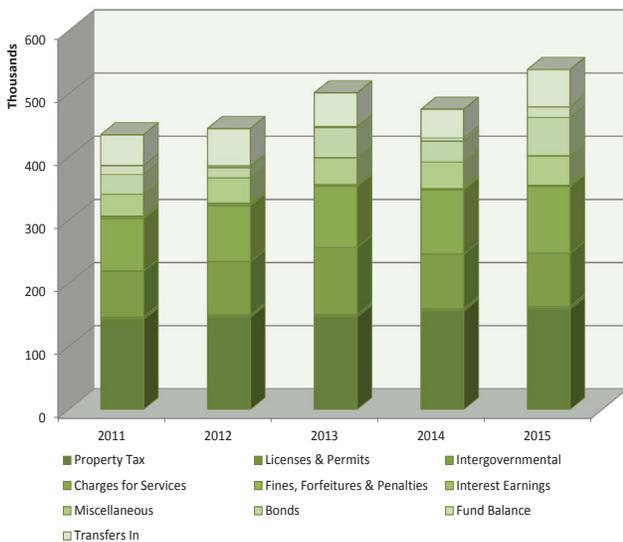


Financial Overview

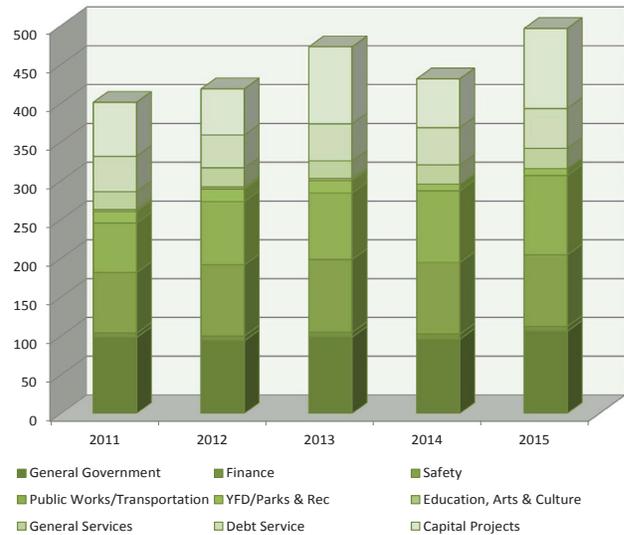
Revenue and Expenditure History

Total City revenues and operating transfers in for the fiscal year ended June 30, 2011 were \$435,470,067. Total projected City revenue for the fiscal year ended June 30, 2015 is \$538,546,284 an increase of \$103,076,217 or 23.7% over this five year period. Increases include water quality fee increases, capital, sewer rate increases, cost of operations largely due to market conditions and the economy, and the assumption of management of the City's share of sales tax. During this period the Undesignated General Fund Budget increased from \$185,188,000, an increase of \$31,662,000 or 17.1%. Also below are comparisons of total revenues and expenditures.

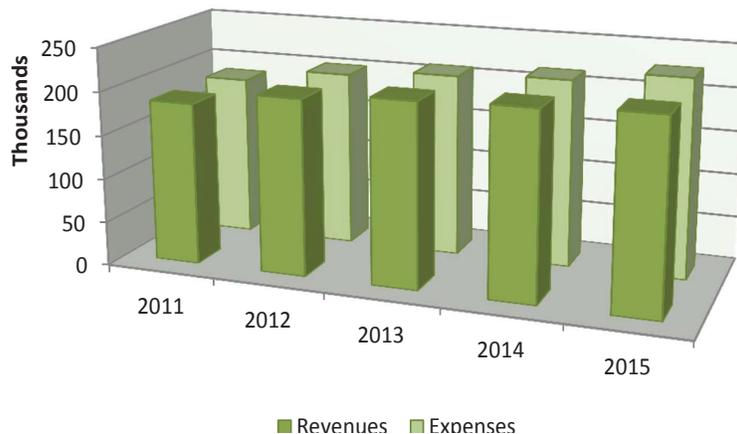
**Budgeted Revenues
(in 1,000)**



**Budgeted Expenditures
(in 1,000)**



Undesignated General Fund



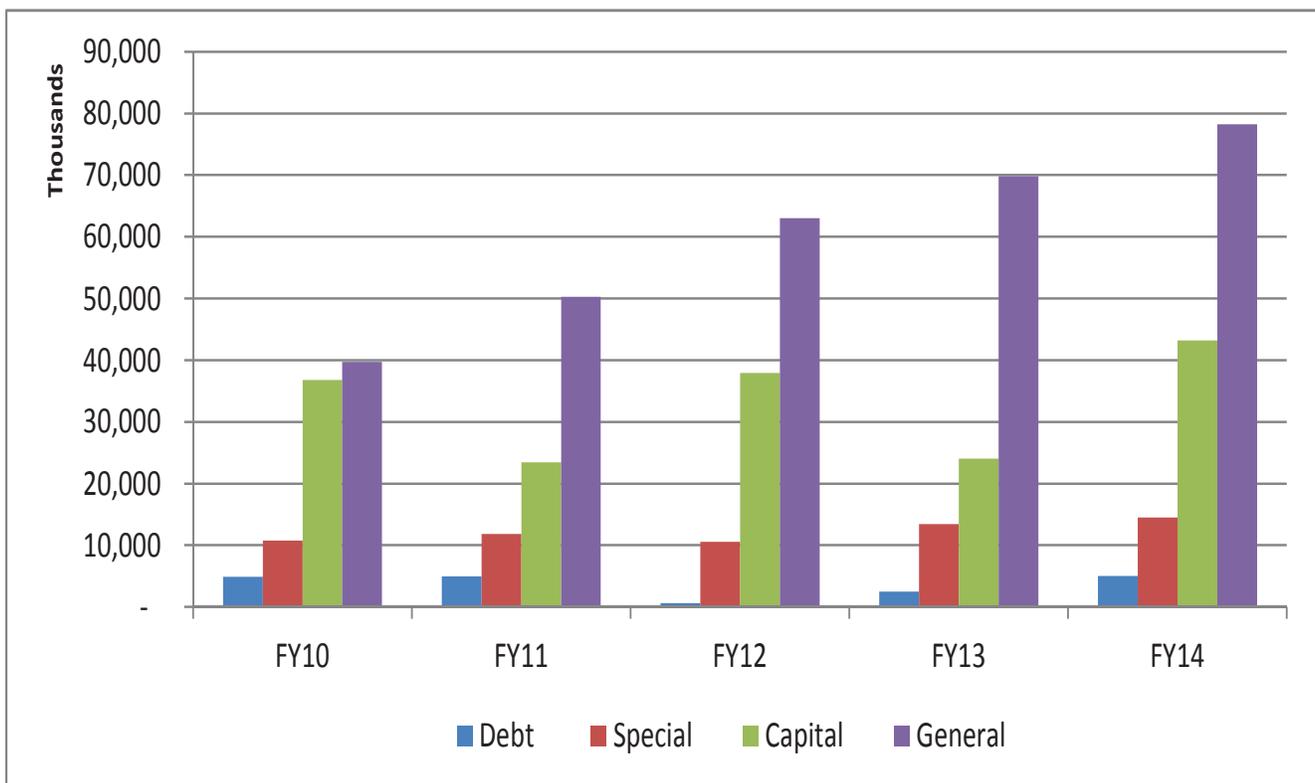
**BUDGETED Sources & Uses of Funds
BY FUND TYPE
Fiscal Year Ending June 30, 2015**

Sources	Governmental Fund Types				Internal Service Funds	Budget Total Revenue 2015	Budget Total Revenue 2014	Actual Total Revenue 2013
	Undesignated General	Special Revenue	Debt Service	Capital Projects				
Taxes	142,858,560	16,598,900	-	-	-	159,457,460	156,239,300	156,038,476
Licenses & Permits	3,684,840	-	-	-	-	3,684,840	3,595,300	3,822,008
Intergovernmental	60,532,900	20,049,268	456,877	3,308,908	-	84,432,953	86,559,888	109,916,847
Charges for services	2,965,000	3,198,292	-	-	15,213,694	105,522,494	101,513,650	102,873,136
Fines, forfeitures and penalties	874,700	592,000	-	-	-	1,466,700	1,198,600	1,378,719
Interest earnings/Use of Property	676,000	-	-	-	-	776,000	1,031,700	1,183,376
Miscellaneous	5,258,000	590,120	124,305	-	40,085,838	46,215,693	41,982,181	44,272,609
Bonds	-	-	-	8,363,507	-	60,863,507	33,014,245	47,637,469
Fund Balance	10,011,055	3,221,043	-	-	3,672,950	16,905,048	5,122,929	2,000,000
Transfers In	-	1,165,000	24,253,534	24,391,055	1,000,000	59,221,589	45,308,447	46,597,645
Total Revenues	226,861,055	45,414,623	24,834,716	36,063,470	59,972,482	538,546,284	475,566,240	515,720,285
Uses								
General Government	26,603,216	27,572,303	-	-	-	55,175,519	55,138,832	54,044,543
Finance & Administration	5,570,094	612,000	-	-	1,000,000	6,182,094	6,473,723	5,578,503
Safety	91,609,657	762,000	-	-	-	92,371,657	92,811,343	90,394,140
Public Works	27,697,148	4,400,000	-	-	59,331,294	91,428,442	88,149,537	113,372,289
Parks & Recreation	-	-	-	-	-	-	-	13,916,066
Youth & Family Development	9,082,215	-	-	-	-	9,082,215	8,286,738	-
Human Resources	1,879,597	-	-	-	40,085,838	41,965,435	38,363,472	35,694,759
Neighborhood Services	-	-	-	-	-	-	-	2,161,883
Economic & Community Dev	7,220,567	-	-	-	-	7,220,567	6,003,527	-
Executive Branch	1,619,843	-	-	-	-	1,619,843	1,624,902	1,746,952
Education, Arts, & Culture	-	-	-	-	-	-	-	2,554,985
General Services	5,261,093	1,800,890	-	-	18,886,644	25,948,627	25,114,301	25,466,582
Transportation	10,695,007	-	-	-	-	10,695,007	7,010,261	-
Debt Service	-	4,492,430	24,834,716	-	-	51,580,249	48,076,714	36,589,723
Capital Projects	-	5,550,000	-	36,063,470	-	103,025,470	62,780,462	98,351,461
Transfers Out	39,622,618	225,000	-	-	2,403,541	42,251,159	35,732,428	28,489,611
Total Appropriations	226,861,055	45,414,623	24,834,716	36,063,470	59,972,482	538,546,284	475,566,240	508,361,497

Fund Balance/Net Asset Summary

During the past five years the City of Chattanooga has seen a total net increase in its Governmental Fund Balances of \$48.8 million or 53%. This is due to the increase in the fund balance for the Capital Fund of \$6.4 million or 17% and increase in General Fund of \$38.5 million or 97%. Special Revenue Funds and Debt Service Fund balances have increased \$3.7 million or 3% and \$150 thousand or 34% respectively during this period.

Changes in Fund Balance Governmental Funds Includes Designated Funds



Governmental Fund Balances

	FY10	FY11	FY12	FY13	FY14 unaudited
Debt Service Fund	\$ 4,870,365	\$ 4,954,374	\$ 652,700	\$ 2,476,637	\$ 5,020,753
Special Revenue Funds	\$ 10,791,021	\$ 11,839,913	\$ 10,561,193	\$ 13,458,354	\$ 14,502,947
Capital Funds	\$ 36,787,650	\$ 23,431,548	\$ 37,958,070	\$ 24,038,313	\$ 43,202,659
General Fund	\$ 39,746,939	\$ 50,280,129	\$ 63,003,393	\$ 69,845,600	\$ 78,258,121
Totals	\$ 92,195,975	\$ 90,505,964	\$ 112,175,356	\$ 109,818,904	\$ 140,984,480

Fund Balance/Net Asset Summary

The General Fund Balance was \$39,746,939 in FY10. This has risen to a current unaudited balance of \$78,558,020 for FY14. The increase is primarily due to conservative budgeting resulting in positive variances in expenditures largely because of funded vacancies. In FY12 Library was recategorized from Special Revenue to General Fund. The City began collecting 100% of its share of the local option sales tax in 2012 after the expiration of the sales tax agreement.

The Special Revenue Fund Balance increased from a balance of \$10,791,021 in FY10 to a FY14 unaudited balance of \$14,502,948. The City earmarks .25 percent of its share of the local option sales tax for economic development. These funds are dedicated to supported capital and the payments for the retirement of the Lease Rental Revenue Bonds. There is a \$1.8 million increase in FY10 because Regional Planning Agency, Air Pollution Control Bureau, and Scenic Cities Beautiful funds were recategorized as Special Revenue Funds. In FY11 Tennessee Valley Regional Communications was recategorized as a Special Revenue Fund.

Debt Service Fund Balance was \$4,870,365 in FY10, increasing to \$5,020,752 by the end of FY14. In FY10, \$5 million debt service fund balance was used to fund debt service thus allowing General Fund to fund pay go capital. In 2012, there was a \$4 million planned use of debt service fund balance.

The Capital Fund Balance has fluctuated most during the past few years. This is primarily because the city recorded \$26.5 million bond proceeds in FY12. Since FY10, the balance has increased from \$36,787,650 to an unaudited \$43,202,659 at the beginning of FY15.

The growth of the Net Assets within the Enterprise Funds (excluding the Electric Power Board) has been most dramatic. Net Assets of \$287,654,668 in FY10 have increased to a FY14 unaudited balance of \$324,604,541. For more than fifteen years, the City has been subject to federal mandates relative to water quality and landfill operations which necessitated the imposition of a water quality fee and increased landfill rates to fund such mandates. In FY11, 5% increase was applied to sewer

rates. In FY 14, the average increase was 9.8%. The Water Quality fee had remained constant at \$24.00 for two (2) or less residential units on a lot of 10,000 square feet or less since 1993. Due to increased Federal and State requirements for the current NPDES Permit, the Water Quality fee has been adjusted to \$115.20 per ERU (equivalent residential unit). One ERU is equal to 3,200 square feet of impervious area of residential property.

The Internal Service Fund Balance was \$17,272,623 in FY10. At the beginning of FY15, this fund is projected to have an unaudited Fund Balance of \$36,939,215. There is \$9.6 million for the purchase of Fleet Leasing vehicles. This fund is not intended to generate profits. Internal Service fund also includes Health & Wellness Fund which includes On Site Pharmacy, On Site Clinic & Wellness and employee healthcare. Balance includes \$10.1 million in reserves to pay medical claims.

The chart on the previous page plots the year-to-year changes in Fund Balances for the governmental fund types in the City of Chattanooga. The subsequent Fund Balance schedules are inclusive of all reported funds found in and outside of the budget ordinance, while the departmental sections present only funds which are accounted for in the budget ordinance.

City of Chattanooga, Tennessee

General Fund

Includes Designated General Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on Budgetary Basis
Years Ended June 30, 2012 - 2015

	2012	(1)	2013	Unaudited 2014	Budget 2015
FUND BALANCE at beginning of year	<u>50,280,129</u>		<u>63,003,392</u>	<u>69,845,600</u>	<u>78,258,121</u>
Revenues					
Taxes	130,221,929		139,684,383	142,254,096	142,858,560
Licenses and permits	5,184,028		5,300,519	5,799,027	3,684,840
Intergovernmental Revenues	75,902,885		79,709,572	75,203,146	72,888,711
Charges for Services	5,347,148		5,837,249	5,614,849	6,566,390
Fines, forfeitures and penalties	2,105,600		1,378,816	2,017,340	1,601,700
Interest Income	777,377		607,357	601,903	572,000
Sale of Property	177,829		128,021	625,239	104,000
Contributions and donations	221,687		539,553	208,622	-
Miscellaneous Revenues	<u>4,323,860</u>		<u>5,267,187</u>	<u>5,173,888</u>	<u>5,404,538</u>
Total Revenues	<u>224,262,343</u>		<u>238,452,657</u>	<u>237,498,110</u>	<u>233,680,739</u>
Expenditures					
General Government (1)	42,462,930		47,886,431	50,612,275	63,856,852
Finance & Administration	4,418,397		4,651,767	5,166,048	5,674,080
CARTA appropriation	4,675,000		4,772,000	4,867,440	5,217,440
Police	53,760,208		55,050,619	55,160,451	55,872,303
Fire	36,303,668		36,654,329	37,541,892	36,445,711
Public Works	34,479,915		36,574,245	27,583,980	27,669,849
Youth & Family Development	-		-	8,511,523	9,072,465
Transportation	-		-	6,703,417	7,342,443
Parks & Recreation	16,982,982		17,244,974	-	-
Education, Arts, & Culture	<u>2,476,913</u>		<u>2,627,103</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>195,560,013</u>		<u>205,461,468</u>	<u>196,147,026</u>	<u>211,151,143</u>
Excess (deficiency) of revenues over expenditures	28,702,330		32,991,189	41,351,084	22,529,596
Other Financing Sources (Uses)					
Operating transfers in (2)	7,756,422		9,349	116,847	6,438,427
Operating transfers out	(23,735,489)		(26,459,824)	(33,055,410)	(51,976,171)
Issuance of debt/Capital Lease	<u>-</u>		<u>301,493</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(15,979,067)</u>		<u>(26,148,982)</u>	<u>(32,938,563)</u>	<u>(45,537,744)</u>
Prior Year Surplus	-		-	-	23,008,148
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>12,723,263</u>		<u>6,842,207</u>	<u>8,412,521</u>	<u>-</u>
FUND BALANCE at end of year	<u>63,003,392</u>		<u>69,845,600</u>	<u>78,258,121</u>	<u>78,258,121</u>

(1) General Government operations budget increased approx \$10 million in FY12 due to the expiration of the Sales Tax agreement.

(2) In FY12, Library was recategorized from Special Revenue fund to General fund.

City of Chattanooga, Tennessee

Special Revenue Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
FUND BALANCE at beginning of year	<u>11,839,913</u>	<u>10,561,193</u>	<u>13,458,354</u>	<u>14,502,947</u>
Revenues				
Taxes	5,001,504	4,970,247	5,348,451	5,295,500
Licenses and permits	554,723	529,735	585,383	458,708
Intergovernmental Revenues	25,185,626	25,671,005	20,864,185	20,799,205
Charges for Services	698,491	422,578	400,184	1,393,594
Fines, forfeitures and penalties	43,352	43,739	34,548	-
Interest Income	117,461	73,520	60,881	-
Sale of Property	16,625	24,062	5,925	-
Contributions and donations	172,554	23,083	82,877	-
Prior Year Surplus	-	-	-	30,000
Miscellaneous Revenues	780,719	309,227	844,040	1,292,120
Total Revenues	<u>32,571,055</u>	<u>32,067,196</u>	<u>28,226,474</u>	<u>29,269,127</u>
Expenditures				
General Government	5,720,995	6,619,619	7,390,319	8,420,966
Public safety	423,055	418,941	547,269	762,000
Public Works	4,803,415	4,280,693	3,913,897	4,400,000
Social Services	19,123,591	16,515,908	13,430,670	14,102,388
Capital Outlay/Fixed Assets	-	-	-	1,800,000
Total Expenditures	<u>30,071,056</u>	<u>27,835,161</u>	<u>25,282,155</u>	<u>29,485,354</u>
Excess (deficiency) of revenues over expenditures	2,499,999	4,232,035	2,944,319	(216,227)
Other Financing Sources (Uses)				
Operating transfers in	4,170,599	3,752,782	3,762,536	3,917,377
Operating transfers out	<u>(7,949,318)</u>	<u>(5,087,656)</u>	<u>(5,662,262)</u>	<u>(4,620,027)</u>
Total other financing sources (uses)	<u>(3,778,719)</u>	<u>(1,334,874)</u>	<u>(1,899,726)</u>	<u>(702,650)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(1,278,720)</u>	<u>2,897,161</u>	<u>1,044,593</u>	<u>(918,877)</u>
FUND BALANCE at end of year	<u>10,561,193</u>	<u>13,458,354</u>	<u>14,502,947</u>	<u>13,584,070</u>

(2) In FY12, Libray was recategorized from Special Revenue fund to General fund.

City of Chattanooga, Tennessee

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
FUND BALANCE at beginning of year	<u>4,954,374</u>	<u>652,700</u>	<u>2,476,637</u>	<u>5,020,753</u>
Revenues				
Intergovernmental funds	436,091	513,914	471,791	456,877
Other	-	-	-	124,305
Total Revenues	<u>436,091</u>	<u>513,914</u>	<u>471,791</u>	<u>581,182</u>
Expenditures				
Principal retirement	11,846,305	13,037,072	12,970,806	17,345,338
Interest	6,976,936	7,062,765	6,925,961	7,379,378
Fiscal agent fees	90,112	115,927	104,238	110,000
Total Expenditures	<u>18,913,353</u>	<u>20,215,764</u>	<u>20,001,005</u>	<u>24,834,716</u>
Excess (deficiency) of revenues over expenditures	<u>(18,477,262)</u>	<u>(19,701,850)</u>	<u>(19,529,214)</u>	<u>(24,253,534)</u>
Other Financing Sources (Uses)				
Operating transfers in	14,175,588	21,525,787	22,073,330	22,420,534
Total other financing sources (uses)	<u>14,175,588</u>	<u>21,525,787</u>	<u>22,073,330</u>	<u>22,420,534</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditure	<u>(4,301,674)</u>	<u>1,823,937</u>	<u>2,544,116</u>	<u>(1,833,000)</u>
FUND BALANCE at end of year	<u><u>652,700</u></u>	<u><u>2,476,637</u></u>	<u><u>5,020,753</u></u>	<u><u>3,187,753</u></u>

City of Chattanooga, Tennessee

Capital Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
FUND BALANCE at beginning of year	<u>23,431,548</u>	<u>37,958,070</u>	<u>24,038,313</u>	<u>43,202,659</u>
Revenues				
Intergovernmental Revenues	2,154,474	1,596,449	358,812	3,083,908
Charges for services	-	-	2,952	-
Interest Income	211,910	51,317	196,840	-
Contributions and Donations	445,358	66,925	202,662	-
Sale of Property	424,040	186,690	-	-
Miscellaneous Revenues	7,754	13,733	(421,353)	-
Total Revenues	<u>3,243,536</u>	<u>1,915,114</u>	<u>339,913</u>	<u>3,083,908</u>
Expenditures				
General Government	2,956,719	2,255,462	2,011,753	89,200
Finance & Administration	8,076	1,728,549	2,408,956	3,371,090
Safety	2,354,183	1,577,202	2,557,836	5,254,000
Public Works	13,778,064	9,890,421	2,394,668	5,889,000
Transportation	-	-	9,279,186	9,922,135
Parks & Recreation	2,694,671	1,686,422	-	-
Education, Arts, & Culture	76,821	1,098,001	-	-
Youth and Family Development	-	-	1,188,807	1,650,000
Economic & Community Deveopment	46,829	-	2,757,163	27,850,000
General Services	629,521	-	-	2,038,045
Capital outlay/fixed assets	2,746,854	-	-	-
Total Expenditures	<u>25,291,738</u>	<u>18,236,057</u>	<u>22,598,369</u>	<u>56,063,470</u>
Excess (deficiency) of revenues over expenditures	<u>(22,048,202)</u>	<u>(16,320,943)</u>	<u>(22,258,456)</u>	<u>(52,979,562)</u>
Other Financing Sources (Uses)				
Operating transfers in	8,331,325	6,269,596	12,882,783	35,157,945
Operating transfers out	(469,816)	(3,996,826)	(604,470)	-
Refunding bonds issued	17,545,000	-	-	-
General Obligation bonds issued	26,495,000	-	26,775,000	17,821,617
Premium on refunding bonds issued	1,372,466	-	-	-
Premium on general obligation bonds issued	1,800,288	-	2,369,489	-
Note Proceeds	75,201	128,416	-	-
Refund Bond Escrow Agent	(18,574,740)	-	-	-
Total other financing sources (uses)	<u>36,574,724</u>	<u>2,401,186</u>	<u>41,422,802</u>	<u>52,979,562</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>14,526,522</u>	<u>(13,919,757)</u>	<u>19,164,346</u>	<u>-</u>
FUND BALANCE at end of year	<u><u>37,958,070</u></u>	<u><u>24,038,313</u></u>	<u><u>43,202,659</u></u>	<u><u>43,202,659</u></u>

Note: FY14 Budget Excludes Interceptor Sewer of \$28,379,000

City of Chattanooga, Tennessee

Enterprise Funds

Statement of Revenues, Expenses and
Changes in Net Position
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
OPERATING REVENUES				
Customer Charges	74,248,494	94,003,697	106,341,088	102,615,651
Other	1,273,366	503,432	110,214	3,470,268
Total Revenues	<u>75,521,860</u>	<u>94,507,129</u>	<u>106,451,302</u>	<u>106,085,919</u>
OPERATING EXPENSES				
Sewer Plant Operation	32,650,371	34,851,175	31,954,828	37,743,333
Solid Waste Operation	3,094,828	3,015,399	3,024,719	4,852,438
Water Quality Management Operation	10,921,490	11,355,952	11,850,307	11,700,845
Chattanooga Downtown Redevelopment	-	10,727,234	10,785,887	16,159,261
Depreciation and Amortization	16,558,195	16,950,055	16,850,765	17,315,133
Closure/Postclosure Costs	550,010	-	196,683	1,193,523
Other/Housing	771,492	463,327	-	-
Total Operating Expenses	<u>64,546,386</u>	<u>77,363,142</u>	<u>74,663,189</u>	<u>88,964,533</u>
OPERATING INCOME	<u>10,975,474</u>	<u>17,143,987</u>	<u>31,788,113</u>	<u>17,121,386</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income	406,118	683,896	727,099	535,075
Interest Expense	(4,041,890)	(8,455,090)	(7,890,050)	(9,317,006)
Intergovernmental	-	-	-	85,000
Other Income (expense)	(108,913)	2,196,001	(24,962)	(846,543)
Loss on disposal of asset	-	(4,150,506)	-	-
Net Gain on Sale of Property	-	-	-	-
Total Nonoperating Rev. (Exp.)	<u>(3,744,685)</u>	<u>(9,725,699)</u>	<u>(7,187,913)</u>	<u>(9,543,474)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS TRANSFERS AND SPECIAL ITEM	<u>7,230,789</u>	<u>7,418,288</u>	<u>24,600,200</u>	<u>7,577,912</u>
Capital Contributions	11,558	-	-	-
Operating Transfers In	339,100	473,432	-	600,000
Operating Transfers Out	-	-	-	(8,153,541)
Special Item	-	(2,190,475)	-	-
CHANGE IN NET POSITION	<u>7,581,447</u>	<u>5,701,245</u>	<u>24,600,200</u>	<u>24,371</u>
NET POSITION as previously reported	-	302,831,018	298,538,305	-
CHANGE IN ACCOUNTING PRINCIPAL	<u>-</u>	<u>(9,993,958)</u>	<u>1,466,036</u>	<u>-</u>
NET POSITION, as restated	295,249,571	292,837,060	300,004,341	324,604,541
CHANGE IN NET POSITION	<u>7,581,447</u>	<u>-</u>	<u>24,600,200</u>	<u>-</u>
NET POSITION - Ending	<u><u>302,831,018</u></u>	<u><u>298,538,305</u></u>	<u><u>324,604,541</u></u>	<u><u>324,628,912</u></u>

City of Chattanooga, Tennessee

Internal Service Funds

Statement of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
OPERATING REVENUES				
Billings to Departments	53,147,951	53,908,049	53,064,888	56,290,721
Other	3,020,119	3,588,466	2,102,038	-
Intergovernmental Revenue	-	-	-	-
Misc Revenue	-	-	-	-
Prior Year surplus	-	-	-	2,200,000
Total Operating Revenues	56,168,070	57,496,515	55,166,926	58,490,721
OPERATING EXPENSES				
Repairs & Maintenance - Amnicola	3,663,942	3,973,783	3,746,443	4,012,329
Repairs & Maintenance - 12th St	3,481,853	3,866,468	3,906,746	3,869,035
Operations - Amnicola	1,433,593	1,326,651	1,304,913	1,373,727
Operations - 12th St	3,046,988	2,829,526	2,861,364	2,898,857
Fleet Leasing Capital	112,066	292,485	200,589	2,200,000
Fleet Leasing Operations	2,656,133	2,291,137	2,561,117	2,553,696
Judgments & Costs	(349,871)	(371,621)	1,889,312	169,575
Claims & Tort Liabilities	364,331	313,249	992,280	519,825
Special Counsel	204,921	251,307	303,508	310,600
TAWC Rate Hearing	16,753	59,068	9,766	-
Employee/Retiree Healthcare	24,789,487	24,698,312	29,392,511	30,504,540
Pensioner Healthcare	780,583	495,623	462,309	479,607
On Site Pharmacy	4,807,753	5,190,265	5,754,548	5,974,301
On Site Clinic & Wellness	2,662,608	3,325,855	2,950,163	3,127,390
Health Center Capital	-	-	9,595	-
Depreciation*	2,844,399	3,176,496	3,465,094	-
Total Operating Expenses	50,515,539	51,718,604	59,810,258	57,993,482
OPERATING INCOME	5,652,531	5,777,911	(4,643,332)	497,239
NONOPERATING REVENUES (EXPENSES)				
Other income (expense)	134,027	573,358	845,349	-
Total nonoperating revenues (expenses)	134,027	573,358	845,349	-
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS				
	5,786,558	6,351,269	(3,797,983)	-
Capital contributions	-	-	-	-
Transfers in	3,757,000	3,513,358	517,575	-
Transfers out	-	-	(30,934)	-
CHANGE IN NET POSITION	9,543,558	9,864,627	(3,311,342)	-
NET POSITION, beginning of year	20,842,372	30,385,930	40,250,557	36,939,215
NET POSITION, ending of year	30,385,930	40,250,557	36,939,215	36,939,215

City of Chattanooga, Tennessee

Fiduciary Funds

Statement of Changes in Fiduciary Net Position
Years Ended June 30, 2012 - 2015

	2012	2013	Unaudited 2014	Budget 2015
ADDITIONS				
Contributions:				
Employer	35,199,927	32,589,188	33,786,404	30,029,023
Employee	4,312,966	6,725,678	6,671,774	6,800,000
Other	246,628	171,398	193,877	172,000
	<u>39,759,521</u>	<u>39,486,264</u>	<u>40,652,055</u>	<u>37,001,023</u>
Investment Income				
Net Apprec/ (Deprec) in Fair market value of	5,131,786	50,078,777	63,271,435	50,000,000
Interest	700,252	662,838	516,527	660,000
Dividends	6,091,962	6,582,897	5,862,058	6,500,000
	<u>11,924,000</u>	<u>57,324,512</u>	<u>69,650,020</u>	<u>57,160,000</u>
Less Investment expense	<u>(1,294,624)</u>	<u>(1,035,947)</u>	<u>(1,054,760)</u>	<u>(1,100,000)</u>
Net investment income (loss)	10,629,376	56,288,565	68,595,260	56,060,000
Total Additions	50,388,897	95,774,829	109,247,315	93,061,023
DEDUCTIONS				
Benefits paid to participants	48,581,510	53,022,246	59,409,820	50,000,000
Administrative expenses	958,380	663,431	1,306,164	670,000
Total Deductions	<u>49,539,890</u>	<u>53,685,677</u>	<u>60,715,984</u>	<u>50,670,000</u>
CHANGE IN NET POSITION	849,007	42,089,152	48,531,331	42,391,023
NET POSITION, beginning	<u>451,369,708</u>	<u>452,218,715</u>	<u>494,307,867</u>	<u>542,839,198</u>
NET POSITION, ending	<u><u>452,218,715</u></u>	<u><u>494,307,867</u></u>	<u><u>542,839,198</u></u>	<u><u>585,230,221</u></u>



Undesignated General Fund

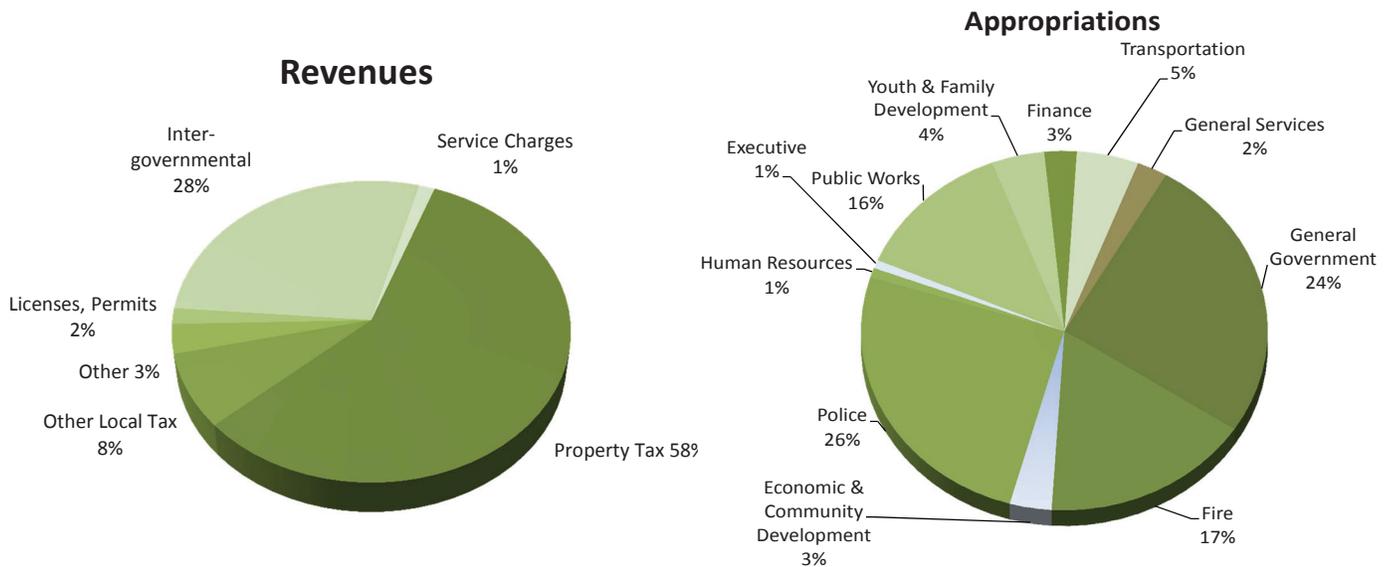
Fiscal Year Ending June 30, 2015

Fund Structure

The Undesignated General Fund accounts for all financial resources applicable to the general operations of city government which are not accounted for in another fund. This fund is the only unrestricted fund of a government unit. The basis of budgeting is modified accrual. Undesignated general fund operations budget is \$226,861,055. This includes a planned use of fund balance of \$10,011,055 for Capital. The charts on this page relate to the undesignated general fund operations. In FY 2015, the budgeted revenues and expenditures for all reported General Fund is \$263,127,314 including designated general government operations totaling \$36,266,259. The largest designated fund is the Economic Development Fund with a budget of \$13,641,603.

The major revenues of the general fund include: property taxes, other local taxes, licenses and permits, fines, forfeitures, and penalties, investment income, state and local sales taxes and other intergovernmental, and services charges. Departments of the General Fund include: General Government which includes Debt Service and Supported Agencies, Executive Branch, Finance & Administration, General Services, Human Resources, Economic & Community Development, Police, Fire, Public Works, Youth & Family Development,

Undesignated Revenues & Appropriations \$216,850,000

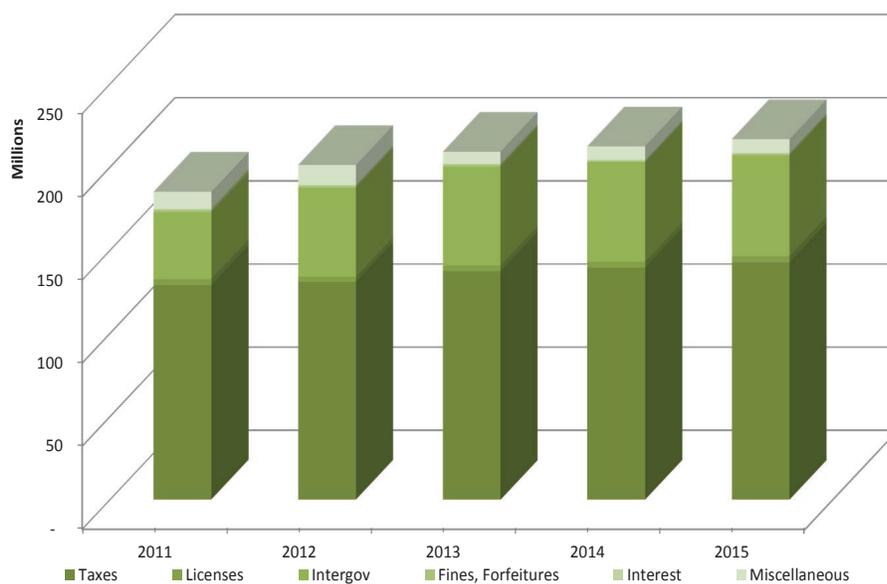


Undesignated General Fund Revenue Summary						
	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg
Undesignated General Fund:						
Property Tax	121,165,510	122,875,165	123,398,200	125,479,160	2,080,960	1.66%
Other Local Taxes	15,431,831	16,809,219	16,226,600	17,379,400	1,152,800	6.63%
Licenses & Permits	3,946,506	3,822,008	3,595,300	3,684,840	89,540	2.43%
Fines, Forfeitures, & Penalties	1,277,433	1,013,974	815,200	874,700	59,500	6.80%
Investment Income	858,309	1,076,916	624,500	676,000	51,500	7.62%
Revenue from other Agencies	9,617,745	9,504,657	7,747,200	8,365,000	617,800	7.39%
State Sales Tax	11,313,906	11,544,670	11,645,000	12,310,200	665,200	5.88%
Local Option Sales Tax	38,054,892	40,007,670	40,351,200	39,857,700	(493,500)	-1.30%
Service Charges	3,249,123	3,418,041	3,008,700	2,965,000	(43,700)	-1.47%
Miscellaneous Revenues	4,182,089	5,089,506	5,128,100	5,258,000	129,900	2.47%
Transfers In	62,158	46,117	-	-	-	N/C
Grand Totals	209,159,502	215,207,943	212,540,000	216,850,000	4,310,000	1.99%

Revenues

The proposed Budget for FY 2015 shows an increase of \$4,310,000 or 1.99%. The increase is primarily in the Property Taxes and Franchise Taxes for Chattanooga Gas specifically which showed a 65% increase over last year. The chart shows the General Fund Revenues by Source for the fiscal years 2011 thru 2015.

General Fund Revenues by Source



Property Taxes

FY 2015 Estimate: **\$125,479,160**
% of General Fund: **57.86%**
Growth From FY 14: **2,089,960**
Change: **1.69%**

Current Real Property Taxes remain the primary source of funds for the City of Chattanooga, with the FY 2015 estimate of \$108,800,000 representing 50.17% of the total undesignated General Fund Budget. All property tax estimates inclusive of delinquencies and in lieu of tax payments total \$125,479,160 or 57.86% of the total undesignated General Fund budget. The current tax rate is \$2.309 per \$100 of the assessed valuation. This is considerably less than the 1995 rate of \$2.98, and is the lowest tax rate in nearly 50 years. Revenues generated in 1997 with a \$2.70 tax rate amounted to \$61,533,569, while the estimate for FY 2015 is \$125,479,160, an increase of \$63,945,591 or 103.92%. Assessments for 1997 were \$2,295,859,675. This figure has risen to \$4,955,263,249 in 2014, an increase of \$2,659,403,574 or 116% in the last 17 years. However in recent years, assessments have trended downward slightly based on lateral reappraisals. Therefore, Current Real Property Tax revenue is expected have minimal increases in the next few years.

Commercial and industrial property is assessed at 40%, while residential property and farms are assessed at 25% of the appraised value. Personal property is assessed at 30% of the appraised value. Public Utilities assessments are made by the State of Tennessee for all counties and cities in the state.

The property taxes levied on taxable assessed valuation in the City are billed by the City on October 1st of each year and are due without penalty by the last day of February of the following year. Taxes not paid by the due date bear interest at twelve percent (12%) per annum, and a penalty of six percent (6%) per annum, plus other penalties as provided by law, which shall be paid by the taxpayer except for taxpayers receiving tax relief under T.C.A. Sections 67-5-702 through 67-5-705. If a tax bill continues to be unpaid through June of such following year, it is turned over to a Delinquent Tax Attorney to be filed in the Clerk and Master's office of Chancery Court on July 1 of such year for collection. An additional fee of 10% is charged representing a 5% attorney's collection fee and a 5% City General Fund fee. Property is subject to a tax sale once taxes are delinquent for three years.

Historical tax rates per \$100 of assessed valuation are as follows:

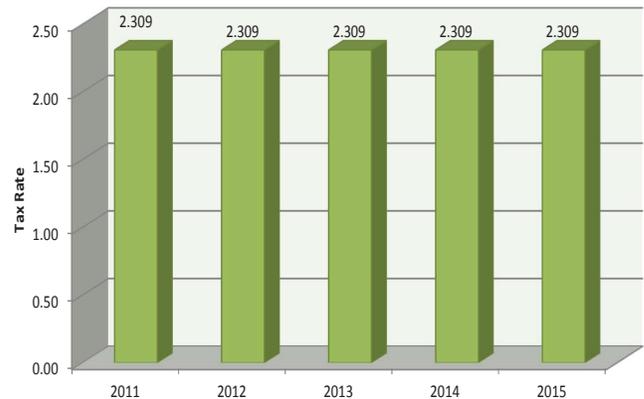
The 1995 increase in tax rates from \$2.62 to \$2.98 was

Fiscal Years		
Ending	Rate	Rate Change Explanation
1994	2.620	
1995-1996	2.980	City Tax Increase - 1995 Tax Year
1997	2.700	Property Reappraisal - 1997 Tax Year
1998-2001	2.310	City Tax Decrease - 1997 Tax Year
2002-2005	2.516	City Tax Increase - 2001 Tax Year
2006-2009	2.202	Property Reappraisal - 2005 Tax Year
2010	1.939	Property Reappraisal - 2009 Tax Year
2011-2015*	2.309	City Tax Increase - 2010 Tax Year

*Reappraisal rate in FY14 is \$2.3139.

the first tax increase imposed by the City since 1987 and was imposed primarily to provide funds for capital purposes. In FY02, a reappraisal year, the new certified tax rate was \$2.036. A property tax increase of \$0.48 was approved increasing the rate to \$2.516. After the reappraisal in FY06, the tax rate was decreased to \$2.202. FY10 was a reappraisal year resulting in a decrease to \$1.939. In FY11, the City Council approved a \$0.37 or 19% increase in the tax rate. The approved rate is \$2.309. A one penny increase produces additional income of \$534,423. Current City policy for budgeting is to estimate collections at 95% of the property tax levy. In 2014, the certified tax rate resulting from reappraisal is \$2.3139; Council elected not to increase the current City tax rate.

Payments In Lieu of Taxes. Through a series Property Tax Rates (per \$100 of Assessed Valuation)



of tax incentives and agreements the City receives sizeable in lieu of tax payments each year. Companies paying in lieu of taxes include Tennessee Valley Authority, Steel Warehouse of TN, Vision Chestnut Hotel Group, Blue Cross Blue Shield, Westinghouse, US Express, and United Packers of Chattanooga. The collection of in lieu of taxes accounts for \$3,579,260, or 1.65% of the operating budget in FY15. Several PILOTS, including Volkswagon, include a waiver of 100% of City taxes.

Pursuant to Tennessee Code Annotated 5-52-301 to 7-52-310, known as the Municipal Electric System Tax Equivalent Law of 1987, the minimum levy for the EPB is \$2,296,692, according to a new formula specified in the 1987 Law based on a revenue floor of \$5,635,434. This revenue floor was exceeded in fiscal year 1994, resulting in a calculation which generated less PILOT collection for the City. The estimate to be received from Electric Power Board for FY 2015 is \$6,535,800, which is 2.3% over FY14. The EPB Internet in lieu of tax due from the EPB is \$276,710, a 3.6% increase over FY14.

Other Local Taxes:

FY 2015 Estimate:	\$17,379,400
% of General Fund:	8.01%
Increase From FY 14:	1,152,800
Change:	6.63%

Gross Receipts Taxes

FY 2015 Estimate:	\$4,891,700
% of General Fund:	2.26%
Growth From FY 14:	0
Change:	0%

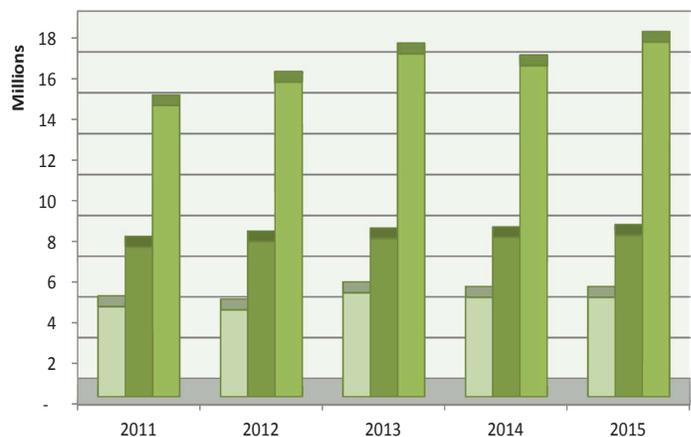
Even though Gross Receipts Taxes are a steady source in the General Fund, they represent only 2.3% of total collections this year. The trend over the past five years shows an upturn due to the recovering economic conditions and is expected to level for FY15.

Beer & Liquor Taxes

FY 2015 Estimate:	\$7,930,000
% of General Fund:	3.66%
Growth From FY 14:	114,000
Change:	1.46%

Beer & Liquor Taxes make up approximately a 46% of Other Local Taxes. The trend over the past five years shows a steady rise in collections, which is expected to continue into FY15.

Other Local Taxes



Licenses & Permits:

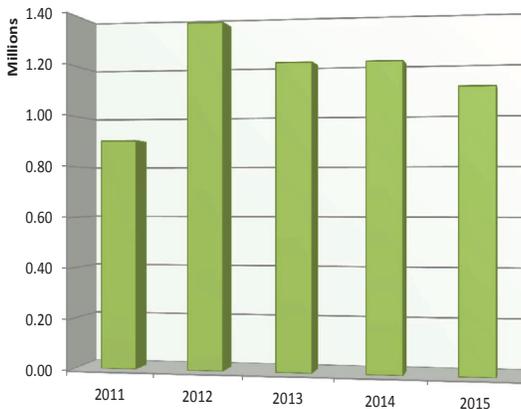
FY 2015 Estimate:	\$3,684,840
% of General Fund:	1.70%
Growth from FY 14:	89,540
% Change:	2.43%

Building Permits

FY 2015 Estimate:	\$1,100,000
% of General Fund:	.51%
Decrease from FY 14:	(100,000)
% Change:	-8.33%

Building Permits are the single greatest revenue generator in the category of Licenses & Permits. As shown in the chart below, revenue budgets for Building Permits have increased since 2010, reflecting the rebuilding of the housing market over that period of time. Permits spiked in 2012, mostly due to incoming industry in Chattanooga. Revenues have declined in 2013 - 2015, but still exceed 2010 & 2011. FY14 collections were 8% below budget.

Building Permits



Revenue from Other Agencies:

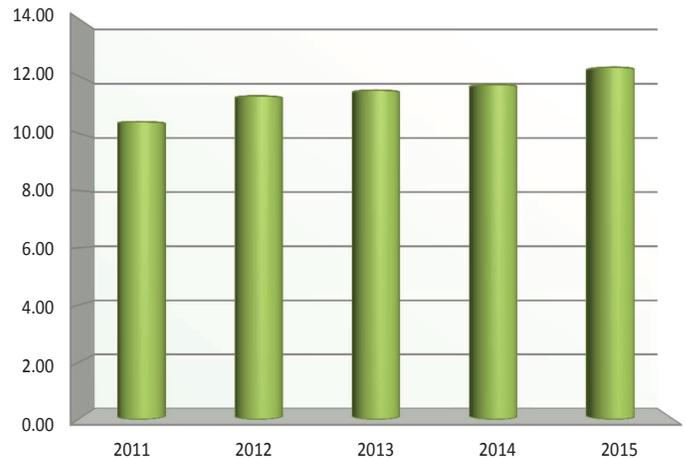
FY 2015 Estimate:	\$60,532,900
% of General Fund:	27.91%
Growth From FY 14:	789,500
% Change:	1.32%

City Allocation State Sales Tax

FY 2015 Estimate:	\$12,310,200
% of General Fund :	5.68%
Growth From FY 14:	665,200
% Change:	5.71%

The State of Tennessee imposes a 7% tax on sales. Under TCA 67-6-103(3)(A), 5.5% to 5.75% is returned to all municipalities. This distribution is based on population data from the latest certified census. The City of Chattanooga has a certified population of 171,279 and its per capita allocation from state sales tax for Fiscal Year 2014 was \$70. In 2015, the per capita allocation is \$72.50, or a 3.57% increase, with a population of 173,366. The State Sales Tax is expected to increase in FY 2015.

State Sales Tax



Local Option Sales Taxes

FY 2015 Estimate:	\$39,857,700
% of General Fund:	18.38%
Decline From FY 14:	(493,500)
% Change:	-1.22%

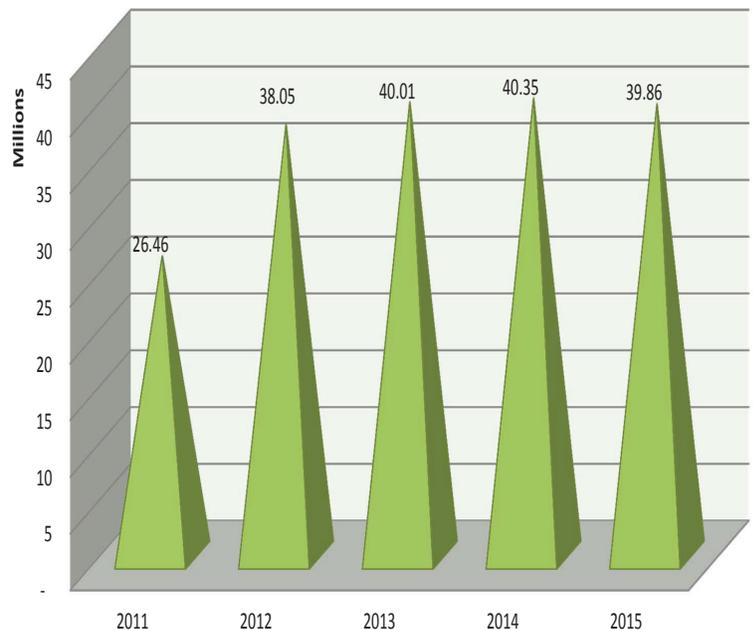
The Local Option Sales Tax, is another principal source of revenue for the City. In accordance with the 1993 Local Option Revenue Act Title 67, Chapter 6, Part 7 of the Tennessee Code Annotated, as amended. The City of Chattanooga and the citizens of Hamilton County have adopted, by referendum, a county-wide sales tax of 2.25%.

The revenues from the county-wide sales tax are distributed pursuant to the provisions of the Act and other provisions of the Tennessee Code Annotated. Fifty percent of the revenues raised through a county wide sales tax are directed to education. .25% of the sales tax collected in Chattanooga is earmarked and reported in the Economic Development Fund.

There was a steady incline in Local Option sales tax revenues since 2010. This was a reflection of the economic climate during those years. In FY2012, the City regained control of approximately \$10 million of sales tax managed on its behalf by Hamilton County under a 1966 Sales Tax agreement. This accounts for the spike in revenues in FY2012 over FY2011. The Local Option Sales Tax is expected to reduce 1.22% in FY15.

The Local Option Sales Tax represents 18.38% of the total General Fund revenues for FY 2015.

Local Option Sales Tax



Undesignated General Fund Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15		Inc(Dec)	% chg
General Fund							
General Government (1)	44,753,859	53,526,225	58,038,893	66,225,834		8,186,941	14.11%
Executive Branch	1,428,155	1,746,952	1,624,902	1,619,843		(5,059)	-0.31%
Finance & Administration	4,415,195	4,651,773	5,533,123	5,570,094		36,971	0.67%
General Services	2,480,117	2,599,080	5,038,667	5,261,093		222,426	4.41%
Human Resources	1,730,241	1,961,369	1,835,122	1,879,597		44,475	2.42%
Economic & Community Dev.	2,237,934	2,161,883	6,003,527	7,220,567		1,217,040	20.27%
Police	52,219,286	53,604,810	54,355,379	55,292,183		936,804	1.72%
Fire	35,925,429	36,370,389	37,848,964	36,317,474		(1,531,490)	-4.05%
Public Works	34,822,340	32,946,462	28,960,819	27,697,148		(1,263,671)	-4.36%
Parks & Recreation	15,065,679	13,916,066	-	-		-	N/C
Education, Arts, & Culture	2,431,972	2,554,985	-	-		-	N/C
Youth & Family Development	-	-	8,286,738	9,082,215		795,477	9.60%
Transportation	-	-	7,010,261	10,695,007		3,684,746	52.56%
Total General Fund	197,510,207	206,039,994	214,536,395	226,861,055		12,324,660	5.74%

(1) Amount includes capital appropriations from reserve fund balance of \$1,996,395 in FY14 and \$10,011,055 for FY15.

Expenditures

General Government

FY 2015 Appropriation: \$66,225,834
% of General Fund: 29.19%
Increase From FY 14: 8,186,941
% Change: 14.11%

General Government is the area where all appropriations to other funds, joint-funded and outside agencies are accounted for. These appropriations can vary from year to year based on outside agency requests or decisions reached during the budget hearings with the City Council. The reason for the increase is the appropriations to several agencies and Capital Improvements. Major appropriations in the General Government area year-to-year are:

Capital Improvements

FY 2015 Appropriation: \$12,011,055
% of General Fund: 5.29%
Increase From FY 14: 6,314,660
% Change: 110.85%

Funds are provided for appropriation to the pay-go capital.

CARTA Subsidy

FY 2015 Appropriation: \$5,217,440
% of General Fund: 2.3%
Increase From FY 15: 350,000
% Change: 7.19%

The City finances part of the Chattanooga Area Regional Transportation Authority's (CARTA) operating cost. The appropriation consists of \$4,917,440 to enable CARTA to provide additional services to those citizens using bus service as their only means of transportation to work, school, shopping and other activities. An additional amount of \$300,000 was awarded to assist with the Transit Service Expansion to Enterprise South.

Chattanooga Public Library

FY 2015 Appropriation: \$5,892,700
% of General Fund: 2.60%
Increase From FY 14: 120,750
% Change: 2.09%

The City assumed full funding of the cost of the public library system as a result of the expiration of Sales Tax Agreement with Hamilton County in FY 2011. The total appropriation consists of the operating fund of \$5,800,000 and a new initiative for \$92,700 for an Open Data and RFID (Radio Frequency Identification) Conversion.

Debt Service Fund

FY 2015 Appropriation: 17,485,009
% of General Fund: 7.71%
Decrease From FY 14: (183,863)
% Change: (1.04)%

Funds are provided for appropriation to the Debt Service Fund for payment of current interest and principal on the City's outstanding General Fund debt and to fund planned or anticipated new debt.

Information Technology

FY 2015 Appropriation: \$5,364,868
% of General Fund: 2.36%
Increase From FY 14: 846,440
% Change: 18.73%

Funds are provided here for telecommunications and information technology for all City departments and agencies. Information Services also supports the 311 Call Center for citizens providing a single point of contact for all City services. The increase is due to restructuring of the City's IT Department and associated workflows.

Regional Planning Agency

FY 2015 Appropriation	2,481,557
% of General Fund:	1.09%
Increase From FY14:	59,322
% Change:	2.45%

The City finances part of RPA operating costs. Funds are provided to ensure land resources support, enhance, and sustain our community and its quality of life. In FY15, RPA was also awarded \$200,000 for an initiative "Zoning Code Update" -Phase 1.

Executive Branch

FY 2015 Appropriation:	\$1,619,843
% of General Fund:	0.71%
Decrease From FY 14:	(5,059)
% Change:	-0.31%

The Executive Branch consists of functions under direct control of the Office of the Mayor. The Executive Branch remained stable, with a slight decrease related to a reduction in operations costs.

Department of Finance & Administration

FY 2015 Appropriation:	\$5,570,094
% of General Fund:	2.46%
Increase From FY 14:	36,971
% Change:	0.67%

This department oversees all aspects of the City's financial program. The major expenses for this department are personnel costs. The Finance department appropriation grew slightly due to the net result of the Electronic Content Management function transferred to Information Technology and the department added two additional functions of Capital Planning and Performance Management

Department of General Services

FY 2015 Appropriation:	\$5,261,093
% of General Fund:	2.32%
Increase From FY 14:	222,426
% Change:	4.41%

This department manages Building & Property Maintenance, and Real Estate. Utility expense was increased due to rising costs and demand from additional properties. In FY14 General Services took on the oversight of Building and Structures from Public Works. In FY15 the Office of Sustainability was transferred to this department.

Department of Human Resources

FY 2015 Appropriation:	\$1,879,597
% of General Fund :	.83%
Increase From FY 14:	44,475
% Change:	2.42%

The increase in appropriations in FY15 is primarily attributable to personnel and staffing changes.

Department of Economic & Community Development

FY 2015 Appropriation:	\$7,220,567
% of General Fund:	3.18%
Increase From FY 14:	1,217,040
% Change:	20.27%

The FY15 appropriation for the Department of Economic & Community Development increased as a result of the department expanding to include an Economic Development division as well as an increase in personnel and the addition of the Veterans Homeless to Housed initiative.

Department of Police

FY 2015 Appropriation:	\$55,292,183
% of General Fund:	24.37%
Increase From FY 14:	936,804
% Change:	1.72%

In FY15, increases are due to the restoration of (3) civilian positions for general operations purposes, 1.5% increase for general employees, a new sworn police pay plan, and a new Family Justice Center that will provide services for domestic violence victims in a one stop shop. This Family Justice Center appropriation includes personnel and expenses to launch initiative. To offset these increases were significant saving realized by the Fire & Police pension reform.

Department of Fire

FY 2015 Appropriation:	\$36,317,474
% of General Fund:	16.01%
Decrease From FY 14:	(1,531,490)
% Change:	-4.05%

The decrease in appropriations in FY15 is primarily attributable to the Fire & Police pension reform savings and some personnel changes. Although there is a decrease in departmental appropriations a new pay plan revision has been approved and is under review.

Department of Public Works

FY 2015 Appropriation:	\$28,697,148
% of General Fund:	12.21%
Decrease from FY 14:	(1,263,671)
% Change:	-4.36%

The Department of Public Works General Fund decrease in FY15 appropriations represents changes in department structure. Traffic Engineering moved to Transportation and Buildings and Structures moved to General Services.

Department of Youth & Family Development

FY2015 Appropriation:	\$9,082,215
% of General Fund:	4.00%
Increase from FY14:	795,477
% Change:	9.6%

The Department of Youth & Family Development was a newly created department in FY14 which resulted from the restructure of the former Parks & Recreation and Education, Arts, and Culture Departments. The 9.6% increase over FY14 was mostly due to increased staffing and new programs including FAFSA assistance, Senior Olympic funding, and Youth eVentures Camp. This Department consists of YFD Administration, Recreation, Arts & Culture, and Youth Development within General Fund.

Department of Transportation

FY2015 Appropriation:	\$10,695,007
% of General Fund:	4.71%
Increase from FY14:	3,684,746
Change:	52.56%

The Department of Transportation increase in appropriations represent changes in department structure. Transportation assumed the responsibility of Traffic Engineering and the function of Pavement Management (\$2,712,000). This department includes Traffic Engineering Administration, Street Lighting, Traffic Operations, & Transportation Administration.

Undesignated General Fund Revenue							
Source	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Property Taxes:							
Current Property Taxes	103,885,711	105,925,515	106,711,000	108,800,000	2,089,000	1.96%	50.17%
Interest & Penalty-Current Year	146,939	134,159	134,100	134,100	-	0.00%	0.06%
Interest & Penalty-Prior Year	1,338,599	1,283,658	1,128,460	1,150,000	21,540	1.91%	0.53%
Prior Year Property Taxes	5,796,191	5,256,731	4,917,000	5,000,000	83,000	1.69%	2.31%
City Fee-Collection of Delinquent taxes	266,715	279,003	280,000	280,000	-	0.00%	0.13%
Payments in Lieu of Taxes	9,731,355	9,996,099	10,227,640	10,115,060	(112,580)	-1.10%	4.66%
Total Property Tax	\$ 121,165,510	\$ 122,875,165	\$ 123,398,200	\$ 125,479,160	2,080,960	1.69%	57.86%
Other Local Taxes:							
Franchise Taxes-Chart Gas	1,122,466	1,503,189	1,200,000	1,985,500	785,500	65.46%	0.92%
Franchise Taxes-Century Tel	19,058	14,831	15,000	15,000	-	0.00%	0.01%
Franchise Taxes-CCTV	1,723,773	1,598,153	1,465,000	1,450,000	(15,000)	-1.02%	0.67%
Franchise Taxes-AT&T Mobility	49,734	62,759	63,000	57,000	(6,000)	-9.52%	0.03%
Franchise Taxes-EPB Fiber Optics	542,450	691,928	706,000	887,000			
Corporate Excise Tax-State	80,282	66,590	67,000	160,000	93,000	138.81%	0.07%
Liquor Taxes	2,062,772	2,156,332	2,160,000	2,200,000	40,000	1.85%	1.01%
Beer Taxes	5,552,065	5,597,518	5,656,000	5,730,000	74,000	1.31%	2.64%
Gross Receipts Tax	4,276,496	5,114,910	4,891,700	4,891,700	-	0.00%	2.26%
Local Litigation Taxes	2,735	3,009	2,900	3,200	300	10.34%	0.00%
Total Other Local Taxes	\$ 15,431,831	\$ 16,809,219	\$ 16,226,600	\$ 17,379,400	1,152,800	7.10%	8.01%
Licenses & Permits.:							
Motor Vehicle License	390,895	404,150	392,000	410,000	18,000	4.59%	0.19%
Liquor by the Drink	160,230	154,970	153,900	158,000	4,100	2.66%	0.07%
Building Permits	1,360,945	1,200,667	1,200,000	1,100,000	(100,000)	-8.33%	0.51%
Other Licenses,Permits, Fees	2,034,436	2,062,221	1,849,400	2,016,840	167,440	9.05%	0.93%
Total Licenses & Permits	\$ 3,946,506	\$ 3,822,008	\$ 3,595,300	\$ 3,684,840	89,540	2.49%	1.70%
Fines, Forfeitures, & Penalties:							
City Court Fines	698,418	769,656	674,700	740,700	66,000	9.78%	0.34%
Criminal Court Fines	137,080	110,500	105,000	100,000	(5,000)	-4.76%	0.05%
Parking Ticket Fines	426,595	132,582	35,500	34,000	(1,500)	-4.23%	0.02%
Other Fines Forfeitures, & Penalties	15,340	1,236	-	-	-	#DIV/0!	0.00%
Total Fines, Forfeitures, & Penalties	\$ 1,277,433	\$ 1,013,974	\$ 815,200	\$ 874,700	59,500	7.30%	0.40%
Investment Income							
Interest on Investments	680,733	538,942	450,000	572,000	122,000	27.11%	0.26%
Sale of Back Tax Lots	36,582	387,840	30,000	30,000	-	0.00%	0.01%
Sale of City Owned Property	139,713	145,615	140,000	60,000	(80,000)	-57.14%	0.03%
Other Sales	1,281	4,519	4,500	14,000	9,500	211.11%	0.01%
Total Investment Income	\$ 858,309	\$ 1,076,916	\$ 624,500	\$ 676,000	51,500	8.25%	0.31%

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Undesignated General Fund Revenue Source	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Revenue from Other Agencies							
Local Option Sales Taxes-GF	38,054,892	40,007,670	40,351,200	39,857,700	(493,500)	-1.22%	18.38%
State Beer Tax	82,308	82,899	83,000	79,300	(3,700)	-4.46%	0.04%
Hall Income Tax	2,651,353	4,199,313	2,600,000	3,200,000	600,000	23.08%	1.48%
State Sales Tax	11,313,906	11,544,670	11,645,000	12,310,200	665,200	5.71%	5.68%
State Mixed Drink Tax	2,095,770	2,229,008	2,200,000	2,400,000	200,000	9.09%	1.11%
State Gas Inspection Fees	344,195	343,587	340,000	343,000	3,000	0.88%	0.16%
State Maintenance of Streets	337,800	289,567	280,000	304,500	24,500	8.75%	0.14%
State Alcohol Beverage Tax	109,225	112,935	118,300	117,300	(1,000)	-0.85%	0.05%
State-Special Training Funds	486,600	502,921	493,400	535,000	41,600	8.43%	0.25%
State-Telecom Sales Tax	10,332	14,297	13,900	14,000	100	0.72%	0.01%
State-Misc Receipts	18,536	-	-	-	-	0.00%	0.00%
Ham.County-Ross Landing Plaza	1,199,191	1,207,902	1,197,600	1,000,000	(197,600)	-16.50%	0.46%
Miscellaneous	2,282,435	522,228	421,000	371,900	(49,100)	-11.66%	0.17%
Total Revenue from Other Agencies	\$ 58,986,543	\$ 61,056,997	\$ 59,743,400	\$ 60,532,900	789,500	1.32%	27.91%
Service Charges:							
City Court Cost	274,119	296,739	257,600	295,000	37,400	14.52%	0.14%
Clerk's Fee	1,005,399	964,400	926,300	953,200	26,900	2.90%	0.44%
State Court Cost	1,355	1,034	1,000	1,000	-	0.00%	0.00%
Other Charges for Services	80,345	111,219	91,200	88,800	(2,400)	-2.63%	0.04%
Service Charges	1,887,905	2,044,649	1,732,600	1,627,000	(105,600)	-6.09%	0.75%
Total Service Charges	\$ 3,249,123	\$ 3,418,041	\$ 3,008,700	\$ 2,965,000	(43,700)	-1.45%	1.37%
Miscellaneous Revenues:							
Indirect Cost	3,549,581	4,160,227	4,289,200	4,386,500	97,300	2.27%	2.02%
Other General Government Misc.	632,508	929,279	838,900	871,500	32,600	3.89%	0.40%
Total Miscellaneous Revenues	\$ 4,182,089	\$ 5,089,506	\$ 5,128,100	\$ 5,258,000	129,900	2.53%	2.42%
Transfers In	62,158	46,117	-	-	-	0.00%	0.00%
Grand Totals	\$ 209,159,502	\$ 215,207,943	\$ 212,540,000	\$ 216,850,000	\$ 4,310,000	2.03%	0.00%

Undesignated General Fund Expenditure Summary							
	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of Total
General Government & Agencies:							
AIM Center, Inc.	-	60,000	60,000	60,000	-	0.00%	0.03%
Air Pollution	270,820	270,820	270,820	270,820	-	0.00%	0.12%
Alexian Brothers/Sr Neighbors	12,720	-	-	-	-	N/A	0.00%
Arts Build	176,472	226,472	275,000	275,000	-	0.00%	0.12%
Bessie Smith Cultural Center	54,000	54,000	54,000	60,000	6,000	11.11%	0.03%
Bethlehem Center	-	25,000	25,000	25,000	-	0.00%	0.01%
CARCOG & SETDD	38,535	38,535	38,544	-	(38,544)	-100.00%	0.00%
CARTA	4,675,000	4,772,000	4,867,440	5,217,440	350,000	7.19%	2.30%
Carter Street Corporation	200,000	200,000	200,000	200,000	-	0.00%	0.09%
Chattanooga Area Food Bank	-	-	-	-	-	N/A	0.00%
Chattanooga Urban League	50,000	40,000	40,000	100,000	60,000	150.00%	0.04%
Chattanooga History Center	15,200	15,200	15,200	-	(15,200)	-100.00%	0.00%
Chattanooga Neighborhood Enterprises	910,717	1,087,275	900,000	705,000	(195,000)	-21.67%	0.31%
Chattanooga Room in the Inn	-	-	-	25,000	25,000	N/A	0.01%
Children's Advocacy Center	19,000	30,000	30,000	60,000	30,000	100.00%	0.03%
Children's Home - Chambliss Shelter	275,000	347,500	347,500	350,000	2,500	0.72%	0.15%
Choose Chattanooga	16,900	16,900	16,900	-	(16,900)	-100.00%	0.00%
Community Foundation Scholarships	101,300	101,300	101,300	101,300	-	0.00%	0.04%
Community Impact Fund	75,000	-	-	-	-	N/A	0.00%
RiverCity	67,500	-	-	-	-	N/A	0.00%
East Chattanooga Improvement	20,000	-	-	-	-	N/A	0.00%
Engel Foundation	5,000	-	-	-	-	N/A	0.00%
Enterprise Center	160,500	160,500	160,500	160,500	-	0.00%	0.07%
Enterprise South Nature Park	615,695	587,977	705,973	771,878	65,905	9.34%	0.34%
ESIP Security	53,061	52,019	62,077	62,077	-	0.00%	0.03%
Finley Stadium	-	-	-	-	-	N/A	0.00%
Friends of Moccasin Bend	30,000	-	30,000	30,000	-	0.00%	0.01%
Friends of the Zoo	-	-	-	25,000	25,000	N/A	0.01%
Fortwood Center	105,000	55,000	55,000	57,000	2,000	3.64%	0.03%
Fortwood Center Capital Campaign	-	-	-	-	-	N/A	0.00%
Front Porch Alliance	-	-	-	-	-	N/A	0.00%
Go!Fest	-	-	-	-	-	N/A	0.00%
Girls, Inc	-	-	-	30,000	30,000	N/A	0.01%
Greater Chattanooga Sports Comm	-	-	-	100,000	100,000	N/A	0.04%
Heritage Hall Fund	62,653	82,707	70,300	66,477	(3,823)	-5.44%	0.03%
Homeless Coalition	15,000	75,000	50,000	50,000	-	0.00%	0.02%
Homeless Health Center	13,300	25,000	13,300	-	(13,300)	-100.00%	0.00%
Hope for the Inner City	-	-	-	75,000	75,000	N/A	0.03%
Interfaith Homeless Network	12,790	-	-	-	-	N/A	0.00%
Joe Johnson Mental Health	60,156	60,000	60,000	60,000	-	0.00%	0.03%
LaPaz Chattanooga	-	-	-	50,000	50,000	N/A	0.02%
Orange Grove	32,000	30,000	30,000	98,472	68,472	228.24%	0.04%
Partnership/Rape Crisis	56,522	56,522	56,522	65,000	8,478	15.00%	0.03%
Public Library	5,655,773	5,771,950	5,771,950	5,892,700	120,750	2.09%	2.60%
Railroad Authority	16,262	15,648	14,844	19,371	4,527	30.50%	0.01%
Regional Planning Agency	2,631,648	2,247,235	2,422,235	2,481,557	59,322	2.45%	1.09%
Scenic Cities	5,000	5,000	5,000	-	(5,000)	-100.00%	0.00%
Signal Center	30,006	30,000	30,000	80,000	50,000	166.67%	0.04%
Speech & Hearing Center	67,700	67,700	67,700	67,700	-	0.00%	0.03%
Tennessee Riverpark	963,372	1,072,871	1,102,654	1,129,610	26,956	2.44%	0.50%
The Team Centers/ Team Evaluation	50,000	-	-	-	-	N/A	0.00%
Water Quality Management Fee	408,758	403,988	446,400	450,000	3,600	0.81%	0.20%
WTCl -TV 45	80,000	85,000	85,000	85,000	-	0.00%	0.04%
Audits, Dues & Surveys	118,247	117,680	336,600	231,736	(104,864)	-31.15%	0.10%
Capital Improvements	4,350,000	1,122,500	5,696,395	12,011,055	6,314,660	110.85%	5.29%
City Attorney/Operations	1,341,821	1,373,344	1,435,068	1,527,149	92,081	6.42%	0.67%
City Attorney Liability Insurance Fund	1,000,000	730,000	800,000	1,000,000	200,000	25.00%	0.44%
City Council	798,614	829,433	719,215	708,917	(10,298)	-1.43%	0.31%
City Judges Division 1	409,194	423,137	432,111	459,177	27,066	6.26%	0.20%
City Judges Division 2	398,780	418,227	420,157	429,226	9,069	2.16%	0.19%
Purchasing	-	-	-	721,322	721,322	N/A	0.32%
Contingency Fund	178,600	3,018,285	2,535,357	2,556,284	20,927	0.83%	1.13%
Debt Service Fund	10,300,000	16,942,222	17,668,872	17,485,009	(183,863)	-1.04%	7.71%
Election Expense	-	264,525	-	30,000	30,000	N/A	0.01%
Human Services	733,477	1,033,477	-	-	-	N/A	0.00%
Baby College	-	-	-	250,000	250,000	N/A	0.11%

Undesignated General Fund Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of Total
Internal Audit	512,060	548,264	567,370	587,152	19,782	3.49%	0.26%
Intergovernmental Relations	187,983	115,889	357,000	357,000	-	0.00%	0.16%
Pensions, FICA & UIC	57,219	-	-	-	-	N/A	0.00%
T.A.P (tuition & books)	19,084	16,091	20,000	20,000	-	0.00%	0.01%
Renewal & Replacement	1,224,328	1,716,308	1,196,394	142,054	(1,054,340)	-88.13%	0.06%
Information Services	4,368,598	4,801,828	4,518,428	5,364,868	846,440	18.73%	2.36%
Telecommunications	108,982	152,576	-	-	-	N/A	0.00%
Unemployment Insurance	-	39,453	85,000	90,000	5,000	5.88%	0.04%
Education Contribution	-	1,114,504	1,085,750	1,200,000	114,250	10.52%	0.53%
Youth and Family Dev/ Social Services	-	-	1,064,481	1,165,000	100,519	9.44%	0.51%
311 Call Center	538,512	579,363	619,536	532,983	(86,553)	-13.97%	0.23%
Total	\$ 44,753,859	\$ 53,526,225	\$ 58,038,893	\$ 66,225,834	8,186,941	14.11%	29.19%
Executive Branch:							
Mayor's Office	1,009,993	1,127,632	1,371,495	1,293,969	(77,526)	-5.65%	0.57%
Comprehensive Gang Initiative	145,857	359,695	-	-	-	N/A	0.00%
Great Ideas Competition	1,500	-	-	-	-	N/A	0.00%
Multicultural Affairs	270,805	259,625	253,407	325,874	72,467	28.60%	0.14%
Total	\$ 1,428,155	\$ 1,746,952	\$ 1,624,902	\$ 1,619,843	\$ (5,059)	-0.31%	0.71%
Department of Finance & Administration							
Finance Office	2,236,980	2,327,598	2,981,055	2,773,225	(207,830)	-6.97%	1.22%
City Treasurer	677,538	723,529	838,711	877,467	38,756	4.62%	0.39%
City Court Clerk's Office	1,140,588	1,098,198	1,229,857	1,193,639	(36,218)	-2.94%	0.53%
Delinquent Tax	60,816	69,870	89,000	91,000	2,000	2.25%	0.04%
Capital Planning	-	-	-	91,194	91,194	N/A	0.04%
Office of Performance Management	-	-	-	150,000	150,000	N/A	0.07%
City General Tax Revenue (Trustee Fee) ⁽¹⁾	299,273	432,578	394,500	393,569	(931)	-0.24%	0.17%
Total	\$ 4,415,195	\$ 4,651,773	\$ 5,533,123	\$ 5,570,094	\$ 36,971	0.67%	2.46%
⁽¹⁾ Was previously reported in Gen Gov & Agencies							
Department of General Services:							
General Services Administration	463,754	513,189	505,579	748,974	243,395	48.14%	0.33%
Purchasing	799,882	857,451	785,095	-	(785,095)	-100.00%	0.00%
Building Maintenance	1,094,843	1,080,755	1,237,088	2,178,076	940,988	76.06%	0.96%
Storage on Main Street	55,263	54,097	73,450	74,100	650	0.88%	0.03%
Real Estate	15,111	26,252	12,700	22,450	9,750	76.77%	0.01%
Property Maintenance	33,458	37,754	51,000	-	(51,000)	-100.00%	0.00%
Farmer's Market Operations	17,806	29,582	13,950	13,950	-	0.00%	0.01%
Mailroom	-	-	-	76,707	76,707	N/A	0.03%
Chattanooga Zoo	-	-	671,728	675,000	3,272	0.49%	0.30%
Memorial Auditorium	-	-	458,917	471,178	12,261	2.67%	0.21%
Tivoli Theatre	-	-	360,606	351,614	(8,992)	-2.49%	0.15%
Community Theatre	-	-	-	14,100	14,100	N/A	0.01%
Civic Facilities	-	-	868,554	634,944	(233,610)	-26.90%	0.28%
Total	\$ 2,480,117	\$ 2,599,080	\$ 5,038,667	\$ 5,261,093	\$ 222,426	4.41%	2.32%
Department of Human Resources:							
Administration	1,321,667	1,542,648	1,314,856	1,375,968	61,112	4.65%	0.61%
Physicals	10,130	7,830	8,800	25,000	16,200	184.09%	0.01%
Employee's Insurance Office	299,684	300,023	313,255	315,507	2,252	0.72%	0.14%
Safety Programs	-	9,361	76,861	87,122	10,261	13.35%	0.04%
Employee's Insurance Program	22,505	22,114	35,350	2,200	(33,150)	-93.78%	0.00%
Job Injury Administration	76,255	79,393	86,000	73,800	(12,200)	-14.19%	0.03%
Total	\$ 1,730,241	\$ 1,961,369	\$ 1,835,122	\$ 1,879,597	\$ 44,475	2.42%	0.83%
Dept of Economic & Community Dev:							
Administration	539,754	561,354	766,079	666,881	(99,198)	-12.95%	0.29%
Grants Administration	35,994	56,773	104,662	129,316	24,654	23.56%	0.06%
Neighborhood Grants	55,000	52,000	50,000	-	(50,000)	-100.00%	0.00%
Community Development Pilot	-	-	500,000	463,591	(36,409)	-7.28%	0.20%
Economic Development	-	-	-	623,904	623,904	N/A	0.28%
Codes & Community Services	1,607,186	1,491,756	1,333,587	303,146	(1,030,441)	-77.27%	0.13%
Outdoor Chattanooga	-	-	374,011	393,836	19,825	5.30%	0.17%
Trust for Public Land	-	-	100,000	100,000	-	0.00%	0.04%
Riverpark Art Maint & Mgmt	-	-	-	125,250	125,250	N/A	0.06%
Land Development Office	-	-	2,754,810	4,387,568	1,632,758	59.27%	1.93%
Board of Plumbing Examiners	-	-	1,782	1,975	193	10.83%	0.00%
Board of Electrical Examiners	-	-	8,200	13,600	5,400	65.85%	0.01%
Board of Mechanical Examiners	-	-	1,650	2,500	850	51.52%	0.00%
Board of Gas Fitters	-	-	1,950	1,500	(450)	-23.08%	0.00%
Board of Appeals & Variances	-	-	6,796	7,500	704	10.36%	0.00%
Total	\$ 2,237,934	\$ 2,161,883	\$ 6,003,527	\$ 7,220,567	\$ 1,217,040	20.27%	3.18%

Undesignated General Fund Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of Total
Department of Police:	\$ 52,219,286	\$ 53,604,810	\$ 54,355,379	\$ 55,292,183	\$ 936,804	1.72%	24.37%
Department of Fire:	\$ 35,925,429	\$ 36,370,389	\$ 37,848,964	\$ 36,317,474	\$ (1,531,490)	-4.05%	16.01%
Department of Public Works:							
Administration	881,604	954,447	729,960	730,247	287	0.04%	0.32%
City Engineer	4,380,005	3,864,903	2,331,306	1,728,817	(602,489)	-25.84%	0.76%
City Wide Services	6,680,839	4,965,186	4,318,235	4,946,289	628,054	14.54%	2.18%
Land Development Office	2,681,881	2,741,904	-	-	-	N/A	0.00%
Utilities	167,052	187,284	205,361	193,661	(11,700)	-5.70%	0.09%
Pump Stations, Levee & Storm Stations	70,585	65,909	63,750	-	(63,750)	-100.00%	0.00%
Traffic Management	3,072,962	3,057,303	-	-	-	N/A	0.00%
Street Lighting	3,434,418	3,518,283	-	-	-	N/A	0.00%
Solid Waste Disposal	5,773,587	5,773,587	6,403,570	6,500,000	96,430	1.51%	2.87%
Municipal Forestry	778,048	802,670	788,522	893,477	104,955	13.31%	0.39%
Waste Pickup - Brush	1,195,722	1,264,612	1,213,962	1,100,278	(113,684)	-9.36%	0.49%
Waste Pickup -Garbage, Trash Flash & Recyc	5,705,637	5,750,374	4,813,697	6,598,741	1,785,044	37.08%	2.91%
Paving	-	-	2,283,633	-	(2,283,633)	-100.00%	0.00%
Parks Maintenance	-	-	5,808,823	5,005,638	(803,185)	-13.83%	2.21%
Total	\$ 34,822,340	\$ 32,946,462	\$ 28,960,819	\$ 27,697,148	\$ (1,263,671)	-4.36%	12.21%
Department of Parks & Recreation:							
Administration	786,460	708,103	-	-	-	N/A	0.00%
Recreation	7,615,400	7,646,166	-	-	-	N/A	0.00%
Parks	6,663,819	5,561,797	-	-	-	N/A	0.00%
Total	\$ 15,065,679	\$ 13,916,066	\$ -	\$ -	\$ -	N/A	0.00%
Department of Education, Arts, & Culture:							
Administration	380,490	403,708	-	-	-	N/A	0.00%
Civic Facilities	1,708,083	1,787,402	-	-	-	N/A	0.00%
Arts & Culture	343,399	363,875	-	-	-	N/A	0.00%
Total	\$ 2,431,972	\$ 2,554,985	\$ -	\$ -	\$ -	N/A	0.00%
Department of Youth & Family Dev:							
Administration	-	-	342,753	513,884	171,131	49.93%	0.23%
Recreation	-	-	6,719,738	7,021,822	302,084	4.50%	3.10%
Arts & Culture	-	-	352,108	526,851	174,743	49.63%	0.23%
Youth Development	-	-	872,139	1,019,658	147,519	16.91%	0.45%
Total	\$ -	\$ -	\$ 8,286,738	\$ 9,082,215	\$ 795,477	9.60%	4.00%

Special Revenue Funds

Fiscal Year Ending June 30, 2015

Fund Structure

Special Revenue Funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government. The basis of budgeting for these funds is modified accrual. Included funds are State Street Aid, Youth & Family Development (YFD) - Social Services, Economic Development, Narcotics, Community Development, Hotel/Motel Occupancy Tax Fund, and Municipal Golf Course Fund. For fiscal year ended June 30, 2014 the budgeted revenue and expenses were as follows:

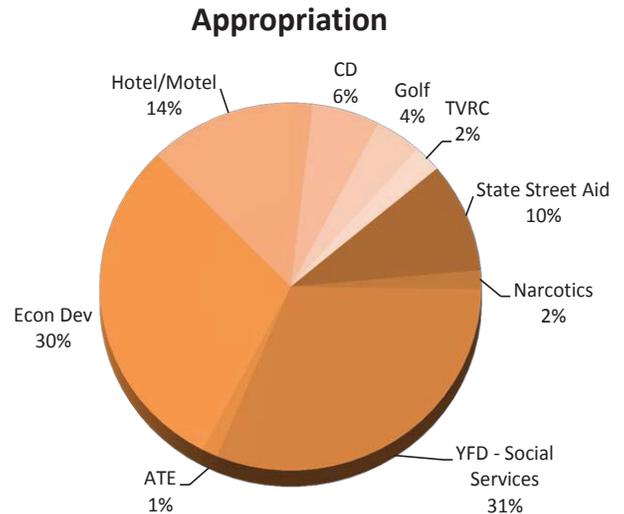
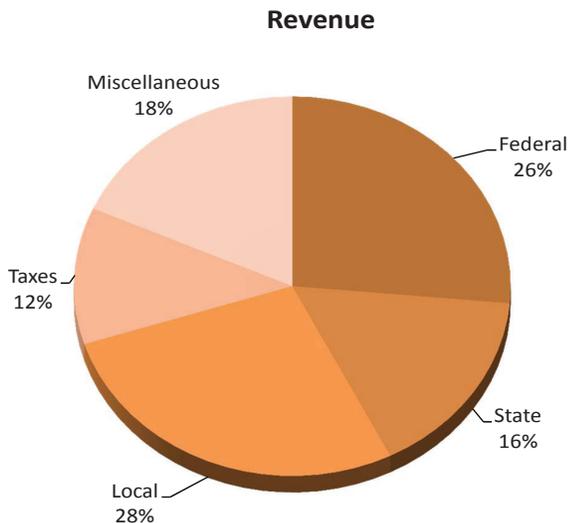
FY 14 Results	Budget Rev & Exp	FY 14 Actual Rev	FY 14 Actual Exp
State Street Aid	4,280,000	3,978,393	3,912,391
YFD - Social Services*	15,139,893	11,729,245	13,557,217
Economic Development Fund	11,788,334	10,413,829	10,692,800
Narcotics	607,000	259,043	825,655
Hotel/Motel Tax Fund	5,350,500	4,855,817	4,512,492
Community Development Fund	3,335,697	2,018,000	2,018,000
Municipal Golf Course	1,839,438	1,678,319	1,752,068
Automated Traffic Enforcement	940,600	1,146,454	1,409,130
Tenn Valley Region Communication	1,046,433	1,218,786	937,229
Total Special Revenue Fund	44,327,895	37,297,886	39,616,982

*Some Federal/State Grants are October - September and data above is the City of Chattanooga Fiscal Year July - June

(1) While presented here, the Economic Development Fund, Golf Course, and Automated Traffic Enforcement are reported as a designated portion of General Fund.

Revenue & Appropriation by Fund

\$45,414,623



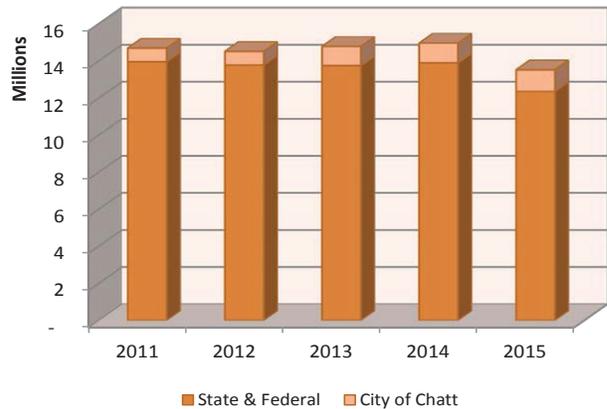
Special Revenue Fund Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg
REVENUES						
State Street Aid	4,335,115	4,314,245	4,280,000	4,400,000	120,000	2.80%
YFD - Social Services	14,362,036	14,484,708	15,139,893	14,102,388	(1,037,505)	-6.85%
Economic Development Fund	11,673,876	11,405,092	11,788,334	13,641,603	1,853,269	15.72%
Narcotics	300,568	1,049,833	607,000	762,000	155,000	25.54%
Hotel/Motel Tax Fund	5,270,478	5,278,543	5,350,500	6,428,340	1,077,840	20.14%
Community Development Fund	5,924,437	4,577,713	3,335,697	2,600,000	(735,697)	-22.06%
Municipal Golf Course	1,875,346	1,753,398	1,928,600	1,800,890	(127,710)	-6.62%
Automated Traffic Enforcement	856,998	385,813	940,600	612,000	(328,600)	-34.94%
Tenn Valley Region Communication	988,506	1,134,304	1,046,433	1,067,402	20,969	2.00%
Total Special Revenue Fund	45,587,360	44,383,649	44,417,057	45,414,623	997,566	2.25%

Revenues

State Street Aid

This fund was established to receive and account for the State's distribution of the gasoline fuel tax. Funds received in this fund are restricted to municipal street related projects. The allocation to cities is based on per capita and set annually by the Tennessee State Legislature.

Collections in this fund have remained fairly constant thru FY2009. In FY10 & FY11 we saw a significant drop in state gas collections due to low usage and collections from the state. In FY14, revenue remained stable and is expected to continue in FY15.

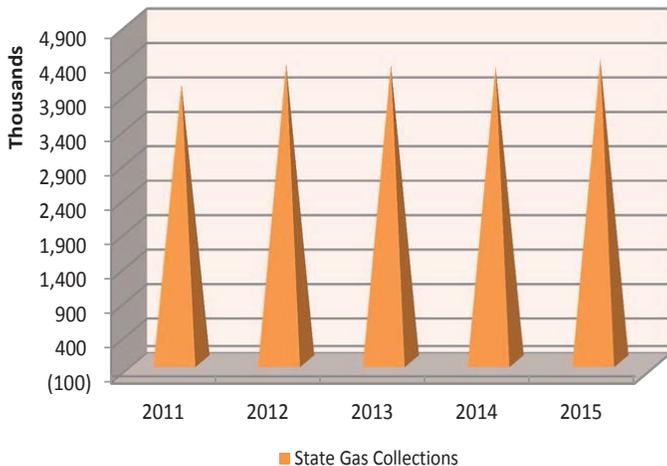


Economic Development Fund

In August 1997, the citizens of Chattanooga approved a half-percent tax on retail sales in the city. Revenues from this tax were shared on a 50/50 basis for education and economic development. In a county-wide election in February 2004, the residents of Hamilton County voted to increase the county-wide local option tax rate from 1.75% to 2.25% thereby repealing the city-only 1/2% tax. The additional taxes generated by the 1/2% increase in the county-wide tax will be distributed to the county, city and education in accordance with TCA 67-6-712 which requires that 50% is used for education and the remainder on a situs basis. The education component is distributed directly to the Hamilton County Department of Education. Between FY11 and FY14 there was an increase in revenues by 10.66% mostly due to the expiration of the Sales Tax Agreement between with Hamilton County. In FY13 there was growth of 2% over FY12. In FY 15, an increase of 15.72% or \$13,641,603 is projected above FY14 due to a planned use of fund balance of \$2.3 million.

Narcotics Fund

Revenues come mainly from confiscated funds which include forfeited cash and proceeds from the sale of items seized. Funds are also received from Federal and State. A decline in collections since 2008, for Federal and State funds have reach 100% in the past two years. Total collections tripled in FY13 due to a significant increase in confiscated funds. This increase is not expected to be



YFD - Social Services Fund

YFD - Social Services receives Federal, State, and City appropriations. This fund for FY15 is estimated to decrease by 6.85% from FY14 due to anticipated reductions in Federal and State grants. The chart for revenues shows steady increases in funding from the City to offset the decline in other revenues.

sustainable longterm. However, FY15 budgeted total revenue totals \$762,000, which is 194% above FY14 actual collections of \$259,044.

Hotel-Motel Occupancy Privilege Tax Fund

The City of Chattanooga has the authority to levy a privilege tax on the occupancy of hotel/motel rooms by transients. Pursuant to T.C.A 67-4-1401, et seq. and City Ordinance No 11303, the City has levied such a tax. The tax is set at 4%.

The FY15 budgeted revenue totals \$6,428,340, which is 20.14% above FY14.

Community Development

Annual funding is allocated by the U.S. Department of Housing and Urban Development which amounts awarded fluctuates each year.

The FY15 budgeted revenue totals \$2,600,000, which is 22.06% less than FY14. This reduction is due to the fund not anticipating any program income during FY15. Also note that the FY15 budget amount does not include the amounts for the Shelter Plus Care Grant of \$235,899 and the Emergency Solutions Grant of \$138,151 due to the final awards being determined after budget approval. Overall, this is a 10.84% decline in revenue.

Municipal Golf Course Fund

Revenues come mainly from green fees and golf cart rentals. Overall, estimated revenues are expected to decrease approximately 6.6% from FY14 budget due to an overall expected decrease in business based on historical trends.

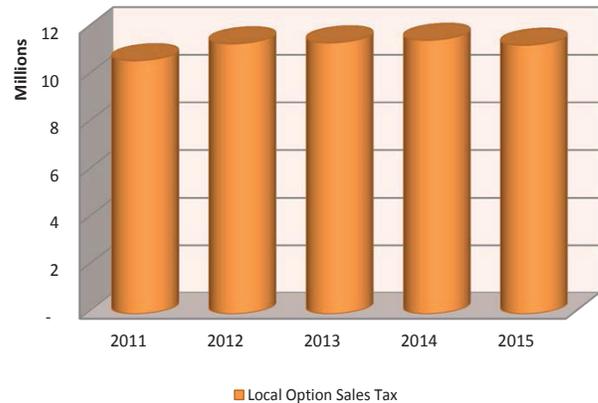
Automated Traffic Enforcement Fund

Revenues comes primarily from automated traffic and speeding fines. The FY15 revenues are estimated at \$612,000 or 34.94% below FY14 budget of \$940,600. Collections are being decreased based on actual collections in FY13 and FY14. The City suspended the contract with the initial vendor for poor performance. Services with a new vendor are being ramped up.

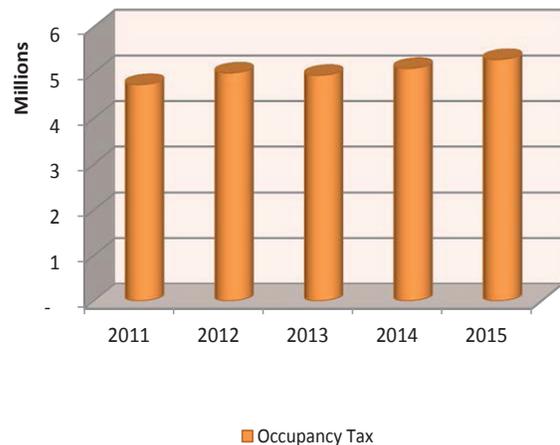
Tennessee Valley Regional Communication Fund

Revenues come mainly from maintenance fees on equipment and member fees for the communications system. Revenues are expected to increase by 2.0% in FY15. Reported as a special revenue fund, it is intended that total fees charged will be sufficient to cover all operations cost excluding depreciation.

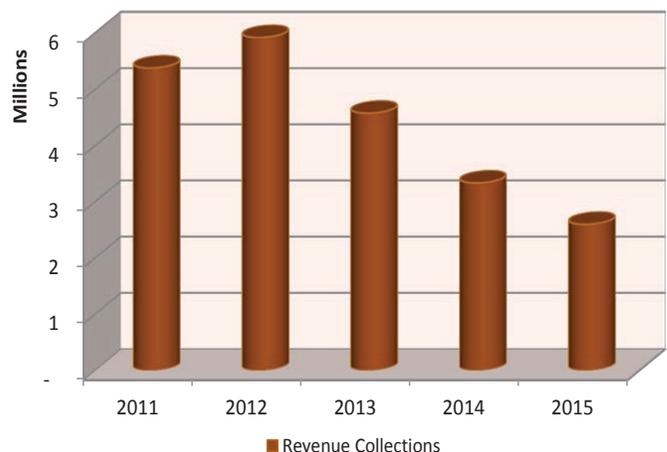
Economic Development Collections



Hotel-Motel Tax Collections



Community Development Collections



Special Revenue Fund Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg
EXPENDITURES						
State Street Aid	4,457,109	4,280,693	4,280,000	4,400,000	120,000	2.80%
YFD - Social Services	14,796,762	14,524,968	15,139,893	14,102,388	(1,037,505)	-6.85%
Economic Development Fund	11,279,370	11,077,647	11,788,334	13,641,603	1,853,269	15.72%
Narcotics	1,023,055	418,941	607,000	762,000	155,000	25.54%
Hotel/Motel Tax Fund	4,656,274	4,282,809	5,350,500	6,428,340	1,077,840	20.14%
Community Development Fund	5,823,391	4,577,713	3,335,697	2,600,000	(735,697)	-22.06%
Municipal Golf Course	1,878,390	2,161,038	1,928,600	1,800,890	(127,710)	-6.62%
Automated Traffic Enforcement	981,219	926,730	940,600	612,000	(328,600)	-34.94%
Tenn Valley Region Communication	1,113,383	922,999	1,046,433	1,067,402	20,969	2.00%
Total Special Revenue Fund	46,008,953	43,173,538	44,417,057	45,414,623	997,566	2.25%

Expenditures

State Street Aid

State gasoline fuel tax distribution is collected into this fund and used for major street improvements and construction in the Chattanooga area, under State guidelines. The primary use of these funds are personnel, vehicle and construction costs.

YFD - Social Services

YFD - Social Services' FY15 estimated expenditures have decreased by 6.85%. Fund accounts for Head Start, and other Federal programs administered by the City.

Economic Development Fund

During FY2015, \$8,953,569 will be allocated to lease rental payments for Lease Rental Revenue Bonds on behalf of the Chattanooga Downtown Redevelopment Corporation (CDRC). The remaining funds are dedicated to economic development projects in downtown Chattanooga and Enterprise South.

Narcotics Fund

This fund accounts for the cost of drug enforcement activity which includes purchase of surveillance equipment, drug identification kits, maintenance on narcotics officers' vehicles and pay to informants. Funds can also be used for local drug treatment and educational programs.

Hotel-Motel Occupancy Privilege Tax Fund

This tax is used to fund improvements in the downtown and riverfront area to encourage tourism and enhance quality of life. This tax is dedicated to the 21st Century Waterfront Plan which involved redevelopment of the city waterfront. The Waterfront Plan, with an estimated cost of \$120 million of which the City funded \$55 million, was funded jointly by the public and the private sectors. Current funds will be used to pay debt service on the Hotel-Motel Tax Bonds and fund any additional waterfront related capital costs.

Community Development

This fund receives federal grants directly from HUD as well as grants administered through the State of Tennessee. Each year the expenses from one block grant year to the next spans multiple fiscal years because the City's fiscal year is different than the Federal government's fiscal year. The federal funding is on a draw down basis as expended by the entity; therefore due to the spending rate of specific qualified programs the expenses will vary from year to year.

Federal guidelines are followed by the City in expending Community Development and Home Investment Funds. These are subject to federal audit at any time, and are also included in the City's annual audit.

Municipal Golf Course Fund

Funds are used to cover the operational cost of the City's two golf courses. The primary costs are personnel and purchase services. Expenses for FY15 are estimated to decline approximately 6.62% from FY14.

Automated Traffic Enforcement Fund

Funds used to account for automated traffic enforcement operations including student driver training. Expenses for FY15 are estimated to decrease 34.94% or \$328,600 due to declining revenues and change in traffic camera vendors.

Tennessee Valley Regional Communication Fund

The Fund is for the Operations, Management, & Maintenance of the a Regional Communications System. The TVRCS is a jointly funded Interoperable Public Safety communications system made up of Partners from the City of Chattanooga, 13 Counties in Tennessee & Georgia, & the State of Tennessee. The governance of the system is handled by an Advisory Committee composed of a member from each of the Partners and an Executive Commission composed of the Advisory Committee member from the City of Chattanooga, Hamilton County, Catoosa County and two at large members elected by the Advisory Committee. Expenses for FY15 are estimated to be \$1,067,402.

Special Revenue Revenue Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg	% of total Budget
State Street Aid (Fund 2050)							
State of Tennessee	4,326,635	4,307,353	4,280,000	4,390,000	110,000	2.57%	9.67%
State Maintenance of Streets	1,282	6,892	-	7,476	7,476	N/A	0.02%
Other (EPA, FEMA, TEMA)	7,198	-	-	2,524	2,524	N/A	0.01%
Total State Street Aid	\$ 4,335,115	\$ 4,314,245	\$ 4,280,000	\$ 4,400,000	\$ 120,000	2.80%	9.69%
YFD - Social Services (Fund 2030)							
Federal - State Grants	13,273,555	13,370,099	13,904,150	12,362,268	(1,541,882)	-11.09%	27.22%
City of Chattanooga	733,477	1,033,477	1,064,481	1,165,000	100,519	9.44%	2.57%
Day Care Fees	65,825	47,762	27,816	60,000	32,184	115.70%	0.13%
Miscellaneous	281,849	29,856	136,246	515,120	378,874	278.08%	1.13%
Interest Income	7,330	3,514	7,200	-	(7,200)	-100.00%	0.00%
Total YFD - Social Services	\$ 14,362,036	\$ 14,484,708	\$ 15,139,893	\$ 14,102,388	\$ (1,037,505)	-6.85%	31.05%
Economic Development (Fund 1111)							
Local Option Sales Tax	11,365,043	11,405,092	11,514,000	11,303,400	(210,600)	-1.83%	24.89%
State Shared Tax	308,833	-	-	-	-	N/A	0.00%
Fund Balance	-	-	274,334	2,338,203	2,063,869	752%	5.15%
Total Economic Development	\$ 11,673,876	\$ 11,405,092	\$ 11,788,334	\$ 13,641,603	\$ 1,853,269	15.72%	30.04%
Narcotics (Fund 9250)							
Federal	1,450	-	50,000	-	(50,000)	-100.00%	0.00%
State	-	-	12,000	-	(12,000)	-100.00%	0.00%
Confiscated Narcotics Funds	188,922	977,856	200,000	702,000	502,000	251.00%	1.55%
Other	110,196	71,977	50,000	60,000	10,000	20.00%	0.13%
Fund Balance	-	-	295,000	-	(295,000)	-100.00%	0.00%
Total Narcotics	\$ 300,568	\$ 1,049,833	\$ 607,000	\$ 762,000	\$ 155,000	25.54%	1.68%
Hotel/Motel Tax (Fund 2070)							
Occupancy Tax	5,001,007	4,949,000	5,100,500	5,295,500	195,000	3.82%	11.66%
SRC Parking Garage Revenue	268,974	326,086	250,000	250,000	-	0.00%	0.55%
Fund Balance	-	-	-	882,840	882,840	N/A	1.94%
Interest Income	497	3,457	-	-	-	N/A	0.00%
Total Hotel/Motel Tax	\$ 5,270,478	\$ 5,278,543	\$ 5,350,500	\$ 6,428,340	\$ 1,077,840	20.14%	14.15%
Community Development (Fund 2060)							
<i>(includes HOME program)</i>							
Federal	4,988,611	4,501,482	3,335,697	2,585,000	(750,697)	-22.50%	5.69%
Miscellaneous/Program	935,826	76,231	-	15,000	15,000	N/A	0.03%
Total Community Development	\$ 5,924,437	\$ 4,577,713	\$ 3,335,697	\$ 2,600,000	\$ (735,697)	-22.06%	5.73%
Total Municipal Golf Course (1105)	\$ 1,875,346	\$ 1,753,398	\$ 1,928,600	\$ 1,800,890	\$ (127,710)	-6.62%	3.97%
Automated Traffic Enforcement (Fund 9091)							
Automated Traffic & Speeding Fines	828,189	364,745	383,400	592,000	208,600	54.41%	1.30%
Other	28,809	21,068	-	20,000	20,000	N/A	0.04%
Use of Fund Balance	-	-	557,200	-	(557,200)	-100.00%	0.00%
Total Automated Traffic Enforcement	\$ 856,998	\$ 385,813	\$ 940,600	\$ 612,000	\$ (328,600)	-34.94%	1.35%
Tenn Valley Regional Communications (Fund 2110)							
Operations	988,506	1,134,304	1,046,433	1,067,402	20,969	2.00%	2.35%
Total TVRC	\$ 988,506	\$ 1,134,304	\$ 1,046,433	\$ 1,067,402	\$ 20,969	2.00%	2.35%
Grand Total	\$ 45,587,360	\$ 44,383,649	\$ 44,417,057	\$ 45,414,623	\$ 997,566	2.25%	3.70%

Special Revenue Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg	% of total Budget
State Street Aid (Fund 2050)							
Street Maintenance	4,457,109	4,280,693	4,280,000	4,400,000	120,000	2.80%	9.69%
Total State Street Aid	\$ 4,457,109	\$ 4,280,693	\$ 4,280,000	\$ 4,400,000	\$ 120,000	2.80%	9.69%
YFD - Social Services (Fund 2030)							
Administration	895,464	760,364	862,615	1,660,420	797,805	92.49%	3.66%
Headstart	8,619,629	8,780,584	9,184,186	8,805,681	(378,505)	-4.12%	19.39%
Daycare	766,069	671,647	687,187	570,000	(117,187)	-17.05%	1.26%
Foster Grandparents	510,462	507,540	509,761	499,481	(10,280)	-2.02%	1.10%
LIHEAP	2,924,862	3,011,503	3,037,458	1,919,035	(1,118,423)	-36.82%	4.23%
Community Service Block Grant	542,187	601,713	658,116	580,671	(77,445)	-11.77%	1.28%
YFD - Social Services Programs	123,039	141,772	120,362	41,500	(78,862)	-65.52%	0.09%
City General Relief	44,469	48,818	46,644	25,600	(21,044)	-45.12%	0.06%
ARRA	294,412	-	-	-	-	N/A	0.00%
Other	76,169	1,027	33,564	-	(33,564)	-100.00%	0.00%
Total YFD - Social Services	\$14,796,762	\$14,524,968	\$15,139,893	\$14,102,388	\$ (1,037,505)	-6.85%	31.05%
Economic Development (Fund 1111)							
Capital Projects_Economic Development	2,775,817	2,628,542	2,110,000	4,000,000	1,890,000	89.57%	8.81%
Minority Business Development	75,000	75,000	75,000	-	(75,000)	-100.00%	0.00%
Enterprise Center	-	-	-	50,000	50,000	N/A	0.11%
Chattanooga Chamber of Commerce	450,000	450,000	450,000	450,000	-	0.00%	0.99%
Chamber of Comm Marketing-Enterprise South	75,000	75,000	75,000	75,000	-	0.00%	0.17%
Commission to Hamilton County	85,329	123,310	115,140	113,034	(2,106)	-1.83%	0.25%
Lease Payments	8,770,135	8,947,849	9,563,194	9,553,569	(9,625)	-0.10%	21.04%
Less: Chattanooga Lease Payment offset	(1,260,744)	(1,232,447)	(600,000)	(600,000)	-	0.00%	-1.32%
Tourist Development Zone	308,833	10,393	-	-	-	N/A	0.00%
Total Economic Development	\$11,279,370	\$11,077,647	\$11,788,334	\$13,641,603	\$ 1,853,269	15.72%	30.04%
Narcotics (Fund 9250)							
Operations	1,023,055	418,941	607,000	762,000	155,000	25.54%	1.68%
Total Narcotics	\$ 1,023,055	\$ 418,941	\$ 607,000	\$ 762,000	\$ 155,000	25.54%	1.68%
Hotel/Motel Tax (Fund 2070)							
21st Century Waterfront	333,024	-	652,797	1,550,000	897,203	137.44%	3.41%
Capital Approp from Fund Balance	898,976	-	-	-	-	N/A	N/A
River Pier Garage Operations	106,095	145,497	250,000	250,000	-	0.00%	N/A
Public Works Capital Fund TN Riverpark Exp	-	-	503,450	-	(503,450)	-100.00%	N/A
Hamilton County	30,000	30,000	30,000	30,000	-	0.00%	N/A
Debt Service	3,193,219	4,001,668	3,812,243	4,492,430	680,187	17.84%	9.89%
Hotel/Motel Collection Fee	94,960	105,644	102,010	105,910	3,900	3.82%	0.23%
Total Hotel/Motel Tax	\$ 4,656,274	\$ 4,282,809	\$ 5,350,500	\$ 6,428,340	\$ 1,077,840	20.14%	14.15%
Community Development (Fund 2060)							
(includes HOME Program)							
Administration	452,203	480,000	488,000	440,000	(48,000)	-9.84%	0.97%
Chattanooga Neighborhood Enterprise	1,042,909	1,402,238	710,900	580,000	(130,900)	-18.41%	1.28%
Other Community Development Projects	3,043,297	1,681,775	1,824,422	1,355,000	(469,422)	-25.73%	2.98%
Transfers	1,284,982	1,013,700	312,375	225,000	(87,375)	-27.97%	0.50%
Total Community Development	\$ 5,823,391	\$ 4,577,713	\$ 3,335,697	\$ 2,600,000	\$ (735,697)	-22.06%	5.73%
Total Municipal Golf Course (1105)	\$ 1,878,390	\$ 2,161,038	\$ 1,928,600	\$ 1,800,890	\$ (127,710)	-6.62%	3.97%
Automated Traffic Enforcement (Fund 9091)							
Automated Traffic	981,219	926,730	940,600	612,000	(328,600)	-34.94%	1.35%
Total Automated Traffic Enforcement	\$ 981,219	\$ 926,730	\$ 940,600	\$ 612,000	\$ (328,600)	-34.94%	1.35%
Tenn Valley Regional Communications (Fund 2110)							
Operations	1,113,383	922,999	1,046,433	1,067,402	20,969	2.00%	2.35%
Total TVRC	\$ 1,113,383	\$ 922,999	\$ 1,046,433	\$ 1,067,402	\$ 20,969	2.00%	2.35%
Grand Totals	\$46,008,953	\$43,173,538	\$44,417,057	\$45,414,623	\$ 997,566	2.25%	100.00%

Enterprise Funds

Fiscal Year Ending June 30, 2015

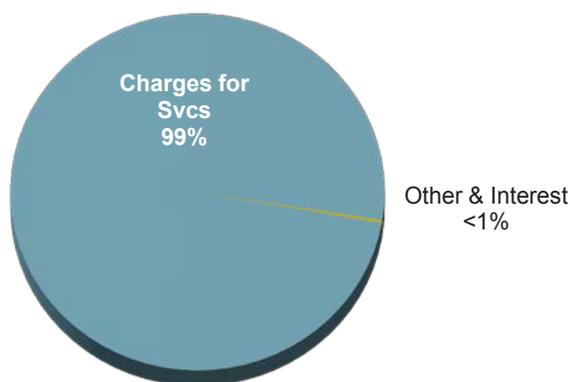
Fund Structure

Enterprise Funds are used to account for activities that the City operates as private enterprises. An Enterprise Fund might be established because an operation is expected to cover its costs (including depreciation expense) through user charges or because the City believes it is necessary to account for income and capital maintenance. The budgetary basis of accounting for these funds is the full accrual method where measurement focus is their economic resources, much like that of a private-sector business. Revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. The CAFR shows the status of the funds finances on the basis of Generally Accepted Accounting Principals. The City of Chattanooga has three (3) budgeted Enterprise Funds: Interceptor Sewer Fund, Water Quality Management Fund and Solid Waste. As of June 30, 2014 the budgeted revenue and expenses were as follows:

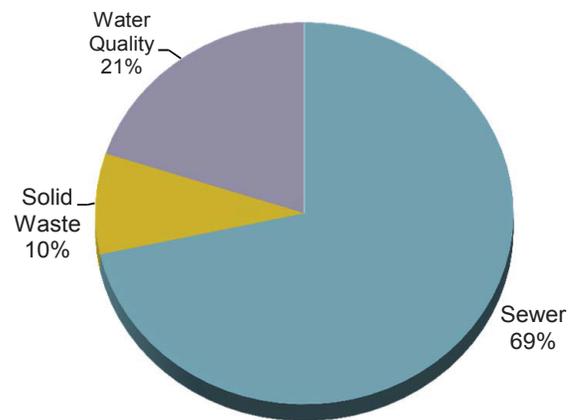
FY 14 Results	Budget Rev & Exp	(unaudited) FY14 Actual Rev	(unaudited) FY14 Actual Exp
Interceptor Sewer Fund	55,843,676	61,374,929	49,180,581
Solid Waste Fund	6,986,585	7,091,727	5,663,028
Water Quality Fund	16,858,055	18,087,090	16,105,586
Total Enterprise Funds	79,688,316	86,553,746	70,949,195

Revenue & Appropriation by Fund \$84,487,938

Revenues



Appropriation



Enterprise Funds						
Revenue Fund Summary	Actual 12	Budget 13	Budget 14	Budget 15	Inc(Dec)	% chg
Interceptor Sewer System	52,598,300	52,768,142	55,843,676	60,446,000	4,602,324	8.24%
Solid Waste	6,408,671	6,394,078	6,986,585	7,202,000	215,415	3.08%
Water Quality Fund	19,123,909	19,405,188	16,858,055	16,839,938	(18,117)	-0.11%
Total Enterprise Funds	78,130,880	78,567,408	79,688,316	84,487,938	4,799,622	6.02%

Revenues

Interceptor Sewer Fund

Sewer Service Charges. Revenues to operate, maintain and finance the System are derived primarily from sewer service charges collected from residential, commercial and industrial customers using the System. Sewer service charges for the City are collected via contracted services of ENCO, Company, based on water meter data provided by the Tennessee-American Water Company, or they are collected through the Hixson Utility District. The sewer service charge rates are based upon the quantity of water used and are expressed as cents per thousand gallons.

Regional users such as Walker County, Georgia, the City of Collegedale and the Town of Lookout Mountain, Tennessee are billed on the basis of metered water consumption. This method of billing does not allow for the recovery of costs incurred to treat flows beyond the amount of water purchased, such as inflow and infiltration into the System. However, the wheelage and treatment rate is approximately two times the total metered flow rate, therefore, payment is made for some inflow and infiltration. The City of Chattanooga has installed flow metering stations on the discharge lines connecting regional users so that they may be billed on the basis of total measured wastewater flow, under the EPA approved user charge system. Contract negotiations with each respective government are underway and must be completed before this method of billing can begin.

The sewer service charges for the regional users (Windstone, Rossville, Northwest Georgia, Dade County, Ringgold, Collegedale, Lookout Mountain, TN, Lookout Mountain, GA, Hamilton County, East Ridge, Soddy Daisy, Red Bank and Walker County) are based on a regional service charge rate schedule (wheelage and treatment). The regional service charge rate schedule currently in effect provides rate schedules for billing the regional users on either a metered water consumption basis (billable flow method) or a total measured wastewater flow basis (total flow method). This allows the City to begin billing the regional users

on a total flow method immediately upon completion of successful contract negotiation for total flow method billing. Other System revenues come from an industrial user sewer surcharge, truck discharge operation permit fees, septic tank discharge fees, holding tank discharge fees, service line connection fees and garbage grinder usage fees.

The City operates the System on a self-supporting basis from sewer service charges and fees. The July 1, 2014 approved rate schedule, is as follows:

Enumeration Of Charges - Quantity of Water Used

Sewer service charges are based upon the quantity of water registered by water meters. The dollar amount is derived by applying the total charge in dollars per one thousand (1,000) gallons for the following quantities of water:

User Class	FY 15 Total Charges (\$/1,000 gal)
First 100,000	\$ 7.77
Next 650,000	5.77
Next 1,250,000	4.69
Next 30,000,000	3.96
Over 32,000,000	3.85

Regional Service Charge Rate (Wheelage and Treatment)

The regional sewer service user charge (wheelage and treatment) shall be collected from regional users of the system including Rossville, Northwest Georgia, Dade County, Ringgold, Collegedale, Lookout Mountain, TN, Lookout Mountain, GA, Hamilton County, East Ridge, Soddy Daisy, Red Bank and Walker County and shall be determined either under the "billable flow" method based upon quantity of water used as shown by applicable water company meter readings or the "total flow" method based upon flow meter measured flow accordingly to the applicable contract with the regional user.

Billable Flow

The amount due from the regional user shall be the dollar amount derived by applying the total charge shown in the table below per one thousand (1,000) gallons of water sold.

User Class	Regional Operation & Maintenance Charge (\$/1,000 gal)	Regional Debt Charge (\$/1,000 gal)	Regional Total Charge Wheelage & Treatment (\$/1,000 gal)
Wheelage & Treatment	\$ 2.0990	\$ 0.7855	\$ 2.8845

If regional customers are billed directly through the water company, the rate shall be two dollars and eighty-nine cents (\$2.89) per one thousand (1,000) gallons.

Total Flow

The amount due from the regional user shall be the dollar amount derived by applying the total charge shown in the table below applied to the quantity of wastewater measured by a flow meter installed and maintained at or near the point of connection between the system of the regional user and the Chattanooga System. In the event of any malfunction of said meters, flow shall be estimated, interpolated and/or projected in the most equitable manner possible. Such estimates along with available readings for periods where there was no malfunction shall be the basis for billing.

User Class	Regional Operation & Maintenance Charge (\$/1,000 gal)	Regional Debt Charge (\$/1,000 gal)	Regional Total Charge Wheelage & Treatment (\$/1,000 gal)
Wheelage & Treatment	\$ 1.0369	\$ 0.3726	\$1.4095

Monthly Minimum Sewer Service Charges

Minimum sewer service charges based upon water meter connection size are as follows:

Meter Size	FY 15 10/1/2014 Charge per Month
5/8"	\$ 15.98
3/4"	57.02
1"	99.63
1 1/2"	222.97
2"	394.80
3"	925.44
4"	1,710.24
6"	4,073.52
8"	7,205.34

Industrial User Sewer Surcharge

An industrial user surcharge is levied upon industrial users which discharge wastewater in concentrations in excess of "normal wastewater" at the following rates:

- \$0.1229 per pound of 5-day biochemical oxygen demand (BOD₅) for concentrations in excess of three hundred (300) milligrams per liter, and,
- \$0.0852 per pound of total suspended solids for concentrations in excess of four hundred (400) milligrams per liter.

The City has also established the following fees and charges:

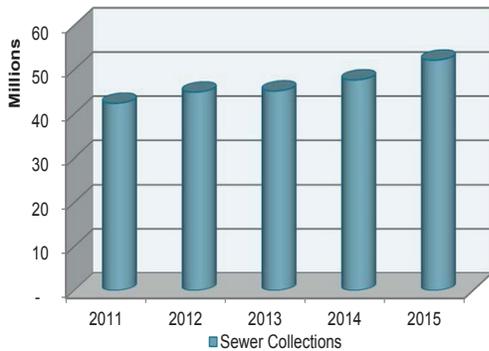
- A Sewer Service Line Connection Fee of \$800;
- A Truck Discharge Operation Permit Fee of \$100 per truck per year;
- A Septic Tank Discharge Fee of \$91.00 per 1,000 gallons of waste;
- Holding Tank Waste Fee of \$7.77 per 1,000 gallons of waste and
- Garbage Grinders Fee of \$238.00 per month per unit.

In 1985, the City, in conjunction with consulting engineers and financial advisors, developed a five year financial analysis which examined the System's capital improvement program at different yearly funding commitments of the City. As a result of this analysis, the City established its annual funding commitment of the System at \$10,000,000 per year. Simultaneously, the City committed itself to enacting annual rate increases of at least 6.14% for each of the five consecutive years starting in July 1985 in order to support the \$10,000,000 per year funding program. The City has followed through with its commitment to raise rates to support the program since 1985. As of April 1990, the City had adopted five consecutive annual sewer rate increases of 6.14%.

Since the City successfully accomplished its goal of enacting 6.14% sewer rate increases for the five consecutive fiscal years, the City planned to enact future annual rate increases at a lower level than 5%. As evidenced by its program since 1985, the City remains committed to keeping the System self-supported from sewer revenues including adoption of any necessary sewer rate increases to ensure that it remains self supporting. Following is a history of rate increases since 1988:

FYE 6/30					
FY 1988	6.14%	FY 1998	0.00%	FY 2008	6.00%
FY 1989	6.14%	FY 1999	0.00%	FY 2009	6.00%
FY 1990	6.14%	FY 2000	(10.00%)	FY 2010	3.00%
FY 1991	5.24%	FY 2001	0.00%	FY 2011	3.00%
FY 1992	3.32%	FY 2002	0.00%	FY 2012	5.00%
FY 1993	5.79%	FY 2003	7.29%	FY 2013	9.50%
FY 1994	3.00%	FY 2004	7.07%	FY 2014	9.80%
FY 1995	0.00%	FY 2005	2.54%	FY 2015	9.80%
FY 1996	0.00%	FY 2006	0.00%		
FY 1997	0.00%	FY 2007	15.48%		

Below is the sewer system's historical trend of collections. Revenue increases can be attributed to the completion of several construction projects bringing more taps on line and rate increases to address the CMOM (Capacity, Management, Operations and Maintenance) project proactively.



Solid Waste Fund

This fund accounts for the costs associated with the disposal of solid waste and recyclable materials. Section 68-31-874 (a) of the Tennessee Code Annotated sets forth the accounting requirements for financial activities related to the management of solid waste. Effective July 1, 1993, it became a requirement to account for the operation of a landfill as an enterprise fund.

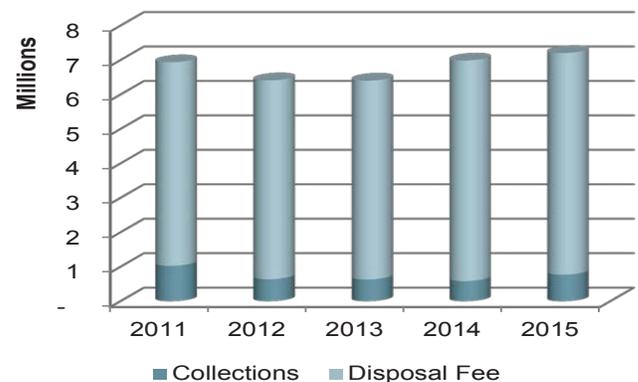
Landfill Tipping Fees. Revenues to operate, maintain and finance the Solid Waste Disposal System are derived primarily from tipping fees charged at the disposal sites. Municipalities may impose such a fee upon each ton of waste or its volume equivalent received at such a disposal facility. During FY 98/99, the disposal operation was relocated to a new site in Birchwood as the available space at the old facility had been depleted. The new location is farther away from the center of the city, which has led some disposal companies to reroute their disposal traffic to other regional disposal facilities more conveniently located. The new sanitary landfill also stopped accepting construction waste; the construction debris site is operated by a private company. These changes have led to a reduction in the projected revenue for the fund but should result in a longer life for the landfill.

Solid Waste Disposal Fee. Since the revenue from the

landfill tipping fees does not totally fund the expenditures of the fund and because the City garbage service is the primary customer General Fund supports the Solid Waste Fund through a General Fund Waste Disposal Fee. This FY14/15 fee of \$6,435,570 accounts for 89.4% of the total budget.

The chart below shows the historical trend of collections. The primary sources of revenues for this fund are landfill tipping fees and a City of Chattanooga waste disposal fee.

Solid Waste Revenue



Water Quality Management Fund

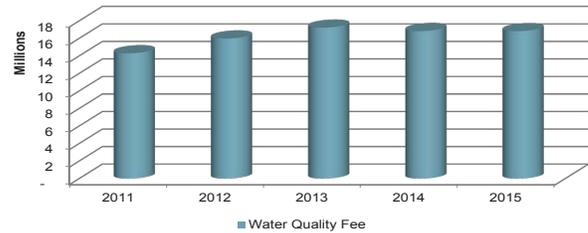
The Water Quality Management Fund was established in 1993 to comply with a Federal mandate for the City to control storm water runoff. The City is required to impose controls to reduce the discharge of pollutants in storm water to the maximum extent practicable using management practices, control techniques and system design and engineering methods for the control of such pollutants. This fund accounts for the construction and operation of the storm water system of the City.

For the purpose of operating the water quality program of the City and the payment of the cost and expenses appurtenant, incident or necessary thereto for the construction, extension, enlargement or acquisition of necessary storm water facilities or flood control improvement, including replacement thereof, and for the operation and maintenance thereof, there is imposed a water quality user's fee upon the owner of property served directly or indirectly by the City's storm water system. The Water Quality fee remained constant from 2000 to 2010. Based on an analysis of service levels, rates, and cash flow, the Council determined that it was in the best interest of the City, its citizens, and the users of the City storm water system to revise the mechanism for the financing of storm water and water quality facilities, systems, and services provided by the City through a revised water quality fee. While the residential fee of \$115.20 per ERU was implemented immediately following the study in 2011 per Ordinance 12523, the commercial rate was phased in over a 5 year period that ends in fiscal year 2015.

The revenue for this fund is derived from water quality fees totaling \$16,839,938 for FY2015.

Following is a chart showing the historical trend of fees collected:

Water Quality Collections



Enterprise Funds						
Expend Fund Summary	Actual 12	Budget 13	Budget 14	Budget 15	Inc(Dec)	% chg
Interceptor Sewer System	64,990,442	70,268,527	55,843,676	60,446,000	4,602,324	8.24%
Solid Waste	6,008,518	4,253,116	6,986,585	7,202,000	215,415	3.08%
Water Quality Fund	13,241,028	13,076,612	16,858,055	16,839,938	(18,117)	-0.11%
Total Enterprise Funds	84,239,988	87,598,255	79,688,316	84,487,938	4,799,622	6.02%

Expenses

Interceptor Sewer Fund

Expenses for the Interceptor Sewer System reflect major cost areas: personnel costs, chemical costs for liquid and solid handling, maintenance costs, electricity costs, pump stations, combined sewer overflow facilities and depreciation. Major capital expenses needed for the Moccasin Bend Wastewater Treatment Plant (MBWWTP), such as vehicle replacement, pump replacement, and major system repairs occur here. In FY14/15, the operations and maintenance budget increased \$1,858,197, or 5.8%, due to increases required to meet operations, maintenance, and capital requirements based on current agreements with EPA and TDEC-DWPC. The largest single change in the ISS budget for FY14/15 is the \$1.9M increase in appropriation to capital projects and \$722K increase in the appropriation for solid handling operations at MBWWTP.

The debt service portion of the proposed budget for FY14/15 increased \$628,175 from FY13/14. This change is due to the varying interest and principal payments on bonded debt and/or capital outlay notes required from one fiscal year to the next.

Solid Waste Fund

Expenses in the Solidwaste Fund include:

- *Recycle Center*
- *Waste Disposal - Landfill*
- *Compost Waste Center*
- *Debt Service*
- *Capital Projects*

In February 1995, the City issued \$13,291,500 General Obligation Bonds for Solid Waste facilities improvements and equipment purchases. This issue provided financing for the capital improvements necessary for the landfill.

In March 1998 and March 2001, the City issued general obligation bonds totaling \$17.9 million and \$6.7 million respectively, to fund capital improvements at the Summit landfill and the new landfill located in

Birchwood. In fiscal year 2004, the City issued \$540,000 general obligation bonds for capital improvements at the Summit landfill and \$5,705,097 in fiscal year 2006 for construction of additional landfill area located in Birchwood.

Major expenses of this fund are personnel costs and vehicle related costs. The FY12/13 major changes are due to salary and benefits increases. In FY13/14, a increase of 11.2% or \$703K was due to funding for post closure liability.

Water Quality Management Fund

As this is an Enterprise Fund, its major revenue is derived from the Water Quality Fee. Expenses in the Water Quality Management Fund include:

- Personnel
- Operations
- Debt Service
- Capital Projects

Due to requirements from the Tennessee Department of Environment and Conservation to obtain a NPDES Phase I permit, the City will be required to implement new programs to improve the quality of storm water entering the system. As a part of this process the Public Works Department was reorganized in fiscal year 2011 to consolidate Water Quality related expenses. General Fund and State Street Aid costs were transferred to Water Quality along with thirty (30) General Fund and nineteen (19) State Street Aid positions.

Enterprise Funds							
Revenue Fund Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Interceptor Sewer System (Fund 6010):							
Sewer Service Charges	41,031,646	41,889,982	45,198,997	49,673,833	4,474,836	9.9%	58.79%
Industrial Surcharges	3,896,844	3,294,838	2,500,000	2,500,000	-	0.0%	2.96%
Septic Tank Charges	257,349	316,588	240,901	264,509	23,608	9.8%	0.31%
Wheelage & Treatment:							
Lookout Mountain, TN	199,942	164,100	245,869	233,087	(12,782)	-5.2%	0.28%
Dade County, GA	12,586	13,578	14,400	15,481	1,081	7.5%	0.02%
Walker County, GA	407,876	469,579	502,507	517,234	14,727	2.9%	0.61%
Collegedale, TN	355,234	375,487	400,622	425,754	25,132	6.3%	0.50%
Soddy-Daisy, TN	218,858	241,127	244,576	280,987	36,411	14.9%	0.33%
East Ridge, TN	1,669,096	1,722,560	1,875,377	2,012,285	136,908	7.3%	2.38%
Windstone	23,082	24,765	33,183	29,614	(3,569)	-10.8%	0.04%
Hamilton County, TN	833,606	939,928	957,669	1,030,581	72,912	7.6%	1.22%
Northwest Georgia	794,254	765,554	860,801	871,286	10,485	1.2%	1.03%
Lookout Mountain, GA	63,956	64,764	73,818	73,723	(95)	-0.1%	0.09%
Ringgold, GA	408,284	397,011	451,221	460,181	8,960	2.0%	0.54%
Rossville, GA	441,648	480,446	511,736	545,017	33,281	6.5%	0.65%
Red Bank, TN	725,871	752,263	789,214	864,099	74,885	9.5%	1.02%
Debt Service Northwest Georgia	777,167	410,074	447,353	447,353	-	0.0%	0.53%
Industrial User Permits	43,500	43,761	41,000	41,000	-	0.0%	0.05%
Industrial Violation Fines	2,021	4,900	-	-	-	N/A	0.00%
Garbage Grinder Fees	53,026	90,983	54,432	59,976	5,544	10.2%	0.07%
Miscellaneous Revenue	30,170	206,365	-	-	-	N/A	0.00%
Interest Earnings	352,284	99,489	400,000	100,000	(300,000)	-75.0%	0.12%
Total Interceptor Sewer	52,598,300	52,768,142	55,843,676	60,446,000	4,602,324	8.2%	71.5%
Solid Waste (Fund 6020):							
Landfill Tipping Fees	479,816	380,749	403,101	525,000	121,899	30.2%	0.62%
Landfill Permit Fees	1,512	840	165	-	(165)	-100.0%	0.00%
City of Chattanooga Tipping Fees	5,773,587	5,773,587	6,403,570	6,435,570	32,000	0.5%	7.62%
Sale of Mulch	14,320	84,104	80,000	81,000	1,000	1.3%	0.10%
State THHWG	73,443	83,675	85,000	85,000	-	0.0%	0.10%
Misc Revenues	65,993	71,123	14,749	75,430	60,681	411.4%	0.09%
Total Solid Waste	6,408,671	6,394,078	6,986,585	7,202,000	215,415	3.1%	8.5%
Water Quality (Fund 6030):							
Water Quality Fee	16,603,460	17,783,422	16,829,555	16,813,938	(15,617)	-0.1%	19.90%
Land Disturbing Fee	29,698	32,493	25,000	25,000	-	0.0%	0.03%
Fund Balance for Capital	2,466,951	1,546,151	-	-	-	N/A	0.00%
Misc Revenue	23,800	43,122	3,500	1,000	(2,500)	-71.4%	0.00%
Total Water Quality	19,123,909	19,405,188	16,858,055	16,839,938	(18,117)	-0.1%	19.9%
Grand Totals:	78,130,880	78,567,408	79,688,316	84,487,938	4,799,622	6.0%	100.0%

Enterprise Funds							
Expenditure Fund Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Interceptor Sewer System (Fund 6010):							
Operations & Maintenance:							
Administration	2,752,773	4,048,605	3,745,271	3,465,925	(279,346)	-7.5%	4.10%
Laboratory	636,843	735,693	710,237	792,932	82,695	11.6%	0.94%
Engineering	607,316	482,208	657,231	720,401	63,170	9.6%	0.85%
Plant Maintenance	1,425,235	1,840,286	2,070,086	2,572,354	502,268	24.3%	3.04%
Sewer Maintenance	3,572,279	2,517,368	3,758,102	3,385,202	(372,900)	-9.9%	4.01%
Moccasin Bend - Liquid Handling	12,767,991	12,882,136	12,885,936	13,342,808	456,872	3.5%	15.79%
Inflow & Infiltration	1,846,327	1,943,007	1,638,593	2,188,467	549,874	33.6%	2.59%
Safety & Training	147,734	160,425	149,654	161,269	11,615	7.8%	0.19%
Pretreatment/Monitoring	585,818	611,863	661,343	660,750	(593)	-0.1%	0.78%
Moccasin Bend - Solid Handling	3,050,736	3,336,902	3,905,181	4,627,473	722,292	18.5%	5.48%
Landfill Handling	2,010,076	1,560,288	1,600,000	1,664,000	64,000	4.0%	1.97%
Combined Sewer Overflow	351,945	277,236	283,125	341,375	58,250	20.6%	0.40%
Subtotal O & M	29,755,073	30,396,017	32,064,759	33,922,956	1,858,197	5.8%	40.15%
Pumping Stations							
19th Street	66,551	81,464	68,925	68,925	-	0.0%	0.08%
23rd Street	144,342	189,518	138,520	200,180	61,660	44.5%	0.24%
Big Ridge 1 - 5	222,269	88,171	103,260	107,760	4,500	4.4%	0.13%
Brainerd	34,151	62,268	108,884	71,434	(37,450)	-34.4%	0.08%
Citico	406,538	381,740	380,255	502,355	122,100	32.1%	0.59%
Dupont Parkway	20,088	45,362	27,160	28,410	1,250	4.6%	0.03%
East Brainerd	47,749	46,646	54,125	56,325	2,200	4.1%	0.07%
Enterprise South	45,078	37,149	48,645	30,645	(18,000)	-37.0%	0.04%
Friar Branch	215,328	233,051	245,025	226,425	(18,600)	-7.6%	0.27%
Highland Park	31,089	33,307	33,725	33,725	-	0.0%	0.04%
Hixson 1,2,3,&4	183,611	372,582	243,383	289,883	46,500	19.1%	0.34%
Latta Street	34,055	11,230	38,205	23,715	(14,490)	-37.9%	0.03%
Mountain Creek	8,010	31,782	72,475	90,975	18,500	25.5%	0.11%
Murray Hills	17,874	33,682	33,170	40,520	7,350	22.2%	0.05%
North Chattanooga	48,230	51,156	36,825	46,675	9,850	26.7%	0.06%
Northwest Georgia	112,448	92,583	73,200	68,900	(4,300)	-5.9%	0.08%
Odor Control Pump Stations	1,025,074	951,254	800,000	900,000	100,000	12.5%	1.07%
Ooltewah-Collegedale	126,431	157,160	240,075	199,575	(40,500)	-16.9%	0.24%
Orchard Knob	53,141	71,236	80,855	80,925	70	0.1%	0.10%
Regional Metering Stations	206	376	-	-	-	N/A	0.00%
Residential Pump Stations	31,524	27,826	40,000	41,500	1,500	3.8%	0.05%
Ringgold Pump Station	57,473	61,809	128,370	109,870	(18,500)	-14.4%	0.13%
River Park	1,651	303	4,750	4,750	-	0.0%	0.01%
South Chattanooga	8,029	6,678	11,070	11,070	-	0.0%	0.01%
South Chickamauga Creek	350,038	451,832	493,890	417,390	(76,500)	-15.5%	0.49%
Tiftonia 1&2	223,708	264,004	129,880	146,380	16,500	12.7%	0.17%
West Chickamauga	8,229	6,011	9,000	13,000	4,000	44.4%	0.02%
Other (Warner Park #1)	5,890	-	-	-	-	N/A	0.00%
VAAP	3,462	4,854	9,065	9,065	-	0.0%	0.0%
Subtotal Pumping Stations	3,532,267	3,795,034	3,652,737	3,820,377	167,640	4.6%	4.5%
Bad Debt Expense	223,963	289,774			-	N/A	0.00%
Other	116,946	11,849			-	N/A	0.00%
Depreciation	14,634,118	14,568,654			-	N/A	0.00%
Capital Improvements Program	1,247,885	(919,171)	500,000	500,000	-	0.0%	0.59%
Debt Service & Reserve							
Principal	8,879,445	8,887,783	11,355,380	11,594,500	239,120	2.1%	13.72%
Interest	2,960,918	2,462,888	3,411,863	2,968,389	(443,474)	-13.0%	3.51%
Reserve Coverage	-		2,658,104	3,490,633	832,529	31.3%	4.13%
	11,840,363	11,350,671	17,425,347	18,053,522	628,175	3.6%	21.4%
Construction Trust Fund (6011)	3,639,827	10,775,699	2,200,833	4,149,145	1,948,312	88.5%	4.91%
Total Interceptor Sewer	64,990,442	70,268,527	55,843,676	60,446,000	2,654,012	4.8%	71.5%

Enterprise Funds Expenditure Fund Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Solid Waste (Fund 6020):							
Recycle	776,184	723,032	946,018	967,972	21,954	2.3%	1.15%
Sanitary Landfill (Summitt)	20,000	-	-	-	-	N/A	0.00%
Waste Disposal - City Landfill	1,498,166	1,485,890	1,636,736	2,380,815	744,079	45.5%	2.82%
Compost Waste Recycle	711,400	718,382	866,893	882,200	15,307	1.8%	1.04%
Household Hazardous Waste	73,443	70,260	-	-	-	N/A	0.00%
Solid Waste Reserve	-	-	313,122	480,532	167,410	53.5%	0.57%
Montague Park Monitoring	5,595	-	-	-	-	N/A	0.00%
Other	-	-	852,923	140,919	(712,004)	-83.5%	0.17%
Depreciation	532,997	530,840	-	-	-	N/A	0.00%
Debt Service	2,390,733	724,712	2,370,893	2,349,562	(21,331)	-0.9%	2.78%
Total Solid Waste	6,008,518	4,253,116	6,986,585	7,202,000	215,415	3.1%	8.5%
Water Quality (Fund 6030):							
Water Quality Management	2,694,209	2,814,732	3,465,990	3,378,306	(87,684)	-2.5%	4.00%
Water Quality Operations	5,721,993	6,194,180	6,742,060	6,867,824	125,764	1.9%	8.13%
Water Quality Site Development	1,189,847	883,777	865,067	978,270	113,203	13.1%	1.16%
Water Quality Engineering	652,873	885,283	1,110,296	832,617	(277,679)	-25.0%	0.99%
Water Quality Public Education	72,252	77,400	78,731	91,026	12,295	15.6%	0.11%
Renewal & Replacement	77,516	103,557	112,553	438,335	325,782	289.4%	0.52%
Capital Improvement	1,450,000	-	2,450,000	2,403,541	(46,459)	-1.9%	2.84%
Depreciation and Bad Debt	1,382,338	1,820,774	-	-	-	N/A	0.00%
Debt Service & Reserve	-	296,909	2,033,358	1,850,019	(183,339)	-9.0%	2.19%
Total Water Quality	13,241,028	13,076,612	16,858,055	16,839,938	(18,117)	-0.1%	19.93%
Grand Totals:	84,239,988	87,598,255	79,688,316	84,487,938	2,851,310	3.6%	100.0%



Internal Service Funds

Fiscal Year Ending June 30, 2015

Fund Structure

Internal Service Funds are used to provide goods or services to other governmental operating units such as departments, bureaus, and agencies. The cost associated with providing these goods or services is usually recovered from those governmental units that receive benefits. The budgetary basis of accounting for these funds is the accrual method with economic resources measurement focus, much like that of a private-sector business. Revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. Funds are reported on GAAP basis in CAFR.

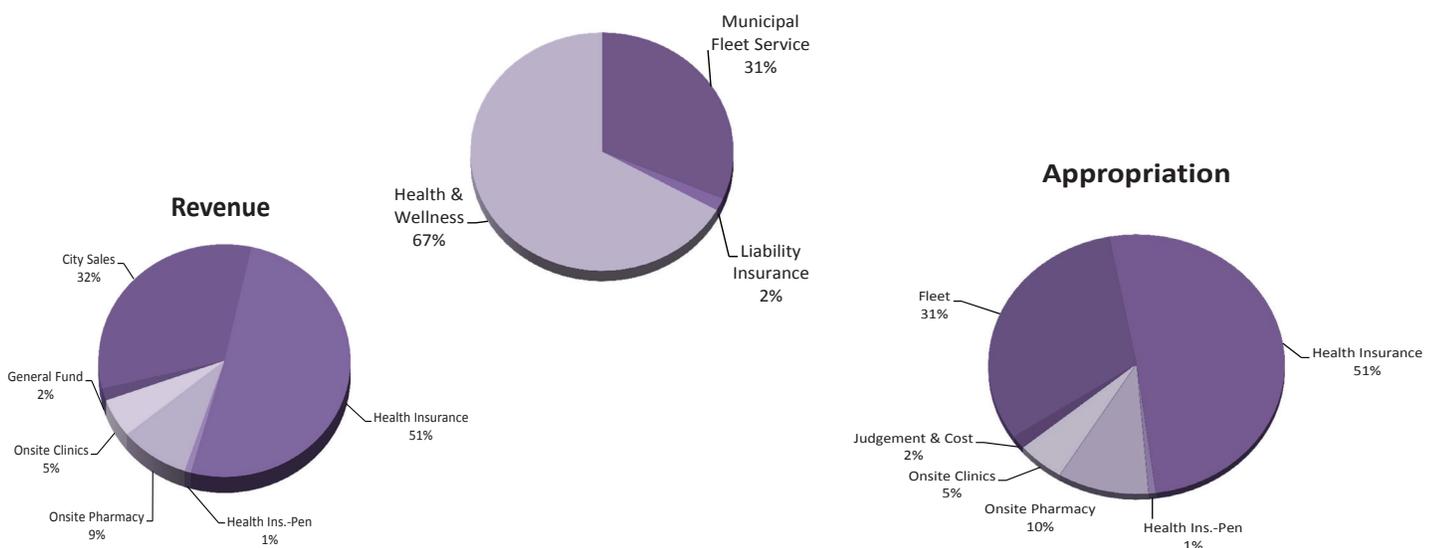
Municipal Fleet Services Fund accounts for revenues and expenditures associated with the operation of the City's garage, service station, and fleet leasing services. The cost for these services are paid by the departments and agencies of City government and charges to external agencies. Fleet budget for FY15 include a \$2.2 million use of Fund Balance accumulated for vehicle replacement under the lease program.

FY 14 Results	Budget Rev & Exp	Actual Rev	Unaudited Actual Exp
Municipal Service Station	\$ 4,451,582	\$ 4,282,049	\$ 4,176,389
Municipal Garage	\$ 7,242,178	\$ 7,299,215	\$ 7,832,860
Fleet Leasing Capital	\$ 3,580,000	\$ 6,763,809	\$ 6,421,578
Fleet Leasing Operations	\$ 2,873,274	\$ 2,912,781	\$ 2,291,138
Liability Insurance	\$ 800,000	\$ 800,000	\$ 2,511,662
Health & Wellness Fund	\$ 36,528,350	\$ 37,568,673	\$ 38,574,232
Total Internal Service Fund	55,475,384	59,626,527	61,807,859

Liability Insurance Fund accounts for the City self-insurance programs for claims and losses due to liabilities arising under the laws of State and Federal governments. The costs for these programs are funded through premiums paid by the departments and agencies of City government.

Health & Wellness Fund accounts for the health insurance, onsite clinic, and wellness program benefits for current employees and retirees. The costs are funded by employee and department/agency premiums.

Revenue & Appropriation \$59,972,482



Internal Services Funds					Budget	
Revenue Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg
Municipal Service Station	4,313,032	4,281,625	4,451,582	4,299,000	(152,582)	-3.4%
Municipal Garage	7,908,958	6,028,367	7,242,178	7,181,094	(61,084)	-0.8%
Fleet Leasing Operations	2,477,201	2,912,781	2,873,274	3,227,550	354,276	12.3%
Fleet Leasing Capital	10,675,535	6,763,809	3,580,000	4,179,000	599,000	16.7%
Liability Insurance	1,000,000	730,000	800,000	1,000,000	200,000	25.0%
Health & Wellness Fund	36,881,533	38,162,911	36,528,350	40,085,838	3,557,488	9.7%
Total Internal Services	63,256,259	58,879,493	55,475,384	59,972,482	4,497,098	8.1%

Revenues

Municipal Fleet Services Fund

Service Station and Garages. Revenues to operate, maintain, and finance the Fleet Services are derived primarily from sales of fuel, parts, labor, and leased vehicles to City Departments and other municipalities and agencies.

The estimated garage collections is decreased for FY15 by 0.8%. Users will continue to pay a \$65.00 per hour charge for garage services for vehicles that are not part of the lease program. For budgeting or planning purposes during FY15, a 25% premium is applied to parts billed to departments. Gasoline and diesel fuel will be billed to departments with an approximate 10% premium applied to cost.

Fleet Leasing Program. Continuing in FY15 is the Fleet Leasing Program, in which new vehicles will be purchased, owned and maintained by Fleet Services and leased to the various departments and agencies at a fixed rate. Started in FY07 and designed to replace the entire fleet over a period of six years, the program is expected to both provide the capital for vehicle replacement going forward and reduce maintenance costs with the progressive replacement of the oldest vehicles in the city fleet with new vehicles. In FY14, in order to relieve some expenses to the departments, the capital replacement component of the lease rate was suspended temporarily. The capital replacement component of the lease rate has been restored for FY15.

Liability Insurance Fund

Revenues to operate this fund are primarily premium payments from the General Fund. Revenue and expenses have fluctuated over the past four years. The premium requirement from General Fund fluctuates from fiscal year to fiscal year depending on the outstanding liabilities and potential outcomes based on the opinion and advice of the City Attorney.

Health & Wellness Fund

Revenues are generated from health insurance premiums charged to employees, retirees, departments, and agencies, and from charges to departments and agencies for the onsite medical clinics and wellness initiatives. The City currently operates a consolidated facility which houses a clinic, an employee fitness facility, and a pharmacy located at 612 East 11th Street.

Internal Services Funds Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg
Municipal Service Station	3,786,174	4,166,581	4,297,471	4,272,584	(24,887)	-0.6%
Municipal Garage	6,855,850	7,827,167	7,772,867	7,881,364	108,497	1.4%
Fleet Leasing Operations	1,247,329	2,291,137	2,496,696	2,553,696	57,000	2.3%
Fleet Leasing Capital	4,881,405	6,421,579	3,580,000	4,179,000	599,000	16.7%
Liability Insurance	567,637	252,003	800,000	1,000,000	200,000	25.0%
Health & Wellness Fund	27,730,596	33,733,390	36,528,350	40,085,838	3,557,488	9.7%
Total Internal Services	45,068,991	54,691,857	55,475,384	59,972,482	4,497,098	8.1%

Expenses

Municipal Fleet Services Fund

Disbursements for these funds are primarily for personnel, inventory supplies, and vehicle purchases. Rising fuel costs have continued to impact the Municipal Service Station. The City continues to purchase more fuel efficient vehicles in an effort to minimize costs. FY15 projects a 1.4% rise in expenses over FY14 budget for the Garage. As more vehicles are added to the Fleet Leasing program, Leasing Operations cost will continue to rise. FY15 projects an increase of 2.3% over FY14 budget for Leasing Operations.

Liability Insurance Fund

Expenses fluctuate from year to year depending on advice of Counsel as a result of claims made against the City.

Health & Wellness Fund

Expenses are primarily for employee and retiree health insurance claims and the cost of operating the onsite clinic and wellness program. The City also invests in stop loss insurance so as to mitigate the financial impact of unusually large medical claims.

Internal Service Fund Revenue Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg	% of total Budget
Municipal Service Station (Fund 6501):							
Amnicola Service Station:							
Fleet Fuel-City Sales	1,353,402	1,289,217	1,383,306	1,316,000	(67,306)	-4.87%	2.19%
Fleet Fuel-Outside Sales	3,433	33,100	38,920	27,000	(11,920)	-30.63%	0.05%
Total Amnicola Station	1,356,835	1,322,317	1,422,226	1,343,000	\$ (79,226)	-5.57%	2.24%
12th & Park Service Station:							
Fleet Fuel- City Sales	2,897,974	2,922,597	2,989,426	2,925,000	(64,426)	-2.16%	4.88%
Fleet Fuel- Outside Sales	58,223	36,711	39,930	31,000	(8,930)	-22.36%	0.05%
Total 12th & Park Station	2,956,197	2,959,308	3,029,356	2,956,000	(73,356)	-2.42%	4.93%
Total Municipal Service Station	\$ 4,313,032	\$ 4,281,625	\$ 4,451,582	\$ 4,299,000	\$ (152,582)	-3.43%	7.17%
Municipal Garage (Fund 6502):							
Amnicola Garage:							
Fleet - Sale of Parts	1,819,302	1,586,836	1,579,076	1,547,000	(32,076)	-2.03%	2.58%
Outside Sale of Parts	277,727	292,890	308,968	275,000	(33,968)	-10.99%	0.46%
Sales - Labor	1,607,684	141,788	1,380,908	1,343,000	(37,908)	-2.75%	2.24%
Outside Sales - Labor	221,683	191,061	192,544	173,866	(18,678)	-9.70%	0.29%
Miscellaneous Revenue	286	848	-	-	-	N/A	0.00%
Total Amnicola Garage	3,926,682	2,212,575	3,461,496	3,338,866	\$ (122,630)	-3.54%	5.57%
12th & Park Garage:							
Fleet - Sale of Parts	1,875,729	1,948,693	1,928,022	1,950,528	22,506	1.17%	3.25%
Outside Sale of Parts	19,037	8,543	6,000	7,700	1,700	28.33%	0.01%
Sales - Labor	2,068,930	1,852,753	1,840,660	1,878,000	37,340	2.03%	3.13%
Outside Sales - Labor	18,509	4,955	6,000	6,000	-	0.00%	0.01%
Miscellaneous Revenue	71	848	-	-	-	N/A	0.00%
Total 12th & Park Garage	3,982,276	3,815,792	3,780,682	3,842,228	61,546	1.63%	6.41%
Total Municipal Garage	\$ 7,908,958	\$ 6,028,367	\$ 7,242,178	\$ 7,181,094	\$ (61,084)	-0.84%	11.97%
Fleet Leasing Operations(Fund 6503)							
Fleet Leased Vehicles	2,071,507	2,597,781	2,534,274	2,813,000	278,726	11.00%	4.69%
Fleet Mileage Surcharge	405,694	315,000	339,000	414,550	75,550	22.29%	0.69%
Total Fleet Leasing Operations	\$ 2,477,201	\$ 2,912,781	\$ 2,873,274	\$ 3,227,550	\$ 354,276	12.33%	5.38%
Fleet Leasing Capital(Fund 6504-6505)							
Damage Settlements	82,498	80,683	115,000	113,000	(2,000)	-1.74%	0.19%
Sale of Surplus Equip/Scrap	196,590	461,542	310,000	186,000	(124,000)	-40.00%	0.31%
Vehicle Replacement Reserve	2,890,014	3,744,890	680,000	1,290,000	610,000	89.71%	2.15%
Fleet Mileage Surcharge	549,433	476,694	475,000	390,000	(85,000)	-17.89%	0.65%
Use of Fund Balance	-	2,000,000	2,000,000	2,200,000	200,000	10.00%	3.67%
Transfers In-General Fund	2,807,000	-	-	-	-	N/A	0.00%
Transfers In-Economic Development	950,000	-	-	-	-	N/A	0.00%
Transfers In-Fleet Services	3,200,000	-	-	-	-	N/A	0.00%
Transfers In-Gen.Govt. Cap.Fund 4103	-	-	-	-	-	N/A	0.00%
Total Fleet Leasing Capital	\$ 10,675,535	\$ 6,763,809	\$ 3,580,000	\$ 4,179,000	\$ 599,000	16.73%	6.97%
Total Fleet Services	\$ 25,374,726	\$ 19,986,582	\$ 18,147,034	\$ 18,886,644	\$ 739,610	4.08%	31.49%
Liability Insurance Fund (0651/6511)							
General Fund Transfer-1100	1,000,000	730,000	800,000	1,000,000	200,000	25.00%	1.67%
Total Liability Insurance	\$ 1,000,000	\$ 730,000	\$ 800,000	\$ 1,000,000	\$ 200,000	25.00%	1.67%
Health & Wellness Fund (0652)6521-6525							
Dept Prem Empl/Ret Healthcare	26,889,332	27,904,966	28,506,713	29,755,456	1,248,743	4.38%	49.62%
Dept Prem Pensioners	780,635	489,323	499,110	479,607	(19,503)	-3.91%	0.80%
Dept Prem On Site Clinic & Wellness	3,337,912	3,004,324	3,027,299	3,136,201	108,902	3.60%	5.23%
On Site Pharmacy Co Pay & OTC sales	4,311,926	4,406,883	4,495,228	5,241,624	746,396	16.60%	8.74%
Dept Prem Employee Health Center	1,561,728	2,357,415	-	-	-	N/A	0.00%
Use of Fund Balance	-	-	-	1,472,950	1,472,950	N/A	2.46%
Total Health & Wellness	\$ 36,881,533	\$ 38,162,911	\$ 36,528,350	\$ 40,085,838	\$ 3,557,488	9.74%	66.84%
Grand Total:	\$ 63,256,259	\$ 58,879,493	\$ 55,475,384	\$ 59,972,482	\$ 4,497,098	8.11%	100.00%

Internal Service Fund Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Budget Inc(Dec)	% chg	% of total budget
Municipal Service Station (Fund 6501):							
Amnicola Service Station							
Salaries & Wages	25,131	25,174	24,077	24,354	277	1.15%	0.04%
Fringes	12,547	14,574	14,224	14,467	243	1.71%	0.02%
Purchased Services	10,865	25,549	20,030	10,030	(10,000)	-49.93%	0.02%
Materials & Supplies	1,204	5,829	-	5,100	5,100	N/A	0.01%
Vehicle Operating Expenses	8,070	861	1,500	1,000	(500)	-33.33%	0.00%
Inventory Supplies	1,000,796	1,239,186	1,300,000	1,294,880	(5,120)	-0.39%	2.16%
Gov'tl Charges, Taxes, Fees, Misc.	62,297	25,882	17,932	23,896	5,964	33.26%	0.04%
Total Amnicola Station	1,120,910	1,337,055	1,377,763	1,373,727	(4,036)	-0.29%	2.29%
12th & Park Service Station							
Salaries & Wages	43,117	43,138	69,888	42,427	(27,461)	-39.29%	0.07%
Fringes	19,721	23,008	45,232	22,880	(22,352)	-49.42%	0.04%
Purchased Services	6,617	8,612	10,600	8,600	(2,000)	-18.87%	0.01%
Materials & Supplies	2,149	3,505	2,000	3,500	1,500	75.00%	0.01%
Vehicle Operating Expenses	6,199	1,320	2,150	1,500	(650)	-30.23%	0.00%
Insurance, Claims, Damages	76	79	80	80	-	0.00%	0.00%
Inventory Supplies	2,458,335	2,715,186	2,750,000	2,775,000	25,000	0.91%	4.63%
Capital Outly	2,500	-	-	-	-	N/A	0.00%
Gov'tl Charges, Taxes, Fees Misc.	126,550	34,678	39,758	44,870	5,112	12.86%	0.07%
Total 12th & Park Station	2,665,264	2,829,526	2,919,708	2,898,857	(20,851)	-0.71%	4.83%
Total Municipal Service Station	\$ 3,786,174	\$ 4,166,581	\$ 4,297,471	\$ 4,272,584	\$ (24,887)	-0.58%	7.12%
Municipal Garage (Fund 6502):							
Amnicola Garage - Repair & Maint.							
Salaries & Wages	988,707	1,070,811	1,116,951	1,110,085	(6,866)	-0.61%	1.85%
Fringes	455,817	559,045	598,067	635,527	37,460	6.26%	1.06%
Purchased Services	330,501	393,110	364,788	389,047	24,259	6.65%	0.65%
Materials & Supplies	67,187	47,899	21,800	16,558	(5,242)	-24.05%	0.03%
Travel	-	1,287	1,550	1,550	-	0.00%	0.00%
Vehicle Operation Expenses	107,322	94,635	119,375	94,475	(24,900)	-20.86%	0.16%
Insurance, Claim, Damages	3,321	3,482	4,000	4,000	-	0.00%	0.01%
Inventory Supplies	1,392,506	1,543,173	1,490,000	1,452,000	(38,000)	-2.55%	2.42%
Capital Outlay	16,188	7,718	11,700	5,900	(5,800)	-49.57%	0.01%
Gov'tl Charges, Taxes, Fees, Misc.	198,798	232,167	280,430	303,187	22,757	8.12%	0.51%
Total Amnicola Garage	3,560,347	3,953,327	4,008,661	4,012,329	\$ 3,668	0.09%	6.69%
12th & Park Garage - Repair & Maint.							
Salaries & Wages	985,076	1,078,448	1,106,666	1,098,748	(7,918)	-0.72%	1.83%
Fringes	473,405	609,853	642,859	656,808	13,949	2.17%	1.10%
Purchased Services	133,903	165,085	121,705	128,937	7,232	5.94%	0.21%
Materials & Supplies	52,265	32,055	32,000	25,700	(6,300)	-19.69%	0.04%
Travel	-	-	1,500	1,500	-	0.00%	0.00%
Vehicle Operating Expenses	160,691	167,772	167,356	177,856	10,500	6.27%	0.30%
Insurance, Claims, Damages	1,197	1,255	1,200	1,200	-	0.00%	0.00%
Inventory Supplies	1,299,260	1,542,844	1,400,000	1,470,000	70,000	5.00%	2.45%
Capital Outlay	7,576	2,423	6,600	7,000	400	6.06%	0.01%
Gov'tl Charges, Taxes, Fees, Misc.	182,130	274,105	284,320	301,286	16,966	5.97%	0.50%
Total 12th & Park Garage	3,295,503	3,873,840	3,764,206	3,869,035	104,829	2.78%	6.45%
Total Municipal Garage	\$ 6,855,850	\$ 7,827,167	\$ 7,772,867	\$ 7,881,364	\$ 108,497	1.40%	13.14%
Fleet Leasing Operations(Fund 6503)							
Vehicle Operating Expenses	1,247,329	2,291,137	2,496,696	2,553,696	57,000	2.28%	4.26%
Total Fleet Leasing Operations Progr	\$ 1,247,329	\$ 2,291,137	\$ 2,496,696	\$ 2,553,696	57,000	2.28%	4.26%
Fleet Leasing Capital(Fund 6504-6505)							
Capital Outlay	2,881,405	4,421,579	1,580,000	1,979,000	399,000	25.25%	3.30%
Fund Balance Reserve	2,000,000	2,000,000	2,000,000	2,200,000	200,000	10.00%	3.67%
Total Fleet Leasing Capital Program	\$ 4,881,405	\$ 6,421,579	\$ 3,580,000	\$ 4,179,000	599,000	16.73%	6.97%
Total Fleet Services	\$ 16,770,758	\$ 20,706,464	\$ 18,147,034	\$ 18,886,644	739,610	4.08%	31.49%
Liability Insurance (Fund 6511)							
Special Council & Claims	567,637	252,003	800,000	1,000,000	200,000	25.00%	1.67%
Total Liability Insurance	\$ 567,637	\$ 252,003	\$ 800,000	\$ 1,000,000	200,000	25.00%	1.67%

Internal Service Fund Expenditure Summary	Actual 12	Actual 13	Budget 14	Budget 15	Inc(Dec)	% chg	% of total
Health & Wellness (Fund 6521-6525)							
Employee/Retiree Healthcare	20,604,335	24,698,311	26,879,960	30,504,540	3,624,580	13.48%	50.86%
Pensioners	465,913	495,623	504,652	479,607	(25,045)	-4.96%	0.80%
On Site Clinic & Wellness	2,094,854	3,343,293	3,602,020	3,127,390	(474,630)	-13.18%	5.21%
On Site Pharmacy	4,565,494	5,196,163	5,541,718	5,974,301	432,583	7.81%	9.96%
Total Health & Wellness	\$ 27,730,596	\$ 33,733,390	\$ 36,528,350	\$ 40,085,838	3,557,488	9.74%	66.84%
Grand Totals	\$ 45,068,991	\$ 54,691,857	\$ 55,475,384	\$ 59,972,482	4,497,098	8.11%	100.00%

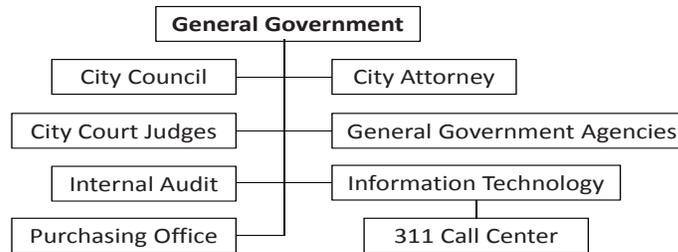


Mission:

To administer the executive, legislative, legal and judicial affairs for the City of Chattanooga.

Description:

The General Government budget provides for legal and legislative functions of government that pertain to the general day to day operations of the City of Chattanooga, as well as appropriations for most agencies and nonprofit organizations or other special funds to which the City contributes funding. The City Council Office and City Court Judges represent the elected officials of the City and their respective operations. The City Attorney's Office represents the City in all legal matters, litigating on behalf of the City, as well as providing legal advice to the governing body and other departments where appropriate. 311 Call Center simplifies citizen access to government by providing a single point of contact for all City services. The Department of Information Technology provides, maintains, and innovates, the information and telecommunications systems across the City. It is the policy of the Mayor to maintain a comprehensive program of internal auditing as an overall control measure and as a service to the City. Its purpose is to aid City management in achieving City goals without undue risk. Internal control functions by measuring and evaluating the effectiveness of other controls. It also serves as a deterrent to fraud, waste, and abuse. The Purchasing Department, which moved under General Government at the end of FY14, provides support to every department, division, and function of City government. Services include procuring all supplies, equipment, materials, and services required for City operations. Purchasing issues contract documents for the encumbrance of funds, and all amendments and changes to City contracts. Purchasing's other responsibilities includes the Purchasing Card and the disposal of all City surplus, impounded, and unclaimed assets.



Goals and Objectives

Develop prudent and applicable laws to further economic development, enhance educational opportunities and to respond to citizens requests as deemed prudent and necessary.

- ❶ 100% consideration of all citizens requests and concerns which pertain to legislative matters.
- ❷ Council minutes to be made available to any concerned party within 2 workdays after completion of a Council meeting.
- ❸ Adopt a budget to operate within budget guidelines and parameters set forth within the budget ordinance.

Enforce all laws pertaining to City ordinances and to support the city in legal disputes in which the city is involved.

- ❶ Hear 100% of cases reported to be in violation of any city ordinance and applicable traffic violations.
- ❷ Reduce the number of legal claims against the City.

Make recommendations that will enhance the efficiency and effectiveness of service delivery, reduce costs where appropriate, and ensure compliance with applicable standards and guidelines

- ❶ Identify high risk areas for audit or review and manage the City's Hotline.
- ❷ Plan and conduct audits, projects and investigations in an independent and objective manner.
- ❸ Ensure staff are sufficiently trained to perform duties at a professional level.
- ❹ Conduct an annual survey of Citizen's level of satisfaction with City government.

To Increase the Department of Information Technology's Operational Excellence.

- ❶ Increase overall partner satisfaction with IT services by more than 25%.
- ❷ Increase technology standardization and reuse by 30%.
- ❸ Increase the City's technological maturity and sustainability by 20%.

To Increase the customer experience of 311 callers

- ❶ Reduce the average hold time to two minutes or less.
- ❷ Maintain or increase the target service level of 135 calls per day per 311 call center representative.
- ❸ Maintain satisfaction ratings of "good" or "excellent" for 90% of 311 contacts.

Improve the efficiency and quality of the Purchasing Process

- ❶ Standardize, measure, evaluate, and innovate operations to improve bue-engineering the purchasing process and reducing paper processes.

General Government

www.chattanooga.gov

Performance Measures	Actual FY12	Actual FY13	Goal FY14	Goal FY15
311 service requests created	111,879	137,893	118,000	N/A
311 service requests closed	97%	96.4%	100%	100%
IT- Total Partner Satisfaction with IT	N/A	N/A	36.6%	50.0%
IT - System Uptime	N/A	N/A	70.0%	85.0%
IT - Help Desk Ticket Mean Time to Resolve	N/A	N/A	15 Days	3 Days
Days from Council Meeting to minutes	2	2	2	2
Cost to Produce Purchase Order	N/A	N/A	N/A	\$ 55.73
Purchasing Customer Internal Satisfaction	N/A	N/A	N/A	90%
Purchasing - Diverse Bus. Ent. Participation	N/A	N/A	N/A	14%

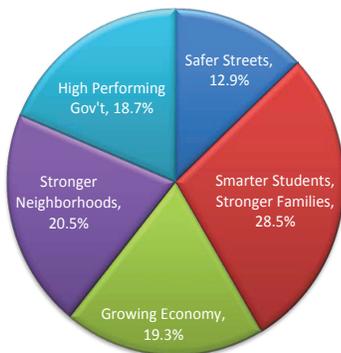
Department Summary

	Actual FY12	Actual FY13	Budget FY14	Budget FY15
City Council Office	\$ 787,700	\$ 829,432	\$ 719,827	\$ 708,917
Office of City Court Judges	807,974	841,363	852,433	888,403
Office of City Attorney	1,341,818	1,373,343	1,474,797	1,527,149
Supported Agencies	18,378,079	18,908,828	19,049,240	20,321,902
Debt Service	10,300,000	16,942,222	17,668,872	17,485,009
Liability Insurance Fund	1,000,000	730,000	800,000	1,000,000
311 Call Center	538,513	579,362	625,750	532,983
Internal Audit	512,058	548,265	570,701	587,152
Information Services	4,477,581	4,954,405	4,624,190	5,364,868
Purchasing	799,882	857,448	785,095	758,470
Other General Government Activities	7,169,221	7,929,217	10,637,887	7,039,926
Total Expenditures	\$45,312,944	\$54,493,885	\$57,023,697	\$56,214,779
Per Capita	\$270.24	\$314.33	\$328.92	\$324.25
Positions Authorized	90	90	91	107

Resources

	Actual FY12	Actual FY13	Budget FY14	Budget FY15
Personnel	\$ 6,812,458	\$ 7,849,914	\$ 6,134,159	\$ 8,328,561
Overtime	15,156	16,681	400	400
Operating	38,334,808	46,517,081	50,885,641	47,885,818
Revenue	-	-	-	-

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Safer Streets	7,309,199	12.9%
Smarter Students, Stronger Families	16,135,361	28.5%
Growing Economy	10,926,900	19.3%
Stronger Neighborhoods	11,600,902	20.5%
High Performing Gov't	10,553,994	18.7%
	56,526,356	100.0%

Supported Agencies

Fiscal Year Ending June 30, 2015

Supported agencies are a portion of General Government and are primarily in two different categories. The first category is appropriations to special funds that were either jointly supported with Hamilton County and/or some other agency which are accounted for in another fund on the City's books. These included Public Library, Regional Planning Agency and the Air Pollution Control Bureau. The Sales Tax Agreement that jointly funded those agencies ended during FY2011. The second category is appropriations to other organizations which the City Government determines meet the definition of serving a public purpose that are not accounted for on the City books. These include agencies such as Urban League, ARTS Build, and Chattanooga Neighborhood Enterprise (CNE). The following descriptions give a short explanation of each general government agency. Some of the appropriations are for closed-ended programs, but most are for ongoing programs or agencies which the City Government supports on a continual basis. Amounts are provided for Fiscal Year 2014/2015 per Ordinance 12835.

AIM Center, Inc.

AIM Center offers critically-needed psychosocial, employment, and housing services in the Chattanooga public System of Care for mentally ill adults age 18 and older. According to average national statistics released January 2012 by the Substance Abuse and Mental Health Services Administration, the City of Chattanooga would be comprised of 20% or 33,535 individuals with a mental illness at any given time with 25% or 8,494 of those having a severe mental illness.

City's Contribution.....\$60,000

Air Pollution Control Bureau

The overall mission is to achieve and maintain levels of air quality which will protect human health and safety and prevent injury to plant and animal life and property. The Chattanooga Area has progressed from being listed as one of the nation's most polluted cities in the late 1960's to being held out as a model of improvement. The City currently meets all federal air quality standards. The bureau provides a program of air pollution prevention, abatement, and control to foster the health, comfort and convenience of all citizens of Hamilton County.

City's Contribution.....\$270,820

ArtsBuild

The overall mission is to build a stronger community through the arts by supporting leading arts and cultural organizations, providing access for underserved populations and promoting arts education in our public schools. In 2013, more than 800,000 citizens in the greater Chattanooga area benefited from ArtsBuild's programs and Cultural Partner organizations.

City's Contribution.....\$275,000

Baby College (Youth & Family Dev.)

The city will work with community partners to provide expectant mothers and fathers the tools and resources to keep their newborn babies healthy and happy. By providing necessary information and resources around prenatal care, early learning, and childhood development.

City's Contribution.....\$250,000

Bessie Smith Cultural Center

The mission of the Bessie Smith Cultural Center is to be the premier interdisciplinary cultural center that promotes education of African and African American heritage.

The Cultural Center also houses artifacts and documents to support educational programs, services and resources for the community. The programs promote ethnic pride, self-esteem, cultural enrichment, cross-cultural awareness, improved human relations within the community and sensitivity to the African-American experiences. The Cultural Center also provides a venue that allows the multi-cultural community to celebrate through education, art and entertainment.

City's Contribution.....\$60,000

Bethlehem Center

The Bethlehem center has been in the business of training leaders for the last 92 years. Leaders are important to our future; therefore The Bethlehem Center specializes in training leaders with the V-Team Leadership Curriculum, an international curriculum developed by the International Leadership Institute. The 8 core values of effective leadership include: 1) Intimacy with God, 2) Passion for People, 3) Visionary Leadership, 4) Culturally Relevant Communication, 5) Multiplication of Leaders, 6) Family as Priority, 7) Good Stewardship and 8) Integrity. Teaching these values reduces the chances of our youth being involved with gangs, drugs and other criminal activities.

City's Contribution.....\$25,000

Carter Street Corporation

Carter Street Corporation manages the Chattanooga/Hamilton County Convention & Trade Center. The convention and trade center provides rental space for conventions, trade shows, meetings, banquets, etc., which bring outside dollars into the community, as well as providing a place for local organizations to hold events. City's Contribution.....\$200,000

Chattanooga Area Regional Transportation Authority (ARTA)

ARTA is the sole provider in the Chattanooga-Hamilton County area of public transportation. The Authority operates the regional bus service, the Lookout Mountain Incline Railway, and the free Downtown Electric Shuttle. Specialized transportation services are offered for the disabled in Hamilton County. ARTA is pursuing a Congestion Mitigation and Air Quality (CMAQ) Grant for Federal/State funds for the expansion of service to the Enterprise South Industrial Park. City's Contribution.....\$5,217,440

Chattanooga Area Urban League

The overall mission is to help make Chattanooga a place where African Americans and other disadvantaged persons are able to secure economic self-reliance, parity, power, and civil rights. Impacting more than 9,000 individuals annually, the core empowerment areas consists of education, health and wellness, entrepreneurship, workforce development, and financial stability. The essence of this program is to create avenues for employment opportunities and also ensure that the county is in compliance with local, state, and federal regulations governing minority representation in specific industries and have an impact on affirmative action goals throughout the local governments. City's Contribution.....\$100,000

Chattanooga Neighborhood Enterprise

Established in 1986 to find effective ways to address the housing needs of the city with it's main goal to remediate blighted housing, create new affordable housing through homeownership and rentals, and build stronger neighborhoods by investment activities and community engagement. The mission of the organization is to build and sustain livable Chattanooga neighborhoods by providing homeownership education and counseling; providing affordable loans; encouraging neighborhood engagement; and working in partnership with like-missioned organizations. The City government joined in this effort in 1989. City's Contribution.....\$705,000

Chattanooga Public Library

The library serves the community by making materials and services available to all residents. To meet patrons' educational, professional, and personal needs, the library provides current information, promotes learning, and preserves the community's history. The library provides access to information through books, periodicals, newspapers, pamphlets, government documents, phonograph records, audiocassettes, videocassettes, films, internet, and brochures. Through state, regional, national and international networks, the library can provide access to resources. The library encourages the love of reading in children and adults and provides information for both leisure and professional use. City's Contribution.....\$5,892,700

Chattanooga Regional Homeless Coalition

The Coalition provides emergency cold weather shelter as a stopgap prevention service for chronically homeless individuals in the Chattanooga region when temperatures represent an imminent threat to at-risk populations. The Coalition will begin offering case management access for support services and mainstream benefits via a referral service to other agencies within the region. City's Contribution.....\$50,000

Chattanooga Room in the Inn

The overall purpose is to empower homeless women and children to become self-sufficient by providing temporary housing and offering support in accessing appropriate community services for homeless women, and women with children who desire to make a commitment to bringing stability to their lives. City's Contribution.....\$25,000

Chattanooga Zoo/Friends of the Zoo, Inc.

The mission is to engage and inspire the Chattanooga community to better understand and preserve wildlife by creating meaningful connections between people and animals. With its intimate, innovative exhibits, its wide-ranging education offerings, and its commitment to conservation, the Chattanooga Zoo is a top destination for all residents and visitors and the pride of the community. City's Contribution.....\$25,000

Children's Advocacy Center

Mission is to provide a safe environment where a child's voice is heard and respected. This includes the coordination and facilities for the state-mandated team responsible for the investigation, intervention and treatment for the child and family, and prosecution of the abuser. Extended assessments, crisis counseling, therapeutic groups and

support groups for children and their families are also provided.

City's Contribution.....\$60,000

Children's Home/Chambliss Shelter

The Children's Home has two programs, both of which care for the at-risk children in the City. The Extended Child Care Program focuses on early childhood education and school preparedness, while allowing parents to work or stay in school. Fees are based on income, so that low-income families can afford child care and continue to work or further their education. The residential side of the Home, called Chambliss Shelter, cares for children who have been removed from their homes either due to neglect, abuse, or delinquency. Children in this program are cared for in their group home or in their foster homes. Caring for the children in both of these programs allows for a better quality of life for the children, brings some of them out of the cycle of poverty, and helps families who struggle financially. The result is that more parents can hold down a job, more children begin school with the necessary skills, and hundred of children are kept safe every day.

City's Contribution.....\$347,500

Community Foundation of Greater Chattanooga

Provides a need-based renewable college scholarship which targets eligible graduating high school seniors from Hamilton County Public schools residing within the City Limits. This program is to provide our City's most financially challenged students a supplemental scholarship in addition to the primary funding from Federal and State Programs. The student's progress is monitored by the Foundation's Scholarship Director.

City's Contribution.....\$101,300

Enterprise Center

The Enterprise Center promotes high-tech economic development in the Chattanooga community to create jobs and build wealth. Through public/private partnerships, the Enterprise Center connects local entrepreneurs, business and industry to national laboratories, research universities and federal research-oriented programs. Their core initiatives are alternative energy, advanced transportation, technology development and transfer, and community revitalization. The Center manages the HUD-designated Renewal Community program and assists with Brownfields redevelopment issues in the community.

City's Contribution\$160,500

Enterprise South Nature Park

This is the passive park area of the Enterprise South

Industrial Park. It is jointly funded between Hamilton County and the City. The park is managed by the County with the City contributing half of the cost of operations.

City's Contribution.....\$771,878

Enterprise South Industrial Park Security

This activity is to provide security services specific to the Enterprise South Industrial Park and is equally funded between Hamilton County and the City. The park is managed by the County with the City contributing half of the cost of operations.

City's Contribution\$62,077

Fortwood Center

Fortwood provides mental health services for adults and children residing in the City that are uninsured or underinsured.

City's Contribution.....\$57,000

Friends of Moccasin Bend

The purpose of the Friends of Moccasin Bend (FOMB) is to partner with the National Park Service (NPS) to preserve, protect and interpret the culturall, historical and natural resources of the Moccasin Bend National Archeological District. In this partnership, the frinds will also design, construct and support visitor facilities and programming on Moccasin Bend.

City's Contribution.....\$30,000

Girls, Inc.

The mission of Girls Inc. is to inspire and equip all girls to be strong, smart, bold, healthy, educated and independent on their journey to self-discovery. Girls Inc. offers in-school, afterschool, and school break programming for girls ages 6-18 that is age-appropriate, research-based, and outcome-focused. Since the established in 1961, 25,000 girls throughout Hamilton County have been served with 100% of girls who complete the high school afterschool programs (in their senior year) go on to college.

City's Contribution.....\$30,000

Greater Chattanooga Sports & Events

The mission of the Chattanooga Sports Committee is to maximize sports tourism related events and business that have an economic and social impact on the Chattanooga region. The vision is to define the region as a premier sports destination by creating new sporting events, capturing new sports business and cultivating the growth of sustainable annual sports activities which will have a positive impact on the economy and its citizens' quality of life.

City's Contribution.....\$100,000

Heritage Hall

The City & Hamilton County are responsible for the overall management and maintenance of the Heritage Hall in which it houses the Bessie Smith Cultural Center and the African-American Museum.

City's Contribution.....\$66,477

Hope for the Inner City

A Christian based organization which partners with local churches and other like-minded organizations to bring hope and community development to targeted communities by offering Christ-centered programs and services to meet the physical, spiritual, and social development needs of individuals and families. One mission is to provide support and training to disadvantaged young men ages 18-25. This includes developing interpersonal and work-related skills to assist them in becoming positive and contributing members of their families, their community and society as a whole.

City's Contribution.....\$75,000

Joe Johnson Mental Health Center

Our community depends upon the mental wellness of its citizens. When citizens receive treatment for their mental illness and substance abuse problems, they increase their ability to live as contributing members of our community. When people are engaged in their treatment, they often use less community resources. For the mentally ill this often means less encounters with police officers and lower rates of jail incarceration, less visits to local emergency rooms, etc. Community mental health services are delivered in the least restrictive environment, which produces a savings to the City.

City's Contribution.....\$60,000

La Paz Chattanooga

The organization's mission is to empower and engage Chattanooga's Latino community through advocacy, education, and inclusion. La Paz offers a full suite of programs and services which revolve around the needs of the fast-growing Latino community. La Paz is well-versed in addressing the social, psychological, domestic, health, and educational deficiencies of this demographic. Staff provides the most high-quality, culturally specific care for members of the Latino population.

One of the most prevalent need encountered was a domestic violence initiative. La Paz promotes healthy families by supporting female heads of household through multiple tactics including counseling sessions, leadership-training workshops and provides healing

from past experiences including domestic violence and sex trafficking.

City's Contribution.....\$50,000

Orange Grove Center

The Center is a private, non-profit organization serving adults and children with developmental disabilities. The Adult Comprehensive Training Program provides individualized services and supports that enables enrollees to acquire, retain or improve self-help skills, participate in community activities, and work.

City's Contribution.....\$98,472

Partnership for Families, Children and Adults/ Rape Crisis

The Partnership's Crisis Resource Center provides safe and secure shelter to victims of domestic and family violence, sexual assault, chronically homeless women and in the case of an emergency. The trained staff offer counseling to victims, assistance with legal matters, court advocacy and shelter. It is a "one stop shop" for victims of violence.

City's Contribution.....\$65,000

Railroad Authority

The Railroad Authority is governed by a board which includes the City and County Mayors and the Executive Director of the Chamber of Commerce, providing for continuation of rail service in the region as it is needed and feasible.

City's Contribution.....\$19,371

Regional Planning Agency (RPA)

The mission of the RPA and its staff is to develop a comprehensive vision and guide for the region which ensures that our land resources support, enhance, and sustain our community and its quality of life. This vision should include both short and long-range goals and strategies which public and private community leaders can utilize to implement these objectives. The planning program facilitates government and various public and private decision-making by providing research, data, plans, studies and suggested strategies related to community land use, transportation, and social issues.

City's Contribution.....\$2,481,557

Signal Centers

Signal Centers’ Adult Services is designed to benefit adults with a primary diagnosis of a physical disability or low-income individuals over the age of sixty. The overall goals for Signal Centers is to increase or maintain independence, reduce feelings of isolation and depression, and to provide learning opportunities. These learning opportunities are designed to develop, maintain, or increase skills in employment/work, socialization, and daily living skills. Through the development and/or maintenance of these skills, unnecessary nursing home placement may be avoided for both the younger and older adults. The welfare of the participants and their families is Signal Centers’ contant focus by providing a safe and rich environment. City’s Contribution.....\$80,000

Social Services (Youth & Family Dev.)

This City department provides for the administration and the operations of all public programs and projects of a human nature in the city such as the following:

- Foster Grandparents program enables eligible older adults to help special needs children within their community, while strengthening their bond to the neighborhood
- Offer emergency assistance including food vouchers, clothing, and rent or utility funds to prevent eviction or service interruption
- Increase the availability of decent and affordable shelter through the Low Income Home Energy Assistance Program (LIHEAP), Mortgage Assistance, Rental Assistance and Reverse Mortgage counseling
- Reduce foreclosures, evictions and utility cutoffs within the very low income population
- Offer numerous channels to reduce hunger and improve nutrition
- Provide early education for low income children through Head Start and Early Head Start
- Seek constant improvement in each child’s skill attainment level, tracked in a Child Portfolio, as a gauge of school readiness
- Increase the numbers of children in Early Head Start
- Increase childhood immunizations

City’s Contribution.....\$1,033,477

Speech and Hearing Center

The Center is the only nonprofit of its kind in the Chattanooga area that provides audiological and speech pathology services to individuals at or below the poverty line who are unable to afford the full fees for services. They also are an early identification and intervention program for children under five years old who have communication disorders. The services they provide

the community ensure that children are prepared to enter school and perform at grade level, and that older individuals with communication disorders are able to find or maintain gainful employment, take part in educational opportunities, and remain connected to others socially. Each of these items creates a purposeful existence for our clients, and produces productive, stable citizens for Chattanooga.

City’s Contribution.....\$67,700

Tennessee Riverpark

This is a jointly funded activity in partnership with the Hamilton County Government. The local leaders have committed to a redevelopment of the riverfront area which includes a park connecting the north shore and downtown area with the Chickamauga Dam. This park is maintained by the County government, with the City contributing half of the cost of operations.

City’s Contribution.....\$1,129,610

WTCI Tennessee Valley PBS

This is a locally owned and a PBS licenced affiliate serving the Tennessee Valley. The overall mission is to provide informational, educational, and quality cultural television programs to the people of the Greater Chattanooga and Hamilton County community on Channel 45. The station provides information on the City of Chattanooga and Hamilton County governments, getting the public involved by way of television.

City’s Contribution.....\$85,000

Agencies	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
AIM Center, Inc ⁽²⁾	0	60,000	60,000	60,000
Air Pollution Control Bureau	270,820	270,820	270,820	270,820
Alexian Brothers Senior Neighbors ⁽¹⁾	12,720	12,720	0	0
ARTS Build	176,472	226,472	275,000	275,000
Baby College Fund - YFD	0	0	0	250,000
Bessie Smith Cultural Center	54,000	54,000	54,000	60,000
Bethlehem Center ⁽²⁾	0	25,000	25,000	25,000
Carter Street Corp	200,000	200,000	200,000	200,000
Chatt. Area Regional Council of Gov. (CARCOG) Southeast Tennessee Dev. District	38,535	38,535	38,544	0
Chattanooga Public Library	5,655,773	5,771,950	5,771,950	5,892,700
Chattanooga Area Regional Transportation Authority (CARTA)	4,675,000	4,772,000	4,867,440	5,217,440
Chattanooga Area Urban League	50,000	40,000	40,000	100,000
Chattanooga History Center	15,200	15,200	15,200	0
Chattanooga Zoo	0	0	0	25,000
Chattanooga Neighborhood Enterprises	910,717	1,087,275	900,000	705,000
Chattanooga Room in the Inn	0	0	0	25,000
Children's Advocacy Center	19,000	30,000	30,000	60,000
Children's Home - Chambliss Shelter ⁽²⁾	275,000	347,500	347,500	350,000
Choose Chattanooga	16,900	16,900	16,900	0
Community Foundation Scholarships	101,300	101,300	101,300	101,300
Community Impact of Chattanooga	75,000	0	0	0
East Chattanooga Improvement Inc. ⁽³⁾	20,000	0	0	0
Enterprise Center	160,500	160,500	160,500	160,500
Enterprise South Nature Park	615,695	587,977	705,973	771,878
ESIP Security	53,061	52,019	62,077	62,077
Fortwood Center ⁽²⁾	105,000	55,000	55,000	57,000
Friends of Moccasin Bend	30,000	30,000	30,000	30,000
Girls, Inc.	0	0	0	30,000
Greater Chattanooga Sports & Events	0	0	0	100,000
Heritage Hall	62,653	82,707	70,300	66,477
Homeless Healthcare Center	13,300	25,000	13,300	0
Homeless Coalition ⁽²⁾	15,000	75,000	0	50,000
Hope for the Inner City	0	0	0	75,000
Interfaith Family Promise ⁽³⁾	12,790	0	0	0
Joe Johnson Mental Health ⁽²⁾	60,156	60,000	60,000	60,000
LaPaz Chattanooga	0	0	0	50,000
Orange Grove ⁽²⁾	32,000	30,000	30,000	98,472
Partnership/Rape Crisis ⁽²⁾	56,522	56,522	56,522	65,000
Railroad Authority	16,262	15,648	14,844	19,371
Regional Planning Agency	2,631,648	2,247,235	2,422,235	2,481,557
RiverCity	67,500	67,500	0	0
Scenic Cities Beautiful	5,000	5,000	5,000	0
Signal Center ⁽²⁾	30,006	30,000	30,000	80,000
Speech & Hearing Center ⁽²⁾	67,700	67,700	67,700	67,700
Social Services - YFD	733,477	1,033,477	1,064,481	1,165,000
Tennessee Riverpark	963,372	1,072,871	1,102,654	1,129,610
WTCL TV 45	80,000	85,000	85,000	85,000
TOTAL	18,378,079	18,908,828	19,049,240	20,321,902

⁽¹⁾ Alexian Brothers was previously funded in Parks & Recreation Department

⁽²⁾ New requests as a result of Sales Tax Agreement with Hamilton County ending in FY 2011

⁽³⁾ Special Appropriation approved by Council



Economic Development

Andy Berke, Mayor

www.chattanooga.gov

Description:

In August 1997, the citizens of Chattanooga approved a half-cent tax on retail sales in the city. Revenues from this tax were shared on a 50/50 basis for education and economic development. In a county-wide election in February 2004, the residents of Hamilton county voted to increase the county-wide local option tax rate from 1.75% to 2.25% thereby repealing the city-only 1/2% tax. The additional taxes generated by the 1/2% increase in the county-wide tax are distributed to the county, city and education in accordance with TCA 67-6-712 which requires that 50% is used for education and the remainder on situs basis. The City should continue to receive a comparable amount for economic development from the county-wide tax as it has in prior years. With the passage of the county-wide tax increase the education component is distributed directly to the Hamilton County Department of Education.

Department Summary

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Capital Fund	2,775,817	2,628,542	2,110,000	4,000,000
Chamber for Economic Devel	450,000	450,000	450,000	450,000
Chamber Marketing-Enterprise South	75,000	75,000	75,000	75,000
Enterprise Center	0	0	0	50,000
Chamber of Commerce - Minority				
Business Development	25,000	25,000	25,000	0
Chattanooga Area Urban League -				
Minority Business Development	50,000	50,000	50,000	0
Commission to Hamilton County	85,329	123,310	115,140	113,034
Net Debt Service	7,509,391	7,715,402	8,963,194	8,953,569
Tourist Development Debt Service	308,833	0	0	0
Total Expenditures	\$ 11,279,370	\$ 11,067,254	\$ 11,788,334	\$ 13,641,603
City Only Sales Tax	\$ 11,365,043	\$ 11,405,092	\$ 11,514,000	\$ 11,303,400
Unassigned Fund Balance	308,833	0	0	2,338,203
Total Revenues	\$ 11,673,876	\$ 11,405,092	\$ 11,514,000	\$ 13,641,603
Per Capita	\$ 67.27	\$ 66.00	\$ 68.83	\$ 78.69

Note: Ordinance # 12533 for Fiscal Year 11/12 authorized the allocation of \$75,000 from the Economic Development Fund for the purpose of supporting an agency with the goal of assisting small businesses, multicultural, minority and women-owned businesses in the City of Chattanooga. Ordinance #12568 reallocated the \$75,000 - \$25,000 to the Chamber of Commerce and \$50,000 to the Chattanooga Urban League.





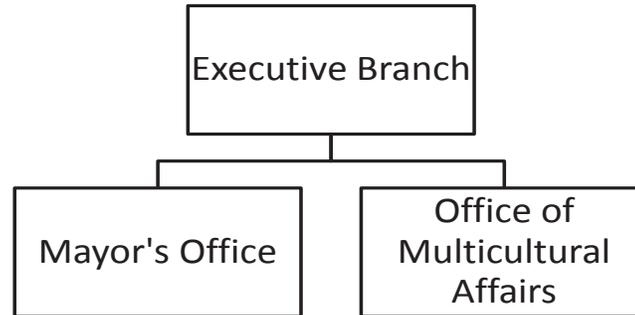
Executive Branch

Andy Berke, Mayor

www.chattanooga.gov

Mission:

To provide executive leadership for City government and enhance the City's capability to keep Chattanooga safe, build strong neighborhoods, grow our local economy, and retain the public trust with efficient use of taxpayer dollars.



Description:

The Executive Branch is comprised of the Mayor's Office and the Office of Multicultural Affairs. The Mayor is elected-at-large for a four year term. He serves as the chief executive officer and oversees the operations of all city departments. The Mayor sets administrative procedures and provides direction and leadership in carrying out the wishes of the citizens in matters of government operations.

The Office of Multicultural Affairs (OMA) is responsible for reviewing, implementing, and monitoring public policy that affects cultural communities in Chattanooga.

Goals & Objectives:

Mayor's Office

The Mayor serves as the chief executive for City government. He is responsible for setting the overall goals and vision of Chattanooga's municipal government. The Berke Administration has defined four principal goals for the upcoming budget year.

- ❶ *Ensure that every Chattanooga feels safe in their neighborhood*
- ❷ *Grow stronger neighborhoods and a thriving, diverse economy*
- ❸ *Provide opportunities for students to grow smarter and families to grow stronger*
- ❹ *Use every taxpayer dollar responsibly to have a sound and innovative City government*

Office of Multicultural Affairs

Promote opportunities for diverse constituents to do business with the City.

- ❶ *Provide the resources and information diverse businesses need to compete for opportunities with the City of Chattanooga*
- ❷ *Partner with the small business services community to prepare diverse businesses for City procurement opportunities*
- ❸ *Track quarterly the City's record of diverse business engagement; report annually to Mayor and City Council*

Create a climate of dignity, respect and inclusion among City employees and citizens of Chattanooga

- ❶ *Create opportunities for meaningful civic and community engagement for City employees and citizens of Chattanooga*
- ❷ *Facilitate the City's Employee Diversity Council and Employee Resource Groups*
- ❸ *Track quarterly the City's record of diversity hiring and promotion; report annually to the Mayor and City Council*

Executive Branch

Andy Berke, Mayor

www.chattanooga.gov

Department Summary

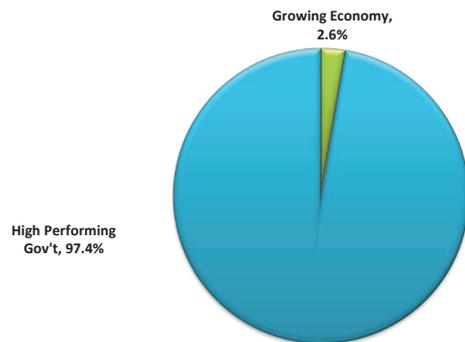
	Actual FY 11/12	Actual FY12/13	Budget FY13/14	Budget FY 14/15
Mayor's Office	\$ 1,009,995	\$ 1,127,629	\$ 1,371,495	\$ 1,293,969
Office of Multicultural Affairs	\$ 270,800	\$ 259,624	\$ 253,407	\$ 325,874
Prior Mayoral Initiatives	\$ 145,856	\$ 359,695	\$ -	\$ -
Total Expenditures	\$ 1,426,651	\$ 1,746,948	\$ 1,624,902	\$ 1,619,843
Per Capita	\$ 8.51	\$ 10.42	\$ 9.49	\$ 9.34
Positions Authorized	14	15	14	13

Resources

	Actual FY 11/12	Budget FY12/13	Budget FY13/14	Budget FY 14/15
Personnel	\$ 1,264,075	\$ 1,505,375	\$ 1,463,069	\$ 1,476,459
Overtime	0	0	0	0
Operating	164,076	241,573	161,833	143,384
Revenue	0	0	0	0

Office of Multicultural Affairs Performance Measures	Goal FY 14	Actual FY 14	Goal FY 15
Diverse Business Engagement	14.0%	7.2%	14.0%
Host Quarterly "Doing Business with the City" workshops	Yes	Yes	Yes
Expand the Reach of OMA (# of Community Members)	4,000	3,000	5,000
Host Quarterly City Diversity Council Meetings	Yes	Yes	Yes
Complete City Employee Survey	Yes	Yes	Yes

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Growing Economy	42,672	2.6%
High Performing Gov't	1,577,171	97.4%
	1,619,843	100.0%



Department of Finance & Administration

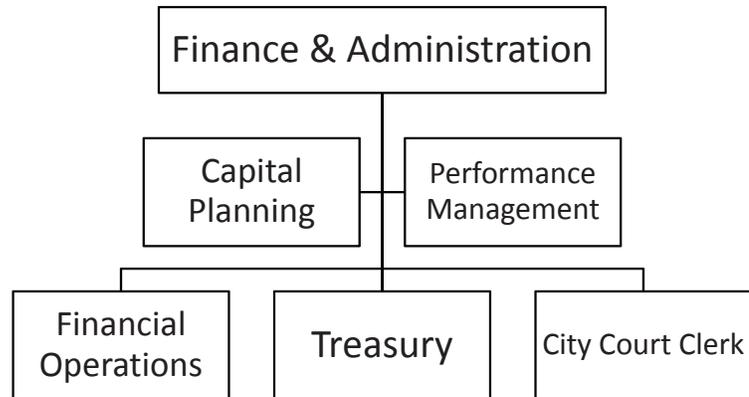
Daisy W. Madison, Administrator
 Vickie C. Haley, Deputy Finance Officer
www.chattanooga.gov/finance

Mission:

To ensure the overall fiscal health of the City of Chattanooga and provide high quality support services to City departments and agencies.

Description:

The Finance and Administration Department provides financial and management information, control, and guidance to the Mayor, Department Administrators and the City Council. The department is responsible for all budget and finance related functions of the City including accounting and treasury operations. The department also provides support to other departments and agencies in the areas of City Court Clerk operations, Accounts Payable and Payroll.



Goals & Objectives:

Using prudent economic forecasts, develop, monitor and help implement a balanced budget that secures the efficient and appropriate delivery of City Services.

- ❶ Propose and maintain a balanced budget that accounts for recurring revenue and cost.
- ❷ Develop an accurate and prudent economic revenue forecast.
- ❸ Provide for the efficient and effective use of budgeted funds to eliminate wasteful spending, and maximizing the service and program results from each tax dollar spent.

To provide for the fair and efficient collection of and appropriate use and accounting of city revenues in a manner consistent with Federal, State and Local laws.

- ❶ Maximize revenue collection.
- ❷ Increase collection efficiency.
- ❸ Maintain best use and investment of assets.
- ❹ Ensure 100% GAAP compliance.
- ❺ Compliance with law.

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Cash Management Yield on investment portfolio	0.36%	0.5%	0.35%	0.5%
% of Current Levy Collected	94.0%	95.0%	94.5%	95.0%
Annual Debt Service Requirement as % of General Fund	8.0%	5.0%	10.6%	5.0%
Bond Rating by Standard & Poor's	AA+	AAA	AAA	AAA
Bond Rating by Fitch Ratings Ltd.	AA+	AAA	AA+	AAA

Department of Finance & Administration

Daisy W. Madison, Administrator

Vickie C. Haley, Deputy Finance Officer

www.chattanooga.gov/finance

Department Summary

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Finance	\$2,536,253	\$2,760,173	\$3,391,305	\$3,166,794
Treasurer	738,354	793,398	911,961	968,467
City Court Clerk	1,140,588	1,098,196	1,229,857	1,193,639
Capital Planning	0	0	0	91,194
Performance Mgmt	0	0	0	150,000
Total Expenditures	\$ 4,415,195	\$ 4,651,767	\$ 5,533,123	\$ 5,570,094
Per Capita	\$ 28.53	\$ 27.74	\$ 33.00	\$ 32.13
Positions Authorized	68	68	66	67

Resources

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Personnel	\$ 3,456,986	\$ 3,550,586	\$ 4,233,821	\$ 4,110,496
Overtime	2,710	2,328	3,500	1,000
Operating	1,295,802	1,098,859	1,295,802	1,458,598
Revenue	199,137,417	207,135,989	205,437,600	209,846,460

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
High Performing Gov't	5,570,094	100.0%
	5,570,094	100.0%



Department of General Services

Cary Bohannon, Director

www.chattanooga.gov/Gen_Serv

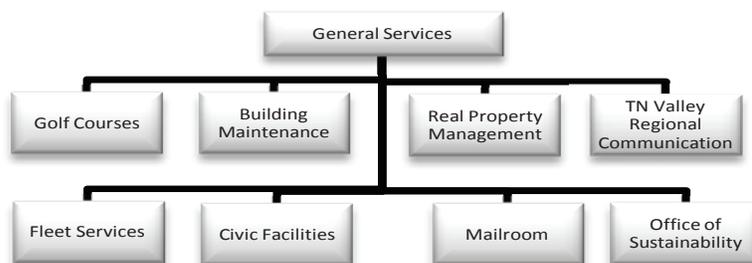
Mission:

To provide quality services and controls in the areas of fleet services, building maintenance, real property management, Civic Facilities, Golf Courses & mobile communications.

Description:

General Services provides support to other city departments & agencies in the areas of mailroom, building maintenance, real property management, mobile communications, & fleet services.

The Mailroom area is responsible for handling the incoming, outgoing and inter-departmental mails of the City. Building Maintenance is responsible for the repair & maintenance of all buildings within & near the City Hall Campus. Real Property Management area is responsible for acquiring property, selling of surplus property, leasing land or buildings, maintaining City owned back-tax properties & keeping all of the city real estate records. Civic Facilities is responsible for the operations & programming of events at the Memorial Auditorium & Tivoli Theater. The Golf Courses division operates & maintains Brainerd Golf Course & Brown Acres Golf Course. Mobile Communications Services provides management and maintenance of Tennessee Valley Regional Communications System (TVRCS) on a 24 hour basis. The TVRCS is an APCO P23 communications trunking system encompassing a region that includes ten counties in Tennessee and three counties in Georgia which includes over 26 radio sites, five 911 centers & 6 other dispatch centers. Fleet Services is comprised of two main areas the service station & garage. Fleet maintenance, which includes 2 automotive repair centers & 3 fueling stations, serves not only the City but several outside local government agencies & non-profit organizations for their EMS, Police & Fire. Fleet Management utilizes an internal leasing program to distribute the fully burdened cost allocation of vehicle and equipment assets to the departments who utilize them.



Goals & Objectives:

To Operate Mailroom in an efficient manner

- 1 Handle the incoming, outgoing and inter-departmental mails of the City
- 2 Collect mails, sort them and forward them to maintain quick, correct and efficient correspondence between the employees of the organization's.

To Operate building maintenance in an efficient manner

- 1 Provide clean, safe, and well maintained workplaces for all employees
- 2 Exercise the capability of appropriately allocating our resources
- 3 Meet and fulfill all customer service requests to the best of our ability

To maintain and operate City owned civic venues providing for entertainment and educational services to this community, adding to the overall atmosphere and economic development of the city and region.

- 1 Provide safe and secure venues with quality programs and productions for all Chattanoogaans to enjoy.
- 2 Identify and maintain opportunities for education, arts and cultural programs by actively seeking and sustaining sponsorships, partnerships and grants.
- 3 Cultivate new partnerships with public and private educational institutions and organizations.
- 4 Maintain the integrity and historic preservation of the City of Chattanooga civic facilities.

To provide quality repair services and technological guidance to our customers

- 1 Provide a reliable communication system with unplanned downtime not to exceed 0.001% over the course of the year.
- 2 Provide focus and direction in establishing objectives for the current and future wireless technology needs of the City of Chattanooga and other TVRCS partners.

Department of General Services

Cary Bohannon, Director

www.chattanooga.gov/Gen_Serv

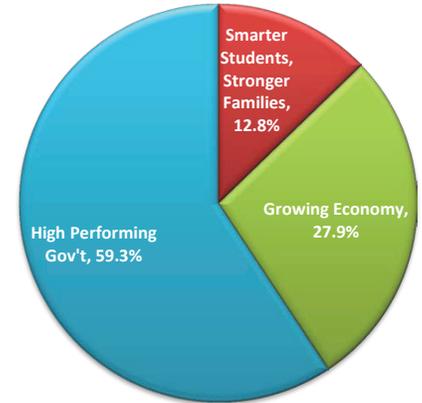
To manage the City's real property in a responsible and efficient manner

- ❶ Fine tune departmental strategies for disposition, development or redevelopment of vacant, surplus and back-tax properties.
- ❷ Maintain professional relationships with associations, realtors and developers.

To insure efficiency in both Fleet Management and Fleet Maintenance

- ❸ Reduce fleet operational costs (fuel and maintenance) by purchasing more fuel efficient vehicles and proper lifecycle timing of acquisitions and disposals.
- ❹ Reduce overall fleet size by fleet utilization analysis of departmental use.
- ❺ Create a revolving fleet replacement fund by internal fleet leasing program with lease costs lower than private sector leasing.
- ❻ To provide safe reliable vehicles and equipment to the user department at the lowest possible cost with the least possible interference with operations.
- ❼ Maintain equipment technician efficiency by training and ASE and/or EVT certified.

FY15 BFO Results Area Allocation



Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Total City Fleet	1,158	1,268	1,158	1,268
Total City Fleet Repairs and Maintenance	\$ 7,105,600	\$ 7,250,000	\$ 4,934,038	\$ 7,250,000
% Bldg Maint. Service Request Resolved on-time	81.7%	90.0%	90.0%	90.0%
Civic Facilities-Attendance	191,933	250,000	224,906	275,000
Civic Facilities-# of Events	228	300	336	350
Concessions revenues	\$ 54,471	\$ 60,000	\$ 58,779	\$ 65,000

	Allocation Amount	% of Allocation
Smarter Students, Stronger Families	\$ 675,000	12.8%
Growing Economy	\$ 1,471,836	27.9%
High Performing Gov't	\$ 3,129,257	59.3%
	5,276,093	100.0%

Department Summary

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Gen Svc Admin	463,756	513,189	571,890	748,974
Purchasing / Mailroom *	799,881	-	785,095	76,707
Bldg. Maintenance	1,094,844	1,080,755	1,170,777	2,178,076
Real Est./Prop. Maint/Farmers Market	66,374	147,685	151,100	110,500
Zoo	-	670,791	671,728	675,000
Civic Facilities	-	2,191,108	1,958,067	1,471,836
Office of Sustainability **	-	-	-	175,000
Total General Fund	\$ 2,424,856	\$ 4,603,528	\$ 5,308,657	\$ 5,436,093
Fleet Services Operations	14,280,173	13,222,773	14,567,034	14,707,644
Heritage Ctr. Maint.	109,835	127,860	140,600	132,954
TN Valley Regional Communications	1,113,383	922,999	1,046,433	1,053,594
Development Resource Center	411,418	451,642	463,311	516,169
TOTAL GEN SVCS EXPENDITURE	\$ 18,339,665	\$ 19,328,802	\$ 21,526,035	\$ 21,846,454
Per Capita	\$ 109.38	\$ 115.28	\$ 125.68	\$ 126.01
Positions Authorized	107	107	123	123

Resources

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Personnel	\$ 5,699,904	\$ 6,258,859	\$ 8,012,010	\$ 7,920,783
Overtime	83,064	3,640	44,500	44,500
Operating	12,556,697	13,066,303	13,469,525	13,881,171
Revenue	19,546,003	21,248,746	17,334,067	20,066,031

* FY15 Ordinance #12835 Purchasing moved to General Government. Mailroom function retained in General Services

** FY15 Ordinance #12835 Office Sustainability moved to General Services



Department of Human Resources

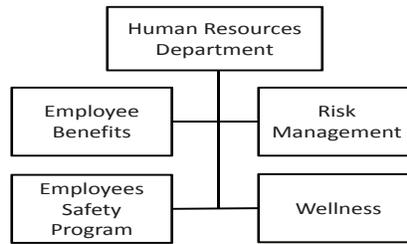
Todd Dockery, Director

Richard Beeland, Deputy Director

www.chattanooga.gov

Mission:

Our Mission is to provide leadership, collaboration, and support services to departments in the selection, training, development, compensation, and well being of all employees. We will deliver best in class service to all customer groups including citizens, employees, retirees, dependents, and applicants with a positive, nurturing, and proactive approach. We strive to operate efficiently with integrity and transparency in support of the Mayor's vision of Renewing Chattanooga.



Goals & Objectives:

Provide leadership, collaboration and support to all departments in the employment services of all applicants and employees

- ❶ Recruit and retain a well qualified, diverse workforce
- ❷ Monitor overall satisfaction with new hires after three, six and twelve months of employment from both the manager and new hire's perspective
- ❸ Ensure a proactive and consistent process for monitoring pay equity and consistency
- ❹ Ensure there is consistent and transparent compliance with all federal, state and city regulations, policies and procedures

Deliver best in class service to all customer groups

- ❶ Develop initiatives to help reduce overall turnover rate and work with each department to develop goals for departmental reduction of turnover rate
- ❷ Monitor overall employee satisfaction with all HR functions and service
- ❸ Continue to develop innovative approaches to employee well being, health and safety

Provide continuous employee training and development for all departments and city employees

- ❶ Determine percentage of employees who report they are satisfied with on-the-job learning and growth and development opportunities offered by the city
- ❷ Provide annual training needs assessments to determine development opportunities throughout the city
- ❸ Monitor feedback of all employee groups to ensure staff members, managers, peers and coworkers are displaying appropriate and professional employment behaviors that focus on a performance oriented work culture

Description:

Human Resources works with each department to develop specific standards for the recruitment and hiring of a qualified, diverse workforce, and to help identify those employees who should be considered for promotion. The department also assesses job classifications, compensation and benefits, and offers employee relations initiatives, training and skill development. Additionally, the Human Resources Department maintains a competitive and quality health and wellness program including an onsite medical clinic and pharmacy dedicated to employee wellness. All safety issues and on-the-job injuries are addressed by Human Resources. The department also offers an Employee Assistance Program for confidential counseling service.

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Avg. eligible candidates per Requisition	6.00	6.00	6.67	6
Avg number of recruiting days from requisition to offer date **			23.90	<30
Turnover rate	<10%	<10%	8.23	<9%
Number of promotions	116	100	120	100
Management Team's overall satisfaction with the collaboration with Human Resources on all departmental employment functions *		>85%		>85%
Employee's overall satisfaction with the quality of training and development provided by or coordinated through Human Resources *		>85%		>85%

* New areas to be measured beginning FY14

** New areas to be measured FY15

Department of Human Resources

Todd Dockery, Director

Richard Beeland, Deputy Director

www.chattanooga.gov

Departmental Summary

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Administration	\$ 1,496,659	\$ 1,542,646	\$ 1,354,188	\$ 1,368,521
Employee Insurance Office	318,301	300,023	317,325	320,884
Employee Insurance Program	45,650	22,114	35,350	2,200
Employee Safety Program		9,361	77,852	89,192
Job Injury Administration	99,646	79,393	86,000	73,800
Physical Exams	23,090	7,830	8,800	25,000
Total Expenditures	\$ 1,983,346	\$ 1,961,367	\$ 1,879,515	\$ 1,879,597
Per Capita	\$ 11.57	\$ 11.70	\$ 10.97	\$ 10.84
Positions Authorized	21	21	21	21

Resources

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Personnel	\$ 1,399,362	\$ 1,611,431	\$ 1,544,855	\$ 1,576,292
Overtime	1,499			
Operating	329,383	349,937	334,660	303,305
Revenue	46,439	34,268	45,000	45,000
	1,776,683	1,995,635	1,924,515	1,924,597

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
High Performing Gov't	1,879,597	100.0%
	1,879,597	100.0%



Economic & Community Development

Donna Williams, Administrator

Anthony Sammons, Deputy Administrator

www.chattanooga.gov/economic-community-development

Mission:

To develop and invest in economic and community development strategies that assist and promote the success of businesses, revitalized communities and vibrant public spaces in Chattanooga.

Description:

The Department of Economic & Community Development is comprised of the following divisions:

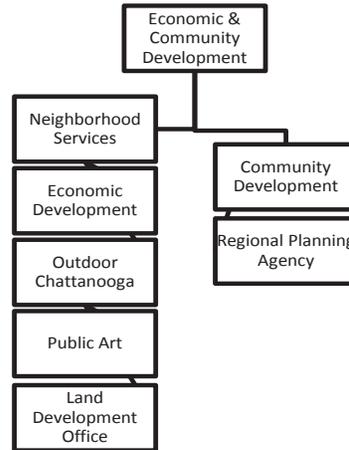
Neighborhood Services: develops strong neighborhoods through the Affordable Housing & Rehabilitation program, and provides leadership development and resolves community issues through the City's neighborhood associations.

Economic Development: responsible for workforce development, supporting small businesses, and facilitating the recruitment and expansion of businesses in Chattanooga.

Land Development Office: enforces all building, life safety codes, and zoning codes, advertizing ordinance, min housing, anti-litter, overgrowth, inoperable vehicle, proper brush/trash set out, spot blight aquisition code, and administration of the Board of Zoning Appeals, Board of Construction Appeals, Board of Sign Appeals, Board of Electrical Examiners, Board of Plumbing Examiners, Board of Gas Examiners, and Board of Mechanical Examiners.

Outdoor Chattanooga: responsible for City's "signature" outdoor lifestyle, with facilities dedicated to the recreational use, education, and stewardship of the regions natural areas.

Public Art: introduces a wide variety of high quality public art into the community, enhancing the civic environment and enriching the lives of visitors and residents.



Goals and Objectives:

To empower the community to use the tools of code enforcement and citizen participation to guarantee that every neighborhood throughout Chattanooga offers a pleasant and peaceful environment and makes an appealing choice for residents.

Increase the investment in housing in every neighborhood in the City annually.

- ❶ To provide all neighborhoods the tools to make their community one that offers the real expectation of a sound investment and an appealing home.
- ❷ To increase housing investment in every neighborhood annually.
- ❸ Increase owner-occupied homes in every neighborhood.
- ❹ Increase commercial investment in neighborhoods zoned commercial and manufacturing.

Elimination of blight in Chattanooga

- ❶ Reduce abandoned vacant land
- ❷ Increase compliance by 5 - 10% annually

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Abandoned vehicle CSRs closed on time	95.9%	95.0%	98.0%	95.0%
Housing CSRs closed on time	96.2%	95.0%	100.0%	95.0%
Litter CSRs closed on time	95.9%	95.0%	99.2%	95.0%
Vacant lot overgrowth CSRs closed on time	96.9%	95.0%	100.0%	95.0%
Non-vac overgrowth CSRs closed on time	97.2%	95.0%	100.0%	95.0%
Total Number of Building Permits Issued	2,182	2,000	1,925	2,200
Total Number of Permits (all types) Issued	8,935	9,500	9,787	10,000
Percentage of CSR closed on time			94.3%	97.5%

Cases in Litigation Pending were excluded.

Department of Economic & Community Development

Donna Williams, Administrator

Anthony Sammons, Deputy Administrator

www.chattanooga.gov/economic-community-development

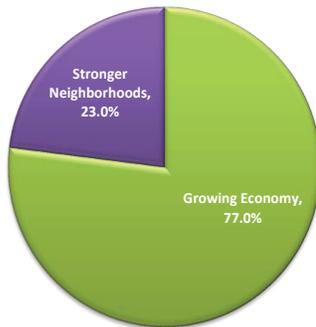
Department Summary

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY 14/15
Administration	\$ 539,754	\$ 561,351	\$ 766,079	\$ 666,881
Grants Administration	35,994	56,774	104,662	129,316
Codes & Community Svc	1,607,183	1,491,757	1,333,587	303,146
Neighbor Partners Project	55,000	52,000	50,000	0
Economic Development	0	0	0	623,904
Community Development	5,823,391	4,577,713	3,335,697	2,600,000
Outdoor Chattanooga	-	-	374,011	393,836
Trust for Public Land	-	-	100,000	100,000
Riverpark Art Maint & Mgmt	-	-	-	125,250
Land Development Office	-	-	2,754,810	4,387,568
Board of Plumbing Examiners	-	-	1,782	1,975
Board of Electrical Examiners	-	-	8,200	13,600
Board of Mechanical Examiners	-	-	1,650	2,500
Board of Gas Fitters	-	-	1,950	1,500
Board of Appeals & Variances	-	-	6,796	7,500
Community Development Pilot	-	-	500,000	463,591
Total	\$ 8,061,322	\$ 6,739,595	\$ 9,339,224	\$ 9,820,567
Per Capita	\$ 48.08	\$ 40.19	\$ 54.53	\$ 56.65
Positions Authorized	35	35	80	86

Resources

	Actual FY11/12	Budget FY12/13	Budget FY13/14	Budget FY 14/15
Personnel	\$ 2,018,903	\$ 2,152,699	\$ 4,785,647	\$ 5,598,799
Overtime	1,000	-	3,300	-
Operating	6,041,419	4,586,896	4,550,277	4,221,768
Revenue	5,924,437	4,577,713	3,335,697	2,600,000

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Growing Economy	5,557,633	77.0%
Stronger Neighborhoods	1,662,934	23.0%
	7,220,567	100.0%



Community Development

Donna Williams, Administrator

Anthony Sammons, Deputy Administrator

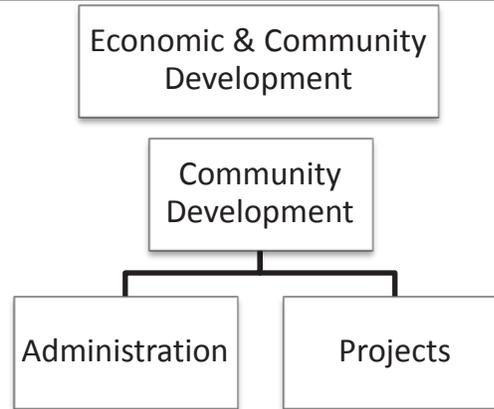
www.chattanooga.gov/communitydev

Mission:

To improve housing and employment opportunities for all low-to-moderate income Chattanooga residents and to provide the support needed to stabilize and revitalize low income communities.

Description:

Community Development, using grants from the U. S. Department of Housing and Urban Development, is dedicated to the revitalization of low-to-moderate income neighborhoods and the economic improvement of its residents. The department funds affordable housing initiatives, employment and business assistance, public facility and infrastructure improvements, and social services to assist the community as a whole.



Goals & Objectives:

To increase availability and access to affordable, quality housing in the City's low-to-moderate income communities.

- ① Increase neighborhood understanding of fair housing regulations to make sure good quality housing is accessible for lower income residents.
- ② Increase the stock of available, quality housing by the creation of new homes and rental units or providing financing to enable residents to build a new home.
- ③ Help homeowners preserve existing housing and restore structures that have become uninhabitable.
- ④ Encourage home ownership as a means of further stabilizing the community.

To drive the revitalization of Community Development Block Grant (CDBG) eligible neighborhoods.

- ① Strengthen the foundation of neighborhoods through infrastructure repairs and streetscape improvements.
- ② Create or renew public facilities to be used as community centers in targeted neighborhoods.

To increase employment in lower income areas.

- ① Use available resources and training to make sure that lower income residents have needed skills to get and retain good jobs.
- ② Bolster the existing business base and encourage the creation of new enterprises through access to capital funds.

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Increase the stock of safe, affordable rental units	12	20	4	20
Rehabilitate substandard housing # of units	74	204	51	204
Assist first time LMI(low/moderate income) purchase with mortgages	53	50	26	50
# of Participants in Homebuyer Education Programs	755	160	557	160

Community Development

Donna Williams, Administrator

Anthony Sammons, Deputy Administrator

www.chattanooga.gov/communitydev

Department Summary

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY 14/15
Administration	452,203	480,000	488,000	440,000
Community Dev Projects	5,371,188	4,097,713	2,847,697	2,160,000
Total Expenditures	\$ 5,823,391	\$ 4,577,713	\$ 3,335,697	\$ 2,600,000
Per Capita	\$ 34.73	\$ 27.30	\$ 19.48	\$ 15.00
Positions Authorized	7	7	7	6

Resources

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY 14/15
Personnel	\$ 440,975	\$ 455,302	\$ 488,000	\$ 440,000
Operating	5,483,462	4,122,411	2,847,697	2,160,000
Revenue	5,924,437	4,577,713	3,335,697	2,600,000

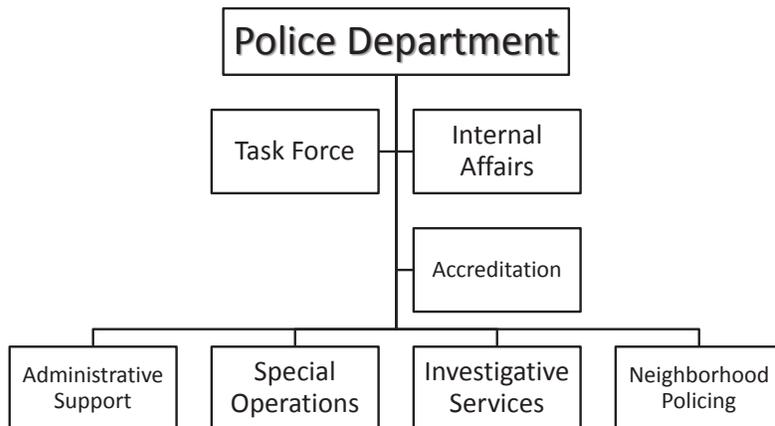


Mission:

To develop and maximize relationships of trust and respect while enacting policies and procedures that work effectively to keep you, your family and our community safe – and feeling safe embodying the best ideals of community policing.

Description:

The Chattanooga Police Department will support and maintain lasting relationships ensuring all members of our community are safe and feel safe in their homes, on their streets and in their neighborhoods by building and supporting community partnerships in conjunction with the best practices of community policing and problem solving.



Goals & Objectives:

Be Safe, Feel Safe

- ❶ Improve public safety and feelings of safety – particularly through implementation of the principles learned and applied in the Violence Reduction Initiative.
- ❷ Reduce violent crime
- ❸ Minimize arrests and incarceration
- ❹ Strengthen communities and relationships through increased positive contacts

Building Relationships, Creating Commitment

- ❶ Both law enforcement and the community must play a critical role in addressing safety. Utilize progressive concepts, organizational models, resource deployment and strategies to demonstrate we value community
- ❷ Develop and implement a customized version of community-oriented, problem-solving policing by focusing on the unique needs of our neighborhoods the department will create lasting relationships and build trust.
- ❸ Dramatically improve public safety through the combination of the best of law enforcement practices and implementation of community-driven approaches.
- ❹ Community-driven approaches will help law enforcement build lasting relations and create community wide commitment resulting in effective solutions.

Innovative Strategies

- ❶ Utilize intelligence, data and technology to support our crime fighting and problem-solving efforts.

Performance Measures	Actual 2012*	Goal 2013*	Actual 2013*	Actual % 2013*	Goal 2014*
Homicide	22	-15%	18	18.18%	-15%
Rape	39	-15%	55	41.03%	-15%
Robbery	485	-15%	387	-20.21%	-15%
Agg Assault	662	-10%	584	-11.78%	-10%
AggA - Shooting	82	-5%	99	20.73%	-5%
AggA -DV	258	-5%	363	40.70%	-5%
SimpleA-DV	1,022	-10%	877	-14.19%	-10%
Total DV	1,280	-5%	1,240	-3.13%	-5%
Total DV minus SA	2,570	-5%	2,383	-7.28%	-5%
	1,548	-5%	1,506	2.71%	-5%

*based on calendar year

Department of Police

Frederick Fletcher, Chief of Police

David Roddy, Police Chief of Staff

www.chattanooga.gov/police/

② By predicting where crimes occur through the use of technology and analytical data the CPD can now anticipate potential crime.

③ Through the identification of hotspots Executive Staff can disperse limited resources in an effective manner to proactively prevent crime.

④ Increased Presence an effective deterrence through the possibility of being detected. The possibility of being detected when considering committing the crime is a highly effective deterrent of an offender.

Internal Support

① Produce a diverse organization that attracts and retains officers through active leadership and implementation of progressive and equitable practice that values diversity in all its incarnations.

Department Summary

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Police Administration	\$ 2,463,058	\$ 2,181,535	\$ 2,583,746	\$ 3,504,128
Operations	31,460,502	31,862,298	34,591,737	30,708,380
Animal Services	1,564,373	1,564,373	1,564,373	1,611,299
Support Services	16,731,353	17,996,604	16,166,956	19,468,376
Total	\$ 52,219,286	\$ 53,604,810	\$ 54,906,812	\$ 55,292,183
Per Capita	\$ 337.42	\$ 319.70	\$ 320.57	\$ 318.93
Positions Authorized	597	597	584	* 595

*Automated Traffic Control (Special Revenue Fund) includes 4 authorized sworn positions. FY 15 total is 599.

Resources

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Personnel	\$ 38,276,264	\$ 39,394,297	\$ 43,399,062	\$ 40,465,204
Overtime	618,408	656,025	675,000	475,000
Operating	13,324,614	13,554,488	10,832,750	14,351,979
Revenue	661,761	684,248	367,400	454,800

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Safer Streets	55,292,183	100.0%
	55,292,183	100.0%



Department of Fire

Lamar Flint, Fire Chief

Chris Adams, Executive Deputy Fire Chief

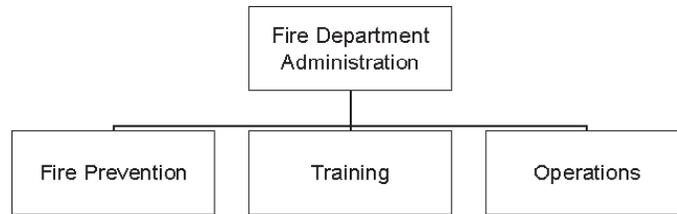
www.chattanooga.gov/fire

Mission:

To protect life, property and community resources through prevention, preparation, response and mitigation.

Description:

The department has four core divisions: Fire Administration, Operations, Fire Prevention, and Training. Operations includes 19 fire stations and more than 400 firefighters who respond to fire, automobile accidents, first response medical emergencies, hazardous materials incidents and other emergencies. The Fire Prevention Bureau includes code enforcement, fire investigation, and fire safety education. The Training Division provides instruction to all fire fighters on the latest tactics and technology in the fire service, and trains new recruits in fire academies.



Goals & Objectives:

Reduce fire fatalities and injuries for civilians and firefighters.

- ① Meet or surpass National Fire Prevention Association (NFPA) reduction numbers for fatalities, injuries and total fires.
- ② Pursue an aggressive fire prevention education program to reach throughout the community.

Reduce property loss resulting from fire.

Maintain or improve the City's Insurance Services Office (ISO) public protection classification in order to reduce insurance costs to residents and businesses.

Provide a timely first response to medical emergencies, and offer well-trained emergency personnel to administer appropriate treatment.

Provide a Homeland Security regional response

- ① Establish a regional response team that is capable and ready to respond to any chemical, biological, radiological, nuclear or explosive (CBRNE) incident, as well as hazardous spills or structural collapse emergencies.

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Average response time (Department)	5:38	5:00	5:38	5:00
Inspections	3,551	6,500	3,263	6,500
Civilian Deaths	2	-	1	-
Civilian injuries	10	-	9	-
Firefighter Injuries	38	-	62	-
Property Damage (\$million)	\$6.31	\$ 5.45	\$6.19	\$ 5.45
Fire Calls	742	-	823	-
Non-Fire Calls	15,116	-	14,998	-

*Response time in minutes and seconds (mm:ss)

Department of Fire

Lamar Flint, Fire Chief

Chris Adams, Executive Deputy Fire Chief

www.chattanooga.gov/fire

Department Summary

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Fire Administration	\$ 2,123,561	\$ 2,155,840	\$ 2,619,421	\$ 1,978,257
Operations	\$ 31,182,513	\$ 31,479,960	\$ 34,177,090	\$ 32,283,458
Prevention	\$ 1,334,086	\$ 1,316,416	\$ 974,551	\$ 1,341,451
Training	\$ 1,284,720	\$ 1,408,998	\$ 670,280	\$ 714,308
Total Expenditures	\$ 35,924,880	\$ 36,361,214	\$ 38,441,342	\$ 36,317,474
Per Capita	\$214.25	\$ 216.86	\$ 224.44	\$ 209.48
Positions Authorized	431	446	446	446

Resources

	Actual FY11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Personnel	\$ 32,775,283	\$ 33,287,428	\$ 35,054,236	\$ 32,774,241
Overtime	9,775	17,869	9,600	20,350
Operating	3,055,916	3,055,916	3,377,506	3,856,103
Revenue ¹⁾	28,409	39,540	11,000	50,300

1) During FY10 by Ord.# 12356 the City Council amended the fees for services rendered by the Fire Department.

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Safer Streets	36,310,664	100.0%
Smarter Students, Stronger Families	6,810	0.0%
	36,317,474	100.0%



Department of Public Works

Lee Norris, Administrator

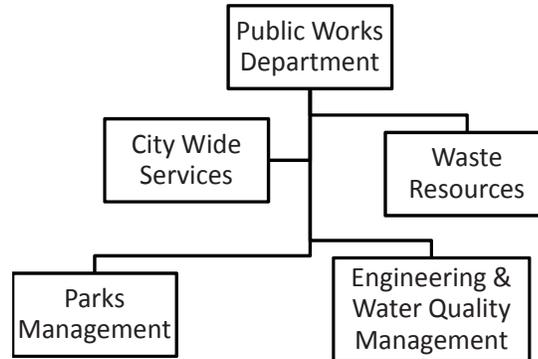
Justin Holland, Deputy Administrator

www.chattanooga.gov/public-works

Mission:

To preserve and enhance the quality of life and the physical environment through prompt, cost effective and courteous delivery of services that protects the health, safety and welfare of citizens, neighborhoods, businesses, the environment and visitors to meet the growing demands of the community.

Description: The Department of Public Works is responsible for maintaining the City's infrastructure, parks, and facilities: design, construction and maintenance; the interceptor sewer system; the City's storm water system; the responsible collection and disposal of garbage, yard waste, recycling, and household hazardous waste.



Goals & Objectives:

To preserve and enhance the city's physical environment, provide clean streets and clean water, as a foundation for a healthy and pleasing community.

- 1 Achieve absolute compliance with applicable Federal and State clean water laws and regulations
- 2 Increase the number of clean communities by striving for complete maintenance of rights-of-way, and dependable scheduled curbside garbage, recycle, and yard waste collections.
- 3 Insure full compliance with environmental regulations to preserve and protect communities and their citizens.

To provide prompt, courteous and cost-effective service delivery for solid waste collection and disposal services, and response to citizen requests and inquiries.

- 1 Provide timely response to citizen service requests and inquiries.
- 2 Maintain and increase the percentage of residents satisfied with the City's services and response to service problems.
- 3 Reduce the number of citizen complaints.

To maintain and improve the City's infrastructure including sewers, wastewater treatment plant, and storm water facilities; the landfill, and wood recycling center, household hazardous waste facility, and convenience centers.

- 1 Maintain the disposal facilities and sewers in compliance with federal and state regulations.
- 2 Maintain and improve the condition and flow of storm water infrastructures.

To safely maximize the enjoyable use of City's parks, facilities and centers

- 1 Maintain & improve maintenance standards of parks, facilities and recreation centers.
- 2 Ensure that the park system and facilities are accessible to all City residents.
- 3 Encourage citizen involvement in conservation and preservation of parks and open spaces.

Department of Public Works

Lee Norris, Administrator

Justin Holland, Deputy Administrator

www.chattanooga.gov/public-works

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
City Wide Service CSRs closed on time	95.3%	96.0%	92.8%	96.0%
Trash Flash CSRs closed on time	97.6%	96.0%	83.2%	96.0%
Missed Garbage CSRs closed on time	96.0%	96.0%	96.9%	96.0%
Waste Resources CSRs closed on time	95.9%	96.0%	94.9%	96.0%

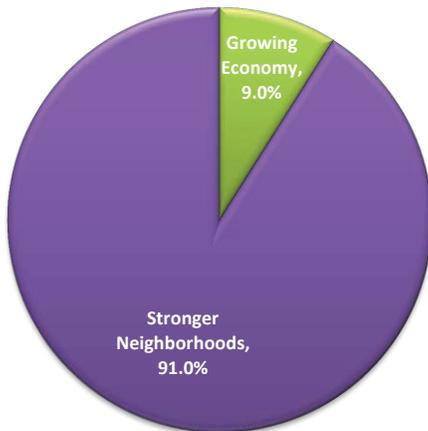
Department Summary

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
General Fund	\$ 34,822,328	\$ 39,596,900	\$ 28,960,819	\$ 27,697,148
Interceptor Sewer Fund	50,015,415	56,927,273	55,843,676	60,446,000
Solid Waste Fund	5,475,521	5,373,961	6,986,585	7,202,000
Water Quality Fund (1)	13,241,028	12,245,118	16,858,055	16,839,938
State Street Aid Fund	4,457,109	4,280,693	4,280,000	4,400,000
Total Expenditures	\$ 107,437,931	\$ 118,423,945	\$ 112,929,135	\$ 116,585,086
Per Capita	\$ 627.01	\$ 691.13	\$ 659.33	\$ 672.48
Positions Authorized	633	637	615	604

Resources

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Personnel	\$ 29,226,424	\$ 36,089,023	\$ 33,304,792	\$ 31,991,823
Overtime	957,758	675,600	603,006	571,484
Operating	82,623,306	81,659,322	79,021,337	84,021,779
Revenue	84,575,431	76,994,872	112,929,135	116,585,086

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Growing Economy	2,492,137	9.0%
Stronger Neighborhoods	25,278,023	91.0%
	27,770,160	100.0%



Youth & Family Development

Lurone Jennings Sr, Administrator

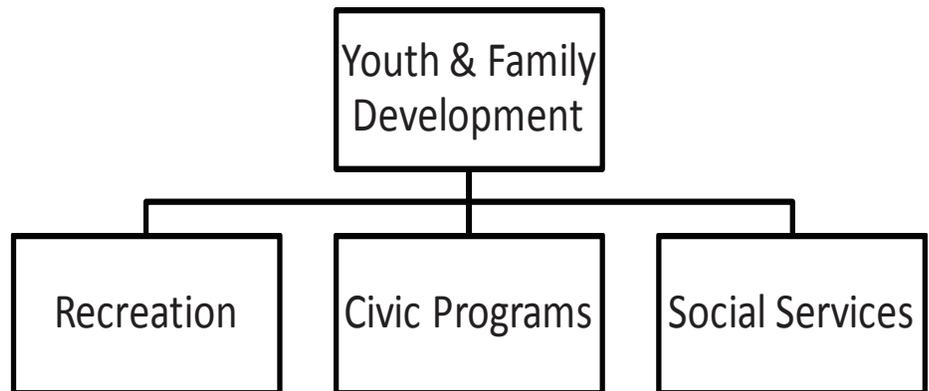
www.chattanooga.gov/youthandfamily

Mission:

To provide a strong emphasis on developing and educating youth and families in our community physically, socially, and morally. To provide safe, attractive and accessible facilities and programs that promote a healthy active lifestyle that will impact our community's economy and tourism. To expand, enhance and increase awareness and opportunities related to education, recreation and leadership development.

Description:

Youth and Family Development provides a wide variety of educational and recreational activities throughout a network of programs, parks and public facilities. The department includes Youth and Family Development Centers, Aquatics, Therapeutic Recreation activities, Sports, the Chattanooga Fitness Center, Champions Club tennis facility. The department is responsible for all athletic facilities maintenance including 65 athletic fields, a tournament quality tennis complex and 2 state of the art softball complexes. The Civic Centers promote the arts with programs that include art, craft, and music classes at Eastgate Senior Activity Center, Heritage House, and North River Civic Center. In addition to programs and information, publications are released to further enhance the awareness of the education and the arts.



Goals & Objectives:

To maximize usage and participation at the City's Youth and Family Development centers and recreational programs.

- 1 Increase the use/attendance of Youth and Family Development centers and programs, through an increased variety and number of quality program offerings in areas such as recreation, education, leadership and career development.
- 2 Enhance community participation through new approaches to marketing programs, facilities and services.

To increase access to resources and facilities for all residents, and to offer facilities and programs that appeal to all segments of our diverse community.

- 1 To ensure that all facilities are accessible to all city residents.
- 2 To ensure that a variety of programs are offered in diverse areas for youth and their families.
- 3 To reasonably anticipate the priorities or needs each community demands.
- 4 Provide safe and secure facilities with quality programs and training for all Chattanooga residents to enjoy and learn.
- 5 Identify and maintain opportunities for education, arts and recreation programs by actively seeking and sustaining sponsorships, partnerships and grants.
- 6 Cultivate new partnerships with public and private educational institutions and organizations.
- 7 Strengthen and develop effective community programming through collaboration with all City departments, as
- 8 well as public and educational organizations.

To expand education, arts and recreational opportunities for underserved segments of the community.

- 1 Increase and develop networking and programming opportunities between education, arts and recreational groups, schools, non-profits and area churches.
- 2 Expand programming that addresses career and leadership development, diversity issues, social issues and community concerns.
- 3 Continue to work with area social services, art, and educational agencies to expand access to education, arts and recreational programs within the community.

Youth & Family Development

Lurone Jennings, Administrator

www.chattanooga.gov/youthandfamily

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Community Centers - Attendance	N/A	850,000	N/A	860,000
Civic Centers - Attendance	N/A	219,500	64,628	225,500
Civic Centers - # of Events	N/A	245	2,664	230

*Note prior year data is recorded on the Department of Parks & Recreation and Department of Education, Arts, & Culture pages.

Department Summary

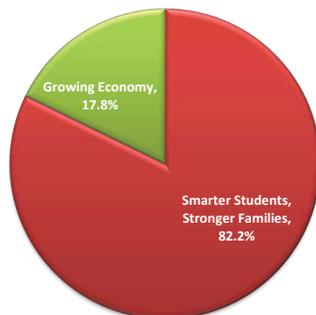
	Actual FY 11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Administration	\$ -	\$ -	\$ 1,102,899	\$ 1,105,721
Public Information	0	0	104,901	100,884
Recreation Support Service:	0	0	537,100	788,664
Programs	0	0	2,173,508	2,599,818
Recreation Facilities	0	0	846,116	827,229
Recreation Centers	0	0	3,563,923	3,659,899
Total Expenditures	\$ -	\$ -	\$ 8,328,447	\$ 9,082,215
Per Capita	\$ -	\$ -	\$ 48.63	\$ 52.39
Positions Authorized	0	0	104	107

Resources

	Actual FY 11/12	Actual FY12/13	Budget FY13/14	Budget FY14/15
Personnel	\$ -	\$ -	\$ 6,187,462	\$ 7,085,753
Overtime	0	0	14,500	50,000
Operating	0	0	2,126,485	1,946,462
Revenue	0	0	0	0

*Note the Department of Youth & Family Development is a newly created department in FY14, which consists of recreation programs that were previously reported in the Department of Parks & Recreation, civic programs that were previously reported in the Department of Education, Arts & Culture, and social services, formerly known as the Department of Human Services.

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Smarter Students, Stronger Families	7,478,733	82.2%
Growing Economy	1,615,893	17.8%
	9,094,626	100.0%



Department of Youth & Family Development

Social Services - Federal Grants

Lurone Jennings, Sr. Administrator

Donna H. Stone, Deputy Administrator

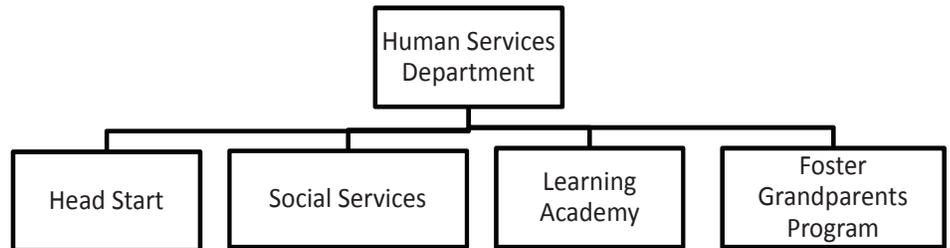
www.chattanooga.gov

Mission:

To improve an individual's quality of life by providing a safety net of services for low income or disadvantaged citizens in Hamilton County through exceptional programming.

Description:

The Department of Human Services as a division of Youth and Family Development seeks to improve the lives of citizens in Hamilton County with a focus on lower income or disadvantaged citizens through a number of programs funded by the federal, state or local governments. Collaborations with internal and external partners provide services and connections necessary to achieve self-sufficiency. Services are provided through programs as Social Services, Head Start, Foster Grandparents, and a Learning Academy. The combination of programs offered creates smarter students and stronger families in line with the vision of the present administration.



Goals & Objectives:

TTTo Provide emergency assistance and an array of support services to vulnerable residents of Chattanooga and Hamilton County, which strengthen family connections, improve quality of life issues, empower them to become community stakeholders, and help them achieve self-sufficiency and maintain independent living.

- ❶ *Maintain the Foster Grandparents program to enable eligible older adults to help special needs children within their community, while strengthening their bond to the neighborhood.*
- ❷ *Improve family outcomes through wrap around supports services and comprehensive community partnerships.*
- ❸ *Assist families with supplemental services needed to sustain their quality of life through the Commodity Food Program, the Low Income Home Energy Assistance Program and Self Sufficiency and Employment Programs.*
- ❹ *Provide emergency assistance to aid families during natural disasters, and those experiencing crisis situations to prevent forecloses, evictions, and utility cut offs.*
- ❺ *Offer numerous channels to reduce hunger and improve nutrition among vulnerable populations.*

Provide early education for low income children through Head Start, Early Head Start, and Childcare Services.

- ❶ *Seek constant improvement in each child's skill attainment level, tracked in a Child Portfolio, as a gauge of school readiness.*
- ❷ *Increase the number of children in Early Head Start.*
- ❸ *Increase childhood immunizations.*
- ❹ *Offer quality, affordable and available learning opportunities for children ages 1-12 in the Chattanooga area.*

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Number of foster grandparents	111	93	126	93
Social Services	1,114	1,450	991	1,200
Energy Assistance	7,184	6,000	5,792	7,000
Participants in food distribution program	8,847	2,300	2,726	2,300
Head Start funded enrollment	622	572	622	622
Early Head Start funded enrollment	226	212	226	226
Children immunized	1,223	1,150	784	850
Parents in adult ed/GED training	49	50	3	15

Department of Youth & Family Development

Social Services - Federal Grants

Lurone Jennings, Sr, Administrator

Donna H. Stone, Deputy Administrator

www.chattanooga.gov

Department Summary

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Administration	755,750	760,364	862,615	1,660,420
Head Start	8,619,628	8,780,584	9,184,186	8,805,681
Day Care	766,069	671,647	687,187	570,000
Foster Grandparents	510,462	507,540	509,761	499,481
LIHEAP	2,924,862	3,011,503	3,037,458	1,919,035
CSBG	542,187	601,713	658,116	580,671
Social Services Programs	123,039	141,772	120,362	41,500
City General Relief	44,469	48,818	46,644	25,600
Other	-	1,027	33,564	-
Total Expenditures	14,286,466	14,524,968	15,139,893	14,102,388
Per Capita	\$ 85.20	\$ 86.63	\$ 88.39	\$ 81.34
Authorized Positions	305	305	305	309

Resources

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Personnel	6,764,037	7,323,502	7,168,098	7,944,820
Overtime	26,123	38,574	-	15,855
Operating	7,496,306	7,639,521	7,971,795	6,141,713
Revenue	15,000,825	14,484,708	15,139,893	14,102,388



Department of Transportation

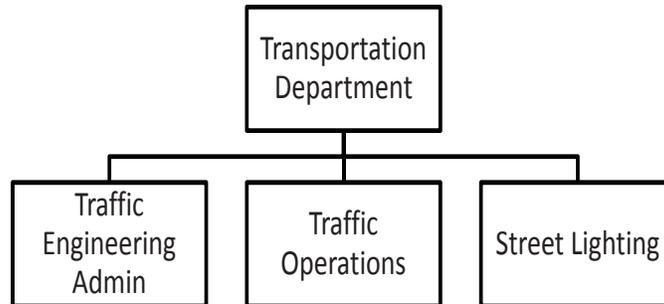
Blythe Bailey, Administrator
www.chattanooga.gov/transportation

Mission:

To make efficient transportation viable for all commuters – cyclists, pedestrians, transit users and motorists while enhancing multi-use public spaces for all people.

Description:

The Transportation Department's fundamental role is to steward a transportation network that supports our community's priorities as a whole, including public safety, stronger neighborhoods, economic and community development, and fiscal responsibility. A major component of the department is the planning, design, construction, and maintenance of our city's transportation infrastructure. We emphasize transparency and collaboration while providing our citizens with the most effective services at the best value. A major facet of our department strategy is to provide facilities that encourage more robust, multiple uses of our transportation network, including biking, walking, and public transit.



Goals & Objectives:

To lead the capital planning process for Transportation projects with a focus toward maximum return on investment, long-term durability, low maintenance costs, and efficient use of tax payer dollars:

- 1 Guide long range planning efforts, manage Local Area Project Agreements with TDOT, lead collaboration with other departments to prioritize projects

Lead transportation project development from capital plan to construction.

- 1 Manage and collaborate with other departments, stakeholder, manage citizen engagement and public process

Interact with public

- 1 Review of private development projects for Transportation Engineering impacts, including multi-modal accommodation, long-range planning and vision, and day to day traffic engineering impacts.
- 2 Review citizen requests for improvements and suggestions to traffic conditions, such as neighborhood traffic management, maintenance of our street and traffic network, such as for street light, traffic light, pavement marking, signage, paving, and other conditions of our streets and sidewalks.
- 3 Review and approve temporary use of our public Right Of Way.
- 4 Review and approve of Franchise agreements for public Right of Way as well as Abandonment of Right of Way

Analyze transportation system for traffic safety and efficiency

- 1 Design signal timing, pavement marking, signage, with adherence to code-referenced standards such as NACTO Urban Street Design Guide, Manual for Uniform Traffic Control Devices, and others.

Maintain and repair traffic control devices

- 1 Signs, Pavement Markings, Traffic Signal maintenance and construction, Traffic Signal Electronics, management of 311 requests and service requests.

Department of Transportation

Blythe Bailey, Administrator

www.chattanooga.gov/transportation

Performance Measures	Actual FY13	Goal FY14	Actual FY14	Goal FY15
Traffic Operations CSRs closed on time	92.3%	95.0%	92.4%	95.0%
Traffic Marking Orders closed on time	78.0%	80.0%	89.0%	95.0%
Traffic Signal Orders closed on time	n/a	n/a	n/a	95.0%
Traffic Sign Maintenance	34,525	35,000	38,766	35,000
Traffic Signal Maintenance	5,081	5,000	4,237	5,000
New Traffic Signal Installation	3	5	2	5
Street Marking Maint (Linear Ft)	2,257,154	4,000,000	3,039,877	4,100,000
*Regulatory Markings (Linear Ft)	31,218	35,000	30,570	35,000

*Pavement arrows, crosswalks, stop bars, RR crossing

NOTE: There was a summer long, industry wide paint shortage, which caused the numbers to be down in the street painting categories in FY13.

Department Summary

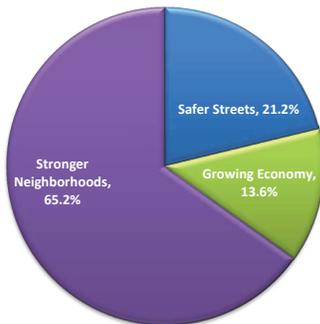
	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Traffic Engineering Admin			\$ 1,008,099	\$ 2,120,635
Street Lighting			3,146,462	3,448,900
Traffic Operations			2,107,646	2,184,278
Transportation Admin			818,633	229,194
Paving			-	2,712,000
Total Expenditures			\$ 7,080,840	\$ 10,695,007
Per Capita			\$ 41.34	\$ 61.69
Positions Authorized			46	57

Resources

	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15
Personnel			\$ 3,079,551	\$ 3,897,541
Overtime			34,000	35,000
Operating			3,967,289	6,762,466
Revenue			7,080,840	10,695,007

*The Department of Transportation was created in FY14. These functions were previously under the Department of Public Works.

FY15 BFO Results Area Allocation



	Allocation Amount	% of Allocation
Safer Streets	2,184,278	21.2%
Growing Economy	1,396,949	13.6%
Stronger Neighborhoods	6,701,780	65.2%
	10,283,007	100.0%

Debt Service Fund

Fiscal Year Ending June 30, 2015

The Debt Service Fund was established to account for all principal and interest payments on the City's general long-term debt. This fund is accounted for using the modified accrual method of accounting. The long-term debt is composed of City of Chattanooga General Obligation Bonds, Notes Payable, and Capital Leases. A majority of the outstanding debt is general obligation bonds. The debt can be either Direct Indebtedness, in which case an operating transfer is made from the General Fund for the maturity payments, or it can be an Indirect Indebtedness, with the supporting fund transferring funds for the maturities. The following chart shows the history of the City's debt over the past seven years and the relationship between Direct and Indirect Indebtedness.

Gross outstanding indebtedness as of June 30, 2014 is \$422,909,531. This amount includes a 30-year Chattanooga Downtown Redevelopment Lease Rental Revenue Bonds of \$110,140,000 with final payment due on October 1, 2030. Total authorized unissued debt at June 30, 2013 related to the 2004 TMBF Loan is \$124,264.52. Total authorized unissued debt from the State Revolving Loan Fund for sewer infrastructure improvements is \$110,782,408.

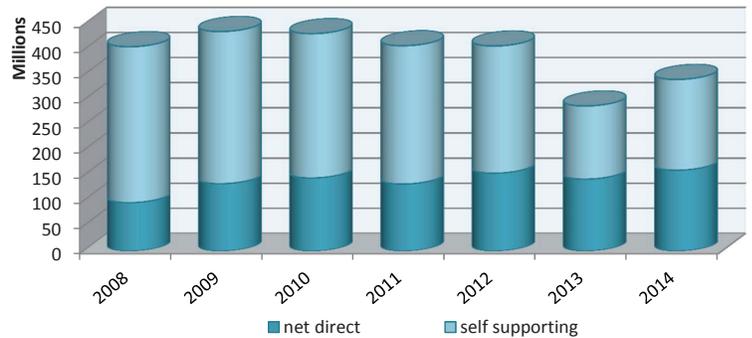
The City government is authorized by the City Charter to issue bonds. Title 6, Chapter V, Article I, Section 6.107 of the Charter creates this authority and at the same time creates a debt limit.

Sec.6.107. General Debt Limit. Hereafter no bonds shall be issued by the City of Chattanooga in such an aggregate amount as will create or increase the total bonded indebtedness of said City more than ten percent (10%) of the assessed valuation for the preceding year of all taxable property in said City.

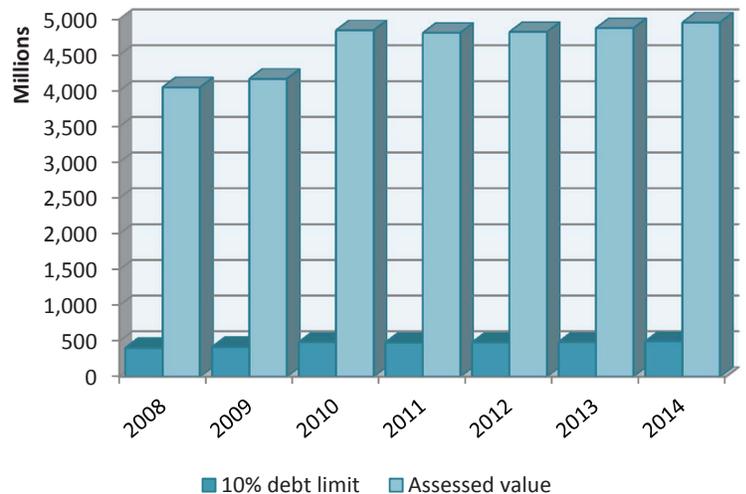
The chart to your right shows the debt limit for the past seven years, based upon the assessed property valuation for the same period of time. After viewing the debt limits imposed by the City Charter when considering the assessed property valuation, the next chart presented compares the Net Direct Indebtedness with the 10% Debt Limit.

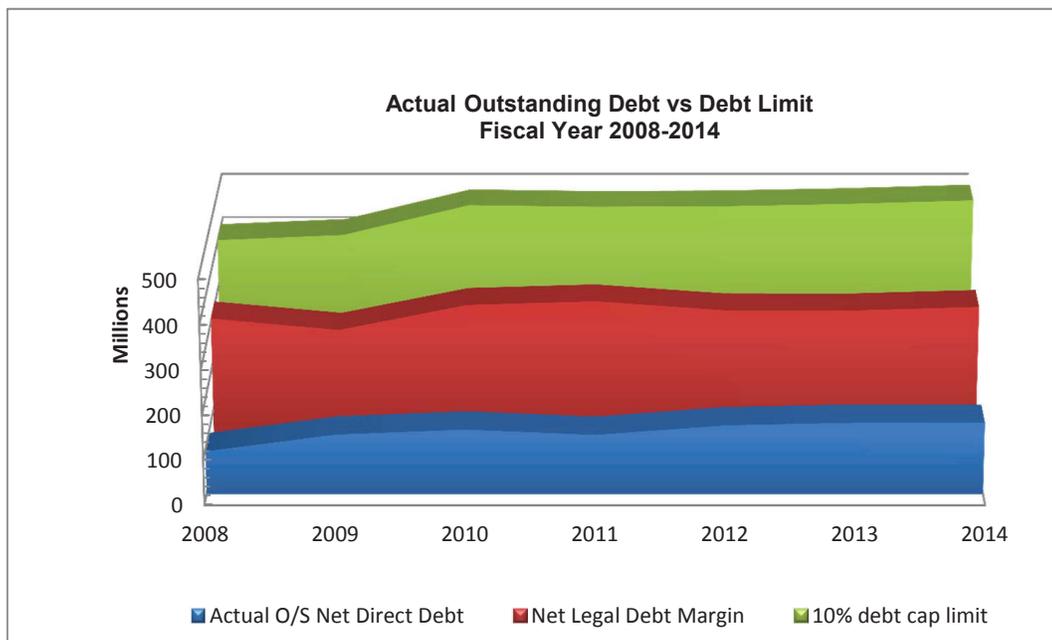
The Net Direct Indebtedness is the Gross Indebtedness less the Self-Supporting Indebtedness and the Debt Service Fund Balance for each year. As is evidenced by the following chart, the City's Net Legal Debt Margin is very favorable.

**Outstanding debt
Fiscal Year 2008-2014**



**General Obligation Debt Limit
Fiscal Year 2008-2014**





In October 2000, the City entered into a 30-year noncancelable capital lease agreement with the Chattanooga Downtown Redevelopment Corporation (CDRC), formerly the Southside Redevelopment Corporation, for the purpose of financing the cost of designing, acquiring, constructing and equipping four (4) facilities in the Tourist Development Zone comprising of more than 631,210 sq. ft. at a cost of over \$120M. The lease provides for semi-annual payments in amounts sufficient to meet the annual debt service requirements on \$129M in revenue bonds issued by the Industrial Development Board (IDB) of the City of Chattanooga on behalf of the CDRC, a non-profit corporation. IDB bonds are secured by payments to be made by the CDRC. The lease payments are funded by the city's share from the 1/4% increase in the county-wide sales tax passed by the county-wide referendum (see overlapping debt schedule), income from The Chattanooga, state incremental sales tax generated in the Tourist Development Zone and interest income from a debt service fund in excess of \$9M included as part of the bond issue. The City's obligation under the Lease rental agreement is estimated at \$110,140,000 at June 30, 2014. The debt service reserve fund held by the fiscal agent at June 30, 2014 amounts to \$9,789,172. The fiscal agent is required by the agreement to apply any interest on the debt service reserve fund toward the lease payments. The debt service reserve fund will be used to retire debt near the end of the lease.

In 2004 the CDRC entered into a swaption contract to provide an upfront payment of \$3,088,000 based on a notional amount of \$59,655,000. As a synthetic refunding of its 2000 bonds, this payment represents the risk-adjusted, present-value savings of a refunding in October 2010 without issuing refunding bonds currently. The counterparty has the option to exercise the agreement on October 1, 2010. The fixed rate swap (5.45%) was set at a rate that, when added to an assumption for remarketing and liquidity costs, will approximate the coupons of the "refunded" bonds. The counterparty exercised the option and the underlying bonds were refunded resulting in a termination payment of \$15,619,000.

In FY05, the City issued \$51,375,000 General Obligation Refunding Bonds Series 2005A. These bonds refunded portions of outstanding issues of 2001 General Obligation, 2002 Hotel-Motel Tax, 1998 Sewer, Storm Water and Solid Waste General Obligation and 2001 Storm Water and Solid Waste General Obligation bonds. In December 2004, the City received approval to enter into an agreement with the Public Building Authority of Clarksville, Tennessee (PBACC) from the Tennessee Municipal Bond Fund Series 2004 for an amount not to exceed \$25,000,000 including originating cost of the loan used to fund the Fiscal Year 2004 and 2005 Capital Projects. As of June 30, 2012, \$24,585,990 had been issued out of the total \$24,838,671 estimated projects cost.

In FY07, the City issued \$26,400,000 General Obligation Bonds, Series 2006A. These bonds were issued to support the FY06 & FY07 capital improvement budgets of which \$5.7M for SolidWaste or landfill improvements and \$20.4M general government capital improvement including \$2M as a portion of the costs of a public building

housing an animal shelter to be owned by the City and operated by the Animal Care Trust, a Tennessee not-for profit institution operating under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The City also issued \$56,110,000 Lease Rental Revenue Refunding Bonds, Series 2007. The proceeds of the Series 2007 Bonds are to be used to (i) advance refund \$55,340,000 in aggregate principal amount outstanding of certain of the Prior Bonds (Series 2000), and (ii) pay the costs of issuing the Series 2007 Bonds. The proceeds of the Series 2007A Bonds (\$17,750,000) were issued to provide the funds to advance refund certain outstanding maturities of the General Obligation Bonds, Series 2001 totaling \$17,715,000.

In FY08, The City entered into a loan agreement with the State of TN Department of Environment and Conservation for an amount up to \$13,000,000 from the State Revolving Loan Fund. This loan is for sewer projects related to upgrades & expansion of the Moccasin Bend Waste Water Treatment Plant. As of June 30, 2012 the City had drawn all of the loan. The loan has an interest rate of 2.79% with repayment over 20 years.

In FY09, the City issued \$45,415,000 General Obligation Bonds, Series 2009A. These bonds were issued to support the FY08 & FY09 capital improvement budgets including \$10,963,319 for Summit of Softball, \$5,713,000 for new fire hall at Enterprise South Industrial Park near the Volkswagen Plant, \$5,550,000 for Enterprise Resource Planning (integrated) software, \$3,312,000 for North Shore Garage, \$2,293,000, for Warner Park improvements and \$14,420,154 for Road Improvement projects.

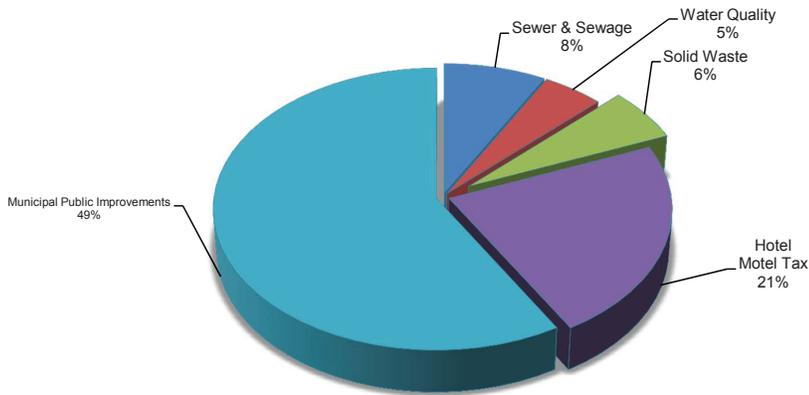
In FY10, the City issued \$6,725,000 General Obligation Bonds, Series 2010A for funding Mesh Network project at \$1,500,000, Fire capital projects at \$3,188,945, ESIP Railway Lines at \$1,308,677 and \$375,000 of other projects. City also issued \$34,265,000 General Obligation Refunding Bonds, Series 2010B which refunded \$27,900,000 of 2002 Hotel-Motel Tax pledge and \$4,440,000 of 2003 GO bonds. In addition to that, City issued 2010C series Recovery Zone Facility Bonds in the amount of \$6,840,000, used entirely for local commitment to Volkswagen.

In FY12, the City issued \$26,495,000 General Obligation Bonds, Series 2011A for funding Mesh Network project at \$2,000,000, Fire capital projects at \$1,735,000, Parks & Recreation projects at \$2,964,950, ESIP Railway Lines at \$3,450,000, ESIP Intersection at \$1,660,000, other Public Works infrastructure projects at \$8,713,553, \$4,000,000 for Fleet replacement, \$700,000 to renovate the Community Theatre and \$2,460,000 of other various projects. The City also issued \$17,545,000 General Obligation Refunding Bonds, Series 2011B Series which refunded \$16,320,000 of 2002 Hotel-Motel Tax pledge and \$2,040,000 of 2003A GO bonds. Also in FY12, the City entered into a loan agreement with the State of TN Department of Environment and Conservation for an amount up to \$20,000,000 from the State Revolving Loan Fund. This loan is for sewer projects related to upgrades & expansion of the Moccasin Bend Waste Water Treatment Plant. The loan has an interest rate of 2.0% with repayment over 20 years.

In FY13, The City entered into a loan agreement with the State of TN Department of Environment and Conservation for an amount up to \$33,100,000 from the State Revolving Loan Fund. This loan is for sewer projects related to upgrades & expansion of the Moccasin Bend Waste Water Treatment Plant. The loan has an interest rate of 1.23% with repayment over 20 years.

In FY14, the City entered into a loan agreement with the State of TN Department of Environment and Conservation for an amount up to \$66,800,000 from the State Revolving Loan Fund. The loan is for sewer projects related to upgrades and expansion of the Moccasin Bend Waste Water Treatment Plant. The loan has an interest rate of 1.67% with repayment over 20 years. The city also issued \$32,020,000 General Obligation Bonds, Series 2013 for FY14 and FY14 capital projects approved by council. This included technology infrastructure upgrades and software at \$1,801,750; Firing Range for \$900,000; Road improvements and infrastructures for \$15,484,964, Hixson recreation center and other public facility improvements for \$10,684,000 and \$5,656,000 for Water Quality improvements.

**General Obligation Bond by Purpose
Fiscal Year 2014**



\$422,909,531 Gross Outstanding Indebtedness of the City of Chattanooga as of June 30, 2014 reflects the financing decisions being made by the City to meet its long-term goals.

As the pie chart shows, the City is concentrating on Municipal Public Improvements Bonds to satisfy the needs generated by these goals. All of the Sewer portion of the debt and 32% of the debt for Municipal Public Improvements is self supported debt.

The City is in an excellent position to issue additional debt if required for future projects. The operating transfer from the General Fund to pay the non-supported portion of the debt has remained fairly constant for the past eight years, as reflected in the chart below.

In FY 2008, the General Fund appropriated \$9,392,174. This decrease from FY07 is due to the effect of 2007A Refunding, debt retirements and the planned use of \$567,100 from the Debt Service fund balance.

In FY 2009, the General Fund appropriated \$12,166,456. This increase from FY08 is due to the principal retirement structure of existing debt.

In FY 2010, the General Fund appropriated \$10,906,307. This year portion of debt service fund balance was used to pay current year debt service

In FY 2011, the General Fund appropriated \$15,494,470. This increase over FY10 reflects the three new bond issues in FY10.

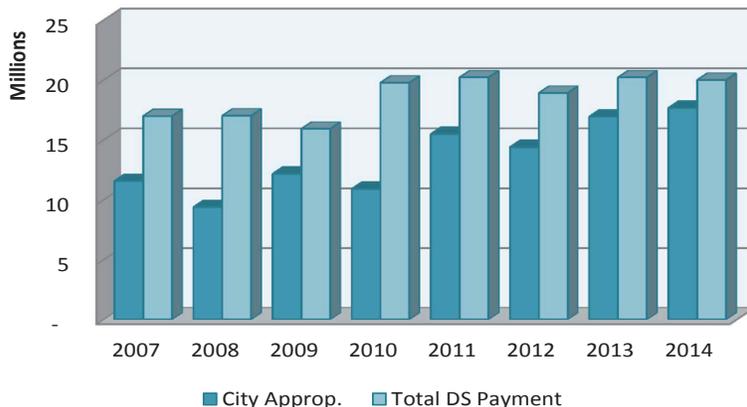
In FY 2012, the General Fund appropriated \$14,400,000, this includes estimated debt service for upcoming bond issue for FY2011 and FY2012 capital projects. Capital Budget reduced to \$10,300,000 for planned use of \$4,100,000 from Debt Service Fund Balance.

In FY 2013, the General Fund appropriated \$16,942,222, this includes estimated debt service for upcoming bond issue for FY2013 and FY2014 capital projects.

In FY 2014, the General Fund appropriated \$17,668,872, this includes estimated debt service for upcoming bond issue for FY2013 and FY2014 capital projects.

In FY 2015, the General Fund appropriated \$17,485,009 which includes funding for current outstanding debt. The FY 2015 capital budget included the use of bonds for projects totaling \$17,821,617. The city will go to the bond market in 2016 to issue for the FY 2015 and FY 2016 capital projects.

**General Fund Debt Service Appropriation
Fiscal Years 2008 thru 2014**



Overlapping Debt

In addition to the City, the County has the power to issue debt and to levy taxes or cause taxes to be levied on taxable property in the City. As of June 30, 2014, the County had gross outstanding general obligation bonded debt of \$238,300,000 and net indebtedness of \$237,390,565. The percentage of County net indebtedness applicable to the City is 59.9425% or \$146,010,740. Also included in this section on Debt Service are schedules on Debt Ratios as of June 30, 2014, Historical Debt Ratios, and an analysis of General Obligation Debt as of June 30, 2014.

Outstanding General Obligation Debt

General Obligation Bonds by Purpose	
Municipal Public Improvement ⁽¹⁾	212,739,906
Sewer and Sewage Facilities	<u>18,490,095</u>
Total Bonded Indebtedness	231,230,001
Revenue Bonds by Purpose	
CDRC Revenue Bonds	<u>110,140,000</u>
Total Bonded Indebtedness	110,140,000
Other Long-Term Indebtedness	
HUD Sec 108 Notes	3,051,000
2013 Golf Course Capital Lease	232,290
General Obligation Capital Outlay Notes - Gov't	30,627,384
General Obligation Capital Outlay Notes - BUS	<u>47,628,856</u>
Total Long-Term Indebtedness	<u>81,539,531</u>
Gross Direct Indebtedness	422,909,531
Less: Self-Supporting Indebtedness	
Sewer and Sewage Facilities Bonds ⁽²⁾	18,490,095
State Revolving Loan-CSO (ISS portion) ⁽³⁾	44,941,826
State of GA Revolving Loan (ISS portion) ⁽⁴⁾	2,161,162
Cap Lease City of Collegedale (ISS)	5,562
Tennessee Municipal Bond Notes (SoWa) ⁽⁶⁾	520,306
Municipal Public Improvement Bonds (WaQu&SoWa) ⁽⁶⁾	25,108,166
Revenue Bonds	110,140,000
Hotel/Motel Tax Revenue Pledge	52,423,496
HUD Sec. 108 Notes	3,051,000
2013 Golf Course Capital Lease (Golf Cart)	<u>232,290</u>
Total Self Supporting Indebtedness	257,073,903
Debt Service Fund ⁽⁷⁾	<u>5,020,752</u>
Net Direct Indebtedness	160,814,875
Plus: Estimated Net Overlapping Indebtedness	<u>146,010,740</u>
Net Direct and Net Overlapping Indebtedness	<u><u>306,825,615</u></u>

- Note:*
- (1) Represents all outstanding bonded debt except Sewer and Sewage Facilities Bonds.
 - (2) Funding will be paid by revenues from incremental State sales tax, profits from the Chattanooga center, and the city's Share of the 1/2% increase in the county-wide sales tax passed by county-wide referendum held in February 2004. This increase replaced the 1/2% city-only sales tax effective July 1, 2004.
 - (3) Sewer and Sewage Facilities Bonds have the pledge of unlimited ad valorem taxes on all taxable property in the City for their repayment. However, such bonds have been paid by the City from revenues derived from the operation of the City's Interceptor Sewer System.
 - (4) This amount represents 100 percent of the outstanding balance on a State revolving loan, which will be paid by the City from revenues derived from the operations of the City's Interceptor Sewer System and from the operations of the Water Quality fund.
 - (5) The City of Chattanooga is the lead agent on the State of Georgia Revolving Loan; however, the debt is to be repaid by participating North Georgia municipalities.
 - (6) \$25,108,166 represents the outstanding balance of 1998 through 2007A and 2013 Municipal Public Improvement Bonds of which \$11,063,007 is related to Water Quality and \$14,045,159 is related to Solid Waste, which will be paid by the city from the revenue derived from the operations of these funds.
 - (7) This represents unaudited Fund Balance at June 30, 2014.

Debt Ratios

The following table sets forth certain ratios relating to the City's general obligation indebtedness as of June 30, 2014.

	<u>Amount of Indebtedness</u>	<u>Per Capita</u> ¹	<u>Percentage of Assessed Valuation</u> ²	<u>Percentage of Full Valuation</u> ³
Gross Direct Indebtedness ⁴	\$ 422,909,531	\$ 2,439	8.53%	2.70%
Net Direct Indebtedness ⁴	160,814,876	928	3.25%	1.03%
Gross Direct and Net Overlapping Indebtedness ⁵	583,724,407	3,367	11.78%	3.72%
Net Direct and Net Overlapping Indebtedness ⁵	306,825,616	1,770	6.19%	1.96%
Per Capita Assessed Valuation ¹	\$28,583 *			
Per Capita Full Valuation ¹	\$90,444 *			

*Based on 2012 population estimate.

- Notes:
- (1) The City's population in 2013 was estimated at 173,366
 - (2) The City's preliminary assessed valuation of taxable property as of June 30, 2014 was \$4,955,263,249
 - (3) The City's estimated full valuation of taxable property as of June 30, 2014 was \$15,679,940,525
 - (4) See "Historical Debt Ratios" under this section.
 - (5) The County's net overlapping indebtedness is \$243,584,669. The City's share is \$146,010,740. (59.9425%).

<u>Ratio</u>	<u>Requirement</u>	<u>Actual</u>
General Fund Balance Requirement	> 15%	27.01%
Average Life of Total Debt	≤ 10 Years	9.19 Years
Percentage of Principal Paid within 10 Years	≥ 50%	72.8%
Per Capita Debt/Per Capita Income	≤ 4%	2.49%
Per Capita Debt/Per Capita Assessed Value	≤ 4%	3.25%
Debt Service/General Fund Operation Expense	≤ 10%	7.57%

FY14 Bond Rating Comparison for Ten Largest Tennessee Cities

<u>Ranking</u>	<u>City</u>	<u>Standard &</u>		
		<u>Fitch</u>	<u>Poor's</u>	<u>Moody's</u>
1	Memphis		AA	AA2
2	Metro Nashville	AA+		AA1
3	Knoxville	AAA	AA+	AA1
4	Chattanooga	AA+	AAA	N/A
5	Clarksville	AA		AA2
6	Murfreesboro		AA	AA2
7	Jackson		AA-	
8	Franklin		AAA	AAA
9	Johnson City	AA		
10	Bartlett		AAA	AA2

Other Long-Term Indebtedness

As of June 30, 2014, the City had the following other outstanding long-term indebtedness.

	Outstanding Amount	Issue Dated Date	Maturity
State of Tennessee Revolving Loan 2003-168	24,212,151	02/03/2003	10/20/2024
State of Georgia Revolving Loan (1)	2,161,162	07/01/2000	10/01/2019
Fire Hall Land Note (2)	0	04/01/1999	04/01/2014
Capital Lease City of Collegedale (3)	5,562	10/01/2000	08/01/2014
Chatt. Downtown Redev. Corp Lease Rental Revenue (4)	110,140,000	07/01/2002	10/01/2030
Tennessee Municipal League Bond Pool (2003)	1,888,000	09/07/2003	05/25/2018
Tennessee Municipal League Bond Pool (2004)	14,579,736	05/20/2005	04/20/2025
Hennen Land Note (2008) (5)	166,477	01/15/2007	12/15/2013
HUD Section 108 Loan Program (2008) (6)	3,051,000	06/01/2008	06/01/2024
2009 IDB Foreign Trade Zone (7)	0	07/01/2009	06/30/2013
2013 Golf Course Capital Lease	232,290	04/15/2013	03/15/2018
2010 VAAP Land Note (8)	2,750,000	07/01/2005	06/30/2015
State of Tennessee Revolving Loan 2007-204	11,612,083	06/06/2007	05/28/2028
State of Tennessee Revolving Loan 2011-289	9,117,592	11/01/2011	11/01/1931
2014 Hamilton County Dept of Education (9)	11,763,477	08/01/2014	08/01/2019
Total	\$ 191,679,530		

Notes:

- (1) *Loan agreement with the State of Georgia.*
- (2) *Land purchased for \$45,000 to build a Fire Super Station. Term of Loan - 15 years at 9.5%.*
- (3) *To lease and purchase an interceptor gravity sewer line, force main, pump station, easements and fee for property associated with purchase*
- (4) *Construction and purchase of the Conference Center (Chattanooga), Trade Center expansion, Development Resource Center, Parking Garage and associated infrastructure improvements.*
- (5) *Land purchase to support 1 Parks greenway project*
- (6) *Loan agreement to pay off Fannie Mae note and establish a brownfield revolving loan fund. Community Development Block Grant program income will be used to retire the debt.*
- (7) *Note for Foreign Trade Zone related to Volkswagen*
- (8) *Purchase of former Volunteer Army Ammunition Plant 1,024 acre land for development of Enterprise South Industrial Park in 2005 with payment deferred 10 years, payable in 2015.*

Future Capital Financing

Each year the City develops and formally adopts a long range, five year capital improvement program (CIP). Annually, as part of the CIP process, the City departments are asked to review and prioritize their capital needs for the next five years. The capital projects for the first fiscal year of the five year CIP form the basis of the capital budget for that fiscal year. When the capital budget projects are finalized for the fiscal year, those projects are formally adopted by the City Council. The capital budget is funded each year from a variety of sources including debt proceeds, City appropriations, and Federal and State aid. Since departmental needs often change over time, the CIP is considered preliminary and subject to change until a capital budget is formally adopted by the City Council for a given fiscal year.

Department	2014	2015	2016	2017	2018
General Government	\$5,498,335	\$6,851,000	\$4,581,000	\$5,375,857	\$5,894,920
Public Works	66,801,000	69,107,800	23,351,500	19,822,625	21,960,506
Youth & Family Development	1,650,000	1,672,000	1,560,000	1,300,000	1,000,000
Economic & Community Development	7,850,000	6,300,000	50,000	50,000	50,000
Police	892,000	1,622,000	800,000	1,070,000	995,000
Fire	4,362,000	1,339,000	1,339,000	1,864,000	2,961,359
Transportation	9,922,135	15,031,978	32,904,200	22,408,000	60,938,000
Total	\$ 96,975,470	\$ 101,923,778	\$ 64,585,700	\$ 51,890,482	\$ 93,799,785

City of Chattanooga, Tennessee
General Obligation Self Supporting Bonded Debt Service Requirements
As of June 30, 2014
Sewer & Sewage Facilities Bonds
Municipal Public Improvement Bonds (Water Quality and Solid Waste)
and State Revolving Loan (CSO)
(Water Quality and Interceptor Sewer)

Fiscal Year	Principal	Interest	Total
2015	9,228,392	2,032,489	11,260,881
2016	7,502,360	1,706,701	9,209,061
2017	7,803,775	1,411,967	9,215,742
2018	8,113,384	1,104,189	9,217,573
2019	6,668,926	824,647	7,493,573
2020	4,037,805	653,047	4,690,852
2021	4,146,386	585,706	4,732,092
2022	4,080,208	474,121	4,554,329
2023	3,103,728	363,012	3,466,740
2024	3,196,200	270,540	3,466,740
2025	2,854,126	172,893	3,027,019
2026	722,376	126,492	848,868
2027	742,788	106,080	848,868
2028	763,776	85,092	848,868
2029	785,364	63,504	848,868
2030	807,552	41,316	848,868
2031	830,376	18,492	848,868
2032	211,123	1,001	212,124
Total	65,598,645	10,041,289	75,639,934

Does not include CDRC (Southside) Capital Lease of \$110,140,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2014 consists of 2004 TMBF Loan of \$124,265 and \$110,782,408 from State Revolving Loan Fund for Sewer infrastructure.

City of Chattanooga, Tennessee
General Obligation Debt Service Requirements
As of June 30, 2014

Fiscal Year	Principal	Interest	Total
2015	19,305,918	7,361,277	26,667,195
2016	17,160,627	6,890,494	24,051,121
2017	15,650,922	6,401,034	22,051,956
2018	16,989,901	5,944,414	22,934,315
2019	15,354,125	5,449,303	20,803,428
2020	15,492,338	4,979,173	20,471,511
2021	13,835,707	4,562,922	18,398,629
2022	14,145,741	4,025,458	18,171,199
2023	14,456,752	3,503,689	17,960,441
2024	14,682,054	2,923,381	17,605,435
2025	13,460,051	2,402,191	15,862,242
2026	13,671,639	1,863,929	15,535,568
2027	11,116,639	1,290,808	12,407,447
2028	8,520,000	900,494	9,420,494
2029	8,620,000	633,494	9,253,494
2030	4,760,000	363,200	5,123,200
2031	4,320,000	172,800	4,492,800
Total	221,542,414	59,668,061	281,210,475

Includes CDRC (Southside) Capital Lease of \$114,535,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2013 consists of 2004 TMBF Loan of \$124,265 and \$110,782,408 from State Revolving Loan Fund for Sewer infrastructure.

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2014

	Outstanding June 30, 2013	Interest Pd FY2014	Issued FY2014	Retired FY2014	Refunded FY2014	Outstanding June 30, 2014	Maturing FY 2015	Interest Payable FY 2015
GOVERNMENTAL ACTIVITIES								
Serial Bonds:								
1998 Public Improvement Refunding	1,711,400	81,853	-	304,600	-	1,406,800	321,900	65,407
2002 Municipal Public Refunding	2,585,000	98,456	-	840,000	-	1,745,000	855,000	58,753
2002 Series A Refunding	314,591	9,537	-	160,055	-	154,536	154,536	3,168
2005A Municipal Public Improvement Refunding	12,137,842	546,566	-	1,396,850	-	10,740,992	1,586,822	480,705
2005A Hotel-Motel Tax Pledge Refunding	4,133,495	188,126	-	400	-	4,133,095	393	188,108
2006A Municipal Public Improvement	14,512,957	576,631	-	1,036,640	-	13,476,317	1,036,640	535,165
2007A Municipal Public Refunding	14,520,000	690,783	-	-	-	14,520,000	-	690,805
2009 Series A General Obligation	36,320,000	1,353,488	-	2,270,000	-	34,050,000	2,270,000	1,285,387
2010 Series A GO Bond	5,705,000	195,338	-	340,000	-	5,365,000	340,000	188,538
2010 Series B Refunding Hotel Motel Tax Pledge	27,362,182	948,867	-	2,087,531	-	25,274,651	2,147,914	907,116
2010 SeriesB Refunding GO bonds	4,357,818	151,121	-	332,469	-	4,025,349	342,086	144,471
2010 Series C Recovery Zone Bonds	5,810,000	192,500	-	345,000	-	5,465,000	345,000	185,600
2011 Series A General Obligation	24,725,000	776,975	-	1,770,000	-	22,955,000	1,770,000	706,175
2011 Series B Refunding Hotel Motel Tax Pledge	15,595,750	587,318	-	-	-	15,595,750	-	587,318
2011 SeriesB Refunding GO bonds	1,949,250	73,407	-	-	-	1,949,250	-	73,406
2013 Series Hotel-Motel Tax Pledge	-	69,196	7,420,000	-	-	7,420,000	365,000	296,582
2013 Series General Improvement Bond	-	180,530	19,355,000	-	-	19,355,000	960,000	773,344
Total Serial Bonds	171,740,285	6,720,692	26,775,000	10,893,545	-	187,631,740	12,495,291	7,170,048
Notes Payable:								
1999 Fire Hall Land Note	4,526	173	-	4,526	-	-	-	-
2003 TML Bond Fund	2,110,019	5,092	-	395,854	-	1,714,165	408,565	4,728
2004 TML Bond Fund	15,471,391	37,828	-	1,238,126	-	14,233,265	1,271,322	39,260
2008 Hennen Land Note	242,564	-	-	76,087	-	166,477	56,968	-
2008 HUD Section 108 Loan Program	3,356,000	150,508	-	305,000	-	3,051,000	305,000	138,095
2009 IDB Foreign Trade Zone	15,871	-	-	15,871	-	-	-	-
2010 VAAP Land Note	2,750,000	-	-	-	-	2,750,000	2,750,000	-
2014 Hamilton County Dept of Education	11,763,477	-	-	-	-	11,763,477	1,960,580	-
Total Notes Payable	35,713,848	193,601	-	2,035,464	-	33,678,384	6,752,435	182,083
Capital leases payable:								
2013 Golf Course Capital Lease	287,958	-	-	55,668	-	232,290	58,192	9,146
Total Capital Leases Payable	287,958	-	-	55,668	-	232,290	58,192	9,146
Total governmental activities	207,742,091	6,914,293	26,775,000	12,974,677	-	221,542,414	19,305,918	7,361,277

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2014

	Outstanding June 30, 2013	Interest Pd FY2014	Issued FY2014	Retired FY2014	Refunded FY2014	Outstanding June 30, 2014	Maturing FY 2015	Interest Payable FY 2015
BUSINESS TYPE ACTIVITIES:								
Interceptor Sewer System:								
Serial Bonds:								
1998 Sewer & Sewage Facilities Refunding	6,688,600	319,904	-	1,190,400	-	5,498,200	1,258,100	255,630
2002 Municipal Public Refunding	4,251,577	125,571	-	3,076,577	-	1,175,000	1,175,000	26,437
2002 Series A Refunding	1,680,409	50,943	-	854,945	-	825,464	825,464	16,922
2005A Municipal Public Improvement Refunding	10,998,694	549,708	-	7,263	-	10,991,431	1,993,724	499,729
Total serial bonds	23,619,280	1,046,126	-	5,129,185	-	18,490,095	5,252,288	798,718
Notes payable:								
1998 State of Georgia Revolving Loan	2,577,670	96,911	-	416,508	-	2,161,162	433,419	79,999
2003-168 State Revolving Loan	26,077,788	752,235	-	1,865,637	-	24,212,151	1,922,463	695,412
2007-204 State Revolving Loan	12,129,127	331,824	-	517,044	-	11,612,083	531,660	317,208
2011-289 State Revolving Loan	5,306,601	120,705	3,810,991	-	-	9,117,592	1,083,000	141,106
Total notes payable	46,091,186	1,301,675	3,810,991	2,799,189	-	47,102,988	3,970,542	1,233,725
Capital leases payable:								
2001 Capital Lease City of Collegedale	37,701	1,515	-	32,139	-	5,562	5,562	46
Total capital leases payable	37,701	1,515	-	32,139	-	5,562	5,562	46
Total Interceptor Sewer System	69,748,167	2,349,316	3,810,991	7,960,513	-	65,598,645	9,228,392	2,032,489

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2014

	Outstanding June 30, 2013	Interest Pd FY2014	Issued FY2014	Retired FY2014	Refunded FY2014	Outstanding June 30, 2014	Maturing FY 2015	Interest Payable FY 2015
Solid Waste Fund:								
Serial Bonds:								
2002 Municipal Public Improvement-Refunding	1,075,043	26,876	-	1,075,043	-	-	-	-
2005A Municipal Public Improvement Refunding	8,123,370	395,811	-	241,894	-	7,881,476	1,368,050	357,033
2006A Municipal Public Improvement	3,967,043	157,619	-	283,360	-	3,683,683	283,360	146,285
2007A Municipal Public Improvement Refunding	2,480,000	117,990	-	-	-	2,480,000	-	117,990
Total serial bonds	15,645,456	698,296	-	1,600,297	-	14,045,159	1,651,410	621,308
Notes payable:								
2003 TML Bond Fund	213,982	475	-	40,147	-	173,835	41,435	479
2004 TML Bond Fund	376,344	913	-	29,873	-	346,471	30,678	956
Total Notes Payable	590,326	1,388	-	70,020	-	520,306	72,113	1,435
Total Solid Waste & Sanitation Fund	16,235,782	699,684	-	1,670,317	-	14,565,465	1,723,523	622,743
Water Quality Fund								
Serial Bonds:								
2002 Municipal Public Improvement-Refunding	803,380	20,085	-	803,380	-	-	-	-
2005A Municipal Public Improvement Refunding	5,141,598	253,937	-	73,591	-	5,068,007	901,010	230,033
2007A Municipal Public Improvement Refunding	750,000	35,683	-	-	-	750,000	-	35,682
2013 General Obligation	-	48,918	5,245,000	-	-	5,245,000	260,000	209,544
Total serial bonds	6,694,978	358,623	5,245,000	876,971	-	11,063,007	1,161,010	475,259
Total Water Quality Fund	6,694,978	358,623	5,245,000	876,971	-	11,063,007	1,161,010	475,259
Total Business-Type Activities	92,678,927	3,407,623	9,055,991	10,507,801	-	91,227,117	12,112,925	3,130,491
TOTAL GENERAL OBLIGATION DEBT	300,421,018	10,321,916	35,830,991	23,482,478	-	312,769,531	31,418,843	10,491,768

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2014

	Outstanding June 30, 2013	Interest Pd FY2014	Issued FY2014	Retired FY2014	Refunded FY2014	Outstanding June 30, 2014	Maturing FY 2015	Interest Payable FY 2015
PRIMARY GOVERNMENT REVENUE BONDS AND OTHER DEBTS								
Electric Power Board								
Revenue Bonds:								
2006A Electric System Revenue Bonds	35,475,000	1,513,600	-	1,245,000	-	34,230,000	1,295,000	1,455,766
2006B Electric System Refunding Revenue Bonds	21,660,000	851,656	-	1,755,000	-	19,905,000	1,745,000	781,656
2008A Electric System Revenue Bonds	219,830,000	10,719,500	-	3,000,000	-	216,830,000	4,000,000	10,594,500
Total Revenue Bonds	276,965,000	13,084,756	-	6,000,000	-	270,965,000	7,040,000	12,831,922
Notes Payable								
2013 Secured Term Note	10,861,000	108,197	-	6,084,000	-	4,777,000	3,833,000	35,028
Total Notes Payable	10,861,000	108,197	-	6,084,000	-	4,777,000	3,833,000	35,028
Total Electric Power Board	287,826,000	13,192,953	-	12,084,000	-	275,742,000	10,873,000	12,866,950
Chatt Downtown Redevelopment Corporation:								
Revenue Bonds:								
2007 Chatt Lease Rental Rev Ref Bonds	48,930,000	2,341,900	-	90,000	-	48,840,000	90,000	2,338,300
2010 Chatt Lease Rental Rev Ref Bonds	65,605,000	2,826,294	-	4,305,000	-	61,300,000	4,430,000	2,695,269
Total Chatt. Downtown Redevel. Corp.	114,535,000	5,168,194	-	4,395,000	-	110,140,000	4,520,000	5,033,569
Total Primary Government	702,782,017	28,683,063	35,830,991	39,961,477	-	688,651,531	46,811,843	28,392,287
COMPONENT UNITS								
Metropolitan Airport Authority:								
Revenue Bonds:								
2009 Refunding	5,249,868	164,603	-	402,455	-	4,847,413	420,989	139,258
2014 Tax Exempt	-	84,645	5,086,077	70,090	-	5,015,987	171,594	199,771
2014 Taxable	-	102,335	4,913,923	60,648	-	4,853,275	149,026	242,133
Total Revenue Bonds	5,249,868	351,583	10,000,000	533,193	-	14,716,675	741,609	581,162
Capital leases payable:								
2012 Fuel Facility Capital Lease	150,990	7,066	-	44,930	-	106,060	47,421	4,575
Total Capital Leases Payable	150,990	7,066	-	44,930	-	106,060	47,421	4,575
Total Metropolitan Airport Authority	5,400,858	358,649	10,000,000	578,123	-	14,822,735	789,030	585,737
CARTA								
Note Payable:	690,372	34,172	-	246,590	-	443,782	261,800	18,851
Republic Parking System, Inc.								

History of General Obligation Debt

The following table sets forth all outstanding general obligation bond and note indebtedness of the city at the end of the fiscal years 2004/05 through 2013/14, less applicable exclusions, adjusted to reflect the City's applicable share of County debt.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Obligation Bonds by Purpose										
Public Buildings Improvement	\$ 83,022,016	\$ 74,361,102	\$ 65,515,699	\$ 56,618,625	\$ 47,820,059	\$ 41,146,682	\$ 35,469,890	\$ 29,633,265	\$ 23,619,280	\$ 18,490,095
Sewer and Sewage Facilities	167,682,984	159,728,898	177,464,301	170,276,376	205,134,941	207,398,317	192,940,110	207,386,735	194,080,719	212,739,906
Municipal Public Improvement	\$ 250,705,000	\$ 234,090,000	\$ 242,980,000	\$ 226,895,000	\$ 252,955,000	\$ 248,544,999	\$ 228,410,000	\$ 237,020,000	\$ 217,699,999	\$ 231,230,001
Total Bonded Indebtedness										
Revenue Bonds by Purpose										
CDRC Revenue Bonds										110,140,000
Total Revenue Bonded Indebtedness										110,140,000
Other Long-Term Indebtedness										
General Obligation Capital Outlay Notes	39,608,208	46,145,255	47,232,935	48,101,287	56,874,396 #	57,203,522	54,248,514	50,529,623	52,460,147	64,833,942
Tennessee Municipal Bond Fund	19,424,258	18,664,185	25,781,445	27,604,081	25,801,938	24,260,141	21,983,141	19,700,320	18,171,736	16,467,736
Capital Leases	119,077,117	118,490,272	115,707,438	112,775,074	109,969,749 #	106,654,524	103,774,735	100,692,931	325,659	237,852
Gross Direct Indebtedness	\$ 428,814,583	\$ 417,389,713	\$ 431,701,818	\$ 415,375,442	\$ 445,601,083	\$ 436,663,186	\$ 408,416,390	\$ 407,942,874	\$ 288,657,541	\$ 422,909,531
Less: Self-Supporting Indebtedness	346,612,744	333,128,264	325,198,221	310,153,520	302,638,530	287,059,370	270,029,615	252,435,979	143,414,312	257,073,903
Debt Service Fund	6,471,929	7,139,208	8,871,564	8,925,003	8,925,003	4,870,365	4,954,374	652,699	2,182,978	5,020,753
Net Direct Indebtedness	\$ 75,729,910	\$ 77,122,241	\$ 97,632,033	\$ 96,296,919	\$ 134,037,550	\$ 144,733,451	\$ 133,432,401	\$ 154,854,196	\$ 143,060,251	\$ 160,814,875
Plus: Estimated Net Overlapping Indebtedness	97,486,316	87,645,429	89,393,466	136,287,686	149,048,842	154,968,909	148,698,012	152,555,047	158,657,256	146,010,740
Net Direct and Overlapping Indebtedness	\$ 173,216,226	\$ 164,767,669	\$ 187,025,499	\$ 232,584,605	\$ 283,086,392	\$ 299,702,360	\$ 282,130,413	\$ 307,409,243	\$ 301,717,507	\$ 306,825,615

Notes:

- (1) As of June 30, 2014 Capital Outlay Notes consist of \$44,941,826 State of Tennessee Revolving Loan for combined sewer overflow facilities; \$2,161,162 State of Georgia Revolving Loan for the Northwest Georgia Sewer Expansion; \$3,051,000 HUD Sec 108 Note; \$166,477 Notes to Individual for land purchase; \$2,750,000 for 2010 VAAP Land Note.
- (2) Capital leases as of June 30, 2014 includes the \$5,562 City of Collegedale for Sewer Easement and \$232,290 Golf Course Capital Lease (Golf Cartis).

CITY OF CHATTANOOGA
HISTORICAL DEBT RATIOS

For fiscal year ending June 30, 2014 (unaudited)

Year ended June 30	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Estimated population(1)	154,853	154,762	168,293	169,884	170,880	171,349	167,674	170,136	171,279	173,366
Appraised property valuation	\$ 10,323,946,674	\$ 11,955,447,979	\$ 12,310,849,619	\$ 12,906,102,564	\$ 13,294,163,310	\$ 15,307,270,881	\$ 15,187,143,683	\$ 15,239,117,325	\$ 15,498,290,496	\$ 15,679,940,525
Assessed property valuation	3,319,249,168	3,860,452,959	3,968,157,371	4,048,760,875	4,167,163,278	4,845,694,497	4,808,789,510	4,820,825,577	4,874,524,209	4,955,263,249
Gross indebtedness (2)	428,814,582	417,389,712	431,701,818	415,375,442	445,601,083	436,663,186	408,416,390	407,942,874	403,192,541	422,909,531
Less: Self-supporting indebtedness(3)	346,612,744	333,128,264	325,198,221	310,153,520	302,638,530	287,059,370	270,029,615	252,435,979	257,949,312	257,073,903
Debt Service Fund	6,471,929	7,139,208	8,871,564	8,925,003	8,925,003	4,870,365	4,954,374	652,699	2,182,978	5,020,753
Net direct indebtedness	75,729,909	77,122,240	97,632,033	96,296,919	134,037,550	144,733,451	133,432,402	154,854,196	143,060,251	160,814,875
Plus: Estimated net overlapping indebtedness	97,486,316	87,645,429	89,393,466	136,287,686	149,048,842	154,968,909	148,698,012	152,555,047	158,657,256	146,010,740
Net direct and overlapping indebtedness	\$ 173,216,225	\$ 164,767,668	\$ 187,025,499	\$ 232,584,605	\$ 283,086,392	\$ 299,702,360	\$ 282,130,414	\$ 307,409,243	\$ 301,717,507	\$ 306,825,615
Gross debt per capita	\$ 2,769.17	\$ 2,696.98	\$ 2,565.18	\$ 2,445.05	\$ 2,607.68	\$ 2,548.38	\$ 2,435.78	\$ 2,397.75	\$ 2,354.01	\$ 2,439.40
Net direct debt per capita	489.04	498.33	580.13	566.84	784.40	844.67	795.78	910.18	835.25	927.60
Net direct and overlapping debt per capita	1,118.58	1,064.65	1,111.31	1,369.08	1,656.64	1,749.08	1,682.61	1,806.84	1,761.56	1,769.81
Gross debt to appraised valuation	4.15%	3.49%	3.51%	3.22%	3.35%	2.85%	2.69%	2.68%	2.60%	2.70%
Net direct debt to appraised valuation	0.73%	0.65%	0.79%	0.75%	1.01%	0.95%	0.88%	1.02%	0.92%	1.03%
Net direct debt and overlapping debt to appraised valuation	1.68%	1.38%	1.52%	1.80%	2.13%	1.96%	1.86%	2.02%	1.95%	1.96%
Gross debt to assessed valuation	12.92%	10.81%	10.88%	10.26%	10.69%	9.01%	8.49%	8.46%	8.27%	8.53%
Net direct debt to assessed valuation	2.28%	2.00%	2.46%	2.38%	3.22%	2.99%	2.77%	3.21%	2.93%	3.25%
Net direct and overlapping debt to assessed valuation	5.22%	4.27%	4.71%	5.74%	6.79%	6.18%	5.87%	6.38%	6.19%	6.19%

(1) Population figures for all years are estimates.

(2) Gross indebtedness excludes revenue bonds payable by the Electric Power Board of Chattanooga and the Metropolitan Airport Authority.

(3) The self-supporting debt includes Sewer Bonds and municipal public improvement bonds supported by Hotel Motel taxes, CDRC capital lease, HUD Sec. 108 Notes, 800 MHz Equipment Capital Lease.

Debt Service Fund Revenues

Fiscal Years 2012-2015

Revenue Source	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15	Budget '15 Inc/(Dec)	% Change FY 14/15	% of Total
Debt Service (Fund 3100):							
General Fund	10,300,000	16,942,222	17,668,872	17,485,009	(183,863)	(1.04)	70.41
Trfrs-Safety Cap Project Fd	1,156	686	4,723	-	(4,723)	(100.00)	0.00
Hamilton County	436,091	513,914	469,291	456,877	(12,414)	(2.65)	1.84
Miscellaneous Revenue	202,708	113,778	24,236	124,305	124,305	0.00	0.50
City Hotel/Motel Tax	3,193,219	4,001,667	3,812,243	4,492,430	680,187	17.84	18.09
CDBG (Fannie Mae Loan)	478,505	467,434	455,508	443,095	(12,413)	(2.73)	1.78
Use of Fund Balance	-	-	-	1,833,000	1,833,000	0.00	7.38
Total Debt Service Fund	\$14,611,679	\$22,039,701	\$22,434,873	\$24,834,716	2,399,843	10.70	100.00
Grand Total	\$14,611,679	\$22,039,701	\$22,434,873	\$24,834,716	2,399,843	10.70	100.00

Debt Service Fund Expenditures

Fiscal Years 2012-2015

Expenditures	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15	Budget '15 Inc/(Dec)	% Change FY 14/15	% of Total
Debt Service (Fund 3100):							
Principal	11,846,305	13,037,072	15,133,713	17,345,338	2,211,625	14.61	69.84
Interest	6,976,936	7,062,764	7,191,160	7,379,378	188,218	2.62	29.71
Service Charges	90,112	115,927	110,000	110,000	-	0.00	0.44
Total Debt Service Fund	\$18,913,353	\$20,215,763	\$22,434,873	\$24,834,716	\$2,399,843	10.70	100.00
Grand Total	\$18,913,353	\$20,215,763	\$22,434,873	\$24,834,716	\$2,399,843	10.70	100.00
Per Capita	112.80	118.82	130.98	143.25	12.27	9.36	

Capital Project Funds

Fiscal Year Ending June 30, 2015

Fund Structure

The Capital Projects Funds are used for the acquisition and construction of major capital facilities. The basis of budgeting is modified accrual. Included funds are Police, Fire, Public Works, Economic & Community Development, General Services, Transportation, General Government, Interceptor Sewer, and Water Quality.

FY 2014 Approved Capital Budget was as follows:

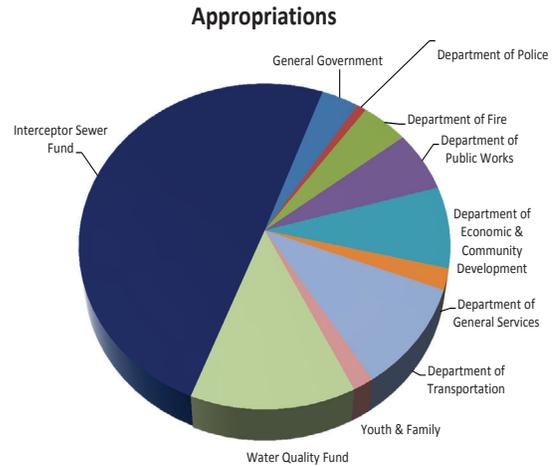
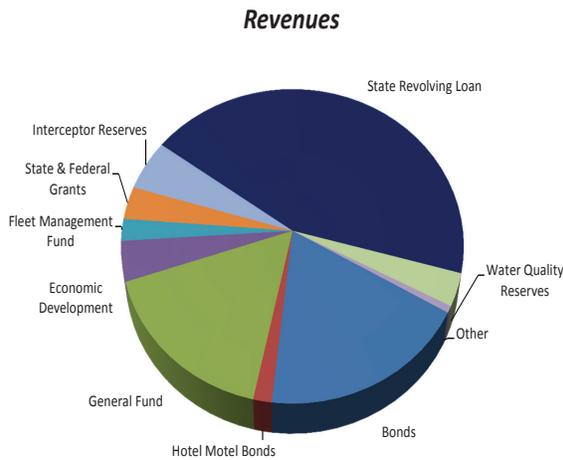
General Government	\$ 3,871,750
Police (Safety)	2,172,000
Fire (Safety)	465,000
Public Works	14,906,323
Economic & Community Development	3,420,142
General Services	2,400,000
Transportation	950,000
Interceptor Sewer Fund	28,379,000
Water Quality Fund	<u>2,450,000</u>
	\$ 59,014,215

The FY15 Capital budget is as follows:

Revenue	FY14/15	Amended FY14/15
Bonds	17,863,507	27,321,617
Hotel Motel Bonds	1,550,000	1,550,000
General Fund	5,978,000	5,978,000
General Fund Reserves	10,011,055	20,552,945
Economic Development	4,000,000	4,000,000
Fleet Management Fund	2,200,000	2,200,000
State & Federal Grants	3,293,908	3,293,908
Interceptor Reserves	5,150,000	5,150,000
State Revolving Loan	43,000,000	43,000,000
Water Quality Reserves	3,262,000	3,262,000
Other	667,000	667,000
Total	96,975,470	116,975,470

Appropriation	FY14/15	Amended FY14/15
General Government	3,460,290	3,460,290
Department of Police	892,000	892,000
Department of Fire	4,362,000	4,362,000
Department of Public Works	5,889,000	5,889,000
Department of Economic & Community Development	7,850,000	27,850,000
Department of General Services	2,038,045	2,038,045
Department of Transportation	9,922,135	9,922,135
Youth & Family	1,650,000	1,650,000
Water Quality Fund	12,762,000	12,762,000
Interceptor Sewer Fund	48,150,000	48,150,000
Total	96,975,470	116,975,470

Revenue & Appropriation Fund \$96,975,470



Capital Fund Revenues

Fiscal Years 2012 - 2015

Revenue Source	Actual	Actual	Budget	Budget	BUDGET '14	%	%
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	INC/(DEC)	FY 14/15	OF TOTAL
General Fund Fund Balance	4,350,000	1,122,500	9,265,170	15,989,055	6,723,885	72.6%	16.49%
State/Federal Grants	786,589	434,668	3,357,975	3,293,908	(64,067)	-1.9%	3.40%
Economic Development Fund	2,775,817	2,628,542	2,110,000	4,000,000	1,890,000	89.6%	4.12%
General Obligation Bonds	26,495,000	13,714,773	9,289,245	17,863,507	8,574,262	92.3%	18.42%
Fleet Lease Program	6,957,418	3,594,042	2,000,000	2,200,000	200,000	10.0%	2.27%
Hotel/Motel Tax Collections	333,024	18,000	503,450	1,550,000	1,046,550	207.9%	1.60%
Interceptor Sewer Reserves	3,969,827	5,350,000	4,654,000	5,150,000	496,000	10.7%	5.31%
State Revolving Loan	0	0	23,725,000	43,000,000	19,275,000	81.2%	44.34%
Solid Waste Fund	9,592,945	50,000	0	0	0	N/A	0.00%
Water Quality Fund	1,450,000	31,919	2,650,000	3,262,000	612,000	23.1%	3.36%
Other	1,632,351	200,423	1,459,375	667,000	(792,375)	-54.3%	0.69%
	\$58,342,971	\$27,144,867	\$59,014,215	\$96,975,470	37,961,255	64.3%	100.00%
Grand Total	\$58,342,971	\$27,144,867	\$59,014,215	\$96,975,470	37,961,255	64.3%	100.00%

Revenues

The City funds its capital program through a variety of sources including current operations and reserves.

Funding for the FY 2011 Capital Budget is provided by the General Fund of \$1,000,000, General Obligation Bonds \$16,247,465 State of Tennessee and Federal grants of \$4,517,092, Economic Development Fund \$2,157,131, Fleet Lease Program \$2,000,000, State Revolving Loan \$15,100,000, Solid Waste Fund reserves \$765,000, Water Quality Reserves \$11,500,000, Hotel Motel Tax \$350,000 and funds from Foundations and other sources in the amount of \$1,158,015.

Funding for the FY 2012 Capital Budget is provided by the General Fund of \$6,920,000, General Obligation Bonds \$11,436,038 State of Tennessee and Federal grants of \$9,886,397, Economic Development Fund \$2,775,817, Fleet Lease Program \$3,200,000, Medical Megafund \$3,500,000 State Revolving Loan \$4,900,000, Interceptor Sewer Reserves \$2,500,000, Solid Waste Fund reserves \$6,591,000, Water Quality Reserves \$1,450,000, Hotel Motel Tax \$1,200,000 and funds from Foundations and other sources in the amount of \$1,311,352.

Funding for the FY 2013 Capital Budget is provided by the General Fund of \$2,622,500, General Obligation Bonds \$14,537,469, Hotel/Motel Tax bonds \$8,000,000, State of Tennessee and Federal grants of \$20,886,079, Economic Development Fund \$2,628,542, Fleet Lease Program \$2,000,000, Health

and Wellness Fund \$2,000,000, State Revolving Loan \$33,100,000, Interceptor Sewer Reserves \$5,350,000, Solid Waste Fund reserves \$50,000, other municipalities and funds from Foundations and other sources in the amount of \$5,467,500.

Funding for the FY 2014 Capital Budget is provided by a General Fund contribution of \$9,265,170. This year operations contributed \$7,268,775 and fund balance \$1,996,395 for that total. General Obligation Bonds \$9,289,245, Hotel/Motel Tax \$503,450, State of Tennessee and Federal grants of \$3,357,975, Economic Development Fund \$2,110,000, Fleet Lease Program \$2,000,000, State Revolving Loan \$23,725,000 Interceptor Sewer Reserves \$4,654,000, Water Quality Reserves \$2,650,000, along with other municipalities and funds from Foundations and other sources in the amount of \$1,459,357.

Funding for the FY 2015 Capital Budget is provided by a General Fund contribution of \$15,989,055. This year operations contributed \$5,978,000 and fund balance \$10,011,055 for that total. General Obligation Bonds \$17,863,507 which includes \$9.5M for Water Quality bonds, Hotel/Motel Tax \$1,550,000, State of Tennessee and Federal grants of \$3,293,908, Economic Development Fund \$4,000,000, Fleet Lease Program \$2,200,000, State Revolving Loan \$43,000,000 Interceptor Sewer funding total of \$5,150,000 which includes reserves of \$1,000,855 and operations of \$4,149,145. Water Quality funding total is \$3,262,000 which includes reserves of \$858,459, and operations of \$2,403,541. "Other" is funds from municipalities, foundations, and other sources in the amount of \$667,000.

Capital Fund Expenditures

Fiscal Years 2012 - 2015

Expenditures	Actual FY 11/12	Actual FY 12/13	Budget FY 13/14	Budget FY 14/15	%		%
					BUDGET '14 INC/(DEC)	CHANGE FY 14/15	
Police	560,909	1,611,973	2,172,000	892,000	(1,280,000)	-59%	0.92%
Fire	1,794,428	3,291,788	465,000	4,362,000	3,897,000	838%	4.50%
Public Works	13,778,064	13,511,052	14,906,323	5,889,000	(9,017,323)	-60%	6.07%
Parks & Recreation	2,437,338	2,042,447	0	0	0	N/A	0.00%
Education, Arts & Culture	76,821	1,098,000	0	0	0	N/A	0.00%
General Government	1,091,249	2,379,314	3,871,750	3,460,290	(411,460)	-11%	3.57%
General Services	0	0	2,400,000	2,038,045	(361,955)	-15%	2.10%
Interceptor Sewer Fund	5,560,564	46,387,449	28,379,000	48,150,000	19,771,000	70%	49.65%
Solid Waste Fund	1,172,323	0	0	0	0	N/A	0.00%
Economic & Community Development	0	5,757	3,420,142	7,850,000	4,429,858	130%	8.09%
Transportation	0	0	950,000	9,922,135	8,972,135	944%	10.23%
Youth & Family	0	0	0	1,650,000	1,650,000	N/A	1.70%
Water Quality Fund	6,099,886	12,576,413	2,450,000	12,762,000	10,312,000	421%	13.16%
Total Capital Projects	\$32,571,582	\$82,904,193	\$59,014,215	\$96,975,470	\$37,961,255	64.3%	100.00%
Grand Total	\$32,571,582	\$82,904,193	\$59,014,215	\$96,975,470	\$37,961,255	64.3%	100.00%

Expenditures

The appropriations to the Capital Improvements Budget are analyzed on a year to year basis. As priorities shift, the Capital Improvements Budget will vary to reflect this. Presented here is a brief overview of each department's appropriation.

The FY 2015 appropriation for the Police Department includes Motorola portable digital radios, hand-held Brazos Technology E-Citation Devices, 911 roof replacement on the police service center, and continued development for a new firing range. The current site must be vacated for the development of the Moccasin Bend National Park.

GENERAL GOVERNMENT

FY 2015 Budget **\$ 3,460,290%**
of Total Capital Budget **3.57%**
Decline From FY 2014 **(411,460)**
% Change **-11.00%**

The FY 2015 General Government budget includes funding for Chattanooga Area Regional Transit Authority, various software and hardware upgrades along with a new Technology Fund to help better maintain the technology of the city, Property Tax Software, and another phase of the Electric Content Management System.

FIRE

FY 2015 Budget **\$4,362,000**
% of Total Capital Budget **4.50%**
Growth From FY 2014 **3,897,000**
% Change **838.00%**

The FY 2015 appropriation for the Fire includes self contained breathing apparatus and Highland Park and Hixson Fire Stations.

PUBLIC WORKS (All Funds)

FY 2015 Budget **\$66,801,000**
% of Total Capital Budget **68.88%**
Growth From FY 2014 **21,065,677**
% Change **46.06%**

The FY 2015 Public Works capital appropriation reflects the replacement of city-wide services equipment, Parks maintenance, and the upgrade of the Interceptor and Water Quality systems.

POLICE

FY 2015 Budget **\$ 892,000**
% of Total Capital Budget **0.92%**
Decline From FY 2014 **(1,280,000)**
% Change **-59.00%**

GENERAL SERVICES

Washington Hill Pavilion, Brainerd Mission Community Center, Tennis Court Repair, and recreation center equipment.

FY 2015 Budget	\$ 2,038,045
% of Total Capital Budget	2.10%
Decline From FY 2014	-361,955
% Change	-15.0%

The FY 2015 General Services Department appropriation includes appropriation for fund the fleet services program, parking lot improvement, zoo improvement and campus building improvements.

TRANSPORTATION

FY 2015 Budget	\$ 9,922,135
% of Total Capital Budget	10.23%
Growth From FY 2014	8,972,135
% Change	944.00%

This department, formed during the Burke Administration, is oversee for City's street rehab, and the program Traffic Divisions previously in Public Works. Projects include traffic signals upgrade, neighborhood transportation management, and pavement markings.

ECONOMIC & COMMUNITY DEVELOPMENT

FY 2015 Budget	\$ 7,850,000
% of Total Capital Budget	8.09%
Growth From FY 2014	4,429,858%
Change	130.0%

This appropriation is continued funding for the Harriet Tubman Development Site, Public Art, Miller Park & MLK Streetscape, and Bell School Park.

YOUTH & FAMILY DEVELOPMENT

FY 2015 Budget	\$ 1,650,000
% of Total Capital Budget	1.70%
Growth From FY 2014	1,650,000
% Change	100.0%

This appropriation is new to capital in FY15. Projects included in this are Youth & Family Building Renovations, Parking Lot repair,

Capital Project Detail

General Government

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
General Government	3,460,290	1,351,000	931,000	1,825,857	2,444,920	10,013,067
CARTA Match Funds	89,200	250,000	250,000	250,000	250,000	1,089,200
Electronic Content Management	568,390	400,000	350,000	331,610	-	1,650,000
311 Equipment Enhancements	84,700	-	-	-	-	84,700
Telecom/Network Upgrades	1,000,000	481,000	281,000	-	-	1,762,000
IT Reorganization and Retooling	-	100,000	50,000	-	-	150,000
Technology Replacement Fund	1,400,000	-	-	-	-	1,400,000
IT Security Compliance Tools	120,000	120,000	-	-	-	240,000
311 CSR System Upgrade	198,000	-	-	-	-	198,000
Oracle Projects & Grants	-	-	-	641,500	-	641,500
Oracle Public Sector Planning & Budgeting	-	-	-	-	1,631,280	1,631,280
Oracle iAssets	-	-	-	-	563,640	563,640
eBusiness-iProcurement,iSupplier & Sourcing	-	-	-	602,747	-	602,747

General Government

FY 2015 Appropriation: **\$3,460,290**

% of Capital Funds: **3.57%**

Decrease From FY 14: **(411,460)**

% Change: **-11.00%**

General Government is the area where all appropriations to other funds, joint-funded and outside agencies are accounted for. These appropriations can vary from year to year based requests or decisions. This year requests were \$6,557,200 with a 5 year plan of \$10.0 million. Approved FY15 appropriations in the General Government Capital area include:

CARTA

FY 2015 Appropriation: **\$89,200**

Funding source: **General Fund**

Prior Years Appropriations: **\$11,024,617**

Total Project Cost: **\$11,113,817**

This appropriation is to help fund the Chattanooga Area Regional Transportation Authority's capital needs.

Impact on operating budget: None - these are one time funded projects for supported agencies

Electronic Content Management

FY 2015 Appropriation: **\$ 568,390**

Funding source(s): **General Fund**

Prior Year(s) Appropriations: **\$ 1,000,000**

Total Project Cost: **\$ 1,568,390**

This appropriation is the implementation for a city-wide Electronic Management (ECM) system to provide more efficient management of documents and othe data that enhances citizen transparency, inter-departmental collaboration and reduces storage cost for records.

Impact on operating budget: \$180,000 - \$200,000 for a full-time position and annual subscription for software

Capital Project Detail

Information Services

FY 2015 Appropriation:	\$ 3,371,090
Funding source(s):	\$ 3,371,090 General Fund
Prior Year(s) Appropriations:	\$19,346,136
Total Project Cost:	\$22,717,226

This appropriation funds 311 Equipment Enhancement, Telecom/Network Upgrades, IT Security Compliance, 311 CSR System upgrade, and Technology Replacement Fund. The Technology Replacement Fund will be a fund that will centralize and streamline the current inefficient process of acquiring and replacing technology within the City (Computers, Tablets, Servers, Printers, Scanners, Critical software, etc.). The proposed process plans for the replacement of the equipment based on the useful life of the technology equipment.

Impact on operating budget: Software Maintenance and upgrades estimated between \$250,000 - \$500,000

Capital Project Detail

General Services

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
General Services	2,038,045	5,500,000	3,650,000	3,550,000	3,450,000	18,188,045
HVAC/Boiler General Services	35,000	-	-	-	-	35,000
Fleet Leasing Program	1,000,000	3,000,000	3,000,000	3,000,000	3,000,000	13,000,000
CNG Fueling Station	-	1,400,000	-	-	-	1,400,000
Bessie Smith Hall Capital	30,000	-	-	-	-	30,000
Memorial Auditorium and Tivoli Theater Capital	473,045	500,000	300,000	200,000	100,000	1,573,045
Recreation & Community Centers - Roof Replacement		200,000	100,000	100,000	100,000	500,000
Fleet Fueling System Upgrade		150,000	-	-	-	150,000
Recreation & Community Centers - HVAC	250,000	-	-	-	-	250,000
Zoo Improvements	250,000	250,000	250,000	250,000	250,000	1,250,000

General Services

FY 2015 Appropriation:	\$2,038,045
% of Capital Funds:	2.10%
Decrease From FY 14:	(361,955)
% Change:	-15.00%

General Services is responsible for the City's buildings and vehicle lease program to buy vehicles for all the departments in the city except the fire department. This year requests were \$9,004,545, the approved 5 year plan is \$18.2 million. Approved FY15 appropriations in the General Services Capital area include:

Fleet Leasing Program

FY 2015 Appropriation:	\$ 1,000,000
Funding source(s):	Fleet Services Fund
Prior Year(s) Appropriations:	\$29,732,323
Total Project Cost:	\$30,732,323

The vehicle replacement program fund portion of all light/medium duty vehicles, in-car camera systems and mounts, and fund heavy equipment replacement.

Impact on operating budget: The vehicle replacement program results in lower operating, maintenance, and fuel costs along with a safer fleet operations. Cost savings expected to exceed \$50,000.

HVAC/Boiler General Services

FY 2015 Appropriation:	\$ 35,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ 0
Total Project Cost:	\$ 35,000

This appropriation is one time funding for an emergency replacement of the HVAC units at the City Council Building

Impact on operating budget: Cost Savings of maintenance and utility.

Capital Project Detail

Bessie Smith Hall Capital

FY 2015 Appropriation:	\$ 30,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 30,000

This appropriation is to fund improvements at the Bessie Smith Hall. Replacement of remaining EPDM internal gutter/roofing over central atrium and east wing.

Impact on operating budget: None - one time project cost

Memorial Auditorium & Tivoli Theater Capital

FY 2015 Appropriation:	\$ 473,045
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 473,045

Repairs and improvements of Soldiers and Sailors Memorial Auditorium and Tivoli Theatre coincide the resolution passed by Council April 10, 2007, approving a 10-year Capital Plan for the renaissance and preservation of these facilities. Replacement of the drives/motors and controls for the HVAC (air handlers) at the Tivoli and Memorial have an estimated annual payback of under 2-years and will greatly increase humidity control resulting in increased occupant comfort and protection of sensitive decorative plaster trimwork and finishes.

Impact on operating budget: Energy Efficiency of \$5,000 or more

Recreation & Community Centers - HVAC

FY 2015 Appropriation:	\$ 250,000
Funding source(s):	General Fund GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 250,000

This appropriation is to fund Replacement of deteriorated roof systems at the Heritage House, Glenwood Community Center, Shepherd Community Center, and North Chattanooga Community Center.

Impact on operating budget: Reduction in building repairs & maintenance \$0 - \$10,000

Zoo Improvements

FY 2015 Appropriation:	\$ 250,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ 250,000
Total Project Cost:	\$ 500,000

This appropriation is to fund a zoo improvements at the Chattanooga Zoo.

Impact on operating budget: None

Capital Project Detail

POLICE

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Police Department	892,000	1,622,000	800,000	1,070,000	995,000	5,379,000
Portable Digital Radios	250,000	250,000	250,000	250,000	250,000	1,250,000
E-CitationTechnology Devices	202,000	202,000	-	-	-	404,000
In-car Laptop Computers	200,000	400,000	400,000	400,000	400,000	1,800,000
Automated License Plate Reader (ALPRs)	210,000	-	-	-	-	210,000
Advanced Authentication Project	-	-	-	-	-	-
Data Retrieval Project	30,000	-	30,000	-	-	-
GeoTabs Tracking Devices	-	120,000	120,000	120,000	120,000	-
Police Service Center Parking Lots	-	425,000	-	250,000	-	-
Annex Renovation & Expansion	-	225,000	-	-	225,000	450,000
Motorcycle Shop & Gas Station Awning	-	-	-	50,000	-	50,000

Police Department

FY 2015 Appropriation: \$892,000

% of Capital Funds: 0.92%

Decrease From FY 14: (1,280,000)

% Change: -59.00%

Police is responsible for the City's police protection. This year requests were \$27,447,000 and the approved 5 year plan is \$5.4 million. Approved FY15 appropriations in the Police Capital area include:

Portable Digital Radios

FY 2015 Appropriation: \$ 250,000

Funding source(s): Narcotic Funds

Prior Year(s) Appropriations: \$ 347,000

Total Project Cost: \$ 597,000

Systematically replacing all of the old analog radios with new digital radios. All communication towers are being converted from the old analog system to the new digital system. The target date for finalizing the conversion is projected to be 2015.

Impact on operating budget: Annual Maintenance \$50,000

E-Citation Devices

FY 2015 Appropriation: \$ 202,000

Funding source(s): Narcotic Funds

Prior Year(s) Appropriations: \$ 577,000

Total Project Cost: \$ 779,000

This appropriation is to fund a zoo improvements at the Chattanooga Zoo.

Impact on operating budget: None

In-Car Laptop Computers

FY 2015 Appropriation: \$ 200,000

Funding source(s): General Fund

Prior Year(s) Appropriations: \$ -0-

Total Project Cost: \$ 200,000

Capital Project Detail

To replace existing and purchase additional laptop computers for the Officers. Officers use computers to prepare and submit reports for review while on duty in vehicles. Officers use laptops to request background information for various needs. Presently laptops are five to six years old and in need of replacement.

Impact on operating budget: None

Automated License Plate Reader (ALPRs)

FY 2015 Appropriation:	\$ 210,000
Funding source(s):	General Funds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 210,000

This appropriation is to fund equip ten (10) police vehicles (Crime Suppression Units) with Automated License Plate Readers (ALPRs). Each vehicle will have four (4) cameras - two (2) in the front & two (2) in the rear - to capture or read license plates in front & back of traveling motorist. ALPRs will allow police officers to identify wanted vehicles or persons, as well as Amber Alerts on missing persons when there may be vehicles involved.

Impact on operating budget: Maintenance \$0 - \$5,000

Data Retrieval Project

FY 2015 Appropriation:	\$ 30,000
Funding source(s):	General Funds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 30,000

This appropriation is to fund historical data that is stored on an old server. The server is being decommissioned and the data must be extracted and stored on a new server. Historical data is very important. This data gives the investigators and officers information on old cases which can be used to solve cold or new cases. By keeping this data we are able to look up old criminal history or old incident cases which may have a major part in solving crimes.

Capital Project Detail

Fire

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Fire Department	4,362,000	1,339,000	1,339,000	1,864,000	2,961,359	11,865,359
Self-Contained Breathing Apparatus	1,500,000	-	-	-	-	1,500,000
Highland Park/Hixson Fire Stations	2,862,000	-	-	-	-	2,862,000
Apparatus Replacement Plan	-	1,075,000	1,225,000	1,750,000	1,570,000	5,620,000
Station Generators	-	114,000	114,000	114,000	114,000	456,000
Fire Training Drill Tower	-	-	-	-	1,277,359	1,277,359
Quick Response Vehicles	-	150,000	-	-	-	150,000

Fire Department

FY 2015 Appropriation:	\$4,362,000
% of Capital Funds:	4.50%
Increase From FY 14:	3,897,000
% Change:	838%

Fire is responsible for the City's fire protection. This year requests were \$7,073,358. Approved FY15 appropriations were \$4,362,000 with a 5 year plan of \$11.9 million. Approved FY15 appropriations in Fire Capital area include:

Self Contained Breathing Apparatus

FY 2015 Appropriation:	\$ 1,500,000
Funding source(s):	General Obligation Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 1,500,000

The Chattanooga Fire Department seeks to replace our present self-contained breathing apparatus before the end of 2015. Our present SCBA's are compliant but do not meet the new NFPA standard for breathing apparatus. The SCBA is the firefighter's life support device and we must make every effort to make certain they are protected. Manufactures are constantly making advances in their design to make the units safer and to improve comfort and ease of use.

Impact on operating budget: None

Highland Park and Hixson Fire Stations

FY 2015 Appropriation:	\$ 2,862,000
Funding source(s):	General Obligation Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 1,500,000

The Fire Department is asking for a new #5 Station to replace a 1962 building that cannot accommodate a Quint. Fire Station #5 now has two companies an engine and ladder company. By building a new station and purchasing a Quint, Station #5 will be able to operate with one less company. The company would need to a six person company instead of the normal five man company and we will be asking for three additional personnel in the 2016 FY. Included in the cost is a new Engine/Pumper for Station #11-Hixson.

Impact on operating budget: Savings of \$1,010,000 a year on salaries and benefits.

Capital Project Detail

Capital Project Detail

Public Works

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Public Works	66,801,000	69,107,800	23,351,500	19,822,625	21,960,506	201,043,431
City Wide Services Equipment	3,819,000	1,705,000	1,260,000	1,745,000	360,000	8,889,000
Parks Management Projects	2,070,000	1,975,000	1,329,000	555,000	380,000	6,309,000
Water Quality	12,762,000	13,357,800	10,702,500	7,272,625	5,315,506	49,410,431
Solid Waste	-	1,120,000	660,000	1,250,000	1,355,000	4,385,000
Interceptor Sewer	48,150,000	50,950,000	9,400,000	9,000,000	14,550,000	132,050,000

Public Works

FY 2015 Appropriation:	\$66,801,000
% of Capital Funds:	6.07%
Decrease From FY 14:	(9,017,323)
% Change:	-60.00%

Public Works is responsible for the City's infrastructure which includes the interceptor sewer, water quality system, collection and disposal of garbage & brush, building inspections and Parks maintenance. Requests were \$10,156,000 with an approved 5 year total of \$201,043,431. Approved FY15 appropriations in the Public Works Capital area include major project is areas of :

City Wide Services Equipment Replacement

FY 2015 Appropriation:	\$ 3,819,000
Funding source(s):	\$ 2,619,000 General Fund
	\$ 1,200,000 Fleet Funds
Prior Year(s) Appropriations:	\$11,029,777
Total Project Cost:	\$14,848,777

This appropriation provides allow for the ongoing replacement of older Public Works equipment. The appropriation allow for security cameras, pothole patching truck, and a slope mower.

Impact on operating budget: This will result in lower operations and maintenance cost \$5,000 - \$10,000

Parks Maintenance

FY 2015 Appropriation:	\$ 2,070,000
Funding source(s):	\$ 520,000 General Fund
	\$ 1,550,000 Hotel/Motel
Prior Year(s) Appropriations:	\$ 52,974,668
Total Project Cost:	\$ 55,044,668

This appropriation will fund Parks project previously from the Parks & Recreation area. Projects include Renaissance Park Pedestrian Bridge repair, Walnut Street Bridge Repair, playground improvements, Greenway Farm improvements, ADA repairs in various parks, asphalt replacement, and restrooms.

Impact on operating budget: This program provides improvements in parks and recreation facilities. Lower of maintenance cost & repairs \$100,000 - \$500,000

Capital Project Detail

Water Quality Fund

FY 2015 Appropriation:	\$ 12,762,000
Funding source(s):	3,262,000 Operations
	9,500,000 GO Bonds
Prior Year(s) Appropriations:	\$ 21,106,423
Total Project Cost:	\$ 33,868,423

This appropriation provides for expansion projects such as heavy equipment replacement, levee certification & repairs, Sunbeam Ave, Valleybrook Subdivision, McCutcheon Road, Central Avenue Extension Separation Project, Drainage system improvement projects for Concord & Golf Streets, and 3500 Broad Street.

Impact on operating budget: None

Solid Waste Fund

FY 2015 Appropriation:	\$ 0
Funding source(s):	None
Prior Year(s) Appropriations:	\$ 7,696,000
Total Project Cost:	\$ 7,696,000

Impact on operating budget: None at this time.

Interceptor Sewer Fund

FY 2015 Appropriation:	\$ 48,150,000
Funding source(s):	\$ 43,000,000 SRF Loan
	\$ 5,150,000 Sewer Operations & Reserves
Prior Year(s) Appropriations:	\$ 97,633,000
Total Project Cost:	\$ 145,783,000

This appropriation provides for the continuing program of upgrading the City's interceptor sewer system. Projects include Consent Decree mandated projects along with general upkeep and maintenance project for the plant.

Impact on operating budget: None

Capital Project Detail

Capital Project Detail

Transportation

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Transportation	9,922,135	15,031,978	32,904,200	22,408,000	60,938,000	141,204,313
Pavement Management (Street Paving)	3,000,000	2,588,000	2,588,000	2,588,000	2,588,000	13,352,000
Sustainable Infrastructure	616,000	600,000	600,000	600,000	600,000	3,016,000
Intelligent Transportation Systems Develop	-	300,000	2,000,000	2,000,000	2,000,000	6,300,000
Other Traffic Engineering Projects	520,000	250,000	100,000	50,000	50,000	970,000
Curbs, Gutters, and Sidewalks	400,000	1,208,800	1,731,200	1,300,000	1,200,000	5,840,000
Street Rehabilitation	3,598,600	9,250,000	21,765,000	11,800,000	3,000,000	49,413,600
Bridge Rehabilitation	300,000	300,000	300,000	250,000	250,000	1,400,000
Bike Lanes & Facilities	220,000	335,178	-	-	400,000	955,178
Wilcox Tunnel Rehabilitation	-	200,000	200,000	200,000	50,850,000	51,450,000
Central Ave Extension	1,267,535	-	3,620,000	3,620,000		8,507,535

Transportation

FY 2015 Appropriation: \$ 9,922,135

% of Capital Funds: 10.23%

Growth From FY 14: 8,972,135

% Change: 944%

Transportation is a new department during the new administration. They were formerly included in Public Works. Projects are focused on providing long term strategies for efficient and effective design, construction, and maintenance of our transportation infrastructure, including planning and design for new projects, repair and improvement projects, and collaboration with the Public Works Department on implementation of improvements to our transportation system. Previous management of several projects were included in Public Works during prior years. Requests were \$21,990,935 with an approved 5 year total of \$141,204,313. Approved FY15 appropriations include major projects in areas of :

Paving Program

FY 2015 Appropriation: \$ 3,000,000

Funding source(s): \$ 2,712,000 General Fund
288,000 External Sources

Prior Year(s) Appropriations: \$ 28,057,750

Total Project Cost: \$ 31,057,750

This appropriation funds the resurfacing of streets City wide. It also provides for replacement of pavement markings and traffic signal loop detector wiring damaged due to pavement milling and resurfacing.

Impact on operating budget: This program will reduce the cost of annual street maintenance.

Sustainable Infrastructure

FY 2015 Appropriation: \$ 616,000

Funding source(s): General Fund

Prior Year(s) Appropriations: \$ 1,628,920

Total Project Cost: \$ 2,244,920

Capital Project Detail

Replacement of existing light fixtures with new energy efficient LED fixtures.

Impact on operating budget: This will result in lower operations and maintenance cost.

Curbs, Gutters and Sidewalks

FY 2015 Appropriation:	\$ 400,000
Funding source(s):	\$ 100,000 General Fund
	\$ 300,000 External Funding Sources (CDBG)
Prior Year(s) Appropriations:	\$10,462,798
Total Project Cost:	\$10,862,798

This appropriation provides for the continuing program of construction and repair of curbs, gutters, and sidewalks within the City.

Impact on operating budget: None.

Street Rehabilitation

FY 2015 Appropriation:	\$ 3,598,600
Funding source(s):	\$ 350,000 General Fund
	\$ 1,606,227 General Obligation Bonds
	\$ 1,642,373 External Funding Sources (Other)
Prior Year(s) Appropriations:	\$ 72,018,336
Total Project Cost:	\$ 75,616,936

This appropriation will fund a program of major street rehabilitation within the City.

Impact on operating budget: This program of major street Improvements results in lower street maintenance costs

Bridge Rehabilitation

FY 2015 Appropriation:	\$ 300,000
Funding source(s):	\$ 300,000 General Obligation Bonds
Prior Year(s) Appropriations:	\$ 72,318,336
Total Project Cost:	\$ 72,618,336

This appropriation will fund a program of major street rehabilitation within the City.

Impact on operating budget: This program of bridge Improvements results in safety of streets and bridges.

Bike Lanes & Facilities

FY 2015 Appropriation:	\$ 220,000
Funding source(s):	\$ 220,000 General Fund
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 220,000

The Broad Street protected bicycle lanes will be the first protected bike lanes built in the City of Chattanooga, stretching 0.6 miles from Aquarium Way to Martin Luther King Boulevard. The primary structural change in the road section involves "right-sizing" the street from six through lanes to four to provide space for dedicated bicycle facilities.

Impact on operating budget: Maintenance

Capital Project Detail

Central Avenue Extension

FY 2015 Appropriation:	\$ 1,267,535
Funding source(s):	\$ 213,507 General Obligation Bonds
	\$ 200,000 Water Quality
	\$ 854,028 External Sources
Prior Year(s) Appropriations:	\$ 911,135
Total Project Cost:	\$ 2,178,670

The project scope includes extending Central Avenue from 3rd St. to Riverfront Parkway. Project includes two through lanes for car traffic, planted median, streetscape, complete streets facilities, bridge, intersection improvements, as well as direct bike/ped connection to the Riverwalk. Improved connection to riverwalk and multi-modal facilities builds value for connected neighborhoods. Improved response times for hospital should lower costs of emergency services.

Impact on operating budget: None

Capital Project Detail

Economic & Community Development

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Economic & Community Development	27,850,000	6,300,000	50,000	50,000	50,000	34,300,000
EC Development Site: Tubman	4,000,000	-	-	-	-	4,000,000
Appropriation to IDB for VW Incentive	20,000,000	6,250,000	-	-	-	26,250,000
Public Art	50,000	50,000	50,000	50,000	50,000	250,000
Miller Park & MLK Streetscape	2,800,000	-	-	-	-	2,800,000
Bell School Park	1,000,000	-	-	-	-	1,000,000

Economic & Community Development

FY 2015 Appropriation: \$ 7,850,000 original; \$27,850,000 amended
% of Capital Funds: 8.09% original; 23.81% amended
Growth From FY 14: 4,429,858 original; \$24,429,858 amended
% Change: 130% original; 714% amended

Economic & Community Development is a reorganized responsibility during the new administration. They were formerly Neighborhood Services & Community Development, now combine with Land Development division from Public Works. Requests were \$15,059,375 with an approved 5 year total of \$8.1 million. Included in the presentation above is an amendment to the Capital Budget that will include an additional \$26,250,000 commitment from the City to assist Volkswagen's plant expansion to make "CrossBlue" mid-sized SUVs in Chattanooga. This will amend the original total for FY15 to \$27,850,000 and the 5 year total of \$34.3 million. This will be a two year commitment. Approved FY15 appropriations include major projects in areas of :

EC Development Site: Tubman

FY 2015 Appropriation: \$ 4,000,000
Funding source(s): Economic Development
Prior Year(s) Appropriations: \$ 3,000,000
Total Project Cost: \$ 7,000,000

This appropriation provides for continued development of the 35 acres Harriet Tubman Housing site. Funds will be used to develop the property to make it suitable for marketing to potential employers and potential businesses.
Impact on operating budget: None.

Appropriation to IDB for VW Incentive

FY 2015 Appropriation: \$ 20,000,000
Funding source(s): General Fund
Prior Year(s) Appropriations: \$ -0-
Total Project Cost: \$ 20,000,000

Volkswagen plans to invest another \$600 million in its Chattanooga assembly plant and hire another 2,000 workers to start making a sports utility vehicle by the end of 2016. Local government assistance to VW for \$52.5 million will be split equally between the City of Chattanooga and Hamilton County for upfront expenses for the plant addition. VW will pay back \$2.5 million in an economic development fee each year for the next 10 years to repay about half of the loan and VW will transfer 300 acres at Enterprise South industrial park back to the City and County.

Impact on operating budget: None

Capital Project Detail

Public Art

FY 2015 Appropriation:	\$ 50,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 50,000

This appropriation provides for funds for the commission and purchase of public artworks for the City of Chattanooga as set forth in Ordinance no. 11606, August 2004.

Impact on operating budget: None.

Miller Park & MLK Streetscape

FY 2015 Appropriation:	\$ 2,800,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 2,800,000

Miller Park are is a largest public open space. It is visually and functionally separated by Martin Luther King Boulevard. Proposal to provide a planted central median in MLK and providing a place for pedestrians when crossing the busy streets.

Impact on operating budget: None.

Bell School Park

FY 2015 Appropriation:	\$ 1,000,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 1,000,000

This appropriation provides for a public park at the former Bell School Site in Alton Park.

Impact on operating budget: None.

Capital Project Detail

Youth & Family Development

Recommended Projects	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	5 Year Plan Total
Youth & Family	1,650,000	1,672,000	1,560,000	1,300,000	1,000,000	7,182,000
YFD Building Renovations	210,000	-				210,000
John A Patten Parking Lot	150,000	50,000				200,000
Washington Hills YFD Center Pavilion	35,000	-				35,000
Brainerd Mission Community	1,000,000	-				1,000,000
Tennis Court Rehabilitation	180,000	-				180,000
YFD Recreation Centers	-	1,500,000	1,500,000	1,000,000	1,000,000	5,000,000
Warner Park Improvements	-	55,000	60,000	300,000	-	415,000
YFD Center Equipment	75,000	67,000				142,000

Youth & Family Development

FY 2015 Appropriation:	\$ 1,650,000
% of Capital Funds:	1.70%
Growth From FY 14:	N/A
% Change:	N/A

Youth & Family Development is a newly formed department from a portion of the the previous Parks & Recreation and Human Services departments. Requests were \$7,570,400 with an approved 5 year total of \$7,182,000. Approved FY15 appropriations in the area include :

YFD Projects

FY 2015 Appropriation:	\$ 1,650,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 1,650,000

The appropriation allocated will provide for needed building renovation, rehabilitation, and equipment for recreation centers and tennis courts throughout Chattanooga's facilities.

Impact on operating budget: Lower building maintenance cost between \$5,000 - \$10,000.

CAPITAL BUDGET ORDINANCE

First reading: July 8, 2014
Second reading: July 15, 2014

ORDINANCE NO. 12838

AN ORDINANCE APPROPRIATING, AUTHORIZING, OR ALLOCATING FUNDS TO THE CAPITAL IMPROVEMENTS BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2015 AND TO AMEND THE FISCAL YEAR 2015 OPERATIONS BUDGET ORDINANCE NO. 12835 AND AMEND FISCAL YEAR 2014 CAPITAL IMPROVEMENT ORDINANCE NO.12761.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE:

SECTION 1. That there be and is hereby appropriated, authorized, or allocated the hereinafter set funds from the sources specified for the public purposes indicated of the Capital Improvements Plan for the Fiscal Year Ending June 30, 2015:

GOVERNMENTAL FUNDS

FROM	General Obligation Bonds	\$ 8,363,507	
	Hotel Motel Tax Fund	1,550,000	
	General Fund (1100)	15,989,055	
	Economic Development Fund (1111)	4,000,000	
	Fleet Management Fund (6504)	2,200,000	
	State of Tennessee (Tenn Dept Of Transportation)	2,512,908	
	State of Tennessee (Transportation Improvement Program)	556,000	
	Water Quality Funds (6030)	200,000	
	Narcotics Funds (9250)	452,000	
	Capital Contribution (Hamilton County)	15,000	
	Community Development Block Grant	225,000	
TO	General Government & Supported Agencies	\$ 3,460,290	
	Department of Police	892,000	
	Department of Fire	4,362,000	
	Department of Public Works	5,889,000	
	Department of Economic & Community Development	7,850,000	
	Department of General Services	2,038,045	
	Department of Transportation	9,922,135	
	Department of Youth & Family	1,650,000	
		\$ 36,063,470	\$ 36,063,470

CAPITAL BUDGET ORDINANCE

PROPRIETARY FUNDS CAPITAL

FROM:	State Revolving Loan Fund	43,000,000	
	Interceptor Sewer System Operations (Fund 6010)	4,149,145	
	Interceptor Sewer System Reserves	1,000,855	
	Water Quality GO Bonds	9,500,000	
	Water Quality Fund Reserves	858,459	
	Water Quality Operations (Fund 6030)	2,403,541	
TO:	Interceptor Sewer Fund		48,150,000
	Water Quality Fund		<u>12,762,000</u>
	TOTAL PROPRIETARY FUNDS	<u>\$ 60,912,000</u>	<u>\$ 60,912,000</u>
	TOTAL CAPITAL BUDGET	<u>\$ 96,975,470</u>	<u>\$ 96,975,470</u>

SECTION 2. That Ordinance No. 12835, the FY2015 OPERATIONS BUDGET ORDINANCE, be and is hereby amended as provided hereinafter.

SECTION 3. That the General Fund Estimated Revenue of said Ordinance be and is hereby amended as hereinafter set out:

	<u>Delete</u>	<u>Substitute in Lieu Thereof</u>
USE OF FUND BALANCE	\$ 0	\$ 10,011,055
AMENDED GENERAL FUND ESTIMATED SOURCES	<u>\$ 218,650,890</u>	<u>\$ 228,661,945</u>

SECTION 4. That Sections 5 and 5a of said Ordinance be and is hereby amended as hereinafter set out:

	<u>Delete</u>	<u>Substitute in Lieu Thereof</u>
GENERAL FUND APPROPRIATIONS:		
GENERAL GOVERNMENT & SUPPORTED AGENCIES		
Other Transfers to Capital	\$ 30,900	\$ 30,900
Transfer to Capital (Zoo Improvements)	250,000	250,000
Capital Improvements	<u>2,000,000</u>	<u>12,011,055</u>
General Government & Agencies	<u>\$ 56,214,779</u>	<u>\$ 66,225,834</u>
EXECUTIVE DEPARTMENT		
Other Transfers to Capital	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Total Executive Department	<u>\$ 1,619,843</u>	<u>\$ 1,619,843</u>
DEPARTMENT OF FINANCE & ADMINISTRATION		
Other Transfers to Capital	<u>\$ 125,144</u>	<u>\$ 125,144</u>

CAPITAL BUDGET ORDINANCE

Total Department of Finance & Administration	\$ <u>5,570,094</u>	\$ <u>5,570,094</u>
DEPARTMENT OF GENERAL SERVICES		
Other Transfers to Capital	\$ <u>17,850</u>	\$ <u>17,850</u>
Total Department of General Services	\$ <u>5,261,093</u>	\$ <u>5,261,093</u>
DEPARTMENT OF HUMAN RESOURCES		
Other Transfers to Capital	\$ <u>4,250</u>	\$ <u>4,250</u>
Total Department of Human Resources	\$ <u>1,879,597</u>	\$ <u>1,879,597</u>
DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT		
Other Transfers to Capital	\$ <u>0</u>	\$ <u>0</u>
Total Department of Economic & Community Development	\$ <u>7,220,567</u>	\$ <u>7,220,567</u>
DEPARTMENT OF POLICE		
Other Transfers to Capital	\$ <u>81,380</u>	\$ <u>81,380</u>
Total Department of Police	\$ <u>55,292,183</u>	\$ <u>55,292,183</u>
DEPARTMENT OF FIRE		
Other Transfers to Capital	\$ <u>62,763</u>	\$ <u>62,763</u>
Total Department of Fire	\$ <u>36,317,474</u>	\$ <u>36,317,474</u>
DEPARTMENT OF PUBLIC WORKS		
Other Transfers to Capital	\$ <u>30,399</u>	\$ <u>30,399</u>
Total Department of Public Works	\$ <u>27,697,148</u>	\$ <u>27,697,148</u>
DEPARTMENT OF YOUTH & FAMILY		
Other Transfers to Capital	\$ <u>19,750</u>	\$ <u>19,750</u>
Total Department of Youth & Family	\$ <u>9,082,215</u>	\$ <u>9,082,215</u>
DEPARTMENT OF TRANSPORTATION		
Other Transfers to Capital	\$ <u>24,564</u>	\$ <u>24,564</u>
Transportation – Sustainable Infrastructure (4022)	616,000	616,000
Transportation – Street Paving (4022)	<u>2,712,000</u>	<u>2,712,000</u>
Total Department of Transportation	\$ <u>10,695,007</u>	\$ <u>10,695,007</u>
AMENDED TOTAL GENERAL FUND APPROPRIATION	\$ <u>218,650,890</u>	\$ <u>228,661,945</u>

CAPITAL BUDGET ORDINANCE

SECTION 5. That Section 6 of said Ordinance be and is hereby amended as hereinafter set out:

1111 ECONOMIC DEVELOPMENT EDUCATION FUND:

ESTIMATED REVENUE

Economic Development Operations	\$ 1,661,797	\$ 1,661,797
Economic Development Fund Reserves	\$ 0	\$ 2,338,203
Amended Total Revenue	<u>\$ 11,303,400</u>	<u>\$ 13,641,603</u>

APPROPRIATIONS

Economic Development Capital Projects	\$ 1,661,797	\$ 4,000,000
Amended Total Appropriation	<u>\$ 11,303,400</u>	<u>\$ 13,641,603</u>

2070 HOTEL/MOTEL TAX FUND:

ESTIMATED REVENUE

Hotel/Motel Fund Reserves	\$ 0	\$ 882,840
Hotel/Motel Operations	\$ 667,160	\$ 667,160
Amended Total Revenue	<u>\$ 5,545,500</u>	<u>\$ 6,428,340</u>

APPROPRIATIONS

Public Works Capital (Renaissance Park Bridge 4016)	\$ 0	\$ 350,000
Public Works Capital (Walnut Street Bridge 4016)	\$ 667,160	\$ 1,200,000
Amended Total Appropriation	<u>\$ 5,545,500</u>	<u>\$ 6,428,340</u>

6010 INTERCEPTOR SEWER OPERATIONS:

ESTIMATED REVENUE

Interceptor Sewer Fund Reserves	\$ 0	\$ 1,000,855
Amended Total Revenue	<u>\$ 60,446,000</u>	<u>\$61,446,855</u>

APPROPRIATIONS

Appropriations to Capital (6011)		2,850,000
Appropriation to Capital (6012)	\$ 4,149,145	\$ 2,300,000
Amended Total Appropriation	<u>\$ 60,446,000</u>	<u>\$61,446,855</u>

Capital Project Detail

6030 WATER QUALITY FUND:

ESTIMATED REVENUE

Water Quality Reserves	\$ 0	\$ 858,459
Amended Total Revenue	<u>\$ 16,839,938</u>	<u>\$ 17,698,397</u>

APPROPRIATIONS

Appropriation to TRANS Capital (Central Ave Extension 4022)	200,000	200,000
Appropriation to Capital	<u>\$ 2,403,541</u>	<u>\$ 3,262,000</u>
Amended Total Appropriation	<u>\$ 16,839,938</u>	<u>\$ 17,698,397</u>

9250 NARCOTICS FUND:

ESTIMATED REVENUE

Confiscated Narcotic Funds	\$ 702,000	\$ 312,000
Narcotics Fund Reserves	\$ 0	\$ 390,000
Amended Total Revenue	<u>\$ 762,000</u>	<u>\$ 762,000</u>

APPROPRIATIONS

Police Capital Projects (4012)	\$ 452,000	\$ 452,000
Amended Total Appropriation	<u>\$ 762,000</u>	<u>\$ 762,000</u>

SECTION 6: That Section 1 of the FY2014 CAPITAL BUDGET ORDINANCE NO. 12761 be and is hereby amended so as to reallocate \$3,000,000 from bond proceeds to FY2015 capital projects and said bonds be replaced with \$3,000,000 in funding from General Fund (1100) allocated in the FY2015 CAPITAL BUDGET ORDINANCE from general fund reserves. The net effect of said reallocation being reflected in Section 1 of this ordinance.

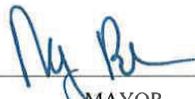
BE IT FURTHER ORDAINED, That this Ordinance shall take effect two weeks from and after its passage as provided by law.

PASSED July 15, 2014



 CHAIRPERSON

APPROVED DISAPPROVED



 MAYOR

DM/SW