

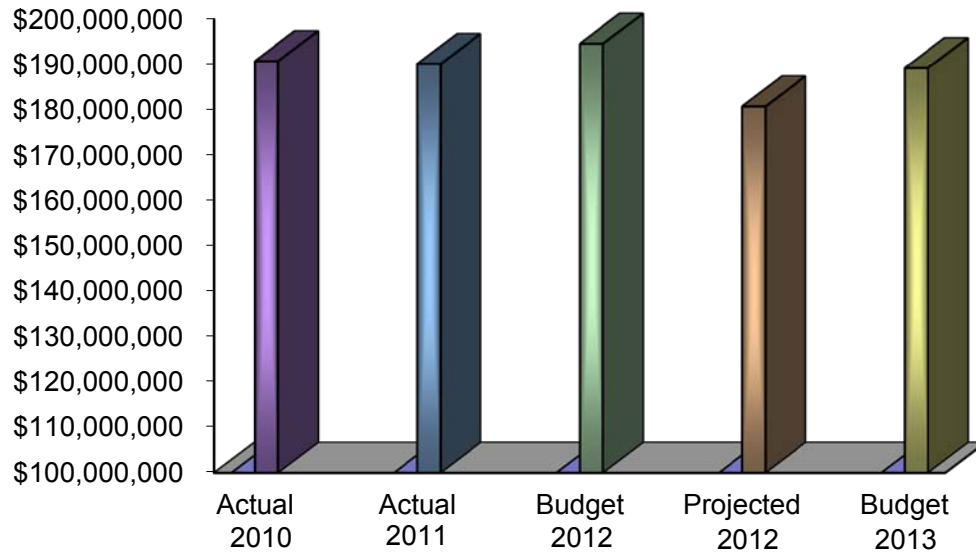
General Fund

The General Fund accounts for all financial resources applicable to the general operations of County government that are not properly accounted for in another fund. This fund is the only unrestricted fund of a government unit. The basis of budgeting is the modified accrual.

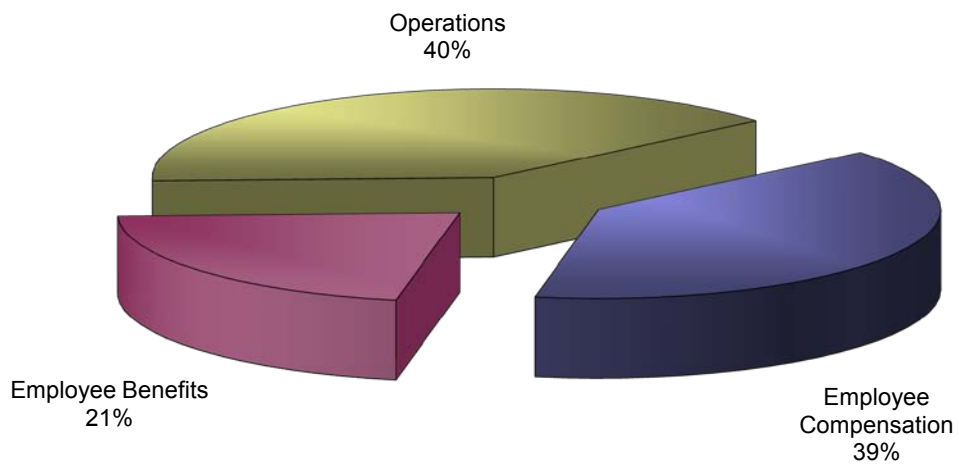
The major revenue of the General Fund includes: property taxes; other local taxes; licenses and permits; intergovernmental; charges for services; fines, forfeitures, and penalties; investment income and revenue from other agencies.

In the following General Fund schedules and departmental summaries, the Amended Budgets for FY 2012 include grant rollovers and amendments (approved by the County Commission) after the Adopted Budget process.

General Fund Expenditures



FY 2013 Expenditures by Type



General Fund Budget Summary
Schedule of Revenue and Expenditures

	Actual 2010	Actual 2011	Amended Budget 2012	Projected 2012	Adopted Budget 2013
Revenues					
Taxes (Property & Bus.)	143,571,785	143,571,785	144,647,789	136,970,148	139,551,942
License and Permits	570,241	570,241	550,500	487,024	658,600
Intergovernmental	22,985,166	22,985,166	26,039,630	20,278,880	21,373,854
Charges for Services	13,697,949	13,697,949	13,080,808	12,383,581	13,756,758
Excess Fees	8,123,201	8,123,201	8,145,282	8,597,043	10,000,000
Fines forfeitures and penalties	1,004,265	1,004,265	1,090,700	946,362	1,171,065
Investment Earnings	427,690	427,690	450,250	485,708	427,635
Miscellaneous	3,284,388	3,284,388	5,557,902	4,888,089	5,477,471
Interfund Transfers	873,491	873,491	244,314	296,560	114,589
Total Revenues	194,538,176	194,538,176	199,807,175	185,333,395	192,531,914
Expenditures					
Constitutional Offices	20,602,583	20,602,583	23,119,579	21,500,784	24,231,775
Supported Agencies	8,789,890	8,789,890	9,264,661	9,218,139	3,821,618
Unassigned Departments	19,525,461	19,525,461	23,842,403	19,158,763	19,526,179
Finance	6,853,040	6,853,040	6,807,749	6,791,274	6,804,335
Public Works	15,835,372	15,835,372	17,859,058	15,356,446	17,749,194
Human Services	42,037,472	42,037,472	43,886,929	41,708,445	39,391,358
Health Services	19,136,126	19,136,126	20,973,645	18,841,314	19,752,106
Operating Transfers to other funds	58,026,943	58,026,943	58,336,938	56,665,611	58,001,197
Total Expenditures	190,806,887	190,806,887	204,090,962	189,240,776	189,277,762
Excess of Revenues Over (Under) Expenditures	3,731,289	3,731,289	(4,283,787)	(3,907,381)	3,254,152
Net Encumbrances (beginning less ending)	119,114	119,114	-	729,008	-
Beginning Fund Balance	-	3,850,403	7,700,806	7,700,806	4,522,433
Fund Balance at end of year	3,850,403	7,700,806	3,417,019	4,522,433	7,776,585

Schedule of Interfund Transfers from the General Fund

HAMILTON COUNTY, TENNESSEE

TRANSFER FROM PRIMARY GOVERNMENT	Actual 2010	Actual 2011	Amended Budget 2012	Projected 2012	Adopted Budget 2013
Capitol Projects	599,460	233,268	-	-	-
Debt Service	32,029,957	31,262,757	31,547,740	30,233,839	31,221,645
Juvenile Court Clerk	1,833,367	1,838,695	1,868,718	1,868,718	1,950,666
Sheriff	23,564,159	23,564,159	23,791,086	23,791,086	24,828,886
	\$ 58,026,943	\$ 56,898,879	\$ 57,207,544	\$ 55,893,643	\$ 58,001,197



Revenue Sources

Property taxes: Included in property taxes is that portion of the property tax allocated to the General Fund, which is \$1.3926 per \$100 of assessed valuation. In FY 2013, one cent of tax revenue is estimated to generate \$834,213, compared to \$805,454 in FY 2012. Property tax growth projections are estimated based on current information provided by the Assessor of Property. The Assessor monitors and evaluates newly completed construction not currently on property rolls, and makes projections of values on construction in progress that is expected to be completed by the date of the property tax levy.

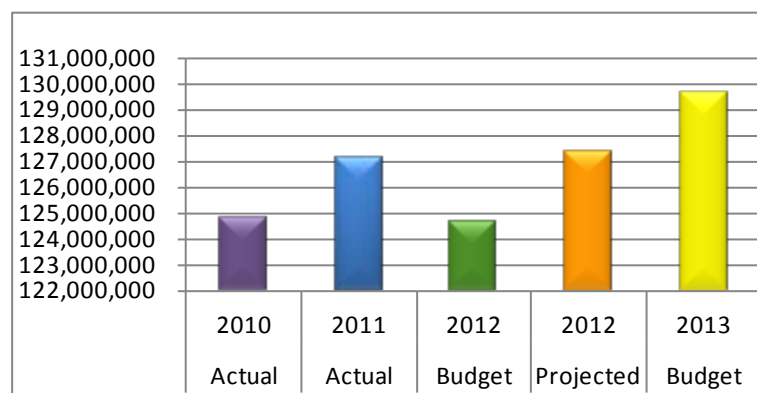
To ensure that all property that should legally be on the county assessment roll is properly listed, classified and valued, the property must first be located and identified. The office attempts to capture all new construction, additions and demolition of existing improvements as well as changes to land use and configuration. To accomplish this, personnel will track building permits, completion notices, property sales, zoning changes, and any other sources for information about property status. Field inspections of Hamilton County are performed on a regular basis and help the Assessor keep records as up to date as possible. Aerial photographs and accurately maintained maps are essential data.

The Assessor of Property estimates fair market value for all property in the county. Fair market is defined as how much a property would sell for, in an open market, under normal circumstances. The laws governing the tax appraisal process in Tennessee are based upon the same principles and procedures that are used throughout the appraisal profession. There are three basic approaches to the valuation of real property:

- The MARKET approach involves comparison of a property to other properties with similar characteristics that have recently been sold.
- The COST approach involved estimating the replacement cost of a structure, and adjusting that estimate to account for depreciation.
- The INCOME approach is an analysis of a property's value based on its capacity to generate revenue for the owner.

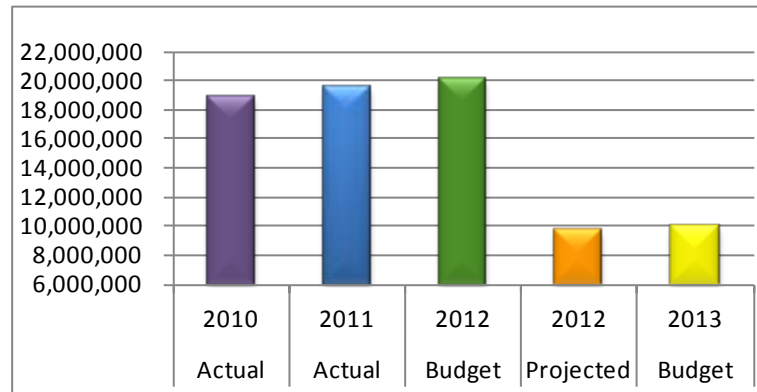
The Assessor also reappraises Hamilton County properties on a four year cycle, as required by State law, to maintain appraisals at market value and to ensure equity of appraisals throughout the jurisdiction. Every county in Tennessee is on either a four, five, or six year cycle of reappraisal. Hamilton County's four year cycle consists of three years of comprehensive on-site reviews of every parcel of property in the county, followed by revaluation of all property in the fourth year.

Payments in lieu of taxes from the utility companies in the County and from the Tennessee Valley Authority (TVA) and the Electric Power Board are also in this category. The TVA payment is projected to remain constant. In accordance with federal law, TVA makes payments in lieu of taxation to states in which its power operations are carried on and in which it has acquired properties previously subject to state and local taxation. TVA pays five percent of its gross power revenues to such states and counties. The Electric Power Board (EPB) also submits in lieu of tax payments to Hamilton County. The 2013 estimated tax equivalent payments for EPB are expected to increase by 6.19%.

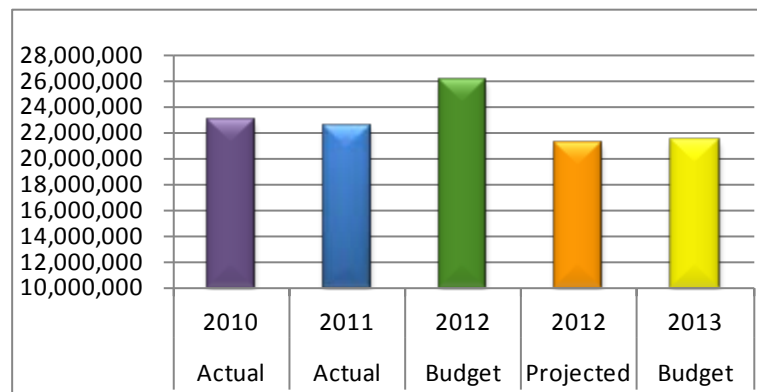


Other local taxes: The two main components are the local option sales tax and the gross receipts tax. General government estimates an increase of 6.95% in sales taxes collected in FY 2013.

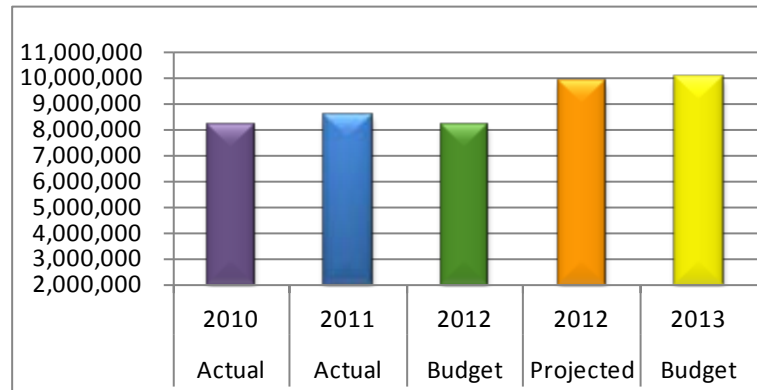
Projected sales tax revenues are based on actual sales tax trended over a five-year cycle. General government's share is approximately 20 percent of a 2.25 percent local option sales tax generated from the unincorporated areas of Hamilton County, with the remainder going to schools. The gross receipts tax is estimated at \$5.4 million and is based on a class schedule, broken down by type or product sold.



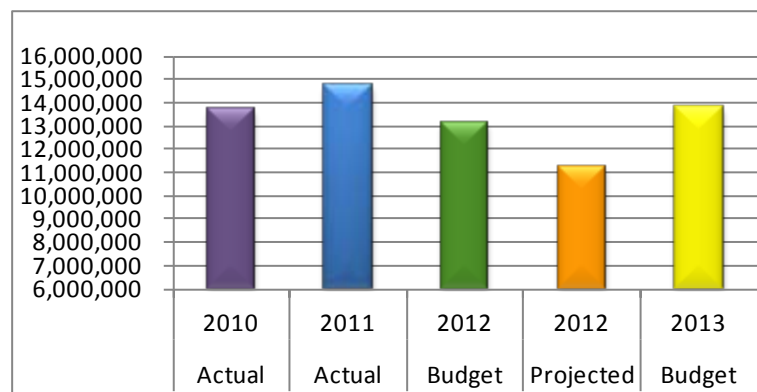
Intergovernmental revenue: Consists of \$12.7 million in revenue from the State of Tennessee for the Health Department and Highway Department (gasoline & motor fuel tax). This revenue category also includes \$2.5 million in Federal and State funds for boarding prisoners, \$.95 million in State Income Tax allocation and other miscellaneous revenue from Federal, State and local governments totaling \$5.25 million. Intergovernmental revenue projections are provided by the individual departments based on approved resolutions for grants to be received in the 2013 budget year.



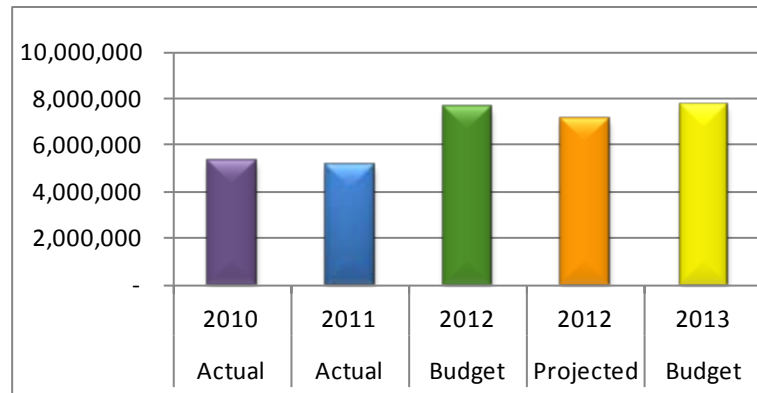
Excess fees: Includes excess fees from the Constitutional Offices in Hamilton County (Trustee, Register of Deeds, Clerk & Master, Criminal Court Clerk, County Clerk and Circuit Court Clerk). Excess fees are the remainder of all fees collected less all office salaries and fringe benefits and a reserve for three months salary. These fees are estimated at \$10 million for FY 2013. Excess Fee projections are provided by the individual Constitutional Offices.



Charges for current services: This category represents anticipated revenues from customer paid fees including charges for Health Services of \$2.4 million, estimated ambulance fees of \$9.8 million, and miscellaneous fees of \$1.5 million. The estimates are provided by the individual departments.



Miscellaneous: This category includes revenue earnings for Engineering Services of \$2.1 million, Fines-Forfeitures and Penalties of \$1.2 million, \$1.2 million for cable TV franchise fees, Interest cost of \$.4 million, and \$.6 million in other miscellaneous revenue.



Interfund Transfers: Included in this category are transfers from other funds and reflect amounts to be spent from the General Fund but reimbursed by component units.

