



CITY OF KNOXVILLE
BILL HASLAM, MAYOR



SEMI-ANNUAL FINANCIAL REPORT AS OF DECEMBER 31, 2003

CITY OF KNOXVILLE, TENNESSEE

**Financial Report for the Six Months Ending
December 31, 2003**

MAYOR

Bill Haslam

MEMBERS OF CITY COUNCIL

District One:	Joe Hultquist
District Two:	Barbara B. Pelot
District Three:	Steve Hall
District Four:	Rob Frost
District Five:	Bob Becker
District Six:	Mark A. Brown, Vice Mayor
At-Large:	Joe Bailey
At-Large:	Marilyn Roddy
At-Large:	Chris Woodhull

FINANCE DIRECTOR

Christopher P. Kinney

OFFICE OF MANAGEMENT AND BUDGET

Cheryl A. Davis, Financial Analyst, Sr.
Jack Dixon, Financial Analyst
John Harold, Financial Analyst
Katherine Latvala, Accounting and Budget Manager

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Combined Balance Sheet - All Funds
As of December 31, 2003

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
Assets				
Cash & temporary investments	6,696	2,166,163	8,771,152	438,629
Investments	16,341,654	12,393,825	20,338,243	13,055,116
Receivables (Net of allowances for uncollectibles)				
Accounts	895,151	8,302,628	2,581,698	200,000
Taxes on real and personal property	40,781,980	0	0	0
Due from other funds	71,024	0	0	0
Due from component units	0	0	0	0
Inventory	252,311	0	0	0
Prepaid items	11,010	36,784	0	0
Land & Site Improvements	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0
Other Assets	(362,061)	4,946	0	0
Restricted assets				
Temporarily restricted	0	0	0	0
Unused bond proceeds	0	0	0	0
Total Assets	<u>57,997,765</u>	<u>22,904,346</u>	<u>31,691,093</u>	<u>13,693,745</u>
Liabilities And Fund Balances				
Liabilities				
Accounts payable	3,401,362	503,647	0	1,228,461
Accrued liabilities	0	23,536	0	163,510
Due to other funds	7,426,445	2,071,202	0	1,699,555
Due to other governmental agencies	1,972,299	4,606	0	0
Deferred revenue	40,781,979	7,875,610	0	0
Total Liabilities	<u>53,582,085</u>	<u>10,478,601</u>	<u>0</u>	<u>3,091,526</u>
Fund balances				
Reserved	2,198,714	12,186,110	2,540,000	28,842,636
Unreserved	2,216,966	239,635	29,151,093	(18,240,417)
Total Fund Balances	<u>4,415,680</u>	<u>12,425,745</u>	<u>31,691,093</u>	<u>10,602,219</u>
Total Liabilities and Fund Balances	<u>57,997,765</u>	<u>22,904,346</u>	<u>31,691,093</u>	<u>13,693,745</u>

Combined Balance Sheet - All Funds
As of December 31, 2003

	Enterprise Funds	Internal Service Funds	Total All Funds
Assets			
Cash & temporary investments	2,806,101	1,668,881	15,857,622
Investments	4,619,075	21,660,973	88,408,886
Receivables (Net of allowances for uncollectibles)			
Accounts	4,539,028	3,725	16,522,230
Taxes on real and personal property	0	0	40,781,980
Due from other funds	0	0	71,024
Due from component units	0	0	0
Inventory	673,700	1,154,499	2,080,510
Prepaid items	65,967	119,039	232,800
Land & Site Improvements	6,042,111	0	6,042,111
Buildings (Net of Depreciation)	150,911,673	0	150,911,673
Other Improvements (Net of Depreciation)	24,967,187	0	24,967,187
Machinery & Equipment (Net of Depreciation)	10,131,848	13,892,457	24,024,305
Other Assets	2,745,692	(6,308)	2,382,269
Restricted assets			
Temporarily restricted	0	0	0
Unused bond proceeds	0	0	0
Total Assets	<u>207,502,382</u>	<u>38,493,266</u>	<u>372,282,597</u>
Liabilities And Fund Balances			
Liabilities			
Accounts payable	162,702,033	5,131,298	172,966,801
Accrued liabilities	0	0	187,046
Due to other funds	7,452,858	4,144,481	22,794,541
Due to other governmental agencies	0	0	1,976,905
Deferred revenue	318,739	0	48,976,328
Total Liabilities	<u>170,473,630</u>	<u>9,275,779</u>	<u>246,901,621</u>
Fund balances			
Reserved	3,080,433	2,185,821	51,033,714
Unreserved	33,948,318	27,031,666	74,347,261
Total Fund Balances	<u>37,028,752</u>	<u>29,217,487</u>	<u>125,380,976</u>
Total Liabilities and Fund Balances	<u>207,502,382</u>	<u>38,493,266</u>	<u>372,282,597</u>

Sources and Uses of Funds - All Funds
July 1, 2003 - December 31, 2003

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
Operating Revenue				
Taxes	44,532,270	13,090	12,843,095	0
Licenses & Permits	132,594	956,325	0	0
Intergovt. Revenue	4,719,272	4,202,301	1,269,011	(213)
Charges For Serv.	435,198	550,599	0	0
Fines & Forfeits	122,396	2,637,914	0	0
Other Revenue	332,045	794,224	79,160	4,365,821
Total Oper. Revenues	<u>50,273,775</u>	<u>9,154,453</u>	<u>14,191,266</u>	<u>4,365,608</u>
Operating Expenses				
Personal Services	33,049,597	2,645,224	0	0
Supplies	1,389,952	583,503	0	(168,045)
Other Expenses	17,202,130	8,069,248	750	9,324,907
Debt Service	0	0	2,040,775	0
Capital	2,445	41,418	0	1,983,483
Total Oper. Expenses	<u>51,644,124</u>	<u>11,339,393</u>	<u>2,041,525</u>	<u>11,140,345</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(1,370,349)</u>	<u>(2,184,940)</u>	<u>12,149,741</u>	<u>(6,774,737)</u>
Other Fin. Sources/(Uses)				
Transfers-In	1,217,634	5,312,274	125,575	6,953,911
Transfers-Out	<u>(13,929,108)</u>	<u>(2,357,832)</u>	<u>(125,575)</u>	<u>(4,153,813)</u>
Total Other Sources/Uses	<u>(12,711,474)</u>	<u>2,954,442</u>	<u>0</u>	<u>2,800,098</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(14,081,823)</u>	<u>769,502</u>	<u>12,149,741</u>	<u>(3,974,639)</u>
Beginning Fund Balance	18,497,503	11,656,243	19,541,352	14,555,645
Prior Year Corrections	0	0	0	21,213
Est. Ending Fund Balance	<u>4,415,680</u>	<u>12,425,745</u>	<u>31,691,093</u>	<u>10,602,219</u>

Sources and Uses of Funds - All Funds
July 1, 2003 - December 31, 2003

	Enterprise Funds	Internal Service Funds	Total All Funds
Operating Revenue			
Taxes	1,612,059	0	59,000,514
Licenses & Permits	0	0	1,088,919
Intergovt. Revenue	6,664,326	0	16,854,697
Charges For Serv.	1,434,665	6,283,185	8,703,647
Fines & Forfeits	0	0	2,760,310
Other Revenue	1,417,508	8,449,589	15,438,347
Total Oper. Revenues	<u>11,128,558</u>	<u>14,732,774</u>	<u>103,846,434</u>
Operating Expenses			
Personal Services	858,625	1,348,279	37,901,725
Supplies	891,333	1,434,227	4,130,970
Other Expenses	14,629,987	12,413,413	61,640,435
Debt Service	2,695,456	0	4,736,231
Capital	2,596,158	451,909	5,075,413
Total Oper. Expenses	<u>21,671,559</u>	<u>15,647,828</u>	<u>113,484,774</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(10,543,001)</u>	<u>(915,054)</u>	<u>(9,638,340)</u>
Other Fin. Sources/(Uses)			
Transfers-In	6,163,798	804,012	20,577,204
Transfers-Out	(10,876)	0	(20,577,204)
Total Other Sources/Uses	<u>6,152,922</u>	<u>804,012</u>	<u>0</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(4,390,079)</u>	<u>(111,042)</u>	<u>(9,638,340)</u>
Beginning Fund Balance	41,418,831	28,888,998	134,558,572
Prior Year Corrections	0	101,293	0
Est. Ending Fund Balance	<u>37,028,752</u>	<u>28,879,249</u>	<u>124,920,232</u>

Balance Sheet - General Fund
As of December 31, 2003

	General Fund
Assets	
Cash & temporary investments	6,696
Investments	16,341,654
Receivables (Net of allowances for uncollectibles)	
Accounts	895,151
Taxes on real and personal property	40,781,980
Due from other funds	71,024
Due from component units	0
Inventory	252,311
Prepaid items	11,010
Land & Site Improvements	0
Buildings (Net of Depreciation)	0
Other Improvements (Net of Depreciation)	0
Machinery & Equipment (Net of Depreciation)	0
Other Assets	(362,061)
Restricted assets	
Temporarily restricted	0
Unused bond proceeds	0
	<u>0</u>
Total Assets	<u><u>57,997,765</u></u>
Liabilities And Fund Balances	
Liabilities	
Accounts payable	3,401,362
Accrued liabilities	0
Due to other funds	7,426,445
Due to other governmental agencies	1,972,299
Deferred revenue	40,781,979
	<u>40,781,979</u>
Total Liabilities	<u><u>53,582,085</u></u>
Fund balances	
Reserved	2,198,714
Unreserved	2,216,966
	<u>2,216,966</u>
Total Fund Balances	<u><u>4,415,680</u></u>
Total Liabilities and Fund Balances	<u><u>57,997,765</u></u>

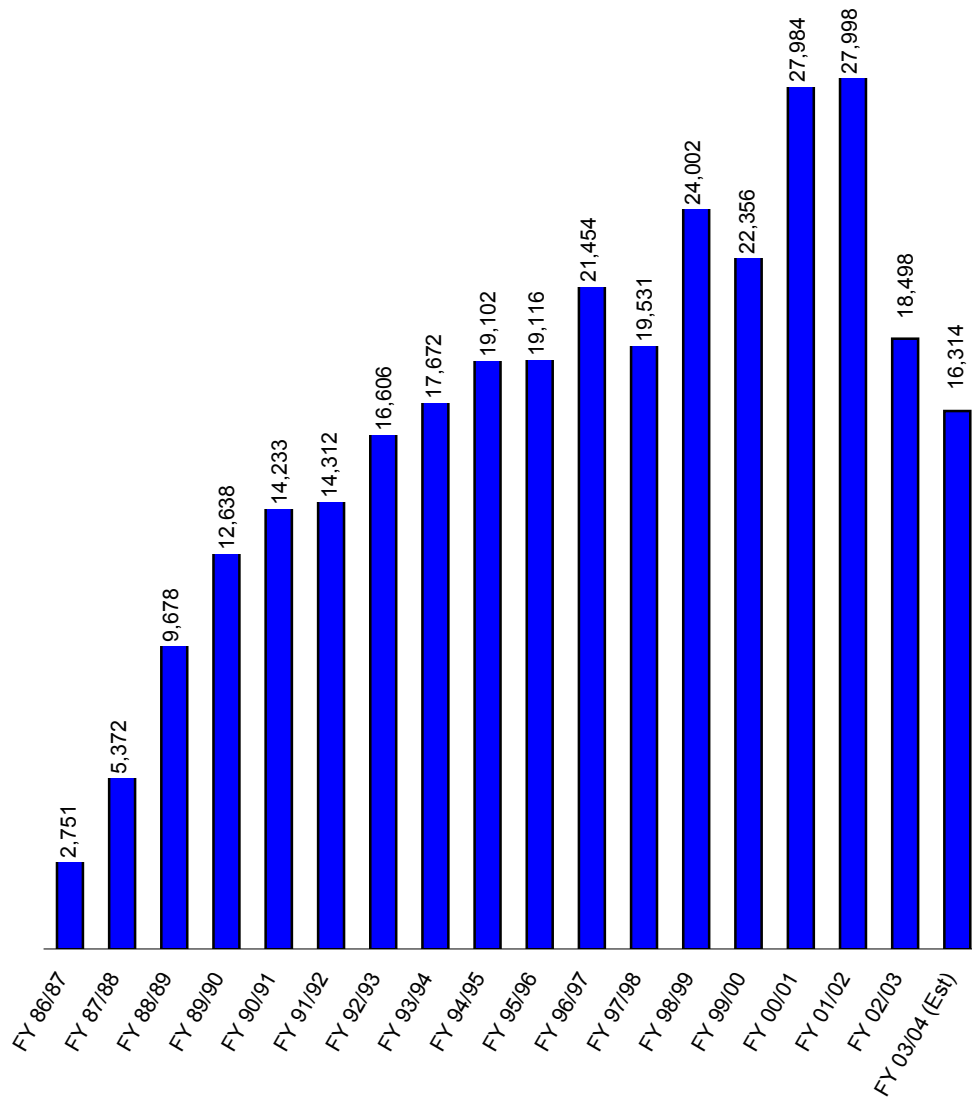
Sources and Uses of Funds - General Fund
July 1, 2003 - December 31, 2003

	General Fund
Operating Revenue	
Taxes	44,532,270
Licenses & Permits	132,594
Intergovt. Revenue	4,719,272
Charges For Serv.	435,198
Fines & Forfeits	122,396
Other Revenue	332,045
	<u>50,273,775</u>
Total Oper. Revenues	<u>50,273,775</u>
Operating Expenses	
Personal Services	33,049,597
Supplies	1,389,952
Other Expenses	17,202,130
Debt Service	0
Capital	2,445
	<u>51,644,124</u>
Total Oper. Expenses	<u>51,644,124</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(1,370,349)</u>
Other Fin. Sources/(Uses)	
Transfers In	1,217,634
Transfers Out	<u>(13,929,108)</u>
Total Other Sources/Uses	<u>(12,711,474)</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(14,081,823)</u>
Beginning Fund Balance	18,497,503
Prior Year Corrections	0
Est. Ending Fund Balance	<u>4,415,680</u>

Sources and Uses of Funds - General Fund
July 1, 2003 - December 31, 2003

	FY 03/04 Adopted Budget	FY 03/04 Amended Budget	Period Ending 12/31/2003	Forecast Ending 06/30/2004
Operating Revenue				
Taxes	106,947,000	106,947,000	44,532,270	108,233,040
Licenses & Permits	279,600	279,600	132,594	253,590
Intergovt. Revenue	16,704,550	16,704,550	4,719,272	17,168,790
Charges For Serv.	949,360	949,360	435,198	942,920
Fines & Forfeits	718,250	718,250	122,396	248,220
Other Revenue	946,400	946,400	332,045	649,500
Total Oper. Revenues	<u>126,545,160</u>	<u>126,545,160</u>	<u>50,273,775</u>	<u>127,496,060</u>
Operating Expenditures				
Administration	1,816,320	1,817,145	953,683	1,815,000
Finance	3,067,050	3,651,985	1,453,166	3,595,000
Law	1,383,030	1,421,877	736,956	1,435,000
Information Systems	2,814,130	2,989,079	1,400,909	2,940,000
Legislative	774,290	956,035	418,114	890,350
Civil Service	915,650	916,427	417,203	902,000
Elections	200,000	200,000	0	283,350
Police	36,622,330	36,956,951	17,842,904	36,250,000
Fire	24,598,140	24,840,700	12,398,313	24,357,300
Emergency Management	313,120	325,366	135,905	320,000
Public Service	15,486,290	15,596,535	7,366,631	15,550,000
Engineering	4,527,310	4,602,170	2,194,580	4,600,000
Development Services	784,170	906,170	292,678	900,000
Empowerment Zone	60,860	60,860	31,250	60,860
Recreation	5,900,440	6,142,415	2,706,237	6,140,000
Metropolitan Planning Commission	692,650	692,650	346,325	692,650
Knoxville Zoological Gardens	855,000	855,000	855,000	855,000
Community Agency Grants	1,512,950	1,867,957	1,007,562	1,867,960
Waterfront	448,960	454,693	371,771	495,000
Community Action Committee	437,950	437,950	218,975	437,950
Mass Transit Grant Match	750,260	750,260	310,226	750,260
General Fund Reserve	1,350,000	1,350,000	0	0
Non-Departmental Expenditures	27,080	27,080	13,290	27,080
Total Oper. Expenses	<u>105,337,980</u>	<u>107,819,305</u>	<u>51,644,124</u>	<u>105,164,760</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>21,207,180</u>	<u>18,725,855</u>	<u>(1,370,349)</u>	<u>22,331,300</u>
Other Fin. Sources/(Uses)				
Transfers-In	1,975,820	1,975,820	1,217,634	3,278,000
Transfers-Out	<u>(27,858,200)</u>	<u>(27,793,200)</u>	<u>(13,929,108)</u>	<u>(27,793,200)</u>
Total Other Sources/Uses	<u>(25,882,380)</u>	<u>(25,817,380)</u>	<u>(12,711,474)</u>	<u>(24,515,200)</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(4,675,200)</u>	<u>(7,091,525)</u>	<u>(14,081,823)</u>	<u>(2,183,900)</u>
Beginning Balance	18,497,503	18,497,503	18,497,503	18,497,503
Prior Year Corrections	0	0	0	0
Est. Ending Fund Balance	<u>13,822,303</u>	<u>11,405,978</u>	<u>4,415,680</u>	<u>16,313,603</u>

General Fund Fund Balance
FY 86/87 - FY 03/04
(In \$1,000's)



General Fund Revenue Analysis

Overview

Total General Fund revenues through the end of December, 2003 equal \$51,491,4095 or approximately 40.06% of the budgeted total. This amount is much lower than the six-month forecast of \$53,084,550, but the variance is due to timing differences rather than any problem. For example, property tax receipts are below estimates but a modification in the reporting process creates the large variance. With the exception of taxes on public utilities, we now project this revenue to end the year close to forecast levels, despite the apparent shortfall shown in this report.

We now expect to end the year above adopted and amended budget levels. For the year we are forecasting General Fund revenues to equal \$130,774,060 or \$2,253,080 more than the adopted budget. This results primarily from higher than expected local option sales tax revenues, higher business tax revenues, and excess City Court fines.

Taxes

The largest single category of revenue to the city is taxes, which is budgeted at \$106,947,000 or 83.21% of total operating revenue. Because it represents such a large percentage of the total any fluctuations within this category have a great effect upon the overall outlook for the year.

For the first half of the year revenues from this category equal \$44,532,270 or 41.6% of the budgeted total. Actual revenues collected to date are below the forecast amount by \$1,491,030, due, primarily, to timing issues.

The largest revenue within this category is taxes on real property. Actual collections to date equal \$26,861,618, which is \$1,647,322 lower than the forecast amount. This disparity is attributable to timing of the revenues and to changes in the tax collection system. Revenues are recorded and processed differently than in past years. This results in some timing differences between actual collections and forecast numbers. At this time the forecast numbers are probably high and will be modified in future reports. These differences have no effect on the year-end numbers. We are forecasting the final numbers to be slightly below the budgeted amount by \$224,500 or 0.5%. The lower than expected collections are due to a tax roll that came in less than expected. In preparing the budget we had forecast a

2.26% growth in assessments, whereas actual growth was 1.74%.

Personal property tax is a tax on such things as vehicles, fixtures, etc. used in business. Collections of this revenue for the year to date equal \$1,404,025, which is \$254,615 below the forecast level. This discrepancy is similar to the one with real property collections. For the year, we expect to end with an favorable variance of \$298,800. In the case of personal property our growth estimate for the year was too low. We had expected a 4% decrease in assessments, whereas we experienced a growth of 1.48%.

The tax roll on public utilities is supplied by the Public Service Commission and is normally received in late-December. Because of this delay we are unable to bill until after the start of the calendar year. This factor accounts for the lack of receipts to date. Based upon the roll submitted, we now are forecasting public utility taxes to fall \$416,270 short of budget. There have been some significant reappraisals of telecommunications companies, which create the shortfall. There are also several bankruptcy filings adding to the expected loss. Based upon some recent court cases, we now believe that future appraisals may be lowered, resulting in negative growth rates in the upcoming years.

Collections of delinquent taxes are down for the first half of the year and are expected to be below budgeted estimates at year-end. We have emphasized the collection of prior year taxes and it is possible we have collected most of the easy amounts to date. This leaves us with the longer-term delinquencies, which we may have to take to sale in order to collect. We do expect some gain in attorney fees, shown in the charges for service category, which will partially offset the losses here. For the year we project prior year real property taxes to yield approximately \$1.8 million and prior year personal property taxes to generate approximately \$382 thousand. We expect to receive an additional \$120 thousand in delinquent public utility property taxes for this year. This is up much more than forecast as is due to the expected collection from one company. There are two large public utility delinquencies outstanding, of which we expect to receive one. The other entity is in bankruptcy and we will wait for payment along with other creditors. Interest and penalties for these taxes are expected to generate approximately \$1.2 million.

The payment in lieu of taxes from KUB is now forecast at \$9,949,800, which is 484,920 more than budgeted. KCDC also makes a payment in lieu of taxes. The payment by KCDC is strong at this time and is expected to be above the budgeted amount by \$19,140. A portion of the KCDC will be returned in the form of tax increment payments. This amount is factored into the forecast for real property tax collections. We also expect another payment in lieu of taxes in the amount of \$33,200 from other non-profit housing agencies.

Local option sales tax collections through December 2003 show a favorable variance of approximately \$29 thousand. For the year we are cautiously expecting local option sales taxes to be \$29,850,120, or \$746,920 more than budgeted. The amount from sales tax revenues has shown an unusual degree of volatility during this year. A portion is attributable to significant gains/losses as revenue is shifted between the City and Knox County. However, much of the volatility can be attributed to the overall economy. We have seen a general upward trend in this revenue over the past four months.

The City receives revenue from several alcohol-related taxes. At this time we are forecasting revenues from beer taxes to show a negative variance of \$201,540 at year-end. Revenue from mixed drink taxes is expected to be up by \$26,650 when compared to the budgeted amount and revenue from alcoholic beverage taxes is projected to be above the budgeted amount by \$2,400. Total taxes from these sources are forecast at \$7,887,560, which is \$185,239, or 2.4% above FY 02/03 collections.

The balance of all other local taxes are mixed with some expected to show favorable variances at year-end and others expected to be less than budgeted. Business tax collections are starting to reverse their downward trend and have a favorable variance of \$106,665 through six months. Our models currently project revenues for the entire year at \$3,581,560, this being \$304,160 more than budgeted.

Revenues from the cable television franchise tax total \$282,098 for the first half of the year and are expected to generate \$1,115,620 for the entire fiscal year, this being \$140,580 lower than the budgeted amount.

Licenses & Permits

The second category of revenue comes from licenses and permits. This category is budgeted at \$279,600 and constitutes only 0.22% of total operat-

ing revenues. Through the first half of the year the city has received \$132,594, which is \$20,666 below the forecast amount. For the year revenues are forecast at \$253,590 for a negative variance of \$26,010 or 93% lower than the budgeted level.

Revenues within the category of licenses and permits are split when compared to budget, with more expected to display an unfavorable variance at year-end. Revenues from tank installation fees and liquor by the ounce licenses are expected to be down for the year by \$7,470 and \$8,860 respectively. For the year as a whole, beer permit fees are expected to be down by \$6,190.

Intergovernmental Revenue

Intergovernmental revenue, or revenue from the state and federal government is the second largest revenue category, representing 13.0% of the total operating revenue to the General Fund. For the first half of the year collections from this category equal \$4,719,272 which is \$108,512 more than the projected level of \$4,610,760. We now forecast total intergovernmental revenue for the year at \$17,168,790, which is a positive variance of \$464,240, when compared to the adopted budget.

Within this category of revenue the greatest variance is expected to be state shared sales taxes. This revenue is a function of two factors, the total municipal population and sales tax collections. The growth factor is unadjusted for this year, so any changes are due to the overall state economy. As with the local option sales tax we starting to see some upward movement. Overall statewide sales tax collections for the fiscal year are up when compared to the prior year. This has state shared collections \$102,988 above projections at the midpoint of the year. At this point we believe revenues from this source will end the year at \$10,139,410 or \$311,140 above budget.

The City is partially reimbursed for the salary and benefit costs for various positions, primarily within the Police Department. Grants also help offset costs related to overtime and other expenses. These reimbursements are shown in the account entitled federal contribution. For the year we expect reimbursements to be \$157,320 above budget. The gain is partially offset by higher expenditures.

The City receives 37.5% of the revenue from the Hall Income Tax paid by City of Knoxville residents. This revenue is distributed in July and there is no early indication as to how strong or weak revenues from this source will be. For the year, the Hall In-

come Tax should be \$2,404,700 or right at the budgeted amount.

Other revenues within this category are mixed. Revenue from the city's portion of the TVA gross receipts tax is expected to generate \$1,186,080, which is \$16,090 more than budgeted. The alcoholic beverage tax is expected to yield \$1,380 less than budgeted, while the special petroleum products tax will generate \$6,960 more than budgeted. Beer tax revenues are expected to end the year \$15,860 above budget. The sales tax on telecommunications equipment is expected to yield approximately \$34,550, or \$1,790 more than budgeted.

Charges for Services

The fourth category of revenue, charges for services, represents approximately 0.74% of the total budgeted operating revenue. For the year we expect this category to be down by \$6,440 when compared to budget. The revenues within this group are primarily favorable with gainers outnumbering losers. The largest positive variances are expected to come from attorney fees for the collection of delinquent taxes (\$58,980), athletic fees (\$6,370), and Caswell Park concession fees (\$33,560). These gains are more than offset by lower than expected earnings from officer costs (\$15,980), concessions (\$8,500), and state reimbursement for work performed by city crews (\$78,860).

Fines and Forfeits

At this time revenues from fines and forfeits currently show a slight positive variance of \$5,940, mainly due to strength in Criminal Court fines. We do, however, expect this category to show a very favorable year-end variance, due to better than expected excess City Court fees i.e. the amount that revenue exceeds expenditures in the City Court

Fund (Fund 213). For the entire year we now anticipate that excess city court fees will generate \$3,278,000, which is \$842,730 more than budgeted.

Other revenue within this category are primarily negative. Revenues from Criminal Court fines are projected to be up by \$6,810 for the year, while General Session fines are forecast to be down by \$2,660 and General Sessions costs are forecast to be down by \$11,280.

Miscellaneous

The final category of revenue is miscellaneous revenue, which accounts for just 0.74% of the budgeted total. For the first six months of the year this category of revenue is down by \$195,075 when compared to projections. This is primarily due to lower than expected interest earnings, and lower amounts from miscellaneous revenue. For the year we expect this category to be down by approximately \$296,900. This loss is due to reduced interest earnings stemming from continued lower interest rates, and a reduction in the amounts available for investment. For the year we expect interest earnings to fall below budgeted levels by \$118,540. Other revenues are also expected to show negative variances for the year, including parking meter revenue (\$54,330), agency contribution (\$10,000) and miscellaneous revenue (\$127,150).

Fund Balance

In adopting the FY 03/04 budget we appropriated \$4,675,200 of fund balance. The purpose of this was to fund various capital improvements and the reserve. As a result of various budget amendments the appropriation of fund balance is now \$7,091,525 to be used for one time capital projects. At this time we expect to lose approximately \$2.2 million in fund balance.

Projected General Fund Collections - FY 02/03

Account Number	Account Name	Adopted Budget	July 1, 2003 - December 31, 2003		
			Six Month Forecast	Six Month Actual	Variance From Forecast
5111	Property Tax Real - Current	44,252,000	28,508,940	26,861,618	(1,647,322)
5112	Property Tax Real - Prior	1,900,000	1,110,540	1,067,867	(42,673)
5113	Personal Property Tax - Current	5,211,300	1,658,640	1,404,025	(254,615)
5114	Personal Property Tax - Prior	250,000	103,660	218,880	115,220
5115	Public Utilities - Current	3,020,000	(1,740)	0	1,740
5116	Public Utilities - Prior	5,000	4,460	0	(4,460)
5117	Discount	(232,300)	(210,330)	(229,209)	(18,879)
5118	Discount - CBID	0	0	(1,153)	(1,153)
5121	Interest & Penalties - Current	95,000	0	470	470
5122	Interest & Penalties - Prior	1,094,470	559,180	612,769	53,589
5123	Interest & Penalties - Business	67,000	45,950	6,884	(39,066)
5124	Interest & Penalties - License	1,500	840	617	(223)
5125	Interest & Penalties - CBID	2,500	750	788	38
5126	Interest - New Business Tax	0	0	2,412	2,412
5127	Penalty - New Business Tax	0	0	27,672	27,672
5131	KUB	9,464,880	0	0	0
5132	KCDC	85,600	85,600	104,740	19,140
5136	Other Payment In Lieu of Taxes	33,200	33,200	0	(33,200)
5141	Local Shared Sales Tax	29,103,200	9,548,000	9,576,996	28,996
5151	Beer Tax	5,558,600	2,287,570	2,429,879	142,309
5152	Mixed Drink Tax	848,850	277,860	286,585	8,725
5153	Alcoholic Beverage Tax	1,652,600	813,940	869,442	55,502
5161	Business Tax	3,277,400	878,590	28,301	(850,289)
5165	Tax Sale Publication Fees	0	0	24,635	24,635
5166	Business Tax - 2003	0	0	955,954	955,954
5193	Cable TV Franchise Tax	1,256,200	317,650	282,098	(35,552)
	Subtotal - Taxes	106,947,000	46,023,300	44,532,270	(1,491,030)
5201	Blasting Permits	4,600	2,290	3,100	810
5202	Fire Reports	2,800	1,300	1,620	320
5203	Fireworks Permit	1,830	1,380	1,280	(100)
5204	Tank Abandonment	3,900	3,100	400	(2,700)
5205	Tank Installation Fee	16,200	9,100	4,900	(4,200)
5211	Merchant & General Privilege	200	90	150	60
5212	Liquor by the Ounce	139,000	71,030	66,500	(4,530)
5215	Alcoholic Beverage License	2,600	2,170	2,000	(170)
5281	Duplicate Beer Permits	0	0	268	268
5291	Solicitation	4,740	1,880	2,460	580
5293	Street Vendor	6,940	6,340	5,275	(1,065)
5295	Beer Application Fees	31,920	17,160	10,750	(6,410)
5296	Beer Privilege Tax	58,260	34,110	31,193	(2,917)
5298	Beer Permit Publications	2,060	1,040	675	(365)
5299	Beer Permit Records Check	4,550	2,270	2,023	(247)
	Subtotal - Licenses and Permits	279,600	153,260	132,594	(20,666)
5312	Senior Aides	419,620	225,370	201,963	(23,407)
5313	Emer. Mgmt. - Federal Share	55,110	27,560	49,305	21,745
5319	Federal Contribution	1,394,460	620,080	598,632	(21,448)
5320	State Revenue	48,370	0	0	0
5321	Sales Tax	9,828,270	3,253,200	3,356,188	102,988
5322	Income Tax	2,404,700	0	0	0
5323	Beer Tax	71,300	38,030	46,488	8,458

Projected General Fund Collections - FY 02/03

Account Number	Account Name	Adopted Budget	Total Fiscal Year 2003/04	
			Year End Forecast	Variance From Budget
5111	Property Tax Real - Current	44,252,000	44,027,500	(224,500)
5112	Property Tax Real - Prior	1,900,000	1,827,000	(73,000)
5113	Personal Property Tax - Current	5,211,300	5,510,100	298,800
5114	Personal Property Tax - Prior	250,000	382,000	132,000
5115	Public Utilities - Current	3,020,000	2,603,730	(416,270)
5116	Public Utilities - Prior	5,000	120,170	115,170
5117	Discount	(232,300)	(169,700)	62,600
5118	Discount - CBID	0	(10)	(10)
5121	Interest & Penalties - Current	95,000	95,000	0
5122	Interest & Penalties - Prior	1,094,470	1,199,370	104,900
5123	Interest & Penalties - Business	67,000	34,800	(32,200)
5124	Interest & Penalties - License	1,500	1,100	(400)
5125	Interest & Penalties - CBID	2,500	1,490	(1,010)
5126	Interest - New Business Tax	0	3,520	3,520
5127	Penalty - New Business Tax	0	40,350	40,350
5131	KUB	9,464,880	9,949,800	484,920
5132	KCDC	85,600	104,740	19,140
5136	Other Payment In Lieu of Taxes	33,200	33,200	0
5141	Local Shared Sales Tax	29,103,200	29,850,120	746,920
5151	Beer Tax	5,558,600	5,357,060	(201,540)
5152	Mixed Drink Tax	848,850	875,500	26,650
5153	Alcoholic Beverage Tax	1,652,600	1,655,000	2,400
5161	Business Tax	3,277,400	105,580	(3,171,820)
5165	Tax Sale Publication Fees	0	34,020	34,020
5166	Business Tax - 2003	0	3,475,980	3,475,980
5193	Cable TV Franchise Tax	1,256,200	1,115,620	(140,580)
	Subtotal - Taxes	106,947,000	108,233,040	1,286,040
5201	Blasting Permits	4,600	6,230	1,630
5202	Fire Reports	2,800	3,480	680
5203	Fireworks Permit	1,830	1,700	(130)
5204	Tank Abandonment	3,900	510	(3,390)
5205	Tank Installation Fee	16,200	8,730	(7,470)
5211	Merchant & General Privilege	200	330	130
5212	Liquor by the Ounce	139,000	130,140	(8,860)
5215	Alcoholic Beverage License	2,600	2,400	(200)
5281	Duplicate Beer Permits	0	0	0
5291	Solicitation	4,740	6,210	1,470
5293	Street Vendor	6,940	5,780	(1,160)
5295	Beer Application Fees	31,920	29,400	(2,520)
5296	Beer Privilege Tax	58,260	53,280	(4,980)
5298	Beer Permit Publications	2,060	1,340	(720)
5299	Beer Permit Records Check	4,550	4,060	(490)
	Subtotal - Licenses and Permits	279,600	253,590	(26,010)
5312	Senior Aides	419,620	376,050	(43,570)
5313	Emer. Mgmt. - Federal Share	55,110	55,110	0
5319	Federal Contribution	1,394,460	1,551,780	157,320
5320	State Revenue	48,370	48,370	0
5321	Sales Tax	9,828,270	10,139,410	311,140
5322	Income Tax	2,404,700	2,404,700	0
5323	Beer Tax	71,300	87,160	15,860

Projected General Fund Collections - FY 02/03

Account Number	Account Name	Adopted Budget	July 1, 2003 - December 31, 2003		
			Six Month Forecast	Six Month Actual	Variance From Forecast
5324	Alcoholic Beverage Tax	61,380	14,350	27,650	13,300
5326	Special Petroleum Products Tax	396,890	128,940	131,206	2,266
5327	Excise Tax	380,400	0	0	0
5328	TVA Gross Receipts	1,169,990	292,450	296,472	4,022
5329	State Contribution	388,300	0	0	0
5332	Telecommunications Sales Tax	32,760	10,780	11,368	588
5341	Emer. Mgmt. - County Share	53,000	0	0	0
	Subtotal - Intgvtl. Revenue	16,704,550	4,610,760	4,719,272	108,512
5401	Caswell - Athletic Fees	31,150	15,450	16,351	901
5402	Caswell - Concession Fees	24,790	6,840	28,872	22,032
5403	Caswell - Tournament Fees	15,400	11,410	3,505	(7,905)
5404	Caswell - Rental Fees	1,010	40	2,575	2,535
5405	Caswell - Other Fees	0	0	708	708
5412	Attorney Cost - Taxes	210,000	92,090	117,951	25,861
5413	Recording & Collection	43,500	24,720	25,015	295
5423	Accident Reports	230,000	108,630	111,509	2,879
5425	Officer Costs	21,570	9,620	2,491	(7,129)
5434	Codes Enforcement	60,000	27,170	40,164	12,994
5443	Pool Fees	35,870	16,200	16,393	193
5444	Rental Fees	59,750	28,840	19,263	(9,577)
5445	Athletic Fees	38,850	13,470	15,681	2,211
5447	Concessions	27,470	15,290	10,561	(4,729)
5452	State Reimbursement - Streets, Signs	150,000	66,250	18,251	(47,999)
5484	Parking Lots	0	0	5,908	5,908
	Subtotal - Charges for Services	949,360	436,020	435,198	(822)
5511	General Sessions Fines	65,460	30,450	12,175	(18,275)
5512	General Session Costs	70,470	32,990	27,708	(5,282)
5525	Excess City Court Fees	2,435,270	1,217,640	1,217,634	(6)
5528	KPD Automated Information	88,460	36,900	48,051	11,151
5529	KPD Moving Violations	0	0	101	101
5531	Criminal Court Fines	34,410	16,110	34,361	18,251
	Subtotal - Fines & Forfeits	2,694,070	1,334,090	1,340,030	5,940
5603	Residential Parking Permits	1,100	0	1,820	1,820
5611	Interest on Investments	250,000	94,200	49,534	(44,666)
5620	Lease & Rental Income	30,000	16,380	16,949	569
5627	Parking Meters	435,300	224,460	196,444	(28,016)
5642	Equipment Sales	20,000	7,700	28,023	20,323
5666	Agency Contribution	40,000	40,000	0	(40,000)
5674	Employee Contrib. - Fire	0	0	2,886	2,886
5699	Miscellaneous Revenue	170,000	144,380	36,389	(107,991)
	Subtotal - Misc. Revenue	946,400	527,120	332,045	(195,075)
	Grand Total - Operating Revenues	128,520,980	53,084,550	51,491,409	(1,593,141)

Projected General Fund Collections - FY 02/03

Account Number	Account Name	Adopted Budget	Total Fiscal Year 2003/04	
			Year End Forecast	Variance From Budget
5324	Alcoholic Beverage Tax	61,380	60,000	(1,380)
5326	Special Petroleum Products Tax	396,890	403,880	6,990
5327	Excise Tax	380,400	380,400	0
5328	TVA Gross Receipts	1,169,990	1,186,080	16,090
5329	State Contribution	388,300	388,300	0
5332	Telecommunications Sales Tax	32,760	34,550	1,790
5341	Emer. Mgmt. - County Share	53,000	53,000	0
	Subtotal - Intgvtl. Revenue	16,704,550	17,168,790	464,240
5401	Caswell - Athletic Fees	31,150	32,970	1,820
5402	Caswell - Concession Fees	24,790	58,350	33,560
5403	Caswell - Tournament Fees	15,400	11,700	(3,700)
5404	Caswell - Rental Fees	1,010	5,850	4,840
5405	Caswell - Other Fees	0	710	710
5412	Attorney Cost - Taxes	210,000	268,980	58,980
5413	Recording & Collection	43,500	44,030	530
5423	Accident Reports	230,000	236,110	6,110
5425	Officer Costs	21,570	5,590	(15,980)
5434	Codes Enforcement	60,000	60,000	0
5443	Pool Fees	35,870	36,310	440
5444	Rental Fees	59,750	39,910	(19,840)
5445	Athletic Fees	38,850	45,220	6,370
5447	Concessions	27,470	18,970	(8,500)
5452	State Reimbursement - Streets, Signs	150,000	71,140	(78,860)
5484	Parking Lots	0	7,080	7,080
	Subtotal - Charges for Services	949,360	942,920	(6,440)
5511	General Sessions Fines	65,460	62,800	(2,660)
5512	General Session Costs	70,470	59,190	(11,280)
5525	Excess City Court Fees	2,435,270	3,278,000	842,730
5528	KPD Automated Information	88,460	85,010	(3,450)
5529	KPD Moving Violations	0	0	0
5531	Criminal Court Fines	34,410	41,220	6,810
	Subtotal - Fines & Forfeits	2,694,070	3,526,220	832,150
5603	Residential Parking Permits	1,100	1,990	890
5611	Interest on Investments	250,000	131,460	(118,540)
5620	Lease & Rental Income	30,000	31,050	1,050
5627	Parking Meters	435,300	380,970	(54,330)
5642	Equipment Sales	20,000	31,180	11,180
5666	Agency Contribution	40,000	30,000	(10,000)
5674	Employee Contrib. - Fire	0	0	0
5699	Miscellaneous Revenue	170,000	42,850	(127,150)
	Subtotal - Misc. Revenue	946,400	649,500	(296,900)
	Grand Total - Operating Revenues	128,520,980	130,774,060	2,253,080

General Fund Expenditure Analysis

Overview

General Fund expenditures and encumbrances for the first half of fiscal year 2003/04 are \$53,455,139. Transfers from the General Fund to other funds equal \$13,942,398. Combined these represent 49.70% of the revised budget, and are \$11,020,455 higher than at the same point in FY 2002/03. We are now forecasting expenditures and transfers to be \$132,657,960 for the entire year or 97.82% of the amended budget of \$135,612,505.

Administration

Through the first half of the year Administration has committed 52.48% of its budget. The current year-end projection calls for Administration to spend \$1,815,000 or 99.88% of its budget.

Finance

The Finance Department is at 43.91% of budget as of December 31, 2003. This department should have spent approximately 98.44% of the amended budget or \$3,595,000 by the end of the fiscal year.

Law

The Law Department is slightly above the fifty-percent mark for the first half of FY 03/04, with 56.16% of the budget expended through December 31, 2003. This department should spend very close to its amended budget at year-end.

Information Systems

The Department of Information Systems is at 48.49% of budget at mid-year. Information Systems should finish FY03/04 at 98.36% of budget with year-end expenditures forecast at \$2,940,000.

Legislative

The Legislative Department is at 48.00% of budget after the first six months. This department should end the year at approximately 93.13% of budget with expenditures forecast at \$890,350.

Civil Service

Civil Service expenditures as of December 31, 2003 are at 45.68% of budget. Expenditures at year-end are projected at \$902,000, or 98.43% of budget.

Elections

There have been no funds spent on elections as of December 31, 2003. The City election cycle for the fall of 2003 should result in expenditures totaling \$283,350 or 141.68% of budget.

Police

The Police Department has expended or encumbered 48.84% of their budget as of December 31, 2003. For the entire year the Police Department is projected to expend approximately \$36,250,000 or 98.09% of its amended budget.

Fire

The Fire Department is currently at the 50% level with 50.86% of the budget expended or encumbered as of December 31, 2003. Based on current projections, the department should finish the year near budget with year-end expenditures estimated at 98.05% of budget or \$24,357,300.

Emergency Management

Expenditures for Emergency Management as of December 31, 2003 are at 41.77% of budget. Projected year-end expenditures for the department are \$320,000, or 98.35% of budget.

Public Service

The Public Service Department has expended or encumbered 48.17% of the appropriation for FY 03/04. We anticipate the department to be slightly under budget at the end of the fiscal year (99.70% or \$15,550,000), but this could change should we experience more severe weather conditions during the remainder of the winter season.

Engineering

The Engineering Department has expended 48.48% of budget at the mid-year point, which are in line with past expenditure patterns. For the year expenditures are expected to be \$4,600,000 or 99.95% of the amended budget.

Development

Expenditures for the Department of Development are at 45.76% of budget at mid-year. Projected expenditures for FY 03/04 total \$900,000 or 99.32% of budget.

Recreation

The Parks and Recreation department has expended/encumbered 51.80% of the FY 03/04 budget as of December 31, 2003. This percentage remains in line for the department due to contracts encumbered at the beginning of the fiscal year. Expenditures for the year are projected at \$6,140,000 or 99.96% of budget.

Waterfront

Expenditures for the Waterfront budget at the mid-year point are at 87.06% of budget. Considering the maintenance items at the Gateway Center that may need to be addressed in the upcoming years, it is possible that expenditures may exceed the current amended budget at year-end. We are now forecasting expenditures for the year at \$495,000, which is \$46,040 more than the current budget.

Transfers

This grouping of expenditures represents fund transfers from the General Fund to various other funds of the city.

Transfers through December 31, 2003 equal \$13,942,398, which represents 50.12% of the amended budget for this grouping. It is expected that the amount spent on transfers will be \$27,820,280 at year-end.

General Fund Expenditures and Encumbrances
July 1, 2003 - December 31, 2003

Department		Adopted Budget	Amended Budget	Expenditures	Encumbrances
1100	Administration	1,816,320	1,817,145	953,683	0
1200	Finance	3,067,050	3,651,985	1,453,166	150,387
1300	Law	1,383,030	1,421,877	736,956	61,500
1400	Information Systems	2,814,130	2,989,079	1,400,910	48,417
1500	Legislative	774,290	956,035	418,113	40,745
1700	Civil Service	915,650	916,427	417,203	1,398
1900	Elections	200,000	200,000	0	0
2300	Police	36,622,330	36,956,951	17,842,904	205,508
2500	Fire	24,598,140	24,840,700	12,398,313	236,522
2600	Plan F Pensions	0	0	172,446	0
2700	Emergency Management	313,120	325,366	135,905	0
3100	Public Service	15,486,290	15,596,535	7,366,631	145,789
3300	Engineering	4,527,310	4,602,170	2,194,580	36,375
3700	Development	784,170	906,170	292,678	122,000
3800	Empowerment Zone	60,860	60,860	31,250	0
4300	Parks and Recreation	5,900,440	6,142,415	2,706,237	475,331
5100	Metropolitan Planning Commission	692,650	692,650	346,325	0
5200	Knoxville Zoological Gardens	855,000	855,000	855,000	0
5300	Community Agency Grants	1,512,950	1,867,957	1,007,562	276,257
5600	Waterfront	448,960	454,693	371,771	24,076
5900	Community Action Committee	437,950	437,950	218,975	0
6100	Mass Transit Grant Match	750,260	750,260	310,226	0
8100	General Fund Reserve	1,350,000	1,350,000	0	0
9100	Transfers	27,885,280	27,820,280	13,942,398	0
Total Oper. Expenses		<u>133,196,180</u>	<u>135,612,505</u>	<u>65,573,232</u>	<u>1,824,305</u>

General Fund Expenditures and Encumbrances
July 1, 2003 - December 31, 2003

Department		Total Exps. & Encum.	% of Budget Obligated	Year End Forecast	% of Budget Spent
1100	Administration	953,683	52.48%	1,815,000	99.88%
1200	Finance	1,603,553	43.91%	3,595,000	98.44%
1300	Law	798,456	56.16%	1,435,000	100.92%
1400	Information Systems	1,449,327	48.49%	2,940,000	98.36%
1500	Legislative	458,858	48.00%	890,350	93.13%
1700	Civil Service	418,601	45.68%	902,000	98.43%
1900	Elections	0	0.00%	283,350	141.68%
2300	Police	18,048,412	48.84%	36,250,000	98.09%
2500	Fire	12,634,835	50.86%	24,357,300	98.05%
2600	Plan F Pensions	172,446	0.00%	0	0.00%
2700	Emergency Management	135,905	41.77%	320,000	98.35%
3100	Public Service	7,512,420	48.17%	15,550,000	99.70%
3300	Engineering	2,230,955	48.48%	4,600,000	99.95%
3700	Development	414,678	45.76%	900,000	99.32%
3800	Empowerment Zone	31,250	51.35%	60,860	100.00%
4300	Parks and Recreation	3,181,568	51.80%	6,140,000	99.96%
5100	Metropolitan Planning Commission	346,325	50.00%	692,650	100.00%
5200	Knoxville Zoological Gardens	855,000	100.00%	855,000	100.00%
5300	Community Agency Grants	1,283,819	68.73%	1,867,960	100.00%
5600	Waterfront	395,847	87.06%	495,000	108.86%
5900	Community Action Committee	218,975	50.00%	437,950	100.00%
6100	Mass Transit Grant Match	310,226	41.35%	750,260	100.00%
8100	General Fund Reserve	0	0.00%	0	0.00%
9100	Transfers	13,942,398	50.12%	27,820,280	100.00%
Total Oper. Expenses		<u>67,397,537</u>	<u>49.70%</u>	<u>132,957,960</u>	<u>98.04%</u>

Combined Balance Sheet - Special Revenue Funds
As of December 31, 2003

	State Street Aid Fund	Community Improvement Fund	Abandoned Vehicle Fund	Animal Control Fund	City Court Fund	City Inspections Fund	Stormwater Fund
Assets							
Cash & temporary investments	0	24,500	6,339	0	1,150	0	50
Investments	1,208,342	0	1,053,773	215,252	712,738	549,994	609,359
Receivables (Net of allowances for uncollectibles)							
Accounts	0	0	0	0	65	0	14,263
Taxes on real and personal property	0	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0	0
Due from component units	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0	0
Land & Site Improvements	0	0	0	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0	0	0	0
Other Assets	0	0	0	0	(80)	0	0
Restricted assets							
Temporarily restricted	0	0	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0	0	0
Total Assets	<u>1,208,342</u>	<u>24,500</u>	<u>1,060,112</u>	<u>215,252</u>	<u>713,873</u>	<u>549,994</u>	<u>623,672</u>
Liabilities And Fund Balances							
Liabilities							
Accounts payable	0	24,500	6,531	0	55,008	28,626	30,884
Accrued liabilities	0	0	0	0	0	23,536	0
Due to other funds	0	0	0	0	7,463	11,481	22,443
Due to other governmental agencies	0	0	0	0	4,606	0	0
Deferred revenue	0	0	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>24,500</u>	<u>6,531</u>	<u>0</u>	<u>67,077</u>	<u>63,643</u>	<u>53,327</u>
Fund balances							
Reserved	0	0	4,184	0	4,294	100	37,751
Unreserved	<u>1,208,342</u>	<u>0</u>	<u>1,049,397</u>	<u>215,252</u>	<u>642,502</u>	<u>486,251</u>	<u>532,594</u>
Total Fund Balances	<u>1,208,342</u>	<u>0</u>	<u>1,053,581</u>	<u>215,252</u>	<u>646,796</u>	<u>486,351</u>	<u>570,345</u>
Total Liabilities and Fund Balances	<u>1,208,342</u>	<u>24,500</u>	<u>1,060,112</u>	<u>215,252</u>	<u>713,873</u>	<u>549,994</u>	<u>623,672</u>

Combined Balance Sheet - Special Revenue Funds
As of December 31, 2003

	Solid Waste Fund	Misc. Special Revenue Funds	Misc. Grant Funds	Misc. Housing Funds	Empowerment Zone	Community Development Fund	Total All Funds
Assets							
Cash & temporary investments	100	107,201	1,728,578	274,283	0	23,962	2,166,163
Investments	4,697,952	2,086,426	202,209	1,057,780	0	0	12,393,825
Receivables (Net of allowances for uncollectibles)							
Accounts	0	0	279,478	5,679,313	369,214	1,960,295	8,302,628
Taxes on real and personal property	0	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0	0
Due from component units	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0
Prepaid items	0	0	36,784	0	0	0	36,784
Land & Site Improvements	0	0	0	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0	0	0	0
Other Assets	0	0	5,026	0	0	0	4,946
Restricted assets							
Temporarily restricted	0	0	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0	0	0
Total Assets	<u>4,698,052</u>	<u>2,193,627</u>	<u>2,252,075</u>	<u>7,011,376</u>	<u>369,214</u>	<u>1,984,257</u>	<u>22,862,616</u>
Liabilities And Fund Balances							
Liabilities							
Accounts payable	17,112	102,575	195,662	0	0	42,749	503,647
Accrued liabilities	0	0	0	0	0	0	23,536
Due to other funds	32,847	356	470,874	481,564	678,418	365,756	2,071,202
Due to other governmental agencies	0	0	0	0	0	0	4,606
Deferred revenue	0	0	391,837	5,667,204	0	1,816,569	7,875,610
Total Liabilities	<u>49,959</u>	<u>102,931</u>	<u>1,058,373</u>	<u>6,148,768</u>	<u>678,418</u>	<u>2,225,074</u>	<u>10,478,601</u>
Fund balances							
Reserved	1,638,494	316,717	1,712,568	957,186	6,978,354	536,462	12,186,110
Unreserved	<u>3,009,599</u>	<u>1,773,979</u>	<u>(518,866)</u>	<u>(94,578)</u>	<u>(7,287,558)</u>	<u>(777,279)</u>	<u>239,635</u>
Total Fund Balances	<u>4,648,093</u>	<u>2,090,696</u>	<u>1,193,702</u>	<u>862,608</u>	<u>(309,204)</u>	<u>(240,817)</u>	<u>12,425,745</u>
Total Liabilities and Fund Balances	<u>4,698,052</u>	<u>2,193,627</u>	<u>2,252,075</u>	<u>7,011,376</u>	<u>369,214</u>	<u>1,984,257</u>	<u>22,904,346</u>

Sources and Uses of Funds - Special Revenue Funds
July 1, 2003 - December 31, 2003

	State Street Aid Fund	Community Improvement Fund	Abandoned Vehicle Fund	Animal Control Fund	City Court Fund	City Inspections Fund	Stormwater Fund	Solid Waste Fund
Operating Revenue								
Taxes	0	0	0	0	7,090	0	0	0
Licenses & Permits	0	0	0	4,390	0	891,142	60,793	0
Intergovt. Revenue	1,668,242	0	0	0	0	0	0	0
Charges For Serv.	0	0	149,966	0	0	0	0	374,207
Fines & Forfeits	0	0	0	0	1,892,780	0	0	0
Other Revenue	4,410	0	147,568	944	17,149	2,042	2,682	86,724
Total Oper. Revenues	<u>1,672,652</u>	<u>0</u>	<u>297,534</u>	<u>5,334</u>	<u>1,917,019</u>	<u>893,184</u>	<u>63,475</u>	<u>460,931</u>
Operating Expenses								
Personal Services	0	0	128,007	0	276,228	684,517	695,696	409,750
Supplies	0	0	2,100	400	(5,453)	5,570	8,436	10,515
Other Expenses	1,061,503	0	84,519	725	40,584	123,375	111,712	3,483,749
Debt Service	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0
Total Oper. Expenses	<u>1,061,503</u>	<u>0</u>	<u>214,626</u>	<u>1,125</u>	<u>311,359</u>	<u>813,462</u>	<u>815,844</u>	<u>3,904,014</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>611,149</u>	<u>0</u>	<u>82,908</u>	<u>4,209</u>	<u>1,605,660</u>	<u>79,722</u>	<u>(752,369)</u>	<u>(3,443,083)</u>
Other Fin. Sources/(Uses)								
Transfers-In	0	0	0	0	0	168,648	830,718	4,312,908
Transfers-Out	(1,140,198)	0	0	0	(1,217,634)	0	0	0
Total Other Sources/Uses	<u>(1,140,198)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,217,634)</u>	<u>168,648</u>	<u>830,718</u>	<u>4,312,908</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(529,049)</u>	<u>0</u>	<u>82,908</u>	<u>4,209</u>	<u>388,026</u>	<u>248,370</u>	<u>78,349</u>	<u>869,825</u>
Beginning Fund Balance	1,737,391	0	970,673	211,043	258,770	237,981	491,996	3,778,268
Prior Year Corrections	0	0	0	0	0	0	0	0
Est. Ending Fund Balance	<u>1,208,342</u>	<u>0</u>	<u>1,053,581</u>	<u>215,252</u>	<u>646,796</u>	<u>486,351</u>	<u>570,345</u>	<u>4,648,093</u>

Sources and Uses of Funds - Special Revenue Funds
July 1, 2003 - December 31, 2003

	Misc. Special Revenue Funds	Misc. Grant Funds	Misc. Housing Funds	Empowerment Zone	Community Development Fund	Total All Funds
Operating Revenue						
Taxes	6,000	0	0	0	0	13,090
Licenses & Permits	0	0	0	0	0	956,325
Intergovt. Revenue	5,100	1,013,539	1,146,219	233,052	136,149	4,202,301
Charges For Serv.	26,426	0	0	0	0	550,599
Fines & Forfeits	745,134	0	0	0	0	2,637,914
Other Revenue	46,666	14,334	268,872	0	202,833	794,224
Total Oper. Revenues	<u>829,326</u>	<u>1,027,873</u>	<u>1,415,091</u>	<u>233,052</u>	<u>338,982</u>	<u>9,154,453</u>
Operating Expenses						
Personal Services	19,702	26,593	110,403	14,778	279,550	2,645,224
Supplies	60,127	500,624	150	0	1,034	583,503
Other Expenses	211,845	581,507	1,449,189	527,478	393,062	8,069,248
Debt Service	0	0	0	0	0	0
Capital	0	0	0	0	41,418	41,418
Total Oper. Expenses	<u>291,674</u>	<u>1,108,724</u>	<u>1,559,742</u>	<u>542,256</u>	<u>715,064</u>	<u>11,339,393</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>537,652</u>	<u>(80,851)</u>	<u>(144,651)</u>	<u>(309,204)</u>	<u>(376,082)</u>	<u>(2,184,940)</u>
Other Fin. Sources/(Uses)						
Transfers-In	0	0	0	0	0	5,312,274
Transfers-Out	0	0	0	0	0	(2,357,832)
Total Other Sources/Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,954,442</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>537,652</u>	<u>(80,851)</u>	<u>(144,651)</u>	<u>(309,204)</u>	<u>(376,082)</u>	<u>769,502</u>
Beginning Fund Balance	1,553,044	1,274,553	1,007,259	0	135,265	11,656,243
Prior Year Corrections	0	0	0	0	0	0
Est. Ending Fund Balance	<u>2,090,696</u>	<u>1,193,702</u>	<u>862,608</u>	<u>(309,204)</u>	<u>(240,817)</u>	<u>12,425,745</u>

Combined Balance Sheet - Debt Service Funds

As of December 31, 2003

	Debt Service Fund	Tax Increment Fund	Total All Funds
Assets			
Cash & temporary investments	8,771,152	0	8,771,152
Investments	20,338,243	0	20,338,243
Receivables (Net of allowances for uncollectibles)			
Accounts	2,581,698	0	2,581,698
Taxes on real and personal property	0	0	0
Due from other funds	0	0	0
Due from component units	0	0	0
Inventory	0	0	0
Prepaid items	0	0	0
Land & Site Improvements	0	0	0
Buildings (Net of Depreciation)	0	0	0
Other Improvements (Net of Depreciation)	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0
Other Assets	0	0	0
Restricted assets			
Temporarily restricted	0	0	0
Unused bond proceeds	0	0	0
Total Assets	<u>31,691,093</u>	<u>0</u>	<u>31,691,093</u>
Liabilities And Fund Balances			
Liabilities	0	0	0
Accounts payable	0	0	0
Accrued liabilities	0	0	0
Due to other funds	0	0	0
Due to other governmental agencies	0	0	0
Deferred revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances			
Reserved	2,540,000	0	2,540,000
Unreserved	29,151,093	0	29,151,093
Total Fund Balances	<u>31,691,093</u>	<u>0</u>	<u>31,691,093</u>
Total Liabilities and Fund Balances	<u>31,691,093</u>	<u>0</u>	<u>31,691,093</u>

Sources and Uses of Funds - Debt Service Funds

July 1, 2003 - December 31, 2003

	Debt Service Fund	Tax Increment Fund	Total All Funds
Operating Revenue			
Taxes	12,843,095	0	12,843,095
Licenses & Permits	0	0	0
Intergovt. Revenue	1,269,011	0	1,269,011
Charges For Service	0	0	0
Fines & Forfeits	0	0	0
Other Revenue	79,160	0	79,160
Total Oper. Revenues	<u>14,191,266</u>	<u>0</u>	<u>14,191,266</u>
Operating Expenses			
Personal Services	0	0	0
Supplies	0	0	0
Other Expenses	750	0	750
Debt Service	2,040,775	0	2,040,775
Capital	0	0	0
Total Oper. Expenses	<u>2,041,525</u>	<u>0</u>	<u>2,041,525</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>12,149,741</u>	<u>0</u>	<u>12,149,741</u>
Other Fin. Sources/(Uses)			
Transfers-In	125,575	0	125,575
Transfers-Out	0	(125,575)	(125,575)
Total Other Sources/Uses	<u>125,575</u>	<u>(125,575)</u>	<u>0</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>12,275,316</u>	<u>(125,575)</u>	<u>12,149,741</u>
Beginning Fund Balance	19,415,777	125,575	19,541,352
Prior Year Corrections	0	0	0
Est. Ending Fund Balance	<u>31,691,093</u>	<u>0</u>	<u>31,691,093</u>

Combined Balance Sheet - Capital Project Funds
As of December 31, 2003

	Capital Projects Fund 401	Convention Center Fund 401001	Pedestrian Linkages Fund 401002	Market Square Fund 401003	Series 1999 Variable Notes Fund 451002	Chilhowee Park Fund 451003
Assets						
Cash & temporary investments	0	0	0	0	0	0
Investments	13,055,116	0	0	0	0	0
Receivables (Net of allowances for uncollectibles)						
Accounts	0	0	0	0	0	0
Taxes on real and personal property	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Due from component units	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0
Land & Site Improvements	0	0	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0	0	0
Other Assets	0	0	0	0	0	0
Restricted assets						
Temporarily restricted	0	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0	0
Total Assets	<u>13,055,116</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Liabilities And Fund Balances						
Liabilities	0	0	0	0	0	0
Accounts payable	1,228,461	0	0	0	0	0
Accrued liabilities	163,510	0	0	0	0	0
Due to other funds	7,523	200	129,176	1,562,656	0	0
Due to other governmental agencies	0	0	0	0	0	0
Deferred revenue						
Total Liabilities	<u>1,399,494</u>	<u>200</u>	<u>129,176</u>	<u>1,562,656</u>	<u>0</u>	<u>0</u>
Fund balances						
Reserved	10,229,045	0	14,388	15,142,525	0	2,476,075
Unreserved	<u>1,426,577</u>	<u>(200)</u>	<u>(143,564)</u>	<u>(16,705,181)</u>	<u>0</u>	<u>(2,476,075)</u>
Total Fund Balances	<u>11,655,622</u>	<u>(200)</u>	<u>(129,176)</u>	<u>(1,562,656)</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>13,055,116</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Combined Balance Sheet - Capital Project Funds
As of December 31, 2003

	First Creek 2 Fund 451004	Series G.O. Ban's Fund 452003	Brownfield I-275 Bus. Park Fund 453002	Total All Funds
Assets				
Cash & temporary investments	124,072	0	314,557	438,629
Investments	0	0	0	13,055,116
Receivables (Net of allowances for uncollectibles)				
Accounts	200,000	0	0	200,000
Taxes on real and personal property	0	0	0	0
Due from other funds	0	0	0	0
Due from component units	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Land & Site Improvements	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0
Other Assets	0	0	0	0
Restricted assets				
Temporarily restricted	0	0	0	0
Unused bond proceeds	0	0	0	0
Total Assets	<u>324,072</u>	<u>0</u>	<u>314,557</u>	<u>13,693,745</u>
Liabilities And Fund Balances				
Liabilities	0	0	0	0
Accounts payable	0	0	0	1,228,461
Accrued liabilities	0	0	0	163,510
Due to other funds	0	0	0	1,699,555
Due to other governmental agencies	0	0	0	0
Deferred revenue				
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,091,526</u>
Fund balances				
Reserved	494,266	0	486,337	28,842,636
Unreserved	<u>(170,194)</u>	<u>0</u>	<u>(171,780)</u>	<u>(18,240,417)</u>
Total Fund Balances	<u>324,072</u>	<u>0</u>	<u>314,557</u>	<u>10,602,219</u>
Total Liabilities and Fund Balances	<u>324,072</u>	<u>0</u>	<u>314,557</u>	<u>13,693,745</u>

Sources and Uses of Funds - Capital Project Funds
July 1, 2003 - December 31, 2003

	Capital Projects Fund 401	Convention Center Fund 401001	Pedestrian Linkages Fund 401002	Market Square Fund 401003	Series 1999 Variable Notes Fund 451002	Chilhowee Park Fund 451003
Operating Revenue						
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	0	0	0
Intergovt. Revenue	(213)	0	0	0	0	0
Charges For Serv.	0	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0	0
Other Revenue	2,170,177	(937,581)	0	1,535,762	1,278,026	117,000
Total Oper. Revenues	<u>2,169,964</u>	<u>(937,581)</u>	<u>0</u>	<u>1,535,762</u>	<u>1,278,026</u>	<u>117,000</u>
Operating Expenses						
Personal Services	0	0	0	0	0	0
Supplies	(168,045)	0	0	0	0	0
Other Expenses	4,336,915	996,343	104,524	3,494,926	0	117,000
Debt Service	0	0	0	0	0	0
Capital	1,983,442	0	0	0	0	0
Total Oper. Expenses	<u>6,152,312</u>	<u>996,343</u>	<u>104,524</u>	<u>3,494,926</u>	<u>0</u>	<u>117,000</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(3,982,348)</u>	<u>(1,933,924)</u>	<u>(104,524)</u>	<u>(1,959,164)</u>	<u>1,278,026</u>	<u>0</u>
Other Fin. Sources/(Uses)						
Transfers-In	3,857,667	1,782,636	0	1,313,608	0	0
Transfers-Out	0	0	0	0	0	0
Total Other Sources/Uses	<u>3,857,667</u>	<u>1,782,636</u>	<u>0</u>	<u>1,313,608</u>	<u>0</u>	<u>0</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(124,681)</u>	<u>(151,288)</u>	<u>(104,524)</u>	<u>(645,556)</u>	<u>1,278,026</u>	<u>0</u>
Beginning Fund Balance	11,759,090	3,970,689	(24,652)	(917,100)	(1,278,026)	0
Prior Year Corrections	21,213	(3,819,601)	0	0	0	0
Est. Ending Fund Balance	<u>11,655,622</u>	<u>(200)</u>	<u>(129,176)</u>	<u>(1,562,656)</u>	<u>0</u>	<u>0</u>

Sources and Uses of Funds - Capital Project Funds
July 1, 2003 - December 31, 2003

	First Creek 2 Fund 451004	Series G.O. Ban's Fund 452003	Brownfield I-275 Bus. Park Fund 453002	Total All Funds
Operating Revenue				
Taxes	0	0	0	0
Licenses & Permits	0	0	0	0
Intergovt. Revenue	0	0	0	(213)
Charges For Serv.	0	0	0	0
Fines & Forfeits	0	0	0	0
Other Revenue	200,000	2,437	0	4,365,821
Total Oper. Revenues	<u>200,000</u>	<u>2,437</u>	<u>0</u>	<u>4,365,608</u>
Operating Expenses				
Personal Services	0	0	0	0
Supplies	0	0	0	(168,045)
Other Expenses	75,928	0	199,271	9,324,907
Debt Service	0	0	0	0
Capital	0	0	41	1,983,483
Total Oper. Expenses	<u>75,928</u>	<u>0</u>	<u>199,312</u>	<u>11,140,345</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>124,072</u>	<u>2,437</u>	<u>(199,312)</u>	<u>(6,774,737)</u>
Other Fin. Sources/(Uses)				
Transfers-In	0	0	0	6,953,911
Transfers-Out	0	(4,153,813)	0	(4,153,813)
Total Other Sources/Uses	<u>0</u>	<u>(4,153,813)</u>	<u>0</u>	<u>2,800,098</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>124,072</u>	<u>(4,151,376)</u>	<u>(199,312)</u>	<u>(3,974,639)</u>
Beginning Fund Balance	200,000	331,775	513,869	14,555,645
Prior Year Corrections	0	3,819,601	0	21,213
Est. Ending Fund Balance	<u>324,072</u>	<u>0</u>	<u>314,557</u>	<u>10,581,006</u>

Combined Balance Sheet - Enterprise Funds
As of December 31, 2003

	Civic Auditorium Coliseum/KCEC Fund	Metropolitan Parking Fund	Knoxville Convention Center	Mass Transit Fund	Total All Funds
Assets					
Cash & temporary investments	554,883	0	1,264,273	986,945	2,806,101
Investments	1,856,106	2,257,549	0	505,420	4,619,075
Receivables (Net of allowances for uncollectibles)					
Accounts	431,894	1,722	247,015	3,858,397	4,539,028
Taxes on real and personal property	0	0	0	0	0
Due from other funds	0	0	0	0	0
Due from component units	0	0	0	0	0
Inventory	0	0	45,061	628,639	673,700
Prepaid items	0	0	60,523	5,444	65,967
Land & Site Improvements	1,711,454	1,378,637	2,952,020	0	6,042,111
Buildings (Net of Depreciation)	3,178,565	5,062,580	139,542,776	3,127,752	150,911,673
Other Improvements (Net of Depreciation)	384,242	0	24,544,116	38,829	24,967,187
Machinery & Equipment (Net of Depreciation)	62,146	0	1,486,464	8,583,238	10,131,848
Other Assets	894,908	15,248	1,638,931	196,605	2,745,692
Restricted assets					
Temporarily restricted	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0
Total Assets	<u>9,074,198</u>	<u>8,715,736</u>	<u>171,781,179</u>	<u>17,931,269</u>	<u>207,502,382</u>
Liabilities And Fund Balances					
Liabilities					
Accounts payable	183,858	1,998,695	160,469,575	49,905	162,702,033
Accrued liabilities	0	0	0	0	0
Due to other funds	15,180	241	2,200,968	5,236,469	7,452,858
Due to other governmental agencies	0	0	0	0	0
Deferred revenue	<u>318,739</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>318,739</u>
Total Liabilities	<u>517,777</u>	<u>1,998,936</u>	<u>162,670,543</u>	<u>5,286,374</u>	<u>170,473,630</u>
Fund balances					
Reserved	96,197	0	630,219	2,354,017	3,080,433
Unreserved	<u>8,460,223</u>	<u>6,716,800</u>	<u>8,480,417</u>	<u>10,290,878</u>	<u>33,948,318</u>
Total Fund Balances	<u>8,556,421</u>	<u>6,716,800</u>	<u>9,110,636</u>	<u>12,644,895</u>	<u>37,028,752</u>
Total Liabilities and Fund Balances	<u>9,074,198</u>	<u>8,715,736</u>	<u>171,781,179</u>	<u>17,931,269</u>	<u>207,502,382</u>

Sources and Uses of Funds - Enterprise Funds
July 1, 2003 - December 31, 2003

	Civic Auditorium Coliseum/KCEC Fund	Metropolitan Parking Fund	Knoxville Convention Center	Mass Transit Fund	Total All Funds
Operating Revenue					
Taxes	0	0	1,612,059	0	1,612,059
Licenses & Permits	0	0	0	0	0
Intergovt. Revenue	0	0	1,381,846	5,282,480	6,664,326
Charges For Serv.	684,734	0	749,931	0	1,434,665
Fines & Forfeits	0	0	0	0	0
Other Revenue	66,181	446,875	215,759	688,693	1,417,508
Total Oper. Revenues	<u>750,915</u>	<u>446,875</u>	<u>3,959,595</u>	<u>5,971,173</u>	<u>11,128,558</u>
Operating Expenses					
Personal Services	858,625	0	0	0	858,625
Supplies	93,117	0	0	798,216	891,333
Other Expenses	711,217	297,268	6,166,943	7,454,559	14,629,987
Debt Service		39,992	2,655,464	0	2,695,456
Capital	303,432	0	0	2,292,726	2,596,158
Total Oper. Expenses	<u>1,966,391</u>	<u>337,260</u>	<u>8,822,407</u>	<u>10,545,501</u>	<u>21,671,559</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(1,215,476)</u>	<u>109,615</u>	<u>(4,862,812)</u>	<u>(4,574,328)</u>	<u>(10,543,001)</u>
Other Fin. Sources/(Uses)					
Transfers-In	799,086	50,712	2,948,094	2,365,906	6,163,798
Transfers-Out	(10,876)	0	0	0	(10,876)
Total Other Sources/Uses	<u>788,210</u>	<u>50,712</u>	<u>2,948,094</u>	<u>2,365,906</u>	<u>6,152,922</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(427,266)</u>	<u>160,327</u>	<u>(1,914,718)</u>	<u>(2,208,422)</u>	<u>(4,390,079)</u>
Beginning Fund Balance	8,983,687	6,556,473	11,025,354	14,853,317	41,418,831
Prior Year Corrections	0	0	0	0	0
Est. Ending Fund Balance	<u>8,556,421</u>	<u>6,716,800</u>	<u>9,110,636</u>	<u>12,644,895</u>	<u>37,028,752</u>

Combined Balance Sheet - Internal Service Funds
As of December 31, 2003

	Office Services Fund	Fleet Services Fund	Risk Management Fund	Health Care Fund
Assets				
Cash & temporary investments	0	348,349	0	912,065
Investments	0	9,324,908	5,077,107	1,548,745
Receivables (Net of allowances for uncollectibles)				
Accounts	0	0	3,725	0
Taxes on real and personal property	0	0	0	0
Due from other funds	0	0	0	0
Due from component units	0	0	0	0
Inventory	59,796	745,162	0	1,454
Prepaid items	0	0	119,039	0
Land & Site Improvements	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0
Machinery & Equipment (Net of Depreciation)	3,281	8,671,679	5,540	387
Other Assets	0	(6,308)		0
Restricted assets				
Temporarily restricted	0	0	0	0
Unused bond proceeds	0	0	0	0
Total Assets	<u>63,077</u>	<u>19,083,790</u>	<u>5,205,411</u>	<u>2,462,651</u>
Liabilities And Fund Balances				
Liabilities				
Accounts payable	25,693	318,974	4,775,611	11,020
Accrued liabilities	0	0	0	0
Due to other funds	115,930	3,869,801	18,786	0
Due to other governmental agencies		0	0	0
Deferred revenue	0	0	0	0
Total Liabilities	<u>141,623</u>	<u>4,188,775</u>	<u>4,794,397</u>	<u>11,020</u>
Fund balances				
Reserved	31,041	1,770,177	183,575	11,403
Unreserved	(109,587)	13,124,838	227,439	2,440,228
Total Fund Balances	<u>(78,546)</u>	<u>14,895,015</u>	<u>411,014</u>	<u>2,451,631</u>
Total Liabilities and Fund Balances	<u>63,077</u>	<u>19,083,790</u>	<u>5,205,411</u>	<u>2,462,651</u>

Combined Balance Sheet - Internal Service Funds
As of December 31, 2003

	Equipment Replacement Fund	City Building Fund	Total All Funds
Assets			
Cash & temporary investments	408,467	0	1,668,881
Investments	5,611,314	98,899	21,660,973
Receivables (Net of allowances for uncollectibles)			
Accounts	0	0	3,725
Taxes on real and personal property	0	0	0
Due from other funds	0	0	0
Due from component units	0	0	0
Inventory	348,087	0	1,154,499
Prepaid items	0	0	119,039
Land & Site Improvements	0	0	0
Buildings (Net of Depreciation)	0	0	0
Other Improvements (Net of Depreciation)	0	0	0
Machinery & Equipment (Net of Depreciation)	5,211,570	0	13,892,457
Other Assets	0	0	(6,308)
Restricted assets			
Temporarily restricted	0	0	0
Unused bond proceeds	0	0	0
Total Assets	<u>11,579,438</u>	<u>98,899</u>	<u>23,333,579</u>
Liabilities And Fund Balances			
Liabilities			
Accounts payable	0	0	5,131,298
Accrued liabilities	0	0	0
Due to other funds	0	139,964	4,144,481
Due to other governmental agencies	0	0	0
Deferred revenue	0	0	0
Total Liabilities	<u>0</u>	<u>139,964</u>	<u>9,275,779</u>
Fund balances			
Reserved	133,845	55,780	2,185,821
Unreserved	<u>11,445,593</u>	<u>(96,845)</u>	<u>27,031,666</u>
Total Fund Balances	<u>11,579,438</u>	<u>(41,065)</u>	<u>29,217,487</u>
Total Liabilities and Fund Balances	<u>11,579,438</u>	<u>98,899</u>	<u>38,493,266</u>

Sources and Uses of Funds - Internal Service Funds

July 1, 2003 - December 31, 2003

	Office Services Fund	Fleet Services Fund	Risk Management Fund	Health Care Fund
Operating Revenue				
Taxes	0	0	0	0
Licenses & Permits	0	0	0	0
Intergovt. Revenue	0	0	0	0
Charges For Serv.	155,611	4,494,908	13,996	0
Fines & Forfeits	0	0	0	0
Other Revenue	0	87,535	2,941,584	5,400,542
Total Oper. Revenues	<u>155,611</u>	<u>4,582,443</u>	<u>2,955,580</u>	<u>5,400,542</u>
Operating Expenses				
Personal Services	59,722	1,004,539	209,023	74,995
Supplies	104,421	1,107,377	7,752	2,478
Other Expenses	76,583	2,275,504	2,634,143	5,490,484
Debt Service	0	0	0	0
Capital	0	451,909	0	0
Total Oper. Expenses	<u>240,726</u>	<u>4,839,329</u>	<u>2,850,918</u>	<u>5,567,957</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(85,115)</u>	<u>(256,886)</u>	<u>104,662</u>	<u>(167,415)</u>
Other Fin. Sources/(Uses)				
Transfers-In	0	0	301,038	502,974
Transfers-Out	0	0	0	0
Total Other Sources/Uses	<u>0</u>	<u>0</u>	<u>301,038</u>	<u>502,974</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(85,115)</u>	<u>(256,886)</u>	<u>405,700</u>	<u>335,559</u>
Beginning Fund Balance	6,569	15,151,901	5,314	1,777,834
Prior Year Corrections	0	0	0	0
Est. Ending Fund Balance	<u>(78,546)</u>	<u>14,895,015</u>	<u>411,014</u>	<u>2,113,393</u>

Sources and Uses of Funds - Internal Service Funds

July 1, 2003 - December 31, 2003

	Equipment Replacement Fund	City Building Fund	Total All Funds
Operating Revenue			
Taxes	0	0	0
Licenses & Permits	0	0	0
Intergovt. Revenue	0	0	0
Charges For Serv.	950,800	667,870	6,283,185
Fines & Forfeits	0	0	0
Other Revenue	19,928	0	8,449,589
Total Oper. Revenues	<u>970,728</u>	<u>667,870</u>	<u>14,732,774</u>
Operating Expenses			
Personal Services	0	0	1,348,279
Supplies	212,110	89	1,434,227
Other Expenses	1,087,500	849,199	12,413,413
Debt Service	0	0	0
Capital	0	0	451,909
Total Oper. Expenses	<u>1,299,610</u>	<u>849,288</u>	<u>15,647,828</u>
Excess/Deficiency Revenues Over (Under) Expenses	<u>(328,882)</u>	<u>(181,418)</u>	<u>(915,054)</u>
Other Fin. Sources/(Uses)			
Transfers-In	0	0	804,012
Transfers-Out	0	0	0
Total Other Sources/Uses	<u>0</u>	<u>0</u>	<u>804,012</u>
Revenues & Sources Over (Under) Expenses & Uses	<u>(328,882)</u>	<u>(181,418)</u>	<u>(111,042)</u>
Beginning Fund Balance	11,807,027	140,353	28,888,998
Prior Year Corrections	101,293	0	101,293
Est. Ending Fund Balance	<u>11,579,438</u>	<u>(41,065)</u>	<u>28,777,956</u>

City of Knoxville
Capital Improvements Budget
Expenditures and Encumbrances Through December 31, 2003

	<u>Life-to-Date Project Budget</u>	<u>Prior Year Expenditures</u>	<u>FY2004 Expenditures/ Encumbrances</u>	<u>Unencumbered Balance 12/31/03</u>
Administration				
021101 ADA Curb Cuts	502,061	0	243,880	258,181
111102 Wayfinding (Signage) Project	542,825	67,477	118,911	356,437
611101 ADA Improvements	30,886	0	0	30,886
Finance				
021201 Market Square Redevelopment	8,800,000	4,162,549	4,637,451	0
023703 Downtown Development (Tennessee Theatre)	3,500,000	2,000,000	500,000	1,000,000
041201 Downtown Development Parking	14,000,000	0	14,000,000	0
837001 Econ. Development (Demolition of News Sentinel)	350,000	0	0	350,000
Information Systems				
814001 Mainframe/Financial System	440,179	269,848	0	170,332
Service				
431003 Roof Replacement Program Coliseum Roof	1,469,522	48,117	1,030,632	390,774
Engineering				
033002 Sidewalk Safety Program	869,900	0	644,709	225,191
2004 Sidewalk Safety Program				
033101 First Creek Phase II	4,105,000	3,470,287	570,194	64,519
033102 TEA-21 Grant Match	1,836,100	882,964	198,100	755,037
Bearden Middle School Sidewalk (additional)				
Bearden Village Trip Reduction				
Pleasant Ridge from Merchants to City Limits				
Concrete Whitetopping				
033103 High Mast Street Light Poles	100,204	100,204	0	0
033104 Ijams/Wildlife Management Greenway	548,000	345,341	0	202,659
033311 Bearden Middle School Sidewalk Project	651,150	0	651,150	0
033312 NorthWest Drainage Crossing	545,000	284,254	28,538	232,209
033313 Bradshaw Road Improvements	1,050,000	82,948	815,568	151,484
033314 Birdsong Street/Mohawk Avenue Roadway	79,930	39,359	40,569	2
043301 Kingston Pike/Towanda	10,000	0	0	10,000
233001 Bridge Maintenance Program	1,365,292	0	889,195	476,098
Gay Street Bridge				
433001 Gleason Rd. to Montvue	690,687	573,314	117,373	0
532001 City Wide Resurfacing	3,239,799	183,232	2,590,072	466,496
2002 Resurfacing				
2003 Resurfacing				
2003A Resurfacing				
533003 Shea Street Extension	737,500	478,797	354,749	(96,047)
633005 Drainage Improvements	2,085,902	0	1,933,385	152,517
Papermill Drive Culverts				
Forest Park Storm Sewer Project				
Miscellaneous Drainage Improvements				
633008 Parkdale/Inskip/Cedar Lane	1,329,100	1,323,415	0	5,685
633009 Gay Street Viaduct Replacement	555,000	67,267	487,733	0
633010 Gay Street Bridge Restoration	3,246,847	2,336,988	907,453	2,406
633011 Walker Springs/Gallaher View Connector	2,732,500	1,747,950	41	984,509
733006 Traffic Signal Modernization	335,690	0	33,823	301,867
733102 Lyons View Pike/Lakeshore	63,043	0	0	63,043
833101 Dick Lonas Road Imps.	288,720	277,830	0	10,890
833102 Economic Development Program	498,500	461,479	0	37,021
833105 I-640 Transportation Study	287,000	281,497	5,503	0
837001 Henson/Matlock Road Improvements	868,000	321,730	423,271	122,999

City of Knoxville
Capital Improvements Budget
Expenditures and Encumbrances Through December 31, 2003

	<u>Life-to-Date Project Budget</u>	<u>Prior Year Expenditures</u>	<u>FY2004 Expenditures/ Encumbrances</u>	<u>Unencumbered Balance 12/31/03</u>
Development				
023701 News Sentinel	7,385,485	7,115,091	0	270,394
023702 I-275 Business Park	7,543,199	6,620,948	685,649	236,603
023703 Downtown Development	1,000,000	882,146	66,436	51,418
023705 Former Boy Scouts Site	525,990	525,984	0	6
023706 Other/News Sentinel Drive Property	39,600	39,598	0	2
837001 Economic Development	3,324,998	1,928,912	244,146	1,151,940
Recreation				
024302 Lakeshore Park (Entrance/Roads)	500,239	389,041	0	111,198
024303 Lakeshore Park (Riverbank)	689,800	2,500	468,975	218,325
024304 Lakeshore Park (Garden Area)	500,000	321,946	6,387	171,668
043001 Playground Equipment	19,402	0	0	19,402
043202 Victor Ashe Park	7,033,150	3,833,460	2,018,893	1,180,798
043203 Caswell Park Improvements	6,759,000	5,398,737	351,303	1,008,961
343001 Greenways	1,200,648	348,682	816,353	35,613
James White Parkway/Waterfront Greenway				
Victor Ashe Greenway				
Ten Mile Creek Greenway				
Completion of Third Creek and Ijams Greenways				
343007 Holston Hills Assessment	206,448	191,680	0	14,768
743003 Park Expansion/Improvements	1,114,543	633,129	408,463	72,952
743005 Morningside Park Expansion	577,105	549,142	0	27,963
TOTAL	<u><u>\$96,173,946</u></u>	<u><u>\$48,587,841</u></u>	<u><u>\$36,288,903</u></u>	<u><u>\$11,297,202</u></u>

City of Knoxville, Tennessee
Schedule of Investments
As of December 31, 2003

Maturity Date	Investment Description	Investment Amount	Yield	Market Value
01/04/2004	LGIP	75,900,802.53	1.030%	75,900,802.53
01/05/2004	FHLB	364,692.79	3.200%	350,108.50
02/01/2004	Tennessee Taxable Bonds	702,032.70	3.470%	672,097.10
02/01/2004	White House, TN Sewer Revenue Bonds	130,375.70	1.750%	130,094.90
02/11/2004	Certificate of Deposit - Fifth Third Bank	500,000.00	2.000%	500,000.00
02/15/2004	FHLMC	519,687.50	3.223%	502,500.00
03/15/2004	FNMA	509,960.42	3.710%	503,595.00
04/15/2004	FHLB	249,687.50	3.811%	251,875.00
05/01/2004	Tennessee Taxable School Bonds	798,240.00	3.100%	762,712.50
06/01/2004	Public Building Authority of Blount County Bonds	225,000.00	1.600%	225,249.75
11/15/2004	FHLB	500,000.00	2.000%	503,125.00
11/15/2004	Memphis-Shelby County, TN Airport Revenue Bonds	516,765.00	2.230%	510,970.00
11/23/2004	Certificate of Deposit - Suntrust Bank	500,000.00	2.500%	500,000.00
12/01/2004	Lexington, TN Taxable Bonds	100,000.00	2.250%	100,831.00
01/01/2005	TN HSG -A Homeowners Bonds	145,000.00	1.350%	144,744.80
02/01/2005	Coffee County Taxable Bonds	156,618.85	2.050%	151,324.90
02/18/2005	FNMA	250,000.00	2.000%	250,235.00
04/08/2005	FNMA	500,000.00	2.000%	500,940.00
05/13/2005	FHLB	219,040.80	1.750%	219,725.00
06/01/2005	Public Building Authority of Blount County Bonds	247,770.95	1.400%	247,609.25
06/01/2005	Public Building Authority of Blount County Bonds	430,000.00	1.600%	427,041.60
07/22/2005	FHLB	300,000.00	1.520%	299,064.00
07/28/2005	FFCB	500,000.00	1.820%	500,000.00
07/29/2005	FNMA	198,870.00	2.000%	200,062.00
08/05/2005	FFCB	249,511.65	1.900%	250,235.00
08/19/2005	FNMA	250,000.00	2.280%	251,797.50
09/12/2005	FNMA	379,109.50	2.050%	378,875.00
10/27/2005	FNMA	250,000.00	2.200%	250,185.00
10/28/2005	FNMA	298,746.00	2.125%	300,189.00
11/15/2005	FHLMC	499,844.30	2.140%	502,190.00
11/17/2005	FHLMC	250,000.00	2.300%	251,797.50
12/01/2005	FHLB	500,000.00	2.500%	501,095.00
12/01/2005	FNMA	505,500.00	1.530%	506,565.00
12/16/2005	FHLB	500,000.00	2.250%	500,155.00
12/29/2005	FHLB	250,000.00	2.500%	251,485.00
	Total	<u>88,397,256.19</u>	<u>1.220%</u>	<u>88,299,276.83</u>

Changes to the Adopted Budget - Fiscal Year 2003/2004 through December 31, 2003

Fund/Organ Number	Fund Name	Adopted FY 03/04 Budget	Cumulative Changes To Date	Revised FY 03/04 Budget
5100	Taxes	106,947,000	0	106,947,000
5200	Licenses & Permits	279,600	0	279,600
5300	Intergovernmental Revenue	16,704,550	0	16,704,550
5400	Charges for Services	949,360	0	949,360
5500	Fines & Forfeitures	2,694,070	0	2,694,070
5600	Other Revenue	5,621,600	2,416,325	8,037,925
	Total General Fund	<u>133,196,180</u>	<u>2,416,325</u>	<u>135,612,505</u>
1100	Administration	1,816,320	825	1,817,145
1200	Finance	3,067,050	584,935	3,651,985
1300	Law	1,383,030	38,847	1,421,877
1400	Information Systems	2,814,130	174,949	2,989,079
1500	Legislative	774,290	181,745	956,035
1700	Civil Service	915,650	777	916,427
1900	Elections	200,000	0	200,000
2300	Police	36,622,330	334,621	36,956,951
2500	Fire	24,598,140	242,560	24,840,700
2700	Emergency Management	313,120	12,246	325,366
3100	Public Services	15,486,290	110,245	15,596,535
3300	Engineering	4,527,310	74,860	4,602,170
3700	Development Services	784,170	122,000	906,170
3800	Empowerment Zone	60,860	0	60,860
4300	Recreation	5,900,440	241,975	6,142,415
5100	Metropolitan Planning Commission	692,650	0	692,650
5200	Knoxville Zoo	855,000	0	855,000
5300	Community Agency Grants	1,512,950	355,007	1,867,957
5600	Waterfront	448,960	5,733	454,693
5900	Community Action Committee	437,950	0	437,950
6100	Mass Transit Grant Match	750,260	0	750,260
8100	Reserve	1,350,000	0	1,350,000
9100	Transfers	27,885,280	(65,000)	27,820,280
	Total General Fund	<u>133,196,180</u>	<u>2,416,325</u>	<u>135,612,505</u>

Changes to the Adopted Budget - Fiscal Year 2003/2004 through December 31, 2003

Fund/Organ Number	Fund Name	Adopted FY 03/04 Budget	Cumulative Changes To Date	Revised FY 03/04 Budget
201	State Street Aid	4,880,400	0	4,880,400
209	Abandoned Vehicles	454,150	23,750	477,900
213	City Court	3,057,000	1,978	3,058,978
216	City Inspections	1,681,020	0	1,681,020
220	Stormwater	1,661,440	45,490	1,706,930
230	Solid Waste	9,360,810	2,699,565	12,060,375
240	Miscellaneous Special Revenue	1,018,500	40,441	1,058,941
264	Home Grants	2,758,610	0	2,758,610
269	Emergency Shelter Grants	86,000	0	86,000
270	Empowerment Zone	1,987,000	0	1,987,000
280	EDI - Special Projects Grant	0	441,768	441,768
290	Community Development Block Grant	3,364,310	1,816,178	5,180,488
305	Debt Services	21,868,980	0	21,868,980
401	Capital Projects	26,300,200	(1,232,500)	25,067,700
451	PWPF - 1999 - Chilhowee Park	1,500,000	0	1,500,000
503	Civic Auditorium/Coliseum/KCEC	3,577,670	371,258	3,948,928
504	Metro Parking	709,520	0	709,520
506	Convention Center	21,645,030	193,886	21,838,916
507	Mass Transportation	12,012,490	81,082	12,093,572
701	Office Services	439,580	34,100	473,680
702	Fleet Services	9,029,550	503,767	9,533,317
704	Risk Management	6,573,990	180,919	6,754,909
705	Health Care	12,847,220	55,615	12,902,835
706	Equipment Replacement	1,797,270	227,662	2,024,932
707	City Building	1,360,900	43	1,360,943
	Grand Total	<u>283,167,820</u>	<u>7,901,327</u>	<u>291,069,147</u>
	Capital Projects			
021101	ADA Curb Cuts	250,000	0	250,000
023703	Downtown Development/Historic Preservation	1,000,000	0	1,000,000
024304	Lakeshore Park	6,000,000	(6,000,000)	0
024303	Lakeshore Bank Stabilization	0	218,300	218,300
837001	Henson/Matlock Road	0	110,000	110,000
033002	Sidewalk Safety Program	100,000	630,000	730,000
033103	High Mast Lighting	100,000	0	100,000
033312	NW Crossing Drainage Improvement	0	45,000	45,000
041201	Downtown Development Parking	14,000,000	0	14,000,000
043202	Ashe Park	1,400,000	0	1,400,000
043203	Caswell Park	375,000	0	375,000
233001	Bridge Replacement Program	650,000	0	650,000
343001	Greenways	200,000	96,000	296,000
431003	Roof Replacement	1,000,000	0	1,000,000
532001	Paving Program	0	1,000,000	1,000,000
633005	Drainage Improvements	425,000	625,200	1,050,200
733006	Traffic Signals	175,000	0	175,000
743003	Park Expansion/Improvements	275,200	183,000	458,200
837001	Economic Development	350,000	650,000	1,000,000
943002	Chilhowee Park	1,500,000	1,200,000	2,700,000
043301	Kingston Pike/Towanda	0	10,000	10,000
	Total - Capital Projects	<u>27,800,200</u>	<u>(1,232,500)</u>	<u>26,567,700</u>