

CITY OF OAK RIDGE, TENNESSEE FISCAL 2012 BUDGET



City of Oak Ridge, Tennessee
Fiscal Year 2012 Annual Budget

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D. Jane Miller
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Mark S. Watson
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CITY OF OAK RIDGE **VISION, VALUES, AND MISSION**

Our Citizens' Vision

WE WANT OAK RIDGE TO BE AN EXCEPTIONAL PLACE FOR ALL
TO LIVE, WORK, AND VISIT

As an Organization, We Value:

- PROGRESSIVE, CUSTOMER-ORIENTED SERVICE
 - A WELL TRAINED, SAFETY-CONSCIOUS STAFF
 - OUR EMPLOYEES AND THEIR FUTURE
 - OPENNESS AND DIVERSITY
 - PERSONAL INTEGRITY
 - LEADERSHIP

Our mission:

TO BE A LEADER AND PARTNER IN ACHIEVING EXCELLENCE AS
A COMMUNITY.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Oak Ridge
Tennessee**

For the Fiscal Year Beginning

July 1, 2010

Two handwritten signatures in black ink. The signature on the left is more stylized, and the one on the right is more legible, appearing to read 'Jeffrey R. Emswiler'.

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Oak Ridge, 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 communications medium. The award is valid for a period of one year only.

We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

I. GENERAL OVERVIEW

Oak Ridge Information.....	I-1
Location	I-1
History	I-1
Industry and Manufacturing	I-2
Education	I-3
Government Structure	I-4
City Governing Body	I-4
Management & Department Organization	I-4
City Government Organizational Chart.....	I-5
Financial Operations and Fund Structure	I-6
Funds.....	I-6
Basis of Accounting	I-8
Revenue Policies	I-9
Debt Management Guidelines	I-10
Budget Process Overview.....	I-10
Operating Budget Policies.....	I-10
Budget Organization	I-11
Basis for Budgeting.....	I-11
Annual Budget Process	I-12

II. BUDGET OVERVIEW

FY 2012 Budget Process.....	II-1
FY 2012 Budget Calendar.....	II-2
FY 2012 Budget Assumptions.....	II-3
FY 2012 Goals & Objectives	II-6
City Wide Goals.....	II-6
Department Goals.....	II-7
FY 2012 Budget Ordinance.....	II-13
FY 2012 Budget Summary	II-17
Summary of Revenues, Expenditures & Change in Fund Balance	II-18
Budgeted Expenditures – All Funds 2012.....	II-19
FY 2012 Fund Balances / Net Assets	II-21
FY 2012 Salaries and Personnel.....	II-23
FY 2012 Agency Funding	II-23
FY 2012 Budget Change Summary.....	II-24
2010-2012 Summary of Financial Sources and Uses-Governmental Funds.....	II-28
2010-2012 Summary of Financial Sources and Uses-Proprietary Funds	II-31

III. GENERAL FUND

General Fund	III-1
General Fund Revenues.....	III-2
Property Taxes	III-3
Local Taxes.....	III-5

Sales Taxes	III-8
State Shared Taxes	III-9
Other Revenues	III-14
General Fund Expenditures	III-17
General Fund Operating Transfers	III-20
Multi-Year Model	III-23
General Fund Budget Detail	III-23
General Fund Summary of Revenues By Source.....	III-25
General Fund Summary of Gross Expenditures and Transfers By Object Code Classification	III-29
General Fund Expenditures and Operating Transfers	III-30
General Fund – Transfers to Other Funds, Interdepartmental Credits and Costs Recovered	III-31
General Government	III-32
Overview	III-33
Organizational Chart	III-34
2010-2011 Accomplishments.....	III-35
2011-2012 Goals.....	III-36
Revenue and Expenditures	III-39
Department Activities.....	III-40
City Council – Activity No.810	III-40
City Clerk – Activity No.816	III-41
City Manager – Activity No.820.....	III-42
City Court – Activity No.832.....	III-43
Legal – Activity No.843.....	III-44
Computer Services – Activity No.845	III-45
Personnel – Activity No.846.....	III-45
Stationery Stores – Activity No.854.....	III-46
Finance – Activity No.862	III-47
Business Office – Activity No.864.....	III-48
Budget Detail	III-49
City Council – Activity No.810	III-49
City Clerk – Activity No.816	III-50
City Manager – Activity No.820.....	III-51
City Court – Activity No.832.....	III-52
Legal – Activity No.843.....	III-53
Computer Services – Activity No.845	III-54
Personnel – Activity No.846.....	III-55
Stationery Stores – Activity No.854.....	III-56
Finance – Activity No.862	III-57
Business Office – Activity No.864.....	III-58
Police Department	III-59
Overview	III-60
Organizational Chart	III-61
2010-2011 Accomplishments.....	III-61
2011-2012 Goals.....	III-61
Revenue and Expenditures	III-62
Department Activities.....	III-63
Supervision – Activity No. 910.....	III-63
Investigations – Activity No.911.....	III-64
Staff Services – Activity No.912.....	III-65
Patrol – Activity No.913	III-65
Emergency Communications – Activity No.915.....	III-66
Animal Control – Activity No.916.....	III-67
School Resource Officer Program – Activity No.917	III-67
Budget Detail	III-69

Supervision – Activity No. 910.....	III-69
Investigations – Activity No.911.....	III-70
Staff Services – Activity No.912.....	III-71
Patrol – Activity No.913.....	III-72
Emergency Communications – Activity No.915.....	III-73
Animal Control – Activity No.916.....	III-74
School Resource Officer Program – Activity No.917.....	III-75
Fire Department.....	III-76
Overview.....	III-77
Organizational Chart.....	III-78
2010-2011 Accomplishments.....	III-78
2011-2012 Goals.....	III-79
Revenue and Expenditures.....	III-80
Department Activities.....	III-82
Supervision – Activity No.921.....	III-82
Fire Prevention – Activity No.922.....	III-83
Fire Fighting – Activity No.923.....	III-84
Fire Stations – Activity No.924.....	III-85
Fire Specialists – Activity No.925.....	III-85
Budget Detail.....	III-87
Supervision – Activity No.921.....	III-87
Fire Prevention – Activity No.922.....	III-88
Fire Fighting – Activity No.923.....	III-89
Fire Stations – Activity No.924.....	III-90
Fire Specialists – Activity No.925.....	III-91
Public Works Department.....	III-92
Overview.....	III-93
Organizational Chart.....	III-94
2010-2011 Accomplishments.....	III-95
2011-2012 Goals.....	III-97
Revenue and Expenditures.....	III-98
Department Activities.....	III-100
Supervision – Activity No.930.....	III-100
Engineering – Activity No.935.....	III-100
State Highway Maintenance – Activity No.942.....	III-101
General Maintenance – Activity No.943.....	III-102
Central Service Complex – Activity No.946.....	III-103
Municipal Building – Activity No.948.....	III-103
Traffic Control and Lights – Activity No.953.....	III-104
Budget Detail.....	III-105
Supervision – Activity No.930.....	III-105
Engineering – Activity No.935.....	III-106
State Highway Maintenance – Activity No.942.....	III-107
General Maintenance – Activity No.943.....	III-108
Central Service Complex – Activity No.946.....	III-109
Municipal Building – Activity No.948.....	III-110
Traffic Control and Lights – Activity No.953.....	III-111
Community Development Department.....	III-112
Overview.....	III-113
Organizational Chart.....	III-114
2010-2011 Accomplishments.....	III-114
2011-2012 Goals.....	III-115
Revenue and Expenditures.....	III-115

Department Activities.....	III-116
Supervision – Activity No.960.....	III-116
Planning – Activity No.962.....	III-117
Code Enforcement – Activity No.966.....	III-118
Budget Detail	III-120
Supervision – Activity No.960.....	III-120
Planning – Activity No.962.....	III-121
Code Enforcement – Activity No.966.....	III-122
 Recreation and Parks Department	 III-123
Overview	III-124
Organizational Chart	III-125
2010-2011 Accomplishments.....	III-125
2011-2012 Goals.....	III-127
Revenue and Expenditures	III-129
Department Activities.....	III-131
Supervision – Activity No.970.....	III-131
Indoor Aquatics – Activity No.972.....	III-131
Outdoor Aquatics – Activity No.973	III-132
Centers, Camps and Programs – Activity No.974.....	III-133
Athletics – Activity No.975	III-134
Parks – Activity No.976.....	III-134
Scarboro Center – Activity No.977.....	III-135
Senior Center – Activity No.978.....	III-136
Budget Detail	III-138
Supervision – Activity No.970.....	III-138
Indoor Aquatics – Activity No.972.....	III-139
Outdoor Aquatics – Activity No.973	III-140
Centers, Camps and Programs – Activity No.974.....	III-141
Athletics – Activity No.975	III-142
Parks – Activity No.976.....	III-143
Scarboro Center – Activity No.977.....	III-144
Senior Center – Activity No.978.....	III-145
 Public Library.....	 III-146
Overview	III-147
Organizational Chart	III-147
2010-2011 Accomplishments.....	III-148
2011-2012 Goals.....	III-148
Revenue and Expenditures	III-149
Department Activities.....	III-150
Public Library – Activity No.979.....	III-150
Budget Detail	III-151
Public Library – Activity No.979.....	III-151

IV. DEBT SERVICE & CAPITAL PROJECTS FUNDS

Debt Overview – All City Funds.....	IV-1
Debt Service Fund Overview.....	IV-3
Capital Projects Fund Overview.....	IV-10
Capital Improvement Programs Overview - All Funds.....	IV-13
Fiscal Year 2012	IV-15
I. Commercial / Residential Development	IV-15
II. Municipal Facilities.....	IV-16
III. Recreation and Parks.....	IV-17

IV. Transportation.....	IV-18
V. Utilities.....	IV-19
VI. Schools.....	IV-25

V. ENTERPRISE FUNDS & INTERNAL SERVICE FUNDS

Enterprise Funds.....	V-1
Electric Fund	V-1
Fund Overview.....	V-1
Organizational Chart – Electric Department	V-2
2010-2011 Accomplishments.....	V-3
2011-2012 Goals.....	V-3
Revenue and Expenses.....	V-4
Capital Projects, Electric Rates and Long-Term Debt	V-7
Waterworks Fund	V-10
Water Operations	V-11
Wastewater Operations	V-11
2010-2011 Accomplishments.....	V-12
2011-2012 Goals.....	V-13
Revenue and Expenses.....	V-14
Capital Projects, Water and Wastewater Rates and Long-term Debt	V-17
Emergency Communications District (ECD) Fund	V-20
Fund Overview.....	V-20
Revenue and Expenses.....	V-20
Internal Service Funds.....	V-23
Equipment Rental Fund.....	V-23
Insurance Fund	V-27

VI. SPECIAL REVENUE FUNDS

Special Revenue Funds Overview	VI-1
General Purpose School Fund	VI-1
Drug Enforcement Program Fund	VI-3
State Street Aid Fund	VI-5
Street and Public Transportation Fund.....	VI-8
Economic Diversification Fund.....	VI-10
Grant Fund	VI-12
Solid Waste Fund	VI-15
Golf Course Fund	VI-17
West End Fund.....	VI-19
Special Projects Fund.....	VI-21
Housing Fund	VI-22

VII. APPENDIX

Legal Requirements	VII-1
Charter Requirements.....	VII-1
Personnel Schedule.....	VII-6
Personnel Schedule – Totals by Department.....	VII-6
Personnel Schedule – Breakdown by Department.....	VII-7
Statistical Information	VII-16
General Fund Expenditures / Transfers and Revenues / Finance Sources	VII-16
List of Principal Employers.....	VII-18

Principal Employers / Current Year and Nine Years Ago.....	VII-19
Property Tax Levies and Collection – Last 10 FY	VII-20
Assessed & Estimated Actual Value of Taxable Property - Last 10 FY	VII-20
Principal Property Taxpayers	VII-21
Ratios of Outstanding Debt by Type - Last 10 FY	VII-22
Computation of Direct & Overlapping Debt – June 30, 2010.....	VII-22
Revenue Debt Coverage Electric System Debt – Last 10 FY	VII-23
Ten Largest Electric Customers	VII-23
Electric, Water and Wastewater Sold by Customers Type – Last 10 FY	VII-24
Electric, Water and Wastewater Rates – Last 10 FY	VII-24
Demographic Statistics.....	VII-25
Operating Indicators by Function / Program – Last 10 FY	VII-26
Capital Assets Statistic by Function / Program – Last 10 FY.....	VII-27
Glossary	VII-28
Acronyms.....	VII-37
Index	VII-38

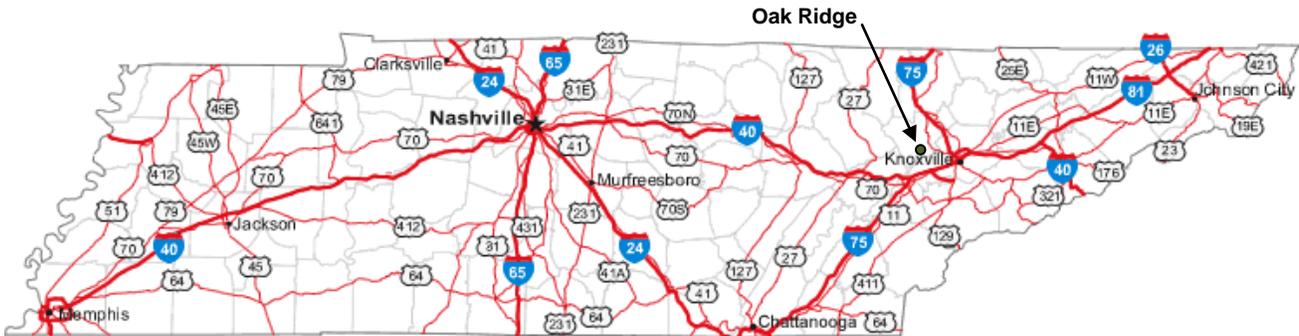
I. GENERAL OVERVIEW

Table of Contents

- Oak Ridge Information I-1
 - Location I-1
 - History..... I-1
 - Industry and Manufacturing..... I-2
 - Education I-3
- Government Structure I-4
 - City Governing Body I-4
 - Management & Department Organization I-4
 - City Government Organizational Chart I-5
- Financial Operations and Fund Structure..... I-6
 - Funds..... I-6
 - Basis of Accounting I-8
 - Revenue Policies I-9
 - Debt Management Guidelines..... I-10
- Budget Process Overview I-10
 - Operating Budget Policies..... I-10
 - Budget Organization I-11
 - Basis for Budgeting..... I-11
 - Annual Budget Process I-12

OAK RIDGE INFORMATION

Location



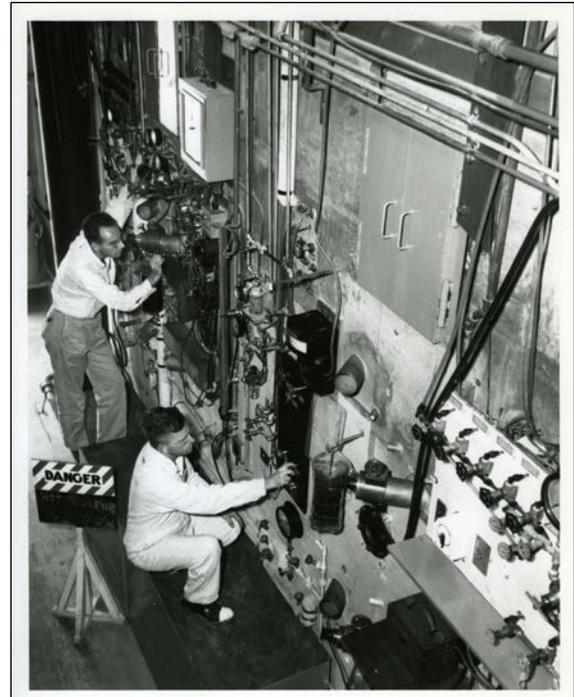
The City of Oak Ridge is located in the eastern part of the State, approximately 22 miles northwest of Knoxville. The City occupies a southern portion of Anderson County and an eastern portion of Roane County. Approximately, eighty-five percent of the City's taxable parcels are located in Anderson County, while only about fifteen percent of the parcels are in Roane County. Oak Ridge is approximately ninety-two (92) square miles in area and includes the plant and facilities of the U.S. Department of Energy. Residential, commercial and municipal owned portions of the City make up nearly thirty (30) square miles. The remaining area of the City is owned by the Department of Energy. The population of Oak Ridge according to the 2010 census is 29,330, an increase of 1,943 over the 2000 census population.

Oak Ridge borders the Clinch River's navigable waterway for 42 miles along the shores of Watts Bar and Melton Hill Lakes. Two state highways, Route 95 and Route 62, intersect in the middle of the City. Access to Interstates 75 and 40 is within 9 miles.

History

Oak Ridge is a thriving, diverse, self-governing city. It boasts of top tier city services, attractive green spaces, an excellent and highly ranked school system and multiple cultural opportunities. It is an intriguing place with beautiful terrain and a rich and unique history.

Oak Ridge was built in 1942 when a 60,000-acre section of Anderson and Roane counties was selected by the United States government to become a complex and secret part of the World War II "Manhattan Project." This area that is now Oak Ridge was chosen to become the location for the government's production plants of uranium 235, a component of the first atomic bomb. Constructed by the U.S. Corps of Engineers, the early task of the plant was the separation of fissionable uranium-235 from the more stable uranium-238 by an electro-magnetic process. Some 80,000 workers were hired for emergency construction of the laboratories and offices in the then 56,000-acre site.



The original town site was built during World War II to house and furnish necessary facilities for the employees of the uranium plants. The required workforce – engineers, construction workers, scientists, skilled craftspeople, teachers and many others - brought their families to Oak Ridge from many parts of the United States and the world. This blending of people, ideas and cultures continues to make Oak Ridge the distinct and remarkable city it is today.



The project was transferred to the Atomic Energy Commission in 1947, and the community was operated by contractors under the control of the Atomic Energy Commission.

In 1955, Congress passed Public Law 221, which allowed the Atomic Energy Commission to sell the homes and land to the residents and to give the City all municipal facilities if it voted to incorporate. By 1959, all housing had been sold and residents voted overwhelmingly in favor of incorporation under a modified city manager-council form of government.

The Oak Ridge Public Library has a collection of Oak Ridge historical memorabilia established to gather, catalogue and preserve the records and history of Oak Ridge and to provide assistance to the public in

researching Oak Ridge history. Information and artifacts reveal what life was like in the 1940's when Oak Ridge was a brand new town built to government wartime specifications. The library is fortunate to have the Department of Energy Photograph Collection, taken by Ed Wescott during his years as Atomic Energy Commission photographer. Written works by Oak Ridgers such as Bill Wilcox, George Jasny, Walcott Watson, John Googin, Alvin Weinberg, Sam Sapirie and William Pollard reveal Oak Ridge's influential place in science and history. This collection of unique and fascinating items is located in the Oak Ridge Room at the Oak Ridge Public Library.

Industry and Manufacturing

Since the 1940's, the nuclear industry has been the largest employer for the City and County. Today, the U.S. Department of Energy ("DOE"), working through its primary subcontractors, BWXT and UT-Battelle, occupies approximately 33,000 acres within the City limits, and employs approximately 9,500 employees in engineering, skilled and semi-skilled crafts, technicians and administrative support. BWXT operates the Y-12 weapons plant facilities and UT-Battelle operates the Oak Ridge National Laboratory.

The ongoing functions of the Y-12 plant support DOE's weapons designs labs, recover U-235 from spent nuclear weapons and provide support to other government agencies. The mission of the Oak Ridge National Laboratory is to develop safe, economical and environmentally acceptable technologies for energy production and use. The Laboratory has greatly expanded its mission within recent years to include major developments in the following diverse fields: advanced ceramic materials, robotics, information management and environmental sciences.

In 2006, the \$1.4 billion Spallation Neutron Source (SNS) located on 80 acres at the Oak Ridge National Laboratory opened. SNS is an accelerator-based neutron source, when at full power; this one-of-a-kind facility provides the most intense pulsed neutron beams in the world for scientific research and industrial development. SNS was built by a partnership of six U.S. Department of Energy laboratories. Along with its sister facility in Oak Ridge, the High Flux Isotope Reactor, SNS makes Oak Ridge a mecca for neutron-scattering research that is used for making a variety of materials stronger, lighter and cheaper. This includes things like medicine, food, electronics, and cars and airplanes, which have all been improved by neutron-

scattering research. The SNS has about 2,000 visiting scientists per year to conduct experiments and it is anticipated that numerous small industries will be generated from these experiments and findings.

DOE is continuing to research and develop solutions to local and national problems related to radioactive and hazardous wastes. Using their own facilities in the City, DOE through its subcontractors has begun a significant program to implement environmental remedial action in and around the Oak Ridge Reservation.

A dedicated effort by the DOE to transfer technology to the private sector that was heretofore held as proprietary to the U.S. Government alone has led to an unparalleled growth in new business development in the City. Licenses have been granted to existing firms as well as start-up firms to manufacture products for commercial use using state-of-the-art technology in robotics, ceramics and nuclear medicine.

The City has been actively seeking to diversify its economic base from as early as the mid 1960's. In addition, the commercial and industrial portion of the property tax base has risen from 35% in 1987 to 46% in 2010. Currently, there are four industrial parks in the City that were developed by the municipality and two parks that were developed by private firms, including the 1,000 acre developing Horizon Center

Education

The City school system operates schools covering grades kindergarten through 12, with an approximate enrollment of 4,727 students, which includes the preschool, and a professional teaching staff of 427. The primary and secondary schools are among the finest in Tennessee and the nation. In addition to the City system, a parochial school also exists within the city limits covering grades one through eight.

In the fall of 1999, a new approximately 100,000 square foot branch campus for Roane State Community College opened and offers courses in radiation physics, radioactive waste management and a two-year certification program for health physics technicians. Enrollment has consistently exceeded projections. An expansion to Oak Ridge campus is currently under development.



Oak Ridge Associated Universities (ORAU), a consortium of six Tennessee and 49 other colleges and universities and a management and operating contractor for the U.S. Department of Energy is also located in the City. A pioneer in technology transfer, with historic contributions in nuclear medicine and health physics, ORAU today conducts specialized training in nuclear related areas of energy, health and the environment. In particular, ORAU has been able to provide technical assistance to government, the academic community and industry in radiological site assessment, environmental monitoring and provision of radiopharmaceutical internal dose information.

GOVERNMENT STRUCTURE

CITY GOVERNING BODY

The City is governed by a modified City Manager-Council form of government. The governing body of the City is a seven member City Council. Approximately half of the City Council is elected on a non-partisan basis every two years for a four-year term of office. Following each regular City election, the City Council elects one of its members as Mayor to serve for a two-year period as ceremonial head of the City and presiding officer of the City Council. The City Council appoints the City Manager, who is the chief administrative officer of the City. The City Manager appoints all other City employees except the City Attorney, who is appointed by City Council.



The City School System is governed by a five member Board of Education elected at large with four-year terms of office. The Board of Education appoints the Director of Schools, who serves as the chief administrative officer of the school system.

MANAGEMENT & DEPARTMENT ORGANIZATION

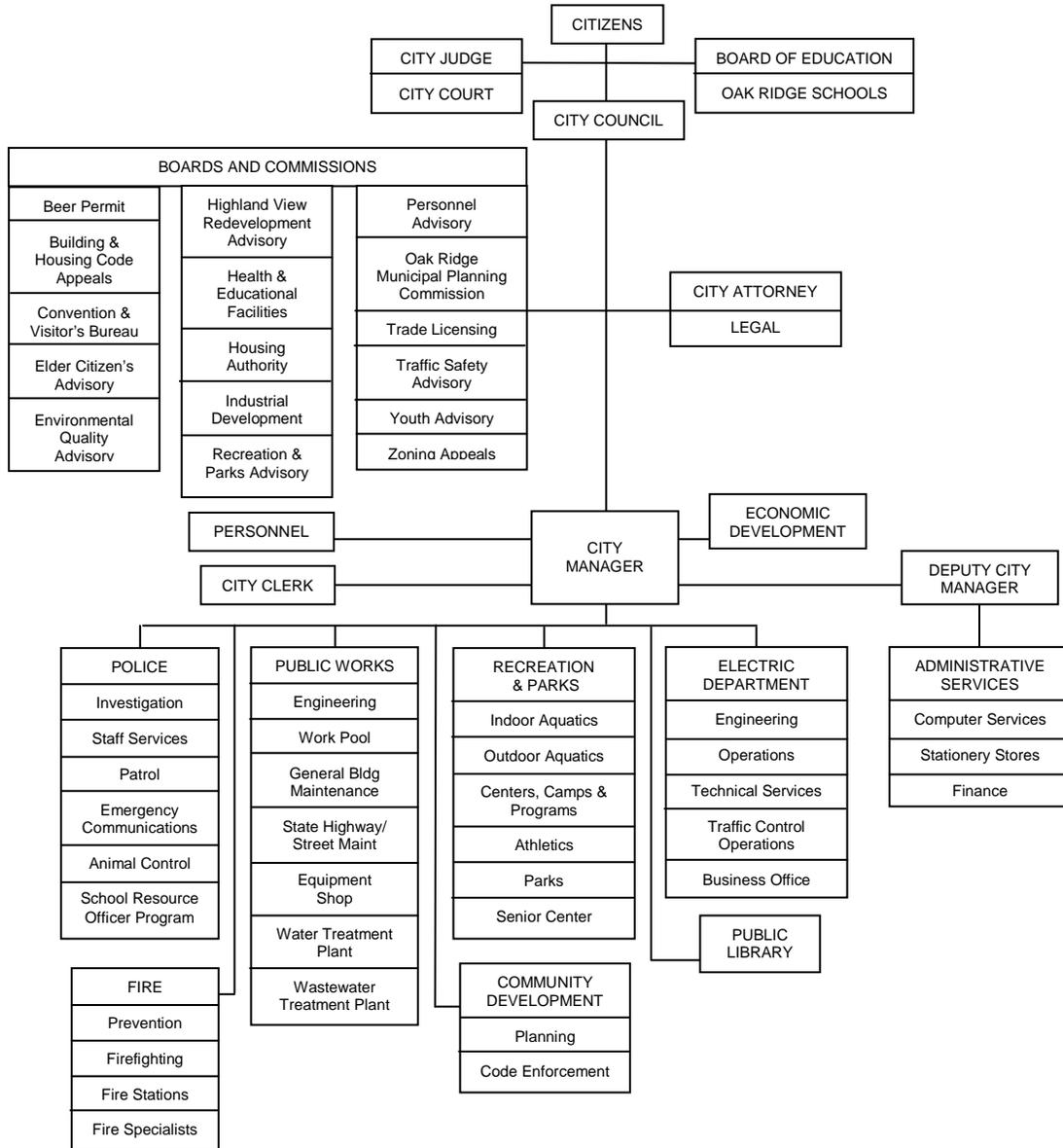
The City provides a wide range of services characteristic of similar jurisdictions in the State including public safety (police and fire protection), education, residential refuse collection, culture-recreational programs, street maintenance, public improvements, planning and zoning, economic development and general administrative services. The City also provides electric and water and sewer collection and treatment services.

All departments of the City are under the supervision and control of the City Manager who is appointed by City Council. A Director or Deputy City Manager appointed by the City Manager heads each department listed below:

- City Clerk
- Personnel
- Finance
- Computer Services
- Police
- Fire
- Public Works
- Community Development
- Recreation and Parks
- Library
- Electric

The exceptions are the Legal Department whose departmental head is appointed by City Council and City Court whose department head is an elected Judge. Each department consists of separate entities referred to as activities, which have specific functions and purposes unique to that activity.

City Government Organizational Chart



FINANCIAL OPERATIONS AND FUND STRUCTURE

As required by the City Charter and generally accepted accounting principles (GAAP), all City funds and account groups are organized according to standards established by the Government Accounting Standards Board (GASB). The City's financial reporting system is designed to provide timely, accurate feedback on the City's overall financial position and includes, at a minimum, quarterly reports to the City Council. All City financial statements are audited annually by independent certified public accountants.

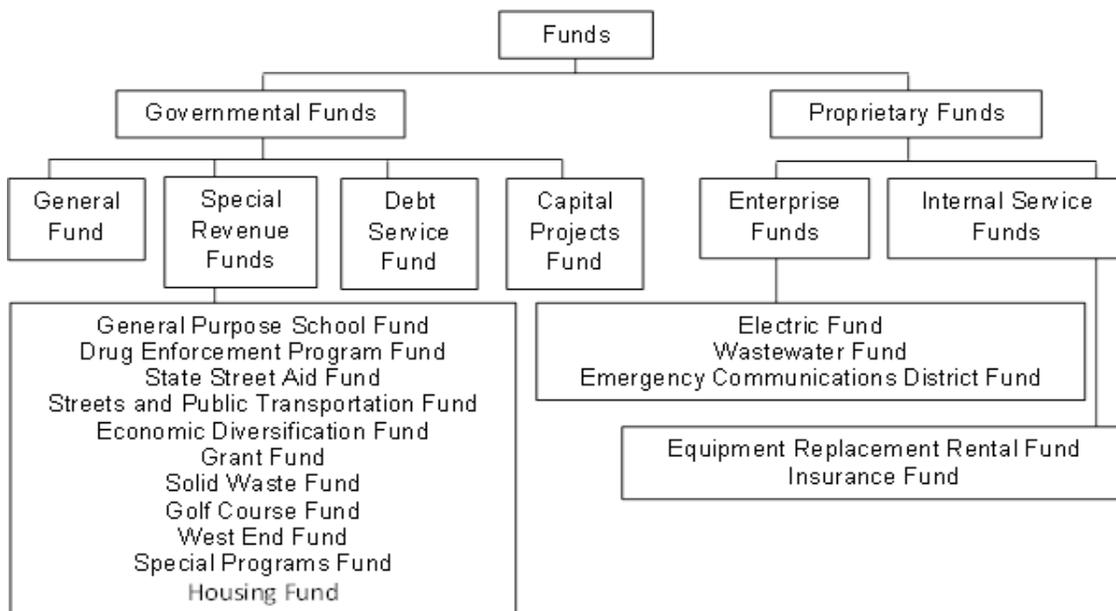
The City has received annually the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its annual operating budget for the past 28 years. The award recognizes that the annual operating budget meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The City has received annually the GFOA Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report since the City was incorporated. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report that satisfies both generally accepted accounting principles and applicable legal requirements.

On an annual basis, the City's financial plans are set forth in the annual operating budget and the capital improvement program as required by applicable provisions of the City Charter. The process for the current year's budget is outlined in Section II of this document.

Funds

The City accounts are organized by fund and account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into two broad fund categories; Governmental Funds and Proprietary Funds, which are then broken down into four and two fund types, respectively. These fund types (such as Special Revenue Funds, Enterprise Funds and Internal Service Funds) may be sub-divided as well.



GOVERNMENTAL FUNDS

Governmental Funds are grouped into four Fund types: General, Special Revenue, Debt Service and Capital Projects Funds. The City annually adopts a balanced budget for these Funds. A balanced budget means that expenditures cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. The budgeted expenditures, exclusive of operating transfers to other Funds, for each Governmental Fund are approved by City Council as the legal appropriation for that Fund. Expenditures cannot exceed the legally adopted appropriation at the Fund level. The City Manager is authorized to transfer budgeted amounts between departments within any Fund; however, any revisions that alter the total expenditures of any Governmental Fund must be approved by City Council.

General Fund

The General Fund is 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. police, fire, recreation, public works, general government, etc.).

Special Revenue Funds

Special Revenue Funds are 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 of Oak Ridge utilizes the following Special Revenue Funds - General Purpose School Fund, Drug Enforcement Program Fund, State Street Aid Fund, Streets and Public Transportation Fund, Economic Diversification Fund, Solid Waste Fund, Grant Fund, Golf Course Fund, West End Fund, Special Programs Fund and Housing Fund. The Housing Fund was established for fiscal 2012 to account for the City's enhanced housing initiatives particularly in areas where legacy WWII housing is requiring more frequent code enforcement and crime prevention efforts.

Debt Service Fund

The Debt Service Fund is used to account for the payment of principal and interest on long-term general obligation debt not serviced by an Enterprise Fund. The General Fund primarily provides funding for this debt service obligation.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations. The primary funding source for the Capital Projects Fund is from proceeds from general obligation long-term debt issuances and operating transfer from the General Fund. In fiscal 2000, the General Fund began budgeting annual operating transfers to the Capital Projects Fund to provide funding for routine City and School capital maintenance projects. This transfer was started to reduce the City's reliance on long-term debt proceeds for capital maintenance projects under \$300,000.

PROPRIETARY FUNDS

Proprietary Funds are grouped into two generic Fund types: Enterprise and Internal Service Funds. Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursed basis. Due to external influences beyond the City's control, actual expenses may vary either higher or lower than projected budgeted expenses in the City's Proprietary Funds. Factors such as weather patterns, mild or severe summers or winters, rainfall or drought conditions, unusual maintenance requirements such as replacement of downed electric lines or water line breaks, quantity of insurance claims, etc. affect the level of expenses of these Funds. The budgeted expenses for the City's Proprietary Funds are therefore not legally appropriated and are presented for informational purposes to show operational projections for the remaining major Funds of the City.

Enterprise Funds

Enterprise Funds are 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 of providing goods or services to the general public be financed or recovered primarily through user charges; or (b) for which 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 utilizes three Enterprise Funds for municipal operations that includes the Electric Fund, Waterworks Fund and Emergency Communication District Fund.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to another department of the City on a cost-reimbursement basis. Budgets are prepared for the two of the City's four internal service funds, Insurance Fund and Equipment City Replacement Rental Fund, and are included in this Section V of this document. Budgets are not prepared for the City's Inventory Fund, which is used to account for the costs of maintaining a central inventory of materials and supplies for use by all activities of the City, or the School Equipment Replacement Rental Fund.

Basis of Accounting

All Governmental Funds are accounted for using the modified accrual basis of accounting and a current financial resources measurement focus. Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Under the current financial resources measurement focus, the aim of a set of financial statements is to report near-term (current) inflows, outflows, and balances of expendable resources. Revenues are recognized when they become measurable and available as net current assets. Taxes and intergovernmental revenue, with the exception of property taxes, are considered measurable at the point of sale, due date or transaction occurrence for revenue recognition. Availability for revenue recognition purpose is 60-days after fiscal year end. For budget presentation purposes, property tax revenues are recognized in the fiscal year for which they were levied. Licenses and permits, charges for services, fines and forfeitures, and other revenues are recorded as revenue when received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, an exception to this general rule would include principal and interest on general long-term debt which is recognized when due.

All Proprietary Funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. Under the economic resources measurement focus the aim of a set of financial statements is to report all inflows, outflows and balances affecting or reflecting an entity's net assets. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. The reserve method is used to estimate the allowance for doubtful accounts for electric, water and wastewater service receivables.

To facilitate the cost accounting process, the City distributes the cost of a number of common use, "overhead" expenses to each General Fund budget activity on the basis of a predetermined cost distribution. Indices such as square footage, number of telephones, and number of clerical personnel are used to assign the cost of utilities, telephones, and other costs on a pro-rata basis. To further identify the actual cost of each General Fund budget activity, all or a major portion of the work performed by certain service centers is transferred to the benefiting activities under the caption "Reduction of Costs." Examples of service (or cost distribution) centers include 935 Engineering and 845 Computer Services.

In each case, these activities provide the supervision, engineering, labor, materials or equipment for construction, maintenance and repair of the City's buildings, water and sewer systems, streets, equipment and other items of physical plant or administrative services necessary for the operation of these Funds. The costs involved are transferred in whole or in part to the benefiting Fund or activity. The purpose of cost distribution is to assign all costs, to the extent practicable, to the budget activity incurring or requiring the expenditure.

Comparison of Governmental and Proprietary Funds

Governmental Funds	Proprietary Funds
Governmental-type activities	Business-type activities
Modified accrual basis of accounting	Accrual basis of accounting
Current financial resources measurement focus	Economic resources measurement focus
City Council adopts annual appropriated expenditures at the fund level	Budgeted expenses are presented in the budget appropriation ordinance for informational purposes
City Manager can transfer budgeted amounts between departments within any fund	Expenses are not legally appropriated

Revenue Policies

1. The City will attempt to develop a diversified and stable revenue system to shelter it from short-run fluctuations in any one-revenue source. Specifically, the City will do the following:
 - a. Continually monitor and assess the local taxing effort of Oak Ridge as compared to other Tennessee cities.
 - b. Aggressively pursue equitable, in-lieu-of-tax payments from the Department of Energy and the United States Congress for existing and new projects located on nontaxable federal property in order to reinforce and enhance a climate of economic competitiveness and vitality in the community.
 - c. Move toward a local revenue structure for financing public services, which de-emphasizes the property tax and encourages the use and development of alternative revenue sources such as greater reliance on the local option sales tax.
2. The City will follow an aggressive policy of collecting revenues.
3. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
4. All charges for services, fees and licenses will be reviewed annually and, whenever possible, recommendations for adjustment will be made at one time.
5. The City will consider the establishment of new user fees as an alternative to property tax funding. Before implementation of new user fees, the City will first determine the cost of administering and collecting the fee, what other jurisdictions are charging for similar fees, the purpose of the fee and if it can be accomplished.
6. The City will aggressively seek Federal and State grants. These revenues will be targeted as much as possible to capital improvements.
7. The City will ensure that Oak Ridge receives a fair proportion of all State and County shared taxes and revenue.
8. Whenever possible, revenue sources will be designed or modified to include provisions to automatically allow the collections to grow at a rate that keeps pace with the cost of providing the service.

Debt Management Guidelines

1. Long-term borrowing will only be utilized for capital improvements or capital projects that cannot be financed with current revenues.
2. Bonds will be repaid over a period less than or equal to the project's useful life.
3. The City of Oak Ridge may borrow money as provided by Tennessee General Law. Such authority is found within Title 9, Chapter 21 of the Tennessee Code, entitled Local Government Public Obligation Act.
4. Debt instruments will be structured to allow future flexibility and market interest by including the Optional Redemption Features.
5. The City will maintain good communications with bond rating agencies regarding the City's financial condition.
6. The City will fully disclose information on every financial report and bond prospectus.

The City will be developing a formal debt policy for City Council approval prior to December 31, 2011.

BUDGET PROCESS OVERVIEW

The budget document for the City of Oak Ridge provides historical, present and future comparisons of revenues and expenditures; allocations of resources - both fiscal and personnel; and descriptions of the anticipated annual accomplishments of City programs.

Operating Budget Policies

1. The City will consider as its highest priority the maintenance of basic public services and facilities necessary to meet the needs of its residential, institutional, commercial and industrial "citizens." A basic public service or action is one that would not be provided without public action, and one that is either:
 - Essential to the health and safety of the city's residents; or
 - Necessary in order to avoid irreparable damage to City resources; or
 - A service that the absence of such would cause the City to be generally unacceptable to its residents.
2. After one or more work sessions, Council will provide policy guidance to the City Manager and staff for preparation of the proposed budget for the next fiscal year. Council guidance will define the appropriate service levels for municipal programs and overall personnel policies.
3. The City Manager will prepare an operating budget that supports and adheres to guidelines established by City Council. The City Manager will not be precluded from proposing program expansions based on Council guidance or staff initiatives.
4. The City Manager and others involved in the operating budget preparation process will also use the priorities expressed in the Comprehensive Plan as the framework for review and formulation of the proposed City budget.

5. The Council may meet once or more annually with the Board of Education to discuss the services offered by the Schools and factors affecting budget preparation for next fiscal year.
6. Responsive, quality service will characterize the City of Oak Ridge. All departments of the City will continue periodically to examine and effect changes in program delivery responsibilities or management that would improve productivity, lower costs, enhance service and further communication with the public.
7. The City will continue actions to ensure that all City staff members are sensitive to the special needs of the community and its residents.
8. The City will take steps to continue to increase citizen involvement in the ongoing planning, programming and budgeting process.
9. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' obligations. In particular, the City will continue the scheduled level of maintenance and replacement for its infrastructure and fleet.
10. The City will prepare a detailed budget which identifies and accounts for object code expenditure increases from the previous budget year that are greater than the rate of inflation, subject to a minimum increase of \$2,000.
11. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
12. The City will integrate performance measurement and productivity indicators within the budget.
13. In all actions to balance the budget, the City will attempt to avoid layoffs. If possible, any personnel reduction will be scheduled to come permanently from attrition.

Budget Organization

The budget document is organized to provide a summary of the total current year's budget in the Budget Overview Section II of this document. Revenues and expenditures for each fund are located in the applicable fund section of this document. The major portion of the budget consists of detail pages containing a description of the funds and activities along with an expenditure summary for that function. Legal Requirements, the Personnel Schedule, Statistical Information, Glossary and Index conclude the document.

Basis for Budgeting

Budgets for all Governmental Funds (General, Special Revenue, Debt Service and Capital Projects Funds) are adopted on a basis consistent with generally-accepted accounting principles (GAAP), except that in the General, Special Revenue and Capital Projects Funds encumbrances are treated as budgeted expenditures in the fiscal year the commitment to purchase is made. Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted or as amended by City Council.

Budgets for all Governmental Funds are approved by City Council and adopted as legal appropriation levels for those funds for that fiscal year. The appropriation ordinance for fiscal year 2012 is presented on page II-13 of this document. A lump sum expenditure amount for each Governmental Fund, exclusive of operating transfers, is approved by City Council as the legal appropriation for that fund. Operating transfer amounts for Governmental Funds and projected expenses for Proprietary Funds (Enterprise and Internal Service Funds) are presented in the appropriation ordinance for informational purposes only.

The City Manager 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 City Council. Expenditures may not exceed appropriations at the fund level.

Formal budgetary integration is employed as an ongoing management control device for Governmental Funds. Budgetary control is also achieved for the Debt Service Fund through general obligation bond indenture provisions. All appropriations that are not expended or encumbered lapse at year-end.

ADOPTED EXPENDITURES COMPARED TO RATE OF INFLATION

City Council has adopted an operating budget policy which states, "The City will prepare a detailed budget which identifies and accounts for object code expenditure increases from the previous budget year that are greater than the rate of inflation subject to a minimum increase of \$2,000." In accordance with this policy, the monetary change and the percentage difference are identified for each object code. An explanation of the most significant expenditure increases is provided in the Significant Expenditure Changes section of each activity summary sheet except for Personal Services, outlined below.

PERSONAL SERVICES CALCULATIONS

In the FY 2012 Budget, the expenditure category Personal Services, (Object Codes 5110 through 5175), includes regular, temporary and overtime salaries and related benefits, for employees of the City of Oak Ridge, such as employer contributions for Social Security and retirement and a life and health insurance program.

The salary for each regular employee is allocated to a department activity and budgeted under Object Code 5111. Salary calculations are computed for each employee on the basis of 26 biweekly pay periods using the current pay plan rate adjusted by an average merit increase, if budgeted, for all City employees. Overtime is projected in Object Code 5130. Overtime expenditures are impacted by the Fair Labor Standards Act (FLSA), which requires either payment in cash or compensatory time at time and one-half for all hours worked in excess of normal duty hours. The fiscal 2012 budget included a 2% salary adjustment for City employees,

The calculation of the City's contribution for Social Security (Object Code 5141) and the Tennessee Consolidated Retirement System (TCRS) Benefits (Object Code 5150) are mandated based on a percentage of each employee's salary, with the Social Security contribution currently 7.65% and the Retirement contribution 14.99% for both regular civilian employees and regular Public Safety employees. The City's TCRS contribution increased from 13.07% to 14.99% of gross wages in fiscal 2011. The Retirement contribution percentage is adjusted biennially by the TCRS and will be reviewed again for fiscal 2013. In Object Code 5160, the City also provides individual health insurance coverage, which includes medical insurance, dental reimbursement, long-term disability insurance and life insurance coverage.

Annual Budget Process

The Charter for the City of Oak Ridge provides that prior to the beginning of the fiscal year on July 1; the City Manager shall submit to the City Council a Proposed Budget for the next fiscal year that presents a complete financial plan for the ensuing year. In accordance with the City Charter, the following information must be provided: (a) detailed estimates of all proposed expenditures for each department, board, officer or other agency of the City, showing, in addition, the expenditures for corresponding items for the last preceding fiscal year, appropriations and anticipated expenditures for the current fiscal year, and reasons for recommended departures from the current expenditures pattern; (b) statements of bonded and other indebtedness of the City, including the debt redemption and interest requirements, the debt authorized and unissued, and the condition of the sinking funds; (c) detailed estimates of all anticipated revenues of the City from all sources, including current and delinquent taxes, non tax revenues and proceeds from the sale of any bonds, with a comparative statement of the amounts received by the city from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year; (d) a statement of the estimated balance or deficit, as of the end of the current fiscal year; and (e) any other supporting schedules as requested by City Council.

decision-making process by providing overall direction to City departments. The budget preparation process begins in late summer when City departments begin preparation of six-year Capital Improvements Program requests for submission to the Community Development Department by late September. By early October, Community Development staff prepares a recommended draft Capital Improvements Plan that is submitted to the City Manager for review and approval. By late October, the consolidated draft document is submitted to the Oak Ridge Regional Planning Commission for review. The program identifies anticipated projects, establishes priorities and identifies the anticipated source of funding. The program, as modified and approved by the Planning Commission, is submitted for Council's consideration by January 31.

In early November, City departments begin assessing new resource needs for the coming year relative to capital equipment, including fleet; extraordinary maintenance requirements; automation services; and proposed new or expanded work programs. Budget requests and supporting documentation are prepared and submitted in by January 31 for Finance Department and the City Manager's review.

A self-evaluation of the departments' objectives and measures of performance for the current year is initiated in November and used in the preparation and development of objectives and performance measurements for the upcoming year. The budget documentation prepared includes a statement of departmental goals and objectives, proposed performance measures, an estimate on the status of performance measures at the end of the current year, traditional object code line item expenditure requests, justification for expanded expenditure requests and initial financial estimates on the departments' expenditure status by the end of the current fiscal year.

During February, the Finance Department quantifies preliminary budget information for the City Manager's review. Departmental objectives, measures of performance and operating budgets are refined for consolidation in the Proposed Budget document during the month of March. Expenditure and revenue projections for the current fiscal year and estimates for the proposed fiscal year and thereafter are updated with the latest available data. This information permits final adjustments to routine operating expenditures and new and expanded programs for inclusion in the Proposed Budget.

A Proposed Budget for the upcoming fiscal year is presented to the City Council at a date set by City Council in April or May. The Board of Education also presents the General Purpose School Fund budget at this meeting, including a request for appropriation of City funds to meet program obligations. Budget Work Sessions are held with City Council if needed for a detailed review of the proposed operating and capital improvements budgets. These sessions provide the opportunity for City Council to analyze the City Manager's Proposed Budget and to request additional information as needed.

At a meeting date set by City Council, a formal public hearing is held on the Proposed Budget. This meeting provides citizen input to Council on decisions and issues related to the budget. The first reading of the Appropriations Ordinance is also approved as amended by Council during this meeting. City Council adopts the Appropriations Ordinance, as amended, at second reading of the Ordinance, which occurs prior to May 31. Council approval of the Ordinance adopts the Budget for the fiscal year beginning July 1 and sets the tax rate for the upcoming year.

Budget amendments may be made to the original appropriation at any time during a current fiscal year after a public hearing before the council on ten (10) days notice published once in the official city newspaper, provided that increased appropriations may be made only after the city manager has certified in writing that sufficient amount of unappropriated revenue will be available, except for emergency appropriations as defined by the City's Charter.

II. BUDGET OVERVIEW FISCAL YEAR 2012

Table of Contents

FY 2012 Budget Process.....	II-1
FY 2012 Budget Calendar	II-2
FY 2012 Budget Assumptions.....	II-3
FY 2012 Goals & Objectives.....	II-6
City Wide Goals.....	II-6
Departmental Goals	II-7
FY 2012 Budget Ordinance	II-13
FY 2012 Budget Summary	II-17
Summary of Revenues, Expenditures & Change in Fund Balance.....	II-18
Budgeted Expenditures – All Funds 2012	II-19
FY 2012 Fund Balances/Net Assets.....	II-21
FY 2012 Salaries and Personnel	II-23
FY 2012 Agency Funding.....	II-23
FY 2012 Budget Change Summary	II-24
2010-2012 Summary of Financial Sources and Uses-Governmental Funds.....	II-28
2010-2012 Summary of Financial Sources and Uses-Proprietary Funds	II-31

FY 2012 BUDGET PROCESS

This section contains the budget process, guidelines for development and an overall summary of the City's fiscal 2012 budget. This includes the budget calendar, which outlines the timetable of the budget process, 2012 budget development assumptions adopted by City Council, citywide and departmental 2012 goals and objectives, 2012 adopted and amended budget ordinance followed by a budget summary for all funds for fiscal 2012.

The fiscal 2012 Budget Assumptions adopted by City Council on page II-3 approves the basic guidance perimeters for development of the fiscal 2012 budget by City staff. This included a 2% pay adjustment for City employees, retention of the property tax rate at the 2011 level of \$2.39 per hundred dollars of assessed valuation and retention of a minimum \$5,000,000 fund balance in the General Fund.

The City Managers' and City departmental goals and objectives through 2012 are presented beginning on page II-6. Departmental goals are also presented in each departmental or applicable Fund section in this document.

The 2012 Budget Ordinance adopted by City Council is located on page II-13. City Council did not approve the operational transfer funding requested by the Oak Ridge Schools from the City for fiscal 2012. The Oak Ridge School Board met and revised the total appropriation for the General Purpose Schools Fund, which was adopted by City Council on July 25, 2011. The General Purpose School Fund budget as revised is the one incorporated into this document.

This section concludes with an overview of the fiscal 2012 budget beginning on page II-17.



FY 2012 BUDGET CALENDAR

<u>Date</u>	<u>Event</u>	<u>Responsibility</u>
September	City Staff preparation of six-year Capital Improvements Program requests (FY 2012 – FY 2017)	Responsible Departments
09/24/11	Submission of Proposed Capital Improvements Program to Senior Management for preliminary review & approval	Community Development
10/04/11	Compile and Print Proposed Capital Improvements Program Document	Community Development
10/08/11	Submission of Proposed Capital Improvements Program to Planning Commission for review	Community Development
10/12/11	Administrative Public Hearing-Proposed Statement of Community Development Objectives and Projected Use of CDBG Funds	CDBG Committee
10/21/11	Public Work Session on the Proposed Capital Improvements Program Attended by Commissioners, Applicable Planning Commission Department Heads, and Public	Responsible Department, Planning Commission, Community Development
11/18/11	Approval of six-year Capital Improvements Program	Planning Commission
November to April	Preparation of Proposed Budget including budget projections, narratives and schedules	Finance Department
02/14/11	Transmittal of FY 2012 – 2017 Capital Improvements Program to City Council as a communication	Community Development
By March 31	Preparation and submission of all Budget Updates for FY 2012	All Departments
04/01/11	Public Hearing on FY 2012 Community Development Block Grant Proposals	City Council
05/09/11	Presentation of FY 2012 City, Schools, CIP Proposed Budgets and Major Budgetary Recommendations Report to City	City Council, City Manager
05/09/11	Proposed Budget to City Clerk and Public Library for Public Inspection	Finance Department
05/16/11	Public Hearing on FY 2012 Budget	City Council
05/16/11	Council Meeting for first reading and adoption of FY 2012 Budget	City Council
05/23/11	Council meeting for final reading and adoption of FY 2012 Budget and 2011 tax rate	City Council
06/02/11	Effective Date of Budget Ordinance	

FY 2012 BUDGET ASSUMPTIONS

CITY COUNCIL MEMORANDUM 11-26

DATE: May 17, 2011
TO: Honorable Mayor and Members of City Council
FROM: Mark S. Watson, City Manager
SUBJECT: SUMMARY OF FY 2012 BUDGET ASSUMPTIONS

At the May 16, 2011 meeting of the Oak Ridge City Council, a review of the budget assumptions used in the assembly of the current City budget occurred. During deliberations of the City Council, it was noted that the listed assumptions did not match with those used this year, nor did we find that some items listed were still relevant.

The City Manager and staff have re-worked this document to display more of the considerations that were made in the preparation of the City budget. The assumptions were generally reviewed in the workshop meeting of the City Council where they were acting as a Committee of the Whole. This meeting was conducted on February 28, 2011.

Highlights of some of the attached *FY 2012 Budget Assumptions* include:

- Municipal salaries include a 2% pay system adjustment
- Retention of the current tax rate of \$2.39
- Retention of a minimum Fund Balance of \$5,000,000 in the General Fund
- \$500,000 provided through re-financing proceeds for Roane State Commitment
- New debt for the Utility Fund estimated at \$10M and issued during budget year
- Assumption of continued contract for West End fire services with DOE

The City Council should review and approve these budgetary assumptions as reflective of the general content of the FY 2012 budget. Approval of the attached resolution is recommended.


Mark S. Watson

Attachments

FY 2012 BUDGET ASSUMPTIONS

REVIEWED BY CITY COUNCIL ACTING AS A COMMITTEE OF THE WHOLE

1. FY 2012 Municipal Expenditure estimates include adjustments necessary to maintain current service levels (fuel, energy, contractual agreements, equipment charges, etc.).
2. Municipal salaries contain a 2% adjustment.
3. School operating transfer growth projected at 1.1%.
4. Municipal Expenditure growth projected at 1.1%.
5. Retain current tax rate of \$2.39.
6. Retain minimum Fund Balance of \$5,000,000 in General Fund.
7. City and School FY 2012 capital project allotment of \$750,000 each fully funded by the operating transfer from the General Fund.
8. Agencies budgeted for funding for economic development/tourism and lobbying services. (Convention & Visitors Bureau (CVB), Oak Ridge Chamber of Commerce, Anderson County Economic Development Association (ACEDA), Innovation Valley, Roane Alliance, Oak Ridge Revitalization Effort (ORRE), Ferguson Group and Bill Nolan) and social service/cultural programs (Aid to Distressed Families of Appalachian Counties (ADFAC), Prevent Child Abuse TN for the Healthy Start program, Arts Council of Oak Ridge, Youth Advisory Board and Sister City Support Organization) remain at the FY 2011 level, with the exception of the Oak Ridge Chamber of Commerce, which is budgeted to increased 2.7% based on annual contractual inflationary adjustments.
9. \$500,000 for the City's contribution to Roane State Community College with funding provided by savings generated from the recent refunding of \$7,470,000 in outstanding City long-term debt.
10. New debt, currently estimated at \$10,000,000, to be issued for water and wastewater capital projects.
11. Major construction/renovation projects requiring the issuance of long-term debt are deferred until FY 2015.
12. FY 2012 Photo Enforcement proceeds will be accounted for in the Special Programs Fund.
13. Establishment of a new Housing Fund by a \$250,000 transfer from the Economic Diversification Fund and a \$50,000 operating transfer from the General Fund to account for the City's housing initiatives.
14. The operations of the west end fire operations, accounted for in the West End Fund, are based on continuation of the Fire Contract with the Department of Energy.

RESOLUTION

A RESOLUTION TO APPROVE THE *FY2012 BUDGET ASSUMPTIONS*, AS RECOMMENDED BY THE CITY MANANAGER, AS BEING REFLECTIVE OF THE GENERAL CONTENT OF THE FY2012 BUDGET.

WHEREAS, at the May 16, 2011 meeting, City Council requested the City Manager to re-visit the budget assumptions utilized the preparation of the FY2012 budget; and

WHEREAS, the City Manager and City Staff have re-worked the budget assumptions as requested by City Council; and

WHEREAS, the City Manager recommends approval of the attached *FY2012 Budget Assumptions*.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That City Council hereby approves the attached *FY2012 Budget Assumptions*, as recommended by the City Manager, as being reflective of the general content of the FY2012 budget

This the 23rd day of May 2011.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney



Thomas L. Beehan, Mayor



Donna L. Patterson, City Clerk

FY 2012 GOALS & OBJECTIVES

City Wide Goals

CITY MANAGER

Quality of Life:

- Initiate progress of the Climate Action Plan (CAP).
- Develop the visionary concept of the Manhattan Project National Historical Park and coordinate with local and national officials to move this project forward.
- Enhance the promotional image and marketing of Oak Ridge as a professional, innovative, and progressive city through its various contractual entities and regional partners.
- Coordinate the City support of events that provide recognizable return on investment and community economy.
- Monitor and support the planning of the City waterfront into a community asset of constantly evolving activities.
- Develop the implementation of the Bicycle-Pedestrian Plan as recently adopted by City Council
- Support the educational needs of the community through “growing our own” or other such programs, including service/emergency personnel.
- Maintain autonomy of library and evaluate other resources for use, including e-books.

Economics:

- Develop further sources of sales tax revenues through Chamber recruitment.
- Develop marketing strategies for use of tax increment programs to incentivize further retail and commercial activity, including other areas.
- Work with the IDB in actively completing the marketing and build out of Horizon Center and its complimentary infrastructure, as well as pursue other areas and other opportunities.
- Assess regional initiatives and make determinations as to value and return on investment.
- Implement major sewer rate increase to offset costs associated with EPA Administrative Order, including bond financing plan that minimizes rate impact.
- Assess free resources provided by the City for functions and events.
- Actively pursue the use of grants.

Safety:

- Incorporate the Oak Ridge Police Department in a targeted approach to eliminating ongoing repeat offenders or locations.
- Enjoin the Oak Ridge Housing Authority into utilizing its resources and powers to overcome housing locations and housing vouchers that harbor criminal or drug activity and aggressive pursue violators of HUD and ORHA policy.
- Develop Neighborhood Watches to support level for Police Department through advanced volunteer programs.
- Use existing ordinances to accomplish neighborhood improvements through code enforcement, housing inspections and vehicle parking.
- Improve infiltration and inflow into City sewer system through capital repairs.

Governance:

- Enhance communication and reporting from City boards and commissions.
- Develop Comprehensive Plan update on Housing.
- Maintain and improve existing response times for city controlled processes in commercial development.
- Conduct additional focused Council special work sessions governing budget overviews, including better understanding of school budget processes and needs.

- Conduct 1-2 joint meetings with the School Board.
- Appoint new Boards and Commissions utilizing talents needed to accomplish Council defined goals.

Housing:

- Conduct a HUD level inspection program on residential housing during occupancy changes with particular focus on City utilities, including sewer system I&I confirmation.
- Develop legislation and implementation Oak Ridge Community Land Bank.
- Utilize new grant resources for Oak Ridge housing programs through CDBG and contracted parties like ADFAC.
- Examine city policies that can change highly dense housing pockets in City.

Departmental Goals

CITY CLERK

- Continue to provide support to City Council, City Manager, City Departments, and City Boards and Commissions.
- Continue to identify and implement technology that leads to increased efficiency and accuracy.
- Develop and implement a paperless process within the City Clerk's Office which complies with applicable laws and regulations.
- Continue certification training and education regarding City Charter, policies and Parliamentary Procedure.
- Evaluate other City Clerk services, processes, and office procedures to maximize efficiency and accuracy.
- Pursue more suitable environment for conservation and accessibility of key city records

GOVERNMENT AND PUBLIC AFFAIRS (part of the City Manager's office)

- Assist in the development, implementation, and communication of legislative priorities for the City.
- Identify additional opportunities for transparency and innovation in the dissemination of public information.
- Excel at customer service, both internal and external.
- Participate in professional development training.
- Complete *Preserve America* Project.
- Identify opportunities for increasing attendance at, and effectiveness of City events, e.g. Council's Night Out.
- Maintain high levels of service delivery using existing resources

LEGAL

- Continue to provide legal assistance and support to City Manager, City Departments, City Boards and Commissions, and City Council.
- Continue to provide legal representation through prosecution in City Court and defense in civil litigation.
- Continue to attend meetings of the Oak Ridge Beer Permit Board as staff liaison.
- Continue to function as the City's Title VI Coordinator for purposes of Title VI compliance.
- Update the City Code for clarity and State law compliance, with particular focus on motor vehicle provisions for FY2012.
- Provide legal research and advice to the City Manager for implementation of the Manager's "Not in Our Town" campaign.

COMPUTER SERVICES

- Enhance internet and video production of Council Meetings using TriCaster broadcast system.
- Provide AT&T U-Verse access of City Council Meetings.
- Changing of telephone and internet service providers to enhance services and bandwidth.
- Upgrade MS-Exchange email software for enhanced features.
- Expansion of the VOIP phone system to additional departments.
- Additional facility at CSC for providing offsite backup and fiber entry point.
- Begin implementation of citywide fiber ring project.
- Upgrading of online bill pay system to allow acceptance of Visa and MasterCard.
- Implementation of Infor system for Public Works.
- Automation of Boards and Commissions information using Sharepoint.
- Completion of departmental policies and procedures.

FINANCE DEPARTMENT

- Restructure the City's 2012 budget document to provide a more reader friendly budget document.
- Obtainment of the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the City's 2012 budget document.
- Obtainment of the Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Association (GFOA) for the City's 2011 Comprehensive Annual Financial Report (CAFR).
- Review of the City's fixed asset inventory and asset systems toward streamlining processes and replacement of accounting software for these systems.

POLICE DEPARTMENT

- The Police Department is currently reorganizing and is working with the City Manger to define departmental goals for this coming year.

FIRE DEPARTMENT

The Oak Ridge Fire Department's Strategic Plan, has identified Common Vision, Organizational Discipline, Recruitment and Development, Service programs, Planning, and Communications as the six primary focus areas to be addressed beginning immediately. To move this plan forward, several goals have been established:

- Begin the planning for replacement of fire suppression apparatus.
- Continue the review of our Procedure Guidelines.
- Implement an ordinance regulating dangerous or abandon buildings (Not In Our City).
- Continue to educate staff at the National Fire Academy at a minimum of one class per year per Officer.
- Continue succession planning for Chief Officers through participation in the National Fire Academy executive officer and management classes.
- Develop and deliver a Company Officer and acting officer academy.
- Provide promotional testing for Fire Captain and Fire Engineer.
- Develop table top exercises to test the City's Emergency Operations Center (EOC) and train battalion chiefs to staff the EOC.
- Continue to provide outreach training to businesses on fire safety and extinguisher use and CPR
- Continue to work with Anderson County for the updating of the Hazard Mitigation Plan along with other local planning documents.
- Continue to aggressively seek grant opportunities to fund programs that otherwise would need to be curtailed.
- Investigate the possibility of becoming an accredited department. The Accreditation would admit membership of the Oak Ridge Fire Department into a very exclusive group of departments. There are only 133 Fire Departments internationally recognized with this distinction.

PUBLIC WORKS

General:

- Develop specifications and bid documents for the mowing contract.

Engineering:

- Serve as Project Manager for the completion of the improvements for the Safe Routes to School Program for Robertsville Middle School by August 2011. Primary area of improvements will include traffic control signs, plastic pavement markings, ground mounted speed limit assembly, ground mounted radar speed display assemblies, and cantilever speed limit signal assembly. Non-infrastructure school activities and final parent survey will be completed during the fall school session. Submit all required reports and documentation for grant close-out by December 31, 2011.
- Complete engineering services contract by August 2011 for the design of pedestrian safety improvements at the Oak Ridge Turnpike/Illinois Avenue and Oak Ridge Turnpike/Oak Ridge High School intersections. Complete design plans by November 2011. Complete RFP for construction and bid evaluations by January 2011. Submit construction contract to City Council for approval by February 2011. Complete construction by June 2011.
- Complete engineering services contract by September 2011 for design of a major sidewalk project for missing link sections along South Illinois Avenue as identified in the Transportation Enhancement Project plan and at other select locations to be determined. Complete design by December 2011. Complete RFP for construction and complete bid evaluations by February 2011. Submit construction contract to City Council by March 2011. Begin construction by May 2011.
- Complete construction of the removal and replacement of two 78" storm drainage culverts on Graceland Road by October 2011.
- Participate in the construction and completion of the Oak Ridge Turnpike (SR 95) 3.2 mile widening improvement project from Westover Drive to the SR 58 interchange. This project is scheduled for completion in July 2012. Public Works staff will be inspecting the completion of the remaining major water line and will serve as liaison in working with the contractor and citizens on issues.
- Submit three contracts for west end water system improvements to TDEC for technical review and EPA for authorization to let for bid. Conduct bid letting, submit to EPA a request for authorization to award, issue notices to proceed and begin construction, inspect and administer projects. Anticipated construction completion projected for FY13/FY14.
- Convert the City's pavement management software from the current outdated RSMS to Paver version 6.5 by June 30, 2012.
- Work with TDOT to design and let for bid the resurfacing of 15 sections of City streets. These streets are 4.1 miles in length and will be paved using STP funds with an 80/20 match between TDOT and the City. The engineering estimate is \$1,119,703. TDOT will determine the schedule of this project.
- Prepare bid documents for a new emergency point repair contract for the City wastewater collection system.
- Oversee completion of design, bid letting of contracts and construction for sewer system improvements required by EPA Administrative Order. Presently there are three contracts for renewal or replacement of gravity sewer lines and one contract for replacement of three sewer lift stations. Work closely with the EPA Program Manager to ensure all design, bidding, and construction of all work under the EPA Order remains on schedule and budget,

Streets and General Maintenance:

- Begin production of the brine solution used to pre-treat roadways in advance of predicted winter storm events and develop a plan for pre-treating the state highways and city arterial and major collector streets
- Complete the sign inventory and inspection for reflectivity as mandated by federal regulations.

Facilities:

- Complete ADA compliance at all city-owned parking lots.
- Install new roof at Building K-1652 at Heritage Center.
- Install new exhaust fans to the locker rooms and HVAC to the Command Center in conjunction with the roof replacement at K-1652.
- Complete the new handicapped accessible entrance at the south entrance to the Municipal Building.
- Complete the security renovations to the Police Department.
- Begin renovations to the wall coverings and lighting in the Municipal Building.
- Complete the restoration of the floor tile in the lobbies of the Municipal Building.
- Complete all construction under the TNEECBG grant to improve HVAC and lighting control at the Central Services Complex and submit all required reports and documentation for grant close-out by December 31, 2011.

COMMUNITY DEVELOPMENT

- Rewrite Article V of the Zoning Ordinance.
- Hire Housing Specialists.
- Not In Our Town Campaign.
- Adoption of Form-Based Code for Jackson Square Area.
- TDOT Enhancement Grant for improvements to Jackson Square Area.
- Obtain full voting membership for City of Oak Ridge for Knoxville-Knox County Transportation Planning Organization (TPO) board.
- Obtain Rails-to-Trails funding to enhance abandoned railroad rights-of-way.
- Adopt new, updated Federal Emergency Management Agency (FEMA) regulations in order to remain in compliance with Federal Flood Insurance program.
- Adopt 2012 edition of the International Building, Fire, Plumbing, and Residential Codes.

RECREATION AND PARKS**Aquatic:**

- Send facility requests for Aquatics in March/July and coordinate use with community group and recurring users, develop a standard use agreement.
- Certify 100% of the aquatics guard staff in American Red Cross Lifeguard Training, AED (automated external defibrillator) and oxygen administration while certifying the non-guard staff in basic first aid by June 1, 2012.
- Inspect all aquatics facilities on a daily basis during the season and monthly during the off-season and submit written documentation/repair requests.
- Work with personnel in order to have lifeguards and summer camp counselors selected by mid-April, 2012.
- Continue to work with Civic Center maintenance staff to monitor the indoor pool systems and take action as needed.
- Continue to offer non-summer swimming instruction.
- Open the outdoor pool for Memorial Day Weekend.
- Sponsor at least five different special events at the outdoor pool.
- Complete the work on the wading pool by covering the equipment area before March 1, 2012.
- Update the detailed timeline for key events/milestones for the Secret City Festival by October 1, 2011.
- Select a new Secret City Festival web page host and manager by October 1, 2011.

Centers, Camps and Programs:

- Work with personnel in order to have summer camp counselors selected by mid- April 2012.
- Send facility requests for centers in November and coordinate use with community group and recurring users.
- Develop a standard use agreement for facility requests.

- Conduct at least 40 hours of training for the summer staff to include but not limited to customer service training, communications, injury prevention, conflict resolution and emergency procedures.
- Offer at least four special events with a seasonal focus.
- Conduct a summer camp program for ages 6-12.
- Involve each facility monitor and recreation coordinator in the planning, implementation, and evaluation of at least one special event by May 1, 2012.

Athletic:

- Revise the AYSO/SCOR Soccer Maintenance Agreement to include field use by other groups by February 1, 2012.
- Replace the bleachers at Big Turtle Softball Field by March 15, 2012.
- Send facility requests for athletics in December/June and coordinate use with community group and recurring users.
- Develop a standard use agreement for facility requests.
- Increase the Department's visibility by fully utilizing social media, web page and print media to market activities and programs and re-enforce the concept of the Department as a community resource and a contributor to the quality of life in Oak Ridge (OR).
- Offer athletic league play for softball, basketball and volleyball.

Youth Advisory Board:

- Begin the planning effort to certify Oak Ridge as a Playful City USA.
- Maintain at least a 75% participation level for Graduation Celebration.
- Prepare and present a "State of the Youth Report" to City Council by the end of each fiscal year.
- Sponsor at least one new big event for teens through the Youth Advisory Board by May 1, 2012.
- Promote and sponsor a Disc Golf tournament/class by May 1, 2012.
- Develop and conduct a comprehensive student survey through the Youth Advisory Board that provides insight into future board programming by May 1, 2011.

Parks Division:

- Maintain the designation by the National Arbor Day Foundation as Tree City USA, including sponsorship of the annual Arbor Day Ceremony and educational programs for elementary schools by March 2, 2012.
- Complete the construction of the Melton Lake Greenway Phase IV and meet reporting requirements by June 30, 2012.
- Initiate the planning phase for development of a City Master Planting Plan by February 3, 2012 in concert with community organizations.
- Collaborate with the Electric Department to install dark skies lighting at Cedar Hill Park as a pilot high efficiency lighting project.
- Complete the installation of split rail fencing at selected park areas.
- Complete the construction of a new basketball court at Elm Grove Park by May 1, 2012.
- Begin implementation of the Bike/Ped Plan by installing bike racks at selected public locations around the City.

Scarboro Center:

- Promote and sponsor at least two new programs at the Scarboro Center by May 1, 2012 (one of these programs should involve participation from the community/churches).
- Increase attendance at the Scarboro Community Center by 10%.
- Continue offering regularly scheduled meeting for senior citizens at the Scarboro Center and provide at least ten educational sessions by June 1, 2012.
- Host an outdoor movie night at the Scarboro Community Center.

- Host at least one health screening at the Scarboro Community Center.
- Work with the CNC (Community Networking Committee) group to offer a fall event at the Scarboro Center.

Senior Program:

- Sponsor at least three educational sessions for seniors per month with the Recreation Program Coordinator being responsible for five sessions during the year.
- Maintain the Department's web page with at least weekly updates and insure the material is current.
- Work to formalize the volunteer program at the Senior Center.
- Begin the process to select an experienced architect to conduct a Needs Assessment and Feasibility Study for a new Senior Enrichment Center by April 1, 2011.
- Create, send and tally a program survey to senior citizens in Oak Ridge concerning interests and program offerings.

LIBRARY

Administrative:

- Begin design phase of the Library renovation and expansion project by June 30, 2012.
- Carry out contract with COROH film producer by adding to collection of oral histories by June 30, 2012.
- Upgrade the staff computers to the latest version of Office by June 30, 2012.
- Upgrade Sirsi to Symphony by June 30, 2012.

Children's Room:

- Update story time folders by June 30, 2012.
- Weed-update Easy Readers by June 30, 2012.
- Begin exploring ideas for crossover JF – YPF reading lists by June 30, 2012.

Circulation:

- Continue the Culture Corner and adult programming by June 30, 2012.
- Develop volunteer training material specifically for AV repair by June 30, 2012.
- Create a bibliography of staff picks by June 30, 2012.

Reference:

- Expand Small Business Center by identifying resources to support Reference by June 30, 2012.
- Begin evaluating, sorting and processing the special donated collections by June 30, 2012.
- Add a link on the webpage to Tennessee colleges and universities by June 30, 2012.

Technical Services:

- Continue cataloging INFO and TRAVEL DVDs into Dewey by June 30, 2012.
- Begin changing subject headings to match Library of Congress change of cookery to cooking by June 30, 2012.
- Upgrade Technical Services computers and procedures in order to take advantage of newer versions of Sirsi by June 30, 2012.

FY 2012 BUDGET ORDINANCE

ORDINANCE NO. 8-11

TITLE

AN ORDINANCE TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES FOR THE FISCAL YEAR BEGINNING JULY 1, 2011, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, FIXING THE RATE OF THE TAX, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.

WHEREAS, the City Manager, in accordance with the requirements of Article V, Section 10, of the Charter of the City of Oak Ridge, has submitted to City Council a proposed budget prior to the beginning of the fiscal year upon which a public hearing was held on May 16, 2011 as required by law; and

WHEREAS, in accordance with the requirements of the same Charter section, the Council held meetings which served to provide guidance to the City Manager on the preparation of the proposed budget.

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

Section 1. The budget for the fiscal year beginning July 1, 2011 submitted to City Council by the City Manager, is hereby adopted.

Section 2. In order to provide revenue for municipal purposes, there is hereby imposed on the value of all property within the City of Oak Ridge as such value has been ascertained by the taxing authority of the City, a levy at the rate of \$2.39 upon each One Hundred Dollars' (\$100.00) worth of assessed value of all taxable property, this levy to be the tax rate for the year 2011. This levy shall also be imposed upon such assessments as may be certified for tax purposes to the City of Oak Ridge by the Public Service Commission of the State of Tennessee.

Section 3. In accordance with Article V, Section 13, of the Charter of the City of Oak Ridge, the following amounts shall be and hereby are adopted as appropriations by funds for the operation of the City of Oak Ridge, Tennessee, for Fiscal Year 2012:

General Fund, Municipal Operations	\$ 19,453,250
Debt Service (Bond and Interest Redemption Fund)	\$ 8,142,000
State Street Aid Fund	\$ 1,784,000
Streets and Public Transportation Fund	\$ 260,000
Drug Enforcement Program Fund	\$ 350,000
Grant Fund	\$ 4,000,000
General Purpose School Fund	\$ 57,577,851
Golf Course Fund	\$ 1,335,000
Capital Projects Fund	\$ 4,500,000
Solid Waste Fund	\$ 2,531,170
Economic Diversification Fund	\$ 2,131,000
West End Fund	\$ 2,893,000
Special Programs Fund	\$ 1,243,000
Housing Fund	\$ 850,000

Section 4. The following amounts in the proprietary-type funds are projected expenses for Fiscal Year 2012 and are provided for informational purposes:

Electric Fund	\$ 51,943,000
Waterworks Fund	\$ 19,362,000
Emergency Communications District Fund	\$ 1,554,000

Section 5. In order to provide funds to meet the expenditure requirements, the following transfers are projected for Fiscal Year 2012 and are provided for informational purposes:

<u>To General Fund For Tax Equivalent</u>	
From Electric Fund	\$ 1,380,000
From Waterworks Fund	\$ 1,385,000
<u>To General Purpose School Fund for Operations</u>	
From General Fund	\$ 14,629,302
<u>To Debt Service Fund</u>	
From General Fund	\$ 3,045,000
<u>To Capital Projects Fund</u>	
From General Fund	\$ 2,012,000
<u>To Economic Diversification Fund</u>	
From Electric Fund	\$ 164,000
From Waterworks Fund	\$ 132,000
<u>To State Street Aid Fund</u>	
From General Fund	\$ 653,000
<u>To Streets and Public Transportation Fund</u>	
From General Fund	\$ 55,000
<u>To Solid Waste Fund</u>	
From General Fund	\$ 1,524,170
<u>To Grant Fund</u>	
From General Fund	\$ 171,850
<u>To Housing Fund</u>	
From General Fund	\$ 50,000
From Economic Diversification Fund	\$ 250,000

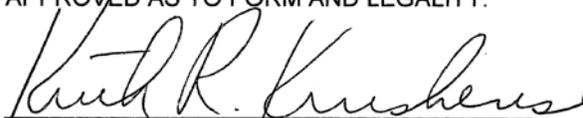
Section 6. All proceeds received through fines, forfeitures and the disposal of seized goods resulting from the City's drug enforcement program shall be used exclusively for that program. A Special Revenue Fund has been established and any funds expended will be limited to the funds collected for that program.

Section 7. The taxes levied under this Ordinance shall become due and payable, shall become delinquent and shall be subject to penalties, the execution of distress warrants and sale of property levied upon as provided by law.

Section 8. The levy provided for herein shall be imposed on all taxable property as the same has been reported to the Council as a final total assessment of each class of property by the legally constituted Boards of Equalization for property situated in either Anderson County or Roane County within the City of Oak Ridge. The written report of the Equalization Boards shall be the assessment roll of the City of Oak Ridge.

Section 9. This Ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:


Kenneth R. Krushenski, City Attorney


Thomas L. Beehan, Mayor


Donna L. Patterson, City Clerk

Public Hearing: 5/16/11
Publication Date: 5/06/11
First Reading: 5/16/11
Publication Date: 5/23/11
Second Reading: 5/23/11
Publication Date: 5/30/11
Effective Date: 6/02/11

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 8-11, WHICH ORDINANCE IMPOSES A TAX ON ALL PROPERTY WITHIN THE CITY, FIXES THE RATE OF THE TAX, ADOPTS A BUDGET, AND ADOPTS APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2011, BY AMENDING SAID APPROPRIATIONS.

WHEREAS, there exists a need to amend the original appropriations for Fiscal Year 2012 and for the accomplishment of the same, a public hearing has been held before the City Council after ten (10) days' notice thereof published in The Oak Ridger, the official newspaper, as provided by law; and

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

Section 1. Ordinance No. 8-11, which adopts appropriations for Fiscal Year 2012, is hereby amended by revising Section 3 so that the same, as revised, will read as follows:

Section 3. In accordance with Article V, Section 14, of the Charter of the City of Oak Ridge, the following amounts shall be and hereby are adopted as appropriations by funds for the operation of the City of Oak Ridge, Tennessee, for Fiscal Year 2012:

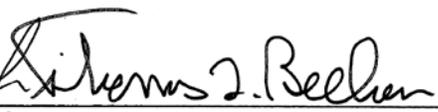
General Fund, Municipal Operations	\$19,453,250
Debt Service (Bond and Interest Redemption Fund)	8,142,000
State Street Aid Fund	1,784,000
Streets and Public Transportation Fund	260,000
Drug Enforcement Program Fund	350,000
Grant Fund	4,000,000
General Purpose School Fund	56,575,222
Golf Course Fund	1,335,000
Capital Projects Fund	4,500,000
Solid Waste Fund	2,531,170
Economic Diversification Fund	2,131,000
West End Fund	2,893,000
Special Programs Fund	1,243,000
Housing Fund	850,000

Section 2. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

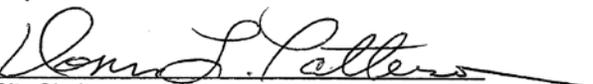
APPROVED AS TO FORM AND LEGALITY:



City Attorney



Mayor



City Clerk

Public Hearing: 7/11/11
First Reading: 7/11/11
Publication Date: 7/18/11
Second Reading: 7/25/11
Publication Date: 8/01/11
Effective Date: 8/04/11

FY 2012 BUDGET SUMMARY

City Council has directed the City Manager to present a proposed budget that supports current council policies. Any additional programs or major modifications recommended by the City Manager are presented separately to City Council during budget deliberations. The budget is developed in accordance with the City Charter; applicable city ordinances, state and federal laws; and city policies and procedures.

The Oak Ridge School Board submits their requested annual budget appropriation for the General Purpose School Fund and annual operational transfer request from the City to the Schools. These are incorporated into the proposed City budget that is presented for City Council's review and adoption. The only modification from the proposed budget submitted to City Council was a reduction of \$900,000 in the operational funding requested by the Oak Ridge Schools from the City. The 2012 operational transfer to the Oak Ridge Schools was set at \$14,692,302, a \$159,171 or 1.1% increase over fiscal 2011 amounts.

Details of the Oak Ridge School budget are under the purview of the Oak Ridge School Board. City Council appropriates the total General Purpose School Fund budget and sets the annual operating transfer from the City to the Schools, but does not have line item budgetary authority. Due to the \$900,000 reduction in the requested operational funding from the City, the School Board revised the General Purpose School Fund appropriation and resubmitted the budget for City Council's approval. City Council adopted the revised appropriation for the General Purpose School Fund on July 25, 2011. The General Purpose School Fund budget as revised is the one incorporated into this document. The Oak Ridge Schools issue a separate budget document that details their revenue and expenditure breakdown.

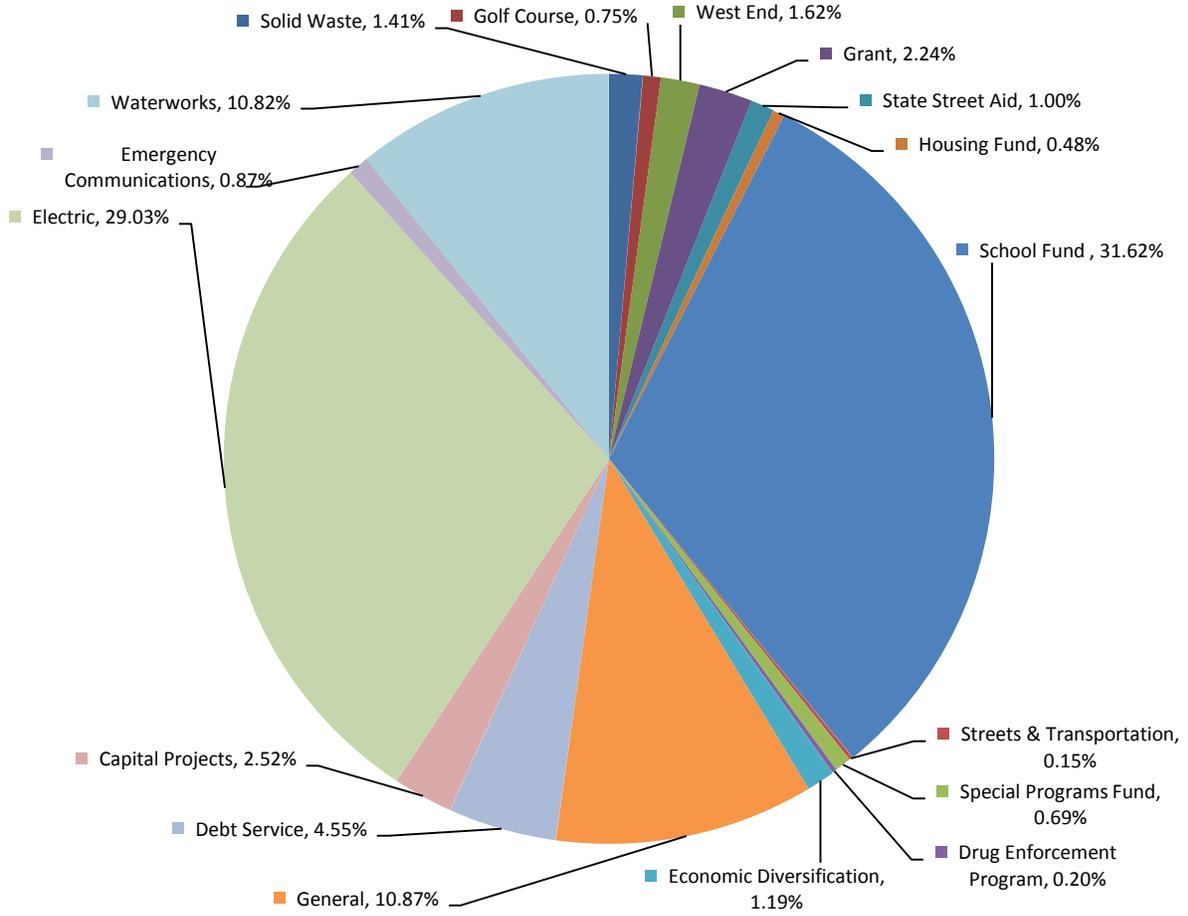
A combined summary spreadsheet of the revenues and expenditures for all City Funds is presented on the next page. The City's budgeted expenditures/expenses for fiscal 2012 for City Funds total \$178,906,642. Individual Fund schedules contained throughout this document provide comparisons between the fiscal 2011 and 2012 budgeted expenditures/expenses, as well as actual 2010 and projected 2011 expenditures/expenses for each Fund.



Summary of Revenues, Expenditures & Change in Fund Balance/Net Assets- All Funds – FY 2012

	SPECIAL REVENUE FUNDS													ENTERPRISE FUNDS				Total All Funds
	General Purpose School	Drug Enforcement Program	State Street Aid	Streets & Transpor- tation	Economic Diversi- fication Grant	Solid Waste	Golf Course	West End	Special Programs Fund	Housing Fund	Debt Service	Capital Projects	Electric	Waterworks	Emergency Communi- cations			
	General	School	Program	Aid	tation	Grant	Waste	Course	West End	Fund	Fund	Service	Projects	Electric	Waterworks	cations		
REVENUES:																		
Taxes	32,765,773	13,030,023	0	0	0	490,000	0	0	0	0	0	2,132,000	0	0	0	0	48,417,796	
Licenses & Permits	203,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	203,000	
Intergovernmental	3,153,426	23,690,569	110,000	753,000	200,125	1,000,000	3,828,150	0	0	0	0	892,732	707,652	0	0	1,301,791	35,637,445	
Charges for Services	341,070	488,100	0	0	0	0	1,007,000	0	0	0	550,000	0	0	54,308,005	21,367,300	250,000	78,311,475	
Fines & Forfeitures	362,000	0	55,000	0	0	0	0	0	0	625,000	0	0	0	0	0	0	1,042,000	
Other	508,000	4,182,538	1,750	500	0	106,920	0	1,347,000	2,625,588	150	100	40,000	5,000	839,866	115,074	1,400	9,773,886	
Total Revenues	37,333,269	41,391,230	166,750	753,500	200,125	1,596,920	3,828,150	1,007,000	1,347,000	2,625,588	625,150	550,100	3,064,732	712,652	55,147,871	21,482,374	1,553,191	173,385,602
EXPENDITURES:																		
Administration	0	0	0	285,000	0	0	0	0	0	0	0	0	0	0	0	0	285,000	
General Government	1,885,557	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,885,557	
Police	6,187,683	0	350,000	0	0	0	0	0	0	0	0	0	0	0	0	0	6,537,683	
Fire	4,327,324	0	0	0	0	0	0	0	2,893,000	0	0	0	0	0	0	0	7,220,324	
Public Works	2,058,588	0	0	434,000	0	0	0	0	0	0	0	0	0	0	0	0	2,492,588	
Community Development	713,972	0	0	0	0	0	0	0	0	0	850,000	0	0	0	0	0	1,563,972	
Recreation & Parks	2,863,140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,863,140	
Library	1,416,986	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,416,986	
Economic Development	0	0	0	260,000	2,131,000	0	0	0	0	0	0	0	0	0	0	0	2,391,000	
Other Activities	0	0	0	0	0	4,000,000	2,531,170	0	1,243,000	0	0	0	0	0	1,554,000	0	9,328,170	
Education	0	56,575,222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56,575,222	
Capital Outlay	0	0	0	1,065,000	0	0	0	0	0	0	0	0	4,500,000	0	0	0	5,565,000	
Debt Service	0	0	0	0	0	0	0	0	0	0	8,142,000	0	1,052,940	1,635,000	0	0	10,829,940	
Golf Operations	0	0	0	0	0	0	0	1,335,000	0	0	0	0	0	0	0	0	1,335,000	
Utility Operation	0	0	0	0	0	0	0	0	0	0	0	0	50,890,060	17,727,000	0	0	68,617,060	
Total Expenditures	19,453,250	56,575,222	350,000	1,784,000	260,000	2,131,000	4,000,000	2,531,170	1,335,000	2,893,000	1,243,000	850,000	8,142,000	4,500,000	51,943,000	19,362,000	1,554,000	178,906,642
Excess (Deficiency) of Revenues over Expenditures	17,880,019	(15,183,992)	(183,250)	(1,030,500)	(59,875)	(534,080)	(171,850)	(1,524,170)	12,000	(267,412)	(617,850)	(299,900)	(5,077,268)	(3,787,348)	3,204,871	2,120,373	(809)	(5,521,041)
OTHER FINANCING SOURCES (USES):																		
Debt Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Private Sources	0	0	0	0	0	0	0	0	0	0	0	511,863	0	0	0	0	0	511,863
Contingency	0	0	0	0	0	0	0	0	0	0	0	500,351	1,424,569	0	0	0	0	1,924,920
Transfers In	2,765,000	14,629,302	0	653,000	55,000	296,000	171,850	1,524,170	0	0	0	300,000	3,045,000	2,012,000	0	0	0	25,451,322
Transfers Out	(22,140,322)	0	0	0	0	(250,000)	0	0	0	0	0	0	0	(1,544,000)	(1,517,000)	0	0	(25,451,322)
Total Other Financing Sources (Uses)	(19,375,322)	14,629,302	0	653,000	55,000	46,000	171,850	1,524,170	0	0	0	300,000	4,057,214	3,436,569	(1,544,000)	(1,517,000)	0	2,436,783
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(1,495,303)	(554,690)	(183,250)	(377,500)	(4,875)	(488,080)	0	0	12,000	(267,412)	(617,850)	100	(1,020,054)	(350,779)	1,660,871	603,373	(809)	(3,084,258)
ESTIMATED FUND BAL NET ASSETS 7/1/11																		
	8,606,603	3,689,349	244,833	429,254	29,444	626,462	38,154	0	1,062,174	677,257	650,150	0	11,919,433	1,398,031	27,469,654	48,856,923	749,377	106,447,098
ESTIMATED FUND BAL NET ASSETS 6/30/12																		
	7,111,300	3,134,659	61,583	51,754	24,569	138,382	38,154	0	1,074,174	409,845	32,300	100	10,899,379	1,047,252	29,130,525	49,460,296	748,568	103,362,840

Budgeted Expenditures \ Expenses – All Funds 2012



Outlined below is a comparison of the final budgeted expenditures/expenses from the fiscal 2011 and fiscal 2012 appropriation ordinances by Fund.

Fund	Budget	Budget	Change	
	FY 2011	FY 2012	Dollars	Percent
General Fund Municipal Operations	\$ 19,240,271	\$ 19,453,250	\$ 212,979	1.1%
General Purpose School Fund	55,150,933	56,575,222	1,424,289	2.5%
Drug Enforcement Program Fund	363,000	350,000	(13,000)	-3.7%
State Street Aid Fund	1,383,000	1,784,000	401,000	22.5%
Street & Public Transportation Fund	260,000	260,000	-	0.0%
Economic Diversification Fund	2,837,000	2,131,000	(706,000)	-33.1%
Grant Fund	4,500,000	4,000,000	(500,000)	-12.5%
Solid Waste Fund	2,460,300	2,531,170	70,870	2.8%
Golf Course Fund	1,335,000	1,335,000	-	0.0%
West End Fund	2,750,000	2,893,000	143,000	4.9%
Special Programs Fund	900,000	1,243,000	343,000	27.6%
Housing Fund	0	850,000	850,000	100.0%
Debt Service Fund	8,655,000	8,142,000	(513,000)	-6.3%
Capital Projects Fund	4,750,000	4,500,000	(250,000)	-5.6%
Electric Fund	55,610,000	51,943,000	(3,667,000)	-7.1%
Waterworks Fund	18,850,000	19,362,000	512,000	2.6%
Emergency Communications District Fund	545,000	1,554,000	1,009,000	64.9%
TOTAL ALL FUNDS	\$ 179,589,504	\$ 178,906,642	\$ (682,862)	-0.4%

The decreased budgeted expenditures in the Drug Enforcement Program and Economic Diversification Funds reflect a reduction in reliance on existing fund balances for current year funding. These Funds have both had one-time or unusually high revenue occurrence in past fiscal years with spending of those revenues occurring in later fiscal years. The budgeted expenditure changes in the General, General Purpose School, and Solid Waste Funds are primarily inflationary in nature. The reductions in budgeted expenditures in the Grant, Debt Service and Capital Projects are due to the completion of one-time projects or to reduction contingency amounts.

The \$401,000 increased appropriation in the State Street Aid Fund was made to flow expenditures for street resurfacing to the proper fiscal year. Street resurfacing is generally done in the summer and funded from prior fiscal year encumbrances.

The \$143,000 increase in the West End Fund is for contingency funding for expenditures that might be required under the renewal of the services contract with the United States Department of Energy that funds the operations of the West End Fund.

The Special Programs Fund was added as a new Fund in fiscal 2011 to account for the revenues from Photo Enforcement Cameras. In April 2011, City Council authorized the use of Special Program Funds for transportation enforcement projects; for traffic capacity and traffic safety improvements; and school crossing and bicycle/pedestrian safety improvements. The \$343,000 increase in budgeted expenditures reflects the expenditure of fund balance accumulated during fiscal 2011.

The Housing Fund, a special revenue fund, was added in fiscal 2012 with an initial appropriation of \$850,000 to account for the City's housing initiatives. Initial funding is to be provided from operating transfers from the General and Economic Diversification Funds.

The \$3,667,000 decrease in budgeted expenses in the Electric Fund is to match currently occurring expense levels, primarily from the stabilization of the monthly electric rate adjustment for fuel cost adjustments by TVA.

The \$512,000 increase in the Waterworks Fund is for increased wastewater operational expenses resulting from an Administrative Order (AO) from the US Environmental Protection Agency (EPA). The EPA order will result in significant capital improvements and operational expenses over the next few fiscal years. Estimates were made for fiscal 2012 based on information available at the time of the budget was prepared. The City is currently in a discover stage to determine the extent of work that will be required to meet the AO.

The \$1,009,000 increase in the budgeted expenses in the Emergency Communications Fund is the result of grant funding for enhancements to the City's wireless communication system. Equipment purchases exceeding \$5,000 will be capitalized.

FY 2012 Fund Balances/Net Assets

Outlined below is a comparison of the change in the projected ending fiscal 2011 and fiscal 2012 fund balances or net assets by Fund. Fund Balance is represents the accumulated residual of revenues over expenditures since the inception of the Fund. The fund balance below is that portion representing expendable available financial resources.

	FY 2011	FY 2012	Change	
			Dollars	Percent
<u>FUND BALANCE</u>				
General Fund	\$ 8,606,603	\$ 7,111,300	\$(1,495,303)	-17.4%
General Purpose School Fund	3,689,349	3,134,659	(554,690)	-15.0%
Drug Enforcement Program Fund	244,833	61,583	(183,250)	-74.8%
State Street Aid Fund	429,254	51,754	(377,500)	-87.9%
Street & Public Transportation Fund	29,444	24,569	(4,875)	-16.6%
Economic Diversification Fund	626,462	138,382	(488,080)	-77.9%
Grant Fund	38,154	38,154	-	0.0%
Solid Waste Fund	-	-	-	0.0%
Golf Course Fund	1,062,174	1,074,174	12,000	1.1%
West End Fund	677,257	409,845	(267,412)	-39.5%
Special Programs Fund	650,150	32,300	(617,850)	-95.0%
Housing Fund	-	100	100	100.0%
Debt Service Fund	11,919,433	10,899,379	(1,020,054)	-8.6%
Capital Projects Fund	1,398,031	1,047,252	(350,779)	-25.1%
TOTAL FUND BALANCES	\$ 29,371,144	\$ 24,023,451	\$(5,347,693)	-1820.7%
<u>NET ASSETS</u>				
Electric Fund	\$ 27,469,654	\$ 29,130,525	\$ 1,660,871	604.6%
Waterworks Fund	48,856,923	49,460,296	603,373	123.5%
Emergency Communications District Fund	749,377	748,568	(809)	-10.8%
TOTAL NET ASSETS	\$ 77,075,954	\$ 79,339,389	\$ 2,263,435	293.7%

The fund balance of the General Fund is projected to decrease \$1,495,303 in fiscal 2012. The budget assumptions adopted by City Council require a minimum fund balance in the General Fund of \$5,000,000. At the end of fiscal 2012, the fund balance of the General Fund is projected to be \$7,111,300. In fiscal 2012, the operating transfers from the General Fund to the Capital Projects Fund increased by \$1,535,729. In fiscal 2013, this operating transfer amount will need to be reduced or replaced by increased revenues, most likely from an increase in the property tax rate.

Under Tennessee State law, the fund balance of the General Purpose School Fund can only be expended in the event of a revenue shortfall or unforeseen expenditure until the fund balance exceeds three percent of operating expenditures. The accumulated Fund Balance in excess of three percent of budgeted annual operating expenditures may be budgeted and expended for nonrecurring purposes, but shall not be used to satisfy appropriation requirements for recurring annual operating expenditures. In fiscal 2011, the General Purpose School Fund has a budgeted fund balance draw of \$554,690 that will be utilized for capital and other nonrecurring expenditures.

Due to the type of revenues in these funds, the Grant and Solid Waste Funds are generally budgeted so that revenues and expenditures are approximately equal and result in only nominal fund balance fluctuations between fiscal years. Operating transfers from other City Funds equate revenues and expenditures of the Solid Waste Fund. Revenues for the Grant Fund are comprised primarily from state and federal grants.

The Drug Enforcement Program Fund has a limited revenue stream on which to draw for drug enforcement and education programs and therefore generally maintains a nominal fund balance. The fund balance of the Drug Enforcement Program Fund has grown over the past couple of years due to revenues from equitable shared proceeds from the US Department of Justice, the US Marshall's Service and the IRS. The revenue from these federal entities is based on the sharing of net proceeds from the disposition of assets on federal cases with participating local entities and does not provide a consistent revenue stream.

Revenues for the State Street Aid and Streets and Public Transportation Funds are primarily provided by state-shared motor fuel taxes and state grants. Fluctuations in fund balance in the State Street Aid Fund result primarily from the timing of street resurfacing projects. The General Fund also provides additional funding through operating transfers to these two Funds to support operations.

In fiscal 2000, the Economic Diversification Fund was established to accumulate resources and account for an enhanced concentration on economic development activities by the City. A significant portion of the fund balance was initially created from the sales of City owned properties that were not being utilized by the City for service delivery. Expenditure levels and resultant fund balance will vary from year-to-year based on the economic development opportunities that occur in a particular fiscal year. At some point, fund expenditures levels will need to be reduced to match the current revenue stream in this fund. The fund balance is projected at \$138,382 at the end of fiscal 2012.

The \$267,412 projected reduction in fund balance in the West End Fund is for contingencies expenditures related to the contract renewal for fire and emergency medical services that the City provides under a contract with the US Department of Energy. The contract is expected to be renewed during late fiscal 2011. The Special Programs Fund was a newly created fund in fiscal 2011 and therefore had nominal expenditures during fiscal 2011. The projected \$617,850 reduction in the fund balance of Special Programs Fund during 2012 reflects the expenditure of fund balance created during fiscal 2011.

The fund balance in the Debt Service Fund is primarily from local sales tax proceeds that have accumulated to fund future debt service requirements on the nearly \$68,000,000 in long-term debt issued for the Oak Ridge High School (ORHS) project. Interest was capitalized and paid from long-term debt proceeds during the renovation period. 18.18% of the City and Schools sales tax collections in the Anderson County portion of Oak Ridge will be used to fund the annual debt service for debt issued for the ORHS project until all debt for this project has been extinguished. The \$1,020,054 projected decrease in fund balance of the Debt Service Fund reflects the utilization of the sales tax proceeds that accumulated

during the construction phase of the ORHS project. The fund balance of the Debt Service Fund is estimated at \$10,899,379 at the end of fiscal 2012.

The fund balance of the Capital Projects Fund, projected to decrease \$350,779 in fiscal 2012, can vary greatly from year-to-year depending on the timing of long-term debt issuances and the related capital project expenditures.

The Net Assets of the City's Enterprise Funds are projected to increase by \$2,263,435. \$1,660,871 of the increase is in the Electric Fund reflecting the stabilization of purchased power costs from TVA and an approximate 1.9% electric rate increase by the City in October 2010. The \$603,373 increase in the Waterworks Fund is from an anticipated rate increase in water and wastewater rates in fiscal 2012. The rate increases for wastewater are anticipated to be in the 30% to 50% range due to the EPA administrative order. Water and wastewater rates were last increased in the spring of 2008.

FY 2012 Salaries and Personnel

The fiscal 2012 authorized City employment of 396.56 staff years increased by .5 staff years over fiscal 2011 due to the addition of a part-time animal shelter attendant. Other funding changes included the elimination of split funding for two employees between the Economic Diversification Fund and their General Fund activity due to a change in the duties for these positions.

City employee salaries increased by 2% effective with the first pay period in July. Due to limited funding for salaries over the past few years, the 2% will basically be treated as a cost-of-living increase. Employees of the City are members of the benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS) that provides retirement benefits as well as death and disability benefits. The plan is fully funded by the City based on rates actuarially determined by TCRS on a biennial basis. The fiscal 2012 rate for the City's plan is 14.99% of covered wages. A new actuarial study will be conducted to calculate the fiscal 2013 rate.

Revisions to employee medical premiums are effective January 1 of each calendar year. The City's 2012 budgeted amounts for employee medical insurance remain at fiscal 2011 levels. In fiscal 2011, the medical insurance plans offered by the City's carrier, sponsored through the State of Tennessee, were revised to include more plan options and higher employee copays and deductibles. This resulted in a decrease in the City's costs for medical insurance for fiscal 2011. The City's share of funding for employee medical benefits is projected to increase by 10% over the fiscal 2011 base. Fiscal 2012 funding for worker's compensation increased \$20,000 citywide from fiscal 2011 amounts.

FY 2012 Agency Funding

The City provides funding to various agencies that either promotes economic development and/or tourism-related services for the City or that render services to the citizens of Oak Ridge. Agencies budgeted for funding for economic development and/or tourism services are the Convention & Visitors Bureau (CVB) at \$404,208, the Oak Ridge Chamber of Commerce at \$260,603, Innovation Valley at \$24,000, Anderson County Economic Development Association (ACEDA) at \$15,000 and Roane Alliance at \$10,000. Funding for these entities remained at the fiscal 2011 level with the exception of the Chamber, whose funding increased by \$18,668 due to an inflationary escalation clause in their contract.

Agencies budgeted for social service/cultural programs funding include Aid to Distressed Families of Appalachian Counties (ADFAC) (\$140,000), Anderson County Health Council (ACHC) for the Healthy Start program (\$31,850), Arts Council of Oak Ridge (\$9,500) and Youth Advisory Board (\$9,000). These funding amounts are unchanged from fiscal 2011 levels.

FY 2012 Budget Change Summary

General Fund

The General Fund 2012 budget was developed utilizing the Budget Assumptions adopted by City Council on page II-3 of this document. They are as follows:

- Fiscal 2012 municipal expenditure estimates include adjustments necessary to maintain current service levels (fuel, energy, contractual agreements, equipment charges, etc.);
- Municipal salaries contain a 2% increase adjustment;
- Municipal expenditure growth budgeted at 1%;
- School operational transfer growth budgeted at 1%;
- Retain fiscal 2011 property tax rate of \$2.39 per one hundred dollars of assessed valuation;
- Retain minimum fund balance in the General Fund of \$5,000,000;
- City and School fiscal 2012 capital project allotment of \$750,000 each fully funded by the operating transfer from the General Fund;
- Major construction and renovation capital projects requiring the issuance of long-term debt whose principal and interest will be funded by the General Fund are deferred until fiscal 2015;
- The General Fund to provide an operating transfer of \$50,000 to the newly created Housing Fund.

The City's 2012 appropriated budget for General Fund municipal expenditures is \$19,453,250, a \$212,979 or 1.1%, increase over the prior fiscal year. The 2% salary adjustment for existing employees was funded in part by salary savings from retirements and turnover in City staff during fiscal 2012. Funding for budgeted 2011 line items were reviewed and reallocated in 2012 based on current funding needs wherever possible. The areas where increased funding was required in 2012 were utilities, fuel and contracted professional services

Operating transfers from the General Fund to other City Funds increased \$1,043,770 or 5.7%. The operational transfer to the General Purpose School Fund increased by \$159,171 or 1.1%. The operating transfer to the Capital Projects Fund increased by \$1,535,729 to \$2,012,000. This increased funding will provide the City and Schools each with \$750,000 to fund this year's planned capital maintenance items. The transfer also provides for the expenditure of \$500,000 to Roane State Community College as the City's contribution for expansion to the Oak Ridge campus. This donation will assist the College in its required match for state and federal grants to construct an \$11.5 million, 43,000 square-foot building that will allow the college to offer new programs such as surgical, medical lab and ultrasound technology. Classes should begin as early as January 2014. The Oak Ridge campus serves almost 2,600 students each semester. The \$500,000 donation will be funded by a comparable reduction in the 2012 operating transfer to the Debt Service Fund resulting from savings generated from debt refunding's in fiscal 2011.

General Fund revenues continue to be strong, primarily due to increased levels of local sales tax collections resulting from stimulus spending by federal contractors located in Oak Ridge. The local Oak Ridge economy has not been impacted as greatly as other areas of Tennessee by the nationwide economic downturn. General Fund budgeted 2012 revenues, excluding operating transfers and fund balance draw, are projected to increase \$1,185,446 or 3.3%. The fiscal 2012 budget for local sales tax collections was increased by \$1,100,000 to \$9,500,000, based on actual collections for the past two fiscal years. These collections are anticipated to decline over fiscal years 2013 and 2014 due to reduced stimulus funding. There are potential new federal projects that could generate new local sales tax dollars to replace the decline in sales tax collections resulting from dwindling stimulus funding.

Property assessment growth is projected to be flat with actual 2011 assessments. From a budgetary standpoint, this is a \$253,000 or 1.3%, decrease from budget 2011. Interest and penalty collections from delinquent taxes are projected to increase \$30,000 and in-lieu of property tax payments from private development and DOE are budgeted \$94,000 and \$186,750 higher, respectively.

Other revenue budgetary changes include an increase of \$52,000 in business tax collections, a \$73,426 overall increase in state shared tax collections and additional \$21,070 generated from charges for City services. This is offset in part by a \$100,000 budgeted reduction in interest earnings due to continuing low interest rates.

Other financing sources of \$1,765,000 are budgeted from operating transfers in from in-lieu of tax payments from the City's Electric and Waterworks Funds. These payments are projected to increase by \$265,000 over the prior fiscal year due to increased net asset values from capital projects completed in those Funds in fiscal 2011.

The fund balance of the General Fund is projected to decrease \$1,495,303 in fiscal 2012. The budget assumptions adopted by City Council require a minimum fund balance in the General Fund of \$5,000,000. At the end of fiscal 2012, the fund balance of the General Fund is projected at \$7,111,300.

Special Revenue Funds

The city has eleven special revenue funds. A major change for fiscal 2012 was the addition of a new Fund, the Housing Fund, to account for the City's new housing initiative programs. The Fund will be established from a \$50,000 operating transfer from the General Fund and a \$250,000 operating transfer from the Economic Diversification Fund. The addition of this Fund is part of the City's developing "Not in Our City" campaign to accelerate the City's response to crime and code violations in the City, in particular in legacy WWII housing areas to prevent further blighting and decline in property values. The Fund was established with an initial appropriation of \$850,000 with additional funding sources to be determined as the campaign progresses.

In fiscal 2011, the City added a new Special Programs Fund to account for the revenues from photo enforcement cameras. For fiscal 2011, the Special Programs Fund was established with a budgeted appropriation of \$900,000 with City Council to determine the purpose for which the funds were to be spent during the fiscal year. On April 11, 2011, City Council adopted resolution number 4-30-11 which authorized the use of Special Programs Funds for transportation enhancement projects for traffic capacity/safety improvements, school crossing and bicycle/pedestrian safety improvements. No funds are projected to be spent during fiscal 2011. Budgeted expenditures were appropriated at \$1,243,000 for fiscal 2012 and expenditures will include \$17,760 in funding toward the salaries of the police officers that review and issue the speeding and red light violations.

The West End Fund was established to account for the operations of the west end City fire station number 4 located in the far west end of Oak Ridge at East Tennessee Technology Park (ETTP). ETTP contains the K-25 federal facility built to process enriched uranium used for development of the atomic bomb during WWII. The US Department of Energy (DOE) is in the process of dismantling and demolishing much of the K-25 facility and has been turning services that were provided to the facility by DOE contractors that typically would be provided by a City, including fire and emergency medical services, over to the City to operate. In 2007, the City signed a 4-year agreement with DOE for DOE's site contractor to reimburse the City's cost to operate fire and emergency services at ETTP at an estimated amount of \$10,000,000. The contract expires on September 30, 2011. The City anticipates renewal of the contract. \$2,893,000 was budgeted for fiscal 2012 operations of the west end fire station (West End Fund). The budget was increased by \$143,000 over fiscal 2011 levels to provide for contingency expenditures that might be required as a result of contract negotiations with DOE.

The City's Economic Diversification (ED) Fund was established in 2000 to set aside funding to promote diversification of the Oak Ridge economic base, create and protect jobs and provide for the common wealth of current and future Oak Ridgers. Fund balance was initially created from the proceeds from the sales of excess City owned land. The current revenue stream is provided primarily from Hotel/Motel tax collections and operating transfers from other City funds. Annual budgeted expenditures have consistently exceeded anticipated revenues, utilizing fund balance draws to fund the excess expenditure

levels. The ED Fund's budgeted appropriation for fiscal 2012 is \$2,131,000, a reduction of \$706,000 from fiscal 2011 amounts. This reduction reflects the dwindling of the fund balance of the ED Fund, which is projected at \$138,382 at the end of fiscal 2012. Reductions included removal of the funding for two positions that were shared with other City departments. These positions are now fully funded out of the City's General Fund. Programs funded will need to be eliminated or reduced for fiscal 2013 if additional revenue sources are not obtained to support fund operations.

The fiscal 2012 budget for the General Purpose School Fund is \$56,575,222 for fiscal 2012, a 2.6% increase over the prior fiscal year. The operational transfer to the Oak Ridge Schools was set at \$14,692,302, a \$159,171 or 1.1% increase over fiscal 2011. The operating transfer percentage increase was set at 1.1% in order to retain the property tax rate at the prior year's rate.

Changes in the remaining special revenue funds - Drug Enforcement, State Street Aid, Streets and Public Transportation, Grant, Solid Waste and Golf Course Funds - were routine and primarily inflationary in nature.

Enterprise Funds

The City has three Enterprise Funds, Electric, Waterworks and Emergency Communications District. Electric Fund revenues were budgeted at \$55,147,871 and expenses and operating transfers out at \$53,487,000. The fiscal 2011 budget was based on prior year's fluctuations in revenues and purchased power due to the TVA fuel cost adjustment (FCA), which is passed on through the electric rates to the City's customers. In October 2009, the FCA was changed from quarterly to monthly which has seemed to stabilize some of the volatility in the rates that was occurring. Reductions in budgeted revenues and expenses were primarily to reflect the stabilization in of electric rates.

In April 2011, TVA had a major restructuring of electric wholesale rates for power purchased by distributors from TVA. The end use wholesale billing system was discontinued and replaced with a seasonal rate structure. The end use billing system was established in the early 1990's to prevent swings between revenues received by distributors from their customers and payments by distributors to TVA for wholesale power purchases. Under the seasonal rate structure swings will occur. Resultantly, distributors, such as the City, will be required to maintain higher cash reserve levels to ensure adequate funds are on hand to meet operating costs, including purchased power. The City increased electric rates 1.9% in October 2010 in preparation of this change.

On September 27, 2010, the City received an administrative order (AO) from the United States Environmental Protection Agency (EPA). The City was found to be in violation of Section 301 of the Clean Water Act (CWA), 33 U.S.C. Section 1311 regarding the City wastewater infrastructure. The City has been given a timetable and actions to be made to remedy the violations with various deadlines from two to twenty-four months. The AO requires the City to provide additional information regarding the violations, develop plans to evaluate and resolve the issues described, and based on the plans, make changes to policies and construct assets if necessary. The plans must be approved by EPA. Failure to comply with the AO may subject the City to certain penalties.

The City is in the process of performing system reviews including city-wide smoke testing and tving of sewer lines. At this time, the cost of required capital projects and the increase in additional ongoing operating expenses to maintain the system are not known. Debt issuances to fund capital expenditures over the next couple of years are projected in the \$10,000,000 to \$20,000,000 range. A \$10,000,000 debt issuance is planned in early fiscal 2012.

Both a water and wastewater rate increases are planned for fiscal 2012. The wastewater rate increase is expected to be significant based the capital and ongoing operating expenses required to meet the AO. The challenges for the water system will be a continuation of declining sales volume from DOE.

In the City's Emergency Communications District Fund, revenues are budgeted at \$1,553,191 and expenses at \$1,554,000. The increases in revenues and expenses from the prior fiscal year are primarily due to a grant from the US Department of Justice to enhance and extend the range of the City's 800 MHz radio system.

Challenges and Strategies

A primary focus of the annual budget process is the revenues and expenditures/operating transfers out of the General Fund and the resulting impact on the property tax rate. As with past fiscal years, a major part of the budget assumptions adopted by City Council (see page II-4 for 2012 budget assumptions) and used by City staff to prepare the current year's budget are specifically aimed at retaining a flat property tax rate. Increases in municipal expenditures and operating transfers to the Oak Ridge schools have been restricted to specific percentage increases over the prior year's budget to achieve a flat property tax rate. For fiscal 2012, this was a 1.1% increase.

City revenues from local sales taxes collections have been unusually high for the past two fiscal years due to expenditures by federal contractors from stimulus grant awards. As federal funding to local contractors from stimulus awards diminish, the City anticipates reductions in local sales tax collections if the stimulus spending is not replaced by spending for new or expanded federal programs or through expansion in the retail sector in Oak Ridge. In this regard, the City is aggressively pursuing expansion opportunities in the local retail sector.

In fiscal 2012, the General Fund has a projected fund balance draw of \$1,495,303. This level of fund balance draw cannot be sustained and future property tax increases will most likely be required to retain current expenditure levels. The City utilizes a multiyear model to calculate the required current budget year property tax rate and forecast future year property tax rates based on projected levels of General Fund revenues, expenditures and operating transfers. The current General Fund multiyear model discussion is located on pages III-20 to III-22 of this document. The model currently projects 10-cent property tax rate increases on each of the next three years.

In fiscal 2012, the City will be embarking on a new program "Not in Our City" to deal with housing and housing related issues. The "Not in Our City" campaign will address drugs and crime, eliminate blighted residential structures, improve housing conditions and make Oak Ridge a better place to live and invest. This revitalization, in particular in the legacy WWII neighborhoods, will result in safer neighborhoods and stabilize and/or increase property values in those areas.

City of Oak Ridge
2010-2012 Summary of Financial Sources and Uses
Governmental Funds

	General Fund				Special Revenue Funds			
	2010 Actual	2011 Budget	2011 Projected	2012 Budget	2010 Actual	2011 Budget	2011 Projected	2012 Budget
REVENUES:								
Taxes	31,567,744	31,556,023	32,070,773	32,765,773	13,139,902	13,105,195	13,393,412	13,520,023
Licenses & Permits	243,947	227,000	173,500	203,000	-	-	-	-
Intergovernmental	3,085,662	3,079,800	3,137,891	3,153,426	23,939,453	29,756,486	24,858,444	29,581,844
Charges for Services	308,894	320,000	318,060	341,070	1,715,198	1,591,675	1,526,455	2,045,100
Fines & Forfeitures	1,325,167	362,000	329,000	362,000	54,327	955,000	680,453	680,000
Other	514,109	603,000	510,500	508,000	7,014,932	7,406,123	7,285,114	8,264,546
Total Revenues	37,045,523	36,147,823	36,539,724	37,333,269	45,863,812	52,814,479	47,743,878	54,091,513
EXPENDITURES:								
Administration	-	-	-	-	254,247	274,000	258,000	285,000
General Government	1,715,553	1,846,191	1,862,179	1,885,557	-	-	-	-
Police	6,101,740	6,099,769	6,081,012	6,187,683	148,095	363,000	190,839	350,000
Fire	4,186,010	4,397,714	4,229,193	4,327,324	2,358,966	2,750,000	2,232,272	2,893,000
Public Works	1,857,204	2,029,739	1,973,165	2,058,588	575,730	434,000	647,812	434,000
Community Development	671,099	706,042	692,211	713,972	-	-	-	850,000
Recreation & Parks	2,600,468	2,771,498	2,696,075	2,863,140	-	-	-	-
Library	1,305,307	1,389,318	1,344,791	1,416,986	-	-	-	-
Economic Development	-	-	-	-	1,378,761	3,097,000	1,400,217	2,391,000
Other Activities	-	-	-	-	3,095,789	7,860,300	3,258,093	7,774,170
Education	-	-	-	-	52,101,865	55,150,933	54,708,571	56,575,222
Capital Outlay	-	-	-	-	462,115	675,000	300,000	1,065,000
Debt Service	-	-	-	-	-	-	-	-
Golf Operations	-	-	-	-	1,092,437	1,335,000	1,177,910	1,335,000
Total Expenditures	18,437,381	19,240,271	18,878,626	19,453,250	61,468,005	71,939,233	64,173,714	73,952,392
Excess (Deficiency) of Revenues over Expenditures	18,608,142	16,907,552	17,661,098	17,880,019	(15,604,193)	(19,124,754)	(16,429,836)	(19,860,879)
OTHER FINANCING SOURCES (USES):								
Debt Proceeds	-	-	-	-	413,042	-	-	-
Debt Premium	-	-	-	-	-	-	-	-
Debt Redeemed	-	-	-	-	-	-	-	-
Private Sources	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Transfers In	2,500,515	2,500,000	2,685,281	2,765,000	16,101,345	17,106,281	17,048,445	17,629,322
Transfers Out	(19,275,357)	(20,831,552)	(20,773,716)	(22,140,322)	-	-	-	(250,000)
Total Other Financing Sources (Uses)	(16,774,842)	(18,331,552)	(18,088,435)	(19,375,322)	16,514,387	17,106,281	17,048,445	17,379,322
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	1,833,300	(1,424,000)	(427,337)	(1,495,303)	910,194	(2,018,473)	618,609	(2,481,557)
FUND BALANCE - 7/1	7,200,640	8,300,655	9,033,940	8,606,603	5,918,274	6,499,191	6,828,468	7,447,077
FUND BALANCE - 6/30	9,033,940	6,876,655	8,606,603	7,111,300	6,828,468	4,480,718	7,447,077	4,965,520

City of Oak Ridge
2010-2012 Summary of Financial Sources and Uses
Governmental Funds

	Debt Service Fund				Capital Projects Fund			
	2010 Actual	2011 Budget	2011 Projected	2012 Budget	2010 Actual	2011 Budget	2011 Projected	2012 Budget
REVENUES:								
Taxes	2,129,490	2,021,000	2,132,000	2,132,000	-	-	-	-
Licenses & Permits	-	-	-	-	-	-	-	-
Intergovernmental	892,732	892,732	892,732	892,732	-	691,000	3,348	707,652
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Other	30,206	110,000	35,000	40,000	10,239	35,000	4,500	5,000
Total Revenues	3,052,428	3,023,732	3,059,732	3,064,732	10,239	726,000	7,848	712,652
EXPENDITURES:								
Administration	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-
Recreation & Parks	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-
Other Activities	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	1,163,455	4,750,000	1,474,264	4,500,000
Debt Service	7,289,833	8,655,000	7,503,574	8,142,000	-	-	-	-
Golf Operations	-	-	-	-	-	-	-	-
Total Expenditures	7,289,833	8,655,000	7,503,574	8,142,000	1,163,455	4,750,000	1,474,264	4,500,000
Excess (Deficiency) of Revenues over Expenditures	(4,237,405)	(5,631,268)	(4,443,842)	(5,077,268)	(1,153,216)	(4,024,000)	(1,466,416)	(3,787,348)
OTHER FINANCING SOURCES (USES):								
Debt Proceeds	10,133,002	-	7,420,000	-	8,949,917	-	-	-
Debt Premium	112,802	-	151,047	-	-	-	-	-
Debt Redeemed	(10,058,002)	-	(7,470,000)	-	-	-	-	-
Private Sources	402,146	511,863	403,366	511,863	-	-	-	-
Contingency	-	729,459	-	500,351	-	1,911,000	-	1,424,569
Transfers In	9,847,520	3,545,000	3,545,000	3,045,000	79,975	476,271	476,271	2,012,000
Transfers Out	-	-	-	-	(6,347,520)	-	-	-
Total Other Financing Sources (Uses)	10,437,468	4,786,322	4,049,413	4,057,214	2,682,372	2,387,271	476,271	3,436,569
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	6,200,063	(844,946)	(394,429)	(1,020,054)	1,529,156	(1,636,729)	(990,145)	(350,779)
FUND BALANCE - 7/1	6,113,799	12,123,594	12,313,862	11,919,433	859,020	1,818,616	2,388,176	1,398,031
FUND BALANCE - 6/30	12,313,862	11,278,648	11,919,433	10,899,379	2,388,176	181,887	1,398,031	1,047,252

City of Oak Ridge
2010-2012 Summary of Financial Sources and Uses
Governmental Funds

	Total Governmental Funds			
	2010 Actual	2011 Budget	2011 Projected	2012 Budget
REVENUES:				
Taxes	46,837,136	46,682,218	47,596,185	48,417,796
Licenses & Permits	243,947	227,000	173,500	203,000
Intergovernmental	27,917,847	34,420,018	28,892,415	34,335,654
Charges for Services	2,024,092	1,911,675	1,844,515	2,386,170
Fines & Forfeitures	1,379,494	1,317,000	1,009,453	1,042,000
Other	7,569,486	8,154,123	7,835,114	8,817,546
Total Revenues	85,972,002	92,712,034	87,351,182	95,202,166
EXPENDITURES:				
Administration	254,247	274,000	258,000	285,000
General Government	1,715,553	1,846,191	1,862,179	1,885,557
Police	6,249,835	6,462,769	6,271,851	6,537,683
Fire	6,544,976	7,147,714	6,461,465	7,220,324
Public Works	2,432,934	2,463,739	2,620,977	2,492,588
Community Development	671,099	706,042	692,211	1,563,972
Recreation & Parks	2,600,468	2,771,498	2,696,075	2,863,140
Library	1,305,307	1,389,318	1,344,791	1,416,986
Economic Development	1,378,761	3,097,000	1,400,217	2,391,000
Other Activities	3,095,789	7,860,300	3,258,093	7,774,170
Education	52,101,865	55,150,933	54,708,571	56,575,222
Capital Outlay	1,625,570	5,425,000	1,774,264	5,565,000
Debt Service	7,289,833	8,655,000	7,503,574	8,142,000
Golf Operations	1,092,437	1,335,000	1,177,910	1,335,000
Total Expenditures	88,358,674	104,584,504	92,030,178	106,047,642
Excess (Deficiency) of Revenues over Expenditures	(2,386,672)	(11,872,470)	(4,678,996)	(10,845,476)
OTHER FINANCING SOURCES (USES):				
Debt Proceeds	19,495,961	-	7,420,000	-
Debt Premium	112,802	-	151,047	-
Debt Redeemed	(10,058,002)	-	(7,470,000)	-
Private Sources	402,146	511,863	403,366	511,863
Contingency	-	2,640,459	-	1,924,920
Transfers In	28,529,355	23,627,552	23,754,997	25,451,322
Transfers Out	(25,622,877)	(20,831,552)	(20,773,716)	(22,390,322)
Total Other Financing Sources (Uses)	12,859,385	5,948,322	3,485,694	5,497,783
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	10,472,713	(5,924,148)	(1,193,302)	(5,347,693)
FUND BALANCE - 7/1	20,091,733	28,742,056	30,564,446	29,371,144
FUND BALANCE - 6/30	30,564,446	22,817,908	29,371,144	24,023,451

City of Oak Ridge
2010-2012 Summary of Financial Sources and Uses
Proprietary Funds

	Enterprise Funds				Internal Service Funds				Total Proprietary Funds			
	2010	2011	2011	2012	2010	2011	2011	2012	2010	2011	2011	2012
	Actual	Budget	Projected	Budget	Actual	Budget	Projected	Budget	Actual	Budget	Projected	Budget
OPERATING REVENUES:												
Intergovernmental	215,605	222,791	287,276	1,301,791	-	-	-	-	215,605	222,791	287,276	1,301,791
Charges for Services	67,548,332	79,645,546	73,171,603	76,034,879	11,067,529	11,707,890	11,696,439	12,006,270	78,615,861	91,353,436	84,868,042	88,041,149
Other	775,331	794,866	815,000	794,866	-	-	-	-	775,331	794,866	815,000	794,866
Total Operating Revenues	68,539,268	80,663,203	74,273,879	78,131,536	11,067,529	11,707,890	11,696,439	12,006,270	79,606,797	92,371,093	85,970,318	90,137,806
OPERATING EXPENDITURES:												
Other Activities	286,600	377,993	349,425	1,396,862	7,681,504	8,536,721	8,232,700	8,507,970	7,968,104	8,914,714	8,582,125	9,904,832
Power Purchased	36,808,220	44,669,844	40,880,000	41,373,125	-	-	-	-	36,808,220	44,669,844	40,880,000	41,373,125
Water Purchased	2,119,991	2,340,000	2,040,000	2,140,000	-	-	-	-	2,119,991	2,340,000	2,040,000	2,140,000
Operating Expenses	16,361,009	17,460,416	17,729,250	18,588,036	-	-	-	-	16,361,009	17,460,416	17,729,250	18,588,036
Maintenance Expenses	0	-	-	-	1,982,489	2,050,000	2,035,275	2,051,355	1,982,489	2,050,000	2,035,275	2,051,355
Depreciation and Amortization	6,197,379	6,547,685	6,483,691	6,637,677	809,981	955,000	913,040	955,000	7,007,360	7,502,685	7,396,731	7,592,677
Total Operating Expenditures	61,773,199	71,395,938	67,482,366	70,135,700	10,473,974	11,541,721	11,181,015	11,514,325	72,247,173	82,937,659	78,663,381	81,650,025
Operating Income (Loss)	6,766,069	9,267,265	6,791,513	7,995,836	593,555	166,169	515,424	491,945	7,359,624	9,433,434	7,306,937	8,487,781
Nonoperating Revenues												
(Expenses):												
Interest Revenue	54,083	37,126	50,400	51,900	7,846	8,000	7,035	7,000	61,929	45,126	57,435	58,900
Interest Expenses	(1,893,935)	(2,709,062)	(2,012,542)	(2,723,301)	(33,031)	(35,111)	(35,111)	(28,916)	(1,926,966)	(2,744,173)	(2,047,653)	(2,752,217)
Other income	0	-	-	-	17,472	22,000	5,000	20,000	17,472	22,000	5,000	20,000
Total Nonoperating Revenues (Expenses)	(1,839,852)	(2,671,936)	(1,962,142)	(2,671,401)	(7,713)	(5,111)	(23,076)	(1,916)	(1,847,565)	(2,677,047)	(1,985,218)	(2,673,317)
Change in Net Assets Before												
Operating Transfers:	4,926,217	6,595,329	4,829,371	5,324,435	585,842	166,169	515,424	491,945	9,207,189	12,110,481	9,292,155	11,161,098
Capital Contributions	185,089	-	-	-	154,393	-	-	-	339,482	-	-	-
Operating Transfers Out	(2,796,515)	(2,796,000)	(2,981,281)	(3,061,000)	-	-	-	-	(2,796,515)	(2,796,000)	(2,981,281)	(3,061,000)
Change in Net Assets	2,314,791	3,799,329	1,848,090	2,263,435	740,235	166,169	515,424	491,945	6,750,156	9,314,481	6,310,874	8,100,098
NET ASSETS 7/1	72,913,073	74,545,307	75,227,864	77,075,954	3,666,536	4,652,577	4,406,771	4,899,119	76,579,609	79,197,884	79,634,635	81,975,073
NET ASSETS 6/30/	75,227,864	78,344,636	77,075,954	79,339,389	4,406,771	4,818,746	4,922,195	5,391,064	83,329,765	88,512,365	85,945,509	90,075,171

III. GENERAL FUND

Table of Contents

General Fund	III-1
General Fund Revenues	III-2
Property Taxes	III-3
Local Sales Taxes	III-5
State Shared Taxes.....	III-8
Other Revenues.....	III-9
General Fund Expenditures	III-14
General Fund Operating Transfers	III-17
Multiyear Model	III-20
General Fund Budget Detail	III-23
General Fund Budget Summary	III-23
General Fund Summary of Revenues by Source	III-25
Summary of Gross Expenditures & Transfers by Object Code Classification	III-29
General Fund Expenditures & Operating Transfers	III-30
General Fund – Transfers to Other Funds, Interdepartmental Credits and Costs Recovered	III-31

GENERAL FUND

The General Fund is 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. police, fire, recreation, public works, general government, library, etc.) that are referred to in this document as municipal expenditures. Revenue generated through property tax collections is utilized to fund municipal expenditures and operating transfers of the General Fund. Property tax revenues are only used to support the functions or operations of other City and School Funds that are specifically identified as being financed through an operating transfer from the General Fund. For fiscal 2012, this is the General Purpose School, Debt Service, Capital Projects, Solid Waste, State Street Aid, Street & Public Transportation, Grant Fund and Housing Fund.



A budget summary is presented in the next section that outlines revenue, municipal expenditures and operating transfers of the General Fund. Municipal expenditures and operating transfers out for the General Fund are projected at \$41,593,572, an increase of \$1,521,749 or 3.8% from fiscal 2011 levels. Municipal expenditures are budgeted at \$19,453,250, up \$212,979 or 1.1%. Operating transfers out are budgeted at \$22,140,322, up \$1,308,770 or 6.3%. Included in operating transfers out is the City's contribution toward the operations of the Oak Ridge Schools, at \$14,629,302 up \$159,171 or 1.1%.

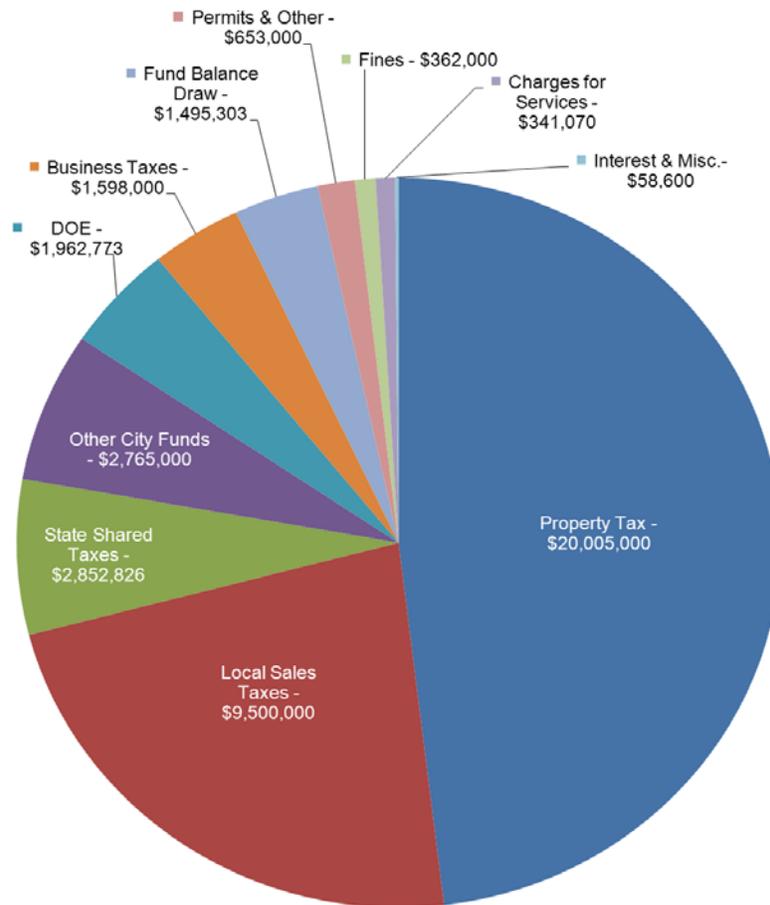
In order to maintain the property tax rate at the fiscal 2011 of \$2.39 per hundred dollars of assessed valuation, the increase in municipal expenditures and the operating transfer to the Oak Ridge Schools was limited to 1.1% above fiscal 2011 budgeted amounts. The \$212,979 additional funding in municipal expenditures will primarily be used for a 2% salary increase for City employees and funding for higher utility and fuel charges.

The Oak Ridge School Board requested an increase in the operating transfer from the City's General Fund of \$1,059,171 or 7.3%. To retain a flat property tax rate, this was reduced to an increase of \$159,171, or 1.1% over the fiscal 2011 funding amount. City Council approves the total legal expenditure appropriation for the General Purpose School Fund; however, City Council cannot alter any budget line item within the School's budget. The School Board reviews and may alter detail line items within the School's operating budget.

GENERAL FUND REVENUES

General Fund revenues for fiscal 2012 are projected at \$37,333,269, an increase of \$1,185,446 or 3.3% from the previous year. Additional funding of \$2,765,000 will be provided from in-lieu of property tax payments from the City's Electric and Waterworks Funds and a budgeted \$1,495,303 fund balance draw for fiscal 2012. At the end of fiscal 2011, the fund balance of the General Fund will be adequate enough to allow this draw while still maintaining adequate fund balance levels. The General Fund's primary revenue sources are from property taxes (48%), local sales taxes (23%), state-shared taxes (7%) and other City Funds (7%). A spreadsheet of the General Fund Budget Summary can be found on page III-23.

General Fund Revenues By Source, Budget 2012:



Property Taxes

The property tax rate is established by City Council each year to finance municipal expenditures and operating transfers of the General Fund. Property taxes are the General Fund's largest revenue source providing 48.1% of total General Fund revenues. They are budgeted at \$20,005,000 for 2012.

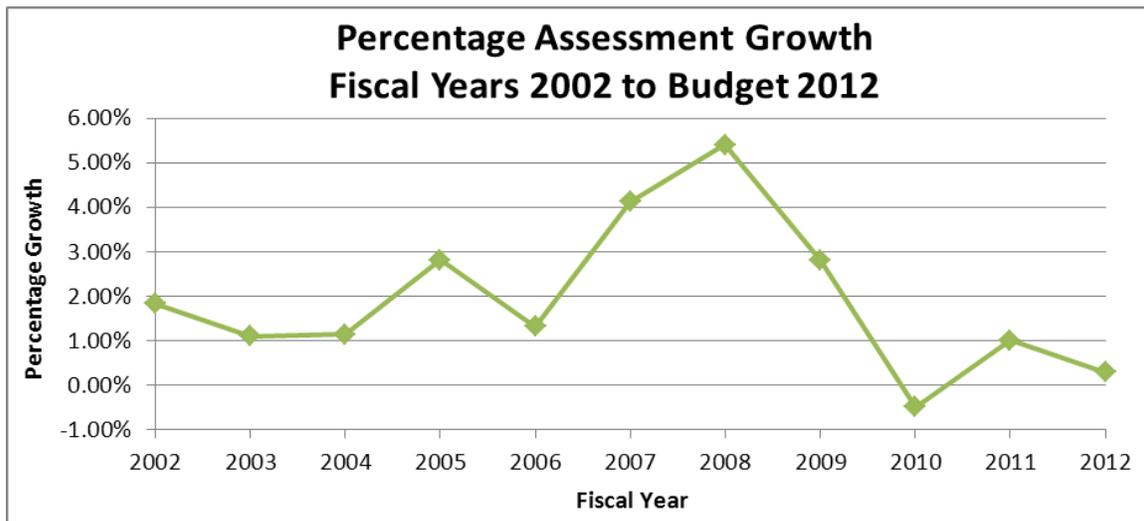
A reappraisal of property located in Oak Ridge was conducted for tax year 2010, which funded fiscal year 2011. The Tennessee State Board of Equalization "certified" the City 2010 tax year base property tax rate at \$2.39 per hundred dollars of assessed valuation. A property reappraisal is conducted every five years. Due to tax appeals attributed to the reappraisal and roll adjustments, the actual 2011 total assessed value was about 1.5% below budgeted levels. However, overall the actual property tax assessed value increased 17.8% from fiscal 2010 to fiscal 2011, predominately due to the reappraisal.

City Council adopted a property tax rate of \$2.39 per hundred dollars of assessed valuation to fund the City's fiscal 2012 expenditures by Ordinance 8-11 located on page II-13 of this document. Overall, the 2012 projected assessed valuations for real, personal property and public utilities are projected to drop 1.3% from fiscal 2011 projections based on actual 2011 valuations. Budgeted assessed valuations in fiscal 2012 are projected up only 0.29% over fiscal 2011 actual valuations reflecting the slowing of new development based on the status of the national economy.

Personal property assessments will fluctuate as assets move in or out of Oak Ridge and more so due to the rapid depreciation of high dollar technology assets located at taxable federal sites. The assessed valuation of public utilities, primarily phone infrastructure, has been declining for the past several years and this trend is expected to continue. The \$2.39 property tax rate is projected to generate \$19,370,000 in tax revenues from real, personal and public utilities assessments in fiscal 2012.

An additional \$125,000 is budgeted from interest and penalties on late tax payments and \$510,000 from in-lieu of tax payments based on rates established under separate contract with the City (i.e. reduced property taxes to locate business in Oak Ridge) or entities taxed under specific statutes (such as the Oak Ridge Housing Authority). Each penny on the property tax rate generates approximately \$88,000 in funding.

Located below is a chart indicating the assessment growth, actual 2002 through 2010 and projected 2011 and 2012. As the table shows, assessment growth has fluctuated over this time frame. Peaks during 2005, 2007 and 2008 were from the construction of large taxable commercial buildings on federal property.



**GENERAL FUND
ANALYSIS OF PROPERTY TAX REVENUES**

	ACTUAL FY 2010 <u>2009 LEVY</u>	BUDGET ** FY 2011 <u>2010 LEVY</u>	PROJECTED ** FY 2011 <u>2010 LEVY</u>	BUDGET FY 2012 <u>2011 LEVY</u>	BUDGET FY 12 vs 11	% CHANGE
ASSESSED VALUATION:						
Real Property	636,114,370	753,347,280	750,678,955	753,347,280	(0)	0.0
Personal Property	40,906,440	55,774,059	46,921,620	46,652,720	(9,121,339)	-16.4
Public Utilities	<u>8,596,571</u>	<u>11,924,686</u>	<u>10,508,868</u>	<u>10,460,250</u>	<u>(1,464,436)</u>	<u>-12.3</u>
Total Assessed Valuation	<u>685,617,381</u>	<u>821,046,025</u>	<u>808,109,443</u>	<u>810,460,250</u>	<u>(10,585,775)</u>	<u>-1.3</u>
TAX RATE PER \$100 VALUATION	2.77	2.39	2.39	2.39	0.00	0.0
PROPERTY TAX REVENUES:						
Real Property Taxes	17,071,683	18,005,000	17,310,000	18,005,000	(0)	0.0
Personal Property Taxes	1,124,048	1,333,000	1,115,000	1,115,000	(218,000)	-16.4
Public Utility Taxes	248,654	285,000	250,000	250,000	(35,000)	-12.3
Interest and Penalties	<u>183,257</u>	<u>95,000</u>	<u>170,000</u>	<u>125,000</u>	<u>30,000</u>	<u>31.6</u>
Total Property Tax Revenues	<u>18,627,642</u>	<u>19,718,000</u>	<u>18,845,000</u>	<u>19,495,000</u>	<u>(223,000)</u>	<u>-1.1</u>

NOTE: Estimated assessments are based on the following constitutionally established ratios: (a) Residential Real, 25 percent; (b) Commercial and Industrial Real, 40 percent, Personal 30 percent; (c) Public Utilities, 55 percent and 40 percent.

**PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
LAST TEN TAX YEARS**

FISCAL YEAR	ANDERSON COUNTY, TENNESSEE			ROANE COUNTY, TENNESSEE		
	CITY	COUNTY	TOTAL	CITY	COUNTY	TOTAL
2002	\$ 2.65	\$ 3.14	\$ 5.79	\$ 2.65	\$ 2.11	\$ 4.76
2003	2.94	3.14	6.08	2.94	2.11	5.05
2004	2.87	3.14	6.01	2.87	2.445	5.315
2005	2.87	3.22	6.09	2.87	2.445	5.315
2006 **	2.55	2.68	5.23 **	2.55	2.02	4.57
2007	2.55	2.68	5.23	2.55	2.02	4.57
2008	2.65	2.68	5.33	2.65	2.27	4.92
2009	2.77	2.68	5.45	2.77	2.27	5.04
2010	2.77	2.68	5.45	2.77	2.36	5.13
2011 **	2.39	2.26	4.65 **	2.39	1.9051	4.2951
2012	2.39	Not Available		2.39	Not Available	

The City of Oak Ridge is located in two Tennessee counties: Anderson and Roane. About 20 percent of the taxable real parcels are located in the Roane County section of Oak Ridge. All properties in Anderson County and Roane County sections of Oak Ridge were re-appraised in fiscal years 2006 and 2011.

** Tax reappraisal year

Fiscal 2012 Average Household Contribution per Month (Based on \$140,000 at a \$2.39 Tax Rate):

	FY 2012 <u>Monthly Contribution</u>	
Property Tax Supported Operations:		
School Operations	\$	24.52
Police		10.37
Solid Waste (includes monthly recycle \$7 fee)		9.55
Fire		7.25
Debt Service		5.10
Parks & Recreation		4.80
Capital Projects/Maintenance		3.37
General Government		3.16
City Building & Street Maintenance (Public Works)		2.73
Library		2.38
Traffic and Street Lighting		1.82
Community Development		1.58
Housing Initiatives		<u>0.08</u>
MONTHLY TAX TOTAL	\$	<u><u>76.71</u></u>
 Average Monthly Residential Utility Costs:		
Electricity	\$	123.95
Water		20.60
Wastewater		<u>23.80</u>
MONTHLY UTILITY TOTAL	\$	<u><u>168.35</u></u>

Local Sales Taxes

Local Sale Tax revenues are the General Fund's second largest revenue source at 22.84% of total General Fund revenues. Local sales tax revenues are budgeted at \$9,500,000 for fiscal 2012, up 13.1% or \$1,100,000 from the previous year. The local sales tax rate in both the Anderson County and Roane County sections of Oak Ridge are at the state allowed maximum of 2.75%, which when combined with the State sales tax rate of 7% totals 9.75%. On August 5, 2004, the citizens in the Anderson County portion of Oak Ridge overwhelmingly voted to increase the local sales tax option from 2.25% to the state maximum of 2.75%, with the additional tax proceeds being legally restricted to fund the renovation, construction and related debt service of the ORHS project. The sales tax rate increase became effective with sales beginning on October 1, 2004. In May 2006, Anderson County citizens voted to supersede the City's local sales tax increase. The .50% increase was split between Oak Ridge and Anderson County effective July 1, 2006. The City's share of the additional .50% local sales tax proceeds will continue to be accounted for in the Debt Service Fund and utilized to fund the debt on the ORHS project. The 2.75% local sales tax rate in the Oak Ridge portion of Roane County consists of a 2.50% rate imposed by Roane County and shared with the City and a .25% City of Oak Ridge rate. A detail of local sales taxes follows.

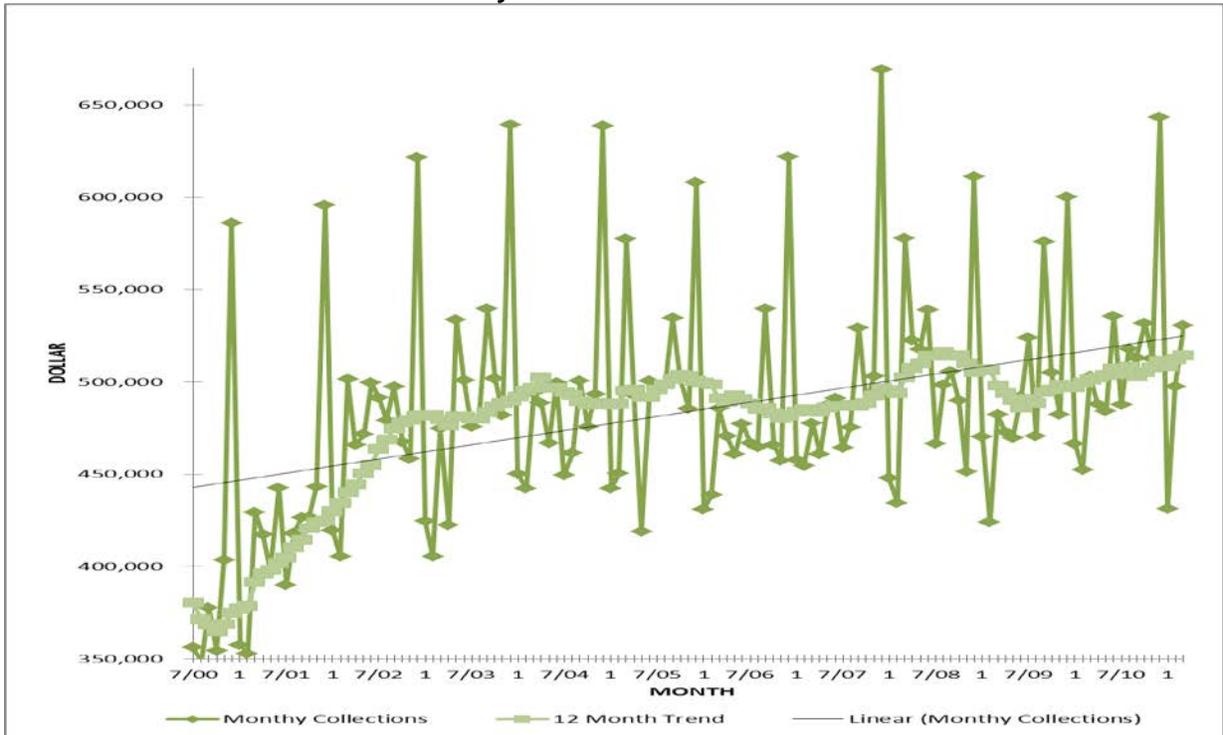
	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Local Sales Taxes:						
Anderson County	\$ 6,088,598	\$ 5,900,000	\$ 6,105,000	\$ 6,105,000	\$ 205,000	3.5
Roane County	2,752,718	2,079,832	2,850,000	2,850,000	770,168	37.0
City Only - Roane Co.	556,105	420,168	545,000	545,000	124,832	29.7
Total Local Sales Taxes	\$ 9,397,421	\$ 8,400,000	\$ 9,500,000	\$ 9,500,000	\$ 1,100,000	13.1

Sales tax collections in the Anderson County portion of Oak Ridge are budgeted at \$6,105,000, a \$205,000 or 3.5% increase over budget 2011 based on recent collections. Monthly Anderson County sales tax collections were sporadic in the 1990's, but in general declined from August of 1996 through 2000. The decline was attributed to stagnation of the local economy due to the ongoing federal downsizing in Oak Ridge and the resulting impact on local consumers. During fiscal 2000, the downward trend flattened and collection levels began significantly increasing. Growth slowed in fiscal 2004 and has flattened with slightly over 1% growth each of the past two years. Refer to the graph on page III-7.

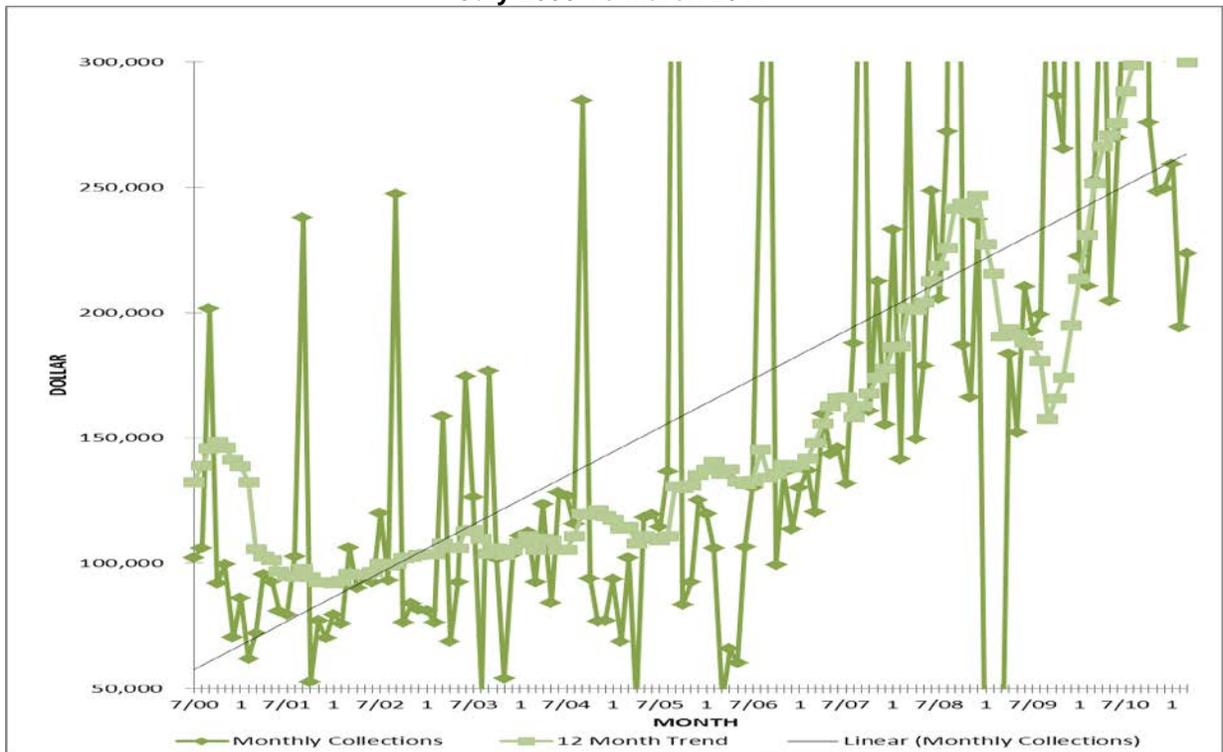
Sales tax collections in the Roane County portion of Oak Ridge, budgeted at \$3,395,000, a \$895,000 or 35.8% increase over budget 2011 based on recent collections. Collections in this portion of Oak Ridge are primarily related to the federal ORNL and K-25 facilities. Collections in Roane County declined sharply in October 2000 when the contractors changed at the Y-12 and K-25 facilities. Previously, Lockheed Martin was the contractor for both Y-12 and K-25 and, due to the manufacturing aspect of Y-12, paid sales and use tax collections at the point of consumption (in Oak Ridge). Beginning in October 2000, BWXT assumed operation of the Y-12 plant and continues to pay sales and use taxes in the Anderson County portion of Oak Ridge at the point of consumption. Bechtel Jacobs was awarded operation of K-25 and because it is not a manufacturing facility pays sales taxes to the vendor at the time of purchase. Recent collections have increased significantly due to modernization programs at ORNL and federal stimulus money awards. Historically, collections in the Roane County portion of Oak Ridge have fluctuated. See graph on III-7

Combined sale and use tax collection in Anderson and Roane Counties since July 2000 are shown on the graphs on page III-8. This graph show the overall reduction trend flattening and then collections increasing significantly in July 2001 and again in July 2007. The downward dip in early 2009 was due to a tax refund that eliminated remittances for a three month period.

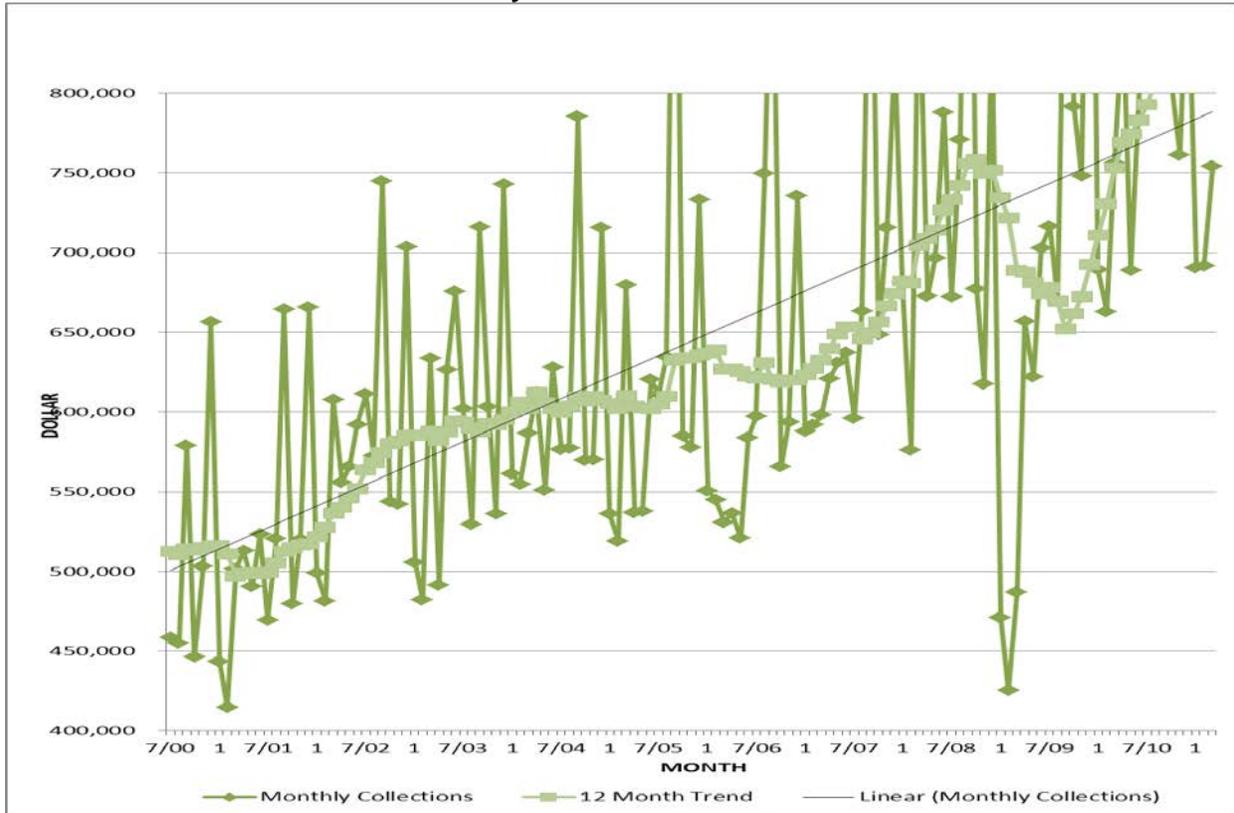
**ANDERSON COUNTY SALES TAX REVENUE
July 2000 To March 2011**



**ROANE COUNTY SALES TAX REVENUE
July 2000 To March 2011**



**Anderson/Roane County Sales Tax Collections
July 2000 To March 2011**

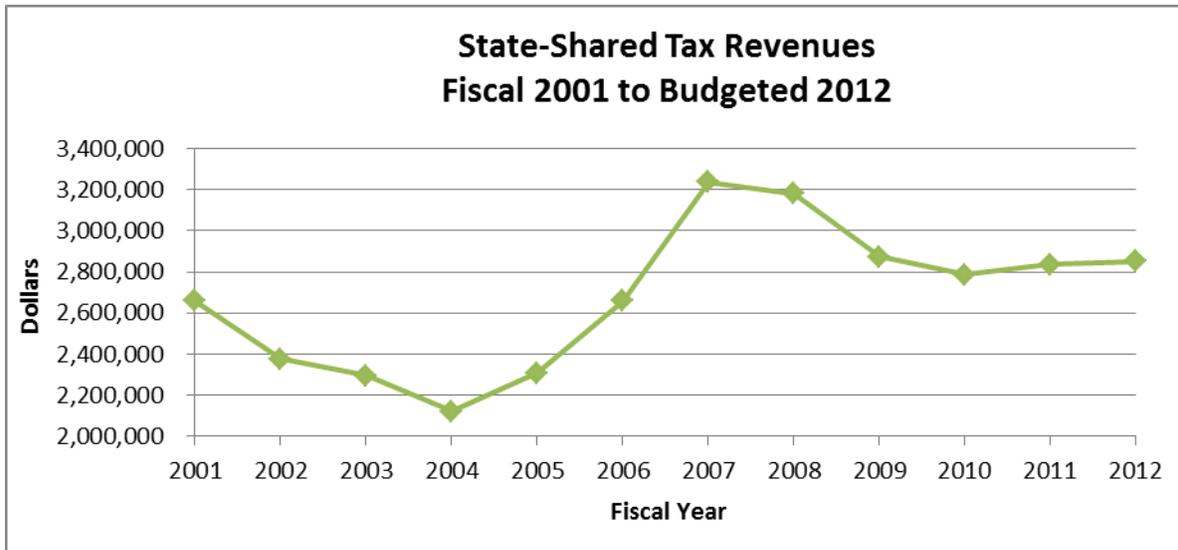


State Shared Taxes

Revenues provided from state-shared taxes, budgeted at \$2,852,826, comprise 6.86% of total General Fund revenues. State-shared taxes are collected by the state with a portion distributed back to local governments based on either population or actual collections within that government's jurisdiction. The largest of these is sales taxes, budgeted at \$1,896,185, and income tax, budgeted at \$381,000 as outlined below.

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
State-Shared Taxes:						
Sales Tax	\$ 1,754,488	\$ 1,750,000	\$ 1,825,000	\$ 1,896,185	\$ 146,185	8.4
Income Tax	366,785	564,000	370,000	381,000	(183,000)	-32.4
TVA Impact	212,758	-	217,749	100,000	100,000	0.0
TVA Replacement Tax	304,554	300,000	311,492	324,683	24,683	8.2
Mixed Drink Tax	90,931	91,000	91,000	91,000	-	0.0
Excise Tax	42,575	60,000	7,769	45,000	(15,000)	-25.0
Beer Barrelage	13,572	14,000	14,288	14,958	958	6.8
Total State-Shared Taxes	\$ 2,785,663	\$ 2,779,000	\$ 2,837,298	\$ 2,852,826	\$ 73,826	2.7

Most state-shared taxes, with the exception of income tax, are allocated by the State to local entities based on population. The State reviews and makes modifications to the local allocations after each 10-year federal census. The decline in collections in fiscal 2002 resulted from the City's flat population in comparison to population growth in many Tennessee local jurisdictions in the 2000 census. Revenues from the state-shared tax collections declined an average of 9% in fiscal 2004 due to a reduction in allocations to local entities by the State. Half of the reduction was restored to local entities in fiscal 2006, with the remainder restored in fiscal 2007. During fiscal 2009, actual collections for state sales and income tax declined reflecting concerns in the economy nationwide. The fiscal 2012 budget for sales tax increased by \$146,185, while income tax was reduced by \$183,000, based on the actual collection levels. The TVA impact revenue is awarded to areas impacted by TVA operation, in this instance the Kingston Fossil Plant ash spill, and is not anticipated to be an ongoing revenue source.



Other Revenues

Tax Equivalent Payments from Other City Funds

Revenues provided from Other City Funds, budgeted at \$2,765,000, comprise 6.65% of total General Fund revenues. This revenue is collected from the City's Electric and Waterworks Funds for tax equivalent (in-lieu of property tax) payments. In accordance with accounting standards, these payments are recorded as an operating transfer in.

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
From Other City Funds:						
Tax Equiv.-Electric Fund	\$ 1,230,708	\$ 1,230,000	\$ 1,317,761	\$ 1,380,000	\$ 150,000	12.2
Tax Equiv.-Waterworks Fund	1,269,807	1,270,000	1,367,520	1,385,000	115,000	9.1
Total From Other City Funds	\$ 2,500,515	\$ 2,500,000	\$ 2,685,281	\$ 2,765,000	\$ 265,000	10.6

State law outlines the calculation for in-lieu of tax payments from electric distributors, which are based on operating revenues, net book value of fixed assets and the equalized property tax rate of the city and county in which the assets are located. The Waterworks Fund in-lieu of tax payment is based on the net

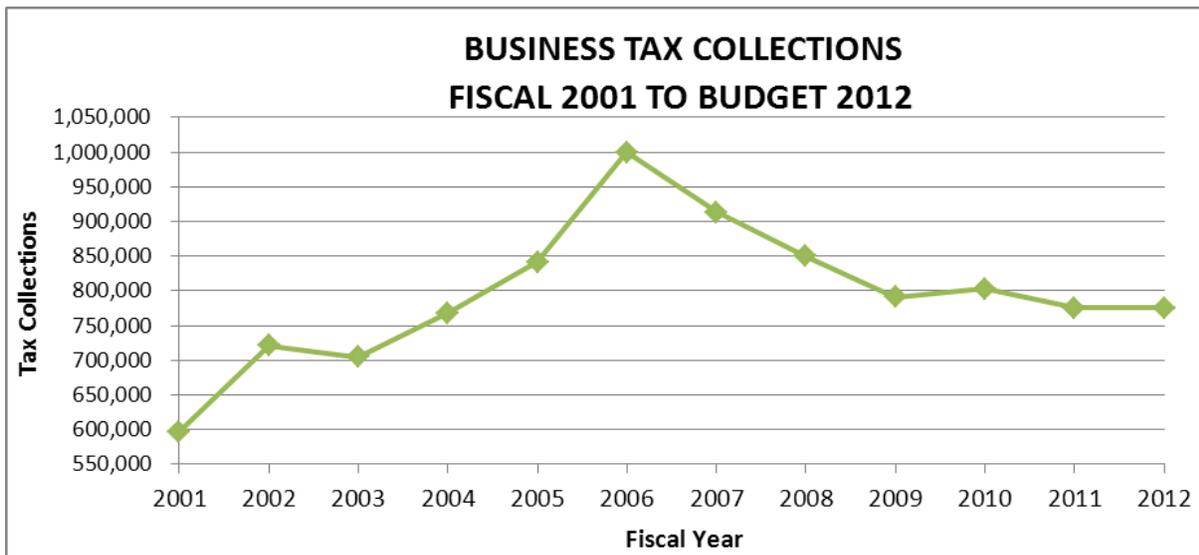
fixed asset value of the water and wastewater systems and the General Fund's initial cash investment in those systems. Based on this calculation, the Waterworks Fund tax equivalent payment for fiscal 2012 is budgeted at \$1,385,000, a \$115,000 increase over fiscal 2011 levels.

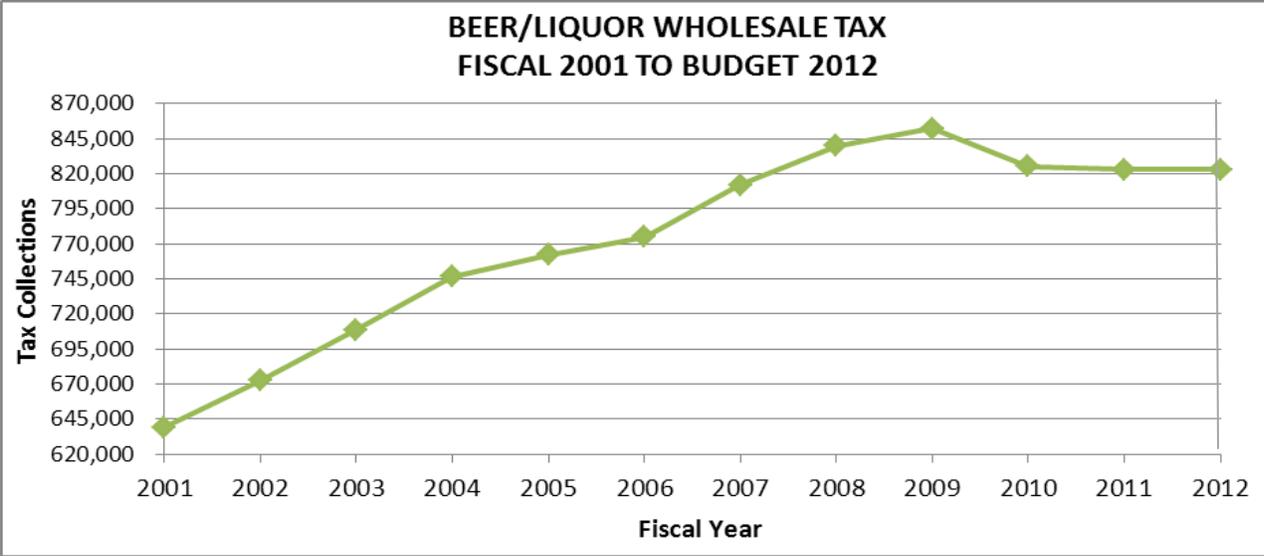
Local Business Taxes

Revenues provided from local business taxes, budgeted at \$1,598,000, comprise 3.84% of total General Fund revenues. Collections are budgeted to increase \$52,000 for fiscal 2012 for business taxes based on actual collection patterns.

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Local Business Taxes:						
Business Tax	\$ 80,206	\$ 723,000	\$ 775,000	\$ 775,000	\$ 52,000	7.2
Beer Wholesale Tax	583,911	580,000	580,000	580,000	-	0.0
Liquor Wholesale Tax	241,418	243,000	243,000	243,000	-	0.0
Total Business Taxes	\$ 905,535	\$ 1,546,000	\$ 1,598,000	\$ 1,598,000	\$ 52,000	3.4

The graphs below show the ten-year actual trend for these taxes. Business tax collections had been steadily increasing through fiscal 2005. Collections overall since 2005 have been basically flat with spikes and dips caused by the timing of payments by large taxpayers. Beginning in February 2010, the State began processing business licenses in Tennessee, including the local city business license. The initial business licenses are still obtained through the City at a nominal fee. However, the annual license renewal and tax payments are now remitted directly to the State. Beer and liquor wholesale tax collections have been steadily increasing on an average of 3.8% from 2000 to 2008. Collections are budgeted down slightly, 3.7%, based on actual collection patterns.





DOE

Revenues from the US Department of Energy (DOE), which includes in-lieu tax (PILT) payments and grant proceeds, are budgeted at \$1,962,773 and comprises 4.72% of General Fund revenues. DOE's PILT payment to the City is based on the number of acres on the federal reservation (currently 32,933.53 acres) at a per acre appraisal approved by DOE at the City's property tax rate (\$2.39). In accordance with the Atomic Energy Commission Act, the land value is assessed based on the original usage of the property, which was residential farmland when DOE purchased the land for the WWII effort, rather than the current use of the property. The residential property tax assessment rate of 25% is therefore used, rather than the 40% rate that would normally apply to commercial/industrial properties. DOE's remittance is also contingent on the annual federal appropriation of this payment.

In fiscal 2006, the City was awarded a \$300,000 annual grant from DOE for five fiscal years to provide police patrol services and traffic control on DOE roadways located inside the federal reservation. Five additional police officer positions were added in mid-fiscal 2006 whose salaries and equipment requirements are funded by this grant. It is anticipated this grant will be renewed for fiscal 2012.

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
US Dept of Energy:						
In-Lieu of Tax	\$ 1,475,379	\$ 1,476,023	\$ 1,662,773	\$ 1,662,773	\$ 186,750	12.7
Federal Grant	300,000	300,000	300,000	300,000	-	0.0
Total DOE Funds	\$ 1,775,379	\$ 1,776,023	\$ 1,962,773	\$ 1,962,773	\$ 186,750	10.5

Licenses and Permits

Revenues provided from licenses and permits, budgeted at \$653,000, comprise 1.57% of total General Fund revenues as outlined below:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Licenses and Permits:						
CATV Franchise	\$ 395,832	\$ 390,000	\$ 390,000	\$ 390,000	\$ -	0.0
Building Permits	171,193	150,000	95,000	125,000	(25,000)	(16.7)
ORUD Right-Of-Way	60,000	60,000	60,000	60,000	-	0.0
Alcohol Sale Permits	21,165	20,000	21,000	21,000	1,000	5.0
Electrical Permits	20,650	20,000	21,000	20,000	-	0.0
Plumbing Permits	15,027	20,000	20,000	20,000	-	0.0
Animal Regist. Permits	7,351	7,000	7,500	7,000	-	0.0
Other Permits & Fees	8,561	10,000	9,000	10,000	-	0.0
Total Licenses & Permits	\$ 699,779	\$ 677,000	\$ 623,500	\$ 653,000	\$ (24,000)	(3.5)

Revenues from Building, Electric, Plumbing and Grading Permits are directly impacted by local economic conditions and will vary from year-to-year based on large commercial/residential projects. The decline in budgeted permit revenues is related to the slowing of new development based on national economy concerns.

Charges for Services

Revenues provided from charges for services, budgeted at \$341,070, comprise 0.82% of total General Fund revenues as outlined below:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Charges For Services:						
Rental Of Lands & Buildings	\$ 127,494	\$ 122,000	\$ 114,060	\$ 130,070	\$ 8,070	6.6
Outdoor Pool Fees	89,028	75,000	95,000	95,000	20,000	26.7
Indoor Pool Fees	35,721	45,000	40,000	45,000	-	0.0
Animal Shelter Fees	14,073	23,000	26,000	23,000	-	0.0
Records Processing	22,344	28,000	18,000	20,000	(8,000)	(28.6)
General & Admin. Costs	17,187	23,000	21,000	23,000	-	0.0
Misc. Recreation Usage Fees	3,046	4,000	4,000	5,000	1,000	25.0
Total Charges For Services	\$ 308,893	\$ 320,000	\$ 318,060	\$ 341,070	\$ 21,070	6.6

Budgeted revenues from land and building rentals include room rentals at the Civic and Scarboro Centers and the rental of two buildings located at the Marina. Records processing fee collections are primarily from police record checks related to federal contractors. General and Administration fees are charged to offset overhead costs to process miscellaneous billings (e.g. damage to City property as the result of a traffic accident). Various charges for services were adjusted slightly to reflect current collection patterns and proposed increases in pool fees in fiscal 2012.

Fines and Forfeitures

Revenues provided from fines, budgeted at \$362,000, comprise 0.87% of total General Fund revenues as outlined below:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Fines, Penalties & Forfeitures:						
Photo Enforcement	\$ 951,915	\$ -	\$ -	\$ -	-	0.0
City Court Revenues	323,673	312,000	82,000	312,000	-	0.0
Library Fines and Fees	49,580	50,000	47,000	50,000	-	0.0
Total Fines, Penalties & Forfeitures	<u>\$ 1,325,168</u>	<u>\$ 362,000</u>	<u>\$ 129,000</u>	<u>\$ 362,000</u>	<u>\$ -</u>	<u>0.0</u>

Collections from City Court revenues have been sporadic in past few years due to staffing turnover and vacancies in the Police Department. Revenues from Photo Enforcement cameras were accounted for in a new Special Programs Fund started in fiscal 2011.

Interest and Miscellaneous

Revenues provided from interest and other revenues, budgeted at \$58,600 comprise 0.14% of total General Fund revenues as outlined below.

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
Other Revenues:						
Interest on Investments	\$ 49,477	\$ 150,000	\$ 45,000	\$ 50,000	\$ (100,000)	(66.7)
Miscellaneous	8,800	3,800	16,093	8,600	4,800	126.3
Total Other Revenues	<u>\$ 58,277</u>	<u>\$ 153,800</u>	<u>\$ 61,093</u>	<u>\$ 58,600</u>	<u>\$ (95,200)</u>	<u>(61.9)</u>

Revenues from interest on investments vary based on cash levels and prevailing interest rates. The decline in budgeted interest rates is due to the continuation of low interest rates at the national level.

Fund Balance Appropriation

In fiscal 1986, the City received \$23.1 million dollars from the United States Department of Energy (DOE) as a settlement to cease annual financial assistance payments from DOE and for ten-years of in-lieu of tax payments. Through fiscal 2007, the City budgeted the gradual draw down of fund balance created by the DOE settlement in order to maintain a reduced property tax rate. The City continues to balance budgeted revenues, expenditures and operating transfers through the Fund Balance draw in the General Fund. The fund balance draw for fiscal 2012 is budgeted at \$1,495,303 and comprises 3.6% of the General Fund revenues.

GENERAL FUND EXPENDITURES

City staff's major focus during the budget process is the expenditures in the General Fund. Since revenue shortfalls must generally be offset by property taxes, the goal of staff is to maintain expenditures at the lowest possible level while continuing to provide quality services to the community. Gross expenditures before Cost Recoveries from other Funds, (refer to the schedule on pages III-31), are budgeted at \$24,537,173 for fiscal 2012, up \$374,756 or 1.6% from fiscal 2011. Approximately 20% of the General Fund's gross expenditures are transferred to other City Funds or Recovered from Users. General Fund Municipal Expenditures, net of Reduction of Costs, increased \$212,979 or 1.1%, for an appropriated budget amount of \$19,453,250.

The fiscal 2012 increase in gross budgeted expenditures is primarily as outlined below:

Salary and retirement benefits	\$ 171,150
Equipment & vehicle use charges	97,581
Utilities	50,400
Miscellaneous commodities	29,866
Professional & Contracted Services	<u>25,649</u>
Total	<u>\$ 374,646</u>

Budgeted funds were reallocated from categories where they were no longer needed to other categories to provide funding to areas where costs were increased without increasing the overall budgeted appropriation.

Personal Service expenditures budgeted at \$16,974,350 account for 69.2% of total General Fund expenditures. Personal Services are budgeted to increase \$171,150 or 1.0%. Salaries and retirement benefits are projected to increase \$163,650, which includes an average 2% increase for in salaries for City employees. The overall budgeted percentage increase in salaries is below 2% due to a number of retirements of long-term employees during the past year.

Actual expenditures for City employee medical, retirement (through the Tennessee Consolidated Retirement System) and workers compensation benefits are accounted for in the Insurance Fund. Other City Funds, primarily the General, Electric and Waterworks Funds, are charged a flat charge per each of their budgeted full-time employees for these benefits, which is shown as an applicable expenditure in that Fund. The revenues from these flat charges are accounted for as revenue in the Insurance Fund, which is shown as Charges for Services. The accounting for costs in this manner allows for the spreading of the impact on the General Fund of rapidly increasing expenditure items such as medical, workers compensation and retirement over a multi-year period.

The City fully funds employee retirement costs with the Tennessee Consolidated Retirement System (TCRS). Retirement rates are reviewed biennially and increased from 13.07% to 14.99% of wages in fiscal 2011. Budgeted funding for retirement costs increased \$20,014 in fiscal 2012.

The City provides medical insurance options to employees through the State of Tennessee medical plans. Revisions to employee medical premiums are effective January 1 of each calendar year. In calendar 2011, the medical plans and deductibles were revised which resulted in a reduction in actual medical premiums paid by the City in that year from the previous year. Budgeted fiscal 2012 funding per employee by the General Fund for employee medical insurance remained at fiscal 2011 levels. The \$7,500 budgeted increase in medical insurance reflects the full funding of employees who were charged in part to other funds in fiscal 2011 based on the duties they were performing during that year.

Contractual Services total \$6,639,691 and comprise 27.1% of total General Fund expenditures. Budgeted funding for Contractual Services increased \$192,306, up 3.0% over the prior fiscal year. The fiscal 2012 budgeted amount for these line items were reviewed and funding allocated based on actual costs and highest funding priority.

Utility services are budgeted at \$2,348,911. Of this amount, \$1,065,811 is budgeted to maintain traffic and street lighting throughout the City. The Electric Fund pays the cost of initial installation and routine maintenance of traffic and street lighting. Each year the General Fund pays to the Electric Fund an investment charge that is 13% of the net asset value of traffic and street lighting recorded in the Electric Fund. The General Fund pays the actual electric usage charges to operate traffic and streetlights. The remaining \$1,283,100 budgeted for utility charges includes electric, water, wastewater and gas usage and refuse collection at City owned buildings and telephone and other communication charges. Utility funding for City facilities is budgeted up \$44,289 or 3.6%, primarily for electric rate increases passed through by the City from TVA, which now includes a monthly rate adjustment for fuel costs, and planned water and wastewater rate increases in fiscal 2012.

Vehicle and large Equipment Usage Charges budgeted at \$1,199,177 increased \$59,360 or 5.2%. This charge provides funding for future vehicle replacement in the form of rent and actual maintenance and operating costs, including fuel. The vehicle rent is paid to the Equipment Replacement Rental Fund to accumulate cash for replacement of City vehicles. Rental charges have been increased in fiscal 2011 related to escalating costs for the purchase of new replacement vehicles. Vehicles are replaced on an as needed basis rather than immediately after full depreciation. The increased funding levels in fiscal 2011 primarily reflect higher fuel costs. \$421,029 is budgeted for the maintenance and replacement of small equipment items, including computers. The \$38,221 increase is primarily related to upgrades and expansion of the city's computer network and storage capacity.

\$665,896 is budgeted for custodial services at City buildings (\$241,196), mowing (\$335,440), street sweeping (24,730) and litter pickup along right-of-ways, at City recreational facilities and at other City-owned sites (\$64,530). These services are provided under multiyear contracts that increase annually based on changes in the consumer price index (CPI).

\$652,200 is budgeted for repair and maintenance costs for City buildings, parks, sporting fields and other City facilities and sweeping of City streets. This includes annual maintenance contracts for services such as security systems, sprinkler systems and pest control.

\$811,979 is budgeted in fiscal 2012 for professional services. Expenditures budgeted here include \$185,000 for contractual meter reading services, \$100,000 for communication resources, \$94,500 for GIS and network upgrades, \$52,919 for personnel costs including drug screening, medical exams and psychological exams for police and fire applicants, \$6,735 for computer training and support services, and \$51,700 for the annual independent audit. The remaining \$321,125 budgeted for professional services is spread throughout the General Fund for a variety of services such as engineering, surveys, appraisals, library book binding and instructors for recreational sponsored classes. The \$20,354 budgeted increase in professional services is primarily due to increases in professional services under contractual commitments, such as the annual independent audit, and for services required by personnel (drug screenings, etc.).

The \$177,180 budgeted for travel to schools and conferences by City employees and City Council. Funding for travel and training includes \$73,475 for police and fire employees, \$38,000 for City Council and \$19,493 for the City Manager and Legal offices.

Rents are budgeted at \$162,504 for fiscal 2012, a \$5,160 decrease over prior fiscal year. The decrease was due to the elimination of some small equipment rents, particularly copiers which have been purchased rather than rented. Rents include \$67,220 for space occupied by the Senior Center, \$30,000 for Anderson County Court rent, leases for copiers and other equipment and for portable toilets at recreational facilities. The Anderson County Court hears City cases and the City pay a portion of the Court's facility rent.

\$87,000 is budgeted for mailing costs, which includes monthly utility and annual property tax bills. All central mailing costs are budgeted in one activity, 854 Stationary Stores, and then the costs for the utility billings are allocated back to the Electric and Waterworks Funds through cost recoveries. \$58,710 is budgeted for dues, memberships and subscriptions, including library subscription services, \$51,530 for advertising and legal notice publication and \$3,575 for printing costs. Budgeted funding for Advertising and Publicity costs decreased \$10,050 due to the increased usage of the City's website in place of large print notices.

Commodities total \$617,386 and comprise 2.5% total General Fund municipal expenditures. The fiscal 2012 budget for these items increased \$26,550 over fiscal 2011 levels. Miscellaneous commodities, small tools and supply purchases are budgeted at \$391,905. Commodity purchases include not only supplies such as printer and copier paper, ribbons, toner cartridges, batteries and cleaning supplies but items such as veterinary supplies and food for the animal shelter, landscaping materials for City parks and sporting fields, chemicals for the indoor and outdoor pool, sanitary gloves for first responder firefighters and ammunition for police. \$140,342 is budgeted for Library materials including book, CD, cassette and DVD purchases, \$28,714 for non-Library books and educational materials and \$56,425 for uniforms.

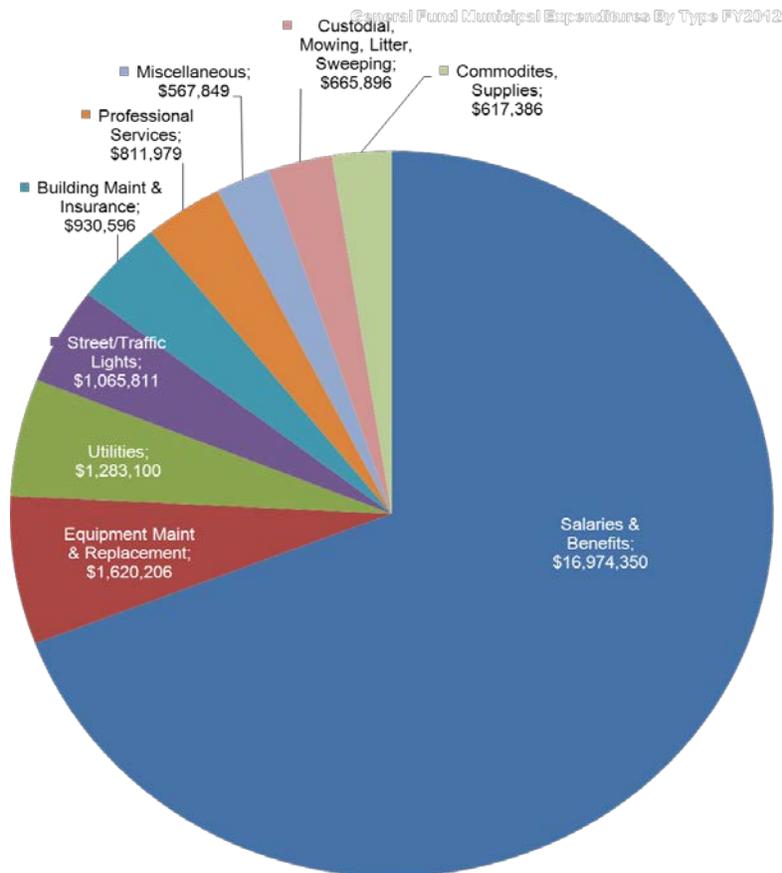
Other Charges total \$305,746 and comprise 1.2% of total General Fund municipal expenditures. \$278,396 is budgeted for property and liability insurance, remaining at fiscal 2011 levels. The City maintains insurance coverage for property and other liabilities through commercial insurance carriers with per incident deductibles ranging from \$2,500 to \$10,000 for common occurrences and a \$50,000 per incident deductible for damage caused by floods or earthquakes. \$22,000 is budgeted for grants and subsidies including \$9,500 to the Oak Ridge Arts Council, \$9,000 for Youth Advisory Board activities and \$3,500 for the Secret City Festival.

No capital expenditures are budgeted for fiscal 2012. All major general capital projects are accounted for in the Capital Projects Fund.

Reduction of Costs includes two components, Recovered from Users and Recovered from Funds. Costs that are recovered from specific users include billings for a police officer to be present at a non-City sponsored event that recover the officer's overtime and fees for special classes or programs, particularly recreational, that the City sponsors for which the costs for the class or program will fully or almost fully be recovered by fees. This has allowed the City to sponsor one-time or new programs without impacting the legal appropriation. Funds recovered from users are budgeted to increase by \$30,000 or 8.7% based on actual collection levels.

Recovered from Funds includes the transfer of expenditures to other City Funds based on the percentage of work performed by that activity for another City Fund. For Example, Activity 862, Finance performs the accounting, purchasing and warehousing etc, functions to support the operations of all City Funds. Finance transfers 40% of its gross expenditures to the Electric Fund, 35% to the Waterworks Fund, and 4% to the State Street Aid Fund with a net of 21% remaining in the General Fund. The transfer percentage is based on the level of work provided by that activity for each Fund. The costs that are transferred to the other Funds are included as expenditures/expenses in those Funds and funded by the revenue source for that Fund (i.e. Electric Fund from user electric fees). Reduction of Costs totaled \$4,707,483 for fiscal 2012, up \$131,777 or 2.9%.

General Fund Municipal Expenditures By Type, Budget 2012



GENERAL FUND OPERATING TRANSFERS

Operating Transfers are transfers of General Fund revenues to other City Funds to help finance that Fund's operating expenditures. Operating Transfers are budgeted at \$22,140,322, up 6.3% or \$1,308,770 in fiscal 2012.

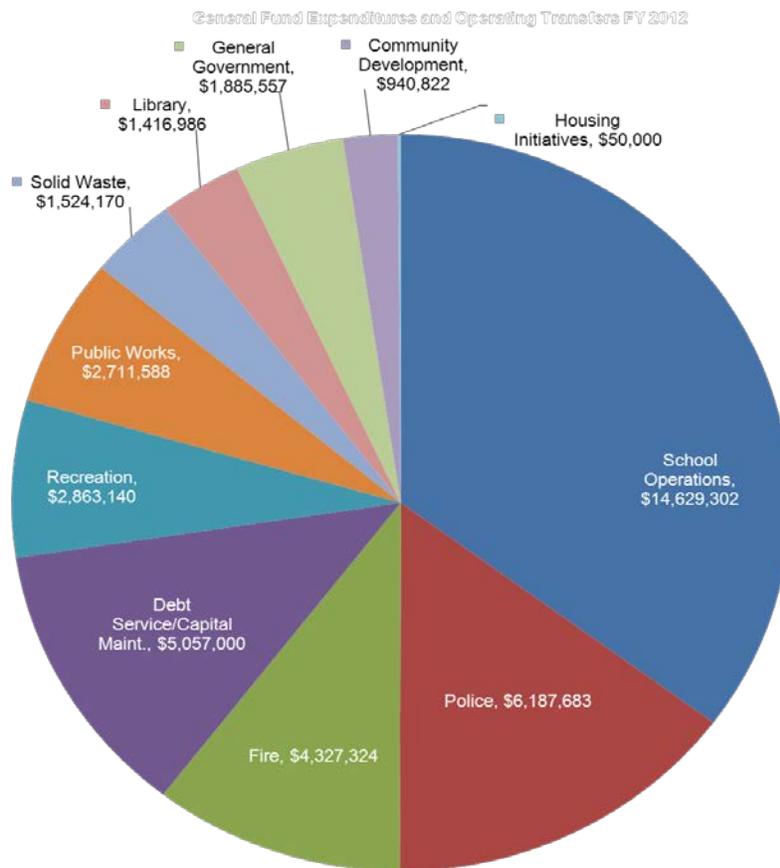
The largest single use of General Fund revenues is the operating transfer to the Oak Ridge Schools, which is 35.17% of total General Fund Expenditures and Operating Transfers. This is a \$159,171 increase of 1.1% over the fiscal 2011 amount. This operating transfer will finance approximately 25.8% of the General Purpose School Fund's budgeted expenditures for fiscal 2012.

\$3,045,000 is budgeted for transfer to the Debt Service Fund for annual principal and interest payments on outstanding long-term debt issued to finance City and School Capital Projects. This transfer was decreased by \$500,000 for fiscal 2012 due to savings generated by a debt refunding during 2011. This savings was for one year only. The \$500,000 in debt service savings was transferred to the Capital Projects Fund in 2012 to be utilized as a donation to Roane State Community College to be used for an expansion to the Oak Ridge campus.

\$1,524,170 is budgeted for transfer to the Solid Waste Fund in fiscal 2012. This funds a portion of the costs for residential refuse collection and the operations of a convenience center. These services are provided under a long-term contract with Waste Connections of Tennessee, which contains an annual contract price escalator based on the consumer price index (CPI) and an adjustment for fuel price variances. The \$63,870 increased budget level for 2012 is primarily related to the CPI. In 2009, the City began participating in the Recycle Bank program. As part of this program households were given large recycle bins and have the opportunity to earn Recycle Bank points that can be used to shop at over 1,500 local and national businesses. The residential refuse fee for refuse collection increased from \$5 to \$7 to pay for the costs for this new program that is direct revenue to the Solid Waste Fund.

A spreadsheet of the General Fund Summary of Gross Expenditures and Transfers by Object Code Classification is show on page III-29. A spreadsheet of General Fund Expenditures and Operating Transfers for Fiscal Year 2012 can be found on page III-27 and III-28.

General Fund Expenditures and Operating Transfers, Budget 2012:



As the City's physical facilities continue to age, it has become more apparent that the City cannot continue to borrow the funds necessary for the maintenance and replacement of these facilities at the current pace. Over the past 20 years, the City has committed over \$60 million in tax-supported debt to pay for capital improvements, maintenance and replacement of facilities. Capital maintenance and facility replacement will continue to be a major drain on the City's resources in the future. In fiscal 2000, the City established a \$410,000 transfer from the General Fund to the Capital Projects Fund to begin the initial funding for this annual reserve. Without this reserve, the full cost of maintaining and replacing major assets must be paid through the use of borrowed funds. With annual General Fund debt service payments approaching \$5 million, equal to about \$1.00 on the property tax rate, City staff has expressed the concern that it will be difficult for the City to continue borrowing at this pace. During fiscal 2008 and 2009, this annual operating transfer was stopped in order to maintain an adequate fund balance in the General Fund. This operating transfer resumed at reduced amounts in fiscal 2010 and 2011, with funding for capital maintenance items provided from the issuance of long-term debt. The fiscal 2012 operating transfer is \$2,012,000, of which \$500,000 is for a one-time increase for the donation to Roane State Community College. The intent is for this to be an annual transfer that gradually increases to approximately \$1.8 million per year.

The revenues of the State Street Aid Fund (SSA) are insufficient to finance expenditure levels recorded in that Fund for street paving and routine street maintenance. In fiscal 1995, the City began a major Pavement Management Program with long-term goals of the program to provide adequate maintenance to City streets in order to prevent or prolong the need for more expensive street reconstruction. Funding for this program and other street maintenance costs are to be provided through operating transfers from the General Fund budgeted at \$653,000 in fiscal 2012 (and remaining at fiscal 2011 levels).

\$55,000 is budgeted for transfer to the Street & Public Transportation Fund is to support the City's taxi coupon and public transit bus service programs. This is static to the prior fiscal year level. The revenue stream for the Street & Public Transportation Fund from state funding sources is insufficient to completely support these operations.

\$171,850 is budgeted for transfer to the Grant Fund for social service funding for Aid to Distressed Families of Appalachian Counties (ADFAC) (\$140,000) and the Anderson County Health Council (ACHC) for the Healthy Start program (\$31,850). ADFAC administers the City's social service program which provides assistance with rent, mortgage and utility payments, transportation for doctor appointments or job interviews, counseling toward self-sufficiency and referrals to appropriate agencies for further assistance to eligible citizens. The Anderson County Health Council Healthy Start program provides assistance, training and support program for young mothers.

In fiscal 2012, the Housing Fund, a special revenue fund, was established to account for the City's housing initiatives. The General Fund is to provide a \$50,000 operating transfer in fiscal 2012 to provide initial funding to establish the new Fund.

MULTIYEAR MODEL

The City utilizes a multiyear model to calculate the required current budget year property tax rate and forecast future year property tax rates based on projected levels of General Fund revenues, expenditures and operating transfers. Debt service on long-term debt, excluding that of Proprietary Funds, is an intricate part of the multiyear model and is directly related to increases in the current and future property tax rates.

The multiyear model was designed to be used as a long-range planning tool for establishing a proposed property tax rate during the annual budget review process. This model is only concerned with the revenues, expenditures and operating transfers of the General Fund since only these items impact the property tax rate. The multiyear model on page III-22 contains projected revenues, expenditures and operating transfers through fiscal 2017. It contains debt service requirements for the General Fund on existing long-term debt issuances as well as planned new debt issuances including a large one in 2015 to primarily fund three major capital projects that had been delayed for several years in order to contain the property tax rate.

Model Assumptions:

- ◆ Expenditures for municipal operations and operating transfer to the Oak Ridge Schools for operations are projected to increase 1.5% in fiscal 2013, 2.5% in both 2014 and 2015, and 3% annually thereafter. Budgeted expenditures for municipal operations and operating transfer to the Oak Ridge Schools only increased 1.1% in 2012 to maintain a flat property tax rate. Historical actual percentage increases have generally been in the 2.5% to 3.5% range for the past few years.
- ◆ Revenues are anticipated to grow at the historical growth rate of each specific revenue source. The City's primary revenue source is from property taxes and sales and use tax collections. Property assessment growth is projected to increase only by .28% in fiscal 2012 due to a significant slowing of property investment primarily resulting from nationwide economic concerns. Assessment growth is projected at 2% annually thereafter beginning in 2013 as growth resumes a more normal level of investment.
- ◆ Sales and use tax collections, which are the General Fund's other major revenue source, are projected to decline 4.0% in fiscal 2013 and another 3% in 2014 from projected 2012 collection levels. Actual collections levels in fiscals 2010 and 2011 have been higher than normal due to ongoing modernization programs at federal sites in Oak Ridge and federal stimulus awards to federal contractors located within Oak Ridge. No growth is expected for 2012 as stimulus funding begins to flatten and then decline in 2013 and 2014. Growth is expected to return to a more normal pattern of annual increases of 2% in fiscal 2015 and thereafter.
- ◆ The unreserved balance of the General Fund combined with that of the General Purpose School Funds should stabilize between \$7.5 and \$8 million.

Changes in Operating Transfers:

- ◆ Transfers to the Solid Waste Fund are projected to grow by 3% annually. The primary operations funded by this transfer for residential solid waste collections are provided under a contract with a private business. Annual contractual increases are set at 90% of the current rate of inflation as indicated by the Consumer Price-Index. During fiscal 2007, there was a fuel cost adjustment added to the contract.
- ◆ Transfers to the Grant Fund for social service program funding are projected to remain flat at \$172,000 through 2017.
- ◆ The City has two City Street Funds, the State Street Aid (SSA) Fund and the Street and Public Transportation (SPT) Fund. The City's major street resurfacing program and maintenance on non-state streets are accounted for in the SSA Fund. Public transportation assistance programs are funded through the SPT Fund. Revenues in both the street funds, which are primarily from state shared fuel taxes and grants, have been flat for many years and are insufficient to cover the cost of operations accounted for in these Funds. In fiscal 2012, the General Fund is budgeted to transfer \$708,000 to the two Street Funds with increases projected at 1.5% in fiscal 2013, 2.5% in both 2014 and 2015, and 3% annually thereafter.

- ◆ New to the model for fiscal 2012, is the addition of a \$50,000 annual operating transfer from the General Fund to the new Housing Fund, which was established in 2012 to account for the City's housing initiative programs.
- ◆ In fiscal 2001, the City started a reserve to fund capital maintenance projects costing between \$10,000 and \$300,000 from operating transfers from the General Fund to the Capital Projects Fund. This program was initiated to reduce the usage of long-term debt issuances to finance the City's routine capital maintenance needs. Due to property tax rate concerns, the necessary funding to provide financing for these capital needs on a consistent annual basis has yet to be met. Proceeds from long-term debt issuances were used to offset a portion of the required funding levels required through fiscal 2011. The fiscal 2012 funding levels for capital maintenance projects were increased to \$1,472,000. Increased funding levels are projected at 1.5% in fiscal 2013, 2.5% in both 2014 and 2015, and 3% annually thereafter.

For fiscal 2012, the \$1,472,000 operating transfer to the Capital Projects Fund is basically funded by the fund balance draw from the General Fund. The fund balance draw will need to be reduced going forward and if revenues do not increase sufficiently to cover this transfer, then the transfer amount will need to be reduced or the property tax rate increased. The model assumes that the property tax rate will be increased to continue funding this operating transfer on an ongoing basis. \$1,472,000 equates to approximately 16.7 cents on the property tax rate for 2012.

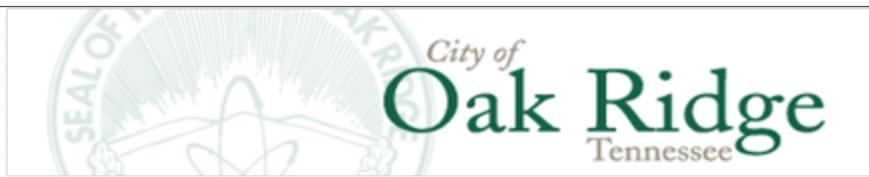
In fiscal 2015, a major debt issuance of approximately \$30,250,000 is projected to provide funding for three major projects which have been put on hold until the financing for the major renovation for the Oak Ridge High School was completed and future debt capacity could be evaluated. The projects are the Senior Center, Preschool and School Administration Building. The Debt Service – new projects line begins an annual funding stream, starting at \$20,000 in fiscal 2011 and increasing to \$100,000 in 2015, to provide funding for the annual debt service requirement on this debt. The annual debt service requirement is projected to accelerate to \$1,513,000 in fiscal 2016 once this debt is issued in 2015 for these projects.

The Debt Service existing transfer line only includes the annual operating transfer required to fund debt service on existing debt issuances. The current amortization schedule for General Long-Term Debt, which is funded through the operating transfer from the General Fund to the Debt Service Fund, is in Section IV of this document.

Based on these parameters in the multiyear model on page III-22, the projected property tax rate will increase to \$2.49 in fiscal 2013 and increase again in 2014 to \$2.59, in 2015 to \$2.69, in 2016 to \$2.78 and in 2017 to \$2.85. The multiyear model presented here is to demonstrate how the City relates the impact of debt and other related increases in expenditure levels to the property tax rate. For each cent on the tax rate, General Fund revenues will increase approximately \$88,000. Therefore, the property tax rate must be increased by one-cent for each \$88,000 increase in expenditures. This amount will vary slightly from year-to-year based on assessment growth.

The City has utilized fund balance draws since 1986 to balance the budget (i.e. revenues equal expenditures). A fund balance draw of \$1,495,303 in fiscal 2012 and \$908,000 in 2013 is included in the model. Draws are projected sporadically through the remaining model years.

The multiyear model is used for projection purposes and for management decisions concerning long-range projects. Obviously, the future property tax rates presented in these models will not necessarily be the rate that will be in effect during that fiscal year. The multiyear model is updated each year as a part of the budget process and is utilized by City staff to set the proposed property tax rate presented to City Council.



GENERAL FUND MULTIYEAR FINANCIAL MODEL (IN THOUSANDS)

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017
	ACTUAL	ACTUAL	PROJ.						
REVENUES:									
General Property Taxes	18774	18628	18845	19495	20583	21837	23134	24386	25500
Other Property Taxes	2717	2940	3150	3275	3445	3618	3794	3959	4098
Business Taxes	1644	1628	1598	1598	1646	1695	1746	1798	1852
Licenses & Permits	270	244	174	203	205	207	209	211	213
DOE In-Lieu of Taxes	1476	1476	1663	1663	1733	1802	1872	1934	1983
Local Sales Tax	8090	9397	9500	9500	9120	8846	9023	9204	9388
Intergovernmental	2611	2719	2768	2772	2855	2941	3029	3120	3214
Hall Income Tax	564	367	370	381	392	404	416	428	441
Charges for Services	341	309	318	341	351	362	373	384	396
Fines & Penalties	380	373	329	362	373	384	396	408	420
Photo Enforcement Fees		952							
Other Revenues	620	514	510	508	592	565	550	561	556
TOTAL REVENUES	37487	39547	39225	40098	41295	42662	44542	46393	48061
TOTAL MUNICIPAL EXPENDITURES	18005	18438	18878	19453	19745	20238	20744	21263	21795
OPERATING TRANSFERS:									
Gen. Purpose School Fund	13508	13981	14470	14629	14849	15220	15600	15990	16390
Solid Waste Fund	1378	1293	1402	1524	1570	1617	1666	1716	1767
Economic Diversification Fund	50								
Grant Fund	168	168	172	172	172	172	172	172	172
Capital Street Resurfacing	635	660	708	708	719	729	740	751	763
Capital Maintenance	1300	1400	1450	1472	1494	1516	1539	1562	1585
Bond proceeds for Capital Maintenance and Streets	-1300	-1726	-993						
Not in Our Town - Housing Initiative				50	50	50	50	50	50
New Project cost - Sr Ctr, Presch, Sch Adm, Lib,							30250		
Bond proceeds for Senior Center, Presch, Sch Admin, Library							-30250		
Debt Service - New Projects			20	40	60	80	100	1513	1513
Capital Projects - Debt Service Savings Roane State				500					
Debt Service	3500	3500	3545	3045	3545	3545	3545	3545	3545
TOTAL OPERATING TRANSFERS	19239	19276	20774	22140	22458	22929	23413	25299	25785
TOTAL EXPENDITURES & TRANSFERS	37244	37714	39652	41593	42203	43168	44157	46562	47579
REVENUES LESS EXPEND. & TRANS.	243	1833	-427	-1495	-908	-506	385	-169	482
CITY FUND BAL. (BOY):	6957	7200	9033	8606	7111	6203	5697	6082	5913
CITY FUND BAL. (EOY):	7200	9033	8606	7111	6203	5697	6082	5913	6394
SCHOOL FUND BAL. (EOY):	2425	3593	3689	3134	2300	2300	2300	2300	2300
TOTAL FUND BALANCE (EOY):	9625	12626	12295	10245	8503	7997	8382	8213	8694
Fund Balance As % Expend. & Trans.	25.84%	33.48%	31.01%	24.63%	20.15%	18.52%	18.98%	17.64%	18.27%
PROPERTY TAX RATE:	277	277	239	239	249	259	269	278	285
% INCREASE PROPERTY TAX RATE	4.53%	0.00%	0.00%	0.00%	4.18%	4.02%	3.86%	3.35%	2.52%
ASSESSMENT (0.000,000's)	68.31	69.08	80.81	81.04	82.66	84.31	86.00	87.72	89.47
Total Tax rate Increase (Annual)	12.0	0.0	0.0	0.0	10.0	10.0	10.0	9.0	7.0
Ann. Assmnt. Growth	2.51%	1.13%	0.00%	0.28%	2.00%	2.00%	2.00%	2.00%	2.00%
Ann. Sales Tax Growth	-7.22%	16.16%	1.10%	0.00%	-4.00%	-3.00%	2.00%	2.00%	2.00%
Average Household Monthly Tax Increase	3.00	0.00	0.00	0.00	2.92	2.92	2.92	2.63	2.04

GENERAL FUND BUDGET DETAIL

General Fund Budget Summary

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
Taxes	31,567,744	31,556,023	32,070,773	32,765,773	1,209,750	3.8
Licenses and Permits	243,947	227,000	173,500	203,000	(24,000)	-10.6
Intergovernmental Revenues	3,085,662	3,079,800	3,137,891	3,153,426	73,626	2.4
Charges for Services	308,894	320,000	318,060	341,070	21,070	6.6
Fines and Forfeitures	1,325,167	362,000	329,000	362,000	0	0.0
Other Revenues	514,109	603,000	510,500	508,000	(95,000)	-15.8
Total Revenues	37,045,523	36,147,823	36,539,724	37,333,269	1,185,446	3.3
EXPENDITURES:						
General Government	1,715,553	1,846,191	1,862,179	1,885,557	39,366	2.1
Police	6,101,740	6,099,769	6,081,012	6,187,683	87,914	1.4
Fire	4,186,010	4,397,714	4,229,193	4,327,324	(70,390)	-1.6
Public Works	1,857,204	2,029,739	1,973,165	2,058,588	28,849	1.4
Community Development	671,099	706,042	692,211	713,972	7,930	1.1
Recreation and Parks	2,600,468	2,771,498	2,696,075	2,863,140	91,642	3.3
Library	1,305,307	1,389,318	1,344,791	1,416,986	27,668	2.0
Total Municipal Expenditures	18,437,381	19,240,271	18,878,626	19,453,250	212,979	1.1
Excess of Revenues Over Municipal Expenditures	18,608,142	16,907,552	17,661,098	17,880,019	972,467	5.8
OTHER FINANCING SOURCES (USES):						
Operating Transfers In:						
Electric Fund	1,230,708	1,230,000	1,317,761	1,380,000	150,000	12.2
Waterworks Fund	1,269,807	1,270,000	1,367,520	1,385,000	115,000	9.1
Operating Transfers Out:						
Oak Ridge Schools	(13,980,802)	(14,470,131)	(14,470,131)	(14,629,302)	159,171	1.1
General Fund Debt Service	(3,500,000)	(3,545,000)	(3,545,000)	(3,045,000)	(500,000)	-14.1
Solid Waste Fund	(1,292,501)	(1,460,300)	(1,402,464)	(1,524,170)	63,870	4.4
Capital Projects Fund	(79,975)	(476,271)	(476,271)	(2,012,000)	1,535,729	322.4
State Street Aid Fund	(223,729)	(653,000)	(653,000)	(653,000)	0	0.0
Housing Fund	0	0	0	(50,000)	50,000	100.0
Grant Fund	(168,350)	(171,850)	(171,850)	(171,850)	0	0.0
Street & Public Transportation Fund	(30,000)	(55,000)	(55,000)	(55,000)	0	0.0
Total Other Financing Source (Uses)	(16,774,842)	(18,331,552)	(18,088,435)	(19,375,322)	1,043,770	5.7
Excess (Deficiency) of Revenues Over Expenditures & Other Financing Uses	1,833,300	(1,424,000)	(427,337)	(1,495,303)	71,303	5.0
FUND BALANCE - 7/1	7,200,640	8,300,655	9,033,940	8,606,603	305,948	3.7
FUND BALANCE - 6/30	9,033,940	6,876,655	8,606,603	7,111,300	377,251	5.5

General Fund Fiscal 2012 vs 2011 Budget Variance Summary

	BUDGET 2011	BUDGET 2012	BUDGET 2012% of TOTAL	BUDGET 12 vs 11	12 vs 11 % CHANGE
REVENUES:					
Property Taxes	\$ 20,134,000	\$ 20,005,000	48.10%	\$ (129,000)	-0.64%
Local Sales Taxes	8,400,000	9,500,000	22.84%	1,100,000	13.10%
State Shared Taxes (Sales, Income, TVA, Excise, etc)	2,779,000	2,852,826	6.86%	73,826	2.66%
Other City Funds (In-lieu of Taxes & Rents)	2,500,000	2,765,000	6.65%	265,000	10.60%
Business Taxes (Business & Alcohol Wholesale)	1,546,000	1,598,000	3.84%	52,000	3.36%
DOE In-Lieu & Federal Grant	1,776,023	1,962,773	4.72%	186,750	10.52%
Licenses and Permits - (Construction Permits, Beer/Liquor Sale, Animal Registration, ROW, Cable)	677,000	653,000	1.57%	(24,000)	-3.55%
Charges for Services - (Recreation Usage Fees, Building & Facility Rentals, Animal Shelter Fees)	320,000	341,070	0.82%	21,070	6.58%
Fines and Forfeitures - (Traffic Violations, City Court, Library Fines)	362,000	362,000	0.87%	-	0.00%
Interest & Misc.	153,800	58,600	0.14%	(95,200)	-61.90%
Fund Balance Draw	1,424,000	1,495,303	3.60%	71,303	5.01%
TOTAL REVENUES	\$ 40,071,823	\$ 41,593,572	100.00%	\$ 1,521,749	3.80%
EXPENDITURES AND OPERATING TRANSFERS:					
Oak Ridge Schools Operations	\$ 14,470,131	\$ 14,629,302	35.17%	\$ 159,171	1.10%
Police	6,099,769	6,187,683	14.88%	87,914	1.44%
Fire	4,397,714	4,327,324	10.40%	(70,390)	-1.60%
Debt Service (Principal & Interest Payments)	3,545,000	3,045,000	7.32%	(500,000)	-14.10%
Recreation and Parks	2,771,498	2,863,140	6.88%	91,642	3.31%
Library	1,389,318	1,416,986	3.41%	27,668	1.99%
Residential Garbage Pickup & Convenience Center	1,460,300	1,524,170	3.66%	63,870	4.37%
Capital Projects Funding	476,271	2,012,000	4.84%	1,535,729	322.45%
Traffic & Street Lighting	1,080,000	1,086,111	2.61%	6,111	0.57%
Public Works (Building & Street Maintenance)	949,739	972,477	2.34%	22,738	2.39%
General Government (City Council, City Clerk, City Manger, City Court, Lega, Finance, Personnel, Computer Services & Utilities Business Office)	1,846,191	1,885,557	4.53%	39,366	2.13%
Community Development & Social Services	877,892	885,822	2.13%	7,930	0.90%
Housing Initiatives	0	50,000	0.12%	50,000	100.00%
Street Resurfacing	653,000	653,000	1.57%	-	0.00%
Street & Public Transportation Fund	55,000	55,000	0.13%	-	0.00%
TOTAL EXPENDITURES & OPERATING TRANSFERS	\$ 40,071,823	\$ 41,593,572	100.00%	\$ 1,521,749	3.80%

General Fund Summary of Revenues by Source

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>TAXES:</u>						
Property Taxes:						
4101 General Property Taxes:						
4110 Real Property Taxes	17,071,683	18,005,000	17,310,000	18,005,000	0	0.0
4225 Personal Property	1,124,048	1,333,000	1,115,000	1,115,000	(218,000)	-16.4
4120 Public Utilities	248,654	285,000	250,000	250,000	(35,000)	-12.3
4125 Interest and Penalties	183,257	95,000	170,000	125,000	30,000	31.6
Total Property Taxes	<u>18,627,642</u>	<u>19,718,000</u>	<u>18,845,000</u>	<u>19,495,000</u>	<u>(223,000)</u>	<u>-1.1</u>
Other Property Taxes:						
4130 Other than Assessed (In-Lieu)	439,366	416,000	465,000	510,000	94,000	22.6
4311 D.O.E. In-Lieu of Tax	1,475,379	1,476,023	1,662,773	1,662,773	186,750	12.7
Total Other Property Taxes	<u>1,914,745</u>	<u>1,892,023</u>	<u>2,127,773</u>	<u>2,172,773</u>	<u>280,750</u>	<u>14.8</u>
Local Sales Taxes:						
4187 City Sales Tax - Roane Co.	556,105	420,168	545,000	545,000	124,832	29.7
County Shared Sales Taxes:						
4366 Oak Ridge/Anderson County	6,088,598	5,900,000	6,105,000	6,105,000	205,000	3.5
4370 Oak Ridge/Roane County	2,752,718	2,079,832	2,850,000	2,850,000	770,168	37.0
Total Local Sales Taxes	<u>9,397,421</u>	<u>8,400,000</u>	<u>9,500,000</u>	<u>9,500,000</u>	<u>1,100,000</u>	<u>13.1</u>
Other Taxes:						
4151 Gross Receipts Bus. Taxes:						
4155 Beer Wholesale Tax	583,911	580,000	580,000	580,000	0	0.0
4160 Liquor Wholesale Tax	241,418	243,000	243,000	243,000	0	0.0
4170 Business Taxes	802,606	723,000	775,000	775,000	52,000	7.2
Total Other Taxes	<u>1,627,936</u>	<u>1,546,000</u>	<u>1,598,000</u>	<u>1,598,000</u>	<u>52,000</u>	<u>3.4</u>
TOTAL TAXES	<u>31,567,744</u>	<u>31,556,023</u>	<u>32,070,773</u>	<u>32,765,773</u>	<u>1,209,750</u>	<u>3.8</u>
<u>LICENSES AND PERMITS:</u>						
4205 Beer & Liquor Licenses & Permits	21,165	20,000	21,000	21,000	1,000	5.0
4225 Building Permits	171,193	150,000	95,000	125,000	(25,000)	-16.7
4230 Electrical Permits	20,650	20,000	21,000	20,000	0	0.0
4235 Plumbing Permits	15,027	20,000	20,000	20,000	0	0.0
4250 Animal Registration Permits	7,351	7,000	7,500	7,000	0	0.0
4260 Other Permits and Fees	8,561	10,000	9,000	10,000	0	0.0
TOTAL LICENSES & PERMITS	<u>243,947</u>	<u>227,000</u>	<u>173,500</u>	<u>203,000</u>	<u>(24,000)</u>	<u>-10.6</u>
<u>INTERGOVERNMENTAL:</u>						
4313 Federal Grants	300,000	300,000	300,000	300,000	0	0.0
4355 State Grants in Aid	0	800	593	600	(200)	-25.0
Shared State Taxes:						
4309 TVA Impact	212,758	0	217,749	100,000	100,000	100.0
4310 TVA Replacement Tax	304,554	300,000	311,492	324,683	24,683	8.2
4320 Sales Tax	1,754,488	1,750,000	1,825,000	1,896,185	146,185	8.4
4325 Income Tax	366,785	564,000	370,000	381,000	(183,000)	-32.4
4340 Excise Tax	42,575	60,000	7,769	45,000	(15,000)	-25.0
4345 Beer Barrelage	13,572	14,000	14,288	14,958	958	6.8
4350 Mixed Drink Tax	90,931	91,000	91,000	91,000	0	0.0
TOTAL INTERGOVERNMENTAL	<u>3,085,662</u>	<u>3,079,800</u>	<u>3,137,891</u>	<u>3,153,426</u>	<u>73,626</u>	<u>2.4</u>

General Fund Summary of Revenues by Source (Continued)

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>CHARGES FOR SERVICES:</u>						
Charges for Current Services:						
4405 Records Processing	22,344	28,000	18,000	20,000	(8,000)	-28.6
4417 General & Admin. Costs	17,187	23,000	21,000	23,000	0	0.0
4430 Animal Shelter Fees	14,073	23,000	26,000	23,000	0	0.0
Use of Property Services:						
4440 Activities	3,046	4,000	4,000	5,000	1,000	25.0
4450 Outdoor Pool	89,028	75,000	95,000	95,000	20,000	26.7
4455 Indoor Pool	35,721	45,000	40,000	45,000	0	0.0
4460 Rental of Lands & Buildings	96,389	90,000	83,560	95,070	5,070	5.6
4485 Community Center Building	31,106	32,000	30,500	35,000	3,000	9.4
TOTAL CHARGES FOR SERVICES	308,893	320,000	318,060	341,070	21,070	6.6
<u>FINES, PENALTIES AND FORFEITURES:</u>						
4501 Photo Enforcement	951,915	0	0	0	0	0.0
4505 City Court - Fines	74,873	65,000	65,000	65,000	0	0.0
4510 City Court - Costs	87,548	85,000	75,000	85,000	0	0.0
4515 Bail Forfeitures	157,347	160,000	140,000	160,000	0	0.0
4519 Misc. Court Revenues	3,904	2,000	2,000	2,000	0	0.0
4520 Library - Fines and Lost Books	49,580	50,000	47,000	50,000	0	0.0
TOTAL FINES, PENALTIES, & FORFEITURES	1,325,168	362,000	329,000	362,000	0	0.0
<u>OTHER REVENUES:</u>						
4610 Interest on Investments	49,477	150,000	45,000	50,000	(100,000)	-66.7
4710 CATV Franchise	395,832	390,000	390,000	390,000	0	0.0
4750 Right-of-Way	60,000	60,000	60,000	60,000	0	0.0
4790 Miscellaneous	8,800	3,000	15,500	8,000	5,000	166.7
TOTAL OTHER REVENUES	514,109	603,000	510,500	508,000	(95,000)	-15.8
TOTAL REVENUES	37,045,523	36,147,823	36,539,724	37,333,269	1,185,446	3.3
<u>TRANSFERS IN - IN LIEU OF TAX:</u>						
4135 Electric Fund	1,230,708	1,230,000	1,317,761	1,380,000	150,000	12.2
4140 Waterworks Fund	1,269,807	1,270,000	1,367,520	1,385,000	115,000	9.1
TOTAL TRANSFERS IN	2,500,515	2,500,000	2,685,281	2,765,000	265,000	10.6
TOTAL REVENUES & OPERATING TRANSFERS	39,546,038	38,647,823	39,225,005	40,098,269	1,450,446	3.8
FUND BALANCE APPROPRIATION	0	1,424,000	427,337	1,495,303	71,303	5.0
TOTAL REVENUES, OPERATING TRANSFER & FUND BALANCE DRAW	39,546,038	40,071,823	39,652,342	41,593,572	1,521,749	3.8

General Fund Summary of Expenditures And Transfers by Departments And Activities

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>General Government:</u>						
810 City Council	125,226	110,735	119,602	110,785	50	0.0
816 City Clerk	117,095	126,080	112,577	113,767	(12,313)	-9.8
820 City Manager	278,302	294,084	321,061	309,106	15,022	5.1
832 City Court	198,395	200,999	203,213	204,438	3,439	1.7
843 Legal	223,569	226,747	225,881	231,573	4,826	2.1
845 Computer Services	307,297	358,437	360,583	371,412	12,975	3.6
846 Personnel	208,557	222,962	221,155	232,377	9,415	4.2
854 Stationery Stores	72,468	74,673	74,888	74,702	29	0.0
862 Finance	108,250	160,420	155,677	164,865	4,445	2.8
864 Business Office	76,394	71,054	67,542	72,532	1,478	2.1
Total General Government	1,715,553	1,846,191	1,862,179	1,885,557	39,366	2.1
<u>Police Department:</u>						
910 Supervision	274,404	271,894	273,044	274,256	2,362	0.9
911 Investigations	932,021	900,423	953,776	929,095	28,672	3.2
912 Staff Services	386,705	388,879	388,932	401,436	12,557	3.2
913 Patrol	3,711,405	3,803,450	3,769,283	3,843,515	40,065	1.1
915 Emergency Communications	290,252	302,130	310,927	304,565	2,435	0.8
916 Animal Control	343,083	301,868	275,834	303,549	1,681	0.6
917 School Resource Officer Program	163,870	131,125	109,216	131,267	142	0.1
Total Police Department	6,101,740	6,099,769	6,081,012	6,187,683	87,914	1.4
<u>Fire Department:</u>						
921 Supervision	217,782	226,555	225,349	231,304	4,749	2.1
922 Fire Prevention	128,873	132,140	119,199	118,711	(13,429)	-10.2
923 Fire Fighting	3,645,786	3,780,885	3,678,529	3,710,458	(70,427)	-1.9
924 Fire Stations	105,943	114,800	110,750	122,902	8,102	7.1
925 Fire Specialists	87,626	143,334	95,366	143,949	615	0.4
Total Fire Department	4,186,010	4,397,714	4,229,193	4,327,324	(70,390)	-1.6
<u>Public Works Department:</u>						
930 Supervision	84,162	88,552	93,099	108,010	19,458	22.0
935 Engineering	116,321	138,309	125,114	133,606	(4,703)	-3.4
942 State Highway Maintenance	42,254	61,709	61,709	61,709	0	0.0
943 General Maintenance	386,074	375,433	385,138	384,543	9,110	2.4
946 Central Service Center	116,153	130,790	117,325	130,618	(172)	-0.1
948 Municipal Building	144,898	154,946	144,885	153,991	(955)	-0.6
953 Traffic Control and Lights	967,342	1,080,000	1,045,895	1,086,111	6,111	0.6
Total Public Works Department	1,857,204	2,029,739	1,973,165	2,058,588	28,849	1.4
<u>Community Development</u>						
960 Supervision	161,058	180,244	179,880	186,189	5,945	3.3
962 Planning	105,932	124,882	124,320	127,362	2,480	2.0
966 Code Enforcement	404,109	400,916	388,011	400,421	(495)	-0.1
Total Community Development	671,099	706,042	692,211	713,972	7,930	1.1

**General Fund Summary of Expenditures And Transfers by
Departments And Activities
(Continued)**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Recreation and Parks Department:</u>						
970 Supervision	229,239	237,899	238,335	252,794	14,895	6.3
972 Indoor Aquatics	194,917	198,787	208,853	207,820	9,033	4.5
973 Outdoor Aquatics	251,122	274,684	233,621	278,487	3,803	1.4
974 Centers, Camps & Programs	647,065	708,146	673,149	732,490	24,344	3.4
975 Athletics	132,788	137,505	138,195	140,381	2,876	2.1
976 Parks	721,228	759,771	743,622	786,983	27,212	3.6
977 Scarborough Center	159,931	175,778	177,533	178,149	2,371	1.3
978 Senior Center	264,178	278,928	282,767	286,036	7,108	2.5
Total Recreation and Parks Department	<u>2,600,468</u>	<u>2,771,498</u>	<u>2,696,075</u>	<u>2,863,140</u>	<u>91,642</u>	<u>3.3</u>
979 Public Library	<u>1,305,307</u>	<u>1,389,318</u>	<u>1,344,791</u>	<u>1,416,986</u>	<u>27,668</u>	<u>2.0</u>
TOTAL MUNICIPAL EXPENDITURES	<u>18,437,381</u>	<u>19,240,271</u>	<u>18,878,626</u>	<u>19,453,250</u>	<u>212,979</u>	<u>1.1</u>
<u>Operating Transfers:</u>						
990 Housing Fund	0	0	0	50,000	50,000	100.0
991 State Street Aid Fund	223,729	653,000	653,000	653,000	0	0.0
991 Street & Public Transportation Fund	30,000	55,000	55,000	55,000	0	0.0
992 Capital Projects Fund	79,975	476,271	476,271	2,012,000	1,535,729	322.4
995 Grant Fund	168,350	171,850	171,850	171,850	0	0.0
997 Debt Service	3,500,000	3,545,000	3,545,000	3,045,000	(500,000)	-14.1
998 Solid Waste	1,292,501	1,460,300	1,402,464	1,524,170	63,870	4.4
999 Oak Ridge Schools	<u>13,980,802</u>	<u>14,470,131</u>	<u>14,470,131</u>	<u>14,629,302</u>	<u>159,171</u>	<u>1.1</u>
TOTAL OPERATING TRANSFERS	<u>19,275,357</u>	<u>20,831,552</u>	<u>20,773,716</u>	<u>22,140,322</u>	<u>1,308,770</u>	<u>6.3</u>
TOTAL EXPENDITURES AND OPERATING TRANSFERS	<u>37,712,738</u>	<u>40,071,823</u>	<u>39,652,342</u>	<u>41,593,572</u>	<u>1,521,749</u>	<u>3.8</u>

Summary of Gross Expenditures & Transfers by Object Code Classification

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHNG
<u>PERSONAL SERVICES:</u>						
5111 Salaries-Regular Employees	10,422,467	10,666,516	10,251,501	10,757,044	90,528	0.8
5120 Salaries-Temporary Employees	303,849	327,918	284,945	349,428	21,510	6.6
5131 Regular Overtime Pay	959,775	803,492	929,352	825,269	21,777	2.7
5141 Social Security	846,309	902,488	901,117	912,309	9,821	1.1
5150 Retirement	1,493,442	1,802,229	1,810,229	1,822,243	20,014	1.1
5160 Medical & Workers' Compensation	2,167,170	2,300,557	2,300,557	2,308,057	7,500	0.3
Total Personal Services	<u>16,193,012</u>	<u>16,803,200</u>	<u>16,477,701</u>	<u>16,974,350</u>	<u>171,150</u>	<u>1.0</u>
<u>CONTRACTUAL SERVICES:</u>						
5201 Rents	155,182	167,664	164,975	162,504	(5,160)	-3.1
5205 Printing & Duplicating Charges	4,430	5,000	3,575	3,575	(1,425)	-28.5
5206 Mailing & Delivery	81,839	87,110	87,110	87,000	(110)	-0.1
5207 Dues, Memberships and Subscript.	64,076	56,029	57,579	58,710	2,681	4.8
5210 Professional & Contractual Services	709,124	791,625	865,005	811,979	20,354	2.6
5210 Custodial Contract	192,468	241,196	202,650	241,196	0	0.0
5210 Mowing Contract	304,692	330,145	325,980	335,440	5,295	1.6
5210 Litter Contract	57,056	64,530	58,145	64,530	0	0.0
5236 Street Sweeping	23,895	24,730	24,730	24,730	0	0.0
5211 Advertising and Publicity	37,656	61,580	50,530	51,530	(10,050)	-16.3
5212 Utility Services	1,014,211	1,238,811	1,111,450	1,283,100	44,289	3.6
5212 Street & Traffic Lights	950,491	1,059,700	1,025,595	1,065,811	6,111	0.6
5220 Travel, Schools and Conferences	149,299	150,830	158,470	177,180	26,350	17.5
5235 Repair & Maintenance	747,697	645,810	685,285	652,200	6,390	1.0
5236 Other Equipment Maintenance	199,444	382,808	381,413	421,029	38,221	10.0
5289 Vehicle/Equipment Use Charges	1,129,905	1,139,817	1,118,796	1,199,177	59,360	5.2
Total Contractual Services	<u>5,821,465</u>	<u>6,447,385</u>	<u>6,321,288</u>	<u>6,639,691</u>	<u>192,306</u>	<u>3.0</u>
<u>COMMODITIES:</u>						
5310 Commodities/Tools/Supplies	439,119	362,039	392,179	391,905	29,866	8.2
5320 Books/Education Materials	21,513	30,070	28,290	28,714	(1,356)	-4.5
5320 Library Materials	133,638	140,342	140,342	140,342	0	0.0
5325 Uniforms/Clothing	46,174	58,385	55,575	56,425	(1,960)	-3.4
Total Commodities	<u>640,444</u>	<u>590,836</u>	<u>616,386</u>	<u>617,386</u>	<u>26,550</u>	<u>4.5</u>
<u>OTHER CHARGES:</u>						
5410 Insurance	278,596	278,396	278,396	278,396	0	0.0
5430 Grants/Subsidies/Contributions	23,300	22,000	22,000	22,000	0	0.0
5499 Elections/Contingency/Other	17,316	20,600	20,600	5,350	(15,250)	-74.0
Total Other Charges	<u>319,212</u>	<u>320,996</u>	<u>320,996</u>	<u>305,746</u>	<u>(15,250)</u>	<u>-4.8</u>
<u>CAPITAL EXPENDITURES:</u>						
	<u>21,780</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL GROSS EXPENDITURES	<u>22,995,913</u>	<u>24,162,417</u>	<u>23,736,371</u>	<u>24,537,173</u>	<u>374,756</u>	<u>1.6</u>
<u>REDUCTION OF COSTS:</u>						
5610 Recovered from Users	(386,268)	(346,440)	(379,364)	(376,440)	(30,000)	8.7
5670 Recovered from Funds	(4,172,264)	(4,575,706)	(4,478,381)	(4,707,483)	(131,777)	2.9
Total Reduction of Costs	<u>(4,558,532)</u>	<u>(4,922,146)</u>	<u>(4,857,745)</u>	<u>(5,083,923)</u>	<u>(161,777)</u>	<u>3.3</u>
TOTAL MUNICIPAL EXPENDITURES	<u>18,437,381</u>	<u>19,240,271</u>	<u>18,878,626</u>	<u>19,453,250</u>	<u>212,979</u>	<u>1.1</u>
<u>OPERATING TRANSFERS:</u>						
5710 Operating Transfers	<u>19,275,357</u>	<u>20,831,552</u>	<u>20,773,716</u>	<u>22,140,322</u>	<u>1,308,770</u>	<u>6.3</u>
TOTAL NET EXPENDITURES	<u>37,712,738</u>	<u>40,071,823</u>	<u>39,652,342</u>	<u>41,593,572</u>	<u>1,521,749</u>	<u>3.8</u>

General Fund Expenditures & Operating Transfers

	BUDGET 2012	PERCENT OF GROSS	ACCUMULATED PERCENT OF GROSS
Personal Services (Salaries, FICA Retirement, Insurance)	\$ 16,974,350	36.37	
Oak Ridge School Operations	14,629,302	31.34	67.71
Debt Service (Principal & Interest) City & Schools	3,045,000	6.52	74.23
Equipment Maintenance, Operation & Replacement (Vehicle & Computer)	1,620,206	3.47	77.70
Residential Garbage & Convenience Center	1,524,170	3.27	80.97
Capital Maintenance Funding City & Schools	1,512,000	3.24	84.21
Utilities (Electric, Water, Sewer, Phones, Internet.)	1,283,100	2.75	86.95
Streets Lights and Traffic Lights	1,065,811	2.28	89.24
Professional and Contractual Services	811,979	1.74	90.98
Custodial, Mowing, Litter Pick-Up & Street Sweeping Contracts	665,896	1.43	92.40
Street Resurfacing	653,000	1.40	93.80
Repairs & Maintenance (Buildings)	652,200	1.40	95.20
Roane State Contribution (Capital Projects Fund Transfer)	500,000	1.07	96.27
Commodities (Including Small Tools & Supplies)	391,905	0.84	97.11
Insurance (Property & Liability)	278,396	0.60	97.71
Social Service Grants	171,850	0.37	98.08
Rents (Including Senior Center and Court)	162,504	0.35	98.42
Training & Conferences	177,180	0.38	98.80
Library Materials	140,342	0.30	99.10
Mailing & Delivery	87,000	0.19	99.29
Advertising and Publicity (includes Legal Notices)	51,530	0.11	99.40
Uniforms/Clothing	56,425	0.12	99.52
Dues, Memberships and Subscriptions	58,710	0.13	99.65
Street & Public Transportation	55,000	0.12	99.77
Housing Initiatives	50,000	0.11	99.87
Books/Education Materials	28,714	0.06	99.93
Other Grants/Subsidies/Contributions	22,000	0.05	99.98
Contingency/Election/Other	5,350	0.01	99.99
Printing & Dup. Charges	3,575	0.01	100.00
GROSS EXPENDITURES AND OPERATING TRANSFERS	<u>46,677,495</u>		
Costs Recovered From Users	(376,440)		
Costs Transferred to Other City Funds	<u>(4,707,483)</u>		
NET EXPENDITURES AND OPERATING TRANSFERS	<u>\$ 41,593,572</u>		

General Fund – Transfers to Other Funds, Interdepartmental Credits and Costs Recovered

Below are costs allocated to user Funds and costs recovered from external users by General Fund department.

	<u>GROSS BUDGET</u>		<u>ELECTRIC FUND</u>		<u>WATERWORKS FUND</u>			<u>STATE STREET AID FUND</u>		<u>COSTS RECOVERED</u>		<u>GENERAL FUND</u>	
					<u>WATER</u>	<u>WASTEWATER</u>							
DEPARTMENT:													
GENERAL GOVERNMENT:													
810 City Council	\$ 156,035	16%	\$ 24,966	7%	\$ 10,922	6%	\$ 9,362	\$ -	\$ -	-	71%	\$ 110,785	
816 City Clerk	160,236	16%	25,638	7%	11,217	6%	9,614	-	-	-	71%	113,767	
820 City Manager's Office	618,211	25%	154,553	12%	74,185	12%	74,185	1%	6,182	-	50%	309,106	
832 City Court	204,438		-		-	-	-	-	-	-	100%	204,438	
843 Legal	326,157	16%	52,184	7%	22,831	6%	19,569	-	-	-	71%	231,573	
845 Computer Services	1,125,487	31%	348,900	20%	225,097	16%	180,078	-	-	-	33%	371,412	
846 Personnel	430,328	15%	64,549	13%	55,943	15%	64,549	3%	12,910	-	54%	232,377	
854 Stationary Stores	219,714	26%	57,126	20%	43,943	20%	43,943	-	-	-	34%	74,702	
862 Finance	785,071	40%	314,028	18%	141,313	17%	133,462	4%	31,403	-	21%	164,865	
864 Business Office	1,036,177	43%	445,556	27%	279,768	23%	238,321	-	-	-	7%	72,532	
TOTAL GENERAL GOVERNMENT	5,061,854	29%	1,487,500	17%	865,219	15%	773,083	1%	50,495	-	37%	1,885,557	
POLICE DEPARTMENT:													
910 Supervision	274,256		-		-	-	-	-	-	-	100%	274,256	
911 Investigations	929,095		-		-	-	-	-	-	-	100%	929,095	
912 Staff Services	401,436		-		-	-	-	-	-	-	100%	401,436	
913 Patrol	3,843,515		-		-	-	-	-	-	-	100%	3,843,515	
915 Emergency Communications	518,206	12%	62,185	6%	31,092	2%	10,364	-	21%	110,000	59%	304,565	
916 Animal Control	336,549		-		-	-	-	-	10%	33,000	88%	303,549	
917 School Resource Officer	131,267		-		-	-	-	-	0%	-	100%	131,267	
TOTAL POLICE DEPARTMENT	6,434,324	1%	62,185	0%	31,092	0%	10,364	-	2%	143,000	98%	6,187,683	
FIRE DEPARTMENT:													
921 Supervision	231,304		-		-	-	-	-	-	-	100%	231,304	
922 Fire Prevention	118,711		-		-	-	-	-	-	-	100%	118,711	
923 Fire Fighting	3,731,458		-		-	-	-	1%	21,000	99%	3,710,458		
924 Fire Stations	122,902		-		-	-	-	-	-	-	100%	122,902	
925 Fire Specialists	143,949		-		-	-	-	-	-	-	100%	143,949	
TOTAL FIRE DEPARTMENT	4,348,324		-		-	-	-	-	21,000	100%	4,327,324		
PUBLIC WORKS DEPARTMENT:													
930 Supervision	400,035		-	27%	108,009	31%	124,011	15%	60,005	-	27%	108,010	
935 Engineering	381,731	10%	38,173	20%	76,346	20%	76,346	15%	57,260	-	35%	133,606	
942 State Highway Maintenance	184,989		-		-	-	-	-	67%	123,280	33%	61,709	
943 General Maintenance	384,543		-		-	-	-	-	-	-	100%	384,543	
946 Central Services Complex	544,245	42%	228,583	18%	97,964	10%	54,425	6%	32,655	-	24%	130,618	
948 Municipal Building	226,456	15%	33,968	9%	20,381	8%	18,116	-	-	-	68%	153,991	
953 Traffic Control & Lighting	1,086,111		-		-	-	-	-	-	-	100%	1,086,111	
TOTAL PUBLIC WORKS	3,208,110	9%	300,724	9%	302,700	9%	272,898	5%	149,920	4%	123,280	64%	2,058,588
COMMUNITY DEVELOPMENT:													
960 Supervision	321,017	13%	41,732	13%	41,732	16%	51,364	-	-	-	58%	186,189	
962 Planning	195,942	13%	25,472	11%	21,554	11%	21,554	-	-	-	65%	127,362	
966 Code Enforcement	488,316		-	9%	43,948	9%	43,947	-	-	-	82%	400,421	
TOTAL COMMUNITY DEVELOPMENT	1,005,275	7%	67,204	11%	107,234	12%	116,865	-	-	-	71%	713,972	
RECREATION & PARKS:													
970 Supervision	252,794		-		-	-	-	-	-	-	100%	252,794	
972 Indoor Aquatics	260,820		-		-	-	-	-	20%	53,000	87%	207,820	
973 Outdoor Aquatics	281,487		-		-	-	-	-	1%	3,000	99%	278,487	
974 Centers, Camps & Programs	831,150		-		-	-	-	-	12%	98,660	88%	732,490	
975 Athletics	155,381		-		-	-	-	-	10%	15,000	90%	140,381	
976 Parks	804,983		-		-	-	-	-	2%	18,000	96%	786,983	
977 Scarboro Center	188,149		-		-	-	-	-	5%	10,000	97%	178,149	
978 Senior Center	287,536		-		-	-	-	-	1%	1,500	99%	286,036	
TOTAL RECREATION & PARKS	3,062,300		-		-	-	-	-	7%	199,160	93%	2,863,140	
PUBLIC LIBRARY:													
979 Public Library	1,416,986		-		-	-	-	-	-	-	100%	1,416,986	
GRAND TOTAL	\$24,537,173	8%	\$1,917,613	5%	\$1,306,245	5%	\$1,173,210	1%	\$200,415	2%	\$486,440	79%	\$19,453,250

GENERAL GOVERNMENT

Table of Contents

General Government.....	III-33
Organizational Chart.....	III-34
2010-2011 Accomplishments	III-35
2011-2012 Goals.....	III-36
Revenue and Expenditures	III-39
Department Activities.....	III-40
City Council – Activity No. 810.....	III-40
City Clerk – Activity No. 816.....	III-41
City Manager’s Office – Activity No. 820	III-42
City Court – Activity No. 832	III-43
Legal – Activity No. 843	III-44
Computer Services – Activity No. 845	III-45
Personnel – Activity No. 846.....	III-45
Stationary Stores – Activity No. 854	III-46
Finance – Activity No. 862.....	III-47
Business Office – Activity No. 864	III-48
Budget Detail.....	III-49
City Council – Activity No. 810 Budget Detail.....	III-49
City Clerk - Activity No. 816 Budget Detail	III-50
City Manager’s Office - Activity No. 820 Budget Detail	III-51
City Court - Activity No. 832 Budget Detail	III-52
Legal - Activity No. 843 Budget Detail.....	III-53
Computer Services – Activity No. 845 Budget Detail.....	III-54
Personnel - Activity No. 846 Budget Detail	III-55
Stationary Stores - Activity No. 854 Detail	III-56
Finance - Activity No. 862 Budget Detail	III-57
Business Office - Activity No. 864 Budget Detail	III-58

GENERAL GOVERNMENT

The General Government function includes the following activities: City Council, City Clerk, City Manager's Office, City Court, Legal, Computer Services, Personnel, Stationary Stores, Finance and the Utility Business Office. Incorporated in 1960, the City of Oak Ridge operates under a charter providing for a modified City Manager-Council form of government, which combines the political leadership of elected officials in the form of a City Council with the managerial experience and expertise of a City Manager. City Council consists of seven members elected at large, with the Mayor and Mayor ProTem elected by fellow Council members for two-year terms. City Council members set policy and enact legislation, review and adopt the City budget, and appoint the City Manager and City Attorney.

The City Clerk is responsible for recording legislative actions of City Council, assisting the City Manager in implementing ordinances and resolutions approved by City Council, and performing related functions.

The City Manager is responsible for the supervision of all City departments and serves as Council's chief advisor, providing Council with any information and recommendations they may request. He is also responsible for implementing Council approved policies. The City Manager's activity also includes a Government and Public Affairs Coordinator who assists in the management of relationships with the public and with external agencies and media organizations at the federal, state and local level.

The City Court has jurisdiction within the City over cases involving violations of City ordinance. The Court is presided over by a City Judge elected for a four-year term.

The Legal Department is responsible for providing legal assistance and guidance to the City Council and City Manager and keeping all department directors fully advised on any legal matters. The Department also represents the City in civil litigations and serves as the staff representative to the City's Beer Board. The City Attorney is appointed by City Council. The legal staff also contains a Senior Staff Attorney position.

The Computer Services staff, comprised of 7 technical employees, provide computer support to other City departments, including mainframe as well as personal computer support and training for various micro-computer software utilized by the City departments. The City utilizes an IBM AS/400 mainframe computer with workstations located in the Municipal Building, Library and Civic Center, and remote workstations at the Central Services Center and at the four fire stations. Staff is also responsible for maintaining and upgrading approximately 345 personal computers located throughout the City. The Deputy City Manager of Administrative Services and an Accounting Specialist are also accounted for in this activity.

The Personnel staff, comprised of 4 employees, is responsible for managing the personnel and training functions and risk management. Personnel also provides staff support to the City's Personnel Advisory Board. In fiscal 2012, the City's work force will be comprised of 460 full-time and part-time employees, which is the equivalent of 396.56 staff years. This department administers many services accounted for in the Insurance Fund. The City's various insurance programs are secured by a combination of commercial insurance and self-funding. The last citywide compensation plan review was completed in fiscal 2003 with employee job classification reviews performed by an independent contractor.

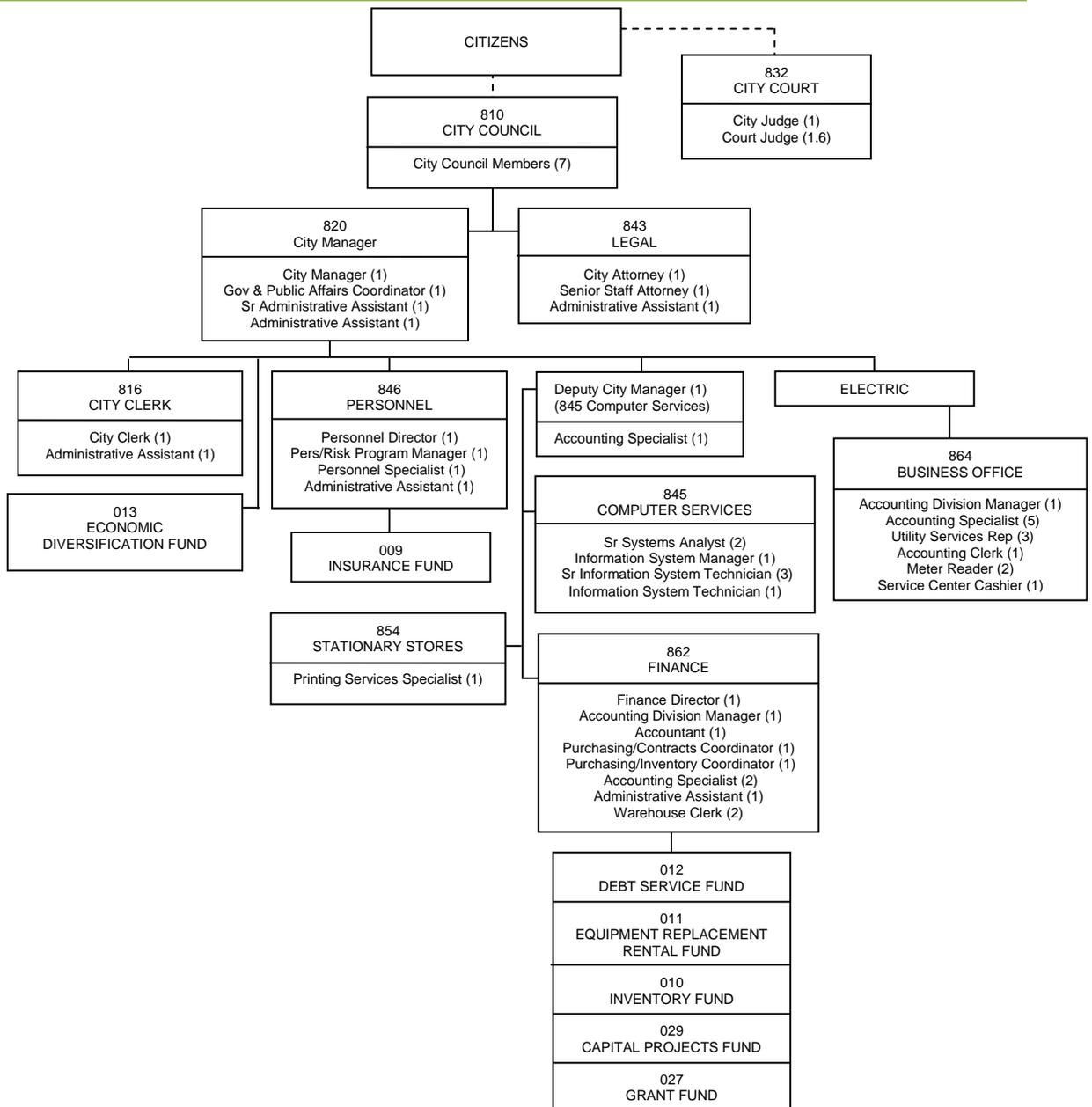
Stationary Stores is comprised of one employee who is responsible for printing and binding major City documents, maintaining a central copier and office supply facility for the Municipal Building, as well as the City's mail distribution.

Finance is comprised of 10 employees and is responsible for the financial management activities of the City. Program responsibilities include serving as the centralized accounting office for the City, processing payment of all City obligations, cash management and investments, procurement and operation of the central warehouse facility and utility accounting systems. Other responsibilities include administration of the Equipment Replacement Rental, Inventory, Grant, Debt Service Fund and Capital Projects Funds.

A primary function of Finance is the development and publishing of the City's audit and comprehensive annual financial report (CAFR) and annual operating budget. The City has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting since inception of the City in 1960 and the Distinguished Budget Presentation Award for the past 28 years. Staff is also responsible for the biennial utility rate studies for the City's Electric and Waterworks Funds.

The Utilities Business Office comprised of 13 employees, under the direction of the Electric Department and is responsible for the billing, collection and customer service for the City's utility services and property taxes. The City has over 15,000 utility accounts and 14,000 parcels of property. The Business Office is responsible for the recording and depositing of all cash received by the City.

ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS

CITY CLERK

- Supported the recruitment and election process to establish the new Recreation and Parks Board.
- Began the process of introducing new office equipment and a maintenance policy for existing equipment to support records management in the City Clerk's Office.
- Provided the agenda in a timely manner to City Council, Department Directors, and the public.
- Implemented the new terms and elections policy pertaining to City Boards and Commissions.
- Purged and archived files to increase the efficiency of the City Clerk's Office.

GOVERNMENT AND PUBLIC AFFAIRS (CITY MANAGERS OFFICE)

- Planned and participated in community meetings in support of the Police Chief Search Process.
- Developed City's Legislative Agenda and provided staff support to governmental affairs consultants.
- Prepared comprehensive public information and provided dedicated staff support for new website and social media.
- Prepared approximately forty press releases.
- Managed public relations campaign for Cedar Hill Playground Project.
- Produced four *Report to the Citizens* newsletters.
- Provided staff support for Earth Day and Secret City Festivals.
- Planned and executed City Council meeting with U.S. Senator Bob Corker.
- Won award from International Festivals and Events Association.
- Produced presentation materials for City Manager's office.
- Assisted City Clerk's office with *City Council Night Out* activities.
- Made progress toward completion of *Preserve America Grant* project.
- Completed several oral history interviews and provided staff support to Center for Oak Ridge Oral History Project (COROH).
- Represented City Manager's office in activities of the Energy Communities Alliance (ECA); Energy, Technology and Environmental Business Association (ETEBA); Oak Ridge Chamber of Commerce; League of Women Voters of Oak Ridge; East Tennessee Economic Council (ETEC); TN Municipal League; U.S. Department of Energy (DOE), and Young Professionals.

LEGAL

- Provided timely legal opinions for the City Manager, City Departments, City Boards and Commissions, and City Council.
- Provided effective prosecution in City Court for all contested cases.
- Provided effective defense for claims and lawsuits against the City.
- Provided timely bid and contract preparation for City Departments, consisting of approximately 21 (twenty-one) bid packages, nine (9) requests for proposals/qualifications and 248 (two hundred and forty-eight) contracts.
- Assisted in transferring all Boards and Commissions to a new calendar year schedule for election purposes.
- Drafted necessary ordinances and resolutions to create two new boards (Trade Licensing Board and Recreation and Parks Advisory Board), and eliminate two boards (Board of Electrical Examiners and Board of Plumbing Examiners).
- As staff liaison to the Oak Ridge Beer Permit Board, processed approximately 40 (forty) manager applications and 22 (twenty-two) beer permit applications.
- Assisted in the update of various administrative policies.
- Processed changes to court dates and times for City Court through the necessary ordinance amendment.

COMPUTER SERVICES

- Implementation of new federal security policies through the installation of additional required hardware and software.
- Addition of two hosting servers and 30TB of SAN storage.
- Upgrade of personal computer workstations to Microsoft Windows 7 environment.
- Upgrading of Police Computer Aided Dispatch software and hardware.
- Provided secondary location for Tax Bill payments in two County facilities.
- Implementation of new VOIP phone system in Utility Business Office and Water Plant.
- Addition of eight T1 communication lines for enhanced facility monitoring and control.
- New City website design and implementation.
- Continued migration into a virtual server environment with an addition of 20 virtual servers.
- Virtualization of all Library catalog public computers.
- Implementation of Track-It Help Desk software to enhance departmental service

FINANCE DEPARTMENT

- Prepared the 2011 budget document, which received the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA).
- Prepared the 2010 City Comprehensive Annual Financial Report (CAFR), which received the Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Association (GFOA).
- Reorganized the City warehouse, including the purchase of new shelving which allowed for more efficient stock organization.

2011-2012 GOALS

CITY MANAGER

Quality of Life:

- Initiate progress of the Climate Action Plan (CAP)
- Develop the visionary concept of the Manhattan Project National Historical Park and coordinate with local and national officials to move this project forward
- Enhance the promotional image and marketing of Oak Ridge as a professional, innovative, and progressive city through its various contractual entities and regional partners
- Coordinate the City support of events that provide recognizable return on investment and community economy
- Monitor and support the planning of the City waterfront into a community asset of constantly evolving activities
- Develop the implementation of the Bicycle-Pedestrian Plan as recently adopted by City Council
- Support the educational needs of the community through “growing our own” or other such programs, including service/emergency personnel.
- Maintain autonomy of library and evaluate other resources for use, including e-books.

Economics:

- Develop further sources of sales tax revenues through Chamber recruitment and
- Develop marketing strategies for use of tax increment programs to incentivize further retail and commercial activity, including other areas.
- Work with the IDB in actively completing the marketing and build out of Horizon Center and its complimentary infrastructure, as well as pursue other areas and other opportunities.
- Assess regional initiatives and make determinations as to value and return on investment.
- Implement major sewer rate increase to offset costs associated with EPA Administrative Order, including bond financing plan that minimizes rate impact.
- Assess free resources provided by the City for functions and events.
- Actively pursue the use of grants.

Safety:

- Incorporate the Oak Ridge Police Department in a targeted approach to eliminating ongoing repeat offenders or locations
- Enjoin the Oak Ridge Housing Authority into utilizing its resources and powers to overcome housing locations and housing vouchers that harbor criminal or drug activity and aggressive pursue violators of HUD and ORHA policy
- Develop Neighborhood Watches to support level for Police Department through advanced volunteer programs
- Use existing ordinances to accomplish neighborhood improvements through code enforcement, housing inspections and vehicle parking
- Improve infiltration and inflow into City sewer system through capital repairs

Governance:

- Enhance communication and reporting from City boards and commissions
- Develop Comprehensive Plan update on Housing
- Maintain and improve existing response times for city controlled processes in commercial development
- Conduct additional focused Council special work sessions governing budget overviews, including better understanding of school budget processes and needs
- Conduct 1-2 joint meetings with the School Board
- Appoint new Boards and Commissions utilizing talents needed to accomplish Council defined goals

Housing:

- Conduct a HUD level inspection program on residential housing during occupancy changes with particular focus on City utilities, including sewer system I&I confirmation
- Develop legislation and implementation Oak Ridge Community Land Bank
- Utilize new grant resources for Oak Ridge housing programs through CDBG and contracted parties like ADFAC.
- Examine city policies that can change highly dense housing pockets in City.

CITY CLERK

- Continue to provide support to City Council, City Manager, City Departments, and City Boards and Commissions.
 - Continue to identify and implement technology that leads to increased efficiency and accuracy.
- Develop and implement a paperless process within the City Clerk's Office which complies with applicable laws and regulations.
- Continue certification training and education regarding City Charter, policies and Parliamentary Procedure.
- Evaluate other City Clerk services, processes, and office procedures to maximize efficiency and accuracy.
- Pursue more suitable environment for conservation and accessibility of key city records.

GOVERNMENT AND PUBLIC AFFAIRS (CITY MANAGERS OFFICE)

- Assist in the development, implementation, and communication of legislative priorities for the City.
- Identify additional opportunities for transparency and innovation in the dissemination of public information.
- Excel at customer service, both internal and external.
- Participate in professional development training.
- Complete *Preserve America* Project.
- Identify opportunities for increasing attendance at, and effectiveness of City events, e.g. Council's Night Out.
- Maintain high levels of service delivery using existing resources

LEGAL

- Continue to provide legal assistance and support to City Manager, City Departments, City Boards and Commissions, and City Council.
- Continue to provide legal representation through prosecution in City Court and defense in civil litigation.
- Continue to attend meetings of the Oak Ridge Beer Permit Board as staff liaison.
- Continue to function as the City's Title VI Coordinator for purposes of Title VI compliance.
- Update the City Code for clarity and State law compliance, with particular focus on motor vehicle provisions for FY2012.
- Provide legal research and advice to the City Manager for implementation of the Manager's "Not in Our Town" campaign.

COMPUTER SERVICES

- Enhance internet and video production of Council Meetings using TriCaster broadcast system.
- Provide AT&T U-Verse access of City Council Meetings.
- Changing of telephone and internet service providers to enhance services and bandwidth.
- Upgrade MS-Exchange email software for enhanced features.
- Expansion of the VOIP phone system to additional departments.
- Additional facility at CSC for providing offsite backup and fiber entry point.
- Begin implementation of citywide fiber ring project.
- Upgrading of online bill pay system to allow acceptance of Visa and MasterCard.
- Implementation of Infor system for Public Works.
- Automation of Boards and Commissions information using SharePoint.
- Completion of departmental policies and procedures.

FINANCE DEPARTMENT

- Currently restructuring the City's 2012 budget document to provide a more reader friendly budget document.
- Obtainment of the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the City's 2012 budget document.
- Obtainment of the Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Association (GFOA) for the City's 2011 Comprehensive Annual Financial Report (CAFR).
- Review of the City's fixed asset inventory and asset systems toward streamlining processes and replacement of accounting software for these systems.

REVENUE AND EXPENDITURES

Authorized Personnel:

	<u>2011</u>	<u>2012</u>
General Fund		
810 City Council		
816 City Clerk	2	2
820 City Manager	4	4
832 City Court	3	3
843 Legal	3	3
845 Computer Services	9	9
846 Personnel	4	4
854 Stationary Stores	1	1
862 Finances	10	10
864 Bus Office	<u>13</u>	<u>13</u>
Total	49	49

Summary of Expenditures and Transfers by Departments:

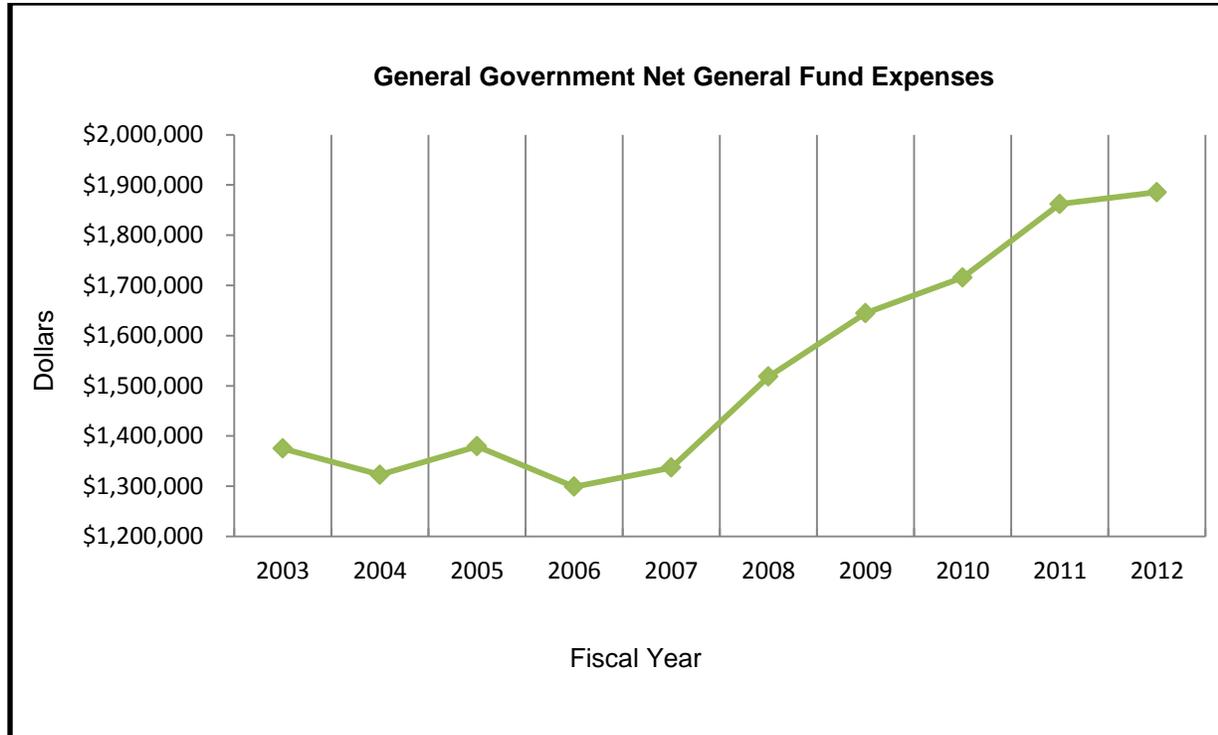
	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>General Government:</u>						
810 City Council	125,226	110,735	119,602	110,785	50	0.0
816 City Clerk	117,095	126,080	112,577	113,767	(12,313)	-9.8
820 City Manager	278,302	294,084	321,061	309,106	15,022	5.1
832 City Court	198,395	200,999	203,213	204,438	3,439	1.7
843 Legal	223,569	226,747	225,881	231,573	4,826	2.1
845 Computer Services	307,297	358,437	360,583	371,412	12,975	3.6
846 Personnel	208,557	222,962	221,155	232,377	9,415	4.2
854 Stationery Stores	72,468	74,673	74,888	74,702	29	0.0
862 Finance	108,250	160,420	155,677	164,865	4,445	2.8
864 Business Office	76,394	71,054	67,542	72,532	1,478	2.1
Total General Government	<u>1,715,553</u>	<u>1,846,191</u>	<u>1,862,179</u>	<u>1,885,557</u>	<u>39,366</u>	<u>2.1</u>

FY2012 General Fund Budget – Transfers to Other Funds, General Government Credits and Costs Recovered:

DEPARTMENT:	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED	GENERAL FUND				
			WATER	WASTEWATER							
<u>GENERAL GOVERNMENT:</u>											
810 City Council	\$ 156,035	16%	\$ 24,966	7%	\$ 10,922	6%	\$ 9,362	\$ -	\$ -	71%	\$ 110,785
816 City Clerk	160,236	16%	25,638	7%	11,217	6%	9,614	-	-	71%	113,767
820 City Manager's Office	618,211	25%	154,553	12%	74,185	12%	74,185	1%	6,182	50%	309,106
832 City Court	204,438		-		-		-		-	100%	204,438
843 Legal	326,157	16%	52,184	7%	22,831	6%	19,569	-	-	71%	231,573
845 Computer Services	1,125,487	31%	348,900	20%	225,097	16%	180,078	-	-	33%	371,412
846 Personnel	430,328	15%	64,549	13%	55,943	15%	64,549	3%	12,910	54%	232,377
854 Stationary Stores	219,714	26%	57,126	20%	43,943	20%	43,943	-	-	34%	74,702
862 Finance	785,071	40%	314,028	18%	141,313	17%	133,462	4%	31,403	21%	164,865
864 Business Office	<u>1,036,177</u>	<u>43%</u>	<u>445,556</u>	<u>27%</u>	<u>279,768</u>	<u>23%</u>	<u>238,321</u>	-	-	7%	<u>72,532</u>
TOTAL GENERAL GOVERNMENT	5,061,854	29%	1,487,500	17%	865,219	15%	773,083	1%	50,495	37%	1,885,557

General Government Net General Fund Expenditures:

Fluctuations were from turn-over in the City Manager and legal staff during this time frame. Added in fiscal 2008 was an Administrative Assistant position for Economic Development & Public Affairs Coordinator and funding for special project/ communication resources.



DEPARTMENT ACTIVITIES

City Council – Activity No. 810

Activity Description:

The City of Oak Ridge is governed by a seven-member City Council, which is the legislative and policy-making body of the City. Council members are elected at large for four-year, staggered terms, in elections held biannually on the date of the general state election on the first Tuesday after the first Monday in November of even-numbered years in accordance with the general election laws of the State of Tennessee. Following the election, the council elects one of its members to serve as Mayor for a term of two years and also chooses a member to serve as Mayor Pro-Tem in the temporary absence or disability of the Mayor.



The responsibilities of the City Council include (1) adopting ordinances, resolutions and policies necessary for the proper governing of the City's affairs; (2) reviewing and adopting the annual budget; (3) reviewing and acting on recommendations from various boards and commissions; (4) appointing a City Manager, City Attorney, and residents to various boards and commissions; (5) issuing directives and initiating measures to promote the general welfare of the City and the safety and health of its residents; and (6) representing the City at official functions.

City Council conducts its official business in regular meetings held in the Courtroom of the Municipal Building typically on the second Monday of each month. The fourth Monday of each month is generally reserved for work sessions, and is typically held at the Central Services Complex.

Program Comments:

This activity provides for the engagement of an independent firm of certified public accountants to conduct an annual audit of the official accounting records of the City. A comprehensive annual financial report is prepared by the Finance Department, submitted to the Council, and made a part of the City's records.

Additional items provided for in this activity are memberships in the Tennessee Municipal League, the National League of Cities, the East Tennessee Development District, and the Energy Communities Alliance; and attendance by City Council members at meetings and conferences conducted by the Tennessee Municipal League, the National League of Cities, and the Energy Communities Alliance.

Significant Expenditure Changes:

Overall gross expenditures increased by \$70. Due to a charter change in November 2010, City Council elections were moved from June to the general state election date in November. The City no longer has to fund the election costs since they coincide with state elections. \$15,000 of contingency funding, which was used for elections, has been reallocated to travel, professional service (audit), and dues, memberships and subscriptions.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City Clerk – Activity No. 816

Activity Description:

The City Clerk's office is responsible for recording and preserving the legislative actions of City Council and performing related functions as prescribed by the City Charter, City Manager and City Council. Implementation of these general functions involves preparation and distribution of Council meeting agenda materials and production of Council meeting minutes; filing and storage of official records; maintenance of the City Charter and Code; licensing and titling of City vehicles; and providing administrative and clerical support services for the City Manager, the Mayor and members of City Council.



Performance Objectives:

1. To accurately record the legislative actions of City Council.
2. To effectively respond to all requests for information.
3. To provide efficient administrative and clerical support to the City Manager and City Council.
4. To provide reliable records management service.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Agenda Production-Number of Sessions	18	20	14	16
Minutes Recorded	18	13	14	16
Ordinances Adopted	18	22	22	22
Resolutions Adopted	113	110	120	120
Proclamations Adopted	25	30	32	32
Administrative Action Referrals	248	250	282	282
Publications/Legal Notices	36	42	39	39
Official Notices Mailed to Individuals	96	110	25	83

Significant Expenditure Changes:

Salaries and benefits decreased \$17,156, due to employee turnover from the retirement of the long-time City Clerk during fiscal 2011. Other budgeted funding was reallocated based on current needs. In particular the reduction of \$5,000 in funding for legal notice advertising and increase in travel by \$3,640 and supplies of \$1,257. Charter changes and increased usage of the web has allowed for a reduction in the size or in some instances elimination of print legal notices.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City Manager’s Office – Activity No. 820

Activity Description:

The City Charter establishes the City Manager as the chief executive officer of the City. The City Manager is responsible for planning, organizing, directing, controlling and evaluating the operations of the municipal government. The City Manager’s job is to implement Council policies in an effective, fair and economical manner.

In carrying out these responsibilities, the City Manger interprets and implements Council-determined policy and oversees the enforcement of all laws and ordinances. The City Manager is charged with overseeing the activities of each and every employee and department. The City Manager provides general guidance and prepares the annual operating and capital improvement budgets. The City Manager works closely with the City Council in providing the strategic direction of the City government. He prepares agenda materials; provides information to local media; recommends legislation that appears necessary and desirable; advises Council of the financial conditions and future needs of the City; informs the public through reports to Council and other governmental and private agencies.



It is the goal of this activity to provide coordination and administrative direction to City departments in the delivery of municipal services to the residents of Oak Ridge, while also informing and advising the City Council of the ongoing City issues, requirements and problems. In an effort to enhance communication internally and within the community, the City Manager has included costs of intergovernmental and communication as an integral part of the City Manager staffing.

Government and Public Affairs also part of the City Manager's office and is comprised of two staff members who are based in the City Manager's Department. Primary functions are to:

- Research, develop, and coordinate the City's legislative and policy agendas;
- Facilitate intergovernmental and community relations;
- Develop press releases and coordinate media relations;
- Provide information to Oak Ridge Citizens through website and publications;
- Produce quarterly *Report to the Citizens* newsletter; and
- Support special projects and communications.

Program Comments:

Annually, the City Manager coordinates a set of goals and objectives for the fiscal year through the budgeting process and evaluation process with the City Council. These goals and objectives serve as critical measures of performance for this activity and the activities throughout the organization.

Performance Measures:

Government and Public Affairs:

- Compare legislative agenda with outcomes;
- Compare FY12 website for usage, complaints, and social media use with prior years; and evaluate city-sponsored events, e.g. Council's Night Out.

Significant Expenditure Changes:

Salaries and benefits increased 7.8%. An administrative specialist position whose funding was split 50% with the Economic Diversification Fund is fully funded by the General Fund in fiscal 2012.

A new vehicle will be purchased for use by the City Manager. The \$3,760 reduction in equipment use charges reflects lower maintenance costs. Other equipment maintenance costs increased \$1,809 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads, and other small electronic devices.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City Court – Activity No. 832

Activity Description:

The City Court, presided over by a judge elected for a four-year term, has jurisdiction within the City over cases involving violations of City ordinances. The City Judge can assess fines of up to \$50 and can sentence convicted defendants to terms of up to ninety days in the County jail for violations of City ordinances. The City Judge is empowered, in his capacity as a Judicial Magistrate, to sign and issue State criminal arrest warrants and search warrants. This provides an additional judicial service to the Oak Ridge Police Department and the citizens of the City of Oak Ridge as well as facilitating the operations of the General Sessions Court. A major goal of the Oak Ridge City Court is to contribute to an orderly society by providing adjudication in compliance with the Constitutional guarantees of promptness and impartiality.

The City Court Clerk's office records and maintains permanent records of cases, which come before the City Court. City warrants, Show Cause Orders, Court Orders, subpoenas, appearance bonds, and cash bonds are issued by this office. Money for fines and court costs is received in this office and is revenue to the General Fund.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Actual FY2011	Budget FY 2012
Number of Court Cases:				
City Violations	4,861	3,800	4,278	4,000
Fines and other Costs Collected	\$354,385	\$310,000	\$319,398	\$340,000

Significant Expenditure Changes:

There are no significant expenditures changes for this activity in fiscal 2012.

Legal – Activity No. 843

Activity Description:

The Legal Department provides legal services and guidance to the City. The City Attorney is responsible for representing and defending the City in all litigation in which the City is a party, attending all City Council meetings, advising City Council and advising City boards and commissions. The City Attorney is appointed by and serves at the pleasure of City Council.



Legal staff is responsible for providing legal counsel to the City Manager, all departments, city staff and the Oak Ridge Beer Permit Board. Other responsibilities include researching/drafting ordinances and resolutions; preparing, reviewing, and administering contracts, deeds, bonds, leases, and other official documents; prosecuting violations of City ordinances in City Court and Juvenile Court, as well as higher courts should cases be appealed; tracking legislation, both state and federal, to be up to date on issues affecting local governments; processing bankruptcy claims when the City is a creditor; assisting in collections when necessary; and handling other matters as needed. The Senior Staff Attorney also serves as the City's Title VI (of the Civil Rights Act of 1964) Coordinator.

Performance Objectives:

1. Collect or recommend other methods of disposition for outstanding City fines and costs.
2. Continue review and revision of the City Code in order to be in compliance with State law.

Significant Expenditures:

Funding for all areas was reviewed and reallocated based on current funding requirements. The budgeted funding for outside legal services and litigation costs was reduced by \$4,370 and legal notice publications by \$750 and reallocated to books which increased by \$5,330.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Computer Services – Activity No. 845

Activity Description:

The Computer Services Department provides computer maintenance and support service to all City departments and performs an active role in recommending and securing innovations in automation that promote organizational efficiency. The goals are to (1) analyze functional and management information needs of all municipal activities; (2) recommend cost-effective solutions utilizing automation; and (3) provide services to municipal users that are more than offset by savings in personnel, equipment and materials. Computers and major software purchases are funded by the Equipment Replacement Rental Fund.

Performance Objectives:

1. To provide system accessibility 24/7 and maintain system availability 99.5% of normal work hours.
2. To maintain and improve the City’s network consisting of servers and access devices, including all server applications.
3. To maintain, improve and provide technical support for the City Geographic Information System.
4. Ensure citywide compliance with computer software and hardware through maintenance of logs, auditing procedures, upgrades and provision of employee education.
5. To maintain and provide support for the City’s telecommunication equipment.
6. To continue to improve and provide additional information to citizens on the City’s web page.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Applications maintained	17	17	17	17
Objects maintained	9,000	9,000	9,000	9,000
Computer peripheral devices maintained	250	250	250	250
Network devices maintained	180	180	180	180
Personal computers maintained	345	345	345	345
Wide Area Network time available	99%	99%	99%	99%
Computer time available (Public Safety)	99%	99%	99%	99%
Computer time available (Non Public Safety)	99%	99%	99%	99%

Significant Expenditure Changes:

Budgeted funding for Contractual services increased by \$25,564. Utility Services increased by \$28,360 for technical and communication services, including email filtering and internet access. Other equipment maintenance costs decreased \$3,580 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads, and other small electronic devices.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Personnel – Activity No. 846

Activity Description:

Personnel is a service activity that coordinates personnel management functions for all City departments. Services include (1) recruitment, selection, and retention of competent employees; (2) maintenance of the classification plan; (3) coordination of the merit system, employee performance evaluation and compensation plan; (4) coordination of training and development; and (5) management of employment benefits. The activity provides staff and clerical support to the Personnel Advisory

Board. Personnel is also responsible for administering the City's risk management program, employee safety program and all insurance coverage (Insurance Fund). This activity is responsible for managing the risks of the City in order to minimize the loss of physical, financial and human resources; including management of exposure and accidents, acts of nature, liability, theft and vandalism, and safety and employee health.

Performance Objectives:

1. Process all solicited applications (in response to recruitment notices) and forward to hiring manager within three days after application deadline.
2. Achieve an applicant mix for open positions that maximizes the opportunity for meeting the City's Work Force Diversity Plan objectives.
3. Ensure the selection process used to fill each opening is valid and nondiscriminatory toward any applicant.
4. Maximize positive employee attitudes toward all components of the work experience.
5. Coordinate safety inspections of all City facilities and work areas with OSHA and TML.
6. Coordinate safety and other meetings to assist departments in meeting their training needs.
7. Maintain a combination of insurance and City funds to satisfy foreseeable losses.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Applications received and processed	744	1,000	1,122	1,000
Minority applicants	8.95%	8.5%	9.2%	8.5%
Injuries requiring medical attention	30	35	30	35
Legitimate non-automotive liability claims	37	25	37	25
Automobile accidents preventable by employee	8	5	8	5

Significant Expenditure Changes:

Contractual Services increased by \$11,299 primarily due to Professional & Contractual Services which increased by \$12,894 for employee drug screenings and new employee medical exams. Funding for employment ads was reduced by \$2,500 due to increase usage of the City's web site for employee recruitment.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operations of these funds.

Stationary Stores – Activity No. 854

Activity Description:

This activity is responsible for providing printing, duplicating and related publication services to all City departments. This activity also provides daily mail service for City departments and serves as a centralized store of office supplies for departments located in the Municipal Building and Civic Center. The activity's goal is to provide these services in an effective and efficient manner.

Performance Objectives:

1. Complete all major duplicating requests by date requested.
2. Maintain minimum level of office and printing supplies inventory.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Proposed Annual Budgets Printed	50	40	50	50
Adopted Annual Budgets Printed	75	40	50	50
Annual Financial Reports Printed	150	150	150	125
Requests completed on schedule	100%	100%	100%	100%

Significant Expenditure Changes:

Contractual Services decreased by \$1,181 primarily for a \$1,671 reduction in other equipment maintenance costs due to the reduction in costs for printing equipment. A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Finance – Activity No. 862

Activity Description:

The Finance activity provides centralized control over the procurement, storage and distribution of all materials, supplies and services that are required for City operations, serves as the centralized accounting service for the Public Works and Electrical Departments and is responsible for paying all City obligations. This activity is responsible for determining the cost of maintaining City streets, the electrical distribution system, water distribution system and treatment plant, sewage collection system and treatment plants, equipment repair shop and the service department. The Finance activity assists with the establishment of City internal controls and preparation the annual city budget and is responsible for the accounting of the City's Equipment Rental Replacement Fund.

The Finance Director and city-wide accounting and financial functions are accounted for in this activity. This includes preparation of the city's annual financial statements and budget documents, biennial utility rate reviews, financial analysis, coordinating long-term debt issuances, and administering the City's cash management program and investing funds accordingly. The activity is responsible for the establishment of city internal controls and recording all City financial transactions in accordance with generally accepted accounting principles (GAAP).

Performance Objectives:

1. Provide support for preparation of the city's annual budget.
2. Provide effective support services to other City departments.
3. Maintain adequate stock levels for inventory items by establishing economic reorder points and quantities.
4. Obtain needed goods and services at the lowest cost and at required quality.
5. Process cost distribution of labor and materials timely and accurately.
6. Retain the GFOA Certificate of Achievement for Excellence in Financial Reporting and Distinguished Budget Presentation Award.
7. Contribute to the financial stability of the City by providing timely financial data to City Management.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Purchase Orders issued	4,778	4,600	4,992	4,600
Purchase Orders for stock purchases	836	1,200	861	1,200
Checks Written	7,323	7,300	7,705	7,300

Significant Expenditure Changes:

Funding for all areas was reviewed and reallocated based on current funding requirements. Overall, Contractual Services increased by \$8,410 primarily for other equipment maintenance which increased \$7,073 based on a citywide review and reallocation of equipment charges for replacement and maintenance of equipment, particularly computers, software, iPads, and other small electronic devices. Fund no longer needed for copier rentals, \$3,000, and advertising, \$1,800, was reallocated to training, \$1,235, and contractual services, \$4,000.

A portion of the costs of this activity is distributed to the utility fund and the State Street Aid Fund due to involvement in the operations of these funds.

Business Office – Activity No. 864

Activity Description:

This activity is responsible for reading all electric and water meters monthly and for billing and collecting monthly charges. All service requests for utility connections and meter installations and removals are processed by this office, along with the administration of a TVA residential heat pump program. This activity is also responsible for billing and collecting all real, personal and public utility property taxes and initial business licenses. The activity's goal is to bill and collect all utility and tax bills in a timely manner and to equitably administer all state statutes and City codes and ordinances relative to utility collections, tax assessments, and business licensing.



Performance Objectives:

1. Meet the pre-established utility billing schedule for 100 percent of billings.
2. Improve the collection process in order to reduce loss of revenue from bad debt.
3. Issue all delinquent notices within 60 days after delinquencies occur.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Utility billings prepared on schedule	100%	100%	100%	100%
Utility customers billed (monthly)	16,899	16,000	17,191	16,000
Tax parcels billed	14,461	14,300	14,475	14,300

Significant Expenditures:

Funding for all areas was reviewed and reallocated based on current funding requirements. Overall Contractual Services increased by \$4,930. Reductions were made to dues and memberships, \$1,000, and other equipment maintenance based on a citywide review and reallocation of charges of \$12,095. Increased in funding were for training by \$2,000, Vehicle and Equipment Use Charges by \$3,180 for fuel and maintenance costs, and professional and contracted services by \$12,725 for meter reading, property tax appraisal assessments, and other outside contracted services routinely used by the department

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

BUDGET DETAIL

City Council – Activity No. 810 Budget Detail

810 City Council	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
5111. Salaries-Reg. Employees	14,529	14,400	14,400	14,400	0	0
5141. Social Security	1,102	1,102	1,102	1,102	0	0
Total Personal Services	15,631	15,502	15,502	15,502	0	0
Contractual Services						
5207. Dues, Memberships & Sub.	18,037	16,873	18,000	18,000	1,127	6.7
5210. Prof. & Contractual Ser.	63,110	49,700	57,390	51,700	2,000	4
5211. Advertising & Publicity	116	500	500	500	0	0
5212. Utility Services	1,667	2,100	2,100	2,100	0	0
5220. Training & Travel	38,667	26,000	30,000	38,000	12,000	46.2
5235. Repair & Maintenance	1,345	2,600	2,600	2,600	0	0
5236.13 Other Equipment Maint.	345	345	345	524	179	51.9
5289. Vehicle/Equip Use Charge	3,324	3,307	2,978	3,017	-290	-8.8
Total Contractual Services	126,611	101,425	113,913	116,441	15,016	14.8
Commodities						
5310. Commodities/Tools/Supplies	1,609	3,386	3,386	3,440	54	1.6
5320. Books/Education Material	0	200	200	200	0	0
Total Commodities	1,609	3,586	3,586	3,640	54	1.5
Other Charges						
5410. Liability Insurance	15,402	15,402	15,402	15,402	0	0
5420. Litigation/Judicial Costs	0	50	50	50	0	0
5499. Contingency	17,123	20,000	20,000	5,000	-15,000	-75
Total Other Charges	32,525	35,452	35,452	20,452	-15,000	-42.3
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	176,376	155,965	168,453	156,035	70	0
Reduction of Costs						
5670. Recovered from Funds	-51,149	-45,230	-48,851	-45,250	20	0
Total Reduction of Costs	-51,149	-45,230	-48,851	-45,250	20	0
TOTAL NET EXPENDITURES	125,227	110,735	119,602	110,785	50	0

City Clerk - Activity No. 816 Budget Detail

816 City Clerk	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	104,912	103,515	88,181	88,889	-14,626	-14.1
5120. Salaries-PT/Seasonal Employ	0	0	1,729	0	0	0
5131. Regular Overtime Pay	549	850	847	1,300	450	52.9
5141. Social Security	7,594	7,984	6,874	6,900	-1,084	-13.6
5150. Retirement	13,431	16,239	16,239	14,343	-1,896	-11.7
5160. Medical & Workers Comp	20,082	20,694	20,694	20,694	0	0
Total Personal Services	146,568	149,282	134,564	132,126	-17,156	-11.5
Contractual Services						
5207. Dues, Memberships & Sub.	190	249	349	600	351	141
5210. Prof. & Contractual Ser.	0	2,400	1,000	2,400	0	0
5211. Advertising & Publicity	13,248	20,000	14,000	15,000	-5,000	-25
5212. Utility Services	1,396	1,684	1,785	1,800	116	6.9
5220. Training & Travel	0	360	3,000	4,000	3,640	1,011.10
5236.13 Other Equipment Maint.	1,825	1,825	1,825	1,260	-565	-31
Total Contractual Services	16,659	26,518	21,959	25,060	-1,458	-5.5
Commodities						
5310. Commodities/Tools/Supplies	1,237	1,243	1,500	2,500	1,257	101.1
5320. Books/Education Material	266	336	336	350	14	4.2
Total Commodities	1,503	1,579	1,836	2,850	1,271	80.5
Other Charges						
5420. Litigation/Judicial Costs	193	200	200	200	0	0
Total Other Charges	193	200	200	200	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	164,923	177,579	158,559	160,236	-17,343	-9.8
Reduction of Costs						
5670. Recovered from Funds	-47,828	-51,499	-45,982	-46,469	5,030	-9.8
Total Reduction of Costs	-47,828	-51,499	-45,982	-46,469	5,030	-9.8
TOTAL NET EXPENDITURES	117,095	126,080	112,577	113,767	-12,313	-9.8

City Manager's Office - Activity No. 820 Budget Detail

820 City Manager's Office		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	332,406	290,887	299,062	311,932	21,045	7.2
5120.	Salaries-PT/Seasonal Employ	5,085	0	0	0	0	0
5131.	Regular Overtime Pay	3,275	4,400	6,291	4,488	88	2
5141.	Social Security	23,394	22,589	70,625	24,206	1,617	7.2
5150.	Retirement	43,825	46,704	46,704	50,380	3,676	7.9
5160.	Medical & Workers Comp	44,396	36,782	36,782	41,782	5,000	13.6
Total Personal Services		452,381	401,362	459,464	432,788	31,426	7.8
Contractual Services							
5206.	Mailing & Delivery	0	50	50	0	-50	-100
5207.	Dues, Memberships & Sub.	572	1,385	1,385	2,000	615	44.4
5210.	Prof. & Contractual Ser.	48,179	100,000	100,000	100,000	0	0
5211.	Advertising & Publicity	18,654	28,000	28,000	28,000	0	0
5212.	Utility Services	5,538	6,100	6,100	6,100	0	0
5220.	Training & Travel	16,800	15,200	15,200	15,200	0	0
5235.	Repair & Maintenance	3,307	225	225	225	0	0
5236.13	Other Equipment Maint.	690	1,035	1,035	2,844	1,809	174.8
5289.	Vehicle/Equip Use Charge	12,210	16,812	12,659	13,052	-3,760	-22.4
Total Contractual Services		105,950	168,807	164,654	167,421	-1,386	-0.8
Commodities							
5310.	Commodities/Tools/Supplies	2,663	2,100	2,100	2,100	0	0
5320.	Books/Education Material	330	500	500	500	0	0
Total Commodities		2,993	2,600	2,600	2,600	0	0
Other Charges							
5410.	Liability Insurance	15,402	15,402	15,402	15,402	0	0
Total Other Charges		15,402	15,402	15,402	15,402	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		576,726	588,171	642,120	618,211	30,040	5.1
Reduction of Costs							
5610.	Recovered from Users	-20,124	0	0	0	0	0
5670.	Recovered from Funds	-278,300	-294,087	-321,059	-309,105	-15,018	5.1
Total Reduction of Costs		-298,424	-294,087	-321,059	-309,105	-15,018	5.1
TOTAL NET EXPENDITURES		278,302	294,084	321,061	309,106	15,022	5.1

City Court - Activity No. 832 Budget Detail

832 City Court	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	%
						CHG
Personal Services						
5111. Salaries-Reg. Employees	103,375	101,829	100,924	104,292	2,463	2.4
5131. Regular Overtime Pay	7,634	4,500	7,553	4,930	430	9.6
5141. Social Security	8,233	8,134	8,200	8,355	221	2.7
5150. Retirement	13,617	16,394	16,394	16,818	424	2.6
5160. Medical & Workers Comp	28,979	30,498	30,498	30,498	0	0
Total Personal Services	<u>161,838</u>	<u>161,355</u>	<u>163,569</u>	<u>164,893</u>	<u>3,538</u>	<u>2.2</u>
Contractual Services						
5201. Rents	31,389	31,400	31,400	31,400	0	0
5207. Dues, Memberships & Sub.	0	165	165	0	-165	-100
5210. Prof. & Contractual Ser.	0	1,500	1,500	1,500	0	0
5212. Utility Services	1,562	2,100	2,100	2,100	0	0
5220. Training & Travel	603	674	674	674	0	0
5236.13 Other Equipment Maint.	1,680	1,680	1,680	1,746	66	3.9
Total Contractual Services	<u>35,234</u>	<u>37,519</u>	<u>37,519</u>	<u>37,420</u>	<u>-99</u>	<u>-0.3</u>
Commodities						
5310. Commodities/Tools/Supplies	1,237	2,025	2,025	2,025	0	0
5320. Books/Education Material	86	100	100	100	0	0
Total Commodities	<u>1,323</u>	<u>2,125</u>	<u>2,125</u>	<u>2,125</u>	<u>0</u>	<u>0</u>
Other Charges						
Total Other Charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Expenditures						
Total Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL GROSS EXPENDITURES	<u>198,395</u>	<u>200,999</u>	<u>203,213</u>	<u>204,438</u>	<u>3,439</u>	<u>1.7</u>
Reduction of Costs						
Total Reduction of Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL NET EXPENDITURES	<u>198,395</u>	<u>200,999</u>	<u>203,213</u>	<u>204,438</u>	<u>3,439</u>	<u>1.7</u>

Legal - Activity No. 843 Budget Detail

843 Legal	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	212,950	211,772	211,812	216,226	4,454	2.1
5141. Social Security	15,600	16,201	15,770	16,541	340	2.1
5150. Retirement	27,660	33,435	33,435	34,104	669	2
5160. Medical & Workers Comp	29,941	31,195	31,195	31,195	0	0
Total Personal Services	286,151	292,603	292,212	298,066	5,463	1.9
Contractual Services						
5207. Dues, Memberships & Sub.	2,631	2,500	2,500	2,500	0	0
5210. Prof. & Contractual Ser.	766	5,830	800	1,710	-4,120	-70.7
5211. Advertising & Publicity	955	1,500	750	750	-750	-50
5212. Utility Services	3,052	3,200	3,200	3,200	0	0
5220. Training & Travel	3,042	4,293	4,293	4,293	0	0
5236.13 Other Equipment Maint.	690	1,035	1,035	2,158	1,123	108.5
Total Contractual Services	11,136	18,358	12,578	14,611	-3,747	-20.4
Commodities						
5310. Commodities/Tools/Supplies	2,367	1,000	1,000	1,000	0	0
5320. Books/Education Material	15,232	7,050	12,000	12,380	5,330	75.6
Total Commodities	17,599	8,050	13,000	13,380	5,330	66.2
Other Charges						
5420. Litigation/Judicial Costs	0	350	350	100	-250	-71.4
Total Other Charges	0	350	350	100	-250	-71.4
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	314,886	319,361	318,140	326,157	6,796	2.1
Reduction of Costs						
5670. Recovered from Funds	-91,317	-92,614	-92,259	-94,584	1,970	-2.1
Total Reduction of Costs	-91,317	-92,614	-92,259	-94,584	1,970	-2.1
TOTAL NET EXPENDITURES	223,569	226,747	225,881	231,573	4,826	2.1

Computer Services – Activity No. 845 Budget Detail

845 Computer Services	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	487,083	542,643	533,012	553,822	11,179	2.1
5120. Salaries-PT/Seasonal Employ	38,416	0	0	0	0	0
5131. Regular Overtime Pay	919	3,300	3,009	3,300	0	0
5141. Social Security	38,175	41,765	40,566	42,620	855	2
5150. Retirement	71,632	86,496	86,496	88,215	1,719	2
5160. Medical & Workers Comp	87,546	93,084	93,084	93,084	0	0
Total Personal Services	723,771	767,288	756,167	781,041	13,753	1.8
Contractual Services						
5201. Rents	2,703	2,805	2,805	2,805	0	0
5207. Dues, Memberships & Sub.	742	1,175	1,175	1,175	0	0
5210. Prof. & Contractual Ser.	88,678	101,235	101,235	101,235	0	0
5212. Utility Services	79,603	51,040	68,715	79,400	28,360	55.6
5220. Training & Travel	48	2,908	2,908	2,908	0	0
5235. Repair & Maintenance	791	3,500	3,500	3,500	0	0
5236.13 Other Equipment Maint.	21,809	137,283	137,233	133,703	-3,580	-2.6
5289. Vehicle/Equip Use Charge	6,017	6,416	6,416	7,200	784	12.2
Total Contractual Services	200,391	306,362	323,987	331,926	25,564	8.3
Commodities						
5310. Commodities/Tools/Supplies	6,633	12,520	12,520	12,520	0	0
Total Commodities	6,633	12,520	12,520	12,520	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	930,795	1,086,170	1,092,674	1,125,487	39,317	3.6
Reduction of Costs						
5670. Recovered from Funds	-623,497	-727,733	-732,091	-754,075	-26,342	3.6
Total Reduction of Costs	-623,497	-727,733	-732,091	-754,075	-26,342	3.6
TOTAL NET EXPENDITURES	307,298	358,437	360,583	371,412	12,975	3.6

Personnel - Activity No. 846 Budget Detail

846 Personnel		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	248,227	245,443	245,476	250,428	4,985	2
5131.	Regular Overtime Pay	521	1,000	878	1,000	0	0
5141.	Social Security	17,825	18,853	17,994	19,234	381	2
5150.	Retirement	31,996	38,679	38,679	39,449	770	2
5160.	Medical & Workers Comp	39,612	41,438	41,438	41,438	0	0
Total Personal Services		338,181	345,413	344,465	351,549	6,136	1.8
Contractual Services							
5201.	Rents	521	485	485	485	0	0
5207.	Dues, Memberships & Sub.	928	2,692	2,692	2,862	170	6.3
5210.	Prof. & Contractual Ser.	29,065	40,025	40,025	52,919	12,894	32.2
5211.	Advertising & Publicity	1,369	7,500	5,000	5,000	-2,500	-33.3
5212.	Utility Services	2,805	3,584	3,685	3,700	116	3.2
5220.	Training & Travel	40	2,500	2,500	2,500	0	0
5235.	Repair & Maintenance	4,261	0	0	0	0	0
5236.13	Other Equipment Maint.	1,725	1,725	1,725	2,344	619	35.9
Total Contractual Services		40,714	58,511	56,112	69,810	11,299	19.3
Commodities							
5310.	Commodities/Tools/Supplies	7,321	6,890	6,890	6,890	0	0
5320.	Books/Education Material	0	1,479	1,479	1,479	0	0
5325.	Uniforms/Safety Equip.	0	600	600	600	0	0
Total Commodities		7,321	8,969	8,969	8,969	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		386,216	412,893	409,546	430,328	17,435	4.2
Reduction of Costs							
5670.	Recovered from Funds	-177,659	-189,931	-188,391	-197,951	-8,020	4.2
Total Reduction of Costs		-177,659	-189,931	-188,391	-197,951	-8,020	4.2
TOTAL NET EXPENDITURES		208,557	222,962	221,155	232,377	9,415	4.2

Stationary Stores - Activity No. 854 Detail

854 Stationery Stores		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	47,394	46,599	46,593	47,481	882	1.9
5131.	Regular Overtime Pay	6,746	7,100	7,413	7,242	142	2
5141.	Social Security	4,011	4,108	4,114	4,186	78	1.9
5150.	Retirement	6,819	8,243	8,243	8,408	165	2
5160.	Medical & Workers Comp	9,734	10,313	10,313	10,313	0	0
Total Personal Services		74,704	76,363	76,676	77,630	1,267	1.7
Contractual Services							
5201.	Rents	20,075	18,000	18,000	18,000	0	0
5206.	Mailing & Delivery	81,831	87,000	87,000	87,000	0	0
5212.	Utility Services	727	1,000	1,020	1,060	60	6
5235.	Repair & Maintenance	800	0	0	0	0	0
5236.13	Other Equipment Maint.	3,865	3,445	3,445	1,774	-1,671	-48.5
5289.	Vehicle/Equip Use Charge	3,251	3,820	4,116	4,250	430	11.3
Total Contractual Services		110,549	113,265	113,581	112,084	-1,181	-1
Commodities							
5310.	Commodities/Tools/Supplies	27,142	30,000	30,000	30,000	0	0
Total Commodities		27,142	30,000	30,000	30,000	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		212,395	219,628	220,257	219,714	86	0
Reduction							
5670.	Recovered from Funds	-139,927	-144,955	-145,369	-145,012	57	0
Total Reduction of Costs		-139,927	-144,955	-145,369	-145,012	57	0
TOTAL NET EXPENDITURES		72,468	74,673	74,888	74,702	29	0

Finance - Activity No. 862 Budget Detail

862 Finance		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	325,691	501,502	483,769	511,888	10,386	2.1
5131.	Regular Overtime Pay	2,413	3,500	2,159	3,500	0	0
5141.	Social Security	23,696	38,633	33,918	39,427	794	2.1
5150.	Retirement	48,675	79,341	79,341	80,917	1,576	2
5160.	Medical & Workers Comp	78,411	103,032	103,032	103,032	0	0
Total Personal Services		478,886	726,008	702,219	738,764	12,756	1.8
Contractual Services							
5201.	Rents	2,410	3,000	730	0	-3,000	-100
5207.	Dues, Memberships & Sub.	380	1,635	1,635	1,635	0	0
5210.	Prof. & Contractual Ser.	4,000	0	4,500	4,000	4,000	0
5211.	Advertising & Publicity	0	1,800	0	0	-1,800	-100
5212.	Utility Services	5,025	5,738	5,755	5,770	32	0.6
5220.	Training & Travel	3,590	3,565	3,565	4,800	1,235	34.6
5235.	Repair & Maintenance	4,375	500	500	500	0	0
5236.13	Other Equipment Maint.	3,645	3,645	3,645	10,718	7,073	194
5289.	Vehicle/Equip Use Charge	5,279	6,364	7,123	7,234	870	13.7
Total Contractual Services		28,704	26,247	27,453	34,657	8,410	32
Commodities							
5310.	Commodities/Tools/Supplies	6,047	9,000	9,000	9,000	0	0
5320.	Books/Education Material	0	700	700	700	0	0
5325.	Uniforms/Safety Equip.	977	1,950	1,950	1,950	0	0
Total Commodities		7,024	11,650	11,650	11,650	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		514,614	763,905	741,322	785,071	21,166	2.8
Reduction of Costs							
5670.	Recovered from Funds	-406,364	-603,485	-585,645	-620,206	-16,721	2.8
Total Reduction of Costs		-406,364	-603,485	-585,645	-620,206	-16,721	2.8
TOTAL NET EXPENDITURES		108,250	160,420	155,677	164,865	4,445	2.8

Business Office - Activity No. 864 Budget Detail

864 Business Office		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	533,386	466,804	401,572	478,937	12,133	2.6
5131.	Regular Overtime Pay	9,835	14,600	16,830	14,892	292	2
5141.	Social Security	39,129	36,736	30,516	37,778	1,042	2.8
5150.	Retirement	79,005	74,946	74,946	77,172	2,226	3
5160.	Medical & Workers Comp	125,312	113,874	113,874	113,874	0	0
Total Personal Services		786,667	706,960	637,738	722,653	15,693	2.2
Contractual Services							
5201.	Rents	2,499	2,400	2,400	2,400	0	0
5205.	Printing & Dup. Charges	1,213	1,000	0	0	-1,000	-100
5207.	Dues, Memberships & Sub.	665	100	100	100	0	0
5210.	Prof. & Contractual Ser.	210,897	226,275	244,275	239,000	12,725	5.6
5212.	Utility Services	7,204	7,710	8,230	7,830	120	1.6
5220.	Training & Travel	741	2,000	2,000	4,000	2,000	100
5235.	Repair & Maintenance	5,500	480	480	480	0	0
5236.13	Other Equipment Maint.	23,967	25,282	25,282	13,187	-12,095	-47.8
5289.	Vehicle/Equip Use Charge	20,893	22,519	24,062	25,699	3,180	14.1
Total Contractual Services		273,579	287,766	306,829	292,696	4,930	1.7
Commodities							
5310.	Commodities/Tools/Supplies	9,608	13,715	13,715	14,215	500	3.6
5320.	Books/Education Material	0	100	100	100	0	0
5325.	Uniforms/Safety Equip.	4,095	2,850	2,850	2,850	0	0
Total Commodities		13,703	16,665	16,665	17,165	500	3
Other							
5410.	Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges		3,663	3,663	3,663	3,663	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		1,077,612	1,015,054	964,895	1,036,177	21,123	2.1
Reduction Costs							
5670.	Recovered from Funds	-1,001,218	-944,000	-897,353	-963,645	-19,645	2.1
Total Reduction of Costs		-1,001,218	-944,000	-897,353	-963,645	-19,645	2.1
TOTAL NET EXPENDITURES		76,394	71,054	67,542	72,532	1,478	2.1

POLICE DEPARTMENT

Table of Contents

Police Department	III-60
Organizational Chart.....	III-61
2010-2011 Accomplishments	III-61
2011-2012 Goals.....	III-61
Revenues and Expenditures	III-62
Department Activities.....	III-63
Police Supervision – Activity No. 910	III-63
Investigations – Activity No. 911	III-64
Staff Services – Activity No. 912	III-65
Patrol – Activity No. 913.....	III-65
Emergency Communications – Activity No. 915	III-66
Animal Control – Activity No. 916.....	III-67
School Resource Officer Program – Activity No. 917	III-67
Budget Detail.....	III-69
Police Supervision – Activity No. 910 Budget Detail	III-69
Investigations – Activity No. 911 Budget Detail	III-70
Patrol – Activity No. 913 Budget Detail.....	III-72
Emergency Communications – Activity No. 915 Budget Detail	III-73
Animal Control – Activity No. 916 Budget Detail	III-74
School Resource Officer Program – Activity No. 917 Budget Detail	III-75

POLICE DEPARTMENT

The Oak Ridge Police Department is responsible for enhancing the safety and security of all residents and other persons working in or visiting the City. The Department strives to maintain peace and order throughout the community by education, prevention of criminal activity, response to calls for assistance, and reports of criminal law violations. Comprised of 65 uniform officers (includes Animal Control), 12 non-uniform support personnel and seven part-time school crossing guards, the Department is organized into the following activities: Supervision, Investigations, Staff Services, Patrol, Emergency Communications, Animal Control and School Resource Officer Program. A Police Chaplain and other associate chaplains provide counseling assistance to crime victims, indigent families and individuals, and departmental personnel on a voluntary basis

The Department is also responsible for administering the Drug Fund and the Emergency Communications District Fund. The Drug Fund is Special Revenue Fund utilized to account for drug related revenue and expenditures directly related to drug curtailment activities. The Emergency Communications Fund is an Enterprise Fund utilized to account for the proceeds of a surcharge on telephones in the City's 911 district which is used to support the City's 911 and other emergency communication systems. The Police Department is responsible for the City's ongoing operation and maintenance of the 800 MHz radio system.



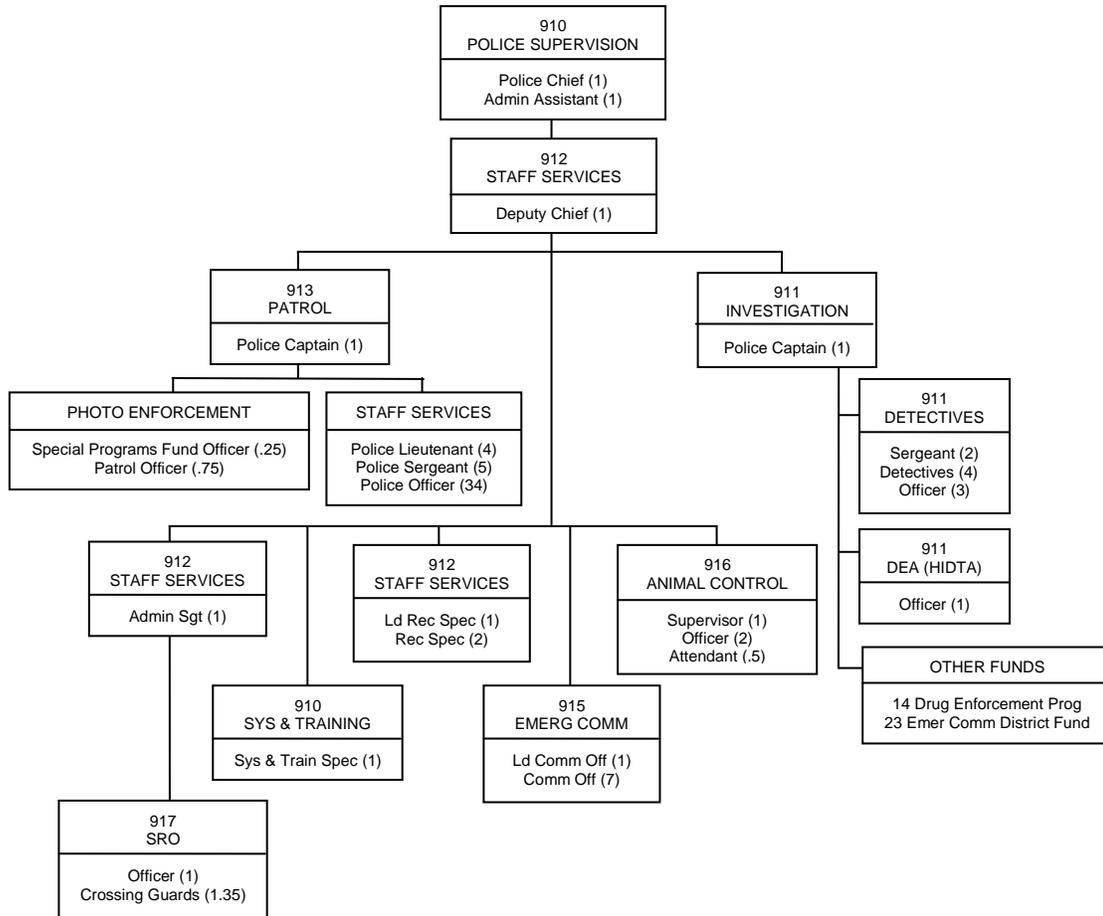
The Investigations and Patrol activities work jointly to investigate all serious crimes, which include murder, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft.

The Animal Control activity, in cooperation with the Anderson County Humane Society, operates a model animal control program. Anderson County, the City of Clinton, and the City of Oliver Springs utilize the animal shelter facility on a fee basis.

The School Resource Officer Program utilizes a police officer that is dedicated solely to working within the Oak Ridge school system at the High School. The objectives of this program are not only to decrease the number of crimes committed at or near school property, but to provide educational programs on topics such as drugs, law and justice, and to provide a means for positive interaction between the police and youth of the community.



ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS

- Hired a new Police Chief.
- New Chief has evaluated the department and began the reorganization process

2011-2012 GOALS

The Police Department is currently reorganizing and is working with the City Manager to define departmental goals for this coming year.

REVENUES AND EXPENDITURES

Authorized Personnel:

	<u>2011</u>	<u>2012</u>
General Fund		
910 Supervision	3	3
911 Investigations	11	11
912 Staff Services	5	5
913 Patrol	45	45
915 Emergency Comm	8	8
916 Animal Control	3	4
917 School Resource Prog Officer	8	8
027 Grant Fund	1	0
026 Special Programs Fund	<u>0</u>	<u>1</u>
Total	84	85

Summary of Expenditures and Transfers by Department Activity:

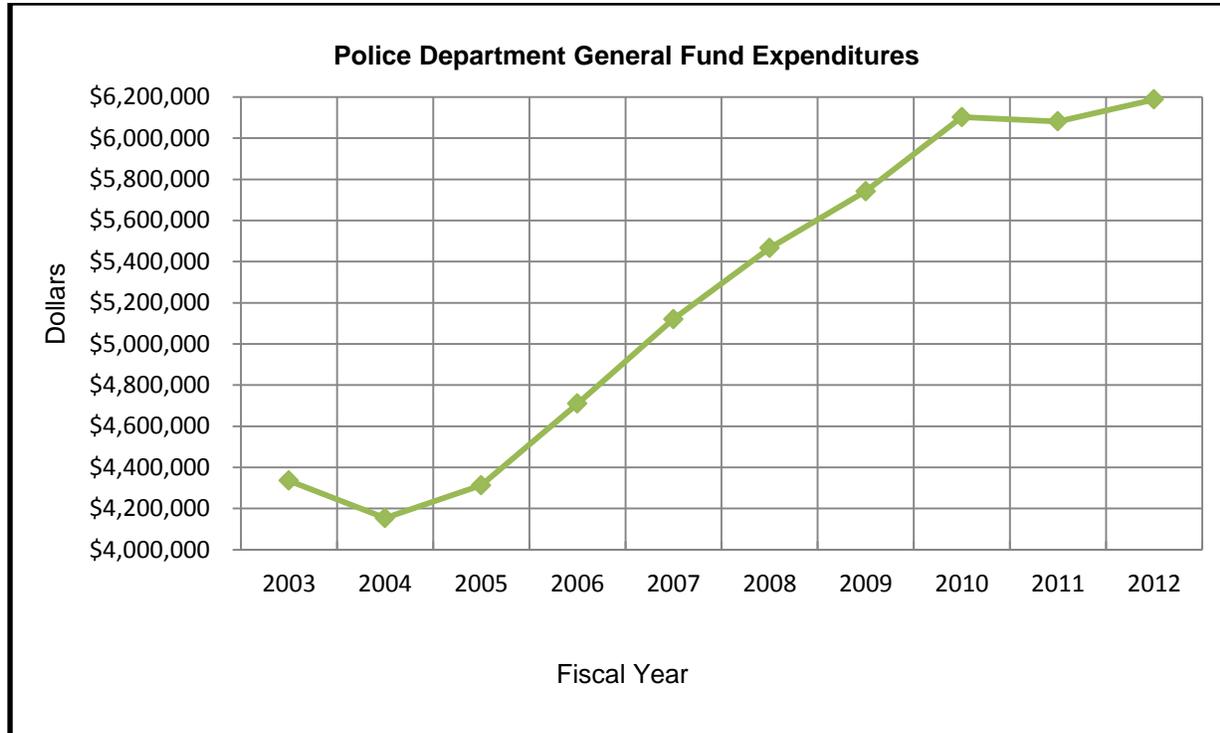
	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Police Department:</u>						
910 Supervision	274,404	271,894	273,044	274,256	2,362	0.9
911 Investigations	932,021	900,423	953,776	929,095	28,672	3.2
912 Staff Services	386,705	388,879	388,932	401,436	12,557	3.2
913 Patrol	3,711,405	3,803,450	3,769,283	3,843,515	40,065	1.1
915 Emergency Communications	290,252	302,130	310,927	304,565	2,435	0.8
916 Animal Control	343,083	301,868	275,834	303,549	1,681	0.6
917 School Resource Officer Program	163,870	131,125	109,216	131,267	142	0.1
Total Police Department	<u>6,101,740</u>	<u>6,099,769</u>	<u>6,081,012</u>	<u>6,187,683</u>	<u>87,914</u>	<u>1.4</u>

FY2012 General Fund Budget – Transfers to Other Funds, Police Department Credits and Costs Recovered:

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND				STATE STREET AID FUND	COSTS RECOVERED		GENERAL FUND
			WATER	WASTEWATER						
<u>POLICE DEPARTMENT:</u>										
910 Supervision	274,256	-	-	-	-	-	-	-	-	100% 274,256
911 Investigations	929,095	-	-	-	-	-	-	-	-	100% 929,095
912 Staff Services	401,436	-	-	-	-	-	-	-	-	100% 401,436
913 Patrol	3,843,515	-	-	-	-	-	-	-	-	100% 3,843,515
915 Emergency Communications	518,206	12%	62,185	6%	31,092	2%	10,364	-	21% 110,000	59% 304,565
916 Animal Control	336,549	-	-	-	-	-	-	-	10% 33,000	88% 303,549
917 School Resource Officer	131,267	-	-	-	-	-	-	-	0%	100% 131,267
TOTAL POLICE DEPARTMENT	6,434,324	1%	62,185	0%	31,092	0%	10,364	-	2% 143,000	98% 6,187,683

Net General Fund Expenditures:

Major funding reductions occurred in FY04 to reduce the property tax rate. Increases for FY06 to FY08, included the addition of 5 Police Officer positions funded by a DOE grant in FY06 and 1 Officer added in FY08. The reduction in FY11 is related to vacancies caused by employee turnover, including the Police Chief position.



DEPARTMENT ACTIVITIES

Police Supervision – Activity No. 910

Activity Description:

Police Supervision administers the resources of the Police Department, supervises all police operations and plans and coordinates programs designed to accomplish the department's objectives.

The primary goals of the Police Department are as follows: (1) protection of life and property; (2) maintenance of law and order with justice; (3) identification and arrest of criminals; (4) prevention of crime; (5) regulation of non-criminal behavior; (6) provision of public assistance; and (7) promotion of department professionalism and training.

The Department's first priority is responding to emergency situations, including areas of responsibility imposed by law and tradition and other emergencies for which no other governmental agency is responsible. Second priority is the suppression of crime and prosecution of violators. Third priority is the apprehension of violators of other laws and ordinances, including traffic offenses.

Performance Objectives:

1. Oversee and manage the accomplishment of the department's performance objectives.
2. Oversee the development of operational action plans to achieve department objectives.
3. Maintain a current Policy and Procedures Manual through periodic update.
4. Continue to enhance and expand community oriented policing.
5. Identify and provide necessary training.

Significant Expenditure Changes:

The \$1,538 reduction in funding for salaries was due to the turnover of two administrative positions accounted for in this activity. Funding for all areas was reviewed and reallocated based on current funding requirements. Contractual Services increased by \$3,900 primarily for other equipment charges which increase by \$2,999 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads and other small electronic devices.

Investigations – Activity No. 911

Activity Description:

The Investigations division conducts follow-up investigations of violent and serious crimes; drug enforcement, vice crime and all reported hate crimes. The division consists of general criminal investigations and drug enforcement investigations that conduct covert operations. The division maintains the department’s technical and electronics laboratories; search, recover, identify and preserve evidence.

Performance Objectives:

1. Maintain a 50 percent serious crime clearance rate.
2. Maintain a 60 percent clearance rate of violent serious crimes.
3. Continue to reduce numbers of reported burglaries (5.6% or 40 fewer in 2010 than 2009) while continuing to increase clearance rate (4.1% higher in 2010 than 2009). Goal is to achieve a 17% clearance rate for burglaries.
4. Continue partnership with Drug Enforcement Agency and Tennessee Bureau of Investigations in fight against illegal drug activity.
5. Continue to be major partner in 9th Judicial Drug Task Force along with District Attorney and surrounding police agencies

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Serious Crimes (including all Group A offenses except theft.)	1,944	2,200	1,950	1,950
Serious Crimes clearance rate	51.2%	40%	50%	50%
Crimes against persons clearance rate	63.1%	50%	60%	60%
Burglaries	371	400	360	360
Burglary clearance rate	14.3%	15%	17%	17%

Significant Expenditure Changes:

Contractual Services increased by \$7,577. Other equipment charges increased by \$2,987 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads and other small electronic devices. Vehicle and Equipment use charges are up by \$4,490, for fuel and maintenance of investigations vehicles.

Staff Services – Activity No. 912

Activity Description:

The Staff Services section supervises Police Records, monitors training for sworn personnel in accordance with minimum POST standards, maintains custody of all evidence and performs any other staff functions as assigned. The mission of police records is to maintain information on investigations and supporting files, provide limited statistical analysis, and provide for the dissemination of appropriate information to the public and other law enforcement agencies in accordance with legal requirements and departmental policy.

Performance Objectives:

1. Monitor training received by sworn personnel to ensure compliance with minimum POST standards.
2. Maintenance and quality control of submitted records and the records management system.
3. Monitor the property control system and conduct random internal audits.
4. Maintain compliance with F.B.I. and T.B.I. requirements for records and crime reporting.
5. Provide information to the public without unreasonable delay and in accordance with legal requirements.
6. Continue training records personnel in use of reporting and statistical analysis software.
7. Complete major upgrade of records management software system.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Projected minimum training to meet POST requirements.	3,400	3,400	3,400	3,400

Significant Expenditure Changes:

Other equipment charges increased by \$7,461 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads and other small electronic devices.

Patrol – Activity No. 913

Activity Description:

The basic responsibility of the uniformed Patrol force is to ensure community peace through the prevention, detection and investigation of crimes; the apprehension of criminal and traffic law violators; the regulation and control of traffic on city streets; and the provision of miscellaneous information and services to citizens and visitors on non-criminal matters.

Activity goals are to deter crime through visible patrol; to investigate crimes and apprehend criminal violators; to regulate traffic in such a manner as to ensure, to the greatest extent possible, the safe movement of traffic; to provide non-criminal assistance to the public as appropriate

Performance Objectives:

1. Reduce the number of serious crimes in 2012 from 2011
2. Increase the ratio of arrests to reported serious offenses from the FY 2011 level of 44%.
3. Increase the level of criminal traffic enforcement in 2012
4. Provide crime scene investigation training and CIT training for patrol personnel.
5. Increase cooperation and patrols with DOE and Wackenhut Securities and their properties

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Serious crimes (all Group A offenses including theft)	2,814	3,500	3,000	3,500
Serious crimes clearance rate	44.49%	35%	45%	45%
Serious crimes per 100,000 population	9,594	13,000	10,000	10,000
Total Arrests	1,444	2,000	2,000	2,000
Arrests per 100,000	4,923	7,500	5,200	5,500

Significant Expenditures:

Funding for Contractual Services increased by \$33,766. Other equipment charges decreased by \$2,284 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads and other small electronic devices. Vehicle and Equipment use charges are up by \$36,000, for fuel and maintenance and future replacement of patrol vehicles.

Emergency Communications – Activity No. 915

Activity Description:

The Emergency Communications activity provides emergency communication and dispatch services for Fire, Police and county ambulance services in Oak Ridge. In addition this activity coordinates maintenance for and manages the city's 800Mhz trunked radio system and the 911 telephone system. The goal is to provide effective methods of communication between citizens and the members of all emergency services of the City.

Performance Objectives:

1. Dispatch all police, fire, and ambulance calls timely and accurately.
2. Maintain training of all Public Safety Dispatchers in accordance with APCO standards, with emphasis on Emergency Medical Dispatch and compliance with statutory requirements.
3. Completion of Computer Aided Dispatch (CAD) hardware and software upgrade.
4. Completion of radio frequency re-banding project. (Nextel issue).
5. Continuation of West End Communication Expansion and Communication Interoperability Project.
6. Begin planning for Next Generation 911 process. (Advanced system to access emergency care with enhanced data capabilities)

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Total calls for service	38,660	35,000	35,000	35,000

Significant Expenditures:

Other equipment charges decreased by \$3,455 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads and other small electronic devices.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Animal Control – Activity No. 916

Activity Description:

This activity includes operation of the Animal Shelter and the enforcement of City animal control ordinances through animal registration, city patrol, apprehension of animals running at large, quarantine of bites, answering of citizen complaints, and follow-up on suspected rabies cases.

Performance Objectives:

- Maintain the number of animal bites at fifty or less per year.
- Increase the number of registered animals through enforcement and public education.
- Continue to improve shelter health care by working with staff veterinarian and humane society volunteers.
- Reduce the number of animal apprehensions through public education and public relations campaigns.
- Certify new employees through NACA (National Animal Control Association).
- Maintain all employee and facility certifications and licenses.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Animal bites reported	32	35	35	35
Animal bites attributable to at-large animals	15	10	10	10
Animal apprehensions	2,077	2,500	2,500	2,500
Registered animals	1,592	4,000	1,400	4,000

Significant Expenditures:

Funding for all areas was reviewed and reallocated based on current funding requirements. Budgeted funding for Contractual Services decreased by a net of \$5,458. Funding for mowing services decreased by \$3,870 based on actually occurring cost levels. Equipment Use Charges decreased \$3,821 based on actual costs to fund the future replacement of the vehicles used by this activity and actual operating costs.

The savings realized by reductions in contracted services was reallocated to supplies and other commodities, whose funding increased by \$6,825 to meet current expenditure needs.

Reduction of Costs includes fees charged to Anderson County and the City of Clinton for care, boarding and disposal of animals apprehended by those entities.

School Resource Officer Program – Activity No. 917

Activity Description:

During fiscal year 1995, the Police Department began the initial startup of a full time School Resource Officer Program. The mission of this program is to work primarily in the area of proactive or preventive police services. In this program, one police officer is dedicated solely to working within the school system, dividing time among the various City schools.

The goals of the School Resource Officer Program are:

- To improve the police image in the eyes of the staff and the students.
- To develop a close coordination between a school and police community team that works on mutual problems.
- To prevent delinquent behavior through early detection by working closely with students, their parents and the community to redirect antisocial behavior.
- To provide summer safety education at YWCA Safety-City.
- To investigate violations of criminal law in the schools.
- Increased education and training through specialized courses designed for School Resource Officer Certification.

This activity also accounts for seven part-time Schools Crossing Guard positions.

Performance Objectives:

- To decrease the number of crimes committed on or near school property, and at school sponsored activities.
- To provide a confidential setting conducive to youth's willingness to report crimes committed against themselves or their property.
- To provide positive interaction between the police, school officials, and youth in the community.
- To improve educational efforts in the schools concerning law, justice, and safety.
- To help initiate and maintain police/school relations and to aid in the referral of juveniles to appropriate helping persons and agencies.
- To provide early identification of youth who have potential behavior problems.
- To provide support to Youth Advisory Board activities.

Significant Expenditures:

Funding for all areas was reviewed and reallocated based on current funding requirements. Equipment Use Charges decreased \$2,290 based on actual costs to fund the future replacement of the vehicles used by this activity and actual operating costs. \$1,000 in funding not need for supplies was reallocated to training for fiscal 2012.

BUDGET DETAIL

Police Supervision – Activity No. 910 Budget Detail

910 Police Supervision	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
5111. Salaries-Reg. Employees	179,181	176,911	150,000	175,343	-1,568	-0.9
5131. Regular Overtime Pay	1,866	850	638	850	0	0
5141. Social Security	13,389	13,599	11,475	13,479	-120	-0.9
5150. Retirement	23,341	28,217	28,217	28,367	150	0.5
5160. Medical & Workers Comp	29,141	30,837	30,837	30,837	0	0
Total Personal Services	246,918	250,414	221,167	248,876	-1,538	-0.6
Contractual Services						
5201. Rents	0	160	0	0	-160	-100
5207. Dues, Memberships & Sub.	669	670	670	670	0	0
5210. Prof. & Contractual Ser.	0	0	30,000	0	0	0
5212. Utility Services	2,111	2,620	2,620	2,620	0	0
5220. Training & Travel	6,662	2,069	2,069	2,230	161	7.8
5236.13 Other Equipment Maint.	1,035	1,035	1,035	4,034	2,999	289.8
5289. Vehicle/Equip Use Charge	13,927	12,806	13,363	13,706	900	7
Total Contractual Services	24,404	19,360	49,757	23,260	3,900	20.1
Commodities						
5310. Commodities/Tools/Supplies	3,082	2,005	2,005	2,005	0	0
5325. Uniforms/Safety Equip.	0	115	115	115	0	0
Total Commodities	3,082	2,120	2,120	2,120	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	274,404	271,894	273,044	274,256	2,362	0.9
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	274,404	271,894	273,044	274,256	2,362	0.9

Investigations – Activity No. 911 Budget Detail

911 Investigations		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	552,279	543,132	541,112	554,873	11,741	2.2
5131.	Regular Overtime Pay	77,661	40,000	90,024	46,669	6,669	16.7
5141.	Social Security	47,505	44,610	47,719	45,569	959	2.1
5150.	Retirement	75,607	91,292	91,292	93,118	1,826	2
5160.	Medical & Workers Comp	105,926	112,637	112,637	112,637	0	0
Total Personal Services		858,978	831,671	882,784	852,866	21,195	2.5
Contractual Services							
5207.	Dues, Memberships & Sub.	248	100	0	200	100	100
5210.	Prof. & Contractual Ser.	149	500	300	500	0	0
5212.	Utility Services	2,435	3,550	3,550	3,550	0	0
5220.	Training & Travel	2,885	4,083	4,083	4,083	0	0
5236.13	Other Equipment Maint.	1,725	1,725	1,725	4,712	2,987	173.2
5289.	Vehicle/Equip Use Charge	38,878	35,118	37,758	39,608	4,490	12.8
Total Contractual Services		46,320	45,076	47,416	52,653	7,577	16.8
Commodities							
5310.	Commodities/Tools/Supplies	6,149	3,770	3,770	3,770	0	0
5320.	Books/Education Material	0	100	0	0	-100	-100
5325.	Uniforms/Safety Equip.	2,668	2,100	2,100	2,100	0	0
Total Commodities		8,817	5,970	5,870	5,870	-100	-1.7
Other Charges							
5410.	Liability Insurance	17,906	17,706	17,706	17,706	0	0
Total Other Charges		17,906	17,706	17,706	17,706	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		932,021	900,423	953,776	929,095	28,672	3.2
Reduction of Costs							
Total Reduction of Costs		0	0	0	0	0	0
TOTAL NET EXPENDITURES		932,021	900,423	953,776	929,095	28,672	3.2

Staff Services – Activity No. 912 Budget Detail

912 Staff Services		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	232,908	235,725	228,823	239,728	4,003	1.7
5131.	Regular Overtime Pay	8,664	7,070	9,375	7,211	141	2
5141.	Social Security	17,537	18,574	17,804	18,891	317	1.7
5150.	Retirement	32,437	37,754	37,754	38,389	635	1.7
5160.	Medical & Workers Comp	48,737	51,896	51,896	51,896	0	0
Total Personal Services		340,283	351,019	345,652	356,115	5,096	1.5
Contractual Services							
5201.	Rents	3,240	3,250	3,250	3,250	0	0
5207.	Dues, Memberships & Sub.	50	110	110	110	0	0
5210.	Prof. & Contractual Ser.	10,190	0	5,420	0	0	0
5212.	Utility Services	3,517	4,050	4,050	4,050	0	0
5220.	Training & Travel	469	1,830	1,830	1,830	0	0
5236.13	Other Equipment Maint.	23,916	23,920	23,920	31,381	7,461	31.2
Total Contractual Services		41,382	33,160	38,580	40,621	7,461	22.5
Commodities							
5310.	Commodities/Tools/Supplies	3,575	3,565	3,565	3,565	0	0
5325.	Uniforms/Safety Equip.	1,465	1,135	1,135	1,135	0	0
Total Commodities		5,040	4,700	4,700	4,700	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		386,705	388,879	388,932	401,436	12,557	3.2
Reduction of Costs							
Total Reduction of Costs		0	0	0	0	0	0
TOTAL NET EXPENDITURES		386,705	388,879	388,932	401,436	12,557	3.2

Patrol – Activity No. 913 Budget Detail

913 Patrol	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	1,920,728	1,923,828	1,876,570	1,927,512	3,684	0.2
5131. Regular Overtime Pay	229,336	170,000	199,787	173,400	3,400	2
5141. Social Security	157,414	160,178	154,866	160,720	542	0.3
5150. Retirement	269,322	332,002	332,002	333,175	1,173	0.4
5160. Medical & Workers Comp	423,492	463,603	463,603	461,103	-2,500	-0.5
Total Personal Services	3,000,292	3,049,611	3,026,828	3,055,910	6,299	0.2
Contractual Services						
5205. Printing & Dup. Charges	0	2,200	2,200	2,200	0	0
5207. Dues, Memberships & Sub.	280	155	155	155	0	0
5210. Prof. & Contractual Ser.	399	2,300	2,300	2,300	0	0
5212. Utility Services	9,940	12,732	12,930	12,782	50	0.4
5220. Training & Travel	9,337	12,164	12,164	12,164	0	0
5235. Repair & Maintenance	6,437	6,908	6,908	6,908	0	0
5236.13 Other Equipment Maint.	46,092	84,406	84,406	82,122	-2,284	-2.7
5289. Vehicle/Equip Use Charge	540,329	504,503	494,489	540,503	36,000	7.1
Total Contractual Services	612,814	625,368	615,552	659,134	33,766	5.4
Commodities						
5310. Commodities/Tools/Supplies	24,552	22,900	25,000	25,000	2,100	9.2
5320. Books/Education Material	459	3,380	1,280	1,280	-2,100	-62.1
5325. Uniforms/Safety Equip.	5,526	16,450	16,450	16,450	0	0
Total Commodities	30,537	42,730	42,730	42,730	0	0
Other Charges						
5410. Liability Insurance	85,741	85,741	85,741	85,741	0	0
Total Other Charges	85,741	85,741	85,741	85,741	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	3,729,384	3,803,450	3,770,851	3,843,515	40,065	1.1
Reduction of Costs						
5610. Recovered from Users	-17,979	0	1,568	0	0	0
Total Reduction of Costs	-17,979	0	1,568	0	0	0
TOTAL NET EXPENDITURES	3,711,405	3,803,450	3,769,283	3,843,515	40,065	1.1

Emergency Communications – Activity No. 915 Budget Detail

915 Emergency Communications	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	303,948	298,889	285,052	303,825	4,936	1.7
5131. Regular Overtime Pay	28,465	28,280	52,436	28,846	566	2
5141. Social Security	24,477	25,028	25,905	25,449	421	1.7
5150. Retirement	42,512	51,499	51,499	52,224	725	1.4
5160. Medical & Workers Comp	77,043	82,218	82,218	82,218	0	0
Total Personal Services	476,445	485,914	497,110	492,562	6,648	1.4
Contractual Services						
5201. Rents	8,000	8,000	8,000	8,000	0	0
5207. Dues, Memberships & Sub.	0	150	150	150	0	0
5210. Prof. & Contractual Ser.	60	0	0	0	0	0
5212. Utility Services	150	350	150	200	-150	-42.9
5220. Training & Travel	888	2,871	2,871	2,871	0	0
5235. Repair & Maintenance	1,378	1,800	1,800	1,800	0	0
5236.13 Other Equipment Maint.	6,385	6,385	6,385	2,930	-3,455	-54.1
Total Contractual Services	16,861	19,556	19,356	15,951	-3,605	-18.4
Commodities						
5310. Commodities/Tools/Supplies	846	1,330	1,330	1,330	0	0
5325. Uniforms/Safety Equip.	0	2,200	2,200	2,200	0	0
Total Commodities	846	3,530	3,530	3,530	0	0
Other Charges						
5410. Liability Insurance	6,163	6,163	6,163	6,163	0	0
Total Other Charges	6,163	6,163	6,163	6,163	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	500,315	515,163	526,159	518,206	3,043	0.6
Reduction of Costs						
5670. Recovered from Funds	-210,063	-213,033	-215,232	-213,641	608	-0.3
Total Reduction of Costs	-210,063	-213,033	-215,232	-213,641	608	-0.3
TOTAL NET EXPENDITURES	290,252	302,130	310,927	304,565	2,435	0.8

Animal Control – Activity No. 916 Budget Detail

916 Animal Control	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	117,669	132,826	107,233	119,718	-13,108	-9.9
5120. Salaries-PT/Seasonal Employ	0	0	10,067	12,706	12,706	0
5131. Regular Overtime Pay	27,143	15,000	18,562	15,300	300	2
5141. Social Security	10,430	11,309	10,276	11,301	-8	-0.1
5150. Retirement	19,251	21,233	21,233	21,657	424	2
5160. Medical & Workers Comp	28,845	30,848	30,848	30,848	0	0
Total Personal Services	203,338	211,216	198,219	211,530	314	0.1
Contractual Services						
5201. Rents	1,460	1,400	1,400	1,400	0	0
5207. Dues, Memberships & Sub.	40	140	140	140	0	0
5210. Prof. & Contractual Ser.	11,671	13,722	13,722	13,722	0	0
5210.202 Custodial Contract	618	1,380	650	1,380	0	0
5210.203 Mowing Contract	3,782	770	645	770	0	0
5212. Utility Services	35,027	51,720	34,265	47,850	-3,870	-7.5
5220. Training & Travel	3,317	965	965	965	0	0
5235. Repair & Maintenance	58,376	8,910	10,300	10,300	1,390	15.6
5236.13 Other Equipment Maint.	690	1,990	1,990	2,833	843	42.4
5289. Vehicle/Equip Use Charge	22,297	23,591	23,649	19,770	-3,821	-16.2
Total Contractual Services	137,278	104,588	87,726	99,130	-5,458	-5.2
Commodities						
5310. Commodities/Tools/Supplies	27,782	14,175	18,000	21,000	6,825	48.1
5320. Books/Education Material	80	0	0	0	0	0
5325. Uniforms/Safety Equip.	892	930	930	930	0	0
Total Commodities	28,754	15,105	18,930	21,930	6,825	45.2
Other Charges						
5410. Liability Insurance	3,959	3,959	3,959	3,959	0	0
Total Other Charges	3,959	3,959	3,959	3,959	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	373,329	334,868	308,834	336,549	1,681	0.5
Reduction of Costs						
5610. Recovered from Users	-30,246	-33,000	-33,000	-33,000	0	0
Total Reduction of Costs	-30,246	-33,000	-33,000	-33,000	0	0
TOTAL NET EXPENDITURES	343,083	301,868	275,834	303,549	1,681	0.6

School Resource Officer Program – Activity No. 917 Budget Detail

917 School Resource Officer Prog.		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	87,201	51,923	51,482	52,911	988	1.9
5120.	Salaries-PT/Seasonal Employ	22,620	37,814	20,238	38,571	757	2
5131.	Regular Overtime Pay	7,474	3,335	2,663	3,335	0	0
5141.	Social Security	9,173	7,120	6,200	7,254	134	1.9
5150.	Retirement	11,604	8,495	8,495	8,653	158	1.9
5160.	Medical & Workers Comp	19,313	10,325	10,325	10,325	0	0
Total Personal Services		157,385	119,012	99,403	121,049	2,037	1.7
Contractual Services							
5207.	Dues, Memberships & Sub.	40	0	0	0	0	0
5212.	Utility Services	438	500	500	500	0	0
5220.	Training & Travel	698	1,000	2,000	2,000	1,000	100
5236.13	Other Equipment Maint.	1,035	690	690	1,085	395	57.2
5289.	Vehicle/Equip Use Charge	274	2,800	500	510	-2,290	-81.8
Total Contractual Services		2,485	4,990	3,690	4,095	-895	-17.9
Commodities							
5310.	Commodities/Tools/Supplies	0	3,140	2,140	2,140	-1,000	-31.8
5325.	Uniforms/Safety Equip.	697	680	680	680	0	0
Total Commodities		697	3,820	2,820	2,820	-1,000	-26.2
Other Charges							
5410.	Liability Insurance	3,303	3,303	3,303	3,303	0	0
Total Other Charges		3,303	3,303	3,303	3,303	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		163,870	131,125	109,216	131,267	142	0.1
Reduction of Costs							
Total Reduction of Costs		0	0	0	0	0	0
TOTAL NET EXPENDITURES		163,870	131,125	109,216	131,267	142	0.1

Fire Department

Table of Contents

Fire Department.....	III-77
Organizational Chart.....	III-78
2010-2011 Accomplishments	III-78
2011-2012 Goals.....	III-79
Revenue And Expenditures	III-80
Departmental Activities	III-82
Fire Supervision – Activity No. 921	III-82
Fire Prevention – Activity No. 922.....	III-83
Fire Fighting – Activity No. 923	III-84
Fire Stations – Activity No. 924.....	III-85
Fire Specialists – Activity No. 925.....	III-85
Budget Detail.....	III-87
Fire Supervision - Activity No. 921 Budget Detail	III-87
Fire Prevention – Activity No. 922 Budget Detail.....	III-88
Fire Fighting - Activity No. 923 Budget Detail.....	III-89
Fire Stations - Activity No. 924 Budget Detail.....	III-90
Fire Specialists - Activity No. 925 Budget Detail	III-91

FIRE DEPARTMENT

The Fire Department's mission is to instill a sense of safety, security and pride in those we serve with our exceptional staff, using traditional and innovative methods to provide high levels of community protection in emergency response, hazard mitigation, public education and prevention services.

The Fire Department is composed of two offices, Operations and Prevention that work in unison to fulfill its mission. The Prevention Office is an activity to itself, Activity 922. The Operations Office consists of three activities; Firefighting - Activity 923; Fire Stations - Activity 924; and Fire Specialists - Activity 925. Both of these offices work under the direction of the Fire Chief accounted for in Fire Supervision - Activity 921.



The mission of the Fire Prevention Office is to increase public safety through education, engineering and enforcement. The Office achieves this mission through a number of public outreach programs. Some examples include: distributing and installing smoke alarms; managing the Juvenile Fire Setter Program; and the commercial building inspection program. The Juvenile Fire Setter Program is nationally recognized and provides training and education to juvenile offenders. The Prevention Office also assists with the infant car seat installation and inspection program and bicycle helmet safety program.

phases. The Fire Prevention Office inspects commercial occupancies on a periodic basis and these inspections facilitate the enforcement of the City's Fire Code.

The Prevention Office is actively involved in the pre-development process. It ensures compliance with the City's safety standards in the planning and construction

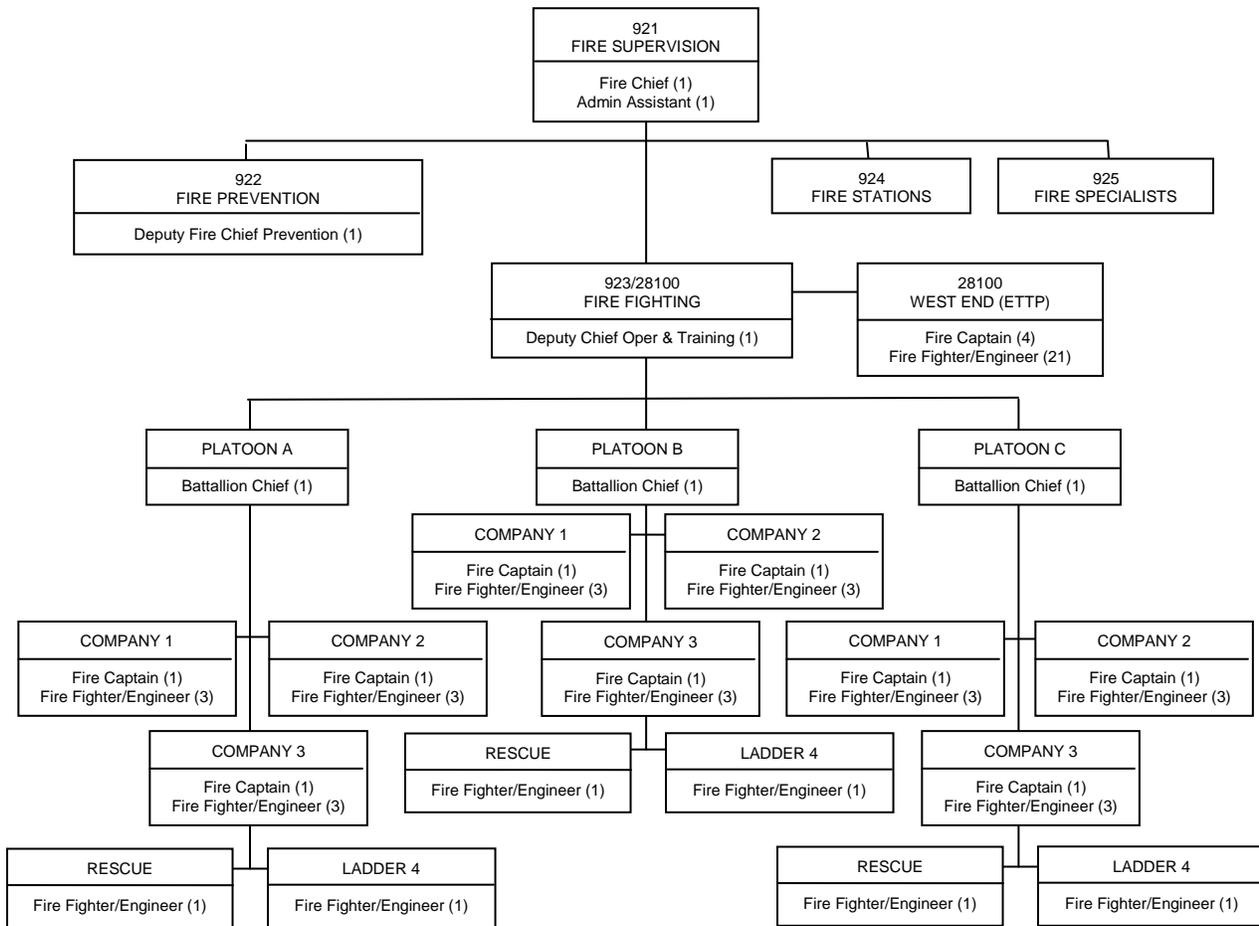
The Operations Office is responsible for short and long-term strategic planning designed to achieve the highest level of effectiveness and efficiency while enabling the Department to meet the goals of the City Council and the needs of the citizens. A major objective of the Operations office is to facilitate partnerships with other agencies, both internal and external to the organization. These agencies share similar interests and goals in specific areas such as training, fire suppression, rescue operations and emergency medical services.

The Operations Office delivers services activated by the E-911 system. It provides for emergency response to "all risks" in the community including those associated with fire, emergency medical services (EMS), technical rescue, hazardous materials, and disaster response. Utilizing a three shift system, the department provides required staffing to complete its mission 24 hours a day/365 days a year. The shifts are led by Battalion Chief's who have collateral duties in providing oversight for EMS, suppression, and other special operations while providing the crew with the leadership of a Chief Officer. Fleet Services is also a key component of the battalion chief duties. The Battalion Chief, in a coordinated effort with Public Works Fleet Management, ensures the readiness of our apparatus to respond.

The Operation Office is under the supervision of a Deputy Chief and is responsible for Department training, internal affairs, safety, succession planning and accreditation of the ambulance service licensure. Training is provided in the areas of fire suppression, operational strategy and tactics, emergency medical certifications, hazardous materials response, technical rescue and firefighter safety and survival. Continuing education for basic emergency medical technicians and paramedics is also provided by in-house fire department instructors working under the supervision of the University of Tennessee. The

deputy chief of operations reviews the accident reports, injuries, personnel actions and customer complaints. Succession planning activities includes recruitment and testing of entry level personnel and internal promotion of officer candidates. In addition, the Operations Office forecasts and plans for the long and short-term personnel needs and equipment purchases. The Deputy Chief of Operations is an accredited Chief Fire Officer (CFO) through the Center for Public Safety Excellence, Commission for Professional Credentialing.

ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS

- Provided dedicated technical rescue (confined space and high angle rope) teams for high risk work being performed at the Department of Energy's (DOE) East Tennessee Technology Park.
- Completed the design and construction of additional training props for self contained breathing apparatus (SCBA), confined space rescue and ventilation operations.
- Actively participated in planning and conducting the 10th Annual Secret City Festival.
- Through various State and Federal grants placed two (4 gas) air monitoring devices on all first out emergency vehicles.
- Inspected 91% of the commercial buildings in Oak Ridge.

- Implemented a new personnel accountability system (PassPort) purchased with grant money.
- Implemented a new incident management structure for special events involving large crowds that is now National Incident Management Systems (NIMS) compliant.
- Conducted a variety of simulation training drills with our DOE partners at various DOE locations.
- Revised and updated a memorandum of agreement (MOA) with Anderson County for the staffing, maintenance, and response of the Anderson County HazMat vehicle.
- Implemented a program to provide smoke alarms and educational outreach materials to high risk citizens and acquired private donations to purchase additional smoke alarms.
- Provided classroom instruction and fire education to nearly 5000 citizens ranging from pre-school students to senior citizens, on topics including fire safety, emergency preparedness, CPR and fire extinguisher training.
- Recognized by the Tennessee Fire Service and Codes Academy for attending 3203 student contact hours of training.
- Placed in-service an emergency generator to provide power to our living spaces at station 4 during severe storms events or extended power outages.
- Hired five new employees.
- Renewed DOE MOA for operation of Fire Station 4 West End.
- Completed the 2011 – 2015 Strategic Plan.



2011-2012 GOALS

The Oak Ridge Fire Department's Strategic Plan, has identified Common Vision, Organizational Discipline, Recruitment and Development, Service programs, Planning and Communications as the six primary focus areas to be addressed beginning immediately. To move this plan forward, several goals have been established:

- Begin the planning for replacement of fire suppression apparatus.
- Continue the review of our Procedure Guidelines.
- Implement an ordinance regulating dangerous or abandon buildings (Not In Our City).
- Continue to educate staff at the National Fire Academy at a minimum of one class per year per Officer.
- Continue succession planning for Chief Officers through participation in the National Fire Academy executive officer and management classes.
- Develop and deliver a Company Officer and acting officer academy.
- Provide promotional testing for Fire Captain and Fire Engineer.
- Develop table top exercises to test the City's Emergency Operations Center (EOC) and train battalion chiefs to staff the EOC.
- Continue to provide outreach training to businesses on fire safety and extinguisher use and CPR.
- Continue to work with Anderson County for the updating of the Hazard Mitigation Plan along with other local planning documents.
- Continue to aggressively seek grant opportunities to fund programs that otherwise would need to be curtailed.
- Investigate the possibility of becoming an accredited department. The accreditation would admit membership of the Oak Ridge Fire Department into a very exclusive group of departments. Currently, there are only 133 Fire Departments internationally recognized with this distinction.

REVENUE AND EXPENDITURES

In support of maintaining the City's current property tax rate, the Fire Department is making significant efforts to do its part in reducing expenses within the department and partnering with others to accomplish our mission.

Overall, the Fire Department saw a reduction in funding for budgeted regular salaries of \$70,807 for fiscal 2012 in comparison to the prior fiscal year due the retirement of long-term employees. At the Department's current attrition rate, the Fire Department anticipates additional vacancies during fiscal 2012, including the Fire Chief and 2 or more firefighter positions. The retirement of the Deputy Chief of Fire Prevention has left an opening that is currently being staffed with Inspectors on overtime on their days off shift while staff evaluates the future duties of that position. Current staffing levels are as outlined below:

Authorized Personnel	FY 11	FY 12
Administration	3	3
Supervision (Officers)	16	16
Suppression	54	54
Training\Inspection & Public Education Manager (Fire Prevention Office or FPO)	1	1
Total	74	74

The Oak Ridge Fire Department responded to over 4,600 calls last calendar year, including commercial and residential fires, hazardous materials incidents and emergency medical assistance. In addition to these emergency activities, the Emergency Medical Services Division is also very active and visible in the DOE community.

Call Volume	Actual 08	Actual 09	Actual 10	Projected 11	Budget 12
Totals	4481	4493	4653	4583	4782
Fires\Alarms	825	859	853	861	890
Rescues	183	281	211	230	250
EMS	2631	2348	2702	2780	2850
Other Service Calls	842	944	887	910	960

The Oak Ridge Fire Department also assists our neighbors. The Department responded with a multitude of other agencies to structure fires, transportation accidents and hazardous materials events during the catastrophic Tennessee Valley Authority (TVA) Ash Pond failure. Our Technical Rescue Team members (Tennessee Task Force 3) safely responded to and assisted with the rescue of many individuals during the flooding in West Tennessee and the tornados just south of our City in Bradley County. Most notably, our Deputy Chief of Operations deployed to Ashland City during the floods as a part of the newly formed State Wide Incident Management Team. Over the last year our Department has provided mutual aid to several of our local volunteer agencies and the Anderson County Ambulance Service upon request. Our relationship with our neighboring departments, including the City of Knoxville Fire Department, has never been stronger. Employees of the Oak Ridge Fire Department are also involved at the National and State levels. We have been invited to participate with the Tennessee Association of Fire Chiefs Professional Development Committee, the Sevier County Fire Chiefs Association's Chief Officer Development Class and the Tennessee Mutual Aid Coordinating Committee. Oak Ridge Fire Department personnel hold offices on the boards of the Anderson County Fire Board and serve as adjunct instructors for the Tennessee Fire Service and Codes Academy and as board members of the Anderson County Ambulance Services Committee.

Please note that the West End fire station, although listed in the activities above, is not funded through the General Fund. The operations of the West End fire station are accounted for in a special revenue fund, the West End Fund. In fiscal 2008, the West End fire station was transferred from the US Department of Energy (DOE) to the City of Oak Ridge and the operations of that station are currently entirely funded under a contract with DOE through September 30, 2011. Renewal of the contract is expected through 2015. Additional information on the West End Fund is contained in Section VI, Special Revenue Funds, of this document.

Summary of Expenditures and Transfers by Department Activity:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Fire Department:</u>						
921 Supervision	217,782	226,555	225,349	231,304	4,749	2.1
922 Fire Prevention	128,873	132,140	119,199	118,711	(13,429)	-10.2
923 Fire Fighting	3,645,786	3,780,885	3,678,529	3,710,458	(70,427)	-1.9
924 Fire Stations	105,943	114,800	110,750	122,902	8,102	7.1
925 Fire Specialists	87,626	143,334	95,366	143,949	615	0.4
Total Fire Department	4,186,010	4,397,714	4,229,193	4,327,324	(70,390)	-1.6

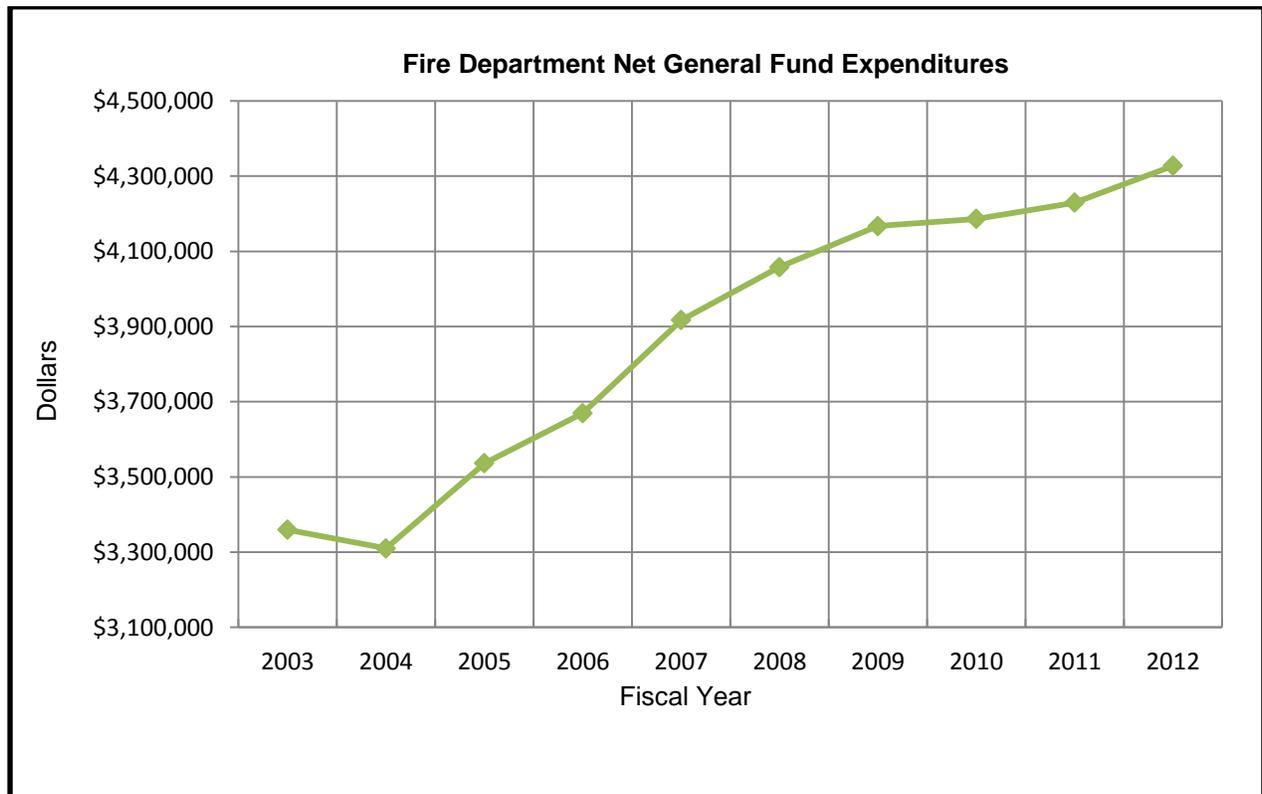
The Fire Department Operational budget funded through the General Fund shows a decrease of 1.6% from last year and is mainly due to the retirement of senior personnel who were replaced with lesser paid employees. The Fire Prevention office is showing a budgeted 10.2 % decrease with the retirement of a senior Deputy Chief being initially replaced with a Deputy Chief Fire Prevention (DCFP) at entrance level.

FY2012 General Fund Budget – Transfers to Other Funds, Fire Department Credits and Costs Recovered:

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED		GENERAL FUND
			WATER	WASTEWATER				
<u>FIRE DEPARTMENT:</u>								
921 Supervision	231,304	-	-	-	-	-	100%	231,304
922 Fire Prevention	118,711	-	-	-	-	-	100%	118,711
923 Fire Fighting	3,731,458	-	-	-	-	1% 21,000	99%	3,710,458
924 Fire Stations	122,902	-	-	-	-	-	100%	122,902
925 Fire Specialists	143,949	-	-	-	-	-	100%	143,949
TOTAL FIRE DEPARTMENT	4,348,324	-	-	-	-	21,000	100%	4,327,324

Due to the nature of the services provided, fire costs are not allocated to other City Funds.

The chart below shows the ten year trend of Fire Expenditure funded through the General Fund included projected 2011 and budget 2012. The increases over time are due to normal salary and benefit increases and routine equipment maintenance and replacement costs.



DEPARTMENTAL ACTIVITIES

Fire Supervision – Activity No. 921

Activity Description:

The Fire Department, under the direction of the Fire Chief, is responsible for the protection of life and property against fire and other disastrous emergencies. This responsibility is affected through the supervision of the department in its efforts to prevent and extinguish fires and to reduce life safety hazards. The Fire Chief coordinates the other activities within the department and external interaction necessary to accomplish department's goals and objectives. The goals of the department include the maintenance of an environment free from the devastating effects of fire and other potential hazards of a disastrous nature and the confinement of damage from hostile fires to the room of origin. These goals are furthered by conducting public education programs and encouraging the installation of smoke detectors and fire suppression systems.

Fire Supervision administers the department; supervises all fire operations; plans for emergency operations, fire prevention programs and in-service training; and directs public education and fire safety programs.

Performance Objectives:

1. Maintain the current disaster plan and participate in community-wide exercises utilizing agencies other than City departments.
2. Evaluate record keeping procedures. Insure the maintenance of adequate departmental records to monitor performance, while eliminating forms and records no longer needed.
3. Develop training programs, both on the job and formal, that will allow employees seeking promotion to the officer level to meet selected guidelines of the National Fire Protection Association, and that will allow other employees to develop their skills to the extent they desire.
4. Return site review comments to Development Implementation within two days of receipt.
5. Maintain the Fire Department's positive image in the community by taking advantage of as many opportunities as possible to make presentations to groups, especially adults.
6. Finalize plans to provide fire response consistent with other fire department goals.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Newly constructed or substantially renovated commercial structures with automatic fire suppression systems of early alarm systems	85%	100%	85%	100%
Building fires confined to room of origin	92%	99%	95%	99%

Significant Expenditure Changes:

Contractual Services increased \$1,048 or 4.5% to provide additional funding for maintenance and replacement of computer and other technological equipment. Funding for all areas was reviewed and reallocated based on current funding requirements.

Fire Prevention – Activity No. 922

Activity Description:

This activity, under the direction of the Deputy Chief-Fire Prevention, performs functions intended to prevent fires through the abatement of potential fire causes. Abatement activities include review of site and building plans for new commercial construction and initial compliance inspections for Certificate of Occupancy permits. In addition to these duties, this activity is responsible for investigating fire code violations and complaints; for performing code compliance inspections and surveys that are conducted by firefighting personnel; and for conducting fire safety education efforts such as lectures and press releases. This activity also investigates and prepares reports on all fire incidents. Suspicious fires are physically investigated and, through this office, information and evidence are gathered in support of a police investigation.

Performance Objectives:

1. Conduct fire prevention surveys of all commercial property an annual basis. Some specific properties are surveyed on a semi-annual basis.
2. Ensure compliance with fire protection standards for commercial development by reviewing construction plans within seven days and by monitoring the Certificate of Occupancy program.
3. Use an aggressive public fire safety education program to reduce the number of residential fires in the top "Ignition Factor" category by 25 percent and increase attendance at fire safety education presentations.
4. Reduce fires resulting from intentional causes by thoroughly and accurately identifying all occurrences of incendiary fires through the development of a fire investigation program, and increase the number of arson cases successfully closed.
5. Assure the installation of appropriate fire detection and suppression systems in all new and substantially renovated properties through the plans review and inspection processes.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
1. Commercial fire prevention surveys conducted annually	993	1,000	927	1,100
2. Violations reported by department inspection	941	1,000	1,400	1,200
3. Construction plans reviewed within 7 days	97%	100%	95%	100%
4. Attendance at presentations	11,000	10,000	6,000	8,000
5. Residential fires from "electrical causes"	4	5	3	5

Significant Expenditure Changes:

The budgeted funding for personal services (salaries and benefits) declined by \$16,616 due to the retirement of the Deputy Chief of Fire Prevention. Funding for Contractual Services increased \$3,187 or 19.6%. \$1,749 of the increase was for the replacement and maintenance of small equipment, including computers, and \$1,440 for fuel, maintenance and replacement charges for vehicles used by this activity.

Fire Fighting – Activity No. 923

Activity Description:

Under the direction of the Fire Chief, this activity includes the trained on-duty fire fighting staff and equipment necessary to provide a range of services to respond to fires, accidents, or natural disasters; to reduce the frequency and severity of fires through fire prevention activities; and to prevent neighborhood deterioration through voluntary inspections and community education. Additional activities include commercial inspections, fire fighting pre-planning, residential safety inspections and hydrant inspection and maintenance.



Performance Objectives:

1. Confine all fires to the damage level existing at the arrival time of fire suppression units.
2. Maintain fire suppression performance levels that exceed national standards.
3. Maintain fire fighting training levels that exceed national standards.
4. Conduct routine preventive maintenance on City fire hydrants in the most cost effective manner, permanently identify with current color coding (NFPA standards), and flow test all hydrants to determine capacity on a three year schedule.
5. Identify all locations within the City where regulatory quantities of hazardous materials are located and prepare pre-incident plans to control fires and/or spills for these locations. Update one-third of the pre-incident plans annually.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Average Response Time	4.1 mins	4.0 mins	5.38 mins	4.0 mins
Average Control Time	10.4 mins	4.0 mins	6.45 mins	6.0 mins
Fires contained to damage level	95%	100%	100%	100%
Employees certified at NFPA Fire Fighter II	70	70	70	70
Fire hydrants maintained annually	2,550	2,500	2,550	2,550

Significant Expenditure Changes:

The budgeted funding for personal services (salaries and benefits) declined by \$57,892 due to the

retirement of long-term employees and to reflect actual expenditure levels for regular and overtime hours. Funding for Contractual Services increased \$8,465 or 1.9%. Other equipment maintenance decreased by \$7,224 based on a citywide review and reallocation of equipment charges for replacement and maintenance of equipment, particularly computers, software, iPads, and other small electronic devices. This reduction was offset by increased funding of \$5,000 for routine maintenance costs and \$9,059 for fuel, maintenance and replacement of vehicles. Utility services funding increased by \$1,630 for charges paid to the City's Waterworks Fund for fire hydrants.

Fire Stations – Activity No. 924

Activity Description:

Building maintenance and operation of the three fire stations listed below are charged to this activity:

- Station No. 1 - 2097 Oak Ridge Turnpike (West End)
- Station No. 2 - 609 Oak Ridge Turnpike (East End)
- Station No. 3 - 333 Tuskegee Drive

Performance Objectives:

1. Maintain average energy consumption at fire stations at FY 1994 levels.
2. Maintain an accident-free environment for the fire station activities.
3. Maximize cost effectiveness in application of materials, equipment and supplies related to site use and maintenance.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Energy Consumption: KWH of electricity used	278,059	330,000	277,529	315,000

Significant Expenditure Changes:

Funding for Contractual Services for this activity increased by \$8,102 or 8.8%. Other equipment maintenance increased by \$6,797 based on a citywide review and reallocation of equipment charges for replacement and maintenance of equipment, particularly computers, software, iPads, and other small electronic devices. Utility services funding increased by \$1,405 for water and wastewater charges based on planned rate increases for those services.

Fire Specialists – Activity No. 925

Activity Description:

Fire Specialists are off-duty Fire Fighters on stand-by. Upon receiving notice of an alarm, they respond directly to the scene of a structural fire in order to supplement on duty Fire Fighters arriving from the fire stations. Fire Specialists are on call on a regularly scheduled basis and are equipped with a radio pager, fire fighting gear, and a City vehicle.

Performance Objectives:

- 100% response of Specialists on stand-by to all structural fires.
- Staff four specialists per day

Programs Comments:

Fire Specialists are compensated at both a standby rate, which is fixed annually, and a per-call rate. Job classification, pay step and uniform rank determine the per-call rate. In order to comply with Fair Labor Standards Act (FLSA), all nonexempt City employees performing as Fire Specialists are compensated at the overtime rate associated with their regular job when those hours are served in addition to their basic workweek. The Personal Services total represents the average overtime rate for

those employees currently enrolled in the program that are in pay classifications 1 through 9, using a minimum of four responses daily as basic compensation in place of standby pay.

The Fire Specialist Program remains cost effective in that the cost of providing fire suppression services through the more traditional method of adding personnel to the on-duty strength of fire units would cost approximately \$445,000 rather than \$144,000 budgeted annually. This would result in the addition of four Fire Fighters (a number equal to the number of Fire Specialists on-duty each day of the year) to each of the department's three duty shifts, for a total of twelve fire fighters.

Significant Expenditures:

Funding for this activity only increased 615 or .4%. Overall, budgeted funding was reviewed and reallocated to areas where expenditures were required based on current needs. Funding for professional services and uniforms was reallocated to fund fuel, maintenance and replacement of vehicles used by this activity.



BUDGET DETAIL

Fire Supervision - Activity No. 921 Budget Detail

921 Fire Supervision	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
5111. Salaries-Reg. Employees	145,501	144,194	144,154	147,210	3,016	2.1
5131. Regular Overtime Pay	669	810	528	810	0	0
5141. Social Security	10,874	11,093	10,894	11,324	231	2.1
5150. Retirement	18,858	22,798	22,798	23,252	454	2
5160. Medical & Workers Comp	19,726	20,845	20,845	20,845	0	0
Total Personal Services	195,628	199,740	199,219	203,441	3,701	1.9
Contractual Services						
5201. Rents	370	450	450	450	0	0
5206. Mailing & Delivery	0	60	60	0	-60	-100
5207. Dues, Memberships & Sub.	589	440	440	500	60	13.6
5210. Prof. & Contractual Ser.	0	313	313	313	0	0
5212. Utility Services	11,819	12,100	12,285	12,300	200	1.7
5220. Training & Travel	75	1,875	1,875	1,875	0	0
5236.13 Other Equipment Maint.	801	790	790	2,158	1,368	173.2
5289. Vehicle/Equip Use Charge	7,013	7,387	6,517	6,867	-520	-7
Total Contractual Services	20,667	23,415	22,730	24,463	1,048	4.5
Commodities						
5310. Commodities/Tools/Supplies	1,487	3,000	3,000	3,000	0	0
5320. Books/Education Material	0	400	400	400	0	0
Total Commodities	1,487	3,400	3,400	3,400	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	217,782	226,555	225,349	231,304	4,749	2.1
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	217,782	226,555	225,349	231,304	4,749	2.1

Fire Prevention – Activity No. 922 Budget Detail

922 Fire Prevention	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	78,417	77,668	65,113	64,242	-13,426	-17.3
5141. Social Security	5,850	5,942	4,467	4,914	-1,028	-17.3
5150. Retirement	10,011	12,102	12,102	9,940	-2,162	-17.9
5160. Medical & Workers Comp	9,873	10,440	10,440	10,440	0	0
Total Personal Services	104,151	106,152	92,122	89,536	-16,616	-15.7
Contractual Services						
5205. Printing & Dup. Charges	52	1,200	775	775	-425	-35.4
5206. Mailing & Delivery	8		0	0	0	0
5207. Dues, Memberships & Sub.	1,475	1,077	1,500	1,500	423	39.3
5212. Utility Services	2,641	3,000	3,000	3,000	0	0
5220. Training & Travel	4,147	3,237	3,237	3,237	0	0
5236.13 Other Equipment Maint.	645	645	645	2,394	1,749	271.2
5289. Vehicle/Equip Use Charge	6,357	7,079	8,170	8,519	1,440	20.3
Total Contractual Services	15,325	16,238	17,327	19,425	3,187	19.6
Commodities						
5310. Commodities/Tools/Supplies	6,710	7,500	7,500	7,500	0	0
5320. Books/Education Material	2,687	2,000	2,000	2,000	0	0
5325. Uniforms/Safety Equip.	0	250	250	250	0	0
Total Commodities	9,397	9,750	9,750	9,750	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	128,873	132,140	119,199	118,711	-13,429	-10.2
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	128,873	132,140	119,199	118,711	-13,429	-10.2

Fire Fighting - Activity No. 923 Budget Detail

923 Firefighting	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	1,739,919	1,840,901	1,711,276	1,783,933	-56,968	-3.1
5131. Regular Overtime Pay	470,630	400,000	434,407	410,000	10,000	2.5
5141. Social Security	159,363	171,463	161,275	167,817	-3,646	-2.1
5150. Retirement	299,009	353,817	361,817	346,539	-7,278	-2.1
5160. Medical & Workers Comp	405,763	432,447	432,447	432,447	0	0
Total Personal Services	3,074,684	3,198,628	3,101,222	3,140,736	-57,892	-1.8
Contractual Services						
5205. Printing & Dup. Charges	2,401	0	0	0	0	0
5207. Dues, Memberships & Sub.	3,004	460	460	460	0	0
5210. Prof. & Contractual Ser.	9,895	17,420	17,420	17,420	0	0
5212. Utility Services	61,777	63,720	63,720	65,350	1,630	2.6
5220. Training & Travel	36,589	40,000	40,000	40,000	0	0
5235. Repair & Maintenance	21,242	0	25,000	5,000	5,000	0
5236.13 Other Equipment Maint.	1,371	13,974	12,629	6,750	-7,224	-51.7
5289. Vehicle/Equip Use Charge	290,938	315,753	303,148	324,812	9,059	2.9
Total Contractual Services	427,217	451,327	462,377	459,792	8,465	1.9
Commodities						
5310. Commodities/Tools/Supplies	93,975	60,000	65,000	60,000	0	0
5320. Books/Education Material	1,499	6,500	6,500	6,500	0	0
5325. Uniforms/Safety Equip.	22,901	17,920	17,920	17,920	0	0
Total Commodities	118,375	84,420	89,420	84,420	0	0
Other Charges						
5410. Liability Insurance	46,510	46,510	46,510	46,510	0	0
Total Other Charges	46,510	46,510	46,510	46,510	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	3,666,786	3,780,885	3,699,529	3,731,458	-49,427	-1.3
Reduction of Costs						
5610. Recovered from Users	-21,000	0	21,000	-21,000	-21,000	0
Total Reduction of Costs	-21,000	0	21,000	-21,000	-21,000	0
TOTAL NET EXPENDITURES	3,645,786	3,780,885	3,678,529	3,710,458	-70,427	-1.9

Fire Stations - Activity No. 924 Budget Detail

924 Fire Stations	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual Services						
5201. Rents	52	485	485	485	0	0
5210. Prof. & Contractual Ser.	470	535	535	535	0	0
5212. Utility Services	52,599	64,070	57,210	65,475	1,405	2.2
5235. Repair & Maintenance	29,943	22,741	22,741	22,741	0	0
5236.13 Other Equipment Maint.	2,070	2,070	2,070	8,867	6,797	328.4
5289. Vehicle/Equip Use Charge	2,207	1,859	1,759	1,759	-100	-5.4
Total Contractual Services	87,818	91,760	84,800	99,862	8,102	8.8
Commodities						
5310. Commodities/Tools/Supplies	16,175	21,090	24,000	21,090	0	0
Total Commodities	16,175	21,090	24,000	21,090	0	0
Other Charges						
5410. Liability Insurance	1,950	1,950	1,950	1,950	0	0
Total Other Charges	1,950	1,950	1,950	1,950	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	105,943	114,800	110,750	122,902	8,102	7.1
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	105,943	114,800	110,750	122,902	8,102	7.1

Fire Specialists - Activity No. 925 Budget Detail

925 Fire Specialists	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	29,580	55,000	30,156	55,000	0	0
5131. Regular Overtime Pay	16,932	35,000	17,093	35,000	0	0
5141. Social Security	3,542	6,885	3,653	6,885	0	0
5150. Retirement	11,988	14,490	14,490	14,490	0	0
Total Personal Services	62,042	111,375	65,392	111,375	0	0
Contractual Services						
5210. Prof. & Contractual Ser.	0	1,875	0	0	-1,875	-100
5235. Repair & Maintenance	530	0	0	0	0	0
5289. Vehicle/Equip Use Charge	21,255	23,191	25,891	27,411	4,220	18.2
Total Contractual Services	21,785	25,066	25,891	27,411	2,345	9.4
Commodities						
5310. Commodities/Tools/Supplies	136	420	420	500	80	19
5325. Uniforms/Safety Equip.	0	2,810	0	1,000	-1,810	-64.4
Total Commodities	136	3,230	420	1,500	-1,730	-53.6
Other Charges						
5410. Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges	3,663	3,663	3,663	3,663	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	87,626	143,334	95,366	143,949	615	0.4
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	87,626	143,334	95,366	143,949	615	0.4

PUBLIC WORKS DEPARTMENT

Table of Contents

Public Works Department.....	III-93
Organizational Chart.....	III-94
2010-2011 Accomplishments	III-95
2011-2012 Goals.....	III-97
Revenues & Expenditures.....	III-98
Department Activities.....	III-100
Public Works Supervision – Activity No. 930.....	III-100
Engineering – Activity No. 935.....	III-100
State Highway Maintenance – Activity No. 942	III-101
General Maintenance – Activity No. 943	III-102
Central Service Complex – Activity No. 946	III-103
Municipal Building – Activity No. 948.....	III-103
Traffic Control and Lights – Activity No. 953	III-104
Budget Detail.....	III-105
Supervision – Activity No. 930 Budget Detail	III-105
Engineering - Activity No. 935 Budget Detail	III-106
State Highway Maintenance - Activity No. 942 Budget Detail.....	III-107
General Maintenance - Activity No. 943 Budget Detail.....	III-108
Central Services Complex - Activity No. 946 Detail.....	III-109
Municipal Building - Activity No. 948 Detail.....	III-110
Traffic Control and Lights - Activity No. 953 Detail	III-111

PUBLIC WORKS DEPARTMENT

The Public Works Department is responsible for maintaining city-owned streets and rights-of-way, water and wastewater treatment plants, water distribution system, wastewater collection system, city vehicles and equipment, city-owned buildings and Solid Waste contractual services for residential refuse collection.

The Department consists of 94 employees and seven divisions including Supervision/Administration, Engineering, Wastewater Treatment, Water Treatment, West End Waterworks, Equipment and Fleet Maintenance, and Work Pool. The activities and functions performed by the Department are included in the General Fund, Waterworks Fund, State Street Aid Fund, Equipment Replacement Rental Fund and Solid Waste Fund. The Department serves as the City staff representative to the Traffic Safety Advisory Board, the Industrial Development Board, and also prepares and administers the Solid Waste Collection Contract.



The Engineering Division is responsible for reviewing all subdivision and development plans proposed for construction within the city. This division is also responsible for performing site inspections to verify that utilities and roadways proposed for dedication to the City are properly installed and constructed to City specifications. Employees of this division are also responsible for revising and updating as-built plans and maps of the water, wastewater and storm drainage systems.

The Equipment and Fleet Maintenance Division of Public Works is responsible for maintaining the City's entire fleet of vehicles and equipment which includes 58 sedans, 64 pickup trucks, 43 SUV's, 77 heavy duty trucks and 19 fire vehicles, and other various light and heavy equipment. In addition, the fleet includes 4 hybrid SUV's.

The Work Pool Division is responsible for the Water Distribution System Maintenance; Wastewater Collection System Maintenance and Rehabilitation; Water and Wastewater Treatment Plant Maintenance; Roads, Streets and Drainage Maintenance; and Buildings and Facilities Maintenance. Employee crew assignments are flexible in order to allow for shifting of workers to various crews as necessary to satisfy large project demands or deadlines. The Work Pool is responsible for maintaining all city-owned buildings, including the Municipal Building and Central Service Center Complex along with other City facilities upon departmental requests. Maintenance of the water distribution system performed by the Work Pool Division involves maintaining approximately 242 miles of water main piping, 2,845 fire hydrants, 5,269 main valves, 9,040 service laterals, 12,894 water meters, six elevated water storage tanks, two in-ground reservoirs, 11 water pumping stations and 76 main pressure reducing valves. Maintenance of the wastewater collection system performed by the Work Pool Division involves 6,299 manholes and 260 miles of wastewater collection mains. The Department is also responsible for maintaining approximately 228 miles of streets and 100 miles of sidewalk, including mowing on street rights-of-ways, maintaining flow of storm drainage ditches, providing an annual leaf pick-up program and an annual brush and rubbish pick-up program. Snow and ice is also a responsibility of this division.

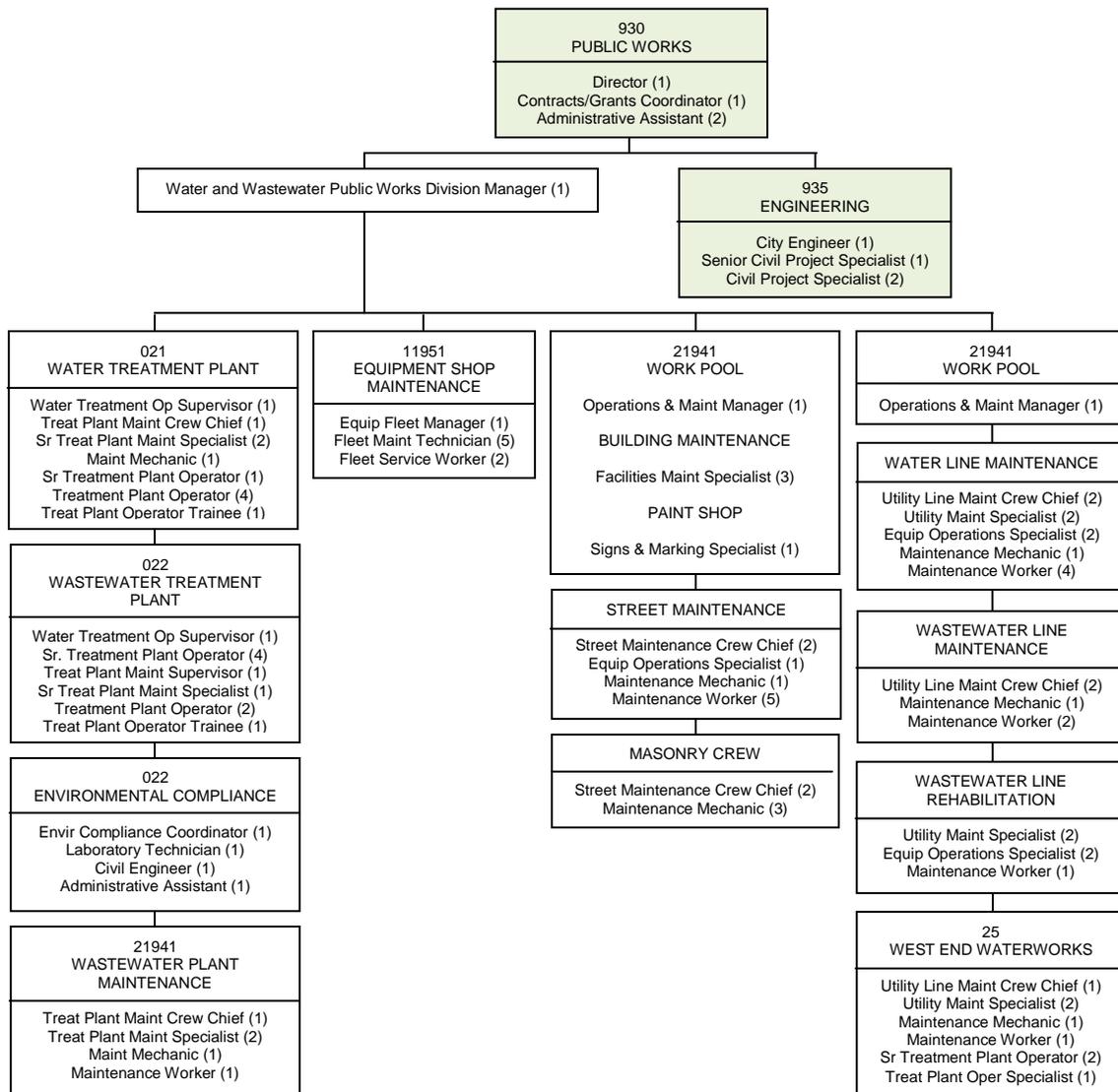
The Public Works Department operates the water and wastewater treatment facilities. The main 10 MGD capacity wastewater treatment plant serves most of the city and current daily flow averages 5-6 MGD from City and Federal customers. A new 0.6 MGD wastewater treatment plant has been constructed to serve the west end of Oak Ridge including Rarity Ridge, ETPP and Horizon Center Industrial Park. The City water plant near Y-12 produces 10-12 MGD of drinking water daily for the City, Y-12 and Oak Ridge National Lab. In addition to maintaining all treatment plants, the Treatment Plant maintenance staff maintains 47 wastewater-pumping stations, two raw water intake pump stations and a raw water booster

pumping station. In 2008, the City also assumed ownership of the K-25 WTP at ETTP and added an additional 4 MGD Treatment Plant, 2 storage tanks and an intake to its operation and maintenance responsibilities.

In fiscal year 2011, the Department came under an Administrative Order (AO) from EPA to rehabilitate the wastewater collection system. Additional information regarding the impact of this AO is Section V, Enterprise Funds, of this document.

ORGANIZATIONAL CHART

Areas highlighted in green are funded through the General Fund.



2010-2011 ACCOMPLISHMENTS

GENERAL

IDB

- Led the effort for the revision of the IDB Payment in Lieu of Tax (PILOT) policies and procedures that were approved by City Council October 12, 2010.
- Assisted with the application process of two PILOTs.
- Prepared final agendas and provided public notice for 9 monthly meetings, 6 Special called meetings, 9 Committee meetings and 2 Work sessions.
- Assisted with the preparation of the bid specifications and prepared the bid document for mowing and landscaping services for Horizon Center Business Park. Participated in the process for selecting A&E firms to provide services to the IDB.

Grants

- Received a \$100,000 Tennessee Energy Efficiency Community Development Block Grant (TNEECBG) to improve HVAC and lighting controls at the Central Services complex and prepared the Request for Proposal soliciting contractors for the project.
- Administered the Emergency Shelter Grant Program, including a monitoring visit from THDA, with no findings.

Solid Waste

- Waste Connections is responsible for the regular backdoor trash pickup, recycling, and scheduled annual events for leaves, household trash, and brush pickup. This year the totals for Waste Connection were:
 - Residential refuse collection: 6,439 tons,
 - Residential recycling collection: 3,322 tons,
 - Leaf collection: 450 tons,
 - Household trash: 60 tons,
 - Brush collection: 150 tons.

ENGINEERING

- Served as Project Manager over construction improvements for the Safe Routes to School Program for Robertsville Middle School. Primary areas of improvements included sidewalk and handicap ramp construction along Robertsville Road, Jefferson Avenue, South Jefferson Circle and on the school property.
- Completed a comprehensive priority list for Transportation Enhancement Programs to be used as a guide in the expenditures from the Special Programs Fund to improve traffic capacity and bicycle/pedestrian safety improve school crossings, and to construct new sidewalks on missing link sections.
- Participated in the City's Oak Ridge Bicycle Pedestrian Advisory Committee to develop a plan that identified and prioritized needed pedestrian and bicycle facilities that promotes walking and bicycling. The project included several public meetings as well as Planning Commission and City Council approval.
- Began design plans and specifications for bidding a construction project to remove and replace two 78" storm drainage culverts on Graceland Road in Country Club Estates.
- Participated in the completion of the Oak Ridge Turnpike (SR 95) improvement project. This 4.2 mile widening project from Illinois Avenue to Westover Drive began in 2009 and was completed in September 2011. Public Works staff inspected construction of major water lines and minor sanitary sewer lines and served as liaison with contractors and citizens on issues.
- Participated in the initiation of construction of the Oak Ridge Turnpike (SR 95) improvement project. This 3.2 mile project from Westover Drive to the SR 58 interchange began in 2010 and is scheduled for completion in July 2012. Public Works staff inspected construction of a major water line and served as liaison with contractors and citizens on issues.

- Completed design, permitting and land acquisition for three contracts to construct a waterline, water booster pumping station and river bore under the Clinch River to provide city produced water to the Rarity Ridge development.
- Completed and closed out sewer rehab Contract "N" COR 09-07. There was approximately 25,500 feet of gravity sewer main renewed or replaced under Contract "N".
- Worked with TDOT to design, let for bid and resurface portions of Outer Drive, West Outer Drive and Pennsylvania Avenue. There was a total of 3.3 center line miles of street resurfaced. The total cost for resurfacing was \$532,696 requiring a City contribution of \$106,539.
- Prepared and let for bid a contract to resurface ten sections of City streets totaling 2.2 miles at a cost of \$261,107.

STREETS AND GENERAL MAINTENANCE

- Repaired 28,260 linear feet of streets in preparation for resurfacing.
- Installed 18 handicap accessible ramps.
- Repaired or replaced 1,140 linear feet of concrete and asphalt sidewalks.
- Repaired or replaced 700 linear feet of storm sewer piping.
- Cleaned 1,925 linear feet of ditches.
- Repaired or replaced 21 storm water catch basins.
- Swept bicycle lanes on the Oak Ridge Turnpike west of Illinois Avenue.
- Replaced 1,600 linear feet of curbs and gutter.
- Repaired five roadway guardrails damaged by accidents.
- Performed snow and ice removal on city and state roadways during seven snow events.
- Researched and began construction of Salt Brine production building.
- Continue the sign inventory and inspection for reflectivity as mandated by federal regulations and replaced all signs in Zones 4 and 5 that were not in compliance.



FACILITIES

- Set the Preserve America monuments and renovated the sidewalk at the Courtroom entrance to the Municipal Building.
- Constructed improvements to internal traffic movements at Fire Station 3.
- Replaced ten glass doors in the Municipal Building.
- Removed and replaced damaged floor covering and painted in Police records.
- Replaced the roof and doubled the roof insulation R-value at the Municipal Building.
- Renovated the hallway to UBO and Community Development.
- Cleaned all HVAC ductwork and grilles in the Municipal Building.
- Developed and began implementation of a program to bring all city-owned parking lots into full compliance with the latest ADA standards.
- Entered into a contract to design the replacement of the roof at the city-owned Building K-1652 that houses Fire Station 4 in the Heritage Center.
- Designed a new handicapped entrance to the south side of the Municipal Building.
- Began the design of security upgrades for the Police Department and other areas in the Municipal Building.
- Renovated the front counter area of the Utilities Business Office.
- Replaced four air-conditioner compressors at the Central Services Complex.
- Replaced two inoperable vehicle lifts in the Equipment Shop garage.
- Installed accessible drinking fountains at Bissell and LaSalle Parks.
- Insulated the ceiling and ductwork for the Animal Shelter.
- Prepared the Outdoor Pool for the season utilizing prison labor.

2011-2012 GOALS

GENERAL

- Develop specifications and bid documents for the mowing contract.

ENGINEERING

- Serve as Project Manager for the completion of the improvements for the Safe Routes to School Program for Robertsville Middle School by August 2011. Primary area of improvements will include traffic control signs, plastic pavement markings, ground mounted speed limit assembly, ground mounted radar speed display assemblies, and cantilever speed limit signal assembly. Non-infrastructure school activities and final parent survey will be completed during the fall school session. Submit all required reports and documentation for grant close-out by December 31, 2011.
- Complete engineering services contract by August 2011 for the design of pedestrian safety improvements at the Oak Ridge Turnpike/Illinois Avenue and Oak Ridge Turnpike/Oak Ridge High School intersections. Complete design plans by November 2011. Complete RFP for construction and bid evaluations by January 2011. Submit construction contract to City Council for approval by February 2011. Complete construction by June 2011.
- Complete engineering services contract by September 2011 for design of a major sidewalk project for missing link sections along South Illinois Avenue as identified in the Transportation Enhancement Project plan and at other select locations to be determined. Complete design by December 2011. Complete RFP for construction and complete bid evaluations by February 2011. Submit construction contract to City Council by March 2011. Begin construction by May 2011.
- Complete construction of the removal and replacement of two 78" storm drainage culverts on Graceland Road by October 2011.
- Participate in the construction and completion of the Oak Ridge Turnpike (SR 95) 3.2 mile widening improvement project from Westover Drive to the SR 58 interchange. This project is scheduled for completion in July 2012. Public Works staff will be inspecting the completion of the remaining major water line and will serve as liaison in working with the contractor and citizens on issues.
- Submit three contracts for west end water system improvements to TDEC for technical review and EPA for authorization to let for bid. Conduct bid letting, submit to EPA a request for authorization to award, issue notices to proceed and begin construction, inspect and administer projects. Anticipated construction completion projected for FY13/FY14.
- Convert the City's pavement management software from the current outdated RSMS to Paver version 6.5 by June 30, 2012.
- Work with TDOT to design and let for bid the resurfacing of 15 sections of City streets. These streets are 4.1 miles in length and will be paved using STP funds with an 80/20 match between TDOT and the City. The engineering estimate is \$1,119,703. TDOT will determine the schedule of this project.
- Prepare bid documents for a new emergency point repair contract for the City wastewater collection system.
- Oversee completion of design, bid letting of contracts and construction for sewer system improvements required by EPA Administrative Order. Presently there are three contracts for renewal or replacement of gravity sewer lines and one contract for replacement of three sewer lift stations. Work closely with the EPA Program Manager to ensure all design, bidding, and construction of all work under the EPA Order remains on schedule and budget,

STREETS AND GENERAL MAINTENANCE

- Begin production of the brine solution used to pre-treat roadways in advance of predicted winter storm events and develop a plan for pre-treating the state highways and city arterial and major collector streets.
- Complete the sign inventory and inspection for reflectivity as mandated by federal regulations.

FACILITIES

- Complete ADA compliance at all city-owned parking lots.
- Install new roof at Building K-1652 at Heritage Center.
- Install new exhaust fans to the locker rooms and HVAC to the Command Center in conjunction with the roof replacement at K-1652.
- Complete the new handicapped accessible entrance at the south entrance to the Municipal Building.
- Complete the security renovations to the Police Department.
- Begin renovations to the wall coverings and lighting in the Municipal Building.
- Complete the restoration of the floor tile in the lobbies of the Municipal Building.
- Complete all construction under the TNEECBG grant to improve HVAC and lighting control at the Central Services Complex and submit all required reports and documentation for grant close-out by December 31, 2011.

REVENUES & EXPENDITURES

Authorized Personnel:

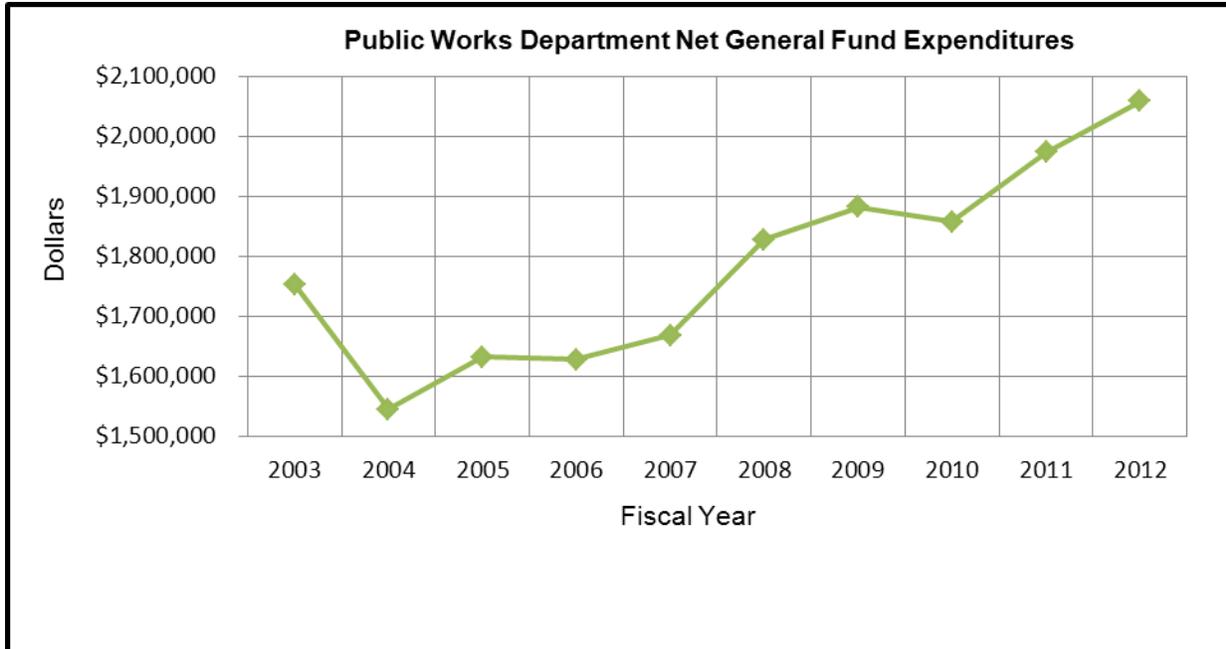
	FY 11	FY 12
Public Works Supervision – 930	4	4
Engineering – 935	4	4
Equipment Shop – 011	8	8
Work Pool – 021	40	40
Work Plant – 021	11	11
Wastewater Treatment - 022	19	19
West End Waterworks - 025	8	8
Total	94	94

Summary of Expenditures and Transfers by Department Activity:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Public Works Department:</u>						
930 Supervision	84,162	88,552	93,099	108,010	19,458	22.0
935 Engineering	116,321	138,309	125,114	133,606	(4,703)	-3.4
942 State Highway Maintenance	42,254	61,709	61,709	61,709	0	0.0
943 General Maintenance	386,074	375,433	385,138	384,543	9,110	2.4
946 Central Service Center	116,153	130,790	117,325	130,618	(172)	-0.1
948 Municipal Building	144,898	154,946	144,885	153,991	(955)	-0.6
953 Traffic Control and Lights	967,342	1,080,000	1,045,895	1,086,111	6,111	0.6
Total Public Works Department	1,857,204	2,029,739	1,973,165	2,058,588	28,849	1.4

Net General Fund Expenditures:

Excess facilities were sold in FY04 resulting in lower maintenance costs. \$115,000 in annual funding was added to maintain streets in FY08. Other drivers were routine items such as utility costs and routine maintenance.



FY2012 General Fund Budget – Transfers to Other Funds, Public Works Department Credits and Costs Recovered:

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED	GENERAL FUND				
			WATER	WASTEWATER							
PUBLIC WORKS DEPARTMENT:											
930 Supervision	400,035	-	27%	108,009	31%	124,011	15% 60,005	- 27%	108,010		
935 Engineering	381,731	10%	38,173	20%	76,346	20%	76,346	15% 57,260	- 35%	133,606	
942 State Highway Maintenance	184,989	-	-	-	-	-	-	67% 123,280	- 33%	61,709	
943 General Maintenance	384,543	-	-	-	-	-	-	-	- 100%	384,543	
946 Central Services Complex	544,245	42%	228,583	18%	97,964	10%	54,425	6% 32,655	- 24%	130,618	
948 Municipal Building	226,456	15%	33,968	9%	20,381	8%	18,116	-	- 68%	153,991	
953 Traffic Control & Lighting	1,086,111	-	-	-	-	-	-	-	- 100%	1,086,111	
TOTAL PUBLIC WORKS	3,208,110	9%	300,724	9%	302,700	9%	272,898	5% 149,920	4% 123,280	64%	2,058,588

DEPARTMENT ACTIVITIES

Public Works Supervision – Activity No. 930

Activity Description:

The Public Works Department is responsible for the maintenance of City streets, water distribution system, wastewater collection system, treatment plants, and City-owned buildings; for the construction of and improvements to these facilities; and for maintenance, service and repair of all City and School automotive vehicles, heavy equipment and stationary equipment.

The goals of this activity are to ensure the provision of an acceptable level of physical services, to provide general supervision of Public Works programs, to ensure implementation of these programs through effective and efficient management and to coordinate extraordinary maintenance improvements to the City's physical assets.

Performance Objectives:

1. Continue rehabilitation activities for reducing inflow and infiltration from entering the wastewater collection system.
2. Continue efforts toward reducing unaccounted for water with continuation of meter replacement, meter downsizing and distribution system leak detection programs.
3. Continue efforts to improve overall condition and appearance of City streets, sidewalks and right-of-ways.
4. Coordinate operation of water and wastewater treatment plants to meet all state and federal requirements.

Significant Expenditure Changes:

A portion of the \$67,588 increase in salaries and benefits is for full funding of a contracts/grant coordinator position in this activity in fiscal 2012. This position was split 50% in funding with the Economic Diversification Fund in fiscal 2011.

Other equipment maintenance costs increased \$4,584 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, ipads, and other small electronic devices.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operation of these funds.

Engineering – Activity No. 935

Activity Description:

The Engineering activity oversees the design and construction of various municipal infrastructure and utility improvements within the City. These include capital projects initiated by the City and portions of projects built for City ownership by private developers. The activity provides three major services: (1) Design - including surveying, preparing and/or reviewing construction plans and specifications, estimating costs, monitoring City construction contracts and updating maps and records; (2) Development Review – reviewing preliminary and final subdivision plats, inspecting water, sewer, street and drainage construction within private developments and reviewing construction plans for commercial/industrial projects; and (3) Traffic Engineering – conducting traffic counts and analyzing the performance of the traffic circulation system, conducting and reviewing traffic impact studies and recommending improvements to signals and streets.

The goal is to obtain infrastructure and utility improvements into City ownership, which meet established engineering standards and code requirements and serve the community effectively, efficiently and safely.



Performance Objectives:

1. Inspect all projects in a timely manner in order to insure proper construction.
2. Respond to the development review process to ensure quality infrastructure improvements while minimizing time delays for the developer.
3. Complete the review of subdivision plans within one week.
4. Complete the review of plans for issuance of commercial/industrial grading permits within one week.
5. Provide current information obtained from new plats and as-built infrastructure drawings onto City permanent record drawings.
6. Complete roadway and intersection analysis and respond within eight weeks.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Daily inspection of major construction	95%	95%	95%	95%
Weekly inspection of projects during minor Construction	95%	95%	95%	95%
Project plans reviewed within one week	90%	90%	90%	90%
Subdivision plans reviewed within one week	90%	90%	90%	90%
Completion of City record drawings	90%	95%	90%	95%
Traffic analysis within eight weeks	80%	80%	80%	80%

Significant Expenditure Changes:

Salary and benefit costs decreased by \$15,766 due to the turnover in long-time staff members. Other equipment maintenance costs increased \$1,450 based on a citywide review and reallocation of equipment charges for replacement and maintenance of small equipment, particularly computers, iPads, and other small electronic devices.

A portion of the costs of this activity is distributed to the State Street Aid Fund and the utility funds due to the involvement in the operations of these funds.

State Highway Maintenance – Activity No. 942

Activity Description:

This activity accounts for the maintenance of those portions of State Highway 62 (Illinois Avenue) and Highway 170 (Edgemoor Road) located within the city limits of Oak Ridge, and Highway 95 (Oak Ridge Turnpike) from the 95/61 split to the end of Wisconsin Ave.

The Tennessee Department of Transportation has a \$131,547 contract with the City of Oak Ridge for repairing the pavement, painting center and edge lines, street sweeping, snow and ice removal, and mowing median strips of State Highways. The State reimburses the City based on actual expenditures for maintaining state highways, within set maximum reimbursement amounts for each type of maintenance covered by the contract. The additional cost for rights-of-way mowing of these routes,

which is not covered by the contract, is also budgeted in this activity.

If weather permits, State highways are swept by mechanical sweepers at least five times per year. Mowing of median strips and rights-of-way in the center of town is performed six times per year between March 15 and November 15. During the mowing season, the mowing contractor is responsible for litter pickup as the right-of-way is mowed. During the balance of the year, litter pickup is performed by a contractor on a monthly basis.

Performance Objectives:

1. Maintain 826,708 square yards of pavement at a cost of fifteen cents per square yard.
2. Mow 14.84 acres six times between March 15 and November 15.
3. Perform mechanical sweeping of state highways.
4. Litter pick-up on 3.39 miles of roadway twelve times per year.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
State Highways 62, 95 and 170: Square yards	826,708	826,708	826,708	826,708
Maintenance (hours)	477	500	500	500
Mowing R-O-W's (acres)	14.84	14.84	14.84	14.84

Significant Expenditure Changes:

There are no significant expenditure changes for this activity in fiscal 2012.

General Maintenance – Activity No. 943

Activity Description:

This activity provides for maintenance of the following functions: storm drainage ditches; street cleaning; litter removal; mowing of street rights-of-way and other areas; city-wide cleanup; cemetery maintenance; and miscellaneous building maintenance.



In addition to cleaning City streets, the City-owned Jackson Square and Grove Center parking lots are also maintained in order to present a neat and orderly appearance. Litter removal is performed by a private contractor for the months of November through March, with City crews providing assistance as required. Mowing includes 162 acres of street rights-of-way and other small parcels. Cemetery maintenance is provided to ten small cemeteries located throughout the City.

Formerly cared for by the Atomic Energy Commission, the cemeteries were transferred to the City upon incorporation. Minor building maintenance is performed on the Marina and the old Fire Alarm Building, which houses the Anderson County Ambulance Service.

Performance Objectives:

1. Maintain 12.4 miles of storm drains without a major flooding incident attributable to maintenance.
2. Perform 210 miles of sweeping on City Streets twice a year.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Storm drains – miles	12.4	12.4	12.4	12.4
Maintenance – hours	2,523	2,000	2,500	2,500

Significant Expenditure Changes:

Funding for leaf pickup and tree removal by \$9,110. These services are performed under contacts with private vendors. Cost for routine maintenance remains virtually flat for 2012.

Central Service Complex – Activity No. 946

Activity Description:

This activity includes maintenance and operation of the Central Services Center Complex located at 100 Woodbury Lane. The Complex houses Public Works Supervision, Equipment Shop, Work Pool, Parks activities, Electrical Department, Finance and the Schools' maintenance shop and bus dispatching office.

Performance Objectives:

Maintain and operate 177,000 square feet of building space at a cost of \$3.07 per square-foot.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Square feet maintained	177,000	177,000	177,000	177,000
Cost per square-foot	\$2.73	\$3.08	\$2.76	\$3.07

Significant Expenditures:

Funding for maintenance and replacement of small equipment decreased by \$1,676 based on a citywide review for these items.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operations of these funds.



Municipal Building – Activity No. 948

Activity Description:

This activity includes expenses involved in the operation of the Municipal Building such as utilities, custodial services, motor pool, maintenance of the heating and air conditioning system, plumbing and electrical repairs and other building maintenance.

Performance Objectives:

Maintain 35,652 square feet of building space at a cost of \$6.35 per square-foot.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Building maintenance, cost per square-foot	\$5.98	\$6.40	\$5.98	\$6.35

Significant Expenditures:

There were no significant expenditure changes for this activity in fiscal 2012.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Traffic Control and Lights – Activity No. 953

Activity Description:

This activity includes traffic control maintenance, the cost of traffic control signals and painting of crosswalks on City streets. The proper lighting of City streets, sidewalks and public parking areas is also included in this activity. Adequate lighting will increase traffic and pedestrian safety, reduce crime and vagrancy and promote business and commercial activities.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Street Name Signs:				
Hours for maintenance and installation	296	400	300	400
Traffic control and School Flashing Signals:				
Inventory – each	390	400	390	400
Hours for maintenance and installation	2,214	2,500	2,062	2,500
Street Lights, Public				
Inventory –each	5,784	5,500	5,800	5,800
Hours for maintenance and installation	1,479	2,300	1,400	2,300

Programs Comments:

The automated traffic control equipment and the street lighting system are installed and maintained by the Electric Department. The General Fund pays an annual investment charge (13%) for the maintenance and amortization of these fixtures, a charge for energy usage and the actual cost of materials to replace lamps and glassware. The investment charge is an annual charge paid by the General Fund to the Electric Fund for use of the traffic control equipment and the street lighting system. An assessment by TVA in 1986 established the investment rate at 13 percent of the plant value of the traffic control and street lighting systems. For the beginning of fiscal 2011, the plant value of the street lighting system is \$3,451,782 and the book value of the traffic control system is \$2,146,642.

Significant Expenditures:

Utility costs are up by \$6,111 due to usage adjustment and rate changes for electricity.

BUDGET DETAIL

Supervision – Activity No. 930 Budget Detail

930 Public Works Supervision	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
5111. Salaries-Reg. Employees	207,849	215,305	224,590	265,916	50,611	23.5
5131. Regular Overtime Pay	1,879	850	2,539	867	17	2
5141. Social Security	14,439	16,536	17,875	20,409	3,873	23.4
5150. Retirement	31,973	33,593	33,593	41,680	8,087	24.1
5160. Medical & Workers Comp	39,376	38,068	38,068	43,068	5,000	13.1
Total Personal Services	295,516	304,352	316,665	371,940	67,588	22.2
Contractual Services						
5201. Rents	0	64	170	64	0	0
5207. Dues, Memberships & Sub.	119	750	750	750	0	0
5212. Utility Services	3,387	3,500	3,500	3,500	0	0
5220. Training & Travel	3,111	4,000	4,000	4,000	0	0
5235. Repair & Maintenance	154	0	0	0	0	0
5236.13 Other Equipment Maint.	1,725	1,725	1,725	6,309	4,584	265.7
5289. Vehicle/Equip Use Charge	10,708	11,132	10,933	11,022	-110	-1
Total Contractual Services	19,204	21,171	21,078	25,645	4,474	21.1
Commodities						
5310. Commodities/Tools/Supplies	923	2,100	6,698	2,200	100	4.8
5320. Books/Education Material	163	200	220	250	50	25
5325. Uniforms/Safety Equip.	0	150	150	0	-150	-100
Total Commodities	1,086	2,450	7,068	2,450	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	315,806	327,973	344,811	400,035	72,062	22
Reduction of Costs						
5610. Recovered from Users	-1,105	0	0	0	0	0
5670. Recovered from Funds	-230,539	-239,421	-251,712	-292,025	-52,604	22
Total Reduction of Costs	-231,644	-239,421	-251,712	-292,025	-52,604	22
TOTAL NET EXPENDITURES	84,162	88,552	93,099	108,010	19,458	22

Engineering - Activity No. 935 Budget Detail

935 Engineering	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	%
						CHG
Personal Services						
5111. Salaries-Reg. Employees	209,818	248,298	217,134	236,799	-11,499	-4.6
5131. Regular Overtime Pay	0	2,500	0	1,000	-1,500	-60
5141. Social Security	15,233	19,186	15,762	18,190	-996	-5.2
5150. Retirement	31,685	38,978	38,978	37,207	-1,771	-4.5
5160. Medical & Workers Comp	39,284	41,455	41,455	41,455	0	0
Total Personal Services	296,020	350,417	313,329	334,651	-15,766	-4.5
Contractual Services						
5207. Dues, Memberships & Sub.	2,070	1,305	1,305	1,305	0	0
5210. Prof. & Contractual Ser.	538	6,500	6,500	6,500	0	0
5211. Advertising & Publicity	433	250	250	250	0	0
5212. Utility Services	2,922	3,360	3,360	3,360	0	0
5220. Training & Travel	1,583	2,500	2,500	2,500	0	0
5236.13 Other Equipment Maint.	1,380	1,610	1,610	3,060	1,450	90.1
5289. Vehicle/Equip Use Charge	20,545	21,732	21,123	22,612	880	4
Total Contractual Services	29,471	37,257	36,648	39,587	2,330	6.3
Commodities						
5310. Commodities/Tools/Supplies	2,512	3,380	3,380	3,380	0	0
5325. Uniforms/Safety Equip.	678	450	450	450	0	0
Total Commodities	3,190	3,830	3,830	3,830	0	0
Other Charges						
5410. Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges	3,663	3,663	3,663	3,663	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	332,344	395,167	357,470	381,731	-13,436	-3.4
Reduction of Costs						
5670. Recovered from Funds	-216,023	-256,858	-232,356	-248,125	8,733	-3.4
Total Reduction of Costs	-216,023	-256,858	-232,356	-248,125	8,733	-3.4
TOTAL NET EXPENDITURES	116,321	138,309	125,114	133,606	-4,703	-3.4

State Highway Maintenance - Activity No. 942 Budget Detail

942 State Highway Maintenance	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual						
5210. Prof. & Contractual Ser.	0	12,000	12,000	12,000	0	0
5210.203 Mowing Contract	50,803	68,970	68,970	68,970	0	0
5236.15 Street Sweeping	15,714	16,340	16,340	16,340	0	0
5235. Repair & Maintenance	41,253	87,679	87,679	87,679	0	0
Total Contractual Services	107,770	184,989	184,989	184,989	0	0
Commodities						
Total Commodities	0	0	0	0	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	107,770	184,989	184,989	184,989	0	0
Reduction of Costs						
5610. Recovered from Users	-65,516	-123,280	-123,280	-123,280	0	0
Total Reduction of Costs	-65,516	-123,280	-123,280	-123,280	0	0
TOTAL NET EXPENDITURES	42,254	61,709	61,709	61,709	0	0

General Maintenance - Activity No. 943 Budget Detail

943 General Maintenance	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual Services						
5210. Prof. & Contractual Ser.	119,903	115,890	135,000	125,000	9,110	7.9
5210.203 Mowing Contract	121,822	130,000	125,000	130,000	0	0
5210.205 Litter Contract	14,845	18,700	15,140	18,700	0	0
5236.15 Street Sweeping	4,676	4,830	4,830	4,830	0	0
5212. Utility Services	6,221	7,255	6,510	7,355	100	1.4
5235. Repair & Maintenance	114,196	98,160	98,160	98,160	0	0
Total Contractual Services	381,663	374,835	384,640	384,045	9,210	2.5
Commodities						
5310. Commodities/Tools/Supplies	3,913	100	0	0	-100	-100
Total Commodities	3,913	100	0	0	-100	-100
Other Charges						
5410. Liability Insurance	498	498	498	498	0	0
Total Other Charges	498	498	498	498	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	386,074	375,433	385,138	384,543	9,110	2.4
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	386,074	375,433	385,138	384,543	9,110	2.4

Central Services Complex - Activity No. 946 Detail

946 Central Service Center	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual Services						
5201. Rents	6,35	6 6,50	0 6,50	0 6,500	0	0
5210. Prof. & Contractual Ser.	2,128	5,000	5,000	5,000	0	0
5210.202 Custodial Contract	48,345	57,185	50,000	57,185	0	0
5210.203 Mowing Contract	4,153	4,230	4,235	4,400	170	4
5212. Utility Services	234,520	321,390	272,460	322,180	790	0.2
5235. Repair & Maintenance	147,756	129,720	129,720	129,720	0	0
5236.13 Other Equipment Maint.	2,558	3,800	3,800	2,124	-1,676	-44.1
Total Contractual Services	445,816	527,825	471,715	527,109	-716	-0.1
Commodities						
5310. Commodities/Tools/Supplies	1,238	2,000	2,000	2,000	0	0
Total Commodities	1,238	2,000	2,000	2,000	0	0
Other Charges						
5410. Liability Insurance	15,136	15,136	15,136	15,136	0	0
Total Other Charges	15,136	15,136	15,136	15,136	0	0
Capital Expenditures						
5540 Machinery & Equipment	21,780	0	0	0	0	0
Total Capital Expenditures	21,780	0	0	0	0	0
TOTAL GROSS EXPENDITURES	483,970	544,961	488,851	544,245	-716	-0.1
Reduction of Costs						
5670. Recovered from Funds	-367,817	-414,171	-371,526	-413,627	544	-0.1
Total Reduction of Costs	-367,817	-414,171	-371,526	-413,627	544	-0.1
TOTAL NET EXPENDITURES	116,153	130,790	117,325	130,618	-172	-0.1

Municipal Building - Activity No. 948 Detail

948 Municipal Building	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual Services						
5210. Prof. & Contractual Ser.	1,137	4,055	6,100	4,055	0	0
5210.20 Custodial Contract	34,946	40,940	37,000	40,940	0	0
5210.203 Mowing Contract	4,031	4,130	4,130	4,300	170	4.1
5236.15 Street Sweeping	1,263	1,280	1,280	1,280	0	0
5212. Utility Services	76,869	97,415	85,260	96,550	-865	-0.9
5235. Repair & Maintenance	84,859	70,460	70,460	70,460	0	0
5289. Vehicle/Equip Use Charge	885	1,880	1,135	1,170	-710	-37.8
Total Contractual Services	203,990	220,160	205,365	218,755	-1,405	-0.6
Commodities						
5310. Commodities/Tools/Supplies	1,595	200	200	200	0	0
Total Commodities	1,595	200	200	200	0	0
Other Charges						
5410. Liability Insurance	7,501	7,501	7,501	7,501	0	0
Total Other Charges	7,501	7,501	7,501	7,501	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	213,086	227,861	213,066	226,456	-1,405	-0.6
Reduction of Costs						
5670. Recovered from Funds	-68,188	-72,915	-68,181	-72,465	450	-0.6
Total Reduction of Costs	-68,188	-72,915	-68,181	-72,465	450	-0.6
TOTAL NET EXPENDITURES	144,898	154,946	144,885	153,991	-955	-0.6

Traffic Control and Lights - Activity No. 953 Detail

953 Traffic Control & Lights	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	0
Contractual Services						
5212. Utility Services	950,491	1,059,700	1,025,595	1,065,811	6,111	0.6
5235. Repair & Maintenance	16,579	20,300	20,300	20,300	0	0
Total Contractual Services	967,070	1,080,000	1,045,895	1,086,111	6,111	0.6
Commodities						
5310. Commodities/Tools/Supplies	272	0	0	0	0	0
Total Commodities	272	0	0	0	0	0
Other Charges						
Total Other Charges	0	0	0	0	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	967,342	1,080,000	1,045,895	1,086,111	6,111	0.6
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	0
TOTAL NET EXPENDITURES	967,342	1,080,000	1,045,895	1,086,111	6,111	0.6

Community Development Department

Table of Contents

Community Development Department	III-113
Organizational Chart.....	III-114
2010-2011 Accomplishments	III-114
2011-2012 Goals:	III-115
Revenues & Expenditures.....	III-115
Department Activities.....	III-117
Community Development Supervision – Activity No. 960.....	III-117
Planning – Activity No. 962	III-118
Code Enforcement – Activity No. 966	III-119
Budget Detail.....	III-120
Supervision – Activity No. 960 Budget Detail	III-120
Planning - Activity No. 962 Budget Detail.....	III-121
Codes Enforcement - Activity No. 966 Budget Detail	III-122

COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department strives to promote orderly physical growth within the City, while at the same time protecting Oak Ridge's quality lifestyle by facilitating development sensitive to aesthetics and the environment. The Department is divided into three (3) sections: Administrative Division, Code Enforcement Division, and Planning Division. Collectively the department strives to partner with citizens and the building and development professions to create a community which is attractive, safe, and sustainable.

The Department staff consists of 12 employees who also provide support to the following citizen boards and commissions: Oak Ridge Municipal Planning Commission, Board of Zoning Appeals, Board of Building and Housing Code Appeals, Environmental Quality Advisory Board, the Trade Licensing Board, Greenways Oak Ridge and the Highland View Redevelopment Advisory Committee.

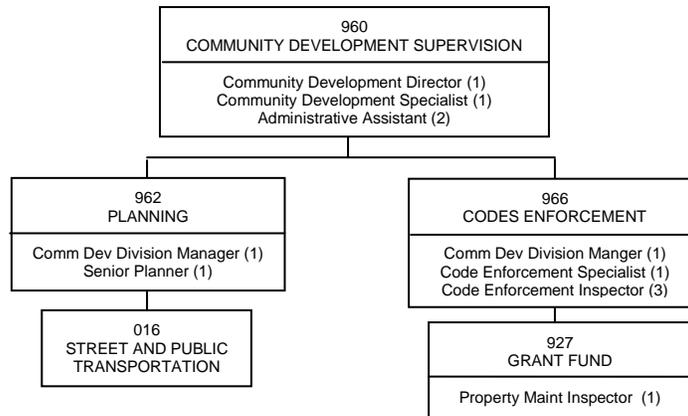
The Department continues its work on housing and redevelopment issues with emphasis on the Highland View neighborhood. Work continues with the Board of Building and Housing Code Appeals to evaluate blighted properties that pose risks to the public or occupants' safety and identify a path for remediation or timely removal. The Code Enforcement Division administers these efforts, working closely with advisory boards and neighborhood leaders, along with professional organizations interested in neighborhood preservation efforts.

The Planning Division continues to coordinate plan review functions with various city departments including public works, fire and electric departments. This includes identification of efforts to streamline review functions while developing and maintaining criteria that creates successful, attractive and sustainable developments. In addition the division is responsible for administration of the Community Development Block Grant Program (CDBG) and tracks expenditures, individual allocations and compliance with Housing and Urban Development (HUD) criteria. This division is also involved in obtaining and administering various housing grants including the Neighborhood Stabilization Program (NSP) which was implemented in an effort to promote infill housing.



The Community Development Department is frequently assigned the preparation of special projects such as the Oak Ridge Bicycle Pedestrian Plan and the Climate Action Plan. The Bicycle Pedestrian Plan was developed to establish a Master Plan which would guide the creation of a multi-modal transportation network in addition to aiding in the application of construction grants. The Climate Action Plan was pursued in an effort to reduce the carbon footprint of the City of Oak Ridge. Community Development staff will continue to oversee the city's sustainability initiatives and monitor progress identified in the Plan. Once again staff will stay apprised of grant opportunities which may provide funding sources for implementation of action items identified in the Climate Action Plan.

ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS:

- Adoption of Bicycle and Pedestrian Plan
- MBA Student Study of Jackson Square
- EPA Building Blocks Program – Jackson Square (May 2011)
- Adoption of Climate Action Plan
- Community Development Block Grant (CDBG) – Adoption of 3-Year Consolidated Plan FY12 – FY14
- Utilization of CDBG Grant monies to assist 71 low-income to very low-income households with down payment assistance, homeownership counseling, transitional housing, home repairs, and yard enhancements
- Updated Analysis of Impediments to Fair Housing PlanET – Sustainable Communities Grant participant
- Adoption of various zoning ordinance amendments: accessible parking spaces for disabled drivers; various housekeeping amendments; and creation of IND-2 Industrial Manhattan District Overlay special district
- 10 of the Applewood Apartments buildings were brought before the Board of Building and Housing Code Appeals, and ordered demolished
- Adoption of an amendment to the sewer use ordinance for a Fats, Oils and Grease (FOG) program
- Established a Grease Management Certification Program for Grease Control Equipment Inspectors; two Code Enforcement Division staff members completed this program
- Implemented the FOG program, which includes inspection of all food service establishments for compliance with the FOG program.
- Combined the Boards of Electrical and Plumbing Examiners into the Trade Licensing Board

2011-2012 GOALS:

- Rewrite Article V of the Zoning Ordinance
- Hire Housing Specialists
- Not In Our Town Campaign
- Adoption of Form-Based Code for Jackson Square Area
- TDOT Enhancement Grant for improvements to Jackson Square Area
- Obtain full voting membership for City of Oak Ridge for Knoxville-Knox County Transportation Planning Organization (TPO) board
- Obtain Rails-to-Trails funding to enhance abandoned railroad rights-of-way
- Adopt new, updated Federal Emergency Management Agency (FEMA) regulations in order to remain in compliance with Federal Flood Insurance program
- Adopt 2012 edition of the International Building, Fire, Plumbing, and Residential Codes



REVENUES & EXPENDITURES

Authorized Personnel:

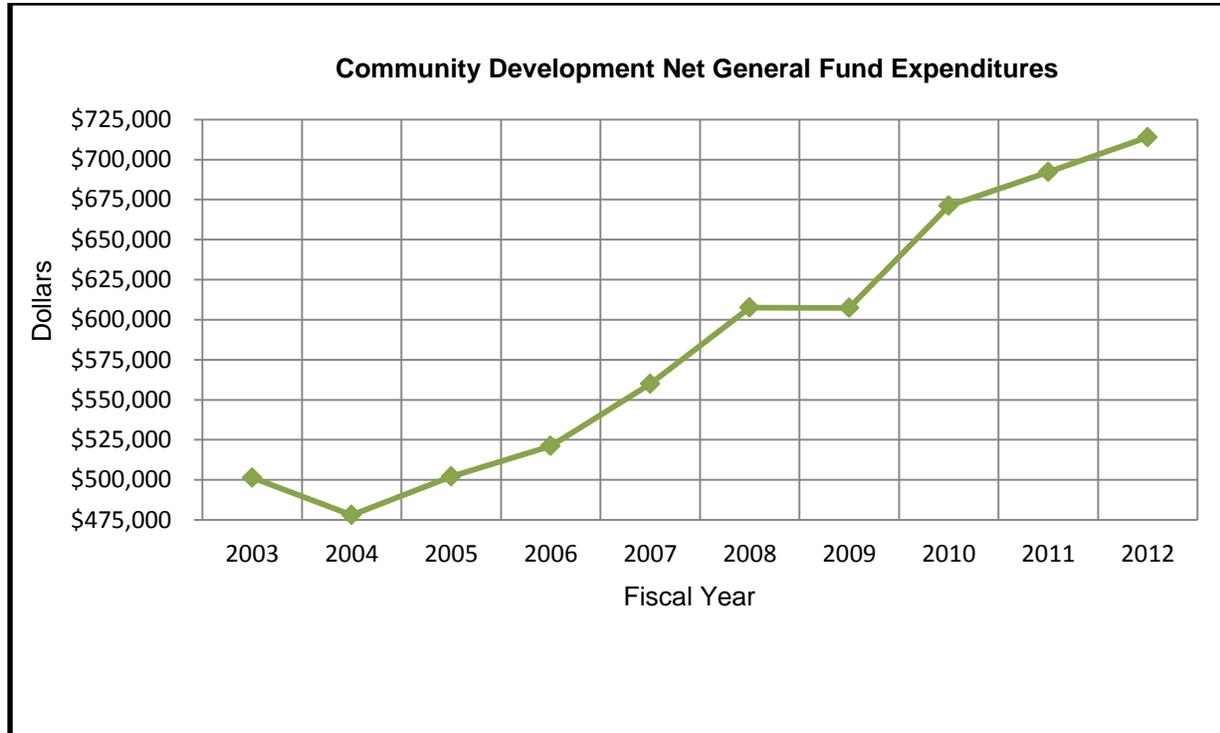
	FY 11	FY 12
Supervision – 960	4	4
Planning – 962	2	2
Code Enforcement - 966	5	5
Grants fund - 027	1	1
Total	12	12

Summary of Expenditures and Transfers by Department Activity:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Community Development</u>						
960 Supervision	161,058	180,244	179,880	186,189	5,945	3.3
962 Planning	105,932	124,882	124,320	127,362	2,480	2.0
966 Code Enforcement	404,109	400,916	388,011	400,421	(495)	-0.1
Total Community Development	671,099	706,042	692,211	713,972	7,930	1.1

Net General Fund Expenditures:

FY04 reductions were part of the Citywide plan to reduce the property tax rate. The decrease in FY09 is for administration funding from CDBG and ESG grants that are now administered by this department.



FY2012 General Fund Budget – Transfers to Other Funds, Community Development Department Credits and Costs Recovered:

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED	GENERAL FUND				
			WATER	WASTEWATER							
COMMUNITY DEVELOPMENT:											
960 Supervision	321,017	13%	41,732	13%	41,732	16%	51,364	-	-	58%	186,189
962 Planning	195,942	13%	25,472	11%	21,554	11%	21,554	-	-	65%	127,362
966 Code Enforcement	488,316	-	-	9%	43,948	9%	43,947	-	-	82%	400,421
TOTAL COMMUNITY DEVELOPMENT	1,005,275	7%	67,204	11%	107,234	12%	116,865	-	-	71%	713,972

DEPARTMENT ACTIVITIES

Community Development Supervision – Activity No. 960

Activity Description:

The Community Development Department, under the supervision of the Departmental director, includes the divisions of Planning and Code Enforcement. The Department consolidates the planning and building code portions of development in order to improve service delivery coordination. This is accomplished through active facilitation with the applicant to guide the project through the review and permitting process. The objectives of the Community Development Department is to effectively coordinate and improve the municipal government's initiatives and cultivate a warm environment to attract quality development in a competitive environment. The basis to encourage quality growth and development is through implementation of the Comprehensive Plan, the Capital Improvements Program (CIP), the Zoning Ordinance, and the Subdivision Regulations in addition to one-on-one dialogue and feedback with the development community.

Performance Objectives:

- Maintains regular communications with department heads and staff to coordinate workflow among departments. Hold weekly site plan review meetings with 4 Departments on pending applications.
- Assist and advise the City Manager promptly in carrying out City planning goals, particularly with regards to special projects and developing solutions to issues raised by City Council.
- Insure the responses to applicants and citizens are carried out in a courteous manner.
- Continually cultivate and nurture a positive relationship with the private sector to encourage new growth that will be an asset to the community.
- Develop comprehensive projects which incorporate interdepartmental coordination to improve sustainability, economic stability, and the Oak Ridge quality of life.



Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Hold weekly site plan review meetings with four Departments on pending applications	20	35	26	35
Percent of citizen comments followed up with a response which has been verified	100%	100%	100%	100%
Meetings with private sector parties involved in the development of Oak Ridge	50	50	50	50
Percent of requests from the City Manager responded to by due date	100%	100%	100%	100%

Significant Expenditure Changes:

Contractual Services increased by \$2,395. Other equipment maintenance increased \$1,379 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment.

Planning – Activity No. 962

Activity Description:

The Planning Division is responsible for reviewing subdivision plats, rezoning requests, site plans and planned unit developments with the Planning Commission and other City departments. Advance planning includes review and updating of regulations and procedures that affect development (zoning, subdivision regulations and others), helping to develop programs to achieve objectives of the Comprehensive Plan, assessing the impact of new proposals relative to those objectives and periodically reviewing the Plan itself. The Division analyzes and makes recommendations regarding internal traffic designs, land development needs, annexation service studies and related matters. Information related to development of the community is shared with citizens, developers, investors and other local governments.

The Board of Zoning Appeals reviews cases such as additions to principal buildings, placement of carports and accessory buildings, height of fences, setback reductions, and interpretations of the Zoning Ordinance.

Performance Objectives:

- Administer Subdivision Regulations and the Zoning Ordinance within new residential and commercial developments and maintain quality standards.
- Work to insure the health, safety and welfare of all residents in new and existing neighborhoods.
- Respond to appointed and elected officials as well as residents to establish guidelines which create a livable community.
- Draft major amendments to the Subdivision Regulations and Zoning Ordinance in an effort to update information and streamline process.
- Reference the Comprehensive Plan regularly in making zoning, subdivision and site review decisions to provide consistency toward more quality growth and development.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Plats of Corrections	6	5	5	5
Subdivision plats reviewed	15	15	16	15
Zoning changes reviewed	2	5	8	5
TND & PUDs (preliminary & final) reviewed	9	5	10	5
Site plans reviewed - Non-Residential	20	15	11	15
Site plans reviewed – Residential	229	175	220	200
Board of Zoning Appeals	10	10	15	12

Significant Expenditure Changes:

Budget funding was reviewed and reallocated based on current expenditure needs. There were no significant expenditures changes for this activity for fiscal 2012.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

Code Enforcement – Activity No. 966

Activity Description:

Code Enforcement is responsible for administering and enforcing all Codes and Ordinances involving the construction, repair and use of all buildings and structures within the City, including building, housing, plumbing, electrical, zoning, and environmental codes. For new construction and alterations, the City issues necessary permits, examines all plans and checks for compliance with building and zoning codes. The City also inspects properties for code compliance routinely and on a complaint basis - including abandoned vehicles, litter and weeds. The goal of this division to ensure the health and safety of the citizen's in their residences, as well as in all commercial and public buildings, and to provide assistance to citizens on building problems.

Performance Objectives:

- Provide inspection service within 2 4 hours of a request for routine inspections.
- Promote preservation of our existing neighborhoods.
- Continue the inspector certifications program to promote in-house cross training among inspectors.
- Provide inspection expertise in assisting homeowners, developers and architects.
- Provide staff support for the Trade Licensing Board and Building and Housing Code Appeals Boards.
- Provide staff support for the Highland View Redevelopment Advisory Board.
- Successfully implement the “Not In Our Town” project

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Building Permits	497	500	440	400
Inspections	706	600	656	625
Plumbing Permits	390	500	376	350
Inspections	596	500	526	500
Electrical Permits	520	475	492	475
Inspections	720	550	691	675
Zoning Investigations and Nuisance Complaints				
Nuisance Abatement	1,076	800	1285	1300
Abandoned Vehicles	219	225	234	220
Housing Inspections	101	250	109	240

Significant Expenditure Changes:

Contractual Services decreased by \$19,385. Professional services decreased by \$24,880 due to the elimination of funding for housing demolition from this activity. In fiscal 2012, housing demolition will be funded through the City's new Housing Fund, a special revenue fund. Other equipment maintenance increased \$1,595 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment. Vehicle use charges increased \$3,900 for fuel and maintenance of vehicles used by the activity. \$4,500 in budgeted funding was reallocated from books to supplies.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

BUDGET DETAIL

Supervision – Activity No. 960 Budget Detail

960 Comm Dev Supervision		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	187,264	203,668	204,005	210,054	6,386	3.1
5120.	Salaries-PT/Seasonal Employ	2,161	0	0	0	0	0
5131.	Regular Overtime Pay	224	500	190	500	0	0
5141.	Social Security	13,390	15,619	14,838	16,107	488	3.1
5150.	Retirement	20,971	32,275	32,275	33,255	980	3
5160.	Medical & Workers Comp	29,370	40,983	40,983	40,983	0	0
Total Personal Services		253,380	293,045	292,291	300,899	7,854	2.7
Contractual Services							
5201.	Rents	3,352	4,300	4,300	4,300	0	0
5205.	Printing & Dup. Charges	165	0	0	0	0	0
5207.	Dues, Memberships & Sub.	649	365	365	365	0	0
5210.	Prof. & Contractual Ser.	4,333	575	575	575	0	0
5212.	Utility Services	3,342	3,800	3,800	3,800	0	0
5220.	Training & Travel	4,164	2,531	2,531	2,531	0	0
5236.13	Other Equipment Maint.	1,035	1,035	1,035	2,432	1,397	135
5289.	Vehicle/Equip Use Charge	2,623	3,007	3,132	4,005	998	33.2
Total Contractual Services		19,663	15,613	15,738	18,008	2,395	15.3
Commodities							
5310.	Commodities/Tools/Supplies	4,482	2,110	2,110	2,110	0	0
5320.	Books/Education Material	163	0	0	0	0	0
Total Commodities		4,645	2,110	2,110	2,110	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		277,688	310,768	310,139	321,017	10,249	3.3
Reduction of Costs							
5670.	Recovered from Funds	-116,630	-130,524	-130,259	-134,828	-4,304	3.3
Total Reduction of Costs		-116,630	-130,524	-130,259	-134,828	-4,304	3.3
TOTAL NET EXPENDITURES		161,058	180,244	179,880	186,189	5,945	3.3

Planning - Activity No. 962 Budget Detail

962 Planning Office		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	128,023	126,727	126,726	129,408	2,681	2.1
5141.	Social Security	8,942	9,695	9,202	9,900	205	2.1
5150.	Retirement	16,517	19,968	19,968	20,368	400	2
5160.	Medical & Workers Comp	19,532	20,714	20,714	20,714	0	0
Total Personal Services		173,014	177,104	176,610	180,390	3,286	1.9
Contractual Services							
5207.	Dues, Memberships & Sub.	1,205	1,882	1,882	1,882	0	0
5210.	Prof. & Contractual Ser.	-20,048	0	0	500	500	0
5211.	Advertising & Publicity	1,077	730	730	730	0	0
5212.	Utility Services	1,399	1,868	1,868	1,868	0	0
5220.	Training & Travel	758	2,425	2,425	2,425	0	0
5236.13	Other Equipment Maint.	2,328	2,328	2,328	1,047	-1,281	-55
5289.	Vehicle/Equip Use Charge	1,820	1,000	629	2,310	1,310	131
Total Contractual Services		-11,461	10,233	9,862	10,762	529	5.2
Commodities							
5310.	Commodities/Tools/Supplies	1,419	4,340	4,340	4,340	0	0
5320.	Books/Education Material	0	450	450	450	0	0
Total Commodities		1,419	4,790	4,790	4,790	0	0
Other Charges							
Total Other Charges		0	0	0	0	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		162,972	192,127	191,262	195,942	3,815	2
Reduction of Costs							
5670.	Recovered from Funds	-57,040	-67,245	-66,942	-68,580	1,335	-2
Total Reduction of Costs		-57,040	-67,245	-66,942	-68,580	1,335	-2
TOTAL NET EXPENDITURES		105,932	124,882	124,320	127,362	2,480	2

Codes Enforcement - Activity No. 966 Budget Detail

966 Code Enforcement		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	269,957	266,281	269,667	281,535	15,254	5.7
5120.	Salaries-PT/Seasonal Employ	4,176	8,040	2,890	8,040	0	0
5131.	Regular Overtime Pay	1,146	1,000	485	1,000	0	0
5141.	Social Security	19,737	21,062	19,962	22,229	1,167	5.5
5150.	Retirement	35,021	42,340	42,340	44,699	2,359	5.6
5160.	Medical & Workers Comp	49,090	51,766	51,766	51,766	0	0
Total Personal Services		379,127	390,489	387,110	409,269	18,780	4.8
Contractual Services							
5205.	Printing & Dup. Charges	599	600	600	600	0	0
5207.	Dues, Memberships & Sub.	982	680	680	680	0	0
5210.	Prof. & Contractual Ser.	59,111	34,880	20,000	10,000	-24,880	-71.3
5211.	Advertising & Publicity	1,804	1,300	1,300	1,300	0	0
5212.	Utility Services	9,951	9,400	9,400	9,400	0	0
5220.	Training & Travel	4,436	5,052	5,052	5,052	0	0
5235.	Repair & Maintenance	286	7,365	7,365	7,365	0	0
5236.13	Other Equipment Maint.	2,078	2,070	2,070	3,665	1,595	77.1
5289.	Vehicle/Equip Use Charge	25,726	25,222	27,744	29,122	3,900	15.5
Total Contractual Services		104,973	86,569	74,211	67,184	-19,385	-22.4
Commodities							
5310.	Commodities/Tools/Supplies	4,555	1,240	5,740	5,740	4,500	362.9
5320.	Books/Education Material	397	6,000	1,500	1,500	-4,500	-75
5325.	Uniforms/Safety Equip.	101	960	960	960	0	0
Total Commodities		5,053	8,200	8,200	8,200	0	0
Other Charges							
5410.	Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges		3,663	3,663	3,663	3,663	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		492,816	488,921	473,184	488,316	-605	-0.1
Reduction of Costs							
5670.	Recovered from Funds	-88,707	-88,005	-85,173	-87,895	110	-0.1
Total Reduction of Costs		-88,707	-88,005	-85,173	-87,895	110	-0.1
TOTAL NET EXPENDITURES		404,109	400,916	388,011	400,421	-495	-0.1

RECREATION AND PARKS DEPARTMENT

Table of Contents

Recreation and Parks Department	III-124
Organizational Chart.....	III-125
2010-2011 Accomplishments	III-125
2011-2012 Goals.....	III-127
Revenues & Expenditures.....	III-129
Department Activities.....	III-131
Recreation and Parks Supervision – Activity No. 970.....	III-131
Indoor Aquatics – Activity No. 972.....	III-131
Outdoor Aquatics – Activity No. 973.....	III-132
Centers, Camps and Programs – Activity No. 974.....	III-133
Athletics – Activity No. 975.....	III-134
Parks – Activity No. 976.....	III-134
Scarboro Center – Activity No. 977.....	III-135
Senior Center – Activity No. 978.....	III-136
Budget Detail.....	III-138
Supervision – Activity No. 970 Budget Detail	III-138
Indoor Aquatics - Activity No. 972 Budget Detail.....	III-139
Outdoor Aquatics - Activity No. 973 Budget Detail	III-140
Centers, Camps & Programs - Activity No. 974 Budget Detail	III-141
Athletics - Activity No. 975 Budget Detail	III-142
Parks - Activity No. 976 Budget Detail.....	III-143
Scarboro Center - Activity No. 977 Budget Detail.....	III-144
Senior Center - Activity No. 978 Budget Detail.....	III-145

RECREATION AND PARKS DEPARTMENT

The Recreation and Parks Department is responsible for planning, organizing, supervising and conducting a comprehensive program of leisure activities and facilities for the citizens of Oak Ridge. The department is comprised of 23 full-time and 64 part-time employees organized into the following activities: Supervision; Indoor Aquatics; Outdoor Aquatics; Centers, Camps and Programs; Athletics; Scarboro Center; Parks and the Senior Center. Over 30 City-owned properties are maintained by the department including 15 parks, 16 athletic fields, 23 lighted tennis courts, 3 community centers, 2 pools (indoor and outdoor), 10 greenways and 1,200 acres of greenbelts.

City-sponsored activities are geared to the needs of various age groups and coordinated with community organizations in an effort to reduce duplication of services. Recreational opportunities sponsored by the City include swimming lessons and exercise classes, and softball, basketball and volleyball league play.

Other events and programs offered through the department include an annual Egg Hunt and a Halloween Carnival for children ages 10 and under. The Scarboro Community Center staff hosts "Community Share Day" in April that includes free food, games and music for area families. Scarboro also worked with The Center for Oral Histories to install display cases to exhibit memorabilia from the Scarboro Community during the Manhattan Days.



The department once again hosted the award-winning Secret City Festival June 17-18. Each year, the festival is recognized by the Southeast Tourism Society as a Top 20 event in the South East. The mission of the festival is to become a premier event in East Tennessee while fostering pride and involvement in the Oak Ridge community by showcasing its diversity through cultural events and activities for people of all ages. The festival promotes the history of the city and unites its World War II heritage with the technological advancements that are ongoing within the City of Oak Ridge.

Each summer the department offers camp programs for children ages 6–12 at both the Civic Center and the Scarboro Community Center. Campers enjoy activities such as games, sports, swimming, special events, arts & crafts and field trips. Both locations serve lunches provided by the East Tennessee Resource Agency and offer a free dental check-up and sealant program provided by the Tennessee Department of Dental Health. The Memory Magic Scrapbook event is held each fall with over 200 scrapbookers in attendance. The two-day event includes a large crop area, vendors and over 30 classes.

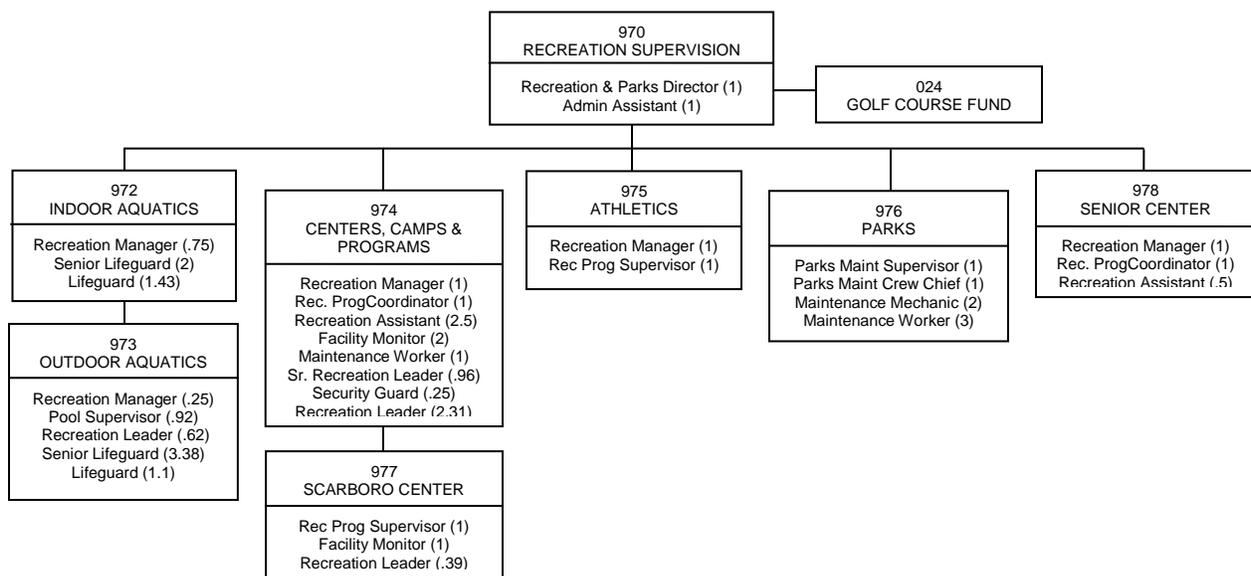
The Senior Center is open six days a week with services directed toward citizens 55 and older. In addition to the recreation facilities available to seniors, the city sponsors meals on wheels, blood pressure screenings, a tax assistance program, flu shot clinics, a "55-Alive" driver education course and a taxi coupon assistance program. Education programs on a variety of subjects of interest to senior adults are offered regularly and staff maintains a database of information about agencies and programs that can assist the elderly. There are also many special events such as dances, picnics, dinners, lunches and parties scheduled throughout the year. The staff initiated a process to select an A/E firm to conduct a Needs Assessment for a new Senior Enrichment Center.

Departmental staff also supports a sixteen-member Youth Advisory Board (YAB) which acts as a liaison between the Oak Ridge City Council and the youth of the community. The board encourages the positive growth and development of area youth by inviting them to become involved in a wide range of

programs and activities that are drug and alcohol free. The YAB sponsors a variety of events and educational sessions for teens, and provides volunteer services for several community events. Graduation Celebration is the largest event sponsored by the YAB with assistance from the Graduation Celebration Community Foundation. During fiscal 2011, the Youth Advisory Board hosted a variety of community events including the first ever Turkey Bowl Disc Golf Tournament, Breakfast with Santa and Battle of the Teen Bands. The 11th Annual Breakfast with Santa event drew a crowd of 200 people, while the 15th Annual Graduation Celebration had an attendance of over 80% (272 students) of the ORHS graduating class. The Battle of the Teens Bands also featured a record number of bands (13) this year.

The City received Tree City USA designation for the 22nd consecutive year and observed Arbor Day at Linden Elementary School. During fiscal 2011, the department oversaw the Cedar Hill Playground Rebuild, upgraded bleachers at Jefferson Softball Field and initiated construction of Melton Lake Greenway Phase IV to extend Melton Lake Greenway from the Edgemoor Bridge to the Solway Park. A new parking area at Elza Gate Park helped establish a trail head for the Melton Lake Greenway. Department staff increased its marketing efforts by increased utilization of the web page and establishing a facebook and twitter following. The department also conducted a Christmas Tree Recycling Program at Big Turtle Park, tree planting at Elza Gate, Milt Dickens and at the Georgia Avenue access to the North Ridge Trail and replaced wooden fencing at two park areas.

ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS

Aquatics:

- Hosted the Award Winning Secret City Festival on June 17-18, 2011 and raised \$136,400 in sponsorships;
- provided swimming classes for 530 students;
- opened the outdoor pool on Memorial Day weekend;
- offered five special events at the outdoor pool;

- attracted 54,965 swimmers to the outdoor pool;
- offered water exercise to 1,169 participants; and
- collected \$144,854 in revenues from the outdoor pool.

Centers, Camps and Programs:

- Sponsored the Community Egg Hunt;
- sponsored the 28th Annual Children's Halloween Party;
- hosted the Annual Community Tree Lighting event;
- sponsored the Memory Magic Scrapbook event with over 200 scrap bookers in attendance;
- offered Cheer and Exercise classes;
- offered an eight week day camp program for children ages 6–12 with a weekly enrollment of 140 participants; and
- certified 96% of the Civic Center and day camp staff in CPR (Cardiopulmonary resuscitation) and first aid.

Athletics:

- Upgraded bleachers at Jefferson Softball Field;
- enhanced marketing efforts by increasing web page functionality and establishing a Facebook and Twitter following;
- revised the written Facility Use Agreement between the City and Oak Ridge schools;
- evaluated the use of dark skies lighting at ball fields and tennis courts;
- coordinated 10 Independent special events using City athletic facilities;
- co-sponsored free Youth Tennis Clinics with the Oak Ridge Tennis Club;
- coordinated efforts with Oak Ridge High School (ORHS) girls softball to improve and rework the infield surface at C field and to address needed adjustments to the existing backstop; and
- strengthened the Soccer Game Field Use Agreement with AYSO (American Youth Soccer Organization) and SCOR (Soccer Club Oak Ridge) by addressing game field use by Independent teams.

Youth Advisory Board:

- Sponsored the 15th Annual Graduation Celebration with over 80% (272 students) of the ORHS graduating class in attendance;
- hosted the first Turkey Bowl Disc Golf Tournament, Breakfast with Santa and Battle of the Teen Bands;
- traveled to Nashville and met with Governor Haslam and participated in a mock-senate session with Senator Randy McNally and Representative John Ragan on February 16, 2011;
- hosted a record number (13) of bands at the Annual Battle of the Teen Bands on April 29, 2011; and
- donated a ping pong table (\$900) to the Oak Ridge Boys and Girls Club and lobby furnishings (\$600) to the Scarboro Community Center..

Parks:

- Received Tree City USA designation for the 22nd consecutive year and observed Arbor Day at Linden Elementary School;
- organized the Cedar Hill Playground Rebuild;
- initiated construction of Melton Lake Greenway Phase IV;
- constructed a new parking area at Elza Gate Park;
- conducted a Christmas Tree Recycling Program at Big Turtle Park;
- completed tree planting at Elza Gate, Milt Dickens and at the Georgia Avenue access to the North Ridge Trail;
- replaced wooden fencing at Scarboro and LaSalle Parks;
- resurfaced six tennis courts at ORHS;
- replaced the windscreens at the ORHS tennis courts and Jackson Square tennis courts; and
- provided logistic support for the Secret City Festival.

Scarboro Center:

- Hosted “Community Share Day” in April that included free food, games and music for area families and offered an eight week day camp program for children ages 6–12;
- purchased and installed eight display cases to exhibit memorabilia from the Scarboro Community during the Manhattan Days;
- offered free computer classes;
- hosted a Neighborhood Watch community Christmas dinner;
- sponsored a Halloween Party/Trunk or Treat at Scarboro;
- sponsored a children’s Christmas party;
- co-sponsored a free stroke screening and health check event;
- upgraded the lobby with the donation of furniture and a 32” flat screen TV; and
- sponsored eight educational sessions and eight potluck meals for seniors.

Senior Programs:

- Updated the Senior Services Directory;
- scheduled and completed 38 senior educational programs;
- initiated the RFQ (request for quotes) process to select an architectural firm for the new Senior Enrichment Center;
- established Friday Movie Matinees on the 2nd and 4th Fridays at the center;
- developed a “recurring user” scheduling process; and
- coordinated numerous special events including beans/ cornbread lunches, Bingo dinners, senior breakfast, pool tournaments, Senior Christmas Party, walking program and a Secret City Festival Bridge Party.

2011-2012 GOALS

:

Aquatic:

- Send facility requests for Aquatics in March/July and coordinate use with community group and recurring users, develop a standard use agreement;
- certify 100% of the aquatics guard staff in American Red Cross Lifeguard Training, AED (automated external defibrillator) and oxygen administration while certifying the non-guard staff in basic first aid by June 1, 2012;
- inspect all aquatics facilities on a daily basis during the season and monthly during the off-season and submit written documentation/repair requests;
- work with personnel in order to have lifeguards and summer camp counselors selected by mid-April, 2012;
- continue to work with Civic Center maintenance staff to monitor the indoor pool systems and take action as needed;
- continue to offer non-summer swimming instruction;
- open the outdoor pool for Memorial Day Weekend;
- sponsor at least five different special events at the outdoor pool;
- complete the work on the wading pool by covering the equipment area before March 1, 2012;
- update the detailed timeline for key events/milestones for the Secret City Festival by October 1, 2011; and
- select a new Secret City Festival web page host and manager by October 1, 2011.

Centers, Camps and Programs:

- Work with personnel in order to have summer camp counselors selected by mid- April 2012;
- send facility requests for centers in November and coordinate use with community group and recurring users;
- develop a standard use agreement for facility requests;

- conduct at least 40 hours of training for the summer staff to include but not limited to customer service training, communications, injury prevention, conflict resolution and emergency procedures;
- offer at least four special events with a seasonal focus;
- conduct a summer camp program for ages 6-12; and
- involve each facility monitor and recreation coordinator in the planning, implementation, and evaluation of at least one special event by May 1, 2012.

Athletic:

- Revise the AYSO/SCOR Soccer Maintenance Agreement to include field use by other groups by February 1, 2012;
- replace the bleachers at Big Turtle Softball Field by March 15, 2012;
- send facility requests for athletics in December/June and coordinate use with community group and recurring users;
- develop a standard use agreement for facility requests;
- increase the Department's visibility by fully utilizing social media, web page and print media to market activities and programs and re-enforce the concept of the Department as a community resource and a contributor to the quality of life in Oak Ridge (OR); and
- offer athletic league play for softball, basketball and volleyball.

Youth Advisory Board:

- Begin the planning effort to certify Oak Ridge as a Playful City USA;
- maintain at least a 75% participation level for Graduation Celebration;
- prepare and present a "State of the Youth Report" to City Council by the end of each fiscal year;
- sponsor at least one new big event for teens through the Youth Advisory Board by May 1, 2012;
- promote and sponsor a Disc Golf tournament/class by May 1, 2012; and
- develop and conduct a comprehensive student survey through the Youth Advisory Board that provides insight into future board programming by May 1, 2011.

Parks Division:

- Maintain the designation by the National Arbor Day Foundation as Tree City USA, including sponsorship of the annual Arbor Day Ceremony and educational programs for elementary schools by March 2, 2012;
- complete the construction of the Melton Lake Greenway Phase IV and meet reporting requirements by June 30, 2012;
- initiate the planning phase for development of a City Master Planting Plan by February 3, 2012 in concert with community organizations;
- collaborate with the Electric Department to install dark skies lighting at Cedar Hill Park as a pilot high efficiency lighting project;
- complete the installation of split rail fencing at selected park areas;
- complete the construction of a new basketball court at Elm Grove Park by May 1, 2012; and
- begin implementation of the Bike/Ped Plan by installing bike racks at selected public locations around the City.

Scarboro Center:

- Promote and sponsor at least two new programs at the Scarboro Center by May 1, 2012 (one of these programs should involve participation from the community/churches);
- increase attendance at the Scarboro Community Center by 10%;
- continue offering regularly scheduled meeting for senior citizens at the Scarboro Center and provide at least ten educational sessions by June 1, 2012;
- host an outdoor movie night at the Scarboro Community Center;
- host at least one health screening at the Scarboro Community Center; and
- work with the CNC (Community Networking Committee) group to offer a fall event at the Scarboro Center.

Senior Program

- Sponsor at least three educational sessions for seniors per month with the Recreation Program Coordinator being responsible for five sessions during the year;
- maintain the Department's web page with at least weekly updates and insure the material is current;
- work to formalize the volunteer program at the Senior Center;
- begin the process to select an experienced architect to conduct a Needs Assessment and Feasibility Study for a new Senior Enrichment Center by April 1, 2011; and
- create, send, and tally a program survey to senior citizens in Oak Ridge concerning interests and program offerings.

REVENUES & EXPENDITURES

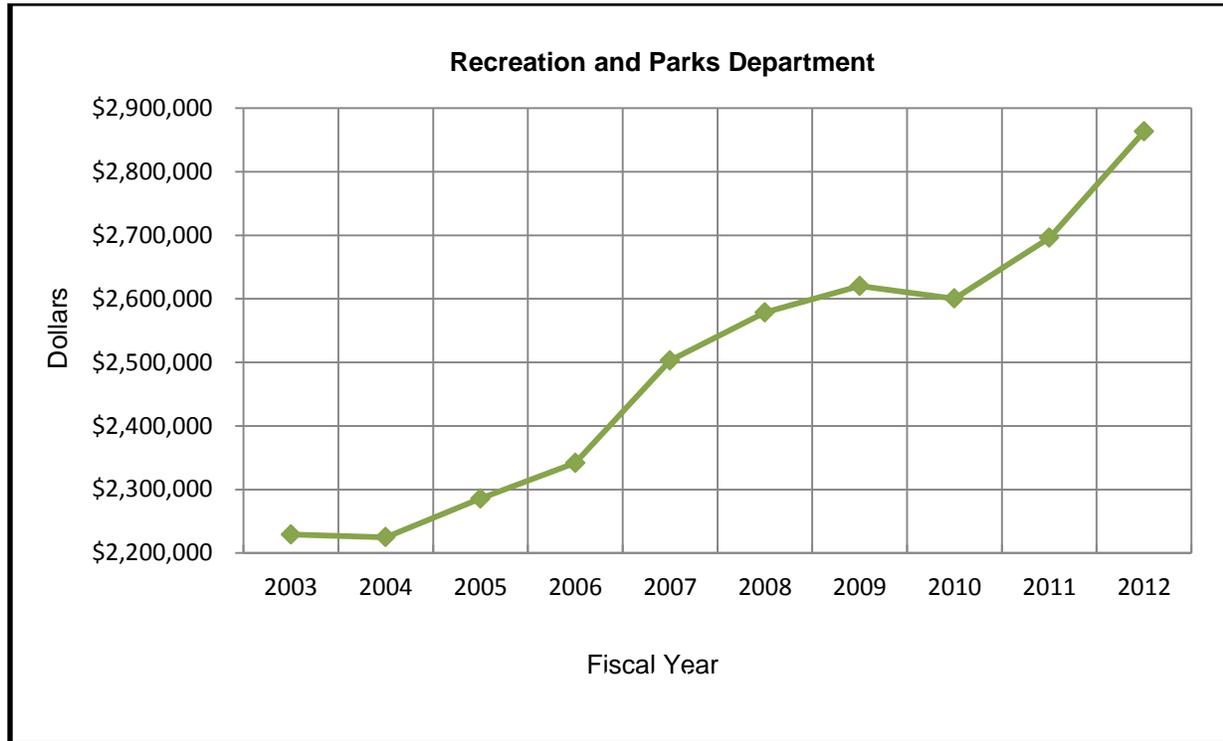
Authorized Personnel:

	FY 11	FY 12
Supervision – 970	2	2
Indoor Aquatics – 972	14	14
Outdoor Aquatics – 973	26	26
Centers, Camps & Programs – 974	29	29
Athletics – 975	2	2
Parks – 976	7	7
Scarboro Center – 977	4	4
Senior Center – 978	3	3
Total	87	87

Summary of Expenditures and Transfers by Department Activity:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>Recreation and Parks Department:</u>						
970 Supervision	229,239	237,899	238,335	252,794	14,895	6.3
972 Indoor Aquatics	194,917	198,787	208,853	207,820	9,033	4.5
973 Outdoor Aquatics	251,122	274,684	233,621	278,487	3,803	1.4
974 Centers, Camps & Programs	647,065	708,146	673,149	732,490	24,344	3.4
975 Athletics	132,788	137,505	138,195	140,381	2,876	2.1
976 Parks	721,228	759,771	743,622	786,983	27,212	3.6
977 Scarboro Center	159,931	175,778	177,533	178,149	2,371	1.3
978 Senior Center	264,178	278,928	282,767	286,036	7,108	2.5
Total Recreation and Parks Department	2,600,468	2,771,498	2,696,075	2,863,140	91,642	3.3

Net Revenue and Expenditures General Fund:



FY2012 General Fund Budget – Transfers to Other Funds, Recreation & Parks Department Credits and Costs Recovered:

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED		GENERAL FUND	
			WATER	WASTEWATER					
RECREATION & PARKS:									
970 Supervision	252,794	-	-	-	-	-	-	100%	252,794
972 Indoor Aquatics	260,820	-	-	-	-	20%	53,000	87%	207,820
973 Outdoor Aquatics	281,487	-	-	-	-	1%	3,000	99%	278,487
974 Centers, Camps & Programs	831,150	-	-	-	-	12%	98,660	88%	732,490
975 Athletics	155,381	-	-	-	-	10%	15,000	90%	140,381
976 Parks	804,983	-	-	-	-	2%	18,000	96%	786,983
977 Scarboro Center	188,149	-	-	-	-	5%	10,000	97%	178,149
978 Senior Center	287,536	-	-	-	-	1%	1,500	99%	286,036
TOTAL RECREATION & PARKS	3,062,300	-	-	-	-	7%	199,160	93%	2,863,140

DEPARTMENT ACTIVITIES

Recreation and Parks Supervision – Activity No. 970

Activity Description:

Recreation and Parks Supervision is responsible for the planning, coordination and general administration of the Recreation and Parks Department. Supervision provides direction in fiscal management, planning, staffing, organizing and program evaluation procedures. Supervision is also responsible for operating a systematic and economical maintenance program for Recreation and Parks facilities. Such programs and facilities must be provided to assure all residents an opportunity to participate in a wide variety of leisure time activities. To further enhance the recreational opportunities within the community, the staff continues to assist and advise interested outside agencies.

Performance Objectives:

1. Inspect all recreation and park areas at least monthly and document necessary maintenance.
2. Establish City-wide special events that emphasize seasonal activities and programs.
3. Increase the number of participants in the Cold Facts Program by 5%.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Documented monthly inspections	12	12	12	12
City wide special events	7	7	7	7
Cold Facts Program participants	2,415	2,390	2,420	2,390

Significant Expenditure Changes:

Contractual Services increased by \$11,638, up 36.3%. Funding for training and travel increased by \$6,314 to provide funding for the newly created Park Board. Other equipment maintenance increased by \$2,964 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment. Vehicle use charges increased \$2,360, primarily for fuel and maintenance of vehicles used by this activity.

Indoor Aquatics – Activity No. 972

Activity Description:

The function of the Indoor Aquatics activity is to provide safe and healthy swimming facilities with a varied and comprehensive swimming program. A well-rounded aquatics program is provided which includes recreational, therapeutic, competitive and instructional aquatic programs. This facility accommodates a wide variety of groups and/or swimming sessions. The pool is open for public, department programs, and rented to groups the rest of the time. This activity also includes the maintenance and operations of the Civic Center Swimming Pool. A Recreation Manager coordinates the aquatics program. Swimming lessons, ORCA swim team, water exercise, aqua power, and programmed activities are used to recover a portion of operational costs.

The overall goal of the activity is to provide a well-maintained aquatic facility, which is operated in an efficient and safe manner.

Performance Objectives:

1. Increase the aquatic staff certified in the American Red Cross Lifeguard Training Course (which includes CPR/PR, AED, and first aid) and trained in the operations of the swimming pool in order to better safeguard and serve the public.
2. Collect revenue equal to 25 percent of the pool's operating costs.

3. To increase attendance by one percent. Pool was closed summer of 2009 for installation of a dehumidification system, closed July and August of FY10.*
4. Train 100% of the Aquatic staff in Oxygen administration.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 20112
Pool staff certified in first aid and pool Operation	100%	100%	100%	100%
Revenues as percentage of cost	18%	30%	25%	25%
Revenue Generated	\$35,720	\$58,000	\$45,000	\$46,000
Staff certified in Red Cross Lifeguard Training Course	93%	100%	100%	100%
Number of Participants	27,033	40,000	40,000	41,000
Pool staff trained in O2	100%	100%	100%	100%
Attendance % increase	-14%*	4%	4%	1%

Significant Expenditure Changes:

Contractual Services has a budgeted increase of \$11,621. Professional services increased by \$8,000, primarily for swimming instructors' fees and water and utilities increased by \$3,480.

Outdoor Aquatics – Activity No. 973

Activity Description:

The Outdoor Aquatics activity includes the maintenance and operation of the Oak Ridge Municipal Swimming Pool. Municipal Pool operations begin Memorial Day weekend. Daily operations continue until mid-August. In addition to recreational swimming, a variety of other activities are offered through the Outdoor Aquatics program including swimming lessons and competitive and recreational swimming (ORCA summer league). Private swim parties are reserved by several community organizations. A Recreation Manager, who is responsible for both indoor and outdoor aquatic programs, performs the coordination of this activity



Performance Objectives:

1. Certify 100 percent of the Guard staff in American Red Cross Lifeguard Training.
2. Collect revenues equal to 30 percent of operating costs.
3. To increase attendance.
4. Train 100 percent of the Guard staff in oxygen administration

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Guard Staff certified in Red Cross Life Guard Training	100%	100%	100%	100%
Revenues as percentage of cost	35%	30%	35%	35%
Revenues	\$89,028	\$78,000	\$81,000	\$85,000
Attendance	39,149	45,000	47,000	48,000
Hours of in-service training (first aid, rescue techniques, and pool maintenance)	60	60	60	60
Staff Certified in oxygen administration	100%	100%	100%	100%
Attendance % increase	-1%	2%	5%	2%

Significant Expenditure Changes:

There are no significant expenditure changes for this activity in fiscal 2012.

Centers, Camps and Programs – Activity No. 974

Activity Description:

This activity includes the operation and maintenance of the Civic Center Recreation Building. It also includes all non-aquatic camps, programs and special events at this facility. The Civic Center has two rooms with space for 124 people and two rooms with space for 30 people. The game room, available for drop-in use, offers billiards, table tennis and cable television. The Shep Lauter Room (gymnasium) is used primarily for free play and league play but is also used for large events. Rooms are available for rent by community groups.

The eight-week summer programs operate with a staff of 16 full-time seasonal employees to provide a variety of recreation and leisure activities to area children. Summer Camp, held at the Civic Center, includes sports, organized games, arts & crafts, field trips and special events.



Performance Objectives:

1. Improve public awareness of leisure services and providers.
2. Include monthly activities in the Oak Ridger.
3. Conduct basic first aid training for all employees.
4. Conduct a Summer Camp with maximum enrollment of 975.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Employees Certified:				
CPR	96%	95%	96%	95%
Multimedia First Aid	96%	95%	96%	95%
Instructors (Multimedia)	1	1	1	1
Instruction hours per employee	8	8	8	8
Summer Camp enrollment	1,000	975	1000	975

Significant Expenditure Changes:

Contractual services increased by \$15,292. Funding for all areas was reviewed and reallocated based on current funding requirements. Utility services increased \$8,075 for higher electric costs due to prior rate increases. Other equipment maintenance increased \$7,217 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment. Commodities increased \$8,000 for programs sponsored by this activity, which are being offset by charges to users for these programs.

Athletics – Activity No. 975

Activity Description:

This activity plans, organizes and directs adult and youth athletics and other programs with the cooperation of volunteer leaders, groups organized by the Recreation and Parks Department, and community groups serving as sponsors of an activity or for individual teams. Programs include baseball, softball, tennis, soccer, volleyball and basketball.

Performance Objectives:

1. Promote a variety of athletic activities for youth and adults.
2. Promote and encourage volunteers to help conduct the athletic programs.
3. Promote and sponsor two special events.
4. Promote more sporting events.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Youth participants	223	150	196	150
Adult participants	1,774	1,650	1562	1500
Youth teams	21	16	20	16
Adult teams	125	120	118	115

Significant Expenditures:

There are no significant expenditure changes for this activity in fiscal 2012.

Parks – Activity No. 976

Activity Description:

The Parks activity provides an opportunity for Oak Ridge citizens to enjoy the out-of-doors without traveling great distances from the City. This activity provides grounds, tuff and equipment maintenance for seven City-owned properties, 12 flower gardens, 15 athletic fields, 17 parks, 23 tennis courts, 11 greenway trails (29.1 miles), One National Recreation Trail (10.3 miles), Haw Ridge Park trails (25 miles) and numerous greenbelt areas. Park design, landscaping and beautification programs are also performed by this activity. One of the overall goals of the activity is to provide monthly inspections and follow up maintenance for all outdoor facilities to ensure citizens and participants a safe environment for their recreational and leisure time activities.



Performance Objectives:

1. Budget hours reduced from 13,400 to 12,650 to more accurately reflect crew hours worked.
2. Continue to inspect all facilities on a monthly basis.
3. Man-hours for athletic field maintenance increased due to addition of Energy Solutions soccer field.
4. Man-hours for Administration increased due to additional required documentation.
5. Man-hours for flowerbed maintenance increased due to improved record keeping.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Athletic field maintenance (hours)	2,918	2,800	2,650	2,800
Flower garden maintenance (hours)	400	400	380	400
Building/grounds maintenance (hours)	1,747	1,750	1,625	1,750
Parks maintenance (hours)	6,585	5,500	6,545	6,050
Facilities (hours)	643	600	1,000	1,000
Administrative (hours)	1,705	1,600	1,800	2,000

Significant Expenditures:

Contractual Services increased by \$7,974, primarily for mowing, up \$6,455, based on contractual inflationary escalations. Other equipment maintenance increased \$1,379 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment. Commodities increased \$7,500 for programs sponsored by this activity, which are being offset by charges to users for these programs.

Scarboro Center – Activity No. 977

Activity Description:

The Scarboro Community center includes a middle school size gym, full-size kitchen with a pass-through window, small kitchenette, four meeting rooms, game room, and a state-of-the-art Computer Lab. The Scarboro Daycare is housed in the A and B rooms, Ebony room, and has use of the kitchen facilities. Outdoor facilities include a park/playground, fenced softball field, tennis court and basketball/volleyball courts. Rooms are available for rent and the computer lab is open daily with classes being offered to the public at various times during the year.

The eight-week summer programs operate with a staff of two full-time seasonal employees to provide a variety of recreation and leisure activities to area children. The Scarboro summer program includes games, crafts, field trips and special events.

Performance Objectives:

1. Conduct a Scarboro Summer Program at the Scarboro Center with maximum enrollment of 75.
2. Conduct an after school program for 6-12 year olds at the Scarboro Center.
3. Provide 12 educational sessions for Senior Adults at the Scarboro Center.
4. Provide 2 new programs at the Scarboro Center.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Employees Certified in CPR	4	4	4	4
Summer Camp enrollment	20	50	30	50
Educational sessions for seniors	8	12	8	12
2 new programs at Scarboro	2	2	2	2
Scarboro Community Center attendance	10,000	30,500	13,000	13,000
Computer classes	6	8	6	6

Significant Expenditures:

There are no significant expenditure changes for this activity in fiscal 2012.

Senior Center – Activity No. 978

Activity Description:

This activity includes expenditures for various programs conducted on behalf of the City's elderly, including all Senior Center expenditures and the Taxi Coupon Program. The goal is to provide and maintain programs which are available and accessible to all senior citizens and contribute to their physical, mental, social and cultural well-being.

The Senior Center temporarily occupies facilities leased from Anderson County located at 728 Emory Valley Road. The Senior Center has rooms for large and small groups, a kitchen, TV lounge, recreation room with billiard tables and other game tables available for use.

Programs Comments:

The scope of municipal services to senior citizens is not limited to General Fund expenditures in this activity. Many elder citizens benefit from a variety of service programs such as drug purchases, large print books in the Library, and home insulation assistance. The Business Office also processes applications for State-funded tax relief to elderly, low-income persons under the Property Assessment and Classification Act of 1973.

Other services available to senior citizens include a nutrition program through the East Tennessee Human Resource Agency (ETHRA), utility bill payments through Anderson County Community Action Commission, public housing and rental assistance through the Housing Authority, and services of the Anderson County Health Department.

The administration of the Taxi Coupon Program is performed by this activity, while expenditures are reflected in the Streets and Public Transportation Fund. The Taxi Coupon Program is expected to cost \$65,000 in FY 2012 with 50 percent of the costs being funded through a grant from the Tennessee Department of Transportation. The City subsidizes the coupon price by \$1.95 per coupon.

Performance Objectives:

1. Effectively utilize local newspaper, radio and newsletters to advertise activities at the Center.
2. Utilize computer equipment to target outreach efforts to older Oak Ridgers.
3. Continue to promote "Cold Facts" program, utilizing volunteers for outreach and implementations.
4. Develop new fitness programs and promote Senior Games competition.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Senior Center users (non-duplicated)	1,693	2,100	1,700	2,100
Senior Center users (duplicated)	45,138	46,000	46,000	46,000
Physical fitness participants	279	340	300	340
Cost per participant (non-duplicated)	\$164	\$138	\$164	\$136
Taxi system users	452	500	500	500
Volunteer hours	2,779	3,500	3,000	3,500
Cold Facts participants	2,415	2,390	2,420	2,390

Significant Expenditures:

Contractual Services increased by \$4,188. Utility services increased \$2,000 for higher electric costs due to rate increases. Other equipment maintenance increased \$2,188 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology equipment.

BUDGET DETAIL

Supervision – Activity No. 970 Budget Detail

970 Recreation Supervision		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	131,860	130,564	130,508	133,209	2,645	2
5131.	Regular Overtime Pay	385	700	429	700	0	0
5141.	Social Security	9,477	10,042	9,191	10,244	202	2
5150.	Retirement	17,043	20,602	20,602	21,012	410	2
5160.	Medical & Workers Comp	20,000	20,796	20,796	20,796	0	0
Total Personal Services		178,765	182,704	181,526	185,961	3,257	1.8
Contractual Services							
5201.	Rents	922	1,400	1,400	1,400	0	0
5207.	Dues, Memberships & Sub.	650	760	760	760	0	0
5212.	Utility Services	2,473	4,300	4,300	4,300	0	0
5220.	Training & Travel	524	1,186	1,186	7,500	6,314	532.4
5235.	Repair & Maintenance	583	3,540	3,540	3,540	0	0
5236.13	Other Equipment Maint.	1,035	690	690	3,654	2,964	429.6
5289.	Vehicle/Equip Use Charge	19,948	20,179	21,793	22,539	2,360	11.7
Total Contractual Services		26,135	32,055	33,669	43,693	11,638	36.3
Commodities							
5310.	Commodities/Tools/Supplies	1,048	1,090	1,140	1,140	50	4.6
5320.	Books/Education Material	0	50	0	0	-50	100
Total Commodities		1,048	1,140	1,140	1,140	0	0
Other Charges							
5430.	Grants/Subsidies/Contr.	23,300	22,000	22,000	22,000	0	0
Total Other Charges		23,300	22,000	22,000	22,000	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		229,248	237,899	238,335	252,794	14,895	6.3
Reduction of Costs							
5610.	Recovered from Users	9	0	0	0	0	0
Total Reduction of Costs		9	0	0	0	0	0
TOTAL NET EXPENDITURES		229,239	237,899	238,335	252,794	14,895	6.3

Indoor Aquatics - Activity No. 972 Budget Detail

972 Indoor Aquatics		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	68,106	64,238	69,294	65,515	1,277	2
5120.	Salaries-PT/Seasonal Employ	56,872	58,065	67,584	61,632	3,567	6.1
5131.	Regular Overtime Pay	1,904	4,300	2,498	4,300	0	0
5141.	Social Security	9,481	9,685	10,833	10,056	371	3.8
5150.	Retirement	7,068	10,568	10,568	10,765	197	1.9
5160.	Medical & Workers Comp	7,322	7,733	7,733	7,733	0	0
Total Personal Services		150,753	154,589	168,510	160,001	5,412	3.5
Contractual Services							
5207.	Dues, Memberships & Sub.	522	480	480	480	0	0
5210.	Prof. & Contractual Ser.	29,565	10,000	18,000	18,000	8,000	80
5212.	Utility Services	51,701	60,770	56,915	64,250	3,480	5.7
5220.	Training & Travel	764	495	495	495	0	0
5235.	Repair & Maintenance	5,903	9,580	9,580	9,580	0	0
5236.13	Other Equipment Maint.	345	345	345	486	141	40.9
Total Contractual Services		88,800	81,670	85,815	93,291	11,621	14.2
Commodities							
5310.	Commodities/Tools/Supplies	6,049	3,710	3,710	3,710	0	0
5325.	Uniforms/Safety Equip.	0	155	155	155	0	0
Total Commodities		6,049	3,865	3,865	3,865	0	0
Other Charges							
5410.	Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges		3,663	3,663	3,663	3,663	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		249,265	243,787	261,853	260,820	17,033	7
Reduction of Costs							
5610.	Recovered from Users	-54,348	-45,000	-53,000	-53,000	8,000	-17.8
Total Reduction of Costs		-54,348	-45,000	-53,000	-53,000	8,000	-17.8
TOTAL NET EXPENDITURES		194,917	198,787	208,853	207,820	9,033	4.5

Outdoor Aquatics - Activity No. 973 Budget Detail

973 Outdoor Aquatics		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	16,196	16,172	17,342	16,495	323	2
5120.	Salaries-PT/Seasonal Employ	91,154	124,722	98,482	127,216	2,494	2
5131.	Regular Overtime Pay	10,973	15,000	11,164	15,000	0	0
5141.	Social Security	8,965	11,926	9,719	12,141	215	1.8
5150.	Retirement	4,152	5,019	5,019	5,017	52	1
5160.	Medical & Workers Comp	2,479	2,578	2,578	2,578	0	0
Total Personal Services		133,919	175,417	144,304	178,501	3,084	1.8
Contractual Services							
5207.	Dues, Memberships & Sub.	680	100	100	100	0	0
5210.	Prof. & Contractual Ser.	528	600	600	600	0	0
5210.203	Mowing Contract	610	3,000	1,000	1,500	-1,500	-50
5212.	Utility Services	46,006	49,700	41,750	51,840	2,140	4.3
5235.	Repair & Maintenance	29,573	17,035	17,035	17,035	0	0
5236.13	Other Equipment Maint.	445	2,445	2,445	2,524	79	3.2
Total Contractual Services		77,842	72,880	62,930	73,599	719	1
Commodities							
5310.	Commodities/Tools/Supplies	34,747	20,335	20,335	20,335	0	0
5320.	Books/Education Material	0	50	50	50	0	0
5325.	Uniforms/Safety Equip.	480	1,880	1,880	1,880	0	0
Total Commodities		35,227	22,265	22,265	22,265	0	0
Other Charges							
5410.	Liability Insurance	7,122	7,122	7,122	7,122	0	0
Total Other Charges		7,122	7,122	7,122	7,122	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		254,110	277,684	236,621	281,487	3,803	1.4
Reduction of Costs							
5610.	Recovered from Users	-2,988	-3,000	-3,000	-3,000	0	0
Total Reduction of Costs		-2,988	-3,000	-3,000	-3,000	0	0
TOTAL NET EXPENDITURES		251,122	274,684	233,621	278,487	3,803	1.4

Centers, Camps & Programs - Activity No. 974 Budget Detail

974 Centers, Camps & Programs		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	260,605	255,708	250,342	261,554	5,846	2.3
5120.	Salaries-PT/Seasonal Employ	50,077	62,932	47,850	64,191	1,259	2
5131.	Regular Overtime Pay	24,742	24,482	24,479	24,972	490	2
5141.	Social Security	23,843	26,249	23,308	26,830	581	2.2
5150.	Retirement	37,190	44,273	44,273	45,149	876	2
5160.	Medical & Workers Comp	72,347	76,796	76,796	76,796	0	0
Total Personal Services		468,804	490,440	467,048	499,492	9,052	1.8
Contractual Services							
5201.	Rents	0	2000	0	0	-2,000	-100
5207.	Dues, Memberships & Sub.	140	130	130	130	0	0
5210.	Prof. & Contractual Ser.	21,477	23,700	25,700	25,700	2,000	8.4
5210.202	Custodial Contract	47,397	61,145	50,000	61,145	0	0
5236.15	Street Sweeping	688	700	700	700	0	0
5212.	Utility Services	109,108	130,520	130,060	138,595	8,075	6.2
5220.	Training & Travel	1,529	3,283	3,283	3,283	0	0
5235.	Repair & Maintenance	59,796	56,375	56,375	56,375	0	0
5236.13	Other Equipment Maint.	1,090	1,090	1,090	8,307	7,217	662.1
Total Contractual Services		241,225	278,943	267,338	294,235	15,292	5.5
Commodities							
5310.	Commodities/Tools/Supplies	37,281	19,770	27,770	27,770	8,000	40.5
5320.	Books/Education Material	0	300	300	300	0	0
5325.	Uniforms/Safety Equip.	1,933	1,150	1,150	1,150	0	0
Total Commodities		39,214	21,220	29,220	29,220	8,000	37.7
Other Charges							
5410.	Liability Insurance	8,203	8,203	8,203	8,203	0	0
Total Other Charges		8,203	8,203	8,203	8,203	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		757,446	798,806	771,809	831,150	32,344	4
Reduction of Costs							
5610.	Recovered from Users	-110,381	-90,660	-98,660	-98,660	8,000	-8.8
Total Reduction of Costs		-110,381	-90,660	-98,660	-98,660	8,000	-8.8
TOTAL NET EXPENDITURES		647,065	708,146	673,149	732,490	24,344	3.4

Athletics - Activity No. 975 Budget Detail

975 Athletics	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	96,550	95,152	95,629	97,637	2,485	2.6
5131. Regular Overtime Pay	3,031	2,525	2,996	2,576	51	2
5141. Social Security	7,146	7,472	7,214	7,666	194	2.6
5150. Retirement	12,887	15,581	15,581	15,893	312	2
5160. Medical & Workers Comp	19,205	20,630	20,630	20,630	0	0
Total Personal Services	138,819	141,360	142,050	144,402	3,042	2.2
Contractual Services						
5207. Dues, Memberships & Sub.	280	80	80	80	0	0
5212. Utility Services	1,345	1,325	1,325	1,325	0	0
5220. Training & Travel	648	800	800	822	0	0
5236.13 Other Equipment Maint.	345	690	690	524	-166	-24.1
Total Contractual Services	2,618	2,895	2,895	2,729	-166	-5.7
Commodities						
5310. Commodities/Tools/Supplies	1,661	2,970	2,970	2,970	0	0
Total Commodities	1,661	2,970	2,970	2,970	0	0
Other Charges						
5410. Liability Insurance	5,280	5,280	5,280	5,280	0	0
Total Other Charges	5,280	5,280	5,280	5,280	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	148,378	152,505	153,195	155,381	2,876	1.9
Reduction of Costs						
5610. Recovered from Users	-15,590	-15,000	-15,000	-15,000	0	0
Total Reduction of Costs	-15,590	-15,000	-15,000	-15,000	0	0
TOTAL NET EXPENDITURES	132,788	137,505	138,195	140,381	2,876	2.1

Parks - Activity No. 976 Budget Detail

976 Parks	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services						
5111. Salaries-Reg. Employees	246,731	243,199	240,893	247,000	3,801	1.6
5131. Regular Overtime Pay	4,530	4,000	3,717	4,080	80	2
5141. Social Security	17,261	18,911	17,447	19,208	297	1.6
5150. Retirement	32,794	38,994	38,994	39,554	560	1.4
5160. Medical & Workers Comp	67,311	71,983	71,983	71,983	0	0
Total Personal Services	368,627	377,087	373,034	381,825	4,738	1.3
Contractual Services						
5201. Rents	9276	8365	10,000	8365	0	0
5210. Prof. & Contractual Ser.	8,870	3,625	3,625	3,625	0	0
5210.203 Mowing Contract	119,491	119,045	122,000	125,500	6,455	5.4
5210.205 Litter Contract	42,211	45,830	43,005	45,830	0	0
5212. Utility Services	43,386	62,930	44,700	62,930	0	0
5220. Training & Travel	1,088	364	364	364	0	0
5235. Repair & Maintenance	34,911	59,710	59,710	59,710	0	0
5236.13 Other Equipment Maint.	345	345	345	1,724	1,379	399.7
5289. Vehicle/Equip Use Charge	53,198	62,340	59,709	62,480	140	0.2
Total Contractual Services	312,776	362,554	343,458	370,528	7,974	2.2
Commodities						
5310. Commodities/Tools/Supplies	43,363	37,080	37,080	44,580	7,500	20.2
5320. Books/Education Material	152	150	150	150	0	0
5325. Uniforms/Safety Equip.	3,681	3,550	3,550	3,550	0	0
Total Commodities	47,196	40,780	40,780	48,280	7,500	18.4
Other Charges						
5410. Liability Insurance	4,350	4,350	4,350	4,350	0	0
Total Other Charges	4,350	4,350	4,350	4,350	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	732,949	784,771	761,622	804,983	20,212	2.6
Reduction of Costs						
5610. Recovered from Users	-11,721	-25,000	-18,000	-18,000	7,000	-28
Total Reduction of Costs	-11,721	-25,000	-18,000	-18,000	7,000	-28
TOTAL NET EXPENDITURES	721,228	759,771	743,622	786,983	27,212	3.6

Scarboro Center - Activity No. 977 Budget Detail

977 Scarboro Center		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	66,419	65,066	64,891	66,432	1,366	2.1
5120.	Salaries-PT/Seasonal Employ	5,730	6,528	5,858	6,659	131	2
5131.	Regular Overtime Pay	4,938	4,040	5,098	4,121	81	2
5141.	Social Security	5,377	5,786	5,497	5,907	121	2.1
5150.	Retirement	8,962	10,836	10,836	11,053	217	2
5160.	Medical & Workers Comp	19,289	20,626	20,626	20,626	0	0
Total Personal Services		110,715	112,882	112,806	114,798	1,916	1.7
Contractual Services							
5207.	Dues, Memberships & Sub.	70	0	0	0	0	0
5210.	Prof. & Contractual Ser.	1,830	1,360	1,360	1,360	0	0
5210.202	Custodial Contract	20,510	28,426	22,000	28,426	0	0
5236.15	Street Sweeping	310	320	320	320	0	0
5212.	Utility Services	27,126	35,780	30,952	35,780	0	0
5235.	Repair & Maintenance	11,031	2,250	15,335	2,250	0	0
5236.13	Other Equipment Maint.	345	345	345	800	455	131.9
Total Contractual Services		61,222	68,481	70,312	68,936	455	0.7
Commodities							
5310.	Commodities/Tools/Supplies	-5,737	3,000	3,000	3,000	0	0
Total Commodities		-5,737	3,000	3,000	3,000	0	0
Other Charges							
5410.	Liability Insurance	1,415	1,415	1,415	1,415	0	0
Total Other Charges		1,415	1,415	1,415	1,415	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		167,615	185,778	187,533	188,149	2,371	1.3
Reduction of Costs							
5610.	Recovered from Users	-7,684	-10,000	-10,000	-10,000	0	0
Total Reduction of Costs		-7,684	-10,000	-10,000	-10,000	0	0
TOTAL NET EXPENDITURES		159,931	175,778	177,533	178,149	2,371	1.3

Senior Center - Activity No. 978 Budget Detail

978 Senior Center		ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
		FY 2010	FY 2011	FY 2011	FY 2012	12 vs. 11	CHG
Personal Services							
5111.	Salaries-Reg. Employees	106,735	105,044	109,980	107,363	2,319	2.2
5131.	Regular Overtime Pay	5,290	4,000	5,265	4,080	80	2
5141.	Social Security	7,933	8,342	8,305	8,525	183	2.2
5150.	Retirement	13,975	16,896	16,896	17,234	338	2
5160.	Medical & Workers Comp	24,280	25,663	25,663	25,663	0	0
Total Personal Services		158,213	159,945	166,109	162,865	2,920	1.8
Contractual Services							
5201.	Rents	59,220	67,220	67,220	67,220	0	0
5207.	Dues, Memberships & Sub.	70	70	70	70	0	0
5210.	Prof. & Contractual Ser.	107	0	0	0	0	0
5210.202	Custodial Contract	17,089	21,170	18,000	21,170	0	0
5212.	Utility Services	13,099	15,655	16,500	17,655	2,000	12.8
5220.	Training & Travel	1,016	0		0	0	0
5235.	Repair & Maintenance	3,424	2,795	2,795	2,795	0	0
5236.13	Other Equipment Maint.	3,035	3,065	3,065	5,253	2,188	71.4
Total Contractual Services		97,060	109,975	107,650	114,163	4,188	3.8
Commodities							
5310.	Commodities/Tools/Supplies	7,420	6,720	6,720	6,720	0	0
5320.	Books/Education Material	0	25	25	25	0	0
5325.	Uniforms/Safety Equip.	79	100	100	100	0	0
Total Commodities		7,499	6,845	6,845	6,845	0	0
Other Charges							
5410.	Liability Insurance	3,663	3,663	3,663	3,663	0	0
Total Other Charges		3,663	3,663	3,663	3,663	0	0
Capital Expenditures							
Total Capital Expenditures		0	0	0	0	0	0
TOTAL GROSS EXPENDITURES		266,435	280,428	284,267	287,536	7,108	2.5
Reduction of Costs							
5610.	Recovered from Users	-2,257	-1,500	-1,500	-1,500	0	0
Total Reduction of Costs		-2,257	-1,500	-1,500	-1,500	0	0
TOTAL NET EXPENDITURES		264,178	278,928	282,767	286,036	7,108	2.5

Public Library

Table of Contents

Public Library	III-147
Organizational Chart.....	III-147
2010-2011 Accomplishments	III-148
2011-2012 Goals.....	III-148
Revenues & Expenditures.....	III-149
Department Activities.....	III-150
Public Library – Activity No. 979	III-150
Budget Detail.....	III-151
Public Library – Activity No. 979 Budget Detail	III-151

PUBLIC LIBRARY

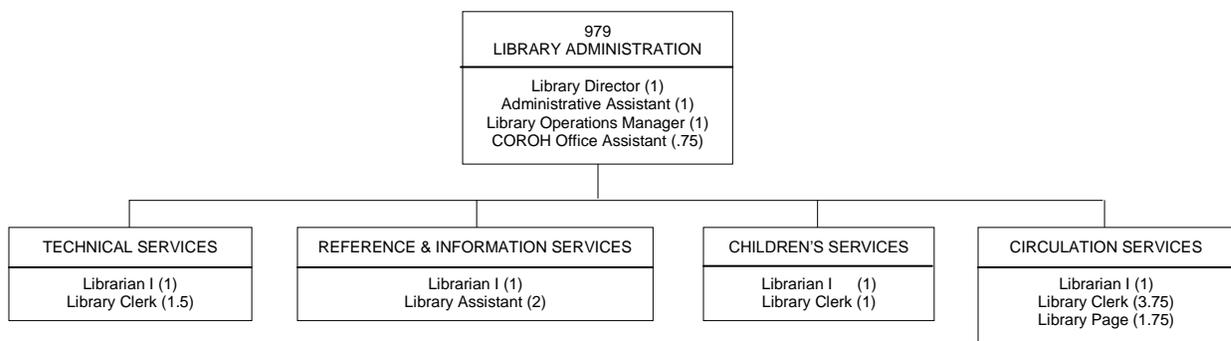
The Oak Ridge Public Library provides informational and recreational material to meet the needs of the community. The Library is staffed by a combination of 24 full-time and part-time employees, and also recruits and trains volunteers to support the staff and services offered. During fiscal 2010, 65 volunteers provided 2,863.5 hours of service and support. The Library's total collection consists of approximately 111,491 volumes and 27,082 other non-print material, including cassettes, videos, CD's, DVD's, MP3's, puzzles, microforms, etc. The Library is currently open 65 hours a week during the school year and 61 hours a week during the summer. In fiscal 2010, Library staff circulated 176,906 books and audiovisual materials. Library patrons borrowed 295 books from other libraries through the Interlibrary Loan Service, while the Library loaned 204 books to other libraries. The staff answered 33,011 reference questions.

The Library also houses the Oak Ridge Room, and collects materials pertaining to the history and development of the Oak Ridge area. The Library is working on digitizing and archiving its unique collection. Some of the Oak Ridge Room's outstanding features include the DOE photograph collection of approximately 1,000 photos of early Oak Ridge, the DVD photos of all pre- Oak Ridge housing, blueprints of the 'alphabet houses', cemetery lists, all phone books used in Oak Ridge, and entire sets of School Board and City Council minutes, city budgets, and many maps of early Oak Ridge to the present day.

The Children's Room provides material and services such as 2 Preschool Storytimes (Squiggles and Reading Ready), Ruff Reading and the Summer Reading/Listening program. Participation in these programs in fiscal 2010 totaled 4,797 children and 458 for Summer Reading and Listening. The Library provides a book delivery service to the senior residences in town through its Service to Seniors program. Books are exchanged once a month at the six residences bringing reading materials to those who cannot come to the Library.

The Library offers public access to the Internet in the Main Library and the Children's Room. The Library's automated system allows the Library to automate acquisitions, cataloging, and catalog and provide a user-friendly system for Library patrons. Workstations are offered to the public for 2-hour per day for Internet, job searching and applications, word processing, genealogy, etc. The only requirement is that they be a member in good standing at your library.

ORGANIZATIONAL CHART



2010-2011 ACCOMPLISHMENTS:

- Completed the negotiations and expect e-books (electronic books) to start this fall.
- Withdrawing cassettes simultaneous to weeding CD music.
- Holding public classes for internet, email and e-book readers.
- Updated state holdings list for Oak Ridge Public Library.
- Completed the contract the Cockrill Design Inc. to renovate and expand the public library.
- Finished the stained glass project.
- Completed the new contract with the film producer for COROH.
- Oversaw the final interviews which are bound and shelved with the Oak Ridge Room/COROH materials and the new book collection.

2011-2012 GOALS

Administrative:

- Begin design phase of the Library renovation and expansion project by June 30, 2012.
- Carry out contract with COROH film producer by adding to collection of oral histories by June 30, 2012.
- Upgrade the staff computers to the latest version of Office by June 30, 2012.
- Upgrade Sirsi to Symphony by June 30, 2012.

Children's Room:

- Update storytime folders by June 30, 2012.
- Weed-update Easy Readers by June 30, 2012.
- Begin exploring ideas for crossover JF – YPF reading lists by June 30, 2012.

Circulation:

- Continue the Culture Corner and adult programming by June 30, 2012.
- Develop volunteer training material specifically for AV repair by June 30, 2012.
- Create a bibliography of staff picks by June 30, 2012.

Reference:

- Expand Small Business Center by identifying resources to support Reference by June 30, 2012.
- Begin evaluating, sorting and processing the special donated collections by June 30, 2012.
- Add a link on the webpage to Tennessee colleges and universities by June 30, 2012.

Technical Services:

- Continue cataloging INFO and TRAVEL DVDs into Dewey by June 30, 2012.
- Begin changing subject headings to match Library of Congress change of cookery to cooking by June 30, 2012.
- Upgrade Technical Services computers and procedures in order to take advantage of newer versions of Sirsi by June 30, 2012.

REVENUES & EXPENDITURES

Authorized Personnel:

	FY 11	FY 12
Library – 979	23	23
Grants Fund - 027	1	1
Total	24	24

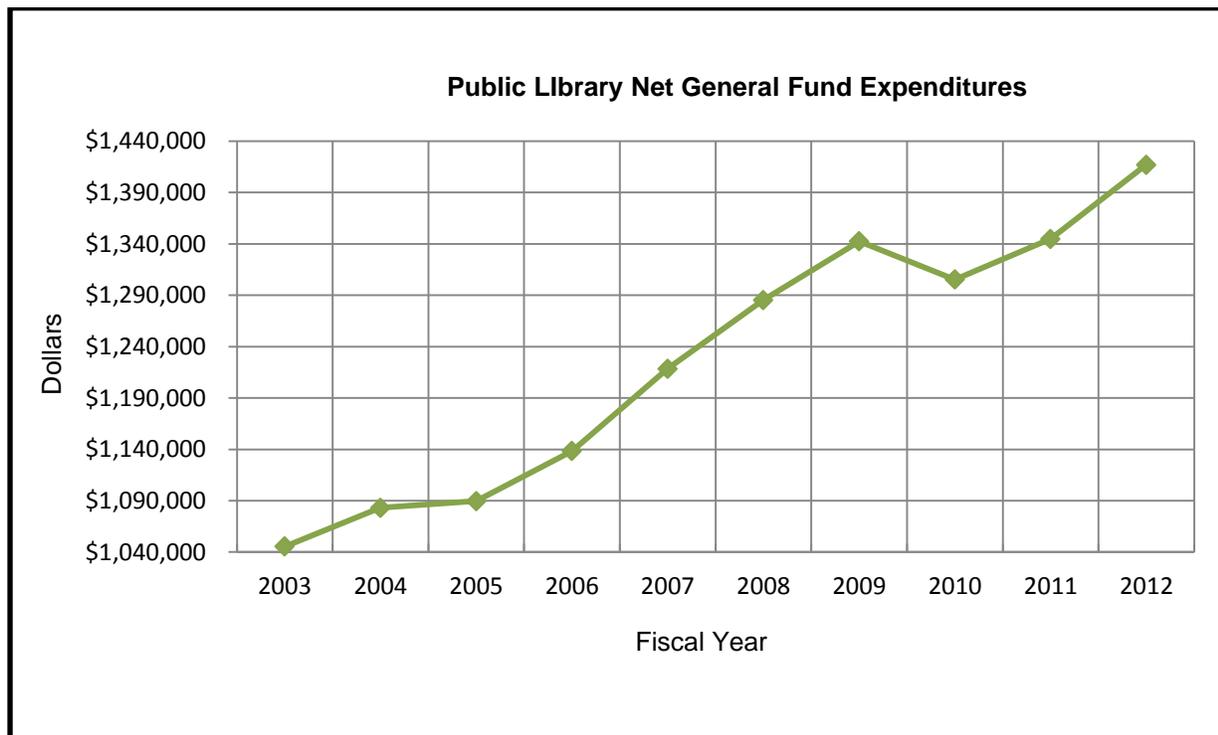
The above 24 positions, include full and part-time employees which equates to 17.75 staff years.

Summary of Expenditures and Transfers by Department Activity:

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
979 Public Library	1,305,307	1,389,318	1,344,791	1,416,986	27,668	2.0

Net General Fund Expenditures:

Increases are due to inflationary costs.



DEPARTMENT ACTIVITIES

Public Library – Activity No. 979

Activity Description:

The Oak Ridge Public Library provides informational and recreational materials to meet the needs of the community. The Library acquires printed and non-printed materials, organizes them for convenient use and assists the public in using the materials. The Library provides access to a growing collection of historical archives including books and pamphlets, videos, photographs, oral histories, etc. focusing on the earliest days of Oak Ridge up to the present.

The Library supports programming designed to connect books and information with the user. These programs provide access to Library resources for residents of all ages. The Library offers Squiggles and Reading Ready Storytime programs, Summer Reading/Listening Programs, and Service to Seniors, which is a book delivery service to the senior residences. In addition, the Library provides classes in Beginning Internet and Beginning Email and programming for adults on a wide range of information and entertaining topics (gardening, stress relief, Book Doctor, jewelry making, etc.).



Performance Objectives:

- To enhance the quality of life in our community by offering exceptional library services.
- To provide a continuum of knowledge, making information available in its ever-changing formats.
- To collect, preserve and make available the history of our unique community.
- To furnish our community with an extensive, easily accessible collection of recreational resources that combines the best of the old and the new.
- To nurture the children and youth of our community by giving them access to the exciting world of ideas.
- To address the concerns of library users by listening and responding to their suggestions.
- To appreciate the unique qualities of all individuals and to give each respect, consideration and excellent service.

Performance Measures:

	Actual FY 2010	Budget FY 2011	Projected FY 2011	Budget FY 2012
Total Circulation	176,906	180,000	180,000	160,000
Registered Patrons	22,372	22,000	22,000	22,500
Items Added to the Collection	8,179	7,500	7,500	6,700
Items Withdrawn from the Collection	5,456	6,000	6,000	3,000
Reference Questions and Readers Service	33,011	30,000	30,000	31,000
Storytime Attendance	4,797	5,000	5,000	3,500

Significant Expenditure Changes:

Contractual services increased by \$13,801. Other equipment maintenance increased \$13,301 due to a citywide review and reallocation of charges for maintenance and replacement of primarily technology. Utility services cost increased by \$500 based on higher electric costs due to prior rate increases.

BUDGET DETAIL

Public Library – Activity No. 979 Budget Detail

979 Public Library	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs. 11	% CHG
Personal Services						
5111. Salaries-Reg. Employees	629,067	624,703	614,728	635,537	10,834	1.7
5120. Salaries-PT/Seasonal Employ	27,559	29,817	30,247	30,413	596	2
5141. Social Security	46,772	50,071	47,749	50,945	874	1.7
5150. Retirement	72,602	98,130	98,130	99,693	1,563	1.6
5160. Medical & Workers Comp	126,415	133,760	133,760	133,760	0	0
Total Personal Services	902,415	936,481	924,614	950,348	13,867	1.5
Contractual Services						
5201. Rents	2,86	0 5,98	0 5,98	0 5,980	0	0
5207. Dues, Memberships & Sub.	26,100	19,351	19,351	19,351	0	0
5210. Prof. & Contractual Ser.	2,117	9,810	9,810	9,810	0	0
5210.202 Custodial Contract	23,562	30,950	25,000	30,950	0	0
5236.15 Street Sweeping	1,244	1,260	1,260	1,260	0	0
5212. Utility Services	90,325	127,175	101,820	127,675	500	0.4
5220. Training & Travel	1,083	600	600	600	0	0
5235. Repair & Maintenance	59,109	33,177	33,177	33,177	0	0
5236.13 Other Equipment Maint.	35,349	46,295	46,295	59,596	13,301	28.7
Total Contractual Services	241,749	274,598	243,293	288,399	13,801	5
Commodities						
5310. Commodities/Tools/Supplies	42,047	27,120	27,120	27,120	0	0
5320. Books/Education Material	133,638	140,342	140,342	140,342	0	0
Total Commodities	175,685	167,462	167,462	167,462	0	0
Other Charges						
5410. Liability Insurance	10,777	10,777	10,777	10,777	0	0
Total Other Charges	10,777	10,777	10,777	10,777	0	0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	0
TOTAL GROSS EXPENDITURES	1,330,626	1,389,318	1,346,146	1,416,986	27,668	2
Reduction of Costs						
5610. Recovered from Users	-25,319	0	1,355	0	0	0
Total Reduction of Costs	-25,319	0	1,355	0	0	0
TOTAL NET EXPENDITURES	1,305,307	1,389,318	1,344,791	1,416,986	27,668	2

IV. DEBT AND CAPITAL PROJECTS

Table of Contents

Debt Overview – All City Funds	IV-1
Debt Service Fund Overview	IV-3
Capital Projects Fund Overview	IV-10
Capital Improvements Programs Overview – All Funds	IV-13
Fiscal Year 2012	IV-15
I. Commercial / Residential Development	IV-15
II. Municipal Facilities	IV-16
III. Recreation and Parks	IV-17
IV. Transportation	IV-18
V. Utilities	IV-19
VI. Schools	IV-25

DEBT OVERVIEW – ALL CITY FUNDS

On page IV-2 is a summary of the City's outstanding \$168,029,711 in long-term debt as of June 30, 2011 by Fund. Also listed are the budgeted principal and interest payments for fiscal 2012. Almost all the City's debt is backed by the "full faith and credit" of the City, with the exception of \$4,990,000 in electric revenue bonds issued in 2003, which are backed solely by the net revenues of the electric system. The annual Debt Service payments for long-term debt issued for Enterprise Fund capital projects (Electric, Waterworks and Emergency Communication Funds) will be repaid by user charges for services provided by the operations accounted for in those Funds, rather than revenues generated through the City's taxing authority. There are currently no restrictions on the City's debt levels.

As of June 30, 2011 the outstanding principal balance of debt accounts through the Debt Service Fund was \$101,720,237. The description of this debt begins on page IV-3 of this document. Funding for annual debt service is provided from operating transfers from the General Fund; building and equipment rental charges from the Electric, Waterworks and Street Funds; and 18.18% of local sales tax collections in the Anderson portion of Oak Ridge to fund debt service on issuances related to the Oak Ridge High School project (ORHS).

The annual debt service payment on \$489,000 in outstanding debt used by the City to renovate the Scarborough Community Center is being funded through the Community Development Block Grant (CDBG) award and is being accounted for in the Grant Fund. \$975,000 in outstanding debt used to purchase fire trucks and computer software and equipment is being accounted for in the Equipment Replacement Rental Fund (ERRF) with annual debt service payments provided from existing cash reserves in the ERRF and charges for services to other City Funds for rental of this equipment.

As of June 30, 2011, there was \$64,845,474 in outstanding Enterprise Fund debt. Of this amount, \$23,970,934 is serviced by the Electric Fund, \$40,108,120 by the Waterworks Fund (water and wastewater services) and \$766,420 by the Emergency Communications District Fund. The debt service amortization schedules for Enterprise Fund debt are contained in the Enterprise Fund section of this document. The revenues generated by these Enterprise Funds will be utilized for the annual debt service payments on this debt.

During fiscal 2008, the City's Emergency Communications District entered into a capital lease purchase agreement for an 800 MHz radio system upgrade. These types of leases are accounted for as long-term debt.

The debt service payments by the City's utility funds impact user fees for electric, water and wastewater service. A rate study is prepared biennially to establish the user charges for these services. The City currently has \$1,403,435 in authorized and available loan proceeds that can be drawn upon for wastewater rehabilitation capital projects. Loan proceeds are drawn as the work occurs.

On September 27, 2010, the City received an administrative order (AO) from the United States Environmental Protection Agency regarding the City's wastewater system. The City has been given a timetable and actions to remedy the City's violations of the Clean Water Act. The amount of funds necessary to remedy the violations is not known at this time, however, it is anticipated that up to \$20,000,000 in new debt issuances will be required in fiscal 2012 to fund the required capital projects. Projected future utility rate increases are primarily the result of debt service requirements on debt issued to finance capital improvements. Significant rate increases for wastewater services are anticipated in fiscal 2012 as a result of this AO.

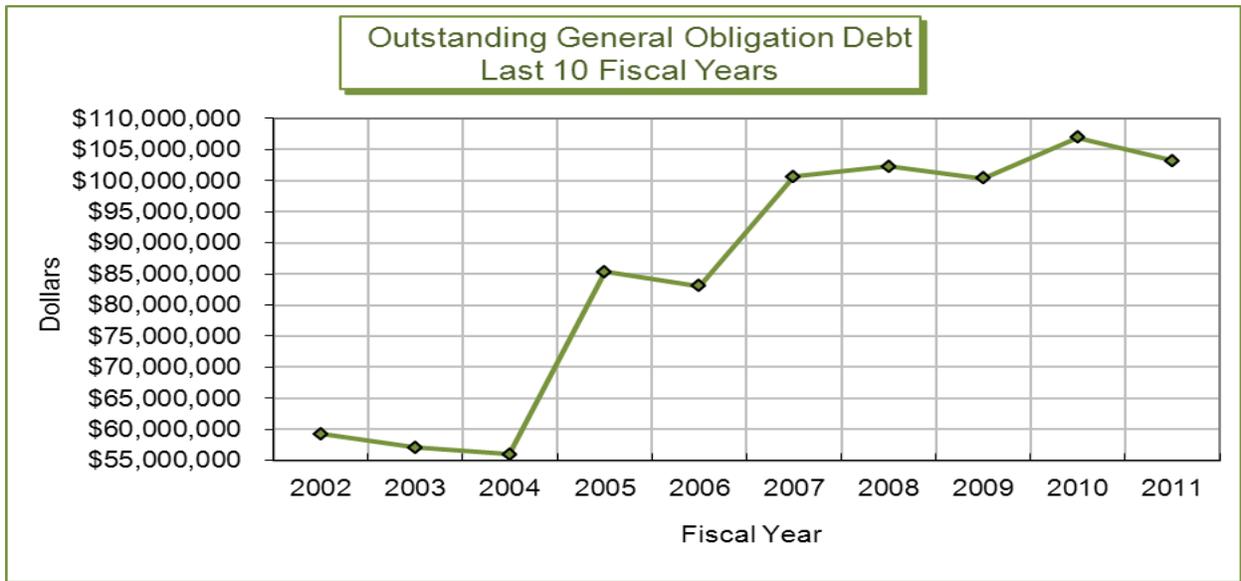
**CITY OF OAK RIDGE
SUMMARY OF LONG-TERM DEBT
BUDGET 2012**

Issues	Rate Type	Available For Draw	Projected Principal Outstanding 6/30/2011	Budget FY 2012 Principal	Budget FY 2012 Interest	Budget FY 2012 Total Debt Service
<u>DEBT SERVICE FUND</u>						
GO Bonds 2003 (Refunding)	Fixed	\$ -	\$ 3,560,000	\$ -	\$ 142,400	\$ 142,400
GO Bonds 2011 (Refunding)	Fixed	-	7,420,000	2,485,000	132,323	2,617,323
GO Bonds 2010 (Golf Course)	Fixed	-	4,860,000	405,000	155,844	560,844
GO Bonds 2009 (Refunding)	Fixed	-	17,215,000	-	775,700	775,700
Build America Bonds 2009B	Fixed	-	2,820,006	-	107,115	107,115
TMBF 1995	Variable	-	568,765	-	25,594	25,594
TMBF 2008	Variable	-	1,991,636	-	89,624	89,624
TMBF 2008 (ORHS)	Variable	-	5,760,652	-	259,229	259,229
GO Bonds 2005 (ORHS Debt) B-9-A	Fixed	-	14,750,000	200,000	658,313	858,313
TNLOANS 2006 (ORHS Debt) B-11-A	Fixed	-	5,325,000	-	232,969	232,969
TNLOANS 2004 (ORHS Debt) VII E-1	Fixed Swap	-	21,140,000	-	951,300	951,300
TNLOANS 2006 (ORHS Debt) VI-M-1	Fixed Swap	-	4,735,000	-	236,750	236,750
Build America Bonds 2009B (ORHS)	Fixed	-	6,479,994	-	268,138	268,138
QZAB Series 2004 (ORHS Debt)	Fixed	-	4,405,850	440,585	-	440,585
QZAB Series 2005 (ORHS Debt)	Fixed	-	688,334	68,834	-	68,834
TOTAL DEBT SERVICE FUND		\$ -	\$ 101,720,237	\$ 3,599,419	\$ 4,035,299	\$ 7,634,718
<u>GRANT FUND *Debt Service Funded By CDBG Grant</u>						
TMBF 2001	Variable	\$ -	\$ 489,000	\$ 72,000	\$ 22,005	\$ 94,005
<u>EQUIPMENT REPLACEMENT RENTAL FUND</u>						
GO Bonds 2003 (Refunding)	Fixed	\$ -	\$ 275,000	\$ 205,000	\$ 11,000	\$ 216,000
Build America Bonds 2009B	Fixed	-	700,000	-	17,916	17,916
TOTAL EQUIPMENT REPLACEMENT RENTAL FUND		\$ -	\$ 975,000	\$ 205,000	\$ 28,916	\$ 233,916
<u>ELECTRIC FUND</u>						
Revenue Bonds 2003 (Refunding)	Fixed	\$ -	\$ 4,990,000	\$ 1,000,000	\$ 219,700	\$ 1,219,700
2009 Bonds (Refunding)	Fixed	-	10,070,000	-	448,444	448,444
Build America Bonds 2009B	Fixed	-	5,000,000	-	196,804	196,804
TMBF 2006	Variable	-	2,457,638	122,765	110,594	233,359
TMBF 2008	Variable	-	1,453,296	-	65,398	65,398
TOTAL ELECTRIC FUND		\$ -	\$ 23,970,934	\$ 1,122,765	\$ 1,040,940	\$ 2,163,705
<u>WATERWORKS FUND</u>						
<u>Water</u>						
TMBF 1995	Variable	\$ -	\$ 1,033,409	\$ -	\$ 46,503	\$ 46,503
TMBF 2001	Variable	-	2,000,000	141,000	90,000	231,000
TMBF 2006	Variable	-	3,001,962	149,955	135,088	285,043
TMBF 2008	Variable	-	931,139	-	41,901	41,901
Capital Outlay Notes (General Fund)	Fixed	-	1,500,000	500,000	15,000	515,000
Build America Bonds 2009B	Fixed	-	2,920,000	-	110,949	110,949
GO Bonds 2003 (Refunding)	Fixed	-	1,034,926	194,049	41,397	235,446
TOTAL WATER DEBT		\$ -	\$ 12,421,436	\$ 985,004	\$ 480,838	\$ 1,465,842
<u>Wastewater</u>						
TMBF 1995	Variable	\$ -	\$ 1,770,326	\$ -	\$ 79,665	\$ 79,665
TMBF 2006	Variable	-	1,907,401	95,279	85,833	181,112
TMBF 2008	Variable	-	863,277	-	38,847	38,847
Build America Bonds 2009B	Fixed	-	2,080,000	-	79,032	79,032
GO Bonds 2003 (Refunding)	Fixed	-	1,205,074	225,951	48,203	274,154
Capital Outlay Notes (General Fund)	Fixed	-	3,500,000	1,666,667	35,000	1,701,667
State Revolving Loan 97	Fixed	-	7,524,255	553,092	297,456	850,548
State Revolving Loan 98	Fixed	-	3,239,786	225,948	126,732	352,680
State Revolving Loan 02	Fixed	1,403,435	5,596,565	-	214,348	214,348
TOTAL WASTEWATER DEBT		\$ 1,403,435	\$ 27,686,684	\$ 2,766,937	\$ 1,005,116	\$ 3,772,053
TOTAL WATERWORKS FUND		\$ 1,403,435	\$ 40,108,120	\$ 3,751,941	\$ 1,485,954	\$ 5,237,895
<u>EMERGENCY COMM. FUND</u>						
Capital Lease Agreement (Radio System Upgrade)		\$ -	\$ 766,420	\$ 112,734	38,167	150,901
TOTAL CITY DEBT		\$ 1,403,435	\$ 168,029,711	\$ 8,863,859	\$ 6,651,281	\$ 15,515,140

DEBT SERVICE FUND OVERVIEW

The Debt Service Fund is used for the accumulation of resources for the payment of principal and interest on general obligation long-term debt backed and funded by the full faith and credit of the City. This includes the debt service on Schools projects. City Charter prohibits the Schools from issuing long-term debt. The City issues the debt for school capital projects and provides funding for the annual debt service payments on those issuances. Over 80% of the City's outstanding general long-term debt accounted for in the Debt Service Fund was issued to provide funding for School capital projects. The use of general long-term debt is normally restricted to those capital improvements or projects that cannot be financed with current revenues, with the bonds repaid over a period less than or equal to the projects' useful life. Long-term debt for the City's Enterprise and Internal Service Funds are accounted for in those Funds rather than the Debt Service Fund.

Information regarding the City's outstanding general obligation debt as of June 30, 2010 is located in the Appendix of the document under Statistical Information. The City's General Obligation Bonds are rated "Aa3" by Moody's Investor Service and "AA" by Standard and Poor's. Below is a graph of the City's outstanding general obligation debt for the past 10 fiscal years. The spike in fiscal 2005, 2007 and 2010 is due to the issuance of \$59,529,354 in debt for the Oak Ridge High School Project.



The following is a summary of the City's general obligation debt issuances since 1998 for the debt service payments that are accounted for in the Debt Service Fund. The bond proceeds and the related capital expenditures for these issuances are accounted for in the Capital Projects Fund.

\$10,000,000 in General Obligation Bonds (GOB) and notes was issued in 1988 to fund the renovation of Willow Brook and Woodland Elementary Schools and the construction of Emory Valley Road and other street improvements.

\$5,385,000 in General Obligation Bonds were issued in 1989 to fund the construction of a new Glenwood Elementary School.

\$4,950,000 in General Obligation Bonds were issued in 1991 to fund the renovation of several municipal and sports facilities, the purchase of an 800 MHz trucking communications system, the renovation of the outdoor pool, the construction of a central fire station and the renovation of two existing fire stations.

\$11,150,000 in General Obligation Bonds were issued in 1995 for the renovation of the High School and two City Middle Schools.

A \$1,247,994 variable rate loan was obtained in fiscal 1995 from the Tennessee Municipal Bond Fund for the purchase of land for a new Roane State Community College Campus in Oak Ridge and storm drainage improvements.

\$16,000,000 in General Obligation Bonds were issued in 1996 to fund construction of a new City Central Service Complex and various other City and School facility improvements and equipment, including construction of three baseball/softball fields at Parcel 457, Briarcliff/Laboratory Road extension, purchase of the Library MARC system and improvements at Linden Elementary School, including construction of a stage and the addition of an elevator to meet ADA requirements.

A \$3,213,000 variable rate loan was obtained in 1998 through the TN-LOANS program to fund demolition and remediation of the old Central Service Complex site, street resurfacing including Rutgers Avenue, storm water drainage improvements, Schools ADA enhancements and Willow Brook Elementary wall repairs, Melton Lake Greenway construction and other City building improvements.

On August 1, 1998, the City issued \$7,275,000 in Golf Course Revenue and Tax Bonds related to construction and equipping of the City-owned Tennessee Centennial Golf Course. This debt is backed by the full faith and credit of the City of Oak Ridge. This debt was refunded in fiscal 2010.

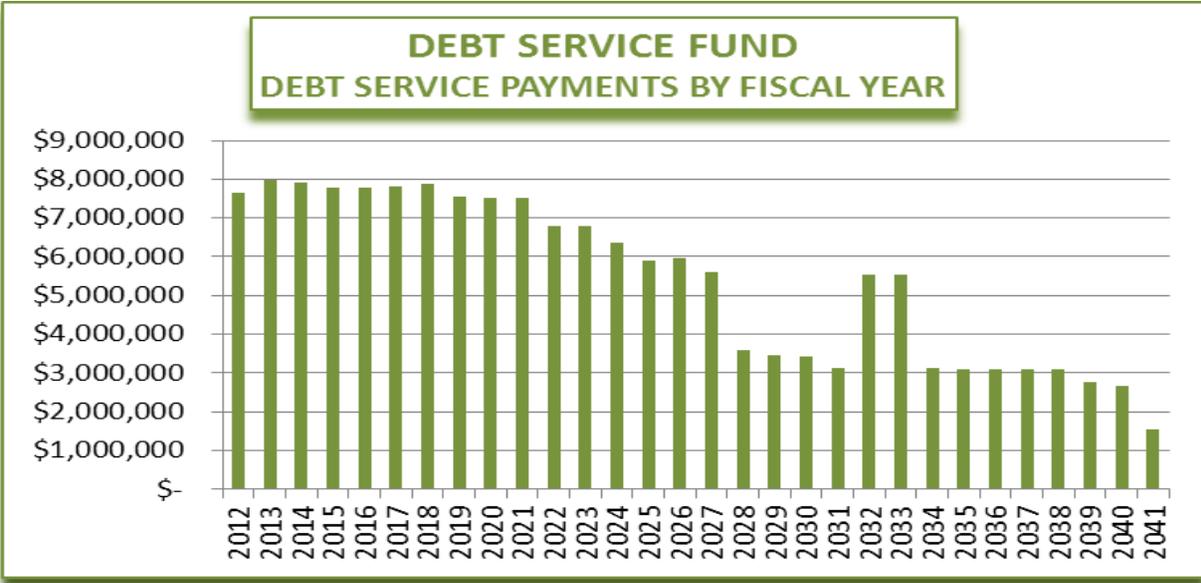
\$10,000,000 in General Obligation Bonds were issued in FY 2000 with the bond proceeds split equally on City and School capital improvements. School projects include American Disabilities Act (ADA) renovations and replacement of windows at various school buildings, roof and chiller replacement at Linden Elementary School, upgrades to the auditoriums at the High School and two Middle Schools and system wide technology upgrades. City projects include storm water drainage improvements, which includes the Mitchell Road and Emory Creek Projects, City share of the State roadway expansion into the City's southwest quadrant, completion of Phase II and Phase III of the Melton Lake greenway and the Emory Valley Road greenway, expansion of the Animal Shelter to house the City's two K-9 dogs and numerous building and recreation facility improvements.

\$66,522,506 in long-term debt has been issued for the construction and renovation of the Oak Ridge High School (ORHS) project. \$8,081,860 has been issued through the Tennessee State School Board Authorities Qualified Zone Academy Projects (QZAB) program. The QZAB program provides interest free loans to school systems that meet certain criteria. \$25,875,000 has been issued utilizing an interest rate SWAP, \$26,804,994 through fixed rate debt issuances and \$5,760,652 in variable interest rate issuances. An additional \$1,991,636 in variable interest rate debt was issued during fiscal 2008 for miscellaneous school capital including roofs, HVAC's, gas packs and coolers.

In November 2009, the City issued \$20,000,000 in Build America Bonds (BABS) of which \$9,300,000 was utilized to fund projects whose debt will be serviced by the Debt Service Fund. \$6,479,994 was utilized to complete the ORHS project and \$1,453,366 used for City and \$1,366,640 used for School miscellaneous capital projects. The remaining BABS bond proceeds were used for Waterworks and Equipment Replacement Rental Fund capital.

Since 1988, there have been 8 bond refundings, which consolidated and lowered the interest rate on the outstanding debt on the above debt issuances.

The outstanding principal balance of long-term debt funded through the Debt Service Fund is projected to be \$101,720,237 at June 30, 2011. Pages IV-9 contains the summary amortization schedule for Debt Service Fund Debt. A graph of debt service payments by fiscal year is below. Of this amount, \$34,196,053 is in variable interest rate debt, which includes \$25,875,000 in interest rate SWAPs. For budget purposes, these were estimated using a 4.50% interest rate.



Major Revenue/Other Financing Sources

Revenues and Other Financing Sources for the Debt Service Fund are budgeted at \$7,121,946 for fiscal 2012, a \$688,108 reduction for fiscal 2011 levels.

On August 5, 2004, the citizens in the Anderson County portion of Oak Ridge overwhelmingly voted to increase the local sales tax option from 2.25% to the state maximum of 2.75%, with the additional tax proceeds being legally restricted to fund the renovation, construction and related debt service of the ORHS project. The sales tax rate increase became effective with sales beginning on October 1, 2004. In May 2006, Anderson County voted by referendum to supersede the City's local sales tax option increase. The .50% additional local sales tax proceeds are now split with Anderson County who then reallocates the proceeds to all city and county school systems. 18.18% of the City and Schools local sales tax proceeds received through Anderson County will be allocated to funding the annual debt service on the ORHS project debt.

Revenues include \$2,132,000 from local sales tax proceeds, \$892,732 from building rental from the Electric, Waterworks and Streets Funds to provide funding for the debt service on \$12.7 million borrowed in fiscal 1996 to construct a new Central Service Center Complex and \$40,000 in interest earnings. Sales tax collections are budgeted to increase 111,000 based on current collection patterns. Interest earnings are budgeted down \$70,000 due to very low interest rates related to national economic issues

The \$4,057,214 budget from Other Financing Sources includes an operating transfer from the General Fund budgeted at \$3,045,000, \$511,863 in contributions from the Oak Ridge Foundation and a \$500,351 contingency budgeted for variances due to future debt issuances. There are no new debt issuances planned for fiscal 2012 at this time. The Oak Ridge Public Schools Education Foundation has been working to raise private contributions in support of for the ORHS project. It is anticipated that the Foundation will continue to provide funding to the City to pay the annual debt service on the QZAB bonds. The operating transfer from the General Fund declined by \$500,000 over the prior fiscal year due to saving achieved from bonds refunded during fiscal 2011.

Major Expenditure Areas

Fiscal 2012 projected debt service obligations on existing and future debt totaled \$8,142,000. The appropriation also includes a \$500,351 contingency for fluctuations in variable rate debt and for timing variances on future debt issuances. The only debt issuances during fiscal 2011 were to refund existing bonds.

**DEBT SERVICE FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
4187 Sales Tax Proceeds (High School Project)	2,129,490	2,021,000	2,132,000	2,132,000	111,000	5.5
4467 City Building Rentals	892,732	892,732	892,732	892,732	0	0.0
4610 Interest	30,206	110,000	35,000	40,000	(70,000)	-63.6
Total Revenues	<u>3,052,428</u>	<u>3,023,732</u>	<u>3,059,732</u>	<u>3,064,732</u>	<u>41,000</u>	<u>1.4</u>
EXPENDITURES:						
Debt Issuances for City Capital Projects:						
12151 TMBF 1994 Variable Rate Loan	1,010	25,594	5,000	25,594	0	0.0
12175 General Obligation Bond Refunding 2003	385,356	386,585	386,077	129,503	(257,082)	-66.5
12177 General Obligation Bond Refunding 2009	69,350	69,364	69,350	69,350	(14)	0.0
12173 Public Improvements, Series 2001	2,079,259	2,072,159	2,110,107	2,037,001	(35,158)	-1.7
12200 Golf Course	526,018	562,635	562,750	561,484	(1,151)	-0.2
Total City Projects	<u>3,060,993</u>	<u>3,116,337</u>	<u>3,133,284</u>	<u>2,822,932</u>	<u>(293,405)</u>	<u>-9.4</u>
Debt Issuances for School Capital Projects:						
12120 Oak Ridge High School Project Issuances	2,495,657	3,007,799	2,533,261	3,052,925	45,126	1.5
12176 General Obligation Bond Refunding 2003	39,021	39,145	39,094	13,114	(26,031)	-66.5
12178 General Obligation Bond Refunding 2009	706,754	706,841	706,754	706,754	(87)	0.0
12158 TMBF 2008 Variable Rate Loan	12,117	89,624	13,000	89,624	0	0.0
12174 Public Improvements, Series 2001	592,566	590,542	601,357	580,523	(10,019)	-1.7
Total School Projects	<u>3,846,115</u>	<u>4,433,951</u>	<u>3,893,466</u>	<u>4,442,940</u>	<u>8,989</u>	<u>0.2</u>
12180 Build America Bonds 2009B	194,923	375,253	375,777	375,777	524	0.1
12999 Contingency (Issuance Cost, Admin & Misc.)	187,802	729,459	101,047	500,351	(229,108)	-31.4
Total Expenditures	<u>7,289,833</u>	<u>8,655,000</u>	<u>7,503,574</u>	<u>8,142,000</u>	<u>(513,000)</u>	<u>-5.9</u>
Excess (Deficiency) of Revenues over Expenditures	(4,237,405)	(5,631,268)	(4,443,842)	(5,077,268)	554,000	-9.8
OTHER FINANCING SOURCES						
Private Sources	402,146	511,863	403,366	511,863	0	0.0
Bond Proceeds	10,133,002	0	7,420,000	0	0	0.0
Bond Premium	112,802	0	151,047	0	0	0.0
Bonds Redeemed	(10,058,002)	0	(7,470,000)	0	0	0.0
Contingency	0	729,459	0	500,351	(229,108)	-31.4
Operating Transfers In:						
General Fund	3,500,000	3,545,000	3,545,000	3,045,000	(500,000)	-14.1
Capital Projects Fund	6,347,520	0	0	0	0	0.0
Total Other Financing Sources	<u>10,437,468</u>	<u>4,786,322</u>	<u>4,049,413</u>	<u>4,057,214</u>	<u>(729,108)</u>	<u>-15.2</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	6,200,063	(844,946)	(394,429)	(1,020,054)	(175,108)	20.7
FUND BALANCE - 7/1	<u>6,113,799</u>	<u>12,123,594</u>	<u>12,313,862</u>	<u>11,919,433</u>	<u>(204,161)</u>	<u>-1.7</u>
FUND BALANCE - 6/30	<u>12,313,862</u>	<u>11,278,648</u>	<u>11,919,433</u>	<u>10,899,379</u>	<u>(379,269)</u>	<u>(3.4)</u>

DEBT SERVICE FUND EXPENDITURES	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs 11	% CHANGE
12120 ORHS RENOVATION ISSUANCES						
5210 Professional & Cont. Services	2,500	2,500	4,800	2,500	0	0.0
5439.1 Principal Retirement	100,000	150,000	150,000	200,000	50,000	33.3
5439.2 Interest Charges	1,991,011	2,343,436	1,975,095	2,338,562	(4,874)	-0.2
Total	2,093,511	2,495,936	2,129,895	2,541,062	45,126	1.8
12121 HIGH SCHOOL RENOVATION QZAB's						
5210 Fees	0	2,445	0	2,445	0	0.0
5439.1 Principal Retirement	402,146	509,418	403,366	509,418	0	0.0
Total	402,146	511,863	403,366	511,863	0	0.0
12180 BUILD AMERICA BONDS 2009B						
5210 Professional & Cont. Services	0	0	524	524	524	100.0
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges (Net Treasury Rebate)	194,923	375,253	375,253	375,253	0	0.0
Total	194,923	375,253	375,777	375,777	524	0.1
12151 TMBF 1994 VARIABLE RATE LOAN - CITY						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	1,010	25,594	5,000	25,594	0	0.0
Total	1,010	25,594	5,000	25,594	0	0.0
12158 TMBF 2008 VARIABLE RATE LOAN - SCHOOLS (ORHS PORTION IN 12120)						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	12,117	89,624	13,000	89,624	0	0.0
Total	12,117	89,624	13,000	89,624	0	0.0
12177 GENERAL OBLIGATION BONDS REFUNDING 2009 CITY						
5210 Professional & Cont. Services	36	50	36	36	(14)	-28.0
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	69,314	69,314	69,314	69,314	0	0.0
Total	69,350	69,364	69,350	69,350	(14)	0.0
12178 GENERAL OBLIGATION BONDS REFUNDING 2009 SCHOOLS						
5210 Professional & Cont. Services	368	455	368	368	(87)	-19.1
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	706,386	706,386	706,386	706,386	0	0.0
Total	706,754	706,841	706,754	706,754	(87)	0.0

DEBT SERVICE FUND EXPENDITURES	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs 11	% CHANGE
12173 GENERAL OBLIGATION BOND REFUNDING 2001 & 2011 - CITY						
5210 Professional & Cont. Services	156	156	156	156	0	0.0
5439.1 Principal Retirement	1,614,800	1,696,513	1,696,513	1,933,869	237,356	14.0
5439.2 Interest Charges	464,303	375,490	413,438	102,976	(272,514)	-72.6
Total	2,079,259	2,072,159	2,110,107	2,037,001	(35,158)	-1.7
12174 GENERAL OBLIGATION BOND REFUNDING 2001 & 2011 - SCHOOLS						
5210 Professional & Cont. Services	44	45	45	45	0	0.0
5439.1 Principal Retirement	460,200	483,487	483,487	551,131	67,644	14.0
5439.2 Interest Charges	132,322	107,010	117,825	29,347	(77,663)	-72.6
Total	592,566	590,542	601,357	580,523	(10,019)	-1.7
12175 GENERAL OBLIGATION BOND REFUNDING 2003 CITY						
5210 Professional & Cont. Services	197	704	197	197	(507)	-72.0
5439.1 Principal Retirement	238,817	247,898	247,897	0	(247,898)	-100.0
5439.2 Interest Charges	146,342	137,983	137,983	129,306	(8,677)	-6.3
Total	385,356	386,585	386,077	129,503	(257,082)	-66.5
12176 GENERAL OBLIGATION BONDS REFUNDING 2003 SCHOOLS						
5210 Professional & Cont. Services	20	71	20	20	(51)	-71.8
5439.1 Principal Retirement	24,183	25,102	25,102	0	(25,102)	-100.0
5439.2 Interest Charges	14,818	13,972	13,972	13,094	(878)	-6.3
Total	39,021	39,145	39,094	13,114	(26,031)	-66.5
12200 GENERAL OBLIGATION BONDS REFUNDING GOLF COURSE						
5210 Professional & Cont. Services	1,176	525	640	640	115	21.9
5439.1 Principal Retirement	275,000	380,000	380,000	405,000	25,000	6.6
5439.2 Interest Charges	249,842	182,110	182,110	155,844	(26,266)	-14.4
Total	526,018	562,635	562,750	561,484	(1,151)	-0.2
12999 CONTINGENCY						
5439.2 Future Debt, Issuance Cost, Admin & Misc.	187,802	729,459	101,047	500,351	(229,108)	-31.4
TOTAL DEBT SERVICE FUND EXPENDITURES	<u>7,289,833</u>	<u>8,655,000</u>	<u>7,503,574</u>	<u>8,142,000</u>	<u>(513,000)</u>	<u>-5.9</u>

GENERAL LONG-TERM DEBT
 FUNDED THROUGH DEBT SERVICE FUND
 AMORTIZATION SCHEDULE*
 ESTIMATED AT 6/30/11

Fiscal Year	Principal	Interest	Total Requirements
2012	\$ 3,599,419	\$ 4,037,744	\$ 7,637,163
2013	4,004,418	3,984,970	7,989,388
2014	3,999,418	3,901,937	7,901,355
2015	3,959,419	3,807,679	7,767,098
2016	4,079,418	3,690,977	7,770,395
2017	4,285,140	3,541,277	7,826,417
2018	4,499,745	3,368,490	7,868,235
2019	4,329,669	3,209,757	7,539,426
2020	4,469,930	3,061,812	7,531,742
2021	4,645,564	2,879,666	7,525,230
2022	4,097,183	2,684,557	6,781,740
2023	4,298,626	2,496,005	6,794,631
2024	4,075,000	2,296,383	6,371,383
2025	3,805,000	2,093,623	5,898,623
2026	4,020,000	1,932,120	5,952,120
2027	3,857,288	1,749,545	5,606,833
2028	2,015,000	1,578,706	3,593,706
2029	1,985,000	1,482,356	3,467,356
2030	2,045,000	1,394,256	3,439,256
2031	1,820,000	1,304,031	3,124,031
2032	4,315,000	1,222,131	5,537,131
2033	4,515,000	1,027,956	5,542,956
2034	2,295,000	824,781	3,119,781
2035	2,390,000	721,506	3,111,506
2036	2,490,000	613,956	3,103,956
2037	2,600,000	501,906	3,101,906
2038	2,725,000	388,156	3,113,156
2039	2,500,000	268,938	2,768,938
2040	2,500,000	169,000	2,669,000
2041	1,500,000	63,375	1,563,375
TOTAL	\$ 101,720,237	\$ 60,297,599	\$ 162,017,836

*Excludes Unissued Debt and Contingency Amounts

CAPITAL PROJECTS FUND OVERVIEW

This Capital Projects Fund is used to account for financial resources segregated for the acquisition, construction or renovation of major City and School capital facilities other than those financed by Enterprise Funds. By charter, the Oak Ridge Schools cannot issue debt. Expenditures for major School capital projects are accounted for in the Capital Projects Fund and are financed primarily either through long-term debt issued by the City and/or capital maintenance reserves funded by operating transfers from the City General Fund.

Major Revenue/Other Financing Sources

Revenues and Other Financing Sources for fiscal 2012 total \$4,149,221, a \$1,035,950 increase over the prior fiscal year. Funding for 2012 will be provided primarily from a \$2,012,000 operating transfer from the General Fund, \$607,652 in grant funding for construction of Phase IV of the Melton Lake Greenway and existing cash reserves. There are no new debt issuances planned for fiscal 2012.

For the past several years, the City has been funding capital maintenance projects through the issuance of long-term debt. The funding of these type items through the issuance of long-term debt is eroding the City's debt capacity, in addition to the required borrowings for major renovations or construction projects. In fiscal 2001, a program was recommended to City Council to finance capital projects costing between \$10,000 and \$300,000 from operating transfers from the General Fund to the Capital Projects Fund rather than through the issuance of long-term debt. The initial operating transfer in 2001 was for \$410,000 with the intent of gradually increasing the transfer amount each fiscal year until the required annual funding level of approximately \$1.5 to \$1.8 million is achieved. During fiscal 2010, these operating transfers were stopped in order to maintain an adequate fund balance in the General Fund and stabilize the property tax rate. In fiscal 2011, the General Fund transfer amount was increased to \$476,271. The General Fund operating transfer for fiscal 2012 is budgeted at \$2,012,000 which includes resumption of full funding of capital maintenance projects at \$1,500,000, \$500,000 for a pledge by the City toward expansion of the Roane State Community College campus located in Oak Ridge and \$12,000 to accumulate funds for the renovation of the City's Senior Center.

Revenues and expenditures both contain \$1,524,569 in contingency funding for project timing variances between fiscal years and emergency capital maintenance projects.

Major Expenditures Areas

Capital improvements totaling \$4,500,000 are budgeted for fiscal 2012. \$750,000 is budgeted for the School capital maintenance and site improvement projects and \$2,225,431 is for City capital maintenance projects. The budget includes a \$1,524,569 contingency for unplanned or timing variances in capital projects.

Major City capital improvements of \$2,225,431 budgeted for fiscal 2012 include storm water drainage improvements, parking lot maintenance, sidewalk improvements, continuation of upgrades to the City's recreational facilities to comply with the American Disabilities Act (ADA), City building improvements and upgrades, rowing improvements at the Marina and replacement of fencing, lighting and play equipment at miscellaneous parks throughout the City. \$758,431 is budgeted for the construction of Phase IV of the Melton Lake Greenway with \$607,652 of the project to be funded through grant proceeds.

Major School capital improvements, other than the ORHS project, are budgeted at \$750,000 for fiscal 2012 and include boilers, air handlers, gas packs and system-wide carpet replacement and asbestos abatement.

Current budget allotments allow for \$750,000 each in annual budgeted funds for City and School capital projects to be financed from the annual operating transfer from the General Fund. A more in-depth presentation of planned City and School capital projects is located in the Capital Improvements Program 2012-2017 document.

**CAPITAL PROJECTS FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
4610 Interest on Investments	10,239	35,000	4,500	5,000	(30,000)	-85.7
4800 TN Energy Efficiency & Conservation Block Grant	-	80,000	-	-	(80,000)	(100)
4830 Greenways Grants	-	611,000	3,348	607,652	(3,348)	-0.5
TOTAL REVENUES	10,239	726,000	7,848	612,652	(113,348)	-15.6

EXPENDITURES:

School Expenditures:

29201 Willowbrook Elementary	16,725	-	-	63,000	63,000	100.0
29202 Woodland Elementary	126,639	-	-	72,000	72,000	100.0
29203 Glenwood Elementary	13,098	-	-	-	-	0.0
29204 Oak Ridge High School Renovations	100,997	-	-	-	-	0.0
29205 Jefferson Jr High Renovations	18,726	-	59,596	250,000	250,000	100.0
29217 Oak Ridge High School Project	69,391	-	-	-	-	0.0
29206 Robertsville Middle School	124,911	350,000	322,517	-	(350,000)	-100.0
29207 School Equipment/Technology	75,600	-	44,286	-	-	0.0
29210 Linden Elementary	338,181	300,000	-	100,000	(200,000)	-66.7
29211 Miscellaneous Site Improvements:	62,260	25,000	-	50,000	25,000	100.0
29211 Carpet Replacement	-	50,000	-	50,000	-	0.0
29212 Asbestos Abatement	-	-	-	165,000	165,000	100.0
Total School Expenditures	946,528	725,000	426,399	750,000	25,000	3.4

City Expenditures:

29300 Roane State Community College	-	-	-	500,000	-	100.0
29100 Administrative & Issue Costs	146,723	-	-	-	-	0.0
29307 Municipal Building Improvements:						
Security Upgrades & Renovations	(61,863)	47,000	67,000	300,000	253,000	538.3
Roof Replacement	11,446	390,000	247,449	-	(390,000)	-100.0
Exterior Doors and Awnings	-	55,000	-	55,000	-	0.0
Convert police drive-in to meeting room	-	95,000	-	-	(95,000)	-100.0
29318 Central Services Complex						
HVAC Management System	-	100,000	-	42,000	(58,000)	-58.0
Air Compressor Replacement	-	10,000	10,000	-	(10,000)	-100.0
Replace gate operators	-	10,000	10,000	-	(10,000)	-100.0
Replace in-ground lifts	-	30,000	30,000	-	(30,000)	-100.0
29322 Storm Water Drainage	(321,697)	100,000	50,000	100,000	-	0.0
29332 Intersection Improvements	(15,255)	-	-	-	-	0.0
29326 Parking Lot Maintenance	(7,402)	50,000	15,000	50,000	-	0.0
29333 Sidewalk Construction/Maintenance	9,898	30,000	10,000	90,000	60,000	200.0
29336 Park Meade Road Area Slope	317,461	-	13,088	-	-	0.0
29341 Library HVAC Controls	-	-	24,200	-	-	-
29999 Miscellaneous	-	32,000	-	-	(32,000)	0.0

**CAPITAL PROJECTS FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
City Expenditures (Continued)						
29402 Soccer Complex	3,961	-	-	-	-	0.0
29317 Recreation Facility ADA Improvements	-	30,000	30,000	30,000	-	0.0
29400 BallField Lights	65,914	80,000	80,000	80,000	-	0.0
29493 Emory Valley Road Greenway	(2,747)	-	-	-	-	0.0
29400 Misc. Recreation	-	-	14,681	-	-	0.0
Field Fencing	-	25,000	25,000	25,000	-	0.0
Bleachers Replacement	-	50,000	50,000	-	(50,000)	-100.0
29494 Greenways Phase IV	(153)	765,000	6,569	758,431	(6,569)	-0.9
29403 Pinewood Park	(21,405)	-	-	-	-	0.0
29405 Oak Ridge Marina Rowing Improvements	-	-	-	75,000	75,000	100.0
29409 Big Turtle Park - Parking Lot Rehab	-	-	-	50,000	50,000	100.0
29411 Carl Yearwood Park - Parking Lot Rehab	-	35,000	35,000	-	(35,000)	-100.0
29412 Cedar Hill Park	-	180,000	180,000	-	(180,000)	-100.0
29413 Elm Grove Park	5,308	-	-	40,000	40,000	100.0
29415 Highland View Park	(4,514)	-	-	-	-	0.0
29416 LaSalle Park	46,606	-	77,528	30,000	30,000	100.0
29420 Elza Gate Park - Parking	16,990	-	72,350	-	-	0.0
29430 Indoor Pool - Filtration System	27,656	-	-	-	-	0.0
Total City Expenditures	<u>216,927</u>	<u>2,114,000</u>	<u>1,047,865</u>	<u>2,225,431</u>	<u>(388,569)</u>	<u>-18.4</u>
29999 Project Carryforward and Emergency Projects	-	1,911,000	-	1,524,569	(386,431)	-20.2
TOTAL EXPENDITURES	<u>1,163,455</u>	<u>4,750,000</u>	<u>1,474,264</u>	<u>4,500,000</u>	<u>(250,000)</u>	<u>-5.3</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,153,216)	(4,024,000)	(1,466,416)	(3,887,348)	136,652	3.4
<u>OTHER FINANCING SOURCES (USES):</u>						
Other Financing Sources and Transfers In:						
Long-Term Debt Proceeds	8,949,917	-	-	-	-	0.0
Contingency Funding	-	1,911,000	-	1,524,569	(386,431)	-20.2
General Fund	79,975	476,271	476,271	2,012,000	1,535,729	322.4
Transfers out:						
Debt Service Fund	(6,347,520)	-	-	-	-	0.0
Total Other Financing Sources (Uses)	<u>2,682,372</u>	<u>2,387,271</u>	<u>476,271</u>	<u>3,536,569</u>	<u>1,149,298</u>	<u>48.1</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	1,529,156	(1,636,729)	(990,145)	(350,779)	1,285,950	-78.6
FUND BALANCE - 7/1	<u>859,020</u>	<u>1,818,616</u>	<u>2,388,176</u>	<u>1,398,031</u>	<u>(420,585)</u>	<u>-23.1</u>
FUND BALANCE - 6/30	<u>2,388,176</u>	<u>181,887</u>	<u>1,398,031</u>	<u>1,047,252</u>	<u>865,365</u>	<u>475.8</u>

CAPITAL IMPROVEMENTS PROGRAMS OVERVIEW – ALL FUNDS

Beginning on page IV-14, is a summary and description of citywide capital improvement projects budgeted for fiscal 2012. The summary on page IV-14 outlines the projects by funding source.

The projects funded by the Capital Projects Fund are financed by a combination of long-term debt proceeds and existing fund balance created from operating transfers from the General Fund. The long-term goal is to fund major capital projects through the issuance of long-term debt and routine capital maintenance through the accumulated annual operating transfers from the General Fund. The break between routine and major is currently being defined at the \$300,000 level. The major budgeted projects in the Capital Projects Fund in fiscal 2012 are various capital maintenance improvements to City and School building and recreational facilities and includes a \$500,000 donation for the expansion of the Oak Ridge campus of Roane State Community College.

The Electric and Waterworks Fund capital improvements will be funded through a combination of long-term debt and existing cash generated through the applicable user rates for those services. The City currently has \$1,403,435 in authorized and available loan proceeds that can be drawn for wastewater rehabilitation capital projects. This debt is in the form of draw loans, which are drawn down as capital expenditures occur over the next year. The City is currently under an Administrative Order (AO) from the United States Environmental Protection Agency (EPA) to remedy violations of the Clean Water Act that occurred through the City's wastewater system. This order will result in an estimated \$15,000,000 in debt issuances and will require a significant increase in wastewater rates. The amounts and timing of debt to be issued and the impact on the wastewater rates was not determined at the time the fiscal 2012 budget was prepared. An estimated \$6,500,000 in capital required by the EPA AO was used for 2012 budget purposes.

Capital improvement projects accounted for in the State Street Aid Fund are funded through an operating transfer from the General Fund and state shared tax revenues. The capital improvement level in this Fund should remain fairly constant from year-to-year.

At the end of each calendar year, a Capital Improvements Program (CIP) document is prepared that outlines the City's capital needs for the next six years. City staff drafts the document and then it is forwarded to the Oak Ridge Regional Planning Commission for review. A detail sheet is prepared outlining the need and cost of each capital project. The final adopted CIP is then incorporated into the City's annual budget document. Please refer to the CIP 2012-2017 document for a more in-depth discussion of the capital projects presented in this budget document.

**SUMMARY OF CAPITAL IMPROVEMENT PROGRAMS
FISCAL YEAR 2012**

PROJECT DESCRIPTION	CAPITAL PROJECTS FUND	ELECTRIC FUND	WATERWORKS FUND	OTHER CITY FUNDS	STATE/FEDERAL/PRIVATE	TOTAL CAPITAL PROJECTS
OAK RIDGE CENTRAL SERVICE COMPLEX	\$ 42,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 142,000
OAK RIDGE MUNICIPAL BUILDING	355,000					355,000
PARKING LOT MAINTENANCE	50,000					50,000
ROANE STATE COMMUNITY COLLEGE	500,000					500,000
RECREATION FACILITY ADA IMPROVEMENTS	30,000					30,000
FENCING REPLACEMENT	25,000					25,000
GREENWAY IMPLEMENTATION	150,779				607,652	758,431
ELM GROVE PARK	40,000					40,000
LASALLE PARK	30,000					30,000
LIGHT FIXTURE REPLACEMENT AT BALL FIELDS	80,000					80,000
PARKING LOT CONSTRUCTION/REHAB (Big Turtle)	50,000					50,000
ROWING IMPROVEMENTS	75,000					75,000
SIDEWALK IMPROVEMENTS	90,000			30,000		120,000
STREET RESURFACING & CITY-OWNED PARKING LOTS				950,000		950,000
STATE ROUTE 95/58 ROAD IMPROVEMENTS / R-O-W & CONST.					15,000,000	15,000,000
STORM WATER PROGRAM, EPA NPDES	100,000					100,000
EPA MANDATE (ESTIMATED)			6,500,000			6,500,000
STREET LIGHT IMPROVEMENT PROGRAM		65,000				65,000
FACILITIES EXPANSION FOR NEW LOADS AND SERVICES		455,000				455,000
ROUTINE EXPANSION, MAINTENANCE AND MINOR ADDITIONS		675,000				675,000
ELECTRIC SUBSTATION IMPROVEMENTS		100,000				100,000
DISTRIBUTION SYSTEM IMPROVEMENTS		1,750,000				1,750,000
TRAFFIC SIGNAL, PUBLIC & PRIVATE LT MAINT./IMPROVEMENTS		110,000				110,000
SCADA AND REMOTE METERING		1,030,000				1,030,000
WATER TREATMENT PLANT CAPITAL IMPROVEMENTS			1,650,000			1,650,000
WATER BOOSTER STATION UPGRADES			100,000			100,000
WATER DISTRIBUTION SYSTEM REHABILITATION			570,000			570,000
WEST END / WATER/K-25 WTP IMPROVEMENTS					250,000	250,000
WEST END / ETPP WASTEWATER SYSTEM IMPROVEMENTS					250,000	250,000
WEST END / RARITY RIDGE RIVER CROSSING - WATER			750,000		750,000	1,500,000
ASBESTOS ABATEMENT - SYSTEMWIDE	165,000					165,000
JEFFERSON MIDDLE SCHOOL	250,000					250,000
LINDEN ELEMENTARY SCHOOL	100,000					100,000
SYSTEM WIDE SIDEWALK/CARPET REPLACEMENT	50,000					50,000
WILLOW BROOK ELEMENTARY SCHOOL	63,000					63,000
WOODLAND ELEMENTARY SCHOOL	72,000					72,000
SCHOOL CAPITAL MAINTENANCE-MISCELLANEOUS	50,000					50,000
TOTAL CAPITAL IMPROVEMENT PROGRAMS	\$ 2,367,779	\$ 4,185,000	\$ 9,570,000	\$ 980,000	\$ 16,957,652	\$ 34,060,431

Capital Improvements Program Fiscal Year 2012

I. Commercial / Residential Development

1. West End Development & Expansion

In June of 1999, eight “Partners for Progress” consisting of the City of Oak Ridge, Roane County, Anderson County, Department of Energy (DOE), Tennessee Valley Authority (TVA), State of Tennessee, Boeing-Oak Ridge, and The Community Reuse Organization of East Tennessee (CROET), entered into a Memorandum of Understanding (MOU) for the partners to work together to find sources of funding for the installation of infrastructure, projected to cost \$15.2 million, to five large parcels of land in the Oak Ridge portion of Roane County. Since that time, a 1,400 acre parcel of land is now being developed as a residential/commercial community known as Rarity Ridge and a 957 acre parcel has been developed by CROET as an industrial park.

Construction of water service infrastructure to the initial phase of Rarity Ridge has been completed. This includes a connection to Cumberland Utility District, a booster pump station, elevated storage tank and all interconnecting piping. A new Wastewater Treatment Plant (WWTP) with a permitted capacity of 0.6 MGD has been completed to handle the Rarity Ridge development, Horizon Center and the DOE owed East Tennessee Technology Park. The City has acquired the on-site water infrastructure at Horizon Center and on May 29, 2009 DOE transferred ownership of water and wastewater infrastructure located at the ETTP site to the City, which included a 4.0 million per day capacity water treatment plant, raw water intake station, two water storage tanks with a 4.0 million combined capacity, five wastewater-pumping stations and water and sewer lines. The City was awarded a Federal Grant to assist with interconnecting the ETTP Water Treatment Plant (WTP) and the Rarity Ridge water system.

CROET has completed construction of the force main between ETTP and Horizon Center. Additional work by CROET includes a new pump station and force main from Heritage Center to the new Rarity WWTP. The City’s WWTP at the Clinch River Industrial Park is over 30 years old and needs to be replaced as quickly as its flow can be directed toward the system at Heritage Center, and ultimately to the Rarity Ridge plant.

Funding Source and Projects

Waterworks Fund (ETTP Paid Indirectly through DOE Contract)		\$1,250,000
Federal Funds EPA Grant		<u>750,000</u>
TOTAL		<u>\$2,000,000</u>
Rarity Ridge River Crossing		
Waterworks Fund	\$ 750,000	
EPA Grant for Matching Funds	750,000	
ETTP Water System	250,000	
ETTP Wastewater System	<u>250,000</u>	
TOTAL		<u>\$2,000,000</u>

Operational Impact: As this project moves forward, additional costs for operation and maintenance will be incurred and are included in this item. With the assumption of the water and sewer infrastructure as well as the roadways within ETTP, in fiscal 2009 a five position west end maintenance crew was added as well as one water plant operator to handle the demands of the west end systems at ETTP, Horizon and Rarity Ridge. DOE is funding water and wastewater operational costs for west end utilities through its contractor URS/CH2M through May 2013.

2. Roane State Community College – Oak Ridge Campus Donation

In May 2009, the City agreed to provide \$500,000 in funding toward a new building for the Oak Ridge Roane State Community College campus if sufficient state funding could be obtained to construct the facility. In January, 2011 the City was notified that Roane State received a \$9,000,000 state grant for the project and requested the \$500,000 funding from the City in 2012.

Funding Source	
Capital Projects Fund	<u>\$500,000</u>
Operational Impact: None	
TOTAL COMMERCIAL/RESIDENTIAL DEVELOPMENT	<u>\$2,500,000</u>

II. Municipal Facilities

1. Renovations/Additions to Municipal Facilities (Capital Maintenance)

This project provides for improvements to existing City-owned facilities. In fiscal 2011, the City was awarded \$100,000 Tennessee Energy Efficiency and Conservation Block Grant. The funds will be used to purchase and install a direct digital control system for the Central Services Complex. \$355,000 in funding has been allocated to remodel, particularly the police area, and enhance security and ADA access for the City's Municipal Building. \$50,000 in funding has been allotted to resurface and maintain the City's various parking lots on an as needed basis.

Funding Source and Projects	
Capital Projects Fund	\$447,000
State of Tennessee and Federal Funding	<u>100,000</u>
TOTAL	<u>\$547,000</u>
Oak Ridge Central Service Complex	\$142,000
Oak Ridge Municipal Building	355,000
Parking Lot Maintenance	<u>50,000</u>
TOTAL	<u>\$547,000</u>

Operational Impact: The installation of a direct digital control system is expected to provide a 10% to 25% (currently \$21,900 to \$54,725) in annual saving in combined electrical and gas consumption for the Central Services Complex. The remodeling projects will have minimal impact on operations. Performing routine maintenance of parking lots reduces the likelihood of much more expensive lot reconstruction.

TOTAL MUNICIPAL FACILITIES	<u>\$547,000</u>
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III. Recreation and Parks

1. Greenway Implementation – Melton Lake Phase IV

A Greenway is a system of walking trails connecting the City's greenbelts. The advantage is to bring parkland nearer to all Oak Ridge citizens. The Citywide system recommended by the Greenway Task Force has been endorsed by City Council. These greenways are being funded through a combination of City and grant money from the Tennessee Department of Transportation (TDOT).

Funding Source

Capital Projects Fund	\$150,779
Tennessee Department of Transportation Grants	<u>607,652</u>
TOTAL	<u>\$758,431</u>

Operational Impact: Maintenance cost is estimated at \$220 per mile per year.

2. Construction and Improvement of Various Park and Recreation Facilities

Capital maintenance funding will be utilized for various recreational facility improvements. The comprehensive plan outlines the development or improvement of a neighborhood park within walking distance of each neighborhood. The City is continuing its ongoing process to make upgrades and enhancements to City owned playgrounds to comply with standards by the American Disabilities Act (ADA), Consumer Product Safety Council (CPSC) and American Society for Testing and Materials (ASTM).

Fiscal Year 2012 projects include improvement and reconstruction of the basketball courts at Elm Grove and LaSalle Parks, replacement of fencing and lighting at athletic fields that have been damaged by deterioration, vandalism and age as dictated by security and safety concerns, and overlaying the parking lot surface at Big Turtle Park. The rowing venue on Melton Hill Lake will be upgraded to include new docks, timing device, expansion of the existing boathouse, widening the course and dredging near the start line.

Funding Source and Projects

Capital Projects Fund	<u>\$330,000</u>
ADA Compliant Playgrounds (Renovation)	\$ 30,000
Elm Grove Park	40,000
LaSalle Park	30,000
Rowing Improvements	75,000
Fencing Replacement	25,000
Light Fixtures Replacement	80,000
Parking Lot Construction/Rehab	<u>50,000</u>
TOTAL	<u>\$330,000</u>

Operational Impact: Most projects are to maintain existing infrastructure, which minimizes future more costly repairs/replacements from both a maintenance and safety perspective. Enhancing the rowing venue will increase the City's opportunity to attract national and international rowing events and regattas to the City. The tourism revenue generated by these events should offset the costs of the maintaining the new rowing infrastructure.

TOTAL RECREATION AND PARKS **\$1,088,431**

IV. Transportation

1. Street Resurfacing including City-Owned Parking Lots (Maintenance)

This program funds the City's Enhanced Pavement Maintenance Program and provides for annual resurfacing of designated city streets in a manner, which utilizes both corrective and preventative maintenance strategies. Corrective maintenance includes the use of conventional hot-mix asphalt overlays along with pavement milling where necessary, and is used to rehabilitate and correct streets that are deteriorated and/or have poor pavement conditions. Preventative maintenance strategies include the application of thin micro-surface overlays and the application of asphalt rejuvenating surface treatments. These strategies are used to extend the life of street pavements that are still in good to excellent condition.

In addition to resurfacing streets, this program also includes resurfacing of city-owned parking lots that are in poor condition including such parking lots as those located in the Grove Center and Jackson Square commercial area and various city parks.

Funding Source

State Street Aid	<u>\$950,000</u>
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Operational Impact: By resurfacing or rejuvenating streets on an as needed basis, this project reduces the overall cost and amount of maintenance required for City streets. This project is performed under contract with minimal impact on operations.

2. Sidewalk Improvements

Rehabilitation of existing sidewalks will continue throughout the City.

Until such time that the State grant funding becomes available for new sidewalk construction, efforts will be concentrated on rehabilitation of existing sidewalks. The construction of new sidewalks will resume should additional State funds become available.

Approximately 100 miles of concrete and asphalt sidewalks are located throughout Oak Ridge. Many of the existing sidewalks are 30+ years old and the cost of repairing sidewalks and handicap ramps has significantly increased. Funding levels increased by \$30,000 for fiscal 2012 which will aid in keeping sidewalks in an acceptable position to assure pedestrian safety.

Funding Source

State Street Aid Fund	\$ 30,000
Capital Projects Fund	<u>90,000</u>
TOTAL	<u>\$120,000</u>

Operational Impact: Sidewalk renovation does not initially impact operating expenses. Direct operating costs are generally insignificant and can be handled with existing municipal forces.

3. State Route 95/58 Road Improvements

The scope of this project includes widening State Route 95/58 in Roane County and State Route 95 in Anderson County from I-40 Gallahar Road interchange to State Route 62 (South Illinois Avenue). Phase I improvements included widening the existing two-lane roadway to a five-lane section from I-40 to the Clinch River and a four-lane divided roadway from the Clinch River to SR 95/58 interchange with an excluded roadway section around Heritage Center. Phase II improvements include widening to a four-lane divided roadway between SR 95/58 interchange to Westover Drive and installation of

new water infrastructure to serve the west end. Phase III improvements included widening to a four-lane divided highway from Westover Drive to Jefferson Avenue and a five-lane section from Jefferson Avenue to State Route 62 (South Illinois Avenue) and upsizing water lines to serve the west end and some sanitary server upgrades.

Phase I was completed in 2002. Phase II construction is underway and scheduled for completion in July of 2012. Phase III construction was completed in September 2010. Phase II new water lines have already been funded by the City and CROET. Relocated water/sewer lines for Phase III were be funded by TDOT with upsizing and new lines funded by the City.

Funding Source

State of Tennessee and Federal Funding \$15,000,000

Operational Impact: The City has already paid the State its anticipated share to move, upgrade or install water, wastewater and electric infrastructure along SR 95/98. Additional funding could be required by the City if this does not meet the final contractual requirements by the State. Ongoing maintenance will be provided under the City's highway maintenance contract with the State. Current traffic volumes on SR 95/58 are projected to increase the need for additional traffic lanes. With current roadway widening projects on the east and west ends of Oak Ridge, there may be a future need to fully evaluate the Oak Ridge (Downtown) Turnpike roadway section for possible improvement to provide an acceptable level of service.

TOTAL TRANSPORTATION \$16,070,000

V. Utilities

1. Facilities Expansion for New Load

This item combines the various elements of the Electric Department's efforts to serve new loads with the exception of substations and major feeder lines. These include line extensions, construction within subdivisions and other such activities. Cost is dependent on development activity and this should be treated as a placeholder.

The cost and timelines for these projects are development driven, and thus difficult to predict. Expenditures for underground residential development topped in FY09, a large increase from the years previous. Commercial expansion expenditures were also ahead of projections slightly. We expect moderation in these figures over the next few years. Funding demands in the ETPP area have also exceeded expectation and capital has been adjusted accordingly.

This expense is required to serve new loads under existing council policy. All costs expended in this item are protected by the City's justified investment policy, which should provide for cost recovery through the rate over time.

Funding Source and Projects

Electric Fund \$455,000

Underground Residential	\$200,000
Overhead Residential	55,000
Underground Commercial	150,000
Overhead Commercial	<u>50,000</u>
TOTAL	<u>\$455,000</u>

Operational Impact: Expanded service areas will require additional maintenance by City electrical crews. Outside contractors are utilized for distribution expansion and other operational projects to supplement electric crews on an as needed basis.

2. Electrical Distribution System Improvements

This project provides for the upgrade of existing system components, including conductors, underground service vaults, and the addition of specific protection devices. It describes non-routine work done by the department to rectify identified inadequacies, along with items required to enhance system performance.

All circuits are continually monitored for overloading, deterioration or other conditions that require updating.

Underground cable failure and replacement continues to be a major effort. This work was originally intended to be cut in half next year, but a spate of failures has moderated this goal to 25% reduction for the next three years. Out projects have been left unchanged as progress through the system indicates a reduction will be in order at that time. Work is beginning in the Westwood subdivision to supply a new feed into the area. We plan to finish this important feed over the next two years. Other improvements were made in small sections.

Line segments are routinely evaluated via the Department’s system model for potential use in switching operations, alternate feeds and line loss, as well as age, condition and functionality. Other structures particularly underground vaults need to be upgraded. With new equipment installed, annual operating costs should decrease and system safety improved. Additionally, underground cables in parts of the City are reaching the end of their useful life.

Funding Source and Projects

Electric Fund		<u>\$1,750,000</u>
Circuit Improvement	\$ 150,000	
Underground Cable Replacement	750,000	
Westwood Three Phase Expansion	600,000	
Downline Recloser Additions	<u>250,000</u>	
TOTAL	<u>\$1,750,000</u>	

Operational Impact: With new equipment installed annual operating costs should decrease and system safety improved.

3. Electrical Routine Expansion, Maintenance, Replacement and Minor Additions (Maintenance)

Most of the routine work done by the Department is considered capital (under TVA guidelines). This item has been included to capture the cost of that routine capital. Much of the City’s underground cable has aged to the point that replacement is necessary. Also this item represents minor items that are completed on an ongoing basis in the Department – such as pole change outs. Miscellaneous capital includes a broad range of items from meters and transformers to protection equipment.

Funding Source

Electric Fund		<u>\$675,000</u>
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Operational Impact: This is an ongoing project for replacement of aging equipment and will reduce overall maintenance expenses and insure good quality electric power delivery.

4. Street Light Improvement Program (Capital/Maintenance)

This ongoing project provides for the correction of problems to improve the level of street lighting activity within the City. Reduced funding will allow for minor improvements to critical need locations.

The Electrical Department has a street light survey of the city and has policies and guidelines for street lighting. This program will address the street lighting in areas with deteriorated or inadequate lighting. No money is included for significant new lighting. An increased emphasis on “dark sky lighting” will be part of the future effort to minimize the effects of light pollution on the nighttime sky.

Funding Source

Electric Fund \$65,000

Operational Impact: This is an ongoing project for replacement of aging equipment and will reduce overall maintenance expenses and provide better lighting of City streets.

5. SCADA and Remote Metering (Capital)

This program combines two significant efforts that will be required in the next few years to operate effectively under the new TVA rate structures, AMR & SCADA. SCADA (Supervisory Control and Data Acquisition) allows remote monitoring and operation of the Electric System. AMR (Automatic Meter Reading) will permit new structures to be implemented and reduce some costs.

The installation of fiber optic cable will provide a communications back bone from which SCADA operations can be launched. The beginning of this system should start within one year. An engineering review of available SCADA options, as well as an evaluation of their ability to reduce operational and energy cost needs to be undertaken. A small test section of AMR is currently operating. Evaluation of its interface abilities is needed.

Additionally, this project could have reduced duration and frequency of electrical outages and improved efficiency of operations. New TVA rate structures will reward utilities that are able to remotely control voltage use monitor loads in real time. Neither of these are possible without a SCADA system. Finally, the communication back bone needed for SCADA system will serve data needs of advanced metering, which will be required to comply with TVA directives and rates.

Funding Source

Electric Fund \$1,030,000

Operational Impact: A more in-depth analysis will be required to more effectively define both the qualitative and quantitative benefits and payback of installing these systems.

6. Traffic Signal and Street Lighting Improvements (Maintenance)

This project provides for the routine maintenance, installation and replacement of existing traffic signals, street and private lighting. These items are maintained and replaced on an ongoing basis and will be budgeted annually.

Funding Source

Electric Fund \$110,000

Operational Impact: The Electric Fund pays for and installs the capital equipment and performs ongoing maintenance to the traffic/street lighting systems. The General Fund annually pays the Electric Fund a 13% investment charge on the net book value of the traffic signal and street lighting assets for the installation and maintenance of the equipment.

7. Electric Substation Improvements

This project provides funding to install communications and security equipment in electrical substations, and also to provide upgrades to equipment in the stations. The manufacturer has identified protective equipment relays at several substations as obsolete. Replacement planning is underway with a view toward standardization and future electronic (SCADA) control. Additionally, security is being tightened via broadband communications and improved security systems.

In the past, we have used telephone lines to monitor alarm conditions, which have prevented many outages and helped the situation somewhat. Current equipment being installed in substations has significantly greater communications capability. As the price of wireless wide area network technology decreases, the ability to utilize this capability and provide basic system monitoring becomes economically feasible. The security of the stations, both from a homeland security standpoint and from a pilferage standpoint needs to be improved. This project would allow both of these objectives to be met. Many of the relays in the field are antiquated units with "hard to find" parts. Improvements include moving station equipment into the field and replacing it with newer more reliable equipment.

Costs have been adjusted this year to compact the time frame of the work.

Funding Source

Electric Fund	<u>\$100,000</u>
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Operational Impact: Most of the operating costs required by the new systems would be covered by the replacement of those currently being paid for existing services.

8. Storm Water Management Activities and EPA NPDES Storm Water Program

This project combines two previous projects regarding the EPA NPDES Storm Water Program and the Storm Water Management Activity. This project provides funding for compliance with the new EPA Storm Water regulations and for routine maintenance activities. Upon completion of a management plan, additional funding will be allocated in the future for needed improvements to meet required regulations. Such improvements may include upgrading of inadequate structures, replacement of current structures and/or new installations.

Final EPA regulations for Phase II storm water requirements were released in October 1999 and Oak Ridge is expected to fall in this second phase of rulemaking. A management plan was developed in mid-2003 and Camp Dresser & McKee, Inc. is under contract for the management plan process. Although some inventory tasks have been completed, the project is on hold until the State provides official notification that the City is included in the program. The State presently lists Oak Ridge as a pending city for the program.

Funding Source

Capital Projects Fund – Storm Water Management	<u>\$100,000</u>
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9. EPA Mandate (estimated)

On September 27, 2010, the City received an administrative order (AO) from the United States Environmental Protection Agency (EPA). The City was found to be in violation of Section 301 of the Clean Water Act (CWA), 33 U.S.C. Section 1311. The City has been given a timetable and actions to be made to remedy the violations with various deadlines from two to twenty-four months. The AO requires the City to provide additional information regarding the violations; develop plans to evaluate and resolve the issues described; and, based on the plans, make changes to policies and construct assets, if necessary. The plans must be approved by the EPA. The City was in the discovery

stage, which includes smoke testing and tving the City's wastewater system, at the time this budget was prepared. More accurate costs regarding capital and ongoing operating expenses will be determined during fiscal 2012. The \$6,500,000 budgeted for capital expenditures related to this mandate were an estimate based on information available at that time. Significantly higher capital and ongoing operating expenses are anticipated due to this mandate.

Funding Source	
Waterworks Fund	<u>\$6,500,000</u>

10. Water Booster Station Upgrades (Maintenance)

Additional maintenance capital is added to replace or upgrade items such as pumps, motors, or pipes that will fail as time further degrades these forty plus year old structures. The general upgrade of all water booster stations is complete. Additional capital maintenance funding is added to replace existing equipment such as pumps and motors over time.

Water booster stations are an integral part of the water system. Repairs and upgrades have resulted in the stations performing more efficiently. The extended life of over thirty years necessitates continued maintenance to provide uninterrupted water service for our customers.

Funding Source	
Waterworks Fund	<u>\$100,000</u>

Operational Impact: Continuation of upgrades to the City's main water booster pump stations including buildings, pumps, motors and the hydraulic capability of the pumping stations. This will reduce maintenance costs and improve the operation of the pumping stations.

11. Water Distribution System Rehabilitation (Maintenance)

This program provides funding for ongoing routine capital maintenance activities within the water distribution system. Replacement of obsolete fire hydrants and large diameter water valves and piping occur throughout the year. Inspection and repainting of the elevated tanks will be performed using routine capital maintenance.

This project continues a plan for rehabilitation of the City's water distribution system concentrating on:

- 1) Replacing obsolete fire hydrants which are no longer manufactured and repair parts are no longer available;
- 2) Inspection and painting of the six elevated water tanks and cleaning in-ground reservoirs is on-going;
- 3) Replacement of approximately 6,000 feet of 14 inch force main from the west booster station up to West Outer Drive due to age and large number of breaks on that line, estimated to be approximately \$900,000 and
- 4) Replacement and downsizing of water meters.

Funding Source and Projects	
Waterworks Fund	<u>\$570,000</u>

Water Tank Painting & Inspection, Reservoir Cleaning	\$80,000
Water System Rehabilitation	255,000
Fire Hydrant Replacement	160,000
Water Meter Replacement & Downsizing	<u>75,000</u>
TOTAL	<u>\$570,000</u>

Operational Impact: This project will concentrate on replacement of aged system components focusing initially on large diameter valves (14" through 30") and valve vaults and finally on water main replacement. This will decrease the number of water breaks and lower maintenance costs. Older fire hydrants are being replaced instead of being repaired because the parts are obsolete.

12. Water Treatment Plant Improvements (Capital/Maintenance)

This program provides ongoing capital improvements to the Water Treatment Plant necessary to ensure the plants physical and mechanical structure is solid, thus allowing it to continuously produce drinking water that meets the guidelines established by State and Federal regulations. DOE had owned and operated the plant since its construction in the early 1940's. The plant provides potable water to both the Y-12 and X-10 facilities as well as to the City of Oak Ridge. The City assumed ownership and operational responsibilities of the Water Treatment Plant from DOE on May 1, 2000. Prior to the transfer to the City, a physical and structural analysis of the plant and its related facilities indicated that the plant's physical condition, while still functional, would require various improvements in order to replace outdated equipment with new, modern and more reliable equipment and allow the facility to run cost efficiently. Engineers identified a four million dollar five-year improvement program and the financial support of this program has been factored into the rate structure. These improvements have been slowly implemented since the city assumed ownership. Ongoing capital maintenance funding will continue annually.

Fiscal 2012 improvements include completion of design and begin construction of electrical upgrades, install chemical building to house liquid chlorine and discontinue use of gaseous chlorine for water treatment, and replace the roof on the main operations building. The completion of the electrical upgrades is expected to extend into fiscal 2013. Annual routine capital improvements are budgeted at \$500,000.

This project is subject to change based on future regulations from the EPA.

Funding Source and Projects

Waterworks Fund		<u>\$1,650,000</u>
Electrical Upgrade	\$500,000	
Construct Chemical Building	300,000	
Roof Replacement-Main Operation	350,000	
Maintenance Capital Improvements	<u>500,000</u>	
TOTAL		<u>\$1,650,000</u>

Operational Impact: These upgrades should provide more efficient, effective and safer operations with minimal ongoing operating cost increases.

TOTAL UTILITIES	<u>\$13,105,000</u>
TOTAL CITY OF OAK RIDGE	<u>\$33,310,431</u>

VI. Schools

1. Site Development and Building Improvements to Various Schools (Maintenance)

This project provides for improvements to existing School facilities. Projects for fiscal 2012 are for the completion of replacement of air handlers at Jefferson Middle School, boiler replacement at Linden Elementary, replacement of gas packs at Woodland and Willow Brook Elementary and system-wide carpet and asbestos abatement. The Asbestos Hazard Emergency Act requires that all schools in the nation inspect, test and evaluate all suspect building materials. Fiscal 2012 projects include air monitoring, testing and removal of materials.

Funding Source and Projects

Capital Projects Fund		<u>\$ 750,000</u>
Jefferson Middle School	\$ 250,000	
Asbestos Abatement-System Wide	165,000	
Linden Elementary School	100,000	
Woodland Elementary School	72,000	
Willow Brook Elementary School	63,000	
System Wide Carpet Replacement/Sidewalk Repair	50,000	
School Capital Maintenance-Miscellaneous	<u>50,000</u>	
TOTAL		<u>\$ 750,000</u>

Operational Impact: Most projects will increase efficiency and effectiveness of equipment resulting in minimal operational impact on School Staff.

TOTAL SCHOOLS **\$750,000**

GRAND TOTAL - CAPITAL IMPROVEMENTS **\$34,060,431**

V. ENTERPRISE FUNDS & INTERNAL SERVICE FUNDS

Table of Contents

Enterprise Funds	V-1
Electric Fund.....	V-1
Fund Overview	V-1
Organizational Chart - Electric Department	V-2
2010- 2011 Accomplishments	V-3
2011- 2012 Goals.....	V-3
Revenue and Expenses	V-4
Capital Projects, Electric Rates and Long-Term Debt	V-7
Waterworks Fund	V-10
Water Operations	V-11
Wastewater Operations	V-11
2010-2011 Accomplishments	V-12
2011-2012 Goals.....	V-13
Revenue and Expenses	V-14
Capital Projects, Water and Wastewater Rates and Long-Term Debt	V-17
Emergency Communications District (ECD) Fund	V-20
Fund Overview	V-20
Revenue and Expenses	V-20
Internal Service Funds	V-23
Equipment Replacement Rental Fund (ERRF)	V-23
Insurance Fund	V-27

ENTERPRISE FUNDS

Enterprise Funds are 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 purpose.



Due to external influences beyond the City's control, actual expenses may vary either higher or lower than projected budgeted expenses in the City's Enterprise Funds. Factors such as weather patterns, mild or severe summers or winters, rainfall or drought conditions, unusual maintenance requirements (such as replacement of downed electric lines, water line breaks, etc.), affect the level of expenses of these Funds. Therefore, the budgeted expenses for the City's Enterprise Funds are not legally appropriated and are presented for informational purposes to show operational projections for the remaining major Funds of the City. As outlined in this Section, the City maintains three Enterprise Funds:

- **Electric Fund** – Accounts for the provision of electric service to the residents of the City.
- **Waterworks Fund** – Accounts for the provision of water treatment and distribution and wastewater collection and treatment for residents and commercial customers in the City.
- **Emergency Communications Fund** – Accounts for some activities related to the provision of emergency communication service (911) to the residents of the City and some surrounding areas.

ELECTRIC FUND

Fund Overview

The City is a TVA electric power distributor. Major activities include purchasing power from TVA and providing service to the City's more than 16,085 residential and industrial customers within the city limits, excluding the DOE Reservation. Historically, purchased power costs range from 75% to 79% of electric sales revenues. A projected statement of revenue and expenses for the Electric Fund is found on page V-5.

Under the responsibility of the Electric Department, the system's physical plant is maintained by a variety of specialized crews supplemented by contract labor. The Department is divided into three divisions; engineering, operations and technical services, and is staffed by 35 employees. The Electric Fund provides for the construction, operation and maintenance of the electrical distribution system, the street lighting system and the traffic signal system. The Electric Department also provides technical expertise

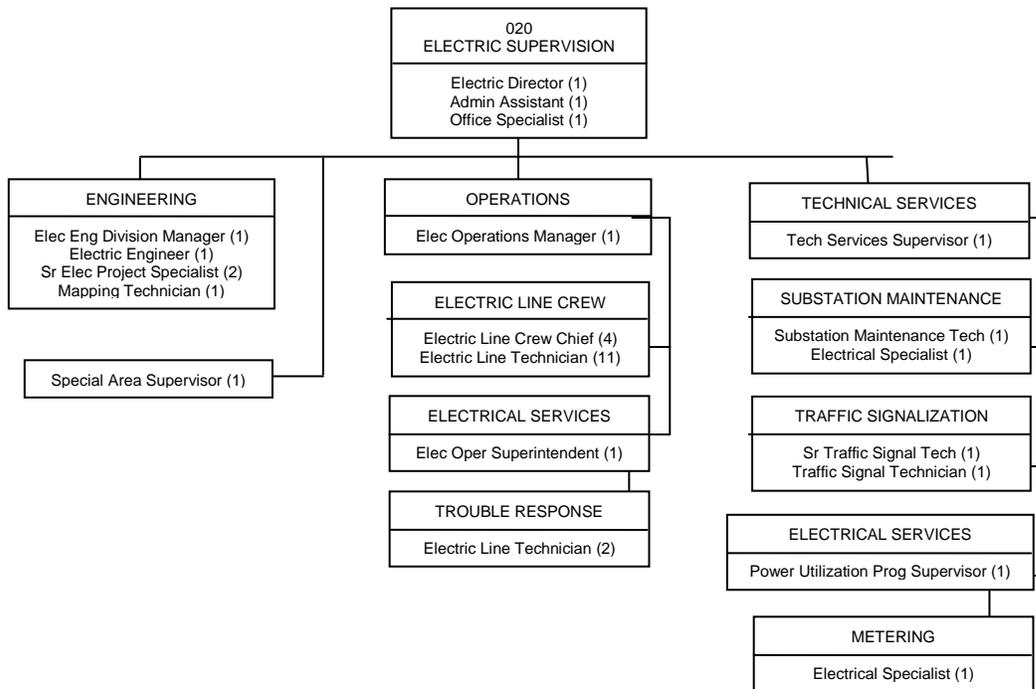
and assistance with specific components of the waste water systems and provides electric maintenance of all City buildings.

The City purchases electrical power from the Tennessee Valley Authority (TVA) at a voltage of 161 (Kv) at one of four delivery points and distributes it to commercial and residential customers through five distribution substations. Electricity is supplied to the substations through 14.5 miles of 69KV transmission lines, at which point the voltage is stepped down to 13.2 KV for utilization in the distribution circuits. The distribution system consists of 1,044 miles of overhead primary and 238 miles of various underground conductors.

These services are provided in accordance with three guiding principles: 1) safety for employees and City customers; 2) quality; and 3) efficiency of operations. Other departmental objectives of the Electric Department include:

1. Respond to all customer requests for meter accuracy verification within two working days.
2. Respond to 90% of street light complaints within two working days of receipt.
3. Meet/exceed state law requirements in response to all requests for underground line location.
4. Respond to all requests for tree trimming or removal within one week of request.

Organizational Chart - Electric Department



2010- 2011 Accomplishments

- Reviewed and revised policies and techniques for handling of specific hazardous waste streams, including PCB oil, out of service transformers
- Designed and implemented a procedure for handling of waste light bulbs from all City operations that comply with the stringent regulations concerning disposal of same.
- Operated a successful safety committee who suggested and helped implement processes, such as a new process for use, testing and replacement of high voltage rubber goods.
- Complete construction of 13kV bay at Substation 800 on Union Valley Road
- Completed installing video monitoring level security at all substations
- Started a circuit by circuit review of system condition using infrared and physical inspection of power system.
- Completed design of new feed to strengthen the West End of Oak Ridge (Whippoorwill area) and procured materials for construction.
- Assumed responsibility for providing electrical power to the East Tennessee Technology Park. This included finalizing negotiations on billing arrangements, creating billing systems, construction of electrical lines.
- Met with, designed and completed construction to meet the electrical requirements of all commercial and residential customers in the City of Oak Ridge.

2011- 2012 Goals

- Complete design and begin construction of a fiber optic network
- Upgrade 13kV protection devices in all distribution substations
- Continually evaluate replacement and upgrade options for lighting system in City facilities in preparation for the obsolescence of older fluorescent lighting tubes.
- Examine and comply with all new OSHA guidelines covering areas of operation
- Complete selection process for Automated Meter Reading/ Automated Meter Infrastructure and make recommendations to City Council for procurement and installation.
- Submit to a third party review of tree trimming policies and practices by an experienced specialist in utility right of way maintenance.
- Strengthen feeds to the Whippoorwill area, increasing reliability and relieving issues such as phase imbalance and load growth potential.
- Complete and bring on line two new 13kV circuits in the Union Valley Road area.
- Complete a circuit by circuit review of system condition for fifty percent of the system using infrared and physical inspection.
- Work with industry and city boards in planning and implementing capacity additions needed to facilitate the economic development of the City.
- Assess available technologies in automated outage management
- Examine available technologies for a fiber based SCADA system to control substation components and facilitate load shifting through load reduction and other programs.
- Facilitate the addition of renewable energy resources through participation in current and future TVA programs such as the green power switch, generation partners and others that may become available.
- Work with DOE in assuming responsibility for providing power within the ETTP over City owned and operated lines.

Revenue and Expenses

Major Budgetary Changes

The major budgetary changes for fiscal 2012 resulted from a decrease of budgeted revenues and a decrease in budgeted purchased power costs to more accurately reflect current electric rates. This reduction is based on both anticipated pass-through rates to the City by TVA during 2012 and the major rate restructuring of the electric rate structure by TVA effective April 1, 2011.

Revenue Sources

Fiscal 2012 Electric Fund operating revenues are budgeted at \$55,102,871. Operating revenues for the system stems from the sale of electricity to residential and commercial customers. Among the variables that affect sales revenue are weather, electric rates and the quantity of power sold. Actual electric sales revenues can vary greatly from year-to-year due solely to weather conditions. Based on historical trends, the number of electric customers has increased on average at approximately one percent annually. Commercial activities account for approximately 66% of power sales.

Fiscal 2012 electric sales revenues are budgeted down 7.1%, \$4,181,064, from that of fiscal 2011. This decrease is based on a planned restructuring of rates by TVA, which is passed through by the City to its electric customers, as well as projected fuel cost adjustments from TVA during fiscal 2012. On October 1, 2006, TVA instituted a fuel cost adjustment (FCA) program whereby TVA's wholesale rate and the City's retail rate may be adjusted quarterly to pass through increases and decreases in TVA's fuel and purchased power costs. Beginning in October 2009, the FCA rate began changing on a monthly basis, rather than a quarterly basis. Any increases to the wholesale power rates by TVA, including the FCA's must be passed through to the City's retail customers. Correspondingly, purchased power costs are budgeted to decrease \$3,296,716 for fiscal 2012. These budgeted reductions are in part based on a stabilization of rates after the transition to the monthly rather than quarterly FCA.

Included in revenues for street and outdoor lighting is an annual investment charge paid by the City's General Fund for the maintenance and amortization of traffic control equipment and the street lighting system.

TVA acts as the regulatory agency for the City's rates. TVA rate analysts review and must approve all electric rate increase requests by the City. After approval of the billing rate structure by TVA, this structure is presented to City Council for its adoption prior to being effective for the City's residential and commercial electric customers. Electric rates are generally reviewed and adjusted on a biennial basis to cover operating expenses and funding for system capital improvements.

Expenses

Purchased power from TVA, projected at \$41,373,125 for fiscal 2012, accounts for 79.6% of the total expenses. Operating expenses, excluding purchased power, tax equivalents and depreciation are projected at \$7,249,935, down \$403,396 or 5.3%. The decrease is align projected budgeted expenses with actual expense patterns. Expenses include routine maintenance of overhead and underground lines and street and traffic lights. Budgeted depreciation and amortization increased by \$171,000 or 8.2% and tax equivalent payments increased by \$150,000 based on planned capital improvements to the electric system. Tax Equivalent payments to the City's General Fund are shown as an Operating Transfer Out. This is also a budgeted \$164,000 operating transfer out to the City's Economic Diversification Fund to support the City's economic development endeavors.

For budgeting purposes, the departmental operating expenses are divided into six activities including 1) Purchased Power; 2) Other Expenses (depreciation, tax equivalents and interest expense); 3) Substation Cost; 4) Line Maintenance; 5) Street Lighting and Traffic Signals; and (6) General and Administration (includes Bad Debt and Services from the General Fund).

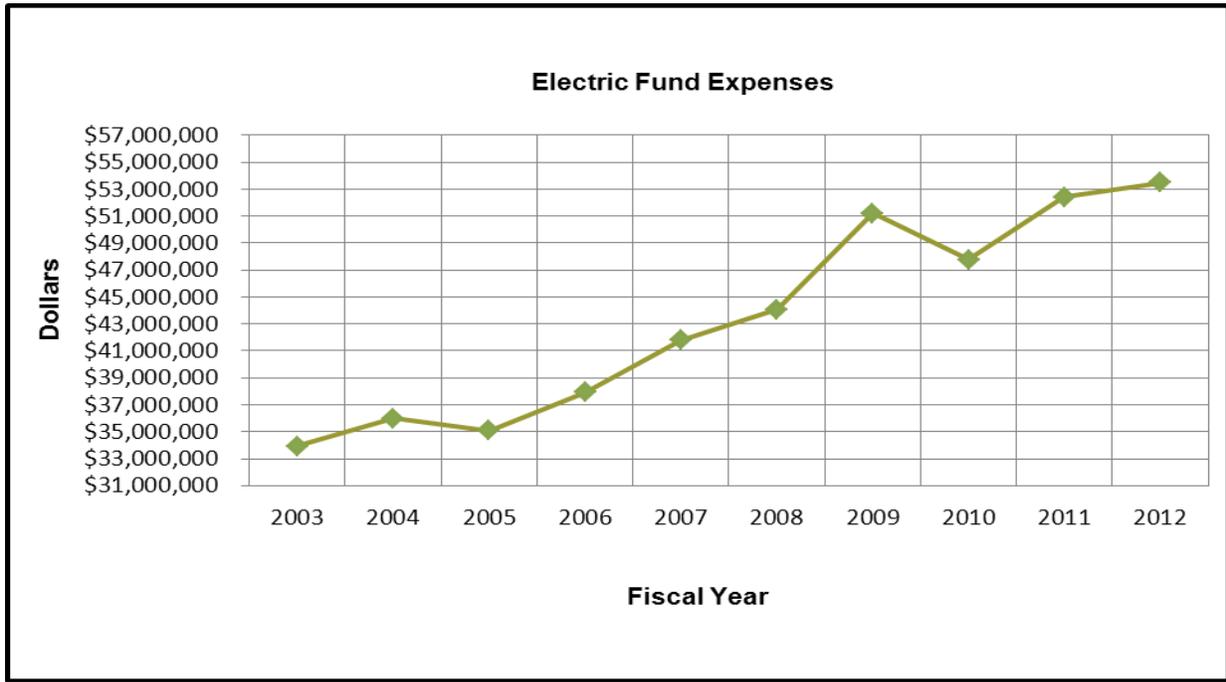
ELECTRIC FUND

PROJECTED STATEMENT OF REVENUE AND EXPENSES

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>OPERATING REVENUES:</u>						
Electric Sales Revenues:						
4011 Residential	16,214,185	19,630,253	18,811,000	18,931,260	(698,993)	-3.6
4013 Small Lighting & Power	3,974,082	4,921,961	4,140,000	4,166,470	(755,491)	-15.3
4014 Large Lighting & Power	26,579,992	32,667,358	29,812,000	30,002,605	(2,664,753)	-8.2
4017 Street & Outdoor Lighting	1,148,211	1,269,497	1,200,000	1,207,670	(61,827)	-4.9
Total Electric Sales Revenues	<u>47,916,470</u>	<u>58,489,069</u>	<u>53,963,000</u>	<u>54,308,005</u>	<u>(4,181,064)</u>	<u>-7.1</u>
Other Operating Revenues:						
4041 Customer Forfeited discounts	300,906	330,000	335,000	330,000	0	0.0
4042 Rent from Electric Property	265,674	252,244	270,000	252,244	0	0.0
4043 Misc. Electric Revenues	208,751	212,622	210,000	212,622	0	0.0
Total Other Operating Revenues	<u>775,331</u>	<u>794,866</u>	<u>815,000</u>	<u>794,866</u>	<u>0</u>	<u>0.0</u>
Total Operating Revenues	<u>48,691,801</u>	<u>59,283,935</u>	<u>54,778,000</u>	<u>55,102,871</u>	<u>(4,181,064)</u>	<u>-7.1</u>
<u>OPERATING EXPENSES:</u>						
5460 Depreciation and Amortization	2,146,302	2,096,000	2,189,000	2,267,000	171,000	8.2
5465 Purchased Power from TVA	36,808,220	44,669,844	40,880,000	41,373,125	(3,296,719)	-7.4
5000 Operating Expenses	6,522,737	7,653,331	6,925,000	7,249,935	(403,396)	-5.3
Total Operating Expenses	<u>45,477,259</u>	<u>54,419,175</u>	<u>49,994,000</u>	<u>50,890,060</u>	<u>(3,529,115)</u>	<u>-6.5</u>
Operating Income	3,214,542	4,864,760	4,784,000	4,212,811	(651,949)	-13.4
<u>NONOPERATING REVENUES (EXPENSES)</u>						
4810 Interest Revenue	45,465	30,126	45,000	45,000	14,874	49.4
5439 Interest Expense	(888,342)	(1,190,825)	(936,700)	(1,052,940)	137,885	11.6
Total Nonoperating Revenues (Expenses)	<u>(842,877)</u>	<u>(1,160,699)</u>	<u>(891,700)</u>	<u>(1,007,940)</u>	<u>152,759</u>	<u>13.2</u>
Net Income Before Operating Transfers Out	2,371,665	3,704,061	3,892,300	3,204,871	(499,190)	-13.5
<u>OPERATING TRANSFERS (Out)</u>						
Operating Transfers Out - Tax Equivalent	(1,230,708)	(1,230,000)	(1,317,761)	(1,380,000)	(150,000)	12.2
Operating Transfers Out - Economic Develop.	(164,000)	(164,000)	(164,000)	(164,000)	0	0.0
Total Operating Transfers (Out)	<u>(1,394,708)</u>	<u>(1,394,000)</u>	<u>(1,481,761)</u>	<u>(1,544,000)</u>	<u>(150,000)</u>	<u>10.8</u>
Change In Net Assets	976,957	2,310,061	2,410,539	1,660,871	(649,190)	-28.1
<u>TOTAL NET ASSETS - 7/1</u>	<u>24,082,158</u>	<u>25,059,115</u>	<u>25,059,115</u>	<u>27,469,654</u>	<u>2,410,539</u>	<u>9.6</u>
<u>TOTAL NET ASSETS - 6/30</u>	<u>25,059,115</u>	<u>27,369,176</u>	<u>27,469,654</u>	<u>29,130,525</u>	<u>1,761,349</u>	<u>6.4</u>

ELECTRIC DEPARTMENT	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012	BUDGET 12 vs 11	% CHANGE
ELECTRIC FUND						
Purchased Power	36,808,220	44,669,844	40,880,000	41,373,125	(3,296,719)	-7.4
Other Expenses (Depreciation, Tax Equivalent & Interest Expense)	4,622,654	4,873,922	4,826,037	5,099,940	226,018	4.6
Substation Costs	156,475	194,325	147,424	152,676	(41,649)	-21.4
Line Maintenance	1,826,941	2,024,647	1,269,277	1,322,665	(701,982)	-34.7
Street Lighting/Traffic Signals	272,831	307,200	165,836	181,828	(125,372)	-40.8
General and Administration	4,073,188	4,934,062	5,123,887	5,356,766	422,704	8.6
TOTAL EXPENSES	47,760,309	57,004,000	52,412,461	53,487,000	(3,517,000)	-6.2
Capital Projects	2,920,938	3,419,000	3,419,000	4,185,000	766,000	22.4
Equipment	172,802	75,000	762,374	75,000	0	0.0
TOTAL CAPITAL	3,093,740	3,494,000	4,181,374	4,260,000	766,000	21.9
TOTAL EXPENSES & CAPITAL	50,854,049	60,498,000	56,593,835	57,747,000	(2,751,000)	-4.5

Expenses By Fiscal Year: Purchased power costs increased 7.5% in Oct. 2005, 9.95% in April 2006 and 7% in April 2008, and 8% in Oct. 2009 due to rate increases from TVA. The spike in fiscal 2009 was due to the quarterly Fuel Cost Adjustment by TVA. The fiscal 2005 decline in expenses is due to lower power charges related to weather patterns.



Capital Projects, Electric Rates and Long-Term Debt

The current electric user rates are sufficient to finance most routine capital improvements. However, major capital projects must be funded through the issuance of long-term debt. Page V-8 of this document contains a listing of the \$4,185,000 in electric system capital projects planned for fiscal 2012. Included in this total are major capital projects budgeted for fiscal 2012 that might require funding through long-term debt, such as \$455,000 for facilities expansion for new loads, \$1,750,000 for distribution system improvements and \$1,030,000 for a SCADA system and remote meter reading. The issuance of long-term debt will impact the electric rates at the next review cycle in the summer of 2012. A more in-depth presentation of planned Electric Fund capital projects is located the Capital Section of this document and in the separately issued Capital Improvements Program 2012-2017 document

Capital improvements impact electric user rates from increased expenses for depreciation and tax equivalent payments based on higher asset values, and the need for sufficient cash levels to fund principal and interest payments on long-term debt issued to finance the projects. Interest expense is budgeted at \$1,052,940, down \$137,885 over the fiscal 2011 level, based on actual debt issued and potential debt issuances for fiscal 2012. The Electric Fund currently has \$23,970,934 in outstanding long-term debt, of which \$3,910,934 has a variable interest rate. The interest rate on this debt varies on a weekly basis. For amortization purposes, this is estimated at a 4.5% interest rate. A current long-term debt amortization schedule is on page V-9. The Electric Fund's outstanding long-term debt is secured by the revenues of the Electric system and therefore will not impact the City's property tax rate.



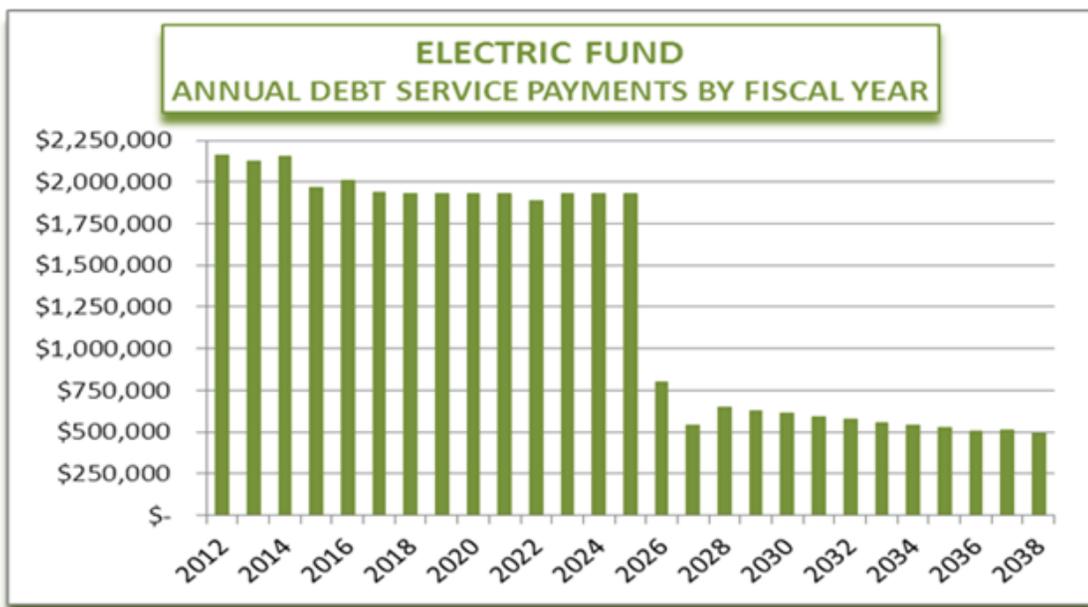
ELECTRIC FUND
CAPITAL PROJECTS AND EQUIPMENT

	BUDGET 2011	PROJECTED 2011	BUDGET 2012
<u>CAPITAL IMPROVEMENT PROJECTS</u>			
Electric Distribution System Improvements	\$ 1,530,000	\$ 1,530,000	\$ 1,750,000
Electric Substation Improvements	130,000	130,000	100,000
Facilities Expansion for New Loads and Services	655,000	655,000	455,000
SCADA and Remote Metering	-	-	1,030,000
Street Lighting Improvements	30,000	30,000	65,000
Replace Christmas Street Lighting Decorations	44,000	44,000	-
Expand Substation 800 -New 13 kV Bay	-	-	-
New 13 kV Substation 1000	150,000	150,000	-
State Route 95/58 Road Improvements	100,000	100,000	-
<u>CAPITAL MAINTENANCE PROJECTS</u>			
Routine Expansion, Maintenance, Replacement and Minor Additions (including Transformers)	570,000	570,000	675,000
Traffic Signal, Public and Private Light Maintenance and Improvements	110,000	110,000	110,000
Transmission System Improvements	100,000	100,000	-
TOTAL CAPITAL PROJECTS	\$ 3,419,000	\$ 3,419,000	\$ 4,185,000
<u>EQUIPMENT</u>			
Furniture Purchases	\$ 5,000	\$ 5,000	\$ 5,000
Hand-Held Radio Replacement	20,000	20,000	20,000
Underground Equipment	25,000	25,000	25,000
Electric System Model	25,000	25,000	25,000
Terex 65' Truck	-	290,212	-
Terex 55' Truck	-	209,747	-
Terex 45' Truck	-	187,415	-
TOTAL EQUIPMENT	\$ 75,000	\$ 762,374	\$ 75,000
TOTAL CAPITAL PROJECTS & EQUIPMENT	\$ 3,494,000	\$ 4,181,374	\$ 4,260,000

**ELECTRIC FUND
LONG-TERM DEBT AMORTIZATION SCHEDULE*
ESTIMATED AT 6/30/11**

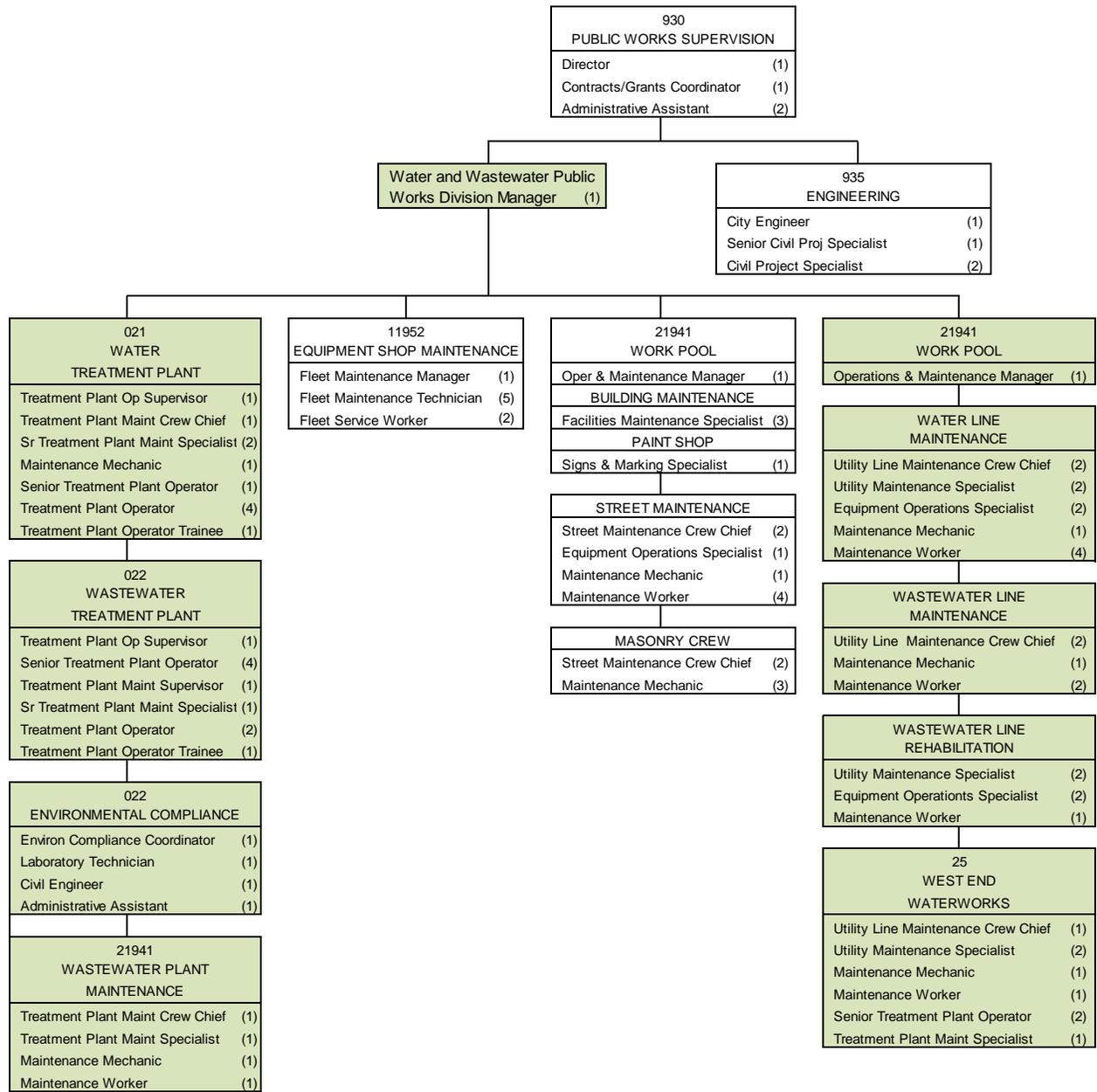
Fiscal Year	Principal	Interest	Total Requirements
2012	\$ 1,122,765	\$ 1,040,486	\$ 2,163,251
2013	1,137,769	984,943	2,122,712
2014	1,227,773	928,675	2,156,448
2015	1,088,111	878,788	1,966,899
2016	1,173,448	834,262	2,007,710
2017	1,149,453	786,493	1,935,946
2018	1,200,124	729,747	1,929,871
2019	1,251,463	680,813	1,932,276
2020	1,302,801	629,878	1,932,679
2021	1,364,807	565,403	1,930,210
2022	1,391,812	498,359	1,890,171
2023	1,488,818	441,752	1,930,570
2024	1,551,491	376,904	1,928,395
2025	1,619,498	308,333	1,927,831
2026	567,505	235,241	802,746
2027	333,296	210,569	543,865
2028	450,000	196,804	646,804
2029	450,000	179,254	629,254
2030	450,000	161,704	611,704
2031	450,000	144,154	594,154
2032	450,000	126,604	576,604
2033	450,000	109,054	559,054
2034	450,000	91,504	541,504
2035	450,000	73,954	523,954
2036	450,000	55,965	505,965
2037	475,000	37,976	512,976
2038	475,000	18,988	493,988
Total	\$ 23,970,934	\$ 11,326,604	\$ 35,297,538

*Excludes Unissued Debt and Contingency Amounts



WATERWORKS FUND

The Waterworks Fund provides water treatment and distribution and wastewater collection and treatment within Oak Ridge. Fund activities include the sale of water and maintenance of reservoirs, distribution mains, booster stations, water and wastewater treatment plants. Water and wastewater operations are under the supervision of the Public Works Department. The Public Works Department consists of 94 employees and seven divisions including Supervision/Administration, Engineering, Wastewater Treatment, Water Treatment, West End Waterworks, Equipment and Fleet Maintenance, and Work Pool. Costs for employees in the Work Pool are charged out to the applicable City Fund based on the actual jobs performed. A major portion of the jobs the Work Pool performs is maintenance to water and wastewater systems. Waterworks employees are highlighted in green in the organizational chart below.



Water Operations

From incorporation of the City through April 30, 2000, the City purchased treated water from the US Department of Energy (DOE) for sale to residential and commercial entities within Oak Ridge, excluding the DOE plants. On May 1, 2000, the City acquired the water treatment plant from DOE and assumed responsibility for water plant operations. The City entered into a 10 year contract for the sale of water to DOE's Oak Ridge National Laboratory and Y-12 facilities in exchange for the plant. This contract has subsequently been extended through June 3, 2012. The plant has a treatment capacity of approximately 27 MGD. Water sales to DOE historically comprised approximately 30% of total water sales revenues.

Maintenance of the water distribution system is performed by the Work Pool Division and involves maintaining approximately 242 miles of water main piping, 2,845 fire hydrants, 5,269 main valves, 9,040 service laterals, 12,894 water meters, six elevated water storage tanks, two in(ground reservoirs, 11 water pumping stations, and 76 main pressure reducing valves.

PERFORMANCE MEASURES	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012
Miles of mains	242	242	242	242
Maintenance (hours)	18,800	19,000	17,000	19,000
Fire Hydrants (each)	2,845	2,845	2,845	2,845
Water meters installed (each)	12,894	12,870	12,850	12,870

Wastewater Operations

The wastewater system consists of two treatment facilities operated by the Wastewater Treatment Division and approximately 260 miles of collection system piping maintained by the Work Pool Division. The 10 MGD main treatment plant provides primary and secondary treatment for all of the developed areas of the City and the Y-12 plant. The new 0.6 MGD wastewater treatment plant has been constructed to service the far west end of Oak Ridge including the Rarity Ridge development, East Tennessee Technology Park, and Horizon Center Industrial Park. A major goal of this activity is to meet the National Pollutant Discharge Elimination System (NPDES) permit for plant effluent and to protect the environment from industrial wastewater pollutants in a cost-effective manner.



The City's major wastewater customer is the Y-12 plant whose consumption is nearly 25% of total billed wastewater consumption and equates to about 40% of all residential consumption combined in any given month.

The Wastewater Treatment Plant maintenance staff maintains 47 wastewater pumping stations, two raw water intake pump stations and a raw water booster pumping station. The Work Pool wastewater tasks include maintenance of mains, laterals, and taps as well as installation of new connections and extensions, lateral lines and maintenance of approximately 6,299 manholes. In fiscal year 1995, the Department initiated

a multi-year program to rehabilitate the collection system and upgrade the wastewater treatment plant. The upgrade and expansion to the wastewater treatment plant was completed at a cost of approximately

\$13 million. Since fiscal 1996, approximately \$23 million has been spent on the collection system. In fiscal year 2011, the Department came under an Administrative Order from EPA to accelerate the rehabilitation of the collection system which will dramatically increase spending for this activity over the next four years. Maintenance of the collection system will be an ongoing annual program with increased annual costs in excess of \$400,000 to meet EPA requirements,

PERFORMANCE MEASURES	ACTUAL FY 2010	BUDGET FY 2011	PROJECTED FY 2011	BUDGET FY 2012
West End Sewer Plant				
Water treated (gallons (billions)	1.9	1.6	2.0	2.0
Average reduction of B. O. D.	97%	97%	97%	97%
NPDES Effluent Permit Violations	1	0	2	0
Collection System				
Miles of sewer mains	260	255	260	260
Sewer maintenance (staff hours)	14,568	16,500	15,000	16,500
Customers	12,187	12,225	12,225	12,225

ETTP – West End Utilities

On May 29, 2008, responsibility for water and wastewater services to the East Tennessee Technology Park (ETTP) transferred from DOE to the City of Oak Ridge. DOE transferred ownership of water and wastewater infrastructure located at the ETTP site, which included a 4.0 MGD capacity water treatment plant, raw water intake station, two water storage tanks with a 4.0 million gallon combined capacity, five wastewater pumping stations and water and sewer lines. The City entered into a five year agreement with DOE to pay for the operations to provide water and sewer services to the far west end of Oak Ridge, which also includes a newly constructed west end wastewater treatment plant. DOE pays the City \$1,797,865 annually for these operations, reduced by revenues received by the City from utility customers located on the far west end of Oak Ridge including the Rarity Ridge subdivision.

2010-2011 Accomplishments

WATERWORKS – WATER

Water Treatment Plant

- Replaced floating cover on the 4 MG reservoir.
- Refurbished laboratory and received State certification to test water samples and began testing city bacteriological samples in-house.
- Refurbished the dehumidification system.
- Treated 3,095,305,000 gallons of water at the Y-12 Plan.,
- Treated 163,554,000 gallons of water at the ETTP Plant.

River Intake & Raw Water Booster

- Upgraded controls and SCADA system.
- Serviced and maintained 11 pumps and motors.

- Water Distribution
- Replaced floating cover on the 4 MG reservoir,
- Replaced the Orchard Lane Water Tank.
- Completed upgrade of the Pennsylvania Water Booster Station. 3 new pumps and motors, new piping, new electric service and controls and SCADA system.
- Replaced 89 old galvanized service lines from the water main to meter.
- Repaired 87 water main breaks.
- Replaced 81 obsolete fire hydrants.
- Replaced 19 broken main line valves.
- Installed 89 valves in new locations to allow better isolation during water shut offs.
- Tested 993 backflow preventers.
- Installed fiber optic lines from the pump station to the tank for more reliable controls at the Wisconsin Water Tank.
- Tested 193 meters for the annual meter testing.
- Serviced and maintained 60 main line pressure reducing valves and rebuilt 34.
- Performed annual system-wide water main flushing per TDEC standards.

WATERWORKS – WASTEWATER

Wastewater Treatment Plant

- Refurbished three blowers at the blower building.
- Treated 1,671,051,000 gallons of wastewater at Big Turtle Park.
- Treated 31,207,325 gallons of wastewater at the Rarity Ridge Plant.
- Hauled 3,112 wet tons of pressed sludge to the landfill.
- Land applied 205,250 gallons of sludge.

Wastewater Collections System

- Serviced and Maintained 47 sewer lift stations.
- East Plant Sewer Lift Station replaced two pumps, replaced the protected water system, installed emergency bypass pump around system and replaced the flow meter.
- Emory Valley Sewer Lift Station replaced two pumps and upgraded to dry-pit submersible pumps, replaced all shut-off valves and check valves, installed emergency bypass pump around system and replaced the flow meter.

Environmental Protection Agency (EPA)

- Led the vendor demonstrations and research for the IMS.
- Prepared the Request for Proposal (RFP) for purchase of the IMS.
- Conducted the evaluation of the RFP and made purchase the recommendation to City Council.
- Developed the IMS submittal to the EPA as required by the Administrative Order.
- Prepared the Statement of Interest and Qualifications (SIQ) for Engineering Service, conducted evaluations and made selection of qualified firms.
- Cleaned and TV'd 462,138 feet of sewer mains.
- Inspected 5,679 manholes.
- Smoke tested 939,561 feet sewer mains.

2011-2012 Goals

WATERWORKS - WATER

Water Treatment Plant

- Design and bid electrical system upgrade.
- Build chemical storage building to switch from gaseous chlorine to liquid chlorine.
- Evaluate the roofing system for replacement.
- Remove the deteriorated ceiling grid and paint the ceiling in the Filter Gallery.

Water Distribution

- Replace 45 old galvanized service lines on the roads scheduled for repaving.
- Replace 25 obsolete fire hydrants.
- Test 163 meters for the annual tests, bi-annual tests of top 30 users and repair as needed.
- Service and maintain 60 main line pressure reducing valves and rebuild as needed.
- Clean and disinfect Louisiana and Orchard reservoirs.
- Annual system wide water main flushing per TDEC standards.

WATERWORKS - WASTEWATER

Environmental Protection Agency (EPA)

- Information Management System (IMS) Pump Station Implementation complete by December 28, 2011 per Administrative Order (AO).
- Information Management System (IMS) Complaint Tracking complete by March 31, 2012.
- Information Management System (IMS) Gravity Line Maintenance complete by June 30, 2012.
- Information Management System (IMS) Engineering Programs complete by June 30, 2012.
- Direct completion of the Capacity Assessment Plan (CAP) with final report to be submitted to EPA by May 6, 2012.
- Direct completion of Sewer System Evaluation Study (SSES) with submittal to EPA by May 6, 2012.
- Complete development of the MOM program with submittal to EPA by September 28, 2011.
- Clean and TV 791,000 feet of sewer using city crews and contractors by December 31, 2011.
- Inspect 1,171 manholes by December 31, 2011.
- Smoke test 313,000 linear feet of sewer mains by December 31, 2011.

Wastewater Collection System

- Service and maintain 47 sewer lift stations.

Revenue and Expenses

Major Budgetary Changes

On September 27, 2010, the City received an administrative order (AO) from the United States Environmental Protection Agency (EPA). The City was found to be in violation of Section 301 of the Clean Water Act (CWA), 33 U.S.C. Section 1311 regarding the City wastewater infrastructure. The City has been given a timetable and actions to be made to remedy the violations with various deadlines from two to twenty-four months. The AO requires the City to provide additional information regarding the violations, develop plans to evaluate and resolve the issues described, and based on the plans, make changes to policies and construct assets if necessary. The plans must be approved by EPA. Failure to comply with the AO may subject the City to certain penalties.

The City is in the process of performing system reviews including city-wide smoke testing and tving of sewer lines. At this time, the cost of required capital projects and the increase in additional ongoing operating expenses to maintain the system are not known. Debt issuances to fund capital expenditures over the next couple of years are projected in the \$10,000,000 to \$20,000,000 range. A \$10,000,000 debt issuance is planned in early fiscal 2012.

Both a water and wastewater rate increase is planned for fiscal 2012. The wastewater rate increase expected to be significant based the capital and ongoing operating expenses required to meet the AO.

Revenue Sources

Waterworks operating revenues are projected to increase overall by \$648,897, up 3.1%, to reflect both a water and wastewater rate increase in fiscal 2012. Overall, residential and commercial water and

wastewater billings, excluding DOE water sales, are projected to increase by \$1,245,465 or 9.2%. The percentage of the rate increase will be determined when the rate study scheduled for fall 2012 is conducted. Treated and raw water sales to DOE are projected to decline by \$385,000 based on reduced consumption levels. Water consumption by DOE is expected to continue its slow declining trend over the next few years. The amount charged to DOE per thousand gallon used is based on contractual terms that remain in effect through June 30, 2012. Under the City's contract with DOE, the City had to treat flows from the main water plant as sales to either the City (COR) or DOE. There are two water lines flowing out of the main water plant, one to the DOE federal reservation and the other to feed treated water to the City's other water customers. COR sales are projected to decrease \$210,000 based on trending consumption patterns.

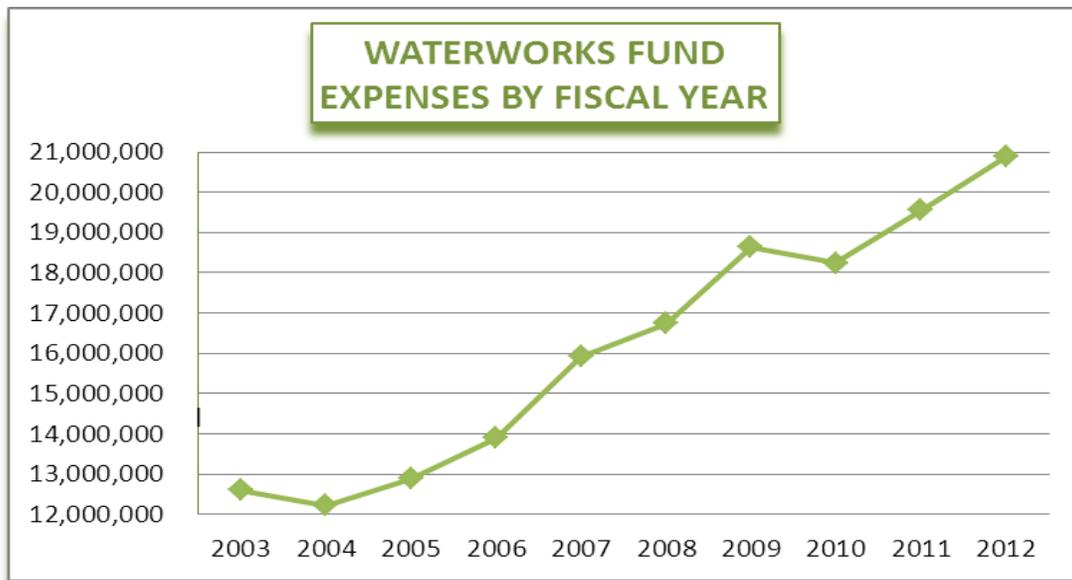
Monthly billings to customers for wastewater usage are based on metered water consumption. Therefore, the revenue patterns will be the same for both water and wastewater usage. Weather, in the form of drought or high rainfall conditions, can significantly impact the revenue collections in any particular fiscal year.

Expenses

Waterworks operating expenses are projected to increase \$432,046 or 2.5%. Tax equivalent payments are projected to increase \$115,000. These costs are based on net asset value, with the increases related to the completion of major capital projects and contributed (donated) capita, or changes in the City's property tax rate. The 2012 increase is based on higher actual 2011 levels due to the property tax reappraisal which set the tax equivalent ratio back to 100%. Depreciation expense is projected to decrease \$79,294 based on current amortization levels. Actual depreciation for fiscal 2011 fell well below budget due to a slowing of capital expenditures while the discovery stage to determine the capital requirements to meet the EPA AO are complete. Purchased water costs are projected to decrease \$200,000 based on actual usage patterns. Interest expense is budgeted to increase \$160,279 to fund debt service on anticipated new debt to be issued during 2012, particularly for capital required to meet the EPA AO. Budgeted other operating expenses increased \$631,815, up 5.9% for salaries, routine maintenance costs and the additional maintenance and personnel costs required to meet EPA's AO.

This is also a budgeted \$132,000 operating transfer out to the City's Economic Diversification Fund to support the City's economic development endeavors.

Historical Expenses



WATERWORKS FUND

PROJECTED STATEMENT OF REVENUE AND EXPENSES

	<u>ACTUAL</u> 2010	<u>BUDGET</u> 2011	<u>PROJECTED</u> 2011	<u>BUDGET</u> 2012	<u>BUDGET</u> 12 vs 11	<u>%</u> <u>CHANGE</u>
<u>OPERATING REVENUES:</u>						
4021 Residential Water Sales and Wastewater Fees	6,166,987	6,741,614	6,211,060	7,538,500	796,886	11.8
4022 Commercial Water Sales and Wastewater Fees	6,068,733	6,779,921	6,027,199	7,228,200	448,279	6.6
4024 DOE Treated Water Sales	2,788,327	2,810,000	2,592,360	2,500,000	(310,000)	-11.0
4025 COR Treated Water Sales	2,079,458	2,310,000	2,000,000	2,100,000	(210,000)	-9.1
4026 DOE Raw Water Sales	442,587	390,000	322,000	315,000	(75,000)	-19.2
4025 Bechtel Jacobs	1,605,393	1,625,000	1,611,725	1,625,000	0	0.0
4023 Public Fire Protection	67,368	67,368	61,768	60,600	(6,768)	-10.0
4041 Forfeited Discounts	105,092	105,000	106,000	107,000	2,000	1.9
4043 Miscellaneous Revenue	2,463	2,574	2,574	2,574	0	0.0
4791 Capital Contributions	185,089	0	0	0	0	0.0
Total Operating Revenues	<u>19,511,497</u>	<u>20,831,477</u>	<u>18,934,686</u>	<u>21,476,874</u>	<u>645,397</u>	<u>3.1</u>
<u>OPERATING EXPENSES:</u>						
5460 Depreciation	3,927,586	4,328,194	4,171,200	4,248,900	(79,294)	-1.8
5466 Purchased Water	2,119,991	2,340,000	2,040,000	2,140,000	(200,000)	-8.5
5000 Operating Expenses						
Water	5,058,184	5,537,315	5,235,220	5,418,070	(119,245)	-2.2
Wastewater	4,042,696	4,169,415	4,650,000	5,000,000	830,585	19.9
West End	737,392	1,000,355	919,030	920,030	(80,325)	-8.0
Total Operating Expenses	<u>15,885,849</u>	<u>17,375,279</u>	<u>17,015,450</u>	<u>17,727,000</u>	<u>432,046</u>	<u>2.5</u>
Operating Income (Loss)	3,625,648	3,456,198	1,919,236	3,749,874	213,351	6.2
<u>NONOPERATING REVENUES (EXPENSES)</u>						
4810 Interest Revenue	6,582	2,000	5,400	5,500	3,500	175.0
5439 Interest Expense	<u>(959,530)</u>	<u>(1,474,721)</u>	<u>(1,035,000)</u>	<u>(1,635,000)</u>	<u>(160,279)</u>	<u>10.9</u>
Total Nonoperating Revenues (Expenses)	<u>(952,948)</u>	<u>(1,472,721)</u>	<u>(1,029,600)</u>	<u>(1,629,500)</u>	<u>(156,779)</u>	<u>10.6</u>
Net Income (Loss) Before Operating Transfers	2,672,700	1,983,477	889,636	2,120,374	56,572	2.9
<u>OPERATING TRANSFERS</u>						
Operating Transfers Out - Tax Equivalent	<u>(1,269,807)</u>	<u>(1,270,000)</u>	<u>(1,367,520)</u>	<u>(1,385,000)</u>	<u>(115,000)</u>	<u>9.1</u>
Operating Transfers Out - Economic Develop.	<u>(132,000)</u>	<u>(132,000)</u>	<u>(132,000)</u>	<u>(132,000)</u>	<u>0</u>	<u>0.0</u>
Total Operating Transfers (Out)	<u>(1,401,807)</u>	<u>(1,402,000)</u>	<u>(1,499,520)</u>	<u>(1,517,000)</u>	<u>(115,000)</u>	<u>8.2</u>
Change in Net Assets	1,270,893	581,477	(609,884)	603,374	(58,428)	10.0
<u>TOTAL NET ASSETS- 7/1</u>	<u>48,195,914</u>	<u>48,891,854</u>	<u>49,466,807</u>	<u>48,856,923</u>	<u>(34,931)</u>	<u>-0.1</u>
<u>TOTAL NET ASSETS - 6/30</u>	<u>49,466,807</u>	<u>49,473,331</u>	<u>48,856,923</u>	<u>49,460,296</u>	<u>(13,035)</u>	<u>0.0</u>

Capital Projects, Water and Wastewater Rates and Long-Term Debt

For accounting purposes, the operations of the water and wastewater systems are combined into one Fund, the Waterworks Fund. Costs for the two systems are tracked separately and user rates are established based on the operations of the individual systems. Therefore, the water user rates are based on the operations of the water treatment and distribution system and the wastewater user rates are based on the operations of the wastewater collection and treatment system.

Biennially, the City reviews its rate structure for water and wastewater services. Water rates were increased 20% effective June 1, 2007 and an additional 20% effective June 1, 2008. The previous water rate increase was in 1998. Wastewater rates were increased by 18% effective May 1, 2008 to fund increasing electric, liability insurance and capital improvement costs. The rate increases scheduled for 2010 were delayed due to the EPA AO. Rates will be reviewed in the fall of 2011, with wastewater increases expected to be significant to fund the capital and ongoing operating expenses required to meet the EPA AO.

Capital improvements are the major driver for water and wastewater user rate increases. Capital improvements impact user rates from increased expenses for depreciation and tax equivalent payments based on higher asset values, and the need for sufficient cash levels to fund principal and interest payments on long-term debt issued to finance the projects. A listing of water capital improvements planned for fiscal 2012 totaling \$4,070,000 and wastewater capital projects totaling \$6,750,000 are located on page V-18. A more in-depth presentation of planned Waterworks Fund capital projects is located in the Capital Improvements Program 2012-2017 document. A \$10,000,000 debt issuance is planned in early fiscal 2012. An additional \$10,000,000 may be issued in the spring of 2012 depending on the amount of capital required and the timeline EPA requires to be met to meet the AO.

An updated amortization schedule as of June 30, 2011 for the Waterworks Fund \$40,108,120 in outstanding long-term debt is on page V-19. The \$11,507,514 in outstanding variable interest rate debt is projected at a 4.50% interest rate. The City currently has \$1,403,435 available from the State Revolving Loan Fund to finance the continuation of the wastewater treatment plant and collection system capital projects. As these funds are drawn to finance capital improvements, this will impact future water and wastewater user rates. The annual debt service payments on the outstanding Waterworks Fund debt will be funded through the revenues generated by the water and wastewater systems. The City's taxing authority is also pledged as an additional security on this outstanding debt. It is not anticipated that the City's taxing authority would ever be utilized to generate cash to pay the annual debt service on Waterworks Fund debt.



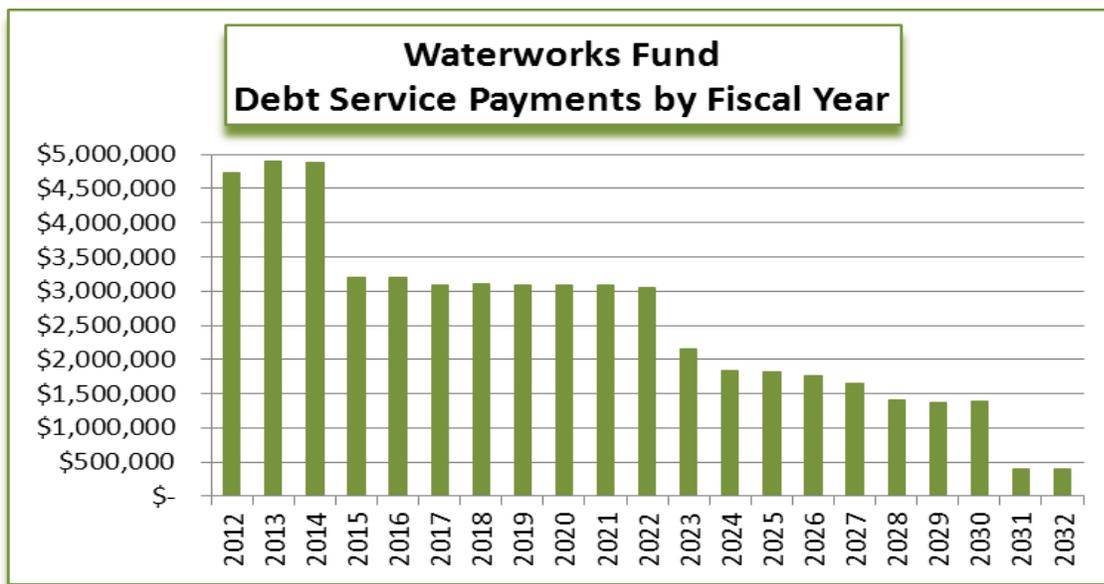
WATERWORKS FUND
CAPITAL PROJECTS AND EQUIPMENT

	BUDGET 2011	PROJECTED 2011	BUDGET 2012
<u>CAPITAL PROJECTS:</u>			
<u>Water Capital Projects:</u>			
West End Development	\$ 750,000	\$ -	\$ 750,000
Water/Rarity Ridge River Crossing	750,000	-	750,000
EPA Grant for Matching Funds	250,000	250,000	250,000
Capital Maintenance - West End			
SR95 Water Line	800,000	800,000	-
Phase II - Water Distribution	500,000	500,000	-
TDOT Matching Funds	370,000	370,000	100,000
Booster Station Improvements/Upgrades	2,205,000	2,205,000	570,000
Water Tank Repair and Maintenance			
Water Treatment Plants	-	-	650,000
Building Repairs / Roof Replacement	800,000	800,000	500,000
Raw Water Main - 700 ft of 24" Main	500,000	500,000	500,000
TOTAL WATER CAPITAL PROJECTS	\$ 6,925,000	\$ 5,425,000	\$ 4,070,000
<u>Wastewater Capital Projects:</u>			
West End Development			
ETTP Wastewater System Improvements (DOE Funded)	\$ 250,000	\$ 250,000	\$ 250,000
Replace Existing CRIP Plant	125,000	125,000	-
EPA Mandate (Estimated)	-	-	6,500,000
Lift Station Replacement/Improvements	370,000	370,000	-
Sewer Line Rehabilitation	1,000,000	1,000,000	-
TOTAL WASTEWATER CAPITAL PROJECTS	\$ 1,745,000	\$ 1,745,000	\$ 6,750,000
TOTAL WATERWORKS FUND CAPITAL PROJECTS	\$ 8,670,000	\$ 7,170,000	\$ 10,820,000
<u>EQUIPMENT:</u>			
<u>Water Equipment:</u>			
Radio Equipment	\$ 7,500	\$ 7,500	\$ 7,500
Backhoe with Attachments	90,000	90,000	-
Water Treatment Plant			
Radio	3,000	3,000	3,000
Furniture	1,500	1,500	1,500
Laboratory Equipment	2,500	2,500	2,500
Plant Tools	2,500	2,500	2,500
TOTAL WATER EQUIPMENT	\$ 107,000	\$ 107,000	\$ 17,000
<u>Wastewater Equipment:</u>			
Radio Equipment	\$ 8,000	\$ 8,000	\$ 8,000
Lab Equipment	1,500	1,500	1,500
Plant Tools	2,500	2,500	2,500
Furniture	500	500	500
Sewer Cleaning Truck	-	-	200,000
Hydraulic Excavator	-	-	300,000
Backhoe with Attachments	-	-	100,000
TOTAL WASTEWATER EQUIPMENT	\$ 12,500	\$ 12,500	\$ 612,500
TOTAL WATERWORKS FUND EQUIPMENT	\$ 119,500	\$ 119,500	\$ 629,500
TOTAL CAPITAL PROJECTS & EQUIPMENT	\$ 8,789,500	\$ 7,289,500	\$ 11,449,500

**WATERWORKS FUND
LONG-TERM DEBT AMORTIZATION SCHEDULE*
ESTIMATED AT 6/30/11**

Fiscal Year	Principal	Interest	Total Requirements
2012	\$ 3,251,941	\$ 1,484,427	\$ 4,736,368
2013	3,506,231	1,397,854	4,904,084
2014	3,574,327	1,304,479	4,878,805
2015	1,984,102	1,208,253	3,192,355
2016	2,067,297	1,125,490	3,192,786
2017	2,053,651	1,037,779	3,091,430
2018	2,154,951	949,819	3,104,770
2019	2,226,142	857,610	3,083,752
2020	2,327,065	762,281	3,089,346
2021	2,433,297	662,613	3,095,910
2022	2,484,720	558,602	3,043,322
2023	1,676,010	470,168	2,146,178
2024	1,426,774	405,948	1,832,722
2025	1,474,043	347,514	1,821,557
2026	1,471,752	286,656	1,758,408
2027	1,423,843	226,874	1,650,717
2028	1,237,073	171,156	1,408,229
2029	1,250,211	122,916	1,373,127
2030	1,313,863	74,166	1,388,029
2031	378,046	22,932	400,978
2032	392,783	8,196	400,979
Total	\$ 40,108,120	\$ 13,485,731	\$ 53,593,851

*Excludes Unissued Debt and Contingency Amounts



EMERGENCY COMMUNICATIONS DISTRICT (ECD) FUND

Fund Overview

In 1972, the City of Oak Ridge implemented a 911 emergency telephone system. In 1987, Oak Ridge voters overwhelmingly approved a referendum to establish an enhanced 911 Emergency Communications District (ECD). An ECD Board was established to oversee the management of the district, with system operations commencing in August 1988. Oak Ridge City Council serves as the Board for the Oak Ridge ECD. The initial intent of establishing the ECD was to provide a revenue stream to finance the purchase of equipment, including the 800 MHz trunking radio communications system to receive and dispatch 911 calls. The eight Public Safety Dispatcher positions are under the supervision of the Police Department and the operational costs related to those positions are accounted for in activity 915 in the City's General Fund.

The 911 system is capable of providing the following information and reports:

1. Instant display of caller's name, telephone number, address and landmark information;
2. Display of history of calls from calling number; and
3. Management reports (daily and weekly) of 911 calls.

Revenue and Expenses

Revenue Sources

Fiscal 2012 revenues are budgeted at \$1,553,191, up \$1,000,400 due to a \$1,069,000 grant from the US Department of Justice to enhance and extend the range of the City's 800 MHz radio system. Revenues are provided from user fees on landline telephones located within Oak Ridge that are collected by the telephone service providers and then remitted to the District. The ECD also receives an allocated share of State collected user fees on wireless telephones. Fiscal 2012 revenues from telephone service providers are projected at \$250,000, down \$75,000 from the previous year's budget due to the continuing decline in revenues from landline phones. Since inception of the district, Oak Ridge landline telephone users had paid monthly fees of \$.44 per residential and \$1.33 per business phone line. Effective June 1, 2002, this monthly fee increased to \$.65 and \$2.00 per residential and business phone line, respectively. The rate increase was required due to a lower number of landline telephones in Oak Ridge, particularly business lines as newer business telephone systems allow for more extensions on fewer telephone lines, and increasing costs to operate the 911 equipment. City Council, which also serves as the Board of Directors for the ECD, approved increasing the fee to the state maximum to generate revenues to fund dispatcher salaries accounted for in the General Fund. The maximum user fee allowed under current Tennessee State Law is \$1.50 and \$3.00 monthly for residential and business phones lines respectively. The State 911 Board approved this increase on January 15, 2003.

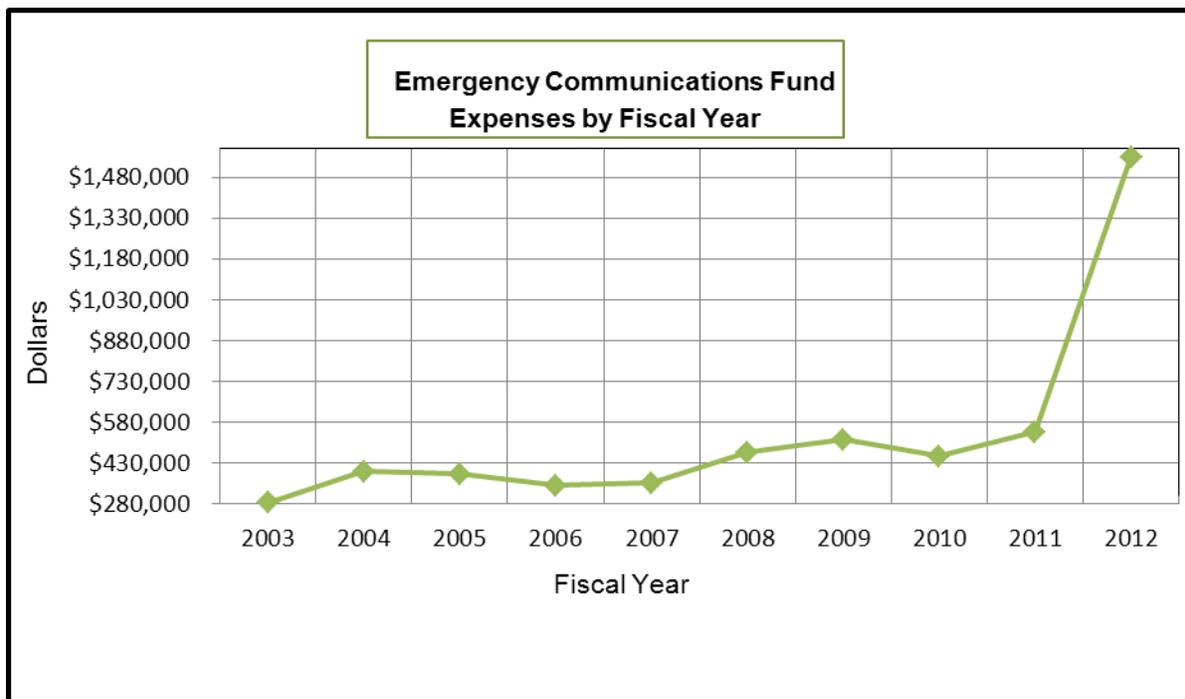
Expenses

Fiscal 2012 revenues are budgeted at \$1,554,000, up \$1,009,000 due to a \$1,069,000 grant from the US Department of Justice to enhance and extend the range of the City's 800 MHz radio system. \$110,000 is being paid annually to the General Fund to finance a portion of dispatcher salary and benefits. \$40,000 is budgeted for replacement of radios and other equipment purchases. \$11,652 in rental payments is being made to the Equipment Replacement Rental Fund (ERRF) to reimburse that Fund over an eight-year period for 911 related equipment purchased by the ERRF. Other operational costs of the 911 systems include \$45,000 to BellSouth for addressing information and \$90,900 to Motorola for the maintenance contract on the 800 MHz radio system.

In December 2006, City Council authorized a lease purchase agreement between the City and Motorola, Inc. for the leasing of communications equipment to upgrade the City's radio system. This will provide the City an analog/digital hybrid upgrade solution and allow the City to continue using mobile and portable radios. The amortization schedule for the capital lease is located on page V-21. Budgeted depreciation expense of \$121,777 and interest expense of \$35,361 is primarily related to the upgraded radio equipment leased from Motorola.

Emergency Communications Fund - Expenses by Fiscal Year:

Fund began contributing \$110,000 annually for dispatcher salary costs in FY04. The FY07 and FY08 increases are for leasing of a new radio system and equipment purchases funded primarily from grant proceeds. The spike in fiscal 2012 is for a grant from the US Department of Justice for enhancement of the 800 MHz system and expansion of the system range.



**EMERGENCY COMMUNICATIONS FUND
CAPITAL LEASE AMORTIZATION SCHEDULE
AT JUNE 30, 2011**

Fiscal Year	Principal	Interest	Total Requirements
2012	\$ 112,734	\$ 38,167	\$ 150,901
2013	118,348	32,554	150,902
2014	124,242	26,660	150,902
2015	130,429	20,473	150,902
2016	136,924	13,977	150,902
2017	143,743	7,158	150,902
Total	\$ 766,420	\$ 138,989	\$ 905,410

EMERGENCY COMMUNICATIONS DISTRICT FUND

BUDGET SUMMARY

State Account Number	City Account Number		ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
OPERATING REVENUES:								
3001	4841	Emergency Telephone Service Charge	305,454	325,000	273,917	250,000	(75,000)	-23.1
3002	4841.1	State Emergency Communications Board	69,327	72,000	71,485	72,000	-	0.0
3004	4841.2	State Emer Comm Board Operational Funding	138,278	142,791	142,791	142,791	-	0.0
	4841.3	GIS Funding	-	-	10,000	10,000	10,000	100.0
	4841.4	State Dispatcher Training	8,000	8,000	8,000	8,000	-	0.0
5006	4840	DOJ Grants (Wireless System Upgrades)	-	-	55,000	1,069,000	1,069,000	100.0
		Total Operating Revenue	521,059	547,791	561,193	1,551,791	1,004,000	183.3
OPERATING EXPENSES:								
4207	5210.20	Contracted Dispatcher Services	110,000	110,000	110,000	110,000	-	0.0
4201	5217.1	Address/Mapping Expenses (BellSouth)	40,316	45,000	42,126	45,000	-	0.0
4218	5236.20	Maintenance Contract (800 MHz Radio System)	89,413	83,000	89,078	90,900	7,900	9.5
4227	5202.2	Communications Equipment Rental	11,652	11,652	11,652	11,652	-	0.0
4232	5263.19	Maintenance/Repair Communication Equipment	-	15,000	-	15,000	-	0.0
4305	5313	Small Equipment Purchases	28,623	96,991	35,000	40,000	(56,991)	-58.8
4310	5217	General Telephone 911 Support Lines	2,658	5,000	2,509	3,000	(2,000)	-40.0
4405	5207.1	Due & Subscriptions	233	500	250	500	-	0.0
4413	5207.4	Licenses and Fees	3,705	2,850	3,810	3,810	960	33.7
4419	5221	Travel	-	8,000	-	8,000	-	0.0
	5540	Wireless Communication System Upgrade	-	-	55,000	1,069,000	1,069,000	100.0
4500	5460	Depreciation	123,491	123,491	123,491	121,777	(1,714)	-1.4
		Total Operating Expenses	410,091	501,484	472,916	1,518,639	1,017,155	202.8
		Operating Income (Loss)	110,968	46,307	88,277	33,152	(13,155)	-28.4
NONOPERATING REVENUES:								
5002	4610	Interest Income	2,036	5,000	1,400	1,400	(3,600)	-72.0
5010	5439	Interest Expense	(46,063)	(43,516)	(40,842)	(35,361)	8,155	-18.7
		Total Nonoperating Revenue	(44,027)	(38,516)	(39,442)	(33,961)	4,555	-11.8
		Net Income (Loss)	66,941	7,791	47,435	(809)	(8,600)	-110.4
		NET ASSES - 7/1	635,001	594,338	701,942	749,377	155,039	26.1
		NET ASSETS - 6/30	701,942	602,129	749,377	748,568	146,439	24.3

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for services provided by one department to other departments of the City on a cost-reimbursement basis. Rates for revenues are set by City staff in order for projected revenues to be equal to projected expenses. These Funds are presented merely to show an accumulation of the total cost of providing these services to the City. The budgets of these Funds are not legally appropriated. These Funds are not presented in the Combined Summary of Revenues, Expenditures and Changes in Fund Balance – All Funds presented on page II-18 of this document, as this would be a duplication of expenditures/expenses. The City currently maintains two Internal Service Funds, the Equipment Replacement Rental Fund and the Insurance Fund.

EQUIPMENT REPLACEMENT RENTAL FUND (ERRF)

This Fund is used to accumulate resources for the future replacement of equipment utilized by Governmental Funds and by the work pool and to account for the maintenance of that equipment. This is accomplished in the form of an equipment use charge to the corresponding activity/fund that utilizes the equipment. For example, the ERRF charges the General Fund Fire Department, Activity 923, for maintenance and rental (for future replacement) of fire fighting equipment (fire trucks, etc.). This is recorded in the General Fund as an equipment use charge. Equipment use charges include both the actual cost of providing maintenance of the equipment (fuel, material and labor) and depreciation charges on the equipment. The accumulation of the proceeds from the depreciation charges is used to fund the future replacement of assets serviced by the Fund (i.e. fire trucks, etc.). The cost of providing this service is recorded as expenditure in both the applicable Fund (General Fund in this example) and in the ERRF for the actual maintenance cost and depreciation expense. Proceeds from equipment use charges to other Funds, which are recorded as revenues in the ERRF, are budgeted at \$3,571,915 for fiscal 2012. Maintenance and depreciation expenses are budgeted at \$3,006,335.

\$2,326,575 in long-term debt was issued in fiscal 1999 to purchase three fire pumpers and one ladder truck and year 2000 compliant mainframe computers and software. In fiscal 2010, \$700,000 was issued in Build America Bonds (BABS) to fund computer, networking, fiber and technology related equipment. Debt service on these debt issuances will be funded by the ERRF. Interest payments are budgeted at \$28,916 for fiscal 2012. Revenues and existing cash levels of the ERRF should be sufficient to fund the annual debt service requirements for the purchase of this equipment; therefore, no impact for this debt is anticipated on the property tax rate.

EQUIPMENT REPLACEMENT RENTAL FUND LONG-TERM DEBT AMORTIZATION SCHEDULE ESTIMATED AT 6/30/11

	Principal	Interest	Total
2012	\$ 205,000	\$ 28,916	\$ 233,916
2013	70,000	20,716	90,716
2014	50,000	17,916	67,916
2015	200,000	16,981	216,981
2016	-	12,919	12,919
2017	150,000	12,919	162,919
2018	-	9,019	9,019
2019	300,000	9,019	309,019
Total	\$ 975,000	\$ 128,403	\$ 1,103,403

Equipment accounted for in this Fund is eligible for replacement review once it is fully depreciated. Each year the equipment shop staff in conjunction with the department reviews the physical state of the equipment to determine if it should be replaced or retained. Equipment replacement is based on the mechanical state of the equipment rather than depreciation status and availability of funding for replacement purchase. \$3,282,400 in equipment listed below will be eligible for replacement in FY12.

**EQUIPMENT REPLACEMENT RENTAL FUND
CAPITAL EXPENDITURES**

The following equipment is fully depreciated and scheduled for replacement in **FY 2012**
Equipment replacement in FY 2012 will ONLY be purchased if funding is available.

ACTIVITY	ASSET NO.	DESCRIPTION	ORIGINAL COST	
800 City Council	100	Chevrolet Malibu, 2000	\$ 14,000	
845 Computer Services	114	Chevrolet Malibu, 2002	15,000	
	214	Ford 8 Passenger Van, 1999	22,000	
	9999	GIS Software/ArcIMS for Internet use	17,800	
	100001	Communication Equipment (CSC)	24,000	
	100001	Cannon DR-4080C 90PPM Scanner	5,900	
	100002	IBM 6400 Line Matrix Printer	9,200	
	100002	IBM AS400 Computer, 1999	74,100	
	100002	AS400 Installation, 1999	11,500	
	100007	Y2K Compliance, 1999	6,800	
	100007	Y2K Compliance, 2000	14,100	
	100008	JD Edwards Software 10-36936, 1999	149,000	
	100008	JD Edwards Installtion, 2000	6,600	
	100009	GIS Equipment/Software, 2001	10,000	
	854 Stationary Stores	112	Ford Taurus Wagon, 2002	17,000
	862 Materials Management	252	Dodge Cargo Van, 2001	16,000
	864 Business Office	210	Dodge 4WD Pickup Truck, 2000	15,000
		220	Ford Ranger, 4X4, 2003	15,000
245		GMC Sierra Pickup Truck, 1997	18,000	
910 Supervision	108	Ford Crown Victoria, 2005	23,000	
913 Patrol		Ford Crown Victoria, 2007	27,000	
	9913	Mobile Date Equipment	298,000	
	100003	Visions Software, 1999	327,400	
	100003	Visions Air Upgrade,2001	6,000	
	100003	Visions Installation, 1999	79,000	
	100003	Visions Installation, 2000	16,000	
	100014	GIS Crime Analysis Equipment, 2003	6,800	
	100015	Dell Workstation, Etc., 2003	9,500	
	100016	ESRI, Inc. GEOXT w/Arcpad, 2005	11,300	
	100017	OMEGA Group, 2005	6,800	
	916 Animal Control	389	Ford F250 w/Animal Control Unit	30,000
9999		Therm TEC G-8-P Animal Crematory (1/3 cost)	35,000	
921 Fire Specialist	181	Jeep Cherokee, 1999	25,000	
923 Fire Fighting	322	Ford F450 w/Rescue Box, 2001	33,000	
	376	International 1250 GPM Pumper, 1992	128,200	
	377	International 1250 GPM Pumper, 1992	128,200	
	390	Emergency Rescue Vehicle, 1995	100,000	
	640	Trailer, Haulmark, 2001	7,000	
	997	Rescue Tool , ENGINE 1, 2004	7,000	
	998	Rescue Tool , ENGINE 2, 2004	7,000	
	100012	Fire Station Communication Equipment	23,000	
930 PW Supervision	137	Chevrolet Malibu, 2000	14,000	
935 Engineering	247	Ford Expedition, 2003	27,000	
946 CSC	9999	Fleenor Security Systems	22,600	
948 Municipal Building	9999	Fleenor Security Systems	26,000	

**EQUIPMENT REPLACEMENT RENTAL FUND
CAPITAL EXPENDITURES (CONTINUED)**

The following equipment is fully depreciated and scheduled for replacement in **FY 2012**
Equipment replacement in FY 2012 will ONLY be purchased if funding is available.

ACTIVITY	ASSET NO.	DESCRIPTION	ORIGINAL COST
960 Community Development	122	Chevrolet Malibu, 2000	25,000
966 Code Enforcement	147	Ford Taurus Sedan, 2001	15,000
	264	Ford Escape, 4X4, 2004	20,500
	265	Ford Escape, 4X4, 2004	20,500
970 Recreation Supervision	193	Chevrolet Malibu, 2002	15,000
	206	Ford Expedition, 2003	29,200
	213	Ford 15 Passenger Van, 1999	22,000
976 Parks	226	Ford F250 Pickup Truck, 2003	14,500
	263	Dodge Ext. Cab Pickup, 2001	22,700
	299	GMC Sierra 4x4 Truck, 1994	24,000
	306	Ford 1 Ton Dump w/Plow, 2000	37,000
	606	John Deere 4WD Tractor w/Loader	25,000
	650	Rotary Mower 428D, 2006	9,300
	800	Smithco Super AFAC, 2000	9,700
977 Scarboro Center	9999	Scarboro Phone System	31,200
11951 Equipment Shop	242	GMC Pickup Truck, 1999	25,000
	266	Ford F250 2WD Pickup, 2004	15,000
	870	Engine Analyzer, 2004	9,000
	921	Coats Tire Changer, 1995	7,900
	9952	Wheel Balancer Light/Heavy Equipment	10,000
13100 Economic Development	135	Chevrolet Malibu, 2000	14,000
16100 Street Maintenance	9200	15 Passenger Van, 1998 (GRANT \$24K)	6,000
	9204	Handicap Accessible Transit Van, 2002	33,000
	9205	Handicap Accessible Transit Van, 2002	33,000
	9206	Handicap Accessible Transit Van, 2002	33,000
21941 Work Pool	221	Ford EXT-Cab F250, 1998	25,000
	230	Dodge Truck w/Utility, 2001	20,000
	235	Dodge Ext Cab Pickup, 2001	21,000
	243	Ford Pickup w/Utility, 2001	22,000
	287	Ford Econo Line Van, 1990	24,000
	305	Ford 1 Ton Dump Truck, 2000	33,000
	309	Dodge Pickup, 2001	25,000
	314	GMC 1.5 Ton Dump Truck, 1998	26,000
	315	GMC 1.5 Ton Dump Truck, 1998	26,000
	317	GMC 1.5 Ton Dump Truck, 1998	26,000
	318	GMC 1.5 Ton Dump Truck, 1998	26,000
	345	Ford Pickup w/Utility, 2001	27,100
	352	Ford 5 Ton Dump Truck, 1999	65,000
	406	Backhoe, 2006	101,000
	417	Yale Forklift, 1990	14,000
	437	Case Forklift, 1988	20,000
	447	John Deere Backhoe 410D, 1995	57,000
	452	Backhoe 4WD, 1999	52,000
	453	Backhoe 4WD, 1999	52,000
	454	Skid Steer Loader, 1999	39,000
	502	Asphalt Roller Model DD-24, 1998	26,000
	508	Air Compressor, 1999	12,000
	524	Ditch Witch Trencher, 1995	35,000
	636	ODB Vacuum Leaf Loader, 2002	23,000
24100 Golf Course Fund		Various Equipment	50,000
27401 Property Maintenance	103	Jeep Grand Cherokee, 1997	24,000
28100 ETPP Fire Station	304	Ford Ambulance, Medic 43, 1993	20,000
			<u>\$ 3,282,400</u>

EQUIPMENT REPLACEMENT RENTAL FUND

BUDGET SUMMARY

	<u>ACTUAL 2010</u>	<u>BUDGET 2011</u>	<u>PROJECTED 2011</u>	<u>BUDGET 2012</u>	<u>BUDGET 12 vs 11</u>	<u>% CHANGE</u>
<u>OPERATING REVENUES:</u>						
4466 Charges for Service	3,104,610	3,285,000	3,293,720	3,571,915	286,915	8.7
<u>OPERATING EXPENSES:</u>						
5235 Routine Repair & Maintenance	1,982,489	2,050,000	2,035,275	2,051,335	1,335	0.1
5460 Depreciation	809,981	955,000	913,040	955,000	-	0.0
Total Operating Expenses	<u>2,792,470</u>	<u>3,005,000</u>	<u>2,948,315</u>	<u>3,006,335</u>	<u>1,335</u>	<u>0.0</u>
Operating Income (Loss)	312,140	280,000	345,405	565,580	285,580	102.0
<u>NONOPERATING REVENUES/(EXPENSES):</u>						
4610 Interest Income	4,117	3,000	4,200	4,200	1,200	40.0
4790 Capital Contributions	154,393	-	-	-	-	0.0
4720 Gain/(Loss) on Sale of Assets	17,472	22,000	5,000	20,000	(2,000)	-9.1
5439 Interest Expense	<u>(33,031)</u>	<u>(35,111)</u>	<u>(35,111)</u>	<u>(28,916)</u>	<u>6,195</u>	<u>-17.6</u>
Total Nonoperating Revenues (Expenses)	<u>142,951</u>	<u>(10,111)</u>	<u>(25,911)</u>	<u>(4,716)</u>	<u>5,395</u>	<u>-53.4</u>
Net Income (Loss)	455,091	269,889	319,494	560,864	290,975	107.8
<u>NET ASSETS - 7/1</u>	<u>2,640,221</u>	<u>3,607,725</u>	<u>3,095,312</u>	<u>3,414,806</u>	<u>(192,919)</u>	<u>-5.3</u>
<u>NET ASSETS - 6/30</u>	<u>3,095,312</u>	<u>3,877,614</u>	<u>3,414,806</u>	<u>3,975,670</u>	<u>98,056</u>	<u>2.5</u>

INSURANCE FUND

The Insurance Fund ensures that adequate funds are available to pay for various losses, which the City may incur. The Insurance Fund ensures the City's ability to pay for losses through the purchase of insurance, the maintenance of monetary reserves or a combination of both. Revenues to the Insurance Fund are provided through charges to the General, Electric and Waterworks Funds and from employee and retiree contributions toward medical premiums.

Budgeted expenses for the Insurance Fund totaled \$8,507,970 for fiscal 2012; a \$28,751 or 0.3% decrease over fiscal 2011 primarily due to liability insurance projections for fiscal 2012. Expense areas include City employee retirement benefits to the TCRS, employee medical benefits, workers compensation, and property and liability insurance.

In fiscal 2005, the accounting for the City's contribution to the TCRS for employee retirement benefits was centralized in the Insurance Fund in order to spread the rising costs for retirement over multi-year periods. To accomplish this, the General, Electric and Waterworks Funds are charged a flat amount for TCRS contributions. This flat charge is recorded as revenue in the Insurance Fund. Correspondingly, actual retirement payments to the TCRS are recorded as an expense in the Insurance Fund. Short-term shortages in the corresponding revenues versus expenses for retirement benefits will be funded from existing cash reserves in the Insurance Fund. The goal is to reach a flat percentage charged to other City Funds that will not fluctuate as much as the actual TCRS rate. Historically, the TCRS rate has increased and decreased based on fluctuations in the stock market and other investment instruments. In fiscal 2012, expenses for employee retirement benefits with the TCRS are budgeted at \$2,835,610, up \$26,069 or 0.9% over fiscal 2011 levels based on 2% wage increase in 2012. In fiscal 2011, the City's required contribution to the TCRS increased from 13.07% to 14.99% of covered wages, a 14.7% increase. The City's contribution to the TCRS for employee retirement benefits is actuarially reviewed on a biennial basis. The TCRS required contribution rate will be reviewed again for fiscal 2013.

The City continually reviews its insurance programs and providers in an attempt to mitigate ever increasing insurance costs, particularly employee medical. In 1990, the City began a primarily self-insured program for employee medical claims. Medical claims increased 87.8% from 1991 to 1995. On August 1, 1996, the City converted to a Group Hospitalization plan under which employee medical claims were funded entirely through insurance premiums, with contributions by employees and retirees funding a portion of costs. Since 1999, the City has contracted employee medical coverage through the State of Tennessee Local Government Health Insurance Program. In an overall cost reduction endeavor, the employee paid percentages toward the medical insurance premiums were increased on July 1, 2003, with the City paying 85% of the highest single premium and 70% of the highest family premium. Fiscal 2012 budgeted funding for employee medical insurance premiums at \$4,415,760, remained at the prior year budgeted level. Actual 2011 costs were below budget due to a restructuring of the medical plans by the City's insurance carrier. More plans were offered to employees, some including higher employee copays and deductibles. Employee medical insurance premiums are budgeted to increase 10% on January 1, 2012.

At the present time, the City purchases insurance with deductibles for Worker's Compensation, and liability and property damage. The City has a \$50,000 per incident deductible on Workers' Compensation coverage and property damage due to a natural disaster. Other deductibles for property, equipment and general liabilities range from \$5,000 to \$10,000 per incident. The City is self-insured for the employee dental/hearing/vision reimbursement program and unemployment compensation. Monetary reserves are maintained within the Insurance Fund to pay for the City's portion of any losses in these areas. The appropriate level of reserves within the Fund is determined by examining the potential for losses in each area of risk and providing the necessary funds to cover a catastrophic loss in any one-risk area.

INSURANCE FUND
BUDGET SUMMARY

	<u>ACTUAL</u> <u>2010</u>	<u>BUDGET</u> <u>2011</u>	<u>PROJECTED</u> <u>2011</u>	<u>BUDGET</u> <u>2012</u>	<u>BUDGET</u> <u>12 vs 11</u>	<u>%</u> <u>CHANGE</u>
<u>OPERATING REVENUES:</u>						
4400 Charges for Service	<u>7,962,919</u>	<u>8,422,890</u>	<u>8,402,719</u>	<u>8,434,355</u>	<u>11,465</u>	<u>0.1</u>
<u>OPERATING EXPENSES:</u>						
5150 TCRS	2,418,030	2,809,541	2,770,235	2,835,610	26,069	0.9
5160 Medical Insurance	4,165,645	4,415,760	4,133,100	4,415,760	-	0.0
5175 Workers Compensation	345,790	330,000	340,235	350,000	20,000	6.1
5400 Liability Insurance	509,349	659,470	594,130	601,000	(58,470)	-8.9
5400 Other	<u>242,690</u>	<u>321,950</u>	<u>395,000</u>	<u>305,600</u>	<u>(16,350)</u>	<u>-5.1</u>
Total Operating Expenses	<u>7,681,504</u>	<u>8,536,721</u>	<u>8,232,700</u>	<u>8,507,970</u>	<u>(28,751)</u>	<u>-0.3</u>
Operating Income (Loss)	281,415	(113,831)	170,019	(73,615)	40,216	-35.3
<u>NONOPERATING REVENUES:</u>						
4610 Interest Income	<u>3,729</u>	<u>5,000</u>	<u>2,835</u>	<u>2,800</u>	<u>(2,200)</u>	<u>-44.0</u>
Net Income (Loss)	285,144	(108,831)	172,854	(70,815)	38,016	-34.9
<u>NET ASSETS - 7/1</u>	<u>1,026,315</u>	<u>1,044,852</u>	<u>1,311,459</u>	<u>1,484,313</u>	<u>439,461</u>	<u>42.1</u>
<u>NET ASSETS - 6/30</u>	<u>1,311,459</u>	<u>936,021</u>	<u>1,484,313</u>	<u>1,413,498</u>	<u>477,477</u>	<u>51.0</u>

VI. Special Revenue Funds

Table of Contents

Special Revenue Funds.....	VI-1
General Purpose School Fund	VI-1
Drug Enforcement Program Fund.....	VI-3
State Street Aid (SSA) Fund.....	VI-5
Street and Public Transportation Fund	VI-8
Economic Diversification (ED) Fund	VI-10
Grant Fund	VI-12
Solid Waste Fund.....	VI-15
Golf Course Fund	VI-17
West End Fund	VI-19
Special Programs Fund	VI-21
Housing Fund	VI-22

SPECIAL REVENUE FUNDS

Special Revenue Funds are 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 maintains eleven Special Revenue Funds as outlined in this Section.

The eleven Special Revenue Funds are as follows:

General Purpose School Fund - Accounts for Oak Ridge School Operations

Drug Enforcement Program Fund – Accounts for drug enforcement activities funded through restricted use drug fines and forfeitures.

State Street Aid Fund – Accounts for maintenance on non-state streets funded through restricted use State-shared gas and motor fuel taxes supplemented by operating transfers from the City's General Fund.

Street and Public Transportation Fund – Accounts for the City's public transportation programs funded through restricted use State-shared petroleum product inspection fees and a state operating assistance grant.

Economic Diversification Fund - Accounts for the City's economic development endeavors from funds City Council has allocated specifically for that purpose.

Grant Fund – Accounts for the receipt of various non-utility state and federal grant revenues, including the annual Community Development Block Grant (CDBG) and other grants that benefit low-income persons in the community.

Solid Waste Fund – Accounts for the collection and disposal of residential refuse. Under Tennessee State Law, these activities must be accounted for in a special revenue fund.

Golf Course Fund – Accounts for the construction and operation of the Tennessee Centennial municipal golf course and sale of the remaining available land surrounding the course.

West End Fund – Accounts for the City's fire and ambulance services located at the ETPP site that is currently being funded under a contract with Bechtel Jacobs.

Special Programs Fund – Accounts for programs to be determined.

Housing Fund – Accounts for the City's anticipated housing initiatives.

GENERAL PURPOSE SCHOOL FUND

School operations are funded by transfers from the City's General Fund, set at \$14,629,302 for fiscal 2012, and from revenues from the State of Tennessee, Anderson and Roane Counties as well as federal sources. An elected five member School Board has oversight responsibility for the Oak Ridge Schools. The School Board reviews the budget prepared by School staff and then submits a funding request to the City to finance School operations. The General Fund provides funding for approximately 25.8% of the Schools total budgeted expenditures. In fiscal 2012, the Oak Ridge Schools will receive an additional \$159,171 or 1.1% in funding from the City. To maintain a flat property tax rate, the City's operational funding increase for the Schools was restricted to 1.1% over the fiscal 2011 amount.

City Council approves the total legal expenditure appropriation for the General Purpose School Fund; however, City Council cannot alter any budget line item within the School's budget. The School Board reviews and may alter detail line items within the School's operating budget. The legal expenditure appropriation for the General Purpose School Fund for fiscal 2012 is \$56,575,222; a \$1,424,289 or 2.6% increase over the prior fiscal year. The Schools prepare a separate budget document that details the revenues and expenditures of the General Purpose School Fund.

**GENERAL PURPOSE SCHOOL FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
Local Funds:						
Local Taxes-Anderson/Roane Co.	12,649,926	12,555,195	12,908,412	13,030,023	474,828	3.8
Charges for Services	496,274	421,775	416,775	406,000	(15,775)	-3.7
Other Local Revenues	211,974	169,900	102,730	82,100	(87,800)	-51.7
State Funds:						
State Education Funds	19,333,412	19,998,613	19,791,626	20,295,711	297,098	1.5
Federal Funds:						
Federal Funds Received Thru State	142,120	134,919	154,661	132,604	(2,315)	-1.7
Federal Revenues	2,971,392	3,270,904	3,270,904	3,262,254	(8,650)	-0.3
Other Sources	<u>3,484,008</u>	<u>3,680,359</u>	<u>3,689,159</u>	<u>4,182,538</u>	<u>502,179</u>	<u>13.6</u>
Total Revenues	<u>39,289,106</u>	<u>40,231,665</u>	<u>40,334,267</u>	<u>41,391,230</u>	<u>1,159,565</u>	<u>2.9</u>
EXPENDITURES:						
Instruction:						
Regular Education Program	22,546,964	23,398,692	23,074,236	23,975,592	576,900	2.5
Alternative Schools	298,421	344,332	335,679	356,889	12,557	3.6
Special Education Program	4,041,899	4,206,828	4,206,828	4,299,858	93,030	2.2
Technology Career Program	1,107,976	1,041,244	1,041,244	968,938	(72,306)	-6.9
Other - Instruction Services	67,196	287,805	94,776	324,230	36,425	12.7
Support Services:						
Health Services	328,444	336,369	334,302	355,018	18,649	5.5
Other Student Support	1,353,302	1,324,891	1,305,332	1,228,190	(96,701)	-7.3
Regular Instructional Support	1,851,534	2,027,820	2,002,813	2,178,330	150,510	7.4
Special Education Support	543,142	559,677	568,488	571,132	11,455	2.0
Technology - Career Support	160,052	165,069	174,419	167,091	2,022	1.2
Board of Education Support	732,310	924,356	922,327	909,672	(14,684)	-1.6
Office of Superintendent	250,199	263,589	262,912	265,742	2,153	0.8
Office of Principal	2,643,475	2,779,617	2,774,617	2,763,946	(15,671)	-0.6
Fiscal Services	606,915	669,136	667,826	675,775	6,639	1.0
Human Services	223,637	242,359	241,295	246,706	4,347	1.8
Operation of Plant	4,355,750	4,657,464	4,657,464	4,601,641	(55,823)	-1.2
Maintenance of Plant	1,362,074	1,451,140	1,451,140	1,439,395	(11,745)	-0.8
Transportation	1,126,367	1,320,783	1,320,783	1,392,069	71,286	5.4
Central Services	991,028	956,325	968,064	918,800	(37,525)	-3.9
Non-Instructional Services:						
Food Service	1,816,744	1,918,114	1,918,114	1,919,685	1,571	0.1
Community Services	1,077,554	1,095,492	1,245,613	1,449,602	354,110	32.3
Capital Outlay	89,856	302,000	262,468	603,000	301,000	99.7
Federal Projects	2,971,392	3,270,904	3,270,904	3,262,254	(8,650)	-0.3
Other	<u>1,555,633</u>	<u>1,606,927</u>	<u>1,606,927</u>	<u>1,701,667</u>	<u>94,740</u>	<u>5.9</u>
Total Expenditures	<u>52,101,865</u>	<u>55,150,933</u>	<u>54,708,571</u>	<u>56,575,222</u>	<u>1,424,289</u>	<u>2.6</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,812,759)</u>	<u>(14,919,268)</u>	<u>(14,374,304)</u>	<u>(15,183,992)</u>	<u>(264,724)</u>	<u>1.8</u>
Other Financing Sources (Uses)						
Operating Transfers In	13,980,802	14,470,131	14,470,131	14,629,302	159,171	1.1
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
Total Other Financing Sources (Uses)	<u>13,980,802</u>	<u>14,470,131</u>	<u>14,470,131</u>	<u>14,629,302</u>	<u>159,171</u>	<u>1.1</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	1,168,043	(449,137)	95,827	(554,690)	(105,553)	23.5
Reserves and Fund Balance 7/1	<u>2,425,479</u>	<u>3,593,522</u>	<u>3,593,522</u>	<u>3,689,349</u>	<u>95,827</u>	<u>2.7</u>
Reserves and Fund Balance 6/30	<u>3,593,522</u>	<u>3,144,385</u>	<u>3,689,349</u>	<u>3,134,660</u>	<u>(9,726)</u>	<u>-0.3</u>

DRUG ENFORCEMENT PROGRAM FUND

Fund Overview:

In 1985, the Drug Enforcement Program Fund was established by the City to account for revenues from drug fines and from the sale of items confiscated during drug curtailment activities. Tennessee state law requires those revenues to be accounted for in a separate special revenue fund and that disbursements from those revenues be legally restricted to drug enforcement, drug education, drug treatment and nonrecurring general law enforcement expenditures. The operations accounted for in this Fund are under the supervision of the Police Department.

Major Revenue Sources:

Fiscal 2012 revenues are budgeted at \$166,750 from drug fines and the sale of items confiscated during drug curtailment activities. Over the past four years, the City has been receiving equitable shared funding from the Department of Justice, Internal Revenue Service and the US Marshall Service. Equitable sharing is a program designed to enhance cooperation among federal, state and local law enforcement agencies through the sharing of proceeds resulting from federal forfeitures. The percentage of net proceeds shared with state and local law enforcement agencies is based on the degree of the agencies' direct participation in the case and therefore can vary greatly from year to year.

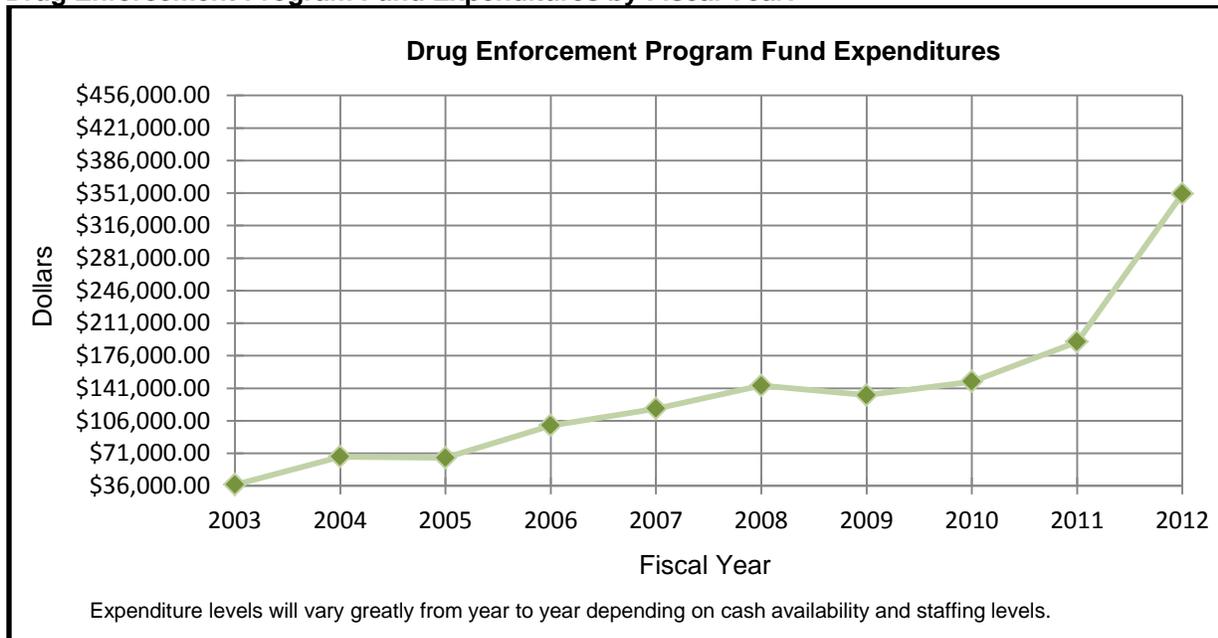
Major Expenditure Areas:

Fiscal 2012 expenditures are budgeted at \$350,000 for drug enforcement, drug education, drug treatment and nonrecurring general law enforcement expenditures.

Budget Overview and Changes:

Revenues and expenditures for this Fund will vary from year-to-year based on the level of Fund Balance and revenues collected during the fiscal year. Since expenditures are legally restricted, the \$350,000 appropriation for the Drug Enforcement Program Fund allows for fluctuations in expenditure levels due to irregular revenue/expenditure patterns from enforcement activities and the occasional state and/or federal grant award without requiring amendment of the appropriation ordinance.

Drug Enforcement Program Fund Expenditures by Fiscal Year:



DRUG ENFORCEMENT PROGRAM FUND

BUDGET SUMMARY

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
4035 Drug Fines	17,521	20,000	16,594	20,000	-	0.0
4036 Confiscations	68,082	35,000	50,048	35,000	-	0.0
4314 Future Grants	-	50,000	-	50,000	-	0.0
4306 DOJ Equitable Sharing	3,985	25,000	3,883	25,000	-	0.0
4307 IRS Equitable Sharing	36,123	25,000	10,000	25,000	-	0.0
4308 US Marshalls Equitable Sharing	14,219	10,000	16,570	10,000	-	0.0
4610 Interest on Investments	1,067	1,500	600	750	(750)	-50.0
4790 Proceeds from Salvage Sale	929	1,000	57	1,000	-	0.0
Total Revenues	<u>141,926</u>	<u>167,500</u>	<u>97,752</u>	<u>166,750</u>	<u>(750)</u>	<u>-0.4</u>
EXPENDITURES:						
5201 Rents	52,648	50,000	51,815	12,000	(38,000)	-76.0
5207 Dues & Memberships	-	300	300	300	-	0.0
5210 Prof. & Contractual Services	845	15,000	14,335	15,000	-	0.0
5212 Utility Services	30,815	20,000	38,805	40,000	20,000	100.0
5220 Travel, Schools & Conferences	19,010	15,000	11,798	15,000	-	0.0
5235 Routine Repairs & Maintenance	2,267	2,000	2,000	2,000	-	0.0
5289 Equipment Use Charges	-	4,000	4,041	4,000	-	0.0
5292 Drug Cases	22,330	69,200	25,000	69,200	-	0.0
5293 Dare Program	-	3,000	1,500	3,000	-	0.0
5310 Commodities	14,180	35,000	25,000	35,000	-	0.0
5500 Machinery & Equipment	6,000	24,500	16,245	49,500	25,000	102.0
5999 Contingency/Grants	-	125,000	-	105,000	(20,000)	-16.0
Total Expenditures	<u>148,095</u>	<u>363,000</u>	<u>190,839</u>	<u>350,000</u>	<u>(13,000)</u>	<u>-3.6</u>
Excess (Deficiency) of Revenues over Expenditures	(6,169)	(195,500)	(93,087)	(183,250)	12,250	-6.3
FUND BALANCE - 7/1	<u>344,089</u>	<u>257,265</u>	<u>337,920</u>	<u>244,833</u>	<u>(12,432)</u>	<u>-4.8</u>
FUND BALANCE - 6/30	<u>337,920</u>	<u>61,765</u>	<u>244,833</u>	<u>61,583</u>	<u>(182)</u>	<u>-0.3</u>

STATE STREET AID (SSA) FUND

Fund Overview:

The State Street Aid Fund provides for the maintenance of all City streets that are not designated State highways. The goal is to provide a cost effective and acceptable level of street maintenance and to improve overall quality of streets and sidewalks. The operations accounted for in this Fund are under the supervision of the Public Works Department. The City's work pool employees generally perform the routine street maintenance accounted for in this Fund, with the exception of major street resurfacing projects, which are contracted to private vendors.

Maintenance of State streets located within Oak Ridge is accounted for in the City's General Fund, Activity 942. The State reimburses the City for a portion of State street maintenance under a separate contract.

Major Revenue Source:

Revenues in this Fund are received from the State of Tennessee's state-shared twenty-one-cent gasoline and motor fuel tax and may be used for street construction and maintenance related activities. The State restricts municipalities as to what types of expenditures are eligible for disbursement from these tax proceeds. Revenues from state-shared fuel taxes are budgeted at \$753,500 for fiscal 2012, a 5.3% increase from the prior year based on actual allocation trends.

The revenue stream provided from fuel taxes is insufficient to fund all the expenditures accounted for in the State Street Aid Fund. The fiscal 2012 budget includes a \$653,000 operating transfer from the General Fund, remains at the prior fiscal year level.

Major Expenditure Areas:

Expenditures are budgeted at \$1,784,000, a 29.0 percent increase over fiscal 2011. In fiscal 1995, the City began a major Pavement Management Program. Long-term goals of the program are to provide adequate maintenance to City streets in order to prevent or prolong the need for more expensive street reconstruction. Expenditures for this program should run between \$600,000 to \$700,000 annually.

Major projects for FY 2012 include:

- Maintenance activities are budgeted at \$434,000 and include street maintenance (\$254,000), sidewalk maintenance (\$30,000), leaf pickup (\$20,000), storm drains and spoil dumps (\$110,000) and snow and ice removal (\$20,000).
- Resurfacing of City streets is budgeted at \$1,065,000.
- Other Costs are budgeted at \$285,000 include the allocation of charges from the General Fund for engineering and other services rendered, and rental for space occupied at the Central Services Complex.



Budget Changes:

The \$401,000 budgeted increase in expenditures from fiscal 2012 levels is primarily for street resurfacing, up \$390,000. The State will pave certain streets located in the City, with the City providing a 20% local funding match. \$115,000 is budgeted in fiscal 2012 for the City's local match for paving already under contract with the State.

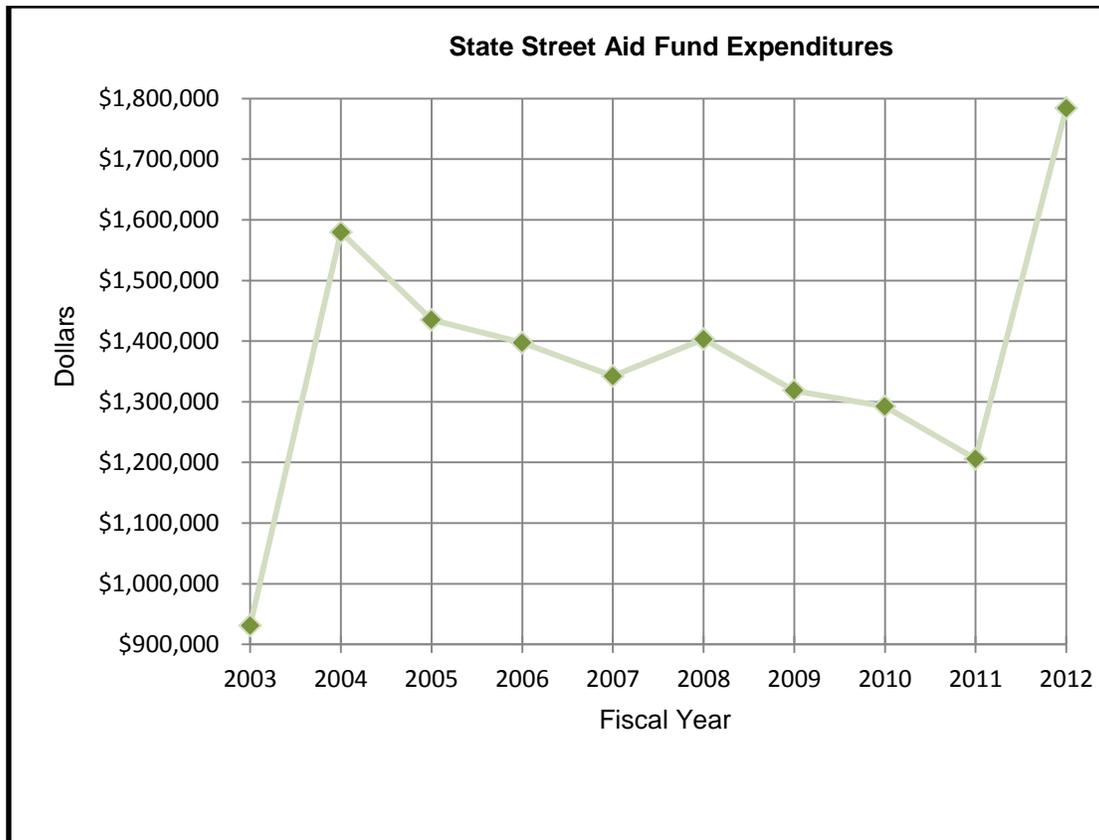
Budgeted funding for paving contracted by the City is up \$275,000. The City generally paves in the summer, with services contracted at the beginning of the fiscal year. Historically, each summer the City has used encumbered money from the prior fiscal year to fund a portion of the paving costs. In an effort to reduced dependency on encumbrance funding, no encumbrances will be made for paving at the end of fiscal 2012. The budget for paving for 2012 was increased to compensate for funding that previously would have been provided by encumbrances.

Other costs increased \$11,000 for the allocation of charges from the General Fund for engineering and other services rendered and rental for space occupied at the Central Services Complex.

During budget deliberations in fiscal 2004, \$60,000 in funding for snow removal on non-state streets was removed from the budget. This service reduction was made solely to reduce the property tax rate. Correspondingly, a \$60,000 reduction was made to budgeted operating transfers from the General Fund. Fiscal 2012 will see snow removal efforts remaining at the reduced 2004 level with any excess expenditure over the \$20,000 budget coming from funds designated for street resurfacing.

State Street Aid Fund Expenditures by Fiscal Year:

The FY03 lower expenditures reflect the utilization of State, rather than City funding to pave eligible City streets. The increase in FY04 is for full resumption of City funded street resurfacing. Expenditures vary somewhat from year-to-year based on needed street maintenance and snow removal for that year. The increase in FY12 is for street resurfacing as outlined above.



STATE STREET AID FUND

BUDGET SUMMARY

	<u>ACTUAL</u> <u>2010</u>	<u>BUDGET</u> <u>2011</u>	<u>PROJECTED</u> <u>2011</u>	<u>BUDGET</u> <u>2012</u>	<u>BUDGET</u> <u>12 vs 11</u>	<u>%</u> <u>CHANGE</u>
REVENUES:						
4610 Interest on Investments	1,363	500	850	500	-	0.0
4810 Motor Fuel Tax	149,397	145,000	150,000	153,000	8,000	5.5
4811 State Shared Gasoline Tax	<u>578,014</u>	<u>570,000</u>	<u>581,000</u>	<u>600,000</u>	<u>30,000</u>	<u>5.3</u>
Total Revenues	<u>728,774</u>	<u>715,500</u>	<u>731,850</u>	<u>753,500</u>	<u>38,000</u>	<u>5.3</u>
EXPENDITURES:						
15100 Street Maintenance	215,469	150,000	205,000	150,000	-	0.0
15110 Curb & Gutter Replacement	33,248	55,000	25,000	55,000	-	0.0
15120 Traffic Sign Maintenance	23,228	24,000	23,000	24,000	-	0.0
15130 Striping City Streets	18,203	25,000	20,000	25,000	-	0.0
15200 Sidewalk Maintenance	25,197	30,000	25,000	30,000	-	0.0
15300 Leaf Pickup	-	20,000	-	20,000	-	0.0
15400 Storm Drains	138,863	110,000	160,000	110,000	-	0.0
15500 Snow & Ice Removal	121,522	20,000	189,812	20,000	-	0.0
15700 Other Costs	254,247	274,000	258,000	285,000	11,000	4.0
15800 Street Resurfacing-State Prepaid	-	-	-	115,000	115,000	100.0
15800 Street Resurfacing	<u>462,115</u>	<u>675,000</u>	<u>300,000</u>	<u>950,000</u>	<u>275,000</u>	<u>40.7</u>
Total Expenditures	<u>1,292,092</u>	<u>1,383,000</u>	<u>1,205,812</u>	<u>1,784,000</u>	<u>401,000</u>	<u>29.0</u>
Excess (Deficiency) of Revenues over Expenditures	(563,318)	(667,500)	(473,962)	(1,030,500)	(363,000)	54.4
OTHER FINANCING SOURCES (USES)						
Bond Proceeds	413,042	-	-	-	-	0.0
Operating Transfers In General Fund	<u>223,729</u>	<u>653,000</u>	<u>653,000</u>	<u>653,000</u>	<u>-</u>	<u>0.0</u>
Total Other Financing Sources (Uses)	<u>636,771</u>	<u>653,000</u>	<u>653,000</u>	<u>653,000</u>	<u>-</u>	<u>0.0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	73,453	(14,500)	179,038	(377,500)	(363,000)	2503.4
FUND BALANCE - 7/1	<u>176,763</u>	<u>47,474</u>	<u>250,216</u>	<u>429,254</u>	<u>381,780</u>	<u>804.2</u>
FUND BALANCE - 6/30	<u>250,216</u>	<u>32,974</u>	<u>429,254</u>	<u>51,754</u>	<u>18,780</u>	<u>57.0</u>

STREET AND PUBLIC TRANSPORTATION FUND

Major Revenue Sources

The primary source of revenue for this Fund is a special one-cent-per-gallon inspection fee levied on all petroleum products bought, sold or stored in the state and an operating assistance grant from the Tennessee Department of Transportation (TDOT). The inspection fee is distributed on a per-capita basis to assist municipalities with street signage and public transportation. Fiscal 2012 revenues from this fee are budgeted at \$60,125.

The TDOT operating assistance grant reimburses the City for 50% of the expenditures for the taxicab coupon program and the public transit program, up to a total grant award that is adjusted annually. Historically, eligible expenses have been well below the grant maximum resulting in the full 50% reimbursement allowed under the grant. During fiscal 2004, the City's contract with the East Tennessee Human Resource Agency (ETHRA), the contractor who operates the public transit buses, was renewed at an approximate 55% increase. Revenues from the state-shared fuel taxes and the TDOT operating assistance grant are insufficient to finance the higher operating costs for this program. In fiscal 2004, the General Fund began providing an operating transfer to the Street and Public Transportation Fund to support the operations of the public transit buses. For fiscal 2012, this operating transfer is budgeted at \$55,000, remaining at fiscal 2011 levels.

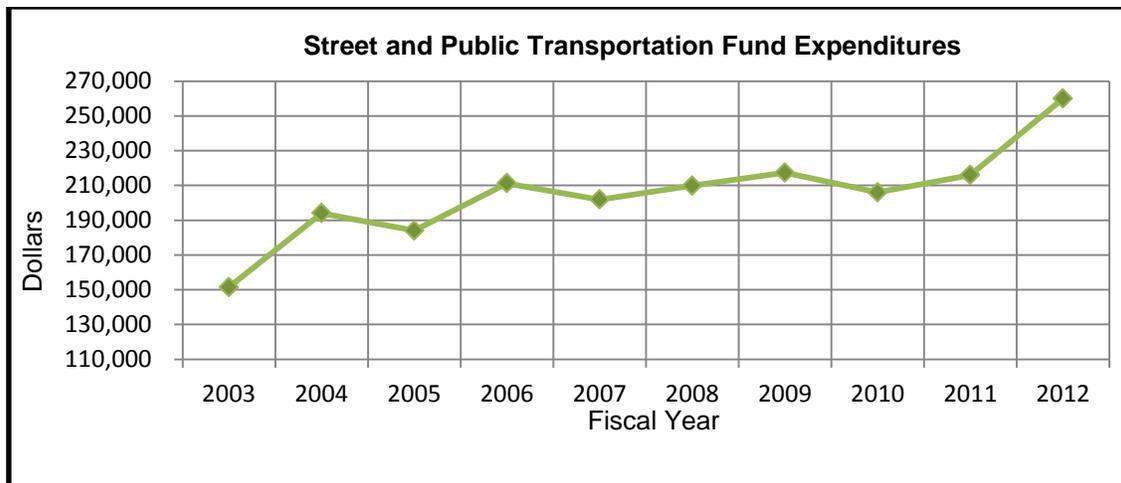
Major Expenditure Areas:

The Public Transit Program provides for the operation of four wheelchair lift equipped vans. The program is demand responsive and provides service within the City's corporate limits on a 24-hour advance reservation basis. Service is provided six days a week, Monday through Saturday, from 8:00 a.m. until 5:00 p.m. for a fare of \$1.50 per one-way trip. The system is operated under contract with the East Tennessee Human Resources Agency (ETHRA). ETHRA is responsible for all facets of operation, including hiring and training of personnel, scheduling, dispatch functions, vehicle maintenance and financial report/record keeping. ETHRA's 2004 contract to operate the public transit buses has nine optional annual renewal terms with a built-in cost-of-living escalator. \$195,000 is budgeted for this program in FY 2012.

The Taxi Coupon Program, administered in the Senior Center (Activity 978), provides for the purchase of coupons by the elderly for reduced taxi fares. The participant's share of the coupon is \$.75 for the rider, \$.30 for the taxi company and \$1.95 for the City. \$65,000 is budgeted for this program in fiscal 2012.

Street and Public Transportation Fund Expenditures by Fiscal Year:

The FY 2004 incline is due to a 55% increase in contract costs to operate the Public Transit Buses.



STREET AND PUBLIC TRANSPORTATION FUND

BUDGET SUMMARY

	<u>ACTUAL</u> <u>2010</u>	<u>BUDGET</u> <u>2011</u>	<u>PROJECTED</u> <u>2011</u>	<u>BUDGET</u> <u>2012</u>	<u>BUDGET</u> <u>12 vs 11</u>	<u>%</u> <u>CHANGE</u>
<u>REVENUES:</u>						
4610 Interest on Investments	(4)	50	-	-	(50)	-100.0
4300 Future Grant	-	10,000	-	10,000	-	0.0
4820 State Shared Gasoline Tax Inspection Fees	58,804	58,850	58,780	60,125	1,275	2.2
4358 Tennessee Department of Transportation	<u>102,690</u>	<u>130,000</u>	<u>108,002</u>	<u>130,000</u>	<u>-</u>	<u>0.0</u>
Total Revenues	<u>161,490</u>	<u>198,900</u>	<u>166,782</u>	<u>200,125</u>	<u>1,225</u>	<u>0.6</u>
<u>EXPENDITURES:</u>						
16102 Maintenance Traffic Signs	668	-	-	-	-	0.0
16200 Taxi Coupon Program	51,811	65,000	55,450	65,000	-	0.0
16200 Public Transit Program	<u>153,569</u>	<u>195,000</u>	<u>160,554</u>	<u>195,000</u>	<u>-</u>	<u>0.0</u>
Total Expenditures	<u>206,048</u>	<u>260,000</u>	<u>216,004</u>	<u>260,000</u>	<u>-</u>	<u>0.0</u>
Excess (Deficiency) of Revenues over Expenditures	(44,558)	(61,100)	(49,222)	(59,875)	1,225	-2.0
<u>OTHER FINANCING SOURCES (USES):</u>						
Operating Transfers In General Fund	<u>30,000</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>	<u>0.0</u>
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>	<u>0.0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(14,558)	(6,100)	5,778	(4,875)	1,225	-20.1
<u>FUND BALANCE - 7/1</u>	<u>38,224</u>	<u>15,574</u>	<u>23,666</u>	<u>29,444</u>	<u>13,870</u>	<u>89.1</u>
<u>FUND BALANCE - 6/30</u>	<u>23,666</u>	<u>9,474</u>	<u>29,444</u>	<u>24,569</u>	<u>15,095</u>	<u>159.3</u>

ECONOMIC DIVERSIFICATION (ED) FUND

Fund Overview:

A primary objective of the City is to promote diversification of the local Oak Ridge economic base, create and protect jobs, and provide for the common wealth of current and future Oak Ridgers. To assist in the attainment of this objective, the Economic Diversification (ED) Fund was established in fiscal 2000.

Major Revenue Source:

Fiscal 2012 revenues are budgeted at \$1,596,920, down \$72,795, a 4.4% decrease over the prior fiscal year. Hotel/Motel Tax collections are projected to be \$490,000 in fiscal 2012; a \$60,000 or 10.9% decrease over the prior fiscal year based on current collection levels impacted by the nationwide economic downturn. Incentive Returns are projected to be \$105,920 in fiscal 2012, a \$1,250 or 1.2 increase over the prior fiscal year based on actual incentives awarded. Some of the location incentives offered by the City to business to expand or relocate in Oak Ridge include a reimbursement of these funds advanced to the business back to the City over a multi-year period. \$1,000,000 in revenues is also budgeted to allow for expenditures that may occur from any future grant awards. To date, there are no pending grant revenues identified for fiscal 2012.

The other major source of funding for the ED Fund is from Operating Transfers from other City Funds, which are budgeted at \$296,000 in fiscal 2012 and remain at the same level as prior fiscal year.

Major Expenditure Areas:

Expenditures for the ED Fund are budgeted at \$2,131,000 for fiscal 2012, a \$706,000 or 24.9% decrease over fiscal 2011 levels. Expenditures budgeted in the ED Fund include: \$177,000 for the City's costs to facilitate special events being held in Oak Ridge, such as the archery tournament, rowing regattas, 4th of July fireworks, summer sounds concerts and the Secret City Festival; \$45,000 to maintain the right-of-ways, vacant Industrial Development Board lots in City Industrial Parks and for major maintenance to the City's Incubator Building; \$157,800 for legal and lobbying services related to economic development services and \$25,389 for miscellaneous expenditures.

\$725,811 is budgeted for economic development services with \$260,603 going to the Oak Ridge Chamber of Commerce. Oak Ridge Convention and Visitors Bureau (CVB) operational funding is budgeted at \$404,208, Anderson County Economic Development Association (ACEDA) is budgeted at \$15,000, with Roane Alliance at \$10,000, Innovation Valley at \$24,000 and Oak Ridge Revitalization Effort at \$12,000. Budgeted funding for the Chamber increased \$18,668 based on the current contract. The remaining agencies remained at fiscal 2011 funding amounts.

Budgeted expenditures include a \$1,000,000 contingency amount. Budgeting for a contingency allows the City the flexibility of obtaining state/federal grant funding and/or the awarding of location incentives for opportunities that arise after adoption of the budget without the requirement of reappropriation of the budget ordinance. This contingency is not operationally funded. Any actual expenditure for these contingency items would be funded through the ED Fund's existing fund balance or new grant revenues.

The ED Fund's budgeted appropriation reduction of \$706,000 for fiscal 2012 reflects the dwindling of the fund balance of the ED Fund, which is projected at \$138,382 at the end of fiscal 2012. Reductions included removal of the funding for two positions that were shared with other City departments. These positions are now fully funded out of the City's General Fund. Programs funded will need to be eliminated or reduced for fiscal 2013 if additional revenue sources are not obtained to support fund operations.

**ECONOMIC DIVERSIFICATION FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
4110 Incentive Return	100,251	104,715	105,920	105,920	1,205	1.2
4165 Hotel/Motel Tax Collections	489,976	550,000	485,000	490,000	(60,000)	-10.9
4305 Future Grants	-	1,000,000	-	1,000,000	-	0.0
4475 Marina Rental	828	-	500	-	-	0.0
4610 Interest on Investments	3,084	15,000	1,500	1,000	(14,000)	-93.3
Total Revenues	<u>594,139</u>	<u>1,669,715</u>	<u>592,920</u>	<u>1,596,920</u>	<u>(72,795)</u>	<u>-4.4</u>
EXPENDITURES:						
5111 Salaries & Fringe Benefits	80,411	70,000	67,718	-	(70,000)	-100.0
5200 Special Events/Recreational Projects	113,310	100,000	113,468	90,000	(10,000)	-10.0
5200 Fireworks	-	-	-	25,000	25,000	100.0
5200 Building & Property Maintenance	44,226	30,000	38,837	45,000	15,000	50.0
5210 Professional Services/Legal/Lobbying Services	156,974	167,000	154,300	157,800	(9,200)	-5.5
5430 Convention & Visitors Bureau	404,208	404,208	404,208	404,208	-	0.0
5430 Convention & Visitors Bureau - Relocation	-	120,000	-	-	(120,000)	-100.0
5430 Oak Ridge Chamber of Commerce	233,750	241,935	253,752	260,603	18,668	7.7
5430 OR Chamber of Commerce-Relocation Specialist	20,000	20,000	-	-	(20,000)	-100.0
5430 ACEDA	15,000	15,000	15,000	15,000	-	0.0
5430 Roane Alliance	10,000	10,000	10,000	10,000	-	0.0
5430 Art Council	24,270	50,000	50,000	50,000	-	0.0
5430 Art Council - Summer Concerts	23,000	25,000	12,000	12,000	(13,000)	-52.0
5430 Innovation Valley	18,000	24,000	24,000	24,000	-	0.0
5430 Jackson Square Business Association	12,000	8,000	8,000	-	(8,000)	-100.0
5430 Oak Ridge Revitalization Effort	-	-	12,000	12,000	12,000	100.0
5300 Miscellaneous Costs	17,564	51,857	20,930	25,389	(26,468)	-51.0
5430 Housing	-	250,000	-	-	(250,000)	-100.0
5480 Investment/Initiative Grant Funded	-	1,000,000	-	1,000,000	-	0.0
5480 Investment/Initiative City Funded:	-	250,000	-	-	(250,000)	-100.0
Total Expenditures	<u>1,172,713</u>	<u>2,837,000</u>	<u>1,184,213</u>	<u>2,131,000</u>	<u>(706,000)</u>	<u>-24.9</u>
Excess (Deficiency) of Revenues over Expenditures	(578,574)	(1,167,285)	(591,293)	(534,080)	633,205	-54.2
OTHER FINANCING SOURCES:						
Transfers From Other Funds						
Electric Fund	164,000	164,000	164,000	164,000	-	0.0
Waterworks Fund	132,000	132,000	132,000	132,000	-	0.0
Transfers To Other Funds						
Housing Fund	-	-	-	(250,000)	(250,000)	-100.0
Total Other Financing Sources (Uses)	<u>296,000</u>	<u>296,000</u>	<u>296,000</u>	<u>46,000</u>	<u>(250,000)</u>	<u>-84.5</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(282,574)	(871,285)	(295,293)	(488,080)	383,205	-44.0
FUND BALANCE - 7/1	<u>1,204,329</u>	<u>928,067</u>	<u>921,755</u>	<u>626,462</u>	<u>(301,605)</u>	<u>-32.5</u>
FUND BALANCE - 6/30	<u>921,755</u>	<u>56,782</u>	<u>626,462</u>	<u>138,382</u>	<u>81,600</u>	<u>143.7</u>

GRANT FUND

Fund Overview:

The Grant Fund accounts for the receipt of various non-utility state and federal grant revenues, including those that benefit low-income persons in the community. With the passage of the Urban-Rural Recovery Act of 1983, Oak Ridge became eligible for an automatic annual community block grant entitlement (CDBG) through the US Department of Housing and Urban Development (HUD). The entitlement has been used for projects that benefit low and very low-income persons; eliminate or prevent slums; and eliminate conditions detrimental to the health, safety and public welfare. The Grant Fund was initially established to account for the annual CDBG award. As grant opportunities expanded to other areas, the accounting for non-utility grants was centralized in the Grant Fund. Routine grant awards now include an Emergency Shelter Grant (ESG) through the Tennessee Department of Human Services and police grants through the US Department of Justice.

Major Revenue/Expenditure Sources and Budget Changes:

Grants awarded and therefore the appropriated expenditure level will vary from year to year in the Grant Fund. Revenues and expenditures are budgeted to be equal in the Grant Fund at \$4,000,000 for fiscal 2012.

The fiscal 2012 CDBG entitlement award is projected at \$250,000. On January 22, 2002, City Council approved a staff recommendation that established the CDBG Program Model for awarding sub-recipient grants to community organizations. City Council established housing rehabilitation and construction as its top priority for funding. Usage of the CDBG model has brought a sense of fairness and consistency to the funding process. In fiscal 2012, two of the CDBG projects awarded are in support of the City's efforts in the Highland View Redevelopment Area and one in the Scarboro neighborhood. The fiscal 2012 allocation of CDBG funds is as follows:

- \$89,000 for acquisition and demolition of vacant blighted properties.
- \$63,000 to provide funds for City employee and program costs associated with a City inspector for enforcement of municipal codes in CDBG eligible areas and programs.
- \$95,000 for annual debt service on funds borrowed by the City to renovate and expand the Scarboro Community Center. This is the tenth of fifteen installments on this debt.
- \$3,000 for general program administration, project implementation, management of subrecipient agreements and all reporting requirements.

\$9,498 from the American Recovery and Reinvestment Act (ARRA) is budgeted to ADFAC through CDBG funds to provide minor home repair, down payment assistance and housing counseling services.

\$171,350 is budgeted for City social services funding including \$140,000 for the City's social service program administered under a contract with Aid to Distressed Families of Appalachian Counties (ADFAC). The City's social service program provides assistance with rent, mortgage and utility payments, transportation for doctor appointments or job interviews, counseling toward self-sufficiency and referrals to appropriate agencies for further assistance to eligible citizens. \$31,850 in funding is budgeted for the Anderson County Health Council Healthy Start program that provides assistance, training and support program for young mothers. Both of these programs are 100% funded by the operating transfer from the General Fund.

\$925,376 is budgeted for grants that have been applied for or areas that miscellaneous grants to the City have historically been awarded. This includes a \$500,000 HOME grant, \$137,376 remaining on the TDOT Safe Route to School Grant, \$100,000 Preserve America Grant from the Department of the Interior and \$188,000 in police and fire grants. For the past few years, the City has been awarded grants toward police functions from the US Department of Justice and Fire grants from the Tennessee Department of Military. The City has completed a Manhattan Project Heritage historic preservation grant to retain the history of a decommissioned federal site and received a grant in fiscal 2010 from DOE to collect and retain oral histories related to the Manhattan project in Oak Ridge. The oral history grant is anticipated to be \$915,765 over a five year period with the 2012 allotment of \$191,500.

Other grants include \$237,500 for an economic development initiative program (EDI) to acquire and redevelop foreclosed properties that might become sources of abandonment and blight within the Highland View neighborhood. The City is required to utilize the NSP funds within census tract 205, which encompasses the area west of Highland Avenue and east of Louisiana Avenue, north to West Outer Drive and south to Oak Ridge Turnpike. This census tract was determined by Tennessee Housing Development Agency as the City's area of greatest need.

The fiscal 2012 appropriation for the Grant Fund also contains a \$2,211,276 contingency so that the City can aggressively pursue other federal and state grants.

**GRANT FUND
BUDGET SUMMARY**

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
REVENUES:						
4839 Oral History	84,662	215,000	102,668	191,500	(23,500)	-10.9
4839 Preserve America	8,974	115,000	10,000	100,000	(15,000)	-13.0
4845 Police/Fire Grants	94,544	145,396	111,010	188,000	42,604	29.3
4877 HOME Grant	-	500,000	-	500,000	-	0.0
4878 Emergency Shelter Grant (ESG)	33,960	33,856	33,856	-	(33,856)	-100.0
4879 Community Development Block Grant (CDBG)	192,144	282,187	260,186	250,000	(32,187)	-11.4
4881 American Recovery and Reinvestment Act (ARRA)	50,000	18,498	9,000	9,498	(9,000)	-48.7
4883 Neighborhood Stabilization Program (NSP)	39,189	94,631	55,442	-	(94,631)	-100.0
4875 HUD Development Grant	-	-	-	237,500	237,500	100.0
4899 TDOT Safe Routes to School Grant (SRTS) 2008	14,552	238,095	86,167	137,376	(100,719)	-42.3
4880 Future and Other Grants	-	2,685,487	8,500	2,214,276	(471,211)	-17.5
Total Revenues	<u>518,025</u>	<u>4,328,150</u>	<u>676,829</u>	<u>3,828,150</u>	<u>(500,000)</u>	<u>-11.6</u>
EXPENDITURES:						
Community Development Block Grant (CDBG):						
27401 Property Maintenance Inspector	68,182	63,000	63,000	63,000	-	0.0
27405 Habitat for Humanity	-	-	14,999	-	-	0.0
27406 Grants Coordinator/Administrative	2,809	3,000	3,000	3,000	-	0.0
27507 Demolition of Property	-	23,187	23,187	89,000	65,813	283.8
27411 Ridgeview Psychiatric Hospital	27,000	25,000	25,000	-	(25,000)	-100.0
27215 Scarboro Center (Loan Payment)	70,373	95,000	95,000	95,000	-	0.0
27501 ADFAC	22,000	73,000	36,000	-	(73,000)	-100.0
27506 CDBG-R	50,000	18,498	9,000	9,498	(9,000)	-48.7
27508 Neighborhood Watch	1,780	-	-	-	-	0.0
Other Grants:						
27503 HOME Grant	-	500,000	-	500,000	-	0.0
27504 Emergency Shelter Grant (ESG)	33,960	33,856	33,856	-	(33,856)	-100.0
27604 Police Grants	79,690	115,396	81,010	58,000	(57,396)	-49.7
27617 DOJ Grant (Police)	-	-	-	100,000	100,000	100.0
27605 Fire Grants	14,854	30,000	30,000	30,000	-	0.0
27611 ADFAC (Social Services Program)	136,500	140,000	140,000	140,000	-	0.0
27612 Healthy Start	31,850	31,850	31,850	31,850	-	0.0
27614 Farmers Market Grant	-	-	2,500	3,000	3,000	100.0
27615 Oral History Grant	84,662	215,000	102,668	191,500	(23,500)	-10.9
27616 Preserve America	8,974	115,000	10,000	100,000	(15,000)	-13.0
27512 HUD EDI Highland View Neighborhood	-	-	-	237,500	237,500	100.0
27305 SRTS Grant	14,552	238,095	86,167	137,376	(100,719)	-42.3
27511 NSP Grant	39,189	94,631	55,442	-	(94,631)	-100.0
27900 Other Grants/Contingency	-	2,685,487	6,000	2,211,276	(474,211)	-17.7
Total Expenditures	<u>686,375</u>	<u>4,500,000</u>	<u>848,679</u>	<u>4,000,000</u>	<u>(500,000)</u>	<u>-11.1</u>
Excess (Deficiency) of Revenues over Expenditures	(168,350)	(171,850)	(171,850)	(171,850)	-	0.0
OTHER FINANCING SOURCES:						
Transfer From General Fund	<u>168,350</u>	<u>171,850</u>	<u>171,850</u>	<u>171,850</u>	<u>-</u>	<u>0.0</u>
Excess (Deficiency) Of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	0.0
FUND BALANCE - 7/1	<u>38,154</u>	<u>38,154</u>	<u>38,154</u>	<u>38,154</u>	<u>-</u>	<u>0.0</u>
FUND BALANCE - 6/30	<u>38,154</u>	<u>38,154</u>	<u>38,154</u>	<u>38,154</u>	<u>-</u>	<u>0.0</u>

SOLID WASTE FUND

Fund Overview:

This Fund provides for the collection and disposal of residential refuse and recyclables. The goal is to contribute to the health and welfare of the community by providing a quality level of refuse collection, while at the same time continually striving to identify and recommend measures which improve the efficiency of the service to the public. This service had historically been funded and accounted for in the City's General Fund. In 1992, state legislation required that the City establish a separate Fund to account for solid waste management expenditures. General Fund revenues continue to provide funding for solid waste expenditures via an operating transfer from the General Fund.

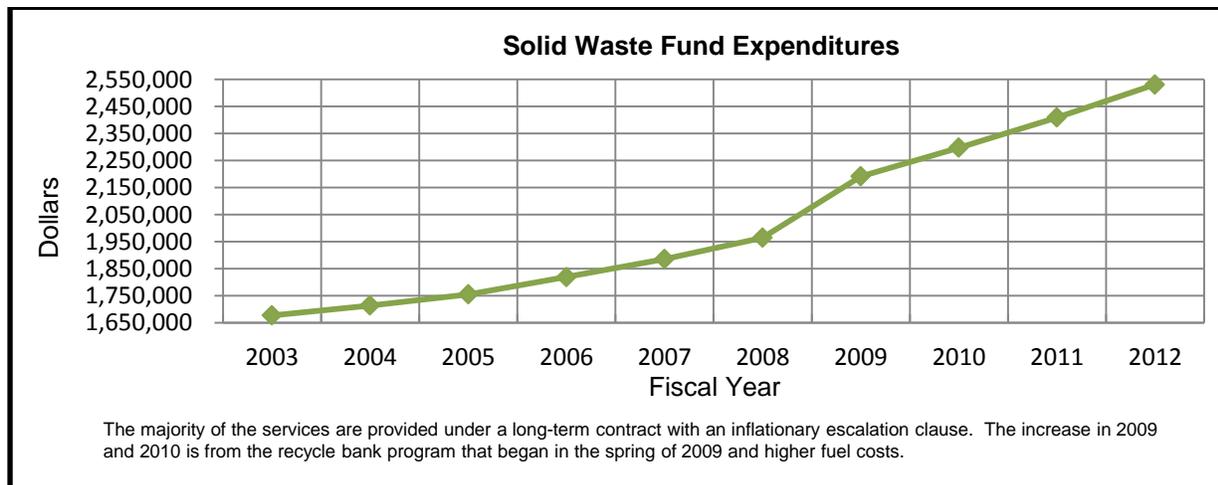
Major Revenue Source:

In fiscal 1999, City Council authorized a \$5 monthly fee be charged to residential households for solid waste collection. In March 2009, the monthly residential refuse fee increased to \$7 to recover the additional costs for the Recycle Bank program. In fiscal 2012, this fee is estimated to provide \$1,007,000 in funding for the Solid Waste Fund. The City does not provide refuse collection to commercial entities located within Oak Ridge. The operating transfer from the General Fund is budgeted at \$1,524,170, up \$63,870 or 4.4% from the prior fiscal year. The operating transfer amount is adjusted each year so that budgeted revenues and expenditures will be equal.

Major Expenditures Areas:

For fiscal 2012, expenditures for the Solid Waste Fund are budgeted at \$2,531,170, a \$70,870 increase from the preceding fiscal year. As a part of the Recycle Bank program, households were given large recycle bins and have the opportunity to earn Recycle Bank points that can be used to shop at over 1,500 local and national businesses. The City contracts with Waste Connections for the collection and disposal of residential solid waste at an estimated cost of \$1,959,750. Residential refuse collection is provided once a week at the back door and once a week at curbside for recyclable items. The contractor is also responsible for the operation of a convenience center for disposing of residential waste and recyclable items, budgeted at a cost of \$335,250. In an effort to mitigate escalating costs, the City entered into a contract for these services, which extends through June 30, 2021. The current multi-year contract provides for annual increases in contract payments determined by a formula calculated on an increase of 90% of the change in the Consumer Price Index. During fiscal 2007, a contract revision was allowed to compensate the vendor for the significant increase in fuel costs over the past year. Also budgeted in this Fund, is \$41,610 for an annual spring household trash and brush collection and \$69,560 for disposal of greenwaste at a mulching facility.

Solid Waste Fund Expenditures by Fiscal Year:



SOLID WASTE FUND

BUDGET SUMMARY

	<u>ACTUAL</u> <u>2010</u>	<u>BUDGET</u> <u>2011</u>	<u>PROJECTED</u> <u>2011</u>	<u>BUDGET</u> <u>2012</u>	<u>BUDGET</u> <u>12 vs 11</u>	<u>%</u> <u>CHANGE</u>
<u>REVENUES:</u>						
4400 Charges for Services	<u>1,004,904</u>	<u>1,000,000</u>	<u>1,006,950</u>	<u>1,007,000</u>	<u>7,000</u>	<u>0.7</u>
<u>EXPENDITURES:</u>						
5210 Residential Refuse Pickup & Recycle Service	<u>1,848,760</u>	<u>1,900,000</u>	<u>1,893,478</u>	<u>1,959,750</u>	<u>59,750</u>	<u>3.1</u>
5210 Convenience Center Rental	<u>316,169</u>	<u>325,000</u>	<u>323,915</u>	<u>335,250</u>	<u>10,250</u>	<u>3.2</u>
5210 Fuel Surcharge	<u>27,113</u>	<u>125,000</u>	<u>85,000</u>	<u>125,000</u>	<u>-</u>	<u>0.0</u>
5210 Annual Brush Collection	<u>27,249</u>	<u>28,000</u>	<u>27,900</u>	<u>28,880</u>	<u>880</u>	<u>3.1</u>
5210 Annual Household Trash Collection	<u>11,995</u>	<u>12,300</u>	<u>12,300</u>	<u>12,730</u>	<u>430</u>	<u>3.5</u>
5210 Mulching Contract	<u>47,616</u>	<u>50,000</u>	<u>47,885</u>	<u>49,560</u>	<u>(440)</u>	<u>-0.9</u>
5235 Support Services for Mulching/Brush	<u>18,503</u>	<u>20,000</u>	<u>18,936</u>	<u>20,000</u>	<u>-</u>	<u>0.0</u>
Total Expenditures	<u>2,297,405</u>	<u>2,460,300</u>	<u>2,409,414</u>	<u>2,531,170</u>	<u>70,870</u>	<u>2.9</u>
<u>OTHER FINANCING SOURCES:</u>						
Operating Transfers In General Fund	<u>1,292,501</u>	<u>1,460,300</u>	<u>1,402,464</u>	<u>1,524,170</u>	<u>63,870</u>	<u>4.4</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0</u>
<u>FUND BALANCE - 7/1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0</u>
<u>FUND BALANCE - 6/30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.0</u>

GOLF COURSE FUND

Fund Overview:

In fiscal 1995, the City established the Golf Course Fund to account for the construction and operation of a Municipal Golf Course. The City issued \$7,275,000 in Golf Course Revenue and Tax Bonds to finance the construction and equipping of an 18-hole Golf Course, named the Tennessee Centennial Golf Course. The Course became operational in late-June 1997. Billy Casper Golf Management is currently under contract for operation and management of the course. The course is located on a 700 acre tract know as "Parcel A" which was purchased by the City from the Department of Energy. The course and range occupies approximately 192 acres with the remaining 500 acres having been sold by the City to private developers for residential and commercial development.

The Golf Course Fund was previously accounted for as an Enterprise Fund. In fiscal 2007, the Golf Course Fund was converted to a Special Revenue Fund. While the fees for usage of the course are sufficient to cover the operational and maintenance costs of the course, they are insufficient to cover depreciation expense and interest expense on the debt issued to construct the course. The debt service expenditures on the bonds issued to construct the course are now accounted for in the Debt Service Fund.

Major Revenue Source:

Fiscal 2011 revenues are budgeted at \$1,347,000, up \$9,000 from the prior fiscal year. Budgeted revenues include decreases of \$20,000 in cart fees, \$15,000 in driving range and \$6,000 in interest income, while green fees increased \$50,000. Budgeted revenues are based on projections provided from Billy Casper Golf Management.

Major Expenditure Areas:

Operating expenses, budgeted at \$1,335,000, remained at the prior fiscal year level. Expenditure line items have been revised with a goal to minimize the increase in expenditure levels. Budgeted expenditure items are based on projections provided from Billy Casper Golf Management.

GOLF COURSE FUND

BUDGET SUMMARY

	<u>ACTUAL</u> 2010	<u>BUDGET</u> 2011	<u>PROJECTED</u> 2011	<u>BUDGET</u> 2012	<u>BUDGET</u> 12 vs 11	<u>%</u> <u>CHANGE</u>
REVENUES:						
Green Fees	485,098	600,000	557,000	650,000	50,000	8.3
Cart Fees	331,143	385,000	338,000	365,000	(20,000)	-5.2
Pro Shop Sales	63,594	90,000	79,000	90,000	-	0.0
Food & Beverage	151,840	170,000	162,000	170,000	-	0.0
Driving Range	40,533	75,000	38,000	60,000	(15,000)	-20.0
Misc/Other	-	10,000	4,000	10,000	-	0.0
Interest Income	2,780	8,000	1,850	2,000	(6,000)	-75.0
Total Revenues	<u>1,074,988</u>	<u>1,338,000</u>	<u>1,179,850</u>	<u>1,347,000</u>	<u>9,000</u>	<u>0.7</u>
EXPENDITURES:						
Cost of Goods Sold	99,812	220,000	105,000	125,000	(95,000)	-43.2
Golf Operations	223,946	265,000	225,000	255,000	(10,000)	-3.8
Utility Costs	3,736	4,000	2,800	4,000	-	0.0
Maintenance	363,883	410,000	395,000	450,000	40,000	9.8
Food & Beverage	66,394	75,000	53,000	75,000	-	0.0
Marketing	17,338	25,000	25,200	35,000	10,000	40.0
General & Administration	246,739	250,000	251,000	260,000	10,000	4.0
Equipment Leases	69,081	70,000	110,910	115,000	45,000	64.3
Miscellaneous Expenses	1,508	16,000	10,000	16,000	-	0.0
Total Expenditures	<u>1,092,437</u>	<u>1,335,000</u>	<u>1,177,910</u>	<u>1,335,000</u>	<u>-</u>	<u>0.0</u>
Excess (Deficiency) of Revenues over Expenditures	(17,449)	3,000	1,940	12,000	9,000	300.0
FUND BALANCE - 7/1	<u>1,077,683</u>	<u>1,063,625</u>	<u>1,060,234</u>	<u>1,062,174</u>	<u>(1,451)</u>	<u>-0.1</u>
FUND BALANCE - 6/30	<u>1,060,234</u>	<u>1,066,625</u>	<u>1,062,174</u>	<u>1,074,174</u>	<u>7,549</u>	<u>0.7</u>

WEST END FUND

Fund Overview:

In 2006, the City Fire Department performed a feasibility study to determine if it could provide fire protection and emergency response services to the East Tennessee Technology Park (ETTP). The US Department of Energy (DOE), through its contractor Bechtel Jacobs Co. LLC (BJC), provided \$88,000 in funding to the City to perform the feasibility study. Results of the study indicated that the City could provide the services DOE required utilizing the existing fire station and equipment at the ETTP site along with the addition of 29 new employees. In preparation for this transition, the City hired a Fire Battalion Chief in fiscal 2007. A "transition agreement" was executed with BJC in early 2007 with BJC funding approximately \$900,000 to the Oak Ridge Fire Department to prepare for the assumption of operations at ETTP.

On October 1, 2007, DOE transferred 2.23 acres of land, the ETTP fire station and several million dollars worth of fire fighting apparatus and equipment to the City and the Oak Ridge Fire Department (ORFD) commenced operations of City Fire Station 4. In addition to serving the ETTP site, this fire station will also serve the west end of Oak Ridge. The City added an additional 28 employees during fiscal 2008 to man this station. Under an agreement with DOE, through its contractor BJC, the City will receive an estimated \$10,000,000 in funding over a four-year period to provide fire protection and emergency response services to the ETTP site.

The contract with DOE expires on September 30, 2011. The City anticipates renewal of the contract. \$2,893,000 was budgeted for fiscal 2012 operations of the west end fire station (West End Fund). The budget was increased by \$143,000 over fiscal 2011 levels to provide for contingency expenditures that might be required as a result of contract negotiations with DOE.

WEST END FUND

BUDGET SUMMARY

	<u>ACTUAL</u> 2010	<u>BUDGET</u> 2011	<u>PROJECTED</u> 2011	<u>BUDGET</u> 2012	<u>BUDGET</u> 12 vs 11	<u>%</u> <u>CHANGE</u>
REVENUES:						
4610 Interest on Investments	2,136	2,000	1,420	1,500	(500)	100.0
4800 Bechtel Jacobs	<u>2,346,278</u>	<u>2,258,049</u>	<u>2,305,108</u>	<u>2,624,088</u>	<u>366,039</u>	<u>16.2</u>
Total Revenues	<u>2,348,414</u>	<u>2,260,049</u>	<u>2,306,528</u>	<u>2,625,588</u>	<u>365,539</u>	<u>16.2</u>
EXPENDITURES:						
5210 Personal Services and Benefits	1,858,897	2,017,975	1,832,737	1,993,000	(24,975)	-1.2
5201 Rents	504	525	504	500	(25)	-4.8
5207 Dues & Subscriptions	325	500	250	500	-	100.0
5210 Professional & Contractual Services	11,562	20,000	15,000	20,000	-	0.0
5212 Utility Services	6,693	10,000	7,000	10,000	-	0.0
5220 Training & Travel	12,641	20,000	20,000	20,000	-	0.0
5235 Repair & Maintenance	17,320	25,000	57,336	65,000	40,000	160.0
5289 Vehicle/Equip Use Charge	97,119	115,000	101,137	115,000	-	0.0
5288 Ambulance Service	74,119	115,000	69,968	66,000	(49,000)	-42.6
5310 Commodities	84,095	100,000	80,108	100,000	-	0.0
5410 Insurance	2,923	3,000	3,000	3,000	-	0.0
5540 Machinery & Equipment	171,768	100,000	24,232	100,000	-	0.0
5999 Contingency	<u>21,000</u>	<u>223,000</u>	<u>21,000</u>	<u>400,000</u>	<u>177,000</u>	<u>79.4</u>
Total Expenditures	<u>2,358,966</u>	<u>2,750,000</u>	<u>2,232,272</u>	<u>2,893,000</u>	<u>143,000</u>	<u>5.2</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(10,552)	(489,951)	74,256	(267,412)	222,539	-45.4
FUND BALANCE - 7/1	<u>613,553</u>	<u>555,510</u>	<u>603,001</u>	<u>677,257</u>	<u>121,747</u>	<u>21.9</u>
FUND BALANCE - 6/30	<u>603,001</u>	<u>65,559</u>	<u>677,257</u>	<u>409,845</u>	<u>344,286</u>	<u>525.2</u>

SPECIAL PROGRAMS FUND

Fund Overview:

In fiscal 2011, the City added a new Special Programs Fund to account for the revenues from photo enforcement cameras. For fiscal 2011, the Special Programs Fund was established with a budgeted appropriation of \$900,000 with City Council to determine the purpose for which the funds were to be spent during the fiscal year. On April 11, 2011, City Council adopted resolution number 4-30-11 which authorized the use of Special Programs Funds for transportation enhancement projects for traffic capacity/safety improvements, school crossing and bicycle/pedestrian safety improvements. No funds are projected to be spent during fiscal 2011. Budgeted expenditures were appropriated at \$1,243,000 for fiscal 2012 and expenditures will include \$17,760 in funding toward the salaries of the police officers that review and issue the speeding and red light violations.

SPECIAL PROGRAMS FUND

BUDGET SUMMARY

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>REVENUES:</u>						
4500 Photo Enforcement	-	900,000	650,000	625,000	(275,000)	-30.6
4610 Interest on Investments	-	5,000	150	150	(4,850)	-97.0
Total Revenues	-	905,000	650,150	625,150	(279,850)	-30.9
<u>EXPENDITURES:</u>						
Salaries & Benefits	-	-	-	17,760	17,760	100.0
Special Programs	-	900,000	-	1,225,240	325,240	36.1
Total Expenditures	-	900,000	-	1,243,000	343,000	38.1
Excess (Deficiency) of Revenues over Expenditures	-	5,000	650,150	(617,850)	(622,850)	-100.0
<u>FUND BALANCE - 7/1</u>	-	-	-	650,150	650,150	100
<u>FUND BALANCE - 6/30</u>	-	5,000	650,150	32,300	27,300	546.0

HOUSING FUND

Fund Overview:

A major change for fiscal 2012 was the addition of a new Fund, the Housing Fund, to account for the City's new housing initiative programs. The Fund will be established from a \$50,000 operating transfer from the General Fund and a \$250,000 operating transfer from the Economic Diversification Fund. The addition of this Fund is part of the City's developing "Not in Our City" campaign to accelerate the City's response to crime and code violations in the City, in particular in legacy WWII housing areas to prevent further blighting and decline in property values. The Fund was established with an initial appropriation of \$850,000 with additional funding sources to be determined as the campaign progresses.

HOUSING FUND BUDGET SUMMARY

	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	BUDGET 2012	BUDGET 12 vs 11	% CHANGE
<u>REVENUES:</u>						
4610 Interest on Investments	-	-	-	100	100	100.0
4300 Future Grant	-	-	-	550,000	550,000	100.0
Total Revenues	-	-	-	550,100	550,100	100.0
<u>EXPENDITURES:</u>						
31100 Housing Initiatives	-	-	-	300,000	300,000	100.0
31999 Grant Contingency	-	-	-	550,000	550,000	100.0
Total Expenditures	-	-	-	850,000	850,000	100.0
Excess (Deficiency) of Revenues over Expenditures	-	-	-	(299,900)	(299,900)	100.0
<u>OTHER FINANCING SOURCES (USES):</u>						
Operating Transfers In						
General Fund	-	-	-	50,000	50,000	100.0
Economic Diversification Fund	-	-	-	250,000	250,000	100.0
Total Other Financing Sources (Uses)	-	-	-	300,000	300,000	100.0
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	-	-	-	100	100	100.0
<u>FUND BALANCE - 7/1</u>	-	-	-	-	-	100.0
<u>FUND BALANCE - 6/30</u>	-	-	-	100	100	100.0

VII. APPENDIX

Table of Contents

Legal Requirements	VII-1
Charter Requirements	VII-1
Personnel Schedule	VII-6
Personnel Schedule - Totals by Department	VII-6
Personnel Schedule - Breakdown by Department	VII-7
Statistical Information	VII-16
General Fund Expenditures/Transfers and Revenues/Financing Sources	VII-16
List of Principal Employers	VII-18
Principal Employers - Current Year and Nine Years Ago	VII-19
Property Tax Levies and Collection – Last 10 FY	VII-20
Assessed & Estimated Actual Value of Taxable Property – Last 10 FY	VII-20
Principal Property Taxpayers	VII-21
Ratios of Outstanding Debt By Type – Last 10 FY	VII-22
Computation of Direct & Overlapping Debt – June 30, 2010	VII-22
Revenue Debt Coverage Electric System Debt – Last 10 FY	VII-23
Ten Largest Electric Customers	VII-23
Electric, Water and Wastewater Sold By Customer Type – Last 10 FY	VII-24
Electric, Water and Wastewater Rates – Last 10 FY	VII-24
Demographic Statistics	VII-25
Operating Indicators by Function/Program – Last 10 FY	VII-26
Capital Assets Statistic By Function/Program - Last 10 FY	VII-27
Glossary	VII-28
Acronyms	VII-37
Index	VII-38

LEGAL REQUIREMENTS

CHARTER REQUIREMENTS

The following excerpts from the Charter of the City of Oak Ridge provide the basis for budget preparation and administration:

ARTICLE IV. TAXATION AND ISSUANCE OF OBLIGATIONS

Section 1. Assessments.

The council by ordinance may provide for the assessment of property lying within the corporate limits by city assessing personnel, or may enter into any necessary agreements with the appropriate county officials for joint assessments by the city and county, or may elect to use county assessments. There shall be added to any county assessment any property omitted from such assessments.

Section 3. Levy, due date, and delinquencies.

Unless otherwise provided by ordinance, the schedule for ad valorem property tax levy, due date, and delinquencies shall be the same as provided by general law for counties, provided that the tax levy shall be set by council prior to the beginning of the new fiscal year. If no levy is made before the end of the fiscal year, the current levy shall be carried forward to the new fiscal year.

Section 4. Municipal debt.

The City of Oak Ridge may borrow money as provided by Tennessee General Law. Such authority is found within Title 9, Chapter 21, of the Tennessee Code, entitled Local Government Public Obligation Act.

ARTICLE V. CITY MANAGER--ADMINISTRATION OF CITY AFFAIRS

Section 3. Council-manager relationships.

The manager shall be responsible to the council for the administration of all units of the city government under his or her jurisdiction and for carrying out policies adopted by the council. Except for the purpose of inquiry, the council and its members shall deal with the administrative officers and employees solely through the manager. Neither the council nor any member thereof shall give orders to the manager's subordinates or otherwise interfere with managerial functions through such means as directing or requesting the appointment or removal of any of the manager's subordinates, or the making of particular purchases from, or contracts with, any specific organization. The office of any council member violating any provision of this section shall immediately become vacant upon the member's conviction in a court of competent jurisdiction.

Section 4. Duties and authority of manager.

The manager shall supervise the administrative affairs of the city. The manager shall be charged with the preservation of the public peace and health, the safety of persons and properties, and the enforcement of

the laws, ordinances, and franchises, and the development and utilization of the city's resources. The manager shall make such reports and recommendations as may be deemed desirable and perform such other duties as may be prescribed by this Charter or required of him or her by ordinance or resolution of the council not inconsistent with this Charter. The manager shall have the right to take part in the discussion of all matters coming before the council, but not the right to vote.

Section 5. Administrative organization.

Within the framework established by this Charter, the administrative organization of the city shall be organized into departments of general government, finance, and such other departments necessary to provide health, welfare, police, recreation, fire, library, public works, utilities and other municipal services as shall be provided in a plan of administrative organization to be developed by the city manager and submitted to the council for approval and adoption by ordinance. The council may by ordinance amend the plan of administrative organization only after receiving the written recommendations of the city manager. Administrative regulations governing the operations and relationships of departments, agencies, and offices within the administrative organization shall be prepared and issued by the city manager. The authority to prepare and issue departmental rules and regulations may be delegated to designated subordinates.

Section 7. Assessment and collection of taxes.

The city manager or administrative personnel appointed by the manager shall make use of every method provided by general law to insure the collection of taxes due the city, and shall also be authorized to use and shall use, if necessary, the methods now available to cities organized under the uniform city manager- commission charter, TCA 6-22-110 through TCA 6-22-116.

Section 9. Fiscal year.

The fiscal year of the city shall begin on the first day of July and shall end on the thirtieth day of June of the succeeding year, but another fiscal year may be fixed by ordinance for the entire city government or for any utility.

Section 10. Manager to prepare budget -- Contents.

After one or more council meetings devoted to guidance to the city manager with respect to the budget to be submitted, as determined by the council, on or before a date fixed by the council, the manager shall submit to the council a proposed budget for the next fiscal year. The budget shall present a complete financial plan for the ensuing year, including at least the following information:

- (a) Detailed estimates of all proposed expenditures for each department, board, officer or other agency of the city, showing in addition the expenditures for corresponding items for the last preceding fiscal year, appropriations and anticipated expenditures for the current fiscal year, and reasons for recommended departures from the current expenditures pattern.
- (b) Statements of the bonded and other indebtedness of the city, including the debt redemption and interest requirements, the debt authorized and unissued, and the condition of the sinking funds.
- (c) Detailed estimates of all anticipated revenues of the city from all sources including current and delinquent taxes, non tax revenues and proceeds from the sale of any

bonds, with a comparative statement of the amounts received by the city from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year.

(d) A statement of the estimated balance or deficit, as of the end of the current fiscal year.

(e) Such other supporting schedules as the council may request, or are otherwise required by law.

Section 11. Capital budget program.

As a part of the proposed annual budget, the city manager shall include a statement of pending capital projects and proposed new capital projects, relating the respective amounts proposed to be raised therefor by appropriations in the budget and the respective amounts, if any, proposed to be raised therefor by the issuance of bonds during the fiscal year. Such pending and proposed capital projects shall be based upon the guidance of council as expressed in the guidance meeting(s) carried out under Article V, Section 10 of this Charter. Council shall use as one basis of its guidance to the manager the program of capital projects prepared annually by the planning commission. The manager shall provide the council written comments on the planning commission program at the time of the first guidance meeting.

Section 12. Public hearing on budget--Inspection--Distribution.

A public hearing on the budget shall be held before its final adoption by the council, at such time and place as the council shall direct, and notice of such public hearing shall be published ten (10) days in advance of the date of the hearing. All persons present shall be given a reasonable opportunity to be heard for or against the estimates of any item thereof. The budget and budget message and all supporting schedules shall be a public record in the office of the city clerk open to public inspection by anyone. The city manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to interested persons at least ten (10) days before the hearing.

Section 13. Adoption of budget--Appropriation ordinance.

Before the beginning of the next fiscal year, the council shall adopt an appropriation ordinance, based on the city manager's budget with such modifications as the council considers necessary or desirable, provided that modifications in the school budget as submitted by the board of education shall be subject to the limitations of Article VI, Section 13, of this Charter. Appropriations need not be in more detail than a lump sum for each fund. The council shall not make any appropriations in excess of estimated revenues, except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the city and declared by a unanimous vote of all members of the council present, when there is a quorum. Provided, however, that if for any reason an appropriation ordinance is not adopted prior to the end of the fiscal year, the appropriations for the current fiscal year shall be carried forward for the new fiscal year, until the adoption of the new appropriation ordinance. The appropriation ordinance insofar as it relates to the appropriation for schools shall be further subject to the provisions of Article VI, Section 14, of this Charter.

Section 14. Amendments to appropriation ordinance.

Amendments may be made to the original appropriation at any time during a current fiscal year after a public hearing before the council on ten (10) days notice published once in the official city newspaper,

provided that increased appropriations may be made only after the city manager has certified in writing that sufficient amount of unappropriated revenue will be available, except for emergency appropriations as provided above.

Section 15. Unexpended appropriation to lapse.

Any portion of an annual appropriation remaining unexpended and unencumbered at the close of a fiscal year shall lapse and be credited to the general fund, except that any balance remaining in any other fund at the end of a fiscal year may remain to the credit of that fund and be subject to further appropriation.

Section 16. Budget control.

At the beginning of each quarterly period during the fiscal year, and more often if required by the council, the manager shall submit to the council data showing the relations between the estimated and actual revenues and expenditures to date; and if it shall appear that the revenues are less than anticipated, the council may reduce the appropriations, as prescribed in Article V, Section 14, except amounts required for debt and interest charges, and with the further exception to such a degree as may be necessary to keep expenditures within the receipts. The manager may provide for monthly or quarterly allotments of appropriations to all departments, agencies or activities within the manager's jurisdiction under such rules as he or she shall prescribe, and make transfers between departments, agencies, or activities within each fund, and when authorized by the city council, from one fund to another, provided that any transfer of moneys from the city school fund to any other fund shall be made only with the concurrence of the board of education.

A summary balance sheet, including a listing of all fund balances exceeding \$100,000.00, a summary quarterly city income and expense statement, and a statement of the number of city employees and full-time equivalent city employees shall be placed quarterly on the city's web site. A comparison between actual and previously estimated fiscal year revenues to date by source and expenses to date by department shall be placed semi-annually in the local library and posted on the city's web site.

ARTICLE VI. PUBLIC SCHOOLS

Section 12. Financial management.

All school moneys appropriated by the city council, all state and county funds received for the city school system, and all other moneys, fees, revenues or income which are received by the city school system or which heretofore or hereafter are granted or permitted to the city school system shall be deposited in a city school fund to be withdrawn only upon the order of the board of education provided that a full estimate thereof shall have been summarized in each school budget and provided further that those portions of such funds derived from city appropriation ordinances shall be subject to the provisions of Article V, Sections 14-16. The board of education shall establish such school funds as are required by general law or as it considers necessary for the operation of the school system. At the end of each fiscal year an audit shall be made of the accounts and funds of the school system covering the operations of the last fiscal year by certified public accountants selected by the board. The board of education may employ certified accountants to audit all or any of the school funds and accounts at any time it may deem expedient to assure the correctness thereof. Article V, Section 21, shall apply with the board of education standing in the stead of council.

Section 13. School budget.

The city school budget submitted by the board of education through the city manager to the city council shall include estimates of all school revenues as well as estimates of expenditures necessary for the operation of the school system for the next fiscal year period. Neither the city manager nor the city council shall have any authority to modify or delete any item of the school estimates and the council shall have the power to modify only the total amount of the school budget, except that in no event shall a reduction in school budget exceed the total sum requested by the board of education from current city tax revenues. Such budget estimates shall not include any requests for the purchase of land or the purchase, construction, reconstruction, or major alteration of any building for school purposes. Requests for such improvements shall be transmitted to the planning commission for review and incorporation into the capital improvement program before November 1 prior to the next fiscal year.

A summary balance sheet, including a listing of all fund balances exceeding \$100,000.00, a summary quarterly schools income and expense statement and a statement of the number of schools employees shall be placed quarterly on the city's web site.

Section 14. Notice of appropriation.

The adoption by the city council of an appropriation ordinance for the next fiscal year, or the allowance of a continuation of the appropriation for the last fiscal year, shall serve as notice to the board of education of the total amount of the school appropriation for the next fiscal year period.

PERSONNEL SCHEDULE

Personnel Schedule - Totals by Department

<u>Summary of Positions and Staff Years by Department</u>	<u>Authorized Positions</u>			<u>Authorized Staff Years</u>		
	<u>FY</u> <u>2010</u>	<u>FY</u> <u>2011</u>	<u>FY</u> <u>2012</u>	<u>FY</u> <u>2010</u>	<u>FY</u> <u>2011</u>	<u>FY</u> <u>2012</u>
Total General Government	49	49	49	48.10	48.10	48.60
Total Police Department	84	84	85	78.35	78.35	77.85
Total Fire Department	74	74	74	74.00	74.00	74.00
Total Public Works Department	94	94	94	93.50	93.50	94.00
Total Comm Development Depart	12	12	12	12.00	12.00	12.00
Total Recreation & Parks Depart	87	87	87	37.36	37.36	37.36
Total Library	24	24	24	17.75	17.75	17.75
Total Economic Development	2	2	-	1.00	1.00	-
Total Electric Department	<u>35</u>	<u>35</u>	<u>35</u>	<u>35.00</u>	<u>35.00</u>	<u>35.00</u>
TOTAL ALL FUNDS:	459	459	460	396.06	396.06	396.56
 Total Transfers to Other Funds	155	155	153	153.75	153.75	152.00
 TOTAL NET GENERAL FUND:	304	304	307	242.31	242.31	244.56

Personnel Schedule - Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
<u>GENERAL GOVERNMENT</u>						
816 City Clerk						
City Clerk	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	2	2	2	2.00	2.00	2.00
820 City Manager						
City Manager	1	1	1	1.00	1.00	1.00
Government & Public Affairs Coordinator	1	1	1	1.00	1.00	1.00
Senior Administrative Assistant	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	0.50	0.50	1.00
Total	4	4	4	3.50	3.50	4.00
832 City Court						
City Judge	1	1	1	1.00	1.00	1.00
Court Clerk	2	2	2	1.60	1.60	1.60
Total	3	3	3	2.60	2.60	2.60
843 Legal						
City Attorney	1	1	1	1.00	1.00	1.00
Senior Staff Attorney	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	3	3	3	3.00	3.00	3.00
845 Computer Services						
Deputy City Manager	1	1	1	1.00	1.00	1.00
Senior Systems Analyst	2	2	2	2.00	2.00	2.00
Information Systems Manager	1	1	1	1.00	1.00	1.00
Senior Information System Technician	3	3	3	3.00	3.00	3.00
Information System Technician	1	1	1	1.00	1.00	1.00
Accounting Specialist	1	1	1	1.00	1.00	1.00
Total	9	9	9	9.00	9.00	9.00
846 Personnel						
Personnel Director	1	1	1	1.00	1.00	1.00
Personnel Officer	-	-	-	-	-	-
Personnel/Risk Program Manager	1	1	1	1.00	1.00	1.00
Personnel Specialist	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	4	4	4	4.00	4.00	4.00
854 Stationery Stores						
Printing Services Specialist	1	1	1	1.00	1.00	1.00
	1	1	1	1.00	1.00	1.00

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012
<u>GENERAL GOVERNMENT</u>						
862 Finance						
Finance Director	1	1	1	1.00	1.00	1.00
Accounting Division Manager	1	1	1	1.00	1.00	1.00
Accountant	1	1	1	1.00	1.00	1.00
Purchasing/Contracts Coordinator	1	1	1	1.00	1.00	1.00
Purchasing/Inventory Coordinator	1	1	1	1.00	1.00	1.00
Accounting Specialist	2	2	2	2.00	2.00	2.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Warehouse Clerk	2	2	2	2.00	2.00	2.00
Total	10	10	10	10.00	10.00	10.00
864 Business Office						
Accounting Division Manager	1	1	1	1.00	1.00	1.00
Utility Service Representative	3	3	3	3.00	3.00	3.00
Accounting Specialist	5	5	5	5.00	5.00	5.00
Meter Reader	2	2	2	2.00	2.00	2.00
Accounting Clerk	1	1	1	1.00	1.00	1.00
Service Center Cashier	1	1	1	1.00	1.00	1.00
Total	13	13	13	13.00	13.00	13.00
 TOTAL GENERAL GOVERNMENT	49	49	49	48.10	48.10	48.60
<u>POLICE DEPARTMENT</u>						
910 Police Supervision						
Police Chief	1	1	1	1.00	1.00	1.00
Systems & Training Specialist	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	3	3	3	3.00	3.00	3.00
911 Investigations						
Police Captain	1	1	1	1.00	1.00	1.00
Police Sergeant	2	2	2	2.00	2.00	2.00
Police Officer	4	4	4	4.00	4.00	4.00
Detective	4	4	4	4.00	4.00	4.00
Total	11	11	11	11.00	11.00	11.00
912 Staff Services						
Deputy Police Chief	1	1	1	1.00	1.00	1.00
Police Sergeant	1	1	1	1.00	1.00	1.00
Lead Police Records Specialist	1	1	1	1.00	1.00	1.00
Police Records Specialist	2	2	2	2.00	2.00	2.00
Total	5	5	5	5.00	5.00	5.00

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
<u>POLICE DEPARTMENT (Continued)</u>						
913 Patrol						
Police Captain	1	1	1	1.00	1.00	1.00
Police Lieutenant	4	4	4	4.00	4.00	4.00
Police Sergeant	5	5	5	5.00	5.00	5.00
Police Officer	34	35	35	34.00	35.00	34.75
Total	44	45	45	44.00	45.00	44.75
915 Emergency Communications						
Lead Public Safety Communications Officer	1	1	1	1.00	1.00	1.00
Public Safety Communications Officer	7	7	7	7.00	7.00	7.00
Total	8	8	8	8.00	8.00	8.00
916 Animal Control						
Animal Control Supervisor	1	1	1	1.00	1.00	1.00
Animal Control Officer	2	2	2	2.00	2.00	2.00
Animal Shetler Attendant	-	-	1	-	-	0.50
Total	3	3	4	3.00	3.00	3.50
917 School Resource Officer Program						
Police Officer	2	1	1	2.00	1.00	1.00
School Crossing Guard	7	7	7	1.35	1.35	1.35
Total	9	8	8	3.35	2.35	2.35
027 Grants Fund						
Police Office	1	1	-	1.00	1.00	-
Total	1	1	-	1.00	1.00	-
026 Special Programs Fund						
Police Officer	-	-	1	-	-	0.25
Total	-	-	1	-	-	0.25
TOTAL POLICE DEPARTMENT	84	84	85	78.35	78.35	77.85
<u>FIRE DEPARTMENT</u>						
921 Fire Supervision						
Fire Chief	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	2	2	2	2.00	2.00	2.00
922 Fire Prevention						
Deputy Chief-Fire Prevention	1	1	1	1.00	1.00	1.00
Total	1	1	1	1.00	1.00	1.00

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012
<u>FIRE DEPARTMENT (Continued)</u>						
923 Fire Fighting						
Battalion Chief	3	3	3	3.00	3.00	3.00
Fire Captain	6	6	6	6.00	6.00	6.00
Fire Fighter/Engineer	33	33	33	33.00	33.00	33.00
Total	42	42	42	42.00	42.00	42.00
028 West End Fund (ETTP Station)						
Deputy Chief - Fire Operations	1	1	1	1.00	1.00	1.00
Fire Captain	7	7	7	7.00	7.00	7.00
Fire Fighter/Engineer	21	21	21	21.00	21.00	21.00
Total	29	29	29	29.00	29.00	29.00
<u>TOTAL FIRE DEPARTMENT</u>	<u>74</u>	<u>74</u>	<u>74</u>	<u>74.00</u>	<u>74.00</u>	<u>74.00</u>
<u>PUBLIC WORKS DEPARTMENT</u>						
930 Public Works Supervision						
Public Works Director	1	1	1	1.00	1.00	1.00
Contracts/Grants Coordinator	1	1	1	0.50	0.50	1.00
Administrative Assistant	2	2	2	2.00	2.00	2.00
Total	4	4	4	3.50	3.50	4.00
935 Engineering						
City Engineer	1	1	1	1.00	1.00	1.00
Senior Civil Project Specialist	1	1	1	1.00	1.00	1.00
Civil Project Specialist	2	2	2	2.00	2.00	2.00
Total	4	4	4	4.00	4.00	4.00
011 Equipment Shop						
Fleet Maintenance Manager	1	1	1	1.00	1.00	1.00
Fleet Maintenance Technician	5	5	5	5.00	5.00	5.00
Fleet Service Worker	2	2	2	2.00	2.00	2.00
Total	8	8	8	8.00	8.00	8.00

Personnel Schedule – Breakdown by Department

PUBLIC WORKS DEPARTMENT (Continued)

021 Work Pool						
Operations & Maintenance Manager	2	2	2	2.00	2.00	2.00
Utility Line Maintenance Crew Chief	4	4	4	4.00	4.00	4.00
Street Maintenance Crew Chief	4	4	4	4.00	4.00	4.00
Utility Maintenance Specialist	4	4	4	4.00	4.00	4.00
Signs and Markings Specialist	1	1	1	1.00	1.00	1.00
Facilities Maintenance Specialist	3	3	3	3.00	3.00	3.00
Equipment Operations Specialist	5	5	5	5.00	5.00	5.00
Maintenance Mechanic	6	6	6	6.00	6.00	6.00
Maintenance Worker	11	11	11	11.00	11.00	11.00
Total	40	40	40	40.00	40.00	40.00
021 Water Treatment						
Treatment Plant Operations Supervisor	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Senior Treatment Plant Maintenance Specialist	2	2	2	2.00	2.00	2.00
Senior Treatment Plant Operator	1	1	1	1.00	1.00	1.00
Treatment Plant Operator	4	4	4	4.00	4.00	4.00
Treatment Plant Operator Trainee	1	1	1	1.00	1.00	1.00
Maintenance Mechanic	1	1	1	1.00	1.00	1.00
Total	11	11	11	11.00	11.00	11.00
TOTAL WATER FUND	51	51	51	51.00	51.00	51.00
022 Wastewater Treatment						
Public Works Operation Manager	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Supervisor	1	1	1	1.00	1.00	1.00
Senior Civil Engineer	1	1	1	1.00	1.00	1.00
Treatment Plant Operations Supervisor	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Senior Treatment Plant Maintenance Specialist	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Specialist	1	1	1	1.00	1.00	1.00
Laboratory Technician	1	1	1	1.00	1.00	1.00
Environmental Compliance Coordinator	1	1	1	1.00	1.00	1.00
Senior Treatment Plant Operator	4	4	4	4.00	4.00	4.00
Treatment Plant Operator	2	2	2	2.00	2.00	2.00
Equipment Operations Specialist	1	1	1	1.00	1.00	1.00
Maintenance Mechanic	1	1	1	1.00	1.00	1.00
Maintenance Worker	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	19	19	19	19.00	19.00	19.00

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
<u>PUBLIC WORKS DEPARTMENT (Continued)</u>						
025 West End Waterworks						
Utility Line Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Utility Maintenance Specialist	2	2	2	2.00	2.00	2.00
Maintenance Mechanic	1	1	1	1.00	1.00	1.00
Maintenance Worker	1	1	1	1.00	1.00	1.00
Senior Treatment Plant Operator	2	2	2	2.00	2.00	2.00
Treatment Plant Maintenance Specialist	1	1	1	1.00	1.00	1.00
Total	8	8	8	8.00	8.00	8.00
<u>TOTAL PUBLIC WORKS DEPARTMENT</u>	<u>94</u>	<u>94</u>	<u>94</u>	<u>93.50</u>	<u>93.50</u>	<u>94.00</u>
<u>COMMUNITY DEVELOPMENT DEPARTMENT</u>						
960 Community Development Supervision						
Community Development Director	1	1	1	1.00	1.00	1.00
Community Development Specialist	1	1	1	1.00	1.00	1.00
Administrative Assistant	2	2	2	2.00	2.00	2.00
Total	4	4	4	4.00	4.00	4.00
962 Planning						
Community Development Division Manager	1	1	1	1.00	1.00	1.00
Senior Planner	1	1	1	1.00	1.00	1.00
Total	2	2	2	2.00	2.00	2.00
966 Code Enforcement						
Community Development Division Manager	1	1	1	1.00	1.00	1.00
Code Enforcement Supervisor	1	1	1	1.00	1.00	1.00
Code Enforcement Inspector	3	3	3	3.00	3.00	3.00
Total	5	5	5	5.00	5.00	5.00
027 Grants Fund						
Code Enforcement Inspector	1	1	1	1.00	1.00	1.00
Total	1	1	1	1.00	1.00	1.00
<u>TOTAL COMMUNITY DEVELOPMENT DEPARTMENT</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>
<u>RECREATION AND PARKS DEPARTMENT</u>						
970 Recreation Supervision						
Recreation & Parks Director	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	2	2	2	2.00	2.00	2.00

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
RECREATION AND PARKS DEPARTMENT (Continued)						
972 Indoor Aquatics						
Recreation Manager	1	1	1	0.75	0.75	0.75
Senior Lifeguard	7	7	7	2.00	2.00	2.00
Lifeguard	6	6	6	1.43	1.43	1.43
Total	14	14	14	4.18	4.18	4.18
973 Outdoor Aquatics						
Recreation Manager	1	1	1	0.25	0.25	0.25
Pool Supervisor	3	3	3	0.92	0.92	0.92
Recreation Leader	2	2	2	0.62	0.62	0.62
Senior Lifeguard	11	11	11	3.38	3.38	3.38
Lifeguard	9	9	9	1.10	1.10	1.10
Total	26	26	26	6.27	6.27	6.27
974 Centers, Camps & Programs						
Recreation Manager	1	1	1	1.00	1.00	1.00
Recreation Program Coordinator	1	1	1	1.00	1.00	1.00
Security Guard	4	4	4	0.25	0.25	0.25
Recreation Assistant	3	3	3	2.50	2.50	2.50
Facility Monitor	2	2	2	2.00	2.00	2.00
Maintenance Worker	1	1	1	1.00	1.00	1.00
Senior Recreation Leader	5	5	5	0.96	0.96	0.96
Recreation Leader	12	12	12	2.31	2.31	2.31
Total	29	29	29	11.02	11.02	11.02
975 Athletics						
Recreation Manager	1	1	1	1.00	1.00	1.00
Recreation Program Supervisor	1	1	1	1.00	1.00	1.00
	2	2	2	2.00	2.00	2.00
976 Parks						
Parks Maintenance Supervisor	1	1	1	1.00	1.00	1.00
Parks Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Maintenance Mechanic	2	2	2	2.00	2.00	2.00
Maintenance Worker	3	3	3	3.00	3.00	3.00
Total	7	7	7	7.00	7.00	7.00
977 Scarboro Center						
Recreation Program Supervisor	1	1	1	1.00	1.00	1.00
Facility Monitor	1	1	1	1.00	1.00	1.00
Recreation Leader	2	2	2	0.39	0.39	0.39
Total	4	4	4	2.39	2.39	2.39

Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
<u>RECREATION AND PARKS DEPARTMENT (Continued)</u>						
978 Senior Center						
Recreation Manager	1	1	1	1.00	1.00	1.00
Recreation Program Coordinator	1	1	1	1.00	1.00	1.00
Recreation Assistant	1	1	1	0.50	0.50	0.50
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
TOTAL RECREATION AND PARKS DEPARTMENT	<u>87</u>	<u>87</u>	<u>87</u>	<u>37.36</u>	<u>37.36</u>	<u>37.36</u>
 <u>LIBRARY</u>						
979 Library						
Library Director	1	1	1	1.00	1.00	1.00
Library Operations Manager	1	1	1	1.00	1.00	1.00
Librarian	4	4	4	4.00	4.00	4.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Library Assistant	3	3	3	2.00	2.00	2.00
Library Clerk	8	8	8	6.25	6.25	6.25
Library Page	5	5	5	1.75	1.75	1.75
Total	<u>23</u>	<u>23</u>	<u>23</u>	<u>17.00</u>	<u>17.00</u>	<u>17.00</u>
027 Grants Fund						
Office Assistant	1	1	1	0.75	0.75	0.75
Total	<u>1</u>	<u>1</u>	<u>1</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>
TOTAL LIBRARY	<u>24</u>	<u>24</u>	<u>24</u>	<u>17.75</u>	<u>17.75</u>	<u>17.75</u>
 <u>ECONOMIC DEVELOPMENT</u>						
013 Economic Diversification Fund						
Contracts Grants Coordinator	1	1	-	0.50	0.50	-
Administrative Assistant	1	1	-	0.50	0.50	-
Total	<u>2</u>	<u>2</u>	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>
TOTAL ECONOMIC DEVELOPMENT	<u>2</u>	<u>2</u>	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>

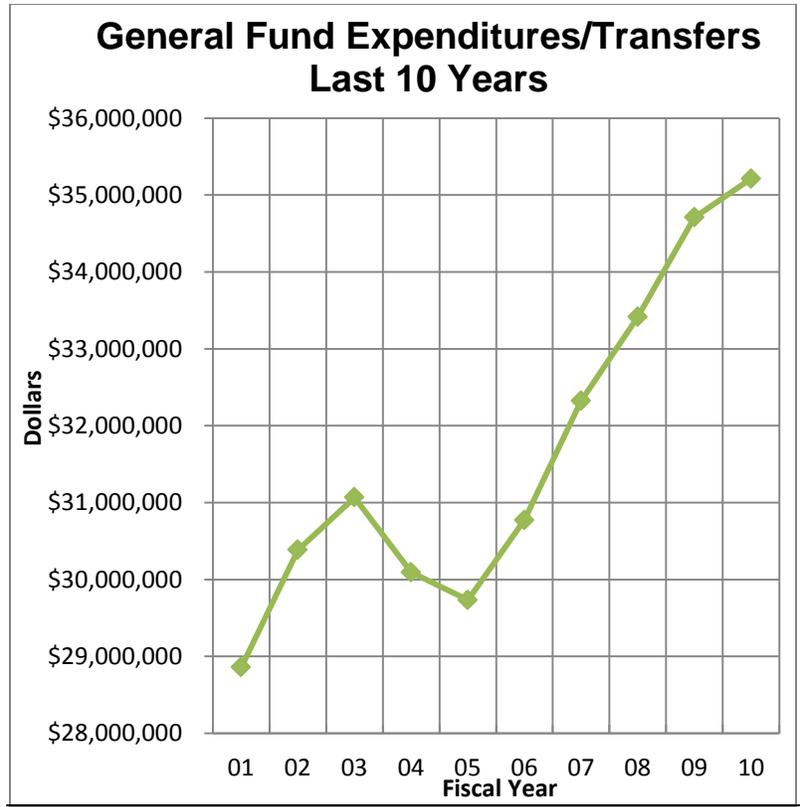
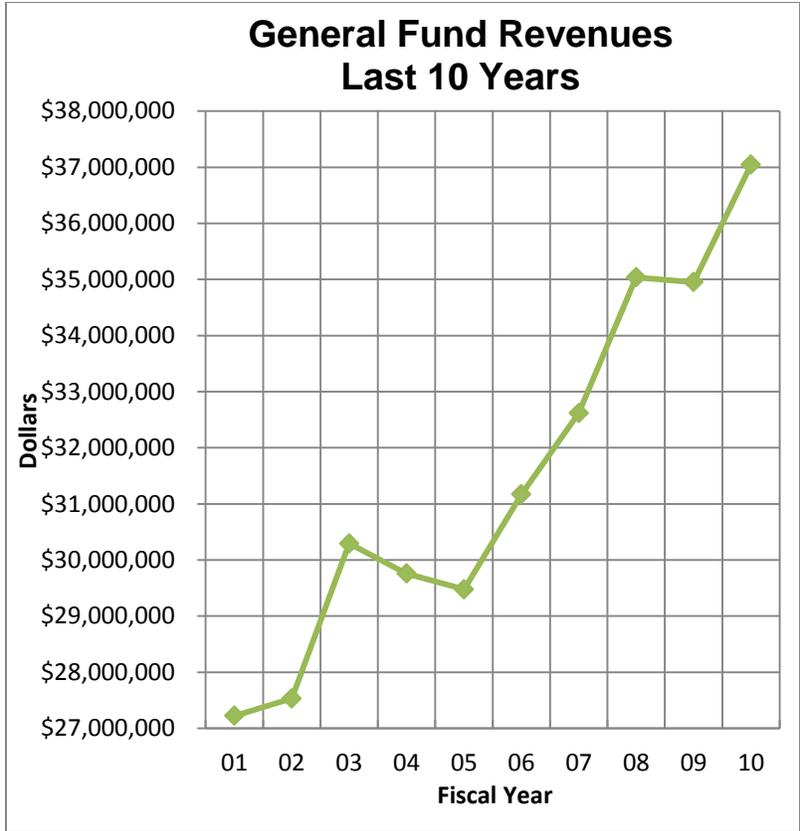
Personnel Schedule – Breakdown by Department

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2010	2011	2012	2010	2011	2012
<u>ELECTRIC DEPARTMENT</u>						
020 Electric						
Electrical Director	1	1	1	1.00	1.00	1.00
Electrical Engineering Division Manager	1	1	1	1.00	1.00	1.00
Senior Electric Project Specialist	2	2	2	2.00	2.00	2.00
Electric Operations Manager	1	1	1	1.00	1.00	1.00
Electric Operations Superintendent	1	1	1	1.00	1.00	1.00
Technical Services Superintendent	1	1	1	1.00	1.00	1.00
Power Utilization Program Supervisor	1	1	1	1.00	1.00	1.00
Special Area Supervisor	1	1	1	1.00	1.00	1.00
Electric Engineer	1	1	1	1.00	1.00	1.00
Electric Line Crew Chief	4	4	4	4.00	4.00	4.00
Substation Maintenance Technician	1	1	1	1.00	1.00	1.00
Electric Line Technician	15	15	15	15.00	15.00	15.00
Senior Traffic Signal Technician	2	2	2	2.00	2.00	2.00
Mapping Technician	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Office Specialist	1	1	1	1.00	1.00	1.00
TOTAL ELECTRIC DEPARTMENT	35	35	35	35.00	35.00	35.00
TOTAL ALL FUNDS	459	459	460	396.06	396.06	396.56
<u>TRANSFERS TO OTHER FUNDS:</u>						
Electric Fund	35	35	35	35.00	35.00	35.00
Waterworks Fund	78	78	78	78.00	78.00	78.00
Equipment Replacement Rental Fund	8	8	8	8.00	8.00	8.00
West End Fund	29	29	29	29.00	29.00	29.00
Grants Fund	3	3	2	2.75	2.75	1.75
Economic Diversification Fund	2	2	-	1.00	1.00	-
Special Programs Fund	-	-	1	-	-	0.25
TOTAL NET GENERAL FUND	155	155	153	153.75	153.75	152.00
TOTAL NET GENERAL FUND	304	304	307	242.31	242.31	244.56

STATISTICAL INFORMATION

General Fund Expenditures/Transfers and Revenues/Financing Sources

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010.	% Increase	
											Last Ten Years	Last 10 Yrs \$ Change
REVENUES:												
Licenses and Permits	223,135	173,790	197,357	173,514	340,802	465,364	272,409	271,002	269,593	243,947	9.3%	20,812
Intergovernmental	8,384,878	8,743,814	9,316,309	9,144,663	9,308,592	10,163,991	11,007,044	11,774,732	10,885,714	11,926,979	42.2%	3,542,101
Property Taxes	13,023,437	13,388,028	15,315,430	14,930,573	15,581,417	15,778,882	16,323,678	17,864,159	18,955,222	19,067,009	46.4%	6,043,572
Business Taxes	1,748,135	1,898,167	2,006,517	2,090,356	1,825,717	2,039,654	2,060,238	2,118,254	2,022,829	2,184,040	24.9%	435,905
Charges for Services	1,377,231	1,390,694	1,393,281	1,403,450	388,577	323,556	333,617	371,685	340,890	308,894	-77.6%	(1,068,337)
Fines and Forfeitures	339,987	285,514	331,069	340,788	238,503	321,364	347,480	343,259	380,886	1,325,167	289.8%	985,180
Other	982,396	476,887	437,019	406,555	527,689	714,689	912,859	881,694	620,241	514,109	-47.7%	(468,287)
In-Lieu-of-Tax Payment - DOE	1,143,832	1,176,297	1,297,898	1,266,919	1,265,963	1,361,730	1,361,175	1,413,801	1,476,023	1,475,379	29.0%	331,547
Total Current Revenues	27,223,031	27,533,191	30,294,880	29,756,818	29,477,260	31,169,230	32,618,500	35,038,586	34,951,398	37,045,524	36.1%	9,822,493
Fund Balance Appropriation	1,633,412	2,850,600	772,851	334,943	255,434	(397,504)	(298,464)	(1,624,512)	(243,073)	(1,833,299)	-212.2%	(3,466,711)
Total Revenues	28,856,443	30,383,791	31,067,731	30,091,761	29,732,694	30,771,726	32,320,036	33,414,074	34,708,325	35,212,225	22.0%	6,355,782
MUNICIPAL EXPENDITURES												
General Government	554,922	625,416	662,177	667,898	710,616	711,070	734,797	805,413	883,736	942,585	69.9%	387,663
Administration	664,146	666,639	712,873	654,858	668,853	587,960	602,439	712,983	760,840	772,966	16.4%	108,820
Police	4,045,992	4,109,573	4,335,623	4,153,941	4,313,434	4,709,869	5,119,868	5,465,880	5,741,602	6,101,741	50.8%	2,055,749
Fire	3,141,566	3,174,246	3,359,397	3,310,138	3,536,123	3,669,413	3,917,264	4,058,033	4,167,092	4,186,010	33.2%	1,044,444
Public Works	1,640,685	1,569,310	1,753,310	1,544,789	1,631,582	1,626,955	1,667,843	1,827,693	1,881,562	1,857,205	13.2%	216,520
Community Development	461,997	502,051	501,422	477,992	502,040	521,162	559,903	607,587	607,351	671,100	45.3%	209,103
Recreation and Parks	1,948,694	2,031,101	2,228,975	2,224,872	2,285,544	2,341,764	2,502,998	2,578,609	2,620,231	2,600,468	33.4%	651,774
Library	945,977	1,017,939	1,045,519	1,083,161	1,089,645	1,138,387	1,218,417	1,285,358	1,342,385	1,305,308	38.0%	359,331
Total Municipal Expenditures	13,403,979	13,696,275	14,599,296	14,117,649	14,737,837	15,306,580	16,323,529	17,341,556	18,004,799	18,437,383	37.6%	5,033,404
OPERATING TRANSFERS:												
Transfer In												
In-Lieu-of-Tax Payment - Utilities	(1,981,871)	(1,270,537)	(2,454,343)	(2,476,385)	(2,508,554)	(2,454,936)	(2,502,344)	(2,481,923)	(2,535,471)	(2,500,515)	26.2%	(518,644)
Transfer Out												
Debt Service Fund	4,747,305	4,621,305	4,213,207	4,034,485	3,024,113	2,900,000	3,200,000	3,500,000	3,500,000	3,500,000	-26.3%	(1,247,305)
Solid Waste Fund	918,163	973,422	992,664	1,023,006	1,063,407	1,118,812	1,175,858	1,247,609	1,377,627	1,292,501	40.8%	374,338
State Street Aid Fund	500,000	265,000	500,000	500,000	500,000	517,500	539,210	588,770	612,910	223,729	-55.3%	(276,271)
Street & Public Trans Fund	-	-	-	10,000	10,000	10,350	10,790	11,230	22,090	30,000	100.0%	30,000
School Operations	9,553,768	9,949,638	10,646,242	10,646,242	11,186,541	11,578,070	12,070,143	12,988,482	13,508,020	13,980,802	46.3%	4,427,034
Economic Diversification Fund	1,305,099	1,331,688	1,146,665	679,764	171,000	177,000	184,500	50,000	50,000	-	-100.0%	(1,305,099)
Grant Fund	-	-	-	-	168,350	168,350	168,350	168,350	168,350	168,350	100.0%	168,350
Capital Projects Fund	410,000	617,000	711,000	1,057,000	1,080,000	1,150,000	1,150,000	-	-	79,975	-80.5%	(330,025)
Golf Course Fund	-	200,000	713,000	500,000	300,000	300,000	-	-	-	-	100.0%	-
Total Operating Transfers	15,452,464	16,687,516	16,468,435	15,974,112	14,994,857	15,465,146	15,996,507	16,072,518	16,703,526	16,774,842	8.6%	1,322,378
Total Expenditures/Transfers	28,856,443	30,383,791	31,067,731	30,091,761	29,732,694	30,771,726	32,320,036	33,414,074	34,708,325	35,212,225	22.0%	6,355,782
EXPENDITURES FOR MUNICIPAL OPERATIONS COMPARED TO THE RATE OF INFLATION:												
- Applicable Consumer Price Index, All Urban Consumers, All Items	178.0	179.9	183.7	189.4	194.5	202.9	208.4	218.8	215.7	218.0	22.5%	
- Percentage Inflation Increase from Previous Year	3.3%	1.1%	2.1%	3.1%	2.7%	4.3%	2.7%	5.0%	-1.4%	1.1%	24.0%	
- Percentage Increase in Municipal Expenditures and Solid Waste Transfer	0.0%	2.4%	6.3%	-2.9%	4.4%	3.9%	6.5%	6.2%	4.3%	1.8%	37.8%	



City of Oak Ridge, Tennessee List of Principal Employers

These are the principle employers in the City of Oak Ridge, TN as compiled by the Oak Ridge Chamber of Commerce.

<u>Major DOE Subcontractors</u>	<u>Product</u>	<u>Employment</u>
BWXT Y-12	National Security	4,600
UT- Battelle	National Security	4,600
Bechtel Jacobs Co. LLC	Environmental Management	1,337
<u>Other Employers</u>	<u>Product</u>	<u>Employment</u>
Methodist Medical Center	Health Care	1,350
Science Applications Int'l. Corp. (SAIC)	IT Research & Engineering	1,100
Wackenhut-Oak Ridge Team	Security	902
Oak Ridge Schools	Public School System	697
Oak Ridge Associated Universities	Research & Development	850
SiTel	Customer & Technical Service	500
City of Oak Ridge	City Government	394
ORNL Federal Credit Union	Financial Institution	381
Navarro Research & Engineering	Engineering & Admin. Services	375
URS Washington Group	Waste Management	300
Pro2Serve Profess. Project Services, Inc	National Security	300
Energy Solutions	Waste Management/Remediation	300
Answer Financial	Customer Service	300
Jacobs Engineering	Environmental Management	274
Ametek	Instruments	234
Bechtel National, Inc.	Environmental Management	220
USEC	Alternative Energy	217
B&W Clinch River	Centrifuge Manufacturer	208
Emory Valley Center	Business Support Services	200
Appalachian Underwriters	Insurance	200
Information International	Information Management	190

City of Oak Ridge, Tennessee Principal Employers - Current Year and Nine Years Ago

<u>Employer</u>	<u>2010</u>			<u>2001</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
BWXT Y-12	4,600	1	12.79%	N/A	N/A	N/A
UT-Battelle	4,200	2	11.68%	N/A	N/A	N/A
Methodist Medical Center	1,350	3	3.75%	1,300	2	3.74%
Bechtel Jacobs Co. LLC	1,337	4	3.72%	650	9	1.87%
Science Applications Int'l Corp. (SAIC)	1,000	5	2.78%	N/A	N/A	N/A
Oak Ridge Associated Universities	1,000	6	2.78%	932	5	N/A
Wackenhut-Oak Ridge Team	902	7	2.51%	N/A	N/A	N/A
Scientific Ecology Group, Inc (AKA Duratek)	710	8	1.97%	1,300	3	3.74%
Oak Ridge Schools	692	9	1.92%	649	8	1.87%
City of Oak Ridge	458	10	1.27%	417	10	1.20%
SiteI (Client Logic)	N/A	N/A	N/A	N/A	N/A	N/A
Lockheed Martin Energy Systems Inc (LMES) (1)	N/A	N/A	N/A	14,772	1	42.53%
MK Ferguson Company	N/A	N/A	N/A	970	4	2.79%
Boeing Defense and Space	N/A	N/A	N/A	780	6	2.25%
Department of Energy (DOE)	N/A	N/A	N/A	680	7	1.96%
	<u>16,249</u>		<u>45.17%</u>	<u>22,450</u>		<u>61.95%</u>

Source: Oak Ridge Chamber of Commerce and Tennessee Department of Labor and Workforce Development.

Notes: The City of Oak Ridge resides in two counties, Anderson and Roane. For the Percentage of Total City Employment, Anderson County's Civilian Workforce was used.

(1) In 2001, LMES Inc. was the primary contractor at all three main federal facilities located within Oak Ridge. When the contracts for these facilities were last awarded, they went to three different contractors rather than a single contractor. BWXT, UT-Battelle and Bechtel Jacobs are the current primary contractors at the three main federal sites.

City of Oak Ridge, Tennessee Property Tax Levies and Collection – Last 10 FY

FY Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount (1)	Percentage of Levy
2001	\$ 12,951,838	\$ 12,585,185	97.2%	\$ 253,517	\$ 12,838,702	99.1%	\$ 113,136	0.9%
2002	13,599,291	12,921,156	95.0%	560,852	13,482,008	99.1%	117,283	0.9%
2003	15,253,977	14,768,834	96.8%	330,311	15,099,145	99.0%	154,832	1.0%
2004	15,060,866	14,460,793	96.0%	440,665	14,901,458	98.9%	159,408	1.1%
2005	15,483,638	14,934,125	96.5%	468,694	15,402,819	99.5%	80,819	0.5%
2006	15,578,321	15,280,442	98.1%	247,413	15,527,855	99.7%	50,466	0.3%
2007	16,220,293	15,901,543	98.0%	264,947	16,166,490	99.7%	53,803	0.3%
2008	17,767,890	17,303,022	97.4%	387,522	17,690,544	99.6%	77,346	0.4%
2009	19,091,475	18,519,409	97.0%	345,828	18,865,237	98.8%	226,238	1.2%
2010	18,959,485	18,120,891	95.6%	-	18,120,891	95.6%	838,594	4.4%

(1) On September 20, 2004, City Council authorized the Anderson County Delinquent Tax Attorney to collect City of Oak Ridge delinquent real property taxes in consolidation with the collection of Anderson County delinquent taxes. As real property becomes eligible for a delinquent property tax sale under Tennessee State law, the City is turning those delinquencies over to the Anderson County Delinquent Tax Attorney for collection.

Assessed & Estimated Actual Value of Taxable Property – Last 10 FY

FY	Real Residential Property	Real Commercial Property	Personal Property	Public Utilities	Total Taxable Assessed Value (1)	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2001	\$ 263,184,875	\$ 180,376,742	\$ 45,668,874	\$ 14,732,079	\$ 503,962,570	\$ 2.57	\$ 1,682,696,533	30%
2002	267,561,648	184,627,513	48,161,886	12,829,722	513,180,769	2.65	1,715,681,762	30%
2003	270,610,350	183,974,432	52,745,175	11,512,784	518,842,741	2.94	1,739,127,065	30%
2004	272,157,350	191,091,293	51,253,014	10,267,203	524,768,860	2.87	1,755,868,654	30%
2005	274,953,825	200,940,065	53,452,186	10,153,519	539,499,595	2.87	1,798,800,359	30%
2006 (2)	322,792,500	224,568,232	52,163,372	11,390,458	610,914,562	2.55	2,047,178,410	30%
2007	334,908,739	232,023,953	58,066,034	11,091,196	636,089,922	2.55	2,133,414,096	30%
2008	348,129,559	268,680,515	44,406,428	9,269,913	670,486,415	2.65	2,229,095,337	30%
2009	355,123,650	280,813,481	43,858,479	9,427,296	689,222,906	2.77	2,285,863,771	30%
2010	360,936,650	275,346,400	40,908,992	8,596,521	685,788,563	2.77	2,284,105,945	30%

(1) Overall assessment ratios and effective rates for 1973 and thereafter are weighted averages due to varying constitutional assessment ratios which became effective statewide January 1, 1973. Assessment ratios are Residential Property, Real at 25 percent with all bank accounts and \$7,500 of all other items in the hands of a taxpayer exempt; Commercial and Industrial - Real at 40 percent and Personal at 30 percent except that the Personal Property of eligible Banks is 40 percent; Public Utilities (excluding Railroads and Telecommunications) - All Property both Real and Personal at 55 percent; Railroads and Telecommunications - Real and Personal at 40 percent.

(2) All properties were reappraised in tax year 1998 (fiscal year 1999) and tax year 2005 (fiscal year 2006).

**City of Oak Ridge, Tennessee
Principal Property Taxpayers
Tax Year 2009 and 9 Years Ago - For FY 2010 and 2001**

Taxpayer	Type of Business	Tax Year 2009			Tax Year 2000		
		Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Oak Ridge Projects LLC	Real Estate Developer	\$ 37,781,664	1	5.51%	\$ -		-
UT-Battelle	Management Contractor (ORNL)	36,390,184	2	5.31%	-		-
Oak Ridge Tech Center Oak Ridge Corp Partners	Office Complex	13,031,858	3	1.90%	10,676,040	3	2.12%
R&R Properties/Richard Chinn	Entrepreneur	9,667,656	4	1.41%	4,081,005	9	0.81%
Methodist Medical Center of Oak Ridge	Health Services	8,370,400	5	1.22%	8,628,040	5	1.71%
BellSouth	Communications	6,024,353	7	0.88%	11,365,778	2	2.25%
Wilkinson Realty	Apartment Complexes	6,027,248	6	0.88%			
Scientific Ecology Group (AKA GTS Duratek)	Environmental Services	5,910,152	8	0.86%	5,437,061	7	1.08%
A & M Enterprises Inc	Real Estate Developer	4,461,074	9	0.65%	-		-
Wal-Mart	Retail	3,780,286	10	0.55%	-		-
International Environmental Resources (AKA Manufacturing Sciences)	Environmental Services	-		-	6,698,925	6	1.33%
Boeing Tennessee Inc.	Manufacturing and Engineering	-		-	14,707,219	1	2.91%
Oak Ridge Mall	Shopping Mall/Misc. Development	-		-	9,808,689	4	1.94%
Southern Management Development	Apartment Complexes	-		-	5,201,311	8	1.03%
Seward Norris Construction	Real Estate Developer	-		-	3,267,135	10	0.65%
TOTAL		<u>\$ 131,444,875</u>		<u>19.17%</u>	<u>\$ 79,871,203</u>		<u>15.83%</u>

Note: Does not include in-lieu of tax payments.

City of Oak Ridge, Tennessee Ratios of Outstanding Debt By Type – Last 10 FY

Fiscal Year	Governmental-type Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	QZAB	Notes Payable	Capital Leases	Electric Revenue Bonds	General Obligation Bonds	Notes Payable	Capital Leases			
2001	\$ 36,565,000	\$ -	\$24,951,186	\$ 411,560	\$ 19,065,056	\$ -	\$20,735,621	\$ -	\$ 101,728,423	14.30%	\$ 3,714
2002	34,200,000	-	24,803,474	275,990	21,512,348	-	23,570,451	-	104,362,263	14.17%	3,811
2003	37,645,000	-	19,295,028	132,977	22,360,000	5,125,000	18,997,695	-	103,555,700	13.67%	3,781
2004	35,265,000	-	20,043,765	719,243	21,550,000	4,800,000	19,890,589	-	102,268,597	13.06%	3,734
2005	32,820,000	7,049,360	44,992,765	445,193	20,730,000	4,470,000	21,927,521	-	132,434,839	16.67%	4,836
2006	30,285,000	7,641,275	44,938,765	228,476	19,895,000	4,130,000	27,442,240	-	134,560,756	16.26%	4,913
2007	27,650,000	7,131,857	65,882,765	-	19,045,000	3,780,000	30,191,887	1,166,355	154,847,864	18.19%	5,654
2008	24,870,000	6,622,439	70,769,753	544,157	18,165,000	3,410,000	31,450,975	1,073,538	156,905,862	(1)	5,729
2009	39,190,000	6,113,020	55,084,053	713,129	6,885,000	13,100,000	32,780,315	976,098	154,841,615	(1)	5,654
2010	46,390,000	5,603,602	54,979,053	420,076	5,955,000	22,710,000	32,017,179	873,806	168,948,716	(1)	6,169

Notes: Under Tennessee State law, the City's outstanding general obligation debt is not limited.

(1) Data Not Available.

Computation of Direct & Overlapping Debt – June 30, 2010

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage of Debt Applicable To the City</u>	<u>City's Share of Debt</u>
Direct:			
City of Oak Ridge -			
General Obligation Bonds	\$ 46,390,000	100%	\$ 46,390,000
Notes Payable	54,979,053	100%	54,979,053
Qualified Zone Academy Bonds (QZAB)	5,603,602	100%	5,603,602
Capital Lease	420,076	100%	420,076
Debt Service Fund	<u>(12,313,862)</u>		<u>(12,313,862)</u>
Total Direct Debt	<u>95,078,869</u>		<u>95,078,869</u>
Overlapping:			
Anderson County, Tennessee	26,912,234	41.56% *	11,184,724
Roane County, Tennessee	<u>34,967,724</u>	14.37% *	<u>5,024,862</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Oak Ridge. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

* Applicable percentage is determined by ratio of assessed valuation of real property subject to taxation in overlapping unit to valuation of real property subject to taxation in reporting unit.

City of Oak Ridge, Tennessee Revenue Debt Coverage Electric System Debt – Last 10 FY

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
				Principal	Interest	Total	
2001	\$ 33,291,474	\$ 29,404,337	\$ 3,887,137	\$ 899,944	\$ 1,275,692	\$ 2,175,636	1.79
2002	33,434,251	30,414,099	3,020,152	660,000	699,127	1,359,127	2.22
2003	34,689,697	31,647,977	3,041,720	730,000	740,151	1,470,151	2.07
2004	35,913,653	33,623,285	2,290,368	810,000	580,229	1,390,229	1.65
2005	35,724,771	32,545,257	3,179,514	820,000	694,765	1,514,765	2.10
2006	38,922,932	35,131,961	3,790,971	835,000	764,318	1,599,318	2.37
2007	41,971,757	38,798,182	3,173,575	992,673	923,836	1,916,509	1.66
2008	45,608,826	41,103,159	4,505,667	984,750	854,487	1,839,237	2.45
2009	52,597,386	46,957,765	5,639,621	1,009,087	862,630	1,871,717	3.01
2010	48,737,266	43,330,957	5,406,309	1,043,424	883,244	1,926,668	2.81

(1) Includes operating and nonoperating revenues.

(2) Total operating expenses exclusive of depreciation.

Ten Largest Electric Customers Current Year and 10 Years Ago

Customer	2010					2001				
	Annual Demand	Annual Kwh Usage	Annual Sales Dollars	Rank	Percentage Of Total Sales	Annual Demand	Annual Kwh Usage	Annual Sales Dollars	Rank	Percentage Of Total Sales
City of Oak Ridge	99,553	32,066,100	\$ 3,168,042	1	6.61%	35,880	19,263,749	\$ 1,665,311	1	5.11%
Methodist Medical Center	51,869	26,015,901	2,141,179	2	4.47%	39,899	18,862,587	1,100,895	4	3.38%
USEC Inc	44,665	22,699,718	1,903,763	3	3.97%					
Energy Solutions (AKA GTS Duratek)	7,617	25,447,133	1,752,051	4	3.66%	(1)	29,260,372	1,192,419	2	3.66%
Oak Ridge Board Of Education	45,759	16,254,350	1,535,095	5	3.20%	37,355	13,307,638	868,499	6	2.66%
Oak Ridge Project LLC	30,750	14,308,000	1,184,278	6	2.47%					
US Department of Energy	18,689	9,331,320	790,633	7	1.65%	20,260	9,652,941	558,064	9	1.71%
Oak Ridge Technical Centers	19,057	7,854,864	690,277	8	1.44%	-	-	-	-	-
Advanced Measurement	14,759	8,117,850	639,162	9	1.33%	-	-	-	-	-
Oak Ridge Associated Universities	15,632	6,575,708	582,203	10	1.22%	-	-	-	-	-
Boeing	-	-	-	-	-	(1)	26,897,088	1,164,941	3	3.57%
BNFL	-	-	-	-	-	42,509	18,183,109	1,098,871	5	3.37%
Manufacturing Sciences	-	-	-	-	-	20,457	11,399,520	623,577	8	1.91%
Perkin-Elmer Instruments	-	-	-	-	-	16,462	8,846,920	483,322	10	1.48%
UT-Battelle LLC	-	-	-	-	-	21,809	11,471,349	634,108	7	1.94%
M4 Environmental	-	-	-	-	-	-	-	-	-	-
Total			\$ 14,386,683		30.02%			\$ 9,390,007		28.79%

(1) This customer is on the ESP program offered through the Tennessee Valley Authority.

City of Oak Ridge, Tennessee

Electric, Water and Wastewater Sold By Customer Type – Last 10 FY

Fiscal Year	Residential			Commercial		Residential		Commercial	
	Residential	Small lighting and power	Large lighting and power	Street and outdoor lighting	Residential	Commercial	Residential	Commercial	
2001	12,648	1,564	412	62	10,747	1,429	10,468	1,195	
2002	12,676	1,586	421	60	10,769	1,429	10,492	1,191	
2003	12,937	1,654	383	61	10,914	1,425	10,633	1,179	
2004	12,964	1,698	360	62	10,955	1,425	10,671	1,167	
2005	13,042	1,731	346	61	11,019	1,492	10,740	1,169	
2006	13,096	1,797	339	64	11,160	1,518	10,866	1,167	
2007	13,542	1,817	345	61	11,285	1,568	11,007	1,190	
2008	13,556	1,787	342	60	11,313	1,561	11,032	1,176	
2009	13,608	1,840	354	61	11,260	1,634	10,990	1,197	
2010	13,673	1,869	367	61	11,285	1,634	11,017	1,201	

Electric, Water and Wastewater Rates – Last 10 FY

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Electric (1)										
<u>Residential</u>										
Base Charge	\$ 5.80	\$ 5.80	\$ 5.80	\$ 6.57	\$ 7.30	\$ 7.37	\$ 7.46	\$ 7.70	\$ 7.70	\$ 7.70
All kWh	0.06240	0.06240	0.06240	0.06544	0.066790	0.07732	0.07622	0.08800	0.09300	0.09250
<u>Commercial</u>										
GSA1 Base Charge	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 17.00	\$ 17.17	\$ 17.37	\$ 17.93	\$ 17.93	\$ 17.93
All kWh	0.06756	0.06756	0.06756	0.07178	0.07382	0.08571	0.08432	0.09686	0.10211	0.10250
GSA2 Base Charge	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 55.00	\$ 55.56	\$ 56.20	\$ 58.00	\$ 58.00	\$ 58.00
1st 15,000 kWh	0.07000	0.07000	0.07000	0.07421	0.07746	0.08938	0.08803	0.10069	0.10594	0.10633
Additional kWh	0.03587	0.03587	0.03587	0.03823	0.03935	0.04601	0.04557	0.05463	0.05873	0.05624
kWh, 51-1,000	9.94	9.94	9.94	10.67	10.93	12.55	12.25	13.31	13.65	14.58
GSA3 Base Charge	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 150.00	\$ 151.52	\$ 153.28	\$ 158.19	\$ 158.19	\$ 158.19
All kWh	0.03655	0.03665	0.03665	0.03901	0.04087	0.04754	0.04712	0.05623	0.06033	0.05784
kWh, 0 - 1,000	9.41	9.41	9.41	10.09	10.09	11.95	11.61	12.69	13.05	14.03
kWh, 1,001 - 5,000	10.56	10.56	10.56	12.02	12.02	14.27	13.88	15.17	15.59	16.75
<u>Outdoor Light</u>										
All kWh	\$ 0.04377	\$ 0.04377	\$ 0.04377	\$ 0.04377	\$ 0.04622	\$ 0.05265	\$ 0.05166	\$ 0.05943	\$ 0.06368	\$ 0.06110
Water										
Minimum Bill (0-2,000 gallons)	\$ 8.01	\$ 8.01	\$ 8.01	\$ 8.01	\$ 8.01	\$ 8.01	\$ 9.65	\$ 11.50	\$ 11.50	\$ 11.50
Next 8,000 gallons per 1,000 gallons	3.10	3.10	3.10	3.10	3.10	3.10	3.75	4.55	4.55	4.55
Next 40,000 gallons per 1,000 gallons	2.77	2.77	2.77	2.77	2.77	2.77	3.35	4.05	4.05	4.05
Next 150,000 gallons per 1,000 gallons	2.29	2.29	2.29	2.29	2.29	2.29	2.75	3.20	3.20	3.20
Next 800,000 gallons per 1,000 gallons	1.90	1.90	1.90	1.90	1.90	1.90	2.30	3.20	3.20	3.20
Next 1,000,000 gallons per 1,000 gallons	1.56	1.56	1.56	1.56	1.56	1.56	2.30	3.20	3.20	3.20
Wastewater										
Minimum Bill (0-2,000 gallons)	\$ 10.25	\$ 10.25	\$ 10.50	\$ 10.50	\$ 10.50	\$ 11.50	\$ 11.50	\$ 13.50	\$ 13.50	\$ 13.50
Next 8,000 gallons per 1,000 gallons	2.94	2.94	3.75	3.75	3.75	4.13	4.13	5.15	5.15	5.15
Next 40,000 gallons per 1,000 gallons	4.38	4.38	5.05	5.05	5.05	5.55	5.55	6.45	6.45	6.45
Next 50,000 gallons per 1,000 gallons	4.20	4.20	5.05	5.05	5.05	5.55	5.55	6.45	6.45	6.45
Next 4,999,900 gallons per 1,000 gallons	4.20	4.20	5.05	5.05	5.05	5.55	5.55	6.45	6.45	6.45
All over 5,000,000 gallons per 1,000 gallons	4.20	4.20	5.90	5.90	5.90	5.55	5.55	6.45	6.45	6.45

Notes: Bills on all above rates are subject to certain adjustments. The above rates are net, the gross rates being 5 percent higher.

1) Electric may change on a quarterly basis due to a pass-through fuel cost adjustment (FCA) on the energy charges from the Tennessee Valley Authority.

City of Oak Ridge, Tennessee
Demographic Statistics
1980 and 1990 Census Year Information and Last 10 FY

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>Personal Income</u>	<u>Interest Per Capita Income (2)</u>	<u>Median Age (2)</u>	<u>Unemployment Rate (2)</u>	<u>School Enrollment</u>
1980	27,662	\$ 255,707,528	\$ 9,244 (1)	35.0 (1)	5.4% (1)	5,274
1990	27,310	482,321,910	17,661 (1)	39.6 (1)	4.9% (1)	4,432
2000	27,387	679,005,891	24,793 (1)	43.4 (1)	3.2% (1)	4,491
2001	27,387	711,569,034	25,982	(3)	4.1%	4,398
2002	27,387	736,409,043	26,889	(3)	4.0%	4,391
2003	27,387	757,743,516	27,668	(3)	4.7%	4,323
2004	27,387	782,939,556	28,588	(3)	4.9%	4,285
2005	27,387	794,414,709	29,007	(3)	5.1%	4,280
2006	27,387	827,580,366	30,218	(3)	4.7%	4,306
2007	27,387	851,105,799	31,077	(3)	4.2%	4,394
2008	27,387	(3)	(3)	(3)	5.7%	4,362
2009	27,387	(3)	(3)	(3)	9.9%	4,411
2010	27,387	(3)	(3)	(3)	(3)	4,472

(1) Source: U. S. Census Bureau. Statistic is for the City of Oak Ridge.

(2) Source: East Tennessee Development District/Bureau of Economic Analysis. Statistic is for Anderson County. Information is maintained on a county basis and is unavailable for the City of Oak Ridge as a separate entity in a non-census year. The City comprises approximately 38% of Anderson County.

(3) Data Not Available

City of Oak Ridge, Tennessee

Operating Indicators by Function/Program – Last 10 FY

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Ordinances Adopted	21	21	23	20	15	17	22	31	20	17
Resolutions Adopted	199	173	177	127	144	127	108	107	113	108
Number of court cases-city violations	3,785	2,989	3,882	3,429	1,709	2,881	3,483	3,566	4,198	4,861
Administrative services										
Applications received and processed	837	682	930	653	891	784	839	804	1,527	774
Purchase Orders issued-departments	1,894	2,044	2,044	2,254	4,524	4,525	4,106	4,619	4,720	4,778
Purchase Orders issued-stock purchases	1,554	1,259	1,259	1,420	1,219	1,350	1,328	1,138	706	836
Business licenses issued	1,736	N/A	N/A	1,282	1,345	1,392	1,344	1,339	1,295	N/A
Police										
Serious crimes	543	511	662	620	544	539	551	475	481	437
Burglaries	202	301	331	383	394	394	348	378	426	417
Total arrests	2,032	2,243	2,511	2,975	2,691	2,938	2,871	2,780	3,571	3,228
Total calls for services	32,237	33,672	36,291	32,854	32,854	35,544	37,055	35,159	38,660	30,999
Animal apprehensions	1,381	1,958	2,116	2,708	2,500	2,850	2,342	1,805	2,341	2,077
Registered animals	3,871	5,012	4,659	4,040	4,400	4,200	4,000	2,000	2,515	1,592
Fire										
Number of calls	3,339	3,339	3,497	3,264	3,560	3,743	3,721	4,095	4,489	4,457
Public fire education	6,450	8,400	10,993	10,993	10,993	9,000	10,750	11,000	11,000	11,000
Violations reported by depart. inspection	1,441	1,150	850	850	850	900	1,060	1,642	520	941
Average response time (mins)	3.3	4.5	3.5	4.0	4.0	4.0	4.3	4.5	4.1	4.1
Average control time (mins)	3.3	4.8	3.6	4.0	4.0	4.0	4.0	4.5	4.0	10.4
Community Development										
Site plans reviewed										
Non-Residential	19	21	19	19	18	19	6	9	15	13
Residential	48	52	65	76	110	112	108	39	45	0
Building permits	426	474	494	582	582	599	567	552	488	497
Plumbing permits	456	424	348	400	400	518	584	474	440	390
Electrical permits	1,038	347	438	530	530	643	629	507	434	520
Nuisance Abatement	1,501	1,387	969	1,691	1,691	757	620	733	726	1,076
Abandoned vehicles	605	364	112	416	416	416	150	127	289	219
Housing inspections	279	110	86	48	48	66	62	64	149	101
Park and Recreation										
City-wide special events	7	7	7	7	7	7	7	7	7	7
Cold Facts Program participants	2,038	2,123	2,174	2,325	2,341	2,327	2,353	2,387	2,401	2,409
Pool attendance	104,094	104,069	87,435	78,938	60,775	75,741	77,153	78,689	70,759	66,182
Summer camp enrollment	960	960	880	860	1,100	870	949	997	1,000	1,050
Athletic activities										
Youth participants	135	218	234	212	186	147	155	166	189	223
Adult participants	1,047	1,200	1,280	1,496	1,845	1,784	1,579	1,707	1,898	1,774
Youth teams	13	22	21	20	18	16	17	16	19	21
Adult teams	74	82	95	106	138	129	113	124	142	125
Library										
Total volume	106,440	109,434	118,320	118,411	114,707	114,707	112,550	113,890	115,159	117,310
Total non-print material	21,099	22,973	48,993	51,692	52,415	52,415	57,241	57,673	59,258	60,683
Total circulation	215,748	224,967	220,269	204,681	204,585	182,400	186,215	180,293	181,826	174,906
Registered patrons	23,937	24,836	22,477	27,604	23,735	23,455	22,171	20,209	22,301	22,520
Reference questions & reader service	37,008	38,117	37,433	33,029	35,622	33,217	29,883	31,170	30,914	33,011
Storytime attendance	3,506	4,978	5,432	5,395	5,355	4,167	5,262	5,335	4,699	4,797
Public Works										
Street sign maintenance and installation	379	201	394	341	412	259	370	286	388	300
Traffic control and school flashing signals inventory	371	371	371	390	390	390	390	390	390	390
hours for maintenance & installation	2,341	2,451	2,278	2,508	2,508	1,865	2,147	2,040	2,080	2,062
Public street lights inventory	5,319	5,362	5,397	5,431	5,426	5,426	5,447	5,426	5,426	5,447
hours for maintenance & installation	1,971	1,985	2,250	1,536	1,606	2,082	1,807	1,133	1,627	1,400
Mowing of ROW (acres)	15	15	15	15	15	15	15	15	15	15
Electric										
Purchased Power										
Kilowatts-hours purchased	533,000,199	544,096,058	561,424,804	551,468,429	534,063,705	539,597,265	547,543,621	557,257,006	545,153,900	550,862,526
Amount	\$ 24,457,044	\$ 25,226,618	\$ 26,066,753	\$ 27,615,311	\$ 26,543,605	\$ 28,833,331	\$ 32,063,010	\$ 34,364,532	\$ 40,786,288	\$ 36,808,216
Electric Sales										
Kilowatts-hours sold	518,579,537	516,146,986	543,449,683	525,327,120	514,560,835	505,272,128	521,693,354	528,247,375	522,075,626	520,702,657
Amount	\$ 32,613,495	\$ 32,859,895	\$ 34,097,674	\$ 35,245,630	\$ 35,051,657	\$ 38,227,317	\$ 41,184,247	\$ 44,844,650	\$ 51,764,998	\$ 47,916,469
Cost per kilowatt-hour purchases	\$0.0459	\$0.0464	\$0.0464	\$0.0501	\$0.0497	\$0.0534	\$0.0586	\$0.0617	\$0.0748	\$0.0668
% losses & unaccounted KH purchases	2.71%	5.14%	3.20%	4.74%	3.65%	6.36%	4.72%	5.21%	4.23%	5.48%
Water										
Gallons treated (thousands)	4,374,438	4,258,710	4,048,248	3,907,730	3,700,000	4,045,928	3,367,518	3,732,957	3,921,905	3,687,716
Gallons purchased (thousands)	-	-	-	-	-	-	34,445	23,282	16,025	16,313
Gallons pumped (thousands)	-	-	-	-	-	-	3,370,193	3,673,932	3,937,930	3,704,029
Gallons sold (thousands)	3,994,925	3,897,471	3,686,142	3,680,361	3,521,730	3,699,823	2,870,928	3,249,385	3,346,471	3,166,137
Line losses and gallons unaccounted (in thousands)	N/A	N/A	N/A	N/A	N/A	N/A	533,710	424,547	591,459	537,892
Percentage of losses & unaccounted for gallons to total provided (thousands)	N/A	N/A	N/A	N/A	N/A	N/A	15.7%	11.6%	15.0%	14.5%
Average daily consumption (thousands of gallons)	10,945	10,678	10,099	10,083	9,649	10,137	7,866	8,902	9,168	8,674
Wastewater										
Clinch River Industrial Park Plant										
Gallons treated (thousands)	1,500	1,500	2,400	1,724	1,600	1,600	1,200	1,021	1,448	1,890
West End Plant										
Gallons treated (thousands)	1,500,000	1,674,920	2,200,000	1,942,491	2,100,000	2,100,000	1,600,000	1,579,946	1,589,821	1,997,308
Schools										
Enrollment	4,398	4,391	4,323	4,285	4,280	4,306	4,394	4,362	4,411	4,472
Average Daily Membership	4,451	4,418	4,346	4,279	4,284	4,348	4,364	4,407	4,452	4,472
Average Daily Attendance	4,213	4,190	4,127	4,066	4,061	4,127	4,142	4,185	4,220	4,214
Average Test Scores (ACT)	23.6	23.8	23.6	24.4	24.5	24.3	23.6	23.6	24.7	23.0

Note: Some information is not available due to system changes.

City of Oak Ridge, Tennessee

Capital Assets Statistic By Function/Program - Last 10 FY

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Marked Vehicles	23	23	23	23	23	23	23	23	25	30
Unmarked Vehicles	5	5	5	5	6	6	6	8	8	8
Animal Control	2	2	2	2	2	2	2	2	2	2
Other Vehicles	9	9	9	9	9	9	9	8	8	8
Fire										
Stations	3	3	3	3	3	3	3	4	4	4
Fire trucks (Pumpers and ladder)	6	6	6	6	6	6	6	9	9	9
Rescue vehicles - radio equipped	2	2	2	2	2	2	2	3	3	3
Sedans - radio equipped	3	3	4	4	4	4	4	6	6	8
Fire Specialists' vehicles	5	5	5	5	5	5	5	5	5	4
Park and Recreation										
Parks	14	14	14	14	14	14	14	14	14	15
Parks (total acres)	2,237	2,237	2,237	2,237	2,237	2,237	2,237	2,237	2,237	2,300
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	22	22	22	22	22	22	22	22	22	22
Baseball parks	5	5	5	5	5	5	5	5	5	5
Softball parks	6	6	6	6	6	6	6	6	6	6
Gymnasium	1	1	1	1	1	1	1	2	2	2
Golf course	1	1	1	1	1	1	1	1	1	1
Soccer fields	9	9	9	9	9	9	9	9	9	9
Community Centers	3	3	3	3	3	3	3	3	3	3
Disc Golf Courses	-	-	-	-	-	-	1	2	2	2
Library	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of roads and streets	211.02	211.42	211.42	217.75	222.33	226.00	226.00	227.72	227.87	229.59
Miles of sidewalks	98.73	98.73	98.73	98.73	100.61	100.61	100.61	100.61	100.61	100.92
Electric										
Miles of electric lines	270.84	272.66	281.35	282.00	282.00	286.00	286.00	286.00	286.00	286.00
Number of regular street lights	5,319	5,362	5,397	5,431	5,426	5,447	5,463	5,463	5,463	5,784
Number of private outdoor lights	1,530	1,530	1,564	1,577	1,577	1,577	1,568	1,574	1,385	1,385
Water										
Miles of water main	222.00	222.00	225.40	225.77	225.77	231.90	231.90	240.86	241.35	243.12
Number of fire hydrants	2,481	2,489	2,501	2,500	2,700	2,580	2,574	2,683	2,845	2,845
Wastewater										
Miles of sewer main	240.00	240.00	244.50	245.87	245.87	245.87	250.00	259.78	260.07	260.59
Treatment plants	2	2	2	2	2	2	2	3	3	3
Treatment capacity (thousand of gallons)	5,880	30,010	30,010	30,010	30,010	30,010	30,010	30,010	30,010	30,010
Schools										
Elementary schools	4	4	4	4	4	4	4	4	4	4
Middle schools	2	2	2	2	2	2	2	2	2	2
High schools	1	1	1	1	1	1	1	1	1	1

Note: No capital asset indicators are available for general government function.

GLOSSARY

Account Number: A system of numbering or otherwise designating accounts, entries, invoices, vouchers, etc. in such a manner that the symbol used quickly reveals certain required and/or desired information.

Accounts Payable: A liability account reflecting amounts of open accounts owing to private persons or organizations for goods and services received.

Accounts Receivables: An asset account reflecting amounts owing and open accounts from private persons or organizations for goods and services provided.

Accrual Basis of Accounting: A basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to when cash is actually received or spent.

Activity: A specific and distinguishable service performed by one or more organizational components of a government to accomplish a function for which the government is responsible (e.g., patrol is an activity within the police department).

ADA: American with Disabilities Act

Ad Valorem Taxes: This is also referred to as property taxes, which are levied on both real and personal property according to the property's valuation and the tax rate.

Adopted Budget: A budget that has been prepared and reviewed in accordance with State law and has been duly adopted by City Council.

Allocate: To set aside portions of budgeted expenditures that are specifically designated to organizations, departments, etc.

Amortization Schedule: A table detailing each periodic payment on a loan.

Annual Budget: A budget covering a single fiscal year (July 1 – June 30).

Appropriation: An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources.

Appropriations Ordinance: The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes.

Assessment: The process for determining values of real and personal property for taxation purposes.

Asset: Resources owned or held by a government, which have monetary value.

Audit Committee: A committee comprised of three City Council members elected by City Council for the purpose of coordinating with the city's auditor and providing oversight to the city's management of the accounting system.

Audit Scope: In the context of a financial statement audit, the coverage provided by the independent auditor's opinion on the financial statements.

Authorized Positions: These are employee positions that are authorized in the adopted budget to be filled during the fiscal year.

Availability Criterion: Principle of the modified accrual basis of accounting according to which revenues may only be recognized when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Availability Period: A specified period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognized in accordance with the availability criterion of modified accrual accounting.

Balanced Budget: A balanced budget means that expenditures cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years.

Basis Difference: Differences that arises when the basis of budgeting differs from the basis of accounting prescribed by GAAP for a given fund type.

Basis of Accounting: Timing of recognition for financial reporting purposes (i.e., when the effects of transactions or events should be recognized in financial statements).

Basis of Budgeting: The method used to determine when revenues and expenditures are recognized for budgetary purposes.

Bond: A long-term promise to pay. It is a promise to replay a specified amount of money on a particular date. Bonds are used primarily to finance capital projects.

Budget: A financial plan for a specified period of time (fiscal year) that balances projected revenues and fund balance appropriations to estimated service expenditures and operating transfer obligations.

Budget Calendar: The schedule of key dates, which a government follows in the preparation and adoption of its budget.

Budget Control: The control or management of a government follows in preparation and adoption of the budget.

Budget Message: The opening section of the budget, which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Capital Assets: Land, improvements to land, easements, building, building improvements, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operation and that have initial useful lives extending beyond a single reporting period.

Capital Improvements Budget: Appropriation of operating funds and bond funds for a capital improvement project. A capital improvement project is a permanent addition to the City's assets and includes design, construction and purchase of land, buildings and facilities.

Capital Improvement Program (CIP): A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a six-year period.

Capital Outlay: Represents expenditures, which result in the acquisition or addition to fixed assets including land, buildings, improvements, machinery or equipment. Most equipment or machinery expenditures are included in the General Fund budget and the Equipment Replacement Rental Fund. Capital improvements such as acquisition of land and related construction and engineering fees are included in the Capital Improvements budget.

Capital Projects Fund: Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

Cash Basis: A basis of accounting in which transactions are recognized only when cash is received or disbursed.

Community Development Block Grant CDBG: A federal entitlement program designed to benefit low and moderate income persons, specifically in the areas of housing and quality of life.

Certificate of Achievement for Excellence in Financial Reporting Program: Program sponsored by the Government Finance Officers Association to encourage and assist state and local governments to prepare high-quality comprehensive annual financial reports. The program has been in continuous operation since 1946. The program originally was known as the Certificate of Conformance Program.

City Council: The governing body of the City of Oak Ridge.

City Manager: The chief executive officer of the City of Oak Ridge by City Council.

Commodities: Expendable items used by operating activities. Examples include office supplies, repair and replacement parts for equipment, books and gasoline.

Comprehensive Annual Financial Report (CAFR): A financial report that encompasses all funds and components units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions and statistical data.

Contingency: A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services: Services rendered to City activities by private firms, individuals or other City departments. Examples include utilities, vehicle charges and building maintenance.

Debt Ceiling: See Debt Limit.

Debt Limit for the City of Oak Ridge: The total amount of bonds or other evidence of indebtedness secured by the full faith and credit of the City of Oak Ridge that shall be outstanding at any one time shall not exceed 10% of the total appraised valuation of all real estate lying within the city limits.

Debt Management Policy: A policy dealing with the issues of debt, how it is managed, and the manner in which debt is issued.

Debt Reduction Plan: A strategic plan and policy designed to eliminate the need for annual bond issues for annual capital projects while, at the same time, increasing the amount of annual cash appropriations for capital projects.

Debt Service: Debt Service expenditures are the result of bonded indebtedness of the City. Debt Service expenditures include principal, interest, and bond reserve requirements on the City's outstanding debt.

Debt Service Fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit: An excess of expenditures over revenues or expense over income.

Department: The highest levels of operation in the structural organization of the City, which indicates overall management responsibility for a division or a group of related operational divisions.

Depreciation: A decrease in value of property through wear, deterioration, or obsolescence.

Designated Unreserved Fund Balance: Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the government's senior management. Expressed another way, designations reflect a government's self-imposed limitations on the use of otherwise available expendable financial resources in governmental funds.

Distinguished Budget Presentation Awards Program: A voluntary program administered by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Encumbrance: An administrative control under which commitments for the expenditures of money are recorded; thus the money is not available for new expenditure commitments. The use of encumbrances prevents overspending and permits officials to be certain of how much money is available for new commitments.

Enterprise Funds: A proprietary accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Oak Ridge are the Electric, Waterworks (water and sewer), Emergency Communications District (9121 operators) and Golf Course Funds.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid.

Fiscal Year: The time period designated by the City signifying the beginning and ending period for recording financial transactions. Unless fixed by ordinance, the Charter specifies July 1 to June 30 of the succeeding year as the fiscal year for the entire City government.

Fixed Assets: Assets of long-term character that is intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Foundations of Excellence: A City of Oak Ridge budgeting guideline whereby annual municipal budget allocations per household in the proposed budget will not exceed current per-household allocations by more than 110 percent of the rate of inflation.

Fringe Benefits: Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included is the government's share of cost for Social Security and the various pensions, medical and life insurance plans.

Fund: An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or governmental functions. Eight commonly used fund groups in governmental accounting are: general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

Fund Balance: Refers to the excess of assets over liabilities and is therefore also known as surplus funds. It represents the accumulated residual of revenues over expenditures since the inception of the organization.

Fund type: One of 11 classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal services funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Generally Accepted Accounting Principles (GAAP): The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for state and local government are set forth by SAS No. 69, *The meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles"*

General Fund: The principal fund of the City, the General Fund is used to account for all activities not included in other specified funds. General Fund revenue sources include property and business taxes, licenses and permits, intergovernmental revenues, service charges, fines and forfeitures, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, library, refuse contract, parks and recreation, public works and general government administration.

General Obligation Bonds: Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

Goal: A specific statement about that which is to be accomplished or achieved for a particular program during the fiscal year.

Government Finance Officers Association (GFOA): An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

Governmental Accounting Standards Board (GASB): the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA.

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 or gift in cash or other assets from other government units to be used for a specific purpose.

Independent Auditor: Auditors who are independent, both in fact and appearance, of the entities they audit. Both GASS and GAGAS set specific criteria that must be met for an auditor to be considered to be independent.

Independent Auditor's Report: The official written communication of the results of an audit. In a financial audit, the independent auditor's report typically will offer (or disclaim) an opinion on whether a set of financial statements is fairly presented in conformity with GAAP (or some other comprehensive basis of accounting).

Infrastructure: Streets, bridges, water and sewer lines and treatment facilities, storm drainage, traffic signal, etc.

Interfund Transfer: Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

Interest and Penalties Receivable on Taxes: Uncollected interest and penalties on property taxes.

Intergovernmental Revenue: Funds received from federal, state and other local government sources.

Internal Service Fund: Proprietary funds used to account for the furnishing of goods or services by one department or agency to other departments or agencies on a cost-reimbursement basis; for example, the Equipment Replacement Rental Fund.

Investments: Securities held for the production of revenues in the form of interest, dividends, and rentals or lease payments.

Lease Purchase Agreement: A contractual agreement by which capital outlay, usually equipment, may be purchased over a period not exceeding 60 months through annual lease payments.

Legal Debt Margin: The excess of the amount of debt legally authorized over the amount of debt outstanding.

Levy: The amount of tax, service charges and assessments imposed by a government.

Lien Date: For property (ad valorem) Taxes, the date when an enforceable legal claim to taxable property arises. Generally the lien date is specified in the relevant enabling legislation. Many governments use the term *lien date* even though a lien is not formally placed on the property at that date. Alternatively, the term *assessment date* is used to describe this same date.

Long-term Debt: Debt with a maturity of more than one year after the date of issuance.

Mandate: A requirement imposed upon a local government by the federal and/or state governments to provide certain levels of service.

MARC: The library's computerized card catalog.

Measurement Focus: The objective of a measurement, that is, what is being expressed in reporting and entity's financial performance and position. A particular measurement focus is accomplished by considering not only which resources are measured (for example, financial or economic resources), but also when the effects of transactions or events involving focus of government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial statements is current financial resources.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which they fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

Municipal Bonds: A bond issued by a unit of local government.

Net general obligation debt: General obligation debt reduced by amounts being paid with other than general resources (e.g., general obligation debt associated with proprietary funds), as well as amounts available in sinking funds for debt repayment.

Non-Operating Expenses: Expenses that are not directly related to the provision of services such as debt service.

Non-Operating Revenues: Revenues that are generated from other sources, such as interest income, and are not directly related to service activities.

Object Code: A detailed line item expenditure category, such as Regular Salaries (5110), Office Supplies (5310), or Professional Services (5210).

Obligations: Amounts that a government may be required legally to meet from its resources. They include liabilities and encumbrances.

Operating Budget: The expenditure plan for continuing every-day service programs and activities. In most instances, operating expenditures are made in a single fiscal year. These expenditures include personal services, contractual services, commodities, minor capital outlay and debt service requirements.

Operating Revenue and Expenses: Costs of goods sold and services provided to customers and the revenue thus generated.

Operating Transfers: Amounts transferred from one fund to another. Transfers are not expenditures and must be appropriated for expenditures in the fund receiving the transfer.

Ordinance: A formal legislative action enacted by a majority vote on two readings by City Council. It has the effect of law within the community and it must not conflict with federal and/or state law.

Other Financing Source: An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of *other financing sources* category is limited to items so classified by GAAP.

Other Financing Use: A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the *other financing uses* category is limited to items so classified by GAAP.

Overlapping Debt: proportionate share that property within a government must bear of the debts of other local governments located wholly or in part within the geographic boundaries of the reporting government.

Payment in Lieu of Taxes (PILT): Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

Performance Measures: Specific quantitative and qualitative measures of work performed as an objective of the department.

Personal Services: All costs related to compensating employees of the City of Oak Ridge, including salaries, and employee benefit costs such as City contributions for retirement, social security and health insurance.

Property Tax: A tax levied on the assessed value of real and personal property.

Proposed Budget: A budget prepared under the direction of the City Manager's Office and presented to the governing body prior to adoption by City Council for review, amendment and adoption.

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.

Public Hearing: An open meeting of the City Council specifically for the purpose of obtaining public comment and input on a particular issue.

Qualified Zone Academy Bonds (QZAB): A federal financing program that provides interest free funding for school renovations, repairs, and other school improvements that benefit low-income students. It cannot however be used for new school construction For governments to qualify for the bonds, private businesses must contribute not less than 10% of the net present value of the proceeds of the bond.

Reserved Fund Balance: The portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution: An order of a legislative body requiring less legal formality than an ordinance or statute.

Retained Earnings: The cumulative earnings since the establishment of the system that generally have been invested in property, plant and equipment or current assets (cash, accounts receivable, and inventory). The balance in Retained Earnings declines as the property depreciates.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Revenue Bond: This type of bond is backed only by the revenues from a specific enterprise fund. An example would be the Electric Fund.

Revenue Recognition: See Availability criterion and Available period.

Risk Management: An organized effort to protect a government's assets against accidental loss by the most economic method.

Sinking Fund: See Debt service fund

Special Revenue Fund: A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects). The City of Oak Ridge's special Revenue Funds are General Purpose School Fund, Drug Enforcement Program Fund, State Street Aid Fund, Streets and Public Transportation Fund, Economic Diversification Fund, Grant Fund, Solid Waste Fund.

State Shared Revenue: Revenue levied and collected by the State of Tennessee but shared with its localities on a predetermined method.

Tax Levy: The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

TDOT: Tennessee Department of Transportation

Tennessee Municipal Bond Fund (TMBF): The Tennessee Municipal Bond Fund creates and administers various types of loan programs for the benefit of cities and counties.

Transfers: See Interfund transfers and Operating transfers.

Un-audited: Accounts or numbers that have not been verified for their accuracy.

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is 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 specified purpose and is available for general appropriation.

ACRONYMS

ACEDA	Anderson County Economic Development Association	GASB	Governmental Accounting Standards Board
ACHS	Anderson County Health Council	GASS	Generally Accepted Auditing Standards
ADA	American with Disabilities Act	GFOA	Government Finance Officers Association
ADFAC	Aid to Distressed Families of Appalachian Counties	GIS	Geographic Information System
ALI	Automatic Location Identifiers	GOB	General Obligation Bonds
CAFR	Comprehensive Annual Financial Report	GWC	Government Workers Compensation
CDBG	Community Development Block Grant	HDCCV	Housing Development Corporation of the Clinch Valley
CIP	Capital Improvement Program	HUD	Housing and Urban Development
COLA	Cost of Living Adjustment	ISO	Insurance Services Office
CPI	Consumer Price Index	KWH	Kilowatt-hour
CROET	Community Reuse Organization of East Tennessee	MOU	Memorandum of Understanding
CVB	Convention and Visitors Bureau	ORAU	Oak Ridge Associated Universities
DARE	Drug Awareness and Resistance Education	ORHS	Oak Ridge High School
DOE	Department of Energy	ORNL	Oak Ridge National Laboratory
ECD	Emergency Communications District	PILT	Payment in Lieu of Taxes
ED	Economic Diversification Fund	QZAB	Qualified Zone Academy Bonds
ERRF	Equipment Replacement Rental Fund	SALI	Stand Alone Location Identification
ESG	Emergency Shelter Grant	SETHEPP	State Employees, Teachers, and Higher Education Employee Pension Plan
ETDD	East Tennessee Development District	SNS	Spallation Neutron Source
ETHRA	East Tennessee Human Resource Agency	SSAF	State Street Aid Fund
ETTP	East Tennessee Technology Park	TCA	Tennessee Code Annotated
FASB	Financial Accounting Standards Board	TCRS	Tennessee Consolidated Retirement System
FCA	Fuel Cost Adjustment	TDOT	Tennessee Department of Transportation
FLSA	Fair Labor Standards Act	TMBF	Tennessee Municipal Bond Fund
FMLA	Family Medical Leave Act	TML	Tennessee Municipal League
FTE	Full-time Equivalency	TPO	Transportation Planning Organization
FY	Fiscal Year	TVA	Tennessee Valley Authority
GAAP	Generally Accepted Accounting Principles	UBO	Utility Business Office
GAGAS	Generally Accepted Government Auditing Standards	WWTP	Wastewater Treatment Plant

INDEX

Acronyms	VII-37
Animal Control – Activity 916	III-67
Annual Budget Process	I-12 – I-13
Appropriation (Budget) Ordinance	II-13 – II-16
Aquatics	
Indoor - Activity 972	III-131
Outdoor - Activity 973	III-132
Athletics - Activity 975	III-134
Basis for Budgeting	I-11
Basis of Accounting	I-8
Budget Assumptions	II-3- II-5
Budget Calendar	II-2
Budget Organization	I-11
Budget Process	II-1
Budget Summary (Message)	II-17 – II-21
Business Office - Activity 864	III-47
Capital Improvements Program	
Fiscal Year 2012	IV-15 - IV-25
Capital Projects Fund	
Summary	IV-11 - IV-12
Detail	IV-10
Centers, Camps & Programs - Activity 974	III-133
Central Service Center - Activity 946	III-103
Charter Requirements	VII-1 – VII-5
City Clerk - Activity 816	III-41
City Council - Activity 810	III-40
City Court - Activity 832	III-41
City Manager - Activity 820	III-42
Code Enforcement - Activity 966	III-119
Community Centers - Activity 974	III-133
Community Development	
Budget Detail	III-120 - III-122
Code Enforcement - Activity 966	III-119
Planning - Activity 962	III-118
Supervision - Activity 960	III-117
Computer Services - Activity 845	III-45
Consumer Price Index - Relationship to Expenditures for Municipal Operations, Last Ten Years	VII-16
Debt Management Guidelines	I-10
Debt Service Fund	
Summary	IV-6
Detail	IV-3 – IV-5
Outstanding Debt Graph	IV-3
Drug Enforcement Program	
Summary	VI-4
Detail	VI-3

Economic Diversification Fund	
Summary	VI-11
Detail	VI-10
Electric Fund	
Summary	V-5
Department Summary	V-1 – V-4
Detail	V-6
Electrical Systems Statistical Data	VII-23 – VII-24
Emergency Communications - Activity 915	III-66
Emergency Communications District Fund	
Summary	V-22
Detail	V-20 – V-22
Engineering - Activity 935	III-100
Equipment Replacement Rental Fund	
Summary	V-26
Detail	V-23 – V-24
Equipment Replacement	V-24 – V-25
Finance - Activity 862	III-47
Fire Department	
Budget Detail	III-87 – III-91
Fire Fighting - Activity 923	III-84
Fire Prevention - Activity 922	III-83
Fire Specialists - Activity 925	III-85
Fire Stations - Activity 924	III-85
Fire Supervision - Activity 921	III-82
Fund Structure	I-6
Governmental Funds	I-7
Proprietary Funds	I-7
FUNDS - Budget Summary all Funds	II-18
General Fund	
Budget Summary	III-23
Expenditure and Transfer Summary	III-27 – III-28
Expend/Transfers & Rev/Financing Sources - Last Ten Years	VII-16 – VII-17
Revenue Summary	III-25 – III-26
Transfers, Interdepartmental Credits & Costs Recovered	III-31
General Government Department – General Fund	
Business Office - Activity 864	III-48
City Clerk - Activity 816	III-41
City Council - Activity 810	III-40
City Court - Activity 832	III-43
City Manager's Office - Activity 820	III-42
Computer Services - Activity 845	III-45
Budget Detail	III-49 – III-58
Finance - Activity 862	III-47
Legal Department - Activity 843	III-44
Personnel - Activity 846	III-45
Stationery Stores - Activity 854	III-46
General Information	I-1
General Maintenance - Activity 943	III-102
Glossary	VII-28 – VII-36
Goals-City Wide	II-6 – II-12

Golf Course Fund	
Summary	VI-18
Detail	VI-17
Governing Body	I-4
Grant Fund	
Summary	VI-14
Detail	VI-12 – VI-13
Housing Fund	
Summary	VI-22
Detail	VI-22
Indoor Aquatics - Activity 972	III-131
Insurance Fund	
Summary	V-28
Detail	V-27
Investigations - Activity 911	III-64
Legal Department - Activity 843	III-44
Legal Requirements	VII-1 – VII-5
Library - Activity 979	III-150
Municipal Building – Activity 948	III-103
Operating Budget Policies	I-10
Organization Charts	
City-wide	I-5
Community Development	III-113
Electric	V-2
Fire	III-78
General Government	III-3
Library	III-147
Police	III-61
Public Works	III-94
Recreation and Parks	III-125
Waterworks	V-10
Outdoor Aquatics - Activity 973	III-132
Parks - Activity 976	III-134
Patrol - Activity 913	III-65
Personal Services Calculations	I-12
Personnel Detail - Activity 846	III-45
Personnel Schedule	VII-6 – VII-15
Planning - Activity 962	III-118
Police Department	
Animal Control - Activity 916	III-67
Budget Detail	III-69 – III-75
Emergency Communications - Activity 915	III-66
Investigations - Activity 911	III-64
Patrol - Activity 913	III-65
Staff Services (Police) - Activity 912	III-65
School Resource Officer Program - Activity 917	III-67
Supervision - Activity 910	III-63

Property Taxes	
Levies and Collections - Last Ten Fiscal Years	VII-20
Assessed & Actual Value of Taxable Property - Last Ten FY	VII-20
Principal Property Taxpayers	VII-21
Public Library	
Budget Detail	III-151
Public Library - Activity 979	III-150
Public Works Department	
Central Service Center - Activity 946	III-103
Budget Detail	III-105 – III-111
Engineering - Activity 935	III-100
General Maintenance - Activity 943	III-102
Municipal Building - Activity 948	III-103
State Highway Maintenance - Activity 942	III-101
Supervision - Activity 930	III-100
Traffic Control & Lights - Activity 953	III-104
Waterworks Fund - Overview	V-10 – V-16
Waterworks Fund – Capital	V-17 – V-19
Recreation and Parks Department	
Athletics - Activity 975	III-134
Centers, Camps, and Programs - Activity 974	III-133
Budget Detail	III-138 – III-145
Golf Course – Activity 24	VI-17
Indoor Aquatics - Activity 972	III-131
Outdoor Aquatics - Activity 973	III-132
Parks - Activity 976	III-134
Scarboro Center - Activity 977	III-135
Senior Center - Activity 978	III-136
Supervision - Activity 970	III-131
Revenue Policies	I-9
Schools	
Capital Projects - Capital Improvements Program, FY 2012	IV-15 – IV-17
Capital Projects - Capital Projects Fund	IV-11 – IV-12
Capital Projects - Capital Projects Fund, Detail	IV-10
General Purpose School Fund Budget Summary	VI-2
Scarboro Center - Activity 977	III-135
School Resource Officer Program (Police) - Activity 917	III-67
Senior Center Programs - Activity 978	III-136
Sewer Fund (See Wastewater Treatment Expenses)	
Solid Waste	
Summary	VI-16
Detail	VI-15
Special Programs	
Summary	VI-21
Detail	VI-21
Staff Services (Police) - Activity 912	III-65
State Highway Maintenance - Activity 942	III-101
State Street Aid Fund	
Summary	VI-7
Detail	VI-5 – VI-6
Stationery Stores - Activity 854	III-46

Statistical Data	VII-16 – VII-27
Operating Indicators by Function/Program	VII-26
Capital Assets Statistic by Function/Program	VII-27
Principal Employers	VII-18 – VII-19
Streets and Public Transportation Fund	
Summary	VI-9
Detail	VI-8
Traffic Control and Lights - Activity 953	III-104
Wastewater Treatment Expenses (see Waterworks Fund)	
Water Expenses (see Waterworks Fund)	
Waterworks Fund	
Summary	V-16
Detail	V-10 – V-15
Capital Projects	V-17 – V-19
Wastewater System Statistical Data	VII-24
Water System Statistical Data	VII-24
West End Fund	
Summary	VI-20
Detail	VI-19
Zoning (see Planning)	