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To: Commissioners <Commissioners@collegedaletn.gov>
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Subject: Finances, Taxes, and Immediate Issues

Greetings Mayor and Board of Commissioners,

As I mentioned earlier, and being able to, I have returned abruptly from vacation to properly handle and address, various issues which have come to light requiring or needing my attention, management and leadership. I am on the job, at the wheel of the ship of State...and always have been.

I also need to share with you some very important information, and some of my plans, suggestions, and other thoughts regarding the recent string of events that have taken place; allow me please to visit these items.

Tax Increase

Our Administration and the Board of Commissioners carefully analyzed the funding needs of the City and in the conduct and complete spirit of openness, recommended and agreed to the current tax levels and they were then most properly put into place.

Together, we took the approach that we will not raise taxes until we have to; if we do a big increase, some folks will not approve, if we do several small ones, some folks will not approve. So no matter what we do, we will not ever have a certain level of support.

Far and away, people will not vote to tax themselves, they want you to do it so they can then blame you for it.

Together, we have pulled the City "out of the ditch" it was in; and in less than a decade, during the ARRA fund days, with no cash, restructuring debt levels and totally overhauling the cashflow, implementing studies

and fair pay structures, and acquiring capital equipment and replacing infrastructure, during the Great Recession, and oh my what else and so much more can we add to that!? Remember the little dust up between Chattanooga and Hamilton County over sales taxes, which caused us to make a sentinel decision which has enormously paid off; save the Library!!!

Now I return and find we may be considering lowering the tax increase and even a suggestion we need to apologize for raising these taxes under the "veil of secrecy," "cloak and dagger tactics," and we should have called the "stakeholders" and who knows what else. Which stakeholders, big ones or little ones, big businesses or small ones, big homeowners or those who live in small ones or renters, married or unmarried, single folks or large families, race, gender? I don't understand; for we represent and manage for all of these stakeholders to the best of our ability, elected or appointed. Or is it the ones who scream the loudest, perhaps that is it. You have done an outstanding job and I am proud of my bosses. Stand your ground please. Your actions are correct, ethical and appropriate and in the best interest of this City.

Time and time again, we all sit in open meetings for Commission, workshop, planning Commission, and special called meetings, all properly advertised, in full view of the public; and the public doesn't show. For no less than five years, I have repeatedly stated both publicly and privately, this will be the year we will need to raise taxes. Lots of folks lined up for their piece of the pie as well.

Typically, two things happen when we hear from the public: don't charge me and you need to make someone else pay for "it" and "don't build something too close to me" or "not in my back yard." In other words, do what you need to do but don't bother or affect me please! I get it, we all have busy lives, are buried in our smart phones, and are dealing with our own personal agendas.

My dear Bosses, you have nothing to apologize for, you have done your job skillfully and properly. I ask most sincerely that you leave the budget and tax increase as it is; because we needed it and still do. This move was not a short term consideration but a long term strategic decision. Let's please keep it that way. You owe no one an apology. Well done and thank you for your service.

Finally on this topic, I offer a consideration for you in our previously agreed upon strategy; keep our current budget and rate, and perhaps we could look at not maintaining the rate in the next two years during that assessment; and then in six years during that reassessment, restore back the rate to where it was this year. This would be most effective and still accomplish our goals.

Hall Tax

We know the Hall Tax is going away. We have worked hard to position ourselves to somehow absorb this loss. In doing so, we have for several years now, used any Hall Tax money received for infrastructure projects as we have all been given reports of the enormous costs of these things.

I am happy to report this year we have just received \$456,871. This is wonderful. The problem is this is short term, one time money and does not fit in the least bit into our overall funding plans or financial strategies. The good news is that it will help us cover the costs of the projects we are currently doing that were not budgeted, and cost overruns like the intersection improvements, and out of control engineering costs we have been faced with. We plan to use these funds for cashflow and cover these needs the same as we as we have in the past.

I am still amazed and dumbfounded the State has done away with this funding stream. For a broader picture of what I am talking about; just as our City alone, we receive 3/8 or 37.5 % of the Hall Tax collected. That means the State collected \$1,218,322 from Collegedale and kept \$761,451 and gave us the rest. So they are losing that much from just our City! So how will the State make up for this lost revenue for them?

They have not said...film at eleven. Get ready for that one and for when we have a down economy. I predict it will not be pretty. Down economies always come...the question becomes this; is someone or something properly positioned for such? We are and such is part of our analysis as best we can.

Current Situation

I want to encourage all of you that the Ship of State is doing just fine; despite the allegations before us. Thank you so much for all you are doing as a Mayor and Board of Commissioners. Even in my attempt to take a vacation, I was in constant communication with my staff as they needed me, helping them with whatever curve ball, negativity, accusatory gossip, or rumor they were hit with. I am less than impressed with the agendas that were exposed in my absence. I assure you just in case you may doubt it, I am on the job and at the wheel. None of us, including you as my Bosses are asleep at the switch!

Many attacks came and completely false charges have been levied by citizens, and others.

I wonder at what point free speech becomes liable and downright slander? Attempts to destroy the good name of people by such mean spirited comments, and in front of folks who have come to see the show this week! Indeed, I am personally looking into that on behalf of me and my staff. And where is the proof of such horrible and untrue allegations? For so many years now, we have together, Commission and Management, operated this City with a credible, ethical, and firm hand of very effective leadership and management.

The circus is not welcome or needed. Good government and finances should be boring...drama accomplishes nothing except perhaps to further individual agendas. We are better than this, we are all well trained and highly educated professionals.

I am aware of one scenario in our great land where one is guilty first and then must prove his or her innocence. If the IRS sends you a notice you owe them money; then you are guilty and must pay it unless you prove to them you do not owe them money. That surely gets interesting.

Everybody else is given the benefit of the doubt, or supposed to be. We all have a duty to put the City first, have said fiduciary responsibility, and a set of ethical criteria we must follow.

We are together, the leadership and management of this City, duly elected and duly appointed; we are not the friends of the City staff; I am your employee and they are mine, the City Charter clearly says so.

We have an enormous duty to properly lead and manage by example all these people, processes, and many situations that always come our way. Surely by now, we have all learned that whatever we do, somebody is not going to like it, there will always be a group of naysayers, those mean spirited and critical of the decisions we make. I take comport in knowing this: I wonder what they would do if they occupied the chairs we all sit in? Would they be able to face the criticism and meanness and pressure from "being in the chair?" I am doubtful many others could or would want to do it...our jobs.

I am grateful for you and encourage all of you to keep up the good work. Our jobs are not easy. I am however actively looking for the arsonist(s) who have matches and gas cans running around the City desiring to light fires. ☺

You all know, I am a former Fire Chief and am quite skilled at fighting fires, looking for and reading smoke, if there actually really is any, responding to and performing rescues; in short massive crisis management and

response on the local and federal levels. I have had an entire career doing that; I am applying those skills and hope you are proud of me for doing so! I need your help though...so please help me be the solution.

As always and with much gratitude for your continued support of and faith in me, I continue to remain in your service,

Ted Rogers

City Manager