

**Comprehensive  
Annual Financial Report  
Of  
Shelby County, Tennessee  
For The Year Ended  
June 30, 2009**

*Prepared by the Department of Finance*

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# Shelby County Government

**Joe Ford**  
*Interim Mayor*

December 28, 2009

To the Members of the Board of County Commissioners and the Citizens of Shelby County, Tennessee:

The comprehensive annual financial report of Shelby County, Tennessee (hereafter, Shelby County) for the year ended June 30, 2009 is hereby submitted as required by both local ordinances and state statutes. These require that Shelby County publish each fiscal year a complete set of financial statements as required by Generally Accepted Accounting Principles (GAAP) and audited by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free from any material misstatement.

Watkins Uiberall PLLC and Banks Finley White and Company, certified public accountants, have issued an unqualified opinion on Shelby County's financial statements for the fiscal year ended June 30, 2009. The independent auditors' report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides an analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of Shelby County, Tennessee**

Shelby County, established in 1819, is the largest county in the State of Tennessee with Memphis as the County seat. The County is located in the extreme southwest corner of Tennessee on the east bank of the Mississippi River and is the hub of the 105 county Mid-South Region. Contained within the County's 783 square miles are seven incorporated municipalities, including Arlington, Bartlett, Collierville, Germantown, Lakeland, Memphis and Millington. The population of the County is 909,062. The County is empowered to levy, without limit, a property tax on both real and personal property located within its boundaries.

The County operates under the Mayor-Commission form of government. The Mayor, as the County's chief executive officer, oversees the operations of the County's six divisions. The thirteen members of the Shelby County Board of Commissioners (the Commission), the legislative branch of the government, review and approve the County's programs and budgets.

The Mayor and each Commissioner serve a four year term. The Sheriff, County Clerk, Assessor, Register, Trustee, Circuit Court Clerk, Criminal Court Clerk, General Sessions Court Clerk, Juvenile Court Clerk and Probate Court Clerk are also elected to four year terms.

Shelby County provides a full range of services, including law enforcement, judicial system, jail and corrections facilities, health services, community services, fire protection and recreational activities. Shelby County also is financially accountable for a legally separate school district, public hospital, agricultural center and emergency communications district, which are reported separately within the Shelby County financial statements. Additional information on these entities can be found in Note I. A. in the notes to the financial statements.

The annual budget serves as the foundation for Shelby County's financial planning and control. All departments and elected officials submit their requested budget to the County Mayor by early March. After a series of reviews, the County Mayor presents a proposed consolidated budget to the County Commission by April 30. The County Commission holds budget hearings and then adopts a final budget. This process is generally completed by July 1, the start of the fiscal year. However, the County Commission has the authority to adopt a continuing budget until a final budget can be adopted. The appropriated budget is prepared by fund, division (function such as public works), and department (e.g., parks). The Mayor may make transfers of appropriations within personnel or non-personnel categories within a department or between departments within a division. Any other transfers require approval of the County Commission.

### **Local economy**

Shelby County experienced a decline in the local economy this past year as did most of the country. The decline in the housing market has not been as severe as in much of the country because our housing market had been relatively steady rather than experiencing excessive growth. In recent years, the economy of the County has experienced notable success attracting new businesses along with the continued growth of existing businesses.

The County is the major wholesale and retail center for western Tennessee, eastern Arkansas and northern Mississippi. The Memphis MSA is considered one of the top 100 suburban markets and ranks in the top fifty in total effective buying income according to Sales & Marketing magazine. The industrial economy of the County encompasses not one, but many industries. Twenty major industrial groups, as classified by the Bureau of the Budget, are listed in the Directory of Memphis Manufacturers. Major industries include chemicals, electronics, foods and beverages, paper products, hardwood lumber products, pharmaceuticals, soybean and cotton oil derivatives and fertilizers.

The major areas of employment in Shelby County are the services, government, and wholesale and retail trade. Comparatively, both the Southeast Region and the United States overall show a heavier concentration in manufacturing than does the County, but they also display lower employment in transportation and public utilities. According to the Tennessee Department of Labor, the unemployment rate for Shelby County as of September 30, 2009 was 10.2%, as compared to the state's rate of 10.5% and the national rate of 9.8%.

## **Long-term financial planning**

During the past ten years, excluding capital projects, the County's governmental expenditures related to education, law enforcement, judicial and debt service have increased as a percent of total expenditures from 71.2% to 74.2%. Education expenditures decreased from 36.2% to 35.2%.

During this same ten-year period, local taxes have increased as a percent of total revenue from 72.0% to 76.2% because the areas of relative increase in expenditures are primarily supported by local taxes. As a percent of total revenue, State and Federal revenue has decreased from 13.4% to 12.8%, elected officials fees and fines have decreased from 7.0% to 6.1% and all other revenues have decreased from 7.7% to 5.0%. Most fees and fines as well as some of the other revenues are set by the State and are not regularly increased to provide for inflationary cost increases.

In 2009, the Mayor recommended and the Commission established a policy of maintaining the General Fund unreserved fund balance as a percent of General Fund revenue between 15% and 25%. This percentage has increased each of the last five years and is 20.4% as of June 30, 2009. A result of increasing fund balances, the County ended in 2009 a long history of short term borrowing for cash flow purposes.

In 2004, the Administration, with the support of the Commission, engaged Public Financial Management, Inc. (PFM), a financial advisory firm, to conduct a study to determine whether Shelby County Government is operating efficiently and effectively. The result of this study was the issuance of a five-year strategic financial and management plan. The study found that Shelby County Government is relatively efficient compared to similar governments, but it also highlighted a number of areas for improvement. All of the recommendations have been addressed and many were implemented. Working with PFM, in 2008 we updated the five-year strategic financial and management plan.

Closer cooperation has been established between the Administration and the Commission including an open, thorough and timely budgeting process, which focuses on a clear understanding of debt funding, in addition to funding for operations. We have aggressively reduced the local funding of our capital plan from over \$150 million in 2003 to approximately \$75 million annually in 2008 and thereafter to stop the growth of debt. In December 2006, our debt peaked at \$1.85 billion and it has declined to \$1.63 billion as of June 30, 2009. We expect a slow steady decline in future years as long as we adhere to our capital plan. However, the City and County School Systems have identified needs well beyond the amounts provided in our capital plan. Through growth management and needs assessment as addressed below, school needs will be more clearly identified and alternative funding sources may be established. Should any increase to the capital plan be necessary, funding must also be provided. The Sheriff has indicated a potential need for additional jail capacity. However improved design of any new capacity, along with changing the utilization of the current jail, could result in cost savings through staff reductions to offset the annual debt service on the cost to provide additional capacity.

## **Major initiatives**

The Administration has identified a number of priorities designed to shore up the long-term financial position of the County as addressed above in long-term financial planning. We have established the following initiatives that focus on structural changes in areas that are important to our future prosperity.

1. **Update of Development Regulations/Equitable Growth Strategy** – The Mayor’s Alliance for Equitable Growth has set a precedent for shifting the county’s growth and development patterns. Equitable growth will allow the county to protect the environment, reinvest in urban areas, bring economic opportunity to all residents, provide for intelligent infrastructure investment and stimulate housing choices. Under the Mayor’s direction, Shelby County is drafting smarter development regulations that will curtail suburban sprawl and help develop Shelby County as a better community. A joint city and county partnership, the unified development code’s goal is to promote inner city redevelopment and revitalization while guiding orderly growth in the suburban areas in a fiscally sound manner.
2. **Education, Capital Needs & Fiscal Analysis** – The County established a Needs Assessment Committee to address the financial burden of the current capital funding mechanism for public schools, including both Memphis City Schools and Shelby County Schools. The Committee will: 1) Develop uniform standards and costs for school construction; 2) Annually assess capital needs of each school system and create a comprehensive plan for capital projects and funding; and 3) Review, as necessary, capital requests of both school systems that fall outside of the comprehensive plan and make recommendations to the County Commission regarding those requests.

Part of equitable growth includes guiding the construction of new schools to achieve maximum performance and fiscal advantage out of each school. Involved in the development of new schools is the fiscal impact model update. The model measures the impact of each new development on a community to determine facts like how many school age children will live there and how many roads and parks are necessary.

3. **Children and Youth** – Shelby County is home to almost 20% of Tennessee children under age 18. Almost 40% of Shelby County households include a child under age 18. Fully half of every County property tax dollar collected goes to education funding, yet the County has no influence over education policy. In addition, grant-funded programs like Healthy Start and Head Start place Shelby County Government in a unique position to impact early childhood development for all our children, an investment that has a proven economic impact on our future. Recognizing the need to develop a unified point of collaboration for programs, services and policies related to children and youth in our community, Shelby County created the Office of Early Childhood and Youth. This partnership works to leverage the political influence of the Shelby County Mayor and Shelby County Board of Commissioners to foster collaboration and partnership among existing and proposed services. It works to raise community awareness about the impact of policies and decisions on children and youth; maximizes community-wide effectiveness and impact of existing programs and agencies; and incubates ideas and innovations that can improve the lives of children, youth and families in Shelby County.
4. **Economic Development** – One of the County’s primary advantages for economic development is the combination of its central location in the United States and its excellent transportation facilities, including air, rail and water. Another advantage is the relatively low cost of living compared with other urban areas, including real estate prices. In order to build on these natural assets and recognizing that the local governments must take a leadership role in economic development, the City and County governments formed the “Mayor’s Office of Economic Development”.

Further, in conjunction with the City, Memphis Tomorrow (a group of leading CEO's) and the Chamber of Commerce, the County has embarked on a broad economic growth initiative called *Memphis Fast Forward*. In addition to the specific component for economic development, this initiative includes strategic plans for education/workforce development; public safety and government efficiency. It is our intent to aggressively move over the next five years to become the major economic center of the Southern United States and a place where economic prosperity is available to all our residents.

- 5. Parks and Natural Resources** – The protection of Shelby Farms, the development of a cohesive greenbelt and the protection of a strong natural water supply are three important steps in making Shelby County an environmentally responsible community and an attractive destination for outdoor enthusiasts. Nearly four times larger than New York's Central Park, Shelby Farms is a recreational gem for families, athletes and sportsmen. To preserve this 4,000 acre park for future generations, the County has transferred Shelby Farms to a conservancy and Mayor Wharton lead a coalition of citizens and government planners to develop a 50-year master plan. The plan will preserve the park's integrity and make it more functional for community enjoyment.

Shelby County's natural rivers and streams attract the community's nature lovers from both urban and suburban dwellings. Using federal, state and local funding, the County is working to create a cohesive greenbelt that protects the natural areas and connects the County's communities from downtown Memphis to Collierville, Frayser and all points in between.

Being able to enjoy clean drinking water is a given for Shelby County and its residents. The county sits on one of the largest artesian ground water supplies in the world and the area's abundant supply of naturally pure water has fueled the local economy for a century. Through the Memphis Regional Groundwater Study, Shelby County is using federal funds to ensure water quality is protected and sustained.

- 6. The Regional Medical Center at Memphis (The Med)** – In recognition of the critical role of the Med as the provider of vital health care services, but limited by available resources, the Mayor convened a blue ribbon task force to develop long and short term strategies for the continued operation of the Med. This panel concluded that it was essential to the community that the Med maintain its core service mission. However, the panel also acknowledged that the financial requirements to do so were so severe that the exploration of new structures for the provision of health care, including partnerships, collaborations or affiliations with other providers would be necessary. After reviewing proposals, it was determined that the proposed affiliations were not in the best interest of the Med. The Med then decided to hire a turn around specialist to manage the Med to improve operations and quality of care in a fiscally sound manner. FTI Cambo was hired and has taken over management of the Med. It presented a series of operating initiatives to the Med Board in fiscal 2009. Substantial cost reductions and revenue enhancements have been identified and are being implemented and are expected to generate over \$20 million for the Med. However, the decline in the economy and increasing uncompensated care are having a negative impact on the Med. In calendar 2010, the Med will have to seriously consider service reductions unless additional funding from federal, state and/or local governments is provided.
- 7. Emergency Awareness And Preparedness Campaign** - In coordination and collaboration with the County's Municipal Mayors, the Assisi Foundation and Corporate Sponsors, a preparedness campaign was launched to both educate as well as help prepare Shelby County residents for any and all hazardous emergencies. The campaign has been designed to extend

designed to extend over a years' period using a multi-delivery strategy including print and electronic media as well as web-based information sources. Titled "I'm Ready" the campaign covers separate monthly preparedness topics focused toward Home, Family, Work, Auto and Pets.

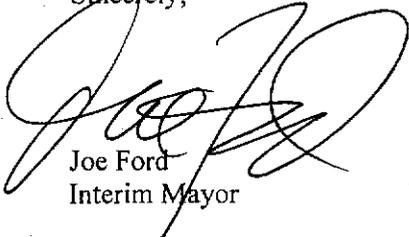
### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Shelby County, Tennessee for its comprehensive annual financial report (CAFR) for the year ended June 30, 2008. This was the twenty-fourth consecutive year that Shelby County has received this prestigious award. In order to be awarded the Certificate of Achievement, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. The County also received GFOA's Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2008.

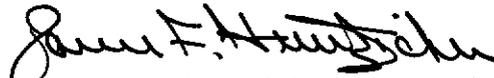
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Due credit also is given to all County Commissioners for their interest and support in planning and conducting the operations of Shelby County in a responsible and progressive manner.

Sincerely,



Joe Ford  
Interim Mayor



James F. Huntzicker, Chief Administrative Officer and  
Director of Division of Administration & Finance

**Shelby County, Tennessee  
County Officials  
As of June 30, 2009**

**Shelby County Board of Commissioners**

**Deidre Malone, Chairman  
Joyce Avery, Chairman Pro Tempore**

**Henri E. Brooks  
Wyatt Bunker  
Mike Carpenter  
Sidney Chism**

**George S. Flinn, Jr.  
Joseph Ford  
J. W. Gibson, II  
James M. Harvey**

**Matt Kuhn  
Steve Mulroy  
Mike Ritz**

**Publicly Elected Officials**

**Assessor of Property – Cheyenne Johnson  
Attorney General – William L. Gibbons  
County Clerk – Debbie Stamson  
County Mayor – A C Wharton, Jr.  
County Register – Tom Leatherwood  
County Trustee – Paul Mattila  
Sheriff – Mark H. Luttrell, Jr.**

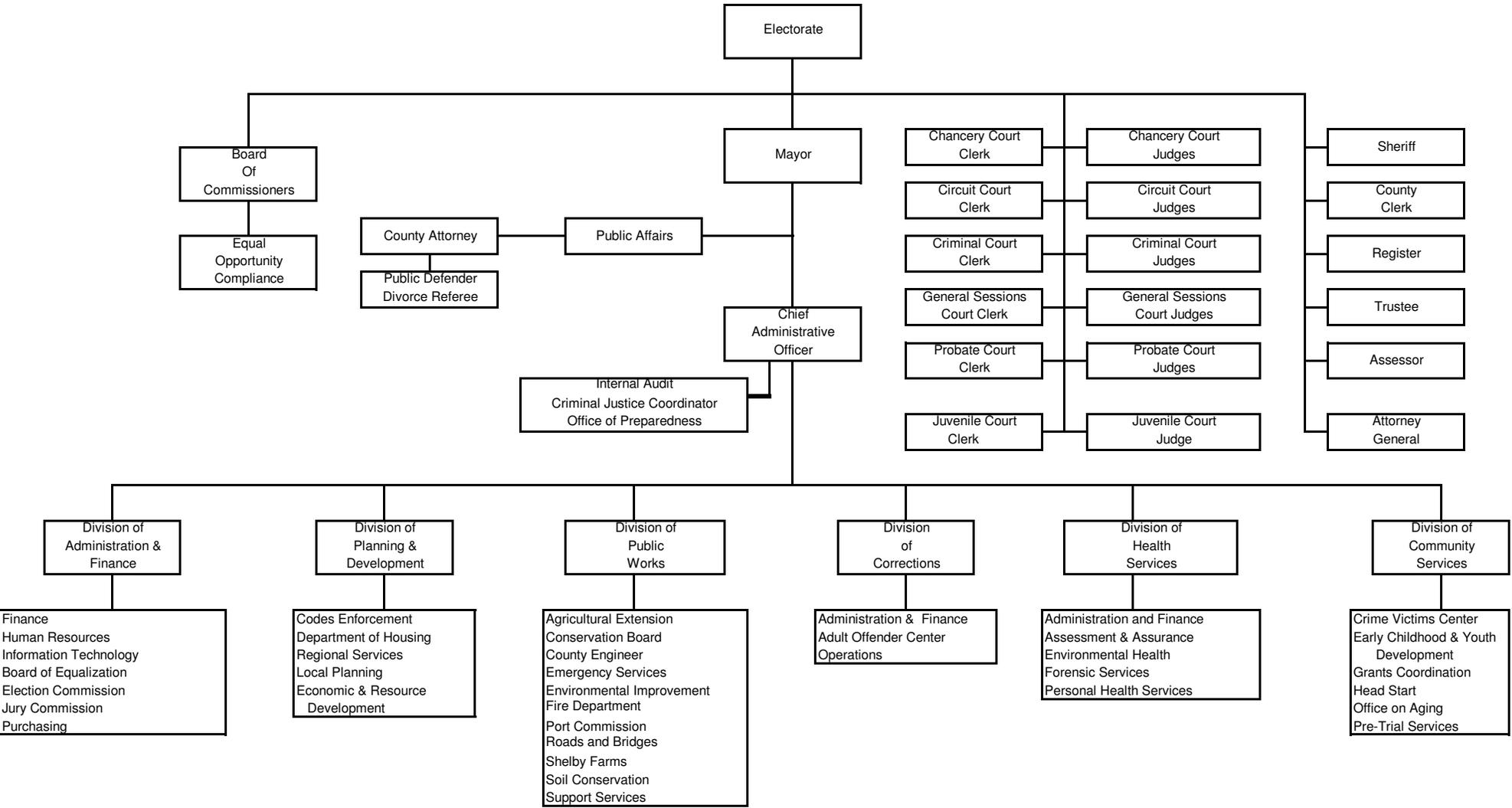
**Chancery Court Clerk and Master –  
Dewun Settle  
Circuit Court Clerk – Jimmy Moore  
Criminal Court Clerk – William R. Key  
General Sessions Court Clerk – Otis Jackson, Jr.  
Juvenile Court Clerk – Steve Stamson  
Probate Court Clerk – Chris Thomas**

**Shelby County Administrative Officials**

**A C Wharton, Jr. - Mayor  
James Huntzicker - Chief Administrative Officer and Director of Administration and Finance  
Brian Kuhn - County Attorney  
Richard Copeland - Director of Planning and Development  
Theodore C. Fox III - Director of Public Works  
Andrew Tabor, Jr. - Director of Corrections  
Yvonne Smith-Madlock - Director of Health Services  
Dorothy Jones - Director of Community Services**

# Shelby County Government Organizational Chart

## As of June 30, 2009



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Shelby County  
Tennessee

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



Watkins Uiberall, PLLC  
Certified Public Accountants & Financial Advisors  
Independent Member of BKR International



## INDEPENDENT AUDITORS' REPORT

To the Chairman and Members  
Shelby County Board of Commissioners and  
the Mayor of Shelby County, Tennessee  
Memphis, Tennessee

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Shelby County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Shelby County, Tennessee's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Shelby County, Tennessee's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Shelby County Health Care Corporation and Agricenter International, Inc. which represents \$153,828,138 and \$308,301,216, respectively, of the assets and revenues of the component units, and Shelby County Retirement System, which represents \$740,153,911 of the assets and (\$185,130,049) of the net additions of the fiduciary funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those component units and Shelby County Retirement Systems, is based on the report of the other 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test, basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Shelby County, Tennessee, as of June 30, 2009, and the respective changes in financial position, and

cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2009 on our consideration of Shelby County, Tennessee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 13 through 27 and the budgetary comparison and other information on pages 92 through 95 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelby County, Tennessee's basic financial statements. The accompanying financial information listed as combining and other statements and schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The other budgetary comparison schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Watkins Librally, PLLC  
Banks, Finley, White & Co.*

Memphis, Tennessee  
December 28, 2009

### Management's Discussion and Analysis

The management of Shelby County Government (County) presents this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with information in the transmittal letter found at the front of this report and the basic financial statements, which follow in this section.

Accounting principles generally accepted in the United States of America for governmental entities are established by the Governmental Accounting Standards Board (GASB). This annual financial report uses the standards established by the GASB's Statement No. 34 *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Shelby County follows all GASB standards in addition to Statement No. 34 as well as other authoritative literature known collectively within the accounting profession as "generally accepted accounting principles."

### Financial Highlights

- At the end of the current fiscal year, unreserved fund balance for the general fund was \$74,392,811, or 20.8% of total general fund revenue. This was an increase of \$11.8 million or an 18.9% increase.
- Fund balance for the debt service fund increased \$0.9 million to \$74.6 million, which is 42.6% of total revenue of the debt service fund. The balance is well above our target minimum level of 20% of total revenue and consistent with our plan to provide now for debt service requirements through 2011.
- The capital projects fund balance decreased \$61.1 million to a negative balance of \$84.3 million. This was the result of short-term borrowings to finance capital projects.
- Total liabilities of Shelby County exceed total assets as of June 30, 2009 by \$923.5 million. The largest contributing factor causing this deficit is the fact that the County issues debt on behalf of entities not a part of the County's primary financial reporting unit and the related assets are not recorded by the County. These entities include the school systems of Shelby County and the City of Memphis, joint ventures with the City of Memphis, and others. Debt for these entities as of June 30, 2009 was \$1,361,002,556.
- Total government-wide net assets increased \$24.7 million as a result of activity for the fiscal year, \$21.1 million from governmental activities and \$3.6 million from business-type activities.

More details on these highlights and other information are in the remainder of this discussion and analysis.

### Overview of the Financial Report

The Comprehensive Annual Financial Report includes three major sections – Introductory Section, Financial Section, and Statistical Section. The Introductory Section includes a transmittal letter and general information about the County. The Statistical Section includes financial and non-financial data, some from sources other than financial records and often covering up to ten years. The Financial Section is the major part of the financial report. The Independent Auditor's Report applies only to the Financial Section. This discussion and analysis applies only to the Financial Section.

The Financial Section includes the following statements and schedules:

- Basic Financial Statements
  - Government-wide financial statements
  - Fund financial statements
  - Notes to financial statements
- Required Supplementary Information
- Combining Statements and Individual Fund Statements and Schedules

#### BASIC FINANCIAL STATEMENTS

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide a broad overview of Shelby County's finances in a manner similar to a private-sector business. The two government-wide financial statements present highly summarized information for all of County government.

The *statement of net assets* presents information on all of Shelby County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of changes in the financial position of Shelby County. However, because the County issues substantial amounts of debt for capital assets of others, such as the Memphis City Schools, annual decreases in net assets are expected in years when such debt is issued.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying economic event giving rise to the change occurs, *regardless of the timing of related cashflows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Shelby County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Shelby County include general government, hospital, planning & development, public works, corrections, health

services, community services, law enforcement, judicial, other elected officials, education and interest on debt. The business-type activities of Shelby County consist of codes enforcement, fire services and corrections center.

The government-wide financial statements include not only Shelby County itself - known as the *primary government* - but also four legally separate entities for which Shelby County is financially accountable. These entities are the Shelby County Board of Education, Shelby County Health Care Corporation (The Med), Agricenter International, and the Emergency Communications District. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. This discussion and analysis is devoted to Shelby County government rather than the component units.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Shelby County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Shelby County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is more narrow than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Shelby County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, capital projects fund, education fund, and grants fund, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds combining statements elsewhere in this report.

Proprietary funds. Shelby County maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Shelby County uses enterprise funds to account for consolidated codes enforcement, correction center and fire services. *Internal service funds* are an accounting device

used to accumulate and allocate costs internally among Shelby County's various functions. Shelby County uses internal service funds to account for its central services, group health, tort liability and employer insurance funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. Enterprise funds and internal service funds are each combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the enterprise funds and internal service funds are provided in the form of *combining statements* elsewhere in this report.

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Shelby County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Shelby County Retirement System is the major fiduciary fund, but also includes the Shelby County OPEB Trust and agency funds.

*Component units combining statements.* Component units are not "funds" of Shelby County as the primary government. However, the government-wide financial statements include one column for all component units as discussed above. In order to provide details on each component unit, a combining statement of net assets and a combining statement of activities are included in the fund financial statements section of the basic financial statements.

**Differences between government-wide and fund financial statements.** The government-wide financial statements are much more aggregated and summarized than the fund financial statements. The government-wide statement of net assets includes capital assets and long-term debt, whereas the fund balance sheets include neither. The government-wide statement of activities does not report the issuance or repayment of long-term debt during the year and reports depreciation expense but not amounts expended for capital assets during the year. The fund statement of revenues, expenditures and changes in fund balances includes as other financing sources the amount of long-term debt incurred during the year and as expenditures the amount of principal repaid. This statement also includes amounts expended for capital assets but not depreciation. These are some of the most common, significant differences but there are others. Following the fund balance sheet and the fund statement of revenues, expenditures and changes in fund balances is a reconciliation of those statements to the government-wide statement of net assets and the statement of activities.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. "Notes" is the traditional term applied to this information; however the term is misleading in that the notes can vary in length from one paragraph to several pages.

**REQUIRED SUPPLEMENTARY INFORMATION**

This section contains other information that financial reporting standards specify should be included under this caption. Supplementary information is presented for the Shelby County Retirement System and the Shelby County OPEB Trust. Shelby County is also required to present information on budgetary compliance. Budgetary comparison schedules are presented for the general fund and other "major" special revenue funds (the education fund and the grants fund) to demonstrate compliance with their budget. Other budgetary comparison schedules not fitting the criteria defined for this section are presented under "Combining Statements and Individual Fund Statements and Schedules."

**COMBINING STATEMENTS AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

Combining fund statements for the non-major special revenue funds, non-major enterprise funds and internal service funds are included in this section of the report. Supplemental schedules include general fund and grants fund budgetary comparisons by department, detail of constitutional officers' activities and schedules of debt by debt issue.

**Government-wide Financial Analysis  
(Reporting the County as a Whole)**

**FINANCIAL POSITION**

Table 1 shows a condensed version of the Statement of Net Assets (see the government-wide financial statements for the full version as of June 30, 2009). This statement shows the financial position of the County as a whole at specific points in time – in this case as of June 30, 2009 and as of June 30, 2008.

Property taxes receivable is by far the largest portion of Shelby County's assets (44.6% at June 30, 2009 and 44.8% at June 30, 2008). The June 30, 2009 property taxes receivable includes \$725.9 million, offset by an equal deferred revenue amount in other liabilities, which became a property lien on January 1, 2009 but are levied for next fiscal year's operations. The similar amount at June 30, 2008 was \$715.2 million. Total assets increased by \$27.3 million. This included increases in taxes receivable of \$8.9 million and cash and cash equivalents and investments combined of \$19.7 million and other smaller changes.

Liabilities increased by \$2.5 million during the year. This increase was due to a decrease of \$86.3 million in long-term liabilities and increases of \$88.8 million in other liabilities. Most of the increase was in notes payable for short-term borrowings to finance capital improvement projects (\$82.7 million).

Table 1  
Condensed Statement of Net Assets  
As of June 30, 2009 and June 30, 2008

	June 30, 2009	June 30, 2008	Change
<u>Governmental Activities</u>			
Property taxes receivable	\$ 782,287,685	\$ 773,358,601	\$ 8,929,084
Current and other assets	372,455,391	346,945,673	25,509,718
Capital assets	550,093,389	561,814,679	(11,721,290)
Total assets	<u>1,704,836,465</u>	<u>1,682,118,953</u>	<u>22,717,512</u>
Long-term liabilities	1,693,145,626	1,780,307,893	(87,162,267)
Other liabilities	973,789,820	885,036,372	88,753,448
Total liabilities	<u>2,666,935,446</u>	<u>2,665,344,265</u>	<u>1,591,181</u>
Invested in capital, net of related debt	204,190,463	180,537,007	23,653,456
Restricted	87,310,795	104,459,938	(17,149,143)
Unrestricted	(1,253,600,239)	(1,268,222,257)	14,622,018
Total net assets	<u>(962,098,981)</u>	<u>(983,225,312)</u>	<u>21,126,331</u>
<u>Business-Type Activities</u>			
Current and other assets	21,478,449	15,765,609	5,712,840
Capital assets	26,230,845	27,368,366	(1,137,521)
Total assets	<u>47,709,294</u>	<u>43,133,975</u>	<u>4,575,319</u>
Long-term liabilities	6,810,644	5,938,893	871,751
Other liabilities	2,285,479	2,199,487	85,992
Total liabilities	<u>9,096,123</u>	<u>8,138,380</u>	<u>957,743</u>
Invested in capital, net of related debt	25,324,668	26,328,481	(1,003,813)
Unrestricted	13,288,503	8,667,114	4,621,389
Total net assets	<u>38,613,171</u>	<u>34,995,595</u>	<u>3,617,576</u>
<u>Total Primary Government</u>			
Property taxes receivable	782,287,685	773,358,601	8,929,084
Current and other assets	393,933,840	362,711,282	31,222,558
Capital assets	576,324,234	589,183,045	(12,858,811)
Total assets	<u>1,752,545,759</u>	<u>1,725,252,928</u>	<u>27,292,831</u>
Long-term liabilities	1,699,956,270	1,786,246,786	(86,290,516)
Other liabilities	976,075,299	887,235,859	88,839,440
Total liabilities	<u>2,676,031,569</u>	<u>2,673,482,645</u>	<u>2,548,924</u>
Invested in capital, net of related debt	229,515,131	206,865,488	22,649,643
Restricted	87,310,795	104,459,938	(17,149,143)
Unrestricted	(1,240,311,736)	(1,259,555,143)	19,243,407
Total net assets	<u>\$ (923,485,810)</u>	<u>\$ (948,229,717)</u>	<u>\$ 24,743,907</u>

“Net assets” are the difference between assets and liabilities and, in a general sense, may be considered the recorded financial “net worth” of the County. The most obvious concern that can be noted about net assets is the large negative net asset amount. The major factor causing this negative net asset amount relates to debt issued for capital assets (buildings, roads, etc.) where the capital asset values are *not* recorded in the County’s financial records but the debt *is* on the County’s records. Some of this debt has been issued to provide capital assets to component units

of the County, including the Shelby County Board of Education and the Shelby County Health Care Corporation (The Med). These component units report the capital assets but not the debt. Other debt is issued for entities not a part of the County reporting entity, including the Memphis City Schools Board of Education and the Convention Center. As a result of reporting the debt liabilities without reporting the assets acquired with the proceeds of the debt, a negative net asset amount is reported in the County’s statement of net assets.

The following long-term debt and notes payable are reported by the County for which related capital assets are not recorded by Shelby County:

	June 30, 2009	June 30, 2008
Shelby County and City of Memphis schools	\$ 1,178,058,254	\$ 1,141,454,294
Shelby County Health Care Corp. (component unit)	82,316,669	88,910,874
Convention Center (joint venture)	62,181,609	65,054,070
Other	38,446,024	56,011,721
Total	\$ 1,361,002,556	\$ 1,351,430,959

Shelby County, the component units, and other entities (such as Memphis City Schools) use these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Shelby County’s investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The County’s total net assets increased by \$24.7 million. The net increase in invested in capital assets, net of related debt constituted \$22.6 million of this increase, with other offsetting changes of \$2.1 million. The significant reasons for this increase can be generally understood from information in the sections below about “Changes in Net Assets” and the “Financial Analysis of the Government’s Funds.” Changes in net assets are discussed below.

**CHANGES IN NET ASSETS – REVENUES, EXPENSES AND TRANSFERS**

Table 2 summarizes the financial activity for the County as a whole for the fiscal year ending June 30, 2009, with comparative amounts for the fiscal year ending June 30, 2008.

For governmental activities, program revenues are those revenues generated by the department or program as a result of the activities engaged in by the department or program. General revenues are those revenues not generated through the activities of the County; property taxes produce the largest amount of general revenues. Program revenues decreased by \$7.3 million; charges for services decreased by \$6.1 million due to less reimbursement from other governments for election costs, \$1.1 million less from health services, \$0.9 million less from judicial activities and other smaller changes. General revenues decreased \$30.9 million. Due to classification changes in tax revenues during the year it is more meaningful to combine the two tax categories that had a net decrease of \$8.5 million or 1.0%; approximately \$2.0 million was due to lower local sales and business taxes and most of the other due to larger allowances for uncollectible

accounts. Other general revenues are lower primarily because of significantly lower interest earnings and non-recurring revenue of \$12.0 million last year from interest rate swaps.

Table 2  
Shelby County Change in Net Assets  
Fiscal Years Ended June 30, 2009 and 2008

	FY 2009	FY 2008	Change
<b>Governmental activities:</b>			
<u>Revenues:</u>			
Program revenues:			
Charges for services	\$ 82,189,738	\$ 88,324,051	\$ (6,134,313)
Operating grants and contributions	136,145,188	136,552,118	(406,930)
Capital grants and contributions	1,126,464	1,914,603	(788,139)
Total program revenues	<u>219,461,390</u>	<u>226,790,772</u>	<u>(7,329,382)</u>
General revenues:			
Property taxes	724,765,511	703,098,494	21,667,017
Other taxes	94,721,982	124,926,766	(30,204,784)
Other	6,588,123	28,930,625	(22,342,502)
Total general revenues	<u>826,075,616</u>	<u>856,955,885</u>	<u>(30,880,269)</u>
Total revenues-governmental activities	<u>1,045,537,006</u>	<u>1,083,746,657</u>	<u>(38,209,651)</u>
<u>Expenses:</u>			
General government	53,354,405	54,298,799	(944,394)
Hospital	27,491,667	27,600,000	(108,333)
Planning & development	6,060,521	5,593,676	466,845
Public works	45,709,098	50,146,007	(4,436,909)
Corrections	1,318,182	1,461,598	(143,416)
Health services	61,837,782	68,120,302	(6,282,520)
Community services	59,988,698	45,804,646	14,184,052
Law enforcement	149,586,517	146,041,090	3,545,427
Judicial	77,792,534	85,085,401	(7,292,867)
Other elected officials	27,230,582	27,522,711	(292,129)
Education	420,351,443	498,893,788	(78,542,345)
Interest on debt	86,882,448	71,866,481	15,015,967
Total expenses-governmental activities	<u>1,017,603,877</u>	<u>1,082,434,499</u>	<u>(64,830,622)</u>
Increase (decrease) in net assets before transfers	27,933,129	1,312,158	26,620,971
<u>Transfers</u>	<u>(6,806,798)</u>	<u>(6,818,986)</u>	<u>12,188</u>
Increase (decrease) in net assets	21,126,331	(5,506,828)	26,633,159
Net assets - beginning of year	<u>(983,225,312)</u>	<u>(977,718,484)</u>	<u>(5,506,828)</u>
Net assets - end of year	<u>(962,098,981)</u>	<u>(983,225,312)</u>	<u>21,126,331</u>

Total expenses for the year in governmental activities decreased \$64.8 million (6.0%). The decrease of \$78.5 million for education was all for capital projects funding. A significant amount of the increase in interest was due to cost of liquidating a swap agreement. Other changes were

the result of general budgetary reductions and a hiring freeze and changes in grant support for various functions.

<b>Business-type activities:</b>	FY 2009	FY 2008	Change
<b>Revenues:</b>			
Operating revenues:			
Charges for services	\$ 76,330,759	\$ 69,914,088	\$ 6,416,671
Operating grants and contributions	81,000	75,000	6,000
Total operating revenues	76,411,759	69,989,088	6,422,671
Non-operating revenues	207,994	317,151	(109,157)
Total revenues	76,619,753	70,306,239	6,313,514
<b>Expenses:</b>			
Operating expenses	79,802,179	80,313,815	(511,636)
Non-operating expenses and losses	6,796	259,986	(253,190)
Total expenses	79,808,975	80,573,801	(764,826)
Increase (decrease) in net assets before transfers	(3,189,222)	(10,267,562)	7,078,340
Transfers	6,806,798	6,818,986	(12,188)
Increase (decrease) in net assets	3,617,576	(3,448,576)	7,066,152
Net assets - beginning of year	34,995,595	38,444,171	(3,448,576)
Net assets - end of year	38,613,171	34,995,595	3,617,576
<b>Total primary government:</b>			
Increase (decrease) in net assets	24,743,907	(8,955,404)	33,399,311
Net assets - beginning of year	(948,229,717)	(939,274,313)	(8,955,404)
Net assets - end of year	<u><u>\$(923,485,810)</u></u>	<u><u>\$(948,229,717)</u></u>	<u><u>\$ 24,743,907</u></u>

In business-type activities, operating revenues increased by \$6.4 million. Of this increase, \$4.2 million was in Corrections Center reimbursement for housing an increased number of State inmates, \$1.1 million was from fire service fees, and \$1.1 million from increased revenue in Consolidated Codes. Non-operating revenue decreased \$0.1 million due to lower interest earnings. Overall expenses decreased by \$0.8 million, or 1.0%.

#### CHANGE IN FINANCIAL POSITION DURING YEAR

The overall change in the financial position of Shelby County during fiscal year 2009 was an increase in net assets of approximately \$24.7 million. The County's governmental activities operated with an increase in net assets of approximately \$21.1 million.

The business-type activities had a net increase of \$3.6 million. In Codes Enforcement, general fund transfers were made to result in no change in net assets.

#### Financial Analysis of the Government's Funds

As noted earlier, Shelby County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Shelby County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing Shelby County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Shelby County's governmental funds reported a combined ending fund balance of \$86,784,362. The components of the balances are:

	June 30, 2009	June 30, 2008
General Fund	\$ 75,164,958	\$ 65,504,141
Debt Service Fund	74,646,920	73,709,130
Special Revenue Funds	21,296,087	33,233,724
Total, except Capital Projects Fund	171,107,965	172,446,995
Capital Projects Fund	(84,323,603)	(23,173,636)
Total all governmental funds	\$ 86,784,362	\$ 149,273,359

There was a \$1.3 million decrease in fund balance excluding capital projects. There was an increase of \$9.7 million in the general fund, an increase of \$0.9 in the debt service fund and \$0.7 million in all special revenue funds except the grants fund. The grants fund had a fund balance decrease of \$12.6 million as the result of large deferred revenue because grant payments were not received in time to be considered available. There was also a decrease of \$61.1 million in the capital projects fund. Each of these changes is discussed below.

The general fund operated with a net increase in fund balance of \$9.7 million, compared to a net increase of \$14.2 million in the previous year. This \$4.5 million decrease in the net change resulted from \$2.6 million less other revenue (almost all interest income) and \$3.1 million in reduced expenditures from cost reduction efforts, together with a number of other changes. The general fund unreserved amount is available for spending at the government's discretion. The remainder of fund balance has been committed to liquidate contracts and purchase orders of the prior period.

The general fund is the chief operating fund of Shelby County. As a measure of the general fund's liquidity, it may be useful to compare the unreserved fund balance to total fund revenue. Unreserved fund balance represents 20.8 percent of total general fund revenue. General fund revenues were \$5.2 million (1.4%) below the prior year, which resulted primarily from \$1.2 million of increased taxes offset by decreases of \$2.6 million of interest earnings, \$2.2 million in elected officials' fines and fees, and other changes. Expenditures were \$3.1 million less (0.9%) than the prior year and net transfers out were \$2.4 million more. Management is committed to maintaining an unreserved fund balance of the general fund of at least 12.5% of general fund revenue.

The debt service fund has a total fund balance of \$74.6 million to be used for the payment of debt service. The net increase in fund balance during the current year was \$0.9 million. This increase resulted from revenue exceeding budget.

The deficit fund balance of the capital projects fund increased by \$61.1 million to a deficit of \$84.3 million. This was primarily the result of expending the proceeds of short-term debt issued during the current year. The fund had \$120.0 million of outstanding short-term debt as of June 30, 2009 and \$37.3 million as of June 30, 2008. In September 2009 this short-term debt was paid off with proceeds from long-term debt.

All special revenue fund balances are used for the specific purposes designated by the provider of the funds or the legislation establishing the fees and charges that generate the revenue. Total fund balances of these funds decreased \$11.9 million to \$21.3 million at June 30, 2009. The grant fund balance decreased from a balance of \$2.5 million at June 30, 2008 to a deficit of \$10.1 million at June 30, 2009; this was caused by significant receivables not being received in the time to be considered "available" in FY 2009. Other significant balances, all positive, include \$1.8 million in the health services restricted fees fund, \$7.2 million in the roads and bridges fund, \$15.5 million in the hotel/motel tax fund and \$4.7 million in the Sheriff narcotics fund.

**Proprietary funds.** Shelby County's proprietary funds report financial information on the same basis as the government-wide financial statements (full accrual accounting based on the economic substance of transactions), but in more detail. Proprietary funds consist of two types of funds: business-type activities - enterprise funds and governmental activities - internal service funds.

The County has three business-type activities; these are essentially self-supporting activities. Two of the activities have historically been able to support themselves; these are the consolidated codes enforcement fund and the fire services fund. However, starting in FY 2005 a management decision was made to spend down the net asset balance in the consolidated codes enforcement fund. During this fiscal year funds were transferred from the general fund to maintain the net asset balance of \$2.4 million, of which only \$0.5 million is unrestricted. The fire services fund operates entirely on user fees; the net asset balance increased during this fiscal year by \$670,721 to a balance of \$5.5 million, of which \$3.5 million is unrestricted. The corrections center receives reimbursement from the State of Tennessee for housing State prisoners, which accounts for approximately 80% of the prison population. The general fund provides the remaining cost, excluding depreciation. The Center operated with an increase of \$1.9 million in net assets to a balance of \$33.6 million, of which \$12.1 million is unrestricted. Overall the net assets of the enterprise funds increased by \$2.6 million during the year with total net assets at year-end of \$41.5 million, of which \$16.1 million was unrestricted. Unrestricted net assets increased 28.7% or \$3.6 million.

The County has four internal service funds. These funds are reported using full accrual accounting. *For the government-wide financial statements, these funds are combined with governmental activities.* At June 30, 2009 these funds combined had net assets of \$13.8 million, an increase of \$7.4 million. The group health insurance fund had an increase of \$4.05 million in

net assets to total net assets of \$6.6 million. The employer insurance fund had an increase of \$1.9 million to total net assets of \$4.4 million. At year-end the central services fund had net assets of \$1.4 million and the tort liability fund had net assets of \$1.4 million.

**Fiduciary funds.** Shelby County reports three fiduciary funds. The largest is the Shelby County Retirement System. The funds in this trust are available only for retirement benefits of current and retired County employees. The accumulated funds in the retirement system slightly exceed the currently calculated actuarial liability, meaning the system is fully funded. The County provides funding as required each year for the increased liability for benefits being earned by current employees. At June 30, 2009 the Retirement System had net assets held in trust of \$735,872,504.

The Shelby County OPEB Trust was created as of July 1, 2007 to accumulate funds and pay other post-employment benefits to terminated County employees. At June 30, 2009 the Trust had net assets held in trust of \$45.8 million.

The County also maintains agency funds for a number of the County's elected "constitutional officers" (those officials designated by the State's constitution). These funds do not belong to the County, but are funds held for others. There are no "fund balances" for agency funds.

### Governmental Fund Budgetary Highlights

Differences between the original budget and the final amended budget and between the final budget and actual results for the general fund can be briefly summarized as follows:

- The revenue budget was increased during the year by \$ 1,433,499, or four-tenths of one percent from the original budget. The increases were in local revenues and elected officials' fines and fees.
- Actual revenues exceeded the revised budget estimate by \$4.4 million, or 1.2%. Actual property taxes were \$5.4 million more than budgeted, or 2.7%. All other revenue decreased by a net \$1.0 million with the largest decrease being in interest income because of substantially lower interest rates.
- The overall expenditure budget was increased during the year by \$1.3 million, or about four-tenths of one percent. Increases were necessary to fund escalating utility cost and other budgetary adjustments.
- Actual expenditures were \$8.3 million below the amended budget, a savings of about 2.4%. Expense reductions were spread across the County as a concerted effort was made to reduce expenditures.

### Capital Asset and Debt Administration

**Capital Assets.** Shelby County Government's investment in capital assets for its governmental and business type activities as of June 30, 2009 amounts to \$576.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads and other infrastructure.

Additions for the year were \$16.5 million and depreciation was \$28.9 million. Construction in progress as of the end of the current fiscal year was \$12.4 million.

Additional information on Shelby County Government’s capital assets can be found in note IV (E) of the Notes to Financial Statements of this report.

Major capital asset events during the current fiscal year included the following:

- Although not recorded as assets of the County, during FY 2009 the County provided capital improvement funding of \$60 million to the Memphis and Shelby County school systems.
- Roadway improvements and drainage improvements continued within the County with expenditures of approximately \$3.2 million.
- Renovation work continued at the Criminal Justice Complex, with expenditures of approximately \$0.6 million.
- Expenditures for an expansion of the Sheriff’s training facility were approximately \$1.1 million.
- Renovation of the Head Start center at 3435 Ridge Meadow Parkway were completed with expenditures of approximately \$0.6 million.

**Long-term Debt.** At June 30, 2009 Shelby County’s general obligation bonded debt (bonds payable) outstanding totaled \$1,627,860,459 which represented approximately 9% of assessed value. The County’s bonds, loans and notes payable decreased by approximately \$25.3 million (1.4%) during the year. Debt, generally, may be issued without regard to any limit on indebtedness. The ad valorem tax levy is also without legal limit.

The County uses notes payable programs to initially finance capital projects. This allows the County to borrow only as the proceeds are actually needed and to take advantage of lower short-term interest rates. Annually, the County adopts a five-year capital projects plan. Based on this plan for the current year and capital projects cash flow projections, a notes payable program is established with a maximum borrowing amount. Borrowing occurs as needed for up to two years. After completion of each program, the notes payable are converted to bonds payable to be repaid within 25 years.

The County maintains ratings from Moody’s Investors Service (“Moody’s”), Standard & Poor’s Corporation (“Standard & Poor’s”) and Fitch IBCA, Inc. (“Fitch”) on its previously issued general obligation bonds not secured by letter of credit as follows:

Moody’s	Standard & Poor’s	Fitch IBCA, Inc.
Aa2	AA+	AA

Moody’s issues ratings from Aaa to C to designate the relative investment qualities of bonds. The Aa rating is in the second highest of the rating categories. The modifier 2 indicates that the bonds are in the middle range of the Aa category. Moody’s describes its Aa ratings as “Bonds which are rated Aa are judged to be a high quality by all standards. They are rated lower than the best bond because margins of protection may not be as large as in Aaa or fluctuation of

protection elements may be of greater amplitude or there may be other elements present which make the long term risk appear somewhat larger than Aaa securities.”

Standard & Poor's and Fitch issue ratings from AAA to D to designate the relative investment qualities of bonds. The AA rating is the second highest of the ten such ratings. Standard & Poor's and Fitch describe their rating as “Debt rate AA+ has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree. Plus or minus signs are used to show relative standing within the major rating categories.”

Additional information on Shelby County Government's long-term debt can be found in note IV(H) of the Notes to Financial Statements of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The September 2009 unemployment rate for Shelby County was 10.2% and the State of Tennessee's rate was also 10.2%, compared to the national rate of 9.5% (all rates not seasonally adjusted).
- Economic conditions in the region have been parallel to those across the nation.
- There has been an increase in home foreclosure rates and a significant weakening of the housing market. As the County approaches completion of a once-every-four-years' comprehensive property reappraisal, although there are concerns regarding the impact on property taxes, we believe such concerns have been adequately provided for.

For fiscal 2010 the property tax rate was maintained at substantially the same level as fiscal 2009. Compared to actual revenue for 2009, we have budgeted no growth in property taxes for 2010.

For fiscal 2010, general fund revenue is budgeted as a 0.29% reduction from the 2009 budget. General fund expenditures were budgeted to decrease by 0.92% compared to 2009. The budget was balanced by eliminating raises for employees and elimination of positions. A hiring freeze was implemented as well as a freeze on reclassifications. Small increases in budgeted expenditures are primarily due to an increase in health insurance, utility costs, the jail medical contract and other post employment benefits. The County Mayor and Commission are committed to holding general fund expenditures in line with general fund revenue growth. A consulting firm was engaged in 2004 to perform an efficiency study and assist us in preparing a five year strategic plan which was completed in October 2004. Substantial efficiencies have been identified and implemented. The efficiency study and five year strategic plan was updated in FY2008.

Debt service expenditures peaked in FY 2009 at \$179.4 million and are budgeted to decrease to \$175.0 million in FY 2010. Projections based on the County's five-year capital plan indicate debt service expenditures will slowly decline in future years. The County plans to maintain annual capital expenditures at \$75 million or less.

**Requests for Information**

This financial report is designed to provide a general overview of Shelby County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrator, Department of Finance, Shelby County Government, 160 North Main Street, Memphis, Tennessee 38103.

**Statement of Net Assets**  
**June 30, 2009**

	Governmental Activities	Business-type Activities	Total	Component Units
<b>Assets:</b>				
Cash and cash equivalents	\$ 205,628,752	\$ 13,338,212	\$ 218,966,964	\$ 55,755,539
Investments	69,644,497	---	69,644,497	119,228,057
Property taxes receivable, net of allowance for uncollectibles	782,287,685	---	782,287,685	---
Accrued interest receivable	1,324,297	---	1,324,297	---
Accounts receivable and accrued revenues	21,603,594	1,640,092	23,243,686	35,038,093
Due from other governmental entities	28,297,785	5,608,514	33,906,299	9,727,732
Due from primary government	---	---	---	21,870,188
Internal balances	3,900,877	(3,900,877)	---	---
Due from component units	3,332,918	---	3,332,918	---
Inventories	32,089	---	32,089	3,461,606
Prepays and deferred charges	417,309	1,180	418,489	---
Deposits held by others	1,183,294	---	1,183,294	---
Notes receivable	10,003,446	2,247	10,005,693	---
Other assets	---	---	---	5,718,245
Restricted and other investments	---	---	---	11,556,922
Net pension obligation	27,086,533	4,789,081	31,875,614	---
Land	21,487,689	---	21,487,689	---
Construction in progress	12,438,249	---	12,438,249	---
Depreciable capital assets, net	516,167,451	26,230,845	542,398,296	440,185,758
<b>Total assets</b>	<b>\$ 1,704,836,465</b>	<b>\$ 47,709,294</b>	<b>\$ 1,752,545,759</b>	<b>\$ 702,542,140</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 22,632,769	\$ 1,778,008	\$ 24,410,777	\$ 62,796,412
Accrued interest payable	11,661,944	27,486	11,689,430	---
Due to other governmental entities	52,412,823	---	52,412,823	---
Due to component units	21,870,188	---	21,870,188	---
Due to primary government	---	---	---	3,332,918
Deposits held for others	4,117,681	376,285	4,493,966	---
Unearned revenue	733,653,001	103,700	733,756,701	914,611
Notes payable	120,000,000	---	120,000,000	---
Claims payable	7,441,414	---	7,441,414	3,239,604
<b>Long-term liabilities</b>				
Due within one year	118,992,319	3,296,517	122,288,836	363,600
Due in more than one year	1,574,153,307	3,514,127	1,577,667,434	145,385,480
<b>Total liabilities</b>	<b>2,666,935,446</b>	<b>9,096,123</b>	<b>2,676,031,569</b>	<b>216,032,625</b>
<b>Net assets:</b>				
Invested in capital assets, net of related debt	204,190,463	25,324,668	229,515,131	435,245,957
<b>Restricted for:</b>				
Education	---	---	---	5,141,942
Debt service	74,646,920	---	74,646,920	---
Roads and bridges	7,179,865	---	7,179,865	---
Sheriff narcotics	4,708,542	---	4,708,542	---
Other purposes	775,468	---	775,468	19,875,894
Unrestricted	(1,253,600,239)	13,288,503	(1,240,311,736)	26,245,722
<b>Total net assets</b>	<b>(962,098,981)</b>	<b>38,613,171</b>	<b>(923,485,810)</b>	<b>486,509,515</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,704,836,465</b>	<b>\$ 47,709,294</b>	<b>\$ 1,752,545,759</b>	<b>\$ 702,542,140</b>

The notes to the financial statements are an integral part of this statement.

**Statement of Activities  
For the Year ended June 30, 2009**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 53,354,405	\$ 2,479,217	\$ 9,105,416	\$ ---
Hospital	27,491,667	---	---	---
Planning and development	6,060,521	408,165	5,190,686	---
Public works	45,709,098	2,751,474	2,851,606	1,126,464
Corrections	1,318,182	---	1,133,534	---
Health services	61,837,782	8,839,275	36,775,485	---
Community services	59,988,698	435,968	53,843,888	---
Law enforcement	149,586,517	5,096,925	4,460,398	---
Judicial	77,792,534	23,982,354	22,113,336	---
Other elected officials	27,230,582	35,602,836	416,613	---
Education	420,351,443	---	---	---
Interest on debt	86,882,448	2,593,524	254,226	---
Total governmental activities	1,017,603,877	82,189,738	136,145,188	1,126,464
Business-type activities:				
Codes enforcement	11,274,089	10,066,844	---	---
Fire services	17,636,732	19,058,865	81,000	---
Corrections	50,891,358	47,205,050	---	---
Total business-type activities	79,802,179	76,330,759	81,000	---
Total primary government	\$ 1,097,406,056	\$ 158,520,497	\$ 136,226,188	\$ 1,126,464
<b>Component units:</b>				
Board of Education	\$ 490,129,502	\$ 21,152,218	\$ 211,679,251	\$ ---
Shelby County Health Care Corporation	325,378,844	236,967,937	36,505,000	---
Agricenter International	3,406,027	2,988,536	162,631	---
Emergency Communications District	3,929,803	7,747,889	918,618	---
Total component units	\$ 822,844,176	\$ 268,856,580	\$ 249,265,500	\$ ---

General revenues:

- Property taxes - levied for education
- Property taxes - levied for debt service
- Property taxes - levied for general government
- Sales taxes
- Business taxes
- Hotel/Motel/Car Rental taxes
- Wheel taxes
- Beverage taxes
- Severance and Income taxes
- Gasoline tax

Grants and contributions not restricted for specific programs:

- Payments from Shelby County
- Other sources (uses)

Unrestricted investment earnings

Gain (loss) on disposal of assets

Transfers, net

- Total general revenues and transfers
- Changes in net assets

Net assets - June 30, 2008

Net assets - June 30, 2009

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Assets			
Governmental Activities	Primary Government		Component Units
	Business-type Activities	Total	
\$ (41,769,772)	\$ ---	\$ (41,769,772)	\$ ---
(27,491,667)	---	(27,491,667)	---
(461,670)	---	(461,670)	---
(38,979,554)	---	(38,979,554)	---
(184,648)	---	(184,648)	---
(16,223,022)	---	(16,223,022)	---
(5,708,842)	---	(5,708,842)	---
(140,029,194)	---	(140,029,194)	---
(31,696,844)	---	(31,696,844)	---
8,788,867	---	8,788,867	---
(420,351,443)	---	(420,351,443)	---
(84,034,698)	---	(84,034,698)	---
<u>(798,142,487)</u>	<u>---</u>	<u>(798,142,487)</u>	<u>---</u>
---	(1,207,245)	(1,207,245)	---
---	1,503,133	1,503,133	---
---	<u>(3,686,308)</u>	<u>(3,686,308)</u>	<u>---</u>
---	<u>(3,390,420)</u>	<u>(3,390,420)</u>	<u>---</u>
<u>(798,142,487)</u>	<u>(3,390,420)</u>	<u>(801,532,907)</u>	<u>---</u>
---	---	---	(257,298,033)
---	---	---	(51,905,907)
---	---	---	(254,860)
---	---	---	4,736,704
---	---	---	<u>(304,722,096)</u>
354,316,580	---	354,316,580	---
147,052,557	---	147,052,557	---
223,396,374	---	223,396,374	---
25,739,847	---	25,739,847	41,371,984
11,671,674	---	11,671,674	---
14,969,068	---	14,969,068	---
29,053,746	---	29,053,746	---
2,351,113	---	2,351,113	---
1,374,019	---	1,374,019	---
9,562,515	---	9,562,515	---
---	---	---	161,641,729
---	---	---	11,458,173
6,307,051	207,994	6,515,045	1,356,837
281,072	(6,796)	274,276	13,416
<u>(6,806,798)</u>	<u>6,806,798</u>	<u>---</u>	<u>---</u>
<u>819,268,818</u>	<u>7,007,996</u>	<u>826,276,814</u>	<u>215,842,139</u>
21,126,331	3,617,576	24,743,907	(88,879,957)
(983,225,312)	34,995,595	(948,229,717)	575,389,472
<u>\$ (962,098,981)</u>	<u>\$ 38,613,171</u>	<u>\$ (923,485,810)</u>	<u>\$ 486,509,515</u>

**Governmental Funds**  
**Balance Sheet**  
**June 30, 2009**

	General Fund	Debt Service Fund	Capital Projects Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 43,808,717	\$ 52,114,743	\$ 54,734,468
Investments	17,006,820	20,063,279	22,474,398
Property taxes receivable, net of allowance for uncollectibles	249,120,395	156,564,991	---
Accrued interest receivable	1,035,849	42,482	---
Accounts receivable and accrued revenues	4,094,450	265,134	---
Due from other governmental entities	5,898,278	---	1,759,781
Due from other funds	19,335,885	1,358,861	---
Due from component units	---	1,484,430	1,848,488
Prepays and deferred charges	---	---	---
Deposits held by others	244,989	---	---
Notes receivable	371,178	5,851,384	2,705,000
<b>Total assets</b>	<b>\$ 340,916,561</b>	<b>\$ 237,745,304</b>	<b>\$ 83,522,135</b>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 9,949,737	\$ 261,991	\$ 1,536,787
Accrued interest payable	---	476,867	98,921
Due to other governmental entities	279,229	---	25,742,000
Due to other funds	4,098,351	---	---
Deposits held for others	667,235	---	2,655,844
Deferred revenue	250,757,051	162,359,526	6,554,186
Due to component units	---	---	11,258,000
Notes payable	---	---	120,000,000
<b>Total liabilities</b>	<b>265,751,603</b>	<b>163,098,384</b>	<b>167,845,738</b>
<b>Fund balances:</b>			
<b>Reserved for:</b>			
Encumbrances	772,147	---	---
Air mitigation	---	---	---
<b>Unreserved:</b>			
Major governmental funds	74,392,811	74,646,920	(84,323,603)
Nonmajor special revenue funds	---	---	---
<b>Total fund balances</b>	<b>75,164,958</b>	<b>74,646,920</b>	<b>(84,323,603)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 340,916,561</b>	<b>\$ 237,745,304</b>	<b>\$ 83,522,135</b>

The notes to the financial statements are an integral part of this statement.

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 4,676,001	\$ 39,395	\$ 19,916,966	\$ 175,290,290
---	100,000	10,000,000	69,644,497
376,602,299	---	---	782,287,685
---	---	---	1,078,331
---	15,772,991	1,444,047	21,576,622
893,400	17,875,754	1,755,540	28,182,753
1,358,862	---	1,380,628	23,434,236
---	---	---	3,332,918
---	72,989	---	72,989
---	4,966	784,339	1,034,294
---	1,075,884	---	10,003,446
<u>\$ 383,530,562</u>	<u>\$ 34,941,979</u>	<u>\$ 35,281,520</u>	<u>\$ 1,115,938,061</u>
\$ ---	\$ 7,059,613	\$ 3,054,456	\$ 21,862,584
---	---	---	575,788
7,467,744	2,525,238	3,000	36,017,211
---	18,184,550	---	22,282,901
---	10,263	784,339	4,117,681
372,742,142	17,300,450	5,503	809,718,858
3,320,676	---	---	14,578,676
---	---	---	120,000,000
<u>383,530,562</u>	<u>45,080,114</u>	<u>3,847,298</u>	<u>1,029,153,699</u>
---	---	415,320	1,187,467
---	---	775,468	775,468
---	(10,138,135)	---	54,577,993
---	---	30,243,434	30,243,434
<u>---</u>	<u>(10,138,135)</u>	<u>31,434,222</u>	<u>86,784,362</u>
<u>\$ 383,530,562</u>	<u>\$ 34,941,979</u>	<u>\$ 35,281,520</u>	<u>\$ 1,115,938,061</u>

**Reconciliation of Fund Balances of Governmental  
Funds to the Statement of Net Assets  
June 30, 2009**

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Fund balance - total governmental funds (page 33)	\$	86,784,362
<p>Amounts reported for the governmental activities in the statement of net assets (page 29) are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds		548,465,224
Receivables not available to pay for current expenditures are reported as deferred revenue in the funds		79,835,624
Accrued interest receivable in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		245,966
Amounts payable to schools from receivables not available to pay current expenditures		(23,687,124)
Certain types of services paid for in advance and reported as prepaid are reported as expenditures in the funds under the purchase method		13,889
Interest on long-term debt is not payable with current financial resources and, therefore, is not reported in the funds		(11,086,156)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds (See Note II.A)		(1,686,349,085)
Excess contributions to the pension trust funds are expenditures for a future period and, therefore, are not reported in the funds		26,979,538
Internal service funds are used by management to charge the costs of central services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. This includes \$2,849,643 related to "look back" adjustments for internal service funds.		16,698,781
		16,698,781
Net assets of governmental activities (page 29)	\$	(962,098,981)

The notes to the financial statements are an integral part of this statement.

**Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2009**

	General Fund	Debt Service Fund	Capital Projects Fund
<b>Revenues:</b>			
Property taxes	\$ 209,260,357	\$ 137,219,906	\$ ---
Other local taxes	34,785,952	33,069,402	---
Local revenue	27,690,488	2,279,465	1,491,437
State revenue	22,959,928	254,226	66,134
Federal revenue	12,632	---	---
Patient service revenue	1,072,783	---	---
Elected officials' fines and fees	59,473,620	1,045,149	---
Other revenue	2,690,602	1,375,710	1,337,963
<b>Total revenues</b>	<b>357,946,362</b>	<b>175,243,858</b>	<b>2,895,534</b>
<b>Expenditures:</b>			
<b>Current</b>			
General government	29,838,221	---	---
Hospital	27,491,667	---	---
Planning and development	288,565	---	---
Public works	19,841,747	---	---
Corrections	---	---	---
Health services	33,749,242	---	---
Community services	5,225,508	340,420	---
Law enforcement	140,360,229	---	---
Judicial	58,759,927	---	---
Other elected officials	25,666,306	---	---
Education	---	---	---
Debt service and related cost	---	179,405,521	654,796
Capital outlay: capital projects	---	---	68,988,598
<b>Total expenditures</b>	<b>341,221,412</b>	<b>179,745,941</b>	<b>69,643,394</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>16,724,950</b>	<b>(4,502,083)</b>	<b>(66,747,860)</b>
<b>Other financing sources (uses):</b>			
Transfers in	10,930,745	8,404,218	6,476,000
Transfers out	(17,994,878)	(6,476,000)	(878,107)
Refunding bonds issued	---	214,695,000	---
Payment to refunding bond escrow agent	---	(231,005,000)	---
Premium (discount) on bond issuance	---	19,821,655	---
<b>Total other financing sources (uses)</b>	<b>(7,064,133)</b>	<b>5,439,873</b>	<b>5,597,893</b>
<b>Net change in fund balances</b>	<b>9,660,817</b>	<b>937,790</b>	<b>(61,149,967)</b>
<b>Fund balances June 30, 2008</b>	<b>65,504,141</b>	<b>73,709,130</b>	<b>(23,173,636)</b>
<b>Fund balances June 30, 2009</b>	<b>\$ 75,164,958</b>	<b>\$ 74,646,920</b>	<b>\$ (84,323,603)</b>

The notes to the financial statements are an integral part of this statement.

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 346,480,263	\$ ---	\$ ---	\$ 692,960,526
14,807,737	---	15,069,817	97,732,908
---	7,237,188	3,952,852	42,651,430
---	56,724,301	20,584,508	100,589,097
---	31,629,598	---	31,642,230
---	1,083,285	---	2,156,068
---	---	2,409,921	62,928,690
---	311,732	839,995	6,556,002
<u>361,288,000</u>	<u>96,986,104</u>	<u>42,857,093</u>	<u>1,037,216,951</u>
---	3,815,762	18,154,594	51,808,577
---	---	---	27,491,667
---	5,731,430	---	6,019,995
---	1,750,393	8,982,208	30,574,348
---	1,261,813	---	1,261,813
---	23,052,572	4,396,588	61,198,402
---	54,651,783	---	60,217,711
---	2,854,465	2,504,207	145,718,901
---	16,182,432	42,872	74,985,231
---	---	411,418	26,077,724
361,288,000	---	---	361,288,000
---	---	---	180,060,317
---	---	---	68,988,598
<u>361,288,000</u>	<u>109,300,650</u>	<u>34,491,887</u>	<u>1,095,691,284</u>
---	(12,314,546)	8,365,206	(58,474,333)
---	4,278,699	1,186,595	31,276,257
---	(4,585,204)	(8,868,387)	(38,802,576)
---	---	---	214,695,000
---	---	---	(231,005,000)
---	---	---	19,821,655
---	(306,505)	(7,681,792)	(4,014,664)
---	(12,621,051)	683,414	(62,488,997)
---	2,482,916	30,750,808	149,273,359
<u>\$ ---</u>	<u>\$ (10,138,135)</u>	<u>\$ 31,434,222</u>	<u>\$ 86,784,362</u>

**Reconciliation of Changes in Fund Balances of Governmental  
Funds to the Statement of Activities  
For the Year Ended June 30, 2009**

---

Net change in fund balances - total governmental funds (page 37) \$ (62,488,997)

Amounts reported for the governmental activities in the statement of activities (page 31) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and net gain and losses on retirements in the current period. (See Note II.B) (11,923,865)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 8,911,906

Expenditures recorded under the purchases method that apply to a future period are reported as prepaid expenses in the Statement of Net Assets 13,890

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (See Note II.B) 88,849,741

Changes in other long-term liabilities other than in internal service funds (See Note II.B) (10,427,272)

Excess contributions to the pension trust fund are expenditures for a future period and, therefore, are reported as prepaid expenses in the Statement of Net Assets 1,792,582

Internal service funds are used by management to charge the costs of central services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 6,398,346

Change in net assets of governmental activities (page 31) \$ 21,126,331

The notes to the financial statements are an integral part of this statement.

**Proprietary Funds**  
**Statement of Net Assets**  
**June 30, 2009**

	<b>Business-type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>Assets:</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 13,338,212	\$ 30,338,462
Accounts receivable and accrued revenues	1,640,092	26,972
Due from other governmental entities	5,608,514	115,032
Inventories	---	32,089
Prepays and deferred charges	1,180	330,431
Deposits held by others	---	149,000
Notes receivable	2,247	---
Total current assets	<u>20,590,245</u>	<u>30,991,986</u>
<b>Noncurrent assets</b>		
Net pension obligation	4,789,081	106,995
Depreciable capital assets, net	26,230,845	1,628,165
Total assets	<u>\$ 51,610,171</u>	<u>\$ 32,727,146</u>
<b>Liabilities and net assets:</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,778,008	\$ 770,185
Accrued interest payable	27,486	---
Due to other funds	1,051,234	100,101
Deposits held for others	376,285	---
Deferred revenue	103,700	3,769,767
Sick and annual leave payable	3,156,404	66,340
Capital lease obligations, current portion	140,113	---
Claims payable	---	7,441,414
Total current liabilities	<u>6,633,230</u>	<u>12,147,807</u>
<b>Noncurrent liabilities</b>		
Long term claims payable	---	6,670,818
Sick and annual leave payable	1,712,845	46,002
Capital lease obligations	766,064	---
Net post employment benefit obligations	1,035,218	13,381
Total noncurrent liabilities	<u>3,514,127</u>	<u>6,730,201</u>
Total liabilities	<u>10,147,357</u>	<u>18,878,008</u>
<b>Net assets:</b>		
Invested in capital assets, net of related debt	25,324,668	1,628,165
Unrestricted	16,138,146	12,220,973
Total net assets	<u>41,462,814</u>	<u>13,849,138</u>
Total liabilities and net assets	<u>\$ 51,610,171</u>	<u>\$ 32,727,146</u>
Total net assets	\$ 41,462,814	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(2,849,643)</u>	
Net assets of business-type activities on Statement of Net Assets (page 29)	<u>\$ 38,613,171</u>	

The notes to the financial statements are an integral part of this statement.

**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**For the Year Ended June 30, 2009**

	<b>Business-type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
Operating revenues:		
State revenue	\$ 45,395,740	\$ ---
Federal revenue	21,000	---
Premium revenue	---	52,459,457
Charges for services	30,994,312	6,327,005
Other revenue	707	34,081
Total operating revenues	<u>76,411,759</u>	<u>58,820,543</u>
Operating expenses:		
Salaries	39,362,865	735,565
Other compensation	5,338,897	11,942
Fringe benefits	14,236,795	262,578
Supplies	5,129,684	1,452,419
Services	43,942	3,353,904
Professional and contracted services	10,483,308	377,155
Rent, utilities, and maintenance	3,200,489	2,978,817
Interdepartmental expenses	1,280,674	174
Depreciation	1,689,512	156,665
Claims incurred	---	43,094,013
Total operating expenses	<u>80,766,166</u>	<u>52,423,232</u>
Operating income (loss)	(4,354,407)	6,397,311
Nonoperating revenues (expenses)		
Interest income	207,994	307,481
Interest expense	(61,980)	---
Gain/(loss) on asset disposal	(6,796)	---
Income (loss) before transfers	<u>(4,215,189)</u>	<u>6,704,792</u>
Transfers:		
Transfers in	11,154,293	1,000,000
Transfers out	(4,347,495)	(280,479)
Net transfers	<u>6,806,798</u>	<u>719,521</u>
Change in net assets	2,591,609	7,424,313
Net assets:		
June 30, 2008	<u>38,871,205</u>	<u>6,424,825</u>
June 30, 2009	<u>\$ 41,462,814</u>	<u>\$ 13,849,138</u>
Change in net assets	\$ 2,591,609	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>1,025,967</u>	
Change in net assets of business-type activities on Statement of Activities (page 31)	<u>\$ 3,617,576</u>	

The notes to the financial statements are an integral part of this statement.

**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2009**

	<b>Business-type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>Cash flows from operations:</b>		
Receipts from customers	\$ 74,892,380	\$ 424,082
Receipts for special programs	81,000	---
Receipts from interfund services provided	159,679	5,925,209
Premiums received	---	52,465,514
Refunds received from suppliers	150,089	301,188
Refunds paid to customers	(2,768,139)	---
Cash payments to suppliers	(18,116,175)	(8,985,652)
Cash payments to employees	(57,722,631)	(968,414)
Claims paid	---	(43,787,135)
Payments for interfund services used	(1,438,502)	(174)
Net cash provided by (used in) operating activities	<u>(4,762,299)</u>	<u>5,374,618</u>
<b>Cash flows from noncapital financing activities:</b>		
Transfers from other funds	11,154,293	1,000,000
Transfers to other funds	(4,347,495)	(280,479)
Advances from other funds	1,051,234	100,101
Repayment of advance from other funds	(1,357,847)	(264,674)
Notes receivable issued	(2,247)	---
Net cash provided by (used in) noncapital financing activities	<u>6,497,938</u>	<u>554,948</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets	(573,887)	(359,238)
Proceeds from the sale of capital assets	6,250	---
Capital lease obligation payments	(133,708)	---
Interest paid	(49,677)	---
Insurance recoveries	8,850	---
Net cash provided by (used in) capital and related financing activities	<u>(742,172)</u>	<u>(359,238)</u>
<b>Cash flows from investing activities:</b>		
Interest and investment earnings	207,994	307,481
Interest paid	(23,382)	---
Net cash provided by investing activities	<u>184,612</u>	<u>307,481</u>
Net increase (decrease) in cash and cash equivalents	1,178,079	5,877,809
Cash and cash equivalents, June 30, 2008	<u>12,160,133</u>	<u>24,460,653</u>
Cash and cash equivalents, June 30, 2009	<u>\$ 13,338,212</u>	<u>\$ 30,338,462</u>

**Proprietary Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2009**

	<b>Business-type Activities- Nonmajor Enterprise Funds</b>	<b>Governmental Activities- Internal Service Funds</b>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (4,354,407)	\$ 6,397,311
Adjustments:		
Depreciation	1,689,512	156,665
Changes in assets and liabilities:		
Accounts receivable and accrued revenues	(104,435)	9,414
Due from other governmental entities	(3,755,214)	254,955
Inventories	---	108,717
Prepays and deferred charges	189,197	(6,817)
Deposits held by others	---	(50,000)
Net pension obligation	470,518	16,892
Accounts payable and accrued liabilities	135,667	185,717
Deposits held for others	(43,299)	---
Deferred revenue	4,703	9,197
Sick and annual leave payable	(29,759)	11,397
Claims payable	---	(1,732,211)
Net post employment benefit obligations	1,035,218	13,381
Total adjustments	(407,892)	(1,022,693)
Net cash provided by (used in) operating activities	\$ (4,762,299)	\$ 5,374,618

The notes to the financial statements are an integral part of this statement.

**Fiduciary Funds**  
**Statement of Fiduciary Net Assets**  
**June 30, 2009**

	Other Post-Employment Benefits Trust Fund	Shelby County Retirement System	Constitutional Officers Agency Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 4,578,117	\$ 33,235,396	\$ 157,328,113
Investments			
Domestic equity	38,123,390	193,883,743	---
Fixed income	---	181,217,109	---
International equity	---	144,578,972	---
Hedge funds	---	138,357,467	---
Limited partnership interests	4,455,384	26,828,194	---
Private real estate and infrastructure	---	14,814,435	---
Certificates of deposit	---	---	38,100,000
Accounts receivable	71,589	---	2,261,966
Accrued interest and dividends receivable	137,146	3,750,314	---
Due from brokers - investment sales	---	3,488,281	---
	<u>\$ 47,365,626</u>	<u>\$ 740,153,911</u>	<u>\$ 197,690,079</u>
<b>Liabilities:</b>			
Accounts payable	\$ 1,518,733	\$ 934,983	\$ 26,126
Funds held for others	---	---	67,608,152
Due to brokers and others	---	3,346,424	---
Due to component units	---	---	111,726,412
Due to other governmental entities	---	---	18,329,389
	<u>1,518,733</u>	<u>4,281,407</u>	<u>\$ 197,690,079</u>
Net assets held in trust for pension and OPEB benefits	<u>45,846,893</u>	<u>735,872,504</u>	
Total plan net assets	<u>45,846,893</u>	<u>735,872,504</u>	
Total liabilities and plan net assets	<u>\$ 47,365,626</u>	<u>\$ 740,153,911</u>	

The notes to the financial statements are an integral part of this statement.

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Assets**  
**For the Year Ended June 30, 2009**

	Other Post-Employment Benefits Trust Fund	Shelby County Retirement System
Additions:		
Contributions:		
Employer contributions	\$ 18,329,123	\$ 18,733,064
Member contributions	4,371,082	9,287,127
Total contributions	<u>22,700,205</u>	<u>28,020,191</u>
Investment income:		
Net change in fair value of investments	225,519	(227,135,044)
Interest income	288,397	10,148,320
Dividend income	579,869	5,965,074
Other income	---	1,190,874
Total investment income	1,093,785	(209,830,776)
Less investment management expenses	<u>(96,250)</u>	<u>(3,319,464)</u>
Net investment income	997,535	(213,150,240)
Medicare drug subsidy	<u>106,651</u>	<u>---</u>
Net additions	<u>23,804,391</u>	<u>(185,130,049)</u>
Deductions:		
Benefit payments	14,232,158	46,491,159
Administrative expenses	495,352	1,667,313
Refund of member contributions	---	3,341,139
Total deductions	<u>14,727,510</u>	<u>51,499,611</u>
Change in net assets	9,076,881	(236,629,660)
Net assets held in trust for benefits		
June 30, 2008	<u>36,770,012</u>	<u>972,502,164</u>
June 30, 2009	<u>\$ 45,846,893</u>	<u>\$ 735,872,504</u>

The notes to the financial statements are an integral part of this statement.

**Component Units**  
**Combining Statement of Net Assets**  
**June 30, 2009**

	Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 14,005,762	\$ 38,602,840	\$ 21,255	\$ 3,125,682	\$ 55,755,539
Investments	93,448,587	3,484,123	163,381	22,131,966	119,228,057
Accounts receivable	1,076,063	32,261,966	65,541	1,634,523	35,038,093
Due from primary government	21,870,188	---	---	---	21,870,188
Due from other governments	9,727,732	---	---	---	9,727,732
Inventories	3,456,917	---	4,689	---	3,461,606
Other assets	---	5,401,014	35,425	281,806	5,718,245
Restricted and other investments	---	11,556,922	---	---	11,556,922
Capital assets, net	376,442,501	60,555,797	1,675,185	1,512,275	440,185,758
<b>Total assets</b>	<b>\$ 520,027,750</b>	<b>\$ 151,862,662</b>	<b>\$ 1,965,476</b>	<b>\$ 28,686,252</b>	<b>\$ 702,542,140</b>
<b>Liabilities:</b>					
Accounts payable and accrued expenses	\$ 22,758,111	\$ 39,480,340	\$ 368,219	\$ 189,742	\$ 62,796,412
Insurance claims payable	3,239,604	---	---	---	3,239,604
Deferred revenue	809,726	---	104,885	---	914,611
Due to primary government	---	3,332,918	---	---	3,332,918
Long-term liabilities					
Due within one year	---	354,822	8,778	---	363,600
Due in more than one year	133,292,197	12,086,562	6,721	---	145,385,480
<b>Total liabilities</b>	<b>160,099,638</b>	<b>55,254,642</b>	<b>488,603</b>	<b>189,742</b>	<b>216,032,625</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	376,442,501	55,631,495	1,659,686	1,512,275	435,245,957
Restricted for:					
Building construction	---	3,622,551	---	---	3,622,551
Indigent care	---	1,203,029	---	---	1,203,029
Insurance claims	15,050,314	---	---	---	15,050,314
Education	5,109,906	---	32,036	---	5,141,942
Unrestricted	(36,674,609)	36,150,945	(214,849)	26,984,235	26,245,722
<b>Total net assets</b>	<b>359,928,112</b>	<b>96,608,020</b>	<b>1,476,873</b>	<b>28,496,510</b>	<b>486,509,515</b>
<b>Total liabilities and net assets</b>	<b>\$ 520,027,750</b>	<b>\$ 151,862,662</b>	<b>\$ 1,965,476</b>	<b>\$ 28,686,252</b>	<b>\$ 702,542,140</b>

The notes to the financial statements are an integral part of this statement.

**Component Units  
Combining Statement of Activities  
For the Year Ended June 30, 2009**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Board of Education	\$ 490,129,502	\$ 21,152,218	\$ 211,679,251	\$ ---
Shelby County Health Care Corporation	325,378,844	236,967,937	36,505,000	---
Agricenter International	3,406,027	2,988,536	162,631	---
Emergency Communications District	3,929,803	7,747,889	918,618	---
<b>Total component units</b>	<b>\$ 822,844,176</b>	<b>\$ 268,856,580</b>	<b>\$ 249,265,500</b>	<b>\$ ---</b>

General revenues:  
 Shelby County  
 Local sales tax  
 Other sources (uses)  
 Unrestricted investment earnings  
 Gain (loss) on disposal of assets  
 Total general revenues  
 Change in net assets  
 Net assets - June 30, 2008  
 Net assets - June 30, 2009

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Assets				
Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total Component Units
\$ (257,298,033)	\$ ---	\$ ---	\$ ---	\$ (257,298,033)
---	(51,905,907)	---	---	(51,905,907)
---	---	(254,860)	---	(254,860)
---	---	---	4,736,704	4,736,704
(257,298,033)	(51,905,907)	(254,860)	4,736,704	(304,722,096)
130,350,062	31,291,667	---	---	161,641,729
41,371,984	---	---	---	41,371,984
11,603,173	(145,000)	---	---	11,458,173
---	505,521	11,508	839,808	1,356,837
---	13,416	---	---	13,416
183,325,219	31,665,604	11,508	839,808	215,842,139
(73,972,814)	(20,240,303)	(243,352)	5,576,512	(88,879,957)
433,900,926	116,848,323	1,720,225	22,919,998	575,389,472
\$ 359,928,112	\$ 96,608,020	\$ 1,476,873	\$ 28,496,510	\$ 486,509,515

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(A) Reporting Entity**

Shelby County, Tennessee (the County) is governed by an elected mayor and a thirteen member Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations. The County has no blended component units. Each discretely presented component unit is reported in a separate column in the combining component unit financial statements (see notes below for descriptions) with combined totals in government-wide financial statements to emphasize that they are legally separate from the government. Each discretely presented component unit has a June 30 year-end and their separate financial statements are available as indicated below. The significant accounting policies followed by component units are generally the same as those followed by the primary government.

***Discretely Presented Component Units:***

*Shelby County Board of Education (the Board of Education)* – The Board of Education includes all the public schools in Shelby County outside the City of Memphis, serving over 45,000 students. The Board of Education has a separately elected governing board but is fiscally dependent on the County. The County levies taxes for the Board's operation, approves its operating budget and issues debt for its capital projects. The operations of the Shelby County Board of Education are reported as a governmental component unit. Financial statements for the Board can be obtained from Shelby County Board of Education, 160 South Hollywood, Memphis, Tennessee 38112, (901) 321-2500.

*Shelby County Health Care Corporation, d/b/a Regional Medical Center at Memphis (The Med)* – The Med provides both inpatient and outpatient hospital services to residents of Shelby County and the surrounding area. The County Mayor appoints The Med Board of Directors and substantial funding is provided by the County. The Med is reported as a proprietary component unit. Financial statements for The Med can be obtained from Shelby County Health Care Corporation, C/O Regional Medical Center at Memphis, 877 Jefferson Avenue, Memphis, Tennessee 38103, (901) 545-8234.

*Agricenter International, Inc. (the Agricenter)* – The purpose of the Agricenter is to promote educational and applied research endeavors intended for the improvement of agriculture by the establishment of one convenient location for exhibition, demonstration, research, education and meetings by agribusiness industry, related organizations, and government agencies. The Agricenter Commission members are appointed by the County Mayor and confirmed by the County Board of Commissioners. Some funding is provided by the County. Agricenter International, Inc. is reported as a proprietary component unit. Financial statements for the Agricenter can be obtained from Agricenter International, Inc., Suite 9, 7777 Walnut Grove Road, Memphis, Tennessee 38120, (901) 757-7777.

*Emergency Communications District of Shelby County, Tennessee, d/b/a Shelby County 9-1-1 District (the District)* – The District was established in 1984, pursuant to provisions of T.C.A. Title 7, Chapter 86 of the State of Tennessee. The District is responsible for establishing local emergency telephone service and a primary emergency telephone number for the residents of Shelby County. The District is governed by a nine-member board of directors, appointed by the County Mayor and approved by the County Board of Commissioners. The District's board has the authority to levy an emergency telephone service charge to be used to fund the operation of the District. The District must obtain County Commission approval before the issuance of most debt and the County Commission has the ability to adjust the District's service charges. The District is reported as a proprietary component unit. Financial statements for the District can be

obtained from Shelby County 9-1-1 District, 6470 Haley Road, Memphis, Tennessee 38134, (901) 380-3911.

### **(B) Governmental Accounting Standards**

The financial statements of the County have been prepared in accordance with *generally accepted accounting principles* (GAAP) followed in the United States of America. In the United States the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The GASB periodically issues new or revised standards that are implemented by the County.

Private-sector accounting standards are established by the Financial Accounting Standards Board (FASB). FASB standards issued on or before November 30, 1989, are generally followed for the government-wide financial statements and the fund financial statements for proprietary funds to the extent those standards do not conflict with or contradict GASB pronouncements. In accordance with GASB Statement No. 20, paragraph 7, governments have the option to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. The County has elected not to apply subsequent FASB standards.

### **(C) Government-wide and Fund Financial Statements**

The government-wide financial statements - the statement of net assets and the statement of activities - report information on all of the nonfiduciary activities of the primary government and its component units. For the most part the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Similarly, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

### **(D) Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except that agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and

available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

In determining availability the government generally considers property taxes, sales taxes, car rental taxes and grants associated with the current fiscal period to be available if they are collected within sixty days of the end of the current fiscal year; these are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other taxes and fees are generally recorded as revenue when they are received either because they are not measurable until received or they are not collected soon enough after the current period to pay liabilities of the current period.

***The County reports the following major governmental funds:***

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for the accumulation of resources for and the payment of principal, interest and related costs on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for the acquisition and construction of major capital facilities and equipment. The primary funding source is bond proceeds.

The *Education Fund* accounts for tax collections allocated for school operations. Taxes are collected and allocated to the Shelby County Board of Education and the Board of Education of the Memphis City Schools based on average daily attendance.

The *Grants Fund* accounts for the receipt and expenditure of federal, state and local government grants and designated contributions to be used for approved programs.

Additionally, the County reports the following fund types:

*Proprietary Funds/Enterprise Funds* are funds that report an activity for which a fee is charged to external users for goods or services. The County reports the following funds (all are nonmajor):

- Memphis and Shelby County Office of Consolidated Codes Enforcement
- Shelby County Fire Department
- Shelby County Corrections Center

*Proprietary Funds/Internal Service Funds* are a separate category of proprietary funds (all are nonmajor). These funds account for telecommunications, mail services, printing, group health insurance, other employer insurance, and tort liability insurance provided to other departments and agencies of the County, or to other governments on a cost reimbursement basis.

*Fiduciary Funds* include the Pension Trust Fund and the OPEB Trust. The Pension Trust Fund accounts for the activities of the County's retirement plan, which accumulates resources for pension payments to employees. The OPEB Trust accounts for the fund used to accumulate and provide health and life insurance to retirees. Agency Funds account for assets held by the County's constitutional officers and other elected officials in an agent capacity for governments, litigants, heirs and others. Agency funds are custodial in nature and do not involve measurement of results of operations.

In consolidating internal activities in the government-wide financial statements, direct expenses are not eliminated from the various functional categories, whereas indirect expenses are. The net effect of the interfund services provided by internal service funds is reported as an adjustment to the expenses of the functional categories using those services.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Similarly, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales, services, and insurance. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources, as they are needed.

#### **(E) Assets, Liabilities and Equity**

##### *Deposits and Investments*

Cash and cash equivalents include cash on hand, demand deposits, savings accounts and short-term investments with maturities of three months or less at the time of purchase. The County pools substantially all of its cash and cash equivalents. Each fund participating owns a pro rata share in the pool. Investment earnings of the pool are allocated monthly to each fund based upon the average balance.

Deposits with the State Treasurer's Local Government Investment Pool (LGIP) may be withdrawn with a maximum of one day's notice, are classified as cash equivalents and are valued at cost. The LGIP is not registered with the SEC as an investment company. However the LGIP has a policy that it will – and does – operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the State Treasurer to administer the LGIP under the same terms and conditions, including collateral requirements, as required for other funds invested by the Treasurer. The reported value of the pool is the same as the fair value of the pool shares.

Investments of the government as well as its component units are generally stated at fair value. Fair value is based on quoted market prices, if available, or estimated using quoted market prices for similar securities. The County uses amortized cost on all investments that mature within a year or less of the date of purchase. State statutes authorize the County to make direct investments in obligations of the U.S. Treasury, obligations issued or guaranteed by any U.S. Government agency, LGIP, bonds of any state or political subdivision, repurchase agreements, prime banker's acceptances and prime commercial paper. The maximum maturity is two years. By policy investments in commercial paper must be rated A1/P1 by at least two rating services.

The Pension Trust Fund and the OPEB Trust are authorized to invest in common and preferred stocks, corporate bonds rated B3 or better, commercial paper rated A2/P2 or better, real estate, venture capital investments, co-mingled investment funds, and call option writing programs. Investment parameters require that no more than 70%

of total investments be in stock, no more than 5% in real estate, and no more than 12% in international equities. The Board of Administration has also authorized investments in limited partnerships.

*Receivables and Payables*

Property taxes are recorded as revenues in the fiscal year for which levied. Property taxes based on property values during the current fiscal year but levied for the next fiscal year are recorded as receivables and deferred revenue. Allowances for doubtful accounts are maintained for receivables which historically experience uncollectible accounts.

*Inventories and Prepaid Items*

Inventories are valued at cost on a first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and proprietary fund financial statements. In governmental funds prepaid items are accounted for using the purchases method.

As of June 30, 2009, the County had net overpayments for the net pension obligation. These overpayments are reported in the assets section.

*Capital Assets*

Capital assets, which include land, land improvements, buildings, building improvements, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure includes roads, bridges, sidewalks, and similar items. Equipment includes software and communications systems. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Land is included regardless of cost. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land improvements, buildings, building improvements, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight line method. The following estimated useful lives are used:

<u>Assets</u>	<u>Years</u>
Land improvements	10-30
Buildings	30-40
Building Improvements	10-30
Equipment	3-20
Infrastructure	10-50

*Deferred Revenue*

Deferred revenue includes amounts that were unearned and amounts that were receivable and measurable at year-end but were not available to finance expenditures for the current year. Deferred revenues primarily include unearned or unavailable revenues from property taxes, hotel/motel taxes, operating subsidies received in advance and notes receivable. Government-wide financial statements include only unearned revenue but governmental funds may include both unearned and unavailable revenue.

*Claims and Judgments*

Claims and judgments which can be reasonably estimated and could result in probable material losses to the County have been given proper recognition under U.S. generally accepted accounting principles. For governmental funds and similar fund types, the liability is recognized within the applicable fund if it is expected to be liquidated with expendable, available financial resources. All other material unpaid claims and judgments are recorded as a liability in the governmental activities of the primary government. In proprietary and similar fund types, probable and measurable loss contingencies are recorded as incurred within the applicable fund.

*Landfill Postclosure Care Costs*

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions for thirty years after closure of its landfill sites. The amount reported as postclosure care liability at year-end represents the estimated postclosure care costs that have not been paid for the Walnut Grove and Shake Rag Road landfills. The estimate is based on what it would cost to perform all postclosure care as of the year-end. Actual future costs may differ due to inflation, changes in technology, or changes in regulations. The landfills have been closed and the County has no landfills currently in operation. No County assets are restricted for landfill closure costs. However, the County has entered into a surety contract in lieu of a performance bond as a commitment to comply with the terms set forth in its 30 year post-closure maintenance plan for the Shake Rag Road landfill. This surety contract is with the State of Tennessee under the State's cooperative agreement with the Environmental Protection Agency (EPA). There is no surety contract pertaining to the Walnut Grove landfill.

*Compensated Absences*

County employees are granted sick and annual leave in varying amounts in accordance with administrative policies and union memorandums of understanding. Accumulated vacation days are required to be used annually, with a maximum accumulation of one and one-half times the amount of leave an employee can earn in a year. In the event of termination or retirement, the employees are paid for accumulated vacation days. Generally, employees are paid for accumulated sick leave, not to exceed the lesser of 75 days or \$5,772, only upon retirement. Certain exceptions to this policy occur in accordance with the terms of various union agreements.

All sick and annual pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

*Long-term Obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*Net Assets and Fund Equity*

Entity-wide and proprietary funds net assets are classified into three components. "Invested in capital assets, net of related debt" consists of capital assets net of accumulated depreciation and reduced by outstanding debt used to finance purchase or construction of those assets. "Restricted" net assets are noncapital net assets that must be used

for a particular purpose as specified by creditors, grantors, or contributors external to the County. “Unrestricted” net assets are remaining net assets that do not meet the definition of the other two categories.

In the governmental funds financial statements, fund equity is reported as either “reserved” or “unreserved” fund balances. Reserved fund balances are not available for appropriation or are legally restricted by outside parties for use for a particular purpose. Some unreserved fund balances are available for use only for purposes of the particular fund. Designations of fund balance represent tentative management plans that are subject to change.

*Interest Rate Swaps*

Shelby County has entered into several interest rate swap agreements to modify interest rates on outstanding debt. Amounts received to enter swap agreements are recorded as revenue in the Debt Service Fund. In the government-wide financial statements, such amounts are amortized over the life of the swap agreement. These agreements provide for net interest payments to or from the County which are also recorded in the Debt Service Fund.

*Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and net assets or fund balances. Estimates also affect the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**(A) Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” Internal service funds include \$6,730,201 of long-term liabilities and are not part of this reconciling amount. The details of this \$1,686,349,085 are as follows:

Bonds payable	\$ 1,586,905,481
Accreted value on bonds	40,954,978
Net premium and issuance cost on bonds issued	29,327,922
Compensated absences	21,211,650
Landfill postclosure	3,360,831
Claims and judgements	366,987
Net pension obligation	<u>4,221,236</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u>\$ 1,686,349,085</u>

**(B) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$11,923,865 difference are as follows:

Capital outlay	\$ 15,254,647
Developer Contributions	447,000
Loss on asset disposals	(409,777)
Depreciation expense	<u>( 27,215,735)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ (11,923,865)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while repayments of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$88,849,741 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ 214,695,000
Premium on debt issued, net of issuance costs of \$462,733 and amortization of \$2,279,177	17,079,745
Accretion of zero coupon bonds	1,338,449
Change in accrued interest expense	1,235,215
Principal repayments:	
General obligation debt	(92,193,150)
Refunding	<u>(231,005,000)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ (88,849,741)</u>

Another element of that reconciliation is “changes in other long-term liabilities other than in internal service funds.” The details of this \$10,427,272 difference are as follows:

Loans payable	\$ (816,473)
Landfill post closure care costs	(86,175)
Sick and annual leave	106,835
Net post employment benefit obligations	<u>11,223,085</u>
Net adjustment to increase net changes in fund balances – <i>total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ 10,427,272</u>

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY****(A) Budgetary Information**

The revenues and expenditures accounted for in each of the General Fund, Special Revenue Funds and Debt Service Fund and Enterprise Funds have legally adopted budgets and are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern County operations. The County Board of Commissioners approves and appropriates the budgets for these funds annually.

Expenditures may not exceed appropriations by line item at the department level. The County Mayor is authorized to transfer budgeted amounts between line items of the same category (personnel related versus all other types of expenditures) of the same division (group of departments). Any adjustments that create a new line item, increase the total budget, or require transfers between divisions, categories or funds must be approved by the County Board of Commissioners. The reported budgetary data has been revised for amendments authorized during the year.

All funds requiring legally adopted budgets have budgets which are adopted on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all capital projects funds. Encumbrances represent significant commitments related to unperformed purchase orders, contracts, or other commitments for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for future expenditures of funds are recorded in order to reserve that portion of the applicable appropriation - is utilized in the governmental funds during the year to facilitate effective budgetary control. Encumbrances outstanding at year-end are reported as reservations of the applicable fund balances but do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**(B) Deficit Fund Equity**

The deficit in the Capital Projects Fund of \$84,323,603 results from the use of short-term debt (notes payable of \$120,000,000 as of June 30, 2009) to fund capital projects, pending the issuance of long-term debt.

The deficit in the Grants Fund of \$10,138,135 results from deferring revenue (\$16,224,566 as of June 30, 2009) for amounts billed to grantors for program expenditures and for which payment had not been received within sixty days of the statement date.

**IV. DETAILED NOTES ON ALL FUNDS****(A) Deposits and Investments*****Shelby County Government, except for the Retirement System and OPEB Trust:***

The County, including agency funds but excluding the retirement system and the OPEB Trust, had the following investments at June 30, 2009. Of the total investments per financial reports, \$69,644,497 is reported on the Statement of Net Assets and \$38,100,000 is reported on the on the Statement of Fiduciary Net Assets for the constitutional officers agency fund.

All investments are valued at cost, amortized cost, or fair value as disclosed in Note I (E) above:

U.S. Government agency securities	\$ 47,544,497
Tennessee Local Government Investment Pool (LGIP)	<u>255,261,283</u>
Total investments for disclosure purposes	302,805,780
Add certificates of deposit reported as investments	60,200,000
Less amounts reported as cash equivalents	<u>(255,261,283)</u>
Total investments per financial reports	<u>\$ 107,744,497</u>

Custodial credit risk Bank deposits and certificates of deposit of the County, consistent with State statutes, are covered by federal depository insurance (FDIC) or are collateralized by a multiple financial institution collateral pool administered by the Treasurer of the State of Tennessee. On limited occasions the County may have deposits with financial institutions that do not participate in the State collateral pool; in these instances separate collateral equal to at least 105% of the uninsured deposit is collateralized and held in the County's name by a third party. These provisions covered all County deposits at year-end.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Both State statutes and the County's investment policy limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments mature in two years or less.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Both State statutes and the County's investment policy limit permissible investments or impose collateral and custody provisions as specified above or in Note I (E) to significantly limit credit risk. By policy investments in commercial paper must be rated A1/P1 by at least two rating services. Although the LGIP itself is unrated, its types of investments and maturities provide a similar level of credit risk.

The County Trustee handles Shelby County School Board investments with the LGIP. Those investments are not included above but are reported in the component units figures within this report and are disclosed in the separately issued financial report of the Board of Education.

*Shelby County Retirement System (Fiduciary Fund)*. At June 30, 2009 the Retirement System had deposits of \$268,586 that were not insured and were uncollateralized. At June 30, 2009 the Retirement System reported the following investments with carrying amounts as shown:

Domestic equity	\$ 193,883,743
Fixed income	181,217,109
International equity	144,578,972
Hedge funds	138,357,467
Limited partnership interests	26,828,194
Private real estate	<u>14,814,435</u>
Total investments	<u>\$ 699,679,920</u>

The fair values of fixed income investments grouped by maturity at June 30, 2009 are as follows:

Current to one year	\$ 2,827,589
One to two years	14,039,357
Two to three years	8,355,537
Three to four years	5,860,512
Four to five years	7,561,047
Five years or more	<u>92,196,640</u>
	130,840,682
Funds with indeterminable maturities	<u>50,376,427</u>
Total	<u>\$ 181,217,109</u>

At June 30, 2009 the Retirement System had \$306,406,358 of investments with exposure to foreign currency risk.

The above information was taken from the publicly available financial report of the Retirement System for the year ended June 30, 2009. The report includes more information on the credit quality of investments in fixed income debt securities and the investments with foreign currency risk. The report may be obtained from the Shelby County Retirement System, Suite 950, 160 N. Main Street, Memphis, Tennessee 38103.

*Shelby County OPEB Trust (Fiduciary Fund).* At June 30, 2009 the OPEB Trust had deposits of \$4,578,117 that were not insured and were uncollateralized; most of this was held in the Tennessee LGIP short term investment fund. At June 30, 2009 the OPEB Trust reported the following investments with carrying amounts as shown:

Mutual funds	\$ 38,123,390
Limited partnership interests	<u>4,455,384</u>
Total investments	<u>\$ 42,578,774</u>

**(B) Property Taxes Receivable**

Property taxes attach an enforceable lien on property on January 1 of each year. The various types of property are assessed at a percentage of market value as follows:

Farm and residential real property	25%
Commercial/industrial real property	40%
Commercial/industrial tangible personal property	30%
Commercial/industrial intangible personal property	40%
Public utilities real/personal property	55%

The assessed value on which the fiscal 2009 tax bills were based was \$18,089,304,129. The estimated market value was \$61,383,315,080, making the overall assessed value 29.47% of the estimated market value. Taxes are due October 1 and delinquent March 1 of the following year. Current tax collections for the year were 91.50% of the original tax levy and 93.79% of the adjusted tax levy. The property tax levy has no legal limit. The rate, as permitted by Tennessee state law and County charter, is set annually on or after July 1, by the County Board of Commissioners and collected by the County Trustee.

The County allocated the property tax per \$100 of the assessed value as follows:

General fund	\$ 1.22
Debt service funds	.80
Boards of education	<u>2.02</u>
Countywide tax rate	<u>\$ 4.04</u>
Debt service - rural school bonds	<u>\$ .05</u>

The \$0.05 for debt service on rural school bonds only applies to properties outside the City of Memphis.

Property taxes receivable as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Education Fund	Total
Property taxes receivable	\$ 265,851,131	\$ 167,010,924	\$ 402,246,494	\$ 835,108,549
Less allowance for uncollectibles	<u>(16,730,736)</u>	<u>(10,445,933)</u>	<u>(25,644,195)</u>	<u>(52,820,864)</u>
	<u>\$ 249,120,395</u>	<u>\$ 156,564,991</u>	<u>\$ 376,602,299</u>	<u>\$ 782,287,685</u>

Note IV(G) includes detail of deferred revenue relating to property taxes.

**(C) Notes Receivable**

Notes receivable consist of the following:

	<u>Amount</u>	<u>Collateral</u>
<i>General Fund</i>		
Property loans receivable due in various installments at 6.5% interest through 2009	<u>\$ 371,178</u>	Land & Building
<i>Debt Service Fund</i>		
Mortgage loans receivable due in various monthly installments at interest rates ranging from 3.125% to 8.125% through 2020	<u>\$ 5,851,384</u>	Land & Building
<i>Capital Projects Fund</i>		
Mid South Coliseum note due in annual installments of \$21,993 including interest at 6.26% through 2014	\$ 159,889	None
Less: Allowance for doubtful accounts	(159,889)	
Depot Redevelopment note due in annual payments plus semi-annual interest payments through August 1, 2020. Interest rates range from 4.75% to 5.625%	<u>2,705,000</u>	None
Total Capital Projects Fund	<u>\$ 2,705,000</u>	
<i>Grants Fund</i>		
Mortgage loans receivable due in various monthly installments at 0% to 5.0% interest through 2019	<u>\$ 1,075,884</u>	Land & Building

In fiscal year 2007 an allowance for doubtful accounts was established in the amount of \$159,889 for the Mid-South Coliseum.

Note IV(G) includes details of deferred revenue relating to notes receivable. The Debt Service Fund and the Capital Projects Fund have notes receivable from Shelby County Health Care Corporation in the amounts of \$1,484,430 and \$1,848,488 respectively, which are classified as due from component units for financial statement purposes.

**(D) Leases Receivable**

The County leases certain real property described as Shelby Place Restaurant for the sum of \$218,375 annually, plus additional rent of 5% of gross sales less taxes after recoupment of base rent and in lieu of tax payments. The term of the lease commenced on March 1, 1993. There are two additional option terms of five years each available. The option term currently in effect will expire in 2013. The rental income is recognized as revenue in the Debt Service Fund. One of the properties has entered bankruptcy. At June 30, 2009 they owed \$317,758 for which an allowance for doubtful accounts has been provided.

**(E) Capital Assets**

Capital asset activity of the primary government for the year ended June 30, 2009 is detailed below.

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Governmental activities:</i>					
Capital assets not being depreciated:					
Land	\$ 21,347,208	\$ ---	\$ (10,900)	\$ 151,381	\$ 21,487,689
Construction in progress	13,159,687	7,900,189	---	(8,621,627)	12,438,249
Total not being depreciated	<u>34,506,895</u>	<u>7,900,189</u>	<u>(10,900)</u>	<u>(8,470,246)</u>	<u>33,925,938</u>
Capital assets being depreciated:					
Land improvements	13,302,973	---	---	534,780	13,837,753
Buildings	237,318,355	1,091,039	---	3,211,753	241,621,147
Equipment	90,814,431	5,011,728	(4,547,518)	647,861	91,926,502
Infrastructure	489,856,414	1,901,265	---	4,130,805	495,888,484
Total being depreciated	<u>831,292,173</u>	<u>8,004,032</u>	<u>(4,547,518)</u>	<u>8,525,199</u>	<u>843,273,886</u>
Less accumulated depreciation:					
Land improvements	4,411,552	454,040	---	---	4,865,592
Buildings	95,862,515	6,854,186	---	---	102,716,701
Equipment	45,888,905	7,346,128	(4,132,040)	38,351	49,141,344
Infrastructure	157,821,417	12,561,381	---	---	170,382,798
Total accumulated depreciation	<u>303,984,389</u>	<u>27,215,735</u>	<u>(4,132,040)</u>	<u>38,351</u>	<u>327,106,435</u>
Total capital assets being depreciated, net	<u>527,307,784</u>	<u>(19,211,703)</u>	<u>(415,478)</u>	<u>8,486,848</u>	<u>516,167,451</u>
Governmental activities capital assets, net	<u>\$ 561,814,679</u>	<u>\$ (11,311,514)</u>	<u>\$ (426,378)</u>	<u>\$ 16,602</u>	<u>\$ 550,093,389</u>
<i>Business type activities:</i>					
Capital assets being depreciated:					
Buildings	\$ 47,526,815	\$ 108,289	\$ ---	\$ ---	\$ 47,635,104
Equipment	9,288,934	465,598	(447,632)	(79,855)	9,227,045
Total being depreciated	<u>56,815,749</u>	<u>573,887</u>	<u>(447,632)</u>	<u>(79,855)</u>	<u>56,862,149</u>
Less accumulated depreciation:					
Buildings	22,898,530	1,101,774	---	---	24,000,304
Equipment	6,548,853	587,738	(442,338)	(63,253)	6,631,000
Total accumulated depreciation	<u>29,447,383</u>	<u>1,689,512</u>	<u>(442,338)</u>	<u>(63,253)</u>	<u>30,631,304</u>
Business-type activities capital assets, net	<u>\$ 27,368,366</u>	<u>\$ (1,115,625)</u>	<u>\$ (5,294)</u>	<u>\$ (16,602)</u>	<u>\$ 26,230,845</u>

Depreciable land improvements consist of renovations to public park lands and parking lots.

A summary of governmental capital assets, net and depreciation expense by function follows:

	Capital Assets Net	Depreciation Expense
Governmental activities:		
General government	\$ 31,140,651	\$ 1,737,147
Planning and development	14,323	31,057
Public works	409,061,993	15,567,036
Corrections	1,710,369	58,757
Health services	5,408,365	518,529
Community services	4,826,844	166,816
Law enforcement	71,187,654	6,237,749
Judicial	12,161,489	1,912,093
Other elected officials	<u>2,143,452</u>	<u>986,551</u>
	537,655,140	27,215,735
Construction in progress	<u>12,438,249</u>	---
Total Governmental activities	<u>\$ 550,093,389</u>	<u>\$ 27,215,735</u>

#### (F) Lease Obligations

##### *Operating Leases*

The County leases office space and other equipment under operating leases expiring during the next five years. Rent expense for the year ended June 30, 2009 was \$3,765,391 for the primary government.

##### *Capital Lease*

The County has capital leases related to the acquisition of three Emergency One C550 Typhoon Pumper trucks and a Ferrara Inferno Aerial Ladder truck for the Fire Services Fund, a business-type activity. The Emergency One trucks were purchased at a total cost of \$863,307 and at June 30, 2009 have accumulated depreciation of \$446,042. The Ferrara truck was purchased at a total cost of \$584,925 and at June 30, 2009 has accumulated depreciation of \$63,366.

The following is a schedule by years of future minimum rental payments required under operating leases and capital leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2009:

Fiscal Year	Operating Leases	Capital Leases
2010	\$ 1,642,891	\$ 183,384
2011	1,045,174	183,384
2012	206,045	183,384
2013	128,874	183,384
2014	---	183,384
2015-2018	---	144,791
Total minimum lease payments	<u>3,022,984</u>	<u>1,061,711</u>
Less: amount representing interest	---	(155,534)
Present value of minimum lease payments	<u>\$ 3,022,984</u>	<u>\$ 906,177</u>

**(G) Deferred Revenue**

Deferred revenues consist of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Education Fund	Grants Fund	Nonmajor Governmental Fund	Totals
Unearned:							
Property taxes receivable	\$ 231,353,758	\$ 145,482,797	\$ ---	\$ 349,055,018	\$ ---	\$ ---	\$ 725,891,573
Grant revenue	---	---	---	---	3,991,661	---	3,991,661
Not Available:							---
Property taxes receivable	15,428,927	9,540,915	---	23,687,124	---	---	48,656,966
Grant revenue	---	---	---	---	12,232,905	---	12,232,905
Notes receivable	371,178	5,851,384	2,705,000	---	1,075,884	---	10,003,446
Due from State	4,264	---	1,758,237	---	---	---	1,762,501
Due from other municipalities	3,386,527	---	---	---	---	---	3,386,527
Due from Shelby County Health Care Corporation	---	1,484,430	1,848,488	---	---	---	3,332,918
Other	212,397	---	242,461	---	---	5,503	460,361
	<u>\$ 250,757,051</u>	<u>\$ 162,359,526</u>	<u>\$ 6,554,186</u>	<u>\$ 372,742,142</u>	<u>\$ 17,300,450</u>	<u>\$ 5,503</u>	<u>\$ 809,718,858</u>

Internal service funds have deferred revenue of \$3,769,767 for unearned premiums. The proprietary Consolidated Codes Enforcement Fund has deferred revenue of \$103,700 for building permits and licensing fees paid in advance.

**(H) Debt and Long-term Liabilities**

*Changes in short term debt:*

The County has two types of short-term debt. Tax anticipation notes (TANS) are issued for short-term cash flow requirements due to the timing of property tax collections. Extendible Municipal Commercial paper (EMCP) notes are issued to fund capital projects; the notes are paid when long-term bonds are issued. Following is a schedule of short-term debt for the current fiscal year:

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009
2008 EMCP	\$ 37,300,000	\$ 82,700,000	\$ ---	\$ 120,000,000
Total	\$ 37,300,000	\$ 82,700,000	\$ ---	\$ 120,000,000

Changes in long-term liabilities:

Changes in long-term liabilities during the year were:

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009	Due Within One Year
Governmental activities:					
Bonds payable	\$ 1,735,025,160	\$ 216,033,449	\$ (323,198,150)	\$ 1,627,860,459	\$ 100,395,000
Loans Payable	816,473	---	(816,473)	---	---
Net premium and issuance cost of bonds issued	12,248,177	19,358,922	(2,279,177)	29,327,922	5,322,123
Claims and judgments	7,575,915	166,564	(704,674)	7,037,805	11,139
Landfill postclosure care costs	3,447,006	---	(86,175)	3,360,831	98,584
Sick and annual leave	21,195,162	10,396,615	(10,267,785)	21,323,992	13,165,473
Net post employment benefit obligations	---	4,234,617	---	4,234,617	---
Total governmental activities	<u>\$ 1,780,307,893</u>	<u>\$ 250,190,167</u>	<u>\$ (337,352,434)</u>	<u>\$ 1,693,145,626</u>	<u>\$ 118,992,319</u>
Business-type activities:					
Capitalized lease obligations	\$ 1,039,885	\$ ---	\$ (133,708)	\$ 906,177	\$ 140,113
Sick and annual leave	4,899,008	1,964,308	(1,994,067)	4,869,249	3,156,404
Net post employment benefit obligations	---	1,035,218	---	1,035,218	---
Total business-type activities	<u>\$ 5,938,893</u>	<u>\$ 2,999,526</u>	<u>\$ (2,127,775)</u>	<u>\$ 6,810,644</u>	<u>\$ 3,296,517</u>

Bonds payable additions include \$1,338,449 accretion of zero coupon bonds.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$112,342 of sick and annual leave payable, \$6,670,818 of claims and judgments payable, and \$13,381 of post employments benefit obligations from the internal service funds are included in the above amounts. All other long-term liabilities of governmental activities other than debt are liquidated by the general fund.

General obligations bonds:

These obligations are direct general obligations of the County, are backed by its full faith and credit and the unlimited taxing power of the County. The following bond issues are outstanding:

Description	Date Issued	Interest Rates	Principal Balance	Last Maturity Date
1993A Refunding Issue	05/15/1993	5.5	\$ 3,465,000	03/1/2010
1996B Refunding Issue	11/01/1996	5.00 - 6.00	31,476,065	12/1/2016
1997A Special Purpose Refunding	05/01/1997	5.6	1,195,000	08/1/2009
1997B Refunding Issue	11/01/1997	4.50 - 5.75	25,829,416	08/1/2016
1999B Refunding Issue	02/01/1999	3.55 - 5.25	33,045,000	04/1/2013
2000A Public Improvement	10/01/2000	4.75	3,700,000	04/1/2010
2001A Public Imp/Schools	12/01/2001	4.50 - 5.00	12,250,000	04/1/2011
2001A Refunding Issue (a)	03/01/2001	Variable	11,000,000	03/1/2011
2003A Public Imp/Schools	06/10/2003	4.375 - 5.00	110,435,000	03/1/2028
2003A Special Rural Schools	12/02/2003	2.50 - 5.00	27,800,000	11/1/2028
2004A Public Imp/Schools	03/31/2004	3.00 - 5.00	31,425,000	04/1/2014
2004B Public Imp/Schools (a)	04/15/2004	Variable	237,705,000	04/1/2030
2005A Refunding Issue	03/10/2005	3.0 - 5.0	353,280,000	04/1/2025
2006A Public Imp/Schools	02/22/2006	5.00	57,115,000	03/1/2016
2006B Public Imp/Schools (a)	02/22/2006	Variable	159,590,000	03/1/2031
2006C Refunding Issue (a)	11/30/2006	Variable	272,900,000	12/1/2031
2009A Refunding Issue	04/02/2009	2.75 - 5.0	214,695,000	04/1/2022
			<u>1,586,905,481</u>	
		Accreted Value of Bonds	<u>40,954,978</u>	
		Total General Obligation Bonds	<u>\$ 1,627,860,459</u>	

(a) Interest rate swap agreements are in place related to these bond issues, as explained below in this note.

These bonds represent borrowings for the following:

General government	\$ 528,847,227
Education	<u>1,058,058,254</u>
	1,586,905,481
Accreted value of bonds	<u>40,954,978</u>
	<u>\$ 1,627,860,459</u>

Interest expense in the Debt Service Fund during the fiscal year ended June 30, 2009 was \$84,094,531. Entity wide interest was \$86,882,448 which includes interest paid for the Debt Service Fund and interest paid on the short term commercial program for the Capital Improvement Projects Fund.

The County defeased certain bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service requirements on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. Of the original principal, \$262,980,000 of

outstanding bonds that were advance refunded prior to Fiscal Year 2009 are considered defeased at June 30, 2009. Specific defeased maturities are shown on the combining and other statements and schedules for General Obligation Bonds.

In February 2008, the Shelby County Board of Commissioners authorized the issuance of up to \$120,000,000 in Capital Outlay Extendible Municipal Commercial Paper (EMCP) Notes, 2008 Series A Program. The aggregate outstanding principal amount may not exceed \$120,000,000 at any time. The Notes were issued in anticipation of the County's issuance of certain general obligation bonds and general obligation school bonds in the aggregate principal amount not exceeding \$120,000,000 for the purpose of funding various public works and school projects. The general obligation bonds are expected to retire the Notes within two years of the initial issuance of the Notes. The original maturity date will range from 1 to 90 days from the original issue date of each Note. As of June 30, 2009, Shelby County has issued \$120,000,000 in EMCP Notes under this program.

In April 2009, \$214,695,000 in General Obligation Refunding Bonds, Series 2009 A were issued to (i) refund specific maturities of the 2007 Series A, 2008 Series A and 2008 Series B Refunding Bonds, (ii) to pay a portion of the termination fee payable with respect to the termination of an interest rate swap executed by the County June 23, 2005 relative to the 2007 Series A Bonds and to (iii) pay the costs of issuance on the Bonds.

The County is indebted for serial bonds and capital appreciation bonds and notes and variable bonds with interest rates varying from 2.50% to 6.00%. In the Debt Service Fund the County accrued interest on the variable rate bonds only; all fixed rate unmatured interest is recognized as an expenditure when due.

All unmatured interest which is due in future years is disclosed in the table below. The County has no legal debt limit. Debt service requirements for principal and interest in future years, using the actual rate on fixed rate bonds and variable rate bond notes are 5.345% for the 2001 Series A General Obligation Weekly Adjustable/Fixed Rate Bonds, 2.996% for the 2004 Series B General Obligation Variable Rated Demand Public Improvement and School Bonds, 3.503% for the 2006 Series B General Obligation Weekly Adjustable/Fixed Rate Bonds from 2/22/2006 to 3/1/2016 and a rate of 4.430% from 3/1/2016 to 3/1/2031, and 3.83% on the notional amount of \$234,160,000 and 4.26% on the notional amount of \$52,615,000 for the 2006 Series C Variable Rate Demand Refunding Bonds are as follows:

Years Ended June 30	Principal	Interest	Total
2010	\$ 100,395,000	\$ 67,260,492	\$ 167,655,492
2011	101,265,000	62,618,334	163,883,334
2012	86,796,807	73,771,265	160,568,072
2013	78,914,649	75,258,510	154,173,159
2014-2018	434,604,025	242,471,629	677,075,654
2019-2023	390,455,000	120,960,700	511,415,700
2024-2028	283,770,000	49,333,637	333,103,637
2029-2032	110,705,000	7,508,991	118,213,991
	<u>1,586,905,481</u>	<u>699,183,558</u>	<u>2,286,089,039</u>
Accreted value of Bonds	40,954,978	(40,954,978)	---
	<u>\$ 1,627,860,459</u>	<u>\$ 658,228,580</u>	<u>\$ 2,286,089,039</u>

Interest rate swap agreements:

As of June 30, 2009 Shelby County has six interest rate swap agreements, described as follows:

**Swap One: Executed with Morgan Guaranty Trust Company on 12/18/1998 in connection with the 1992 Series and 1993 A Bonds and subsequently kept in place for the General Obligation Weekly Adjustable/Fixed Rate Refunding Bonds, 2001 Series A (which refunded a portion of the 1992 and 1993 issues):**

*Swap Objective:* Shelby County (the “County”) received an upfront payment from the Counterparty for entering into a swaption. This swaption gave the Counterparty the option to cause the County to enter into a swap in which the County would pay a fixed rate and receive a floating rate. Upon the Counterparty’s exercise of the option, the County would currently refund a portion of its 1992 Series B and 1993 Series A G.O. Refunding Bonds with variable rate bonds and enter into a fixed payer swap.

*Swap Terms:*

<u>Trade Date</u>	<u>Option Notification Date</u>	<u>Swap Effective Date</u>	<u>Swap Maturity Date</u>	<u>Original Notional Amount</u>	<u>Fixed Payer Rate</u>	<u>Underlying Index</u>	<u>Upfront Cash Payment</u>
12/18/1998	11/29/2000	12/1/2000	3/1/2011	\$21,800,000	5.35%	SIFMA	\$1,025,000

*Swap Terms:*

On 12/18/1998, the swaption was executed and the County received \$1,025,000 for granting the Counterparty, Morgan Guaranty Trust Company, the right to enter into a swap on a future date. In 1998, this payment represented the present value savings of the refunding as of 12/1/2000. Morgan had the right to exercise the option by notifying the County on 11/29/2000. The option was exercised and the swap began on 12/1/2000 with the County paying 5.345% and receiving SIFMA until 3/1/2011, the maturity date of the bonds. The swap and refunding bonds had the same original notional amount of \$21,800,000 and have the same principal amortization.

*Fair Value of Swap and Option:* The swap, as of June 30, 2009 has a net value of (\$738,893). The total mark-to-market was (\$914,149) of which approximately (\$175,256) is accrued interest from 3/1/2008 to the valuation date, June 30, 2009. This fair value was measured by a swap pricing system in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

*Associated Debt and Swap Payments:* This swap is in conjunction with the General Obligation Weekly Adjustable / Fixed Rate Refunding Bonds, 2001 Series A which refunded a portion of the 1992 Series B and 1993 Series A Bonds. As of June 30, 2009, below are the principal and interest requirements of the debt and the net swap payments (assuming SIFMA equals its current level of .35% for the term of the swap). Interest and net swap payments will fluctuate as SIFMA changes.

<u>Fiscal Year Ended June 30</u>	<u>Variable Rate Bonds</u>		<u>Net Swap Payments</u>	<u>Total</u>
	<u>Principal</u>	<u>Interest</u>		
2010	\$ 1,200,000	\$ 38,184	\$ 549,450	\$ 1,787,634
2011	9,800,000	34,018	489,510	10,323,528
Total	<u>\$ 11,000,000</u>	<u>\$ 42,202</u>	<u>\$ 1,038,960</u>	<u>\$ 12,111,162</u>

**Credit Risk:** Because the swap has a negative value on June 30, 2009, the County does not have credit risk to Morgan. However, if swap rates increase and the fair value of the swap moves in favor of the County, credit risk would be present.

**Termination Risk:** If the swap has an unanticipated termination and the swap has a negative fair value due to a decline in swap rates, the County may owe a termination payment to Morgan equal to the fair value of the swap at that time.

**Interest Rate Risk:** Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unexpected reason the swap is terminated prior to maturity; the County will have interest rate risk associated with the variable rate bonds until maturity in March 2011.

**Basis Risk:** As long as there is not a direct relationship between the floating rate received from the Counterparty and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. Basis risk exists if the County's bonds remarket higher than SIFMA, which is the rate received from the Counterparty. Thus, the expected cost savings may not be achieved.

**Swap Two:** In April 2009, the 2008 Series A General Obligation Refunding Bonds and the 2008 Series B General Obligation Variable Rate Demand Refunding Bonds were refunded and the related swaps were transferred to the 2004B General Obligation Bonds and a swap related to the 2004B General Obligation Bonds was cancelled. One transferred swap was executed with Goldman Sachs Mitsui Marines Derivative Products (Goldman) on 1/15/1999 in connection with the 1999 Series A General Obligation Variable Rate Demand and subsequently kept in place for the 2008 Series B Bonds (which refunded the 1999 issue) and the second transferred swap was executed with Loop Financial Products (LPH) on 6/23/2005 in connection with the 2008 Series A General Obligation Refunding Bonds (which refunded a portion of the 1998 issue).

**Swap Objective:** These two swaps were issued to (i) lower its borrowing costs by entering into a swap in connection with its 1998 Series A General Obligation Variable Rate Demand Refunding Bonds and (ii) to take advantage of 40 year lows in interest rates to refund high coupon debt and to receive and upfront cash payment for capital expenditures to reduce debt issuance in the future.

**Swap Terms:**

Trade Date	Swap Effective Date	Swap Maturity Date	Original Notional Amount	Fixed Payer Rate	Underlying Index	Upfront Cash Payment
1/15/1999	1/28/1999	4/1/2020	\$96,150,000	4.115%	7.6% 1 - month	None
6/23/2005	3/1/2008	3/1/2022	\$121,485,000	4.660%	SIFMA	\$8,571,000

On 1/28/1999, the Goldman swap became effective at the same time the 1999 Series A General Obligation Variable Rate Demand Refunding Bonds were issued. On May 1, 2008, the 2008 Series B General Obligation Variable Rate Demand Refunding Bonds refunded the 1999 Series A General Obligation Variable Rate Demand Refunding Bonds. The 2008 Series B bonds kept the swap in place but changed the type of the underlying variable rate bonds from auction rate securities to variable rate demand bonds. In April 2009, the 2008 Series B Bonds were refunded and this swap was transferred to the 2004B General Obligation Bonds. Under the terms of the swap, the County pays 4.115% to the Counterparty, Goldman Sachs Mitsui Marines Derivative Products, L.P. ("Goldman"), and in return receives 76.6% of 1-month LIBOR. The swap and refunding bonds have the same original notional amount of \$96,150,000 and have the same principal amortization and maturity. On 3/1/2008 the County received a payment of \$8,571,000 from the Counterparty for granting the Counterparty, Loop Financial Products the right to enter into a swap on 6/23/2005. The swap was exercised and the County refunded a portion of its 1998 Series A General Obligation Refunding Bonds with variable rate bonds and entered into a fixed payer swap in which the

County will pay a fixed rate of 4.66% and receive SIFMA. The swap has the same amortization and maturity as the underlying bond issue. The fixed swap rate of 4.66% was set at a rate that, when added to the assumed ongoing expenses for the variable rate bonds and the costs of issuance for the underlying variable rate bonds, would equal the average coupon on the outstanding 1998 Series A General Obligation Refunding Bonds.

*Fair Value of Swap and Option:* The swaps, as of June 30, 2009 have a net value of (\$22,937,196) consisting of (\$6,809,925) for the Goldman swap and (\$16,127,271) for the LPH swap. The total mark-to-market was (\$20,875,188) and (\$2,062,008) is accrued interest from 3/01/2009 to the valuation date, June 30, 2009. This fair value was measured by a swap pricing system in which the future net swap settlement payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

*Associated Debt and Swap Payments:* These swaps are in conjunction with the 2004B General Obligation Bonds which have a principal balance at June 30, 2009 of \$237,705,000. The two swaps have a notional amount of \$199,620,000 and have a more rapid maturity than the Bonds. The cash flows below assume that for the LPH swap SIFMA equals its current level, as of 6/30/09 of 0.35% and for the Goldman swap 1-month LIBOR equals its current level of 0.31% for the term of the swaps. Interest and net swap payments will fluctuate as SIFMA and LIBOR change.

Fiscal Year Ended June 30	Principal	Interest	Net Swap Payments	Total
2010	\$ ---	\$ 831,968	\$ 8,859,350	\$ 9,691,318.00
2011	---	831,968	8,703,536	9,535,504.00
2012	---	831,968	8,231,702	9,063,670.00
2013	---	831,968	7,594,131	8,426,099.00
2014	---	831,968	6,717,741	7,549,709.00
2015	8,290,000	831,968	5,600,185	14,722,153.00
2016	9,120,000	802,953	4,594,125	14,517,078.00
2017	10,030,000	771,033	3,797,388	14,598,421.00
2018	11,030,000	735,928	2,997,644	14,763,572.00
2019	12,140,000	697,323	2,182,268	15,019,591.00
2020	13,350,000	654,833	1,372,205	15,377,038.00
2021	14,685,000	608,108	688,865	15,981,973.00
2022	16,155,000	556,710	175,100	16,886,810.00
2023	17,770,000	500,168	---	18,270,168.00
2024	19,545,000	437,973	---	19,982,973.00
2025	21,500,000	369,565	---	21,869,565.00
2026	13,775,000	294,315	---	14,069,315.00
2027	15,150,000	246,103	---	15,396,103.00
2028	16,665,000	193,078	---	16,858,078.00
2029	18,335,000	134,750	---	18,469,750.00
2030	20,165,000	70,578	---	20,235,578.00
Total	\$ 237,705,000	\$ 12,065,226	\$ 61,514,240	\$ 311,284,466

**Credit Risk:** The County has credit exposure to Goldman and LPH equivalent to the fair value of the swaps. If Goldman or Loop fails to perform under the terms of the swap contract, the County could have a loss equal to that mark-to-market value. The current ratings of Goldman are Aa1/AAA by Moody's and Standard & Poor's, respectively. The current ratings of Loop are AA-/Aa1/A+ by Fitch, Moody's and Standard & Poor's, respectively. The County could also be exposed to credit risk depending on the fair value of the swap at any given time. To mitigate credit risk, if Standard & Poor's and Moody's rates the credit worthiness of LPH (or the Credit Support Provider's) senior, unsecured, unenhanced debt below a rating of "A" in the case of Standard & Poor's or "A2" in the case Moody's treasuries or cash will be pledged.

**Termination Risk** If either swap has an unanticipated termination or the County exercises its option to terminate, the County may owe a termination payment to Goldman and/or Loop equal to the fair value of the swap at that time, if the fair value is negative to the County. The County or Goldman may terminate the swap contract if either party fails to perform under the swap contract or if either party's credit rating falls below A3 from Moody's and/or A- from Standard & Poor's. The County also has the option to terminate the contract with at least 30 days notice to Goldman. The County will not exercise its termination option if a payment would be payable by the County unless the County provides evidence to Goldman that a termination payment will be made on the Early Termination Date. As of June 30, 2009, LPH has a credit guarantee from Deutsche Bank AG, rated Aa1/AA by Moody's and Standard & Poor's, respectively

**Interest Rate Risk:** Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason the swap is terminated prior to maturity; the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2022.

**Basis Risk:** As long as there is not a direct relationship between the floating rate received from the Counterparty and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. The basis risk will arise from the difference between the actual interest rate paid on the variable rate bonds and the receipt from Goldman of 76.6% of 1-month LIBOR or the receipt from LPH of SIFMA. This basis differential could cause the expected savings to not be achieved.

**Tax Risk:** Changes or proposed changes to the tax laws relating to the tax-exempt status of municipal bonds may result in an increase to the cost of funds on the Goldman swap. There is no tax risk on the LPH swap.

**Swap Three: Executed with Rice Financial Products Company on 10/25/2004 in connection with the 1999 Series B General Obligation Public Improvement and School Bonds:**

**Swap Objective:** In order to potentially lower its borrowing costs and achieve potential savings on a portion of its outstanding fixed rate debt without an additional bond issue, the County entered into a basis swap in connection with its 1999 Series B General Obligation Public Improvement and School Bonds. The intent of this Basis Swap when executed was to lower the County's net cost of borrowing with respect to the 1999 Series B Bonds being swapped while preserving the County's ability to advance refund the 1999 Series B Bonds on a tax-exempt basis on a later date.

**Swap Terms:**

Executed Date	Swap Effective Date	Swap Maturity Date	Original Notional Amount	Fixed Payer Rate	Floating Rate Index
10/25/2004	10/27/2004	6/1/2019	\$75,000,000	4.16%	4.95% Adjustment Factor

Under the terms of the swap, the County pays 4.16% to the Counterparty, Rice Financial Products Company (“RFP”), and in return receives 4.95% - Adjustment Factor. The adjustment factor is equal to (SIFMA / (1-.65) – 6 Month LIBOR). Essentially, the County will receive a fixed spread of 79 basis points, and this fixed spread will be adjusted every six months based on the actual performance and relationship between the SIFMA index and six-month LIBOR.

*Fair Value of Swap:* The swap, as of June 30, 2009, has a net value of (\$1,019,165) and accrued interest of \$73,480 from 6/1/2009 to June 30, 2009. This fair value was measured by a swap pricing system in which the future net swap settlement payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

*Associated Debt and Swap Payments:* This swap was executed in conjunction with the 1999 Series B General Obligation Public Improvement and School Bonds most of which has been refunded. The swap has been transferred to an equal amount of the 2005 A General Obligation Refunding Bonds. As of June 30, 2009, below are the net swap payments (assuming SIFMA equals its current level of .35% and 6 month LIBOR equals 2.9106% for the term of the swap). The net swap payments will fluctuate as SIFMA and 6 month LIBOR change.

Fiscal Year Ended June 30	Fixed Rate Bonds		Swap Payments	Net Swap (Payment) Receipt
	Principal	Interest		
2010	\$ 3,828,634	\$ 2,006,287	\$ 2,690,000	\$ 36,180
2011	4,164,313	1,944,223	2,690,000	34,608
2012	3,495,248	1,830,696	2,690,000	31,903
2013	3,132,259	1,682,621	3,135,000	31,464
2014	4,925,317	1,546,673	3,585,000	29,632
2015	5,061,920	1,326,340	3,765,000	27,537
2016	4,829,929	1,095,013	3,900,000	24,468
2017	3,660,906	874,746	4,030,000	23,058
2018	4,299,379	712,370	4,300,000	20,702
2019	3,896,979	518,022	31,125,000	245,264
2020	3,798,622	365,388	---	---
2021	2,735,810	215,408	---	---
2022	2,827,255	171,104	---	---
2023	2,816,174	126,163	---	---
2024	2,901,190	85,300	---	---
2025	1,072,705	50,383	---	---
2026	579,662	25,724	---	---
2027	602,301	22,169	---	---
2028	625,795	18,474	---	---
2029	650,144	14,636	---	---
2030	675,774	10,648	---	---
2031	702,258	6,502	---	---
2032	729,596	2,195	---	---
Total	\$ 62,012,170	\$ 14,651,085	\$ 61,910,000	\$ 504,816

**Credit Risk:** The County has credit exposure to RFP equivalent to the fair value reflected above. If RFP fails to perform under the terms of the swap contract, the County could have a loss equal to that mark-to-market value. The obligations of RFP under the swap agreement are guaranteed by a surety bond that was issued by BBB rated Ambac Assurance Corporation (“Ambac”).

**Termination Risk:** If the swap has an unanticipated termination, the County may owe a termination payment to RFP equal to the fair value of the swap at that time. The County or RFP may terminate the swap contract if either party fails to perform under the swap contract. Also, with respect to both the County and RFP, if Ambac’s credit rating falls below A3 from Moody’s and/or A- from Standard & Poor’s, an Additional Termination Event occurs. With respect to the County, if the County has no issues of rated senior debt or it fails to have at least one issue with an unenhanced rating of at least Baa1 by Moody’s or BBB+ by Standard & Poor’s, then an Additional Termination Event will occur.

**Interest Rate Risk:** Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap.

**Basis Risk:** Depending on the relationship between the SIFMA and 6 month LIBOR index, the County could be exposed to basis risk. If the SIFMA / LIBOR ratio is greater than (1 – Marginal Tax Rate of 35%) then the fixed spread of 79 basis points that the County receives will be reduced. This basis differential could cause the expectation of lowering the net cost of borrowing to not be achieved.

**Tax Risk:** Changes or proposed changes to the tax laws relating to the tax-exempt status of municipal bonds may result in an increase to the cost of funds.

**Swap Four: Executed with Goldman Sachs Mitsui Marines Derivative Products on 11/2/2006 and Morgan Keegan Financial Products, Inc. on 6/23/2005 in connection with 2006 Series C General Obligation Variable Rate Demand Refunding Bonds:**

*Swap Terms:*

Option Notification Date	Swap Effective Date	Swap Maturity Date	Original Notional Amount	Fixed Payer Rate	Underlying Index	Upfront Cash Payment
11/29/2006	12/1/2006	12/1/2011	\$ 52,615,000	4.27%	SIFMA	\$ 1,503,000
N/A	11/30/2006	12/1/2031	\$ 234,160,000	3.83%	SIFMA	None

**Swap Objective:** These two swaps were issued to take advantage of low interest rates, to refund high coupon debt, and to receive an upfront cash payment to pay for capital expenditures to reduce debt issuance in the future.

The County received a payment of \$1,503,000 on 12/1/2006 from the Morgan Keegan Financial Products, Inc. for entering into a swaption on the trade date of 6/23/2005. This swaption gave the Counterparty the option to cause the County to enter into a swap on August 1, 2007. The swap was exercised and the County refunded a portion of its 1996 Series B General Obligation Refunding Bonds with variable rate bonds and entered into a fixed payer swap in which the County will pay a fixed rate of 4.26% and receive SIFMA. The notional amount on the swap is originally \$52,615,000. The termination date of this swap with Morgan is 12/1/2011. The County also entered into a swap on 11/2/2006 with Goldman Sachs Mitsui Marines Derivative Products with an effective date of 11/30/2006 for the 2006C Refunding Bonds. There was no upfront payment with Goldman. The County refunded a portion of its 1999 Series A Public Improvement Bonds, a portion of its 1999 Series B Public Improvement and School Bonds and a portion of its 2001 Series A Public Improvement and School Bonds. The bonds were refunded with variable rate bonds and entered into a fixed payer swap in which the County will pay a fixed rate of 3.83% to Goldman and

receive SIFMA. The notional amount on the swap with Goldman is originally \$234,160,000. The Goldman swap has a termination date of 12/1/2031.

*Fair Value of Swap and Option:* The swaps, as of June 30, 2009 have a net value of (\$11,594,512). The total mark-to-market was (\$12,375,352) of which approximately (\$780,840) is accrued interest from 6/2/2009 to the valuation date, June 30, 2009. This fair value was measured by a swap pricing system in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

*Associated Debt and Swap Payments:* This swap is in conjunction with 2006 Series C General Obligation Variable Rate Demand Refunding Bonds. This analysis assumes the Morgan swap stays in place until 12/1/2011 and the Goldman swap stays in place until maturity in 2031. Below are the principal and interest requirements of the debt and the net swap payments as of June 30, 2009 (assuming SIFMA equals its current level of .35% for the term of the Swap). Interest and net swap payments will fluctuate as SIFMA changes.

Fiscal Year Ended June 30	Fixed Rate Bonds		Net Swap Payment	Total
	Principal	Interest		
2010	\$ 31,025,000	\$ 3,742,344	\$ 9,369,651	\$ 44,136,995
2011	22,825,000	3,350,862	8,305,718	34,481,580
2012	5,980,000	3,141,453	7,767,973	16,889,426
2013	4,725,000	3,063,629	7,550,311	15,338,940
2014	4,910,000	2,993,584	7,377,700	15,281,284
2015	5,105,000	2,920,777	7,198,282	15,224,059
2016	5,300,000	2,845,134	7,032,413	15,177,547
2017	5,515,000	2,766,510	6,818,127	15,099,637
2018	5,725,000	2,684,797	6,616,763	15,026,559
2019	9,195,000	2,576,330	6,349,641	18,120,971
2020	9,640,000	2,439,403	6,029,554	18,108,956
2021	24,080,000	2,194,263	5,408,859	31,683,122
2022	25,285,000	1,835,386	4,524,501	31,644,887
2023	26,290,000	1,460,443	3,600,538	31,350,981
2024	27,330,000	1,070,633	2,646,319	31,046,952
2025	6,530,000	834,475	2,032,198	9,386,673
2026	6,785,000	727,677	1,793,660	9,306,337
2027	7,050,000	627,098	1,545,807	9,222,905
2028	7,325,000	522,594	1,291,714	9,139,308
2029	7,610,000	414,019	1,020,719	9,044,738
2030	7,910,000	301,190	742,679	8,953,870
2031	8,220,000	183,928	453,711	8,857,639
2032	8,540,000	62,085	153,457	8,755,541
Total	\$ 272,900,000	\$ 42,758,614	\$ 105,630,295	\$ 421,278,907

*Credit Risk:* Because both swaps have a negative value on June 30, 2009, the County does not have credit risk. However, if the fair value of the swaps moves in favor of the County, credit risk would be present. To mitigate credit risk, if Standard & Poor's and Moody's rates the creditworthiness of either MKFP's or Goldman's (or the Credit Support Provider's) senior, unsecured, unenhanced debt below a rating of "A" in the case of Standard & Poor's or "A2" in the case of Moody's, treasuries or cash will be pledged.

**Termination Risk:** An out-of-the-ordinary event may occur that causes the contract to be terminated. At the time of termination, if the swap has a negative fair value, the County would be liable to MKFP or Goldman for a payment equal to the fair value. If either Standard & Poor's or Moody's rates the creditworthiness of either party's long-term, unsecured, unenhanced debt rating below A3 by Moody's or A- by Standard & Poor's, an Additional Termination Event has occurred.

**Interest Rate Risk:** Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason the swap is terminated prior to maturity, the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2031.

**Basis Risk:** As long as there is not a direct relationship between the floating rate received from the Counterparty and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. Basis risk exists if the County's bonds remarket higher than SIFMA, which is the rate received from the Counterparty. Thus, the expected cost savings may not be achieved.

**Swap Five: Executed with Goldman Sachs Mitsui Marines Derivative Products and Morgan Keegan Financial Products, Inc. on 2/14/06 in connection with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds:**

**Swap Objective:** On February 14, 2006, the County entered into a swap that will produce a synthetic fixed rate in connection with its variable rate bonds. Under the terms of the swap, the County will pay a fixed rate and receive the SIFMA index. The County entered into this fixed payer swap in order to hedge variable rate exposure on the underlying bonds.

**Swap Terms:**

Executed Date	Swap Effective Date	Swap Maturity Date	Original Notional Amount	Fixed Payer Rate	Floating Rate Index
2/14/2006	2/22/2006	3/1/2031	\$159,590,000	3.503% until 3/1/2016 4.43% thereafter	SIFMA

On 2/14/2006, the County entered into a fixed payer swap with an effective date of 2/22/2006. Under the terms of the swap, the County pays a fixed rate of 3.503% until 3/1/2016 and 4.43% thereafter to the Counterparties, MKFP and Goldman. In return, the County receives the SIFMA index. Goldman's portion of the swap is \$119,590,000 and MKFP's portion is \$40,000,000. As of June 30, 2009 the notional amounts of the 2006B GSMMDP swap and the 2006B MKFP swap are \$119,590,000 and \$40,000,000 respectively.

**Fair Value of Swap:** The swap, as of June 30, 2009 has a net value of (\$16,547,293). The total mark-to-market was (\$18,337,916) of which approximately (\$1,790,622) is accrued interest from 3/1/2009 to the valuation date, June 30, 2009. This fair value was measured by a swap pricing system in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates.

**Associated Debt and Swap Payments:** This swap is in conjunction with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds. This analysis assumes both swaps stay in place until maturity in 2031. Below are the principal and interest requirements of the debt and the net swap payments as of June 30, 2009 (assuming SIFMA equals its current level of .35% for the term of the Swap). Interest and net swap payments will fluctuate as SIFMA changes.

Fiscal Year Ended June 30	Variable Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
2010	\$ ---	\$ 427,600	\$ 5,031,873	\$ 5,459,472
2011	---	427,600	5,031,873	5,459,472
2012	---	427,600	5,030,342	5,457,942
2013	---	427,600	5,031,873	5,457,942
2014	---	427,600	5,031,873	5,459,472
2015	---	427,600	5,031,873	5,459,472
2016	---	427,600	5,030,342	5,459,472
2017	7,425,000	427,600	6,511,272	14,363,872
2018	2,020,000	407,717	6,208,332	8,636,049
2019	---	402,308	6,125,916	6,528,224
2020	2,705,000	402,308	6,124,476	9,231,784
2021	8,505,000	395,024	6,015,552	14,915,576
2022	9,575,000	372,250	5,668,548	15,615,798
2023	7,130,000	346,610	5,277,888	12,754,498
2024	7,450,000	327,517	4,985,812	12,763,329
2025	23,900,000	307,457	4,683,024	28,890,481
2026	26,130,000	243,457	3,707,904	30,081,361
2027	20,110,000	173,486	2,641,800	22,925,286
2028	6,625,000	119,635	1,820,884	8,565,519
2029	12,680,000	101,797	1,551,012	14,332,809
2030	6,055,000	67,842	1,033,668	7,156,510
2031	19,280,000	51,628	786,624	20,118,252
Total	\$ 159,590,000	\$ 7,139,836	\$ 98,362,761	\$ 265,092,592

*Credit Risk:* Because the swap has a negative value on June 30, 2009, the County does not have credit risk. However, if swap rates increase and the fair value of the swap moves in favor of the County, credit risk would be present.

*Termination Risk:* Goldman and MKFP have the right to terminate the swap on 3/1/2016. If the swap is terminated on the optional termination date, neither party is liable for a termination payment. Also, if the swap is terminated, the County will be exposed to interest rate risk because the variable rate bonds will no longer carry a synthetic fixed rate.

*Interest Rate Risk:* Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason the swap is terminated prior to maturity, the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2031.

*Basis Risk:* As long as there is not a direct relationship between the floating rate received from the Counterparty and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. Basis risk exists if the County's bonds remarket higher than SIFMA, which is the rate received from the Counterparty. Thus, the expected cost savings may not be achieved.

Claims and Judgments

The County has recognized long-term debt liabilities for claims and judgments of \$7,037,805 in accordance with its accounting policy explained in Note I (E). The liabilities are based on property damage and personal injury lawsuits arising in the course of operations. The County believes this is a reasonable measure of the ultimate settlement of these matters.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**(I) Interfund Receivables, Payables and Transfers**

Interfund receivables and payables consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Enterprise Funds	\$ 1,051,234
	Internal Service Funds	100,101
	Grant Funds	18,184,550
Debt Service Fund	General Fund	1,358,861
Education Fund	General Fund	1,358,862
Nonmajor Governmental Funds	General Fund	1,380,628
Total		\$ 23,434,236

Due To/From Component Units

Receivable Entity	Payable Entity	Amount
Debt Service Fund	The Med (component unit)	\$ 1,484,430
Capital Projects Fund	The Med (component unit)	1,848,488
Board of Education (component unit)	Capital Projects Fund	11,258,000
	Education Fund	3,320,676
Total		\$ 17,911,594

The interfund amounts payable by the general fund result from collection of fees and taxes by a designated elected official that are revenue of the receivable funds; however the custody of the funds at year-end was with the collecting official and funds were not yet available to the receiving funds. The interfund amounts receivable by the general fund represent amounts advanced to the payable funds to cover short-term cash flow requirements. The receivables from The Med (component unit) represent the balance of loans made by the County to The Med that are repayable over a period of years. The amount payable to the Board of Education (component unit) from the Education Fund represent revenues accrued at year-end but not yet paid to the Board of Education.

The total due to component units disclosed here, \$14,578,676, is less than the amount disclosed on the Statement of Net Assets due to \$7,291,512 of deferred revenues in the funds that are earned but unavailable and are payable to the component unit when they become available.

Transfers during the year were as follows:

Transfers Out:	Transfers In:	Amounts:
General Fund	Enterprise Funds	\$ 11,045,765
	Debt Service Fund	1,534,802
	Grants Fund	3,300,645
	Nonmajor Governmental Funds	1,113,666
	Internal Service Funds	1,000,000
Debt Service Fund	Capital Projects Fund	6,476,000
Capital Projects Fund	Debt Service Fund	878,107
Grants Fund	General Fund	3,992,625
	Grants Fund	411,122
	Enterprise Funds	108,528
	Nonmajor Governmental Funds	72,929
Nonmajor Governmental Funds	General Fund	2,602,841
	Debt Service Fund	5,991,309
	Grants Fund	274,237
		38,802,576
Total transfers out by governmental fund types		
Enterprise Funds	General Fund	4,054,800
	Grants Fund	292,695
Internal Service Funds	General Fund	280,479
		4,627,974
Total transfers out by proprietary fund types		
Total all fund types		\$ 43,430,550

Transfers are used to (1) move revenue from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**(J) Other Revenue**

The other revenue classification is used in the combined, combining and individual fund financial statements and in the supplemental schedules and statistical section of the comprehensive annual financial report. This category is one of the revenue line items included in the legally adopted budget approved annually by the Board of Commissioners. Certain revenue accounts which are not accurately described by any of the other revenue classifications included in the budget (local taxes, local revenues, state revenue, federal revenue, patient service revenue, elected officials' fees and fines) are classified as other revenue.

Other revenue for the year ended June 30, 2009 is detailed below:

	General Fund	Debt Service Fund	Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
Investment income	\$ 2,271,856	\$ 1,375,710	\$ 1,337,963	\$ 141,787	\$ 740,805	\$ 5,868,121
Miscellaneous income	418,746	---	---	169,945	99,190	687,881
Total other revenue	<u>\$ 2,690,602</u>	<u>\$ 1,375,710</u>	<u>\$ 1,337,963</u>	<u>\$ 311,732</u>	<u>\$ 839,995</u>	<u>\$ 6,556,002</u>

**(K) Risk Financing and Related Insurance Issues**

Shelby County maintains a self-insured Group Health Insurance Fund for its active employees and their dependents, funded by participation of both the County and its employees. Incurred but not reported (IBNR) claims liabilities of the Group Health Insurance Fund were actuarially determined. This calculation was based on prior years' claims expense and the current year's actual claims incurred. The long term liabilities for IBNR claims are presented at present value. The schedule below presents the changes in IBNR liabilities for the past two years for the Group Health Insurance Fund:

	2009	2008
Insurance claims liabilities at the beginning of the fiscal year	\$ 4,964,463	\$ 6,027,752
Incurred claims and claim adjustment expenses:	43,111,666	47,857,621
Payment of claims and claim adjustment expenses	<u>(44,261,324)</u>	<u>(48,920,910)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 3,814,805</u>	<u>\$ 4,964,463</u>

The County maintains a self-insured Tort Liability Fund funded by premiums paid by departments using county vehicles and by transfers from the General Fund. Claims liabilities of the Tort Liability Fund were estimated based on prior years' claims expense, current year's actual claims, and a review of pending litigation through the County Attorney. The schedule below presents the changes in claims liabilities for the past two years for the Tort Liability Fund:

	2009	2008
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 3,736,493	\$ 3,425,220
Incurred claims and claim adjustment expenses	172,063	1,464,779
Payment of claims and claim adjustment expenses	<u>(485,513)</u>	<u>(1,153,506)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 3,423,043</u>	<u>\$ 3,736,493</u>

The County maintains a self-insured Employer Insurance Fund for on-the-job injuries and unemployment compensation, funded by premiums paid by County departments based on a percentage of salary costs. Claims liabilities of the Employer Insurance Fund were estimated based on prior year's claims expense and current year's actual claims incurred.

The schedule below presents the changes in claims liabilities for the past two years for the Employer Insurance Fund:

	2009	2008
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 7,143,487	\$ 6,756,536
Incurred claims and claim adjustment expenses	2,922,079	2,977,525
Payment of claims and claim adjustments expenses	(3,191,182)	(2,590,574)
Claims and claim adjustments liabilities at the end of the fiscal year	<u>\$ 6,874,384</u>	<u>\$ 7,143,487</u>

The total of claims liability disclosed here, \$14,112,232 is less than the sum of claims reported on the Statement of Net assets and the long-term claims disclosed in Note IV (H) due to a \$366,987 long term liability to be paid by the general fund.

### **(L) Contingencies and Commitments**

The County has commitments at fiscal year-end for outstanding purchase orders and outstanding contracts reported as reserves for encumbrances of the governmental funds. In addition, commitments for capital projects total \$5,966,854 as of June 30, 2009.

The Memphis and Shelby County Sports Authority, Inc. is a joint venture organization that has issued revenue bonds for construction of a sports and entertainment facility. Although the City of Memphis and Shelby County are not legally liable for the debt, they have agreed to share equally in the payment of the debt if the Authority is unable to pay. See further explanations in Note IV (M).

### **(M) Joint Ventures, Jointly Governed Organizations and Related Organizations**

#### ***Joint Ventures:***

Joint ventures are defined in generally accepted accounting principles as organizations owned, operated or governed by two or more participants where no single participant has the ability to unilaterally control the financial or operating policies of the joint venture. Participants must maintain an ongoing financial responsibility for, or financial interest in, the joint venture. The following organizations qualify as joint ventures of Shelby County. References to the appointment of members of boards or commissions include both those appointed and those serving ex officio. Appointment usually includes confirmation by the appropriate legislative body.

#### ***Memphis and Shelby County Community Redevelopment Agency (CRA)***

The Community Redevelopment Agency (CRA) is empowered to do all things necessary to plan, finance and implement development and redevelopment activities in blighted areas of Memphis and Shelby County. The CRA monitors trusts established to fund debt issued with repayment to be provided by tax increment financing for the Uptown Redevelopment project and the Highland Row project. Three board members are appointed by the City mayor with approval of the City Council, three members are appointed by the County mayor with approval of the County Commission and one member is jointly appointed by the City and County mayors with joint approval by the City Council and County Commission. All board member terms are for four years. No financial report was available for the CRA.

#### ***Memphis and Shelby County Convention Center Commission (the Convention Center)***

The Convention Center operates the 300,000 square foot multi-use Memphis Cook Convention Center and the 2,100 seat Cannon Center for the Performing Arts. The Convention Center is a joint venture between the City of Memphis (City) and the County and is overseen by an eight-member board. The City and County each appoint four board members. The board is responsible for reporting the results of operations semi-annually to both the City and

the County. The City and County share equally in the profits of the Convention Center and are responsible for funding any deficit from operations in the same proportion. During the year ended June 30, 2009 the County contributed \$2,500,000 to the operations of the Convention Center from the hotel/motel tax fund; the City contributed a like amount. The County does not hold an equity interest in this entity. A third party under contract handles day-to-day promotion, operation, and management of the Convention Center. Financial statements for the Convention Center may be obtained from Memphis Cook Convention Center, 255 N. Main Street, Memphis, Tennessee 38103.

*Memphis and Shelby County Port Commission (the Port Commission)*

The Port Commission manages and develops industrial properties and has the authority for the direct development of the riverfront within Shelby County, except from the mouth of the Wolf River south to the I-55 bridge. The Port Commission is a joint venture between the City and the County and is overseen by a seven-member board. The City appoints four of the board members and the County appoints three members. Any deficits of the Port Commission are funded equally by the City and the County and excess revenues are distributed equally to the City and the County. The City and the County must approve the issuance of debt by or for the Port Commission. The County does not hold an equity interest in this entity. During the year ended June 30, 2009, prior years deferred revenue was recognized and total payments of \$1,128,459 were received. Financial statements for the Port Commission may be obtained from the Memphis and Shelby County Port Commission, P.O. Box 13142, Memphis, Tennessee 38113.

*Memphis and Shelby County Sports Authority, Inc. (the Authority)*

The Authority was chartered in 1997 under a State statute that permits sports authorities to receive certain sales taxes generated by major league sports franchises. In 2001 the City of Memphis and Shelby County entered into the "Memphis Arena Project Agreement" to bring a NBA professional team to Memphis. A major part of that agreement required the construction of a new multipurpose sports and entertainment facility. Financing for construction of this facility (now known as FedExForum) has been done through the Authority. The Authority has issued long-term debt with principal of \$207,626,490, net of discounted bond issuance, owed as of December 31, 2008, plus \$3,702,175 accrued swap liabilities. Title to the facility is held by the New Memphis Arena Public Building Authority of Memphis and Shelby County, a joint venture; see below for more information on that entity. The Authority's revenue bonds are payable from seat rental fees, certain state sales taxes generated by the professional basketball team, car rental taxes, City and County-wide hotel/motel taxes, and in lieu of tax payments by the Memphis Light Gas and Water Division.

The Sports Authority is a joint venture between the City of Memphis and the County and has a board whose members are jointly appointed by the City and the County. Although the bond indentures state that the City and County are not legally liable for the indebtedness of the Authority, under agreement the City and County have agreed to pay, in equal amounts, the debt if the Authority is unable to pay. During the year ended June 30, 2009 the County transferred to the Sports Authority for debt service purposes the amount of \$1,703,029 from car rental taxes and \$7,255,113 from hotel/motel taxes. Financial statements for the Memphis and Shelby County Sports Authority, Inc. may be obtained from the Memphis Convention & Visitor's Bureau, 47 Union Avenue, Memphis, Tennessee 38103.

*Mid-South Coliseum (the Coliseum)*

The Coliseum is a multi-purpose sports and entertainment facility with a seating capacity of approximately 11,500. The Coliseum is a joint venture between the City of Memphis and the County and is overseen by a five-member board. The City appoints two board members, the County appoints two members and one is jointly appointed by the City and County. The City and County share in profits or fund any deficits from operations in a ratio of 60% and 40%, respectively. The County does not hold an equity interest in this entity. As a result of a non-compete clause in the agreement with the National Basketball Association Franchise Owners for the operation of the new arena (FedEx Forum), the future financial viability of this facility is questionable. The building has been closed for the

past two years and the County paid no expenses of the building. Due to the lack of activity no separate audit were performed for fiscal years 2008 or 2009 and no current figures are available for inclusion in the summary financial information at the end of this section of this note. In August 2009 the County Commission adopted a resolution donating the County's interest in the Coliseum to the City of Memphis.

*New Memphis Arena Public Building Authority of Memphis and Shelby County (New PBA)*

The New PBA was created in August 2001 by Shelby County and the City of Memphis. It is a nonprofit corporation established under statutes of the State of Tennessee. In June 2001 the City of Memphis, Shelby County, and HOOPS, L.P. (the NBA franchise ownership entity) entered into the "Memphis Arena Project Agreement." Under this agreement a new arena would be constructed and leased to HOOPS, L.P. as part of the agreement to bring a professional basketball (NBA) team to Memphis. The primary purpose of the New PBA was to construct and hold title to this new multi-purpose sports and entertainment facility (now known as FedExForum). Construction of the facility is complete and the facility has been leased to and is being operated by HOOPS, L.P. as noted above.

Funding for construction of the facility was provided primarily through the Memphis and Shelby County Sports Authority, Inc., a separate joint venture as explained above. However, the New PBA holds title to the building.

The New PBA is a joint venture between the City of Memphis and the County. It is governed by a Board of Directors whose members are jointly appointed by the City of Memphis and Shelby County. The City and County maintain an ongoing financial responsibility for subsidies to finance the New PBA's capital expenditures and operations. The County also paid \$122,610 for insurance on the facility. Since the PBA's only assets are the ownership rights to the FedEx Forum Arena, and since there has been no financial activity for the fiscal year, the Tennessee Comptroller of the Treasury has granted approval for an exemption from the annual audit requirement. As of December 31, 2007 - the most recent financial statements available - the PBA reported assets of \$209,123,653 and net assets of \$209,123,653.

*Pyramid Arena*

In November 1987 the City of Memphis and the County entered into a joint venture arrangement creating the Public Building Authority of Memphis and Shelby County (PBA). The PBA is a not-for-profit corporation created for the purpose of constructing the Pyramid, a multipurpose facility with the primary use as a basketball arena. The City and the County each separately issued bonds for their share of the construction cost of the Pyramid, with the debt remaining an obligation of the issuer. The Pyramid was then leased back jointly to the City and the County for operation. The County does not hold an equity interest in the PBA. The PBA currently exists solely to hold title to the building and has no ongoing financial operations.

During the year ended June 30, 2009 the County contributed \$200,000 to the operating budget of the Pyramid and paid directly \$108,850 as its 50% share of the cost of property insurance. As a result of a non-compete clause in the agreement with the National Basketball Association Franchise Owners for the operation of the new arena (FedExForum), the future financial viability of this facility is questionable. The building was closed in the fall of 2007 and no events are booked for future dates. Due to the lack of activity no separate audit was performed for fiscal year 2009 and no current figures are available for inclusion in the summary financial information at the end of this section of this note. At June 30, 2008 the last financial report available reported assets of \$64,851, liabilities of \$78,901 and negative (deficit) net assets of \$14,051. On April 22, 2009 the County Commission adopted a resolution authorizing the County Mayor to contract with the City of Memphis to sell the County's interest in the Pyramid.

The following is a summary of the financial information of the joint ventures, as of and for the year ended June 30, 2009 (not covered by the report of independent accountants):

	Convention Center	Port Commision	Sports Authority
Assets	\$ 11,670,806	\$ 27,387,065	\$ 44,023,959
Liabilities	1,948,984	6,863,309	214,871,405
Net Assets	9,721,822	20,523,756	(170,847,446)
Operating Revenues	3,792,718	2,465,228	---
Operating Expenses	7,182,392	1,716,180	11,189,371
Other Revenues	2,676,693	113,566	15,654,515
Other Expenses	39,399	930,656	2,580,045
Change in Net Assets	(752,380)	(68,042)	1,885,099

***Jointly Governed Organizations:***

The County in conjunction with the City of Memphis has joint control of the following organizations through the appointment of their boards. They are not considered joint ventures because the County and the City do not retain an ongoing financial responsibility or financial interest. There were no financial transactions between the County and the organizations in the fiscal year ending June 30, 2009 unless noted below.

The *Depot Redevelopment Corporation of Memphis and Shelby County (Depot)* was established by the City and County to determine and establish a reuse plan and management strategy for the Memphis Depot, a former military supply depot. The mayors of the City and County appoint the nine board members for six-year terms with approval of the City Council and the County Commission. The County has a note receivable from the Depot with a principal balance of \$2,705,000 as of June 30, 2009. During the year ended June 30, 2009 the Depot repaid \$210,000 of principal on this note plus \$143,781 of interest.

The *Industrial Development Board of Memphis and Shelby County* operates as a nonprofit corporation for the purpose of promoting industrial development in the City and County. The City appoints four board members, the County appoints four members and one is jointly appointed by the City and County for six-year terms, with approval by the City Council and the County Commission.

The *Memphis and Shelby County Center City Commission* is responsible for promotion and redevelopment of the Memphis Center City area. The mayors of the City and County appoint the twenty board members for three-year terms, with approval by the City Council and the County Commission.

The *Memphis and Shelby County Center City Downtown Parking Authority* manages five downtown parking garages and establishes and coordinates uniform parking policies and parking management in the downtown Memphis area. The mayors of the City and County appoint the seven-member board.

The *Memphis Center City Revenue Finance Corporation (Finance Corporation)* is a nonprofit corporation established jointly by the City and the County under the laws of the State of Tennessee. The Finance Corporation provides various forms of financial assistance to development projects. The City appoints four board members, the County appoints four members and one is jointly appointed by the City and County for six-year terms, with approval by the City Council and the County Commission.

**Related Organizations:**

The County appoints a voting majority of the board of the following organizations but is not financially accountable for the organizations:

- *Health, Housing and Education Facilities Board*
- *Shelby County Housing Authority*

The *Memphis and Shelby County Airport Authority* owns and operates Memphis International Airport and two general aviation airports. Six of the seven board members are appointed by the City of Memphis mayor and one by the County mayor, all for seven-year terms, subject to confirmation by the Memphis City Council. The Airport Authority is a component unit of the City of Memphis.

The Shelby County Health Care Corporation (The Med) is a component unit of the County. The Med has an investment in *Memphis Managed Care Corporation* (MMCC), a TennCare MCO, that pays The Med a fixed per diem for inpatient services and pays for outpatient services on a fee for service basis. The investment was valued at \$2,440,000 at June 30, 2009.

**(N) Other Post–Employment Benefits**

Retired employees of the County and former employees receiving long-term disability benefits through the County’s program may participate in post-employment benefits (health and life insurance) through the Shelby County OPEB Trust (Trust). The Trust is a single-employer defined benefit plan. The benefits provided are health insurance and life insurance. Financial statements for the Trust can be obtained from Director of Administration and Finance, Shelby County Government, 160 N. Main Street, Memphis, Tennessee 38103.

The Shelby County Board of Commissioners establishes the benefit provisions and approves funding of the Trust. In the current fiscal year employer contributions of \$18,329,123 were made. The actuarially determined employer’s “annual required contribution” to the Trust for the year was \$31,477,000 and the annual OPEB cost was \$31,600,000; total employer contributions were 58.0% of the annual OPEB cost. At June 30, 2008 the County reported a net OPEB obligation (over funded amount) of \$8,001,042; after the FY 2009 adjustment of \$13,270,877 was recorded, the net OPEB obligation (cumulative under funded amount) was \$5,269,835.

The OPEB Trust has been in existence for only two years. Limited trend information may be seen from the table that follows. Note that a special, one-time employer contribution of \$23,892,191 was made in FY 2008.

Fiscal Year Ended	Annual OPEB Costs (AOC)	Actual Contributions	Percentage of AOC Contributed	Net OPEB Obligation
June 30, 2009	\$ 31,600,000	\$ 18,329,123	58.0%	\$ 5,269,835
June 30, 2008	34,227,000	42,228,042	123.4%	(8,001,042)

For government-wide and proprietary funds the County reports OPEB expenses and net OPEB obligation using the economic resources measurement focus and the accrual basis of accounting. In governmental funds expenses are reported at amounts paid or payable to the Trust in the current year.

*Funded Status and Funding Progress:*

As of July 1, 2009, the most recent actuarial valuation date, the plan was 11.8 percent funded. The actuarial accrued liability for benefits was \$311 million, and the actuarial value of assets was \$37 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$274 million. The covered payroll (Annual payroll of active employees covered by the plan) was \$256 million and the ratio of the UAAL to the covered payroll was 106.9%.

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Actuarial Valuation, Method and Assumptions*

Valuation date	June 1, 2008
Actuarial cost method	Projected unit credit
Amortization method	30 year level dollar period beginning July 1, 2007
Remaining amortization period	29 years as July 1, 2008
Asset valuation method	10-year smoothing method
Rate of investment return	5.25%
Projected salary increases	4.00%
Healthcare cost trend rate	10.0% graded to 5.0% over 10 years

**(O) Pensions****Shelby County Retirement System***Plan Description*

The Shelby County Retirement System (the System) is a single employer defined benefit public employee retirement system (PERS) established by Shelby County, Tennessee. The System is administered by a board, the majority of whose members are nominated by the Shelby County mayor, subject to approval by the Shelby County Board of Commissioners. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Shelby County Retirement System, Suite 950, 160 N. Main, Memphis, Tennessee 38103 or calling (901) 545-3370.

Substantially all full-time and permanent part-time employees of the County are required, as a condition of employment, to participate in the System. The Shelby County Board of Commissioners establishes the System's benefits and contribution provisions. Once becoming a participant, a person will continue to participate as long as he or she is an employee of the County. The System provides retirement as well as survivor and disability defined benefits.

The System consists of three plans (Plans A, B and C) which are legally one reporting entity. Plan B is a contributory defined benefit pension plan for employees hired prior to December 1, 1978. Plan A is a non-contributory defined benefit pension plan for employees hired between December 1, 1978 and February 28, 2005, and those employees that elected to transfer to Plan A from Plan B before January 1, 1981. Plan C is a contributory defined benefit pension plan that became effective September 1, 2005 and includes all employees hired after February 28, 2005, all former Plan A "public safety employees" who were required to move to Plan C to preserve

their right to retire with unreduced benefits with 25 years of service, and other former Plan A participants who elected to move to Plan C.

#### *Funding Policy*

The Board of Administration of the Shelby County, Tennessee Retirement System (the Board) establishes the System's funding policy for employee contribution requirements. The Shelby County Board of Commissioners establishes the System's funding policy for employer contribution requirements. The County does not receive the actuarial report until several months into the fiscal year to which the report relates. Due to budgetary procedures the County makes contributions based on the latest actuarial report received at the date a new fiscal year's budget is being prepared. Contributions for fiscal year 2009 were based on the actuarial report as of July 1, 2007.

In accordance with the actuarial valuation as of July 1, 2007 the employer contribution rate required was 5.91% of covered payroll of participants. Plan B participants contribute an additional 8.0% of their earnings, with some exceptions for employees of Plan B with more than 35 years of service. Plan C participants contribute 6.0% of their earnings. In addition, certain public safety employees remaining in Plan A contribute 2.65% of their compensation. This resulted in total contributions of \$28,020,191 (\$18,733,064 employer contributions and \$9,287,127 employee contributions). The actuarial required employer contribution of \$15,261,041 is significantly impacted by the amortization of the actuarial surplus that results from investment results in prior years. The County has chosen to fund a level amount that is approximately the normal cost for benefits earned.

The significant actuarial assumptions used to compute these actuarially determined contribution requirements are the same as those used to compute the net pension obligation.

#### *Annual Pension Cost and Net Pension Obligation*

The county's annual pension cost and net pension obligation to the System for the current year were as follows:

Annual Required Contribution (ARC)	\$ 15,261,041
Interest on Net Pension Obligation	(2,455,334)
Adjustment to ARC	3,416,306
Annual Pension Cost	<u>16,222,013</u>
Contributions made (Per Actuarial Report)	<u>(18,336,000)</u>
Increase in Net Pension Obligation	(2,113,987)
Net Pension Obligation beginning of year	<u>(29,761,627)</u>
Net Pension Obligation end of year	<u><u>\$ (31,875,614)</u></u>

## Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2009	\$ 16,222,013	113.0%	\$ (31,875,614)
June 30, 2008	\$ 13,671,108	137.1%	\$ (29,761,627)
June 30, 2007	\$ 11,491,961	163.2%	\$ (24,688,599)

*Funded Status and Funding Progress:*

As of July 1, 2009 the most recent actuarial valuation date, the plan was 102 percent funded. The actuarial accrued liability for benefits was \$1.026 million, and the actuarial value of assets was \$1.053 million, resulting in an unfunded actuarial accrued surplus (UAAS) of \$27 million. The covered payroll (Annual payroll of active employees covered by the plan) was \$272 million and the ratio of the UAAS to the covered payroll was 9.8%.

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Actuarial Valuation, Method and Assumptions*

Valuation date	June 30, 2009
Actuarial cost method	Projected unit credit actuarial cost method
Amortization method	Amortizations are based on level dollar method and the period closed.
Remaining amortization period	15 years on June 30, 2009
Asset valuation method	10-year smoothing method
Rate of investment return	8.25%
Projected salary increases	Graded salary scale (3.00% to 8.50%)
Cost-of-living adjustments	2.50% per year, compounded for Plan A and Plan C

**Pension plans of the component units:**

The primary government does not act in a trustee capacity for the assets of the pension plans of the component units.

*Shelby County Board of Education (the Board of Education)*

On behalf of its teachers, the Board of Education contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10<sup>th</sup> Floor Andrew Jackson Building, Nashville, TN 37243-0203 or can be accessed at [www.treasury.state.tn.us](http://www.treasury.state.tn.us).

All non-teachers employed by the Board of Education are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by TCRS. The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10<sup>th</sup> floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at [www.treasury.state.tn.us](http://www.treasury.state.tn.us).

*Shelby County Health Care Corporation (the Med)*

Effective July 1, 1985 the Med established the Regional Medical Center at Memphis Retirement Investment Plan, a defined contribution pension plan. In a defined contribution plan benefits depend solely on amounts contributed to the plan plus investment earnings. Financial statements of the Regional Medical Center at Memphis Retirement Investment Plan are available from Shelby County Health Care Corporation, 877 Jefferson Avenue, Memphis, Tennessee 38103.

More details about all plans of component units are available in the separately issued financial reports of the component units and in the separately issued financial reports of the retirement plans as noted above.

**(P) Subsequent Events**

In September 2009, the County issued General Obligation Bonds in a principal amount of \$120,000,000. The bonds are being issued to refinance \$120,000,000 of the County's outstanding capital outlay Extendible Municipal Commercial Paper Notes. The \$120,000,000 bond issue consisted of \$60,000,000 in General Obligation Public Improvement and School Bonds 2009 Series B and \$60,000,000 in General Obligation Public Improvement and School Bonds 2009 Series C (Federally Taxable – Build America Bonds – Direct Payment).

In December 2009 the State of Tennessee issued Qualified School Construction Bonds of which \$55,120,000 has been allocated to Shelby County in the form of loan repayable over 17 years bearing interest at 1.515%. Shelby County has agreed to provide the proceeds of this loan to the Memphis City Schools and Shelby County Schools for specific approved school construction projects.

**Required Supplementary Information**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**General Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 203,858,000	\$ 203,858,000	\$ 209,260,357	\$ 5,402,357
Other local taxes	32,830,000	32,830,000	34,785,952	1,955,952
Local revenue	28,519,246	29,933,187	27,690,488	(2,242,699)
State revenue	20,823,540	20,823,540	22,959,928	2,136,388
Federal revenue	10,000	10,000	12,632	2,632
Patient service revenue	1,148,772	1,148,772	1,072,783	(75,989)
Elected officials' fines and fees	60,295,289	60,309,647	59,473,620	(836,027)
Other revenue	4,662,253	4,667,453	2,690,602	(1,976,851)
Total revenues	<u>352,147,100</u>	<u>353,580,599</u>	<u>357,946,362</u>	<u>4,365,763</u>
<b>Expenditures:</b>				
General government	29,477,837	33,366,953	29,838,221	3,528,732
Hospital	27,600,000	27,491,667	27,491,667	---
Planning and development	328,865	328,865	288,565	40,300
Public works	19,393,130	20,184,883	19,841,747	343,136
Health services	34,991,415	34,033,219	33,749,242	283,977
Community services	5,251,354	5,418,666	5,225,508	193,158
Law enforcement	142,072,987	141,582,696	140,360,229	1,222,467
Judicial	61,455,238	60,475,543	58,759,927	1,715,616
Other elected officials	27,620,363	26,629,004	25,666,306	962,698
Total expenditures	<u>348,191,189</u>	<u>349,511,496</u>	<u>341,221,412</u>	<u>8,290,084</u>
Excess (deficiency) of revenues over expenditures	<u>3,955,911</u>	<u>4,069,103</u>	<u>16,724,950</u>	<u>12,655,847</u>
<b>Other financing sources (uses):</b>				
Transfers in	12,714,259	12,964,640	10,930,745	(2,033,895)
Transfers out	(16,670,170)	(18,540,375)	(17,994,878)	545,497
Other sources (uses)	---	1,506,632	---	(1,506,632)
Total other financing sources (uses)	<u>(3,955,911)</u>	<u>(4,069,103)</u>	<u>(7,064,133)</u>	<u>(2,995,030)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 9,660,817</u>	<u>\$ 9,660,817</u>

**Education Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 337,538,000	\$ 346,480,263	\$ 346,480,263	\$ ---
Other local taxes	23,750,000	14,807,737	14,807,737	---
Total revenues	<u>361,288,000</u>	<u>361,288,000</u>	<u>361,288,000</u>	<u>---</u>
<b>Expenditures:</b>				
Special funded projects-county schools	104,803,000	111,168,525	111,168,525	---
Special funded projects-city schools	256,485,000	250,119,475	250,119,475	---
Total expenditures	<u>361,288,000</u>	<u>361,288,000</u>	<u>361,288,000</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Required Supplementary Information**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Grants Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 14,054,343	\$ 20,662,156	\$ 7,237,188	\$ (13,424,968)
State revenue	67,096,059	81,554,444	56,724,301	(24,830,143)
Federal revenue	42,205,937	51,936,724	31,629,598	(20,307,126)
Patient service revenue	1,430,244	1,430,744	1,083,285	(347,459)
Other revenue	557,269	593,420	311,732	(281,688)
Total revenues	125,343,852	156,177,488	96,986,104	(59,191,384)
Expenditures:				
General government	7,012,536	7,728,862	3,815,762	3,913,100
Planning and development	16,083,437	18,144,778	5,731,430	12,413,348
Public works	4,735,470	10,496,773	1,750,393	8,746,380
Corrections	1,256,831	1,816,253	1,261,813	554,440
Health services	34,759,457	33,344,428	23,052,572	10,291,856
Community services	44,268,261	64,788,998	54,651,783	10,137,215
Law enforcement	1,893,345	4,222,888	2,854,465	1,368,423
Judicial	15,575,091	16,960,500	16,182,432	778,068
Total expenditures	125,584,428	157,503,480	109,300,650	48,202,830
Excess (deficiency) of revenues over expenditures	(240,576)	(1,325,992)	(12,314,546)	(10,988,554)
Other financing sources (uses):				
Transfers in	4,617,221	6,168,886	4,278,699	(1,890,187)
Transfers out	(5,696,645)	(6,162,894)	(4,585,204)	1,577,690
Other sources (uses)	1,320,000	1,320,000	---	(1,320,000)
Total other financing sources (uses)	240,576	1,325,992	(306,505)	(1,632,497)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (12,621,051)	\$ (12,621,051)

**Shelby County Retirement System  
Required Supplementary Information  
For the Year Ended June 30, 2009**

**Schedule of Funding Progress**

Actuarial Valuation Date of June 30	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability/ (Surplus)	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability/ (Surplus) as a Percentage of Covered Payroll
2002	\$ 797,091,379	\$ 720,839,196	\$ (76,252,183)	110.6%	\$ 233,148,476	(32.7%)
2003	794,201,990	769,753,615	(24,448,375)	103.2%	237,197,193	(10.3%)
2004	841,335,004	737,329,388	(104,005,616)	114.1%	246,685,081	(42.2%)
2005	885,049,492	780,800,809	(104,248,683)	113.4%	253,031,826	(41.2%)
2006	933,730,481	860,178,582	(73,551,899)	108.6%	241,403,735	(30.5%)
2007	992,143,395	934,829,366	(57,314,029)	106.1%	251,059,875	(22.8%)
2008	1,040,514,476	1,000,475,305	(40,039,171)	104.0%	264,640,554	(15.1%)
2009 (a)	1,052,640,000	1,025,867,000	(26,773,000)	102.6%	271,888,000	(9.8%)

(a) See Note IV(O) in the Notes to Financial Statements for more information.

**Other Post Employment Benefits (OPEB) Trust Fund  
Required Supplementary Information  
For the Year Ended June 30, 2009**

**Schedule of Funding Progress**

(amounts rounded to thousands)

Actuarial Valuation Date of July 1	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability/ (Surplus)	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability/ (Surplus) as a Percentage of Covered Payroll
2007	\$ ---	\$ 319,685	\$ 319,685	0.0%	\$ 218,583	146.3%
2008	36,770	310,527	273,757	11.8%	256,191	106.9%

Valuation date	July 1, 2008
Actuarial cost method	Projected unit credit
Amortization method	30 year level dollar period beginning July 1, 2007
Remaining amortization period	29 years as of July 1, 2008
Asset valuation method	10-year smoothing method
Actuarial assumptions:	
Investment rate of return	5.25%
Projected salary increases	4.00%
Healthcare cost trend rate	10.0% graded to 5.0% over 10 years

The notes to required supplementary information are an integral part of this schedule.

## **I. Budgetary Information**

The revenues and expenditures accounted for in each of the General Fund, Education Fund and Grants Fund have legally adopted budgets and are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern County operations. The County Board of Commissioners approves and appropriates the budgets for these funds annually.

Expenditures may not exceed appropriations by line item at the department level. The County Mayor is authorized to transfer budgeted amounts between line items of the same category (personnel related versus all other types of expenditures) of the same division (group of departments). Any adjustments that create a new line item, increase the total budget, or require transfers between divisions, categories or funds must be approved by the County Board of Commissioners. The reported budgetary data has been revised for amendments authorized during the year.

All funds requiring legally adopted budgets have budgets which are adopted on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

## **II. OPEB Trust Fund**

The Trust was established July 1, 2007 and has been active for only two fiscal years. Limited trend information may be discerned from the two valuations made to date. The reason for the significant change in the funded ratio between the two years is that in FY 2008 an initial, special, one-time employer contribution of \$23,892,191 was made.

## **Combining and Other Statements and Schedules**

**Enterprise Funds:** Consolidated Codes Enforcement, Fire Services, and Corrections Center

**Nonmajor Special Revenue Funds:** Roads and Bridges, Solid Waste Management, Hotel/Motel Tax, Sheriff Narcotics, Data Processing, Car Rental Tax, Health Services Restricted Fees, and Economic Development

**Internal Services Funds:** Central Services, Group Hospital Insurance, Tort Liability, and Employer Insurance

**Constitutional Officers' Schedules** are used to account for the revenues and expenditures the Elected Officials collect and incur in the performance of their constitutionally assigned duties.

**General Obligation Bonds Schedules** report for each bond issue outstanding the issuance date, original principal amount, interest rate and outstanding principal payments by fiscal year.

**Nonmajor Enterprise Funds**  
**Combining Statement of Net Assets**  
**June 30, 2009**

	Consolidated Codes Enforcement Fund	Fire Services Fund	Corrections Center Fund	Total
<b>Assets:</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 725	\$ 2,989,603	\$ 10,347,884	\$ 13,338,212
Accounts receivable and accrued revenues	34,728	1,494,211	111,153	1,640,092
Due from other governmental entities	1,545,765	18,629	4,044,120	5,608,514
Prepays and deferred charges	295	---	885	1,180
Notes receivable	2,247	---	---	2,247
<b>Total current assets</b>	<b>1,583,760</b>	<b>4,502,443</b>	<b>14,504,042</b>	<b>20,590,245</b>
<b>Noncurrent assets</b>				
Net pension obligation	948,055	1,006,767	2,834,259	4,789,081
Depreciable capital assets, net	1,866,654	2,869,816	21,494,375	26,230,845
<b>Total assets</b>	<b>\$ 4,398,469</b>	<b>\$ 8,379,026</b>	<b>\$ 38,832,676</b>	<b>\$ 51,610,171</b>
<b>Liabilities and net assets:</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	\$ 56,753	\$ 107,714	\$ 1,613,541	\$ 1,778,008
Accrued interest payable	---	27,486	---	27,486
Due to other funds	1,051,234	---	---	1,051,234
Deposits held for others	89,862	---	286,423	376,285
Deferred revenue	103,700	---	---	103,700
Sick and annual leave payable	316,622	1,017,357	1,822,425	3,156,404
Capital lease obligations, current portion	---	140,113	---	140,113
<b>Total current liabilities</b>	<b>1,618,171</b>	<b>1,292,670</b>	<b>3,722,389</b>	<b>6,633,230</b>
<b>Noncurrent liabilities</b>				
Sick and annual leave payable	274,662	405,406	1,032,777	1,712,845
Capital lease obligations	---	766,064	---	766,064
Net post employment benefit obligations	133,376	421,880	479,962	1,035,218
<b>Total noncurrent liabilities</b>	<b>408,038</b>	<b>1,593,350</b>	<b>1,512,739</b>	<b>3,514,127</b>
<b>Total liabilities</b>	<b>2,026,209</b>	<b>2,886,020</b>	<b>5,235,128</b>	<b>10,147,357</b>
<b>Net assets:</b>				
Invested in capital assets net of related debt	1,866,654	1,963,639	21,494,375	25,324,668
Unrestricted	505,606	3,529,367	12,103,173	16,138,146
<b>Total net assets</b>	<b>2,372,260</b>	<b>5,493,006</b>	<b>33,597,548</b>	<b>41,462,814</b>
<b>Total liabilities and net assets</b>	<b>\$ 4,398,469</b>	<b>\$ 8,379,026</b>	<b>\$ 38,832,676</b>	<b>\$ 51,610,171</b>

**Nonmajor Enterprise Funds**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**For the Year Ended June 30, 2009**

	Consolidated Codes <u>Enforcement Fund</u>	Fire Services Fund	Corrections Center Fund	<u>Total</u>
Operating revenues:				
State revenue	\$ ---	\$ 81,000	\$ 45,314,740	\$ 45,395,740
Federal revenue	---	---	21,000	21,000
Charges for services	10,066,137	19,058,865	1,869,310	30,994,312
Other revenue	707	---	---	707
Total operating revenues	<u>10,066,844</u>	<u>19,139,865</u>	<u>47,205,050</u>	<u>76,411,759</u>
Operating expenses:				
Salaries	7,404,937	8,554,635	23,403,293	39,362,865
Other compensation	79,567	1,262,855	3,996,475	5,338,897
Fringe benefits	2,569,439	3,057,772	8,609,584	14,236,795
Supplies	128,027	305,559	4,696,098	5,129,684
Services	14,616	8,007	21,319	43,942
Professional and contracted services	507,560	3,733,815	6,241,933	10,483,308
Rent, utilities, and maintenance	155,690	201,310	2,843,489	3,200,489
Interdepartmental expenses	409,228	330,099	541,347	1,280,674
Depreciation	198,708	398,397	1,092,407	1,689,512
Total operating expenses	<u>11,467,772</u>	<u>17,852,449</u>	<u>51,445,945</u>	<u>80,766,166</u>
Operating income (loss)	(1,400,928)	1,287,416	(4,240,895)	(4,354,407)
Nonoperating revenues (expenses)				
Interest income	21	54,078	153,895	207,994
Interest expense	(23,382)	(38,598)	---	(61,980)
Gain/(loss) on asset disposal	9,806	---	(16,602)	(6,796)
Income (loss) before transfers	<u>(1,414,483)</u>	<u>1,302,896</u>	<u>(4,103,602)</u>	<u>(4,215,189)</u>
Transfers:				
Transfers in	2,142,603	11,690	9,000,000	11,154,293
Transfers out	(728,120)	(643,865)	(2,975,510)	(4,347,495)
Net transfers	<u>1,414,483</u>	<u>(632,175)</u>	<u>6,024,490</u>	<u>6,806,798</u>
Change in net assets	---	670,721	1,920,888	2,591,609
Net assets:				
June 30, 2008	<u>2,372,260</u>	<u>4,822,285</u>	<u>31,676,660</u>	<u>38,871,205</u>
June 30, 2009	<u>\$ 2,372,260</u>	<u>\$ 5,493,006</u>	<u>\$ 33,597,548</u>	<u>\$ 41,462,814</u>

**Nonmajor Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended June 30, 2009**

	Consolidated Codes Enforcement Fund	Fire Services Fund	Corrections Center Fund	Total
<b>Cash flows from operations:</b>				
Receipts from customers	\$ 8,521,312	\$ 19,049,967	\$ 47,321,101	\$ 74,892,380
Receipts for special programs	---	81,000	---	81,000
Receipts from interfund services provided	113,427	---	46,252	159,679
Refunds received from suppliers	---	1,496	148,593	150,089
Refunds paid to customers	(92,952)	---	(2,675,187)	(2,768,139)
Cash payments to suppliers	(579,761)	(4,334,963)	(13,201,451)	(18,116,175)
Cash payments to employees	(9,978,071)	(12,526,472)	(35,218,088)	(57,722,631)
Payments for interfund services used	(567,056)	(330,099)	(541,347)	(1,438,502)
Net cash provided by (used in) operating activities	<u>(2,583,101)</u>	<u>1,940,929</u>	<u>(4,120,127)</u>	<u>(4,762,299)</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers from other funds	2,142,603	11,690	9,000,000	11,154,293
Transfers to other funds	(728,120)	(643,865)	(2,975,510)	(4,347,495)
Advances from other funds	1,051,234	---	---	1,051,234
Repayment of advance from other funds	---	(1,357,847)	---	(1,357,847)
Notes receivable issued	(2,247)	---	---	(2,247)
Net cash provided by (used in) noncapital financing activities	<u>2,463,470</u>	<u>(1,990,022)</u>	<u>6,024,490</u>	<u>6,497,938</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	---	(305,462)	(268,425)	(573,887)
Proceeds from the sale of capital assets	6,250	---	---	6,250
Capital lease obligation payments	---	(133,708)	---	(133,708)
Interest paid	---	(49,677)	---	(49,677)
Insurance recoveries	8,850	---	---	8,850
Net cash used in capital related financing activities	<u>15,100</u>	<u>(488,847)</u>	<u>(268,425)</u>	<u>(742,172)</u>
<b>Cash flows from investing activities:</b>				
Interest and investment earnings	21	54,078	153,895	207,994
Interest paid	(23,382)	---	---	(23,382)
Net cash provided by investing activities	<u>(23,361)</u>	<u>54,078</u>	<u>153,895</u>	<u>184,612</u>
Net increase (decrease) in cash and cash equivalents	(127,892)	(483,862)	1,789,833	1,178,079
Cash and cash equivalents, June 30, 2008	<u>128,617</u>	<u>3,473,465</u>	<u>8,558,051</u>	<u>12,160,133</u>
Cash and cash equivalents, June 30, 2009	<u>\$ 725</u>	<u>\$ 2,989,603</u>	<u>\$ 10,347,884</u>	<u>\$ 13,338,212</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	<u>\$ (1,400,928)</u>	<u>\$ 1,287,416</u>	<u>\$ (4,240,895)</u>	<u>\$ (4,354,407)</u>
<b>Adjustments:</b>				
Depreciation	198,708	398,397	1,092,407	1,689,512
<b>Changes in assets and liabilities:</b>				
Accounts receivable and accrued revenues	10,406	(36,349)	(78,492)	(104,435)
Due from other governmental entities	(1,545,765)	27,451	(2,236,900)	(3,755,214)
Prepays and deferred charges	241,822	(51,740)	(885)	189,197
Net pension obligation	(58,373)	---	528,891	470,518
Accounts payable and accrued liabilities	(116,448)	(84,775)	336,890	135,667
Deposits held for others	5,600	---	(48,899)	(43,299)
Deferred revenue	4,703	---	---	4,703
Sick and annual leave payable	(56,202)	(21,351)	47,794	(29,759)
Net post employment benefit obligations	133,376	421,880	479,962	1,035,218
Total adjustments	<u>(1,182,173)</u>	<u>653,513</u>	<u>120,768</u>	<u>(407,892)</u>
Net cash provided by (used in) operating activities	<u>\$ (2,583,101)</u>	<u>\$ 1,940,929</u>	<u>\$ (4,120,127)</u>	<u>\$ (4,762,299)</u>

**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2009**

	Special Revenue Funds			
	Roads and Bridges Fund	Solid Waste Management Fund	Hotel/Motel Tax Fund	Sheriff Narcotics Fund
<b>Assets</b>				
Cash and cash equivalents	\$ 1,542,871	\$ 704	\$ 9,372,052	\$ 4,881,146
Investments	5,000,000	---	5,000,000	---
Accounts receivable and accrued revenues	15,229	3,298	1,031,279	288
Due from other governmental entities	1,755,540	---	---	---
Due from other funds	---	---	1,208,018	---
Deposits held by others	---	---	---	784,339
Total assets	<u>\$ 8,313,640</u>	<u>\$ 4,002</u>	<u>\$ 16,611,349</u>	<u>\$ 5,665,773</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 1,129,247	\$ 27	\$ 1,128,019	\$ 172,892
Due to other governmental entities	---	3,000	---	---
Deposits held for others	---	---	---	784,339
Deferred revenue	4,528	975	---	---
Total liabilities	<u>1,133,775</u>	<u>4,002</u>	<u>1,128,019</u>	<u>957,231</u>
<b>Fund balances</b>				
Reserved for encumbrances	345,465	---	---	69,855
Reserved for air mitigation	---	---	---	---
Unreserved	6,834,400	---	15,483,330	4,638,687
Total fund balances	<u>7,179,865</u>	<u>---</u>	<u>15,483,330</u>	<u>4,708,542</u>
Total liabilities and fund balances	<u>\$ 8,313,640</u>	<u>\$ 4,002</u>	<u>\$ 16,611,349</u>	<u>\$ 5,665,773</u>

Data Processing Fund	Car Rental Tax Fund	Health Services Restricted Fees Fund	Economic Development Fund	Total
\$ 941,461	\$ 99,039	\$ 1,592,447	\$ 1,487,246	\$ 19,916,966
---	---	---	---	10,000,000
---	110,986	282,967	---	1,444,047
---	---	---	---	1,755,540
---	172,610	---	---	1,380,628
---	---	---	---	784,339
<u>\$ 941,461</u>	<u>\$ 382,635</u>	<u>\$ 1,875,414</u>	<u>\$ 1,487,246</u>	<u>\$ 35,281,520</u>
\$ 156,360	\$ 382,635	\$ 85,276	\$ ---	\$ 3,054,456
---	---	---	---	3,000
---	---	---	---	784,339
---	---	---	---	5,503
<u>156,360</u>	<u>382,635</u>	<u>85,276</u>	<u>---</u>	<u>3,847,298</u>
---	---	---	---	415,320
---	---	775,468	---	775,468
785,101	---	1,014,670	1,487,246	30,243,434
<u>785,101</u>	<u>---</u>	<u>1,790,138</u>	<u>1,487,246</u>	<u>31,434,222</u>
<u>\$ 941,461</u>	<u>\$ 382,635</u>	<u>\$ 1,875,414</u>	<u>\$ 1,487,246</u>	<u>\$ 35,281,520</u>

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**

**For the Year Ended June 30, 2009**

	Special Revenue Funds			
	Roads and Bridges Fund	Solid Waste Management Fund	Hotel/Motel Tax Fund	Sheriff Narcotics Fund
Revenues				
Other local taxes	\$ 100,749	\$ ---	\$ 13,348,741	\$ ---
Local revenue	241,491	17,375	---	173,598
State revenue	9,562,515	---	10,997,092	24,901
Elected officials' fines and fees	---	31,273	---	1,756,888
Other revenue	151,465	---	357,636	129,852
Total revenues	<u>10,056,220</u>	<u>48,648</u>	<u>24,703,469</u>	<u>2,085,239</u>
Expenditures				
General government	---	---	15,272,814	---
Public works	8,819,894	162,314	---	---
Health services	---	---	---	---
Law enforcement	---	---	---	2,504,207
Judicial	---	---	---	---
Other elected officials	---	---	---	---
Total expenditures	<u>8,819,894</u>	<u>162,314</u>	<u>15,272,814</u>	<u>2,504,207</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,236,326</u>	<u>(113,666)</u>	<u>9,430,655</u>	<u>(418,968)</u>
Other financing sources (uses)				
Transfers in	72,929	113,666	---	---
Transfers out	(2,496,298)	---	(5,991,309)	(265,921)
Total other financing sources (uses)	<u>(2,423,369)</u>	<u>113,666</u>	<u>(5,991,309)</u>	<u>(265,921)</u>
Net change in fund balances	(1,187,043)	---	3,439,346	(684,889)
Fund balances				
June 30, 2008	<u>8,366,908</u>	<u>---</u>	<u>12,043,984</u>	<u>5,393,431</u>
June 30, 2009	<u>\$ 7,179,865</u>	<u>\$ ---</u>	<u>\$ 15,483,330</u>	<u>\$ 4,708,542</u>

Data Processing Fund	Car Rental Tax Fund	Health Services Restricted Fees Fund	Economic Development Fund	Total
\$ ---	\$ 1,620,327	\$ ---	\$ ---	\$ 15,069,817
37,000	---	3,483,388	---	3,952,852
---	---	---	---	20,584,508
621,760	---	---	---	2,409,921
12,700	---	146,825	41,517	839,995
<u>671,460</u>	<u>1,620,327</u>	<u>3,630,213</u>	<u>41,517</u>	<u>42,857,093</u>
---	1,703,030	---	1,178,750	18,154,594
---	---	---	---	8,982,208
---	---	4,396,588	---	4,396,588
---	---	---	---	2,504,207
42,872	---	---	---	42,872
<u>411,418</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>411,418</u>
<u>454,290</u>	<u>1,703,030</u>	<u>4,396,588</u>	<u>1,178,750</u>	<u>34,491,887</u>
<u>217,170</u>	<u>(82,703)</u>	<u>(766,375)</u>	<u>(1,137,233)</u>	<u>8,365,206</u>
---	---	---	1,000,000	1,186,595
---	---	(114,859)	---	(8,868,387)
---	---	(114,859)	1,000,000	(7,681,792)
217,170	(82,703)	(881,234)	(137,233)	683,414
<u>567,931</u>	<u>82,703</u>	<u>2,671,372</u>	<u>1,624,479</u>	<u>30,750,808</u>
<u>\$ 785,101</u>	<u>\$ ---</u>	<u>\$ 1,790,138</u>	<u>\$ 1,487,246</u>	<u>\$ 31,434,222</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Roads and Bridges Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 273,000	\$ 273,000	\$ 100,749	\$ (172,251)
Local revenue	101,000	101,000	241,491	140,491
State revenue	10,020,000	10,020,000	9,562,515	(457,485)
Other revenue	300,000	300,000	151,465	(148,535)
Total revenues	<u>10,694,000</u>	<u>10,694,000</u>	<u>10,056,220</u>	<u>(637,780)</u>
<b>Expenditures:</b>				
Salaries	5,378,840	5,258,840	4,323,936	934,904
Other compensation	121,589	241,589	188,274	53,315
Fringe benefits	1,737,679	1,737,679	1,366,138	371,541
Salary restriction	(1,220,000)	(1,220,000)	---	(1,220,000)
Supplies	4,648,430	4,751,479	3,189,555	1,561,924
Services	1,860	2,660	963	1,697
Professional and contracted services	277,160	255,684	178,676	77,008
Rent, utilities, and maintenance	180,370	167,458	114,056	53,402
Interdepartmental expenditures	(2,742,875)	(2,732,812)	(2,152,634)	(580,178)
Asset acquisitions	3,376,554	3,954,495	1,610,930	2,343,565
Total expenditures	<u>11,759,607</u>	<u>12,417,072</u>	<u>8,819,894</u>	<u>3,597,178</u>
Excess (deficiency) of revenues over expenditures	<u>(1,065,607)</u>	<u>(1,723,072)</u>	<u>1,236,326</u>	<u>2,959,398</u>
<b>Other financing sources (uses):</b>				
Transfers in	---	116,477	72,929	(43,548)
Transfers out	(2,653,141)	(2,653,141)	(2,496,298)	156,843
Other sources (uses)	3,718,748	4,259,736	---	(4,259,736)
Total other financing sources (uses)	<u>1,065,607</u>	<u>1,723,072</u>	<u>(2,423,369)</u>	<u>(4,146,441)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (1,187,043)</u>	<u>\$ (1,187,043)</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Solid Waste Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 21,205	\$ 21,205	\$ 17,375	\$ (3,830)
Elected officials' fines and fees	57,997	57,997	31,273	(26,724)
Total revenues	<u>79,202</u>	<u>79,202</u>	<u>48,648</u>	<u>(30,554)</u>
<b>Expenditures:</b>				
Salaries	105,075	105,075	91,802	13,273
Other compensation	4,710	4,710	3,280	1,430
Fringe benefits	37,738	37,738	31,943	5,795
Supplies	3,220	3,120	---	3,120
Services	---	100	83	17
Professional and contracted services	38,400	38,400	10,609	27,791
Rent, utilities, and maintenance	4,710	4,710	205	4,505
Interdepartmental expenditures	121,336	121,336	24,392	96,944
Total expenditures	<u>315,189</u>	<u>315,189</u>	<u>162,314</u>	<u>152,875</u>
Excess (deficiency) of revenues over expenditures	<u>(235,987)</u>	<u>(235,987)</u>	<u>(113,666)</u>	<u>122,321</u>
<b>Other financing sources (uses):</b>				
Transfers in	235,987	235,987	113,666	(122,321)
Total other financing sources (uses)	<u>235,987</u>	<u>235,987</u>	<u>113,666</u>	<u>(122,321)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Hotel Motel Tax Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 12,700,000	\$ 12,700,000	\$ 13,348,741	\$ 648,741
State revenue	9,000,000	9,000,000	10,997,092	1,997,092
Other revenue	---	---	357,636	357,636
Total revenues	<u>21,700,000</u>	<u>21,700,000</u>	<u>24,703,469</u>	<u>3,003,469</u>
<b>Expenditures:</b>				
Intergovernmental expenditures	398,314	398,314	398,314	---
Special funded projects	15,324,499	15,324,499	14,874,500	449,999
Total expenditures	<u>15,722,813</u>	<u>15,722,813</u>	<u>15,272,814</u>	<u>449,999</u>
Excess (deficiency) of revenues over expenditures	<u>5,977,187</u>	<u>5,977,187</u>	<u>9,430,655</u>	<u>3,453,468</u>
<b>Other financing sources (uses):</b>				
Transfers out	(5,991,309)	(5,991,309)	(5,991,309)	---
Other sources (uses)	14,122	14,122	---	(14,122)
Total other financing sources (uses)	<u>(5,977,187)</u>	<u>(5,977,187)</u>	<u>(5,991,309)</u>	<u>(14,122)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 3,439,346</u>	<u>\$ 3,439,346</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Sheriff Narcotics Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 245,000	\$ 245,000	\$ 173,598	\$ (71,402)
State revenue	40,000	40,000	24,901	(15,099)
Elected officials' fines and fees	2,110,000	2,110,000	1,756,888	(353,112)
Other revenue	285,000	285,000	129,852	(155,148)
Total revenues	<u>2,680,000</u>	<u>2,680,000</u>	<u>2,085,239</u>	<u>(594,761)</u>
<b>Expenditures:</b>				
Other compensation	445,000	445,000	---	445,000
Supplies	744,592	718,592	535,722	182,870
Services	52,500	83,300	65,788	17,512
Professional and contracted services	230,000	250,200	224,662	25,538
Rent, utilities, and maintenance	333,000	371,519	293,334	78,185
Interdepartmental expenditures	502,160	512,160	209,229	302,931
Asset acquisitions	1,126,559	1,264,210	1,175,472	88,738
Grants	10,000	---	---	---
Total expenditures	<u>3,443,811</u>	<u>3,644,981</u>	<u>2,504,207</u>	<u>1,140,774</u>
Excess (deficiency) of revenues over expenditures	<u>(763,811)</u>	<u>(964,981)</u>	<u>(418,968)</u>	<u>546,013</u>
<b>Other financing sources (uses):</b>				
Transfers out	(261,895)	(277,157)	(265,921)	11,236
Other sources (uses)	1,025,706	1,242,138	---	(1,242,138)
Total other financing sources (uses)	<u>763,811</u>	<u>964,981</u>	<u>(265,921)</u>	<u>(1,230,902)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (684,889)</u>	<u>\$ (684,889)</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Data Processing Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 37,000	\$ 37,000
Elected officials' fines and fees	600,850	600,850	621,760	20,910
Other revenue	25,840	25,840	12,700	(13,140)
Total revenues	<u>626,690</u>	<u>626,690</u>	<u>671,460</u>	<u>44,770</u>
<b>Expenditures:</b>				
Salaries	66,964	66,964	66,964	---
Fringe benefits	21,127	21,127	16,660	4,467
Supplies	66,500	83,500	42,872	40,628
Services	4,000	4,000	---	4,000
Professional and contracted services	321,205	374,686	283,003	91,683
Rent, utilities, and maintenance	49,193	49,193	44,791	4,402
Asset acquisitions	179,875	162,875	---	162,875
Total expenditures	<u>708,864</u>	<u>762,345</u>	<u>454,290</u>	<u>308,055</u>
Excess (deficiency) of revenues over expenditures	<u>(82,174)</u>	<u>(135,655)</u>	<u>217,170</u>	<u>352,825</u>
<b>Other financing sources (uses):</b>				
Transfers in	50,000	50,000	---	(50,000)
Other sources (uses)	32,174	85,655	---	(85,655)
Total other financing sources (uses)	<u>82,174</u>	<u>135,655</u>	<u>---</u>	<u>(135,655)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 217,170</u>	<u>\$ 217,170</u>

**Car Rental Tax Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,620,327	\$ (379,673)
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,620,327</u>	<u>(379,673)</u>
<b>Expenditures:</b>				
Special funded projects	2,000,000	2,000,000	1,703,030	296,970
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,703,030</u>	<u>296,970</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (82,703)</u>	<u>\$ (82,703)</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Health Services Restricted Fees Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 4,397,750	\$ 4,397,750	\$ 3,483,388	\$ (914,362)
Other revenue	105,000	105,000	146,825	41,825
Total revenues	<u>4,502,750</u>	<u>4,502,750</u>	<u>3,630,213</u>	<u>(872,537)</u>
<b>Expenditures:</b>				
Salaries	3,132,618	3,132,618	2,795,328	337,290
Other compensation	96,809	96,809	92,511	4,298
Fringe benefits	917,853	917,853	783,157	134,696
Salary restriction	(265,100)	(265,100)	---	(265,100)
Supplies	190,594	193,894	175,870	18,024
Services	48,000	38,000	11,439	26,561
Professional and contracted services	830,753	625,841	20,454	605,387
Rent, utilities, and maintenance	61,019	57,219	47,105	10,114
Interdepartmental expenditures	211,500	244,800	228,862	15,938
Asset acquisitions	150,000	182,112	91,862	90,250
Grants	---	150,000	150,000	---
Total expenditures	<u>5,374,046</u>	<u>5,374,046</u>	<u>4,396,588</u>	<u>977,458</u>
Excess (deficiency) of revenues over expenditures	<u>(871,296)</u>	<u>(871,296)</u>	<u>(766,375)</u>	<u>104,921</u>
<b>Other financing sources (uses):</b>				
Transfers out	(239,456)	(564,471)	(114,859)	449,612
Other sources (uses)	1,110,752	1,435,767	---	(1,435,767)
Total other financing sources (uses)	<u>871,296</u>	<u>871,296</u>	<u>(114,859)</u>	<u>(986,155)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (881,234)</u>	<u>\$ (881,234)</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Economic Development Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ ---	\$ 41,517	\$ 41,517
Total revenues	---	---	41,517	41,517
Expenditures:				
Professional and contracted services	500,000	500,000	---	500,000
Grants	1,225,000	1,233,750	1,178,750	55,000
Total expenditures	1,725,000	1,733,750	1,178,750	555,000
Excess (deficiency) of revenues over expenditures	(1,725,000)	(1,733,750)	(1,137,233)	596,517
Other financing sources (uses):				
Transfers in	1,000,000	1,000,000	1,000,000	---
Other sources (uses)	725,000	733,750	---	(733,750)
Total other financing sources (uses)	1,725,000	1,733,750	1,000,000	(733,750)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (137,233)	\$ (137,233)

**Internal Service Funds**  
**Combining Statement of Net Assets**  
**June 30, 2009**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Assets:</b>					
Current assets					
Cash and cash equivalents	\$ ---	\$ 14,125,825	\$ 4,813,508	\$ 11,399,129	\$ 30,338,462
Accounts receivable and accrued revenues	12,630	6,734	---	7,608	26,972
Due from other governmental entities	115,032	---	---	---	115,032
Inventories	32,089	---	---	---	32,089
Prepays and deferred charges	330,431	---	---	---	330,431
Deposits held by others	---	99,000	---	50,000	149,000
Total current assets	<u>490,182</u>	<u>14,231,559</u>	<u>4,813,508</u>	<u>11,456,737</u>	<u>30,991,986</u>
Noncurrent assets					
Net pension obligation	106,995	---	---	---	106,995
Depreciable capital assets, net	1,628,165	---	---	---	1,628,165
Total assets	<u>\$ 2,225,342</u>	<u>\$ 14,231,559</u>	<u>\$ 4,813,508</u>	<u>\$ 11,456,737</u>	<u>\$ 32,727,146</u>
<b>Liabilities and net assets:</b>					
Current liabilities					
Accounts payable and accrued liabilities	\$ 602,295	\$ 4,422	\$ 6,171	\$ 157,297	\$ 770,185
Due to other funds	100,101	---	---	---	100,101
Deferred revenue	---	3,769,767	---	---	3,769,767
Sick and annual leave payable	66,340	---	---	---	66,340
Claims payable	---	3,814,805	492,763	3,133,846	7,441,414
Total current liabilities	<u>768,736</u>	<u>7,588,994</u>	<u>498,934</u>	<u>3,291,143</u>	<u>12,147,807</u>
Noncurrent liabilities					
Long term claims payable	---	---	2,930,280	3,740,538	6,670,818
Sick and annual leave payable	46,002	---	---	---	46,002
Net post employment benefit obligations	13,381	---	---	---	13,381
Total noncurrent liabilities	<u>59,383</u>	<u>---</u>	<u>2,930,280</u>	<u>3,740,538</u>	<u>6,730,201</u>
Total liabilities	<u>828,119</u>	<u>7,588,994</u>	<u>3,429,214</u>	<u>7,031,681</u>	<u>18,878,008</u>
Net assets:					
Invested in capital assets, net of related debt	1,628,165	---	---	---	1,628,165
Unrestricted	(230,942)	6,642,565	1,384,294	4,425,056	12,220,973
Total net assets	<u>1,397,223</u>	<u>6,642,565</u>	<u>1,384,294</u>	<u>4,425,056</u>	<u>13,849,138</u>
Total liabilities and net assets	<u>\$ 2,225,342</u>	<u>\$ 14,231,559</u>	<u>\$ 4,813,508</u>	<u>\$ 11,456,737</u>	<u>\$ 32,727,146</u>

**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**For the Year Ended June 30, 2009**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Operating revenues:</b>					
Premium revenue	\$ ---	\$ 47,113,279	\$ 516,305	\$ 4,829,873	\$ 52,459,457
Charges for services	6,327,005	---	---	---	6,327,005
Other revenue	4,227	22,140	---	7,714	34,081
Total operating revenues	<u>6,331,232</u>	<u>47,135,419</u>	<u>516,305</u>	<u>4,837,587</u>	<u>58,820,543</u>
<b>Operating expenses:</b>					
Salaries	735,565	---	---	---	735,565
Other compensation	11,942	---	---	---	11,942
Fringe benefits	262,578	---	---	---	262,578
Supplies	1,452,419	---	---	---	1,452,419
Services	602,601	2,743,938	---	7,365	3,353,904
Professional and contracted services	16,663	---	---	360,492	377,155
Rent, utilities, and maintenance	2,978,817	---	---	---	2,978,817
Interdepartmental expenses	174	---	---	---	174
Depreciation	156,665	---	---	---	156,665
Claims incurred	---	40,367,728	172,063	2,554,222	43,094,013
Total operating expenses	<u>6,217,424</u>	<u>43,111,666</u>	<u>172,063</u>	<u>2,922,079</u>	<u>52,423,232</u>
Operating income (loss)	113,808	4,023,753	344,242	1,915,508	6,397,311
<b>Nonoperating revenues (expenses)</b>					
Interest income	---	307,481	---	---	307,481
Income (loss) before transfers	<u>113,808</u>	<u>4,331,234</u>	<u>344,242</u>	<u>1,915,508</u>	<u>6,704,792</u>
<b>Transfers:</b>					
Transfers in	---	---	1,000,000	---	1,000,000
Transfers out	---	(280,479)	---	---	(280,479)
Net transfers	<u>---</u>	<u>(280,479)</u>	<u>1,000,000</u>	<u>---</u>	<u>719,521</u>
Change in net assets	113,808	4,050,755	1,344,242	1,915,508	7,424,313
<b>Net assets:</b>					
June 30, 2008	<u>1,283,415</u>	<u>2,591,810</u>	<u>40,052</u>	<u>2,509,548</u>	<u>6,424,825</u>
June 30, 2009	<u>\$ 1,397,223</u>	<u>\$ 6,642,565</u>	<u>\$ 1,384,294</u>	<u>\$ 4,425,056</u>	<u>\$ 13,849,138</u>

**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended June 30, 2009**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Cash flows from operations:</b>					
Receipts from customers	\$ 424,082	\$ ---	\$ ---	\$ ---	\$ 424,082
Receipts from interfund services provided	5,925,209	---	---	---	5,925,209
Premiums received	---	47,126,944	516,305	4,822,265	52,465,514
Refunds received from suppliers	8,584	272,140	---	20,464	301,188
Cash payments to suppliers	(4,865,476)	(3,822,415)	---	(297,761)	(8,985,652)
Cash payments to employees	(968,414)	---	---	---	(968,414)
Claims paid	---	(40,450,552)	(513,258)	(2,823,325)	(43,787,135)
Payments for interfund services used	(174)	---	---	---	(174)
Net cash provided by (used in) operating activities	<u>523,811</u>	<u>3,126,117</u>	<u>3,047</u>	<u>1,721,643</u>	<u>5,374,618</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers from other funds	---	---	1,000,000	---	1,000,000
Transfers to other funds	---	(280,479)	---	---	(280,479)
Advances from other funds	100,101	---	---	---	100,101
Repayment of advances from other funds	(264,674)	---	---	---	(264,674)
Net cash provided by (used in) noncapital financing activities	<u>(164,573)</u>	<u>(280,479)</u>	<u>1,000,000</u>	<u>---</u>	<u>554,948</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets	(359,238)	---	---	---	(359,238)
Net cash used in capital related financing activities	<u>(359,238)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(359,238)</u>
<b>Cash flows from investing activities:</b>					
Interest and investment earnings	---	307,481	---	---	307,481
Net cash provided by investing activities	<u>---</u>	<u>307,481</u>	<u>---</u>	<u>---</u>	<u>307,481</u>
Net increase (decrease) in cash and cash equivalents	---	3,153,119	1,003,047	1,721,643	5,877,809
Cash and cash equivalents, June 30, 2008	---	10,972,706	3,810,461	9,677,486	24,460,653
Cash and cash equivalents, June 30, 2009	<u>\$ ---</u>	<u>\$ 14,125,825</u>	<u>\$ 4,813,508</u>	<u>\$ 11,399,129</u>	<u>\$ 30,338,462</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	<u>\$ 113,808</u>	<u>\$ 4,023,753</u>	<u>\$ 344,242</u>	<u>\$ 1,915,508</u>	<u>\$ 6,397,311</u>
<b>Adjustments:</b>					
Depreciation	156,665	---	---	---	156,665
<b>Changes in assets and liabilities:</b>					
Accounts receivable and accrued revenues	12,555	4,467	---	(7,608)	9,414
Due from other governmental entities	4,955	250,000	---	---	254,955
Inventories	108,717	---	---	---	108,717
Prepays and deferred charges	(6,817)	---	---	---	(6,817)
Deposits held by others	---	---	---	(50,000)	(50,000)
Net pension obligation	16,892	---	---	---	16,892
Accounts payable and accrued liabilities	92,258	(11,642)	(27,745)	132,846	185,717
Deferred revenue	---	9,197	---	---	9,197
Sick and annual leave payable	11,397	---	---	---	11,397
Claims payable	---	(1,149,658)	(313,450)	(269,103)	(1,732,211)
Net postemployment benefit obligations	13,381	---	---	---	13,381
Total adjustments	<u>410,003</u>	<u>(897,636)</u>	<u>(341,195)</u>	<u>(193,865)</u>	<u>(1,022,693)</u>
Net cash provided by (used in) operating activities	<u>\$ 523,811</u>	<u>\$ 3,126,117</u>	<u>\$ 3,047</u>	<u>\$ 1,721,643</u>	<u>\$ 5,374,618</u>

**Constitutional Officers - General and Agency Funds  
Combined Schedule of Changes in Assets and Liabilities  
For the Year Ended June 30, 2009**

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Chancery Court</u></b>				
Assets:				
Cash and cash equivalents	\$ 14,247,933	\$ 12,506,012	\$ (16,967,756)	\$ 9,786,189
Investments	2,000,000	2,000,000	(2,000,000)	2,000,000
Total Assets	<u>\$ 16,247,933</u>	<u>\$ 14,506,012</u>	<u>\$ (18,967,756)</u>	<u>\$ 11,786,189</u>
Liabilities:				
Funds held for others	\$ 15,853,051	\$ 8,247,953	\$ (12,874,562)	\$ 11,226,442
Due to other funds and departments	394,882	3,776,222	(3,611,357)	559,747
Total Liabilities	<u>\$ 16,247,933</u>	<u>\$ 12,024,175</u>	<u>\$ (16,485,919)</u>	<u>\$ 11,786,189</u>
<b><u>Circuit Court Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 14,270,344	\$ 9,701,885	\$ (9,596,499)	\$ 14,375,730
Investments	1,000,000	1,000,000	(1,000,000)	1,000,000
Total Assets	<u>\$ 15,270,344</u>	<u>\$ 10,701,885</u>	<u>\$ (10,596,499)</u>	<u>\$ 15,375,730</u>
Liabilities:				
Funds held for others	\$ 14,911,260	\$ 6,965,085	\$ (6,959,381)	\$ 14,916,964
Due to other governmental agencies	32,988	416,225	(416,043)	33,170
Due to other funds and departments	326,096	3,320,575	(3,221,075)	425,596
Total Liabilities	<u>\$ 15,270,344</u>	<u>\$ 10,701,885</u>	<u>\$ (10,596,499)</u>	<u>\$ 15,375,730</u>
<b><u>Criminal Court Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 2,489,016	\$ 7,940,231	\$ (8,007,859)	\$ 2,421,388
Accounts receivable	525,330	817,315	(525,330)	817,315
Total Assets	<u>\$ 3,014,346</u>	<u>\$ 8,757,546</u>	<u>\$ (8,533,189)</u>	<u>\$ 3,238,703</u>
Liabilities:				
Funds held for others	\$ 1,739,970	\$ 536,623	\$ (243,359)	\$ 2,033,234
Due to other governmental agencies	56,886	1,478,822	(1,486,525)	49,183
Due to other funds and departments	1,217,490	6,518,764	(6,579,968)	1,156,286
Total Liabilities	<u>\$ 3,014,346</u>	<u>\$ 8,534,209</u>	<u>\$ (8,309,852)</u>	<u>\$ 3,238,703</u>
<b><u>General Sessions Court Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 6,273,935	\$ 37,547,347	\$ (36,833,796)	\$ 6,987,486
Investments	1,800,000	1,400,000	(1,800,000)	1,400,000
Total Assets	<u>\$ 8,073,935</u>	<u>\$ 38,947,347</u>	<u>\$ (38,633,796)</u>	<u>\$ 8,387,486</u>
Liabilities:				
Funds held for others	\$ 6,493,360	\$ 17,840,053	\$ (17,556,597)	\$ 6,776,816
Due to other governmental agencies	254,411	3,795,887	(3,780,680)	269,618
Due to other funds and departments	1,326,164	17,311,407	(17,296,519)	1,341,052
Total Liabilities	<u>\$ 8,073,935</u>	<u>\$ 38,947,347</u>	<u>\$ (38,633,796)</u>	<u>\$ 8,387,486</u>

(continued)

**Constitutional Officers - General and Agency Funds  
 Combined Schedule of Changes in Assets and Liabilities (continued)  
 For the Year Ended June 30, 2009**

	Beginning Balance	Additions	Deductions	Ending Balance
<b><u>Probate Court Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 13,957,730	\$ 12,554,811	\$ (10,370,146)	\$ 16,142,395
Total Assets	<u>\$ 13,957,730</u>	<u>\$ 12,554,811</u>	<u>\$ (10,370,146)</u>	<u>\$ 16,142,395</u>
Liabilities:				
Funds held for others	\$ 13,878,882	\$ 11,903,010	\$ (9,701,583)	\$ 16,080,309
Due to other governmental agencies	2,574	25,008	(25,446)	2,136
Due to other funds and departments	52,367	624,574	(643,117)	33,824
Accounts payable and accrued expenses	23,907	2,219	---	26,126
Total Liabilities	<u>\$ 13,957,730</u>	<u>\$ 12,554,811</u>	<u>\$ (10,370,146)</u>	<u>\$ 16,142,395</u>
<b><u>Juvenile Court Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 7,234,919	\$ 11,240,580	\$ (11,008,814)	\$ 7,466,685
Accounts receivable	282,208	166,103	(282,208)	166,103
Total Assets	<u>\$ 7,517,127</u>	<u>\$ 11,406,683</u>	<u>\$ (11,291,022)</u>	<u>\$ 7,632,788</u>
Liabilities:				
Funds held for others	\$ 7,179,859	\$ 9,076,527	\$ (8,842,301)	\$ 7,414,085
Due to other funds and departments	337,268	2,330,156	(2,448,721)	218,703
Total Liabilities	<u>\$ 7,517,127</u>	<u>\$ 11,406,683</u>	<u>\$ (11,291,022)</u>	<u>\$ 7,632,788</u>
<b><u>County Clerk</u></b>				
Assets:				
Cash and cash equivalents	\$ 9,605,502	\$ 138,410,416	\$ (136,643,651)	\$ 11,372,267
Investments	1,000,000	1,750,000	(1,000,000)	1,750,000
Accounts receivable	961,235	227,960	(193,490)	995,705
Total Assets	<u>\$ 11,566,737</u>	<u>\$ 140,388,376</u>	<u>\$ (137,837,141)</u>	<u>\$ 14,117,972</u>
Liabilities:				
Funds held for others	\$ 1,078	\$ 11,531	\$ (2,842)	\$ 9,767
Due to other governmental agencies	4,541,599	74,449,086	(71,750,487)	7,240,198
Due to other funds and departments	7,024,060	65,927,759	(66,083,812)	6,868,007
Total Liabilities	<u>\$ 11,566,737</u>	<u>\$ 140,388,376</u>	<u>\$ (137,837,141)</u>	<u>\$ 14,117,972</u>
<b><u>Register</u></b>				
Assets:				
Cash and cash equivalents	\$ 2,206,159	\$ 19,483,863	\$ (19,862,793)	\$ 1,827,229
Total Assets	<u>\$ 2,206,159</u>	<u>\$ 19,483,863</u>	<u>\$ (19,862,793)</u>	<u>\$ 1,827,229</u>
Liabilities:				
Due to other governmental agencies	\$ 1,790,811	\$ 15,594,387	\$ (15,927,346)	\$ 1,457,852
Due to other funds and departments	415,348	3,889,476	(3,935,447)	369,377
Total Liabilities	<u>\$ 2,206,159</u>	<u>\$ 19,483,863</u>	<u>\$ (19,862,793)</u>	<u>\$ 1,827,229</u>

(continued)

**Constitutional Officers - General and Agency Funds**  
**Combined Schedule of Changes in Assets and Liabilities (continued)**  
**For the Year Ended June 30, 2009**

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Trustee</u>				
Assets:				
Cash and cash equivalents	\$ 443,393,810	\$ 2,883,783,325	\$(2,902,374,152)	\$ 424,802,983
Investments	3,950,000	31,950,000	(3,950,000)	31,950,000
Accounts receivable	86,267	282,843	(86,267)	282,843
Total Assets	<u>\$ 447,430,077</u>	<u>\$ 2,916,016,168</u>	<u>\$(2,906,410,419)</u>	<u>\$ 457,035,826</u>
Liabilities:				
Funds held for others	\$ 10,882,596	\$ 13,820,745	\$ (15,552,806)	\$ 9,150,535
Due to other governmental agencies	10,703,041	616,636,015	(618,061,824)	9,277,232
Due to other funds and departments	309,991,329	1,845,533,671	(1,828,643,353)	326,881,647
Due to component units	115,853,111	440,024,737	(444,151,436)	111,726,412
Total Liabilities	<u>\$ 447,430,077</u>	<u>\$ 2,916,015,168</u>	<u>\$(2,906,409,419)</u>	<u>\$ 457,035,826</u>
<u>Elimination of Interdepartmental Activity</u>				
Assets:				
Cash and cash equivalents	\$(321,085,004)	\$(1,949,232,604)	\$ 1,932,463,369	\$(337,854,239)
Total Assets	<u>\$(321,085,004)</u>	<u>\$(1,949,232,604)</u>	<u>\$ 1,932,463,369</u>	<u>\$(337,854,239)</u>
Liabilities:				
Due to other funds and departments	\$(321,085,004)	\$(1,949,232,604)	\$ 1,932,463,369	\$(337,854,239)
Total Liabilities	<u>\$(321,085,004)</u>	<u>\$(1,949,232,604)</u>	<u>\$ 1,932,463,369</u>	<u>\$(337,854,239)</u>
<u>Total</u>				
Assets:				
Cash and cash equivalents	\$ 192,594,344	\$ 1,183,935,866	\$(1,219,202,097)	\$ 157,328,113
Investments	9,750,000	38,100,000	(9,750,000)	38,100,000
Accounts receivable	1,855,040	1,494,221	(1,087,295)	2,261,966
Total Assets	<u>\$ 204,199,384</u>	<u>\$ 1,223,530,087</u>	<u>\$(1,230,039,392)</u>	<u>\$ 197,690,079</u>
Liabilities:				
Funds held for others	\$ 70,940,056	\$ 68,401,527	\$ (71,733,431)	\$ 67,608,152
Due to other governmental agencies	17,382,310	712,395,430	(711,448,351)	18,329,389
Due to other funds and departments	---	---	---	---
Due to component units	115,853,111	440,024,737	(444,151,436)	111,726,412
Accounts payable and accrued expenses	23,907	2,219	---	26,126
Total Liabilities	<u>\$ 204,199,384</u>	<u>\$ 1,220,823,913</u>	<u>\$(1,227,333,218)</u>	<u>\$ 197,690,079</u>

**Schedule of General Obligation Bonds-Except for School Purposes  
June 30, 2009**

	<u>1993A General Obligation</u>	<u>1996B General Obligation</u>	<u>1997A SPEC General Obligation</u>	<u>1997B General Obligation</u>
Date of Issuance	05/15/1993	11/01/1996 11/14/1996	05/01/1997	11/01/1997
Total Issue	\$ 43,028,564	\$ 43,640,742	\$ 10,770,000	\$ 34,019,243
Interest Rate %	3.40-5.50	5.00-6.00	5.25-5.60	4.50-5.75
Fiscal Year				
2010	\$ 1,936,160	\$ ---	\$ 1,195,000	\$ 2,800,050
2011	---	---	---	1,846,307
2012	---	5,568,495	---	---
2013	---	5,548,176	---	938,662
2014	---	928,841	---	888,604
2015	---	871,662	---	839,725
2016	---	817,210	---	---
2017	---	772,912	---	790,142
2018	---	---	---	---
2019	---	---	---	---
2020	---	---	---	---
2021	---	---	---	---
2022	---	---	---	---
2023	---	---	---	---
2024	---	---	---	---
2025	---	---	---	---
2026	---	---	---	---
2027	---	---	---	---
2028	---	---	---	---
2029	---	---	---	---
2030	---	---	---	---
2031	---	---	---	---
2032	---	---	---	---
Total	<u>\$ 1,936,160</u>	<u>\$ 14,507,296</u>	<u>\$ 1,195,000</u>	<u>\$ 8,103,490</u>

(c) Capital Appreciation Bonds  
(s) Serial Bonds

Note: Certain bonds are treated as defeased and not included above. The specific series and maturities are shown following these schedules of general obligation bonds.

(continued)



**Schedule of General Obligation Bonds-Except for School Purposes (continued)**  
**June 30, 2009**

	<u>2003A</u> General Obligation	<u>2004A</u> General Obligation	<u>2004B</u> General Obligation	<u>2005A</u> General Obligation
Date of Issuance	06/10/2003	03/31/2004	04/15/2004	03/10/2005
Total Issue	\$ 57,220,000	\$ 18,881,170	\$ 60,754,734	\$ 165,792,000
Interest Rate %	4.00-5.00	3.00-5.00	(Variable)	3.00-5.00
Fiscal Year				
2010	\$ 1,270,000	\$ 2,036,825	\$ ---	\$ 3,867,000
2011	865,000	2,240,508	---	7,541,000
2012	---	2,461,987	---	14,261,000
2013	---	2,709,175	---	14,583,000
2014	---	2,980,092	---	22,181,000
2015	---	---	3,278,695	19,310,000
2016	---	---	3,606,960	12,144,000
2017	3,725,000	---	3,966,865	9,130,000
2018	4,095,000	---	4,362,365	9,460,000
2019	4,505,000	---	4,801,370	7,948,000
2020	4,955,000	---	5,279,925	8,182,000
2021	5,450,000	---	5,807,918	---
2022	5,995,000	---	6,389,303	---
2023	6,595,000	---	7,028,035	---
2024	---	---	7,730,048	---
2025	---	---	8,503,250	---
2026	---	---	---	---
2027	---	---	---	---
2028	---	---	---	---
2029	---	---	---	---
2030	---	---	---	---
2031	---	---	---	---
2032	---	---	---	---
Total	<u>\$ 37,455,000</u>	<u>\$ 12,428,587</u>	<u>\$ 60,754,734</u>	<u>\$ 128,607,000</u>



**Schedule of General Obligation Bonds-School Purposes  
June 30, 2009**

	<u>1993A General Obligation</u>	<u>1996B General Obligation</u>	<u>1997B General Obligation</u>	<u>1999B General Obligation</u>
Date of Issuance	05/15/1993	11/01/1996 11/14/1993	c s 01-Nov-97	02/01/1999
Total Issue \$	33,976,436	\$ 51,045,323	\$ 74,415,173	\$ 25,851,784
Interest Rate %	3.40-5.50	5.00-6.00	4.50-5.75	3.55-5.25
Fiscal Year				
2010	\$ 1,528,840	\$ ---	\$ 6,124,950	\$ 5,926,361
2011	---	---	4,038,693	3,903,400
2012	---	6,513,312	---	2,803,641
2013	---	6,489,541	2,053,270	1,425,220
2014	---	1,086,439	1,943,772	---
2015	---	1,019,558	1,836,850	---
2016	---	955,867	---	---
2017	---	904,052	1,728,391	---
2018	---	---	---	---
2019	---	---	---	---
2020	---	---	---	---
2021	---	---	---	---
2022	---	---	---	---
2023	---	---	---	---
2024	---	---	---	---
2025	---	---	---	---
2026	---	---	---	---
2027	---	---	---	---
2028	---	---	---	---
2029	---	---	---	---
2030	---	---	---	---
2031	---	---	---	---
2032	---	---	---	---
Total	<u>\$ 1,528,840</u>	<u>\$ 16,968,769</u>	<u>\$ 17,725,926</u>	<u>\$ 14,058,622</u>

(continued)



**Schedule of General Obligation Bonds-School Purposes (continued)**  
**June 30, 2009**

	2003A Rural General Obligation	2004A General Obligation	2004B General Obligation	2005A General Obligation	2006A General Obligation
Date of Issuance	11/12/2003	03/31/2004	04/15/2004	03/10/2005	02/22/2006
Total Issue	\$ 32,110,000	\$ 28,858,830	\$ 176,950,269	\$ 241,373,000	\$ 42,161,627
Interest Rate %	2.50-5.00	3.00-5.00	(Variable)	3.00-5.00	5.00
Fiscal Year					
2010	\$ 920,000	\$ 3,113,175	\$ ---	\$ 6,888,000	\$ ---
2011	950,000	3,424,493	---	12,674,000	6,981,627
2012	980,000	3,763,013	---	12,984,000	9,555,000
2013	1,020,000	4,140,825	---	10,327,000	7,070,000
2014	1,060,000	4,554,908	---	18,954,000	6,220,000
2015	1,105,000	---	5,011,305	22,920,000	3,360,000
2016	1,150,000	---	5,513,040	27,816,000	8,975,000
2017	1,200,000	---	6,063,135	19,990,000	---
2018	1,250,000	---	6,667,635	25,325,000	---
2019	1,310,000	---	7,338,630	20,457,000	---
2020	1,365,000	---	8,070,075	18,978,000	---
2021	1,430,000	---	8,877,081	6,195,000	---
2022	1,495,000	---	9,765,697	6,090,000	---
2023	1,570,000	---	10,741,965	5,205,000	---
2024	1,645,000	---	11,814,953	5,170,000	---
2025	1,725,000	---	12,996,750	4,700,000	---
2026	1,810,000	---	13,775,000	---	---
2027	1,905,000	---	15,150,000	---	---
2028	2,000,000	---	16,665,000	---	---
2029	1,910,000	---	18,335,000	---	---
2030	---	---	20,165,000	---	---
2031	---	---	---	---	---
2032	---	---	---	---	---
<b>Total</b>	<b>\$ 27,800,000</b>	<b>\$ 18,996,413</b>	<b>\$ 176,950,266</b>	<b>\$ 224,673,000</b>	<b>\$ 42,161,627</b>

<u>2006B General Obligation</u>	<u>2006C General Obligation</u>	<u>2009A General Obligation</u>	<u>School Total</u>	<u>G. O. Bonds Total</u>
02/22/2006	11/30/2006	04/02/2009		
\$ 159,590,000	\$ 197,846,127	\$ 83,442,403		
(Variable)	(Variable)	2.75-5.0		
\$ ---	\$ 16,725,599	\$ ---	\$ 47,996,866	\$ 100,395,000
---	10,807,416	---	49,805,970	101,265,000
---	2,667,068	---	39,266,033	86,796,807
---	2,772,164	---	35,298,020	78,914,649
---	3,246,252	---	37,065,371	89,932,656
---	3,375,177	---	38,627,890	87,762,795
---	3,504,101	14,083,062	61,997,070	89,218,077
7,425,000	3,646,249	10,174,756	54,406,583	81,095,497
2,020,000	2,265,884	18,323,952	59,452,471	86,595,000
---	3,364,202	20,464,532	56,894,364	85,135,000
2,705,000	3,527,016	12,861,865	51,861,956	81,755,000
8,505,000	6,464,976	7,534,236	43,801,293	78,089,999
9,575,000	14,410,000	---	46,605,697	75,115,000
7,130,000	26,290,000	---	56,736,965	70,360,000
7,450,000	27,330,000	---	59,789,953	67,520,001
23,900,000	6,530,000	---	56,866,750	65,370,000
26,130,000	6,785,000	---	56,220,000	56,220,000
20,110,000	7,050,000	---	52,705,000	52,705,000
6,625,000	7,325,000	---	41,955,000	41,955,000
12,680,000	7,610,000	---	40,535,000	40,535,000
6,055,000	7,910,000	---	34,130,000	34,130,000
19,280,000	8,220,000	---	27,500,000	27,500,000
---	8,540,000	---	8,540,000	8,540,000
<u>\$ 159,590,000</u>	<u>\$ 190,366,105</u>	<u>\$ 83,442,403</u>	<u>\$ 1,058,058,253</u>	<u>\$ 1,586,905,481</u>

**Schedule of Defeased Bonds**  
**June 30, 2009**

Defeased Bonds: \*\*

<u>Bond Series</u>			<u>Maturity Dates</u>	<u>Total Defeased Principal</u>
2000 Series A	Public Improvement/School	Current interest bonds	04/01/11-21,25	\$ 124,975,000
2001 Series A	Public Improvement/School	Current interest bonds	04/01/12-24	111,475,000
2003 Series A	Public Improvement/School	Current interest bonds	03/01/12-16	<u>26,530,000</u>
Total				<u>\$ 262,980,000</u>

\*\* All issues shown at original issue par value amounts. See Note (IV)(H) for an explanation of refundings and defeasance.

## Other Budgetary Comparison Schedules

The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The **General Fund** Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department

The **Grants Fund** Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department

**Debt Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 133,680,000	\$ 133,680,000	\$ 137,219,906	\$ 3,539,906
Other local taxes	22,740,000	22,740,000	33,069,402	10,329,402
Local revenue	2,324,091	2,324,091	2,279,465	(44,626)
State revenue	254,227	254,227	254,226	(1)
Elected officials' fines and fees	---	---	1,045,149	1,045,149
Other revenue	1,702,000	1,702,000	1,375,710	(326,290)
Total revenues	<u>160,700,318</u>	<u>160,700,318</u>	<u>175,243,858</u>	<u>14,543,540</u>
<b>Expenditures:</b>				
Services	350,000	405,461	316,050	89,411
Professional and contracted services	34,500	27,000	24,370	2,630
Debt service	168,085,384	183,032,423	179,405,521	3,626,902
Contingencies and restrictions	545,515	545,515	---	545,515
Total expenditures	<u>169,015,399</u>	<u>184,010,399</u>	<u>179,745,941</u>	<u>4,264,458</u>
Excess (deficiency) of revenues over expenditures	<u>(8,315,081)</u>	<u>(23,310,081)</u>	<u>(4,502,083)</u>	<u>18,807,998</u>
<b>Other financing sources (uses):</b>				
Transfers in	8,414,932	8,414,932	8,404,218	(10,714)
Transfers out	(7,476,000)	(7,476,000)	(6,476,000)	1,000,000
Refunding bonds issued	---	226,000,000	214,695,000	(11,305,000)
Payment to refunding bond escrow agent	---	(231,005,000)	(231,005,000)	---
Premium (discount) on bond issuance	---	20,000,000	19,821,655	(178,345)
Other sources (uses)	7,376,149	7,376,149	---	(7,376,149)
Total other financing sources (uses)	<u>8,315,081</u>	<u>23,310,081</u>	<u>5,439,873</u>	<u>(17,870,208)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 937,790</u>	<u>\$ 937,790</u>

**General Fund**  
**Budgetary Comparison Schedule-Summary by Type**  
**For the Year Ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 203,858,000	\$ 203,858,000	\$ 209,260,357	\$ 5,402,357
Other local taxes	32,830,000	32,830,000	34,785,952	1,955,952
Local revenue	28,519,246	29,933,187	27,690,488	(2,242,699)
State revenue	20,823,540	20,823,540	22,959,928	2,136,388
Federal revenue	10,000	10,000	12,632	2,632
Patient service revenue	1,148,772	1,148,772	1,072,783	(75,989)
Elected officials' fines and fees	60,295,289	60,309,647	59,473,620	(836,027)
Other revenue	4,662,253	4,667,453	2,690,602	(1,976,851)
Total revenues	<u>352,147,100</u>	<u>353,580,599</u>	<u>357,946,362</u>	<u>4,365,763</u>
<b>Expenditures:</b>				
Salaries	195,289,326	192,625,664	177,011,559	15,614,105
Other compensation	11,023,894	13,581,954	13,085,438	496,516
Fringe benefits	60,243,823	57,313,435	53,639,050	3,674,385
Salary restriction	(19,903,607)	(16,653,878)	---	(16,653,878)
Supplies	11,665,185	11,110,819	9,861,834	1,248,985
Services	3,577,768	3,715,396	3,163,473	551,923
Professional and contracted services	35,493,228	34,228,928	33,265,306	963,622
Rent, utilities, and maintenance	14,563,591	15,769,929	15,143,568	626,361
Interdepartmental expenditures	5,360,223	5,324,637	4,193,254	1,131,383
Intergovernmental expenditures	360,000	380,935	330,665	50,270
Asset acquisitions	2,312,240	2,291,964	2,235,800	56,164
Debt service	1,250,000	401,546	6,254	395,292
Special funded projects	28,732,500	28,624,167	28,579,211	44,956
Grants	206,000	706,000	706,000	---
Contingencies and restrictions	(1,982,982)	90,000	---	90,000
Total expenditures	<u>348,191,189</u>	<u>349,511,496</u>	<u>341,221,412</u>	<u>8,290,084</u>
Excess (deficiency) of revenues over expenditures	<u>3,955,911</u>	<u>4,069,103</u>	<u>16,724,950</u>	<u>12,655,847</u>
<b>Other financing sources (uses):</b>				
Transfers in	12,714,259	12,964,641	10,930,745	(2,033,896)
Transfers out	(16,670,170)	(18,540,376)	(17,994,878)	545,498
Other sources (uses)	---	1,506,632	---	(1,506,632)
Total other financing sources (uses)	<u>(3,955,911)</u>	<u>(4,069,103)</u>	<u>(7,064,133)</u>	<u>(2,995,030)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 9,660,817</u>	<u>\$ 9,660,817</u>

**General Fund**  
**Budgetary Comparison Schedule-Summary by Department**  
**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
<b>Revenues:</b>			
General Government			
Chief Administrative Officer	\$ ---	\$ 450	\$ 450
County Attorney	108,000	127,556	19,556
Central Operations	255,657,762	264,270,864	8,613,102
Personnel	662,682	499,028	(163,654)
Purchasing	1,000	33	(967)
Information Technology	1,806,960	1,595,624	(211,336)
Finance	---	1	1
Election Commission	151,850	163,156	11,306
	<u>258,388,254</u>	<u>266,656,712</u>	<u>8,268,458</u>
Planning and Development			
Department of Housing	5,000	1,603	(3,397)
	<u>5,000</u>	<u>1,603</u>	<u>(3,397)</u>
Public Works			
Director and Staff of Public Works	---	42,524	42,524
County Engineer	160,500	171,037	10,537
Agricultural Extension Service	5,000	5,000	---
Conservation Board	733,432	657,242	(76,190)
Port Commission	2,034,802	1,679,471	(355,331)
Support Services	1,408,822	1,213,088	(195,734)
Land Bank	518,000	655,814	137,814
	<u>4,860,556</u>	<u>4,424,176</u>	<u>(436,380)</u>
Health Services			
Forensic Services	250,000	243,239	(6,761)
Administration and Finance - Health Services	13,872,690	14,063,193	190,503
Environmental Health Services	2,272,723	1,949,705	(323,018)
Personal Health Services	2,797,284	1,729,591	(1,067,693)
Assessment and Assurance	1,022,387	946,583	(75,804)
	<u>20,215,084</u>	<u>18,932,311</u>	<u>(1,282,773)</u>
Community Services			
Special Funded Projects	77,358	50,573	(26,785)
Crime Victims Center	100,000	133,103	33,103
Pretrial Services	300,000	252,292	(47,708)
	<u>477,358</u>	<u>435,968</u>	<u>(41,390)</u>
Law Enforcement			
Sheriff	4,684,500	5,006,003	321,503
	<u>4,684,500</u>	<u>5,006,003</u>	<u>321,503</u>
Judicial			
General Sessions Civil Court Judges	360,000	384,093	24,093
General Sessions Criminal Court Judges	585,000	463,908	(121,092)
Chancery Court Clerk	2,950,000	3,688,565	738,565
Circuit Court Clerk	2,905,132	2,950,515	45,383
Criminal Court Clerk	4,906,000	4,491,276	(414,724)
General Sessions Court Clerk	9,158,000	9,889,846	731,846
Probate Court Clerk	625,000	574,487	(50,513)
Juvenile Court Clerk	1,375,000	2,300,238	925,238
Juvenile Court	299,800	234,239	(65,561)
Public Defender	3,283,753	3,151,768	(131,985)
Divorce Referee	325,000	301,134	(23,866)
Attorney General	75,041	87,884	12,843
	<u>26,847,726</u>	<u>28,517,953</u>	<u>1,670,227</u>

(continued)

**General Fund**

**Budgetary Comparison Schedule-Summary by Department (continued)**

**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
Other Elected Officials			
Legislative Operations	\$ 2,000	\$ 2,360	\$ 360
Equal Opportunity Compliance	---	7	7
Assessor	324,373	287,536	(36,837)
County Clerk	10,422,228	9,202,494	(1,219,734)
Register	4,903,520	3,587,603	(1,315,917)
Trustee	22,450,000	20,891,636	(1,558,364)
	<u>38,102,121</u>	<u>33,971,636</u>	<u>(4,130,485)</u>
 Total Revenues	 <u>353,580,599</u>	 <u>357,946,362</u>	 <u>4,365,763</u>
Expenditures:			
General Government			
Mayor's Office	788,761	726,785	61,976
Public Affairs	308,627	233,855	74,772
Chief Administrative Officer	2,632,491	2,531,046	101,445
County Attorney	3,898,372	3,791,521	106,851
Director of Administration and Finance	759,415	734,723	24,692
Central Operations	28,283,779	26,798,721	1,485,058
County Grants	1,838,500	1,793,544	44,956
Personnel	4,356,708	3,993,632	363,076
Purchasing	747,413	661,722	85,691
Information Technology	10,142,120	9,491,087	651,033
Finance	2,125,321	1,992,114	133,207
Board of Equalization	465,100	408,116	56,984
Election Commission	4,512,013	4,173,022	338,991
	<u>60,858,620</u>	<u>57,329,888</u>	<u>3,528,732</u>
 Planning and Development			
Department of Housing	328,865	288,565	40,300
	<u>328,865</u>	<u>288,565</u>	<u>40,300</u>
 Public Works			
Director and Staff of Public Works	640,167	561,797	78,370
County Engineer	1,875,228	1,854,241	20,987
Soil Conservation	68,654	66,017	2,637
Shelby Farms	575,848	575,848	---
Agricultural Extension Service	294,606	285,693	8,913
Conservation Board	922,461	892,637	29,824
Port Commission	551,011	551,011	---
Support Services	14,240,823	14,137,018	103,805
Land Bank	1,016,085	917,485	98,600
	<u>20,184,883</u>	<u>19,841,747</u>	<u>343,136</u>
 Health Services			
Director of Health Services	390,245	388,557	1,688
Forensic Services	3,034,962	3,031,106	3,856
Administration and Finance - Health Services	15,911,625	15,826,410	85,215
Environmental Health Services	3,153,833	3,140,670	13,163
Personal Health Services	9,967,298	9,793,197	174,101
Assessment and Assurance	1,575,256	1,569,302	5,954
	<u>34,033,219</u>	<u>33,749,242</u>	<u>283,977</u>
 Community Services			
Director of Community Services	1,370,780	1,329,085	41,695
Special Funded Projects	192,616	150,788	41,828
Crime Victims Center	414,183	362,930	51,253
Office on Aging	89,471	83,965	5,506
Pretrial Services	3,351,616	3,298,740	52,876
	<u>5,418,666</u>	<u>5,225,508</u>	<u>193,158</u>

(continued)

**General Fund**

**Budgetary Comparison Schedule-Summary by Department (continued)**

**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
Law Enforcement			
Sheriff	\$ 141,582,696	\$ 140,360,229	\$ 1,222,467
	<u>141,582,696</u>	<u>140,360,229</u>	<u>1,222,467</u>
Judicial			
Chancery Court Judges	140,314	137,821	2,493
Circuit Court Judges	127,853	110,773	17,080
Criminal Court Judges	72,238	53,485	18,753
General Sessions Civil Court Judges	1,243,612	1,206,159	37,453
General Sessions Criminal Court Judges	3,370,025	3,117,199	252,826
Probate Court Judges	499,502	494,254	5,248
Chancery Court Clerk	1,395,177	1,338,495	56,682
Circuit Court Clerk	2,712,497	2,576,913	135,584
Criminal Court Clerk	4,686,352	4,585,210	101,142
General Sessions Court Clerk	7,430,013	7,359,019	70,994
Probate Court Clerk	616,619	611,781	4,838
Juvenile Court Clerk	4,965,153	4,740,655	224,498
Juvenile Court	15,985,329	15,446,856	538,473
Public Defender	7,890,609	7,755,249	135,360
Divorce Referee	539,303	534,150	5,153
Jury Commission	840,953	780,956	59,997
Attorney General	7,959,994	7,910,952	49,042
	<u>60,475,543</u>	<u>58,759,927</u>	<u>1,715,616</u>
Other Elected Officials			
Commissioner's Contingency	90,000	---	90,000
Legislative Operations	1,741,553	1,611,437	130,116
Equal Opportunity Compliance	794,121	709,872	84,249
Assessor	10,098,484	9,706,526	391,958
County Clerk	4,825,429	4,707,263	118,166
Register	1,858,918	1,769,178	89,740
Trustee	7,220,499	7,162,030	58,469
	<u>26,629,004</u>	<u>25,666,306</u>	<u>962,698</u>
Total Expenditures	<u>349,511,496</u>	<u>341,221,412</u>	<u>8,290,084</u>
Excess (deficiency) of revenues over expenditures	<u>4,069,103</u>	<u>16,724,950</u>	<u>12,655,847</u>
Other Financing Sources and Uses			
Transfers in			
Chief Administrative Officer	5	---	(5)
Central Operations	4,957,942	4,801,098	(156,844)
Personnel	762,024	---	(762,024)
Director and Staff of Public Works	35,170	35,170	---
County Engineer	1,750,000	1,750,000	---
Administration and Finance - Health Services	2,170,756	1,830,833	(339,923)
Environmental Health Services	159,456	106,543	(52,913)
Personal Health Services	1,110,391	782,705	(327,686)
Director of Community Services	71,461	65,696	(5,765)
Sheriff	63,742	3,010	(60,732)
Juvenile Court Clerk	91,596	47,742	(43,854)
Juvenile Court	1,780,848	1,496,698	(284,150)
Attorney General	11,250	11,250	---
Total transfers in	<u>12,964,641</u>	<u>10,930,745</u>	<u>(2,033,896)</u>

(continued)

**General Fund**

**Budgetary Comparison Schedule-Summary by Department (continued)**

**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
Transfers out			
Chief Administrative Officer	\$ (54)	\$ (54)	\$ -
Central Operations	(13,045,766)	(13,045,766)	---
Department of Housing	(217,533)	(210,488)	7,045
Director and Staff of Public Works	(235,987)	(113,666)	122,321
Port Commission	(1,534,802)	(1,534,802)	---
Administration and Finance - Health Services	(933,046)	(931,133)	1,913
Environmental Health Services	(1,425,910)	(1,194,947)	230,963
Personal Health Services	(567,854)	(522,990)	44,864
Director of Community Services	(143,906)	(143,906)	---
Special Funded Projects	(43,075)	(43,075)	---
Crime Victims Center	(77,903)	(52,198)	25,705
Juvenile Court Clerk	(279,495)	(169,774)	109,721
Juvenile Court	(2,966)	---	2,966
Attorney General	(32,079)	(32,079)	---
Total transfers out	<u>(18,540,376)</u>	<u>(17,994,878)</u>	<u>545,498</u>
Other financing sources (uses)			
Central Operations	1,456,632	---	(1,456,632)
Conservation Board	50,000	---	(50,000)
Total other financing sources (uses)	<u>1,506,632</u>	<u>---</u>	<u>(1,506,632)</u>
Total other financing sources and uses	<u>(4,069,103)</u>	<u>(7,064,133)</u>	<u>(2,995,030)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ 9,660,817</u>	<u>\$ 9,660,817</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Mayor's Office**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 469,979	\$ 469,979	\$ 455,498	\$ 14,481
Other compensation	---	544	544	---
Fringe benefits	127,402	126,858	119,565	7,293
Supplies	35,000	35,405	27,004	8,401
Services	32,550	32,550	20,610	11,940
Professional and contracted services	4,200	4,250	3,001	1,249
Rent, utilities, and maintenance	21,639	21,639	18,174	3,465
Interdepartmental expenditures	97,536	97,536	82,389	15,147
Total expenditures	788,306	788,761	726,785	61,976
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (788,306)	\$ (788,761)	\$ (726,785)	\$ 61,976

**Public Affairs**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 253,563	\$ 271,844	\$ 167,420	\$ 104,424
Other compensation	---	539	539	---
Fringe benefits	74,015	81,611	54,047	27,564
Salary restriction	---	(75,000)	---	(75,000)
Supplies	14,000	14,000	7,921	6,079
Services	6,800	6,800	(105)	6,905
Interdepartmental expenditures	8,833	8,833	4,033	4,800
Total expenditures	357,211	308,627	233,855	74,772
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (357,211)	\$ (308,627)	\$ (233,855)	\$ 74,772

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Chief Administrative Officer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 450	\$ 450
Total revenues	---	---	450	450
<b>Expenditures:</b>				
Salaries	1,531,031	1,513,922	1,500,555	13,367
Other compensation	---	17,339	17,339	---
Fringe benefits	407,447	387,199	384,538	2,661
Supplies	77,345	80,913	50,645	30,268
Services	33,004	35,701	20,313	15,388
Professional and contracted services	526,193	530,415	509,113	21,302
Rent, utilities, and maintenance	2,500	1,870	1,870	---
Interdepartmental expenditures	67,136	65,132	46,673	18,459
Total expenditures	2,644,656	2,632,491	2,531,046	101,445
Excess (deficiency) of revenues over expenditures	(2,644,656)	(2,632,491)	(2,530,596)	101,895
<b>Other financing sources (uses):</b>				
Transfers in	---	5	---	(5)
Transfers out	---	(54)	(54)	---
Total other financing sources (uses)	---	(49)	(54)	(5)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,644,656)	\$ (2,632,540)	\$ (2,530,650)	\$ 101,890

**County Attorney**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 108,000	\$ 108,000	\$ 127,556	\$ 19,556
Total revenues	108,000	108,000	127,556	19,556
<b>Expenditures:</b>				
Salaries	2,579,685	2,529,685	2,491,295	38,390
Other compensation	---	53,120	51,560	1,560
Fringe benefits	708,124	705,004	689,036	15,968
Supplies	56,600	57,900	50,623	7,277
Services	96,200	94,700	82,218	12,482
Professional and contracted services	334,904	409,904	396,664	13,240
Rent, utilities, and maintenance	5,485	5,485	411	5,074
Interdepartmental expenditures	42,374	42,574	29,714	12,860
Total expenditures	3,823,372	3,898,372	3,791,521	106,851
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,715,372)	\$ (3,790,372)	\$ (3,663,965)	\$ 126,407

**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Director of Administration and Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 337,083	\$ 337,083	\$ 336,834	\$ 249
Other compensation	---	539	539	---
Fringe benefits	85,586	85,047	83,571	1,476
Salary restriction	(1,175,000)	---	---	---
Supplies	9,000	9,000	1,513	7,487
Services	2,500	2,500	---	2,500
Professional and contracted services	496,000	309,170	303,260	5,910
Interdepartmental expenditures	16,076	16,076	9,006	7,070
Total expenditures	<u>(228,755)</u>	<u>759,415</u>	<u>734,723</u>	<u>24,692</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 228,755</u>	<u>\$ (759,415)</u>	<u>\$ (734,723)</u>	<u>\$ 24,692</u>

**Central Operations**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 203,858,000	\$ 203,858,000	\$ 209,260,357	\$ 5,402,357
Other local taxes	32,830,000	32,830,000	34,785,952	1,955,952
Local revenue	2,174,000	2,174,000	2,128,086	(45,914)
State revenue	13,415,000	13,415,000	14,962,714	1,547,714
Elected officials' fines and fees	1,543,500	1,543,500	2,077,192	533,692
Other revenue	1,837,262	1,837,262	1,056,563	(780,699)
Total revenues	<u>255,657,762</u>	<u>255,657,762</u>	<u>264,270,864</u>	<u>8,613,102</u>
Expenditures:				
Salaries	(1,889,422)	(2,213,246)	(2,889,421)	676,175
Fringe benefits	---	264,551	264,551	---
Salary restriction	(3,300,148)	(60,943)	---	(60,943)
Services	67,124	67,124	61,209	5,915
Professional and contracted services	1,492,550	1,543,917	1,543,917	---
Interdepartmental expenditures	489,163	489,163	52,304	436,859
Intergovernmental expenditures	300,000	300,000	268,240	31,760
Debt service	1,250,000	401,546	6,254	395,292
Special funded projects	27,600,000	27,491,667	27,491,667	---
Contingencies and restrictions	(1,750,000)	---	---	---
Total expenditures	<u>24,259,267</u>	<u>28,283,779</u>	<u>26,798,721</u>	<u>1,485,058</u>
Excess (deficiency) of revenues over expenditures	<u>231,398,495</u>	<u>227,373,983</u>	<u>237,472,143</u>	<u>10,098,160</u>
Other financing sources (uses):				
Transfers in	4,957,941	4,957,942	4,801,098	(156,844)
Transfers out	(13,000,000)	(13,045,766)	(13,045,766)	---
Other sources (uses)	---	1,456,632	---	(1,456,632)
Total other financing sources (uses)	<u>(8,042,059)</u>	<u>(6,631,192)</u>	<u>(8,244,668)</u>	<u>(1,613,476)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 223,356,436</u>	<u>\$ 220,742,791</u>	<u>\$ 229,227,475</u>	<u>\$ 8,484,684</u>

**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**County Grants**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Special funded projects	\$ 1,132,500	\$ 1,132,500	\$ 1,087,544	\$ 44,956
Grants	206,000	706,000	706,000	---
Total expenditures	<u>1,338,500</u>	<u>1,838,500</u>	<u>1,793,544</u>	<u>44,956</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,338,500)</u>	<u>\$ (1,838,500)</u>	<u>\$ (1,793,544)</u>	<u>\$ 44,956</u>

**Personnel**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 662,682	\$ 662,682	\$ 498,562	\$ (164,120)
Other revenue	---	---	466	466
Total revenues	<u>662,682</u>	<u>662,682</u>	<u>499,028</u>	<u>(163,654)</u>
Expenditures:				
Salaries	3,305,466	3,179,392	2,945,505	233,887
Other compensation	---	2,166	1,898	268
Fringe benefits	989,799	950,882	850,100	100,782
Salary restriction	---	(183,594)	---	(183,594)
Supplies	100,845	97,345	27,180	70,165
Services	46,036	46,036	22,330	23,706
Professional and contracted services	74,232	86,732	47,886	38,846
Rent, utilities, and maintenance	56,224	46,255	23,347	22,908
Interdepartmental expenditures	113,584	115,584	75,386	40,198
Asset acquisitions	15,910	15,910	---	15,910
Total expenditures	<u>4,702,096</u>	<u>4,356,708</u>	<u>3,993,632</u>	<u>363,076</u>
Excess (deficiency) of revenues over expenditures	<u>(4,039,414)</u>	<u>(3,694,026)</u>	<u>(3,494,604)</u>	<u>199,422</u>
Other financing sources (uses):				
Transfers in	<u>762,024</u>	<u>762,024</u>	<u>---</u>	<u>(762,024)</u>
Total other financing sources (uses)	<u>762,024</u>	<u>762,024</u>	<u>---</u>	<u>(762,024)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,277,390)</u>	<u>\$ (2,932,002)</u>	<u>\$ (3,494,604)</u>	<u>\$ (562,602)</u>

**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Purchasing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,000	\$ 1,000	\$ 33	\$ (967)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>33</u>	<u>(967)</u>
Expenditures:				
Salaries	522,331	465,443	465,443	---
Other compensation	---	272	272	---
Fringe benefits	162,375	146,092	141,979	4,113
Supplies	44,400	44,400	13,311	31,089
Services	27,382	21,357	8,036	13,321
Professional and contracted services	25,000	25,000	---	25,000
Rent, utilities, and maintenance	1,000	7,025	6,963	62
Interdepartmental expenditures	37,824	37,824	25,718	12,106
Total expenditures	<u>820,312</u>	<u>747,413</u>	<u>661,722</u>	<u>85,691</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (819,312)</u>	<u>\$ (746,413)</u>	<u>\$ (661,689)</u>	<u>\$ 84,724</u>

**Information Technology**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,805,760	\$ 1,805,760	\$ 1,595,624	\$ (210,136)
State revenue	1,200	1,200	---	(1,200)
Total revenues	<u>1,806,960</u>	<u>1,806,960</u>	<u>1,595,624</u>	<u>(211,336)</u>
Expenditures:				
Salaries	5,727,048	5,659,048	5,118,198	540,850
Other compensation	117,170	117,170	59,112	58,058
Fringe benefits	1,583,832	1,566,070	1,373,183	192,887
Salary restriction	---	(562,880)	---	(562,880)
Supplies	714,504	749,454	604,362	145,092
Services	92,451	92,451	30,961	61,490
Professional and contracted services	1,060,849	745,560	617,426	128,134
Rent, utilities, and maintenance	1,361,604	1,364,696	1,308,539	56,157
Interdepartmental expenditures	154,328	160,286	141,045	19,241
Asset acquisitions	207,069	250,265	238,261	12,004
Total expenditures	<u>11,018,855</u>	<u>10,142,120</u>	<u>9,491,087</u>	<u>651,033</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (9,211,895)</u>	<u>\$ (8,335,160)</u>	<u>\$ (7,895,463)</u>	<u>\$ 439,697</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ ---	\$ 1	\$ 1
Total revenues	---	---	1	1
Expenditures:				
Salaries	1,805,131	1,716,981	1,469,988	246,993
Other compensation	10,000	10,000	6,959	3,041
Fringe benefits	494,145	468,267	399,081	69,186
Salary restriction	---	(200,000)	---	(200,000)
Supplies	32,201	32,201	26,067	6,134
Services	11,000	14,700	12,520	2,180
Professional and contracted services	6,500	2,800	---	2,800
Rent, utilities, and maintenance	700	700	111	589
Interdepartmental expenditures	79,672	79,672	77,388	2,284
Total expenditures	2,439,349	2,125,321	1,992,114	133,207
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,439,349)	\$ (2,125,321)	\$ (1,992,113)	\$ 133,208

**Board of Equalization**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 278,818	\$ 278,818	\$ 262,455	\$ 16,363
Other compensation	---	272	272	---
Fringe benefits	108,472	108,200	80,899	27,301
Supplies	8,000	10,000	6,705	3,295
Services	55,053	50,053	43,060	6,993
Professional and contracted services	5,000	2,900	1,600	1,300
Interdepartmental expenditures	9,757	14,857	13,125	1,732
Total expenditures	465,100	465,100	408,116	56,984
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (465,100)	\$ (465,100)	\$ (408,116)	\$ 56,984

**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Election Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 84,200	\$ 84,200	\$ 36	\$ (84,164)
State revenue	65,250	65,250	162,072	96,822
Other revenue	2,400	2,400	1,048	(1,352)
Total revenues	<u>151,850</u>	<u>151,850</u>	<u>163,156</u>	<u>11,306</u>
<b>Expenditures:</b>				
Salaries	2,403,080	2,307,468	2,118,214	189,254
Other compensation	199,165	262,284	235,882	26,402
Fringe benefits	400,758	395,696	360,631	35,065
Salary restriction	(50,000)	(150,000)	---	(150,000)
Supplies	261,845	188,365	145,081	43,284
Services	351,006	574,122	564,544	9,578
Professional and contracted services	167,992	153,413	139,581	13,832
Rent, utilities, and maintenance	318,663	273,288	243,583	29,705
Interdepartmental expenditures	583,639	500,957	365,506	135,451
Asset acquisitions	13,420	6,420	---	6,420
Total expenditures	<u>4,649,568</u>	<u>4,512,013</u>	<u>4,173,022</u>	<u>338,991</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (4,497,718)</u>	<u>\$ (4,360,163)</u>	<u>\$ (4,009,866)</u>	<u>\$ 350,297</u>

**Department of Housing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 5,000	\$ 5,000	\$ 1,603	\$ (3,397)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>1,603</u>	<u>(3,397)</u>
<b>Expenditures:</b>				
Salaries	218,923	218,923	202,630	16,293
Other compensation	---	272	272	---
Fringe benefits	62,129	61,857	57,083	4,774
Supplies	12,945	11,945	2,618	9,327
Services	10,807	10,807	3,689	7,118
Professional and contracted services	2,250	2,250	1,020	1,230
Rent, utilities, and maintenance	4,974	4,974	3,504	1,470
Interdepartmental expenditures	16,837	17,837	17,749	88
Total expenditures	<u>328,865</u>	<u>328,865</u>	<u>288,565</u>	<u>40,300</u>
Excess (deficiency) of revenues over expenditures	<u>(323,865)</u>	<u>(323,865)</u>	<u>(286,962)</u>	<u>36,903</u>
<b>Other financing sources (uses):</b>				
Transfers out	(217,533)	(217,533)	(210,488)	7,045
Total other financing sources (uses)	<u>(217,533)</u>	<u>(217,533)</u>	<u>(210,488)</u>	<u>7,045</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (541,398)</u>	<u>\$ (541,398)</u>	<u>\$ (497,450)</u>	<u>\$ 43,948</u>

**Director and Staff of Public Works**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ ---	\$ ---	\$ 42,524	\$ 42,524
Total revenues	---	---	42,524	42,524
Expenditures:				
Salaries	184,559	184,559	182,104	2,455
Fringe benefits	47,894	47,894	45,786	2,108
Salary restriction	(600,000)	---	---	---
Supplies	2,013	2,013	1,185	828
Services	1,250	1,250	867	383
Professional and contracted services	268,307	235,834	235,329	505
Rent, utilities, and maintenance	---	980	974	6
Interdepartmental expenditures	172,352	167,637	95,552	72,085
Total expenditures	76,375	640,167	561,797	78,370
Excess (deficiency) of revenues over expenditures	(76,375)	(640,167)	(519,273)	120,894
Other financing sources (uses):				
Transfers in	35,170	35,170	35,170	---
Transfers out	(235,987)	(235,987)	(113,666)	122,321
Total other financing sources (uses)	(200,817)	(200,817)	(78,496)	122,321
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (277,192)	\$ (840,984)	\$ (597,769)	\$ 243,215

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**County Engineer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 160,500	\$ 160,500	\$ 171,037	\$ 10,537
Total revenues	<u>160,500</u>	<u>160,500</u>	<u>171,037</u>	<u>10,537</u>
Expenditures:				
Salaries	1,446,741	1,335,525	1,175,578	159,947
Other compensation	---	544	544	---
Fringe benefits	403,786	359,929	276,341	83,588
Salary restriction	---	(240,000)	---	(240,000)
Supplies	29,245	15,796	15,271	525
Services	17,780	9,785	8,396	1,389
Professional and contracted services	212,800	211,321	211,277	44
Rent, utilities, and maintenance	89,390	94,487	93,190	1,297
Interdepartmental expenditures	100,828	87,841	73,644	14,197
Total expenditures	<u>2,300,570</u>	<u>1,875,228</u>	<u>1,854,241</u>	<u>20,987</u>
Excess (deficiency) of revenues over expenditures	<u>(2,140,070)</u>	<u>(1,714,728)</u>	<u>(1,683,204)</u>	<u>31,524</u>
Other financing sources (uses):				
Transfers in	1,750,000	1,750,000	1,750,000	---
Total other financing sources (uses)	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,750,000</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (390,070)</u>	<u>\$ 35,272</u>	<u>\$ 66,796</u>	<u>\$ 31,524</u>

**Soil Conservation**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 40,178	\$ 40,178	\$ 40,178	\$ ---
Other compensation	---	272	272	---
Fringe benefits	17,076	16,804	15,671	1,133
Supplies	1,000	1,000	598	402
Services	1,100	1,100	403	697
Professional and contracted services	4,000	6,600	6,600	---
Interdepartmental expenditures	2,700	2,700	2,295	405
Total expenditures	<u>66,054</u>	<u>68,654</u>	<u>66,017</u>	<u>2,637</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (66,054)</u>	<u>\$ (68,654)</u>	<u>\$ (66,017)</u>	<u>\$ 2,637</u>

**Shelby Farms**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Professional and contracted services	\$ 575,848	\$ 575,848	\$ 575,848	\$ ---
Total expenditures	575,848	575,848	575,848	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (575,848)	\$ (575,848)	\$ (575,848)	\$ ---

**Agricultural Extension Service**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 5,000	\$ 5,000	\$ 5,000	\$ ---
Total revenues	5,000	5,000	5,000	---
Expenditures:				
Salaries	174,189	178,427	178,426	1
Other compensation	---	544	544	---
Fringe benefits	42,917	33,539	25,838	7,701
Rent, utilities, and maintenance	76,992	74,992	73,795	1,197
Interdepartmental expenditures	5,104	7,104	7,090	14
Total expenditures	299,202	294,606	285,693	8,913
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (294,202)	\$ (289,606)	\$ (280,693)	\$ 8,913

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**Conservation Board**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 495,000	\$ 733,432	\$ 654,471	\$ (78,961)
Other revenue	---	---	2,771	2,771
Total revenues	<u>495,000</u>	<u>733,432</u>	<u>657,242</u>	<u>(76,190)</u>
Expenditures:				
Salaries	220,375	309,720	250,609	59,111
Other compensation	---	267	267	---
Fringe benefits	35,053	43,299	35,974	7,325
Salary restriction	---	(50,000)	---	(50,000)
Supplies	53,550	54,454	54,454	---
Services	100	7,028	7,006	22
Professional and contracted services	138,368	136,060	135,070	990
Rent, utilities, and maintenance	185,198	292,735	291,841	894
Interdepartmental expenditures	85,279	62,744	51,262	11,482
Asset acquisitions	23,000	66,154	66,154	---
Total expenditures	<u>740,923</u>	<u>922,461</u>	<u>892,637</u>	<u>29,824</u>
Excess (deficiency) of revenues over expenditures	<u>(245,923)</u>	<u>(189,029)</u>	<u>(235,395)</u>	<u>(46,366)</u>
Other financing sources (uses):				
Other sources (uses)	---	50,000	---	(50,000)
Total other financing sources (uses)	<u>---</u>	<u>50,000</u>	<u>---</u>	<u>(50,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (245,923)</u>	<u>\$ (139,029)</u>	<u>\$ (235,395)</u>	<u>\$ (96,366)</u>

**Port Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,045,515	\$ 2,034,802	\$ 1,515,706	\$ (519,096)
Other revenue	---	---	163,765	163,765
Total revenues	<u>1,045,515</u>	<u>2,034,802</u>	<u>1,679,471</u>	<u>(355,331)</u>
Expenditures:				
Supplies	500,000	551,011	551,011	---
Total expenditures	<u>500,000</u>	<u>551,011</u>	<u>551,011</u>	<u>---</u>
Excess (deficiency) of revenues over expenditures	<u>545,515</u>	<u>1,483,791</u>	<u>1,128,460</u>	<u>(355,331)</u>
Other financing sources (uses):				
Transfers out	(545,515)	(1,534,802)	(1,534,802)	---
Total other financing sources (uses)	<u>(545,515)</u>	<u>(1,534,802)</u>	<u>(1,534,802)</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ (51,011)</u>	<u>\$ (406,342)</u>	<u>\$ (355,331)</u>

**General Fund**  
**Budgetary Comparison Schedules**  
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**Support Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,232,600	\$ 1,408,822	\$ 1,213,088	\$ (195,734)
Total revenues	<u>1,232,600</u>	<u>1,408,822</u>	<u>1,213,088</u>	<u>(195,734)</u>
Expenditures:				
Salaries	5,276,145	5,337,839	4,975,513	362,326
Other compensation	38,138	38,138	29,345	8,793
Fringe benefits	1,565,380	1,585,139	1,448,910	136,229
Salary restriction	---	(414,245)	---	(414,245)
Supplies	305,492	236,900	229,700	7,200
Services	1,100	1,200	1,200	---
Professional and contracted services	1,330,513	1,280,619	1,279,224	1,395
Rent, utilities, and maintenance	5,088,223	5,915,349	5,915,283	66
Interdepartmental expenditures	189,025	259,884	257,843	2,041
Asset acquisitions	26,072	---	---	---
Total expenditures	<u>13,820,088</u>	<u>14,240,823</u>	<u>14,137,018</u>	<u>103,805</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (12,587,488)</u>	<u>\$ (12,832,001)</u>	<u>\$ (12,923,930)</u>	<u>\$ (91,929)</u>

**Land Bank**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 508,000	\$ 518,000	\$ 655,814	\$ 137,814
Total revenues	<u>508,000</u>	<u>518,000</u>	<u>655,814</u>	<u>137,814</u>
Expenditures:				
Salaries	519,647	519,647	502,599	17,048
Other compensation	---	267	267	---
Fringe benefits	148,439	148,172	144,168	4,004
Supplies	17,936	12,300	4,581	7,719
Services	20,400	13,500	6,551	6,949
Professional and contracted services	195,500	57,701	57,142	559
Rent, utilities, and maintenance	11,000	75,988	48,738	27,250
Interdepartmental expenditures	1,288	39,700	34,016	5,684
Intergovernmental expenditures	60,000	80,935	62,425	18,510
Asset acquisitions	39,860	67,875	56,998	10,877
Total expenditures	<u>1,014,070</u>	<u>1,016,085</u>	<u>917,485</u>	<u>98,600</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (506,070)</u>	<u>\$ (498,085)</u>	<u>\$ (261,671)</u>	<u>\$ 236,414</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Director of Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 312,318	\$ 313,618	\$ 313,544	\$ 74
Fringe benefits	76,627	76,627	75,013	1,614
Salary restriction	(1,160,000)	---	---	---
Total expenditures	<u>(771,055)</u>	<u>390,245</u>	<u>388,557</u>	<u>1,688</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 771,055</u>	<u>\$ (390,245)</u>	<u>\$ (388,557)</u>	<u>\$ 1,688</u>

**Forensic Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 250,000	\$ 250,000	\$ 243,239	\$ (6,761)
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>243,239</u>	<u>(6,761)</u>
Expenditures:				
Supplies	16,244	194	194	---
Services	223	1,653	1,585	68
Professional and contracted services	2,790,473	2,886,880	2,885,672	1,208
Rent, utilities, and maintenance	102,000	102,866	100,865	2,001
Interdepartmental expenditures	2,000	2,000	1,422	578
Asset acquisitions	25,517	41,369	41,368	1
Total expenditures	<u>2,936,457</u>	<u>3,034,962</u>	<u>3,031,106</u>	<u>3,856</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,686,457)</u>	<u>\$ (2,784,962)</u>	<u>\$ (2,787,867)</u>	<u>\$ (2,905)</u>

**Administration and Finance - Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 13,871,190	\$ 13,871,190	\$ 14,063,225	\$ 192,035
Patient service revenue	500	500	(32)	(532)
Other revenue	1,000	1,000	---	(1,000)
Total revenues	<u>13,872,690</u>	<u>13,872,690</u>	<u>14,063,193</u>	<u>190,503</u>
Expenditures:				
Salaries	5,095,014	4,929,263	4,760,037	169,226
Other compensation	59,366	68,366	59,567	8,799
Fringe benefits	693,787	668,396	596,127	72,269
Salary restriction	(175,000)	(180,385)	---	(180,385)
Supplies	117,045	118,465	117,501	964
Services	58,527	17,381	14,058	3,323
Professional and contracted services	9,506,761	9,414,104	9,412,814	1,290
Rent, utilities, and maintenance	423,871	534,460	527,014	7,446
Interdepartmental expenditures	86,914	96,887	95,446	1,441
Asset acquisitions	12,500	244,688	243,846	842
Contingencies and restrictions	(174,969)	---	---	---
Total expenditures	<u>15,703,816</u>	<u>15,911,625</u>	<u>15,826,410</u>	<u>85,215</u>
Excess (deficiency) of revenues over expenditures	<u>(1,831,126)</u>	<u>(2,038,935)</u>	<u>(1,763,217)</u>	<u>275,718</u>
Other financing sources (uses):				
Transfers in	1,957,325	2,170,756	1,830,833	(339,923)
Transfers out	---	(933,046)	(931,133)	1,913
Total other financing sources (uses)	<u>1,957,325</u>	<u>1,237,710</u>	<u>899,700</u>	<u>(338,010)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 126,199</u>	<u>\$ (801,225)</u>	<u>\$ (863,517)</u>	<u>\$ (62,292)</u>

**General Fund  
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For the Year Ended June 30, 2009**

**Environmental Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,203,800	\$ 1,203,800	\$ 939,064	\$ (264,736)
State revenue	1,068,923	1,068,923	1,010,641	(58,282)
Total revenues	<u>2,272,723</u>	<u>2,272,723</u>	<u>1,949,705</u>	<u>(323,018)</u>
Expenditures:				
Salaries	2,412,077	2,357,048	2,198,769	158,279
Other compensation	23,613	40,247	13,728	26,519
Fringe benefits	779,875	769,545	654,343	115,202
Salary restriction	---	(300,000)	---	(300,000)
Supplies	58,286	32,219	29,101	3,118
Services	77,585	108,230	106,757	1,473
Professional and contracted services	115,678	23,309	22,884	425
Rent, utilities, and maintenance	29,607	28,312	28,249	63
Interdepartmental expenditures	94,098	94,923	86,839	8,084
Asset acquisitions	35,800	---	---	---
Total expenditures	<u>3,626,619</u>	<u>3,153,833</u>	<u>3,140,670</u>	<u>13,163</u>
Excess (deficiency) of revenues over expenditures	<u>(1,353,896)</u>	<u>(881,110)</u>	<u>(1,190,965)</u>	<u>(309,855)</u>
Other financing sources (uses):				
Transfers in	159,456	159,456	106,543	(52,913)
Transfers out	(1,541,181)	(1,425,910)	(1,194,947)	230,963
Total other financing sources (uses)	<u>(1,381,725)</u>	<u>(1,266,454)</u>	<u>(1,088,404)</u>	<u>178,050</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,735,621)</u>	<u>\$ (2,147,564)</u>	<u>\$ (2,279,369)</u>	<u>\$ (131,805)</u>

**General Fund  
Budgetary Comparison Schedules  
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**Personal Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,639,012	\$ 1,639,012	\$ 652,827	\$ (986,185)
State revenue	10,000	10,000	2,949	(7,051)
Patient service revenue	1,148,272	1,148,272	1,072,815	(75,457)
Other revenue	---	---	1,000	1,000
Total revenues	<u>2,797,284</u>	<u>2,797,284</u>	<u>1,729,591</u>	<u>(1,067,693)</u>
Expenditures:				
Salaries	4,230,961	4,166,754	3,685,007	481,747
Other compensation	26,247	38,997	24,390	14,607
Fringe benefits	1,226,313	1,139,003	929,392	209,611
Salary restriction	---	(653,190)	---	(653,190)
Supplies	1,044,251	344,926	299,210	45,716
Services	144,060	61,729	42,815	18,914
Professional and contracted services	4,553,246	4,003,271	3,979,947	23,324
Rent, utilities, and maintenance	700,445	606,166	593,915	12,251
Interdepartmental expenditures	286,481	251,442	230,372	21,070
Asset acquisitions	(500)	8,200	8,149	51
Contingencies and restrictions	(648,013)	---	---	---
Total expenditures	<u>11,563,491</u>	<u>9,967,298</u>	<u>9,793,197</u>	<u>174,101</u>
Excess (deficiency) of revenues over expenditures	<u>(8,766,207)</u>	<u>(7,170,014)</u>	<u>(8,063,606)</u>	<u>(893,592)</u>
Other financing sources (uses):				
Transfers in	1,119,691	1,110,391	782,705	(327,686)
Transfers out	(567,854)	(567,854)	(522,990)	44,864
Total other financing sources (uses)	<u>551,837</u>	<u>542,537</u>	<u>259,715</u>	<u>(282,822)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (8,214,370)</u>	<u>\$ (6,627,477)</u>	<u>\$ (7,803,891)</u>	<u>\$ (1,176,414)</u>

**General Fund  
Budgetary Comparison Schedules  
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**Assessment and Assurance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,022,387	\$ 1,022,387	\$ 919,803	\$ (102,584)
State revenue	---	---	26,780	26,780
Total revenues	<u>1,022,387</u>	<u>1,022,387</u>	<u>946,583</u>	<u>(75,804)</u>
Expenditures:				
Salaries	1,124,610	1,075,619	942,612	133,007
Other compensation	17,736	17,736	13,064	4,672
Fringe benefits	373,760	374,522	299,939	74,583
Salary restriction	---	(212,262)	---	(212,262)
Supplies	67,285	54,233	53,746	487
Services	29,467	12,616	12,570	46
Professional and contracted services	187,876	164,052	164,048	4
Rent, utilities, and maintenance	76,853	42,040	36,623	5,417
Interdepartmental expenditures	54,500	46,700	46,700	---
Total expenditures	<u>1,932,087</u>	<u>1,575,256</u>	<u>1,569,302</u>	<u>5,954</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (909,700)</u>	<u>\$ (552,869)</u>	<u>\$ (622,719)</u>	<u>\$ (69,850)</u>

**Director of Community Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 589,505	\$ 589,505	\$ 510,221	\$ 79,284
Other compensation	---	816	816	---
Fringe benefits	159,216	158,402	133,950	24,452
Salary restriction	(300,000)	(100,000)	---	(100,000)
Supplies	52,515	57,530	47,580	9,950
Services	49,403	48,390	35,508	12,882
Professional and contracted services	539,917	584,446	570,026	14,420
Rent, utilities, and maintenance	5,000	---	---	---
Interdepartmental expenditures	18,591	31,691	30,984	707
Total expenditures	<u>1,114,147</u>	<u>1,370,780</u>	<u>1,329,085</u>	<u>41,695</u>
Excess (deficiency) of revenues over expenditures	<u>(1,114,147)</u>	<u>(1,370,780)</u>	<u>(1,329,085)</u>	<u>41,695</u>
Other financing sources (uses):				
Transfers in	69,307	71,461	65,696	(5,765)
Transfers out	(143,906)	(143,906)	(143,906)	---
Total other financing sources (uses)	<u>(74,599)</u>	<u>(72,445)</u>	<u>(78,210)</u>	<u>(5,765)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,188,746)</u>	<u>\$ (1,443,225)</u>	<u>\$ (1,407,295)</u>	<u>\$ 35,930</u>

**Special Funded Projects**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Elected officials' fines and fees	\$ 63,000	\$ 77,358	\$ 50,573	\$ (26,785)
Total revenues	<u>63,000</u>	<u>77,358</u>	<u>50,573</u>	<u>(26,785)</u>
<b>Expenditures:</b>				
Professional and contracted services	84,283	192,616	150,788	41,828
Total expenditures	<u>84,283</u>	<u>192,616</u>	<u>150,788</u>	<u>41,828</u>
Excess (deficiency) of revenues over expenditures	<u>(21,283)</u>	<u>(115,258)</u>	<u>(100,215)</u>	<u>15,043</u>
<b>Other financing sources (uses):</b>				
Transfers out	(28,717)	(43,075)	(43,075)	---
Total other financing sources (uses)	<u>(28,717)</u>	<u>(43,075)</u>	<u>(43,075)</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (50,000)</u>	<u>\$ (158,333)</u>	<u>\$ (143,290)</u>	<u>\$ 15,043</u>

**Crime Victims Center**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 100,000	\$ 100,000	\$ 131,423	\$ 31,423
Other revenue	---	---	1,680	1,680
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>133,103</u>	<u>33,103</u>
<b>Expenditures:</b>				
Salaries	268,816	268,816	260,494	8,322
Other compensation	---	272	272	---
Fringe benefits	76,205	75,933	70,507	5,426
Supplies	10,062	10,062	5,852	4,210
Services	13,610	13,610	11,065	2,545
Interdepartmental expenditures	45,490	45,490	14,740	30,750
Total expenditures	<u>414,183</u>	<u>414,183</u>	<u>362,930</u>	<u>51,253</u>
Excess (deficiency) of revenues over expenditures	<u>(314,183)</u>	<u>(314,183)</u>	<u>(229,827)</u>	<u>84,356</u>
<b>Other financing sources (uses):</b>				
Transfers out	(77,903)	(77,903)	(52,198)	25,705
Total other financing sources (uses)	<u>(77,903)</u>	<u>(77,903)</u>	<u>(52,198)</u>	<u>25,705</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (392,086)</u>	<u>\$ (392,086)</u>	<u>\$ (282,025)</u>	<u>\$ 110,061</u>

**General Fund  
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For the Year Ended June 30, 2009**

**Office on Aging**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 24,048	\$ 24,048	\$ 24,048	\$ ---
Fringe benefits	12,821	12,821	8,500	4,321
Interdepartmental expenditures	50,254	52,602	51,417	1,185
Total expenditures	<u>87,123</u>	<u>89,471</u>	<u>83,965</u>	<u>5,506</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (87,123)</u>	<u>\$ (89,471)</u>	<u>\$ (83,965)</u>	<u>\$ 5,506</u>

**Pretrial Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 300,000	\$ 300,000	\$ 252,292	\$ (47,708)
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>252,292</u>	<u>(47,708)</u>
Expenditures:				
Salaries	2,529,577	2,529,577	2,345,685	183,892
Other compensation	5,412	11,283	11,282	1
Fringe benefits	781,928	776,058	718,002	58,056
Salary restriction	---	(200,003)	---	(200,003)
Supplies	27,678	49,528	40,438	9,090
Services	8,414	8,789	7,368	1,421
Professional and contracted services	100,000	100,150	100,000	150
Rent, utilities, and maintenance	23,000	23,000	23,000	---
Interdepartmental expenditures	75,609	53,234	52,965	269
Total expenditures	<u>3,551,618</u>	<u>3,351,616</u>	<u>3,298,740</u>	<u>52,876</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,251,618)</u>	<u>\$ (3,051,616)</u>	<u>\$ (3,046,448)</u>	<u>\$ 5,168</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Sheriff**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 1,070,000	\$ 1,070,000	\$ 1,176,629	\$ 106,629
State revenue	1,950,000	1,950,000	1,871,776	(78,224)
Elected officials' fines and fees	1,516,500	1,516,500	1,817,303	300,803
Other revenue	148,000	148,000	140,295	(7,705)
Total revenues	<u>4,684,500</u>	<u>4,684,500</u>	<u>5,006,003</u>	<u>321,503</u>
Expenditures:				
Salaries	91,458,321	90,492,915	82,170,984	8,321,931
Other compensation	9,888,450	12,218,028	12,061,692	156,336
Fringe benefits	30,146,287	27,503,230	26,734,207	769,023
Salary restriction	(9,728,200)	(8,717,850)	---	(8,717,850)
Supplies	5,188,001	5,612,613	5,287,118	325,495
Services	828,952	937,978	897,970	40,008
Professional and contracted services	8,178,921	7,849,933	7,812,545	37,388
Rent, utilities, and maintenance	3,976,728	4,022,232	3,840,887	181,345
Interdepartmental expenditures	627,027	417,628	311,041	106,587
Asset acquisitions	1,508,500	1,245,989	1,243,785	2,204
Total expenditures	<u>142,072,987</u>	<u>141,582,696</u>	<u>140,360,229</u>	<u>1,222,467</u>
Excess (deficiency) of revenues over expenditures	<u>(137,388,487)</u>	<u>(136,898,196)</u>	<u>(135,354,226)</u>	<u>1,543,970</u>
Other financing sources (uses):				
Transfers in	---	63,742	3,010	(60,732)
Total other financing sources (uses)	<u>---</u>	<u>63,742</u>	<u>3,010</u>	<u>(60,732)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (137,388,487)</u>	<u>\$ (136,834,454)</u>	<u>\$ (135,351,216)</u>	<u>\$ 1,483,238</u>

**Chancery Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 117,378	\$ 117,378	\$ 108,946	\$ 8,432
Fringe benefits	30,936	30,936	28,875	2,061
Salary restriction	(10,000)	(8,000)	---	(8,000)
Total expenditures	<u>138,314</u>	<u>140,314</u>	<u>137,821</u>	<u>2,493</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (138,314)</u>	<u>\$ (140,314)</u>	<u>\$ (137,821)</u>	<u>\$ 2,493</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Circuit Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 116,730	\$ 116,730	\$ 102,532	\$ 14,198
Fringe benefits	11,123	11,123	8,241	2,882
Total expenditures	127,853	127,853	110,773	17,080
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (127,853)	\$ (127,853)	\$ (110,773)	\$ 17,080

**Criminal Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 75,083	\$ 75,083	\$ 49,518	\$ 25,565
Fringe benefits	7,155	7,155	3,967	3,188
Salary restriction	(10,000)	(10,000)	---	(10,000)
Total expenditures	72,238	72,238	53,485	18,753
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (72,238)	\$ (72,238)	\$ (53,485)	\$ 18,753

**General Sessions Civil Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Elected officials' fines and fees	\$ 360,000	\$ 360,000	\$ 384,093	\$ 24,093
Total revenues	360,000	360,000	384,093	24,093
Expenditures:				
Salaries	971,783	974,190	969,739	4,451
Fringe benefits	220,996	221,462	209,663	11,799
Supplies	22,600	19,727	9,993	9,734
Services	18,283	18,783	12,836	5,947
Rent, utilities, and maintenance	2,100	1,600	562	1,038
Interdepartmental expenditures	7,850	7,850	3,366	4,484
Total expenditures	1,243,612	1,243,612	1,206,159	37,453
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (883,612)	\$ (883,612)	\$ (822,066)	\$ 61,546

**General Sessions Criminal Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 25,000	\$ 25,000	\$ ---	\$ (25,000)
Elected officials' fines and fees	560,000	560,000	462,502	(97,498)
Other revenue	---	---	1,406	1,406
Total revenues	<u>585,000</u>	<u>585,000</u>	<u>463,908</u>	<u>(121,092)</u>
<b>Expenditures:</b>				
Salaries	2,405,515	2,408,396	2,350,452	57,944
Fringe benefits	615,245	615,803	560,190	55,613
Salary restriction	(10,000)	(110,000)	---	(110,000)
Supplies	62,200	62,200	56,907	5,293
Services	32,250	32,250	24,541	7,709
Professional and contracted services	340,326	340,326	111,213	229,113
Rent, utilities, and maintenance	5,000	5,000	1,561	3,439
Interdepartmental expenditures	16,050	16,050	12,335	3,715
Total expenditures	<u>3,466,586</u>	<u>3,370,025</u>	<u>3,117,199</u>	<u>252,826</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,881,586)</u>	<u>\$ (2,785,025)</u>	<u>\$ (2,653,291)</u>	<u>\$ 131,734</u>

**Probate Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Expenditures:</b>				
Salaries	\$ 392,587	\$ 392,873	\$ 390,412	\$ 2,461
Fringe benefits	106,629	106,629	103,842	2,787
Total expenditures	<u>499,216</u>	<u>499,502</u>	<u>494,254</u>	<u>5,248</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (499,216)</u>	<u>\$ (499,502)</u>	<u>\$ (494,254)</u>	<u>\$ 5,248</u>

**General Fund**  
**Budgetary Comparison Schedules**  
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**Chancery Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 15	\$ 15
Elected officials' fines and fees	2,800,000	2,800,000	3,522,561	722,561
Other revenue	150,000	150,000	165,989	15,989
Total revenues	<u>2,950,000</u>	<u>2,950,000</u>	<u>3,688,565</u>	<u>738,565</u>
<b>Expenditures:</b>				
Salaries	971,465	971,465	918,393	53,072
Other compensation	---	500	88	412
Fringe benefits	291,012	290,512	267,161	23,351
Salary restriction	(45,000)	(47,000)	---	(47,000)
Supplies	33,950	30,055	21,694	8,361
Services	8,421	18,867	18,835	32
Professional and contracted services	1,500	1,500	---	1,500
Rent, utilities, and maintenance	79,000	80,711	72,393	8,318
Interdepartmental expenditures	39,500	41,000	39,931	1,069
Asset acquisitions	17,329	7,567	---	7,567
Total expenditures	<u>1,397,177</u>	<u>1,395,177</u>	<u>1,338,495</u>	<u>56,682</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 1,552,823</u>	<u>\$ 1,554,823</u>	<u>\$ 2,350,070</u>	<u>\$ 795,247</u>

**Circuit Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Elected officials' fines and fees	\$ 2,755,132	\$ 2,755,132	\$ 2,866,853	\$ 111,721
Other revenue	150,000	150,000	83,662	(66,338)
Total revenues	<u>2,905,132</u>	<u>2,905,132</u>	<u>2,950,515</u>	<u>45,383</u>
<b>Expenditures:</b>				
Salaries	2,002,759	1,865,127	1,837,042	28,085
Other compensation	5,771	5,771	2,217	3,554
Fringe benefits	557,363	552,687	516,245	36,442
Salary restriction	(50,000)	(7,692)	---	(7,692)
Supplies	66,950	64,950	46,671	18,279
Services	24,900	26,900	15,944	10,956
Professional and contracted services	1,400	1,400	948	452
Rent, utilities, and maintenance	90,454	101,454	89,011	12,443
Interdepartmental expenditures	96,100	96,100	68,835	27,265
Asset acquisitions	5,800	5,800	---	5,800
Total expenditures	<u>2,801,497</u>	<u>2,712,497</u>	<u>2,576,913</u>	<u>135,584</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 103,635</u>	<u>\$ 192,635</u>	<u>\$ 373,602</u>	<u>\$ 180,967</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Criminal Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Elected officials' fines and fees	\$ 4,825,000	\$ 4,825,000	\$ 4,472,796	\$ (352,204)
Other revenue	81,000	81,000	18,480	(62,520)
Total revenues	<u>4,906,000</u>	<u>4,906,000</u>	<u>4,491,276</u>	<u>(414,724)</u>
<b>Expenditures:</b>				
Salaries	3,621,309	3,620,908	3,357,694	263,214
Other compensation	12,000	12,000	4,393	7,607
Fringe benefits	1,093,295	1,093,696	981,642	112,054
Salary restriction	(211,000)	(361,000)	---	(361,000)
Supplies	96,299	108,568	72,781	35,787
Services	36,060	36,060	22,387	13,673
Professional and contracted services	2,300	2,300	1,035	1,265
Rent, utilities, and maintenance	45,970	45,970	29,830	16,140
Interdepartmental expenditures	127,850	127,850	115,448	12,402
Asset acquisitions	12,269	---	---	---
Total expenditures	<u>4,836,352</u>	<u>4,686,352</u>	<u>4,585,210</u>	<u>101,142</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 69,648</u>	<u>\$ 219,648</u>	<u>\$ (93,934)</u>	<u>\$ (313,582)</u>

**General Sessions Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 52	\$ 52
Elected officials' fines and fees	8,900,000	8,900,000	9,725,185	825,185
Other revenue	258,000	258,000	164,609	(93,391)
Total revenues	<u>9,158,000</u>	<u>9,158,000</u>	<u>9,889,846</u>	<u>731,846</u>
<b>Expenditures:</b>				
Salaries	5,526,921	5,414,711	5,044,191	370,520
Other compensation	117,223	117,223	41,526	75,697
Fringe benefits	1,800,918	1,761,402	1,580,914	180,488
Salary restriction	(535,000)	(608,274)	---	(608,274)
Supplies	125,176	112,526	106,234	6,292
Services	196,859	139,109	111,876	27,233
Professional and contracted services	48,500	48,750	47,068	1,682
Rent, utilities, and maintenance	122,777	122,977	118,546	4,431
Interdepartmental expenditures	230,052	318,402	308,664	9,738
Asset acquisitions	21,587	3,187	---	3,187
Total expenditures	<u>7,655,013</u>	<u>7,430,013</u>	<u>7,359,019</u>	<u>70,994</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 1,502,987</u>	<u>\$ 1,727,987</u>	<u>\$ 2,530,827</u>	<u>\$ 802,840</u>

**General Fund**  
**Budgetary Comparison Schedules**  
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**Probate Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Elected officials' fines and fees	\$ 625,000	\$ 625,000	\$ 574,487	\$ (50,513)
Total revenues	625,000	625,000	574,487	(50,513)
Expenditures:				
Salaries	427,351	429,195	422,391	6,804
Other compensation	---	2,209	2,208	1
Fringe benefits	127,227	130,991	130,765	226
Salary restriction	(19,321)	(5,321)	---	(5,321)
Supplies	12,945	11,342	9,613	1,729
Services	5,000	7,050	6,752	298
Professional and contracted services	2,050	---	---	---
Rent, utilities, and maintenance	7,750	5,754	5,735	19
Interdepartmental expenditures	31,800	35,399	34,317	1,082
Total expenditures	594,802	616,619	611,781	4,838
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 30,198	\$ 8,381	\$ (37,294)	\$ (45,675)

**Juvenile Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 775,000	\$ 775,000	\$ 1,487,676	\$ 712,676
Elected officials' fines and fees	600,000	600,000	812,562	212,562
Total revenues	1,375,000	1,375,000	2,300,238	925,238
Expenditures:				
Salaries	3,583,640	3,391,031	3,194,762	196,269
Other compensation	56,042	56,042	35,996	20,046
Fringe benefits	1,227,921	1,154,881	1,042,847	112,034
Salary restriction	(500,000)	(284,351)	---	(284,351)
Supplies	181,300	181,300	77,201	104,099
Services	81,750	85,750	64,421	21,329
Professional and contracted services	177,500	185,500	176,846	8,654
Rent, utilities, and maintenance	117,500	92,500	53,285	39,215
Interdepartmental expenditures	89,500	102,500	95,297	7,203
Total expenditures	5,015,153	4,965,153	4,740,655	224,498
Excess (deficiency) of revenues over expenditures	(3,640,153)	(3,590,153)	(2,440,417)	1,149,736
Other financing sources (uses):				
Transfers in	91,596	91,596	47,742	(43,854)
Transfers out	(279,495)	(279,495)	(169,774)	109,721
Total other financing sources (uses)	(187,899)	(187,899)	(122,032)	65,867
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,828,052)	\$ (3,778,052)	\$ (2,562,449)	\$ 1,215,603

**General Fund  
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**Juvenile Court**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 288,600	\$ 288,600	\$ 229,269	\$ (59,331)
Other revenue	6,000	11,200	4,970	(6,230)
Total revenues	<u>294,600</u>	<u>299,800</u>	<u>234,239</u>	<u>(65,561)</u>
Expenditures:				
Salaries	10,857,400	10,857,400	10,304,190	553,210
Other compensation	51,000	75,747	75,745	2
Fringe benefits	3,326,122	3,301,375	3,032,412	268,963
Salary restriction	(700,000)	(700,000)	---	(700,000)
Supplies	620,869	667,659	540,818	126,841
Services	79,108	72,082	35,931	36,151
Professional and contracted services	887,337	825,246	662,921	162,325
Rent, utilities, and maintenance	823,992	774,724	690,584	84,140
Interdepartmental expenditures	97,010	109,610	104,255	5,355
Asset acquisitions	19,121	1,486	---	1,486
Total expenditures	<u>16,061,959</u>	<u>15,985,329</u>	<u>15,446,856</u>	<u>538,473</u>
Excess (deficiency) of revenues over expenditures	<u>(15,767,359)</u>	<u>(15,685,529)</u>	<u>(15,212,617)</u>	<u>472,912</u>
Other financing sources (uses):				
Transfers in	1,800,499	1,780,848	1,496,698	(284,150)
Transfers out	---	(2,966)	---	2,966
Total other financing sources (uses)	<u>1,800,499</u>	<u>1,777,882</u>	<u>1,496,698</u>	<u>(281,184)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (13,966,860)</u>	<u>\$ (13,907,647)</u>	<u>\$ (13,715,919)</u>	<u>\$ 191,728</u>

**General Fund  
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**Public Defender**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 3,183,753	\$ 3,183,753	\$ 3,106,100	\$ (77,653)
Elected officials' fines and fees	100,000	100,000	45,668	(54,332)
Total revenues	<u>3,283,753</u>	<u>3,283,753</u>	<u>3,151,768</u>	<u>(131,985)</u>
<b>Expenditures:</b>				
Salaries	6,542,766	6,542,766	6,011,841	530,925
Other compensation	---	1,481	1,480	1
Fringe benefits	1,753,288	1,751,807	1,574,933	176,874
Salary restriction	(465,000)	(665,000)	---	(665,000)
Supplies	63,500	46,500	33,073	13,427
Services	19,100	19,100	6,633	12,467
Professional and contracted services	66,000	104,814	55,727	49,087
Rent, utilities, and maintenance	9,500	21,000	19,823	1,177
Interdepartmental expenditures	67,641	62,141	51,739	10,402
Asset acquisitions	33,814	6,000	---	6,000
Total expenditures	<u>8,090,609</u>	<u>7,890,609</u>	<u>7,755,249</u>	<u>135,360</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (4,806,856)</u>	<u>\$ (4,606,856)</u>	<u>\$ (4,603,481)</u>	<u>\$ 3,375</u>

**Divorce Referee**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 325,000	\$ 325,000	\$ 301,134	\$ (23,866)
Total revenues	<u>325,000</u>	<u>325,000</u>	<u>301,134</u>	<u>(23,866)</u>
<b>Expenditures:</b>				
Salaries	424,566	426,571	402,257	24,314
Fringe benefits	144,688	145,076	128,557	16,519
Salary restriction	(46,423)	(38,423)	---	(38,423)
Supplies	1,450	1,450	1,233	217
Services	1,750	1,750	1,737	13
Interdepartmental expenditures	2,879	2,879	366	2,513
Total expenditures	<u>528,910</u>	<u>539,303</u>	<u>534,150</u>	<u>5,153</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (203,910)</u>	<u>\$ (214,303)</u>	<u>\$ (233,016)</u>	<u>\$ (18,713)</u>

**General Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Jury Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 211,037	\$ 211,039	\$ 211,038	\$ 1
Fringe benefits	69,350	69,348	67,061	2,287
Supplies	2,724	2,724	1,040	1,684
Services	494,250	492,550	437,630	54,920
Professional and contracted services	10,050	11,750	11,224	526
Interdepartmental expenditures	53,542	53,542	52,963	579
Total expenditures	<u>840,953</u>	<u>840,953</u>	<u>780,956</u>	<u>59,997</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (840,953)</u>	<u>\$ (840,953)</u>	<u>\$ (780,956)</u>	<u>\$ 59,997</u>

**Attorney General**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 30,000	\$ 30,000	\$ 26,728	\$ (3,272)
State revenue	35,041	35,041	48,524	13,483
Federal revenue	10,000	10,000	12,632	2,632
Total revenues	<u>75,041</u>	<u>75,041</u>	<u>87,884</u>	<u>12,843</u>
Expenditures:				
Salaries	6,242,064	6,247,769	6,117,166	130,603
Other compensation	11,250	13,816	13,591	225
Fringe benefits	1,659,990	1,651,719	1,559,461	92,258
Salary restriction	(61,915)	(186,915)	---	(186,915)
Supplies	32,752	37,252	31,237	6,015
Services	3,619	3,922	3,537	385
Professional and contracted services	19,224	4,755	4,755	---
Rent, utilities, and maintenance	14,829	29,829	24,651	5,178
Interdepartmental expenditures	163,181	157,847	156,554	1,293
Total expenditures	<u>8,084,994</u>	<u>7,959,994</u>	<u>7,910,952</u>	<u>49,042</u>
Excess (deficiency) of revenues over expenditures	<u>(8,009,953)</u>	<u>(7,884,953)</u>	<u>(7,823,068)</u>	<u>61,885</u>
Other financing sources (uses):				
Transfers in	11,250	11,250	11,250	---
Transfers out	<u>(32,079)</u>	<u>(32,079)</u>	<u>(32,079)</u>	<u>---</u>
Total other financing sources (uses)	<u>(20,829)</u>	<u>(20,829)</u>	<u>(20,829)</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (8,030,782)</u>	<u>\$ (7,905,782)</u>	<u>\$ (7,843,897)</u>	<u>\$ 61,885</u>

**Commissioner's Contingency**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Contingencies and restrictions	\$ 590,000	\$ 90,000	\$ ---	\$ 90,000
Total expenditures	<u>590,000</u>	<u>90,000</u>	<u>---</u>	<u>90,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (590,000)</u>	<u>\$ (90,000)</u>	<u>\$ ---</u>	<u>\$ 90,000</u>

**Legislative Operations**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 2,000	\$ 2,000	\$ 2,360	\$ 360
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>2,360</u>	<u>360</u>
Expenditures:				
Salaries	912,451	884,501	838,161	46,340
Other compensation	208,800	163,800	162,750	1,050
Fringe benefits	325,831	302,045	282,443	19,602
Salary restriction	(100,000)	---	---	---
Supplies	157,449	82,639	61,975	20,664
Services	40,600	52,045	47,226	4,819
Professional and contracted services	55,173	45,428	13,160	32,268
Rent, utilities, and maintenance	68,500	70,500	51,532	18,968
Interdepartmental expenditures	77,894	85,894	56,807	29,087
Asset acquisitions	12,013	54,701	97,383	(42,682)
Total expenditures	<u>1,758,711</u>	<u>1,741,553</u>	<u>1,611,437</u>	<u>130,116</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,756,711)</u>	<u>\$ (1,739,553)</u>	<u>\$ (1,609,077)</u>	<u>\$ 130,476</u>

**Equal Opportunity Compliance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 7	\$ 7
Total revenues	---	---	7	7
<b>Expenditures:</b>				
Salaries	561,147	520,152	520,151	1
Other compensation	---	1,560	173	1,387
Fringe benefits	161,560	145,869	142,896	2,973
Salary restriction	(30,000)	---	---	---
Supplies	18,500	22,500	19,238	3,262
Services	36,450	32,450	14,283	18,167
Professional and contracted services	45,223	45,223	504	44,719
Rent, utilities, and maintenance	4,300	4,300	566	3,734
Interdepartmental expenditures	20,067	20,067	12,061	8,006
Asset acquisitions	2,000	2,000	---	2,000
Total expenditures	819,247	794,121	709,872	84,249
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (819,247)	\$ (794,121)	\$ (709,865)	\$ 84,256

**Assessor**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 5,000	\$ 5,000	\$ 6,840	\$ 1,840
State revenue	319,373	319,373	280,696	(38,677)
Total revenues	324,373	324,373	287,536	(36,837)
<b>Expenditures:</b>				
Salaries	7,233,006	7,106,169	6,408,777	697,392
Other compensation	83,612	83,612	56,392	27,220
Fringe benefits	2,222,229	2,181,510	1,898,499	283,011
Salary restriction	(331,600)	(814,044)	---	(814,044)
Supplies	395,770	351,370	282,660	68,710
Services	152,600	82,000	58,970	23,030
Professional and contracted services	495,260	593,837	547,464	46,373
Rent, utilities, and maintenance	246,571	238,919	196,410	42,509
Interdepartmental expenditures	113,000	203,000	188,187	14,813
Asset acquisitions	6,111	72,111	69,167	2,944
Total expenditures	10,616,559	10,098,484	9,706,526	391,958
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (10,292,186)	\$ (9,774,111)	\$ (9,418,990)	\$ 355,121

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**County Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ ---	\$ 74	\$ 74
Elected officials' fines and fees	9,828,407	9,828,407	8,885,869	(942,538)
Other revenue	593,821	593,821	316,551	(277,270)
Total revenues	<u>10,422,228</u>	<u>10,422,228</u>	<u>9,202,494</u>	<u>(1,219,734)</u>
<b>Expenditures:</b>				
Salaries	3,378,799	3,354,926	3,112,470	242,456
Other compensation	37,772	37,772	18,864	18,908
Fringe benefits	1,156,344	1,147,723	1,016,141	131,582
Salary restriction	(150,000)	(367,506)	---	(367,506)
Supplies	26,886	33,886	31,258	2,628
Services	71,013	56,013	13,797	42,216
Professional and contracted services	9,500	9,500	4,911	4,589
Rent, utilities, and maintenance	143,757	136,757	114,614	22,143
Interdepartmental expenditures	381,038	396,038	395,208	830
Asset acquisitions	20,320	20,320	---	20,320
Total expenditures	<u>5,075,429</u>	<u>4,825,429</u>	<u>4,707,263</u>	<u>118,166</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 5,346,799</u>	<u>\$ 5,596,799</u>	<u>\$ 4,495,231</u>	<u>\$ (1,101,568)</u>

**Register**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Elected officials' fines and fees	\$ 4,818,750	\$ 4,818,750	\$ 3,561,551	\$ (1,257,199)
Other revenue	84,770	84,770	26,052	(58,718)
Total revenues	<u>4,903,520</u>	<u>4,903,520</u>	<u>3,587,603</u>	<u>(1,315,917)</u>
<b>Expenditures:</b>				
Salaries	1,362,635	1,362,635	1,306,776	55,859
Other compensation	15,000	15,000	---	15,000
Fringe benefits	426,918	426,918	363,929	62,989
Salary restriction	(90,000)	(90,000)	---	(90,000)
Supplies	44,520	65,328	32,970	32,358
Services	8,640	8,640	5,701	2,939
Professional and contracted services	10,455	13,305	9,524	3,781
Rent, utilities, and maintenance	19,208	16,348	11,544	4,804
Interdepartmental expenditures	52,112	40,664	38,734	1,930
Asset acquisitions	9,430	80	---	80
Total expenditures	<u>1,858,918</u>	<u>1,858,918</u>	<u>1,769,178</u>	<u>89,740</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 3,044,602</u>	<u>\$ 3,044,602</u>	<u>\$ 1,818,425</u>	<u>\$ (1,226,177)</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Trustee**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 100,000	\$ 100,000	\$ 135,917	\$ 35,917
Elected officials' fines and fees	21,000,000	21,000,000	20,214,425	(785,575)
Other revenue	1,350,000	1,350,000	541,294	(808,706)
Total revenues	<u>22,450,000</u>	<u>22,450,000</u>	<u>20,891,636</u>	<u>(1,558,364)</u>
Expenditures:				
Salaries	3,901,137	3,946,251	3,871,638	74,613
Other compensation	40,127	95,127	78,777	16,350
Fringe benefits	1,116,235	1,076,121	1,067,434	8,687
Salary restriction	(50,000)	(50,000)	---	(50,000)
Supplies	842,057	724,671	724,668	3
Services	183,231	236,935	236,932	3
Professional and contracted services	343,269	456,239	455,324	915
Rent, utilities, and maintenance	201,287	482,047	482,045	2
Interdepartmental expenditures	78,858	81,266	74,523	6,743
Asset acquisitions	245,298	171,842	170,689	1,153
Total expenditures	<u>6,901,499</u>	<u>7,220,499</u>	<u>7,162,030</u>	<u>58,469</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 15,548,501</u>	<u>\$ 15,229,501</u>	<u>\$ 13,729,606</u>	<u>\$ (1,499,895)</u>

**Grants Fund**  
**Budgetary Comparison Schedule-Summary by Type**  
**For the Year Ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 14,054,343	\$ 20,662,156	\$ 7,237,188	\$ (13,424,968)
State revenue	67,096,059	81,554,444	56,724,301	(24,830,143)
Federal revenue	42,205,937	51,936,724	31,629,598	(20,307,126)
Patient service revenue	1,430,244	1,430,744	1,083,285	(347,459)
Other revenue	557,269	593,420	311,732	(281,688)
Total revenues	<u>125,343,852</u>	<u>156,177,488</u>	<u>96,986,104</u>	<u>(59,191,384)</u>
<b>Expenditures:</b>				
Salaries	47,214,693	48,157,051	41,772,270	6,384,781
Other compensation	514,991	1,646,848	1,158,230	488,618
Fringe benefits	14,740,638	14,821,375	12,815,896	2,005,479
Salary restriction	(1,501,188)	(1,303,788)	---	(1,303,788)
Supplies	6,215,332	9,703,867	6,219,287	3,484,580
Services	6,721,055	8,221,147	3,572,200	4,648,947
Professional and contracted services	43,000,795	53,183,551	28,169,060	25,014,491
Rent, utilities, and maintenance	6,676,276	12,929,901	11,479,504	1,450,397
Interdepartmental expenditures	1,187,368	1,632,935	1,065,791	567,144
Intergovernmental expenditures	1,000	1,000	---	1,000
Asset acquisitions	809,539	7,787,108	2,334,547	5,452,561
Debt service	---	718,556	713,865	4,691
Contingencies and restrictions	3,929	3,929	---	3,929
Total expenditures	<u>125,584,428</u>	<u>157,503,480</u>	<u>109,300,650</u>	<u>48,202,830</u>
Excess (deficiency) of revenues over expenditures	<u>(240,576)</u>	<u>(1,325,992)</u>	<u>(12,314,546)</u>	<u>(10,988,554)</u>
<b>Other financing sources (uses):</b>				
Transfers in	4,617,221	6,168,886	4,278,699	(1,890,187)
Transfers out	(5,696,645)	(6,162,894)	(4,585,204)	1,577,690
Other sources (uses)	1,320,000	1,320,000	---	(1,320,000)
Total other financing sources (uses)	<u>240,576</u>	<u>1,325,992</u>	<u>(306,505)</u>	<u>(1,632,497)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (12,621,051)</u>	<u>\$ (12,621,051)</u>

**Grants Fund**

**Budgetary Comparison Schedule-Summary By Department**  
**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
Revenues:			
General Government			
Chief Administrative Officer	\$ 7,830,439	\$ 3,668,470	\$ (4,161,969)
Election Commission	147,160	147,160	---
	<u>7,977,599</u>	<u>3,815,630</u>	<u>(4,161,969)</u>
Planning and Development			
Economic and Resource Management	3,191,358	900,736	(2,290,622)
Department of Housing	11,078,501	3,450,478	(7,628,023)
Regional Services	2,207,786	703,584	(1,504,202)
	<u>16,477,645</u>	<u>5,054,798</u>	<u>(11,422,847)</u>
Public Works			
Director and Staff of Public Works	347,080	324,624	(22,456)
County Engineer	8,587,685	345,839	(8,241,846)
Environmental Improvement Commission	176,416	134,951	(41,465)
Chickasaw Basin Authority	92,542	45,961	(46,581)
Fire Department	1,000	960	(40)
Roads and Bridges	283,140	131,142	(151,998)
Support Services	668,958	485,701	(183,257)
	<u>10,156,821</u>	<u>1,469,178</u>	<u>(8,687,643)</u>
Corrections			
Corrections	1,637,530	1,133,534	(503,996)
	<u>1,637,530</u>	<u>1,133,534</u>	<u>(503,996)</u>
Health Services			
Administration and Finance - Health Services	917,800	917,800	---
Environmental Health Services	6,356,725	2,013,423	(4,343,302)
Personal Health Services	24,177,634	16,753,557	(7,424,077)
Assessment and Assurance	1,393,274	315,235	(1,078,039)
	<u>32,845,433</u>	<u>20,000,015</u>	<u>(12,845,418)</u>
Community Services			
Director of Community Services	556,421	331,989	(224,432)
Community Services Administration	18,392,844	12,686,435	(5,706,409)
Headstart	27,172,187	18,844,076	(8,328,111)
Special Funded Projects	2,321,925	598,669	(1,723,256)
Ryan White	7,514,970	6,662,626	(852,344)
Crime Victims Center	354,838	236,961	(117,877)
Pretrial Services	203,580	155,612	(47,968)
Delta Agency on Aging	8,040,310	6,668,754	(1,371,556)
	<u>64,557,075</u>	<u>46,185,122</u>	<u>(18,371,953)</u>
Law Enforcement			
Sheriff	3,945,731	1,800,581	(2,145,150)
	<u>3,945,731</u>	<u>1,800,581</u>	<u>(2,145,150)</u>
Judicial			
General Sessions Criminal Court Judges	1,462,380	1,096,494	(365,886)
Juvenile Court Clerk	537,708	329,561	(208,147)
Juvenile Court	15,338,703	15,217,552	(121,151)
Attorney General	1,190,863	883,639	(307,224)
	<u>18,529,654</u>	<u>17,527,246</u>	<u>(1,002,408)</u>

(continued)

**Budgetary Comparison Schedule-Summary By Department (continued)**  
**For the Year Ended June 30, 2009**

	Final Budget	Actual Amounts	Variance
Other Elected Officials			
Register	\$ 50,000	\$ ---	\$ (50,000)
	<u>50,000</u>	<u>---</u>	<u>(50,000)</u>
Total Revenues	<u>156,177,488</u>	<u>96,986,104</u>	<u>(59,191,384)</u>
Expenditures:			
General Government			
Chief Administrative Officer	7,581,702	3,668,602	3,913,100
Election Commission	147,160	147,160	---
	<u>7,728,862</u>	<u>3,815,762</u>	<u>3,913,100</u>
Planning and Development			
Economic and Resource Management	3,191,358	900,736	2,290,622
Department of Housing	12,616,034	3,796,921	8,819,113
Regional Services	2,337,386	1,033,773	1,303,613
	<u>18,144,778</u>	<u>5,731,430</u>	<u>12,413,348</u>
Public Works			
Director and Staff of Public Works	347,080	324,624	22,456
County Engineer	8,962,685	560,308	8,402,377
Environmental Improvement Commission	176,416	144,951	31,465
Chickasaw Basin Authority	57,372	10,791	46,581
Fire Department	1,122	960	162
Roads and Bridges	283,140	189,084	94,056
Support Services	668,958	519,675	149,283
	<u>10,496,773</u>	<u>1,750,393</u>	<u>8,746,380</u>
Corrections			
Corrections	1,816,253	1,261,813	554,440
	<u>1,816,253</u>	<u>1,261,813</u>	<u>554,440</u>
Health Services			
Environmental Health Services	7,524,302	3,365,964	4,158,338
Personal Health Services	24,435,926	19,350,242	5,085,684
Assessment and Assurance	1,384,200	336,366	1,047,834
	<u>33,344,428</u>	<u>23,052,572</u>	<u>10,291,856</u>
Community Services			
Director of Community Services	491,421	268,260	223,161
Community Services Administration	18,431,344	15,619,209	2,812,135
Headstart	27,172,187	24,191,718	2,980,469
Special Funded Projects	2,358,539	639,859	1,718,680
Ryan White	7,514,970	6,662,626	852,344
Crime Victims Center	432,741	289,159	143,582
Pretrial Services	203,580	168,292	35,288
Delta Agency on Aging	8,184,216	6,812,660	1,371,556
	<u>64,788,998</u>	<u>54,651,783</u>	<u>10,137,215</u>
Law Enforcement			
Sheriff	4,222,888	2,854,465	1,368,423
	<u>4,222,888</u>	<u>2,854,465</u>	<u>1,368,423</u>

(continued)

Budgetary Comparison Schedule-Summary By Department (continued)

For the Year Ended June 30, 2009

	Final Budget	Actual Amounts	Variance
Judicial			
General Sessions Criminal Court Judges	\$ 1,462,380	\$ 1,105,380	\$ 357,000
Juvenile Court Clerk	725,607	451,593	274,014
Juvenile Court	13,560,821	13,720,991	(160,170)
Attorney General	1,211,692	904,468	307,224
	<u>16,960,500</u>	<u>16,182,432</u>	<u>778,068</u>
Total Expenditures	<u>157,503,480</u>	<u>109,300,650</u>	<u>48,202,830</u>
Excess (deficiency) of revenues over expenditures	<u>(1,325,992)</u>	<u>(12,314,546)</u>	<u>(10,988,554)</u>
Other Financing Sources and Uses:			
Transfers in			
Chief Administrative Officer	6,781	6,781	---
Economic and Resource Management	432,095	279,077	153,018
Department of Housing	322,698	215,524	107,174
Regional Services	311,205	164,416	146,789
County Engineer	375,000	---	375,000
Fire Department	122	---	122
Corrections	178,723	128,279	50,444
Environmental Health Services	1,764,762	1,225,751	539,011
Personal Health Services	1,462,389	1,431,634	30,755
Community Services Administration	94,871	49,547	45,324
Special Funded Projects	43,075	43,075	---
Crime Victims Center	77,903	52,198	25,705
Delta Agency on Aging	507,565	214,641	292,924
Sheriff	277,157	265,923	11,234
Juvenile Court Clerk	279,495	169,774	109,721
Juvenile Court	2,966	---	2,966
Attorney General	32,079	32,079	---
Total transfers in	<u>6,168,886</u>	<u>4,278,699</u>	<u>1,890,187</u>
Transfers out			
Chief Administrative Officer	(255,518)	(94,356)	(161,162)
Economic and Resource Management	(432,095)	(279,077)	(153,018)
Department of Housing	(105,165)	(5,036)	(100,129)
Regional Services	(181,605)	(96,838)	(84,767)
Chickasaw Basin Authority	(35,170)	(35,170)	---
Administration and Finance - Health Services	(917,800)	(917,800)	---
Environmental Health Services	(597,185)	(394,559)	(202,626)
Personal Health Services	(1,204,097)	(1,017,279)	(186,818)
Assessment and Assurance	(9,074)	(3,421)	(5,653)
Director of Community Services	(65,000)	(63,729)	(1,271)
Community Services Administration	(56,371)	(49,547)	(6,824)
Special Funded Projects	(6,461)	(1,967)	(4,494)
Delta Agency on Aging	(363,659)	(70,735)	(292,924)
Juvenile Court Clerk	(91,596)	(47,742)	(43,854)
Juvenile Court	(1,780,848)	(1,496,698)	(284,150)
Attorney General	(11,250)	(11,250)	---
Register	(50,000)	---	(50,000)
Total transfers out	<u>(6,162,894)</u>	<u>(4,585,204)</u>	<u>(1,577,690)</u>

(continued)

**Shelby County, Tennessee**

**Grants Fund**

**Budgetary Comparison Schedule-Summary By Department (continued)  
For the Year Ended June 30, 2009**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Other financing sources (uses)			
Department of Housing	\$ 1,320,000	\$ ---	\$ (1,320,000)
Total other sources (uses)	<u>1,320,000</u>	<u>---</u>	<u>(1,320,000)</u>
 Total other financing sources and uses	 <u>1,325,992</u>	 <u>(306,505)</u>	 <u>(1,632,497)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 <u>\$ ---</u>	 <u>\$ (12,621,051)</u>	 <u>\$ (12,621,051)</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Chief Administrative Officer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 7,012,536	\$ 7,670,439	\$ 3,668,470	\$ (4,001,969)
Federal revenue	---	160,000	---	(160,000)
Total revenues	<u>7,012,536</u>	<u>7,830,439</u>	<u>3,668,470</u>	<u>(4,161,969)</u>
<b>Expenditures:</b>				
Salaries	276,356	289,732	276,357	13,375
Other compensation	---	6,632	6,632	---
Fringe benefits	79,718	83,335	79,587	3,748
Supplies	297,102	3,443,332	2,212,008	1,231,324
Services	89,775	89,956	73,844	16,112
Professional and contracted services	6,269,585	3,288,917	691,254	2,597,663
Rent, utilities, and maintenance	---	250,000	199,122	50,878
Interdepartmental expenditures	---	35,000	35,000	---
Asset acquisitions	---	94,798	94,798	---
Total expenditures	<u>7,012,536</u>	<u>7,581,702</u>	<u>3,668,602</u>	<u>3,913,100</u>
Excess (deficiency) of revenues over expenditures	---	248,737	(132)	(248,869)
<b>Other financing sources (uses):</b>				
Transfers in	---	6,781	6,781	---
Transfers out	---	(255,518)	(94,356)	161,162
Total other financing sources (uses)	---	<u>(248,737)</u>	<u>(87,575)</u>	<u>161,162</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (87,707)</u>	<u>\$ (87,707)</u>

**Election Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ ---	\$ 147,160	\$ 147,160	\$ ---
Total revenues	---	<u>147,160</u>	<u>147,160</u>	<u>---</u>
<b>Expenditures:</b>				
Rent, utilities, and maintenance	---	147,160	147,160	---
Total expenditures	---	<u>147,160</u>	<u>147,160</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Economic and Resource Management**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 3,197,178	\$ 3,191,358	\$ 900,736	\$ (2,290,622)
Total revenues	<u>3,197,178</u>	<u>3,191,358</u>	<u>900,736</u>	<u>(2,290,622)</u>
Expenditures:				
Salaries	500,481	500,481	369,388	131,093
Other compensation	---	544	272	272
Fringe benefits	136,310	135,766	95,095	40,671
Supplies	54,700	54,700	12,026	42,674
Services	43,000	39,881	6,343	33,538
Professional and contracted services	2,357,987	2,397,286	397,131	2,000,155
Rent, utilities, and maintenance	82,000	40,000	20,088	19,912
Interdepartmental expenditures	22,700	22,700	393	22,307
Total expenditures	<u>3,197,178</u>	<u>3,191,358</u>	<u>900,736</u>	<u>2,290,622</u>
Excess (deficiency) of revenues over expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Other financing sources (uses):				
Transfers in	432,095	432,095	279,077	(153,018)
Transfers out	(432,095)	(432,095)	(279,077)	153,018
Total other financing sources (uses)	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Department of Housing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 808,585	\$ 807,805	\$ 200,095	\$ (607,710)
State revenue	2,420,000	2,420,000	282,717	(2,137,283)
Federal revenue	5,749,107	7,850,696	2,840,629	(5,010,067)
Other revenue	---	---	127,037	127,037
Total revenues	<u>8,977,692</u>	<u>11,078,501</u>	<u>3,450,478</u>	<u>(7,628,023)</u>
<b>Expenditures:</b>				
Salaries	558,182	579,224	561,907	17,317
Other compensation	---	272	272	---
Fringe benefits	169,297	177,180	167,367	9,813
Supplies	71,602	92,225	24,242	67,983
Services	4,065,819	4,168,439	582,443	3,585,996
Professional and contracted services	5,628,286	7,572,655	2,460,001	5,112,654
Rent, utilities, and maintenance	4,580	8,580	490	8,090
Interdepartmental expenditures	14,608	14,608	199	14,409
Asset acquisitions	2,851	2,851	---	2,851
Total expenditures	<u>10,515,225</u>	<u>12,616,034</u>	<u>3,796,921</u>	<u>8,819,113</u>
Excess (deficiency) of revenues over expenditures	<u>(1,537,533)</u>	<u>(1,537,533)</u>	<u>(346,443)</u>	<u>1,191,090</u>
<b>Other financing sources (uses):</b>				
Transfers in	322,698	322,698	215,524	(107,174)
Transfers out	(105,165)	(105,165)	(5,036)	100,129
Other sources (uses)	1,320,000	1,320,000	---	(1,320,000)
Total other financing sources (uses)	<u>1,537,533</u>	<u>1,537,533</u>	<u>210,488</u>	<u>(1,327,045)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (135,955)</u>	<u>\$ (135,955)</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Regional Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,248,121	\$ 2,207,786	\$ 703,584	\$ (1,504,202)
Total revenues	<u>2,248,121</u>	<u>2,207,786</u>	<u>703,584</u>	<u>(1,504,202)</u>
Expenditures:				
Salaries	650,446	679,889	400,414	279,475
Fringe benefits	179,281	149,838	149,838	---
Supplies	55,373	61,353	18,489	42,864
Services	93,329	108,698	46,250	62,448
Professional and contracted services	1,345,336	1,296,319	404,801	891,518
Rent, utilities, and maintenance	12,121	12,121	6,138	5,983
Interdepartmental expenditures	15,148	19,168	7,843	11,325
Asset acquisitions	20,000	10,000	---	10,000
Total expenditures	<u>2,371,034</u>	<u>2,337,386</u>	<u>1,033,773</u>	<u>1,303,613</u>
Excess (deficiency) of revenues over expenditures	<u>(122,913)</u>	<u>(129,600)</u>	<u>(330,189)</u>	<u>(200,589)</u>
Other financing sources (uses):				
Transfers in	304,518	311,205	164,416	(146,789)
Transfers out	(181,605)	(181,605)	(96,838)	84,767
Total other financing sources (uses)	<u>122,913</u>	<u>129,600</u>	<u>67,578</u>	<u>(62,022)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (262,611)</u>	<u>\$ (262,611)</u>

**Director and Staff of Public Works**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal revenue	\$ ---	\$ 347,080	\$ 324,624	\$ (22,456)
Total revenues	<u>---</u>	<u>347,080</u>	<u>324,624</u>	<u>(22,456)</u>
Expenditures:				
Services	---	9,880	---	9,880
Professional and contracted services	---	337,200	324,624	12,576
Total expenditures	<u>---</u>	<u>347,080</u>	<u>324,624</u>	<u>22,456</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**County Engineer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ ---	\$ 4,775,000	\$ ---	\$ (4,775,000)
State revenue	3,156,191	3,053,200	342,514	(2,710,686)
Federal revenue	483,127	759,485	3,325	(756,160)
Total revenues	<u>3,639,318</u>	<u>8,587,685</u>	<u>345,839</u>	<u>(8,241,846)</u>
<b>Expenditures:</b>				
Professional and contracted services	3,639,318	4,087,685	560,308	3,527,377
Asset acquisitions	---	4,875,000	---	4,875,000
Total expenditures	<u>3,639,318</u>	<u>8,962,685</u>	<u>560,308</u>	<u>8,402,377</u>
Excess (deficiency) of revenues over expenditures	---	(375,000)	(214,469)	160,531
<b>Other financing sources (uses):</b>				
Transfers in	---	375,000	---	(375,000)
Total other financing sources (uses)	<u>---</u>	<u>375,000</u>	<u>---</u>	<u>(375,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (214,469)</u>	<u>\$ (214,469)</u>

**Environmental Improvement Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 81,000	\$ 81,000	\$ 73,110	\$ (7,890)
State revenue	80,000	95,416	61,841	(33,575)
Total revenues	<u>161,000</u>	<u>176,416</u>	<u>134,951</u>	<u>(41,465)</u>
<b>Expenditures:</b>				
Salaries	59,022	61,000	57,157	3,843
Fringe benefits	13,005	13,005	316	12,689
Professional and contracted services	78,973	93,189	78,392	14,797
Rent, utilities, and maintenance	10,000	9,222	9,086	136
Total expenditures	<u>161,000</u>	<u>176,416</u>	<u>144,951</u>	<u>31,465</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>

**Chickasaw Basin Authority**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 92,542	\$ 92,542	\$ 45,961	\$ (46,581)
Total revenues	<u>92,542</u>	<u>92,542</u>	<u>45,961</u>	<u>(46,581)</u>
Expenditures:				
Supplies	6,879	5,672	5,362	310
Services	15,240	3,240	89	3,151
Professional and contracted services	22,483	5,690	5,340	350
Rent, utilities, and maintenance	12,770	17,770	---	17,770
Asset acquisitions	---	25,000	---	25,000
Total expenditures	<u>57,372</u>	<u>57,372</u>	<u>10,791</u>	<u>46,581</u>
Excess (deficiency) of revenues over expenditures	<u>35,170</u>	<u>35,170</u>	<u>35,170</u>	<u>---</u>
Other financing sources (uses):				
Transfers out	(35,170)	(35,170)	(35,170)	---
Total other financing sources (uses)	<u>(35,170)</u>	<u>(35,170)</u>	<u>(35,170)</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Fire Department**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ ---	\$ 1,000	\$ 960	\$ (40)
Total revenues	<u>---</u>	<u>1,000</u>	<u>960</u>	<u>(40)</u>
Expenditures:				
Supplies	---	1,122	960	162
Total expenditures	<u>---</u>	<u>1,122</u>	<u>960</u>	<u>162</u>
Excess (deficiency) of revenues over expenditures	<u>---</u>	<u>(122)</u>	<u>---</u>	<u>122</u>
Other financing sources (uses):				
Transfers in	---	122	---	(122)
Total other financing sources (uses)	<u>---</u>	<u>122</u>	<u>---</u>	<u>(122)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Roads and Bridges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 242,052	\$ 283,140	\$ 131,142	\$ (151,998)
Total revenues	<u>242,052</u>	<u>283,140</u>	<u>131,142</u>	<u>(151,998)</u>
Expenditures:				
Salaries	130,564	128,586	111,145	17,441
Other compensation	---	272	272	---
Fringe benefits	56,729	56,457	50,455	6,002
Supplies	53,259	94,825	27,212	67,613
Services	1,000	2,000	---	2,000
Interdepartmental expenditures	500	1,000	---	1,000
Total expenditures	<u>242,052</u>	<u>283,140</u>	<u>189,084</u>	<u>94,056</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (57,942)</u>	<u>\$ (57,942)</u>

**Support Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 116,728	\$ 116,728	\$ 485,701	\$ 368,973
State revenue	519,000	552,230	---	(552,230)
Total revenues	<u>635,728</u>	<u>668,958</u>	<u>485,701</u>	<u>(183,257)</u>
Expenditures:				
Salaries	32,309	32,309	32,301	8
Fringe benefits	10,255	10,255	10,073	182
Supplies	1,563	563	563	---
Services	---	1,300	1,044	256
Professional and contracted services	590,901	623,331	474,784	148,547
Interdepartmental expenditures	700	1,200	910	290
Total expenditures	<u>635,728</u>	<u>668,958</u>	<u>519,675</u>	<u>149,283</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (33,974)</u>	<u>\$ (33,974)</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Corrections
	Original	Final	Amounts	Variance
Revenues:				
Local revenue	\$ 2,400	\$ 600	\$ ---	\$ (600)
State revenue	---	28,755	28,755	---
Federal revenue	1,110,184	1,608,175	1,104,779	(503,396)
Total revenues	1,112,584	1,637,530	1,133,534	(503,996)
Expenditures:				
Salaries	570,896	579,682	533,584	46,098
Other compensation	---	102,412	29,027	73,385
Fringe benefits	194,643	299,628	186,269	113,359
Supplies	123,541	300,065	221,035	79,030
Services	76,240	175,701	109,972	65,729
Professional and contracted services	283,111	323,768	167,398	156,370
Rent, utilities, and maintenance	2,400	600	---	600
Interdepartmental expenditures	6,000	25,129	5,388	19,741
Asset acquisitions	---	9,268	9,140	128
Total expenditures	1,256,831	1,816,253	1,261,813	554,440
Excess (deficiency) of revenues over expenditures	(144,247)	(178,723)	(128,279)	50,444
Other financing sources (uses):				
Transfers in	144,247	178,723	128,279	(50,444)
Total other financing sources (uses)	144,247	178,723	128,279	(50,444)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Administration and Finance - Health Services**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Variance
Revenues:				
State revenue	\$ 917,800	\$ 917,800	\$ 917,800	\$ ---
Total revenues	917,800	917,800	917,800	---
Excess (deficiency) of revenues over expenditures	917,800	917,800	917,800	---
Other financing sources (uses):				
Transfers out	(917,800)	(917,800)	(917,800)	---
Total other financing sources (uses)	(917,800)	(917,800)	(917,800)	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Environmental Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ ---	\$ ---	\$ 14,037	\$ 14,037
State revenue	3,471,815	5,434,240	1,322,020	(4,112,220)
Federal revenue	1,028,578	922,485	677,366	(245,119)
Total revenues	<u>4,500,393</u>	<u>6,356,725</u>	<u>2,013,423</u>	<u>(4,343,302)</u>
Expenditures:				
Salaries	2,172,643	2,194,816	1,860,412	334,404
Other compensation	---	1,183	---	1,183
Fringe benefits	619,211	651,871	497,076	154,795
Supplies	344,203	300,084	180,368	119,716
Services	96,209	136,782	40,363	96,419
Professional and contracted services	2,073,099	3,367,455	317,883	3,049,572
Rent, utilities, and maintenance	100,726	152,586	25,359	127,227
Interdepartmental expenditures	179,178	552,847	355,016	197,831
Asset acquisitions	4,678	166,678	89,487	77,191
Total expenditures	<u>5,589,947</u>	<u>7,524,302</u>	<u>3,365,964</u>	<u>4,158,338</u>
Excess (deficiency) of revenues over expenditures	<u>(1,089,554)</u>	<u>(1,167,577)</u>	<u>(1,352,541)</u>	<u>(184,964)</u>
Other financing sources (uses):				
Transfers in	1,621,181	1,764,762	1,225,751	(539,011)
Transfers out	(531,627)	(597,185)	(394,559)	202,626
Total other financing sources (uses)	<u>1,089,554</u>	<u>1,167,577</u>	<u>831,192</u>	<u>(336,385)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (521,349)</u>	<u>\$ (521,349)</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Personal Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 6,752,771	\$ 6,195,793	\$ 3,377,247	\$ (2,818,546)
State revenue	12,217,835	12,353,494	10,792,127	(1,561,367)
Federal revenue	7,827,495	3,893,356	1,454,641	(2,438,715)
Patient service revenue	1,430,244	1,430,744	1,083,285	(347,459)
Other revenue	297,000	304,247	46,257	(257,990)
Total revenues	<u>28,525,345</u>	<u>24,177,634</u>	<u>16,753,557</u>	<u>(7,424,077)</u>
<b>Expenditures:</b>				
Salaries	16,050,266	15,765,074	12,859,419	2,905,655
Other compensation	121,123	314,160	253,217	60,943
Fringe benefits	4,832,097	4,708,820	3,866,379	842,441
Salary restriction	(434,368)	(349,206)	---	(349,206)
Supplies	1,595,817	1,754,738	1,033,819	720,919
Services	355,682	357,376	223,099	134,277
Professional and contracted services	4,855,052	1,153,382	644,507	508,875
Rent, utilities, and maintenance	368,862	368,376	256,060	112,316
Interdepartmental expenditures	301,215	354,077	206,282	147,795
Asset acquisitions	---	22,500	7,460	15,040
Contingencies and restrictions	(13,371)	(13,371)	---	(13,371)
Total expenditures	<u>28,032,375</u>	<u>24,435,926</u>	<u>19,350,242</u>	<u>5,085,684</u>
Excess (deficiency) of revenues over expenditures	<u>492,970</u>	<u>(258,292)</u>	<u>(2,596,685)</u>	<u>(2,338,393)</u>
<b>Other financing sources (uses):</b>				
Transfers in	567,854	1,462,389	1,431,634	(30,755)
Transfers out	(1,060,824)	(1,204,097)	(1,017,279)	186,818
Total other financing sources (uses)	<u>(492,970)</u>	<u>258,292</u>	<u>414,355</u>	<u>156,063</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (2,182,330)</u>	<u>\$ (2,182,330)</u>

**Assessment and Assurance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ ---	\$ 1,792	\$ 1,792	\$ ---
State revenue	1,146,209	1,391,482	313,443	(1,078,039)
Total revenues	<u>1,146,209</u>	<u>1,393,274</u>	<u>315,235</u>	<u>(1,078,039)</u>
Expenditures:				
Salaries	357,447	357,447	149,362	208,085
Other compensation	---	273	273	---
Fringe benefits	106,917	106,644	41,967	64,677
Supplies	23,738	60,293	9,194	51,099
Services	13,846	19,843	5,286	14,557
Professional and contracted services	603,444	808,361	125,844	682,517
Rent, utilities, and maintenance	12,634	12,152	1,331	10,821
Interdepartmental expenditures	19,109	19,187	3,109	16,078
Total expenditures	<u>1,137,135</u>	<u>1,384,200</u>	<u>336,366</u>	<u>1,047,834</u>
Excess (deficiency) of revenues over expenditures	<u>9,074</u>	<u>9,074</u>	<u>(21,131)</u>	<u>(30,205)</u>
Other financing sources (uses):				
Transfers out	(9,074)	(9,074)	(3,421)	5,653
Total other financing sources (uses)	<u>(9,074)</u>	<u>(9,074)</u>	<u>(3,421)</u>	<u>5,653</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (24,552)</u>	<u>\$ (24,552)</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Director of Community Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 65,000	\$ 237,614	\$ 224,249	\$ (13,365)
Federal revenue	---	308,903	96,979	(211,924)
Other revenue	---	9,904	10,761	857
Total revenues	<u>65,000</u>	<u>556,421</u>	<u>331,989</u>	<u>(224,432)</u>
<b>Expenditures:</b>				
Supplies	---	6,174	6,171	3
Services	---	(16,512)	---	(16,512)
Professional and contracted services	---	501,659	262,041	239,618
Debt service	---	100	48	52
Total expenditures	<u>---</u>	<u>491,421</u>	<u>268,260</u>	<u>223,161</u>
Excess (deficiency) of revenues over expenditures	<u>65,000</u>	<u>65,000</u>	<u>63,729</u>	<u>(1,271)</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u>(63,729)</u>	<u>1,271</u>
Total other financing sources (uses)	<u>(65,000)</u>	<u>(65,000)</u>	<u>(63,729)</u>	<u>1,271</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Community Services Administration**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 236,755	\$ 790,174	\$ 316,360	\$ (473,814)
State revenue	8,296,871	17,354,041	12,216,924	(5,137,117)
Federal revenue	248,629	248,629	153,151	(95,478)
Total revenues	<u>8,782,255</u>	<u>18,392,844</u>	<u>12,686,435</u>	<u>(5,706,409)</u>
<b>Expenditures:</b>				
Salaries	2,010,199	2,176,149	1,906,561	269,588
Other compensation	---	24,830	24,287	543
Fringe benefits	655,584	661,046	589,524	71,522
Supplies	97,111	93,043	48,418	44,625
Services	1,011,119	2,211,215	1,959,267	251,948
Professional and contracted services	921,430	3,255,236	2,032,508	1,222,728
Rent, utilities, and maintenance	4,042,049	10,064,731	9,128,922	935,809
Interdepartmental expenditures	44,763	(54,906)	(70,278)	15,372
Total expenditures	<u>8,782,255</u>	<u>18,431,344</u>	<u>15,619,209</u>	<u>2,812,135</u>
Excess (deficiency) of revenues over expenditures	<u>---</u>	<u>(38,500)</u>	<u>(2,932,774)</u>	<u>(2,894,274)</u>
<b>Other financing sources (uses):</b>				
Transfers in	36,974	94,871	49,547	(45,324)
Transfers out	(36,974)	(56,371)	(49,547)	6,824
Total other financing sources (uses)	<u>---</u>	<u>38,500</u>	<u>---</u>	<u>(38,500)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (2,932,774)</u>	<u>\$ (2,932,774)</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Headstart**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 1,425,209	\$ 2,021,228	\$ 1,016,446	\$ (1,004,782)
State revenue	1,560,000	1,560,000	1,349,019	(210,981)
Federal revenue	23,738,876	23,590,959	16,478,611	(7,112,348)
Total revenues	<u>26,724,085</u>	<u>27,172,187</u>	<u>18,844,076</u>	<u>(8,328,111)</u>
<b>Expenditures:</b>				
Salaries	10,409,000	10,413,330	9,520,509	892,821
Other compensation	---	19,453	19,453	---
Fringe benefits	3,621,578	3,625,188	3,295,919	329,269
Supplies	3,011,061	2,629,671	1,863,051	766,620
Services	624,956	504,078	300,810	203,268
Professional and contracted services	7,462,490	6,875,833	6,347,009	528,824
Rent, utilities, and maintenance	1,218,800	1,178,668	1,072,937	105,731
Interdepartmental expenditures	376,200	376,509	324,988	51,521
Asset acquisitions	---	831,001	733,225	97,776
Debt service	---	718,456	713,817	4,639
Total expenditures	<u>26,724,085</u>	<u>27,172,187</u>	<u>24,191,718</u>	<u>2,980,469</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (5,347,642)</u>	<u>\$ (5,347,642)</u>

**Special Funded Projects**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Federal revenue	\$ 90,457	\$ 2,317,717	\$ 597,773	\$ (1,719,944)
Other revenue	---	4,208	896	(3,312)
Total revenues	<u>90,457</u>	<u>2,321,925</u>	<u>598,669</u>	<u>(1,723,256)</u>
<b>Expenditures:</b>				
Services	---	16,670	---	16,670
Professional and contracted services	114,867	2,341,869	639,859	1,702,010
Total expenditures	<u>114,867</u>	<u>2,358,539</u>	<u>639,859</u>	<u>1,718,680</u>
Excess (deficiency) of revenues over expenditures	<u>(24,410)</u>	<u>(36,614)</u>	<u>(41,190)</u>	<u>(4,576)</u>
<b>Other financing sources (uses):</b>				
Transfers in	28,717	43,075	43,075	---
Transfers out	(4,307)	(6,461)	(1,967)	4,494
Total other financing sources (uses)	<u>24,410</u>	<u>36,614</u>	<u>41,108</u>	<u>4,494</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (82)</u>	<u>\$ (82)</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2009**

**Ryan White**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal revenue	\$ ---	\$ 7,514,970	\$ 6,662,626	\$ (852,344)
Total revenues	---	7,514,970	6,662,626	(852,344)
Expenditures:				
Salaries	---	403,631	377,310	26,321
Fringe benefits	---	116,542	107,753	8,789
Supplies	---	77,991	43,541	34,450
Services	---	76,952	37,655	39,297
Professional and contracted services	---	6,819,879	6,090,237	729,642
Rent, utilities, and maintenance	---	8,275	1,559	6,716
Interdepartmental expenditures	---	11,700	4,571	7,129
Total expenditures	---	7,514,970	6,662,626	852,344
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Crime Victims Center**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 192,800	\$ 192,800	\$ 166,667	\$ (26,133)
Federal revenue	162,038	162,038	70,294	(91,744)
Total revenues	354,838	354,838	236,961	(117,877)
Expenditures:				
Salaries	237,149	237,149	178,733	58,416
Fringe benefits	78,403	78,403	50,546	27,857
Supplies	8,500	8,500	718	7,782
Services	12,407	12,407	1,797	10,610
Professional and contracted services	94,155	94,155	56,922	37,233
Interdepartmental expenditures	2,127	2,127	443	1,684
Total expenditures	432,741	432,741	289,159	143,582
Excess (deficiency) of revenues over expenditures	(77,903)	(77,903)	(52,198)	25,705
Other financing sources (uses):				
Transfers in	77,903	77,903	52,198	(25,705)
Total other financing sources (uses)	77,903	77,903	52,198	(25,705)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Pretrial Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 52,657	\$ 52,657	\$ 43,955	\$ (8,702)
Federal revenue	149,565	147,830	108,564	(39,266)
Other revenue	---	3,093	3,093	---
Total revenues	<u>202,222</u>	<u>203,580</u>	<u>155,612</u>	<u>(47,968)</u>
Expenditures:				
Salaries	135,711	137,221	128,022	9,199
Fringe benefits	47,201	49,073	40,122	8,951
Supplies	13,310	11,286	64	11,222
Services	6,000	6,000	84	5,916
Total expenditures	<u>202,222</u>	<u>203,580</u>	<u>168,292</u>	<u>35,288</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (12,680)</u>	<u>\$ (12,680)</u>

**Delta Agency on Aging**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Local revenue	\$ 927,849	\$ 927,849	\$ 189,731	\$ (738,118)
State revenue	6,879,831	7,051,956	6,411,687	(640,269)
Federal revenue	60,505	60,505	67,336	6,831
Total revenues	<u>7,868,185</u>	<u>8,040,310</u>	<u>6,668,754</u>	<u>(1,371,556)</u>
Expenditures:				
Salaries	1,699,218	1,699,218	1,447,390	251,828
Other compensation	---	2,238	2,238	---
Fringe benefits	544,966	542,728	445,390	97,338
Supplies	141,655	192,405	150,076	42,329
Services	81,062	85,312	59,295	26,017
Professional and contracted services	5,292,390	5,404,015	4,506,853	897,162
Rent, utilities, and maintenance	193,600	199,100	188,260	10,840
Interdepartmental expenditures	58,200	58,200	13,158	45,042
Intergovernmental expenditures	1,000	1,000	---	1,000
Total expenditures	<u>8,012,091</u>	<u>8,184,216</u>	<u>6,812,660</u>	<u>1,371,556</u>
Excess (deficiency) of revenues over expenditures	<u>(143,906)</u>	<u>(143,906)</u>	<u>(143,906)</u>	<u>---</u>
Other financing sources (uses):				
Transfers in	507,565	507,565	214,641	(292,924)
Transfers out	(363,659)	(363,659)	(70,735)	292,924
Total other financing sources (uses)	<u>143,906</u>	<u>143,906</u>	<u>143,906</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Sheriff**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 125,500	\$ 841,613	\$ 245,523	\$ (596,090)
State revenue	261,741	1,553,771	851,775	(701,996)
Federal revenue	1,244,209	1,550,347	703,283	(847,064)
Total revenues	<u>1,631,450</u>	<u>3,945,731</u>	<u>1,800,581</u>	<u>(2,145,150)</u>
<b>Expenditures:</b>				
Salaries	348,700	612,718	406,454	206,264
Other compensation	385,580	1,001,112	652,889	348,223
Fringe benefits	23,676	62,945	34,617	28,328
Salary restriction	---	(25,082)	---	(25,082)
Supplies	80,195	363,295	235,373	127,922
Services	32,047	112,268	66,085	46,183
Professional and contracted services	293,601	426,887	138,769	288,118
Rent, utilities, and maintenance	13,196	12,280	1,090	11,190
Interdepartmental expenditures	5,500	10,269	3,751	6,518
Asset acquisitions	710,850	1,646,196	1,315,437	330,759
Total expenditures	<u>1,893,345</u>	<u>4,222,888</u>	<u>2,854,465</u>	<u>1,368,423</u>
Excess (deficiency) of revenues over expenditures	<u>(261,895)</u>	<u>(277,157)</u>	<u>(1,053,884)</u>	<u>(776,727)</u>
<b>Other financing sources (uses):</b>				
Transfers in	261,895	277,157	265,923	(11,234)
Total other financing sources (uses)	<u>261,895</u>	<u>277,157</u>	<u>265,923</u>	<u>(11,234)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (787,961)</u>	<u>\$ (787,961)</u>

**General Sessions Criminal Court Judges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 275,000	\$ 504,330	\$ 219,082	\$ (285,248)
State revenue	575,000	900,130	877,412	(22,718)
Federal revenue	---	57,920	---	(57,920)
Total revenues	<u>850,000</u>	<u>1,462,380</u>	<u>1,096,494</u>	<u>(365,886)</u>
<b>Expenditures:</b>				
Salaries	107,536	108,474	101,657	6,817
Fringe benefits	28,818	29,000	24,752	4,248
Supplies	4,000	14,262	12,577	1,685
Services	6,000	12,219	10,431	1,788
Professional and contracted services	650,852	1,211,250	868,803	342,447
Rent, utilities, and maintenance	1,500	1,875	1,875	---
Interdepartmental expenditures	---	300	285	15
Asset acquisitions	51,294	85,000	85,000	---
Total expenditures	<u>850,000</u>	<u>1,462,380</u>	<u>1,105,380</u>	<u>357,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (8,886)</u>	<u>\$ (8,886)</u>

**Juvenile Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 537,708	\$ 537,708	\$ 329,561	\$ (208,147)
Total revenues	<u>537,708</u>	<u>537,708</u>	<u>329,561</u>	<u>(208,147)</u>
<b>Expenditures:</b>				
Salaries	445,262	445,262	300,306	144,956
Other compensation	7,000	7,000	4,411	2,589
Fringe benefits	166,220	166,220	105,843	60,377
Supplies	31,500	15,500	1,358	14,142
Services	54,325	54,325	27,949	26,376
Rent, utilities, and maintenance	4,000	4,000	1,399	2,601
Interdepartmental expenditures	---	16,000	10,327	5,673
Contingencies and restrictions	17,300	17,300	---	17,300
Total expenditures	<u>725,607</u>	<u>725,607</u>	<u>451,593</u>	<u>274,014</u>
Excess (deficiency) of revenues over expenditures	<u>(187,899)</u>	<u>(187,899)</u>	<u>(122,032)</u>	<u>65,867</u>
<b>Other financing sources (uses):</b>				
Transfers in	279,495	279,495	169,774	(109,721)
Transfers out	(91,596)	(91,596)	(47,742)	43,854
Total other financing sources (uses)	<u>187,899</u>	<u>187,899</u>	<u>122,032</u>	<u>(65,867)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund**  
**Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**Juvenile Court**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 15,079,549	\$ 15,277,665	\$ 15,181,082	\$ (96,583)
Federal revenue	52,497	61,038	36,470	(24,568)
Total revenues	<u>15,132,046</u>	<u>15,338,703</u>	<u>15,217,552</u>	<u>(121,151)</u>
Expenditures:				
Salaries	10,035,391	10,094,688	9,554,372	540,316
Other compensation	---	164,544	164,539	5
Fringe benefits	3,056,518	2,910,017	2,811,578	98,439
Salary restriction	(1,066,820)	(929,500)	---	(929,500)
Supplies	200,223	118,407	111,465	6,942
Services	39,476	29,594	20,094	9,500
Professional and contracted services	308,435	544,030	475,909	68,121
Rent, utilities, and maintenance	597,038	442,405	418,628	23,777
Interdepartmental expenditures	141,420	167,820	164,406	3,414
Asset acquisitions	19,866	18,816	---	18,816
Total expenditures	<u>13,331,547</u>	<u>13,560,821</u>	<u>13,720,991</u>	<u>(160,170)</u>
Excess (deficiency) of revenues over expenditures	<u>1,800,499</u>	<u>1,777,882</u>	<u>1,496,561</u>	<u>(281,321)</u>
Other financing sources (uses):				
Transfers in	---	2,966	---	(2,966)
Transfers out	(1,800,499)	(1,780,848)	(1,496,698)	284,150
Total other financing sources (uses)	<u>(1,800,499)</u>	<u>(1,777,882)</u>	<u>(1,496,698)</u>	<u>281,184</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (137)</u>	<u>\$ (137)</u>

**Attorney General**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Local revenue	\$ 52,711	\$ 353,229	\$ 152,413	\$ (200,816)
State revenue	216,000	333,617	404,352	70,735
Federal revenue	210,670	324,591	249,147	(75,444)
Other revenue	167,727	179,426	77,727	(101,699)
Total revenues	<u>647,108</u>	<u>1,190,863</u>	<u>883,639</u>	<u>(307,224)</u>
<b>Expenditures:</b>				
Salaries	427,915	660,971	639,510	21,461
Other compensation	1,288	1,923	448	1,475
Fringe benefits	120,211	187,414	165,430	21,984
Supplies	---	4,361	1,197	3,164
Services	3,523	3,523	---	3,523
Professional and contracted services	115,000	353,500	97,883	255,617
Total expenditures	<u>667,937</u>	<u>1,211,692</u>	<u>904,468</u>	<u>307,224</u>
Excess (deficiency) of revenues over expenditures	<u>(20,829)</u>	<u>(20,829)</u>	<u>(20,829)</u>	<u>---</u>
<b>Other financing sources (uses):</b>				
Transfers in	32,079	32,079	32,079	---
Transfers out	(11,250)	(11,250)	(11,250)	---
Total other financing sources (uses)	<u>20,829</u>	<u>20,829</u>	<u>20,829</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Register**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Federal revenue	\$ 50,000	\$ 50,000	\$ ---	\$ (50,000)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>---</u>	<u>(50,000)</u>
Excess (deficiency) of revenues over expenditures	<u>50,000</u>	<u>50,000</u>	<u>---</u>	<u>(50,000)</u>
<b>Other financing sources (uses):</b>				
Transfers out	(50,000)	(50,000)	---	50,000
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>---</u>	<u>50,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

# Shelby County, Tennessee

## Statistical Section Index For the Year Ended June 30, 2009

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

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### Sources:

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

**Shelby County Government**

**Financial Trends Information  
Net Assets by Component  
Last Seven Fiscal Years (accrual basis of accounting)**

	Fiscal Year						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities							
Invested in capital assets, net of related debt	\$ 179,516,173	\$ 160,714,397	\$ 175,194,990	\$ 156,764,887	\$ 157,206,332	\$ 180,537,007	\$ 180,537,007
Restricted	33,428,619	25,939,996	46,561,030	80,104,201	91,417,704	106,942,854	106,942,854
Unrestricted	(1,181,961,431)	(1,214,254,660)	(1,281,070,298)	(1,259,839,639)	(1,247,320,422)	(1,270,705,173)	(1,270,705,173)
Total governmental activities net assets	<u>\$ (969,016,639)</u>	<u>\$ (1,027,600,267)</u>	<u>\$ (1,059,314,278)</u>	<u>\$ (1,022,970,551)</u>	<u>\$ (998,696,386)</u>	<u>\$ (983,225,312)</u>	<u>\$ (983,225,312)</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 33,372,974	\$ 29,047,386	\$ 28,180,902	\$ 27,213,452	\$ 26,737,011	\$ 26,328,481	\$ 26,328,481
Unrestricted	5,101,901	5,352,161	3,447,095	5,422,857	7,996,464	8,667,114	8,667,114
Total business-type activities net assets	<u>\$ 38,474,875</u>	<u>\$ 34,399,547</u>	<u>\$ 31,627,997</u>	<u>\$ 32,636,309</u>	<u>\$ 34,733,475</u>	<u>\$ 34,995,595</u>	<u>\$ 34,995,595</u>
Total Shelby County Government							
Invested in capital assets, net of related debt	\$ 212,889,147	\$ 189,761,783	\$ 203,375,892	\$ 183,978,339	\$ 183,943,343	\$ 206,865,488	\$ 206,865,488
Restricted	33,428,619	25,939,996	46,561,030	80,104,201	91,417,704	106,942,854	106,942,854
Unrestricted	(1,176,859,530)	(1,208,902,499)	(1,277,623,203)	(1,254,416,782)	(1,239,323,958)	(1,262,038,059)	(1,262,038,059)
Total Shelby County Government net assets	<u>\$ (930,541,764)</u>	<u>\$ (993,200,720)</u>	<u>\$ (1,027,686,281)</u>	<u>\$ (990,334,242)</u>	<u>\$ (963,962,911)</u>	<u>\$ (948,229,717)</u>	<u>\$ (948,229,717)</u>

(a) Net assets for 2002 - 2005 have been restated for the addition of prior years infrastructure assets in 2006.

Shelby County Government

**Financial Trends Information**  
**Changes in Net Assets**  
**Last Eight Fiscal Years (accrual basis of accounting)**

	Fiscal Year							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Expenses</b>								
Governmental activities:								
General government	\$ 72,828,902	\$ 57,820,442	\$ 44,799,873	\$ 40,309,162	\$ 43,043,581	\$ 54,973,839	\$ 54,298,799	\$ 53,354,405
Hospital	27,111,884	33,452,571	28,213,585	25,566,667	25,566,667	27,566,667	27,600,000	27,491,667
Planning and development	3,615,987	5,274,947	5,274,622	6,084,407	6,558,085	6,133,345	5,593,676	6,060,521
Public works	41,980,241	40,970,995	44,654,155	45,436,668	38,741,311	45,094,445	50,146,007	45,709,098
Corrections	948,137	937,223	825,555	371,598	505,384	928,659	1,461,598	1,318,182
Health services	47,139,841	51,345,969	50,318,012	50,576,288	53,781,890	57,842,725	68,120,302	61,837,782
Community services	39,095,750	39,614,303	40,005,900	41,325,211	44,053,420	43,627,279	45,804,646	59,988,698
Law enforcement	128,316,505	142,686,117	128,056,729	128,391,275	130,666,941	138,231,040	146,041,090	149,586,517
Judicial	62,931,363	64,985,833	64,354,821	66,622,877	71,267,471	74,919,142	85,085,401	77,792,534
Other elected officials	22,482,483	23,358,560	23,223,119	24,553,977	24,573,915	25,988,417	27,522,711	27,230,582
Education	392,612,929	398,704,841	428,873,650	404,270,674	446,365,688	451,071,817	498,893,788	420,351,443
Interest on debt	66,824,357	71,847,109	65,885,498	75,944,617	83,880,247	87,802,538	71,866,481	86,882,448
Total governmental activities expenses	<u>905,888,379</u>	<u>930,998,910</u>	<u>924,485,519</u>	<u>909,453,421</u>	<u>969,004,600</u>	<u>1,014,179,913</u>	<u>1,082,434,499</u>	<u>1,017,603,877</u>
Business-type activities:								
Codes enforcement	9,434,296	9,607,056	10,170,162	12,753,672	11,694,624	12,024,192	12,523,782	11,274,089
Nursing homes (a)	16,928,491	15,372,131	15,783,099	---	---	---	---	---
Fire services	11,142,638	10,727,950	11,408,991	11,218,053	11,564,013	12,842,381	18,057,095	17,636,732
Corrections	44,072,389	43,873,787	44,288,051	42,568,864	43,953,488	46,259,142	49,992,924	50,891,358
Total business-type activities expenses	<u>81,577,814</u>	<u>79,580,924</u>	<u>81,650,303</u>	<u>66,540,589</u>	<u>67,212,125</u>	<u>71,125,715</u>	<u>80,573,801</u>	<u>79,802,179</u>
Total Shelby County Government expenses	<u>\$ 987,466,193</u>	<u>\$ 1,010,579,834</u>	<u>\$ 1,006,135,822</u>	<u>\$ 975,994,010</u>	<u>\$ 1,036,216,725</u>	<u>\$ 1,085,305,628</u>	<u>\$ 1,163,008,300</u>	<u>\$ 1,097,406,056</u>
<b>Program Revenues</b>								
Governmental activities:								
Charges for services:								
General government	\$ 10,343,904	\$ 6,802,054	\$ 5,336,835	\$ 13,045,918	\$ 11,096,235	\$ 7,744,840	\$ 6,764,969	\$ 2,479,217
Health services	12,321,614	11,191,945	12,377,808	12,413,470	13,828,345	13,308,900	9,978,487	8,839,275
Judicial	19,016,809	16,779,465	18,865,870	17,991,087	22,736,318	22,679,021	24,834,966	23,982,354
Other elected officials	29,014,084	31,385,899	33,130,555	33,568,741	38,011,061	36,255,228	34,595,178	35,602,836
Other governmental activities	11,084,741	13,082,879	10,547,199	10,060,354	10,360,852	11,289,352	12,150,451	11,286,056
Operating grants and contributions	108,115,963	110,997,403	121,711,056	119,186,843	138,189,459	121,125,431	136,552,118	136,145,188
Capital grants and contributions	6,092,830	7,703,724	7,818,000	277,257	12,460,564	3,440,619	1,914,603	1,126,464
Total governmental activities program revenues	<u>195,989,945</u>	<u>197,943,369</u>	<u>209,787,323</u>	<u>206,543,670</u>	<u>246,682,834</u>	<u>215,843,391</u>	<u>226,790,772</u>	<u>219,461,390</u>

Business-type activities:								
Charges for services:								
Nursing homes (a)	13,629,938	11,281,438	10,140,279	---	---	---	---	---
Codes enforcement	8,448,266	9,562,309	9,671,556	9,966,304	9,877,918	9,957,347	8,965,105	10,066,844
Fire services	12,159,617	12,108,592	11,972,840	12,921,848	14,023,656	14,809,843	17,967,759	19,058,865
Corrections	39,052,540	38,132,559	33,137,935	33,394,199	38,624,196	40,610,450	42,981,224	47,205,050
Operating grants and contributions	78,620	47,175	60,960	56,960	43,050	49,050	75,000	81,000
Total business-type activities program revenues	<u>73,368,981</u>	<u>71,132,073</u>	<u>64,983,570</u>	<u>56,339,311</u>	<u>62,568,820</u>	<u>65,426,690</u>	<u>69,989,088</u>	<u>76,411,759</u>
Total Shelby County Government program revenues	<u>\$ 269,358,926</u>	<u>\$ 269,075,442</u>	<u>\$ 274,770,893</u>	<u>\$ 262,882,981</u>	<u>\$ 309,251,654</u>	<u>\$ 281,270,081</u>	<u>\$ 296,779,860</u>	<u>\$ 295,873,149</u>
<b>Net (Expense)/Revenue</b>								
Governmental activities	\$ (709,898,434)	\$ (733,055,541)	\$ (714,698,196)	\$ (702,909,751)	\$ (722,321,766)	\$ (798,336,522)	\$ (855,643,727)	\$ (798,142,487)
Business-type activities	(8,208,833)	(8,448,851)	(16,666,733)	(10,201,278)	(4,643,305)	(5,699,025)	(10,584,713)	(3,390,420)
Total Shelby County Government net expense	<u>\$ (718,107,267)</u>	<u>\$ (741,504,392)</u>	<u>\$ (731,364,929)</u>	<u>\$ (713,111,029)</u>	<u>\$ (726,965,071)</u>	<u>\$ (804,035,547)</u>	<u>\$ (866,228,440)</u>	<u>\$ (801,532,907)</u>
<b>General Revenues and Other Changes in Net Assets</b>								
Governmental activities:								
Taxes								
Property taxes	\$ 549,809,147	\$ 559,384,367	\$ 582,711,510	\$ 587,164,493	\$ 654,551,938	\$ 680,615,376	\$ 703,098,494	\$ 724,765,511
Sales taxes	8,752,100	8,694,724	8,097,229	10,200,007	10,343,331	10,151,491	9,392,291	25,739,847
Business taxes	8,157,869	7,472,985	8,608,379	8,123,470	8,970,348	9,307,206	11,179,019	11,671,674
Hotel/Motel taxes	9,875,416	10,298,422	10,723,410	10,522,938	12,377,312	14,175,629	14,080,417	14,969,068
Wheel taxes	25,118,607	29,178,582	29,237,924	29,237,237	29,962,996	30,077,684	30,010,231	29,053,746
Other taxes	13,271,375	9,837,177	26,059,181	27,434,241	33,667,862	60,978,512	60,264,808	13,287,647
Investment earnings	8,677,491	8,549,134	2,782,079	5,660,042	14,068,619	24,575,622	27,571,070	6,307,051
Transfers	(7,099,871)	(6,343,437)	(12,105,144)	(7,146,688)	(5,276,913)	(7,270,833)	(6,818,986)	(6,806,798)
Other sources/(uses)	---	---	---	---	---	---	1,359,555	281,072
Total governmental activities	<u>616,562,134</u>	<u>627,071,954</u>	<u>656,114,568</u>	<u>671,195,740</u>	<u>758,665,493</u>	<u>822,610,687</u>	<u>850,136,899</u>	<u>819,268,818</u>
Business-type activities:								
Investment earnings	(916,965)	388,156	486,261	283,040	374,704	525,358	285,964	207,994
Transfers	7,099,871	6,343,437	12,105,144	7,146,688	5,276,913	7,270,833	6,818,986	6,806,798
Other sources/(uses)	---	---	---	---	---	---	31,187	(6,796)
Total business-type activities	<u>6,182,906</u>	<u>6,731,593</u>	<u>12,591,405</u>	<u>7,429,728</u>	<u>5,651,617</u>	<u>7,796,191</u>	<u>7,136,137</u>	<u>7,007,996</u>
Total Shelby County Government	<u>\$ 622,745,040</u>	<u>\$ 633,803,547</u>	<u>\$ 668,705,973</u>	<u>\$ 678,625,468</u>	<u>\$ 764,317,110</u>	<u>\$ 830,406,878</u>	<u>\$ 857,273,036</u>	<u>\$ 826,276,814</u>
<b>Change in Net Assets</b>								
Governmental activities	\$ (93,336,300)	\$ (105,983,587)	\$ (58,583,628)	\$ (31,714,011)	\$ 36,343,727	\$ 24,274,165	\$ (5,506,828)	\$ 21,126,331
Business-type activities	(2,025,927)	(1,717,258)	(4,075,328)	(2,771,550)	1,008,312	2,097,166	(3,448,576)	3,617,576
Total Shelby County Government	<u>\$ (95,362,227)</u>	<u>\$ (107,700,845)</u>	<u>\$ (62,658,956)</u>	<u>\$ (34,485,561)</u>	<u>\$ 37,352,039</u>	<u>\$ 26,371,331</u>	<u>\$ (8,955,404)</u>	<u>\$ 24,743,907</u>

Several organizational changes have occurred over the past five years. Expenses, program revenues, general revenues, and other changes in net assets of prior years have been adjusted to be consistent with the current organizational structure.

(a) Nursing Homes - Oakville Health Care Center, an enterprise fund, was sold to an outside party at the end of fiscal year 2004.

**Shelby County Government**

**Financial Trends Information  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund										
Reserved	\$ 3,207,470	\$ 5,088,956	\$ 7,472,886	\$ 5,736,619	\$ 4,085,059	\$ 4,158,337	\$ 4,150,637	\$ 4,119,786	\$ 2,940,960	\$ 2,940,960
Unreserved (a)	25,321,498	28,867,929	34,782,084	18,770,288	30,663,278	37,539,543	41,147,243	47,178,094	62,563,181	62,563,181
<b>Total general fund</b>	<b>\$ 28,528,968</b>	<b>\$ 33,956,885</b>	<b>\$ 42,254,970</b>	<b>\$ 24,506,907</b>	<b>\$ 34,748,337</b>	<b>\$ 41,697,880</b>	<b>\$ 45,297,880</b>	<b>\$ 51,297,880</b>	<b>\$ 65,504,141</b>	<b>\$ 65,504,141</b>
All Other Governmental Funds										
Reserved	\$ 91,903,209	\$ 76,958,992	\$ 592,512	\$ 1,213,424	\$ 1,028,370	\$ 2,102,322	\$ 662,791	\$ 716,305	\$ 2,051,448	\$ 2,051,448
Unreserved, reported in:										
Debt service funds	1,603,174	4,902,416	19,777,038	10,702,422	9,457,475	29,241,588	55,924,980	63,401,912	73,709,130	73,709,130
Capital projects funds	(303,412,574)	(311,500,944)	(233,964,662)	(211,212,848)	(24,919,442)	(136,651,444)	28,418,919	97,730,872	(23,173,636)	(23,173,636)
Grants funds	75,372	75,380	1,440,581	1,421,000	1,517,638	1,659,168	3,250,037	3,472,963	2,482,916	2,482,916
Special revenue funds	12,006,644	12,463,672	12,425,508	13,921,329	13,936,513	13,613,278	20,266,393	23,826,524	28,699,360	28,699,360
<b>Total all other governmental funds</b>	<b>#####</b>	<b>\$ (217,100,484)</b>	<b>\$ (199,729,023)</b>	<b>\$ (183,954,673)</b>	<b>\$ 1,020,554</b>	<b>\$ (90,035,088)</b>	<b>\$ 108,523,120</b>	<b>\$ 189,148,576</b>	<b>\$ 83,769,218</b>	<b>\$ 83,769,218</b>

(a) Fiscal yeas 1999 - 2004 have been adjusted for restatements in subsequent years

**Shelby County Government**

**Financial Trends Information**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Local taxes	\$ 472,996,777	\$ 489,953,461	\$ 604,609,455	\$ 620,977,188	\$ 665,184,712	\$ 672,036,081	\$ 747,473,316	\$ 775,390,069	\$ 788,814,797	\$ 788,814,797
Local revenue	36,442,946	41,421,530	36,081,681	39,687,932	44,342,048	48,542,177	43,130,241	40,852,174	46,126,786	46,126,786
State revenue	67,387,155	63,989,958	70,259,167	72,583,287	76,701,026	82,506,185	103,465,561	104,008,480	106,440,508	106,440,508
Federal revenue	20,339,229	25,803,149	27,185,094	26,894,944	25,492,482	26,481,217	28,888,268	30,351,230	35,293,958	35,293,958
Patient service revenue	467,043	764,939	1,058,773	1,425,748	2,300,228	2,012,041	2,265,632	2,325,757	2,275,143	2,275,143
Elected officials' fines and fees	45,931,497	47,641,570	54,284,328	54,335,743	56,302,501	56,155,830	63,174,615	65,375,834	65,229,972	65,229,972
Other revenue	13,498,358	16,714,499	16,971,962	8,608,493	3,341,228	7,007,908	13,780,466	22,375,003	26,686,248	26,686,248
<b>Total revenues</b>	<b>657,063,005</b>	<b>686,289,106</b>	<b>810,450,460</b>	<b>824,513,335</b>	<b>873,664,225</b>	<b>894,741,439</b>	<b>1,002,178,099</b>	<b>1,040,678,547</b>	<b>1,070,867,412</b>	<b>1,070,867,412</b>
<b>Expenditures (d)</b>										
General government	43,798,152	42,176,011	41,772,594	47,206,235	46,422,578	43,479,898	52,222,660	52,053,563	53,129,333	53,129,333
Hospital (b)	22,566,667	27,566,667	22,566,667	22,566,667	22,566,667	20,566,667	20,566,667	25,066,667	27,600,000	27,600,000
Planning and development	9,108,782	5,208,106	3,583,784	5,046,331	4,914,861	6,110,142	6,562,951	6,228,606	5,526,687	5,526,687
Public works	24,011,466	25,997,188	28,133,817	26,732,578	29,386,113	27,740,542	29,529,405	31,538,343	34,444,531	34,444,531
Corrections	945,388	1,211,235	948,137	937,223	790,715	371,598	432,171	824,652	1,312,609	1,312,609
Health services	38,127,890	43,137,942	46,778,955	50,403,756	49,965,324	50,395,188	53,591,503	58,263,865	66,733,036	66,733,036
Community services (c )	28,493,454	38,569,234	38,975,855	39,484,001	40,078,192	41,229,338	44,060,485	44,360,555	46,772,688	46,772,688
Law enforcement	94,616,827	99,515,132	125,391,302	139,714,965	127,948,541	127,315,702	130,234,277	137,012,750	141,560,285	141,560,285
Judicial	44,389,359	54,376,229	60,349,160	62,263,405	63,937,661	65,070,182	69,633,785	74,624,323	81,484,654	81,484,654
Other elected officials	26,974,886	21,337,910	22,153,989	23,001,551	23,154,077	23,721,774	25,146,009	26,173,457	26,465,295	26,465,295
Education (a)	244,226,988	274,269,490	301,622,626	320,530,670	321,953,079	325,859,655	360,019,604	360,019,604	361,288,000	361,288,000
Debt service:										
Interest	59,704,419	64,209,850	52,606,584	61,404,778	66,493,148	69,852,019	78,956,185	83,211,018	73,145,937	73,145,937
Principal	37,435,260	41,581,241	44,760,484	50,148,192	54,173,503	67,734,747	68,555,308	79,663,851	94,335,932	94,335,932
Capital outlay	161,006,035	106,613,346	154,104,764	130,256,656	135,066,176	116,166,362	105,741,913	107,970,051	142,770,872	142,770,872
<b>Total expenditures</b>	<b>835,405,573</b>	<b>845,769,581</b>	<b>943,748,718</b>	<b>979,697,008</b>	<b>986,850,635</b>	<b>985,613,814</b>	<b>1,045,252,923</b>	<b>1,087,011,305</b>	<b>1,156,569,859</b>	<b>1,156,569,859</b>
Excess (deficiency) of revenues over (under) expenditures	(178,342,568)	(159,480,475)	(133,298,258)	(155,183,673)	(113,186,410)	(90,872,375)	(43,074,824)	(46,332,758)	(85,702,447)	(85,702,447)

**Other financing sources (uses)**

Proceeds of general obligation bonds	---	150,000,000	160,707,801	153,308,115	323,026,282	---	251,027,782	140,358,887	---	---
Proceeds of refunding bonds	16,600,000	37,683,025	21,065,848	---	---	443,740,125	---	146,416,113	231,935,000	231,935,000
Payment to refunding bond escrow agent	(16,809,029)	(37,868,108)	(20,817,729)	---	---	(433,055,801)	---	(146,067,482)	(231,271,726)	(231,271,726)
Other sources (uses)	---	---	---	---	---	---	---	---	585,000	585,000
Loan proceeds	---	---	---	---	---	---	---	---	816,473	816,473
Transfers in	23,263,240	26,007,729	37,917,304	42,026,892	22,362,765	36,262,244	43,788,657	40,798,067	42,175,234	42,175,234
Transfers out	(25,336,034)	(29,417,488)	(46,563,922)	(44,798,620)	(36,252,522)	(42,179,231)	(49,583,407)	(48,547,371)	(49,710,631)	(49,710,631)
<b>Total other financing sources (uses)</b>	<b>(2,281,823)</b>	<b>146,405,158</b>	<b>152,309,302</b>	<b>150,536,387</b>	<b>309,136,525</b>	<b>4,767,337</b>	<b>245,233,032</b>	<b>132,958,214</b>	<b>(5,470,650)</b>	<b>(5,470,650)</b>
<b>Net change in fund balances</b>	<b><u>\$(180,624,391)</u></b>	<b><u>\$ (13,075,317)</u></b>	<b><u>\$ 19,011,044</u></b>	<b><u>\$ (4,647,286)</u></b>	<b><u>\$ 195,950,115</u></b>	<b><u>\$ (86,105,038)</u></b>	<b><u>\$ 202,158,208</u></b>	<b><u>\$ 86,625,456</u></b>	<b><u>\$ (91,173,097)</u></b>	<b><u>\$ (91,173,097)</u></b>

Debt service as a percentage of  
non capital expenditures

12.06%	12.93%	10.62%	11.69%	12.49%	14.42%	14.44%	15.22%	14.71%	14.71%
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

(a) Education expenditures are those made to the City of Memphis Board of Education and the County Board of Education. The County Board of Education operations are reported as a discrete component unit. Prior to 2002, payments to the County Board of Education were reported as transfers to component units. Education expenditures for those years have been restated in this schedule.

(b) Hospital expenditures are those made to the Shelby County Health Care Corporation (the Med). Shelby County Health Care Corporation operations are reported as a discrete component unit. Prior to 2002, payments to the Shelby County Health Care Corporation were reported as transfers to component units. Hospital expenditures for those years have been restated in this schedule.

(c) From 1999 to 2001 Headstart Inc. was a component unit of Shelby County Government. Expenditures made to Headstart Inc. in those years were reported as transfers to component units of Shelby County Government's Community Services Division. Community Services expenditures for those years have been restated in this schedule.

(d) Several organizational changes have occurred over the past ten years. Expenditures and other financing sources (uses) of prior years have been adjusted to be consistent with the current organizational structure.

**Shelby County, Tennessee**

**Revenue Capacity Information  
Assessed and Estimated Value of Taxable Property  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Personal Property</u>	<u>Public Utilities (b)</u>	<u>Total Taxable Assessed Value (a)</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value (c)</u>
1999	1998	\$6,171,961,525	\$ 4,447,216,805	\$1,145,601,660	\$ 831,393,533	\$ 12,596,173,523	\$ 2.82	\$ 41,212,712,405	30.56%
2000	1999	6,285,898,425	4,372,146,930	1,289,019,555	857,790,565	12,804,855,475	3.54	42,023,145,109	30.47%
2001	2000	6,502,973,185	4,172,329,810	1,278,675,930	875,325,387	12,829,304,312	3.54	42,423,800,004	30.24%
2002	2001	7,679,702,923	5,123,764,525	1,303,138,720	1,013,049,391	15,119,655,559	3.79	49,858,145,639	30.33%
2003	2002	7,779,710,568	5,142,401,180	1,347,626,455	957,048,226	15,226,786,429	3.79	50,347,238,284	30.24%
2004	2003	7,972,813,784	4,958,614,785	1,301,588,530	880,949,964	15,113,967,063	4.04	50,379,365,307	30.00%
2005	2004	8,212,018,085	4,830,896,025	1,232,343,955	910,598,020	15,185,856,085	4.04	50,841,730,464	29.87%
2006	2005	9,425,210,140	5,471,742,335	1,289,881,700	1,033,424,138	17,220,258,313	4.04	57,726,276,478	29.83%
2007	2006	9,695,032,075	5,441,266,015	1,326,178,545	1,040,281,497	17,502,758,132	4.04	58,862,669,304	29.73%
2008	2007	10,018,623,775	5,439,860,370	1,286,578,685	975,529,145	17,720,591,975	4.04	59,900,899,755	29.58%

- (a) Assessed value is the most current tax year value prepared by the County Property Assessor as of year-end.
- (b) Public Utilities information is based on information received from the State of Tennessee Comptroller of the Treasury Assessments.
- (c) The State of Tennessee tax statutes classify property as follows for computing assessed valuations:
  - Real Estate-Residential and Farms 25% of actual value
  - Real Estate-Commercial and Industrial 40% of actual value
  - Personal Property-Commercial and Industrial 30% of actual value
  - Public Utilities 55% of actual value

Property reappraisals were implemented in FY 1999, 2002 and 2006

**Shelby County, Tennessee**

**Revenue Capacity Information  
Property Tax Rates-Direct and Overlapping Governments  
Last Ten Fiscal Years**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>County Direct Rates</b>										
General Fund	\$ 1.17	\$ 1.38	\$ 1.31	\$ 1.25	\$ 1.25	\$ 1.43	\$ 1.31	\$ 1.22	\$ 1.22	\$ 1.22
Education (a)	1.35	1.65	1.69	2.03	2.03	2.03	2.03	2.02	2.02	2.02
Debt Service	0.30	0.51	0.54	0.51	0.51	0.58	0.70	0.80	0.80	0.80
Total Direct Rate	2.82	3.54	3.54	3.79	3.79	4.04	4.04	4.04	4.04	4.04
<b>Rural School Bonds (b)</b>					0.05	0.05	0.05	0.05	0.05	0.05
<b>City &amp; Town Rates (d)</b>										
Memphis (c)	2.77	2.77	3.37	3.23	3.23	3.23	3.23	3.43	3.43	3.43
Arlington	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bartlett	1.29	1.29	1.29	1.23	1.23	1.38	1.38	1.38	1.31	1.31
Collierville	1.47	1.47	1.47	1.47	1.47	1.45	1.47	1.47	1.28	1.28
Germantown	1.72	1.47	1.47	1.47	1.30	1.30	1.70	1.54	1.54	1.54
Millington	0.92	0.92	0.92	0.92	1.23	1.23	1.23	1.23	1.23	1.23

Rates are applicable to fiscal year ending June 30.

- (a) The portion of property taxes designated for education are allocated between the Shelby County Board of Education and the City of Memphis Board of Education based on the average daily attendance.
- (b) Beginning in 2003 an additional \$0.05 tax rate funds only Rural School Bonds and is applied only to taxpayers living outside the City of Memphis.
- (c) Approximately three-fourths of the County's population resides in the City of Memphis.
- (d) The City of Lakeland does not have a city property tax.

**Shelby County, Tennessee**

**Revenue Capacity Information  
Principal Property Tax Payers - Current and Nine Years Ago  
June 30, 2008**

Name of Taxpayer	Fiscal 2008 Assessments			Fiscal 1999 Assessments		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Federal Express Corporation	\$ 581,036,901	1	3.28%	\$ 360,068,276	1	2.86%
Bellsouth Telecommunications	140,919,098	2	0.80%	188,497,388	2	1.50%
Belz Enterprises	107,616,040	3	0.61%	104,145,365	3	0.83%
ProLogis	67,199,360	4	0.38%			
Sharp	59,613,261	5	0.34%			
Wolfchase Galleria	52,120,760	6	0.29%	50,078,720	4	0.40%
Smith and Nephew	48,619,377	7	0.27%			
AT & T Mobility	45,521,635	8	0.26%			
Pinnacle Airlines	42,185,635	9	0.24%			
International Paper	41,567,250	10	0.23%			
Union Planters National Bank				35,359,555	5	0.28%
Nike Inc.				33,581,930	6	0.27%
Mapco Petroleum Incorporated				33,308,905	7	0.26%
Gables-Tenn Properties				31,026,760	8	0.25%
Boyle Investments				30,052,935	9	0.24%
Time Warner Entertainment				28,998,710	10	0.23%
Total Assessed Valuation of Top Ten Taxpayers	\$ 1,186,399,317		6.70%	\$ 895,118,544		7.11%
Balance of Assessed Valuation	16,534,192,658		93.30%	11,701,054,979		92.89%
Total Assessed Valuation	<u>\$ 17,720,591,975</u>		<u>100.00%</u>	<u>\$ 12,596,173,523</u>		<u>100.00%</u>

Source: Shelby County Assessor and Trustee's Offices.

**Shelby County, Tennessee**

**Revenue Capacity Information  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Tax Year	Original Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Adjusted Tax Levy	Total Collections to Date		
			Amount	Percentage of Original Levy			Amount	Percentage of Adjusted Levy	Percentage of Original Levy
1999	1998	\$ 355,212,093	\$ 329,543,247	92.77%	\$ 7,696,154	\$ 337,459,048	\$ 337,239,401	99.93%	94.94%
2000	1999	453,291,684	412,703,834	91.05%	21,649,078	435,350,487	434,352,912	99.77%	95.82%
2001	2000	454,157,373	427,388,176	94.11%	19,039,582	447,477,624	446,427,758	99.77%	98.30%
2002	2001	573,034,946	523,851,896	91.42%	23,368,217	549,061,380	547,220,113	99.66%	95.50%
2003	2002	577,095,200	526,168,220	91.18%	26,397,128	554,974,969	552,565,348	99.57%	95.75%
2004	2003	610,604,269	570,445,227	93.42%	22,548,345	595,875,127	592,993,572	99.52%	97.12%
2005	2004	613,508,586	577,008,988	94.05%	25,731,649	606,853,926	602,740,637	99.32%	98.24%
2006	2005	698,709,093	645,263,773	92.35%	27,533,511	681,160,487	672,797,284	98.77%	96.29%
2007	2006	707,170,608	666,613,568	94.26%	45,785,158	703,882,648	694,048,931	98.60%	98.14%
2008	2007	718,626,612	676,692,968	94.16%	N/A	717,010,251	676,692,968	94.38%	94.16%

Source: Shelby County Assessor and Trustee Offices.

Note: Property reappraisals were implemented in FY 1999, 2002 and 2006.

**Shelby County, Tennessee**

**Debt Capacity Information  
Schedule of Direct and Overlapping Debt  
June 30, 2008**

	Estimated Assessed Value	Debt
Direct Debt (a)		
Special General Obligation School debt (b)	\$ 6,404,921,881	\$ 28,695,000
Total bonded debt (c)	17,720,591,975	1,735,025,160
Overlapping Debt (d)		
City of Memphis	11,315,670,094	1,071,549,102
City of Germantown	1,333,114,563	21,935,000
City of Bartlett	1,054,261,777	24,750,000
City of Collierville	1,295,045,128	31,219,736
City of Lakeland	264,618,237	---
Town of Arlington	223,053,805	30,000
Town of Millington	164,204,368	---

- (a) The County has the power and is obligated to levy as valorem taxes without limitation as to rate or amount.
- (b) These bonds are limited tax obligation of the County. The Special General Obligation School debt corresponds to all taxable property in the County located outside the boundaries of the Board of Education of the City of Memphis, Tennessee, which constitutes the area of the County outside of the boundaries of the City of Memphis, Tennessee
- (c) The total bonded debt amount corresponds with all Shelby County assessed property.
- (d) The tax base within each city corresponds with that city's debt.

**Shelby County, Tennessee**

**Debt Capacity Information  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities	Business Type Activities	Total Government Debt(a)	Percentage Of Actual Property Value(b)	Per Capita(b)	Total Per Capita(b)	Percentage Of Personal Income(b)
	General Obligation Bonds	Capital Leases		Percentage Of Actual Property Value(b)			
1999	\$ 1,049,875,280	\$ 384,582	\$ 1,050,259,862	2.55%	\$ 1,175	\$ 1,175	3.94%
2000	1,018,363,517	116,393	1,018,479,910	2.42%	1,134	1,134	3.72%
2001	1,133,081,290	---	1,133,081,290	2.67%	1,262	1,262	3.95%
2002	1,251,790,508	608,328	1,252,398,836	2.51%	1,391	1,391	4.24%
2003	1,354,259,107	510,915	1,354,770,022	2.69%	1,501	1,501	4.48%
2004	1,619,508,672	863,307	1,620,317,979	3.21%	1,792	1,793	5.06%
2005	1,569,111,426	794,188	1,569,905,614	3.09%	1,733	1,734	4.74%
2006	1,753,166,331	721,717	1,753,888,048	3.04%	1,925	1,926	5.04%
2007	1,820,107,968	1,170,996	1,821,278,965	3.09%	(c)	(c)	(c)
2008	1,735,025,160	1,039,885	1,736,065,045	2.90%	(c)	(c)	(c)

(a) The full faith, credit and unlimited taxing power of the County are pledged for payment of the Bonds without limitation as to rate or amount.

(b) See page 206 for Actual and Assessed Property Values and page 212 for Population Amounts and Personal Income Values.

(c) Not available for FY2007 and FY2008.

**Shelby County, Tennessee**

**Demographic and Economic Information  
Demographic and Economic Statistics  
Last Ten Calendar Years**

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<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
1998	886,007	\$ 25,651,277	28,952	3.8%
1999	893,826	26,638,485	29,803	3.8%
2000	898,279	27,393,670	30,496	3.9%
2001	898,196	28,689,993	31,942	4.5%
2002	900,149	29,550,580	32,829	5.4%
2003	902,453	30,267,908	33,540	6.0%
2004	903,589	32,013,771	35,430	6.1%
2005	905,399	33,134,636	36,597	6.2%
2006	910,605	34,788,774	38,204	5.7%
2007	N/A	N/A	N/A	5.1%

Sources:

Population and personal income data provided by the U.S. Bureau of the Census through Bureau of Economic Analysis (BEA). Unemployment rates provided by Tennessee Department of Labor and Workforce Development.

Note:

Population data are midyear estimates. Personal income amounts are totals for each calendar year. Per capita personal income amounts are computed on the basis of the mid-year population estimates given at left. Some amounts presented here have been revised by the data providers and consequently differ from amounts presented in the FY07 CAFR. Unemployment rates are non-seasonally adjusted calendar year average rates for the civilian workforce.

**Shelby County, Tennessee**

**Demographic and Economic Information  
Principal Employers  
Current Year and Nine Years Ago**

Employer	2007 (a)			1998		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
FedEx Corp	30,000	1	4.62%	29,500	1	4.79%
Memphis City Schools	15,240	2	2.35%	14,000	3	2.27%
United States Government	15,000	3	2.31%	14,860	2	2.41%
Methodist Healthcare	7,369	4	1.14%	6,701	4	1.09%
City of Memphis	6,667	5	1.03%	6,588	6	1.07%
Shelby County Government	6,513	6	1.00%	6,636	5	1.08%
Baptist Memorial Health Care Corp.	6,463	7	1.00%	5,162	7	0.84%
Naval Support Activity Mid South	6,372	8	0.98%			
Wal-Mart Stores, Inc.	6,000	9	0.92%			
Harrah's Entertainment, Inc	5,541	10	0.85%			
AutoZone, Inc.				4,700	8	0.76%
The Kroger Company				4,700	9	0.76%
University of Tennessee				4,250	10	0.69%
<b>Total</b>	<b>105,165</b>		<b>16.20%</b>	<b>97,097</b>		<b>15.76%</b>

Sources: Largest employer data from Memphis Regional Chamber of Commerce. The largest employer numbers are for Shelby County only.

(a) The 2007 statistics are the most recent available. Total employment (not shown, but used in computations) from U.S. Department of Bureau of Economic Analysis. The total employment numbers are also for Shelby County only. Total employment for 2006 was used as a surrogate for the 2007 figure, which is not expected to be available until spring, 2009.

**Shelby County, Tennessee**

**Operating Information**  
**Full-time Equivalent Government Employees-By Function (a)**  
**Last Eight Fiscal Years**

Function/Program:	Fiscal Year							
	2001	2002	2003	2004	2005	2006	2007	2008
General Government	553	574	532	294	297	317	297	319
Planning & Development	200	196	202	211	219	215	215	209
Public Works	364	362	383	473	496	474	480	476
Corrections	804	785	750	629	650	630	629	622
Health Services	777	764	647	674	677	674	653	643
Community Services (b)	177	178	204	560	590	572	545	562
Health Care Centers (c)	452	292	263	---	---	---	---	---
Law Enforcement: (d)								
Administrative & Support			234	257	253	243	243	237
Enforcement			558	550	536	544	566	592
Jail			1,304	1,121	1,179	1,143	1,133	1,116
Total Law Enforcement	<u>2,010</u>	<u>2,227</u>	<u>2,096</u>	<u>1,928</u>	<u>1,968</u>	<u>1,930</u>	<u>1,942</u>	<u>1,945</u>
Judicial	748	809	809	1,049	1,049	1,067	1,045	1,102
Other Elected Officials	<u>447</u>	<u>469</u>	<u>476</u>	<u>380</u>	<u>371</u>	<u>398</u>	<u>394</u>	<u>387</u>
Total Full-time Equivalent Employees	<u><u>6,532</u></u>	<u><u>6,656</u></u>	<u><u>6,362</u></u>	<u><u>6,198</u></u>	<u><u>6,317</u></u>	<u><u>6,277</u></u>	<u><u>6,200</u></u>	<u><u>6,265</u></u>

- (a) This schedule shows filled positions as of January 1, within each fiscal year.
- (b) On November 1, 2003 the County acquired additional employees for Head Start.
- (c) In fiscal year 2004 the County sold its Health Services facility.
- (d) In 2003, Law Enforcement was separated into the three divisions.

**Shelby County, Tennessee**

**Operating Information  
Capital Assets Statistics - By Function  
June 30, 2009**

Function/Program: (a)	Fiscal Year (a)									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government: Election Commission Polling Locations					283	279	279	279	274	274
Assessor Offices	2	2	2	2	2	2	2	2	2	2
Public Works Bridges (b)	294	275	257	235	217	201	199	184	184	189
Health Services Public Health Clinics					8	8	8	8	8	8
Law Enforcement Jail Capacity Male	2,825	2,825	2,825	2,825	2,825	3,025	3,025	3,068	2,887	2,825
Female	384	384	384	384	384	384	384	384	318	382
Judicial Courts	41	41	41	41	41	41	41	41	41	41
Enterprise Funds: Fire Stations (c)	8	8	8	8	8	8	7	7	7	7

- (a) Some data is not available for some years.
- (b) The number of bridges has declined due to annexations by municipalities.
- (c) Fire stations decreased due to transfer to municipality.

**Shelby County, Tennessee**

**Operating Information  
Operating Indicators - By Function (a)  
Last Ten Fiscal Years**

Function/Program:	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>General Government:</b>										
<b>Pretrial Services</b>										
Misdemeanor Interviews	33,861	32,008	33,363	30,089	29,398	29,421	28,538	26,973	28,691	25,646
Misdemeanor Arraignments	82,304	65,851	62,123	57,427	55,143	49,554	59,566	56,222	59,068	43,275
Felony Interviews	10,414	9,794	9,927	9,735	9,529	10,141	10,827	10,913	10,820	9,886
Felony Arraignments	12,102	11,930	10,268	10,048	9,477	10,456	11,012	11,061	11,332	10,667
<b>Election Commission</b>										
Number of Elections	2	2	3	1	2	4	5	4	6	6
<b>Community Services</b>										
<b>Head Start</b>										
Students				3,349	3,311	3,414	3,872	3,586	3,590	3,628
<b>Housing</b>										
Loans Outstanding						85	93	106	121	200
<b>Law Enforcement</b>										
Inmate Days per Year	1,041,256	1,076,828	882,933	759,663	721,143	806,562	881,162	948,892	1,024,920	968,785
<b>Judicial (b)</b>										
<b>Chancery Court</b>										
Filings	2,830	2,742	2,792	2,385	2,631	2,669	2,575	2,717	2,524	2,493
Dispositions	2,478	2,673	2,623	2,235	2,402	1,854	2,502	3,268	2,717	2,620
<b>Circuit Court</b>										
Filings	10,599	9,723	8,809	8,065	7,890	8,129	7,735	6,770	6,671	6,159
Dispositions	9,798	9,746	10,270	7,892	7,086	7,917	7,710	7,361	6,730	7,461
<b>Criminal Court (e)</b>										
Filings	21,132	22,054	22,293			25,735	24,869	29,928	26,977	27,030
Dispositions	20,396	21,886	23,747			27,872	24,742	26,621	29,923	30,396
<b>General Sessions Criminal Court</b>										
Filings		166,872	146,639	148,559	145,589	152,346	153,087	159,157	171,091	163,254
Dispositions		163,783	156,832	145,882	147,093	145,162	150,547	157,091	160,761	163,866
<b>General Sessions Civil Court</b>										
Filings	68,447	65,409	65,774	66,351	58,741	72,562	63,154	64,459	75,214	72,778
Dispositions					47,197	61,848	53,636	55,080	59,095	64,357
<b>Juvenile Court (c)</b>										
Disposed/Adjusted			22,125	24,934	20,729	20,490	22,817	21,211	19,195	16,877
Children Affected			16,164	15,684	14,573	14,760	15,987	15,561	14,205	12,897
<b>Probate Court</b>										
Filings	2,037	2,047	2,274	2,003	2,480	3,330	3,624	3,493	3,506	3,484
Dispositions	1,637	2,073	2,887	2,437	2,863	3,621	4,455	3,493	3,557	3,202

Other Elected Officials										
Register										
New Documents Filed	233,431	200,896	197,747	221,443	253,403	233,594	210,030	214,467	206,918	174,608
Assessor										
Parcels Assessed										
Real Property	311,043	314,893	320,901	325,493	328,565	331,881	335,896	340,264	349,963	353,006
Personal Property	36,510	36,523	37,101	38,235	38,105	37,989	38,168	38,846	39,773	39,495
Attorney General (c)										
Criminal Court Indictments					9,620	8,586	8,667	9,271	9,765	9,247
New Juvenile Delinquency Cases					2,828	2,753	2,947	3,090	3,168	3,185
Enterprise Funds:										
Fire (c)										
Fire Responses			8,600	9,326	6,488	6,051	6,433	7,087	8,926	9,621
Ambulance Calls			8,822	9,406	9,759	9,498	9,808	10,376	11,084	11,516
Codes Enforcement										
Building Inspections						58,790	63,665	61,482	59,332	44,673
Building Permits (d)	3,656	3,818	3,250	3,157	9,189	12,917	11,789	10,860	9,889	7,010
Board of Education (Component Unit)										
Enrollment										
Board of Education- County Shelby County	58,202	52,774	53,653	53,453	54,310	56,039	53,435	54,943	55,745	56,799
Board of Education- City of Memphis	129,762	136,683	136,754	137,013	135,236	135,183	138,043	137,932	135,268	129,872

- (a) Information not reported is not available for these periods.
- (b) Data for the latest year, except for Juvenile Court, was provided by Shelby County. All General Sessions data provided by Shelby County. All other data taken from reports of the Tennessee Administrative Office of the Courts.
- (c) Data is reported on a calendar year basis as of December 31 within each fiscal year.
- (d) Data prior to 2003 excludes hotels, motels, additions, alterations, conversions, hazardous storage facilities, churches, garages, carports, educational facilities and swimming pools.
- (e) No data reported in fiscal years 2002 and 2003 due to problems with the case management system during the year.

**Shelby County, Tennessee**

**Schedule of Salaries and Fidelity Bonds**

**June 30, 2008**

<u>Official</u>	<u>Designation</u>	<u>Salary Amounts</u>	<u>Bond Expiration Date</u>	<u>Bond Amount</u>
<b>Mayor and Staff</b>				
A C Wharton, Jr.	Mayor	\$ 150,000	09/01/10	\$ 100,000
James F. Huntzicker	Chief Administrative Officer/Director of Administration and Finance	154,500	09/01/10	100,000
Theodore C. Fox, III	Director of Public Works	125,666	09/01/10	100,000
Yvonne Smith Madlock	Director of Health Services	125,664	09/01/10	25,000
Dorothy Day Jones	Director of Community Services	120,000	09/01/10	25,000
Andrew Taber, Jr.	Director of Corrections	125,664	09/01/10	100,000
<b>Court Clerks</b>				
Dewun R. Settle	Chancery Court Clerk and Master	106,813	10/01/12	1,060,000
James L. Moore	Circuit Court Clerk	106,813	09/01/10	60,000
William R. Key	Criminal Court Clerk	106,813	09/01/10	65,000
William C. Turner	General Sessions Court Clerk	106,813	09/01/08	60,000
Chris R. Thomas	Probate Court Clerk	106,813	09/01/10	60,000
Steve Stamson	Juvenile Court Clerk	106,813	09/01/10	60,000
<b>Others</b>				
Mark H. Luttrell, Jr.	Sheriff	117,496	09/01/10	50,000
Debra J. Stamson	County Clerk	106,813	09/01/10	95,000
Thomas F. Leatherwood	Register	106,813	09/01/10	25,000
Paul M. Mattila	Trustee	106,814	09/01/08	24,775,000
Rita Clark	Assessor	106,813	09/01/08	10,000
All Employees	Employee Theft Coverage		09/01/08	900,000 per claim