

**HAMILTON COUNTY, TN.**  
**June 30, 2012**

**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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**Financial Trends**

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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.

**Revenue Capacity**

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These schedules contain information to help the reader assess the factors affecting the county's ability to generate its property and sales taxes.

**Debt Capacity**

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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.

**Demographic and Economic Information**

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place and to help make comparisons over time and with other governments.

**Operating Information**

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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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 241,279,539	\$ 177,199,640	\$ 143,726,882	\$ 250,836,816
Restricted	607,360	716,194	25,363,259	26,820,351
Unassigned	<u>(78,744,095)</u>	<u>(76,522,919)</u>	<u>(67,221,963)</u>	<u>(71,766,690)</u>
Total governmental activities net assets	<u>\$ 163,142,804</u>	<u>\$ 101,392,915</u>	<u>\$ 101,868,178</u>	<u>\$ 205,890,477</u>
Primary government				
Invested in capital assets, net of related debt	\$ 241,279,539	\$ 177,199,640	\$ 143,726,882	\$ 250,836,816
Restricted	607,360	716,194	25,363,259	26,820,351
Unassigned	<u>(78,744,095)</u>	<u>(76,522,919)</u>	<u>(67,221,963)</u>	<u>(71,766,690)</u>
Total primary government net assets	<u>\$ 163,142,804</u>	<u>\$ 101,392,915</u>	<u>\$ 101,868,178</u>	<u>\$ 205,890,477</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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 245,443,716	\$ 197,381,058	\$ 172,743,851	\$ 196,706,802	\$ 164,113,307	\$ 71,936,226
39,198,251	20,087,313	26,796,148	34,178,104	48,182,826	38,362,369
(58,222,559)	(18,991,416)	(11,889,667)	(59,663,380)	(30,993,207)	(33,459,493)
<u>\$ 226,419,408</u>	<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>
\$ 245,443,716	\$ 197,381,058	\$ 172,743,851	\$ 196,706,802	\$ 164,113,307	\$ 71,936,226
39,198,251	20,087,313	26,796,148	34,178,104	48,182,826	38,362,369
(58,222,559)	(18,991,416)	(11,889,667)	(59,663,380)	(30,993,207)	(33,459,493)
<u>\$ 226,419,408</u>	<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>

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenses</b>				
Governmental activities:				
General Government	\$ 58,143,030	\$ 71,919,720	\$ 60,945,951	\$ 50,151,407
Public Safety:				
Sheriff	28,342,846	29,218,502	28,205,975	28,107,384
Criminal Court	3,874,884	4,126,994	4,199,909	4,108,437
Juvenile Court	8,816,800	8,947,936	7,804,678	8,701,955
Ambulance Services	23,104,366	22,343,290	22,613,585	21,720,861
Other	35,477,004	35,313,682	35,685,195	36,181,342
Highways and streets	15,369,248	18,405,626	16,709,116	18,635,187
Health	20,231,080	22,159,904	22,289,607	22,234,163
Social Services	6,199,607	8,932,771	9,922,024	9,048,831
Culture and recreation	9,079,005	11,018,276	10,867,943	10,953,584
Education	4,097,398	19,312,528	51,348,798	94,734,470
Interest on long-term debt	8,863,280	8,343,186	8,744,210	8,127,516
Total governmental activities expenses	<u>221,598,548</u>	<u>260,042,415</u>	<u>279,336,991</u>	<u>312,705,137</u>
Total primary government expenses	<u>221,598,548</u>	<u>260,042,415</u>	<u>279,336,991</u>	<u>312,705,137</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General Government	17,742,600	16,164,972	16,003,648	15,611,825
Public Safety:				
Sheriff	1,133,673	1,267,582	1,252,013	1,194,102
Criminal Court	2,250,415	2,265,859	2,365,764	2,206,055
Juvenile Court	342,337	360,824	387,503	507,980
Ambulance Services	21,180,453	22,093,664	21,513,200	20,584,282
Other	8,908,857	8,918,963	9,413,644	4,837,997
Highways and streets	2,515,109	2,490,007	2,554,986	2,346,478
Health	1,893,258	2,229,402	2,375,089	2,369,463
Social Services	4,079,181	4,476,458	4,394,572	4,519,884
Culture and recreation	632,217	606,726	605,779	602,550
Operating grants and contributions	27,124,454	25,675,026	24,716,541	27,141,888
Capital grants and contributions	11,819,153	23,786,966	3,894,488	68,688,249
Total governmental activities program revenues	<u>99,621,707</u>	<u>110,336,449</u>	<u>89,477,227</u>	<u>150,610,753</u>
Total primary government program revenues	<u>99,621,707</u>	<u>110,336,449</u>	<u>89,477,227</u>	<u>150,610,753</u>
Net (Expense)/Revenue				
Governmental activities	<u>(121,976,841)</u>	<u>(149,705,966)</u>	<u>(189,859,764)</u>	<u>(162,094,384)</u>
Total primary government net expense	<u>(121,976,841)</u>	<u>(149,705,966)</u>	<u>(189,859,764)</u>	<u>(162,094,384)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental activities:				
Taxes:				
Property taxes	128,640,070	128,028,643	124,907,475	122,782,141
Sales taxes	2,691,376	12,827,069	12,931,526	12,940,031
Business taxes	5,728,456	5,825,899	5,066,223	4,992,580
Hotel/Motel taxes	5,571,577	5,250,752	4,523,689	4,235,794
Other taxes	940,809	873,942	852,642	816,315
Unassigned grants and contributions	-	24,279	496,928	-
Investment earnings	623,836	797,443	864,264	1,841,224
Miscellaneous	(366,650)	(4,397,324)	(63,805,282)	(6,042,632)
Total governmental activities	<u>143,829,474</u>	<u>149,230,703</u>	<u>85,837,465</u>	<u>141,565,453</u>
Total primary government	<u>143,829,474</u>	<u>149,230,703</u>	<u>85,837,465</u>	<u>141,565,453</u>
Change in Net Assets				
Governmental activities	<u>21,852,633</u>	<u>(475,263)</u>	<u>(104,022,299)</u>	<u>(20,528,931)</u>
Total primary government	<u>\$ 21,852,633</u>	<u>\$ (475,263)</u>	<u>\$ (104,022,299)</u>	<u>\$ (20,528,931)</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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	42,045,548	\$ 38,442,141	\$ 34,981,305	\$ 31,552,148	\$ 32,954,221	\$ 34,675,500
	24,640,408	26,176,514	25,294,547	23,797,816	25,316,591	23,868,362
	3,973,378	3,835,788	3,586,288	3,516,738	3,459,762	3,168,418
	8,581,230	7,960,486	7,638,342	7,214,860	6,975,183	5,339,356
	20,122,892	19,676,312	17,811,039	17,687,413	15,058,814	11,845,698
	27,865,271	25,372,780	22,751,522	21,415,997	19,337,349	19,412,292
	15,801,736	15,540,503	13,673,235	15,464,132	14,288,450	9,927,596
	21,746,737	20,528,751	19,121,961	18,231,342	17,674,360	17,463,293
	8,357,336	7,911,773	7,776,426	7,914,628	8,120,070	10,195,370
	10,369,561	12,513,987	10,460,777	7,427,337	7,244,976	10,846,970
	17,923,690	13,011,783	12,792,560	35,440,590	15,308,638	15,260,477
	7,437,956	6,344,384	6,533,192	7,109,395	6,910,473	7,306,784
	<u>208,865,743</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>
	208,865,743	197,315,202	182,421,194	196,772,396	172,648,887	169,310,116
	15,357,585	15,358,345	17,509,655	13,905,047	13,429,971	15,220,090
	1,279,627	1,581,710	1,187,587	1,174,128	1,187,862	5,701,719
	2,616,360	2,641,719	2,393,387	2,312,890	2,406,421	1,999,857
	553,234	676,830	752,358	686,231	708,734	600,676
	20,228,681	18,697,842	18,387,291	17,770,987	15,664,216	10,428,914
	2,848,975	2,711,231	2,856,527	2,691,956	2,212,027	1,770,465
	2,228,804	1,960,832	514,874	1,342,931	814,626	286
	2,435,325	2,758,815	3,006,494	2,841,652	2,689,289	2,624,414
	4,374,293	4,351,989	3,762,669	3,427,119	3,398,463	3,330,528
	603,712	560,931	536,093	463,407	435,785	31,655
	28,400,517	24,838,263	24,653,509	22,965,548	24,226,919	20,693,054
	8,033,704	5,230,533	3,091,343	9,706,722	7,659,577	11,061,024
	<u>88,960,817</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>
	88,960,817	81,369,040	78,651,787	79,288,618	74,833,890	73,462,682
	<u>(119,904,926)</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>
	(119,904,926)	(115,946,162)	(103,769,407)	(117,483,778)	(97,814,997)	(95,847,434)
	118,523,153	96,081,225	90,818,279	85,451,188	84,841,031	85,242,735
	13,361,357	13,547,577	15,715,561	12,102,963	11,173,363	10,548,285
	4,980,398	4,938,615	5,096,014	1,830,352	3,602,133	3,474,784
	4,492,971	4,174,410	3,960,862	3,748,663	3,447,598	3,332,975
	732,465	2,222,336	744,167	1,244,418	1,349,121	1,266,662
	-	-	-	-	-	2,368,567
	5,757,035	5,808,622	3,863,330	3,024,794	1,864,570	-
	-	-	-	-	-	-
	<u>147,847,379</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>
	147,847,379	126,772,785	120,198,213	107,402,378	106,277,816	106,234,008
	<u>27,942,453</u>	<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>27,942,453</u>	<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>

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

	<u>2012</u>	<u>2011</u>		
General Fund				
Nonspendable	\$ 1,309,794	\$ 1,281,429		
Committed	384,773	1,537,756		
Assigned	3,721,297	3,100,039		
Unassigned	<u>99,015,009</u>	<u>90,048,014</u>		
Total General Fund	<u>\$ 104,430,873</u>	<u>\$ 95,967,238</u>		
All Other Governmental Funds				
Committed	\$ 34,122,497	\$ 3,564,407		
Restricted	607,360	716,194		
Assigned	5,427,722	5,529,977		
Unassigned	<u>(31,943,966)</u>	<u>(46,775,161)</u>		
Total all other governmental funds	<u>\$ 8,213,613</u>	<u>\$ (36,964,583)</u>		
			<u>2010</u>	<u>2009</u>
General Fund				
Reserved			\$ 2,201,425	\$ 2,240,047
Undesignated			<u>85,718,733</u>	<u>81,829,708</u>
Total General Fund			<u>\$ 87,920,158</u>	<u>\$ 84,069,755</u>
All Other Governmental Funds				
Reserved			\$ 16,661,834	\$ 18,080,304
Undesignated, reported in:				
Special revenue funds			5,764,206	4,772,420
Capital projects funds			(30,688,283)	(19,622,546)
Debt service funds			<u>297,560</u>	<u>227,025</u>
Total all other governmental funds			<u>\$ (7,964,683)</u>	<u>\$ 3,457,203</u>

**Fiscal Year**

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<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 2,350,255	\$ 1,573,982	\$ 2,723,959	\$ 2,962,829	\$ 2,382,206	\$ 3,300,986
74,751,577	56,760,180	52,638,869	46,751,479	51,103,451	50,303,712
<u>\$ 77,101,832</u>	<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>
\$ 61,761,770	\$ 131,501,016	\$ 25,471,500	\$ 21,053,176	\$ 26,095,969	\$ 44,895,624
5,607,353	5,434,029	3,547,007	2,578,486	3,834,186	5,633,612
(15,833,094)	(104,202,005)	9,245,897	21,133,440	29,905,968	1,307,236
240,340	1,653,012	-	-	-	-
<u>\$ 51,776,369</u>	<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>

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>				
Taxes	\$ 144,261,287	\$ 151,836,030	\$ 148,111,703	\$ 144,276,429
Licenses, fees, and permits	731,556	519,985	570,241	481,224
Fines and penalties	1,594,138	1,523,798	1,645,613	1,743,208
Charges for services	54,163,275	55,056,770	53,818,065	48,899,791
Intergovernmental	36,063,983	45,514,101	28,211,594	88,237,432
Investment earnings	508,669	635,415	721,590	1,460,315
Other revenues	7,228,358	7,715,385	5,231,714	3,656,393
Total revenues	<u>244,551,266</u>	<u>262,801,484</u>	<u>238,310,520</u>	<u>288,754,792</u>
<b>Expenditures</b>				
General government	46,958,454	46,162,369	44,204,640	45,220,838
Public Safety:				
Sheriff	27,592,036	27,915,703	27,098,751	27,233,714
Criminal Court	3,809,165	3,778,962	3,866,689	3,809,610
Juvenile Court	7,647,160	8,794,247	7,634,147	8,470,204
Ambulance Services	22,716,010	21,746,243	22,072,669	21,292,132
Other	33,902,939	34,323,045	34,836,832	28,981,590
Highways and streets	12,689,019	11,521,034	11,906,366	12,922,294
Health	19,633,044	22,015,989	22,318,932	22,054,237
Social Services	7,157,261	8,879,493	9,843,579	9,025,813
Culture and recreation	7,149,295	9,823,405	9,382,528	9,312,831
Capital Outlay				
General government	16,284,473	49,800,770	27,279,773	78,016,936
Education	23,105,086	6,330,913	21,897,496	40,495,222
Debt service				
Interest	8,652,232	9,072,871	9,547,473	8,722,581
Principal	22,930,469	23,755,338	23,884,805	46,909,239
Total expenditures	<u>260,226,643</u>	<u>283,920,382</u>	<u>275,774,680</u>	<u>362,467,241</u>
Excess of revenues over/(under) expenditures	<u>(15,675,377)</u>	<u>(21,118,898)</u>	<u>(37,464,160)</u>	<u>(73,712,449)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	65,894,981	65,892,738	66,275,753	87,257,125
Transfers out	(65,894,981)	(65,892,738)	(66,275,753)	(87,257,125)
Bond and note proceeds	68,652,693	-	28,570,000	31,500,000
Bond premium	-	-	216,242	690,409
Payment to refunded bond escrow agent	-	-	-	-
Sale of capital assets	664,515	166,078	1,106,435	170,797
Total other financing sources (uses)	<u>69,317,208</u>	<u>166,078</u>	<u>29,892,677</u>	<u>32,361,206</u>
Net change in fund balances	<u>\$ 53,641,831</u>	<u>\$ (20,952,820)</u>	<u>\$ (7,571,483)</u>	<u>\$ (41,351,243)</u>
Debt service as a percentage of noncapital expenditures	14.3%	14.4%	14.8%	22.8%

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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 140,393,598	\$ 120,511,933	\$ 116,247,392	\$ 103,885,905	\$ 103,730,509	\$ 103,201,249
797,046	1,003,230	1,118,017	996,136	740,949	595,693
1,833,694	1,901,904	1,908,302	2,033,385	1,207,113	1,670,186
44,286,784	43,750,881	42,471,528	40,461,142	38,146,870	31,329,385
36,434,220	31,579,697	27,744,852	32,777,664	32,600,800	36,656,544
4,787,729	5,003,729	3,160,096	2,495,371	1,591,905	1,976,814
5,609,073	4,644,229	5,409,088	3,592,125	2,852,462	3,819,227
<u>234,142,144</u>	<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>
43,766,409	38,105,787	35,410,918	34,050,720	33,625,625	33,708,497
26,485,549	25,276,122	24,518,755	22,599,098	23,593,493	22,319,578
3,655,426	3,534,185	3,261,864	3,219,691	3,184,747	2,855,969
8,401,507	7,841,180	7,388,345	7,005,899	6,913,363	5,195,263
20,091,509	19,276,996	17,479,465	17,514,899	14,842,261	11,218,477
26,738,109	24,015,988	22,200,063	20,359,518	18,620,790	17,818,148
12,059,582	11,387,520	9,638,478	9,663,858	10,384,639	9,888,106
21,474,905	20,281,542	19,009,220	17,873,029	17,852,323	17,318,336
8,262,557	7,878,541	7,747,039	7,774,655	8,114,455	10,156,391
8,953,438	11,154,441	10,245,016	9,331,150	9,891,062	9,656,196
14,924,623	9,221,715	12,700,379	20,860,077	16,835,355	21,972,705
80,904,133	30,744,012	4,599,993	9,424,380	15,879,834	13,311,115
5,369,261	19,951,308	6,800,427	20,716,808	6,549,742	7,807,029
18,674,736	6,626,765	19,978,367	7,370,865	19,028,505	19,153,505
<u>299,761,744</u>	<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>(65,619,600)</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>
56,145,380	59,602,211	57,900,713	55,682,262	51,706,028	50,668,288
(56,145,380)	(59,477,211)	(57,775,713)	(55,557,262)	(51,581,028)	(50,543,288)
101,493,337	25,000,000	-	934	30,015,266	32,106,910
-	-	-	-	1,278,540	-
-	-	-	-	-	(30,122,469)
284,250	868,481	1,941,876	2,554,615	907,390	262,353
<u>101,777,587</u>	<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>\$ 36,157,987</u>	<u>\$ (907,018)</u>	<u>\$ (852,178)</u>	<u>\$ (18,842,370)</u>	<u>\$ 7,880,610</u>	<u>\$ (20,758,423)</u>
11.8%	13.6%	14.6%	15.8%	14.8%	16.1%

**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	
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
2013	2012	4,718,378,925	2,700,654,267	113,267,860	634,320,306

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.

Public Utilities Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
\$ 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
315,421,659	-	8,406,581,390	2.765	28,415,629,965
N/A	-	8,166,621,358	2.765	28,117,111,921

**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	
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
2012	1.3816	1.3726	0.0110	2.7652	2.3090	1.4227	1.3500

Source: Hamilton County Trustee's Office

Overlapping Rates							Total Direct & Overlapping Rates
Lookout Mountain	Signal Mountain	Collegedale	Soddy-Daisy	Lakesite	Ridgeside	Town of Walden	
\$ 1.8000	\$ 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
1.6200	1.6634	1.3400	1.0000	0.2400	1.9000	0.4400	16.0503

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

Taxpayer	2012		
	Taxable Assessed Value	Rank	% of Total Assessed Valuation
Electric Power Board	\$ 358,438,371	1	4.39%
TVA	137,350,304	2	1.68%
Volkswagon	89,110,273	3	1.09%
Bellsouth Telecommunications	74,175,498	4	0.91%
CBL Properties	72,754,633	5	0.89%
McKee Baking/Foods Corp.	62,021,090	6	0.76%
Blue Cross Blue Shield	59,650,500	7	0.73%
Tennessee-American Water Co.	54,768,502	8	0.67%
Walmart	38,476,062	9	0.47%
Norfolk Southern	37,793,052	10	0.46%
E. I. Dupont	-		0.00%
Provident Life & Accident	-		0.00%
Chattanooga Gas Company	-		0.00%
Stone Fort Land & Tallan Prop.	-		0.00%
	<u>\$ 984,538,285</u>		<u>12.06%</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.

**2003**

Taxable Assessed Value	Rank	% of Total Assessed Valuation
\$ 178,140,855	1	3.88%
97,809,286	2	2.13%
-		0.00%
81,483,683	3	1.78%
59,235,290	4	1.29%
42,010,844	8	0.92%
-		0.00%
44,100,292	7	0.96%
-		0.00%
-		0.00%
58,193,003	5	1.27%
45,960,886	6	1.00%
36,294,447	9	0.79%
14,307,760	10	0.31%
\$ 657,536,346		14.33%

**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
2003	\$ 156,901,705	\$ 149,006,804	94.968%	\$ 7,074,408	\$ 156,081,211	99.477%
2004	158,594,035	150,434,347	94.855%	7,875,260	158,309,607	99.821%
2005	162,140,351	153,718,818	94.806%	7,597,754	161,316,572	99.492%
2006	181,473,837	173,318,379	95.506%	7,773,328	181,091,707	99.789%
2007	187,738,019	179,757,257	95.749%	7,972,327	187,729,584	99.996%
2008	211,448,308	201,229,831	95.167%	9,970,828	211,200,659	99.883%
2009	217,659,937	205,689,580	94.500%	11,015,052	216,704,632	99.561%
2010	222,870,484	210,841,565	94.603%	9,031,087	219,872,652	98.655%
2011	223,245,685	210,215,791	94.163%	8,076,540	218,292,331	97.781%
2012	223,736,777	211,687,655	94.615%	-	211,687,655	94.615%

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

<b>Fiscal Year</b>	<b>Governmental Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Notes Payable</b>			
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	1.64%	632
2010	206,960,000	8,036,685	214,996,685	1.75%	638
2011	185,550,000	5,677,713	191,227,713	1.48%	568
2012	223,705,000	4,170,834	227,875,834	1.67%	669

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
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%	601
2010	206,960,000	0.73%	614
2011	185,550,000	0.65%	551
2012	223,705,000	0.80%	656

**Schedule XI**  
**Hamilton County, TN**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2012**

<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	\$ 154,854,197	56.052%	\$ 86,798,875
Town of East Ridge	6,917,689	4.517%	312,472
Town of Red Bank	5,422,118	2.486%	134,794
Town of Lookout Mountain	-	1.468%	-
Town of Signal Mountain	3,053,014	2.820%	86,095
Town of Collegedale	2,713,165	1.905%	51,686
Town of Soddy Daisy	-	2.769%	-
Other debt			
City of Chattanooga	252,435,979	56.052%	141,495,415
Town of East Ridge	-	4.517%	-
Town of Red Bank	-	2.486%	-
Town of Lookout Mountain	-	1.468%	-
Town of Signal Mountain	-	2.820%	-
Town of Collegedale	1,435,726	1.905%	27,351
Town of Soddy Daisy	-	2.769%	-
Subtotal, overlapping debt			228,906,687
Hamilton County direct debt			227,875,834
Total direct and overlapping debt			<u>\$ 456,782,521</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>
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	12,817,674	38,509	5.8%
2009	337,175	12,288,911	36,447	9.8%
2010	336,463	12,941,778	38,464	8.7%
2011	340,855	13,629,330	39,986	8.3%

Sources: Personal income and per capita income information provided by the Chamber of Commerce: Bureau of Economic Analysis (BEA). For 2011, personal income and per capita income were interpolated based on percentage increases reported by Metropolitan areas in the BEA. Personal income and per capita income were updated to actuals as reported by BEA for 2007-2010. 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>2012</u>			<u>2003</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>
Hamilton County Department of Education	4,489	1	2.46%	4,723	1	2.53%
Blue Cross Blue Shield of Tennessee	4,337	2	2.38%	3,683	3	1.97%
Tennessee Valley Authority	4,217	3	2.31%	4,207	2	2.25%
Erlanger Health System	3,447	4	1.89%	2,300	8	1.23%
Memorial Health Care System	3,171	5	1.74%	2,583	6	1.38%
McKee Foods Corporation	2,950	6	1.62%	3,300	4	1.76%
UnumProvident Corporation	2,800	7	1.53%	3,237	5	1.73%
Volkswagen Chattanooga	2,487	8	1.36%	-	-	-
City of Chattanooga	2,274	9	1.25%	2,459	7	1.31%
Hamilton County Government	1,763	10	0.97%	-	-	-
CIGNA Healthcare	-	-	-	2,154	9	1.15%
S.I. Corporation	-	-	-	2,129	10	1.14%
<b>Total</b>	<b>31,935</b>		<b>17.49%</b>	<b>30,775</b>		<b>16.45%</b>

Source: Chattanooga Area Chamber of Commerce



**Schedule XIV**  
**Hamilton County, TN**  
**Full-time Equivalent County Government Employees by Function/Program**  
**As of June 30, 2012**

<b><u>Function/Program</u></b>	<b>Full-time Equivalent Employees</b>						
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Government	659	718	751	754	769	660	536
Public Safety <sup>1</sup>	652	500	534	447	384	379	365
Highways and Streets	97	98	97	125	130	129	111
Health <sup>2</sup>	267	267	277	291	262	238	278
Social Services <sup>3</sup>	0	0	58	108	108	83	97
Culture and Recreation	<u>91</u>	<u>92</u>	<u>88</u>	<u>98</u>	<u>81</u>	<u>83</u>	<u>89</u>
Total	<u>1766</u>	<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.

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

<sup>2</sup> 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

<sup>3</sup> Social Services department was dissolved in June 2011

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

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>General Government</b>				
County Clerk (DMV) - transactions processed	368,604	326,795	328,766	347,946
Register - documents recorded	65,953	63,309	67,824	73,441
Recycling - tons collected	3,006	3,910	3,137	3,157
Election Commission - registered voters	216,003	210,160	207,961	205,382
Election Commission - votes cast in last election	50,562	87,817	51,805	148,480
Purchasing - bids posted	144	147	173	164
<b>Public Safety</b>				
Building Inspections - permits issued	983	950	909	998
Building Inspections - inspections and investigations	12,000	11,445	11,210	15,051
<sup>3</sup> Building Inspections - processed appl for new/existing septic system	333	702	1,166	467
Jail - average number inmates housed	519	514	525	555
Sheriff's Dept - physical arrests	7,865	8,016	7,558	7,002
Juvenile Court Judge - cases heard	6,496	6,463	6,325	7,287
Criminal Court Judge - cases heard	8,762	8,711	8,508	8,444
Ambulance Services - responded calls	22,942	22,944	22,247	21,580
Police Protection (Sworn, Correctional, Civilian and Others)	395	371	378	401
<b>Highways and Streets</b>				
Engineering Services - projects administered	89	72	74	56
<sup>4</sup> Highways & Streets - bridges maintained	67	67	67	81
<b>Health</b>				
Health Dept - patients seen	37,274	40,055	59,096	43,467
<b>Social Services</b>				
<sup>1</sup> Emergency Assistance Program of Financial Services - households served	367	432	503	488
<sup>1</sup> Emergency Assistance Program of Financial Services - of services	450	528	620	607
Chancery Court Judge - cases heard	2,297	2,300	2,241	2,383
Circuit Court Judge - cases heard	3,371	3,461	3,846	3,016
<b>Culture &amp; Recreation</b>				
# Facilities Maintained	32	32	32	32
# Programs Offered	13	17	17	17
<b>Education</b>				
<sup>2</sup> Public School Enrollment	42,435	42,236	41,950	41,372
Private School Enrollment	10,377	10,439	10,606	10,514

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

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Note on Building Inspections - 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.

<sup>4</sup> 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>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
366,029	381,072	404,066	393,942	369,790	392,387
79,036	78,300	81,687	89,228	86,165	83,337
2,235	2,342	2,218	2,200	1,710	1,479
184,792	184,099	182,250	176,671	169,399	164,193
74,417	109,401	50,968	137,272	28,514	89,030
190	153	150	135	131	145
1,420	1,600	1,616	1,609	1,531	1,419
22,214	25,292	24,562	22,838	22,437	19,524
2,250	2,131	828	1,044	2,554	2,369
592	610	583	561	607	669
6,654	6,728	6,723	6,843	6,896	6,590
7,618	9,255	7,574	7,699	7,765	7,558
4,306	5,000	4,866	4,396	4,747	3,907
21,382	20,393	20,536	20,624	19,608	18,662
361	373	393	385	388	387
70	80	69	100	99	99
81	81	81	81	81	81
44,452	47,383	49,817	58,808	50,419	48,867
448	425	350	331	338	387
645	548	420	386	421	382
2,253	2,521	2,520	2,266	2,452	1,998
2,925	2,892	3,088	3,357	3,431	3,379
34	34	34	34	32	30
15	18	18	17	16	18
40,578	40,430	40,826	40,376	40,774	40,138
10,813	11,351	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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Government				
Libraries	9	9	9	9
Recycling Stations	6	6	6	6
Telecommunications locations supported	224	223	208	202
Election Commission ballot boxes	127	125	125	125
Public Safety				
Volunteer Fire Stations	18	18	18	17
Ambulance Stations	15	15	15	15
<sup>1</sup> Sheriff patrol cars	247	271	262	244
Highways and Streets				
Miles of paved streets	2,624	2,622	2,380	2,380
Health				
Healthcare Facilities	5	5	5	5
Culture & Recreation				
Number of Parks	122	122	90	90
Golf Courses	21	21	21	21
Recreation Centers	15	15	15	16
Theaters	17	17	17	15
Bowling Alleys	3	3	3	3

**Sources:** Prior year CAFRs and various department personnel

<sup>1</sup> New Sheriff patrol cars were received near the end of FY11 but could not be stripped and surplus until FY12

**Fiscal Year**

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
9	9	9	9	9	9
6	6	5	5	5	5
202	202	202	202	202	202
125	122	122	122	122	122
17	17	17	17	17	17
15	15	15	15	15	15
225	211	224	207	201	214
2,380	2,380	2,435	2,380	2,379	2,379
5	5	5	5	5	5
98	98	97	92	119	119
21	21	21	21	16	16
17	17	17	17	15	15
15	15	14	14	17	17
3	3	3	3	3	3

**Schedule XVII**  
**Hamilton County, TN**  
**Salaries and Surety Bonds of Principal Officers**  
**Fiscal Year ended June 30, 2012**

<u>Official Title</u>	<u>Salary</u>	<u>Bond</u>
County Mayor	\$ 146,607	\$ 50,000
Superintendent of Schools	160,637	100,000
County Coroner	195,024	N/A
County Attorney	143,099	N/A
Finance Administrator	124,884	N/A
County Auditor	125,655	N/A
County Commissioners:		
Chester Bankston	20,745	N/A
Gregory Beck	20,745	N/A
Tim Boyd	20,745	N/A
James A. Fields	20,745	N/A
Joe Graham	20,745	N/A
Larry Henry	27,100	N/A
Warren Mackey	20,745	N/A
Mitch McClure	20,745	N/A
Fred Skillern	23,921	N/A

Constitutional Officers

Assessor of Property	\$ 106,772	\$ 50,000
Circuit Court Clerk	100,772	50,000
Clerk and Master	100,772	50,000
County Clerk	100,701	50,000
Criminal Court Clerk	100,772	50,000
Juvenile Court Judge	156,792	N/A
Juvenile Court Clerk	100,772	50,000
Register	100,772	25,000
Sheriff	110,849	25,000
Trustee	100,772	14,829,315

**HAMILTON COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**Year Ended June 30, 2012**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF COMMERCE</b>			
ARRA - Economic Adjustment Assistance	11.307	04-79-73015	\$ 380,583
Grants for Public Works and Economic Development Facilities	11.300	04-01-06256	<u>234,100</u>
Total U.S. Department of Commerce			<u>614,683</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Passed through Tennessee Department of Economic and Community Development			
Community Development Block Grant/State's Program	14.228	GG-10-31345-00	444,747
Passed through Tennessee Housing Development Agency			
Home Investments partnership Program	14.239	HM-09-23	323,119
Economic Development Initiative-Special Project	14.251	B-05-SP-TN-0645	33,040
		B-06-TN-0956	148,500
		B-08-SP-TN-0221	98,000
		B-09-SP-TN-0252	<u>69,863</u>
Total U.S. Department of Housing and Urban Development			<u>1,117,269</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Edward Byrne Memorial Justice Assistance Grant	16.738	7603	201,878
Safe Havens Grant	16.527	2011-CW-AX-K001	6,520
Bulletproof Vest Partnership Program	16.607		3,255
Passed through the Tennessee Drug Court Treatment Resource Fund			
Drug Court Discretionary Grant Program	16.585	2008-DD-BX-0478	419,433
Residential Substance Abuse Treatment for State Prisoners	16.593	2010-DC-BX-0030	62,821
Passed through the Tennessee Commission of Children and Youth			
Domestic Violence	16.590	2010-WC-AX-K003	<u>104,753</u>
Total U.S. Department of Justice			<u>798,660</u>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
U.S. Geological Survey - Research and Data Collection	16.808	G11AC20252	<u>87,089</u>
Total U.S. Department of the Interior			<u>87,089</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed through the Tennessee Commission on Children and Youth			
Supplemental Nutrition program for Women, Infants and Children	10.557	GG-12-37227-00	<u>1,567,840</u>
Total U.S. Department of Agriculture			<u>1,567,840</u>

(continued)

**HAMILTON COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued**

**Year Ended June 30, 2012**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through the Tennessee Department of Human Services			
Child Support Program Title IV-D	93.563	GG-09-25249-02 GG-12-35624	184,163 345,520
Social Services Block Grant	93.667	GG-12-36199	238,442
Passed through the Tennessee Department of Health			
Maternal, Infant and Early Childhood Home Visiting Program	93.505	GG-12-35713	251,374
Project Grants and Cooperative Agreements for Tuberculosis Control	93.116	GG-12-36854-00 GG-10-29175-00	571,023 64,500
Centers for Disease Control and Prevention: Injury Prevention and Control Research and State and Community-Based Programs	93.136	GG-12-37610-00 GG-11-33798-00	21,959 9,757
Family Planning Services	93.217	GU-12-35434-00	581,700
Immunization Grants	93.268	GG-11-34775-00 GG-12-38595-00	315,924 331,580
Centers for Disease Control and Prevention, Investigations and Technical Assistance	93.283	GG-12-37036-00 GG-12 GG-11-34997-00 GG-12-36590-00	433,447 13,055 24,889 51,286
Health Center Program	93.224	H80CS00023-04-00	900,681
ARRA-Health Center Program	93.703	6C81CS14475-01-01	22,934
ARRA-Prevention and Wellness-State, Territories and Pacific Islands	93.723	GG-12-35939-00	60,000
Medical Assistance Program	93.778	GG-11-34066-00	144,516
HIV Care Formula Grants	93.917	GG-11-35042	176,097
Preventive Health Services Grant: Sexually Trasmitted Diseases Control	93.977	GG-10-30937-00	177,733
Preventive Health and Health Services Block Grant	93.991	GG-11-32533-00	121,700
Prevention and Treatment of Substance Abuse Block Grant	93.959	GG-12-35269-00	253,333
HIV Prevention Activities - Health Department Based	93.944	GG-12-37699-00	313,429
Maternal and Child Health Services Block Grant - States and Local	93.994	GG-10-29535-00	<u>11,886</u>
Total U.S. Department of Health and Human Service			<u>5,620,928</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
Brownfields Assessment and Cleanup Cooperative Agreement	66.818	BF-95443609-0	<u>172,400</u>
Total U.S. Environment Protection Agency			<u>172,400</u>

(continued)

**HAMILTON COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued**  
**Year Ended June 30, 2012**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Passed through the Tennessee Emergency Management Agency			
Emergency Management Performance Grants	97.042		180,791
Port Security Grant Program	97.056	2010-PU-TO-0138 EMW-2011-PU- 00269	145,395 118,312
Homeland Security Grant Program	97.067	18119 GG-11-34403-00 EMW-2011-SS- 00069	655,589 15,257 <u>209,831</u>
Total U.S. Department of Homeland Security			<u>1,325,175</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Passed through the Tennessee Department of Transportation			
State and Community Highway Safety	20.600	25915	41,694 49,298
	20.607	25889	<u>6,164</u>
Total U.S. Department of Transportation			<u>97,156</u>
<b>U.S. DEPARTMENT OF ENERGY</b>			
ARRA - Energy Efficient and Conservation Block Grant	81.128	DE-SC00001900	<u>379,593</u>
Total U.S. Department of Energy			<u>379,593</u>
<b>Total expenditures of federal awards-primary government</b>			<u>\$ 11,780,793</u>
<b>COMPONENT UNITS</b>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed through Tennessee Department of Agriculture:			
Food Donation (Noncash - Food Commodities)	10.565	None	\$ 821,097
Passed through Tennessee Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	None	3,090,253
National School Lunch Program	10.555	None	9,340,616
Fresh Fruit and Vegetable Program	10.582	None	<u>69,736</u>
Total U.S. Department of Agriculture			<u>13,321,702</u>

(continued)

**HAMILTON COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - continued**  
**Year Ended June 30, 2012**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed through Tennessee Department of Education:			
Title I Grants to Local Educational Agencies	84.010	None	15,167,442
Special Education- Grants to States	84.027	None	9,446,202
Impact Aid	84.041	None	16,527
Career and Technical Education- Basic Grants to States	84.048	None	771,762
Special Education- Preschool Grants	84.173	None	198,272
Safe and Drug-Free Schools and Communities National Programs	84.184	None	14,753
Safe and Drug-Free Schools and Communities State Grants	84.186	None	8,421
Education for Homeless Children and Youth	84.196	None	102,435
Fund for the Improvement of Education	84.215	None	624,420
Twenty-First Century Community Learning Centers	84.287	None	451,592
Education Technology State Grants	84.318	None	57,012
Early Reading	84.359	None	900,114
English Language Acquisition Grants	84.365	None	171,905
Title II Part A 2009.01 Teacher and Principal Training and Recruiting	84.367	None	2,585,491
Teacher Incentive Fund	84.374	None	81,544
ARRA - Education Technology State Grants	84.386	None	97,191
ARRA - Homeless Grant	84.387	None	22,080
ARRA - Title I Grants to Local Educational Agencies	84.389	S389A090042	1,019,584
ARRA - Preschool Grants	84.392	H392A90095	38,235
ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	84.397	None	90,349
Education Jobs Fund	84.410	None	3,196,679
ARRA - Special Education Grants to States	84.391	None	2,528,573
ARRA - Race To The Top	84.395	S395A1000032	<u>3,090,979</u>
Total U.S. Department of Education			<u>40,681,562</u>
Total Expenditures of Federal Awards-Component Units			<u>54,003,264</u>
<b>Total Expenditures of Federal Awards- Reporting Entity</b>			<u>\$ 65,784,057</u>

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

**Year Ended June 30, 2012**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<b>STATE GRANTS</b>			
Board of Probation and Payroll	N/A	20873	\$ 294,934
Juvenile Detention Unit	N/A	GG-10-29840-00	9,000
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-12-36991-00	61,386
TN Dept. of Health - Grant in Aid	N/A	GG-12-36781-00	371,300
TN Dept. of Health - Environmental Health Programs	N/A	GU-09-26086-00	167,399
TN Dept. of Health - HUGS	N/A	GG-12-34758-00	378,400
TN Dept. of Health - Oral Health	N/A	GG-12-36575-00	333,301
TN Dept. of Health - Fetal Infant Mortality Review	N/A	GU-12-35034-00	151,900
TN Dept. of Health - TENNdercare Community Outreach	N/A	GG-12-1235784-00	294,010
TN Dept. of Transportation	N/A	25565	312,372
TN Dept. of Economic & Community Development-Amazon	N/A	GG-12-37115-00	474,222
TN Dept. of Economic & Community Development-Volkswagen	N/A	GG-12-37543-00	4,342,126
TN Dept. of Environment & Conservation - Recycling & Waste Oil	N/A	N/A	10,132
TN Dept. of Environment & Conservation - Waste Tire	N/A	DG-12-35171-00	220,075
TN Dept. of Environment & Conservation - Shackelford Ridge	N/A	GG-11-35124-00	120,000
TN Dept of Education - Tennessee Arts Commission	N/A	N/A	21,934
TN Dept of Education - Family Resource Centers	N/A	N/A	106,113
TN Dept of Education - Coordinated School Health	N/A	N/A	178,723
TN Dept. of Education - Students Obtaining Academic Excellence	N/A	N/A	318
TN Dept. of Education - Safe Schools	N/A	N/A	138,899
TN Dept. of Education - Pre-K Pilot and Expansion	N/A	N/A	<u>2,636,743</u>
Total Expenditures of State Awards			<u>10,638,287</u>
<b>TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS</b>			<u>\$ 76,422,344</u>



**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**June 30, 2012**

**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**

<b>Program Title</b>	<b>Federal CFDA Number</b>	<b>Amount Provided To Subrecipient</b>
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	\$ 59,239
Community Development Block Grant	14.228	444,747
Home Investment Partnership Program	14.239	314,399
Social Services Block Grant	93.667	296,866
Homeland Security Grant Program	97.067	209,831
Title I - Grants to Local Educational Agencies	84.010	188,841
Title II - Part A	84.367	28,562
ARRA Title II Part D Technology	84.386	1,628
Title IV - Safe and Drug-Free Schools and Communities	84.186	7,964
Title II - Part D Technology	84.318	957
IDEA Part B	84.027	76,362
Safe Schools Act	N/A	19,050

**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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated December 20, 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 a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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 item 2012-01 described in the accompanying schedule of findings and questioned costs to be a material weakness.

### **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 December 20, 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, others within the entity, 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  
December 20, 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, 2012. 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, *Audits of States, Local Governments, and Non-Profit Organizations*. 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, 2012.

**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  
December 20, 2012

**HAMILTON COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year Ended June 30, 2012**

**I. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) 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 weakness(es) 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:

<b>CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
11.300	U.S. Department of Commerce:
11.307	Grants for Public Works and Economic Development Facilities ARRA - Economic Adjustment Assistance
81.128	U.S. Department of Energy: ARRA - Energy Efficient and Conservation Block Grant
93.116	U.S. Department of Health and Human Services: Project Grants and Cooperative Agreements for Tuberculosis Control
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
84.318	<i>Educational Technology Cluster:</i> Education Technology State Grants
84.389	ARRA - Education Technology State Grants
84.395	ARRA - Race To The Top
84.367	Title II Part A 2009.01 Teacher and Principal Training and Recruiting

Dollar threshold used to distinguish between type A and type B programs: \$2,020,249.

Auditee qualified as low risk auditee?  Yes  No

**HAMILTON COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year Ended June 30, 2012**

**II. FINANCIAL STATEMENT FINDINGS**

**Finding 2012-01 - Donated Infrastructure**

(Material Weakness Under *Government Auditing Standards*)

*Criteria:* Infrastructure (roads, bridges and land) is reported in the County's financial statements accurately and timely.

*Condition:* The County did not record the receipt of donated infrastructure in its financial statements for years prior to fiscal year 2012.

*Effect:* As a result of not properly reporting the donated infrastructure in prior years, the County was required to record a substantial prior period adjustment in the fiscal year 2012 financial statements.

*Cause:* The failure to properly record donated infrastructure in the County financial statements was primarily the result of inadequate communication between the County Engineering Department and the County Accounting Department.

*Recommendation:* Procedures should be implemented to ensure that donated infrastructure is properly recorded in the County's financial records in a timely manner.

*Management's Response:* We became aware of the oversight in reporting prior year additions for donated infrastructure during fiscal year 2012. While this oversight did not and would not lead to a potential loss of County funds or assets, we have now improved our controls over the reporting of receipt of donated infrastructure.

**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
2011-01	Bank Reconciliations	Yes	
2011-02	Reconciliations of Cash Balances with the Department of Education	Yes	





PAGE 3 – *Tyner Academy Choir, performing at Christmas at the Courthouse*

PAGES 4 AND 5 – *Head of Hooch, photo courtesy Shelia Cannon*

PAGE 6 – *The Courthouse, photo courtesy Shelia Cannon*

PAGES 8 AND 9 – *The mosaic ornamentation at Battle Academy*

PAGES 10 AND 11 – *Volkswagen Plant at Enterprise South*

PAGES 12 AND 13 – *Chattanooga's Three Bridges, photo courtesy Shelia Cannon*

PAGES 16 AND 17 – *Coolidge Park Fountain, photo courtesy Shelia Cannon*

PAGE 18 – *Armed Forces Day Parade, photo courtesy Shelia Cannon*

PAGES IV AND V – *Hamilton Country Sheriff's Mounted Police, County-wide High School Band at Armed Forces Day Parade, Get Out and Go Night at The Tennessee Riverpark, Southern Sunset Criterium, photos courtesy Shelia Cannon*

PAGE X AND XI – *2012 Hamilton County Fair*

PAGE XII AND XIII – *The Nature Park at Enterprise South*

PAGE XV – *First Award, combination plantings, 2012 Hamilton County Fair*

PAGE XVI – *Movie Night at the Beach, photo courtesy Shelia Cannon*

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*Special thanks to Shelia Cannon in the Hamilton County Finance Division for her photo contributions to the 2012 CAFR.*

**COVER PHOTO:** *The outdoor festival RiverRocks included river events (obstacle races, paddleboarding, canoe jousting), mountain events (rock climbing, hang gliding, zipline), terrain events (cycling, hiking, off-road biking) and an early-morning Balloon Glow in Coolidge Park, photo courtesy Shelia Cannon*

**INSIDE FRONT AND BACK:** *1st place in the quilt competition, 2012 Hamilton County Fair*

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