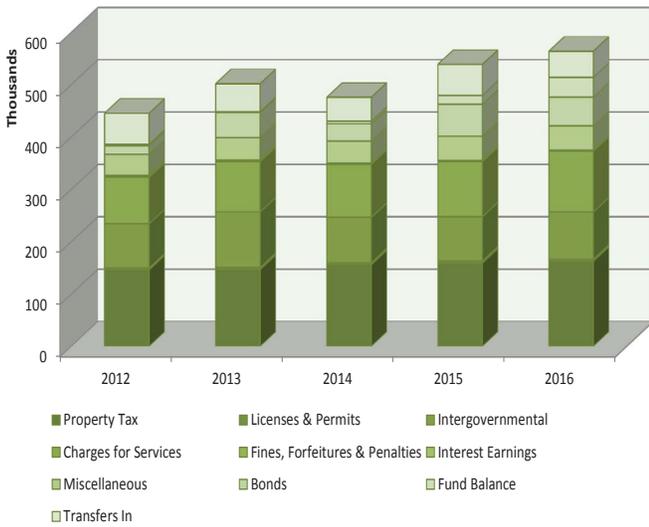




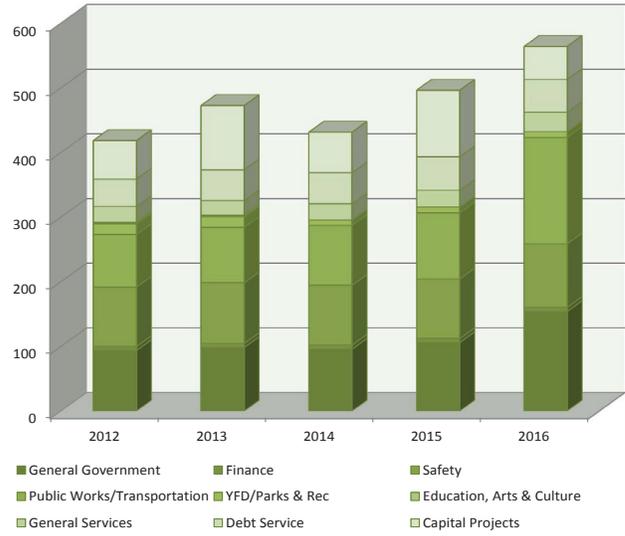
Chattanooga Beauty

Named one of the “Best Places to Retire” in 2015 by Money Magazine, the area’s breathtaking natural beauty combined with opportunities for outdoor fun make Chattanooga one of the nation’s most livable cities.

Financial Overview



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

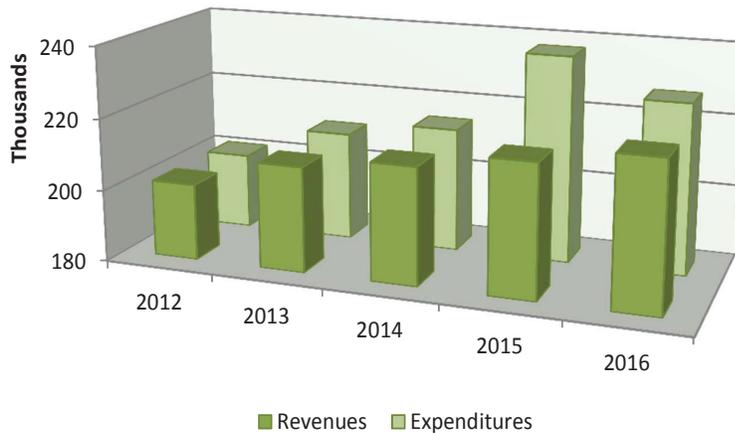


**Budgeted Expenditures
(in 1,000)**

Revenue and Expenditure History

Total City revenues and operating transfers in for the fiscal year ended June 30, 2012 were \$445,126,902. Total projected City revenue for the fiscal year ended June 30, 2016 is \$563,947,320 an increase of \$118,820,418 or 26.7% over this five year period. Increases include water quality fees, capital, sewer rates, and cost of operations largely due to large capital improvements because of the consent decree. During this period the Undesignated General Fund Budget increased to \$227,250,000, an increase of \$25,995,000 or 12.9%. Also below are comparisons of total revenues and expenditures.

Undesignated General Fund



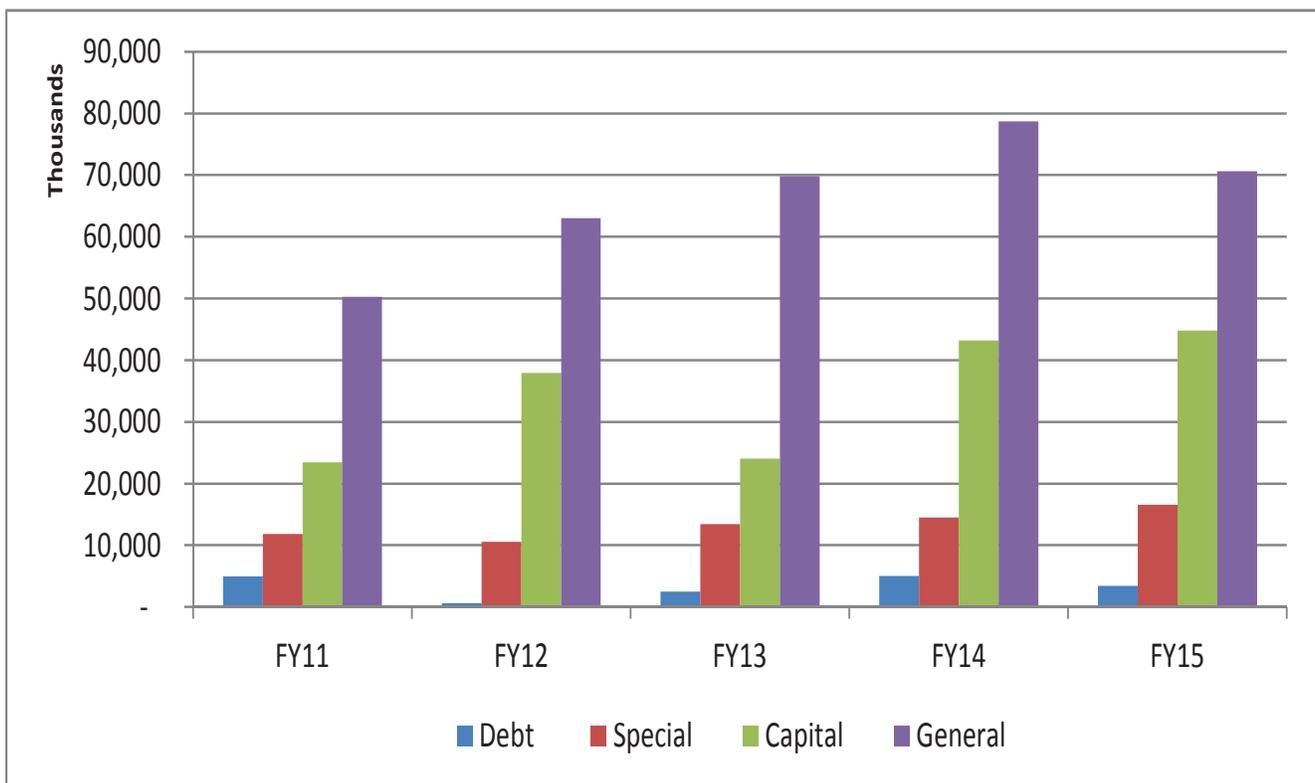
**BUDGETED Sources & Uses of Funds
BY FUND TYPE
Fiscal Year Ending June 30, 2016**

Sources	Governmental Fund Types						Internal Service Funds	Budget Total 2016		Budget Total 2015		Actual Total Revenue/Uses 2014
	Undesignated General	Special Revenue	Debt Service	Capital Projects	Proprietary Fund Types	Revenue/Uses 2016		Revenue/Uses 2015	Revenue/Uses 2014			
Taxes	145,056,600	17,968,000	-	-	-	-	-	163,024,600	159,457,460	158,752,829		
Licenses & Permits	3,694,600	-	-	-	-	-	-	3,694,600	3,684,840	3,967,145		
Intergovernmental	63,629,000	21,692,828	455,013	4,160,085	85,000	-	-	90,021,926	84,432,953	104,653,973		
Charges for services	2,261,300	3,458,193	-	-	90,411,843	20,238,351	-	116,369,687	108,860,328	112,934,453		
Fines, forfeitures and penalties	896,000	622,600	-	-	-	-	-	1,518,600	1,466,700	2,017,340		
Interest earnings/Use of Property	505,000	-	-	-	203,015	-	-	708,015	851,430	867,379		
Miscellaneous	4,957,500	446,600	124,305	1,388,200	90,415	38,884,946	-	45,891,966	44,661,743	45,583,981		
Bonds	-	-	-	12,299,357	42,500,000	-	-	54,799,357	70,321,617	67,900,489		
Fund Balance	6,250,000	1,962,069	-	-	18,961,349	4,262,122	-	31,435,540	29,551,252	2,000,000		
Transfers In	-	1,532,292	24,281,335	20,328,751	9,340,651	1,000,000	-	56,483,029	67,904,165	43,186,729		
Total Revenues	227,250,000	47,682,582	24,860,653	38,176,393	161,592,273	64,385,419	563,947,320	571,192,488	541,864,318			
Uses												
General Government	26,308,240	30,958,385	-	-	-	1,000,000	-	58,266,625	54,555,273	50,061,726		
Finance & Administration	5,895,205	642,600	-	-	-	-	-	6,537,805	6,056,950	6,092,777		
Safety	98,009,792	310,000	-	-	-	-	-	98,319,792	92,910,989	91,900,279		
Public Works	26,777,959	4,474,854	-	-	120,466,775	-	-	151,719,588	151,868,919	104,587,561		
Youth & Family Development	9,000,162	-	-	-	-	-	-	9,000,162	9,129,446	8,254,506		
Human Resources	1,858,496	-	-	-	-	39,477,068	-	41,335,564	41,961,185	40,217,223		
Neighborhood Services	-	-	-	-	-	-	-	-	-	5,820,485		
Economic & Community Dev	6,926,816	-	-	-	-	-	-	6,926,816	7,284,348	-		
Executive Branch	1,649,127	-	-	-	-	-	-	1,649,127	1,624,069	1,429,661		
General Services	4,387,986	1,730,563	-	-	-	23,908,351	-	30,026,900	25,948,660	26,537,342		
Transportation	10,254,974	-	-	-	-	-	-	10,254,974	10,054,443	9,356,489		
Debt Service	-	4,647,157	24,860,653	-	17,120,594	-	-	46,628,404	47,625,668	34,751,731		
Capital Projects	-	4,719,023	-	38,176,393	14,664,253	-	-	57,559,669	64,464,344	99,341,886		
Transfers Out	36,181,243	200,000	-	-	9,340,651	-	-	45,721,894	57,708,194	35,288,219		
Total Appropriations	227,250,000	47,682,582	24,860,653	38,176,393	161,592,273	64,385,419	563,947,320	571,192,488	513,639,885			

Fund Balance/Net Position Summary

During the past five years the City of Chattanooga has seen a total net increase in its Governmental Fund Balances of \$44.9 million or 49%. This is due to the increase in the fund balance for the Capital Fund of \$21.3 million or 58% and increase in General Fund of \$20.3 million or 51%. Special Revenue Funds and Debt Service Fund balances have increased \$4.7 million or 44% and decreased \$1.5 million or 31% respectively during this period.

Changes in Fund Balance Governmental Funds Includes Designated Funds



Governmental Fund Balances

	FY11	FY12	FY13	FY14	FY15 unaudited
Debt Service Fund	\$ 4,954,374	\$ 652,700	\$ 2,476,637	\$ 5,020,752	\$ 3,446,011
Special Revenue Funds	\$ 11,839,913	\$ 10,561,193	\$ 13,458,354	\$ 14,507,137	\$ 16,583,916
Capital Funds	\$ 23,431,548	\$ 37,958,070	\$ 24,038,313	\$ 43,202,659	\$ 44,792,195
General Fund	\$ 50,280,129	\$ 63,003,393	\$ 69,845,600	\$ 78,711,978	\$ 70,639,352
Totals	\$ 90,505,964	\$ 112,175,356	\$ 109,818,904	\$ 141,442,526	\$ 135,461,474

Fund Balance/Net Position Summary

The General Fund Balance was \$50,280,129 in FY11. This has risen to a current unaudited balance of \$70,639,352 for FY15. The increase is primarily due to conservative budgeting resulting in positive variances in expenditures largely because of funded vacancies and conservative revenue estimates. 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 \$11,839,913 in FY11 to a FY15 unaudited balance of \$16,583,916. 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.

Debt Service Fund Balance was \$4,954,374 in FY11, decreasing to \$3,446,011 by the end of FY15. In 2012, there was a \$4 million planned use of debt service fund balance. FY15, there was a planned use of fund balance of \$1,833,000 resulting from the build up for a one-time payment.

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 FY11, the balance has increased from \$23,431,548 to an unaudited \$44,792,195 at the beginning of FY16.

The growth of the Net Position within the Enterprise Funds (excluding the Electric Power Board) has been most dramatic. Net Position of \$295,249,571 in FY11 has increased to a FY15 unaudited balance of \$337,014,641. 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 12 and subsequent years rates have increased 9% per year to meet requirements of the consent decree. 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 Net Position was \$20,842,372 in FY11. At the beginning of FY16, this fund is projected to have an unaudited Net Position of \$39,319,749. There is \$9.3 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 \$10.6 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, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
FUND BALANCE at beginning of year	<u>63,003,392</u>	<u>69,845,599</u>	<u>78,711,978</u>	<u>70,639,352</u>
Revenues				
Taxes	139,684,383	142,068,008	145,313,659	145,056,600
Licenses and permits	5,300,519	5,799,027	4,160,994	3,694,600
Intergovernmental Revenues	79,709,572	75,512,510	78,780,095	76,335,332
Charges for Services	5,837,249	5,614,849	5,469,893	7,348,363
Fines, forfeitures and penalties	1,378,816	2,017,340	2,661,973	1,634,600
Interest Income	607,357	616,802	892,427	400,000
Sale of Property	128,021	208,622	777,257	105,000
Contributions and donations	539,553	641,239	633,037	-
Miscellaneous Revenues	<u>5,267,187</u>	<u>5,173,888</u>	<u>5,380,620</u>	<u>5,403,650</u>
Total Revenues	<u>238,452,657</u>	<u>237,652,285</u>	<u>244,069,955</u>	<u>239,978,145</u>
Expenditures				
General Government	47,886,431	50,271,980	51,697,349	22,380,490
Finance & Administration	4,651,767	5,166,048	5,129,517	7,060,936
CARTA appropriation	4,772,000	5,411,472	4,923,329	4,980,660
Police	55,050,619	55,160,451	57,180,047	61,209,099
Fire	36,654,329	37,541,892	35,965,676	37,346,310
Public Works	36,574,245	27,583,980	26,929,734	26,796,959
Youth & Family Development	-	8,308,003	7,317,752	9,135,162
Transportation	-	6,703,417	8,978,121	10,384,974
Parks & Recreation	17,244,974	-	-	-
Education, Arts, & Culture	2,627,103	-	1,960,580	-
Total Expenditures	<u>205,461,468</u>	<u>196,147,243</u>	<u>200,082,105</u>	<u>179,294,590</u>
Excess (deficiency) of revenues over expenditures	32,991,189	41,505,042	43,987,850	60,683,555
Other Financing Sources (Uses)				
Operating transfers in	9,349	116,847	33,055	7,405,866
Operating transfers out	(26,459,824)	(33,055,409)	(52,093,531)	(76,173,490)
Issuance of debt/Capital Lease	<u>301,493</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(26,148,982)</u>	<u>(32,938,562)</u>	<u>(52,060,476)</u>	<u>(68,767,624)</u>
Prior Year Surplus	-	-	-	8,084,069
Excess (deficiency) of revenues and other financing sources over (under) expenditure:	<u>6,842,207</u>	<u>8,566,480</u>	<u>(8,072,626)</u>	<u>-</u>
Prior Period Adjustment		299,899		
FUND BALANCE at end of year	<u>69,845,599</u>	<u>78,711,978</u>	<u>70,639,352</u>	<u>70,639,352</u>

City of Chattanooga, Tennessee

Special Revenue Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
FUND BALANCE at beginning of year	<u>10,561,189</u>	<u>13,458,350</u>	<u>14,507,137</u>	<u>16,583,916</u>
Revenues				
Taxes	4,970,247	5,352,640	5,916,859	5,814,000
Licenses and permits	529,735	585,383	529,108	499,400
Intergovernmental Revenues	25,671,005	20,864,185	23,145,050	22,956,891
Charges for Services	422,578	400,184	457,236	1,505,670
Fines, forfeitures and penalties	43,739	34,548	59,515	-
Interest Income	73,520	60,881	121,961	-
Sale of Property	24,062	5,925	2,308	-
Contributions and donations	23,083	82,877	156,317	-
Prior Year Surplus	-	-	-	48,444
Miscellaneous Revenues	309,227	844,040	1,794,684	680,060
Total Revenues	<u>32,067,196</u>	<u>28,230,663</u>	<u>32,183,038</u>	<u>31,504,465</u>
Expenditures				
General Government	6,619,619	7,390,318	7,727,404	9,041,011
Public safety	418,941	547,269	242,019	310,000
Public Works	4,280,693	3,913,897	3,791,550	4,474,854
Social Services	16,515,908	13,430,670	14,756,477	15,915,549
Capital Outlay/Fixed Assets	-	-	-	1,270,563
Total Expenditures	<u>27,835,161</u>	<u>25,282,154</u>	<u>26,517,450</u>	<u>31,011,977</u>
Excess (deficiency) of revenues over expenditures	4,232,035	2,948,509	5,665,588	492,488
Other Financing Sources (Uses)				
Operating transfers in	3,752,782	3,762,536	3,917,377	4,154,669
Operating transfers out	<u>(5,087,656)</u>	<u>(5,662,258)</u>	<u>(7,506,186)</u>	<u>(4,647,157)</u>
Total other financing sources (uses)	<u>(1,334,874)</u>	<u>(1,899,722)</u>	<u>(3,588,809)</u>	<u>(492,488)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>2,897,161</u>	<u>1,048,787</u>	<u>2,076,779</u>	<u>-</u>
FUND BALANCE at end of year	<u><u>13,458,350</u></u>	<u><u>14,507,137</u></u>	<u><u>16,583,916</u></u>	<u><u>16,583,916</u></u>

City of Chattanooga, Tennessee

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
FUND BALANCE at beginning of year	<u>652,699</u>	<u>2,476,637</u>	<u>5,020,752</u>	<u>3,446,011</u>
Revenues				
Intergovernmental funds	513,914	471,791	481,621	455,013
Other	-	-	-	124,305
Total Revenues	<u>513,914</u>	<u>471,791</u>	<u>481,621</u>	<u>579,318</u>
Expenditures				
Principal retirement	13,037,072	12,970,806	17,364,333	17,160,626
Interest	7,062,764	6,925,961	7,332,041	7,590,027
Fiscal agent fees	115,927	104,239	89,800	110,000
Total Expenditures	<u>20,215,763</u>	<u>20,001,006</u>	<u>24,786,174</u>	<u>24,860,653</u>
Excess (deficiency) of revenues over expenditures	<u>(19,701,849)</u>	<u>(19,529,215)</u>	<u>(24,304,553)</u>	<u>(24,281,335)</u>
Other Financing Sources (Uses)				
Operating transfers in	21,525,787	22,073,330	22,729,812	22,581,607
Total other financing sources (uses)	<u>21,525,787</u>	<u>22,073,330</u>	<u>22,729,812</u>	<u>22,581,607</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditure	<u>1,823,938</u>	<u>2,544,115</u>	<u>(1,574,741)</u>	<u>(1,699,728)</u>
FUND BALANCE at end of year	<u><u>2,476,637</u></u>	<u><u>5,020,752</u></u>	<u><u>3,446,011</u></u>	<u><u>1,746,283</u></u>

City of Chattanooga, Tennessee

Capital Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
FUND BALANCE at beginning of year	<u>37,958,070</u>	<u>24,038,313</u>	<u>43,202,659</u>	<u>44,792,195</u>
Revenues				
Intergovernmental Revenues	1,596,449	78,152	213,952	4,045,085
Charges for services	-	2,952	37,861	-
Interest Income	51,317	196,840	43,512	-
Contributions and Donations	66,925	58,429	178,284	503,200
Sale of Property	186,690	-	727,325	-
Miscellaneous Revenues	13,733	3,539	1,332,085	-
Total Revenues	<u>1,915,114</u>	<u>339,912</u>	<u>2,533,019</u>	<u>4,548,285</u>
Expenditures				
General Government	2,255,462	1,683,716	5,983,012	2,502,915
Finance & Administration	1,728,549	2,408,956	1,478,920	2,750,000
Safety	1,577,202	2,557,836	1,495,117	5,185,728
Public Works	9,890,421	2,394,667	7,593,711	4,968,563
Transportation	-	9,279,186	725,712	12,029,487
Parks & Recreation	1,686,422	822,120	-	-
Education, Arts, & Culture	1,098,001	366,687	-	-
Youth and Family Development	-	-	380,811	1,377,000
Economic & Community Deveopment	-	2,757,163	16,733,717	6,727,700
General Services	-	328,037	374,846	2,635,000
Capital outlay/fixed assets	-	-	-	-
Total Expenditures	<u>18,236,057</u>	<u>22,598,368</u>	<u>34,765,846</u>	<u>38,176,393</u>
Excess (deficiency) of revenues over expenditures	<u>(16,320,943)</u>	<u>(22,258,456)</u>	<u>(32,232,827)</u>	<u>(33,628,108)</u>
Other Financing Sources (Uses)				
Operating transfers in	6,269,596	12,881,974	33,608,007	21,328,751
Operating transfers out	(3,996,826)	(603,661)	(33,055)	-
Refunding bonds issued	-	-	17,753,440	-
General Obligation bonds issued	-	26,775,000	-	12,299,357
Premium on refunding bonds issued	-	-	1,735,417	-
Premium on general obligation bonds issued	-	2,369,489	-	-
Note Proceeds	128,416	-	83,132	-
Payments to refunded Bond Escrow Agent	-	-	(19,324,578)	-
Total other financing sources (uses)	<u>2,401,186</u>	<u>41,422,802</u>	<u>33,822,363</u>	<u>33,628,108</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(13,919,757)</u>	<u>19,164,346</u>	<u>1,589,536</u>	<u>-</u>
FUND BALANCE at end of year	<u>24,038,313</u>	<u>43,202,659</u>	<u>44,792,195</u>	<u>44,792,195</u>

City of Chattanooga, Tennessee

Enterprise Funds

Statement of Revenues, Expenses and
Changes in Net Position
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
OPERATING REVENUES				
Customer Charges	94,003,697	106,358,802	103,232,635	109,296,963
Other	503,432	-	1,222,104	3,499,631
Total Revenues	<u>94,507,129</u>	<u>106,358,802</u>	<u>104,454,739</u>	<u>112,796,594</u>
OPERATING EXPENSES				
Sewer Plant Operation	34,851,175	31,640,781	34,875,425	40,525,404
Solid Waste Operation	3,015,399	2,984,947	3,563,765	4,731,727
Water Quality Management Operation	11,355,952	11,528,460	12,517,566	15,090,636
Chattanooga Downtown Redevelopment	10,727,234	10,785,887	12,473,306	17,029,054
Depreciation and Amortization	16,950,055	16,850,765	16,916,714	17,172,311
Closure/Postclosure Costs	-	196,683	161,595	1,261,114
Other/Housing	463,327	-	-	-
Total Operating Expenses	<u>77,363,142</u>	<u>73,987,523</u>	<u>80,508,371</u>	<u>95,810,246</u>
OPERATING INCOME	<u>17,143,987</u>	<u>32,371,279</u>	<u>23,946,368</u>	<u>16,986,348</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income	683,896	727,099	902,950	660,785
Interest Expense	(8,455,090)	(7,890,050)	(7,474,722)	(7,535,449)
Intergovernmental	-	-	-	85,000
Other Income (expense)	2,196,001	(78,289)	131,283	(4,800)
Loss on disposal of asset	(4,150,506)	-	-	-
Net Gain on Sale of Property	-	-	-	-
Total Nonoperating Rev. (Exp.)	<u>(9,725,699)</u>	<u>(7,241,240)</u>	<u>(6,440,489)</u>	<u>(6,794,464)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS TRANSFERS AND SPECIAL ITEM	<u>7,418,288</u>	<u>25,130,039</u>	<u>17,505,879</u>	<u>10,191,884</u>
Capital Contributions	-	92,500	1,094,119	-
Operating Transfers In	473,432	-	-	1,283,778
Operating Transfers Out	-	-	-	(29,585,778)
Special Item	(2,190,475)	-	-	-
CHANGE IN NET POSITION	<u>5,701,245</u>	<u>25,222,539</u>	<u>18,599,998</u>	<u>(18,110,116)</u>
NET POSITION as previously reported	302,831,018	298,538,305	298,538,305	-
CHANGE IN ACCOUNTING PRINCIPAL	<u>(9,993,958)</u>	<u>(5,346,201)</u>	<u>1,466,036</u>	<u>-</u>
NET POSITION, as restated	292,837,060	293,192,104	318,414,643	337,014,641
CHANGE IN NET POSITION	<u>-</u>	<u>-</u>	<u>18,599,998</u>	<u>(18,110,116)</u>
NET POSITION - Ending	<u><u>298,538,305</u></u>	<u><u>318,414,643</u></u>	<u><u>337,014,641</u></u>	<u><u>318,904,525</u></u>

City of Chattanooga, Tennessee

Internal Service Funds

Statement of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
OPERATING REVENUES				
Billings to Departments	53,908,049	53,064,888	54,145,008	60,123,298
Other	3,588,466	2,102,038	3,326,999	-
Intergovernmental Revenue	-	-	-	-
Misc Revenue	-	-	-	-
Prior Year surplus	-	-	-	4,262,122
Total Operating Revenues	<u>57,496,515</u>	<u>55,166,926</u>	<u>57,472,007</u>	<u>64,385,420</u>
OPERATING EXPENSES				
Repairs & Maintenance - Amnicola	3,973,783	3,746,443	3,927,417	4,005,541
Repairs & Maintenance - 12th St	3,866,468	3,906,746	4,125,593	3,956,873
Operations - Amnicola	1,326,651	1,304,913	984,975	1,370,391
Operations - 12th St	2,829,526	2,861,364	2,234,684	2,898,434
Fleet Leasing Capital	292,485	-	-	3,670,000
Fleet Leasing Operations	2,291,137	2,761,706	3,583,214	2,877,007
Judgments & Costs	(371,621)	1,889,312	801,408	470,000
Claims & Tort Liabilities	313,249	303,508	231,474	211,000
Special Counsel	251,307	992,280	506,124	300,000
TAWC Rate Hearing	59,068	9,766	18,694	19,000
Employee Healthcare	24,698,312	29,392,511	17,111,047	20,294,140
Pensioner Healthcare	495,623	462,309	398,097	406,672
On Site Pharmacy	5,190,265	2,959,758	6,438,721	6,270,000
On Site Clinic & Wellness	3,325,855	5,754,548	3,367,960	3,440,662
Retiree Healthcare	-	-	8,445,949	9,065,594
Technology Replacement Fund/Equipment	-	-	358,875	-
Depreciation*	3,176,496	3,465,094	3,233,047	-
Total Operating Expenses	<u>51,718,604</u>	<u>59,810,258</u>	<u>55,767,279</u>	<u>59,255,314</u>
OPERATING INCOME	<u>5,777,911</u>	<u>(4,643,332)</u>	<u>1,704,728</u>	<u>5,130,106</u>
NONOPERATING REVENUES (EXPENSES)				
Other income (expense)	573,358	845,349	675,806	-
Total nonoperating revenues (expenses)	<u>573,358</u>	<u>845,349</u>	<u>675,806</u>	<u>-</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS				
	<u>6,351,269</u>	<u>(3,797,983)</u>	<u>2,380,534</u>	<u>5,130,106</u>
Capital contributions	-	-	-	-
Transfers in	3,513,358	486,641	23,340	-
Transfers out	-	-	(23,340)	-
CHANGE IN NET POSITION	<u>9,864,627</u>	<u>(3,311,342)</u>	<u>2,380,534</u>	<u>5,130,106</u>
NET POSITION, beginning of year	<u>30,385,930</u>	<u>40,250,557</u>	<u>36,939,215</u>	<u>39,319,749</u>
NET POSITION, ending of year	<u>40,250,557</u>	<u>36,939,215</u>	<u>39,319,749</u>	<u>44,449,855</u>

City of Chattanooga, Tennessee

Fiduciary Funds

Statement of Changes in Fiduciary Net Position
Years Ended June 30, 2013 - 2016

	2013	2014	Unaudited 2015	Budget 2016
ADDITIONS				
Contributions:				
Employer	32,589,188	33,786,404	31,951,332	33,371,112
Employee	6,725,678	6,861,774	7,332,486	6,800,000
Other	171,398	193,877	185,330	195,000
	<u>39,486,264</u>	<u>40,842,055</u>	<u>39,469,148</u>	<u>40,366,112</u>
Investment Income				
Net Apprec/ (Deprec) in Fair market value of	50,078,777	64,685,524	11,186,560	15,000,000
Interest	662,838	516,527	372,128	600,000
Dividends	6,582,897	5,862,058	5,966,673	6,000,000
	<u>57,324,512</u>	<u>71,064,109</u>	<u>17,525,361</u>	<u>21,600,000</u>
Less Investment expense	<u>(1,035,947)</u>	<u>(1,054,760)</u>	<u>(1,319,836)</u>	<u>(1,100,000)</u>
Net investment income (loss)	56,288,565	70,009,349	16,205,525	20,500,000
Total Additions	95,774,829	110,851,404	55,674,673	60,866,112
DEDUCTIONS				
Benefits paid to participants	53,022,246	59,409,820	57,030,863	57,000,000
Administrative expenses	663,431	1,306,162	1,026,888	1,100,000
Total Deductions	<u>53,685,677</u>	<u>60,715,982</u>	<u>58,057,751</u>	<u>58,100,000</u>
CHANGE IN NET POSITION	42,089,152	50,135,422	(2,383,078)	2,766,112
NET POSITION, beginning	<u>452,218,715</u>	<u>494,307,867</u>	<u>544,443,287</u>	<u>542,060,209</u>
NET POSITION, ending	<u><u>494,307,867</u></u>	<u><u>544,443,287</u></u>	<u><u>542,060,209</u></u>	<u><u>544,826,321</u></u>



Undesignated General Fund

Fiscal Year Ending June 30, 2016

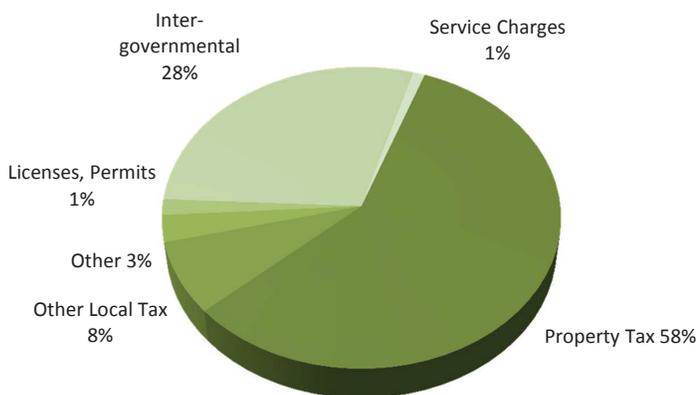
Fund Structure

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 \$227,250,000. This includes a planned use of fund balance of \$6,250,000 for Capital. The charts on this page relate to the undesignated general fund operations. In FY 2016, the budgeted revenues and expenditures for all reported General Fund is \$255,468,080 including designated general government operations totaling \$28,218,080. The largest designated fund is the Economic Development Fund with a budget of \$14,121,569, including a planned use of fund balance of \$1,717,069.

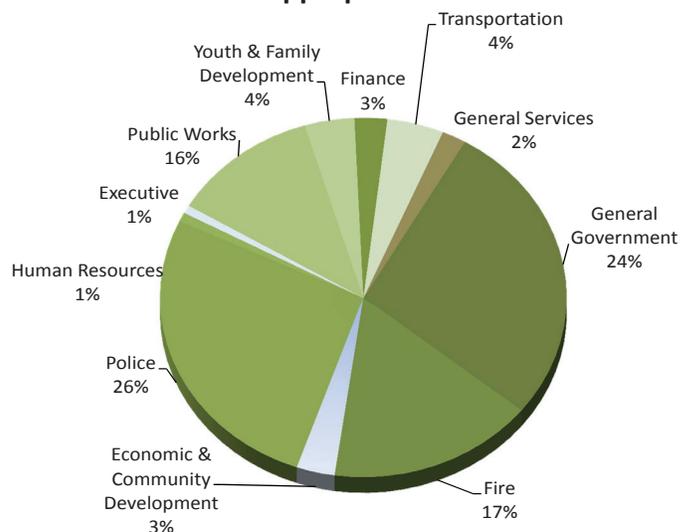
The major revenues of the general fund include: property taxes, other local taxes, licenses and permits, fines, forfeitures, and penalties, investment income, state and local sales taxes and other intergovernmental, and services charges. Departments of the General Fund include: General Government which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

Undesignated Revenues & Appropriations \$227,250,000

Revenues



Appropriations

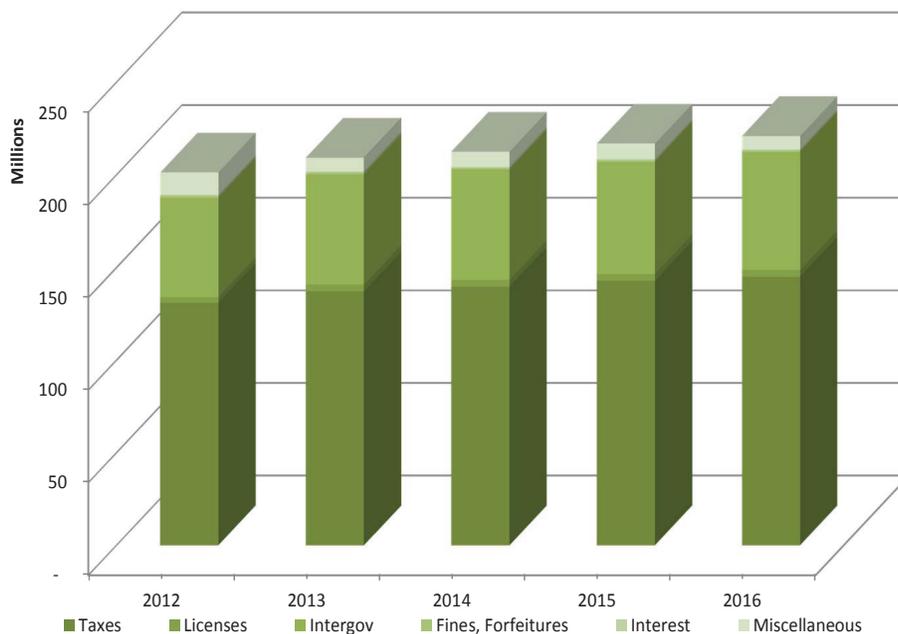


Undesignated General Fund Revenue Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg
Undesignated General Fund:						
Property Tax	122,875,165	125,108,468	125,479,160	127,946,600	2,467,440	1.93%
Other Local Taxes	16,809,219	16,959,541	17,379,400	17,110,000	(269,400)	-1.57%
Licenses & Permits	3,822,008	3,967,145	3,684,840	3,694,600	9,760	0.26%
Fines, Forfeitures, & Penalties	1,013,974	893,584	874,700	896,000	21,300	2.38%
Investment Income	1,076,916	724,287	676,000	505,000	(171,000)	-33.86%
Revenue from other Agencies	9,504,657	9,040,488	8,365,000	8,909,000	544,000	6.11%
State Sales Tax	11,544,670	11,948,621	12,310,200	12,670,000	359,800	3.12%
Local Option Sales Tax	40,007,670	39,781,604	39,857,700	42,050,000	2,192,300	5.48%
Service Charges	3,418,041	3,204,859	2,965,000	2,261,300	(703,700)	-31.12%
Miscellaneous Revenues	5,089,506	5,109,951	5,258,000	4,957,500	(300,500)	-6.06%
Transfers In	46,117	4,419	-	-	-	N/C
Grand Totals	215,207,943	216,742,967	216,850,000	221,000,000	4,150,000	1.88%

Revenues

The proposed Budget for FY 2016 shows an increase of \$4,150,000 or 1.88%. The increase is primarily in the Property Taxes and Sales Tax, both Local Option as well as state shared sales tax. The chart shows the General Fund Revenues by Source for the fiscal years 2012 thru 2016.

General Fund Revenues by Source



Property Taxes

FY 2016 Estimate: **\$127,946,600**
% of General Fund: **57.89%**
Growth From FY 15: **2,467,440**
Change: **1.93%**

Current Real Property Taxes remain the primary source of funds for the City of Chattanooga, with the FY 2016 estimate of \$110,985,000 representing 50.22% of the total undesignated General Fund Budget. All property tax estimates inclusive of delinquencies and in lieu of tax payments total \$127,946,600 or 57.89% 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. Revenues generated in 1997 with a \$2.70 tax rate amounted to \$61,533,569, while the estimate for FY 2015 is \$127,946,600, an increase of \$66,413,031 or 107.93%. Assessments for 1997 were \$2,295,859,675. This figure has risen to \$5,044,607,410 in 2015, an increase of \$2,748,747,735 or 120% in the last 18 years. In recent years, assessments have trended upward slightly based on lateral reappraisals. Therefore, Current Real Property Tax revenue is expected to 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

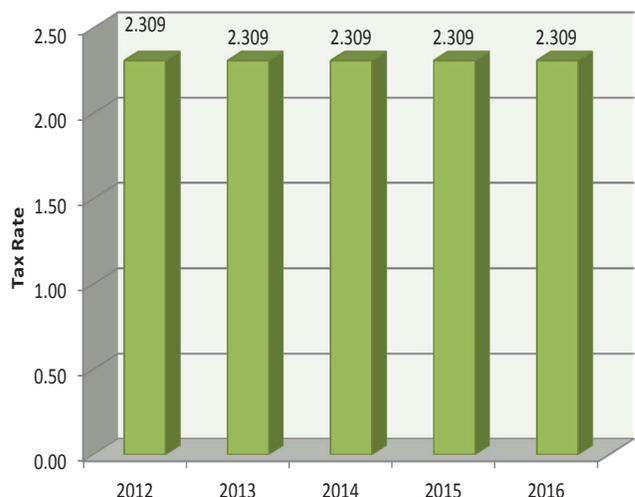
Fiscal Years		
Ending	Rate	Rate Change Explanation
1994	2.620	
1995-1996	2.980	City Tax Increase - 1995 Tax Year
1997	2.700	Property Reappraisal - 1997 Tax Year
1998-2001	2.310	City Tax Decrease - 1997 Tax Year
2002-2005	2.516	City Tax Increase - 2001 Tax Year
2006-2009	2.202	Property Reappraisal - 2005 Tax Year
2010	1.939	Property Reappraisal - 2009 Tax Year
2011-2016*	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 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 \$504,460. 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.

Property Tax Rates
(per \$100 of Assessed Valuation)



Through a series of tax incentives and agreements the City receives sizeable in lieu of tax payments each year. Companies paying in lieu of taxes include, but not limited to, Tennessee Valley Authority, Steel Warehouse of TN, Vision Chestnut Hotel Group, Blue Cross Blue Shield, Gastamp, Westinghouse, US Express, and United Packers of Chattanooga. The collection of in lieu of taxes (excluding EPB) accounts for \$3,911,797, or 1.77% of the operating budget in FY16. Several PILOTS, including Volkswagon, include a waiver of 100% of City taxes in favor of school only for Hamilton County.

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 2016 is \$6,569,000, which is 1.27% over FY15. The EPB in lieu of tax is made of three pieces; Electric, Telecom, and Internet.

Other Local Taxes:

FY 2016 Estimate:	\$17,110,000
% of General Fund:	7.74%
Decrease From FY 15:	(269,400)
Change:	-1.57%

Gross Receipts Taxes

FY 2016 Estimate:	\$4,941,000
% of General Fund:	2.24%
Growth From FY 15:	49,300
Change:	1.01%

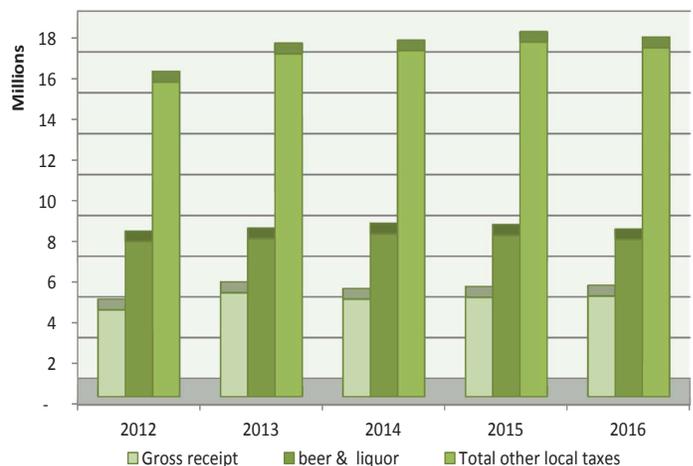
Even though Gross Receipts Taxes are a steady source in the General Fund, they represent only 2.24% of total collections this year. The trend over the past five years shows a slight upturn due to the recovering economic conditions and is expected to level for FY16.

Beer & Liquor Taxes

FY 2016 Estimate:	\$7,717,000
% of General Fund:	3.49%
Decrease From FY 15:	(213,000)
Change:	-2.69%

Beer & Liquor Taxes make up approximately 46% of Other Local Taxes. There has been a downturn in Beer Taxes because of a change in how the rates were calculated at the state level in FY15.

Other Local Taxes



Licenses & Permits:

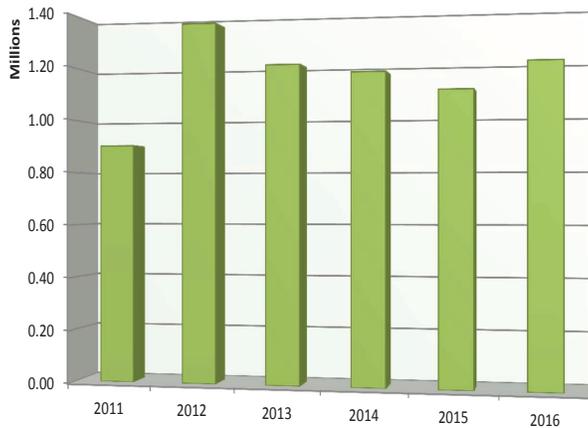
FY 2016 Estimate:	\$3,694,600
% of General Fund:	1.67%
Growth from FY 15:	9,760
% Change:	0.26%

Building Permits

FY 2016 Estimate:	\$1,200,000
% of General Fund:	.54%
Increase from FY 15:	100,000
% Change:	9.09%

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 2011, 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. FY16 collections are expected to increase.

Building Permits



Revenue from Other Agencies:

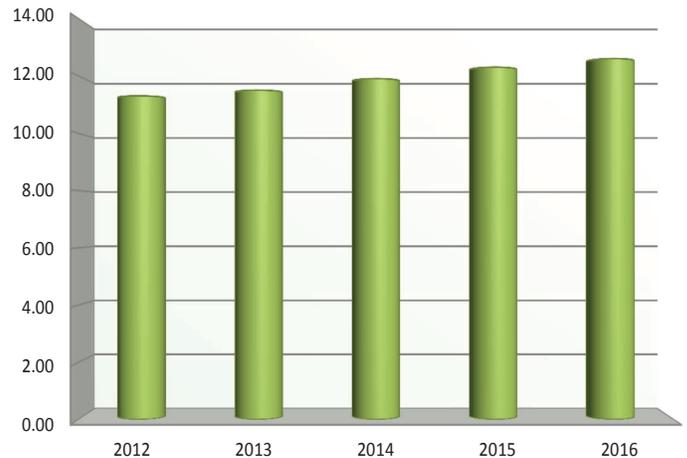
FY 2016 Estimate:	\$63,629,000
% of General Fund:	28.79%
Growth From FY 15:	3,096,100
% Change:	6.11%

City Allocation State Sales Tax

FY 2016 Estimate:	\$12,670,000
% of General Fund :	5.73%
Growth From FY 15:	359,800
% Change:	2.92%

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 2015 was \$72.5. In 2016, the per capita allocation is \$75.50, or a 4.14% increase, with a population of 173,366. The State Sales Tax is expected to increase in FY 2016.

State Sales Tax



Local Option Sales Taxes

FY 2016 Estimate:	\$42,050,000
% of General Fund:	19.03%
Growth From FY 15:	2,192,300
% Change:	5.5%

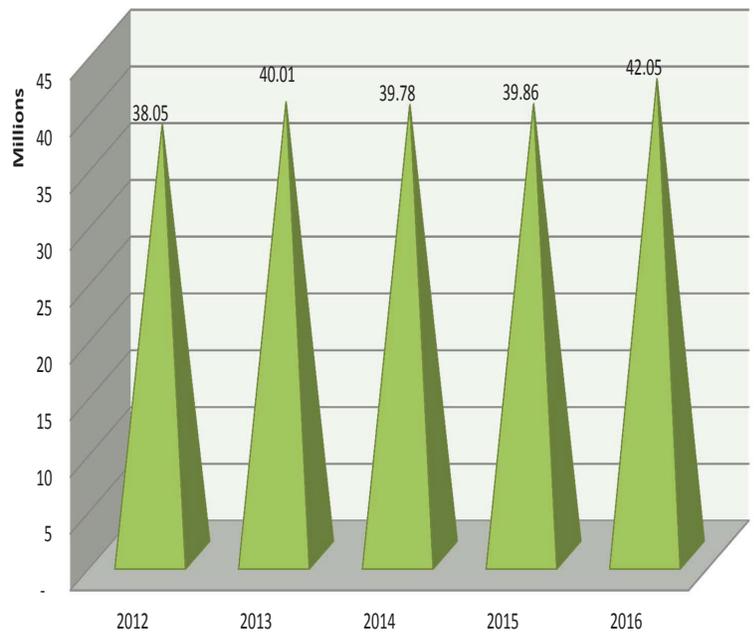
The Local Option Sales Tax, is another principal source of revenue for the City. In accordance with the 1993 Local Option Revenue Act Title 67, Chapter 6, Part 7 of the Tennessee Code Annotated, as amended. The City of Chattanooga and the citizens of Hamilton County have adopted, by referendum, a county-wide 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 increase 5.5% in FY16.

The Local Option Sales Tax represents 19.03% of the total General Fund revenues for FY 2016.

Local Option Sales Tax



Undesignated General Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg
General Fund						
General Government (1)	53,526,225	54,754,080	76,913,478	62,489,483	(14,423,995)	-18.75%
Executive Branch	1,746,952	1,429,661	1,624,069	1,649,127	25,058	1.54%
Finance & Administration	4,651,773	5,166,047	5,444,950	5,895,205	450,255	8.27%
General Services	2,599,080	4,976,277	5,261,126	4,387,986	(873,140)	-16.60%
Human Resources	1,961,369	1,674,282	1,875,347	1,858,496	(16,851)	-0.90%
Economic & Community Dev.	2,161,883	5,820,485	7,284,348	6,926,816	(357,532)	-4.91%
Police	53,604,810	53,608,495	55,561,058	60,667,132	5,106,074	9.19%
Fire	36,370,389	37,744,515	36,587,931	37,342,660	754,729	2.06%
Public Works	32,946,462	26,027,948	27,666,749	26,777,959	(888,790)	-3.21%
Parks & Recreation	13,916,066	-	-	-	-	N/C
Education, Arts, & Culture	2,554,985	-	-	-	-	N/C
Youth & Family Development	-	8,254,506	9,129,446	9,000,162	(129,284)	-1.42%
Transportation	-	9,356,489	10,054,443	10,254,974	200,531	1.99%
Total General Fund	206,039,994	208,812,785	237,402,945	227,250,000	(10,152,945)	-4.28%

(1) Amount includes capital appropriations from reserve fund balance of \$1,996,395 in FY14, \$20,552,945 for FY15 and \$6,250,000 in FY16.

Expenditures

General Government

FY 2016 Appropriation: \$62,489,483
% of General Fund: 27.5%
Decrease From FY 15: (14,423,995)
% Change: -18.75%

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 Budgeting for Outcomes process and hearings with the City Council. The decrease is due to the reduction in the appropriations to Capital Improvements. Major appropriations in the General Government area year-to-year are:

Capital Improvements

FY 2016 Appropriation: \$9,008,728
% of General Fund: 3.96%
Decrease From FY 15: (14,560,217)
% Change: -61.78%

Funds are provided for appropriation to the pay-go capital. The decrease is mainly due to the 2015 Capital appropriation of \$20 million to assist Volkswagen's plant expansion. The FY16 amount was \$6.25 million.

CARTA Subsidy

FY 2016 Appropriation: \$4,980,660
% of General Fund: 2.19%
Decrease From FY 15: (236,780)
% Change: -4.54%

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. In addition, \$63,220 has been provided to match a Congestion Mitigation and Air Quality Grant for Transit Service Expansion to the Enterprise South area.

Chattanooga Public Library

FY 2016 Appropriation: \$5,815,000
% of General Fund: 2.56%
Decrease From FY 15: (77,700)
% Change: -1.32%

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 \$5,800,000 for Operating costs and a new initiative for \$15,000 to assist in the design and implementation of a Civic Engagement Pop-Up Access Point.

Debt Service Fund

FY 2016 Appropriation: 17,504,272
% of General Fund: 7.70%
Increase From FY 15: 19,263
% Change: 0.11%

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 2016 Appropriation: \$6,135,373
% of General Fund: 2.70%
Increase From FY 15: 770,505
%Change: 14.36%

Funds are provided for telecommunications and information technology for all City departments and some agencies. The increase is due to the increased IT Maintenance and Digital Connectivity costs.

Regional Planning Agency

FY 2016 Appropriation 2,231,557
% of General Fund: 1.03%
Decrease From FY15: (130,000)
% Change: -5.24%

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, there was a one time appropriation for Zoning Code update of \$200K.

Executive Branch

FY 2016 Appropriation: \$1,649,127
% of General Fund: 1.00%
Growth From FY 15: 25,058
% Change: 1.54%

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

Department of Finance & Administration

FY 2016 Appropriation: \$5,895,205
% of General Fund: 2.59%
Increase From FY 15: 450,255
% Change: 8.27%

This department oversees all aspects of the City's financial management. The major expenses for this department are personnel costs. The Finance department's increased funding will provide for additional cost in fees paid to handle our tax revenue, cost in treasury area to cover new billing functions, and personnel cost for civilian employees.

Department of General Services

FY 2016 Appropriation: \$4,387,986
% of General Fund: 1.93%
Decrease From FY 15: (873,140)
% Change: -16.6%

This department manages Building & Property Maintenance, and Real Estate. The decrease in FY16 appropriations represents Civic Facilities entering into a contract agreement with the Tivoli Theatre Foundation. The City will fund approximately half of the year's operations for these facilities. The Corresponding revenues will be retained by the Tivoli Foundation to be used for operations.

Department of Human Resources

FY 2016 Appropriation: \$1,858,496
% of General Fund : 0.82%
Decrease From FY 15: (16,851)
% Change: -0.9%

The department oversees the recruitment and hiring of all City personnel. The decrease in appropriations for FY16 is primarily attributable to the retirement of higher paid personnel.

Department of Economic & Community Development

FY 2016 Appropriation: \$6,926,816
% of General Fund: 3.05%
Decrease From FY 15: (357,532)
% Change: -4.91%

The department administers initiatives regarding affordable housing, neighborhood leadership development, economic development, code enforcement, Outdoor Chattanooga, and public art. The FY16 appropriation for the Department of Economic & Community Development decreased as a result of freezing vacant positions.

Department of Police

FY 2016 Appropriation: \$60,667,132
% of General Fund: 26.7%
Increase From FY 15: 5,106,074
% Change: 9.19%

In FY16, increases due to four (4) additional civilian positions for general operations purposes in the newly operating Family Justice Center that will provide services for domestic violence victims in a one stop shop. Other increases are due to an average 1.5% civilian raises, full funding of fringe benefits for sworn employees, and continued funding for the new sworn pay based on years of service structure.

Department of Fire

FY 2016 Appropriation: \$37,342,660
% of General Fund: 16.43%
Increase From FY 15: 754,729
% Change: 2.06%

In FY16, increase are due to continued funding for the new sworn pay plan based on years of service structure and full funding for fringe benefits for sworn employees.

Department of Public Works

FY 2016 Appropriation: \$26,777,959
% of General Fund: 11.78%
Decrease from FY 15: (888,790)
% Change: -3.21%

The Department of Public Works General Fund decrease in FY16 appropriations represents reduction in vehicle costs and the freezing of vacant positions.

Department of Youth & Family Development

FY2016 Appropriation:	\$9,000,162
% of General Fund:	4.51%
Decrease from FY15:	(129,284)
% Change:	-1.42%

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 FY16 appropriation for the Youth & Family Department decreased as a result of freezing vacant positions and anticipation of turnover.

Department of Transportation

FY2016 Appropriation:	\$10,254,974
% of General Fund:	4.51%
Increase from FY15:	200,531
Change:	1.99%

The Department of Transportation includes Traffic Engineering Administration, Street Lighting, Traffic Operations, Transportation Administration, Engineering & Paving. The increase is due to an increase in the transfer to Capital for Street Paving.

Undesignated General Fund Revenue							
Source	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Property Taxes:							
Current Property Taxes	105,925,515	107,424,394	108,800,000	110,985,000	2,185,000	2.01%	50.22%
Interest & Penalty-Current Year	134,159	107,613	134,100	134,000	(100)	-0.07%	0.06%
Interest & Penalty-Prior Year	1,283,658	1,289,047	1,150,000	1,150,000	-	0.00%	0.52%
Prior Year Property Taxes	5,256,731	5,592,347	5,000,000	5,000,000	-	0.00%	2.26%
City Fee-Collection of Delinquent Taxes	279,003	258,144	280,000	280,000	-	0.00%	0.13%
Payments in Lieu of Taxes	9,996,099	10,436,923	10,115,060	10,397,600	282,540	2.79%	4.70%
Total Property Tax	\$ 122,875,165	\$ 125,108,468	\$ 125,479,160	\$ 127,946,600	2,467,440	1.97%	57.89%
Other Local Taxes:							
Franchise Taxes-Chatt Gas	1,503,189	1,518,376	1,985,500	1,898,000	(87,500)	-4.41%	0.86%
Franchise Taxes-Century Tel	14,831	16,487	15,000	17,000	2,000	13.33%	0.01%
Franchise Taxes-Comcast	1,598,153	1,525,228	1,450,000	1,250,000	(200,000)	-13.79%	0.57%
Franchise Taxes-AT&T Mobility	62,759	60,823	57,000	75,000	18,000	31.58%	0.03%
Franchise Taxes-EPB Fiber Optics	691,928	881,613	887,000	1,100,000	213,000	24.01%	0.50%
Corporate Excise Tax-State	66,590	159,535	160,000	109,000	(51,000)	-31.88%	0.05%
Liquor Taxes	2,156,332	2,266,473	2,200,000	2,367,000	167,000	7.59%	1.07%
Beer Taxes	5,597,518	5,730,304	5,730,000	5,350,000	(380,000)	-6.63%	2.42%
Gross Receipts Tax	5,114,910	4,797,472	4,891,700	4,941,000	49,300	1.01%	2.24%
Local Litigation Taxes	3,009	3,230	3,200	3,000	(200)	-6.25%	0.00%
Total Other Local Taxes	\$ 16,809,219	\$ 16,959,541	\$ 17,379,400	\$ 17,110,000	(269,400)	-1.55%	7.74%
Licenses & Permits.:							
Motor Vehicle License	404,150	412,120	410,000	410,000	-	0.00%	0.19%
Liquor by the Drink	154,970	158,338	158,000	161,000	3,000	1.90%	0.07%
Building Permits	1,200,667	1,168,776	1,100,000	1,200,000	100,000	9.09%	0.54%
Other Licenses,Permits, Fees	2,062,221	2,227,911	2,016,840	1,923,600	(93,240)	-4.62%	0.87%
Total Licenses & Permits	\$ 3,822,008	\$ 3,967,145	\$ 3,684,840	\$ 3,694,600	9,760	0.26%	1.67%
Fines, Forfeitures, & Penalties:							
City Court Fines	769,656	754,769	740,700	725,000	(15,700)	-2.12%	0.33%
Criminal Court Fines	110,500	92,542	100,000	115,000	15,000	15.00%	0.05%
Parking Ticket Fines	132,582	45,968	34,000	45,000	11,000	32.35%	0.02%
Other Fines Forfeitures, & Penalties	1,236	305	-	11,000	11,000	#DIV/0!	0.00%
Total Fines, Forfeitures, & Penalties	\$ 1,013,974	\$ 893,584	\$ 874,700	\$ 896,000	21,300	2.44%	0.41%
Investment Income							
Interest on Investments	538,942	515,666	572,000	400,000	(172,000)	-30.07%	0.18%
Sale of Back Tax Lots	387,840	93,282	30,000	30,000	-	0.00%	0.01%
Sale of City Owned Property	145,615	92,450	60,000	60,000	-	0.00%	0.03%
Other Sales	4,519	22,889	14,000	15,000	1,000	7.14%	0.01%
Total Investment Income	\$ 1,076,916	\$ 724,287	\$ 676,000	\$ 505,000	(171,000)	-25.30%	0.23%

Continued on Next Page

Undesignated General Fund Revenue Source	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Revenue from Other Agencies							
Local Option Sales Taxes-GF	40,007,670	39,781,604	39,857,700	42,050,000	2,192,300	5.50%	19.03%
State Beer Tax	82,899	79,340	79,300	81,000	1,700	2.14%	0.04%
Hall Income Tax	4,199,313	3,744,628	3,200,000	3,750,000	550,000	17.19%	1.70%
State Sales Tax	11,544,670	11,948,621	12,310,200	12,670,000	359,800	2.92%	5.73%
State Mixed Drink Tax	2,229,008	2,402,905	2,400,000	2,500,000	100,000	4.17%	1.13%
State Gas Inspection Fees	343,587	343,229	343,000	340,000	(3,000)	-0.87%	0.15%
State Maintenance of Streets	289,567	365,153	304,500	226,000	(78,500)	-25.78%	0.10%
State Alcohol Beverage Tax	112,935	116,580	117,300	120,000	2,700	2.30%	0.05%
State-Special Training Funds	502,921	493,200	535,000	555,000	20,000	3.74%	0.25%
State-Telecom Sales Tax	14,297	17,086	14,000	17,000	3,000	21.43%	0.01%
Ham.County-Ross Landing Plaza	1,207,902	1,053,143	1,000,000	900,000	(100,000)	-10.00%	0.41%
Miscellaneous	522,228	425,224	371,900	420,000	48,100	12.93%	0.19%
Total Revenue from Other Agencies	\$ 61,056,997	\$ 60,770,713	\$ 60,532,900	\$ 63,629,000	3,096,100	5.11%	28.79%
Service Charges:							
City Court Cost	296,739	302,264	295,000	295,000	-	0.00%	0.13%
Clerk's Fee	964,400	959,260	953,200	960,000	6,800	0.71%	0.43%
State Court Cost	1,034	1,342	1,000	1,000	-	0.00%	0.00%
Other Charges for Services	111,219	119,196	88,800	91,100	2,300	2.59%	0.04%
Service Charges	2,044,649	1,822,797	1,627,000	914,200	(712,800)	-43.81%	0.41%
Total Service Charges	\$ 3,418,041	\$ 3,204,859	\$ 2,965,000	\$ 2,261,300	(703,700)	-23.73%	1.02%
Miscellaneous Revenues:							
Indirect Cost	4,160,227	4,189,216	4,386,500	4,538,000	151,500	3.45%	2.05%
Other General Government Misc.	929,279	920,735	871,500	419,500	(452,000)	-51.86%	0.19%
Total Miscellaneous Revenues	\$ 5,089,506	\$ 5,109,951	\$ 5,258,000	\$ 4,957,500	(300,500)	-5.72%	2.24%
Transfers In	46,117	4,419	-	-	-	0.00%	0.00%
Grand Totals	\$ 215,207,943	\$ 216,742,967	\$ 216,850,000	\$ 221,000,000	\$ 4,150,000	1.91%	0.00%

Undesignated General Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of Total
General Government & Agencies:							
AIM Center, Inc.	60,000	60,000	60,000	60,000	-	0.00%	0.03%
Air Pollution	270,820	270,820	270,820	270,820	-	0.00%	0.12%
Arts Build	226,472	275,000	275,000	275,000	-	0.00%	0.12%
Bessie Smith Cultural Center	54,000	54,000	60,000	60,000	-	0.00%	0.03%
Bethlehem Center	25,000	25,000	25,000	25,000	-	0.00%	0.01%
CARCOG & SETDD	38,535	38,535	-	-	-	N/A	0.00%
CARTA	4,772,000	4,867,440	5,217,440	4,980,660	(236,780)	-4.54%	2.19%
Carter Street Corporation	200,000	200,000	200,000	200,000	-	0.00%	0.09%
Chattanooga Urban League	40,000	40,000	100,000	125,000	25,000	25.00%	0.06%
Chattanooga History Center	15,200	15,200	-	-	-	N/A	0.00%
Chattanooga Neighborhood Enterprises	1,087,275	952,008	705,000	705,000	-	0.00%	0.31%
Chattanooga Room in the Inn	-	-	25,000	25,000	-	0.00%	0.01%
Children's Advocacy Center	30,000	30,000	60,000	60,000	-	0.00%	0.03%
Children's Home - Chambliss Shelter	347,500	347,500	350,000	350,000	-	0.00%	0.15%
Choose Chattanooga	16,900	16,900	-	-	-	N/A	0.00%
Community Foundation Scholarships	101,300	101,300	101,300	101,300	-	0.00%	0.04%
Enterprise Center	160,500	160,500	160,500	210,000	49,500	30.84%	0.09%
Enterprise South Nature Park	587,977	651,336	771,878	693,415	(78,463)	-10.17%	0.31%
ESIP Security	52,019	53,611	62,077	62,077	-	0.00%	0.03%
Friends of Moccasin Bend	-	30,000	30,000	30,000	-	0.00%	0.01%
Friends of the Zoo	-	-	25,000	25,000	-	0.00%	0.01%
Fortwood Center	55,000	55,000	57,000	57,000	-	0.00%	0.03%
Girls, Inc	-	-	30,000	30,000	-	0.00%	0.01%
Greater Chattanooga Sports Comm	-	-	100,000	130,000	30,000	30.00%	0.06%
Green Spaces	-	-	-	15,000	15,000	N/A	0.01%
Heritage Hall Fund	82,707	70,300	66,477	65,866	(611)	-0.92%	0.03%
Homeless Coalition	75,000	50,000	50,000	50,000	-	0.00%	0.02%
Homeless Health Center	25,000	13,300	-	-	-	N/A	0.00%
Hope for the Inner City	-	-	75,000	60,000	(15,000)	-20.00%	0.03%
Joe Johnson Mental Health	60,000	60,000	60,000	60,000	-	0.00%	0.03%
LaPaz Chattanooga	-	-	50,000	50,000	-	0.00%	0.02%
Orange Grove	30,000	30,000	98,472	105,188	6,716	6.82%	0.05%
Partnership/Rape Crisis	56,522	56,522	65,000	65,000	-	0.00%	0.03%
Public Library	5,771,950	5,771,950	5,892,700	5,815,000	(77,700)	-1.32%	2.56%
Railroad Authority	15,648	11,364	19,371	11,915	(7,456)	-38.49%	0.01%
Regional Planning Agency	2,247,235	2,422,235	2,481,557	2,351,557	(130,000)	-5.24%	1.03%
Scenic Cities	5,000	5,000	-	-	-	N/A	0.00%
Signal Center	30,000	30,000	80,000	75,000	(5,000)	-6.25%	0.03%
Speech & Hearing Center	67,700	67,700	67,700	67,700	-	0.00%	0.03%
Tennessee Riverpark	1,072,871	1,068,182	1,129,610	1,132,073	2,463	0.22%	0.50%
Water Quality Management Fee	403,988	438,948	450,000	450,000	-	0.00%	0.20%
WTCl -TV 45	85,000	85,000	85,000	75,000	(10,000)	-11.76%	0.03%
Audits, Dues & Surveys	117,680	120,620	231,736	231,736	-	0.00%	0.10%
Capital Improvements	1,122,500	5,696,395	23,568,945	9,008,728	(14,560,217)	-61.78%	3.96%
City Attorney/Operations	1,373,344	1,420,608	1,524,028	1,592,083	68,055	4.47%	0.70%
City Attorney Liability Insurance Fund	730,000	800,000	1,000,000	1,000,000	-	0.00%	0.44%
City Council	829,433	714,079	726,526	736,618	10,092	1.39%	0.32%
City Judges Division 1	423,137	428,279	457,111	468,814	11,703	2.56%	0.21%
City Judges Division 2	418,227	424,831	437,950	442,861	4,911	1.12%	0.19%
Purchasing	-	-	744,970	824,063	79,093	10.62%	0.36%
Contingency Fund	3,018,285	400,511	1,641,244	1,125,000	(516,244)	-31.45%	0.50%
Debt Service Fund	16,942,222	17,668,872	17,485,009	17,504,272	19,263	0.11%	7.70%
Election Expense	264,525	14,917	30,000	-	(30,000)	-100.00%	0.00%
Baby College	-	-	250,000	-	(250,000)	-100.00%	0.00%
Internal Audit	548,264	512,765	587,152	601,677	14,525	2.47%	0.26%
Intergovernmental Relations	115,889	141,551	357,000	315,000	(42,000)	-11.76%	0.14%
T.A.P (tuition & books)	16,091	18,352	20,000	20,000	-	0.00%	0.01%
Renewal & Replacement	1,716,308	356,270	142,054	461,727	319,673	225.04%	0.20%
Information Technology	4,801,828	4,883,671	5,364,868	6,135,373	770,505	14.36%	2.70%
Telecommunications	152,576	64,776	-	-	-	N/A	0.00%
Unemployment Insurance	39,453	73,099	90,000	80,000	(10,000)	-11.11%	0.04%
Education Contribution per TCA 57-4-306	1,114,504	995,037	1,200,000	1,250,000	50,000	4.17%	0.55%
Human Services	1,033,477	1,064,481	-	-	-	N/A	0.00%
Youth and Family Dev/ Social Services	-	-	1,165,000	1,165,000	-	0.00%	0.51%
311 Call Center	579,363	530,315	532,983	601,960	68,977	12.94%	0.26%
Total	\$ 53,526,225	\$ 54,754,080	\$ 76,913,478	\$ 62,489,483	(14,423,995)	-18.75%	27.50%

Undesignated General Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of Total
Executive Branch:							
Mayor's Office	1,127,632	1,230,170	1,291,957	1,314,950	22,993	1.78%	0.58%
Comprehensive Gang Initiative	359,695	-	-	-	-	N/A	0.00%
Multicultural Affairs	259,625	199,491	332,112	334,177	2,065	0.62%	0.15%
Total	\$ 1,746,952	\$ 1,429,661	\$ 1,624,069	\$ 1,649,127	\$ 25,058	1.54%	0.73%
Department of Finance & Administration							
Finance Office	2,327,598	2,769,872	2,658,726	2,760,560	101,834	3.83%	1.21%
City Treasurer	723,529	674,942	887,566	758,202	(129,364)	-14.58%	0.33%
City Court Clerk's Office	1,098,198	1,244,863	1,174,456	1,200,064	25,608	2.18%	0.53%
Delinquent Tax	69,870	64,151	91,000	90,000	(1,000)	-1.10%	0.04%
Capital Planning	-	-	89,633	79,332	(10,301)	-11.49%	0.03%
Office of Performance Management	-	-	150,000	186,725	36,725	24.48%	0.08%
City General Tax Revenue (Trustee Fee) ⁽¹⁾	432,578	412,219	393,569	532,133	138,564	35.21%	0.23%
Municipal Billing & Collection	-	-	-	288,189	288,189	N/A	0.13%
Total	\$ 4,651,773	\$ 5,166,047	\$ 5,444,950	\$ 5,895,205	\$ 450,255	8.27%	2.59%
⁽¹⁾ Was previously reported in Gen Gov & Agencies							
Department of General Services:							
General Services Administration	513,189	515,054	566,821	651,821	85,000	15.00%	0.29%
Purchasing	857,451	750,157	-	-	-	N/A	0.00%
Office of Sustainability	-	-	150,000	98,935	(51,065)	-34.04%	0.04%
Building Maintenance	1,080,755	1,325,260	2,204,725	2,033,129	(171,596)	-7.78%	0.89%
Storage on Main Street	54,097	67,318	74,100	74,575	475	0.64%	0.03%
Real Estate	26,252	28,325	22,450	16,975	(5,475)	-24.39%	0.01%
Property Maintenance	37,754	49,547	-	-	-	N/A	0.00%
Farmer's Market Operations	29,582	3,493	13,950	8,500	(5,450)	-39.07%	0.00%
Mailroom	-	-	77,160	79,051	1,891	2.45%	0.03%
Chattanooga Zoo	-	671,569	675,000	675,000	-	0.00%	0.30%
Memorial Auditorium	-	447,193	471,153	750,000	278,847	59.18%	0.33%
Tivoli Theatre	-	354,168	351,923	-	(351,923)	-100.00%	0.00%
Community Theatre	-	7,846	14,100	-	(14,100)	-100.00%	0.00%
Civic Facilities	-	756,347	639,744	-	(639,744)	-100.00%	0.00%
Total	\$ 2,599,080	\$ 4,976,277	\$ 5,261,126	\$ 4,387,986	\$ (873,140)	-16.60%	1.93%
Department of Human Resources:							
Administration	1,542,648	1,222,416	1,364,271	1,346,968	(17,303)	-1.27%	0.59%
Physicals	7,830	13,630	25,000	20,000	(5,000)	-20.00%	0.01%
Employee's Insurance Office	300,023	347,839	320,884	327,697	6,813	2.12%	0.14%
Safety Programs	9,361	3,236	89,192	98,831	9,639	10.81%	0.04%
Employee's Insurance Program	22,114	2,575	2,200	-	(2,200)	-100.00%	0.00%
Job Injury Administration	79,393	84,586	73,800	65,000	(8,800)	-11.92%	0.03%
Total	\$ 1,961,369	\$ 1,674,282	\$ 1,875,347	\$ 1,858,496	\$ (16,851)	-0.90%	0.82%
Dept of Economic & Community Dev:							
Administration	561,354	682,263	536,777	572,550	35,773	6.66%	0.25%
Grants Administration	56,773	78,332	119,726	-	(119,726)	-100.00%	0.00%
Neighborhood Grants	52,000	50,000	-	-	-	N/A	0.00%
Neighborhood Services	-	463,459	451,670	179,337	(272,333)	-60.29%	0.08%
Economic Development	-	-	632,590	615,058	(17,532)	-2.77%	0.27%
Homeless Outreach Program	-	-	124,750	93,253	(31,497)	-25.25%	0.04%
Codes & Community Services	1,491,756	1,402,658	304,586	485,029	180,443	59.24%	0.21%
Outdoor Chattanooga	-	379,748	382,262	498,502	116,240	30.41%	0.22%
Trust for Public Land	-	100,000	100,000	100,000	-	0.00%	0.04%
Riverpark Art Maint & Mgmt	-	97,596	125,250	125,250	-	0.00%	0.06%
Land Development Office	-	2,536,063	4,479,662	4,186,937	(292,725)	-6.53%	1.84%
Board of Plumbing Examiners	-	1,150	1,975	2,600	625	31.65%	0.00%
Board of Electrical Examiners	-	20,837	13,600	6,650	(6,950)	-51.10%	0.00%
Board of Mechanical Examiners	-	1,446	2,500	2,700	200	8.00%	0.00%
Board of Gas Fitters	-	555	1,500	2,250	750	50.00%	0.00%
Board of Appeals & Variances	-	6,378	7,500	6,700	(800)	-10.67%	0.00%
Abatement & Demolition	-	-	-	50,000	50,000	N/A	0.02%
Total	\$ 2,161,883	\$ 5,820,485	\$ 7,284,348	\$ 6,926,816	\$ (357,532)	-4.91%	3.05%
Department of Police:	\$ 53,604,810	\$ 53,608,495	\$ 55,561,058	\$ 60,667,132	\$ 5,106,074	9.19%	26.70%
Department of Fire:	\$ 36,370,389	\$ 37,744,515	\$ 36,587,931	\$ 37,342,660	\$ 754,729	2.06%	16.43%

Undesignated General Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of Total
Department of Public Works:							
Administration	954,447	754,958	733,498	446,356	(287,142)	-39.15%	0.20%
City Engineer	3,864,903	1,875,874	1,684,411	1,778,980	94,569	5.61%	0.78%
City Wide Services	4,965,186	4,562,825	5,018,919	4,970,616	(48,303)	-0.96%	2.19%
Land Development Office	2,741,904	-	-	-	-	N/A	0.00%
Utilities	187,284	190,882	193,661	184,660	(9,001)	-4.65%	0.08%
Pump Stations, Levee & Storm Stations	65,909	71,521	-	-	-	N/A	0.00%
Traffic Management	3,057,303	-	-	-	-	N/A	0.00%
Street Lighting	3,518,283	-	-	-	-	N/A	0.00%
Solid Waste Disposal	5,773,587	6,403,570	6,500,000	6,210,400	(289,600)	-4.46%	2.73%
Municipal Forestry	802,670	776,443	889,051	881,785	(7,266)	-0.82%	0.39%
Waste Pickup - Brush	1,264,612	1,187,877	1,116,925	1,094,561	(22,364)	-2.00%	0.48%
Waste Pickup -Garbage, Trash Flash & Recyc	5,750,374	4,950,239	6,479,483	6,478,832	(651)	-0.01%	2.85%
Parks Maintenance	-	5,253,759	5,050,801	4,731,769	(319,032)	-6.32%	2.08%
Total	\$ 32,946,462	\$ 26,027,948	\$ 27,666,749	\$ 26,777,959	\$ (888,790)	-3.21%	11.78%
Department of Parks & Recreation:							
Administration	708,103	-	-	-	-	N/A	0.00%
Recreation	7,646,166	-	-	-	-	N/A	0.00%
Parks	5,561,797	-	-	-	-	N/A	0.00%
Total	\$ 13,916,066	\$ -	\$ -	\$ -	\$ -	N/A	0.00%
Department of Education, Arts, & Culture:							
Administration	403,708	-	-	-	-	N/A	0.00%
Civic Facilities	1,787,402	-	-	-	-	N/A	0.00%
Arts & Culture	363,875	-	-	-	-	N/A	0.00%
Total	\$ 2,554,985	\$ -	\$ -	\$ -	\$ -	N/A	0.00%
Department of Youth & Family Dev:							
Administration	-	818,170	522,131	667,033	144,902	27.75%	0.29%
Recreation	-	6,140,664	6,543,800	7,302,671	758,871	11.60%	3.21%
Arts & Culture	-	395,915	394,416	372,021	(22,395)	-5.68%	0.16%
Youth Development	-	899,757	1,669,099	658,437	(1,010,662)	-60.55%	0.29%
Total	\$ -	\$ 8,254,506	\$ 9,129,446	\$ 9,000,162	\$ (129,284)	-1.42%	3.96%
Department of Transportation:							
Traffic Engineering Admin	-	1,162,678	2,092,020	825,881	(1,266,139)	-60.52%	0.36%
Street Lighting	-	3,014,502	2,832,900	2,822,000	(10,900)	-0.38%	1.24%
Traffic Operations	-	2,069,611	2,189,587	2,172,160	(17,427)	-0.80%	0.96%
Transportation Admin	-	826,065	227,936	408,745	180,809	79.32%	0.18%
Engineering	-	-	-	1,095,188	1,095,188	N/A	0.48%
Paving	-	2,283,633	2,712,000	2,931,000	219,000	8.08%	1.29%
Total	\$ -	\$ 9,356,489	\$ 10,054,443	\$ 10,254,974	\$ 200,531	1.99%	4.51%
Expenditure Total	\$ 206,039,994	\$ 208,812,785	\$ 237,402,945	\$ 227,250,000	\$ (10,152,945)	-4.28%	100.00%

Special Revenue Funds

Fiscal Year Ending June 30, 2016

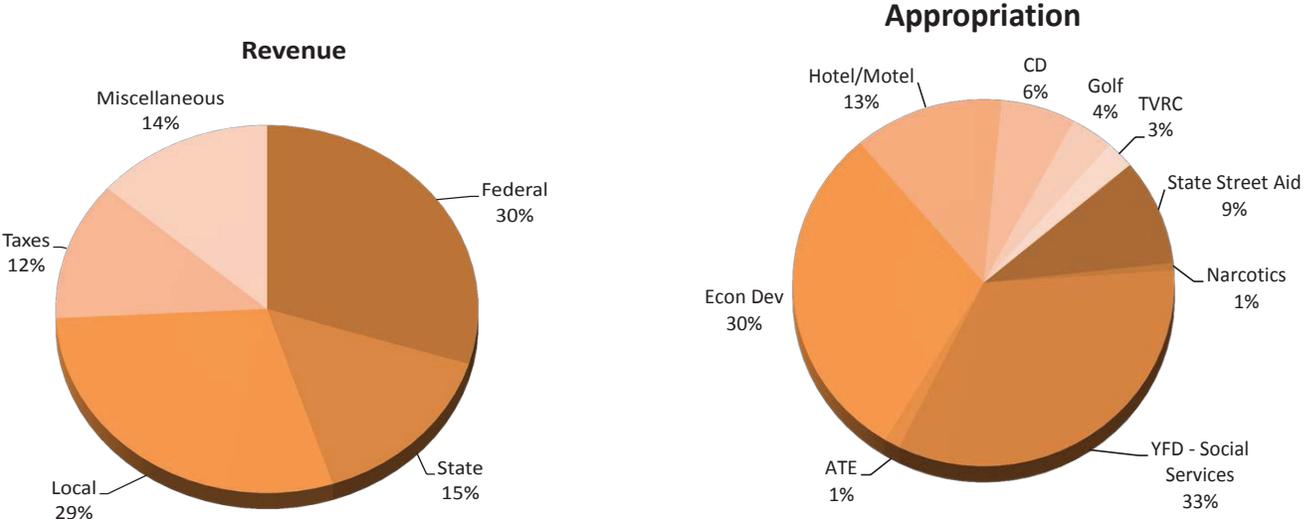
FY 15 Results	Budget Rev & Exp	FY 15 Actual Rev	FY 15 Actual Exp
State Street Aid	4,400,000	4,053,368	3,780,118
YFD - Social Services*	14,102,388	14,082,234	14,079,493
Economic Development Fund	13,641,603	12,093,914	12,172,512
Narcotics	762,000	643,633	694,018
Hotel/Motel Tax Fund	6,673,340	6,368,486	6,597,909
Community Development Fund	2,600,000	2,600,000	2,373,006
Municipal Golf Course	1,800,890	1,520,077	1,736,336
Automated Traffic Enforcement	612,000	1,775,339	1,603,553
Tenn Valley Region Communication	1,067,402	1,301,560	936,232
Total Special Revenue Fund	45,659,623	44,438,611	43,973,177

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

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, Municipal Golf Course Fund, and Tenn Valley Regional Communications. While presented in the chart above, the Economic Development Fund, Golf Course, and Automated Traffic Enforcement are reported as a designated portion of General Fund. For fiscal year ended June 30, 2016 the budgeted revenue and expenses were as follows:

Revenue & Appropriation by Fund \$47,682,582

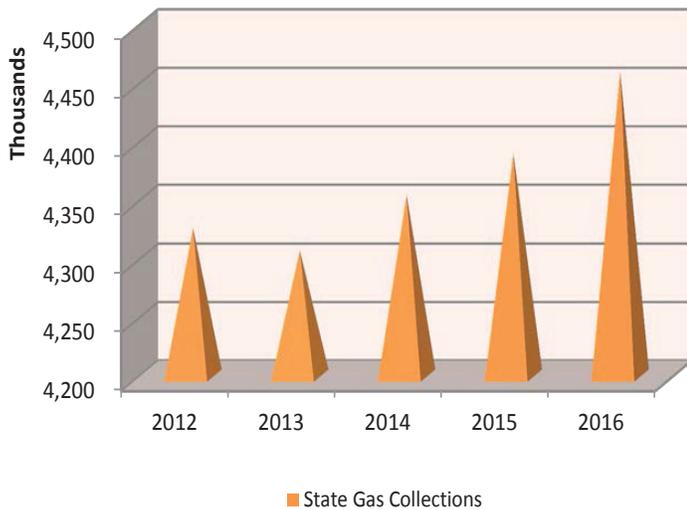
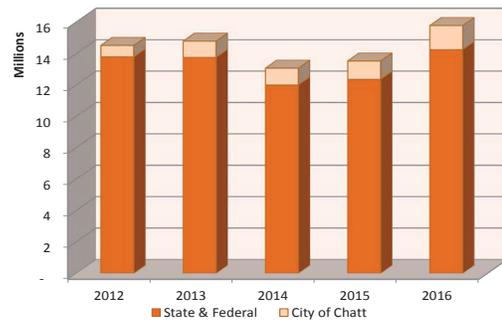


Special Revenue Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg
REVENUES						
State Street Aid	4,314,245	4,376,671	4,400,000	4,474,854	74,854	1.70%
YFD - Social Services	14,484,708	13,174,646	14,102,388	15,915,549	1,813,161	12.86%
Economic Development Fund	11,405,092	11,362,855	13,641,603	14,366,569	724,966	5.31%
Narcotics	1,049,833	259,044	762,000	310,000	(452,000)	-59.32%
Hotel/Motel Tax Fund	5,296,333	5,654,817	6,428,340	6,064,000	(364,340)	-5.67%
Community Development Fund	4,577,713	2,131,319	2,600,000	3,012,777	412,777	15.88%
Municipal Golf Course	1,753,399	1,678,439	1,800,890	1,730,563	(70,327)	-3.91%
Automated Traffic Enforcement	385,812	1,146,453	612,000	642,600	30,600	5.00%
Tenn Valley Region Communication	1,134,304	1,218,786	1,067,402	1,165,670	98,268	9.21%
Total Special Revenue Fund	44,401,439	41,003,030	45,414,623	47,682,582	2,267,959	4.99%

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. The rate for FY16 is \$27.00. In FY14 & FY15, revenue slightly increased and is expected to continue in FY16.



YFD - Social Services Fund

YFD - Social Services receives Federal, State, and City appropriations as well as some program Fees. The fund is anticipating an overall increase of 12.8% due to Federal Funding Increases. However, State Funding has decreased and Program Fees are not projected to offset expenses.

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. In FY13 there was growth of 2% over FY12. In FY 16, an increase of 5.31% or \$724,966 is projected above FY15 due to Sales tax growth and Economic Development Fees on new Pilot Agreements.

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. Total collections tripled in FY13 due to a significant increase in confiscated funds. However, this increase is not expected to be sustainable long term. FY16 budgeted revenue totals \$310,000, which is 52% below FY15 actual collections of \$643,633 due to an expected decrease in confiscated funds.

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 FY16 budgeted revenue totals \$6,064,000, which is 9.13% below FY15 due to the FY16 planned use of fund balance of \$1.12 million.

Community Development

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

The FY16 budgeted revenue totals \$3,012,777, which is a 16% increase over FY15. This increase is due to an expected increase in program income of approximately \$30K. Also note that the FY16 budget amount does include the amounts for the Shelter Plus Care Grant of \$247,287 and the Emergency Solutions Grant of \$150,938. Prior year data does not include this funding.

Municipal Golf Course Fund

Revenues come mainly from green fees and golf cart rentals. Overall, estimated revenues are expected to decrease approximately 3.91% from FY15 budget due to an overall expected decrease in business based on historical trends.

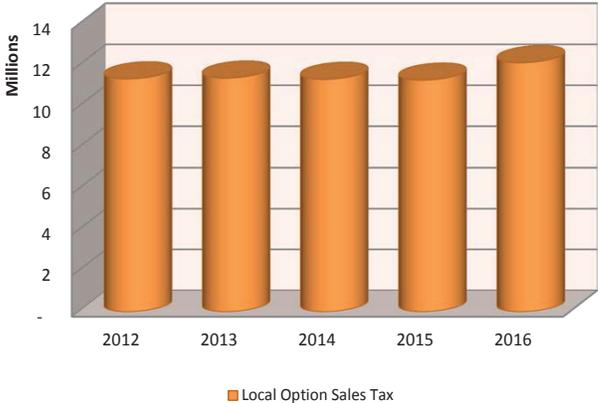
Automated Traffic Enforcement Fund

Revenues comes primarily from automated traffic and speeding fines. The FY16 revenues are estimated at \$642,600 or 5% above FY15 budget of \$612,000. Collections are being increased based on actual collections in FY14 and FY15. Services with a new vendor have been established and actual collections have steadily increased since FY14.

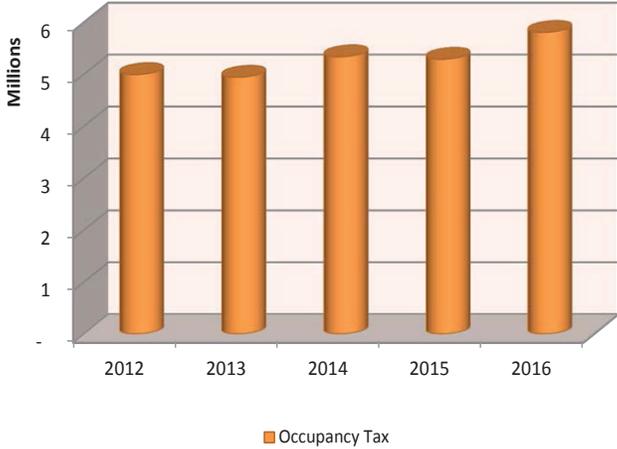
Tennessee Valley Regional Communication Fund

Revenues come mainly from maintenance fees on equipment and member fees for the communications system. Revenues are expected to increase by 9.21% in FY16. Reported as a special revenue fund, it is intended that total fees charged will be sufficient to cover all operations cost excluding depreciation.

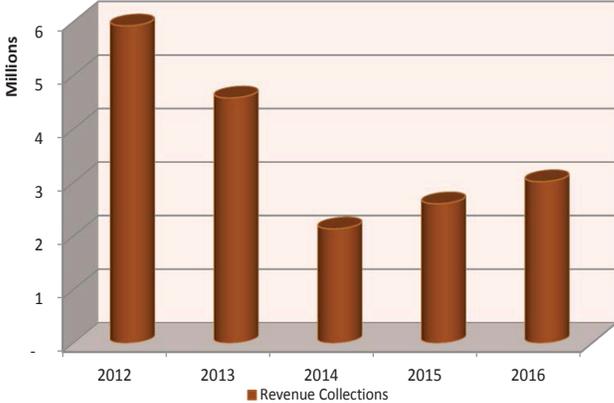
Economic Development Collections



Hotel-Motel Tax Collections



Community Development Collections



Special Revenue Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg
EXPENDITURES						
State Street Aid	4,280,693	3,913,897	4,400,000	4,474,854	74,854	1.70%
YFD - Social Services	14,524,968	13,811,002	14,102,388	15,915,549	1,813,161	12.86%
Economic Development Fund	11,077,647	10,702,072	13,641,603	14,366,569	724,966	5.31%
Narcotics	418,941	547,269	762,000	310,000	(452,000)	-59.32%
Hotel/Motel Tax Fund	4,282,809	4,656,278	6,428,340	6,064,000	(364,340)	-5.67%
Community Development Fund	4,577,713	2,467,736	2,600,000	3,012,777	412,777	15.88%
Municipal Golf Course	2,161,038	2,047,262	1,800,890	1,730,563	(70,327)	-3.91%
Automated Traffic Enforcement	926,730	926,730	612,000	642,600	30,600	5.00%
Tenn Valley Region Communication	922,999	923,003	1,067,402	1,165,670	98,268	9.21%
Total Special Revenue Fund	43,173,538	39,995,249	45,414,623	47,682,582	2,267,959	4.99%

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 road repair and construction costs. Expenses for FY16 are estimated to increase approximately 1.7% from FY15 mainly due to increase in personnel costs.

YFD - Social Services

This fund supports numerous Federal and State Funded Programs which are offset by Federal & State Grants. The expenses to administer the program are also included within the fund overall expenses. Social Service's expenses in FY16 are estimated to increase 12.86% which correlate to the increase in Revenue Projections.

Economic Development Fund

During FY2016, \$9,546,569 will be allocated to lease rental payments for Lease Rental Revenue Bonds on behalf of the Chattanooga Downtown Redevelopment Corporation. 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; Brainerd and Brown Acre. The primary costs are personnel and purchased services. Expenses for FY16 are estimated to decline approximately 3.91% from FY15.

Automated Traffic Enforcement Fund

Funds used to account for automated traffic enforcement operations including student driver training. Expenses for FY16 are estimated to increase 5.0% or \$30,600 compared to FY15.

Tennessee Valley Regional Communication Fund

The Fund is for the Operations, Management, & Maintenance of the 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. Expenses for FY16 are estimated to be \$1,165,670.

Special Revenue Revenue Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg	% of total Budget
State Street Aid (Fund 2050)							
State of Tennessee	4,307,353	4,354,637	4,390,000	4,460,000	70,000	1.59%	9.35%
State Maintenance of Streets	6,892	22,034	7,476	14,700	7,224	97%	0.03%
Other (EPA, FEMA, TEMA)	-	-	2,524	154	(2,370)	-94%	0.00%
Total State Street Aid	\$ 4,314,245	\$ 4,376,671	\$ 4,400,000	\$ 4,474,854	\$ 74,854	1.70%	9.38%
YFD - Social Services (Fund 2030)							
Federal - State Grants	13,370,099	12,001,009	12,362,268	14,250,197	1,887,929	15.27%	29.89%
City of Chattanooga	1,033,477	1,064,481	1,165,000	1,532,292	367,292	31.53%	3.21%
Day Care Fees	54,553	47,762	60,000	41,460	(18,540)	-30.90%	0.09%
Miscellaneous	23,065	58,368	515,120	91,600	(423,520)	-82.22%	0.19%
Interest Income	3,514	3,026	-	-	-	N/A	0.00%
Total YFD - Social Services	\$ 14,484,708	\$ 13,174,646	\$ 14,102,388	\$ 15,915,549	\$ 1,813,161	12.86%	33.38%
Economic Development (Fund 1111)							
Local Option Sales Tax	11,405,092	11,340,990	11,303,400	12,154,000	850,600	7.53%	25.49%
Interest Income	-	21,865	-	-	-	N/A	0.00%
Economic Development Fee	-	-	-	250,500	250,500	N/A	0.53%
Fund Balance	-	-	2,338,203	1,962,069	(376,134)	-16%	4.11%
Total Economic Development	\$ 11,405,092	\$ 11,362,855	\$ 13,641,603	\$ 14,366,569	\$ 724,966	5.31%	30.13%
Narcotics (Fund 9250)							
Confiscated Narcotics Funds	977,856	184,641	702,000	250,000	(452,000)	-64.39%	0.52%
Other	71,977	74,403	60,000	60,000	-	0.00%	0.13%
Total Narcotics	\$ 1,049,833	\$ 259,044	\$ 762,000	\$ 310,000	\$ (452,000)	-59.32%	0.65%
Hotel/Motel Tax (Fund 2070)							
Occupancy Tax	4,966,790	5,343,830	5,295,500	5,814,000	518,500	9.79%	12.19%
SRC Parking Garage Revenue	326,086	302,177	250,000	250,000	-	0.00%	0.52%
Fund Balance	-	-	882,840	-	(882,840)	-100.00%	0.00%
Interest Income	3,457	8,810	-	-	-	N/A	0.00%
Total Hotel/Motel Tax	\$ 5,296,333	\$ 5,654,817	\$ 6,428,340	\$ 6,064,000	\$ (364,340)	-5.67%	12.72%
Community Development (Fund 2060)							
<i>(includes HOME program)</i>							
Federal	4,501,482	1,683,169	2,585,000	2,717,777	132,777	5.14%	5.70%
Miscellaneous/Program	76,231	448,150	15,000	295,000	280,000	1866.67%	0.62%
Total Community Development	\$ 4,577,713	\$ 2,131,319	\$ 2,600,000	\$ 3,012,777	\$ 412,777	15.88%	6.32%
Total Municipal Golf Course (1105)	\$ 1,753,399	\$ 1,678,439	\$ 1,800,890	\$ 1,730,563	\$ (70,327)	-3.91%	3.63%
Automated Traffic Enforcement (Fund 9091)							
Automated Traffic & Speeding Fines	364,745	1,123,756	592,000	622,600	30,600	5.17%	1.31%
Other	21,067	22,697	20,000	20,000	-	0.00%	0.04%
Total Automated Traffic Enforcement	\$ 385,812	\$ 1,146,453	\$ 612,000	\$ 642,600	\$ 30,600	5.00%	1.35%
Tenn Valley Regional Communications (Fund 2110)							
Operations	1,134,304	1,218,786	1,067,402	1,165,670	98,268	9.21%	2.44%
Total TVRC	\$ 1,134,304	\$ 1,218,786	\$ 1,067,402	\$ 1,165,670	\$ 98,268	9.21%	2.44%
Grand Total	\$ 44,401,439	\$ 41,003,030	\$ 45,414,623	\$ 47,682,582	\$ 2,267,959	4.99%	3.79%

Special Revenue Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg	% of total Budget
State Street Aid (Fund 2050)							
Street Maintenance	4,280,693	3,913,897	4,400,000	4,474,854	74,854	1.70%	9.38%
Total State Street Aid	\$ 4,280,693	\$ 3,913,897	\$ 4,400,000	\$ 4,474,854	\$ 74,854	1.70%	9.38%
YFD - Social Services (Fund 2030)							
Administration	760,364	1,177,932	1,660,420	1,532,292	(128,128)	-7.72%	3.21%
Headstart	8,780,584	8,459,500	8,805,681	11,025,681	2,220,000	25.21%	23.12%
Daycare	671,647	699,309	570,000	217,106	(352,894)	-61.91%	0.46%
Foster Grandparents	507,540	495,792	499,481	465,960	(33,521)	-6.71%	0.98%
LIHEAP	3,011,503	2,094,702	1,919,035	1,947,189	28,154	1.47%	4.08%
Community Service Block Grant	601,713	609,853	580,671	580,671	-	0.00%	1.22%
YFD - Social Services Programs	141,772	170,515	41,500	121,050	79,550	191.69%	0.25%
City General Relief	48,818	31,384	25,600	25,600	-	0.00%	0.05%
ARRA	-	-	-	-	-	N/A	0.00%
Other	1,027	72,015	-	-	-	N/A	0.00%
Total YFD - Social Services	\$14,524,968	\$13,811,002	\$14,102,388	\$15,915,549	\$ 1,813,161	12.86%	33.38%
Economic Development (Fund 1111)							
Capital Projects_Economic Development	2,628,542	2,110,000	4,000,000	3,698,460	(301,540)	-7.54%	7.76%
Minority Business Development	75,000	75,000	-	-	-	N/A	0.00%
Enterprise Center	-	-	50,000	200,000	150,000	300.00%	0.42%
Enterprise Center-Innovation District & Innovation Center	-	-	-	275,000	275,000	N/A	0.58%
Chattanooga Chamber of Commerce	450,000	450,000	450,000	450,000	-	0.00%	0.94%
Chamber of Comm Marketing-Enterprise South	75,000	75,000	75,000	75,000	-	0.00%	0.16%
Commission to Hamilton County	123,310	113,410	113,034	121,540	8,506	7.53%	0.25%
Lease Payments	8,947,849	9,144,469	9,553,569	10,146,569	593,000	6.21%	21.28%
Less: Chattanooga Lease Payment offset	(1,232,447)	(1,265,807)	(600,000)	(600,000)	-	0.00%	-1.26%
Tourist Development Zone	10,393	-	-	-	-	N/A	0.00%
Total Economic Development	\$11,077,647	\$10,702,072	\$13,641,603	\$14,366,569	\$ 724,966	5.31%	30.13%
Narcotics (Fund 9250)							
Operations	418,941	547,269	762,000	310,000	(452,000)	-59.32%	0.65%
Total Narcotics	\$ 418,941	\$ 547,269	\$ 762,000	\$ 310,000	\$ (452,000)	-59.32%	0.65%
Hotel/Motel Tax (Fund 2070)							
21st Century Waterfront	-	-	1,550,000	1,020,563	(529,437)	-34.16%	2.14%
River Pier Garage Operations	145,497	132,776	250,000	250,000	-	0.00%	N/A
Hamilton County	30,000	30,000	30,000	30,000	-	0.00%	N/A
Debt Service	4,001,668	4,384,888	4,492,430	4,647,157	154,727	3.44%	9.75%
Hotel/Motel Collection Fee	105,644	108,614	105,910	116,280	10,370	9.79%	0.24%
Total Hotel/Motel Tax	\$ 4,282,809	\$ 4,656,278	\$ 6,428,340	\$ 6,064,000	\$ (364,340)	-5.67%	12.72%
Community Development (Fund 2060) (includes HOME Program)							
Administration	480,000	448,866	440,000	451,687	11,687	2.66%	0.95%
Chattanooga Neighborhood Enterprise	1,402,238	590,610	580,000	115,000	(465,000)	-80.17%	0.24%
Other Community Development Projects	1,681,775	445,890	1,355,000	2,246,090	891,090	65.76%	4.71%
Transfers	1,013,700	982,370	225,000	200,000	(25,000)	-11.11%	0.42%
Total Community Development	\$ 4,577,713	\$ 2,467,736	\$ 2,600,000	\$ 3,012,777	\$ 412,777	15.88%	6.32%
Total Municipal Golf Course (1105)	\$ 2,161,038	\$ 2,047,262	\$ 1,800,890	\$ 1,730,563	\$ (70,327)	-3.91%	3.63%
Automated Traffic Enforcement (Fund 9091)							
Automated Traffic	926,730	926,730	612,000	642,600	30,600	5.00%	1.35%
Total Automated Traffic Enforcement	\$ 926,730	\$ 926,730	\$ 612,000	\$ 642,600	\$ 30,600	5.00%	1.35%
Tenn Valley Regional Communications (Fund 2110)							
Operations	922,999	923,003	1,067,402	1,165,670	98,268	9.21%	2.44%
Total TVRC	\$ 922,999	\$ 923,003	\$ 1,067,402	\$ 1,165,670	\$ 98,268	9.21%	2.44%
Grand Totals	\$43,173,538	\$39,995,249	\$45,414,623	\$47,682,582	\$ 2,267,959	4.99%	100.00%

Enterprise Funds

Fiscal Year Ending June 30, 2016

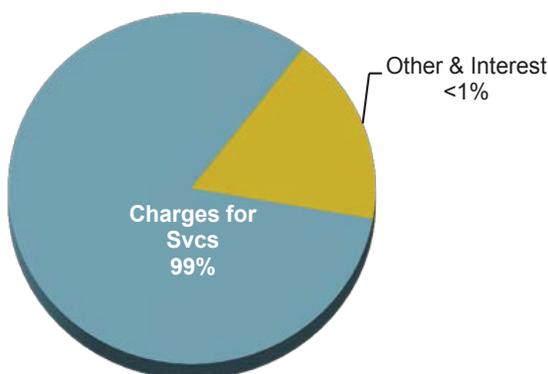
Fund Structure

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 Comprehensive Annual Financial Report (CAFR) shows the status of the funds finances on the basis of Generally Accepted Accounting Principals (GAAP). The City of Chattanooga has three (3) budgeted Enterprise Funds: Interceptor Sewer Fund, Water Quality Management Fund and Solid Waste. As of June 30, 2015 the budgeted revenue and expenses were as follows:

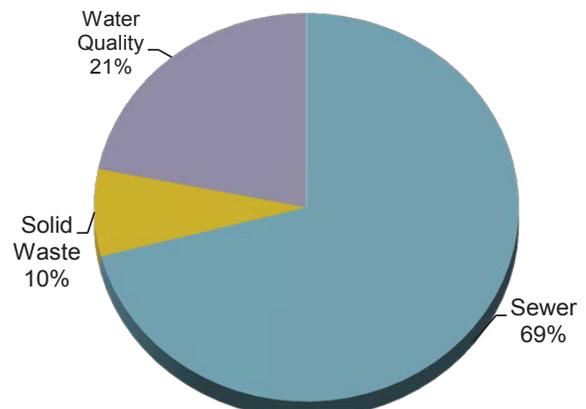
FY 15 Results	Budget Rev & Exp	(unaudited) FY15 Actual Rev	(unaudited) FY15 Actual Exp
Interceptor Sewer Fund	61,446,855	57,996,160	45,015,143
Solid Waste Fund	7,202,000	7,273,728	4,981,088
Water Quality Fund	17,698,397	18,110,639	16,077,590
Total Enterprise Funds	86,347,252	83,380,527	66,073,820

Revenue & Appropriation by Fund \$109,751,622

Revenues



Appropriation



Enterprise Funds						
Expend Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg
Interceptor Sewer System	70,268,527	67,021,061	61,446,855	77,846,000	16,399,145	26.69%
Solid Waste	4,253,116	6,213,410	7,202,000	7,952,000	750,000	10.41%
Water Quality Fund	13,076,612	17,766,878	17,698,397	23,953,622	6,255,225	35.34%
Total Enterprise Funds	87,598,255	91,001,349	86,347,252	109,751,622	23,404,370	27.10%

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. Effective June 26, 2015 sewer service charges for the City are collected via the City Treasurer's Office, based on water meter data provided by the Tennessee-American Water Company, or they are collected through the Hixson Utility District and Eastside Utilities. 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.

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, 2015 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 16 Total Charges (\$/1,000 gal)
First 100,000	\$ 8.54
Next 650,000	6.34
Next 1,250,000	5.15
Next 30,000,000	4.35
Over 32,000,000	4.23

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	\$ 2.1455	\$ 0.7088	\$ 2.8543

If regional customers are billed directly through the water company, the rate shall be two dollars and eighty-six cents (\$2.86) 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	\$ 1.1503	\$ 0.3666	\$1.5169

Monthly Minimum Sewer Service Charges

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

Meter Size	FY16 10/1/2015 Charge per Month
5/8"	\$ 17.55
3/4"	62.62
1"	109.41
1 1/2"	244.88
2"	433.59
3"	1,016.37
4"	1,878.27
6"	4,473.74
8"	7,913.24

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.

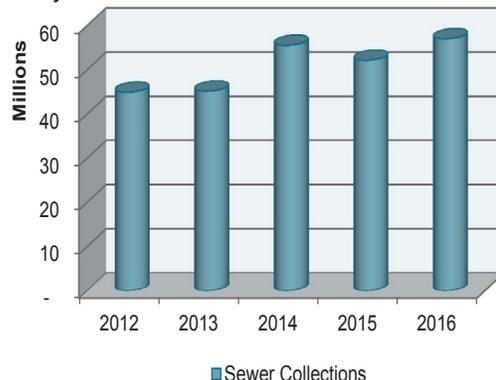
The City has also established the following fees and charges:

- 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 \$100.00 per 1,000 gallons of waste;
- Holding Tank Waste Fee of \$8.54 per 1,000 gallons of waste and
- Garbage Grinders Fee of \$262.00 per month per unit.

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. Increases since FY2013, reflect financing to provide for continuing program of upgrading the City's interceptor sewer system in compliance with EPA consent decree requirements. Following is a history of rate increases since 1988:

FYE 6/30	FYE 6/30	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 2016 9.80%
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

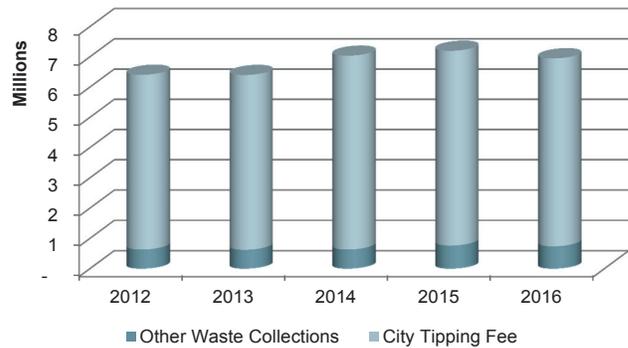
This fund accounts for the costs associated with the disposal of solid waste and recyclable materials. Section 68-31-874 (a) of the Tennessee Code Annotated sets forth the accounting requirements for financial activities related to the management of solid waste. Effective July 1, 1993, it became a requirement 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 City garbage service is the primary customer, General Fund supports the Solid Waste Fund through a General Fund Waste Disposal Fee. The FY15/16 fee of \$6,210,400 accounts for 78% of the total budget. This is a \$225K reduction compared to FY15.

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

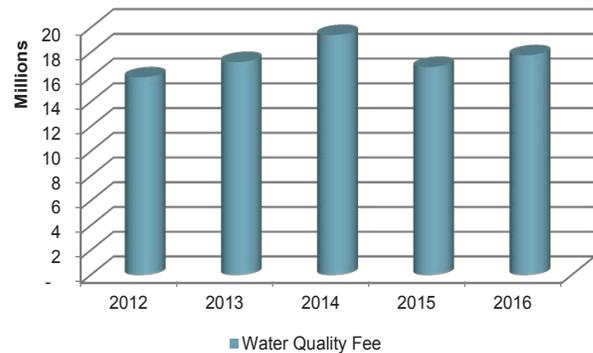
The Water Quality Management Fund was established in 1993 to comply with a Federal mandate for the City to control storm water runoff. The City is required to impose controls to reduce the discharge of pollutants in storm water to the maximum extent practicable using management practices, control techniques 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 ended in fiscal year 2015.

The revenue, \$23,953,622, for this fund is primarily derived from water quality fees FY2016, an increase of \$6.3 million over FY15 budget. This is primarily due to a \$6.2 million planned use of Water Quality reserves to fund pay go capital projects.

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

Water Quality Collections



Enterprise Funds						
Expend Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg
Interceptor Sewer System	70,268,527	67,021,061	61,446,855	77,846,000	16,399,145	26.69%
Solid Waste	4,253,116	6,213,410	7,202,000	7,952,000	750,000	10.41%
Water Quality Fund	13,076,612	17,766,878	17,698,397	23,953,622	6,255,225	35.34%
Total Enterprise Funds	87,598,255	91,001,349	86,347,252	109,751,622	23,404,370	27.10%

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 FY15/16, the operations and maintenance budget increased \$1,434,290, or 4.2%, due to increases required to meet operations, maintenance, and capital requirements based on current agreements with EPA and TDEC-DWPC. The largest changes in the ISS budget for FY15/16 are the \$15M increase in appropriation to capital projects, \$447K increase in the appropriation for solid handling operations at MBWWTP, and \$336K increase in the appropriation for landfill handling at MBWWTP.

The debt service portion of the proposed budget for FY15/16 decreased \$932,928 from FY14/15. 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, services, vehicle, and debt related costs. In FY15/16, there is an overall increase in budget of 10.41% or \$750K due to a \$1 million planned use of Solid Waste reserves to fund pay go capital projects.

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 is 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. Currently, Water Quality has one hundred fifty-two (152) funded positions.

Enterprise Funds Revenue Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Interceptor Sewer System (Fund 6010):							
Sewer Service Charges	41,889,982	51,183,579	49,673,833	54,542,418	4,868,585	9.8%	49.70%
Industrial Surcharges	3,294,838	4,379,526	2,500,000	2,500,000	-	0.0%	2.28%
Septic Tank Charges	316,588	295,219	264,509	290,431	25,922	9.8%	0.26%
Wheelage & Treatment:							
Lookout Mountain, TN	164,100	20,098	233,087	260,218	27,131	11.6%	0.24%
Dade County, GA	13,578	13,201	15,481	16,670	1,189	7.7%	0.02%
Walker County, GA	469,579	426,696	517,234	478,074	(39,160)	-7.6%	0.44%
Collegedale, TN	375,487	421,990	425,754	458,560	32,806	7.7%	0.42%
Soddy-Daisy, TN	241,127	177,426	280,987	317,589	36,602	13.0%	0.29%
East Ridge, TN	1,722,560	1,212,333	2,012,285	2,197,649	185,364	9.2%	2.00%
Windstone	24,765	26,708	29,614	29,751	137	0.5%	0.03%
Hamilton County, TN	939,928	2,669,703	1,030,581	1,148,673	118,092	11.5%	1.05%
Northwest Georgia	765,554	925,140	871,286	979,574	108,288	12.4%	0.89%
Lookout Mountain, GA	64,764	78,904	73,723	77,557	3,834	5.2%	0.07%
Ringgold, GA	397,011	444,297	460,181	506,239	46,058	10.0%	0.46%
Rossville, GA	480,446	535,263	545,017	594,326	49,309	9.0%	0.54%
Red Bank, TN	752,263	515,933	864,099	917,686	53,587	6.2%	0.84%
Debt Service Northwest Georgia	410,074	447,353	447,353	451,017	3,664	0.8%	0.41%
Industrial User Permits	43,761	36,099	41,000	44,000	3,000	7.3%	0.04%
Industrial Violation Fines	4,900	900	-	-	-	N/A	0.00%
Garbage Grinder Fees	90,983	57,024	59,976	69,168	9,192	15.3%	0.06%
Miscellaneous Revenue	206,365	65,756	-	26,400	26,400	N/A	0.02%
Interest Earnings	99,489	139,472	100,000	140,000	40,000	40.0%	0.12%
Fund Balance for Capital	-	-	1,000,855	11,800,000	10,799,145	1079.0%	10.75%
Total Interceptor Sewer	52,768,142	64,072,620	61,446,855	77,846,000	16,399,145	26.7%	70.9%
Solid Waste (Fund 6020):							
Landfill Tipping Fees	380,749	479,009	525,000	512,585	(12,415)	-2.4%	0.47%
Landfill Permit Fees	840	-	-	-	-	N/A	0.00%
City of Chattanooga Tipping Fees	5,773,587	6,403,570	6,435,570	6,210,400	(225,170)	-3.5%	5.66%
Sale of Mulch	84,104	119,558	81,000	81,000	-	0.0%	0.07%
State THHWG	83,675	67,400	85,000	85,000	-	0.0%	0.08%
Misc Revenues	71,123	(30,081)	75,430	63,015	(12,415)	-16.5%	0.06%
Fund Balance	-	-	-	1,000,000	1,000,000	N/A	0.91%
Total Solid Waste	6,394,078	7,039,456	7,202,000	7,952,000	750,000	10.4%	7.2%
Water Quality (Fund 6030):							
Water Quality Fee	17,783,422	19,402,835	16,813,938	17,766,273	952,335	5.7%	16.19%
Land Disturbing Fee	32,493	70,091	25,000	25,000	-	0.0%	0.02%
Misc Revenue	43,122	110,566	1,000	1,000	-	0.0%	0.00%
Fund Balance for Capital	1,546,151	-	858,459	6,161,349	5,302,890	617.7%	5.61%
Total Water Quality	19,405,188	19,583,492	17,698,397	23,953,622	6,255,225	35.3%	21.8%
Grand Totals:	78,567,408	90,695,568	86,347,252	109,751,622	23,404,370	27.1%	100.0%

Enterprise Funds							
Expenditure Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Interceptor Sewer System (Fund 6010):							
Operations & Maintenance:							
Administration	4,048,605	3,820,621	3,465,925	3,761,156	295,231	8.5%	3.43%
Laboratory	735,693	721,157	792,932	854,884	61,952	7.8%	0.78%
Engineering	482,208	498,322	720,401	951,150	230,749	32.0%	0.87%
Plant Maintenance	1,840,286	2,012,553	2,572,354	2,929,878	357,524	13.9%	2.67%
Sewer Maintenance	2,517,368	2,675,119	3,385,202	3,792,998	407,796	12.0%	3.46%
Moccasin Bend - Liquid Handling	12,882,136	10,220,434	13,342,808	12,379,160	(963,648)	-7.2%	11.28%
Inflow & Infiltration	1,943,007	2,286,134	2,188,467	2,389,499	201,032	9.2%	2.18%
Safety & Training	160,425	187,782	161,269	147,665	(13,604)	-8.4%	0.13%
Pretreatment/Monitoring	611,863	578,596	660,750	661,287	537	0.1%	0.60%
Moccasin Bend - Solid Handling	3,336,902	3,478,444	4,627,473	5,075,379	447,906	9.7%	4.62%
Landfill Handling	1,560,288	1,710,381	1,664,000	2,000,000	336,000	20.2%	1.82%
Combined Sewer Overflow	277,236	236,373	341,375	414,190	72,815	21.3%	0.38%
Subtotal O & M	30,396,017	28,425,916	33,922,956	35,357,246	1,434,290	4.2%	32.22%
Pumping Stations							
19th Street	81,464	46,135	68,925	179,000	110,075	159.7%	0.16%
23rd Street	189,518	159,949	200,180	247,005	46,825	23.4%	0.23%
Big Ridge 1 - 5	88,171	189,127	107,760	181,725	73,965	68.6%	0.17%
Brainerd	62,268	70,246	71,434	61,552	(9,882)	-13.8%	0.06%
Citico	381,740	381,237	502,355	748,485	246,130	49.0%	0.68%
Dupont Parkway	45,362	25,999	28,410	51,350	22,940	80.7%	0.05%
East Brainerd	46,646	52,240	56,325	70,650	14,325	25.4%	0.06%
Enterprise South	37,149	23,798	30,645	21,175	(9,470)	-30.9%	0.02%
Friar Branch	233,051	194,334	226,425	337,275	110,850	49.0%	0.31%
Highland Park	33,307	30,190	33,725	44,345	10,620	31.5%	0.04%
Hixson 1,2,3,&4	372,582	285,108	289,883	429,833	139,950	48.3%	0.39%
Latta Street	11,230	20,590	23,715	54,425	30,710	129.5%	0.05%
Mountain Creek	31,782	41,905	90,975	108,750	17,775	19.5%	0.10%
Murray Hills	33,682	56,265	40,520	48,785	8,265	20.4%	0.04%
North Chattanooga	51,156	78,204	46,675	64,925	18,250	39.1%	0.06%
Northwest Georgia	92,583	89,194	68,900	94,500	25,600	37.2%	0.09%
Odor Control Pump Stations	951,254	934,847	900,000	950,000	50,000	5.6%	0.87%
Ooltewah-Collegedale	157,160	119,601	199,575	200,625	1,050	0.5%	0.18%
Orchard Knob	71,236	54,401	80,925	62,280	(18,645)	-23.0%	0.06%
Regional Metering Stations	376	-	-	-	-	N/A	0.00%
Residential Pump Stations	27,826	48,758	41,500	77,775	36,275	87.4%	0.07%
Ringgold Pump Station	61,809	116,640	109,870	159,575	49,705	45.2%	0.15%
River Park	303	332	4,750	5,500	750	15.8%	0.01%
South Chattanooga	6,678	4,792	11,070	17,550	6,480	58.5%	0.02%
South Chickamauga Creek	451,832	519,897	417,390	583,975	166,585	39.9%	0.53%
Tiftonia 1&2	264,004	473,872	146,380	293,250	146,870	100.3%	0.27%
West Chickamauga	6,011	1,976	13,000	58,375	45,375	349.0%	0.05%
Other (Warner Park #1)	-	414	-	3,500	3,500	N/A	0.00%
VAAP	4,854	4,564	9,065	11,975	2,910	32.1%	0.0%
Subtotal Pumping Stations	3,795,034	4,024,615	3,820,377	5,168,160	1,347,783	35.3%	4.7%
Bad Debt Expense	289,774	970,118	-	-	-	N/A	0.00%
Other	4,518,377	3,984,056	500,000	-	(500,000)	-100.0%	0.00%
Depreciation	14,568,654	14,596,519	-	-	-	N/A	0.00%
Capital Improvements Reserves	5,350,000	4,654,000	1,000,855	11,800,000	10,799,145	1079.0%	10.75%
Debt Service & Reserve							
Principal	8,887,783	7,960,510	11,594,500	11,820,068	225,568	1.9%	10.77%
Interest	2,462,888	2,349,315	2,968,389	1,673,485	(1,294,904)	-43.6%	1.52%
Reserve Coverage		56,012	3,490,633	3,627,041	136,408	3.9%	3.30%
	11,350,671	10,365,837	18,053,522	17,120,594	(932,928)	-5.2%	15.6%
Appropriation to Capital	-	-	4,149,145	8,400,000	4,250,855	102.5%	7.65%
Total Interceptor Sewer	70,268,527	67,021,061	61,446,855	77,846,000	16,399,145	26.7%	70.9%

Enterprise Funds Expenditure Fund Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Solid Waste (Fund 6020):							
Recycle	723,032	793,722	967,972	952,251	(15,721)	-1.6%	0.87%
Capital Improvements		46,766		1,000,000	1,000,000	N/A	0.91%
Waste Disposal - City Landfill	1,485,890	1,443,938	2,380,815	2,223,564	(157,251)	-6.6%	2.03%
Compost Waste Recycle	718,382	599,188	882,200	954,254	72,054	8.2%	0.87%
Household Hazardous Waste	70,260	67,400			-	N/A	0.00%
Solid Waste Reserve		363,323	480,532	480,632	100	0.0%	0.44%
Other			140,919	121,026	(19,893)	-14.1%	0.11%
Depreciation	530,840	525,992			-	N/A	0.00%
Debt Service	724,712	2,373,081	2,349,562	2,220,273	(129,289)	-5.5%	2.02%
Total Solid Waste	4,253,116	6,213,410	7,202,000	7,952,000	750,000	10.4%	7.2%
Water Quality (Fund 6030):							
Water Quality Management	2,814,732	3,123,019	3,378,306	4,424,343	1,046,037	31.0%	4.03%
Water Quality Operations	6,194,180	6,664,056	6,867,824	7,489,597	621,773	9.1%	6.82%
Water Quality Site Development	883,777	716,425	978,270	1,137,609	159,339	16.3%	1.04%
Water Quality Engineering	885,283	845,619	832,617	1,438,580	605,963	72.8%	1.31%
Water Quality Public Education	77,400	96,442	91,026	113,984	22,958	25.2%	0.10%
Renewal & Replacement	103,557	107,088	438,335	383,256	(55,079)	-12.6%	0.35%
Capital Improvement	-	3,278,784	3,262,000	7,102,000	3,840,000	117.7%	6.47%
Depreciation and Bad Debt	1,820,774	1,646,415	-	-	-	N/A	0.00%
Debt Service & Reserve	296,909	1,289,030	1,850,019	1,864,253	14,234	0.8%	1.70%
Total Water Quality	13,076,612	17,766,878	17,698,397	23,953,622	6,255,225	35.2%	21.83%
Grand Totals:	87,598,255	91,001,349	86,347,252	109,751,622	23,404,370	27.1%	100.0%



Internal Service Funds

Fiscal Year Ending June 30, 2016

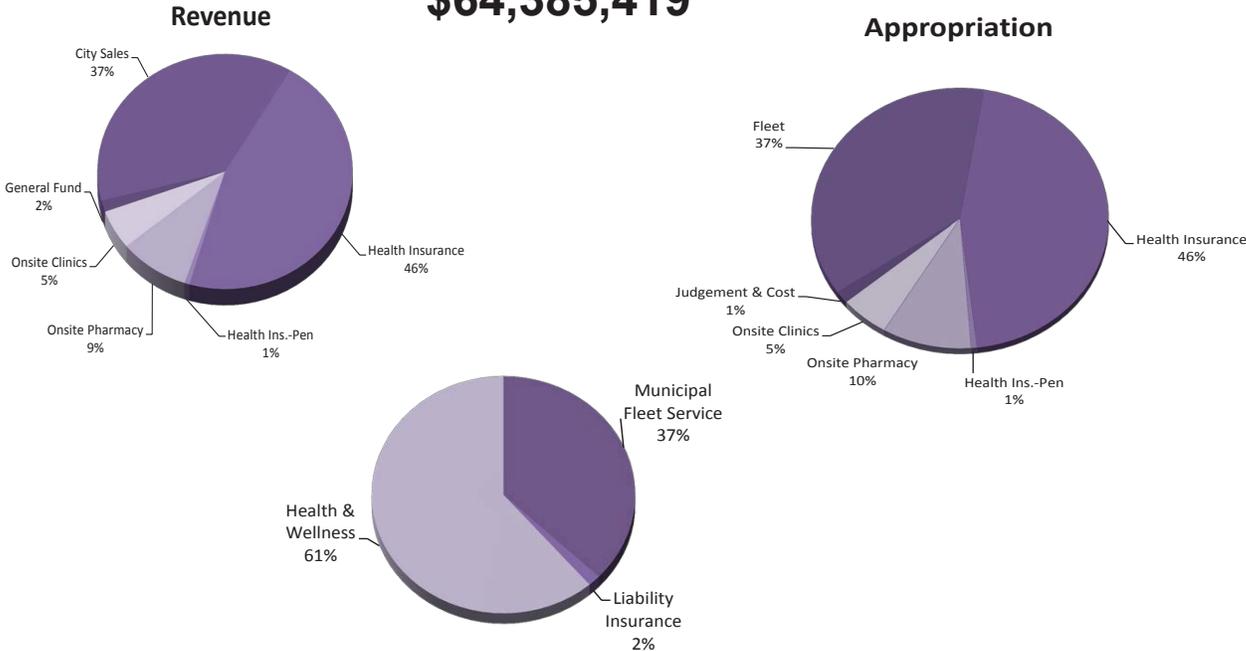
Fund Structure

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.

FY 15 Results	Budget Rev & Exp	Unaudited Actual Rev	Unaudited Actual Exp
Municipal Service Station	\$ 4,299,000	\$ 3,396,399	\$ 3,173,860
Municipal Garage	\$ 7,181,094	\$ 7,606,424	\$ 8,072,073
Fleet Leasing Capital	\$ 4,179,000	\$ 7,408,691	\$ 3,892,663
Fleet Leasing Operations	\$ 3,227,550	\$ 3,361,820	\$ 3,043,566
Liability Insurance	\$ 1,000,000	\$ 800,000	\$ 1,554,353
Health & Wellness Fund	\$ 36,528,350	\$ 37,399,031	\$ 35,919,797
Total Internal Service Fund	56,414,994	59,972,365	55,656,312

Revenue & Appropriation

\$64,385,419



Internal Services Funds					Budget	
Revenue Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg
Municipal Service Station	4,281,625	4,288,297	4,299,000	4,267,479	(31,521)	-0.7%
Municipal Garage	7,299,215	7,030,407	7,181,094	7,510,066	328,972	4.6%
Fleet Leasing Operations	2,912,781	3,247,259	3,227,550	3,330,701	103,151	3.2%
Fleet Leasing Capital	6,763,809	3,521,234	4,179,000	8,800,105	4,621,105	110.6%
Liability Insurance	730,000	800,000	1,000,000	1,000,000	-	0.0%
Health & Wellness Fund	38,162,911	39,149,530	40,085,838	39,477,068	(608,770)	-1.5%
Total Internal Services	60,150,341	58,036,727	59,972,482	64,385,419	4,412,937	7.4%

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 FY16 includes a \$3.6 million use of Fund Balance accumulated for vehicle replacement under the fleet lease program.

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 as well as retiree cost through the Other Post Employment Benefit Trust Fund.

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 are budgeted to increase by 4.58% in FY16. Users will pay a \$72.00 per hour charge for garage services for vehicles that are not part of the lease program. This is a \$7 or 10.8% increase over FY15. For budgeting or planning purposes during FY16, 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 FY16 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 was restored in FY15 and continued for FY16.

Internal Services Funds Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg
Municipal Service Station	4,166,581	4,166,279	4,272,584	4,268,825	(3,759)	-0.1%
Municipal Garage	7,827,167	7,602,655	7,881,364	7,962,414	81,050	1.0%
Fleet Leasing Operations	2,291,137	2,561,117	2,553,696	2,877,007	323,311	12.7%
Fleet Leasing Capital	6,421,579	5,183,752	4,179,000	8,800,105	4,621,105	110.6%
Liability Insurance	252,003	3,194,866	1,000,000	1,000,000	-	0.0%
Health & Wellness Fund	33,733,390	38,542,941	40,085,838	39,477,068	(608,770)	-1.5%
Total Internal Services	54,691,857	61,251,610	59,972,482	64,385,419	4,412,937	7.4%

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.

Expenses

Municipal Fleet Services Fund

Disbursements for these funds are primarily for personnel, fuel, inventory supplies, and vehicle purchases. The City continues to purchase more fuel efficient vehicles in an effort to minimize costs. FY16 projects a 1.0% rise in expenses over FY15 budget for the Garage. As more vehicles are added to the Fleet Leasing program, Leasing Operations cost will continue to rise. FY16 projects an increase of 12.7% over FY15 budget for Leasing Operations and 26% increase overall due to \$4.6M or 111% increase in capital appropriations.

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 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg	% of total Budget
Municipal Service Station (Fund 6501):							
Amnicola Service Station:							
Fleet Fuel-City Sales	1,289,217	1,312,227	1,316,000	1,400,467	84,467	6.42%	2.20%
Fleet Fuel-Outside Sales	33,100	28,088	27,000	16,555	(10,445)	-38.69%	0.03%
Total Amnicola Station	1,322,317	1,340,315	1,343,000	1,417,022	\$ 74,022	5.51%	2.22%
12th & Park Service Station:							
Fleet Fuel- City Sales	2,922,597	2,916,490	2,925,000	2,817,751	(107,249)	-3.67%	4.42%
Fleet Fuel- Outside Sales	36,711	31,492	31,000	32,706	1,706	5.50%	0.05%
Total 12th & Park Station	2,959,308	2,947,982	2,956,000	2,850,457	(105,543)	-3.57%	4.47%
Total Municipal Service Station	\$ 4,281,625	\$ 4,288,297	\$ 4,299,000	\$ 4,267,479	\$ (31,521)	-0.73%	6.69%
Municipal Garage (Fund 6502):							
Amnicola Garage:							
Fleet - Sale of Parts	1,586,836	1,449,331	1,547,000	1,476,897	(70,103)	-4.53%	2.32%
Outside Sale of Parts	292,890	269,686	275,000	209,413	(65,587)	-23.85%	0.33%
Sales - Labor	1,411,788	1,384,009	1,343,000	1,656,774	313,774	23.36%	2.60%
Outside Sales - Labor	191,061	151,670	173,866	191,683	17,817	10.25%	0.30%
Miscellaneous Revenue	848	257	-	-	-	N/A	0.00%
Total Amnicola Garage	3,483,423	3,254,696	3,338,866	3,534,767	\$ 195,901	5.87%	5.54%
12th & Park Garage:							
Fleet - Sale of Parts	1,948,693	1,949,554	1,950,528	2,074,924	124,396	6.38%	3.25%
Outside Sale of Parts	8,543	5,451	7,700	2,000	(5,700)	-74.03%	0.00%
Sales - Labor	1,852,753	1,816,637	1,878,000	1,897,375	19,375	1.03%	2.97%
Outside Sales - Labor	4,955	3,812	6,000	1,000	(5,000)	-83.33%	0.00%
Miscellaneous Revenue	848	257	-	-	-	N/A	0.00%
Total 12th & Park Garage	3,815,792	3,775,711	3,842,228	3,975,299	133,071	3.46%	6.23%
Total Municipal Garage	\$ 7,299,215	\$ 7,030,407	\$ 7,181,094	\$ 7,510,066	\$ 328,972	4.58%	11.77%
Fleet Leasing Operations(Fund 6503)							
Fleet Leased Vehicles	2,597,781	2,870,111	2,813,000	2,948,154	135,154	4.80%	4.62%
Fleet Mileage Surcharge	315,000	377,148	414,550	382,547	(32,003)	-7.72%	0.60%
Total Fleet Leasing Operations	\$ 2,912,781	\$ 3,247,259	\$ 3,227,550	\$ 3,330,701	\$ 103,151	3.20%	5.22%
Fleet Leasing Capital(Fund 6504-6505)							
Damage Settlements	80,683	108,197	113,000	120,000	7,000	6.19%	0.19%
Sale of Surplus Equip/Scrap	461,542	116,311	186,000	150,000	(36,000)	-19.35%	0.24%
Vehicle Replacement Reserve	3,744,890	852,050	1,290,000	4,297,483	3,007,483	233.14%	6.74%
Fleet Mileage Surcharge	476,694	444,676	390,000	562,622	172,622	44.26%	0.88%
Use of Fund Balance	2,000,000	2,000,000	2,200,000	3,670,000	1,470,000	66.82%	5.75%
Transfers In-General Fund	-	-	-	-	-	N/A	0.00%
Transfers In-Economic Development	-	-	-	-	-	N/A	0.00%
Transfers In-Fleet Services	-	-	-	-	-	N/A	0.00%
Transfers In-Gen.Govt. Cap.Fund 4103	-	-	-	-	-	N/A	0.00%
Total Fleet Leasing Capital	\$ 6,763,809	\$ 3,521,234	\$ 4,179,000	\$ 8,800,105	\$ 4,621,105	110.58%	13.79%
Total Fleet Services	\$21,257,430	\$ 18,087,197	\$ 18,886,644	\$ 23,908,351	\$ 5,021,707	26.59%	37.48%
Liability Insurance Fund (0651/6511)							
General Fund Transfer-1100	730,000	800,000	1,000,000	1,000,000	-	0.00%	1.57%
Total Liability Insurance	\$ 730,000	\$ 800,000	\$ 1,000,000	\$ 1,000,000	\$ -	0.00%	1.57%
Health & Wellness Fund (0652)6521-6525							
Dept Prem Empl/Ret Healthcare	27,904,966	29,231,076	29,755,456	20,294,140	(9,461,316)	-31.80%	31.81%
Dept Prem Pensioners	489,323	456,767	479,607	406,672	(72,935)	-15.21%	0.64%
Dept Prem On Site Clinic & Wellness	3,004,324	2,833,068	3,136,201	3,440,662	304,461	9.71%	5.39%
On Site Pharmacy Co Pay & OTC sales	4,406,883	5,047,762	5,241,624	5,677,878	436,254	8.32%	8.90%
Dept Prem Employee Health Center	2,357,415	1,580,857	-	-	-	N/A	0.00%
Ret Healthcare	-	-	-	9,065,594	9,065,594	N/A	14.21%
Use of Fund Balance	-	-	1,472,950	-	(1,472,950)	-100.00%	0.00%
Total Health & Wellness	\$38,162,911	\$ 39,149,530	\$ 40,085,838	\$ 38,884,946	\$ (1,200,892)	-3.00%	60.95%
Grand Total:	\$60,150,341	\$ 58,036,727	\$ 59,972,482	\$ 63,793,297	\$ 3,820,815	6.37%	100.00%

Internal Service Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Budget Inc(Dec)	% chg	% of total budget
Municipal Service Station (Fund 6501):							
Amnicola Service Station							
Salaries & Wages	25,174	26,028	24,354	24,721	367	1.51%	0.04%
Fringes	14,574	14,982	14,467	14,428	(39)	-0.27%	0.02%
Purchased Services	25,549	2,365	10,030	10,000	(30)	-0.30%	0.02%
Materials & Supplies	5,829	5,445	5,100	3,000	(2,100)	-41.18%	0.00%
Vehicle Operating Expenses	861	327	1,000	500	(500)	-50.00%	0.00%
Inventory Supplies	1,239,186	1,237,692	1,294,880	1,295,000	120	0.01%	2.01%
Gov'tl Charges, Taxes, Fees, Misc.	25,882	18,074	23,896	22,742	(1,154)	-4.83%	0.04%
Total Amnicola Station	1,337,055	1,304,913	1,373,727	1,370,391	(3,336)	-0.24%	2.13%
12th & Park Service Station							
Salaries & Wages	43,138	44,348	42,427	43,086	659	1.55%	0.07%
Fringes	23,008	23,554	22,880	22,650	(230)	-1.01%	0.04%
Purchased Services	8,612	7,906	8,600	9,200	600	6.98%	0.01%
Materials & Supplies	3,505	10,707	3,500	2,000	(1,500)	-42.86%	0.00%
Vehicle Operating Expenses	1,320	146	1,500	500	(1,000)	-66.67%	0.00%
Insurance, Claims, Damages	79	73	80	80	-	0.00%	0.00%
Inventory Supplies	2,715,186	2,734,913	2,775,000	2,780,000	5,000	0.18%	4.32%
Capital Outly	-	-	-	-	-	N/A	0.00%
Gov'tl Charges, Taxes, Fees Misc.	34,678	39,719	44,870	40,918	(3,952)	-8.81%	0.06%
Total 12th & Park Station	2,829,526	2,861,366	2,898,857	2,898,434	(423)	-0.01%	4.50%
Total Municipal Service Station	\$ 4,166,581	\$ 4,166,279	\$ 4,272,584	\$ 4,268,825	\$ (3,759)	-0.09%	6.63%
Municipal Garage (Fund 6502):							
Amnicola Garage - Repair & Maint.							
Salaries & Wages	1,070,811	1,026,847	1,110,085	1,095,454	(14,631)	-1.32%	1.70%
Fringes	559,045	568,981	635,527	630,467	(5,060)	-0.80%	0.98%
Purchased Services	393,110	416,583	389,047	395,475	6,428	1.65%	0.61%
Materials & Supplies	47,899	15,109	16,558	17,650	1,092	6.59%	0.03%
Travel	1,287	-	1,550	1,300	(250)	-16.13%	0.00%
Vehicle Operation Expenses	94,635	79,739	94,475	89,500	(4,975)	-5.27%	0.14%
Insurance, Claim, Damages	3,482	3,202	4,000	4,000	-	0.00%	0.01%
Inventory Supplies	1,543,173	1,305,903	1,452,000	1,447,000	(5,000)	-0.34%	2.25%
Capital Outlay	7,718	17,677	5,900	4,700	(1,200)	-20.34%	0.01%
Gov'tl Charges, Taxes, Fees, Misc.	232,167	293,844	303,187	319,995	16,808	5.54%	0.50%
Total Amnicola Garage	3,953,327	3,727,885	4,012,329	4,005,541	\$ (6,788)	-0.17%	6.22%
12th & Park Garage - Repair & Maint.							
Salaries & Wages	1,078,448	1,035,163	1,098,748	1,110,297	11,549	1.05%	1.72%
Fringes	609,853	597,320	656,808	645,861	(10,947)	-1.67%	1.00%
Purchased Services	165,085	188,140	128,937	167,088	38,151	29.59%	0.26%
Materials & Supplies	32,055	23,492	25,700	22,150	(3,550)	-13.81%	0.03%
Travel	-	-	1,500	1,500	-	0.00%	0.00%
Vehicle Operating Expenses	167,772	194,634	177,856	168,000	(9,856)	-5.54%	0.26%
Insurance, Claims, Damages	1,255	1,154	1,200	1,200	-	0.00%	0.00%
Inventory Supplies	1,542,844	1,527,745	1,470,000	1,520,000	50,000	3.40%	2.36%
Capital Outlay	2,423	25,739	7,000	7,400	400	5.71%	0.01%
Gov'tl Charges, Taxes, Fees, Misc.	274,105	281,383	301,286	313,377	12,091	4.01%	0.49%
Total 12th & Park Garage	3,873,840	3,874,770	3,869,035	3,956,873	87,838	2.27%	6.15%
Total Municipal Garage	\$ 7,827,167	\$ 7,602,655	\$ 7,881,364	\$ 7,962,414	\$ 81,050	1.03%	12.37%
Fleet Leasing Operations(Fund 6503)							
Vehicle Operating Expenses	2,291,137	2,561,117	2,553,696	2,877,007	323,311	12.66%	4.47%
Total Fleet Leasing Operations Progr	\$ 2,291,137	\$ 2,561,117	\$ 2,553,696	\$ 2,877,007	323,311	12.66%	4.47%
Fleet Leasing Capital(Fund 6504-6505)							
Capital Outlay	4,421,579	3,183,752	1,979,000	5,130,105	3,151,105	159.23%	7.97%
Fund Balance Reserve	2,000,000	2,000,000	2,200,000	3,670,000	1,470,000	66.82%	5.70%
Total Fleet Leasing Capital Program	\$ 6,421,579	\$ 5,183,752	\$ 4,179,000	\$ 8,800,105	4,621,105	110.58%	13.67%
Total Fleet Services	\$ 20,706,464	\$ 19,513,803	\$ 18,886,644	\$ 23,908,351	5,021,707	26.59%	37.13%
Liability Insurance (Fund 6511)							
Special Council & Claims	252,003	3,194,866	1,000,000	1,000,000	-	0.00%	1.55%
Total Liability Insurance	\$ 252,003	\$ 3,194,866	\$ 1,000,000	\$ 1,000,000	-	0.00%	1.55%

Internal Service Fund Expenditure Summary	Actual 13	Actual 14	Budget 15	Budget 16	Inc(Dec)	% chg	% of total
Health & Wellness (Fund 6521-6525)							
Employee/Retiree Healthcare	24,698,311	29,392,510	30,504,540	20,294,140	(10,210,400)	-33.47%	31.52%
Pensioners	495,623	462,309	479,607	406,672	(72,935)	-15.21%	0.63%
On Site Clinic & Wellness	3,343,293	2,933,574	3,127,390	3,440,662	313,272	10.02%	5.34%
On Site Pharmacy	5,196,163	5,754,548	5,974,301	6,270,000	295,699	4.95%	9.74%
Retiree Healthcare	-	-	-	9,065,594			\$ 0
Total Health & Wellness	\$ 33,733,390	\$ 38,542,941	\$ 40,085,838	\$ 39,477,068	(608,770)	-1.52%	61.31%
Grand Totals	\$ 54,691,857	\$ 61,251,610	\$ 59,972,482	\$ 64,385,419	4,412,937	7.36%	100.00%



Civic Engagement

Chattanooga is committed to initiatives that engage citizens through public forums and community meetings to make a positive impact on the future of Chattanooga.

DEPARTMENTS

General Government

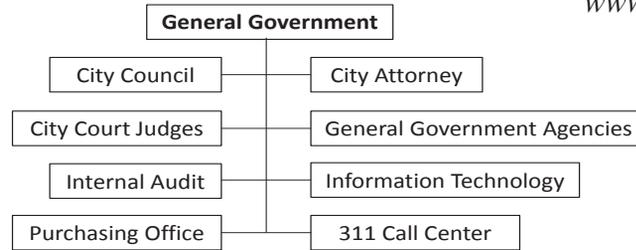
www.chattanooga.gov

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 provides support to every department, division, and function of City government. Services include procuring all supplies, equipment, materials, and services required for City operations.



Goals & Objectives

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

1. 100% consideration of all citizens requests and concerns which pertain to legislative matters.
2. Council minutes to be made available to any concerned party within 2 workdays after completion of a Council meeting.
3. 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.

1. Hear 100% of cases reported to be in violation of any city ordinance and applicable traffic violations.
2. 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

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

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

1. Increase overall partner satisfaction with IT services by more than 25%.
2. Increase technology standardization and reuse by 30%.
3. Increase the City's technological maturity and sustainability by 20%.

To Increase the customer experience of 311 callers

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

Improve the efficiency and quality of the Purchasing Process

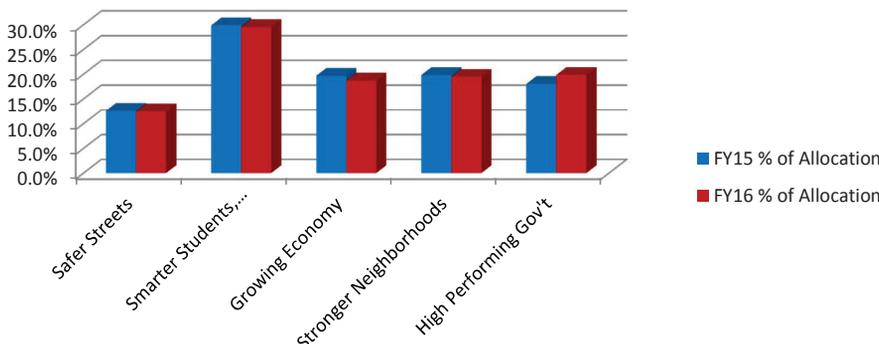
1. Standardize, measure, evaluate, and innovate operations to improve engineering the purchasing process and reducing paper processes.

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
City Attorney - Provide Monthly/Qtrly Claims Risk Report	N/A	N/A	N/A	100%
City Attorney - Reduction of Response time for TORA Requests	N/A	N/A	N/A	20%
City Attorney - Reduction in lifecycle of Adm. Claims	N/A	N/A	N/A	20%
City Attorney - Reduce Legal Expenses 20% via new agreements	\$ 303,507	N/A	\$ 506,124	\$ 404,900
City Council - # of Days from Council Meeting to minutes	2	2	2	2
City Auditor - Number of Projects (CY)	68	75	86	75
City Auditor - Pass Rating on Peer Review (3 year)	Yes	Yes	Yes	Yes
City Auditor - All professional staff certified	Yes	Yes	Yes	Yes
IT - % System Uptime	87.06%	90.75%	90.2%	94%
IT - Decrease % of Legacy systems / Equipment	51.57%	38%	41.28%	25%
IT - Helpdesk Service Perf - Satisfaction	50.47%	55%	83.10%	65%
311 - # of Service requests created	137,893	N/A	154,546	160,000
311 - % of Service requests closed	96.4%	100%	97.1%	100%
311 - Hold Time	18.25	14%	21.00	10.00
311 - Dropped Call Rate	42.1%	20%	37%	10%
311 - Average Talk Time	14 Min	10 Min	11 Min	8 Min
Purchasing - Avg. Cost per Purchase Order	59	\$53.24	\$47.07	\$53
Purchasing - Customer Satisfaction (Internal)	N/A	90%	80.77 %	90%
Purchasing - % of Diverse Suppliers	N/A	14%	12.49%	15%
Purchasing - % of Local Suppliers	N/A	N/A	58.29%	60%

Department Summary	Actual FY13	Actual FY14	Budget FY15	Budget FY16
City Council Office	\$ 829,432	\$ 714,079	\$ 726,526	\$ 736,618
Office of City Court Judges	841,363	853,113	895,061	911,675
Office of City Attorney	1,373,343	1,420,608	1,524,028	1,592,083
Supported Agencies	18,908,828	19,050,184	20,321,902	19,639,571
Debt Service	16,942,222	17,668,872	17,485,009	19,204,000
Liability Insurance Fund	730,000	800,000	1,000,000	1,000,000
311 Call Center	579,362	595,092	516,492	601,677
Internal Audit	548,265	512,764	587,152	601,960
Information Technology	4,954,405	4,883,672	5,381,359	6,135,373
Purchasing (Moved to Gen Gov't FY15)	-	-	744,970	824,063
Other General Government Activities	7,929,217	8,255,700	6,562,034	4,992,463
Total Expenditures	\$ 53,636,437	\$ 54,754,084	\$ 55,744,533	\$ 56,239,483
Population	171,279	173,366	173,366	173,366
Per Capita	\$313.15	\$315.83	\$321.54	\$324.40
Positions Authorized	90	107	107	111

Resources	Actual FY13	Actual FY14	Budget FY15	Budget FY16
Personnel	\$ 7,081,858	\$ 6,958,350	\$ 7,528,510	\$ 8,728,992
Overtime	16,507	18,262	400	10,400
Operating	46,538,072	47,777,472	48,215,623	47,500,091
Revenue	-	-	-	-

General Government Results Area Allocation FY15 vs FY16



Supported Agencies

www.chattanooga.gov/finance/community-agency-support

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 2015/2016 per City of Chattanooga Ordinance #12953.

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 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 2014, more than 800,000 citizens in the greater Chattanooga area benefited from ArtsBuild's programs and Cultural Partner organizations.

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

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 (CARTA)

CARTA 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. CARTA is pursuing a Congestion Mitigation and Air Quality Grant for Federal/State funds for the expansion of service to the Enterprise South Industrial Park.

City's Contribution.....\$4,980,660

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.....\$125,000

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.....\$5,815,000

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 immanent 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.....\$350,000

Community Foundation of Greater Chattanooga

Provides needs-based renewable college scholarships which target 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 mission is to organize and leverage the research, educational and technological resources of the City of Chattanooga and Hamilton County around the following areas: Bridging the digital divide with communities; Building on Chattanooga's gigabit-per-second infrastructure; and, Creating a distinct location to recruit and build new technology based businesses. Enterprise Center serves as the core of the Chattanooga Innovation District which serve as a connecting point, support base, and catalyst for the local entrepreneur ecosystem.

City's Contribution\$210,000

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.....\$693,415

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

Friends of Moccasin Bend

The purpose of the Friends of Moccasin Bend is to partner with the National Park Service to preserve, protect and interpret the cultural, historical and natural resources of the Moccasin Bend National Archeological District. In this partnership, the friends 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. The appropriation was awarded to support the IRONMAN Chattanooga & the 70.3 IRONMAN Events.

City's Contribution.....\$130,000

GreenSpaces

The organization is engaged in charitable, scientific, literary or educational activities in developing and improving environmental standards and practices for commercial and residential buildings for the benefit of the general public.

City's Contribution.....\$15,000

Helen Ross McNabb (aka 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

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.....\$65,866

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.....\$60,000

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 needs 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.....\$105,188

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.....\$11,915

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.....\$2,351,557

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' constant focus by providing a safe and rich environment.

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

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.....\$1,165,000

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.....\$1,132,073

WTCI Tennessee Valley PBS

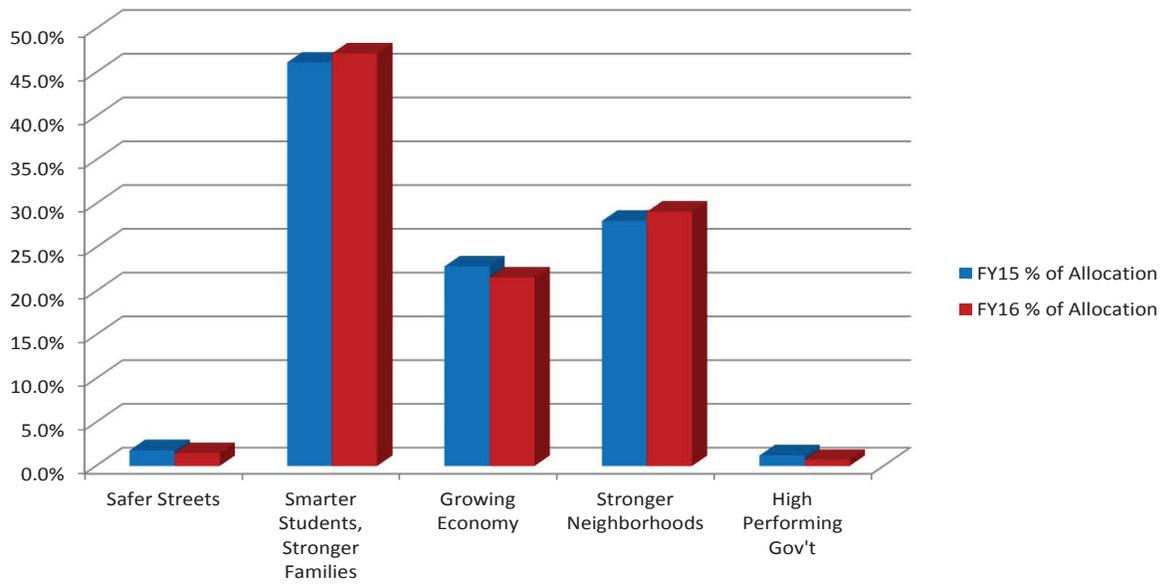
This is a locally owned PBS licenced affiliate serving the Tennessee Valley. The overall mission is to provide informational, educational, and quality cultural television programs to the people of the Greater Chattanooga and Hamilton County community on Channel 45. The station provides information on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

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

Agencies	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
AIM Center, Inc	60,000	60,000	60,000	60,000
Air Pollution Control Bureau	270,820	270,820	270,820	270,820
Alexian Brothers Senior Neighbors	12,720	0	0	0
ARTS Build	226,472	275,000	275,000	275,000
Baby College Fund - YFD	0	0	250,000	-
Bessie Smith Cultural Center	54,000	54,000	60,000	60,000
Bethlehem Center	25,000	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	38,544	0	0
Chattanooga Public Library	5,771,950	5,771,950	5,892,700	5,815,000
Chattanooga Area Regional Transportation Authority (CARTA)	4,772,000	4,867,440	5,217,440	4,980,660
Chattanooga Area Urban League	40,000	40,000	100,000	125,000
Chattanooga History Center	15,200	15,200	0	0
Chattanooga Zoo	0	0	25,000	25,000
Chattanooga Neighborhood Enterprises	1,087,275	900,000	705,000	705,000
Chattanooga Room in the Inn	0	0	25,000	25,000
Children's Advocacy Center	30,000	30,000	60,000	60,000
Children's Home - Chambliss Shelter	347,500	347,500	350,000	350,000
Choose Chattanooga	16,900	16,900	0	0
Community Foundation Scholarships	101,300	101,300	101,300	101,300
Enterprise Center	160,500	160,500	160,500	210,000
Enterprise South Nature Park	587,977	705,973	771,878	693,415
ESIP Security	52,019	62,077	62,077	62,077
Friends of Moccasin Bend	30,000	30,000	30,000	30,000
Girls, Inc.	0	0	30,000	30,000
Greater Chattanooga Sports & Events	0	0	100,000	130,000
Green Spaces	0	0	0	15,000
Helen Ross McNabb (aka Fortwood Center)	55,000	55,000	57,000	57,000
Heritage Hall	82,707	70,300	66,477	65,866
Homeless Healthcare Center	25,000	13,300	0	0
Homeless Coalition	75,000	0	50,000	50,000
Hope for the Inner City	0	0	75,000	60,000
Joe Johnson Mental Health	60,000	60,000	60,000	60,000
LaPaz Chattanooga	0	0	50,000	50,000
Orange Grove	30,000	30,000	98,472	105,188
Partnership/Rape Crisis	56,522	56,522	65,000	65,000
Railroad Authority	15,648	14,844	19,371	11,915
Regional Planning Agency	2,247,235	2,422,235	2,481,557	2,351,557
RiverCity	67,500	0	0	0
Scenic Cities Beautiful	5,000	5,000	0	0
Signal Center	30,000	30,000	80,000	75,000
Speech & Hearing Center	67,700	67,700	67,700	67,700
Social Services - YFD	1,033,477	1,064,481	1,165,000	1,165,000
Tennessee Riverpark	1,072,871	1,102,654	1,129,610	1,132,073
WTCL TV 45	85,000	85,000	85,000	75,000
TOTAL	18,908,828	19,049,240	20,321,902	19,639,571

Agencies	FY15 Allocation		FY16 Allocation	
	Amount	%	Amount	%
Safer Streets	364,077	1.8%	289,077	1.5%
Smarter Students, Stronger Families	9,375,683	46.1%	9,263,452	47.2%
Growing Economy	4,640,525	22.8%	4,233,737	21.6%
Stronger Neighborhoods	5,697,440	28.0%	5,712,440	29.1%
High Performing Gov't	244,177	1.2%	140,866	0.7%
	20,321,902	100.0%	19,639,572	100.0%

Agency Results Area Allocation FY15 vs FY16





Economic Development

www.chattanooga.gov

Description:

In 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 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Capital Fund	2,628,542	2,110,000	4,000,000	3,698,460
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	50,000	475,000
Chamber of Commerce - Minority Business Development	25,000	25,000	0	0
Chattanooga Area Urban League - Minority Business Development	50,000	50,000	0	0
Commission to Hamilton County	123,310	113,410	113,034	121,540
Net Debt Service	7,715,402	7,878,662	8,953,569	9,546,569
Tourist Development Debt Service	10,393	0	0	0
Total Expenditures	\$ 11,077,647	\$ 10,702,072	\$ 13,641,603	\$ 14,366,569
City Only Sales Tax	\$ 11,415,485	\$ 11,340,990	\$ 11,303,400	\$ 12,154,000
Economic Development Fee	0	0	0	250,500
Unassigned Fund Balance	0	0	2,338,203	1,962,069
Total Revenues	\$ 11,415,485	\$ 11,340,990	\$ 13,641,603	\$ 14,366,569
Per Capita	\$ 66.07	\$ 63.83	\$ 78.69	\$ 82.87

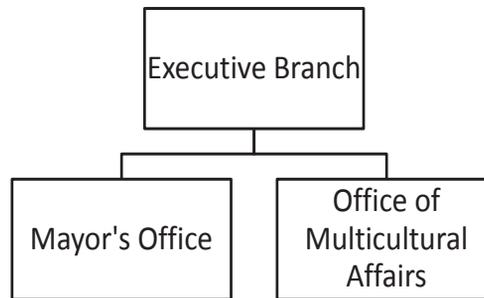


Executive Branch

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.

1. Ensure that every Chattanooga feels safe in their neighborhood.
2. Grow stronger neighborhoods and a thriving, diverse economy.
3. Provide opportunities for students to grow smarter and families to grow stronger.
4. 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.

1. Provide the resources and information diverse businesses need to compete for opportunities with the City of Chattanooga.
2. Partner with the small business services community to prepare diverse businesses for City procurement opportunities.
3. 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

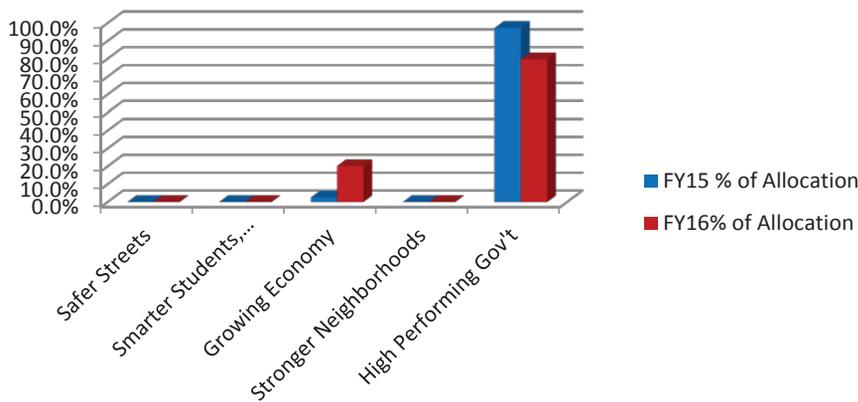
1. Create opportunities for meaningful civic and community engagement for City employees and citizens of Chattanooga.
2. Facilitate the City's Employee Diversity Council and Employee Resource Groups.
3. Track quarterly the City's record of diversity hiring and promotion; report annually to the Mayor and City Council.

Department Summary				
	Actual FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Mayor's Office	\$ 1,127,629	\$ 1,230,170	\$ 1,293,969	\$ 1,314,950
Office of Multicultural Affairs	\$ 259,624	\$ 199,495	\$ 325,874	\$ 334,177
Prior Mayoral Initiatives	\$ 359,695	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,746,948	\$ 1,429,665	\$ 1,619,843	\$ 1,649,127
Per Capita	\$ 10.42	\$ 8.35	\$ 9.34	\$ 9.51
Positions Authorized	15	14	13	13

Resources				
	Budget FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 1,505,375	\$ 1,281,296	\$ 1,476,459	\$ 1,473,055
Overtime	0	0	0	0
Operating	241,573	148,369	143,384	176,072
Revenue	0	0	0	0

Office of Multicultural Affairs Performance Measures	Actual FY 14	Goal FY 15	Actual FY 15	Goal FY 16
Diverse Business Engagement	7.2%	14.0%	12.5%	14.0%
Host Quarterly "Doing Business with the City" workshops	Yes	Yes	Yes	Yes
Expand the Reach of OMA (# of Community Members)	3,000	5,000	4,628	5,000
Host Quarterly City Diversity Council Meetings	Yes	Yes	Yes	Yes
Complete City Employee Survey	Yes	Yes	Yes	No

Executive Results Area Allocation FY15 vs FY16



Finance & Administration

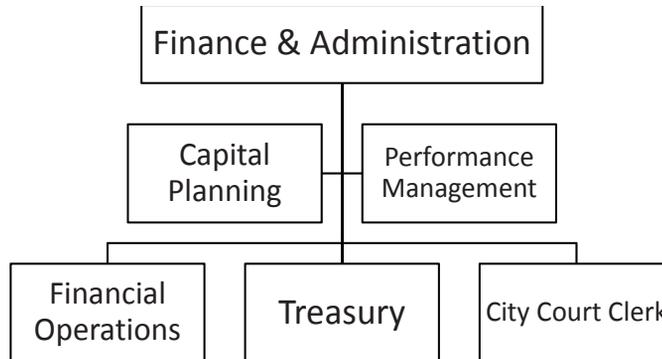
www.chattanooga.gov/finance

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, Payroll, Capital Planning and Performance Management.



Goals & Objectives:

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

1. Propose and maintain a balanced budget that accounts for recurring revenue and cost.
2. Develop an accurate and prudent economic revenue forecast.
3. 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.

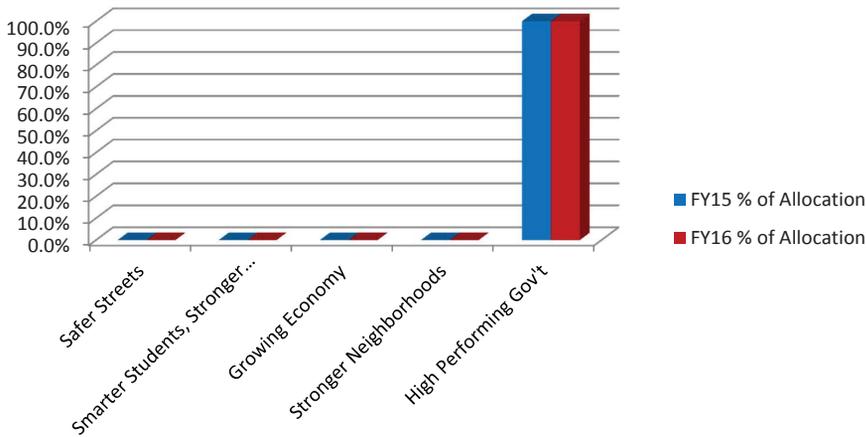
1. Maximize revenue collection.
2. Increase collection efficiency.
3. Maintain best use and investment of assets.
4. Ensure 100% GAAP compliance.
5. Compliance with law.

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
Cash Management Yield on investment portfolio	0.35%	0.5%	0.57%	0.5%
% of Current Levy Collected	94.5%	95.0%	94.5%	95.0%
Annual Debt Service Requirement as % of General Fund	10.6%	5.0%	10.8%	5.0%
Bond Rating by Standard & Poor's	AAA	AAA	AAA	AAA
Bond Rating by Fitch Ratings Ltd.	AA+	AAA	AA+	AAA

Department Summary				
	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Finance	\$2,760,173	\$3,182,092	\$3,166,794	\$3,292,693
Treasurer	793,398	739,093	968,467	848,202
City Court Clerk	1,098,196	1,244,863	1,193,639	1,200,064
Capital Planning	0	0	91,194	79,332
Performance Mgmt	0	0	150,000	186,725
Municipal Billing	0	0	0	288,189
Total Expenditures	\$ 4,651,767	\$ 5,166,048	\$ 5,570,094	\$ 5,895,205
Per Capita	\$ 27.74	\$ 30.81	\$ 32.13	\$ 34.00
Positions Authorized	68	68	67	69

Resources				
	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Personnel	\$ 3,550,586	\$ 3,822,262	\$ 4,110,496	\$ 4,415,324
Overtime	2,328	3,948	1,000	1,000
Operating	1,098,859	1,339,841	1,458,598	1,478,881
Revenue	207,135,989	209,063,052	209,846,460	206,946,312

Finance Results Area Allocation FY15 vs FY16



General Services

www.chattanooga.gov/general-services

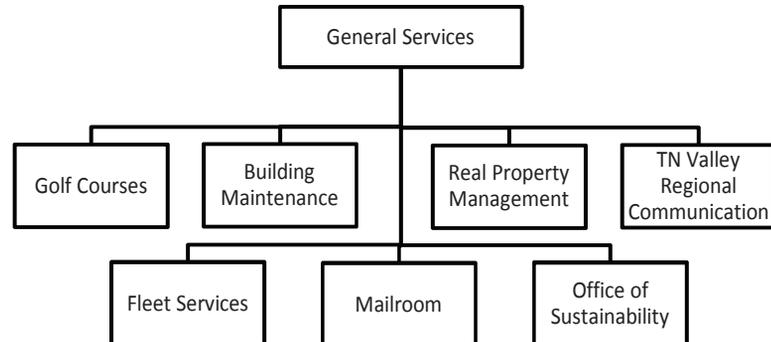
Mission:

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. 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.



Goals & Objectives:

To operate mailroom in an efficient manner

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

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 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.

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

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

To ensure efficiency in both Fleet Management and Fleet Maintenance

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

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
Total City Fleet	1,158	1,268	1,250	1,275
Total City Fleet Repairs and Maintenance	\$ 4,934,038	\$ 7,250,000	\$ 8,140,519	\$ 7,965,000
% Bldg Maint. Service Request Resolved on-time	90.0%	90.0%	90.0%	90.0%
Civic Facilities - Attendance	224,906	275,000	206,536	-
Civic Facilities - # of Events	336	350	395	-
Concessions revenues	\$ 58,779	\$ 65,000	\$ 97,488	\$ -

Department Summary

	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Gen Svc Admin	513,189	515,054	748,974	703,548
Purchasing / Mailroom *	-	-	76,707	79,108
Bldg. Maintenance	1,080,755	1,325,260	2,178,076	1,975,121
Real Est./Prop. Maint./Farmers Market	147,685	148,683	110,500	100,050
Zoo	670,791	671,569	675,000	675,000
Civic Facilities	2,191,108	1,565,554	1,471,836	750,000
Office of Sustainability **	-	-	175,000	105,159
Total General Fund	\$ 4,603,528	\$ 4,226,120	\$ 5,436,093	\$ 4,387,986
Fleet Services Operations	13,222,773	14,452,551	14,707,644	15,108,246
Heritage Ctr. Maint.	127,860	124,702	132,954	131,731
TN Valley Regional Communications	922,999	937,520	1,053,594	1,165,670
Development Resource Center	451,642	416,119	516,169	516,169
TOTAL GEN SVCS EXPENDITURE	\$ 19,328,802	\$ 20,157,012	\$ 21,846,454	\$ 21,309,802
Per Capita	\$ 115.28	\$ 117.69	\$ 126.01	\$ 122.92
Positions Authorized	107	107	123	108

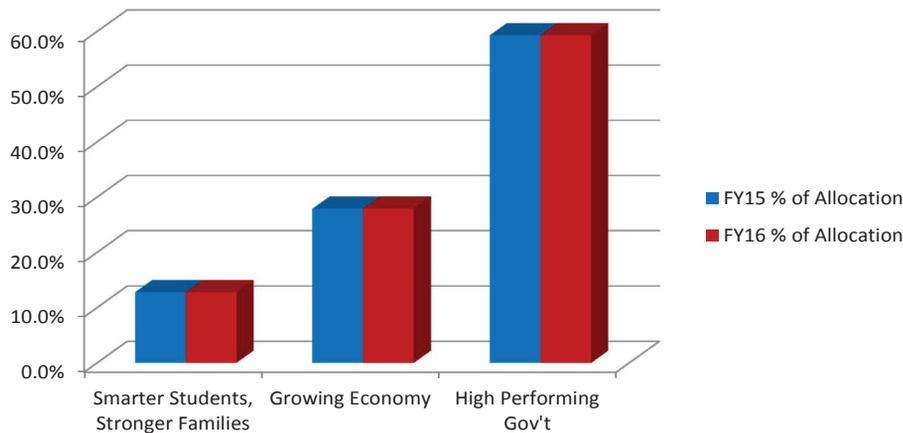
Resources

	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Personnel	\$ 6,258,859	\$ 7,614,857	\$ 7,920,783	\$ 7,331,385
Overtime	3,640	130,644	44,500	12,500
Operating	13,066,303	12,411,511	13,881,171	13,965,917
Revenue	21,248,746	20,520,593	20,066,031	21,535,752

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

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

General Services Results Area Allocation FY15 vs FY16



Human Resources

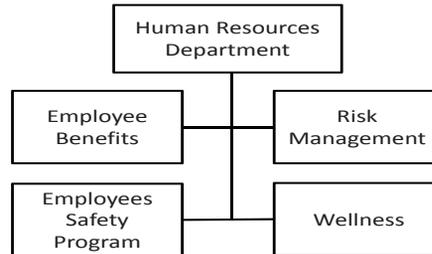
www.chattanooga.gov/human-resources

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.

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.



Goals & Objectives:

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

1. Recruit and retain a well qualified, diverse workforce.
2. Monitor overall satisfaction with new hires from both the manager and new hire's perspective.
3. Ensure a proactive and consistent process for monitoring pay equity and consistency.
4. 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

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

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

1. Determine percentage of employees who report they are satisfied with on-the-job learning and growth and development opportunities offered by the city.
2. Provide annual training needs assessments to determine development opportunities throughout the city.
3. 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.

Departmental Summary

	Actual FY 11/12	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Administration	\$ 1,496,659	\$ 1,542,646	\$ 1,222,416	\$ 1,368,521	\$ 1,346,968
Employee Insurance Office	318,301	300,023	347,839	320,884	327,697
Employee Insurance Program	45,650	22,114	2,575	2,200	-
Employee Safety Program		9,361	3,236	89,192	98,831
Job Injury Administration	99,646	79,393	84,586	73,800	65,000
Physical Exams	23,090	7,830	13,630	25,000	20,000
Total Expenditures	\$ 1,983,346	\$ 1,961,367	\$ 1,674,282	\$ 1,879,597	\$ 1,858,496
Per Capita	\$ 11.57	\$ 11.70	\$ 9.78	\$ 10.84	\$ 10.72
Positions Authorized	21	21	21	21	21

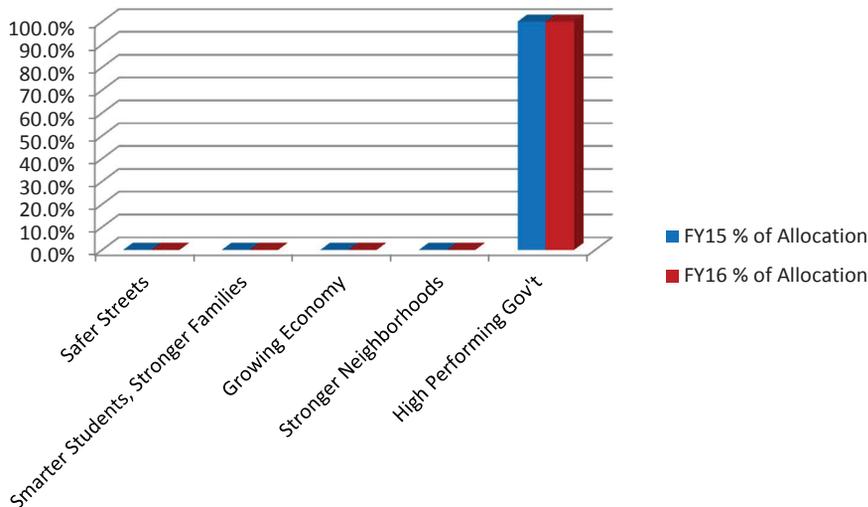
Resources

	Actual FY 11/12	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 1,399,362	\$ 1,611,431	\$ 1,443,192	\$ 1,576,292	\$ 1,582,786
Overtime	1,499				
Operating	329,383	349,937	231,090	303,305	275,710
Revenue	46,439	34,268	45,000	45,000	45,000
	1,730,244	1,961,367	1,674,282	1,879,597	1,858,496

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
Avg. eligible candidates per Requisition	6.67	6	6.19	6
Avg number of recruiting days from requisition to offer date	23.90	<30	38.80	<30
Turnover rate	13.60%	<9%	13%	<9%
Number of promotions	120	100	103	100
Management Team's overall satisfaction with the collaboration with Human Resources on all departmental employment functions *				>85%
Employee's overall satisfaction with the quality of training and development provided by or coordinated through Human Resources *				>85%

* New areas to be measured

**Human Resources Results Area Allocation
FY15 vs FY16**



Economic Development

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:

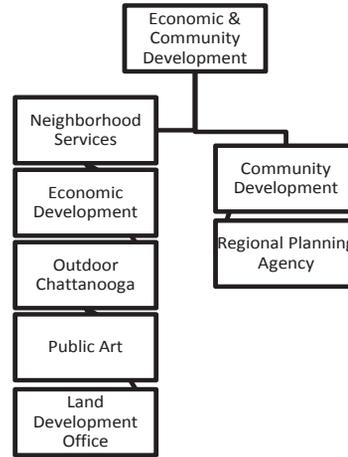
Neighborhood Services: develops strong neighborhoods through the Affordable Housing & Rehabilitation program, and provides leadership development and resolves community issues through the City's neighborhood associations.

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, advertising ordinance, safe housing, anti-litter, overgrowth, inoperable vehicle, proper brush/trash set out, spot blight acquisition 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 & 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.

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

Elimination of blight in Chattanooga

1. Reduce abandoned vacant land.
2. Increase compliance by 5 - 10% annually.

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
Abandoned vehicle CSRs closed on time	98.0%	95.0%	98.0%	95.0%
Housing CSRs closed on time	100.0%	95.0%	89.0%	95.0%
Litter CSRs closed on time	99.2%	95.0%	92.0%	95.0%
Vacant lot overgrowth CSRs closed on time	100.0%	95.0%	92.0%	95.0%
Non-vac overgrowth CSRs closed on time	100.0%	95.0%	92.0%	95.0%
Total Number of Building Permits Issued	1,925	2,200	2,204	2,250
Total Number of Permits (all types) Issued	9,787	10,000	9,409	9,500
Percentage of CSR closed on time	94.3%	97.5%	91.4%	95.0%

Cases in Litigation Pending were excluded.

**Decline in Actual FY15 related to several new inspectors in training and a short-term software glitch, which has been corrected.*

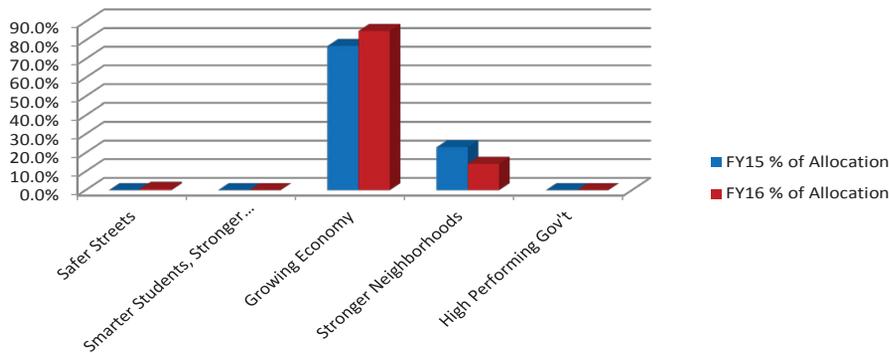
Department Summary

	Actual FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Administration	\$ 561,351	\$ 682,263	\$ 666,881	\$ 572,550
Grants Administration	56,774	78,332	129,316	-
Community and Neighborhood Relations	1,491,757	1,402,658	303,146	485,029
Neighbor Partners Project	52,000	50,000	0	0
Economic Development	0	0	623,904	615,058
Homeless Outreach Program	0	0	0	93,253
Community Development	4,577,713	2,467,736	2,600,000	3,012,777
Outdoor Chattanooga	-	379,748	393,836	498,502
Trust for Public Land	-	100,000	100,000	100,000
Riverpark Art Maint & Mgmt	-	97,596	125,250	125,250
Land Development Office	-	2,536,063	4,387,568	4,186,937
Board of Plumbing Examiners	-	1,150	1,975	2,600
Board of Electrical Examiners	-	20,837	13,600	6,650
Board of Mechanical Examiners	-	1,446	2,500	2,700
Board of Gas Fitters	-	555	1,500	2,250
Board of Appeals & Variances	-	6,378	7,500	6,700
Neighborhood Services	-	463,459	463,591	179,337
Abatement & Demolition	-	-	-	50,000
Total	\$ 6,739,595	\$ 8,288,221	\$ 9,820,567	\$ 9,939,593
Per Capita	\$ 40.19	\$ 48.39	\$ 56.65	\$ 57.33
Positions Authorized	35	80	86	86

Resources

	Budget FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 2,152,699	\$ 4,921,461	\$ 5,598,799	\$ 5,613,483
Overtime	-	3,105	-	-
Operating	4,586,896	3,363,655	4,221,768	4,326,110
Revenue	4,577,713	2,131,319	2,600,000	3,012,777

Economic & Community Development Results Area Allocation FY15 vs FY16



Community Development

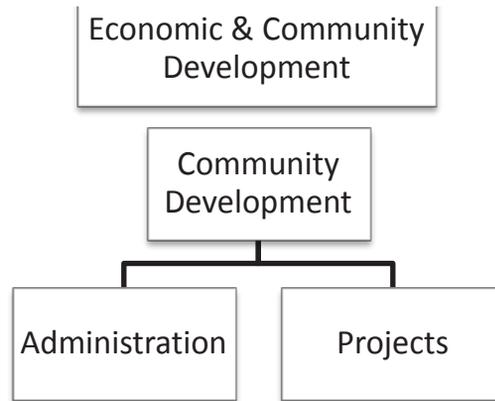
www.chattanooga.gov/communitydev

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 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.

Department Summary

	Actual FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Administration	480,000	448,866	440,000	451,687
Community Dev Projects	4,097,713	2,018,870	2,160,000	2,561,090
Total Expenditures	\$ 4,577,713	\$ 2,467,736	\$ 2,600,000	\$ 3,012,777
Per Capita	\$ 27.30	\$ 14.41	\$ 15.00	\$ 17.38
Positions Authorized	7	7	6	6

Resources

	Actual FY12/13	Actual FY13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 455,302	\$ 448,866	\$ 440,000	\$ 451,687
Operating	4,122,411	1,682,453	2,160,000	2,561,090
Revenue	4,577,713	2,131,319	2,600,000	3,012,777

Performance Measures	Actual FY14	Goal FY15	Actual FY15	Goal FY16
Increase the stock of safe, affordable rental units*	4	20	10	259
Rehabilitate substandard housing # of units*	51	204	99	261
Assist LMI (low/moderate income) households with access to homeownership opportunities	26	50	17	30
# of Participants in Housing Education Programs**	557	160	216	2000

*FY16 goals have increased anticipating partnerships with outside agencies, which would allow Community Development to leverage funds to produce more units.

**FY16 goal increased due to expanding the types of educational programs included in this category and expanding Fair Housing outreach.

Note: Due to Community Development being fully funded by Federal grants, their operating budget is not part of the Budgeting For Outcomes (BFO) process. Community Development is not subsidized by the City.

Police

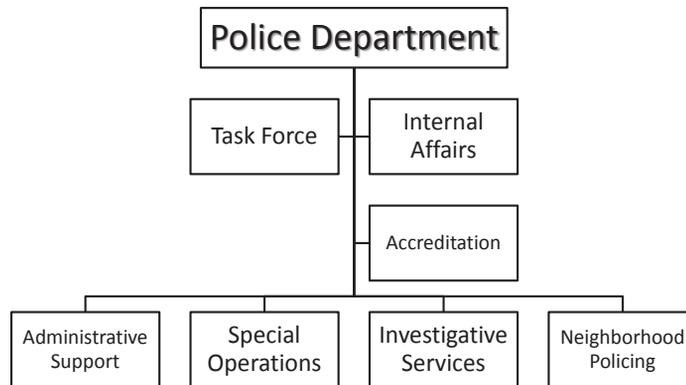
www.chattanooga.gov/police

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 .

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

1. Improve public safety and feelings of safety – particularly through implementation of the principles learned and applied in the Violence Reduction Initiative.
2. Reduce violent crime
3. Minimize arrests and incarceration
4. Strengthen communities and relationships through increased positive contacts

Building Relationships, Creating Commitment

1. 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
2. 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.
3. Dramatically improve public safety through the combination of the best of law enforcement practices and implementation of community-driven approaches.
4. Community-driven approaches will help law enforcement build lasting relations and create community wide commitment resulting in effective solutions.

Innovative Strategies

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

Performance Measures	Actual	Goal	Actual	Actual %	Goal
	2013*	2014*	2014*	2014*	2015*
Part 1 Violent Crimes	1,583	-15%	1,673	5.69%	-15%
Part 1 Property Crimes	11,363	-15%	10,949	-3.64%	-15%
Juvenile Crimes	2,040	-15%	1,064	-47.84%	-15%
Shootings	123	-10%	114	-7.32%	-10%
Domestic Violence Crimes	1,769	-5%	1,734	-1.98%	-5%
Part 1 Crimes w/Juveniles	235	-5%	101	-57.02%	-5%
Homicides	18	-10%	27	50.00%	-10%
Traffic Fatalities	29	-5%	25	-13.79%	-5%
Traffic Crashes	13,248	-5%	12,802	-3.37%	-5%
DUI Enforcement	597	-5%	726	21.61%	-5%

**based on calendar year*

Department Summary

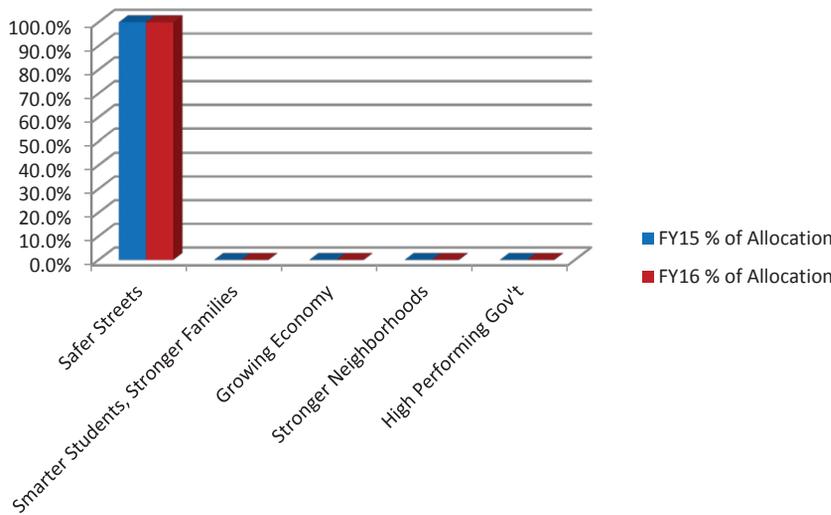
	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Police Administration	\$ 2,181,535	\$ 2,118,570	\$ 3,504,128	\$ 3,167,868
Operations	31,862,298	33,901,922	30,690,854	35,896,954
Support Services	17,996,604	16,024,545	19,468,376	19,375,099
Animal Services	1,564,373	1,564,373	1,611,299	1,611,299
Family Justice Center	0	0	286,401	615,912
Total	\$ 53,604,810	\$ 53,609,410	\$ 55,561,058	\$ 60,667,132
Per Capita	\$ 319.70	\$ 319.72	\$ 320.48	\$ 349.94
Positions Authorized	597	597	595	597

Resources

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 39,394,297	\$ 40,398,238	\$ 40,465,204	\$ 45,171,325
Overtime	656,025	773,923	475,000	475,000
Operating	13,554,488	12,437,249	14,351,979	15,020,807
Revenue	684,248	477,172	454,800	437,100

*Automated Traffic Control (Special Revenue Fund) includes 4 authorized sworn positions. FY 16 total is 601.

Police Results Area Allocation FY15 vs FY16

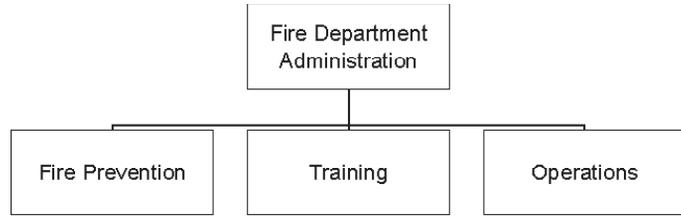


Fire

www.chattanooga.gov/fire-department

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 20 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 FY14	Goal FY15	Actual FY15	Goal FY16
Average response time (Department)	5:38	5:00	5:21	5:20
Inspections	3,263	6,500	5,078	5,100
Civilian Deaths	1	-	3	-
Civilian injuries	9	-	9	-
Firefighter Injuries	62	-	46	-
Property Damage (\$million)	\$ 6.19	\$ 5.45	\$ 3.76	\$ -
Fire Calls	823	-	751	750
Non-Fire Calls	14,998	-	15,605	15,000

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

Department Summary

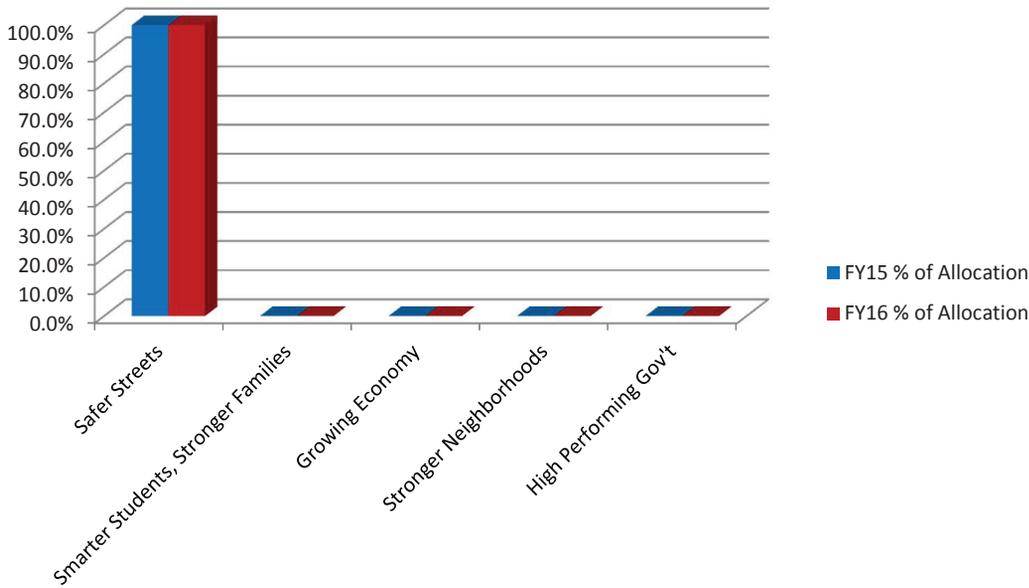
	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Fire Administration	\$ 2,155,840	\$ 6,429,692	\$ 1,978,257	\$ 2,279,568
Operations	\$ 31,479,960	\$ 32,909,105	\$ 32,283,458	\$ 33,013,888
Prevention	\$ 1,316,416	\$ 1,132,702	\$ 1,341,451	\$ 1,366,534
Training	\$ 1,408,998	\$ 1,273,019	\$ 714,308	\$ 719,604
Total Expenditures	\$ 36,361,214	\$ 41,744,518	\$ 36,317,474	\$ 37,379,594
Per Capita	\$216.86	\$ 248.96	\$ 212.04	\$ 215.61
Positions Authorized	446	446	446	445

Resources

	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Personnel	\$ 33,287,428	\$ 33,985,765	\$ 32,774,241	\$ 34,156,844
Overtime	17,869	17,582	20,350	15,000
Operating	3,055,916	7,741,171	3,856,103	3,222,750
Revenue ¹⁾	39,540	67,166	50,300	76,300

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

Fire Results Area Allocation FY15 vs FY16

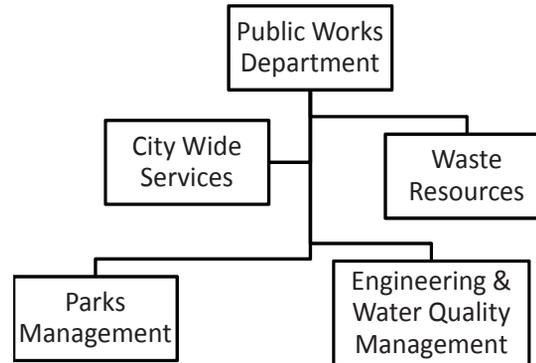


Public Works

www.chattanooga.gov/public-works

Mission:

To preserve and enhance the quality of the physical environment and infrastructure through prompt, cost effective and courteous delivery of services which protect the health, safety and welfare of citizens.



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, and enforce regulations 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. Ensure 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 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 infrastructure of the city, including streets, sidewalks, and parks; recycling centers, waste processing facilities, and landfills; and sewers, waste water treatment, and stormwater facilities.

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 and park facilities.
2. Ensure that the park system and facilities are both safe and accessible.
3. Encourage citizen involvement in conservation and preservation of parks and open spaces.
4. Promote parks and facilities.

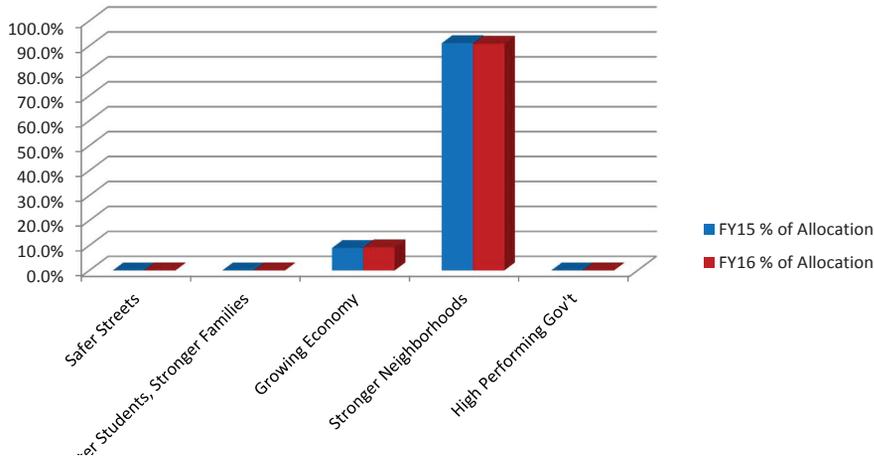
Department Summary

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
General Fund	\$ 39,596,900	\$ 28,311,602	\$ 27,697,148	\$ 26,777,959
Interceptor Sewer Fund	56,927,273	51,454,004	60,446,000	66,046,000
Solid Waste Fund	5,373,961	5,687,224	7,202,000	6,952,000
Water Quality Fund	12,245,118	19,193,634	16,839,938	17,792,273
State Street Aid Fund	4,280,693	3,913,896	4,400,000	4,474,854
Total Expenditures	\$ 118,423,945	\$ 108,560,360	\$ 116,585,086	\$ 122,043,086
Per Capita	\$ 691.13	\$ 633.82	\$ 672.48	\$ 703.96
Positions Authorized	637	615	604	617

Resources

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 36,089,023	\$ 30,396,291	\$ 31,991,823	\$ 33,799,466
Overtime	675,600	571,656	571,484	313,600
Operating	81,659,322	77,592,413	84,021,779	87,930,020
Revenue	76,994,872	93,712,263	116,585,086	122,043,086

Public Works Results Area Allocation FY15 vs FY16



Youth & Family Development

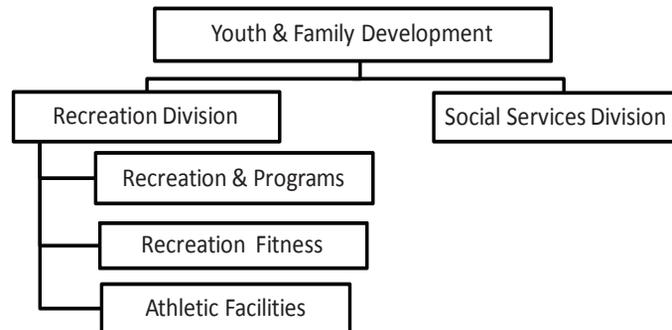
www.chattanooga.gov/youthandfamily

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 which will positively 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 Chattanoogaans 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 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.

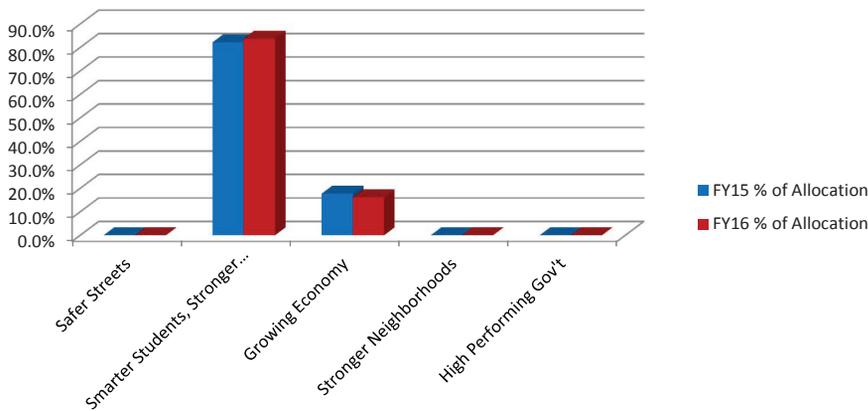
Department Summary

	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Administration	\$ -	\$ 1,314,690	\$ 1,123,095	\$ 1,175,944
Public Information	0	95,304	101,625	70,803
Recreation Support Service:	0	606,851	790,343	669,025
Programs	0	1,839,941	2,632,669	2,494,646
Recreation Facilities	0	823,268	812,735	807,674
Recreation Centers	0	3,574,454	3,668,979	3,782,070
Total Expenditures	\$ -	\$ 8,254,508	\$ 9,129,446	\$ 9,000,162
Per Capita	\$ -	\$ 49.23	\$ 52.66	\$ 51.91
Positions Authorized	0	0	107	106

Resources

	Actual FY12/13	Actual FY13/14	Budget FY14/15	Budget FY15/16
Personnel	\$ -	\$ 6,399,965	\$ 7,152,734	\$ 6,673,941
Overtime	0	72,046	50,000	50,000
Operating	0	1,782,497	1,926,712	2,276,221
Revenue	0	0	0	0

Youth & Family Development Results Area Allocation FY15 vs FY16



Youth & Family Development

Social Services - Federal Grants

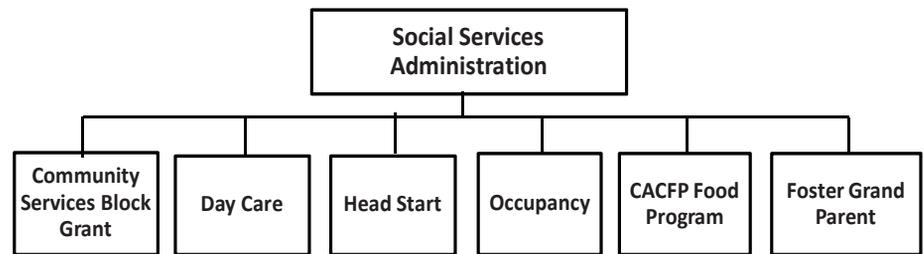
www.chattanooga.gov

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 Social 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:

To 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.

1. 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.
2. Improve family outcomes through wrap around supports services and comprehensive community partnerships.
3. 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.
4. Provide emergency assistance to aid families during natural disasters, and those experiencing crisis situations to prevent foreclosures, evictions, and utility cut offs.
5. 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.

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

Department Summary

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Administration	760,364	862,615	1,660,420	1,444,208
Head Start	8,780,584	9,184,186	8,805,681	9,430,264
Day Care	671,647	687,187	570,000	395,639
Foster Grandparents	507,540	509,761	499,481	515,330
LIHEAP	3,011,503	3,037,458	1,919,035	3,003,183
CSBG	601,713	658,116	580,671	788,836
Social Services Programs	141,772	120,362	41,500	90,611
City General Relief	48,818	46,644	25,600	25,600
Other	1,027	33,564	-	-
Total Expenditures	14,524,968	15,139,893	14,102,388	15,693,671
Per Capita	\$ 86.63	\$ 88.39	\$ 81.34	\$ 90.52
Authorized Positions	305	305	309	309

Resources

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Personnel	7,323,502	7,195,782	7,944,820	7,736,278
Overtime	38,574	-	15,855	13,855
Operating	7,639,521	7,944,111	6,141,713	7,463,538
Revenue	14,484,708	15,139,893	14,102,388	15,693,671

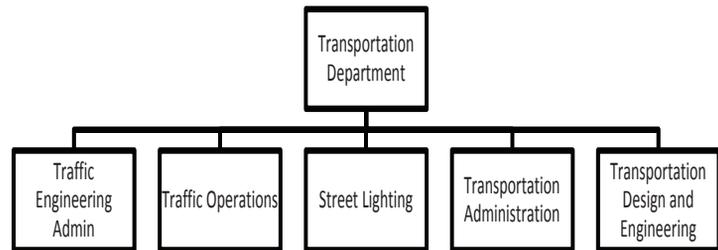
Note: Due to Youth & Family Development funded by Federal grants, their operating budget is not part of the Budgeting For Outcomes (BFO) process. A portion of Administration (\$1,165,000) is subsidized by the City.

Transportation

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 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.

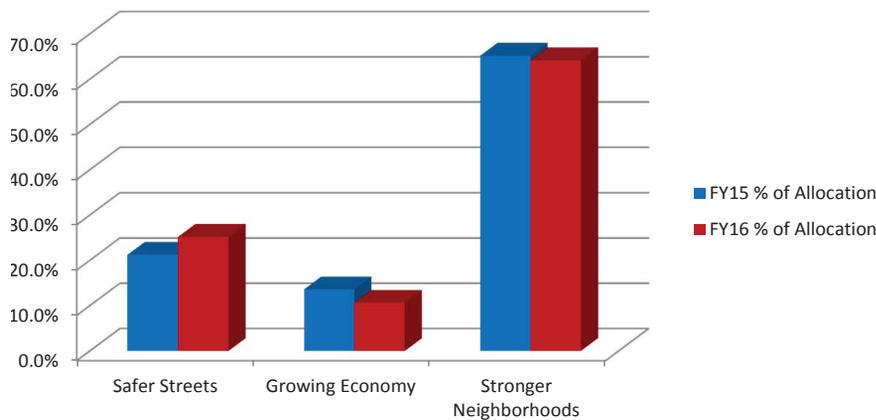
Department Summary

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Traffic Engineering Admin	\$ 1,162,676	\$ 2,120,635	\$ 825,881	
Street Lighting	3,014,501	3,448,900	2,822,000	
Traffic Operations	2,069,613	2,184,278	2,172,160	
Transportation Admin	826,067	229,194	408,745	
Transportation Design & Engineering				1,095,188
Paving			2,712,000	2,931,000
Total Expenditures	\$ 7,072,857	\$ 10,695,007	\$ 10,254,974	
Per Capita	\$ 41.29	\$ 61.69	\$ 59.15	
Positions Authorized		46	57	59

Resources

	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16
Personnel	\$ 2,070,822	\$ 3,897,541	\$ 3,964,450	
Overtime	39,683	35,000	4,500	
Operating	5,002,035	6,762,466	6,286,024	
Revenue	17,592	16,800	14,700	

Transportation Results Area Allocation FY15 vs FY16





Strong Communities

Community participation is a core value of our city, providing opportunity for all residents to help shape our future while ensuring the highest quality of life for all.

Debt Service Fund

Fiscal Year Ending June 30, 2016

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, 2015 is \$404,376,144. This amount includes a 30-year Chattanooga Downtown Redevelopment Lease Rental Revenue Bonds of \$105,620,000 with final payment due on October 1, 2030. Total authorized unissued debt from the State of Tennessee Revolving Loan Fund for sewer infrastructure improvements is \$91,176,799.

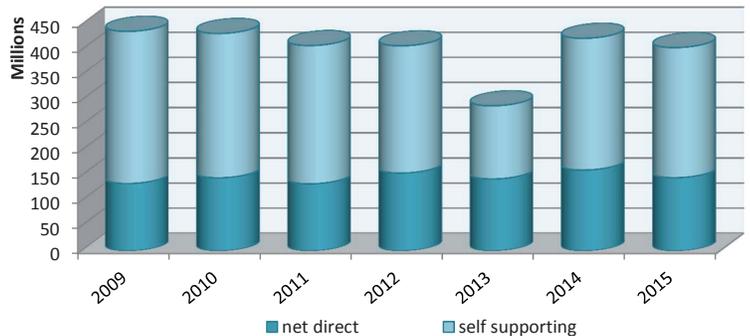
The City government is authorized by the City Charter to issue bonds. Title 6, Chapter V, Article I, Section 6.107 of the Charter creates this authority and at the same time creates a debt limit.

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.

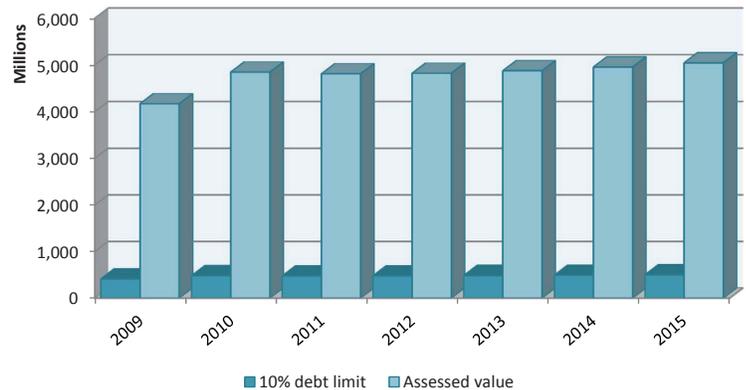
The chart to your right shows the debt limit for the past seven years, based upon the assessed property valuation for the same period of time. After viewing the debt limits imposed by the City Charter when considering the assessed property valuation, the next chart presented compares the Net Direct Indebtedness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

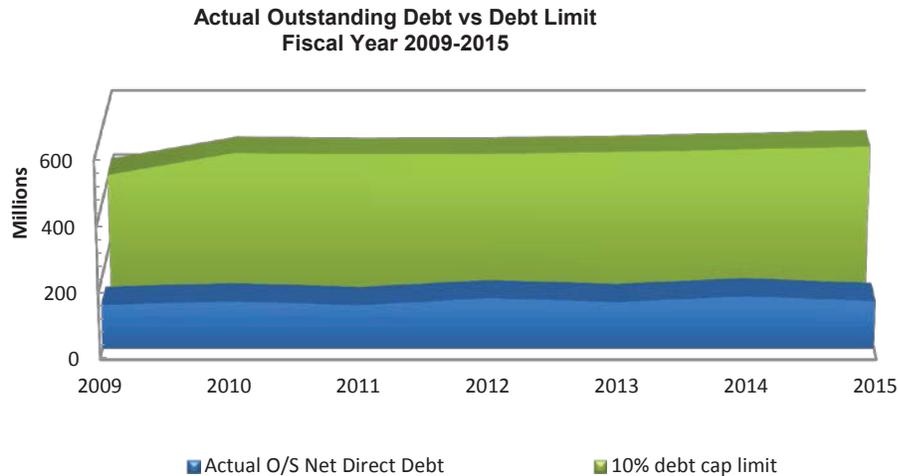
The Net Direct Indebtedness is the Gross Indebtedness less the Self-Supporting Indebtedness and the Debt Service Fund Balance for each year. As is evidenced by the following chart, the City's Net Legal Debt Margin is very favorable.

**Outstanding debt
Fiscal Year 2009-2015**



**General Obligation Debt Limit
Fiscal Year 2009-2015**





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 \$105,620,000 at June 30, 2015. The debt service reserve fund held by the fiscal agent at June 30, 2015 is \$9,668,284. 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 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.

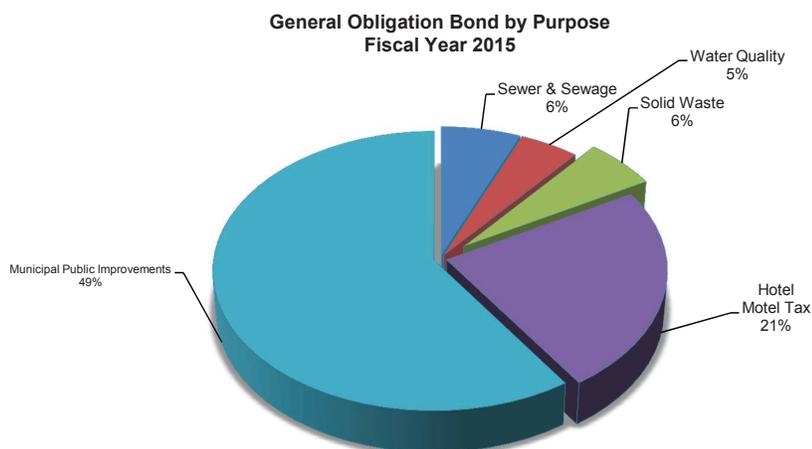
In FY12, the City issued \$26,495,000 General Obligation Bonds, Series 2011A for funding Mesh Network project at \$2,000,000, Fire capital projects at \$1,735,000, Parks & Recreation projects at \$2,964,950, ESIP Railway Lines at \$3,450,000, ESIP Intersection at \$1,660,000, other Public Works infrastructure 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 FY13 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.

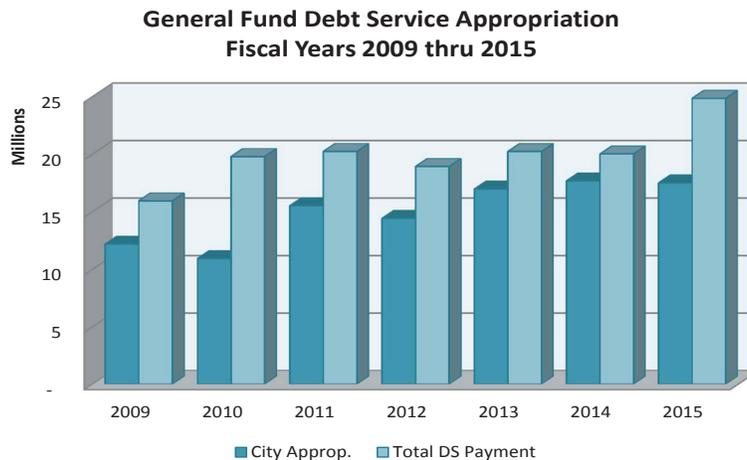
In FY15, the City issued \$25,925,000 General Obligation Refunding Bonds, Series 2014A to provide funds to refund \$13,545,000 General Obligation Refunding Bonds, Series 2005A maturing on September 1, 2018 through September 1, 2019, and \$13,200,000 General Obligation Bonds, Series 2006A maturing November 1, 2017 through November 1, 2026.

\$404,376,144 Gross Outstanding Indebtedness of the City of Chattanooga as of June 30, 2015 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 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.

In FY 2016, the General Fund appropriated \$17,504,272 which includes funding for current outstanding debt. The FY 2016 capital budget included the use of bonds for projects totaling \$12,299,357. The city is planning to sell bonds in 2015 to fund the FY 2015 and FY 2016 capital projects.

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, 2015, the County had gross outstanding general obligation bonded debt of \$272,965,000 and net indebtedness of \$271,612,160. The percentage of County net indebtedness applicable to the City is 60.283% or \$163,735,958. Also included in this section on Debt Service are schedules on Debt Ratios as of June 30, 2015, Historical Debt Ratios, and an analysis of General Obligation Debt as of June 30, 2015.

Outstanding General Obligation Debt

General Obligation Bonds by Purpose		
Municipal Public Improvement ⁽¹⁾	302,306,053	
Sewer and Sewage Facilities	<u>13,163,948</u>	
Total Bonded Indebtedness		315,470,001
Other Long-Term Indebtedness		
HUD Sec 108 Notes	2,746,000	
2013 Golf Course Capital Lease	174,098	
General Obligation Capital Outlay Notes	<u>85,986,045</u>	
Total Long-Term Indebtedness		<u>88,906,143</u>
Gross Direct Indebtedness		404,376,144
Less: Self-Supporting Indebtedness		
Sewer and Sewage Facilities Bonds ⁽³⁾	13,163,948	
State Revolving Loan-CSO (ISS portion) ⁽⁴⁾	59,566,021	
State of GA Revolving Loan (ISS portion) ⁽⁵⁾	1,727,743	
Tennessee Municipal Bond Notes (SoWa) ⁽⁶⁾	448,195	
Municipal Public Improvement Bonds(WaQu&SoWa) ⁽⁶⁾	22,110,698	
Municipal Revenue Bonds(CDRC) ⁽²⁾	105,620,000	
Hotel/Motel Tax Revenue Pledge	49,785,663	
HUD Sec. 108 Notes	2,746,000	
2013 Golf Course Capital Lease (Golf Cart)	<u>174,098</u>	
Total Self Supporting Indebtedness		255,342,366
Debt Service Fund ⁽⁷⁾		<u>3,446,011</u>
Net Direct Indebtedness		145,587,767
Plus: Estimated Net Overlapping Indebtedness		<u>163,735,958</u>
Net Direct and Net Overlapping Indebtedness		<u><u>309,323,725</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) \$22,110,698 represents the outstanding balance of 1998 through 2007A and 2013 Municipal Public Improvement Bonds of which \$9,865,182 is related to Water Quality and \$12,245,516 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, 2015.

Debt Ratios

The following table sets forth certain ratios relating to the City's general obligation indebtedness as of June 30, 2015.

	<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	\$ 404,376,144	\$ 2,332	8.02%	2.52%
Net Direct Indebtedness ⁴	145,587,767	840	2.89%	0.91%
Gross Direct and Net Overlapping Indebtedness ⁵	549,963,911	3,172	10.90%	3.42%
Net Direct and Net Overlapping Indebtedness ⁵	309,323,725	1,784	6.13%	1.92%
Per Capita Assessed Valuation ¹	\$29,098 *			
Per Capita Full Valuation ¹	\$92,701 *			

*Based on 2014 population estimate.

- Notes:
- (1) The City's population in 2015 was estimated at 173,366
 - (2) The City's preliminary assessed valuation of taxable property as of June 30, 2015 was \$5,044,607,410
 - (3) The City's estimated full valuation of taxable property as of June 30, 2015 was \$16,071,141,262
 - (4) See "Historical Debt Ratios" under this section.
 - (5) The County's net overlapping indebtedness is \$271,612,160. The City's share is \$163,735,958. (60.2830%).

<u>Ratio</u>	<u>Requirement</u>	<u>Actual</u>
General Fund Balance Requirement	> 15%	23.77%
Average Life of Total Debt	≤ 10 Years	8.59 Years
Percentage of Principal Paid within 10 Years	≥ 50%	76.60%
Per Capita Debt/Per Capita Income	≤ 4%	2.26%
Per Capita Debt/Per Capita Assessed Value	≤ 4%	2.89%
Debt Service/General Fund Operation Expense	≤ 10%	8.66%

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	
5	Clarksville	AA		AA2
6	Murfreesboro		AA	AA2
7	Jackson		AA-	
8	Franklin		AAA	AAA
9	Johnson City	AA		
10	Bartlett		AAA	AA2

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	2016	2017	2018	2019	2020
General Government	\$7,887,915	\$3,400,500	\$2,586,000	\$2,200,000	\$2,200,000
Public Works	75,770,563	36,244,400	30,292,500	30,067,625	14,275,506
Youth & Family Development	1,377,000	690,000	750,000	450,000	450,000
Economic & Community Development	6,727,700	250,000	850,000	250,000	250,000
Police	4,035,728	1,835,000	896,000	596,000	596,000
Fire	1,150,000	1,300,000	150,000	2,120,000	120,000
Transportation	12,029,487	27,029,288	28,304,539	22,848,416	15,987,200
Total	\$ 108,978,393	\$ 70,749,188	\$ 63,829,039	\$ 58,532,041	\$ 33,878,706

Other Long-Term Indebtedness

As of June 30, 2015, the City had the following other outstanding long-term indebtedness.

	Outstanding Amount	Issue Dated	Maturity
State of Tennessee Revolving Loan 2003-168	22,289,688	02/03/2003	10/20/2024
State of Georgia Revolving Loan (1)	1,727,743	07/01/2000	10/01/2019
Capital Lease City of Collegedale (2)	0	10/01/2000	08/01/2014
Tennessee Municipal League Bond Pool (2003)	1,438,000	09/07/2003	05/25/2018
Tennessee Municipal League Bond Pool (2004)	13,360,868	05/20/2005	04/20/2025
Hennen Land Note (2008) (3)	90,516	01/15/2007	12/15/2013
HUD Section 108 Loan Program (2008) (4)	2,746,000	06/01/2008	06/01/2024
2013 Golf Course Capital Lease	174,098	04/15/2013	03/15/2018
2010 VAAP Land Note (5)	0	07/01/2005	06/30/2015
State of Tennessee Revolving Loan 2007-204	11,080,423	06/06/2007	05/28/2028
State of Tennessee Revolving Loan 2011-289	12,958,983	11/01/2011	11/01/2026
State of Tennessee Revolving Loan 2012-307	7,067,709	06/25/2013	06/25/2033
State of Tennessee Revolving Loan 2013-318	6,169,218	06/18/2014	06/18/2034
2014 Hamilton County Dept of Education (6)	9,802,897	08/01/2014	08/01/2019
Total	\$ 88,906,143		

Notes:

- (1) Loan agreement with the State of Georgia.
- (2) To lease and purchase an interceptor gravity sewer line, force main, pump station, easements and fee for property associated with purchase
- (3) Land purchase to support 1 Parks greenway project
- (4) 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.
- (5) 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.
- (6) Agreement between Hamilton county Board of Education and the City of Chattanooga toward resolution of the City's past due Liquor-by-the Drink Tax Liability and the resolution of the Board of Education's past dues Storm Water Fees (\$1,565,425 to be paid over 6 years)

City of Chattanooga, Tennessee
General Obligation Self Supporting Bonded Debt Service Requirements
As of June 30, 2015
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	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	14,892,789.00	773,981.00	5,770,042.00
2017	15,381,945.00	669,021.00	5,480,340.00
2018	13,557,802.00	564,650.00	5,214,987.00
2019	9,271,050.00	464,829.00	4,113,327.00
2020	7,080,947.00	378,681.00	2,808,505.00
2021	5,426,385.00	326,963.00	2,228,665.00
2022	5,557,156.00	277,774.00	2,086,684.00
2023	5,689,446.00	232,095.00	1,944,567.00
2024	5,837,204.00	183,827.00	1,807,502.00
2025	5,502,649.00	137,699.00	1,618,218.00
2026	3,202,323.00	90,359.00	1,521,634.00
2027	1,508,718.00	39,900.00	795,459.00
2028	1,118,776.00	21,300.00	461,392.00
2029	1,140,364.00	7,100.00	425,604.00
2030	807,552.00	0.00	41,316.00
2031	830,376.00	0.00	18,492.00
2032	211,123.00	0.00	1,001.00
Total	\$ 97,016,605.00	\$ 4,168,179.00	\$ 36,337,735.00

Does not include CDRC (Southside) Capital Lease of \$105,620,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2015 consists \$91,176,799 from State Revolving Loan Fund for Sewer infrastructure.

City of Chattanooga, Tennessee
General Obligation Debt Service Requirements
As of June 30, 2015

Year	Principal	Interest	Total
2016	17,160,538.00	7,014,587.00	24,175,125.00
2017	15,630,410.00	6,428,879.00	22,059,289.00
2018	16,918,713.00	5,882,246.00	22,800,959.00
2019	17,162,473.00	5,314,044.00	22,476,517.00
2020	13,982,069.00	4,843,439.00	18,825,508.00
2021	13,761,087.00	4,450,870.00	18,211,957.00
2022	14,057,422.00	3,934,030.00	17,991,452.00
2023	14,351,310.00	3,435,559.00	17,786,869.00
2024	14,778,771.00	2,872,935.00	17,651,706.00
2025	13,205,762.00	2,365,659.00	15,571,421.00
2026	13,535,490.00	1,842,047.00	15,377,537.00
2027	10,974,070.00	1,283,479.00	12,257,549.00
2028	8,520,000.00	900,494.00	9,420,494.00
2029	8,620,000.00	633,494.00	9,253,494.00
2030	4,760,000.00	363,200.00	5,123,200.00
2031	4,320,000.00	172,800.00	4,492,800.00
2032	0.00	0.00	0.00
Total	\$ 201,738,115.00	\$ 51,737,762.00	\$ 253,475,877.00

Includes CDRC (Southside) Capital Lease of \$105,620,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2015 consists of \$91,176,799 from State Revolving Loan Fund for Sewer infrastructure.

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2015

	Outstanding June 30, 2014	Interest Pd FY2015	Issued FY2015	Retired FY2015	Refunded FY2015	Outstanding June 30, 2015	Maturing FY 2016	Payable FY 2016
GOVERNMENTAL ACTIVITIES								
Serial Bonds:								
Tax Supported								
1998 Public Improvement Refunding	1,406,800	65,407	-	321,900	-	1,084,900	341,300	47,998
2002 Municipal Public Refunding	1,745,000	58,753	-	855,000	-	890,000	890,000	20,025
2002 Series A Refunding	154,536	3,168	-	154,536	-	-	-	-
2005A Municipal Public Improvement Refunding	10,740,992	318,576	-	1,586,822	3,862,268	5,291,902	1,673,199	233,034
2006A Municipal Public Improvement	13,476,317	114,031	-	1,036,640	10,366,400	2,073,277	1,036,640	67,382
2007A Municipal Public Refunding	14,520,000	690,783	-	-	-	14,520,000	-	690,805
2009 Series A General Obligation	34,050,000	1,285,388	-	2,270,000	-	31,780,000	2,270,000	1,217,288
2010 Series A GO Bond	5,365,000	188,538	-	340,000	-	5,025,000	335,000	181,738
2010 Series B Refunding GO bonds	4,025,349	144,471	-	342,086	-	3,683,263	351,703	137,630
2010 Series C Recovery Zone Bonds	5,465,000	185,600	-	345,000	-	5,120,000	345,000	176,975
2011 Series A General Obligation	22,955,000	706,175	-	1,770,000	-	21,185,000	1,765,000	635,475
2011 Series B Refunding GO bonds	1,949,250	73,407	-	-	-	1,949,250	-	73,407
2013 Series General Improvement Bond	19,355,000	773,344	-	960,000	-	18,395,000	1,315,000	730,869
2014 Municipal Public Improvement Refunding	-	323,197	13,792,100	-	-	13,792,100	-	499,360
Total Tax Supported Bonds	135,208,244	4,930,838	13,792,100	9,981,984	14,228,668	124,789,692	10,322,842	4,711,986
Self Supported								
2005A Hotel-Motel Tax Pledge Refunding	4,133,095	337,020	-	393	4,085,866	46,836	14,336	260,861
2010 Series B Refunding Hotel Motel Tax Pledge	25,274,651	907,116	-	2,147,914	-	23,126,737	2,208,297	864,158
2011 Series B Refunding Hotel Motel Tax Pledge	15,595,750	587,318	-	-	-	15,595,750	-	587,319
2013 Series Hotel-Motel Tax Pledge	7,420,000	296,581	-	365,000	-	7,055,000	505,000	280,307
2014 Hotel Motel Refunding	-	92,808	3,961,340	-	-	3,961,340	-	143,395
Total Self Supported Bonds	52,423,496	2,220,843	3,961,340	2,513,307	4,085,866	49,785,663	2,727,633	2,136,040
Total Serial Bonds	187,631,740	7,151,681	17,753,440	12,495,291	18,314,534	174,575,355	13,050,475	6,848,026
Notes Payable:								
Tax Supported								
2003 TML Bond Fund	1,714,165	3,252	-	408,564	-	1,305,601	421,276	3,133
2004 TML Bond Fund	14,233,265	27,328	83,132	1,271,325	-	13,045,072	1,305,408	31,743
2008 Hennen Land Note	166,477	-	-	77,385	-	89,092	56,968	-
2010 VAAP Land Note	2,750,000	-	-	2,750,000	-	-	-	-
Hamilton County	11,763,477	-	-	1,960,580	-	9,802,897	1,960,580	-
Total Tax Supported Notes Payable	30,627,384	30,580	83,132	6,467,854	-	24,242,662	3,744,232	34,876
Self Supported								
2008 HUD Section 108 Loan Program	3,051,000	72,204	-	305,000	-	2,746,000	305,000	125,178
Total Self Supported Notes Payable	3,051,000	72,204	-	305,000	-	2,746,000	305,000	125,178
Total Notes Payable	33,678,384	102,784	83,132	6,772,854	-	26,988,662	4,049,232	160,054

Capital leases payable:

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2015

	Outstanding June 30, 2014	Interest Pd FY2015	Issued FY2015	Retired FY2015	Refunded FY2015	Outstanding June 30, 2015	Maturing FY 2016	Payable FY 2016
BUSINESS TYPE ACTIVITIES:								
Interceptor Sewer System:								
Serial Bonds:								
1998 Sewer & Sewage Facilities Refunding	5,498,200	255,630	-	1,258,100	-	4,240,100	1,333,700	187,596
2002 Municipal Public Refunding	1,175,000	26,438	-	1,175,000	-	-	-	-
2002 Series A Refunding	825,464	16,922	-	825,464	-	-	-	-
2005A Municipal Public Improvement Refunding	10,991,431	199,404	-	1,993,724	2,417,479	6,580,228	2,085,759	145,861
2014 Municipal Public Improvement Refunding	-	54,912	2,343,620	-	-	2,343,620	-	84,842
Total serial bonds	18,490,095	553,306	2,343,620	5,252,288	2,417,479	13,163,948	3,419,459	418,299
Notes payable:								
1998 State of Georgia Revolving Loan	2,161,162	79,999	-	433,419	-	1,727,743	451,017	62,401
2003-168 State Revolving Loan	24,212,151	695,409	-	1,922,463	-	22,289,688	1,980,540	637,332
2007-204 State Revolving Loan	11,612,083	317,208	-	531,660	-	11,080,423	546,684	302,184
2011-289 State Revolving Loan	9,117,592	204,778	3,841,391	-	-	12,958,983	1,083,000	275,984
2012-307 State Revolving Loan	-	42,523	7,067,709	-	-	7,067,709	1,480,536	96,755
2013-318 State Revolving Loan	-	60,354	6,169,218	-	-	6,169,218	2,837,172	108,725
Total notes payable	47,102,988	1,400,271	17,078,318	2,887,542	-	61,293,764	8,378,949	1,483,381
Capital leases payable:								
2001 Capital Lease City of Collegedale	5,562	47	-	5,562	-	-	-	-
Total capital leases payable	5,562	47	-	5,562	-	-	-	-
Total Interceptor Sewer System	65,598,645	1,953,624	19,421,938	8,145,392	2,417,479	74,457,712	11,798,408	1,901,680

CITY OF CHATTANOOGA, TENNESSEE
ANALYSIS OF GENERAL OBLIGATION DEBT
June 30, 2015

	Outstanding June 30, 2014	Interest Pd FY2015	Issued FY2015	Retired FY2015	Refunded FY2015	Outstanding June 30, 2015	Maturing FY 2016	Payable FY 2016
Solid Waste Fund:								
Serial Bonds:								
2005A Municipal Public Improvement Refunding	7,881,476	164,054	-	1,368,051	1,988,910	4,524,515	1,433,438	120,002
2006A Municipal Public Improvement	3,683,683	31,169	-	283,360	2,833,600	566,723	283,360	18,419
2007A Municipal Public Improvement Refunding	2,480,000	117,990	-	-	-	2,480,000	-	117,990
2014 Municipal Public Improvement Refunding	-	109,541	4,674,278	-	-	4,674,278	-	169,248
Total serial bonds	14,045,159	422,754	4,674,278	1,651,411	4,822,510	12,245,516	1,716,798	425,659
Notes payable:								
2003 TML Bond Fund	173,835	330	-	41,436	-	132,399	42,724	318
2004 TML Bond Fund	346,471	659	-	30,675	-	315,796	31,592	768
Total Notes Payable	520,306	989	-	72,111	-	448,195	74,316	1,086
Total Solid Waste & Sanitation Fund	14,565,465	423,743	4,674,278	1,723,522	4,822,510	12,693,711	1,791,114	426,745
Water Quality Fund								
Serial Bonds:								
2005A Municipal Public Improvement Refunding	5,068,007	98,196	-	901,011	1,190,477	2,976,519	943,267	71,829
2007A Municipal Public Improvement Refunding	750,000	35,683	-	-	-	750,000	-	35,683
2013 Water Quality Bonds	5,245,000	209,544	-	260,000	-	4,985,000	360,000	197,944
2014 Municipal Public Improvement Refunding	-	27,041	1,153,663	-	-	1,153,663	-	41,780
Total serial bonds	11,063,007	370,464	1,153,663	1,161,011	1,190,477	9,865,182	1,303,267	347,236
Total Water Quality Fund	11,063,007	370,464	1,153,663	1,161,011	1,190,477	9,865,182	1,303,267	347,236
Total Business-Type Activities	91,227,117	2,747,831	25,249,879	11,029,925	8,430,466	97,016,605	14,892,789	2,675,661
TOTAL GENERAL OBLIGATION DEBT	312,769,531	10,002,296	43,086,451	30,356,262	26,745,000	298,754,720	32,053,327	9,690,248

CITY OF CHATTANOOGA, TENNESSEE
 ANALYSIS OF GENERAL OBLIGATION DEBT
 June 30, 2015

	Outstanding June 30, 2014	Interest Pd FY2015	Issued FY2015	Retired FY2015	Refunded FY2015	Outstanding June 30, 2015	Maturing FY 2016	Payable FY 2016
PRIMARY GOVERNMENT REVENUE BONDS AND OTHER DEBTS								
Electric Power Board								
Revenue Bonds:								
2006B Electric System Refunding Revenue Bonds	34,230,000	1,455,766	-	1,295,000	-	32,935,000	1,730,000	711,075
2006A Electric System Revenue Bonds	19,905,000	781,656	-	1,745,000	-	18,160,000	1,345,000	1,401,316
2008A Electric System Revenue Bonds	216,830,000	10,594,500	-	4,000,000	-	212,830,000	5,000,000	10,389,500
Total Revenue Bonds	270,965,000	12,831,922	-	7,040,000	-	263,925,000	8,075,000	12,501,891
Notes Payable								
2013 Secured Term Note	4,777,000	-	-	4,777,000	-	-	-	-
Total Notes Payable	4,777,000	-	-	4,777,000	-	-	-	-
Total Electric Power Board	275,742,000	12,831,922	-	11,817,000	-	263,925,000	8,075,000	12,501,891
Chatt Downtown Redevelopment Corporation:								
Revenue Bonds:								
2007 Chatt Lease Rental Rev Ref Bonds	48,840,000	2,338,300	-	90,000	-	48,750,000	95,000	2,334,600
2010 Chatt Lease Rental Rev Ref Bonds	61,300,000	2,695,269	-	4,430,000	-	56,870,000	4,580,000	2,537,219
Total Chatt. Downtown Redev. Corp.	110,140,000	5,033,569	-	4,520,000	-	105,620,000	4,675,000	4,871,819
Total Primary Government	698,651,531	27,867,787	43,086,451	46,693,262	26,745,000	668,299,720	44,803,327	27,063,958
COMPONENT UNITS								
Metropolitan Airport Authority:								
Revenue Bonds:								
2009 Refunding	4,847,413	139,258	-	420,989	-	4,426,424	433,755	126,492
2014 Tax Exempt	5,015,987	199,771	-	171,594	-	4,844,393	178,136	193,229
2014 Taxable	4,853,275	242,133	-	149,026	-	4,704,249	156,097	235,062
Total Revenue Bonds	14,716,675	581,162	-	741,609	-	13,975,066	767,988	554,783
Capital leases payable:								
2012 Fuel Facility Capital Lease	106,060	4,575	-	47,421	-	58,639	50,051	1,945
Total Metropolitan Airport Authority	14,822,735	585,737	-	789,030	-	14,033,705	818,039	556,728
CARTA								
Note Payable:								
Republic Parking System, Inc.	443,782	18,851	-	261,801	-	181,981	181,981	5,554
Total CARTA	443,782	18,851	-	261,801	-	181,981	181,981	5,554
Total Component Units	15,266,517	604,588	-	1,050,831	-	14,215,686	1,000,020	562,282

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 2005/06 through 2014/15, less applicable exclusions, adjusted to reflect the City's applicable share of County debt.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Obligation Bonds by Purpose										
Public Buildings Improvement	\$ 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	\$ 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	\$ 13,163,948
Municipal Public Improvement	\$ 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	\$ 196,686,053
Total Bonded Indebtedness										
	\$ 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	\$ 404,376,144
Revenue Bonds by Purpose										
CDRC Revenue Bonds	\$ 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	\$ 255,342,366
Total Revenue Bonded Indebtedness	\$ 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	\$ 3,446,011
Other Long-Term Indebtedness										
General Obligation Capital Outlay Notes	\$ 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	\$ 73,933,177
Tennessee Municipal Bond Fund	\$ 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	\$ 14,798,868
Capital Leases	\$ 118,490,272	\$ 115,707,438	\$ 112,775,074	\$ 109,969,749	\$ 106,654,524	\$ 103,774,735	\$ 100,692,931	\$ 32,565,9	\$ 237,852	\$ 174,098
Gross Direct Indebtedness										
	\$ 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	\$ 255,342,366
Less: Self-Supporting Indebtedness	\$ 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	\$ 3,446,011
Debt Service Fund	\$ 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	\$ 145,587,767
Net Direct Indebtedness										
	\$ 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	\$ 163,735,958
Plus: Estimated Net Overlapping Indebtedness	\$ 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	\$ 309,323,725
Net Direct and Overlapping Indebtedness										
	\$ 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	\$ 404,376,144

Notes:

(1) As of June 30, 2015 Capital Outlay Notes consist of \$9,566,021 State of Tennessee Revolving Loan for combined sewer overflow facilities; \$1,727,743 State of Georgia Revolving Loan for the Northwest Georgia Sewer Expansion; \$2,746,000 HUD Sec 108 Note; \$90,516 Notes to Individual for land purchase; \$9,802,897 for Hamilton County Department of Education.

(2) Capital leases as of June 30, 2015 includes \$174,098 Golf Course Capital Lease (Golf Carts).

CITY OF CHATTANOOGA
HISTORICAL DEBT RATIO:
 For fiscal year ending June 30, 2015 (unaudited)

Year ended June 30	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Estimated population(1)	154,762	168,293	169,884	170,880	171,349	167,674	170,136	171,279	173,366	173,366
Appraised property valuation	\$ 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	\$ 16,071,141,262
Assessed property valuation	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	5,044,607,410
Gross indebtedness (2)	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	404,376,144
Less: Self-supporting indebtedness(3)	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	255,342,366
Debt Service Fund	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	3,446,011
Net direct indebtedness	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	145,587,767
Plus: Estimated net overlapping indebtedness	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	163,735,958
Net direct and overlapping indebtedness	\$ 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	\$ 309,323,725
Gross debt per capita	\$ 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	\$ 2,332.50
Net direct debt per capita	498.33	580.13	566.84	784.40	844.67	795.78	910.18	835.25	927.60	839.77
Net direct and overlapping debt per capita	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	1,784.22
Gross debt to appraised valuation	3.49%	3.51%	3.22%	3.35%	2.85%	2.69%	2.68%	2.60%	2.70%	2.52%
Net direct debt to appraised valuation	0.65%	0.79%	0.75%	1.01%	0.95%	0.88%	1.02%	0.92%	1.03%	0.91%
Net direct debt and overlapping debt to appraised valuation	1.38%	1.52%	1.80%	2.13%	1.96%	1.86%	2.02%	1.95%	1.96%	1.92%
Gross debt to assessed valuation	10.81%	10.88%	10.26%	10.69%	9.01%	8.49%	8.46%	8.27%	8.53%	8.02%
Net direct debt to assessed valuation	2.00%	2.46%	2.38%	3.22%	2.99%	2.77%	3.21%	2.93%	3.25%	2.89%
Net direct and overlapping debt to assessed valuation	4.27%	4.71%	5.74%	6.79%	6.18%	5.87%	6.38%	6.19%	6.19%	6.13%

(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 2013-2016

Revenue Source	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16	Budget '16 Inc/(Dec)	% Change FY 15/16	% of Total
Debt Service:							
General Fund	16,942,222	17,668,872	17,485,009	17,504,272	19,263	0.11	70.41
Trfrs-Safety Cap Project Fd	686	173	-	-	-	0.00	0.00
Hamilton County	513,914	471,791	456,877	455,013	(1,864)	(0.41)	1.83
Miscellaneous Revenue	113,778	67,338	124,305	124,305	124,305	0.00	0.50
City Hotel/Motel Tax	4,001,667	3,881,438	4,492,430	4,647,157	154,727	3.44	18.69
CDBG (Fannie Mae Loan)	467,434	455,508	443,095	430,178	(12,917)	(2.92)	1.73
Use of Fund Balance	-	-	1,833,000	1,699,728	(133,272)	(7.27)	6.84
Total Debt Service Fund	\$22,039,701	\$22,545,120	\$24,834,716	\$24,860,653	25,937	0.10	100.00
Grand Total	\$22,039,701	\$22,545,120	\$24,834,716	\$24,860,653	25,937	0.10	100.00

Debt Service Fund Expenditures

Fiscal Years 2013-2016

Expenditures	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16	Budget '16 Inc/(Dec)	% Change FY 15/16	% of Total
Debt Service:							
Principal	13,037,072	12,970,806	17,345,338	17,160,626	(184,712)	(1.06)	69.03
Interest	7,062,764	6,925,961	7,379,378	7,590,027	210,649	2.85	30.53
Service Charges	115,927	104,239	110,000	110,000	-	0.00	0.44
Total Debt Service Fund	\$20,215,763	\$20,001,006	\$24,834,716	\$24,860,653	\$25,937	0.10	100.00
Grand Total	\$20,215,763	\$20,001,006	\$24,834,716	\$24,860,653	\$25,937	0.10	100.00
Per Capita	118.03	115.37	143.25	143.40	14.96%	10.44%	



Supporting Our Students

The City supports students through a variety of educational activities, including our online reading program, Lexia, located in Youth & Family Development centers across our community.

Capital Project Funds

Fund Structure

The Capital Projects Funds are used for the acquisition and construction of major capital facilities. The basis of budgeting is modified accrual for all except Enterprise Funds (Interceptor Sewer, Water Quality, and Solid Waste) which are full accrual. Included funds are Police, Fire, Public Works, Economic & Community Development, General Services, Transportation, General Government, Youth & Family, Interceptor Sewer, and Water Quality.

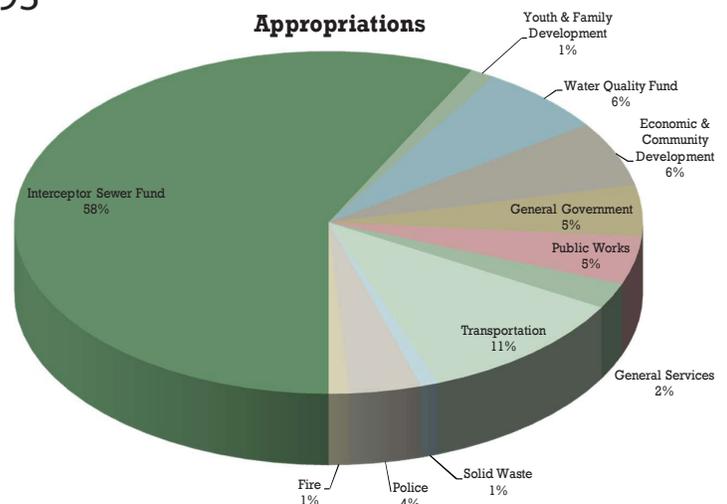
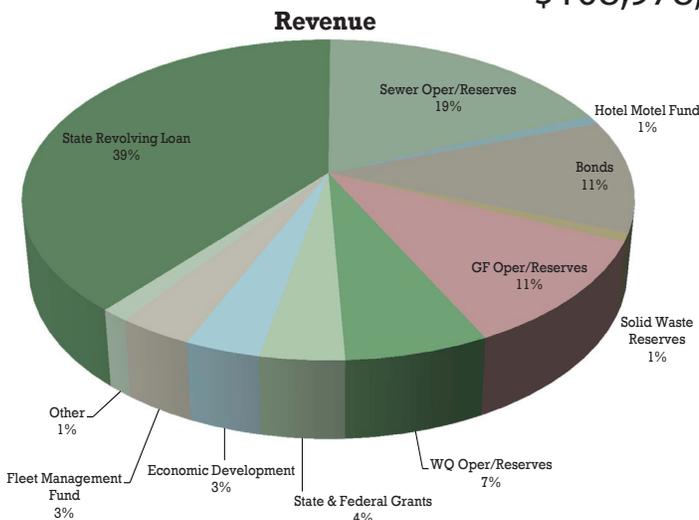
FY 2015 Approved Capital Budget is as follows:

General Government	\$ 3,460,290
Police (Safety)	892,000
Fire (Safety)	4,362,000
Public Works	5,889,000
Economic & Community Development	27,850,000
General Services	2,038,045
Transportation	9,922,135
Youth & Family	1,650,000
Interceptor Sewer Fund	48,150,000
Water Quality Fund	<u>12,762,000</u>
	\$ 116,975,470

Revenue	FY15/16
Bonds	12,299,357
Hotel Motel Fund	1,020,563
General Fund Operations	5,689,728
General Fund Reserves	6,250,000
Economic Development Fund	3,698,460
Fleet Management Fund	3,670,000
State & Federal Grants	4,160,085
Interceptor Operations	8,400,000
Interceptor Reserves	11,800,000
State Revolving Loan	42,500,000
Water Quality Operations	940,651
Water Quality Reserves	6,161,349
Solid Waste Reserves	1,000,000
Other	1,388,200
Total	108,978,393

Appropriation	FY15/16
General Government	5,252,915
Department of Police	4,035,728
Department of Fire	1,150,000
Department of Public Works	4,968,563
Department of Economic & Community Development	6,727,700
Department of General Services	2,635,000
Department of Transportation	12,029,487
Youth & Family Development	1,377,000
Water Quality Fund	7,102,000
Interceptor Sewer Fund	62,700,000
Solid Waste	1,000,000
Total	108,978,393

Revenue & Appropriation Fund \$108,978,393



Capital Fund Revenues

Fiscal Years 2013 - 2016

Revenue Source	Actual	Actual	Budget	Budget	BUDGET '15	%	%
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	INC/(DEC)	FY 15/16	OF TOTAL
General Fund Revenues	1,122,500	9,265,170	26,530,945	11,939,728	(14,591,217)	-55.0%	10.96%
State/Federal Grants	434,668	78,152	3,293,908	4,160,085	866,177	26.3%	3.82%
Economic Development Fund	2,628,542	2,110,000	4,000,000	3,698,460	(301,540)	-7.5%	3.39%
General Obligation Bonds	13,714,773	29,144,489	27,321,617	12,299,357	(15,022,260)	-55.0%	11.29%
Fleet Lease Program	3,594,042	2,000,000	2,200,000	3,670,000	1,470,000	66.8%	3.37%
Hotel/Motel Tax Collections	18,000	503,450	1,550,000	1,020,563	(529,437)	-34.2%	0.94%
Interceptor Sewer	5,350,000	4,654,000	5,150,000	20,200,000	15,050,000	292.2%	18.54%
State Revolving Loan	0	0	43,000,000	42,500,000	(500,000)	-1.2%	39.00%
Solid Waste	50,000	33,559	0	1,000,000	1,000,000	N/A	0.92%
Water Quality	31,919	2,650,000	3,262,000	7,102,000	3,840,000	117.7%	6.52%
Other	200,423	261,760	667,000	1,388,200	721,200	108.1%	1.27%
	\$27,144,867	\$50,700,580	\$116,975,470	\$108,978,393	(7,997,077)	-6.8%	100.00%
Grand Total	\$27,144,867	\$50,700,580	\$116,975,470	\$108,978,393	(7,997,077)	-6.8%	100.00%

Revenues

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

Funding for the FY 2016 Capital Budget is provided by a General Fund contribution of \$11,939,728. This year operations contributed \$5,689,728 and fund balance \$6,250,000 for that total. General Obligation Bonds \$12,299,357, Hotel/Motel Tax \$1,020,563, State of Tennessee and Federal grants of \$4,160,085, Economic Development Fund \$3,698,460, Fleet Lease Program \$3,670,000, State Revolving Loan \$42,500,000 Interceptor Sewer funding total of \$20,200,000 which includes reserves of \$11,800,000 and operations of \$8,400,000. Water Quality funding total is \$7,102,000 which includes reserves of \$6,161,349, and operations of \$940,651. Solid Waste funding is from reserves for \$1,000,000 "Other" is funds from municipalities, foundations, and other sources in the amount of \$667,000.

Capital Fund Expenditures

Fiscal Years 2013 - 2016

Expenditures	Actual FY 12/13	Actual FY 13/14	Budget FY 14/15	Budget FY 15/16	%		%
					BUDGET '15 INC/(DEC)	CHANGE FY 15/16	
Police	1,611,973	221,543	892,000	4,035,728	3,143,728	352%	3.70%
Fire	3,291,788	2,336,293	4,362,000	1,150,000	(3,212,000)	-74%	1.06%
Parks & Recreation	2,042,447	0	0	0	0	N/A	0.00%
Education, Arts & Culture	1,098,000	0	0	0	0	N/A	0.00%
General Government	2,379,314	3,468,963	3,460,290	5,252,915	1,792,625	52%	4.82%
General Services	0	328,037	2,038,045	2,635,000	596,955	29%	2.42%
Economic & Community Development	5,757	2,757,163	27,850,000	6,727,700	(21,122,300)	-76%	6.17%
Transportation	0	9,279,186	9,922,135	12,029,487	2,107,352	21%	11.04%
Youth & Family	0	0	1,650,000	1,377,000	(273,000)	-17%	1.26%
Public Works All Funds:	76,021,154	65,946,726	66,801,000	75,770,563	8,969,563	13%	69.53%
<i>Public Works</i>	13,511,052	3,216,787	5,889,000	4,968,563	(920,437)	-16%	4.56%
<i>Interceptor Sewer Fund</i>	46,387,449	46,237,300	48,150,000	62,700,000	14,550,000	30%	57.53%
<i>Solid Waste Fund</i>	3,546,240	3,707,622	0	1,000,000	1,000,000	N/A	0.92%
<i>Water Quality Fund</i>	12,576,413	12,785,017	12,762,000	7,102,000	(5,660,000)	-44%	6.52%
Total Capital Projects	\$86,450,433	\$84,337,911	\$116,975,470	\$108,978,393	(\$7,997,077)	-6.8%	100.00%
Grand Total	\$86,450,433	\$84,337,911	\$116,975,470	\$108,978,393	(7,997,077)	-6.8%	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.

POLICE

FY 2016 Budget	\$ 4,035,728
% of Total Capital Budget	3.70%
Growth From FY 2015	3,143,728
% Change	352.00%

The FY 2016 appropriation for the Police Department includes several technology advancements for more efficient Policing in the department. Items include Body-worn cameras, In-car cameras and laptops, Mobile CAD & GPS AVL, portable digital radios and continuation of capital contribution of \$3,000,000 toward the Family Justice Center permanent facility.

FIRE

FY 2016 Budget	\$1,150,000
% of Total Capital Budget	1.60%
Decline From FY 2015	(3,212,000)
% Change	-74.00%

The FY 2016 appropriation for the Fire includes new apparatus of a fire pumper in efforts to updating

their aging fleet and a quick response vehicle funded by fleet funds.

PUBLIC WORKS (All Funds)

FY 2016 Budget	\$75,770,563
% of Total Capital Budget	69.53%
Growth From FY 2015	8,969,563
% Change	13.43%

The FY 2016 Public Works capital appropriation reflects the replacement of city-wide services equipment, Parks maintenance, and the upgrade of the Interceptor Sewer, Solid Waste, and Water Quality systems.

GENERAL GOVERNMENT

FY 2016 Budget	\$5,252,915
% of Total Capital Budget	4.82%
Growth From FY 2015	1,792,625
% Change	52.00%

The FY 2016 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.

GENERAL SERVICES

FY 2016 Budget	\$ 2,635,000
% of Total Capital Budget	2.42%
Growth From FY 2015	596,955
%Change	29.0%

The FY 2016 General Services Department appropriation includes appropriation for funding the fleet services program along with fleet fueling system and software, Memorial & Tivoli upgrades, zoo improvements, and Chattanooga Hotel Foundation Stabilization.

recreation center equipment, safety & security improvements, a sign for the South Chattanooga YFD Center, and skatepark renovations.

TRANSPORTATION

FY 2016 Budget	\$ 12,029,487
% of Total Capital Budget	11.04%
Growth From FY 2015	2,107,352
% Change	21.00%

This department, 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 management program.

ECONOMIC & COMMUNITY DEVELOPMENT

FY 2016 Budget	\$ 6,727,700
% of Total Capital Budget	6.17%
Decline From FY 2015	(21,122,300)
% Change	-76.0%

This appropriation is continued funding for the Harriet Tubman Development Site, Public Art, Miller Park District, and \$6.25 million for the City's \$26.25 million Volkswagen Expansion commitment.

YOUTH & FAMILY DEVELOPMENT

FY 2016 Budget	\$ 1,377,000
% of Total Capital Budget	1.26%
Decline From FY 2015	(273,000)
% Change	-17.0%

This appropriation is continued funding for projects supporting Youth & Family building renovations and roof repairs, tennis court rehab,

General Government

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
General Government	5,252,915	2,128,500	1,314,000	1,000,000	1,000,000	10,695,415
Asset Management Software	180,000					180,000
CARTA Capital Match	250,000	350,000	350,000	350,000	350,000	1,650,000
Enterprise Center FF&E	250,000					250,000
ESIP Capital Amendment	800,000					800,000
ESIP Supplier Park Development	223,500	223,500				447,000
Finley Stadium Donation	125,000	125,000				250,000
HR Training Software	75,000					75,000
HVAC System	349,415					349,415
Library Furniture & Redesign		200,000				200,000
Orange Grove Donation	250,000					250,000
Application Hosting and Tools	550,000					550,000
Content and Document Management		500,000				500,000
DataCenter Move	1,000,000					1,000,000
IT Security Compliance Tools			314,000			314,000
Microsoft License True-up	200,000					200,000
Multipurpose Room/Training Ctr		80,000				80,000
Network Upgrades (NoogaNET)	500,000	650,000	650,000	650,000	650,000	3,100,000
Telecommunication Upgrades	500,000					500,000

General Government

FY 2016 Appropriation:	\$5,252,915
% of Capital Funds:	4.82%
Growth From FY 15:	1,792,625
% Change:	52.00%

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 \$11,540,454 with a 5 year plan of \$10.7 million. Approved FY16 appropriations in the General Government Capital area include:

Asset Management Software

FY 2016 Appropriation:	\$180,000
Funding source:	General Fund
Prior Years Appropriations:	\$ -0-
Total Project Cost:	\$180,000

This appropriation is software to assist in the management of citywide assets. Currently the process is manual for management of sensitive and minor equipment.

Impact on operating budget: Minimal- Annual Maintenance Cost

CARTA

FY 2016 Appropriation:	\$250,000
Funding source:	150,000 Bonds 100,000 Economic Development
Prior Years Appropriations:	\$11,113,817
Total Project Cost:	\$11,363,817

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

Various One Time Donations

FY 2016 Appropriation:	\$848,500
Funding source:	Economic Development Funds
Prior Years Appropriations:	\$ -0-
Total Project Cost:	\$848,500

These appropriations will be used to fund various one-time capital support items as follows: Enterprise Center FF&E (\$250K); ESIP Supplier Park Development (\$223,500); Finley Stadium (\$125K); Orange Grove (\$250K).

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

ESIP Capital Amendment

FY 2016 Appropriation:	\$ 800,000
Funding source(s):	Other Sources
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 800,000

This appropriation is to appropriate proceeds from land sales to be used for Enterprise South Development projects shared 50/50 with Hamilton County.

Impact on operating budget: None.

HR Training Software

FY 2016 Appropriation:	\$ 75,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 75,000

This appropriation is the implementation for a city-wide training software to provide more efficient management of employee training, management of certifications, and monitor costs.

Impact on operating budget: \$2,000- \$5,000 annual subscription for software

Library HVAC System

FY 2016 Appropriation:	\$ 349,415
Funding source(s):	Bonds
Prior Year(s) Appropriations:	\$ 398,970
Total Project Cost:	\$ 748,386

This appropriation is for repair and replacement of the HVAC system & Boiler at the Main Library located downtown. The HVAC system at the main branch of the Library is original to the building and dates to 1976. This 39 year old HVAC system is 20 years over its estimated life expectancy and is in need of a complete replacement.

Impact on operating budget: \$60,000 - \$100,000 Cost Savings of maintenance and utility.

Information Services

FY 2016 Appropriation:	\$ 2,750,000
Funding source(s):	\$ 1,750,000 General Fund
	\$ 1,000,000 Bonds
Prior Year(s) Appropriations:	\$22,717,226
Total Project Cost:	\$25,467,226

This appropriation funds Application Hosting and Tools; Data Center Move; Network Upgrades (NoogaNET); Microsoft License true-up, and Telecommunication Upgrades.

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

General Services

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
General Services	2,635,000	1,272,000	1,272,000	1,200,000	1,200,000	7,579,000
Chattanooga Hotel Foundation Stabilization	290,000					290,000
Fleet Fueling System Upgrade	170,000	72,000	72,000			314,000
Fleet Leasing Program Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Fleet Mgmt Software	250,000					250,000
Memorial and Tivoli Capital	175,000					175,000
Tivoli HVAC	500,000					500,000
Zoo Improvements	250,000	200,000	200,000	200,000	200,000	1,050,000

General Services

FY 2016 Appropriation: \$2,635,000

% of Capital Funds: 2.42%

Growth From FY 15: 596,955

% Change: 29.00%

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 \$9,116,186, the approved 5 year plan is \$7.6 million. Approved FY16 appropriations in the General Services Capital area include:

Fleet Program

FY 2016 Appropriation: \$ 1,420,000

Funding source(s): Fleet Services Fund

Prior Year(s) Appropriations: \$30,732,323

Total Project Cost: \$32,152,323

These projects include 3 components: Vehicle replacement (\$1M); Fleet Fueling System Upgrade (\$170K); and Fleet Management Software (\$250K). The vehicle replacement program fund portion of all light/medium duty vehicles, in-car camera systems and mounts, and fund heavy equipment replacement. The fleet fueling system replace obsolete and failing PetroVend Fleet Fueling System to a system incorporating RFID technology which is simple for users to operate (no manual input required) and greatly enhances fleet management/data and software accuracy while preventing fuel theft and misappropriation.

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.

Chattanooga Hotel Foundation Stabilization

FY 2016 Appropriation: \$ 290,000

Funding source(s): Economic Development

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

Total Project Cost: \$ 290,000

Foundation Settlement of the hotel footings along Broad Street have caused significant settlement of floors and cracking of walls and brick veneer. An attempt to stabilize the foundation was made in 2012 and has since proved to be unsuccessful. Estimates for engineering and installation of a more extensive underpinning and stabilization of the area estimates the needed repairs at \$246,300 for the foundation work and approximately \$40,000 in sidewalk and building repairs.

Impact on operating budget: None - one time project cost

Memorial Auditorium & Tivoli Theater Capital

FY 2016 Appropriation:	\$ 175,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 175,000

The Capital Appropriation paid to Foundation for capital improvement projects proposed in capital improvement plan
Capital improvement requests must be approved by the Director of General Services

Impact on operating budget: Cost of \$750,000 for management services

Tivoli - HVAC

FY 2016 Appropriation:	\$ 500,000
Funding source(s):	GO Bond
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 500,000

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. Funding was suspended in 2009 and 2010. Replacement of failed HVAC System at the Tivoli is currently in engineering design.

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

Zoo Improvements

FY 2016 Appropriation:	\$ 250,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ 500,000
Total Project Cost:	\$ 750,000

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

Impact on operating budget: None

POLICE

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Police Department	4,035,728	1,835,000	896,000	596,000	596,000	7,958,728
Annex Renovation & Expansion		225,000				225,000
Body-worn Cameras	46,728					46,728
Family Justice Center	3,000,000					3,000,000
In-car Cameras	250,000	386,000	300,000			936,000
In-car Laptop Computers	250,000	400,000	300,000	300,000	300,000	1,550,000
MobileCAD & GPS AVL	264,000					264,000
Motorcycle Replacement		46,000	46,000	46,000	46,000	184,000
National Integrated Ballistics Information Network		200,000				200,000
Portable Digital Radios	225,000	250,000	250,000	250,000	250,000	1,225,000
Watson Field Based Reporting		328,000				328,000

Police Department

FY 2016 Appropriation:	\$4,035,728
% of Capital Funds:	3.70%
Growth From FY 15:	3,143,728
% Change:	352.00%

Police is responsible for the City's police protection. This year requests were \$6,639,728 and the approved 5 year plan is \$7.9 million. Approved FY16 appropriations in the Police Capital area include:

Portable Digital Radios

FY 2016 Appropriation:	\$ 225,000
Funding source(s):	General Funds
Prior Year(s) Appropriations:	\$ 597,000
Total Project Cost:	\$ 822,000

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

In-Car Laptop Computers

FY 2016 Appropriation:	\$ 250,000
Funding source(s):	General Fund
Prior Year(s) Appropriations:	\$ 200,000
Total Project Cost:	\$ 450,000

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: Maintenance \$0 to \$5,000

Body Worn Cameras

FY 2016 Appropriation:	\$ 46,728
Funding source(s):	General Funds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 46,728

Implement a program for body-worn cameras for patrol and investigative units. This increase in video capture of contacts with community members will improve police transparency, resolution of public complaints, officer training, performance and accountability.

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

Family Justice Center

FY 2015 Appropriation:	\$ 3,000,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ 1,594,149
Total Project Cost:	\$ 4,594,149

This appropriation is to renovation a building for a family justice center. The new Family Justice Center will be in a large community space, dubbed the Meeting Place, that's being planned on the 900 block of Eastgate Loop

Impact on operating budget: None until completion in FY2017

Mobile CAD & GPS AVL

FY 2016 Appropriation:	\$ 264,000
Funding source(s):	64,000 General Fund 200,000 Go Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 264,000

Initiative to increase accountability and efficiency through the use of technology by equipping patrol vehicles with wireless automated vehicle location devices. By enabling tracking of patrol units city wide, we will provide enhanced ability to assign calls for service and respond with greater efficiency for priority calls for service. This efficiency of response will improve overall safety of by incorporating responding officer locations relative to the incident scene in need of police services.

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

Fire

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Fire Department	1,150,000	1,300,000	150,000	2,120,000	120,000	4,840,000
Apparatus (Fire Pumper)	1,000,000	1,000,000		2,000,000		4,000,000
Fire Training Drill Tower Safety Improvements		300,000				300,000
Quick Response Vehicles	150,000		150,000			300,000
Station Generators				120,000	120,000	240,000

Fire Department

FY 2016 Appropriation:	\$1,150,000
% of Capital Funds:	1.06%
Decrease From FY 15:	3,212,000
% Change:	-74%

Fire is responsible for the City's fire protection. This year requests were \$4,075,100. Approved FY16 appropriations were \$1,150,000 with a 5 year plan of \$4.8 million. Approved FY16 appropriations in Fire Capital area include:

Apparatus

FY 2016 Appropriation:	\$ 1,000,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 1,000,000

This Capital Request seeks replacement funding for two specialized quints stationed in the downtown district. The department has spent over a million dollars repairs in order to keep both apparatus in operational order. Ladder 1 has over 170,000 miles and Quint 2 has over 125,000 miles. Ladder 1 is 104' platform and Quint 2 is 109' ladder. Both of these specialized apparatus allow the department to reach our high rise building for rescue and extinguishment.

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

Apparatus

FY 2016 Appropriation:	\$ 150,000
Funding source(s):	Fleet Funding
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 150,000

This will purchase two Ford Explorers completely outfitted with lights, sirens, radio equipment and medical equipment. These two vehicles will be used in a pilot program to see if the department can respond more efficiently to certain calls that do not require a full size fire apparatus for example medical calls. The vehicles will be referred to as Quick Resposnes Vehicles (QRV's).

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



Public Works

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Public Works	75,770,563	36,244,400	30,292,500	30,067,625	14,275,506	186,650,594
City Wide Services Equipment	3,618,000	3,889,400	3,300,000	1,450,000	445,000	12,702,400
Parks Manangement Projects	1,350,563	2,365,000	1,590,000	510,000	510,000	6,325,563
Water Quality	7,102,000	11,630,000	6,902,500	5,007,625	4,600,506	35,242,631
Solid Waste	1,000,000	1,260,000	1,300,000	1,050,000	520,000	5,130,000
Interceptor Sewer	62,700,000	17,100,000	17,200,000	22,050,000	8,200,000	127,250,000

Public Works

FY 2015 Appropriation:	\$75,770,563
% of Capital Funds:	4.56%
Decrease From FY 15:	(920,437)
% Change:	-16.00%

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 \$104,111,400 with an approved 5 year total of \$186,650,594. Approved FY16 appropriations in the Public Works Capital area include major project is areas of :

City Wide Services Equipment Replacement

FY 2016 Appropriation:	\$ 3,618,000
Funding source(s):	\$ 288,000 General Fund
	\$ 1,105,000 GO Bonds
	\$ 2,100,000 Fleet Funds
Prior Year(s) Appropriations:	\$14,848,777
Total Project Cost:	\$18,466,777

This appropriation provides allow for the ongoing replacement of older Public Works equipment. The appropriation allows for automated garbage trucks, automated salt brine maker, recycle cans, recycle trucks, knuckle boom and multi-use Chassis replacements, and a street sweeper.

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

Parks Maintenance

FY 2016 Appropriation:	\$ 1,350,563
Funding source(s):	\$ 110,000 General Fund
	\$ 75,000 GO Bonds
	\$ 145,000 Economic Development Fund
	\$ 1,020,563 Hotel/Motel
Prior Year(s) Appropriations:	\$ 55,044,668
Total Project Cost:	\$ 56,395,231

This appropriation will fund Parks project previously from the Parks & Recreation area. Projects include branding and signage for parks, greenways, and trails; park recycling and waste stations, park restrooms, riverbank stabilization study, and Walnut Street Bridge structural improvement.

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

Water Quality Fund

FY 2016 Appropriation:	\$ 7,102,000
Funding source(s):	6,161,349 Reserves 940,651 Operations
Prior Year(s) Appropriations:	\$ 33,868,423
Total Project Cost:	\$ 40,970,423

This appropriation provides for heavy equipment, automated flood warning system, citywide drainage projects, floodplain modeling, LID Retrofit (Anderson Ave. Demonstration Project), WPA System rehab, drainage system retrofits, St. Elmo Avenue Storm Drainage Improvement, Sunbeam Green infrastructure installation, US27 downstream improvements, Manufacturers Road at US 27 project, McCutcheon Road Improvements, and Mountain Creek Road improvements.

Impact on operating budget: None

Solid Waste Fund

FY 2016 Appropriation:	\$ 1,000,000
Funding source(s):	Reserves
Prior Year(s) Appropriations:	\$ 7,696,000
Total Project Cost:	\$ 8,696,000

Impact on operating budget: None at this time.

Interceptor Sewer Fund

FY 2016 Appropriation:	\$ 62,700,000
Funding source(s):	\$ 42,500,000 SRF Loan \$ 11,800,000 Reserves \$ 8,400,000 Operations
Prior Year(s) Appropriations:	\$ 145,783,000
Total Project Cost:	\$ 208,483,000

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

Transportation

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Transportation	12,029,487	27,029,288	28,304,539	22,848,416	15,987,200	106,198,930
Pavement Management (Street Paving)	3,219,000	2,588,000	2,588,000	2,588,000	2,588,000	13,571,000
Traffic Engineering Projects	1,707,000	925,000	875,000	875,000	875,000	5,257,000
Transportation Contingency Fund	-	275,000	275,000	275,000	275,000	1,100,000
Rail Study	700,000	-	-	-	-	700,000
Curbs, Gutters, and Sidewalks	550,000	800,000	1,050,000	1,050,000	1,050,000	4,500,000
Street Rehabilitation	1,917,759	5,646,700	6,780,000	5,173,000	450,000	19,967,459
Bridge Rehabilitation	-	200,000	80,000	80,000	80,000	440,000
Bike Lanes & Facilities	2,310,728	2,305,388	2,367,339	2,138,216	-	9,121,671
Wilcox Tunnel Rehabilitation	1,400,000	10,669,200	10,669,200	10,669,200	10,669,200	44,076,800
Central Ave Extension	225,000	3,620,000	3,620,000	-	-	7,465,000

Transportation

FY 2016 Appropriation:	\$ 12,029,487
% of Capital Funds:	11.04%
Growth From FY 15:	2,107,352
% Change:	21%

Transportation is a newer 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 \$106,198,930. Approved FY16 appropriations include major projects in areas of :

Paving Program

FY 2016 Appropriation:	\$ 3,219,000
Funding source(s):	\$ 2,931,000 General Fund 288,000 External Sources
Prior Year(s) Appropriations:	\$ 31,057,750
Total Project Cost:	\$ 34,276,750

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.

Traffic Engineering Projects

FY 2016 Appropriation:	\$ 1,707,000
Funding source(s):	\$ 40,000 General Fund \$ 100,000 Economic Development Fund \$ 767,000 GO Bonds \$ 800,000 External Sources (CMAQ)

Prior Year(s) Appropriations: \$ -0-
Total Project Cost: \$ 1,707,000

The Traffic Engineering Projects include intersection modernization, multimodal, neighborhood traffic management, capital equipment, and Intelligent Transportation System Development which will include Phases 1,3,4 and 5 include the installation of fiber optic communication lines and CCTV cameras along selected corridors to allow for traffic and congestion monitoring.

Impact on operating budget: Maintenance

Rail Study

FY 2016 Appropriation: \$ 700,000
Funding source(s): \$ 300,000 Economic Development Fund
 \$ 400,000 External Funding Sources (Tiger Grant)
Prior Year(s) Appropriations: \$ -0-
Total Project Cost: \$ 700,000

The purpose of the study will be to develop a plan for using and supplementing the existing freight rail infrastructure, tracks, tunnels and bridges for a passenger rail transit system in combination with an intracity passenger system, connecting with cities such as Atlanta and Nashville.

Impact on operating budget: None.

Curbs, Gutters and Sidewalks

FY 2016 Appropriation: \$ 550,000
Funding source(s): \$ 350,000 GO Bonds
 \$ 200,000 External Funding Sources (CDBG)
Prior Year(s) Appropriations: \$10,862,798
Total Project Cost: \$11,412,798

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

Impact on operating budget: None.

Street Rehabilitation

FY 2016 Appropriation: \$ 1,917,759
Funding source(s): \$ 119,860 Economic Development Fund
 \$ 607,707 General Obligation Bonds
 \$ 1,190,192 External Funding Sources (Other)
Prior Year(s) Appropriations: \$ 75,616,936
Total Project Cost: \$ 77,534,695

This appropriation will fund a program of major street rehabilitation within the City including Goodwin Road (Gunbarrel-Hamilton Place Blvd), ML King Blvd Improvements, Riverwalk Extensions (Middle Street to the Incline and US27 to Moccasin Bend), Shepherd Road Improvements, and Virginia Avenue Greenway.

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

Bike Lanes & Facilities

FY 2016 Appropriation: \$ 2,310,728
Funding source(s): \$ 853,235 GO Bonds
 \$ 25,100 Economic Development
 \$ 1,432,393 External Funding Sources (CMAQ)
Prior Year(s) Appropriations: \$ 220,000
Total Project Cost: \$ 2,530,728

The projects included are protected Bicycle lanes, Main Street Protected Lanes, and Hwy 58 pedestrian and Bike Improvements. 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

Wilcox Tunnel Rehabilitation

FY 2016 Appropriation:	\$ 1,400,000	
Funding source(s):	\$ 1,400,000	General Obligation Bonds
Prior Year(s) Appropriations:	\$ 3,229,290	
Total Project Cost:	\$ 4,629,290	

This capital request will fund complete rehabilitation the existing Wilcox tunnel. Specific project improvements include: new lighting, water intrusion collection system, and rehabilitated driving surface for increased safety, new wall surfaces that are easier to clean and maintain, landscaping in tunnel entrances, public art, and a new railing to increase aesthetic appeal and pedestrian safety.

Impact on operating budget: None

Central Avenue Extension

FY 2016 Appropriation:	\$ 225,000	
Funding source(s):	\$ 45,000	Economic Development Funds
	\$ 180,000	External Sources
Prior Year(s) Appropriations:	\$ 2,178,670	
Total Project Cost:	\$ 2,403,670	

This capital request will fund the extension of 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, and direct bike/ped connection to the Riverwalk.

Impact on operating budget: None



Economic & Community Development

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Economic & Community Development	6,727,700	250,000	850,000	250,000	250,000	8,327,700
Bessie Smith Lawn Animation			600,000			600,000
Harriet Tubman	200,000					200,000
Miller Park District	227,700					227,700
Public Art	50,000	50,000	50,000	50,000	50,000	250,000
Public Space Improvements		200,000	200,000	200,000	200,000	800,000
Volkswagen Expansion	6,250,000					6,250,000

Economic & Community Development

FY 2016 Appropriation: \$ 6,727,700

% of Capital Funds: 6.17%

Decline From FY15: (21,122,300)

% Change: -76%

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 \$7,005,520 with an approved 5 year total of \$8.3 million. Approved FY16 appropriations include major projects in areas of :

EC Development Site: Tubman

FY 2016 Appropriation: \$ 200,000

Funding source(s): General Fund

Prior Year(s) Appropriations: \$ 7,000,000

Total Project Cost: \$ 7,200,000

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 2016 Appropriation: \$ 6,250,000

Funding source(s): \$ 4,700,000 General Fund

\$ 1,550,000 Economic Development

Prior Year(s) Appropriations: \$ 20,000,000

Total Project Cost: \$ 26,250,000

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

Public Art

FY 2016 Appropriation:	\$ 50,000
Funding source(s):	Economic Development
Prior Year(s) Appropriations:	\$ 50,000
Total Project Cost:	\$ 100,000

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 District

FY 2016 Appropriation:	\$ 277,700
Funding source(s):	External
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 277,700

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.

Youth & Family Development

Recommended Projects	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	5 Year Plan Total
Youth & Family	1,377,000	690,000	750,000	450,000	450,000	3,717,000
Security, Lighting and Fencing		200,000	200,000			400,000
Skatepark Renovation	30,000	40,000				70,000
South Chattanooga YFD Center Sign	30,000					30,000
YFD Building Repairs	150,000		100,000			250,000
YFD Building Roofs	225,000	200,000	200,000	200,000	200,000	1,025,000
YFD Building Safety & Security Improvements	100,000					100,000
YFD Center HVAC Replacement	200,000					200,000
YFD Center Improvements	525,000	250,000	250,000	250,000	250,000	1,525,000
YFD Maintenance Equipment	42,000					42,000
YFD Tennis Court Rehab	75,000					75,000

Youth & Family Development

FY 2016 Appropriation:	\$ 1,377,000
% of Capital Funds:	1.26%
Decrease From FY 15:	273,000
% Change:	-17%

Youth & Family Development is a newly formed department from a portion of the the previous Parks & Recreation and Human Services departments. Requests were \$4,953,333 with an approved 5 year total of \$3,717,000. Approved FY16 appropriations in the area include :

YFD Building Projects

FY 2016 Appropriation:	\$ 1,147,000
Funding source(s):	GO Bonds
Prior Year(s) Appropriations:	\$ 1,650,000
Total Project Cost:	\$ 2,797,000

The appropriation allocated will provide for needed building renovation, rehabilitation, equipment for recreation centers, tennis court rehab, building security improvements, roof replacement, and skatepark renovation throughout Chattanooga's facilities.

Impact on operating budget: Lower building maintenance cost between \$10,000 - \$15,000.

YFD Center HVAC Replacement

FY 2016 Appropriation:	\$ 200,000
Funding source(s):	Bonds
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 200,000

This appropriation is for repair and replacement of the HVAC systems at the various locations. The HVAC system at many locations are past life expectancy and is in need of replacement.

Impact on operating budget: \$5,000 - \$10,000 Cost Savings of maintenance and utility.

South Chattanooga YFD Center Sign

FY 2016 Appropriation:	\$ 30,000
Funding source(s):	Donation
Prior Year(s) Appropriations:	\$ -0-
Total Project Cost:	\$ 30,000

This appropriation is replacement of the South Chattanooga's Recreation Center sign. The replacement would provide a more visible marker for that center in the community.

Impact on operating budget: None.

CAPITAL BUDGET ORDINANCE

First Reading: June 23, 2015

Second Reading: June 30, 2015

ORDINANCE NO. 12965

AN ORDINANCE APPROPRIATING, AUTHORIZING OR ALLOCATING FUNDS TO THE CAPITAL IMPROVEMENTS BUDGET FOR THE FISCAL YEAR 2015/2016 AND TO AMEND THE FISCAL YEAR 2015/2016 OPERATIONS BUDGET ORDINANCE NO. 12953 AND AMEND FISCAL YEAR 2012/2013 CAPITAL BUDGET ORDINANCE NO. 12625.

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, 2016:

GENERAL GOVERNMENTAL FUNDS

FROM	General Obligation Bonds	\$ 12,299,357	
	Hotel Motel Tax Fund	1,020,563	
	General Fund (1100)	11,939,728	
	Economic Development Fund (1111)	3,698,460	
	Fleet Management Fund (6504)	3,670,000	
	State of Tennessee (Transportation Improvement Program)	1,327,692	
	Capital Contribution (Hamilton County)	85,000	
	Capital Contribution (4013)	800,000	
	Capital Contribution (Lyndhurst)	75,500	
	Capital Contribution (Benwood)	400,000	
	Capital Contribution (RiverCity)	27,700	
	Federal (Transportation Investment Generating Economic Recovery)	400,000	
	Federal (CMAQ)	2,232,393	
	Community Development Block Grant	200,000	
TO	General Government & Supported Agencies		\$ 5,252,915
	Department of Police		4,035,728
	Department of Fire		1,150,000
	Department of Public Works		4,968,563
	Department of Economic & Community Development		6,727,700
	Department of General Services		2,635,000
	Department of Transportation		12,029,487
	Department of Youth & Family		1,377,000
		<u>\$ 38,176,393</u>	<u>\$ 38,176,393</u>

CAPITAL BUDGET ORDINANCE

PROPRIETARY FUNDS CAPITAL

FROM:	State Revolving Loan Fund	42,500,000	
	Interceptor Sewer System Operations (Fund 6010)	8,400,000	
	Interceptor Sewer System Reserves	11,800,000	
	Water Quality Fund Reserves	6,161,349	
	Water Quality Operations (Fund 6030)	940,651	
	Solid Waste Fund Reserves (6020)	1,000,000	
TO:	Interceptor Sewer Fund		62,700,000
	Solid Waste Fund		1,000,000
	Water Quality Fund		7,102,000
	TOTAL PROPRIETARY FUNDS	\$ 70,802,000	\$ 70,802,000
	TOTAL CAPITAL BUDGET	\$ 108,978,393	\$ 108,978,393

SECTION 2. That Ordinance No. 12953, the 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	<u>\$ 0</u>	<u>\$ 6,250,000</u>
AMENDED GENERAL FUND ESTIMATED SOURCES	<u>\$ 222,730,563</u>	<u>\$ 228,980,563</u>

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

	<u>Delete</u>	<u>Substitute in Lieu Thereof</u>
GENERAL FUND APPROPRIATIONS:		
Debt Service Fund	\$ 19,204,000	\$ 17,504,272
Capital Improvements	<u>609,000</u>	<u>9,008,728</u>
General Government & Agencies	<u>\$ 56,239,483</u>	<u>\$ 62,489,483</u>
AMENDED TOTAL GENERAL FUND APPROPRIATION	<u>\$ 222,730,563</u>	<u>\$ 228,980,563</u>

CAPITAL BUDGET ORDINANCE

Beginning Unrestricted Net Position	\$ 42,206,506	\$ 42,206,506
Estimated Increase/(Decrease) in Fund Balance	-	(6,250,000)
Ending Unrestricted Net Position	<u>\$ 42,206,506</u>	<u>\$ 35,956,506</u>

6010 INTERCEPTOR SEWER OPERATIONS:

ESTIMATED REVENUE

Interceptor Sewer Fund Reserves	\$ 0	\$11,800,000
Amended Total Revenue	<u>\$ 66,046,000</u>	<u>\$77,846,000</u>

APPROPRIATIONS

Construction Trust Fund (6011)	\$ 8,400,000	\$20,200,000
Amended Total Appropriation	<u>\$ 66,046,000</u>	<u>\$77,846,000</u>

Beginning Unrestricted Net Position	58,860,149	58,860,149
Estimated Increase/(Decrease) in Fund Balance	-	(11,800,000)
Ending Unrestricted Net Position	<u>58,860,149</u>	<u>47,060,149</u>

6020 SOLID WASTE OPERATIONS:

ESTIMATED REVENUE

Solid Waste Fund Reserves	\$ 0	\$ 1,000,000
Amended Total Revenue	<u>\$ 6,952,000</u>	<u>\$ 7,952,000</u>

APPROPRIATIONS

Appropriation to Capital (6021)	\$ 0	\$ 1,000,000
Amended Total Appropriation	<u>\$ 6,952,000</u>	<u>\$ 7,952,000</u>

Beginning Unrestricted Net Position	5,353,119	5,353,119
Estimated Increase/(Decrease) in Fund Balance	-	(1,000,000)
Ending Unrestricted Net Position	<u>5,353,119</u>	<u>4,353,119</u>

6030 WATER QUALITY FUND:

ESTIMATED REVENUE

Water Quality Reserves	\$ 0	\$ 6,161,349
Amended Total Revenue	<u>\$ 17,792,273</u>	<u>\$ 23,953,622</u>

APPROPRIATIONS

Appropriation to Capital	\$ 940,651	\$ 7,102,000
Amended Total Appropriation	<u>\$ 17,792,273</u>	<u>\$ 23,953,622</u>

CAPITAL BUDGET ORDINANCE

Beginning Unrestricted Net Position	11,929,503	11,929,503
Estimated Increase/(Decrease) in Fund Balance	-	(6,161,349)
Ending Unrestricted Net Position	11,929,503	5,768,154

SECTION 3. That Section 6 of said Ordinance be and is hereby amended as hereinafter set out:

1111 ECONOMIC DEVELOPMENT EDUCATION FUND:

ESTIMATED REVENUE

Economic Development Unreserved Fund Balance	\$ 0	\$ 1,717,069
Amended Total Revenue	\$ 12,404,500	\$ 14,121,569

APPROPRIATIONS

Economic Development Capital Projects	\$ 1,736,391	\$ 3,453,460
Amended Total Appropriation	\$ 12,404,500	\$ 14,121,569

Beginning Fund Balance	4,826,754	4,826,754
Estimated Increase/(Decrease) in Fund Balance	-	(1,717,069)
Ending Fund Balance	4,826,754	3,109,685

2070 HOTEL/MOTEL TAX FUND:

ESTIMATED REVENUE

Hotel/Motel Revenues	\$ 6,064,000	\$ 6,064,000
Amended Total Revenue	\$ 6,064,000	\$ 6,064,000

APPROPRIATIONS

21 st Century Waterfront Capital Fund	\$ 1,020,563	\$ 1,020,563
Amended Total Appropriation	\$ 6,064,000	\$ 6,064,000

Beginning Fund Balance	4,470,110	4,470,110
Estimated Increase/(Decrease) in Fund Balance	-	-
Ending Fund Balance	4,470,110	4,470,110

3100 DEBT SERVICE FUND:

ESTIMATED REVENUE

General Fund	\$ 19,204,000	\$ 17,504,272
Amended Total Revenue	\$ 24,860,653	\$ 23,160,925

APPROPRIATIONS

Principal	<u>\$ 17,160,626</u>	<u>\$ 17,160,626</u>
Amended Total Appropriation	<u>\$ 24,860,653</u>	<u>\$ 24,860,653</u>

Beginning Fund Balance	3,310,403	3,310,403
Estimated Increase/(Decrease) in Fund Balance	-	<u>(1,700,000)</u>
Ending Fund Balance	<u>3,310,403</u>	<u>1,610,403</u>

SECTION 6: That Section 1 of the FY2013 CAPITAL BUDGET ORDINANCE NO. 12625 be and is hereby amended so hereinafter set out:

ESTIMATED REVENUE

Federal	<u>\$ 11,050,000</u>	<u>\$ 10,000,000</u>
Amended Total Revenue	<u>\$ 52,486,090</u>	<u>\$ 51,436,090</u>

APPROPRIATIONS

Appropriation to Police Capital (4012-H30128)	<u>\$ 3,150,000</u>	<u>\$ 2,100,000</u>
Amended Total Appropriation	<u>\$ 52,486,090</u>	<u>\$ 51,436,090</u>

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

Passed on second and final reading: June 30, 2015

Robert Williams
CHAIRPERSON

APPROVED: DISAPPROVED:

Myron Burt
MAYOR