Issue Date: 8/12/2009
Amount: 12,540,000
Maturity: 6/1/2028
Average Rate: 3.74
Purpose: To refinance outstanding variable rate loans
- (6) Issue Date: 8/26/2009
Amount: 19,525,000
Maturity: 6/1/2024
Average Rate: 3.59
Purpose: To refinance outstanding variable rate loans

(7) Issue Date:	12/15/2010	
Amount:	8,750,000	
Maturity:	6/1/2031	
Average Rate:	3.03	
Purpose:	Fund capital improvements as detailed below:	
	Electric	6,500,000
	Water	2,250,000

All bonds are collateralized as to payment of principal and interest by a pledge of sufficient revenues, after deduction of all current operating expenses, to meet principal and interest payments when due. In the event of a deficiency of revenues, the full faith, credit and resources of the City of Cleveland are irrevocably pledged for the prompt payment of principal and interest when due.

Future Issues

The following represents all projected (as of June 30, 2011) bond and/or note issues for Cleveland Utilities by fiscal year.

<u>Fiscal Year</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
2012	-	3,000,000	-
2013	-	2,500,000	-
2014	3,000,000	2,000,000	-
2015	-	2,000,000	1,000,000
2016	2,000,000	2,500,000	1,000,000
2017	-	2,500,000	1,500,000
2018	-	1,000,000	2,500,000
2019	-	1,000,000	2,000,000
2020	-	1,000,000	-
2021	-	1,500,000	-

These issues will be necessary (projected) to complete the capital projects identified in the long-term capital improvements plan included in the fiscal year 2012 budget.

CLEVELAND UTILITIES

EXISTING DEBT (PRINCIPAL)
PAYMENT SCHEDULE AS OF 06/30/11

	ELECTRIC	WATER	SEWER	TOTAL
2012	930,000	1,086,923	1,841,495	3,858,418
2013	920,000	1,090,897	1,843,232	3,854,129
2014	940,000	1,105,385	1,889,472	3,934,857
2015	960,000	1,109,872	1,910,727	3,980,599
2016	955,000	1,124,359	1,921,999	4,001,358
2017	950,000	1,213,333	1,948,799	4,112,132
2018	875,000	1,262,821	1,920,103	4,057,924
2019	870,000	1,297,308	1,341,424	3,508,732
2020	870,000	1,360,641	1,318,916	3,549,557
2021	890,000	1,410,128	1,355,271	3,655,399
2022	825,000	1,444,615	1,376,645	3,646,260
2023	825,000	1,169,615	1,357,524	3,352,139
2024	845,000	889,103	1,183,934	2,918,037
2025	860,000	918,590	935,364	2,713,954
2026	400,000	998,077	941,814	2,339,891
2027	375,000	1,002,564	893,283	2,270,847
2028	375,000	907,051	869,773	2,151,824
2029	325,000	336,538	601,283	1,262,821
2030	325,000	310,000	243,840	878,840
2031	325,000	315,000	233,965	873,965
2032	-	175,000	215,000	390,000
2033	-	180,000	225,000	405,000
2034	-	190,000	230,000	420,000
2035	-	195,000	240,000	435,000
2036	-	205,000	250,000	455,000
2037	-	215,000	260,000	475,000
	14,640,000	21,512,820	27,348,863	63,501,683

CLEVELAND UTILITIES

PROJECTED ADDITIONAL DEBT (PRINCIPAL)
PAYMENT SCHEDULE AS OF 06/30/11

	ELECTRIC	WATER	SEWER	TOTAL
2012	-	-	-	-
2013	-	150,000	-	150,000
2014	-	275,000	-	275,000
2015	150,000	375,000	-	525,000
2016	150,000	475,000	50,000	675,000
2017	250,000	600,000	100,000	950,000
2018	250,000	725,000	175,000	1,150,000
2019	250,000	775,000	300,000	1,325,000
2020	250,000	825,000	400,000	1,475,000
2021	250,000	875,000	400,000	1,525,000
2022	250,000	950,000	400,000	1,600,000
2023	250,000	950,000	400,000	1,600,000
2024	250,000	950,000	400,000	1,600,000
2025	250,000	950,000	400,000	1,600,000
2026	250,000	950,000	400,000	1,600,000
2027	250,000	950,000	400,000	1,600,000
2028	250,000	950,000	400,000	1,600,000
2029	250,000	950,000	400,000	1,600,000
2030	250,000	950,000	400,000	1,600,000
2031	250,000	950,000	400,000	1,600,000
2032	250,000	950,000	400,000	1,600,000
2033	250,000	800,000	400,000	1,450,000
2034	250,000	675,000	400,000	1,325,000
2035	100,000	575,000	400,000	1,075,000
2036	100,000	475,000	350,000	925,000
2037	-	350,000	300,000	650,000
2038	-	225,000	225,000	450,000
2039	-	175,000	100,000	275,000
2040	-	125,000	-	125,000
2041	-	75,000	-	75,000
	5,000,000	19,000,000	8,000,000	32,000,000

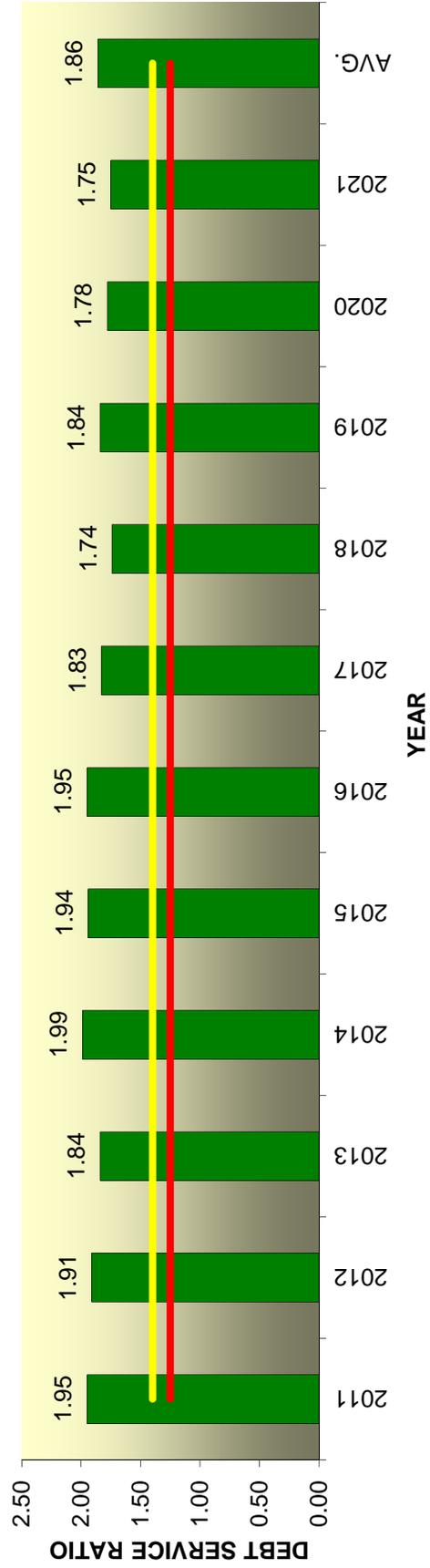
CLEVELAND UTILITIES

TOTAL DEBT (CURRENT & PROJECTED)
PAYMENT SCHEDULE AS OF 06/30/11

	ELECTRIC	WATER	SEWER	TOTAL
2012	930,000	1,086,923	1,841,495	3,858,418
2013	920,000	1,240,897	1,843,232	4,004,129
2014	940,000	1,380,385	1,889,472	4,209,857
2015	1,110,000	1,484,872	1,910,727	4,505,599
2016	1,105,000	1,599,359	1,971,999	4,676,358
2017	1,200,000	1,813,333	2,048,799	5,062,132
2018	1,125,000	1,987,821	2,095,103	5,207,924
2019	1,120,000	2,072,308	1,641,424	4,833,732
2020	1,120,000	2,185,641	1,718,916	5,024,557
2021	1,140,000	2,285,128	1,755,271	5,180,399
2022	1,075,000	2,394,615	1,776,645	5,246,260
2023	1,075,000	2,119,615	1,757,524	4,952,139
2024	1,095,000	1,839,103	1,583,934	4,518,037
2025	1,110,000	1,868,590	1,335,364	4,313,954
2026	650,000	1,948,077	1,341,814	3,939,891
2027	625,000	1,952,564	1,293,283	3,870,847
2028	625,000	1,857,051	1,269,773	3,751,824
2029	575,000	1,286,538	1,001,283	2,862,821
2030	575,000	1,260,000	643,840	2,478,840
2031	575,000	1,265,000	633,965	2,473,965
2032	250,000	1,125,000	615,000	1,990,000
2033	250,000	980,000	625,000	1,855,000
2034	250,000	865,000	630,000	1,745,000
2035	100,000	770,000	640,000	1,510,000
2036	100,000	680,000	600,000	1,380,000
2037	-	565,000	560,000	1,125,000
2038	-	225,000	225,000	450,000
2039	-	175,000	100,000	275,000
2040	-	125,000	-	125,000
2041	-	75,000	-	75,000
	19,640,000	40,512,820	35,348,863	95,501,683

**CLEVELAND UTILITIES
WATER / WASTEWATER DIVISION
BOND COVERAGE
2011 -- 2021**

Target Ratios
Rating Agencies - Red
Cleveland Utilities - Yellow



Debt Service Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

As stated in the Debt Administration overview, this fund is used to pay all the general government debt service payments on general obligation bonds, capital outlay notes, or other debt instruments. The revenues are derived from the entity for whom the debt was issued. Generally, all debt issued for the City departments is paid for by a transfer from the General Fund. All debt issued by the city to fund new school construction is financed by transfers from the General Fund and the Schools General Fund. Debt issued by the City for the Library Fund is repaid through a transfer from the General Fund. The debt issued on behalf of the Bradley County E 911 Emergency Communications District (ECD) is funded through its impact payment. An additional source of revenue is interest income.

Goals and Objectives:

- Issue bonds and capital outlay notes only for capital improvements and moral obligations.
- Issue no bonds or capital outlay notes to purchase a fixed asset, which has a shorter useful life than the term of the debt instrument.
- Issue no bonds or capital outlay notes if the outstanding indebtedness (not including debt for Cleveland Utilities) would exceed 10% of the total assessed valuation of property within the City.
- Identify a firm source of revenue before the issuance of any long-term debt.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Debt Limit Policy % (Outstanding Net Bonded Debt/Total Assessed Valuation)	66.20%	60.75%	60.64%	58.80%
Debt Margin per Policy	\$33,152,828	\$43,329,298	\$43,523,828	\$45,607,979
General Government Net Bonded Debt per Capita	\$1,617	\$1,665	\$1,608	\$1,546

CITY OF CLEVELAND						
FUND #210 - DEBT SERVICE						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
36110	INTEREST INCOME	6,279	3,000	5,000	2,800	2,800
36810	TRANS-GENERAL FUND	3,214,600	2,506,100	2,506,100	3,674,900	3,674,900
36820	TRANS-STATE STREET AID	390,400	405,000	405,000	372,300	372,300
36826	TRANS-STORM WATER FUND	17,400	18,900	18,900	18,300	18,300
36965	TRANS-CITY SCHOOLS-CHILLER	112,100	0	0	0	0
36970	CBCC IMPACT PYMT	91,250	81,300	81,300	79,900	79,900
36972	BRADLEY COUNTY PAYMENT	69,653	146,700	146,700	146,700	146,700
36973	TRANS-CITY SCHOOLS-CHS/CMS	131,000	149,700	149,700	194,500	194,500
36974	CITY SCHOOLS FOR WRESTLING	116,800	116,800	116,800	0	0
36975	CITY SCHOOLS FOR CMS ATHL	53,000	53,000	53,000	0	0
36976	CITY SCHOOLS FOR GEOTHERMAL	292,000	292,100	292,100	292,300	292,300
36977	CITY SCHOOLS FOR ARNOLD	0	0	0	140,000	140,000
36980	REFUNDING BONDS ISSUED	25,225,800	0	0	0	0
	TOTAL REVENUES	29,720,281	3,772,600	3,774,600	4,921,700	4,921,700
EXPENDITURES						
DEPARTMENT #49000						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Debt service - principal payments:						
620	SERIES 2005, REFUNDING	150,000	150,000	150,000	215,000	215,000
622	SERIES 2007A-SCHOOLS	150,000	155,000	155,000	160,000	160,000
627	2008 TMBF SERIES-LIB COUNTY	58,000	61,000	61,000	64,000	64,000
628	SERIES 2009 B-REFUNDING	1,100,000	1,000,000	1,000,000	675,000	675,000
629	SERIES 2009 C-REFUNDING	175,000	300,000	300,000	525,000	525,000
630	SERIES 2009 D-REFUNDING	235,000	250,000	250,000	280,000	280,000
631	SERIES 2009 REFUNDING E-9-A	0	0	0	125,000	125,000
632	SERIES 2011 SCHOOLS PORTION	0	0	0	60,000	60,000
Subtotal:		1,868,000	1,916,000	1,916,000	2,104,000	2,104,000
Debt service - interest payments:						
637	INT PYMT-TN LOANS-96E5	4,052	0	0	0	0
638	INT PYMT-TN LOANS-97IIC	3,747	0	0	0	0
647	INT PYMT-SERIES 2002 GIBF A-7-B	4,635	0	0	0	0
648	INT PYMT-SERIES 2005 GIBF VI-E-4	9,109	0	0	0	0
650	INT PYMT-SERIES 2005 REFUNDING	431,413	426,600	426,600	421,300	421,300
651	INT PYMT-SERIES 2007A-SCHOOLS	252,488	246,200	246,200	240,000	240,000
652	INT PYMT-2008 TMBF SERIES	5,745	0	0	0	0
653	INT PYMT-2008 TMBF-LIB COUNTY	11,653	85,700	85,700	82,700	82,700
654	INT PYMT-2009 REFUNDING E-9-A	940,211	1,066,900	1,066,900	1,066,800	1,066,800

EXPENDITURES						
DEPARTMENT #49000						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
656	INT PYMT-SERIES 2009B-REFUNDING	77,776	53,300	53,300	30,700	30,700
657	INT PYMT-SERIES 2009C-REFUNDING	510,491	632,500	632,500	626,500	626,500
658	INT PYMT-SERIES 2009D-REFUNDING	211,120	271,700	271,700	266,700	266,700
660	INT PYMT-SERIES 2011 SCHOOLS	0	0	0	80,000	80,000
Subtotal:		2,462,439	2,782,900	2,782,900	2,814,700	2,814,700
Operating expenditures:						
691	BOND PAYING AGENTS FEES	2,835	3,000	3,000	3,000	3,000
693	ISSUANCE COST	338,348	0	0	0	0
700	PYMT-REFUNDING BONDS-ESCROW	24,652,000	0	0	0	0
Subtotal:		24,993,183	3,000	3,000	3,000	3,000
	TOTAL EXPENDITURES	29,323,622	4,701,900	4,701,900	4,921,700	4,921,700

Capital Projects Funds

The Capital Projects Funds are used to account for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Improvement Program Fund: This fund accounts for city-wide capital projects funded mainly by a transfer from the city's General Fund.

Sales Tax Capital Projects Fund: This fund accounts for the proceeds of a one-half cent sales tax approved by the voters on March 10, 2009. All monies accumulated in this fund are designated for capital projects.

Greenway Fund: This fund accounts for the development of the Greenway Trail and is funded primarily by a Federal Grant administered through the Tennessee Department of Transportation.

Fletcher Park Trust Fund: This fund is used to account for funds bequeathed to the City of Cleveland by Leonard G. and Agnes W. Fletcher for the development of the Fletcher Park. It also accounts for grants received from the State and matching funds from the City for improvements to the park.

2009 Bradley County Build America Bond Fund: This fund accounts for Build America Bonds issued by Bradley County to fund public school systems' capital improvement needs.

2009 QSCB Fund: This fund accounts for proceeds from School Construction Bonds issued by the State of Tennessee. These funds are being used for a portion of the costs for a new science wing at Cleveland High School.

ARRA Grant Projects Fund: This fund accounts for the proceeds from America Recovery and Reinvestment Act (ARRA) grants for acquiring various capital assets for the city.

Tennessee Housing Development Agency Home Grant Fund: This fund accounts for grants received from the Tennessee Housing Development Agency for housing rehabilitation in the community.

CAPITAL IMPROVEMENTS PROJECTS

Planning for the financing and acquisition of major capital improvements is the most difficult aspect of municipal budgeting. Capital expenditures include the acquisition, expansion or rehabilitation of city buildings, equipment, land and infrastructure improvements. They also include vehicle and equipment replacement or acquisition. The sources of revenue used to acquire capital assets can be current revenues, fees and charges, general obligation bonds, revenue bonds, capital outlay notes, lease/purchase agreements, federal and state grants, intergovernmental revenues, proceeds from the sale of fixed assets, and net income and depreciation in proprietary funds. The issuance of debt requires additional revenues to pay the increased debt service (principal and interest payments) either from the Debt Service Fund, or from enterprise and internal service funds such as Cleveland Utilities' Electric Fund and Water/Wastewater Fund and the Fleet Management Fund.

Planning capital improvement projects begins at the Fall Planning session which is attended by the City Council, Department Heads, Cleveland Utilities, and City Schools. The council's priorities are established at the end of this planning session. In December, department heads submit detailed project sheets for the CINI (Capital Improvements Needs Inventory) which includes the cost of the project and any impact upon the city's operating budget. The city's budget planning session is held in late March or early April and proposed capital projects are discussed by the departments and City Council. The city manager submits the proposed capital budget along with a proposed funding plan.

Cleveland Utilities' (CU) capital improvements are financed from their fees and charges within each enterprise fund, and therefore do not require a separate fund. Cleveland Utilities develops a separate Capital Improvements Program with ten years of planned improvements. That document is available from either the City Clerk's Office, or the Office of CU's General Manager. Those projects are not included in this document due to their volume and the fact they do not impact the city's budget in any way.

Capital improvement projects for departments or functions financed by the General Fund are financed in the Capital Improvements Program Fund. In order to improve the level of investment in street repaving, drainage systems, sidewalk replacement, equipment, vehicles, and building renovation, the City has tried to stabilize this fund by budgeting about \$750,000 annually from current revenues. Due to the lack of growth in revenues, the fund will only receive \$332,000 in FY2012. Many of these items are now being funded through the Sales Tax Capital Projects Fund.

Capital improvement projects for the Cleveland City Schools are financed in three ways. The schools' current revenues finance smaller capital improvements for the school system. Major school projects funded by general obligation bonds or capital outlay notes are accounted for in individual capital project funds. The third funding source is the Sales Tax Capital Projects Fund.

Capital improvement projects for the Library are funded within the Library General Fund. The Library is a joint agency of the City and County, governed by an appointed Library Board.

Small capital improvement projects for the Fleet Management are funded within the internal service fund entitled Fleet Management Fund.

The city prepares a separate six-year Capital Improvement Needs Inventory (CINI) which includes all capital projects requested by departments. Cleveland Utilities prepares a separate document for its water, sewer, and electric capital improvements. The CINI is available from the City Clerk's Office.

A brief description of the projects funded in FY2012 is included in this section. Also included is a summary schedule by department of all capital requests for the next six years.

SOURCE OF CAPITAL PROJECT FUNDS FOR FY 2012

The capital projects funded in FY2012 total \$2,837,700. Major capital funds are summarized below.

Capital Improvements Program Fund:

For FY2012, the CIP Fund will receive a \$332,000 transfer from the General Fund and \$5,700 from the Meiler Trust Fund.

Sales Tax Capital Projects Fund:

This fund is used to account for the proceeds of a one-half cent sales tax approved by the voters on March 10, 2009. The sales tax is designated for capital projects for the City and City Schools. A total of \$1,700,000 has been budgeted in FY2012 for city projects and \$800,000 for school projects.

Capital Improvement Program

Proj.ID	Project	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
Proposed Projects for CIP Fund:								
AF1	Office Equipment	0	5,000	5,000	5,000	5,000	5,000	25,000
AF2	Vehicle Replacement	0	0	0	0	24,500	0	24,500
AF-IS1	GIS	0	48,800	50,300	51,800	52,300	54,300	257,500
AF-IS2	Software License	0	25,000	30,000	30,000	30,000	35,000	150,000
AF-IS3	Computer Maint. & Software	332,000	130,600	125,600	128,400	133,000	147,400	997,000
AF-IS4	Elec. Doc. Mgmt. (SETDD)	0	5,000	5,000	5,000	5,000	5,000	25,000
PI1	Community Dev. Vehicle	0	50,000	25,000	0	25,000	0	100,000
PI2	Community Dev. Lot Clearing	0	10,000	10,000	10,000	10,000	10,000	50,000
PR1	Cherokee Springs Impr./Equip	0	55,000	38,000	53,000	60,000	1,000	207,000
PR2	N.E. Masterplan Phases	0	350,000	55,000	0	0	0	405,000
PR4	Playground Equipment	0	15,000	15,000	15,000	15,000	15,000	75,000
PR6	Tinsley Park Improvements	0	10,000	25,000	0	0	0	35,000
PR8	Comm. Ctr. Improvements	0	10,000	0	0	0	0	10,000
PD1	Police Vehicles	0	250,000	253,000	253,000	256,000	256,000	1,268,000
PD2	Police Misc. Equip.	0	15,000	15,000	15,000	15,000	15,000	75,000
PWD1	Major Paving	0	585,000	585,000	585,000	585,000	585,000	2,925,000
PWD2	Public Works Projects	0	35,000	35,000	35,000	35,000	35,000	175,000
PWD3	Paving Maintenance	0	0	0	0	0	0	0
PWD4	Sidewalks	0	33,000	33,000	33,000	33,000	33,000	165,000
PWD9	Engineering Equip/Vehicles	0	0	0	20,000	0	0	20,000
AC1	Animal Control Impr./Equip.	0	0	0	0	0	0	0
FD1	Fire Dept. Equipment	0	50,000	50,000	50,000	50,000	50,000	250,000
Total Projects Funded:		\$332,000	\$1,682,400	\$1,354,900	\$1,289,200	\$1,333,800	\$1,246,700	\$7,239,000
Funding Sources:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Transfer from General Fund	332,000	1,537,400	1,209,900	1,144,200	1,188,800	1,101,700	6,514,000
	Transfer from State St. Aid	0	120,000	120,000	120,000	120,000	120,000	600,000
	Transfer from Meiler	5,700	0	0	0	0	0	5,700
	Interest Income	0	25,000	25,000	25,000	25,000	25,000	125,000
	Use of CIP Fund Balance	0	0	0	0	0	0	0
Total Funding Sources:		\$337,700	\$1,682,400	\$1,354,900	\$1,289,200	\$1,333,800	\$1,246,700	\$7,244,700
Proposed Bond Fund Projects:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Public Works Facility	0	0	0	0	1,625,000	0	1,625,000
	Fire Impr./Equipment	0	0	1,300,000	0	25,000	0	1,325,000
	Fire Hall Station #6	0	0	920,000	0	0	0	920,000
	Cher. Springs - Equip/Improv	0	0	220,000	0	0	0	220,000
	Tinsley - Lighting	0	0	125,000	0	125,000	0	250,000
	Parks & Recreation Projects	0	0	0	0	0	0	0
	Fletcher - Phase V	0	0	50,000	0	0	0	50,000
	Detention Ponds	0	0	300,000	0	0	0	300,000
	Major Drainage Projects	0	0	200,000	0	100,000	0	300,000
	Greenway Project Phase III	0	0	200,000	0	0	0	200,000
	Major Intersection Improvements	0	0	200,000	0	200,000	0	400,000
	Public Works Equipment	0	0	100,000	0	100,000	0	200,000
	Public Works Projects	0	0	0	0	0	0	0
	Animal Shelter Equipment	0	0	0	0	0	0	0
	School Impr./Equipment	0	0	1,145,000	0	1,000,000	0	2,145,000
Total Projects Funded by Future Bonds:		0	0	4,760,000	0	3,175,000	0	\$7,935,000
Funding Sources:								
		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:
	Transf. Storm Water for Debt Serv.	0	0	40,000	0	0	0	40,000
	Transf. Gen. Fund for Debt Service	0	0	409,600	0	160,000	0	569,600
Total Funding Sources:		\$0	\$0	\$449,600	\$0	\$160,000	\$0	\$609,600
Required Tax Increase for Bond Projects:		0.0	0.0	4.1	0.0	1.6	0.0	
		cents	cents	cents	cents	cents	cents	
Unfunded Transportation Plan			1,020,000	1,020,000	1,320,000	1,320,000	1,320,000	\$6,000,000

Capital Improvement Program

Total Projects by Department:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:	
General Government	0	0	0	0	0	0	0	0
Administration & Finance	0	5,000	5,000	5,000	29,500	5,000	49,500	
Admin. & Fin. GIS,IS,Doc.Imag.	332,000	209,400	210,900	215,200	220,300	241,700	1,429,500	
Community Development	0	60,000	35,000	10,000	35,000	10,000	150,000	
Fire Department	0	50,000	2,270,000	50,000	75,000	50,000	2,495,000	
Greenway	0	0	200,000	0	0	0	200,000	
Fletcher Park Match	0	15,000	65,000	15,000	15,000	15,000	125,000	
Parks & Recreation	0	425,000	463,000	53,000	185,000	1,000	1,127,000	
Police Department	0	265,000	268,000	268,000	271,000	271,000	1,343,000	
Public Works	0	653,000	953,000	653,000	2,578,000	653,000	5,490,000	
Storm Water Mgmt.	0	0	500,000	0	100,000	0	600,000	
Animal Control	0	0	0	0	0	0	0	
Engineering Equip./Vehicles	0	0	0	20,000	0	0	20,000	
Schools - Funded by City	0	0	1,145,000	0	1,000,000	0	2,145,000	
Schools - Funded by Br. County	0	0	0	0	0	0	0	
Transportation Plan	0	1,020,000	1,020,000	1,320,000	1,320,000	1,320,000	6,000,000	
Total Funding:	\$332,000	\$2,702,400	\$7,134,900	\$2,609,200	\$5,828,800	\$2,566,700	\$21,174,000	
Departments by Percentage:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total:	
General Government	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Admin. & Finance	0.0%	0.2%	0.1%	0.2%	0.5%	0.2%	0.2%	0.2%
Admin. & Fin. GIS Dept.	100.0%	7.7%	3.0%	8.2%	3.8%	9.4%	6.8%	
Community Development	0.0%	2.2%	0.5%	0.4%	0.6%	0.4%	0.7%	
Fire Department	0.0%	1.9%	31.8%	1.9%	1.3%	1.9%	11.8%	
Greenway	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.9%	
Fletcher Park Match	0.0%	0.56%	0.91%	0.57%	0.26%	0.58%	0.6%	
Parks & Recreation	0.0%	15.7%	6.5%	2.0%	3.2%	0.0%	5.3%	
Police Department	0.0%	9.8%	3.8%	10.3%	4.6%	10.6%	6.3%	
Public Works	0.0%	24.2%	13.4%	25.0%	44.2%	25.4%	25.9%	
Storm Water Management	0.0%	0.0%	7.0%	0.0%	1.7%	0.0%	2.8%	
Animal Control	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Engineering	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	0.1%	
Schools -Funded by City	0.0%	0.0%	16.0%	0.0%	17.2%	0.0%	10.1%	
Schools -Funded by County	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Transportation Plan	0.0%	37.7%	14.3%	50.6%	22.6%	51.4%	28.3%	
Total:	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

**MAJOR USES OF CAPITAL PROJECT FUNDS AND
THEIR IMPACT ON THE OPERATING BUDGET**

Capital Improvement Fund

Computer software and hardware maintenance and replacement costs	<u>\$332,000</u>
--	------------------

Estimated savings on computer maintenance	<u>\$25,000</u>
---	-----------------

Replacing older computer equipment improves the efficiency of the employees using the older equipment. It also allows the IT employees to be more efficient in concentrating on the highest priorities in the computer needs.

Sales Tax Capital Projects Fund

General Government

City cost of Comprehensive Plan	<u>\$62,500</u>
---------------------------------	-----------------

The impact of this funding will provide the City's portion of this study. Using an identical amount from Bradley County and \$125,000 in federal funding, this project will assist the City and County in planning for the growth that is expected to occur over the next 25 years. The financial impact is undetermined, but both local governments understand the significant economic and financial benefits that happen when infrastructure and other needs are planned in advance.

Public Safety

Emergency Management Radio Tower	<u>\$50,000</u>
Estimated cost savings	<u>\$2,000</u>

This amount covers the City's portion of a radio tower to be operated by the Bradley County Emergency Management Agency. Ownership of this tower provides for better communication with the local 911 Center and all emergency services in the entire County. The control of communication facilities and ability to provide redundant systems is the primary benefit associated with this funding.

Police – Patrol Cars	<u>\$225,000</u>
Estimated maintenance cost savings	<u>\$25,000</u>

This funding will allow for the replacement of patrol cars that have high mileage and high maintenance costs. Because of a lack of funding over the past several years the age of the fleet has increased and maintenance cost also increased.

Public Works Transportation and Drainage Costs

Street Paving	\$500,000
Drainage Projects	120,000
Sidewalk Projects	30,000
N. Ocoee @ McIntire Drainage	28,700
Guthrie Drive Drainage	30,793
Hunters Run Circle Drainage	<u>18,000</u>
	<u>\$727,493</u>

Projected cost savings \$50,000

The \$500,000 and \$120,000 for paving and drainage are related projects. The annual paving list is submitted to the City Council, based upon the condition of the pavement and allocated to the five Council districts. The drainage funds will be used to correct drainage problems along the streets, prior to the repaving. Savings will result from the decrease in asphalt for patching these streets, fewer minor drainage issues and staff and equipment savings.

Public Works Transportation Matching Funds

MPO Paving Match	\$ 43,000
MPO – 20 th @ Old Tasso	7,000
Durkee Road – Whirlpool	100,000
Local Interstate Corrector – North	175,000
Georgetown Rd/25 th Street Intersection	<u>95,000</u>
	<u>\$420,000</u>

These funds are being funded in order to match Federal and State grants. The \$43,000 is the twenty percent match for paving collector streets in the City. The \$7,000 is the match for the State performing a plan review for intersection and road improvements. The \$100,000 is being provided for purchasing right-of-way on Durkee Road and Benton Pike so that road improvements can be done in the area because of the new Whirlpool plant being constructed in this area. The \$175,000 provides local funding for an interstate connector on APD40, between I-75 and Highway 11. The \$95,000 for Georgetown Road is the twenty percent match needed to provide additional turn lanes at this intersection. The benefits generated by these projects produce smoother roads, improved traffic flow and improving the access to areas where land can be developed for commercial and industrial uses.

Stormwater

Stormwater mapping \$100,000

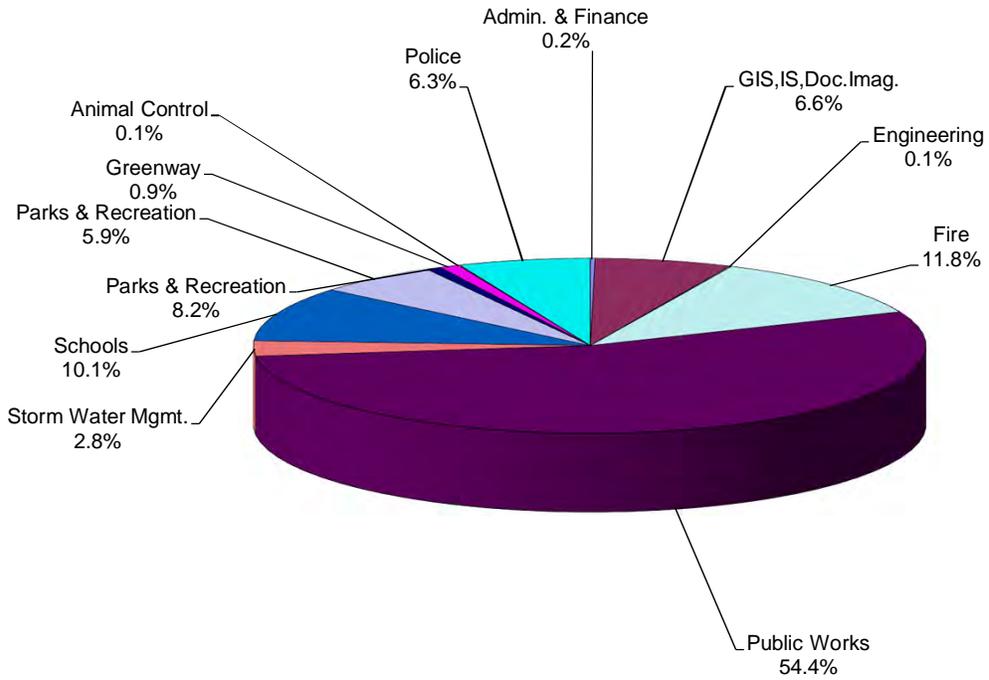
This funding supplies the initial monies for a project with the U.S. Army Corp of Engineers to revise the flood maps for the City. There are numerous drainage problems in the City. It has been determined that the study will provide the information needed to address many of the flooding and drainage issues throughout the City.

Parks and Recreation

Tinsley Park Playground Grant Match \$110,000

The City has received a \$110,000 grant from the State of Tennessee for making improvements to the playground and restroom facilities. Much of the equipment is outdated and is being replaced with equipment meeting today's standards.

Capital Improvement Projects Financed by City Expenditure Summary FY2012 - 2017



Capital Improvement Program Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund accounts for the major capital improvement projects of the City not funded by notes or bonds. Capital projects for Cleveland Utilities, City Schools, Fleet Management, and the Library are funded either within their individual fund or the note or bond fund used to finance the capital project.

The FY2012 budget includes very limited funding for capital items. The slowing of the economy has decreased the revenue growth, resulting in less funds being available for transfer to this fund. For FY2012, the CIP Fund will receive a \$332,000 transfer from the General Fund and \$5,700 from the Meiler Trust Fund.

\$332,000 in funding has been allocated for the Information Technology Department. This will help maintain over 250 computers and servers, licensing fees and with cost of repairs and replacement of old equipment. This will help reduce costs of maintenance and help city employees complete their daily tasks.

The allocation of \$5,700 from the Meiler Trust Fund will provide for the remaining funds needed to purchase a truck for the Animal Shelter.

Goals and Objectives:

- Prioritize the necessary capital improvements in a planned, systematic fashion.
- Assure City Council and management staff review at least annually the City's ability or inability to finance those major capital improvements deemed necessary to continue to provide highest quality municipal services.
- Assure the City Council's priorities for improvements are budgeted and acquired.

CITY OF CLEVELAND						
FUND #322 - CAPITAL IMPROVEMENTS PROGRAM FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33196	HOMELAND SEC 09-FIRE	575	0	0	0	0
33197	FEMA-CPAT EQUIPMENT	118,464	0	0	0	0
33198	BOMB EQUIPMENT	111,415	0	40,585	0	0
33199	HOMELAND SEC 09-RADIOS	118,946	0	0	0	0
33436	SAFE ROUTES TO SCHOOLS	0	0	293,000	0	0
33437	STATE GRANT-COCA COLA PROJECT	231,755	0	0	0	0
33450	STATE ROADSCAPES PHASE I	0	0	101,600	0	0
33451	STATE ROADSCAPES PHASE II	0	0	119,200	0	0
33493	TEMA GRANT-WOOLEN MILL	21,393	0	0	0	0
33498	STATE GRANT-LIC SOUTH	0	0	2,000,000	0	0
33499	FEDERAL-EDA GRANT	6,020	0	44,000	0	0
33559	TDOT REIMB-DALTON PK	2,320	0	0	0	0
36110	INTEREST INCOME	1,078	0	0	0	0
36190	INTEREST-LGIP MOUSECREEK	262	0	0	0	0
36314	SALE OF ROW-PAUL HUFF PKWY	0	0	10,000	0	0
36338	SALE OF '90 SUTPHEN PUMPER	8,500	0	0	0	0
36339	SALE OF DALTON PIKE ROW	2,045	0	0	0	0
36340	SALE OF FIRE EQUIPMENT	640	0	0	0	0
36341	SALE OF RECREATION EQUIP	663	0	0	0	0
36342	SALE OF PUBLIC WORKS EQUIP	7,078	0	0	0	0
36710	VETERANS PARK	1,001	0	0	0	0
36720	INSURANCE REIMB-FIRE	0	0	8,508	0	0
36810	TRANS-GENERAL FUND	344,200	325,000	1,076,418	332,000	332,000
36963	TRANS FROM 2005 GIBF-D-4-A	101,419	0	0	0	0
36966	TRANS FROM MEILER	6,700	6,700	1,000	5,700	5,700
36995	MAINSTREET-FIRST ST SQUARE PRJ	43,890	0	3,000	0	0
36999	LIC-BRADLEY COUNTY	0	0	1,000,000	0	0
37000	LIC-CITY OF CLEVELAND	0	0	1,000,000	0	0
	TOTAL REVENUES	1,128,364	331,700	5,697,311	337,700	337,700
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
GENERAL GOVERNMENT: 41110						
954	FIRST ST SQUARE PROJECT	249,655	0	0	0	0
959	VETERANS PARK TREES	540	0	0	0	0
960	COCA COLA PROJECT	231,756	0	0	0	0
	Subtotal:	481,951	0	0	0	0
COMMUNITY DEVELOPMENT: 41710						
946	STRATEGIC PLAN-EDA GRANT	0	0	50,000	0	0
	Subtotal:	0	0	50,000	0	0
CITY-WIDE CPTR INFO SYSTEMS: 41990						
255	ELEC. DOC. MGMT. (SETD)	4,974	0	5,000	0	0
256	SOFTWARE MAINTENANCE	63,448	0	113,000	0	0
283	TRAVEL & TRAINING	4,388	0	5,000	0	0
940	CITY-WIDE SYSTEM	103,122	325,000	173,107	332,000	332,000
953	GIS PROGRAM EXPENSES	58,658	0	75,842	0	0
954	LICENSE FEES	21,289	0	25,000	0	0
956	GIS FLYOVER	0	0	15,000	0	0
	Subtotal:	255,879	325,000	411,949	332,000	332,000

EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
POLICE DEPARTMENT: 42100						
952	HOMELAND SEC-BOMB EQUIP	111,415	0	40,585	0	0
953	RADIOS & EQUIP-HOMELAND SEC	87,146	0	0	0	0
Subtotal:		198,561	0	40,585	0	0
FIRE DEPARTMENT: 42200						
956	RADIOS	17	0	0	0	0
967	HOMELAND SEC EQUIP/RADIOS	575	0	0	0	0
968	CPAT EQUIPMENT	150,135	0	0	0	0
969	RADIOS-HOMELAND SEC	31,800	0	0	0	0
970	FIRE TRUCK EQUIPMENT	0	0	20,000	0	0
971	FIRE TONE ALERT SYSTEM	0	0	88,508	0	0
Subtotal:		182,527	0	108,508	0	0
PUBLIC WORKS-OPERATIONS: 43110						
953	DETENTION PONDS	42,543	0	0	0	0
970	ROADSCAPES GRANT PHASE I	0	0	127,000	0	0
971	CITY-WIDE ITS SYSTEM	6,500	0	0	0	0
973	SAFE ROUTES TO SCHOOLS	992	0	293,000	0	0
974	LIC ON APD 40	248	0	4,000,000	0	0
975	LAND-HILL & THIRD STREET	5,329	0	0	0	0
976	ROADSCAPES GRANT-PHASE II	0	0	149,000	0	0
977	ROADSCAPES MATCH-PHASE III	0	0	30,000	0	0
978	LIC-STONE LAKE ROAD	82,500	0	0	0	0
979	DALTON PIKE	0	0	41,500	0	0
Subtotal:		138,112	0	4,640,500	0	0
PUBLIC WORKS-LANDSCAPING:43140						
901	EXIT 25 BEAUTIFICATION	6,207	0	0	0	0
Subtotal:		6,207	0	0	0	0
PUBLIC WORKS-STATE STREET AID: 43190						
931	PAVING MATERIALS	0	0	17,000	0	0
	ITS-APD 40-SSA	0	0	50,000	0	0
	25TH ST/PEERLESS-SSA	0	0	40,000	0	0
Subtotal:		0	0	107,000	0	0
PARKS & RECREATION: 44420						
	USED FAIRWAY/GREENS MOWERS	0	0	25,000	0	0
Subtotal:		0	0	25,000	0	0
CHEROKEE SPRINGS: 44800						
931	DALTON PIKE WIDENING	952,330	0	479,163	0	0
Subtotal:		952,330	0	479,163	0	0
TRANSFERS: 51600						
760	TRANS. TO GRNWAY-GRANT MATCH	142,000	0	0	0	0
761	TRANS. TO STATE STREET AID	103,700	0	0	0	0
Subtotal:		245,700	0	0	0	0
	TOTAL EXPENDITURES	2,461,267	325,000	5,862,705	332,000	332,000

Sales Tax Capital Projects Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund is used to account for the proceeds of a one-half cent sales tax approved by the voters on March 10, 2009. In May 2009, Bradley County voters approved a similar referendum making the tax increase county-wide. The proceeds received by the City and City Schools are restricted for Capital Projects of each entity.

CITY OF CLEVELAND						
FUND #315 - SALES TAX CAPITAL PROJECTS FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
31610	LOCAL SALES TAX	1,651,035	1,600,000	1,600,000	1,700,000	1,700,000
31630	SCHOOLS 1/2 CENT SALES TAX	781,968	750,000	750,000	800,000	800,000
34910	BOND ISSUES-SCIENCE WING	58,805	0	0	0	0
36110	INTEREST	313	0	0	0	0
	TOTAL REVENUES	2,492,121	2,350,000	2,350,000	2,500,000	2,500,000
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay:						
41810	GENERAL GOVERNMENT					
921	CITY CAPITAL PROJECTS	0	1,600,000	99,362	1,700,000	1,700,000
922	LEE CROSSWALK	20,262	0	0	0	0
923	WHIRLPOOL INVESTMENT	1,000,000	0	0	0	0
924	25TH/OCOE DESIGN/ENV	30,000	0	0	0	0
925	OCOE ST CURB & SIDEWALK	85,111	0	0	0	0
926	EMA CELL TOWER	50,000	0	0	0	0
927	STREET PAVING	309,996	0	936,309	0	0
928	POLICE VEHICLES	48,500	0	250,000	0	0
929	20TH/DALTON PIKE ROW/DESIGN	5,440	0	36,060	0	0
930	MOUSE CREEK RD ENG/DESIGN	44,000	0	60,000	0	0
931	STRATEGIC PLAN	30,360	0	0	0	0
933	1ST STREET SQUARE	285,000	0	0	0	0
934	FIREHALL 6 SURVEY/DESIGN	0	0	9,500	0	0
936	TRAINING TOWER SURVEY/SITE	0	0	2,000	0	0
937	KNUCLEBOOM	0	0	112,000	0	0
938	GUARDRAIL-BLYTHE FERRY	0	0	12,000	0	0
939	INCUBATOR	37,500	0	37,500	0	0
940	OCOE ST DRAINAGE	15,080	0	4,000	0	0
Subtotal:		1,961,249	1,600,000	1,558,731	1,700,000	1,700,000
43110	PUBLIC WORKS					
931	MPO-PAVING MATCH	0	0	108,000	0	0
932	MPO-MICHIGAN AVE ROAD	0	0	12,000	0	0
Subtotal:		0	0	120,000	0	0
44420	PARKS AND RECREATION					
931	TINSLEY PARK TENNIS COURTS	0	0	60,000	0	0
932	TINSLEY PARK TENNIS LIGHTS	0	0	15,000	0	0
933	GREENWAY RESTROOM	0	0	20,000	0	0
Subtotal:		0	0	95,000	0	0
44900	CITY SCHOOLS					
630	QSCB PRINCIPAL PAYMENTS	0	0	238,000	238,000	238,000
631	QSCB INTEREST PAYMENTS	46,899	0	67,000	67,000	67,000
921	SCHOOL CAPITAL PROJECTS	27,881	750,000	1,394,004	495,000	495,000
Subtotal:		74,780	750,000	1,699,004	800,000	800,000
	TOTAL EXPENDITURES	2,036,029	2,350,000	3,472,735	2,500,000	2,500,000

Greenway Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund was established to construct the City/County Greenway project. The Greenway is a multi-use paved trail that creates a corridor along South Mouse Creek for the citizens' use. The Greenway concept will connect downtown Cleveland through the city sidewalk system. As the extension of the Greenway path occurs, a goal is to provide trailhead/parking areas and access walkway paths to adjacent neighborhoods.

South Mouse Creek Greenway:

Phase I of the Greenway was completed during 2002. This section is located near South Mouse Creek from 20th Street NW to 25th Street NW and includes ornate lamp posts, benches, and a bridge across Mouse Creek. The City and County each contributed \$12,000 annually for the first phase of the Greenway in order to maximize its leverage for the development.

Greenway Phase II was completed during FY2006. This section follows along South Mouse Creek from 25th Street NW to Raider Drive and includes ornate lamp posts, benches, a pedestrian bridge across Mouse Creek, a cross walk under 25th Street, and a cross walk under Keith Street. Construction of this phase consists of a ten-foot wide Greenway path with a length of about 4,300 feet. A trailhead/parking area is located at the north end of Harris Circle about 2,000 feet north of 25th Street. Eighty (80) percent of the cost was funded by a Federal grant that is administered through the Tennessee Department of Transportation and the City provided a 20% match.

The Greenway path along the west side of South Mouse Creek from Paul Huff Parkway to Mohawk Drive was also completed during FY2006. Home Depot provided \$111,000 to the City of Cleveland for the cost to construct this section of Greenway path. This section includes a ten foot wide path that is 1,250 feet in length and a 5 foot wide concrete walkway providing access from Mohawk Drive to the main walking path.

Phase III of the Greenway was completed in FY2009 and runs from 20th Street NW to Willow Street. The project provides a walkway connector from Willow Street near the east side of South Mouse Creek to the Highland Avenue at 8th Street NW intersection. This section of walkway links the Greenway system to Arnold School and to the downtown sidewalk system. An Enhancement grant administered through the Tennessee Department of Transportation provided \$496,000 of funding and the City of Cleveland provided approximately \$260,000 of funding for this phase.

Greenway Phase IV will connect the existing Greenway path at Raider Drive and continue north along South Mouse Creek behind the Cleveland High School Football stadium to the northern property line of Cleveland High School, then cross South Mouse Creek with a pedestrian bridge, and connect the south end of the Tinsley Park trail for a length of 1,550 feet. From this point on the Tinsley trail, the Greenway will follow the existing Tinsley trail for about 4,200 feet to the existing Greenway pedestrian bridge that crosses South Mouse Creek at Tinsley Park (this section of the Tinsley Trail will be paved with asphalt).

A 6 feet wide access path will be constructed to connect the Northwood Subdivision to the Greenway path and a spur from the Northwood Subdivision access path will provide path access to the Creekside Office Park. (900 feet of access path)

The City of Cleveland received a TDOT Enhancement grant (TDOT 80% / City 20% match) with the maximum share from TDOT being \$564,685 and the local match of \$146,171. Currently, all approvals have been obtained from TDOT and city staff anticipates that a notice to proceed to bid will be received soon. It is anticipated that this section will be completed by September 30, 2011.

Greenway Phase V is complete and includes about 3,600 feet of path from the northern end of the Tinsley Park trail to Paul Huff Parkway. Bradley County obtained grant money and matched the grant to fund the northern section from Paul Huff Parkway to 900 feet to the south of Paul Huff Parkway. This section was completed in January 2009. The City of Cleveland provided the survey, design, bidding, and project management services.

A Bradley County Healthy Community Initiative Grant (HCI) of \$123,000 funded the remaining 2,700 feet section on this phase. This section included path from 2,200 feet north of Mouse Creek Road and about 400 feet south of Mouse Creek Road along the west side of South Mouse Creek. The City of Cleveland Public Works Department surveyed, designed, and constructed this section of the Greenway and it was completed in November 2010.

The City received a Bradley County HCI grant for \$50,000 to fund the pedestrian bridge crossing South Mouse Creek to connect Tinsley Park with the northern section of the Greenway described in the above paragraph. The City's Public Works crews completed installation of the bridge abutments and set the pedestrian bridge in November 2010.

The Greenway restrooms were completed in January 2011 with ARRA funds. They are located near the Harris Circle parking area.

Phase VI will connect the existing Greenway near Willow Street and continue south for about 2,500 feet of path and connect the Village Green. This section of Greenway has shown to be the most challenging to complete, due to the proximity of

existing homes to South Mouse Creek and providing accessibility from the Inman Street culvert to the Village Green property. The current cost estimate is \$900,000.

Fillauer Branch Greenway:

Developer Tom Cate constructed a concrete path through the box culvert along Fillauer Branch under 25th Street and connected the Spring Creek Development and has constructed a gravel path to about 1,000 feet south of 25th Street.

Ocoee Middle School received a \$25,000 HCI grant to construct a walkway along the west side of Fillauer Branch and to connect the school’s existing running track with the proposed trail. Ocoee Middle School transferred the grant to the City of Cleveland. The Public Works Department designed and constructed this phase. This phase consists of a 1,600 feet long, 10 feet wide gravel path. It begins at the north side of 20th Street sidewalk, then continues north and crosses Fillauer Branch with a double 8’ by 10’ box culvert (w/handrails) and then continues along Fillauer Branch to near the north Fillauer property line. Construction of this work was completed in December 2010.

More funding is needed for a structure to cross Fillauer Branch near the north Fillauer property line and the south Retreat at Spring Creek property line. When the Fillauer Branch crossing is installed, there will be a continuous connection from the north side of 20th Street to the proposed Veteran’s Park located on the north side of 25th Street and west of the Spring Creek Development. An additional \$95,000 is needed to contract out the remaining concrete work and for Public Works to install the creek crossing to the Retreat at Spring Creek. The long range plan is to extend this section of Greenway north along Fillauer Branch from Schimmel’s Park to connect with the Mouse Creek Greenway at Tinsley Park.

Greenways and other open spaces enhance the quality of life in Cleveland by protecting the environment, giving citizens additional venues for recreation, and by providing economic development benefits.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$96,910	\$834,466	\$0	-100%
Total Expenditures	\$96,910	\$834,466	\$0	-100%

Goals and Objectives:

- Complete a continuous Greenway path along South Mouse Creek from the Village Green at Inman Street to Mohawk Drive.
- Complete the Greenway path along Fillauer Branch from Schimmel's Park and connect the Mouse Creek Greenway at Tinsley Park.
- Continue the Greenway path north of Mohawk drive to the Greater Cleveland Soccer Fields.

Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Phases completed	5A	Part of 5B	5A	4
Length of Greenway constructed	900'	2,200'	4,200'	5,750'
Access Sidewalk	0	0	1,000'	0

CITY OF CLEVELAND						
FUND #135 GREENWAY FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33441	STATE GRANT	0	0	569,000	0	0
33712	HOSPITAL GRANT BRADLEY CO	77,594	0	116,315	0	0
36110	INTEREST INCOME	82	0	0	0	0
36720	SALE OF GREENWAY BENCHES	10,700	0	6,000	0	0
36830	TRANSFER-CIP	142,000	0	0	0	0
36983	TML REIMBURSEMENT-BENCHES	5,330	0	1,000	0	0
36990	MISCELLANEOUS	1,052	0	0	0	0
	TOTAL REVENUES	236,758	0	692,315	0	0
EXPENDITURES						
DEPARTMENT # 44420						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay and debt service:						
265	GROUND MAINTENANCE	606	0	1,347	0	0
944	GREENWAY PHASE V	600	0	0	0	0
948	GREENWAY PHASE IV-RAIDER/TINSLEY	9,622	0	701,378	0	0
949	GREENWAY PHASE VI HCI FUNDED	63,221	0	55,688	0	0
950	PLAYGROUND	915	0	0	0	0
951	GREENWAY BENCHES	7,573	0	15,426	0	0
952	OCOOE HCI FUNDED	14,373	0	10,627	0	0
953	HCI PEDESTRIAN BRIDGE	0	0	50,000	0	0
	TOTAL EXPENDITURES	96,910	0	834,466	0	0

Fletcher Park Trust Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

The City established this fund to develop a 70-acre tract of land bequeathed to the City by Leonard and Agnes Fletcher. They also bequeathed more than \$350,000, which was used to create the Fletcher Park Fund, to help develop this area into a passive park. The City appointed an advisory committee, which has overseen the design of the park and made recommendations to staff and the City Council about improvements.

Phase I was completed in FY1998, with the help of a 50/50 matching State grant for \$100,000. The City received an \$88,000 State grant for Phase II. Phase III was completed with a \$35,000 grant, a \$7,100 donation by the Cleveland Civitan Club and matching funds from the Fletcher Park Fund. Phase IV was completed in September 2005 with a \$47,000 grant through the Recreation Trails Program (RTP) from the Federal Highway Administration administered by the Tennessee Department of Environment and Conservation, Division of Recreation Services. Following the completion of Phase IV, the City used a portion of a forestry grant and matching funds to plant 17 trees to shade the parking lot and improve the aesthetic appeal of the entrance to Fletcher Park.

Construction on Phase V was completed in April, 2008. Phase V included a flower garden walkway system and a second pavilion. This phase was funded by a \$50,000 State Grant that was matched with funds from the Fletcher Park Trust Fund. Phase VI was completed in FY2010 with funds provided by a RTP grant. This phase consisted of a trail around the perimeter of the back meadow. The spring house at Fletcher was also renovated with donations from a local citizen. The City will continue to apply for grants in the future as monies are available from the State of Tennessee.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$49,050	\$8,839	\$0	-100%
Total Expenditures	\$49,050	\$8,839	\$0	-100%

CITY OF CLEVELAND						
FUND #127 - FLETCHER PARK TRUST FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33491	FEDERAL GRANT	40,000	0	0	0	0
36110	INTEREST INCOME	20	0	0	0	0
36721	FLETCHER PARK DONATIONS	714	0	1,300	0	0
36811	TRANSFER FROM GENERAL FUND	0	0	0	0	0
	TOTAL REVENUES	40,734	0	1,300	0	0
EXPENDITURES						
DEPARTMENT # 44720						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
937	FLETCHER PARK DEVELOP.	49,050	0	8,839	0	0
	TOTAL EXPENDITURES	49,050	0	8,839	0	0

2009 Bradley County Build America Bond Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund accounts for Build America bonds issued by Bradley County to fund public school systems' capital improvement needs.

CITY OF CLEVELAND						
FUND #324 - 2009 BRADLEY COUNTY BUILD AMERICA BOND FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
36110	INTEREST	62	0	0	0	0
36720	PROCEEDS FROM BRADLEY CO	1,233,510	0	4,322,500	0	0
	TOTAL REVENUES	1,233,572	0	4,322,500	0	0
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay:						
44900 CITY SCHOOLS						
912	FILLAUER LAND	485,000	0	0	0	0
923	CHS SCIENCE WING	164,694	0	4,290,186	0	0
931	CHS DOME	74,650	0	0	0	0
932	BUSES	176,516	0	0	0	0
933	BUILDING IMPROVEMENTS	88,074	0	276,952	0	0
Subtotal:		988,934	0	4,567,138	0	0
	TOTAL EXPENDITURES	988,934	0	4,567,138	0	0

2009 QSCB Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund accounts for proceeds from Qualified School Construction Bonds (QSCB) issued by the State of Tennessee. These funds are being used for a portion of the costs for a new science wing at Cleveland High School.

CITY OF CLEVELAND						
FUND #336 - 2009 QSCB FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
36110	INTEREST	5,192	0	4,000	0	0
36720	NOTE PROCEEDS	4,160,000	0	0	0	0
	TOTAL REVENUES	4,165,192	0	4,000	0	0
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay:						
44900 CITY SCHOOLS						
923	CHS SCIENCE WING	1,620,362	0	2,502,754	0	0
Subtotal:		1,620,362	0	2,502,754	0	0
49600 ISSUANCE COSTS						
501	DEBT ISSUANCE COSTS	46,076	0	0	0	0
	TOTAL EXPENDITURES	1,666,438	0	2,502,754	0	0

ARRA Grant Projects Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund accounts for the proceeds from America Recovery and Reinvestment Act (ARRA) grants for acquiring various capital assets for the city.

CITY OF CLEVELAND						
FUND #337- ARRA GRANT PROJECTS FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33190	GRANT REVENUE - FREEWILL	535	0	500,000	0	0
33191	GRANT REVENUE - RAIDER	106,160	0	398,490	0	0
33192	GRANT REVENUE - SIDEWALKS	943	0	151,000	0	0
33193	GRANT REVENUE - GREENWAY	749	0	95,000	0	0
33194	GRANT REVENUE - DEPOT	68	0	451,084	0	0
33195	GRANT REVENUE - ENERGY	1,883	0	176,572	0	0
	TOTAL REVENUES	110,338	0	1,772,146	0	0
EXPENDITURES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Capital outlay:						
41810 GENERAL GOVERNMENT						
939	ROOFS	1,883	0	74,417	0	0
949	HVAC	0	0	43,155	0	0
950	FIRST STREET SQUARE LIGHTS	0	0	39,300	0	0
951	REPLACEMENT LIGHTS	0	0	19,700	0	0
Subtotal:		1,883	0	176,572	0	0
43110 PUBLIC WORKS						
930	FREEWILL ROAD	535	0	500,000	0	0
931	RAIDER DRIVE	106,160	0	398,490	0	0
932	SIDEWALKS	943	0	151,000	0	0
933	RESTROOMS	749	0	95,000	0	0
934	TRAIN DEPOT	68	0	451,084	0	0
Subtotal:		108,455	0	1,595,574	0	0
	TOTAL EXPENDITURES	110,338	0	1,772,146	0	0

Tennessee Housing Development Agency Home Grant Fund

Organization Chart:

No personnel are funded out of this fund.

Programs, Services, and Functions:

This fund is used to account for grants received from the Tennessee Housing Development Agency for housing rehabilitation in the community.

CITY OF CLEVELAND						
FUND #317 - THDA HOME GRANT						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33113	2010 HOME PROGRAM	0	250,000	250,000	0	0
	TOTAL REVENUES	0	250,000	250,000	0	0
EXPENDITURES						
DEPARTMENT # 46240						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
2003 HOME PROG HOUSING						
254	HOUSING INSPECTION	0	0	0	0	0
256	ADMINISTRATION	0	0	0	0	0
791	HOUSING REHAB	0	250,000	250,000	0	0
Subtotal:		0	250,000	250,000	0	0
	TOTAL EXPENDITURES	0	250,000	250,000	0	0

Enterprise Funds

Enterprise Funds are used to account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

Cleveland Municipal Airport Authority: This fund is used to create and establish a Municipal Airport Authority to fulfill the aviation needs of the community.

Cleveland Utilities-Electric System: This fund is used to account for the provision of electric service to the residents of the City. All activities necessary to provide such service are accounted for in this fund, including, but not limited to, administration, operation, maintenance, financing, billing and collection.

Cleveland Utilities-Water System: This fund is used to account for the provision of water and wastewater service to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing and collection.

CLEVELAND MUNICIPAL AIRPORT AUTHORITY



Airport Authority Members (Left to Right): LeRoy Rymer, Jr., Lynn DeVault, Lou Patten, Verrill Norwood and Mike McCoy.



Construction of the new Cleveland Municipal Airport

Cleveland Municipal Airport Fund

Programs, Services, and Functions:

The Cleveland City Council on September 13, 2004, approved an ordinance creating and establishing a Municipal Airport Authority for the City of Cleveland, which consists of five commissioners. The appointed commissioners were designated to serve for terms of one, two, three, four, and five years, respectively. The commissioners, as provided by Tennessee Code Annotated, were required to take and certify oaths of office and submit an application for incorporation to the State with certain required documentation. The Authority was vested with all authority to control and regulate any and all operations of any Municipal Airport located in the corporate jurisdiction of the City of Cleveland. The Authority comes under the “Sunshine Law” which means that notification for all meetings must be given to the public and the business of the Authority must be conducted in public.

The main objective of forming the new Authority was to better fulfill the aviation needs of the community. This included up-grading the present airport facility (Hardwick Field) or providing a new facility. For many years, much time and energy had been spent trying to reach these goals. However, the endeavor of the new Authority was to work with the State to examine every opportunity and means available to make aviation progress in Cleveland.

In 2004, a consulting firm had to be selected to provide services for the State funded runway overlay project for Hardwick Field Airport. It was to the City’s advantage, while in this process, to select a firm for future projects that could occur over the next five years, including a master plan, environmental assessment, design, expansion of a possible new airport, etc. A Consultant Selection Committee, consisting of the city manager, public works director, and chairman of the former airport commission, went through a very extensive process for choosing the highest ranking firm. The recommended firm was HMB Professional Engineers, Inc. The new Airport Authority approved the City’s recommendation at their October 8, 2004, meeting for a five year contract.

In addition to the runway overlay project, the Authority authorized the consulting firm to prepare a master plan for developing a new general aviation airport. After the master plan, an environmental assessment study was to be completed.

In 2006, it became necessary for the Authority to select a new consulting firm for the continuation of the proposed airport needs when HMB Consultants decided to discontinue providing services within the state of Tennessee. After the appointed consulting firm review committee examined and analyzed the qualifying applicants, a recommendation was given to the Authority, and they passed a resolution assigning the HMB contract to PDC Consultants.

The new consulting firm completed the Environmental Assessment, which was a much quicker process than expected. The consultants started this process on March 1, 2007, and the environmental assessment was complete by November, 2007, a process which would normally take approximately one and a half years to complete. PDC then began to work on Phase II, Environmental Permitting and Engineering, for the new airport location.

The Authority continues to be responsible for all maintenance and upkeep of the present Hardwick Field facility through the services of the Public Works Department. The State provides an annual 50/50% matching grant for general maintenance in the amount of \$13,000. The Authority also utilizes the services of the Parks & Recreation, Landscape Maintenance Division, for mowing, brush clearing, and herbicide treatment needs, etc. The Public Works general maintenance supervisor works in other aspects of maintenance needs, including lighting, general maintenance, plumbing, security fencing, as well as electric gate problems which occur from time to time, etc. Cleveland Utilities provides support for lighting maintenance requirements in conjunction with the Public Works Department.

The Authority entered into a 50/50% matching contract with the State for the purchase and installation of a new self-serve fuel pump to be installed on site. The project was completed in 2009. The installation of this system enabled pilots to have access to fuel 24/7, which is a convenience as well as safety aspect. It also increased City revenue, as the City receives two cents from the FBO for each gallon of fuel sold. This is based on the FBO's required State mandated reporting for each quarter of the year.

One of the main accomplishments for the Authority was to execute a Fixed Based Operator (FBO) agreement. This was completed and approved at the October 21, 2005, meeting. Minimum Operating Standards were also approved at this meeting. In 2007, it became necessary for the Authority to secure a new FBO. After going through the necessary processes, Crystal Air was the Authority's final selection and they entered into an agreement on May 1, 2007, and are currently taking care of business on a daily basis. After coming on board, they immediately began an endeavor to up-grade the general, overall appearance of the airport, including the lobby and hangar areas. They mainly concentrated on safety issues as well as complying with State standards and regulations.

The Authority continues to work toward completion of the new airport for Cleveland/Bradley County. It was after much research by consultants, public meetings, discussion, and debate that the South New Tasso site was selected and is presently being developed. Eventually, issues of zoning and air space, etc. had to be considered. However, as each phase progressed, all challenges were resolved as the project moved forward.

State funded grants for the on-going development are as follows (90/10% matching funds; however, construction is partially 95/5% funded):

- Master Plan - \$85,105 (city cost only)
- Environmental Assessment \$220,000
- Environmental Assessment Preliminary Engineering \$310,000
- Property Acquisition (1st Allocation) \$4,739,450
- Property Acquisition (2nd Allocation) + Amendment for Mitigation \$3,700,000
- Phase II Environmental Permitting & Engineering \$1,055,500
- Phase III Final Design & Engineering \$1,609,984
- Phase I Construction \$6,600,000
- Phase I Construction-Engineering Services \$586,000
- Phase II Construction \$6,400,000
- Phase II Construction-Engineering Services \$1,065,000
- Phase III Final Design \$1,600,000

After a professional, certified appraiser was hired, property owners negotiated with Authority members for the sale of their property and land options were obtained. A total of seven properties were involved and all were processed and closed out. The Authority now owns all the properties required for the new airport site.

There are three engineering phases in the new airport process, 1) preliminary, 2) design (permitting), and 3) final design. The preliminary engineering and permitting phases have been completed. PDC had all of the data they needed to enter into the final design phase. The Authority obtained a fully executed contract with the State for this phase and the consultants are currently working on design engineering and meeting with the MAA in work sessions to speed up this process. The final design determines what the airport will look like when completed.

Phase II entailed a lot of permitting challenges. Requirements included a Section 106, approval from the Tennessee Historical Commission, obtaining a 29A from TVA, etc. It also had to be determined if it was possible to do on-site wetland mitigation or if it was necessary to go somewhere else. It was determined that mitigation would have to be done at another location, therefore after much researching, the local Rolling Hills property was purchased for this project. The State amended the second land acquisition contract on a 90/10% matching basis in the amount of \$310,000 for the mitigation project.

Decisions regarding the Tasso Road relocation had to be addressed. The Authority and consultants worked with Bradley County officials and resolved this. The required permitting processes regarding the Stormwater Pollution Prevention Plan (SWPPP) and NPDES were filed and processed through TDEC. Public Hearings were held for these, which is a normal TDEC process.

In August of 2009, bids were received for the first construction phase. The bid was awarded to the lowest bidder, Wright Brothers Construction of Charleston, Tennessee, a qualified, licensed contractor in the State of Tennessee. PDC Consultants took care of the bidding process in conjunction with State officials and the City's purchasing department. A mandated, pre-bid conference was conducted prior to bidding. After awarding, a pre-

construction meeting was conducted by PDC, for reviewing construction requirements. However, due to a delay in the permitting process and weather conditions, actual construction did not start until spring, 2010. This phase included the relocation of Tasso Road and Little Chatata Creek, power line and water line relocations, and the installation of box culverts associated with the new airport.

Phase II of the construction process was bid out in the Fall of 2010 and awarded to Wright Brothers, the low bidder for the project. The contract began October 18, 2010 and is scheduled for completion in September 2011. This phase consists of the earthwork required for laying out the runway, taxiways, hangars and terminal building. Over 2,000,000 cubic yards of dirt will be moved during this phase.

Phase III will consist of final grading of the project and completion of the runway, taxiways, terminal building and some hangars.

There is still much planning to be done regarding the final design and layout for the lobby/offices, hangars, taxiways, fuel facilities, and runway, etc. Therefore, the Authority will conduct work sessions with the consultants, pilots, hangar owners, industrial representatives, and any other individuals or agencies interested in providing ideas and information for future development at the new airport. The Authority wants to provide the best possible design, which will provide for future growth, and get the greatest use of the property available. This means that a business plan must be in place for the new facility. The Authority’s goal is to make the airport self supporting.

The Authority continues to work with State officials toward the completion of the new general aviation airport. Attending State Aeronautics Commission meetings has been part of this process in order to request the necessary funding for each phase. The journey has been long, but the vision has been kept alive by those who see the benefit of what a new general aviation airport can make in a community. The Authority’s goal has never changed, with anticipation being that the completed project will be the operation of a fully staffed, equipped, and maintained facility of which citizens can utilize and be proud of for many generations to come. The Authority plans to schedule a “Grand Opening” in 2012 or early 2013. At that time, all Cleveland/Bradley County citizens will be invited to join the celebration of the completion of the new Cleveland Municipal Airport facility.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$69,333	\$68,000	\$68,000	0%
Capital Outlay & Debt Service	\$3,427,555	\$10,000,000	\$0	-100%
Total Expenditures	\$3,496,888	\$10,068,000	\$68,000	-99%

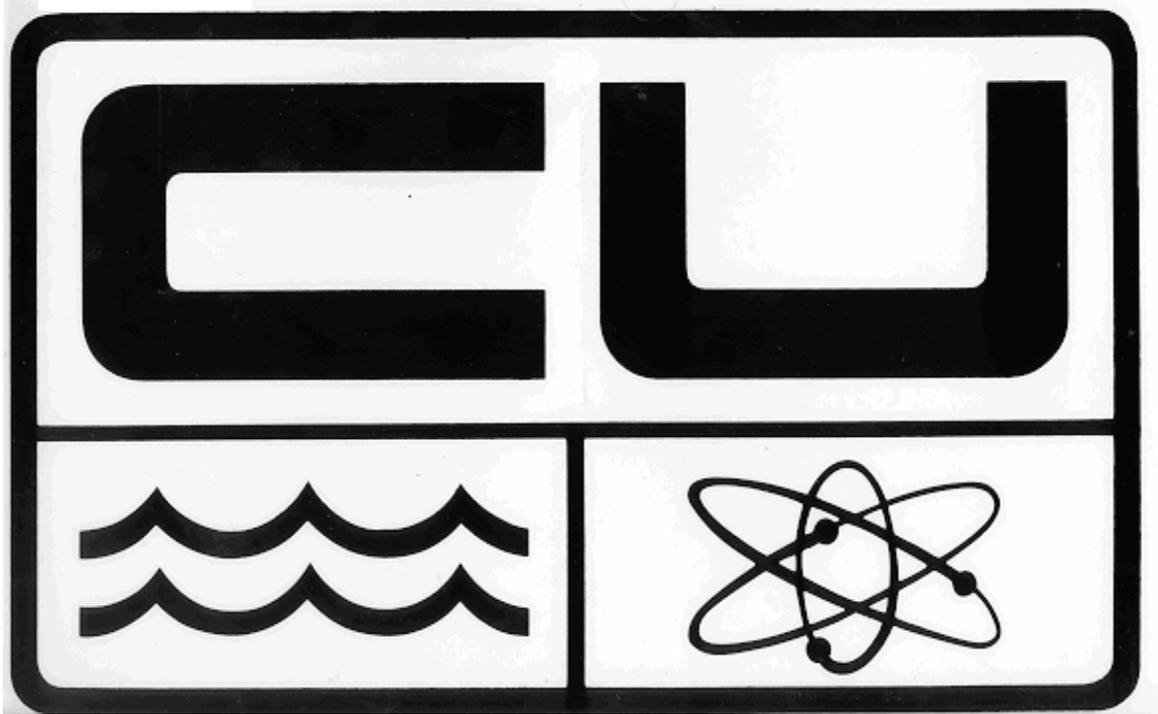
Goals and Objectives:

- Complete Phase II Construction at the new Tasso site.
- Plan and Begin Phase III Construction
- Continue to obtain community involvement in the present airport.
- Obtain joint cooperation with City and County governments for future airport needs.
- Continue to maintain the present airport property.

Performance Measures:

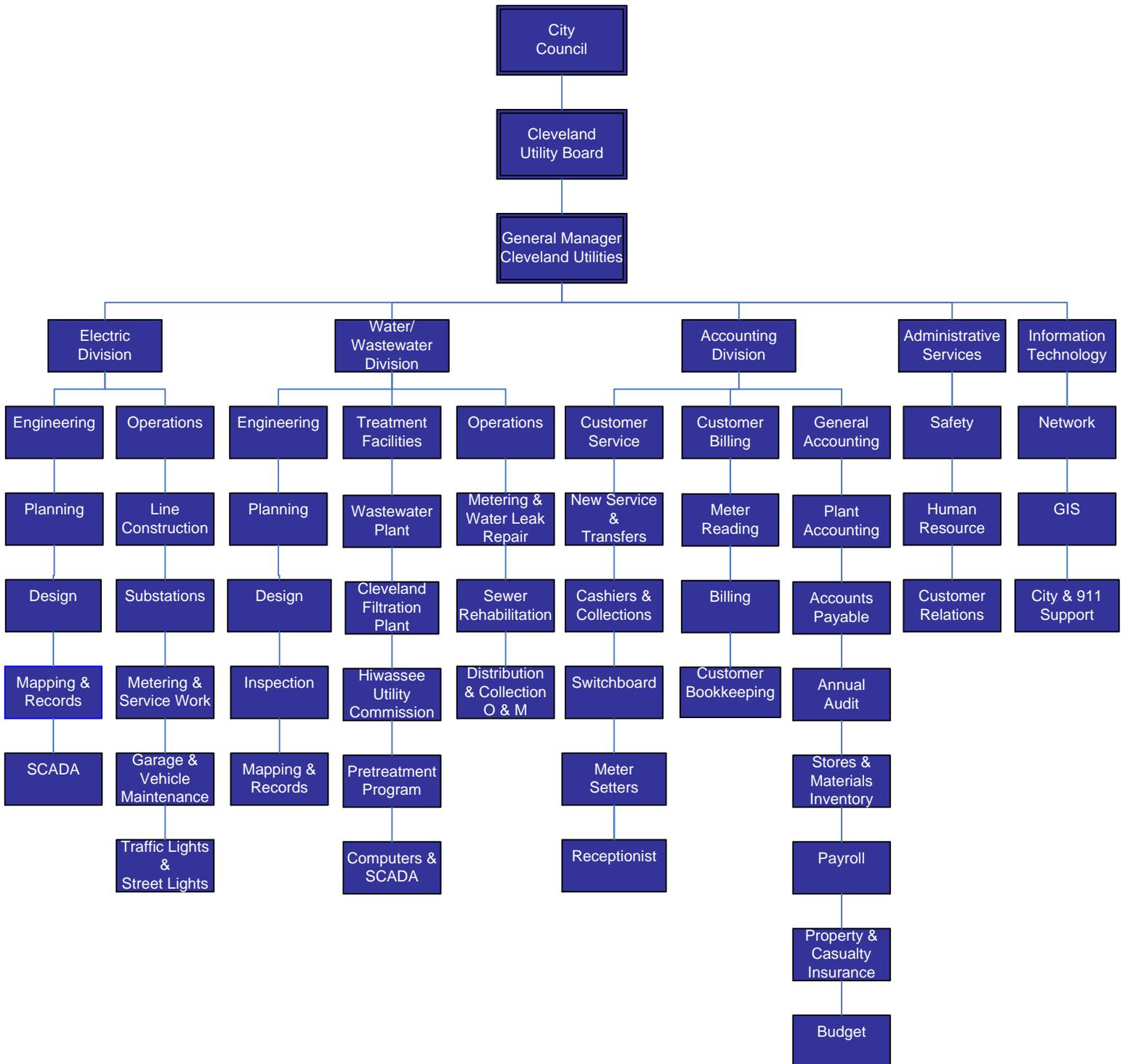
Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
Number of days mowed	16	28	40	40
Number of herbicide treatments	3	2	6	6
Number of lighting inspections performed by Cleveland Utilities maintenance crews	24	12	12	12
Number of inspections by state departments	3	2	3	3
Number of state grant projects completed	2	1	7	2
Number of Non Directional Beacon (NDB) technical and state inspections	6	6	5	5
Number of NDB routine maintenance site inspections	12	12	12	12
Number of Non Directional Beacon (NDB) emergency call-outs	5	6	3	5
Number of hangars (including city hangar)	21	22	22	22
Number of public meetings held by Airport Authority	11	11	13	13

CITY OF CLEVELAND						
FUND #128 CLEVELAND MUNICIPAL AIRPORT AUTHORITY						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
33480	PHASE III - FINAL DESIGN	353,512	0	0	0	0
33481	PHASE I CONSTRUCTION	2,795,043	0	3,000,000	0	0
33482	PHASE II CONSTRUCTION	0	0	7,000,000	0	0
33491	STATE MAINTENANCE GRANTS	13,220	10,000	10,000	10,000	10,000
33492	STATE/FED GRANT-LAND OPTIONS	279,000	0	0	0	0
33498	PHASE II-PERMITTING/ENGINEERING	0	0	0	0	0
35000	CONTRIBUTED CAPITAL	0	13,000	13,000	13,000	13,000
36110	INTEREST INCOME	88	200	200	0	0
36530	SALE OF CONSTRUCTION PLANS	5,250	0	0	0	0
36961	TRANSFER FROM GEN FUND	34,000	34,000	34,000	34,000	34,000
36990	MISCELLANEOUS	0	0	0	0	0
37512	AVIATION GASOLINE	483	500	500	500	500
37515	HANGER RENTALS	16,292	10,300	10,300	10,500	10,500
37520	PROPERTY RENTALS	0	0	0	0	0
	TOTAL REVENUES	3,496,888	68,000	10,068,000	68,000	68,000
EXPENDITURES						
DEPARTMENT #43110						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Operating Expenditures:						
211	POSTAGE/SHIPPING EXPENSE	210	300	300	300	300
228	LIGHTING MAINTENANCE	5,489	6,000	6,000	6,000	6,000
237	ADVERTISING	1,036	1,000	1,000	1,000	1,000
241	UTILITIES/PHONE EXPENSE	1,099	1,800	1,800	1,800	1,800
252	LEGAL SERVICES	203,710	3,500	3,500	3,500	3,500
256	NDB CONTRACTS	2,400	2,400	2,400	2,400	2,400
259	WEATHER SATELLITE FEE	2,028	1,900	1,900	1,900	1,900
266	BUILDING MAINTENANCE	7,426	13,500	13,500	13,500	13,500
267	GROUND MAINTENANCE	15,340	10,500	10,500	10,500	10,500
283	TRAVEL & TRAINING	0	3,500	3,500	3,500	3,500
513	INSURANCE	235	300	300	300	300
540	DEPRECIATION EXPENSE	24,398	23,000	23,000	23,000	23,000
599	MISCELLANEOUS	8	300	300	300	300
	Subtotal	263,379	68,000	68,000	68,000	68,000
Capital outlay and debt service:						
911	LAND OPTIONS/PURCHASE	0	0	0	0	0
914	CONSTRUCTION - PHASE I	0	0	0	0	0
942	SMALL EQUIPMENT	0	0	0	0	0
	Subtotal	0	0	0	0	0
	TOTAL EXPENDITURES	263,379	68,000	68,000	68,000	68,000



Cleveland Utilities

Cleveland Utilities



Cleveland Utilities Main Branch



Cleveland Utilities

History and Current Operations

The City of Cleveland, Board of Mayor and Commissioners, acquired the properties of the Tennessee Electric Power Company on August 16, 1939, and on this date established Cleveland Electric System.

Cleveland Water Works began its operation in 1895 under the direction of Commissioners of the Cleveland Water System. In 1959, the Board of Mayor and Commissioners instructed the Cleveland Water System to be under the direction of the Board of Mayor and Commissioners.

In March of 1976, the Board of Mayor and Commissioners directed the Cleveland Water System and Cleveland Electric System to merge operations after years of research. The new organization adopted the name of Cleveland Utilities. A Board of Public Utilities for the City of Cleveland was established in 1981. The Board consists of five members appointed by the City Council. The Board of Public Utilities meets the fourth Thursday of each month in the Tom Wheeler Training Center at 3:00 p.m.

Cleveland Utilities now serves approximately 29,500 electric customers, 29,600 water customers, and 17,500 sewer customers in the City of Cleveland and a large portion of Bradley County.

All financial transactions of Cleveland Utilities take place in one of two enterprise funds. The transactions of the electric division are recorded in the "electric" fund and those of the water/wastewater operations are recorded in the "water/wastewater" fund. Entries in the water/wastewater fund are maintained individually throughout the year for rate-setting and monitoring purposes and combined at year-end for audit reporting purposes.

Cleveland Utilities is operated by the Board of Public Utilities for the City of Cleveland. The Board appoints a General Manager with the responsibility of managing the daily operation of the utility. The rates, annual budget, and long-term bonded debt of the utility require the approval of the City Council. In addition, the electric rates require the approval of the Tennessee Valley Authority.

The annual budget for Cleveland Utilities is prepared individually for the electric, water and wastewater operating departments of the utility. The budget for Cleveland Utilities is not an appropriated budget. Other than for the purchase of goods and services in the normal course of business, no transfers are made from any fund of the City of Cleveland to the enterprise funds of Cleveland Utilities. Transfers are made to the City general fund from the electric and water funds for in lieu

of tax payments. The budgets are flexible operating budgets. The accuracy of the revenues and expenses in the budgets will be determined in a large part by the demand for the goods and services provided by Cleveland Utilities. The demand for those goods and services will be determined by uncontrollable weather and economic factors. An increase in demand will not only increase revenues but will also increase expenses. Historical averages, along with known changes, are used in the preparation of the budgets, but averages can be subject to significant variances from year to year.

Selected FY 2012 budget highlights are presented in the following table.

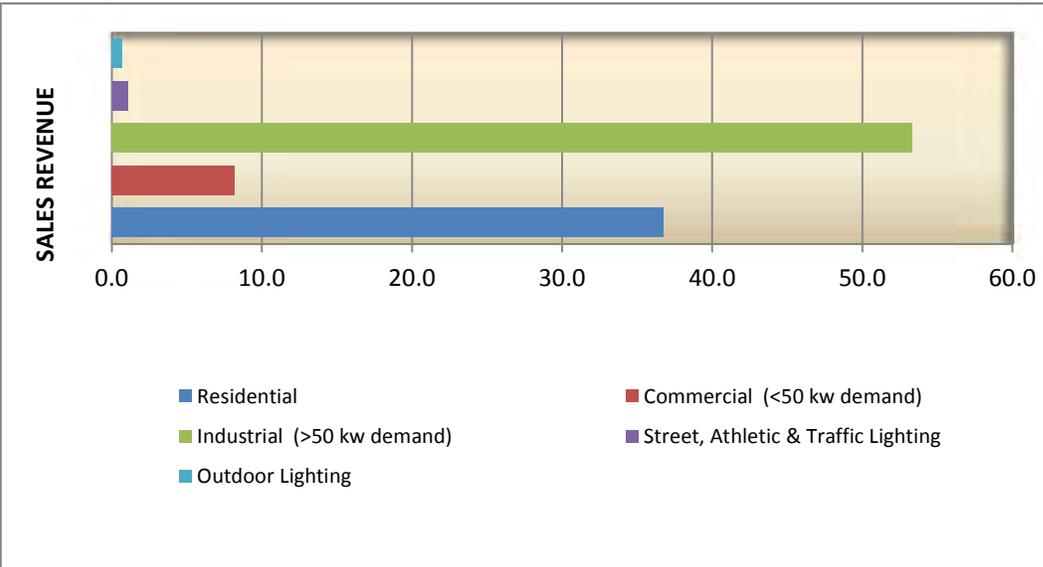
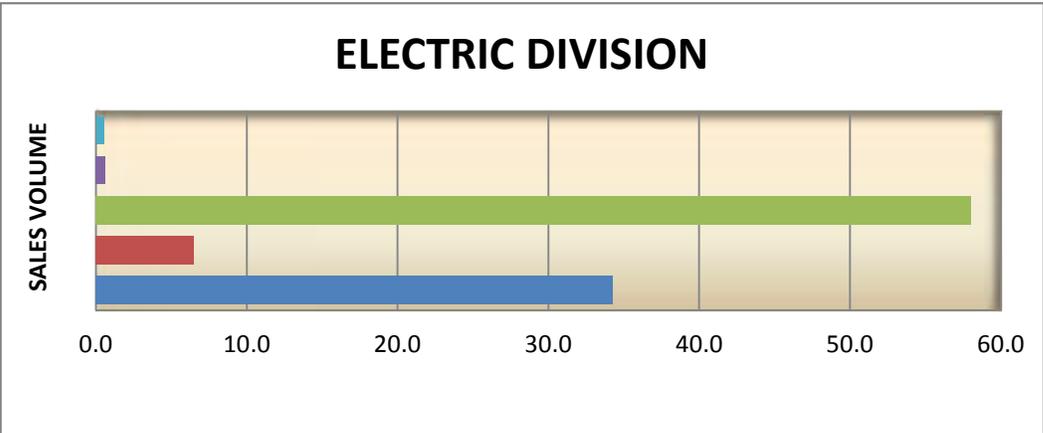
		Electric	Water	Sewer
Volume	KWH's	1,083,141		
Volume	Gallons		2,815,700,000	1,801,200,000
Avg Revenue	KWH	8.73		
Avg Revenue	1000 Gallons		\$4.18	\$5.23
Rate Adjustments		0.0%	4.78%	3.99%
Revenue (Sales and Other)		96,163,673	12,701,211	10,061,490
Expenses		95,766,586	12,574,369	9,332,689
Net Income		397,087	126,842	728,801
Tax Equivalents		1,667,258	202,462	n/a
Depreciation (Expensed)		3,845,788	2,073,473	2,988,259
Cash Generated (Operations)		4,548,584	2,355,727	3,872,930
Additions to Plant		9,040,000	5,884,000	4,228,100
Beginning Bond Balance		14,640,000	21,512,821	27,348,863
Additional Bonds		-	3,000,000	-
Bond Payments		930,000	1,086,923	1,841,495
Ending Bond Balance		13,710,000	23,425,898	25,507,368
Bond Coverage		3.63	2.16	1.75

FY 12 Budget Details

Electric

The electric budget for FY 12 is based on the assumption 1,083,141,000 kilowatt hours of electricity will be sold at an average price of 8.73 cents per kilowatt hour. This volume represents a .7% increase over the anticipated FY 11 volume. Kilowatt hour sales are expected to be made to five specific classes of customers in the following percentages.

<u>Type of Customer</u>	<u>Volume</u> %	<u>Revenue</u> %
Residential	34.29	36.76
Commercial (<50 kw demand)	6.51	8.16
Industrial (>50 kw demand)	58.03	53.31
Street, Athletic & Traffic Lighting	0.64	1.06
Outdoor Lighting	0.53	0.71



All of the electricity sold will be purchased from the Tennessee Valley Authority, a federal agency, under an all requirements multi-year contract. The budgeted cost of the electricity purchased is 7.416 cents per kilowatt hour. The margin expected to be generated between the sale of electricity and the cost of electricity is \$14,256,702. It is from this amount, plus other sources of revenue, all other operating expenses of the electric department will be funded. In addition to operating and maintenance expenses, the electric department will record depreciation expense of \$3,845,788 and a transfer to the city general fund for tax equivalents of \$1,667,258.

The expected net income in the electric department for FY 12 is \$397,087. This level of net income will produce a net cash generation amount of \$4,906,273 when adjusted for non-cash items. When added to the anticipated cash balance of \$11,165,081 at the beginning of the year, \$16,071,354 of cash will be available for reinvestment in plant assets and for debt retirement. The demands on this anticipated cash reserve will come from the anticipated cost of capital requirements of \$9,040,000 and debt retirement of \$964,441.

The major categories of plant additions and their respective amounts are summarized in the following table.

CLEVELAND UTILITIES-ELECTRIC
CAPITAL EXPENDITURES - 2012

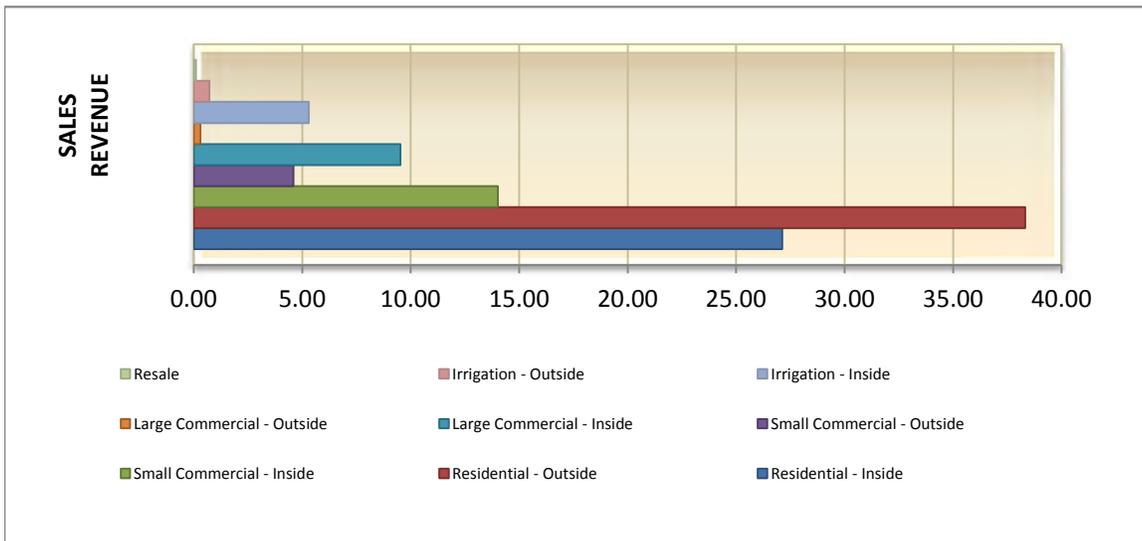
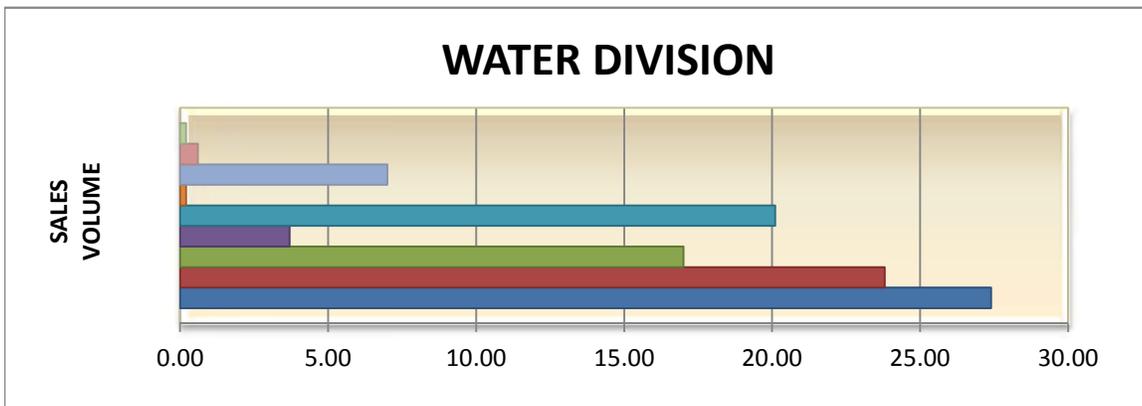
BUILDINGS AND GROUNDS	\$	564,000
COMPUTERS		110,000
SUPERVISORY CONTROL SYSTEM		34,000
ENGINEERING		27,000
TRANSPORTATION AND GARAGE		655,000
GEOGRAPHIC INFORMATION SYSTEM		38,000
COMMERCIAL		150,000
INDUSTRIAL		100,000
RESIDENTIAL-OVERHEAD		50,000
RESIDENTIAL-UNDERGROUND		600,000
LINE		1,264,000
METER LAB		2,275,000
SUBSTATIONS		2,091,000
OFFICE		5,000
METER READING		-
ELECTRONICS & COMMUNICATIONS		72,000
STOREROOM		10,000
TRAFFIC LIGHTING		380,000
STREET LIGHTING		490,000
SECURITY LIGHTING		125,000
 TOTAL		 <u><u>\$ 9,040,000</u></u>

The anticipated cash balance at year end is \$6,066,913 of which \$2,837,473 represents the balance on hand from deposits paid by customers to guarantee payment of utility bills.

Water

The water department budget for FY 12 is based on the assumption 2,815,700,000 gallons of water will be sold at an average retail price of \$4.18 per 1,000 gallons. The rate charged for water will increase 4.78% from FY 11. This volume represents a 0% change over the anticipated FY 11 volume. Water sales are expected to be made to eight specific classes of customers in the following percentages.

<u>Type of Customer</u>	<u>Volume</u> %	<u>Revenue</u> %
Residential - Inside	27.40	27.13
Residential - Outside	23.80	38.33
Small Commercial - Inside	17.00	14.01
Small Commercial - Outside	3.70	4.59
Large Commercial - Inside	20.10	9.52
Large Commercial - Outside	0.20	0.30
Irrigation - Inside	7.00	5.30
Irrigation - Outside	0.60	0.72
Resale	0.20	0.10



The expected revenue from the sale of the water, plus revenue from other sources, is \$12,701,211 for FY 12. Anticipated expenses, including depreciation of \$2,073,473 and tax equivalents of \$202,462, total \$12,574,369 leaving revenue in excess of expenses of \$126,842. These results will produce a net cash generation amount of \$2,621,915 when adjusted for non-cash items. When added to the anticipated cash balance of \$2,307,585 at the beginning of the year plus \$730,000 from grants and contribution in aid, \$5,659,500 of cash will be available for reinvestment in plant assets and for debt retirement. In addition, a \$3,000,000 (net 2,985,000) bond issue is planned for FY 12. The demands on this anticipated cash reserve will come from the anticipated cost of capital requirements of \$5,884,000 and debt retirement of \$1,086,923. The anticipated cash balance at year end is \$1,673,577 of which \$748,303 will be escrow requirements for the future payment of debt service. The major categories of plant additions and their respective amounts are summarized in the following table.

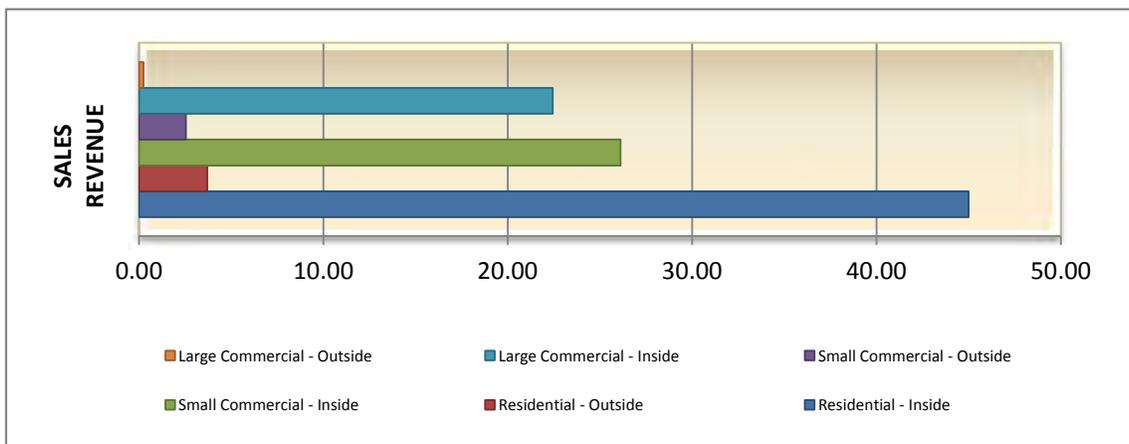
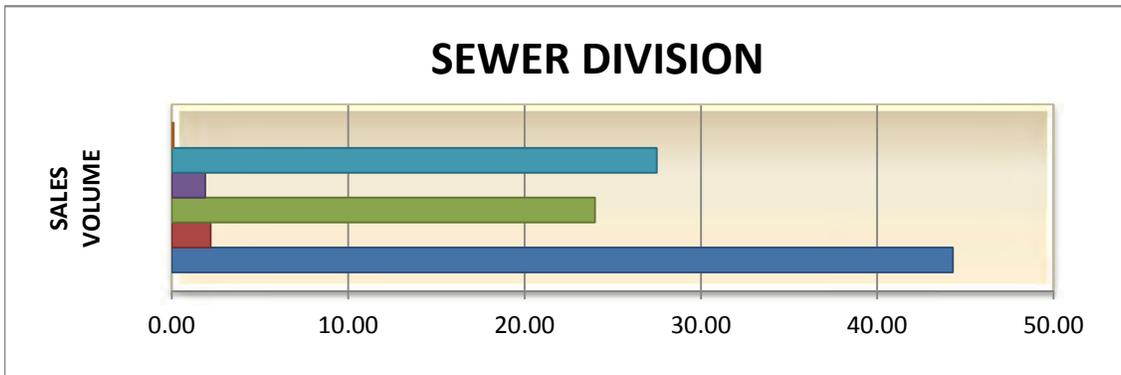
CLEVELAND UTILITIES-WATER
CAPITAL EXPENDITURES - 2012

ENGINEERING - DISTRIBUTION	\$ 3,341,000
WATER - DISTRIBUTION	864,000
FACILITIES MAINTENANCE DEPARTMENT	678,500
WATER TREATMENT FACILITIES	793,500
ENGINEERING - OFFICE	10,000
INFORMATION SYSTEMS	42,000
OFFICE EQUIPMENT	5,000
TRANSPORTATION	120,000
BUILDINGS AND GROUNDS	30,000
TOTAL	<u><u>\$ 5,884,000</u></u>

Wastewater

The wastewater department budget for FY 12 is based on the assumption 1,801,200,000 gallons of wastewater will be discharged by customers and treated by Cleveland Utilities. The average price paid by these customers will be \$5.23 per 1,000 gallons. The rate charged will increase 3.99% from FY 11. This volume represents a 0% change over the anticipated FY 11 volume. Charges for the treatment of wastewater are expected to be made to five specific classes of customers in the following percentages.

<u>Type of Customer</u>	<u>Volume</u>	<u>Revenue</u>
	%	%
Residential - Inside	44.30	44.99
Residential - Outside	2.20	3.69
Small Commercial - Inside	24.00	26.11
Small Commercial - Outside	1.90	2.53
Large Commercial - Inside	27.50	22.44
Large Commercial - Outside	0.10	0.24



The expected revenue from this volume, plus revenue from other sources, is \$10,061,490 for FY 12. Anticipated expenses, including depreciation of \$2,988,259 total \$9,332,689, leaving revenue in excess of expenses totaling \$728,801. These results will produce a net cash generation amount of \$4,085,893 when adjusted for other items. When added to the anticipated cash balance of \$4,984,375 at the beginning of the year, \$9,120,268 of cash will be available for reinvestment in plant assets and for debt retirement. No new bond issues are in the plan for FY12. The demands on this anticipated cash reserve will come from the anticipated cost of capital requirements of \$4,228,100 and debt retirement of \$1,841,495. The anticipated balance at year end is \$3,050,673 of which \$1,695,936 will be escrow requirements for the future payment of debt service. The major categories of plant additions and their respective amounts are summarized in the following table.

CLEVELAND UTILITIES-WASTEWATER
CAPITAL EXPENDITURES - 2012

ENGINEERING - COLLECTION	\$ 1,750,000
FACILITIES MAINTENANCE DEPARTMENT	142,000
WASTEWATER COLLECTION	100,000
WASTEWATER TREATMENT FACILITIES	2,083,200
INFORMATION SYSTEMS	31,400
ENGINEERING - OFFICE	5,000
TRANSPORTATION	80,000
MACHINERY & EQUIPMENT	6,500
ADMINISTRATION - BUILDINGS AND GROUNDS	30,000
TOTAL	<u>\$ 4,228,100</u>

In addition to preparing a budget for the upcoming fiscal year, Cleveland Utilities prepares an estimated budget for nine years beyond the upcoming budget year. The long-range plan included with the FY 12 budget covers fiscal year 2013 through 2021. This is believed to be worthwhile for several reasons.

1. Providing utility services is a very capital intensive undertaking and plans must be in place to meet capital financing requirements.
2. Because of the tremendous capital requirements of the utility function, a significant debt load is required, and there must be assurances debt service requirements are met in a timely manner.
3. Plans must be made for rate adjustments in order to avoid increases that do not become large and burdensome to customers.
4. Sound financial planning helps prevent financial surprises.

Several assumptions must be made in order to prepare the long-term projections.

1. Volumes must be projected. Historical averages are used to make these projections.
2. Rates must be adjusted. Rates must "match" the demands put on the systems by expenses, capital and debt-service requirements.
3. Expenses must be projected beyond the next fiscal year. Inflation assumptions are used, in addition to known future changes, to project expenses into the future.
4. Capital requirements must be developed. Changing demands for services, new environmental regulations, and the repair and replacement of existing facilities require long range planning and timing. Some projects cover several fiscal years from the time they are designed to the time the construction on them is complete, and they must be designed financially as well as physically.
5. Interest rates and payback periods must be estimated for new bond issues. Interest rate assumptions are subject to many different factors, and only time will determine if the assumptions are reasonably accurate.
6. Cash balances must be maintained to meet all payment obligations. All assumption results are "fine-tuned" to prevent periods of time when available cash levels are not present to meet the obligations of the utility.

Looking Ahead

In order to look ahead with any degree of confidence, the advantage of "looking back" becomes of great importance. In the case of Cleveland Utilities, looking back is relatively easy because of the long term presence of Cleveland Utilities in the community. Although a fifteen year period is short in comparison to the years Cleveland Utilities has served the community, it gives us an idea of the past growth of the system and a feel for the future significance the organization will have on the area.

The table below is a snapshot of the organization at June 30, 1995 and June 30, 2010.

	1995		
	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
Customers	24,591	22,810	12,715
Total Assets	45,962,521	18,139,282	38,640,712
Volume (kwh/gallons)	888,561,205	2,633,820,750	1,791,563,250
	2010		
	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
Customers	29,106	29,499	17,309
Total Assets	80,164,858	46,957,295	68,543,755
Volume (kwh/gallons)	1,078,380,377	2,668,847,250	1,745,115,000

Although volume in water and sewer has remained flat from 1995 to 2010 (as the result of several large water users ceasing operations and conservation measures on the part of most other customers), the customer base and the plant assets required to serve those customers has continued to grow.

Electric

Major near-term projects in the electric division include:

1. The reconducting of the Peerless Road facilities from Burlington Substation to 20th Street
2. The purchase of material necessary to construct a new District Substation
3. A two year project to inspect and update where necessary all of the poles in the system
4. A three year long project to construct a smart-grid for the system
5. Construction of a new substation to serve the new Whirlpool facility and surrounding areas

Major long-term projects in the division include:

1. The construction of Exit 20 Substation
2. The refurbishing of Lang Street Substation
3. The addition of a fourth circuit at South Cleveland Substation
4. The replacement of several pieces of heavy equipment
5. The continuation of the smart-grid project

Water/Sewer

In the previous year several capital projects in both water and sewer were deferred due to the recession. Those projects cannot be deferred indefinitely without jeopardizing the systems and their abilities to meet not only current demand, but new demand with the expected growth from new industry. Projects budgeted for 2012 include:

Water

1. Design of a new 20" main from HUC to the Eldridge Drive tank
2. A new Hopewell Community tank
3. A major upgrade to the Frontage Road water main
4. Repainting of several water tanks
5. Improvements to the CU Filter Plant

Sewer

1. Upgrade to Harrison Pike lift station
2. Continued sewer rehabilitation
3. Installation of an ammonia treatment system at the WWTP

CLEVELAND UTILITIES ELECTRIC FUND

Programs, Services, and Functions:

This enterprise fund accounts for the revenues and expenses (including depreciation) recorded by the Electric Division of Cleveland Utilities. Cleveland Utilities is operated by the Board of Public Utilities for the City of Cleveland. The rates, annual budget, and long-term bonded debt of the Board require the approval of the City Council. The policies and operating procedures, including daily operations, are not under the direct control of the City Council.

The rates are set out in the Appendix. There are five major rate categories of user charges: residential; commercial; industrial; street, athletic & traffic lighting; and outdoor lighting.

This Electric Division of Cleveland Utilities buys power wholesale from the Tennessee Valley Authority, a federal agency, under an all-requirements multi-year contract. The wholesale power is distributed at the retail level through a distribution system owned and maintained by Cleveland Utilities.

Summary of Expenses:

A Summary of Expenses can be found following the Performance Measures.

Goals and Objectives:

- * Provide reliable electric utility services in compliance with all federal and state regulations, with rates at or below the regional average.
- * Continue to maintain the system's financial stability
- * Expand the system's customer base and demand capacity
- * Continue to utilize the latest technology and work methods to enhance system performance and cost effectiveness.

CLEVELAND UTILITIES
Electric
Performance Measures

	FY 2010 Actual	FY 2011 Projected	FY 2012 Projected
KWH Purchased	1,112,981,850	1,111,743,669	1,119,525,581
KWH Sold	1,078,380,377	1,075,612,000	1,083,141,000
KWH Unsold (line loss)	34,601,473	36,131,669	36,384,581
% KWH in Line Loss	3.11%	3.25%	3.25%
Average Retail Price of KWH (Based on kwh's Sold)	7.94	8.73	8.73
Number of Customers			
Residential	24,720	25,083	25,451
Commercial	3,652	3,661	3,670
Industrial	624	640	656
Other	110	110	110
Total	29,106	29,494	29,887
Total Revenues	87,114,806	87,956,868	96,163,673
Net Income	1,558,959	242,128	397,087
Additional Investment in Plant	5,553,314	6,346,000	9,040,000
Long-term Debt	8,750,000	14,640,000	13,710,000
Number of Customers per Employee	347	351	356

Cleveland Utilities-Electric Fund Budget Summary

	FY 2010 ACTUAL	FY 2011 BUDGETED	FY 2012 PROPOSED
Revenues for Electric System			
Residential	\$ 33,252,409	\$ 31,748,531	\$ 34,768,065
Commercial	7,245,930	7,049,999	7,720,480
Industrial	43,162,198	46,045,060	50,424,115
Street, Athletic, & Traffic	993,724	916,870	1,004,068
Outdoor Lighting	571,970	608,008	665,700
Change in Accrued Revenue	349,568	0	0
Total Electric Sales Revenue	\$ 85,575,799	\$ 86,368,468	\$ 94,582,428
Other Operating Revenue	\$ 1,405,897	\$ 1,441,458	\$ 1,445,672
Interest	133,111	146,942	135,573
Total Other Revenues	\$ 1,539,008	\$ 1,588,400	\$ 1,581,245
Total Revenues	\$ 87,114,807	\$ 87,956,868	\$ 96,163,673
Operating Expense			
Purchased Power	\$ 70,884,746	\$ 72,247,476	\$ 80,325,726
Other Operating Expenses	6,839,405	7,080,691	6,746,808
Maintenance	2,507,948	2,532,121	2,401,896
Depreciation and Amortization	3,163,711	3,320,847	3,913,911
Tax Equivalents & FICA	1,815,566	1,837,344	1,916,549
Total Operating Expenses	\$ 85,211,376	\$ 87,018,479	\$ 95,304,890
Interest Expense	\$ 344,472	\$ 696,261	\$ 461,696
Total Other Expenses	\$ 344,472	\$ 696,261	\$ 461,696
Total Expenses	\$ 85,555,848	\$ 87,714,740	\$ 95,766,586
Net Revenues	\$ 1,558,959	\$ 242,128	\$ 397,087

**CLEVELAND UTILITIES - ELECTRIC
CASH FLOW ANALYSIS
FY 2012**

Sources of Cash:	
Net Income	\$ 397,087
Add: Non-Cash Items	
Depreciation - Expensed	\$ 3,845,788
Depreciation - Cleared	237,888
Amortization	<u>67,821</u>
Total Non-Cash Items	<u>4,151,497</u>
Total Cash Generated From Operations	\$ 4,548,584
Add: Projected Cash Balance 6/30/11	11,165,081
Bond Issues (Net)	-
GASB 45 Adjustment	<u>357,689</u>
Total Cash Available For Capital Expenditures & Debt Repayment	\$ 16,071,354
Uses of Available Cash:	
Debt Repayment - Bonds/Loans	\$ 964,441
Capital Improvements & Additions	<u>9,040,000</u>
Total Uses of Cash	<u>10,004,441</u>
Projected Cash Balance 6/30/12	<u>\$ 6,066,913</u>
Allocated - Customer Deposits	\$ 2,837,473
Non - Allocated	<u>3,229,440</u>
Total	<u>\$ 6,066,913</u>

**CLEVELAND UTILITIES - ELECTRIC
FINANCIAL FORECAST
FOR THE YEAR ENDING JUNE 30, 2012**

2012 BUDGET						
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	KWHs (000)
REVENUES						
Residential	9,380,424	7,558,577	10,510,385	7,318,679	34,768,065	371,409
Commercial	2,228,131	1,713,946	1,914,679	1,863,724	7,720,480	70,512
Industrial	13,997,734	11,960,600	11,501,740	12,964,041	50,424,115	628,547
Street, Athletic & Traffic	247,302	249,611	247,603	259,552	1,004,068	6,932
Outdoor Lighting	163,363	165,493	166,226	170,618	665,700	5,741
Total Electric Sales Revenue	26,016,954	21,648,227	24,340,633	22,576,614	94,582,428	1,083,141
Purchased Power	22,095,338	18,385,123	20,671,691	19,173,574	80,325,726	
Operating Margin:	3,921,616	3,263,104	3,668,942	3,403,040	14,256,702	
OTHER REVENUE						
Customer Penalties	120,098	99,930	112,359	104,215	436,602	
Service Revenue	88,504	73,643	82,802	76,800	321,749	
Rents	169,422	169,422	169,422	169,425	677,691	
Miscellaneous Income	2,649	2,204	2,478	2,299	9,630	
Interest	37,293	31,030	34,889	32,361	135,573	
Total Other Revenue	417,966	376,229	401,950	385,100	1,581,245	
TOTAL REVENUE	4,339,582	3,639,333	4,070,892	3,788,140	15,837,947	
EXPENSES						
Transmission-Operations	6,381	6,381	6,381	6,381	25,524	
Transmission-Maintenance	6,333	6,333	6,333	6,330	25,329	
Distribution-Operations	415,722	415,722	415,722	415,717	1,662,883	
Distribution-Maintenance	609,987	609,987	609,987	546,606	2,376,567	
Meter Reading	74,232	74,232	74,232	74,235	296,931	
Billing & Collecting	213,714	213,714	213,714	213,713	854,855	
Customer Service & Information	41,520	41,520	41,520	41,519	166,079	
Rebates & Inspections	18,549	18,549	18,549	18,553	74,200	
Administrative O & M	402,990	402,990	402,990	402,993	1,611,963	
Employee Benefits, FICA & Safety	575,292	575,292	577,788	575,292	2,303,664	
Depreciation	920,851	929,259	964,462	1,031,216	3,845,788	
Tax Equivalents	416,814	416,814	416,814	416,816	1,667,258	
Acquisition Adjustment	15,510	15,510	15,510	15,509	62,039	
Interest on Deposits	5,109	5,109	5,109	5,106	20,433	
Interest on Bonds	110,316	110,316	110,316	110,315	441,263	
Bond Cost Amortization	1,521	1,521	1,521	1,521	6,084	
TOTAL EXPENSES	3,834,841	3,843,249	3,880,948	3,881,822	15,440,860	
NET INCOME	504,741	(203,916)	189,944	(93,682)	397,087	

Cleveland Utilities Water/Wastewater Fund



CLEVELAND UTILITIES WATER/WASTEWATER FUND

Programs, Services, and Functions:

This enterprise fund accounts for the revenues and expenses (including depreciation) recorded in the Water and Wastewater Division of Cleveland Utilities. Cleveland Utilities is operated by the Board of Public Utilities for the City of Cleveland. The rates, annual budget, and long-term bonded debt require the approval of the City Council. The policies and operating procedures, including daily operations, are not under the direct control of the City Council.

The rates are set out in the Appendix. There are three major rate categories for water user charges: residential; small commercial and large commercial. Sewer user charges are tied to these water categories and consumption.

Cleveland Utilities owns and operates one water filtration plant drawing from the Hiwassee River, which has a capacity of seven million gallons per day (7 mgd). The operations of the Hiwassee Utilities commission water filtration plant, also drawing from the Hiwassee River, is the responsibility of Cleveland Utilities. Cleveland Utilities contracts to receive up to 4.44 million gallons per day from this supplier. Other sources include Waterville Springs and connections with the Eastside Utilities District and Savannah Valley Utility District.

The distribution system consists of 738 miles of water mains and 10 storage facilities with a capacity of 15.3 million gallons. The average daily consumption for the most recently completed year was 7.3 mgd.

This FY 2012 Budget calls for improvements in the water system totaling \$5,884,000.

Cleveland Utilities owns and operates one wastewater treatment plant which discharges into the Hiwassee River. The plant is an Intermittent Cycle Extended Aeration System (ICEAS) plant and has a current average daily capacity of 29.8 mgd.

The wastewater collection system includes 359 miles of wastewater mains, and a number of sewer pumping stations. Work continues on the collection system to correct inflow/infiltration problems. This occurrence takes place during periods of wet weather and can cause overloading conditions in the system. Additionally, this added flow increases the costs of operating the wastewater plant.

Summary of Expenses:

A Summary of Expenses can be found following the Performance Measures.

Goals and Objectives:

- * Provide reliable water and wastewater utility services which meet or exceed all federal and state standards with rates at or below the regional average.
- * Continue to maintain the system's financial stability while expanding the customer base, and increasing the system's capacity.
- * Continue to utilize the latest technology and work methods to enhance system performance and cost effectiveness.
- * Continue to extend the necessary water and wastewater facilities to newly-annexed areas within the statutorily-mandated time period.
- * Continue to coordinate the installation of water and wastewater lines with the Public Works Department so that repaving follows said installation, and never precedes it.

CLEVELAND UTILITIES
Water and Wastewater
Performance Measures

	FY 2010 Actual	FY 2011 Projected	FY 2012 Projected
MG of Treated Water Pumped	3,492,784,650	3,609,871,795	3,609,871,795
MG of Treated Water Sold	2,668,847,250	2,815,700,000	2,815,700,000
% of Treated Water Loss	23.59%	22.00%	22.00%
MG of Treated Wastewater	3,955,870,000	3,602,400,000	3,602,400,000
% Inflow/Infiltration	55.89%	50.00%	50.00%
Number of Water Customers			
Residential	25,920	26,061	26,202
Commercial	3,034	3,058	3,082
Irrigation	545	528	512
Total	29,499	29,647	29,796
Number of Wastewater Customers			
Residential	14,792	14,919	15,047
Commercial	2,517	2,533	2,549
Total	17,309	17,452	17,596
Total Revenues (Combined)	20,491,168	21,373,886	22,762,701
Net Income (Combined)	815,657	(332,451)	855,643
*Investment in Plant and Equipment	3,889,683	6,364,901	10,112,100
Long-term Debt	49,021,994	48,861,684	48,933,266
# of Customers per W/WW Employee	437	436	439

*Funded from revenue and debt only

Cleveland Utilities-Water/Wastewater System Budget Summary

	FY 2010 ACTUAL	FY 2011 BUDGETED	FY 2012 PROPOSED
Revenues for Water System			
Residential	\$ 6,916,627	\$ 7,648,017	\$ 7,705,571
Commercial	2,957,943	2,955,868	3,356,816
Irrigation	381,634	437,553	709,272
Change in Accrued Revenue	36,873	-	-
Total Water Revenue	\$ 10,293,077	\$ 11,041,438	\$ 11,771,659
Sewer Revenues	\$ 8,529,486	\$ 8,747,105	\$ 9,420,276
Other Operating Revenue	1,596,557	1,492,422	1,474,768
Interest	72,048	92,921	95,998
Total Other Revenues	\$ 10,198,091	\$ 10,332,448	\$ 10,991,042
Total Revenues	\$ 20,491,168	\$ 21,373,886	\$ 22,762,701
Operating Expense			
Operations	\$ 11,490,127	\$ 11,740,991	\$ 12,050,523
Maintenance	2,468,890	2,400,766	2,186,066
Depreciation and Amortization	4,683,570	4,882,775	5,074,995
Tax Equivalent & FICA	565,404	638,656	647,527
Total Operating Expenses	\$ 19,207,991	\$ 19,663,188	\$ 19,959,111
Interest Expense	\$ 1,909,594	\$ 2,043,149	\$ 1,917,947
Total Other Expenses	\$ 1,909,594	\$ 2,043,149	\$ 1,917,947
Total Expenses	\$ 21,117,585	\$ 21,706,337	\$ 21,877,058
Operating Income (Loss)	\$ (626,417)	\$ (332,451)	\$ 885,643
Contribution In Aid of Construction	\$ 1,442,074	\$ -	\$ -
Net Revenues	\$ 815,657	\$ (332,451)	\$ 885,643

**CLEVELAND UTILITIES - WATER
CASH FLOW ANALYSIS
FY 2012**

Sources of Cash:	
Net Income	\$ 126,842
Add: Non-Cash Items	
Depreciation - Expensed	\$ 2,073,473
Depreciation - Cleared	113,797
Amortization	<u>41,615</u>
Total Non-Cash Items	<u>2,228,885</u>
Total Cash Generated From Operations	\$ 2,355,727
Add: Projected Cash Balance 6/30/11	2,307,585
Bond Issues (Net)	2,985,000
Grants & Contributions In Aid	730,000
GASB 45 Adjustment	<u>266,188</u>
Total Cash Available For Capital Expenditures & Debt Repayment	\$ 8,644,500
Uses of Available Cash:	
Debt Repayment - Bonds/Loans	\$ 1,086,923
Capital Improvements & Additions	<u>5,884,000</u>
Total Uses of Cash	<u>6,970,923</u>
Projected Cash Balance 6/30/12	<u>\$ 1,673,577</u>
Allocated - Debt Sinking Funds	\$ 748,303
Non - Allocated	<u>925,274</u>
Total	<u>\$ 1,673,577</u>

**CLEVELAND UTILITIES - WATER
FINANCIAL FORECAST
FOR THE YEAR ENDING JUNE 30, 2012**

2012 BUDGET						
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	GALLONS (000)
REVENUES						
Residential-Inside	900,850	769,922	720,424	802,175	3,193,371	771,502
Residential-Outside	1,236,343	1,066,685	1,049,087	1,160,085	4,512,200	670,137
Small Commercial-Inside	463,941	400,278	371,417	413,639	1,649,275	478,669
Small Commercial-Outside	152,045	131,181	121,723	135,561	540,510	104,181
Large Commercial-Inside	306,187	274,571	254,838	285,560	1,121,156	565,956
Large Commercial-Outside	9,601	8,610	7,992	8,955	35,158	5,631
Irrigation-Inside	289,391	156,522	40,379	137,798	624,090	197,099
Irrigation-Outside	39,499	21,364	5,511	18,808	85,182	16,894
Resale	2,679	2,679	2,679	2,680	10,717	5,631
Total Water Revenue	3,400,536	2,831,812	2,574,050	2,965,261	11,771,659	2,815,700
OTHER REVENUE						
Sprinkler Taps & Service	35,981	29,964	27,235	31,376	124,556	
Access Fees	48,933	40,749	37,041	42,672	169,395	
HUC Reimbursement	71,031	59,151	53,766	61,938	245,886	
Customer Penalties	37,761	31,445	28,584	32,928	130,718	
Miscellaneous (Service Revenue)	65,225	54,316	49,371	56,875	225,787	
Interest	9,593	7,989	7,262	8,366	33,210	
Total Other Revenue	268,524	223,614	203,259	234,155	929,552	
TOTAL REVENUE	3,669,060	3,055,426	2,777,309	3,199,416	12,701,211	
EXPENSES						
Purchased Water	679,482	565,842	514,337	592,508	2,352,169	
T & D Operations	325,062	325,062	325,062	325,066	1,300,252	
T & D Maintenance	241,044	241,044	241,044	241,038	964,170	
Pumping Expense	389,200	324,109	294,607	339,382	1,347,298	
Meter Reading	65,340	65,340	65,340	65,342	261,362	
Billing & Collecting	104,667	104,667	104,667	104,671	418,672	
Customer Service & Information	10,551	10,551	10,551	10,547	42,200	
Administrative O & M	249,048	249,048	249,048	249,044	996,188	
Employee Benefits, FICA & Safety	440,157	440,157	442,896	440,154	1,763,364	
Depreciation	505,654	505,655	527,448	534,716	2,073,473	
Interest	194,874	194,874	224,874	224,874	839,496	
Bond Costs Amortization	2,940	2,940	3,690	3,693	13,263	
Tax Equivalent	50,616	50,616	50,616	50,614	202,462	
TOTAL EXPENSES	3,258,635	3,079,905	3,054,180	3,181,649	12,574,369	
NET INCOME (LOSS)	410,425	(24,479)	(276,871)	17,767	126,842	

**CLEVELAND UTILITIES - WASTEWATER
CASH FLOW ANALYSIS
FY 2012**

Sources of Cash:	
Net Income	\$ 728,801
Add: Non-Cash Items	
Depreciation - Expensed	\$ 2,988,259
Depreciation - Cleared	38,738
Amortization	<u>117,132</u>
Total Non-Cash Items	<u>3,144,129</u>
Total Cash Generated From Operations	\$ 3,872,930
Add: Projected Cash Balance 6/30/11	4,984,375
Bond Issues (Net)	-
Grants & Contribution In Aid	50,000
Sale of Mouse Creek WWTP	5,000
GASB 45 Adjustment	<u>207,963</u>
Total Cash Available For Capital Expenditures & Debt Repayment	\$ 9,120,268
Uses of Available Cash:	
Debt Repayment - Bonds/Loans	\$ 1,841,495
Capital Improvements & Additions	<u>4,228,100</u>
Total Uses of Cash	<u>6,069,595</u>
Projected Cash Balance 6/30/12	<u>\$ 3,050,673</u>
Allocated - Debt Sinking Funds	\$ 1,695,936
Non - Allocated	<u>1,354,737</u>
Total	
	<u>\$ 3,050,673</u>

**CLEVELAND UTILITIES - WASTEWATER
FINANCIAL FORECAST
FOR THE YEAR ENDING JUNE 30, 2012**

2012 BUDGET						
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	GALLONS (000)
REVENUES						
Residential-Inside	1,102,430	1,046,059	1,024,442	1,065,555	4,238,486	797,932
Residential-Outside	88,129	84,445	86,183	88,894	347,651	39,626
Small Commercial - Inside	645,889	602,108	595,221	616,375	2,459,593	432,288
Small Commercial - Outside	62,548	58,308	57,641	59,686	238,183	34,223
Large Commercial - Inside	578,698	518,461	477,880	538,540	2,113,579	495,330
Large Commercial - Outside	6,238	5,589	5,151	5,806	22,784	1,801
Total Wastewater Revenue	2,483,932	2,314,970	2,246,518	2,374,856	9,420,276	1,801,200
OTHER REVENUE						
Access Fees	45,894	42,772	41,506	43,878	174,050	
Miscellaneous Revenue	68,505	63,845	61,957	65,496	259,803	
Interest	16,556	15,430	14,973	15,829	62,788	
Customer Penalties	38,121	35,528	34,477	36,447	144,573	
Total Other Revenue	169,076	157,575	152,913	161,650	641,214	
TOTAL REVENUE	2,653,008	2,472,545	2,399,431	2,536,506	10,061,490	
EXPENSES						
Wastewater Plant-Operations	304,713	283,985	275,589	291,332	1,155,619	
Wastewater Plant-Maintenance	111,315	103,744	100,676	106,425	422,160	
Collection System-Operations	144,279	144,279	144,279	144,278	577,115	
Collection System-Maintenance	199,935	199,935	199,935	199,931	799,736	
Sludge Disposal	95,091	95,091	95,091	95,095	380,368	
Billing & Collecting	69,039	69,039	69,039	69,039	276,156	
Customer Service & Information	10,071	10,071	10,071	10,068	40,281	
Administrative O & M	107,385	107,385	107,385	107,388	429,543	
Employee Benefits, FICA & Safety	291,621	291,621	292,581	291,616	1,167,439	
Depreciation	738,008	738,008	753,534	758,709	2,988,259	
Interest	269,613	269,613	269,613	269,612	1,078,451	
Bond Costs Amortization	4,392	4,392	4,392	4,386	17,562	
TOTAL EXPENSES	2,345,462	2,317,163	2,322,185	2,347,879	9,332,689	
NET INCOME (LOSS)	307,546	155,382	77,246	188,627	728,801	

This page left blank intentionally.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. The City currently maintains one Internal Service Fund outlined below:

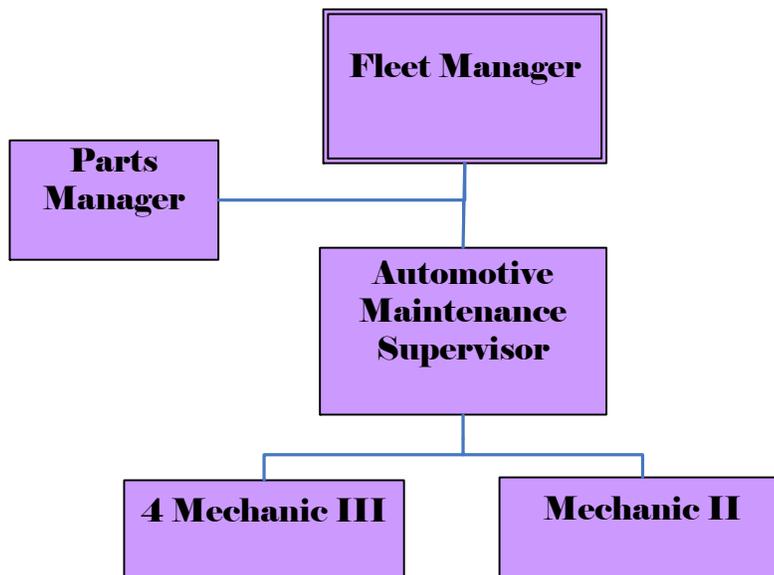
Fleet Management Fund: This fund is used to account for the maintenance of all vehicles owned by the City of Cleveland. The City also maintains vehicles for other governmental agencies.



Fleet Employees—Left to Right:
Rob Chastain, Joseph Rude, Eric Renfro, Christopher Ingram,
David Brown, Russell Bearden and Ron Wilkerson.

FLEET MANAGEMENT

PUBLIC WORKS FLEET MANAGEMENT



Fleet Management Fund

Programs, Services, and Functions:

Fleet Management is an internal service fund, which provides the revenues, expenses, and depreciation costs for fleet management services. Vehicles and equipment are owned by fifteen different departments and/or divisions of the city. In addition, fleet personnel provide maintenance and/or fuel services for fifteen outside agencies, including Bradley County Emergency Management, Bradley County Volunteer Fire Department, Bradley County Ambulance, Bradley County Rescue, Cleveland Housing Authority, Southeast Tennessee Community Corrections, Bradley-Cleveland Community Services Agency, Bradley County Courts Community Services, Cleveland State Community College, Charleston Police Department, West Polk County Fire and Rescue, the Department of US Immigrations & Customs, SETHRA, Bradley County Medical Examiner, and the State Drug Task Force. Approximately 500 vehicles and/or pieces of equipment are maintained on a regular basis.

Monthly billings are submitted to each department for repair parts, labor charges and fuel usage. A 30% surcharge is added to parts and contracted services to cover costs of ordering, storage, and overhead. The budget contains a \$.20 per gallon markup on fuel over the City's actual cost. The current labor charge is \$67.00 per hour, which covers a portion of the Fleet indirect overhead. Rates are reviewed annually during budget preparation. This year it was recommended to increase the rate to \$67.00 per hour in order to continue to be able to fully fund Fleet operations. The old rate of \$57.00 per hour had been in place for the past several years, and with this increase we are still below the average market rate. This recommendation was reviewed by the City Council at the annual budget hearing and approved upon the final reading of the FY2012 budget.

Fleet management provides recommendations to department managers regarding vehicle and equipment repair and replacement. The preventive maintenance program is critical for maintaining full operations and prolonging vehicle and equipment life.

The fleet facility is located on Fulbright Road. There are twelve bay doors and each mechanic has his own work bay, with a vehicle lift to speed service and repair work. Each mechanic also has a computer at his work station and has access to online shop repair services. This allows access to factory and aftermarket repair and maintenance information at the speed of the internet. This facility has enhanced mechanics' productivity due to space and accessibility.

The fleet facility also houses a fully stocked parts room, which is very spacious and easily accessible. Eighty percent of the parts needed, for preventive maintenance type work, are available with no waiting. New equipment and tools have been purchased, such as diagnostic equipment. This enables the mechanics to diagnose repair needs which had to be sent out to private companies in the past. The department endeavors to increase the in-house productivity and services while decreasing contracted services to outside companies. There is also equipment for parts fabrication which, in the past, had to be sent to outside vendors. This equipment has paid for itself and will generate

approximately \$5,000 in annual savings. Therefore, many parts can be prepared in-house without the prior downtime and inconvenience.

The lubrication system provides a ten percent savings in-lieu of 55-gallon drum purchases and a twenty percent savings over per quart bottle purchases. This has resulted in an annual savings of approximately \$2,000. Reels are located at each mechanic's work station which enables immediate access to oil products.

It is important that continual training be provided for the staff to remain certified technicians. In 2007, ACDelco introduced a web based internet training format which offers instruction in various technical and business courses (36 courses each, with 24 being web-based and 8 providing hands-on training in an Alpharetta, GA facility). This service is provided nation-wide, at no cost to fleet management facilities, through ACDelco. When areas of training are completed, certificates are provided by the company, and these are recorded in employee's personnel files. These are equivalent to ASE certification. The time spent in training by each mechanic is also documented through the Fleet CFA program. This type training is convenient, less expensive, and reduces time spent in travel and away from the job. Presently, there are 5 employees participating in this training program.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	495,445	498,500	503,700	1 %
Operating Expenditures	207,678	224,500	244,900	9 %
Capital Outlay & Debt Service	1,219	2,800	3,100	11%
Total Expenditures	704,342	725,800	751,700	4 %

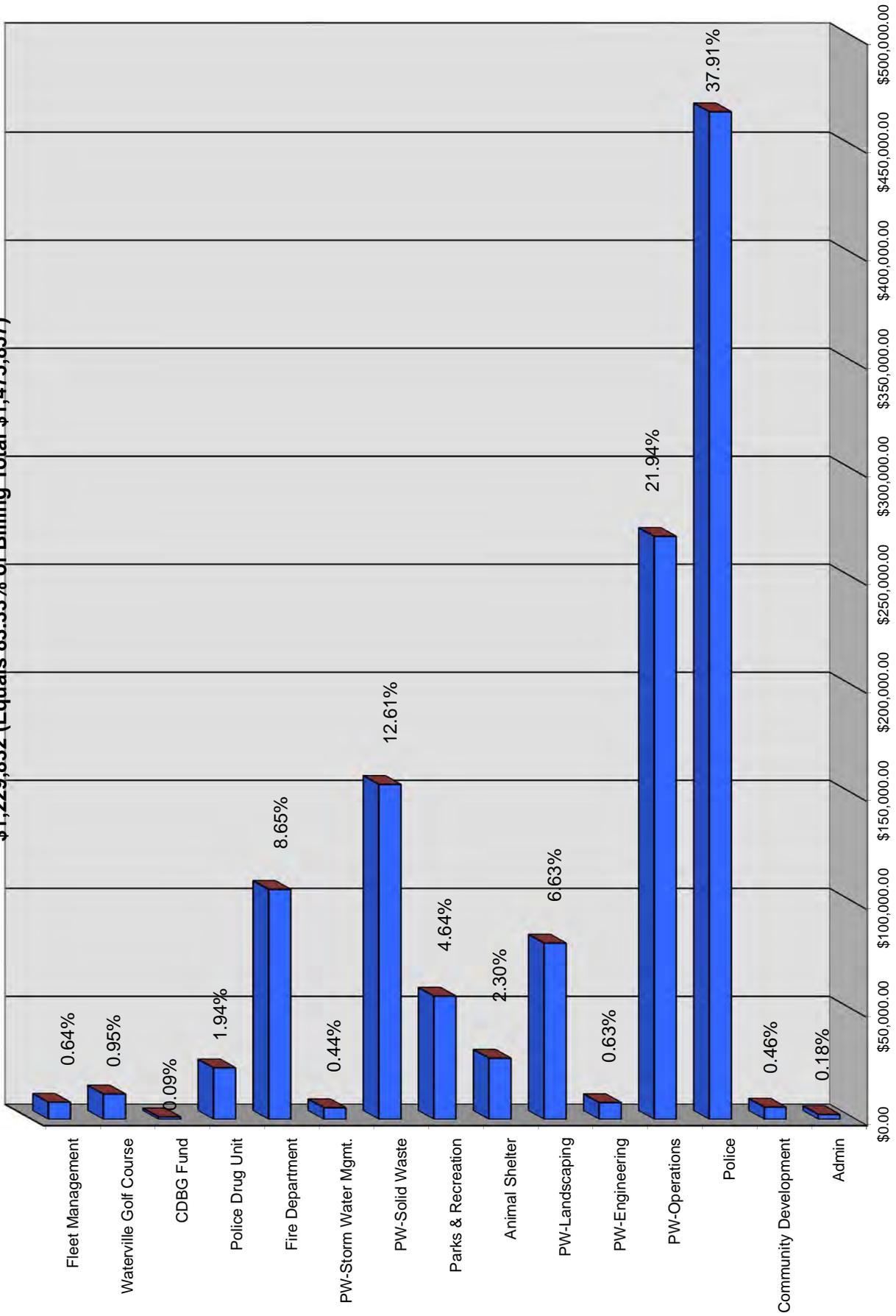
Goals and Objectives:

- Provide a quality preventive maintenance program for all City vehicles and equipment in a cost-effective manner.
- Reduce the number of emergency repairs, and therefore unexpected operational downtime by 5%.
- Decrease contracted services to outside vendors by increasing internal service performance by 2%.
- Increase billable hours by 2%.
- Improve the training and certification levels of all staff.
- Maintain the financial stability of this fund.

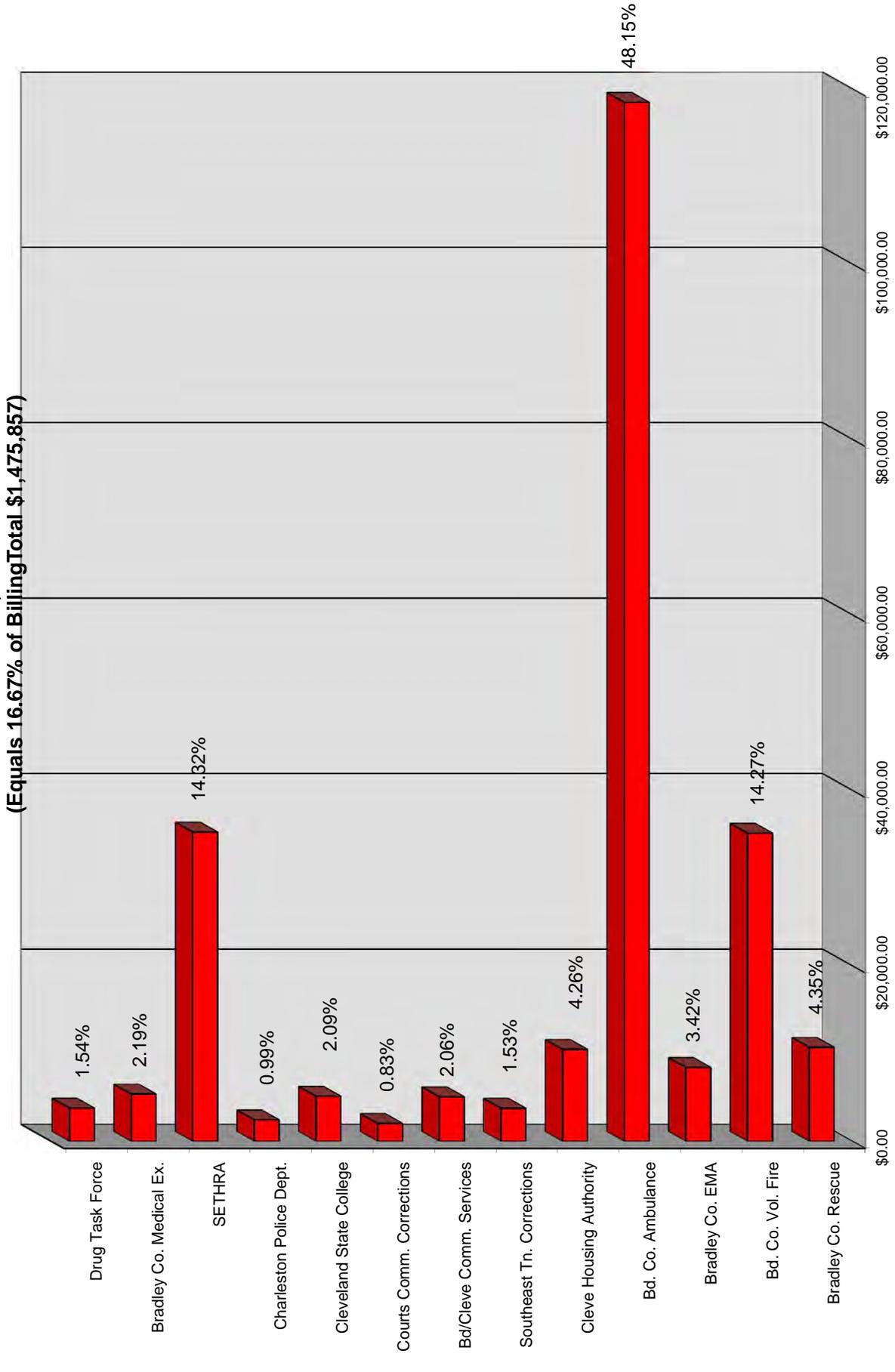
Performance Measures:

Measure Description	FY2009 (Actual)	FY2010 (Actual)	FY2011 (Estimated)	FY2012 (Projected)
# of Vehicles and Heavy Equipment	525	509	515	525
# of Mechanics	5	5	5	5
# of Other Garage Personnel	3	3	3	3
# of Training Hours	318	335	325	325
Vehicles per Mechanic	105	102	103	105
# of Repair Orders (Scheduled & Non-scheduled)	2,574	4,185	3,379	3,379
# of Repair Orders per Mechanic	514	837	675	675
# of Jobs Completed from Repair Orders	11,349	8,870	10,109	10,109
# of Emergency Repairs	169	193	181	172
Labor Rate	\$57	\$57	\$57	\$67
% of Operating Budget for Contracted Svcs.	46.64%	34%	46%	45%
% of Mechanic Hours Billed (Billable Hrs.)	62.30%	58.35%	62%	64%

Fleet Management
2009-10 Department Percentages of Maintenance & Fuel Cost
\$1,229,832 (Equals 83.33% of Billing Total \$1,475,857)



**Fleet Management
2009-10 Outside Agencies Percentage of Maintenance & Fuel Cost
\$246,025
(Equals 16.67% of Billing Total \$1,475,857)**



CITY OF CLEVELAND						
FUND #511 - FLEET MANAGEMENT FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Sales Revenue:						
36512	FUELS MARKUP	49,279	50,000	50,000	51,000	51,000
36534	PARTS	446,983	425,000	450,000	450,000	450,000
36536	LESS: COST OF GOODS SOLD	(337,617)	(297,500)	(315,000)	(315,000)	(315,000)
Subtotal:		158,645	177,500	185,000	186,000	186,000
Operating Revenues:						
34330	CHARGES FOR SVCS-INTERNAL	360,870	361,600	390,000	422,000	422,000
34331	CHARGES FOR SVCS-CONTR.	117,722	162,500	120,000	143,000	143,000
Subtotal:		478,592	524,100	510,000	565,000	565,000
Other Income:						
36110	INTEREST INCOME	236	500	500	500	500
36990	MISCELLANEOUS	510	200	200	200	200
36992	GAIN (LOSS) SALE OF ASSETS	(1,200)				
Subtotal:		(454)	700	700	700	700
	TOTAL REVENUES	636,783	702,300	695,700	751,700	751,700
EXPENDITURES						
DEPARTMENT #43170						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
Personnel and fringe benefits:						
111	SALARIES	337,471	339,000	339,000	339,100	339,100
112	OVERTIME	4,983	5,000	5,000	5,000	5,000
131	SERVICE AWARDS	100	100	100	300	300
132	LONGEVITY	1,700	2,200	1,900	2,400	2,400
133	SOLD VACATION	3,019	2,700	2,700	2,700	2,700
134	CHRISTMAS BONUS	866	900	900	900	900
140	DENTAL INSURANCE	3,264	3,300	3,300	3,600	3,600
141	SOCIAL SECURITY TAXES	24,818	26,800	26,600	26,900	26,900
142	HEALTH INSURANCE EXP	57,556	53,800	54,500	59,200	59,200
143	RETIREMENT EXPENSE	57,544	58,400	59,300	58,700	58,700
144	LIFE & DISABILITY INSURANCE	4,123	4,400	4,200	4,400	4,400
149	WORKER'S COMP CLAIMS	0	500	1,000	500	500
Subtotal:		495,445	497,100	498,500	503,700	503,700
Operating expenditures:						
211	POSTAGE EXPENSE	535	1,200	500	600	600
219	PAGER EXPENSE	98	0	0	0	0
221	PRINTING EXPENSE	167	200	200	200	200
237	ADVERTISING	65	200	200	100	100
239	MEMBERSHIP DUES/LICENSING	974	700	700	1,000	1,000
241	UTILITIES	19,428	17,000	17,000	23,400	23,400

EXPENDITURES						
DEPARTMENT #43170						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
245	TELEPHONE EXPENSE	8,339	8,500	8,500	8,500	8,500
261	VEHICLE MAINT(GARAGE)	3,627	4,000	4,000	4,000	4,000
263	CONT SVCS-VEH MAINT	89,986	125,000	92,000	110,000	110,000
266	BUILDING MAINTENANCE	3,865	4,000	4,000	4,000	4,000
269	CTRL FUEL MAINT & SUPPLIES	6,312	8,000	7,100	8,000	8,000
283	TRAVEL/TRAINING EXPENSE	200	1,000	1,000	1,000	1,000
298	CONT SVCS-PEST CONTROL	270	300	300	300	300
319	OFFICE EXPENSE	3,045	3,000	2,700	3,000	3,000
322	WASTE DISPOSAL SUPPLIES	3,701	4,000	4,000	4,000	4,000
324	JANITORIAL EXPENSE	1,973	2,000	3,000	4,400	4,400
326	UNIFORM EXPENSE	3,073	4,000	4,000	3,500	3,500
331	GASOLINE EXPENSE	4,365	5,000	5,000	5,500	5,500
511	INS-BLDGS & CONTENTS	1,767	1,800	1,800	2,100	2,100
512	INS-VEHICLES & EQUIP	717	800	800	700	700
513	INS-GENERAL LIABILITY	1,748	1,800	1,800	1,800	1,800
514	WORKER'S COMPENSATION	12,421	12,800	12,800	12,500	12,500
540	DEPRECIATION EXPENSE	36,065	40,800	40,800	40,800	40,800
545	COMPUTER SOFTWARE MAINT	4,495	12,000	12,000	5,000	5,000
599	MISCELLANEOUS	443	500	300	500	500
Subtotal:		207,678	258,600	224,500	244,900	244,900
Capital outlay and debt service:						
941	EQUIPMENT & TOOLS	1,079	1,900	1,900	1,900	1,900
942	COMPUTER EQUIPMENT	140	1,200	900	1,200	1,200
Subtotal:		1,219	3,100	2,800	3,100	3,100
	TOTAL EXPENDITURES	704,342	758,800	725,800	751,700	751,700

FLEET MANAGEMENT FUND
CASH FLOW STATEMENT
FY 2012

	Budgeted
Cash flows from operating and investing activities:	
Net income (loss)	\$0
Adjustments to Reconcile Net Income (loss) to net cash provided by operating activities:	
Depreciation	\$40,800
Changes in assets:	
Accounts receivable (increase) or decrease	
Changes in liabilities:	
Accrued liabilities increase or (decrease)	-
Due to other funds	-
Deferred revenues increase (decrease)	-
Total Adjustments	<u>\$40,800</u>
Net cash provided by operating and investing activities	<u>\$40,800</u>
Cash flows from capital and related financing activities:	
Debt Principal Repayment:	-
Other Improvements	-
Net cash used in capital and related financing activities	-
Net increase (decrease) in cash and cash equivalents	\$40,800
Cash and cash equivalents, beginning of fiscal year	<u>\$82,036</u>
Cash and cash equivalents	<u><u>\$122,836</u></u>

Trust Funds

Trust funds are used to account for assets held by the City in a trustee capacity. A “non-expendable” trust fund stipulates that only earnings and not principal may be spent. The City currently maintains one Trust Fund outlined below:

Meiler Estate Animal Shelter Trust Fund: This fund is used to account for funds bequeathed to the City of Cleveland Animal Control by John and Elizabeth Meiler. The Meilers were described as a quiet couple who had a great love for their poodles and friends in the Cleveland area. With their generous gift, the City has been able to improve the building and equipment needed to operate this division of the City.

MEILLER ESTATE ANIMAL CONTROL FUND



Meiler Estate Animal Control Fund

Organization Chart:

No Personnel are funded out of this fund.

Programs, Services, and Functions:

This fund was established by a contribution in the amount of \$141,159 to the Cleveland Animal Control from the estate of Elizabeth Jean Meiler. The department received an additional \$125,634 from the estate of Elizabeth Jean Meiler in FY2002 and \$191,440 from the estate of John Meiler in FY2003. Interest from these gifts has been used to provide a storage and quarantine building, telephone equipment, software and trucks, which were badly needed for the operation.

EXPENDITURE SUMMARY	FY 2010 Actual	FY 2011 Budgeted	FY 2012 Proposed	Percentage Increase
Personnel Expenditures	\$0	\$0	\$0	0%
Operating Expenditures	\$0	\$0	\$0	0%
Capital Outlay & Debt Service	\$6,700	\$ 1,000	\$5,700	470%
Total Expenditures	\$ 6,700	\$1,000	\$5,700	470%

Goals and Objectives:

The goals and objectives of the Cleveland Animal Control are listed in that portion of the General Fund.

Performance Measures:

This fund helps support the Animal Control operation by purchasing equipment or by paying the debt service on needed equipment. Therefore, this fund has an impact on the performance measures of the Cleveland Animal Control listed in the General Fund.

CITY OF CLEVELAND						
FUND #126 - MEILER ESTATE/ANIMAL CONTROL FUND						
REVENUES						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
36110	INTEREST INCOME	574	6,000	1,000	5,000	5,000
	TOTAL REVENUES	574	6,000	1,000	5,000	5,000
EXPENDITURES						
DEPARTMENT # 51600						
OBJECT CODE		2009-2010 ACTUAL	2010-2011 ORIGINAL BUDGET	2010-2011 AMENDED BUDGET	2011-2012 REQUESTED	2011-2012 PROPOSED
762	TRANS TO CIP - TRUCK	6,700	6,700	1,000	5,700	5,700
	TOTAL EXPENDITURES	6,700	6,700	1,000	5,700	5,700

This page left blank intentionally.

Glossary of Terms

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Activity - Departmental efforts which contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

Ad Valorem Taxes - Commonly referred to as property taxes, are levied on both real and personal property according to the property's valuation and the tax rate.

Allot - To divide an appropriation into amounts, which may be encumbered or expended during an allotment period.

Amortization - A method of measuring the consumption of the value of long-term assets in regular installments over a period of time.

Annualize - Taking changes that occurred mid-year and calculating their cost for a full year, for the purpose of preparing an annual budget.

Appropriation - A legal authorization to incur obligations and to make expenditures for specific purposes.

Assessed Valuation - The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Assessment Ratio - The ratio at which the tax rate is applied to the tax base.

Asset - Resources owned or held by a government which have monetary value.

Attrition - A method of achieving reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Authorized Positions - Employee positions, which are authorized in the adopted budget, to be filled during the year.

Available (Undesignated) Fund Balance - This refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Balanced Budget - The sum of estimated net revenues is equal to planned expenditures.

Base Budget - Cost of continuing the existing levels of service in the current budget year.

Bond - A long-term I.O.U. or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

General Obligation (G.O.) Bond - This type of bond is backed by the full faith, credit and taxing power of the government.

Revenue Bond - This type of bond is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

Budgetary Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar - The schedule of key dates that a government follows in preparation and adoption of the budget.

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets. The City of Cleveland defines them as assets costing at least \$500 and a useful life of two or more years.

Capital Budget - The appropriation of bonds or operating revenue for improvements to facilities, and other infrastructure.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure. It also includes vehicle and equipment replacement.

Capital Improvements Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Outlay - Fixed assets which have a value of \$500 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Project Funds – Funds used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations.

Capital Reserve - An account used to segregate a portion of the government's equity to be used for future capital program expenditures. The amount of capital reserve is roughly equal to the government's annual equipment depreciation and an amount identified as being needed for future capital acquisition.

Commodities - Expendable items that are consumable or have a short life span. Examples include office supplies, gasoline, minor equipment, and asphalt.

Constant or Real Dollars - The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index issued as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Debt Service - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Debt Service Fund – Fund used to account for the accumulation of resources for, and payment of, general long-term principal, interest, and related costs.

Dedicated Tax - A tax levied to support a specific government program or purpose.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development-related Fees - Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees and zoning, platting and subdivision fees.

Disbursement - The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Employee (or Fringe) Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pensions, medical and life insurance plans.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Funds – Funds used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

Entitlements - Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

Expenditure - The payment of Cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fiscal Policy - A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City's fiscal year is July 1st through June 30th.

Fixed Assets - Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

Function - A group of related activities aimed at accomplishing a major service of regulatory program for which a government is responsible (e.g., public safety).

Fund - A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GASB – Governmental Accounting Standards Board. Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

General Fund – The principal fund of the city and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e., public safety, recreation, public works, general government, etc.)

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Funds – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grants - A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges - The charges to user departments for internal services provided by another government agency, such as data processing, or insurance funded from a central pool.

Internal Service Funds – Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Kilowatt-hour – A unit of work or energy equal to that expended by one kilowatt in one hour.

Lapsing Appropriation - An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law.

Levy - To impose taxes for the support of government activities.

Line-item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Materials and Supplies – Expendable materials and operating supplies necessary to conduct departmental operations.

Mill - The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation.

Net Budget - The legally adopted budget less all interfund transfers and interdepartmental charges.

Nominal Dollars - The presentation of dollar amounts not adjusted for inflation. Adjusting for inflation would be done to reflect the real purchasing power of money today.

Object of Expenditure - An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenses - The cost of personnel, materials and equipment required for a department to function.

Output Indicator - A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of refuse collections made, or number of burglary arrests made). Output indicators do not reflect the effectiveness or efficiency of the work performed.

Pay-as-you-go-Basis - A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Budget - A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measure - Data collected to determine how effective or efficient a program is in achieving its objectives.

Personal Services - Expenditures for salaries, wages, and fringe benefits of a government's employees.

Prior-Year Encumbrances - Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. The cease to be encumbrances when the obligations are paid or otherwise terminated.

Program - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

Program Budget - A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Program Performance Budget - A method of budgeting whereby the services provided to the residents are broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

Program Revenue (Income) - Revenues earned by a program, including fees for services, license and permit fees, and fines.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Purpose - A broad statement of the goals, in terms of meeting public service needs that a department is organized to meet.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Retained Earnings – The accumulated earnings of an Enterprise or Internal Service Fund which have been retained or held in the fund and which are not reserved for any specific purpose.

Revenue - Sources of income financing the operations of government.

Service Level - Services or products which comprise actual or expected out-put of a given program. Focus is on results, not measures of workload.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Revenue Funds – Funds used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Supplemental Appropriation - An additional appropriation made by the governing body after the budget year or biennium has started.

Supplemental Requests - Programs and services which departments would like to have added (in priority order) over their target budget, or if revenue received is greater than anticipated.

Target Budget - Desirable expenditure levels provided to departments in developing the coming year's recommended budget. Based on the prior year's adopted budget, excluding one-time expenditures, projected revenues and reserve requirements.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Trust Funds – Funds used to account for assets held by the city in a trustee capacity. A “non-expendable” trust fund stipulates that only earnings and not principal may be spent.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Variable Cost - A cost that increases/decreases with increases/decreases in the amount of service provided such as the payment of a salary.

Working Capital - Excess of current assets over current liabilities.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).

Work Years - The amount of personnel resources required for a program expressed in terms of the "full-time equivalent" number of employees. One "work year" is equal to one full-time, year round employee. For most categories, this equals 2,080 hours year (40 hours per week times 52 weeks). The number of hours a part-time employee is budgeted to work during the year is divided by 2,080 to arrive at the equivalent number of "work years" for the position.

Source: The Best of Government Budgeting:
A Guide to Preparing Budget Documents
By: Dennis Strachota
Government Finance Officers Association, 1994
And Miscellaneous Sources

Acronyms

ACCRA	American Chamber of Commerce Research Assoc. aka Council for Comm. and Econ. Research	FTA	Federal Transit Administration
ACT	American College Test	FOLA	Friends of the Library Association
ADA	American with Disabilities Act	FTE	Full Time Equivalency
ADA	Average Daily Attendance	GAAP	Generally Accepted Accounting Principles
AED	Automated External Defibrillator	GASB	Governmental Accounting Standards Board
ARRA	American Recovery & Reinvestment Act	GED	General Equivalency Diploma
BCEMS	Bradley County Emergency Medical Service	GIS	Geographic Information System
BCRS	Bradley County Rescue Squad	GLTDAG	General Long Term Debt Accounting Group
BCVFD	Bradley County Volunteer Fire Department	GO	General Obligation
BFI	Browning-Ferris Industries	HCI	Healthy Community Initiative
CCS	Cleveland City Schools	HUD	Housing and Urban Development
CDBG	Community Development Block Grant	ICEAS	Intermittent Cycle Extended Aeration System
CFD	Cleveland Fire Department	ISO	Insurance Services Office
CID	Criminal Investigations Division	KWH	Kilowatt-Hour
CINI	Capital Improvement Needs Inventory	LEAF	Law Enforcement Academic and Fitness Academy
CIP	Capital Improvements Program	LMI	Low and Moderate Income
COLA	Cost of Living Adjustment	LRTP	Long Range Transportation Plan
CPI	Consumer Price Index	MPO	Metropolitan Planning Organization
CSA	Central Service Association	MSDS	Material Safety Data Sheets
CUAMPO	Cleveland Urban Area Metro Planning Org.	NPDES	National Pollutant Discharge Elimination System
CUB	Cleveland Utilities Board	NDB	Non-Directional Beacon
DARE	Drug Awareness and Resistance Education	OESI	Ocoee Environmental Services, Inc.
DEFY	Drug Education for Youth	PARTAS	Parks and Recreation Technical Assistance Service
ECD	Bradley County E 911 ECD	PHA	Public Housing Authority
EDC	Economic Development Council	PILOT	Payment in Lieu of Taxes
ESOL	English as a Second or Other Language	PSPP	Political Subdivision Pension Plan
FASB	Financial Accounting Standards Board	SBCCI	Southern Building Code Congress International
FBO	Fixed Base Operator	SETHEPP	State Employees, Teachers, and Higher Education Employee Pension Plan
FHWA	Federal Highway Administration	SETHRA	Southeast Tennessee Human Resource Agency
FLSA	Fair Labor Standards Act	SR-2	Soil Restoration and Recycling
FMLA	Family Medical Leave Act	SRF	TN State Revolving Loan Fund

Acronyms

SRT	Special Response Team	THDA	Tennessee Housing Development Agency
STP	Surface Transportation Program	TIP	Transportation Improvement Plan
TAMP	Traffic Access Management Program	TMBF	Tennessee Municipal Bond Fund
TCA	Tennessee Code Annotated	TML	Tennessee Municipal League
TCC	Technical Coordinating Committee	TRAC	Total Resources Against Crime
TCRS	Tennessee Consolidated Retirement System	TVA	Tennessee Valley Authority
TDEC	Tennessee Department of Environment & Conservation	VISTA	Volunteers in Service to America
TDOT	Tennessee Department of Transportation	UA	US Census Urban Area
		UPWP	Unified Planning Work Program

**CITY OF CLEVELAND, TENNESSEE
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS**

Tax Year	Bradley County, Tennessee				
			City	County	Total
2002	Revaluation	\$ 1.47	\$ 1.65	\$ 2.18	\$ 3.83
2003			\$ 1.65	\$ 2.18	\$ 3.83
2004			\$ 1.65	\$ 2.18	\$ 3.83
2005	Revaluation	\$ 1.56	\$ 1.65	\$ 2.02	\$ 3.67
2006			\$ 1.65	\$ 2.02	\$ 3.67
2007			\$ 1.65	\$ 2.02	\$ 3.67
2008			\$ 1.65	\$ 2.02	\$ 3.67
2009	Revaluation	\$ 1.49	\$ 1.49	\$ 1.79	\$ 3.28
2010			\$ 1.49	\$ 1.79	\$ 3.28
2011			\$ 1.49	\$ 1.79	\$ 3.28

**CITY OF CLEVELAND, TENNESSEE
PRINCIPAL EMPLOYERS**

<u>Employer</u>	<u>2010</u>		<u>Percentage of Total Labor Force Bradley County</u>
	<u>Employees</u>	<u>Rank</u>	
Whirlpool/Maytag	1,386	1	2.95%
Bradley County Schools	1,200	2	2.55%
Sky Ridge Medical Center	1,199	3	2.55%
City Government	999	4	2.13%
Peyton's Southeastern	917	5	1.95%
Wal-Mart	763	6	1.62%
Lee University	763	7	1.62%
Bradley County Government	620	8	1.32%
Masterfoods USA	495	9	1.05%
Merck & Co., Inc.	465	10	0.99%
	<u>8,807</u>		<u>18.73%</u>

Source: Cleveland/Bradley Chamber of Commerce and Tennessee Department of Labor & Workforce Development.

This schedule should include the ten largest employers, unless fewer are required to reach 50% of total employment.

CITY OF CLEVELAND, TENNESSEE

PRINCIPAL TAXPAYERS

June 30, 2011

<u>Assessed Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation</u>	<u>Percentage of total Valuation</u>
Ocoee Hospital Corporation	Health Care	\$36,186,596	3.32%
Masterfoods, USA	Candy Manufacture	\$32,131,236	2.95%
Life Care Centers of America	Health Care	\$23,428,172	2.15%
Whirlpool	Appliance Manufacture	\$21,181,502	1.94%
Duracell Company	Battery Manufacture	\$20,131,085	1.85%
Merck & Co., Inc.	Distribution Company	\$14,511,541	1.33%
Peyton's Southeastern	Distribution Company	\$11,650,485	1.07%
Southeastern Container	Bottling Manufacture	\$10,834,650	0.99%
Wal-Mart	Retail	\$10,078,288	0.92%
Bellsouth	Phone Company	\$8,695,462	0.80%
TOTALS		\$188,829,017	17.32%

***Source: From official records of Assessor of Property and Office of City Clerk.**

***Note: An Equalization Factor has been placed on some personal property taxes by the State of Tennessee and affects the tax levy.**

**CITY OF CLEVELAND, TENNESSEE
CLEVELAND UTILITIES
ELECTRIC DIVISION DATA
For the Fiscal Year Ended June 30, 2010**

Class of Service	Consumers - June		Electric Sales this Year	
	2010	2009	Kilowatt Hours	Amount
Residential	24,720	24,539	395,401,764	33,252,409
Commercial	3,652	3,616	73,473,314	7,245,930
Industrial	624	619	596,069,189	43,162,198
Street and outdoor lighting	110	115	11,703,733	1,565,694
Unbilled revenue @ YE				349,568
Totals	<u>29,106</u>	<u>28,889</u>	1,076,648,000	<u>\$85,575,799</u>
Kilowatt hours for own use			<u>1,732,377</u>	
			<u>1,078,380,377</u>	
				<u>Purchased Power This Year</u>
			<u>Hours</u>	<u>Amount</u>
Power billings for year			<u>1,112,981,850</u>	<u>\$70,884,746</u>
Line Losses and Cost Per Kilowatt-Hour Purchased				
Kilowatt-hours purchased (per above)			1,112,981,850	
Kilowatt-hours sold (per above)			<u>1,078,380,377</u>	
Line losses and kilowatt-hours unaccounted for			<u>34,601,473</u>	
Percentage of losses and unaccounted for kilowatt-hours to purchased			<u>3.11%</u>	
Cost per kilowatt-hours purchased			<u>\$0.0637</u>	
Other Statistics				
Miles of electric lines			<u>528</u>	
Number of substations			<u>15</u>	
Number of regular street lights			<u>5,714</u>	
Number of private outdoor lights			<u>3,962</u>	

**CITY OF CLEVELAND
CLEVELAND UTILITIES
ELECTRIC DIVISION DATA
For the Fiscal Year Ended June 30, 2010**

RESIDENTIAL & GENERAL POWER RATE SCHEDULES

Residential Rate Schedule - Schedule RS

Customer charge - per delivery point per month	\$	7.98
Energy charge - per kwh	\$	0.08400

General Power Rate Schedule- Schedule GSA

Demand of 0 - 5,000 kw

Part I - If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kw and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kwh:

Customer charge - per delivery point per month	\$	15.41
Energy charge - per kwh per month	\$	0.09496

Part II - If (a) the higher of (i) the customers currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kw but not more than 1,000 kw or (b) the customer's billing demand is less than 50 kw and its energy takings for any month during such period exceed 15,000 kwh:

Customer charge - per delivery point per month	\$	46.22
Demand charge - per kw per month		
First 50 kw		No charge
Additional kw	\$	13.52
Energy charge - per kwh		
First 15,000 kwh per month	\$	0.09496
Additional kwh per month	\$	0.05022

Part III - If (a) the higher of the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kw:

Customer charge - per delivery point per month	\$	154.05
Demand charge - per kw per month		
First 1,000 kw	\$	13.10
Excess over 1,000 kw	\$	15.11
Energy charge - per kwh	\$	0.05101

**CITY OF CLEVELAND, TENNESSEE
 CLEVELAND UTILITIES
 ELECTRIC DIVISION DATA
 For the Fiscal Year Ended June 30, 2010**

RESIDENTIAL & POWER RATE SCHEDULES

General Power Rate Schedule - Schedule GSB

Demand over 5,000 kw per month but not more than 15,000 kw		
Customer charge - per delivery point per month	\$	1,500
Demand charge - per kw per month	\$	15.40
Energy charge - per kwh		
Up to 620 hours use of metered demand per month	\$	0.04336
Additional kwh	\$	0.03576

General Power Rate Schedule - Schedule GSC

Demand over 15,000 kw per month but not more than 25,000 kw		
Customer charge - per delivery point per month	\$	1,500
Demand charge - per kw per month	\$	14.89
Energy charge - per kwh		
Up to 620 hours use of metered demand per month	\$	0.04336
Additional kwh	\$	0.03576

General Power Rate Schedule - Schedule GSD

Demand over 25,000 kw		
Customer charge - per delivery point per month	\$	1,500
Demand charge - per kw per month	\$	18.24
Energy charge - per kwh	\$	0.03518

Outdoor Lighting Rate Schedule

Energy charge - per kwh per month	\$	0.06285
-----------------------------------	----	---------

Source: City of Cleveland Utilities Electric, Water, and Sewer Divisions.

**CITY OF CLEVELAND, TENNESSEE
CLEVELAND UTILITIES
WATER DIVISION DATA
For the Fiscal year ended June 30, 2010**

Class of Service	Consumers - June		Water Sales Fiscal Year 2010
	2010	2009	
Residential	26,465	26,286	7,298,261
Commercial & Industrial	3,034	3,017	2,957,943
Accrued Revenue @ YE			36,873
Totals	29,499	29,303	\$10,293,077

WATER PURCHASED FOR RESALE

	Water Purchased This Year	
	Gallons	Amount
Water purchased from Hiwassee Utility Commission, Eastside, and Savannah Valley Utility District	1,827,886,130	\$2,225,315
Total	1,827,886,130	\$2,225,315

LINE LOSSES AND COSTS PER GALLON

Gallons purchased (per above)	1,827,886,130
Gallons pumped	1,664,898,520
Total gallons provided	3,492,784,650
Gallons sold	2,668,847,250
Line losses and gallons unaccounted for	823,937,400
Percentage of losses and unaccounted for gallons to total provided	23.59%
Cost per thousand gallons purchased	\$ 1.22

OTHER STATISTICS

Average daily water consumption (gallons)	7,311,910
Water storage capacity (thousands of gallons)	15,300
Miles of water mains	738
Number of fire hydrants	2,510

**CITY OF CLEVELAND, TENNESSEE
CLEVELAND UTILITIES
WATER DIVISION DATA
For the Fiscal year ended June 30, 2010**

<u>1. Water Rates</u>	<u>Inside City</u>	<u>Outside City</u>
RESIDENTIAL (Class 201, 202)		
Customer charge	\$6.35	\$11.44
First 1,400 cu. ft.	\$1.89/100 cu. ft.	\$2.95/100 cu. ft.
Additional	\$1.97/100 cu. ft.	\$3.10/100 cu. ft.
NON-RESIDENTIAL (Class 204,205)		
Customer charge	\$10.39	\$15.48
First 15,000 cu. ft.	\$1.89/100 cu. ft.	\$2.95/100 cu. ft.
Next 85,000 cu. ft.	\$1.56/100 cu. ft.	\$2.44/100 cu. ft.
Additional	\$1.14/100 cu. ft.	\$1.82/100 cu. ft.
NON-RESIDENTIAL (Class 208,209)		
Customer charge	\$25.54	\$30.63
First 15,000 cu. ft.	\$1.89/100 cu. ft.	\$2.95/100 cu. ft.
Next 85,000 cu. ft.	\$1.56/100 cu. ft.	\$2.44/100 cu. ft.
Additional	\$1.14/100 cu. ft.	\$1.82/100 cu. ft.
IRRIGATION ONLY (Class 211,213)		
Customer charge	\$6.35	\$11.44
All usage	\$1.97 100 cu. ft.	\$3.10/100 cu. ft.
RESALE (Class 203)		
Customer Charge	\$25.54	\$25.54
All usage	\$1.14/100 cu. ft.	\$1.14/100 cu. ft.
<u>2. Wastewater Rates</u>	<u>Inside City</u>	<u>Outside City</u>
RESIDENTIAL (Class 301, 302)		
Customer charge	\$6.41	\$9.12
First 1,400 cu. ft.	\$3.16/100 cu. ft.	\$4.77/100 cu. ft.
Additional	\$0.00/100 cu. ft.	\$0.00/100 cu. ft.
NON-RESIDENTIAL (Class 304,305)		
Customer charge	\$10.41	\$13.12
First 100,000 cu. ft.	\$3.16/100 cu. ft.	\$4.77/100 cu. ft.
Additional	\$2.66/100 cu. ft.	\$3.97/100 cu. ft.
NON-RESIDENTIAL (Class 308,309)		
Customer charge	\$25.41	\$28.12
First 100,000 cu. ft.	\$3.16/100 cu. ft.	\$3.16/100 cu. ft.
Additional	\$2.66/100 cu. ft.	\$2.66/100 cu. ft.

**CITY OF CLEVELAND, TENNESSEE
CLEVELAND UTILITIES
WATER DIVISION DATA
For the Fiscal year ended June 30, 2010**

Wastewater Surcharge

CBOD	.0919/pound/day	.0919/pound/day
TSS	.0571/pound/day	.0571/pound/day

RESIDENTIAL-Inside Rates	<u>Water</u>	<u>Sewer</u>	<u>Sewer</u>
For customers using 5/8" meter	\$10.13	\$12.73 (Dec-Mar)	\$12.73 (Apr-Nov)
For customers using 3/4" meter	\$17.69	\$25.37 (Dec-Mar)	\$25.37 (Apr-Nov)
For customers using 1" meter	\$21.47	\$31.69 (Dec-Mar)	\$31.69 (Apr-Nov)
For customers using 1-1/2" meter	\$44.63	\$69.61 (Dec-Mar)	\$50.65 (Apr-Nov)
For customers using 2" meter	\$84.03	\$132.81 (Dec-Mar)	\$50.65 (Apr-Nov)

IRRIGATION	Inside Rates	Outside Rates
For customers using 5/8" meter	\$10.29	\$17.64
For customers using 3/4" meter	\$18.17	\$30.04
For customers using 1" meter	\$22.11	\$36.24
For customers using 1-1/2" meter	\$45.75	\$73.44
For customers using 2" meter	\$85.15	\$135.44
For customers using 3" meter	\$203.35	\$321.44
For customers using 4" meter	\$341.25	\$538.44
For customers using 6" meter	\$873.15	\$1,375.44
For customers using 8" meter	\$1,621.75	\$2,553.44

NONRESIDENTIAL (Inside Rates)	<u>Water</u>	<u>Sewer</u>
For customers using 5/8" meter	\$14.17	\$16.73
For customers using 3/4" meter	\$21.73	\$29.37
For customers using 1" meter	\$25.51	\$35.69
For customers using 1-1/2" meter	\$48.19	\$73.61
For customers using 2" meter	\$85.99	\$136.81
For customers using 3" meter	\$214.54	\$341.41
For customers using 4" meter	\$340.24	\$562.61
For customers using 6" meter	\$761.44	\$1,415.81
For customers using 8" meter	\$1,354.24	\$2,616.61

NONRESIDENTIAL (Outside Rates)	<u>Water</u>	<u>Sewer</u>
For customers using 5/8" meter	\$21.38	\$22.66
For customers using 3/4" meter	\$33.18	\$41.74
For customers using 1" meter	\$39.08	\$51.28
For customers using 1-1/2" meter	\$74.48	\$108.52
For customers using 2" meter	\$133.48	\$203.92
For customers using 3" meter	\$325.63	\$505.12
For customers using 4" meter	\$521.93	\$839.02
For customers using 6" meter	\$1,180.73	\$2,126.92
For customers using 8" meter	\$2,107.93	\$3,939.52

RESALE (Inside or Outside Rates)	
For customers using 3" meter	\$139.54
For customers using 4" meter	\$219.34
For customers using 6" meter	\$527.14
For customers using 8" meter	\$960.34

**CITY OF CLEVELAND, TENNESSEE
CLEVELAND UTILITIES
SANITARY SEWER SYSTEM DATA
For the Fiscal year ended June 30, 2010**

Class of Service	Consumers - June		Sewer Fees Fiscal Year 2010
	2010	2009	2010
Residential	14,792	14,629	\$4,120,264
Commercial & Industrial	2,517	2,502	4,362,867
Unbilled revenue @ YE			46,355
Totals	17,309	17,131	\$8,529,486
 Sewage Treatment			
Intermittent Cycle Extended Aeration System (ICEAS)			
Average Daily Treatment (gallons)			10,838,000
Treatment during fiscal year 2010 (gallons)			3,955,870
 Capacity daily (thousands of gallons)			 21,600
 Collection System			
Miles of sewer mains			359

Rates are subject to rules and regulations of Cleveland Utilities.
Rates will be subject to adjustment as rate adjustments are received from water suppliers.

Source: City of Cleveland Utilities Electric, Water, and Sewer Divisions.

**CITY OF CLEVELAND, TENNESSEE
OTHER STATISTICAL DATA
June 30, 2010**

Population (Estimated) 41,285

Date of Incorporation 1903

Form of Government Council - Manager
(August 1993)

Number of Members of Board of Mayor and City Council
(elected for four-year terms) 8

Mayor and two Council members elected at large

Five council members - elected from five districts

City employees:	City	Schools	Library	Cleveland Utilities	
Regular Full-time	339	547	11	200	1,097
Regular Part-time	1	105	13	0	119
Seasonal Part-time	74	0	0	1	75
Total	414	652	24	201	1,291

Area of City 27 square miles

Miles of roads and streets:

Asphalt 325

Gravel 0.05

Miles of sidewalks 42

Fire Protection:

Classification 3

Number of stations 5

Number of full-time employees 95

Number of fire trucks (pumpers and ladders and tankers), radio equipped 12

Number of sedans - radio equipped 3

Number of Fire Specialists pickup trucks - radio equipped 3

Number of fire hydrants 2,510

Per-capita fire loss \$33.18 (inside city) \$26.70 (fringe)

Police Protection:

Number of stations 1

Number of substations 0

Number of full-time sworn officers 89

Number of police reserves 0

Number of civilian personnel

Regular full-time 10

Regular part-time 14

Number of public service officers 9

Criminal offenses:

TIBRS - Part A 4,125

TIBRS - Part B 1,442

Number of vehicles - all radio equipped 96

CITY OF CLEVELAND, TENNESSEE
OTHER STATISTICAL DATA - (Continued)
June 30, 2010

EDUCATION - PUBLIC SCHOOL SYSTEM

	Number	ADM	ADA	Teacher Pupil Ratio
High School (Grades 9, 10, 11 and 12)	1	1,266	1,183	1 to 18
Middle Schools (Grades 6 through 8)	1	1,115	1,051	1 to 20
Elementary Schools (Grades K through 5)	6	2,274	2,146	1 to 20
Ungraded - Special Education		81	74	
Total Students		4,736	4,454	
Certificated Staff	382.5			
Non-Certificated Personnel	268.5			
Total Personnel	651			

RECREATION AND CULTURE:

Parks (total acres)	289
Number developed	15
Number of swimming pools	3
Number of tennis courts	8
Number of softball parks	2
Number of gymnasiums	2
Number of golf courses	1
Number of multi-purpose fields	1
Number of soccer parks	1
Number of libraries	1 city/county
Number of volumes	149,867
Number of e-books	24,491
Number of bookmobiles	1

UTILITIES:

- Electric - City-owned (statements and statistics are included in this report).
- Water - City-owned (statements and statistics are included in this report).
- Sewer - City-owned (statements and statistics are included in this report).
- Gas - Natural gas system owned and operated by Chattanooga Gas Company.
- Telephone - Cleveland is served by AT&T.
- Railroads - Cleveland is served by Norfolk and Southern (freight only).
- Bus Service - Cleveland is served by Greyhound Bus Lines.
- Airport - Cleveland owns Hardwick field; runway 3,300 feet.

CITY OF CLEVELAND, TENNESSEE
OTHER STATISTICAL DATA - (Continued)
June 30, 2010

EDUCATION - PUBLIC SCHOOL SYSTEM

	Number	ADM	ADA	Teacher Pupil Ratio
High School (Grades 9, 10, 11 and 12)	1	1,266	1,183	1 to 18
Middle Schools (Grades 6 through 8)	1	1,115	1,051	1 to 20
Elementary Schools (Grades K through 5)	6	2,274	2,146	1 to 20
Ungraded - Special Education		81	74	
Total Students		4,736	4,454	
Certificated Staff	382.5			
Non-Certificated Personnel	268.5			
Total Personnel	651			

RECREATION AND CULTURE:

Parks (total acres)	289
Number developed	15
Number of swimming pools	3
Number of tennis courts	8
Number of softball parks	2
Number of gymnasiums	2
Number of golf courses	1
Number of multi-purpose fields	1
Number of soccer parks	1
Number of libraries	1 city/county
Number of volumes	149,867
Number of e-books	24,491
Number of bookmobiles	1

UTILITIES:

- Electric - City-owned (statements and statistics are included in this report).
- Water - City-owned (statements and statistics are included in this report).
- Sewer - City-owned (statements and statistics are included in this report).
- Gas - Natural gas system owned and operated by Chattanooga Gas Company.
- Telephone - Cleveland is served by AT&T.
- Railroads - Cleveland is served by Norfolk and Southern (freight only).
- Bus Service - Cleveland is served by Greyhound Bus Lines.
- Airport - Cleveland owns Hardwick field; runway 3,300 feet.

CITY OF CLEVELAND, TENNESSEE
ESTIMATED COMPUTATION OF LEGAL DEBT MARGIN
6/30/2011 (estimated)

Total assessed value		\$1,105,773,000
Legal debt margin:		
Debt limitation--10 percent of total assessed value as adopted by local resolution		\$110,577,300
Debt applicable to limitation:		
Total bonded debt	\$128,071,710	
Less: Revenue bonds	57,771,994	
Amount available for repayment of general obligation bonds	<u>3,246,244</u>	
Total debt applicable to limitation		<u>67,053,472</u>
Legal debt margin		<u>\$43,523,828</u>
Per Capita Debt as of June 30, 2011 (estimated)		\$1,608

