



CITY OF KNOXVILLE  
BILL HASLAM, MAYOR



# SEMI-ANNUAL FINANCIAL REPORT AS OF DECEMBER 31, 2006

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# **CITY OF KNOXVILLE, TENNESSEE**

Financial Report for the Six Months Ending  
December 31, 2006

## **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

## **SENIOR DIRECTOR OF FINANCE AND ACCOUNTABILITY**

Larry Martin

## **OFFICE OF MANAGEMENT AND BUDGET**

John Harold, Financial Analyst  
Blake Young, Financial Analyst

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Combined Balance Sheet - All Funds  
As of December 31, 2006

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
<b>Assets</b>				
Cash & temporary investments	65,428	3,295,409	2,401,691	940,932
Investments	30,827,016	15,288,902	35,747,128	29,503,950
Receivables (Net of allowances for uncollectibles)				
Accounts	153,484	6,973,467	2,271,600	892,487
Taxes on real and personal property	49,845,461	0	0	0
Due from other funds	10,000	0	0	833,000
Due from component units	0	0	0	0
Inventory	248,121	1,278	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	2,739,451	0	0
Restricted assets				
Temporarily restricted	0	0	0	0
Unused bond proceeds	0	0	0	0
Total Assets	<u>81,149,509</u>	<u>28,298,507</u>	<u>40,420,419</u>	<u>32,170,369</u>
<b>Liabilities And Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	2,470,378	391,853	0	6,029
Accrued liabilities	951,858	0	0	164,510
Due to other funds	11,046,877	2,016,996	0	77,385
Due to other governmental agencies	2,381,296	51,033	0	0
Deferred revenue	50,048,660	8,735,602	10,000	0
Total Liabilities	<u>66,899,068</u>	<u>11,195,484</u>	<u>10,000</u>	<u>247,924</u>
<b>Fund balances</b>				
Reserved	0	0	2,271,600	0
Unreserved	14,250,441	17,103,023	38,138,819	31,922,445
Total Fund Balances	<u>14,250,441</u>	<u>17,103,023</u>	<u>40,410,419</u>	<u>31,922,445</u>
Total Liabilities and Fund Balances	<u>81,149,509</u>	<u>28,298,507</u>	<u>40,420,419</u>	<u>32,170,369</u>

Combined Balance Sheet - All Funds  
As of December 31, 2006

	Enterprise Funds	Internal Service Funds	Total All Funds
<b>Assets</b>			
Cash & temporary investments	5,596,386	503,178	12,803,023
Investments	9,377,496	47,814,482	168,558,973
Receivables (Net of allowances for uncollectibles)			
Accounts	6,148,024	0	16,439,062
Taxes on real and personal property	0	0	49,845,461
Due from other funds	0	12,949,374	13,792,374
Due from component units	0	0	0
Inventory	796,210	737,772	1,783,381
Prepaid items	187,000	0	187,000
Land & Site Improvements	6,042,111	0	6,042,111
Buildings (Net of Depreciation)	138,577,037	0	138,577,037
Other Improvements (Net of Depreciation)	22,560,242	0	22,560,242
Machinery & Equipment (Net of Depreciation)	10,508,663	12,115,593	22,624,256
Other Assets	770,940	0	3,510,391
Restricted assets			
Temporarily restricted	0	0	0
Unused bond proceeds	0	0	0
Total Assets	<u>200,564,109</u>	<u>74,120,399</u>	<u>456,723,312</u>
<b>Liabilities And Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	154,734,513	158,407	157,761,181
Accrued liabilities	0	8,712,482	9,828,850
Due to other funds	8,471,967	4,540,627	26,153,851
Due to other governmental agencies	0	0	2,432,329
Deferred revenue	425,751	0	59,220,012
Total Liabilities	<u>163,632,231</u>	<u>13,411,516</u>	<u>255,396,223</u>
<b>Fund balances</b>			
Reserved	0	0	2,271,600
Unreserved	36,931,878	60,708,883	199,055,489
Total Fund Balances	<u>36,931,878</u>	<u>60,708,883</u>	<u>201,327,089</u>
Total Liabilities and Fund Balances	<u>200,564,109</u>	<u>74,120,399</u>	<u>456,723,312</u>

Sources and Uses of Funds - All Funds  
July 1, 2006 - December 31, 2006

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
<b>Operating Revenue</b>				
Taxes	55,198,779	0	14,414,364	0
Licenses & Permits	157,388	1,141,204	0	0
Intergovt. Revenue	4,913,239	4,034,598	0	19,369
Charges For Serv.	464,887	625,673	0	0
Fines & Forfeits	444,953	2,991,808	0	0
Other Revenue	841,513	1,153,838	572,362	667,852
<b>Total Oper. Revenues</b>	<u>62,020,759</u>	<u>9,947,122</u>	<u>14,986,726</u>	<u>687,222</u>
<b>Operating Expenses</b>				
Personal Services	40,604,740	3,174,394	0	0
Supplies	1,504,239	276,430	0	149,547
Other Expenses	24,047,540	9,143,400	0	5,581,987
Debt Service	0	0	1,759,531	0
Capital	0	132,690	0	496,242
<b>Total Oper. Expenses</b>	<u>66,156,519</u>	<u>12,726,915</u>	<u>1,759,531</u>	<u>6,227,776</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>(4,135,760)</u>	<u>(2,779,793)</u>	<u>13,227,195</u>	<u>(5,540,554)</u>
<b>Other Fin. Sources/(Uses)</b>				
Transfers-In	1,625,124	5,694,876	0	16,859,099
Transfers-Out	(17,909,554)	(2,352,624)	(5,663,496)	(7,403,789)
<b>Total Other Sources/Uses</b>	<u>(16,284,430)</u>	<u>3,342,252</u>	<u>(5,663,496)</u>	<u>9,455,310</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>(20,420,190)</u>	<u>562,459</u>	<u>7,563,699</u>	<u>3,914,756</u>
<b>Beginning Fund Balance</b>	34,670,631	16,540,564	32,846,720	28,007,689
<b>Prior Year Corrections</b>	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>14,250,441</u>	<u>17,103,023</u>	<u>40,410,419</u>	<u>31,922,445</u>

Sources and Uses of Funds - All Funds  
July 1, 2006 - December 31, 2006

	Enterprise Funds	Internal Service Funds	Total All Funds
<b>Operating Revenue</b>			
Taxes	2,250,658	0	71,863,800
Licenses & Permits	0	0	1,298,592
Intergovt. Revenue	1,054,101	0	10,021,308
Charges For Serv.	6,761,574	24,971,542	32,823,676
Fines & Forfeits	0	0	3,436,762
Other Revenue	210,873	668,781	4,115,220
<b>Total Oper. Revenues</b>	<u>10,277,207</u>	<u>25,640,323</u>	<u>123,559,358</u>
<b>Operating Expenses</b>			
Personal Services	996,378	1,355,287	46,130,799
Supplies	1,198,825	1,861,251	4,990,291
Other Expenses	16,684,620	11,215,822	66,673,370
Debt Service	3,257,334	0	5,016,865
Capital	552,740	0	1,181,673
<b>Total Oper. Expenses</b>	<u>22,689,897</u>	<u>14,432,360</u>	<u>123,992,998</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>(12,412,690)</u>	<u>11,207,963</u>	<u>(433,640)</u>
<b>Other Fin. Sources/(Uses)</b>			
Transfers-In	8,340,474	813,490	33,333,063
Transfers-Out	<u>(3,600)</u>	<u>0</u>	<u>(23,325,063)</u>
<b>Total Other Sources/Uses</b>	<u>8,336,874</u>	<u>813,490</u>	<u>0</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>(4,075,816)</u>	<u>12,021,452</u>	<u>(433,640)</u>
<b>Beginning Fund Balance</b>	41,007,694	48,687,431	201,760,729
<b>Prior Year Corrections</b>	0	0	0
<b>Est. Ending Fund Balance</b>	<u>36,931,878</u>	<u>60,708,883</u>	<u>201,327,089</u>

Balance Sheet - General Fund  
As of December 31, 2006

	General Fund
<b>Assets</b>	
Cash & temporary investments	65,428
Investments	30,827,016
Receivables (Net of allowances for uncollectibles)	
Accounts	153,484
Taxes on real and personal property	49,845,461
Due from other funds	10,000
Due from component units	-
Inventory	248,121
Prepaid items	-
Land & Site Improvements	-
Buildings (Net of Depreciation)	-
Other Improvements (Net of Depreciation)	-
Machinery & Equipment (Net of Depreciation)	-
Other Assets	-
Restricted assets	
Temporarily restricted	-
Unused bond proceeds	-
Total Assets	<u><u>81,149,509</u></u>
<b>Liabilities And Fund Balances</b>	
<b>Liabilities</b>	
Accounts payable	2,470,378
Accrued liabilities	951,858
Due to other funds	11,046,877
Due to other governmental agencies	2,381,296
Deferred revenue	<u>50,048,660</u>
Total Liabilities	<u><u>66,899,068</u></u>
<b>Fund balances</b>	
Reserved	0
Unreserved	<u>14,250,441</u>
Total Fund Balances	<u><u>14,250,441</u></u>
Total Liabilities and Fund Balances	<u><u>81,149,509</u></u>

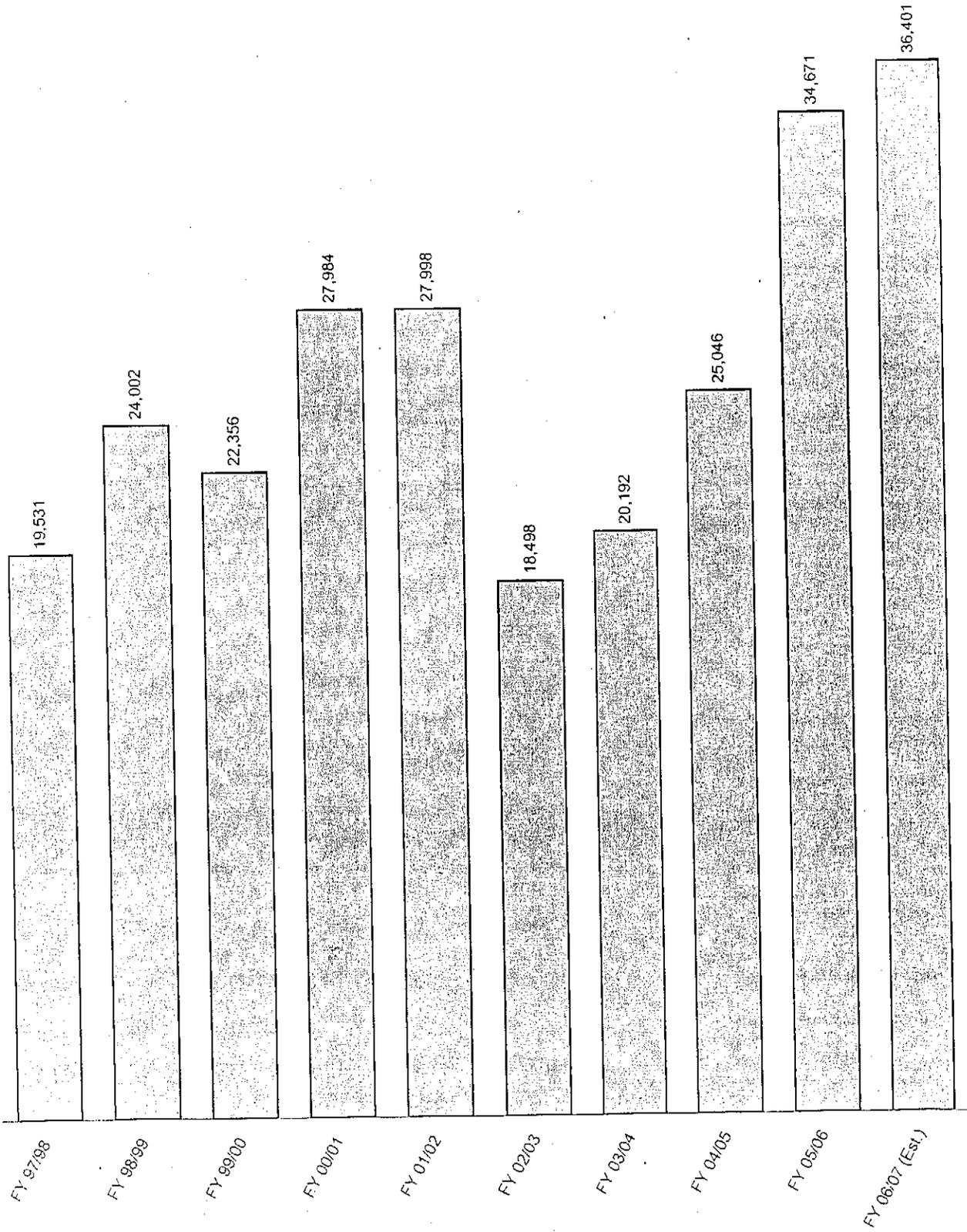
Sources and Uses of Funds - General Fund  
July 1, 2006 - December 31, 2006

	General Fund
<b>Operating Revenue</b>	
Taxes	55,198,779
Licenses & Permits	157,388
Intergovt. Revenue	4,913,239
Charges For Serv.	464,887
Fines & Forfeits	444,953
Other Revenue	841,513
Total Oper. Revenues	62,020,759
 <b>Operating Expenses</b>	
Personal Services	40,604,740
Supplies	1,504,239
Other Expenses	24,047,540
Debt Service	0
Capital	0
Total Oper. Expenses	66,156,519
 <b>Excess/Deficiency Revenues Over (Under) Expenses</b>	 (4,135,760)
 <b>Other Fin. Sources/(Uses)</b>	
Transfers In	1,625,124
Transfers Out	(17,909,554)
Total Other Sources/Uses	(16,284,430)
 <b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	 (20,420,190)
 <b>Beginning Fund Balance</b>	 34,670,631
 <b>Prior Year Corrections</b>	 -
 <b>Est. Ending Fund Balance</b>	 14,250,441

Sources and Uses of Funds - General Fund  
July 1, 2006 - December 31, 2006

	FY 06/07 Adopted Budget	FY 06/07 Amended Budget	Period Ending *12/31/2006	Forecast Ending 06/30/2007
<b>Operating Revenue</b>				
Taxes	130,655,180	130,655,180	55,198,779	132,726,810
Licenses & Permits	297,870	297,870	157,388	294,350
Intergovt. Revenue	18,936,560	18,936,560	4,913,239	19,287,070
Charges For Serv.	960,850	960,850	464,887	1,043,130
Fines & Forfeits	316,800	316,800	444,953	873,380
Other Revenue	827,390	1,827,390	841,513	1,819,800
<b>Total Oper. Revenues</b>	<u>151,994,650</u>	<u>152,994,650</u>	<u>62,020,759</u>	<u>156,044,540</u>
<b>Operating Expenditures</b>				
Administration	2,169,830	2,169,830	1,095,802	2,150,000
Finance and Accountability	6,558,950	6,558,950	3,544,045	6,620,000
Operations and Engineering	5,325,990	5,325,990	3,004,306	5,325,000
Community and Neighborhood Services	26,056,940	26,056,940	13,779,832	25,851,000
Law	1,582,860	1,582,860	881,604	1,600,000
Police	41,109,800	41,109,800	23,241,446	39,790,000
Fire	28,032,920	28,032,920	15,861,362	28,100,000
Plan F Pension	0	0	255,998	0
Legislative	861,660	861,660	516,014	965,000
Civil Service	945,800	945,800	554,547	945,000
City Elections	40,000	40,000	0	40,000
Knoxville Partnership	540,000	540,000	270,000	540,000
Metropolitan Planning Commission	713,430	713,430	356,715	713,430
Knoxville Zoo	863,420	863,420	863,420	863,420
Community Agency Grants	1,870,400	1,870,400	1,592,792	1,870,400
Waterfront	372,920	372,920	232,978	372,920
Community Action Committee	444,550	444,550	113,695	444,550
Reserve	1,952,410	1,952,410	0	600,000
Miscellaneous	0	0	0	0
<b>Total Oper. Expenses</b>	<u>119,441,880</u>	<u>119,441,880</u>	<u>66,164,557</u>	<u>116,790,720</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>32,552,770</u>	<u>33,552,770</u>	<u>(4,143,798)</u>	<u>39,253,820</u>
<b>Other Fin. Sources/(Uses)</b>				
Transfers-In	3,250,250	3,250,250	1,625,124	4,179,510
Transfers-Out	(35,803,020)	(36,803,020)	(17,601,516)	(41,703,020)
<b>Total Other Sources/Uses</b>	<u>(32,552,770)</u>	<u>(33,552,770)</u>	<u>(16,276,392)</u>	<u>(37,523,510)</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>0</u>	<u>0</u>	<u>(29,426,190)</u>	<u>1,730,310</u>
<b>Beginning Balance</b>	34,670,631	34,670,631	34,670,631	34,670,631
<b>Prior Year Corrections</b>	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>34,670,631</u>	<u>34,670,631</u>	<u>14,250,441</u>	<u>36,400,941</u>

General Fund Fund Balance  
FY 97/98 - FY 06/07  
(In \$1,000's)



## General Fund Revenue Analysis

### Overview

Total General Fund revenues through the end of December, 2006 equal \$63,645,883 or approximately 41.0% of the budgeted total. This amount is slightly lower (1.19%) than the six-month forecast of \$64,415,110.

We now expect to end the year very favorably when compared to adopted budget levels. For the year we are forecasting General Fund revenues to equal \$160,224,050 or \$4,979,410 more than the adopted budget. This results from higher than expected growth in the more cyclical revenues such as local option sales taxes, as well as higher than budgeted revenue from real property taxes. These are partially offset by lower than budgeted revenue from public utility property taxes, a lower than expected payment in lieu of taxes from KUB, and various other changes.

### Taxes

The largest single category of revenue to the city is taxes, which is budgeted at \$130,655,180 or 84.16% 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 \$55,198,779 or 42.25% of the budgeted total. Actual revenues collected to date are below the forecast amount by \$1,592,071, due, primarily, to lower than expected sales tax collections. The latter is a timing problem in receiving the funds from Knox County.

The largest revenue within this category is taxes on real property. Actual collections to date equal \$37,209,831, which is \$862,161 more than the forecast amount. We are forecasting the final numbers to be above the budgeted level by \$276,740 or 0.49%. The higher than expected collections are due to a tax roll that came in slightly more than forecast. In preparing the budget we had forecast a 1.80% growth in assessments, whereas actual growth was 2.30%.

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 \$1,621,134, which is \$294,846 below the forecast level. For the year, we expect to end with a favorable variance of \$221,560. As with real property, our growth estimate for personal property was too high. We had expected a

0.7% growth in assessments, whereas the actual change, after adjusting for reappraisal and a change in the equalization rate, was growth of 4.41%.

The tax roll on public utilities is supplied by the Public Service Commission and came in lower than projected levels. We had forecast a decline of approximately 4% in assessed value whereas the actual decline was 9.8%. Based upon the current tax roll we now expect to receive approximately \$189,690 less than the adopted amount for this revenue category.

Collections of delinquent taxes are down for the first half of the year and are forecast to be below budgeted estimates at year-end. The unfavorable variance occurs in the prior collections for real property taxes, which is forecast to end the year \$362,420 below budget. For the year we project prior year real property taxes to yield approximately \$1.54 million and prior year personal property taxes to generate approximately \$308 thousand. Payments of prior year public utility taxes are expected to generate \$2 thousand. Interest and penalties for these taxes are expected to generate approximately \$1.35 million.

The payment in lieu of taxes from KUB is now forecast at \$11,867,500, which represents an unfavorable variance of \$108,900. This results from lower than expected gains in net plant values for all divisions and lower than expected growth in the net plant value for the Electric division. KCDC also makes a payment in lieu of taxes. The payment by KCDC is expected to be above the budgeted amount by \$4,120. We expect to receive other payment in lieu of taxes payments in the amount of \$217,190.

Local option sales tax collections through December 2006 show an unfavorable variance of approximately \$2,532,513. As mentioned earlier this stems from delays in the payment of this revenue by Knox County. For the year, we are expecting local option sales taxes to generate \$26,001,250, or \$973,250 more than budgeted. Overall growth in the Knox County has been above expectations for the year. We have also seen a slight overall shift from unincorporated Knox County and Farragut to the City. That is, while overall growth in the county is strong, it is also moving into the City. We think this is due to the Turkey Creek development, primarily in the City, which is taking away some sales that might have otherwise occurred outside the City. Total overall sales tax collections were also affected by an extraordinarily strong month relating to back to school sales. Month

to month comparisons have dropped somewhat since then, but are expected to be fairly stable for the balance of the year.

The City receives revenue from several alcohol-related taxes. At this time we are forecasting revenues from beer taxes to show a positive variance of \$356,390 at year-end. Revenue from mixed drink taxes is expected to be up by \$71,880 when compared to the budgeted amount and revenue from alcoholic beverage taxes is projected to be above the budgeted amount by \$167,960. Total taxes from these sources are forecast at \$9,875,630, which is \$573,509, or 6.2% above FY 05/06 collections.

The balance of all other local taxes is mixed with most expected to show small favorable variances at year-end. Business tax collections, one of the larger remaining taxes, are expected to end the year approximately \$114 thousand above budget. Overall business tax collections, including penalties and interest, are expected to yield \$4,446,850.

Revenues from the cable television franchise tax total \$367,634 for the first half of the year and are expected to generate \$1,511,300 for the entire fiscal year, this being \$137,600 higher than the budgeted amount. This increase comes from slightly higher than forecast revenues from Comcast Cable, and Knology

#### Licenses & Permits

The second category of revenue comes from licenses and permits. This category is budgeted at \$297,870 and constitutes only 0.19% of total operating revenues. Through the first half of the year the city has received \$157,388, which is \$4,242 below the forecast amount. For the year revenues are forecast at \$294,350 for a negative variance of \$3,520 or 1.2% below the budgeted level.

Revenues within the category of licenses and permits are split when compared to budget, with slightly more expected to display a favorable variance at year-end. The largest expected positive variance is in tank installation fees, which are forecast at \$12,370 for a favorable variance of \$1,810. Revenues from tank abandonment fees and beer privilege fees are, on the other hand, expected to be down by \$2,060, and \$5,310 respectively.

#### Intergovernmental Revenue

Intergovernmental revenue, or revenue from the state and federal government is the second largest revenue category, representing 12.2% of the total operat-

ing revenue to the General Fund. For the first half of the year collections from this category equal \$4,913,239 which is \$16,341 less than the projected level of \$4,929,580. We now forecast total intergovernmental revenue for the year at \$19,287,070, which is a positive variance of \$350,510, when compared to the adopted budget.

The largest positive variance in this category of revenue is in proceeds from the TVA gross receipts. Through December this revenue shows a positive variance of \$44,761, and the variance is expected to grow to a positive \$179,060 by fiscal year-end.

The above gain is offset by an unfavorable variance of \$82,810 in the revenue from federal contributions. This revenue is for reimbursement of various personnel costs from federal grants. For the year we forecast this revenue category to yield \$453,770, which is \$186,230.

For the year we expect the greatest variance to occur in proceeds from the Hall Income Tax. 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. We are basing the revised estimate upon prior year performance. Normally, we would have experienced a large correction in this revenue source as returns are checked for situs location. Thus far we have seen only a \$26,414 adjustment, which makes us optimistic. For the year, the Hall Income Tax is now estimated at \$3,215,900, which is \$330,200 above the budgeted amount.

Very little change is expected from other sources of intergovernmental revenue. Revenue from the state shared sales tax is expected to generate \$12,307,140, which is just \$3,000 under the budgeted amount. Beer taxes are expected to come in \$6,910 above the budget while alcoholic beverage taxes are expected to end the year \$4,500 above the budgeted level. There is a one-time contribution from the County in the amount of \$25,000, which offsets expenses associated with the homeless initiative study.

#### Charges for Services

The fourth category of revenue, charges for services, represents approximately 0.63% of the total budgeted operating revenue. For the year we expect this category to be up by \$82,280 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 (\$76,150), codes enforcement fees (\$15,930),

and various parks and recreations fees. These gains are somewhat offset by lower than expected earnings from indoor pool fees (\$18,270), accident reports (\$10,720), and building and shelter rental fees (\$22,470).

#### Fines and Forfeits

At this time revenues from fines and forfeits, excluding excess revenues from the City Court, represent 0.20% of budgeted revenue. This category currently shows a positive variance of \$301,863, mainly due to collections from red light camera violations. Revenues from this source equal \$21,272. Also contributing to the favorable variance of \$54,787 from Criminal Court Fines provided by Knox County. For the year we expect to generate \$873,380 or a favorable variance of \$556,580. Again this is almost entirely due to revenues coming from red light camera violations and criminal court fines, which are expected to show favorable variances of \$472,560 and \$55,490 respectively.

Excess City Court fees i.e. the amount that revenue exceeds expenditures in the City Court Fund (Fund 213) is shown as a transfer in. For the entire year we now anticipate that excess city court fees will gener-

ate \$4,179,510, which represents a favorable variance of \$ 929,260 when compared to the budgeted amount.

#### Miscellaneous

The final category of revenue is miscellaneous revenue, which accounts for just 0.53% of the budgeted total. For the first six months of the year this category of revenue is up by \$456,023 when compared to projections. The biggest gain comes from increased interest earnings stemming from the rise in short term interest rates. For the year we expect interest earnings to surpass budgeted levels by \$812,800. Other revenues expected to show positive variances for the year include parking meters (\$34,900), equipment sales (\$57,580) and miscellaneous revenue (\$86,370). Overall we expect this revenue category to be up by \$929,260 when compared to the budgeted amount.

#### Fund Balance

The FY 06/07 budget does not propose to use any portion of fund balance during the year. Based upon our current projections we would expect the General Fund fund balance to increase by approximately \$1.73 million for the year.

Projected General Fund Collections - FY 06/07

		July 1, 2006 - December 31, 2006			
Account Number	Account Name	Adopted Budget	Six Month Forecast	Six Month Actual	Variance From Forecast
5111	Property Tax Real - Current	56,419,390	36,347,670	37,209,831	862,161
5112	Property Tax Real - Prior	1,900,000	1,110,540	898,704	(211,836)
5113	Personal Property Tax - Current	6,019,840	1,915,980	1,621,134	(294,846)
5114	Personal Property Tax - Prior	150,000	62,200	147,069	84,869
5115	Public Utilities - Current	3,103,130	(1,790)	0	1,790
5116	Public Utilities - Prior	6,000	5,360	7	(5,353)
5117	Discount	(346,500)	(313,740)	(304,770)	8,964
5118	Discount - CBID	0	0	0	0
5131	KUB	11,976,400	0	0	0
5132	KCDC	24,930	24,930	29,047	4,117
5133	TVA Payment In Lieu of Taxes	0	0	0	0
5134	PILOT - Downtown	7,000	0	6,744	6,744
5135	PILOT - News Sentinel	76,780	0	0	0
5136	Other Payment In Lieu of Taxes	20,000	20,000	133,667	113,667
5141	Local Shared Sales Tax	35,028,000	11,491,780	8,959,267	(2,532,513)
5151	Beer Tax	5,934,500	2,558,700	2,712,356	153,656
5152	Mixed Drink Tax	1,237,400	392,550	415,355	22,805
5153	Alcoholic Beverage Tax	2,107,500	1,037,990	1,120,715	82,725
5161	Business Tax	5,000	1,340	9,841	8,501
5165	Tax Sale Publication Fees	54,800	39,690	25,050	(14,640)
5166	Business Tax - 2003	4,247,400	1,138,630	1,169,103	30,473
5171	Interest & Penalties - Current	125,000	1,050	0	(1,050)
5172	Interest & Penalties - Prior	1,110,110	573,220	631,531	58,311
5173	Interest & Penalties - Business	1,200	820	2,716	1,896
5174	Interest & Penalties - License	1,000	560	86	(474)
5175	Interest & Penalties - CBID	1,500	450	2,174	1,724
5176	Interest - New Business Tax	7,100	4,870	6,443	1,573
5177	Penalty - New Business Tax	64,000	43,890	35,082	(8,808)
5193	Cable TV Franchise Tax	1,373,700	334,160	367,634	33,474
	Subtotal - Taxes	130,655,180	56,790,850	55,198,779	(1,592,071)
5201	Blasting Permits	5,880	3,290	3,100	(190)
5202	Fire Reports	1,630	760	840	80
5203	Fireworks Permit	1,680	1,270	1,680	410
5204	Tank Abandonment	2,060	1,640	0	(1,640)
5205	Tank Installation Fee	10,560	5,930	6,945	1,015
5211	Merchant & General Privilege	200	90	125	35
5212	Liquor by the Ounce	165,530	84,590	92,700	8,110
5215	Alcoholic Beverage License	4,200	3,500	3,500	0
5251	Beer Application Fees	28,330	15,230	15,100	(130)
5252	Beer Privilege Tax	59,820	35,030	21,746	(13,284)
5253	Beer Permit Publications	2,670	1,350	1,575	225
5254	Beer Permit Records Check	7,320	3,650	3,550	(100)
5255	Duplicate Beer Permits	0	0	402	402
5291	Solicitation	4,630	2,230	2,700	470
5293	Street Vendor	3,360	3,070	3,425	355
	Subtotal - Licenses and Permits	297,870	161,630	157,388	(4,242)
5313	Emer. Mgmt. - Federal Share	85,020	42,510	56,807	14,297
5319	Federal Contribution	640,000	284,590	201,780	(42,810)
5321	Sales Tax	12,310,140	4,074,710	4,073,715	(995)
5322	Income Tax	2,885,700	0	(26,414)	(26,414)
5323	Beer Tax	86,300	46,030	49,716	3,686
5324	Alcoholic Beverage Tax	70,500	16,480	24,656	8,176
5326	Special Petroleum Products Tax	397,080	129,000	127,811	(1,189)
5327	Excise Tax	695,200	0	0	0
5328	TVA Gross Receipts	1,301,700	325,370	370,131	44,761
5329	State Contribution	382,840	0	0	0
5332	Telecommunications Sales Tax	29,080	10,890	10,037	(853)

Projected General Fund Collections - FY 06/07

Account Number	Account Name	Adopted Budget	Total Fiscal Year 2006/07	
			Year End Forecast	Variance From Budget
5111	Property Tax Real - Current	56,419,390	56,696,130	276,740
5112	Property Tax Real - Prior	1,900,000	1,537,580	(362,420)
5113	Personal Property Tax - Current	6,019,840	6,241,400	221,560
5114	Personal Property Tax - Prior	150,000	307,930	157,930
5115	Public Utilities - Current	3,103,130	2,913,440	(189,690)
5116	Public Utilities - Prior	6,000	2,000	(4,000)
5117	Discount	(346,500)	(306,620)	39,880
5118	Discount - CBID	0	0	0
5131	KUB	11,976,400	11,867,500	(108,900)
5132	KCDC	24,930	29,050	4,120
5133	TVA Payment In Lieu of Taxes	0	0	0
5134	PILOT - Downtown	7,000	6,740	(260)
5135	PILOT - News Sentinel	76,780	76,780	0
5136	Other Payment In Lieu of Taxes	20,000	133,670	113,670
5141	Local Shared Sales Tax	35,028,000	36,001,250	973,250
5151	Beer Tax	5,934,500	6,290,890	356,390
5152	Mixed Drink Tax	1,237,400	1,309,280	71,880
5153	Alcoholic Beverage Tax	2,107,500	2,275,460	167,960
5161	Business Tax	5,000	21,230	16,230
5165	Tax Sale Publication Fees	54,800	34,590	(20,210)
5166	Business Tax - 2003	4,247,400	4,361,090	113,690
5171	Interest & Penalties - Current	125,000	125,000	0
5172	Interest & Penalties - Prior	1,110,110	1,223,030	112,920
5173	Interest & Penalties - Business	1,200	3,970	2,770
5174	Interest & Penalties - License	1,000	160	(840)
5175	Interest & Penalties - CBID	1,500	3,400	1,900
5176	Interest - New Business Tax	7,100	9,400	2,300
5177	Penalty - New Business Tax	64,000	51,160	(12,840)
5193	Cable TV Franchise Tax	1,373,700	1,511,300	137,600
	<b>Subtotal - Taxes</b>	<b>130,655,180</b>	<b>132,726,810</b>	<b>2,071,690</b>
5201	Blasting Permits	5,880	5,540	(340)
5202	Fire Reports	1,630	1,810	180
5203	Fireworks Permit	1,680	2,230	550
5204	Tank Abandonment	2,060	0	(2,060)
5205	Tank Installation Fee	10,560	12,370	1,810
5211	Merchant & General Privilege	200	270	70
5212	Liquor by the Ounce	165,530	165,300	(230)
5215	Alcoholic Beverage License	4,200	4,200	0
5251	Beer Application Fees	28,330	28,090	(240)
5252	Beer Privilege Tax	59,820	54,510	(5,310)
5253	Beer Permit Publications	2,670	3,120	450
5254	Beer Permit Records Check	7,320	7,130	(190)
5255	Duplicate Beer Permits	0	400	400
5291	Solicitation	4,630	5,620	990
5293	Street Vendor	3,360	3,760	400
	<b>Subtotal - Licenses and Permits</b>	<b>297,870</b>	<b>294,350</b>	<b>(3,520)</b>
5313	Emer. Mgmt. - Federal Share	85,020	85,020	0
5319	Federal Contribution	640,000	453,770	(186,230)
5321	Sales Tax	12,310,140	12,307,140	(3,000)
5322	Income Tax	2,885,700	3,215,900	330,200
5323	Beer Tax	86,300	93,210	6,910
5324	Alcoholic Beverage Tax	70,500	75,000	4,500
5326	Special Petroleum Products Tax	397,080	393,430	(3,650)
5327	Excise Tax	695,200	695,200	0
5328	TVA Gross Receipts	1,301,700	1,480,760	179,060
5329	State Contribution	382,840	382,840	0
5332	Telecommunications Sales Tax	29,080	26,800	(2,280)

Projected General Fund Collections - FY 06/07

Account Number	Account Name	Adopted Budget	July 1, 2006 - December 31, 2006		Variance From Forecast
			Six Month Forecast	Six Month Actual	
5341	Emer. Mgmt. - County Share	53,000	0	0	0
5342	County Grants/Contributions	0	0	25,000	25,000
	Subtotal - Intgvtl. Revenue	<u>18,936,560</u>	<u>4,929,580</u>	<u>4,913,239</u>	<u>(16,941)</u>
5407	Gateway Village Rental	170	90	0	(90)
5408	Krutch Park Rental	690	350	0	(350)
5409	Volunteer Landing Rentals	180	90	0	(90)
5410	Market Square Rental	520	260	0	(260)
5412	Attorney Cost - Taxes	262,490	113,220	146,067	32,847
5413	Recording & Collection	43,980	24,860	24,686	(174)
5423	Accident Reports	187,790	92,630	87,344	(5,286)
5425	Officer Costs	18,950	8,450	0	(8,450)
5434	Codes Enforcement	100,510	45,510	69,609	24,099
5435	State Reimbursement - Streets, Signs	100,000	44,170	20,776	(20,304)
5441	Recreation Program Fees	0	0	3,136	3,136
5442	Inskip Pool Gate & Concessions	30,850	0	21,299	21,299
5443	Ed Cothren Pool Gate & Concessions	16,850	10,140	5,209	(4,931)
5444	Indoor Pool Fees and Rentals	37,410	18,060	9,234	(8,826)
5445	Team Registration Fees	36,400	12,620	14,615	1,995
5447	Vending Concessions	7,410	4,130	8,774	4,644
5449	Summer Program Registration	8,080	0	1,510	1,510
5450	Tennis Revenue	7,220	0	2,644	2,644
5451	Building and Shelter Revenues	33,580	0	7,362	7,362
5452	Parks and Field Rental Fees	12,220	0	8,935	8,935
5453	Lease of SKCC	21,660	0	20,059	20,059
5459	Parks and Recreation - Misc. Fees	1,130	0	0	0
5461	Caswell Park - League Concessions	14,750	4,070	5,593	1,523
5464	Caswell Park - Gate Fees	18,010	690	8,035	7,345
	Subtotal - Charges for Services	<u>960,850</u>	<u>379,340</u>	<u>464,887</u>	<u>85,547</u>
5511	General Sessions Fines	3,800	1,770	0	(1,770)
5512	General Session Costs	112,230	52,540	73,308	20,768
5528	KPD Automated Information	102,140	42,600	53,971	11,371
5529	KPD Moving Violations	0	0	67	67
5531	Criminal Court Fines	98,630	46,180	100,967	54,787
5532	KPD - DARE	0	0	369	369
5580	Red Light Camera Fines	0	0	146,326	146,326
5581	Red Light Camera Fines - Municipal Court	0	0	69,946	69,946
	Subtotal - Fines & Forfeits	<u>316,800</u>	<u>143,090</u>	<u>444,953</u>	<u>301,863</u>
5603	Residential Parking Permits	3,700	0	4,862	4,862
5611	Interest on investments	440,000	165,800	472,075	306,275
5620	Lease & Rental Income	24,400	13,320	12,000	(1,320)
5627	Parking Meters	284,290	149,630	167,994	18,364
5641	Abandoned Vehicles	0	0	(300)	(300)
5642	Equipment Sales	15,000	5,780	60,577	54,797
5699	Miscellaneous Revenue	60,000	50,960	124,304	73,344
	Subtotal - Misc. Revenue	<u>827,390</u>	<u>385,490</u>	<u>841,513</u>	<u>456,023</u>
5905	Excess City Court Fees	<u>3,250,250</u>	<u>1,625,130</u>	<u>1,625,124</u>	<u>(6)</u>
	Subtotal - Transfers In	<u>3,250,250</u>	<u>1,625,130</u>	<u>1,625,124</u>	<u>(6)</u>
	Grand Total - Operating Revenues	<u>155,244,900</u>	<u>64,415,110</u>	<u>63,645,883</u>	<u>(769,227)</u>

Projected General Fund Collections - FY 06/07

Account Number	Account Name	Adopted Budget	Total Fiscal Year 2006/07	
			Year End Forecast	Variance From Budget
5341	Emer. Mgmt. - County Share	53,000	53,000	0
5342	County Grants/Contributions	0	25,000	25,000
	Subtotal - Intgvtl. Revenue	<u>18,936,560</u>	<u>19,287,070</u>	<u>350,510</u>
5407	Gateway Village Rental	170	0	(170)
5408	Krutch Park Rental	690	0	(690)
5409	Volunteer Landing Rentals	180	0	(180)
5410	Market Square Rental	520	0	(520)
5412	Attorney Cost - Taxes	262,490	338,640	76,150
5413	Recording & Collection	43,980	43,670	(310)
5423	Accident Reports	187,790	177,070	(10,720)
5425	Officer Costs	18,950	25,000	6,050
5434	Codes Enforcement	100,510	116,440	15,930
5435	State Reimbursement - Streets, Signs	100,000	100,000	0
5441	Recreation Program Fees	0	6,900	6,900
5442	Inskip Pool Gate & Concessions	30,850	33,120	2,270
5443	Ed Cothren Pool Gate & Concessions	16,850	8,660	(8,190)
5444	Indoor Pool Fees and Rentals	37,410	19,140	(18,270)
5445	Team Registration Fees	36,400	42,150	5,750
5447	Vending Concessions	7,410	15,760	8,350
5449	Summer Program Registration	8,080	14,630	6,550
5450	Tennis Revenue	7,220	5,150	(2,070)
5451	Building and Shelter Revenues	33,580	11,110	(22,470)
5452	Parks and Field Rental Fees	12,220	15,620	3,400
5453	Lease of SKCC	21,660	32,970	11,310
5459	Parks and Recreation - Misc. Fees	1,130	560	(570)
5461	Caswell Park - League Concessions	14,750	17,010	2,260
5464	Caswell Park - Gate Fees	18,010	19,530	1,520
	Subtotal - Charges for Services	<u>960,850</u>	<u>1,043,130</u>	<u>82,280</u>
5511	General Sessions Fines	3,800	0	(3,800)
5512	General Session Costs	112,230	156,580	44,350
5528	KPD Automated Information	102,140	129,400	27,260
5529	KPD Moving Violations	0	350	350
5531	Criminal Court Fines	98,630	154,120	55,490
5532	KPD - DARE	0	370	370
5580	Red Light Camera Fines	0	292,660	292,660
5581	Red Light Camera Fines - Municipal Court	0	139,900	139,900
	Subtotal - Fines & Forfeits	<u>316,800</u>	<u>873,380</u>	<u>556,580</u>
5603	Residential Parking Permits	3,700	4,860	1,160
5611	Interest on Investments	440,000	1,252,800	812,800
5620	Lease & Rental Income	24,400	24,000	(400)
5627	Parking Meters	284,290	319,190	34,900
5641	Abandoned Vehicles	0	0	0
5642	Equipment Sales	15,000	72,580	57,580
5699	Miscellaneous Revenue	60,000	146,370	86,370
	Subtotal - Misc. Revenue	<u>827,390</u>	<u>1,819,800</u>	<u>992,410</u>
5905	Excess City Court Fees	3,250,250	4,179,510	929,260
	Subtotal - Transfers In	<u>3,250,250</u>	<u>4,179,510</u>	<u>929,260</u>
	Grand Total - Operating Revenues	<u>155,244,900</u>	<u>160,224,050</u>	<u>4,979,410</u>

# General Fund Expenditure Analysis

## Overview

General Fund expenditures and encumbrances for the first half of fiscal year 2006/07 are \$67,694,297. Transfers from the General Fund to other funds equal \$17,901,516. Combined these represent 54.78% of budget, and are \$3,005,921 higher than at the same point in FY 2005/06. We are now forecasting expenditures and transfers to be \$158,493,740 for the entire year or 101.44% of budget. After considering reappropriations and other budget adjustments we project total expenditures will fall within the amended budget total.

## Administration

Through the first half of the year Administration has committed 51% of its budget. The current year-end projection calls for Administration to spend \$2,150,000 or 99.09% of its budget.

## Finance and Accountability

### Finance

The Finance Department is at 53.2% of budget as of December 31, 2006. This department should have spent approximately 99.44% of the amended budget or \$3,150,000 by the end of the fiscal year.

### Information Systems

The Department of Information Systems is at 61.41% of budget at mid-year. Information Systems should finish FY06/07 at 102.32% of budget with year-end expenditures forecast at \$3,470,000.

## Operations & Engineering

### Engineering

The Engineering Department has expended 56.82% of budget at the mid-year point, which are in line with past expenditure patterns. For the year expenditures are expected to be \$5,325,000 or 99.98% of budget.

## Community and Neighborhood Services

### Public Service

The Public Service Department has expended or encumbered 57.38% of the appropriation for FY 06/07. We anticipate the department to be slightly under budget at the end of the fiscal year (98.46% or \$18,341,000), but this could change should we experience more severe weather conditions during the remainder of the winter season.

### Development

Expenditures for the Department of Development are at 47.22% of budget at mid-year. Projected expenditures for FY 06/07 total \$730,000 or 99.17% of budget.

### Recreation

The Parks and Recreation department has expended/encumbered 60.99% of the FY 06/07 budget as of December 31, 2006. 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 \$5,950,000 or 101.49% of budget.

### Law

The Law Department is above the fifty-percent mark for the first half of FY 06/07, with 55.96% of the budget expended through December 31, 2006. This department could overspend its amended budget by year-end, largely due to higher than anticipated outside professional service fees.

### Police

#### Police

The Police Department has expended or encumbered 57.24% of their budget as of December 31, 2006. For the entire year the Police Department is projected to expend approximately \$39,500,000 or 96.75% of its amended budget.

## Emergency Management

Expenditures for Emergency Management as of December 31, 2006 are at 54.93% of budget. Projected year-end expenditures for the department are \$290,000, or 101.88% of budget.

## Fire

The Fire Department is currently above the 50% level with 57.16% of the budget expended or encumbered as of December 31, 2006. Based on current projections, the department should finish the year near budget with year-end expenditures estimated at 100.24% of budget or \$28,100,00.

## Board Administered/Other Departments

### Legislative

The Legislative Department is at 61.99% of budget after the first six months. This department should end the year at approximately \$965,000.

## Civil Service

Civil Service expenditures as of December 31, 2006 are at 58.63% of budget. Expenditures at year-end are projected at \$945,000, or 99.92% of budget.

## Nondepartmental

### Elections

There have been no funds spent on elections as of December 31, 2006. The City's share of the Fall of 2006 election should be approximately \$40,000.

### Waterfront

Expenditures for the Waterfront budget at the mid-year point are at 62.47% of budget. We are now forecasting expenditures for the year at \$372,920.

### Transfers

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

Transfers through December 31, 2006 equal \$17,901,516, which represents 48.64% of the amended budget for this grouping. It is expected that the city will have total transfers for the year of \$41,703,020.

General Fund Expenditures and Encumbrances July 1, 2006 - December 31, 2006

Department	Adopted Budget	Amended Budget	Expenditures	Encumbrances
Mayor's Office				
11100 Administration	<u>2,169,830</u>	<u>2,169,830</u>	<u>1,095,802</u>	<u>10,756</u>
Finance and Accountability				
21200 Finance	<u>3,167,780</u>	<u>3,167,780</u>	<u>1,666,707</u>	<u>18,506</u>
21400 Information Systems	<u>3,391,170</u>	<u>3,391,170</u>	<u>1,877,338</u>	<u>205,076</u>
Subtotal - Finance & Accountability	<u>6,558,950</u>	<u>6,558,950</u>	<u>3,544,045</u>	<u>223,582</u>
Operations and Engineering				
33300 Engineering	<u>5,325,990</u>	<u>5,325,990</u>	<u>3,004,306</u>	<u>22,041</u>
Community and Neighborhood Services				
43100 Public Service	<u>18,627,940</u>	<u>18,627,940</u>	<u>10,495,166</u>	<u>193,326</u>
43700 Development	<u>736,090</u>	<u>736,090</u>	<u>238,630</u>	<u>108,920</u>
44300 Parks and Recreation	<u>5,862,910</u>	<u>5,862,910</u>	<u>3,072,557</u>	<u>503,403</u>
46100 Mass Transit Grant Match	<u>830,000</u>	<u>830,000</u>	<u>(26,522)</u>	<u>-</u>
Subtotal - Community & Neighborhood Serv.	<u>26,056,940</u>	<u>26,056,940</u>	<u>13,779,832</u>	<u>805,649</u>
Law				
51300 Law	<u>1,582,860</u>	<u>1,582,860</u>	<u>881,604</u>	<u>4,167</u>
Police				
62300 Police	<u>40,825,150</u>	<u>40,825,150</u>	<u>23,085,088</u>	<u>284,049</u>
62700 Emergency Management	<u>284,650</u>	<u>284,650</u>	<u>156,358</u>	<u>-</u>
Subtotal - Police	<u>41,109,800</u>	<u>41,109,800</u>	<u>23,241,446</u>	<u>284,049</u>
Fire				
72500 Fire	<u>28,032,920</u>	<u>28,032,920</u>	<u>15,861,362</u>	<u>161,403</u>
Board Administered/Other Departments				
81500 Legislative	<u>861,660</u>	<u>861,660</u>	<u>516,014</u>	<u>18,094</u>
81700 Civil Service	<u>945,800</u>	<u>945,800</u>	<u>554,547</u>	<u>-</u>
Subtotal - Other Departments	<u>1,807,460</u>	<u>1,807,460</u>	<u>1,070,561</u>	<u>18,094</u>
Nondepartmental				
91900 Elections	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>-</u>
92600 Plan F Pensions	<u>-</u>	<u>-</u>	<u>255,998</u>	<u>-</u>
93900 Knoxville Partnership	<u>540,000</u>	<u>540,000</u>	<u>270,000</u>	<u>-</u>
95100 Metropolitan Planning Commission	<u>713,430</u>	<u>713,430</u>	<u>356,715</u>	<u>-</u>
95200 Knoxville Zoological Gardens	<u>863,420</u>	<u>863,420</u>	<u>863,420</u>	<u>-</u>
95300 Community Agency Grants	<u>1,870,400</u>	<u>1,870,400</u>	<u>1,592,792</u>	<u>-</u>
95600 Waterfront	<u>372,920</u>	<u>372,920</u>	<u>232,978</u>	<u>-</u>
95900 Community Action Committee	<u>444,550</u>	<u>444,550</u>	<u>113,695</u>	<u>-</u>
98100 General Fund Reserve	<u>1,952,410</u>	<u>1,952,410</u>	<u>-</u>	<u>-</u>
99100 Transfers	<u>35,803,020</u>	<u>36,803,020</u>	<u>17,901,516</u>	<u>-</u>
Subtotal - Nondepartmental	<u>42,600,150</u>	<u>43,600,150</u>	<u>21,587,114</u>	<u>-</u>
Total Operating Expenses	<u>155,244,900</u>	<u>156,244,900</u>	<u>84,066,073</u>	<u>1,529,740</u>

General Fund Expenditures and Encumbrances July 1, 2006 - December 31, 2006

Department	Total Exps. & Encum.	% of Budget Obligated	Year End Forecast	% of Budget Spent
Mayor's Office				
11100 Administration	<u>1,106,558</u>	<u>51.00%</u>	<u>2,150,000</u>	<u>99.09%</u>
Finance and Accountability				
21200 Finance	1,685,213	53.20%	3,150,000	99.44%
21400 Information Systems	<u>2,082,413</u>	<u>61.41%</u>	<u>3,470,000</u>	<u>102.32%</u>
Subtotal - Finance & Accountability	<u>3,767,627</u>	<u>57.44%</u>	<u>6,620,000</u>	<u>100.93%</u>
Operations and Engineering				
33300 Engineering	<u>3,026,347</u>	<u>56.82%</u>	<u>5,325,000</u>	<u>99.98%</u>
Community and Neighborhood Services				
43100 Public Service	10,688,492	57.38%	18,341,000	98.46%
43700 Development	347,551	47.22%	730,000	99.17%
44300 Parks and Recreation	3,575,960	60.99%	5,950,000	101.49%
46100 Mass Transit Grant Match	<u>(26,522)</u>	<u>-3.20%</u>	<u>830,000</u>	<u>100.00%</u>
Subtotal - Community & Neighborhood Serv.	<u>14,585,481</u>	<u>55.98%</u>	<u>25,851,000</u>	<u>99.21%</u>
Law				
51300 Law	<u>885,771</u>	<u>55.96%</u>	<u>1,600,000</u>	<u>101.08%</u>
Police				
62300 Police	23,369,137	57.24%	39,500,000	96.75%
62700 Emergency Management	<u>156,358</u>	<u>54.93%</u>	<u>290,000</u>	<u>101.88%</u>
Subtotal - Police	<u>23,525,495</u>	<u>57.23%</u>	<u>39,790,000</u>	<u>96.79%</u>
Fire				
72500 Fire	<u>16,022,765</u>	<u>57.16%</u>	<u>28,100,000</u>	<u>100.24%</u>
Board Administered/Other Departments				
81500 Legislative	534,108	61.99%	965,000	111.99%
81700 Civil Service	<u>554,547</u>	<u>58.63%</u>	<u>945,000</u>	<u>99.92%</u>
Subtotal - Other Departments	<u>1,088,655</u>	<u>60.23%</u>	<u>1,910,000</u>	<u>105.67%</u>
Nondepartmental				
91900 Elections	-	0.00%	40,000	100.00%
92600 Plan F Pensions	255,998	47.41%	-	0.00%
93900 Knoxville Partnership	270,000	37.85%	540,000	100.00%
95100 Metropolitan Planning Commission	356,715	50.00%	713,430	100.00%
95200 Knoxville Zoological Gardens	863,420	100.00%	863,420	100.00%
95300 Community Agency Grants	1,592,792	85.16%	1,870,400	100.00%
95600 Waterfront	232,978	62.47%	372,920	100.00%
95900 Community Action Committee	113,695	25.58%	444,550	100.00%
98100 General Fund Reserve	-	0.00%	600,000	30.73%
99100 Transfers	<u>17,901,516</u>	<u>48.64%</u>	<u>41,703,020</u>	<u>113.31%</u>
Subtotal - Nondepartmental	<u>21,587,114</u>	<u>49.51%</u>	<u>47,147,740</u>	<u>108.14%</u>
Total Operating Expenses	<u>85,595,813</u>	<u>54.78%</u>	<u>158,493,740</u>	<u>101.44%</u>

Combined Balance Sheet - Special Revenue Funds  
As of December 31, 2006

	State Street Aid Fund	Community Improvement Fund	Abandoned Vehicle Fund	Animal Control Fund	City Court Fund	City Inspections Fund	Stormwater Fund	Solid Waste Fund
<b>Assets</b>								
Cash & temporary investments	0	16,675	100	0	10,956	1,755	50	100
Investments	1,148,152	0	1,509,245	298,037	1,348,654	806,084	543,589	4,306,860
Receivables (Net of allowances for uncollectibles)								
Accounts	0	0	0	0	0	0	0	0
Taxes on real and personal property	0	0	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0	0	0
Due from component units	0	0	0	0	0	0	0	0
Inventory	0	0	1,278	0	0	0	0	0
Prepaid items	0	0	0	0	0	0	0	0
Land & Site Improvements	0	0	0	0	0	0	0	0
Buildings (Net of Depreciation)	0	0	0	0	0	0	0	0
Other Improvements (Net of Depreciation)	0	0	0	0	0	0	0	0
Machinery & Equipment (Net of Depreciation)	0	0	0	0	0	0	0	0
Other Assets	0	0	20	0	0	1,280	0	0
Restricted assets								
Temporarily restricted	0	0	0	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>1,148,152</b>	<b>16,675</b>	<b>1,610,643</b>	<b>298,037</b>	<b>1,359,610</b>	<b>809,119</b>	<b>543,639</b>	<b>4,306,960</b>
<b>Liabilities And Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	0	0	11,616	0	20,735	59,887	56,622	11,981
Accrued liabilities	0	0	0	0	0	0	0	0
Due to other funds	1,216	0	17,799	1,180	31,485	166,045	145,820	116,075
Due to other governmental agencies	0	0	0	0	51,033	0	0	0
Deferred revenue	0	0	0	0	0	33,520	0	0
<b>Total Liabilities</b>	<b>1,216</b>	<b>0</b>	<b>29,415</b>	<b>1,180</b>	<b>103,254</b>	<b>259,452</b>	<b>202,441</b>	<b>128,055</b>
<b>Fund balances</b>								
Reserved	0	0	0	0	0	0	0	0
Unreserved	1,146,936	16,675	1,581,228	296,857	1,256,356	549,667	341,198	4,178,905
<b>Total Fund Balances</b>	<b>1,146,936</b>	<b>16,675</b>	<b>1,581,228</b>	<b>296,857</b>	<b>1,256,356</b>	<b>549,667</b>	<b>341,198</b>	<b>4,178,905</b>
<b>Total Liabilities and Fund Balances</b>	<b>1,148,152</b>	<b>16,675</b>	<b>1,610,643</b>	<b>298,037</b>	<b>1,359,610</b>	<b>809,119</b>	<b>543,639</b>	<b>4,306,960</b>

Combined Balance Sheet - Special Revenue Funds  
As of December 31, 2006

	Misc. Special Revenue Funds	Misc. Grant Funds	Misc. Housing Funds	Empowerment Zone	Community Development Fund	Total All Funds
<b>Assets</b>						
Cash & temporary investments	306,155	2,469,767	461,275	0	28,576	3,265,409
Investments	4,062,311	6,556	1,159,415	0	0	15,288,502
Receivables (Net of allowances for uncollectibles)						
Accounts	0	1,213,392	5,664,785	95,289	0	6,973,467
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	1,278
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	2,738,151	2,739,451
Restricted assets						
Temporarily restricted	0	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0	0
<b>Total Assets</b>	<b>4,368,466</b>	<b>3,689,714</b>	<b>7,285,476</b>	<b>95,289</b>	<b>2,766,727</b>	<b>25,557,777</b>
<b>Liabilities And Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	9,011	193,386	8,998	0	19,617	391,853
Accrued liabilities	0	0	0	0	0	0
Due to other funds	845,054	0	75,523	144,889	471,911	2,016,996
Due to other governmental agencies	0	0	0	0	0	51,033
Deferred revenue	95,544	138,345	5,693,204	0	2,774,988	8,735,602
<b>Total Liabilities</b>	<b>949,610</b>	<b>331,731</b>	<b>5,777,725</b>	<b>144,889</b>	<b>3,266,516</b>	<b>11,195,484</b>
<b>Fund balances</b>						
Reserved	0	0	0	0	0	0
Unreserved	3,418,856	3,357,983	1,507,751	(49,590)	(499,789)	17,103,023
<b>Total Fund Balances</b>	<b>3,418,856</b>	<b>3,357,983</b>	<b>1,507,751</b>	<b>(49,590)</b>	<b>(499,789)</b>	<b>17,103,023</b>
<b>Total Liabilities and Fund Balances</b>	<b>4,368,466</b>	<b>3,689,714</b>	<b>7,285,476</b>	<b>95,289</b>	<b>2,766,727</b>	<b>28,298,507</b>

Sources and Uses of Funds - Special Revenue Funds  
 July 1, 2006 - December 31, 2006

	State Street Aid Fund	Community Improvement Fund	Abandoned Vehicle Fund	Animal Control Fund	City Court Fund	City Inspections Fund
<b>Operating Revenue</b>						
Taxes	0	0	0	0	0	0
Licenses & Permis	0	0	0	15,326	0	1,032,157
Intergovt. Revenue	1,631,912	0	0	0	0	0
Charges For Serv	0	0	209,512	0	0	0
Fines & Forfeits	0	0	0	0	2,152,878	0
Other Revenue	23,272	0	242,817	6,231	44,549	15,279
<b>Total Oper. Revenues</b>	<u>1,655,184</u>	<u>0</u>	<u>452,329</u>	<u>21,557</u>	<u>2,197,427</u>	<u>1,047,436</u>
<b>Operating Expenses</b>						
Personal Services	0	0	135,568	0	342,087	885,265
Supplies	0	0	4,117	1,198	3,257	14,873
Other Expenses	1,314,220	28,325	167,627	653	78,307	283,973
Debt Service	0	0	0	0	0	0
Capital	0	0	0	0	0	0
<b>Total Oper. Expenses</b>	<u>1,314,220</u>	<u>28,325</u>	<u>307,312</u>	<u>1,851</u>	<u>423,651</u>	<u>1,184,110</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>340,964</u>	<u>(28,325)</u>	<u>145,017</u>	<u>19,706</u>	<u>1,773,776</u>	<u>(136,674)</u>
<b>Other Fin. Sources/(Uses)</b>						
Transfers-In	0	45,000	0	0	0	10,836
Transfers-Out	(727,500)	0	0	0	(1,826,124)	0
<b>Total Other Sources/Uses</b>	<u>(727,500)</u>	<u>45,000</u>	<u>0</u>	<u>0</u>	<u>(1,826,124)</u>	<u>10,836</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>(386,536)</u>	<u>16,675</u>	<u>145,017</u>	<u>19,706</u>	<u>148,652</u>	<u>(125,838)</u>
<b>Beginning Fund Balance</b>	1,533,472	0	1,436,211	277,151	1,107,704	675,505
<b>Prior Year Corrections</b>	0	0	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>1,146,936</u>	<u>16,675</u>	<u>1,581,228</u>	<u>296,857</u>	<u>1,256,356</u>	<u>549,667</u>

Sources and Uses of Funds - Special Revenue Funds  
 July 1, 2006 - December 31, 2006

	State Street Aid Fund	Community Improvement Fund	Abandoned Vehicle Fund	Animal Control Fund	City Court Fund	City Inspections Fund
<b>Operating Revenue</b>						
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	15,326	0	1,032,157
Intergovt. Revenue	1,631,912	0	0	0	0	0
Charges For Serv	0	0	209,512	0	0	0
Fines & Forfeits	0	0	0	0	2,152,878	0
Other Revenue	23,272	0	242,817	6,231	44,549	15,279
<b>Total Oper. Revenues</b>	<u>1,655,184</u>	<u>0</u>	<u>452,329</u>	<u>21,557</u>	<u>2,197,427</u>	<u>1,047,436</u>
<b>Operating Expenses</b>						
Personal Services	0	0	135,568	0	342,087	885,265
Supplies	0	0	4,117	1,198	3,257	14,873
Other Expenses	1,314,220	28,325	167,627	653	78,307	283,973
Debt Service	0	0	0	0	0	0
Capital	0	0	0	0	0	0
<b>Total Oper. Expenses</b>	<u>1,314,220</u>	<u>28,325</u>	<u>307,312</u>	<u>1,851</u>	<u>423,651</u>	<u>1,184,110</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>340,964</u>	<u>(28,325)</u>	<u>145,017</u>	<u>19,706</u>	<u>1,773,776</u>	<u>(136,674)</u>
<b>Other Fin. Sources/(Uses)</b>						
Transfers-In	0	45,000	0	0	0	10,836
Transfers-Out	(727,500)	0	0	0	(1,925,124)	0
<b>Total Other Sources/Uses</b>	<u>(727,500)</u>	<u>45,000</u>	<u>0</u>	<u>0</u>	<u>(1,925,124)</u>	<u>10,836</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>(386,536)</u>	<u>16,675</u>	<u>145,017</u>	<u>19,706</u>	<u>148,652</u>	<u>(125,838)</u>
<b>Beginning Fund Balance</b>	1,533,472	0	1,436,211	277,151	1,107,704	675,505
<b>Prior Year Corrections</b>	0	0	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>1,146,936</u>	<u>16,675</u>	<u>1,581,228</u>	<u>296,857</u>	<u>1,256,356</u>	<u>549,667</u>

Combined Balance Sheet - Debt Service Funds  
As of December 31, 2006

	Debt Service Fund
<b>Assets</b>	
Cash & temporary investments	2,401,691
Investments	35,747,128
Receivables (Net of allowances for uncollectibles)	
Accounts	2,271,600
Taxes on real and personal property	0
Due from other funds	0
Due from component units	0
Inventory	0
Prepaid items	0
Land & Site Improvements	0
Buildings (Net of Depreciation)	0
Other Improvements (Net of Depreciation)	0
Machinery & Equipment (Net of Depreciation)	0
Other Assets	0
Restricted assets	
Temporarily restricted	0
Unused bond proceeds	0
Total Assets	40,420,419
<b>Liabilities And Fund Balances</b>	
Liabilities	
Accounts payable	0
Accrued liabilities	0
Due to other funds	0
Due to other governmental agencies	0
Deferred revenue	10,000
Total Liabilities	10,000
Fund balances	
Reserved	2,271,600
Unreserved	38,138,819
Total Fund Balances	40,410,419
Total Liabilities and Fund Balances	40,420,419

Sources and Uses of Funds - Debt Service Funds  
 July 1, 2006 - December 31, 2006

	Debt Service Fund
<b>Operating Revenue</b>	
Taxes	14,414,364
Licenses & Permits	0
Intergovt. Revenue	0
Charges For Service	0
Fines & Forfeits	0
Other Revenue	<u>572,362</u>
Total Oper. Revenues	<u><u>14,986,726</u></u>
<b>Operating Expenses</b>	
Personal Services	0
Supplies	0
Other Expenses	0
Debt Service	1,759,531
Capital	<u>0</u>
Total Oper. Expenses	<u><u>1,759,531</u></u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u><u>13,227,195</u></u>
<b>Other Fin. Sources/(Uses)</b>	
Transfers-In	0
Transfers-Out	<u>(5,663,496)</u>
Total Other Sources/Uses	<u><u>(5,663,496)</u></u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u><u>7,563,699</u></u>
<b>Beginning Fund Balance</b>	32,846,720
<b>Prior Year Corrections</b>	0
<b>Est. Ending Fund Balance</b>	<u><u>40,410,419</u></u>

Combined Balance Sheet - Capital Project Funds  
As of December 31, 2006

	Capital Projects Fund 401	Other Capital Funds	Capital Projects Funds
<b>Assets</b>			
Cash & temporary investments	802,186	138,746	940,932
Investments	23,689,967	5,813,983	29,503,950
Receivables (Net of allowances for uncollectibles)			
Accounts	889,562	2,925	892,487
Taxes on real and personal property	0	0	0
Due from other funds	833,000	0	833,000
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>26,214,715</u>	<u>5,955,654</u>	<u>32,170,369</u>
<b>Liabilities And Fund Balances</b>			
Liabilities			0
Accounts payable	6,029	0	6,029
Accrued liabilities	164,510	0	164,510
Due to other funds	0	77,385	77,385
Due to other governmental agencies	0	0	0
Deferred revenue	0	0	0
Total Liabilities	<u>170,539</u>	<u>77,385</u>	<u>247,924</u>
Fund balances			
Reserved		0	0
Unreserved	26,044,176	5,878,269	31,922,445
Total Fund Balances	<u>26,044,176</u>	<u>5,878,269</u>	<u>31,922,445</u>
Total Liabilities and Fund Balances	<u>26,214,715</u>	<u>5,955,654</u>	<u>32,170,369</u>

Sources and Uses of Funds - Capital Project Funds  
July 1, 2006 - December 31, 2006

	Capital Projects Fund 401	Other Capital Funds	Total All Funds
<b>Operating Revenue</b>			
Taxes	0	0	0
Licenses & Permits	0	0	0
Intergovt. Revenue	19,369	0	19,369
Charges For Serv.	0	0	0
Fines & Forfeits	0	0	0
Other Revenue	352,975	314,877	667,852
<b>Total Oper. Revenues</b>	<u>372,344</u>	<u>314,877</u>	<u>687,222</u>
<b>Operating Expenses</b>			
Personal Services	0	0	0
Supplies	149,547	0	149,547
Other Expenses	5,555,774	26,213	5,581,987
Debt Service	0	0	0
Capital	496,242	0	496,242
<b>Total Oper. Expenses</b>	<u>6,201,563</u>	<u>26,213</u>	<u>6,227,776</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>(5,829,219)</u>	<u>288,665</u>	<u>(5,540,554)</u>
<b>Other Fin. Sources/(Uses)</b>			
Transfers-In	9,455,310	7,403,789	16,859,099
Transfers-Out	0	(7,403,789)	(7,403,789)
<b>Total Other Sources/Uses</b>	<u>9,455,310</u>	<u>0</u>	<u>9,455,310</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>3,626,091</u>	<u>288,665</u>	<u>3,914,756</u>
<b>Beginning Fund Balance</b>	22,418,085	5,589,604	28,007,689
<b>Prior Year Corrections</b>	0	0	0
<b>Est. Ending Fund Balance</b>	<u>26,044,176</u>	<u>5,878,269</u>	<u>31,922,445</u>

Combined Balance Sheet - Enterprise Funds  
As of December 31, 2006

	Civic Auditorium Coliseum/KOEC Fund	Metropolitan Parking Fund	Knoxville Convention Center	Mass Transit Fund	Total All Funds
<b>Assets</b>					
Cash & temporary investments	19,590	3,415	3,612,716	1,960,665	5,596,386
Investments	4,993,538	2,488,377	1,185,375	710,206	9,377,496
Receivables (Net of allowances for uncollectibles)					
Accounts	810,124	398,001	1,554,433	3,385,466	6,148,024
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	0	796,210	796,210
Prepaid items	0	0	187,000	0	187,000
Land & Site Improvements	1,711,454	1,378,637	2,952,020	0	6,042,111
Buildings (Net of Depreciation)	2,637,346	3,958,318	129,219,026	2,762,347	138,577,037
Other Improvements (Net of Depreciation)	659,408	0	21,875,873	24,962	22,560,242
Machinery & Equipment (Net of Depreciation)	21,711	0	1,133,126	9,353,826	10,508,663
Other Assets	6,065	0	764,875	0	770,940
Restricted assets					
Temporarily restricted	0	0	0	0	0
Unused bond proceeds	0	0	0	0	0
<b>Total Assets</b>	<u>10,859,236</u>	<u>8,226,748</u>	<u>162,484,443</u>	<u>18,993,681</u>	<u>200,564,109</u>
<b>Liabilities And Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	1,161,343	816,449	152,472,052	284,669	154,734,513
Accrued liabilities	0	0	0	0	0
Due to other funds	118,170	5,035	41,510	8,307,252	8,471,967
Due to other governmental agencies	0	0	0	0	0
Deferred revenue	91,504	0	200,000	134,247	425,751
<b>Total Liabilities</b>	<u>1,371,017</u>	<u>821,484</u>	<u>152,713,562</u>	<u>8,726,168</u>	<u>163,632,231</u>
<b>Fund balances</b>					
Reserved	0	0	0	0	0
Unreserved	9,488,219	7,405,264	9,770,882	10,267,514	36,931,878
<b>Total Fund Balances</b>	<u>9,488,219</u>	<u>7,405,264</u>	<u>9,770,882</u>	<u>10,267,514</u>	<u>36,931,878</u>
<b>Total Liabilities and Fund Balances</b>	<u>10,859,236</u>	<u>8,226,748</u>	<u>162,484,443</u>	<u>18,993,681</u>	<u>200,564,109</u>

Sources and Uses of Funds - Enterprise Funds  
July 1, 2006 - December 31, 2006

	Civic Auditorium Coliseum/KCEC Fund	Metropolitan Parking Fund	Knoxville Convention Center	Mass Transit Fund	Total All Funds
<b>Operating Revenue</b>					
Taxes	0	0	2,250,658	0	2,250,658
Licenses & Permits	0	0	0	0	0
Intergovt. Revenue	0	0	133,740	920,361	1,054,101
Charges For Serv.	782,030	528,868	2,530,097	2,920,580	6,761,574
Fines & Forfeits	0	0	0	0	0
Other Revenue	93,347	47,994	25,355	44,177	210,873
<b>Total Oper. Revenues</b>	<u>875,377</u>	<u>576,862</u>	<u>4,939,850</u>	<u>3,885,118</u>	<u>10,277,207</u>
<b>Operating Expenses</b>					
Personal Services	996,378	0	0	0	996,378
Supplies	58,749	0	0	1,140,076	1,198,825
Other Expenses	361,117	190,410	6,718,329	9,414,764	16,684,620
Debt Service	0	16,296	3,241,038	0	3,257,334
Capital	0	0	0	552,740	552,740
<b>Total Oper. Expenses</b>	<u>1,416,243</u>	<u>206,706</u>	<u>9,959,367</u>	<u>11,107,580</u>	<u>22,689,897</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>(540,867)</u>	<u>370,156</u>	<u>(5,019,517)</u>	<u>(7,222,462)</u>	<u>(12,412,699)</u>
<b>Other Fin. Sources/(Uses)</b>					
Transfers-In	921,324	0	4,165,128	3,254,022	8,340,474
Transfers-Out	(3,600)	0	0	0	(3,600)
<b>Total Other Sources/Uses</b>	<u>917,724</u>	<u>0</u>	<u>4,165,128</u>	<u>3,254,022</u>	<u>8,336,874</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>376,857</u>	<u>370,156</u>	<u>(854,389)</u>	<u>(3,968,440)</u>	<u>(4,075,816)</u>
<b>Beginning Fund Balance</b>	9,111,361	7,035,108	10,625,271	14,235,954	41,007,694
<b>Prior Year Corrections</b>	0	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>9,488,219</u>	<u>7,405,264</u>	<u>9,770,882</u>	<u>10,267,514</u>	<u>36,931,878</u>

Combined Balance Sheet - Internal Service Funds  
As of December 31, 2006

	Office Services Fund	Fleet Services Fund	Risk Management Fund	Health Care Fund
<b>Assets</b>				
Cash & temporary investments	7,092	239,007	0	191,447
Investments	0	14,593,472	15,621,303	7,936,864
Receivables (Net of allowances for uncollectibles)				
Accounts	0	0	0	0
Taxes on real and personal property	0	0	0	0
Due from other funds	0	3,910,224	3,762,095	3,770,360
Due from component units	0	0	0	0
Inventory	9,262	716,311	0	12,200
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)	1,310	7,985,729	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>17,663</u>	<u>27,444,743</u>	<u>19,383,398</u>	<u>11,910,870</u>
<b>Liabilities And Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	17,726	108,412	13,767	18,453
Accrued liabilities	20,060	174,493	8,509,824	8,105
Due to other funds	24,065	4,167,705	55,183	24,030
Due to other governmental agencies	0	0	0	0
Deferred revenue	0	0	0	0
Total Liabilities	<u>61,851</u>	<u>4,450,610</u>	<u>8,578,774</u>	<u>50,587</u>
<b>Fund balances</b>				
Reserved	0	0	0	0
Unreserved	(44,188)	22,994,133	10,804,624	11,860,283
Total Fund Balances	<u>144,196</u>	<u>22,994,133</u>	<u>10,804,624</u>	<u>11,860,283</u>
Total Liabilities and Fund Balances	<u>17,663</u>	<u>27,444,743</u>	<u>19,383,398</u>	<u>11,910,870</u>

Combined Balance Sheet - Internal Service Funds  
As of December 31, 2006

	Equipment Replacement Fund	City Building Fund	Total All Funds
<b>Assets</b>			
Cash & temporary investments	573	65,059	503,178
Investments	9,092,476	570,367	47,814,482
Receivables (Net of allowances for uncollectibles)			
Accounts	0	0	0
Taxes on real and personal property	0	0	0
Due from other funds	917,050	589,645	12,949,374
Due from component units	0	0	0
Inventory	0	0	737,772
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)	4,128,555	0	12,115,593
Other Assets	0	0	0
Restricted assets			
Temporarily restricted	0	0	0
Unused bond proceeds	0	0	0
Total Assets	14,138,654	1,225,071	74,120,399
<b>Liabilities And Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	50	0	158,407
Accrued liabilities	0	0	8,712,482
Due to other funds	12,114	257,530	4,540,627
Due to other governmental agencies	0	0	0
Deferred revenue	0	0	0
Total Liabilities	12,164	257,530	13,411,516
<b>Fund balances</b>			
Reserved	0	0	0
Unreserved	14,126,490	967,541	60,708,883
Total Fund Balances	14,126,490	967,541	60,708,883
Total Liabilities and Fund Balances	14,138,654	1,225,071	74,120,399

Sources and Uses of Funds - Internal Service Funds  
July 1, 2006 - December 31, 2006

	Office Services Fund	Fleet Services Fund	Risk Management Fund	Health Care Fund
<b>Operating Revenue</b>				
Taxes	0	0	0	0
Licenses & Permits	0	0	0	0
Intergovt. Revenue	0	0	0	0
Charges For Serv.	0	5,092,027	7,532,790	9,173,238
Fines & Forfeits	0	0	0	0
Other Revenue	213	12,090	243,325	150,177
<b>Total Oper. Revenues</b>	<u>213</u>	<u>5,104,117</u>	<u>7,776,115</u>	<u>9,323,414</u>
<b>Operating Expenses</b>				
Personal Services	52,734	1,058,449	164,443	79,661
Supplies	1,126	1,850,359	2,485	4,228
Other Expenses	42,492	2,167,184	2,619,990	4,565,380
Debt Service	0	0	0	0
Capital	0	0	0	0
<b>Total Oper. Expenses</b>	<u>96,352</u>	<u>5,075,992</u>	<u>2,786,918</u>	<u>4,649,269</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>(96,139)</u>	<u>28,124</u>	<u>4,989,198</u>	<u>4,674,145</u>
<b>Other Fin. Sources/(Uses)</b>				
Transfers-In	0	0	339,768	462,084
Transfers-Out	0	0	0	0
<b>Total Other Sources/Uses</b>	<u>0</u>	<u>0</u>	<u>339,768</u>	<u>462,084</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>(96,139)</u>	<u>28,124</u>	<u>5,328,966</u>	<u>5,136,229</u>
<b>Beginning Fund Balance</b>	51,952	22,966,009	5,475,658	6,724,054
<b>Prior Year Corrections</b>	0	0	0	0
<b>Est. Ending Fund Balance</b>	<u>(34,186)</u>	<u>22,994,133</u>	<u>10,804,624</u>	<u>11,860,283</u>

Sources and Uses of Funds - Internal Service Funds  
July 1, 2006 - December 31, 2006

	Equipment Replacement Fund	City Building Fund	Total All Funds
<b>Operating Revenue</b>			
Taxes	0	0	0
Licenses & Permits	0	0	0
Intergovt. Revenue	0	0	0
Charges For Serv.	1,834,100	1,339,387	24,971,542
Fines & Forfeits	0	0	0
Other Revenue	227,380	35,597	668,781
<b>Total Oper. Revenues</b>	<u>2,061,480</u>	<u>1,374,984</u>	<u>25,640,323</u>
<b>Operating Expenses</b>			
Personal Services	0	0	1,355,287
Supplies	0	3,053	1,861,251
Other Expenses	754,885	1,065,891	11,215,822
Debt Service	0	0	0
Capital	0	0	0
<b>Total Oper. Expenses</b>	<u>754,885</u>	<u>1,068,944</u>	<u>14,432,360</u>
<b>Excess/Deficiency Revenues Over (Under) Expenses</b>	<u>1,306,595</u>	<u>306,040</u>	<u>11,207,963</u>
<b>Other Fin. Sources/(Uses)</b>			
Transfers-In	11,638	0	813,490
Transfers-Out	0	0	0
<b>Total Other Sources/Uses</b>	<u>11,638</u>	<u>0</u>	<u>813,490</u>
<b>Revenues &amp; Sources Over (Under) Expenses &amp; Uses</b>	<u>1,318,233</u>	<u>306,040</u>	<u>12,021,452</u>
<b>Beginning Fund Balance</b>	12,808,257	661,501	48,687,431
<b>Prior Year Corrections</b>	0	0	0
<b>Est. Ending Fund Balance</b>	<u>14,126,490</u>	<u>967,541</u>	<u>60,708,883</u>

Investments at Month End  
December 2006

Maturity Date	Investment Description	Investment Amount	Yield	Market Value
01/01/2007	LGIP	114,729,537.85	5.270%	114,729,537.85
01/05/2007	General Electric Commercial Paper	974,783.33	5.542%	974,783.00
01/08/2007	Lockhart Funding Commercial Paper	491,598.61	5.424%	491,598.50
01/10/2007	FHLB	499,250.00	3.531%	499,845.00
01/12/2007	FHLB	246,922.50	3.742%	249,845.00
01/19/2007	FNMA	493,906.25	3.884%	499,530.00
01/22/2007	Lockhart Funding Commercial Paper	987,996.11	5.408%	987,996.00
01/26/2007	Lockhart Funding Commercial Paper	493,558.89	5.413%	493,650.00
01/28/2007	FHLB	1,000,000.00	5.450%	1,000,310.00
01/29/2007	FHLB	1,000,000.00	5.300%	1,000,000.00
02/02/2007	FHLB	500,000.00	3.500%	499,375.00
02/05/2007	FHLB	500,000.00	4.030%	499,530.00
02/09/2007	FHLB	500,000.00	5.000%	499,690.00
02/12/2007	Lockhart Funding Commercial Paper	984,658.33	5.416%	985,010.00
02/15/2007	FFCB	997,098.00	5.399%	998,130.00
02/16/2007	FHLMC	149,250.00	5.274%	149,793.00
02/16/2007	FHLB	991,870.00	5.329%	996,880.00
02/23/2007	FNMA	495,000.00	3.490%	498,440.00
02/26/2007	FHLB	1,192,080.00	5.310%	1,196,628.00
02/28/2007	FHLB	500,000.00	5.500%	500,155.00
03/05/2007	FHLB	499,455.00	5.000%	499,845.00
03/08/2007	FHLB	998,281.25	5.310%	999,380.00
03/09/2007	Lockhart Funding Commercial Paper	491,833.33	5.411%	491,833.50
03/12/2007	Lockhart Funding Commercial Paper	491,614.58	5.414%	491,614.50
03/16/2007	FHLMC	986,270.00	5.318%	995,600.00
03/19/2007	Lockhart Funding Commercial Paper	491,121.11	5.409%	491,121.00
03/23/2007	FHLMC	134,352.76	5.260%	134,582.85
03/30/2007	FHLB	991,750.00	5.365%	997,190.00
04/02/2007	FHLB	991,300.00	5.288%	992,500.00
04/13/2007	FHLB	687,015.00	5.376%	694,967.00
04/15/2007	FNMA	749,730.00	5.295%	750,232.50
04/20/2007	Lockhart Funding Commercial Paper	491,791.81	5.391%	491,792.00
04/27/2007	Suntrust Bank Certificate of Deposit	500,000.00	5.000%	500,000.00
04/30/2007	FHLB	2,000,000.00	5.200%	2,000,000.00
05/01/2007	Knox County, Tenn. Taxable G. O. Bonds	105,000.00	4.030%	104,521.20
05/01/2007	Tennessee State School Bond Authority	2,324,346.00	5.150%	2,292,494.40
05/07/2007	Lockhart Funding Commercial Paper	735,862.50	5.394%	735,862.50
06/01/2007	Blount County PBA Taxable Bonds	140,000.00	5.550%	140,102.20
06/04/2007	FHLB	381,513.60	5.400%	385,858.20
06/06/2007	FNMA	300,000.00	4.009%	298,593.00
06/15/2007	FHLB	500,000.00	5.150%	499,845.00
06/11/2007	Lockhart Funding Commercial Paper	732,125.00	5.401%	732,125.25
06/18/2007	FNMA	976,560.00	5.308%	987,810.00
06/22/2007	FHLB	540,547.35	5.280%	541,937.10
06/28/2007	FHLB	296,937.00	5.037%	298,407.00
07/30/2007	FHLB	987,900.00	5.270%	988,440.00
08/06/2007	FFCB	980,200.00	5.249%	987,500.00
08/10/2007	FFCB	499,525.47	4.250%	496,875.00
08/13/2007	FHLMC	978,690.00	5.269%	986,510.00
08/24/2007	FHLB	500,000.00	5.150%	499,375.00
08/27/2007	FFCB	1,012,450.00	5.136%	1,007,570.00
09/14/2007	FHLMC	244,910.00	5.296%	246,680.00
09/21/2007	FHLB	500,000.00	5.000%	499,065.00
09/24/2007	FFCB	980,937.50	5.250%	987,190.00
09/28/2007	FHLB	494,430.00	5.220%	495,502.32
09/28/2007	FHLB	272,126.25	5.178%	272,716.43
10/15/2007	FHLMC	986,300.00	5.235%	986,680.00
10/19/2007	FHLMC	249,218.75	5.220%	249,227.50
10/29/2007	FFCB	490,565.00	5.214%	492,190.00
11/01/2007	FNMA	1,426,263.50	5.220%	1,430,976.00
11/15/2007	FHLB	500,000.00	5.350%	499,845.00
11/26/2007	FFCB	490,380.00	5.135%	492,500.00
12/10/2007	FHLB	679,448.00	5.176%	682,066.00
12/17/2007	FHLB	553,462.70	5.249%	553,875.15
12/24/2007	FHLB	97,625.00	5.231%	97,969.00
12/28/2007	FHLMC	500,000.00	5.000%	498,235.00

Investments at Month End  
December 2006

Maturity Date	Investment Description	Investment Amount	Yield	Market Value
01/11/2008	FHLB	1,076,968.75	5.312%	1,083,841.00
01/25/2008	FHLB	500,000.00	5.700%	500,155.00
01/28/2008	FHLB	979,687.50	5.175%	981,560.00
02/15/2008	FHLB	730,770.00	5.196%	735,000.00
03/01/2008	Tennessee State School Bond Authority	138,181.40	5.100%	138,051.20
03/03/2008	FHLMC	982,180.00	5.130%	985,350.00
03/14/2008	FHLMC	749,235.00	5.173%	748,845.00
03/17/2008	FHLMC	968,410.00	5.190%	975,710.00
03/28/2008	FHLMC	492,065.00	5.150%	492,865.59
03/28/2008	FHLMC	738,720.00	5.109%	739,921.91
04/07/2008	FHLB	494,754.59	5.000%	495,625.00
05/01/2008	Bolivar TN Energy Authority Electric	165,000.00	5.250%	164,945.55
05/12/2008	FNMA	136,778.60	5.159%	137,506.60
06/01/2008	Stount County PBA Taxable Bonds	340,000.00	5.550%	341,258.00
06/13/2008	FHLB	636,857.00	5.196%	640,048.50
06/27/2008	FHLB	500,000.00	5.500%	500,315.00
07/14/2008	FHLB	264,051.56	5.235%	265,612.50
07/18/2008	FHLB	112,757.50	5.200%	113,131.25
07/28/2008	FHLB	481,675.00	5.051%	484,530.00
07/28/2008	FHLB	180,257.40	5.301%	180,113.40
08/15/2008	FHLB	500,000.00	5.320%	499,065.00
08/28/2008	FHLB	500,000.00	5.120%	498,440.00
10/03/2008	FNMA	500,000.00	5.150%	748,125.00
11/14/2008	FHLB	750,000.00		
	Total	171,107,697.64		171,199,943.45

Changes to the Budget Ordinance  
FY 06-07

Fund/Organ Number		Adopted FY 06-07 Budget 0-120-06	Ordinance 0-1-07	Cumulative Changes To Date	Amended FY 06-07 Budget
5100	Local Taxes	130,655,180	0	0.00	130,655,180.00
5200	Licenses and Permits	297,870	0	0.00	297,870.00
5300	Intergovernmental Revenue	18,936,560	0	0.00	18,936,560.00
5400	Charges for Services	960,850	0	0.00	960,850.00
5500	Fines and Forfeits	316,800	0	0.00	316,800.00
5600	Other Revenues	827,390	1,000,000	1,000,000.00	1,827,390.00
5900	Transfers In	3,250,250	0	0.00	3,250,250.00
	<b>Total General Fund Revenues</b>	<u>155,244,900</u>	<u>1,000,000</u>	<u>1,000,000.00</u>	<u>156,244,900.00</u>
10000	Administration	2,169,830	0	0.00	2,169,830.00
20000	Finance and Accountability	6,558,950	0	0.00	6,558,950.00
30000	Operations and Engineering	5,325,990	0	0.00	5,325,990.00
40000	Community and Neighborhood Services	26,056,940	0	0.00	26,056,940.00
50000	Law	1,582,860	0	0.00	1,582,860.00
60000	Police	41,109,800	0	0.00	41,109,800.00
70000	Fire	28,032,920	0	0.00	28,032,920.00
81500	Legislative	861,660	0	0.00	861,660.00
81700	Civil Service	945,800	0	0.00	945,800.00
91900	City Elections	40,000	0	0.00	40,000.00
93900	Knoxville Partnership	540,000	0	0.00	540,000.00
95100	Metropolitan Planning Commission	713,430	0	0.00	713,430.00
95200	Knoxville Zoo	863,420	0	0.00	863,420.00
95300	Community Agency Grants	1,870,400	0	0.00	1,870,400.00
95600	Waterfront	372,920	0	0.00	372,920.00
95900	Community Action Committee	444,550	0	0.00	444,550.00
98100	Reserve	1,952,410	0	0.00	1,952,410.00
99100	Transfers	35,803,020	1,000,000	1,000,000.00	36,803,020.00
	<b>Total General Fund Expenditures</b>	<u>155,244,900</u>	<u>1,000,000</u>	<u>1,000,000.00</u>	<u>156,244,900.00</u>
201	State Street Aid	4,915,000	0	0.00	4,915,000.00
202	Community Improvement	90,000	0	0.00	90,000.00
209	Abandoned Vehicles	587,850	0	0.00	587,850.00
211	Animal Control Fund	0	0	0.00	0.00
213	City Court	3,950,480	0	0.00	3,950,480.00
216	City Inspections	2,100,300	0	0.00	2,100,300.00
220	Stormwater	1,984,100	0	0.00	1,984,100.00
230	Solid Waste	10,000,340	0	0.00	10,000,340.00
240	Miscellaneous Special Revenue	1,839,350	1,000,000	1,000,000.00	2,839,350.00
250	Senior Aides	478,020	0	0.00	478,020.00
264	Home Grants	1,673,210	0	0.00	1,673,210.00
269	Emergency Shelter Grants	82,230	0	0.00	82,230.00
270	Empowerment Zone	0	0	0.00	0.00
290	Community Development Block Grant	2,269,750	0	0.00	2,269,750.00
305	Debt Services	24,735,780	0	0.00	24,735,780.00
401	Capital Projects	26,633,300	0	0.00	26,633,300.00
503	Public Assembly Facilities	3,837,550	0	0.00	3,837,550.00
504	Metro Parking	1,025,840	0	0.00	1,025,840.00
506	Convention Center	21,374,630	0	0.00	21,374,630.00
507	Mass Transportation	16,310,950	0	0.00	16,310,950.00
701	Office Services	211,630	0	0.00	211,630.00
702	Fleet Services	10,719,370	0	0.00	10,719,370.00
704	Risk Management	8,248,420	0	0.00	8,248,420.00
705	Health Care	12,151,160	0	0.00	12,151,160.00
706	Equipment Replacement	1,828,300	0	0.00	1,828,300.00
707	City Building	1,546,190	0	0.00	1,546,190.00
	<b>Grand Total</b>	<u>313,838,650</u>	<u>2,000,000</u>	<u>2,000,000.00</u>	<u>315,838,650.00</u>

Changes to the Budget Ordinance  
FY 06-07

Fund/Organ Number	Capital Projects	Adopted FY 06-07 Budget O-120-06	Ordinance O-1-07	Cumulative Changes To Date	Amended FY 06-07 Budget
071101	State Street Improvements Grant	2,000,000	0	0.00	2,000,000.00
071102	500 Block Buildings	500,000	0	0.00	500,000.00
071103	Downtown Improvements Fund	50,000	0	0.00	50,000.00
071104	Downtown Streetscapes	100,000	0	0.00	100,000.00
021101	ADA Curb Cuts	250,000	0	0.00	250,000.00
033002	Sidewalk Safety Program	200,000	0	0.00	200,000.00
033102	SAFETEA-LU (TEA-21) Roadway Imp. Match	1,300,000	0	0.00	1,300,000.00
053303	Citywide Traffic Calming Devices	100,000	0	0.00	100,000.00
063305	First Creek Improvements - Phase II Lower End	1,000,000	0	0.00	1,000,000.00
063307	Citywide New Sidewalk Construction	200,000	0	0.00	200,000.00
073301	South Knoxville Waterfront Project	1,000,000	0	0.00	1,000,000.00
073302	South Knoxville Transportation Imprmnts.	1,485,500	0	0.00	1,485,500.00
073303	Valley View Realignment Project	300,000	0	0.00	300,000.00
073304	Development Permit Tracking System	325,000	0	0.00	325,000.00
073305	Replacement of Jackson Avenue Ramps	480,000	0	0.00	480,000.00
073306	S. Gay Street Sidewalk Improvements (100 Block)	500,000	0	0.00	500,000.00
073307	I-275 Business Park Access Improvements	1,240,000	0	0.00	1,240,000.00
073308	Lower Second Creek Greenway (Security Camera)	50,000	0	0.00	50,000.00
073309	Cross Park Drive Drainage	800,000	0	0.00	800,000.00
073310	Emily Avenue Sinkhole Reclamation	112,750	0	0.00	112,750.00
073311	Third Creek Restoration Grant	1,100,000	0	0.00	1,100,000.00
073501	Car Wash Machine	95,000	0	0.00	95,000.00
233001	Bridge Maintenance	650,000	0	0.00	650,000.00
532001	Citywide Resurfacing Program	4,200,000	0	0.00	4,200,000.00
633005	Neighborhood Drainage Improvements	250,000	0	0.00	250,000.00
733006	Traffic Signals	255,000	0	0.00	255,000.00
063101	Roof and HVAC Maintenance	200,000	0	0.00	200,000.00
064303	Tennis Court and Ballfield Improvements	150,000	0	0.00	150,000.00
073101	Loraine Street Public Works Complex Imprvmnts.	100,000	0	0.00	100,000.00
073102	Recycling Center Improvements	125,000	0	0.00	125,000.00
073103	Fort Sanders - CBID Trashcan Replacement	25,000	0	0.00	25,000.00
073701	Chronic Problem Properties	200,000	0	0.00	200,000.00
073702	Façade Improvement Program	100,000	0	0.00	100,000.00
073703	Facility Access Improvement	200,000	0	0.00	200,000.00
063704	Sidewalk Improvements within Parental Responsibility Zones	200,000	0	0.00	200,000.00
074301	Knox-Blount Greenway	75,000	0	0.00	75,000.00
074302	Restrooms for Ballparks	150,000	0	0.00	150,000.00
074303	West Hills Tennis Facility Upgrade	25,000	0	0.00	25,000.00
074304	Greenway Improvements	50,000	0	0.00	50,000.00
074305	Golf Course Improvements	200,000	0	0.00	200,000.00
074306	Arts and Crafts Center Renovation	25,000	0	0.00	25,000.00
075901	Ross Building HVAC Project	203,000	0	0.00	203,000.00
076601	Downtown Transit Center	4,373,650	0	0.00	4,373,650.00
072301	Computerized Parking Enforcement	46,200	0	0.00	46,200.00
072501	Fire Station #14 (Central Avenue Pike)	75,000	0	0.00	75,000.00
072502	Fire Station #11 (2600 Whittle Springs Road)	250,000	0	0.00	250,000.00
075721	Lighting/Sound Upgrade for Auditorium	85,000	0	0.00	85,000.00
075722	Valve and Pump Replacement for Coliseum	110,000	0	0.00	110,000.00
075723	Portable Staging/Barricade for Coliseum	170,000	0	0.00	170,000.00
075741	Water Line Replacement at Chihowee Park	46,000	0	0.00	46,000.00
075751	Convention Center Equipment	42,200	0	0.00	42,200.00
075752	Facility Improvements	27,500	0	0.00	27,500.00
075753	KCEC Redecoration	86,500	0	0.00	86,500.00
075201	Knoxville Zoo	750,000	0	0.00	750,000.00
Total - Capital Projects		<u>26,633,300</u>	<u>0</u>	<u>0.00</u>	<u>26,633,300.00</u>