

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES RETIREMENT SYSTEMS**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

Schedule of Funding Progress

(Dollar amounts in thousands)

Tennessee Consolidated Retirement System

Actuarial Valuation Date (frozen initial liability)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Political Subdivision Pension Plan (PSPP)						
07/01/11	\$ 351,799	\$ 382,725	\$ 30,926	91.92%	\$ 97,322	31.78%
07/01/09	290,589	352,880	62,291	82.35%	97,446	63.92%
07/01/07	275,318	293,041	17,723	93.95%	88,047	20.13%

Hamilton County Administered Plans

Actuarial Valuation Date (entry age normal)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Employees' Retirement						
06/30/11	\$ 2,025	\$ 705	\$ (1,320) **	287.1%	\$ -	N/A
06/30/09	1,787	873	(914) **	204.7%	-	N/A
06/30/07	2,256	1,083	(1,173) **	208.4%	-	N/A
Commissioners' Retirement						
06/30/11	\$ 519	\$ 700	\$ 181	74.2%	\$ 187	96.6%
06/30/09	482	702	220	68.6%	196	112.3%
06/30/07	414	652	238	63.5%	192	124.2%
Teachers' Retirement						
06/30/11	\$ 26	\$ 42	\$ 16	61.1%	\$ -	N/A
06/30/09	57	64	7	89.1%	-	N/A
06/30/07	95	100	5	95.2%	-	N/A

** Considered a "funding excess"

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES RETIREMENT SYSTEMS**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

Schedule of Employer Contributions

Tennessee Consolidated Retirement System

Year Ended June 30	PSPP		SETHEEPP	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ 14,332,188	100.0%	\$ 14,591,484	100.0%
2011	14,938,598	100.0%	14,431,297	100.0%
2010	14,406,682	100.0%	10,039,596	100.0%
2009	15,063,655	100.0%	10,344,519	100.0%
2008	14,475,166	100.0%	9,702,404	100.0%
2007	13,421,822	100.0%	9,229,280	100.0%

Hamilton County Administered Plans

Year Ended June 30	Employees' Retirement		Commissioners' Retirement		Teachers' Retirement	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ -	0.0%	\$ 50,074	134.6%	\$ 2,075	0.0%
2011	-	0.0%	47,000	141.3%	938	0.0%
2010	-	0.0%	47,700	157.8%	938	0.0%
2009	-	0.0%	52,431	143.5%	605	0.0%
2008	-	0.0%	52,431	143.5%	605	0.0%
2007	-	0.0%	49,563	151.8%	-	N/A

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

Schedule of Funding Progress for Other Postemployment Benefits

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
Primary Government						
07/01/11	\$6,846,734	\$ 34,175,128	\$ 27,328,394	20.0%	\$ 71,164,995	38.4%
07/01/10	-	32,267,635	32,267,635	0.0%	69,092,228	46.7%
07/01/09	-	26,144,644	26,144,644	0.0%	71,714,440	36.5%
07/01/08	-	24,048,037	24,048,037	0.0%	69,679,245	34.5%
07/01/07	-	23,226,000	23,226,000	0.0%	56,451,000	41.1%
Department of Education						
07/01/11	\$ -	\$ 89,329,785	\$ 89,329,785	0.0%	\$ 192,370,258	46.4%
07/01/10	-	87,718,669	87,718,669	0.0%	182,473,427	48.1%
07/01/09	-	99,667,049	99,667,049	0.0%	173,085,756	57.6%
07/01/08	-	96,886,461	96,886,461	0.0%	171,436,001	56.5%
07/01/07	-	75,988,000	75,988,000	0.0%	169,692,000	44.8%

Schedule of Employer Contributions

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Total Contributions</u>	<u>Percentage Contributed</u>
Primary Government			
2012	\$ 3,033,618	\$ 3,417,718	112.7%
2011	3,316,984	8,031,145	242.1%
2010	2,987,117	1,657,186	55.5%
2009	2,854,987	1,365,283	47.8%
2008	2,582,000	757,416	29.3%
Department of Education			
2012	\$ 9,323,251	\$ 7,499,576	80.4%
2011	8,879,110	6,848,928	77.1%
2010	9,387,660	7,037,350	75.0%
2009	9,524,258	5,841,892	61.3%
2008	7,447,000	4,137,736	55.6%

NOTE TO SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

HAMILTON COUNTY, TENNESSEE
June 30, 2012

PUBLIC EMPLOYEE RETIREMENT SYSTEMS

Actuarial Information of the County Administered Plans

The annual required contribution for each of these plans was determined using the entry age normal funding method. The actuarial value of assets was determined at market value and the unfunded actuarial accrued liability is being amortized as a level dollar amount over a 30-year period commencing on the valuation date for the Employees' Retirement and Teachers' Retirement Plans. For the Commissioners' Retirement Plan, the actuarial value of assets is being amortized as a level dollar amount for a 10-year period commencing on the valuation date. The assumption with respect to investment return was 7.5% for the Employees' Retirement Plan, 5.0% for the Teachers' Retirement Plan and 6.0% for the Commissioners' Retirement Plan. No explicit assumptions were made with regard to inflation. Salary increases were not considered for the Employees' and Teachers' Retirement Plans because the benefits are either capped or not based upon salary. The assumption with respect to salary increases was 4.0% for the Commissioners' Retirement Plan.

OTHER POST EMPLOYMENT BENEFITS

Actuarial Information of the County Employees Post Retirement Medical Insurance Benefits

The annual required contribution was determined by using the entry age normal funding method and a discount rate of 6.5%. The actuarial value of the unfunded actuarial accrued liability is being amortized as a level percentage of covered payroll over a 30-year period commencing on the valuation date.

Actuarial Information of the Department of Education Post Retirement Medical and Dental Insurance Benefits

The annual required contribution was determined using the entry age normal funding method and a discount rate of 4.0%. The actuarial value of the unfunded actuarial accrued liability is being amortized as a level percentage of covered payroll over a 30-year period commencing on the valuation date.

GENERAL FUND

The General Fund accounts for all sources and uses of financial resources applicable to the general operations of county government, which are not properly accounted for in another fund. All general operating revenues which are not restricted or designated as to use are recorded in the General Fund. Revenues are derived primarily from taxes and intergovernmental revenues.

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property taxes	\$ 125,970,772	\$ 125,970,772	\$ 129,329,069	\$ 3,358,297
Local sales tax	2,812,500	2,812,500	2,691,376	(121,124)
Business taxes	5,607,000	5,607,000	5,728,456	121,456
Wholesale beer tax	870,000	870,000	925,589	55,589
Total taxes	<u>135,260,272</u>	<u>135,260,272</u>	<u>138,674,490</u>	<u>3,414,218</u>
Licenses and permits	<u>543,500</u>	<u>543,500</u>	<u>731,556</u>	<u>188,056</u>
Intergovernmental revenues:				
State of Tennessee	16,147,980	20,927,074	18,978,416	(1,948,658)
United States Government	2,933,201	4,281,283	2,985,324	(1,295,959)
Cities	2,096,258	2,359,258	2,415,444	56,186
Total intergovernmental revenues	<u>21,177,439</u>	<u>27,567,615</u>	<u>24,379,184</u>	<u>(3,188,431)</u>
Charges for services:				
Health department	1,665,508	3,000,428	1,679,673	(1,320,755)
Other	13,550,883	12,461,963	10,475,008	(1,986,955)
Total charges for services	<u>15,216,391</u>	<u>15,462,391</u>	<u>12,154,681</u>	<u>(3,307,710)</u>
Fines, forfeitures and penalties	<u>1,037,200</u>	<u>1,037,200</u>	<u>997,619</u>	<u>(39,581)</u>
Investment earnings	<u>502,100</u>	<u>502,100</u>	<u>346,346</u>	<u>(155,754)</u>
Miscellaneous	<u>3,292,958</u>	<u>3,391,330</u>	<u>3,310,014</u>	<u>(81,316)</u>
Total revenues	<u>177,029,860</u>	<u>183,764,408</u>	<u>180,593,890</u>	<u>(3,170,518)</u>
EXPENDITURES				
Current:				
General government:				
County Clerk	1,688,262	1,688,262	1,599,798	88,464
Register	491,077	491,077	453,667	37,410
County Trustee	573,800	669,950	601,895	68,055
Assessor of Property	3,549,243	3,923,843	3,534,281	389,562
District Attorney General	984,905	984,905	905,717	79,188
Election Commission	1,520,613	1,521,553	1,350,173	171,380
Board of Equalization	5,000	5,000	760	4,240
Soil Conservation	109,507	109,507	108,637	870
Agricultural Department	236,410	236,410	229,286	7,124
County-City Planning Commission	500,000	500,000	500,000	-

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
General government--(continued):				
Regional Council of				
Government & SETTDD	\$ 67,581	\$ 67,581	\$ 67,581	\$ -
CARTA	105,200	105,200	105,200	-
Economic Development	525,000	600,000	600,000	-
Representative-General Assembly	10,500	10,500	6,246	4,254
Utilities	2,293,242	2,293,242	1,990,414	302,828
County Board of Commissioners	649,083	725,793	606,210	119,583
County Mayor	663,512	663,512	620,023	43,489
County Auditor	2,346,613	2,346,613	2,297,848	48,765
Chief of Staff	375,659	375,659	327,812	47,847
Chief Reading Officer	274,237	274,237	268,533	5,704
County Attorney	829,144	829,144	831,256	(2,112)
Emp Assistance Program	36,850	36,850	32,800	4,050
Human Resources	704,002	704,370	586,733	117,637
Insurance	165,000	165,000	133,807	31,193
Employee Benefits	2,565,348	2,569,847	2,101,964	467,883
Trustee's Commission	3,000,000	4,150,000	4,056,530	93,470
External Audits	230,000	230,000	172,543	57,457
TSCA Dues	9,937	9,937	9,937	-
NACO Dues	6,419	6,419	6,419	-
Equal Employment Opportunity	57,000	57,000	49,593	7,407
Finance Administrator	243,454	243,454	237,902	5,552
Accounting	1,843,523	1,847,881	1,788,226	59,655
Financial Management	448,369	448,369	420,511	27,858
Information Technology Services	2,855,469	2,860,889	2,699,124	161,765
Purchasing	390,119	390,119	387,774	2,345
Geographic Information System	761,452	970,425	846,450	123,975
Custodial Services	1,722,134	1,730,009	1,783,990	(53,981)
Real Property	331,730	331,730	304,611	27,119
Recycling	183,851	221,766	140,518	81,248
Human Services Administrator	213,963	213,963	196,840	17,123
Development Services	629,146	1,603,892	1,305,140	298,752
Maintenance	2,834,658	2,838,973	2,726,927	112,046
Railroad Authority	124,835	124,835	123,235	1,600
Total general government	<u>37,155,847</u>	<u>40,177,716</u>	<u>37,116,911</u>	<u>3,060,805</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
Public safety:				
Drug Court	\$ -	\$ 962,459	\$ 515,571	\$ 446,888
Medical Examiner	948,258	948,258	946,722	1,536
Criminal Court Clerk	1,382,474	1,608,262	1,304,356	303,906
Public Defender	499,583	499,583	413,962	85,621
General Sessions Court	1,269,042	1,269,042	1,238,618	30,424
Juries	181,200	181,200	129,780	51,420
Court Judges	466,365	466,365	453,416	12,949
Judicial Commission Magistrates	356,024	356,024	361,374	(5,350)
Juvenile Court	6,768,458	6,775,008	6,371,575	403,433
Forest Fire Prevention	4,000	4,000	4,000	-
Humane Education Society	395,255	395,255	395,255	-
Certified Cost Reimbursement	705,600	705,600	796,019	(90,419)
Building Inspection	783,157	955,012	976,285	(21,273)
Emergency Services	3,291,275	3,411,442	3,373,593	37,849
Community Corrections Program	15,193,437	15,193,437	15,003,329	190,108
Litter Grant	529,267	538,934	495,123	43,811
Homeland Security Grants	-	1,709,997	881,943	828,054
Security Services	944,501	949,526	844,272	105,254
Volunteer Emergency Services	188,189	198,595	178,657	19,938
Ambulance Services	8,320,463	8,320,463	8,554,335	(233,872)
Total public safety	<u>42,226,548</u>	<u>45,448,462</u>	<u>43,238,185</u>	<u>2,210,277</u>
Highways and streets:				
Public Works Administrator	222,186	222,186	214,986	7,200
Engineering Services	4,074,460	4,074,460	3,639,489	434,971
Highway	8,758,088	9,370,984	8,230,345	1,140,639
Total highways and streets	<u>13,054,734</u>	<u>13,667,630</u>	<u>12,084,820</u>	<u>1,582,810</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
Health:				
Air Pollution Control	\$ 188,548	\$ 188,548	\$ 188,548	\$ -
Baroness Erlanger Hospital	1,500,000	1,500,000	1,500,000	-
Health Department	<u>19,585,730</u>	<u>19,497,834</u>	<u>17,927,724</u>	<u>1,570,110</u>
Total health	<u>21,274,278</u>	<u>21,186,382</u>	<u>19,616,272</u>	<u>1,570,110</u>
Social services:				
Clerk and Master	754,121	754,121	712,497	41,624
Circuit Court Clerk	1,115,338	1,115,338	1,111,833	3,505
Social services block grant	385,740	385,740	296,866	88,874
Urban League	50,000	50,000	50,000	-
Emergency Support Programs	318,307	740,566	341,085	399,481
Children's Services	<u>-</u>	<u>271,098</u>	<u>255,750</u>	<u>15,348</u>
Total social services	<u>2,623,506</u>	<u>3,316,863</u>	<u>2,768,031</u>	<u>548,832</u>
Culture and recreation:				
Armed Forces Day Parade	10,000	10,000	10,000	-
Bessie Smith Museum	62,653	62,653	62,653	-
Parks and Recreation Department	<u>7,326,700</u>	<u>7,368,337</u>	<u>7,024,530</u>	<u>343,807</u>
Total culture and recreation	<u>7,399,353</u>	<u>7,440,990</u>	<u>7,097,183</u>	<u>343,807</u>
Capital outlay	<u>3,369,900</u>	<u>5,224,769</u>	<u>3,305,051</u>	<u>1,919,718</u>
Total budgetary expenditures	<u>127,104,166</u>	<u>136,462,812</u>	<u>125,226,453</u>	<u>11,236,359</u>
Excess of revenues over expenditures	<u>49,925,694</u>	<u>47,301,596</u>	<u>55,367,437</u>	<u>8,065,841</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 9,623,000	\$ 9,568,000	\$ 9,861,580	\$ 293,580
Transfers out	(57,109,044)	(57,347,302)	(56,033,401)	1,313,901
Sale of capital	<u>-</u>	<u>52,393</u>	<u>52,393</u>	<u>-</u>
Total other financing sources (uses)	<u>(47,486,044)</u>	<u>(47,726,909)</u>	<u>(46,119,428)</u>	<u>1,607,481</u>
Net change in fund balance	2,439,650	(425,313)	9,248,009	9,673,322
Fund balance allocation	<u>(2,439,650)</u>	<u>425,313</u>	<u>-</u>	<u>(425,313)</u>
	<u>\$ -</u>	<u>\$ -</u>	9,248,009	<u>\$ 9,248,009</u>
Add encumbrances at end of year			753,382	
Less encumbrances at beginning of year			<u>(1,537,756)</u>	
Net change in fund balance--(GAAP Modified Accrual Basis)			8,463,635	
Fund balance at beginning of year--(GAAP Modified Accrual Basis)			<u>95,967,238</u>	
Fund balance at end of year--(GAAP Modified Accrual Basis)			<u>\$ 104,430,873</u>	

EXPLANATION OF DIFFERENCES:

REVENUES

Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 190,507,863
Component unit accounting services	6,902,121
Ambulance services bad debt	9,155,374
Ambulance services contractual allowance	<u>5,006,302</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 211,571,660</u>

EXPENDITURES

Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 181,259,854
Adjustment for encumbrances	784,374
Component unit payroll	6,902,121
Ambulance services bad debt	9,155,374
Ambulance services contractual allowance	<u>5,006,302</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 203,108,025</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

These are operating funds which are restricted as to use by the federal or state governments and special purpose funds established by the County Board of Commissioners.

Constitutional Officers Funds account for revenues and expenditures associated with the administrative function of the Constitutional Officers.

Governmental Law Library Fund accounts for revenues and expenditures associated with maintaining a law library for attorneys practicing in state and county courts.

Hotel/Motel Fund accounts for revenues and expenditures associated with the County's Hotel/Motel room tax.

Statewide Meth Grant accounts for revenues and expenditures associated with the County run Meth Grant supported by State and Federal funds.

Children's Services Fund accounts for money received for the benefit of the children of Hamilton County.

Economic Crimes Fund accounts for revenues and expenditures of the bad check restitution program established by the Tennessee Legislature.

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

	Special Revenue Funds	
	Constitutional Officers	Governmental Law Library
ASSETS		
Cash and equivalents	\$ 3,462,724	\$ 894
Investments	416,551	122,028
Receivables:		
Accounts	155,650	-
Intergovernmental	176,342	804
Due from other funds	425	540
Total assets	\$ 4,211,692	\$ 124,266
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accrued items and other	\$ 558,628	\$ -
Due to other funds	2,228	-
Total liabilities	560,856	-
Fund Balances:		
Restricted for general government	28,604	-
Assigned for Constitutional Officers	3,622,232	-
Assigned for Public Safety	-	124,266
Total fund balances	3,650,836	124,266
Total liabilities and fund balances	\$ 4,211,692	\$ 124,266

<u>Hotel/ Motel</u>	<u>Economic Crimes</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 485,175	\$ 3,278	\$ 3,952,071
-	41,435	580,014
559,983	-	715,633
-	-	177,146
-	-	965
<u>\$ 1,045,158</u>	<u>\$ 44,713</u>	<u>\$ 5,425,829</u>
\$ 1,033,842	\$ -	\$ 1,592,470
-	-	2,228
<u>1,033,842</u>	<u>-</u>	<u>1,594,698</u>
11,316	-	39,920
-	-	3,622,232
-	44,713	168,979
<u>11,316</u>	<u>44,713</u>	<u>3,831,131</u>
<u>\$ 1,045,158</u>	<u>\$ 44,713</u>	<u>\$ 5,425,829</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Special Revenue Funds	
	Constitutional Officers	Governmental Law Library
REVENUES		
Taxes	\$ -	\$ 15,220
Charges for services	20,163,887	-
Fines, forfeitures and penalties	-	-
Investment earnings	19,229	602
Miscellaneous	93,584	-
Total revenues	20,276,700	15,822
EXPENDITURES		
Current:		
General government	4,260,221	-
Public safety:		
Criminal Court	2,602,205	-
Juvenile Court	1,269,035	-
Other	-	1,219
Social services	4,355,802	-
Total expenditures	12,487,263	1,219
Excess (deficiency) of revenues over (under) expenditures	7,789,437	14,603
OTHER FINANCING SOURCES (USES)		
Transfers in	1,868,718	-
Transfers out	(9,861,580)	-
Total other financing sources (uses)	(7,992,862)	-
Net change in fund balances	(203,425)	14,603
Fund balances at beginning of year	3,854,261	109,663
Fund balances at end of year	\$ 3,650,836	\$ 124,266

Hotel/ Motel	Economic Crimes	Total Nonmajor Governmental Funds
\$ 5,571,577	\$ -	\$ 5,586,797
-	-	20,163,887
-	32,212	32,212
1,782	192	21,805
<u>-</u>	<u>272</u>	<u>93,856</u>
<u>5,573,359</u>	<u>32,676</u>	<u>25,898,557</u>
5,562,043	-	9,822,264
-	-	2,602,205
-	-	1,269,035
-	-	1,219
<u>-</u>	<u>33,428</u>	<u>4,389,230</u>
<u>5,562,043</u>	<u>33,428</u>	<u>18,083,953</u>
<u>11,316</u>	<u>(752)</u>	<u>7,814,604</u>
-	-	1,868,718
<u>-</u>	<u>-</u>	<u>(9,861,580)</u>
<u>-</u>	<u>-</u>	<u>(7,992,862)</u>
11,316	(752)	(178,258)
<u>-</u>	<u>45,465</u>	<u>4,009,389</u>
<u>\$ 11,316</u>	<u>\$ 44,713</u>	<u>\$ 3,831,131</u>

**COMBINING BALANCE SHEET
 CONSTITUTIONAL OFFICERS NONMAJOR GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE
 June 30, 2012**

	Circuit Court Clerk	Clerk and Master	County Clerk
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 262,981	\$ 793,367	\$ 1,011,217
Investments	-	-	-
Receivables:			
Accounts	6,188	-	16,831
Intergovernmental	-	-	-
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 269,169</u>	<u>\$ 793,367</u>	<u>\$ 1,028,048</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accrued items and other	\$ 52	\$ 4,318	\$ 99,885
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>52</u>	<u>4,318</u>	<u>99,885</u>
Fund Balances:			
Restricted for automation purposes	-	-	28,604
Assigned for Consitiutional officers	<u>269,117</u>	<u>789,049</u>	<u>899,559</u>
Total fund balances	<u>269,117</u>	<u>789,049</u>	<u>928,163</u>
Total liabilities and fund balances	<u>\$ 269,169</u>	<u>\$ 793,367</u>	<u>\$ 1,028,048</u>

Criminal Court Clerk	Juvenile Court Clerk	Register	Trustee	Total Constitutional Officers
\$ 411,386	\$ -	\$ 324,209	\$ 659,564	\$ 3,462,724
-	416,551	-	-	416,551
128,788	3,843	-	-	155,650
155,874	20,468	-	-	176,342
425	-	-	-	425
<u>\$ 696,473</u>	<u>\$ 440,862</u>	<u>\$ 324,209</u>	<u>\$ 659,564</u>	<u>\$ 4,211,692</u>
\$ 244,312	\$ 103,500	\$ 29,394	\$ 77,167	\$ 558,628
2,228	-	-	-	2,228
<u>246,540</u>	<u>103,500</u>	<u>29,394</u>	<u>77,167</u>	<u>560,856</u>
-	-	-	-	28,604
<u>449,933</u>	<u>337,362</u>	<u>294,815</u>	<u>582,397</u>	<u>3,622,232</u>
<u>449,933</u>	<u>337,362</u>	<u>294,815</u>	<u>582,397</u>	<u>3,650,836</u>
<u>\$ 696,473</u>	<u>\$ 440,862</u>	<u>\$ 324,209</u>	<u>\$ 659,564</u>	<u>\$ 4,211,692</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
CONSTITUTIONAL OFFICERS NONMAJOR GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Circuit Court Clerk	Clerk and Master	County Clerk
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 1,835,000	\$ 2,161,136	\$ 4,072,034
Investment earnings	1,020	3,727	4,820
Miscellaneous	<u>33,416</u>	<u>-</u>	<u>32,268</u>
 Total revenues	 <u>1,869,436</u>	 <u>2,164,863</u>	 <u>4,109,122</u>
EXPENDITURES			
Current:			
General government	-	-	2,523,640
Public safety:			
Criminal Court	-	-	-
Juvenile Court	-	-	-
Social services	<u>2,025,855</u>	<u>1,424,168</u>	<u>-</u>
 Total expenditures	 <u>2,025,855</u>	 <u>1,424,168</u>	 <u>2,523,640</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(156,419)</u>	 <u>740,695</u>	 <u>1,585,482</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>(964,637)</u>	<u>(1,393,309)</u>
 Total other financing sources (uses)	 <u>-</u>	 <u>(964,637)</u>	 <u>(1,393,309)</u>
 Net change in fund balances	 (156,419)	 (223,942)	 192,173
 Fund balances at beginning of year	 <u>425,536</u>	 <u>1,012,991</u>	 <u>735,990</u>
 Fund balances at end of year	 <u>\$ 269,117</u>	 <u>\$ 789,049</u>	 <u>\$ 928,163</u>

Criminal Court Clerk	Juvenile Court Clerk	Register	Trustee	Total Constitutional Officers
\$ 2,247,828	\$ 334,630	\$ 1,810,120	\$ 7,703,139	\$ 20,163,887
-	1,811	2,022	5,829	19,229
<u>2,587</u>	<u>7,707</u>	<u>17,606</u>	<u>-</u>	<u>93,584</u>
<u>2,250,415</u>	<u>344,148</u>	<u>1,829,748</u>	<u>7,708,968</u>	<u>20,276,700</u>
-	-	673,897	1,062,684	4,260,221
2,602,205	-	-	-	2,602,205
-	1,269,035	-	-	1,269,035
<u>-</u>	<u>905,779</u>	<u>-</u>	<u>-</u>	<u>4,355,802</u>
<u>2,602,205</u>	<u>2,174,814</u>	<u>673,897</u>	<u>1,062,684</u>	<u>12,487,263</u>
<u>(351,790)</u>	<u>(1,830,666)</u>	<u>1,155,851</u>	<u>6,646,284</u>	<u>7,789,437</u>
-	1,868,718	-	-	1,868,718
<u>-</u>	<u>-</u>	<u>(1,017,307)</u>	<u>(6,486,327)</u>	<u>(9,861,580)</u>
<u>-</u>	<u>1,868,718</u>	<u>(1,017,307)</u>	<u>(6,486,327)</u>	<u>(7,992,862)</u>
(351,790)	38,052	138,544	159,957	(203,425)
<u>801,723</u>	<u>299,310</u>	<u>156,271</u>	<u>422,440</u>	<u>3,854,261</u>
<u>\$ 449,933</u>	<u>\$ 337,362</u>	<u>\$ 294,815</u>	<u>\$ 582,397</u>	<u>\$ 3,650,836</u>



FIDUCIARY FUNDS

AGENCY FUNDS

These funds are used to account for assets held by the County in a custodial capacity as an agent on behalf of individuals and other government entities.

Constitutional Officers Funds account for various deposits, bail bonds and performance bonds held by the Constitutional Officers.

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CONSTITUTIONAL OFFICERS AGENCY FUNDS**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
CIRCUIT COURT CLERK				
Cash	\$ 1,076,361	\$ 8,043,850	\$ 7,710,925	\$ 1,409,286
Certificates of deposit	<u>2,355,779</u>	<u>507,001</u>	<u>534,549</u>	<u>2,328,231</u>
Total assets	<u>\$ 3,432,140</u>	<u>\$ 8,550,851</u>	<u>\$ 8,245,474</u>	<u>\$ 3,737,517</u>
Accrued items and other	\$ 3,322,139	\$ 7,217,925	\$ 6,885,266	\$ 3,654,798
Intergovernmental payables	<u>110,001</u>	<u>1,332,926</u>	<u>1,360,208</u>	<u>82,719</u>
Total liabilities	<u>\$ 3,432,140</u>	<u>\$ 8,550,851</u>	<u>\$ 8,245,474</u>	<u>\$ 3,737,517</u>
CLERK AND MASTER				
Cash	\$ 2,554,051	\$ 14,089,151	\$ 13,136,686	\$ 3,506,516
Certificates of deposit	<u>4,419,707</u>	<u>2,288,541</u>	<u>1,734,387</u>	<u>4,973,861</u>
Total assets	<u>\$ 6,973,758</u>	<u>\$ 16,377,692</u>	<u>\$ 14,871,073</u>	<u>\$ 8,480,377</u>
Accrued items and other	\$ 5,342,653	\$ 6,180,350	\$ 4,416,461	\$ 7,106,542
Intergovernmental payables	<u>1,631,105</u>	<u>10,197,342</u>	<u>10,454,612</u>	<u>1,373,835</u>
Total liabilities	<u>\$ 6,973,758</u>	<u>\$ 16,377,692</u>	<u>\$ 14,871,073</u>	<u>\$ 8,480,377</u>
COUNTY CLERK				
Cash	\$ 2,386,660	\$ 23,546,661	\$ 24,182,029	\$ 1,751,292
Accounts receivable	<u>2,300</u>	<u>25,127</u>	<u>25,066</u>	<u>2,361</u>
Total assets	<u>\$ 2,388,960</u>	<u>\$ 23,571,788</u>	<u>\$ 24,207,095</u>	<u>\$ 1,753,653</u>
Accrued items and other	\$ 154,164	\$ 581,711	\$ 585,847	\$ 150,028
Intergovernmental payables	<u>2,234,796</u>	<u>22,990,077</u>	<u>23,621,248</u>	<u>1,603,625</u>
Total liabilities	<u>\$ 2,388,960</u>	<u>\$ 23,571,788</u>	<u>\$ 24,207,095</u>	<u>\$ 1,753,653</u>

(continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES--(continued)
CONSTITUTIONAL OFFICERS AGENCY FUNDS

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
CRIMINAL COURT CLERK				
Cash	\$ 25,650	\$ 4,023,661	\$ 3,983,197	\$ 66,114
Accounts receivable	<u>54,125</u>	<u>48,280</u>	<u>-</u>	<u>102,405</u>
Total assets	<u>\$ 79,775</u>	<u>\$ 4,071,941</u>	<u>\$ 3,983,197</u>	<u>\$ 168,519</u>
Accrued items and other	\$ 79,765	\$ 848,398	\$ 759,644	\$ 168,519
Intergovernmental payables	<u>10</u>	<u>3,223,543</u>	<u>3,223,553</u>	<u>-</u>
Total liabilities	<u>\$ 79,775</u>	<u>\$ 4,071,941</u>	<u>\$ 3,983,197</u>	<u>\$ 168,519</u>
JUVENILE COURT CLERK				
Cash	\$ 30,254	\$ 971,298	\$ 961,100	\$ 40,452
Certificates of deposit	865,897	76,550	154,483	787,964
Investments	<u>16,675</u>	<u>-</u>	<u>2,350</u>	<u>14,325</u>
Total assets	<u>\$ 912,826</u>	<u>\$ 1,047,848</u>	<u>\$ 1,117,933</u>	<u>\$ 842,741</u>
Accrued items and other	<u>\$ 912,826</u>	<u>\$ 1,047,848</u>	<u>\$ 1,117,933</u>	<u>\$ 842,741</u>
Total liabilities	<u>\$ 912,826</u>	<u>\$ 1,047,848</u>	<u>\$ 1,117,933</u>	<u>\$ 842,741</u>
REGISTER				
Cash	\$ 632,750	\$ 7,209,842	\$ 7,127,435	\$ 715,157
Accounts receivable	<u>873</u>	<u>39,076</u>	<u>38,044</u>	<u>1,905</u>
Total assets	<u>\$ 633,623</u>	<u>\$ 7,248,918</u>	<u>\$ 7,165,479</u>	<u>\$ 717,062</u>
Intergovernmental payables	<u>\$ 633,623</u>	<u>\$ 7,248,918</u>	<u>\$ 7,165,479</u>	<u>\$ 717,062</u>
Total liabilities	<u>\$ 633,623</u>	<u>\$ 7,248,918</u>	<u>\$ 7,165,479</u>	<u>\$ 717,062</u>

(continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES--(continued)
CONSTITUTIONAL OFFICERS AGENCY FUNDS

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
SHERIFF				
Cash	\$ 8,063	\$ 1,097,783	\$ 1,058,531	\$ 47,315
Investments	86,399	9,067	-	95,466
Total assets	<u>\$ 94,462</u>	<u>\$ 1,106,850</u>	<u>\$ 1,058,531</u>	<u>\$ 142,781</u>
Accrued items and other	\$ 94,462	\$ 1,106,850	\$ 1,058,531	\$ 142,781
Total liabilities	<u>\$ 94,462</u>	<u>\$ 1,106,850</u>	<u>\$ 1,058,531</u>	<u>\$ 142,781</u>
TRUSTEE				
Cash	\$ 882,096	\$ 25,345,984	\$ 25,407,032	\$ 821,048
Total assets	<u>\$ 882,096</u>	<u>\$ 25,345,984</u>	<u>\$ 25,407,032</u>	<u>\$ 821,048</u>
Intergovernmental payables	\$ 882,096	\$ 25,345,984	\$ 25,407,032	\$ 821,048
Total liabilities	<u>\$ 882,096</u>	<u>\$ 25,345,984</u>	<u>\$ 25,407,032</u>	<u>\$ 821,048</u>
TOTAL CONSTITUTIONAL OFFICERS AGENCY FUNDS				
Cash	\$ 7,595,885	\$ 84,328,230	\$ 83,566,935	\$ 8,357,180
Certificates of deposit	7,641,383	2,872,092	2,423,419	8,090,056
Investments	103,074	9,067	2,350	109,791
Accounts receivable	57,298	112,483	63,110	106,671
Total assets	<u>\$ 15,397,640</u>	<u>\$ 87,321,872</u>	<u>\$ 86,055,814</u>	<u>\$ 16,663,698</u>
Accrued items and other	\$ 9,906,009	\$ 16,983,082	\$ 14,823,682	\$ 12,065,409
Intergovernmental payables	5,491,631	70,338,790	71,232,132	4,598,289
Total liabilities	<u>\$ 15,397,640</u>	<u>\$ 87,321,872</u>	<u>\$ 86,055,814</u>	<u>\$ 16,663,698</u>

**BUDGETARY COMPARISON SCHEDULE
 CONSTITUTIONAL OFFICERS NONMAJOR GOVERNMENTAL FUND**

**HAMILTON COUNTY, TENNESSEE
 Year Ended June 30, 2012**

	Juvenile Court Clerk			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual (Non-GAAP Basis)	
	Original	Final		
REVENUES				
Charges for current services	\$ 373,000	\$ 373,000	\$ 334,630	\$ (38,370)
Investment earnings	-	-	1,811	1,811
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>7,707</u>	<u>4,707</u>
Total revenues	<u>376,000</u>	<u>376,000</u>	<u>344,148</u>	<u>(31,852)</u>
EXPENDITURES				
Current:				
Public safety:				
Juvenile Court	1,330,192	1,330,192	1,269,035	61,157
Social Services:				
Child support	<u>914,526</u>	<u>914,526</u>	<u>905,779</u>	<u>8,747</u>
Total budgetary expenditures	<u>2,244,718</u>	<u>2,244,718</u>	<u>2,174,814</u>	<u>69,904</u>
Excess (deficiency) of revenues over (under) budgetary expenditures	(1,868,718)	(1,868,718)	(1,830,666)	38,052
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,868,718</u>	<u>1,868,718</u>	<u>1,868,718</u>	<u>-</u>
Net change in fund balance	-	-	38,052	38,052
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	38,052	<u>\$ 38,052</u>
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			<u>299,310</u>	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 337,362</u>	

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Budgeted Amounts		Actual (Non-GAAP Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 974,307	\$ 974,307	\$ 899,151	\$ (75,156)
Charges for current services	561,243	561,243	525,134	(36,109)
Investment earnings	2,500	2,500	-	(2,500)
Miscellaneous	-	-	75,157	75,157
Total revenues	<u>1,538,050</u>	<u>1,538,050</u>	<u>1,499,442</u>	<u>(38,608)</u>
EXPENDITURES				
Debt Service:				
Principal retirement	23,022,303	23,022,303	22,930,469	91,834
Interest and fiscal charges	<u>10,063,487</u>	<u>10,063,487</u>	<u>8,652,232</u>	<u>1,411,255</u>
Total budgetary expenditures	<u>33,085,790</u>	<u>33,085,790</u>	<u>31,582,701</u>	<u>1,503,089</u>
Excess (deficiency) of revenues over (under) budgetary expenditures	<u>(31,547,740)</u>	<u>(31,547,740)</u>	<u>(30,083,259)</u>	<u>1,464,481</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>31,547,740</u>	<u>31,547,740</u>	<u>30,233,839</u>	<u>(1,313,901)</u>
Total other financing sources (uses)	<u>31,547,740</u>	<u>31,547,740</u>	<u>30,233,839</u>	<u>(1,313,901)</u>
Net change in fund balance	-	-	150,580	150,580
Fund balance allocation	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	150,580	<u>\$ 150,580</u>
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			<u>236,503</u>	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 387,083</u>	

**BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUND**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Hotel / Motel Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual (Non-GAAP Basis)	
	Original	Final		
REVENUES				
Hotel/Motel Occupancy tax	\$ 5,495,000	\$ 5,495,000	\$ 5,571,577	\$ 76,577
Investment earnings	<u>5,000</u>	<u>5,000</u>	<u>1,782</u>	<u>(3,218)</u>
Total revenues	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,573,359</u>	<u>73,359</u>
EXPENDITURES				
Hotel/Motel Occupancy tax	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,562,043</u>	<u>(62,043)</u>
Total budgetary expenditures	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,562,043</u>	<u>(62,043)</u>
Excess (deficiency) of revenues over (under) budgetary expenditures	-	-	11,316	11,316
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	11,316	<u>\$ -</u>
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			<u>-</u>	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 11,316</u>	



DISCRETELY PRESENTED COMPONENT UNIT HAMILTON COUNTY BOARD OF EDUCATION

Discretely presented component units are entities that are legally separate from the County, but the County is considered to be financially accountable for these entities. The Hamilton County Board of Education provides public education for grades Kindergarten through twelve.

GOVERNMENTAL FUND TYPES

General Purpose School Fund accounts for the operations of the school system, including instructional programs, administration, transportation, and other educational expenditures for the individual schools.

Centralized Cafeteria Fund accounts for the food service operations at the schools.

School Activity Fund accounts for extra curricular activities of the student bodies of the schools. The school principals and activity sponsors direct these activities.

Education Capital Projects Fund accounts for resources designated for major improvements to capital assets in the school system.

PROPRIETARY FUND TYPES

Hamilton County Board of Education Internal Service Fund accounts for the Hamilton County Board of Education self-insurance programs. The Board of Education is self-insured for on-the-job injury claims, non-tort liability claims, unemployment compensation, health insurance, and the dental reimbursement program.

**COMBINING BALANCE SHEET
HAMILTON COUNTY DEPARTMENT OF EDUCATION GOVERNMENTAL FUNDS**

HAMILTON COUNTY, TENNESSEE

June 30, 2012

	General Purpose School	Centralized Cafeteria	School Activity	Education Capital Projects	Total Department of Education Governmental Funds
ASSETS					
Cash	\$ 18,854,843	\$ 5,410,883	\$ 2,567,886	\$ 230,417	\$ 27,064,029
Certificates of deposit	-	-	397,480	-	397,480
Investments	45,183,254	8,491	-	3,449	45,195,194
Receivables (net of allowances for uncollectibles):					
Property taxes	132,212,032	-	-	-	132,212,032
Accounts	1,278,105	-	31,588	-	1,309,693
Intergovernmental	17,676,207	6,248	-	-	17,682,455
Due from other DOE funds	3,305,007	-	-	5,240,664	8,545,671
Inventories	121,282	464,296	5,074	-	590,652
Restricted Cash	-	-	3,455,419	-	3,455,419
Total assets	<u>\$ 218,630,730</u>	<u>\$ 5,889,918</u>	<u>\$ 6,457,447</u>	<u>\$ 5,474,530</u>	<u>\$ 236,452,625</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,417,418	\$ 389	\$ 104,727	\$ 12,075	\$ 3,534,609
Accrued items and other	25,964,815	106,910	-	53,905	26,125,630
Due to other DOE funds	24,621,645	4,349,102	-	992,377	29,963,124
Due to primary government	81,171	4,598	-	-	85,769
Deferred revenues:					
Uncollected property taxes	126,515,383	-	-	-	126,515,383
Other	<u>727,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>727,222</u>
Total current liabilities	<u>181,327,654</u>	<u>4,460,999</u>	<u>104,727</u>	<u>1,058,357</u>	<u>186,951,737</u>
Fund Balances:					
Nonspendable	121,282	464,296	5,074	-	590,652
Restricted for education	1,398,098	-	-	-	1,398,098
Restricted for centralized cafeteria	-	920,892	-	-	920,892
Restricted for school activities	-	-	3,455,419	-	3,455,419
Restricted for instruction	33,271	-	-	-	33,271
Committed for education	3,162,034	-	-	4,416,173	7,578,207
Committed for instruction	3,964,008	-	-	-	3,964,008
Committed for centralized cafeteria	-	43,731	-	-	43,731
Assigned for education	4,700,000	-	113,147	-	4,813,147
Unassigned	<u>23,924,383</u>	<u>-</u>	<u>2,779,080</u>	<u>-</u>	<u>26,703,463</u>
Total fund balances	<u>37,303,076</u>	<u>1,428,919</u>	<u>6,352,720</u>	<u>4,416,173</u>	<u>49,500,888</u>
Total liabilities and fund balances	<u>\$ 218,630,730</u>	<u>\$ 5,889,918</u>	<u>\$ 6,457,447</u>	<u>\$ 5,474,530</u>	<u>\$ 236,452,625</u>

**RECONCILIATION OF THE BALANCE SHEET OF HAMILTON COUNTY DEPARTMENT
OF EDUCATION GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**

HAMILTON COUNTY, TENNESSEE

June 30, 2012

Differences in amounts reported for the Department of Education in the statement of net assets on page A-17:

Fund balances - total Department of Education governmental funds	\$ 49,500,888
Amounts reported for the Department of Education in the statement of net assets are different because:	
Capital assets used in the Department of Education's governmental activities are not financial resources and, therefore, are not reported in the funds.	306,926,540
Certain revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	727,222
Internal service funds are used by management to charge the costs of self-insurance programs to individual funds. The assets and liabilities of the internal service funds are included in the Department of Education in the statement of net assets.	15,966,681
Long-term payable to primary government are not due until the related long term liability is due and payable.	(517,351)
Long-term liabilities, consisting of accumulated leave, OPEB obligation and other long-term debt, are not due and payable in the current period and therefore are not reported in the funds.	<u>(24,406,672)</u>
Net assets of the Department of Education	<u>\$ 348,197,308</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
HAMILTON COUNTY DEPARTMENT OF EDUCATION GOVERNMENTAL FUNDS
HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	General Purpose School	Centralized Cafeteria	School Activity	Education Capital Projects	Total Department of Education Governmental Funds
REVENUES					
Taxes	\$ 189,197,934	\$ -	\$ -	\$ -	\$ 189,197,934
Intergovernmental	170,665,471	12,676,644	-	-	183,342,115
Charges for services	4,800,245	5,763,768	13,996,431	-	24,560,444
Investment earnings	240,080	10,639	-	19	250,738
Miscellaneous	<u>5,853,600</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>5,903,600</u>
Total revenues	<u>370,757,330</u>	<u>18,451,051</u>	<u>13,996,431</u>	<u>50,019</u>	<u>403,254,831</u>
EXPENDITURES					
Current:					
Education	356,327,992	18,082,106	14,041,419	-	388,451,517
Capital outlay	<u>129,812</u>	<u>-</u>	<u>-</u>	<u>4,071,362</u>	<u>4,201,174</u>
Total expenditures	<u>356,457,804</u>	<u>18,082,106</u>	<u>14,041,419</u>	<u>4,071,362</u>	<u>392,652,691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,299,526</u>	<u>368,945</u>	<u>(44,988)</u>	<u>(4,021,343)</u>	<u>10,602,140</u>
OTHER FINANCING SOURCES (USES)					
Transfers between DOE funds	<u>(3,600,000)</u>	<u>-</u>	<u>-</u>	<u>3,600,000</u>	<u>-</u>
Net change in fund balances	10,699,526	368,945	(44,988)	(421,343)	10,602,140
Fund balances, beginning	<u>26,603,550</u>	<u>1,059,974</u>	<u>6,397,708</u>	<u>4,837,516</u>	<u>38,898,748</u>
Fund balances, ending	<u>\$ 37,303,076</u>	<u>\$ 1,428,919</u>	<u>\$ 6,352,720</u>	<u>\$ 4,416,173</u>	<u>\$ 49,500,888</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF HAMILTON COUNTY DEPARTMENT OF EDUCATION
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012

Differences in amounts reported for governmental activities in the statement of activities
on pages A-18 and A-19:

Net change in fund balances - total Department of Education governmental funds	\$ 10,602,140
Amounts reported for the Department of Education in the statement of activities are different because:	
Depreciation expense on governmental capital assets are included in the governmental activities in the statement of activities	(12,257,562)
Bond payments are reported as expenditures in the Department of Education's governmental activities in the period paid.	97,143
The net effect of various transactions involving capital assets is to increase net assets	5,257,556
The loss on sale/abandonment of capital assets is not recognized in the Department of Education's governmental funds.	(256,648)
Other post employment benefits will not be funded therefore the expense is not recognized in the funds	(1,811,505)
The net revenues of internal service funds are reported with governmental activities	2,435,950
Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	(184,869)
Certain governmental revenues will not be collected for several months after the fiscal year and are deferred in the governmental funds	<u>300,307</u>
Change in net assets of governmental activities	<u>\$ 4,182,512</u>

**BUDGETARY COMPARISON SCHEDULE
HAMILTON COUNTY DEPARTMENT OF EDUCATION GOVERNMENTAL FUNDS
GENERAL PURPOSE SCHOOL AND CENTRALIZED CAFETERIA**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Property taxes	\$ 121,778,482	\$ 121,778,482	\$ 127,411,070	\$ 5,632,588
Local sales tax	<u>58,348,150</u>	<u>59,248,150</u>	<u>61,786,864</u>	<u>2,538,714</u>
Total taxes	<u>180,126,632</u>	<u>181,026,632</u>	<u>189,197,934</u>	<u>8,171,302</u>
Intergovernmental revenues:				
State of Tennessee:				
Education	128,848,573	129,876,640	129,397,258	(479,382)
Food service	178,000	178,000	176,040	(1,960)
Federal funds received from State of Tennessee and other sources:				
Education	36,211,331	48,823,871	41,268,213	(7,555,658)
Food service	<u>12,211,273</u>	<u>12,573,373</u>	<u>12,500,604</u>	<u>(72,769)</u>
Total intergovernmental revenues	<u>177,449,177</u>	<u>191,451,884</u>	<u>183,342,115</u>	<u>(8,109,769)</u>
Charges for services:				
Education	3,774,682	4,591,937	4,800,245	208,308
Food service	<u>6,124,341</u>	<u>6,124,341</u>	<u>5,763,768</u>	<u>(360,573)</u>
Total charges for current services	<u>9,899,023</u>	<u>10,716,278</u>	<u>10,564,013</u>	<u>(152,265)</u>
Investment earnings:				
Education	250,000	250,428	240,080	(10,348)
Food service	<u>6,948</u>	<u>6,948</u>	<u>10,639</u>	<u>3,691</u>
Total investment earnings	<u>256,948</u>	<u>257,376</u>	<u>250,719</u>	<u>(6,657)</u>
Miscellaneous:				
Education	4,233,379	5,705,689	5,853,600	147,911
Food service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total miscellaneous	<u>4,233,379</u>	<u>5,705,689</u>	<u>5,853,600</u>	<u>147,911</u>
Total revenues	<u>371,965,159</u>	<u>389,157,859</u>	<u>389,208,381</u>	<u>50,522</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
HAMILTON COUNTY DEPARTMENT OF EDUCATION GOVERNMENTAL FUNDS
GENERAL PURPOSE SCHOOL AND CENTRALIZED CAFETERIA

HAMILTON COUNTY, TENNESSEE

Year Ended June 30, 2012

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Current:				
Education:				
Regular instruction program	\$ 159,730,213	\$ 160,950,011	\$ 156,190,832	\$ 4,759,179
Special education program	32,674,353	32,416,905	32,188,568	228,337
Vocational education program	8,383,758	8,339,350	8,297,430	41,920
Attendance	1,557,931	1,584,787	1,471,536	113,251
Health services	2,997,368	3,165,771	3,061,784	103,987
Other student support	5,796,710	6,342,895	6,032,896	309,999
Regular instruction support	8,336,853	8,228,233	7,864,142	364,091
Special education support	2,896,603	2,923,204	2,641,146	282,058
Vocational education support	252,752	260,877	257,376	3,501
Board of education	5,696,379	5,839,879	5,888,670	(48,791)
Office of superintendent	974,501	972,439	887,071	85,368
Office of principal	22,734,894	22,841,521	22,590,041	251,480
Fiscal services	2,480,962	2,507,654	2,316,077	191,577
Human resources	1,177,397	1,189,214	1,054,435	134,779
Operation of plant	25,402,546	24,810,546	23,365,914	1,444,632
Maintenance of plant	7,692,421	7,722,421	7,502,122	220,299
Transportation	14,142,252	14,112,252	14,012,403	99,849
Central and other	2,059,590	2,087,556	1,943,061	144,495
Community services	2,949,260	2,910,458	2,442,465	467,993
Early childhood	2,816,557	2,756,072	2,661,674	94,398
Federal programs	35,711,731	49,107,854	40,258,948	8,848,906
Other self funded projects	2,660,331	4,774,294	4,301,119	473,175
Charter Schools	3,059,452	3,369,452	3,514,108	(144,656)
Education debt service	97,500	97,500	97,500	-
Food service	18,520,562	18,882,662	18,107,596	775,066
Total education	370,802,876	388,193,807	368,948,914	19,244,893
Capital outlay:				
Education	130,000	130,000	124,449	5,551
Total budgetary expenditures	370,932,876	388,323,807	369,073,363	19,250,444
OTHER FINANCING USES				
Transfers to other DOE funds	(2,500,000)	(3,600,000)	(3,600,000)	-
Net change in fund balance	(1,467,717)	(2,765,948)	16,535,018	19,300,966
Fund balance allocation	1,467,717	2,765,948	-	(2,765,948)
	<u>\$ -</u>	<u>\$ -</u>	16,535,018	<u>\$ 16,535,018</u>
Add encumbrances at end of year			1,696,143	
Less encumbrances at beginning of year			(7,162,690)	
Excess of nonbudgeted revenues and other financing sources over nonbudgeted expenditures and other financing uses (School Activity and Education Capital Projects)			(466,331)	
Net change in fund balance--(GAAP Modified Accrual Basis)			10,602,140	
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			38,898,748	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 49,500,888</u>	

**STATEMENT OF NET ASSETS
HAMILTON COUNTY DEPARTMENT OF EDUCATION
INTERNAL SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

	Department of Education Internal Service Fund
CURRENT ASSETS	
Cash	\$ 689,432
Investments	3,865
Receivables	1,682,646
Due from other DOE funds	21,417,453
Prepaid items	<u>118,232</u>
Total current assets	<u>23,911,628</u>
LIABILITIES	
Current Liabilities	
Accounts payable	1,324,444
Accrued claims	<u>5,564,292</u>
Total current liabilities	<u>6,888,736</u>
Noncurrent Liabilities	
Accrued claims	<u>1,056,211</u>
NET ASSETS	
Unrestricted	<u><u>\$ 15,966,681</u></u>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS
HAMILTON COUNTY DEPARTMENT OF EDUCATION
INTERNAL SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Department of Education Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 60,954,143
Other	<u>666,844</u>
Total operating revenues	<u>61,620,987</u>
OPERATING EXPENSES	
Unemployment compensation	338,664
Claims and premiums	<u>58,845,395</u>
Total operating expenses	<u>59,184,059</u>
Operating income (loss)	<u>2,436,928</u>
NONOPERATING REVENUES	
Investment earnings	<u>(978)</u>
Change in net assets	2,435,950
Net assets, beginning	<u>13,530,731</u>
Net assets, ending	<u>\$ 15,966,681</u>

**STATEMENT OF CASH FLOWS
HAMILTON COUNTY DEPARTMENT OF EDUCATION
INTERNAL SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE
Year Ended June 30, 2012**

	Department of Education Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from insurance premiums	\$ 57,119,546
Cash paid for unemployment compensation	(338,664)
Cash paid for claims and premiums	<u>(56,092,467)</u>
Net cash provided by operating activities	<u>688,415</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(3,865)
Proceeds from sale of investments	3,865
Interest on investments	<u>(978)</u>
Net cash used in investing activities	<u>(978)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	687,437
BEGINNING CASH AND CASH EQUIVALENTS	<u>1,995</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 689,432</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	<u>\$ 2,436,928</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in accounts receivable	(429,125)
Change in due from other funds	(4,071,338)
Change in prepaid items	574,191
Change in accounts payable	442,140
Change in accrued claims	<u>1,735,619</u>
Total adjustments	<u>(1,748,513)</u>
Net cash provided by operating activities	<u><u>\$ 688,415</u></u>

SCHEDULE OF PROPERTY TAXES RECEIVABLE

HAMILTON COUNTY, TENNESSEE

June 30, 2012

Year of Levy	Property Taxes Receivable	Allowance For Estimated Uncollectibles	Net Amount
2012 *	\$ 242,125,820	\$ 10,787,000	\$ 231,338,820
2011	16,562,210	581,794	15,980,416
2010	4,465,198	597,890	3,867,308
2009	1,901,232	484,054	1,417,178
2008	988,807	701,558	287,249
2007	517,610	433,446	84,164
2006	310,221	310,221	-
2005	232,145	232,145	-
	<u>\$ 267,103,243</u>	<u>\$ 14,128,108</u>	<u>\$ 252,975,135</u>

DISTRIBUTION TO PRIMARY GOVERNMENT

County General	<u>\$ 127,844,051</u>	<u>\$ 7,080,948</u>	<u>\$ 120,763,103</u>
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DISTRIBUTION TO COMPONENT UNIT

General Purpose			
School	<u>139,259,192</u>	<u>7,047,160</u>	<u>132,212,032</u>
	<u>\$ 267,103,243</u>	<u>\$ 14,128,108</u>	<u>\$ 252,975,135</u>

* Accrual of the anticipated current year levy is required by GASB Statement No. 33.



SCHEDULE OF CERTIFICATES OF DEPOSIT BY FUND

HAMILTON COUNTY, TENNESSEE

June 30, 2012

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
PRIMARY GOVERNMENT:			
AGENCY FUNDS			
Constitutional Officers:			
Circuit Court Clerk	Various	Various	\$ 2,328,231
Clerk and Master	Various	Various	4,973,861
Juvenile Court Clerk	Various	Various	<u>787,964</u>
Total primary government			<u>8,090,056</u>
COMPONENT UNITS:			
GOVERNMENTAL FUNDS			
School Activity:			
First Tennessee	1/24/2014	5.000%	27,064
SunTrust Bank	Various	Various	85,432
Cornerstone Community Bank	Various	Various	39,516
Community National Bank	Various	Various	62,753
Chattanooga Area Schools	Various	Various	<u>182,715</u>
			<u>397,480</u>
PROPRIETARY FUNDS			
"911" Emergency Communication:			
First Volunteer Bank	N/A	Variable	6,133,914
First Tennessee Bank	06/13/13	0.870%	1,005,762
First Tennessee Bank	09/29/12	0.680%	<u>1,059,145</u>
			<u>8,198,821</u>
Total component units			<u>8,596,301</u>
Total			<u>\$ 16,686,357</u>

SCHEDULE OF INVESTMENTS BY FUND

HAMILTON COUNTY, TENNESSEE

June 30, 2012

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
PRIMARY GOVERNMENT				
GENERAL FUND				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	\$ 84,755,268	\$ 84,755,268
Certificate of Deposit Classified as Investments	various	various	33,974	33,974
SHERIFF				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	2,340,509	2,340,509
DEBT SERVICE				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	357,616	357,616
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	16,155	16,155
CAPITAL PROJECTS				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	10,250,818	10,250,818
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	964	964
First TN Investment Pool	N/A	Monthly Weighted Average	19,292,816	19,292,816
OTHER GOVERNMENTAL FUNDS				
Juvenile Court Clerk:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	416,551	416,551
Governmental Law Library:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	122,028	122,028

(continued)

SCHEDULE OF INVESTMENTS BY FUND--(continued)

HAMILTON COUNTY, TENNESSEE

June 30, 2012

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
OTHER GOVERNMENTAL FUNDS--(continued)				
Economic Crimes:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	41,435	41,435
INTERNAL SERVICE				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	18,755,691	<u>18,755,691</u>
Total Primary Government Funds				<u>136,383,825</u>
PENSION TRUST FUND				
Mutual Funds	Various	Various	972,320	972,320
Domestic Corporate Bonds	Various	Various	373,911	373,911
Foreign Bonds / Notes	Various	Various	49,062	49,062
Domestic Equity Securities	Various	Various	516,559	516,559
Foreign Equity Securities	Various	Various	47,315	47,315
US Government Securities	Various	Various	351,615	351,615
Municipal Bonds	Various	Various	72,710	72,710
OPEB TRUST FUND				
Mutual Funds	Various	Various	2,912,806	2,912,806
Domestic Corporate Bonds	Various	Various	851,437	851,437
Foreign Bonds / Notes	Various	Various	98,208	98,208
Domestic Equity Securities	Various	Various	3,342,576	3,342,576
Foreign Equity Securities	Various	Various	269,574	269,574
US Government Securities	Various	Various	789,236	789,236
Municipal Bonds	Various	Various	154,039	154,039
AGENCY FUNDS				
Constitutional Officers:				
Juvenile Court Clerk:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	14,325	14,325

(continued)

SCHEDULE OF INVESTMENTS BY FUND--(continued)

HAMILTON COUNTY, TENNESSEE

June 30, 2012

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
AGENCY FUNDS --(continued)				
Sheriff:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	95,466	<u>95,466</u>
Total Fiduciary Funds				<u>10,911,159</u>
COMPONENT UNITS				
GOVERNMENTAL FUNDS				
General Purpose School:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	\$ 45,119,214	\$ 45,119,214
Certificate of Deposit Classified as Investments	04/21/13	0.85%	64,040	64,040
Centralized Cafeteria:				
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	14	14
First TN Investment Pool	N/A	Monthly Weighted Average	8,477	8,477
DOE Internal Service:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	3,865	3,865
DOE Education Capital Projects:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	3,449	3,449
ENTERPRISE FUNDS				
"911" Emergency Communication:				
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	3,687,599	<u>3,687,599</u>
Total Component Units				<u>48,886,658</u>
Total Investments				<u>\$ 196,181,642</u>

**SCHEDULE OF BONDS, NOTES PAYABLE,
AND OTHER DEBT**

HAMILTON COUNTY, TENNESSEE

June 30, 2012

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2012			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT						
General Improvement	03/01/98 B	\$ 6,100,000	Aug/Feb	4.875	\$250,000; due 08/01/2012	\$ 250,000
				5.000	\$265,000; due 08/01/2013	265,000
				5.000	\$275,000; due 08/01/2014	275,000
				5.000	\$290,000; due 08/01/2015	290,000
				5.100	\$305,000; due 08/01/2016	305,000
				5.100	\$320,000; due 08/01/2017	320,000
				5.100	\$335,000; due 08/01/2018	335,000
				5.100	\$355,000; due 08/01/2019	355,000
				5.100	\$370,000; due 08/01/2020	370,000
				5.100	\$395,000; due 08/01/2021	395,000
				5.100	\$415,000; due 08/01/2022	415,000
				5.100	\$435,000; due 08/01/2023	435,000
				5.100	\$460,000; due 08/01/2024	460,000
					<u>4,470,000</u>	
General Improvement	04/8/08 A	14,418,900	Sept/Mar	5.000	\$961,756 a year; due 03/01/2013-14	1,923,512
				3.500	\$961,012; due 03/01/2015	961,012
				3.750	\$565,000; due 01/01/2030	961,012
				5.000	\$961,012 a year; due 03/01/2017-20	3,844,048
				4.250	\$961,012 a year; due 03/01/2021-22	1,922,024
				4.375	\$961,012; due 03/01/2023	961,012
					<u>10,572,620</u>	
School	04/8/08 A	82,581,100	Sept/Mar	5.000	\$5,508,244 a year; due 03/01/2013-14	11,016,488
				3.500	\$5,503,988; due 03/01/2015	5,503,988
				3.750	\$5,503,988; due 03/01/2016	5,503,988
				5.000	\$5,503,988 a year; due 03/01/2017-20	22,015,952
				4.250	\$5,503,988 a year; due 03/01/2021-22	11,007,976
				4.375	\$5,503,988; due 03/01/2023	5,503,988
					<u>60,552,380</u>	
General Improvement	04/8/08 B	8,317,900	Nov/May	4.000	\$1,085,631; due 11/01/2012	1,085,631
				3.250	\$1,070,945; due 11/01/2013	1,070,945
				3.250	\$767,059; due 11/01/2014	767,059
				4.000	\$753,503; due 11/01/2015	753,503
					<u>3,677,138</u>	
School	04/8/08 B	28,497,100	Nov/May	4.000	\$3,719,369; due 11/01/2012	3,719,369
				3.250	\$3,669,055; due 11/01/2013	3,669,055
				3.250	\$2,627,941; due 11/01/2014	2,627,941
				4.000	\$2,581,497; due 11/01/2015	2,581,497
					<u>12,597,862</u>	

(continued)

**SCHEDULE OF BONDS, NOTES PAYABLE,
AND OTHER DEBT--(continued)**

HAMILTON COUNTY, TENNESSEE

June 30, 2012

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2012			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
General Improvement	3/10/2009	\$ 8,883,000	Sept/Mar	3.000	\$595,020 a year; due 03/01/2013-14	\$ 1,190,040
				3.500	\$595,020; due 03/01/2015	595,020
				4.000	\$595,020 a year; due 03/01/2016-17	1,190,040
				3.500	\$595,020; due 03/01/2018	595,020
				4.000	\$595,020 a year; due 03/01/2019-21	1,785,060
				4.000	\$593,610; due 03/01/2022	593,610
				4.125	\$593,610; due 03/01/2023	593,610
				4.375	\$593,610; due 03/01/2024	593,610
						<u>7,136,010</u>
School	3/10/2009	22,617,000	Sept/Mar	3.000	\$1,514,980 a year; due 03/01/2013-14	3,029,960
				3.500	\$1,514,980; due 03/01/2015	1,514,980
				4.000	\$1,514,980 a year; due 03/01/2016-17	3,029,960
				3.500	\$1,514,980; due 03/01/2018	1,514,980
				4.000	\$1,514,980 a year; due 03/01/2019-21	4,544,940
				4.000	\$1,511,390; due 03/01/2022	1,511,390
				4.125	\$1,511,390; due 03/01/2023	1,511,390
				4.375	\$565,000; due 01/01/2030	1,511,390
						<u>18,168,990</u>
General Improvement (taxable to bondholder)	03/10/10 B	16,115,000	Sept/Mar	2.000	\$1,615,000; due 03/01/2013	1,615,000
				2.500	\$1,610,000; due 03/01/2014	1,610,000
				3.000	\$1,610,000 a year; due 03/01/2015-16	3,220,000
				4.000	\$1,610,000 a year; due 03/01/2017-18	3,220,000
				4.125	\$1,610,000; due 03/01/2019	1,610,000
				4.250	\$1,610,000; due 03/02/2020	1,610,000
						<u>12,885,000</u>
General Improvement (Recovery Zone Economic Development Bonds - taxable to bondholder) *	03/10/10 C	4,980,000	Sept/Mar	1.800	\$325,000; due 03/01/2013	325,000
				2.200	\$330,000; due 03/01/2014	330,000
				2.800	\$330,000; due 03/01/2015	330,000
				3.200	\$330,000; due 03/01/2016	330,000
				3.500	\$330,000; due 03/01/2017	330,000
				3.700	\$330,000; due 03/01/2018	330,000
				4.000	\$330,000; due 03/01/2019	330,000
				4.150	\$330,000; due 03/01/2020	330,000
				4.350	\$330,000; due 03/01/2021	330,000
				4.600	\$330,000; due 03/01/2022	330,000
				4.700	\$330,000; due 03/01/2023	330,000
				4.850	\$330,000; due 03/01/2024	330,000
				5.000	\$370,000; due 03/01/2025	370,000
		<u>4,325,000</u>				

(continued)

**SCHEDULE OF BONDS, NOTES PAYABLE,
AND OTHER DEBT--(continued)**

HAMILTON COUNTY, TENNESSEE

June 30, 2012

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2012			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
General Improvement (Recovery Zone Facility Bonds)	03/10/10 A	\$7,475,000	Sept/Mar	3.000	\$1,610,000 a year; due 03/01/2021-22	\$ 3,220,000
				3.250	\$1,610,000; due 03/01/2023	1,610,000
				3.500	\$1,610,000; due 03/01/2024	1,610,000
				4.000	\$1,035,000; due 03/01/2025	1,035,000
						<u>7,475,000</u>
General Improvement	11/8/2011 A	12,875,000	July/Jan	3.000	\$616,345; due 01/01/2013	616,345
				4.000	\$635,245; due 01/01/2014	635,245
				5.000	\$660,445; due 01/01/2015	660,445
				5.000	\$692,995; due 01/01/2016	692,995
				5.000	\$727,644; due 01/01/2017	727,644
				5.000	\$764,394; due 01/01/2018	764,394
				5.000	\$802,194; due 01/01/2019	802,194
				5.000	\$843,143; due 01/01/2020	843,143
				5.000	\$885,143; due 01/01/2021	885,143
				5.000	\$929,243; due 01/01/2022	929,243
				5.000	\$975,442; due 01/01/2023	975,442
				4.000	\$565,000; due 01/01/2030	1,024,792
				4.000	\$1,065,742; due 01/01/2025	1,065,742
				3.250	\$1,107,741; due 01/01/2026	1,107,742
				3.500	\$1,144,491; due 01/01/2027	1,144,491
		<u>12,875,000</u>				
School	11/8/11 A	48,435,000	July/Jan	3.000	\$2,318,655; due 01/01/2013	2,318,655
				4.000	\$2,389,755; due 01/01/2014	2,389,755
				5.000	\$2,484,555; due 01/01/2015	2,484,555
				5.000	\$2,607,005; due 01/01/2016	2,607,005
				5.000	\$2,737,356; due 01/01/2017	2,737,356
				5.000	\$2,875,605; due 01/01/2018	2,875,605
				5.000	\$3,017,806; due 01/01/2019	3,017,806
				5.000	\$3,171,857; due 01/01/2020	3,171,857
				5.000	\$3,329,857; due 01/01/2021	3,329,857
				5.000	\$3,495,757; due 01/01/2022	3,495,757
				5.000	\$3,669,558; due 01/01/2023	3,669,558
				4.000	\$3,855,208; due 01/01/2024	3,855,208
				4.000	\$4,009,258; due 01/01/2025	4,009,258
3.250	\$4,167,259; due 01/01/2026	4,167,259				
3.500	\$4,305,509; due 01/01/2027	4,305,509				
		<u>48,435,000</u>				

(continued)

**SCHEDULE OF BONDS, NOTES PAYABLE,
AND OTHER DEBT--(continued)**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2012			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
Water & Wastewater Treatment Authority	11/08/11 B	\$ 15,948,000	July/Jan	3.000	\$300,000; due 01/01/2013	\$ 300,000
				4.000	\$310,000; due 01/01/2014	310,000
				5.000	\$320,000; due 01/01/2015	320,000
				5.000	\$330,000; due 01/01/2016	330,000
				5.000	\$350,000; due 01/01/2017	350,000
				5.000	\$365,000; due 01/01/2018	365,000
				5.000	\$385,000; due 01/01/2019	385,000
				4.000	\$410,000; due 01/01/2020	410,000
				3.000	\$425,000; due 01/01/2021	425,000
				3.000	\$435,000; due 01/01/2022	435,000
				3.000	\$450,000; due 01/01/2023	450,000
				3.000	\$460,000; due 01/01/2024	460,000
				3.250	\$475,000; due 01/01/2025	475,000
				3.375	\$490,000; due 01/01/2026	490,000
				3.500	\$510,000; due 01/01/2027	510,000
				3.500	\$530,000; due 01/01/2028	530,000
				3.625	\$545,000; due 01/01/2029	545,000
3.750	\$565,000; due 01/01/2030	565,000				
3.750	\$370,000; due 01/01/2031	370,000				
					<u>8,025,000</u>	
General Improvement	11/08/11 B	15,948,000	July/Jan	3.000	\$1,130,500; due 01/01/2013	1,130,500
				4.000	\$1,117,833; due 01/01/2014	1,117,833
				5.000	\$1,114,667; due 01/01/2015	1,114,667
				5.000	\$1,124,167; due 01/01/2016	1,124,167
				5.000	\$1,133,667; due 01/01/2017	1,133,667
				5.000	\$1,146,333; due 01/01/2018	1,146,333
				5.000	\$1,155,833; due 01/01/2019	1,155,833
					<u>7,923,000</u>	

(continued)

**SCHEDULE OF BONDS, NOTES PAYABLE,
AND OTHER DEBT--(continued)**

**HAMILTON COUNTY, TENNESSEE
June 30, 2012**

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2012			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
School	11/08/11 B	\$4,587,000	July/Jan	3.000	\$654,500; due 01/01/2013	\$ 654,500
				4.000	\$647,167; due 01/01/2014	647,167
				5.000	\$645,333; due 01/01/2015	645,333
				5.000	\$650,833; due 01/01/2016	650,833
				5.000	\$656,333; due 01/01/2017	656,333
				5.000	\$663,667; due 01/01/2018	663,667
				5.000	\$669,167; due 01/01/2019	669,167
						4,587,000
TOTAL BONDED DEBT						\$ 223,705,000
OTHER DEBT OBLIGATIONS						
TN County Loan Pool						
Notes, Series 1999	Various	9,000,000	Monthly	Variable	\$788,000; due 05/25/2013	\$ 788,000
					\$819,000; due 05/25/2014	819,000
						1,607,000
Qualified Zone Academy Bonds, Series 2003	Various	1,365,000	-	None	\$90,733 a year; due 12/23/2012-16	453,665
					\$63,686; due 01/01/2030	63,686
						517,351
Agreement between the County and City of Chattanooga regarding Finley Stadium	3/1/2002	6,500,000	Sept/Mar	5.380	\$402,500; due 09/01/2012	402,500
				5.000	\$422,500; due 09/01/2013	422,500
				4.380	\$427,500; due 09/01/2014	427,500
				4.500	\$445,000; due 09/01/2015	445,000
						1,697,500
Agreement between the County and Corrections Corporation of America	11/1/1998	4,000,000	-	None	\$267,005; due 12/07/2012	267,005
					\$81,978; due 12/07/2013	81,978
						348,983
SHORT TERM OBLIGATIONS						
Commercial Paper	Various	28,556,000	Monthly	Variable		** 28,556,000
TOTAL BONDS, NOTES PAYABLE AND OTHER DEBT						\$ 256,431,834

* Under terms of the bond agreement, the Federal government has pledged to reimburse the County for 45% of all interest paid on the Recovery Zone Economic Development Bonds.

** Under the terms of the Commercial Paper agreements, all Commercial Paper reaching maturity is refinanced through the issuance of replacement short-term Commercial Paper debt.

DEBT SERVICE REQUIREMENTS TO MATURITY

HAMILTON COUNTY, TENNESSEE

June 30, 2012

Year Ended June 30	Combined Totals	GENERAL OBLIGATION BONDS		
		Bond Principal	Interest	Total
2013	\$ 60,104,045	\$ 20,595,000	\$ 9,334,136	\$ 29,929,136
2014	30,661,245	20,625,000	8,572,743	29,197,743
2015	27,746,349	19,410,000	7,788,739	27,198,739
2016	27,124,577	19,545,000	7,033,830	26,578,830
2017	22,811,888	16,425,000	6,296,155	22,721,155
2018	22,230,052	16,650,000	5,516,368	22,166,368
2019	21,615,205	16,880,000	4,735,205	21,615,205
2020	19,223,848	15,295,000	3,928,848	19,223,848
2021	18,728,440	15,525,000	3,203,440	18,728,440
2022	18,303,615	15,765,000	2,538,615	18,303,615
2023	17,881,217	16,020,000	1,861,217	17,881,217
2024	10,976,282	9,820,000	1,156,282	10,976,282
2025	8,175,011	7,415,000	760,011	8,175,011
2026	6,234,944	5,765,000	469,944	6,234,944
2027	6,241,969	5,960,000	281,969	6,241,969
2028	603,369	530,000	73,369	603,369
2029	599,189	545,000	54,189	599,189
2030	600,063	565,000	35,063	600,063
2031	383,875	370,000	13,875	383,875
	<u>\$ 320,245,183</u>	<u>\$ 223,705,000</u>	<u>\$ 63,653,998</u>	<u>\$ 287,358,998</u>

(1) Interest noted above for Notes Payable and Other Debt and for Short Term

