

# CITY OF TULLAHOMA

## 2017-2018 BUDGET



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Tullahoma  
Tennessee**

For the Fiscal Year Beginning

**July 1, 2016**

*Christopher P. Morill*

Executive Director

**CITY OF TULLAHOMA  
 FY2018 BUDGET  
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## INTRODUCTION

## **Reader's Guide to the Budget**

This budget document has been organized to provide financial and operational background in a manner that is informative and user-friendly. The budget document serves as a roadmap to our community. Information is provided on where we live, the different cultural and recreational activities that contribute to our quality of life, our current infrastructure, need and want, and our vision for the community and the plan we have in place to reach that goal. The annual budget document provides the current implementation of the steps needed to move consistently forward on the city's strategic plan and community goals. The budgeting process and technical requirements associated with the development of this document are also explained so that the reader can follow the events needed to compile and implement this phase of the city's financial plan.

This guide explains the sections of the budget document that follows. The introduction explains how the City of Tullahoma is organized, our long-term strategic plan, the Mayor's vision for the upcoming year and the Administrator's implementation plan to meet the priorities established by the Board of Mayor and Aldermen, maintain effective city services, and accomplish the capital projects and programs dictated by our plan.

The Budget Summaries section explains how the city is organized from a financial perspective. It also provides financial information for city component units that are primarily city managed and funded.

The personnel section shows current and prior year staffing as well as any changes.

Financial Policies explains not only the budgeting process, but also the policies and procedures that both govern this process and provide the basis from which we operate during the year.

Budgeted Revenues details all of the different income sources, how they are estimated and received and their impact on this budget.

The Expenditures section breaks out all of the city departments in detail to provide the reader with an understanding of each department's operations, performance measures, goals, accomplishments and the financial and human resources needed for these functions.

There is also a section on Other Expenditures in the General Fund that explains the other associated agencies and non-profit groups that also receive a portion of city funding.

Debt Service details the city's policy, past and present debt issuances and purposes, current status and impacts, as well as trend going forward.

Capital Projects and Improvements offers an in-depth look into the city's five year plans encompassing all city operations. Summaries are provided of the expense associated with these projects, both for the initial purchase or construction and for the continued operation, as well as any income derived from the project.

A Supplemental Data section furnished the reader with background on the City of Tullahoma, Tennessee, itself. A brief history is provided as well as statistical and demographic information. A glossary explaining technical terms concludes the budget document.

We hope that this document has been compiled and organized in such a manner as to have painted a picture of our city and its government from a financial perspective. More information on the City of Tullahoma and current events can be found at [www.tullahomatn.gov](http://www.tullahomatn.gov). Your comments and suggestions on improving the reader's experience are welcome. You may either contact the Finance Department by phone at (931)455-2648 or e-mail [swilson@tullahomatn.gov](mailto:swilson@tullahomatn.gov).

**CITY OF TULLAHOMA, TENNESSEE  
CITY OFFICIALS**

**MAYOR**  
Lane Curlee



**ALDERMEN**

Robin Dunn  
Jackie Duncan  
Jerry Mathis, Mayor Pro Tempore

Renee Keene  
Ray Knowis  
James H. Blanks

**CITY ADMINISTRATOR**  
Louis J. Baltz, III

**CITY ATTORNEY**  
Stephen Worsham

**CITY JUDGE**  
James Conley

**DEPARTMENT HEADS**

Director of Finance and Administration  
City Recorder  
Police Chief  
Fire Chief  
Director of Public Works  
Recreation Director  
Director of Planning and Codes  
TAEDC Executive Director  
TAA Executive Director  
Human Resource Director

Susan B. Wilson  
Rosemary Golden  
Paul Blackwell, Jr.  
Richard Shasteen  
Robert Taylor  
Kurt Glick  
Lee Lawson  
Thom Robinson  
Jon Glass  
Casta Brice

[www.tullahomatn.gov](http://www.tullahomatn.gov)

Mayor's State of the City and Budget Address  
Lane Curlee, Mayor  
June 5, 2017

To the Board of Aldermen and the citizens of Tullahoma. For the 15th time I present a Budget Message and State of the City to you as Mayor. I appreciate this opportunity to discuss the economic vitality of Tullahoma as well as some of the achievements that have shaped our community the past year. I also will highlight some initiatives we have to look forward to in the coming year.

I am pleased to report the City government enjoys an Aa2 Bond rating, one of the highest in the state for a community our size. The City government once again had no audit findings. Your city government earned the GFOA Certificate of Achievement for Excellence in Financial Management, as well as the Distinguished Budget Presentation Award, one of the few cities in Tennessee to have that distinction. These are independent and objective measures of how your tax monies are managed and measured for financial soundness. This budget represents a fiscally conservative approach to manage the monetary affairs of city government. I appreciate the leadership of City Administrator Jody Baltz and Finance Director Sue Wilson for their professional approach in managing the fiscal affairs of city government. I also appreciate all Department Heads for their leadership and management of the day-to-day affairs in their departments.

Now, to the budget before you. This budget represents our best effort at preserving, managing and building the assets of Tullahoma....whether these are people, buildings or programs. I welcome the Boards' and citizens' suggestions and offers of improvements. The budget as proposed contains no property tax increase for the next fiscal year and is balanced. It also assumes no additional personnel.

This budget does not appropriate additional monies for Tullahoma City Schools. However, the school system will benefit from additional projected sales tax revenue for their General Fund and Sales Tax Sinking Fund accounts. This fiscal year, city government will continue to provide \$600,000 in loan payments for the THS facility improvements and East Lincoln School. We must challenge our School Board, Administration, teachers, staff and students to continue their excellent work within the financial constraints provided.

The departments of city government made requests to improve or enhance services that will not be funded. Thanks to excellent financial stewardship, total operating expenditures are up less than 1%. I am pleased there is a 2% cost of living raise for all full-time city government employees as well as a step raise. Also included is the city's share of the Duck River Electric Substation in the Joint Industrial Park.

Thanks to a combination of factors – all good – the city government is in a position to secure a \$5 million loan for several long-needed infrastructure projects to benefit the citizens of Tullahoma. These factors include moving the Lighttube debt off the city books, strong increases in retail sales and new construction and efficient stewardship of city government expenses.

I propose we use this \$5 million loan to build a new police station and animal shelter, plus significant additions in permanent paving, new sidewalk construction and park improvements. First year debt service for the loan is included in this budget.

The men and women of the Tullahoma Police Department have been using the existing station 24/7 since 1955. The building has not had a serious renovation in many years. It is old, outdated and severely lacking in basic policing needs. In 1955 there were 12 officers, currently there are 37 officers. There is no suitable interview or interrogation room or storage for equipment, weapons, and information technology. Alleged suspects (adult and juvenile) are often seated in open areas visible to the public and alleged suspects are often seated in areas where armed officers are moving around and police operations are discussed. The current facility has mechanical and electrical issues that are extremely difficult to repair due to the age of the facility and construction. Plus, the electrical and technology needs have far outdated the capabilities of the building without extensive installation and repair. These monies will construct a new station on West Grundy Street land being donated by great community partners, Fran and Dan Marcum. This station will serve the policing needs of Tullahoma for many years and will be a facility of which we can all be proud.

The current Animal Shelter was built in the 1980s. It is old and outdated. The small and dedicated staff and volunteers do an excellent job with the resources they have. It is time we build a new shelter and continue their good work. Last fiscal year our no-kill shelter adopted out 173 dogs – an amazing number for a community our size. Thanks to the hard work of staff and volunteers raising money, and the very generous donations of benefactors, the cost of the shelter will be considerably less.

Ever since I can remember we have appropriated \$250,000 annually for permanent street paving. We need to do more to maintain 330 miles of roads in Tullahoma. A drive down many streets will confirm work needs to be done. Paving will be done in all four quadrants of Tullahoma. I propose we double the amount of street paving typically done each year.

By far the biggest request I receive from citizens is for sidewalks. It seems everyone loves sidewalks. And for good reasons. Sidewalks encourage neighbor interaction, fitness, and safety. Emphasis should be placed on adding sidewalks nearest schools and to connect existing sidewalks.

This is also an opportunity to better develop our parks. My goal is for 90% of Tullahoma homes to be within one half mile of a park, fitness trail or equipment. The loan includes money to start developing our new East Lincoln Street Park as well as make improvements to Waggoner Park and the park beside East Lincoln Elementary School.

Thanks to the help of many, Tullahoma has accomplished much in the past year and have much to look forward to this next fiscal year. The Go Green! Tullahoma initiative works to increase recycling and energy efficiency. At Tullahoma Utility Authority's suggestion, all street lights will convert to LED lighting within the year, saving energy, maintenance and resources. The Get Fit! Tullahoma initiative has seen much success as well. The Walk to the Beach and Walk Across Tennessee by Parks and Rec were very successful and we will soon see extensions to our greenway system. Splash Island and the renovated Joe Moon Weight Room and other fitness initiatives stress health and fitness. Public Works and Planning and Codes have developed a comprehensive Clean Up! Tullahoma campaign that not only stresses roadside litter pickup, but the clearing of dilapidated structures as well. I am convinced people want to live in clean communities and I'm confident people want to invest in clean and attractive communities. The Arts Council is working hard to position Tullahoma as an arts destination. They recently completed a first-time, successful Downtown Art Crawl and have more art-centered activities to come.

This year, I want to focus on tourism. Tourism is the second largest industry in Tennessee and Tennessee recently cracked the top 10 states in tourism spending. We do a pretty good job attracting tourists, without even really trying, but I know we can do better with a focused, strategic effort. I suggest we not just think locally, but regionally, and develop partnerships within our five county area to better attract and retain tourists. I have included a modest amount of money in this budget to implement tourist-generating campaigns. I believe this small investment will pay big dividends.

Other good news in the city this past year: TAEDC secured a \$280,000 site development grant to improve the new Business Air Park as well as develop a new 8-page brochure to market the site. Over 95% of Tullahoma citizens are employed, 169 business licenses were issued, retail sales and new home starts are up. Tullahoma High School's ACT scores exceed both state and national averages, with our school system one of the top 10 school districts in the state, and our Board of Education was recognized as a Tennessee Board of Distinction. Students led middle Tennessee in top ten math winners in regional competition and two of the three Tullahoma Teachers of the Year were named regional winners. TUA successfully transitioned to an Authority and refinanced electric fiber debts with interest rates reducing from 4.25% to 1.99%, the TVA wastewater treatment facility earned a \$102,000 energy efficiency grant and TVA received the "Excellence in Water Treatment Operations Award". The Tullahoma Regional Airport earned the Tennessee Aeronautics Commission's Airport of the Year award, sold an all-time record of fuel, and completed over \$1 million in improvements. Your city government completed \$375,000 in low-income housing repairs, Gov. Haslam once again named Tullahoma as a Healthier Tennessee Community and the Finance Department earned national awards for distinguished budgeting and financial reporting. The city's building codes are being upgraded. The Police Department has collected over one ton of prescription medicine in the Drug Take-Back program. The Fire Department installed over 2,000 free smoke detectors. The Downtown Renovation project was completed and Public Works' recycling program collected over 6,000 tons, saving nearly \$300,000 in disposal fees. Parks and Rec installed new fitness and playground equipment at Imagination Station, Waggoner Park and East Park, and introduced a very successful regional Independence Day Celebration. The Tullahoma micropolitan area is now ranked 18<sup>th</sup> in the country. We earned the Tree City designation for the 20<sup>th</sup> year in a row. Oh, and we had an inspired recovery from an EF-1 tornado.

Our chief job as Mayor and Aldermen is to define our vision and inspire the community to help reach the vision. It is critical we keep our eyes on our bold vision for Tullahoma to be considered world class in everything we do. From job creation, to cleanliness, to high school graduation rates and everything in-between, I want Tullahoma to be the best and considered a world-class community.

There appears to be a great deal of confidence in Tullahoma, both from citizens already here and from outsiders looking to invest here. And many more exciting things are on the drawing board. By growing Tullahoma, diverse jobs will be created from entry level to the professional level.

Much of the positive actions I have presented are by the city government and affiliated agencies. There are countless acts of good will that quietly happen every day by Tullahoma citizens, businesses, churches and organizations that truly make a positive difference in the lives of all Tullahomans. Thanks everyone for all you do to make Tullahoma a great place to work, live, play and raise our families.

We should all be challenged by three thoughts:

1) "Great cities are intentional, not accidental." In other words, we must have a plan and take strategic steps to accomplish our plan

2) "Why can't Tullahoma be the best?" Some city is going to be the best.....why not Tullahoma? We should always strive to be the best in everything we do.

3) "If you really love Tullahoma, you have to help make Tullahoma better." We all have opportunities to improve Tullahoma, whether through your school, job, civic club, church, neighborhood, or household. Get involved. Make a difference. Leave Tullahoma better than when you found it.

In summary, Tullahoma is truly a blessed community. We have so much to be thankful for and so much to look forward to. While it truly is a great day to be in Tullahoma, let's always remember we can make a great community even greater. Let's leave Tullahoma better than we found it by the work we do and the decisions we make.

Lane Curlee, Mayor

June 5, 2017

# Tulahoma's Strategic Plan

<b>Community Vision</b>			
<b>Tulahoma—A community that offers excellence in living, learning, economic well-being, enrichment, values, outdoor beauty, and enjoyment for those growing up, raising a family, retiring and visiting here.</b>			
<b>City Mission</b>			
<b>The City of Tullahoma, with the involvement of its citizens, will provide vision and leadership, deliver effective and responsive municipal services, and will remove barriers to free enterprise.</b>			
<b>Strategic Themes and Objectives</b>			
Vibrant Economy	Safe Caring Diverse Community	Sustainable Healthy Environment	Responsive Effective Local Government
Positive business environment	Safety and protection maintained	Preserved natural environment	Financially healthy
Enhanced tourism and hospitality	Strong cohesive neighborhoods	Improved infrastructure	Efficient and effective municipal service delivery
Improved image and awareness nationally and locally	Celebrate culture and heritage	Effective land use	Appropriate partnerships
Skilled adaptable workforce	Nurturing environment	Transportation system with enhanced physical mobility	Effective public voice in local government

## **V. The Strategy (See Supplemental Data Section for entire Strategic Plan)**

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### **Vibrant Economy**

- Objective 1 To provide a positive business environment and facilitate economic diversification and business growth
- Objective 2 To broaden and strengthen the tourism and hospitality sector and maximize our advantages as a gateway to national attractions
- Objective 3 To build a local and national awareness of the City of Tullahoma as an outstanding place to live, work and visit
- Objective 4 To encourage the development of a skilled and adaptable workforce

### **Safe, Caring and Diverse Community**

- Objective 1 To provide for the safety and protection of all residents, visitors, and property
- Objective 2 To enable the development of strong cohesive neighborhoods
- Objective 3 To recognize and celebrate Tullahoma's diverse culture and heritage
- Objective 4 To create a nurturing environment where individuals can reach their full potential

### **Sustainable Healthy Environment**

- Objective 1 To preserve and enhance Tullahoma's natural environment and green spaces
- Objective 2 To improve Tullahoma's physical infrastructure, buildings and structures
- Objective 3 To plan for the efficient, attractive and environmentally sound use of land
- Objective 4 To provide transportation systems that enhance physical mobility and better serve the economic and social needs of the community

### **Responsive Effective Local Government**

- Objective 1 To improve the City's financial health
- Objective 2 To ensure effective and efficient delivery of municipal services
- Objective 3 To develop appropriate partnerships with the public, private, and not-for-profit sectors
- Objective 4 To provide effective opportunities for the public to have a voice in local government

# STRATEGIC PLAN ACCOMPLISHMENTS

## Fiscal Year 2017 Highlights

### VIBRANT ECONOMY

#### ➤ Positive Business Environment

- City Administrator served as chairperson of the Coffee County Joint Economic and Community Development Board.
- Closed 2 small business loans and one commercial loan through grant programs designed to promote economic growth in the city limits.
- Assisted 21 businesses with sign ordinance compliance and local aesthetics.
- Finance Director attended courses through Council of Development Finance Agencies on economic development activities and business tools.

#### ➤ Tourism and Hospitality

- Sponsored and supported numerous area events attracting area, regional, and national participants, including the 41A Music Festival, Summer Music Festival, Rock Creek Concert Series, Bonnaroo Music Festival, annual All-American Soap Box Derby, Independence Day Celebration, and aviation fly-ins.

#### ➤ Increased Awareness of Tullahoma

- Received “Healthier Tennessee Workplace Award” establishing Tullahoma as a leader in wellness and fitness.
- Ranked as the #1 “micropolitan area” in the state of Tennessee based on economic strength factors.

#### ➤ Skilled and Adaptable Workforce

- Provided job training and support for Work Based Learning Employment and Training Partnership.
- City Administrator supervised STEM-related projects outlined in Governor’s Three-Star program for community preparedness in economic and community development.

### SAFE, CARING AND DIVERSE COMMUNITY

#### ➤ Safety and Protection

- Firefighters completed training, including aerial and pumper operations. Two Lieutenants attended Fire Chief orientation.
- Firefighters delivered a fire safety message to all City elementary schools, using the fire safety bounce house, Fire Pup mascot, and remote control fire Pluggie.
- The Fire Department installed 803 smoke alarms in residences in the City.



- The Police Department disposed of 334 lbs. of expired prescriptions, over-the-counter medications, and intravenous instruments through the Drug Take-Back Program.
  - Trained technicians performed 18 child seat inspections and replaced 23 systems for proper fit through the Child Passenger Restraint grant program. The Department has been recognized by the Governor’s Highway Safety Office for its efforts.
  - The Human Resources Department sponsored the second annual employee fitness challenge, offering incentives to participating employees, and expanded the Employee Annual Health Fair to include spouses of employees with family health insurance.
- **Strong Cohesive Neighborhoods**
- Provided grants administration and point of contact for low income residents through a \$375,000 state housing rehabilitation grant
  - Amended and improved the City’s Slum Clearance Ordinance.
- **Diverse Culture and Heritage**
- The City sponsored “Olde Towne Christmas Stroll” and supported a variety of theatre, musical performances and art shows at the Tullahoma Fine Arts Center and South Jackson Civic Center, and local and regional music festivals.
  - Coordinated the City’s Independence Day Celebration.
- **Nurturing Environment**
- Finance Director served as City liaison for high school job training and transition program, establishing and monitoring internships, and providing training and support.
  - Community Coordinator continued the Project Diabetes grant establishing Tullahoma as a wellness and fitness leader.



**SUSTAINABLE HEALTHY ENVIRONMENT**

- **Natural Environment and Green Spaces**
- Hosted Walk to the Beach Program as second phase of Healthier Tennessee Communities Initiative, with 51 local teams participating, walking 37,000 miles.
  - Installed wrought iron fencing at Maplewood Cemetery.
- **Infrastructure and Buildings**
- Renovated D. W. Wilson Community Center Weight Room, incorporating new energy efficient lighting and HVAC system.
  - Completed close-out of a \$375k Tennessee Housing Development Agency HOMES grant, a housing rehabilitation grant.

- Reviewed LED (low emitting diode) cost options for Tullahoma street lighting for upcoming conversion, which will save on power consumption and maintenance of 2,900 light fixtures.
- **Sound Use of Land**
  - The City’s recycling program deferred 7,554 tons from the landfill.
- **Transportation System**
  - Began 3-year grant project to extend and enhance Rock Creek Greenway.
  - Began construction on sidewalk project for East Lincoln Elementary School as part of State of Tennessee Safe Routes to School grant program.

## **RESPONSIVE EFFECTIVE LOCAL GOVERNMENT**

- **Financial Health**
  - Completed second year of new self-funded benefits plan with City providing in-house administration resulting in \$90,000 annual savings.
  - Received Distinguished Budget Presentation Award from the Government Finance Officers Association and the Certificate of Achievement for Excellence in Financial Reporting.
  - Assisted Tullahoma Utilities Authority with process to establish the utility as a separate legal entity from the City.
- **Delivery of Municipal Services**
  - Processed 55 new applicants for the Property Tax Relief Program.
  - Assisted Tullahoma Utilities Authority with process to establish the utility as a separate legal entity from the City.
  - Completed fourth year of the University of Tennessee’s benchmarking performance measurement program.
  - Implemented credit card acceptance system for pool admission and concessions.
  - Both Building Inspectors in the Planning and Codes Department passed the ICC certification examinations for the International Building Code, International Plumbing Code, International Mechanical Code and International Residential Code.
- **Partnerships**
  - Provided accounting functions to Tullahoma Area Economic Development Corporation, and the Tullahoma Regional Airport, including grants management.
  - Assisted with state literacy program, “Imagination Library”, Tullahoma Community Pride Foundation, Arts Council and other community groups.
- **Public Participation**
  - Appointed over 75 citizens to fifteen volunteer Boards, Commissions, and Committees, providing a vital link between the citizenry and the City Council and City staff.

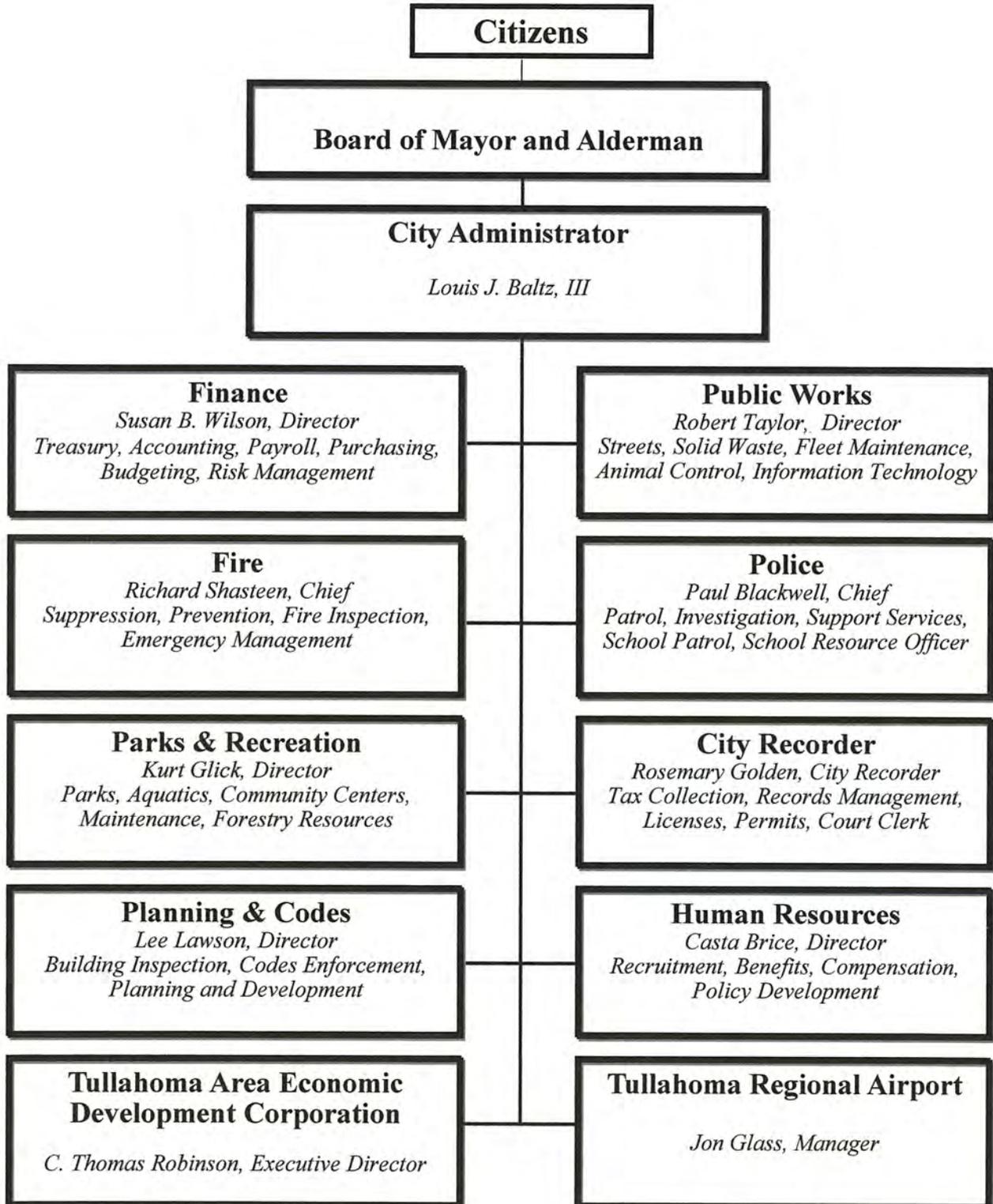
- Offered “Lunch and Learn” program featuring guest speakers and a variety of topics at D. W. Wilson Community Center.

City Administrator addresses citizens at a “Lunch and Learn” public session





## City of Tullahoma





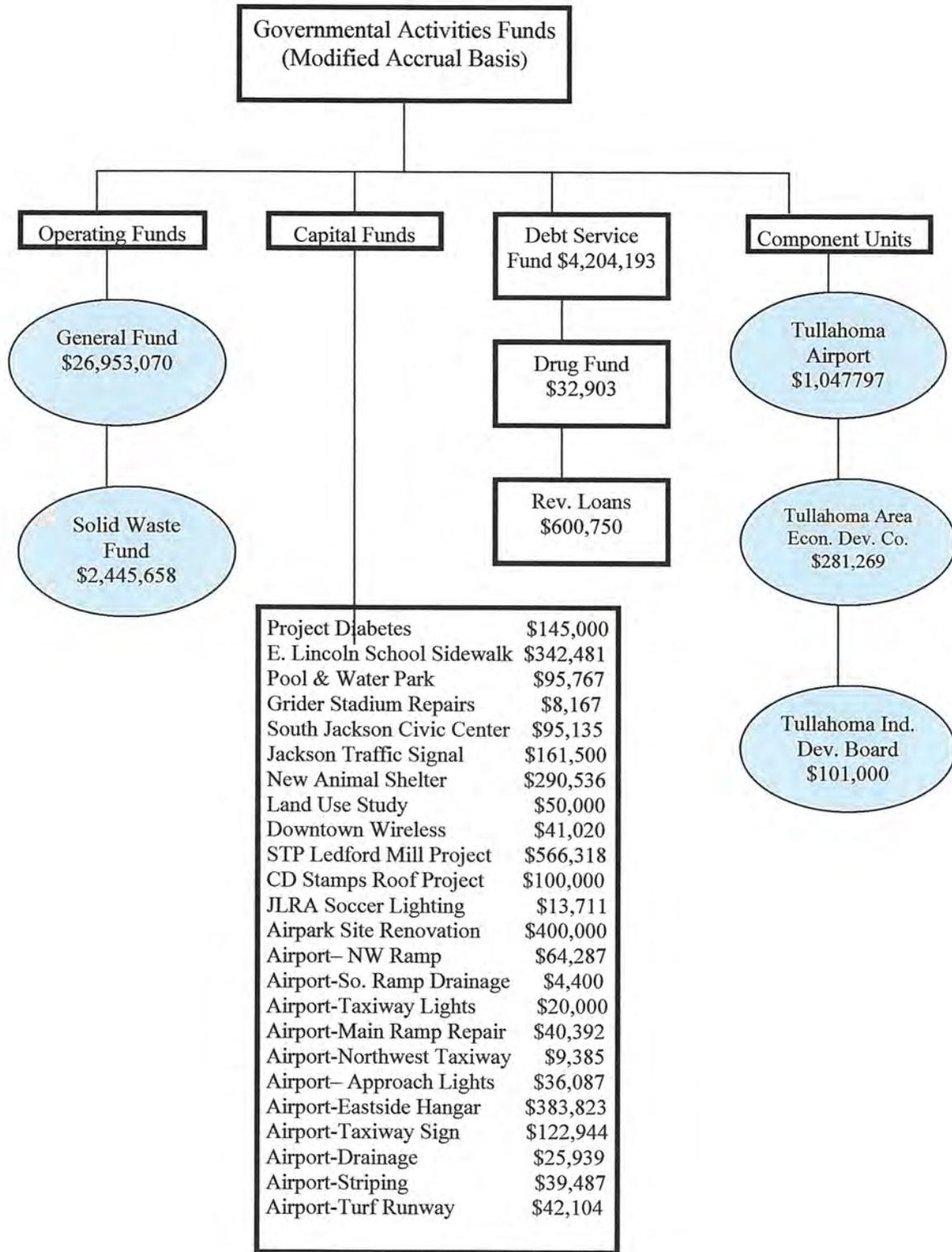
## BUDGET SUMMARIES

## FUND DESCRIPTION MATRIX

Department/Agency	GOVERNMENTAL			PROPRIETARY	
	General Fund	Capital Projects	Other Government	Internal Service Fund	Enterprise Funds
<b>City Departments</b>					
City Administration	x				
Finance	x				
City Recorder	x				
Human Resources	x				
Planning and Codes	x				
Police	x				
Fire	x				
Public Works	x	x			
Solid Waste			x		
Recreation	x	x			
Benefits Fund				x	
<b>Other Agencies</b>					
Tulahoma Airport Authority					x
Tulahoma City Schools			x		
Tulahoma Industrial Development Board			x		
Tulahoma Area Economic Development Corp.			x		

This table illustrates the funds each Department and Agency is a part of in the budget.

# Fund Structure



ORDINANCE NO. 1485

AN ORDINANCE OF THE CITY OF TULLAHOMA, TENNESSEE  
ADOPTING THE ANNUAL BUDGET AND TAX RATE FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018

WHEREAS, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the governing body has published the annual operation budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE CITY OF TULLAHOMA, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body estimates anticipated revenues of the municipality from all sources to be as follows:

General Fund	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
Local Taxes	<u>\$ 22,585,417</u>	<u>\$ 22,423,605</u>	<u>\$22,850,687</u>
Intergovernmental Revenue	<u>\$ 2,867,859</u>	<u>\$ 2,800,746</u>	<u>\$ 2,792,725</u>
Licenses & Permits	<u>\$ 89,498</u>	<u>\$ 91,876</u>	<u>\$ 95,231</u>
Fees and Fines	<u>\$ 749,960</u>	<u>\$ 750,171</u>	<u>\$ 759,270</u>
Miscellaneous Revenue	<u>\$ 306,708</u>	<u>\$ 313,374</u>	<u>\$ 302,851</u>
Fund Balance Utilized	<u>\$ 0</u>	<u>\$ 688,593</u>	<u>\$ 152,306</u>
Total Funds	<u>\$ 26,599,442</u>	<u>\$ 27,068,365</u>	<u>\$26,953,070</u>

Solid Waste Fund	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
Commercial Garbage	\$ 741,246	\$ 754,929	\$ 754,929
Recycling & Other	\$ 164,001	\$ 247,112	\$ 295,106
Transfer from General	\$ 1,315,895	\$ 1,464,068	\$ 1,395,623
Total Revenues	\$ 2,221,142	\$ 2,466,109	\$ 2,445,658

Additional Funds	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
Drug Fund	\$ 28,584	\$ 40,903	\$ 32,903
Tullahoma IDB	\$ 101,204	\$ 111,000	\$ 101,000
Airport	\$ 1,028,212	\$ 1,056,546	\$ 1,047,797
TAEDC	\$ 259,201	\$ 271,546	\$ 281,269
USDA/UDAG	\$ 348,199	\$ 451,750	\$ 600,750
City Capital Projects	\$ 3,820,792	\$ 5,053,429	\$ 3,082,189
School General Purpose	\$ 28,542,908	\$ 30,780,242	\$ 31,752,976
School Federal Projects	\$ 2,267,829	\$ 2,714,981	\$ 2,800,000
School Cafeteria	\$ 2,120,722	\$ 2,421,000	\$ 2,412,000
School ESP	\$ 275,296	\$ 341,892	\$ 342,000
School Capital Projects	\$ 0	\$ 0	\$ 0

SECTION 2: That the governing body appropriates from these anticipated revenues and unexpended and unencumbered funds as follows:

General Fund	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
General Government	\$ 1,609,997	\$ 1,840,182	\$ 1,912,534
Public Safety	\$ 5,498,415	\$ 5,772,738	\$ 5,819,140
Public Works	\$ 2,575,380	\$ 2,726,886	\$ 2,658,329
Parks and Recreation	\$ 1,819,888	\$ 1,955,151	\$ 1,985,452
Debt Service	\$ 1,321,035	\$ 1,375,343	\$ 1,436,070
Education	\$ 10,961,994	\$ 10,684,500	\$ 10,825,498
Airport	\$ 144,760	\$ 161,074	\$ 152,910
TAEDC	\$ 200,511	\$ 207,664	\$ 214,164
Other Agencies	\$ 365,540	\$ 395,760	\$ 441,044
Transfer to Capital	\$ 100,000	\$ 485,000	\$ 112,306
Transfer to Solid Waste	\$ 1,315,895	\$ 1,464,068	\$ 1,395,623
Total Appropriations	\$ 25,913,415	\$ 27,068,366	\$ 26,953,070

Solid Waste Fund	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
Administration	\$ 174,132	\$ 253,854	\$ 279,126
Commercial Garbage	\$ 663,720	\$ 624,099	\$ 625,721
Residential Garbage	\$ 657,295	\$ 659,499	\$ 617,106
Brush & Leaves	\$ 356,253	\$ 486,842	\$ 440,201
Recycling	\$ 350,545	\$ 441,815	\$ 483,504
Total Appropriations	\$ 2,201,945	\$ 2,466,109	\$ 2,445,658

Additional Funds	FY2016 Actual	FY2017 Estimated	FY2018 Proposed
Drug Fund	\$ 28,584	\$ 40,903	\$ 32,903
Tulahoma IDB	\$ 95,630	\$ 111,000	\$ 101,000
Airport	\$ 983,125	\$ 1,056,546	\$ 1,047,797
TAEDC	\$ 212,467	\$ 271,546	\$ 281,269
USDA/UDAG	\$ 191,824	\$ 451,750	\$ 600,750
City Capital Projects	\$ 3,820,792	\$ 5,053,429	\$ 3,082,189
School General Purpose	\$ 28,542,908	\$ 30,780,242	\$ 31,752,976
School Federal Projects	\$ 2,267,829	\$ 2,714,981	\$ 2,800,000
School Cafeteria	\$ 2,120,722	\$ 2,421,000	\$ 2,412,000
School ESP	\$ 275,296	\$ 341,892	\$ 342,000
School Capital Projects	\$ 0	\$ 0	\$ 0

SECTION 3: At the end of the current fiscal year the governing body estimates balances/ (deficits) as follows:

General Fund                      \$ 6,218,838  
General Purpose School        \$ 7,889,003

SECTION 4: That the governing body recognizes that the municipality has bonded and other indebtedness payable for FY2018 as follows:

Bonded or Other Indebtedness	Debt Redemption	Interest Requirements
Bonds	\$ 2,564,000	\$ 1,071,809
Notes	\$ 400,000	\$ 165,384
Capital Leases	\$ -0-	\$ -0-
Other Debt	\$ -0-	\$ -0-

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 T.C.A. Section 6-56-208. In addition, no appropriation may be made in excess of

available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Section 6-56-205 of the *Tennessee Code Annotated*.

SECTION 6: Money may be transferred from one appropriation to another in the same fund as prescribed by the Tullahoma Municipal Code, subject to such limitations and procedures as it may describe as allowed by Section 6-56-209 of the *Tennessee Code Annotated*.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full time equivalent employees required by Section 6-56-206, *Tennessee Code Annotated* will be attached.

SECTION 8: If for any reason a budget ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations in this budget ordinance shall become the appropriations for the next fiscal year until the adoption of the new budget ordinance in accordance with Section 6-56-210, *Tennessee Code Annotated* provided sufficient revenues are being collected to support the continuing appropriations.

SECTION 9: The following amounts are hereby levied as the tax rate for the City imposed upon all property subject to taxation for the year 2017:

City of Tullahoma - Coffee County

General Purpose: \$2.5975 per hundred assessed

City of Tullahoma - Franklin County

General Purpose: \$2.4360 per hundred assessed

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

BE IT FUTHER ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF TULLAHOMA, TENNESSEE, that this ordinance shall take effect and be in full force and effect from after its passage and from and after its caption being published one time in a newspaper of general circulation in Coffee County, Tennessee the public welfare requiring it.

Passed on First Reading:

June 5, 2017

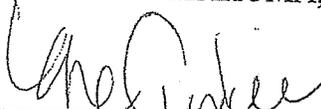
Passed on Second Reading, as amended:

June 22, 2017

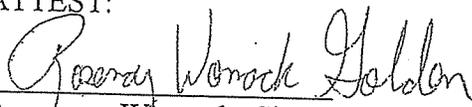
Passed on Third Reading, as amended:

June 27, 2017

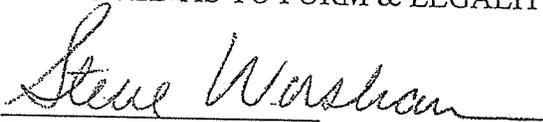
CITY OF TULLAHOMA, TENNESSEE:

  
Lane Curlee, Mayor

ATTEST:

  
Rosemary Womack, City Recorder

APPROVED AS TO FORM & LEGALITY:

  
Steve Worsham, City Attorney

**CONSOLIDATED STATEMENT  
CITY OF TULLAHOMA & AGENCY OPERATING FUNDS  
FY2018 BUDGETS (per \$1000)**

	<b>General</b>	<b>Solid Waste</b>	<b>Airport</b>	<b>TAEDC</b>	<b>Operating Funds FY2018</b>	<b>Operating Funds FY2017</b>	<b>Operating Funds FY2016</b>
<u>Revenues</u>							
Taxes	22,851	-	-	-	22,851	22,424	21,700
Licenses & Permits	95	-	-	-	95	92	68
Intergovernmental	2,793	-	40	108	2,941	2,909	2,607
Fines & Fees	759	-	-	-	759	724	752
Charges for Services	158	979	877	-	2,014	1,955	2,011
Interest Income	37	-	-	-	37	25	35
Miscellaneous	25	-	3	-	28	41	15
Operating Transfers in	83	1,396	128	166	1,773	1,732	1,760
<b>Total Revenues:</b>	<b>26,801</b>	<b>2,375</b>	<b>1,048</b>	<b>274</b>	<b>30,498</b>	<b>29,902</b>	<b>28,948</b>
<u>Expenses</u>							
Administration	1,913	279	252	281	2,725	2,613	2,282
Public Safety	5,819	-	-	-	5,819	5,694	5,427
Public Works	2,658	2,167	-	-	4,825	4,760	4,701
Community Services	1,985	-	796	-	2,781	2,718	2,630
Education	10,825	-	-	-	10,825	10,685	10,475
Debt Service	1,436	-	-	-	1,436	1,375	1,385
Capital Outlay	-	-	-	-	-	-	-
Other Agencies	-	-	-	-	-	-	-
Other Organizations	-	-	-	-	-	-	94
Community Services	-	-	-	-	-	-	74
Miscellaneous	187	-	-	-	187	172	49
Transfer to Other Fund (Cap. Proj.)	112	-	-	-	112	485	-
Operating Transfers out	2,018	-	-	-	2,018	1,957	1,872
<b>Total Expenses:</b>	<b>26,953</b>	<b>2,446</b>	<b>1,048</b>	<b>281</b>	<b>30,728</b>	<b>30,459</b>	<b>28,989</b>
Beginning Fund Balance	6,313	178	721	36	7,248	7,805	7,846
Apropriated	(152)	(71)	-	(7)	(230)	(557)	(41)
Ending Fund Balance	6,161	107	721	29	7,018	7,248	7,805

**BUDGET COMPARISON - ALL FUNDS**  
**FY2017/FY2018**

Funds	FY2017 Original Budget	FY2017 Amended Budget	FY2018 Original Budget	Change	
				Dollars (From Amended)	Percentage
General	\$ 26,823,789	\$ 27,898,721	\$ 26,953,070	\$ (945,651)	-3.4%
Drug	\$ 40,903	\$ 34,203	\$ 32,903	\$ (1,300)	-3.8%
Solid Waste	\$ 2,322,466	\$ 2,650,721	\$ 2,445,658	\$ (205,063)	-7.7%
Debt Service	\$ 4,098,348	\$ 4,115,108	\$ 4,204,193	\$ 89,085	2.2%
Equipment Reserve	\$ -	\$ 569,235	\$ -	\$ (569,235)	-100.0%
Capital Projects	\$ 3,650,015	\$ 4,377,061	\$ 2,335,445	\$ (2,041,616)	-46.6%
Airport	\$ 1,044,913	\$ 1,104,546	\$ 1,047,797	\$ (56,749)	-5.1%
TAEDC	\$ 268,046	\$ 322,436	\$ 281,269	\$ (41,167)	-12.8%
<b>TOTAL ALL FUNDS</b>	<b>\$ 38,248,480</b>	<b>\$ 41,072,031</b>	<b>\$ 37,300,335</b>	<b>\$ (3,771,696)</b>	<b>-9.2%</b>

**PROJECTED CHANGE IN FUND BALANCE  
ALL GOVERNMENT FUNDS  
FY2018**

	Beginning Fund Balance (Unaudited) June 30, 2017	Budgeted Revenues FY2017-2018	Budgeted Expenditures FY2017-2018	Ending Fund Balance Projected June 30, 2018
General Fund	6,656,520	26,800,764	26,953,070	6,504,214
Solid Waste Fund	379,281	2,374,812	2,445,658	308,435
Drug Fund	97,074	19,100	32,903	83,271
Airport	1,545,894	1,047,797	1,047,797	1,545,894
Debt Service Fund	268,979	4,204,193	4,204,193	268,979
TAEDC	21,597	274,204	281,269	14,532
Equipment Reserve Fund	89,773	0	0	89,773
Revolving Loan Funds	827,553	250,940	600,750	477,743
Capital Projects Fund	1,636,367	2,396,799	3,082,189	950,977
Totals	<u>11,523,038</u>	<u>37,368,609</u>	<u>38,647,829</u>	<u>10,243,818</u>

- General Fund budget anticipates the use of \$112,306 in unassigned fund balance and \$ in restricted reserves for specific purposes only.
- Solid Waste Fund budget appropriates \$70,846 of unassigned fund balance.
- Drug Fund budget anticipates using approximately \$13,803 of unassigned fund balance.
- TAEDC budget estimates using \$12,342 of unassigned fund balance.
- Equipment Reserve Fund anticipates using \$564,236 of fund balance.
- Revolving loan funds budget to utilize the majority of available funds should applicant projects require them.
- The Capital projects fund budgets anticipates the usage of approximately \$685,390 of fund balance.

**City of Tullahoma**  
**FY2017/FY2018 Budget Summary**

**GENERAL FUND**

	FY2017	FY2017	FY2018	% Increased
REVENUES	Budget	Actual	Budget	(Decreased)
Property Tax Items	11,388,592	11,313,633	11,526,578	1%
Sales Tax	9,677,000	9,652,619	9,778,263	1%
Beer & Liquor Tax	815,077	855,806	738,314	-9%
Business & Cable	624,919	613,324	559,860	-10%
Hotel/Motel Tax	262,098	262,098	247,672	-6%
Licenses & Permits	91,876	95,928	95,231	4%
Intergovernmental	2,800,746	2,873,321	2,792,725	0%
Fees, Commissions & Fines	770,171	741,202	759,270	-1%
Other Revenue (Reserves)	1,468,242	1,071,665	455,157	-69%
<b>TOTAL REVENUE:</b>	<b>27,898,721</b>	<b>27,479,596</b>	<b>26,953,070</b>	<b>-3%</b>
<b>EXPENDITURES</b>				
Legislative	293,689	264,017	339,813	16%
Judicial	53,224	48,263	47,342	-11%
City Administrator	220,184	218,213	216,299	-2%
Finance	341,161	328,818	349,108	2%
City Recorder	202,557	194,893	226,814	12%
Planning	317,961	303,634	328,626	3%
Human Resources	192,566	184,587	199,173	3%
Community Development	100,129	91,050	131,162	31%
Municipal Bldg	103,590	99,353	74,197	-28%
<b>Total Administration</b>	<b>1,825,061</b>	<b>1,732,827</b>	<b>1,912,533</b>	<b>5%</b>
Police Administration	200,090	197,138	186,316	-7%
Investigation	407,504	401,491	404,619	-1%
Patrol	2,195,522	2,141,570	2,191,234	0%
Support Services	347,796	337,868	326,126	-6%
School Patrol	27,374	25,750	30,414	11%
School Resource Officer	81,932	77,642	73,089	-11%
Police Training	24,220	21,936	26,252	8%
<b>Total Police:</b>	<b>3,284,438</b>	<b>3,203,394</b>	<b>3,238,049</b>	<b>-1%</b>
Fire Administration	305,078	303,367	314,513	3%
Suppression	2,059,527	2,036,228	2,049,455	0%
Emergency Assistance	55,506	52,320	57,932	4%
Fire Training	24,739	24,028	30,088	22%

EXPENDITURES (continued)	FY2017 Budget	FY2017 Actual	FY2018 Budget	% of budget
Bldg Maintenance	64,097	62,704	49,521	-23%
Fire Inspection	91,648	90,296	79,581	70522%
<b>Total Fire:</b>	<b>2,600,595</b>	<b>2,568,943</b>	<b>2,581,091</b>	<b>-1%</b>
Public Works Administration	258,824	245,755	255,550	-1%
Street Labor	707,592	694,767	674,612	-5%
Streets/Highways	1,181,254	1,158,999	881,553	-25%
Street Signs	34,064	30,495	25,560	-25%
Stormwater Management	89,504	79,032	79,640	-11%
Cemetery Maintenance	177,627	166,784	160,348	-10%
R-O-W Mowing	17,500	8,233	12,502	-29%
Fleet Maintenance	336,851	317,051	353,773	5%
Animal Control	227,178	214,498	214,790	-5%
<b>Total Public Works</b>	<b>3,030,394</b>	<b>2,915,615</b>	<b>2,658,329</b>	<b>-12%</b>
Recreation Administration	110,501	108,610	122,138	11%
Parks & Grounds labor	532,665	512,964	491,372	-8%
Community Centers	487,684	475,313	504,493	3%
Aquatics/Splash Island	594,717	580,559	288,531	-51%
Pool Concessions	-	-	161,074	***
Programming	-	-	157,364	***
Facilities Maintenance	184,635	181,740	183,294	-1%
Forestry	78,166	72,674	77,186	-1%
<b>Total Recreation &amp; Maintenance</b>	<b>1,988,368</b>	<b>1,931,860</b>	<b>1,985,452</b>	<b>0%</b>
Transfer to Solid Waste	1,587,068	1,587,068	1,395,623	-12%
Transfer to Debt Service	1,375,343	1,375,343	1,436,070	4%
Transfer to TAA-Operations	136,074	136,074	127,910	-6%
Transfer to TAA-Fuel	25,000	-	25,000	0%
Transfer to TAEDC	159,664	159,664	166,164	4%
Transfer to TAEDC - TIF	48,500	48,334	48,000	-1%
Transfer to TUB Hydrant Rental	142,439	142,383	144,717	2%
Transfer to Capital Projects	646,570	646,570	112,306	-83%
Transfer to TIDB-substation	60,000	60,000	60,000	100%
Contingency	-	-	47,202	100%
<b>Total Transfers to Other Funds</b>	<b>4,180,658</b>	<b>4,155,436</b>	<b>3,562,992</b>	<b>-15%</b>
<b>Total Tullahoma City Schools</b>	<b>10,796,107</b>	<b>10,792,267</b>	<b>10,825,498</b>	<b>0%</b>
<b>Total Tourism and Cultural Organizations (By Ordinance)</b>	<b>116,496</b>	<b>107,837</b>	<b>110,024</b>	<b>-6%</b>
<b>Total Miscellaneous Appropriations</b>	<b>76,605</b>	<b>71,418</b>	<b>79,103</b>	<b>3%</b>
<b>Total Expenses</b>	<b>27,898,721</b>	<b>27,479,596</b>	<b>26,953,070</b>	<b>-3%</b>
Changes in Fund Balance	-	-	0	

**City of Tullahoma**  
**FY2017/FY2018 Budget Summary**

**SOLID WASTE FUND**

	FY2017	FY2017	FY2018	% Increased
REVENUES	Budget	Actual	Budget	(Decreased)
Commercial Garbage Fees	740,929	729,120	754,929	2%
Brush/Chipping Charges	-	318	-	0%
Interest Income	200	834	500	100%
Other Solid Waste Charges	-	902	1,000	0%
Insurance Recovery	-	-	-	0%
Recycling Revenue	290,560	305,542	215,560	-26%
Recycling Grant	-	-	7,200	0%
Miscellaneous Receipts	-	-	-	0%
<b>TOTAL REVENUE:</b>	<b>1,031,689</b>	<b>1,036,716</b>	<b>979,189</b>	<b>-5%</b>
<b>EXPENDITURES</b>				
Administration	222,768	208,385	279,126	25%
Residential Garbage	692,144	660,099	617,106	-11%
Commercial Garbage	694,424	676,932	625,721	-10%
Brush/Limb Collection	289,139	258,813	185,293	-36%
Leaf Collection	281,269	272,794	254,908	-9%
Recycle Program	470,977	445,600	483,504	3%
<b>TOTAL EXPENSES</b>	<b>2,650,721</b>	<b>2,522,623</b>	<b>2,445,658</b>	<b>-8%</b>
GENERAL FUND TRANSFER:	1,587,068	1,587,068	1,395,623	-12.1%
Changes in Fund Balance	(31,964)	101,161	(70,846)	

*City of Tullahoma*  
**FY2017/FY2018 Budget Summary**

**DEBT SERVICE FUND**

	FY2017 Amended Budget	FY2017 Actual	FY2018 Budget	% Increased (Decreased)
<b>REVENUES</b>				
Refunding Bond Projects	0	0	0	0%
Bond Interest	0	407	0	0%
Transfer from TML Loan Balance	0	0	0	0%
Transfer from General Fund	1,375,344	1,323,621	1,436,070	4%
Transfer from City Schools	2,723,004	2,411,188	2,768,123	2%
<b>TOTAL REVENUE:</b>	<b>4,098,348</b>	<b>3,735,216</b>	<b>4,204,193</b>	<b>3%</b>
<b>EXPENDITURES</b>				
<b>City Bonds and Notes</b>				
2005 REF (1999) City-principal	-	-	-	0.0%
2005 REF (1999) City-interest	-	-	-	0%
2007 TMBF Note-EMS Roof-principal	101,000	101,000	-	-100%
2007 TMBF Note-EMS Roof-interest	4,323	4,323	-	-100%
2009 TMBF City Note-principal	37,000	37,000	38,000	3%
2009 TMBF City Note-interest	40,860	13,560	39,195	-4%
2009 REF (98 GO REF) City-principal	-	-	-	0%
2009 REF (98 GO REF) City-interest	-	-	-	0%
2013 Pool Renovation City-principal	87,000	87,000	88,000	1%
2013 Pool Renovation City-interest	66,870	35,097	64,260	-4%
2014 TMBF Outlay Notes City-trucks-prin.	91,000	91,000	93,000	2%
2014 tMBF Outlay Notes City-trucks-int.	10,758	10,758	8,701	-19%
2015 Pool Renovation-principal	50,500	50,500	112,000	100%
2015 Pool Renovation-interest	51,118	46,681	33,787	-34%
2016 TMBF Loan City-(ref 2005 bonds)-prin.	740,000	740,000	765,000	100%
2016 TMBF Loan City-(ref 2005 bonds)-int.	108,665	108,665	91,127	-16%
2017 Proposed Debt Issuance	-	-	100,000	0%
Fiscal Agent Fees	3,000	1,650	3,000	0%
City Total:	1,392,094	1,327,232	1,436,070	3%
<b>School Bonds and Notes</b>				
6-1-02 REF School-principal-(to 2012)	-	-	-	0%
6-1-02 REF School-interest-(to 2012)	-	-	-	0%
2006 REF School-WMS-principal	35,000	35,000	820,000	2243%
2006 REF School-WMS-interest	356,162	356,163	354,850	0%
2009 TMBF \$12M School-principal	377,000	377,000	394,000	5%
2009 TMBF \$12M School-interest	456,165	144,116	439,200	-4%
2009 98 GO REF School-principal	105,000	105,000	110,000	5%
2009 98 GO REF School-interest	5,150	5,150	1,788	100%
2010 School Bond-principal	100,000	100,000	-	100%
2010 School Bond-interest	148,094	148,094	146,594	-1%
2012 School Ref. Bonds (2002)-principal	1,000,000	1,000,000	375,000	-63%
2012 School Ref. Bonds (2002)-interest	52,000	52,000	38,250	100%
2013 THS Roof Renovation-principal	67,000	67,000	69,000	100%
2013 THS Roof Renovation-interest	21,433	21,433	19,441	100%
School Total:	2,723,004	2,410,955	2,768,123	2%
<b>TOTAL EXPENSES</b>	<b>4,115,098</b>	<b>3,738,187</b>	<b>4,204,193</b>	<b>2%</b>
Changes in Fund Balance	(16,750)	(2,971)	-	

*City of Tullahoma*  
**FY2017/FY2018 Budget Summary**

**EQUIPMENT RESERVE FUND**

	FY2017 Amended Budget	FY2017 Actual	FY2018 Budget	% Increased (Decreased)
<b>REVENUES</b>				
Interest Income	-	1,430	-	0%
State/Federal Grants	-	-	-	0%
Note Proceeds	-	-	-	0%
Sale of Equipment-Public Works	-	-	-	0%
Sale of Equipment-Police	-	-	-	0%
Sale of Equipment-Fire	5,000	5,000	-	0%
Insurance Recoveries	-	-	-	0%
Insurance Recoveries-Building	-	-	-	0%
Transfers from 312-Capital	-	-	-	0%
Transfers from General Fund	423,000	423,000	-	0%
Transfers from Planning & Codes	-	-	-	0%
Transfers TAEDC	-	-	-	0%
Transfers from Police	-	-	-	0%
Transfers from Fire	-	-	-	0%
Transfers from Public Works	-	-	-	0%
Transfers from Recreation	-	-	-	0%
Transfers from Solid Waste	140,000	140,000	-	0%
<b>TOTAL REVENUE:</b>	<b>568,000</b>	<b>569,430</b>	<b>-</b>	<b>0%</b>

**EXPENDITURES**

Administration - Vehicles & Equipment	40,128	-	-	0%
Administration-Major Repairs	-	-	-	0%
Police - Vehicles & Equipment	128,800	126,611	-	0%
Police - Capital Repair	-	-	-	0%
Fire - Capital Repair	-	-	-	0%
Fire - Vehicles & Equipment	30,992	30,799	-	0%
Fire - Trucks	-	-	-	0%
Fire - Capital Repair	5,000	4,971	-	0%
Public Works - Vehicles & Equipment	145,411	98,396	-	0%
Public Works - Repairs	-	-	-	0%
Planning & Codes - Vehicles & Equipment	-	-	-	0%
Recreation - Vehicles & Equipment	32,336	24,864	-	0%
Recreation/Community Center - Repairs	-	-	-	0%
Recreation/Pool - Repairs	-	-	-	0%
Recreation/Grider - Repairs	-	-	-	0%
TAEDC - Vehicles	20,000	-	-	0%
Transfer to SJ Civic Center - Repairs	-	-	-	0%
Transfer to Coffee Co. Sr. Center - Repairs	-	-	-	0%
Solid Waste - Garbage Trucks	-	-	-	0%
Solid Waste - Vehicles & Equipment	166,568	-	-	0%
<b>TOTAL EXPENSE:</b>	<b>569,235</b>	<b>285,641</b>	<b>-</b>	<b>0%</b>

**GENERAL FUND TRANSFER:**

Change in Fund Balance	(1,235)	283,789	-	
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**City of Tullahoma**  
**FY2017/FY2018 Budget Summary**

**CAPITAL PROJECTS FUND**

	FY2017 Amended Budget	FY2018 Budget
<b>REVENUES</b>		
Interest	-	
Grant Proceeds	3,203,061	1,995,993
Signalization Design Reimbursement	18,500	18,500
THDA Homes Grant	150,709	-
In-kind Services	0	0
Private/Other Contributions	84,000	84,000
Donations & Sponsorships	150,000	150,000
Debt Issuance Proceeds	40,000	0
Fund Balance carried over	-	-
<b>TOTAL REVENUE:</b>	<b>3,646,270</b>	<b>2,248,493</b>

<b>EXPENDITURES</b>	<b>FY2017</b>	<b>FY2018</b>
<b>Federal Grant Projects (DOJ)</b>		
Police Training	-	
<b>CDBG Sewer Rehabilitation (TUB)</b>		
Transfer to TUB	-	
<b>Project Diabetes</b>	149,000	145,000
<b>THDA Homes Rehabilitation</b>		
<b>City Capital Projects (2005 bonds)</b>		
TEA Downtown	204,433	
Downtown WIFI	41,020	41,020
STP Ledford Mill Project	566,318	566,318
SRTS - East Lincoln Sidewalks	140,588	139,113
SRTS - Additional Sidewalks	-	203,368
Collins Street Sidewalks-TEA grant		
FastTrack - JSP		
Grider Stadium-Phase II	13,335	8,167
Downtown Phase I & II - TEA grant (Eng)		
DW Wilson Pool & Waterpark	138,727	95,767
JLRA Soccer Lighting	13,711	13,711
JLRA Paving		
Waggoner Park Pet Village		
SJCC Lighting Match	100,000	95,135
Jackson St. Signalization	163,500	161,500
CD Stamps Roof	100,000	100,000

	FY2017 Amended Budget	FY2018 Budget
<b>EXPENDITURES - (continued)</b>		
Select TN Airport Park	400,000	400,000
StreetPaving/STP	-	-
Sunrise Disc Golf	-	-
Turkey Creek Roadway	-	-
Frazier McEwen/Rotary Park Project	-	-
Land Use Study	50,000	50,000
Animal Shelter	300,000	290,536
HOMES Housing Rehab Expense	150,709	-
<b>Cedar Lan Capital Project</b>	-	-
Engineering	-	-
Expansion	-	-
<b>Tullahoma School</b>	-	-
Tullahoma High School Roof	-	-
<b>Airport &amp; Industrial Projects</b>	-	-
FastTrack Infrastructure	-	-
Airport Grant Projects	2,260,930	746,744
<b>Transfer to Debt Service-Note</b>	-	-
<b>Loan Issuance Expenditure</b>	-	-
<b>Due to General Fund (reimbursements)</b>	-	-
<b>Transfer to UDAG</b>	-	-
<b>Contingency</b>	25,810	25,810
<b>TOTAL EXPENSES</b>	<b>4,818,081</b>	<b>3,082,189</b>
GENERAL FUND TRANSFER:	646,570	148,306
OTHER CAPITAL TRANSFERS	3,550	-
Changes in Fund Balance	(521,691)	(685,390)

**City of Tullahoma**  
**FY2017/FY2018 Budget Summary**

**TULLAHOMA AIRPORT AUTHORITY**

	FY2017	FY2017	FY2018	% Increased
REVENUES	Budget	Actual	Budget	(Decreased)
TN Aeronautics Division	18,000	9,389	18,000	0%
Vanderbilt Lease Payments	30,000	27,500	30,000	0%
Hangar Leases	75,422	87,348	78,387	0%
Sale of Fuel/Oil	768,250	572,760	768,250	0%
Event Sponsorships	-	-	-	
Interest Income	350	949	350	
Miscellaneous Income	12,900	1,917	12,900	0%
Coffee County Appropriation	12,000	15,000	12,000	0%
<b>TOTAL REVENUE:</b>	<b>916,922</b>	<b>714,863</b>	<b>919,887</b>	<b>0%</b>

**EXPENDITURES**

Administration	297,944	280,948	251,666	-16%
Operations	806,600	597,267	796,131	-1%
<b>TOTAL EXPENSE:</b>	<b>1,104,544</b>	<b>878,215</b>	<b>1,047,797</b>	<b>-5%</b>

GENERAL FUND TRANSFER: 136,074 136,074 127,910 -6.0%

Changes in Fund Balance (51,550) (27,277) -

**City of Tullahoma**  
**FY2017/FY2018 Budget Summary**

**TAEDC**

	FY2017	FY2017	FY2018	% Increased
REVENUES	Budget	Actual	Budget	(Decreased)
TIF Application Fees	-	308	-	0%
City of Tullahoma TIF Payment	48,200	48,194	48,000	0%
Coffee County TIF Payment	67,215	67,217	60,000	-11%
Miscellaneous Income	-	-	-	0%
Interest Income	40	162	40	0%
<b>TOTAL REVENUE:</b>	<b>115,455</b>	<b>115,881</b>	<b>108,040</b>	<b>100%</b>

**EXPENDITURES**

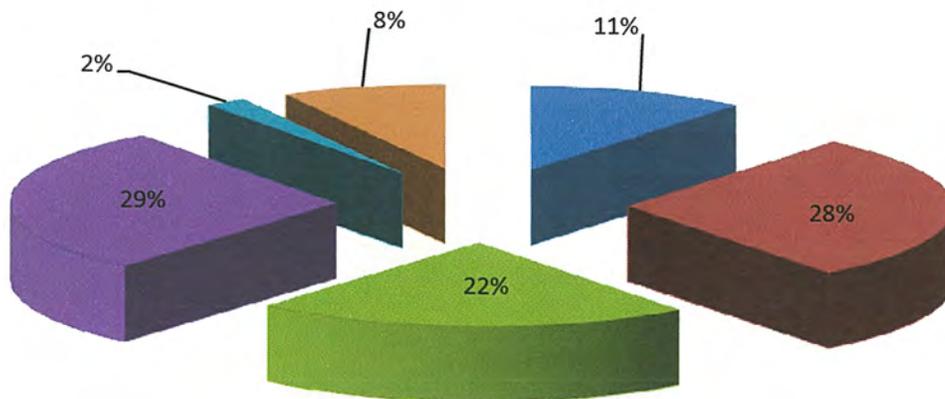
Administration	322,436	260,959	281,269	-13%
<b>TOTAL EXPENSE:</b>	<b>322,436</b>	<b>260,959</b>	<b>281,269</b>	<b>-13%</b>

GENERAL FUND TRANSFER:	159,664	159,664	166,164	4.1%
Changes in Fund Balance	(47,317)	14,586	(7,065)	



## PERSONNEL

## FY 2018 Staffing (FULLTIME)



- Administration
- Police
- Fire
- Public Works
- Other Agencies
- Recreation

## STAFFING SUMMARY

Positions	FY2016 Full-time	FY2016 Part-time	FY2017 Full-time	FY2017 Part-time	FY2018 Full-time	FY2018 Part-time
<u>Administration:</u>						
Board of Mayor and Aldermen	0	7	0	7	0	7
City Court	0.5	0	0.5	0	0.5	0
City Administrator	3	0	3	0	3	0
Financial Administration	4	2	4	2	4	2
City Recorder	2.5	0	2.5	1	2.5	1
Human Resources	2	0	2	0	2	0
Planning and Codes	3	1	4	0	4	0
<b>Total Administration</b>	<b>15</b>	<b>10</b>	<b>16</b>	<b>10</b>	<b>16</b>	<b>10</b>
<u>Police:</u>						
Administration	2	0	2	0	2	0
Investigation	5	0	5	0	5	0
Patrol and Traffic	30	0	30	0	30	0
Support Services	5	8	5	8	5	8
School Crossing Guard	0	9	0	9	0	9
<b>Total Police</b>	<b>42</b>	<b>17</b>	<b>42</b>	<b>17</b>	<b>42</b>	<b>17</b>
<u>Fire:</u>						
Administration	3	0	3	1	3	1
Suppression	28	0	28	0	28	0
Inspection	1	0	1	0	1	0
Volunteers	0	18	0	18	0	18
<b>Total Fire</b>	<b>32</b>	<b>18</b>	<b>32</b>	<b>19</b>	<b>32</b>	<b>19</b>
<u>Public Works:</u>						
Administration	4	0	4	0	4	0
Streets	13	2	16	2	16	2
Sanitation	19	3	17	2	17	2
City Garage	4	1	3	1	3	1
Animal Control	2	1	2	1	2	1
<b>Total Public Works</b>	<b>42</b>	<b>7</b>	<b>42</b>	<b>6</b>	<b>42</b>	<b>6</b>
<u>Recreation:</u>						
Administration	2	0	1	0	1	0
Community Centers	1	14	2	21	2	21
Concessions	1	21	1	27	1	27
Grounds Maintenance	3	16	3	11	3	11
Aquatics	2	84	2	92	2	92
Facilities Maintenance	2	2	2	6	2	6
Forestry Resource	1	0	1	0	1	0
<b>Total Recreation</b>	<b>12</b>	<b>137</b>	<b>12</b>	<b>157</b>	<b>12</b>	<b>157</b>
<u>Other Agencies</u>						
Airport	2	4	2	4	2	4
Economic Deveopment	1	0	1	0	1	0
<b>Total Other Agencies</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>
<b>TOTALS</b>	<b>146</b>	<b>189</b>	<b>147</b>	<b>213</b>	<b>147</b>	<b>213</b>

**City of Tullahoma**  
**Pay Grades and Pay Ranges - FY17**

Grade	Minimum	Midpoint	Maximum
14	77,931	97,414	116,897
13	67,767	84,709	101,650
12	58,928	73,660	88,391
11	51,241	64,052	76,862
10	46,163	57,704	69,244
9	41,588	51,985	62,382
8	37,467	46,834	56,201
7	33,754	42,193	50,632
6	30,409	38,011	45,613
5	27,396	34,245	41,093
4	24,680	30,851	37,021
3	22,235	27,794	33,352
2	20,031	25,039	30,047
1	18,046	22,558	27,070

*Approved by Board of Mayor and Alderman April 11, 2016*



## FINANCIAL POLICIES

# CITY OF TULLAHOMA

## FINANCIAL POLICIES

### I. Financial Planning Policy

#### A. Long Range Planning

In FY2003, The Board of Mayor and Aldermen adopted a new strategic plan document, "Building Tullahoma's Future: Tullahoma's Strategic Plan". This document incorporates previous committee and community planning meetings, growth studies, development studies and plans to provide a comprehensive and up to date tool for immediate and long-term planning. This forty-six page document serves as the basis for long range capital and operating forecasts as well as annual budgetary decisions. Implementation of the capital portion of the plan is described in detail in the Capital Projects section of the budget. A copy of the plan is included in the Appendix of this document.

#### B. Operating Budget Policies

1. The City's operating budget will consider as its highest priority the maintenance of basic public services and facilities necessary to meet the needs of its resident and corporate citizens. The budgeting process will work toward continuous improvement in the level of service provided, balancing the competing needs to meet service demands and to contain operational expenses. A basic public service is one that would not be provided without public action, and one that is either:

- a) Essential to the health, safety, and general welfare of the City's residents; or
- b) Necessary in order to avoid irreparable damage to City assets; or
- c) A service the absence of which the city's quality of life would be generally unacceptable to its residents.

2. After one or more work sessions in May of each year, the Board of Mayor and Aldermen will provide policy guidance to the City Administrator and finance staff for preparation of the proposed budget for the next fiscal year. Board guidance will define the appropriate level of service for municipal programs and overall personnel policies. Although this document represents the formal presentation of the proposed budget, the City Administrator will not be precluded from making recommendations for program expansions or modifications based on Board guidance or staff initiatives.

3. The City Administrator and others involved in the preparation of the operating budget will also use the priorities expressed in the Capital Improvement Program, which was updated in FY2003, as the framework for review and formulation of the proposed city budget. The city staff will review programs and projects on at least an annual basis to ensure consistency with The City of Tullahoma's Strategic Plan, adopted in April, 2003, and other long-term goals and objectives enacted by the Board of Mayor and Alderman.

## Financial Policies - (continued)

4. Each department of the City will continue to periodically examine its methods for program delivery. Changes which would improve productivity, lower costs, improve service levels, enhance job knowledge and employee safety and further communication with the public will be implemented when practical.
5. **Balanced Budget**
  - a) The City will produce a balanced operating budget each year ensuring adequate revenue sources identified to meet approved expenditures. Should any deviation from this practice occur for any reason, it will be immediately disclosed.
  - b) The City will avoid procedures that balance the operating budget by shifting ongoing obligations to future years. In particular, the City will continue the scheduled level of maintenance and replacement to preserve its infrastructure and vehicle and equipment fleet.
  - c) In all actions to balance a budget, the City will attempt to avoid layoffs. If possible, any necessary personnel reductions will be implemented through attrition.
6. The City will continue actions to ensure that all staff members are sensitive to the special needs of the community and its residents and corporate citizens.
7. The City will continue to encourage citizen involvement in City programs and initiatives so as to enhance the delivery of public services to further the planning and budgetary process to insure the needs of the community are being adequately addressed.
8. The City will continue to provide access to career development and educational programs for all employees; to provide for the training and retention of a quality workforce; and to improve leadership, motivational and communication skills of all supervisory personnel.
9. The City will continue to provide a competitive, progressive and rewarding employee benefits and compensation program to attract and retain quality employees.
10. The City will maintain a financial management system to ensure compliance with the adopted budget and will prepare monthly and quarterly reports comparing actual revenues and expenditures to budgeted amounts.
11. The City will maintain a minimum unallocated fund balance (reserve) for the General Fund. Such a fund balance shall serve cash flow needs, protect against unforeseen emergencies, and enhance the credit worthiness of the City.

## **Financial Policies - (continued)**

### *C. Capital Asset Policy*

The City expanded on its previous capital asset policy by establishing a separate policy to provide sufficient information not only for internal controls, but to not only maintain assets in accordance with Government Accounting Standards Board Pronouncement 34.

## **II. REVENUE POLICIES**

### *A. Policy*

The City will attempt to develop a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source such as sales tax collections. Specifically, the City will do the following:

1. Continually monitor and assess the local taxing effort of Tullahoma compared to other Tennessee cities; and
2. Maintain a local revenue structure for financing public services that does not overly emphasize the property tax and which encourages the use and development of alternative revenue sources such as the local option sales tax and user fees.
3. Follow an aggressive policy of collecting all revenues including delinquent matters.

### *B. Revenue Diversification*

1. The City will encourage a diversity of revenue sources to reduce dependence on any given source and improve ability to adapt to fluctuations in individual sources.
2. The City will seek Federal and State grants as they may become available. These revenues will be targeted for capital and infrastructure improvements to the greatest extent possible. However, grants that will positively impact neighborhoods will also be targeted to promote improvement in the quality of life of all residents in the community.
3. The City will ensure that Tullahoma receives a fair proportion of all State and County shared taxes and revenues.

### *C. Fees and Charges*

1. The City will consider the "going market" rates and charges levied by other public and private organizations for similar services in establishing tax rates, fines, fees, and charges.

**Financial Policies - (continued)**

2. All charges for services, fees and licenses as referenced in the Tullahoma Municipal Code will be reviewed annually and, when warranted, staff will make recommendations for adjustment in said fees during the budget process. Before implementation of a new user fee, the City will first determine the cost of administration and collection of proposed fee, perform a review of other jurisdictions that are charging for a similar service, define the purpose of the fee, and assess if the fee can be effectively and efficiently implemented.

3. 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.

*D. Use of One-time or Unpredictable Revenues*

1. The City reviews revenue sources and alternatives annually to develop a balanced budget, which best meets the needs of the citizens, current economic conditions, and long-term needs.

2. The City forecasts revenues based on historical data. Unpredictable collections such as grant revenue, donations, or reimbursements are not forecast in the initial budget document, but are added through the amendment process as they are received or contracted.

**III. FUND BALANCE POLICY**

On June 27, 2011, in compliance with Government Accounting Standards Board (GASB) 54, the City adopted a new fund balance policy, which is reviewed annually and utilized in budget development.

**The City of Tullahoma  
GENERAL FUND  
Fund Balance Policy**

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It is also intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that state thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the city to be in a strong fiscal position that will allow for better position to weather negative economic trends.

The Fund Balance consists of five categories:

**Non-spendable, Restricted, Committed, Assigned and Unassigned**

## **Financial Policies - (continued)**

- **Non-Spendable Fund Balance** consists of funds that cannot be spent due to their form (e.g. inventories and pre-pays) or funds that legally or contractually must remain intact.
- **Restricted Fund Balance** consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.
- **Committed Fund Balance** consists of funds that are set aside for a specific purpose by the city's highest level of decision making authority (council). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- **Assigned Fund Balance** consists of funds that are set aside with the intent to be used for a specific purpose by the city's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.
- **Unassigned Fund Balance** consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

### **NON-SPENDABLE AND RESTRICTED FUNDS**

Non-spendable funds are those funds that cannot be spent because they are either:

- 1) Not in spendable form (e.g. inventories and pre-pays).
- 2) Legally or contractually required to be maintained intact.

It is the responsibility of the finance director to report all non-spendable funds appropriately in the city's financial statements.

Restricted Funds are those funds that have constraints placed on either their use either:

- 1) Externally by creditors, grantors, contributors, or laws or regulations or other governments.
- 2) By law through constitutional provisions or enabling legislation.

It is the responsibility of the finance director to report all restricted funds appropriately in the city's financial statements. All restricted funds must also be reported to the city's governing body within two months of the end of the fiscal year.

### **ORDER OF USE OF RESTRICTED AND UNRESTRICTED FUNDS**

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned or unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

**Financial Policies - (continued)**

**AUTHORITY TO COMMIT FUNDS**

The city's governing body has the authority to commit funds for a specific purpose. Any funds set aside as committed fund balance requires the passage of a resolution or ordinance by a simple majority vote. The passage of a resolution or ordinance must take place prior to June 30 of the applicable fiscal year. If the actual amount of the commitment is not available by June 30, the resolution or ordinance must state the process or formula necessary to calculate the actual amount as soon as information is available. In the event the governing body wishes to lift the committed status of funds so that they may be used for general purposes, a formal action equal to that which originally committed the funds must be taken.

**STABILIZATION FUNDS**

The city's governing body has the authority to establish a financial stabilization account that will be a committed fund balance. A financial stabilization account is established for the purpose of providing funds for an urgent event that affects the safety of the general public (e.g. flood, tornado, etc.). The minimum level for the financial stabilization account is 5 percent of general fund expenditures. The recognition of an urgent event must be established by the governing body or its designee (e.g. chief administrative officer). If established by the governing body's designee, the specific urgent event must be reported to the governing body at its next meeting. A budget amendment must be approved by the city's governing body. In the event that the balance drops below the established minimum level, the city's governing body will develop a plan to replenish the financial stabilization account balance to the established minimum level within four years.

**AUTHORITY TO ASSIGN FUNDS**

Upon passage of the fund balance policy, authority is given to the city administrator to assign funds for specific purposes in an amount not to exceed \$10,000 per purpose except in cases of emergency purchases as defined in the city's purchasing policy. Any funds set aside as assigned fund balance must be reported to the city's governing body at their next regular meeting and recorded in the minutes. The governing body has the authority to remove or change the assignment of funds with a simple majority vote.

The city's governing body has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as assigned fund balance requires a simple majority vote and must be recorded in the minutes. The same action is required to change or remove the assignment.

Upon passage of a budget ordinance where fund balance is used as a source to balance the budget, the finance director shall record the amount as assigned fund balance.

**Financial Policies - (continued)**

**UNASSIGNED FUND BALANCE**

Unassigned fund balance is the residual amount of fund balance in the general fund. It represents the resources available for future spending. An appropriate level of unassigned fund balance should be maintained in the general fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned fund balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget amendment by the city's governing body. In the event of projected revenue shortfalls, it is the responsibility of the finance director to report the projections to the city's governing body on a quarterly basis and should be recorded in the minutes.

Any budget amendment that will result in the unassigned fund balance dropping below the minimum level will require the approval of two-thirds vote of the city's governing body.

The fund balance policy established a minimum unassigned fund balance equal to 15 percent of the general fund expenditures. In the event that the balance drops below the established minimum level, the city's governing body will develop a plan to replenish the fund balance to the established minimum level within two years.

**MINIMUM FUND BALANCE POLICY**

**PURPOSE**

The city hereby establishes and will maintain reservations of fund balance as defined herein in accordance with Governmental Accounting Standards Board Statement 54 Fund Balance Reporting and Governmental Fund Type Definitions and with regards to guidance from the Government Finance Officers Association (GFOA) GAAFR. This policy shall apply to the city's general fund. Governmental fund balance may be composed of restricted, committed, assigned, non-spendable and unassigned amounts per GASB Statement 54.

**MINIMUM LEVEL OF UNASSIGNED FUND BALANCE - GENERAL FUND**

The general fund unassigned fund balance will be maintained at a level sufficient to provide for the required resources to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources. Given that current property tax collections do not begin until the fourth month of the fiscal year, the city will maintain at least 15 percent of next year's budget in the unassigned fund balance of the general fund.

Any amounts remaining in the fiscal year-end unassigned fund balance in excess of 15 percent of the approved subsequent year's budget will be available for appropriation by the city legislative body to cover such items as revenue shortfalls and unanticipated expenditures, and to ensure stable

**Financial Policies - (continued)**

tax rates. The city legislative body will attempt whenever possible to avoid appropriating such funding for recurring expenses.

**ANNUAL REVIEW AND DETERMINATION OF FUND BALANCE RESERVE AMOUNTS**

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process and the amounts of the minimum level of unassigned fund balance in the general fund shall be determined during this process.

**III. ANNUAL OPERATING BUDGET**

The FY2015 budget document for the City of Tullahoma provides a comparison of revenues and expenditures from previous, current, and proposed fiscal years; allocations and resources - both fiscal and personnel; and descriptions of the accomplishments of the past year and goals and objectives of City programs for the coming fiscal year.

*A. Budget Organization*

The budget document is organized to provide a summary of the total budget within the schedule pages, with the revenues and expenditures for various funds. The major portion of the budget document consists of detail pages containing descriptive information of the funds and activities for that function. The Personnel Schedule, Statistical Information, Glossary of Terms, and Index conclude the document. A copy of the City's Strategic Plan is also included for reference.

*B. Financial Structure*

Fund and accounts groups, each of which is considered a separate accounting item, structure the City accounts. The operation of each accounting item is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are grouped into four major fund types as follows:

1. 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 specific funds. The General Fund accounts for the normal recurring activities of the City (i.e., police and fire protection, parks and recreation, public works, municipal services, finance and administration, general government, etc.) Although the Consolidated Annual Financial Report (CAFR) includes the School General Purpose Fund in this category, for budget purposes, it is only shown in summary form in the budget ordinance, as this is not a fund managed by the Board of Mayor and Alderman or city staff.

## **Financial Policies - (continued)**

2. Special Revenue Fund - Special Revenue Funds such as the Solid Waste Fund and Drug Fund are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The City considers the Solid Waste fund to be an operating fund, similar to the General Fund, but with restricted purpose.
3. Debt Service Fund - The Debt Service Fund is used to account for the payment of principal and interest on long-term general obligation debt incurred by the City and its component units. This debt obligation is serviced entirely through operating transfers from the City of Tullahoma General Fund, the Tullahoma City Schools Debt Service (Sinking) Fund, or from the Tullahoma Airport Authority.
4. Equipment Replacement and Buildings Repair Funds - The City's Equipment Replacement Fund is used to account for the replacement of vehicles purchased by municipal departments. The fund utilizes a depreciation schedule to track fleet age and provide funding for each piece of equipment that will cover replacement expenses at the scheduled time, or a modified schedule is utilized based on availability of budget funding and prioritization of capital needs. All major equipment (vehicles), with the exception of Fire apparatus, is funded through the Equipment Replacement Fund. Larger scheduled building repairs are also accommodated through the Building Repair fund.
5. Capital Projects Funds - Capital Projects Funds are governmental funds established by the City Board specifically to track construction projects or for the purchase of large vehicles such as fire trucks that are not funded through the City's vehicle replacement program. Capital Projects budgets may extend beyond a year, but are generally reviewed and reprove through the annual budget process.
6. Component Units - The City also budgets for three component units: The Tullahoma Industrial Development Board (TIDB), The Tullahoma Regional Airport and the Tullahoma Area Economic Development Agency (TAEDC). Staff for both the Airport and the TAEDC are contracted through the City and charged to the component units' operating funds. The TIDB does not have any staff members. Finance personnel at the City handle the accounting and finance responsibilities for all 3 component units.

### *C. Basis for Budgeting*

Financing sources and uses for the General Fund and related funds are estimated using the modified accrual method of accounting. This approach recognizes revenue when they become measurable and expenditures at the time the liability is incurred. All billable items are accrued when billed, with allowances maintained for accounts not collected during the fiscal year. All revenues and expenditures must be included in the annual budget ordinance, with resolutions and transfers during the year recognized in the amended budget ordinance. Any operational appropriations not expended or encumbered shall lapse at year-end.

## **Financial Policies - (continued)**

Budgeted amounts and actual comparisons are as originally adopted or as amended by the Board of Mayor and Aldermen. In order to amend the operating budget, the Board of Mayor and Alderman must approve a resolution. The resolution must both identify the specific amendment item (such as project, equipment, etc.) as well as either an increase in revenue or a decrease in expenditures to reflect a balanced budgeted. At the end of the fiscal year all resolutions are incorporated into the final amended budget document.

The City Administrator has the discretion and is authorized to transfer budgeted amounts between departments within any fund; however, the Board of Mayor and Aldermen must approve changes to the total expenditures of any fund. Expenditures may not exceed appropriations at the fund level.

### *D. Basis for Accounting*

All governmental funds are accounted for using the modified accrual basis of accounting during the fiscal year. This is also referred to as a current financial resources focus. Revenues are recognized when they become measurable and available. All intergovernmental and tax revenues, 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 the fiscal year ends. Property tax revenues are recognized in the fiscal year for which they are levied. Court fines and utility bills, as well as any other invoiced item are recognized as revenues when billed, with all other licenses and permits, charges for services, fines, and forfeitures recorded as revenue when received in cash.

For operating purposes, expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, an exception to this rule would include principal and interest in general long-term debt which is recognized when due. While modified accrual or fund accounting is still used as the appropriate tracking mechanism during the year, GASB34 created "government-wide financial reporting". Government-wide reporting changes the focus to operational accountability. GASB34 defines operational responsibility as "governments' responsibility to report the extent to which they have met their operating objectives efficiently and effectively, using all resources available for that purpose, and whether they can continue to meet their objectives for the foreseeable future." For that reason, at year end, modified accrual financial statements are converted to the government-wide format to generate a Statement of Net Assets and a Statement of Net Activities.

The City utilizes cost accounting measures to allocate certain overhead expenses between cost centers and funds as predetermined in the budget document. Such charges are based on historical data such as employee labor hours and associated benefits.

### *E. BUDGET PROCEDURE*

The Tullahoma Municipal Code (Title 6, Chapter 1, Section 6-102) provides that no later than fifteen (15) days prior to the beginning of each fiscal year, the City Administrator shall

## **Financial Policies - (continued)**

prepare and submit to the Board of Mayor and Alderman a proposed budget for the next fiscal year, showing separately for the general fund and for each other fund the following information:

1. Revenue and expenditures during the preceding fiscal year;
2. Appropriations and estimated revenue and expenditures for the current fiscal year; and
3. Estimated revenue and recommended expenditures for the next fiscal year

To ensure compliance with this Municipal Code requirement, a budget schedule is prepared to facilitate the decision-making process by providing overall direction to City departments and independent boards and agencies that derive funding from City government. The budget preparation process begins in late winter when the City departments begin preparation of long-term capital improvement project requests. During March, the City Administrator conducts a review and evaluation of each request in light of available revenues and in accordance with the City's overall goals and objectives. By June, the consolidated draft capital improvement plan document is submitted to the Board of Mayor and Aldermen, and is considered for formal adoption by resolution as part of the budget process in late June.

In early March, City departments begin assessing operational needs for the coming year relative to equipment, maintenance requirements, information technology, and proposed new and expanded work programs. Budget requests and supporting documentation are prepared by individual departments and submitted in early April for review by the City Administrator. The Finance Director creates a preliminary budget for review by staff and the Board during the budget process. The budget documentation submitted by individual departments also includes a statement of proposed departmental goals and objectives, performance measures and estimates of performance for the coming fiscal year, and a detailed line item budget outlining expenditure and justifications for maintaining current and expanded expenditure levels.

During May, the City Administrator, with assistance from the Finance Director, compiles the information from earlier steps in the budget process into one budget document for review by the Board of Mayor and Aldermen. Generally, the last half of April and early May is set aside for the City Administrator's budget review sessions with department heads and elected officials. Departmental objectives, measures of performance, and operating budgets are refined for consolidation in the Proposed Budget document during the month of May. Expenditures and revenue projections for the current fiscal year and estimates for the proposed fiscal year are updated with the latest available data. Final adjustments to routine operating expenditures and anticipated revenues can be introduced for inclusion in the proposed budget during this time.

## **Financial Policies - (continued)**

The City Administrator's proposed budget for the upcoming fiscal year is presented to the Board of Mayor and Aldermen in May for initial review. Budget Work Sessions are held

with the Board of Mayor and Aldermen to review the proposed operating budget and proposed allocations to independent boards and agencies deriving funds from City government. These work sessions provide opportunities for the Board, independent boards and agencies, department heads, and the public to comment and ask questions about the proposed budget and to request additional information as needed.

After Budget Work Sessions, the Mayor will present a budget message prior to presenting his budget draft to the Board. During late May and June, the Board of Mayor and Aldermen will conduct at least one public hearing on the proposed budget. The hearing(s) provides formal citizen input to the Board on decisions and issues related to the budget. If needed, in addition to the regularly scheduled meetings, The Board of Mayor and Aldermen may schedule special call meetings specifically for the purpose of reviewing and adopting the proposed budget. Upon the third and final reading by the Board of Mayor and Aldermen, the Board will set the appropriate tax rate for the upcoming year.

The City of Tullahoma's budget process encourages interaction among the City Administrator, members of the Board of Mayor and Aldermen, City Departments, Independent Boards and Agencies, and the general public. The City continues to review and refine the budget process each year to ensure public participation at each step in the decision-making process, and that the budget process is an informative and complete process in identifying the revenues and expenditure, and the purposes thereof for the coming fiscal year.

**FY 2018 BUDGET ADOPTION CALENDAR**

<b>Start</b>	<b>Completion</b>	<b>Event</b>	<b>Responsibility</b>
14 Mar 2017	12 Apr 2017	Submission of budgets, narratives and schedules to Finance Department	All Departments
12 Apr 2017	28 Apr 2017	Compilation & Review of Submittals	Finance Director City Administrator
	27 Mar 2017	BMA Study Session – Non-Profits & Agencies	Board of Mayor and Aldermen
	10 Apr 2017	BMA Work Session - TAA & TAEDC	Board of Mayor and Aldermen
	24 Apr 2017	Budget Work Session – Education	Board of Mayor and Aldermen
	8 May 2017	Budget Work Session – General Fund, Solid Waste & Cap. Projects	Board of Mayor and Aldermen
15 May 2017	26 May 2017	FY 2018 Proposed Operating Budget and FY2018-23 Capital Improvements Program to Board of Mayor & Aldermen	City Administrator Finance Director
	5 Jun 2017	Mayor's Budget Message Special Call Board meeting for Public Hearing, 1 <sup>st</sup> Reading and adoption of FY 2018 Appropriations (including TCS and other Funds) Ordinance and the Tax Rate Ordinance	Board of Mayor and Aldermen
	7 Jun 2017	Notice of Public Hearing on FY 2018 Budget to <i>The Tullahoma News</i>	Finance Director
	22 Jun 2017	Special Call Meeting for Public Hearing, 2 <sup>nd</sup> Reading and adoption of FY 2018 Appropriations (including TCS and other Funds) Ordinance and the Tax Rate Ordinance	Board of Mayor and Aldermen
	26 Jun 2017	Regular Board Meeting for Public Hearing, 3 <sup>rd</sup> and Final Reading and adoption of the FY 2018 Appropriations (including TCS and other Funds) Ordinance, 2018 Tax Rate Ordinance and the Capital Improvements Program (FY 2018-2023).	Board of Mayor and Aldermen

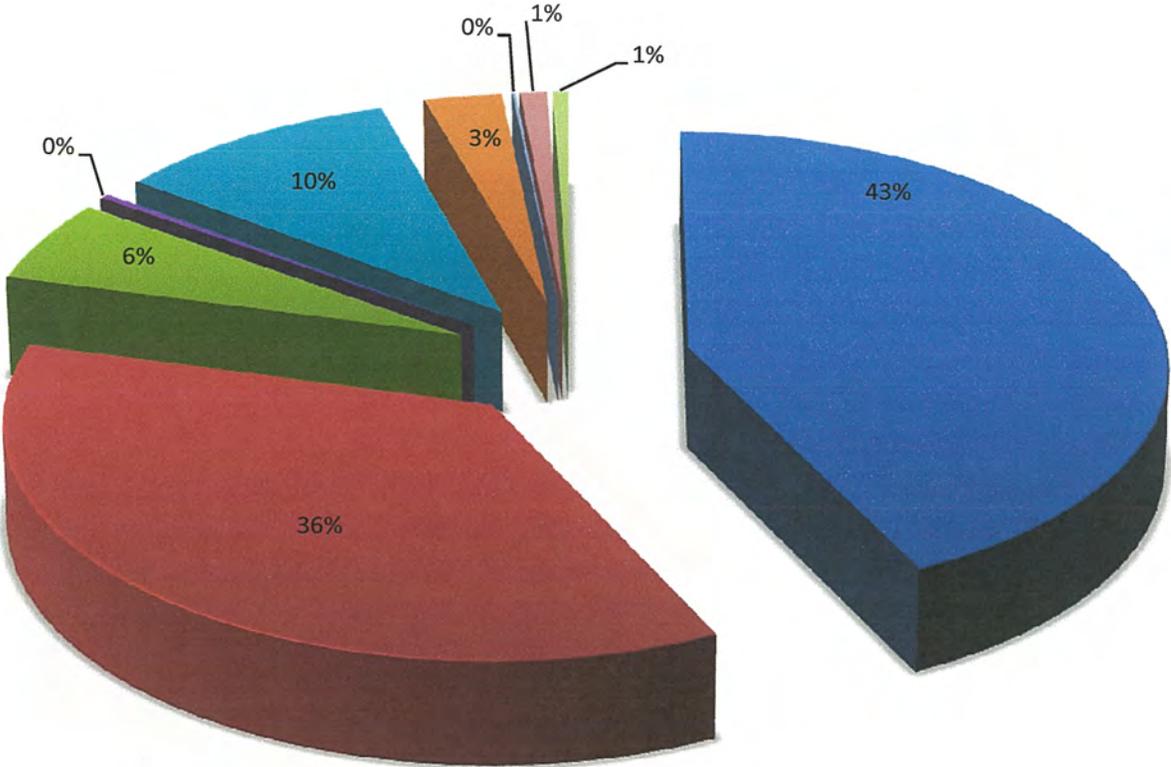
Unless otherwise indicated, all meetings will be held at 5:30 p.m. at the Tullahoma Municipal Building, 201 West Grundy Street. The public is invited to attend. Additional budget work sessions may be required and will be announced when scheduled.

Approved by BMA: February 27, 2017



## BUDGETED REVENUES

# FY18 GENERAL FUND REVENUES



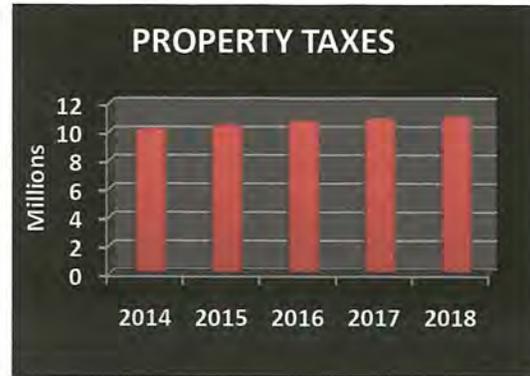
- PROPERTY TAXES
- SALES TAX
- OTHER TAXES
- LICENSES & PERMITS
- INTERGOVERNMENTAL
- FEES, COMMISSIONS & FINES
- INTEREST EARNINGS
- MISCELLANEOUS REVENUES
- RESERVES

## REVENUE FORECAST AND TREND DETAILS

Revenues are initially forecast in April based on current year collections and relevant economic and then updated throughout May based as new information becomes available. The budget is then presented to the Board of Mayor and Aldermen for first reading at the beginning of June. In years that have contained a full property tax re-evaluation, with certified tax rates not available for the scheduled readings, the Board has passed a continuing resolution until the new budget and tax rates could be adopted.

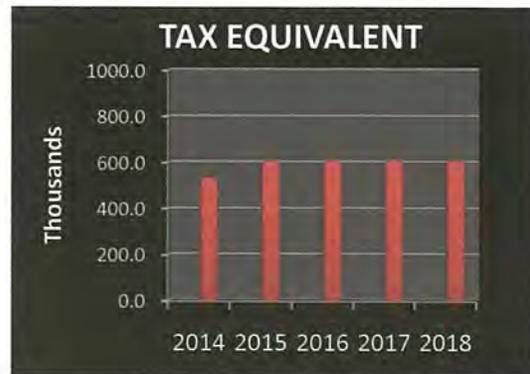
### PROPERTY TAXES

Property taxes are assessed on January 1 prior to each fiscal year in which taxes are recorded. The City of Tullahoma is located in two counties. In FY2016, both Coffee County and Franklin County's property tax rates were re-certified by the State Assessor's Office, after a full appraisal of all Coffee County properties. There was no tax increase for FY18, with the Board adopting the certified tax rate of \$2.5975 per hundred for Tullahoma, Coffee County, and \$2.4360 per hundred for Tullahoma, Franklin County. The budgeted amount for real, personal and utility taxes for FY2018 is \$10,912,578 reflecting an increase of \$107,986 from the FY2017 budget. Under Tennessee law, residential property is assessed at a rate of 25% of market value; commercial property is assessed at a rate of 40% of market value; personal property assessed at 30% of market value; utility property assessed at 55% of market value. FY2018 projects a 1.2% growth in the City's tax base.



### TAX EQUIVALENT

The FY2018 budget reflects revenue in the amount of \$614,000. These revenues are in-lieu of tax payments from the local utilities, government housing facilities, and commercial properties that have out-standing industrial bonds. The largest payment is received from the Tullahoma Utilities Authority based on their real and personal property located in Tullahoma. There was no increase anticipated for this line item.

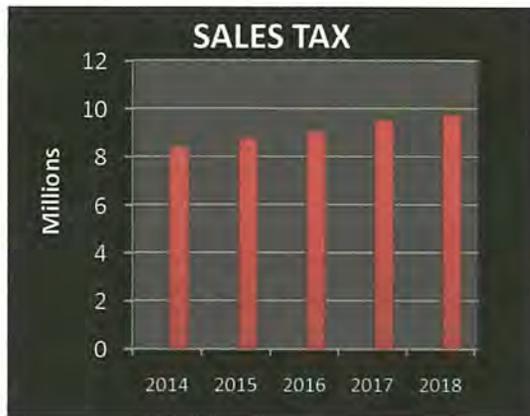


### LOCAL SALES TAX

Sales tax revenue for FY2018 is estimated to be \$9,778,263, an increase of \$241,692 over last year's budget. State law provides that the first half of sales tax collected in the county is distributed based on school enrollment, while the second half is situs based. In addition to providing for operations, sales tax has always been the revenue

## REVENUE FORECAST AND TREND DETAILS

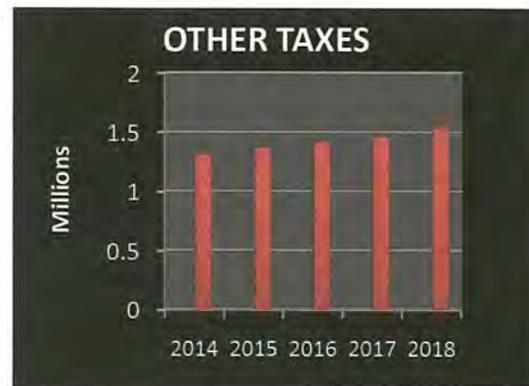
source for the Tullahoma City Schools Sinking Fund for repayment of construction bonds. The local sales tax rate is 2.75%, with an additional 7% charged by the State of Tennessee. In FY2016, new retail plazas and restaurants were added. FY17 saw the renovation of the city's mall and several new additions. In FY2018, we expect to see continued retail growth at the city's mall and adjacent plazas which will positively impact sales tax collections. The new budget projects a 2.5% increase in sales tax.



### OTHER TAXES

Revenues in this category include wholesale beer tax, wholesale liquor tax, business tax, cable TV franchise and hotel/motel tax. Wholesale beer tax is a 17% tax authorized by the state. Liquor tax is an inspection fee collected from wholesalers in the City. Business taxes are privilege taxes levied by cities and counties for the right to do business within their jurisdiction. The State of Tennessee Department of Revenue collects business taxes and remits monthly payments to the City. Cable Television franchise is authorized by the city to be paid by the local cable television franchise holders. Tullahoma Utilities Authority fiber optic service and AT&T, and Charter

Communications cable services fall under franchise agreements. Hotel and motel tax is authorized by the City to collect occupancy tax of 5% on the rate charged by the operator of hotels and motels within the City limits. Motel taxes collected are then used to promote tourism and marketing. A portion of the motel taxes collected are allocated by resolution back to the local chamber of commerce, arts, civic and science centers, as well as regional tourism groups that market Tullahoma. The total revenue from other taxes is estimated to be \$1,545,846, an increase of \$77,403 from prior year receipts. FY2017 was a very strong year for business growth, thus a 12% increase in business taxes is forecast for FY2018. Motel tax collections received in June, 2017, set a record high for year end. The FY2018 figure for this item was estimated to increase 3% based on the prior year's activity.

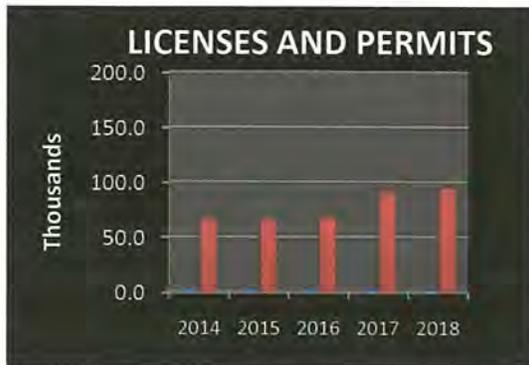


### LICENSES AND PERMITS

Revenue for this category is derived from beer and liquor licenses, burglary alarm permits, building permits, plumbing inspection fees, zoning permits, inspection fees, mobile home permits and solicitation permits. The FY2018 revenue is estimated at \$95,231, showing an increase of only \$3,357 from the prior year. In FY2010 the Board of

## REVENUE FORECAST AND TREND DETAILS

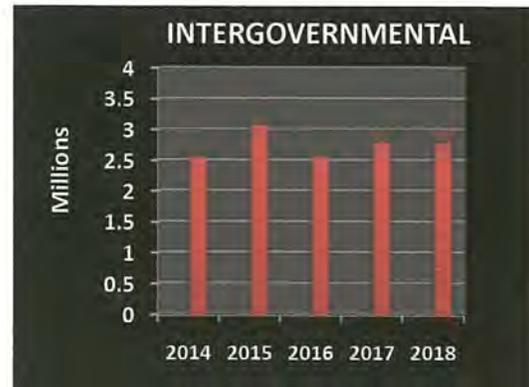
Mayor and Aldermen reduced building and codes permitting fees by 50% to encourage new businesses and expansions in Tullahoma. Additionally, fees for on-going school, and airport capital projects have traditionally been waived by the Board, as those agencies are part of the greater City government. The Planning Department has conducted a recent review of are building fees and plans to propose a new fee schedule to provide for additional staff inspection needs.



### INTERGOVERNMENTAL REVENUES

Intergovernmental revenues for FY2018 are estimated to be \$2,792,725. This represents a decrease of \$8,021. Revenue in this category is received from the State of Tennessee. The majority of this income, other than grants, is distributed on a per capita basis to the municipalities. Tennessee does not have a tax on earned income, but does tax interest and dividends, with a portion remitted to the municipalities based on the residency of the taxpayer. In FY2016, the state began decreasing this tax, and another decrease of 8% is expected for the upcoming year. It is also projected that per capita sales tax receipts will decrease slightly as the state reduced taxable items in this category, but then increased gas taxes to be used for improvements to Tennessee's

transportation infrastructure. For this reason, gas taxes are projected to increase by 18%. Additionally, the City usually receives salary supplements to compensate certified police offers and firemen for completing state training. This amount is not projected in the City's initial budgets as the state does not guarantee the program will be available every year. State grants are added by the Board to the budget either as the department receives approval to submit the application or when awarded, depending on the timing of the award and the amount determination. Large grants with local match requirements are budgeted when approved by the Board to ensure that the funds will be available for that purpose.



### FEEES, COMMISSIONS, AND FINES

Revenue in this category is received from various charges for services including vehicle storage, reserve police assistance, special fire fees, county fees and commissions, accident report charges, public safety charges, electric permit administrative charges, and street charges. This category also includes city court fines, county fines, drug fines, and charges for city services such as the use of recreational facilities, mowing and other public works charges, and various permits. The estimate for FY2018 for this category is \$759,270, an increase of

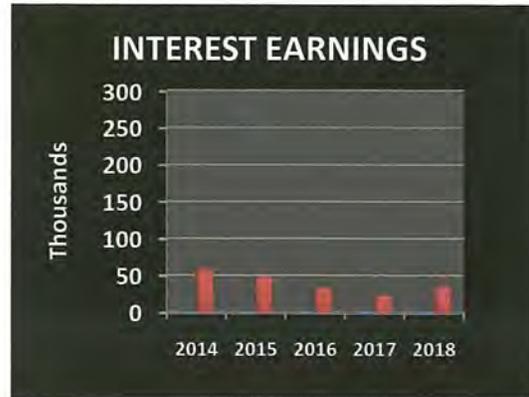
## REVENUE FORECAST AND TREND DETAILS

\$9,099 from the prior year. The large increase for FY2015 shown in the graph below reflects the opening of Splash island, the City new waterpark facility and concessions area. The other large item in this category is court fines received through primarily from traffic and code violations.



### INTEREST INCOME

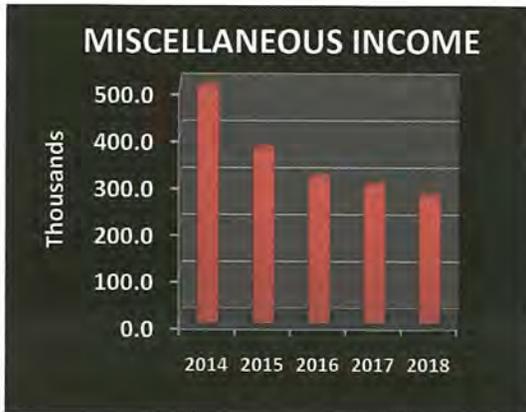
Revenue in this category represents interest earned on idle funds. Although this used to be a major category for the city during periods with high rates of return, over the past several years, the continued decline in interest rates has resulted in lower returns. In addition to savings accounts at local banks, the City also invests in short term certificates of deposit to improve over the typical bank account interest rates. Although rates are still low, they are anticipated to rise in FY2018. Additionally, the City's reserve funds have been strong, and the FY2018 budget forecasts an increase of \$12,000 from the FY2017 year to the amount of \$37,000.



### MISCELLANEOUS INCOME

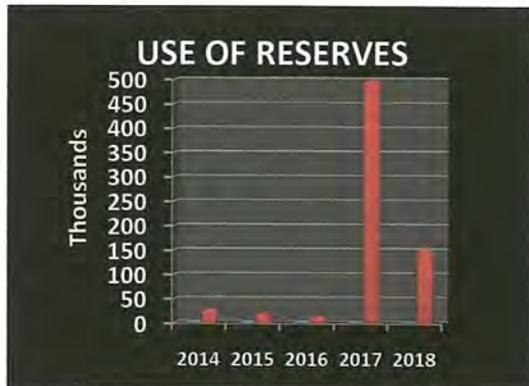
Revenues in this category are represented by items such as inter-fund transfers, reimbursements, sales of land, gasoline, local grants, donations and other agency items. The handling of fuel sales revenue for the Tullahoma Airport Authority is also in this category, and is offset in the budget by vendor fuel payments. Also, the City has a revenue line for fuel sales for the cooperative purchasing gas contract for the Tullahoma City Schools, Coffee County Senior Citizen Center and Tullahoma Housing Authority. The large revenue decrease shown for FY2015 in the graph shows when the Coffee County Ambulance withdrew from the gas contract, as well as the lessening need to fund Airport fuel purchases. The FY2018 budget for miscellaneous revenue is \$265,851 as compared to \$288,374 in FY2017. This is primarily due to the inclusion of insurance recoveries in the mid-year FY2017 budget that are not forecast in the initial FY2018 budget. As insurance claims are paid, the revenue item is then included in the revenue budget, offset by the repair expense added in the appropriate department's cost center.

## REVENUE FORECAST AND TREND DETAILS



### APPROPRIATED FUND BALANCE

These are nonrecurring funds derived from prior period revenues, and therefore primarily utilized by the Board of Mayor and Aldermen to fund capital and emergency purchases and interim cash flow. The City Board generally authorizes use of reserves for capital purposes only. FY2017 was an exceptional year as the City drew from its reserves to pay for tornado damage clean up that occurred in the fall of 2016. The FY2018 budget only appropriates \$112,306 for capital projects as well as \$40,000 in departmental restricted reserves. The General Fund maintains restricted reserves for purposes aligned with those funds, such as purchase of law enforcement items and animal shelter repairs.



### SOLID WASTE REVENUES

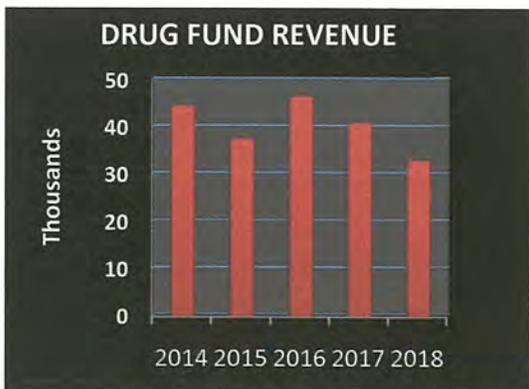
The Solid Waste Fund Budget has traditionally been funded by charges to commercial customers, and an operating transfer from the General Fund to cover the cost of providing residential service, brush and leaf pickup. Tullahoma currently does not charge residential customers for these services. Additional revenue has been realized through the growth of the City's recycling program. The FY2018 forecast for recycling revenue is \$215,560, which is the same as FY2017, based on the uncertainty of the price of cardboard. The recycling program has proved doubly beneficial for the City as it reduces the amount of tonnage taken to the landfill and generates additional income to help offset garbage collection costs. It also helps the City comply with state mandates to reduce the solid waste stream. The City is a member of the Interlocal Solid Waste Association, a cooperative effort of several local cities and counties to obtain the best landfill disposal rates, through combined negotiating power. Overall Solid Waste revenue reflects a decrease of \$205,063 or 8% from the previous year. This is due to the fact that the amount transferred by the City to the Solid Waste Fund was decreased back to normal funding levels after paying for the brush clean up and chipping required by the FY2017 tornado impact. Reserves of \$70,846 were appropriated to bring the total budget amount to \$2,445,658.

## REVENUE FORECAST AND TREND DETAILS



### DRUG FUND REVENUES

The drug fund is established and maintained based on Tennessee state laws that require that revenue received from drug fines be segregated and utilized for drug prevention activities. Additionally, vehicles or items confiscated in drug cases may be awarded by the state to the jurisdiction. Sales of confiscated items are also returned to the drug fund. The total drug fund budget for FY2018 is \$32,903, with \$12,000 forecast for drug fines, and \$6,000 for confiscations. The budget appropriates \$13,803 from reserves, and is \$8,000 less than the FY2017 budget.

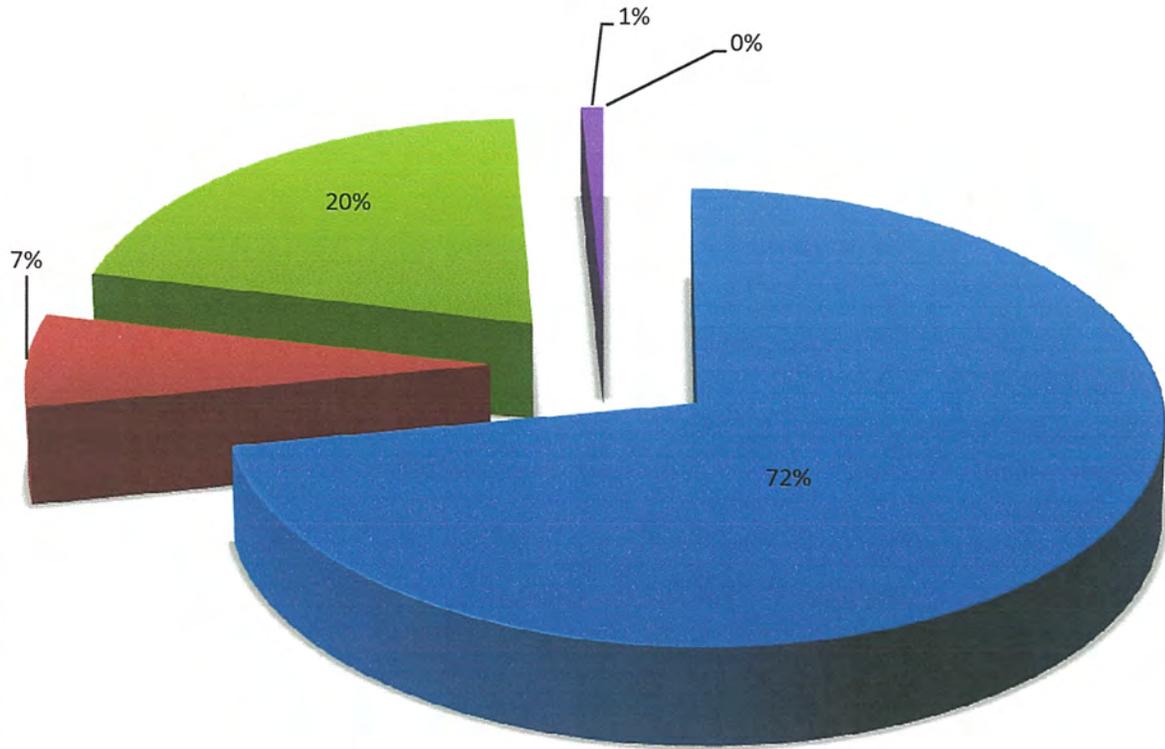


<b>FY2018 REVENUES BUDGETED</b>					
<b>CITY OF TULLAHOMA</b>					
<b>REVENUES</b>	<b>FY14-15 Actual Revenues</b>	<b>FY15-16 Actual Revenue</b>	<b>FY16-17 Amended Budget</b>	<b>FY16-17 Actual Revenue</b>	<b>FY17-18 Proposed Budget</b>
<b>LOCAL TAXES</b>					
Property Taxes	10,701,062	10,575,623	10,655,832	10,611,319	10,812,125
Property Tax Penalty	133,412	104,961	84,660	77,721	86,353
Property Tax Costs	103,942	3,459	34,100	2,220	14,100
Tax Equivalent	581,537	612,914	614,000	582,351	614,000
Sales Tax - CC	9,046,719	9,623,159	9,650,000	9,625,562	9,759,024
Sales Tax - FC	16,973	17,602	27,000	28,017	19,239
Wholesale Beer Tax	540,194	561,892	565,000	565,729	535,839
Wholesale Liquor Tax	208,083	216,397	250,077	290,077	202,475
Business Taxes	371,505	404,357	405,484	429,203	342,142
Cable TV Franchise	234,247	221,173	219,435	245,925	217,718
Hotel/Motel Tax	<u>251,961</u>	<u>251,876</u>	<u>262,098</u>	<u>262,098</u>	<u>247,672</u>
	22,189,635	22,593,413	22,767,686	22,720,222	22,850,687
<b>LICENSES &amp; PERMITS</b>					
Beer Licenses	11,298	11,067	9,615	7,323	11,615
Liquor Licenses	7,870	11,450	12,210	13,625	10,622
Burglary Alarm Permits	6,050	6,073	5,050	5,725	5,050
Building Permits	27,877	39,681	40,200	42,706	38,964
Mowing Fees	109	0	0	0	0
Stormwater Permit	9,350	10,650	9,000	10,260	9,180
Excavation Permits	0	0	0	0	0
Zoning Permits	1,771	4,214	4,500	5,278	4,500
Inspection Fees	3,575	4,284	9,000	8,981	13,000
Mobile Home Permit	1,800	1,710	1,800	1,710	1,800
Solicitation Permits	<u>270</u>	<u>370</u>	<u>500</u>	<u>320</u>	<u>500</u>
TOTAL:	69,970	89,498	91,874	95,929	95,231
<b>INTERGOVERNMENTAL</b>					
Supplemental Pay	37,800	37,800	35,400	35,400	0
State Grants	7,496	34,548	41,184	31,518	8,000
State Sales Tax (per capita)	1,396,300	1,500,982	1,511,055	1,546,641	1,499,862
Telecommunications Tax	1,785	1,566	264	1,554	1,317
State Income Tax	228,206	275,253	250,000	246,308	216,308
State Beer Tax (per capita)	8,922	9,109	9,478	9,007	9,328
Mixed Drink Tax	83,881	97,055	77,423	102,312	81,294
State Gasoline Tax (per capita)	497,479	511,267	522,340	517,998	619,346
Street Transportation	38,075	37,953	38,243	37,702	38,243
State Street Contract	5,238	20,210	6,500	10,580	14,080
Excise Tax	132,677	113,001	89,663	123,144	94,146
TVA Gross Receipts	<u>216,887</u>	<u>219,591</u>	<u>219,196</u>	<u>211,158</u>	<u>210,802</u>
TOTAL:	2,654,747	2,858,335	2,800,746	2,873,322	2,792,725

<b>FY2018 REVENUES BUDGETED-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Revenues</b>	<b>Revenue</b>	<b>Budget</b>	<b>Revenue</b>	<b>Budget</b>
<b><u>FEES, COMMISSIONS &amp; FINES</u></b>					
Duplicating Services & check chgs	70	108	80	270	100
Reserve Police Services	3,240	6,877	6,000	4,409	6,000
Background check fees	564	877	650	871	700
Special Fire Fees	5,000	5,000	5,000	5,000	5,000
Co Fees and Commission	14,988	13,590	12,500	22,320	14,000
Accident Report Charges	839	753	1,000	720	1,000
Registry Fees	1,950	2,700	1,800	1,950	1,900
Electric Permit Adm. Charges	2,295	2,950	2,600	3,710	2,900
Citizens Police Academy	365	0	0	0	0
Cemetery Burial Permit	2,125	1,126	1,000	1,375	1,000
Swimming Pool Receipts	41,370	168,826	193,708	149,084	193,708
Pool Concessions	13,657	98,812	98,064	105,372	98,064
Recreation Class Fee	22,575	0	0	0	0
Community Ctr Passes	27,535	113,586	110,000	125,184	110,000
Donations-Parks Programs	2,033	5,450	1,310	1,385	0
Donations-McEwen Park	500	0	0	0	0
Disc Golf Club Fees	1,473	1,808	0	484	0
City Court Fines	278,899	291,400	304,960	318,727	292,659
Impoundment Charges	3,841	3,230	5,000	2,452	5,000
Spaying & Neutering	3,900	3,502	3,900	3,190	3,900
Drug Related Fines (General)	2,996	5,279	5,000	3,625	5,000
Law Enforcement Fines	492	503	600	3,052	1,000
County Fines	<u>18,476</u>	<u>23,582</u>	<u>16,999</u>	<u>9,933</u>	<u>17,339</u>
<b>TOTAL:</b>	<b>449,183</b>	<b>749,959</b>	<b>770,171</b>	<b>763,113</b>	<b>759,270</b>
<b><u>OTHER REVENUE</u></b>					
Interest Earnings	16,396	23,872	30,000	38,655	37,000
Sale of Land	0	0	0	2,000	0
Sale/Cemetery Lots	6,600	6,000	8,000	8,400	5,500
Insurance Recoveries	15,997	13,093	15,123	15,216	0
Sale/Gasoline	88,158	63,585	65,000	70,650	65,000
Projects & Events Donation	200	0	3,450	5,052	0
Animal Control Donations	30,405	23,829	20,000	27,214	20,000
Accident Reconstruction	230	2,635	750	865	1,000
Community Services Donations	450	0	0	0	0
Youth Development Donations	0	0	0	50	0
Animal Shelter Bldg. Donation	16,548	83,795	0	16,045	0
Arts Council Donation	150	750	0	0	0
Fireworks Sponsorships	0	0	35,700	35,673	30,000
ISWA Reimbursement	4,800	4,800	4,800	4,800	4,800
Tree Fund Donations	2,175	1,650	1,000	2,400	2,000
Housing COPS Grant	31,475	31,171	30,000	38,894	30,000
Transfer from Industrial Dev.	20,000	20,000	15,000	15,000	10,000
Transfer from Medical	0	0	47,551	0	47,551

<b>FY2018 REVENUES BUDGETED-(continued)</b>	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Revenues</b>	<b>Revenue</b>	<b>Budget</b>	<b>Revenue</b>	<b>Budget</b>
<b>OTHER REVENUE-(continued)</b>					
Transfer from Airport Authority (fuel)	0	0	25,000	0	25,000
Miscellaneous Receipts	<u>8,864</u>	<u>34,661</u>	<u>25,000</u>	<u>20,472</u>	<u>25,000</u>
TOTAL:	242,448	309,842	326,375	301,385	302,851
<b>TOTAL OPERATING REVENUES:</b>	<b>25,605,983</b>	<b>26,601,047</b>	<b>26,756,852</b>	<b>26,753,972</b>	<b>26,800,764</b>
<b>USE OF RESERVES/GRANTS</b>					
Appropriated Fund Balance	0	0	1,141,868	0	112,306
Department specific reserves	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,000</u>
TOTAL:	0	0	1,141,868	0	152,306
<b>TOTAL REVENUES &amp; RESERVES UTILIZED:</b>	<b>25,605,983</b>	<b>26,601,047</b>	<b>27,898,720</b>	<b>26,753,972</b>	<b>26,953,070</b>

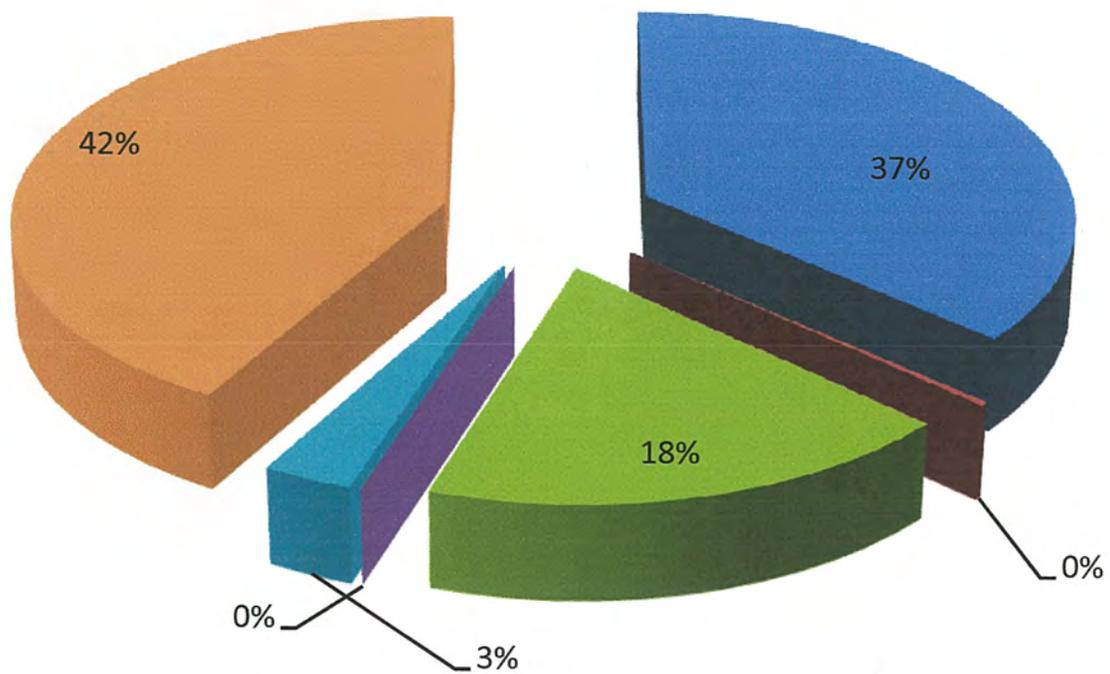
## FY18 SOLID WASTE REVENUES



- GENERAL FUND TRANSFER
- GARBAGE FEES
- SOLID WASTE APPROPRIATED FUND BALANCE
- RECYCLING REVENUES
- MISCELLANEOUS

<b>FY2018 DEPARTMENTAL BUDGET</b>					
<b><u>SOLID WASTE</u></b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>REVENUES</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Revenues</u></b>	<b><u>Revenue</u></b>	<b><u>Budget</u></b>	<b><u>Revenue</u></b>	<b><u>Budget</u></b>
Commerical Garbage Fees	512,348	741,273	740,929	729,120	754,929
Residential garbage Fees	0	0	0	0	0
Brush/Chipping Charges	142	374	0	318	0
Interest Income	116	328	200	834	500
Insurance Recovery	0	0	0		0
Other Solidwaste Charges	0	1,081	0	902	1,000
Miscellaneous Receipts	0	0	0	0	0
Recycling Revenue	155,596	162,217	290,560	342,504	215,560
Recycling Grant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,200</u>
<b>TOTAL OPERATING REVENUES</b>	<b>668,202</b>	<b>905,273</b>	<b>1,031,689</b>	<b>1,073,678</b>	<b>979,189</b>
Transfer from general fund	1,464,781	1,315,895	1,587,068	1,587,068	1,395,623
Appropriated fund balance	<u>41,141</u>	<u>0</u>	<u>31,964</u>	<u>0</u>	<u>70,846</u>
<b>TOTAL ALL REVENUES</b>	<b>2,174,124</b>	<b>2,221,168</b>	<b>2,650,721</b>	<b>2,660,746</b>	<b>2,445,658</b>

# FY18 DRUG FUND REVENUES



- DRUG FINES
- INTEREST INCOME
- CONFISCATED MONEY
- SALE OF CONFISCATED ITEMS
- MISCELLANEOUS REVENUE
- APPROPRIATED FUND BALANCE

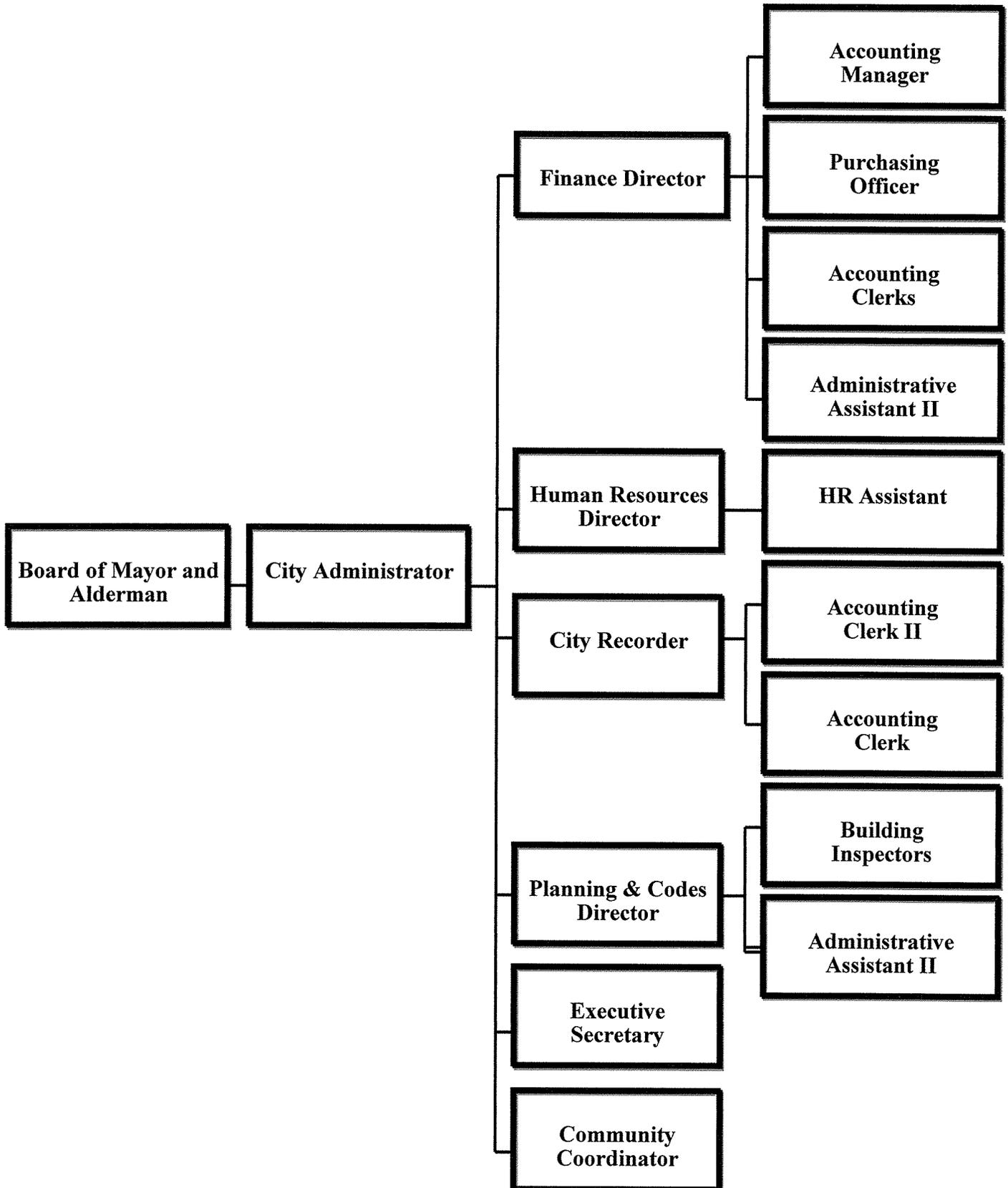
<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>REVENUES</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Drug Fines	11,454	10,508	12,000	12,414	12,000
State Substance Tax	0	0	0	0	0
Confiscated Money	6,130	6,504	6,000	4,600	6,000
Interest Income	110	144	100	292	100
Sale of Confiscated Items	3,574	6,071	0	0	0
Insurance Recoveries	0	0	0	0	0
Miscellaneous Income	0	3,092	3,000	0	1,000
Appropriated Fund Balance	0	0	13,103	0	13,803
<b>TOTAL:</b>	<b>21,268</b>	<b>26,320</b>	<b>34,204</b>	<b>17,307</b>	<b>32,903</b>



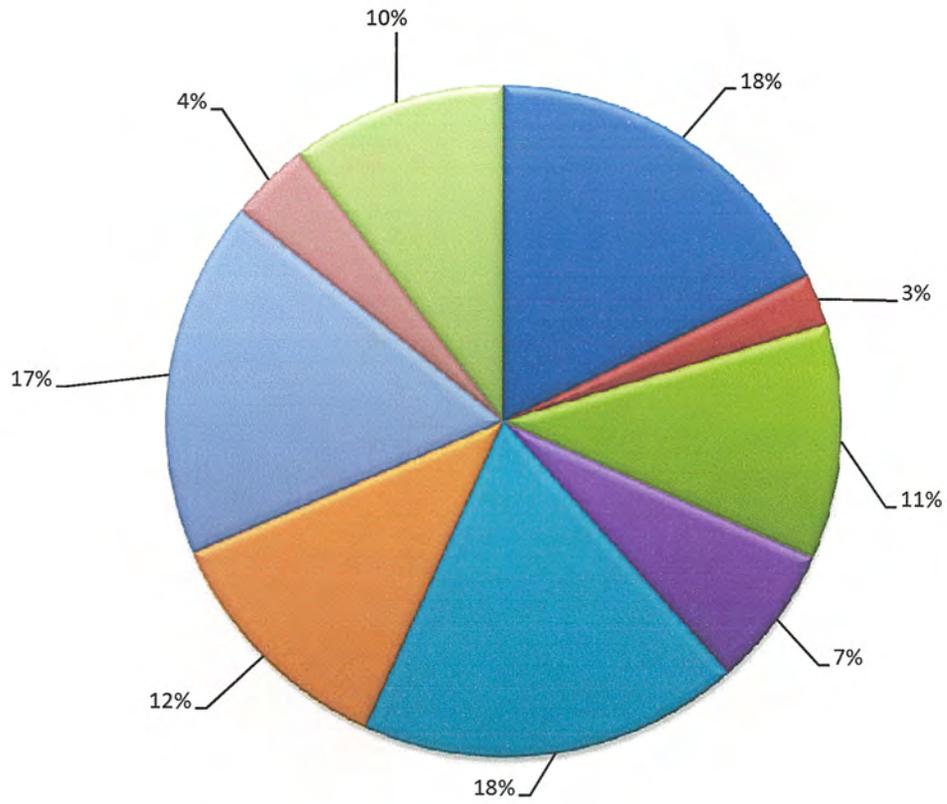
## EXPENDITURES

# *City of Tullahoma*

## *Administration*



# ADMINISTRATION



■ LEGISLATIVE & JUDICIAL

■ CITY COURT

■ CITY ADMINISTRATOR

■ COMMUNITY DEVELOPMENT

■ FINANCE

■ CITY RECORDER

■ PLANNING

■ MUNICIPAL BUILDING

■ HUMAN RESOURCES

## LEGISLATIVE AND JUDICIAL AND CITY COURT

The Board of Mayor and Alderman is the legislative and policy making board of the City. It consists of seven members elected at large for three-year staggered terms. Other members of the Board select the Mayor Pro-Tempore, for a one-year term. Responsibilities of the Board include: (1) enactment of ordinances, resolutions and legislative measures for the proper governing of the City’s affairs; (2) reviewing and adopting the annual and amended budgets; (3) appointing a City Administrator and City Attorney and confirming the appointment and dismissal of department heads; (4) appointing residents to various boards and commissions; (5) establishing policies and measures to promote and facilitate the general health, safety and welfare of the City and its residents; and (6) represent the City at official functions.

The City Court contributes to an orderly community by providing a jurisdiction consistent with constitutional guarantees of promptness and impartiality. The City Court is provided over by a part-time Judge elected at large by residents of the City. The Judge has jurisdiction over cases involving violations of City ordinances, with the majority of the caseload involving traffic offenses. The City Judge can assess fines up to \$500 for non-traffic related offenses unless otherwise specified at a lower amount by ordinance or state law. Violations of state criminal statutes are referred to the Coffee County or Franklin County court system.

The Legislative and Judicial and City Court functions support the following elements in Tullahoma’s Strategic Plan:

- Responsive, Effective Local Government: Objectives 1-4
- Safe, Caring and Diverse Community, Objective 1
- Vibrant Economy: Objective 1

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$ 117,060	\$111,057	\$103,022	\$161,175
Operating Expenses	\$ 181,783	\$176,284	\$195,135	\$221,080
Capital Outlay	\$ 1,500	\$ 8,909	\$ 14,167	\$ 0
<b>Total</b>	<b>\$ 300,343</b>	<b>\$296,250</b>	<b>\$312,324</b>	<b>\$382,255</b>

## **BUDGET COMMENTS**

This activity provides for the compensation of six Aldermen, Mayor and the City Judge. Court Clerk salary, benefits and expenses are also allocated to this cost center. Also included are meeting expenses, memberships and printing and general operating expenses. Professional services such as the annual audit and legal services are charged under the Legislative Department. The total FY2018 budget increased by approximately 23% over the FY2017 actual expenditures. This increase is primarily due to anticipated upgrades to the City's computer software programs for FY2018, as well as budgeted health care costs for retired employees.

## **PERSONNEL**

There are no full-time personnel directly assigned to this activity. There is one part-time court clerk who is assisted by the Police Department clerical staff. Administrative, clerical and customer support are provided by the staff of the City Recorder. There is also one elected City Judge.

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>LEGISLATIVE (01)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Parttime	174	0	786	196	800
OASI	2,891	2,880	2,892	2,892	2,878
Health Insurance -Retirees	48,965	43,759	34,098	31,551	94,518
Board Salary	37,614	37,651	37,614	37,614	37,614
Printing & Publication	17,372	18,012	20,000	18,789	16,500
Membership & Dues	6,394	6,844	8,845	8,344	8,845
Telephone/Internet Service	8,919	8,834	9,500	9,205	9,500
Legal Services	57,554	53,097	51,000	46,573	53,000
Auditing Services	19,925	22,769	21,200	17,390	21,200
Professional Services	17,177	12,701	23,025	15,560	27,133
Information Technology	9,616	5,633	18,000	12,363	22,000
Travel/Training	4,958	7,203	6,950	6,015	4,950
Office Supplies	254	35	300	181	300
Operating Supplies	1,094	0	900	118	900
Operating Insurance	11,002	12,271	18,142	18,132	18,505
Depreciation Transfer	0	0	10,000	10,000	0
Sponsored Events	0	0	0	0	0
General Expense	10,344	11,535	16,270	14,972	16,270
Capital Outlay	0	0	14,167	14,167	0
Purchase of Equipment	0	0	0	0	0
Other Equipment Purchase	1,500	8,909	0	0	0
<b>TOTAL:</b>	<b>255,753</b>	<b>252,131</b>	<b>293,687</b>	<b>264,062</b>	<b>334,913</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>COURT SYSTEM (02)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	16,255	16,659	23,098	22,055	15,499
Salaries - Overtime	93	692	700	639	500
Salaries Part-time	3,545	2,061	391	21	1,091
Salaries-Bonus	220	240	260	260	0
OASI	2,592	2,585	3,209	2,828	2,570
Health & Life Insurance	3,860	3,674	4,403	4,036	4,579
Retirement	804	827	1,077	870	1,026
Unemployment	47	29	100	59	100
Personal Services	14,000	14,000	14,000	14,000	16,500
Printing & Publication	281	290	500	349	500
Information technology	1,800	2,080	4,080	2,210	3,500
Travel & Training	90	94	375	0	375
Office Supplies	440	439	440	437	500
Operating Insurance	563	449	592	498	603
<b>TOTAL:</b>	<b>44,590</b>	<b>44,119</b>	<b>53,225</b>	<b>48,262</b>	<b>47,342</b>

## OFFICE OF THE CITY ADMINISTRATOR

The Tullahoma Municipal Code establishes the City Administrator as the chief administrative officer of municipal government with the responsibility to assist the Board of Mayor and Aldermen in their legislative role and their development of policy. The City Administrator is appointed by the Board of Mayor and Aldermen. The City Administrator is responsible for the implementation of the policies established by the Board of Mayor and Aldermen by supervising and coordinating the administrative activities of the several municipal departments; making recommendations to improve the quality and efficiency of city services; keeping the Board of Mayor and Aldermen apprised of the needs of the city; recommending public improvements; ensuring the enforcement of all policies; and reviewing and recommending the annual city budget; as well as performing other duties prescribed by the Tullahoma Municipal Code and Board of Mayor and Aldermen. The City Administrator also represents the City in its relations in intergovernmental affairs, business and community leaders and organizations, the media and citizens. The Office of City Administrator includes the Community Development Coordinator cost center.

The City Administrator’s office supports the following elements in Tullahoma’s Strategic Plan:

- Vibrant Economy: Objectives 1-4
- Safe, Caring and Diverse Community: Objectives 1-4
- Sustainable Healthy Environment: Objectives 1-4
- Responsive Effective Local Government: Objectives 1-4

### FINANCIALS

<b>Category</b>	<b>Actual FY2015</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Personnel	\$ 260,019	\$266,008	\$269,161	\$284,949
Operating Expenses	\$ 23,097	\$ 36,046	\$ 40,101	\$ 62,512
Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$ 283,116</b>	<b>\$302,054</b>	<b>\$309,262</b>	<b>\$347,461</b>

### BUDGET COMMENTS

The FY2018 budget shows an increase over FY2017 budget by approximately 12%, due to the implementation of the new compensation study rates and cost of living adjustment impacting personnel costs. Operating expenses include the addition of \$25,000 for a new tourism initiative.

## **FY2017 ACCOMPLISHMENTS**

- ***Three-Star MORE Program (Vibrant Economy, Objectives 1-4)***  
The City Administrator served as chairperson of the Coffee County Joint Economic and Community Development Board, and supervised Board STEM-related projects outlined in the Governor’s Three-Star program for community preparedness in economic and community development. The City Administrator also served on the Franklin County Joint Economic and Community Development Board.
- ***Continued administration of "Get Fit" and other grant funded Initiatives (Vibrant Economy, Objective; Safe, Caring and Diverse Community, Objective 4)***  
The Community Coordinator continued the implementation of the Project Diabetes grant establishing Tullahoma as a leader in wellness and fitness. He also worked with the Tullahoma Arts Council to coordinate local events, pool resources, programs and volunteer efforts, and promote tourism.
- ***"Healthier Tennessee Workplace Award (Vibrant Economy, Objective 3)***  
The City received the State’s “Healthier Tennessee Workplace Award, establishing Tullahoma as a leader in wellness and fitness.
- ***Community Events (Safe, Caring Diverse Community, Objective 3; Vibrant Economy, Objectives 2, 4)***  
The City sponsored “Olde Towne Christmas Stroll” and supported a variety of theatre and musical performances and art shows at the Tullahoma Fine Arts Center and South Jackson Civic Center. The City also supported numerous area events attracting area, regional, and national participants, including the 41A Music Festival, Bonnaroo Music Festival, Summer Music Festival, the Rock Creek Concert Series, the annual All-American Soap Box Derby, and aviation fly-ins.
- ***Coordinated City and Municipal Utility Issues to finalize Public Authority Conversion***  
Assisted Tullahoma Utilities Authority with completion of legal process, asset transfer and debt refinancing to establish the utility as a separate legal entity from the City (Responsible Effective Local Government, Objectives 1-4)
- ***Reviewed LED Cost Options for Tullahoma Street Lighting***  
Explored green option of converting all city street lights to LED (light emitting diode) to save on power consumption and maintenance. City has 2900 light fixtures, and conversion will now take place in FY2018. (Responsible Effective Local Government, Objectives 1-4; Sustainable Healthy Environment, Objective 1-4)



**City Administrator's Office - Performance Measures**

<i>Output</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure effective delivery of municipal services"	Agenda Reports Issued	22	22	22
	Ordinances and Resolutions Reviewed	49	59	60
	Intergovernmental Meetings Attended	25	20	20
	Press Releases	91	82	95
	Social Media	499	2240	2350
"To improve Tullahoma's physical infrastructure, buildings, and structures"	Grant Applications Made	16	15	18
	Capital Projects Managed	23	25	29
"To recognize and celebrate Tullahoma's diverse culture and heritage"	Community Events Coordinated	27	17	20
	Planning & Coordinating Agency Meetings	12	12	12

<i>Efficiency</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To improve Tullahoma's physical infrastructure, buildings, and structures"	Grants Awarded	14	11	12
	Grant Amounts Received	\$1,454,582	\$701,489	\$1,100,000
"To ensure effective delivery of municipal services"	Budgets Managed	18	18	18
	Mayor's Initiatives Implemented	4	4	4
"To build local and national awareness of the City"	Governor's Three Star Award	Yes	Yes	Yes
	Healthier Tennessee Workplace Award	Yes	Yes	Yes

**FY2018 PERFORMANCE OBJECTIVES**

**1. Three-Star Program**

**Target Date: Ongoing**

Continue to coordinate with Coffee and Franklin Counties participation in the Governor’s Three-Star program for community preparedness in economic and community development. The State of Tennessee utilizes the three star assets for economic development prospects and also awards grant points to the participating communities. The City Administrator serves as chairman of the Coffee County Joint Economic & Community Development Board and is a member of the Franklin County Joint Economic & Community Development Board. (Vibrant Economy, Objectives 1-4)

**2. Economic Development Initiatives**

**Target Date: Ongoing**

Continue economic development efforts to recruit new businesses to Tullahoma, grow existing businesses, and encourage re-location and housing development. (Vibrant Economy, Objectives 1-4)

**3. Continue Implementation of Mayor's Health, Cultural, Economic and Environmental Initiatives**

**Target Date: Ongoing**

Continue to utilize staff resources, volunteers and programs towards the implementation of the Mayor's community initiatives. (Vibrant Economy, Objectives 1-4; Safe, Caring and Diverse Community, Objectives 1-4)

**4. Partner with South Jackson Civic Center Association on New Parking and Period Lighting for Historic Theater Building**

**Target Date: May, 2018**

Represent City in designing new parking layout and period lighting for historic City-owned building leased by local civic association and manage capital project. (Responsible Effective Local Government, Objectives 1-4; Safe, Caring and Diverse Community, Objective 1-4)

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
City Administrator	1	1	1
Community Coordinator	1	1	1
Executive Secretary	1	1	1
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>



<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>CITY ADMINISTRATOR (03)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	134,641	139,732	143,219	143,216	148,175
Salaries - Overtime	0	0	170	0	200
Salaries - Bonus	1,068	2,028	1,468	1,466	1,306
OASI	10,233	10,633	11,028	10,835	11,451
Health & Life Insurance	36,492	32,718	31,499	31,439	36,696
Retirement	6,880	7,704	8,861	8,339	9,511
Unemployment Insurance	107	63	110	58	110
Printing & Publication	233	0	200	10	200
Membership & Dues	1,036	1,071	1,105	1,096	1,105
Telephone Service	0	0	0	0	0
Maintenance & Repair	422	219	830	830	800
Training	3,541	2,356	3,150	2,869	3,150
Office Supplies	52	140	300	266	300
Gas	463	294	665	356	665
Operating Insurance	2,590	2,190	2,579	2,434	2,631
Depreciation Transfer	7,500	8,000	15,000	15,000	0
Purchase of Equipment - large	0	0	0	0	0
<b>TOTAL:</b>	<b>205,259</b>	<b>207,148</b>	<b>220,184</b>	<b>218,213</b>	<b>216,299</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>COMMUNITY DEVELOPMENT(090)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	48,071	49,961	51,417	51,415	53,195
Salaries-Bonus	0	550	240	240	240
OASI	3,332	3,582	3,932	3,684	4,088
Health Insurance	16,747	16,531	15,878	15,878	16,513
Retirement	2,394	2,474	3,162	2,560	3,410
Unemployment	54	32	54	32	54
Printing and Publications	1,391	1,516	2,000	1,913	1,900
Membership & Dues	0	100	100	0	100
Telephone Service	608	601	710	697	610
Hiring Expense	0	0	0	0	0
Arts Council	1,133	4,284	5,250	2,520	10,000
Governor's fitness grant	0	0	3,500	2,069	5,000
Tourism Initiatives	0	0	0	0	25,000
Training	1,081	3,045	2,850	1,873	3,000
Office Supplies	49	0	0	0	0
Operating Supplies	1,041	44	200	116	200
Operating Insurance	867	741	836	814	853
Depreciation Transfer	0	0	5,000	5,000	7,000
Special Events	1,089	11,445	5,000	2,239	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	0	0	0	0	0
<b>TOTAL:</b>	<b>77,857</b>	<b>94,906</b>	<b>100,129</b>	<b>91,049</b>	<b>131,162</b>

## FINANCE DEPARTMENT

The Finance Department is responsible for all accounting, purchasing, payroll, risk management, accounts payable, grants and loans, budgeting and cost analysis, fixed assets, and financial compliance with various local, state, and federal agencies; we support other City departments in accounting, grants administration, economic development and general business functions, investments of City funds, and the issuance of debt and debt service administration for the City, School, Airport, and Utility Board. In addition to the City, the Finance Department provides accounting services for the Tullahoma Industrial Development Board, the Tullahoma Airport Authority, and the Tullahoma Area Economic Development Agency.

The Finance Department supports the following elements in Tullahoma's Strategic Plan:

- Vibrant Economy: Objectives 1-4
- Safe, Caring & Diverse Community: Objectives 1-4
- Sustainable Healthy Environment, Objective 2
- Responsive Effective Local Government: Objectives 1-3

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$205,420	\$254,733	\$ 282,333	\$ 300,471
Operating Expenses	\$124,232	\$161,266	\$ 145,865	\$ 122,834
Capital Outlay	\$ 1,220	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$330,872</b>	<b>\$415,999</b>	<b>\$ 428,198</b>	<b>\$ 423,305</b>

### BUDGET COMMENTS

The Finance Department is also responsible for the municipal buildings budget. Increases in personnel services are for the additional part-time hours, the 1.5% cost of living adjustment and annual step of the new compensation plan adopted in FY2016, plus changes in health care coverage. Operating expenses in FY2017 included funding for new time and attendance payroll software and building repairs.



## FY2017 ACCOMPLISHMENTS

- ***Economic Development, Business and Agency Support (Vibrant Economy, Objective 1)***  
Served as ambassadors to the local business community and assisted with recruitment opportunities via the business loan and sign programs. Commercial sign grant program assisted 21 businesses with sign ordinance compliance and local aesthetics. Closed two small business loans and two large commercial loans. Provided all accounting functions for the Tullahoma Area Economic Development Corporation including administration for the tax increment financing program. Finance Director attended courses through Council of Development Finance Agencies on economic development incentives and business tools.
- ***Accounting Support to Other Agencies (Vibrant Economy, Objectives 2,3; Responsive Effective Local Government, Objective 3)***  
Provided all accounting functions for Tullahoma Regional Airport accounting functions, including grants management, as well as for the Tullahoma Industrial Development Board. Also calculated motel tax and budget allocations, paid operating insurance and followed through on claims for local funded non-profit agencies. Provided debt analysis and technical assistance to Tullahoma Utilities Board needed for the utilities conversion to an independent public authority.
- ***State Benchmarking Project (Responsive Effective Local Government, Objectives 1,2)***  
Completed fourth year of the University of Tennessee's benchmarking performance measurement which requires collecting specific departmental data in a university provided spreadsheet format, which is then submitted for collation into a state-wide municipal database. Information is available to be utilized as a management decision making tool.
- ***Cost Savings & Lean Process Improvements (Responsive Effective Local Government, Objectives 1,2)***  
Completed second year of new self-funded benefits plan with City providing in-house administration resulting in \$90,000 annual savings. Obtained new fuel card provider to increase fueling location options and save on price per gallon. Assisted with utilities debt conversions to revenue only to remove general obligation backing. Reviewed options and current debt structure to obtain most beneficial financing for new multi-year \$7.5m capital improvements plan.
- ***Housing Grant Administration (Safe, Caring & Diverse Community, Objectives 1,2,3; Sustainable Healthy Environment, Objective 2)***  
Provided grants administration for housing rehabilitation for \$375k Tennessee Housing Development Agency HOMES grant which closed out in FY2017, as well as served as point of contact for citizens and applicants. Also administered fourth year of \$150,000 Project Diabetes grant for community health and wellness programs. Provided financial analysis for city conversion of streetlights to LED.
- ***Work Based Learning Employment and Training Partnership (Vibrant Economy, Objective 4; Safe, Caring & Diverse Community, Objective 4)***  
Served as City liaison for high school job training and transition program. Established and monitored internships. Provided job training and support.
- ***Received National Awards (Responsive Effective Local Government, Objectives 1,2)***  
Successfully participated in national awards programs. Received the Distinguished Budget Presentation Award from the Government Finance Officers Association as well as the Certificate of Achievement for Excellence in Financial Reporting.

## Finance - Performance Measures

<i>Output</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure effective & efficient delivery of municipal services"	Accounts Payable Checks Issued	5,123	3,730	4,000
	Annual Dollars Spent with Purchasing Card	\$ 117,939	\$ 125,415	\$ 130,000
	Purchase Orders Issued	715	464	500
	Financial Reports Issued	21	20	24
	Payroll Checks Issued	6,199	6,644	6,700
	Funds Budgeted and administered	18	18	18
	Dollars Budgeted and administered	\$ 42,129,153	\$ 42,624,997	\$ 38,491,171
"To improve Tullahoma's physical infrastructure, buildings, & structures."	Capital Projects Managed	23	25	29
	Capital Projects Budgets	\$ 6,883,511	\$ 5,053,429	\$ 3,195,293
	Grants Administered	15	17	20
	Grants Revenue	\$ 4,252,358	\$ 1,373,596	\$ 1,671,243
"To provide a positive business environment & facilitate economic diversification & business growth"	Business Loans Closed	4	4	6
	Small Business Loan Volume Outstanding	\$ 62,648	\$ 63,431	\$ 90,000
	Commercial Loan Volume Outstanding	\$ 1,285,568	\$ 1,101,493	\$ 1,400,000
	Sign Grants Processed	14	21	20
	Sign Grant Volume	\$ 6,640	\$ 10,049	\$ 10,000

<i>Efficiency</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To improve the City's financial health"	General Obligation Bond Rating (Moody's)	AA2	AA2	AA2
	Unqualified Audit Opinion	Yes	Yes	Yes
	GFOA CAFR Award(for prior year)	Yes	Yes	Yes
"To ensure effective & efficient delivery of municipal services"	GFOA Distinguished Budget Award	Yes	Yes	Yes
	Surplus Sale Volume	13	1	10
	Surplus Sale Dollars Generated	\$ 20,660	\$ 4,971	\$ 20,000
	Bond refinancing & Other Savings	\$ 293,000	\$ 90,000	\$ 100,000

## **FY2018 PERFORMANCE OBJECTIVES**

- 1. *Economic Development and Business Support*** **Target Date: On-going**  
Continue to assist the local business community through both the small business and commercial business loan programs and award commercial sign replacement reimbursement grants as well as provide accounting functions for Tullahoma Area Economic Development Agency. Forecast Tax increment financing for annual developer construction draws. (Vibrant Economy, Objectives 1,3; Responsive Effective Local Government, Objective 3)
- 2. *Tullahoma Airport and other Agency Accounting Support*** **Target Date: On-going**  
Provide administrative support and accounting for Tullahoma Airport and research new automated receipting software for better efficiency and internal controls. Assist with Get Fit! Tullahoma initiatives including \$150k diabetes grant and employee wellness programs. Also assist with downtown main street initiative to obtain state recognition and grant funding. (Responsive Effective Local Government, Objectives 2,3)
- 3. *University of Tennessee Benchmarking Program*** **Target Date: October, 2017**  
For Tullahoma's fifth year in the University of Tennessee's performance measurement benchmarking program, we will be inputting data directly into the university's database, and have direct access to reporting functions to provide comparative data for process improvements. (Responsive Effective Local Government, Objectives 2,3)
- 4. *Cost Savings & Lean Process Improvements*** **Target Date: May, 2018**  
Research and obtain integrated payroll time system to decrease manual input time prior to hiring of seasonal splash island water park staff. Integrate fuel provider database with City to streamline costing process and improve access to information. Review options to refinance 2006 bonds to lower interest rate if market conditions permit. (Responsive Effective Local Government, Objectives 1,2)
- 5. *Training and Staff Development*** **Target Date: June, 2018**  
State legislature instituted a new certification requirement for finance officers which began in FY2009. The Finance Director and City Recorder obtained certification in December 2010, and are required to complete 24 continuing education hours each year to maintain that certification. The Accounting Manager graduated from the CMFO program in FY2013. The Purchasing Officer will complete the CMFO program in FY2018. In addition to the required CPE hours, staff members intend to complete coursework in accounting systems and economic development. (Responsive Effective Local Government, Objectives 1,2)
- 6. *GFOA Distinguished Budget and CAFR Awards*** **Target Date: March, 2018**  
Plan to participate in both the GFOA Budget award process and the CAFR review, as well as attempt to compile a Popular Annual Financial Report (PAFR) for our citizens. We hope to be successful in all three categories. We are proud of our finance staff and our city programs and feel that the national awards tell our citizens that we are maintaining the high standards that they expect while managing their funds professionally and efficiently. (Responsive Effective Local Government, Objectives 1,2)

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY 2018</b>
Finance Director	1	1	1
Accounting Supervisor	1	1	1
Purchasing Officer	1	1	1
Administrative Assistant (part-time)	1	1	1
Accounting Clerk	1	1	1
Accounting Clerk (part-time)	1	1	1
<b>Total</b>	<b>6</b>	<b>6</b>	<b>6</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FINANCE DIRECTOR (04)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	133,966	164,649	182,380	181,559	188,702
Salaries-Overtime	0	303	200	137	300
Salaries-Parttime	26,561	21,941	24,480	20,754	25,480
Salaries - Bonus	811	5,250	1,421	1,419	906
OASI	12,118	14,202	15,993	14,881	16,477
Health & Life Ins.	24,132	38,682	53,205	52,205	56,191
Retirement	7,578	9,498	11,283	11,191	12,115
Unemployment Insurance	254	208	300	187	300
Professional Services (Accounting)	1,695	3,112	3,000	2,430	3,000
Postage	20	25	26	26	25
Printing & Publication	4,357	4,244	2,000	1,478	4,000
Membership & Dues	85	835	806	540	835
Telephone Service	12,918	14,481	17,000	15,001	17,000
Hiring Expense	29	152	29	29	0
Information Technology	7,496	123	11,225	9,970	15,225
Maintenance & Repair	0	8,800	0	0	0
Training	1,989	2,619	4,225	4,115	3,900
Office Supplies	1,228	1,336	1,400	761	1,400
Operating Insurance	3,249	2,858	3,188	3,164	3,252
Depreciation Transfer	0	0	9,000	9,000	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	1,220	0	0	0	0
<b>TOTAL:</b>	<b>239,706</b>	<b>293,319</b>	<b>341,162</b>	<b>328,846</b>	<b>349,108</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>MUNICIPAL BUILDING (09)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Parttime	0	0	0	0	0
OASI	0	0	0	0	0
Utility Service	21,820	21,461	23,276	22,948	32,276
Maintenance & Repair	8,086	6,915	14,000	10,843	19,000
Operating Insurance	15,562	15,650	15,096	14,343	20,106
L & N Railroad Rent	698	2,734	2,815	2,815	2,815
Depreciation Transfer	45,000	75,920	48,403	48,403	0
Capital & Furnishings	0	0	0	0	0
<b>TOTAL:</b>	<b>91,166</b>	<b>122,680</b>	<b>103,590</b>	<b>99,352</b>	<b>74,197</b>

## CITY RECORDER DEPARTMENT

The City Recorder's Office is the point of entry to Tullahoma City Hall. The City Recorder Department is responsible for accounts receivables including property tax collection, sales tax collection, utility billing for commercial garbage collection, city court fines and collection of hotel/motel taxes. In addition, this department establishes local business licenses, vendor permits, beer permits, and other such permits and licenses. The City Recorder department is furthermore responsible for the organization and upkeep of City records. These records include: Minutes of Board Meetings, Ordinances, Resolutions, Deeds, Easements, Contracts, Police Accident Reports and additional necessary legal information.

The City Recorder Department supports the following elements in Tullahoma's Strategic Plan:

- Vibrant Economy: Objective 1
- Responsive Effective Local Government: Objectives 1-4

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$133,026	\$146,637	\$153,887	\$161,780
Operating Expenses	\$ 30,750	\$ 52,196	\$ 41,006	\$ 65,034
Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$163,776</b>	<b>\$198,833</b>	<b>\$ 194,893</b>	<b>\$ 226,814</b>

### BUDGET COMMENTS

The FY2018 budget reflects an increase in personnel expenditures due to the addition of one part-time position, steps and 1.5% cost of living adjustments. Operating expense increased for FY2018 since the City will be singularly responsible for the upcoming election, whereas in some years the expense is shared with the County.



## **FY2017 ACCOMPLISHMENTS**

- ***Property Tax Freeze Program (Responsive Effective Local Government, Objective 2)***  
This year marks the eighth year the City has honored the State Property Tax Freeze Program. This is a local optional program allowing certain elderly homeowners (based upon income and age) to freeze the amount of property taxes they pay. Currently there are 291 residents in Coffee County and 22 residents in Franklin County that are signed up for this program.
- ***Open Records (Responsive Effective Local Government, Objective 2, 4)***  
The City remains in compliance with the Tennessee Code Annotated (TCA). There were over 1,492 requests for open record documents processed and paid for during the fiscal year 2017. This generated \$1,421.93 in monies for the City.
- ***Implemented Use of Debit/Credit Card Payments (Responsive Effective Local Government, Objective 1-2; Vibrant Economy, Objective 1)***  
The City of Tullahoma has given the citizens the option of paying for their property taxes from the convenience of their own home using a credit cards through a third party vendor. The city has seen a slow increase in the use of this payment option and has processed \$49,099.85 in credit card payments for property taxes in FY2017.
- ***Property Tax Relief Program (Responsive Effective Local Government, Objective 2)***  
Currently there are 380 residents in Coffee County and 24 residents in Franklin County that are on the tax relief program. The tax relief application process takes approximately twenty minutes per new applicant. There were 55 new applicants in the FY2017. Each year the previous year's approved tax relief recipients have to update their financial information and confirm their residential status to remain on this program. The scanning system has been working smoothly for the flow of information from Tullahoma to the state of Tennessee.
- ***Tennessee Association of Municipal Clerks and Recordors and Certified Municipal Finance Officer (CMFO) (Responsive Effective Local Government, Objective 2)***  
Twenty five (25) continuing education credits must be earned throughout the calendar year to retain certification for the CMFO program. Several classes and seminars are offered thru the Tennessee Government Finance Officers Association (TGFOA) and other such organizations. The Secretary of State also has a state certified program entitled "Tennessee Association of Municipal Clerks and Recordors" (TAMCAR). TAMCAR certification also requires continuing education credits each year. One staff member has continued to maintain the necessary class and seminar requirements to maintain the CMFO and Municipal Clerk certification.
- ***Scanning System (Responsible Effective Local Government, Objective 2)***  
A scanning record-keeping system is being maintained to help satisfy the state laws regarding record retention.

**FY2017 ACCOMPLISHMENTS – (continued)**

- ***Pool Admission / Concessions (Responsive Effective Local Government, Objective 2)***  
A credit card acceptance system at the recreation department has been implemented. This system is being utilized to allow for a smooth reporting process.
- ***Open Records (Responsive Effective Local Government, Objective 2, 4)***  
The City Recorder Department has maintained compliance with the Comptroller's Office of Open Records Counsel (OORC) by adopting their model public records policy for Tennessee's local government entities.

**City Recorder's Office - Performance Measures**

<i>Output</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure effective delivery of municipal services"	Property Tax Relief	408	404	425
	Open Records Requests Processed	1,746	1492	1600
"To improve the City's financial health"	Municipal Court fines collected	\$310,180	\$318,727	\$325,000
	Municipal Court cases processed	3,901	3,897	3,950
"To provide a positive business environment"	Property tax credit card payments processed	\$47,768	49,100	0

<i>Efficiency</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure efficient delivery of municipal services"	Credit card system maintained at			
	"Swim Complex"	Yes	Yes	Yes
	Implemented records scanning system	Yes	Yes	Yes
	Staff member certification from TN	Yes	Yes	Yes
	Association of Municipal Clerks			
	Staff Member obtained Municipal Court Clerk Certification	N/A	N/A	Yes

**FY2018 PERFORMANCE OBJECTIVES**

**1. Retention of Certified Municipal Finance Officers (CMFO) Certification**

**Target Date: December, 2018**

Continuing education credits (25) must be earned throughout the year to retain certification. Several classes and seminars are offered thru the Government Finance Officers Association (GFOA) and other such organizations. The Secretary of State also has a state certified program entitled "Tennessee Association of Municipal Clerks and Recorders" (TAMCAR). TAMCAR certification also requires continuing education credits each year. (Responsive Effective Local Government, Objective 2)

**2. Obtaining the Municipal Court Clerk Certificate**

**Target Date: March, 2018**

The City Recorder's Offices needs to send an employee to classes to obtain their Municipal Court Clerk Certificate. The Municipal Court Clerk's Certificate Program is designed to help both new and the experienced Court Clerk develop the knowledge, skill, and ability required for successful court management. This program shall provide effective training and educational opportunities for municipal court clerks throughout Tennessee over a three-year cycle of recorded learning towards a certificate. The first class (for our new employee) will be offered in March 2018. (Responsive Effective Local Government, Objective 2)

**3. Direct Deposit for Garbage Payments**

**Target Date: June, 2018**

The Recorder's office wants to expand its accounts receivable capabilities by allowing the businesses to pay their garbage invoices by direct deposit/automatic clearing house (ACH). Currently only three garbage accounts are received through this ACH system. However, several more accounts have requested information about setting up their payments through this method. (Responsive Effective Local Government, Objective 2; Vibrant Economy, Objective 1)

**4. Collection Agency for Court**

**Target Date: June, 2018**

The agency previously used for the collection of old court costs and fines has gone out of business. The City will consider utilizing another firm. (Responsive Effective Local Government, Objective 2-3)

**5. Credit Card Collection Agency for Property Tax Payments**

**Target Date: June, 2018**

The contract the City of Tullahoma had with its third party vendor for the processing of credit card payments for property taxes that were paid on line was terminated by the State of Tennessee on April 15, 2017. The City of Tullahoma will need to seek a new third party vendor for its credit card payment processing services of property taxes paid on line.

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
City Recorder	1	1	1
Accounting Clerks	2	2	2.5
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3.5</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>CITY RECORDER (08)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	95,743	98,901	99,713	99,404	102,430
Salaries-Overtime	0	0	500	500	500
Salaries- part-time	0	931	7,500	7,363	9,500
Salaries - Bonus	680	1,240	1,320	1,320	920
OASI	7,118	7,186	7,980	7,763	8,671
Health & Life Ins.	24,510	32,905	31,756	31,756	33,026
Retirement	4,867	5,410	6,148	5,718	6,598
Unemployment Insurance	108	64	135	64	135
Election Expense	3,582	21,792	3,000	2,261	24,000
Postage	16,400	16,333	18,400	16,863	16,400
Printing & Publication	302	2,988	2,740	2,444	2,240
Membership & Dues	195	320	331	190	331
Telephone Service	0	0	0	0	181
Hiring Expense	0	0	181	181	0
Contracted Services	0	0	1,300	0	3,300
Information Technology	5,800	0	8,530	7,310	13,530
Maintenance & Repair	0	6,880	0	0	0
Training	1,435	1,386	2,251	1,109	2,251
Office Supplies	1,294	1,236	1,321	1,207	1,321
Operating Insurance	1,742	1,260	1,451	1,441	1,480
Depreciation Transfer	0	0	8,000	8,000	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	0	0	0	0	0
<b>TOTAL:</b>	<b>163,776</b>	<b>198,833</b>	<b>202,558</b>	<b>194,893</b>	<b>226,814</b>

## HUMAN RESOURCES DEPARTMENT

The Human Resources Department is responsible for recruitment and retention of qualified employees, development and enforcement of the City’s personnel regulations, and coordination of the performance evaluation system. This Department is responsible for maintenance of the City’s classification and compensation plan, and the coordination of employee training and development. The Department is also responsible for risk management programs, including the infectious disease program, drug and alcohol program, wellness program, and the return-to-work program. The Management of employee benefits such as health insurance, retirement, disability, life insurance, and worker’s compensation is another primary function. Human Resources also ensures compliance with local, state, and federal laws pertaining to employment practices. The Safety Committee seeks to minimize work related injuries and illnesses through safety training and development of safety programs.

The Human Resources Department supports the following elements in Tullahoma's Strategic Plan:

- Safe, Caring & Diverse Community: Objectives 1, 4
- Responsive Effective Local Government: Objectives 1,2

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$ 99,375	\$122,783	\$148,721	\$153,580
Operating Expenses	\$ 19,242	\$ 15,858	\$ 35,866	\$ 45,593
Capital Outlay	\$ 644	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$ 119,261</b>	<b>\$138,641</b>	<b>\$184,587</b>	<b>\$199,173</b>

### BUDGET COMMENTS

FY2018 budget shows an increase in the Human Resource Department of approximately 8%, which part of the increase was due to the City adopting step raises for employees, an increase in health coverage and wellness initiatives for FY2018.

### FY2017 ACCOMPLISHMENTS

- ***Employee Wellness Program (Safe, Caring and Diverse Community, Objective 4)***  
An Employee Fitness Challenge was initiated in 2016 and the second annual challenge was held in the fall of 2017. The challenge measures employees on fitness standards related to cardiovascular endurance, muscular endurance, flexibility and muscular strength. Employees who volunteered for the challenge had to meet standards based on their gender and age to receive a fitness incentive. In the second year of the program,

**FY2017 ACCOMPLISHMENTS (continued)**

employees were required to participate in a city sponsored walking program or use the community center during the fitness period. The city had participation from 48% of our full-time employees and 97% met the requirements to receive an incentive. Of the employees who responded to a survey, 64% noticed physical improvements and 86% noticed an increase in employee morale.

- ***Annual Service Awards Banquet (Safe, Caring and Diverse Community, Objective 4)***

The 8<sup>th</sup> Annual Service Awards Banquet was held in May 2017 and twenty employees were recognized. Of those employees, four had 25 years of services and one had 20 years of service. The Mayor, Aldermen, City Administrator and Department Heads in attendance took the opportunity to show their appreciation for their years of service and contribution to the city.



- ***Employee Annual Health Fair (Safe, Caring and Diverse Community, Objectives 1, 4)***

The 19<sup>th</sup> annual Employee Health Fair was held in partnership with Tennova Healthcare Harton. There were 112 attendees which was a 37.5% increase compared to the prior year. These results were due in part to extending an invitation to spouses of employees who have family health insurance. Attendees had the opportunity to visit 23 booths that provided free medical testing, free flu shots and wellness information. The health fair also included a booth on our employee wellness program to encourage employees to participate in the Employee Fitness Challenge.

**Human Resources Department - Performance Measures**

<i>Output</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure effective, efficient delivery of municipal services	Applications Reviewed and Processed	648	415	400
	Full-Time Employees Hired	23	18	15
	Part-Time Employees Hired	98	81	80
	Workers Compensation Claims Filed	16	21	18
	OSHA reportable Incidents	16	21	18
	Staff Training Hours Provided	15	12	15

**Human Resources  
Performance  
Measures (cont.)**

<i>Efficiency</i>				
City Goal	Performance Indicators	Actual	Actual	Budget
		FY2016	FY2017	FY2018
"To create a nurturing environment"	Safety Programs in Place	Yes	Yes	Yes
	Conducted Safety Training	Yes	Yes	Yes
	Performance Evaluation System	Yes	Yes	Yes
	Employee Assistance Plan	Yes	Yes	Yes
"To ensure effective, efficient delivery of municipal services"	Revised personnel Policies and Regulations	Yes	No	Yes
	Annually Review Benefits Plan for Cost Savings	Yes	Yes	Yes

**FY2018 PERFORMANCE OBJECTIVES**

**1. Employee Wellness Program**

**Target Date: September 2017**

The Safety/Wellness committee will continue to build on the program by providing employees with resources and incentives to improve their health and wellness. Research the cost impact of recommendations and determine funding sources. (Safe, Caring and Diverse Community, Objective 4)

**2. Personnel Regulations**

**Target Date: October 2017**

Update the current personnel regulations by developing new policies to meet the requirements of recent employment law changes and other legislative mandates. Revise existing regulations as needed to clarify and enhance policy implementation. (Safe, Caring and Diverse Community, Objective 4)

**3. Employee Health Fair**

**Target Date: October 2017**

Coordinate a successful health fair for City employees with the local hospital. Provide free medical testing and inoculations, wellness information and access to benefit representatives. (Safe, Caring and Diverse Community, Objectives 1, 4)

**4. Supervisor Training Program**

**Target Date: April 2018**

Conduct supervisor training to include topics on employment law, effective management skills and personnel policies and procedures. (Responsive, Effective Local Government, Objective 2)

**5. Service Awards Banquet**

**Target Date: May 2018**

Organize the annual Service Award Banquet which recognizes employees with milestone anniversaries. Plan the event and make necessary arrangements for the awards ceremony and banquet. (Safe, Caring and Diverse Community, Objective 4)

**FY2018 PERFORMANCE OBJECTIVES (continued)**

**6. *Human Resources Information System***

***Target Date: May 2018***

Research options for a Human Resources Information System (HRIS) that provides single source benefits enrollment, employee access to personnel forms and other functions that can improve department efficiency and service provided to employees. (Safe, Caring and Diverse Community, Objective 4)

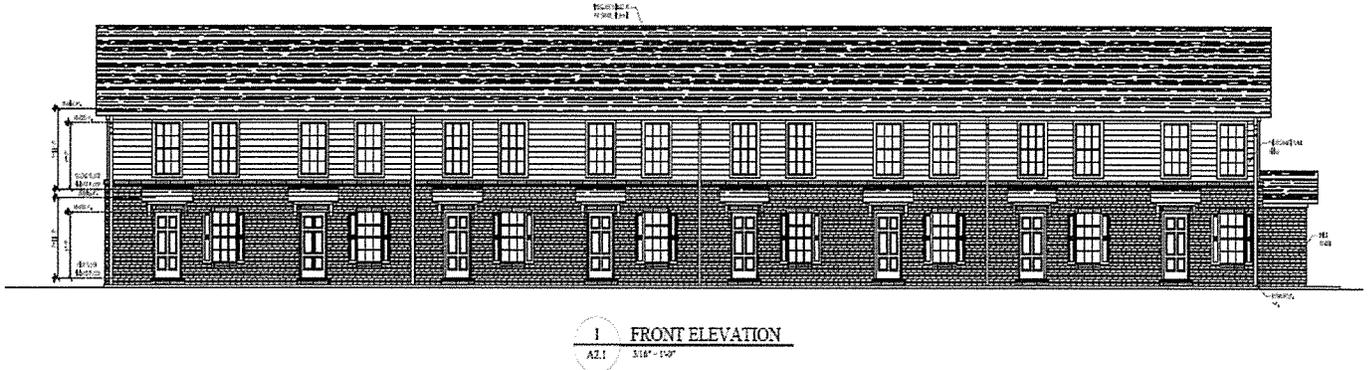
**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Human Resources Director	1.0	1.0	1.0
HR Assistance	1.0	1.0	1.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



## PLANNING AND CODES DEPARTMENT

The Planning and Codes Department is responsible for the planning issues for the City of Tullahoma and its residents, inspections and plan review for all new and existing buildings, and Municipal Code Enforcement. The Planning and Codes Department participates in and coordinates the site review and development process, comprehensive planning, enforcement of zoning and subdivision regulations, plan review and permit process with city departments and agencies, code administration and development



The Planning and Codes Department supports the following elements in Tullahoma’s Strategic Plan:

- Vibrant Economy: Objective 1
- Sustainable Healthy Environment: Objectives 1-4
- Responsive Effective Local Government: Objectives 2, 4
- Safe, Caring and Diverse Community: Objective 2

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$ 202,032	\$ 205,643	\$ 247,598	\$ 277,621
Operating Expenses	\$ 48,718	\$ 52,613	\$ 56,075	\$ 51,005
Capital Outlay	\$ 1,089	\$ 0	\$ 0	\$ 0
<b>Total</b>	<b>\$ 251,839</b>	<b>\$ 258,256</b>	<b>\$ 303,673</b>	<b>\$ 328,626</b>

### BUDGET COMMENTS

The FY2018 budget reflects an overall increase of approximately 9%, which reflects the full year increase in salaries due to certifications achieved by the inspectors, compensation plan steps, cost of living adjustments, and changes in health insurance electives.

## FY2017 ACCOMPLISHMENTS

- ***Updated the City's Zoning Ordinance (Sustainable Healthy Environment, Objectives 1-4, Vibrant Economy, Objective 1)***  
The Planning & Codes staff, assisted by the Planning Commission, recommended amendments to the City's Zoning Ordinance that would provide more information and guidance to citizens and developers with development regulations. The Planning Commission and the staff also recommended consolidating the Planning Commission and the Board of Zoning Appeals for consistency with the interpretation and application of zoning regulations.
- ***Consolidated the Sign and Landscaping Ordinances into the Zoning Ordinance (Sustainable Healthy Environment, Objectives 1-4, Vibrant Economy, Objective 1)***  
The Planning & Codes staff, assisted by the Planning Commission, recommended adding the regulations of the Sign and Landscaping Ordinances as a new Article and new sections to the City's Zoning Ordinance. The amendments will merge the regulations into one document that will create continuity of development regulations.
- ***Certifications of Building Code Inspectors (Sustainable Healthy Environment, Objective 2, Responsive, Effective Local Government, Objective 2)***  
Both of the Building Inspectors in the Planning and Codes Department passed the ICC certification examinations for the International Building Code, International Plumbing Code, International Mechanical Code and International Residential Code. Being certified in each code allow the inspectors to perform several different types of inspections for new and renovated structures in the city. These inspections are important to protect the safety and welfare of the citizens
- ***Updated and implementation of the Slum Clearance Ordinance (Sustainable Healthy Environment, Objectives 1-4, Vibrant Economy, Objective 3)***  
The purpose of the Slum Clearance Ordinance is to remedy, by repairs or demolition, the existence of structures in the city that are either unsafe, unsanitary, dangerous, or detrimental to the health, safety, and welfare of city residents. The Planning & Codes staff recommended to the Planning Commission amendments to the City's Slum Clearance Ordinance to clarify the appeals process & to adjust the definition of the term "public officer."



**Sign ordinance example**

## Planning and Codes Department - Performance Measures

<i>Output</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure effective delivery of municipal services."	Number of Code Complaints Received	351	214	193
	Number of Code Violation Notices Issued	215	135	150
	Number of Violations Corrected	233	110	140
	Number of Cases Filed in Court	5	6	3
"To provide a positive business environment" "Improved Infrastructure"	Building Permits Issued	267	332	364
	No. of Building Inspections Performed	1,055	1,451	1,591
	No. of Certificates of Occupancy Issued	83	112	123
	Value of Building Permits Issued	\$17,768,853	\$20,741,521	\$25,926,834

<i>Efficiency</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure efficient delivery of municipal services."	Average Response Time in Calendar Days for			
	Initial Inspection of Code Violations	3	3	3
	Average Response Time in Calendar Days for			
	Progressions From Inspector's Report to			
	Voluntary Compliance or legal action	10	10	10
	Number of property maintenance cases brought into compliance per 1,000 population	12.5	5.9	8
	% Number of violations brought into compliance per 1,000 population	66%	63%	73%
	Average number of days for issuance of			
	residential permit	1	1	1

**FY2018 PERFORMANCE OBJECTIVES**

**1. Update the City’s Comprehensive Development Plan**

**Target Date: May 2018**

The City will solicit proposals from qualified Planning Consultants for the preparation of a community-wide comprehensive plan. The area to be considered in this comprehensive plan shall include the area located within the City’s urban growth boundary. The updated plan is intended to be the principal guide for community and governmental decision-making regarding land use, zoning, transportation planning, utility capacity and construction, economic development, traffic management, recreation, capital budgeting, provision of municipal services and facilities, housing, and community engagement. (Vibrant Economy: Objective 1; Sustainable Healthy Environment: Objectives 1-4)

**2. Revise Tullahoma Subdivision Regulations**

**Target Date: February 2018**

The Planning and Codes Department will undertake a complete revision of the current document to ensure compatibility with other related development regulations. (Vibrant Economy: Objective 1; Sustainable Healthy Environment: Objectives 1-4; Responsive Effective Local Government: Objectives 2, 4; Safe, Caring and Diverse Community: Objective 2)

**3. Adopt a more current version of the Building Codes**

**Target Date: January 2018**

The Planning and Codes Department will recommend the Board of Mayor & Aldermen to adopt either 2012 or 2015 versions of the ICC Codes currently adopted. Reason for the recommendation is for the city to comply with T.C.A § 68-120-101(b)(5)(A). (Sustainable Healthy Environment: Objectives 2-4; Responsive Effective Local Government: Objective 2; Safe, Caring and Diverse Community: Objective 2)

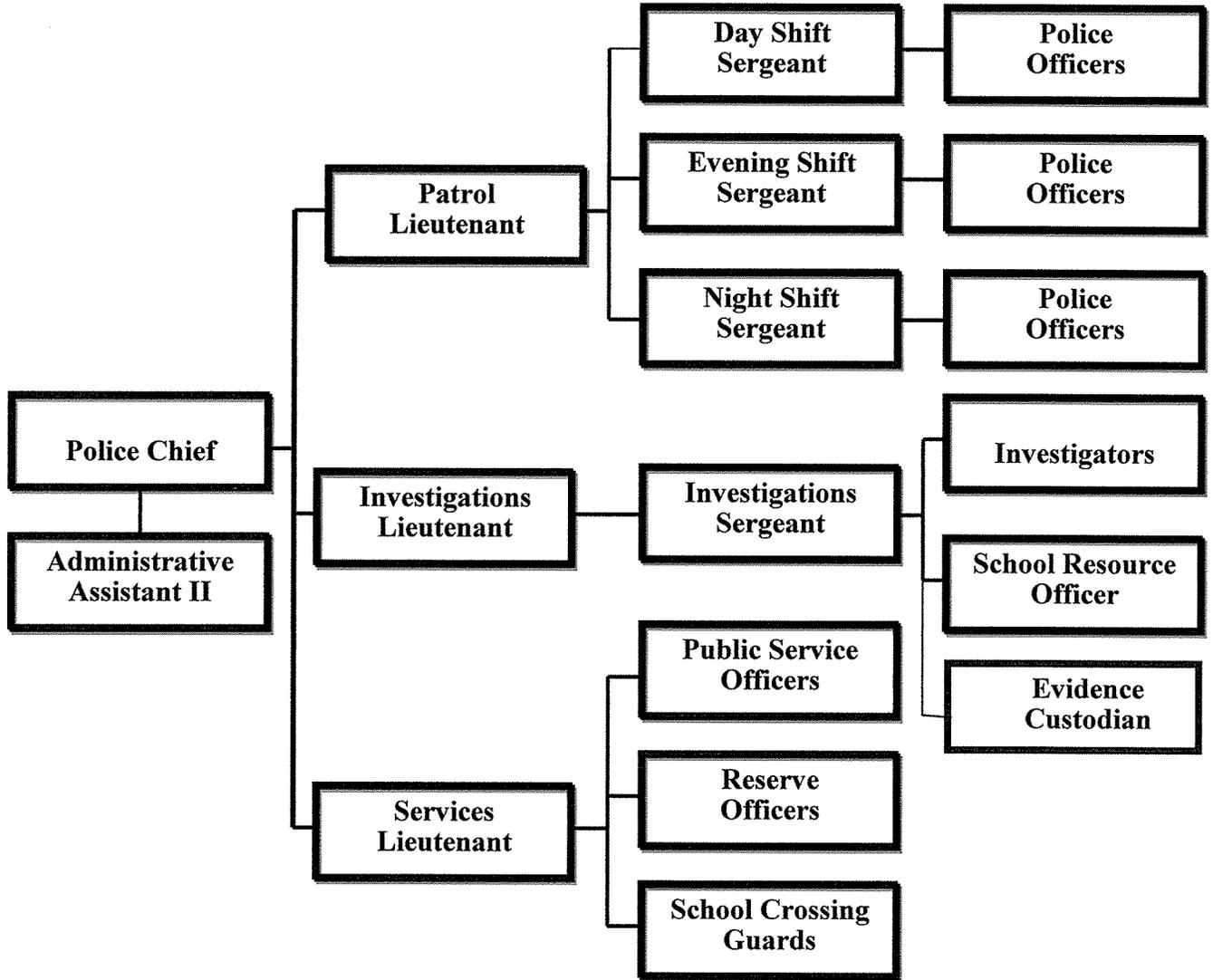
**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Director of Planning & Codes	1	1	1
Building Inspector	1	2	2
Administrative Secretary	1	1	1
Codes Enforcement (part-time)	1	0	0
<b>Total</b>	<b>4</b>	<b>4</b>	<b>4</b>

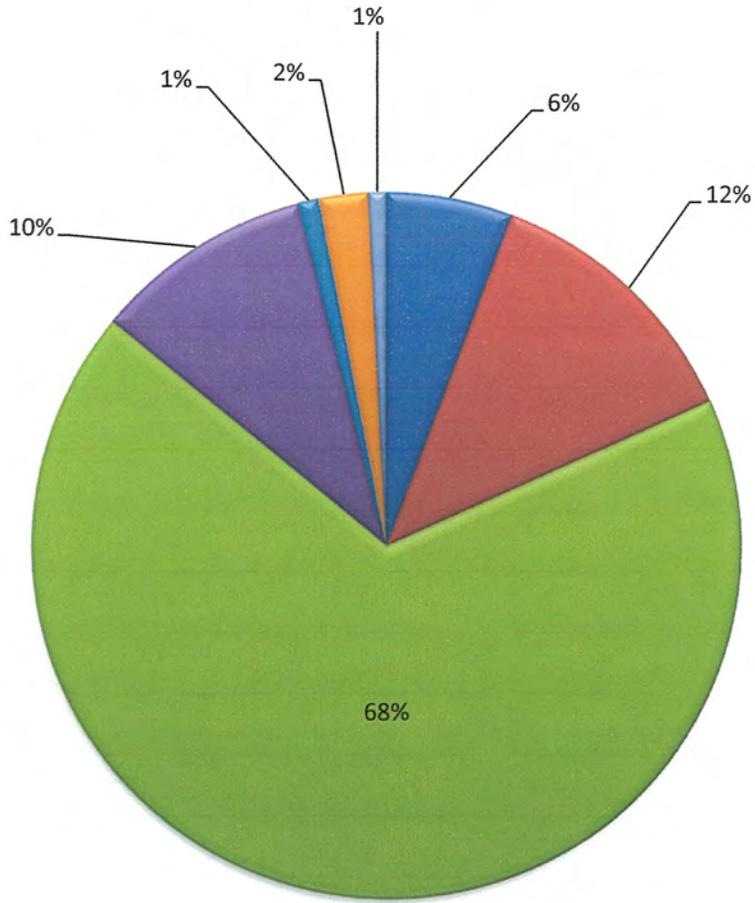
<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PLANNING (08)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	120,319	131,661	174,812	172,168	192,325
Salaries-Overtime	0	306	764	164	600
Salaries - Part time	14,956	17,050	3,000	2,782	0
Salaries - Bonus	760	2,808	868	868	288
OASI	9,699	11,099	13,294	12,803	14,781
Health Insurance	50,157	36,769	48,236	48,235	57,045
Retirement	5,897	5,798	11,520	10,385	12,366
Unemployment Ins.	244	152	216	193	216
Other Professional Services	12	3,908	2,150	802	4,300
GIS/Mapping	3,838	3,118	1,060	265	2,250
Administrative Hearing Services	450	0	0	0	0
Printing & Publications	2,546	4,036	4,000	3,190	4,000
Membership & Dues	405	110	990	718	990
Utilities - Electric	3,442	2,808	3,500	3,099	4,500
Utilities - Gas	669	429	1,000	452	1,000
Telephone Expense	1,300	1,806	2,000	1,707	2,000
Hiring Expense	79	492	400	367	200
Information technology	0	2,732	3,332	3,202	2,932
Planning Commission	612	2,639	3,400	3,290	3,200
Historic Zoning Commission	165	484	500	273	500
Maintenance & Repair	3,379	838	1,198	1,092	1,008
Repair of Building	5,105	3,963	1,800	34	4,800
Training	2,280	2,981	5,200	4,520	5,000
Office Supplies	1,166	1,984	2,400	2,248	2,000
Operating Supplies	1,701	1,493	2,000	1,176	2,000
Uniforms	349	120	1,150	1,126	1,000
Gas	1,249	1,126	1,500	1,422	1,500
Operating Insurance	9,471	6,548	7,671	7,092	7,824
Depreciation Transfer	10,500	11,000	20,000	20,000	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	1,089	0	0	0	0
<b>TOTAL:</b>	<b>251,839</b>	<b>258,256</b>	<b>317,959</b>	<b>303,673</b>	<b>328,626</b>

# City of Tullahoma

## Police



# POLICE EXPENSE



- ADMINISTRATION
- INVESTIGATION
- PATROL & TRAFFIC
- SUPPORT SERVICES
- SCHOOL PATROL
- SCHOOL RESOURCE OFFICER
- TRAINING

## POLICE DEPARTMENT

The Police Department operates under the direction of the Chief of Police to enhance the quality of life for the citizens and visitors of Tullahoma by providing for the safety of lives and property. The Department is divided into three divisions. The Patrol Division, under the command of a Captain, includes uniformed members of the department who have the responsibility of patrolling the streets of the city, responding to calls for service, traffic accident investigation, traffic law enforcement, suppression of crime, and supervising of Reserve Police Officers. The Patrol Division also includes the Special Operations Unit (Tactical Team). The Support Division, under the command of a Lieutenant, has responsibilities that include supervising School Crossing Guards and Public Service Officers, and acting as the liaison with the Police Chaplains. The Investigations Division, under the command of a Lieutenant, is responsible for the investigation of criminal offenses, undercover operations, narcotics detection and investigations, pawnshop records, vehicle seizures and inventories, and maintaining multi-jurisdictional contacts to apprehend offenders. The Investigations Division is also responsible for the preservation and maintenance of evidence, department assets and inventories, and information systems.



The Police Department supports the following elements in Tullahoma's Strategic Plan:

- Safe, Caring & Diverse Community: Objectives 1, 2, 4
- Responsive Effective Local Government: Objectives 2, 3
- Vibrant Economy: Objectives 1, 4

## FINANCIALS

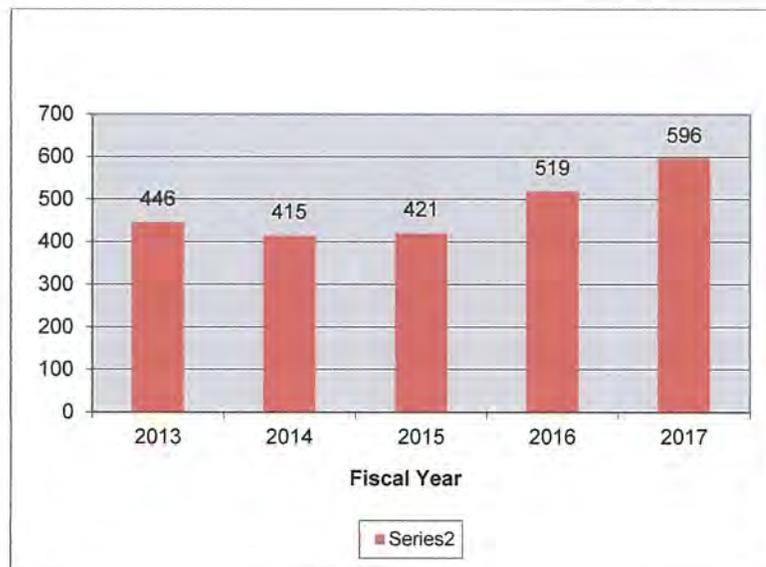
Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$2,480,643	\$2,567,021	\$2,683,747	\$2,834,393
Operating Expenses	\$ 492,125	\$ 453,593	\$ 509,000	\$ 436,560
Capital Outlay	\$ 13,016	\$ 58,919	\$ 10,500	\$ 0
<b>Total</b>	<b>\$2,985,784</b>	<b>\$3,079,533</b>	<b>\$3,203,247</b>	<b>\$3,270,953</b>

## **BUDGET COMMENTS**

The FY2018 overall budget shows approximately a 3% increase. Increases were due to a number of employees electing to change health coverage from single to family coverage, and the annual compensation step plan and cost of living adjustment. The decrease shown in operating expenses reflects amendments made during FY2017 for vehicle replacements.

## **FY2017 ACCOMPLISHMENTS**

- ***Monitored Accident Rates (Safe, Caring Diverse Community, Objective 1)***  
The rate of traffic accidents showed an increase of approximately 14.8%, from the previous fiscal year.



- ***Child Passenger System (Safe Caring Diverse Community, Objectives 1, 4)***  
Trained technicians provided 18 child seat inspections and replaced 23 systems for proper fit through the Child Passenger Restraint grant program. The Department has been recognized by the Governor's Highway Safety Office as the Child Passenger Restraint system agency for Middle Tennessee.
- ***Drug Take Back Program (Safe, Caring Diverse Community, Objective 1; Sustainable Healthy Environment, Objective 1)***  
The department, through the drug take-back program, disposed of 334 lbs. of expired prescriptions, over the counter medications, and intravenous instruments. The program was highlighted in a Public Service Announcement by Blue Cross Blue Shield of Tennessee and the Coffee County Anti Drug Coalition. The department participated in two public take back collections in conjunction with the Anti Drug Coaliton.
- ***Eddie Eagle Program (Safe, Caring Diverse Community, Objective 1,4)***  
The department, through the School Resource Officer (SRO) presented the program to third graders at the Elementary Schools. The program focuses on gun safety awareness and the actions the kids should take when exposed to a firearm - STOP - DON'T TOUCH

## **FY2017 ACCOMPLISHMENTS- (continued)**

- TELL AN ADULT. All the third grade classes at the four elementary schools were presented with the program.

- ***Media Involvement (Responsive Effective Local Government, Objective 3; Vibrant Economy, Objective 3)***

The Department provided 26 bi-weekly newspaper articles that address a wide variety of topics from motor vehicle operation, departmental programs, municipal ordinances, and public awareness. The Department also conducted approximately 52 local television interview

- ***Crime Reduction(Safe, Caring Diverse Community, Objective 1,4)***

Based on the Tennessee Bureau of Investigation Annual Crime Report (2016), the city saw an overall increase in the crime rate of 10.84%. The rate, although reflecting an overall increase, saw a reduction of 4.89% in crimes against persons. Property offenses increased by 13.92%.

- ***Grant Management(Responsive Effective Local Government, Objective 2,3)***

The department was successful in acquiring non matching grants in the total amount of \$29,898. The funds received were earmarked for equipment purchases and overtime associated with targeting impaired driving and improving dispatch and communications.



## Police Department - Performance Measures

<i>Output</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To provide for the safety and protection of all residents, visitors, and property"	Total Police Calls	25,102	27,107	27,649
	Incident Reports	3,542	3,892	3,970
	Violent Crimes	4.34	3.66	3.73
	Property Crimes	52.47	19.42	19.81
	Group A, Part 1 Crimes	117.6	53.6	54.7
"To provide a nurturing, sustainable, and healthy environment"				
	Sobriety Checkpoints & Saturation Patrols	3	3	4
	Drug Take Back Container (in pounds)	492	334	375
"Improve image and awareness"				
	Public Presentations	55	56	56
	Newspaper Topics of Interest	26	26	26
	Local TV Interviews	52	52	52
	Community Program Hours	Not tracked	88	90

<i>Efficiency</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure efficient delivery of municipal services"	Average Response Time to Emergency Calls	3 min	3 min	3 min
	Police Call Rate per 1,000 population	1,346	1,419	1,447
	Number Police Calls per Patrol Officer (26)	965	1,042	1,063
	Number Motor Vehicle Accidents per 1,000 population (combined injury & non-injury)	27.83	31.20	31.82
	Number of Injury-Producing Motor Vehicle Accidents per/1,000 pop.	4.8	5.4	5.5
	Percentage of Violent Crimes Cleared	59.25%	53.0%	54%
	Percentage of Property Crimes Cleared	18.39%	29%	29.6%
	Group A, Part 1 Crimes Cleared	45.72%	44.28%	45.17%
	Assigned Cases per Investigator (Yr. Avg.)	130.9	123	125

## **FY2018 PERFORMANCE OBJECTIVES**

- 1. *Physical Facility Upgrades*** ***Target Date: June 30, 2018***  
Initiate the building process for a new facility. Funding and location are determined. Conduct Request For Qualifications (RFQ), select Architect and Contractor in the fall of 2017. Facility size and design to be determined but a structure no less than 10,000 square feet is desired for future operational needs. (Objective 2)
- 2. *Staffing Levels*** ***Target Date: June 30, 2018***  
Maintain maximum patrol levels by setting a minimal staffing level of five (5) officers on duty for each shift. (Responsive Effective Local Government, Objective 2; Safe, Caring Diverse Community, Objective 1)
- 3. *Sobriety Check Points & Saturation Patrols*** ***Target Date: June 30, 2018***  
Conduct sobriety checkpoints and/or saturation patrols on a monthly basis to detect, deter, and mitigate impaired driving. (Safe, Caring Diverse Community, Objective 1)
- 4. *Conduct traffic enforcement*** ***Target Date: June 30, 2018***  
Conduct an aggressive traffic enforcement program that contributes to safe and orderly movement of vehicles on the roadways. Utilizing grant funds, establish varying extra assignments to target high traffic areas. (Safe, Caring Diverse Community, Objective 1, Responsive Effective Local Government, Objective 2)
- 5. *Traffic Accident Reduction*** ***Target Date: June 30, 2018***  
Continue to work toward reducing traffic accidents. Continue the emphasis on traffic enforcement and a desired decrease in overall accidents of 3% for fiscal year 2018. (Safe, Caring Diverse Community, Objective 1)
- 6. *Mobil CAD Update*** ***Target Date: June 30, 2018***  
Continue to evaluate the Record Management System and a mobile CAD interface. Upon implementation the completion of reports and the dispatching to calls will be interfaced to reduce documentation steps and time. (Responsive Effective Local Government, Objective 2)
- 7. *College Incentive Program*** ***Target Date: June 30, 2018***  
Continue to encourage college attendance and work towards a City incentive plan. (Vibrant Economy, Objective 4, Safe, Caring Diverse Community, Objective 4)
- 8. *Provide Specialized and Quality Training*** ***Target Date: June 30, 2018***  
When possible, send officers to training courses that provide advanced training and knowledge. (Vibrant Economy, Objective 4, Safe, Caring Diverse Community, Objective 4)
- 9. *Adopt-A-Cop*** ***Target Date: June 30, 2018***  
The department, in conjunction with the Tullahoma City Schools, will continue to participate in a program to allow the Elementary schools to "Adopt a Cop". The officer will attend the various school events and coordinate with the Principal or other designated employee to create interaction between the students and the officers. Complete an entire school year with officers interaction with the elementary schools. (Safe, Caring Diverse Community, Objective 1)

**FY2018 PERFORMANCE OBJECTIVES - (continued)**



**10. TIP411**

***Target Date: June 30, 2018***

The department, in conjunction with the Coffee County Anti Drug Coalition (CCADC) will participate in the anonymous tip line provided by TIP411. The initial focus will be on the High School population and encourage students to notify authorities of activities that are detrimental students and the school. Sign-up and information is available at [tip411.com](http://tip411.com).

**11. NIXLE Mass Communication System**

***Target Date: June 30, 2018***

The department will continue to encourage citizens to enroll in the mass communication system provided by NIXLE. The current enrollment is minimal. In the coming year the department will conduct efforts to increase the enrollment by 10% during the fiscal year. The enrollment and information is available at [NIXLE.com](http://NIXLE.com).

**12. C.E.O. Program**

***Target Date: June 30, 2018***

The department will continue to participate in the Chamber of Commerce Creating Educational Opportunities (C.E.O.) program with all the schools in the Tullahoma City Schools system. Participation will be expanded to involve the officers assigned to the Adopt a Cop program.



**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Chief of Police	1	1	1
Police Captain	1	0	0
Patrol Captain	0	1	1
Patrol Lieutenant	1	0	0
Patrol Sergeant	3	3	3
Patrol Corporal	0	3	3
Police Officers	24	21	21
Police Officer -Housing Authority	1	1	1
Police Officer - School Resource	1	1	1
Services Lieutenant	0	1	1
Investigations Lieutenant	1	1	1
Investigations Sergeant	1	1	1
Investigators	2	2	2
Investigator - Community Serv. Inv.	1	1	1
<b>Total Certified Officers</b>	<b>37</b>	<b>37</b>	<b>37</b>
Chief's Admin Assistant	1	1	1
Public Service Officer I	1	1	1
Public Service Officer II	3	3	3
School Crossing Guard (P/T)	9	9	9
Reserve Police Officer (P/T)	7	7	7
Evidence Custodian (P/T)	1	1	1
<b>Total Non-Certified Employees</b>	<b>22</b>	<b>22</b>	<b>22</b>
<b>Total</b>	<b>59</b>	<b>59</b>	<b>59</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>POLICE ADMINISTRATION (10)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	107,327	112,361	124,095	124,030	127,797
Salaries - Bonus	1,480	5,369	1,880	1,880	1,720
OASI	8,370	9,052	9,683	9,676	9,908
Health Insurance	15,558	14,718	17,610	17,610	18,314
Retirement	5,355	6,042	7,522	7,024	8,192
Unemployment Ins.	108	64	108	64	108
Postage	70	29	100	78	100
Printing & Publications	780	768	800	772	800
Membership & Dues	240	300	385	300	385
Utility Services	1,212	1,352	1,575	1,314	1,575
Telephone Services	1,160	1,088	1,250	1,080	1,250
Maintenance & Repair	3,549	3,498	3,400	3,019	3,400
Training	1,753	2,320	3,195	3,048	3,195
Office Supplies	136	113	300	293	300
Operating Supplies	2,100	1,860	2,000	1,662	2,700
Citizens Police Academy	1,184	0	540	191	540
Uniforms	272	260	325	292	325
Gas	695	432	750	461	750
Operating Insurance	4,618	3,883	4,572	4,345	4,956
Depreciation Transfer	7,500	8,000	20,000	20,000	0
Restricted Capital	<u>20,099</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL:</b>	<b>183,566</b>	<b>181,508</b>	<b>200,089</b>	<b>197,138</b>	<b>186,316</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>INVESTIGATION (11)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	218,532	218,974	242,026	240,908	247,373
Salaries - Overtime	7,499	9,789	7,771	7,292	7,000
Court Pay	90	218	300	0	300
Salaries - Bonus	2,480	9,399	3,440	3,440	3,400
OASI	16,798	17,421	19,148	18,536	19,743
Health & Life Ins.	58,081	62,018	63,512	63,512	66,052
Retirement	9,950	10,140	12,251	12,188	16,305
Unemployment Ins.	270	160	270	160	270
Professional Services	0	161	0	0	0
Printing & Publication	463	1,355	1,900	1,654	1,900
Telephone Services	3,505	3,805	4,200	3,960	6,200
Maintenance & Repair	2,001	6,785	2,000	1,372	5,400
Office Supplies	442	505	750	737	750
Operating Supplies	1,711	1,471	2,250	1,869	2,250
Restricted Supplies	780	1,172	1,500	530	1,500
Uniforms	436	1,359	2,625	2,125	2,125
Gas	8,617	5,985	6,137	5,909	9,137
Operating Insurance	13,676	10,458	12,424	12,298	14,914
Depreciation Transfer	15,000	15,000	25,000	25,000	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL:</b>	<b>360,331</b>	<b>376,176</b>	<b>407,505</b>	<b>401,491</b>	<b>404,619</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PATROL/TRAFFIC (12)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	1,081,958	1,110,781	1,175,887	1,169,071	1,231,370
Salaries-Overtime	32,813	47,707	61,000	60,814	54,007
Court Pay	17,986	17,626	15,500	11,620	18,500
Salaries - Bonus	7,680	18,120	8,320	8,320	5,200
OASI	81,443	85,805	95,300	89,770	100,144
Health Insurance	411,743	385,854	390,171	387,369	420,033
Retirement	44,127	56,965	69,138	67,743	83,578
Unemployment Ins.	1,559	1,179	1,674	1,029	1,674
Professional Service	65	882	1,200	681	1,000
Radio Repair	2,261	1,039	3,000	2,990	3,000
Vehicle Tow Charges	575	570	600	577	600
Printing & Publication	4,715	4,906	5,465	5,408	5,200
Membership and Dues	300	300	400	300	400
Telephone Services	6,226	6,644	7,200	6,192	9,200
Hiring Expense	1,701	2,866	2,900	2,831	2,581
Crime Lab Reports	0	634	285	40	285
Maintenance & Repair	76,142	65,947	50,744	47,228	52,744
Office Supplies	1,041	721	1,750	1,324	1,750
Operating Supplies	6,972	4,912	5,400	5,254	5,400
Community Service Fund	644	255	450	201	450
SWAT Supplies	1,679	0	200	0	3,000
Accident Reconstruct	125	30	375	88	375
Law Enforcement Fines	2,641	3,100	4,700	4,365	4,700
Uniforms	6,307	9,358	12,000	10,376	12,000
RAD Program	175	100	250	0	250
Gas	78,249	54,022	60,012	56,745	66,012
Operating Insurance	103,856	96,143	106,227	106,222	107,780
Depreciation Transfer	60,000	92,000	55,000	55,000	0
Purchase of Equipment -large	0	13,900	0	0	0
Purchase of Equipment-small	8,027	0	60,374	40,103	0
<b>TOTAL:</b>	<b>2,041,010</b>	<b>2,082,367</b>	<b>2,195,523</b>	<b>2,141,660</b>	<b>2,191,234</b>

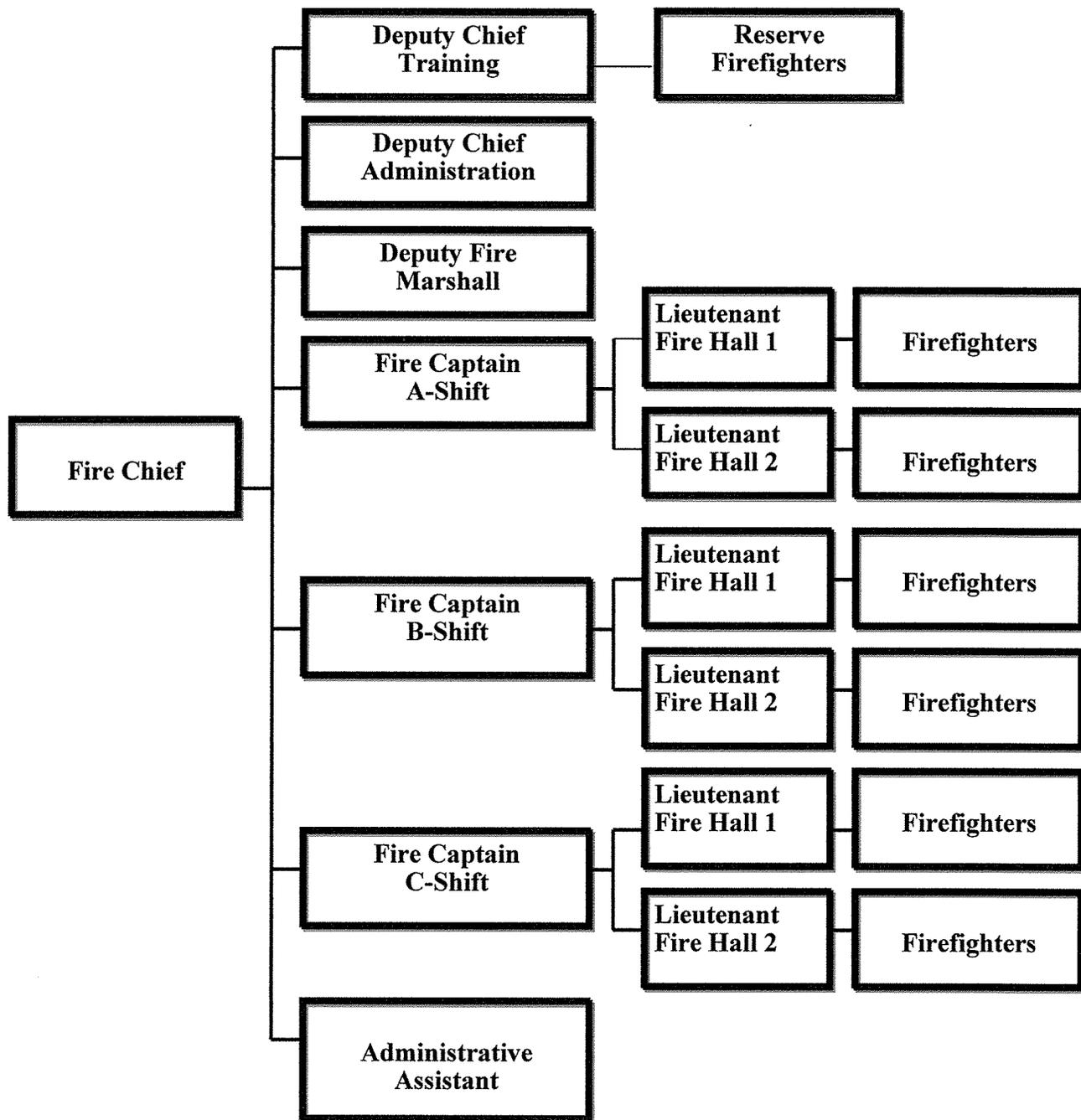
<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>SUPPORT SERVICES (068)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	148,115	156,677	185,317	184,200	176,567
Salaries-Overtime	3,127	3,739	4,700	3,849	3,700
Salaries-Parttime	24,165	24,280	25,217	24,886	28,091
Salaries - Bonus	2,800	7,457	3,600	3,600	3,200
OASI	12,868	13,919	16,698	16,065	16,184
Health Insurance	69,495	62,018	56,395	54,502	60,498
Retirement	7,114	7,472	9,764	8,152	11,555
Unemployment Ins.	363	268	360	241	360
Printing & Publication	2,487	2,636	3,785	2,962	4,050
Telephone	600	600	600	600	600
Hiring Expense	728	0	0	0	0
Information Technology	4,020	4,918	7,145	6,967	7,145
Maintenance & Repair	1,266	576	3,850	2,250	3,850
Office Supplies	82	153	250	70	250
Operating Supplies	361	351	400	274	400
Uniforms	2,161	565	2,165	1,928	2,125
Gas	698	513	999	736	999
Operating Insurance	5,876	6,049	6,552	6,350	6,552
Depreciation Transfer	7,500	8,000	20,000	20,000	0
Purchase of Equipment	0	10,987	0	0	0
Other Equipment Purchase	0	8,632	0	0	0
<b>TOTAL:</b>	<b>293,825</b>	<b>319,809</b>	<b>347,796</b>	<b>337,632</b>	<b>326,126</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>SCHOOL PATROL (15)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Parttime	19,851	23,752	22,592	21,905	25,592
OASI	1,519	1,822	1,958	1,676	1,958
Unemployment Ins.	155	61	144	65	144
Uniforms	418	764	760	239	800
Operating Insurance	1,864	1,498	1,920	1,864	1,920
<b>TOTAL:</b>	<b>23,807</b>	<b>27,898</b>	<b>27,375</b>	<b>25,749</b>	<b>30,414</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>SCHOOL RESOURCE OFFICER (16)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Regular	37,645	39,159	41,276	40,513	42,033
Salaries-Overtime	179	211	484	226	200
Court Pay	26	0	0	0	0
Salaries-Bonus	640	1,457	960	960	760
OASI	2,743	2,922	3,191	2,985	3,289
Health Insurance	16,711	16,531	15,878	15,878	16,513
Retirement	1,777	1,847	2,473	1,957	2,707
Unemployment Ins.	54	32	54	32	54
Telephone	600	600	920	600	920
Maintenance & Repair	33	788	1,784	1,105	1,400
Training	0	544	300	150	600
Uniforms	0	309	325	69	325
Gas	577	852	900	713	900
Operating Insurance	2,220	2,287	3,387	2,454	3,387
Depreciation Transfer	7,000	4,000	10,000	10,000	0
Equipment (Vehicle)	0	0	0	0	0
<b>TOTAL:</b>	<b>70,205</b>	<b>71,539</b>	<b>81,932</b>	<b>77,641</b>	<b>73,089</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TRAINING (19)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Printing & Publication	0	190	200	195	200
Training	8,807	16,238	19,225	17,164	21,225
Office Supplies	0	0	50	0	50
Operating Supplies	4,074	3,637	4,546	4,389	4,574
Operating Insurance	159	173	199	187	203
Equipment purchase	0	0	0	0	0
<b>TOTAL:</b>	<b>13,040</b>	<b>20,237</b>	<b>24,219</b>	<b>21,936</b>	<b>26,252</b>

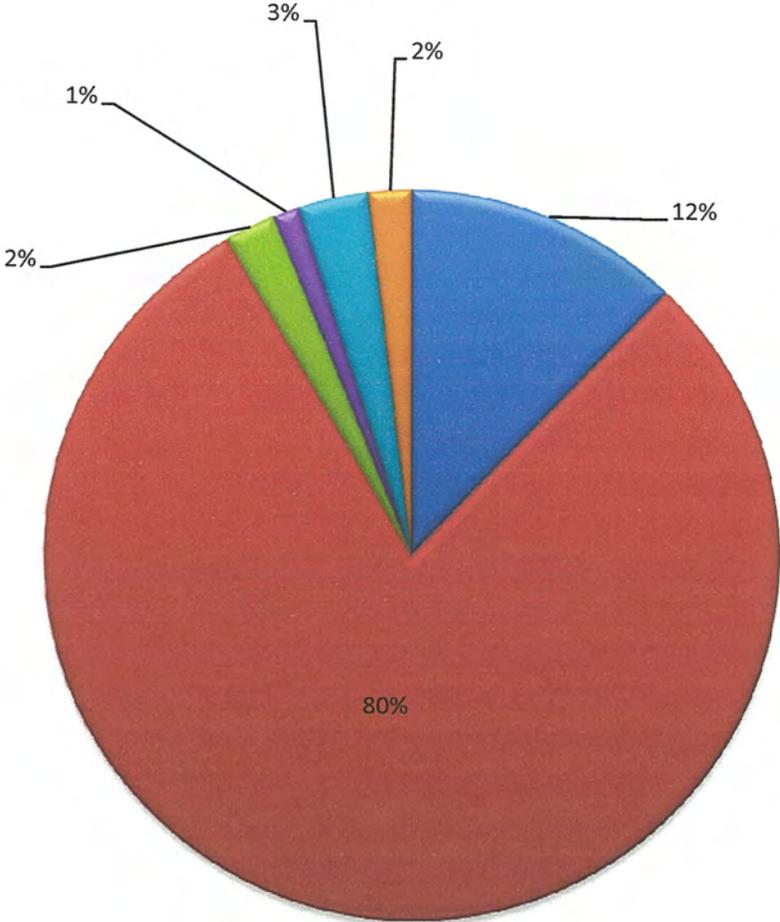
<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>DRUG FUND-Aministration</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries - Overtime	83	3,377	800	133	500
OASI	6	258	153	10	153
Retirement	0	0	0	0	0
Professional Service	0	0	0	0	0
Printing and Publications	0	0	0	0	0
Telephone Expense	0	0	0	0	0
Repair of Equipment	0	0	1,000	393	1,000
Training	695	2,707	1,000	384	500
Office Supplies	85	0	250	0	250
Operating Supplies	1,414	997	1,000	0	500
Community Service (DARE)	1,748	845	2,500	1,381	2,500
G.R.E.A.T. Program	0	0	0	0	0
Fingerprinting	1,330	1,500	1,500	1,500	1,500
Uniforms	0	0	0	0	0
Operating Insurance	0	0	0	0	0
General Expense	2,500	3,500	6,000	3,399	6,000
Purchase of Equipment	0	10,000	0	0	0
Other Equipment Purchased	4,989	5,400	20,000	10,725	20,000
<b>TOTAL:</b>	<b>12,850</b>	<b>28,583</b>	<b>34,204</b>	<b>17,924</b>	<b>32,903</b>

# City of Tullahoma

## Fire



# FIRE EXPENSE



ADMINISTRATION

SUPPRESSION

EMERGENCY ASSISTANCE

TRAINING

FIRE INSPECTION

BUILDING MAINTENANCE

## FIRE DEPARTMENT

The Fire Department protects life and property against fire, medical and other disastrous emergencies. Efforts are directed at preventing and suppressing fires and abatement of fire hazards. Fire suppression includes the training of staff and provision of equipment necessary to respond to fires, accidents, hazardous material incidents, and other man-made or natural disasters. Fire prevention services include fire inspections, fire cause investigations, pre-planning, fire suppression responses, analysis, and plans review of new buildings and renovation of existing buildings for compliance with fire safety codes. The department conducts fire safety educational programs in public and private schools as well as programs for local businesses and organizations. The department also provides mutual aid assistance to surrounding rural and municipal fire departments under written agreements.

The Fire Department supports the following elements in Tullahoma's Strategic Plan:

- Safe Caring Diverse Community: Objective 1
- Responsive Effective Local Government: Objective 2, 3

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$2,009,906	\$2,044,758	\$2,188,998	\$2,240,663
Operating Expenses	\$ 358,880	\$ 375,679	\$ 360,009	\$ 320,428
Capital Outlay	\$82,739	\$ 9,799	\$ 19,964	\$ 20,000
<b>Total</b>	<b>\$2,451,525</b>	<b>\$2,430,236</b>	<b>\$2,568,971</b>	<b>\$2,581,091</b>

### BUDGET COMMENTS

FY2018 shows an overall increase in the budget of 1%, which reflects annual compensation plan steps and cost of living adjustment, offset by equipment budgeting changes.



**FY2017 ACCOMPLISHMENTS**

- ***Tennessee Fire and Codes Academy (TFACA) (Safe, Caring Diverse Community, Objective 1)***  
Firefighters attended training classes attended, including aerial and pumper operations.
- ***TFACA Officer Training (Safe, Caring and Diverse Community, Objective 1)***  
Officers attended fire chief orientation school.
- ***Children’s Fire Education (Safe, Caring and Diverse Community, Objective 1)***  
Firefighters visited all Elementary schools in the city and delivered a fire safety message using the fire safety bounce house, adopted Fire Pup mascot, and remote control Fire Pluggie. Firefighters delivered fire programs to adults, civic organizations and businesses as requested.
- ***Smoke Alarm Program (Safe, Caring Diverse Community, Objective 1)***  
The Fire Department continued its partnership with the State Fire Marshal’s office, installing approximately 803 smoke alarms units in the city.

**Fire Department – Performance Measures**

<i>Output</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure effective delivery of municipal services"	Square Miles Served	22	22	22
	Total Housing Units	8,075	8,075	8,075
	Number of Stations	2	2	2
"To provide for the safety and protection of all property"	Total Emergency Calls	1,255	1300	1400
	Structure Fires Commercial	1	1	0
	Structure Fires Residential	12	11	5
	Motor/Vehicle Accidents	105	103	108
	EMS Rescue (total # of reported incidents)	641	567	639
	False Calls/Fire Alarms/Brush/Woods	112	618	648
	Burn Permits Issued	1,319	1,376	1,376
	Fire Inspections	629	699	750
	Installed smoked alarms	980	803	1300
	"To develop appropriate partnerships"	Fire Safety Public Education Participants	26,720	31,720
Training Hours		14,021	14,884	14,884

**Fire Department  
Performance  
Measures (cont.)**

<i>Efficiency</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure efficient delivery  of municipal services"	ISO Rating	3	3	2
	Firefighter Fire-Related Injuries/Deaths	1	0	0
	Civilian Fire-Related Injuries/Deaths	3	1	0
	Average Response Time in Minutes	1.34	1	0
	Fire codes violations cleared in 90 days	96%	92%	100%
	Met target travel time (240 sec. or less)	100%	100%	100%
	Met target ring time (15 sec)	100%	100%	100%
	Met target turnout time (80 sec or less)	100%	100%	100%
	Met target call response time (6 min. 35 sec)	100%	100%	100%

**FY2018 PERFORMANCE OBJECTIVES**

The tasks identified reflect a continued emphasis on fire prevention functions and the provision of appropriate training and equipment for fire suppression functions.

**1. *Check Fire Hydrants in City***

***Target Date: October, 2017***

Tulahoma Fire Department will check over 1,300 fire hydrants in the city. (Safe, Caring Diverse, Community, Objective 1)

**2. *Toys For Tots Program***

***Target Date: December, 2017***

Deliver toys to 500+ kids in need during Christmas time in Tullahoma. (Safe, Caring Diverse, Community, Objective 1)

**3. *Smoke Alarm Program***

***Target Date: Ongoing***

Continue smoke alarm program and fire extinguisher program for citizens in the corporate city limits. (Safe, Caring Diverse Community, Objective 1)

**FY2018 PERFORMANCE OBJECTIVES-(continued)**

**4. Children's Fire Education**

**Target Date: Ongoing**

Continue to visit every elementary school and educate children on fire safety. (Safe, Caring Diverse Community, Objective 1, Responsive Effective Local Government, Objectives 2, 3)

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Fire Chief	1	1	1
Deputy Chief	2	2	2
Admin Assistant	0	1	1
Captain	3	3	3
Lieutenant	6	6	6
Driver-Engineer II	13	13	13
Firefighter	6	6	6
Deputy Fire Marshall	1	1	1
Volunteer (part-time)	18	18	18
<b>Total</b>	<b>50</b>	<b>51</b>	<b>51</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FIRE ADMINISTRATION (10)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	162,236	172,595	191,590	191,587	195,677
Salaries- Part-time	0	4,063	16,250	15,444	16,250
Salaries-Bonus	3,560	9,567	4,040	4,040	3,920
OASI	12,307	13,728	15,997	15,507	16,512
Health Insurance	32,326	33,542	40,561	40,561	42,183
Retirement	7,991	8,429	9,454	9,448	12,543
Unemployment Ins.	162	110	162	143	162
Postage	15	0	75	0	75
Printing & Publications	197	133	42	42	42
Membership & Dues	822	814	965	964	965
Telephone Expense	6,152	6,018	6,800	6,774	5,200
Maintenance & Repair	532	1,798	3,750	3,709	3,750
Training	1,099	1,396	2,230	2,227	2,230
Office Supplies	744	975	965	943	965
Donated Prevention Materials	2,000	1,769	2,000	1,965	2,000
Uniforms	1,077	824	280	277	1,280
Gas	3,395	2,435	2,847	2,687	3,547
Operating Ins.	6,417	6,216	7,070	7,050	7,211
Depreciation Transfer	9,000	1,000	0	0	0
Purchase of Equipment - large	0	0	0	0	0
Purchase of Equipment - small	0	0	0	0	0
<b>TOTAL:</b>	<b>250,032</b>	<b>265,412</b>	<b>305,078</b>	<b>303,367</b>	<b>314,513</b>

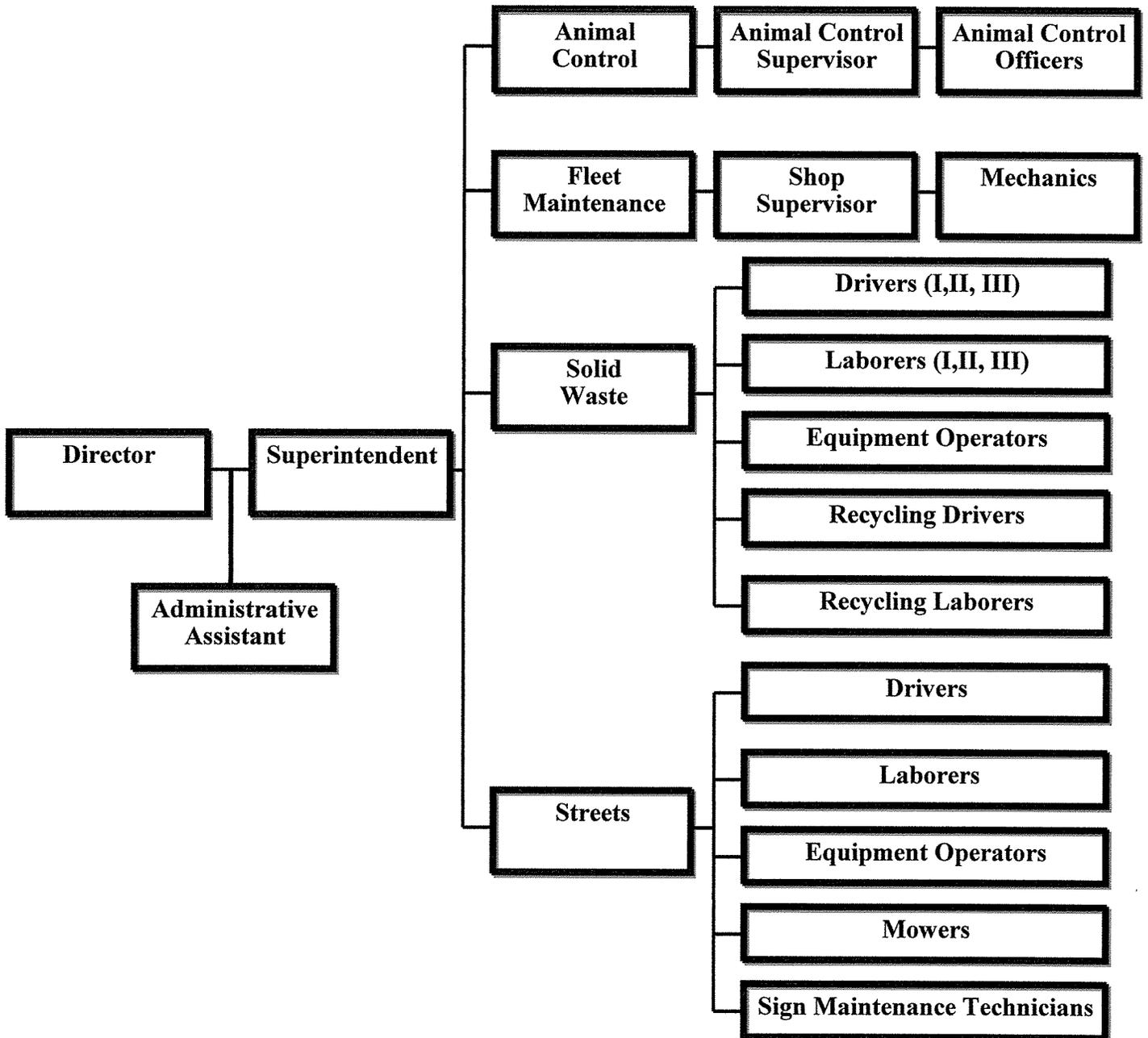
<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>SUPPRESSION (17)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Regular	1,133,048	1,147,654	1,220,041	1,215,241	1,199,489
Salaries-Overtime	3,964	4,382	8,107	7,962	6,500
Fire Call Back	33,428	44,665	38,500	34,575	38,500
Salaries - Bonus	6,120	21,602	12,400	12,400	7,640
OASI	84,877	87,817	93,446	91,837	95,788
Health & Life Ins.	378,848	372,746	367,222	367,220	396,308
Retirement	41,719	57,197	67,341	67,339	79,772
Unemployment Ins.	1,671	964	1,837	1,061	1,837
Professional Services	0	0	600	600	0
Radio Repair	3,644	3,571	3,175	3,170	3,175
Hiring Expense	5,894	5,754	4,760	4,730	6,760
Maintenance & Repair- Vehicles	44,578	52,425	44,773	43,981	44,773
Maintenance & testing - Equipment	3,779	7,528	7,745	7,742	7,905
Office Supplies	476	465	510	509	510
Operating Supplies	15,756	14,531	17,000	16,776	14,958
Fire Hose Replacement	498	3,369	2,300	2,215	3,800
Uniforms	11,840	9,579	12,780	12,777	14,000
Turnout Gear & Safety	12,241	8,954	11,032	11,017	9,202
Gas	12,311	8,629	11,256	10,439	11,256
Operating Insurance	86,866	71,509	79,702	79,672	87,282
Depreciation Transfer	41,000	23,034	25,000	25,000	0
Capital Outlay	0	0	0	0	0
Purchase of Equipment	80,465	0	10,000	0	0
Small Equipment	<u>2,274</u>	<u>9,799</u>	<u>20,000</u>	<u>19,964</u>	<u>20,000</u>
<b>TOTAL:</b>	<b>2,005,297</b>	<b>1,956,174</b>	<b>2,059,527</b>	<b>2,036,227</b>	<b>2,049,455</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>EMERGENCY ASSISTANCE (18)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
OASI	2,285	2,195	2,903	2,395	2,597
Unemployment Ins.	172	115	160	97	160
Salaries-Volunteer	29,875	29,536	33,069	30,463	33,949
Training	1,432	1,725	2,135	2,133	2,135
Storm Damage Expense	0	0	1,209	1,209	0
Uniforms	3,726	4,516	2,998	2,993	5,798
Operating Insurance	15,351	12,143	13,032	13,031	13,293
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>52,841</b>	<b>50,231</b>	<b>55,507</b>	<b>52,320</b>	<b>57,932</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TRAINING (19)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Training-Salaries	17,304	10,804	12,000	11,749	16,625
OASI	1,271	826	1,272	835	1,272
Retirement	30	352	531	525	1,066
Training	14,661	12,866	10,810	10,806	11,000
Operating Insurance	113	113	126	113	126
<b>TOTAL:</b>	<b>33,380</b>	<b>24,961</b>	<b>24,739</b>	<b>24,028</b>	<b>30,088</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>BUILDING MAINTENANCE (21)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Utilities	26,277	23,086	23,979	23,601	31,579
Sirens & Transmitter	2,070	1,073	1,996	1,983	2,146
Repair of Buildings	10,121	8,307	19,400	18,980	12,000
Operating Insurance	3,235	3,470	3,722	3,168	3,796
Depreciation Transfer	0	27,000	15,000	15,000	0
Purchase of Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>41,703</b>	<b>62,936</b>	<b>64,097</b>	<b>62,732</b>	<b>49,521</b>

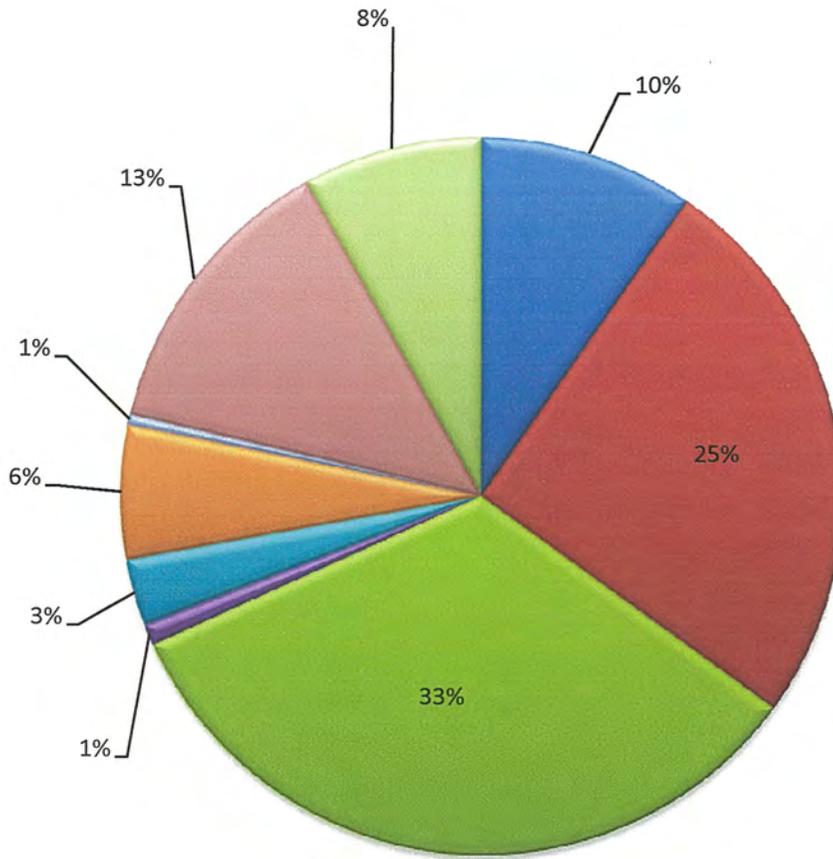
<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FIRE INSPECTION (22)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	42,533	46,497	52,327	52,186	54,147
Salaries - Bonus	760	2,582	840	840	880
OASI	3,444	3,810	4,117	4,108	4,210
Health & Life Ins.	7,753	7,359	8,805	8,805	9,157
Retirement	2,168	2,281	3,184	2,598	3,471
Unemployment Ins.	54	32	54	32	54
Printing and Publications	1,502	1,418	1,800	1,798	1,800
Telephone Expense	720	720	820	726	820
Maintenance & Repair	746	738	450	373	750
Training	183	0	350	248	350
Office Supplies	56	75	100	85	100
Operating Supplies	90	7	100	81	100
Uniforms	325	287	325	322	325
Gas	1,123	898	1,264	991	1,264
Operating Insurance	1,817	1,818	2,112	2,104	2,154
Depreciation Transfer	5,000	2,000	15,000	15,000	0
Purchase of Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>68,274</b>	<b>70,522</b>	<b>91,648</b>	<b>90,297</b>	<b>79,581</b>

# City of Tullahoma

## Public Works



## PUBLIC WORKS GENERAL FUND EXPENSE



■ ADMINISTRATION

■ STREET LABOR

■ STREETS/HIGHWAYS

■ STREET SIGNS

■ STORM WATER MANAGEMENT

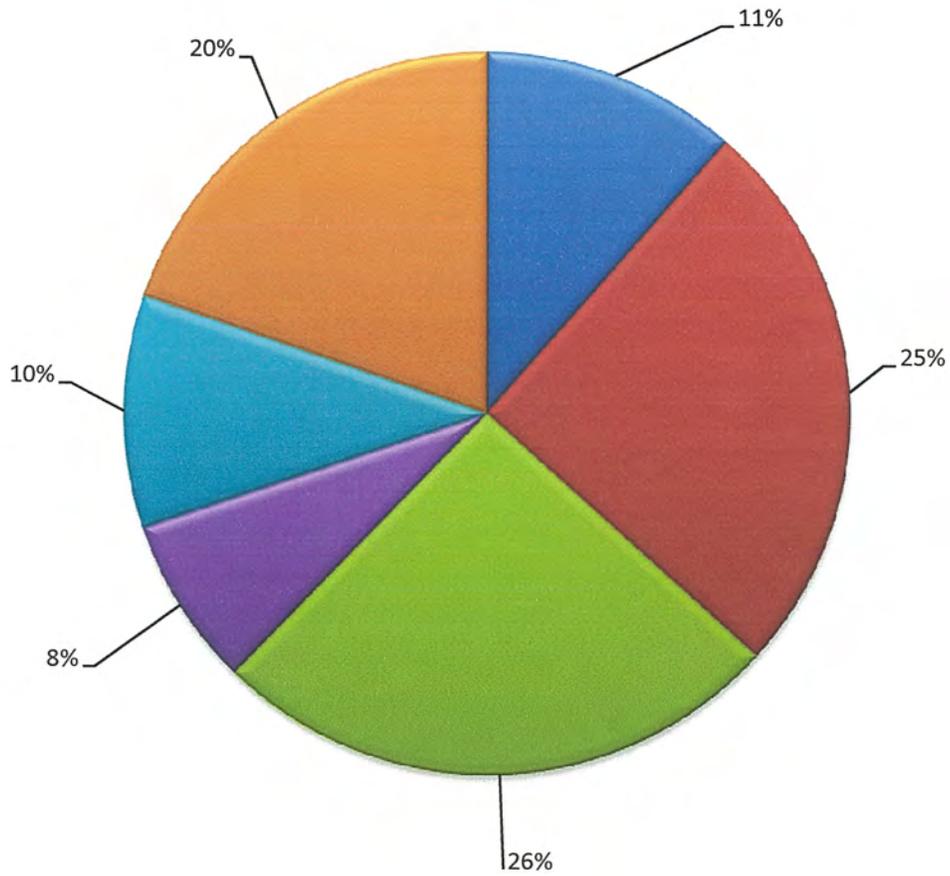
■ CEMETERY MAINTENANCE

■ R-O-W MOWING

■ FLEET MAINTENANCE

■ ANIMAL CONTROL

# SOLID WASTE EXPENSE



■ ADMINISTRATION

■ RESIDENTIAL GARBAGE

■ COMMERCIAL GARBAGE

■ BRUSH COLLECTION

■ LEAF COLLECTION

■ RECYCLE PROGRAM

## PUBLIC WORKS DEPARTMENT

The Public Works Department is divided into several cost centers, including Administration, Streets, Vehicle Maintenance, and Animal Control, which are budgeted in the City's General Fund. Public Works also is responsible for Sanitation which has a separate Solid Waste fund to track its financial transactions. Administration provides centralized administration of all other Public Works functions and provides in-house planning, design and engineering services for infrastructure improvements throughout the community. The Street Division provides maintenance and construction services including the installation and repair of streets, storm water management structures, pavement marking and signage, removal of debris and snow and ice from road surfaces, street sweeping, and right-of-way mowing. The Vehicle Maintenance Division is responsible for the preventive maintenance and repair of the city fleet. The Animal Control Division is responsible for enforcing the City of Tullahoma animal control regulations as adopted by code. Public Works also maintains the City cemeteries. The Sanitation Division is responsible for residential and commercial solid waste collection, residential and commercial recycling programs, leaf and brush collection. Although there is no separate cost center, the Public Works Director also serves as Information Technology Director for the City.

The Public Works Department supports the following elements in Tullahoma's Strategic Plan:

- Sustainable Healthy Environment: Objectives 2-4
- Responsible Effective Local Government : Objectives 1, 2
- Safe, Caring and Diverse Community: Objective 1
- Vibrant Economy, Objective 1

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$2,173,202	\$2,283,682	\$2,397,510	\$2,424,540
Operating Expenses	\$2,430,531	\$2,495,963	\$3,000,384	\$2,624,446
Capital Outlay	\$ 13,389	\$ 4,475	\$ 29,286	\$ 55,000
<b>Total</b>	<b>\$4,617,122</b>	<b>\$4,784,120</b>	<b>\$5,427,180</b>	<b>\$5,103,986</b>

### BUDGET COMMENTS

The above financial table shows both Public Works in General Fund and Solid Waste Fund expenses by category. The FY2018 budget reflects a departmental decrease of \$323,000 or 6% in Public Works funding. This was due to additional expenditures incurred in FY2017 for tornado damage cleanup that were not re-budgeted in FY2018.

## FY2017 ACCOMPLISHMENTS

- ***East Lincoln Safe Routes to School Sidewalk (Sustainable Healthy Environment, Objectives 2, 4, Safe, Caring and Diverse Community, Objective 1)***  
This project is now in the construction phase. The project has commenced and will be completed this year..
- ***Animal Control Adoptions (Responsive Effective Local Government, Objective 2)***  
During the year 199 dogs were adopted by the Public Works Animal Control division and 65 were Micro Chipped.
- ***Recycling (Responsive Effective Local Government, Objectives 1, 2, Sustainable Healthy Environment, Objective 3)***  
Public Works reported 38.3% reduction of solid waste going to the landfill through recycling efforts. 7554.25 tons deferred from the landfill resulted in landfill savings of \$367,438.72.
- ***Street Paving (Sustainable Healthy Environment Objective 4) 8.25 lane miles were paved this past year.***
- ***Cemeteries (Responsible Effective Local Government, Objective 2) Completed the installation of wrought iron fencing at Maplewood Cemetery.***



## Public Works Department Performance Measures

<i>Output</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure effective delivery of municipal services"	Work Orders Processed	2,009	2,217	2,280
	Dogs Adopted	195	199	200
	Dogs Micro-chipped	60	65	70
"To preserve natural environment"	Cardboard Recycled (tons)	1,793.51	1,785.30	1,800
	Newsprint recycled (tons)	474.82	412.61	425
	Plastics Recycled (tons)	71.43	74.73	75
	Metals Recycled (tons)	77.74	60.61	80
	Oil Recycled (tons)	4.34	2.44	4.00
	Brush Recycled (tons)	1,788	3,417	1,800
	Leaves Recycled (tons)	1,621	1,797	1,800
	Glass	50.94	0	60
	Electronics	9.17	7	10
	"To provide transportation systems for enhanced mobility"	Number of Lane Miles Maintained	333	333
Number of Lane Miles Resurfaced		3.1	8.25	5.3

<i>Efficiency</i>				
<b>City Goal</b>	<b>Performance Indicators</b>	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
"To ensure efficient delivery of municipal services"	Residential Garbage Collection (tons/. number of homes)	6,052 /7,248	5,814/7,373	6,000/7,500
	Commercial Garbage Collection (tons/ number of businesses)	6,034/679	6,259/615	6,300/690
	Recycling (tons diverted from landfill)	5,890	7,554.25	6,000
	Information Technology expenditures per work station	213	213	213

**FY2018 PERFORMANCE OBJECTIVES**

**1. Downtown Revitalization Project**

**Target Date: Aug. 2017**

Close out the project with TDOT, having completed the construction on the \$685,140 Downtown revitalization project. (Vibrant Economy, Objective 1)

**2. Sidewalk Construction**

**Target Date: Sept. 2017**

Complete construction of a East Lincoln Safe Routes to School sidewalk project. (Sustainable Healthy Environment, Objectives 2, 4, Safe, Caring and Diverse Community, Objective 1)

**3. Maplewood Cemetery**

**Target Date: May.2018**

Complete the final phase of cemetery project at Maplewood Cemetery to pave gravel drive surface. (Responsive Effective Local Government, Objective 2)

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Director of Public Works	1	1	1
Superintendent	1	1	1
Secretary-Public Works	2	2	2
Street Drive I	4	4	4
Equipment Operator I	3	3	2
Swacar Operator	1	1	1
Mower/Laborer	2	2	2
Sign Maintenance Technician	1	1	1
Laborer-Street Division	5	5	5
Sanitation Driver I	4	4	4
Sanitation Driver II	3	3	3
Sanitation Driver III	1	1	1
Laborer I - Sanitation	8.5	8	8
Recycling Driver	2	2	2
Laborer I - Recycle	3.5	3	3
Street Sweeper Driver	1	1	1
Animal Control	2.5	2.5	2.5
Mechanics	3	3	3
Mechanic Helper	.5	.5	.5
<b>Total</b>	<b>49</b>	<b>48</b>	<b>48</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>PUBLIC WORKS ADMIN.(10)</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	105,542	112,292	96,804	94,098	119,943
Salaries-Overtime	5,175	4,764	1,262	654	5,000
Salaries - Bonus	1,710	5,845	1,360	1,360	1,420
OASI	8,461	9,285	9,078	7,268	9,667
Health & Life Ins.	26,990	27,287	20,281	20,281	21,092
Retirement	5,315	5,906	6,249	5,091	8,009
Unemployment Ins.	116	69	162	64	162
Other Professional Services	38,867	49,735	46,400	42,355	37,900
Printing and Publications	2,542	3,234	3,000	2,963	3,000
Membership & Dues	768	769	863	0	863
Telephone	1,344	1,548	1,650	1,557	1,650
Hiring Expense	0	0	512	497	0
Maintenance & Repair	30,812	40,218	37,400	37,272	32,400
Training	1,028	683	1,500	1,344	2,000
Prisoner expense	153	0	0	0	0
Office Supplies	1,440	1,399	1,700	1,680	1,700
Operating Supplies	0	0	110	110	110
Uniforms	0	423	425	377	425
Gas	2,557	1,584	2,941	1,709	2,941
Operating Insurance	6,805	7,556	7,127	7,074	7,270
Depreciation Transfer	8,500	5,500	20,000	20,000	0
Capital Outlay	0	0	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	<u>1,089</u>	<u>3,495</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL:</b>	<b>249,213</b>	<b>281,594</b>	<b>258,824</b>	<b>245,755</b>	<b>255,550</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>STREET LABOR COSTS (10)</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	355,643	404,278	387,980	382,302	393,185
Salaries-Overtime	24,186	19,691	32,791	32,783	22,000
Salaries - Bonus	4,499	9,933	5,406	5,345	4,409
OASI	27,749	31,003	33,574	30,617	32,099
Health & Life Ins.	158,385	172,054	170,661	168,411	155,819
Retirement	14,558	23,157	26,400	24,943	26,613
Unemployment Ins.	705	579	648	416	648
Hiring Expense	293	1,422	865	686	535
Uniforms	3,193	3,505	4,735	4,734	4,080
Operating Insurance	<u>33,837</u>	<u>35,733</u>	<u>44,532</u>	<u>44,531</u>	<u>35,224</u>
<b>TOTAL:</b>	<b>623,048</b>	<b>701,354</b>	<b>707,592</b>	<b>694,768</b>	<b>674,612</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>STREETS/HIGHWAYS (023)</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Professional Services	5,516	13,263	9,700	9,014	15,880
Street Lights	420,785	418,703	478,887	474,728	427,500
Maintenance & Repair	47,875	50,728	57,933	55,305	54,961
Permanent Streets	215,963	241,617	445,000	438,642	250,000
Sidewalk Repair	0	64	28,000	28,000	26,000
Operating Supplies	8,115	5,531	6,000	5,025	6,000
Gas	32,085	23,585	27,946	23,552	28,188
Road Surfacing Materials	57,303	44,151	60,974	57,935	60,974
Operating Insurance	13,313	13,009	11,814	11,798	12,050
Depreciation Transfer	29,000	55,500	55,000	55,000	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	980	0	0	0
<b>TOTAL:</b>	<b>829,955</b>	<b>867,131</b>	<b>1,181,254</b>	<b>1,159,000</b>	<b>881,553</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>STREET SIGNS (24)</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Other Professional Services	0	119	1,500	0	1,700
Maintenance & Repair	458	1,855	3,058	3,051	2,800
Gas	1,827	1,696	2,742	1,829	2,742
Parts & Supplies	15,451	16,894	16,452	14,849	18,000
Operating Insurance	262	284	312	308	318
Depreciation Transfer	6,000	1,500	10,000	10,000	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>23,998</b>	<b>22,348</b>	<b>34,064</b>	<b>30,037</b>	<b>25,560</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b><u>STORMWATER MANAGEMNT (30)</u></b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Professional Services	21,370	23,567	28,000	26,537	27,138
Contract Services	4,821	3,460	3,942	3,460	5,442
Maintenance & Repair	16,660	10,175	26,000	25,007	15,665
Operating Supplies	2,735	2,620	3,500	2,005	4,500
Gas	3,966	2,872	2,300	967	4,400
Materials	9,910	2,724	4,200	1,773	10,500
Culverts	6,599	7,043	4,900	2,694	10,300
Operating Insurance	1,379	1,496	1,662	1,622	1,695
Depreciation Transfer	6,000	18,000	15,000	15,000	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>73,440</b>	<b>71,958</b>	<b>89,504</b>	<b>79,065</b>	<b>79,640</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>CEMETERY MAINTENANCE (32)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries - Fulltime	38,905	39,421	42,152	41,402	41,277
Salaries - Overtime	4,213	5,216	8,514	7,497	3,800
Salaries - Part-time	21,774	30,857	24,128	22,933	24,121
Salaries - Bonus	100	669	500	500	260
OASI	4,807	5,421	5,612	5,376	5,314
Health & Life Insurance	16,043	15,876	16,744	16,744	17,414
Retirement	2,022	2,424	2,840	2,774	2,889
Unemployment Insurance	81	122	135	114	135
Professional Services	1,555	4,651	2,950	0	2,950
Radio Repair	0	0	100	0	100
Maintenance & Repair	5,117	5,963	7,000	5,681	7,000
Operating Supplies	2,569	2,177	5,179	848	8,179
Gas	1,355	1,041	2,000	1,465	2,000
Materials	195	573	38,000	37,712	38,000
Operating Insurance	5,721	5,968	6,773	6,739	6,908
Depreciation Transfer	6,000	10,000	15,000	15,000	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>110,457</b>	<b>130,379</b>	<b>177,627</b>	<b>164,784</b>	<b>160,348</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>R-O-W MOWING (65)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Radio Repair	0	0	0	0	0
Maintenance & Repair	4,054	9,072	9,100	2,540	9,100
Operating Supplies	288	400	700	6	700
Gas	1,096	1,428	2,587	577	2,587
Operating Insurance	94	103	113	111	115
Depreciation Transfer	4,000	0	5,000	0	0
<b>TOTAL:</b>	<b>9,532</b>	<b>11,002</b>	<b>17,500</b>	<b>3,233</b>	<b>12,502</b>



<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>ANIMAL CONTROL (16)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<u><b>Expenses</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>
Salaries-Fulltime	71,927	73,044	83,670	83,026	86,209
Salaries-Overtime	8,262	10,676	11,500	11,135	9,000
Salaries-Parttime	8,336	13,060	12,426	11,662	12,426
Salaries - Bonus	160	1,216	360	360	460
OASI	6,737	7,310	8,130	7,934	8,269
Health & Life Ins.	20,425	24,068	29,086	29,086	30,249
Retirement	1,659	4,779	5,804	5,796	6,103
Unemployment Ins.	180	111	215	116	215
Professional Services	118	75	200	0	200
Printing & Publication	200	437	300	271	200
Membership & Due	0	125	225	190	190
Utility Services	9,415	5,470	5,732	4,288	7,732
Telephone	567	1,522	1,900	1,557	2,000
Hiring Expense	149	0	150	99	2,150
Maintenance & Repair	1,331	3,856	4,100	4,094	3,700
Repair of Building	5,132	2,390	2,460	245	2,460
Repairs-donations	21,777	33,495	29,000	27,766	20,000
Training	0	0	1,200	1,194	1,500
Operating Supplies	7,141	5,461	5,600	4,037	7,500
Spaying & Neutering	4,953	4,893	4,100	3,511	4,100
Uniforms	931	802	1,300	1,082	1,300
Gas	2,416	1,547	3,347	1,485	3,347
Operating Ins.	5,288	6,024	5,373	5,365	5,480
Depreciation Transfer	6,000	1,445	10,000	10,000	0
Shelter Bldg Replacement	0	0	1,000	380	0
Equipment Purchase	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>183,103</b>	<b>201,806</b>	<b>227,178</b>	<b>214,678</b>	<b>214,790</b>

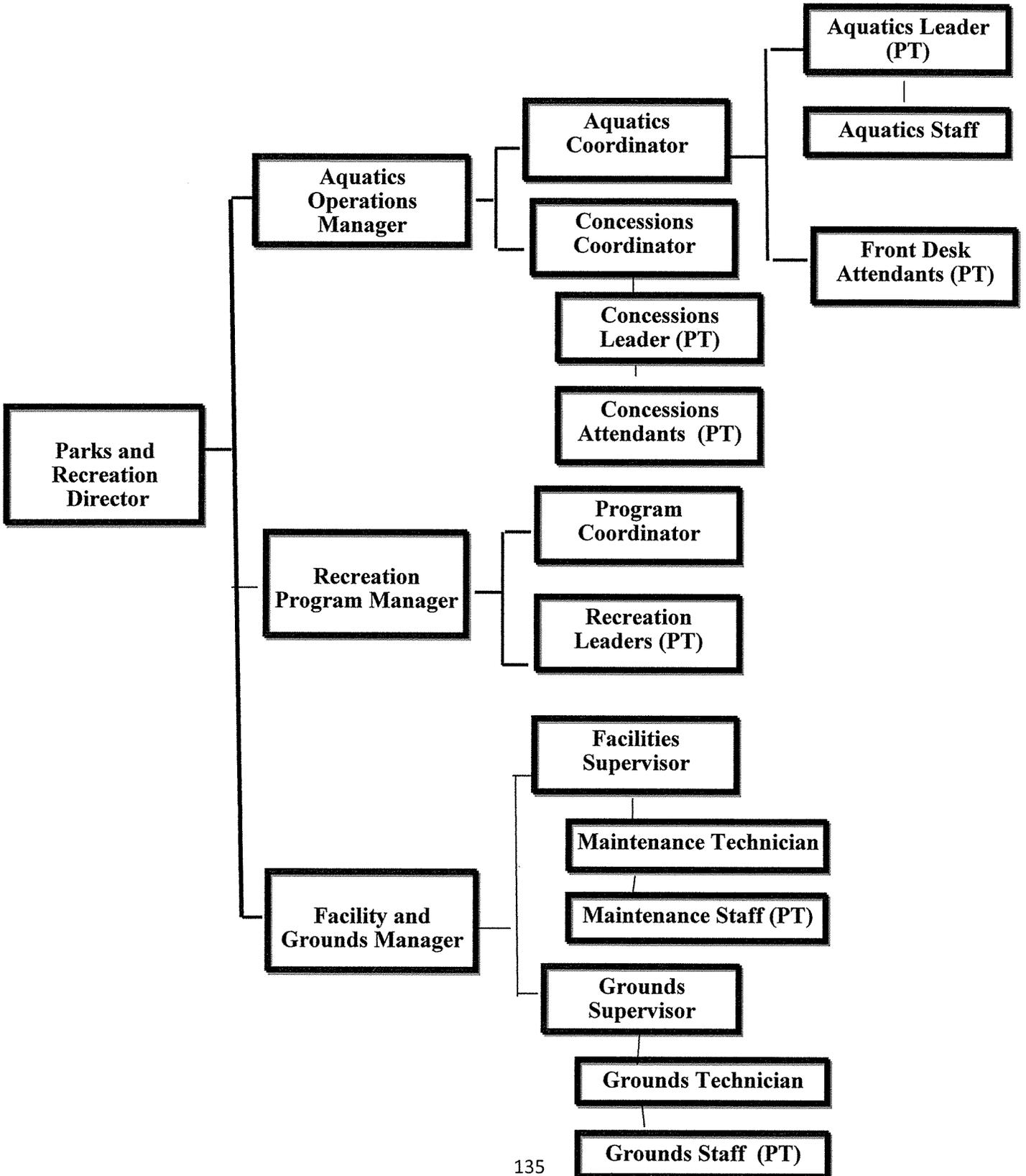
<b>FY2018 DEPARTMENTAL BUDGET</b>					
<b>SOLD WASTE</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>ADMINISTRATOR &amp; PERSONNEL</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	6,753	7,177	9,406	9,331	9,683
Salaries-Bonus	66	317	110	106	94
OASI	494	556	723	701	748
Health & Life Insurance	1,693	1,672	1,920	1,905	2,052
Retirement	349	410	578	575	621
Unemployment Insurance	5	3	54	9	54
Telephone	38	38	50	48	50
Operating Insurance	0	0	0	0	0
<b>TOTAL:</b>	<b>9,398</b>	<b>10,174</b>	<b>12,841</b>	<b>12,675</b>	<b>13,302</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FINANCE &amp; BILLING</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	20,138	20,714	26,339	25,317	21,743
Salaries-Overtime	93	318	250	229	100
Salaries-Bonus	249	319	285	284	0
OASI	1,564	1,630	2,043	1,954	1,671
Health & Life Ins.	4,480	4,259	5,625	5,624	6,230
Retirement	1,004	1,059	1,241	1,072	1,400
Unemployment Insurance	31	19	54	35	54
Operating Insurance	0	0	0	0	0
<b>TOTAL:</b>	<b>27,559</b>	<b>28,319</b>	<b>35,837</b>	<b>34,514</b>	<b>31,198</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PUBLIC WORKS ADMINISTRATION</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	78,316	83,821	115,955	114,553	141,406
Salaries-Overtime	1,992	1,698	4,430	1,284	4,430
Salaries-Bonus	1,010	4,709	1,720	1,720	1,680
OASI	6,061	6,742	10,639	8,830	11,285
Health Insurance	21,523	21,906	16,128	15,878	27,457
Retirement	3,975	4,514	6,413	6,310	9,348
Unemployment	78	46	109	48	109
Telephone	864	1,047	1,250	1,074	1,250
Training	563	0	1,500	0	1,500
Litter Collection	434	1,123	1,140	1,135	1,000
Uniforms	4,936	6,217	8,560	6,297	10,700
Operating Insurance	3,626	3,815	4,374	4,106	4,461
Contingency	0	0	1,873	0	20,000
<b>TOTAL:</b>	<b>123,379</b>	<b>135,639</b>	<b>174,091</b>	<b>161,236</b>	<b>234,626</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>RESIDENTIAL GARBAGE(025)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	132,639	146,440	181,706	180,775	130,471
Salaries-Overtime	7,220	6,290	7,000	6,287	7,000
Salaries - Bonus	3,203	5,588	3,604	3,604	3,006
OASI	9,923	11,008	13,847	13,386	10,746
Health & Life Ins.	55,672	62,537	58,567	56,291	48,260
Retirement	4,898	5,299	9,485	7,745	8,812
Unemployment Ins.	189	140	378	164	378
Radio Repair	0	0	0	0	0
Hiring Expense	152	394	305	304	305
Maintenance & Repair	53,153	34,434	18,990	11,432	49,390
Repair of Buildings	98	0	500	0	500
Landfill	218,685	290,936	307,500	302,843	300,000
Operating Supplies	345	557	1,400	1,159	900
Gas	30,399	11,592	15,255	9,557	20,255
Parts and Supplies	2,603	2,854	4,790	1,946	2,790
Operating Insurance	20,509	19,110	23,777	21,287	24,253
Depreciation Expense	120,000	49,450	35,000	35,000	0
Garbage Carts	7,840	10,667	10,040	8,318	10,040
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>667,529</b>	<b>657,295</b>	<b>692,144</b>	<b>660,099</b>	<b>617,106</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>COMMERCIAL GARBAGE (026)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	89,912	96,251	104,297	104,020	99,665
Salaries-Overtime	2,771	2,855	3,700	3,378	5,000
Salaries-Parttime	12,811	13,507	13,670	13,428	13,670
Salaries - Bonus	1,317	2,370	1,596	1,596	1,634
OASI	7,728	8,245	8,987	8,772	9,178
Health & Life Ins.	37,873	37,409	36,433	35,850	37,007
Retirement	4,410	4,642	6,255	4,899	6,709
Unemployment Ins.	469	163	331	136	331
Radio Repair	0	0	0	0	0
Hiring Expense	0	0	174	0	300
Maintenance & Repair	61,213	93,367	87,226	82,606	63,000
Repair of Buildings	0	0	300	0	300
Landfill	219,604	288,441	303,522	299,822	295,522
Operating Supplies	751	1,025	1,150	869	1,150
Gas	54,631	37,329	45,965	44,865	45,965
Operating Insurance	20,006	18,135	23,611	21,139	24,083
Depreciation Expense	120,000	51,723	35,000	35,000	0
Purchase of Dumpsters	14,258	8,258	22,207	20,553	22,207
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>647,754</b>	<b>663,721</b>	<b>694,424</b>	<b>676,934</b>	<b>625,721</b>

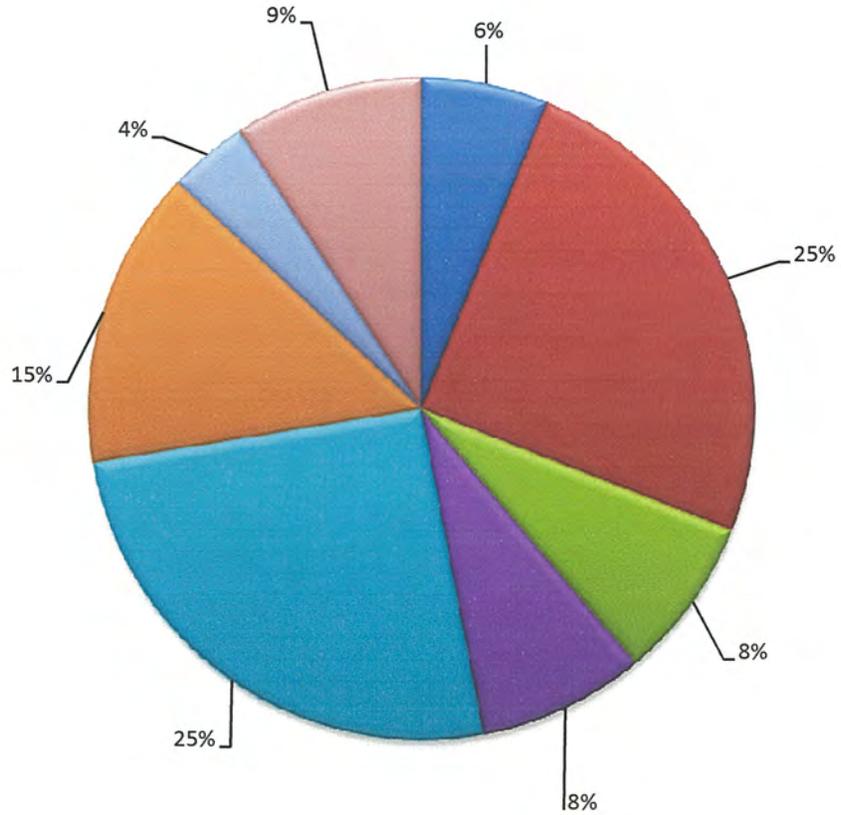
<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>BRUSH &amp; LIMB (027)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<u><b>Expenses</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>
Salaries-Fulltime	34,061	33,389	37,000	36,599	69,054
Salaries-Overtime	2,174	2,074	4,261	3,237	5,000
Salaries - Bonus	880	1,239	960	960	1,320
OASI	2,582	2,560	3,259	2,870	5,766
Health & Life Ins.	21,180	16,531	15,878	15,878	33,026
Retirement	2,633	1,689	2,548	1,763	4,747
Unemployment Ins.	174	129	108	72	108
Chipping - Contractor	17,322	26,216	30,000	14,398	34,000
Radio Repair	0	0	0	0	0
Hiring Expense	167	29	200	58	200
Maintenance & Repair	21,356	18,945	15,000	11,234	14,000
Operating Supplies	200	3	705	700	600
Storm Damage Clean Up	0	0	135,277	131,301	0
Gas	12,902	8,915	14,911	11,424	13,359
Operating Insurance	3,733	3,339	4,032	3,744	4,113
Depreciation Expense	0	2,500	25,000	25,000	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>119,364</b>	<b>117,558</b>	<b>289,139</b>	<b>259,240</b>	<b>185,293</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>LEAF COLLECTION (028)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<u><b>Expenses</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>
Salaries-Fulltime	88,139	94,431	107,219	105,093	111,880
Salaries-Overtime	7,358	7,446	12,539	12,387	9,270
Salaries-Part-time	3,067	1,649	0	0	0
Salaries - Bonus	201	1,267	724	715	671
OASI	6,943	7,510	9,239	8,490	9,319
Health & Life Ins.	43,974	43,016	46,687	46,687	49,287
Retirement	3,954	4,662	7,361	5,909	7,766
Unemployment Ins.	222	111	378	118	378
Radio Repair	0	0	0	0	0
Hiring Expense	56	152	350	324	200
Maintenance & Repair	22,374	45,054	44,500	41,938	35,000
Operating Supplies	5,013	4,359	5,095	4,887	5,200
Gas	14,915	15,117	16,954	16,179	15,714
Operating Insurance	10,022	8,921	10,223	10,068	10,223
Depreciation Expense	0	5,000	20,000	20,000	0
Large equipment	0	0	0	0	0
Small equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>206,238</b>	<b>238,694</b>	<b>281,269</b>	<b>272,795</b>	<b>254,908</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>RECYCLE PROGRAM (069)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<u><b>Expenses</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>
Salaries-Fulltime	156,598	133,411	174,005	173,739	202,292
Salaries-Overtime	14,979	11,475	18,377	17,995	16,000
Salaries-Parttime	20,630	15,434	19,852	16,991	24,845
Salaries - Bonus	1,760	3,906	2,240	2,240	1,760
OASI	14,204	12,080	15,957	15,474	18,735
Health & Life Ins.	70,375	50,312	62,574	62,574	77,912
Retirement	8,839	7,663	11,035	10,885	13,993
Unemployment Ins.	330	124	432	230	432
Radio Repair	0	0	0	0	0
Printing & Publication	493	372	555	492	600
Hiring Expense	129	671	713	710	500
Maintenance & Repair	17,937	15,252	28,500	26,879	20,046
Repair of Building	12,379	6,036	12,000	4,252	14,000
Operating Supplies	15,740	19,413	13,800	10,774	15,800
Gas	5,048	5,166	15,000	14,244	7,850
Operating Ins.	12,680	11,325	13,470	13,469	13,739
Depreciation Expense	0	53,000	25,000	25,000	0
Purchase of Dumpsters/Containers	8,483	4,905	20,000	16,703	30,000
Equipment Purchase	12,300	0	37,467	29,286	25,000
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>372,904</b>	<b>350,545</b>	<b>470,977</b>	<b>441,938</b>	<b>483,504</b>

*City of Tullahoma*  
*Parks and Recreation*



# RECREATION EXPENSE



■ ADMINISTRATION

■ PARKS/GROUNDS LABOR

■ PROGRAMMING

■ POOL CONCESSIONS

■ COMMUNITY CENTERS

■ SPLASH ISLAND

■ FORESTRY

■ FACILITIES MAINTENANCE

## PARKS & RECREATION DEPARTMENT

The primary focus of the Parks and Recreation Department is centered on the proper development and maintenance of the City’s eight active/passive parks totaling 165 acres, two community centers, and indoor and outdoor pools serving Tullahoma residents and surrounding areas. The grounds and facilities provide for opportunities to enjoy social, cultural, and athletic and/or nature oriented activities through individual or organized group participation without having to travel great distances. The department also cooperates with volunteer and other community groups in the provision of youth and adult activities, programs and special events at the various park and community center facilities. Additionally, the department's Maintenance cost center is responsible for maintenance of all city facilities.

The Parks and Recreation Department supports the following elements in Tullahoma’s Strategic Plan:

- Safe, Caring Diverse Community: Objectives 2, 3,
- Sustainable, Healthy Environment: Objectives 1, 2, 4
- Responsive Effective Local Government: Objectives 1-3
- Vibrant Economy: Objectives 2, 3

### FINANCIALS

Category	Actual FY2015	Actual FY2016	Actual FY2017	Budget FY2018
Personnel	\$ 813,063	\$ 1,107,926	\$ 952,448	\$1,183,253
Operating Expenses	\$ 615,004	705,571	\$ 526,964	\$ 807,099
Capital Outlay	\$ 0	\$ 10,688	\$ 1,895	\$ 0
<b>Total</b>	<b>\$ 1,428,067</b>	<b>\$ 1,824,187</b>	<b>\$1,932,142</b>	<b>\$1,990,352</b>

### BUDGET COMMENTS

The FY2018 budget reflects an increase of approximately 3% from the FY2017 budget. This was contributed to 1.5% step increase and cost of living adjustment for full time employees, operating costs for the new Splash Island Water Park, and new programs such as the large annual fireworks display and Rock Creek concert series. Revenues from Splash Island entrance fees and concessions offset most of the operating expenses. Community donations subsidize the fireworks and concerts. Also, FY18 some of the parks cost centers within the department were consolidated, and Splash Island expenses were delineated from those for the Community Center and indoor pool.



## **FY2017 ACCOMPLISHMENTS**

- ***Walk to the Beach (Sustainable Healthy Environment, Objective 1; Responsive Effective Local Government, Objective 3)***  
The Parks and Recreation Department hosted the Walk to the Beach Program as part of the second phase of the Healthier Tennessee Communities Initiative. Fifty-one teams participated in the program, collectively walking approximately 37,000 miles, with thirty community sponsors.
- ***Soap Box Derby (Vibrant Economy, Objectives 2, 3; Safe, Caring and Diverse Community, Objectives 2, 3)***  
Tullahoma hosted the 18<sup>th</sup> Annual, 2017 Soap Box Derby. Our representatives advanced to Akron, Ohio to compete in the International Championship and the Department offered the Super Kids Division for the eighth year.
- ***Lunch and Learn Program (Responsible, Effective Local Government, Objectives 1, 3)***  
The Parks and Recreation department introduced the program in which interesting topics are presented by guest speakers each month. This extends the usefulness of the full service kitchen located at D.W. Wilson Community Center.
- ***Rock Creek Greenway Extension (Sustainable Healthy Environment, Objective 1)***  
Through the proceeds of a grant, a three year project to extend and enhance Rock Greenway was started.
- ***D.W. Wilson Weight Room Renovated (Responsible, Effective Local Government, Objectives 1, 2)***  
The highly used facility was given a facelift with new paint, carpet, and ceiling. Energy efficient LED lighting and a more efficient HVAC was added to reduce future operating costs.
- ***Rock Creek Concert Series (Safe, Caring and Diverse Community, Objective 3)***  
The popular concert series was continued with events in the spring and fall.

**FY2017 ACCOMPLISHMENTS - (continued)**

- ***Independence Day Celebration (Safe, Caring and Diverse Community, Objective 3)***  
Parks and Recreation and other departments of the City of Tullahoma assumed the planning and operations of the City’s Independence Day Celebration. This first- year event was very successful, with thousands of people attending.

**Parks and Recreation Department - Performance Measures**

<i>Output</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure effective delivery of municipal services, to celebrate culture and heritage and to provide a nurturing environment"	Total Parks Acreage	605	605	615
	- Developed	165	165	168
	- Undeveloped	440	440	450
	Softball Fields	4	4	4
	Baseball Fields	6	7	7
	Soccer Fields	11	11	11
	Football Fields	2	2	2
	Municipal Pools	2	2	2
	Tennis Courts	2	2	2
	Community Centers	2	2	2
	Special Events	80	80	80
	Pavilion Rentals	100	100	100
	Athletic Leagues	12	12	12
	Athletic League Memberships	3,725	3,725	3,725
	Annual Aquatic Memberships	100	100	100
	Annual Aquatics Visits	16,000	16,000	16,000
	Annual Weight Room Memberships	179	179	179
Annual Weight Room Visits	18,000	18,000	18,000	
Meeting Room Rentals (in hours)	4,000	4,000	4,000	

<i>Efficiency</i>				
City Goal	Performance Indicators	Actual FY2016	Actual FY2017	Budget FY2018
"To ensure efficient delivery of municipal services"	Health Department Score on Pools	100	100	100
	Full-time equivalent staff per capita	0.9	0.9	0.9
	Park acreage per 1,000 population	0.6	0.6	0.6

**FY2018 PERFORMANCE OBJECTIVES**

1. ***Rock Creek Concert Series*** ***Target Date: May 2018***  
 A concert series will be offered with events planned for the spring and fall. (Safe, Caring Diverse Community, Objective 3)
  
2. ***Soap Box Derby*** ***Target Date: May, 2018***  
 The annual All-American Soap Box Derby Race will be held again this year. (Vibrant Economy, Objectives 2, 3; Safe, Caring Diverse Community, Objectives 2, 3)
  
3. ***Rock Creek Greenway Extension*** ***Target Date: February 2018***  
 Through the proceeds of a grant, a three year project to extend and enhance Rock Greenway will continue. (Sustainable Healthy Environment, Objective 1)
  
4. ***Independence Day Celebration*** ***Target Date: July 2018***  
 The second year of the day long festival is planned. (Safe, Caring Diverse Community, Objective 3)
  
5. ***CD Stamps Roof Improvements*** ***Target Date: January 2018***  
 Replace roof on the Community Center (Sustainable Healthy Environment, Objective 2)
  
6. ***Waggoner Park Improvements*** ***Target Date: May 2018***  
 Improvements will be made to Waggoner Park roadway and parking (Sustainable Healthy Environment, Objectives 2, 4);

**PERSONNEL**

	<b>Actual FY2016</b>	<b>Actual FY2017</b>	<b>Budget FY2018</b>
Recreation Director	1	1	1
Superintendent of Parks & Recreation	1	1	1
Recreation Program Manager	1	1	1
Aquatics Operations Manager	1	1	1
Superintendent of Maintenance	0	0	0
Facility and Grounds Manager	1	1	1
Aquatics Coordinator	1	1	1
Recreation Program Coordinator	1	1	1
Concessions Coordinator	1	1	1
Facilities Supervisor	0	0	0
Grounds Supervisor	1	1	1
Grounds/Facility Maintenance	1	1	1
Maintenance Technician	1	1	1
Grounds Technician	0	0	1
Forestry Resource	1	1	0
Other Part-time	137	157	157
<b>Total</b>	<b>149</b>	<b>169</b>	<b>169</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>RECREATION ADMIN. (10)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	77,897	64,881	72,851	72,851	75,111
Salaries - Bonus	1,120	3,657	1,440	1,440	1,240
OASI	5,618	5,051	5,643	5,488	5,841
Health Insurance	27,964	16,591	15,878	15,878	16,513
Retirement	3,025	3,201	4,485	3,627	4,815
Unemployment	87	32	54	32	54
Other Professional Services	3,438	3,736	1,136	1,135	6,815
Printing & Publications	1,521	1,988	1,850	1,741	1,500
Membership & Dues	350	350	15	15	350
Telephone	720	720	980	720	980
Maintenance & Repair	47	65	367	366	367
Training	1,904	1,808	864	864	2,500
Office Supplies	0	591	423	423	640
Operating Supplies	2,122	3,015	2,128	2,116	2,495
Uniforms	230	260	0	0	500
Gas	648	531	869	458	869
Operating Insurance	1,474	1,322	1,518	1,455	1,548
Depreciation Transfer	8,000	4,000	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>136,165</b>	<b>111,799</b>	<b>110,501</b>	<b>108,609</b>	<b>122,138</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PARKS &amp; GROUNDS (33)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	97,351	99,954	98,857	98,457	109,734
Salaries-Overtime	4,732	6,323	5,600	4,776	5,600
Salaries-Parttime & Temporary	46,457	46,390	28,610	27,616	43,260
Salaries - Bonus	1,240	2,082	1,320	1,320	1,010
OASI	10,837	11,081	11,644	9,527	12,210
Health Insurance	51,121	52,367	47,004	45,120	49,651
Retirement	4,325	6,417	6,900	6,494	7,393
Unemployment Ins.	434	251	475	184	475
Other Personal Services	25,870	26,140	24,367	23,896	33,000
Membership & Dues	0	0	220	0	220
Utilities	0	0	66,740	65,938	65,734
Street Lights	0	0	11,578	11,305	15,662
Telephone	828	540	600	540	1,530
Hiring Expense	0	0	1,101	1,097	776
Grounds Maintenance	0	0	36,154	35,946	43,154
Maintenance & Repair	1,370	1,627	15,072	14,426	15,072
Repair of Buildings	0	0	27,667	27,633	22,292
Training	419	1,343	0	0	1,343
Operating Supplies	0	0	3,997	3,215	4,200
Chemicals	0	0	2,023	503	6,023
Uniforms	0	0	2,201	1,181	1,900
Gas	1,893	4,234	8,356	8,247	8,356
Operating Insurance	12,510	12,016	27,821	27,808	28,377
Rent - Buildings and Equipment	13,200	13,600	14,400	14,400	14,400
Depreciation Transfer	0	2,000	29,000	29,000	0
<b>TOTAL:</b>	<b>272,587</b>	<b>286,363</b>	<b>471,707</b>	<b>458,629</b>	<b>491,372</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>ACTIVE PARKS (36)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Membership & Dues	80	220	0	0	0
Utilities	53,417	53,006	0	0	0
Telephone	0	0	0	0	0
Hiring Expense	58	91	0	0	0
Grounds Maintenance	25,271	19,340	0	0	0
Maintenance & Repair	14,831	13,412	0	0	0
Repair of Buildings	11,940	17,703	0	0	0
Operating Supplies	2,293	2,243	0	0	0
Chemicals	1,314	508	0	0	0
Uniforms	856	564	0	0	0
Gas	2,407	1,949	0	0	0
Operating Insurance	9,314	9,270	0	0	0
Depreciation Transfer	8,000	2,000	0	0	0
Annual Fireworks event	0	0	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	7,349	0	0	0
<b>TOTAL:</b>	<b>129,781</b>	<b>127,655</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PASSIVE PARKS (38)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Utilities	4,251	3,704	0	0	0
Street Lights	10,062	9,317	0	0	0
Grounds Maintenance	9,940	10,841	0	0	0
Maintenance & Repair	2,624	4,289	0	0	0
Repair of Buildings	7,841	6,847	0	0	0
Parks Projects Donation	889	0	0	0	0
Repairs-Donation McEwen	0	0	0	0	0
Operating Supplies	798	1,498	0	0	0
Disc Golf Club Supplies	518	0	0	0	0
Uniforms	115	260	0	0	0
Gas	746	895	0	0	0
Operating Insurance	1,950	2,544	0	0	0
Depreciation Transfer	6,000	2,000	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	3,339	0	0	0
<b>TOTAL:</b>	<b>45,734</b>	<b>45,533</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Note: Above cost centers were consolidated into Parks and Grounds in FY2017.</b>					

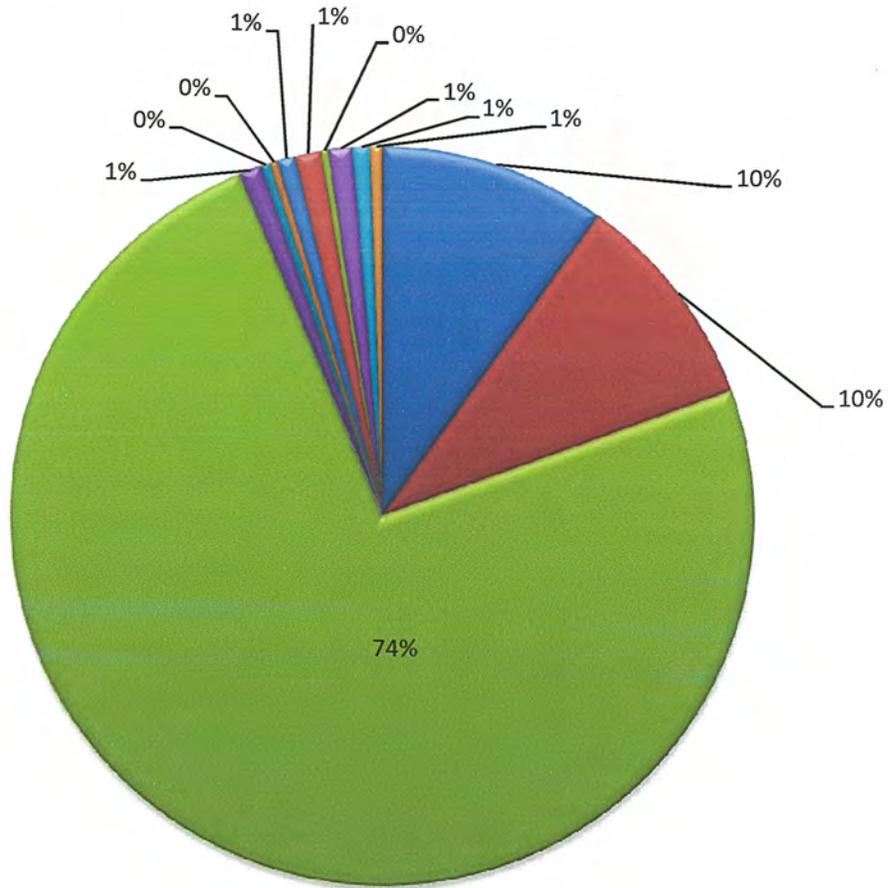
<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>COMMUNITY CENTERS (34)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	42,445	46,862	67,585	57,767	55,535
Salaries-Overtime	0	792	1,000	117	1,000
Salaries-Temporary	86,878	110,776	98,225	97,743	159,320
Salaries - Bonus	1,560	480	480	480	408
OASI	10,013	12,131	13,059	12,823	16,544
Health Ins.	5,802	4,922	8,805	8,805	19,816
Retirement	1,308	2,121	3,657	3,637	3,624
Unemployment Ins.	525	568	595	479	595
Programs and Events	39,088	62,377	43,962	43,962	38,860
Fitness & Wellness	0	0	4,060	3,812	1,300
Grant Programs	2,614	0	0	0	5,000
Printing & Publication	70	105	30	28	210
Membership & Dues	25	128	160	155	160
Pool Permit	0	0	1,241	0	1,360
Utilities	98,433	108,054	119,925	117,178	124,425
Telephone	5,253	7,074	7,000	6,995	5,300
Hiring Expense	0	91	203	203	100
Information technology (p.o.s. system)	0	0	3,750	3,424	2,000
Maintenance & Repair	1,217	7,509	2,600	2,564	3,000
Repair of Buildings	24,355	21,947	20,234	20,234	20,175
Training	216	1,447	1,950	1,909	1,300
Operating Supplies	8,586	7,444	7,700	7,628	7,350
Chemicals	0	0	0	0	6,500
Uniforms	1,643	500	900	555	900
Gas & Oil	0	0	150	133	100
Operating Insurance	20,846	28,527	29,031	28,972	29,612
Depreciation Transfer	0	11,000	10,000	10,000	0
Programs and Events	0	0	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	1,895	1,895	0
<b>TOTAL:</b>	<b>350,877</b>	<b>434,853</b>	<b>448,197</b>	<b>431,498</b>	<b>504,493</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>SPLASH ISLAND(35)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	42,319	116,693	41,146	36,313	35,557
Salaries - Overtime	243	1,534	738	729	688
Salaries - Pool part-time	90,603	194,403	194,023	194,022	115,128
Salaries - Concessions part-time	5,929	43,118	0	0	0
Salaries-Bonus	0	1,471	640	640	232
OASI	10,413	26,915	18,315	18,235	11,598
Health Insurance	16,706	39,212	10,083	9,425	13,210
Retirement	2,127	6,752	3,035	3,032	2,323
Unemployment Ins.	538	1,073	1,068	816	1,368
Proff Services	0	0	6,310	6,310	5,860
Printing & Publication	100	0	0	0	0
Membership & Dues	80	128	0	0	0
Pool Permit	550	0	1,805	1,801	340
Utilities	1,971	17,839	17,000	16,311	30,000
Telephone	520	960	960	960	960
Hiring Expense	696	0	1,209	1,159	725
Information technology (p.o.s. system)	0	0	1,225	0	3,250
Maint- Pool Equip.	0	1,035	841	516	1,000
Repair of Building	23,308	15,183	10,533	10,052	12,442
Training	1,160	2,447	2,220	1,214	1,300
Red Cross Training	0	0	195	195	0
Operating Supplies	10,878	8,408	9,735	9,429	8,275
Pool Concession Supplies	21,967	56,189	0	0	0
Chemicals	8,487	21,025	29,005	29,005	22,019
Uniforms	1,873	3,084	1,845	1,842	1,250
Gas and Oil	0	0	540	538	100
Operating Insurance	26,031	17,587	18,846	18,846	20,906
Depreciation Transfer	0	11,000	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>266,499</b>	<b>586,055</b>	<b>371,317</b>	<b>361,392</b>	<b>288,531</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>POOL CONCESSIONS (37)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	0	0	30,602	30,602	48,029
Salaries - Overtime	0	0	0	0	165
Salaries - Concessions part-time	0	0	37,051	37,016	39,051
Salaries-Bonus	0	0	0	0	0
OASI	0	0	5,405	5,405	6,674
Health Insurance	0	0	16,354	16,354	19,816
Retirement	0	0	1,878	1,878	3,089
Unemployment Ins.	0	0	250	184	325
Membership & Dues	0	0	75	0	75
Hiring Expense	0	0	50	0	50
Information technology (p.o.s. system)	0	0	3,250	3,250	3,250
Maintenance & Repair	0	0	2,030	0	1,100
Training	0	0	1,000	0	1,000
Pool Concession Supplies	0	0	60,270	60,270	38,200
Uniforms	0	0	250	0	250
Gas and Oil	0	0	0	0	0
Operating Insurance	0	0	0	0	0
Depreciation Transfer	0	0	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>0</b>	<b>0</b>	<b>158,465</b>	<b>154,959</b>	<b>161,074</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>PROGRAMMING (39)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Fulltime	0	0	50,871	49,890	63,312
Salaries - Overtime	0	0	0	0	165
Salaries-Bonus	0	0	0	0	0
OASI	0	0	5,251	5,251	4,900
Health Insurance	0	0	15,973	15,973	22,368
Retirement	0	0	4,536	4,536	4,069
Unemployment Ins.	0	0	250	250	325
Membership & Dues	0	0	75	75	75
Hiring Expense	0	0	50	50	50
Training	0	0	1,000	1,000	1,000
Uniforms	0	0	0	0	0
Gas and Oil	0	0	0	0	0
Operating Insurance	0	0	0	0	0
Depreciation Transfer	0	0	0	0	0
Annual Fireworks Event	0	0	55,510	55,506	50,000
Programs and Events	0	0	31,866	29,942	16,000
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>0</b>	<b>0</b>	<b>165,382</b>	<b>162,473</b>	<b>162,264</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FACILITIES MAINTENANCE (67)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	68,521	70,733	74,170	73,995	76,185
Salaries-Overtime	5,374	2,865	4,047	4,047	6,000
Salaries-Parttime	7,621	20,994	32,353	31,615	28,617
Salaries - Bonus	1,560	2,112	1,880	1,880	1,800
OASI	6,065	7,191	8,261	8,170	8,614
Health Insurance	24,434	23,890	24,683	24,683	25,670
Retirement	3,783	4,286	4,920	4,781	5,268
Unemployment Ins.	152	112	162	138	162
Membership & Dues	80	85	0	0	100
Telephone Expense	720	720	980	720	980
Hiring Expense	158	447	569	568	362
Maintenance & Repair	1,989	964	1,565	1,564	2,000
Building Repair	4,131	4,778	5,800	5,624	5,500
Training	50	0	50	50	500
Operating Supplies	11,016	14,424	14,700	14,292	10,500
Uniforms	450	270	880	877	650
Gas	1,439	1,991	1,128	1,013	1,728
Operating Insurance	4,483	8,657	8,487	7,894	8,657
Depreciation Transfer	9,000	0	0	0	0
Purchase of Equipment	0	0	0	0	0
Small Equipment	0	1,755	0	0	0
<b>TOTAL:</b>	<b>151,026</b>	<b>166,274</b>	<b>184,635</b>	<b>181,911</b>	<b>183,294</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>FORESTRY RESOURCES (62)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries - Fulltime	31,362	30,974	29,937	29,876	30,981
Salaries - Overtime	2,236	56	2,000	1,309	2,000
Salaries-Bonus	320	800	560	560	470
OASI	2,562	2,254	2,477	2,313	2,559
Health Insurance	7,726	12,398	11,909	11,909	10,546
Retirement	1,681	1,136	1,974	1,172	2,114
Unemployment	49	24	54	24	54
Professional Services	0	0	2,000	1,616	500
Hazard Tree Removal	5,417	11,148	14,000	12,620	12,000
Printing & Publication	0	0	0	0	500
Membership & Dues	180	210	0	0	275
Telephone Expense	453	300	620	300	620
Maintenance & Repair	0	165	500	34	500
Training	1,551	0	0	0	650
Operating Supplies	1,975	3,937	2,150	2,092	4,000
Memorial Tree Purchases	5,134	747	3,000	2,575	2,000
Grant Purchases	4,920	0	5,000	4,720	5,000
Gas	527	286	378	239	778
Operating Insurance	1,305	1,219	1,607	1,313	1,639
Depreciation Transfer	8,000	0	0	0	0
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>75,398</b>	<b>65,654</b>	<b>78,166</b>	<b>72,672</b>	<b>77,186</b>

## OTHER GENERAL FUND EXPENSE



- |  |   |
|--|---|
| <span style="color: blue;">■</span> TRANSFER TO DEBT SERVICE           | <span style="color: red;">■</span> TRANSFER TO SOLID WASTE            |
| <span style="color: green;">■</span> TRANSFER TO CITY SCHOOLS          | <span style="color: purple;">■</span> TRANSFER TO TUB HYDRANT RENTAL  |
| <span style="color: blue;">■</span> TRANSFER TO TIDB                   | <span style="color: orange;">■</span> CONTINGENCY                     |
| <span style="color: blue;">■</span> TRANSFER TO CAPITAL PROJECTS       | <span style="color: red;">■</span> TRANSFER TO TAEDC                  |
| <span style="color: green;">■</span> TRANSFER TO TAEDC-TIF             | <span style="color: purple;">■</span> TULLAHOMA AIRPORT AUTHORITY     |
| <span style="color: blue;">■</span> TOURISM AND CULTURAL ORGANIZATIONS | <span style="color: orange;">■</span> COMMUNITY SERVICE ORGANIZATIONS |

## **OTHER BUDGETED AGENCIES**

### **Operating Transfers to Other City Funds or Agencies**

In addition to the funding of general city operations, the general fund budget provides for internal transfers to the Solid Waste Fund, Debt Service Fund, and Capital Projects Fund as well as funding for the following component units and related agencies:

### **Tullahoma Airport Authority**

The Tullahoma Airport Authority operates and maintains the city airport and its related property, and is considered a component unit of the City of Tullahoma. The purpose of the Authority is to provide for operation of the airport and associated rental services. An Airport Layout Plan (ALP), a document required for federal funding, was submitted to the Tennessee Division of Aeronautics and was approved. The Tullahoma Municipal Airport hosts the Tri-County Regional Air Show bi-annually, which attracts over 40,000 people to a two-day event. The Airport has been a perennial grant recipient of funding from the Tennessee Division of Aeronautics which has enabled it to expand and repair its runways, construct a new terminal building and business center, and add hangars for business rentals. It is also a base for Life Flight Helicopter transport to Vanderbilt University Hospital in Nashville, Tennessee.

The Board of Mayor and Aldermen of the City of Tullahoma appoint the members of the Airport Authority to staggered three-year terms. The City's general fund provides a large portion of the Airport Authority's operating budget, with other revenue derived from hangar rentals, sale of fuel, events and services. The FY2018 appropriation to the Airport Authority for operations is \$127,910 for operations, plus \$25,000 for fuel purchases, which is offset by \$25,000 in fuel revenue from the sale of gas at the Airport. The operating allocation to the Airport decreased by \$8,164 or 6%, from \$136,074 in FY2017. The amount provided for fuel remained the same although generally the airport now has sufficient cash flow to purchase its own fuel.

In July, 2011, the City placed Airport employees on the City's payroll through a contractual relationship, which changed the employee benefits' costs. In addition to payroll, the City provides accounting, budgeting, purchasing, accounts payable, risk management services, and manages the airports hangar leases, grants and capital projects budgets. Airport capital projects and funding details are provided in the capital projects portion of this document.

### **Tullahoma City Schools**

Tullahoma City Schools is considered to be a portion of the primary government of the City of Tullahoma for audit purposes. The school system is comprised of four elementary schools, two middle schools and one high school. The school system serves approximately 3,514 students in grade k-12. An extended school program is in place to provide before and after

### **Tullahoma City Schools (continued)**

school care for the students. The School system is recognized within the State of Tennessee for its academic excellence. In accordance with state law, the Board of Education submits the school budget annually to the Board of Mayor and Aldermen to approve in total, although individual line items remain under the jurisdiction of the Board of Education. The City, as part of its budget process, approves an annual appropriation to the school system. The City also distributes monthly sales tax collections to the school system for operations and debt service. Of the \$0.0275 in local sales tax collected, the state requires that the first half of state sales tax collected by the county be remitted to each school system based on enrollment figures. The second half of the sales tax collected is considered situs based and is returned to the City or Town where it was collected. The FY2018 appropriation to the school is \$4,438,867; the same amount as in recent years. However, in FY2014, the appropriation was increased by \$764,400 or 20% from the prior year. This amount was provided by a \$0.20 property tax increase. The sales tax transfer to the school general purpose fund is budgeted as \$3,894,129, an increase of \$94,979 or 2.5% from FY2017. An additional sales tax amount of \$2,326,855 will be transferred for debt service. According to a recent interpretation of state statute, the department of revenue now requires that a portion of liquor taxes collected also be allocated the municipality's school system, therefore \$52,647 is budgeted for this purpose.

The City of Tullahoma Finance staff tracks and allocates sales tax proceeds, and appropriation payments to the school system. Additionally Finance budgets and pays debt payments, monitors existing debt for refunding opportunities, evaluates options and issues new debt and funds school capital projects. School capital projects are also shown in the City of Tullahoma capital improvements plan.

### **Tullahoma Industrial Development Board**

The Tullahoma Industrial Development Board (TIDB) is also a component unit of the City government. The TIDB received funding both from the City of Tullahoma and from bond service fees paid by corporations with outstanding industrial development bonds. In June 2005, the TIDB was consolidated with the City of Manchester Industrial Board and the Coffee County Industrial Board to achieve greater recruiting effectiveness for the Coffee County area. The incorporated entity was retained, with the purpose restricted primarily to the collection of the bond services fees, which are now transferred to the City's general fund to offset economic development activities. Transfer revenues of \$10,000 are listed for this activity in the General Fund Budget. Beginning in FY2016, the City of Tullahoma and Coffee County became responsible for payments to Duck River Electric Corporation for construction of a substation in the jointly operated industrial park in the amount of \$60,000. This amount will decrease annually based on park electric usage.

The Board of Mayor and Aldermen continue to appoint all members of the Industrial Board,

Administrator serves as Executive Director and the Finance Director is also the Industrial Board's Treasurer.

### **Tulahoma Area Economic Development Corporation**

In 2011, after meeting for a year as a committee, the TAEDC became incorporated as an industrial development board with a focus on commercial development, as opposed to industrial functions. It is anticipated that the Coffee County Industrial Board will continue to handle primary responsibility for industrial purposes. A section was added in the general fund budget detailing a \$141,347 operating budget for the TAEDC in FY2013 and the City hired an Economic Development Director. In FY2014, The TAEDC budget was set up as a separate agency fund, with an operating transfer provided in the City General Fund Budget. The FY2018 TAEDC budget is \$166,164, up 4% from FY2017. The TAEDC Director is on the City payroll with a contractual relationship to the corporation. The City of Tullahoma Finance Department provides all accounting and budgeting services to the TAEDC. The City and the TAEDC established a tax increment financing (TIF) plan for a large retail block in Tullahoma. The city's portion of the TIF payment for FY2018 is budgeted as \$48,000.

## Non-Profit Allocations

The City of Tullahoma has traditionally provided financial allocations to many local non-profit groups. To receive funding, an organization must provide the following documentation:

1. A copy of the organization's 501C certification
2. Planned usage of the funds requested
3. The organization's most current audit
4. An accounting of any prior year funds received
5. Assurance of the organization's compliance with Title VI of the Civil Rights Act of 1964

Eligible organizations are then scheduled to speak at a budget work session before the Board of Mayor and Aldermen. The Board of Mayor and Aldermen then address these funding requests as they finalize the annual operating budget for the City. Organizations funded through the budget are then officially recognized by resolution at the regular Board meeting subsequent to budget adoption.

The City of Tullahoma enacted an ordinance designating specific percentages of hotel/motel tax collections for agencies associated aligned with or promoting tourism in Tullahoma. The Tullahoma Chamber of Commerce, Tennessee Backroads Heritage Tourism, Keep Coffee County Beautiful, Historic Preservation Society, Hands on Science Center, South Jackson Civic Center, and Tullahoma Fine Arts Center all receive a percentage of the annual hotel/motel tax collected. These organizations are identified in the section, "Appropriations by Ordinance". A portion of the motel tax is also allocated to city beautification projects, with the remaining balance used for General Fund operations.



<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>Airport - Administration</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<u><b>Expenses</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>	<u><b>Expenses</b></u>	<u><b>Budget</b></u>
Salaries-Fulltime -TAA	93,650	97,518	101,343	100,781	104,858
Salaries-Financial Administration	18,167	19,365	21,098	21,026	21,802
Salaries-Longevity	560	1,665	1,045	1,041	1,024
OASI	8,328	8,949	9,463	9,456	9,768
Health & Life Insurance	15,525	14,718	17,610	17,610	23,043
Retirement	5,076	6,690	7,500	7,499	8,119
Unemployment Insurance	272	286	292	225	292
Postage	270	259	300	175	300
Memberships & Dues	727	575	730	384	730
Telephone	5,643	6,754	6,995	6,991	5,380
Hiring Expense	0	0	60	58	0
Legal Fees	1,252	2,145	4,000	3,904	4,000
Audit fees	2,500	3,300	4,000	4,000	2,800
Professional Services	405	0	500	158	500
Information Tech.	1,699	2,221	1,765	1,684	3,200
Repair of Equipment	148	0	200	0	200
Training & Travel	2,991	4,140	3,800	2,093	3,800
Office Supplies	2,918	5,391	4,500	3,897	4,500
Operating Supplies	1,000	531	800	643	800
Gas & Oil	1,063	160	2,200	1,667	1,500
Operating Insurance(liab & property)	13,734	3,560	6,400	6,383	6,000
UDAG payments	7,930	9,682	17,765	4,706	9,682
Vanderbilt hangar loan payments	30,000	32,500	30,000	30,000	30,000
Transfer to capital projects- local match	23,181	0	51,550	51,550	0
Sponsored Events	1,564	0	0	0	0
AOPA Fly-in	0	13,260	0	0	0
AOPA Fly-in Non-Grant	0	9,809	0	0	0
Contingency	0	0	4,028	0	9,368
Miscellaneous expense	0	0	0	0	0
<b>TOTAL:</b>	<b>238,603</b>	<b>243,478</b>	<b>297,944</b>	<b>275,932</b>	<b>251,666</b>

<b>FY2018 DEPARTMENTAL BUDGET-(continued)</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>Airport - Operations</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b><u>Expenses</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>	<b><u>Expenses</u></b>	<b><u>Budget</u></b>
Salaries-Part-time	37,065	58,012	49,500	48,324	48,500
OASI	2,757	4,516	3,710	3,590	3,710
Unemployment Insurance	0	0	270	0	270
Utilities-Electric	24,382	26,504	30,122	30,121	25,000
Utilities- Gas	3,287	1,321	2,628	1,602	3,500
Hiring Expense	0	0	220	217	0
Repair of Equipment	557	962	5,850	528	5,850
NDB/SDF/PAPI	3,414	4,580	7,000	475	7,000
VOR	2,895	0	4,000	0	4,000
Tractor & fuel	3,908	7,012	5,800	5,431	5,800
Building maintenance	17,651	19,497	21,335	21,335	18,200
Fuel Tanks	1,678	6,061	5,000	4,915	5,000
Airfield maintenance	13,354	28,433	18,000	17,142	19,500
Tree Clearing (State)	10,000	0	10,000	0	10,000
Catering Expense	110	35	500	68	500
Purchase of oil for sale	2,069	1,299	1,925	1,307	3,200
Vehicle gas	1,541	1,213	1,250	707	1,250
Cost of goods sold	594,535	447,553	604,895	496,231	597,651
Operating Insurance	11,783	17,195	14,675	14,063	18,200
Airfield Capital repair	0	0	0	0	0
Terminal & Hangar Capital repair	0	2,500	0	0	0
Fuel Tanks Replacement	19,828	22,454	19,920	0	19,000
Vehicles & Equipment	11,385	0	0	0	0
Terminal Bldg furnishings	0	0	0	0	0
<b>TOTAL:</b>	<b>762,198</b>	<b>649,147</b>	<b>806,600</b>	<b>646,055</b>	<b>796,131</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TAEDC (010)</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Salaries-Fulltime	64,851	67,469	69,672	69,668	71,831
Salaries-Parttime	0	128	1,645	280	1,000
Salaries-Administrative Support	0	0	7,688	7,687	7,955
Salaries - Bonus	0	499	90	88	62
OASI	4,719	4,965	6,031	5,713	6,180
Health Insurance	16,795	16,531	17,468	17,466	16,513
Retirement	2,361	3,338	3,711	3,709	5,114
Uemployment	54	32	70	40	70
Professional Services	27,158	25,000	28,000	28,000	28,000
Postage	17	38	150	0	50
Printing & Publications	865	1,440	1,200	702	1,500
Memberships & Dues	1,220	1,046	1,750	1,601	1,750
Utilities	0	651	750	0	500
Telephone	968	961	1,020	957	1,020
Hiring Expense	0	0	0	0	0
Legal Services	0	0	2,000	0	1,876
Auditing Services	1,500	1,500	1,500	1,500	1,500
Information Technology	0	0	1,000	1,000	0
Maintenance & Repair	105	101	800	779	800
Building Maintenance	0	969	500	0	1,000
Travel & Training	5,940	3,022	8,711	8,711	6,500
Office Supplies	141	644	1,045	362	2,045
Recruiting & Marketing	6,015	7,142	8,042	5,108	13,078
Advertising	0	345	4,500	3,421	1,000
Gas	970	490	600	383	1,000
Operating Insurance	1,902	1,866	1,975	1,972	1,800
Depreciation Transfer	10,000	10,000	0	0	0
Transfer to Capital Projects	0	0	36,000	36,000	0
TIF Bank Escrow Payment	0	65,573	115,415	63,266	108,000
Special Events	707	912	1,000	475	1,125
Small Equipment	0	0	0	0	0
<b>TOTAL:</b>	<b>146,288</b>	<b>214,662</b>	<b>322,333</b>	<b>258,888</b>	<b>281,269</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TRANSFERS TO OTHER FUNDS</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Transfer to Debt Service	1,378,779	1,321,035	1,375,343	1,375,343	1,436,070
Transfer to Solid Waste	1,464,781	1,315,895	1,587,068	1,587,068	1,395,623
Transfer to TAA-Operations	154,000	144,760	136,074	136,074	127,910
Transfer to TAA-Fuel	0	0	25,000	0	25,000
Transfer to TAEDC	159,664	159,664	159,664	159,664	166,164
Transfer to TAEDC - TIF	0	40,847	48,500	48,334	48,000
Transfer to Capital Projects	537,606	100,000	646,570	646,570	112,306
Transfer to TUB Hydrant Rental	141,939	142,702	142,439	142,383	144,717
Transfer to TIDB- substation pymt	0	60,000	60,000	60,000	60,000
Contingency	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>
<b>TOTAL:</b>	<b>3,836,769</b>	<b>3,284,903</b>	<b>4,180,658</b>	<b>4,155,436</b>	<b>3,565,790</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TULLAHOMA CITY SCHOOLS</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Appropriation	4,438,867	4,438,867	4,438,867	4,438,867	4,438,867
Sales tax - Operations	3,689,777	4,008,195	3,812,133	3,812,133	3,894,129
Sinking Fund (1/2cent)	1,644,840	1,734,721	1,750,102	1,750,102	1,727,006
Sinking Fund add'l sales tax	599,849	599,849	599,849	599,849	599,849
State Liquor Tax allocation	0	48,528	51,156	51,156	40,647
Liquor tax settlement	0	31,923	32,000	31,923	32,000
Solid Waste Collections	<u>70,070</u>	<u>99,911</u>	<u>112,000</u>	<u>108,237</u>	<u>93,000</u>
<b>TOTAL:</b>	<b>10,443,403</b>	<b>10,961,994</b>	<b>10,796,107</b>	<b>10,792,268</b>	<b>10,825,498</b>

<b>FY2018 DEPARTMENTAL BUDGET</b>					
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>TOURISM AND CULTURAL</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
<b>ORGANIZATIONS</b>	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Beautification (Forestry)	7,798	10,497	24,320	20,851	21,960
Chamber of Commerce	30,239	30,225	31,460	31,452	29,721
Hands-On Science Center	7,560	7,556	7,880	7,863	7,430
Historic Preservation Society	1,260	1,259	1,325	1,310	1,240
Keep Coffee County Beautiful	3,779	3,779	3,935	3,931	3,716
South Jackson Civic Center-approp	15,119	15,113	15,730	15,726	14,861
South Jackson Civic Center-insurance	8,080	9,359	8,555	8,545	8,812
South Jackson Civic Center-Utility	2,215	494	2,470	554	2,470
Tennessee Backroads Heritage	5,040	5,038	5,270	5,242	4,954
Tulahoma Fine Arts Center	<u>15,120</u>	<u>15,113</u>	<u>15,730</u>	<u>15,726</u>	<u>14,861</u>
<b>TOTAL:</b>	<b>96,210</b>	<b>98,432</b>	<b>116,675</b>	<b>111,200</b>	<b>110,024</b>
	<b>FY14-15</b>	<b>FY15-16</b>	<b>FY16-17</b>	<b>FY16-17</b>	<b>FY17-18</b>
<b>COMMUNITY SERVICE</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Actual</b>	<b>Proposed</b>
<b>ORGANIZATIONS</b>	<b>Expenses</b>	<b>Expenses</b>	<b>Budget</b>	<b>Expenses</b>	<b>Budget</b>
Civil Air Patrol	800	800	800	800	800
Coffee County Health Dept.					
Gas Services	2,876	1,704	3,488	1,618	3,668
Utility Services	10,521	8,579	10,461	10,320	10,461
Coffee County Library	11,000	11,000	11,000	11,000	11,000
Coffee County Senior Citizens					0
Appropriation	9,152	9,152	9,152	9,152	9,152
Utility Services	20,236	17,757	19,535	18,944	19,535
Operating Insurance	2,075	1,939	2,189	1,770	2,189
Community Playhouse, Inc.	0	0	1,000	1,000	1,000
Old Red Cross - Utilities	0	1,316	1,800	1,709	1,500
Old Red Cross Building - Repairs	0	231	500	0	500
Skills Development Services	2,267	2,267	2,267	2,267	2,267
Tennessee Rehabilitation Center	5,333	5,333	5,333	5,333	5,333
Trinity Care Center	800	800	800	800	800
Tulahoma Day Care Center	6,400	6,400	6,400	6,400	6,400
Tulahoma Youth Development (res)	0	0	500	0	500
Youth Activities/Drug Task Force	<u>65</u>	<u>305</u>	<u>1,200</u>	<u>305</u>	<u>1,200</u>
<b>TOTAL:</b>	<b>71,525</b>	<b>67,583</b>	<b>76,425</b>	<b>71,417</b>	<b>76,305</b>



DEBT SERVICE

## **DEBT MANAGEMENT**

### **Rating**

Moody's Investor Service upgraded the rating on the City of Tullahoma's outstanding general obligation debt from A1 to Aa2 in April, 2010. Moody's stated, "The Aa2 rating reflects a stable financial position with satisfactory reserve levels, a moderately growing tax base and above-average debt levels with a dedicated funding stream for school related debt." The report adds, "Moody's believes the city's financial position will remain stable, despite multiple years of draw downs and expected further declines in fiscal 2009 and 2010, given prudent fiscal management and still satisfactory reserve levels."

The report's caveat for Tullahoma was, "While Moody's believes that the city's formal policy to maintain reserves at the 25% level should assist in providing stability to its financial operations, maintenance of the current rating depends upon the city's ability to halt the annual use of General Fund reserves and stabilize financial operations." The City of Tullahoma acted on that premise, and has since only used reserves for capital projects, and not for operations. The FY2014 budget only used minimal restricted reserves for the dog pound and police equipment purchases. For FY2015, only \$20,000 in departmental specific reserves were appropriated, as the City continued to fully fund its operations. FY2016 saw this trend continued, with only the departmental specific reserves appropriated. The FY2017 budget utilized \$485,000 in reserves for capital projects as well as \$40,000 in departmental restricted reserves. The FY2018 budget appropriated \$112,306 for local matches on grant funded capital projects. Both the City of Tullahoma and Tullahoma City Schools have developed policies that support maintaining healthy reserves to provide for cash flows, capital projects and emergencies, and to ensure a strong financial base with a good bond rating.

### **Overview**

In April, 2003, the City compiled a comprehensive plan document entitled, "Building Our Future: Tullahoma's Strategic Plan." One of the four strategic plan themes identified is "Responsive Effective Local Government." This category contains major objectives, with implementation actions. The first objective identified is:

- |                        |  |
|------------------------|--|
| Objective 1<br>Actions | To Improve the City's financial health<br>1. Review and update the fiscal fitness and debt reduction policies.<br>2. Pursue cost-savings and rationalization in municipal operations.<br>3. Rationalize the policy for user fees by determining which services should be supported through the tax base.<br>4. Promote new cost-effective partnerships for service delivery. |
|------------------------|--|

As indicated under Action 1, above, the City has placed emphasis on debt reduction where possible as well as on debt restructuring when savings opportunities are present. For FY2018, the City anticipates taking advantage of the low interest rate environment to refund 2006 school bonds that can be called in April, 2018, as well as exploring construction loan options to fund a new police station and several other planned capital projects.

In 2004, the City of Tullahoma developed a Capital Improvement Program for FY2005 to FY2010. The Program identified potential projects, costs and timetables, which were consolidated into a funding summary. Based on the summary, the City evaluated its long-term debt schedule to determine appropriate years when the required debt could be issued without substantially changing the City's annual debt payments. That plan is updated annually.

The City issued no new debt in FY2013, but was able to refund outstanding 2002 bonds resulting in interest savings of \$451,000. The FY2014 budget included a four cent tax increase to cover debt service on loans for high school roof repairs and commence the renovation of the City's indoor pool for competition swimming and convert the outdoor pool to a splash park. The City borrowed \$2,450,000 for this purpose. Additionally, the City borrowed \$650,000 for a new garbage truck and fire truck. For FY2015, the City closed on an additional construction loan in the amount of \$2,988,500 to complete the pool facilities as well as accomplish additional parks projects and repairs outlined in the capital improvements plan. The City completed construction draws on this loan in FY2016 and made monthly interest payments based on the amount outstanding. The City refunded 2005 public improvement bonds in 2016 saving \$265,000 in interest expense. Other than taking advantage of the refunding opportunity, the City did not issue any new debt in FY2017, but does plan to review debt options for issuing \$7.5 for new capital projects.

It should also be noted that the City of Tullahoma is not subject to any legal debt limitation imposed by the State of Tennessee. Debt is only subject to the City's own policies and Board determinations.

### **Schedules**

1. Tullahoma's Debt Policy
2. FY2018 Debt Service Fund Budget
3. Summary of All Outstanding Debt
4. Long Term Debt - City & School Bonds
5. Long Term Debt - City & School Capital Outlay Notes and Loans
6. Graph – Cumulative City and School Debt
7. Ratio of General Bonded Debt to Assessed Value & Net Bonded Debt Per Capita

### **Tullahoma's Debt Policy**

The purpose of this debt policy is to establish a set of parameters by which debt obligations will be undertaken by the City of Tullahoma, TN. Adoption of a debt management policy fulfills the requirements of the State of Tennessee. An additional goal of this policy is to assist decision makers in planning, issuing, and managing debt obligations by providing clear direction as to the steps, substance and outcomes desired. In addition, greater stability over the long-term will be generated by the use of consistent guidelines in issuing debt.

Definition of Debt: All obligations of the City to repay, with or without interest, in installments and/or at a later date, some amount of money utilized for the purchase, construction, or operation

of City resources. This includes but is not limited to notes, bond issues, capital leases, and loans of any type (whether from an outside source such as a bank or from another internal fund).

Approval of Debt: Bond anticipation notes, capital outlay notes, grant anticipation notes, and tax and revenue anticipation notes will be submitted to the State of Tennessee Comptroller's Office and the City Council prior to issuance or entering into the obligation. A plan for refunding debt issues will also be submitted to the Comptroller's Office prior to issuance. Capital or equipment leases may be entered into by the City Council; however, details on the lease agreement will be forwarded to the Comptroller's Office on the specified form within 45 days.

Transparency:

- The City shall comply with legal requirements for notice and for public meetings related to debt issuance.
- All notices shall be posted in the customary and required posting locations, including as required local newspapers, bulletin boards, and websites.
- All costs (including principal, interest, issuance, continuing, and one-time) shall be clearly presented and disclosed to the citizens, City Council, and other stakeholders in a timely manner.
- The terms and life of each debt issue shall be clearly presented and disclosed to the citizens/members, City Council, and other stakeholders in a timely manner.
- A debt service schedule outlining the rate of retirement for the principal amount shall be clearly presented and disclosed to the citizens/members, City Council, and other stakeholders in a timely manner.

Role of Debt:

Long-term debt shall not be used to finance current operations. Long-term debt may be used for capital purchases or construction identified through the capital improvement, regional development, transportation, or master process or plan. Short-term debt may be used for certain projects and equipment financing as well as for operational borrowing; however, the City will minimize the use of short-term cash flow borrowings by maintaining adequate working capital and close budget management.

Types and Limits of Debt:

- The City will seek to structure debt with level or declining debt service payments over the life of each individual bond issue or loan.
- As a rule, the City will not backload, use "wrap-around" techniques, balloon payments or other exotic formats to pursue the financing of projects. When refunding opportunities, natural disasters, other non-general fund revenues, or other external factors occur, the City may utilize non-level debt methods.
- The City may use capital leases to finance short-term projects.
- Bonds backed with a general obligations pledge often have lower interest rates than revenue bonds. The City may use its General Obligation pledge with revenue bond issues when the populations served by the revenue bond projects overlap or significantly are the same as the property tax base of the City. The Board of Mayor and Aldermen and management are

committed to maintaining rates and fee structures of revenue supported debt at levels that will not require a subsidy from the City's General Fund. [This provision is necessary only if the City has a source of repayment for a revenue bond, such as a water or sewer system.]

#### Use of Variable Rate Debt:

- The City recognizes the value of variable rate debt obligations and that cities have greatly benefitted from the use of variable rate debt in the financing of needed infrastructure and capital improvements.
- However, the City also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks; including:
  1. The City will annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration.
  2. Prior to entering into any variable rate debt obligation that is backed by insurance and secured by a liquidity provider, the City Council shall be informed of the potential affect on rates as well as any additional costs that might be incurred should the insurance fail.
  3. Prior to entering into any variable rate debt obligation that is backed by a letter of credit provider, the City Council shall be informed of the potential affect on rates as well as any additional costs that might be incurred should the letter of credit fail.
  4. Prior to entering into any variable rate debt obligation, the City Council will be informed of any terms, conditions, fees, or other costs associated with the prepayment of variable rate debt obligations.
  5. The City shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any variable rate debt obligation.

#### Use of Derivatives:

The City chooses not to use derivative or other exotic financial structures in the management of the City's debt portfolio.

#### Costs of Debt:

- All costs associated with the initial issuance or incurrence of debt, management and repayment of debt (including interest, principal, and fees or charges) shall be disclosed prior to action by the City Council in accordance with the notice requirements stated above.
- In cases of variable interest or non-specified costs, detailed explanation of the assumptions shall be provided along with the complete estimate of total costs anticipated to be incurred as part of the debt issue.
- Costs related to the repayment of debt, including liabilities for future years, shall be provided in context of the annual budgets from which such payments will be funded(i.e.

General Obligations bonds in context of the General Fund, Revenue bonds in context of the dedicated revenue stream and related expenditures, loans and notes).

#### Refinancing Outstanding Debt:

- The City will refund debt when it is in the best financial interest of the City to do so. The decision to refinance must be explicitly approved by the governing body, and all plans for current or advance refunding of debt must be in compliance with state laws and regulations.
- The City will consider the following issues when analyzing possible refunding opportunities:
  1. Onerous Restrictions – Debt may be refinanced to eliminate onerous or restrictive covenants contained in existing debt documents, or to take advantage of changing financial conditions or interest rates.
  2. Restructuring for Economic Purposes – The City will refund debt when it is in the best financial interest of the City to do so. Such refunding may include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, or to release reserve funds. Current refunding opportunities may be considered by the City if the refunding generates positive present value savings, and the City may establish a minimum present value savings threshold for any refinancing.
  3. Term of Refunding Issues – The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.
  4. Escrow Structuring – The City shall utilize the least costly securities available in structuring refunding escrows. Under no circumstances shall an underwriter, agent or financial advisor sell escrow securities to the City from its own account.
  5. Arbitrage – The City shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any refunding.

#### Professional Services:

The City shall require all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the City and the lender or conduit issuer, if any. This includes “soft” costs or compensations in lieu of direct payments.

- Counsel: The City shall enter into an engagement letter agreement with each lawyer or law firm representing the City in a debt transaction. (No engagement letter is required for

- any lawyer who is an employee of the City or lawyer or law firm which is under a general appointment or contract to serve as counsel to the City. The City does not need an engagement letter with counsel not representing the City, such as underwriters' counsel.)
- Financial Advisor: (If the City chooses to hire financial advisors) The City shall enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions. Whether in a competitive sale or negotiated sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance or broker any other debt transactions for the City.
  - Underwriter: (If there is an underwriter) The City shall require the Underwriter to clearly identify itself in writing (e.g., in a response to a request for proposals or in promotional materials provided to an issuer) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the City with respect to that issue. The Underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction and that it has financial and other interests that differ from those of the Entity. The Underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Board of Mayor and Aldermen in advance of the pricing of the debt.

#### Conflicts:

- Professionals involved in a debt transaction hired or compensated by the City shall be required to disclose to the City existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, liquidity or credit enhancement provider, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the City to appreciate the significance of the relationships.
- Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

#### Review of Policy:

This policy shall be reviewed at least annually by the Board of Mayor and Aldermen with the approval of the annual budget. Any amendments shall be considered and approved in the same process as the initial adoption of this Policy, with opportunity for public input.

**CITY OF TULLAHOMA**  
**DEBT SERVICE FUND**  
**FY2017-2018 Budget**

<i>REVENUES</i>	FY15-16	FY15-16	FY16-17	FY16-17	FY17-18
	<u>Budget</u>	<u>Actual</u>	<u>Amended Budget</u>	<u>YTD(04/17) Actual</u>	<u>Estimated Budget</u>
Refunding Bond Proceeds	4,585,000	4,585,000	0	0	
General Fund Transfer	1,322,020	1,321,035	1,375,344	1,129,827	1,436,070
School Board Transfer	2,740,384	2,357,112	2,723,004	2,017,395	2,768,123
Appropriated Fund Balance	35,239	0	0	0	0
Interest Income	0	236	0	342	0

**TOTAL REVENUES:** 8,682,643    8,263,383    4,098,348    3,147,564    4,204,193

**EXPENDITURES**

City of Tullahoma

2005 Ref (1999) City-Principal	5,295,000	5,295,000	0		0
2005 Ref (1999) City-Interest	197,255	197,255	0		0
2007 TMBF Note-EMS Roof-Principal	97,000	97,000	101,000	101,000	0
2007 TMBF Note-EMS Roof-Interest	8,474	8,474	4,323	4,323	0
2009 TMBF City Note-Principal	35,000	35,000	37,000	0	38,000
2009 TMBF City Note-Interest	14,970	8,660	40,860	11,035	39,195
2009 Ref (98 GO Ref) City-Principal	0	0	0	0	0
2009 Ref (98 GO Ref) City-Interest	0	0	0	0	0
2013 Pool renovation - Principal	86,000	86,000	87,000	0	88,000
2013 Pool renovation - Interest	41,887	27,231	66,870	27,989	64,260
2014 TMBF Outlay Notes- trucks- Prin.	89,000	89,000	91,000	91,000	93,000
2014 TMBF Outlay Notes- trucks- Int.	12,769	12,769	10,758	10,758	8,701
2015 TMBF Loan - Recreation proj. Prin.	0	0	50,500	0	112,000
2015 TMBF Loan - Recreation proj. Int.	34,368	28,646	34,368	37,220	33,787
2016 TMBF loan (ref 2005 bonds) Prin	0	0	740,000	740,000	765,000
2016 TMBF loan (ref 2005 bonds) Int	0	0	108,665	108,665	91,127
2017 Proposed Debt Issuance	0	0	0	0	100,000
Issuance/refunding fees	27,536	27,536	0	0	0
Fiscal Agent Fees	3,000	1,700	3,000	1,450	3,000
<b>Total City</b>	<u>5,942,259</u>	<u>5,914,271</u>	<u>1,375,344</u>	<u>1,133,439</u>	<u>1,436,070</u>

2006 Ref School (WM)-Principal	30,000	30,000	35,000	35,000	820,000
2006 Ref School (WM)-Interest	357,288	357,288	356,162	356,163	354,850
2009 TMBF School (\$12M)-Principal	361,000	361,000	377,000	0	394,000
2009 TMBF School (\$12M)-Interest	472,410	89,139	456,165	117,097	439,200
2009 Ref School (98 GO)-Principal	100,000	100,000	105,000	105,000	110,000
2009 Ref School (98 GO)-Interest	8,225	8,225	5,150	5,150	1,788
2010 School Bond-Principal	100,000	100,000	100,000	100,000	0
2010 School Bond-Interest	151,094	151,094	148,094	148,094	146,594
2012 Ref school (2002) principal	1,000,000	1,000,000	1,000,000	1,000,000	375,000
2012 Ref school (2002) interest	72,000	72,000	52,000	52,000	38,250
2013 THS roof renovation- Principal	65,000	65,000	67,000	67,000	69,000
2013 THS roof renovation- Interest	23,367	23,367	21,433	21,433	19,441
<b>Total School</b>	<u>2,740,384</u>	<u>2,357,112</u>	<u>2,723,004</u>	<u>2,006,936</u>	<u>2,768,123</u>

**Total Expenditures** 8,682,643    8,271,383    4,098,348    3,140,374    4,204,193

**Summary of All Outstanding Debt  
City of Tullahoma and Tullahoma City Schools**

	<u>Outstanding debt</u>	<u>Jun-13</u>	<u>Jun-14</u>	<u>Jun-15</u>	<u>Jun-16</u>	<u>Jun-17</u>
City	GO & REF 2005	6,610,000	5,970,000	5,295,000	-	-
	GO REF 2009 (1998)	55,282	28,091	-	-	-
	TMBF City Note 2009	1,009,000	977,000	943,000	908,000	871,000
	2007 Outlay Note	380,000	291,000	198,000	101,000	-
	2014 Capital Outlay Nte	-	650,000	565,000	476,000	385,000
	TMBF City Note 2013	-	197,840	2,315,000	2,229,000	2,142,000
	TMBF City Note 2015	-	-	1,564,622	2,988,500	2,938,000
	GO REF 2016 (2005)	-	-	-	4,585,000	3,845,000
		8,054,282	8,113,931	10,880,622	11,287,500	10,181,000
School	GOPI REF 2006 (2001)	9,180,000	9,150,000	9,120,000	9,090,000	9,055,000
	GO REF 2012 (2002)	4,700,000	4,425,000	4,100,000	3,100,000	2,100,000
	GO REF 2009	1,794,718	1,066,909	315,000	215,000	110,000
	TMBF School Note 2009	11,175,000	10,844,000	10,498,000	10,137,000	9,760,000
	GO 2010 School	4,550,000	4,450,000	4,350,000	4,250,000	4,150,000
	TMBF Outlay Note 2013	-	890,115	830,000	765,000	698,000
			31,399,718	30,826,024	29,213,000	27,557,000

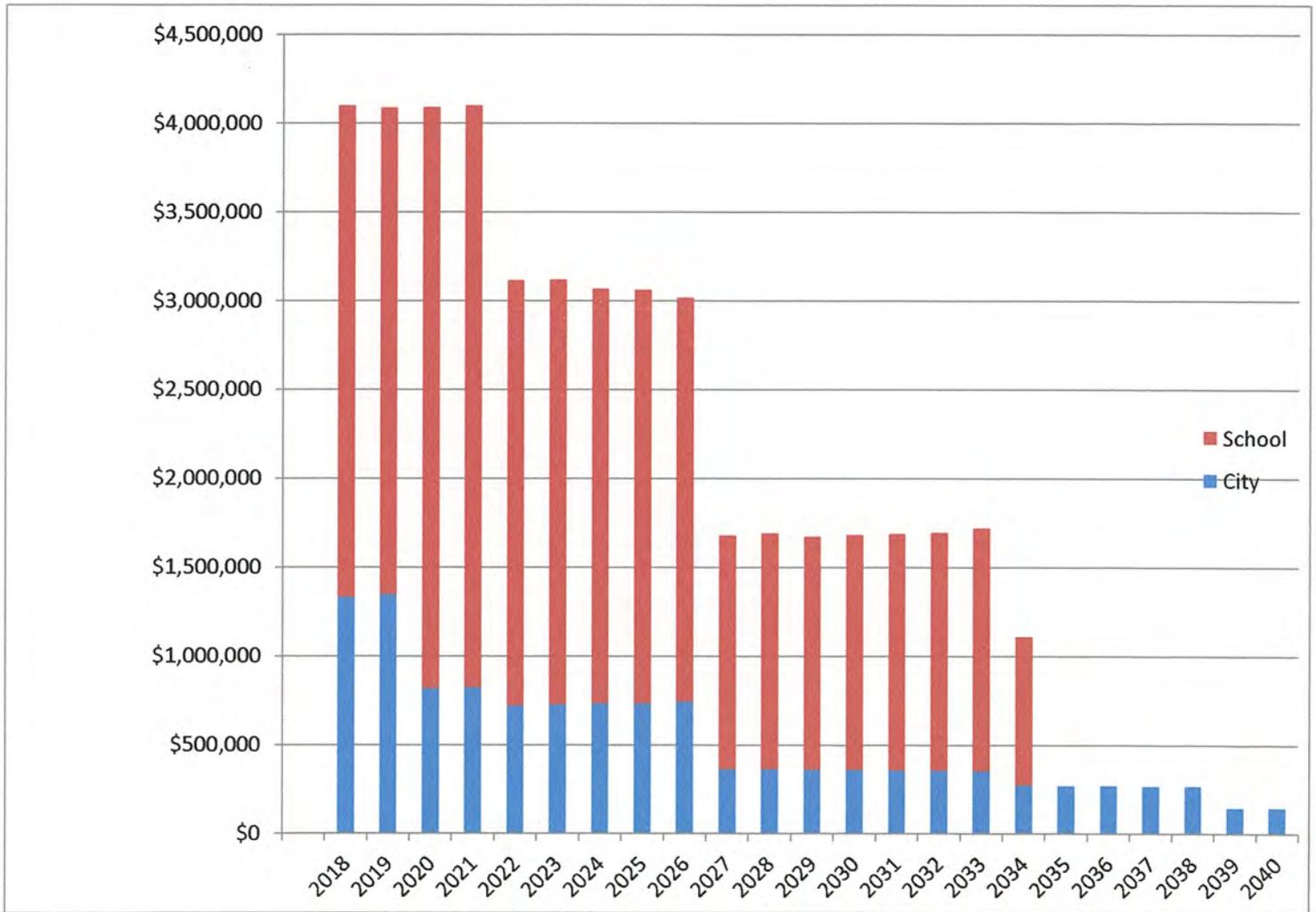
**SCHEDULE OF LONG TERM DEBT - BONDS  
CITY OF TULLAHOMA & TULLAHOMA CITY SCHOOLS**

Principal Maturities	GO Refunding Bonds 2012 School	Public Impr. Bonds 2016 General	GO Refunding Bonds 2006 School	TMBF Bond 2008 General	TMBF Bond 2008 School	GO Refunding Bonds 2010 School	GO Refunding Bonds 2011 School	Total G. O. Bonds
	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>
2018	375,000	765,000	820,000	38,000	394,000	110,000	0	2,502,000
2019	150,000	800,000	1,065,000	40,000	412,000	-	100,000	2,567,000
2020	750,000	285,000	1,055,000	42,000	431,000	-	100,000	2,663,000
2021	825,000	300,000	1,040,000	44,000	450,000	-	100,000	2,759,000
2022	-	310,000	1,035,000	46,000	470,000	-	100,000	1,961,000
2023	-	325,000	1,025,000	48,000	492,000	-	150,000	2,040,000
2024	-	340,000	1,015,000	50,000	514,000	-	150,000	2,069,000
2025	-	350,000	1,005,000	52,000	537,000	-	200,000	2,144,000
2026	-	370,000	995,000	54,000	561,000	-	200,000	2,180,000
2027				57,000	586,000		375,000	1,018,000
2028				60,000	613,000		400,000	1,073,000
2029				62,000	640,000		400,000	1,102,000
2030				65,000	669,000		425,000	1,159,000
2031				68,000	699,000		450,000	1,217,000
2032				71,000	731,000		475,000	1,277,000
2033				74,000	763,000		525,000	1,362,000
2034					798,000			798,000
	2,100,000	3,845,000	9,055,000	871,000	9,760,000	110,000	4,150,000	29,891,000

**SCHEDULE OF LONG TERM DEBT - OUTLAY NOTES AND LOANS  
CITY OF TULLAHOMA & TULLAHOMA CITY SCHOOLS**

Principal Maturities	TMBF 2013 Note THS Roof	TMBF 2013 Loan Pools	TMBF 2014 Note Fire & Garbage tk	TMBF 2015 Loan Recreation	Total Bonds & Notes
	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>	<u>Principal</u>
2018	69,000	88,000	93,000	112,000	362,000
2019	71,000	89,000	95,000	114,000	369,000
2020	73,000	91,000	97,000	115,000	376,000
2021	75,000	92,000	100,000	116,000	383,000
2022	77,000	93,000		118,000	288,000
2023	80,000	95,000		119,000	294,000
2024	82,000	96,000		120,000	298,000
2025	84,000	97,000		122,000	303,000
2026	87,000	99,000		123,000	309,000
2027		100,000		125,000	225,000
2028		102,000		126,000	228,000
2029		103,000		127,000	230,000
2030		105,000		129,000	234,000
2031		106,000		130,000	236,000
2032		108,000		132,000	240,000
2033		109,000		133,000	242,000
2034		111,000		135,000	246,000
2035		112,000		136,000	248,000
2036		114,000		138,000	252,000
2037		115,000		140,000	255,000
2038		117,000		141,000	258,000
2039				143,000	143,000
2040				144,000	144,000
	698,000	2,142,000	385,000	2,938,000	6,163,000

## City and School Long Term Annual Debt Payments



**RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA**

**TEN YEAR SUMMARY**

**June 30, 2017**

Fiscal Year	Tax Year	Net General Bonded Debt*	Assessed Value	Percent Net Indebtedness To Assessed Valuation	Population	Per Capita Net Indebtedness
2017	2016	29,891,000	399,255,200	7.49%	18,899	1,581.62
2016	2015	32,285,000	396,861,246	8.14%	18,655	1,730.64
2015	2014	34,621,000	386,284,180	8.96%	18,655	1,855.86
2014	2013	36,911,000	387,416,593	9.53%	18,655	1,978.61
2013	2012	39,074,000	381,674,755	10.24%	18,533	2,108.35
2012	2011	41,406,000	376,527,339	11.00%	18,533	2,234.18
2011	2010	43,498,000	376,458,949	11.55%	18,660	2,331.08
2010	2009	39,256,588	351,985,377	11.15%	18,579	2,112.95
2009	2008	31,692,463	346,992,284	9.13%	18,533	1,710.06
2008	2007	30,080,000	342,615,468	8.78%	18,579	1,619.03

\* Excludes Capital Outlay Notes & Loans

**Note:**

**The City of Tullahoma has no legal debt margin.**



CAPITAL PROJECTS AND  
IMPROVEMENTS

**City of Tullahoma  
Capital Projects**

**I. Introduction**

Tullahoma Capital Improvements Planning Process  
Capital Improvements Plan Structure

**II. FY2017 Capital Projects Budget**

**III. Summaries**

Table 1.	Summary of All Projects
Table 2.	Expenditure By Program
Table 3.	Funding Summary
Table 4.	Estimated Additional Expenses
Table 5.	Estimated Additional Revenue or Cost Savings

**IV . Project Details by Categories**

General Facilities

Entrance Signage  
Cemeteries  
Police Facility  
Fire Stations  
Municipal Building  
Animal Shelter  
Miscellaneous Public Buildings

Parks and Recreation Improvements

C.D. Stamps Community Center  
D. W. Wilson Community Center  
Outdoor Aquatic Center  
Grider Stadium  
Imagination Station

Storm Drainage Improvements

Transportation Improvements

Airport Business Park  
Bikeway/Greenway Improvements  
Traffic Signalization  
Downtown Revitalization Improvements  
SR-55 Improvements  
Sidewalk Improvements  
Street Resurfacing

Airport/Aviation Improvements

Approach Lighting  
Eastside Hangar  
Runway 9/27 Drainage Repair  
Main Ramp Repair  
Northwest Area Fencing  
Northwest Hangar Development  
Northwest Ramp Expansion, Phase I & II  
Northwest Taxiway, Phase I & II  
Runway 9/27 Extension  
Taxiway Lighting & Signage  
Striping and Marking

# CITY OF TULLAHOMA CAPITAL PROJECTS

## I. Introduction

For planning, budgeting, and auditing purposes, the City of Tullahoma municipal entity consists of not only the city, but also the Tullahoma City Schools, Tullahoma Regional Airport, Tullahoma Area Economic Development Agency and Tullahoma Industrial Board. The City capital improvements planning process involves coordinating with those named agencies as well as the Coffee County Senior Citizens Center and the South Jackson Civic Center, since both organizations have long term leases operating on City-owned facilities.

The City maintains a six year Capital Improvements Plan, which provides the prior year completions, current year budget, and four additional years of projections. The City Administrator works with the Finance Director and other department heads to catalog and plan internal capital needs and goals, and then receives input from the other related agencies to collate all projects into one cohesive city document. Each spring, department heads evaluate their facilities and equipment status, and indicate items needing repairs or replacement, as well as propose projects or improvements that have been requested by citizens or that they feel would enhance services. The City Administrator and Finance Director review the departmental submissions to update or add into the annual five year plan draft, and address funding options.

The City Administrator also collates the outside agency plans into one comprehensive draft document. The plan draft is then presented to the Board of Mayor and Aldermen in April for input and prioritization. The City Planning Commission also reviews the draft to look at community impacts and ensure that the City's growth plan and overall goals are being addressed. After review by both boards, the Capital Improvements Plan is formally adopted, and becomes the basis for the new fiscal year capital projects budget.

## Capital Improvements Plan Structure

The City's Capital Improvements Plan is a fairly large and comprehensive document. Therefore, only the portions relevant to the City and the FY2018 budget have been included for purposes of this report. The Tullahoma Utilities Authority's projects are not usually included in the City's five year plan since the City does not provide any funding for those projects. However, the Public Works Department works closely with utilities staff to ensure that water and sewer line projects and street paving are coordinated.

The Tullahoma Board of Education establishes the capital improvements plan for the Tullahoma City Schools, and then budgets and completes smaller projects themselves. The Board of Education maintains and monitors their projects and has a Facilities Maintenance Committee that reviews and prioritizes capital needs. Larger projects requiring additional funding or debt issuance are presented to the City Board of Mayor and Aldermen for approval when needed.

The FY2018 budget summary follows the introduction and includes FY2016 and FY2017 project expenses as well. A summary is then included of all scheduled projects covering FY2017 actual expenses and FY2018-2022 projections. Expenditures by Program breaks out the categories by area impacted. Sections are included for general facilities, parks and recreation, storm drainage, transportation, education and aviation. Major FY2018 projects in each section are also detailed, as well as associated funding requirements. The transportation section also includes projects authorized and funded directly by the State of Tennessee Department Transportation (TDOT) for construction in Tullahoma, but not requiring any budget or input by the City.

The aviation section covers projects approved by the Tullahoma Airport Authority, the board that manages the Tullahoma Municipal Airport. Members of the Airport Authority are appointed by the City Board of Mayor and Aldermen. The Airport Authority operating and capital budgets are submitted the City Board annually for approval and funding. Most of the aviation projects receive grant funding through TDOT's aeronautics division. The grants usually require between a 5 to 20% local match. Aeronautics grants are funded through taxes issued on the sale of aviation fuel.

The Funding Summary identifies sources for the projects. The Summary of Additional Expenses shows charges associated with the projects, such as annual debt service, utilities, staffing and supplies. A summary of associated revenue is also included, which addresses additional user fees, concession sales, hangar rentals, fuel sales and utilities savings.

Individual project detail sheets provide supporting background information on the project and time table for completion as well as project financial data.

**II. CITY CAPITAL PROJECTS BUDGET  
FY 2018 REVENUES**

	FY2016	FY2017	FY2018
	Actual	Actual(6/17)	Proposed Budget
<b><u>REVENUES</u></b>			
Grant Revenue - TN Department of Transportation	403,921	123,379	795,535
Grant Revenue - TN Aeronautics Division	1,395,716	1,316,902	859,848
Grant Revenue - State Project Diabetes	125,807	131,315	145,000
Grant Revenue-USDA	0	0	28,714
Grant Revenue- TN Economic Development	0	0	280,000
Grant Revenue - Home Rehabilitation	221,950	131,276	0
Transfers from General Fund	148,306	448,264	148,306
Transfers from Other Capital/Tullahoma Industrial Board/Airport Authority	84,000	0	84,000
Private Donations and Contributions/In kind services	12,500	0	168,500
Debt Issuance Proceeds	1,423,878	0	0
Appropriated Fund Balance	642,417	50,982	685,390
<b>Total Revenues</b>	<b>4,458,495</b>	<b>2,202,118</b>	<b>3,195,293</b>

**II. CITY CAPITAL PROJECTS BUDGET  
FY 2018 EXPENDITURES**

<b>EXPENDITURES</b>	<b>FY2016 Actual</b>	<b>FY2017 Actual(6/17)</b>	<b>FY2018 Budget</b>
Safe Routes to School Grants - Sidewalks	6,990	4,974	342,481
State Transportation Grant – Paving Ledford Mill	581,882	0	566,318
THDA HOMES Grant Housing Rehabilitation	221,950	131,276	0
Project Diabetes	143,811	131,358	145,000
Land Use Study	0	0	50,000
State Transportation Grant - Downtown Sidewalks	489,386	205,170	0
Jackson Street Signalization	12,500	2,000	161,500
Cedar Lane Expansion (multi-year)	1,976	0	0
New Animal Shelter	0	9,464	290,536
Outdoor Pool Renovation and Water Park	559,515	102,718	95,767
Grider Stadium Repairs- Phase II	520,447	6,095	8,167
Johnson Lane Recreation Soccer Lighting and Paving	360,613	0	13,711
Waggoner Park Pet Village	33,521	0	0
South Jackson Civic Center Lighting Match	0	5,052	95,135
USDA Downtown WIFI Grant	0	0	41,020
Airpark Site Renovation	0	0	400,000
CD Stamps Community Center Roof	0	0	100,000
Debt Issuance Expense	17,930	0	0
Projects Contingency	0	0	25,810
Aeronautics Grant- Northwest Ramp Expansion	258,839	160,994	64,287
Aeronautics Grant - East Side Hangar	635,647	154,580	383,823
Aeronautics Grant - South Ramp Drainage	90,600	0	4,400
Aeronautics Grant - Main Ramp Repair	208,814	0	40,392
Aeronautics Grant - Striping & Marking	61,013	0	39,487
Aeronautics Grant - Drainage Repair	5,865	91,077	25,939
Aeronautics Grant - North West Taxiway	247,196	636,897	29,385
Aeronautics Grant - Approach Lighting	0	247,463	36,087
Aeronautics Grant - Taxiway Lighting & Signage	0	151,063	122,944
Aeronautics Grant – Fencing	0	13,736	71,000
Turf Runway Repair	0	148,201	42,104
<b>Total Expenses</b>	<b>4,458,495</b>	<b>2,202,118</b>	<b>3,195,293</b>

**City of Tullahoma, Tennessee  
CAPITAL IMPROVEMENTS PROGRAM**

**TABLE 1  
SUMMARY OF ALL PROJECTS  
(\$000's)**

PROJECTS	PROJECTED FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL FY18-22
City Entrance Signage	0	10	10	10	0	0	30
Public Cemetery Improvements	38	38	38	10	10	10	106
Police Facility	6	42	1349	959	15	15	2380
Fire Stations & Apparatus	48	519	50	50	50	465	1134
Tullahoma Municipal Building	33	75	75	100	100	100	450
Tullahoma Animal Shelter	10	330	270	0	0	0	600
Public Buildings - Miscellaneous	0	225	210	0	0	0	435
C. D. Stamps Community Center	0	100	180	0	0	0	280
D. W. Wilson Community Center	50	15	15	15	15	15	75
Outdoor Aquatic Center	60	110	20	20	20	20	190
Frazier McEwen Park	0	0	0	0	0	0	0
Grider Stadium	6	14	0	0	0	0	14
Imagination Station	5	5	5	100	5	5	120
Johnson Lane Recreation Area	0	0	0	0	0	0	0
East Park	0	0	0	0	0	0	0
Jefferson Park	0	0	0	0	0	0	0
Waggoner Park	0	0	0	0	0	0	0
Stormwater Repairs & Improvements	75	79	80	80	80	80	399
Airport Business Park	0	28	372	0	0	0	400
Bikeway/Greenway Improvements	15	145	169	0	0	0	314
Jackson Street Traffic Signalization	2	174	0	0	0	0	174
Downtown Revitalization Improvemen	190	41	0	0	0	0	41
SR-55 Improvements	0	1178	2536	0	0	0	3714
Sidewalk Improvements	31	368	725	325	25	25	1468
Street Resurfacing	438	816	520	250	250	250	2086
Approach Lighting	247	36	0	0	0	0	36
Eastside Hangar Aeronautics	155	384	0	0	0	0	384
Runway 9/27 drainage repair	91	0	0	0	0	0	0
Main Ramp Repair	0	40	0	0	0	0	40
Northwest Area Fencing	14	57	0	0	0	0	57
Northwest Hangar Development	0	0	0	1200	0	0	1200
Northwest Ramp Expansion, Phase 1	160	64	0	0	0	0	64
Northwest Taxiway, Phase 1 & 2	636	10	0	0	0	0	10
Runway 9/27 Extension	148	0	0	0	0	0	0
Taxiway Lighting & Signage	137	13	0	0	0	0	13
Striping and Marking	0	39	0	0	0	0	39
<b>TOTAL</b>	<b>2595</b>	<b>4955</b>	<b>6624</b>	<b>3119</b>	<b>570</b>	<b>985</b>	<b>16253</b>

**City of Tullahoma, Tennessee  
CAPITAL IMPROVEMENTS PROGRAM**

**TABLE 2  
SUMMARY OF PROJECT EXPENDITURE BY PROGRAM  
(\$000's)**

PROGRAM	PROJECTED FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL FY18-22
Beautification	38	48	48	20	10	10	136
General Facilities	97	1191	1954	1109	165	580	4999
Parks & Recreation	121	244	220	135	40	40	679
Storm Drainage	75	79	80	80	80	80	399
Transportation	676	2750	4322	575	275	275	8197
Airport/Aviation	1588	643	0	1200	0	0	1843
<b>GRAND TOTAL</b>	<b>2595</b>	<b>4955</b>	<b>6624</b>	<b>3119</b>	<b>570</b>	<b>985</b>	<b>16253</b>

**CAPITAL IMPROVEMENTS PROGRAM**

**TABLE 3  
FUNDING SUMMARY  
( in \$000's)**

SOURCE	PROJECTED FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL FY18-22
General Fund	1078	1083	636	560	570	535	3384
Gen. Obligation Bonds	126	893	3088	1959	0	450	6390
Intergovernmental	1391	2733	2816	600	0	0	6149
Private Sources	0	246	84	0	0	0	330
<b>TOTAL FUNDING SOURCES</b>	<b>2595</b>	<b>4955</b>	<b>6624</b>	<b>3119</b>	<b>570</b>	<b>985</b>	<b>16253</b>

**City of Tullahoma, Tennessee  
CAPITAL IMPROVEMENTS PROGRAM**

**TABLE 4  
SUMMARY OF ALL PROJECTS ESTIMATED ADDITIONAL EXPENSES  
(\$000's)**

PROJECTS	PROJECTED FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL FY18-22
City Entrance Signage	0	0	0	0	0	0	0
Public Cemetery Improvements	0	0	0	0	0	0	0
Police Facility	0	0	0	228	228	228	684
Fire Stations & Apparatus	0	0	31	31	31	62	155
Tullahoma Municipal Building	0	0	0	0	0	0	0
Tullahaoma Animal Shelter	0	0	0	22	22	22	66
Public Buildings - Miscellaneous	0	0	0	25	25	25	75
C. D. Stamps Community Center	0	0	0	13	13	13	39
D. W. Wilson Community Center	230	230	230	230	230	230	1150
Outdoor Aquatic Center	349	349	349	349	349	349	1745
Frazier McEwen Park	0	0	0	0	0	0	0
Grider Stadium	36	36	36	36	36	36	180
Imagination Station	0	0	0	0	8	8	16
Johnson Lane Recreation Area	0	0	0	0	0	0	0
Jefferson Park	0	0	0	0	0	0	0
Waggoner Park	0	0	0	0	0	0	0
Stormwater Repairs & Improvements	0	0	0	0	0	0	0
Airport Business Park	0	0	0	0	0	0	0
Bikeway/Greenway Improvements	0	0	0	12	12	12	36
Jackson Street Traffic Signalization	0	0	0	0	0	0	0
Downtown Revitalization Improvements	0	0	0	0	0	0	0
SR-55 Improvements	0	0	0	0	0	0	0
Sidewalk Improvements	0	0	0	49	70	70	189
Street Resurfacing	0	0	0	27	27	27	81
Approach Lighting	0	0	0	0	0	0	0
Eastside Hangar Aeronautics	3	3	3	3	3	3	15
Runway 9/27 drainage repair	91	0	0	0	0	0	0
Lighting Systems Modification	0	0	0	0	0	0	0
Main Ramp Repair	0	0	0	0	0	0	0
Northwest Area Fencing	0	0	0	0	0	0	0
Northwest Hangar Development	0	0	0	0	42	84	126
Northwest Ramp Expansion, Phase 1 &	0	0	0	0	0	0	0
Northwest Taxiway, Phase 1 & 2	0	0	0	0	0	0	0
Runway 18/36 Improvements	0	0	0	0	0	0	0
Runway 9/27 Extension	0	0	0	0	0	0	0
South Ramp Drainage	0	0	0	0	0	0	0
Taxiway Lighting & Signage	0	0	0	0	0	0	0
Striping and Marking	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>709</b>	<b>618</b>	<b>649</b>	<b>1025</b>	<b>1096</b>	<b>1169</b>	<b>4557</b>

**City of Tullahoma, Tennessee  
CAPITAL IMPROVEMENTS PROGRAM**

**TABLE 5  
SUMMARY OF ALL PROJECTS ESTIMATED ADDITIONAL REVENUE OR SAVINGS  
(\$000's)**

PROJECTS	PROJECTED						TOTAL FY18-22
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
City Entrance Signage	0	0	0	0	0	0	0
Public Cemetery Improvements	0	0	0	0	0	0	0
Police Facility	0	0	0	0	0	0	0
Fire Stations & Apparatus	0	0	0	0	0	0	0
Tullahoma Municipal Building	0	0	0	0	0	0	0
Tullahoma Animal Shelter	0	0	0	0	0	0	0
Public Buildings - Miscellaneous	0	0	0	0	0	0	0
C. D. Stamps Community Center	0	0	0	0	0	0	0
D. W. Wilson Community Center	98	98	98	98	98	98	490
Outdoor Aquatic Center	130	130	130	130	130	130	650
Frazier McEwen Park	0	0	0	0	0	0	0
Grider Stadium	0	0	0	0	0	0	0
Imagination Station	0	0	0	0	0	0	0
Johnson Lane Recreation Area	0	0	0	0	0	0	0
Jefferson Park	0	0	0	0	0	0	0
Waggoner Park	0	0	0	0	0	0	0
Stormwater Repairs & Improvements	0	0	0	0	0	0	0
Airport Business Park	0	0	0	0	0	0	0
Bikeway/Greenway Improvements	0	0	0	0	0	0	0
Jackson Street Traffic Signalization	0	0	0	0	0	0	0
Downtown Revitalization Improvements	0	0	0	0	0	0	0
SR-55 Improvements	0	0	0	0	0	0	0
Sidewalk Improvements	0	0	0	0	0	0	0
Street Resurfacing	0	0	0	0	0	0	0
Approach Lighting	0	0	0	0	0	0	0
Eastside Hangar Aeronautics	0	0	5	5	5	5	20
Runway 9/27 drainage repair	0	0	0	0	0	0	0
Main Ramp Repair	0	0	0	0	0	0	0
Northwest Area Fencing	0	0	0	0	0	0	0
Northwest Hangar Development	0	0	0	0	15	15	30
Northwest Ramp Expansion, Phase 1 & 2	0	0	0	0	0	0	0
Northwest Taxiway, Phase 1 & 2	0	0	0	0	0	0	0
Runway 9/27 Extension	0	0	0	0	0	0	0
Taxiway Lighting & Signage	0	0	0	0	0	0	0
Striping and Marking	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>228</b>	<b>228</b>	<b>233</b>	<b>233</b>	<b>248</b>	<b>248</b>	<b>1190</b>



<b>PROJECT</b>	City Entrance Signage		
<b>PROGRAM</b>	Beautification	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project provides for the construction of ground entrance sign for the city for the approach from Shelbyville and also Arnold AFB/AEDC, and repairs and updates to the signs at the other entrances.

**STATUS**

The project has been endorsed by the Arnold Community Council and Dream Tullahoma.

This project would be funded from hotel/motel tax beautification funds and the Industrial Board.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022	Proposed FY18-22
<b>EXPENDITURE</b>							
Improvements	0	10	10	10	0	0	30
<b>TOTAL ALLOCATION</b>	0	10	10	10	0	0	30
<b>FUNDING SOURCE</b>							
General Fund	0	5	5	5	0	0	15
Private Sources	0	0	0	0	0	0	0
Intergovernmental	0	5	5	5	0	0	15
<b>TOTAL FUNDS</b>	0	10	10	10	0	0	30

**JUSTIFICATION**

This project would enhance entryways to the city.



ENTRANCE SIGN - CURRENT STYLE

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Minimal upkeep

**PROGRAM & FACILITY COSTS:**

Mowing and maintenance of landscaping.

**OFFSETTING REVENUE:**



<b>PROJECT</b>	Public Cemetery Improvements		
<b>PROGRAM</b>	Beautification	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project provides improvements at each of the publicly owned and maintained cemetery sites, including paving and fencing. The city maintains the following public cemeteries: Citizens, Evergreen, Maplewood and Oakwood. The Foundation for the Preservation of Oakwood Cemetery added a monument for unmarked graves in FY 11. In FY11 the City partnered with historic groups to add a Civil War Trails marker at Maplewood.

**STATUS**

IN FY17, the City upgraded the fencing and paving at Maplewood Cemetery. Fence repair is planned for Oakwood in FY18 and FY19.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022	Proposed FY18-22
<b>EXPENDITURE</b>							
Improvements	38	38	38	10	10	10	106
<b>TOTAL ALLOCATION</b>	38	38	38	10	10	10	106
<b>FUNDING SOURCE</b>							
GO Bond	0	0	0	0	0	0	0
General Fund	38	38	38	10	10	10	106
Private Sources	0	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0	0
<b>TOTAL FUNDS</b>	38	38	38	10	10	10	106

**JUSTIFICATION**

The placement of perimeter fencing and entrance improvements helps delineate the cemetery boundaries, reduce vandalism by limiting access points, and provides a barrier to undesirable off-road vehicular traffic. The Confederate Cemetery at Maplewood is not part of the City cemetery and is maintained by a private association.



OAKWOOD CEMETERY  
JACKSON ST. at HWY. 55

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

\$10k budgeted annually for base repairs, plus additional in years with capital improvements

**PROGRAM & FACILITY COSTS:**

No change; included in annual cemetery maintenance budget.

**OFFSETTING REVENUE:**

Some through sale of cemetery plots.



<b>PROJECT</b>	Police Facility		
<b>PROGRAM</b>	General Facilities & Equipment	<b>RESPONSIBLE DEPARTMENT</b>	Police Dept.

**DESCRIPTION**

This project provides for a facility to accommodate police department activities.

Features that should be considered for inclusion in a new facility include:

Public lobby, offices, training room, records room, booking & intoximeter room, briefing room, evidence room, emergency generator, break area, sally port, rest rooms and parking areas. In the meantime small scale renovations to the bathrooms & storage areas may be pursued.

**STATUS**

Architects will be retained in FY18 with construction commencing in FY19 and facility completed by mid FY20.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	6	42	1349	959	15	15		2380
<b>TOTAL ALLOCATION</b>	6	42	1349	959	15	15		2380
<b>FUNDING SOURCE</b>								
GO Bonds	0	42	1349	959	0	0		2350
General Fund	6	0	0	0	15	15		30
Intergovernmental	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	6	42	1349	959	15	15		2380

**JUSTIFICATION**

The Police department has very limited space for its operations; current facility used to be firehall and is not well configured.

Land for the new building was donated to the City in FY18.

Construction costs are estimated at \$200 per square foot.

The BMA approved an evidence storage building and it was completed in FY13.



TULLAHOMA POLICE DEPARTMENT at  
TULLAHOMA MUNICIPAL BUILDING  
201 WEST GRUNDY STREET

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Debt service of \$228 annually for 25 years.

**PROGRAM & FACILITY COSTS:**

New facility will increase utilities cost as well as janitorial costs, but some savings will be realized through increased HVAC efficiency.

**OFFSETTING REVENUE:**

None.



<b>PROJECT</b>	Fire Stations & Apparatus		
<b>PROGRAM</b>	General Facilities & Equipment	<b>RESPONSIBLE DEPARTMENT</b>	Fire

**DESCRIPTION**

This project category provides for fire apparatus replacements and improvements to the fire stations within the city.

**STATUS**

The FY18 budget includes \$450 for a new rescue pumper, based on a new debt issue. Replacement responder trucks and SUVs are scheduled annually. The fire bay floors will be refinished and sealed in FY18.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Apparatus	35	490	35	35	35	450		1045
Building improvements	13	29	15	15	15	15		89
Parking improvements	0	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	<b>48</b>	<b>519</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>465</b>		<b>1134</b>
<b>FUNDING SOURCE</b>								
GO Bonds	0	450	0	0	0	450		900
General Fund	48	69	50	50	50	15		234
<b>TOTAL FUNDS</b>	<b>48</b>	<b>519</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>465</b>		<b>1134</b>

**JUSTIFICATION**

Future projects could include a third fire station (\$1,700K for estimated cost) at a site to be determined. A third fire station would also require an annual expenditure of over \$500K for personnel and operations.



FIRE STATION NO. 2  
OVOCA ROAD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Debt service: \$31 annually for large vehicle purchases  
Smaller vehicle replacement and building maintenance budgeted annually in general fund.

**PROGRAM & FACILITY COSTS:**

No additional costs unless third station eventually required.

**OFFSETTING REVENUE:**

Property taxes and other general fund revenue



<b>PROJECT</b>	Tullahoma Municipal Building		
<b>PROGRAM</b>	General Facilities & Equipment	<b>RESPONSIBLE DEPARTMENT</b>	Finance & Admin.

**DESCRIPTION**

This project provides for improvements of the municipal building and adjacent parking to improve areas of the building to accommodate existing and future activities.

In FY18, some HVAC repairs are anticipated as well as accounting and administrative software system improvements. Major renovations will not be considered until the new Police Station is completed and building usage can be reviewed.

**STATUS**

Partial window replacement began occurred in FY17, and the phone system was replaced and upgraded.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
A/E Services	0	0	0	0	0	0		0
Municipal Bldg.	33	75	75	100	100	100		450
<b>TOTAL ALLOCATION</b>	<b>33</b>	<b>75</b>	<b>75</b>	<b>100</b>	<b>100</b>	<b>100</b>		<b>450</b>
<b>FUNDING SOURCE</b>								
GO Bonds	0	0	0	0	0	0		0
General Fund	33	75	75	100	100	100		450
<b>TOTAL FUNDS</b>	<b>33</b>	<b>75</b>	<b>75</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>450</b>

<p><b>JUSTIFICATION</b></p> <p>The municipal building was constructed in 1954. The last major renovation was in 1994 when an elevator was installed to comply with the Americans with Disabilities Act. Roof repairs were completed in FY12.</p>
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 <p><b>TULLAHOMA MUNICIPAL BUILDING</b> 201 WEST GRUNDY STREET</p>	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>Annual budgeted maintenance.</p> <p>All current repairs to be paid from annual operating budget</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>No additional costs.</p> <p><b>OFFSETTING REVENUE:</b></p> <p>None.</p>
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<b>PROJECT</b>	Tullahoma Animal Shelter		
<b>PROGRAM</b>	General Facilities & Equipment	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project plans to replace the existing animal shelter with a new, larger dog facility. Several fundraisers have been held and private groups and citizens have donated to raise \$130 towards the new shelter. Initial plans estimated \$300 for the shelter, but construction bids came in at \$600. Staff is working on design and construction changes to reduce costs and will rebid. The City plans to borrow funds needed to complete the project in FY2019.

**STATUS**

Initial design work complete with review of cost containment options for FY17. Construction to begin in FY18.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Design	10	10	0	0	0	0		10
Construction	0	320	270	0	0	0		590
<b>TOTAL ALLOCATION</b>	10	330	270	0	0	0		600
<b>FUNDING SOURCE</b>								
GO Bonds	0	50	260	0	0	0		310
General Fund	10	150	10	0	0	0		160
Private Sources	0	130	0	0	0	0		130
<b>TOTAL FUNDS</b>	10	330	270	0	0	0	0	600

**JUSTIFICATION**

The current building is old and too small and difficult to clean and to segregate the animals comfortably.



**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Annual budgeted maintenance.  
Debt service of \$22

**PROGRAM & FACILITY COSTS:**

Potential increase in utilities due to increased building size.

**OFFSETTING REVENUE:**

Adoption fees and donations.  
Donations and fundraisers to date total \$130.



<b>PROJECT</b>	Public Buildings - Miscellaneous		
<b>PROGRAM</b>	Parks & Recreation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION**

This project consists of improvements to unclassified public buildings including the Coffee County Senior Citizens Center, the South Jackson Civic Center and the Serenity House. The proposed construction project in FY18-FY19 will be to implement a new parking area and period lighting for the historic South Jackson Civic Center, which is owned by the City with a long-term lease to the SJCC Association.

**STATUS**

This project is contingent on funds from intergovernmental and private sources. Private sources indicated are \$100k matching funds raised by the SJCC Association for period lighting.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
A/E Services	0	25	10	0	0	0		35
Renovations	0	0	100	0	0	0		100
Construction	0	200	100	0	0	0		300
<b>TOTAL ALLOCATION</b>	0	225	210	0	0	0		435
<b>FUNDING SOURCE</b>								
GO Bond	0	100	160	0	0	0		260
General Fund	0	25	50	0	0	0		75
Intergovernmental	0	0	0	0	0	0		0
Private Sources	0	100	0	0	0	0		100
<b>TOTAL FUNDS</b>	0	225	210	0	0	0		435

**JUSTIFICATION**

In CY1999 the city allocated \$150K toward the construction of the Senior Citizens Center. Both buildings are owned by the City with long term leases requiring that the lessee maintain the properties.

 <p><b>SOUTH JACKSON CIVIC CENTER</b> 404 SOUTH JACKSON STREET</p>	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b> Debt service: \$25</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b> Maintained by the independent agencies. Potentially higher utility charges for added lighting</p> <p><b>OFFSETTING REVENUE:</b></p>
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<b>PROJECT</b>	C. D. Stamps Community Center		
<b>PROGRAM</b>	Recreation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION**

This project consists of improvements to the C. D. Stamps Community Center.

**STATUS**

IN FY14 the Parks Department received a grant for a community garden on the site. In FY18, the roof and HVAC will be repaired. Project to be completed in FY19, utilizing construction loan funds.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	0	100	180	0	0	0		280
<b>TOTAL ALLOCATION</b>	0	100	180	0	0	0		280
<b>FUNDING SOURCE</b>								
General Fund	0	100	0	0	0	0		100
GO Bonds	0	0	180	0	0	0		180
Intergovernmental	0	0	0	0	0	0		0
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	0	100	180	0	0	0		280

<b>JUSTIFICATION</b>
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	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>Debt Service: \$13</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>None</p> <p><b>OFFSETTING REVENUE:</b></p> <p>New HVAC should generate some utility savings</p>
<p><b>C. D. STAMPS COMMUNITY CENTER</b> 810 SOUTH JACKSON ST.</p>	



PROJECT	D. W. Wilson Community Center		
PROGRAM	Parks & Recreation	RESPONSIBLE DEPARTMENT	Parks & Recreation

**DESCRIPTION**

This project consists of improvements to the DW Wilson Community Center. Current facilities include gymnasium, fitness equipment, indoor competition pool, outdoor water park, and concessions.

Upgrades in FY16 to the indoor pool included a timing system with scoreboard, starting platforms, wake reducing gutter system, offset entryway for easy access by the disabled and seniors, evacuator system to improve indoor air quality by removing chloramines, and 17-ft. climbing wall.

**STATUS**

Indoor pool work was completed in FY216. Climbing walls were added in FY17. No major facilities work is planned for the indoor facility in FY18

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Renovation	50	15	15	15	15	15		75
<b>TOTAL ALLOCATION</b>	50	15	15	15	15	15		75
<b>FUNDING SOURCE</b>								
GO Bond	50	0	0	0	0	0		0
Intergovernmental	0	0	0	0	0	0		0
General Fund	0	15	15	15	15	15		75
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	50	15	15	15	15	15		75

**JUSTIFICATION**

The DW Wilson Center combines indoor and outdoor facilities and programs. Four meeting rooms, 2 dance/aerobic studios, weight room, full size gym, and 25-yard indoor pool. *The attached water park is shown as a separate project.* The Wilson Center also houses the administrative offices of the Parks and Recreation Department.

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b> Debt Service: Total FY15-FY17 project costs of \$4.5m requiring annual debt service of \$315 including the water park. Community Center portion is only \$100.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b> Addition of part-time pool staff \$100, supplies \$20, as well as concessions cost center \$140 offset by pool revenue of \$130 and concessions revenue of \$98.</p> <p><b>OFFSETTING REVENUE:</b> Concessions revenue and user fees from swimming tournaments. As indicated above.</p>
<p>DW WILSON COMMUNITY CENTER 501 NORTH COLLINS STREET</p>	



<b>PROJECT</b>	Outdoor Aquatic Center		
<b>PROGRAM</b>	Parks & Recreation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION**

This project consisted of the complete reconstruction of the outdoor Pool located at the DW Wilson Community Center. The project components included the demolition and complete reconstruction of the outdoor pool, converting it into an asymmetrical splash pool with slides, lazy river, zero-entry points, lighting and play features. Plan also includes concession area, parking and landscaping.

**STATUS**

The project was essentially completed and opened in FY2016. A climbing wall was added in FY2017, with further landscaping and site work scheduled for FY2018, as well as re-paving the parking lot.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
A/E & Construction	50	90	0	0	0	0		90
Capital Maintenance	10	20	20	20	20	20		100
<b>TOTAL ALLOCATION</b>	<b>60</b>	<b>110</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>		<b>190</b>
<b>FUNDING SOURCE</b>								
GO Bond	50	90	0	0	0	0		90
General Fund	10	20	20	20	20	20		100
Intergovernmental	0	0	0	0	0	0		0
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	<b>60</b>	<b>110</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>		<b>190</b>

**JUSTIFICATION**

This old outdoor pool was opened in 1979. Industry standards give public pools a 30-year lifespan without major renovation.



**OUTDOOR AQUATIC CENTER  
at DW WILSON COMMUNITY CENTER**

**ANNUAL OPERATING BUDGET IMPACT (\$000):**  
Debt Service: Total FY15-FY17 project costs of \$4.5m requiring annual debt service of \$315 including the community center. Water park portion is \$215.

**PROGRAM & FACILITY COSTS:**  
Staffing: \$194  
Utilities & Supplies: \$86

\*\* See also Community Center Project upgrades for Concession staffing costs.

**OFFSETTING REVENUE:**  
User fees: \$160 in entrance fees and \$98 for concessions



<b>PROJECT</b>	Grider Stadium		
<b>PROGRAM</b>	Parks & Recreation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION** This baseball facility serves primarily the high school team and hosts several baseball tournaments. Current needs include sandblasting, repair rusted areas, priming and painting the top and bottom of the stands. Future projects recommended by the coaching staff would include re-grading (laser) of Mathis Field to remove grade differential behind 3rd base, in left field and left field foul ball area. Re-grading could be limited to that area or could include the entire field (which would mean the entire irrigation system would have to be replaced).

**STATUS**

In FY13 the substructure was renovated at a cost of \$145K. In FY16, the second phase of repair corrected the press box area, paint and finished the fields and updated lighting. Final improvements will be completed by FY18.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Renovation	6	14	0	0	0	0		14
Athletic Lighting	0	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	<b>6</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>14</b>
<b>FUNDING SOURCE</b>								
GO Bond	6	5	0	0	0	0		5
General Fund	0	9	0	0	0	0		9
Private Sources	0	0	0	0	0	0		0
Intergovernmental	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	<b>6</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>14</b>

**JUSTIFICATION**

Grider Stadium was moved to Tullahoma from Alabama in 1961. There have been several renovation/repair projects over the years including irrigation lines (1989: \$1.5K); roof replacement (1990: \$21K); siding, fencing, seating (1992: \$119K); restroom, concession, dressing, coaches office (1997: \$122K); sound system, tarp and 30' foul poles (1998: \$7.2K); dugouts (1999: \$15.3K); painting (2000: \$4.2K); painting (2001:\$4.5K); steel supports and footings (2002: \$3.5K).



GRIDER STADIUM  
BIG SPRINGS AVENUE

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Annual debt service of \$36

**PROGRAM & FACILITY COSTS:**

Structure and ball field currently maintained by the Parks and Recreation Department as part of their regular budget.

**OFFSETTING REVENUE:**

User fees from leagues and tournaments, as well as utility savings on new lighting.



<b>PROJECT</b>	Imagination Station		
<b>PROGRAM</b>	Parks & Recreation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION**

This category is for repairs and improvements to the Imagination Station. The wooden structure is restrained and the feature areas repainted on a regular basis. Major wood replacement is scheduled for FY20.

**STATUS**

In FY 2010 the parks & recreation department added a new section to this playground. In FY2016, fitness funding through a Project Diabetes grant was used to add a pirate ship with climbing ropes to the playground.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	5	5	5	100	5	5		120
<b>TOTAL ALLOCATION</b>	5	5	5	100	5	5		120
<b>FUNDING SOURCE</b>								
GO Bond	0	0	0	100	0	0		100
General Fund	5	5	5	0	5	5		20
Intergovernmental	0	0	0	0	0	0		0
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	5	5	5	100	5	5		120

**JUSTIFICATION**

Imagination Station has high use.



**IMAGINATION STATION  
NORTH COLLINS STREET**

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Debt service of \$8

**PROGRAM & FACILITY COSTS:**

Paint and seal structure in FY2016 as part of regular maintenance budget.

**OFFSETTING REVENUE:**



<b>PROJECT</b>	Stormwater Repairs & Improvements		
<b>PROGRAM</b>	Storm Drainage	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project provides for annual storm drainage improvements, generally undertaken by the in-house forces of the Department of Public Works.

**STATUS**

On-going project.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Maintenance	75	79	80	80	80	80		399
Construction	0	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	<b>75</b>	<b>79</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>		<b>399</b>
<b>FUNDING SOURCE</b>								
General Fund	75	79	80	80	80	80		399
GO Bonds	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	<b>75</b>	<b>79</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>		<b>399</b>

**JUSTIFICATION**

This category addresses drainage problems as they are identified throughout the city.

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b>                  Provided for in annual operating budget as an annual maintenance program utilizing property tax dollars.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b>                  Approximately \$80 annually for maintenance and drainage needs.</p> <p><b>OFFSETTING REVENUE:</b>                  Property taxes</p>
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STATE ROUTE 130 DRAINAGE



PROJECT	Airport Business Park		
PROGRAM	Transportation	RESPONSIBLE DEPARTMENT	TDOT

**DESCRIPTION**

This project consists of the construction of a 1486lf access road from Ledford Mill Road into the airport business park. This project is funded through the State Industrial Access road program.

**STATUS**

This project is in the engineering/design phase. The City received for a 70/30 state grant. The TAEDC will pay \$36; the Airport will pay \$48 of the local match portion; City will pay \$36.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Design	0	28	49	0	0	0		77
Construction	0	0	323	0	0	0		323
<b>TOTAL ALLOCATION</b>	0	28	372	0	0	0		400
<b>FUNDING SOURCE</b>								
GO Bond	0	0	0	0	0	0		0
General Fund	0	28	8	0	0	0		36
Intergovernmental	0	0	280	0	0	0		280
Private Sources	0	0	84	0	0	0		84
<b>TOTAL FUNDS</b>	0	28	372	0	0	0		400

**JUSTIFICATION**

The project is in compliance with the 2000 Airport Area Development Study.

Project No. 16950-2596-04; PIN: 118493.0

<p>ACCESS ROAD AIRPORT BUSINESS PARK</p>	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b> Not budgeted locally- State of Tennessee project</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b> No operating costs associated with this project.</p> <p><b>OFFSETTING REVENUE:</b></p>
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<b>PROJECT</b>	Bikeway/Greenway Improvements		
<b>PROGRAM</b>	Transportation	<b>RESPONSIBLE DEPARTMENT</b>	Parks & Recreation

**DESCRIPTION**

This project provides for the construction of the Rock Creek Greenway and other bikeway segments or extensions within the city. Rock Creek Greenway comprises the main trunk of the Tullahoma Greenway system. Extension (\$168K) from Rock Creek to Cedar Ln crossing Collins St. constructed in FY14 under TEA program. Adding Rock Creek trail extension behind shopping plaza on W. Lincoln in FY17-18. New Collins Street connector in FY19.

**STATUS**

Collins St. crossing substantially completed in FY14. Project Diabetes grant to fund continuation section in FY2017. More sections to be added as funding is identified.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	15	145	169	0	0	0		314
<b>TOTAL ALLOCATION</b>	15	145	169	0	0	0		314
<b>FUNDING SOURCE</b>								
GO Bonds	0	0	169	0	0	0		169
General Fund	0	0	0	0	0	0		0
Intergovernmental	15	145	0	0	0	0		145
<b>TOTAL FUNDS</b>	15	145	169	0	0	0		314

**JUSTIFICATION**

PIN: 112065.00

The goal of the Rock Creek Greenway project is to provide an alternate mode of transportation by establishing significant linkages between educational facilities, businesses, recreational areas, residential neighborhoods, public housing and historical sites while using scenic and natural resource corridors.

Other pedestrian and bikeway enhancements were identified in the City of Tullahoma Comprehensive Transportation Plan. TDOT and TDEC grants do not allocate funds for real estate acquisition, therefore the city will need to continue to work with private groups to acquire the corridors for future bikeway extensions which will be identified in the master plan.



ROCK CREEK GREENWAY  
EXTENSION TO COLLINS ST

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Miminal maintenance required. Installation has been primarily grant funded with no match required. Bonded debt for FY19 portion payments of \$12 annually

**PROGRAM & FACILITY COSTS:**

None.

**OFFSETTING REVENUE:**



<b>PROJECT</b>	Jackson Street Traffic Signalization		
<b>PROGRAM</b>	Transportation	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project is the design and installation of a new traffic signal near the Northgate Mall on Jackson to service new retail development in the City's designated tax increment financing district. The developers will reimburse the design portion.

**STATUS**

This project was begun in FY2016 and will be completed in FY2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Design	2	16	0	0	0	0		16
Construction	0	158	0	0	0	0		158
<b>TOTAL ALLOCATION</b>	2	174	0	0	0	0		174
<b>FUNDING SOURCE</b>								
GO Bond	0	0	0	0	0	0		0
General Fund	0	158	0	0	0	0		158
Intergovernmental	0	0	0	0	0	0		0
Private Sources	2	16	0	0	0	0	0	16
<b>TOTAL FUNDS</b>	2	174	0	0	0	0	0	174

**JUSTIFICATION**

This project will service additional properties adjacent to the mall as they are improved for retail.



New traffic light on Jackson Street

**ANNUAL OPERATING BUDGET IMPACT (\$000):**  
None. Project design reimbursed by developer with construction provided from the general fund.

**PROGRAM & FACILITY COSTS:**

Minor utility charges for lighting

**OFFSETTING REVENUE:**

Sales tax and job creation from retail development.



<b>PROJECT</b>	Downtown Revitalization Improvements		
<b>PROGRAM</b>	Transportation	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This project would provide for improvements in the central business district. Phase I & II will be combined. Phase I consists of sidewalk, ADA and pedestrian lighting on Lincoln Street from Jackson St. to Atlantic St. Phase II would be on Atlantic St. from Lincoln St. to Grundy St. Additionally, for FY2017-18, the City obtained a matching grant to install downtown WI-Fi.

**STATUS**

Construction was completed in FY17 and downtown beautification added banners and flower pots.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
WIFI	0	41	0	0	0	0		41
Construction	190	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	190	41	0	0	0	0		41
<b>FUNDING SOURCE</b>								
GO Bonds	0	0	0	0	0	0		0
General Fund	38	12	0	0	0	0		12
Intergovernmental	152	29	0	0	0	0		29
<b>TOTAL FUNDS</b>	190	41	0	0	0	0		41

**JUSTIFICATION**

The downtown area sidewalks had not been updated in decades. The lighting is also be more energy efficient and many of the overhead lines were be buried. One of the delivery alleys was blocke off and converted to pedestrian use only.

PIN: 113908.0



DOWNTOWN REHABILITATION PROJECT

**ANNUAL OPERATING BUDGET IMPACT (\$000):**  
The 20% local match was transferred from the general fund to the capital projects fund in a prior period.

**PROGRAM & FACILITY COSTS:**  
City pays the electric bill for the lighting currently and may see some energy cost savings. However, new sprinkler lines were also installed for the landscaping which will add minimal cost.

**OFFSETTING REVENUE:**  
State Department of Transportation grant provides 80% funding. On-going downtown maintenance costs offset by property taxes and increased sales tax.



<b>PROJECT</b>	SR-55 Improvements		
<b>PROGRAM</b>	Transportation	<b>RESPONSIBLE DEPARTMENT</b>	TDOT

**DESCRIPTION**

This project consists of improvements to State Route 55 in Tullahoma. The Veterans Viaduct over the CSX Railroad, on the east side of SR16, will be rehabilitated by TDOT. A separate widening project is proposed on SR-55 from SR-16 (US41-A/Jackson St.) to First Avenue.

**STATUS**

The viaduct project was awarded in FY2014 and construction was completed in FY2015. The widening project is in the engineering phase, with construction estimated for FY2017-2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Engineering	0	0	536	0	0	0		536
Construction	0	1178	2000	0	0	0		3178
<b>TOTAL ALLOCATION</b>	0	1178	2536	0	0	0		3714
<b>FUNDING SOURCE</b>								
GO Bonds	0	0	0	0	0	0		0
General Fund	0	0	0	0	0	0		0
Intergovernmental	0	1178	2536	0	0	0		3714
<b>TOTAL FUNDS</b>	0	1178	2536	0	0	0		3714

**JUSTIFICATION**

Project No. (Viaduct): 16009-4236-04  
 PIN (SR55 Widening): 101589.01



SR55 VETERANS VIADUCT  
 N-BOUND ATLANTIC STREET VIEW

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Not budgeted locally - State of Tennessee project

**PROGRAM & FACILITY COSTS:**

N/A

**OFFSETTING REVENUE:**

N/A



<b>PROJECT</b>	Sidewalk Improvements		
<b>PROGRAM</b>	Transportation	<b>RESPONSIBLE DEPARTMENT</b>	Public Works

**DESCRIPTION**

This program includes new sidewalks and/or sidewalk repairs within the city. Typical scope of work includes construction of sidewalks, removal of deteriorated sidewalks, ADA ramps, markings & signage.

SRTS East Lincoln Elementary project from the school to Roosevelt St. (\$227K)

PIN: 117001.00

SRTS East Lincoln Elementary project from the school on Grundy from College St. to Dossett. (\$167K).

PIN: 118972.00

**STATUS**

Repairs are ongoing, with capital construction grant based. The City borrowed funds in FY18 for several larger sections.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Design	5	10	25	0	0	0		35
Construction	0	332	675	300	0	0		1307
Repair/Maintenance	26	26	25	25	25	25		126
<b>TOTAL ALLOCATION</b>	<b>31</b>	<b>368</b>	<b>725</b>	<b>325</b>	<b>25</b>	<b>25</b>		<b>1468</b>
<b>FUNDING SOURCE</b>								
GO Bonds	0	0	700	300	0	0		1000
General Fund	26	26	25	25	25	25		126
Intergovernmental	5	342	0	0	0	0		342
<b>TOTAL FUNDS</b>	<b>31</b>	<b>368</b>	<b>725</b>	<b>325</b>	<b>25</b>	<b>25</b>		<b>1468</b>

**JUSTIFICATION**

The city periodically receives requests from citizens regarding the lack of pedestrian access to various public facilities and points of interest in the community.

Major sidewalk repairs are identified and field-checked by the public works department.



**SIDEWALK IMPROVEMENTS  
HIGHWAY 130**

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Project is 100% grant reimbursed by the State of Tennessee Department of Transportation for initial portions. \$1,000 debt will require annual payments of \$70.

**PROGRAM & FACILITY COSTS:**

City plans to budget \$25k for maintenance commencing in FY17.

**OFFSETTING REVENUE:**

Grant revenue offsets construction costs for initial phases.



PROJECT	Street Resurfacing		
PROGRAM	Transportation	RESPONSIBLE DEPARTMENT	Public Works

**DESCRIPTION**

This project provides for street resurfacing as part of the City's pavement management system. It also includes STP qualifying sections such as the current Ledford Mills street project slated for FY2018.

**STATUS**

The City typically budgets \$250 annually for paving in the General fund operating budget. Additional paving is accomplished through State funding, capital projects and debt issuances. Additional paving was approved for FY2017.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	428	806	500	240	240	240		2026
Pavement Marking	10	10	20	10	10	10		60
<b>TOTAL ALLOCATION</b>	<b>438</b>	<b>816</b>	<b>520</b>	<b>250</b>	<b>250</b>	<b>250</b>		<b>2086</b>
<b>FUNDING SOURCE</b>								
GO Bonds	0	113	270	0	0	0		383
General Fund	438	250	250	250	250	250		1250
Intergovernmental	0	453	0	0	0	0		453
<b>TOTAL FUNDS</b>	<b>438</b>	<b>816</b>	<b>520</b>	<b>250</b>	<b>250</b>	<b>250</b>		<b>2086</b>

**JUSTIFICATION**

Streets rated in poor condition are resurfaced as funding becomes available.

<p>City-wide project.</p>	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>\$250k annually budgeted for capital repairs Debt service for FY2018-19 paving will be \$27 annually.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p><b>OFFSETTING REVENUE:</b></p> <p>STP state grant reimbursement for some portions.</p>
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PROJECT	Approach Lighting		
PROGRAM	Airport	RESPONSIBLE DEPARTMENT	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport, specifically the approach lighting for runway 6/24. The total project cost was \$320K.

**STATUS**

The TAA received a 90/10 grant in FY13 and construction will take place in FY2017 & FY2018. The local match was paid in FY14.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	247	36	0	0	0	0		36
<b>TOTAL ALLOCATION</b>	247	36	0	0	0	0		36
<b>FUNDING SOURCE</b>								
General Fund	25	4	0	0	0	0		4
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	222	32	0	0	0	0		32
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	247	36	0	0	0	0		36

**JUSTIFICATION**

The addition of approach lighting will improve air safety and allow for lower instrument approach minimums.

Project No. 16-555-0812-04



TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

None.

**PROGRAM & FACILITY COSTS:**

None.

**OFFSETTING REVENUE:**

None.



<b>PROJECT</b>	Eastside Hangar Aeronautics		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport. A 80x80 hangar will be constructed in the NW area of the airport. The intergovernmental share will be split by the State and the Federal government.

**STATUS**

Construction began in FY2016 and is slated for completion in FY2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	155	384	0	0	0	0		384
<b>TOTAL ALLOCATION</b>	155	384	0	0	0	0		384
<b>FUNDING SOURCE</b>								
General Fund	0	0	0	0	0	0		0
GO Bonds	15	38	0	0	0	0		38
Intergovernmental	140	346	0	0	0	0		346
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	155	384	0	0	0	0		384

**JUSTIFICATION**

Project No. 16-555-0190-04



TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Airport utilized an economic development loan for the local share. Annual payments are \$3k.

**PROGRAM & FACILITY COSTS:**

Facility will be leased when built and maintained by lessee.

**OFFSETTING REVENUE:**

hangar lease revenues.



<b>PROJECT</b>	Runway 9/27 drainage repair		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport runway 9/27 to improve drainage issues.

**STATUS**

This project was completed in FY2017.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	91	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	91	0	0	0	0	0		0
<b>FUNDING SOURCE</b>								
General Fund	9	0	0	0	0	0		0
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	82	0	0	0	0	0		0
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	91	0	0	0	0	0		0

**JUSTIFICATION**

Project No. 16-555-0484-04



TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Funds allocated in capital projects budget for local match.

**PROGRAM & FACILITY COSTS:**

None.

**OFFSETTING REVENUE:**

Fuel sales.



<b>PROJECT</b>	Main Ramp Repair		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport, specifically repair and replace concrete ramp and primary taxiway.

**STATUS**

Local share paid, construction began in FY2015 and will be completed in FY2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	0	40	0	0	0	0		40
<b>TOTAL ALLOCATION</b>	0	40	0	0	0	0		40
<b>FUNDING SOURCE</b>								
General Fund	0	0	0	0	0	0		0
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	0	40	0	0	0	0		40
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	0	40	0	0	0	0		40

**JUSTIFICATION**

Project No. 16-555-0754-04

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>Local share provided in previous year's budget as transfer to capital projects.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>None.</p> <p><b>OFFSETTING REVENUE:</b></p>
<p>TULLAHOMA MUNICIPAL AIRPORT WILLIAM NORTHERN FIELD</p>	



<b>PROJECT</b>	Northwest Area Fencing		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport. New fencing in the NW area will enhance safety and security.

**STATUS**

Funding request approved by state in FY2017, with local match. Work to be completed in FY2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	14	57	0	0	0	0		57
<b>TOTAL ALLOCATION</b>	14	57	0	0	0	0		57
<b>FUNDING SOURCE</b>								
General Fund	2	6	0	0	0	0		6
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	12	51	0	0	0	0		51
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	14	57	0	0	0	0		57

**JUSTIFICATION**

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>None</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>None</p> <p><b>OFFSETTING REVENUE:</b></p> <p>None; improves safety</p>
<p>TULLAHOMA MUNICIPAL AIRPORT WILLIAM NORTHERN FIELD</p>	



PROJECT	Northwest Hangar Development		
PROGRAM	Airport	RESPONSIBLE DEPARTMENT	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport, specifically the construction of T-hangars. Hangar space needs anticipated due to expansion.

**STATUS**

Project subject to local match and or grant availability.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	0	0	0	1200	0	0	0	1200
<b>TOTAL ALLOCATION</b>	0	0	0	1200	0	0	0	1200
<b>FUNDING SOURCE</b>								
General Fund	0	0	0	0	0	0	0	0
GO Bonds	0	0	0	600	0	0	0	600
Intergovernmental	0	0	0	600	0	0	0	600
Private Sources	0	0	0	0	0	0	0	0
<b>TOTAL FUNDS</b>	0	0	0	1200	0	0	0	1200

**JUSTIFICATION**

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b> Annual debt service for local share, state grant for majority of construction funding.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b> Minor annual maintenance costs.</p> <p><b>OFFSETTING REVENUE:</b> Hangar lease payments</p>
<p>TULLAHOMA MUNICIPAL AIRPORT WILLIAM NORTHERN FIELD</p>	



<b>PROJECT</b>	Northwest Ramp Expansion, Phase 1 & 2		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport, including a first phase construction of asphalt ramp for hangar development in NW area of airport.

**STATUS**

Phase I of this project was substantially completed in FY2013. Phase II is scheduled for FY2016-18.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	160	64	0	0	0	0		64
<b>TOTAL ALLOCATION</b>	160	64	0	0	0	0		64
<b>FUNDING SOURCE</b>								
General Fund	16	7	0	0	0	0		7
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	144	57	0	0	0	0		57
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	160	64	0	0	0	0		64

**JUSTIFICATION**

Project No. 16-555-0780-04

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>None anticipated.</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>None anticipated. Will enable construction of new hangars by private business owners.</p> <p><b>OFFSETTING REVENUE:</b></p> <p>Local share funded by UDAG loan and repaid by lease income. Location of additional hangars will generate fuel sales and provide jobs.</p>
<p><b>TULLAHOMA MUNICIPAL AIRPORT WILLIAM NORTHERN FIELD</b></p>	



<b>PROJECT</b>	Northwest Taxiway, Phase 1 & 2		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport. Repair concrete taxiways and install taxiway lighting in NW section of airport. Work includes rehabilitation of NW taxiway, installation of LED taxiway lighting, striping & signage.

**STATUS**

Local share paid, construction in FY2015-2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	636	10	0	0	0	0		10
<b>TOTAL ALLOCATION</b>	636	10	0	0	0	0		10
<b>FUNDING SOURCE</b>								
General Fund	0	0	0	0	0	0		0
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	636	10	0	0	0	0		10
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	636	10	0	0	0	0		10

**JUSTIFICATION**

Project No. 16-555-0785-04

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>None</p>
	<p><b>PROGRAM &amp; FACILITY COSTS:</b></p> <p>None</p>
	<p><b>OFFSETTING REVENUE:</b></p> <p>Increased fuel sales.</p>

TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD



<b>PROJECT</b>	Runway 9/27 Extension		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport. Extension of turf runway 9/27 from 2,730lf to 3,100lf.

**STATUS**

Project construction contingent on local funding. A study was completed in FY2015, then budgeted and constructed in FY2017.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	148	0	0	0	0	0		0
<b>TOTAL ALLOCATION</b>	148	0	0	0	0	0		0
<b>FUNDING SOURCE</b>								
General Fund	148	0	0	0	0	0		0
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	0	0	0	0	0	0		0
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	148	0	0	0	0	0		0

**JUSTIFICATION**

Project No. 16-555-0788-04 (study)

	<p><b>ANNUAL OPERATING BUDGET IMPACT (\$000):</b></p> <p>Appropriated fund balance in FY2017</p> <p><b>PROGRAM &amp; FACILITY COSTS:</b> None</p> <p><b>OFFSETTING REVENUE:</b></p> <p>Increased fuel sales through additional flights accomodated.</p>
<p>TULLAHOMA MUNICIPAL AIRPORT WILLIAM NORTHERN FIELD</p>	



PROJECT	Taxiway Lighting & Signage		
PROGRAM	Airport	RESPONSIBLE DEPARTMENT	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport, specifically replacing inoperable and outdated airfield signage on the east side of the airport.

**STATUS**

Local share paid and construction mostly completed in FY2017.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022		Proposed FY18-22
<b>EXPENDITURE</b>								
Construction	137	13	0	0	0	0		13
<b>TOTAL ALLOCATION</b>	137	13	0	0	0	0		13
<b>FUNDING SOURCE</b>								
General Fund	14	2	0	0	0	0		2
GO Bonds	0	0	0	0	0	0		0
Intergovernmental	123	11	0	0	0	0		11
Private Sources	0	0	0	0	0	0		0
<b>TOTAL FUNDS</b>	137	13	0	0	0	0		13

**JUSTIFICATION**

Project No. 16-555-0791-04



TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

None associated with this project

**PROGRAM & FACILITY COSTS:**

None associated with this project

**OFFSETTING REVENUE:** None



<b>PROJECT</b>	Striping and Marking		
<b>PROGRAM</b>	Airport	<b>RESPONSIBLE DEPARTMENT</b>	TAA

**DESCRIPTION**

This project consists of improvements to the Tullahoma Municipal Airport runway 6/24, striping and marking. The City anticipates receiving approval for 95% grant funding through the state of Tennessee.

**STATUS**

Construction started in FY2016 and will be completed in FY2018.

PROJECT BUDGET (\$000)	Projected FY2017	Proposed FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022	Proposed FY18-22
<b>EXPENDITURE</b>							
Construction	0	39	0	0	0	0	39
<b>TOTAL ALLOCATION</b>	0	39	0	0	0	0	39
<b>FUNDING SOURCE</b>							
General Fund	0	0	0	0	0	0	0
GO Bonds	0	0	0	0	0	0	0
Intergovernmental	0	39	0	0	0	0	39
Private Sources	0	0	0	0	0	0	0
<b>TOTAL FUNDS</b>	0	39	0	0	0	0	39

**JUSTIFICATION**

Project No. 16-555-0789-04



TULLAHOMA MUNICIPAL AIRPORT  
WILLIAM NORTHERN FIELD

**ANNUAL OPERATING BUDGET IMPACT (\$000):**

Local match of \$5k allocated in capital projects.

**PROGRAM & FACILITY COSTS:**

None

**OFFSETTING REVENUE:**

Fuel sales



SUPPLEMENTAL DATA

## **BRIEF HISTORY OF TULLAHOMA, TENNESSEE**

Tullahoma was founded in 1852 as a work camp along the new Nashville and Chattanooga Railroad. Its name is derived from the Choctaw language, and means "red rock."

In April 1861, Company B, 1st Regiment of Tennessee Volunteers formed Peter Turney's division in Tullahoma. The division joined Robert E. Lee's Army of Northern Virginia. The division fought in the battles of Bull Run, Fredericksburg, Chancellorsville, Gettysburg and Petersburg, and surrendered to U. S. Grant at Appomattox. The town became highly significant during the Civil War, and served as the headquarters for the Confederate Army of Tennessee in 1863.

After the war, Tullahoma began to prosper from its vital railroad link. During this period, Tullahoma became renowned for its educational facilities, a rarity in the area at that time. At the turn of the 20th century, Tullahoma became a popular health destination, with many spas across town. Manufacturing grew in the area, notably of shoes, clothing, and sporting goods. In 1924, the General Shoe Corporation was established in Tullahoma, which would eventually grow into Genesco Inc., a diversified apparel firm which is Tennessee's oldest listed firm on the New York Stock Exchange. From the early 1900s a variety of sports products have been manufactured in Tullahoma. Such products were baseballs, bats, and fold clubs by Campbell Manufacturing, Wilsons, Worth Sports, and Rawlings. In 1939, U.S. Highway 41A was built through the town, giving Tullahoma access to Nashville and Chattanooga.

In the early to mid-20th century, the area benefited from considerable federal investment and development, from the Tennessee Valley Authority to the establishment of Camp Forrest, an infantry training center and later POW camp, and Arnold Engineering Development Center (AEDC), where the Air Force and NASA did early wind tunnel testing.

The opening of AEDC at Arnold Air Force Base in 1951 served as the catalyst for numerous private business ventures and nurtured Tullahoma's high-tech environment. AEDC houses the world's largest aeronautical research center and offers scheduled tours. Today, Tullahoma has more than 50 industries and an excellent selection of retail goods and services.

Tullahoma is proud to be home to George Dickel Distillery and is also located right down the road from Jack Daniel's Distillery.

Tullahoma has earned the distinction of being the number one "micropolitan" city in Tennessee. Residents enjoy the uniqueness of a high-tech environment coupled with friendly small-town character. It is the largest city in Coffee County, Tennessee, located in the Southwest corner of Coffee County and Northern Franklin County. The City of Tullahoma's population is 18,655 (2010 Census) residents, an increase of 3.67% over the 2000 Census which showed a population of 17,994 and is projected on a continued growth pattern of approximately 4% over the later Census stats.

The citizens of Tullahoma are proud of the educational opportunities provided by the Tullahoma City Schools. Tullahoma High School students' ACT and SAT scores for college entrance consistently exceed the state and national average. A culturally sophisticated lifestyle complements the low cost of living, and recreational opportunities in beautiful surroundings enhance the quality of life. Nestled in the rolling hills of Middle Tennessee, Tullahoma is surrounded by lakes, woods, rivers, and streams.

Tullahoma, in cooperation with Coffee County, continues to be a recipient of the Governor's Three Star Award. The State of Tennessee Three Star Program annually recognizes communities that encourage development and economic growth by creating and expanding the business environment while enhancing quality of life.

The City of Tullahoma - a great place to live, work and grow!



## CITY OF TULLAHOMA, TENNESSEE MISCELLANEOUS STATISTICAL DATA

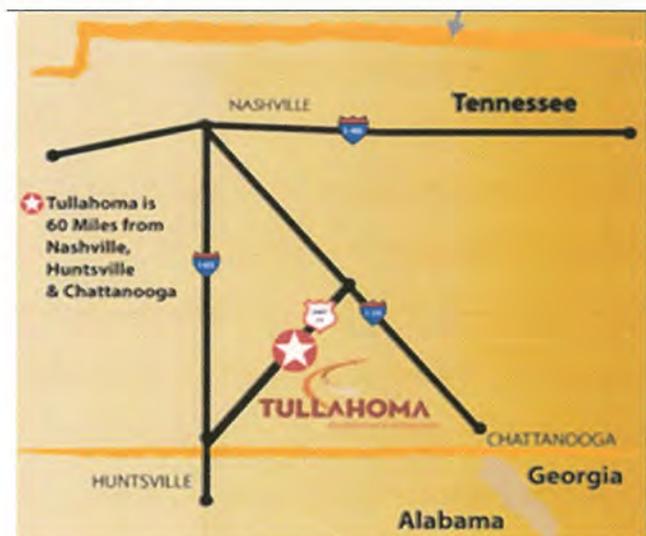
*Tullahoma is the hub in southern, middle Tennessee for aviation, medical, retail and entertainment. It has a diverse and stable economy through the 755 businesses and 50 industries that call Tullahoma home. Over 150,000 area citizens look to Tullahoma for services and cultural amenities not available in their communities. Tullahoma enjoys a Fine Arts Center, a Performing Arts Center, the Beechcraft Heritage Museum, a well-stocked public library, and numerous indoor and outdoor recreational opportunities, emphasizing safety, fitness and green initiatives.*

- Population (Per 2010 U.S. Census) 18,655  
(Estimated 2015) 19,128
  

White alone	86.4	Male	48.6
Black alone	6.9	Female	51.4
Hispanic	3.1	Median age	41.5
Asian	1.1	Median household income	\$37,426
Other	2.5		

  - Form of Government Mayor and Board of Aldermen
  - Total assessed value in City (FY2017-2018) \$ 406,602,178
  - Area of City in Square Miles 25.8 miles
  - People per square mile 847
  - Total Number of miles of Streets 187 miles



- Elevation 1,071 ft.
- Average high temp 70.5°F
- Average low temp 47.7°F

## Community Highlights

- #1 Micropolitan city in Tennessee for two years/ #18 in country
- #2 City in Middle Tennessee for quality of life
- #2 City in Middle Tennessee for retirement
- Voted one of Tennessee's Best Towns to Live In
- Gigabit fiber to every home and business
- Regional retail, medical and arts destination
- Award-winning sports facilities
- State of the art Splash Island aquatic park and indoor pool
- 600+ acres of parks with greenways
- Earned Tree City USA award for 20<sup>th</sup> year in a row
- Three pristine lakes and 3 golf courses within 15 minutes
- Top 5 general aviation airports in Tennessee
- Home to largest complex of flight simulation test facilities in world
- Home to Hands-On Science Center
- Within 75 minutes of Nashville, Chattanooga & Huntsville
- Drug Free! Tullahoma, Go Green! Tullahoma and Get Fit! Tullahoma initiatives



## Community Education

- 1:1 Digital initiative; leads the state and the country; increased access to Chrome Books
- Academic achievement: Students consistently earn ACT scores above state average; recent greatest ACT composite gain in Tennessee
- Award-winning extra-curricular activities
- 55% of teachers have Master's degrees or higher
- 24% of population has earned a bachelor's degree or higher
- 94% Tullahoma High School graduation rate
- Dual/joint enrollment at local community college; focus on AP classes
- Recognized by State of TN Governor as example of "What is possible"
- Higher Education Options
  - Motlow State Community College
    - 2-year degrees including nursing program, vocational and technical "mechatronics" training program; "TN Promise" scholarship program
  - Trevecca Nazarene University 4-year and Masters degrees in cooperation with Motlow State
  - University of Tennessee Space Institute (advanced aerospace education)

## Community Health and Safety

### Health Facilities

- Harton Regional Medical Center
  - 137 beds/80 physicians with over 25 specialties
  - Outpatient surgical center
- Highland Rim Mental Health Center
- Life Care Center of Tullahoma – 169 beds
- National Healthcare Corporation – 90 beds
- Coffee County Health Department
- Vanderbilt Life Flight (helicopter medical evacuation facility)

### Public Safety

#### Fire Protection

- ISO Classification 3
- Number of Fire Stations 2
- Number of full-time fire fighters 32
- Number of pumpers, tankers, and ladder trucks 6
- Other vehicles 8
- Number of fire Hydrants 1,093

#### Police Protection

- Number of Police Stations 1
- Number of Police Sub-Station 0
- Number of Certified Officers 37
- Number of Vehicles (radio equipped) 42



## Community Growth/Infrastructure

### Building Permits

<u>Year</u>	<u>Number</u>	<u>Total Valuation</u>
2017	409	\$ 33,952,052
2016	242	\$ 17,442,799
2015	213	\$ 13,260,280
2014	200	\$ 9,791,652
2013	201	\$ 10,493,220
2012	135	\$ 14,220,675



### Local Option Sales Tax Receipts

<u>Year</u>	<u>Amount</u>	<u>% Annual Change</u>
2016-2017	\$9,625,562	0.00 %*
2015-2016	9,623,159	6.37%
2014-2015	9,046,619	4.16%
2013-2014	8,685,051	3.11%
2012-2013	8,422,893	2.15%
2011-2012	8,245,604	9.22%

\*Growth flat in 2017 due to change in Tennessee Dept. of Revenue cut-off time.



### Utilities

- Electric Tullahoma Utilities Authority
- Sewer Tullahoma Utilities Authority
- Water Tullahoma Utilities Authority
- Fiber Optics Tullahoma Utilities Authority
- Natural Gas Elk River Public Utility District

### Transportation/Aviation

- Railroad CSX Transportation (freight only)
- Municipal Airport City-owned/four runways/handles corporate jet aircraft/  
home base to over 140 aircraft
- Highways U.S Highways: 41A  
State Highways: 55 and 130  
11 miles to Interstate 24

Find more information about Tullahoma at: [www.tullahomatan.gov](http://www.tullahomatan.gov)  
[www.tullahoma.org](http://www.tullahoma.org)  
[www.thinktullahoma.com](http://www.thinktullahoma.com)

## DEMOGRAPHIC STATISTICS

### Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Per Capita Income	(3) Median Age	School Enrollment	June 30, 2017 (4) Unemployment Rate
2008	17,994	28,716	38.2	3,636	5.5%
2009	18,533	24,718	38.1	3,712	6.9%
2010	18,533	24,718	38.1	3,802	6.9%
2011	18,579	23,129	38.1	3,542	9.8%
2012	18,655	23,129	38.1	3,370	7.6%
2013	18,655	23,129	38.1	3,373	9.3%
2014	18,655	21,802	40.5	3,443	6.6%
2015	18,655	23,334	43.4	3,465	5.9%
2016	18,655	23,968	41.8	3,347	5.5%
2017	18,655	24,765	43.8	3,513	5.1%

- (1) Population - official census
- (2) Per capita income - U.S. Census
- (3) Median age - South Central Tennessee Development District
- (4) Unemployment rate - Bureau of Labor Statistics

N/A - Not available

**CITY OF TULLAHOMA, TENNESSEE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2017			2008		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Harton Regional Medical Center	550	1	2.22%	550	1	2.24%
United Tech/Goodrich	180	4	0.73%	269	3	1.10%
TE Connectivity	260	2	1.05%	-	-	-
Cubic Transportation Systems	240	3	0.97%	223	5	0.91%
Wisco Envelopes Co., Inv.	180	5	0.73%	265	4	1.08%
JSP International	165	6	0.66%	-	-	-
Schmiede Corporation	140	8	0.56%	136	9	0.55%
Sonoco Corporation	150	7	0.60%	-	-	-
Tullahoma Industries	-	-	0.00%	342	2	1.39%
Coca Cola Bottling Works	120	9	0.48%	-	-	-
Fujicolor Processing, Inc	-	-	-	158	8	0.64%
Tennessee Apparel	109	10	0.44%	220	6	0.90%
Createc Corporation	-	-	-	120	10	0.49%
Jacobs Engineering	-	-	-	174	7	0.71%
	<u>1,985</u>		<u>8.00%</u>	<u>2,457</u>		<u>10.01%</u>

Source: Middle Tennessee Industrial Development Association and Industrial Board of Coffee County.

**CITY OF TULLAHOMA, TENNESSEE  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2017</u> <u>(for tax year 2016)</u>			<u>2008</u> <u>(for tax year 2007)</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Goodrich/United Technology	\$ 9,649,391	2	2.43%	\$ 2,606,231	10	0.76%
Tullahoma HMA Inc	9,787,640	1	2.47%	6,481,480	1	1.89%
Ascend Federal Credit	5,340,520	3	1.35%	2,756,440	7	0.80%
Northgate Unlimited	2,925,250	8	0.74%	3,798,440	1	1.11%
Forrest Gallery LLC	4,489,760	4	1.13%	4,595,680	2	1.34%
Centro NP Commerce Central	4,330,800	5	1.09%	-		-
Harton Regional Medical Center	3,559,651	6	0.90%	2,711,089	8	0.79%
Lowes Home Center, Inc.	3,424,600	7	0.86%	3,446,720	5	1.01%
JSP Internation LLC	-		-	-		-
Coffee County Ind. Board	2,571,680	9	0.65%	-		-
Bell South	-		-	3,271,856	6	0.95%
Excel Realty Partners	-		-	4,199,640	3	1.23%
Harton Family Partners	-		-	2,687,305	9	0.78%
ADA Ferrell Garden II LP	2,300,000	10	0.58%	-		-
	<u>\$46,079,292</u>		<u>11.61%</u>	<u>\$36,554,881</u>		<u>10.67%</u>

**CITY OF TULLAHOMA, TENNESSEE**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Total Taxable Assessed Value</u>	<u>County</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
2008	2007	157,042,475	163,527,494	320,569,969	Coffee	2.44	1,066,319,358	30.063%
		17,746,850	4,298,649	22,045,499	Franklin	2.44	84,379,680	26.127%
2009	2008	159,404,850	164,136,385	323,541,235	Coffee	2.44	1,086,798,263	29.770%
		18,423,550	5,027,499	23,451,049	Franklin	2.44	89,401,911	26.231%
2010	2009	166,140,275	162,085,710	328,225,985	Coffee	2.44	1,103,987,272	29.731%
		19,049,450	4,709,942	23,759,392	Franklin	2.44	90,930,491	26.129%
2011	2010	169,593,225	183,579,854	353,173,079	Coffee	2.29	1,165,946,883	30.291%
		18,803,125	4,482,745	23,285,870	Franklin	2.42	89,140,759	26.123%
2012	2011	169,198,875	183,726,208	352,925,083	Coffee	2.29	1,163,428,830	30.335%
		18,722,900	4,879,356	23,602,256	Franklin	2.42	88,680,716	26.615%
2013	2012	170,118,350	188,815,256	358,933,606	Coffee	2.29	1,183,144,274	30.337%
		18,403,050	4,338,099	22,741,149	Franklin	2.31	86,593,425	26.262%
2014	2013	171,331,825	192,247,233	363,579,058	Coffee	2.54	1,198,477,195	30.337%
		18,729,550	5,107,985	23,837,535	Franklin	2.56	90,464,876	26.350%
2015	2014	169,335,750	192,629,158	361,964,908	Coffee	2.60	1,189,993,603	30.417%
		19,406,475	4,912,797	24,319,272	Franklin	2.61	92,564,873	26.273%
2016	2015	176,428,575	194,591,762	371,020,337	Coffee	2.60	1,224,636,987	30.296%
		20,377,700	5,463,209	25,840,909	Franklin	2.61	98,303,094	26.287%
2017	2016	178,058,200	195,395,177	373,453,377	Coffee	2.60	1,239,956,432	30.118%
		20,700,150	5,101,673	25,801,823	Franklin	2.61	98,771,326	26.123%

Ratio of assessed value to appraised value: 25% Residential, Farm, Agricultural, and Forest  
40% Commercial and Industrial

**PROPERTY TAX LEVIES AND COLLECTIONS**

**TEN YEAR SUMMARY**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections	Total Collections	Total Collected as Percent of Current Levy	Outstanding Delinquent Taxes	June 30, 2017
								Outstanding Delinquent Taxes as Percent of Current Levy
2017	\$10,376,607	\$10,374,952	99.9%	\$243,562	10618514	102.3%	\$255,574	2.5%
2016	\$10,320,976	\$9,952,370	96.4%	\$491,718	\$10,253,467	96.9%	\$243,042	2.4%
2015	\$10,271,041	\$9,833,739	95.7%	\$379,655	\$10,434,312	98.4%	\$268,423	2.6%
2014	\$9,981,425	\$9,433,864	94.5%	\$448,268	\$9,882,132	99.0%	\$342,744	3.4%
2013	\$8,871,714	\$8,479,360	95.6%	\$339,323	\$8,818,683	99.4%	\$255,616	2.9%
2012	\$8,782,720	\$8,349,786	95.1%	\$398,272	\$8,748,058	99.6%	\$327,185	3.7%
2011	\$8,756,655	\$8,562,514	97.8%	\$166,828	\$8,729,342	99.7%	\$313,969	3.6%
2010	\$8,588,443	\$8,454,948	98.5%	\$110,609	\$8,565,557	99.7%	\$247,712	2.9%
2009	\$8,466,612	\$8,292,213	97.9%	\$163,864	\$8,456,077	99.9%	\$241,090	2.8%
2008	\$8,359,817	\$8,130,511	97.3%	\$219,614	\$8,350,125	99.9%	\$168,953	2.0%
2007	\$8,366,611	\$8,066,479	96.4%	\$293,061	\$8,359,540	99.9%	\$194,603	2.3%

# ASSESSED PROPERTY VALUE

## TEN YEAR SUMMARY

June 30, 2017

Fiscal Year	Assessed Property Value*		
	Commercial**	Residential***	Total
2007	161,274,048	172,376,575	333,650,623
2008	163,219,143	179,396,325	342,615,468
2009	164,639,409	182,352,875	346,992,284
2010	166,795,652	185,189,725	351,985,377
2011	188,062,599	188,396,350	376,458,949
2012	188,605,564	187,921,775	376,527,339
2013	193,153,355	188,521,400	381,674,755
2014	197,355,218	190,061,375	387,416,593
2015	197,541,955	188,742,225	386,284,180
2016	200,496,850	198,758,350	399,255,200
2017	203,159,253	203,442,925	406,602,178

\* Assessed value per City tax rolls.

\*\* Includes Commercial, industrial, public utility and personal tangible property.

\*\*\* Includes Residential, farm and agricultural.



## **City of Tullahoma**

### **Capital Asset Policy**

#### **OVERVIEW**

Capital assets are specific items of property that: (1) are tangible in nature; (2) have a life longer than one year; and (3) have a significant value. Each governing board must establish the determining capital asset criteria. Although some assets may meet the first two tests, the significant value test is important because while certain individual assets that are tangible and long-lived, their values may be so small that the time and expense incurred in maintaining detailed accounting and inventory records for them are not justified.

Based on GFOA recommendations, the City of Tullahoma has established a minimum threshold of \$5,000 for capital assets. Maintaining a complete and accurate accounting for capital assets with significant value is important for several reasons. Adequate accounting procedures and records for capital assets are essential to effective property management and control. The stewardship responsibility involved in safeguarding such a large public investment is of the utmost importance to sound financial administration.

#### **BENEFITS OF A GOOD CAPITAL ASSETS ACCOUNTING SYSTEM**

A good system of capital assets accounting facilitates overall control and custody of the City's property; permits the assignment of direct responsibility for custody and proper use of specific capital assets to individual public officials; and provides data essential to the proper management of capital assets, including repairs/maintenance management and acquisition of adequate insurance coverage. An accounting of capital assets is required for preparation of a satisfactory and complete financial report. To meet the test of full disclosure, an annual financial report for the City of Tullahoma must include complete capital assets information.

#### **CONTROLLING CAPITAL ASSETS**

All capital assets should be appropriately marked and numbered by a permanent method of identification. Authorized personnel should take periodic inventories.

## CAPITAL ASSETS INVENTORY

Inadequate capital asset records continue to be one of the major deficiencies state and local government's financial statements. Failure of a municipality to install and maintain a capital asset management system will result in a qualification in the independent auditor's report. This occurs when the auditor is unable to establish that the municipality's accounting records properly summarize capital asset expenditure transactions, that physical safe guards over assets are absent or fall short of controlling such assets, or that records are absent to substantiate that assets used by the municipality are actually owned.

### Capitalization Policy

All items purchased that have a useful life of more than three years, are of a tangible nature and have a value of \$5,000 or more, net cost, not including trade-ins or any taxes, licenses, etc. are considered to be capital assets.

Items of less than \$5,000.00 are not required to be capitalized unless they form an integral and essential part of another piece of equipment or structure considered to be a capital asset or a part of a Capital Project. Items meeting capital asset purchasing criteria, that are not capital assets, will continue to be inventoried for control purposes only.

Items valued at greater than \$50,000 will be considered Capital Projects. Vehicles, trucks, heavy machinery, tractors, etc are not considered Capital Projects regardless of their value.

For compliance with Generally Accepted Accounting Principals, local governments must maintain a ledger or group of accounts in which to record the details relating to the general capital assets of the unit or public authority. More specifically GASB 34 requires municipalities to not only maintain detailed capital asset records, but to establish a formal capital asset policy, identify capital assets at historical cost, add these capital assets to the balance sheets and provide for depreciation.

### Classification of Capital Assets:

- 1) Land: Purchased land will be carried on the Capital Assets detail at acquired cost. All cost for legal services incidental to the acquisition and other charges incurred in preparing the land for use, such as surveying, site preparation, and demolition, shall be included in the cost.
- 2) Buildings: All buildings will be valued at purchase price or construction cost. Cost should include all charges applicable to the building acquisition including fees for brokers, appraisers, engineering consultants, and architects.

- 3) Improvements Other than Buildings: In order for improvements to be capitalized, the improvement should be considered permanent and should add value or improve the use of land. Items in this category include storage tanks, parking areas, landscaping, connector driveways, traffic signals, parking meters, fences or retaining walls.
- 4) Equipment and Machinery: All items of tangible property not permanently affixed to real property, which are needed in carrying out the operations of the City. All costs required to place the item into service should be included in the capitalized amount. Examples are furniture, machinery, heavy equipment, tools, and computers.
- 5) Vehicles: All equipment that must be titled by the State of Tennessee and bear a license tag. Cars, trucks and trailers are examples.
- 6) Construction Work In Progress (CWIP): This is primarily used in conjunction with Capital Projects. Capital Project costs, including labor, materials, equipment, and direct overhead, are temporarily accumulated until completion, then transferred to the appropriate capital asset account. The capitalization policy does not apply in these cases, and all cost must be recorded to give accurate values. CWIP is not depreciated until the project is closed and transferred to another class of assets.
- 7) Infrastructure: Assets in this category include streets, bridges, tunnels and drainage systems. They may be classified by networks or subsystems. A ruling by the Governmental Accounting Standards Board (GASB) requires the City to maintain infrastructure as a capital asset beginning June 30, 2003. New items in this category are added as the project is completed. The City of Tullahoma also retroactively added its earlier total database for this category in FY2006, as required.

#### Additions and Modifications to Existing Assets:

Costs are often incurred in connection with capital assets after the original acquisition cost has been established. In general, any expenditure which is definitely an addition to a capital asset, or an integral part of it, that significantly increases the value of, enhances the performance of or changes its useful life, should be classified as a capital expenditure and the original acquisition cost adjusted. The addition of an air conditioning system to a building, equipment to outfit a new fire truck or a dump body to a truck chassis where none existed before are some examples. When modifications, which enhance the performance or life of an asset, are made, the value of the asset should be adjusted by the difference in cost between the original and the modification. However, if the cost of the original cannot be determined, the asset value cannot be adjusted correctly and the modification will be considered a maintenance and repair expense.

Procedure:

To insure continuity, the maintenance of the City's capital asset database will be coordinated by the Purchasing Officer. Purchases and disposals will be made in accordance with the City of Tullahoma's Purchasing Policy.

**A. Additions**

**PURCHASES:** When a purchase order is written over the specified amount of \$5,000.00, the Purchasing Officer of the Finance Department (Purchasing) will attach a Data Sheet for each qualifying item to the originating department's copy of the purchase order. Upon receipt of the goods (not before) the originating department will complete the Data Sheet(s) and return it to Purchasing. Purchasing will verify the data and adjust the capital asset inventory.

**DONATIONS:** The Board of Mayor and Aldermen of the City of Tullahoma must approve any capital asset(s) proposed to be donated to the City. Once accepted by the Board, the department receiving the donated item(s), e.g., land, buildings, works of art, vehicles, etc., having an estimated fair market value exceeding the capitalization limit of \$5,000.00 will complete the Data Sheet(s) upon the receipt of these items and forward it to Purchasing. Any problems occurring with establishing a fair market value should be referred to the Finance Director. Purchasing will verify the data and adjust the capital asset inventory.

**VEHICLES AND MOTORIZED EQUIPMENT:** It is the City of Tullahoma's policy that each department will maintain all new or donated vehicles and motorized equipment. The vehicle will be received by the department where it will be utilized, in order that they may complete required inspections and ascertain bid specifications were met before placing equipment into operation. Any additions/modifications that are necessary to place the vehicle or equipment in service that add to its asset cost/value such as body installation, mounting of a crane, etc., will be done at the direction of each department. Purchasing will attach a Data Sheet for each qualifying item to the copy of the purchase order(s) and forward to the department.

Upon receipt of the equipment (not before), the department will complete the Data Sheet(s) identifying qualifying additions/modifications and return it to Purchasing. Purchasing will verify the data and adjust the capital asset inventory. Additions/modifications will include radios, light-bars and sirens that may be attached.

**TAGGING:** Upon receipt of a purchased or donated capital asset(s) and verification of the Data Sheet(s) for additions, Purchasing will adjust the capital

asset inventory and assign the inventory numbers. Asset tags will be affixed to the relevant item per Section H of this policy.

## **B. Leases**

- 1) Capital assets do not always have to be constructed or purchased outright in order to be of benefit to a local government. Capital assets may be temporarily utilized through a rental agreement, known as an operating lease. In other situations, the utilization of leased capital assets may be such that the unit has in effect purchased the asset by virtue of the length of its use of the asset, or the amount of payments it has made to use the asset. This type of lease is known as a capital lease.
- 2) A lease is an operating lease if it does not transfer the benefits and risk of ownership to the local governmental unit. Operating lease payments are recognized as expenses/expenditures to the local governmental unit when they become payable. The capital assets leased through operating leases are not capitalized; however, they should be inventoried and tagged for control purposes.
- 3) A lease is a capital lease if at the inception of the lease it meets any one of the following criteria:
  - a. The lease transfers ownership of the property to the governmental unit by the end of the lease term.
  - b. The lease contains a bargain purchase option (an option extending to the lease the right to purchase the leased property at a price so favorable that the exercise of the option appears, at the inception of the lease, to be reasonably assured).
  - c. The lease term is 75% or more of the estimated economic life of the leased property.
  - d. The present value, at the beginning of the lease term, of the minimum lease payments is at least 90 % of the fair market value of the leased property to the lessor.
- 4) If the beginning of the term falls within the last 25% of the total estimated life of the leased property, criteria (c) and (d) are not used for classifying the lease. For leases involving land, either condition (a) or (b) must be met. If title to the land will not be transferred to the lessee at some point, the lease is not a capital lease.
- 5) Once a lease has been determined to be a capital lease, the governmental unit should record the asset acquired and the corresponding obligation at

the present value of the minimum lease payments minus any portion representing executory cost and related profit. However, if the fair market value of the leased property is lower than the present value of the net lease payments, the asset and obligation should be recorded at the fair market value of the leased property. To determine the present value of the net lease payments, the local governmental unit must use the lower of its incremental borrowing rate (the rate, that at the inception of the lease, the lessee would have incurred to borrow, over a similar term, the funds necessary to purchase the leased property) or the implicit rate computed by the lessor, if available.

### **C. Transfers**

- 1) From time to time, the responsibility for a capital asset will be transferred from one department or division to another. The transferring department must initiate the preparation of a Data Sheet(s) in this type of transaction. The transferring department will fully identify the asset, will indicate the receiving department and will forward the Data Sheet to Purchasing. Purchasing will verify the receipt of the asset with the receiving department and will make the required changes in the inventories. The Transferring department may want to follow through to verify that the asset no longer appears on its inventory.
- 2) When a vehicle or motorized piece of equipment is to be transferred, the transferring department will deliver the vehicle to the department receiving the transfer. The receiving department will verify the transaction, adjust its records, and prepare a Data Sheet(s) describing the details of the transfer. The completed Data Sheet will be forwarded to Purchasing for action as above. The transferring department may want to follow through to verify that the asset no longer appears on its inventory.

### **D. Removals**

Capital Assets will be removed from a departments/divisions capital asset inventory as follows:

- 1) **SURPLUS PROPERTY:** From time to time the Board of Mayor and Aldermen of the City of Tullahoma, Tennessee, may declare certain real property owned, or held or claimed or apparently owned by the City of Tullahoma and/or its agencies on behalf of the City of Tullahoma, to be surplus, and may direct the disposition thereof as prescribed in the Purchasing Policies and Procedures of the City of Tullahoma.
- 2) **SURPLUS MATERIAL & EQUIPMENT:** Items that have been replaced, are not worth repairing, or are obsolete and identified as having no further use are deemed surplus and will be disposed of through the direction of

Purchasing or retained for the annual auction. Departments will identify an item as surplus in the "Reason for Disposal" box on a Data Sheet(s) and submit it to purchasing for final action. Purchasing will make the necessary adjustments to the capital asset inventory when the item is disposed.

- 3) **EXCESS ITEMS:** Although excess to one operation, some items may be considered fit for re-use and may be transferred to another operation for further service. Other than those items listed below, this may be done directly by using the procedure in (B) above. Otherwise, departments will identify any excess item as re-usable in the "Reason for Disposal" Box on a Data Sheet(s) and submit it to Purchasing. Periodically, a list of usable excess items will be circulated to department directors for their consideration. The responsibility for these items will be the same as with surplus items until transferred or otherwise disposed. Purchasing will make the necessary adjustments to the capital asset inventories.
- 4) **LOST OR STOLEN ITEMS:** When theft of an item is suspected, the incident must be reported to the Police Department as soon as possible. The department will complete a Data Sheet(s), attach a copy of the police report or other documentation and forward it to Purchasing for action. Purchasing will report any abuse of this procedure to the Finance Director.
- 5) **TRADE-INS:** Purchasing will be responsible for handling any trade-in arrangements that result from the purchase of new equipment/vehicles. The new asset will be added and the old asset will be removed according to governmental accounting procedures.
- 6) Exception to the above will be:
  - a) Computer equipment will be identified as surplus by the Public Works Director/Systems Administrator. Computer equipment will not be moved from its existing location without the specific approval of the Systems Administrator.

### **E. Inventory**

The existence, location, and condition of all capital assets should be verified by taking an annual inventory. Each department has the responsibility to complete an annual year-end physical inventory of its assigned capital assets. A capital asset report listing the current status of the department's inventory will be distributed to appropriate departmental personnel in the fourth quarter of the fiscal year by the Purchasing Officer.

This inventory should be performed prior to fiscal year end (June 30). All discrepancies should be reported to the Purchasing Officer as soon as possible.

All inventories will be subject to unannounced audits by the Finance Department. Periodically, the Finance Department will actively participate in each department's physical inventory on a random basis.

#### **F. Reports**

Year-end reports will be processed, reconciled to the general ledger, and maintained. Departmental inventory reports will be made available upon request. Finance should be notified of any discrepancies found in these reports without delay.

#### **G. Standard Life of Assets/Depreciation.**

Proprietary assets will be depreciated on a straight-line basis using the approved schedule of standard new life. Certain assets may be depreciated differently, based on current governmental accounting practices and procedures.

#### **H. Capital Asset Tags**

- 1) Buildings – Not Applicable
- 2) Land – Not Applicable
- 3) Office Equipment & Furniture - tagged
- 4) Operating & Maintenance Equipment - tagged
- 7) Automotive Service Equipment – tagged
- 8) Vehicles-Assigned vehicle number and entered into City's maintenance database. Number is then painted on vehicle.

#### **I. Items Not Considered to be Capital Assets**

In order to clarify the question of asset classification, the following list of specific examples is provided.

- 1) **COMPUTER SOFTWARE:** Computer software, regardless of cost, is not regarded as a capital asset because it is not a tangible item. Most of the purchase price of software consists of a one-time license fee to use the product only. The media and documentation cost are incidental.
- 2) **MAINTENANCE AND REPAIR REPLACEMENTS:** The replacement costs of component part(s) of a capital asset, not the entire asset itself, during a maintenance and repair operation which also enhances the

performance or life of the asset are not generally considered to be capital asset additions or modifications. For example, replacing an original disk drive with a higher capacity disk drive in a microcomputer or a more powerful engine in a leaf vacuum machine is considered to be maintenance and repair expense.

- 3) **DRAPERIES AND CARPET:** The original purchase of draperies and carpet is considered an addition to the total asset value of the building. Replacement of either of these items is classified as maintenance to the building.
- 4) **SUPPLIES:** Any supply, regardless of cost, that is not permanent and will be consumed within a year is not considered a capital asset.
- 5) **AGGREGATE PURCHASES:** A purchase of items in quantity with an extended cost equal to, or more than the capital asset limit of \$5,000. For example, 50 chairs at \$100 each were purchased on a single purchase order for a total of \$5,000. Even though the total is at the policy limit, the chairs are not considered as capital assets since the individual cost does not qualify.

#### **J. Recommended Life Cycle of Capital Assets**

The following are recommended life cycle of named capital assets stated in years. Where necessary other criteria are listed as additional criteria to determine the life cycle of certain capital assets.

#### **Vehicles-Have titles & license tags**

Vehicles are those items classified as requiring licensing to use the roads; Titling does not necessarily classify an item as a vehicle. Only licensed vehicles should appear in these categories.

<b>Description</b>	<b>Useful Life</b>	<b>Other Criteria* In Years</b>
Trailers	15	
Refuse Collectors – Side loaders	5	
Refuse Collectors – front & rear loaders	8	
Auto (Sedans-Administrative-Other than Police)	10	or Miles
Auto (Sedans-Police Cruisers)	3	or Miles
Auto (Sedans-Police Detectives)	7	or Miles
Sports Vehicle – 2WD	7	or Miles
Sports Vehicle – 4 WD	7	or Miles
Trucks – Pick Ups	7	or Miles
Trucks – Utility 2 WD	7	or Miles
Trucks – Utility 4 WD	7	or Miles

Trucks – Dump	8	or Miles
Trucks – Recycle	7	or Miles
Trucks – Fire Engines	15	or Hours
Trucks – Special Equipment, includes cranes, street sweepers, tractor-trailer	8	or Hours
Vans	7	or Miles
All Other Vehicles	7	or Miles

### Equipment

Mobile motorized equipment that may travel the public streets that is either rider operated, self-propelled, and not licensed as a motor vehicle; or is trailer mounted. Generally described as contractor's equipment.

Description	Useful Life	Other Criteria* In Years
Backhoes/Front Loaders	9	or Hours
Excavators	12	or Hours
Loaders/Fork Lifts	8	or Hours
Tractors/Bush Hogs/Tillers	10	or Hours
Riding Mowers/Tractors w/mowers-tillers	3	or Hours
Other Rider Operated, Self-Propelled Equip	3	or Hours
Leaf/Vacuum	3	or Hours
Other Equipment	5	or Hours

### Office Furniture & Equipment

Description	Useful Life	Other Criteria* In Years
Telephones	5	
P. A. System Equipment	5	
Capital Radio Transmitters/Consoles	5	
Radio Towers	6	
Main Frame Computers	5	
Printers	5	
Scanners	5	
Copiers	5	
Microfilm equipment	7	
General Appliances	7	
Desks	7	

### Protective Equipment

Description	Useful Life	Other Criteria* In Years
Breathing Apparatus	5	
Protective Clothing (Chem. suits, body armor, riot shields)	5	
Other Protective Equipment	5	

### Other

Description	Useful Life	Other Criteria* In Years
Land	Unlimited	
Buildings	30	
Improvements	20	
Streets	17	
Drainage Projects	20	

\*Other Criteria to be determined at a later date in order to accumulate historical information to provide accurate figures.

# Building Our Future:

## Tullahoma's Strategic Plan

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**Overview**  
**About The Plan**  
**The Planning Process**  
**The Community's Vision**



**The City's Mission**  
**The Strategy**  
**How The Plan Will Be Used**

2004 Rev. 04/19/04

# Tullahoma's Strategic Plan

<b>Community Vision</b>			
<b>Tullahoma—A community that offers excellence in living, learning, economic well-being, enrichment, values, outdoor beauty, and enjoyment for those growing up, raising a family, retiring and visiting here.</b>			
<b>City Mission</b>			
<b>The City of Tullahoma, with the involvement of its citizens, will provide vision and leadership, deliver effective and responsive municipal services, and will remove barriers to free enterprise.</b>			
<b>Strategic Themes and Objectives</b>			
<b>Vibrant Economy</b>	<b>Safe Caring Diverse Community</b>	<b>Sustainable Healthy Environment</b>	<b>Responsive Effective Local Government</b>
Positive business environment	Safety and protection maintained	Preserved natural environment	Financially healthy
Enhanced tourism and hospitality	Strong cohesive neighborhoods	Improved infrastructure	Efficient and effective municipal service delivery
Improved image and awareness nationally and locally	Celebrate culture and heritage	Effective land use	Appropriate partnerships
Skilled adaptable workforce	Nurturing environment	Transportation system with enhanced physical mobility	Effective public voice in local government

## I. About Tullahoma's Strategic Plan

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*"Before we can build projects, we must use our strategic plan to see how they would fit together."*

*Mayor Steve Cope,  
January 13, 2003*

Tullahoma is a community experiencing change. Some of these changes, like the aging of the population, shifting economic structure and pressures on community and social services are common to most communities in Tennessee.

Recognizing these changes, the City of Tullahoma faces some tough choices. The Board of Mayor and Aldermen must continue to ensure the municipality's fiscal fitness while at the same time addressing the growing and changing needs of its citizens, businesses and other community interests. Instead of waiting to see how events will unfold, the City Board has developed a plan for its future.

Tullahoma's strategic plan entitled, "Building Our Future" establishes a community vision for the future and develops objectives and actions for the City to follow in realizing this future. The plan sets out the City's mission and strategy. As part of this strategic planning process, the community has an active role to play in working to achieve the future vision.

## II. The Planning Process

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*"Tullahoma is over the hurdle of providing leadership."*

*Fred Bracey*

*Tennessee Economic & Community Development*

Tullahoma's strategic planning process is an on-going process. Its foundation was laid in the 1990's with a core of community leaders attempting to develop a consensus for a common vision. Citizens, staff members and special interest groups were involved in the process. People talked about their values, hopes and dreams for Tullahoma. As well, they spoke of their concerns and the issues that face the community now and in the future. Staff and members of the City Board to draft the strategic plan used all of this information.

### Previous Studies

*Outlook series (2001)*

*Tennessee Valley*

*Economic Conference (2000)*

*Chapter 1101 Growth Policy (1999)*

*21<sup>st</sup> Century Program (1998)*

*Tullahoma Planning Charette (1997)*

*Industrial Park Task Force (1997)*

*Comprehensive*

*Transportation Plan (1996)*

*Crossroads at*

*Economic*

*Development (1995)*

*Tullahoma Design*

*Shop (1994)*

*Community Goal*

*Setting (1992)*

Over the past years many individuals and groups have expressed their views in many traditional and new ways. Examples of how people got involved are listed below.

Community leaders representing various areas of Tullahoma met with others interested in the sector to discuss their views. Arts and culture, health, major industry, people with disabilities, seniors, and education are just examples of some of these sectors of interest.

Residents, both experienced and new to community involvement, provided their input through various mechanisms. Some wrote letters or completed questionnaires. Others attended an Outlook meeting. Workshops provided yet another avenue to discuss the community strategic plan with members of City Board.

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### III. The Community's Vision

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*" Tullahoma—A community that offers excellence in living, learning, economic well-being, enrichment, values, outdoor beauty, and enjoyment for those growing up, raising a family, retiring and visiting here."*

#### *Community Vision*

Tullahoma's community vision, stated opposite, provides a clear statement of what the community of Tullahoma wants to become. It also contains words and phrases that make it unique to Tullahoma as opposed to applying to any community.

The community vision builds on a number of the strengths and values that emerged through the consultation process. It captures people's views on what they want to see in Tullahoma as it moves through the 21st century. Some of these values include a sense of community and the importance of people, the strong culture and heritage of the area, the importance of the downtown, the green spaces and land uses, the location close to major markets and a significant agricultural area, and the need for continued investment in public and community services and facilities.

Tullahoma's community vision is the touchstone to guide all of Tullahoma's planning for the future. The City of Tullahoma has used this community vision to develop its mission or role as a municipal corporation, and to develop objectives and actions that support the City's mission and achieve the community vision.

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## IV. The City's Mission

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***" The City of Tullahoma, with the involvement of its citizens, will provide vision and leadership, deliver effective and responsive municipal services, and will remove barriers to free enterprise."***

### ***City Mission Statement***

The City of Tullahoma has adopted the mission statement shown opposite, to define its role in achieving the community vision. Members of the Board of Mayor and Aldermen and senior staff thought long and hard about this mission before adopting it. They listened to the comments made by participants and they are reflected in the mission statement. The City's mission contains words and phrases that have important meanings. In some ways, this mission signifies a new way of doing business.

*"...with the involvement of its citizens..."* indicates a strong commitment to involving citizens in the work of City Hall.

*"... provide vision and leadership..."* recognizes the duality of gaining community input and providing a vision of the future that can be and helping lead the community there.

*"... effective and responsive municipal services..."* recognizes that citizens want value for money in the services that they receive from City Hall. They also want these services to meet their needs.

*"...remove barriers to free enterprise..."* commits to a new way of providing services, including more joint projects with other public sector, not- for- profit and private sector organizations, while removing local barriers to free enterprise.

The City's commitment to the community vision is reflected in the strategic themes, objectives and actions outlined in the next section of the plan. The

City's mission statement is specifically addressed in the objectives and actions contained in the section of the plan dealing with Responsive Effective Local Government.

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## **V. The Strategy**

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### **Vibrant Economy**

- Objective 1 To provide a positive business environment and facilitate economic diversification and business growth
- Objective 2 To broaden and strengthen the tourism and hospitality sector and maximize our advantages as a gateway to national attractions
- Objective 3 To build a local and national awareness of the City of Tullahoma as an outstanding place to live, work and visit
- Objective 4 To encourage the development of a skilled and adaptable workforce

### **Safe, Caring and Diverse Community**

- Objective 1 To provide for the safety and protection of all residents, visitors, and property
- Objective 2 To enable the development of strong cohesive neighborhoods
- Objective 3 To recognize and celebrate Tullahoma's diverse culture and heritage
- Objective 4 To create a nurturing environment where individuals can reach their full potential

### **Sustainable Healthy Environment**

- Objective 1 To preserve and enhance Tullahoma's natural environment and green spaces
- Objective 2 To improve Tullahoma's physical infrastructure, buildings and structures
- Objective 3 To plan for the efficient, attractive and environmentally sound use of land
- Objective 4 To provide transportation systems that enhance physical mobility and better serve the economic and social needs of the community

### **Responsive Effective Local Government**

- Objective 1 To improve the City's financial health
- Objective 2 To ensure effective and efficient delivery of municipal services
- Objective 3 To develop appropriate partnerships with the public, private, and not-for-profit sectors
- Objective 4 To provide effective opportunities for the public to have a voice in local government

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## Vibrant Economy

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*"Local shopping helps not only the merchant but the employee...it is important to the merchant, the schools and the city government."*

*Mike Niederhauser*

The citizens of Tullahoma value such things as the increase in economic activity resulting from the automotive industry and associated spin-offs, the City's locational advantages as Tennessee's aerospace testing & evaluation leader, and the City's unique strengths in manufacturing and related industries

During the consultation process, participants identified critical economic issues to be addressed such as repositioning the image of Tullahoma, strengthening partnerships between the various sectors, creating employment opportunities for young people, and ensuring a vibrant healthy downtown.

Tullahoma's citizens are looking to the future with optimism, but hope for a more diversified economy providing new job opportunities. Key ingredients to the City's future economic success include: creating an environment in which investment and entrepreneurship can grow and diversify; enhancing the City's tourism and hospitality sectors; developing a skilled adaptable workforce; and improving the City's image both globally and locally.

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## Vibrant Economy

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### Objective 1

**To provide a positive business environment and facilitate economic diversification and business growth**

### Actions

1. Support the Arnold Community Council and promote the benefits of the Arnold Air Force Base and Arnold Engineering Development Center to both the national defense and local economy.

2. Establish a coordinated approach to the provision of industrial, commercial and residential development services

2. Encourage more research and development partnership opportunities between industry, Motlow State Community College, and the University of Tennessee Space Institute

3. Develop strategies for economic diversification

4. Support the preservation of state-shared revenues from the State of Tennessee

5. Foster the development of and coordination of improved air, rail, and road facilities and services

6. Increase the City's economic development initiatives, particularly with Coffee, Moore and Franklin Counties

7. Pursue the necessary legislative changes to enable

greater discretion in the use of transportation funds

8. Continue to emphasize the importance of retail shopping in Tullahoma for the growth of local businesses, employers, and the community's tax base.

9. Support business improvement associations in their business strengthening efforts

**Success Indicators**

A more diverse mix of jobs and opportunities

Increased industrial/commercial assessment

Capital investments across all sectors

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## Vibrant Economy

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### Objective 2

**To broaden and strengthen the tourism and hospitality sector and maximize our advantages as a gateway to national attractions**

### Actions

1. Initiate the development of family-oriented attractions in partnership with government, the private sector and community groups
2. Pursue private sector investment for major City tourism projects
3. Develop a Downtown Business District Revitalization Plan
4. Continue to encourage Chamber of Commerce programs for local service industry employees serving tourists, emphasizing friendly and courteous service
5. Develop tourism attractions in partnership with the County
6. Continue to encourage and support arts and culturally-based festivals and events
7. Maximize and promote the tourism and cultural opportunities in the City

### Success Indicators

More visitors and longer stays

More tourism products (e.g. family attractions)

More hotel space

Healthier downtown

More jobs in tourism, hospitality and spin-off areas

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## Vibrant Economy

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### Objective 3

**To build a local and national awareness of the City of Tullahoma as an outstanding place to live, work and visit**

### Actions

1. Work with the Chamber of Commerce to develop a coordinated marketing strategy for Tullahoma including a common theme and brand image and a more aggressive advertising campaign
2. Improve the "first impression" impact at key entrances to the City and along major roadways
3. Encourage incentives or awards to owners who enhance their properties and businesses
4. Develop partnerships to improve the City's image
5. Increase the use of the Internet to build the awareness of Tullahoma
6. Beautify major roadways
7. Develop a program to publicize locally the strengths of Tullahoma and build civic pride

### Success Indicators

Increased population

Increased visitation

Capital investment

Increased outside favorable publicity

Increased civic pride

Improved visual impression of Tullahoma

Decreased litter

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## Vibrant Economy

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### Objective 4

#### **To encourage the development of a skilled and adaptable workforce**

### Actions

1. Encourage increased partnerships between industry, Motlow State Community College, the University of Tennessee Space Institute, Tullahoma City Schools and the Coffee County Lannom Public Library
2. Encourage the development of a workforce with skilled trades through education programs in schools and colleges
3. Encourage the development of more cooperative employment opportunities and apprenticeship programs
4. Encourage business and education to work together to employ students in Tullahoma following graduation
5. Take a lead role in employing persons with employment disadvantages and educating all sectors respecting disability issues
6. Lobby the federal and state governments to improve funding for job training programs
7. Encourage lifelong learning

**Success Indicators**

Skilled, creative, motivated workforce

Educated students

Improved literacy and lifelong learning skills

Strong education system

Increased cooperation between education and  
business/industry

More opportunities for work experience, cooperative  
training and education

TCS graduates prepared for technical endeavors in  
both higher education & the workplace

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## Safe, Caring and Diverse Community

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*"The mission of the Tullahoma City Schools is to provide all students with opportunities to obtain an excellent education."*

*City Schools Mission*

*Statement*

*"Tullahoma offers Tennessee warmth and work ethic."*

*Jack Jennings*

Tullahoma offers its citizens a unique quality of life, with both "small town" and "big city" characteristics. Citizens value the sense of community, caring, safety and security - some call it "that small town feeling". At the same time, they value the City's ethnic and cultural mosaic, its rich heritage and its special cultural institutions.

The City faces social challenges: such as addressing the requirements of an aging population, understanding the changing needs of today's youth, and helping people make transitions in their lives to their full potential.

Citizens want to maintain a place where the streets are safe to walk at night. It will be important for the City to address the diversity of needs in the community including the needs of youth, seniors, and people with disabilities. The City wants to be known for its healthy strong neighborhoods where people support each other. There is a strong interest in maintaining excellence in education as well as recognizing and celebrating the City's arts, culture and heritage.

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## **Safe, Caring and Diverse Community**

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**Objective 1**

**To provide for the safety and protection of all residents, visitors, and property**

**Actions**

1. Improve programs for youth to get involved more in crime prevention and build their understanding of the costs of crime and vandalism
  
2. Enhance public safety education for all ages using existing agencies
  
3. Enhance community policing
  
4. Promote and expand community/citizen involvement in policing and fire services
  
5. Strengthen recreation programs to help reduce vandalism and other forms of negative recreation
  
6. Improve the safety of roads, sidewalks and parks through improved lighting, appropriate repairs and "adopt a park" programs
  
7. Work in cooperation with Coffee County, and surrounding counties, county municipalities, and industry to expand joint emergency planning
  
8. Effectively enforce state law and municipal codes related to safety, traffic control and crime prevention
  
9. Continually update and test emergency plans for homeland security, accidents, and natural disasters

10. Maximize the use of effective technology in police, fire protection and emergency services

**Success Indicators**

Community actively participating in solutions to safety concerns

Streets safe to walk at night

Reduced crimes involving persons and property

Adequate response times to emergencies

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## **Safe, Caring and Diverse Community**

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**Objective 2**

**To enable the development of strong cohesive neighborhoods**

**Actions**

1. Encourage and facilitate increased volunteerism in the provision of neighborhood community services

2. Implement a one-stop shopping approach through multi use of existing facilities

3. Improve awareness of existing community services through better advertising and cooperation with community partners

4. Encourage business areas to develop their own unique character

5. Consult with ethnic cultural community organizations to assist them in accessing municipal services

**Success Indicators**

Recognition and preservation of the unique character of neighborhoods

Improved physical design of neighborhoods

Development of social and support services which are responsive to the neighborhood and the demographics of the community

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## **Safe, Caring and Diverse Community**

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**Objective 3**

**To recognize and celebrate Tullahoma's diverse culture and heritage**

**Actions**

1. Continue to encourage the development of the City's cultural and heritage institutions and facilities
  
2. Encourage self-sustaining arts, culture and heritage groups and increased cooperation and partnerships within these sectors
  
3. Foster the preservation of historic buildings and homes
  
4. Support the development of an improved heritage signage and promotional program
  
5. Support the development of programs to promote Tullahoma's historic role during the Civil War and World War II

**Success Indicators**

- Continued community pride in ethnic and religious diversity
  
- Continued promotion and support for arts, culture and heritage
  
- Strong multicultural events and festivals
  
- Community awareness and understanding of Tullahoma's history and different cultures

## Heritage buildings and areas conserved

## Safe, Caring and Diverse Community

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### Objective 4

**To create a nurturing environment where individuals can reach their full potential**

### Actions

1. Develop partnerships with school board, multicultural organizations, the business community and other agencies to develop education and development programs for youth related to the prevention of domestic violence, teenage pregnancies and other social concerns
2. In Education, to equip students to become informed citizens, able to contribute to and compete in a global economy; to provide and maintain state-of-the-art equipment and facilities that are accessible to all components of the community; to become one of the best school systems in the nation; to maintain a safe school environment; to create within the community a sense of ownership and a belief that the school system is an investment in the quality of life and the prosperity of the city; and to provide a committed, well-qualified educational team
3. Promote the development of new and creative partnerships with churches, agencies, service clubs and schools and encourage these groups to focus their assistance on emerging community needs
4. Support job training, re-education programs, counseling, job opportunities and programs for the disadvantaged

5. Encourage business strengthening and employment and training programs

**Success Indicators**

Basic needs of individuals are met (e.g. food, clothing, affordable and accessible shelter)

Social supports in place which enable people, regardless of income, to fully participate in the community and connect to each other

Increased voter participation

School system recognized by the Southern Association of Colleges and Schools and the Tennessee Department of Education

School employee retention rate exceeds state average

Recognition and support for diversity of needs (e.g. different age groups, persons with disabilities)

Improvement in a variety of social indicators such as: domestic violence, teenage pregnancies, low birth weight babies, literacy rate, graduation rate, the incidence of child abuse, crime and addictions

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## Sustainable Healthy Environment

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*"In order to look at the quality of life in an area, we need to view our built or human-made environment as well as our natural environment."*

*Marjorie Collier*

*"The Board of Public Utilities of the City of Tullahoma is dedicated to enhancing the quality of life and the environment of Tullahoma and its surrounding area by providing quality utility service at the lowest practical cost to our customers."*

*TUB Mission*

*Statement*

The City of Tullahoma is blessed by environmental qualities such as a temperate climate, the surrounding lakes, trees and green spaces. The City's trails, parks and recreational facilities are valued by citizens.

Tullahoma citizens are concerned about key environmental and infrastructure issues. There is an interest in improving the quality of the environmental and sustaining the necessary investment to upgrade the City's infrastructure.

The citizens of Tullahoma want to see further "greening" and enhancement of Tullahoma's natural environment, parks and open spaces. Upgrading the City's infrastructure, particularly its roads and sewers, is important to the quality of life and the City's future. Citizens want Tullahoma to be a well-planned and designed community. They want to see a City that is "pedestrian and bicycle friendly" - committed to alternative modes of transportation.

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## Sustainable Healthy Environment

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**Objective 1**

**To preserve and enhance Tullahoma's natural environment and green spaces**

**Actions**

1. Review and update the Parks & Recreation Master Plan
  
2. Review and implement the Greenway Master Plan, and consolidate and update the policies
  
3. Implement the Bikeway Plan
  
4. Develop an "adopt a" program for parks, natural areas, sections of waterfront, bikeways etc.
  
5. Develop an improved signage system to educate the public about trails and the natural environment
  
6. Develop a program to protect environmental resources and the integrity of ecosystems
  
7. Naturalize appropriate city parks and encourage a balance of uses in city parks and open spaces
  
8. Develop an improved process for setting maintenance priorities in parks and recreation
  
9. Continue support of City Forestry and Tree Board activities

**Success Indicators**

Expanded trails

Compliance with the Short Springs Management Plan

Natural areas preserved and managed

Appropriate mix of open space

Improved air and water quality

Increased forest cover

Enlightened use and consumption of materials

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## Sustainable Healthy Environment

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### Objective 2

#### **To improve Tullahoma's physical infrastructure, buildings and structures**

### Actions

1. Develop a 6-year capital improvements plan emphasizing road, sewer and water system upgrading and rehabilitation
2. Explore creative/alternative funding options to pay for infrastructure improvements
3. Examine cost effectiveness of contracting out certain infrastructure services to independent contractors
4. Reward and recognize innovation and excellence in the built environment (e.g. through awards for civic design)
5. Encourage landowners to maintain the appearance of streets beside their homes
6. Examine alternate development standards to encourage cost savings
7. Ensure future ability to meet EPA standards for water & wastewater treatment at reduced capital and operating costs
8. Improve physically deteriorated areas of the City
9. Set adequate standards relative to

building/property maintenance

**Success Indicators**

Excellence in building design

Barrier free community

Roads upgraded to appropriate standards

Fire flow improvements to NFPA standards

Improved drinking water

Meet or exceed EPA quality standards for drinking water and waste water discharge

Installation of sidewalks and street lighting in all areas of the City

Compliance with EPA Phase II storm water requirements

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## Sustainable Healthy Environment

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### Objective 3

#### **To plan for the efficient, attractive and environmentally sound use of land**

### Actions

1. Examine future growth needs of the City of Tullahoma
2. Update and maintain on an ongoing basis the City's Official Land Use Plan
3. Develop a plan for meeting the industrial land needs for Tullahoma
4. Develop a strategy for alternative uses for environmentally problematic vacant properties/sites
5. Analyze changing neighborhood demographics when planning land use/development to ensure sustainable neighborhoods
6. Emphasize infilling and protect natural areas from development
7. Develop storm water plans in cooperation with surrounding municipalities
8. Address and develop a position relative to land development in environmentally sensitive areas
9. Continue programs to promote appropriate disposal of hazardous waste
10. Reduce landfill use

11. Improve recycling and composting programs

**Success Indicators**

Robust neighborhoods throughout the entire City

Updated Official Land Use Plan

Adequate supply of industrial serviced land as well as residential and commercial land

Continuously updated inventory of environmentally sensitive areas

Improved neighborhood design

Increased public participation in the recycling program

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## Sustainable Healthy Environment

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### Objective 4

**To provide transportation systems that enhance physical mobility and better serve the economic and social needs of the community**

### Actions

1. Develop strategies that capitalize on Tullahoma's strategic location as a medical service hub and reinforce its gateway role
2. Review and update the comprehensive transportation system plan for Tullahoma
3. Put in place user-friendly signage for citizens and visitors
4. Review parking policies and amend them to support accessible and affordable parking

### Success Indicators

Transportation infrastructure and services adequately funded

Improved user-friendly signage

Balanced parking supply including convenient parking in the Downtown Business District

Declining air pollution

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## Responsive Effective Local Government

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*“A well-prepared Capital Improvements Plan would be an excellent document to show...that we have a proactive plan for growth and development.”*

*Troy Bisby*

The citizens of Tullahoma value the leadership that has been provided by the City's Board and administration. They appreciate being consulted and welcome further opportunities to provide input to the City's ongoing activities.

At the same time, there are concerns about taxes, the need for coordination among agencies, and the need for the City to become more self-sustaining in the face of state government budget cuts.

Looking to the future, the City needs to achieve a balance between competing demands and interests while continuing to improve its financial health.

Citizens expect effective and efficient service delivery with ease of access to services and information. The City cannot achieve these objectives alone. It must develop appropriate partnerships with other governments, the private and not-for-profit sectors, and with groups of citizens.

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## **Responsive Effective Local Government**

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### **Objective 1**

### **To improve the City's financial health**

#### **Actions**

1. Review and update the fiscal fitness and debt reduction policies
2. Pursue cost-savings and rationalization in municipal operations
3. Rationalize the policy for user fees by determining which services should be supported through the tax base
4. Promote new cost-effective partnerships for service delivery
5. Develop the joint industrial park

#### **Success Indicators**

Reduced dependence on grants from state or federal government

Controlled and appropriate debt

Controlled tax rates

Rationalized user fees

Businesses located in the joint industrial park

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## **Responsive Effective Local Government**

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**Objective 2**

**To ensure effective and efficient delivery of municipal services**

**Actions**

1. Define core services to be provided by the municipality
  
2. Complete a new and updated Strategic Plan for the City
  
3. Simplify the City's operating procedures both internally and externally
  
4. Provide opportunities for continuing educational development and training of employees
  
5. Continue to support, recognize and reward employee efforts to deliver excellent cost-efficient and consistent municipal services
  
7. Develop a flexible compensation package which supports attraction and retention of skilled municipal employees

**Success Indicators**

Effective municipal organization aligned to achieve the City's objectives

Satisfied citizens

Employees who reflect the diversity of the City

Employees who are motivated, recognized and committed to the City's mission

Municipal corporation a leader in "best practices" of government

Multi-skilled and flexible employees

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## Responsive Effective Local Government

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### Objective 3

**To develop appropriate partnerships with the public, private, and not-for-profit sectors**

### Actions

1. Develop a protocol for encouraging and developing appropriate partnerships with public, private and not-for-profit sectors
2. Encourage "adopt a" programs
3. Enhance and recognize volunteerism throughout the City
4. Explore further opportunities to jointly use facilities in the community
5. Continue to explore partnership opportunities with neighboring communities including Coffee County
6. Examine gaps and duplications in the provision of community services to identify areas where partnerships should be pursued

### Success Indicators

Strategic partnerships

An environment in which innovation and partnerships are valued

Improved delivery of services

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## Responsive Effective Local Government

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### Objective 4

**To provide effective opportunities for the public to have a voice in local government**

### Actions

1. Utilize citizen surveys to solicit public feedback on service priorities and quality
2. Explore opportunities to expand public access to information through the use of technology (e.g. Internet)
3. Coordinate public information available and make it consistent and accessible
4. Develop "one-stop shopping" for information on the City's land use planning process including information on how lands are being used
5. Use flex time for employees to provide services to public for longer time periods
6. Create further opportunities for youth involvement in City initiatives and committees
7. Advertise and promote City Hall activities through multi-media television, radio, print, fax and computer technology
8. Develop a process for evaluating progress and updating the Strategic Plan on an ongoing basis

### Success Indicators

More effective public participation

More young people interested and involved in government

Citizens more informed about the City and its activities

Improved access to City Hall and City information

Increased voter turnout at municipal elections

## VI. How the Plan Will Be Used

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*"The strategic plan will be the City's primary planning document and should precede and give direction to all other planning activities".*

*Jody Baltz,  
City Administrator,  
City of Tullahoma*

Tullahoma's community strategic plan contains objectives and actions that will help the City of Tullahoma, through its mission, achieve the community vision. However, the strategic plan will only be successful if it is acted upon and implemented. Implementation means that once the Board approves the strategic plan, it must become the guiding force for all ongoing work of the City. The objectives and actions will establish the work to be included as part of the City's annual work planning and budgeting processes. The success indicators will tell the City and the community when the objectives are met.

The following implementation program outlines the general activities to be carried out as the strategic plan moves forward.

Comments on the draft strategic plan will be reviewed and where appropriate, changes will be made.

Once approved by the Board, the City Administrator, working with the Mayor and senior staff, will develop a detailed implementation strategy to determine priorities. This implementation plan will contain the following information:

- Priorities for each of the actions based on immediate (Year 1), short-term (Year 2-3) and long term (Year 3+) timeframes. These times indicate when the action will start and not necessarily how long it will take to complete.
- Staff responsibilities for each action in terms of primary and supporting roles. Experience has shown that only one department (and unit within the

department) can be assigned responsibility for undertaking an action. However, in performing this role, there may be support required from other departments and units.

- Detailed plans will be developed for all immediate actions to be completed in Year One. The plans will contain information of specific activities to be undertaken to carry out the action, responsibilities and resources required.

The implementation plan will be developed within three months of Board approval of the strategic plan. It will be presented to the Board for approval.

Once approved by the Board, the actions contained in the implementation plan will be incorporated into the City's annual budgeting process.

Staff under the direction of the City Administrator, will prepare an annual report on the progress of implementing the strategic plan. The report will also include new objectives and actions to be undertaken which may emerge over the year.

The Board will review the annual staff report and make changes as appropriate for the coming year. As part of this review, the Board may wish to include consultation with the community.

The Board should revisit the strategic plan at the beginning of every new term. As part of this exercise,

the Board working with senior staff and the community, should examine the community vision, City mission, strategic themes and objectives, actions and end results.

The actions contained in this strategy describe initiatives for the City of Tullahoma to undertake as part of achieving the community vision. In addition, community groups and organizations in Tullahoma are encouraged to develop their own action plans to move the community vision forward.

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## **PUBLIC MEETINGS**

### **Outlook Series.**

Education, November 29, 2001.

Quality of Life, October 25, 2001.

The Economy, February 8, 2001.

Tourism & Hospitality, April 26, 2001.



## GLOSSARY

## GLOSSARY OF TERMS

<b>Abatement</b>	A complete or partial cancellation of a levy imposed by the City, usually applied to tax levies, special assessments and service charges.
<b>Account</b>	A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.
<b>Accounts Payable</b>	A short term liability account reflecting amounts owed to private persons or organizations for goods and services received by the City.
<b>Accounts Receivable</b>	An asset account reflecting amounts due from private persons or organizations for goods and services furnished by the City.
<b>Accrual Accounting</b>	The basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to the cash basis of accounting where the transfer of funds causes the recording of the transaction.
<b>Ad Valorem Tax</b>	The separate tax which applies to utility property.
<b>Activity</b>	A specific and distinguishable unit of service or program performed, such as Police (#42100).
<b>Adopted Budget</b>	The budget approved by the Board of Mayor and Aldermen and enacted by budget appropriation ordinance, on or before June 30 of each year.
<b>Amortization</b>	The process of paying the principal amount of an issue of bonds by periodic payments. Payments are usually calculated to include interest in addition to a partial payment of the original principal amount.
<b>Amortization Schedule</b>	A table showing the gradual repayment of an amount of indebtedness.
<b>Appraised Value</b>	The estimate of fair market value assigned to property by an appraiser or the County Tax Assessor. For tax assessment purposes, the value is stated as of the last reappraisal date.
<b>Appropriation</b>	An authorization made by the Board of Mayor and Aldermen which permits the City staff to incur obligations against and to make expenditures of governmental funds and resources. Appropriations are usually for a fixed dollar amount for a particular budget year.

**Glossary of Terms - (continued)**

<b>Arbitrage</b>	The difference between the interest paid on a municipal bond issue and the interest earned by investing the bond proceeds in other securities.
<b>Assessed Value</b>	The value of personal and real property for use as the basis for levying the real and personal property taxes.
<b>Asset</b>	A probable future economic benefit obtained or controlled by the City as a result of past transactions or events.
<b>Audit</b>	An examination, usually by an official or private accounting firm retained by the Board of Mayor and Aldermen, that reports on the accuracy of the annual financial report.
<b>Balanced Budget</b>	A balanced budget occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt interest.
<b>Benefits</b>	Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits, and benefits due on termination of employment.
<b>Bond</b>	Written evidence of the City's obligation to repay a specified principal amount on a certain date, together with interest at a stated rate, or according to a formula for determining that rate.
<b>Bond Anticipation Note (BANS)</b>	Notes issued for capital projects, which are paid off by the issuance of long-term exempt bonds.
<b>Bond Counsel</b>	An attorney (or firm of attorneys) retained by the City to give a legal opinion that the City is authorized to issue proposed bonds, the City has met all legal requirements necessary for issuance, and interest on the proposed bonds will be exempt from federal income taxation and, where applicable, from state and local taxation.
<b>Budget</b>	A plan of the financial operations comprised of estimates of anticipated revenues and expenses for a specific period (fiscal year).
<b>Budget Amendment</b>	A revision of the adopted budget that, when approved by the Board of Mayor and Aldermen, replaces the original provision. Budget amendments occur throughout the fiscal year as spending priorities shift.
<b>Budget Appropriation Ordinance</b>	The official enactment by the Board of Mayor and Aldermen on

**Glossary of Terms - (continued)**

	three readings establishing the legal authority for the City officials to expend funds.
<b>Budget Calendar</b>	The schedule of the dates involved in the preparation, review, and passage of the annual budget.
<b>Budget Documents</b>	The official written documents comprised of the annual operating budget, the three-year Capital Improvements Program, and Non-routine Work Plan for the fiscal year as approved by the Board of Mayor and Aldermen.
<b>Budget Message</b>	Opening section of the budget which provides the Board of Mayor and Aldermen and the public with a general summary of the key parts of the budget. Also listed are changes from the current and previous fiscal years with comments from the City Administrator.
<b>CAFR</b>	Comprehensive Annual Financial Report. The official annual report of a government.
<b>Capital Assets</b>	Long-lived tangible assets obtained or controlled as a result of past transaction, events or circumstances. Capital assets are defined by the City's formal capital assets policy.
<b>Capital Expenditure</b>	Funds used to acquire a long-term asset. A capital expenditure results in depreciation deductions over the life of the acquired asset. The City's capital asset policy defines items that would be purchased as capital expenditures.
<b>Capital Improvement Plan</b>	The City's plan for major capital projects over the next three years. The plan is reviewed and updated annually.
<b>Capital Outlay</b>	The purchase of equipment and machinery having a useful life of several years and of a significant value. Capital improvements such as acquisition of land and related construction and engineering are included in the Capital Improvements budget.
<b>Capital Projects</b>	Projects identified specifically for the purpose of showing the cost of a particular project. Capital projects are usually large public work projects such as roads, bridges, and buildings.
<b>Capitalized Interest</b>	A portion of the proceeds of a bond issue set aside, upon issuance of bonds, to pay interest on the bonds for a specified period of time.
<b>Cash Basis</b>	The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**Glossary of Terms - (continued)**

<b>Chart of Accounts</b>	A chart that assigns a unique number to each type of transaction and to each budgetary unit in the organization.
<b>Coding</b>	A system of numbering or otherwise designating accounts, entries, invoices, vouchers, etc., in such a manner that the symbol used reveals quickly certain required information. (Example: 110-42100-940-012. In this example 110 designated General Fund; 42100 designates Police Department; 940 designates Purchase of Equipment, and 012 designates Patrol Division).
<b>Contractual Services</b>	Services rendered to City activities by private firms and individuals outside City government. Examples include utilities, building maintenance, and equipment maintenance.
<b>Construction in Progress</b>	A fixed asset account reflecting the cost of construction work for projects not yet completed.
<b>Credit</b>	An amount expressed as a “minus”. A negative resource usually means a transfer to another fund or fund balance. A negative expenditure usually implies an anticipated credit in that account during the year.
<b>Debt Service</b>	Annual payments of the City’s outstanding debt including principal, interest, and bond reserve requirements.
<b>Deficit</b>	The excess of an entity’s liabilities over its assets. The excess of expenditures or expenses over revenues during a single accounting period.
<b>Department</b>	Closely associated City activities under the day to day oversight by a department head.
<b>Depreciation</b>	A method of allocating the cost of a tangible asset over its useful life.
<b>Designated/Reserved Fund Balance</b>	That portion of resources, which at year's end, exceeded requirements and has been designated for use at some future time for a specific project or use. Money in a designated fund balance is not in the Budget and therefore has not been appropriated for expenditure. However, those funds are not available for use except for designated purposes.
<b>Direct Debt</b>	The sum total of bonded debt issued by the City.
<b>Disbursement</b>	The payment of City funds for obligations incurred.

Glossary of Terms - (continued)

<b>EMT</b>	Emergency Medical Technician
<b>Encumbrance</b>	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.
<b>Enterprise Fund</b>	A format of accounting for a particular unit of government which provides services for fees. The accounting for an enterprise fund is similar to that of a private business. The City of Tullahoma does not currently have an enterprise fund.
<b>Estimated Revenues</b>	The amount of projected revenue to be collected during the fiscal year.
<b>Expenditures</b>	The cost of goods and services received. Actual payment may not be required at a particular date for an item to be considered an expenditure.
<b>FASB</b>	Financial Accounting Standards Board. The official policy and procedural organization designed by the American Institute of Certified Public Accountants (AICPA) to establish accounting principles, for both profit and nonprofit entities, in the United States.
<b>Fees</b>	A general term used for any charge levied by the City associated with providing a service of permitting an activity.
<b>Financial Advisor</b>	A consultant who advises the City on any of a variety of matters related to a bond issue.
<b>Fiscal Year (FY)</b>	A time frame designating the beginning and ending period for recording financial transactions. The City of Tullahoma uses a fiscal year beginning July 1 through June 30.
<b>Function</b>	Broad categories are accounted for by classifying each as a function. Examples are: Revenue from Taxes, Revenue from Intergovernmental, and Fund Balance.
<b>Fund</b>	Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures.

Glossary of Terms - (continued)

<b>Fund Balance</b>	The accumulated amount of excess revenues over expenditures in a particular fund at any point in time. A negative fund balance is the accumulated amount of excess expenditures over revenues.
<b>GAAP</b>	General Accepted Accounting Principles. The actual rules and procedures governing the accounting profession.
<b>GASB</b>	Government Accounting Standards Board. The official policy and procedural organization designated by the American Institute of Certified Public Accountants (AICPA) to establish accounting principles for state and local governments.
<b>General Fund</b>	The City's primary operating fund accounting for most all of the financial resources and obligations. The general fund revenues include property taxes, business taxes, sales taxes, building permits, plus other revenues. The fund provides the resources for most City services including fire, police, public works, codes and planning, and parks.
<b>General Obligation Bond</b>	When a government pledges its full faith and credit and unlimited taxing power to repayment of the bonds it issues, then those bonds are General Obligation Bonds (GO). A GO bond is typically used for long-term financing of capital projects and represents a written promise to pay to the bond purchaser a specified sum of money at a specified future date along with a periodic interest paid at a specified interest percentage.
<b>GFOA</b>	Government Finance Officers Association. A group of worldwide professional government finance officers.
<b>Goal</b>	The underlying reason(s) for the provision of City services.
<b>Government-wide Financial Statements (GWFS)</b>	The GWFS are reported using the economic resources measurement focus and the full accrual basis of accounting. GWFS report information about the government as a whole without displaying individual funds or fund types.
<b>Governmental Fund</b>	Term used in government accounting to apply to all funds except for the profit and loss funds such as enterprise funds, internal service funds and trust and agency funds.
<b>Grant</b>	A contribution by the State or Federal government or other entity supporting a particular project.
<b>In Lieu of Taxes</b>	A contribution by benefactors of City services who are tax exempt, i.e. certain utilities who must pay a "tax equivalent amount".

Glossary of Terms - (continued)

<b>Interest</b>	Compensation for the use of borrowed money, generally expressed as an annual percentage of the principal amount.
<b>Interfund Transfers</b>	Amounts transferred from one fund to another.
<b>Intergovernmental Revenue</b>	Revenue received from another government for general purposes or a special purpose.
<b>Lease</b>	A contract for temporary use of equipment or facilities at a negotiated price.
<b>Liabilities</b>	Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.
<b>Line Item Budget</b>	A budget summarizing the detail categories of expenditures for goods and services the City intends to purchase during the fiscal year.
<b>Long Term Debt</b>	A financial obligation with maturity of more than one year after the date of issuance.
<b>Major Funds</b>	Funds that meet size criteria requiring that they be identified individually on financial statements.
<b>Modified Accrual Basis</b>	The accrual basis of accounting adapted to the government fund-type measurement focus. Revenues are recognized when they become both measurable and available meaning collectible in the current period or soon enough thereafter to pay liabilities on the current period. Expenditures are recognized when the liability is incurred.
<b>Moody's Investor Service</b>	A recognized bond rating agency.
<b>Net Bonded Debt</b>	Gross bonded debt less any cash or other assets available and earmarked for its retirement and less all self-supporting debt.
<b>Non-Major Funds</b>	Funds determined to be relatively small that may be grouped together for financial statement presentation.
<b>Object Code</b>	A detailed line item expenditure category, such as salaries (#111), office supplies (#310), or capital outlay (#900).
<b>Objective</b>	A measurable statement of the actual results which a City activity expects to achieve in support of a stated goal.

Glossary of Terms - (continued)

<b>Official Statement</b>	A document published by the City which discloses information on a bond issue, including the purposes of the bond issue, how the bonds will be repaid, and financial, economic, and demographic characteristics of the City.
<b>Operating Budget</b>	The expenditure plan for continuing everyday service programs and activities. In most instances, operating expenditures are made in a single fiscal year. These expenditures include personal services, contractual services, minor capital outlay, and debt service requirements.
<b>Operating Expenses</b>	The cost of contractual services, materials, supplies, and other expenses not related to personnel and capital outlay expenses or capital projects.
<b>Operating Transfer</b>	Amounts transferred from one fund to another. Transfers are <u>not</u> expenditures. Transfers are to be appropriated for expenditures in the fund receiving the transfer.
<b>Per Capita Debt</b>	The amount of the City's debt divided by the population. It is used as an indication of credit position by reference to the proportionate debt borne per resident.
<b>Performance Measures</b>	Specific measures of work performed as an objective of the various departments based upon quality and quantity of particular items.
<b>Personnel Expenses</b>	Cost of salaries, wages, and fringe benefits such as employer's share of social security contributions, retirement expenses, and health and life insurance payments.
<b>Program Budget</b>	A budget which structures budget choices and information in terms of programs and their related work activities (repair of roads, garbage removal, etc.). It provides information on what each program is committed to accomplish in the long run (goals) and in the short run (objectives), and measures the degree of achievement of program objectives (performance measures).
<b>Project (Capital)</b>	An item for which the purchase, construction, or other acquisition will represent a public betterment to the community and add to the total physical worth of the City provided that the project considered meets the criteria for total cost and life expectancy. Examples of capital projects are land, buildings, roads, and certain major pieces of equipment or a fixed nature.

**Glossary of Terms - (continued)**

<b>Purchase Order</b>	A written legal document stating or confirming an offer to buy goods or services, which upon acceptance by a vendor, becomes a contract. Its main function is to expedite document and control buying by the City.
<b>Ratings</b>	In the context of bonds, normally an evaluation of creditworthiness performed by an independent rating service.
<b>Recommended Budget</b>	The budget proposed by the City Administrator to the Board of Mayor and Aldermen for adoption.
<b>Reserve</b>	Each fund may have one or more reserve accounts. These accounts contain funds which have been set aside for a specific purpose.
<b>Resource</b>	The income which supports the operation of the City. Sufficient resources each fiscal year must be received to meet the total requirements of the City for the fiscal year. Examples of a resource are: revenue (from taxes, fees, etc.), sale of bonds/notes, certain recoveries, contributions, and prior year fund balances.
<b>Revenues</b>	A term used to represent actual or anticipated income.
<b>Revenue Bonds</b>	Bonds payable from a specific source of revenue and which do not pledge the full faith and credit of the City.
<b>Self-supporting Debt</b>	Debt which is to be repaid from proceeds derived exclusively from the enterprise activity for which the debt was issued - the City's Water and Sewer Fund for example.
<b>Source</b>	The revenue structure lists dollars by revenue "type" and aggregates them according to their similarity under "source". Examples of sources are Property Taxes and Sales Taxes.
<b>Special Revenue Fund</b>	This fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This includes resources obtained drug fines and solid waste.
<b>TGFOA</b>	Tennessee Government Finance Officers Association.
<b>Tax Levy</b>	The total amount of tax that should be collected based upon the current tax rates and the assessed value of real, personal, and public utility property.
<b>Tax Rate</b>	The amount of taxes collected per \$100.00 of assessed value of taxable property. The tax rate for Fiscal Year 2004 is \$2.39.

**Glossary of Terms - (continued)**

<b>Tax Roll</b>	The official list showing the amount of taxes levied against each taxpayer or parcel of property, prepared and authenticated in proper form to warrant the collecting officers to proceed with the enforcement of the tax.
<b>TDOT</b>	The State of Tennessee Department of Transportation is the department that oversees the statewide transportation system including highways, rail, airports, waterways and transit.
<b>THDA</b>	Tennessee Housing and Development Agency is the state agency tasked with creating safe, sound, affordable housing opportunities within the borders of the State.
<b>Tullahoma Airport Authority (TAA)</b>	The Tullahoma Airport Authority is the board appointed by the City of Tullahoma to operate the Tullahoma Municipal Airport.
<b>Tullahoma Area Economic Development Corporation (TAEDC)</b>	Entity created by the Board of Mayor and Alderman to drive economic development in the greater Tullahoma region by focusing on several core areas: aerospace and aviation, medical services and technology, retail, information technology, and entrepreneurship.
<b>Tullahoma Utilities Board (TUB)</b>	Public utility providing electric, water, waste water and fiber optics to the residents of Tullahoma and the surrounding community.
<b>Undesignated Fund Balance</b>	That portion of resources, which at year's end, exceeded requirements and is not designated for future specific project or use. Money in the undesignated fund balance has not been appropriated for expenditure, and therefore is not reflected in the budget. However, those funds are available for use if the need arises.
<b>Unencumbered Balance</b>	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.
<b>United States Department of Agriculture (USDA)</b>	Federal and State funding agency that awarded the City of Tullahoma a small business revolving loan grant to assist business start-ups and expansions.
<b>Urban Development Action Grant (UDAG)</b>	Old United States department of Housing and Urban Development grant awarded to the City of Tullahoma to create a revolving loan fund for economic development, urban renewal and job creation.