

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

**HAMILTON COUNTY, TENNESSEE
June 30, 2010**

Schedule of Funding Progress

(Dollar amounts in thousands)

Tennessee Consolidated Retirement System

Actuarial Valuation Date (frozen initial liability)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Political Subdivision Pension Plan (PSPP)						
07/01/09	\$ 290,589	\$ 352,880	\$ 62,291	82.35%	\$ 97,446	63.92%
07/01/07	275,318	316,473	41,155	87.00%	88,047	46.74%
07/01/05	237,545	247,301	9,756	96.06%	84,860	11.50%

Hamilton County Administered Plans

Actuarial Valuation Date (entry age normal)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Employees' Retirement						
06/30/09	\$ 1,787	\$ 873	\$ (914) **	204.7%	\$ -	N/A
06/30/07	2,256	1,083	(1,173) **	208.4%	-	N/A
06/30/05	2,380	1,249	(1,131) **	190.5%	-	N/A
Commissioners' Retirement						
06/30/09	\$ 482	\$ 702	\$ 220	68.6%	\$ 196	112.3%
06/30/07	414	652	238	63.5%	192	124.2%
06/30/05	330	614	284	53.8%	166	170.5%
Teachers' Retirement						
06/30/09	\$ 57	\$ 64	\$ 7	89.6%	\$ -	N/A
06/30/07	95	100	5	95.2%	-	N/A
06/30/05	151	151	-	100.0%	-	N/A

** Considered a "funding excess"

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

**HAMILTON COUNTY, TENNESSEE
June 30, 2010**

Schedule of Employer Contributions

Tennessee Consolidated Retirement System

Year Ended June 30	PSP		SETHEPP	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
	2010	\$ 14,938,598	100.0%	\$ 10,039,596
2009	15,063,655	100.0%	10,344,519	100.0%
2008	14,475,166	100.0%	9,702,404	100.0%

Hamilton County Administered Plans

Year Ended June 30	Employees' Retirement		Commissioners' Retirement		Teachers' Retirement	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
	2009	\$ -	0.0%	\$ 52,431	143.5%	\$ 605
2008	-	0.0%	52,431	143.5%	605	0.0%
2007	-	0.0%	49,563	151.8%	-	N/A

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

**HAMILTON COUNTY, TENNESSEE
June 30, 2010**

Schedule of Funding Progress for Other Postemployment Benefits

(Dollar amounts in thousands)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
Primary Government						
06/30/09	\$ -	\$ 24,048	\$ 24,048	0.0%	\$ 69,679	35.51%
06/30/07	-	23,226	23,226	0.0%	56,451	41.14%
Department of Education						
06/30/09	\$ -	\$ 96,886	\$ 96,886	0.0%	\$ 171,436	56.51%
06/30/07	-	75,988	75,988	0.0%	169,692	44.78%

NOTE TO SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

HAMILTON COUNTY, TENNESSEE
June 30, 2010

PUBLIC EMPLOYEE RETIREMENT SYSTEMS

Actuarial Information of the County Administered Plans

The annual required contribution for each of these plans was determined using the entry age normal funding method. The actuarial value of assets was determined at market value and the unfunded actuarial accrued liability is being amortized as a level dollar amount over a 30-year period commencing on the valuation date for the Employees' Retirement and Teachers' Retirement Plans. For the Commissioners' Retirement Plan, the actuarial value of assets is being amortized as a level dollar amount for a 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' Retirement Plans because the benefits are either capped or not based upon salary. The assumption with respect to salary increases was 4.0% for the Commissioners' Retirement Plan.

OTHER POST EMPLOYMENT BENEFITS

Actuarial Information of the County Employees Post Retirement Medical Insurance Benefits

The annual required contribution was determined by using the entry age normal funding method and a discount rate of 7.5%. The actuarial value of the unfunded actuarial accrued liability is being amortized as a level percentage of covered payroll over a 30-year period commencing on the valuation date.

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

The annual required contribution was determined using the entry age normal funding method and a discount rate of 5.45%. The actuarial value of the unfunded actuarial accrued liability is being amortized as a level percentage of covered payroll over a 30-year period commencing on the valuation date.

GENERAL FUND

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

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND DETAIL**

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property taxes	\$ 122,050,676	\$ 122,050,676	\$ 124,737,623	\$ 2,686,947
Local sales tax	13,163,000	13,163,000	12,931,526	(231,474)
Business taxes	4,890,000	4,890,000	5,066,223	176,223
Wholesale beer tax	800,000	800,000	836,413	36,413
Total taxes	140,903,676	140,903,676	143,571,785	2,668,109
Licenses and permits	548,500	548,500	570,241	21,741
Intergovernmental revenues:				
State of Tennessee	15,409,194	19,023,492	17,249,102	(1,774,390)
United States Government	3,460,593	4,144,930	3,842,824	(302,106)
Cities	1,823,431	1,961,330	1,893,240	(68,090)
Total intergovernmental revenues	20,693,218	25,129,752	22,985,166	(2,144,586)
Charges for services:				
Health department	3,214,843	3,214,843	1,984,563	(1,230,280)
Other	11,834,216	11,834,216	11,713,386	(120,830)
Total charges for services	15,049,059	15,049,059	13,697,949	(1,351,110)
Fines, forfeitures and penalties	1,113,800	1,113,800	1,004,265	(109,535)
Investment earnings	1,000,250	1,000,250	427,690	(572,560)
Miscellaneous	3,007,716	3,100,716	3,229,556	128,840
Total revenues	182,316,219	186,845,753	185,486,652	(1,359,101)
EXPENDITURES				
Current:				
General government:				
County Clerk	1,825,613	1,825,613	1,710,333	115,280
Register	488,546	488,546	471,436	17,110
County Trustee	396,539	396,539	359,155	37,384
Assessor of Property	3,454,063	3,567,564	2,970,693	596,871
District Attorney General	976,925	996,925	835,328	161,597
Election Commission	1,462,438	1,462,438	1,341,712	120,726
Board of Equalization	5,000	5,000	4,630	370
Soil Conservation	111,942	111,942	108,513	3,429
Agricultural Department	236,410	236,410	228,245	8,165
County-City Planning Commission	990,007	1,062,879	990,007	72,872

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
General government--(continued):				
Regional Council of				
Government & SETTDD	\$ 67,581	\$ 67,581	\$ 67,581	\$ -
CARTA	525,000	525,000	525,000	-
Economic Development	220,200	220,200	220,200	-
Representative-General Assembly	10,500	10,500	6,149	4,351
Utilities	2,135,050	2,135,050	1,794,957	340,093
County Board of Commissioners	690,627	753,828	637,284	116,544
County Mayor	656,493	656,493	616,046	40,447
County Auditor	2,488,512	2,488,512	2,311,747	176,765
Chief of Staff	372,722	372,722	370,580	2,142
Chief Reading Officer	276,994	276,994	267,033	9,961
County Attorney	830,213	922,215	930,574	(8,359)
Emp Assistance Program	34,220	34,220	32,247	1,973
Human Resources	764,224	764,224	746,490	17,734
Insurance	165,000	165,000	123,403	41,597
Employee Benefits	2,531,472	2,438,266	1,598,752	839,514
Trustee's Commission	3,082,586	3,082,586	2,946,086	136,500
External Audits	225,000	225,000	205,412	19,588
TSCA Dues	9,937	9,937	9,937	-
NACO Dues	6,419	6,419	6,419	-
Equal Employment Opportunity	57,000	57,000	23,278	33,722
Finance Administrator	244,636	244,636	238,766	5,870
Accounting	1,968,654	1,968,654	1,729,097	239,557
Financial Management	446,735	448,295	426,955	21,340
Information Technology Services	2,999,352	3,014,994	2,918,103	96,891
Purchasing	392,588	392,588	386,592	5,996
Geographic Information System	779,205	1,309,752	1,153,527	156,225
Custodial Services	1,826,955	1,826,955	1,692,408	134,547
Real Property	353,824	444,701	406,092	38,609
Recycling	197,539	197,539	202,293	(4,754)
Human Services Administrator	208,094	208,094	206,416	1,678
Development Services	467,112	688,913	692,091	(3,178)
Maintenance	2,746,723	2,753,562	2,650,962	102,600
Railroad Authority	135,644	140,848	127,867	12,981
Total general government	<u>37,864,294</u>	<u>39,005,134</u>	<u>35,290,396</u>	<u>3,714,738</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
Public safety:				
Drug Court	\$ -	\$ 837,605	\$ 567,466	\$ 270,139
Medical Examiner	944,577	944,577	950,200	(5,623)
Criminal Court Clerk	1,406,677	1,406,677	1,212,955	193,722
Public Defender	493,142	506,034	418,108	87,926
General Sessions Court	1,240,784	1,240,784	1,224,650	16,134
Juries	230,000	230,000	118,363	111,637
Court Judges	469,533	469,533	452,265	17,268
Judicial Commission Magistrates	371,872	371,872	345,255	26,617
Juvenile Court	6,916,829	6,918,424	6,334,067	584,357
Forest Fire Prevention	4,000	4,000	4,000	-
Humane Education Society	395,255	395,255	395,255	-
Certified Cost Reimbursement	787,600	787,600	614,521	173,079
Building Inspection	900,918	900,918	848,850	52,068
Emergency Services	3,370,682	3,499,188	3,418,690	80,498
Community Corrections Program	15,174,268	15,193,212	15,448,490	(255,278)
Litter Grant	538,188	538,188	509,440	28,748
Homeland Security Grants	-	2,454,237	1,314,554	1,139,683
Security Services	837,913	837,913	770,021	67,892
Volunteer Emergency Services	185,189	185,189	177,509	7,680
Ambulance Services	7,878,618	7,878,618	8,408,857	(530,239)
Total public safety	<u>42,146,045</u>	<u>45,599,824</u>	<u>43,533,516</u>	<u>2,066,308</u>
Highways and streets:				
Public Works Administrator	215,643	215,643	211,191	4,452
Engineering Services	4,090,346	4,090,346	3,556,127	534,219
Highway	9,493,885	9,497,281	8,148,390	1,348,891
Total highways and streets	<u>13,799,874</u>	<u>13,803,270</u>	<u>11,915,708</u>	<u>1,887,562</u>
Health:				
Air Pollution Control	188,548	188,548	188,548	-
Baroness Erlanger Hospital	3,000,000	3,000,000	3,000,000	-
Health Department	20,632,330	22,400,934	19,136,126	3,264,808
Total health	<u>23,820,878</u>	<u>25,589,482</u>	<u>22,324,674</u>	<u>3,264,808</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES--(continued):				
Current--(continued):				
Social services:				
Clerk and Master	\$ 760,760	\$ 765,368	\$ 742,268	\$ 23,100
Circuit Court Clerk	1,113,116	1,113,116	1,111,165	1,951
Social services block grant	460,951	460,951	362,868	98,083
Alexian Senior Neighbors	10,300	10,300	10,300	-
Urban League	50,000	50,000	50,000	-
Emergency Support Programs	274,966	258,906	248,270	10,636
Chattanooga Endeavors	17,510	17,510	17,510	-
Chattanooga Homeless Coalition	13,905	107,082	25,739	81,343
Children's Services	<u>3,453,385</u>	<u>3,714,906</u>	<u>2,889,409</u>	<u>825,497</u>
Total social services	<u>6,154,893</u>	<u>6,498,139</u>	<u>5,457,529</u>	<u>1,040,610</u>
Culture and recreation:				
Bethlehem Sports Academy	15,000	15,000	15,000	-
Public Library	2,640,000	2,640,000	2,640,000	-
City Beautiful Commission	22,888	22,888	22,888	-
Allied Arts	150,000	150,000	150,000	-
WTCI Public Television	30,000	30,000	30,000	-
Regional History Museum	28,000	28,000	28,000	-
Bessie Smith Museum	64,000	64,000	64,000	-
Heritage Hall	62,653	62,653	62,653	-
Parks and Recreation Department	<u>6,823,993</u>	<u>6,877,117</u>	<u>6,348,458</u>	<u>528,659</u>
Total culture and recreation	<u>9,836,534</u>	<u>9,889,658</u>	<u>9,360,999</u>	<u>528,659</u>
Capital outlay	<u>4,568,896</u>	<u>6,553,280</u>	<u>4,897,122</u>	<u>1,656,158</u>
Total budgetary expenditures	<u>138,191,414</u>	<u>146,938,787</u>	<u>132,779,944</u>	<u>14,158,843</u>
Excess of revenues over expenditures	<u>44,124,805</u>	<u>39,906,966</u>	<u>52,706,708</u>	<u>12,799,742</u>

(continued)

BUDGETARY COMPARISON SCHEDULE--(continued)
GENERAL FUND DETAIL

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 9,005,022	\$ 9,406,853	\$ 8,996,692	\$ (410,161)
Transfers out	(59,894,355)	(60,338,815)	(58,026,943)	2,311,872
Sale of capital	<u>-</u>	<u>-</u>	<u>54,832</u>	<u>54,832</u>
Total other financing sources (uses)	<u>(50,889,333)</u>	<u>(50,931,962)</u>	<u>(48,975,419)</u>	<u>1,956,543</u>
Net change in fund balance	(6,764,528)	(11,024,996)	3,731,289	14,756,285
Fund balance allocation	<u>6,764,528</u>	<u>11,024,996</u>	<u>-</u>	<u>(11,024,996)</u>
	<u>\$ -</u>	<u>\$ -</u>	3,731,289	<u>\$ 3,731,289</u>
Add encumbrances at end of year			808,748	
Less encumbrances at beginning of year			<u>(689,634)</u>	
Net change in fund balance--(GAAP Modified Accrual Basis)			3,850,403	
Fund balance at beginning of year--(GAAP Modified Accrual Basis)			<u>84,069,755</u>	
Fund balance at end of year--(GAAP Modified Accrual Basis)			<u>\$ 87,920,158</u>	

EXPLANATION OF DIFFERENCES:

REVENUES

Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 185,486,652
Component unit accounting services	7,272,065
Ambulance services bad debt	5,194,144
Ambulance services contractual allowance	<u>8,478,037</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 206,430,898</u>

EXPENDITURES

Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 132,779,944
Adjustment for encumbrances	(119,114)
Component unit payroll	7,272,065
Ambulance services bad debt	5,194,144
Ambulance services contractual allowance	<u>8,478,037</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 153,605,076</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.

Nursing Home Fund accounts for the residual activities of the Hamilton County Nursing Home that are the County's responsibilities after the sale of the Nursing Home.

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, 2010**

	Special Revenue Funds	
	Constitutional Officers	Governmental Law Library
ASSETS		
Cash and equivalents	\$ 5,300,321	\$ 650
Investments	331,203	100,227
Receivables:		
Accounts	118,714	-
Intergovernmental	343,759	285
Due from other funds	53,083	-
 Total assets	\$ 6,147,080	\$ 101,162
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accrued items and other	\$ 2,254,248	\$ -
Due to other funds	-	-
 Total liabilities	2,254,248	-
 Fund Balances:		
Reserved for restricted activities	67,150	-
Reserved for litigants and beneficiaries	-	-
Unreserved:		
Undesignated	3,825,682	101,162
 Total fund balances	3,892,832	101,162
 Total liabilities and fund balances	\$ 6,147,080	\$ 101,162

<u>Hotel/ Motel</u>	<u>Statewide Meth Grant</u>	<u>Children's Services</u>	<u>Economic Crimes</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 404,254	\$ 4,749	\$ 500	\$ 3,539	\$ 5,714,013
-	-	717,516	40,850	1,189,796
511,733	-	-	-	630,447
-	-	-	-	344,044
-	-	-	-	53,083
<u>\$ 915,987</u>	<u>\$ 4,749</u>	<u>\$ 718,016</u>	<u>\$ 44,389</u>	<u>\$ 7,931,383</u>
\$ 915,987	\$ 4,449	\$ -	\$ -	\$ 3,174,684
-	-	471,660	-	471,660
<u>915,987</u>	<u>4,449</u>	<u>471,660</u>	<u>-</u>	<u>3,646,344</u>
-	-	-	44,389	111,539
-	-	246,356	-	246,356
-	300	-	-	3,927,144
-	300	246,356	44,389	4,285,039
<u>\$ 915,987</u>	<u>\$ 4,749</u>	<u>\$ 718,016</u>	<u>\$ 44,389</u>	<u>\$ 7,931,383</u>

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

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Special Revenue Funds	
	Constitutional Officers	Governmental Law Library
REVENUES		
Taxes	\$ -	\$ 16,229
Charges for services	18,340,832	-
Fines, forfeitures and penalties	-	-
Investment earnings	27,289	647
Miscellaneous	39,483	-
Total revenues	18,407,604	16,876
EXPENDITURES		
Current:		
General government	4,251,518	-
Public safety:		
Criminal Court	2,653,734	-
Juvenile Court	1,311,675	-
Other	-	6,651
Social services	4,347,452	-
Total expenditures	12,564,379	6,651
Excess (deficiency) of revenues over (under) expenditures	5,843,225	10,225
OTHER FINANCING SOURCES (USES)		
Transfers in	1,988,367	-
Transfers out	(8,123,202)	-
Total other financing sources (uses)	(6,134,835)	-
Net change in fund balances	(291,610)	10,225
Fund balances (deficit) at beginning of year	4,184,442	90,937
Fund balances (deficit) at end of year	\$ 3,892,832	\$ 101,162

<u>Hotel/ Motel</u>	<u>Statewide Meth Grant</u>	<u>Children's Services</u>	<u>Economic Crimes</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 4,523,689	\$ -	\$ -	\$ -	\$ 4,539,918
-	-	-	-	18,340,832
-	-	-	40,998	40,998
978	-	5,108	212	34,234
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,483</u>
<u>4,524,667</u>	<u>-</u>	<u>5,108</u>	<u>41,210</u>	<u>22,995,465</u>
4,524,667	-	-	-	8,776,185
-	-	-	-	2,653,734
-	-	-	-	1,311,675
-	-	-	6,428	13,079
<u>-</u>	<u>-</u>	<u>17</u>	<u>23,070</u>	<u>4,370,539</u>
<u>4,524,667</u>	<u>-</u>	<u>17</u>	<u>29,498</u>	<u>17,125,212</u>
<u>-</u>	<u>-</u>	<u>5,091</u>	<u>11,712</u>	<u>5,870,253</u>
-	-	-	-	1,988,367
<u>-</u>	<u>-</u>	<u>(471,659)</u>	<u>-</u>	<u>(8,594,861)</u>
<u>-</u>	<u>-</u>	<u>(471,659)</u>	<u>-</u>	<u>(6,606,494)</u>
-	-	(466,568)	11,712	(736,241)
<u>-</u>	<u>300</u>	<u>712,924</u>	<u>32,677</u>	<u>5,021,280</u>
<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 246,356</u>	<u>\$ 44,389</u>	<u>\$ 4,285,039</u>

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

	Circuit Court Clerk	Clerk and Master	County Clerk
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 592,205	\$ 1,073,820	\$ 351,080
Investments	-	-	-
Receivables:			
Accounts	-	-	13,079
Intergovernmental	5,798	-	-
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 598,003</u>	<u>\$ 1,073,820</u>	<u>\$ 364,159</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accrued items and other	<u>\$ 60,051</u>	<u>\$ 37,755</u>	<u>\$ 83,835</u>
Total liabilities	<u>60,051</u>	<u>37,755</u>	<u>83,835</u>
Fund Balances:			
Reserved for restricted activities	-	15,024	52,126
Unreserved:			
Undesignated	<u>537,952</u>	<u>1,021,041</u>	<u>228,198</u>
Total fund balances	<u>537,952</u>	<u>1,036,065</u>	<u>280,324</u>
Total liabilities and fund balances	<u>\$ 598,003</u>	<u>\$ 1,073,820</u>	<u>\$ 364,159</u>

<u>Criminal Court Clerk</u>	<u>Juvenile Court Clerk</u>	<u>Register</u>	<u>Trustee</u>	<u>Total Constitutional Officers</u>
\$ 2,655,558	\$ -	\$ 221,732	\$ 405,926	\$ 5,300,321
-	331,203	-	-	331,203
101,103	4,532	-	-	118,714
235,876	44,857	-	57,228	343,759
<u>53,083</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,083</u>
<u>\$ 3,045,620</u>	<u>\$ 380,592</u>	<u>\$ 221,732</u>	<u>\$ 463,154</u>	<u>\$ 6,147,080</u>
\$ 1,936,025	\$ 82,921	\$ 25,978	\$ 27,683	\$ 2,254,248
<u>1,936,025</u>	<u>82,921</u>	<u>25,978</u>	<u>27,683</u>	<u>2,254,248</u>
-	-	-	-	67,150
<u>1,109,595</u>	<u>297,671</u>	<u>195,754</u>	<u>435,471</u>	<u>3,825,682</u>
<u>1,109,595</u>	<u>297,671</u>	<u>195,754</u>	<u>435,471</u>	<u>3,892,832</u>
<u>\$ 3,045,620</u>	<u>\$ 380,592</u>	<u>\$ 221,732</u>	<u>\$ 463,154</u>	<u>\$ 6,147,080</u>

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

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Circuit Court Clerk	Clerk and Master	County Clerk
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 1,945,502	\$ 2,388,356	\$ 2,738,522
Investment earnings	6,774	4,213	5,707
Miscellaneous	<u> -</u>	<u> -</u>	<u> 32,847</u>
Total revenues	<u> 1,952,276</u>	<u> 2,392,569</u>	<u> 2,777,076</u>
EXPENDITURES			
Current:			
General government	-	-	2,739,515
Public safety:			
Criminal Court	-	-	-
Juvenile Court	-	-	-
Social services	<u> 1,948,082</u>	<u> 1,536,516</u>	<u> -</u>
Total expenditures	<u> 1,948,082</u>	<u> 1,536,516</u>	<u> 2,739,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u> 4,194</u>	<u> 856,053</u>	<u> 37,561</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	155,000
Transfers out	<u> (7,453)</u>	<u> (883,517)</u>	<u> (155,000)</u>
Total other financing sources (uses)	<u> (7,453)</u>	<u> (883,517)</u>	<u> -</u>
Net change in fund balances	(3,259)	(27,464)	37,561
Fund balances at beginning of year	<u> 541,211</u>	<u> 1,063,529</u>	<u> 242,763</u>
Fund balances at end of year	<u><u> \$ 537,952</u></u>	<u><u> \$ 1,036,065</u></u>	<u><u> \$ 280,324</u></u>

Criminal Court Clerk	Juvenile Court Clerk	Register	Trustee	Total Constitutional Officers
\$ 2,365,764	\$ 380,567	\$ 1,739,322	\$ 6,782,799	\$ 18,340,832
4,518	1,580	-	4,497	27,289
-	6,636	-	-	39,483
<u>2,370,282</u>	<u>388,783</u>	<u>1,739,322</u>	<u>6,787,296</u>	<u>18,407,604</u>
-	-	704,481	807,522	4,251,518
2,653,734	-	-	-	2,653,734
-	1,311,675	-	-	1,311,675
-	862,854	-	-	4,347,452
<u>2,653,734</u>	<u>2,174,529</u>	<u>704,481</u>	<u>807,522</u>	<u>12,564,379</u>
<u>(283,452)</u>	<u>(1,785,746)</u>	<u>1,034,841</u>	<u>5,979,774</u>	<u>5,843,225</u>
-	1,833,367	-	-	1,988,367
-	-	(1,116,148)	(5,961,084)	(8,123,202)
-	<u>1,833,367</u>	<u>(1,116,148)</u>	<u>(5,961,084)</u>	<u>(6,134,835)</u>
(283,452)	47,621	(81,307)	18,690	(291,610)
<u>1,393,047</u>	<u>250,050</u>	<u>277,061</u>	<u>416,781</u>	<u>4,184,442</u>
<u>\$ 1,109,595</u>	<u>\$ 297,671</u>	<u>\$ 195,754</u>	<u>\$ 435,471</u>	<u>\$ 3,892,832</u>



FIDUCIARY FUNDS

AGENCY FUNDS

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

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

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

HAMILTON COUNTY, TENNESSEE

Year ended June 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
CIRCUIT COURT CLERK				
Cash	\$ 1,100,065	\$ 8,923,893	\$ 9,076,700	\$ 947,258
Certificates of deposit	<u>3,029,769</u>	<u>727,044</u>	<u>1,083,779</u>	<u>2,673,034</u>
Total assets	<u>\$ 4,129,834</u>	<u>\$ 9,650,937</u>	<u>\$ 10,160,479</u>	<u>\$ 3,620,292</u>
Accrued items and other	\$ 3,997,854	\$ 8,120,085	\$ 8,636,601	\$ 3,481,338
Intergovernmental payables	<u>131,980</u>	<u>1,530,852</u>	<u>1,523,878</u>	<u>138,954</u>
Total liabilities	<u>\$ 4,129,834</u>	<u>\$ 9,650,937</u>	<u>\$ 10,160,479</u>	<u>\$ 3,620,292</u>
CLERK AND MASTER				
Cash	\$ 2,161,575	\$ 19,810,950	\$ 19,669,300	\$ 2,303,225
Certificates of deposit	<u>7,089,248</u>	<u>5,197,180</u>	<u>6,068,469</u>	<u>6,217,959</u>
Total assets	<u>\$ 9,250,823</u>	<u>\$ 25,008,130</u>	<u>\$ 25,737,769</u>	<u>\$ 8,521,184</u>
Accrued items and other	\$ 7,986,421	\$ 14,333,641	\$ 14,978,781	\$ 7,341,281
Intergovernmental payables	<u>1,264,402</u>	<u>10,674,489</u>	<u>10,758,988</u>	<u>1,179,903</u>
Total liabilities	<u>\$ 9,250,823</u>	<u>\$ 25,008,130</u>	<u>\$ 25,737,769</u>	<u>\$ 8,521,184</u>
COUNTY CLERK				
Cash	\$ 3,955,559	\$ 22,612,715	\$ 25,365,691	\$ 1,202,583
Accounts receivable	<u>4,297</u>	<u>34,312</u>	<u>38,296</u>	<u>313</u>
Total assets	<u>\$ 3,959,856</u>	<u>\$ 22,647,027</u>	<u>\$ 25,403,987</u>	<u>\$ 1,202,896</u>
Accrued items and other	\$ 133,686	\$ 644,916	\$ 634,991	\$ 143,611
Intergovernmental payables	<u>3,826,170</u>	<u>22,002,111</u>	<u>24,768,996</u>	<u>1,059,285</u>
Total liabilities	<u>\$ 3,959,856</u>	<u>\$ 22,647,027</u>	<u>\$ 25,403,987</u>	<u>\$ 1,202,896</u>

(continued)

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

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
CRIMINAL COURT CLERK				
Cash	\$ 74,212	\$ 3,982,502	\$ 4,004,290	\$ 52,424
Accounts receivable	<u>52,456</u>	<u>-</u>	<u>15,553</u>	<u>36,903</u>
Total assets	<u>\$ 126,668</u>	<u>\$ 3,982,502</u>	<u>\$ 4,019,843</u>	<u>\$ 89,327</u>
Accrued items and other	\$ 126,668	\$ 672,867	\$ 710,208	\$ 89,327
Intergovernmental payables	<u>-</u>	<u>3,309,635</u>	<u>3,309,635</u>	<u>-</u>
Total liabilities	<u>\$ 126,668</u>	<u>\$ 3,982,502</u>	<u>\$ 4,019,843</u>	<u>\$ 89,327</u>
JUVENILE COURT CLERK				
Cash	\$ 15,087	\$ 865,853	\$ 844,623	\$ 36,317
Certificates of deposit	904,310	116,219	68,829	951,700
Investments	<u>36,989</u>	<u>-</u>	<u>20,912</u>	<u>16,077</u>
Total assets	<u>\$ 956,386</u>	<u>\$ 982,072</u>	<u>\$ 934,364</u>	<u>\$ 1,004,094</u>
Accrued items and other	<u>\$ 956,386</u>	<u>\$ 982,072</u>	<u>\$ 934,364</u>	<u>\$ 1,004,094</u>
Total liabilities	<u>\$ 956,386</u>	<u>\$ 982,072</u>	<u>\$ 934,364</u>	<u>\$ 1,004,094</u>
REGISTER				
Cash	\$ 696,896	\$ 6,881,392	\$ 6,886,531	\$ 691,757
Accounts receivable	<u>4,521</u>	<u>33,279</u>	<u>36,441</u>	<u>1,359</u>
Total assets	<u>\$ 701,417</u>	<u>\$ 6,914,671</u>	<u>\$ 6,922,972</u>	<u>\$ 693,116</u>
Intergovernmental payables	<u>\$ 701,417</u>	<u>\$ 6,914,671</u>	<u>\$ 6,922,972</u>	<u>\$ 693,116</u>
Total liabilities	<u>\$ 701,417</u>	<u>\$ 6,914,671</u>	<u>\$ 6,922,972</u>	<u>\$ 693,116</u>

(continued)

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

HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
SHERIFF				
Cash	\$ 10,207	\$ 952,417	\$ 895,319	\$ 67,305
Investments	152,445	-	152,445	-
Total assets	<u>\$ 162,652</u>	<u>\$ 952,417</u>	<u>\$ 1,047,764</u>	<u>\$ 67,305</u>
Accrued items and other	<u>\$ 162,652</u>	<u>\$ 952,417</u>	<u>\$ 1,047,764</u>	<u>\$ 67,305</u>
Total liabilities	<u>\$ 162,652</u>	<u>\$ 952,417</u>	<u>\$ 1,047,764</u>	<u>\$ 67,305</u>
TRUSTEE				
Cash	\$ 848,098	\$ 19,718,770	\$ 19,866,906	\$ 699,962
Total assets	<u>\$ 848,098</u>	<u>\$ 19,718,770</u>	<u>\$ 19,866,906</u>	<u>\$ 699,962</u>
Intergovernmental payables	<u>\$ 848,098</u>	<u>\$ 19,718,770</u>	<u>\$ 19,866,906</u>	<u>\$ 699,962</u>
Total liabilities	<u>\$ 848,098</u>	<u>\$ 19,718,770</u>	<u>\$ 19,866,906</u>	<u>\$ 699,962</u>
TOTAL CONSTITUTIONAL OFFICERS AGENCY FUNDS				
Cash	\$ 8,861,699	\$ 83,748,492	\$ 86,609,360	\$ 6,000,831
Certificates of deposit	11,023,327	6,040,443	7,221,077	9,842,693
Investments	189,434	-	173,357	16,077
Accounts receivable	61,274	67,591	90,290	38,575
Total assets	<u>\$ 20,135,734</u>	<u>\$ 89,856,526</u>	<u>\$ 94,094,084</u>	<u>\$ 15,898,176</u>
Accrued items and other	<u>\$ 13,363,667</u>	<u>\$ 25,705,998</u>	<u>\$ 26,942,709</u>	<u>\$ 12,126,956</u>
Intergovernmental payables	<u>6,772,067</u>	<u>64,150,528</u>	<u>67,151,375</u>	<u>3,771,220</u>
Total liabilities	<u>\$ 20,135,734</u>	<u>\$ 89,856,526</u>	<u>\$ 94,094,084</u>	<u>\$ 15,898,176</u>



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

**HAMILTON COUNTY, TENNESSEE
 Year ended June 30, 2010**

	Juvenile Court Clerk			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual (Non-GAAP Basis)	
	Original	Final		
REVENUES				
Charges for current services	\$ 369,000	\$ 369,000	\$ 380,567	\$ 11,567
Investment earnings	-	-	1,580	1,580
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>6,636</u>	<u>3,636</u>
Total revenues	<u>372,000</u>	<u>372,000</u>	<u>388,783</u>	<u>16,783</u>
EXPENDITURES				
Current:				
Public safety:				
Juvenile Court	1,323,992	1,323,992	1,311,675	12,317
Social Services:				
Child support	<u>902,717</u>	<u>902,717</u>	<u>862,854</u>	<u>39,863</u>
Total budgetary expenditures	<u>2,226,709</u>	<u>2,226,709</u>	<u>2,174,529</u>	<u>52,180</u>
Excess (deficiency) of revenues over (under) budgetary expenditures	(1,854,709)	(1,854,709)	(1,785,746)	68,963
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,833,367</u>	<u>1,833,367</u>	<u>1,833,367</u>	<u>-</u>
Net change in fund balance	(21,342)	(21,342)	47,621	68,963
Fund balance allocation	<u>21,342</u>	<u>21,342</u>	<u>-</u>	<u>(21,342)</u>
	<u>\$ -</u>	<u>\$ -</u>	47,621	<u>\$ 47,621</u>
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			<u>250,050</u>	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 297,671</u>	

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Budgeted Amounts		Actual (Non-GAAP Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 818,217	\$ 818,217	\$ 1,012,650	\$ 194,433
Charges for current services	500,000	500,000	561,243	61,243
Investment earnings	10,000	10,000	78,566	68,566
Miscellaneous	-	-	23,868	23,868
Total revenues	<u>1,328,217</u>	<u>1,328,217</u>	<u>1,676,327</u>	<u>348,110</u>
EXPENDITURES				
Debt Service:				
Principal retirement	23,884,805	23,884,805	24,079,238	(194,433)
Interest and fiscal charges	<u>11,940,241</u>	<u>11,940,241</u>	<u>9,547,473</u>	<u>2,392,768</u>
Total budgetary expenditures	<u>35,825,046</u>	<u>35,825,046</u>	<u>33,626,711</u>	<u>2,198,335</u>
Excess (deficiency) of revenues over (under) budgetary expenditures	<u>(34,496,829)</u>	<u>(34,496,829)</u>	<u>(31,950,384)</u>	<u>2,546,445</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	32,029,957	32,029,957	32,029,957	-
Transfers out	<u>-</u>	<u>-</u>	<u>(9,038)</u>	<u>9,038</u>
Total other financing sources (uses)	<u>32,029,957</u>	<u>32,029,957</u>	<u>32,020,919</u>	<u>9,038</u>
Net change in fund balance	(2,466,872)	(2,466,872)	70,535	2,537,407
Fund balance allocation	<u>2,466,872</u>	<u>2,466,872</u>	<u>-</u>	<u>(2,466,872)</u>
	<u>\$ -</u>	<u>\$ -</u>	70,535	<u>\$ 70,535</u>
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			<u>227,025</u>	
Fund balances at end of year--(GAAP Modified Accrual Basis)			<u>\$ 297,560</u>	



DISCRETELY PRESENTED COMPONENT UNIT HAMILTON COUNTY BOARD OF EDUCATION

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

GOVERNMENTAL FUND TYPES

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

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

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

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

PROPRIETARY FUND TYPES

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

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

**HAMILTON COUNTY, TENNESSEE
June 30, 2010**

	General Purpose School	Centralized Cafeteria	School Activity	Education Capital Projects	Total Department of Education Governmental Funds
ASSETS					
Cash	\$ 8,866,831	\$ 1,898,490	\$ 2,669,396	\$ 215,185	\$ 13,649,902
Certificates of deposit	-	-	330,063	-	330,063
Investments	36,204,257	8,407	-	3,408	36,216,072
Receivables (net of allowances for uncollectibles):					
Property taxes	125,921,405	-	-	-	125,921,405
Accounts	1,965,749	-	22,931	-	1,988,680
Intergovernmental	16,082,873	7,475	-	-	16,090,348
Due from other DOE funds	888,582	-	-	4,631,231	5,519,813
Inventories	101,859	549,160	14,092	-	665,111
Prepaid expense	2,240,114	-	-	-	2,240,114
Restricted Cash	-	-	3,011,097	-	3,011,097
Total assets	\$ 192,271,670	\$ 2,463,532	\$ 6,047,579	\$ 4,849,824	\$ 205,632,605
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,631,362	\$ 4,021	\$ 62,954	\$ 188,394	\$ 2,886,731
Accrued items and other	24,562,659	126,865	-	51,574	24,741,098
Due to other DOE funds	19,755,652	1,130,385	-	120,217	21,006,254
Due to primary government	315,873	27,003	-	-	342,876
Deferred revenues:					
Uncollected property taxes	120,886,670	-	-	-	120,886,670
Other	507,304	-	-	-	507,304
Total current liabilities	168,659,520	1,288,274	62,954	360,185	170,370,933
Fund Balances:					
Reserved for encumbrances	5,983,408	53,456	-	453,226	6,490,090
Reserved for inventories	101,859	549,160	14,092	-	665,111
Reserved by state statute	326,943	-	-	-	326,943
Reserved for restricted activities	-	-	3,011,097	-	3,011,097
Unreserved:					
Designated for specific purposes	2,948,933	-	-	-	2,948,933
Undesignated	14,251,007	572,642	2,959,436	4,036,413	21,819,498
Total fund balances	23,612,150	1,175,258	5,984,625	4,489,639	35,261,672
Total liabilities and fund balances	\$ 192,271,670	\$ 2,463,532	\$ 6,047,579	\$ 4,849,824	\$ 205,632,605

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

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

Fund balances - total Department of Education governmental funds	\$	35,261,672
Amounts reported for the Department of Education in the statement of net assets are different because:		
Capital assets used in the Department of Education's governmental activities are not financial resources and, therefore, are not reported in the funds.		303,880,271
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.		507,304
Internal service funds are used by management to charge the costs of self-insurance programs to individual funds. The assets and liabilities of the internal service funds are included in the Department of Education in the statement of net assets.		13,386,589
Long-term payable to primary government are not due until the related long term liability is due and payable.		(712,901)
Long-term liabilities, consisting of accumulated leave and other long-term debt, are not due and payable in the current period and therefore are not reported in the funds.		<u>(19,851,546)</u>
Net assets of the Department of Education	\$	<u>332,471,389</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
HAMILTON COUNTY DEPARTMENT OF EDUCATION GOVERNMENTAL FUNDS
HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	<u>General Purpose School</u>	<u>Centralized Cafeteria</u>	<u>School Activity</u>	<u>Education Capital Projects</u>	<u>Total Department of Education Governmental Funds</u>
REVENUES					
Taxes	\$ 175,731,775	\$ -	\$ -	\$ -	\$ 175,731,775
Intergovernmental	157,071,506	11,204,782	-	-	168,276,288
Charges for services	4,179,302	5,587,452	14,158,190	-	23,924,944
Investment earnings	183,415	1,192	-	5,266	189,873
Miscellaneous	<u>7,527,437</u>	<u>10,408</u>	<u>-</u>	<u>-</u>	<u>7,537,845</u>
Total revenues	<u>344,693,435</u>	<u>16,803,834</u>	<u>14,158,190</u>	<u>5,266</u>	<u>375,660,725</u>
EXPENDITURES					
Current:					
Education	339,259,187	16,910,623	13,690,753	4,137,191	373,997,754
Capital outlay	<u>122,284</u>	<u>739,073</u>	<u>-</u>	<u>-</u>	<u>861,357</u>
Total expenditures	<u>339,381,471</u>	<u>17,649,696</u>	<u>13,690,753</u>	<u>4,137,191</u>	<u>374,859,111</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,311,964</u>	<u>(845,862)</u>	<u>467,437</u>	<u>(4,131,925)</u>	<u>801,614</u>
OTHER FINANCING SOURCES (USES)					
Transfers between DOE funds	<u>(4,000,000)</u>	<u>-</u>	<u>-</u>	<u>4,060,000</u>	<u>60,000</u>
Net change in fund balances	1,311,964	(845,862)	467,437	(71,925)	861,614
Fund balances, beginning	<u>22,300,186</u>	<u>2,021,120</u>	<u>5,517,188</u>	<u>4,561,564</u>	<u>34,400,058</u>
Fund balances, ending	<u>\$ 23,612,150</u>	<u>\$ 1,175,258</u>	<u>\$ 5,984,625</u>	<u>\$ 4,489,639</u>	<u>\$ 35,261,672</u>

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

HAMILTON COUNTY, TENNESSEE
June 30, 2010

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

Net change in fund balances - total Department of Education governmental funds	\$	861,614
--	----	---------

Amounts reported for the Department of Education in the statement of activities
are different because:

Depreciation expense on governmental capital assets are included in the governmental activities in the statement of activities	(10,467,398)
---	--------------

Bond payments are reported as expenditures in the Department of Education's governmental activities in the period paid.	110,974
--	---------

The net effect of various transactions involving capital assets is to increase net assets	53,818,648
--	------------

The loss on sale/abandonment of capital assets is not recognized in the Department of Education's governmental funds.	(280,461)
--	-----------

Other post employment benefits will not be funded therefore the expense is not recognized in the funds	(2,353,685)
---	-------------

The net revenues of internal service funds are reported with governmental activities	816,105
--	---------

Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	1,730,257
--	-----------

Certain governmental revenues will not be collected for several months after the fiscal year and are deferred in the governmental funds	<u>(125,475)</u>
--	------------------

Change in net assets of governmental activities	\$ <u><u>44,110,579</u></u>
---	-----------------------------

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

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Property taxes	\$ 120,020,675	\$ 120,020,675	\$ 120,778,435	\$ 757,760
Local sales tax	<u>56,394,994</u>	<u>54,484,994</u>	<u>54,953,340</u>	<u>468,346</u>
Total taxes	<u>176,415,669</u>	<u>174,505,669</u>	<u>175,731,775</u>	<u>1,226,106</u>
Intergovernmental revenues:				
State of Tennessee:				
Education	118,582,834	120,693,409	121,803,026	1,109,617
Food service	181,701	181,701	174,862	(6,839)
Federal funds received from State of Tennessee and other sources:				
Education	36,992,023	62,278,799	35,268,480	(27,010,319)
Food service	<u>11,084,722</u>	<u>11,118,722</u>	<u>11,029,920</u>	<u>(88,802)</u>
Total intergovernmental revenues	<u>166,841,280</u>	<u>194,272,631</u>	<u>168,276,288</u>	<u>(25,996,343)</u>
Charges for services:				
Education	4,235,220	4,235,220	4,179,302	(55,918)
Food service	<u>6,532,553</u>	<u>6,532,553</u>	<u>5,587,452</u>	<u>(945,101)</u>
Total charges for current services	<u>10,767,773</u>	<u>10,767,773</u>	<u>9,766,754</u>	<u>(1,001,019)</u>
Investment earnings:				
Education	901,231	901,231	183,415	(717,816)
Food service	<u>35,482</u>	<u>35,482</u>	<u>1,192</u>	<u>(34,290)</u>
Total investment earnings	<u>936,713</u>	<u>936,713</u>	<u>184,607</u>	<u>(752,106)</u>
Miscellaneous:				
Education	4,033,810	7,186,700	7,527,437	340,737
Food service	<u>-</u>	<u>-</u>	<u>10,408</u>	<u>10,408</u>
Total miscellaneous	<u>4,033,810</u>	<u>7,186,700</u>	<u>7,537,845</u>	<u>351,145</u>
Total revenues	<u>358,995,245</u>	<u>387,669,486</u>	<u>361,497,269</u>	<u>(26,172,217)</u>

(continued)

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

HAMILTON COUNTY, TENNESSEE

Year ended June 30, 2010

	Original Budget	Final Budget	Actual (Non-GAAP Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Current:				
Education:				
Regular instruction program	\$ 150,496,541	\$ 153,610,439	\$ 152,563,202	\$ 1,047,237
Special education program	31,084,476	30,840,622	30,412,017	428,605
Vocational education program	8,400,679	8,479,670	8,444,629	35,041
Attendance	1,466,268	2,161,341	1,937,479	223,862
Health services	2,538,597	2,774,561	2,500,747	273,814
Other student support	5,904,147	6,530,595	6,442,069	88,526
Regular instruction support	8,230,936	9,887,418	8,614,061	1,273,357
Special education support	2,736,375	2,719,812	2,631,661	88,151
Vocational education support	250,454	257,573	237,715	19,858
Board of education	5,475,424	5,492,924	5,563,444	(70,520)
Office of superintendent	1,102,783	1,107,280	1,048,263	59,017
Office of principal	20,841,818	21,535,615	21,605,858	(70,243)
Fiscal services	2,565,133	2,645,610	2,390,961	254,649
Human resources	1,193,837	1,201,822	1,030,229	171,593
Operation of plant	25,989,493	24,759,302	23,661,506	1,097,796
Maintenance of plant	7,483,697	7,533,971	7,437,716	96,255
Transportation	13,133,165	13,366,696	13,134,635	232,061
Central and other	2,610,074	2,384,864	2,323,225	61,639
Community services	2,912,644	2,912,644	2,238,732	673,912
Early childhood	2,643,891	2,643,612	2,517,029	126,583
Federal programs	36,244,376	60,564,506	36,908,924	23,655,582
Other self funded projects	2,340,777	4,845,407	4,687,688	157,719
Education debt service	97,500	97,500	97,500	-
Food service	17,534,458	17,534,458	16,886,914	647,544
Total education	353,277,543	385,888,242	355,316,204	30,572,038
Capital outlay:				
Education	130,000	130,000	133,895	(3,895)
Food service	300,000	334,000	310,418	23,582
Total budgetary expenditures	353,707,543	386,352,242	355,760,517	30,591,725
OTHER FINANCING USES				
Transfers to other BOE funds	(5,287,702)	(5,348,202)	(5,816,456)	468,254
Net change in fund balance	-	(4,030,958)	(79,704)	3,951,254
Fund balance allocation	-	4,030,958	-	(4,030,958)
	\$ -	\$ -	(79,704)	\$ (79,704)
Add encumbrances at end of year			6,036,864	
Less encumbrances at beginning of year			(5,491,058)	
Excess of nonbudgeted revenues and other financing sources over over nonbudgeted expenditures and other financing uses (School Activity and Education Capital Projects)			395,512	
Net change in fund balance--(GAAP Modified Accrual Basis)			861,614	
Fund balances at beginning of year--(GAAP Modified Accrual Basis)			34,400,058	
Fund balances at end of year--(GAAP Modified Accrual Basis)			\$ 35,261,672	

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

**HAMILTON COUNTY, TENNESSEE
June 30, 2010**

	Department of Education Internal Service Fund
CURRENT ASSETS	
Cash	\$ 603,493
Investments	3,845
Receivables	910,923
Due from other DOE funds	15,486,441
Prepaid items	<u>82,120</u>
Total current assets	<u>17,086,822</u>
CURRENT LIABILITIES	
Accounts payable	927,220
Accrued claims	<u>2,773,013</u>
Total current liabilities	<u>3,700,233</u>
NET ASSETS	
Unrestricted	<u><u>\$ 13,386,589</u></u>

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

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Department of Education Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 54,912,985
Other	297,443
Total operating revenues	55,210,428
OPERATING EXPENSES	
Unemployment compensation	259,264
Claims and premiums	54,143,411
Total operating expenses	54,402,675
Operating income (loss)	807,753
NONOPERATING REVENUES	
Investment earnings	8,352
Change in net assets	816,105
Net assets, beginning	12,570,484
Net assets, ending	\$ 13,386,589

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

**HAMILTON COUNTY, TENNESSEE
Year ended June 30, 2010**

	Department of Education Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from insurance premiums	\$ 46,914,850
Cash paid for unemployment compensation	(259,264)
Cash paid for claims and premiums	<u>(52,474,459)</u>
Net cash used by operating activities	<u>(5,818,873)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(3,845)
Proceeds from sale of investments	3,057,343
Interest on investments	<u>8,352</u>
Net cash provided by investing activities	<u>3,061,850</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,757,023)
BEGINNING CASH AND CASH EQUIVALENTS	<u>3,360,516</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 603,493</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	<u>\$ 807,753</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Change in accounts receivable	20,679
Change in due from other funds	(8,316,261)
Change in prepaid items	2,087,616
Change in accounts payable	25,584
Change in accrued claims	(420,667)
Change in due to other funds	<u>(23,577)</u>
Total adjustments	<u>(6,626,626)</u>
Net cash used by operating activities	<u>\$ (5,818,873)</u>

SCHEDULE OF PROPERTY TAXES RECEIVABLE

HAMILTON COUNTY, TENNESSEE

June 30, 2010

Year of Levy	Property Taxes Receivable	Allowance For Estimated Uncollectibles	Net Amount
2010 *	\$ 232,547,084	\$ 10,860,764	\$ 221,686,320
2009	15,788,914	491,989	15,296,925
2008	4,501,750	650,503	3,851,247
2007	1,840,450	556,184	1,284,266
2006	369,903	305,909	63,994
2005	266,360	237,487	28,873
2004	235,084	235,084	-
2003	272,090	272,090	-
	<u>\$ 255,821,635</u>	<u>\$ 13,610,010</u>	<u>\$ 242,211,625</u>

DISTRIBUTION TO PRIMARY GOVERNMENT

County General	<u>\$ 123,083,251</u>	<u>\$ 6,793,031</u>	<u>\$ 116,290,220</u>
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DISTRIBUTION TO COMPONENT UNIT

General Purpose			
School	<u>132,738,384</u>	<u>6,816,979</u>	<u>125,921,405</u>
	<u>\$ 255,821,635</u>	<u>\$ 13,610,010</u>	<u>\$ 242,211,625</u>

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

SCHEDULE OF CERTIFICATES OF DEPOSIT BY FUND

HAMILTON COUNTY, TENNESSEE

June 30, 2010

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
PRIMARY GOVERNMENT:			
AGENCY FUNDS			
Constitutional Officers:			
Circuit Court Clerk	Various	Various	2,673,034
Clerk and Master	Various	Various	6,217,959
Juvenile Court Clerk	Various	Various	<u>951,700</u>
Total primary government			<u>9,842,693</u>
COMPONENT UNITS:			
GOVERNMENTAL FUNDS			
School Activity:			
First Tennessee	Various	5.000%	24,548
SunTrust Bank	Various	Various	28,412
Cornerstone Community Bank	Various	Various	38,706
Community National Bank	Various	Various	55,345
Chattanooga Area Schools			
Federal Credit Union	Various	Various	<u>183,052</u>
			<u>330,063</u>
PROPRIETARY FUNDS			
"911" Emergency Communication:			
First Volunteer Bank	N/A	Variable	2,634,983
SunTrust Bank	06/01/11	0.598%	992,510
Regions Bank	N/A	Variable	4,512,448
			<u>8,139,941</u>
Total component units			<u>8,470,004</u>
Total			<u>\$ 18,312,697</u>

SCHEDULE OF INVESTMENTS BY FUND

HAMILTON COUNTY, TENNESSEE

June 30, 2010

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
PRIMARY GOVERNMENT				
GENERAL FUND				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	\$ 73,095,672	\$ 73,095,672
Certificate of Deposit Classified as Investments	08/23/10	1.20%	15,000	15,000
SHERIFF				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	3,305,684	3,305,684
DEBT SERVICE				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	184,305	184,305
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	16,098	16,098
CAPITAL PROJECTS				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	10,787,820	10,787,820
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	24,881,319	24,881,319
OTHER GOVERNMENTAL FUNDS				
Juvenile Court Clerk:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	331,203	331,203
Governmental Law Library:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	100,227	100,227

(continued)

SCHEDULE OF INVESTMENTS BY FUND--(continued)

HAMILTON COUNTY, TENNESSEE

June 30, 2010

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
OTHER GOVERNMENTAL FUNDS--(continued)				
Children's Services:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	\$ 717,516	\$ 717,516
Economic Crimes:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	40,850	40,850
INTERNAL SERVICE				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	22,101,479	<u>22,101,479</u>
Total Primary Government Funds				<u>135,577,173</u>
PENSION TRUST FUND				
Mutual Funds	Various	Various	1,263,193	1,263,193
Domestic Equity Securities	Various	Various	975,270	975,270
Foreign Equity Securities	Various	Various	66,390	66,390
AGENCY FUNDS				
Constitutional Officers:				
Juvenile Court Clerk:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	16,077	<u>16,077</u>
Total Fiduciary Funds				<u>2,320,930</u>

(continued)

SCHEDULE OF INVESTMENTS BY FUND--(continued)

HAMILTON COUNTY, TENNESSEE

June 30, 2010

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>FACE VALUE</u>	<u>BOOK VALUE</u>
COMPONENT UNITS				
GOVERNMENTAL FUNDS				
General Purpose School:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	\$ 36,136,743	\$ 36,136,743
Certificate of Deposit Classified as Investments	04/21/11	0.70%	67,514	67,514
Centralized Cafeteria:				
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	8,407	8,407
DOE Internal Service:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	3,845	3,845
DOE Education Capital Projects:				
Hamilton County Local Investment Pool	N/A	Monthly Weighted Average	3,408	3,408
ENTERPRISE FUNDS				
"911" Emergency Communication:				
State of Tennessee Local Government Investment Pool	N/A	Monthly Weighted Average	4,673,490	<u>4,673,490</u>
Total Component Units				<u>40,893,407</u>
Total Investments				<u>\$ 178,791,510</u>

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2010						
			INTEREST		MATURITY SCHEDULE	PRINCIPAL			
			DATES	RATES					
BONDED DEBT									
General Improvement	03/01/98 B	\$6,100,000	Aug/Feb	4.650	\$225,000; due 08/01/2010	\$ 225,000			
				4.750	\$235,000; due 08/01/2011	235,000			
				4.875	\$250,000; due 08/01/2012	250,000			
				5.000	\$265,000; due 08/01/2013	265,000			
				5.000	\$275,000; due 08/01/2014	275,000			
				5.000	\$290,000; due 08/01/2015	290,000			
				5.100	\$305,000; due 08/01/2016	305,000			
				5.100	\$320,000; due 08/01/2017	320,000			
				5.100	\$335,000; due 08/01/2018	335,000			
				5.100	\$355,000; due 08/01/2019	355,000			
				5.100	\$370,000; due 08/01/2020	370,000			
				5.100	\$395,000; due 08/01/2021	395,000			
				5.100	\$415,000; due 08/01/2022	415,000			
				5.100	\$435,000; due 08/01/2023	435,000			
				5.100	\$460,000; due 08/01/2024	460,000			
									<u>4,930,000</u>
				Water & Wastewater Treatment Authority	02/10/04	10,000,000	July/Jan	4.000	\$220,000; due 01/01/2011
4.000	\$230,000; due 01/01/2012	230,000							
4.000	\$235,000; due 01/01/2013	235,000							
4.000	\$245,000; due 01/01/2014	245,000							
4.000	\$255,000 a year; due 01/01/2015-16	510,000							
4.000	\$270,000; due 01/01/2017	270,000							
4.000	\$280,000; due 01/01/2018	280,000							
4.125	\$290,000; due 01/01/2019	290,000							
4.500	\$310,000; due 01/01/2020	310,000							
4.500	\$320,000; due 01/01/2021	320,000							
4.500	\$335,000; due 01/01/2022	335,000							
4.500	\$350,000; due 01/01/2023	350,000							
4.500	\$365,000; due 01/01/2024	365,000							
4.600	\$380,000; due 01/01/2025	380,000							
4.600	\$400,000; due 01/01/2026	400,000							
4.600	\$420,000; due 01/01/2027	420,000							
4.600	\$440,000; due 01/01/2028	440,000							
4.650	\$460,000; due 01/01/2029	460,000							
4.650	\$480,000; due 01/01/2030	480,000							
4.650	\$505,000; due 01/01/2031	505,000							
4.650	\$530,000; due 01/01/2032	530,000							
4.650	\$555,000; due 01/01/2033	555,000							
4.650	\$580,000; due 01/01/2034	580,000							
					<u>8,710,000</u>				

(continued)

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2010			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
General Improvement	02/10/04	\$19,000,000	July/Jan	4.000	\$1,266,667 a year; due 01/01/2011-18	\$10,133,334
				4.125	\$1,266,666; due 01/01/2019	1,266,666
						<u>11,400,000</u>
School	02/10/04	11,000,000	July/Jan	4.000	\$733,333 a year; due 01/01/2011-18	5,866,666
				4.125	\$733,334; due 01/01/2019	733,334
						<u>6,600,000</u>
General Improvement	04/8/08 A	14,418,900	Sept/Mar	5.000	\$961,756 a year; due 03/01/2011-14	3,847,024
				3.500	\$961,012; due 03/01/2015	961,012
				3.750	\$961,012; due 03/01/2016	961,012
				5.000	\$961,012 a year; due 03/01/2017-20	3,844,048
				4.250	\$961,012 a year; due 03/01/2021-22	1,922,024
				4.375	\$961,012; due 03/01/2023	961,012
		<u>12,496,132</u>				
School	04/8/08 A	82,581,100	Sept/Mar	5.000	\$5,508,244 a year; due 03/01/2011-14	22,032,976
				3.500	\$5,503,988; due 03/01/2015	5,503,988
				3.750	\$5,503,988; due 03/01/2016	5,503,988
				5.000	\$5,503,988 a year; due 03/01/2017-20	22,015,952
				4.250	\$5,503,988 a year; due 03/01/2021-22	11,007,976
				4.375	\$5,503,988; due 03/01/2023	5,503,988
		<u>71,568,868</u>				
General Improvement	04/8/08 B	8,317,900	Nov/May	5.000	\$1,906,915; due 11/01/2010	1,906,915
				5.000	\$1,908,045; due 11/01/2011	1,908,045
				4.000	\$1,085,631; due 11/01/2012	1,085,631
				3.250	\$1,070,945; due 11/01/2013	1,070,945
				3.250	\$767,059; due 11/01/2014	767,059
				4.000	\$753,503; due 11/01/2015	753,503
		<u>7,492,098</u>				
School	04/8/08 B	28,497,100	Nov/May	5.000	\$6,533,085; due 11/01/2010	6,533,085
				5.000	\$6,536,955; due 11/01/2011	6,536,955
				4.000	\$3,719,369; due 11/01/2012	3,719,369
				3.250	\$3,669,055; due 11/01/2013	3,669,055
				3.250	\$2,627,941; due 11/01/2014	2,627,941
				4.000	\$2,581,497; due 11/01/2015	2,581,497
		<u>25,667,902</u>				

(continued)

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2010			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
General Improvement	03/10/09	\$8,883,000	Sept/Mar	3.000	\$595,020 a year; due 03/01/2011-14	2,380,080
				3.500	\$595,020; due 03/01/2015	595,020
				4.000	\$595,020 a year; due 03/01/2016-17	1,190,040
				3.500	\$595,020; due 03/01/2018	595,020
				4.000	\$595,020 a year; due 03/01/2019-21	1,785,060
				4.000	\$593,610; due 03/01/2022	593,610
				4.125	\$593,610; due 03/01/2023	593,610
				4.375	\$593,610; due 03/01/2024	593,610
					<u>8,326,050</u>	
School	03/10/09	22,617,000	Sept/Mar	3.000	\$1,514,980 a year; due 03/01/2011-14	6,059,920
				3.500	\$1,514,980; due 03/01/2015	1,514,980
				4.000	\$1,514,980 a year; due 03/01/2016-17	3,029,960
				3.500	\$1,514,980; due 03/01/2018	1,514,980
				4.000	\$1,514,980 a year; due 03/01/2019-21	4,544,940
				4.000	\$1,511,390; due 03/01/2022	1,511,390
				4.125	\$1,511,390; due 03/01/2023	1,511,390
				4.375	\$1,511,390; due 03/01/2024	1,511,390
					<u>21,198,950</u>	
General Improvement (Recovery Zone Facility Bonds)	03/10/10 A	7,475,000	Sept/Mar	3.000	\$1,610,000 a year; due 03/01/2021-22	3,220,000
				3.250	\$1,610,000; due 03/01/2023	1,610,000
				3.500	\$1,610,000; due 03/01/2024	1,610,000
				4.000	\$1,035,000; due 03/01/2025	1,035,000
					<u>7,475,000</u>	
General Improvement (taxable to bondholder)	03/10/10 B	16,115,000	Sept,Mar	2.000	\$1,615,000 a year; due 03/01/2011-13	4,845,000
				2.500	\$1,610,000; due 03/01/2014	1,610,000
				3.000	\$1,610,000 a year; due 03/01/2015-16	3,220,000
				4.000	\$1,610,000 a year; due 03/01/2017-18	3,220,000
				4.125	\$1,610,000; due 03/01/2019	1,610,000
				4.250	\$1,610,000; due 03/02/2020	1,610,000
					<u>16,115,000</u>	

(continued)

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2010			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
BONDED DEBT--(continued)						
General Improvement (Recovery Zone Economic Development Bonds						
- taxable to bondholder) *	03/10/10 C	4,980,000	Sept/Mar	0.750	\$330,000; due 03/01/2011	\$330,000
				1.200	\$325,000; due 03/01/2012	325,000
				1.800	\$325,000; due 03/01/2013	325,000
				2.200	\$330,000; due 03/01/2014	330,000
				2.800	\$330,000; due 03/01/2015	330,000
				3.200	\$330,000; due 03/01/2016	330,000
				3.500	\$330,000; due 03/01/2017	330,000
				3.700	\$330,000; due 03/01/2018	330,000
				4.000	\$330,000; due 03/01/2019	330,000
				4.150	\$330,000; due 03/01/2020	330,000
				4.350	\$330,000; due 03/01/2021	330,000
				4.600	\$330,000; due 03/01/2022	330,000
				4.700	\$330,000; due 03/01/2023	330,000
				4.850	\$330,000; due 03/01/2024	330,000
				5.000	\$370,000; due 03/01/2025	370,000
						<u>4,980,000</u>
TOTAL BONDED DEBT						<u>\$206,960,000</u>

(continued)

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

HAMILTON COUNTY, TENNESSEE

June 30, 2010

TYPE OF ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	DEBT REMAINING AT JUNE 30, 2010			
			INTEREST		MATURITY SCHEDULE	PRINCIPAL
			DATES	RATES		
OTHER DEBT OBLIGATIONS						
TN County Loan Pool						
Notes, Series 1996	Various	\$9,500,000	Monthly	Variable	\$897,100; due 05/25/2011	\$897,100
Notes, Series 1999	Various	9,000,000	Monthly	Variable	\$728,000; due 05/25/2011	728,000
					\$757,000; due 05/25/2012	757,000
					\$788,000; due 05/25/2013	788,000
					\$819,000; due 05/25/2014	819,000
						<u>3,092,000</u>
Qualified Zone Academy Bonds, Series 2003	Various	1,365,000	-	None	\$90,733; due 12/23/2010-16	635,133
					\$77,768; due 12/23/2017	77,768
						<u>712,901</u>
Agreement between the County and City of Chattanooga regarding Finley Stadium	3/1/2002	6,500,000	Sept/Mar	5.380	\$362,500; due 09/01/2010	362,500
				5.380	\$385,000; due 09/01/2011	385,000
				5.380	\$402,500; due 09/01/2012	402,500
				5.000	\$422,500; due 09/01/2013	422,500
				4.380	\$427,500; due 09/01/2014	427,500
				4.500	\$445,000; due 09/01/2015	445,000
						<u>2,445,000</u>
Agreement between the County and Corrections Corporation of America	11/1/1998	4,000,000	-	None	\$267,005; due 12/07/2010	267,005
					\$267,736; due 12/07/2011	267,736
					\$267,005; due 12/07/2012	267,005
					\$81,978; due 12/07/2013	81,978
						<u>883,724</u>
SHORT TERM OBLIGATIONS						
Commercial Paper	Various	43,060,000	Monthly	Variable		** <u>43,060,000</u>
TOTAL BONDS, CERTIFICATES, NOTES PAYABLE AND OTHER DEBT						<u><u>\$ 258,050,725</u></u>

* Federal reimbursement of 45% of the interest payable on the Recovery Zone Economic Development Bonds.

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



DEBT SERVICE REQUIREMENTS TO MATURITY

HAMILTON COUNTY, TENNESSEE

June 30, 2010

GENERAL OBLIGATION BONDS

Year Ended June 30	Combined Totals	Bond Principal	Interest	Total
2011	\$ 75,335,018	\$ 21,410,000	\$ 8,407,757	\$ 29,817,757
2012	30,542,576	21,430,000	7,520,273	28,950,273
2013	26,118,082	17,810,000	6,689,173	24,499,173
2014	25,222,481	17,770,000	5,988,979	23,758,979
2015	22,306,785	16,440,000	5,319,175	21,759,175
2016	21,676,063	16,395,000	4,735,316	21,130,316
2017	17,358,424	13,090,000	4,177,691	17,267,691
2018	16,780,122	13,115,000	3,587,354	16,702,354
2019	16,145,741	13,140,000	3,005,741	16,145,741
2020	13,586,421	11,180,000	2,406,421	13,586,421
2021	13,089,214	11,205,000	1,884,214	13,089,214
2022	12,668,489	11,240,000	1,428,489	12,668,489
2023	12,245,316	11,275,000	970,316	12,245,316
2024	5,340,381	4,845,000	495,381	5,340,381
2025	2,536,685	2,245,000	291,685	2,536,685
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>\$ 316,399,317</u>	<u>\$ 206,960,000</u>	<u>\$ 57,985,484</u>	<u>\$ 264,945,484</u>

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

