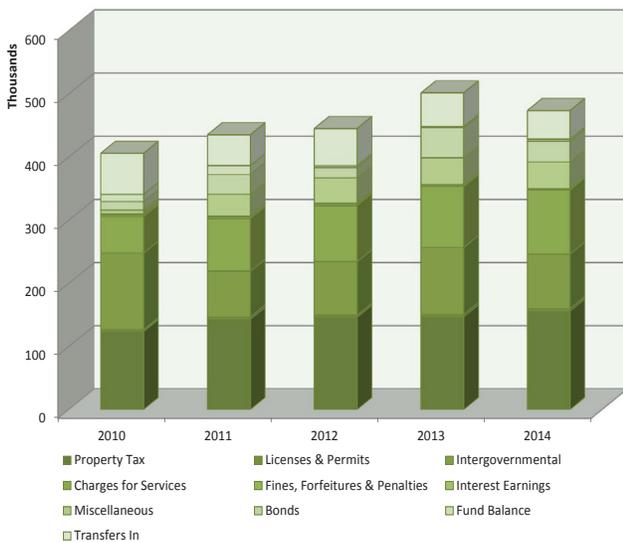


# Financial Overview

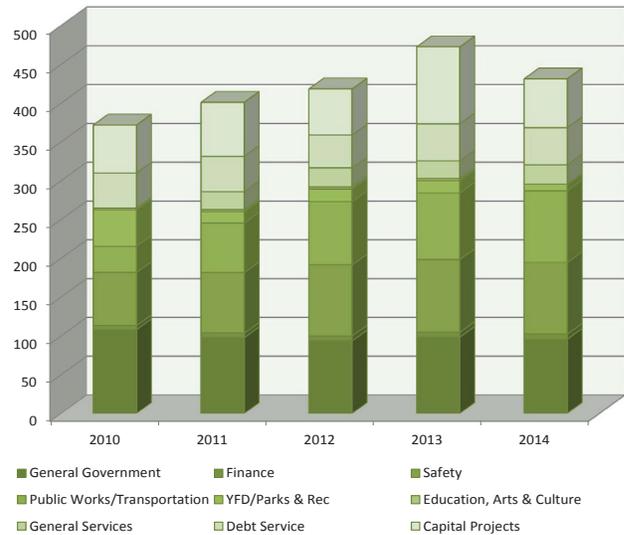
## Revenue and Expenditure History

Total City revenues and operating transfers in for the fiscal year ended June 30, 2010 were \$414,110,036. Total projected City revenue for the fiscal year ended June 30, 2014 is \$473,569,845 an increase of \$59,459,809 or 14.4% over this five year period. Increases include water quality fee increases, capital, sewer rate increases, cost of operations largely due to market conditions and the economy, and the assumption of management of the City's share of sales tax. During this period the Undesignated General Fund Budget increased from \$167,535,000, an increase of \$45,005,000 or 26.8%. Also below are comparisons of total revenues and expenditures.

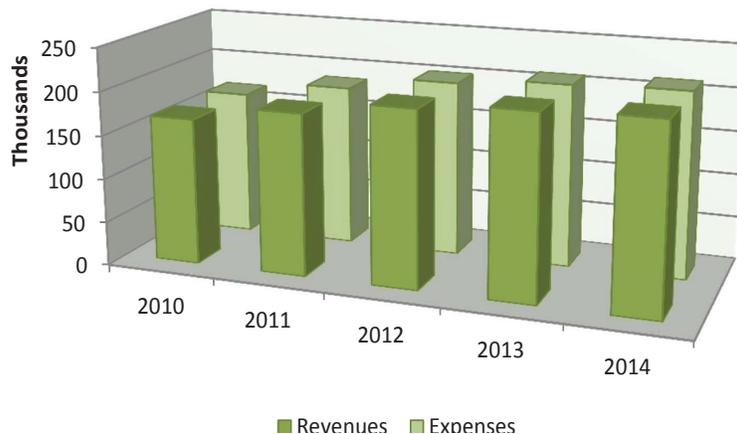
**Budgeted Revenues  
(in 1,000)**



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



## Undesignated General Fund



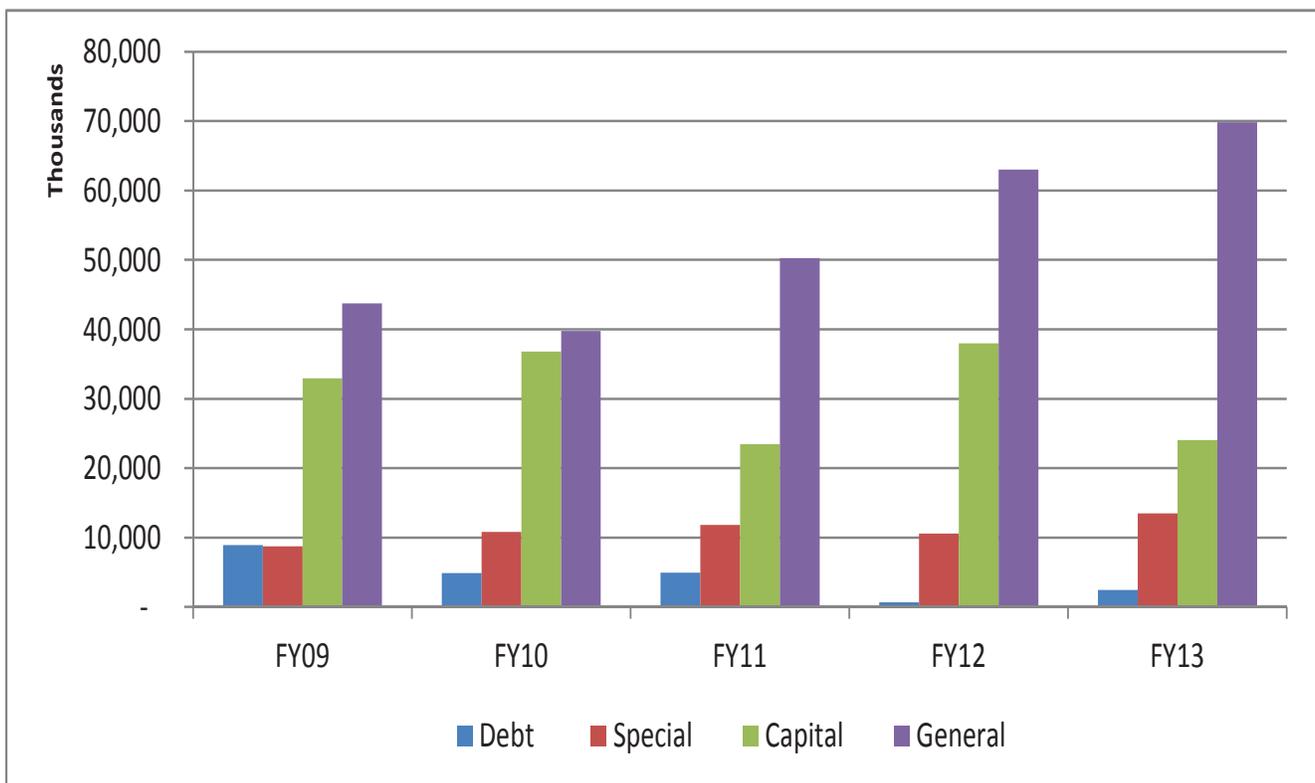
**BUDGETED REVENUES & APPROPRIATIONS  
BY FUND TYPE  
FY2014**

Revenues	Governmental Fund Types				Internal Service Funds	Budget Total Revenue FY2014	Budget Total Revenue FY2013
	Undesignated General	Special Revenue	Debt Service	Capital Projects			
Taxes	139,624,800	16,614,500	-	-	-	156,239,300	147,207,360
Licenses & Permits	3,595,300	-	-	-	-	3,595,300	3,558,850
Intergovernmental	59,743,400	21,781,847	469,291	4,480,350	-	86,559,888	106,117,309
Charges for services	3,008,700	3,252,849	-	-	16,147,034	101,513,650	96,389,804
Fines, forfeitures and penalties	815,200	383,400	-	-	-	1,198,600	2,264,100
Interest earnings/Use of Property	624,500	7,200	-	-	-	1,031,700	781,900
Miscellaneous	5,128,100	186,246	24,236	17,000	36,528,350	41,982,181	42,426,443
Bonds	-	-	-	9,289,245	-	33,014,245	47,637,469
Fund Balance	-	1,126,534	-	-	2,000,000	3,126,534	2,000,000
Transfers In	-	1,064,481	21,941,346	14,398,620	800,000	45,308,447	53,181,632
<b>Total Revenues</b>	<b>212,540,000</b>	<b>44,417,057</b>	<b>22,434,873</b>	<b>28,185,215</b>	<b>55,475,384</b>	<b>473,569,845</b>	<b>501,564,867</b>
<b>Appropriations</b>							
General Government	19,731,258	29,269,992	-	-	800,000	49,801,250	56,313,761
Finance & Administration	5,533,123	940,600	-	-	-	6,473,723	6,219,066
Safety	91,739,343	607,000	-	-	-	92,346,343	93,922,020
Public Works	26,677,186	4,280,000	-	-	-	85,865,904	85,648,014
Parks & Recreation	-	-	-	-	-	-	16,171,604
Youth & Family Development	8,286,738	-	-	-	-	8,286,738	-
Human Resources	1,835,122	-	-	-	36,528,350	38,363,472	38,113,224
Neighborhood Services	-	-	-	-	-	-	2,147,967
Economic & Community Dev	6,003,527	-	-	-	-	6,003,527	-
Executive Branch	1,624,902	-	-	-	-	1,624,902	1,861,232
Education, Arts, & Culture	-	-	-	-	-	-	2,412,389
General Services	5,038,667	1,928,600	-	-	18,147,034	25,114,301	22,781,221
Transportation	6,610,261	-	-	-	-	6,610,261	-
Debt Service	-	3,812,243	22,434,873	-	-	48,076,714	47,856,636
Capital Projects	-	3,266,247	-	28,185,215	-	62,780,462	99,127,636
Transfers Out	39,459,873	312,375	-	-	-	42,222,248	28,990,097
<b>Total Appropriations</b>	<b>212,540,000</b>	<b>44,417,057</b>	<b>22,434,873</b>	<b>28,185,215</b>	<b>55,475,384</b>	<b>473,569,845</b>	<b>501,564,867</b>

## Fund Balance/Net Asset Summary

During the past five years the City of Chattanooga has seen a total net increase in its Governmental Fund Balances of \$15.5 million. This is due to the increase in the fund balance for the Special Revenue Funds and increase in General Fund. Fund Balances for the Capital Fund and Debt Service Fund have decreased during this period.

### Changes in Fund Balance Governmental Funds Includes Designated Funds



#### Governmental Fund Balances

	FY09	FY10	FY11	FY12	FY13 unaudited
Debt Service Fund	\$ 8,925,003	\$ 4,870,365	\$ 4,954,374	\$ 652,700	\$ 2,476,637
Special Revenue Funds	\$ 8,762,909	\$ 10,791,021	\$ 11,839,913	\$ 10,561,193	\$ 13,458,354
Capital Funds	\$ 32,923,230	\$ 36,787,650	\$ 23,431,548	\$ 37,958,070	\$ 24,038,313
General Fund	\$ 43,746,999	\$ 39,746,939	\$ 50,280,129	\$ 63,003,393	\$ 69,845,601
<b>Totals</b>	<b>\$ 94,358,141</b>	<b>\$ 92,195,975</b>	<b>\$ 90,505,964</b>	<b>\$ 112,175,356</b>	<b>\$ 109,818,905</b>

## Fund Balance/Net Asset Summary

The General Fund Balance was \$43,746,999 in FY09. This has risen to a current unaudited balance of \$69,845,601 or FY13. The increase is primarily due to conservative budgeting resulting in positive variances in expenditures largely because of funded vacancies. In FY12 Library was recategorized from Special Revenue to General Fund.

The Special Revenue Fund Balance increased from a balance of \$8,762,909 in FY09 to a FY13 unaudited balance of \$13,458,354. The City earmarks .25 percent of its share of the local option sales tax for economic development. These funds are dedicated to supported capital and the payments for the retirement of the Lease Rental Revenue Bonds. There is a \$1.8 million increase in FY10 because Regional Planning Agency, Air Pollution Control Bureau, and Scenic Cities Beautiful funds were recategorized as Special Revenue Funds. In FY11 Tennessee Valley Regional Communications was recategorized as a Special Revenue Fund.

Debt Service Fund Balance was \$8,925,003 in FY09, decreasing to \$2,476,637 by the end of FY13. In FY10, \$5 million debt service fund balance was used to fund debt service thus allowing General Fund to fund pay go capital. In 2012, there was a \$4 million planned use of debt service fund balance.

The Capital Fund Balance has fluctuated most during the past few years. This is primarily due to the City's 21st Century Waterfront capital plan, which was substantially completed in FY07, also because the city recorded \$26.5 million bond proceeds in FY12. Since FY09, the balance has decreased from \$32,923,230 to an unaudited \$24,038,313 at the beginning of FY14.

The growth of the Net Assets within the Enterprise Funds (excluding the Electric Power Board) has been most dramatic. Net Assets of \$276,727,789 in FY09 have increased to a FY13 unaudited balance of \$298,538,305. 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 has been applied to sewer rates. In FY 13, the average increase was 9.5%.

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

The Internal Service Fund Balance was \$17,100,022 in FY09. At the beginning of FY14, this fund is projected to have an unaudited Fund Balance of \$40,250,554. This reflects \$2.0M in capital recovery funds from the Fleet Leasing Program for vehicle replacement that is factored into the current lease rate. There is \$8 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 \$10.2 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, 2011 - 2014

	FY10/11	FY11/12 (1)	Unaudited FY12/13	Budget FY13/14
FUND BALANCE at beginning of year	<u>39,829,493</u>	<u>50,280,129</u>	<u>63,003,393</u>	<u>69,845,601</u>
<b>Revenues</b>				
Taxes	128,739,188	130,221,929	139,684,383	139,624,800
Licenses and permits	4,685,560	5,184,028	5,300,519	3,595,300
Intergovernmental Revenues	63,117,881	75,902,885	79,709,572	72,484,455
Charges for Services	4,891,144	5,347,148	5,837,248	6,710,600
Fines, forfeitures and penalties	2,657,310	2,105,600	1,378,816	1,333,600
Interest Income	655,298	777,377	607,357	537,446
Sale of Property	59,771	177,829	128,021	174,500
Contributions and donations	140,710	221,687	539,553	-
Miscellaneous Revenues	<u>3,405,068</u>	<u>4,323,860</u>	<u>5,212,694</u>	<u>5,332,388</u>
<b>Total Revenues</b>	<u>208,351,930</u>	<u>224,262,343</u>	<u>238,398,163</u>	<u>229,793,089</u>
<b>Expenditures</b>				
General Government (1)	34,601,779	42,462,930	47,886,432	54,995,154
Finance & Administration	3,787,566	4,418,397	4,651,766	5,746,076
CARTA appropriation	4,231,000	4,675,000	4,772,000	4,867,440
Police	48,991,740	53,760,208	55,050,619	55,056,279
Fire	33,883,443	36,303,668	36,654,328	37,689,964
Public Works	35,035,739	34,479,915	36,574,246	26,683,986
Youth & Family Development	-	-	-	8,322,738
Transportation	-	-	-	6,610,261
Parks & Recreation	15,685,436	16,982,982	16,943,479	-
Education, Arts, & Culture	<u>2,318,552</u>	<u>2,476,913</u>	<u>2,627,103</u>	<u>-</u>
<b>Total Expenditures</b>	<u>178,535,255</u>	<u>195,560,013</u>	<u>205,159,973</u>	<u>199,971,898</u>
Excess (deficiency) of revenues over expenditures	29,816,675	28,702,330	33,238,190	29,821,191
<b>Other Financing Sources (Uses)</b>				
Operating transfers in (2)	4,898,833	7,756,422	9,349	6,492,250
Operating transfers out	(24,264,872)	(23,735,489)	(26,459,824)	(37,302,433)
Issuance of debt	<u>-</u>	<u>-</u>	<u>54,493</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(19,366,039)</u>	<u>(15,979,067)</u>	<u>(26,395,982)</u>	<u>(30,810,183)</u>
Prior Year Surplus	-	-	-	1,078,154
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>10,450,636</u>	<u>12,723,263</u>	<u>6,842,208</u>	<u>89,162</u>
FUND BALANCE at end of year	<u>50,280,129</u>	<u>63,003,393</u>	<u>69,845,601</u>	<u>69,934,763</u>

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

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

# City of Chattanooga, Tennessee

## Special Revenue Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Years Ended June 30, 2011 - 2014

	FY10/11	FY11/12	Unaudited FY12/13	Budget FY13/14
FUND BALANCE at beginning of year	<u>10,791,021</u>	<u>11,839,913</u>	<u>10,561,193</u>	<u>13,458,354</u>
Revenues				
Taxes	4,746,845	5,001,504	4,970,247	5,100,500
Licenses and permits	490,853	554,723	529,735	469,430
Intergovernmental Revenues	30,612,153	25,185,626	25,671,005	22,916,849
Charges for Services	711,289	698,491	422,578	1,414,249
Fines, forfeitures and penalties	48,642	43,352	43,739	-
Interest Income	78,143	117,461	73,520	7,200
Sale of Property	52,475	16,625	24,062	-
Contributions and donations	254,286	172,554	23,083	-
Prior Year Surplus	-	-	-	108,616
Miscellaneous Revenues	1,173,446	780,719	309,227	388,246
Total Revenues	<u>38,168,132</u>	<u>32,571,055</u>	<u>32,067,196</u>	<u>30,405,090</u>
Expenditures				
General Government	11,635,645	5,720,995	6,619,619	9,217,243
Public safety	463,112	423,055	418,941	312,000
Public Works	4,224,891	4,803,415	4,280,693	4,280,000
Social Services	20,977,875	19,123,591	16,515,908	15,139,893
Capital Outlay/Fixed Assets	423,011	-	-	902,797
Total Expenditures	<u>37,724,534</u>	<u>30,071,056</u>	<u>27,835,161</u>	<u>29,851,933</u>
Excess (deficiency) of revenues over expenditures	443,598	2,499,999	4,232,035	553,157
Other Financing Sources (Uses)				
Operating transfers in	7,760,254	4,170,599	2,917,806	3,762,536
Operating transfers out	(7,154,960)	(7,949,318)	(4,252,680)	(4,315,693)
Total other financing sources (uses)	<u>605,294</u>	<u>(3,778,719)</u>	<u>(1,334,874)</u>	<u>(553,157)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>1,048,892</u>	<u>(1,278,720)</u>	<u>2,897,161</u>	<u>-</u>
FUND BALANCE at end of year	<u><u>11,839,913</u></u>	<u><u>10,561,193</u></u>	<u><u>13,458,354</u></u>	<u><u>13,458,354</u></u>

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

# City of Chattanooga, Tennessee

## Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Years Ended June 30, 2011 - 2014

	FY10/11	FY11/12	Unaudited FY12/13	Budget FY13/14
FUND BALANCE at beginning of year	<u>4,870,365</u>	<u>4,954,374</u>	<u>652,700</u>	<u>2,476,637</u>
Revenues				
Intergovernmental funds	674,423	436,091	513,914	469,291
Other	-	-	-	24,236
Total Revenues	<u>674,423</u>	<u>436,091</u>	<u>513,914</u>	<u>493,527</u>
Expenditures				
Principal retirement	13,007,185	11,846,305	13,037,072	15,133,713
Interest	7,096,207	6,976,936	7,062,765	7,191,160
Fiscal agent fees	114,804	90,112	115,927	110,000
Total Expenditures	<u>20,218,196</u>	<u>18,913,353</u>	<u>20,215,764</u>	<u>22,434,873</u>
Excess (deficiency) of revenues over expenditures	<u>(19,543,773)</u>	<u>(18,477,262)</u>	<u>(19,701,850)</u>	<u>(21,941,346)</u>
Other Financing Sources (Uses)				
Operating transfers in	19,627,782	14,175,588	21,525,787	21,941,346
Total other financing sources (uses)	<u>19,627,782</u>	<u>14,175,588</u>	<u>21,525,787</u>	<u>21,941,346</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditure	<u>84,009</u>	<u>(4,301,674)</u>	<u>1,823,937</u>	<u>-</u>
FUND BALANCE at end of year	<u><u>4,954,374</u></u>	<u><u>652,700</u></u>	<u><u>2,476,637</u></u>	<u><u>2,476,637</u></u>

# City of Chattanooga, Tennessee

## Capital Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Years Ended June 30, 2011 - 2014

	FY10/11	FY11/12	Unaudited FY12/13	Budget FY13/14
FUND BALANCE at beginning of year	<u>36,787,650</u>	<u>23,431,548</u>	<u>37,958,070</u>	<u>24,038,313</u>
Revenues				
Intergovernmental Revenues	6,036,562	2,154,474	1,596,449	3,857,975
Charges for services	-	-	-	-
Interest Income	134,691	211,910	51,317	-
Contributions and Donations	813,817	445,358	66,925	17,000
Sale of Property	114,756	424,040	186,690	-
Miscellaneous Revenues	7,755	7,754	13,733	-
Total Revenues	<u>7,107,581</u>	<u>3,243,536</u>	<u>1,915,114</u>	<u>3,874,975</u>
Expenditures				
General Government	2,318,235	2,956,719	1,601,268	2,571,750
Finance & Administration	3,358,975	8,076	1,728,549	1,300,000
Safety	2,943,899	2,354,183	1,577,202	2,637,000
Public Works	12,218,290	13,778,064	9,890,421	14,906,323
Transportation	-	-	-	950,000
Parks & Recreation	2,818,245	2,694,671	2,090,014	-
Education, Arts, & Culture	-	76,821	1,098,001	-
Economic & Community Deveopment	87,937	46,829	-	3,420,142
General Services	432,836	629,521	-	2,400,000
Capital outlay/fixed assets	-	2,746,854	250,603	-
Total Expenditures	<u>24,178,417</u>	<u>25,291,738</u>	<u>18,236,058</u>	<u>28,185,215</u>
Excess (deficiency) of revenues over expenditures	<u>(17,070,836)</u>	<u>(22,048,202)</u>	<u>(16,320,944)</u>	<u>(24,310,240)</u>
Other Financing Sources (Uses)				
Operating transfers in	4,155,838	8,331,325	6,269,597	15,020,995
Operating transfers out	(571,104)	(469,816)	(3,996,826)	-
Refunding bonds issued	-	17,545,000	-	-
General Obligation bonds issued	-	26,495,000	-	9,289,245
Premium on refunding bonds issued	-	1,372,466	-	-
Premium on general obligation bonds issued	-	1,800,288	-	-
Note Proceeds	130,000	75,201	128,416	-
Refund Bond Escrow Agent	-	(18,574,740)	-	-
Total other financing sources (uses)	<u>3,714,734</u>	<u>36,574,724</u>	<u>2,401,187</u>	<u>24,310,240</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(13,356,102)</u>	<u>14,526,522</u>	<u>(13,919,757)</u>	<u>-</u>
FUND BALANCE at end of year	<u>23,431,548</u>	<u>37,958,070</u>	<u>24,038,313</u>	<u>24,038,313</u>

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

# City of Chattanooga, Tennessee

## Enterprise Funds

Statement of Revenues, Expenses and  
Changes in Net Position  
Years Ended June 30, 2011 - 2014

	FY10/11	FY11/12 (1)	Unaudited FY12/13	Budget FY13/14
<b>OPERATING REVENUES</b>				
Customer Charges	69,771,572	74,248,494	94,245,397	98,998,701
Other	1,043,283	1,273,366	2,425,946	3,405,100
Total Revenues	<u>70,814,855</u>	<u>75,521,860</u>	<u>96,671,343</u>	<u>102,403,801</u>
<b>OPERATING EXPENSES</b>				
Sewer Plant Operation	30,214,431	32,650,371	34,851,175	35,717,496
Solid Waste Operation	3,190,967	3,094,828	3,015,399	4,903,090
Water Quality Management Operation	8,492,623	10,921,490	11,355,952	12,051,669
Chattanooga Downtown Redevelopment	-	-	10,727,234	16,286,609
Depreciation and Amortization	16,261,295	16,558,195	16,950,055	16,243,484
Closure/Postclosure Costs	283,572	550,010	-	852,923
Other/Housing	780,939	771,492	4,613,833	899,000
Total Operating Expenses	<u>59,223,827</u>	<u>64,546,386</u>	<u>81,513,648</u>	<u>86,954,271</u>
<b>OPERATING INCOME</b>	<u>11,591,028</u>	<u>10,975,474</u>	<u>15,157,695</u>	<u>15,449,530</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Income	428,002	406,118	683,896	800,000
Interest Expense	(4,632,534)	(4,041,890)	(8,455,090)	(9,590,472)
Intergovernmental	-	-	-	85,000
Other Income (expense)	(81,101)	(108,913)	1,868,268	(846,543)
Net Gain on Sale of Property	-	-	-	-
Total Nonoperating Rev. (Exp.)	<u>(4,285,633)</u>	<u>(3,744,685)</u>	<u>(5,902,926)</u>	<u>(9,552,015)</u>
<b>INCOME BEFORE CONTRIBUTIONS TRANSFERS AND SPECIAL ITEM</b>	<u>7,305,395</u>	<u>7,230,789</u>	<u>9,254,769</u>	<u>5,897,515</u>
Capital Contributions	50,000	11,558	-	-
Operating Transfers In	239,508	339,100	473,432	600,000
Operating Transfers Out	-	-	(1,836,481)	(5,250,833)
Special Item	-	-	(2,190,475)	-
<b>NET INCOME</b>	<u>7,594,903</u>	<u>7,581,447</u>	<u>7,891,720</u>	<u>1,246,682</u>
<b>NET POSITION as previously reported</b>			294,992,672	
CHANGE IN ACCOUNTING PRINCIPAL			<u>(2,155,612)</u>	
<b>NET POSITION, as restated</b>	287,654,668	287,654,668	292,837,060	298,538,305
<b>CHANGE IN NET POSITION</b>			<u>5,701,245</u>	
<b>NET POSITION - Ending</b>	<u>287,654,668</u>	<u>295,236,115</u>	<u>298,538,305</u>	<u>299,784,987</u>

# City of Chattanooga, Tennessee

## Internal Service Funds

Statement of Revenues, Expenses, and Changes in Net Position  
Years Ended June 30, 2011 - 2014

	FY10/11	FY11/12 (1)	Unaudited FY12/13	Budget FY13/14
<b>OPERATING REVENUES</b>				
Billings to Departments	44,779,308	53,147,951	53,908,049	54,275,384
Other	1,251,529	3,020,119	3,588,466	-
Intergovernmental Revenue	-	-	-	-
Misc Revenue	-	-	-	-
Prior Year surplus	-	-	-	2,000,000
<b>Total Operating Revenues</b>	<b>46,030,837</b>	<b>56,168,070</b>	<b>57,496,515</b>	<b>56,275,384</b>
<b>OPERATING EXPENSES</b>				
Repairs & Maintenance - Amnicola	3,556,496	3,663,942	3,973,783	4,008,661
Repairs & Maintenance - 12th St	3,266,344	3,481,853	3,866,468	3,764,206
Operations - Amnicola	1,120,910	1,433,593	1,326,651	1,377,763
Operations - 12th St	2,665,265	3,046,988	2,829,526	2,919,708
Fleet Leasing Capital	188,124	112,066	292,485	3,580,000
Fleet Leasing Operations	1,247,329	2,656,133	2,291,137	2,496,696
Judgments & Costs	(217,948)	(349,871)	(371,621)	169,575
Claims & Tort Liabilities	189,856	364,331	313,249	319,825
Special Counsel	325,592	204,921	251,307	310,600
TAWC Rate Hearing	270,137	16,753	59,068	-
Employee/Retiree Healthcare	20,604,335	24,789,487	24,698,312	27,094,432
Pensioner Healthcare	465,913	780,583	495,623	504,652
On Site Pharmacy	4,565,494	4,807,753	5,190,265	5,365,548
On Site Clinic & Wellness	2,063,883	2,662,608	3,325,855	3,563,718
Health Center Capital	-	-	-	-
Depreciation*	2,340,444	2,844,399	3,176,496	-
<b>Total Operating Expenses</b>	<b>42,652,174</b>	<b>50,515,539</b>	<b>51,718,604</b>	<b>55,475,384</b>
<b>OPERATING INCOME</b>	<b>3,378,663</b>	<b>5,652,531</b>	<b>5,777,911</b>	<b>800,000</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Other income (expense)	139,083	134,027	573,358	-
<b>Total nonoperating revenues (expenses)</b>	<b>139,083</b>	<b>134,027</b>	<b>573,358</b>	<b>-</b>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>3,517,746</b>	<b>5,786,558</b>	<b>6,351,269</b>	<b>-</b>
Capital contributions	52,000	-	-	-
Transfers in	-	3,757,000	3,513,358	-
Transfers out	-	-	-	-
<b>CHANGES IN NET POSITION</b>	<b>3,569,746</b>	<b>9,543,558</b>	<b>9,864,627</b>	<b>-</b>
<b>NET POSITION, beginning of year</b>	<b>17,272,623</b>	<b>20,842,369</b>	<b>30,385,927</b>	<b>40,250,554</b>
<b>NET POSITION, ending of year</b>	<b>20,842,369</b>	<b>30,385,927</b>	<b>40,250,554</b>	<b>40,250,554</b>

\*FY09/10 Depreciation was included in individual department lines.

# City of Chattanooga, Tennessee

## Fiduciary Funds

Statement of Changes in Fiduciary Net Position  
Years Ended June 30, 2011 - 2014

	<u>FY10/11</u>	<u>FY11/12 (1)</u>	<u>Unaudited FY12/13</u>	<u>Budget FY13/14</u>
<b>ADDITIONS</b>				
Contributions:				
Employer	22,109,230	35,199,927	32,589,188	31,052,881
Employee	4,277,012	4,312,966	6,725,678	6,800,000
Other		246,628	171,398	172,000
	<u>26,386,242</u>	<u>39,759,521</u>	<u>39,486,264</u>	<u>38,024,881</u>
Investment Income				
Net Apprec/ (Deprec) in Fair market value of	71,176,410	5,131,786	50,078,777	40,000,000
Interest	3,791,367	700,252	662,838	660,000
Dividends	4,824,426	6,091,962	6,582,897	6,250,000
	<u>79,792,203</u>	<u>11,924,000</u>	<u>57,324,512</u>	<u>46,910,000</u>
Less Investment expense	<u>(1,147,015)</u>	<u>(1,294,624)</u>	<u>(1,035,947)</u>	<u>(1,100,000)</u>
Net investment income (loss)	78,645,188	10,629,376	56,288,565	45,810,000
Total Additions	105,031,430	50,388,897	95,774,829	83,834,881
<b>DEDUCTIONS</b>				
Benefits paid to participants	35,372,643	48,581,510	53,022,246	50,000,000
Administrative expenses	853,771	958,380	663,433	670,000
Total Deductions	<u>36,226,414</u>	<u>49,539,890</u>	<u>53,685,679</u>	<u>50,670,000</u>
<b>CHANGES IN NET POSITION</b>	68,805,016	849,007	42,089,150	33,164,881
<b>NET POSITION, beginning</b>	<u>382,564,692</u>	<u>451,369,708</u>	<u>452,218,715</u>	<u>494,307,865</u>
<b>NET POSITION, ending</b>	<u>451,369,708</u>	<u>452,218,715</u>	<u>494,307,865</u>	<u>527,472,746</u>



# Undesignated General Fund

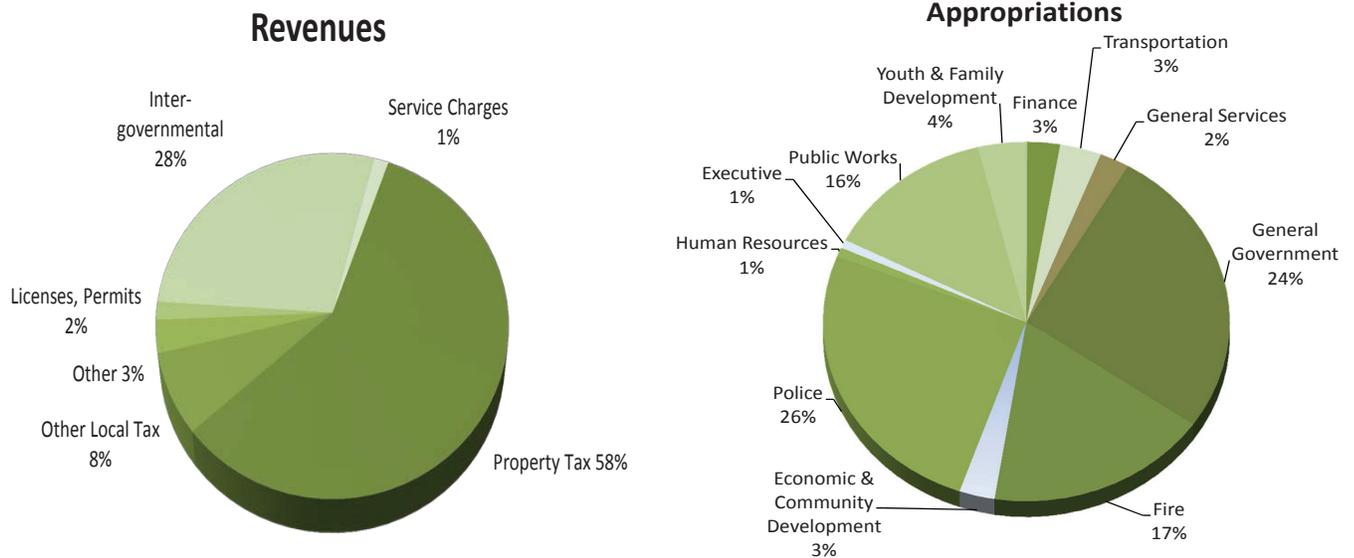
## Fund Structure

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 \$212,540,000. The charts on this page relate to the undesignated general fund operations. In FY 2014, the budgeted revenues and expenses for all reported General Fund is \$237,274,331 including designated general government operations totaling \$24,734,331. The largest is the Economic Development Fund with a budget of \$11,514,000.

The major revenues of the general fund include: property taxes; other local taxes; licenses and permits; fines, forfeitures, and penalties; investment income; 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.

## Fiscal Year 2013/2014

Undesignated Revenues & Appropriations  
\$212,540,000

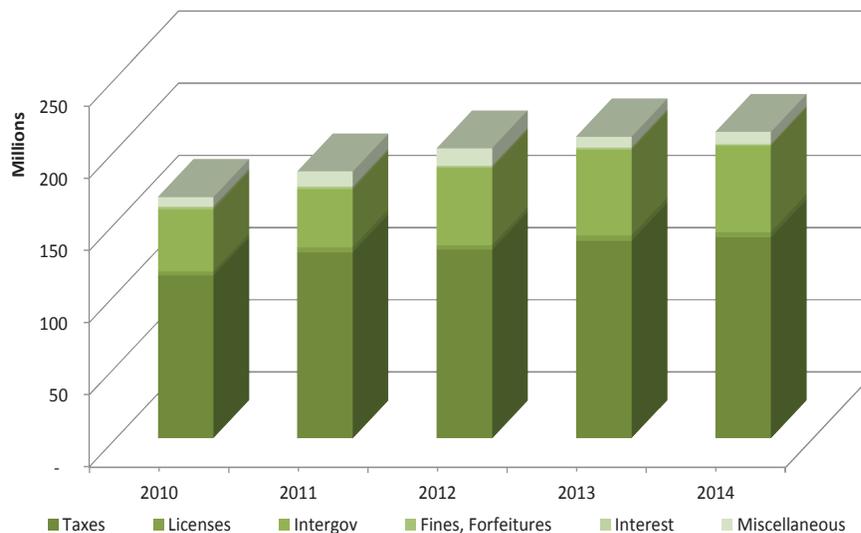


Undesignated General Fund Revenue Summary						
	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg
Undesignated General Fund:						
Property Tax	119,153,264	121,165,510	122,310,250	123,398,200	1,087,950	0.88%
Other Local Taxes	14,277,215	15,431,831	14,939,900	16,226,600	1,286,700	7.93%
Licenses & Permits	3,260,012	3,946,506	3,558,850	3,595,300	36,450	1.01%
Fines, Forfeitures, & Penalties	1,158,118	1,277,433	1,164,100	815,200	(348,900)	-42.80%
Investment Income	676,199	858,309	476,900	624,500	147,600	23.63%
Intergovernmental	45,440,828	58,986,543	59,493,300	59,743,400	250,100	0.42%
Service Charges	2,957,755	3,249,123	2,851,400	3,008,700	157,300	5.23%
Miscellaneous Revenues	3,292,221	4,182,089	4,525,300	5,128,100	602,800	11.75%
Transfers In	5,952	62,158	-	-	-	N/C
<b>Grand Totals</b>	<b>190,221,564</b>	<b>209,159,502</b>	<b>209,320,000</b>	<b>212,540,000</b>	<b>3,220,000</b>	<b>1.52%</b>

## Revenues

The proposed Budget for FY 2014 shows an increase of \$3,220,000 or 1.52%. The increase is primarily in the Property Taxes and Gross Receipt Tax. The chart shows the General Fund Revenues by Source for the fiscal years 2010 thru 2014.

**General Fund Revenues by Source**



# Property Taxes

**FY 2014 Estimate:** **\$123,398,200**  
**% of General Fund:** **55.5%**  
**Growth From FY 13:** **1,087,950**  
**Change:** **0.88%**

Current Real Property Taxes remain the primary source of funds for the City of Chattanooga, with the FY 2014 estimate of \$106,711,000 representing 50.21% of the total undesignated General Fund Budget. All property tax estimates inclusive of delinquencies and in lieu of tax payments total \$123,398,200 or 58.06% of the total undesignated General Fund budget. The current tax rate is \$2.309 per \$100 of the assessed valuation. This is considerably less than the 1995 rate of \$2.98, and is the lowest tax rate in nearly 50 years. Revenues generated in 1997 with a \$2.70 tax rate amounted to \$61,533,569, while the estimate for FY 2014 is \$123,398,200, an increase of \$61,864,631 or 100.5%. Assessments for 1997 were \$2,295,859,675. This figure has risen to \$4,874,524,209 in 2013, an increase of \$2,578,664,534 or 112% in the last 16 years. However in recent years, assessments have trended downward slightly based on lateral reappraisals. Therefore, Current Real Property Tax revenue is expected to remain flat over 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. The 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.

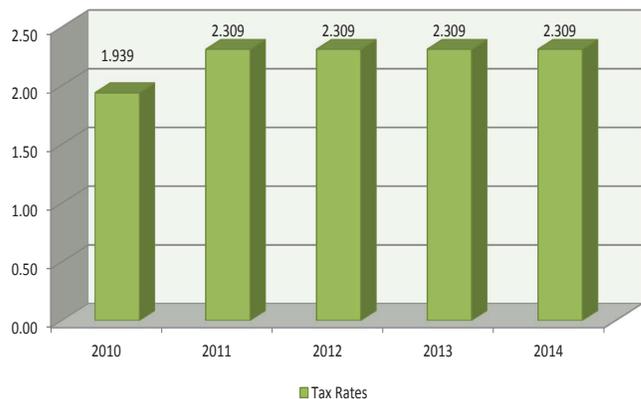
Tax rates per \$100 of assessed valuation during this period were as follows:

Fiscal Year		
From	Rate	Rate Change Explanation
1993-1994	2.620	
1994-1996	2.980	City Tax Increase - 1995 Tax Year
1996-1997	2.700	Property Reappraisal - 1997 Tax Year
1997-2001	2.310	City Tax Decrease - 1997 Tax Year
2001-2005	2.516	City Tax Increase - 2001 Tax Year
2005-2009	2.202	Property Reappraisal - 2005 Tax Year
2009-2010	1.939	Property Reappraisal - 2009 Tax Year
2011-2014*	2.309	City Tax Increase - 2010 Tax Year

\*Reappraisal rate in FY14 is \$2.3139.

The 1995 increase in tax rates from \$2.62 to \$2.98 was the first tax increase imposed by the City since 1987 and was imposed primarily to provide funds for capital purposes. In FY02, a reappraisal year, the new certified tax rate was \$2.036. A property tax increase of \$0.48 was approved increasing the rate to \$2.516. After the reappraisal in FY06, the tax rate was decreased to \$2.202. FY10 was a reappraisal year resulting in a decrease to \$1.939. In FY11, the City Council approved a \$0.37 or 19% increase in the tax rate. The approved rate is \$2.309. A one penny increase produces additional income of \$534,423. Current City policy for budgeting is to estimate collections at 95% of the property tax levy. In 2014, the certified tax rate resulting from reappraisal is \$2.3139; Council elected not to increase the current City tax rate.

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



**Payments In Lieu of Taxes.** 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 Tennessee Valley Authority, Tennessee, Steel Warehouse of TN, Vision Chestnut Hotel Group, Blue Cross Blue Shield, Westinghouse, US Express, and United Packers of Chattanooga. The collection of in lieu of taxes accounts for \$3,836,540, or 1.81% of the operating budget in FY14. Several PILOTS, including VW, include a waiver of 100% of City taxes.

Pursuant to Tennessee Code Annotated 5-52-301 to 7-52-310, known as the Municipal Electric System Tax Equivalent Law of 1987, the minimum levy for the EPB is \$2,296,692, according to a new formula specified in the 1987 Law based on a revenue floor of \$5,635,434. This revenue floor was exceeded in fiscal year 1994, resulting in a calculation which generated less PILOT collection for the City. The estimate to be received from Electric Power Board for FY 2014 is \$6,391,100, which is 4.1% over FY13. The EPB Internet in lieu of tax due from the EPB is \$267,000, a 8.66% increase over FY13.

## Other Local Taxes:

<b>FY 2014 Estimate:</b>	<b>\$16,226,600</b>
<b>% of General Fund:</b>	<b>8.61%</b>
<b>Increase From FY 13:</b>	<b>1,286,700</b>
<b>Change:</b>	<b>7.93%</b>

### Gross Receipts Taxes

<b>FY 2014 Estimate:</b>	<b>\$4,891,700</b>
<b>% of General Fund:</b>	<b>2.3%</b>
<b>Growth From FY 13:</b>	<b>769,400</b>
<b>Change:</b>	<b>18.66%</b>

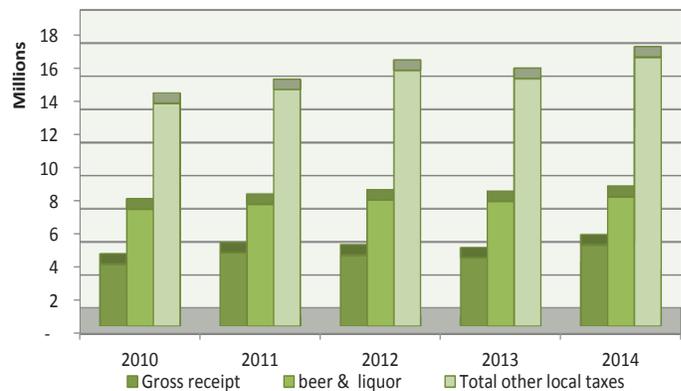
Even though Gross Receipts Taxes are a steady source in the General Fund, they represent only 2.3% of total collections this year. The trend over the past five years shows an upturn due to the recovering economic conditions and is expected to continue this growth for FY14.

### Beer & Liquor Taxes

<b>FY 2014 Estimate:</b>	<b>\$7,816,000</b>
<b>% of General Fund:</b>	<b>2.66%</b>
<b>Growth From FY 13:</b>	<b>288,000</b>
<b>Change:</b>	<b>3.83%</b>

Beer & Liquor Taxes make up approximately a 48% of Other Local Taxes. The trend over the past five years shows a steady rise in collections, which is expected to continue into FY14.

## Other Local Taxes



## Licenses & Permits:

<b>FY 2014 Estimate:</b>	<b>\$3,595,300</b>
<b>% of General Fund:</b>	<b>1.69%</b>
<b>Growth from FY 13:</b>	<b>36,450</b>
<b>% Change:</b>	<b>1.02%</b>

### Building Permits

<b>FY 2014 Estimate:</b>	<b>\$1,200,000</b>
<b>% of General Fund:</b>	<b>.56%</b>
<b>Decrease from FY 13:</b>	<b>(93,500)</b>
<b>% Change:</b>	<b>-7.23%</b>

Building Permits are the single greatest revenue generator in the category of Licenses & Permits. As shown in the chart below, revenue budgets for Building Permits have increased since 2010, reflecting the rebuilding of the housing market over that period of time. Permits spiked in 2012, mostly due to incoming industry in Chattanooga. Revenues have declined in 2013 & 2014, but still exceed 2010 & 2011. FY13 collections were 12% below budget.

## Revenue from Other Agencies:

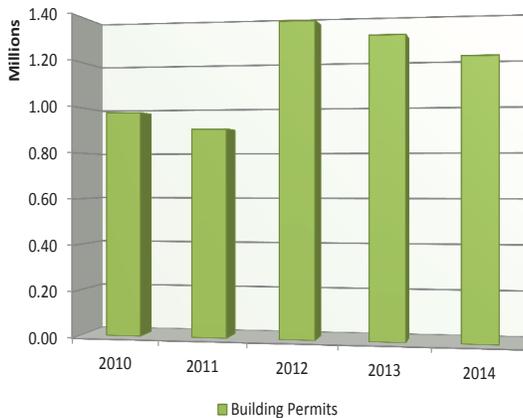
<b>FY 2014 Estimate:</b>	<b>\$59,743,400</b>
<b>% of General Fund:</b>	<b>28.11%</b>
<b>Growth From FY 13:</b>	<b>250,100</b>
<b>% Change:</b>	<b>0.42%</b>

### City Allocation State Sales Tax

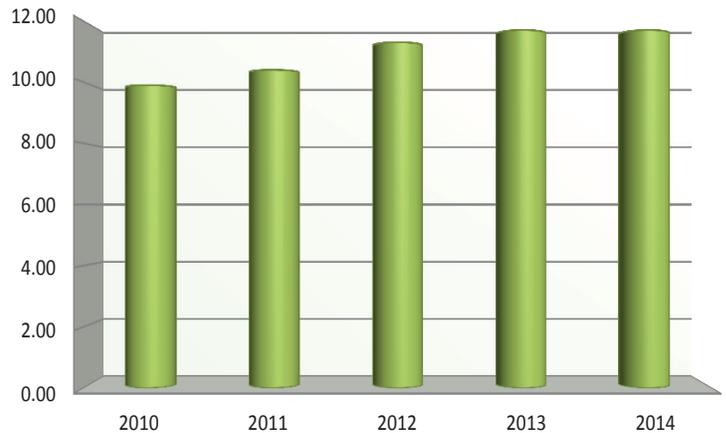
<b>FY 2014 Estimate:</b>	<b>\$11,645,000</b>
<b>% of General Fund :</b>	<b>28.11%</b>
<b>Growth From FY 13:</b>	<b>250,100</b>
<b>% Change:</b>	<b>0.42%</b>

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 167,674 and its per capita allocation from state sales tax for Fiscal Year 2013 was \$67.91. In 2014, the per capita allocation is \$68.55, or a 1% increase, with a population of 171,279. The State Sales Tax is expected to remain flat in FY 2014.

### Building Permits



### State Sales Tax



**Local Option Sales Taxes**

<b>FY 2014 Estimate:</b>	<b>\$40,351,200</b>
<b>% of General Fund:</b>	<b>18.99%</b>
<b>Decline From FY 13:</b>	<b>(389,800)</b>
<b>% Change:</b>	<b>-0.96%</b>

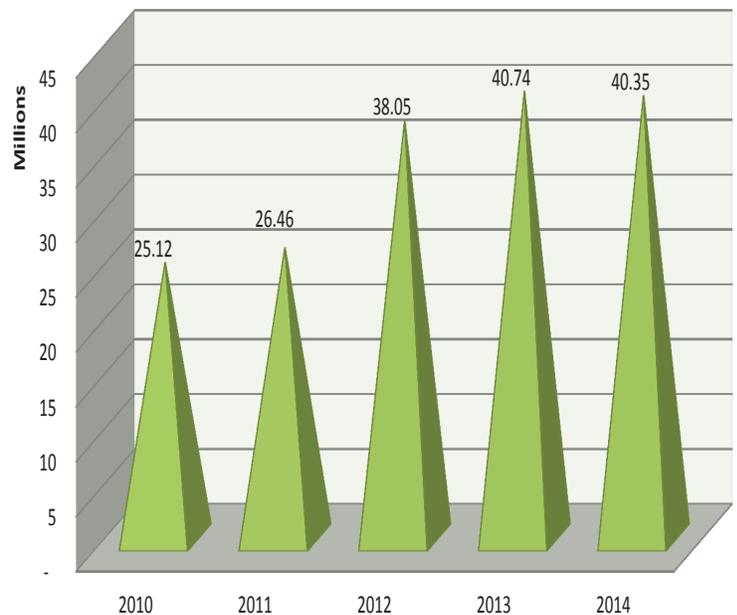
The Local Option Sales Tax, is another principal source of revenue for the City. In accordance with the 1993 Local Option Revenue Act Title 67, Chapter 6, Part 7 of the Tennessee Code Annotated, as amended. The City of Chattanooga and the citizens of Hamilton County have adopted, by referendum, a county-wide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

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

There was a steady incline in Local Option sales tax revenues since 2010. This was a reflection of the economic climate during those years. In FY2012, the City regained control of approximately \$10 million of sales tax managed on its behalf by Hamilton County under a 1966 Sales Tax agreement. This accounts for the spike in revenues in FY2012 over FY2011. The Local Option Sales Tax is expected to reduce less that 1% in FY14.

The Local Option Sales Tax represents 18.99% of the total General Fund revenues for FY 2014.

**Local Option Sales Tax**



<b>Undesignated General Fund Expenditure Summary</b>						
	<b>Actual 11</b>	<b>Actual 12</b>	<b>Budget 13</b>	<b>Budget 14</b>	<b>Inc(Dec)</b>	<b>% chg</b>
<b>General Fund</b>						
General Government (1)	41,170,682	44,753,859	53,099,825	56,042,498	2,942,673	5.54%
Executive Branch	1,209,269	1,428,155	1,861,232	1,624,902	(236,330)	-12.70%
Finance & Administration	3,787,173	4,415,195	5,119,066	5,533,123	414,057	8.09%
General Services	2,375,340	2,480,117	2,621,421	5,038,667	2,417,246	92.21%
Human Resources	1,537,560	1,730,241	1,898,986	1,835,122	(63,864)	-3.36%
Economic & Community Dev.	1,922,332	2,237,934	2,147,967	6,003,527	3,855,560	179.50%
Police	47,842,252	52,219,286	55,704,648	54,355,379	(1,349,269)	-2.42%
Fire	33,560,226	35,925,429	37,905,372	37,848,964	(56,408)	-0.15%
Public Works	30,800,298	34,822,340	32,145,690	28,960,819	(3,184,871)	-9.91%
Parks & Recreation	13,542,085	15,065,679	14,403,404	-	(14,403,404)	-100.00%
Education, Arts, & Culture	2,317,515	2,431,972	2,412,389	-	(2,412,389)	-100.00%
Youth & Family Development	-	-	-	8,286,738	8,286,738	n/a
Transportation	-	-	-	7,010,261	7,010,261	n/a
<b>Total General Fund</b>	<b>180,064,731</b>	<b>197,510,207</b>	<b>209,320,000</b>	<b>212,540,000</b>	<b>3,220,000</b>	<b>1.54%</b>

(1) Amount includes amendment for capital appropriation of \$1,163,500 for FY11 & \$2,570,000 in FY12.

## Expenses

### General Government

**FY 2014 Appropriation:** \$56,042,498  
**% of General Fund:** 26%  
**Increase From FY 13:** 2,942,673  
**% Change:** 5.54%

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

#### **CARTA Subsidy**

**FY 2014 Appropriation:** \$4,867,440  
**% of General Fund:** 2.29%  
**Increase From FY 13:** 95,440  
**% Change:** 2.0%

The City finances part of the Chattanooga Area Regional Transportation Authority's operating cost. The CARTA appropriation of \$4,867,440 enables CARTA to provide additional services to those citizens using bus service as their only means of transportation to work, school, shopping and other activities.

#### **Chattanooga Public Library**

**FY 2014 Appropriation:** \$5,771,950  
**% of General Fund:** 2.72%  
**Increase From FY 13:** 0  
**% Change:** 0%

The City assumed full funding of the cost of the public library system as a result of the dissolution of Sales Tax Agreement with Hamilton County in FY 2011.

### **Debt Service Fund**

**FY 2014 Appropriation** 17,668,872  
**% of General Fund:** 8.31%  
**Increase From FY 13:** 726,650  
**% Change:** 4.29%

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 Services**

**FY 2014 Appropriation:** \$4,518,428  
**% of General Fund:** 2.13%  
**Increase From FY 13:** 470,912  
**% Change:** 11.63%

Funds are provided here for telecommunications and information services for all City departments and agencies. Funds also support the 311 Call Center for citizens providing a single point of contact for all City services.

### **Regional Planning Agency**

**FY 2014 Appropriation** 2,422,235  
**% of General Fund:** 1.14%  
**Increase From FY 13:** 175,000  
**% Change:** 7.79%

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. Increase due to funding increase for the Office of Sustainability, which is administered by the Mayors Office.

### **Renewal & Replacement**

**FY 2014 Appropriation** 1,196,394  
**% of General Fund:** 0.56%  
**Decrease From FY 13:** (303,606)  
**% Change:** -20.24%

Funds are provided here to be distributed to various departments for use in replacing equipment.

### **Executive Branch**

<b>FY 2014 Appropriation:</b>	<b>\$1,624,902</b>
<b>% of General Fund:</b>	<b>0.76%</b>
<b>Decrease From FY 13:</b>	<b>(236,330)</b>
<b>% Change:</b>	<b>-12.70%</b>

The Executive Branch consists of functions under direct control of the Office of the Mayor. The Executive Branch decrease is due to the disbanding of the Comprehensive Gang Initiative.

### **Department of Finance & Administration**

<b>FY 2014 Appropriation:</b>	<b>\$5,533,123</b>
<b>% of General Fund:</b>	<b>2.60%</b>
<b>Increase From FY 13:</b>	<b>414,057</b>
<b>% Change:</b>	<b>8.09%</b>

This department oversees all aspects of the City's financial program. The major expenses for this department are personnel costs. The primary factor for the increase in FY14 is increases for salaries and Capital funding for new initiative for Payable Software and Electronic Content Management.

### **Department of General Services**

<b>FY 2014 Appropriation:</b>	<b>\$5,038,667</b>
<b>% of General Fund:</b>	<b>2.37%</b>
<b>Increase From FY 13:</b>	<b>2,417,246</b>
<b>% Change:</b>	<b>92.21%</b>

This department manages Building & Property Maintenance, Purchasing, and Real Estate. Utility expense was increased due to rising costs and demand from additional properties. In FY14 General Services took on the oversight of Civic Facilities from what was previously Education, Arts, & Culture.

### **Department of Human Resources**

<b>FY 2014 Appropriation:</b>	<b>\$1,835,122</b>
<b>% of General Fund :</b>	<b>.86%</b>
<b>Decrease From FY 13:</b>	<b>(63,864)</b>
<b>% Change:</b>	<b>-3.36%</b>

The decrease in appropriations in FY14 is primarily attributable to the personnel and staffing changes.

### **Department of Economic & Community Development**

<b>FY 2014 Appropriation:</b>	<b>\$6,003,527</b>
<b>% of General Fund:</b>	<b>2.82%</b>
<b>Increase From FY 13:</b>	<b>3,855,560</b>
<b>% Change:</b>	<b>179.50%</b>

The FY14 appropriation for the Department of Economic & Community Development, formerly known as the Department of Neighborhood Services, increased significantly as a result of the department expanding to include Public Art, Outdoor Chattanooga, & LDO due to the City reorganization.

### **Department of Police**

<b>FY 2014 Appropriation:</b>	<b>\$54,355,379</b>
<b>% of General Fund:</b>	<b>25.57%</b>
<b>Decrease From FY 13:</b>	<b>(1,349,269)</b>
<b>% Change:</b>	<b>-2.42%</b>

In FY14, decreases are due to elimination of twenty-six (26) civilian positions. Most positions were vacant and nine (9) were due to the transfer of the ticketing function to CARTA. This year's budget includes does include funding for additional sworn personnel.

### **Department of Fire**

<b>FY 2014 Appropriation:</b>	<b>\$37,848,964</b>
<b>% of General Fund:</b>	<b>17.81%</b>
<b>Decrease From FY 13:</b>	<b>(56,408)</b>
<b>% Change:</b>	<b>-0.15%</b>

The decrease in appropriations in FY14 is primarily attributable to the personnel and staffing changes.

### **Department of Public Works**

<b>FY 2014 Appropriation:</b>	<b>\$28,960,819</b>
<b>% of General Fund:</b>	<b>13.63%</b>
<b>Decrease from FY 13:</b>	<b>(660,223)</b>
<b>% Change:</b>	<b>-2.23%</b>

The Department of Public Works General Fund decrease in FY14 appropriations represent changes in employee make up in authorized positions. Also included in the Public Works budget is an appropriation of \$2,283,633 to capital for street paving. In FY14 Public Works assumed responsibilities for the Parks Maintenance Division of the former Parks & Recreation Department. The Transportation related areas of Public Works split out into the newly formed Department of Transportation.

### **Department of Youth & Family Development**

<b>FY2014 Appropriation:</b>	<b>\$8,286,738</b>
<b>% of General Fund:</b>	<b>3.90%</b>
<b>Increase from FY13:</b>	<b>8,286,738</b>
<b>% Change:</b>	<b>100.00%</b>

The Department of Youth & Family Development is a newly created department which resulted from the City reorganization under the new Administration. This department includes the Recreation Centers previously managed under Parks & Recreation and the Recreation Facilities from Education, Arts, & Culture.

### **Department of Transportation**

<b>FY2014 Appropriation:</b>	<b>\$7,010,261</b>
<b>% of General Fund:</b>	<b>3.30%</b>
<b>Increase from FY13:</b>	<b>7,010,261</b>
<b>% Change:</b>	<b>100.00%</b>

The Department of Transportation is a newly created

department which resulted from the City reorganization under the new Administration. This department includes Traffic Engineering Administration, Street Lighting, Traffic Operations, & Transportation Administration.

**Department of Parks & Recreation**

<b>FY 2014 Appropriation:</b>	<b>\$0.00</b>
<b>% of General Fund:</b>	<b>0.00%</b>
<b>Decrease From FY 13:</b>	<b>(14,403,404)</b>
<b>% Change:</b>	<b>- 100.00%</b>

The Department of Parks & Recreation was dissolved due to the City reorganization under the new Administration.

**Education, Arts, & Culture**

<b>FY 2014 Appropriation:</b>	<b>\$0.00</b>
<b>% of General Fund:</b>	<b>0.00%</b>
<b>Decrease From FY 13:</b>	<b>(2,412,389)</b>
<b>% Change:</b>	<b>-0.00%</b>

The Department of Education, Arts, & Culture was dissolved due to the City reorganization.

Undesignated General Fund Revenue							
Source	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of total
<b>Property Taxes:</b>							
Current Property Taxes	105,335,894	103,885,711	106,780,000	106,711,000	(69,000)	-0.06%	50.21%
Interest & Penalty-Current Year	143,028	146,939	150,000	134,100	(15,900)	-10.60%	0.06%
Interest & Penalty-Prior Year	838,841	1,338,599	867,000	1,128,460	261,460	30.16%	0.53%
Prior Year Property Taxes	3,401,076	5,796,191	4,500,000	4,917,000	417,000	9.27%	2.31%
City Fee-Collection of Delinquent taxes	353,598	266,715	200,000	280,000	80,000	40.00%	0.13%
Payments in Lieu of Taxes	9,080,827	9,731,355	9,813,250	10,227,640	414,390	4.22%	4.81%
<b>Total Property Tax</b>	<b>\$ 119,153,264</b>	<b>\$ 121,165,510</b>	<b>\$ 122,310,250</b>	<b>\$ 123,398,200</b>	<b>1,087,950</b>	<b>0.89%</b>	<b>58.06%</b>
<b>Other Local Taxes:</b>							
Franchise Taxes-Chatt Gas	258,356	1,122,466	935,100	1,200,000	264,900	28.33%	0.56%
Franchise Taxes-Century Tel	26,172	19,058	19,100	15,000	(4,100)	-21.47%	0.01%
Corporate Excise Tax-State	41,035	80,282	80,000	67,000	(13,000)	-16.25%	0.03%
Franchise Taxes-CCTV	1,823,788	1,723,773	1,710,000	1,465,000	(245,000)	-14.33%	0.69%
Franchise Taxes-AT&T Mobility	11,230	49,734	46,900	63,000	16,100	34.33%	0.03%
Franchise Taxes-EPB Fiber Optics	323,883	542,450	495,600	706,000			
Liquor Taxes	1,964,432	2,062,772	2,020,000	2,160,000	140,000	6.93%	1.02%
Beer Taxes	5,387,951	5,552,065	5,508,000	5,656,000	148,000	2.69%	2.66%
Gross Receipts Taxes-Interest & Penalty	9,983	-	-	-	-	0.00%	0.00%
Gross Receipts Tax	4,427,900	4,276,496	4,122,300	4,891,700	769,400	18.66%	2.30%
Local Litigation Taxes	2,485	2,735	2,900	2,900	-	0.00%	0.00%
<b>Total Other Local Taxes</b>	<b>\$ 14,277,215</b>	<b>\$ 15,431,831</b>	<b>\$ 14,939,900</b>	<b>\$ 16,226,600</b>	<b>1,286,700</b>	<b>8.61%</b>	<b>7.63%</b>
<b>Licenses &amp; Permits.:</b>							
Motor Vehicle License	390,195	390,895	380,000	392,000	12,000	3.16%	0.18%
Liquor by the Drink	141,030	160,230	153,000	153,900	900	0.59%	0.07%
Building Permits	901,990	1,360,945	1,293,500	1,200,000	(93,500)	-7.23%	0.56%
Other Licenses,Permits, Fees	1,826,797	2,034,436	1,732,350	1,849,400	117,050	6.76%	0.87%
<b>Total Licenses &amp; Permits</b>	<b>\$ 3,260,012</b>	<b>\$ 3,946,506</b>	<b>\$ 3,558,850</b>	<b>\$ 3,595,300</b>	<b>36,450</b>	<b>1.02%</b>	<b>1.69%</b>
<b>Fines, Forfeitures, &amp; Penalties:</b>							
City Court Fines	514,581	698,418	592,300	674,700	82,400	13.91%	0.32%
Criminal Court Fines	121,377	137,080	120,000	105,000	(15,000)	-12.50%	0.05%
Parking Ticket Fines	519,612	426,595	448,600	35,500	(413,100)	-92.09%	0.02%
Other Fines Forfeitures, & Penalties	2,548	15,340	3,200	-	(3,200)	-100.00%	0.00%
<b>Total Fines, Forfeitures, &amp; Penalties</b>	<b>\$ 1,158,118</b>	<b>\$ 1,277,433</b>	<b>\$ 1,164,100</b>	<b>\$ 815,200</b>	<b>(348,900)</b>	<b>-29.97%</b>	<b>0.38%</b>
<b>Investment Income</b>							
Interest on Investments	616,428	680,733	445,000	450,000	5,000	1.12%	0.21%
Sale of Back Tax Lots	49,061	36,582	17,000	30,000	13,000	76.47%	0.01%
Sale of City Owned Property	2,754	139,713	9,900	140,000	130,100	1314.14%	0.07%
Other Sales	7,956	1,281	5,000	4,500	(500)	-10.00%	0.00%
<b>Total Investment Income</b>	<b>\$ 676,199</b>	<b>\$ 858,309</b>	<b>\$ 476,900</b>	<b>\$ 624,500</b>	<b>147,600</b>	<b>30.95%</b>	<b>0.29%</b>

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Undesignated General Fund Revenue Source	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of total
<b>Revenue from Other Agencies</b>							
Local Option Sales Taxes-GF	26,462,886	38,054,892	40,741,000	40,351,200	(389,800)	-0.96%	18.99%
State Beer Tax	81,152	82,308	88,000	83,000	(5,000)	-5.68%	0.04%
Hall Income Tax	2,714,695	2,651,353	2,200,000	2,600,000	400,000	18.18%	1.22%
State Sales Tax	10,357,166	11,313,906	11,667,000	11,645,000	(22,000)	-0.19%	5.48%
State Mixed Drink Tax	1,942,779	2,095,770	2,088,300	2,200,000	111,700	5.35%	1.04%
State Gas Inspection Fees	333,865	344,195	346,000	340,000	(6,000)	-1.73%	0.16%
State Maintenance of Streets	280,528	337,800	320,000	280,000	(40,000)	-12.50%	0.13%
State Alcohol Beverage Tax	104,086	109,225	104,100	118,300	14,200	13.64%	0.06%
State-Special Training Funds	493,200	486,600	469,800	493,400	23,600	5.02%	0.23%
State-Telecom Sales Tax	10,515	10,332	9,900	13,900	4,000	40.40%	0.01%
State-Misc Receipts	190,906	18,536	-	-	-	0.00%	0.00%
Ham.County-Ross Landing Plaza	895,515	1,199,191	1,093,700	1,197,600	103,900	9.50%	0.56%
Miscellaneous	1,573,535	2,282,435	365,500	421,000	55,500	15.18%	0.20%
<b>Total Revenue from Other Agencies</b>	<b>\$ 45,440,828</b>	<b>\$ 58,986,543</b>	<b>\$ 59,493,300</b>	<b>\$ 59,743,400</b>	<b>250,100</b>	<b>0.42%</b>	<b>28.11%</b>
<b>Service Charges:</b>							
City Court Cost	197,676	274,119	257,600	257,600	-	0.00%	0.12%
Clerk's Fee	838,136	1,005,399	954,100	926,300	(27,800)	-2.91%	0.44%
State Court Cost	2,077	1,355	1,200	1,000	(200)	-16.67%	0.00%
Other Charges for Services	84,026	80,345	85,100	91,200	6,100	7.17%	0.04%
Service Charges	1,835,840	1,887,905	1,553,400	1,732,600	179,200	11.54%	0.82%
<b>Total Service Charges</b>	<b>\$ 2,957,755</b>	<b>\$ 3,249,123</b>	<b>\$ 2,851,400</b>	<b>\$ 3,008,700</b>	<b>157,300</b>	<b>5.52%</b>	<b>1.42%</b>
<b>Miscellaneous Revenues:</b>							
Indirect Cost	2,815,900	3,549,581	4,179,024	4,289,200	110,176	2.64%	2.02%
Other General Government Misc.	476,321	632,508	346,276	838,900	492,624	142.26%	0.39%
<b>Total Miscellaneous Revenues</b>	<b>\$ 3,292,221</b>	<b>\$ 4,182,089</b>	<b>\$ 4,525,300</b>	<b>\$ 5,128,100</b>	<b>602,800</b>	<b>13.32%</b>	<b>2.41%</b>
<b>Transfers In</b>	<b>5,952</b>	<b>62,158</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Totals</b>	<b>\$ 190,221,564</b>	<b>\$ 209,159,502</b>	<b>\$ 209,320,000</b>	<b>\$ 212,540,000</b>	<b>\$ 3,220,000</b>	<b>1.54%</b>	<b>0.00%</b>

Undesignated General Fund Expenditure Summary							
	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of Total
<b>General Government &amp; Agencies:</b>							
AIM Center, Inc.	-	-	60,000	60,000	-	0.00%	0.03%
Air Pollution	270,820	270,820	289,626	270,820	(18,806)	-6.49%	0.13%
Alexian Brothers/Sr Neighbors	17,700	12,720	12,720	-	(12,720)	-100.00%	0.00%
Arts Build	161,200	176,472	226,472	275,000	48,528	21.43%	0.13%
Bessie Smith Cultural Center	54,000	54,000	54,000	54,000	-	0.00%	0.03%
Bethlehem Center	-	-	25,000	25,000	-	0.00%	0.01%
CARCOG & SETDD	36,038	38,535	38,544	38,544	-	0.00%	0.02%
CARTA	4,231,000	4,675,000	4,772,000	4,867,440	95,440	2.00%	2.29%
Carter Street Corporation	161,257	200,000	200,000	200,000	-	0.00%	0.09%
Chattanooga Area Food Bank	12,700	-	-	-	-	N/A	0.00%
Chattanooga Urban League	42,200	50,000	40,000	40,000	-	0.00%	0.02%
Chattanooga History Center	15,200	15,200	15,200	15,200	-	0.00%	0.01%
Chattanooga Neighborhood Enterprises	1,000,000	910,717	900,000	900,000	-	0.00%	0.42%
Children's Advocacy Center	19,000	19,000	30,000	30,000	-	0.00%	0.01%
Children's Home - Chambliss Shelter	-	275,000	347,500	347,500	-	0.00%	0.16%
Choose Chattanooga	16,900	16,900	16,900	16,900	-	0.00%	0.01%
Community Foundation Scholarships	101,300	101,300	101,300	101,300	-	0.00%	0.05%
Community Impact Fund	175,600	75,000	-	-	-	N/A	0.00%
RiverCity	67,500	67,500	67,500	-	(67,500)	-100.00%	0.00%
East Chattanooga Improvement	-	20,000	-	-	-	N/A	0.00%
Engel Foundation	-	5,000	-	-	-	N/A	0.00%
Enterprise Center	260,500	160,500	160,500	160,500	-	0.00%	0.08%
Enterprise South Nature Park	434,600	615,695	682,200	705,973	23,773	3.48%	0.33%
ESIP Security	53,488	53,061	55,427	62,077	6,650	12.00%	0.03%
Finley Stadium	60,000	-	-	-	-	N/A	0.00%
Friends of Moccasin Bend	25,300	30,000	30,000	30,000	-	0.00%	0.01%
Fortwood Center	-	105,000	55,000	55,000	-	0.00%	0.03%
Fortwood Center Capital Campaign	-	-	50,000	-	(50,000)	-100.00%	0.00%
Front Porch Alliance	22,800	-	-	-	-	N/A	0.00%
GolFest	8,440	-	-	-	-	N/A	0.00%
Heritage Hall Fund	62,653	62,653	82,707	70,300	(12,407)	-15.00%	0.03%
Homeless Coalition	-	15,000	-	-	-	N/A	0.00%
Homeless Health Center	13,300	13,300	25,000	13,300	(11,700)	-46.80%	0.01%
Interfaith Homeless Network	-	12,790	-	-	-	N/A	0.00%
Joe Johnson Mental Health	-	60,156	60,000	60,000	-	0.00%	0.03%
Orange Grove	-	32,000	30,000	30,000	-	0.00%	0.01%
Partnership/Rape Crisis	-	56,522	56,522	56,522	-	0.00%	0.03%
Public Library	2,777,468	5,655,773	5,771,950	5,771,950	-	0.00%	2.72%
Railroad Authority	-	16,262	16,923	14,844	(2,079)	-12.29%	0.01%
Regional Planning Agency	1,378,500	2,631,648	2,247,235	2,422,235	175,000	7.79%	1.14%
Scenic Cities	4,220	5,000	5,000	5,000	-	0.00%	0.00%
Signal Center	-	30,006	30,000	30,000	-	0.00%	0.01%
Speech & Hearing Center	-	67,700	67,700	67,700	-	0.00%	0.03%
Tennessee Riverpark	1,021,241	963,372	1,077,154	1,102,654	25,500	2.37%	0.52%
The Team Centers/ Team Evaluation	-	50,000	-	-	-	N/A	0.00%
Water Quality Management Fee	332,175	408,758	426,371	446,400	20,029	4.70%	0.21%
WTCl - TV 45	50,650	80,000	85,000	85,000	-	0.00%	0.04%
Audits, Dues & Surveys	166,931	118,247	306,000	336,600	30,600	10.00%	0.16%
Capital Improvements	1,163,500	4,350,000	-	3,700,000	3,700,000	N/A	1.74%
City Attorney/Operations	1,182,056	1,341,821	1,427,490	1,435,068	7,578	0.53%	0.68%
City Attorney Liability Insurance Fund	1,960,000	1,000,000	730,000	800,000	70,000	9.59%	0.38%
City Council	729,754	798,614	788,113	719,215	(68,898)	-8.74%	0.34%
City Judges Division 1	394,204	409,194	418,548	432,111	13,563	3.24%	0.20%
City Judges Division 2	380,588	398,780	399,890	420,157	20,267	5.07%	0.20%
Contingency Fund	50,000	178,600	5,379,559	2,585,357	(2,794,202)	-51.94%	1.22%
Debt Service Fund	15,494,469	10,300,000	16,942,222	17,668,872	726,650	4.29%	8.31%
Election Expense	19,735	-	200,000	-	(200,000)	-100.00%	0.00%
Human Services	733,477	733,477	1,033,477	-	(1,033,477)	-100.00%	0.00%
Internal Audit	450,546	512,060	548,543	567,370	18,827	3.43%	0.27%
Intergovernmental Relations	199,906	187,983	357,000	357,000	-	0.00%	0.17%
Pensions, FICA & UIC	100,067	57,219	133,000	-	(133,000)	-100.00%	0.00%
T.A.P ( tuition & books)	12,369	19,084	20,000	20,000	-	0.00%	0.01%
Renewal & Replacement	1,057,332	1,224,328	1,500,000	1,196,394	(303,606)	-20.24%	0.56%
General Services Administration	-	-	-	-	-	N/A	0.00%
Information Services	3,474,464	4,368,598	4,047,516	4,518,428	470,912	11.63%	2.13%
Telecommunications	188,517	108,982	52,300	-	(52,300)	-100.00%	0.00%
Unemployment Insurance	-	-	-	85,000	85,000	N/A	0.04%
Education Contribution	-	-	-	1,085,750	1,085,750	N/A	0.51%
Youth and Family Dev/ Social Services	-	-	-	1,064,481	1,064,481	N/A	0.50%

Undesignated General Fund Expenditure Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of Total
311 Call Center	525,016	538,512	604,716	619,536	14,820	2.45%	0.29%
<b>Total</b>	<b>\$ 41,170,682</b>	<b>\$ 44,753,859</b>	<b>\$ 53,099,825</b>	<b>\$ 56,042,498</b>	<b>2,942,673</b>	<b>5.54%</b>	<b>26.37%</b>
<b>Executive Branch:</b>							
Mayor's Office	923,452	1,009,993	957,610	1,371,495	413,885	43.22%	0.65%
Comprehensive Gang Initiative	-	145,857	499,878	-	(499,878)	-100.00%	0.00%
Great Ideas Competition	-	1,500	-	-	-	N/A	0.00%
Multicultural Affairs	241,795	270,805	403,744	218,407	(185,337)	-45.90%	0.10%
Talent Retention Internship	-	-	-	35,000	35,000	N/A	0.02%
Office of Faith Based Initiatives	44,022	-	-	-	-	N/A	0.00%
<b>Total</b>	<b>\$ 1,209,269</b>	<b>\$ 1,428,155</b>	<b>\$ 1,861,232</b>	<b>\$ 1,624,902</b>	<b>\$ (236,330)</b>	<b>-12.70%</b>	<b>0.76%</b>
<b>Department of Finance &amp; Administration</b>							
Finance Office	2,141,759	2,236,980	2,627,940	2,810,145	182,205	6.93%	1.32%
City Treasurer	680,202	677,538	857,933	822,961	(34,972)	-4.08%	0.39%
City Court Clerk's Office	940,642	1,140,588	1,154,806	1,229,857	75,051	6.50%	0.58%
Delinquent Tax	24,570	60,816	72,200	89,000	16,800	23.27%	0.04%
Payables Software	-	-	-	15,750	15,750	N/A	0.01%
Electronic Content Management	-	-	-	170,910	170,910	N/A	0.08%
City General Tax Revenue (Trustee Fee) <sup>(1)</sup>	-	299,273	406,187	394,500	(11,687)	-2.88%	0.19%
<b>Total</b>	<b>\$ 3,787,173</b>	<b>\$ 4,415,195</b>	<b>\$ 5,119,066</b>	<b>\$ 5,533,123</b>	<b>\$ 414,057</b>	<b>8.09%</b>	<b>2.60%</b>
<sup>(1)</sup> Was previously reported in Gen Gov & Agencies							
<b>Department of General Services:</b>							
General Services Administration	366,161	463,754	498,934	505,579	6,645	1.33%	0.24%
Purchasing	751,489	799,882	850,771	785,095	(65,676)	-7.72%	0.37%
Building Maintenance	1,146,412	1,094,843	1,135,191	1,039,033	(96,158)	-8.47%	0.49%
Storage on Main Street	-	55,263	70,900	73,450	2,550	3.60%	0.03%
Real Estate	71,189	15,111	13,625	12,700	(925)	-6.79%	0.01%
Property Maintenance	30,243	33,458	34,800	51,000	16,200	46.55%	0.02%
Farmer's Market Operations	9,846	17,806	17,200	13,950	(3,250)	-18.90%	0.01%
Chattanooga Zoo	-	-	-	671,728	671,728	N/A	0.32%
Memorial Auditorium	-	-	-	458,917	458,917	N/A	0.22%
Tivoli Theatre	-	-	-	360,606	360,606	N/A	0.17%
Facility Efficiency	-	-	-	198,055	198,055	N/A	0.09%
Civic Facilities	-	-	-	868,554	868,554	N/A	0.41%
<b>Total</b>	<b>\$ 2,375,340</b>	<b>\$ 2,480,117</b>	<b>\$ 2,621,421</b>	<b>\$ 5,038,667</b>	<b>\$ 2,417,246</b>	<b>92.21%</b>	<b>2.37%</b>
<b>Department of Human Resources:</b>							
Administration	1,111,807	1,321,667	1,329,965	1,314,856	(15,109)	-1.14%	0.62%
Physicals	18,690	10,130	15,000	8,800	(6,200)	-41.33%	0.00%
Employee's Insurance Office	289,212	299,684	317,631	313,255	(4,376)	-1.38%	0.15%
Safety Programs	-	-	112,540	76,861	(35,679)	-31.70%	0.04%
Employee's Insurance Program	44,103	22,505	45,350	35,350	(10,000)	-22.05%	0.02%
Job Injury Administration	73,747	76,255	78,500	86,000	7,500	9.55%	0.04%
<b>Total</b>	<b>\$ 1,537,560</b>	<b>\$ 1,730,241</b>	<b>\$ 1,898,986</b>	<b>\$ 1,835,122</b>	<b>\$ (63,864)</b>	<b>-3.36%</b>	<b>0.86%</b>
<b>Dept of Economic &amp; Community Dev:</b>							
Administration	505,757	539,754	597,990	766,079	168,089	28.11%	0.36%
Grants Administration	45,407	35,994	49,500	104,662	55,162	111.44%	0.05%
Neighborhood Grants	55,000	55,000	55,000	50,000	(5,000)	-9.09%	0.02%
Codes & Community Services	1,316,168	1,607,186	1,445,477	1,333,587	(111,890)	-7.74%	0.63%
Outdoor Chattanooga	-	-	-	374,011	374,011	N/A	0.18%
Trust for Public Land	-	-	-	100,000	100,000	N/A	0.05%
Land Development Office	-	-	-	2,754,810	2,754,810	N/A	1.30%
Board of Plumbing Examiners	-	-	-	1,782	1,782	N/A	0.00%
Board of Electrical Examiners	-	-	-	8,200	8,200	N/A	0.00%
Board of Mechanical Examiners	-	-	-	1,650	1,650	N/A	0.00%
Board of Gas Fitters	-	-	-	1,950	1,950	N/A	0.00%
Board of Appeals & Variances	-	-	-	6,796	6,796	N/A	0.00%
Community Development Pilot	-	-	-	500,000	500,000	N/A	0.24%
<b>Total</b>	<b>\$ 1,922,332</b>	<b>\$ 2,237,934</b>	<b>\$ 2,147,967</b>	<b>\$ 6,003,527</b>	<b>\$ 3,855,560</b>	<b>179.50%</b>	<b>2.82%</b>
<b>Department of Police:</b>	<b>\$ 47,842,252</b>	<b>\$ 52,219,286</b>	<b>\$ 55,704,648</b>	<b>\$ 54,355,379</b>	<b>\$ (1,349,269)</b>	<b>-2.42%</b>	<b>25.57%</b>
<b>Department of Fire:</b>	<b>\$ 33,560,226</b>	<b>\$ 35,925,429</b>	<b>\$ 37,905,372</b>	<b>\$ 37,848,964</b>	<b>\$ (56,408)</b>	<b>-0.15%</b>	<b>17.81%</b>
<b>Department of Public Works:</b>							
Administration	865,234	881,604	1,266,030	729,960	(536,070)	-42.34%	0.34%
City Engineer	2,213,475	4,380,005	3,758,884	2,331,306	(1,427,578)	-37.98%	1.10%
City Wide Services	5,538,902	6,680,839	4,372,609	4,318,235	(54,374)	-1.24%	2.03%

<b>Undesignated General Fund Expenditure Summary</b>	<b>Actual 11</b>	<b>Actual 12</b>	<b>Budget 13</b>	<b>Budget 14</b>	<b>Inc(Dec)</b>	<b>% chg</b>	<b>% of Total</b>
Land Development Office	2,755,389	2,681,881	2,831,929	-	(2,831,929)	-100.00%	0.00%
Utilities	175,158	167,052	188,666	205,361	16,695	8.85%	0.10%
Pump Stations, Levee & Storm Stations	67,265	70,585	92,300	63,750	(28,550)	-30.93%	0.03%
Traffic Management	2,780,755	3,072,962	3,058,643	-	(3,058,643)	-100.00%	0.00%
Street Lighting	3,234,880	3,434,418	2,986,462	-	(2,986,462)	-100.00%	0.00%
Solid Waste Disposal	5,907,775	5,773,587	5,773,587	6,403,570	629,983	10.91%	3.01%
Municipal Forestry	695,674	778,048	715,814	788,522	72,708	10.16%	0.37%
Waste Pickup - Brush	1,201,816	1,195,722	1,264,612	1,213,962	(50,650)	-4.01%	0.57%
Waste Pickup -Garbage, Trash Flash & Recyc	5,363,978	5,705,637	5,836,154	4,813,697	(1,022,457)	-17.52%	2.26%
Paving	-	-	-	2,283,633	2,283,633	N/A	1.07%
Parks Maintenance	-	-	-	5,808,823	5,808,823	N/A	2.73%
<b>Total</b>	<b>\$ 30,800,298</b>	<b>\$ 34,822,340</b>	<b>\$ 32,145,690</b>	<b>\$ 28,960,819</b>	<b>\$ (3,184,871)</b>	<b>-9.91%</b>	<b>13.63%</b>
<b>Department of Parks &amp; Recreation:</b>							
Administration	742,249	786,460	720,806	-	(720,806)	-100.00%	0.00%
Recreation	6,733,712	7,615,400	7,224,892	-	-7,224,892	-100.00%	0.00%
Parks	6,066,124	6,663,819	6,457,706	-	-6,457,706	-100.00%	0.00%
<b>Total</b>	<b>\$ 13,542,085</b>	<b>\$ 15,065,679</b>	<b>\$ 14,403,404</b>	<b>\$ -</b>	<b>\$ (14,403,404)</b>	<b>-100.00%</b>	<b>0.00%</b>
<b>Department of Education, Arts, &amp; Culture:</b>							
Administration	373,066	380,490	389,992	-	(389,992)	-100.00%	0.00%
Civic Facilities	1,643,409	1,708,083	1,700,312	-	(1,700,312)	-100.00%	0.00%
Arts & Culture	301,040	343,399	322,085	-	(322,085)	-100.00%	0.00%
<b>Total</b>	<b>\$ 2,317,515</b>	<b>\$ 2,431,972</b>	<b>\$ 2,412,389</b>	<b>\$ -</b>	<b>\$ (2,412,389)</b>	<b>-100.00%</b>	<b>0.00%</b>
<b>Department of Youth &amp; Family Dev:</b>							
Administration	-	-	-	342,753	342,753	N/A	0.16%
Recreation	-	-	-	6,719,738	6,719,738	N/A	3.16%
Arts & Culture	-	-	-	352,108	352,108	N/A	0.17%
Youth Job and Leadership Programming	-	-	-	872,139	872,139	N/A	0.41%
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,286,738</b>	<b>\$ 8,286,738</b>	<b>N/A</b>	<b>3.90%</b>
<b>Department of Transportation:</b>							
Traffic Engineering Admin	-	-	-	940,126	940,126	N/A	0.44%
Street Lighting	-	-	-	3,146,462	3,146,462	N/A	1.30%
Traffic Operations	-	-	-	2,770,473	2,770,473	N/A	0.07%
Transportation Admin	-	-	-	153,200	153,200	N/A	0.07%
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,010,261</b>	<b>\$ 7,010,261</b>	<b>N/A</b>	<b>3.30%</b>
<b>Expenditure Total</b>	<b>\$ 180,064,731</b>	<b>\$ 197,510,207</b>	<b>\$ 209,320,000</b>	<b>\$ 212,540,000</b>	<b>\$ 3,220,000</b>	<b>1.54%</b>	<b>100.00%</b>

# Special Revenue Funds

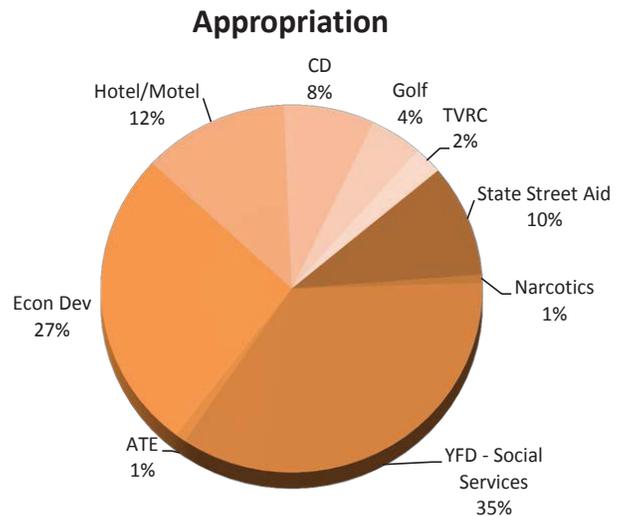
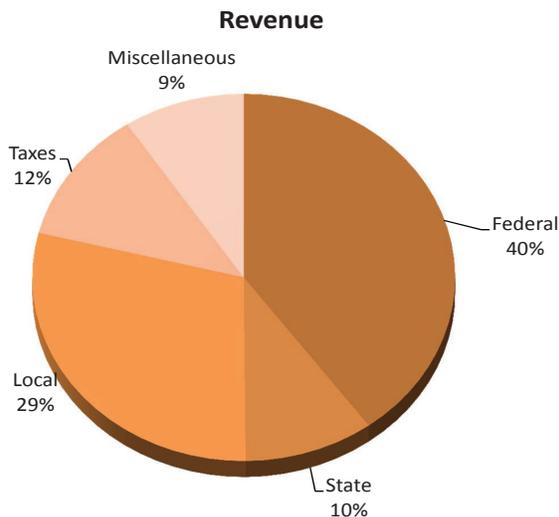
## Fund Structure

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

FY 13 Results	Budget Rev & Exp	(unaudited) FY 13 Actual Rev	(unaudited) FY 13 Actual Exp
State Street Aid	4,280,000	4,314,246	4,280,693
YFD - Social Services	15,139,893	14,654,322	14,395,235
Economic Development Fund	11,788,334	11,400,000	11,057,944
Narcotics	607,000	1,049,833	418,941
Hotel/Motel Tax Fund	5,350,500	5,390,609	4,318,252
Community Development Fund	3,335,697	5,001,000	5,085,000
Municipal Golf Course	1,928,600	1,753,398	1,859,546
Automated Traffic Enforcement	940,600	385,813	926,730
Tenn Valley Region Communication	1,046,433	1,134,303	923,001
<b>Total Special Revenue Fund</b>	<b>44,417,057</b>	<b>45,083,524</b>	<b>43,265,342</b>

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

## Fiscal Year 2013/2014 Revenue & Appropriation by Fund \$44,417,057



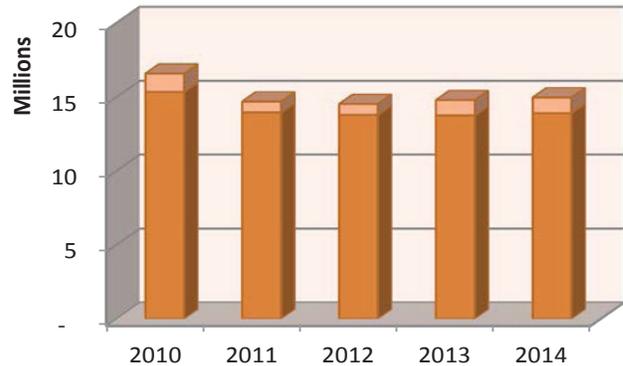
Special Revenue Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg
<b>REVENUES</b>						
State Street Aid	4,569,017	4,335,115	4,280,000	4,280,000	-	0.00%
YFD - Social Services	16,524,748	14,362,036	14,929,403	15,139,893	210,490	1.41%
Economic Development Fund	10,652,849	11,673,876	11,639,000	11,788,334	149,334	1.28%
Narcotics	624,225	300,568	312,000	607,000	295,000	94.55%
Hotel/Motel Tax Fund	4,999,916	5,270,478	5,199,000	5,350,500	151,500	2.91%
Community Development Fund	5,391,927	5,924,437	3,304,951	3,335,697	30,746	0.93%
Municipal Golf Course	1,732,910	1,875,346	1,768,200	1,928,600	160,400	9.07%
Automated Traffic Enforcement	1,519,702	856,998	1,100,000	940,600	(159,400)	-14.49%
Tenn Valley Region Communication	854,716	988,506	1,010,500	1,046,433	35,933	3.56%
<b>Total Special Revenue Fund</b>	<b>46,870,010</b>	<b>45,587,360</b>	<b>43,543,054</b>	<b>44,417,057</b>	<b>874,003</b>	<b>2.01%</b>

## Revenues

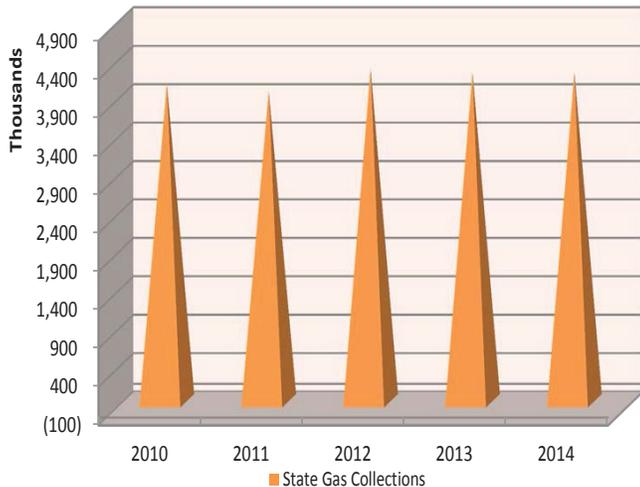
### State Street Aid

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

Collections in this fund have remained fairly constant thru FY2009. In FY10 & FY11 we saw a significant drop in state gas collections due to low usage and collections from the state. In FY13, revenue remained stable, which is expected to continue in FY14.



■ State & Federal ■ City of Chatt



### YFD - Social Services Fund

YFD - Social Services receives Federal, State, and City appropriations. This fund for FY14 is estimated to increase by 1.4% from FY13. The chart for revenues shows a significant increase in state and federal funding in FY10 due to additional State funds for Weatherization programs received under the American Recovery & Reinvestment Act (ARRA).

### Economic Development Fund

In August 1997, the citizens of Chattanooga approved a half-percent tax on retail sales in the city. Revenues from this tax were shared on a 50/50 basis for education and economic development. In a county-wide election in February 2004, the residents of Hamilton County voted to increase the county-wide local option tax rate from 1.75% to 2.25% thereby repealing the city-only 1/2% tax. The additional taxes generated by the 1/2% increase in the county-wide tax will be distributed to the county, city and education in accordance with TCA 67-6-712 which requires that 50% is used for education and the remainder on a situs basis. The education component is distributed directly to the Hamilton County Department of Education. Between FY10 and FY14 there was an increase in revenues by 13.08% mostly due to the expiration of the Sales Tax Agreement between with Hamilton County. In FY13 there was growth of 2% over FY12. FY 14 estimates a 1% decline.

### 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. Collections have decreased by more than 14% since 2008 due to the drop in collections from federal, state, and 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 FY14 budgeted revenue totals \$5,350,500 or 0.7% below FY13.

**Community Development**

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

The FY14 budgeted revenue totals \$3,335,697, which is 0.93% more than FY13. This is due to a slight increase in Federal and State grant funds.

**Municipal Golf Course Fund**

Revenues come mainly from green fees and golf cart rentals. Overall, estimated revenues are expected to increase approximately 9% from FY13 budget due to increases in fees and an expected increase in business due to the newly refinished greens.

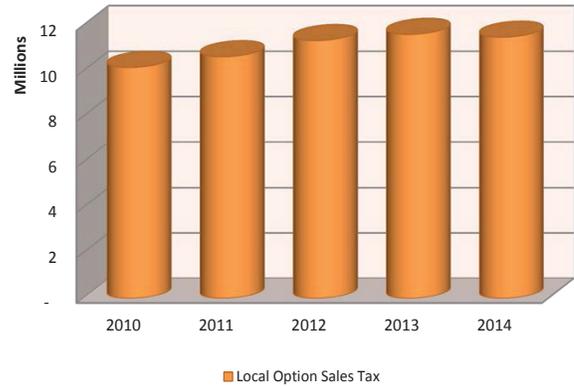
**Automated Traffic Enforcement Fund**

Revenues comes primarily from automated traffic and speeding fines. The FY14 revenues are estimated at \$383,400 or 65.15% below FY13 budget of \$1,100,000. Collections are being decreased based on actual collections in FY12 and FY13. The City suspended the contract with the initial vendor for poor performance. Services with a new vendor are being ramped up.

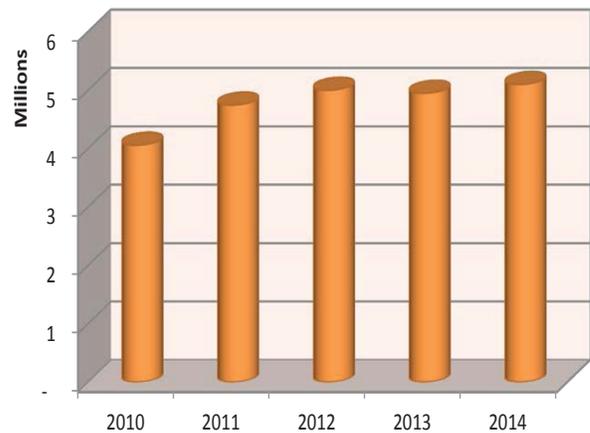
**Tennessee Valley Regional Communication Fund**

Revenues come mainly from maintenance fees on equipment and member fees for the communications system. Revenues are expected to increase by 3.56% in FY14. Although reported as a special revenue fund, it is intended that total fees charged will be sufficient to cover all operations cost excluding depreciation.

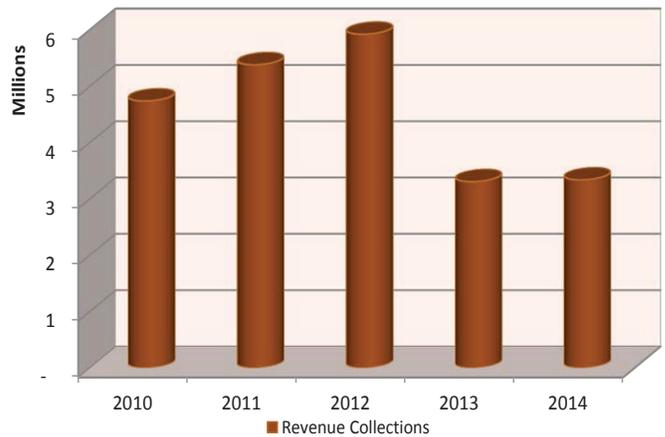
Economic Development Collections



Hotel-Motel Tax Collections



Community Development Collections



Special Revenue Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg
EXPENDITURES						
State Street Aid	4,224,893	4,457,109	4,280,000	4,280,000	-	0.00%
YFD - Social Services	16,524,748	14,796,762	14,929,403	15,139,893	210,490	1.41%
Economic Development Fund	10,135,514	11,279,370	11,639,000	11,788,334	149,334	1.28%
Narcotics	451,912	1,023,055	312,000	607,000	295,000	94.55%
Hotel/Motel Tax Fund	3,926,977	4,656,274	5,199,000	5,350,500	151,500	2.91%
Community Development Fund	5,378,176	5,823,391	3,304,951	3,335,697	30,746	0.93%
Municipal Golf Course	1,847,526	1,878,390	1,768,200	1,928,600	160,400	9.07%
Automated Traffic Enforcement	1,374,079	981,219	1,100,000	940,600	(159,400)	-14.49%
Tenn Valley Region Communication	682,985	1,113,383	1,010,500	1,046,433	35,933	3.56%
Total Special Revenue Fund	44,546,810	46,008,953	43,543,054	44,417,057	874,003	2.01%

## Expenditures

### State Street Aid

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

### YFD - Social Services

YFD - Social Services' FY14 estimated expenditures have increased by 1.41%. Fund accounts for Head Start, and other Federal programs administered by the City.

### Economic Development Fund

During FY2014, \$8,963,194 will be allocated to lease rental payments for Lease Rental Revenue Bonds on behalf of the CDRC. The remaining funds are dedicated to economic development projects in downtown Chattanooga and Enterprise South.

### Narcotics Fund

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

### Hotel-Motel Occupancy Privilege Tax Fund

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

### Community Development

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

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

### Municipal Golf Course Fund

Funds are used to cover the operational cost of the City's two golf courses. The primary costs are personnel and purchase services. Expenses for FY14 are estimated to remain about the same with an increase of 4% from FY13.

### Automated Traffic Enforcement Fund

Funds used to account for automated traffic enforcement operations including student driver training. Expenses for FY14 are estimated to decrease 14.49% or \$159,400 due to declining revenues and change in traffic camera vendors.

### Tennessee Valley Regional Communication Fund

The Fund is for the Operations, Management, & Maintenance of the a Regional Communications System. The TVRCS is a jointly funded Interoperable Public Safety communications system made up of Partners from the City of Chattanooga, 13 Counties in Tennessee & Georgia, & the State of Tennessee. The governance of the system is handled by an Advisory Committee composed of a member from each of the Partners and an Executive Commission composed of the Advisory Committee member from the City of Chattanooga, Hamilton County, Catoosa County and two at large members elected by the Advisory Committee. Expenses for FY14 are estimated to be \$1,046,433.

Special Revenue Revenue Summary	Actual 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg	% of total Budget
<b>State Street Aid (Fund 2050)</b>							
State of Tennessee	4,239,547	4,326,635	4,280,000	4,280,000	-	0.00%	9.64%
State Maintenance of Streets	58,652	1,282	-	-	-	N/A	0.00%
Investment Income	4,141	-	-	-	-	N/A	0.00%
Other (EPA, FEMA, TEMA)	266,677	7,198	-	-	-	N/A	0.00%
<b>Total State Street Aid</b>	<b>\$ 4,569,017</b>	<b>\$ 4,335,115</b>	<b>\$ 4,280,000</b>	<b>\$ 4,280,000</b>	<b>\$ -</b>	<b>0.00%</b>	<b>9.64%</b>
<b>YFD - Social Services (Fund 2030)</b>							
Federal - State Grants	14,570,680	13,273,555	13,755,326	13,904,150	148,824	1.08%	31.30%
City of Chattanooga	733,477	733,477	1,033,477	1,064,481	31,004	3.00%	2.40%
Day Care Fees	50,870	65,825	83,000	27,816	(55,184)	-66.49%	0.06%
Miscellaneous	150,360	281,849	52,600	136,246	83,646	159.02%	0.31%
Interest Income	15,042	7,330	5,000	7,200	2,200	44.00%	0.02%
Fund Balance	1,004,320	-	-	-	-	N/A	0.00%
<b>Total YFD - Social Services</b>	<b>\$ 16,524,748</b>	<b>\$ 14,362,036</b>	<b>\$ 14,929,403</b>	<b>\$ 15,139,893</b>	<b>\$ 210,490</b>	<b>1.41%</b>	<b>34.09%</b>
<b>Economic Development (Fund 1111)</b>							
Local Option Sales Tax	10,652,849	11,365,043	11,639,000	11,514,000	(125,000)	-1.07%	25.92%
State Shared Tax	-	308,833	-	-	-	N/A	0.00%
Fund Balance	-	-	-	274,334	274,334	N/A	0.62%
<b>Total Economic Development</b>	<b>\$ 10,652,849</b>	<b>\$ 11,673,876</b>	<b>\$ 11,639,000</b>	<b>\$ 11,788,334</b>	<b>\$ 149,334</b>	<b>1.28%</b>	<b>26.54%</b>
<b>Narcotics (Fund 9250)</b>							
Federal	-	1,450	50,000	50,000	-	0.00%	0.11%
State	-	-	12,000	12,000	-	0.00%	0.03%
Confiscated Narcotics Funds	528,338	188,922	200,000	200,000	-	0.00%	0.45%
Other	95,887	110,196	50,000	50,000	-	0.00%	0.11%
Fund Balance	-	-	-	295,000	295,000	N/A	0.66%
<b>Total Narcotics</b>	<b>\$ 624,225</b>	<b>\$ 300,568</b>	<b>\$ 312,000</b>	<b>\$ 607,000</b>	<b>\$ 295,000</b>	<b>94.55%</b>	<b>1.37%</b>
<b>Hotel/Motel Tax (Fund 2070)</b>							
Occupancy Tax	4,746,845	5,001,007	4,949,000	5,100,500	151,500	3.06%	11.48%
SRC Parking Garage Revenue	253,071	268,974	250,000	250,000	-	0.00%	0.56%
Interest Income	-	497	-	-	-	N/A	0.00%
<b>Total Hotel/Motel Tax</b>	<b>\$ 4,999,916</b>	<b>\$ 5,270,478</b>	<b>\$ 5,199,000</b>	<b>\$ 5,350,500</b>	<b>\$ 151,500</b>	<b>2.91%</b>	<b>12.05%</b>
<b>Community Development (Fund 2060)</b> <i>(includes HOME program)</i>							
Federal	4,872,376	4,988,611	2,654,934	3,335,697	680,763	25.64%	7.51%
Miscellaneous/Program	519,551	935,826	650,017	-	(650,017)	-100.00%	0.00%
<b>Total Community Development</b>	<b>\$ 5,391,927</b>	<b>\$ 5,924,437</b>	<b>\$ 3,304,951</b>	<b>\$ 3,335,697</b>	<b>\$ 30,746</b>	<b>0.93%</b>	<b>7.51%</b>
<b>Total Municipal Golf Course (1105)</b>	<b>\$ 1,732,910</b>	<b>\$ 1,875,346</b>	<b>\$ 1,768,200</b>	<b>\$ 1,928,600</b>	<b>\$ 160,400</b>	<b>9.07%</b>	<b>4.34%</b>
<b>Automated Traffic Enforcement (Fund 9091)</b>							
Automated Traffic & Speeding Fines	1,499,192	828,189	1,100,000	383,400	(716,600)	-65.15%	0.86%
Other	20,510	28,809	-	-	-	N/A	0.00%
Use of Fund Balance	-	-	-	557,200	557,200	N/A	1.25%
<b>Total Automated Traffic Enforcement</b>	<b>\$ 1,519,702</b>	<b>\$ 856,998</b>	<b>\$ 1,100,000</b>	<b>\$ 940,600</b>	<b>\$ (159,400)</b>	<b>-14.49%</b>	<b>2.12%</b>
<b>Tenn Valley Regional Communications (Fund 2110)</b>							
Operations	854,716	988,506	1,010,500	1,046,433	35,933	3.56%	2.36%
Use of Fund Balance	-	-	-	-	-	N/A	0.00%
<b>Total TVRC</b>	<b>\$ 854,716</b>	<b>\$ 988,506</b>	<b>\$ 1,010,500</b>	<b>\$ 1,046,433</b>	<b>\$ 35,933</b>	<b>3.56%</b>	<b>2.36%</b>
<b>Grand Total</b>	<b>\$ 46,870,010</b>	<b>\$ 45,587,360</b>	<b>\$ 43,543,054</b>	<b>\$ 44,417,057</b>	<b>\$ 874,003</b>	<b>2.01%</b>	<b>4.47%</b>

In FY12 \$866,976 of Fund Balance was appropriated as an amendment to the Hotel Motel Fund as part of the Capital Ordinance #12534.

In FY12 \$2,090,168 of Fund Balance was appropriated as an amendment to the Economic Development Fund as part of the Capital Ordinance #12534.

Special Revenue Expenditure Summary	Actual 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg	% of total Budget
<b>State Street Aid (Fund 2050)</b>							
Street Maintenance	4,224,893	4,457,109	4,280,000	4,280,000	-	0.00%	9.64%
<b>Total State Street Aid</b>	<b>\$ 4,224,893</b>	<b>\$ 4,457,109</b>	<b>\$ 4,280,000</b>	<b>\$ 4,280,000</b>	<b>\$ -</b>	<b>0.00%</b>	<b>9.64%</b>
<b>YFD - Social Services (Fund 2030)</b>							
Administration	872,614	895,464	615,625	862,615	246,990	40.12%	1.94%
Headstart	8,294,612	8,619,629	8,836,859	9,184,186	347,327	3.93%	20.68%
Daycare	921,678	766,069	865,145	687,187	(177,958)	-20.57%	1.55%
Wealthierization	3,790	-	-	-	-	N/A	0.00%
Foster Grandparents	521,925	510,462	506,243	509,761	3,518	0.69%	1.15%
LIHEAP	3,612,758	2,924,862	3,127,132	3,037,458	(89,674)	-2.87%	6.84%
Community Service Block Grant	580,714	542,187	693,234	658,116	(35,118)	-5.07%	1.48%
YFD - Social Services Programs	242,686	123,039	225,256	120,362	(104,894)	-46.57%	0.27%
City General Relief	57,356	44,469	59,909	46,644	(13,265)	-22.14%	0.11%
ARRA	1,415,615	294,412	-	-	-	N/A	0.00%
Other	1,000	76,169	-	33,564	33,564	N/A	0.08%
<b>Total YFD - Social Services</b>	<b>\$16,524,748</b>	<b>\$14,796,762</b>	<b>\$14,929,403</b>	<b>\$15,139,893</b>	<b>\$ 210,490</b>	<b>1.41%</b>	<b>34.09%</b>
<b>Economic Development (Fund 1111)</b>							
Capital Projects_Economic Development	2,157,131	2,775,817	1,238,801	2,110,000	871,199	70.33%	4.75%
Minority Business Development	75,000	75,000	75,000	75,000	-	0.00%	0.17%
Chattanooga Chamber of Commerce	450,000	450,000	450,000	450,000	-	0.00%	1.01%
Chamber of Comm Marketing-Enterprise South	75,000	75,000	75,000	75,000	-	0.00%	0.17%
Commission to Hamilton County	-	85,329	116,390	115,140	(1,250)	-1.07%	0.26%
Lease Payments	8,567,744	8,770,135	10,283,809	9,563,194	(720,615)	-7.01%	21.53%
Less: Chattanooga Lease Payment offset	(1,189,361)	(1,260,744)	(600,000)	(600,000)	-	0.00%	-1.35%
Tourist Development Zone	-	308,833	-	-	-	N/A	0.00%
<b>Total Economic Development</b>	<b>\$10,135,514</b>	<b>\$11,279,370</b>	<b>\$11,639,000</b>	<b>\$11,788,334</b>	<b>\$ 149,334</b>	<b>1.28%</b>	<b>26.54%</b>
<b>Narcotics (Fund 9250)</b>							
Operations	451,912	1,023,055	312,000	607,000	295,000	94.55%	1.37%
<b>Total Narcotics</b>	<b>\$ 451,912</b>	<b>\$ 1,023,055</b>	<b>\$ 312,000</b>	<b>\$ 607,000</b>	<b>\$ 295,000</b>	<b>94.55%</b>	<b>1.37%</b>
<b>Hotel/Motel Tax (Fund 2070)</b>							
21st Century Waterfront	350,000	333,024	818,352	652,797	(165,555)	-20.23%	1.47%
Capital Approp from Fund Balance	-	898,976	-	-	-	N/A	N/A
River Pier Garage Operations	143,696	106,095	250,000	250,000	-	0.00%	N/A
River Pier Capital	-	-	-	-	-	N/A	N/A
Public Works Capital Fund TN Riverpark Exp	-	-	-	503,450	503,450	N/A	N/A
Hamilton County	30,000	30,000	30,000	30,000	-	0.00%	N/A
Debt Service	3,320,547	3,193,219	4,001,668	3,812,243	(189,425)	-4.73%	8.58%
Hotel/Motel Collection Fee	82,734	94,960	98,980	102,010	3,030	3.06%	0.23%
<b>Total Hotel/Motel Tax</b>	<b>\$ 3,926,977</b>	<b>\$ 4,656,274</b>	<b>\$ 5,199,000</b>	<b>\$ 5,350,500</b>	<b>\$ 151,500</b>	<b>2.91%</b>	<b>12.05%</b>
<b>Community Development (Fund 2060)</b>							
(includes HOME Program)							
Administration	354,467	452,203	497,954	488,000	(9,954)	-2.00%	1.10%
Chattanooga Neighborhood Enterprise	815,230	1,042,909	315,000	710,900	395,900	125.68%	1.60%
Other Community Development Projects	3,284,432	3,043,297	1,241,410	1,824,422	583,012	46.96%	4.11%
Transfers	924,047	1,284,982	1,250,587	312,375	(938,212)	-75.02%	0.70%
<b>Total Community Development</b>	<b>\$ 5,378,176</b>	<b>\$ 5,823,391</b>	<b>\$ 3,304,951</b>	<b>\$ 3,335,697</b>	<b>\$ 30,746</b>	<b>0.93%</b>	<b>7.51%</b>
<b>Total Municipal Golf Course (1105)</b>	<b>\$ 1,847,526</b>	<b>\$ 1,878,390</b>	<b>\$ 1,768,200</b>	<b>\$ 1,928,600</b>	<b>\$ 160,400</b>	<b>9.07%</b>	<b>4.34%</b>
<b>Automated Traffic Enforcement (Fund 9091)</b>							
Automated Traffic	1,374,079	981,219	1,100,000	940,600	(159,400)	-14.49%	2.12%
<b>Total Automated Traffic Enforcement</b>	<b>\$ 1,374,079</b>	<b>\$ 981,219</b>	<b>\$ 1,100,000</b>	<b>\$ 940,600</b>	<b>\$ (159,400)</b>	<b>-14.49%</b>	<b>2.12%</b>
<b>Tenn Valley Regional Communications (Fund 2110)</b>							
Operations	682,985	1,113,383	1,010,500	1,046,433	35,933	3.56%	2.36%
<b>Total TVRC</b>	<b>\$ 682,985</b>	<b>\$ 1,113,383</b>	<b>\$ 1,010,500</b>	<b>\$ 1,046,433</b>	<b>\$ 35,933</b>	<b>3.56%</b>	<b>2.36%</b>
<b>Grand Totals</b>	<b>\$44,546,810</b>	<b>\$46,008,953</b>	<b>\$43,543,054</b>	<b>\$44,417,057</b>	<b>\$ 874,003</b>	<b>2.01%</b>	<b>100.00%</b>

# Enterprise Funds

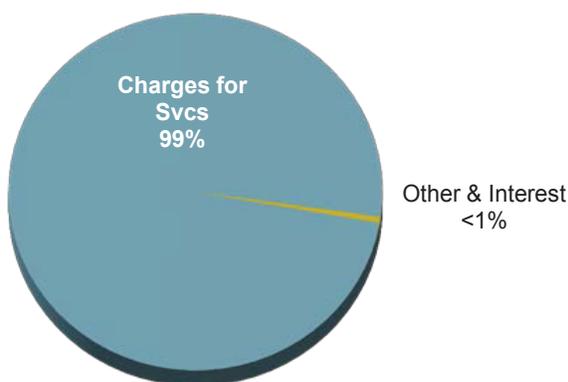
## Fund Structure

Enterprise Funds are established for operations that the City accounts for as though they were private enterprises. An Enterprise Fund might be established because an operation is expected to cover its costs (including depreciation expense) through user charges or because the City believes it is necessary to account for income and capital maintenance. The budgetary basis of accounting for these funds is the full accrual method where measurement focus is their economic resources, much like that of a private-sector business. Revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. The CAFR shows the status of the funds finances on the basis of 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, 2013 the budgeted revenue and expenses were as follows:

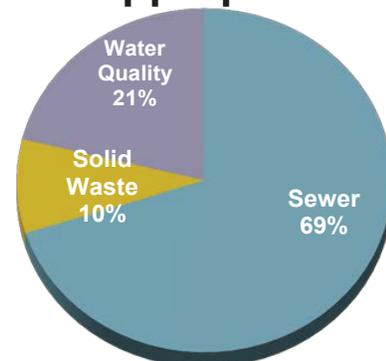
FY 13 Results	Budget Rev & Exp	(unaudited) FY13 Actual Rev	(unaudited) FY13 Actual Exp
Interceptor Sewer Fund	50,923,000	57,785,791	56,936,103
Solid Waste Fund	6,234,000	6,394,077	5,373,960
Water Quality Fund	15,558,000	17,254,368	12,245,117
<b>Total Enterprise Funds</b>	<b>72,715,000</b>	<b>81,434,236</b>	<b>74,555,180</b>

## Fiscal Year 2013/2014 Revenue & Appropriation by Fund \$79,688,316

### Revenues



### Appropriation



Enterprise Funds						
Revenue Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg
Interceptor Sewer System	49,268	52,598	50,923	55,844	4,921	9.7%
Solid Waste	6,936	6,409	6,234	6,987	753	12.1%
Water Quality Fund	16,887	19,124	15,558	16,858	1,300	8.4%
Total Enterprise Funds	73,091	78,131	72,715	79,688	6,973	9.6%

## Revenues

### Interceptor Sewer Fund

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

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

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

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

The City operates the System on a self-supporting basis from sewer service charges and fees. The July 1, 2013 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 gallons for the following quantities of water:

User Class	FY 14 10/1/2013 Total Charges (\$/1,000 gal)
First 100,000	\$ 7.07
Next 650,000	5.25
Next 1,250,000	4.27
Next 30,000,000	3.60
Over 32,000,000	3.50

### 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.

in excess of four hundred (400) milligrams per liter.

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	\$ 1.9966	\$ 0.6679	\$ 2.6645

If regional customers are billed directly through the water company, the rate shall be two dollars and twenty cents (\$2.20) 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	\$ 1.0387	\$ 0.3343	\$ 1.373

### Monthly Minimum Sewer Service Charges

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

Meter Size	FY 14 10/1/2013 Charge per Month
5/8"	\$ 14.55
3/4"	52.92
1"	90.71
1 1/2"	203.02
2"	359.47
3"	842.63
4"	1,557.20
6"	3,709.00
8"	6,560.55

### 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:

- \$0.1170 per pound of 5-day biochemical oxygen demand (BOD<sub>5</sub>) for concentrations in excess of three hundred (300) milligrams per liter, and,
- \$0.0832 per pound of total suspended solids for concentrations

The City has also established the following fees and charges:

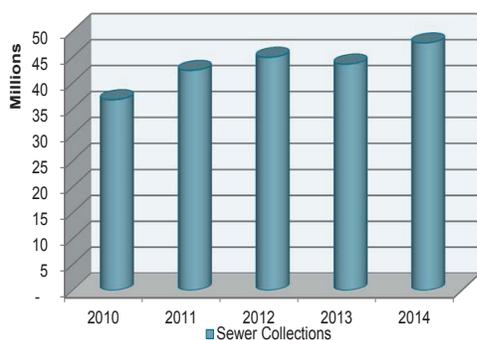
- A Sewer Service Line Connection Fee of \$800;
- A Truck Discharge Operation Permit Fee of \$100 per truck per year;
- A Septic Tank Discharge Fee of \$82.00 per 1,000 gallons of waste;
- Holding Tank Waste Fee of \$7.07 per 1,000 gallons of waste and
- Garbage Grinders Fee of \$216.00 per month per unit.

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

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

FY 87/88	6.14%	FY 96/97	0.00%	FY 04/05	2.54%
FY 88/89	6.14%	FY 97/98	0.00%	FY 05/06	0.00%
FY 89/90	6.14%	FY 98/99	0.00%	FY 06/07	15.48%
FY 90/91	5.24%	FY 99/00	(10.00%)	FY 07/08	6.00%
FY 91/92	3.32%	FY 00/01	0.00%	FY 08/09	6.00%
FY 92/93	5.79%	FY 01/02	0.00%	FY 09/10	3.00%
FY 93/94	3.00%	FY 02/03	7.29%	FY 10/11	3.00%
FY 94/95	0.00%	FY 03/04	7.07%	FY 11/12	5.00%
FY12/13	9.50%	FY13/14	9.80%		

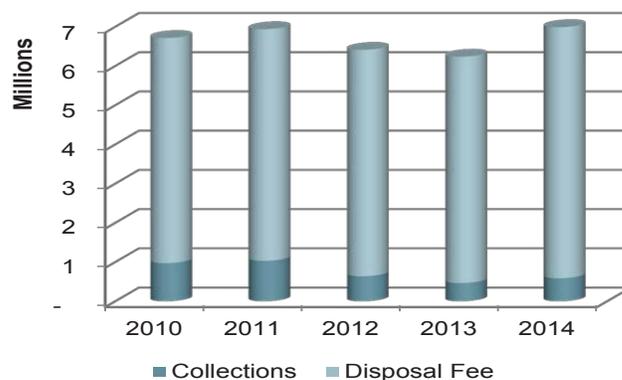
Below is the sewer system's historical trend of collections. Revenue increases can be attributed to the completion of several construction projects bringing more taps on line and rate increases to address the CMOM (Capacity, Management, Operations and Maintenance) project proactively.



Fund through a General Fund Waste Disposal Fee. This FY13/14 fee of \$6,403,570 accounts for 91.6% of the total budget.

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

**Solid Waste Revenue**



**Solid Waste Fund**

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

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

**Solid Waste Disposal Fee.** Since the revenue from the landfill tipping fees does not totally fund the expenditures of the fund and because the City garbage service is the primary customer General Fund supports the Solid Waste

## Water Quality Management Fund

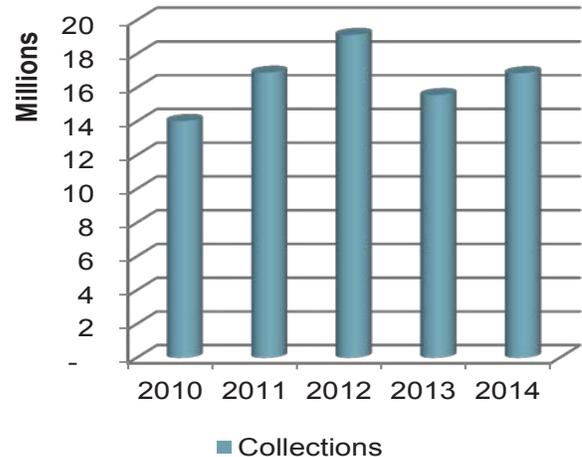
The Water Quality Management Fund was established in 1993 to comply with a Federal mandate for the City to control storm water runoff. The City is required to impose controls to reduce the discharge of pollutants in storm water to the maximum extent practicable using management practices, control techniques 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 has remained constant since 1993. Over the past couple of years the City has conducted a water quality utility program level of service analysis, cost of service analysis, rate study analysis and cash flow analysis which has identified water quality and water quantity problems and needs. As a result of this study the Council determined that 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. The Water Quality fee for Fiscal Year 2014 is \$115.20 per ERU for both residential properties and for non-residential properties passed June 28, 2011 per City Ordinance 12523. This is the final phase in period for the non-residential rates.

The revenue for this fund is derived from water quality fees totaling \$16,858,055 for FY2014.

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

Water Quality Collections



Enterprise Funds						
Expend Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg
Interceptor Sewer System	58,024	64,990	50,923	55,844	4,921	9.7%
Solid Waste	8,929	6,009	6,284	6,987	703	11.2%
Water Quality Fund	14,278	13,241	15,558	16,858	1,300	8.4%
Total Enterprise Funds	81,231	84,240	72,765	79,688	6,923	9.5%

## 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 FY13/14, the operations and maintenance budget increased \$1,782,794, or 5.9%, due to increases related to rates to meet operations, maintenance, and capital requirements based on current agreements with EPA and TDEC-DWPC. The largest single change in the ISS budget for FY13/14 is the \$1.0M increase in appropriation for liquid handling operations at MBWWTP and \$511K increase in administration for the operations of the system pump stations.

The debt service portion of the proposed budget for FY13/14 increased \$50,613 from FY12/13. This change is due to the varying interest and principal payments on bonded debt and/or capital outlay notes required from one fiscal year to the next.

### Solid Waste Fund

Expenses in the Solidwaste Fund include:

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

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

In March 1998 and March 2001, the City issued general obligation bonds totaling \$17.9 million and \$6.7 million respectively, to fund capital improvements

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

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

### Water Quality Management Fund

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

- Personnel
- Operations
- Debt Service
- Capital Projects

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

Enterprise Funds Revenue Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of total
<b>Interceptor Sewer System (Fund 6010):</b>							
Sewer Service Charges	38,788,897	41,031,646	41,110,939	45,198,997	4,088,058	9.9%	56.72%
Industrial Surcharges	3,607,814	3,896,844	2,500,000	2,500,000	-	0.0%	3.14%
Septic Tank Charges	315,554	257,349	219,400	240,901	21,501	9.8%	0.30%
<b>Wheelage &amp; Treatment:</b>							
Lookout Mountain, TN	202,962	199,942	222,876	245,869	22,993	10.3%	0.31%
Dade County, GA	11,529	12,586	13,310	14,400	1,090	8.2%	0.02%
Walker County, GA	416,262	407,876	467,003	502,507	35,504	7.6%	0.63%
Collegedale, TN	315,384	355,234	353,530	400,622	47,092	13.3%	0.50%
Soddy-Daisy, TN	187,674	218,858	212,686	244,576	31,890	15.0%	0.31%
East Ridge, TN	1,513,002	1,669,096	1,665,598	1,875,377	209,779	12.6%	2.35%
Windstone	72,558	23,082	32,880	33,183	303	0.9%	0.04%
Hamilton County, TN	764,334	833,606	847,230	957,669	110,439	13.0%	1.20%
Northwest Georgia	717,440	794,254	784,645	860,801	76,156	9.7%	1.08%
Lookout Mountain, GA	61,059	63,956	67,953	73,818	5,865	8.6%	0.09%
Ringgold, GA	372,004	408,284	480,593	451,221	(29,372)	-6.1%	0.57%
Rossville, GA	421,534	441,648	406,799	511,736	104,937	25.8%	0.64%
Red Bank, TN	582,375	725,871	692,874	789,214	96,340	13.9%	0.99%
Debt Service Northwest Georgia	447,353	777,167	447,353	447,353	-	0.0%	0.56%
Industrial User Permits	44,000	43,500	41,000	41,000	-	0.0%	0.05%
Industrial Violation Fines	4,100	2,021	-	-	-	N/A	0.00%
Garbage Grinder Fees	46,804	53,026	56,448	54,432	(2,016)	-3.6%	0.07%
Miscellaneous Revenue	12,489	30,170	-	-	-	N/A	0.00%
Fund Balance for Capital	-	-	-	-	-	N/A	0.00%
Interest Earnings	362,693	352,284	300,000	400,000	100,000	33.3%	0.50%
<b>Total Interceptor Sewer</b>	<b>49,267,822</b>	<b>52,598,300</b>	<b>50,923,117</b>	<b>55,843,676</b>	<b>4,920,559</b>	<b>9.7%</b>	<b>70.1%</b>
<b>Solid Waste (Fund 6020):</b>							
Landfill Tipping Fees	456,641	479,816	321,000	403,101	82,101	25.6%	0.51%
Landfill Permit Fees	1,032	1,512	2,200	165	(2,035)	-92.5%	0.00%
City of Chattanooga Tipping Fees	5,907,775	5,773,587	5,773,587	6,403,570	629,983	10.9%	8.04%
Sale of Mulch	188,106	14,320	25,000	80,000	55,000	220.0%	0.10%
State Sub Recyclable Material	-	-	15,000	-	(15,000)	-100.0%	0.00%
Interest	58,649	-	-	-	-	N/A	0.00%
Fund Balance	72,574	-	-	-	-	N/A	0.00%
State THHWG	133,504	73,443	85,000	85,000	-	0.0%	0.11%
Misc Revenues	117,228	65,993	11,968	14,749	2,781	23.2%	0.0%
<b>Total Solid Waste</b>	<b>6,935,509</b>	<b>6,408,671</b>	<b>6,233,755</b>	<b>6,986,585</b>	<b>752,830</b>	<b>12.1%</b>	<b>8.8%</b>
<b>Water Quality (Fund 6030):</b>							
Water Quality Fee	15,345,974	16,603,460	15,522,000	16,829,555	1,307,555	8.4%	21.12%
Land Disturbing Fee	26,530	29,698	25,000	25,000	-	0.0%	0.03%
Fund Balance for Capital	1,330,390	2,466,951	-	-	-	N/A	0.00%
Misc Revenue	184,469	23,800	11,000	3,500	(7,500)	-68.2%	0.00%
<b>Total Water Quality</b>	<b>16,887,363</b>	<b>19,123,909</b>	<b>15,558,000</b>	<b>16,858,055</b>	<b>1,300,055</b>	<b>8.4%</b>	<b>21.15%</b>
<b>Grand Totals:</b>	<b>73,090,694</b>	<b>78,130,880</b>	<b>72,714,872</b>	<b>79,688,316</b>	<b>6,973,444</b>	<b>9.6%</b>	<b>100.00%</b>

Enterprise Funds							
Expenditure Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of total
Interceptor Sewer System (Fund 6010):							
<b>Operations &amp; Maintenance:</b>							
Administration	2,895,190	2,752,773	3,512,511	3,745,271	232,760	6.6%	4.70%
Laboratory	629,888	636,843	702,475	710,237	7,762	1.1%	0.89%
Engineering	414,543	607,316	589,551	657,231	67,680	11.5%	0.82%
Plant Maintenance	1,292,235	1,425,235	1,914,887	2,070,086	155,199	8.1%	2.60%
Sewer Maintenance	2,283,564	3,572,279	3,663,474	3,758,102	94,628	2.6%	4.72%
Moccasin Bend - Liquid Handling	11,787,040	12,767,991	11,864,049	12,885,936	1,021,887	8.6%	16.17%
Inflow & Infiltration	1,714,176	1,846,327	1,333,405	1,638,593	305,188	22.9%	2.06%
Safety & Training	118,249	147,734	146,527	149,654	3,127	2.1%	0.19%
Pretreatment/Monitoring	449,624	585,818	717,778	661,343	(56,435)	-7.9%	0.83%
Moccasin Bend - Solid Handling	3,564,626	3,050,736	3,928,130	3,905,181	(22,949)	-0.6%	4.90%
Landfill Handling	1,281,718	2,010,076	1,600,000	1,600,000	-	0.0%	2.01%
Combined Sewer Overflow	248,254	351,945	309,178	283,125	(26,053)	-8.4%	0.36%
<b>Subtotal O &amp; M</b>	<b>26,679,105</b>	<b>29,755,073</b>	<b>30,281,965</b>	<b>32,064,759</b>	<b>1,782,794</b>	<b>6.0%</b>	<b>40.24%</b>
<b>Pumping Stations</b>							
19th Street	101,655	66,551	62,295	68,925	6,630	10.6%	0.09%
23rd Street	116,977	144,342	135,250	138,520	3,270	2.4%	0.17%
Big Ridge 1 - 5	105,177	222,269	93,185	103,260	10,075	10.8%	0.13%
Brainerd	15,199	34,151	70,834	108,884	38,050	53.7%	0.14%
Citico	400,110	406,538	322,010	380,255	58,245	18.1%	0.48%
Dupont Parkway	33,003	20,088	25,725	27,160	1,435	5.6%	0.03%
East Brainerd	41,641	47,749	54,125	54,125	-	0.0%	0.07%
Enterprise South	17,235	45,078	44,770	48,645	3,875	8.7%	0.06%
Friar Branch	187,351	215,328	220,975	245,025	24,050	10.9%	0.31%
Highland Park	32,875	31,089	27,050	33,725	6,675	24.7%	0.04%
Hixson 1,2,3,&4	159,985	183,611	135,745	243,383	107,638	79.3%	0.31%
Latta Street	30,504	34,055	21,650	38,205	16,555	76.5%	0.05%
Mountain Creek	19,552	8,010	28,470	72,475	44,005	154.6%	0.09%
Murray Hills	26,376	17,874	40,865	33,170	(7,695)	-18.8%	0.04%
North Chattanooga	27,180	48,230	28,155	36,825	8,670	30.8%	0.05%
Northwest Georgia	46,305	112,448	65,724	73,200	7,476	11.4%	0.09%
Odor Control Pump Stations	750,604	1,025,074	800,000	800,000	-	0.0%	1.00%
Ooltewah-Collegedale	88,534	126,431	94,875	240,075	145,200	153.0%	0.30%
Orchard Knob	45,090	53,141	137,310	80,855	(56,455)	-41.1%	0.10%
Regional Metering Stations	-	206	-	-	-	0.0%	0.00%
Residential Pump Stations	51,069	31,524	40,000	40,000	-	0.0%	0.05%
Ringgold Pump Station	47,271	57,473	65,195	128,370	63,175	96.9%	0.16%
River Park	987	1,651	4,750	4,750	-	0.0%	0.01%
South Chattanooga	2,393	8,029	11,070	11,070	-	0.0%	0.01%
South Chickamauga Creek	406,065	350,038	481,550	493,890	12,340	2.6%	0.62%
Tiftonia 1&2	188,430	223,708	104,325	129,880	25,555	24.5%	0.16%
West Chickamauga	2,071	8,229	9,000	9,000	-	0.0%	0.01%
Other (Warner Park #1)	-	5,890	7,500	-	(7,500)	-100.0%	0.00%
VAAP	2,573	3,462	9,065	9,065	-	0.0%	0.01%
<b>Subtotal Pumping Stations</b>	<b>2,946,213</b>	<b>3,532,267</b>	<b>3,141,468</b>	<b>3,652,737</b>	<b>511,269</b>	<b>16.3%</b>	<b>4.58%</b>
Bad Debt Expense	259,727	223,963				N/A	0.00%
Other	289	116,946				N/A	0.00%
Depreciation	14,360,784	14,634,118				N/A	0.00%
<b>Capital Improvements Program</b>	<b>1,015,063</b>	<b>1,247,885</b>	<b>428,393</b>	<b>500,000</b>	<b>71,607</b>	<b>16.7%</b>	<b>0.63%</b>
<b>Debt Service &amp; Reserve</b>							
Principal	7,972,785	8,879,445	11,200,206	11,355,380	155,174	1.4%	14.25%
Interest	3,214,977	2,960,918	3,516,424	3,411,863	(104,561)	-3.0%	4.28%
Reserve Coverage	1,575,012	-	2,354,661	2,658,104	303,443	12.9%	3.34%
	12,762,774	11,840,363	17,071,291	17,425,347	354,056	3.0%	
Construction Trust Fund (6011)	-	3,639,827		2,200,833	2,200,833	N/A	2.76%
<b>Total Interceptor Sewer</b>	<b>58,023,955</b>	<b>64,990,442</b>	<b>50,923,117</b>	<b>55,843,676</b>	<b>2,719,726</b>	<b>4.2%</b>	<b>70.08%</b>

Enterprise Funds Expenditure Fund Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg	% of total
<b>Solid Waste (Fund 6020):</b>							
Recycle	772,345	776,184	944,674	946,018	1,344	0.1%	1.19%
Capital Improvements	1,127,000	-	173,868	-	(173,868)	-100.0%	0.00%
Sanitary Landfill (Summitt)	265,175	20,000	308,510	-	(308,510)	-100.0%	0.00%
Waste Disposal - City Landfill	1,615,117	1,498,166	1,535,738	1,636,736	100,998	6.6%	2.05%
Compost Waste Recycle	681,367	711,400	781,827	866,893	85,066	10.9%	1.09%
Household Hazardous Waste	94,179	73,443	100,000	-	(100,000)	-100.0%	0.00%
Solid Waste Reserve	-	-	50,000	313,122	263,122	526.2%	0.39%
Montague Park Monitoring	25,444	5,595	10,500	-	(10,500)	-100.0%	0.00%
Other	95,900	-	-	852,923	852,923	N/A	1.07%
Depreciation	564,339	532,997	-	-	-	N/A	0.00%
Debt Service	3,688,207	2,390,733	2,378,638	2,370,893	(7,745)	-0.3%	2.98%
<b>Total Solid Waste</b>	<b>8,929,073</b>	<b>6,008,518</b>	<b>6,283,755</b>	<b>6,986,585</b>	<b>702,830</b>	<b>11.2%</b>	<b>8.77%</b>
<b>Water Quality (Fund 6030):</b>							
Water Quality Management	2,038,183	2,694,209	3,159,912	3,465,990	306,078	9.7%	4.35%
Water Quality Operations	5,194,044	5,721,993	6,704,420	6,742,060	37,640	0.6%	8.46%
Water Quality Site Development	375,973	1,189,847	1,113,868	865,067	(248,801)	-22.3%	1.09%
Water Quality Engineering	575,749	652,873	798,131	1,110,296	312,165	39.1%	1.39%
Water Quality Public Education	74,017	72,252	68,158	78,731	10,573	15.5%	0.10%
Renewal & Replacement	133,952	77,516	99,285	112,553	13,268	13.4%	0.14%
Capital Improvement	1,450,000	1,450,000	1,450,000	2,450,000	1,000,000	69.0%	3.07%
Depreciation and Bad Debt	2,179,779	1,382,338	-	-	-	N/A	0.00%
Debt Service & Reserve	2,256,013	-	2,164,226	2,033,358	(130,868)	-6.0%	2.55%
<b>Total Water Quality</b>	<b>14,277,711</b>	<b>13,241,028</b>	<b>15,558,000</b>	<b>16,858,055</b>	<b>1,300,055</b>	<b>8.4%</b>	<b>21.15%</b>
Grand Totals:	<b>81,230,739</b>	<b>84,239,988</b>	<b>72,764,872</b>	<b>79,688,316</b>	<b>4,722,611</b>	<b>5.6%</b>	<b>100.00%</b>



# Internal Service Funds

## Fund Structure

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

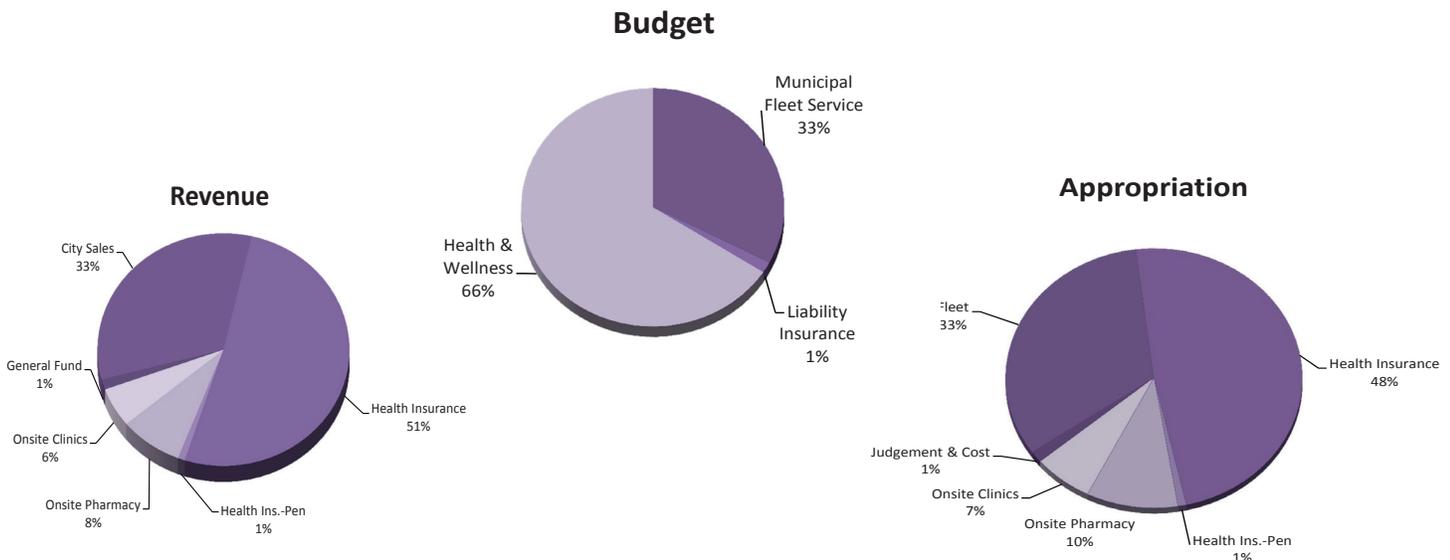
**Municipal Fleet Services Fund** accounts for revenues and expenditures associated with the operation of the City's garage, service station, and fleet leasing services. The cost for these services are paid by the departments and agencies of City government and charges to external agencies. Fleet disbursements for FY14 include a use of Fund Balance of \$2,000,000 accumulated as part of the program for vehicle purchases to be placed in the lease program.

FY 13 Results	Budget Rev & Exp	(unaudited) FY 13 Actual Rev	(unaudited) FY 13 Actual Exp
Municipal Service Station	\$ 4,294,600	\$ 4,282,049	\$ 4,176,389
Municipal Garage	\$ 7,051,200	\$ 7,299,215	\$ 7,832,860
Fleet Leasing Capital	\$ 6,439,000	\$ 6,763,809	\$ 6,421,578
Fleet Leasing Operations	\$ 2,375,000	\$ 2,912,781	\$ 2,291,138
Liability Insurance	\$ 730,000	\$ 730,000	\$ 252,003
Health & Wellness Fund	\$ 36,214,238	\$ 38,162,911	\$ 36,264,972
<b>Total Internal Service Fund</b>	<b>57,104,038</b>	<b>60,150,765</b>	<b>57,238,940</b>

**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.

## Fiscal Year 2013/2014 Budgeted Amount by Fund \$55,475,384



Internal Services Funds					Budget	
Revenue Summary	Actual 11	Actual 12	Budget 13	Budget 14	Inc(Dec)	% chg
Municipal Service Station	3,651,505	4,313,032	4,294,600	4,451,582	156,982	3.7%
Municipal Garage	6,985,640	7,908,958	7,051,200	7,242,178	190,978	2.7%
Fleet Leasing Operations	2,000,524	2,477,201	2,375,000	2,873,274	498,274	21.0%
Fleet Leasing Capital	9,106,280	10,675,535	6,439,000	3,580,000	(2,859,000)	-44.4%
Liability Insurance	1,960,000	1,000,000	730,000	800,000	70,000	9.6%
Health & Wellness Fund	28,500,758	36,881,533	36,214,238	36,528,350	314,112	0.9%
Total Internal Services	52,204,707	63,256,259	57,104,038	55,475,384	(1,628,654)	-2.9%

## Revenues

### Municipal Fleet Services Fund

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

The estimated garage collections have increased for FY14 by 2.71%. Users will continue to pay a \$65.00 per hour charge for garage services for vehicles that are not part of the lease program. For budgeting or planning purposes during FY14, 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 FY14 is the Fleet Leasing Program, in which new vehicles will be purchased, owned and maintained by Fleet Services and leased back 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.

### 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.

<b>Internal Services Funds Expenditure Summary</b>	<b>Actual 11</b>	<b>Actual 12</b>	<b>Budget 13</b>	<b>Budget 14</b>	<b>Budget Inc(Dec)</b>	<b>% chg</b>
Municipal Service Station	3,786,174	4,480,583	4,224,700	4,297,471	72,771	1.7%
Municipal Garage	6,855,850	7,186,028	7,157,000	7,772,867	615,867	8.6%
Fleet Leasing Operations	1,247,329	1,245,811	2,339,100	2,496,696	157,596	6.7%
Fleet Leasing Capital	4,881,405	8,530,804	6,439,000	3,580,000	(2,859,000)	-44.4%
Liability Insurance	567,637	236,134	730,000	800,000	70,000	9.6%
Health & Wellness Fund	27,730,596	33,056,271	36,214,238	36,528,350	314,112	0.9%
<b>Total Internal Services</b>	<b>45,068,991</b>	<b>54,735,631</b>	<b>57,104,038</b>	<b>55,475,384</b>	<b>(1,628,654)</b>	<b>-2.9%</b>

## Expenses

### Municipal Fleet Services Fund

Expenses for these funds are primarily for personnel, inventory supplies, and vehicle purchases. Rising fuel costs have continued to impact the expenses in the Municipal Service Station. The City has begun purchasing more fuel efficient vehicles in an effort to minimize costs. FY14 projects a 1.72% rise in expenses over FY13 budget for the Service Station due to rising fuel costs. As more vehicles are added to the Fleet Leasing program, Leasing Operations cost will continue to rise. FY14 projects an increase of 6.74% over FY13 budget.

### 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 clinics and wellness initiative 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 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg	% of total Budget
<b>Municipal Service Station (Fund 6501):</b>							
Amnicola Service Station:							
Fleet Fuel-City Sales	1,077,438	1,353,402	1,310,000	1,383,306	73,306	5.60%	2.49%
Fleet Fuel-Outside Sales	25,871	3,415	31,100	38,920	7,820	25.14%	0.07%
Miscellaneous Revenue	-	18	-	-	-	N/A	0.00%
<b>Total Amnicola Station</b>	<b>1,103,309</b>	<b>1,356,835</b>	<b>1,341,100</b>	<b>1,422,226</b>	<b>\$ 81,126</b>	<b>6.05%</b>	<b>2.56%</b>
12th & Park Service Station:							
Fleet Fuel- City Sales	2,501,562	2,897,974	2,895,300	2,989,426	94,126	3.25%	5.39%
Fleet Fuel- Outside Sales	46,634	58,223	58,200	39,930	(18,270)	-31.39%	0.07%
Total 12th & Park Station	2,548,196	2,956,197	2,953,500	3,029,356	75,856	2.57%	5.46%
<b>Total Municipal Service Station</b>	<b>\$ 3,651,505</b>	<b>\$ 4,313,032</b>	<b>\$ 4,294,600</b>	<b>\$ 4,451,582</b>	<b>\$ 156,982</b>	<b>3.66%</b>	<b>8.02%</b>
<b>Municipal Garage (Fund 6502):</b>							
Amnicola Garage:							
Fleet - Sale of Parts	1,557,633	1,819,302	1,472,700	1,579,076	106,376	7.22%	2.85%
Outside Sale of Parts	269,955	277,727	276,600	308,968	32,368	11.70%	0.56%
Sales - Labor	1,276,128	1,607,684	1,447,200	1,380,908	(66,292)	-4.58%	2.49%
Outside Sales - Labor	190,402	221,683	222,400	192,544	(29,856)	-13.42%	0.35%
Miscellaneous Revenue	-	286	-	-	-	N/A	0.00%
<b>Total Amnicola Garage</b>	<b>3,294,120</b>	<b>3,926,682</b>	<b>3,418,900</b>	<b>3,461,496</b>	<b>\$ 42,596</b>	<b>1.25%</b>	<b>6.24%</b>
12th & Park Garage:							
Fleet - Sale of Parts	1,564,133	1,875,729	1,660,700	1,928,022	267,322	16.10%	3.48%
Outside Sale of Parts	43,404	19,037	29,000	6,000	(23,000)	-79.31%	0.01%
Sales - Labor	2,028,343	2,068,930	1,918,300	1,840,660	(77,640)	-4.05%	3.32%
Outside Sales - Labor	55,640	18,509	24,300	6,000	(18,300)	-75.31%	0.01%
Miscellaneous Revenue	-	71	-	-	-	N/A	0.00%
Total 12th & Park Garage	3,691,520	3,982,276	3,632,300	3,780,682	148,382	4.09%	6.82%
<b>Total Municipal Garage</b>	<b>\$ 6,985,640</b>	<b>\$ 7,908,958</b>	<b>\$ 7,051,200</b>	<b>\$ 7,242,178</b>	<b>\$ 190,978</b>	<b>2.71%</b>	<b>13.05%</b>
<b>Fleet Leasing Operations(Fund 6503)</b>							
Fleet Leased Vehicles	1,663,447	2,071,507	1,923,000	2,534,274	611,274	31.79%	4.57%
Fleet Mileage Surcharge	337,077	405,694	452,000	339,000	(113,000)	-25.00%	0.61%
<b>Total Fleet Leasing Operations</b>	<b>\$ 2,000,524</b>	<b>\$ 2,477,201</b>	<b>\$ 2,375,000</b>	<b>\$ 2,873,274</b>	<b>\$ 498,274</b>	<b>20.98%</b>	<b>5.18%</b>
<b>Fleet Leasing Capital(Fund 6504-6505)</b>							
Damage Settlements	98,100	82,498	115,000	115,000	-	0.00%	0.21%
Sale of Surplus Equip/Scrap	264,080	196,590	300,000	310,000	10,000	3.33%	0.56%
Vehicle Replacement Reserve	2,261,540	2,890,014	3,400,000	680,000	(2,720,000)	-80.00%	1.23%
Fleet Mileage Surcharge	482,560	549,433	624,000	475,000	(149,000)	-23.88%	0.86%
Use of Fund Balance	2,000,000	-	2,000,000	2,000,000	-	0.00%	3.61%
Transfers In-General Fund	-	2,807,000	-	-	-	N/A	0.00%
Transfers In-Economic Development	-	950,000	-	-	-	N/A	0.00%
Transfers In-Fleet Services	-	3,200,000	-	-	-	N/A	0.00%
Transfers In-Gen.Govt. Cap.Fund 4103	4,000,000	-	-	-	-	N/A	0.00%
<b>Total Fleet Leasing Capital</b>	<b>\$ 9,106,280</b>	<b>\$ 10,675,535</b>	<b>\$ 6,439,000</b>	<b>\$ 3,580,000</b>	<b>\$ (2,859,000)</b>	<b>-44.40%</b>	<b>6.45%</b>
<b>Total Fleet Services</b>	<b>\$ 21,743,949</b>	<b>\$ 25,374,726</b>	<b>\$ 20,159,800</b>	<b>\$ 18,147,034</b>	<b>\$ (2,012,766)</b>	<b>-9.98%</b>	<b>32.71%</b>
<b>Liability Insurance Fund (0651/6511)</b>							
General Fund Transfer-1100	1,960,000	1,000,000	730,000	800,000	70,000	9.59%	1.44%
<b>Total Liability Insurance</b>	<b>\$ 1,960,000</b>	<b>\$ 1,000,000</b>	<b>\$ 730,000</b>	<b>\$ 800,000</b>	<b>\$ 70,000</b>	<b>9.59%</b>	<b>1.44%</b>
<b>Health &amp; Wellness Fund (0652)6521-6525</b>							
Dept Prem Empl/Ret Healthcare	21,980,564	26,889,332	27,255,593	28,506,713	1,251,120	4.59%	51.39%
Dept Prem Pensioners	488,446	780,635	546,066	499,110	(46,956)	-8.60%	0.90%
Dept Prem On Site Clinic & Wellness	2,014,133	3,337,912	2,520,987	3,027,299	506,312	20.08%	5.46%
On Site Pharmacy Co Pay & OTC sales	4,017,615	4,311,926	4,466,952	4,495,228	28,276	0.63%	8.10%
Dept Prem Employee Health Center	-	1,561,728	1,424,640	-	(1,424,640)	-100.00%	0.00%
<b>Total Health &amp; Wellness</b>	<b>\$ 28,500,758</b>	<b>\$ 36,881,533</b>	<b>\$ 36,214,238</b>	<b>\$ 36,528,350</b>	<b>\$ 314,112</b>	<b>0.87%</b>	<b>65.85%</b>
<b>Grand Total:</b>	<b>\$ 52,204,707</b>	<b>\$ 63,256,259</b>	<b>\$ 57,104,038</b>	<b>\$ 55,475,384</b>	<b>\$ (1,628,654)</b>	<b>-2.85%</b>	<b>100.00%</b>

Internal Service Fund Expenditure Summary	Actual 11	Actual 12	Budget 13	Budget 14	Budget Inc(Dec)	% chg	% of total budget
<b>Municipal Service Station (Fund 6501):</b>							
Amnicola Service Station							
Salaries & Wages	25,131	25,999	23,679	24,077	398	1.68%	0.04%
Fringes	12,547	14,631	13,977	14,224	247	1.77%	0.03%
Purchased Services	10,865	28,010	16,500	20,030	3,530	21.39%	0.04%
Materials & Supplies	1,204	1,803	-	-	-	N/A	0.00%
Vehicle Operating Expenses	8,070	631	2,500	1,500	(1,000)	-40.00%	0.00%
Inventory Supplies	1,000,796	1,300,223	1,227,832	1,300,000	72,168	5.88%	2.34%
Gov'tl Charges, Taxes, Fees, Misc.	62,297	62,297	15,279	17,932	2,653	17.36%	0.03%
<b>Total Amnicola Station</b>	<b>1,120,910</b>	<b>1,433,594</b>	<b>1,299,767</b>	<b>1,377,763</b>	<b>77,996</b>	<b>6.00%</b>	<b>2.48%</b>
12th & Park Service Station							
Salaries & Wages	43,117	43,171	70,126	69,888	(238)	-0.34%	0.13%
Fringes	19,721	22,688	44,674	45,232	558	1.25%	0.08%
Purchased Services	6,617	27,945	14,025	10,600	(3,425)	-24.42%	0.02%
Materials & Supplies	2,149	5,896	1,000	2,000	1,000	100.00%	0.00%
Vehicle Operating Expenses	6,199	2,041	2,650	2,150	(500)	-18.87%	0.00%
Insurance, Claims, Damages	76	78	-	80	80	N/A	0.00%
Inventory Supplies	2,458,335	2,818,757	2,757,700	2,750,000	(7,700)	-0.28%	4.96%
Capital Outly	2,500	-	-	-	-	N/A	0.00%
Gov'tl Charges, Taxes, Fees Misc.	126,550	126,413	34,758	39,758	5,000	14.39%	0.07%
<b>Total 12th &amp; Park Station</b>	<b>2,665,264</b>	<b>3,046,989</b>	<b>2,924,933</b>	<b>2,919,708</b>	<b>(5,225)</b>	<b>-0.18%</b>	<b>5.26%</b>
<b>Total Municipal Service Station</b>	<b>\$ 3,786,174</b>	<b>\$ 4,480,583</b>	<b>\$ 4,224,700</b>	<b>\$ 4,297,471</b>	<b>\$ 72,771</b>	<b>1.72%</b>	<b>7.75%</b>
<b>Municipal Garage (Fund 6502):</b>							
Amnicola Garage - Repair & Maint.							
Salaries & Wages	988,707	1,045,601	1,109,906	1,116,951	7,045	0.63%	2.01%
Fringes	455,817	547,082	588,201	598,067	9,866	1.68%	1.08%
Purchased Services	330,501	358,353	207,941	364,788	156,847	75.43%	0.66%
Materials & Supplies	67,187	34,197	21,250	21,800	550	2.59%	0.04%
Travel	-	-	-	1,550	1,550	N/A	0.00%
Vehicle Operation Expenses	107,322	90,390	112,300	119,375	7,075	6.30%	0.22%
Insurance, Claim, Damages	3,321	3,408	4,000	4,000	-	0.00%	0.01%
Inventory Supplies	1,392,506	1,386,151	1,380,000	1,490,000	110,000	7.97%	2.69%
Capital Outlay	16,188	5,585	10,200	11,700	1,500	14.71%	0.02%
Gov'tl Charges, Taxes, Fees, Misc.	198,798	230,109	256,234	280,430	24,196	9.44%	0.51%
<b>Total Amnicola Garage</b>	<b>3,560,347</b>	<b>3,700,876</b>	<b>3,690,032</b>	<b>4,008,661</b>	<b>\$ 318,629</b>	<b>8.63%</b>	<b>7.23%</b>
12th & Park Garage - Repair & Maint.							
Salaries & Wages	985,076	1,047,480	1,103,335	1,106,666	3,331	0.30%	1.99%
Fringes	473,405	591,190	618,379	642,859	24,480	3.96%	1.16%
Purchased Services	133,903	119,287	117,788	121,705	3,917	3.33%	0.22%
Materials & Supplies	52,265	36,895	23,000	32,000	9,000	39.13%	0.06%
Travel	-	2,414	500	1,500	1,000	200.00%	0.00%
Vehicle Operating Expenses	160,691	160,577	119,700	167,356	47,656	39.81%	0.30%
Insurance, Claims, Damages	1,197	1,228	1,200	1,200	-	0.00%	0.00%
Inventory Supplies	1,299,260	1,367,274	1,224,000	1,400,000	176,000	14.38%	2.52%
Capital Outlay	7,576	2,392	1,000	6,600	5,600	560.00%	0.01%
Gov'tl Charges, Taxes, Fees, Misc.	182,130	156,415	258,066	284,320	26,254	10.17%	0.51%
<b>Total 12th &amp; Park Garage</b>	<b>3,295,503</b>	<b>3,485,152</b>	<b>3,466,968</b>	<b>3,764,206</b>	<b>297,238</b>	<b>8.57%</b>	<b>6.79%</b>
<b>Total Municipal Garage</b>	<b>\$ 6,855,850</b>	<b>\$ 7,186,028</b>	<b>\$ 7,157,000</b>	<b>\$ 7,772,867</b>	<b>\$ 615,867</b>	<b>8.61%</b>	<b>14.01%</b>
<b>Fleet Leasing Operations(Fund 6503)</b>							
Vehicle Operating Expenses	1,247,329	1,245,811	2,339,100	2,496,696	157,596	6.74%	4.50%
<b>Total Fleet Leasing Operations Progr</b>	<b>\$ 1,247,329</b>	<b>\$ 1,245,811</b>	<b>\$ 2,339,100</b>	<b>\$ 2,496,696</b>	<b>157,596</b>	<b>6.74%</b>	<b>4.50%</b>
<b>Fleet Leasing Capital(Fund 6504-6505)</b>							
Capital Outlay	2,881,405	5,330,804	4,439,000	1,580,000	(2,859,000)	-64.41%	2.85%
Fund Balance Reserve	2,000,000	3,200,000	2,000,000	2,000,000	-	0.00%	3.61%
<b>Total Fleet Leasing Capital Program</b>	<b>\$ 4,881,405</b>	<b>\$ 8,530,804</b>	<b>\$ 6,439,000</b>	<b>\$ 3,580,000</b>	<b>(2,859,000)</b>	<b>-44.40%</b>	<b>6.45%</b>
<b>Total Fleet Services</b>	<b>\$ 16,770,758</b>	<b>\$ 21,443,226</b>	<b>\$ 20,159,800</b>	<b>\$ 18,147,034</b>	<b>(2,012,766)</b>	<b>-9.98%</b>	<b>32.71%</b>
<b>Liability Insurance (Fund 6511)</b>							
Special Council & Claims	567,637	236,134	730,000	800,000	70,000	9.59%	1.44%
<b>Total Liability Insurance</b>	<b>\$ 567,637</b>	<b>\$ 236,134</b>	<b>\$ 730,000</b>	<b>\$ 800,000</b>	<b>70,000</b>	<b>9.59%</b>	<b>1.44%</b>

<b>Internal Service Fund Expenditure Summary</b>	<b>Actual 11</b>	<b>Actual 12</b>	<b>Budget 13</b>	<b>Budget 14</b>	<b>Inc(Dec)</b>	<b>% chg</b>	<b>% of total</b>
<b>Health &amp; Wellness (Fund 6521-6525)</b>							
Employee/Retiree Healthcare	20,604,335	24,789,487	25,579,153	26,879,960	1,300,807	5.09%	48.45%
Pensioners	465,913	780,583	949,885	504,652	(445,233)	-46.87%	0.91%
On Site Clinic & Wellness	2,094,854	2,672,550	2,978,544	3,602,020	623,476	20.93%	6.49%
On Site Pharmacy	4,565,494	4,813,651	5,706,656	5,541,718	(164,938)	-2.89%	9.99%
Employee Health Center	-	-	1,000,000	-	(1,000,000)	-100.00%	0.00%
<b>Total Health &amp; Wellness</b>	<b>\$ 27,730,596</b>	<b>\$ 33,056,271</b>	<b>\$ 36,214,238</b>	<b>\$ 36,528,350</b>	<b>314,112</b>	<b>0.87%</b>	<b>65.85%</b>
<b>Grand Totals</b>	<b>\$ 45,068,991</b>	<b>\$ 54,735,631</b>	<b>\$ 57,104,038</b>	<b>\$ 55,475,384</b>	<b>(1,628,654)</b>	<b>-2.85%</b>	<b>100.00%</b>



# General Government

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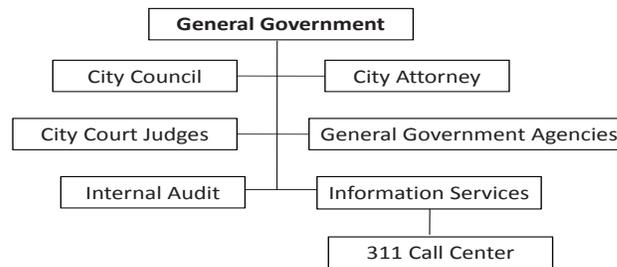
## Mission:

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. In addition, 311 provides City departments with data needed to identify service needs, trends, and outcomes. Information Systems is under General Government. This area includes information service and telecommunications. 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. It is in internal control that functions by measuring and evaluating the effectiveness of other controls. It also serves as a deterrent to fraud, waste, and abuse.

Other functions in General Government include funding for memberships in organizations such as the Tennessee Municipal League. Funds are also provided for promotion of the city through various means as determined by the Mayor or the City Council. Administrative expenses for the annual audit, various general studies and surveys which the City deems necessary are administered through this department.



## Goals and Objectives

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

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

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

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

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

- ❶ Identify high risk areas for audit.
- ❷ Plan and conduct audits in an independent and objective manner.
- ❸ Ensure staff are sufficiently trained to perform duties at a professional level.

**To provide timely, efficient and quality telecommunications and information services for all City departments and agencies.**

- ❶ Increase efficiency of service delivery.
- ❷ Achieve 100% on-time job performance.
- ❸ Strive for an excellent quality response to every support service request.

**Deliver a quality customer experience to 311 customers**

- ❶ Answer 85 percent of calls within two minutes or less and 95 percent of emails within 24 business hours.
- ❷ Meet or exceed target service levels of 135 calls per day per customer service representative.
- ❸ Maintain satisfaction ratings of "good" or "excellent" for 90 percent of 311 contacts.

<b>Performance Measures</b>	Actual FY12	Goal FY13	Actual FY13	Goal FY14
311 service requests created	111,879	118,000	137,893	118,000
311 service requests closed	96.6%	100%	96.4%	100%
Days from Council Meeting to minutes	2	2	2	2

### Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
City Council Office	\$729,754	\$ 787,700	\$ 788,113	\$ 719,827
Office of City Court Judges	774,791	807,974	818,438	852,433
Office of City Attorney	1,182,055	1,341,818	1,427,490	1,474,797
Supported Agencies	13,289,052	18,378,079	18,768,557	19,049,240
Debt Service	15,494,469	10,300,000	16,942,222	17,668,872
Liability Insurance Fund	1,960,000	1,000,000	730,000	800,000
311 Call Center	525,015	538,513	604,716	625,750
Internal Audit	450,547	512,058	548,543	570,701
Information Services	3,662,983	4,477,581	4,099,816	4,624,190
Other General Government Activities	3,102,015	7,169,221	8,371,930	10,637,887
<b>Total Expenditures</b>	<b>\$41,170,681</b>	<b>\$45,312,944</b>	<b>\$53,099,825</b>	<b>\$57,023,697</b>
Per Capita	\$240.27	\$270.24	\$316.68	\$332.93
<b>Positions Authorized</b>	<b>91</b>	<b>90</b>	<b>90</b>	<b>91</b>

### Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	\$6,038,024	\$ 6,812,458	\$ 7,350,274	\$ 6,134,159
Overtime	9,504	15,156	5,000	400
Operating	35,059,038	38,334,808	45,639,975	50,885,641
Revenue	-	-	-	-

# Supported Agencies

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 2013/2014 per Ordinance 12757.

## AIM Center, Inc.

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

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

## Air Pollution Control Bureau

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

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

## ARTS Build (Allied Arts Council)

The overall mission is to provide a united voice for all cultural organizations and activities, further the significance of their roles in the life of the community, provide financial assistance and such other measures necessary to strengthen the area's cultural resources, and work with other agencies in the public and private sectors to make quality of life a priority issue for the community.

City's Contribution.....\$275,000  
(\$50,000 of City appropriation helps to fund the Pops on the River concert held in July)

## Bessie Smith Cultural Center

The mission of the Bessie Smith Cultural Center is to collect, preserve, interpret and present art and artifacts relating to the history and culture of African Americans while serving as a resource for local and national history. 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 experience. The museum helps one to understand the culture and heritage of African-Americans.

City's Contribution.....\$54,000

## 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 Council (CARCOG) of Governments / Southeast Tennessee Development District**

The mission is to provide area-wide planning and coordination on a regional basis and to assist local governments in project and program development within the thirteen counties of Southeast Tennessee and the bi-state metropolitan Chattanooga region. This agency's program represents local governments in their relationships to State and Federal programs and seeks to maximize the amount of external funding that can be brought to bear on the area's development needs. Examples of funding secured in past years include funding for CARTA, the regional sewage treatment facility, industrial parks, water and sewer projects and a number of social service agencies for the elderly.

City's Contribution.....\$38,544

**Chattanooga Area Regional Transportation Authority (CARTA)**

The overall mission is the provision of public transit services. 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 the sole provider in the Chattanooga-Hamilton County area of public transportation.

City's Contribution.....\$4,867,440

**Chattanooga Area Urban League**

The overall mission is the elimination of discriminatory behavior by empowering African-Americans and other minorities through educational and vocational training which will increase economic power. The tools of social work, economic law and business are utilized to secure equal opportunities throughout all sectors of society. The essence of this program is to assist the Hamilton County and City of Chattanooga governments in improving minority representation on construction sites which are funded with public funds. It will also provide technical assistance and make available to contractors a pool of applicants for employment consideration. This will create avenues for employment opportunities and also ensure that the county is in compliance with local, state, and federal regulations governing minority representation in the construction industry and have an impact on affirmative action goals throughout the local governments.

City's Contribution.....\$40,000

**Chattanooga History Center**

The overall mission is to collect, preserve, research, interpret and display the written, spoken, pictorial and

artifactual record of the Chattanooga and Tri-State region from the earliest times to the present. This is accomplished by operating a museum and providing appropriate publications, exhibits and educational programs for all segments of the community. The museum has a working board and staff, and a proven track record of helping to improve the quality of life for current and future Hamilton County residents. Education is the primary purpose, which the education department fulfills with a full schedule of school tours, adult programs and outreach programs. The "Traveling Trunks" outreach program includes hands-on activities that bring to life specific historical periods in our area.

City's Contribution.....\$15,200

**Chattanooga Neighborhood Enterprise**

The mission of the organization is to rid the Chattanooga area of all substandard housing. The City government joined in this effort in 1989.

City's Contribution.....\$900,000

**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.....\$5,771,950

**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.....\$30,000

**Children's Home/Chambliss Shelter**

The Children's Home has two programs, both of which care for the at-risk children in the City. The Extended Child Care Program focuses on early childhood education

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

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

**Choose Chattanooga**

Choose Chattanooga is a marketing effort designed to increase area population growth as a necessary ingredient to accelerating economic development and organically increasing the local tax base. Funding will be used to promote Hamilton County to retirees and others who might potentially locate in the Chattanooga area.

City's Contribution.....\$16,900

**Community Foundation Scholarships**

This is a partnership of public and private funds to provide for scholarships to qualified and deserving students who would not otherwise be able to further their education beyond the public school system. The Foundation is committed to raising, on a two-to-one basis, funds from the community to match the City's contribution. Scholarships are awarded annually to students who meet the established criteria.

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

**Enterprise Center**

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

City's Contribution .....\$160,500

**Enterprise South Nature Park**

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

City's Contribution.....\$705,973

**Enterprise South Industrial Park Security**

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

City's Contribution .....\$62,077

**Fortwood Center**

Fortwood provides mental health services for adults and children residing in the City that are uninsured or underinsured. This also includes training of graduate students in mental health clinical care.

City's Contribution.....\$55,000

**Friends of Moccasin Bend**

The purpose of the Friends of Moccasin Bend National Park is to support the preservation, protection and interpretation of the cultural, historical and natural resources of Moccasin Bend National Archeological District in partnership with the National Park Service. The Friends will also support the design, construction and sustainability of an interpretive center/visitor facility at Moccasin Bend.

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

**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.....\$70,300

**Homeless Healthcare Center**

The Chattanooga - Hamilton County Homeless Healthcare Center provides outreach, primary care, substance abuse, and mental health services to Chattanooga's homeless population. Clients are provided assistance with locating housing, applying for entitlement programs and with obtaining jobs.

City's Contribution.....\$13,300

**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

### **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.....\$30,000

### **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.....\$56,522

### **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.....\$14,844

### **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.....\$2,422,235

### **Scenic Cities Beautiful**

The organization's focus is to study, investigate, develop, and carry out programs for improving the cleanliness and beauty of the community through organized cleanups and beautification efforts. The organization also works with groups to implement proper waste handling practices, and to support and promote community wide recycling. Scenic Cities serves as the coordinating body for county-wide cleanups and beautification programs, and provides support, information, and materials to those involved in promoting a cleaner community. It also provides speakers and environmental exhibits for community affairs, garden clubs, civic groups, and neighborhood organizations.

City's Contribution.....\$5,000

### **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

### **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.....\$30,000

**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.....\$1,102,654

**WTCI TV 45**

The overall mission is to provide informational, educational, and quality cultural television programs to the people of the Greater Chattanooga and Hamilton County community on Channel 45. The station provides information on the City of Chattanooga and Hamilton County governments, getting the public involved by way of television.

City's Contribution.....\$85,000

**Youth & Family Dev. - Social Services**

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

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

City's Contribution.....\$1,033,477

<b>Agencies</b>	<b>Actual FY10/11</b>	<b>Actual FY11/12</b>	<b>Budget FY12/13</b>	<b>Budget FY13/14</b>
AIM Center, Inc <sup>(2)</sup>	-	-	60,000	60,000
Air Pollution Control Bureau	270,820	270,820	289,626	270,820
Alexian Brothers Senior Neighbors <sup>(1)</sup>	17,700	12,720	12,720	-
ARTS Build	161,200	176,472	226,472	275,000
Bessie Smith Cultural Center	54,000	54,000	54,000	54,000
Bethlehem Center <sup>(2)</sup>	0	0	25,000	25,000
Carter Street Corp	161,257	200,000	200,000	200,000
	36,038	38,535	38,544	38,544
Chatt. Area Regional Council of Gov. (CARCOG) Southeast Tennessee Dev. District				
Chattanooga Public Library	2,777,468	5,655,773	5,771,950	5,771,950
Chattanooga Area Food Bank	12,700	0	0	0
Chattanooga Area Regional Transportation Authority (CARTA)	4,231,000	4,675,000	4,772,000	4,867,440
Chattanooga Area Urban League	42,200	50,000	40,000	40,000
Chattanooga History Center	15,200	15,200	15,200	15,200
Chattanooga Neighborhood Enterprises	1,000,000	910,717	900,000	900,000
Children's Advocacy Center	19,000	19,000	30,000	30,000
Children's Home - Chambliss Shelter <sup>(2)</sup>	0	275,000	347,500	347,500
Choose Chattanooga	16,900	16,900	16,900	16,900
Community Foundation Scholarships	101,300	101,300	101,300	101,300
Community Impact of Chattanooga	175,600	75,000	0	0
East Chattanooga Improvement Inc. <sup>(3)</sup>	0	20,000	0	0
Enterprise Center	260,500	160,500	160,500	160,500
Enterprise South Nature Park	434,600	615,695	682,200	705,973
GO Fest	8,440	0	0	0
ESIP Security	53,488	53,061	55,427	62,077
Finley Stadium	60,000	0	0	0
Fortwood Center <sup>(2)</sup>	0	105,000	55,000	55,000
Friends of Moccasin Bend	25,300	30,000	30,000	30,000
Front Porch Alliance	22,800	0	0	0
Heritage Hall	62,653	62,653	82,707	70,300
Homeless Healthcare Center	13,300	13,300	25,000	13,300
Homeless Coalition <sup>(2)</sup>	0	15,000	75,000	0
Youth & Family Dev. - Social Services	733,477	733,477	1,033,477	1,064,481
Interfaith Family Promise <sup>(3)</sup>	0	12,790	0	0
Joe Johnson Mental Health <sup>(2)</sup>	0	60,156	60,000	60,000
Orange Grove <sup>(2)</sup>	0	32,000	30,000	30,000
Partnership/Rape Crisis <sup>(2)</sup>	0	56,522	56,522	56,522
Railroad Authority	0	16,262	16,923	14,844
Regional Planning Agency	1,378,500	2,631,648	2,247,235	2,422,235
RiverCity	67,500	67,500	67,500	0
Scenic Cities Beautiful	4,220	5,000	5,000	5,000
Signal Center <sup>(2)</sup>	0	30,006	30,000	30,000
Speech & Hearing Center <sup>(2)</sup>	0	67,700	67,700	67,700
Tennessee Riverpark	1,021,241	963,372	1,077,154	1,102,654
WTCI TV 45	50,650	80,000	85,000	85,000
<b>TOTAL</b>	<b>13,289,052</b>	<b>18,378,079</b>	<b>18,843,557</b>	<b>19,049,240</b>

<sup>(1)</sup> Alexian Brothers was previously funded in Parks & Recreation Department

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

<sup>(3)</sup> Special Appropriation approved by Council



# Economic Development

Andy Berke, Mayor

[www.chattanooga.gov](http://www.chattanooga.gov)

## Description:

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

### Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Capital fund	2,157,131	2,775,817	1,238,801	2,110,000
TN Multi-Cultural Chamber of Commerce	75,000	0	0	0
Chamber for Economic Devel	450,000	450,000	450,000	450,000
Chamber Marketing-Enterprise South	76,358	75,000	75,000	75,000
Chamber of Commerce - Minority				
Business Development	0	25,000	25,000	25,000
Chattanooga Area Urban League -				
Minority Business Development	0	50,000	50,000	50,000
Commission to Hamilton County	0	85,329	116,390	115,140
Net Debt Service	7,378,383	7,509,391	9,683,809	8,963,194
Tourist Development Debt Service	0	308,833	0	0
<b>Total Expenditures</b>	<b>\$ 10,136,873</b>	<b>\$ 11,279,370</b>	<b>\$ 11,639,000</b>	<b>\$ 11,788,334</b>
City Only Sales Tax	\$ 10,652,849	\$ 11,365,043	\$ 11,639,000	\$ 11,514,000
Unreserved Fund Balance	0	308,833	0	0
TDZ State Sales Tax	0	0	0	0
TDZ County Sales tax	0	0	0	0
Interest Income	0	0	0	0
<b>Total Revenues</b>	<b>\$ 10,652,849</b>	<b>\$ 11,673,876</b>	<b>\$ 11,639,000</b>	<b>\$ 11,514,000</b>
Per Capita	\$ 59.16	\$ 67.27	\$ 69.41	\$ 68.83

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





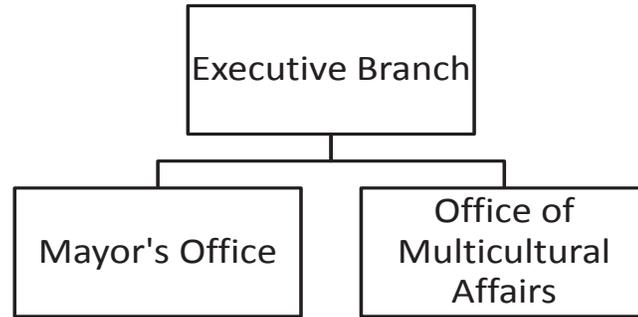
# Executive Branch

Andy Berke, Mayor

[www.chattanooga.gov](http://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*

# Executive Branch

Andy Berke, Mayor

[www.chattanooga.gov](http://www.chattanooga.gov)

<b>Department Summary</b>				
	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY13/14
Mayor's Office	\$ 923,452	\$ 1,009,995	\$ 957,610	\$ 1,371,495
Office of Multicultural Affairs	\$ 241,795	\$ 270,800	\$ 403,744	\$ 253,407
Prior Mayoral Initiatives	\$ 44,022	\$ 145,856	\$ 499,878	\$ -
<b>Total Expenditures</b>	<b>\$ 1,209,269</b>	<b>\$ 1,426,651</b>	<b>\$ 1,861,232</b>	<b>\$ 1,624,902</b>
Per Capita	\$ 7.06	\$ 8.51	\$ 11.10	\$ 9.49
<b>Positions Authorized</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>14</b>

<b>Resources</b>				
	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY12/13
Personnel	\$ 1,113,654	\$ 1,264,075	\$ 1,502,436	\$ 1,463,069
Overtime	0	0	0	0
Operating	95,615	164,076	358,796	161,833
Revenue	0	0	0	0



# Department of Finance & Administration

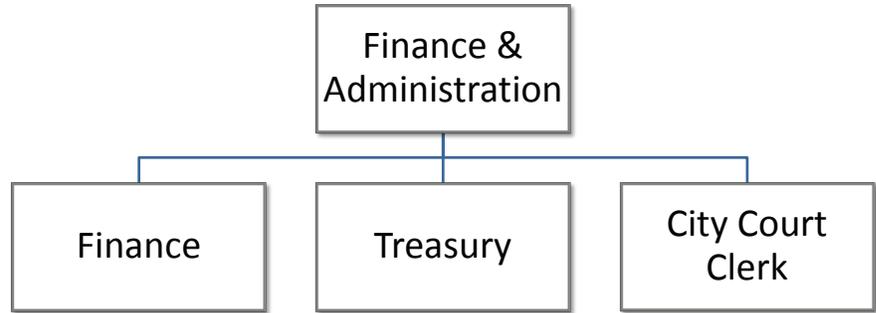
Daisy W. Madison, Administrator  
 Vickie C. Haley, Deputy Finance Officer  
[www.chattanooga.gov/finance](http://www.chattanooga.gov/finance)

## Mission:

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

## Description:

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



## Goals & Objectives:

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

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

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

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

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Cash Management Yield on investment portfolio	0.59%	0.5%	0.36%	0.5%
% of Current Levy Collected	94.2%	95.0%	94.0%	95.0%
Annual Debt Service Requirement as % of General Fund	9.7%	5.0%	8.0%	5.0%
Bond Rating by Standard & Poor's	AA+	AA+	AA+	AAA
Bond Rating by Fitch Ratings Ltd.	AA+	AA+	AA+	AAA

# Department of Finance & Administration

Daisy W. Madison, Administrator

Vickie C. Haley, Deputy Finance Officer

[www.chattanooga.gov/finance](http://www.chattanooga.gov/finance)

## Department Summary

	Actual FY 10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Finance	\$2,141,755	\$2,536,253	\$3,034,127	\$3,391,305
Treasurer	680,202	738,354	930,133	911,961
City Court Clerk	965,214	1,140,588	1,154,806	1,229,857
<b>Total Expenditures</b>	<b>\$ 3,787,171</b>	<b>\$ 4,415,195</b>	<b>\$ 5,119,066</b>	<b>\$ 5,533,123</b>
Per Capita	\$ 24.47	\$ 28.53	\$ 30.53	\$ 33.00
<b>Positions Authorized</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>66</b>

## Resources

	Actual FY 10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 3,162,410	\$ 3,456,986	\$ 4,055,957	\$ 4,233,821
Overtime	1,838	2,710	2,700	3,500
Operating	622,923	1,295,802	1,060,409	1,295,802
Revenue	182,261,252	199,137,417	202,471,750	205,437,600



# Department of General Services

Cary Bohannon, Director

[www.chattanooga.gov/Gen\\_Serv](http://www.chattanooga.gov/Gen_Serv)

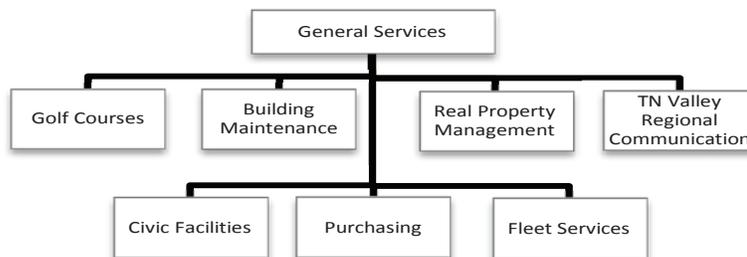
## Mission:

To provide quality services and controls in the areas of City-wide purchasing, 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 purchasing, building maintenance, real property management, mobile communications, & fleet services.

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



## Goals & Objectives:

### Improve the efficiency and quality of purchases

- 1 Use state of the art technology to improve business processes
- 2 Re-engineering the purchasing process and reducing paper processes

### To Operate building maintenance in an efficient manner

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

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

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

### To provide quality repair services and technological guidance to our customers

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

### 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.

# Department of General Services

Cary Bohannon, Director

[www.chattanooga.gov/Gen\\_Serv](http://www.chattanooga.gov/Gen_Serv)

## To insure 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 possible cost with the least possible interference with operations.
- ⑤ Maintain equipment technician efficiency by training and ASE and/or EVT certified.

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Total City Fleet	1,267	1,250	1,158	1,268
Total City Fleet Repairs and Maintenance	\$ 7,105,600	\$ 7,200,000	\$ 7,363,589	\$ 7,250,000
% Bldg Maint. Service Request Resolved on-time	78.7%	80.0%	81.7%	90.0%
Civic Facilities-Attendance	219,552	235,000	191,933	250,000
Civic Facilities-# of Events	246	275	228	300
Concessions revenues	\$ 41,214	\$ 50,000	\$ 54,471	\$ 60,000

## Department Summary

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Gen Svc Admin	366,161	463,756	513,476	571,890
Purchasing	751,489	799,881	896,405	785,095
Bldg. Maintenance	1,146,412	1,094,844	1,209,006	1,170,777
Real Est./Prop. Maint./Farmers Market	111,278	66,374	137,444	151,100
Zoo	-	-	-	671,728
Civic Facilities	-	-	-	1,958,067
<b>Total General Fund</b>	<b>\$ 2,375,340</b>	<b>\$ 2,424,856</b>	<b>\$ 2,756,331</b>	<b>\$ 5,308,657</b>
Fleet Services Operations	11,862,644	14,280,173	13,720,800	14,567,034
Heritage Ctr. Maint.	112,309	109,835	127,860	140,600
TN Valley Regional Communications*	682,985	1,113,383	1,010,500	1,046,433
Development Resource Center	426,663	411,418	461,289	463,311
<b>TOTAL GEN SVCS EXPENDITURE</b>	<b>\$ 15,459,941</b>	<b>\$ 18,339,665</b>	<b>\$ 18,076,780</b>	<b>\$ 21,526,035</b>
Per Capita	\$ 90.22	\$ 109.38	\$ 107.81	\$ 125.68
<b>Positions Authorized</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>123</b>

## Resources

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 4,979,030	\$ 5,699,904	\$ 6,258,859	\$ 8,012,010
Overtime	115,385	83,064	3,640	44,500
Operating	10,365,526	12,556,697	11,814,281	13,469,525
Revenue	22,753,413	19,546,003	19,298,160	17,334,067



# Department of Human Resources

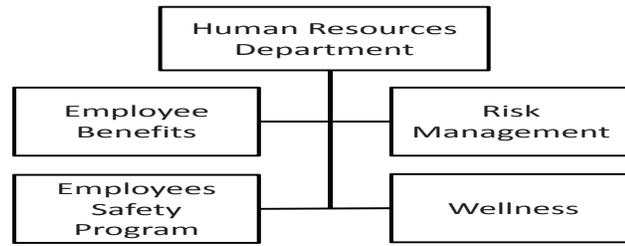
Todd Dockery, Director

Richard Beeland, Deputy Director

[www.chattanooga.gov](http://www.chattanooga.gov)

## Mission:

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



## Goals & Objectives:

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

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

### Deliver best in class service to all customer groups

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

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

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

## Description:

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

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Avg. eligible candidates per Requisition	8.35	6.00	6.00	6
Positions where qualified candidate found *	100%	100%	100%	*
Declined job offers *	<20	*	<10	*
Turnover rate	8.6%	<10%	<10%	<10%
Number of promotions	116	100	120	100
Compliance with law *	100%	100%	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%

\* Will no longer be measured beginning FY14

\*\* New areas to be measured beginning FY14

# Department of Human Resources

Todd Dockery, Director

Richard Beeland, Deputy Director

[www.chattanooga.gov](http://www.chattanooga.gov)

## Departmental Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Administration	\$ 1,111,807	\$ 1,496,659	\$ 1,329,965	\$ 1,354,188
Employee Insurance Office	289,212	318,301	317,631	317,325
Employee Insurance Program	44,103	45,650	45,350	35,350
Employee Safety Program	-	-	112,540	77,852
Job Injury Administration	73,747	99,646	78,500	86,000
Physical Exams	18,690	23,090	15,000	8,800
<b>Total Expenditures</b>	<b>\$ 1,537,559</b>	<b>\$ 1,983,346</b>	<b>\$ 1,898,986</b>	<b>\$ 1,879,515</b>
Per Capita	\$ 8.97	\$ 11.57	\$ 11.33	\$ 10.97
<b>Positions Authorized</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>

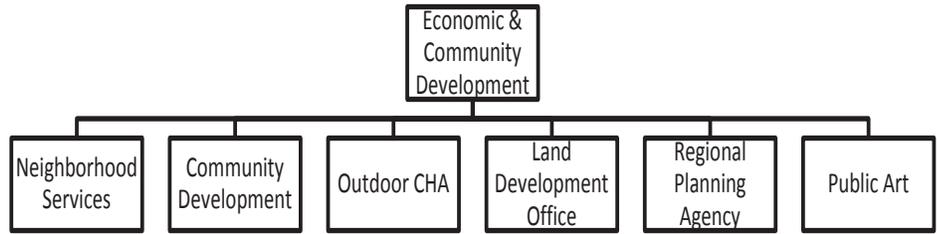
## Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	\$ 1,245,642	\$ 1,399,362	\$ 1,596,740	\$ 1,544,855
Overtime	935	1,499		
Operating	290,982	329,383	539,205	334,660
Revenue	72,035	46,439	45,000	45,000



**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, Community Development Office (CDO), Outdoor Chattanooga, Land Development, Public Art, Regional Planning (RPA), and Trust for Public Land.

*Neighborhood Services:* enforces the City’s minimum housing, anti-litter, overgrowth, and inoperable vehicle codes; oversees proper brush and trash set out regulations; along with the spot blight acquisition code.

*Land Development Office:* enforces all building, life safety codes, and zoning codes, advertizing ordinance, 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 natual areas.

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

**Goals and Objectives:**

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

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

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

**Elimination of blight in Chattanooga**

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

Performance Measures	Actual FY12*	Goal FY13	Actual FY13	Goal FY14
Abandoned vehicle CSRs closed on time	89.2%	95.0%	95.9%	95.0%
Housing CSRs closed on time	71.0%	95.0%	96.2%	95.0%
Litter CSRs closed on time	69.3%	95.0%	95.9%	95.0%
Vacant lot overgrowth CSRs closed on time	84.1%	95.0%	96.9%	95.0%
Non-vac overgrowth CSRs closed on time	77.8%	95.0%	97.2%	95.0%

\*The decline in reported performance for FY12 is due to a departmental software change.

# Department of Economic & Community Development

Donna Williams, Administrator

[www.chattanooga.gov/economic-community-development](http://www.chattanooga.gov/economic-community-development)

## Department Summary

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Administration	\$ 505,757	\$ 539,754	\$ 597,990	\$ 766,079
Grants Administration	45,407	35,994	49,500	104,662
Codes & Community Svc	1,316,171	1,607,183	1,445,477	1,333,587
Neighbor Partners Project	55,000	55,000	55,000	50,000
Community Development	5,388,115	5,823,391	3,304,951	3,335,697
Outdoor Chattanooga	-	-	-	374,011
Trust for Public Land	-	-	-	100,000
Land Development Office	-	-	-	2,754,810
Board of Plumbing Examiners	-	-	-	1,782
Board of Electrical Examiners	-	-	-	8,200
Board of Mechanical Examiners	-	-	-	1,650
Board of Gas Fitters	-	-	-	1,950
Board of Appeals & Variances	-	-	-	6,796
Community Development Pilot	-	-	-	500,000
<b>Total</b>	<b>\$ 7,310,450</b>	<b>\$ 8,061,322</b>	<b>\$ 5,452,918</b>	<b>\$ 9,339,224</b>
Per Capita	\$ 42.66	\$ 48.08	\$ 32.52	\$ 54.53
<b>Positions Authorized</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>80</b>

## Resources

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 1,968,099	\$ 2,018,903	\$ 1,697,007	\$ 4,785,647
Overtime	35	1,000	750	3,300
Operating	5,332,374	6,041,419	450,210	4,550,277
Revenue	5,391,927	5,924,437	3,304,951	3,335,697



# Community Development

Donna Williams, Administrator

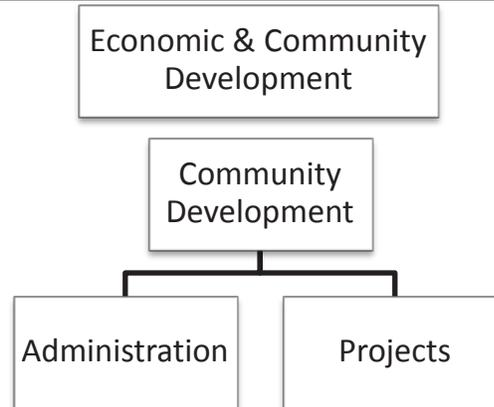
[www.chattanooga.gov/communitydev](http://www.chattanooga.gov/communitydev)

## 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.

- ❶ Increase neighborhood understanding of fair housing regulations to make sure good quality housing is accessible for lower income residents.
- ❷ 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.
- ❸ Help homeowners preserve existing housing and restore structures that have become uninhabitable.
- ❹ Encourage home ownership as a means of further stabilizing the community.

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

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

### To increase employment in lower income areas.

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

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Increase the stock of safe, affordable rental units	16	20	12	20
Rehabilitate substandard housing # of units	48	204	74	204
Assist first time LMI(low/moderate income) purchase with mortgages	15	50	53	50
# of Participants in Homebuyer Education Programs	119	160	755	160

# Community Development

Donna Williams, Administrator

[www.chattanooga.gov/communitydev](http://www.chattanooga.gov/communitydev)

## Department Summary

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Administration	354,467	452,203	497,954	488,000
Community Dev Projects	5,033,648	5,371,188	2,806,997	2,847,697
<b>Total Expenditures</b>	<b>\$ 5,388,115</b>	<b>\$ 5,823,391</b>	<b>\$ 3,304,951</b>	<b>\$ 3,335,697</b>
Per Capita	\$ 31.45	\$ 34.73	\$ 19.71	\$ 19.89
<b>Positions Authorized</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>

## Resources

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 442,739	\$ 440,975	\$ 494,324	\$ 488,000
Overtime	0	0	0	0
Operating	4,949,188	5,483,462	2,810,627	2,847,697
Revenue	5,391,927	5,924,437	3,304,951	3,335,697

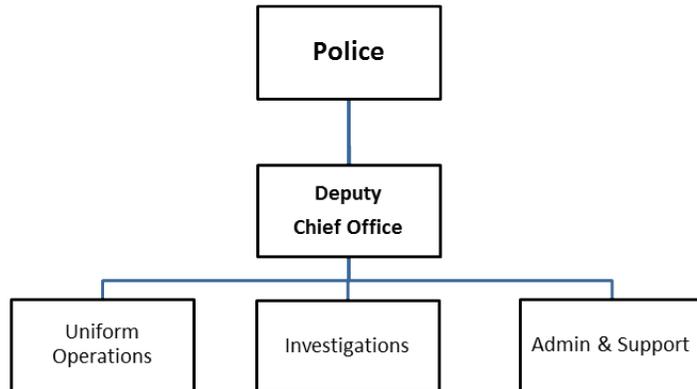


## Mission:

To work cooperatively with the public and within the framework of the constitutions of the United States and the State of Tennessee to enforce the laws, preserve the peace, maintain order, and provide for a safe community.

## Description:

The Chattanooga Police Department is divided into three main functions: Patrol, Investigations, and Support. Patrol Division is the backbone of the police department and those officers assigned respond to calls for service which may involve emergency situations, quality of life issues, and situations involving criminal activity. Investigators conduct follow ups on crimes with leads such as burglary, robbery, homicide, and child abuse. Personnel assigned to Support perform jobs involving technology, administrative services, and training. All divisions work together in order to provide quality police services to the citizens of Chattanooga.



## Goals & Objectives:

### Reduce Index Offenses Crime

- ① Reduce all Crime 3% in 2013 (Calendar Year)
- ② Reduce all Property Crime 5% in 2013 (Calendar Year)
- ③ Meet or surpass national Uniform Crime Report crime reduction trends each year.

### Prevent Crime and Make Citizens Safe

- ① Increase traffic safety
- ② Reduce "broken window" crimes & violations
- ③ Maximize the visibility and effectiveness of police officers.

### Promote the Attractiveness and Long-Term Economic Growth of the Area

- ① Create a safe, orderly and appealing destination for visitors
- ② Build a community environment that is conducive to the maintenance of peace and order and attractive to businesses

### Rigorously Comply with all Local, State, and Federal Laws in the Pursuit of a Safe, Lawful Community

- ① Minimize sustained incidences of police misconduct
- ② Increase police awareness and respect for citizens rights to effect fewer litigation claims and more legally defensible police actions
- ③ Provide sufficient assistance, time, resources, and training for officers to insure successful prosecution of charges.

Performance Measures	Actual 2011*	Goal 2012*	Actual 2012*	Goal 2013*
Crimes Committed	-1.0%	-3%	6.9%	-3%
Moving Violations	-6.8%	-5%	14.8%	-5%
Parking Violations	-32.9%	-3%	55.6%	-3%
Traffic fatalities	19	15	22	15
Weapons Seized	465	400	571	450
Citizen Complaints	44	50	66	40

\*based on calendar year

# Department of Police

Bobby H. Dodd, Chief of Police

Tom Kennedy, Deputy Police Chief

[www.chattanooga.gov/police/](http://www.chattanooga.gov/police/)

## Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Police Administration	\$ 2,423,005	\$ 2,463,058	\$ 2,850,483	\$ 2,181,742
Operations	29,292,333	31,460,502	34,274,999	34,088,421
Animal Services	1,518,809	1,564,373	1,564,373	1,564,373
Support Services	14,608,107	16,731,353	17,014,793	16,520,843
<b>Total</b>	<b>\$ 47,842,254</b>	<b>\$ 52,219,286</b>	<b>\$ 55,704,648</b>	<b>\$ 54,355,379</b>
Per Capita	\$ 309.13	\$ 337.42	\$ 332.22	\$ 324.17
<b>Positions Authorized</b>	<b>597</b>	<b>597</b>	<b>597</b>	<b>* 584</b>

\*Automated Traffic Control (Special Revenue Fund) includes 5 authorized sworn positions. FY 14 total is 589.

## Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	\$ 35,795,691	\$ 38,276,264	\$ 43,020,327	\$ 42,847,629
Overtime	555,120	618,408	722,000	675,000
Operating	11,491,443	13,324,614	11,962,321	10,832,750
Revenue	495,661	661,761	461,900	367,400



# Department of Fire

Lamar Flint, Fire Chief

Chris Adams, Exec Dep Fire Chief

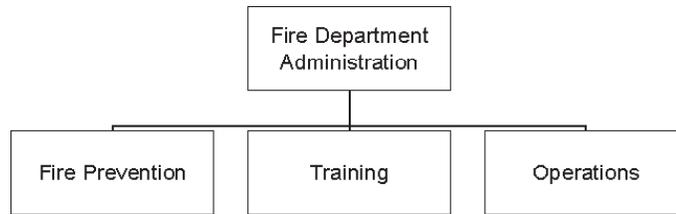
[www.chattanooga.gov/fire](http://www.chattanooga.gov/fire)

## Mission:

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

## Description:

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



## Goals & Objectives:

### Reduce fire fatalities and injuries for civilians and firefighters.

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

### Reduce property loss resulting from fire.

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

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

### Provide a Homeland Security regional response

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

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Average response time (Department)	5:36	5:00	5:38	5:00
Inspections	4,298	6,500	3,551	6,500
Civilian Deaths	3	-	2	-
Civilian injuries	8	-	10	-
Firefighter Injuries	56	-	38	-
Property Damage (\$million)	\$6.31	\$ 5.45	\$6.31	\$ 5.45
Fire Calls	775	-	742	-
Non-Fire Calls	15,386	-	15,116	-

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

# Department of Fire

Lamar Flint, Fire Chief

Chris Adams, Exec Dep Fire Chief

[www.chattanooga.gov/fire](http://www.chattanooga.gov/fire)

## Department Summary

	Actual FY10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Fire Administration	\$ 1,917,325	\$ 2,123,561	\$ 3,231,527	\$ 2,619,421
Operations	\$ 29,195,484	\$ 31,182,513	\$ 32,490,311	\$ 34,177,090
Prevention	\$ 1,186,586	\$ 1,334,086	\$ 1,386,449	\$ 974,551
Training	\$ 1,225,735	\$ 1,284,720	\$ 797,085	\$ 670,280
<b>Total Expenditures</b>	<b>\$ 33,525,130</b>	<b>\$ 35,924,880</b>	<b>\$ 37,905,372</b>	<b>\$ 38,441,342</b>
Per Capita	\$ 195.65	\$214.25	\$ 226.07	\$ 224.44
<b>Positions Authorized</b>	<b>429</b>	<b>431</b>	<b>446</b>	<b>446</b>

## Resources

	Actual FY 10/11	Actual FY11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 30,705,799	\$ 32,775,283	\$ 34,429,657	\$ 35,054,236
Overtime	19,592	9,775	9,400	9,600
Operating	2,799,740	3,139,822	2,915,790	3,377,506
Revenue <sup>1)</sup>	48,664	28,409	11,400	11,000



# Department of Public Works

Lee Norris, Administrator

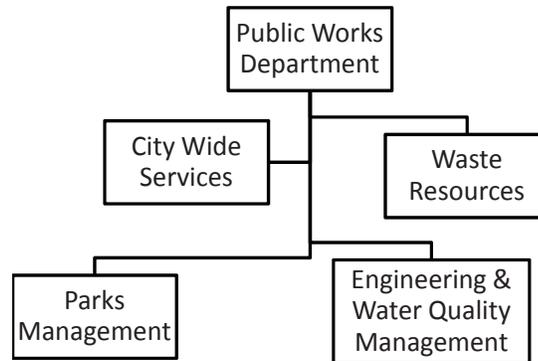
Justin Holland, Deputy Administrator

[www.chattanooga.gov/public-works](http://www.chattanooga.gov/public-works)

## Mission:

To preserve and enhance the quality of the physical environment through prompt, cost effective and courteous delivery of services that protects the health, safety and welfare of citizens, and to maintain and improve the City's parks, facilities, and infrastructure.

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



## Goals & Objectives:

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

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

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

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

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

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

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

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

# Department of Public Works

Lee Norris, Administrator

Justin Holland, Deputy Administrator

[www.chattanooga.gov/public-works](http://www.chattanooga.gov/public-works)

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
City Wide Service CSRs closed on time	83.2%	95.0%	95.6%	96.0%
Trash Flash CSRs closed on time	96.4%	96.0%	97.6%	96.0%
Missed Garbage CSRs closed on time	97.2%	96.0%	96.0%	96.0%
Waste Resources CSRs closed on time	88.1%	96.0%	91.9%	96.0%

## Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
General Fund	\$ 30,800,318	\$ 34,822,328	\$ 32,145,690	\$ 28,960,819
Interceptor Sewer Fund	47,130,129	50,015,415	50,923,117	55,843,676
Solid Waste Fund	8,323,291	5,475,521	6,233,755	6,986,585
Water Quality Fund (1)	22,328,857	13,241,028	15,558,000	16,858,055
State Street Aid Fund	4,224,893	4,457,109	4,280,000	4,280,000
<b>Total Expenditures</b>	<b>\$ 112,807,488</b>	<b>\$ 107,437,931</b>	<b>\$ 109,140,562</b>	<b>\$ 112,929,135</b>
Per Capita	\$ 660.16	\$ 627.01	\$ 636.95	\$ 659.33
<b>Positions Authorized</b>	<b>629</b>	<b>633</b>	<b>637</b>	<b>615</b>

## Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	\$ 29,226,424	\$ 31,300,432	\$ 36,089,023	\$ 33,304,792
Overtime	957,758	586,107	675,600	603,006
Operating	82,623,306	75,551,392	72,375,939	79,021,337
Revenue	84,575,431	84,912,923	109,140,562	112,929,135



# Youth & Family Development

Lurone Jennings Sr, Administrator

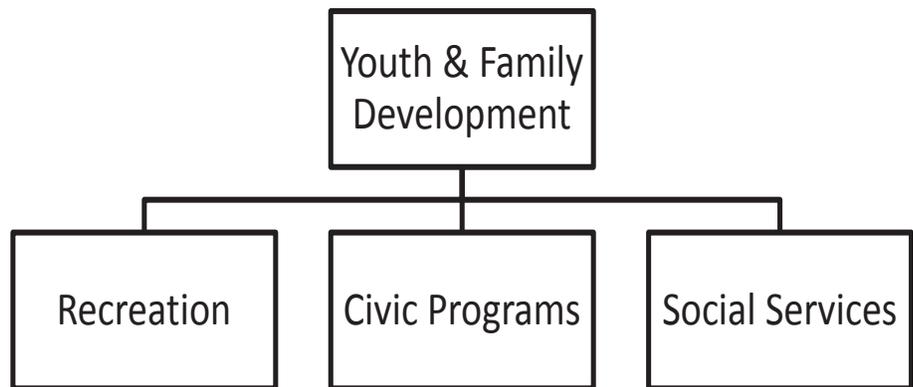
[www.chattanooga.gov/youthandfamily](http://www.chattanooga.gov/youthandfamily)

## Mission:

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

## Description:

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



## Goals & Objectives:

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

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

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

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

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

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

# Youth & Family Development

Lurone Jennings, Administrator

[www.chattanooga.gov/youthandfamily](http://www.chattanooga.gov/youthandfamily)

Performance Measures	Goal FY14
YFD Center Attendance	850,000
Civic Centers - Attendance	219,500
Civic Centers - # of Events	245

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

## Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY13/14
Administration	\$ -	\$ -	\$ -	\$ 1,097,408
Public Information	0	0	0	104,070
Recreation Support Services:	0	0	0	530,564
Programs	0	0	0	2,187,121
Recreation Facilities	0	0	0	842,791
Recreation Centers	0	0	0	3,524,784
YFD-Social Services	0	0	0	15,139,893
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,426,631</b>
Per Capita	\$ -	\$ -	\$ -	\$ 136.77
<b>Positions Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111</b>

## Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ -	\$ -	\$ -	\$ 13,261,503
Overtime	0	0	0	14,500
Operating	0	0	0	10,150,628
Revenue	0	0	0	15,705,793

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



# Department of Youth & Family Development

Social Services - Federal Grants

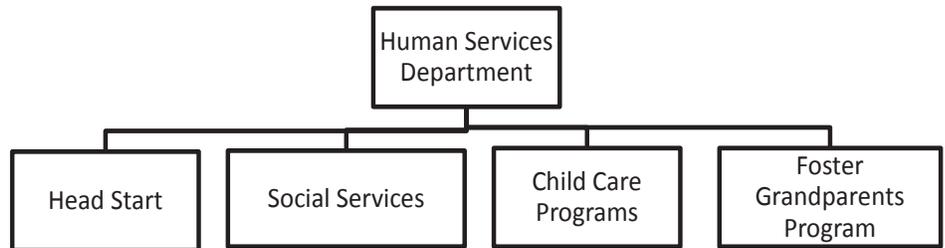
Lurone Jennings, Sr. Administrator

Donna H. Stone, Deputy Administrator

[www.chattanooga.gov](http://www.chattanooga.gov)

## Mission:

To improve quality of life by providing a safety net of services for very low income and/or disadvantaged citizens in Hamilton County.



## Description:

The Department of Youth & Family Development - Social Services seeks to improve the lives of the lower income or disadvantaged citizens in Hamilton County through a number of programs funded by the federal, state or local governments. These include Social Services, Head Start, Foster Grandparents, and child care. The department also offers emergency assistance to help individuals or families in dire

## Goals & Objectives:

**To Provide emergency assistance and an array of support services to low income and 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.**

- 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 Program.*
- ④ *Provide emergency assistance to aid families during natural disasters, and those experiencing crisis situations to prevent forecloses, 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 child care services for children ages 1-12 in the Chattanooga area.*

Performance Measures	Actual FY 12	Goal FY 13	Actual FY13	Goal FY14
Number of foster grandparents	101	93	111	93
Social Services	1,417	1,450	1,114	1,450
Energy Assistance	10,905	7,100	7,184	6,000
Participants in food distribution program	8,397	8,300	8,847	2,300
Head Start funded enrollment	622	622	622	572
Early Head Start funded enrollment	226	226	226	212
Children immunized	1,223	1,200	1,223	1,150
Parents in adult ed/GED training	49	75	49	50

# Department of Youth & Family Development

Social Services - Federal Grants

Lurone Jennings, Sr, Administrator

Donna H. Stone, Deputy Administrator

[www.chattanooga.gov](http://www.chattanooga.gov)

## Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Administration	872,613	755,750	615,625	862,615
Head Start	8,294,612	8,619,628	8,836,859	9,184,186
Day Care	921,678	766,069	865,145	687,187
Weatherization	3,790	-	-	-
Foster Grandparents	521,925	510,462	506,243	509,761
LIHEAP	3,612,758	2,924,862	3,127,132	3,037,458
CSBG	580,714	542,187	693,234	658,116
Human Services Programs	242,686	123,039	225,256	120,362
City General Relief	57,356	44,469	59,909	46,644
ARRA Stimulus Grant	1,415,615	-	-	-
Other	-	-	-	33,564
<b>Total Expenditures</b>	<b>16,523,748</b>	<b>14,286,466</b>	<b>14,929,403</b>	<b>15,139,893</b>
Per Capita	\$ 96.43	\$ 85.20	\$ 89.04	\$ 88.39
Authorized Positions	285	305	305	305

## Resources

	Actual FY 10/11	Budget FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	7,853,509	6,764,037	7,068,440	7,168,098
Overtime	90,734	26,123	-	-
Operating	8,579,505	7,496,306	7,860,963	7,971,795
Revenue	16,524,748	15,000,825	14,929,403	15,139,893



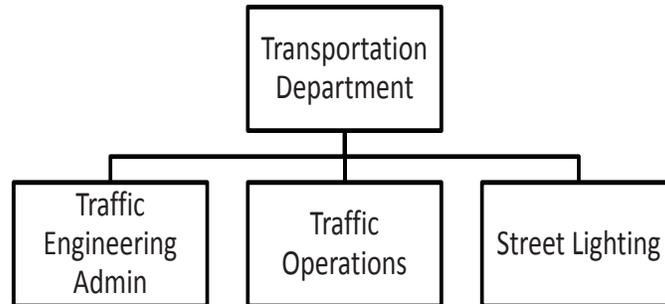
# Department of Transportation

Blythe Bailey, Administrator  
[www.chattanooga.gov/transportation](http://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 apply a comprehensive approach to our transportation network with consideration of how transportation needs impact our community's priorities as a whole, from public safety to economic and community development. A major component of the department is the planning and development of our city's transportation infrastructure. The department stewards the right process for the city to ensure that we take into account the technical aspects of road maintenance and public safety in addition to priorities like stronger neighborhoods, a growing economy, and safer streets. We emphasize doing so in a way that is open and transparent, while providing our citizens with the most effective services at the best value.



## Goals & Objectives:

**To contribute to the capital planning process with a keen eye toward maximum return on investment, long-term durability, low maintenance costs, and efficient use of tax payer dollars:**

- 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 design.**

- Manage and collaborate with City Engineer on Transportation, manage citizen engagement and public process

**Analyze system for traffic safety and efficiency conditions**

- Design signal timing, pavement marking, signage, adhere to Manual for Uniform Traffic Control Devices, and other standards, review of development proposals

**Maintain and repair traffic control devices**

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

Performance Measures	Actual FY12	Goal FY13	Actual FY13	Goal FY14
Traffic Operations CSRs closed on time	89.7%	95.0%	92.3%	95.0%
Traffic Sign Maintenance	37,366	35,000	34,525	35,000
Traffic Signal Maintenance	5,028	5,000	5,081	5,000
New Traffic Signal Installation	7	5	-	5
Street Marking Maint (Linear Ft)	4,046,236	4,000,000	2,239,614	4,000,000
*Regulatory Markings (Linear Ft)	37,190	35,000	31,218	35,000

\*Pavement arrows, crosswalks, stop bars, RR crossing

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

# Department of Transportation

Blythe Bailey, Administrator

[www.chattanooga.gov/transportation](http://www.chattanooga.gov/transportation)

## Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Traffic Engineering Admin				\$ 1,008,099
Street Lighting				3,146,462
Traffic Operations				2,107,646
Transportation Admin				818,633
<b>Total Expenditures</b>				<b>\$ 7,080,840</b>
Per Capita				\$ 41.34
<b>Positions Authorized</b>				<b>46</b>

## Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel				\$ 3,079,551
Overtime				34,000
Operating				3,967,289
Revenue				7,080,840

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



# FY14 Reorganization Deleted Departments

Parks & Recreation  
Education, Arts & Culture

## Parks & Recreation

*The Department of Parks & Recreation was officially dissolved as of June 30, 2013 as a result of a City reorganization. The associated programs and facilities have been reassigned to other City departments.*

Performance Measures	Actual FY12	Goal FY13	Actual FY13
Park Permit CSRs closed on time	97.9%	95%	97.9%
Park reservation CSRs closed on time	97.2%	97%	98.6%
Park work requests closed on time	56.9%	90%	60.3%
Recreation Center Attendance	721,415	600,000	623,718

### Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY13/14
Parks & Recreation	\$ 12,867,696	\$ 14,407,809	\$ 13,731,676	\$ -
Chattanooga Zoo	674,415	657,847	671,728	-
Municipal Golf	1,847,522	1,878,390	1,768,200	-
<b>Total Expenditures</b>	<b>\$ 15,389,633</b>	<b>\$ 16,944,046</b>	<b>\$ 16,171,604</b>	<b>\$ -</b>
Per Capita	\$ 89.81	\$ 101.05	\$ 96.45	\$ -
<b>Positions Authorized</b>	<b>236</b>	<b>230</b>	<b>230</b>	<b>0</b>

### Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY12/13	Budget FY13/14
Personnel	\$ 9,462,270	\$ 10,350,662	\$ 10,723,510	\$ -
Overtime	107,796	107,310	20,702	-
Operating	5,819,567	6,486,074	5,427,392	-
Revenue	3,621,259	4,137,428	3,637,900	-



# FY14 Reorganization Deleted Departments

Parks & Recreation  
Education, Arts & Culture

## Education, Arts & Culture

*The Department of Education, Arts & Culture was officially dissolved as of June 30, 2013 as a result of a City reorganization. The associated programs and facilities have been reassigned to other City departments.*

Performance Measures	Actual FY12	Goal FY13	Actual FY13
Civic Facilities-Attendance	219,552	235,000	217,610
Civic Facilities-# of Events	246	275	218
Civic Centers-Attendance	87,757	94,141	84,464
Civic Centers-# of Events	2,420	2,665	2,772

### Department Summary

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Administration	\$ 373,066	\$ 380,490	\$ 453,391	\$ -
Civic Facilities	1,643,408	1,708,083	1,807,835	-
Arts & Culture	284,328	318,962	304,021	-
Programs	16,712	24,437	28,842	-
<b>Total Expenditures</b>	<b>\$ 2,317,514</b>	<b>\$ 2,431,972</b>	<b>\$ 2,594,089</b>	<b>\$ -</b>
Per Capita	\$ 13.53	\$ 14.50	\$ 15.47	\$ -
Positions Authorized	27	28	27	0

### Resources

	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14
Personnel	\$ 1,412,773	\$ 1,471,063	\$ 1,685,357	\$ -
Overtime	32,754	34,921	36,500	-
Operating	871,988	925,988	872,232	-
Revenue	826,360	831,601	629,700	-

# Debt Service Fund

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, 2013 is \$403,192,541. This amount includes a 30-year Chattanooga Downtown Redevelopment Lease Rental Revenue Bonds of \$114,535,000 with final payment due on October 1, 2030. Total authorized unissued debt at June 30, 2013 related to the 2004 TMBF Loan is \$124,264.52. Total authorized unissued debt from the State Revolving Loan Fund for sewer infrastructure improvements is \$47,793,399.

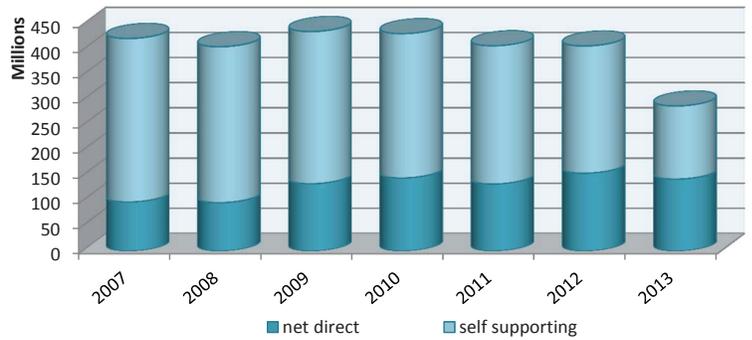
The City government is authorized by the City Charter to issue bonds. Title 6, Chapter V, Article I, Section 6.107 of the Charter creates this authority and at the same time creates a debt limit.

**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.

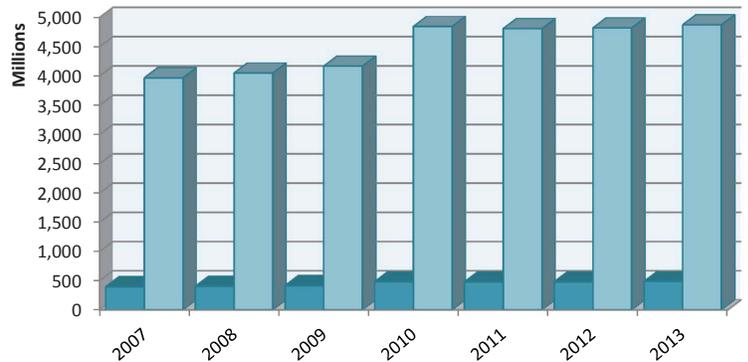
The chart to your right shows the debt limit for the past seven years, based upon the assessed property valuation for the same period of time. After viewing the debt limits imposed by the City Charter when considering the assessed property valuation, the next chart presented compares the Net Direct Indebtedness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

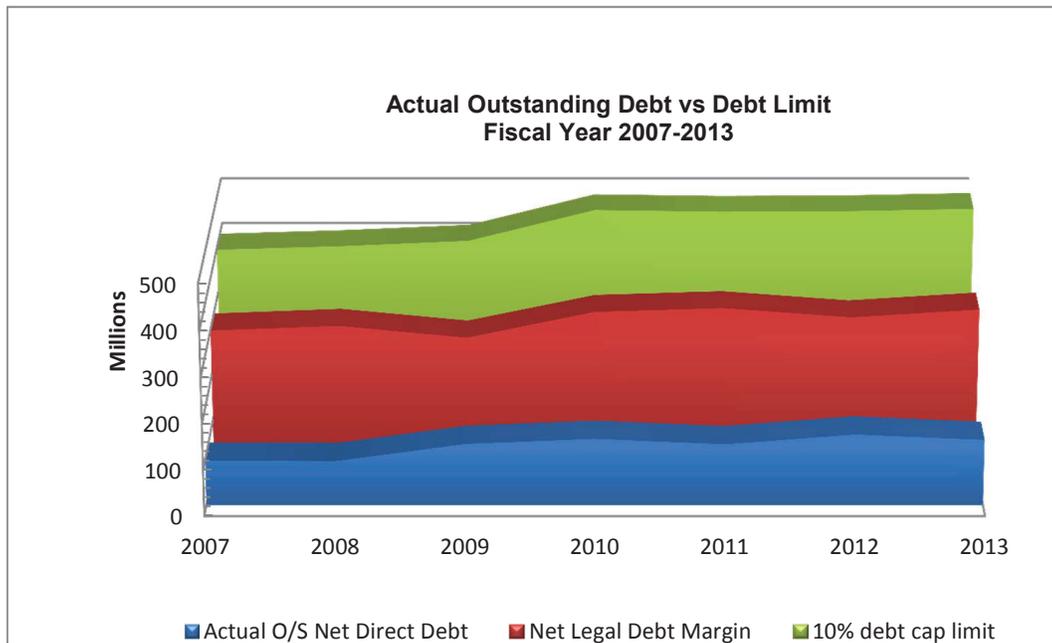
The Net Direct Indebtedness is the Gross Indebtedness less the Self-Supporting Indebtedness and the Debt Service Fund Balance for each year. As is evidenced by the following chart, the City's Net Legal Debt Margin is very favorable.

**Outstanding debt  
Fiscal Year 2007-2013**



**General Obligation Debt Limit  
Fiscal Year 2007-2013**





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 \$114,535,000 at June 30, 2013. The debt service reserve fund held by the fiscal agent at June 30, 2013 amounts to \$9,668,319. The fiscal agent is required by the agreement to apply any interest on the debt service reserve fund toward the lease payments. The debt service reserve fund will be used to retire debt near the end of the lease.

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

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

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

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

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

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

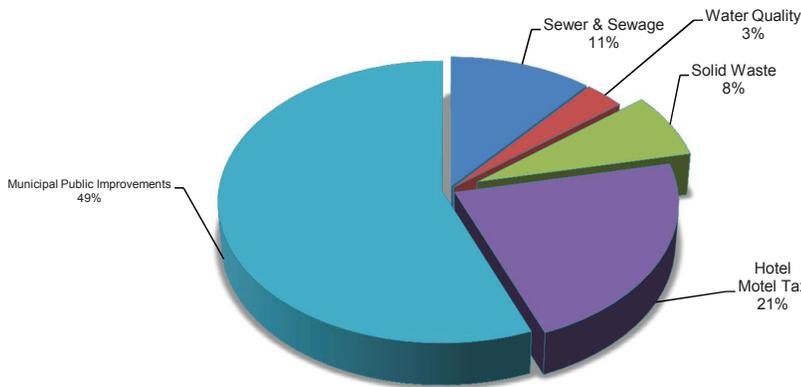
In FY10, the City issued \$6,725,000 General Obligation Bonds, Series 2010A for funding Mesh Network project at \$1,500,000, Fire capital projects at \$3,188,945, ESIP Railway Lines at \$1,308,677 and \$375,000 of other projects. City also issued \$34,265,000 General Obligation Refunding Bonds, Series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

In FY12, the City issued \$26,495,000 General Obligation Bonds, Series 2011A for funding Mesh Network project at \$2,000,000, Fire capital projects at \$1,735,000, Parks & Recreation projects at \$2,964,950, ESIP Railway Lines at \$3,450,000, ESIP Intersection at \$1,660,000, other Public Works infrastructure projects at \$8,713,553, \$4,000,000 for Fleet replacement, \$700,000 to renovate the Community Theatre and \$2,460,000 of other various projects. The City also issued \$17,545,000 General Obligation Refunding Bonds, Series 2011B Series which refunded \$16,320,000 of 2002 Hotel-Motel Tax pledge and \$2,040,000 of 2003A GO bonds.

In FY13, The City entered into a loan agreement with the State of TN Department of Environment and Conservation for an amount up to \$6,500,000 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 5 years.

\$403,192,541 Gross Outstanding Indebtedness of the City of Chattanooga as of June 30, 2013 reflects the financing decisions being made by the City to meet its long-term goals.

**General Obligation Bond by Purpose  
Fiscal Year 2013**



As the pie chart points out, the City is concentrating on Sewer and Municipal Public Improvements Bonds to satisfy the needs generated by these goals. All of the Sewer portion of the debt and 29% 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 seven years, as reflected in the chart below.

In FY 2007, the General Fund appropriated \$11,567,051. This increase from FY06 reflects an anticipated debt issue of \$30M to cover FY06 and FY07 capital project expenditures.

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

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

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

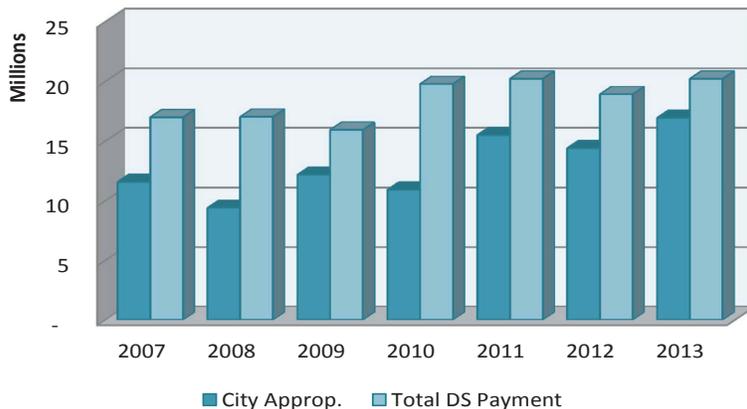
In FY 2011, the General Fund appropriated \$15,494,470. This increase over FY10 reflects the three new bond issues in FY10.

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

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

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

**General Fund Debt Service Appropriation  
Fiscal Years 2007 thru 2013**



# 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, 2013, the County had gross outstanding general obligation bonded debt of \$263,545,000 and net indebtedness of \$263,186,600. The percentage of County net indebtedness applicable to the City is 59.6884% or \$158,657,256. Also included in this section on Debt Service are schedules on Debt Ratios as of June 30, 2013, Historical Debt Ratios, and an analysis of General Obligation Debt as of June 30, 2013.

## Outstanding General Obligation Debt

<b>General Obligation Bonds by Purpose</b>		
Municipal Public Improvement <sup>(1)</sup>	194,080,719	
Sewer and Sewage Facilities	<u>23,619,280</u>	
Total Bonded Indebtedness		217,699,999
<b>Other Long-Term Indebtedness</b>		
HUD Sec 108 Notes	3,356,000	
2013 Golf Course Capital Lease	287,958	
General Obligation Capital Outlay Notes	<u>67,313,584</u>	
Total Long-Term Indebtedness		<u>70,957,542</u>
<b>Gross Direct Indebtedness</b>		288,657,541
Less: Self-Supporting Indebtedness		
Sewer and Sewage Facilities Bonds <sup>(2)</sup>	23,619,280	
State Revolving Loan-CSO (ISS portion) <sup>(3)</sup>	43,513,516	
State of GA Revolving Loan (ISS portion) <sup>(4)</sup>	2,577,670	
Cap Lease City of Collegedale (ISS)	37,701	
Tennessee Municipal Bond Notes (SoWa) <sup>(6)</sup>	590,326	
Municipal Public Improvement Bonds(WaQu&SoWa) <sup>(6)</sup>	22,340,434	
Hotel/Motel Tax Revenue Pledge	47,091,427	
HUD Sec. 108 Notes	3,356,000	
2013 Golf Course Capital Lease (Golf Cart)	<u>287,958</u>	
Total Self Supporting Indebtedness		143,414,312
Debt Service Fund <sup>(7)</sup>		<u>2,182,978</u>
<b>Net Direct Indebtedness</b>		143,060,251
Plus: Estimated Net Overlapping Indebtedness		<u>158,657,256</u>
<b>Net Direct and Net Overlapping Indebtedness</b>		<u><u>301,717,507</u></u>

- 
- Note:*
- (1) 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.
  - (2) 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.
  - (3) 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.
  - (4) 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.
  - (5) \$22,340,434 represents the outstanding balance of 1998 through 2007A Municipal Public Improvement Bonds of which \$6,694,978 is related to Water Quality and \$16,235,782 is related to Solid Waste, which will be paid by the city from the revenue derived from the operations of these funds.
  - (6) This represents unaudited Fund Balance at June 30, 2013.

# Debt Ratios

The following table sets forth certain ratios relating to the City's general obligation indebtedness as of June 30, 2013.

	<u>Amount of Indebtedness</u>	<u>Per Capita</u> <sup>1</sup>	<u>Percentage of Assessed Valuation</u> <sup>2</sup>	<u>Percentage of Full Valuation</u> <sup>3</sup>
Gross Direct Indebtedness <sup>4</sup>	\$ 403,192,541	\$ 2,354	8.27%	2.60%
Net Direct Indebtedness <sup>4</sup>	143,060,253	835	2.93%	0.92%
Gross Direct and Net Overlapping Indebtedness <sup>5</sup>	408,869,449	2,387	8.39%	2.64%
Net Direct and Net Overlapping Indebtedness <sup>5</sup>	301,717,509	1,762	6.19%	1.95%
Per Capita Assessed Valuation <sup>1</sup>	\$28,460 *			
Per Capita Full Valuation <sup>1</sup>	\$90,486 *			

\*Based on 2012 population estimate.

- Notes:
- (1) The City's population in 2013 was estimated at 171,349.
  - (2) The City's preliminary assessed valuation of taxable property as of June 30, 2013 was \$4,874,524,209.
  - (3) The City's estimated full valuation of taxable property as of June 30, 2013 was \$15,498,290,496.
  - (4) See "Historical Debt Ratios" under this section.
  - (5) The County's net overlapping indebtedness is \$265,809,196. The City's share is \$158,657,256. (59.6884%).

<u>Ratio</u>	<u>Requirement</u>	<u>Actual</u>
General Fund Balance Requirement	> 15%	18.22%
Average Life of Total Debt	≤ 10 Years	9.23 Years
Percentage of Principal Paid within 10 Years	≥ 50%	67.0%
Per Capita Debt/Per Capita Income	≤ 4%	2.92%
Per Capita Debt/Per Capita Assessed Value	≤ 4%	3.54%
Debt Service/General Fund Operation Expense	≤ 10%	7.01%

## Other Long-Term Indebtedness

As of June 30, 2013, the City had the following other outstanding long-term indebtedness.

	Outstanding Amount	Issue Dated Date	Maturity
State of Tennessee Revolving Loan 2003-168	26,077,788	02/03/2003	10/20/2024
State of Georgia Revolving Loan (1)	2,577,670	07/01/2000	10/01/2019
Fire Hall Land Note (2)	4,526	04/01/1999	04/01/2014
Capital Lease City of Collegedale (3)	37,701	10/01/2000	08/01/2014
Chatt. Downtown Redev. Corp Lease Rental Revenue (4)	114,535,000	07/01/2002	10/01/2030
Tennessee Municipal League Bond Pool (2003)	2,324,001	09/07/2003	05/25/2018
Tennessee Municipal League Bond Pool (2004)	15,847,735	05/20/2005	04/20/2025
Hennen Land Note (2008) (5)	242,564	01/15/2007	12/15/2013
HUD Section 108 Loan Program (2008) (6)	3,356,000	06/01/2008	06/01/2024
2009 IDB Foreign Trade Zone (7)	15,871	07/01/2009	06/30/2013
2013 Golf Course Capital Lease	287,958	04/15/2013	03/15/2018
2010 VAAP Land Note (8)	2,750,000	07/01/2005	06/30/2015
State of Tennessee Revolving Loan 2007-204	12,129,127	06/06/2007	05/28/2028
State of Tennessee Revolving Loan 2011-289	5,306,601		
Total	<u>\$ 185,492,542</u>		

### Notes:

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

## Future Capital Financing

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

Department	2014	2015	2016	2017	2018
General Government	\$6,271,750	\$7,829,000	\$4,827,000	\$3,891,272	\$6,367,747
Public Works	45,735,323	117,482,389	67,942,768	83,278,003	54,642,125
Youth & Family Development	-	52,000	-	-	-
Economic & Community Development	3,420,142	-	-	-	-
Police	2,172,000	1,197,000	1,172,000	670,000	495,000
Fire	465,000	2,953,000	2,937,000	3,100,000	2,000,000
Transportation	950,000	5,470,000	4,850,000	5,350,000	5,350,000
<b>Total</b>	<b>\$ 59,014,215</b>	<b>\$ 134,983,389</b>	<b>\$ 81,728,768</b>	<b>\$ 96,289,275</b>	<b>\$ 68,854,872</b>

**City of Chattanooga, Tennessee**  
**General Obligation Self Supporting Bonded Debt Service Requirements**  
**As of June 30, 2013**  
**Sewer & Sewage Facilities Bonds**  
**Municipal Public Improvement Bonds (Water Quality and Solid Waste)**  
**and State Revolving Loan (CSO)**  
**(Water Quality and Interceptor Sewer)**

Fiscal Year	Principal	Interest	Total
2014	9,043,511.00	2,334,740.00	11,378,251.00
2015	9,250,053.00	1,975,855.00	11,225,908.00
2016	7,524,453.00	1,649,634.00	9,174,087.00
2017	7,826,310.00	1,354,458.00	9,180,768.00
2018	7,806,996.00	1,046,229.00	8,853,225.00
2019	5,496,653.00	772,812.00	6,269,465.00
2020	2,842,086.00	624,660.00	3,466,746.00
2021	2,926,752.00	539,988.00	3,466,740.00
2022	3,013,944.00	452,796.00	3,466,740.00
2023	3,103,728.00	363,012.00	3,466,740.00
2024	3,196,200.00	270,540.00	3,466,740.00
2025	2,854,126.00	172,893.00	3,027,019.00
2026	722,376.00	126,492.00	848,868.00
2027	742,788.00	106,080.00	848,868.00
2028	763,776.00	85,092.00	848,868.00
2029	785,364.00	63,504.00	848,868.00
2030	807,552.00	41,316.00	848,868.00
2031	830,376.00	18,492.00	848,868.00
2032	211,123.00	1,001.00	212,124.00
	69,748,167.00	11,999,594.00	81,747,761.00

Does not include CDRC (Southside) Capital Lease of \$114,535,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2013 consists of 2004 TMBF Loan of \$124,265 and \$47,793,399 from State Revolving Loan Fund for Sewer infrastructure.

**City of Chattanooga, Tennessee**  
**General Obligation Debt Service Requirements**  
**As of June 30, 2013**

Fiscal Year	Principal	Interest	Total
2014	12,955,556.00	6,666,592.00	19,622,148.00
2015	16,020,338.00	6,309,453.00	22,329,791.00
2016	13,380,047.00	5,895,459.50	19,275,506.50
2017	11,874,769.00	5,494,986.50	17,369,755.50
2018	13,224,014.00	5,127,293.00	18,351,307.00
2019	11,573,546.00	4,693,754.00	16,267,300.00
2020	11,711,758.00	4,285,676.00	15,997,434.00
2021	12,015,707.00	3,958,732.00	15,974,439.00
2022	12,325,741.00	3,510,530.00	15,836,271.00
2023	12,636,752.00	3,077,978.00	15,714,730.00
2024	12,862,054.00	2,568,639.00	15,430,693.00
2025	11,640,054.00	2,100,959.46	13,741,013.46
2026	11,851,639.00	1,618,292.00	13,469,931.00
2027	9,306,639.00	1,109,808.00	10,416,447.00
2028	6,710,000.00	791,894.00	7,501,894.00
2029	6,810,000.00	597,294.00	7,407,294.00
2030	4,760,000.00	363,200.00	5,123,200.00
2031	4,320,000.00	172,800.00	4,492,800.00
<b>Total</b>	<b>\$ 195,978,614.00</b>	<b>\$ 58,343,340.46</b>	<b>\$ 254,321,954.46</b>

Includes CDRC (Southside) Capital Lease of \$114,535,000 which is supported by local-option sales tax. Total authorized unissued debt at June 30, 2013 consists of 2004 TMBF Loan of \$124,265 and \$47,793,399 from State Revolving Loan Fund for Sewer infrastructure.

CITY OF CHATTANOOGA, TENNESSEE  
ANALYSIS OF GENERAL OBLIGATION DEBT  
June 30, 2013

	Outstanding 7/1/2012	Interest Pd FY2013	Issued FY2013	Retired FY2013	Refunded FY2013	Outstanding 6/30/2013	Maturing FY 2014	Payable FY 2014
<b>GOVERNMENTAL ACTIVITIES</b>								
Serial Bonds:								
1998 Public Improvement Refunding	1,999,700	97,416	-	288,300	-	1,711,400	304,600	81,853
2002 Municipal Public Refunding	3,390,000	141,091	-	805,000	-	2,585,000	840,000	98,581
2002 Series A Refunding	678,855	20,023	-	364,264	-	314,591	160,055	9,537
2005A Municipal Public Improvement Refunding	13,466,162	599,323	-	1,328,320	-	12,137,842	1,396,851	546,566
2005A Hotel/Motel Tax Pledge Refunding	5,378,495	213,033	-	1,245,000	-	4,133,495	400	188,126
2006A Municipal Public Improvement	15,549,597	618,097	-	1,036,640	-	14,512,957	1,036,640	576,631
2007A Municipal Public Refunding	14,520,000	690,782	-	-	-	14,520,000	-	690,805
2009 Series A General Obligation	38,590,000	1,421,588	-	2,270,000	-	36,320,000	2,270,000	1,353,488
2010 Series A GO Bond	6,045,000	202,138	-	340,000	-	5,705,000	340,000	195,337
2010 Series B Refunding Hotel Motel Tax Pledge	28,349,877	968,621	-	987,695	-	27,362,182	2,087,531	948,867
2010 SeriesB Refunding GO bonds	4,515,123	154,267	-	157,305	-	4,357,818	332,469	151,121
2010 Series C Recovery Zone Bonds	6,155,000	199,400	-	345,000	-	5,810,000	345,000	192,500
2011 Series A General Obligation	26,495,000	838,925	-	1,770,000	-	24,725,000	1,770,000	741,575
2011 Series B Refunding Hotel Motel Tax Pledge	15,595,750	587,318	-	-	-	15,595,750	-	587,319
2011 SeriesB Refunding GO bonds	1,949,250	73,406	-	-	-	1,949,250	-	73,407
<b>Total Serial Bonds</b>	<b>182,677,809</b>	<b>6,825,428</b>	<b>-</b>	<b>10,937,524</b>	<b>-</b>	<b>171,740,285</b>	<b>10,883,546</b>	<b>6,435,713</b>
Notes Payable:								
1999 Fire Hall Land Note	9,478	686	-	4,952	-	4,526	4,526	198
2003 TML Bond Fund	2,493,161	8,777	-	383,142	-	2,110,019	395,854	8,282
2004 TML Bond Fund	16,548,878	58,954	128,416	1,205,903	-	15,471,391	1,238,123	60,221
2008 Hennen Land Note	323,821	-	-	81,257	-	242,564	56,968	-
2008 HUD Section 108 Loan Program	3,661,000	162,434	-	305,000	-	3,356,000	305,000	150,508
2009 IDB Foreign Trade Zone	27,871	-	-	12,000	-	15,871	15,871	-
2010 VAAP Land Note	2,750,000	-	-	-	-	2,750,000	-	-
<b>Total Notes Payable</b>	<b>25,814,209</b>	<b>230,851</b>	<b>128,416</b>	<b>1,992,254</b>	<b>-</b>	<b>23,950,371</b>	<b>2,016,342</b>	<b>219,209</b>
Capital leases payable:								
2009 Golf Course Capital Lease	93,758	3,186	-	93,758	-	-	-	-
2013 Golf Course Capital Lease	-	3,299	301,493	13,535	-	287,958	55,668	11,670
<b>Total Capital Leases Payable</b>	<b>93,758</b>	<b>6,485</b>	<b>301,493</b>	<b>107,293</b>	<b>-</b>	<b>287,958</b>	<b>55,668</b>	<b>11,670</b>
<b>Total governmental activities</b>	<b>208,585,776</b>	<b>7,062,764</b>	<b>429,909</b>	<b>13,037,071</b>	<b>-</b>	<b>195,978,614</b>	<b>12,955,556</b>	<b>6,666,592</b>

CITY OF CHATTANOOGA, TENNESSEE  
ANALYSIS OF GENERAL OBLIGATION DEBT  
June 30, 2013

BUSINESS TYPE ACTIVITIES:

Interceptor Sewer System:

Serial Bonds:

- 1998 Sewer & Sewage Facilities Refunding
- 2002 Municipal Public Refunding
- 2002 Series A Refunding
- 2005A Municipal Public Improvement Refunding

Total serial bonds

Notes payable:

- 1992 CSO State Revolving Loan
- 1998 State of Georgia Revolving Loan
- 2003-168 State Revolving Loan
- 2007-204 State Revolving Loan
- 2011-289 State Revolving Loan

Total notes payable

Capital leases payable:

- 2001 Capital Lease City of Collegedale

Total capital leases payable

Total Interceptor Sewer System

	Outstanding 7/1/2012	Interest Pd FY2013	Issued FY2013	Retired FY2013	Refunded FY2013	Outstanding 6/30/2013	Maturing FY 2014	Payable FY 2014
	7,815,300	380,727	-	1,126,700	-	6,688,600	1,190,400	319,904
	7,183,791	270,995	-	2,932,214	-	4,251,577	3,076,577	125,571
	3,626,145	106,956	-	1,945,736	-	1,680,409	854,945	50,943
	11,008,029	550,031	-	9,335	-	10,998,694	7,263	549,708
<b>Total serial bonds</b>	<b>29,633,265</b>	<b>1,308,709</b>	<b>-</b>	<b>6,013,985</b>	<b>-</b>	<b>23,619,280</b>	<b>5,129,185</b>	<b>1,046,126</b>
	129,206	1,934	-	129,206	-	-	-	-
	2,977,925	113,163	-	400,255	-	2,577,670	416,507	96,911
	27,889,153	806,507	-	1,811,365	-	26,077,788	1,865,637	752,232
	12,631,963	350,452	-	502,836	-	12,129,127	517,044	331,824
	-	24,054	5,306,601	-	-	5,306,601	1,083,000	106,132
<b>Total notes payable</b>	<b>43,628,247</b>	<b>1,296,110</b>	<b>5,306,601</b>	<b>2,843,662</b>	<b>-</b>	<b>46,091,186</b>	<b>3,882,188</b>	<b>1,287,099</b>
	67,833	3,520	-	30,132	-	37,701	32,138	1,515
<b>Total capital leases payable</b>	<b>67,833</b>	<b>3,520</b>	<b>-</b>	<b>30,132</b>	<b>-</b>	<b>37,701</b>	<b>32,138</b>	<b>1,515</b>
<b>Total Interceptor Sewer System</b>	<b>73,329,345</b>	<b>2,608,339</b>	<b>5,306,601</b>	<b>8,887,779</b>	<b>-</b>	<b>69,748,167</b>	<b>9,043,511</b>	<b>2,334,740</b>

CITY OF CHATTANOOGA, TENNESSEE  
ANALYSIS OF GENERAL OBLIGATION DEBT  
June 30, 2013

	Outstanding 7/1/2012	Interest Pd FY2013	Issued FY2013	Retired FY2013	Refunded FY2013	Outstanding 6/30/2013	Maturing FY 2014	Payable FY 2014
<b>Solid Waste Fund:</b>								
Serial Bonds:								
2002 Municipal Public Improvement-Refunding	2,095,351	81,173	-	1,020,308	-	1,075,043	1,075,043	26,876
2005A Municipal Public Improvement Refunding	8,354,735	404,932	-	231,365	-	8,123,370	241,895	395,770
2006A Municipal Public Improvement	4,250,404	168,954	-	283,361	-	3,967,043	283,360	157,619
2007A Municipal Public Improvement Refunding	2,480,000	117,990	-	-	-	2,480,000	-	117,990
<b>Total serial bonds</b>	<b>17,180,490</b>	<b>773,049</b>	<b>-</b>	<b>1,535,034</b>	<b>-</b>	<b>15,645,456</b>	<b>1,600,298</b>	<b>698,255</b>
Notes payable:								
2003 TML Bond Fund	252,840	890	-	38,858	-	213,982	40,146	826
2004 TML Bond Fund	405,441	1,423	-	29,097	-	376,344	29,877	1,477
<b>Total Notes Payable</b>	<b>658,281</b>	<b>2,313</b>	<b>-</b>	<b>67,955</b>	<b>-</b>	<b>590,326</b>	<b>70,023</b>	<b>2,303</b>
<b>Total Solid Waste &amp; Sanitation Fund</b>	<b>17,838,771</b>	<b>775,362</b>	<b>-</b>	<b>1,602,989</b>	<b>-</b>	<b>16,235,782</b>	<b>1,670,321</b>	<b>700,558</b>
<b>Water Quality Fund</b>								
Serial Bonds:								
2002 Municipal Public Improvement-Refunding	1,565,856	60,661	-	762,476	-	803,380	803,380	20,085
2005A Municipal Public Improvement Refunding	5,212,579	256,737	-	70,981	-	5,141,598	73,591	253,938
2007A Municipal Public Improvement Refunding	750,000	35,682	-	-	-	750,000	-	35,683
<b>Total serial bonds</b>	<b>7,528,435</b>	<b>353,080</b>	<b>-</b>	<b>833,457</b>	<b>-</b>	<b>6,694,978</b>	<b>876,971</b>	<b>309,706</b>
Notes payable:								
1992 CSO State Revolving Loan	129,207	1,934	-	129,207	-	-	-	-
<b>Total Notes Payable</b>	<b>129,207</b>	<b>1,934</b>	<b>-</b>	<b>129,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Water Quality Fund</b>	<b>7,657,642</b>	<b>355,014</b>	<b>-</b>	<b>962,664</b>	<b>-</b>	<b>6,694,978</b>	<b>876,971</b>	<b>309,706</b>
<b>Total Business-Type Activities</b>	<b>98,825,758</b>	<b>3,738,715</b>	<b>5,306,601</b>	<b>11,453,432</b>	<b>-</b>	<b>92,678,927</b>	<b>11,590,803.00</b>	<b>3,345,004.00</b>
<b>TOTAL GENERAL OBLIGATION DEBT</b>	<b>307,411,534</b>	<b>10,801,479</b>	<b>5,736,510</b>	<b>24,490,503</b>	<b>-</b>	<b>288,657,541</b>	<b>24,546,359.00</b>	<b>10,011,596.00</b>

CITY OF CHATTANOOGA, TENNESSEE  
ANALYSIS OF GENERAL OBLIGATION DEBT  
June 30, 2013

	Outstanding 7/1/2012	Interest Pd FY2013	Issued FY2013	Retired FY2013	Refunded FY2013	Outstanding 6/30/2013	Maturing FY 2014	Payable FY 2014
<b>PRIMARY GOVERNMENT REVENUE BONDS AND OTHER DEBTS</b>								
Electric Power Board								
Revenue Bonds:								
2006B Electric System Refunding Revenue Bonds	23,430,000	922,156	-	1,770,000	-	21,660,000	1,755,000	851,656
2006A Electric System Revenue Bonds	36,670,000	1,568,625	-	1,195,000	-	35,475,000	1,245,000	1,513,600
2008A Electric System Revenue Bonds	219,830,000	10,764,500	-	-	-	219,830,000	3,000,000	10,719,500
<b>Total Revenue Bonds</b>	<b>279,930,000</b>	<b>13,255,281</b>	<b>-</b>	<b>2,965,000</b>	<b>-</b>	<b>276,965,000</b>	<b>6,000,000</b>	<b>13,084,756</b>
Notes Payable								
2011 Secured Term Note	14,412,000	356,000	-	14,412,000	-	-	-	-
2011 Secured Term Note	7,313,000	206,227	-	7,313,000	-	-	-	-
2013 Secured Term Note	-	-	11,500,000	639,000	-	10,861,000	3,833,333	63,891
<b>Total Notes Payable</b>	<b>21,725,000</b>	<b>562,227</b>	<b>11,500,000</b>	<b>22,364,000</b>	<b>-</b>	<b>10,861,000</b>	<b>3,833,333</b>	<b>63,891</b>
<b>Total Electric Power Board</b>	<b>301,655,000</b>	<b>13,817,508</b>	<b>11,500,000</b>	<b>25,329,000</b>	<b>-</b>	<b>287,826,000</b>	<b>9,833,333</b>	<b>13,148,647</b>
Chatt Downtown Redevelopment Corporation:								
Revenue Bonds:								
2007 Chatt Lease Rental Rev Ref Bonds	52,485,000	2,432,575	-	3,555,000	-	48,930,000	90,000	2,341,900
2010 Chatt Lease Rental Rev Ref Bonds	66,290,000	2,904,144	-	685,000	-	65,605,000	4,305,000	2,826,294
<b>Total Chatt. Downtown Redev. Corp.</b>	<b>118,775,000</b>	<b>5,336,719</b>	<b>-</b>	<b>4,240,000</b>	<b>-</b>	<b>114,535,000</b>	<b>4,395,000</b>	<b>5,168,194</b>
<b>Total Primary Government</b>	<b>727,841,534</b>	<b>29,955,706</b>	<b>17,236,510</b>	<b>54,059,503</b>	<b>-</b>	<b>691,018,541</b>	<b>38,774,692.00</b>	<b>28,328,436.76</b>
<b>COMPONENT UNITS</b>								
Metropolitan Airport Authority:								
Revenue Bonds:								
2009 Refunding	5,630,575	195,885	-	380,704	-	5,249,871	394,599	181,994
Capital leases payable:								
2012 Fuel Facility Capital Lease	186,643	7,697	-	35,633	-	151,010	44,930	7,066
<b>Total Metropolitan Airport Authority</b>	<b>5,817,218</b>	<b>203,582</b>	<b>-</b>	<b>416,337</b>	<b>-</b>	<b>5,400,881</b>	<b>439,529</b>	<b>189,060</b>
<b>Total Component Units</b>	<b>5,817,218</b>	<b>203,582</b>	<b>-</b>	<b>416,337</b>	<b>-</b>	<b>5,400,881</b>	<b>439,529.00</b>	<b>189,060.00</b>

# 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 2003/04 through 2012/13, less applicable exclusions, adjusted to reflect the City's applicable share of County debt.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Obligation Bonds by Purpose</b>										
Public Buildings Improvement	\$ 92,029,992	\$ 83,022,016	\$ 74,361,102	\$ 65,515,699	\$ 56,618,625	\$ 47,820,059	\$ 41,146,682	\$ 35,469,890	\$ 29,633,265	\$ 23,619,280
Sewer and Sewage Facilities	174,535,008	167,682,984	159,728,898	177,464,301	170,276,376	205,134,941	207,398,317	192,940,110	207,386,735	194,080,719
Municipal Public Improvement	\$ 266,565,000	\$ 250,705,000	\$ 234,090,000	\$ 242,980,000	\$ 226,895,000	\$ 252,955,000	\$ 248,544,999	\$ 228,410,000	\$ 237,020,000	\$ 217,699,999
Total Bonded Indebtedness										
<b>Other Long-Term Indebtedness</b>										
General Obligation Capital Outlay Notes	41,145,146	39,608,208	46,145,255	47,232,935	48,101,287	56,874,396 (1)	57,203,522	54,248,514	50,529,623	52,460,147
Tennessee Municipal Bond Fund	6,619,343	19,424,258	18,664,185	25,781,445	27,604,081	25,801,938	24,260,141	21,983,141	19,700,320	18,171,736
Capital Leases	119,978,775	119,077,117	118,490,272	115,707,438	112,775,074	109,969,749 (2)	106,654,524	103,774,735	100,692,931	325,659
Gross Direct Indebtedness	\$ 434,308,264	\$ 428,814,583	\$ 417,389,713	\$ 431,701,818	\$ 415,375,442	\$ 445,601,083	\$ 436,663,186	\$ 408,416,390	\$ 407,942,874	\$ 288,657,541
Less: Self-Supporting Indebtedness	(3) 353,562,825	346,612,744	333,128,264	325,198,221	310,153,520	302,638,530	287,059,370	270,029,615	252,435,979	143,414,312
Debt Service Fund	5,222,704	6,471,929	7,139,208	8,871,564	8,925,003	8,925,003	4,870,365	4,954,374	652,699	2,182,978
Net Direct Indebtedness	\$ 75,522,735	\$ 75,729,910	\$ 77,122,241	\$ 97,632,033	\$ 96,296,919	\$ 134,037,550	\$ 144,733,451	\$ 133,432,401	\$ 154,854,196	\$ 143,060,251
Plus: Estimated Net Overlapping Indebtedness	107,821,749	97,486,316	87,645,429	89,393,466	136,287,686	149,048,842	154,968,909	148,698,012	152,555,047	158,657,256
Net Direct and Overlapping Indebtedness	\$ 183,344,484	\$ 173,216,226	\$ 164,767,669	\$ 187,025,499	\$ 232,584,605	\$ 283,086,392	\$ 299,702,360	\$ 282,130,413	\$ 307,409,243	\$ 301,717,507

## Notes:

(1) As of June 30, 2013 Capital Outlay Notes consist of \$43,513,516 State of Tennessee Revolving Loan for combined sewer overflow facilities; \$2,577,670 State of Georgia Revolving Loan for the Northwest Georgia Sewer Expansion; \$3,356,000 HUD Sec 108 Note; \$242,564 Notes to Individual for land purchase; and \$4,526 Fire Hall Loan; \$15,871 for 2009 IDB Foreign Trade Zone; \$2,750,000 for 2010 VAAP Land Note.

(2) Capital leases as of June 30, 2013 includes the \$37,701 City of Collegedale for Sewer Easement and \$287,958 Golf Course Capital Lease (Golf Carts).

CITY OF CHATTANOOGA  
**HISTORICAL DEBT RATIOS**  
6/30/2013 (unaudited)

Year ended June 30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Estimated population(1)	155,289	154,853	154,762	168,293	169,884	170,880	171,349	167,674	170,136	171,279
Appraised property valuation	\$ 10,057,472,717	\$ 10,323,946,674	\$ 11,955,447,979	\$ 12,310,849,619	\$ 12,906,102,564	\$ 13,294,163,310	\$ 15,307,270,881	\$ 15,187,143,683	\$ 15,239,117,325	\$ 15,498,290,496
Assessed property valuation	3,237,183,936	3,319,249,168	3,860,452,959	3,968,157,371	4,048,760,875	4,167,163,278	4,845,694,497	4,808,789,510	4,820,825,577	4,874,524,209
Gross indebtedness (2)	434,308,264	428,814,582	417,389,712	431,701,818	415,375,442	445,601,083	436,663,186	408,416,390	407,942,874	403,192,541
Less: Self-supporting indebtedness(3)	353,562,825	346,612,744	333,128,264	325,198,221	310,153,520	302,638,530	287,059,370	270,029,615	252,435,979	257,949,312
Debt Service Fund	5,222,704	6,471,929	7,139,208	8,871,564	8,925,003	8,925,003	4,870,365	4,954,374	652,699	2,182,978
Net direct indebtedness	75,522,735	75,729,909	77,122,240	97,632,033	96,296,919	134,037,550	144,733,451	133,432,402	154,854,196	143,060,251
Plus: Estimated net overlapping indebtedness	107,821,749	97,486,316	87,645,429	89,393,466	136,287,686	149,048,842	154,968,909	148,698,012	152,555,047	158,657,256
Net direct and overlapping indebtedness	\$ 183,344,485	\$ 173,216,225	\$ 164,767,668	\$ 187,025,499	\$ 232,584,605	\$ 283,086,392	\$ 299,702,360	\$ 282,130,414	\$ 307,409,243	\$ 301,717,507
Gross debt per capita	\$ 2,796.77	\$ 2,769.17	\$ 2,696.98	\$ 2,565.18	\$ 2,445.05	\$ 2,607.68	\$ 2,548.38	\$ 2,435.78	\$ 2,397.75	\$ 2,354.01
Net direct debt per capita	486.34	489.04	498.33	580.13	566.84	784.40	844.67	795.78	910.18	835.25
Net direct and overlapping debt per capita	1,180.67	1,118.58	1,064.65	1,111.31	1,369.08	1,656.64	1,749.08	1,682.61	1,806.84	1,761.56
Gross debt to appraised valuation	4.32%	4.15%	3.49%	3.51%	3.22%	3.35%	2.85%	2.69%	2.68%	2.60%
Net direct debt to appraised valuation	0.75%	0.73%	0.65%	0.79%	0.75%	1.01%	0.95%	0.88%	1.02%	0.92%
Net direct debt and overlapping debt to appraised valuation	1.82%	1.68%	1.38%	1.52%	1.80%	2.13%	1.96%	1.86%	2.02%	1.95%
Gross debt to assessed valuation	13.42%	12.92%	10.81%	10.88%	10.26%	10.69%	9.01%	8.49%	8.46%	8.27%
Net direct debt to assessed valuation	2.33%	2.28%	2.00%	2.46%	2.38%	3.22%	2.99%	2.77%	3.21%	2.93%
Net direct and overlapping debt to assessed valuation	5.66%	5.22%	4.27%	4.71%	5.74%	6.79%	6.18%	5.87%	6.38%	6.19%

(1) Population figures for all years are estimates.

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

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

## Debt Service Fund Revenues

Fiscal Years 2011-2014

Revenue Source	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14	Budget '14 Inc/(Dec)	% Change FY 13/14	% of Total
Debt Service (Fund 3100):							
General Fund	15,494,469	10,300,000	16,942,222	17,668,872	726,650	4.29	78.76
Trfrs-Safety Cap Project Fd	1,563	1,156	5,639	4,723	(916)	(16.24)	0.02
Hamilton County	474,423	436,091	473,170	469,291	(3,879)	(0.82)	2.09
Miscellaneous Revenue	322,708	202,708	350,681	24,236	24,236	0.00	0.11
911 Communication	200,000	-	-	-	-	0.00	0.00
City Hotel/Motel Tax	3,320,547	3,193,219	4,001,667	3,812,243	(189,424)	(4.73)	16.99
CDBG (Fannie Mae Loan)	488,494	478,505	467,434	455,508	(11,926)	(2.55)	2.03
Homeland Security Grant	-	-	-	-	-	0.00	0.00
Use of Fund Balance	-	-	-	-	-	0.00	0.00
<b>Total Debt Service Fund</b>	<b>\$20,302,204</b>	<b>\$14,611,679</b>	<b>\$22,240,813</b>	<b>\$22,434,873</b>	<b>194,060</b>	<b>0.87</b>	<b>100.00</b>
Grand Total	<b>\$20,302,204</b>	<b>\$14,611,679</b>	<b>\$22,240,813</b>	<b>\$22,434,873</b>	<b>194,060</b>	<b>0.87</b>	<b>100.00</b>

## Debt Service Fund Expenditures

Fiscal Years 2011-2014

Expenditures	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14	Budget '14 Inc/(Dec)	% Change FY 13/14	% of Total
Debt Service (Fund 3100):							
Principal	13,007,185	11,846,305	14,828,125	15,133,713	305,588	2.58	67.46
Interest	7,096,207	6,976,936	7,302,688	7,191,160	(111,528)	(1.60)	32.05
Service Charges	114,804	90,112	110,000	110,000	-	0.00	0.49
<b>Total Debt Service Fund</b>	<b>\$20,218,196</b>	<b>\$18,913,353</b>	<b>\$22,240,813</b>	<b>\$22,434,873</b>	<b>\$194,060</b>	<b>0.87</b>	<b>100.00</b>
Grand Total	<b>\$20,218,196</b>	<b>\$18,913,353</b>	<b>\$22,240,813</b>	<b>\$22,434,873</b>	<b>\$194,060</b>	<b>0.87</b>	<b>100.00</b>
Per Capita	117.99	112.80	130.72	130.98			

# 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. Included funds are Safety, Public Works, Parks & Recreation, General Government, Education, Arts & Culture, Interceptor Sewer, Solid Waste and Water Quality and the Chattanooga Downtown Redevelopment Corporation.

FY 2013 Approved Capital Budget was as follows:

General Government	\$ 7,426,000
Parks & Recreation	2,553,000
Education, Arts & Culture	500,000
Public Works	30,857,090
Police (Safety)	3,150,000
Interceptor Sewer Fund	38,450,000
Solid Waste Fund	50,000
Water Quality Fund	5,656,000
Chattanooga Development Resource Corp	<u>8,000,000</u>
	<b>\$ 96,642,090</b>

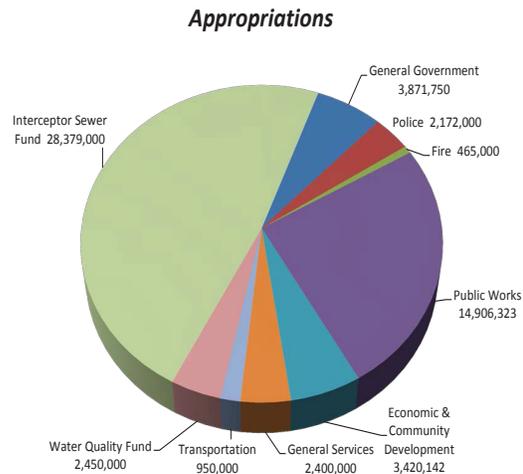
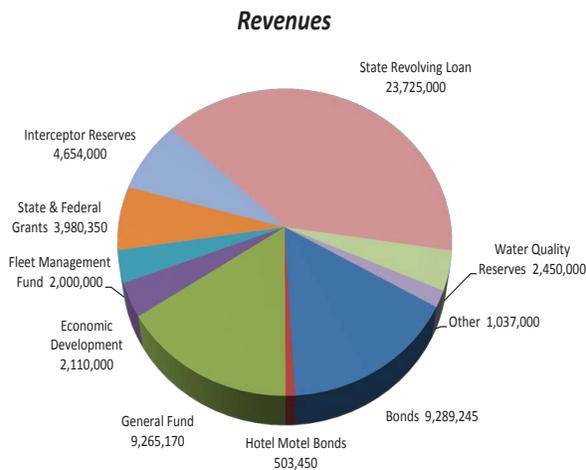
The FY14 Capital budget is as follows:

Revenue	FY13/14
Bonds	9,289,245
Hotel Motel Bonds	503,450
General Fund	9,265,170
Economic Development	2,110,000
Fleet Management Fund	2,000,000
State & Federal Grants	3,980,350
Interceptor Reserves	4,654,000
State Revolving Loan	23,725,000
Water Quality Reserves	2,450,000
Other	1,037,000
<b>Total</b>	<b>59,014,215</b>

Appropriation	FY13/14
General Government	3,871,750
Department of Police	2,172,000
Department of Fire	465,000
Department of Public Works	14,906,323
Department of Economic & Community Development	3,420,142
Department of General Services	2,400,000
Department of Transportation	950,000
Water Quality Fund	2,450,000
Interceptor Sewer Fund	28,379,000
<b>Total</b>	<b>59,014,215</b>

Fiscal Year Budget  
2013/2014  
\$59,014,215



## Capital Fund Revenues

Fiscal Years 2011 - 2014

Revenue Source	Actual	Actual	Budget	Budget	BUDGET '14	%	%
	FY 10/11	FY 11/12	FY 12/13	FY 13/14	INC/(DEC)	CHANGE FY 13/14	OF TOTAL
General Fund Fund Balance	1,163,500	4,350,000	2,622,500	9,265,170	6,642,670	253.3%	15.70%
State/Federal Grants	3,766,165	786,589	20,886,079	3,357,975	(17,528,104)	-83.9%	5.69%
Economic Development Fund	2,077,131	2,775,817	2,628,542	2,110,000	(518,542)	-19.7%	3.58%
General Obligation Bonds	9,272,663	26,495,000	14,537,469	9,289,245	(5,248,224)	-36.1%	15.74%
Fleet Lease Program	6,390,000	6,957,418	2,000,000	2,000,000	0	0.0%	3.39%
Hotel/Motel Tax Collections	350,000	333,024	8,000,000	503,450	(7,496,550)	-93.7%	0.85%
Medical Megafund	0	0	2,000,000	0	(2,000,000)	-100.0%	0.00%
Interceptor Sewer Reserves	0	3,969,827	5,350,000	4,654,000	(696,000)	-13.0%	7.89%
State Revolving Loan	0	0	33,100,000	23,725,000	(9,375,000)	-28.3%	40.20%
Solid Waste Fund	1,607,502	9,592,945	50,000	0	(50,000)	-100.0%	0.00%
Water Quality Fund	11,500,000	1,450,000	0	2,650,000	2,650,000	N/A	4.49%
Other	1,158,015	1,632,351	5,467,500	1,459,375	(4,008,125)	-73.3%	2.47%
	<b>\$37,284,976</b>	<b>\$58,342,971</b>	<b>\$96,642,090</b>	<b>\$59,014,215</b>	<b>(37,627,875)</b>	<b>-38.9%</b>	<b>100.00%</b>
Grand Total	<b>\$37,284,976</b>	<b>\$58,342,971</b>	<b>\$96,642,090</b>	<b>\$59,014,215</b>	<b>(37,627,875)</b>	<b>-38.9%</b>	<b>100.00%</b>

## Revenues

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

Funding for the FY 2010 Capital Budget is provided by the General Fund Fund Balance of \$9,461,261, General Obligation Bond Fund \$6,713,945 State of Tennessee and Federal grants of \$6,755,442, Economic Development Fund \$2,999,500, Economic Development Recovery Bonds \$6,813,000, Fleet Lease Program \$3,000,000, Interest Income \$300,000 Interceptor Sewer Fund Reserves \$10,804,000 and funds from Foundations and other sources in the amount of \$12,822,373.

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

Funding for the FY 2012 Capital Budget is provided by the General Fund of \$6,920,000, General Obligation Bonds \$11,436,038 State of Tennessee and Federal grants of \$9,886,397, Economic Development Fund \$2,775,817, Fleet Lease Program \$3,200,000, Medical Megafund \$3,500,000 State Revolving Loan \$4,900,000, Interceptor Sewer Reserves \$2,500,000,

Solid Waste Fund reserves \$6,591,000, Water Quality Reserves \$1,450,000, Hotel Motel Tax \$1,200,000 and funds from Foundations and other sources in the amount of \$1,311,352.

Funding for the FY 2013 Capital Budget is provided by the General Fund of \$2,622,500, General Obligation Bonds \$14,537,469, Hotel/Motel Tax bonds \$8,000,000, State of Tennessee and Federal grants of \$20,886,079, Economic Development Fund \$2,628,542, Fleet Lease Program \$2,000,000, Health and Wellness Fund \$2,000,000, State Revolving Loan \$33,100,000, Interceptor Sewer Reserves \$5,350,000, Solid Waste Fund reserves \$50,000, other municipalities and funds from Foundations and other sources in the amount of \$5,467,500.

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

## Capital Fund Expenditures

Fiscal Years 2011 - 2014

Expenditures	Actual FY 10/11	Actual FY 11/12	Budget FY 12/13	Budget FY 13/14	%		%
					BUDGET '14 INC/(DEC)	CHANGE FY 13/14	
Police	267,602	560,909	3,150,000	2,172,000	(978,000)	-31%	3.68%
Fire	2,677,861	1,794,428	0	465,000	465,000	N/A	0.79%
Public Works	10,905,096	13,778,064	30,857,090	14,906,323	(15,950,767)	-52%	25.26%
Parks & Recreation	2,767,197	2,437,338	2,553,000	0	(2,553,000)	-100%	0.00%
Education, Arts & Culture	10,840	76,821	500,000	0	(500,000)	-100%	0.00%
General Government	2,839,831	1,091,249	5,105,000	3,871,750	(1,233,250)	-24%	6.56%
General Services	0	0	2,321,000	2,400,000	79,000	3%	4.07%
Chattanooga Downtown Redevelopment Corp	206,075		8,000,000	0	(8,000,000)	-100%	0.00%
Interceptor Sewer Fund	7,710,754	5,560,564	38,450,000	28,379,000	(10,071,000)	-26%	48.09%
Solid Waste Fund	356,033	1,172,323	50,000	0	(50,000)	-100%	0.00%
Economic & Community Development	0	0	0	3,420,142	3,420,142	N/A	5.80%
Transportation	0	0	0	950,000	950,000	N/A	1.61%
Water Quality Fund	10,429,985	6,099,886	5,656,000	2,450,000	(3,206,000)	-57%	4.15%
<b>Total Capital Projects</b>	<b>\$38,171,274</b>	<b>\$32,571,582</b>	<b>\$96,642,090</b>	<b>\$59,014,215</b>	<b>(\$37,627,875)</b>	<b>-38.9%</b>	<b>100.00%</b>
Grand Total	<b>\$38,171,274</b>	<b>\$32,571,582</b>	<b>\$96,642,090</b>	<b>\$59,014,215</b>	<b>(37,627,875)</b>	<b>-38.9%</b>	<b>100.00%</b>

## 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. During this fiscal year departments were reorganized eliminating the Parks & Recreation Department, Education, Arts' & Cultures Department, and renaming the Neighborhood Service Department to Economic & Community Development. Presented here is a brief overview of each department's appropriation.

### GENERAL GOVERNMENT

**FY 2014 Budget** **\$ 3,871,750**  
**% of Total Capital Budget** **5.56%**  
**Decline From FY 2012** **(1,233,250)**  
**% Change** **-24.00%**

The FY 2014 General Government budget includes funding for Chattanooga Area Regional Transit Authority, city wide vehicle replacement, various building renovation, software upgrades, Public Library computer replacement, Property Tax Software, and an Electric Content Management System.

### POLICE

**FY 2014 Budget** **\$ 2,172,000**  
**% of Total Capital Budget** **3.68%**  
**Decline From FY 2013** **(978,000)**  
**% Change** **31.00%**

The FY 2014 appropriation for the Police Department includes Motorola portable digital radios, hand-held Brazos Technology E-Citation Devices, 911 roof replacement on the police service center, and continued development for a new firing range. The current site must be vacated for the development of the Moccasin Bend National Park.

### FIRE

**FY 2014 Budget** **\$ 465,000**  
**% of Total Capital Budget** **0.79%**  
**Growth From FY 2013** **465,000**  
**% Change** **100.00%**

The FY 2014 appropriation for the Fire includes Fire Emergency Response Technology.

### PUBLIC WORKS (All Funds)

**FY 2014 Budget** **\$45,753,323**  
**% of Total Capital Budget** **77.50%**  
**Decline From FY 2013** **29,277,767**  
**% Change** **-39.03%**

The FY 2014 Public Works capital appropriation reflects the City's street rehab program, replacement of city-wide services equipment, upgrade of the Interceptor and Water Quality systems. Also this year the maintenance of all Parks has been transferred to this area under the new Mayor Berke administration.

### **GENERAL SERVICES**

<b>FY 2014 Budget</b>	<b>\$ 2,400,000</b>
<b>% of Total Capital Budget</b>	<b>4.07%</b>
<b>Growth From FY 2013</b>	<b>79,000</b>
<b>% Change</b>	<b>3.0%</b>

The FY 2014 General Services Department appropriation includes appropriation for fund the fleet services program, parking lot improvement, zoo improvement and campus building improvements.

### **TRANSPORTATION**

<b>FY 2014 Budget</b>	<b>\$ 950,000</b>
<b>% of Total Capital Budget</b>	<b>1.61%</b>
<b>Decrease From FY 2013</b>	<b>950,000</b>
<b>% Change</b>	<b>100.00%</b>

This is a new department formed from the Traffic Division of Public Works. Projects include traffic signals upgrade, neighborhood transportation management, and pavement markings.

### **ECONOMIC & COMMUNITY DEVELOPMENT**

<b>FY 2014 Budget</b>	<b>\$ 3,420,000</b>
<b>% of Total Capital Budget</b>	<b>5.80%</b>
<b>Growth From FY 2013</b>	<b>3,420,000</b>
<b>% Change</b>	<b>100.0%</b>

This appropriation is to fund the Harriet Tubman Development Site and a Community Development Pilot.

# Capital Project Detail

## General Government

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>General Government</b>	<b>3,871,750</b>	<b>3,035,000</b>	<b>1,574,000</b>	<b>1,191,272</b>	<b>802,747</b>	<b>10,474,769</b>
CARTA Match Funds	600,000	500,000	500,000	500,000	-	2,100,000
Electronic Content Management	1,000,000	1,000,000	650,000	-	-	2,650,000
Property Tax Software	300,000	-	-	-	-	300,000
CDM-Building Renovation	500,000	-	-	-	-	500,000
HVAC System (Main & Northgate)	-	600,000	-	-	-	600,000
Public Computer Replacement	25,000	65,000	-	-	-	90,000
Intergrated Library System Cash Drawers	-	50,000	-	-	-	50,000
Eastgate Branch Relocation	-	250,000	-	-	-	250,000
Information Services	1,446,750	570,000	424,000	691,272	802,747	3,934,769

### General Government

<b>FY 2014 Appropriation:</b>	<b>\$3,871,750</b>
<b>% of Capital Funds:</b>	<b>6.56%</b>
<b>Decrease From FY 13:</b>	<b>(1,233,250)</b>
<b>% Change:</b>	<b>-24.00%</b>

General Government is the area where all appropriations to other funds, joint-funded and outside agencies are accounted for. These appropriations can vary from year to year based requests or decisions. This year requests were \$6,879,350 with a 5 year plan of \$10.5 million. Approved FY14 appropriations in the General Government Capital area include:

#### Library - Public Computer Replacement

<b>FY 2014 Appropriation:</b>	<b>\$25,000</b>
<b>Funding source:</b>	<b>Other Sources - Fund Balance Reserves</b>
<b>Prior Years Appropriations:</b>	<b>None</b>
<b>Total Project Cost:</b>	<b>\$25,000</b>

This appropriation is to help fund the Chattanooga Public Library with its replacement of computer used by the public. Most computers are over its useful life. Public computer access is the most popular service offered, next to books. The computers identified for this replacement cycle are at Northgate and Eastgate. The computers are 5 years old and have exceeded their life expectancy.

**Impact on operating budget:** None - one time funding

#### CARTA

<b>FY 2014 Appropriation:</b>	<b>\$600,000</b>
<b>Funding source:</b>	<b>Economic Development</b>
<b>Prior Years Appropriations:</b>	<b>\$10,424,617</b>
<b>Total Project Cost:</b>	<b>\$11,024,617</b>

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

# Capital Project Detail

## Electronic Content Management

<b>FY 2014 Appropriation:</b>	<b>\$ 1,000,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 1,000,000</b>

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

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

## Property Tax Software

<b>FY 2014 Appropriation:</b>	<b>\$ 300,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 300,000</b>

This appropriation is to fund a new property tax/water quality fee software. This system should allow online access for citizens to reprint tax bills, increase inter-departmental communication, and improve customer service & efficiency for fee collection.

**Impact on operating budget:** Additional software and maintenance estimated between \$50,000 annually

## Creative Discovery Museum Building Renovation

<b>FY 2014 Appropriation:</b>	<b>\$ 500,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 500,000</b>

This appropriation is to help fund the Creative Discovery Museum capital needs.

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

## Information Services

<b>FY 2014 Appropriation:</b>	<b>\$ 1,446,750</b>
<b>Funding source(s):</b>	<b>\$ 1,150,000 General Fund</b>
	<b>\$ 296,750 General Obligation Bonds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$17,899,386</b>
<b>Total Project Cost:</b>	<b>\$19,346,136</b>

This appropriation funds System upgrades, eBusiness-Sub Ledger Accounting & Fixed Assets system, and Telephone System.

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

# Capital Project Detail

## General Services

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>General Services</b>	<b>2,400,000</b>	<b>4,794,000</b>	<b>3,253,000</b>	<b>2,700,000</b>	<b>5,565,000</b>	<b>18,712,000</b>
Memorial Auditorium & Tivoli Repair	-	300,000	574,000	100,000	415,000	1,389,000
Community Theater Renovation Phase	-	250,000	250,000	250,000	-	750,000
Fleet Leasing Program	2,000,000	2,000,000	2,000,000	2,000,000	4,800,000	12,800,000
HCHHC Parking Lot	100,000	-	-	-	-	100,000
Warehouse on Main Street	-	-	79,000	-	-	79,000
Relocation of Amnicola Service Station	-	250,000	-	-	-	250,000
City Hall Campus (Boiler Only)	50,000	94,000	100,000	100,000	100,000	444,000
Work-Bays for Natural Gas Vehicles	-	250,000	-	-	-	250,000
CNG Service Station	-	1,400,000	-	-	-	1,400,000
Zoo Improvements	250,000	250,000	250,000	250,000	250,000	1,250,000

### General Services

<b>FY 2014 Appropriation:</b>	<b>\$2,400,000</b>
<b>% of Capital Funds:</b>	<b>4.07%</b>
<b>Growth From FY 13:</b>	<b>79,000</b>
<b>% Change:</b>	<b>3.00%</b>

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 \$9,448,000. Approved FY14 appropriations in the General Services Capital area include:

### Fleet Leasing Program

<b>FY 2014 Appropriation:</b>	<b>\$ 2,000,000</b>
<b>Funding source(s):</b>	<b>Fleet Services Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$27,732,323</b>
<b>Total Project Cost:</b>	<b>\$29,732,323</b>

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

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

### Hamilton County HHC Parking Lot

<b>FY 2014 Appropriation:</b>	<b>\$ 100,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 100,000</b>

This appropriation is to joint venture with Hamilton County to pave the Parking Lot of the downtown HHC parking lot.

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

# Capital Project Detail

## City Hall Campus

<b>FY 2014 Appropriation:</b>	<b>\$ 50,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$12,855,216</b>
<b>Total Project Cost:</b>	<b>\$12,905,216</b>

This appropriation is for the building, maintenance, and upkeep of on campus City facilities. The appropriation specifically focused on purchase of a new boiler for City Hall Annex

**Impact on operating budget:** Cost savings expected to exceed \$50,000.

## Zoo Improvements

<b>FY 2014 Appropriation:</b>	<b>\$ 250,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ -0-</b>
<b>Total Project Cost:</b>	<b>\$ 250,000</b>

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

**Impact on operating budget:** None

# Capital Project Detail

## POLICE

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Police Department</b>	<b>2,172,000</b>	<b>1,197,000</b>	<b>1,172,000</b>	<b>670,000</b>	<b>495,000</b>	<b>5,706,000</b>
Motorola Portable Digital Radios	95,000	95,000	95,000	95,000	95,000	475,000
Brazos Technology E-Citation Devices	577,000	202,000	202,000	-	-	981,000
In-car Laptop Computers	-	400,000	400,000	400,000	400,000	1,600,000
Roof CPD & 911 part of Police Service	200,000	200,000	-	-	-	400,000
Police Service Center Parking Lots	-	300,000	300,000	-	-	600,000
Annex Renovation & Expansion	-	-	175,000	175,000	-	350,000
Range	1,300,000	-	-	-	-	1,300,000

### Police Department

<b>FY 2014 Appropriation:</b>	<b>\$2,172,000</b>
<b>% of Capital Funds:</b>	<b>3.68%</b>
<b>Decrease From FY 13:</b>	<b>(978,000)</b>
<b>% Change:</b>	<b>-31.00%</b>

Police is responsible for the City's police protection. This year requests were \$9,448,000. Approved FY14 appropriations in the Police Capital area include:

### Motorola Digital Radios

<b>FY 2014 Appropriation:</b>	<b>\$ 95,000</b>
<b>Funding source(s):</b>	<b>Narcotic Funds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 252,000</b>
<b>Total Project Cost:</b>	<b>\$ 347,000</b>

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 2013.

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

### Brazo Technology E-Citation Devices

<b>FY 2014 Appropriation:</b>	<b>\$ 577,000</b>
<b>Funding source(s):</b>	<b>\$ 377,000 General Fund</b>
	<b>\$ 200,000 Narcotics</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ -0-</b>
<b>Total Project Cost:</b>	<b>\$ 577,000</b>

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

**Impact on operating budget:** None

### Roof CPD & 911 part of Police Service Center

<b>FY 2014 Appropriation:</b>	<b>\$ 200,000</b>
<b>Funding source(s):</b>	<b>Economic Development</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ -0-</b>
<b>Total Project Cost:</b>	<b>\$ 200,000</b>

# Capital Project Detail

Replace old worn out roof with new TPO Roof System and Metal Wall Capping. The cost of the roof is to split between 911 Communications Center and City Police Department.

**Impact on operating budget:** None

## **Firing Range**

<b>FY 2014 Appropriation:</b>	<b>\$ 1,300,000</b>
<b>Funding source(s):</b>	<b>\$ 800,000 Economic Development</b>
	<b>\$ 500,000 Hamilton County</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 3,050,000</b>
<b>Total Project Cost:</b>	<b>\$ 4,350,000</b>

Relocate present Chattanooga Police Department range. Funding is a collaboration of federal funding and local funding from City & County.

**Impact on operating budget:** Additional Building Maintenance and Utilities estimated between \$50,000 - \$100,000

# Capital Project Detail

## Fire

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Fire Department</b>	<b>465,000</b>	<b>2,953,000</b>	<b>2,937,000</b>	<b>3,100,000</b>	<b>2,000,000</b>	<b>11,455,000</b>
Apparatus	-	-	1,240,000	1,000,000	1,000,000	3,240,000
Self-Contained Breathing Apparatus	-	1,575,000	-	-	-	1,575,000
Security/Fire System for Fire Resource Bui	-	-	125,000	-	-	125,000
Mobile Data Project	-	328,000	-	-	-	328,000
Burn Building	-	-	-	1,100,000	-	1,100,000
Fire Station Replacement	-	-	1,000,000	1,000,000	1,000,000	3,000,000
Fire Service Expansion	-	1,050,000	-	-	-	1,050,000
Turnout Gear	-	-	572,000	-	-	572,000
Fire/Emergency Response Technology	465,000	-	-	-	-	465,000

### Fire Department

<b>FY 2014 Appropriation:</b>	<b>\$465,000</b>
<b>% of Capital Funds:</b>	<b>.08%</b>
<b>Increase From FY 13:</b>	<b>465,000</b>
<b>% Change:</b>	<b>100%</b>

Fire is responsible for the City's fire protection. This year requests were \$10,285,000. Approved FY14 appropriations were \$465,000 with a 5 year plan of \$11.5 million. Approved FY14 appropriations in Fire Capital area include:

### Fire/Emergency Response Technology

<b>FY 2014 Appropriation:</b>	<b>\$ 465,000</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ -0-</b>
<b>Total Project Cost:</b>	<b>\$ 465,000</b>

Mobile Technology Solution System will provide a means for a more efficient and effective response by placing a mobile device with functional response software and access to records management system on each frontline apparatus. This technology should help increase public safety, improve government efficiency, and maintain or improve ISO classification.

**Impact on operating budget:** Annual Maintenance \$23,000

# Capital Project Detail



Shallowford Road/Jenkins Road



Central Avenue Extension



ESIP Intersection Improvements



Goodwin Drive Extension



*Wilcox Tunnel*



# Capital Project Detail

## Public Works

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Public Works</b>	<b>18,510,323</b>	<b>69,282,389</b>	<b>59,842,768</b>	<b>75,278,003</b>	<b>52,642,125</b>	<b>275,555,608</b>
Paving	2,571,633	2,000,000	2,000,000	2,000,000	2,000,000	10,571,633
City Wide Services Equipment	370,000	360,000	740,000	500,000	825,000	2,795,000
Traffic Engineering Projects	10,651,240	52,761,389	25,862,500	38,407,500	25,567,500	153,250,129
Parks Maintenance	1,313,450	1,911,000	10,144,268	21,038,003	12,023,000	46,429,721
Fund Balance	1,154,000	4,100,000	10,950,000	8,000,000	9,350,000	33,554,000
Water Quality	2,450,000	7,360,000	8,496,000	4,527,500	2,707,625	25,541,125
Solid Waste	-	790,000	1,650,000	805,000	169,000	3,414,000
Interceptor Sewer	28,379,000	52,300,000	19,050,000	16,000,000	11,350,000	127,079,000

### Public Works

<b>FY 2014 Appropriation:</b>	<b>\$18,510,323</b>
<b>% of Capital Funds:</b>	<b>31.37%</b>
<b>Decrease From FY 13:</b>	<b>(56,502,767)</b>
<b>% Change:</b>	<b>-75.32%</b>

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, traffic management, signs, and markings. This year they will combined a majority of the Parks & Recreation projects to create a division of Parks maintenance. Requests were \$47,839,542, including \$11,954,268 from Parks. Approved FY14 appropriations in the Public Works Capital area include major project is areas of :

### Paving Program

<b>FY 2014 Appropriation:</b>	<b>\$ 2,571,633</b>
<b>Funding source(s):</b>	<b>\$ 2,283,633 General Fund</b> <b>288,000 External Sources</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 25,486,117</b>
<b>Total Project Cost:</b>	<b>\$ 28,057,750</b>

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.

### City Wide Services Equipment Replacement

<b>FY 2014 Appropriation:</b>	<b>\$ 370,000</b>
<b>Funding source(s):</b>	<b>\$ 360,000 General Fund</b> <b>\$ 10,000 Economic Development</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$10,659,777</b>
<b>Total Project Cost:</b>	<b>\$11,029,777</b>

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

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

# Capital Project Detail

## Curbs, Gutters and Sidewalks

FY 2014 Appropriation:	\$ 579,375
Funding source(s):	\$ 250,000 General Fund
	\$ 329,375 External Funding Sources (CDBG & Other)
Prior Year(s) Appropriations:	\$ 9,883,423
Total Project Cost:	\$10,462,798

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

**Impact on operating budget:** None.

## Street Rehabilitation

FY 2013 Appropriation:	\$ 8,271,865
Funding source(s):	\$ 300,000 General Fund
	\$ 2,517,469 General Obligation Bonds
	\$ 4,229,034 External Funding Sources (Other)
Prior Year(s) Appropriations:	\$ 63,746,471
Total Project Cost:	\$ 72,018,336

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

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

## Bridge Rehabilitation

FY 2014 Appropriation:	\$ 300,000
Funding source(s):	\$ 300,000 General Fund
Prior Year(s) Appropriations:	\$ 72,018,336
Total Project Cost:	\$ 72,318,336

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

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

## Parks Maintenance

FY 2014 Appropriation:	\$ 1,313,450
Funding source(s):	\$ 300,000 General Fund
	\$ 200,000 General Obligation Bonds
	\$ 500,000 Hotel/Motel
	\$ 310,000 External Funding Sources (Other)
Prior Year(s) Appropriations:	\$ 51,612,218
Total Project Cost:	\$ 52,974,668

This appropriation will fund Parks project previously from the Parks & Recreation area. Projects include roof replacement, TN Riverpark, Playground improvement, Ridgedale Park Replacement, and Montague Park Development.

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

# Capital Project Detail

## Water Quality Fund

<b>FY 2014 Appropriation:</b>	<b>\$ 2,450,000</b>
<b>Funding source(s):</b>	<b>Operations</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 18,656,423</b>
<b>Total Project Cost:</b>	<b>\$ 21,106,423</b>

This appropriation provides for expansion projects such as 3500 Block of Broad Street, Carter Street Outfall Pipe Rehab, Central Avenue Extension Separation Project, Drainage system retrofit

**Impact on operating budget:** None

## Solid Waste Fund

<b>FY 2014 Appropriation:</b>	<b>\$ 0</b>
<b>Funding source(s):</b>	<b>None</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 7,646,000</b>
<b>Total Project Cost:</b>	<b>\$ 7,696,000</b>

This appropriation provides for the purchase of new equipment, closure of a landfill cell and development of a methane gas generation facility for the Volkswagen plant.

**Impact on operating budget:** None at this time.

## Interceptor Sewer Fund

<b>FY 2014 Appropriation:</b>	<b>\$ 28,379,000</b>
<b>Funding source(s):</b>	<b>\$ 23,725,000 SRF Loan</b>
	<b>\$ 4,654,000 Sewer Operations &amp; Reserves</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 69,254,000</b>
<b>Total Project Cost:</b>	<b>\$ 97,633,000</b>

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

**Impact on operating budget:** None

# Capital Project Detail

## Transportation

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Transportation</b>	<b>950,000</b>	<b>5,470,000</b>	<b>4,850,000</b>	<b>5,350,000</b>	<b>5,350,000</b>	<b>21,970,000</b>
Guardrail Construction and Maintenance	-	150,000	150,000	300,000	300,000	900,000
Traffic Signals and Major Repairs	50,000	50,000	50,000	150,000	150,000	450,000
T.E - Loops and Pavement Marking	50,000	50,000	50,000	100,000	100,000	350,000
Signal Equip. Upgrades & Replaceme	-	170,000	-	150,000	150,000	470,000
Traffic Signing Retroreflectivity Upgrades	-	50,000	50,000	50,000	50,000	200,000
Neighborhood Transportation	200,000	-	50,000	100,000	100,000	450,000
Chattanooga Regional ITS System	-	5,000,000	4,500,000	4,500,000	4,500,000	18,500,000
LED Lighting Installation Phase 1	650,000	-	-	-	-	650,000

### Transportation

<b>FY 2014 Appropriation:</b>	<b>\$ 950,000</b>
<b>% of Capital Funds:</b>	<b>1.61%</b>
<b>Growth From FY 13:</b>	<b>950,000</b>
<b>% Change:</b>	<b>100%</b>

Transportation is a new department during the new administration. They were formerly included in Public Works. Projects are focused on providing long term strategies for efficient and effective design, construction, and maintenance of our transportation infrastructure, including planning and design for new projects, repair and improvement projects, and collaboration with the Public Works Department on implementation of improvements to our transportation system. Previous requests were included in Public Works. Approved FY14 appropriations include major projects in areas of :

### **Traffic Signal and Major Repairs**

<b>FY 2013 Appropriation:</b>	<b>\$ 7,530,000</b>
<b>Funding source(s):</b>	<b>\$ 130,000 General Fund</b> <b>7,400,000 External Sources (CMAQ Grant)</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 18,685,143</b>
<b>Total Project Cost:</b>	<b>\$ 26,215,143</b>

This appropriation provides for modernization of existing signals and installation of new traffic signals and equipment. The current year contains an appropriation of CMAQ grant funds for phase 1 construction of a regional ITS Signalization System and Traffic Operations Center.

**Impact on operating budget:** None.

### **TE Loops and Pavement Markings**

<b>FY 2014 Appropriation:</b>	<b>\$ 500,000</b>
<b>Funding source(s):</b>	<b>General Obligation Bonds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 1,128,920</b>
<b>Total Project Cost:</b>	<b>\$ 1,628,920</b>

This appropriation provides funding to address the wear and tear issues in our two facilities. The major issues are carpet replacement needed at the Tivoli, decorative painting at both facilities, roof replacement is critical at Memorial Auditorium, and lighting and sound equipment upgrade.

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

# Capital Project Detail

## Neighborhood Transportation

<b>FY 2014 Appropriation:</b>	<b>\$ 500,000</b>
<b>Funding source(s):</b>	<b>General Obligation Bonds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 1,128,920</b>
<b>Total Project Cost:</b>	<b>\$ 1,628,920</b>

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

## LED Lighting Installation Phase 1

<b>FY 2014 Appropriation:</b>	<b>\$ 500,000</b>
<b>Funding source(s):</b>	<b>General Obligation Bonds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 1,128,920</b>
<b>Total Project Cost:</b>	<b>\$ 1,628,920</b>

This appropriation provides funding to address the wear and tear issues in our two facilities. The major issues are carpet replacement needed at the Tivoli, decorative painting at both facilities, roof replacement is critical at Memorial Auditorium, and lighting and sound equipment upgrade.

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

# Capital Project Detail

## Economic & Community Development

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Economic &amp; Community Development</b>	<b>3,420,142</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,420,142</b>
EC Development Site: Tubman	3,000,000	-	-	-	-	3,000,000
Community Development Pilot	420,142	-	-	-	-	420,142

### Economic & Community Development

<b>FY 2014 Appropriation:</b>	<b>\$ 3,420,000</b>
<b>% of Capital Funds:</b>	<b>1.61%</b>
<b>Growth From FY 13:</b>	<b>3,420,000</b>
<b>% Change:</b>	<b>100%</b>

Economic & Community Development is a reorganizaed responsibility during the new administration. They were formerly Neighborhood Services & Community Development, now combine with Land Development division from Public Works. Projects are focused on Approved FY14 appropriations include major projects in areas of :

#### **EC Development Site: Tubman**

<b>FY 2014 Appropriation:</b>	<b>\$ 3,000,000</b>
<b>Funding source(s):</b>	<b>General Obligation Bonds</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 3,000,000</b>

This appropriation provides for purchase of the 35 acres Harriet Tubman Housing site. This allocation will use \$1,000,000 for purchase, and remaining 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.

#### **Community Development Pilot**

<b>FY 2014 Appropriation:</b>	<b>\$ 420,142</b>
<b>Funding source(s):</b>	<b>General Fund</b>
<b>Prior Year(s) Appropriations:</b>	<b>\$ 0</b>
<b>Total Project Cost:</b>	<b>\$ 420,142</b>

To develop a plan to replace 200 vacant lots and or substandard housing structures with 200 affordable rental units and to introduce the concept of a local rental registry. Housing will be designed to ensure all tenants have access to decent and safe housing that is registered and inspected for compliance.

**Impact on operating budget:** Personnel to manage program \$80,000 annually.

# Capital Project Detail

## Youth & Family Development

Recommended Projects	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	5 Year Plan Total
<b>Youth &amp; Family</b>	<b>0</b>	<b>52,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52,000</b>
HVAC for Gym	-	52,000	-	-	-	52,000

### Youth & Family Development

<b>FY 2014 Appropriation:</b>	\$	0
<b>% of Capital Funds:</b>		0%
<b>Growth From FY 13:</b>		0
<b>% Change:</b>		0%

Youth & Family Development is a newly formed department from a portion of the the previous Parks & Recreation and Human Services departments. There are no projects approved in FY14 appropriations.

# CAPITAL BUDGET ORDINANCE

**First Reading August 27, 2013**  
**Second Reading September 3, 2013**

ORDINANCE NO. 12761

AN ORDINANCE APPROPRIATING, AUTHORIZING OR ALLOCATING FUNDS TO THE CAPITAL IMPROVEMENTS BUDGET FOR THE FISCAL YEAR 2013/2014 AND TO AMEND THE FISCAL YEAR 2013/2014 BUDGET ORDINANCE NO. 12757.

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 2013/2014;

GENERAL GOVERNMENTAL FUNDS

FROM	General Obligation Bonds	\$ 9,289,245	
	Hotel Motel Tax Fund	503,450	
	General Fund (1100)	9,265,170	
	Economic Development Fund (1111)	2,110,000	
	Fleet Management Fund (6504)	2,000,000	
	Library Fund (1115)	25,000	
	State of Tennessee (TDOT)	3,069,975	
	Water Quality Funds (6030)	200,000	
	Narcotics Funds (9250)	295,000	
	Capital Contribution (Hamilton County)	500,000	
	Capital Contribution (Terry Jump)	17,000	
	Federal	288,000	
	Community Development Block Grant	622,375	
TO	General Government & Supported Agencies		\$ 3,871,750
	Department of Police		2,172,000
	Department of Fire		465,000
	Department of Public Works		14,906,323
	Department of Economic & Community Development		3,420,142
	Department of General Services		2,400,000
	Department of Transportation		950,000
		\$ 28,185,215	\$ 28,185,215

12761

# CAPITAL BUDGET ORDINANCE

## PROPRIETARY FUNDS CAPITAL

FROM:	State Revolving Loan Fund	23,725,000	
	Interceptor Sewer System Reserves (Fund 6010)	4,654,000	
	Water Quality Reserves (Fund 6030)	2,450,000	
TO:	Interceptor Sewer Fund		28,379,000
	Water Quality Fund		<u>2,450,000</u>
	TOTAL PROPRIETARY FUNDS	<u>\$ 30,829,000</u>	<u>\$ 30,829,000</u>
	TOTAL CAPITAL BUDGET	<u>\$ 59,014,215</u>	<u>\$ 59,014,215</u>

SECTION 2. That Ordinance No. \_\_\_\_\_, the BUDGET ORDINANCE, be and is hereby amended as provided hereinafter.

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

	<u>Delete</u>	<u>Substitute in Lieu Thereof</u>
USE OF FUND BALANCE	\$ _____ 0	\$ <u>1,996,395</u>
AMENDED GENERAL FUND ESTIMATED SOURCES	<u>\$ 212,540,000</u>	<u>\$ 214,536,395</u>

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

	<u>Delete</u>	<u>Substitute in Lieu Thereof</u>
<b>GENERAL FUND APPROPRIATIONS:</b>		
Fire Capital Projects (Fire/ Emergency Response Technology)	465,000	465,000
Chatt. Transp. Dept.- Neighborhood Transportation Programming	150,000	150,000
Chatt. Transp. Dept. Neighborhood Enhancement	250,000	250,000
ECD- Community Development Pilot	420,142	420,142
PW Paving	2,283,633	2,283,633
Capital Improvements	<u>\$ 3,700,000</u>	<u>\$ 5,696,395</u>
General Government & Agencies	<u>\$ 56,042,498</u>	<u>\$ 58,038,893</u>
AMENDED TOTAL GENERAL FUND APPROPRIATION	<u>\$ 212,540,000</u>	<u>\$ 214,536,395</u>

# CAPITAL BUDGET ORDINANCE

6010            INTERCEPTOR SEWER OPERATIONS:

ESTIMATED REVENUE

Interceptor Sewer Fund Reserves	\$ <u>          0</u>	\$ 2,058,886
Amended Total Revenue	\$ <u>55,843,676</u>	<u>\$57,902,562</u>

APPROPRIATIONS

Construction Trust Fund (6011)	\$ 2,597,114	\$ 4,656,000
Amended Total Appropriation	\$ <u>55,843,676</u>	<u>\$57,902,562</u>

6030            WATER QUALITY FUND:

ESTIMATED REVENUE

Water Quality	\$ <u>          0</u>	\$ <u>          0</u>
Amended Total Revenue	\$ <u>16,858,055</u>	<u>\$ 16,858,055</u>

APPROPRIATIONS

Appropriation to PW Capital (Central Ave Extension)	200,000	200,000
Appropriation to Capital	\$ 2,250,000	\$ 2,250,000
Amended Total Appropriation	\$ <u>16,858,055</u>	<u>\$ 16,858,055</u>

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

1111            ECONOMIC DEVELOPMENT EDUCATION FUND:

ESTIMATED REVENUE

Economic Development Operations	\$ 2,110,000	\$ 1,835,666
Economic Development Unreserved Fund Balance	\$ <u>          0</u>	\$ 274,334
Amended Total Revenue	\$ <u>11,788,334</u>	<u>\$ 11,788,334</u>

APPROPRIATIONS

Economic Development Capital Projects	\$ 2,110,000	\$ 2,110,000
Amended Total Appropriation	\$ <u>11,788,334</u>	<u>\$ 11,788,334</u>

2070            HOTEL/MOTEL TAX FUND:

ESTIMATED REVENUE

Hotel/Motel Operations	\$ 503,450	\$ 503,450
Amended Total Revenue	\$ <u>5,350,500</u>	<u>\$ 5,350,500</u>

APPROPRIATIONS

Public Works Capital (TN Riverpark Expansion 4016)	0	503,450
Economic Development Capital Projects	\$ 1,156,247	\$ 652,797
Amended Total Appropriation	\$ <u>5,350,500</u>	<u>\$ 5,350,500</u>

# CAPITAL BUDGET ORDINANCE

9250 NARCOTICS FUND:

ESTIMATED REVENUE

Narcotics Fund Reserves	\$ 295,000	\$ 295,000
Amended Total Revenue	\$ 607,000	\$ 607,000

APPROPRIATIONS

Police Capital Projects (4012)	\$ 295,000	\$ 295,000
Amended Total Appropriation	\$ 607,000	\$ 607,000

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 September 3, 2013

Yusef Hakeem  
CHAIRPERSON

APPROVED:  DISAPPROVED:

My An  
MAYOR

DM/mms

# Capital Project Detail

