

Statistical Section

This part of the County annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

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These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

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These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.

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These schedules contain information about the county's operations and resources to help the reader understand how the county's financial information relates to the services the county provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Schedule I
Hamilton County, Tennessee
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 177,199,640	\$ 143,726,882	\$ 250,836,816	\$ 245,443,716
Restricted	716,194	25,363,259	26,820,351	39,198,251
Unassigned	<u>(76,522,919)</u>	<u>(67,221,963)</u>	<u>(71,766,690)</u>	<u>(58,222,559)</u>
Total governmental activities net assets	<u>\$ 101,392,915</u>	<u>\$ 101,868,178</u>	<u>\$ 205,890,477</u>	<u>\$ 226,419,408</u>
Primary government				
Invested in capital assets, net of related debt	\$ 177,199,640	\$ 143,726,882	\$ 250,836,816	\$ 245,443,716
Restricted	716,194	25,363,259	26,820,351	39,198,251
Unassigned	<u>(76,522,919)</u>	<u>(67,221,963)</u>	<u>(71,766,690)</u>	<u>(58,222,559)</u>
Total primary government net assets	<u>\$ 101,392,915</u>	<u>\$ 101,868,178</u>	<u>\$ 205,890,477</u>	<u>\$ 226,419,408</u>

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002. Hamilton County does not have any business-type activities.

Fiscal Year

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 197,381,058	\$ 172,743,851	\$ 196,706,802	\$ 164,113,307	\$ 71,936,226	\$ 62,811,009
20,087,313	26,796,148	34,178,104	48,182,826	38,362,369	40,946,264
(18,991,416)	(11,889,667)	(59,663,380)	(30,993,207)	(33,459,493)	(35,882,551)
<u>\$ 198,476,955</u>	<u>\$ 187,650,332</u>	<u>\$ 171,221,526</u>	<u>\$ 181,302,926</u>	<u>\$ 76,839,102</u>	<u>\$ 67,874,722</u>
\$ 197,381,058	\$ 172,743,851	\$ 196,706,802	\$ 164,113,307	\$ 71,936,226	\$ 62,811,009
20,087,313	26,796,148	34,178,104	48,182,826	38,362,369	40,946,264
(18,991,416)	(11,889,667)	(59,663,380)	(30,993,207)	(33,459,493)	(35,882,551)
<u>\$ 198,476,955</u>	<u>\$ 187,650,332</u>	<u>\$ 171,221,526</u>	<u>\$ 181,302,926</u>	<u>\$ 76,839,102</u>	<u>\$ 67,874,722</u>

Schedule II
Hamilton County, Tennessee
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses				
Governmental activities:				
General Government	\$ 71,919,720	\$ 60,945,951	\$ 50,151,407	\$ 42,045,548
Public Safety:				
Sheriff	29,218,502	28,205,975	28,107,384	24,640,408
Criminal Court	4,126,994	4,199,909	4,108,437	3,973,378
Juvenile Court	8,947,936	7,804,678	8,701,955	8,581,230
Ambulance Services	22,343,290	22,613,585	21,720,861	20,122,892
Other	35,313,682	35,685,195	36,181,342	27,865,271
Highways and streets	18,405,626	16,709,116	18,635,187	15,801,736
Health	22,159,904	22,289,607	22,234,163	21,746,737
Social Services	8,932,771	9,922,024	9,048,831	8,357,336
Culture and recreation	11,018,276	10,867,943	10,953,584	10,369,561
Education	19,312,528	51,348,798	94,734,470	17,923,690
Interest on long-term debt	8,343,186	8,744,210	8,127,516	7,437,956
Total governmental activities expenses	<u>260,042,415</u>	<u>279,336,991</u>	<u>312,705,137</u>	<u>208,865,743</u>
Total primary government expenses	<u>260,042,415</u>	<u>279,336,991</u>	<u>312,705,137</u>	<u>208,865,743</u>
Program Revenues				
Governmental activities:				
Charges for services				
General Government	16,164,972	16,003,648	15,611,825	15,357,585
Public Safety:				
Sheriff	1,267,582	1,252,013	1,194,102	1,279,627
Criminal Court	2,265,859	2,365,764	2,206,055	2,616,360
Juvenile Court	360,824	387,503	507,980	553,234
Ambulance Services	22,093,664	21,513,200	20,584,282	20,228,681
Other	8,918,963	9,413,644	4,837,997	2,848,975
Highways and streets	2,490,007	2,554,986	2,346,478	2,228,804
Health	2,229,402	2,375,089	2,369,463	2,435,325
Social Services	4,476,458	4,394,572	4,519,884	4,374,293
Culture and recreation	606,726	605,779	602,550	603,712
Operating grants and contributions	25,675,026	24,716,541	27,141,888	28,400,517
Capital grants and contributions	23,786,966	3,894,488	68,688,249	8,033,704
Total governmental activities program revenues	<u>110,336,449</u>	<u>89,477,227</u>	<u>150,610,753</u>	<u>88,960,817</u>
Total primary government program revenues	<u>110,336,449</u>	<u>89,477,227</u>	<u>150,610,753</u>	<u>88,960,817</u>
Net (Expense)/Revenue				
Governmental activities	<u>(149,705,966)</u>	<u>(189,859,764)</u>	<u>(162,094,384)</u>	<u>(119,904,926)</u>
Total primary government net expense	<u>(149,705,966)</u>	<u>(189,859,764)</u>	<u>(162,094,384)</u>	<u>(119,904,926)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes	128,028,643	124,907,475	122,782,141	118,523,153
Sales taxes	12,827,069	12,931,526	12,940,031	13,361,357
Business taxes	5,825,899	5,066,223	4,992,580	4,980,398
Hotel/Motel taxes	5,250,752	4,523,689	4,235,794	4,492,971
Other taxes	873,942	852,642	816,315	732,465
Unassigned grants and contributions	24,279	496,928		
Investment earnings	797,443	864,264	1,841,224	5,757,035
Miscellaneous	(4,397,324)	(63,805,282)	(6,042,632)	
Total governmental activities	<u>149,230,703</u>	<u>85,837,465</u>	<u>141,565,453</u>	<u>147,847,379</u>
Total primary government	<u>149,230,703</u>	<u>85,837,465</u>	<u>141,565,453</u>	<u>147,847,379</u>
Change in Net Assets				
Governmental activities	<u>(475,263)</u>	<u>(104,022,299)</u>	<u>(20,528,931)</u>	<u>27,942,453</u>
Total primary government	<u>\$ (475,263)</u>	<u>\$ (104,022,299)</u>	<u>\$ (20,528,931)</u>	<u>\$ 27,942,453</u>

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002. Hamilton County does not have any business-type activities.

Fiscal Year						
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	38,442,141	\$ 34,981,305	\$ 31,552,148	\$ 32,954,221	\$ 34,675,500	\$ 35,365,044
	26,176,514	25,294,547	23,797,816	25,316,591	23,868,362	22,222,540
	3,835,788	3,586,288	3,516,738	3,459,762	3,168,418	2,981,818
	7,960,486	7,638,342	7,214,860	6,975,183	5,339,356	4,759,642
	19,676,312	17,811,039	17,687,413	15,058,814	11,845,698	11,955,328
	25,372,780	22,751,522	21,415,997	19,337,349	19,412,292	17,471,042
	15,540,503	13,673,235	15,464,132	14,288,450	9,927,596	11,297,051
	20,528,751	19,121,961	18,231,342	17,674,360	17,463,293	16,359,827
	7,911,773	7,776,426	7,914,628	8,120,070	10,195,370	8,310,516
	12,513,987	10,460,777	7,427,337	7,244,976	10,846,970	10,526,583
	13,011,783	12,792,560	35,440,590	15,308,638	15,260,477	24,893,665
	6,344,384	6,533,192	7,109,395	6,910,473	7,306,784	8,627,128
	<u>197,315,202</u>	<u>182,421,194</u>	<u>196,772,396</u>	<u>172,648,887</u>	<u>169,310,116</u>	<u>174,770,184</u>
	<u>197,315,202</u>	<u>182,421,194</u>	<u>196,772,396</u>	<u>172,648,887</u>	<u>169,310,116</u>	<u>174,770,184</u>
	15,358,345	17,509,655	13,905,047	13,429,971	15,220,090	13,584,977
	1,581,710	1,187,587	1,174,128	1,187,862	5,701,719	4,972,462
	2,641,719	2,393,387	2,312,890	2,406,421	1,999,857	2,094,339
	676,830	752,358	686,231	708,734	600,676	533,304
	18,697,842	18,387,291	17,770,987	15,664,216	10,428,914	10,573,042
	2,711,231	2,856,527	2,691,956	2,212,027	1,770,465	1,807,065
	1,960,832	514,874	1,342,931	814,626	286	9,194
	2,758,815	3,006,494	2,841,652	2,689,289	2,624,414	2,224,994
	4,351,989	3,762,669	3,427,119	3,398,463	3,330,528	3,093,179
	560,931	536,093	463,407	435,785	31,655	21,308
	24,838,263	24,653,509	22,965,548	24,226,919	20,693,054	19,724,016
	5,230,533	3,091,343	9,706,722	7,659,577	11,061,024	2,587,191
	<u>81,369,040</u>	<u>78,651,787</u>	<u>79,288,618</u>	<u>74,833,890</u>	<u>73,462,682</u>	<u>61,225,071</u>
	<u>81,369,040</u>	<u>78,651,787</u>	<u>79,288,618</u>	<u>74,833,890</u>	<u>73,462,682</u>	<u>61,225,071</u>
	<u>(115,946,162)</u>	<u>(103,769,407)</u>	<u>(117,483,778)</u>	<u>(97,814,997)</u>	<u>(95,847,434)</u>	<u>(113,545,113)</u>
	<u>(115,946,162)</u>	<u>(103,769,407)</u>	<u>(117,483,778)</u>	<u>(97,814,997)</u>	<u>(95,847,434)</u>	<u>(113,545,113)</u>
	96,081,225	90,818,279	85,451,188	84,841,031	85,242,735	84,676,341
	13,547,577	15,715,561	12,102,963	11,173,363	10,548,285	10,838,415
	4,938,615	5,096,014	1,830,352	3,602,133	3,474,784	3,021,021
	4,174,410	3,960,862	3,748,663	3,447,598	3,332,975	3,334,739
	2,222,336	744,167	1,244,418	1,349,121	1,266,662	1,590,774
	5,808,622	3,863,330	3,024,794	1,864,570	2,368,567	4,289,491
	<u>126,772,785</u>	<u>120,198,213</u>	<u>107,402,378</u>	<u>106,277,816</u>	<u>106,234,008</u>	<u>132,925,428</u>
	<u>126,772,785</u>	<u>120,198,213</u>	<u>107,402,378</u>	<u>106,277,816</u>	<u>106,234,008</u>	<u>132,925,428</u>
	10,826,623	16,428,806	(10,081,400)	8,462,819	10,386,574	19,380,315
\$	<u>10,826,623</u>	<u>16,428,806</u>	<u>\$ (10,081,400)</u>	<u>\$ 8,462,819</u>	<u>\$ 10,386,574</u>	<u>\$ 19,380,315</u>

Schedule III
Hamilton County, Tennessee
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2011</u>			
General Fund				
Nonspendable	\$ 1,281,429			
Committed	1,537,756			
Assigned	3,100,039			
Unassigned	<u>90,048,014</u>			
Total General Fund	<u>\$ 95,967,238</u>			
All Other Governmental Funds				
Committed	\$ 3,564,407			
Restricted	716,194			
Assigned	5,529,977			
Unassigned	<u>(46,775,161)</u>			
Total all other governmental funds	<u>\$ (36,964,583)</u>			
		<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund				
Reserved		\$ 2,201,425	\$ 2,240,047	\$ 2,350,255
Unassigned		<u>85,718,733</u>	<u>81,829,708</u>	<u>74,751,577</u>
Total General Fund		<u>\$ 87,920,158</u>	<u>\$ 84,069,755</u>	<u>\$ 77,101,832</u>
All Other Governmental Funds				
Reserved		\$ 16,661,834	\$ 18,080,304	\$ 61,761,770
Unassigned, reported in:				
Special revenue funds		5,764,206	4,772,420	5,607,353
Capital projects funds		(30,688,283)	(19,622,546)	(15,833,094)
Debt service funds		<u>297,560</u>	<u>227,025</u>	<u>240,340</u>
Total all other governmental funds		<u>\$ (7,964,683)</u>	<u>\$ 3,457,203</u>	<u>\$ 51,776,369</u>

Fiscal Year

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 1,573,982	\$ 2,723,959	\$ 2,962,829	\$ 2,382,206	\$ 3,300,986	\$ 2,988,648
56,760,180	52,638,869	46,751,479	51,103,451	50,303,712	52,325,865
<u>\$ 58,334,162</u>	<u>\$ 55,362,828</u>	<u>\$ 49,714,308</u>	<u>\$ 53,485,657</u>	<u>\$ 53,604,698</u>	<u>\$ 55,314,513</u>
\$ 131,501,016	\$ 25,471,500	\$ 21,053,176	\$ 26,095,969	\$ 44,895,624	\$ 24,905,748
5,434,029	3,547,007	2,578,486	3,834,186	5,633,612	5,270,253
(104,202,005)	9,245,897	21,133,440	29,905,968	1,307,236	40,709,079
1,653,012	-	-	-	-	-
<u>\$ 34,386,052</u>	<u>\$ 38,264,404</u>	<u>\$ 44,765,102</u>	<u>\$ 59,836,123</u>	<u>\$ 51,836,472</u>	<u>\$ 70,885,080</u>

Schedule IV
Hamilton County, Tennessee
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
Taxes	\$ 151,836,030	\$ 148,111,703	\$ 144,276,429	\$ 140,393,598
Licenses, fees, and permits	519,985	570,241	481,224	797,046
Fines and penalties	1,523,798	1,645,613	1,743,208	1,833,694
Charges for services	55,056,770	53,818,065	48,899,791	44,286,784
Intergovernmental	45,514,101	28,211,594	88,237,432	36,434,220
Investment earnings	635,415	721,590	1,460,315	4,787,729
Other revenues	7,715,385	5,231,714	3,656,393	5,609,073
Total revenues	<u>262,801,484</u>	<u>238,310,520</u>	<u>288,754,792</u>	<u>234,142,144</u>
Expenditures				
General government	46,162,369	44,204,640	45,220,838	43,766,409
Public Safety:				
Sheriff	27,915,703	27,098,751	27,233,714	26,485,549
Criminal Court	3,778,962	3,866,689	3,809,610	3,655,426
Juvenile Court	8,794,247	7,634,147	8,470,204	8,401,507
Ambulance Services	21,746,243	22,072,669	21,292,132	20,091,509
Other	34,323,045	34,836,832	28,981,590	26,738,109
Highways and streets	11,521,034	11,906,366	12,922,294	12,059,582
Health	22,015,989	22,318,932	22,054,237	21,474,905
Social Services	8,879,493	9,843,579	9,025,813	8,262,557
Culture and recreation	9,823,405	9,382,528	9,312,831	8,953,438
Capital Outlay				
General government	49,800,770	27,279,773	78,016,936	14,924,623
Education	6,330,913	21,897,496	40,495,222	80,904,133
Debt service				
Interest	9,072,871	9,547,473	8,722,581	5,369,261
Principal	23,755,338	23,884,805	46,909,239	18,674,736
Total expenditures	<u>283,920,382</u>	<u>275,774,680</u>	<u>362,467,241</u>	<u>299,761,744</u>
Excess of revenues over/(under) expenditures	<u>(21,118,898)</u>	<u>(37,464,160)</u>	<u>(73,712,449)</u>	<u>(65,619,600)</u>
Other Financing Sources (Uses)				
Transfers in	65,892,738	66,275,753	87,257,125	56,145,380
Transfers out	(65,892,738)	(66,275,753)	(87,257,125)	(56,145,380)
Bond and note proceeds	-	28,570,000	31,500,000	101,493,337
Bond premium	-	216,242	690,409	-
Payment to refunded bond escrow agent	-	-	-	-
Sale of capital assets	166,078	1,106,435	170,797	284,250
Total other financing sources (uses)	<u>166,078</u>	<u>29,892,677</u>	<u>32,361,206</u>	<u>101,777,587</u>
Net change in fund balances	<u>\$ (20,952,820)</u>	<u>\$ (7,571,483)</u>	<u>\$ (41,351,243)</u>	<u>\$ 36,157,987</u>
Debt service as a percentage of noncapital expenditures	14.4%	14.8%	22.8%	11.8%

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002. Hamilton County does not have any business-type activities.

Fiscal Year					
<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 120,511,933	\$ 116,247,392	\$ 103,885,905	\$ 103,730,509	\$ 103,201,249	\$ 102,799,560
1,003,230	1,118,017	996,136	740,949	595,693	478,886
1,901,904	1,908,302	2,033,385	1,207,113	1,670,186	1,758,453
43,750,881	42,471,528	40,461,142	38,146,870	31,329,385	30,229,202
31,579,697	27,744,852	32,777,664	32,600,800	36,656,544	26,910,941
5,003,729	3,160,096	2,495,371	1,591,905	1,976,814	3,776,567
4,644,229	5,409,088	3,592,125	2,852,462	3,819,227	2,820,758
<u>208,395,603</u>	<u>198,059,275</u>	<u>186,241,728</u>	<u>180,870,608</u>	<u>179,249,098</u>	<u>168,774,367</u>
38,105,787	35,410,918	34,050,720	33,625,625	33,708,497	34,132,849
25,276,122	24,518,755	22,599,098	23,593,493	22,319,578	21,083,913
3,534,185	3,261,864	3,219,691	3,184,747	2,855,969	2,636,307
7,841,180	7,388,345	7,005,899	6,913,363	5,195,263	4,529,038
19,276,996	17,479,465	17,514,899	14,842,261	11,218,477	11,632,439
24,015,988	22,200,063	20,359,518	18,620,790	17,818,148	16,590,536
11,387,520	9,638,478	9,663,858	10,384,639	9,888,106	10,583,226
20,281,542	19,009,220	17,873,029	17,852,323	17,318,336	15,970,858
7,878,541	7,747,039	7,774,655	8,114,455	10,156,391	8,213,683
11,154,441	10,245,016	9,331,150	9,891,062	9,656,196	9,525,518
9,221,715	12,700,379	20,860,077	16,835,355	21,972,705	7,738,764
30,744,012	4,599,993	9,424,380	15,879,834	13,311,115	21,292,864
19,951,308	6,800,427	20,716,808	6,549,742	7,807,029	8,954,469
6,626,765	19,978,367	7,370,865	19,028,505	19,153,505	21,212,089
<u>235,296,102</u>	<u>200,978,329</u>	<u>207,764,647</u>	<u>205,316,194</u>	<u>202,379,315</u>	<u>194,096,553</u>
<u>(26,900,499)</u>	<u>(2,919,054)</u>	<u>(21,522,919)</u>	<u>(24,445,586)</u>	<u>(23,130,217)</u>	<u>(25,322,186)</u>
59,602,211	57,900,713	55,682,262	51,706,028	50,668,288	54,195,459
(59,477,211)	(57,775,713)	(55,557,262)	(51,581,028)	(50,543,288)	(54,070,459)
25,000,000	-	934	30,015,266	32,106,910	435,904
-	-	-	1,278,540	-	-
-	-	-	-	(30,122,469)	-
868,481	1,941,876	2,554,615	907,390	262,353	493,465
<u>25,993,481</u>	<u>2,066,876</u>	<u>2,680,549</u>	<u>32,326,196</u>	<u>2,371,794</u>	<u>1,054,369</u>
<u>\$ (907,018)</u>	<u>\$ (852,178)</u>	<u>\$ (18,842,370)</u>	<u>\$ 7,880,610</u>	<u>\$ (20,758,423)</u>	<u>\$ (24,267,817)</u>
13.6%	14.6%	15.8%	14.8%	16.1%	18.3%

Schedule V
Hamilton County, Tennessee
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Levy Year	Real Property			Personalty Property
		Residential Property	Commercial Property	Other Multi-Use Property	
2003	2002	\$ 2,712,679,140	\$ 1,806,507,185	\$ 72,650,505	\$ 543,049,870
2004	2003	2,778,249,335	1,820,877,702	81,426,865	493,433,350
2005	2004	2,855,267,780	1,842,598,736	82,034,675	492,649,014
2006	2005	3,511,594,235	2,136,195,594	93,950,970	527,095,881
2007	2006	3,631,674,980	2,197,164,974	96,515,955	561,772,393
2008	2007	3,791,887,727	2,276,582,369	102,219,515	533,938,891
2009	2008	3,892,376,937	2,347,954,299	104,523,805	556,193,467
2010	2009	4,585,377,106	2,743,690,312	114,177,025	616,574,058
2011	2010	4,640,933,356	2,723,942,772	108,325,420	600,198,491
2012	2011	4,681,094,025	2,698,950,897	108,689,970	602,424,839

Source: Hamilton County Assessor's Office

Notes: Property in Hamilton County is reassessed once every four years. The County assesses property at approximately 25% of actual value for residential property, 40% of actual value for commercial property and 30% of actual value for other multi-use property and personalty property. The public utilities assessments are made by the State of Tennessee for all counties and cities in the state. The Electric Power Board (EPB) is not included in these totals. The assessed and estimated values for the EPB for fiscal year 2012 are \$322,979,863 and \$587,236,115, respectively.

<u>Public Utilities Property</u>	<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>
\$ 312,777,498	\$ -	\$ 5,447,664,198	\$ 3.061	\$ 17,988,005,466
285,476,577	-	5,459,463,829	3.061	18,100,440,663
297,427,438	-	5,569,977,643	3.061	18,483,957,417
333,289,963	-	6,602,126,643	2.894	22,063,003,846
329,134,150	-	6,816,262,452	2.894	22,812,332,576
299,212,058	-	7,003,840,560	3.154	23,523,556,774
306,586,243	-	7,207,634,751	3.154	24,199,213,935
340,109,973	-	8,399,928,474	2.765	28,254,952,916
304,075,212	-	8,377,475,251	2.765	28,288,200,746
N/A	-	8,091,159,731	2.765	27,842,136,039

Schedule VI
Hamilton County, Tennessee
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year Ended June 30	County Direct Rates				City of Chattanooga		
	General Government	Department of Education	District Road	Total Direct Rate	East Ridge	Red Bank	
2002	\$ 1.4750	\$ 1.5710	\$ 0.0150	\$ 3.0610	\$ 2.5160	\$ 1.0610	\$ 1.0500
2003	1.4328	1.6134	0.0148	3.0610	2.5160	1.0610	1.0500
2004	1.4328	1.6134	0.0148	3.0610	2.5160	1.2500	1.2200
2005	1.4128	1.6334	0.0148	3.0610	2.5160	1.2500	1.2200
2006	1.3159	1.5655	0.0126	2.8940	2.2020	1.0770	1.2600
2007	1.3159	1.5655	0.0126	2.8940	2.2020	1.0770	1.2600
2008	1.5759	1.5655	0.0126	3.1540	2.2020	1.0770	1.2600
2009	1.5759	1.5655	0.0126	3.1540	2.2020	1.2870	1.2600
2010	1.3816	1.3726	0.0110	2.7652	1.9390	1.1227	1.1001
2011	1.3816	1.3726	0.0110	2.7652	2.3090	1.4200	1.1001

Source: Hamilton County Trustee's Office

Overlapping Rates							Total Direct & Overlapping Rates
Lookout Mountain	Signal Mountain	Collegedale	Soddy-Daisy	Lakesite	Ridgeside	Town of Walden	
\$ 1.4970	\$ 1.6500	\$ 1.0786	\$ 0.4900	\$ 0.3390	\$ 1.9300	\$ 0.5800	\$ 15.2526
1.8000	1.6500	1.0786	0.4900	0.3390	1.9300	0.5800	15.5556
2.2000	1.6500	1.0786	0.4900	0.3390	1.9300	0.5800	16.3146
2.7000	1.6500	1.0500	0.4900	0.3390	1.9300	0.5800	16.7860
2.0136	1.4250	0.9520	0.7800	0.2900	1.5010	0.5000	14.8946
1.8000	1.7750	1.2000	0.7800	0.2900	1.5010	0.5000	15.2790
1.8000	1.7750	1.2000	0.7800	0.2900	1.6000	0.5000	15.6380
1.8000	1.7750	1.3200	0.7800	0.2900	1.8000	0.5000	16.1680
1.4700	1.5134	1.1500	0.6860	0.2400	1.6070	0.4300	14.0234
1.4700	1.6634	1.3400	1.0000	0.2400	1.9000	0.4400	15.6477

**Schedule VII
Hamilton County, Tennessee
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2011		
	Taxable Assessed Value	Rank	% of Total Assessed Valuation
Electric Power Board	\$ 322,979,863	1	3.85%
TVA	119,109,016	2	1.42%
Lebcon Assoc/C B L	76,297,195	3	0.91%
Bellsouth Telecommunications	72,195,134	4	0.86%
Blue Cross Blue Shield of Tennessee	68,591,239	5	0.82%
McKee Baking/Foods Corp.	59,978,264	6	0.71%
Tennessee-American Water Co.	51,212,813	7	0.61%
Walmart	38,196,842	8	0.45%
Alstom Power	37,910,906	9	0.45%
Norfolk Southern	35,367,923	10	0.42%
E. I. Dupont	-		0.00%
Atlanta Gas Light Company	-		0.00%
Provident Life & Accident	-		0.00%
Tallan Holdings/Properties	-		0.00%
	<u>\$ 881,839,195</u>		<u>10.50%</u>

Source: Hamilton County Trustee

Note: This schedule serves a dual purpose of providing basic information about Hamilton County's most significant revenue payers and highlighting the degree to which we depend on a small number of payers.

2002

Taxable Assessed Value	Rank	% of Total Assessed Valuation
\$ 172,150,898	1	3.16%
98,751,099	2	1.81%
58,676,700	5	1.08%
82,989,240	3	1.52%
-		0.00%
43,217,331	7	0.79%
44,577,011	6	0.82%
-		0.00%
-		0.00%
-		0.00%
68,824,790	4	1.26%
35,396,515	8	0.65%
31,116,596	9	0.57%
14,307,760	10	0.26%
\$ 650,007,940		11.93%

Schedule VIII
Hamilton County, Tennessee
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 154,402,498	\$ 145,190,063	94.0%	\$ 9,102,932	\$ 154,292,995	99.93%
2003	156,901,705	149,006,804	95.0%	7,074,408	156,081,211	99.48%
2004	158,594,035	150,434,347	94.9%	7,874,268	158,308,615	99.82%
2005	162,140,351	153,718,818	94.8%	7,595,330	161,314,148	99.49%
2006	181,473,837	173,318,379	95.5%	7,768,792	181,087,171	99.79%
2007	187,738,019	179,757,257	95.7%	7,921,380	187,678,637	99.97%
2008	211,448,308	201,229,831	95.2%	9,825,333	211,055,165	99.81%
2009	217,659,937	205,689,580	94.5%	9,505,663	215,195,244	98.87%
2010	222,870,484	210,841,565	94.6%	7,003,694	217,845,259	97.75%
2011	223,245,685	210,215,791	94.2%	-	210,215,791	94.16%

Schedule IX
Hamilton County, TN
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities						
Fiscal Year	General Obligation Bonds	Notes Payable	Certificates of Participation	Total Primary Government	Percentage of Personal Income	Per Capita
2002	\$ 154,960,000	\$ 19,642,195	\$ 715,000	\$ 175,317,195	1.81%	\$ 568
2003	139,070,000	22,384,490	-	161,454,490	1.62%	522
2004	162,040,000	20,975,624	-	183,015,624	1.78%	591
2005	143,380,000	19,570,147	-	162,950,147	1.53%	526
2006	125,510,000	17,322,009	-	142,832,009	1.28%	459
2007	107,730,000	14,989,671	-	122,719,671	1.02%	392
2008	188,260,000	12,649,201	-	200,909,201	1.59%	609
2009	200,110,000	10,389,963	-	210,499,963	1.65%	652
2010	206,960,000	8,036,685	-	214,996,685	1.72%	638
2011	185,550,000	5,677,713	-	191,227,713	1.57%	568

Schedule X
Hamilton County, TN
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
2002	\$ 154,960,000	0.86%	\$ 502
2003	139,070,000	0.77%	450
2004	162,040,000	0.88%	524
2005	143,380,000	0.65%	463
2006	125,510,000	0.55%	404
2007	107,730,000	0.46%	344
2008	188,260,000	0.78%	570
2009	200,110,000	0.71%	620
2010	206,960,000	0.73%	614
2011	185,550,000	0.67%	551

Schedule XI
Hamilton County, TN
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
City of Chattanooga	\$ 133,432,403	56.052%	\$ 74,791,531
Town of East Ridge	6,656,103	4.517%	300,656
Town of Red Bank	1,382,000	2.486%	34,357
Town of Lookout Mountain	240,000	1.468%	3,523
Town of Signal Mountain	623,029	2.820%	17,569
Town of Collegedale	2,979,139	1.905%	56,753
Town of Soddy Daisy	-	2.769%	-
Other debt			
City of Chattanooga	270,029,614	56.052%	151,356,999
Town of East Ridge	-	4.517%	-
Town of Red Bank	-	2.486%	-
Town of Lookout Mountain	-	1.468%	-
Town of Signal Mountain	3,118,720	2.820%	87,948
Town of Collegedale	1,664,318	1.905%	31,705
Town of Soddy Daisy	-	2.769%	-
Subtotal, overlapping debt			226,681,041
Hamilton County direct debt			191,227,713
Total direct and overlapping debt			<u>\$ 417,908,754</u>

Sources: Debt outstanding data provided by each municipality. Assessed value data used to estimate applicable percentages provided by Hamilton County Assessor's office.

Notes: Overlapping governments are those that coincide with the geographic boundaries of Hamilton County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses in Hamilton County. This process recognized that, when considering the county's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying debt--of each overlapping government.

Schedule XII
Hamilton County, Tennessee
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2001	308,497	\$ 9,672,619	\$ 30,186	3.2%
2002	309,200	9,969,554	30,909	4.2%
2003	309,482	10,291,371	33,254	4.1%
2004	309,729	10,684,213	34,495	3.5%
2005	310,935	11,149,618	35,858	5.8%
2006	312,905	12,008,126	38,376	5.4%
2007	330,168	12,598,201	38,157	3.9%
2008	332,848	12,766,600	38,356	5.8%
2009	337,175	12,465,601	36,971	9.8%
2010	336,463	12,171,699	36,175	8.7%

Sources: Personal income and per capita income information provided by the Chamber of Commerce: Bureau of Economic Analysis (BEA). For 2010, personal income and per capita income were interpolated based on percentage increases reported by Metropolitan areas in the BEA. The BEA performed a comprehensive revision to the national income for 1969-2009; therefore personal income and per capita income were updated to actuals as reported by BEA for 2001-2009. Population estimate was found at the U.S. Census Bureau. Unemployment information provided by State Department of Employment Security.

Schedule XIII
Hamilton County, Tennessee
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Blue Cross Blue Shield of Tennessee	4,458	1	2.44%	3,754	3	2.02%
Hamilton County Department of Education	4,347	2	2.37%	5,537	1	2.98%
Tennessee Valley Authority	3,970	3	2.17%	4,782	2	2.57%
Erlanger Health System	3,441	4	1.88%	2,386	9	1.28%
Memorial Health Care System	3,071	5	1.68%	2,582	6	1.39%
McKee Foods Corporation	2,950	6	1.61%	3,500	4	1.88%
UnumProvident Corporation	2,800	7	1.53%	3,147	5	1.69%
City of Chattanooga	2,239	8	1.22%	2,487	7	1.34%
Hamilton County Government	1,837	9	1.00%	-	-	-
CIGNA Healthcare	1,324	10	0.72%	2,400	8	1.29%
Synthetic Industries	-	-	-	2,358	10	1.27%
Total	30,437		16.63%	32,933		17.73%

Source: Chattanooga Area Chamber of Commerce



Schedule XIV
Hamilton County, TN
Full-time Equivalent County Government Employees by Function/Program
As of June 30, 2011

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>Full-time Equivalent Employees</u>			<u>2006</u>
			<u>2009</u>	<u>2008</u>	<u>2007</u>	
General Government	718	751	754	769	660	536
Public Safety ¹	500	534	447	384	379	365
Highways and Streets	98	97	125	130	129	111
Health ²	267	277	291	262	238	278
Social Services ³	0	58	108	108	83	97
Culture and Recreation	<u>92</u>	<u>88</u>	<u>98</u>	<u>81</u>	<u>83</u>	<u>89</u>
Total	<u>1,675</u>	<u>1,805</u>	<u>1,823</u>	<u>1,734</u>	<u>1,572</u>	<u>1,476</u>

Source: Hamilton County Human Resources Department

Notes: Full time equivalents (FTE)
 Full time - 1 full time equivalent - these are permanent employees who earn pension and leave time
 Skimp - .63 full time equivalent - these are permanent employees who do not work more than 1,300 hours a year, earn leave time but do not participate in pension
 Part time - .5 full time equivalent - these are permanent employees who do not work more than 1,040 hours a year and do not participate in pension nor earn leave time
 Temporary .5 full time equivalent - these employees do not have permanent status, do not work more than 1,040 hours a year and do not participate in the pension nor earn leave time

*** Information for years prior to 2006 is not readily available, therefore, the ten-year comparison as recommended by GASB Statement 44 is not presented.

¹ The 2010 increase in the number of employees in Public Safety was due to the consolidation of the City and County 911 service

² There was an increase (2009) in the number of employees in the Health Dept because more manpower was needed to administer the 2 flu vaccines

³ Social Services department was dissolved in June 2011.

Schedule XV
Hamilton County, TN
Operating Indicators by Function/Program
Last Nine Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Government					
County Clerk (DMV) - transactions processed	326,795	328,766	347,946	366,029	381,072
Register - documents recorded	63,309	67,824	73,441	79,036	78,300
Recycling - tons collected	3,910	3,137	3,157	2,235	2,342
Election Commission - registered voters	210,160	207,961	205,382	184,792	184,099
Election Commission - votes cast in last election	87,817	51,805	148,480	74,417	109,401
Purchasing - bids posted	147	173	164	190	153
Public Safety					
Building Inspections - permits issued	950	909	998	1,420	1,600
Building Inspections - inspections and investigations	11,445	11,210	15,051	22,214	25,292
Jail - average number inmates housed	514	525	555	592	610
Sheriff's Dept - physical arrests	8,016	7,558	7,002	6,654	6,728
Juvenile Court Judge - cases heard	6,463	6,325	7,287	7,618	9,255
Criminal Court Judge - cases heard	8,711	8,508	8,444	4,306	5,000
Ambulance Services - responded calls	22,944	22,247	21,580	21,382	20,393
Police Protection (Sworn, Correctional, Civilian and Others)	371	378	401	361	373
Highways and Streets					
Engineering Services - projects administered	72	74	56	70	80
⁴ Highways & Streets - bridges maintained	67	67	81	81	81
Health					
Health Dept - patients seen	40,055	59,096	43,467	44,452	47,383
³ Environmental Health - processed appl for new/existing septic system	702	1,166	467	2,250	2,131
Social Services					
¹ Emergency Assistance Program of Financial Services - # households served	432	503	488	448	425
¹ Emergency Assistance Program of Financial Services - # of services	528	620	607	645	548
Chancery Court Judge - # cases heard	2,300	2,241	2,383	2,253	2,521
Circuit Court Judge - #cases heard	3,461	3,846	3,016	2,925	2,892
Culture & Recreation					
# Facilities Maintained	32	32	32	34	34
# Programs Offered	17	17	17	15	18
Education					
² Public School Enrollment	42,236	41,950	41,372	40,578	40,430
Private School Enrollment	10,439	10,606	10,514	10,813	11,351

Sources: CABR from prior years, CAFR from prior years and various department personnel

Note** Information for years prior to 2003 is not readily available, therefore the ten-year comparison as recommended by GASB Statement 44 is not presented.

¹ Note on EAP - The number of households served and services rendered by the Emergency Assistance Program have both decreased on average about 35% over the last decade due to inflation, decreased funding and program policy revision.

² Note on public school enrollment - The increase in 2009 school enrollment was largely due to the opening of the new Middle/High School and 2 public charter schools.

³ Note on Environmental Health - The current housing crisis has drastically affected the groundwater protection program. With very few houses being built, bought or sold means a large decrease in the number or applications for new/existing septic systems.

⁴ Note on Highways & Streets bridges maintained - The number of bridges maintained has decreased because some bridges are now maintained by other city annex areas.

Fiscal Year

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
404,066	393,942	369,790	392,387
81,687	89,228	86,165	83,337
2,218	2,200	1,710	1,479
182,250	176,671	169,399	164,193
50,968	137,272	28,514	89,030
150	135	131	145
1,616	1,609	1,531	1,419
24,562	22,838	22,437	19,524
583	561	607	669
6,723	6,843	6,896	6,590
7,574	7,699	7,765	7,558
4,866	4,396	4,747	3,907
20,536	20,624	19,608	18,662
393	385	388	387
69	100	99	99
81	81	81	81
49,817	58,808	50,419	48,867
828	1,044	2,554	2,369
350	331	338	387
420	386	421	382
2,520	2,266	2,452	1,998
3,088	3,357	3,431	3,379
34	34	32	30
18	17	16	18
40,826	40,376	40,774	40,138
11,330	11,348	11,328	10,857

Schedule XVI
Hamilton County, TN
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Government						
Libraries	9	9	9	9	9	9
Recycling Stations	6	6	6	6	6	5
Telecommunications locations supported	223	208	202	202	202	202
Election Commission ballot boxes	125	125	125	125	122	122
Public Safety						
Volunteer Fire Stations	18	18	17	17	17	17
Ambulance Stations	15	15	15	15	15	15
Sheriff patrol cars	271	262	244	225	211	224
Highways and Streets						
Miles of paved streets	2,622	2,380	2,380	2,380	2,380	2,435
Health						
Healthcare Facilities	5	5	5	5	5	5
Culture & Recreation						
Number of Parks	122	90	90	98	98	97
Golf Courses	21	21	21	21	21	21
Recreation Centers	15	15	16	17	17	17
Theaters	17	17	15	15	15	14
Bowling Alleys	3	3	3	3	3	3

Sources: Prior year CAFRs and various department personnel

Fiscal Year

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
9	9	9	9
5	5	5	4
202	202	202	202
122	122	122	122
17	17	17	16
15	15	15	15
207	201	214	225
2,380	2,379	2,379	2,379
5	5	5	5
92	119	119	112
21	16	16	17
17	15	15	16
14	17	17	15
3	3	3	3



HAMILTON COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. DEPARTMENT OF COMMERCE			
ARRA - Economic Adjustment Assistance	11.307	04-79-73015	\$ 2,277,742
ARRA - Grants for Public Works and Economic Development Facilities	11.300	04-01-06256	<u>1,265,900</u>
Total U.S. Department of Commerce			<u>3,543,642</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Tennessee Housing Development Agency			
Community Development Block Grant/State's Program	14.218	20281	55,253
Economic Development Initiative-Special Project	14.251	B-04-SP-TN-0748	497,050
		B-05-SP-TN-0645	214,960
		B-09-SP-TN-0252	<u>268,141</u>
Total U.S. Department of Housing and Urban Development			<u>1,035,404</u>
U.S. DEPARTMENT OF JUSTICE			
Passed through the Tennessee Drug Court Treatment Resource Fund			
Drug Court Treatment Program	16.585	2008-DD-BX-0478	57,047
		2010-DC-BX-0030	43,041
ARRA - Drug Court Treatment Program	16.803	4133	416,163
		3533	48,755
State Criminal Alien Assistance Program	16.606	2010-AP-BX-0151	41,915
Edward Byrne Memorial Justice Assistance Grant	16.738	7603	57,625
Bulletproof Vest Partnership Program	16.607	2007-BOBX-07039158	19,251
Passed through the Tennessee Commission of Children and Youth			
Title V - Delinquency Prevention Program	16.548	GG-07-12761-00	14,832
Domestic Violence	16.590	2010-WC-AX-K003	<u>66,687</u>
Total U.S. Department of Justice			<u>765,316</u>
U.S. DEPARTMENT OF LABOR			
WIA Pilots, Demonstrations, and Research Projects	17.261	EA-18598-09-60-A-47	<u>518,983</u>
Total U.S. Department of Labor			<u>518,983</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through the Tennessee Commission on Children and Youth	10.557	GG-10-30981-00	<u>1,720,486</u>
Supplemental Nutrition program for Women, Infants and Children			
Total U.S. Department of Agriculture			<u>1,720,486</u>

(continued)

HAMILTON COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued

Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Tennessee Department of Human Services			
Child Support Program Title IV-D	93.563	GG-09-25249-02 GG-09-25813	185,103 278,880
Social Services Block Grant	93.667	GG-10-28646	246,683
Passed through the Tennessee Department of Human Services			
Project Grants and Cooperative Agreements for Tuberculosis Control	93.116	GG-11-32974-00 GG-10-29175-00	492,016 64,500
Centers for Disease Control and Prevention: Injury Prevention and Control Research and State and Community-Based Programs	93.136	GG-10-28961-00 GG-11-33798-00	10,000 20,243
Immunization Grants	93.268	GG-11-34775-00	166,151
Centers for Disease Control and Prevention, Investigations and Technical Assistance	93.283	GG-11-33795-00 GG-10-31080-00 GG-11-34997-00 GG-11-33003-00	487,491 29,775 12,445 53,115
Health Center Program	93.224	H80CS00023-04-00	916,596
ARRA-Health Center Program	93.703	1H8BCS12363-01-00 6C81CS14475-01-01	130,938 222,825
Medical Assistance Program	93.778	GG-08-23309-01	142,505
HIV Care Formula Grants	93.917	GG-11-35042	243,628
Preventive Health Services Grant: Sexually Trasmitted Diseases Control	93.977	GG-10-30937-00	204,906
Preventive Health and Health Services Block Grant	93.991	GG-11-32533-00	121,700
Childhood Lead Poisoning Prevention Projects - State and Local	93.197	GG-10-29535-00	13,100
Prevention and Treatment of Substance Abuse Block Grant	93.959	GG-11-33252-00	267,315
HIV Prevention Activities - Health Department Based	93.944	GHG-11-35015-00	230,931
Maternal and Child Health Services Block Grant - States and Local	93.994	GU-11-30050-01	<u>571,667</u>
Total U.S. Department of Health and Human Service			<u>5,112,513</u>
U.S. SMALL BUSINESS ADMINISTRATION			
Business Development Program	59.006	SBAHQ-08-0121	<u>16,200</u>
Total U.S. Small Business Administration			<u>16,200</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
ARRA - Brownfields Assessment and Cleanup Cooperative Agreement	66.818	BF-95443609-0	<u>27,600</u>
Total U.S. Environment Protection Agency			<u>27,600</u>

(continued)

HAMILTON COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued
Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through the Tennessee Emergency Management Agency			
Emergency Management Performance Grants	97.042	34101000003910 GG-06-12229	148,000 39,762
Port Security Grant Program	97.056	2009PUT90120	52,724
Homeland Security Grant Program	97.067	GG-3959 18119 23029 34101-000005680 24680	352,334 3,245 107,000 19,508 422,622
Total U.S. Department of Homeland Security			<u>1,145,195</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through the Tennessee Department of Transportation			
State and Community Highway Safety	20.600	DG-10-28725-00	197,461
Passed through the Tennessee Department of Environment & Conservation			
Recreational Trails Program	20.219	GG-09-27134-00	<u>13,888</u>
Total U.S. Department of Transportation			<u>211,349</u>
U.S. DEPARTMENT OF ENERGY			
ARRA - Energy Efficient and Conservation Block Grant	81.128	DE-SC00001900	<u>224,595</u>
Total U.S. Department of Energy			<u>224,595</u>
Total expenditures of federal awards-primary government			<u>\$ 14,321,283</u>
COMPONENT UNITS			
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Tennessee Department of Agriculture:			
Food Donation (Noncash - Food Commodities)	10.565	None	\$ 996,095
Passed through Tennessee Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	None	2,695,719
National School Lunch Program	10.555	None	8,353,653
ARRA - Child Nutrition Discretionary Grant	10.579	None	<u>17,000</u>
Total U.S. Department of Agriculture			<u>12,062,467</u>

(continued)

HAMILTON COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued
Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. DEPARTMENT OF EDUCATION			
Passed through Tennessee Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	None	13,072,763
Special Education- Grants to States	84.027	None	8,895,206
Impact Aid	84.041	None	1,502
Career and Technical Education- Basic Grants to States	84.048	None	1,134,141
Special Education- Preschool Grants	84.173	None	195,913
Safe and Drug-Free Schools and Communities State Grants	84.186	None	32,990
Education for Homeless Children and Youth	84.196	None	102,379
Fund for the Improvement of Education	84.215	None	415,920
Twenty-First Century Community Learning Centers	84.287	None	494,293
Education Technology State Grants	84.318	None	1,452,743
Early Reading	84.359	None	925,998
English Language Acquisition Grants	84.365	None	174,440
Title II Part A 2009.01 Teacher and Principal Training and Recruiting	84.367	None	2,344,174
School Improvement Grants	84.377	None	113,514
ARRA - Education Technology State Grants	84.386	None	437,059
ARRA - Homeless Grant	84.387	None	115,000
ARRA - Title I Grants to Local Educational Agencies	84.389	S389A090042	3,492,290
ARRA - Special Education Grants to States	84.391	H391A090052	5,139,818
ARRA - Preschool Grants	84.392	H392A90095	236,504
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394	None	7,570,573
ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	84.397	None	1,284,038
Education Jobs Fund	84.410	None	3,224,006
Temporary Assistance for Needy Families	93.558	519201-11-1-002	512,536
ARRA - Race To The Top	84.395	S395A1000032	<u>2,396,879</u>
Total U.S. Department of Education			<u>53,764,679</u>
Total Expenditures of Federal Awards-Component Units			<u>65,827,146</u>
Total Expenditures of Federal Awards- Reporting Entity			<u><u>\$ 80,148,429</u></u>

**HAMILTON COUNTY, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
STATE GRANTS			
Board of Probation and Payroll	N/A	20873	\$ 329,209
Juvenile Detention Unit	N/A	GG-10-29840-00	9,000
Governor's Highway Child Safety Program	N/A	N/A	5,484
Child Welfare Research and Demonstration - Casa Program	N/A	N/A	15,000
TN Dept. of Health - Safety Net Primary Care Services	N/A	GG-11-33854-00	20,945
TN Dept. of Health - Safety Net Primary Care Services	N/A	GG-11-33877-00	36,350
TN Dept. of Health - TENNdercare Community Outreach	N/A	GG-11-33253-00	281,047
TN Dept. of Health - Grant in Aid	N/A	GG-11-33876-00	371,300
TN Dept. of Health - Environmental Health Programs	N/A	GU-09-26086-00	576,250
TN Dept. of Health - HUGS	N/A	GG-11-33403-00	378,400
TN Dept. of Health - Oral Health	N/A	GG-09-25637-00	338,800
TN Dept. of Health - Fetal Infant Mortality Review	N/A	GU-11-33824-00	151,900
TN Dept. of Transportation	N/A	20031	293,090
TN Dept. of Economic & Community Development-Alstrom Power Turbomachines	N/A	GG-10-30422-00	215,946
TN Dept. of Economic & Community Development-Madem Reels	N/A	GG-10-29646-00	14,590
TN Dept. of Economic & Community Development-Gestamp	N/A	N/A	181,304
TN Dept. of Economic & Community Development-Enterprise South Industrial Park	N/A	GG-09-26145-00	388,370
TN Dept. of Economic & Community Development-Amazon	N/A	GG-12-37115-00	3,525,778
TN Dept. of Environment & Conservation - Enterprise South	N/A	Z-07-0313780-00	708
TN Dept. of Environment & Conservation - ESNP Visitor's Center	N/A	GG-09-27139-00	221,061
TN Dept. of Environment & Conservation - Recycling & Waste Oil	N/A	N/A	11,616
TN Dept. of Environment & Conservation - Waste Tire	N/A	Z-08-213009-08	223,520
TN Dept of Education - ConnectTN Carryover	N/A	N/A	114,389
TN Dept. of Education - Students Obtaining Academic Excellence	N/A	N/A	25,976
TN Dept. of Education - Safe Schools	N/A	N/A	2,633
TN Dept. of Education - Pre-K Pilot and Expansion	N/A	N/A	<u>2,578,252</u>
Total Expenditures of State Awards			<u>10,310,918</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS			<u>\$ 90,459,347</u>



NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

June 30, 2011

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general-purpose financial statements.

NOTE B. SUBRECIPIENTS

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided To Subrecipient</u>
Special Supplemental Nutrition Program		
for Women, Infants, and Children	10.557	\$ 125,048
Community Development Block Grant	14.228	39,670
Social Services Block Grant	93.667	345,108
TEMA - 2008 Homeland Security	97.067	320,383
WIA Pilots, Demonstrations, and Research Projects	17.261	518,983
Title I - Grants to Local Educational Agencies	84.010	69,303
ARRA Title I	84.389	32,881
Title II - Part A	84.367	33,561
ARRA Title II Part D Technology	84.386	3,324
Title IV - Safe and Drug-Free Schools and Communities	84.186	26,191
Title II - Part D Technology	84.318	7,601
IDEA Part B	84.027	44,108
ARRA IDEA Part B	84.391	25,302
Safe Schools Act	N/A	20,000
Title V - Public Charter Schools Program	84.282A	225,000

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and the Board of Commissioners
Hamilton County, Tennessee

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Hamilton County, Tennessee (the County), as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated January 18, 2012. We did not audit the financial statements of the Hamilton County "911" Emergency Communications District. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on those financial statements, insofar as it relates to the amounts included for the Hamilton County "911" Emergency Communications District, was based solely on the work of other auditors. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider items 2011-01 and 2011-02 described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain matters that we reported to management of the County in a separate letter dated January 18, 2012.

The County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Honorable Mayor, Board of Commissioners, the management of Hamilton County, Tennessee, federal and state awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Joseph DeCarino and Company, PLLC". The signature is written in a cursive, flowing style.

Chattanooga, Tennessee
January 18, 2012

**REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Mayor and the Board of Commissioners
Hamilton County, Tennessee

Compliance

We have audited the compliance of Hamilton County, Tennessee (the County), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Hamilton County, Tennessee, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Hamilton County, Tennessee, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor, Board of Commissioners, the management of Hamilton County, Tennessee, federal and state awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Joseph DeCarino and Company, PLLC". The signature is written in a cursive, flowing style.

Chattanooga, Tennessee
January 18, 2012

HAMILTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2011

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
11.300	U.S. Department of Commerce: ARRA - Grants for Public Works and Economic Development Facilities
11.307	ARRA - Economic Adjustment Assistance
84.027	U.S. Department of Education: <i>Special Education Cluster (IDEA):</i> Special Education Grants to States
84.173	Special Education - Preschool Grants
84.391	Special Education Grants to States
84.392	Special Education - Preschool Grants
84.010	<i>Title I, PART A Cluster</i> Title I Grant to Local Educational Agencies
84.389	ARRA - Title I Grants to Local Educational Agencies
84.377	<i>School Improvements Grants Cluster</i> School Improvement Grants
84.395	ARRA - Race To The Top
84.410	Education Jobs Fund

HAMILTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

CFDA Number	Name of Federal Program or Cluster
84.394	<i>State Fiscal Stabilization Fund Cluster</i> ARRA - State Fiscal Stabilization Fund - Education Grants
84.397	ARRA - State Fiscal Stabilization Fund - Government Services

Dollar threshold used to distinguish between type A and type B programs: \$2,404,453.

Auditee qualified as low risk auditee? Yes No

HAMILTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2011

II. FINANCIAL STATEMENT FINDINGS

TRUSTEE'S OFFICE

Finding 2011-01 - Bank Reconciliations

(Material Weakness Under *Government Auditing Standards*)

Criteria: Bank reconciliations completed timely and accurately.

Condition: During the year ended June 30, 2011, bank accounts for certain accounts were not completed on a timely and accurate basis. Adjustments and/or unusual transactions noted in the bank reconciliation process were not communicated to the Hamilton County accounting department on a timely basis resulting in a failure to investigate potential errors and to correct the County's financial records timely.

Effect: Bank reconciliations which are not performed on a timely and accurate basis result in errors and potential adjustments to the cash balances. The cash information being reported to the Hamilton County accounting department is not correct and the investigation of unusual transactions or adjustments is not being performed in a timely manner.

Cause: A change in procedure within the Trustee's office occurred during the current fiscal year. Bank reconciliations had previously been performed by the Hamilton County accounting department in prior years. During the year ended June 30, 2011, the responsibility for reconciling the bank accounts was transferred to the Trustee's office.

Recommendation: Procedures should be implemented to require the reconciliation of all cash activity and cash balances as recorded in the County's financial records to transactions processed through the County's bank accounts. These bank accounts should be reconciled within ten (10) days following the close of each month.

Management's Response: Prior to the administration of the current Trustee, the County Accounting Department reconciled the majority of all bank accounts held in the name of the Trustee. Pursuant to T.C.A. Section 5-8-210, the Trustee is obligated to reconcile all bank accounts maintained by the Trustee, with the exception of check clearing accounts established for a single office or department (which accounts the Trustee may elect to reconcile). In order to comply with this statute, the Trustee initially assumed the responsibility of reconciling all bank accounts maintained by and/or held in the name of the Trustee.

In the course of reconciling bank accounts as noted above, the Trustee encountered a variety of problems. In order for the Trustee to effectively reconcile all accounts, each separate office or department providing financial information to the Trustee must provide the information completely, consistently, accurately and in a manner that can be interpreted and utilized by the Trustee. In many cases, the information provided to the Trustee was incomplete, inconsistent, duplicative or otherwise inaccurate. In addition, discrepancies identified by the Trustee's staff must be corrected in a timely manner by the appropriate office or department. In many cases, such discrepancies were not corrected in a timely manner and remained as a reconciling item for several months. Many of the problems resulted from technical issues relating to the interface between existing IT systems in place in the various offices and departments and/or the failure to provide the Trustee's office with adequate access to existing systems (see, for example, the discussion below relating to the Department of Education).

HAMILTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2011

Due to the variety of technical and other issues encountered by the Trustee, and following consultation with the office of the Comptroller of the Treasury, the Trustee has elected to modify its procedures with respect to bank account reconciliation. The Trustee has requested that all check clearing accounts established for a single office or department be reconciled by that office or department, rather than by the Trustee's office. This delegation of responsibility is clearly authorized by T.C.A. Section 5-8-210, and will allow the Trustee to maintain its current, cost-effective staffing levels and still perform its legal obligations in the most efficient manner possible.

Finding 2011-02 - Reconciliations of Cash Balances with the Department of Education
(Material Weakness Under *Government Auditing Standards*)

Criteria: Cash balances between the Trustee and the Hamilton County Department of Education are reconciled timely.

Condition: The Trustee did not reconcile its cash balances with the balances recorded by the Hamilton County Department of Education on a timely basis.

Effect: Cash balances of the Trustee did not equal the balances reported by the Department of Education resulting in errors in the financial records for the County, the Trustee, and/or the Department of Education.

Cause: Although both the County and the Department of Education use the same computer system, financial transactions are maintained in separate databases and are interfaced intermittently. Manual reconciliations are performed to ensure that both databases have correct information. The Trustee did not perform these reconciliations between the Department of Education and the County in a timely manner.

Recommendation: Reconcile all cash receipt and disbursement activity and ending balances between the Department of Education and the County on a daily or weekly basis.

Management's Response: As previously noted, many of the problems between the Trustee's office and the office of the DOE resulted from technical issues relating to the interface between the IT systems used by these separate offices and/or the failure to provide the Trustee's office with adequate access to the DOE's existing systems. Financial transactions from the DOE are transmitted by an interface file and posted to the Trustee's records. However, simply posting these transactions does not allow the Trustee's staff to see the detail supporting any specific transaction. All transactions are posted as a "Batch" posting, each of which aggregates several separate transactions into one single posting. The only means available to the Trustee to reconcile discrepancies is through access to the DOE's database files. However, the Trustee's office was not given the requisite security to access to these files until May 2011. After initial access was finally granted, the "Virtual Private Network" (VPN) connection used by the Trustee's office to access the database was modified and the Trustee's office was neither updated nor notified of the change. Consequently, prior to the date the Trustee gained full access to the DOE's database, much of the information transmitted to the Trustee's office was incomplete, inconsistent, duplicative or otherwise inaccurate.

The Trustee's office has now been given sufficient security access to the DOE's database files, has been provided with the updated version of the VPN, and has an excellent working relationship with the DOE staff. This will allow the Trustee's office to reconcile all DOE cash transactions to the Trustee's cash transactions on a weekly basis as the interface files are received. In addition, the Trustee's office has obtained additional software designed to identify and delete duplicated check information referenced within the DOE interface files.

HAMILTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2011

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None reported.

IV. SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number	Finding Summary	Fully Corrected?	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid
2010-01	Testing of Spreadsheet Financial Information	Yes	
2010-02	Failure to Perform Physical Count of Fixed Assets	Yes	



COVER PHOTO: A view from the scenic overlook in the Enterprise South Nature Park offers a glimpse of the Volkswagen plant. The vast tract of land consisting of 7,000 acres used to be the Volunteer Army Ammunition Plant (VAAP).

Enterprise South Nature Park which includes 2,700 wooded acres offers visitors a rare opportunity to explore land that has been largely left to flourish in its natural state for more than 70 years. The Visitors' Center officially opened on December 16, 2010.



RIGHT: Growth at Enterprise South continues. Amazon opened its facility at Enterprise South in the fall of 2011. The Erlanger Wellness Center at Volkswagen Drive had its Open House in October. Volkswagen Group of America reached its first significant milestone in September 2011 when Passat number 10,000 rolled off the assembly line in the Hamilton County manufacturing facility.



Special thanks to Shelia Cannon in the Hamilton County Finance Division for her photo contributions to the 2011 CAFR. Cannon's photos include Balloon Glow (inside cover, inside back and page 6), Sheriff's Office Color Guard at the 2011 Hamilton County Fair (page 15), Ruby Falls (page 18), County Fair events (pages iv and v), and RiverRocks events (pages x and xi).

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