

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

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

Schedule of Funding Progress

(Dollar amounts in thousands)

Tennessee Consolidated Retirement System

| Actuarial<br>Valuation<br>Date<br>(frozen initial liability) | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability (AAL)<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b - a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered Payroll<br>((b - a)/c) |
|--|--|--|--------------------------------------|--------------------------|---------------------------|--|
| Political Subdivision Pension Plan (PSPP) -                  |  |  |                                      |                          |                           |  |
| 07/01/05   | 237,545                                | 247,301  | 9,756                                | 96.06%                   | 84,860                    | 11.50%   |
| 07/01/03   | 214,239                                | 224,946  | 10,707                               | 95.24%                   | 84,989                    | 12.60%   |
| 07/01/01   | 195,135                                | 205,638  | 10,503                               | 94.89%                   | 75,417                    | 13.93%   |

Hamilton County Administered Plans

| Actuarial<br>Valuation<br>Date<br>(entry age normal) | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability (AAL)<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b - a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered Payroll<br>((b - a)/c) |
|--|--|--|--------------------------------------|--------------------------|---------------------------|--|
| Employees' Retirement -                              |  |  |                                      |                          |                           |  |
| 06/30/07   | 2,256                                  | 1,083  | (1,173)                              | 208.4%                   | 0                         | N/A  |
| 06/30/05   | 2,380                                  | 1,249  | (1,131)                              | 190.5%                   | 0                         | N/A  |
| 06/30/03   | 2,539                                  | 1,413  | (1,126)                              | 179.7%                   | 0                         | N/A  |
| Commissioners' Retirement -                          |  |  |                                      |                          |                           |  |
| 06/30/07   | 414                                    | 652  | 238                                  | 63.5%                    | 192                       | 124.2%   |
| 06/30/05   | 330                                    | 614  | 284                                  | 53.8%                    | 166                       | 170.5%   |
| 06/30/03   | 465                                    | 488  | 23                                   | 95.3%                    | 0                         | N/A  |
| Teachers' Retirement -                               |  |  |                                      |                          |                           |  |
| 06/30/07   | 95                                     | 100  | 5                                    | 95.2%                    | 0                         | N/A  |
| 06/30/05   | 151                                    | 151  | 0                                    | 100.0%                   | 0                         | N/A  |
| 06/30/03   | 217                                    | 233  | 16                                   | 93.1%                    | 0                         | N/A  |

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

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

Schedule of Employer Contributions

Tennessee Consolidated Retirement System

| Year<br>Ended<br>June 30 | PSPP                               |                           | SETHEPP                            |                           |
|--------------------------|------------------------------------|---------------------------|------------------------------------|---------------------------|
|                          | Annual<br>Required<br>Contribution | Percentage<br>Contributed | Annual<br>Required<br>Contribution | Percentage<br>Contributed |
| 2007                     | \$ 13,421,822                      | 100.0%                    | \$ 15,534,183                      | 100.0%                    |
| 2006                     | 10,971,880                         | 100.0%                    | 14,453,467                         | 100.0%                    |
| 2005                     | 10,027,369                         | 100.0%                    | 13,850,969                         | 100.0%                    |
| 2004                     | 7,600,075                          | 100.0%                    | 11,325,694                         | 100.0%                    |
| 2003                     | 7,437,867                          | 100.0%                    | 10,942,201                         | 100.0%                    |

Hamilton County Administered Plans

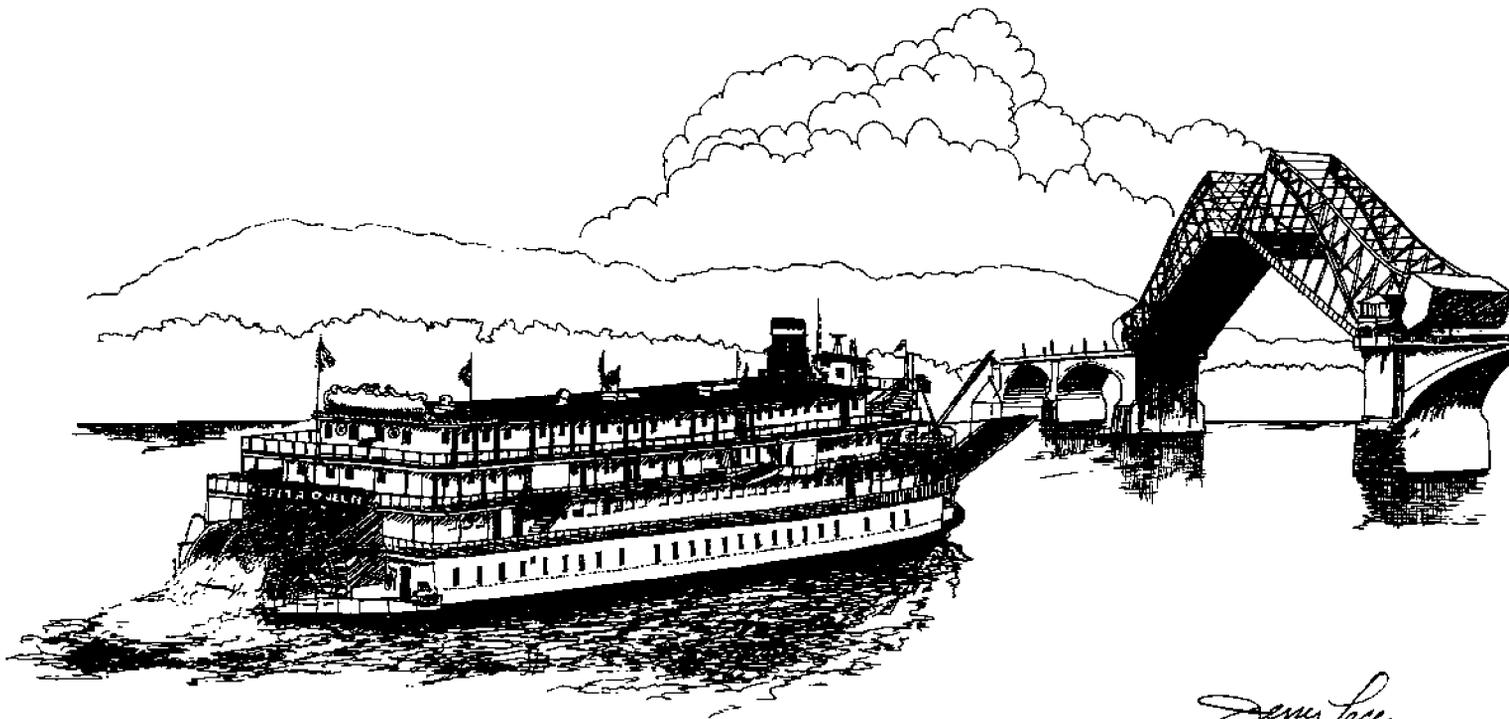
| Year<br>Ended<br>June 30 | Employees' Retirement              |                           | Commissioners' Retirement          |                           | Teachers' Retirement               |                           |
|--------------------------|------------------------------------|---------------------------|------------------------------------|---------------------------|------------------------------------|---------------------------|
|                          | Annual<br>Required<br>Contribution | Percentage<br>Contributed | Annual<br>Required<br>Contribution | Percentage<br>Contributed | Annual<br>Required<br>Contribution | Percentage<br>Contributed |
| 2007                     | \$ -                               | 0.0%                      | \$ 49,563                          | 151.8%                    | \$ -                               | 0.0%                      |
| 2006                     | -                                  | 0.0%                      | 30,454                             | 247.1%                    | -                                  | 0.0%                      |
| 2005                     | -                                  | 0.0%                      | 27,317                             | 219.6%                    | 928                                | 900.1%                    |
| 2004                     | -                                  | 0.0%                      | 27,317                             | 18.6%                     | 928                                | 900.1%                    |
| 2003                     | -                                  | 0.0%                      | 1,194                              | 0.0%                      | 3,418                              | 1707.6%                   |

**NOTE TO SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
PUBLIC EMPLOYEE RETIREMENT SYSTEMS**

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

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 40-year period commencing on the valuation date for the Employees' Retirement and Teachers' Retirement Plan. For the Commissioners' Retirement Plan the actuarial value of assets is being amortized as a level dollar amount for a 5 to 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' Retirements Plans because the benefits are either capped or not based on salary. The assumption with respect to salary increases was 4.0% for the Commissioners' Retirement Plan.



*Jerry Lee*  
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## **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, 2007**

|                                  | Original<br>Budget | Final<br>Budget    | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------|--------------------|--------------------|-------------------------------|---|
| <b>REVENUES</b>                  |                    |                    |                               |   |
| Taxes:                           |                    |                    |                               |   |
| Property taxes                   | \$ 96,567,795      | \$ 96,567,795      | \$ 97,139,580                 | \$ 571,785  |
| Local sales tax                  | 13,417,589         | 13,417,589         | 13,547,577                    | 129,988   |
| Business taxes                   | 4,412,496          | 4,412,496          | 4,938,615                     | 526,119   |
| Wholesale beer tax               | 689,483            | 689,483            | 694,083                       | 4,600   |
| Total taxes                      | <u>115,087,363</u> | <u>115,087,363</u> | <u>116,319,855</u>            | <u>1,232,492</u>  |
| Licenses and permits             | <u>1,087,000</u>   | <u>1,087,000</u>   | <u>1,003,230</u>              | <u>(83,770)</u>   |
| Intergovernmental revenues:      |                    |                    |                               |   |
| State of Tennessee               | 14,532,844         | 18,294,693         | 16,462,029                    | (1,832,664)   |
| United States Government         | 2,588,171          | 3,017,585          | 2,413,809                     | (603,776)   |
| Cities                           | <u>1,592,108</u>   | <u>1,624,891</u>   | <u>1,653,185</u>              | <u>28,294</u>   |
| Total intergovernmental revenues | <u>18,713,123</u>  | <u>22,937,169</u>  | <u>20,529,023</u>             | <u>(2,408,146)</u>                                      |
| Charges for services:            |                    |                    |                               |   |
| Health department                | 10,648,782         | 10,648,782         | 9,862,206                     | (786,576)   |
| Other                            | <u>1,836,425</u>   | <u>1,836,425</u>   | <u>1,619,314</u>              | <u>(217,111)</u>  |
| Total charges for services       | <u>12,485,207</u>  | <u>12,485,207</u>  | <u>11,481,520</u>             | <u>(1,003,687)</u>                                      |
| Fines, forfeitures and penalties | <u>1,367,801</u>   | <u>1,367,801</u>   | <u>1,167,822</u>              | <u>(199,979)</u>  |
| Investment earnings              | <u>1,454,429</u>   | <u>1,454,429</u>   | <u>2,130,874</u>              | <u>676,445</u>  |
| Miscellaneous                    | <u>4,063,524</u>   | <u>4,074,024</u>   | <u>3,585,108</u>              | <u>(488,916)</u>  |
| Total revenues                   | <u>154,258,447</u> | <u>158,492,993</u> | <u>156,217,432</u>            | <u>(2,275,561)</u>                                      |
| <b>EXPENDITURES</b>              |                    |                    |                               |   |
| Current:                         |                    |                    |                               |   |
| General government:              |                    |                    |                               |   |
| County Clerk                     | 1,531,569          | 1,531,569          | 1,499,591                     | 31,978  |
| Register                         | 526,815            | 526,815            | 498,283                       | 28,532  |
| County Trustee                   | 366,589            | 366,589            | 321,390                       | 45,199  |
| Assessor of Property             | 3,019,135          | 3,019,135          | 2,872,962                     | 146,173   |
| District Attorney General        | 802,323            | 802,323            | 798,173                       | 4,150   |
| Election Commission              | 1,654,171          | 1,654,171          | 1,415,029                     | 239,142   |
| Board of Equalization            | 2,000              | 2,000              | 550                           | 1,450   |
| Soil Conservation                | 97,827             | 97,827             | 101,898                       | (4,071)   |
| Agricultural Department          | 216,910            | 216,910            | 210,267                       | 6,643   |
| County-City Planning Commission  | 848,535            | 848,535            | 848,535                       | -   |

(continued)

**BUDGETARY COMPARISON SCHEDULE--(continued)**  
**GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|                                  | Original<br>Budget | Final<br>Budget   | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|----------------------------------|--------------------|-------------------|-------------------------------|---|
| EXPENDITURES--(continued):       |                    |                   |                               |   |
| Current--(continued):            |                    |                   |                               |   |
| General government--(continued): |                    |                   |                               |   |
| Regional Council of              |                    |                   |                               |   |
| Government & SETTDD              | \$ 61,579          | \$ 66,579         | \$ 66,579                     | \$ -  |
| CARTA                            | 96,660             | 96,660            | 96,660                        | -   |
| Carter Street Corporation        | 261,745            | 261,745           | 261,745                       | -   |
| Economic Development             | 467,500            | 477,184           | 477,184                       | -   |
| Representative-General Assembly  | 20,000             | 20,000            | 12,441                        | 7,559   |
| Utilities                        | 1,772,834          | 1,772,834         | 1,701,281                     | 71,553  |
| County Board of Commissioners    | 578,733            | 602,609           | 527,173                       | 75,436  |
| County Mayor                     | 594,352            | 594,352           | 567,373                       | 26,979  |
| County Auditor                   | 2,225,967          | 2,225,967         | 2,056,826                     | 169,141   |
| Chief of Staff                   | 336,382            | 336,382           | 337,738                       | (1,356)   |
| Chief Reading Officer            | 197,139            | 202,139           | 205,233                       | (3,094)   |
| County Attorney                  | 784,471            | 784,471           | 775,838                       | 8,633   |
| Emp Assistance Program           | 28,800             | 28,800            | 29,638                        | (838)   |
| Human Resources                  | 586,814            | 586,814           | 607,889                       | (21,075)  |
| Insurance                        | 267,000            | 267,000           | 150,866                       | 116,134   |
| Employee Benefits                | 328,246            | 328,246           | 276,447                       | 51,799  |
| Trustee's Commission             | 2,445,495          | 2,445,495         | 2,344,263                     | 101,232   |
| External Audits                  | 221,700            | 221,700           | 221,700                       | -   |
| TSCA Dues                        | 9,937              | 9,937             | 9,937                         | -   |
| NACO Dues                        | 6,421              | 6,421             | 6,419                         | 2   |
| Equal Employment Opportunity     | 55,000             | 55,000            | 51,033                        | 3,967   |
| Finance Administrator            | 223,107            | 223,107           | 218,289                       | 4,818   |
| Accounting                       | 1,794,796          | 1,794,796         | 1,762,933                     | 31,863  |
| Financial Management             | 367,997            | 367,997           | 364,518                       | 3,479   |
| Information Technology Services  | 2,758,483          | 2,758,483         | 2,685,274                     | 73,209  |
| Purchasing                       | 368,812            | 368,812           | 361,553                       | 7,259   |
| Geographic Information System    | 575,192            | 575,192           | 543,715                       | 31,477  |
| Custodial Services               | 1,380,577          | 1,380,577         | 1,335,569                     | 45,008  |
| Real Property                    | 350,902            | 350,902           | 326,559                       | 24,343  |
| Recycling                        | 184,212            | 184,212           | 172,036                       | 12,176  |
| Human Services Administrator     | 193,223            | 193,223           | 190,889                       | 2,334   |
| Development Services             | 432,735            | 1,748,900         | 1,140,114                     | 608,786   |
| Maintenance                      | 2,417,481          | 2,417,481         | 2,282,559                     | 134,922   |
| Railroad Authority               | 114,031            | 114,031           | 111,453                       | 2,578   |
| Title XX                         | 460,951            | 460,951           | 430,573                       | 30,378  |
| Summer Youth Development         | -                  | 100,000           | 25,140                        | 74,860  |
| Total general government         | <u>32,035,148</u>  | <u>33,494,873</u> | <u>31,302,115</u>             | <u>2,192,758</u>  |

**BUDGETARY COMPARISON SCHEDULE--(continued)**  
**GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|                                    | Original<br>Budget | Final<br>Budget | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|------------------------------------|--------------------|-----------------|-------------------------------|---|
| EXPENDITURES--(continued):         |                    |                 |                               |   |
| Current--(continued):              |                    |                 |                               |   |
| Public safety:                     |                    |                 |                               |   |
| Medical Examiner                   | \$ 818,220         | \$ 818,220      | \$ 806,666                    | \$ 11,554   |
| Criminal Court Clerk               | 1,224,797          | 1,224,797       | 1,152,544                     | 72,253  |
| Public Defender                    | 322,092            | 322,092         | 322,134                       | (42)  |
| General Sessions Court             | 1,096,108          | 1,096,108       | 1,106,180                     | (10,072)  |
| Juries                             | 180,000            | 180,000         | 210,596                       | (30,596)  |
| Court Judges                       | 433,334            | 433,334         | 427,688                       | 5,646   |
| Judicial Commission Magistrates    | 225,103            | 225,103         | 238,657                       | (13,554)  |
| Juvenile Crime Prosecution         | 47,741             | 47,741          | 36,846                        | 10,895  |
| Forest Fire Prevention             | 4,000              | 4,000           | 4,000                         | -   |
| Juvenile Court                     | 6,401,711          | 6,401,711       | 5,907,777                     | 493,934   |
| Humane Education Society           | 299,434            | 299,434         | 299,434                       | -   |
| Certified Cost Reimbursement       | 670,300            | 670,300         | 899,511                       | (229,211)   |
| Building Inspection                | 867,085            | 867,085         | 834,337                       | 32,748  |
| Emergency Services                 | 2,085,292          | 4,251,755       | 3,185,260                     | 1,066,495   |
| Community Corrections Program      | 13,778,826         | 13,783,326      | 13,516,039                    | 267,287   |
| Litter Grant                       | 374,068            | 392,068         | 390,212                       | 1,856   |
| Local Law Enforcement Block Grant  | -                  | 3,092           | 1,820                         | 1,272   |
| Parole Hearing Video Grant         | -                  | -               | 5,555                         | (5,555)   |
| Community Gun Violence Grant       | -                  | 66,043          | 67,718                        | (1,675)   |
| Video Teleconference               | -                  | 25,000          | -                             | 25,000  |
| Governor's Highway Safety Trauma E | -                  | -               | -                             | -   |
| Security Services                  | 672,636            | 672,636         | 625,590                       | 47,046  |
| Volunteer Emergency Services       | 151,514            | 151,514         | 147,138                       | 4,376   |
| Ambulance Services                 | 7,199,485          | 7,199,485       | 7,575,805                     | (376,320)   |
| Total public safety                | 36,851,746         | 39,134,844      | 37,761,507                    | 1,373,337   |
| Highways and streets:              |                    |                 |                               |   |
| Public Works Administrator         | 200,025            | 200,025         | 180,760                       | 19,265  |
| Engineering Services               | 3,084,739          | 3,084,739       | 2,912,566                     | 172,173   |
| Highway                            | 8,632,455          | 8,632,455       | 7,912,545                     | 719,910   |
| Total highways and streets         | 11,917,219         | 11,917,219      | 11,005,871                    | 911,348   |
| Health:                            |                    |                 |                               |   |
| Air Pollution Control              | 188,548            | 188,548         | 188,548                       | -   |
| Baroness Erlanger Hospital         | 3,000,000          | 3,000,000       | 3,000,000                     | -   |
| Health Department                  | 18,660,179         | 18,923,376      | 17,153,831                    | 1,769,545   |
| Total health                       | 21,848,727         | 22,111,924      | 20,342,379                    | 1,769,545   |

**BUDGETARY COMPARISON SCHEDULE--(continued)**  
**GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|                                      | Original<br>Budget | Final<br>Budget    | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|--------------------|-------------------------------|---|
| EXPENDITURES--(continued):           |                    |                    |                               |   |
| Current--(continued):                |                    |                    |                               |   |
| Social services:                     |                    |                    |                               |   |
| Clerk and Master                     | \$ 736,986         | \$ 736,986         | \$ 660,774                    | \$ 76,212   |
| Circuit Court Clerk                  | 1,025,864          | 1,025,864          | 1,051,334                     | (25,470)  |
| Senior Neighbors                     | 10,000             | 10,000             | 10,000                        | -   |
| Urban League                         | 45,000             | 45,000             | 44,660                        | 340   |
| Emergency Support Programs           | 219,146            | 219,146            | 173,286                       | 45,860  |
| Chattanooga Endeavors                | 17,000             | 17,000             | 15,846                        | 1,154   |
| Chattanooga Homeless Coalition       | 13,500             | 13,500             | 13,500                        | -   |
| Children's Services                  | <u>3,006,182</u>   | <u>3,032,899</u>   | <u>2,772,494</u>              | <u>260,405</u>  |
| Total social services                | <u>5,073,678</u>   | <u>5,100,395</u>   | <u>4,741,894</u>              | <u>358,501</u>  |
| Culture and recreation:              |                    |                    |                               |   |
| Bethlehem Sports Academy             | 13,500             | 13,500             | 13,500                        | -   |
| Public Library                       | 2,487,660          | 2,487,660          | 2,487,660                     | -   |
| City Beautiful Commission            | 22,888             | 22,888             | 22,888                        | -   |
| Convention and Visitors Bureau       | 2,589,952          | 2,589,952          | 2,589,952                     | -   |
| Allied Arts                          | 135,000            | 135,000            | 135,000                       | -   |
| WTCI Public Television               | 27,000             | 27,000             | 27,000                        | -   |
| Sports Committee                     | 75,000             | 75,000             | 75,000                        | -   |
| Regional History Museum              | 25,200             | 25,200             | 25,200                        | -   |
| Bessie Smith Museum                  | 57,600             | 57,600             | 57,600                        | -   |
| Heritage Hall                        | 57,019             | 57,019             | 57,019                        | -   |
| Parks and Recreation Department      | <u>6,228,967</u>   | <u>6,228,967</u>   | <u>5,659,299</u>              | <u>569,668</u>  |
| Total culture and recreation         | <u>11,719,786</u>  | <u>11,719,786</u>  | <u>11,150,118</u>             | <u>569,668</u>  |
| Capital outlay                       | <u>2,194,287</u>   | <u>2,882,462</u>   | <u>2,416,409</u>              | <u>466,053</u>  |
| Total budgetary expenditures         | <u>121,640,591</u> | <u>126,361,503</u> | <u>118,720,293</u>            | <u>7,641,210</u>  |
| Excess of revenues over expenditures | <u>32,617,856</u>  | <u>32,131,490</u>  | <u>37,497,139</u>             | <u>5,365,649</u>  |

(continued)

**BUDGETARY COMPARISON SCHEDULE--(continued)**  
**GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|  | Original<br>Budget   | Final<br>Budget      | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------------|----------------------|-------------------------------|---|
|  | <u>          </u>    | <u>          </u>    | <u>          </u>             | <u>          </u>                                       |
| OTHER FINANCING SOURCES (USES)                                   |                      |                      |                               |   |
| Transfers in   | \$ 12,037,197        | \$ 12,037,197        | \$ 12,785,190                 | \$ 747,993  |
| Transfers out  | (46,493,546)         | (46,493,546)         | (46,493,646)                  | (100)   |
| Sale of capital  | <u>          -</u>   | <u>          -</u>   | <u>          -</u>            | <u>          -</u>                                      |
| Total other financing sources (uses)                             | <u>(34,456,349)</u>  | <u>(34,456,349)</u>  | <u>(33,708,456)</u>           | <u>747,893</u>  |
| Net change in fund balance                                       | (1,838,493)          | (2,324,859)          | 3,788,683                     | 6,113,542   |
| Fund balance allocation  | <u>1,838,493</u>     | <u>2,324,859</u>     | <u>          -</u>            | <u>(2,324,859)</u>                                      |
|  | <u>\$          -</u> | <u>\$          -</u> | 3,788,683                     | <u>\$ 3,788,683</u>                                     |
| Add encumbrances at end of year                                  |                      |                      | 559,310                       |   |
| Less encumbrances at beginning of year                           |                      |                      | <u>(1,376,659)</u>            |   |
| Net change in fund balance--(GAAP Modified Accrual Basis)        |                      |                      | 2,971,334                     |   |
| Fund balance at beginning of year--(GAAP Modified Accrual Basis) |                      |                      | <u>55,362,828</u>             |   |
| Fund balance at end of year--(GAAP Modified Accrual Basis)       |                      |                      | <u>\$ 58,334,162</u>          |   |

EXPLANATION OF DIFFERENCES:

REVENUES

|   |                       |
|---|-----------------------|
| Actual amounts (budgetary basis) from the budgetary comparison schedule   | \$ 156,217,432        |
| Ambulance services bad debt   | 4,454,079             |
| Ambulance services contractual allowance  | <u>7,253,358</u>      |
| Total revenues as reported on the statement of revenues, expenditures,<br>and changes in fund balances - governmental funds | <u>\$ 167,924,869</u> |

EXPENDITURES

|   |                       |
|---|-----------------------|
| Actual amounts (budgetary basis) from the budgetary comparison schedule   | \$ 118,720,293        |
| Adjustment for encumbrances   | 817,349               |
| Ambulance services bad debt   | 4,454,079             |
| Ambulance services contractual allowance  | <u>7,253,358</u>      |
| Total expenditures as reported on the statement of revenues, expenditures,<br>and changes in fund balances - governmental funds | <u>\$ 131,245,079</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 the revenues and expenditures associated with methamphetamine task forces in local law enforcement agencies throughout the State of Tennessee.

Recovery Court accounts for revenues and expenditures of this alternative sentencing program that provides substance abuse treatment to nonviolent drug offenders rather than incarceration.

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, 2007**

|  | Special Revenue Funds      |                                |                     |
|--|----------------------------|--------------------------------|---------------------|
|  | Constitutional<br>Officers | Governmental<br>Law<br>Library | Hotel/<br>Motel     |
| <b>ASSETS</b>                            |                            |                                |                     |
| Cash                                     | \$ 2,746,458               | \$ 642                         | \$ 180,693          |
| Investments                              | 2,857,485                  | 64,796                         | 545,000             |
| Receivables:                             |                            |                                |                     |
| Accounts                                 | 60,860                     | 1,088                          | 2,630,017           |
| Intergovernmental                        | 550,976                    | -                              | -                   |
| Due from other funds                     | <u>53,864</u>              | <u>-</u>                       | <u>-</u>            |
| Total assets                             | <u>\$ 6,269,643</u>        | <u>\$ 66,526</u>               | <u>\$ 3,355,710</u> |
| <b>LIABILITIES AND FUND BALANCES</b>     |                            |                                |                     |
| Liabilities:                             |                            |                                |                     |
| Bank Overdraft                           | \$ 2,835                   | \$ -                           | \$ -                |
| Accrued items and other payables         | 1,416,268                  | -                              | 765,760             |
| Due to other funds                       | <u>5,417</u>               | <u>-</u>                       | <u>2,589,950</u>    |
| Total liabilities                        | <u>1,424,520</u>           | <u>-</u>                       | <u>3,355,710</u>    |
| Fund Balances (Deficit):                 |                            |                                |                     |
| Reserved for encumbrances                | -                          | -                              | -                   |
| Reserved for restricted activities       | 1,004,154                  | -                              | -                   |
| Reserved for tourism                     | -                          | -                              | -                   |
| Reserved for litigants and beneficiaries | -                          | -                              | -                   |
| Unreserved:                              |                            |                                |                     |
| Undesignated                             | <u>3,840,969</u>           | <u>66,526</u>                  | <u>-</u>            |
| Total fund balances                      | <u>4,845,123</u>           | <u>66,526</u>                  | <u>-</u>            |
| Total liabilities and fund balances      | <u>\$ 6,269,643</u>        | <u>\$ 66,526</u>               | <u>\$ 3,355,710</u> |

| Statewide<br>Meth Grant | Recovery<br>Court | Children's<br>Services | Economic<br>Crimes | Total<br>Nonmajor<br>Governmental<br>Funds |
|-------------------------|-------------------|------------------------|--------------------|--|
| \$ -                    | \$ -              | \$ 502                 | \$ 2,827           | \$ 2,931,122                               |
| -                       | -                 | 1,673,319              | 51,002             | 5,191,602                                  |
| -                       | 107,255           | -                      | -                  | 2,799,220                                  |
| 263,517                 | -                 | -                      | 1,102              | 815,595                                    |
| -                       | -                 | -                      | -                  | 53,864                                     |
| <u>\$ 263,517</u>       | <u>\$ 107,255</u> | <u>\$ 1,673,821</u>    | <u>\$ 54,931</u>   | <u>\$ 11,791,403</u>                       |
| \$ 161,761              | \$ 70,796         | \$ -                   | \$ -               | \$ 235,392                                 |
| 70,484                  | -                 | -                      | -                  | 2,252,512                                  |
| <u>30,972</u>           | <u>-</u>          | <u>424,679</u>         | <u>-</u>           | <u>3,051,018</u>                           |
| <u>263,217</u>          | <u>70,796</u>     | <u>424,679</u>         | <u>-</u>           | <u>5,538,922</u>                           |
| 515,789                 | -                 | -                      | -                  | 515,789                                    |
| (515,489)               | 36,459            | -                      | 54,931             | 580,055                                    |
| -                       | -                 | -                      | -                  | -  |
| -                       | -                 | 1,249,142              | -                  | 1,249,142                                  |
| -                       | -                 | -                      | -                  | 3,907,495                                  |
| <u>300</u>              | <u>36,459</u>     | <u>1,249,142</u>       | <u>54,931</u>      | <u>6,252,481</u>                           |
| <u>\$ 263,517</u>       | <u>\$ 107,255</u> | <u>\$ 1,673,821</u>    | <u>\$ 54,931</u>   | <u>\$ 11,791,403</u>                       |

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

**HAMILTON COUNTY, TENNESSEE  
Year ended June 30, 2007**

|   | Special Revenue Funds      |                                |                    |
|---|----------------------------|--------------------------------|--------------------|
|   | Constitutional<br>Officers | Governmental<br>Law<br>Library | Hotel/<br>Motel    |
| <b>REVENUES</b>   |                            |                                |                    |
| Taxes   | \$ -                       | \$ 17,352                      | \$ 4,174,410       |
| Intergovernmental   | -                          | -                              | -                  |
| Charges for services                                      | 19,710,547                 | -                              | -                  |
| Fines, forfeitures and penalties                          | 67,912                     | -                              | -                  |
| Investment earnings                                       | 267,183                    | 2,354                          | 149,118            |
| Miscellaneous   | <u>33,031</u>              | <u>-</u>                       | <u>-</u>           |
| Total revenues  | <u>20,078,673</u>          | <u>19,706</u>                  | <u>4,323,528</u>   |
| <b>EXPENDITURES</b>                                       |                            |                                |                    |
| Current:  |                            |                                |                    |
| General government  | 4,274,645                  | -                              | 2,413,403          |
| Public safety:  |                            |                                |                    |
| Criminal Court  | 2,380,656                  | -                              | -                  |
| Juvenile Court  | 1,929,927                  | -                              | -                  |
| Other   | -                          | 6,180                          | -                  |
| Social services   | 3,098,967                  | -                              | -                  |
| Capital outlay  | <u>-</u>                   | <u>-</u>                       | <u>-</u>           |
| Total expenditures  | <u>11,684,195</u>          | <u>6,180</u>                   | <u>2,413,403</u>   |
| Excess (deficiency) of revenues over (under) expenditures | <u>8,394,478</u>           | <u>13,526</u>                  | <u>1,910,125</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                            |                                |                    |
| Transfers in  | 1,209,967                  | -                              | -                  |
| Transfers out   | <u>(9,023,813)</u>         | <u>-</u>                       | <u>(3,250,072)</u> |
| Total other financing sources (uses)                      | <u>(7,813,846)</u>         | <u>-</u>                       | <u>(3,250,072)</u> |
| Net change in fund balances                               | 580,632                    | 13,526                         | (1,339,947)        |
| Fund balances (deficit) at beginning of year              | <u>4,264,491</u>           | <u>53,000</u>                  | <u>1,339,947</u>   |
| Fund balances (deficit) at end of year                    | <u>\$ 4,845,123</u>        | <u>\$ 66,526</u>               | <u>\$ -</u>        |

| Statewide<br>Meth Grant | Recovery<br>Court | Children's<br>Services | Economic<br>Crimes | Total<br>Nonmajor<br>Governmental<br>Funds |
|-------------------------|-------------------|------------------------|--------------------|--|
| \$ -                    | \$ -              | \$ -                   | \$ -               | \$ 4,191,762                               |
| 451,288                 | 244,091           | -                      | -                  | 695,379                                    |
| -                       | -                 | -                      | -                  | 19,710,547                                 |
| -                       | 40,361            | -                      | 38,380             | 146,653                                    |
| -                       | (1,056)           | 80,361                 | 1,952              | 499,912                                    |
| -                       | -                 | -                      | -                  | 33,031                                     |
| <u>451,288</u>          | <u>283,396</u>    | <u>80,361</u>          | <u>40,332</u>      | <u>25,277,284</u>                          |
| -                       | -                 | -                      | -                  | 6,688,048                                  |
| -                       | -                 | -                      | -                  | 2,380,656                                  |
| -                       | -                 | -                      | -                  | 1,929,927                                  |
| 450,988                 | 246,937           | -                      | -                  | 704,105                                    |
| -                       | -                 | 4,625                  | 19,195             | 3,122,787                                  |
| -                       | -                 | -                      | 2,110              | 2,110                                      |
| <u>450,988</u>          | <u>246,937</u>    | <u>4,625</u>           | <u>21,305</u>      | <u>14,827,633</u>                          |
| <u>300</u>              | <u>36,459</u>     | <u>75,736</u>          | <u>19,027</u>      | <u>10,449,651</u>                          |
| -                       | -                 | -                      | -                  | 1,209,967                                  |
| -                       | -                 | (424,680)              | -                  | (12,698,565)                               |
| -                       | -                 | (424,680)              | -                  | (11,488,598)                               |
| 300                     | 36,459            | (348,944)              | 19,027             | (1,038,947)                                |
| -                       | -                 | 1,598,086              | 35,904             | 7,291,428                                  |
| <u>\$ 300</u>           | <u>\$ 36,459</u>  | <u>\$ 1,249,142</u>    | <u>\$ 54,931</u>   | <u>\$ 6,252,481</u>                        |

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

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

|                                      | Circuit<br>Court<br>Clerk | Clerk and<br>Master | County<br>Clerk   |
|--------------------------------------|---------------------------|---------------------|-------------------|
|                                      | <u>          </u>         | <u>          </u>   | <u>          </u> |
| <b>ASSETS</b>                        |                           |                     |                   |
| Cash and cash equivalents            | \$ 594,707                | \$ 927,115          | \$ 513,268        |
| Investments                          | -                         | -                   | -                 |
| Receivables:                         |                           |                     |                   |
| Accounts                             | -                         | -                   | -                 |
| Intergovernmental                    | -                         | -                   | -                 |
| Due from other funds                 | -                         | -                   | -                 |
|                                      | <u>          </u>         | <u>          </u>   | <u>          </u> |
| Total assets                         | <u>\$ 594,707</u>         | <u>\$ 927,115</u>   | <u>\$ 513,268</u> |
| <b>LIABILITIES AND FUND BALANCES</b> |                           |                     |                   |
| Liabilities:                         |                           |                     |                   |
| Bank overdraft                       | \$ -                      | \$ -                | \$ -              |
| Accrued items and other payables     | 31,285                    | 21,535              | 64,576            |
| Due to other funds                   | 4,445                     | -                   | -                 |
|                                      | <u>          </u>         | <u>          </u>   | <u>          </u> |
| Total liabilities                    | <u>35,730</u>             | <u>21,535</u>       | <u>64,576</u>     |
| Fund Balances:                       |                           |                     |                   |
| Reserved for restricted activities   | -                         | -                   | 3,651             |
| Unreserved:                          |                           |                     |                   |
| Undesignated                         | 558,977                   | 905,580             | 445,041           |
|                                      | <u>          </u>         | <u>          </u>   | <u>          </u> |
| Total fund balances                  | <u>558,977</u>            | <u>905,580</u>      | <u>448,692</u>    |
|                                      | <u>          </u>         | <u>          </u>   | <u>          </u> |
| Total liabilities and fund balances  | <u>\$ 594,707</u>         | <u>\$ 927,115</u>   | <u>\$ 513,268</u> |

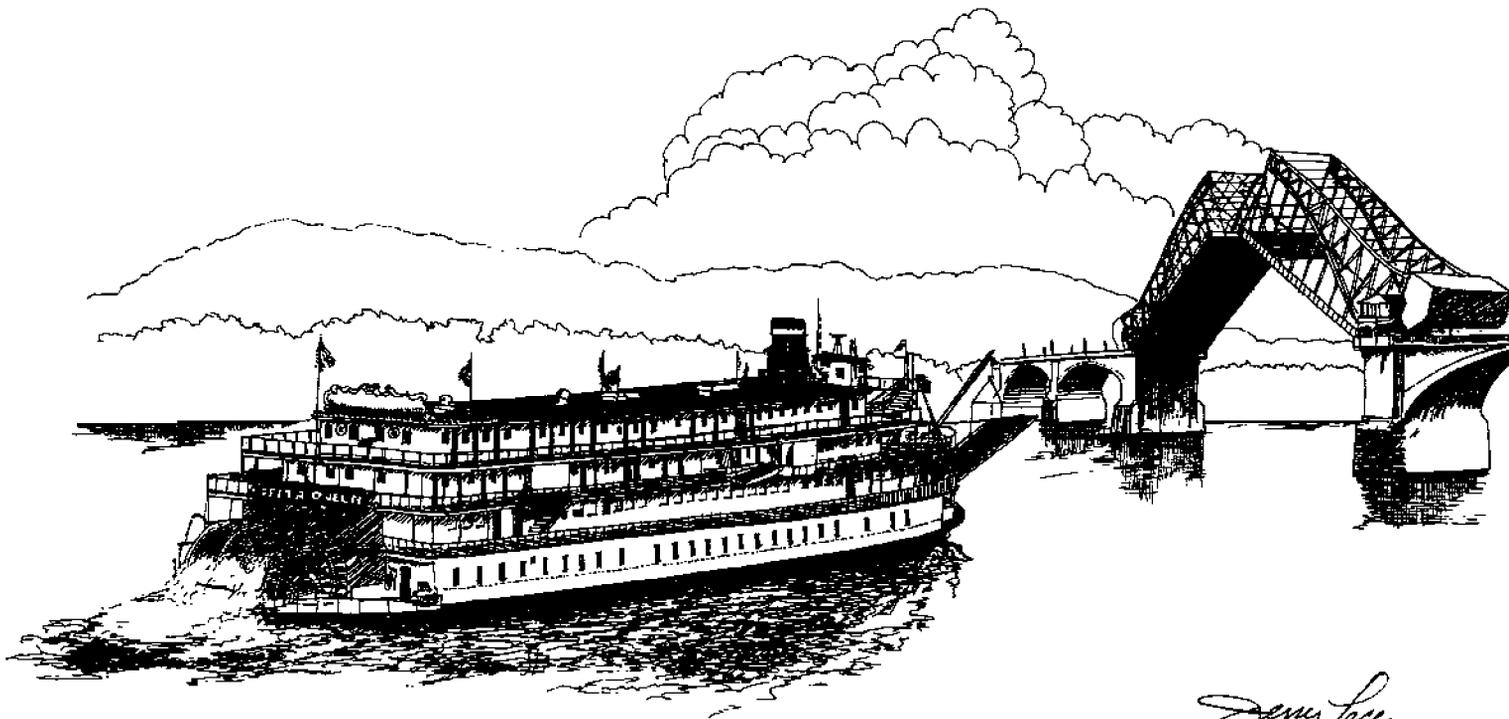
| Criminal<br>Court<br>Clerk | Juvenile<br>Court<br>Clerk | Register          | Trustee           | Total<br>Constitutional<br>Officers |
|----------------------------|----------------------------|-------------------|-------------------|-------------------------------------|
| \$ 34,629                  | \$ -                       | \$ 487,366        | \$ 189,373        | \$ 2,746,458                        |
| 2,486,595                  | 370,890                    | -                 | -                 | 2,857,485                           |
| 51,233                     | 9,627                      | -                 | -                 | 60,860                              |
| 189,939                    | 92,782                     | -                 | 268,255           | 550,976                             |
| 52,930                     | -                          | -                 | 934               | 53,864                              |
| <u>\$ 2,815,326</u>        | <u>\$ 473,299</u>          | <u>\$ 487,366</u> | <u>\$ 458,562</u> | <u>\$ 6,269,643</u>                 |
| \$ -                       | \$ 2,835                   | \$ -              | \$ -              | \$ 2,835                            |
| 1,208,186                  | 57,912                     | 16,240            | 16,534            | 1,416,268                           |
| 44                         | 928                        | -                 | -                 | 5,417                               |
| <u>1,208,230</u>           | <u>61,675</u>              | <u>16,240</u>     | <u>16,534</u>     | <u>1,424,520</u>                    |
| 1,000,503                  | -                          | -                 | -                 | 1,004,154                           |
| 606,593                    | 411,624                    | 471,126           | 442,028           | 3,840,969                           |
| <u>1,607,096</u>           | <u>411,624</u>             | <u>471,126</u>    | <u>442,028</u>    | <u>4,845,123</u>                    |
| <u>\$ 2,815,326</u>        | <u>\$ 473,299</u>          | <u>\$ 487,366</u> | <u>\$ 458,562</u> | <u>\$ 6,269,643</u>                 |

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

**HAMILTON COUNTY, TENNESSEE  
Year ended June 30, 2007**

|  | Circuit<br>Court<br>Clerk   | Clerk and<br>Master         | County<br>Clerk             |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |
| <b>REVENUES</b>  |                             |                             |                             |
| Charges for services   | \$ 2,014,485                | \$ 2,280,655                | \$ 3,387,475                |
| Fines, forfeitures and penalties                                 | -                           | -                           | -                           |
| Investment earnings  | 31,715                      | 65,735                      | 16,593                      |
| Miscellaneous  | <u>-</u>                    | <u>-</u>                    | <u>28,552</u>               |
| <br>Total revenues   | <br><u>2,046,200</u>        | <br><u>2,346,390</u>        | <br><u>3,432,620</u>        |
| <br><b>EXPENDITURES</b>  |                             |                             |                             |
| Current:   |                             |                             |                             |
| General government   | -                           | -                           | 2,854,113                   |
| Public safety:   |                             |                             |                             |
| Criminal Court   | -                           | -                           | -                           |
| Juvenile Court   | -                           | -                           | -                           |
| Social services  | <u>1,755,348</u>            | <u>1,343,619</u>            | <u>-</u>                    |
| <br>Total expenditures   | <br><u>1,755,348</u>        | <br><u>1,343,619</u>        | <br><u>2,854,113</u>        |
| <br>Excess (deficiency) of revenues over<br>(under) expenditures | <br><u>290,852</u>          | <br><u>1,002,771</u>        | <br><u>578,507</u>          |
| <br><b>OTHER FINANCING SOURCES (USES)</b>                        |                             |                             |                             |
| Transfers in   | -                           | -                           | -                           |
| Transfers out  | <u>(81,902)</u>             | <u>(692,515)</u>            | <u>(626,000)</u>            |
| <br>Total other financing sources (uses)                         | <br><u>(81,902)</u>         | <br><u>(692,515)</u>        | <br><u>(626,000)</u>        |
| <br>Net change in fund balances                                  | <br>208,950                 | <br>310,256                 | <br>(47,493)                |
| <br>Fund balances at beginning of year                           | <br><u>350,027</u>          | <br><u>595,324</u>          | <br><u>496,185</u>          |
| <br>Fund balances at end of year                                 | <br><u>\$ 558,977</u>       | <br><u>\$ 905,580</u>       | <br><u>\$ 448,692</u>       |

| <u>Criminal<br/>Court<br/>Clerk</u> | <u>Juvenile<br/>Court<br/>Clerk</u> | <u>Register</u>    | <u>Trustee</u>     | <u>Total<br/>Constitutional<br/>Officers</u> |
|-------------------------------------|-------------------------------------|--------------------|--------------------|--|
| \$ 2,641,719                        | \$ 604,439                          | \$ 2,771,047       | \$ 6,010,727       | \$ 19,710,547                                |
| -                                   | 67,912                              | -                  | -                  | 67,912                                       |
| 51,594                              | 20,157                              | 2,919              | 78,470             | 267,183                                      |
| -                                   | 4,479                               | -                  | -                  | 33,031                                       |
| <u>2,693,313</u>                    | <u>696,987</u>                      | <u>2,773,966</u>   | <u>6,089,197</u>   | <u>20,078,673</u>                            |
| -                                   | -                                   | 629,430            | 791,102            | 4,274,645                                    |
| 2,380,656                           | -                                   | -                  | -                  | 2,380,656                                    |
| -                                   | 1,929,927                           | -                  | -                  | 1,929,927                                    |
| -                                   | -                                   | -                  | -                  | 3,098,967                                    |
| <u>2,380,656</u>                    | <u>1,929,927</u>                    | <u>629,430</u>     | <u>791,102</u>     | <u>11,684,195</u>                            |
| <u>312,657</u>                      | <u>(1,232,940)</u>                  | <u>2,144,536</u>   | <u>5,298,095</u>   | <u>8,394,478</u>                             |
| -                                   | 1,209,967                           | -                  | -                  | 1,209,967                                    |
| -                                   | -                                   | (2,206,767)        | (5,416,629)        | (9,023,813)                                  |
| -                                   | <u>1,209,967</u>                    | <u>(2,206,767)</u> | <u>(5,416,629)</u> | <u>(7,813,846)</u>                           |
| 312,657                             | (22,973)                            | (62,231)           | (118,534)          | 580,632                                      |
| <u>1,294,439</u>                    | <u>434,597</u>                      | <u>533,357</u>     | <u>560,562</u>     | <u>4,264,491</u>                             |
| <u>\$ 1,607,096</u>                 | <u>\$ 411,624</u>                   | <u>\$ 471,126</u>  | <u>\$ 442,028</u>  | <u>\$ 4,845,123</u>                          |



*Jerry Luce*  
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## **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, 2007**

|                            | Balance<br>July 1,<br>2006 | Additions            | Deductions           | Balance<br>June 30,<br>2007 |
|----------------------------|----------------------------|----------------------|----------------------|-----------------------------|
|                            | <u>          </u>          | <u>          </u>    | <u>          </u>    | <u>          </u>           |
| <b>CIRCUIT COURT CLERK</b> |                            |                      |                      |                             |
| Cash                       | \$ 1,452,504               | \$ 8,406,811         | \$ 8,305,647         | \$ 1,553,668                |
| Certificates of deposit    | <u>3,806,378</u>           | <u>975,562</u>       | <u>1,466,009</u>     | <u>3,315,931</u>            |
| Total assets               | <u>\$ 5,258,882</u>        | <u>\$ 9,382,373</u>  | <u>\$ 9,771,656</u>  | <u>\$ 4,869,599</u>         |
| Accrued items and other    | \$ 5,232,108               | \$ 9,044,801         | \$ 9,435,906         | \$ 4,841,003                |
| Intergovernmental payables | <u>26,774</u>              | <u>337,572</u>       | <u>335,750</u>       | <u>28,596</u>               |
| Total liabilities          | <u>\$ 5,258,882</u>        | <u>\$ 9,382,373</u>  | <u>\$ 9,771,656</u>  | <u>\$ 4,869,599</u>         |
| <b>CLERK AND MASTER</b>    |                            |                      |                      |                             |
| Cash                       | \$ 3,168,682               | \$ 11,138,987        | \$ 11,537,920        | \$ 2,769,749                |
| Certificates of deposit    | <u>4,931,697</u>           | <u>2,581,011</u>     | <u>2,484,797</u>     | <u>5,027,911</u>            |
| Total assets               | <u>\$ 8,100,379</u>        | <u>\$ 13,719,998</u> | <u>\$ 14,022,717</u> | <u>\$ 7,797,660</u>         |
| Accrued items and other    | \$ 7,947,839               | \$ 10,011,716        | \$ 10,382,206        | \$ 7,577,349                |
| Intergovernmental payables | <u>152,540</u>             | <u>3,708,282</u>     | <u>3,640,511</u>     | <u>220,311</u>              |
| Total liabilities          | <u>\$ 8,100,379</u>        | <u>\$ 13,719,998</u> | <u>\$ 14,022,717</u> | <u>\$ 7,797,660</u>         |
| <b>COUNTY CLERK</b>        |                            |                      |                      |                             |
| Cash                       | \$ 3,006,162               | \$ 33,047,830        | \$ 31,865,537        | \$ 4,188,455                |
| Accounts receivable        | <u>304</u>                 | <u>32,515</u>        | <u>31,444</u>        | <u>1,375</u>                |
| Total assets               | <u>\$ 3,006,466</u>        | <u>\$ 33,080,345</u> | <u>\$ 31,896,981</u> | <u>\$ 4,189,830</u>         |
| Accrued items and other    | \$ 101,325                 | \$ 761,805           | \$ 759,470           | \$ 103,660                  |
| Intergovernmental payables | <u>2,905,141</u>           | <u>32,318,540</u>    | <u>31,137,511</u>    | <u>4,086,170</u>            |
| Total liabilities          | <u>\$ 3,006,466</u>        | <u>\$ 33,080,345</u> | <u>\$ 31,896,981</u> | <u>\$ 4,189,830</u>         |

(continued)

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

**HAMILTON COUNTY, TENNESSEE**

**Year ended June 30, 2007**

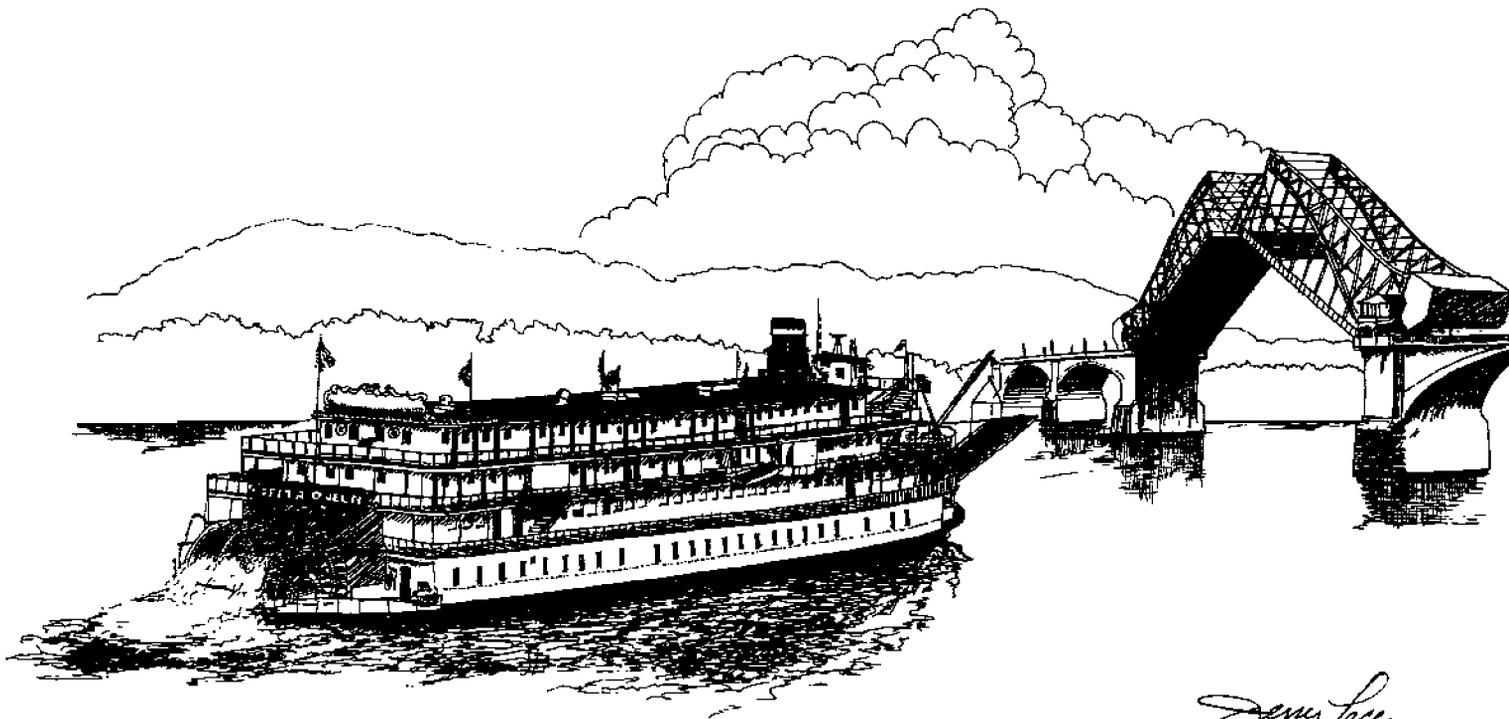
|                             | Balance<br>July 1,<br>2006 | Additions         | Deductions        | Balance<br>June 30,<br>2007 |
|-----------------------------|----------------------------|-------------------|-------------------|-----------------------------|
| <b>CRIMINAL COURT CLERK</b> |                            |                   |                   |                             |
| Cash                        | \$ 2,500                   | \$ 4,320,158      | \$ 4,320,258      | \$ 2,400                    |
| Investments                 | 90,233                     | -                 | 59,705            | 30,528                      |
| Accounts receivable         | 66,883                     | 26,339            | -                 | 93,222                      |
|                             | <u>159,616</u>             | <u>4,346,497</u>  | <u>4,379,963</u>  | <u>126,150</u>              |
| Total assets                | \$ 159,616                 | \$ 4,346,497      | \$ 4,379,963      | \$ 126,150                  |
| Accrued items and other     | \$ 159,616                 | \$ 684,408        | \$ 717,874        | \$ 126,150                  |
| Intergovernmental payables  | -                          | 3,662,089         | 3,662,089         | -                           |
|                             | <u>159,616</u>             | <u>4,346,497</u>  | <u>4,379,963</u>  | <u>126,150</u>              |
| Total liabilities           | \$ 159,616                 | \$ 4,346,497      | \$ 4,379,963      | \$ 126,150                  |
| <b>JUVENILE COURT CLERK</b> |                            |                   |                   |                             |
| Cash                        | \$ 9,521                   | \$ 448,750        | \$ 446,268        | \$ 12,003                   |
| Investments                 | 28,709                     | -                 | 4,724             | 23,985                      |
| Certificates of deposit     | 813,460                    | 82,503            | 104,391           | 791,572                     |
|                             | <u>851,690</u>             | <u>531,253</u>    | <u>555,383</u>    | <u>827,560</u>              |
| Total assets                | \$ 851,690                 | \$ 531,253        | \$ 555,383        | \$ 827,560                  |
| Accrued items and other     | \$ 851,690                 | \$ 531,253        | \$ 555,383        | \$ 827,560                  |
|                             | <u>851,690</u>             | <u>531,253</u>    | <u>555,383</u>    | <u>827,560</u>              |
| Total liabilities           | \$ 851,690                 | \$ 531,253        | \$ 555,383        | \$ 827,560                  |
| <b>REGISTER</b>             |                            |                   |                   |                             |
| Cash                        | \$ 1,185,524               | \$ 12,066,089     | \$ 12,107,277     | \$ 1,144,336                |
| Accounts receivable         | 3,357                      | 24,960            | 25,227            | 3,090                       |
|                             | <u>1,188,881</u>           | <u>12,091,049</u> | <u>12,132,504</u> | <u>1,147,426</u>            |
| Total assets                | \$ 1,188,881               | \$ 12,091,049     | \$ 12,132,504     | \$ 1,147,426                |
| Intergovernmental payables  | \$ 1,188,881               | \$ 12,091,049     | \$ 12,132,504     | \$ 1,147,426                |
|                             | <u>1,188,881</u>           | <u>12,091,049</u> | <u>12,132,504</u> | <u>1,147,426</u>            |
| Total liabilities           | \$ 1,188,881               | \$ 12,091,049     | \$ 12,132,504     | \$ 1,147,426                |

(continued)

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

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|   | Balance<br>July 1,<br>2006 | Additions            | Deductions           | Balance<br>June 30,<br>2007 |
|---|----------------------------|----------------------|----------------------|-----------------------------|
| <b>SHERIFF</b>  |                            |                      |                      |                             |
| Cash  | \$ 12,559                  | \$ 1,386,736         | \$ 1,386,810         | \$ 12,485                   |
| Investments   | <u>339,217</u>             | <u>-</u>             | <u>192,567</u>       | <u>146,650</u>              |
| Total assets  | <u>\$ 351,776</u>          | <u>\$ 1,386,736</u>  | <u>\$ 1,579,377</u>  | <u>\$ 159,135</u>           |
| Accrued items and other                               | <u>\$ 351,776</u>          | <u>\$ 1,386,736</u>  | <u>\$ 1,579,377</u>  | <u>\$ 159,135</u>           |
| Total liabilities                                     | <u>\$ 351,776</u>          | <u>\$ 1,386,736</u>  | <u>\$ 1,579,377</u>  | <u>\$ 159,135</u>           |
| <b>TRUSTEE</b>  |                            |                      |                      |                             |
| Cash  | <u>\$ 552,742</u>          | <u>\$ 15,668,786</u> | <u>\$ 15,647,777</u> | <u>\$ 573,751</u>           |
| Total assets  | <u>\$ 552,742</u>          | <u>\$ 15,668,786</u> | <u>\$ 15,647,777</u> | <u>\$ 573,751</u>           |
| Intergovernmental payables                            | <u>\$ 552,742</u>          | <u>\$ 15,668,786</u> | <u>\$ 15,647,777</u> | <u>\$ 573,751</u>           |
| Total liabilities                                     | <u>\$ 552,742</u>          | <u>\$ 15,668,786</u> | <u>\$ 15,647,777</u> | <u>\$ 573,751</u>           |
| <b>TOTAL CONSTITUTIONAL OFFICERS<br/>AGENCY FUNDS</b> |                            |                      |                      |                             |
| Cash  | \$ 9,390,194               | \$ 86,484,147        | \$ 85,617,494        | \$ 10,256,847               |
| Certificates of deposit                               | 9,551,535                  | 3,639,076            | 4,055,197            | 9,135,414                   |
| Investments   | 458,159                    | -                    | 256,996              | 201,163                     |
| Accounts receivable                                   | <u>70,544</u>              | <u>83,814</u>        | <u>56,671</u>        | <u>97,687</u>               |
| Total assets  | <u>\$ 19,470,432</u>       | <u>\$ 90,207,037</u> | <u>\$ 89,986,358</u> | <u>\$ 19,691,111</u>        |
| Accrued items and other                               | \$ 14,644,354              | \$ 22,420,719        | \$ 23,430,216        | \$ 13,634,857               |
| Intergovernmental payables                            | <u>4,826,078</u>           | <u>67,786,318</u>    | <u>66,556,142</u>    | <u>6,056,254</u>            |
| Total liabilities                                     | <u>\$ 19,470,432</u>       | <u>\$ 90,207,037</u> | <u>\$ 89,986,358</u> | <u>\$ 19,691,111</u>        |



*Jerry Lee*  
'90

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

**HAMILTON COUNTY, TENNESSEE**

**Year ended June 30, 2007**

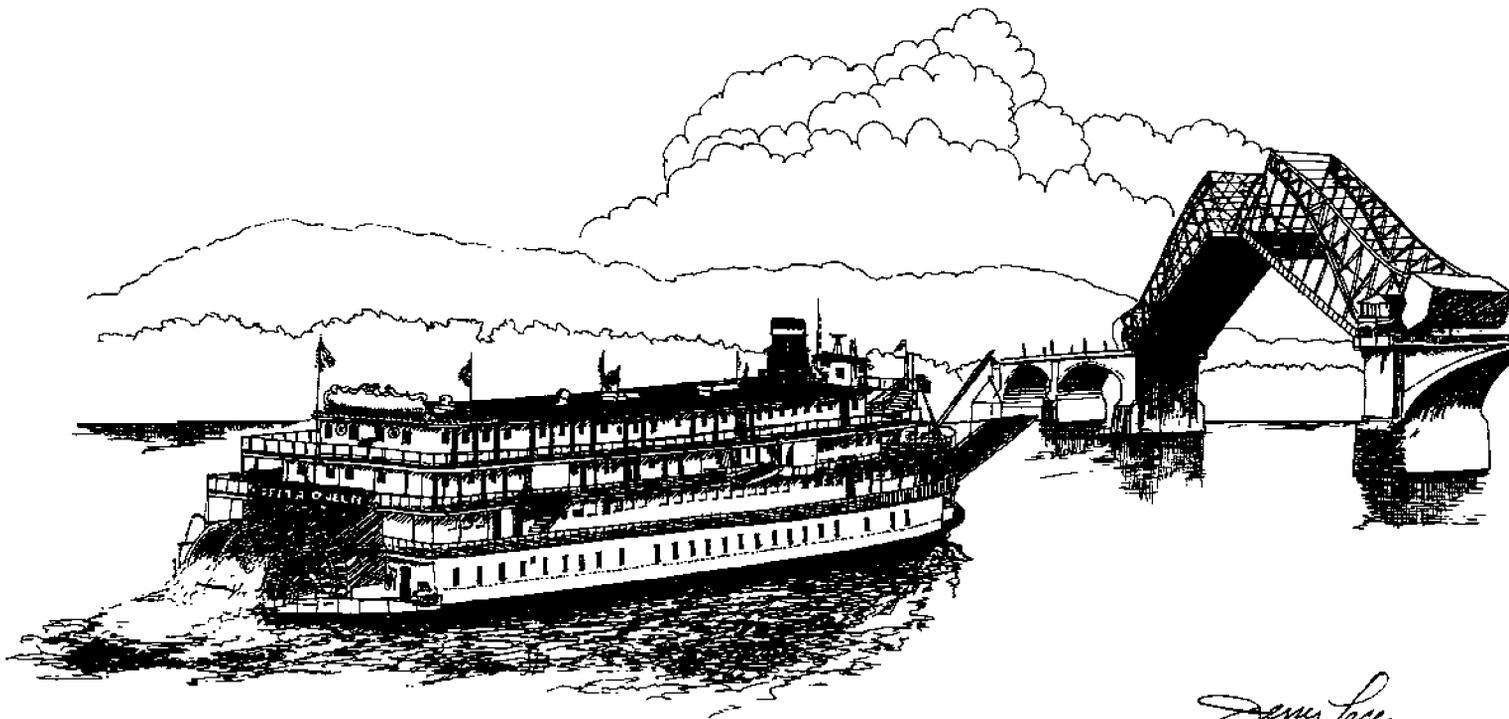
|  | Juvenile Court Clerk |                  |                               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------------|------------------|-------------------------------|---|
|  | Budgeted Amounts     |                  | Actual<br>(Non-GAAP<br>Basis) |   |
|  | Original             | Final            |                               |   |
| <b>REVENUES</b>  |                      |                  |                               |   |
| Charges for current services   | \$ 660,000           | \$ 660,000       | \$ 604,439                    | \$ (55,561)   |
| Fines, forfeitures and penalties                                       | 39,000               | 39,000           | 67,912                        | 28,912  |
| Investment earnings  | -                    | -                | 20,157                        | 20,157  |
| Miscellaneous  | <u>2,000</u>         | <u>2,000</u>     | <u>4,479</u>                  | <u>2,479</u>  |
| Total revenues   | <u>701,000</u>       | <u>701,000</u>   | <u>696,987</u>                | <u>(4,013)</u>  |
| <b>EXPENDITURES</b>  |                      |                  |                               |   |
| Current:   |                      |                  |                               |   |
| Public safety:   |                      |                  |                               |   |
| Juvenile Court   | 1,132,229            | 1,132,229        | 1,176,444                     | (44,215)  |
| Social Services:   |                      |                  |                               |   |
| Child support  | <u>778,738</u>       | <u>778,738</u>   | <u>753,483</u>                | <u>25,255</u>   |
| Total budgetary expenditures   | <u>1,910,967</u>     | <u>1,910,967</u> | <u>1,929,927</u>              | <u>(18,960)</u>   |
| Excess (deficiency) of revenues over (under)<br>budgetary expenditures | (1,209,967)          | (1,209,967)      | (1,232,940)                   | (22,973)  |
| <b>OTHER FINANCING SOURCES (USES)</b>                                  |                      |                  |                               |   |
| Transfers in   | <u>1,209,967</u>     | <u>1,209,967</u> | <u>1,209,967</u>              | <u>-</u>  |
| Net change in fund balance   | -                    | -                | (22,973)                      | (22,973)  |
| Fund balance allocation  | <u>-</u>             | <u>-</u>         | <u>-</u>                      | <u>-</u>  |
|  | <u>\$ -</u>          | <u>\$ -</u>      | (22,973)                      | <u>\$ (22,973)</u>                                      |
| Fund balances at beginning of year--(GAAP Modified Accrual Basis)      |                      |                  | <u>434,597</u>                |   |
| Fund balances at end of year--(GAAP Modified Accrual Basis)            |                      |                  | <u>\$ 411,624</u>             |   |

**BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE**

**Year ended June 30, 2007**

|   | <u>Budgeted Amounts</u> |                     | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|---------------------|-------------------------------|---|
|   | <u>Original</u>         | <u>Final</u>        |                               |   |
| <b>REVENUES</b>   |                         |                     |                               |   |
| Taxes   | \$ -                    | \$ -                | \$ 316                        | \$ 316  |
| Intergovernmental   | 1,565,324               | 1,565,324           | 2,404,225                     | 838,901   |
| Charges for current services  | 450,000                 | 450,000             | 465,107                       | 15,107  |
| Investment earnings   | <u>12,000</u>           | <u>12,000</u>       | <u>49,077</u>                 | <u>37,077</u>   |
| Total revenues  | <u>2,027,324</u>        | <u>2,027,324</u>    | <u>2,918,725</u>              | <u>891,401</u>  |
| <b>EXPENDITURES</b>   |                         |                     |                               |   |
| Debt Service:   |                         |                     |                               |   |
| Principal retirement  | 19,776,605              | 19,776,605          | 19,951,308                    | (174,703)   |
| Interest and fiscal charges   | <u>6,133,967</u>        | <u>6,133,967</u>    | <u>6,626,765</u>              | <u>(492,798)</u>  |
| Total budgetary expenditures  | <u>25,910,572</u>       | <u>25,910,572</u>   | <u>26,578,073</u>             | <u>(667,501)</u>  |
| Excess (deficiency) of revenues over (under) budgetary expenditures | <u>(23,883,248)</u>     | <u>(23,883,248)</u> | <u>(23,659,348)</u>           | <u>223,900</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                               |                         |                     |                               |   |
| Transfers in  | 24,168,248              | 24,168,248          | 24,168,248                    | -   |
| Transfers out   | <u>(285,000)</u>        | <u>(285,000)</u>    | <u>(285,000)</u>              | <u>-</u>  |
| Total other financing sources (uses)                                | <u>23,883,248</u>       | <u>23,883,248</u>   | <u>23,883,248</u>             | <u>-</u>  |
| Net change in fund balance  | -                       | -                   | 223,900                       | 223,900   |
| Fund balance allocation   | <u>-</u>                | <u>-</u>            | <u>-</u>                      | <u>-</u>  |
|   | <u>\$ -</u>             | <u>\$ -</u>         | 223,900                       | <u>\$ 223,900</u>                                       |
| Excess of nonbudgeted revenues over nonbudgeted expenditures        |                         |                     | <u>7,863</u>                  |   |
| Net change in fund balance--(GAAP Modified Accrual Basis)           |                         |                     | 231,763                       |   |
| Fund balances at beginning of year--(GAAP Modified Accrual Basis)   |                         |                     | <u>1,421,249</u>              |   |
| Fund balances at end of year--(GAAP Modified Accrual Basis)         |                         |                     | <u>\$ 1,653,012</u>           |   |



*Jerry Lee*  
'90

## **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 BOARD OF EDUCATION GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

|  | General<br>Purpose<br>School | Centralized<br>Cafeteria | School<br>Activity | Education<br>Capital<br>Projects | Total<br>Board of<br>Education<br>Governmental<br>Funds |
|--|------------------------------|--------------------------|--------------------|----------------------------------|---|
| <b>ASSETS</b>  |                              |                          |                    |                                  |   |
| Cash   | \$ 36,207,970                | \$ 4,883,370             | \$ 5,446,327       | \$ 1,153,736                     | \$ 47,691,403   |
| Certificates of deposit                                | -                            | -                        | 305,177            | -                                | 305,177   |
| Investments  | 382,746                      | 295,641                  | -                  | 791,684                          | 1,470,071   |
| Receivables (net of allowances<br>for uncollectibles): |                              |                          |                    |                                  |   |
| Property taxes   | 112,561,374                  | -                        | -                  | -                                | 112,561,374   |
| Accounts   | 349,064                      | -                        | 209,726            | -                                | 558,790   |
| Intergovernmental                                      | 19,632,569                   | 83,537                   | -                  | -                                | 19,716,106  |
| Due from other BOE funds                               | 1,565,128                    | -                        | -                  | 2,000,000                        | 3,565,128   |
| Inventories  | 46,007                       | 280,560                  | 24,496             | -                                | 351,063   |
| Total assets   | <u>\$170,744,858</u>         | <u>\$5,543,108</u>       | <u>\$5,985,726</u> | <u>\$3,945,420</u>               | <u>\$186,219,112</u>                                    |
| <b>LIABILITIES AND FUND BALANCES</b>                   |                              |                          |                    |                                  |   |
| Liabilities:   |                              |                          |                    |                                  |   |
| Accounts payable                                       | \$ 2,700,104                 | \$ 28,967                | \$ 137,486         | \$ 391                           | \$ 2,866,948  |
| Accrued items and other                                | 20,569,554                   | 188,525                  | -                  | 4,145                            | 20,762,224  |
| Due to other BOE funds                                 | 14,699,941                   | 3,562,543                | -                  | 9,343                            | 18,271,827  |
| Due to primary government                              | 155,222                      | 22,207                   | -                  | -                                | 177,429   |
| Deferred revenues:                                     |                              |                          |                    |                                  |   |
| Uncollected property taxes                             | 108,461,885                  | -                        | -                  | -                                | 108,461,885   |
| Other  | 1,421,851                    | -                        | -                  | -                                | 1,421,851   |
| Total current liabilities                              | <u>148,008,557</u>           | <u>3,802,242</u>         | <u>137,486</u>     | <u>13,879</u>                    | <u>151,962,164</u>                                      |
| Fund Balances:   |                              |                          |                    |                                  |   |
| Reserved for encumbrances                              | 856,390                      | 2,156                    | -                  | 548,711                          | 1,407,257   |
| Reserved for inventories                               | 46,007                       | 280,560                  | 24,498             | -                                | 351,065   |
| Reserved by state statute                              | 816,699                      | -                        | -                  | -                                | 816,699   |
| Reserved for restricted activities                     | -                            | -                        | 2,970,533          | -                                | 2,970,533   |
| Unreserved:  |                              |                          |                    |                                  |   |
| Designated for specific purposes                       | 5,540,908                    | -                        | -                  | -                                | 5,540,908   |
| Undesignated   | 15,476,297                   | 1,458,150                | 2,853,209          | 3,382,830                        | 23,170,486  |
| Total fund balances                                    | <u>22,736,301</u>            | <u>1,740,866</u>         | <u>5,848,240</u>   | <u>3,931,541</u>                 | <u>34,256,948</u>                                       |
| Total liabilities and fund balances                    | <u>\$170,744,858</u>         | <u>\$5,543,108</u>       | <u>\$5,985,726</u> | <u>\$3,945,420</u>               | <u>\$186,219,112</u>                                    |

**RECONCILIATION OF THE BALANCE SHEET OF BOARD OF EDUCATION  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**

**HAMILTON COUNTY, TENNESSEE**  
**June 30, 2007**

---

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

|   |    |                     |
|---|----|---------------------|
| Fund balances - total Board of Education governmental funds   | \$ | 34,256,948          |
| Amounts reported for the Board of Education in the statement of net assets are different because:   |    |                     |
| Capital assets used in the Board of Education's governmental activities are not financial resources and, therefore, are not reported in the funds.  |    | 154,641,246         |
| 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.   |    | 1,421,851           |
| 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 Board of Education in the statement of net assets. |    | 11,956,534          |
| Bonds payable are not reported as liabilities in the Board of Education's governmental funds  |    |                     |
| Long-term liabilities, consisting of accumulated leave, are not due and payable in the current period and therefore are not reported in the funds.  |    | <u>(13,836,478)</u> |
| Net assets of the Board of Education  | \$ | <u>188,440,101</u>  |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
HAMILTON COUNTY BOARD OF EDUCATION GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|  | General<br>Purpose<br>School | Centralized<br>Cafeteria | School<br>Activity | Education<br>Capital<br>Projects | Total<br>Board of<br>Education<br>Governmental<br>Funds |
|--|------------------------------|--------------------------|--------------------|----------------------------------|---|
| <b>REVENUES</b>  |                              |                          |                    |                                  |   |
| Taxes  | \$ 168,530,297               | \$ -                     | \$ -               | \$ -                             | \$ 168,530,297  |
| Intergovernmental  | 135,287,321                  | 9,378,032                | -                  | -                                | 144,665,353   |
| Charges for services   | 4,309,462                    | 6,698,265                | 15,648,861         | -                                | 26,656,588  |
| Investment earnings  | 2,021,513                    | 183,531                  | -                  | 62,180                           | 2,267,224   |
| Miscellaneous  | 5,403,421                    | 705                      | -                  | 6,974                            | 5,411,100   |
| Total revenues   | 315,552,014                  | 16,260,533               | 15,648,861         | 69,154                           | 347,530,562   |
| <b>EXPENDITURES</b>  |                              |                          |                    |                                  |   |
| Current:   |                              |                          |                    |                                  |   |
| Education  | 308,364,383                  | 16,275,876               | 16,138,168         | -                                | 340,778,427   |
| Capital outlay   | 183,093                      | 191,106                  | -                  | 3,698,134                        | 4,072,333   |
| Total expenditures   | 308,547,476                  | 16,466,982               | 16,138,168         | 3,698,134                        | 344,850,760   |
| Excess (deficiency) of revenues<br>over (under) expenditures | 7,004,538                    | (206,449)                | (489,307)          | (3,628,980)                      | 2,679,802   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                          |                    |                                  |   |
| Transfers between BOE funds                                  | (4,000,000)                  | -                        | -                  | 4,000,000                        | -   |
| Net change in fund balances                                  | 3,004,538                    | (206,449)                | (489,307)          | 371,020                          | 2,679,802   |
| Fund balances, beginning                                     | 19,731,763                   | 1,947,315                | 6,337,547          | 3,560,521                        | 31,577,146  |
| Fund balances, ending  | \$ 22,736,301                | \$ 1,740,866             | \$ 5,848,240       | \$ 3,931,541                     | \$ 34,256,948   |

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

**HAMILTON COUNTY, TENNESSEE**

**Year ended June 30, 2007**

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 Board of Education governmental funds  | \$ 2,679,802               |
| Amounts reported for the Board of Education in the statement of activities<br>are different because:   |                            |
| Depreciation expense on governmental capital assets are included in the<br>governmental activities in the statement of activities  | (6,870,939)                |
| Bond payments are reported as expenditures in the Board of Education's<br>governmental activities in the period paid.  | 97,500                     |
| Bond proceeds are reported as revenue in the Board of Education's<br>governmental activities in the period received.   |                            |
| The net effect of various transactions involving capital assets is to increase<br>net assets   | 6,833,066                  |
| The net revenues of internal service funds are reported with governmental activities   | 2,458,837                  |
| Certain items reported in the statement of activities do not require the use of<br>current financial resources and therefore are not reported as expenditures in the<br>governmental funds | 382,870                    |
| Certain governmental revenues will not be collected for several months after the<br>fiscal year and are deferred in the governmental funds   | <u>606,263</u>             |
| Change in net assets of governmental activities  | <u><u>\$ 6,187,399</u></u> |

**BUDGETARY COMPARISON SCHEDULE  
HAMILTON COUNTY BOARD OF EDUCATION GOVERNMENTAL FUNDS**

**HAMILTON COUNTY, TENNESSEE  
Year ended June 30, 2007**

|   | Original<br>Budget | Final<br>Budget    | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|-------------------------------|---|
| <b>REVENUES</b>   |                    |                    |                               |   |
| Taxes   |                    |                    |                               |   |
| Property taxes  | \$ 110,926,666     | \$ 110,926,666     | \$ 111,538,683                | \$ 612,017  |
| Local sales tax   | <u>55,424,583</u>  | <u>55,424,583</u>  | <u>56,991,614</u>             | <u>1,567,031</u>  |
| Total taxes   | <u>166,351,249</u> | <u>166,351,249</u> | <u>168,530,297</u>            | <u>2,179,048</u>  |
| Intergovernmental revenues:                                       |                    |                    |                               |   |
| State of Tennessee:   |                    |                    |                               |   |
| Education   | 87,919,806         | 106,849,597        | 103,005,382                   | (3,844,215)   |
| Food service  | 9,628,128          | 9,628,128          | 9,378,032                     | (250,096)   |
| Federal funds received from State of Tennessee and other sources: |                    |                    |                               |   |
| Education   | 35,129,389         | 35,707,948         | 32,281,939                    | (3,426,009)   |
| Food service  | <u>-</u>           | <u>-</u>           | <u>-</u>                      | <u>-</u>  |
| Total intergovernmental revenues                                  | <u>132,677,323</u> | <u>152,185,673</u> | <u>144,665,353</u>            | <u>(7,520,320)</u>                                      |
| Charges for services:   |                    |                    |                               |   |
| Education   | 4,007,000          | 4,007,000          | 4,309,462                     | 302,462   |
| Food service  | <u>6,872,759</u>   | <u>6,872,759</u>   | <u>6,698,265</u>              | <u>(174,494)</u>  |
| Total charges for current services                                | <u>10,879,759</u>  | <u>10,879,759</u>  | <u>11,007,727</u>             | <u>127,968</u>  |
| Investment earnings:  |                    |                    |                               |   |
| Education   | 775,000            | 775,000            | 2,021,513                     | 1,246,513   |
| Food service  | <u>79,000</u>      | <u>79,000</u>      | <u>183,531</u>                | <u>104,531</u>  |
| Total investment earnings   | <u>854,000</u>     | <u>854,000</u>     | <u>2,205,044</u>              | <u>1,351,044</u>  |
| Miscellaneous:  |                    |                    |                               |   |
| Education   | 2,082,554          | 4,874,255          | 5,403,421                     | 529,166   |
| Food service  | <u>-</u>           | <u>-</u>           | <u>705</u>                    | <u>705</u>  |
| Total miscellaneous   | <u>2,082,554</u>   | <u>4,874,255</u>   | <u>5,404,126</u>              | <u>529,871</u>  |
| Total revenues  | <u>312,844,885</u> | <u>335,144,936</u> | <u>331,812,547</u>            | <u>(3,332,389)</u>                                      |

(continued)

**BUDGETARY COMPARISON SCHEDULE--(continued)**  
**HAMILTON COUNTY BOARD OF EDUCATION GOVERNMENTAL FUNDS**  
**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|   | Original<br>Budget | Final<br>Budget | Actual<br>(Non-GAAP<br>Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|-------------------------------|---|
| <b>EXPENDITURES</b>   |                    |                 |                               |   |
| Current:  |                    |                 |                               |   |
| Education:  |                    |                 |                               |   |
| Regular instruction program   | \$ 137,049,354     | \$ 141,425,669  | \$ 140,981,243                | \$ 444,426  |
| Special education program   | 27,047,493         | 27,508,298      | 27,518,152                    | (9,854)   |
| Vocational education program  | 8,385,946          | 8,695,263       | 8,793,320                     | (98,057)  |
| Attendance  | 1,117,720          | 1,153,614       | 1,018,374                     | 135,240   |
| Health services   | 1,512,767          | 1,728,067       | 1,644,214                     | 83,853  |
| Other student support   | 5,309,950          | 5,241,052       | 5,206,998                     | 34,054  |
| Regular instruction support   | 7,930,312          | 7,860,889       | 7,941,785                     | (80,896)  |
| Special education support   | 2,824,427          | 2,841,204       | 2,906,215                     | (65,011)  |
| Vocational education support  | 186,953            | 187,246         | 180,425                       | 6,821   |
| Board of education  | 4,987,891          | 4,987,891       | 5,316,060                     | (328,169)   |
| Office of superintendent  | 1,452,269          | 1,431,648       | 1,273,312                     | 158,336   |
| Office of principal   | 19,338,142         | 19,667,342      | 19,941,758                    | (274,416)   |
| Fiscal services   | 2,697,890          | 2,698,033       | 2,364,048                     | 333,985   |
| Operation of plant  | 20,958,835         | 20,958,835      | 19,886,355                    | 1,072,480   |
| Maintenance of plant  | 6,475,141          | 6,475,434       | 6,346,097                     | 129,337   |
| Transportation  | 12,258,911         | 12,258,911      | 12,137,229                    | 121,682   |
| Central and other   | 3,359,530          | 3,458,043       | 3,449,212                     | 8,831   |
| Community services  | 2,602,372          | 2,602,665       | 2,491,266                     | 111,399   |
| Early childhood   | 1,019,264          | 1,022,779       | 1,291,922                     | (269,143)   |
| Federal programs  | 24,719,041         | 40,769,675      | 32,288,860                    | 8,480,815   |
| Other self funded projects  | 738,290            | 3,529,991       | 4,226,174                     | (696,183)   |
| Education debt service  | 162,500            | 162,500         | 97,500                        | 65,000  |
| Food service  | 16,266,487         | 16,266,487      | 16,252,937                    | 13,550  |
| Total education   | 308,401,485        | 332,931,536     | 323,553,456                   | 9,378,080   |
| Capital outlay:   |                    |                 |                               |   |
| Education   | 130,000            | 130,000         | 129,356                       | 644   |
| Food service  | 313,400            | 313,400         | 191,106                       | 122,294   |
| Total budgetary expenditures  | 308,844,885        | 333,374,936     | 323,873,918                   | 9,501,018   |
| <b>OTHER FINANCING USES</b>   |                    |                 |                               |   |
| Transfers to other BOE funds  | (4,000,000)        | (4,000,000)     | (4,000,000)                   | -   |
| Net change in fund balance  | -                  | (2,230,000)     | 3,938,629                     | 6,168,629   |
| Fund balance allocation   | -                  | 2,230,000       | -                             | (2,230,000)   |
|   | \$ -               | \$ -            | 3,938,629                     | \$ 3,938,629  |
| Add encumbrances at end of year   |                    |                 | 858,546                       |   |
| Less encumbrances at beginning of year  |                    |                 | (1,999,086)                   |   |
| Excess of nonbudgeted revenues and other financing sources over nonbudgeted expenditures and other financing uses |                    |                 | (118,287)                     |   |
| Net change in fund balance--(GAAP Modified Accrual Basis)   |                    |                 | 2,679,802                     |   |
| Fund balances at beginning of year--(GAAP Modified Accrual Basis)   |                    |                 | 31,577,146                    |   |
| Fund balances at end of year--(GAAP Modified Accrual Basis)   |                    |                 | \$ 34,256,948                 |   |

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

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

|                            | <u>Board of<br/>Education<br/>Internal Service<br/>Fund</u> |
|----------------------------|---|
| <b>CURRENT ASSETS</b>      |   |
| Cash                       | \$ 146,565  |
| Investments                | 45,974  |
| Receivables                | 574,238   |
| Due from other BOE funds   | 14,706,699  |
| Prepaid items              | <u>1,546,342</u>  |
| Total current assets       | <u>17,019,818</u>   |
| <b>CURRENT LIABILITIES</b> |   |
| Accounts payable           | 671,800   |
| Accrued claims             | <u>4,391,484</u>  |
| Total current liabilities  | <u>5,063,284</u>  |
| <b>NET ASSETS</b>          |   |
| Unrestricted               | <u>\$ 11,956,534</u>  |

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

**HAMILTON COUNTY, TENNESSEE**  
**Year ended June 30, 2007**

|                              | Board of<br>Education<br>Internal Service<br>Fund |
|------------------------------|---|
|                              |   |
| <b>OPERATING REVENUES</b>    |   |
| Charges for services         | \$ 42,900,014                                     |
| Other                        | 70,954  |
| Total operating revenues     | 42,970,968  |
| <b>OPERATING EXPENSES</b>    |   |
| Unemployment compensation    | 244,656   |
| Claims and premiums          | 40,428,277  |
| Total operating expenses     | 40,672,933  |
| Operating income             | 2,298,035   |
| <b>NONOPERATING REVENUES</b> |   |
| Investment earnings          | 160,802   |
| Change in net assets         | 2,458,837   |
| Net assets, beginning        | 9,497,697   |
| Net assets, ending           | \$ 11,956,534                                     |

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

**HAMILTON COUNTY, TENNESSEE  
Year ended June 30, 2007**

|   | Board of<br>Education<br>Internal Service<br>Fund |
|---|---|
|   | <u>                    </u>                       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |   |
| Cash received from insurance premiums   | \$ 41,814,266                                     |
| Cash paid for unemployment compensation   | (80,617)  |
| Cash paid for claims and premiums   | <u>(41,821,387)</u>                               |
| Net cash used by operating activities   | <u>(87,738)</u>                                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |   |
| Sale of investments   | (1,895)   |
| Interest on investments   | <u>160,802</u>                                    |
| Net cash provided by investing activities   | <u>158,907</u>                                    |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>  | 71,169  |
| <b>BEGINNING CASH AND CASH EQUIVALENTS</b>  | <u>75,396</u>                                     |
| <b>ENDING CASH AND CASH EQUIVALENTS</b>   | <u>\$ 146,565</u>                                 |
| <b>RECONCILIATION OF OPERATING INCOME TO NET<br/>CASH PROVIDED BY OPERATING ACTIVITIES</b>    |   |
| Operating income  | <u>\$ 2,298,035</u>                               |
| <b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO<br/>NET CASH USED BY OPERATING ACTIVITIES</b> |   |
| Change in accounts receivable   | 270,188   |
| Change in due from other funds  | (1,425,138)                                       |
| Change in prepaid items   | 288,027   |
| Change in accounts payable  | (84,036)  |
| Change in accrued claims  | (1,430,258)                                       |
| Change in due to other funds  | <u>(4,556)</u>                                    |
| Total adjustments   | <u>(2,385,773)</u>                                |
| Net cash used by operating activities   | <u>\$ (87,738)</u>                                |

## SCHEDULE OF PROPERTY TAXES RECEIVABLE

### HAMILTON COUNTY, TENNESSEE

June 30, 2007

| Year of<br>Levy | Property<br>Taxes<br>Receivable | Allowance<br>For Estimated<br>Uncollectibles | Net Amount     |
|-----------------|---------------------------------|--|----------------|
| 2007   *        | \$ 218,920,404                  | \$ 9,548,355                                 | \$ 209,372,049 |
| 2006            | 8,124,925                       | 346,122                                      | 7,778,803      |
| 2005            | 2,368,476                       | 301,744                                      | 2,066,732      |
| 2004            | 1,675,554                       | 405,484                                      | 1,270,070      |
| 2003            | 230,653                         | 172,828                                      | 57,825         |
|                 | \$ 231,320,012                  | \$ 10,774,533                                | \$ 220,545,479 |

#### DISTRIBUTION TO PRIMARY GOVERNMENT

|                |                |              |                |
|----------------|----------------|--------------|----------------|
| County General | \$ 113,153,308 | \$ 5,169,203 | \$ 107,984,105 |
|                | 113,153,308    | 5,169,203    | 107,984,105    |

#### DISTRIBUTION TO COMPONENT UNIT

|                           |                |               |                |
|---------------------------|----------------|---------------|----------------|
| General Purpose<br>School | 118,166,704    | 5,605,330     | 112,561,374    |
|                           | \$ 231,320,012 | \$ 10,774,533 | \$ 220,545,479 |

\* 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, 2007**

|  | <u>Maturity<br/>Date</u> | <u>Interest<br/>Rate</u> | <u>Amount</u>               |
|--|--------------------------|--------------------------|-----------------------------|
| PRIMARY GOVERNMENT:                              |                          |                          |                             |
| PENSION TRUST FUND                               | 07/19/07                 | 5.17%                    | \$ 94,240                   |
| AGENCY FUNDS                                     |                          |                          |                             |
| Constitutional Officers:                         |                          |                          |                             |
| Circuit Court Clerk                              | Various                  | Various                  | 3,315,931                   |
| Clerk and Master                                 | Various                  | Various                  | 5,027,911                   |
| Juvenile Court Clerk                             | Various                  | Various                  | <u>791,572</u>              |
| Total primary government                         |                          |                          | <u>9,229,654</u>            |
| COMPONENT UNITS:                                 |                          |                          |                             |
| GOVERNMENTAL FUNDS                               |                          |                          |                             |
| School Activity:                                 |                          |                          |                             |
| First Tennessee                                  | Various                  | Various                  | 51,390                      |
| SunTrust Bank                                    | Various                  | Various                  | 114,791                     |
| Cornerstone Community Bank                       | 12/14/07                 | 5.25%                    | 25,853                      |
| Community National Bank                          | 03/27/11                 | 4.79%                    | 27,856                      |
| Chattanooga Area Schools<br>Federal Credit Union | Various                  | Various                  | <u>85,287</u>               |
|  |                          |                          | <u>305,177</u>              |
| PROPRIETARY FUNDS                                |                          |                          |                             |
| "911" Emergency Communication:                   |                          |                          |                             |
| First Volunteer Bank                             | N/A                      | Variable                 | 998,364                     |
| First Volunteer Bank                             | 04/05/08                 | 3.78%                    | 541,943                     |
| First Volunteer Bank                             | 07/10/07                 | 5.10%                    | 450,000                     |
| First Volunteer Bank                             | 11/17/07                 | 5.40%                    | 850,000                     |
| First Tennessee                                  | 10/24/07                 | 5.05%                    | 1,688,009                   |
| First Tennessee                                  | 08/14/07                 | 5.10%                    | 471,375                     |
| First Tennessee                                  | 06/20/07                 | 5.45%                    | 1,000,000                   |
| SunTrust Bank                                    | 09/01/07                 | 5.21%                    | 850,000                     |
| AmSouth Bank                                     | 06/22/08                 | 4.44%                    | 502,332                     |
| AmSouth Bank                                     | 06/14/08                 | 2.98%                    | <u>92,583</u>               |
|  |                          |                          | <u>7,444,606</u>            |
| Total component units                            |                          |                          | <u>7,749,783</u>            |
| Total  |                          |                          | <u><u>\$ 16,979,437</u></u> |

**SCHEDULE OF INVESTMENTS BY FUND**

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

|   | <u>MATURITY<br/>DATE</u> | <u>INTEREST<br/>RATE</u>    | <u>FACE<br/>VALUE</u> | <u>BOOK<br/>VALUE</u> |
|---|--------------------------|-----------------------------|-----------------------|-----------------------|
| <b>PRIMARY GOVERNMENT</b>   |                          |                             |                       |                       |
| <b>GENERAL FUND</b>   |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool                              | N/A                      | Monthly Weighted<br>Average | \$ 41,073,485         | \$ 41,073,485         |
| Certificate of Deposit<br>Classified as Investments                   |                          | 4.75%                       | 15,000                | 15,000                |
| <b>SHERIFF</b>  |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool                              | N/A                      | Monthly Weighted<br>Average | 2,726,414             | 2,726,414             |
| <b>DEBT SERVICE</b>   |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool                              | N/A                      | Monthly Weighted<br>Average | 413,559               | 413,559               |
| State of Tennessee Local<br>Government Investment Pool                | N/A                      | Monthly Weighted<br>Average | 15,000                | 15,000                |
| <b>CAPITAL PROJECTS</b>   |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool                              | N/A                      | Monthly Weighted<br>Average | 6,839,018             | 6,839,018             |
| State of Tennessee Local<br>Government Investment Pool                | N/A                      | Monthly Weighted<br>Average | 35,936                | 35,936                |
| AmSouth Investment Pool   | N/A                      | Monthly Weighted<br>Average | 10,403,962            | 10,403,962            |
| <b>OTHER GOVERNMENTAL FUNDS</b>                                       |                          |                             |                       |                       |
| Criminal Court Clerk:<br>Hamilton County Local<br>Investment Pool     | N/A                      | Monthly Weighted<br>Average | 2,486,595             | 2,486,595             |
| Juvenile Court Clerk:<br>Hamilton County Local<br>Investment Pool     | N/A                      | Monthly Weighted<br>Average | 370,890               | 370,890               |
| Governmental Law Library:<br>Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 64,796                | 64,796                |
| Hotel/Motel:<br>Hamilton County Local<br>Investment Pool              | N/A                      | Monthly Weighted<br>Average | 545,000               | 545,000               |

(continued)

**SCHEDULE OF INVESTMENTS BY FUND--(continued)**

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

|  | <u>MATURITY<br/>DATE</u> | <u>INTEREST<br/>RATE</u>    | <u>FACE<br/>VALUE</u> | <u>BOOK<br/>VALUE</u> |
|--|--------------------------|-----------------------------|-----------------------|-----------------------|
| OTHER GOVERNMENTAL FUNDS--(continued)    |                          |                             |                       |                       |
| Children's Services:                     |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | \$ 1,673,319          | \$ 1,673,319          |
| Economic Crimes:                         |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 51,002                | 51,002                |
| INTERNAL SERVICE                         |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 19,941,329            | 19,941,329            |
| PENSION TRUST FUND                       |                          |                             |                       |                       |
| Domestic Corporate Bonds                 | Various                  | Various                     | 887,442               | 887,442               |
| Mutual Funds                             | Various                  | Various                     | 78,000                | 78,000                |
| Domestic Equity Securities               | Various                  | Various                     | 1,388,299             | 1,388,299             |
| Foreign Equity Securities                | Various                  | Various                     | 51,750                | 51,750                |
| US Government Securities                 | Various                  | Various                     | 48,871                | 48,871                |
| AGENCY FUNDS                             |                          |                             |                       |                       |
| Constitutional Officers:                 |                          |                             |                       |                       |
| Criminal Court Clerk:                    |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 30,528                | 30,528                |
| Juvenile Court Clerk:                    |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 23,985                | 23,985                |
| Sheriff:                                 |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool | N/A                      | Monthly Weighted<br>Average | 146,650               | <u>146,650</u>        |
|  |                          |                             |                       | <u>89,310,830</u>     |

(continued)

**SCHEDULE OF INVESTMENTS BY FUND--(continued)**

**HAMILTON COUNTY, TENNESSEE**

**June 30, 2007**

|  | <u>MATURITY<br/>DATE</u> | <u>INTEREST<br/>RATE</u>    | <u>FACE<br/>VALUE</u> | <u>BOOK<br/>VALUE</u> |
|--|--------------------------|-----------------------------|-----------------------|-----------------------|
| COMPONENT UNITS  |                          |                             |                       |                       |
| GOVERNMENTAL FUNDS   |                          |                             |                       |                       |
| General Purpose School:  |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool   | N/A                      | Monthly Weighted<br>Average | \$ 382,746            | \$ 382,746            |
| Centralized Cafeteria:   |                          |                             |                       |                       |
| State of Tennessee Local<br>Government Investment Pool                                   | N/A                      | Monthly Weighted<br>Average | 1,106                 | 1,106                 |
| AmSouth Investment Pool  | N/A                      | Monthly Weighted<br>Average | 294,535               | 294,535               |
| BOE Internal Service:  |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool   | N/A                      | Monthly Weighted<br>Average | 45,974                | 45,974                |
| BOE Education Capital Projects:  |                          |                             |                       |                       |
| Hamilton County Local<br>Investment Pool   | N/A                      | Monthly Weighted<br>Average | 791,684               | 791,684               |
| ENTERPRISE FUNDS   |                          |                             |                       |                       |
| "911" Emergency Communication:<br>State of Tennessee Local<br>Government Investment Pool | N/A                      | Monthly Weighted<br>Average | 2,504,033             | <u>2,504,033</u>      |
|  |                          |                             |                       | <u>4,020,078</u>      |
|  |                          |                             |                       | <u>\$ 93,330,908</u>  |

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

**HAMILTON COUNTY, TENNESSEE**  
**June 30, 2007**

| NAME OF ISSUE       | INTEREST |          | DATE OF ISSUE |
|---------------------|----------|----------|---------------|
|                     | RATES    | DATES    |               |
| BONDS PAYABLE       |          |          |               |
| General Improvement | 5.000    | 11-1/5-1 | 05/01/97      |
|                     | 5.125    |          |               |
| School              | 5.000    | 11-1/5-1 | 05/01/97      |
|                     | 5.125    |          |               |
| General Improvement | 4.500    | 8-1/2-1  | 03/01/98      |
|                     | 4.550    |          |               |
|                     | 4.650    |          |               |
|                     | 4.750    |          |               |
|                     | 4.850    |          |               |
|                     | 5.000    |          |               |
| School              | 4.500    | 8-1/2-1  | 03/01/98      |
|                     | 4.550    |          |               |
|                     | 4.650    |          |               |
|                     | 4.750    |          |               |
|                     | 4.850    |          |               |
|                     | 5.000    |          |               |
| General Improvement | 4.400    | 8-1/2-1  | 03/01/98      |
|                     | 4.500    |          |               |
|                     | 4.600    |          |               |
|                     | 4.650    |          |               |
|                     | 4.750    |          |               |
|                     | 4.875    |          |               |
|                     | 5.000    |          |               |
|                     | 5.000    |          |               |
|                     | 5.000    |          |               |
|                     | 5.100    |          |               |
| 5.100               |          |          |               |

(continued)

| FUTURE MATURITY SCHEDULE          | PRINCIPAL AMOUNT |           |             |
|-----------------------------------|------------------|-----------|-------------|
|                                   | ISSUED           | RETIRED   | OUTSTANDING |
| 155,108 a year, 5/1/2008-2009     | \$ 310,216       | \$ -      | \$ 310,216  |
| 155,108 a year, 5/1/2010-2012     | 465,324          | -         | 465,324     |
| 3,374,892 a year, 5/1/2008-2009   | 6,749,784        | -         | 6,749,784   |
| 3,374,892 a year, 5/1/2010-2012   | 10,124,676       | -         | 10,124,676  |
| 1,065,263 a year, 08/01/2004-2008 | 5,326,315        | 3,195,789 | 2,130,526   |
| 1,065,263, 08/01/2009             | 1,065,263        | -         | 1,065,263   |
| 1,065,263, 08/01/2010             | 1,065,263        | -         | 1,065,263   |
| 1,065,263, 08/01/2011             | 1,065,263        | -         | 1,065,263   |
| 1,065,263, 08/01/2012             | 1,065,263        | -         | 1,065,263   |
| 1,065,263, 08/01/2013             | 1,065,263        | -         | 1,065,263   |
| 199,737 a year, 08/01/2004-2008   | 998,685          | 599,211   | 399,474     |
| 199,737, 08/01/2009               | 199,737          | -         | 199,737     |
| 199,737, 08/01/2010               | 199,737          | -         | 199,737     |
| 199,737, 08/01/2011               | 199,737          | -         | 199,737     |
| 199,737, 08/01/2012               | 199,737          | -         | 199,737     |
| 199,737, 08/01/2013               | 199,737          | -         | 199,737     |
| 200,000, 08/01/2007               | 200,000          | -         | 200,000     |
| 210,000, 08/01/2008               | 210,000          | -         | 210,000     |
| 220,000, 08/01/2009               | 220,000          | -         | 220,000     |
| 225,000, 08/01/2010               | 225,000          | -         | 225,000     |
| 235,000, 08/01/2011               | 235,000          | -         | 235,000     |
| 250,000, 08/01/2012               | 250,000          | -         | 250,000     |
| 265,000, 08/01/2013               | 265,000          | -         | 265,000     |
| 275,000, 08/01/2014               | 275,000          | -         | 275,000     |
| 290,000, 08/01/2015               | 290,000          | -         | 290,000     |
| 305,000, 08/01/2016               | 305,000          | -         | 305,000     |
| 385,625, a year, 08/01/2017-2024  | 3,085,000        | -         | 3,085,000   |

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

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

| NAME OF ISSUE              | INTEREST |          | DATE OF ISSUE |
|----------------------------|----------|----------|---------------|
|                            | RATES    | DATES    |               |
| BONDS PAYABLE--(continued) |          |          |               |
| General Improvement        | 5.000    | 11-1/5-1 | 11/01/00      |
|                            | 5.300    |          |               |
| Schools                    | 5.000    | 11-1/5-1 | 11/01/00      |
|                            | 5.300    |          |               |
| General Improvement        | 4.000    | 10-1/4-1 | 10/15/02      |
|                            | 4.000    |          |               |
|                            | 4.000    |          |               |
| Schools                    | 4.000    | 10-1/4-1 | 10/15/02      |
|                            | 4.000    |          |               |
|                            | 4.000    |          |               |
| General Improvement        | 4.000    | 1-1/7-1  | 02/10/04      |
|                            | 5.000    |          |               |
|                            | 4.000    |          |               |
|                            | 4.125    |          |               |
| Schools                    | 4.000    | 1-1/7-1  | 02/10/04      |
|                            | 5.000    |          |               |
|                            | 4.000    |          |               |
|                            | 4.125    |          |               |

(continued)

| FUTURE MATURITY SCHEDULE           | PRINCIPAL AMOUNT |              |              |
|------------------------------------|------------------|--------------|--------------|
|                                    | ISSUED           | RETIRED      | OUTSTANDING  |
| 600,283, a year, 11/01/2002-2014   | \$ 7,803,679     | \$ 3,001,415 | \$ 4,802,264 |
| 600,283, 11/01/2016                | 600,283          | -            | 600,283      |
| 2,934,717, a year, 11/01/2002-2014 | 38,151,321       | 14,673,585   | 23,477,736   |
| 2,934,717, 11/01/2015              | 2,934,717        | -            | 2,934,717    |
| 1,421,250, 10/1/2007               | 1,421,250        | -            | 1,421,250    |
| 606,250, 10/1/2008                 | 606,250          | -            | 606,250      |
| 596,250, 10/1/2009                 | 596,250          | -            | 596,250      |
| 4,263,750, 10/1/2007               | 4,263,750        | -            | 4,263,750    |
| 1,818,750, 10/1/2008               | 1,818,750        | -            | 1,818,750    |
| 1,788,750, 10/1/2009               | 1,788,750        | -            | 1,788,750    |
| 1,266,666, 1/1/2007-2008           | 2,533,332        | 1,266,666    | 1,266,666    |
| 1,266,666, 1/1/2009-2010           | 2,533,332        | -            | 2,533,332    |
| 1,266,667, 1/1/2011-2018           | 10,133,336       | -            | 10,133,336   |
| 1,266,666, 1/1/2019                | 1,266,666        | -            | 1,266,666    |
| 733,334, 1/1/2007-2008             | 1,466,668        | 733,334      | 733,334      |
| 733,334, 1/1/2009-2010             | 1,466,668        | -            | 1,466,668    |
| 733,333, 1/1/2011-2018             | 5,866,664        | -            | 5,866,664    |
| 733,334, 1/1/2019                  | 733,334          | -            | 733,334      |

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

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

| <u>NAME OF ISSUE</u>                   | <u>INTEREST</u> |              | <u>DATE<br/>OF ISSUE</u> |
|--|-----------------|--------------|--------------------------|
|  | <u>RATES</u>    | <u>DATES</u> |                          |
| BONDS PAYABLE--(continued)             |                 |              |                          |
| Water & Wastewater Treatment Authority | 4.000           | 1-1/7-1      | 02/10/04                 |
|  | 5.000           |              |                          |
|  | 5.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.000           |              |                          |
|  | 4.125           |              |                          |
|  | 4.500           |              |                          |
|  | 4.500           |              |                          |
|  | 4.500           |              |                          |
|  | 4.500           |              |                          |
|  | 4.500           |              |                          |
|  | 4.500           |              |                          |
|  | 4.600           |              |                          |
|  | 4.600           |              |                          |
|  | 4.600           |              |                          |
|  | 4.600           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |
|  | 4.650           |              |                          |

(continued)

| <u>FUTURE MATURITY SCHEDULE</u> | <u>PRINCIPAL AMOUNT</u> |                |                       |
|---------------------------------|-------------------------|----------------|-----------------------|
|                                 | <u>ISSUED</u>           | <u>RETIRED</u> | <u>OUTSTANDING</u>    |
| 210,000, 1/1/2008               | \$ 210,000              | \$ -           | \$ 210,000            |
| 215,000, 1/1/2009               | 215,000                 | -              | 215,000               |
| 220,000, 1/1/2010               | 220,000                 | -              | 220,000               |
| 220,000, 1/1/2011               | 220,000                 | -              | 220,000               |
| 230,000, 1/1/2012               | 230,000                 | -              | 230,000               |
| 235,000, 1/1/2013               | 235,000                 | -              | 235,000               |
| 245,000, 1/1/2014               | 245,000                 | -              | 245,000               |
| 255,000, 1/1/2015-2016          | 510,000                 | -              | 510,000               |
| 270,000, 1/1/2017               | 270,000                 | -              | 270,000               |
| 280,000, 1/1/2018               | 280,000                 | -              | 280,000               |
| 290,000, 1/1/2019               | 290,000                 | -              | 290,000               |
| 310,000, 1/1/2020               | 310,000                 | -              | 310,000               |
| 320,000, 1/1/2021               | 320,000                 | -              | 320,000               |
| 335,000, 1/1/2022               | 335,000                 | -              | 335,000               |
| 350,000, 1/1/2023               | 350,000                 | -              | 350,000               |
| 365,000, 1/1/2024               | 365,000                 | -              | 365,000               |
| 380,000, 1/1/2025               | 380,000                 | -              | 380,000               |
| 400,000, 1/1/2026               | 400,000                 | -              | 400,000               |
| 420,000, 1/1/2027               | 420,000                 | -              | 420,000               |
| 440,000, 1/1/2028               | 440,000                 | -              | 440,000               |
| 460,000, 1/1/2029               | 460,000                 | -              | 460,000               |
| 480,000, 1/1/2030               | 480,000                 | -              | 480,000               |
| 505,000, 1/1/2031               | 505,000                 | -              | 505,000               |
| 530,000, 1/1/2032               | 530,000                 | -              | 530,000               |
| 555,000, 1/1/2033               | 555,000                 | -              | 555,000               |
| 580,000, 1/1/2034               | 580,000                 | -              | 580,000               |
|                                 |                         |                | <u>\$ 107,730,000</u> |

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

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

| NAME OF ISSUE                             | INTEREST |         | DATE OF ISSUE |
|---|----------|---------|---------------|
|   | RATES    | DATES   |               |
| TENNESSEE COUNTY LOAN POOL                |          |         |               |
| Notes, Series 1996                        | Variable | Monthly | Various       |
| Notes, Series 1999                        | Variable | Monthly | Various       |
| Qualified Zone Academy Bonds, Series 2003 | None     | -       | Various       |
| Commercial Paper/Bond Anticipation Notes  | Variable | Monthly | Various       |

\*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. The Commercial Paper debt will be retired with the anticipated issuance of bonds in fiscal year 2008.

(continued)

| <u>FUTURE MATURITY SCHEDULE</u>              | <u>PRINCIPAL AMOUNT</u> |                |                    |
|--|-------------------------|----------------|--------------------|
|  | <u>ISSUED</u>           | <u>RETIRED</u> | <u>OUTSTANDING</u> |
| 764,000, 05/25/2008                          | \$ 764,000              | \$ -           | \$ 764,000         |
| 806,000, 05/25/2009                          | 806,000                 | -              | 806,000            |
| 850,300, 05/25/2010                          | 850,300                 | -              | 850,300            |
| 897,100, 05/25/2011                          | 897,100                 | -              | <u>897,100</u>     |
|  |                         |                | <u>3,317,400</u>   |
| 648,000, 05/25/2008                          | 648,000                 | -              | 648,000            |
| 673,000, 05/25/2009                          | 673,000                 | -              | 673,000            |
| 700,000, 05/25/2010                          | 700,000                 | -              | 700,000            |
| 728,000, 05/25/2011                          | 728,000                 | -              | 728,000            |
| 757,000, 05/25/2012                          | 757,000                 | -              | 757,000            |
| 788,000, 05/25/2013                          | 788,000                 | -              | 788,000            |
| 819,000, 05/25/2014                          | 819,000                 | -              | <u>819,000</u>     |
|  |                         |                | <u>5,113,000</u>   |
| Annual payment, 12/23/2004-2018 of<br>90,733 | 1,361,000               | 272,199        | <u>1,088,801</u>   |
| 25,000,000*                                  | 25,000,000              | -              | <u>25,000,000</u>  |

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

**HAMILTON COUNTY, TENNESSEE  
June 30, 2007**

| NAME OF ISSUE  | INTEREST  |         | DATE OF ISSUE |
|--|---|---------|---------------|
|  | RATES   | DATES   |               |
| OTHER DEBT OBLIGATIONS   |   |         |               |
| Agreement between the County<br>& City of Chattanooga<br>regarding Finley Stadium      | 4.000<br>4.000<br>5.000<br>5.380<br>5.380<br>5.380<br>5.000<br>4.380<br>4.500 | 9-1/3-1 | \$ 37,316     |
| Agreement between the County<br>& Corrections Corporation of America                   | Variable  | Monthly | 11/1/1998     |
| Agreement between the County<br>& the City of East Ridge regarding<br>Camp Jordan Park | Various   | Monthly | 5/24/1989     |
| Agreement between the County<br>& the City of Chattanooga<br>& Bessie Smith Hall       | Various   | Monthly | 10/1/1990     |

| FUTURE MATURITY SCHEDULE | PRINCIPAL AMOUNT |         |                       |
|--------------------------|------------------|---------|-----------------------|
|                          | ISSUED           | RETIRED | OUTSTANDING           |
| 320,000, 9/1/2007        | \$ 320,000       | \$ -    | \$ 320,000            |
| 332,500, 9/1/2008        | 332,500          | -       | 332,500               |
| 347,500, 9/1/2009        | 347,500          | -       | 347,500               |
| 362,500, 9/1/2010        | 362,500          | -       | 362,500               |
| 385,000, 9/1/2011        | 385,000          | -       | 385,000               |
| 402,500, 9/1/2012        | 402,500          | -       | 402,500               |
| 422,500, 9/1/2013        | 422,500          | -       | 422,500               |
| 427,500, 9/1/2014        | 427,500          | -       | 427,500               |
| 445,000, 9/1/2015        | 445,000          | -       | <u>445,000</u>        |
|                          |                  |         | <u>3,445,000</u>      |
| 267,736, 12/7/2007       | 267,736          | -       | 267,736               |
| 267,005, 12/7/2008       | 267,005          | -       | 267,005               |
| 267,005, 12/7/2009       | 267,005          | -       | 267,005               |
| 267,005, 12/7/2010       | 267,005          | -       | 267,005               |
| 267,736, 12/7/2011       | 267,736          | -       | 267,736               |
| 267,005, 12/7/2012       | 267,005          | -       | 267,005               |
| 81,978, 12/7/2013        | 81,978           | -       | <u>81,978</u>         |
|                          |                  |         | <u>1,685,470</u>      |
| 80,000, 12/25/2007       | 80,000           | -       | 80,000                |
| 90,000, 12/25/2008       | 90,000           | -       | <u>90,000</u>         |
|                          |                  |         | <u>170,000</u>        |
| 170,000, 5/1/2008        | 170,000          | -       | <u>170,000</u>        |
|                          |                  |         | <u>170,000</u>        |
|                          |                  |         | <u>\$ 147,719,671</u> |

## DEBT SERVICE REQUIREMENTS TO MATURITY

### HAMILTON COUNTY, TENNESSEE

June 30, 2007

| Year Ended<br>June 30 | Combined<br>Totals    | GENERAL OBLIGATION BONDS |                      |                       |
|-----------------------|-----------------------|--------------------------|----------------------|-----------------------|
|                       |                       | Bond<br>Principal        | Interest             | Total                 |
| 2008                  | \$ 48,823,377         | \$ 16,425,000            | \$ 4,793,315         | \$ 21,218,315         |
| 2009                  | 19,781,651            | 13,180,000               | 4,123,415            | 17,303,415            |
| 2010                  | 19,092,312            | 13,155,000               | 3,496,189            | 16,651,189            |
| 2011                  | 16,183,335            | 10,775,000               | 2,911,345            | 13,686,345            |
| 2012                  | 14,805,396            | 10,795,000               | 2,394,615            | 13,189,615            |
| 2013                  | 10,795,173            | 7,285,000                | 1,875,357            | 9,160,357             |
| 2014                  | 10,315,718            | 7,310,000                | 1,534,188            | 8,844,188             |
| 2015                  | 7,835,123             | 6,065,000                | 1,222,513            | 7,287,513             |
| 2016                  | 7,561,881             | 6,080,000                | 936,135              | 7,016,135             |
| 2017                  | 3,402,963             | 2,575,000                | 737,230              | 3,312,230             |
| 2018                  | 3,321,226             | 2,600,000                | 630,493              | 3,230,493             |
| 2019                  | 3,238,328             | 2,625,000                | 522,590              | 3,147,590             |
| 2020                  | 1,075,533             | 665,000                  | 410,533              | 1,075,533             |
| 2021                  | 1,068,095             | 690,000                  | 378,095              | 1,068,095             |
| 2022                  | 1,074,187             | 730,000                  | 344,187              | 1,074,187             |
| 2023                  | 1,073,457             | 765,000                  | 308,457              | 1,073,457             |
| 2024                  | 1,071,032             | 800,000                  | 271,032              | 1,071,032             |
| 2025                  | 1,071,785             | 840,000                  | 231,785              | 1,071,785             |
| 2026                  | 602,575               | 400,000                  | 202,575              | 602,575               |
| 2027                  | 604,175               | 420,000                  | 184,175              | 604,175               |
| 2028                  | 604,855               | 440,000                  | 164,855              | 604,855               |
| 2029                  | 604,615               | 460,000                  | 144,615              | 604,615               |
| 2030                  | 603,225               | 480,000                  | 123,225              | 603,225               |
| 2031                  | 605,905               | 505,000                  | 100,905              | 605,905               |
| 2032                  | 607,422               | 530,000                  | 77,422               | 607,422               |
| 2033                  | 607,777               | 555,000                  | 52,777               | 607,777               |
| 2034                  | 606,970               | 580,000                  | 26,970               | 606,970               |
|                       | <u>\$ 177,038,091</u> | <u>\$ 107,730,000</u>    | <u>\$ 28,198,993</u> | <u>\$ 135,928,993</u> |

\*This amount includes bond anticipation notes issued in the form of Commercial Paper. 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. The Commercial Paper debt will be retired with the anticipated issuance of bonds in fiscal year 2008.

