

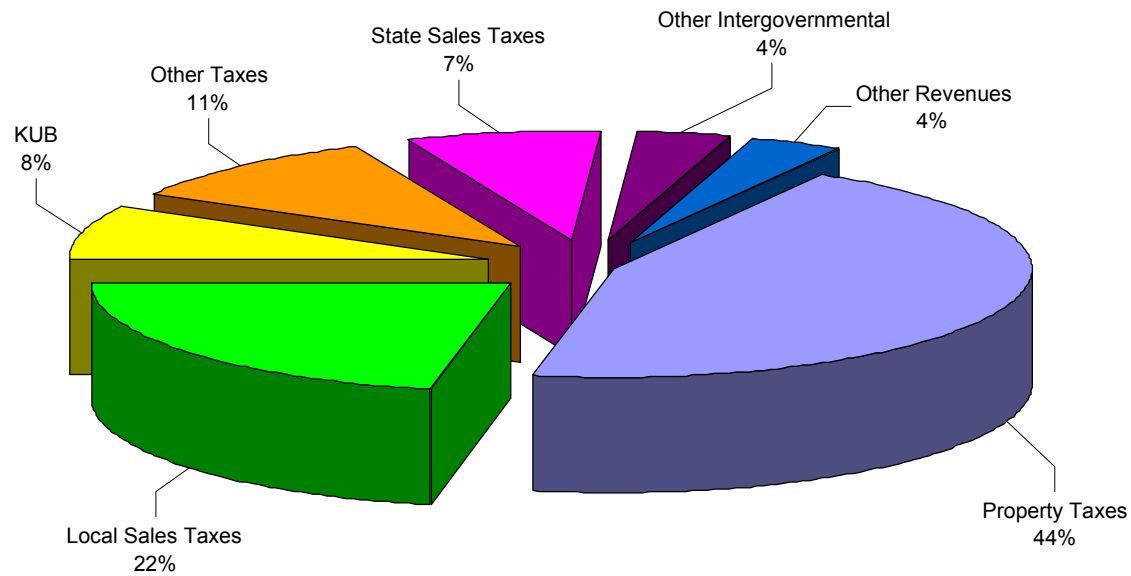
Budget Retreat 2006

City of Knoxville

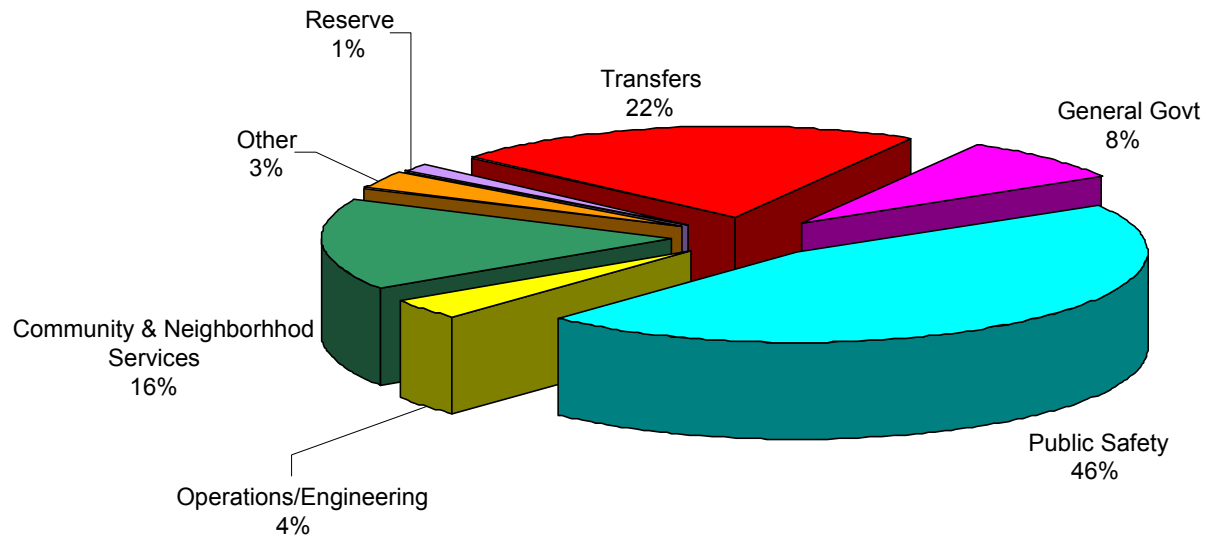
The Budget Calendar

- January 27 – Capital project requests submitted
- February 16 – Budget Retreat
- Feb. – March – Departments submit budget requests, base numbers calculated, capital budget prepared
- April 4 - 6 – Mayor’s budget hearings
- April 27 – Mayor’s budget submitted
- May 9 – First reading of budget and tax ordinances
- To be determined – Council Workshops, Public Hearing
- May 23 – Second reading of budget and tax ordinances

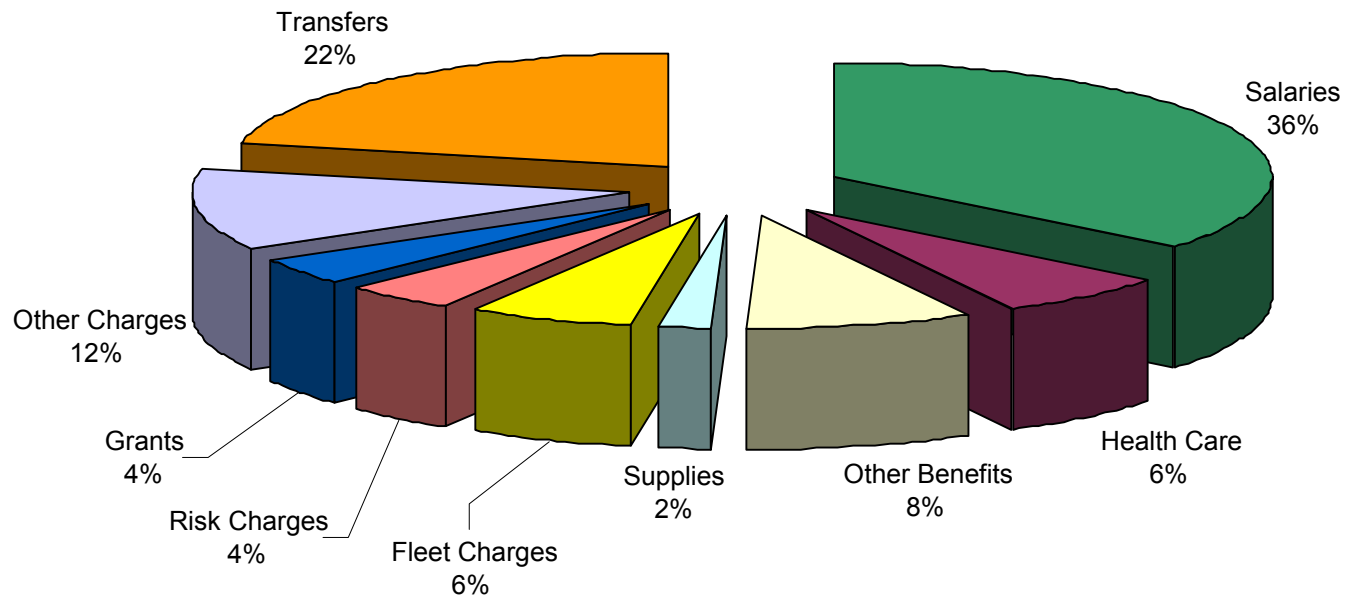
Where the Money Comes From



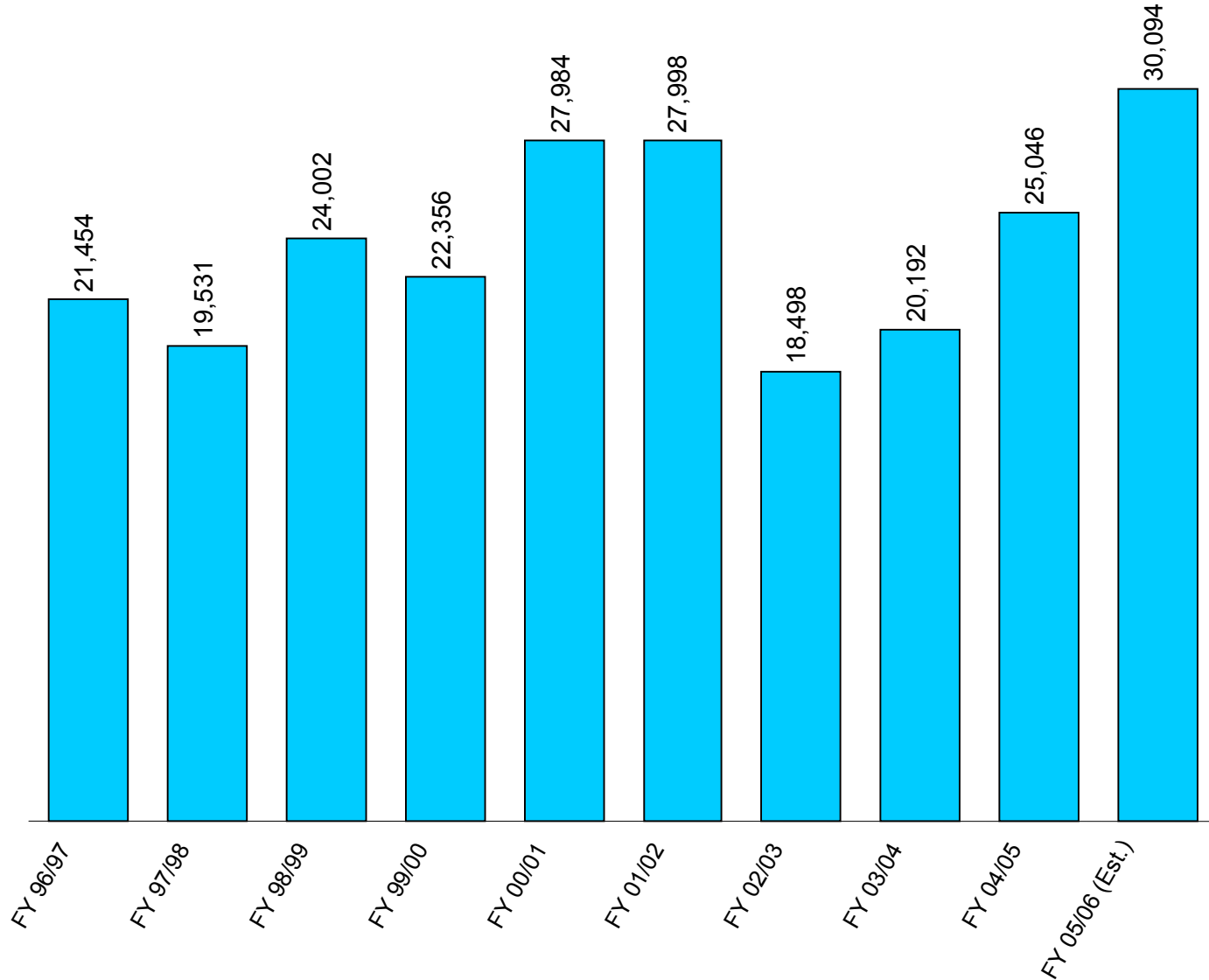
Where the Money Goes



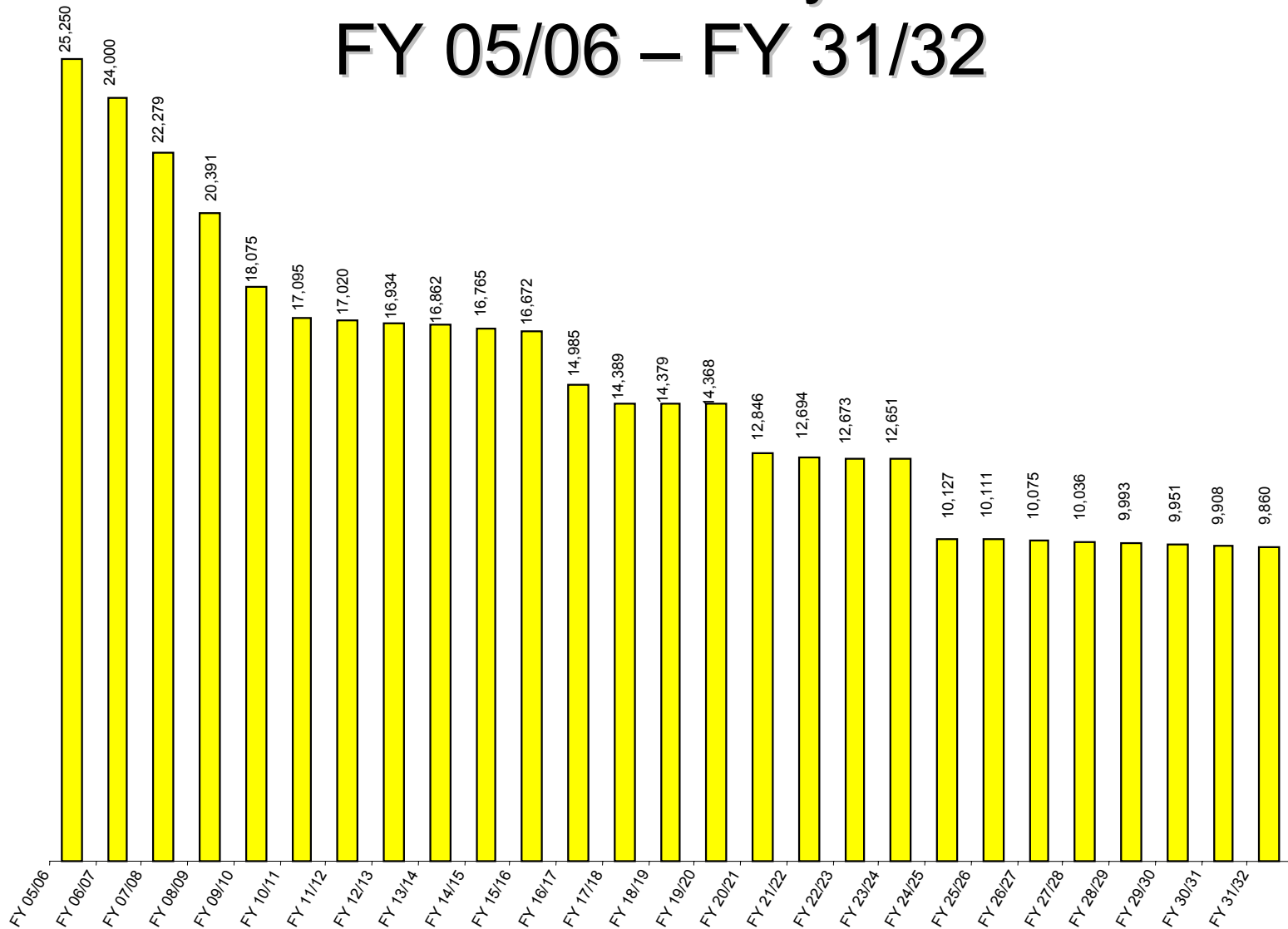
Where the Money Goes



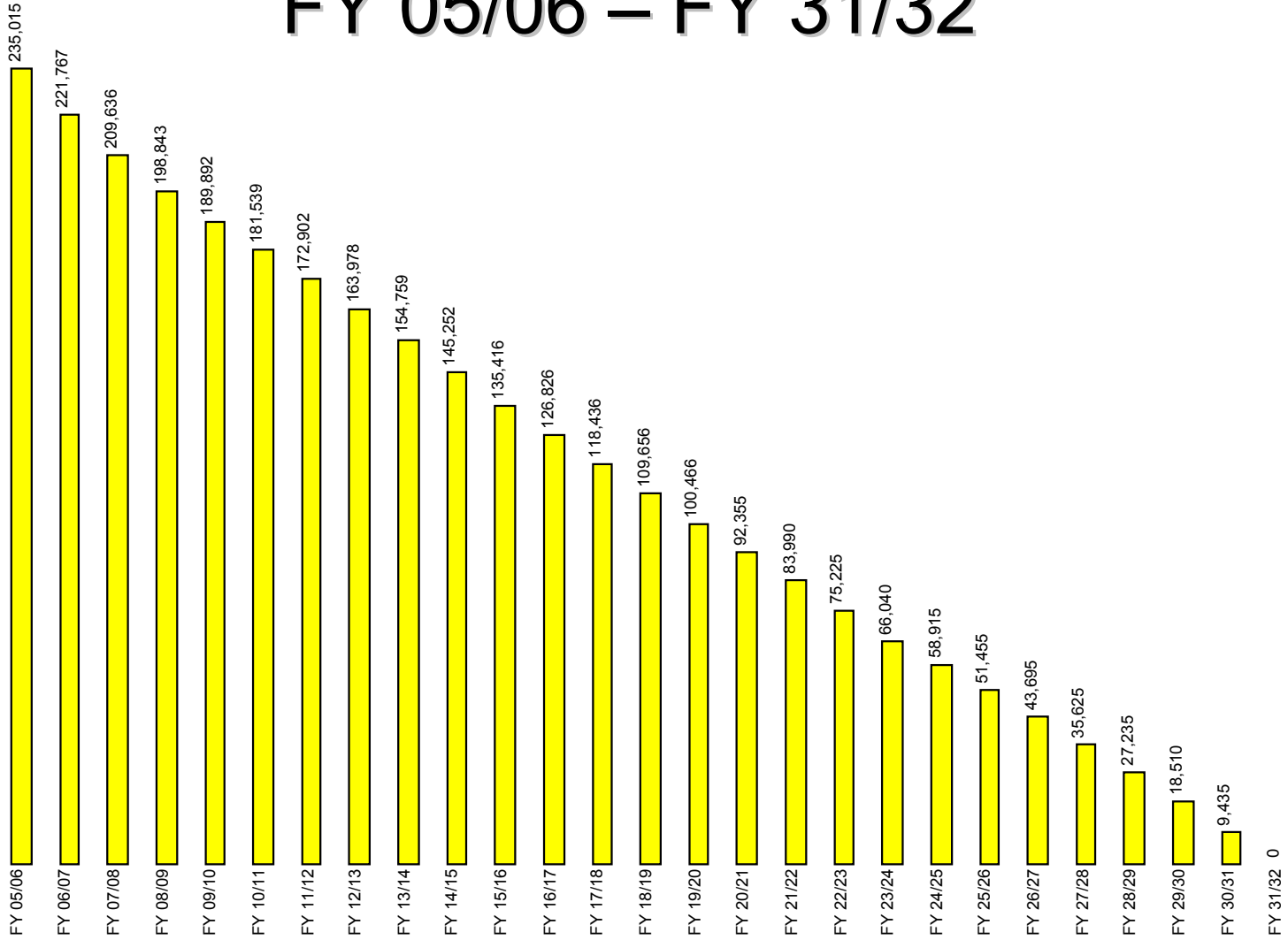
General Fund Fund Balance



Debt Service Payments FY 05/06 – FY 31/32



Debt Service Balances FY 05/06 – FY 31/32



Debt Ratings

- Fitch/ICBA AA+
- Moody's Aa2
- Standard & Poor's AA
- What we Promised to the Agencies:
 - Balanced Budget (no more deficits)
 - No new debt in FY 2006
 - Rebuild General Fund Balance over time

FY 04/05 Results

	FY 04/05 Adopted Budget	Forecast As Of 12/31/2004	Actual FY 04/05
Revenues	141,369,700	141,810,870	143,019,232
Expenditures	108,202,060	107,065,520	105,255,499
Net Transfers	(33,167,640)	(32,985,640)	(32,929,351)
Revenues/Sources Over Uses	0	1,759,710	4,834,382
Beginning Fund Balance	20,191,921	20,191,921	20,191,921
Ending Fund Balance	20,191,921	21,951,631	25,026,303

Results as of 12/31/05

Revenues	61,309,728
Expenditures	65,325,052
Net Transfers	(14,105,682)
Revenues/Sources Over Uses	(18,121,006)
Beginning Fund Balance	25,046,305
Ending Fund Balance	6,925,299

Forecast Ending 6/30/06

Revenues	147,526,340
Expenditures	113,025,720
Net Transfers	(29,452,970)
Revenues/Sources Over Uses	5,047,650
Beginning Fund Balance	25,046,305
Ending Fund Balance	30,093,955

Multi-Year Forecast

FY 04/05

	FY 04/05 Projection	FY 05/06 Projection	FY 06/07 Projection	FY 07/08 Projection
Revenues	141,810,870	143,171,030	145,133,120	147,211,730
Expenditures	107,065,520	114,275,250	118,478,310	123,504,160
Net Transfers	(32,899,480)	(28,589,580)	(29,645,050)	(30,765,140)
Revenues/Sources Over Uses	1,759,710	306,200	(2,990,240)	(7,057,570)
Beginning Fund Balance	20,191,658	21,951,368	22,257,568	19,267,328
Ending Fund Balance	21,951,368	22,257,568	19,267,328	12,209,758

Multi-Year Forecast

FY 05/06

	FY 05/06 Budget	FY 05/06 Projection	FY 06/07 Projection	FY 07/08 Projection	FY 08/09 Projection	FY 09/10 Projection
Revenues	143,313,650	147,526,340	149,209,940	151,553,800	153,988,210	156,506,760
Expenditures	114,284,280	113,025,720	117,563,090	122,174,400	126,256,290	130,790,550
Net Transfers	(29,029,370)	(29,452,970)	(28,825,290)	(30,080,090)	(31,159,670)	(32,435,390)
Revenues/Sources Over Uses	0	5,047,650	2,821,560	(700,690)	(3,427,750)	(6,719,180)
Beginning Fund Balance	25,046,305	25,046,305	30,093,955	32,915,515	32,214,825	28,787,075
Ending Fund Balance	25,046,305	30,093,955	32,915,515	32,214,825	28,787,075	22,067,895

Forecasting Implications

- Manage for Today and Tomorrow
- Key Budget Issues

Revenue Growth

Healthcare Cost

Pension Cost

Worker's Compensation

Strategic Plan-Knoxville Works!

- Stronger, Safer Neighborhoods
- City Services You Can Count On At A Competitive Price
- An Energized Downtown; Everybody's Neighborhood
- More And Better Jobs